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PROCEEDINGS AND DEBATES OF THE 93$^{d}$ CONGRESS, FIRST SESSION

# SENATE—*Tuesday, March 19, 1974*

The Senate met at 12 o'clock noon and was called to order by the Vice President.

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, before whom the generations rise and pass away, fit us to know and do Thy will for our times. Forgive our generation for all waste and spoilage of human resources, for moral depletion, and for drawing from the shallow wells which yield neither wisdom nor integrity. Redeem our times e'er it is too late. Help us to give priority to all that is good and true, kind, and just. With the promise of Earth's energy from other lands grant us spiritual energy in this land which wins friendship and good will among the peoples of the Earth, sustains their lives and ours, and undergirds all foreign relations. Grant us inner grace to match the large designs of Thy coming kingdom.

We pray in the Master's name. Amen.

## REPORT OF THE NATIONAL SCIENCE FOUNDATION—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under authority of the order of the Senate of March 13, 1974, the Secretary of the Senate, on March 18, 1974, received a message from the President of the United States, which, with the accompanying report, was referred to the Committee on Labor and Public Welfare. The message is as follows:

*To the Congress of the United States:*

I am pleased to submit to the Congress the Twenty-Third Annual Report of the National Science Foundation.

The Nation today is faced with scientific and technological challenges and opportunities of unprecedented importance. As this report shows, the National Science Foundation is funding projects across a broad spectrum of scientific inquiry, from basic research to highly focused and sophisticated engineering techniques. Concurrently, National Science Foundation programs are encouraging the more rapid transfer of technological knowledge from the laboratories to the marketplace and are increasing the scientific and technical manpower base which the United States must have in the future.

I believe the annual report of the National Science Foundation merits the close attention of the Congress. It is a record of a very productive year.

RICHARD NIXON.

THE WHITE HOUSE, *March 18, 1974.*

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, March 13, 1974, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, informed the Senate that, pursuant to the provisions of section 602(b) of title 6, Public Law 92–352, the Speaker had appointed Mr. FRELINGHUYSEN, of New Jersey, as a member of the Commission on the Organization of the Government for the Conduct of Foreign Policy, to fill the existing vacancy thereon.

The message also announced that the House had passed the bill (S. 2771) to amend chapter 5 of title 37, United States Code, to revise the special pay bonus structure relating to members of the Armed Forces, and for other purposes, with amendments, in which it requested the concurrence of the Senate; that the House insisted upon its amendments to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STRATTON, Mr. NICHOLS, Mr. HÉBERT, Mr. HUNT, and Mr. BRAY were appointed managers on the part of the House at the conference.

The message further announced that the House had passed the bill (S. 1341) to provide for financing the economic development of Indians and Indian organizations, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 39. An act to amend the Federal Aviation Act of 1958 to provide a more effective program to prevent aircraft piracy, and for other purposes; and

S. 1206. An act for the relief of Concepcion Velasquez Rivas.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 6395. An act to designate certain lands in the Okefenokee National Wildlife Refuge, Ga., as wilderness;

H.R. 8660. An act to amend title 5 of the United States Code (relating to Government organization and employees) to assist Federal employees in meeting their tax obligations under city ordinances;

H.R. 9199. An act to amend title 35, United States Code, "Patents", and for other purposes;

H.R. 11559. An act to place certain submerged lands within the jurisdiction of the governments of Guam, the Virgin Islands, and American Samoa, and for other purposes;

H.R. 11573. An act to amend the Organic Act of Guam to place certain lands within the jurisdiction of the government of Guam, and for other purposes;

H.R. 12341. An act to authorize sale of a former Foreign Service consulate building in Venice to Wake Forest University;

H.R. 12465. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations for the fiscal year 1974;

H.R. 12466. An act to amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes; and

H.R. 12471. An act to amend section 552 of title 5, United States Code, known as the Freedom of Information Act.

## HOUSE BILL REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 6395. An act to designate certain lands in the Okefenokee National Wildlife Refuge, Ga., as wilderness;

H.R. 11559. An act to place certain submerged lands within the jurisdiction of the government of Guam, the Virgin Islands, and American Samoa, and for other purposes; and

H.R.11573. An act to amend the Organic Act of Guam to place certain lands within the jurisdiction of the government of Guam, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

H.R. 8660. An act to amend title 5 of the United States Code (relating to Government organization and employees) to assist Federal employees in meeting their tax obligations under city ordinances. Referred to the Committee on Post Office and Civil Service.

H.R. 9199. An act to amend title 35, United States Code, "Patents", and for other purposes. Referred to the Committee on the Judiciary.

H.R. 12341. An act to authorize sale of a former Foreign Service consulate building in Venice to Wake Forest University;

H.R. 12465. An act to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations for the fiscal year 1974; and

H.R. 12466. An act to amend the Department of State Appropriations Authorization Act of 1973 to authorize additional appropriations for the fiscal year 1974, and for other purposes. Referred to the Committee on Foreign Relations.

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I yield at this time to the distinguished senior Senator from Wyoming (Mr. McGee).

## COMPENSATION OF EMPLOYEES OF SENATE COMMITTEES

Mr. McGEE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2315.

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2315) relating to the compensation of employees of Senate committees, which were, on page 2, after line 3, insert:

Sec. 2. (a) Section 3216 of title 39, United States Code, is amended by striking out ", and the printed words 'Postage paid by Congress' ".

(b) Section 733 of title 44, United States Code, is amended by striking out "Postage paid by Congress.".

(c) Section 907 of title 44, United States Code, is amended by striking out "Postage paid by Congress".

Sec. 3. (a) Section 5(d) of the Act of December 18, 1973 (87 Stat. 742; Public Law 93–191), is amended by striking out "or 3218" and inserting in lieu thereof "3218, or 3219".

"(b) Section 6(a) of the Act of December 18, 1973 (87 Stat. 744; Public Law 93–191), is amended by striking out "or 3218" and inserting in lieu thereof ", 3218, or 3219".

And amend the title so as to read: "An Act to amend the minimum limits of compensation of Senate committee employees and to amend the indicia requirements on franked mail, and for other purposes."

Mr. McGEE. Mr. President, I have discussed this measure with the ranking minority member of the Post Office and Civil Service Committee, the Senator from Hawaii (Mr. Fong), and we have an agreement to call this bill up today and to submit it to the Senate for its approval.

Mr. President, I move that the Senate concur in the amendments of the House.

The motion was agreed to.

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. The nominations on the Executive Calendar will be stated.

## U.S. ARMY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations are considered and confirmed en bloc.

## U.S. NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Navy.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations are considered and confirmed en bloc.

## NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Air Force, in the Army, and in the Marine Corps, which had been placed on the Secretary's desk.

The VICE PRESIDENT. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

## CONSIDERATION OF CERTAIN BILLS ON CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 707, 708, and 709.

The VICE PRESIDENT. Without objection, it is so ordered. The first bill will be stated.

## JOE H. MORGAN

The bill (S. 1276) for the relief of Joe H. Morgan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Joe H. Morgan of Mililani Town, Hawaii, is relieved of all liability for repayment to the United States of the sum of $940, representing the amount of unauthorized travel expenses paid by the United States to transport the dependent wife and child of the said Joe H. Morgan from Honolulu, Hawaii, to Norton Air Force Base, California, in June 1970, and from San Francisco, California, to Honolulu, Hawaii, in June 1971, following the release of the said Joe H. Morgan from active duty with the United States Navy on June 30, 1970. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

Sec. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Joe H. Morgan the sum of any amount received or withheld from him on account of the indebtedness referred to in the first section of this Act.

(b) No part of any amount appropriated in this section shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any amount not exceeding $1,000.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–731), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

### PURPOSE

The purpose of the proposed legislation is to relieve Mr. Morgan of liability to repay to the United States the sum of $940 representing the amount of unauthorized travel expenses paid by the United States for unauthorized transportation of Mr. Morgan's dependent wife and child.

### STATEMENT

The facts of the case as contained in the report of the Department of the Navy are as follows:

The records of this Department show that Mr. Morgan served as an enlisted member of the U.S. Navy from October 1, 1940, until November 24, 1946, and as an enlisted member of the U.S. Naval Reserve on inactive duty from November 25, 1946, until November 24, 1954. He accepted appointment as a lieutenant junior grade in the Naval Reserve on January 15, 1959, and was placed on inactive duty. He was ordered to active duty from Honolulu, Hawaii on March 4, 1962, and served until he was involuntarily released from active duty at Long Beach, Calif., on June 30, 1970.

Lieutenant Commander Morgan's last permanent duty station was on the staff of Commander Landing Ship, Squadron Three, homeported in Guam. Lieutenant Commander Morgan's family was residing with him in Guam when he was ordered on temporary duty to the Continental United States for separation. He and his dependents were issued space required government contract air transportation from Guam to Norton Air Force Base in California and he was released from active duty at the Naval Stattion in Long Beach, Calif. on June 30, 1970. In June of 1971 he elected Honolulu, Hawaii as his permanent residence and was issued Government contract surface transportation for himself and his dependents from San Francisco, Calif. to Honolulu, Hawaii.

In accordance with Government travel regulations, Lieutenant Commander Morgan was only entitled to transportation of his dependents at Government expense from his last permanent duty station, Guam, to Honolulu, his home of selection. The cost for transportation furnished his dependents from Guam to Norton Air Force Base and from San Francisco to Honolulu in excess of the costs for the authorized travel from Guam to Honolulu is the source of the Government claim against Lieutenant Commander Morgan.

It appears that the claim against Lieutenant Commander Morgan arose through no fault of his own. There is nothing in the records of this Department to indicate that Lieutenant Commander Morgan was not acting in good faith.

For this reason, the Department of the Navy would interpose no objection to the enactment of S. 1276.

In agreement with the views of the Department of the Navy, the committee recommends favorable consideration of S. 1276, without amendment.

## NATIONAL VOLUNTEER WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 179) to authorize and request the President to issue a proclamation designating the calendar week beginning April 21, 1974, as "National Volunteer Week."

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution with its preamble is as follows:

Whereas we are a nation of people who thrive on helping others as well as ourselves to a better life;

Whereas this Nation was founded upon a spirit of voluntarism and today one out of every five Americans is making a gift of time and talent to some kind of volunteer service and this movement is growing;

Whereas anyone, old or young, rich or poor, can be a volunteer and reap the rich rewards that come from doing for others as well as from improving one's own skills and widening one's horizons;

Whereas our communities and our country will benefit as more of its citizens bestow the priceless gift that comes only when people give of themselves: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized and requested to issue a proclamation—

(1) designating the calendar week beginning April 21, 1974, as "National Volunteer Week"; and

(2) urging all Americans to observe that week by seeking out some area in their community where they can give aid to some needy individual or worthy cause by devoting a few hours each week or more; and

(3) calling upon all communities throughout the United States to recognize volunteers by observing the week with special ceremonies to honor those who have given countless hours for the betterment of our communities and the American way of life.

Mr. HUGH SCOTT. Mr. President, the joint resolution just passed, designating National Volunteer Week, is a joint resolution that I introduced. I have just these cautionary words: That all persons affected thereby consider very carefully when to volunteer and what for.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 93–732), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### STATEMENT

National Volunteer Week has been observed for the last few years. It was inaugurated in Philadelphia in 1960. The observance gives recognition to the thousands of people who serve as volunteers. During the first few years Volunteer Week emphasized further recruitment; however, in 1964, recognition of outstanding volunteers became the main focus and the first" Volunteer of the Year Award" was presented in March of that year.

This Nation was founded upon a spirit of volunteerism. Today one out of every five Americans is making a gift of time and talent to some kind of volunteer service, and this movement is growing year by year.

The committee is of the opinion that favorable consideration of this resolution designating the week beginning April 21, 1974, as "National Volunteer Week" and encouraging communities throughout the land to recognize volunteers.

Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 179 without amendment.

## NATIONAL AGRICULTURE WEEK

The Senate proceeded to consider the joint resolution (S.J. Res. 163) authorizing the President to proclaim the last full week in March of each year "National Agriculture Week" which had been reported from the Committee on the Judiciary with an amendment to strike out all after the resolving clause and insert:

That the President of the United States is authorized and requested to issue a proclamation (1) designating the last full week in March of each year as "National Agriculture Week", (2) designating the Monday of each such week as "National Agriculture Day", and (3) calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

Mr. DOLE. Mr. President, today, the people of the United States are rediscovering part of our heritage—a bountiful agriculture. As the world population grows, food producing capacity decreases and food supplies become tighter, that legacy may be ever more greatly appreciated by Americans. It is appropriate that we commemorate our great agricultural capacity with a special Agriculture Day and Week.

### KEY TO AMERICAN SUCCESS

The genius of the American farmer in providing food for his fellow Americans and the world in the most efficient way possible is the essence of the American success story. Less developed countries today have a high proportion of their population involved in supplying their basic requirements for food. Two hundred years ago, this Nation, too, began as basically an agricultural society. Because of the U.S. farmer's ability and efficiency and a progressive agribusiness sector, 96 percent of our people have been increasingly freed over the years to build the consumer and industrial products that provide today's high standard of living.

The hard-working, fiercely independent, proud American farmers have been steadily decreasing in number over the years. At the same time, however, they have become proportionally even more productive. In the 1950's, one farm worker supplied an average of 16 people with food. Now he produces enough for 51 individuals. Output per man hour on farms is 3.1 times higher than 20 years ago. In manufacturing industries, output per man hour has increased only 1.7 times for the same time period.

This trend of increasing farm productivity has been one of the prerequisites for this Nation's becoming an industrial giant. We should not forget, however, that farmers face extraordinary difficulties and risks in trying to raise better and cheaper products.

### SPECIAL TOUGHNESS

It takes a special breed to run a farm. In times of disaster when floods have washed away his crops or his fields have dried up in a drought, the farmer has struggled to get back on his feet and start farming again, when men of lesser character might have given up. When the bottom has fallen out of prices, the farmer has kept going when even a small profit would have seemed welcome.

It takes a well-developed toughness to cope with the risks a farmer faces every year. The average farm value is over $102,000 and is increasing. This investment is put on the line with every crop. It takes tractors, trucks, and combines that come with five-figure price tags. Yet in a manner of minutes, a carefully tended crop can go up in smoke or be ruined by hail and wind.

But the farmer still must pay his equipment loans. There is very little risk that a farmer's loans or banknotes will go up in smoke though, the way his crop might. With skyrocketing expenses for the industrial products he must use, farmers have become increasingly reliant on credit. The loans outstanding to farmers on January 1, 1974, totaled $81.7 billion. The terms of these notes come due without fail and must be met. It is no exaggeration that the farmer may be among the greatest gamblers in the world. He has to be tough to take it. Thank God, I say, because we certainly could not do without him.

### NATIONAL RESOURCE

It is hard to comprehend just how much food is produced in this country. Americans may have come to take for granted that they have the best and most reliable food supply in the world. Production figures from the livestock industry are indicative. Farmers and ranchers in a single year market about 11 million sheep and lambs, 39 million beef cattle and calves, 88 million hogs, 120 million turkeys and 3 billion broilers. They also sell 72 billion eggs and 115 billion pounds of milk. Farm commodities overall have a value of about $66 billion annually.

No one has been able to point out to me anything more important than food. As a nation, we have become complacent about our supply since generally we can get what we want to eat when we want it. As increasing world demand draws out higher prices for food, we may become more aware of how fortunate we are that American farmers produce what they do.

### FOOD FOR OIL

In recent years the farmer has come to have another vital role due to the worldwide demand for his production. Farm exports reached a record of $12.9 billion in fiscal 1973, including well over $4 billion worth of food to foreign consumers.

The sale of U.S. agricultural products abroad is helping to prop up the American dollar, making it possible for Americans to buy the fuel they need from overseas, as well as the radios and cars and cameras they want in their pursuit of a good life. This contribution to the American way of life goes far beyond the supplying of food and fiber to his fellow Americans. The farmer is making a major contribution to our country's balance of trade—at a time when a favorable balance is desperately needed.

Farmers are responding to meet this increasing world need for food. The extent of expansion is well stated in an article published by the Chase Manhattan Bank in Business in Brief, No. 113, December 1973. I ask unanimous consent to have this statement printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### U.S. AGRICULTURE: GIANT UNCHAINED

Some weeks ago, one of the largest and most respected newspapers in the country suggested that U.S. agriculture is entering an era more of knotty problems than of unbounded growth. The United States, energy-short in the mid-1970s, easily become food-short by the mid-1980s. Such a thesis makes for striking headlines and compelling copy. Fortunately, the thesis is fundamentally unsound. The best evidence suggests that U.S. farms are capable of satisfying any foreseeable increase in the world's effective demand for American food up to, and probably much beyond, the mid-1980s.

Those who worry about the capacity of U.S. agriculture to meet future demands argue that we are slowly running out of good farmland, in large part because of the spread of urbanization. But the plain fact is that while urban uses now claim about twice as much land as they did in 1950, they still account for only 1.5% of the total land area, or about 35 million acres. Land devoted to cities, highways and airports totals about 58 million acres, which just about equals the amount of land the U.S. has removed from crop cultivation in the last 25 years. But we did not retire this acreage in order to accommodate the growth of the cities or the transportation system. Most of this growth has occurred at the expense of land that was largely unsuitable for crops. The cropland was idled because effective demand was thought to be weak, and farmers were paid not to plant.

In the last year, however, the supply-demand balance has begun to shift. And the farmer has been responding enthusiastically. Between 1972 and 1973, U.S. farmers planted 28 million acres more than in the previous growing season. Between 1973 and 1985, if prices are right, farmers could plant 32 million more acres than they did this year without running out of surplus land. If farmers use the available land surpluses and continue to improve yields per acre at respectable, though by no means record-breaking rates, it is inconceivable that the U.S. will suffer any food deficiencies. Indeed, we should be able to feed a projected 1980 population of 221.8 million Americans on less land than we harvested during 1973.

### EXORCISING A SPECTER

The specter stalking U.S. agriculture was never Malthusian in shape. The threat was always insufficient demand rather than inadequate supply. In the post-war period, we solved our demand problems both by restricting production and by giving it away. In the future, we won't have to do either.

The value of farm marketings is expected to equal between $90 billion and $93 billion by 1980—an average annual growth rate of between 6% and 6.3% during the seventies. Since prices will probably increase from 3.5% to 3.8% a year for the decade as a whole, the volume of physical output will increase around 2.5% annually. This compares with slightly less than 2% from 1950 to 1970. Increased domestic consumption should account for about a 1.5 percentage-point increase, broken down as follows: a 0.8 rise to take care of the projected increase in our population and another 0.7 gain to take care of the gradual upgrading of American diets—i.e., from grain to meat consumption. The remainder of the 1970–1980 increase in physical output—about one percentage point a year—will go to the export market.

U.S. agricultural exports in 1980 are expected to reach a total value anywhere from $14 billion to $16 billion. That is more than double the 1969–1971 average, although slightly lower than the record and atypical export sales of 1973, now estimated at $17 billion, which were realized in part by running down large stockpiles.

What is more significant, however, is not the level of exports forecast for 1980, but their likely composition. Exports to the developed countries and to the Socialist world are slated to rise by nearly $4.1 billion, to $11.2 billion, while sales to the less-developed countries may go up by only $1.6 billion, to $3.8 billion. In other words, U.S. farmers are becoming less dependent upon consumers in the Third World—where effective demand has been uncertain. Put another way, U.S. farm export goals for 1980 can be met without massive infusions of American aid. And indeed subsidized shipments of U.S. food are expected to decline sharply; by 1980, noncommercial shipments will probably account for not more than 10% of the total dollar value of agricultural exports.

Four major commodity groups—feed grains, wheat and flour, soybeans including cake and meal, and cotton—are expected to account for some 60% of total agricultural exports in 1980, compared with a 56% share in 1969–1971. Soybeans (including cake and meal made of soybeans) will be the fastest increasing export commodity, expected to reach an export value of about $4.6 billion in 1980, up by more than 50% over 1973 but almost triple the 1969–1971 value. The average annual growth over the ten-year period will reach almost 11%. Western Europe and Japan will remain the best customers for this commodity. Second in importance are feed grains (mostly corn), the 1980 export value of which could range anywhere from $1.8 billion to $2.3 billion, depending on the upgrading of diets from cereal to meat products in various regions of the world. Wheat is in third place, with 1980 exports projected to reach anywhere between $1.6 billion and $1.9 billion, up by 50% to 70% over 1969–1971 but possibly only about half the level of 1973, when prices were extraordinarily high. Cotton is expected to account for over $800 million, or about 5% of 1980 exports. Exports will stay at the 1973 levels.

By 1980, U.S. exports will supply almost 30% of world consumption of soybeans, including cake and meal, compared with about 26% in recent years. We will also supply about 5% of world consumption of feed grains compared with 3.4% in recent years. Our share of the world's cotton market will depend on the availability of man-made fibers, which in turn depends on the availability of oil-based raw materials.

Agriculture's contribution to the balance of payments in 1980 will be determined, of course, by the level of imports as well as exports. By the end of the decade, imports should reach between $10 billion and $11 billion. Interestingly, the ratio of imports to total farm marketings should remain just about what it was at the beginning of the seventies—11%—which tends to belie the rather widespread notion that America's dependence on imported food will drastically increase. Agriculture's net contribution to the balance of payments in 1980 will run between $4 billion and $5 billion—only about half the 1973 record, but at least six- to sevenfold greater than the average of the 1969–1971 period.

To coax all this production out of the American farmer presupposes a favorable cost-price relationship. From 1950 to 1970, the prices received by farmers increased at an average annual rate of only 0.4%, while prices paid by farmers for farm inputs and living expenses rose by 2.1% a year. For the seventies as a whole, the ratio should turn considerably more equitable: prices received and prices paid should both rise by about 3.5% to 3.8% a year. Nonetheless, taking into account the enormous increases farmers have already received in the early seventies, prices of farm products should decline from the peak levels reached this year.

The relatively favorable cost-price relationship in which the farmer now finds himself will probably increase the attraction of agriculture as an occupation. Yet the number of farmers in the U.S. will probably continue to decline throughout the seventies. Indeed, if the number doesn't fall, the cost-price ratio might easily deteriorate. In 1980, only about 1 in 32 Americans will live on a farm, as compared with about 1 in 22 in 1972. During the seventies the number of farms is likely to drop by 1 million units—to a total of 2 million in 1980. The average size of the farm will probably increase to 550 acres.

The move away from the farm has been in the past, and will be in the future, a general phenomenon for every region of the United States. Some regions, however, will undergo changes at a much faster rate than others. The largest change is expected in the Northeast where as many as 40% of all farms may be absorbed into larger units by 1980. Relatively large declines are also indicated for the Southeast and Delta regions where cotton acreage could conceivably be reduced to make room for livestock or other land-consuming type of farming. Regions least affected by changes in the number of farms will include the Lake States, the Corn Belt and the Northern Plains—areas where farms already are large.

American agriculture has in the past been dominated by small family farms rather than larger commercial farms. A commercial farm is a unit with realized sales of $20,000 or more which specializes in one or only a few marketable products. In the future, commercial farms will multiply rapidly, as skilled management, greater capital resources and improved technology become available. In 1960, only 23,000 farms had sales of over $100,000. By 1980, as many as 90,000 farms will have sales exceeding $100,000, and several thousand farms will have sales exceeding $1 million. (This is still a relatively small size when compared with nonfarm business.)

Capitol will continue to replace labor on the farm throughout the seventies. In 1960, labor accounted for about 30% of total productive resources used in agriculture; by 1980, labor will account for only about 10% of total inputs. Capital (other than land), which contributed 61% of total resources in 1960, will reach 80% by 1980. And land will rise from 8.5% to 10%.

### BIGGER IS BETTER

Farm capital is being used both more intensively—by increasing the amount of capital per farm and per farm worker—and more efficiently—by lowering the ratio of capital to output. In 1960, the average value of production assets—real estate, livestock, and machinery—per farm was about $42,000, but by 1970 it had reached almost $87,000. In recent years, real estate values and livestock assets per farm have more than doubled. The amount of capital used by the typical farm continues to increase as farms are consolidated while capital displaces labor. In addition, the new technology of agriculture depends more and more on capital inputs produced by off-farm sources. As a result, production assets per farm have now reached $116,500, and by the end of the decade, the average farm could employ in the neighborhood of $200,000 in physical capital.

It is estimated that 45% to 50% of all capital assets are located on farms with sales of $40,000 or more; between 75% to 80% of all capital is employed by farms with sales exceeding $20,000. The larger-size farms use capital more efficiently than do the smaller ones. Gross cash receipts per dollar of capital asset run, on the average, 30% higher for farms with sales above $40,000 than for farms with sales between $20,000 and $40,000. It seems that there are substantial economies of scale to be achieved by further consolidation of farm units.

### RAISING DEBT AS WELL AS CORN

Although the use of capital has increased sharply since 1940, the equity position of farmers has remained remarkably stable. In 1973, liabilities averaged $26,400 per farm and amounted to about 19% of assets. This ratio of debt to total capitalization is quite low, considering the profitable investment opportunities opening up in the operation of large, specialized commercial farms.

In the past farmers as a group have tended to pay off their debts too readily from the viewpoint of maximizing their own profitability. But this attitude seems to be changing. Observing the substantially higher debt burdens carried by industrial organizations, the modern farmer seems prepared to use debt a little more freely. As a result, an increasing number of rural banks are being forced to look beyond their own deposit bases in order to meet the demand for farm credit.

On the basis of a capital flows model, it was estimated that between 1965 and 1969, agriculture used approximately $11.5 billion of capital per year. About $4.9 billion of this amount came from debt sources, while the major part, or $6.6 billion per year, came from internally generated cash flows. By the late 1970s, agriculture's demand for capital is expected to average $20 billion per year. Only about $10 billion can come from earnings generated by farm operations. So about $10 billion would have to be provided by credit institutions. It seems, then, that the annual demand for credit will just about double from 1970 to 1980.

Farming currently represents about 3% of the country's gross national product. It is estimated, however, that farming plus supporting industries like transportation, processing, packaging, manufacturing, and wholesaling and retailing—which share in the economic activity generated by farming—account for about one fourth of GNP. Hence, agriculture in its broadest sense is now, and probably will remain America's largest industry. As the seventies progress, the U.S. farm will become increasingly liberated from the manifold restraints on its almost legendary capacity to produce. By 1980, it is conceivable that agriculture will not only be America's largest industry but also its healthiest.

### URGE SUPPORT

Mr. DOLE. Mr. President, without the farmers, their families and their employees, this country could not possibly feed the millions of people in our urban areas and the millions of hungry people overseas. We could not afford to import the billions of dollars worth of essential commodities we need from other countries without exports of farm products. The men and women of agriculture are deserving of the special recognition which Senate Resolution 163 provides for with an Agriculture Day and Agriculture Week.

I urge my colleagues in the Senate to give this measure their full support on behalf of both the farmers of the Nation and also the consumers who benefit from our great agricultural wealth.

Mr. HUMPHREY. Mr. President, it gives me great pleasure to urge favorable Senate consideration of Senate Joint Resolution 163 which establishes a national week of recognition and a special day within that week to pay tribute to American agriculture.

It would be difficult to discover a group that has worked harder than our farmers and received less in the way of reward. While the immediate purpose of this resolution is to pay tribute to the accomplishments and the importance of American agriculture, it is to be hoped that with an increased understanding, future steps may be taken to increase the returns to the farmer.

Mr. President, the story of American agriculture today is one in which we all can and should feel pride. Our farmers, representing less than 5 percent of the population, feed not only the American people with high quality food at prices which still are a bargain, but also an ever increasing number of people in other countries. Even with recent food price increases, American consumers in 1973 spent only about 15.8 percent of their disposable income on food as opposed to 25 to 35 percent in Europe and 70 to 80 percent in developing countries.

One farmer today produces enough food for 51 people as opposed to 15 people 20 years ago. Productivity in agriculture is increasing nearly twice as fast as in industry.

Beyond providing ample supplies of food for American consumers, the increased food exports to foreign countries in the past year have brought U.S. balance of payments back to a near balanced position, and this year's exports, which may exceed $19 billion, will meet most if not all of the increased cost of oil import requirements.

While the contributions of the American farmer in terms of production are recognized, inadequate financial returns have led to the continuing decrease in the number of farmers by about 100,000 per year since 1960.

As a result of the sharp increase in agricultural exports during the past year, farm incomes have shown a sharp improvement, but this trend is not expected to continue this year.

In spite of one good year of improved prices, we have received a steady flow of information during the last few weeks on sharp increases in prices that the farmer has to pay for supplies, fertilizer, repairs, and labor. Unfortunately, the farmer is never in a position to demand a price for his produce which will guarantee a profit.

We have growing evidence that the dairy farmers are having a serious time avoiding losses, with herds being sold at a time the U.S. Government is allowing increased milk imports, and livestock farmers are frequently losing $100 to $125 per head of cattle at a time when retail meat prices are at or near all time highs.

In addition, the shortage of railcars continues to be a problem for the farmer both in terms of marketing his produce and obtaining supplies. We note that at this time an urgent effort is necessary to get fertilizer to the farmer in time for the spring planting.

Mr. President, in spite of these problems and the rather dramatic events of the past year, it is clear to me that the American farmer can respond to changing conditions and demands if given adequate incentives to produce.

The Federal Government, in particular, must show more concern and sensitivity toward the problems and needs confronting farm families and rural areas. The record of the administration's leadership during the past year in foreseeing and dealing with agriculture problems has been abysmal.

It is my hope that this resolution will make a contribution toward a better understanding of American agriculture. We can no longer afford to look at issues in terms of farmer versus consumer. A prosperous agriculture will assure a continued supply of good food and benefits the general economy.

Mr. President, I strongly urge passage of this resolution. It will give our communities and schools the opportunity and the encouragement to learn more about agriculture and its very important role in our country and the world.

The resolution will also serve as a tribute to our farmers and farm families which is richly deserved and long overdue. I urge all members to join in its support.

The amendment was agreed to.

The joint resolution, as amended, was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

Whereas American agriculture has provided the American consumer with the greatest variety and highest quality food available to the citizens of any nation in the world;

Whereas the continued vitality of American agriculture is essential to the expansion of food and fiber production required to meet the growing needs of an ever increasing and more affluent world population;

Whereas this food and fiber production of America's farms is essential in keeping domestic and international supply and demand in balance and thereby combating inflation;

Whereas the production of our Nation's farms is of singular importance to United States exports and the balance-of-payments and provides the margin of resources with which to purchase supplies from abroad to meet our critical energy demand;

Whereas the American family farm has been recognized around the world as an extremely efficient unit of production;

Whereas American agriculture, utilizing modern science and technology, has developed superior farming methods leading to increased productivity and improved quality of farm products; and

Whereas it is appropriate to establish one week each year during which citizens can pause and reflect upon the contributions of agriculture to the Nation: Now, therefore, be it resolved, That the President of the United States is authorized and requested to issue a proclamation (1) designating the last full week in March of each year as "National Agriculture Week", (2) designating the Monday of each such week as "National Agriculture Day", and (3) calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The title was amended so as to read: "Joint resolution authorizing the President to proclaim the last full week in the month of March of each year as "National Agriculture Week" and the Monday of each such week as "National Agriculture Day"."

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 93–733), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

### PURPOSE

The purpose of the joint resolution as amended is to authorize the President to proclaim the last full week of March of each year as "National Agriculture Week" and to designate the first day of such week as "National Agriculture Day".

### STATEMENT

A strong and prosperous agriculture is essential to the well-being of America. Agriculture provides us with the source of life itself—food. Without a sound, wholesome food supply, this country—or any country—cannot hope to progress, or even to survive.

When we talk about agriculture, exactly what is it that we are talking about? To begin with, we are talking about the biggest industry in the world—an industry with assets totalling $370 billion. That is equal to about three-fifths of the value of capital assets of all corporations in the United States or about half the market value of all corporation stocks on the New York Stock Exchange.

We are talking about an industry that provides one out of every five jobs in private employment in the United States. There are over 4 million farmworkers—including farmers; another 2 million people have jobs providing the supplies farmers use for production; and about 10 million people have jobs storing, transporting, processing, and merchandising the products of farming.

There are in the United States today less than 3 million farms. Out of this comparatively small cornucopia flows a dependable and seemingly endless tide of foodstuffs that more than 200 million Americans and tens of millions of other peoples around the world have, until recently, taken for granted.

The committee believes that the reasons for this proclamation are self-evident. American agriculture has provided vast amounts of the highest quality food and fiber for American and international consumers. From farm exports, we earn most of the revenue to meet our energy import requirements. Our farmers have been extremely efficient, and they are unsung heroes deserving recognition for their contributions to the Nation.

The committee is of the opinion that this resolution has a meritorious purpose and accordingly recommends favorable consideration of Senate Joint Resolution 163 as amended.

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## WAIVER OF CALL OF CALENDAR UNDER RULE VIII

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent that the call of the calendar under rule VIII be waived.

**The VICE PRESIDENT.** Without objection, it is so ordered.

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## AMENDMENT OF GENERAL EDUCATION PROVISIONS ACT

**Mr. MANSFIELD.** Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 12253.

**The VICE PRESIDENT** laid before the Senate the amendment of the House of Representatives to the amendments of the Senate to the bill (H.R. 12253) to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975 which was in lieu of the matter proposed to be inserted by the amendment of the Senate to the text of the bill, insert:

That section 414(b) of the General Education Provisions Act is amended by inserting "(1)" before "Notwithstanding", by striking out "subsection" and inserting in lieu thereof "paragraph", by striking out "1973" and inserting in lieu thereof "1974", and by adding at the end thereof the following new paragraph:

"(2) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this paragraph, any funds from appropriations for the fiscal year ending June 30, 1973, to carry out programs to which this title is applicable which are made available during the fiscal year ending June 30, 1974, shall remain available for obligation and expenditure during the fiscal year ending June 30, 1974, and the fiscal year ending June 30, 1975.".

Sec. 2. Clauses I and II of the first sentence of paragraph (1) of subsection (a) of section 428 of the Higher Education Act of 1965 are amended to read as follows:

"(I) less than $15,000, the amount of such loan would not cause the total amount of the student's loans under this part to exceed $1,500 in any academic year or its equivalent (as determined under regulations of the Commissioner), and the eligible institution at which he has been accepted for enrollment (or, in the case of a student who is attending such an institution, at which he is in good standing, as determined by such institution) has provided the lender with a statement which sets forth the estimated cost of his attendance at such institution (which, for purposes of this paragraph, means, for the period for which the loan is sought, the tuition and fees applicable to such student together with its estimate of other expenses reasonably related to attendance at such institution for such a student, including, but not limited to, the cost of room and board, reasonable commuting costs, and costs for books), and its estimate of the amount of assistance such student will receive (for the period for which the loan is sought under parts A, C, and E of this title and under any other scholarship, grant, or loan assistance; or

"(II) less than $15,000 and the amount of such loan would cause the total amount of the student's loans under this part to exceed $1,500 in any academic year or its equivalent (as determined under regulations of the Commissioner), or equal to or more than $15,000, and the eligible institution at which the student has been accepted for enrollment, or in the case of a student who is attending such an institution, at which the student is in good standing (as determined by the institution) has determined that the student is in need of a loan to attend such institution; has determined, by means other than one formulated by the Commissioner of Education under part A, subpart 1, of this title, the amount of such need by subtracting from the estimated cost of attendance at such institution the expected family contribution with respect to such student plus any other resources or student aid reasonably available to such student; and has provided the lender with a statement evidencing the determinations made under this clause and recommending a loan in the amount determined to be needed.".

Sec. 3. Paragraph (1) of subsection (a) of section 428 of the Higher Education Act of 1965 is amended by inserting before the second sentence thereof "Nothing in this or any other Act shall be construed to prohibit a lender from evaluating the total financial situation of a student making application for a loan under this part, or from counseling a student with respect to any such loan, or from making a decision based on such evaluation and counseling with respect to the dollar amount of any such loan.".

Sec. 4. Subparagraph (H) of paragraph 428 (b)(1) of the Higher Education Act of 1965 is amended to read as follows:

"(H) provides that the benefits of the loan insurance program will not be denied any student who is eligible for interest benefits under section 428(a)(1) except in the case of loans made by an instrumentality of a State or eligible institution;".

Sec. 5. Section 2(a)(7) of the Emergency Insured Student Loan Act of 1969 is amended by striking out "July 1, 1974" and inserting in lieu thereof "July 1, 1975".

Sec. 6. The amendments made by section 2 shall be effective sixty days after enactment of this Act and be applicable to a loan for which a guarantee commitment is made on or after that date.

*Resolved*, That the House agree to the amendment of the Senate to the title of the bill.

**Mr. MANSFIELD.** Mr. President, I move that the Senate disagree to the amendments of the House, request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Vice President appointed Mr. Pell, Mr. Randolph, Mr. Williams, Mr. Kennedy, Mr. Mondale, Mr. Eagleton, Mr. Cranston, Mr. Hathaway, Mr. Dominick, Mr. Javits, Mr. Schweiker, Mr. Beall, and Mr. Stafford.

## FREEDOM OF INFORMATION ACT—ORDER TO HOLD BILL AT DESK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the message from the House on the bill to amend the Freedom of Information Act, H.R. 12471, received earlier today, be temporarily held at the desk. The Senate has passed a companion bill which will soon be reported.

The VICE PRESIDENT. Without objection, it is so ordered.

## WEAKNESS OF PRESENT STRUCTURING OF U.S. FORCES STATIONED ABROAD

Mr. MANSFIELD. Mr. President, an extraordinarily perceptive column appeared in the Richmond Times Dispatch of March 11, 1974. The article entitled "A Very Deep Flaw," was written by Henry J. Taylor, one of the Nation's distinguished columnists and commentators who has had wide experience in international affairs and who served his country as well as U.S. Ambassador to Switzerland.

Mr. Taylor's column capsulizes the great weakness of the present structuring of U.S. forces stationed abroad and how the Defense Establishment must face the reality that the American taxpayer cannot afford any longer the waste of American assets for such needless ventures. It is only one of many equally good reasons, but the cost of maintaining an empire in the last quarter of the 20th century brings home most strikingly the fact that worldwide empires are notions of the past.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### A Very Deep Flaw

(By Henry J. Taylor)

I have come home from the Mideast and Europe to encounter an all-time peacetime high in the Defense Department's proposed budget. And what is the biggest factor in it? Manpower costs.

This is a full 56 per cent of the entire budget.

The budget reveals that it costs an estimated $8,000 a year to maintain one uniformed American overseas. But are they combat troops? Well, hardly.

I have seen everywhere our uniformed men who take care of the actual combat troops.

The flaw is very deep.

The flaw was glaring in Vietnam. We had 538,000 uniformed Americans there at the height of the war. Of these, only one in five was engaged in combat operations against the enemy. Eighty per cent were not.

* * *

We have a military presence today in 38 countries. The Defense Department's budget includes our troop cost in the 16 NATO countries. The United States supports NATO with 317,000 uniformed Americans. We are maintaining 4⅓ divisions in West Germany alone, guarding that country against invasion, and about 50,000 U.S. Air Force men are scattered from Scotland to Turkey.

In the Defense Department budget, our troop commitment to NATO exceeds $4 billion a year in direct outlay. With the supporting cost, this is $7 billion. And when the U.S. forces earmarked for NATO in event of war are included, this annual $7 billion becomes $17 billion.

In addition, there is the seldom-mentioned matter of the dependents. Today our 317,000 uniformed Americans in the NATO countries are accompanied by 225,000 to 250,000 dependents.

About $400 million a year of the U.S. balance-of-international-payments deficit arises from these dependents.

At least $2.1 billion (including this $400 million) of our balance-of-international-payments deficit arises from the NATO commitment.

I have asked the Senate Armed Services Committee staff about the combat-troop proportion in our NATO ground forces. The answer is appalling.

Of the 317,000 uniformed Americans, 220,000 are U.S. ground troops. Of the 220,000 only 152,000 are assigned to the main fronts. Of the 152,000 only 64,000 are combat troops!

With manpower expense climbing from 42 cents to 56 cents of the entire U.S. defense dollar, what we are really seeing all over again, as in Vietnam, is the uniformed Americans who take care of the uniformed Americans who take care of the combat troops.

Some of this is necessary, of course. But on such a scale? Hey, that's our money!

At the same time, all of Western Europe lives under the protection of our atomic deterrent, for which our U.S. taxpayers pay. It is hard to trace the cost of this "nuclear umbrella" in the Defense Department budget, but the charge to us is billions on billions.

While our 317,000 uniformed Americans stand abroad (and Europe's statesmen insist that they stay), millions of Europeans doubt that the Soviet Union is determinedly expansionist.

This is a comforting philosophy that rids them of any feeling of moral obligation or of commitment, or even of the need to recognize the flagrant facts of history. That, in turn, is related to the public's reluctance in the NATO countries to support NATO at their own expense.

After all these 25 years since we signed the NATO pact, and except for Greece and West Germany, not a single one of the NATO allies has at any time met its level-of-forces obligation.

NATO's European members are spending $35 billion annually on their military forces. Their devotion to defense is 3.7 per cent of their gross national product. In the Defense Department budget, ours is 7½ per cent—over twice as much.

With 27½ divisions, the NATO forces are now inferior in numbers, firepower, and tactical air support to just the Warsaw Pact countries alone.

When you study the Defense Department budget, at least two things are clear: our manpower costs and the fact that our allies refuse to carry their own fair share and instead, pass the buck—outrageously—to the taxpaying peasants of the United States.

## ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the orders for the recognition of the Senator from Massachusetts (Mr. Kennedy) and the Senator from Rhode Island (Mr. Pell) be reversed.

The VICE PRESIDENT. Without objection, it is so ordered.

Therefore, the Senator from Rhode Island (Mr. Pell) is recognized for not to exceed 15 minutes.

Mr. PELL. Mr. President, I ask unanimous consent that my remarks appear in the Record following the remarks of the senior Senator from Massachusetts.

The VICE PRESIDENT. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Massachuestts is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. KENNEDY. I yield.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time allotted to Mr. Mathias under the order be transferred to Mr. Kennedy, if he needs to utilize it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I thank the distinguished majority whip.

The PRESIDING OFFICER. The Senator from Massachusetts may proceed.

(The remarks Senators Kennedy and Pell made at this point on the submission of Senate Concurrent Resolution 76, on arms control in the Indian Ocean, are printed in the Routine Morning Business section of the Record under Submission of a Concurrent Resolution.)

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Harry F. Byrd, Jr.). Without objection, it is so ordered.

## ORDER OF BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that any remaining time under the orders be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 15 minutes, with statements therein limited to 5 minutes.

## FLOOR PRIVILEGE DURING CONSIDERATION OF S. 1541, CONGRESSIONAL BUDGET ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, on behalf of Mr. Cannon, I ask unanimous consent that the following staff members and consultants to the Committee on Rules and Administration be granted the privilege of the floor during the debate and the votes on S. 1541, the Congressional Budget Act of 1974: William Cochrane, Joseph O'Leary, Herbert Jasper, Allen Schick, and Anthony Harvey.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **GRIFFIN**. Mr. President, I ask unanimous consent that two members of my staff, Mr. DeFrancis and Mr. Teeley, may have the privilege of the floor at this time, but more particularly during the debate and votes on the budget reform bill.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BROCK**. Mr. President, I ask unanimous consent that during the consideration of S. 1541, Mr. Harrison Fox and Jerry Gustafson, a member of my staff, be given the privilege of the floor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The Senator from Virginia is recognized.

(The remarks Senator William L. Scott made at this point on the introduction of Senate Journal Resolution 195, regarding a proclamation designating May 13 as American Business Day, are printed later in the Record under Statements on Introduced Bills and Joint Resolutions.)

## ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 o'clock noon tomorrow.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

## AUTHORITY FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. **ROBERT C. BYRD**. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes, at the conclusion of which the Senate resume the consideration of the unfinished business, the Congressional Budget Act of 1974.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The **VICE PRESIDENT** laid before the Senate the following communication and letters, which were referred as indicated:

### Supplemental Budget Requests for Legislative Branch (S. Doc. No. 93–66)

A communication from the President of the United States, transmitting supplemental budget requests for the legislative branch totaling $910,745, for fiscal year 1974, and budget amendments totaling $511,800 for fiscal year 1973 (with accompanying papers). Referred to the Committee on Appropriations, and ordered to be printed.

### Report of Federal Reserve System

A letter from the Chairman of the Board of Governors, Federal Reserve System, transmitting, pursuant to law, the part of its annual report dealing with monetary policy and economy (with an accompanying report). Referred to the Committee on Banking, Housing, and Urban Affairs.

### Report of Export-Import Bank of the United States

A letter from the first vice president and vice chairman, Export-Import Bank of the United States, reporting, pursuant to law, on loan, guarantee and insurance transactions supported by Eximbank to Yugoslavia, the Union of Soviet Socialist Republics, and Poland during February 1974. Referred to the Committee on Banking, Housing, and Urban Affairs.

### Proposed Legislation by Department of Commerce

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to extend the appropriation authorization for reporting of weather modification activities (with accompanying papers). Referred to the Committee on Commerce.

### Report of National Railroad Passenger Corporation

A letter from the Director of Federal Affairs, National Railroad Passenger Corporation, transmitting, pursuant to law, a report on number of passengers carried and on-time performance of trains operated (with an accompanying report). Referred to the Committee on Commerce.

### Report on Utilization of Authority To Designate and Rent Certain Quarters

A letter from the Secretary of Transportation, transmitting, pursuant to law, a report on utilization of authority to designate and rent certain quarters, for the calender year 1973 (with an accompanying report). Referred to the Committee on Commerce.

### Report of International Agreements Other Than Treaties

A letter from the Assistant Legal Adviser for Treaty Affairs, transmitting, pursuant to law, a report of international agreements other than treaties entered into by the United States (with an accompanying report). Referred to the Committee on Foreign Relations.

### Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of financial statements of the Overseas Private Investment Corporation for fiscal year 1973, dated March 13, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting a report that the Transit Authority's system of reporting on the status of Metro's costs and construction progress needs to be improved, dated March 13, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

### Report on Status of the Colorado River Storage Project and Participating Projects

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the status of the Colorado River Storage Project and Participating Projects, fiscal year 1973 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

### Proposed Concession Contract

A letter from the Deputy Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract for certain services within Canyon de Chelly National Monument (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

### Report of Civil Air Patrol

A letter from the chairman, National Board, Civil Air Patrol, transmitting, pursuant to law, a report of that Patrol, for the calendar year 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

### Prospectus for Proposed Lease

A letter from the Administrator, General Services Administration, transmitting a prospectus which proposes renewal of the leasehold interest at 1800 G Street, NW., Washington, D.C. (with an accompanying paper). Referred to the Committee on Public Works.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the **VICE PRESIDENT**:

A memorial of the Senate of the State of Arizona. Referred to the Committee on the Judiciary:

"Senate Memorial 1001

"A memorial urging the President and the Congress of the United States to oppose any handgun control proposals for Federal legislation

"To the President and the Congress of the United States of America:

"Your memorialist respectfully represents:

"Whereas, defense of one's person against assault by another is a natural right recognized by every generation; and

"Whereas, every individual's right to the possession of adeqaute weapons for his defense or the defense of his home and family is essential to the protection of this natural right; and

"Whereas, the Bill of Rights of the Constitution of the United States and Article 2, Section 26 of the Constitution of the State of Arizona guarantee to its citizens the right to keep and bear arms; and

"Whereas, the handgun is the most effective weapon for self-defense, and its mere possession frequently is sufficient to repel an invader or attacker; and

"Whereas, crime statistics only cover the use of firearms in crimes, and do not disclose the many instances where the lawful possession or use of firearms for defense have prevented crimes; and

"Whereas, such legislation would deny a citizen the right to obtain weapons for self-defense, but would not prevent the acquisition of weapons by criminals or their misuse by criminals; and

"Whereas, there are adequate laws now on the books to punish criminals for the misuse of firearms in crimes if properly enforced.

"Wherefore your memorialist, the Senate of the State of Arizona, prays:

"1. That the President and the Congress of the United States take those steps necessary for the proper enforcement and judicial punishment of criminals, rather than consider legislation to curtail the right of honest citizens to acquire weapons for sport or self-defense.

"2. That the Secretary of State of the State of Arizona transmit a copy of this Memorial to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and to each member of the Arizona Congressional delegation."

A joint resolution of the General Assembly of the Commonwealth of Virginia. Referred to the Committee on Commerce:

"Committee Amendment in the Nature of a Substitute for Senate Joint Resolution No. 18

"Memorializing the Congress of the United States to equalize axle weight limits for interstate trucks

"Whereas, Virginia has always maintained weight limits for vehicles using its highway system which are substantially below the maximum limits in the nation; and

"Whereas, by action of the Congress of the United States in implementing the Interstate

Highway System, the weight limits in effect at that time were mandated for all Interstate Highways in the Commonwealth; and

"Whereas because of the fuel shortage and in recognition of the improvement in highway design and construction over the years since the Interstate System came into being, the Commonwealth has effected a modest increase in the weight limits on its State highways which is not effective as to Federal Interstate Highways in the Commonwealth; and

"Whereas, uniform weight limits throughout the Commonwealth would be beneficial to all citizens thereof; now therefore, be it

"Resolved by the Senate, the House of Delegates concurring, That the Congress of the United States is hereby memorialized to adopt legislation permitting weight limits on Federal Interstate Highways to be raised to the same maximum as those permitted on State Highways where such maximum is prudent and necessary; and, be it

"Resolved further, That the Clerk of the Senate is instructed to send copies of this resolution to the Clerk of the House of Representatives and the Senate of the United States Congress and to the Virginia delegation in the Congress."

A resolution of the House of Representatives of the Commonwealth of Puerto Rico. Referred to the Committee on Interior and Insular Affairs:

"RESOLUTION

"To express to the United States Congress the Endorsement and Backing of the House of Representatives to Senate Bill No. 1724, Which Establishes in Puerto Rico a Bilingual Part for the Federal Court

"STATEMENT OF MOTIVES

"Senate Bill No. 1724 which is proposed to provide for the establishment of a bilingual part in the Federal Court for the Federal District of Puerto Rico is under consideration and study by the United States Congress.

"This measure constitutes a positive answer to the demands of attorneys, the Bar Association, the Judicature of Puerto Rico and of many other citizens, who in the press of the country, as well as in personal opinions, have pointed out the need and convenience of the same.

"We know that English is the official language in the proceedings, hearings, and findings or decisions of the Federal Court. This constitutes a hindrance for those witnesses who have no knowledge of said language and who have to rely on an official translator to testify. This official, when translating the vernacular of the witness into English, cannot supply the emphasis the witness may give to certain expressions of his testimony, in which case, the latter cannot be as convincing as it should.

"On the other hand, proceedings in Spanish will greatly ease the work of attorneys. Besides, and in regard to jury panels, the measure will allow all Puerto Ricans who meet the legal requirements to be able to serve as jurors, instead of selecting those mastering the English language.

"In view of these reasons, and considering that Spanish is our official language, we deem it pertinent and necessary for this Legislative Body to express itself in favor of the aforementioned congressional measure and to request its approval by the Congress of the United States of America.

*"Be it Resolved by the House of Representatives of Puerto Rico:*

"Section 1.—To express, as it is hereby expressed, to the Congress of the United States of America the endorsement and backing of this Body to Senate Bill No. 1724, which intends to provide for the establishment of a bilingual part in the Federal District Court, for the District of Puerto Rico and to respectfully request from the United States Congress the approval of the aforementioned measure.

"Section 2.—Copy of this resolution shall be sent to the Congress of the United States of America and to the press, radio, television, and other news media of Puerto Rico.

"And in testimony whereof and to transmit to the Congress of the United States of America, I sign and seal these presents in my Office, at the Commonwealth Capitol Building at San Juan, Puerto Rico, this eleventh day of March of the year 1974."

A resolution adopted by the Council of the County of Kauai, State of Hawaii, relating to emergency energy legislation. Referred to the Committee on Interior and Insular Affairs.

The petition of Kenneth Eugene Pritchett, praying for a redress of grievances. Referred to the Committee on the Judiciary.

The petition of Mrs. Diane Fisher, on behalf of the East Massapequa Civic Association, of Massapequa Park, N.Y., praying for permission to hold a peaceful picket line on the steps of the Capitol. Referred to the Committee on Rules and Administration.

## PRESENTATION OF PETITIONS

By Mr. PELL (for himself and Mr. PASTORE):

A resolution of the Senate of the State of Rhode Island and Providence Plantations. Referred to the Committee on Banking, Housing and Urban Affairs.

SENATE RESOLUTION

Memorializing the Congress of the United States to establish rigid price control on all necessities

Resolved, That the senate of the state of Rhode Island hereby respectfully memorializes the Congress of the United States to establish rigid price controls on all "necessities" including but not limited to food, fuel, oil, gasoline and energy power; and be it further

Resolved, That the secretary of state be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the members of the Congress from Rhode Island.

A resolution of the General Assembly of the State of Rhode Island and Providence Plantations. Referred to the Committee on Foreign Relations:

RESOLUTION

Memorializing Congress to support the right of the Irish people in Northern Ireland to exercise self determination

Whereas, Recognizing the many contributions of men and women of Irish blood to the building of our great Nation and to the cause of freedom everywhere since the earliest times, and

Whereas, Recognizing the fact that Ireland is artificially partitioned against the wishes of the overwhelming majority of the Irish people; and

Whereas, Recognizing that Irish people in the six-county area known as Northern Ireland are denied basic civil and human rights, and are unable to obtain adequate protection from attack or equal justice under law; and

Whereas, The explosive situation in Northern Ireland is an unreasonable threat to the peace and is, therefore, the legitimate concern of all men; and

Whereas, It is in the best interests of the United States that there be a just and equitable solution to this problem; and

Whereas, For humanitarian reasons, as well as out of respect for history, we hereby take notice of the deplorable state of affairs in Ireland; now therefore be it

Resolved, That the general assembly of the State of Rhode Island memorializes the Congress of the United States that the Irish people ought to be permitted to exercise the right of national self-determination thus returning the disputed six counties to the Irish Republic, unless a clear majority of all the people of Ireland, in a free and open plebiscite, determine to the contrary; and be it further

Resolved, That the Secretary of State be and he hereby is authorized and directed to transmit duly certified copies of this resolution to the members of Congress from Rhode Island.

A resolution of the Senate of the State of Rhode Island and Providence Plantations. Referred to the Committee on Interior and Insular Affairs:

RESOLUTION

Memoralizing Congress To Require the Major Oil Companies To Make Monthly Reports to the Federal Energy Office

Resolved, That the members of the Congress of the United States be and they are hereby respectfully requested to require the major oil companies to make monthly reports to the Federal Energy Office relating to production, distribution, costs, income and profits and said reports to also include the amount allocated for prospective future drilling operations and the potential yields of crude oil and gasoline to be expected; as well as new refineries contemplated in the United States and abroad, and new major company gas stations being planned for construction; and be it further

Resolved, That the Secretary of State be and he hereby is authorized and directed to transmit duly certified copies of the resolution to the senators and representatives from Rhode Island in the Congress of the United States

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

L. Douglas Heck, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to the Republic of Niger; and

Sumner Gerard, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary to Jamaica.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HANSEN:

S. 3183. A bill to amend title 38, United States Code, to increase rates of disability compensation and dependency and indemnity compensation, and to provide for automatic adjustment thereof commensurate with future increases in the cost of living, and for other purposes. Referred to the Committee on Veterans' Affairs.

By Mr. BEALL:

S. 3184. A bill to amend the Internal Revenue Code of 1954 to provide a bicentennial celebration contribution tax credit. Referred to the Committee on Finance.

By Mr. BENTSEN:

S. 3185. A bill to amend the Outer Continental Shelf Lands Act with respect to payments to be made under oil and gas leases pursuant to such Act. Referred to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 3186. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Tuolumne River, Calif., for potential addition to the National Wild and Scenic Rivers System. Referred to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 3187. A bill to amend the Act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON:

S. 3188. A bill to establish the Sewall-Belmont House National Historic Site, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HARTKE:

S. 3189. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1973. Referred to the Committee on Finance.

By Mr. SPARKMAN (by request):

S. 3190. A bill to authorize appropriations for fiscal year 1975 for carrying out the Board for International Broadcasting Act of 1973. Referred to the Committee on Foreign Relations.

By Mr. WILLIAM L. SCOTT:

S.J. Res. 195. Joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day." Referred to the Committee on the Judiciary.

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## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HANSEN:

S. 3183. A bill to amend title 38, United States Code, to increase rates of disability compensation and dependency and indemnity compensation, and to provide for automatic adjustment thereof commensurate with future increases in the cost of living, and for other purposes. Referred to the Committee on Veterans' Affairs.

Mr. HANSEN. Mr. President, today, I am pleased to introduce a bill to provide a 12-percent increase in veterans' compensation benefits, and to provide a 14-percent increase in dependency and indemnity compensation benefits. Both increases would be made effective March 1.

Disability compensation for service-connected disabled veterans is the cornerstone of our veterans' benefit system.

Historically, these benefits date back to the Revolutionary War, and they have been provided for veterans of every war since then.

In 1956, the Bradley Commission's Report to the President gave a succinct historical analysis of the compensation program. General Bradley and his colleagues wrote:

> Throughout the history of the United States compensation benefits (for disability or death resulting from service) have been the backbone of the veterans' programs. They have been provided on a timely basis for the veterans of every war, starting with the Revolution. In most cases they were introduced while the conflict was in progress. Although they were limited in coverage and meager in amount for the veterans of early conflicts, the need for service-connected compensation benefits was not questioned.

Mr. President, I concur in the view that our compensation program is the backbone of the VA program.

Men who have been injured or disabled in the service of our Nation deserve our eternal gratitude. Dependents of those who have given their lives in service, or who have died as a result of service-connected causes also deserve our care and our concern. Consequently, I am proud to support the compensation program for the veteran, and the DIC program for the survivors of our veterans who died of service-connected causes.

While I believe that these programs merit our continued support, it is also my belief that such support must be coupled with a recognition that the value of the benefits must at least meet additional costs of living.

President Nixon has recommended such an approach, contained in the bill I am introducing today. In a letter to me dated March 4, 1974, the President recommended a cost of living increase in both the compensation and DIC programs, together with an escalator clause for future built-in increases.

Mr. President, for the benefit of my colleagues, I ask unanimous consent that the President's letter, which analyzes the compensation and DIC programs, be inserted at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
*Washington, D.C., March 4, 1974.*

Hon. CLIFFORD P. HANSEN,
*U.S. Senate,*
*Washington, D.C.*

DEAR CLIFF: I am writing to ask that your committee, the Senate Committee on Veterans' Affairs, work with us in giving special consideration to ways that we can improve the benefits received by disabled veterans and their survivors.

Of the twenty-nine million living veterans in America over two million have been disabled in the military service of their country. Those who have died of such disabilities have left nearly 375,000 survivors who look to a grateful nation for assistance.

In a sense, the Nation can never fully repay these men and women and their families for their devotion and sacrifice. We can assure, however, that the value of the benefits they receive from veterans programs keeps pace with the cost of living, and we can act to assure that VA compensation to service-disabled veterans provides full compensation for impaired earning ability.

In the past, the Nation has generously responded to the needs of these veterans and their families in a number of ways—through VA compensation payments, medical care, vocational rehabilitation and education, and specially adapted housing, automobiles and life insurance. In total, the Veterans Administration budget will provide $5.3 billion for *these* programs in fiscal year 1975, an increase of 56 percent over the amount spent in 1969.

It is nonetheless true that many disabled veterans are under-compensated today. As you know, the Congress has been reviewing along with the Administration the results of an in-depth survey of service-disabled veterans. The survey was designed to determine the accuracy of the VA compensation rating schedule and thereby the ability of VA compensation payments to meet the declared objective of this program: to compensate veterans for impairment of their earning capacity. Preliminary results of this survey, already shared with your Committee, together with further analysis recently completed, confirms the need for structural change.

These survey results show that many disabled veterans are under-compensated by a rating schedule basically unchanged since 1945 and that the degree of under-compensation is greatest for many of the severely disabled. Accordingly, I have asked the Administrator of Veterans Affairs to work with your Committee to develop proposals for basic improvements in the veterans compensation program, including those structural changes which would assure more equitable treatment of the seriously disabled.

As a first step, the Administrator shortly will be sending the following proposals for consideration of the Congress:

*Increases in benefits paid to all recipients* of veterans compensation and dependents and indemnity compensation (DIC). The objective is to lift all benefits by the amount of the increase in cost-of-living since increases for these programs were last enacted in August and January of 1972 respectively. This would be accomplished by a 12 percent increase for veterans compensation and a 14 percent for DIC. I propose that these increases be made effective March 1. The total cost of both increases will be $432 million in the first full year following enactment.

*Protection of compensation and DIC benefits in the future.* An automatic adjustment in benefits is needed to recognize future increases in the cost-of-living, as measured by the Consumer Price Index. This feature would resemble that which I have proposed already for protection of VA pension recipients.

*Structural changes in veterans compensation* which will bring the disability ratings of underrated veterans up to a level corresponding to what survey data show to be their actual degree of impairment. Such action can target VA compensation increases to the veterans suffering the greatest degree of economic hardship imposed by their disability. The cost-of-living adjustment which I am proposing for all disabled veterans, together with the further increases provided by these structural adjustments, will result in far greater percentage increases in compensation for seriously disabled veterans than any across-the-board increase now under consideration.

I know that the Congress shares my concern for disabled veterans and their survivors. Just as this Administration and the Congress are cooperating to develop immediate and needed improvements in the veterans' and widows' pension programs, I look forward to a similar cooperative effort to develop promptly the needed improvements in the veterans compensation program.

With every good wish,
Sincerely,

RICHARD NIXON.

Mr. HANSEN. Mr. President, a number of bills have been referred to the Veterans' Affairs Committee on this subject, and testimony was heard on March 13.

As the ranking minority member of both the full committee and the Compensation and Pension Subcommittee, I am pleased to introduce legislation which accomplishes the purposes set out in the President's letter.

A basic precept of our national policy was set forth by President Abraham Lincoln in his second inaugural address when he called upon the Nation "to care for him who shall have borne the battle, and for his widow and his orphan."

The action which the Senate will take on compensation and DIC legislation can play only a small part in repaying to the American veteran the great debt which we owe him. Unfortunately, medical science has not reached the point of restoring lost limbs or fully correcting other disabilities of battle. Therefore, we must attempt to compensate our disabled veterans and their families in the only ways we know—with monetary benefits and with the sincere thanks of a grateful Nation.

I am pleased to introduce at this time, a bill which will provide significant increases in the compensation and DIC programs. I am sure that the Veterans' Affairs Committees will study all proposals which have been recommended in this area, and that the final bill reported to the Senate will reflect the best interests of both the veteran and the Nation.

Mr. President, I send the bill to the desk for appropriate referral, and ask unanimous consent that the full text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3183

*Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,* That (a) section 314 of title 38, United States Code, is amended—

(1) by striking out "$28" in subsection (a) and inserting in lieu thereof "$31";

(2) by striking out "$51" in subsection (b) and inserting in lieu thereof "$57";

(3) by striking out "$77" in subsection (c) and inserting in lieu thereof "$86";

(4) by striking out "$106" in subsection (d) and inserting in lieu thereof "$119";

(5) by striking out "$149" in subsection (e) and inserting in lieu thereof "$167";

(6) by striking out "$179" in subsection (f) and inserting in lieu thereof "$200";

(7) by striking out "$212" in subsection (g) and inserting in lieu thereof "$237";

(8) by striking out "$245" in subsection (h) and inserting in lieu thereof "$274";

(9) by striking out "$275" in subsection (i) and inserting in lieu thereof "$308";

(10) by striking out "$495" in subsection (j) and inserting in lieu thereof "$554";

(11) by striking out "$616" and "$862" in subsection (k) and inserting in lieu thereof "$690" and "$965", respectively;

(12) by striking out "$616" in subsection (l) and inserting in lieu thereof "$690";

(13) by striking out "$678" in subsection (m) and inserting in lieu thereof "$759";

(14) by striking out "$770" in subsection (n) and inserting in lieu thereof "$862";

(15) by striking out "$862" in subsections (o) and (p) and inserting in lieu thereof "$965";

(16) by striking out "$370" in subsection (r) and inserting in lieu thereof "$414"; and

(17) by striking out "$554" in subsection (s) and inserting in lieu thereof "$620";

(b) The Administrator of Veterans' Affairs may adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

Sec. 2. Section 315(1) of title 38, United States Code, is amended—

(1) by striking out "$31" in subparagraph (A) and inserting in lieu thereof "$35";

(2) by striking out "$53" in subparagraph (B) and inserting in lieu thereof "$59";

(3) by striking out "$67" in subparagraph (C) and inserting in lieu thereof "$75";

(4) by striking out "$83" and "$15" in subparagraph (D) and inserting in lieu thereof "$93" and "$17", respectively;

(5) by striking out "$21" in subparagraph (E) and inserting in lieu thereof "$24";

(6) by striking out "$36" in subparagraph (F) and inserting in lieu thereof "$40";

(7) by striking out "$53" and "$15" in subparagraph (G) and inserting in lieu thereof "$59" and "$17", respectively;

(8) by striking out "$25" in subparagraph (H) and inserting in lieu thereof "$28"; and

(9) by striking out "$48" in subparagraph (I) and inserting in lieu thereof "$54".

Sec. 3. (a) Chapter 11 of title 38, United States Code, is amended by adding at the end thereof the following new section: "§ 363. Automatic cost-of-living increases for disability compensation.

"(a) The rates payable under sections 314 (except the $47 rate in subsection (k)), and 315 of this title, shall be increased by such percentage as the Secretary of Health, Education, and Welfare shall certify in the Federal Register for social security recipients as a cost-of-living increase under section 215 of the Social Security Act, effective the same date as the latter increase.

"(b) Where a rate so determined involves a fraction of a dollar, the amount payable shall be fixed at the nearest dollar, with fifty cents being increased to the next higher dollar.

"(c) The Administrator shall adjust administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 who are not in receipt of compensation payable pursuant to chapter 11 of this title."

(b) The analysis of such chapter 11 is amended by adding at the end thereof the following:

"Sec. 363. Automatic cost-of-living increases for disability compensation."

Sec. 4. Section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

| *"Pay grade* | *Monthly rate* |
|---|---|
| E–1 | $210 |
| E–2 | 215 |
| E–3 | 222 |
| E–4 | 235 |
| E–5 | 242 |
| E–6 | 247 |
| E–7 | 259 |
| E–8 | 274 |
| E–9 | [1] 286 |
| W–1 | 264 |
| W–2 | 275 |
| W–3 | 284 |
| W–4 | 299 |
| O–1 | 264 |
| O–2 | 274 |
| O–3 | 293 |
| O–4 | 310 |
| O–5 | 341 |
| O–6 | 384 |
| O–7 | 416 |
| O–8 | 455 |
| O–9 | 489 |
| O–10 | [2] 535 |

"[1] If the veteran served as sergeant major of the Army, senior enlisted adviser of the Navy, chief master sergeant of the Air Force, or sergeant major of the Marine Corps, at the applicable time designated by section 402 of this title, the widow's rate shall be $308.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by section 402 of this title, the widow's rate shall be $573.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $25 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to a widow shall be increased by $63 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person."

Sec. 5. Section 413 of title 38, United States Code, is amended to read as follows:

"Whenever there is no widow of a deceased veteran, entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $105.

"(2) Two children, $152.

"(3) Three children, $196.

"(4) More than three children, $196, plus $39 for each child in excess of three."

Sec. 3. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$55" and inserting in lieu thereof "$63".

(b) Subsection (b) of section 414 of such title is amended by striking out "$92" and inserting in lieu thereof "$105".

(c) Subsection (c) of section 414 of such title is amended by striking out "$47" and inserting in lieu thereof "$54".

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By Mr. BEALL:

S. 3184. A bill to amend the Internal Revenue Code of 1954 to provide a bicentennial celebration contribution tax credit. Referred to the Committee on Finance.

Mr. BEALL. Mr. President, I am sending to the desk, legislation that will, if enacted, provide for a special Bicentennial tax credit for small contributions to officially sanctioned Federal, State, and local Bicentennial projects.

As we look out over our Nation in early 1974, we find a land that is deeply troubled and uncertain about the strength and stability of its institutions. Domestic political developments have divided our Nation and many believe that we have lost the self-confidence and sense of direction that is needed to fulfill the aspirations of our people at home, while carrying the burden world leadership has thrust upon us. Many would even contend that our social fabric is in disarray and we are approaching a form of national nervous breakdown.

I would be the last to say that our Nation is not confronting some of the most serious and pressing domestic problems we have faced in a generation. At the same time, I believe that it is important for us to remember that the story of America is the story of socioeconomic and political resiliency. Our Nation was born in the crucible of a war of colonial secession. It withstood foreign invasion, the tragedy of Civil War, World War I, the Great Depression, World War II, and the oppressive burdens of world leadership which we have reluctantly been called upon to bear since 1945. As each of these challenges were placed before our Nation, the American people have responded with discipline, a spirit of self-sacrifice, and a determination to surmount whatever obstacles were placed in our way. It is because our national "track record" is so good that I believe that it is possible for us to view the future with confidence, hope, and, I might even say, optimism.

We are truly a nation of immigrants and our 210 million people comprise a varied mixture of Italian Americans, Asian Americans, Black Americans, German Americans, and so forth. People have been drawn to the United States from all corners of the world in the hope of achieving the goals that were so articulately enunciated by our forefathers in the Declaration of Independence and our Nation's Constitution.

Today the United States is blessed with a multiplicity of cultural inputs that makes us a vital, vigorous, growing nation able to meet and overcome the challenges that confront us. I am pleased to see the so-called hyphenated Americans blending their patriotism to America with a deep appreciation of their cultural origins. Not only is the United States able to withstand the rigors of such cultural diversity but we are made a better nation and a stronger nation for it.

Another important aspect of our nationhood is the realization that our political institutions are truly unique and tailored by the framers of our Constitution to meet the needs of the United States of America. It is notable that in the period immediately following the American Revolution, only Switzerland had a Republican form of government. In addition, although our forefathers drew heavily upon the experiences of the British political system and the writers of the "Enlightenment Period," they managed to fashion a political system that was, in many ways, unique in the world.

In addition, our Nation is held together by the commonality of our historical experiences and the consciousness of our national unity. Queen Elizabeth II can trace her family line, as the rulers of Britain, back for a thousand years. The Chinese, the Egyptians, and others can trace their national origins back for thousands of years but the common historical experiences of the United States are of relatively recent origin.

Because of the shortness of our national history, I believe it is doubly important for us to protect, preserve, and restore those sites that have historical significance. But it is not enough for us to preserve our history in remote battlefield monuments and sterile museums which are primarily utilized by history buffs and scholars. If the truisms of our history are going to have an impact on our Nation in the last quarter of the 20th century, we must make them an integral part of our lives today, teach them accurately and in detail in our schools, and adhere to the principles they teach us in our daily lives.

Mr. President, to help us move in this direction, I am introducing legislation that will provide for a special Bicentennial tax credit. The American Revolution was successfully fought with the active support of approximately one-third of our Nation's citizens. Another third actively opposed the efforts to win independence from the British Crown while the remaining third were indifferent to the outcome of the struggle. I am deeply concerned that current efforts to celebrate the Bicentennial of the American Revolution have failed to rally measurable support from our citizens.

To be truly successful, the Bicentennial effort must blend historical scholarship, festive celebrations and a reaffirmation of the basic values and principles upon which our Nation was founded. Now, more than ever, in the wake of the turmoil and uncertainties of the last decade, America needs a successful Bicentennial effort to show us that we have not lost our way.

In addition, the Bicentennial celebration should not be viewed as being limited to 1976 but should include the events leading up to and following the declaration of our national independence. In fact, we are already well into the Bicentennial era and numerous opportunities to mark significant occurrences have already been missed. The objective of the Bicentennial tax credit bill will be to mobilize grassroots support for Bicentennial efforts. I am seeking to involve small contributors, the people who file the standard short tax form, in the spirit of the Bicentennial. Several years ago, Congress decided that it was important for small contributors to give to political campaigns. An individual who contributes $25 to the party or the candidate of his choice is allowed to deduct that amount or take a tax credit of $12.50. A couple is allowed a $50 deduction or $25 tax credit.

My proposal was patterned along the same lines and is designed to achieve the same basic objectives. People who contribute $25—$50 per couple—to an officially sanctioned Bicentennial project on either the Federal, State, or local level will be able to deduct that amount from their income tax or take a tax credit of $12.50—$25 per couple. This legislation will take effect upon enactment and will expire on December 23, 1983, a date which marks the Bicentennial of General Washington's resignation of his commission as Commander in Chief of the Continental Armies in Annapolis, Md.

If enacted, the Bicentennial Tax Credit Act should help to mobilize grassroots contributors to the cause of historic preservation and the Bicentennial celebration. If we are successful, I believe these efforts can make a significant contribution to the cause of national unity which has been so badly tattered in recent years.

The legislative proposals I have sponsored, S. 3184 as well as S. 2347—the Historical Structures Tax Act—which I introduced last August, are designed to serve as a catalyst to encourage historic preservation and enhance the Bicentennial celebration but they are not and cannot serve as a substitute for a comprehensive national policy. We are well into the Bicentennial era and a comprehensive plan is only now being devised and implemented on the Federal level.

I am convinced that the leadership needed to promote historic preservation and restoration and to insure the success of the Bicentennial celebration will come from local communities all across this Nation. The American Revolution was not led to victory by the Continental Congress but it was carried to victory by the dedicated support from the tens of thousands of men and women living in hundreds of towns and communities all across America. The Bicentennial celebration will succeed or fail because of the initiative and leadership of State and local organizations. Local groups can plan and execute the celebration of events unique to their areas; identify, preserve and/or restore historically significant sites and structures; keep alive the memory of the local men and women who contributed to the building of America, and work to see that the local schools include in their curriculum courses designed to teach not only American history but also State and local history.

By undertaking a vigorous action program, local historical societies, bicentennial committees, and similar groups can help lay the foundation for the development of a strong national policy designed to promote a greater awareness of, and respect for, the history and traditions of this great Nation. Ours is a proud heritage that must be preserved so future generations can understand and appreciate the sacrifices our forefathers made so that future generations of Americans could experience freedoms and opportunities not shared by most of the people of the world.

I believe that a knowledge of and respect for our Nation's history, and the principles it teaches us, is vital to strengthening the bonds which unite all Americans and it will enable us to weather our current adversity as we have done so often in the past.

Mr. President, the February 17, 1974, Baltimore News American carried an editorial entitled "The Bicentennial" which addressed itself to my legislative proposals. I ask unanimous consent that this editorial and the text of S. 3184 be printed in the Record at the conclusion of my remarks.

There being no objection, the bill and editorial were ordered to be printed in the Record, as follows:

### S. 3184

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits against tax) is amended by renumbering section 42 as 43 and by inserting after section 41 the following new section:

"Sec. 42. Bicentennial Celebration Contributions.

"(a) General Rule.—In the case of an individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to the sum of all contributions made by the taxpayer to official bicentennial celebration organizations which are paid by the taxpayer within the taxable year.

"(b) Limitations.—

"(1) Maximum credit.—The credit allowed by subsection (a) for a taxable year is limited to $12.50 ($25 in the case of a joint return under section 6013).

"(2) Application with other credits.—The credit allowed by subsection (a) may not exceed the amount of tax imposed by this chapter reduced for the taxable year by the sum of the credits, other than the credits allowed by sections 31 and 39, allowed by this subpart.

"(3) Verification.—The credit allowed by subsection (a) shall be allowed only if the contribution to an official bicentennial celebration organization is verified in such manner as the Secretary or his delegate prescribes by regulations.

"(c) Definitions.—For purposes of this section—

"(1) Contribution.—The term 'contribution' means a gift of money to an official bicentennial celebration organization.

"(2) Official bicentennial celebration organization.—The term 'official bicentennial celebration organization' means—

"(A) a unit of government of a State, a possession of the United States, or any political subdivision of any of the foregoing, the exclusive purpose of which is to organize and sponsor appropriate activities in celebration of the bicentennial anniversary of the independence of the United States, and

"(B) the American Revolution Bicentennial Administration.

"(d) Disallowance of Contributions as Deduction.—No deduction is allowed under section 170 (relating to charitable, etc., contributions and gifts) for any contribution to an official bicentennial celebration organization which is taken into account to determine the amount of credit against tax under subsection (a).

"(e) Regulations.—The Secretary or his delegate shall prescribe such regulations as are necessary to carry out the provisions of this section.".

(b) Clerical Amendment.—The table of sections for such subpart is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 42. Bicentennial celebration contributions.
"Sec. 43. Overpayments of tax."

(c) Effective Dates.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act. Such amendments shall not apply to any contribution made after December 23, 1983.

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### The Bicentennial

The Nation's upcoming 1976 bicentennial celebration needs a broad base of citizen support if it is to be truly successful and meaningful.

Such is the view of Sen. J. Glenn Beall Jr., R-Md. He is right, of course.

Sen. Beall goes on to say that he is "quite frankly concerned that current efforts to celebrate our nation's 200th birthday have failed to rally measurable support from our citizens."

To try to remedy that situation, the senator has proposed two measures which would make a significant contribution towards aiding the bicentennial effort.

One bill would amend the tax laws to provide the same incentives for the restoration of historic buildings now provided for new construction. Another measure would provide a special bicentennial tax deduction or tax credit to individuals who contribute to any officially sanctioned project, whether it be at the federal, state or local level. The idea is to help encourage small contributions from persons who file the standard and short-form income tax returns.

As Sen. Beall says, citizen participation is vital if the bicentennial is to be more than an empty exercise in superficial patriotism. His two bills are aimed at increasing the role of such citizen participation and are deserving of passage by Congress.

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### By Mr. BENTSEN:

**S. 3185. A bill to amend the Outer Continental Shelf Lands Act with respect to payments to be made under oil and gas leases pursuant to such act. Referred to the Committee on Interior and Insular Affairs.**

Mr. BENTSEN. Mr. President, today I am introducing a bill amending the Outer Continental Shelf Lands Act to greatly increase the Government's share of the proceeds from the sale of oil and gas produced on Federal lands.

The bill is patterned after a production-sharing arrangement first adopted in Indonesia and now in use in eleven countries around the world. A more complete explanation appears at the conclusion of my remarks. However, very briefly, the bill would increase from 16⅔ percent to 36 percent the amount which an oil company is required to pay the Government from production revenues, prior to initial exploration costs being recovered. After the initial cost recovery, that payment would increase to 60 percent of production revenues minus actual ongoing operating costs. The bill would apply to all leases awarded after the date of its enactment.

I believe the adoption of this measure will accomplish three things:

First, it would allow the American citizen to receive a substantial benefit from the higher prices being paid for oil produced on his lands.

Second, it will encourage faster development of offshore oil and gas resources by permitting more rapid leasing of Federal offshore lands.

Third, it will increase competition within the petroleum industry.

The present leasing system runs counter to all three of these objectives.

Under the present system an oil company operating on Federal offshore lands pays the Government a royalty of 16⅔ percent of the oil and gas produced. However, the Government's principal compensation comes from the large cash bonuses which the companies pay in bids for the right to drill on these tracts.

#### INSURING FAIR COMPENSATION TO THE AMERICAN TAXPAYER

While the present system results in a large initial cash payment, the American citizen receives very little from what may be an extremely valuable oil and gas discovery on his lands. If the lease proves to be undervalued by the companies who bid on the tract, the Government has no way to share in what may be a bonanza. This becomes far more important today than it has been in the past due to higher oil prices and the President's desire to greatly increase the schedule of lease sales. As S. David Freeman of the Ford Foundation's energy project noted in the Washington Post last month, since the Government does not know the value of what it is selling until wells are drilled, a rapid acceleration of leases under the present system could result in leases going for prices which do not protect the interest of the American taxpayer. I believe my bill increasing the share of the proceeds from the sale of the oil and gas once found and produced would insure that the taxpayer received a fair compensation for these valuable minerals regardless who was paid in initial bonuses. In addition, by taking the bulk of the Government's compensation from the sale of these minerals the Government's revenue will increase with oil prices—allowing the American taxpayer to share in the higher oil prices he is being asked to pay.

#### ALLOW MORE RAPID LEASING

Since the high initial bonus payments are presently the Government's principal means of compensation, the concern for maintaining those high payments has been one of the principal restraints to faster leasing schedules. Lease sales have been timed to maximize bonus bids rather than to maximize the exploration and development of offshore lands. Increasing the number and size of these sales is one of the fastest ways of making our Nation more energy self-sufficient. Less than 3 percent of the 186 million acres in the Federal Outer Continental Shelf is presently under lease, yet we are producing more than a million barrels of oil a day from these leases. The Secretary of Interior recently testified that the potential recoverable petroleum resources remaining on the Outer Continental Shelf is estimated to be 200 billion barrels of crude oil and natural gas liquids and about 850 trillion cubic feet of natural gas.

Just the oil and liquids alone would increase our present reserves six times over. We must accelerate our leasing of these tracts but we must do so in a manner which insures the American taxpayer gets his fair share of the value of that production. I believe my bill, substantially increasing the amount paid once production is found, will meet this need.

#### INCREASE PARTICIPATION BY SMALLER PRODUCERS

A rapid acceleration of lease sales under the present system would not only endanger the taxpayers' interest, it would award leases to those who could raise the most money the fastest rather than those who could best evaluate and develop our natural resources. One of the worst features of the present system's reliance on high initial cash payments is the advantage it gives the large companies over the smaller one—the majors over the independents. In the last offshore lease sale one tract went for a record $211 million—$100 million over the next highest bid. If more independent producers and more smaller companies are going to play an active role in the development of offshore lands, these bonuses must be brought down. Not only are larger companies in a better position to raise the high initial bonus, they can better afford to lose it if they guess wrong on a lease and the lease does not prove as productive as was hoped. Under my measure providing the principal Government payment out of production after it is found, the smaller company's loss will not be so severe if the lease turns out to have been overvalued. In addition, these bonuses are unproductive capital being expended before one drop of oil is found. The present high initial payments out of cash badly needed for exploration and low Government participation once production is found makes no sense if we want to increase domestic oil and gas production and if we want to enhance competition within the petroleum industry.

### REDUCTION IN THE PRESENT HIGH BONUSES

My legislation would retain the bonus bids as an impartial means of determining who would be awarded the right to drill on the lease. However, the measure would so increase the amount to be paid to the Government once production is obtained that these bonuses would be greatly deemphasized.

Payments out of production of the magnitude required in this bill would force lower initial bonus bids thus allowing greater participation by smaller companies while still protecting the American taxpayers' interest. One independent producer has estimated that initial bonuses would be reduced to one quarter of the current expenditure. But in the long run, the Government would receive more revenue from the production on its lands. And it would get that production sooner than it will under the present system, due to accelerated lease sales.

Since I originally urged this change in the offshore leasing system, the concept has been endorsed by the Joint Economic Committee in its annual report to be released shortly and by the Executive Committee of Texas Independent Producer and Royalty Owners, a group representing smaller producers. In fairness, I would add that it has been criticized by many members of the industry, particularly major oil companies. But, Mr. President, my proposal only requires the operating company to give the United States the same type of arrangement being used in 11 countries around the world. My bill requires them to give the American taxpayer the same deal they are giving foreign governments.

Mr. President, I would add, that while this legislation requires the Secretary of Interior to lease future oil and gas tracts on the basis of production sharing, he has the authority to do so under existing law. I would urge the Secretary not to wait for a legislative requirement but to act now to increase the share of production which the American taxpayer receives on future lease sales.

I ask that a summary of the bill's provisions be printed at the conclusion of my remarks in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

### Summary of Provisions of Amendment to the Outer Continental Shelf Lands Act

1. The present method of awarding leases on the basis of impartial bonus bids is retained.

2. In place of the present royalty payment a production sharing concept is adopted under which the following division is made:

(a) Up to 40% of total production will be assigned to the operating company for recovery of actual costs as long as those costs justify a 40% share and if not, whatever lesser percentage of production is necessary to fully recover actual costs. In the later stages of production the Secretary may approve a payment for actual costs in excess of 40% of total production, if the Secretary finds that such expenditures are necessary to obtain the maximum recovery of oil and gas.

(b) The remaining 60% of total production or whatever amount in excess of the production being devoted to costs in subsection (a) will be divided between the government and the operating company. The government will receive 60% of the proceeds from the sale of this production and the operating company will receive 40%, unless the Secretary prescribes a lower percentage for the Government prior to the time of the notice for bids on the lease. However, in no instance can the Secretary prescribe a Government share less than 50%.

3. All actual costs on offshore lands will be submitted and justified to the Secretary of Interior under such regulations he may prescribe.

4. The Government will be authorized to take up to 16⅔% of total production (out of its share) in oil and natural gas, i.e. "in kind", as they can under present payment procedures. This provision will insure that small business refiners who currently have first call on this production continue to have it available.

In summary, the effect of this legislation would be to provide the Government with a firm 36% of the proceeds from the sale of oil and gas produced from Federal lands before the operating company recovers initial costs. (I.e. 60% of 60% under the normal 60–40 split.) This would be over twice the 16⅔% share of production presently being received by the Government. After the operating company recovers initial costs the Government's share would increase from 36% to 60% of total production, minus the operator's on-going actual production costs. While bonus bidding will be continued as a means of awarding leases, the size of the bids will be reduced due to the higher participation payments being required. The reduction in these bonuses will allow greater participation by smaller operators in offshore exploration and development while still insuring the American taxpayer receives substantial compensation for the sale of his resources.

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By Mr. CRANSTON (for himself and Mr. Tunney):

**S. 3186. A bill to amend the Wild and Scenic Rivers Act of 1968 by designating a portion of the Tuolumne River, California, for potential addition to the National Wild and Scenic Rivers System. Referred to the Committee on Interior and Insular Affairs.**

**Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to study a major portion of the Tuolumne River in California for possible inclusion in the National Wild and Scenic Rivers System. This bill is identical to H.R. 13017 introduced in the House by Congressman John McFall. I am delighted that Senator John Tunney is joining me as a cosponsor.**

**The Tuolumne River originates in the High Sierra on Mount Dana and Mount Lyell within Yosemite National Park and winds through the park and a part of the Stanislaus National Forest to the Don Pedro Reservoir, eventually flowing into the San Joaquin River. The Tuolumne is noted as a plentiful fishery resource—boasting rainbow, speckled, and brown trout, black and striped bass, and bluegill. Whitewater enthusiasts consider the Tuolumne River one of the best kayak runs in the State. The river still is substantially undeveloped, with many of its middle miles accessible only by boat or trail.**

With the present energy shortage situation, conflicting uses may be proposed for the Tuolumne River in the future. It is important that the river be studied now to determine whether the Tuolumne should be preserved in its natural state or developed for hydroelectric and commercial purposes, if such projects are proposed.

The legislation I am introducing today would authorize the Interior Department in cooperation with the Department of Agriculture to study approximately 75 miles of the Tuolumne River from its sources to Don Pedro Reservoir for possible designation as a wild and scenic river. The bill requires that the study be completed within 3 years.

The Board of Supervisors of Tuolumne County, the local chapter of the Sierra Club as well as the national Sierra Club organization, the Twaine Harte Horsemen, Inc., and other local groups support the study.

I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 3186

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 5 of the Wild and Scenic Rivers Act (16 U.S.C. *1276 (a)*) *is* amended by adding at the end thereof the following:

"(28) Tuolumne River, California: The main river from its sources on Mount Dana and Mount Lyell in Yosemite National Park to Don Pedro Reservoir.".

Sec. 2. The study authorized by this Act shall be conducted cooperatively by the Secretaries of Interior and Agriculture in accordance with the provisions of the Wild and Scenic Rivers Act: Provided, That such study shall be completed and submitted to the President and the Congress no later than three years from the date of enactment of this Act.

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By Mr. CRANSTON (for himself and Mr. Tunney):

**S. 3187. A bill to amend the act of October 27, 1972, establishing the Golden Gate National Recreation Area in San Francisco and Marin Counties, Calif., and for other purposes. Referred to the Committee on Interior and Insular Affairs.**

**Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to amend the boundaries of the Golden Gate National Recreation Area in Marin and San Francisco Counties, Calif., by adding approximately 925 acres to the park and deleting 50 acres. This bill is similar to S. 2634 which I introduced in the first session of this Congress.**

**The legislation I am proposing today represents the most current thinking as to the best boundaries for the newly created Golden Gate National Recreation Area. There is general agreement that the boundaries of the recreation area should be revised—to include several parcels inadvertently left off the original boundary map and to add those lands necessary to provide scenic protection and adequate public access. Since S. 2634 was introduced, there has been extensive local discussion regarding the proposed boundary changes, resulting in the identification of some additional lands essential for the preservation of the recreation area. These include properties in the Oakwood Valley and Wolf-**

back Ridge areas as well as 120 acres owned by the California Department of Transportation. The State lands must be acquired by donation.

The bill also excludes 50 acres in Marin County which the Interior Department has found are not necessary for the recreation area, including lands which already have been developed with homes and property needed for the orderly expansion of the community of Stinson Beach.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3187

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2(a) of the Act of October 27, 1972 (86 Stat. 1299), is hereby amended by deleting "Boundary Map, Golden Gate National Recreation Area, numbered NRA–GG–80,003, sheets 1 through 3, and dated July, 1972." and inserting in lieu thereof "Revised Boundary Map, Golden Gate National Recreation Area, numbered NRA–GG–80,003–D, and dated September 1973.", which shall include, in addition to the existing properties within the Golden Gate National Recreation Area, the following:

"Marin County:

"(1) Allan Associates, Incorporated property, 38.89 acres,

"(2) County of Marin and Tamalpais Community Services District lands, 22.94 acres,

"(3) Ghilotti Brothers property, 10.40 acres,

"(4) Oakwood Valley area, various properties, 208.89 acres,

"(5) Olds property, 207.56 acres,

"(6) Wolfback Ridge area, various properties, 287.47 acres, Provided, That the Secretary is authorized to acquire such interests as he deems reasonably necessary to preserve the scenic quality of the 9.47 acres designated for scenic protection,

"(7) Keller property, Stinson Beach, 10 acres,

"(8) Leonard property, Stinson Beach, 8.25 acres,

"(9) Muir Beach properties, 4 acres, and

"(10) State of California, Department of Transportation, 120 acres.

"San Francisco County:

"Haslett Warehouse; and shall exclude the following:

"(1) Leonard (homesite), 10 acres, and

"(2) Panoramic Highway area, Stinson Beach, 40 acres.".

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By Mr. JACKSON:

**S. 3188. A bill to establish the Sewall-Belmont House National Historic Site, and for other purposes. Referred to the Committee on Interior and Insular Affairs.**

Mr. JACKSON. Mr. President, I am introducing today, for appropriate reference, legislation which would designate the Sewall-Belmont House as a national historic site. The legislation would further authorize the Secretary of the Interior to enter into a cooperative agreement in order to restore and maintain portions of the poverty and to interpret the site for visitors.

The National Park Service has developed a comprehensive system by which major events and movements in the history of the United States are represented. Some themes, such as the Presidency, are well represented by various monuments and historic sites, such as George Washington's birthplace. Other areas and themes are not represented. One of these is women's rights. Although the Susan B. Anthony House, the Elizabeth Cady Stanton House, and the Clara Barton House are national landmarks, the women's rights movement is not itself represented.

The Sewall-Belmont House has been the property and headquarters of the National Women's Party since 1929, and is filled with furniture, paintings, china, statues, and busts which represent the contributions and efforts which women have made in the development of this Nation and in the awakening of a social conscience for human rights.

Beyond the unique status of this House in the history of women's rights is the history of the property itself. The House was rented to Albert Gallatin, Secretary of the Treasury under Presidents Jefferson and Madison, and is believed to be the site of the only active resistance to the British Army in 1814 after the Battle of Bladensburg in their march on Washington. The property dates back to an original land grant in 1632 to Cecilius Calvert, second Lord Baltimore.

Mr. President, this country is about to celebrate its bicentennial anniversary at the same time as the equal rights amendment approaches ratification, and I can envisage no more fitting action by this Congress than passage of this legislation. The Sewall-Belmont House combines the external and internal growth of this Nation—from the earliest land grants to the struggle for independence to the full achievement of equal rights for men and women. The furnishings include doors from Daniel Webster's house, Justice Field's bookcases, the silver tea service of Clara Barton, Susan B. Anthony's desk, a marble and ivory statue of Jeanne d'Arc by Madame Prosper d'Epinsy, busts of Lucretia Mott, Susan B. Anthony, Alva Belmont, Elizabeth Cady Stanton, Dr. Caroline Brown Winslow and other famous women who by their courage and actions awakened the conscience which has borne fruit in the 19th amendment and the proposed 27th.

The location of the house, in the District of Columbia, only two blocks from the Capitol and the Supreme Court, renders it all the more fitting as a lasting memorial and tribute.

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By Mr. HARTKE:

**S. 3189. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1973. Referred to the Committee on Finance.**

Mr. HARTKE. Mr. President, I introduce today a bill which would increase the personal exemption of Federal income tax returns from $750 to $1,000. This is a proposal which I first made in January of 1961; I believe that it is all the more necessary today.

There is every indication that our economy is headed for a recession. Unemployment insurance claims rose from 251,000 in November to 303,000 in December. It is now at a 5.4 percent level and even administration economists are predicting a 6 percent rate later this year.

The Government's composite index of business statistics virtually stood still in December, growing only one-tenth of 1 percent in December.

While this slowdown is taking place, prices as a whole went up 8.8 percent last year, with food increasing 20 percent, gasoline 19 percent, and coal and fuel oil 45 percent. Workers cannot keep pace with this steady increase in prices. What wage increases have taken place have only meant increased taxes, thus further limiting the ability of workers to spend money to stimulate the economy.

In fact, in 1973, real average weekly earnings—the amount of money workers actually get—were down 1.5 percent. That means that a worker who increased his salary by 7.2 percent—the national wage increase average—actually wound up in worse condition at the end of the year than at its beginnnig.

The most effective response we can make to this approaching inflationary recession is to provide tax relief which will put more money into use so that our economy can grow. An increase in the personal exemption will provide that relief. Raising the exemption level from $750 to $1,000 will provide $8.58 billion in new consumer purchasing power. Most of the benefits of this relief will be the families who will spend the money provided by my proposal rather than saving it.

Mr. President, I have a table prepared from data supplied by the Treasury Department which estimates the additional revenue which my proposal will pump into the economy at various levels of income, and I ask unanimous consent that the table be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

REVENUE COST IF PERSONAL EXEMPTION IS RAISED FROM $750 TO $1,000 (BASED ON 1972 INCOME LEVELS)

| Adjusted gross income | Decrease in tax liability (millions) | Distribution of tax decrease | |
|---|---|---|---|
| | | Percent | Cumulative percent |
| 0 to $3,000 | $95 | 1.1 | 1.1 |
| $3,000 to $5,000 | 418 | 4.8 | 5.9 |
| $5,000 to $7,000 | 717 | 8.3 | 14.2 |
| $7,000 to $10,000 | 1,485 | 17.3 | 31.5 |
| $10,000 to $15,000 | 2,608 | 30.4 | 61.9 |
| $15,000 to $20,000 | 1,541 | 17.9 | 79.8 |
| $20,000 to $50,000 | 1,440 | 16.8 | 96.6 |
| $50,000 to $100,000 | 220 | 2.5 | 99.1 |
| $100,000 and over | 56 | .7 | 99.8 |
| Total | 8,580 | 99.8 | 99.8 |

Mr. HARTKE. The table makes it clear that 60 percent of the dollar benefits which will accrue from my proposal go to those with less than $15,000 income. Much of this benefit will go into areas of the economy which are suffering from a slowdown caused by reduced consumer purchasing power.

It is the working man and woman in this country who is on the short end of the administration's economic stick. It is the worker who has to pay the grocery bills, the mortgage and the college tuition bill with less money in 1974 than he had in 1973.

These people need tax relief now: and our economy needs a tax stimulus now.

Mr. President, the cost of living has risen 13 percent since the $750 exemption level was established. If we increase that level to $1,000—as I propose—we will be doing nothing more than keeping pace with inflation and the cost of living.

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By Mr. SPARKMAN (by request):

S. 3190. A bill to authorize appropriations for fiscal year 1975 for carrying out the Board for International Broadcasting Act of 1973. Referred to the Committee on Foreign Relations.

### A BILL TO AMEND THE BOARD FOR INTERNATIONAL BROADCASTING ACT OF 1973

Mr. SPARKMAN. Mr. President, by request, I introduce for appropriate reference a bill to amend the Board for International Broadcasting Act of 1973, in order to extend the authorization for appropriations.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the Acting Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 27, 1974.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 3190

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Section 8(a) of the Board for International Broadcasting Act of 1973 (87 Stat. 460) is amended by (a) striking out from the first sentence "$50,209,000 for fiscal year 1974" and inserting in lieu thereof "$49,840,000 for fiscal year 1975" and (b) striking out from the second sentence "fiscal year 1974" and inserting in lieu thereof "fiscal year 1975".

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February 27, 1974.

Hon. Gerald R. Ford,
*President of the Senate.*

Dear Mr. President: I present herewith for consideration of the Senate a draft bill "To authorize appropriations for fiscal year 1975 for carrying out the Board for International Broadcasting Act of 1973." This presentation is made by the Department of State, since the voting members of the Board have not at this time been appointed and qualified.

Enactment of this legislation is necessary for the operations of the Board for International Broadcasting in fiscal year 1975 and for the continuation of assistance to Radio Free Europe and Radio Liberty for that fiscal year, since existing authority for appropriations expires June 30, 1974. The bill provides authority for an appropriation of $49,840,000 for fiscal year 1975, compared to $50,209,000 authorized for fiscal year 1974. It is estimated for fiscal year 1975 that $290,000 would be required for the operations of the Board and $49,550,000 would be granted to the two radio corporations. The bill also authorizes for fiscal year 1975, as was previously done for fiscal year 1974, appropriation of "such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law and for other nondiscretionary costs."

The establishment of the Board of International Broadcasting provides a permanent mechanism for evaluating the management and operations of Radio Free Europe and Radio Liberty and administering financial assistance provided by the U.S. Government. It continues to be the position of this Administration that the broadcasts of these radios to Eastern Europe and the Soviet Union contribute significantly to international peace and serve the interests of the United States.

I urge the Congress to give prompt consideration of this proposed measure in order to allow for timely action on the 1975 appropriation. I am advised by the Office of Management and Budget that enactment of this bill would be in accord with the program of the President.

Respectfully,

Stanton D. Anderson,
*Acting Assistant Secretary for Congressional Relations.*

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By Mr. WILLIAM L. SCOTT:

S.J. Res. 195. Joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day." Referred to the Committee on the Judiciary.

Mr. WILLIAM L. SCOTT. Mr. President, I introduce a proposed Senate joint resolution and ask that it be printed and referred to the appropriate committee to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day."

Mr. President, Americans have long been accustomed to hearing how ours is the "richest, most powerful, and most fortunate Nation on Earth." Yet how many of us really seek out the reasons for much of our greatness.

I believe, Mr. President, our Nation was founded on principles that have endured and underpin our economic success. The free enterprise system has rewarded effort and ingenuity to a degree not found in any other economic system.

So I suggest, Mr. President, that one day each year be set aside to honor the contributions made by private business to the economic and social well-being of the country and recommend that May 13 be designated "American Business Day."

A colleague in the House of Representatives, J. Kenneth Robinson, who represents the Seventh Congressional District of Virginia, has introduced a similar measure, House Joint Resolution 926, which is cosponsored by 13 of his House colleagues. Virginians may have a special reason for suggesting May 13 because on that day in 1607 the first permanent English settlement in North America was founded at Jamestown. The colonists had come from England under the sponsorship of the Virginia Company of London, a private business venture. King James of England had granted a charter to the Virginia Company a year prior to that and authorized it to settle what was then called southern Virginia.

History teaches a lesson regarding mankind's steady progress toward a better and more satisfying way of life. That lesson is that those nations which subscribe to the doctrine of free enterprise—a minimum of government control of private business and industry—are the ones which have reached the highest levels of attainment.

Thus, it is worth noting that in the exploration and settlement of the New World, private business, operating under the doctrine of free enterprise, was instrumental in the establishment of colonies on the North American Continent. Englishmen were seeking more profitable employment, personal freedom, land ownership, personal advancement, and adventure. There was a period of peace in England, and because of it capital was available and it sought profitable investment. Business development increased and joint stock companies began to organize for overseas settlement.

The founding of Jamestown on May 13, 1607, is a landmark of history for America—and it is an early example of how private business has contributed to our ever-growing economic and social well-being. Therefore, it seems reasonable to designate May 13 as a time for us to honor American business and the contributions of our free enterprise system.

I hope the committee and the Congress will give serious consideration to the proposal.

I ask unanimous consent that the joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 195

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized and requested to issue annually a proclamation designating May 13 of each year as "American Business Day", and calling upon the people of the United States and interested groups and organizations to observe such day with appropriate ceremonies and activites.

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## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1541

At the request of Mr. Bartlett, his name was added as a cosponsor of S. 1541, to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget; and for other purposes.

At the request of Mr. Percy, the Senator from Texas (Mr. Tower) was added as a cosponsor of S. 1541, supra.

S. 2064

At the request of Mr. Mansfield, for Mr. Magnuson, the Senator from Indiana (Mr. Bayh) was added as a cosponsor of S. 2064, to amend the laws governing the transportation of hazardous materials.

S. 2422

At the request of Mr. Mathias, the Senator from Washington (Mr. Jackson) was added as a cosponsor of S. 2422, a bill to establish a National Center for the

Prevention and Control of Rape and provide financial assistance for a research and demonstration program into the causes, consequences, prevention, treatment, and control of rape.

### S. 2488

At the request of Mr. KENNEDY, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of S. 2488, to amend title VII of the Older Americans Act of 1965 relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes.

At the request of Mr. PERCY, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. 2488, supra.

### S. 2495

At the request of Mr. MANSFIELD, for Mr. MAGNUSON, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of S. 2495, to amend the National Aeronautics and Space Act of 1958 to apply the scientific and technological expertise of the National Aeronautics and Space Administration to the solution of domestic problems, and for other purposes.

### S. 2881

At the request of Mr. FANNIN, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of S. 2881, to amend section 1951, title 18, United States Code, Act of July 3, 1946.

### S. 2893

At the request of Mr. KENNEDY, the Senator from Colorado (Mr. DOMINICK), and the Senator from Maryland (Mr. BEALL) were added as cosponsors of S. 2893, the National Cancer Act Amendments of 1974.

### S. 2912

At the request of Mr. HUMPHREY, the Senator from Wyoming (Mr. MCGEE) and the Senator from Idaho (Mr. CHURCH), were added as cosponsors of S. 2912, a bill to provide for payments to compensate county governments for the tax immunity of Federal lands within their boundaries.

### S. 2932

At the request of Mr. MONTOYA, the Senator from Rhode Island (Mr. PELL), the Senator from Missouri (Mr. EAGLETON), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Nevada (Mr. CANNON), and the Senator from Kansas (Mr. DOLE) were added as cosponsors of S. 2932, to amend title 38 of the United States Code to provide that veterans' pension and compensation will not be reduced as a result of certain increases in monthly social security benefits.

### S. 2941

At the request of Mr. BAYH, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of S. 2941, to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for the diagnosis of uterine cancer.

### S. 2998

At the request of Mr. COOK, the Senator from California (Mr. TUNNEY), and the Senator from Michigan (Mr. HART) were added as cosponsors of S. 2998, to amend Public Law 93–159 relative to Petrochemicals.

### S. 3096

At the request of Mr. CRANSTON, the Senator from Alabama (Mr. SPARKMAN) was added as a cosponsor of S. 3096, a bill to amend the Small Business Act to provide for loans to small business concerns affected by the energy shortage.

### S. 3097

At the request of Mr. TAFT, the Senator from Mississippi (Mr. EASTLAND), the Senator from Montana (Mr. METCALF), and the Senator from Michigan (Mr. GRIFFIN) were added as cosponsors of S. 3097, to amend the Rail Passenger Service Act of 1970 in order to provide for a demonstration project providing certain rail transportation for highway recreational vehicles.

### S. 3098

At the request of Mr. DOLE, the Senator from Florida (Mr. GURNEY) was added as a cosponsor of S. 3098, to amend the Emergency Petroleum Allocation Act of 1973 to provide for the mandatory allocation of plastic feedstocks.

### S. 3102

At the request of Mr. WILLIAM L. SCOTT, the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 3102, the Daylight Saving bill.

### SENATE JOINT RESOLUTION 13

At the request of Mr. HARRY F. BYRD, Jr., the senator from North Carolina (Mr. HELMS) was added as a cosponsor of Senate Joint Resolution 13, proposing an amendment to the Constitution of the United States with respect to the reconfirmation of judges after a term of 8 years.

### SENATE JOINT RESOLUTION 163

At the request of Mr. DOLE, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Joint Resolution 163, authorizing the President to proclaim the last full week in March of each year "National Agriculture Week".

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## SENATE CONCURRENT RESOLUTION 76—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO ARMS CONTROL IN THE INDIAN OCEAN

(Referred to the Committee on Foreign Relations.)

Mr. KENNEDY. Mr. President, on behalf of myself and Senator PELL, and six other distinguished Senators, I send to the desk a concurrent resolution on arms control in the Indian Ocean.

Mr. President, for many years, now, we have been acutely aware of the need to try limiting competitions in arms between ourselves and the Soviet Union, where these competitions would only increase the risks of conflict and reduce the security of both countries.

In 1963, the United States and the Soviet Union negotiated the landmark Limited Test Ban Treaty. In 1969, these two powers joined with others in completing work on the Nonproliferation Treaty. In 1972, President Nixon and General Secretary Brezhnev signed a treaty to limit missile defenses and a 5-year interim agreement on offensive missiles. And there have been numerous other agreements, designed to increase mutual security and lessen the chances of war.

The United States is now engaged in three sets of negotiations seeking to further these ends. These are the second round of strategic arms limitation talks; the Conference on European Security and Cooperation; and the talks on mutual and balanced force reductions in Europe.

Thus we in the United States now understand the wisdom of seeking security through a threefold policy of first, strong military preparedness; second, mutual limitations with other powers on the manufacture, deployment, and use of certain weapons; and third, negotiations attempting to resolve underlying sources of international conflict.

Yet despite progress in controlling the nuclear arms race—and despite hopes for reducing conventional arms in Europe—there are risks of serious and self-defeating competitions between the United States and the Soviet Union in other weapons and deployments.

Today, there is growing risk of an arms race in the Indian Ocean, an area that has so far seen only limited deployments of force by either the United States or the Soviet Union. In the United States, there is widespread concern that the prospective reopening of the Suez Canal will lead the Russians to increase their naval forces in the India Ocean, and to gain the use of significant naval facilities in one or more of the littoral states. When the canal opens, the Indian Ocean will no longer be the farthest place on Earth by sea from the Soviet Union; instead, it will come within economical operating range of Soviet bases in the Black Sea.

Recently, the Defense Department has proposed a step that anticipates such a development in Soviet seapower. It has asked the Congress for a supplementary appropriation of $29 million to expand a U.S. Naval facility on the British-owned island of Diego Garcia. In effect, this would mean establishing a U.S. naval and air base in the Indian Ocean, capable of handling virtually any ship or airplane in the U.S. inventory.

It may be that the Soviet Union will, indeed, expend its naval or military power in the Indian Ocean following the opening of the Suez Canal. Only time will tell. Yet by going forward with construction at Diego Garcia even before the canal opens and Soviet intentions become clear, we would only make that development more likely. And with it would almost surely come a serious naval competition between the United States and the Soviet Union in the Indian Ocean, entailing high economic costs, political uncertainty on the part of the littoral states, the risk of serious misunderstandings, and even the risk of Soviet-American conflict, itself—perhaps by accident. Finally, it is likely that a Soviet and American seapower competition in the Indian Ocean would reach a standoff, with neither side's gaining a significant advantage, but with both sides' sharing high costs and risks.

Mr. President, it may in time prove

necessary and desirable for the United States to compete with the Soviet Union in military and naval force in this distant part of the globe. But before that happens, we owe it to ourselves—as well as to all the peoples of the region—to try preventing yet another arms race, in the process limiting the growth of Soviet naval and military power in the Indian Ocean.

For this reason, I join today with the distinguished Senator from Rhode Island in introducing this concurrent resolution. This resolution expresses the sense of the Congress that the President should seek direct negotiations with the Soviet Union to try preventing an arms race in the Indian Ocean, before it is too late.

These negotiations could be held either in a bilateral forum, or in the United Nations ad hoc committee on the Indian Ocean. This committee was set up in response to a U.N. general resolution of December 1971—reaffirmed in December 1973—calling for the establishment of the Indian Ocean as a "zone of peace."

Including all the major littoral states of the Indian Ocean, plus China and Japan, this committee could be expanded to include the United States and the Soviet Union.

There are many possible topics for negotiations. These should include: agreed limitations by the United States and Soviet Union on the establishment or use of naval and other military facilities in the Indian Ocean and littoral states; limits on the number of warships deployed there or number of shipdays each year; and limits on the size and characteristics of any forces deployed in the area.

Mr. President, negotiations on this subject would not be easy. This is a complex and difficult subject, that requires taking account of the differing interests that the United States and the Soviet Union have in the Indian Ocean and littoral states; the interests of—and competitions among—the local states, themselves; and the role that seapower does and does not play in promoting national interests.

It is also important to understand what these negotiations would not do: They would not impair the freedom of the seas in the Indian Ocean, nor end all transiting of the Indian Ocean by United States or Soviet warships. We could still deploy naval power there in time of critical need. But by trying to regulate the use of the Indian Ocean by these warships—and by trying to limit the establishment of bases in littoral states—this approach could prove to be the best hope of keeping the Indian Ocean from becoming a "zone of superpower competition" or even a "zone of conflict." And even if the negotiations fail—even if the Russians fail to respond to a U.S. initiative—at least we would have acted in our own best interests and those of peace.

Mr. President, it is in this spirit that I join with the distinguished Senator from Rhode Island in submitting this concurrent resolution for the Senate's consideration.

The concurrent resolution reads as follows:

### S. CON. RES. 76

Concurrent resolution expressing the sense of Congress that negotiations be sought with the U.S.S.R. relative to naval and military strength in the Indian Ocean or littoral states

*Resolved by the Senate (the House of Representatives concurring),*

Whereas, the Indian Ocean basis is not yet an arena of serious military or naval competition among the great powers;

Whereas, it is in the mutual interest of both United States and the Union of Soviet Socialist Republics to avoid a competition between themselves in naval and other military forces deployed in the Indian Ocean or littoral states, since such competition would pose high economic costs, political uncertainties, and grave risks of conflicts;

Whereas, the prospective reopening of the Suez Canal has increased concern in the United States that the Union of Soviet Socialist Republics will subsequently increase its naval and other military forces deployed in the Indian Ocean;

Whereas, prospects for peace in the Middle East could be impaired by the beginning of an arms race in a contiguous area like the Indian Ocean basin;

Whereas, in December 1971 and 1973 the United Nations General Assembly passed resolutions calling for the establishment of the Indian Ocean as a "zone of peace", and has created an *ad hoc* committee to implement those resolutions;

Whereas, the United States and the Union of Soviet Socialist Republics have reached agreement on limiting other military weapons and practices, notably the Limited Test-Ban Treaty and the Strategic Arms Treaty and Interim Agreement of May 26, 1972; and

Whereas, it may be far more difficult to limit naval forces deployed by outside Powers in the Indian Ocean or littoral states once an arms race in the Indian Ocean has begun:

Now, therefore, be it

*Resolved by the Senate (The House of Representatives concurring)*, That it is hereby declared to be the sense of Congress that—

(1) the President of the United States should seek direct negotiations with the Union of Soviet Socialist Republics, designed to achieve agreement on limiting deployment of their respective naval and other military forces in the Indian Ocean and littoral states;

(2) these negotiations should be convened, as rapidly as possible, either in a bilateral forum, or within the United Nations Ad Hoc Committee on the Indian Ocean, augmented to include the United States and the Union of Soviet Socialist Republics;

(3) these negotiations should consider, among other topics, agreed limitations by the two Powers on (A) establishment or use of naval and other military facilities in the Indian Ocean and littoral states, (B) numbers of war-ships (or ship-days) deployed in the Indian Ocean basin, and (C) the size and characteristics of warships and other military forces deployed there;

(4) during these negotiations, the President should (A) reaffirm the principle of Freedom of the Seas, in regard to the Indian Ocean, and (B) bear in mind the deliberations of the United Nations Ad Hoc Committee on the Indian Ocean regarding relevant issues; and

(5) the President should report to the Congress at regular intervals, not less frequently than every six months, on progress made pursuant to this concurrent resolution.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President of the United States.

Mr. PELL. Mr. President, I welcome the opportunity to cosponsor with Senator KENNEDY this resolution calling for talks with the Soviet Union for achieving agreement on limiting deployment on our respective naval and other military forces in the Indian Ocean.

I have a particular interest in this proposal in light of my amendment 973 to delete $29 million for naval and air base construction on Diego Garcia from the supplemental military authorization bill, S. 2999. This project would expand our so-called "austere communications center" on the island into a full-fledged naval and air base. If we move ahead in this direction, we will be well on our way to converting the only warm water ocean that is not dominated by American military power into one that is. We will then have an American world ocean, an oceanum Americanum per mundum, with all the responsibilities and costs and possible hostilities that may consequently accrue to us.

I am strongly opposed to Senate authorization of this expansion on the basis of present evidence as to the precise nature of the Soviet presence in the Indian Ocean and until other alternatives have been thoroughly explored.

One such alternative is serious talks with Soviets on respective military levels in the Indian Ocean in keeping with the national security interests of the two countries and the views and desires of the littoral states.

Even if the talks failed to produce agreement, they could generate the kind of precise information and data on the military presence and objectives of the Soviet Union and the United States in the Indian Ocean needed for determining what course we should follow with respect to Diego Garcia.

By proposing these negotiations, the United States would demonstrate the bona fides of our proclaimed policy to replace confrontation with negotiation and dialog. It would be a warmly welcomed step, I am sure, for the littoral states, who wish to maintain the present largely demilitarized nature of an immense ocean area of 28 million miles.

Successful talks would avoid adding to the already staggering world military bill of some $230 billion per annum. That is only the money cost. The cost in terms of environmental quality, energy consumption and raw material depletion in the long run is of more ominous significance. We can ill afford the present burden, let alone increasing it by an arms race in the Indian Ocean.

I think time is of the essence in this situation. Prompt adoption of the resolution will put in train negotiations that offer far greater prospects for peace and stability in the region and in the world than retrogressing to the construction of a base more suitable to the colonialism of the 18th and 19th centuries than the close of the 20th.

## AMENDMENT OF SECURITIES AND EXCHANGE ACT OF 1934—AMENDMENT

### AMENDMENT NO. 1029

(Ordered to be printed, and referred to the Committee on Banking, Housing and Urban Affairs.)

Mr. HART. Mr. President, on March 5, the Committee on Banking, Housing and Urban Affairs favorably reported S. 2519—the National Securities Market System Act of 1974. S. 2519 represents the culmination of several years' arduous labor by the Securities Subcommittee and staff, and ably implements the recommendations and conclusions of the subcommittee's report. It would result in the elimination of fixed rates and of the anticompetitive practices and rules of the New York Stock Exchange; a national securities market system composed of competing markets—exchanges and otherwise—would be created; and the Securities and Exchange Commission would be required to afford significant weight to competitive values in carrying out the responsibilities under the act.

S. 2519 has my full support.

At the time S. 2519 was reported, the committee deferred action on the controversial third market amendment which was subsequently reintroduced on March 7 as S. 3126. Hearings by the Securities Subcommittee have been scheduled for March 27 and 28. Today, I am introducing an amendment to S. 3126 which I hope will be commented on at the hearings and considered by the subcommittee.

The amendment does not reflect acceptance of the New York Stock Exchange proposition that competitive rates before implementation of the central securities market would be catastrophic to fair and orderly markets for securities. It is intended only to provide competitive standards and safeguards assuring adequate protection of the third market as a competitive force in the industry should the subcommittee determine the necessity of such a "fail-safe" mechanism.

I ask unanimous consent that the amendment be printed in full at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

No. 1029

On page 1, line 6, insert the following: strike all after the enacting clause, commencing with the words "'(e)(1)", through and including the word "begins.'" on page 3, line 14, and insert the following:

"(e)(1) Consistent with the other provisions of this title, and if necessary to preserve fair and orderly markets, the Commission may by rule prohibit brokers and dealers from effecting transactions in securities registered pursuant to section 12(b) of this title otherwise than on a national securities exchange, if it finds, after notice and opportunity for hearing, on the record, that (A) no rule or practice of any national securities exchange unreasonably impairs the ability of any dealer to solicit or effect transactions in such securities for his own account or unreasonably restricts competition among dealers in such securities or between dealers which are specialists in such securities and dealers which are not specialists in such securities and (B) as a result of transactions in such securities otherwise than on a national securities exchange the fairness or orderliness of the markets for such securities has been or is in substantial probability of being affected in a manner contrary to the public interest and the protection of investors: *Provided, however,* That the Commission shall adopt the least anticompetitive means of preserving fair and orderly markets for such securities. The Commission may conditionally or unconditionally exempt any security or transaction or any class of securities or transactions from any such prohibition if the Commission deems such exemption consistent with the public interest and the protection of investors.

"(2) For the purposes of subsection (1) the ability of any dealer to effect transactions in securities for his own account shall not be deemed to be unreasonably impaired by any rule of an exchange (i) fairly and reasonably prescribing priority for orders of public customers brought to the exchange, or (ii) which has been adopted in accordance with rules relating to priority of orders for public customers promulgated by the Commission under this title.

"(3) The proceeding authorized pursuant to subsection (1) may not commence until the rules of national securities exchanges fixing rates of commission have been eliminated; and any rule promulgated pursuant to subsection (1) shall not remain in effect after the Commission has determined that a national market system for securities has been established, or April 30, 1978, whichever is earlier.

"(4) Any rule promulgated pursuant to subsection (1) shall not become effective unless the Attorney General advises that such rule is the least anticompetitive means of preserving fair and orderly markets for securities.

"(5) Nothing in this title shall pre-empt the applicability of the antitrust laws to rules of practices of a self-regulatory body or its members which have not been specifically mandated by the Commission."

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## CONGRESSIONAL BUDGET ACT OF 1974—AMENDMENTS

### AMENDMENTS NOS. 1030 THROUGH 1033

(Ordered to be printed, and to lie on the table.)

Mr. HUMPHREY submitted four amendments, intended to be proposed by him, to the bill (S. 1541) to establish a new congressional budget process; to establish Committees on the Budget in each House; to establish a Congressional Office of the Budget; and for other purposes.

### BUDGET REFORM—A STEP TOWARD A MODERN CONGRESS

Mr. HUMPHREY. Mr. President, we are embarked on what I fervently hope is the first step on the path to major reform of Congress as an institution of democratic government.

Budget reform is in itself an objective that has long deserved our most serious attention. The very fact that we are debating it on the floor of the Senate is a sign of significant progress. Enactment of true reform of our fiscal and budgetary procedures would represent a historic achievement. Several of my colleagues have rightly observed that this may be the most significant issue to be considered during this Congress.

The bill we have before us goes far toward making sense and order of our budget procedures. But I feel that this bill, fine as it is, can be improved, and I intend to offer amendments designed to make the improvements I believe are needed.

I know many of my colleagues also have contributions that they wish to make, also with the aim of further strengthening this highly important legislative achievement. I know we will find we have differing definitions of perfection. But I hope that out of our differences will emerge a measure we can and will agree upon.

Mr. President, I further hope that after we have adopted a budget reform bill, we will use this momentum to go forward in enacting other reforms that also are vitally needed for the effective functioning of Congress and for the good of our country.

Let us make budget reform the starting point—the first-priority item on an agenda for reform.

The Nation is watching us. The public is intent upon what we do during these deliberations.

Unfortunately, a large segment of the public is watching with a jaded and skeptical eye. We are all aware, I am sure, of the recent opinion polls that have given Congress a dangerously low rating in the public's esteem.

Our response to the challenge and opportunity presented in this bill and in the wider context of congressional reform in general will be seen, absorbed and discussed. Our future ratings on the public barometer of approval will be adjusted upward or downward accordingly.

In reaching the stage at which we stand today, our performance has been creditable. The committees of the Senate, the individual members and the staff employees who have labored long, hard hours to bring this bill before us in its present form, deserve the thanks and acclaim of all of us. If we in this chamber can only match their performance and contribution, we will have done much to earn the respect and esteem of the public.

### HUMPHREY PROPOSALS

Mr. President, I have long believed there are numerous ways that Congress can make itself more efficient and responsive. Toward that objective, I have offered suggestions intended to make improvements in a wide range of congressional activities, practices and procedures.

I would hope that all of my colleagues have had time to familiarize themselves with my bill, S. 2992, the Modern Congress Act, and its 11 titles proposing reforms, and studies directed toward reforms, in as many areas of congressional action.

That bill proposes:

Creating a Citizens Committee To Study Congress;

Commissioning a study of Senate committee jurisdictions;

Establishing an Office of Congressional Counsel;

Strengthening the powers of the Comptroller General;

Mandating an annual "State of the Congress Message" by the leadership;

Reforming our budgetary and fiscal procedures;

Forming Legislative Review Subcommittees in each standing committee;

Creating an Office of Congressional Communications;

Requiring that committee and subcommittee meetings be open to press and public;

Undertaking a study of using computers in scheduling committee and subcommittee business; and

Creating a Joint Committee on National Security.

I also have proposed forming a Federal-State Legislative Council, so that legislative activities at both levels of government might be better coordinated and the activities of leaders at those levels might be better enlightened by communication and discussion.

I recently testified before the Joint Committee on Congressional Operations, offering proposals including television and radio broadcasting of Senate and House Chamber action, as a means of improving coverage of Congress by the mass media.

It is sad that this latter proposal could not already be in effect. The American public would then have the opportunity to observe as the Senate debates the budget reform bill. If in fact we adopt a bill of the historic proportions possible, it would be an event well worth the attention of every American. It would be an opportunity to be a witness to history, and it would show the best side of the Senate.

### BALANCED GROWTH AND DEVELOPMENT

Mr. President, I have also proposed a major readjustment of policies and practices of Congress, as well as those of the executive branch, in an area which I believe is closely related to reform of fiscal and budgetary procedures.

That is the area of national growth and development policy. This is an area on which Federal budget and revenue policies actually have a significant impact, but which is currently treated too lightly, allowed to coast along with too little guidance and thoughtful direction, and which is seldom recognized as being vitally linked to the economic impact of the Federal Budget and to its programs, policies and priorities.

I recently introduced S. 3050, the Balanced National Growth and Development Act of 1974. The bill's objective is to bring needed coordination and balance to our Nation's future growth and development, and to provide the tools and machinery necessary if we are to work toward the promise of a better quality of life for all Americans, whether living in urban, suburban, or rural areas.

### HUMPHREY AMENDMENTS

Mr. President, the bill before us today offers an excellent opportunity to act on some of the principles and proposals I have just outlined. The reform of our budget procedures will have a profound effect on other aspects of congressional activity that also need reform. And if we are truly to make sense and order of the way we handle the annual budget, we must recognize its relationship to the Nation's growth and development. If we are to do a complete job of budget reform, our reforms must include provisions for considering the balanced growth and development of our Nation, and its long-range goals and priorities, as we work on the budget.

With those needs in mind, I have today submitted four amendments to the Congressional Budget Act of 1974. I have notified many of my colleagues of their general content and purposes.

To briefly summarize the amendments, they would:

Require the new Congressional Office of the Budget to submit a report each year to the Committee on the Budget, summarizing current factors affecting the nation's long-range growth and development goals and priorities. The Budget Committees would be required to use this report, and other information that the Office would provide from time to time, as a guide in considering budget measures.

Create a Citizens Committee To Study Congress, with instructions to examine the full range of congressional activities and procedures and propose reforms. The amendment contains a specific mandate for the committee to seek still-better ways of injecting consideration of long-range growth and development policy and national goals and priorities into other related facets of congressional activities.

Commission a study of the Senate's committee structure by the Joint Committee on Congressional Operations, with the aim of bringing our committee system into line with the needs arising from budget reform and into accord with other demands of the last half of the 20th Century.

Create a Legislative Review Subcommittee in each standing committee of the Senate, to assure that the program review and evaluation responsibilities spelled out in the budget reform bill are carried out.

Mr. President, I ask unanimous consent that these four amendments be printed in the Record.

There being no objection, the amendments were ordered to be printed in the Record, as follows:

### Amendment No. 1030

On page 107, line 2, delete the word "and," and after line 2 insert the following:

"(D) to receive and review all information, data, analyses and reports prepared by the Congressional Office of the Budget on the subjects of long-range national growth and development, goals and priorities, reviewing such materials and using them as a guide during deliberation on concurrent resolutions on the budget and in carrying out other duties assigned to the Committee on the Budget as required under Titles III and IV of this Act."

On line 3, strike "(D)" and insert "(E)."

On page 116, after line 25, insert the following:

"(g) National Growth, Development, Goals and Priorities—In keeping with the purposes of this Act, to establish national goals and priorities to meet the needs of a strong national economy, the Office shall review on a continuing basis all legislation, trends and developments in government at the Federal, State, and local levels, and related trends and developments in the private sector, including available national resources, which affect the Nation's growth and development, goals and priorities. Once each year the Office shall submit to the Committees on the Budget of both Houses and to each House of Congress, a "National Growth, Development, Goals and Priorities Report," containing such information, data and analyses as the Director shall deem necessary to enable Congress to consider fiscal and budgetary matters in terms of balanced national growth and development policies and national goals and priorities. The Office may also submit to the Committees on the Budget from time to time, materials such as additional data, analyses and information on the subjects of growth, development, goals and priorities, and in addition shall provide such materials on request to any Member or committee, or either House of Congress."

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### Amendment No. 1031

At the end of the bill, insert the following:

## TITLE XI—CITIZENS' COMMITTEE TO STUDY CONGRESS

Sec. 1101. (a) There is established a committee to be known as the Citizens' Committee To Study Congress (hereafter referred to in this Title as the "Committee") to make a complete study relating to the functions, powers, duties and operation of the Congress.

(b) The members of the Committee shall be chosen by a selection committee composed of three members, one of whom shall be appointed by the President of the United States, one by the President pro tempore of the Senate, and one by the Speaker of the House of Representatives. Any member of the selection committee not otherwise employed by the United States Government shall receive $100 for each day (including travel time) that he is performing duties as a member of the selection committee. Each member of the selection committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the selection committee.

(c) The selection committee shall choose, not later than thirty days after the last member of the selection committee has been appointed, fifteen members to serve on the Committee. Not more than two of the members shall be Members of the House of Representatives; not more than two of the members shall be Members of the Senate; and not more than one of the members shall be an officer or employee of the executive branch of the United States Government. The selection committee shall designate one of the members as Chairman of the Committee.

(d) Eight members of the Committee shall constitute a quorum. Any vacancy shall be filled by the selection committee within thirty days after the vacancy occurs.

(e) Any member of the Committee not otherwise employed by the United States Government shall receive $100 for each day (including travel time) that he is performing duties as a member of the Committee. Each member of the Committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Committee.

Sec. 1102. (a) In conducting its study, the Committee shall—

(1) consider the role of the Congress in establishing policy for the operation of the United States Government;

(2) determine how the Congress may best exercise its function of reviewing and evaluating programs and activities of the United States Government; with emphasis on ways by which these programs and activities affect the balanced growth and development and the goals and priorities of the Nation;

(3) examine the operation of the Congress itself (including but not limited to its powers, priorities, privileges, traditions, the means by which the Congress makes decisions, its committee system, its staffs) and how existing structures might best be modified to carry out the intent of this Act;

(4) examine and consider such other matters as the Committee may deem appropriate to provide an understanding of how the Congress has operated and how the Congress should operate in the future, with particular but not exclusive attention to the role of the Congress in contributing to the achievement of a balanced national growth and development policy, through congres-

sional fiscal budgetary and related procedures and practices.

(b) (1) Not later than two years after the date of enactment of this Act, the Committee shall submit a final, comprehensive report to the Senate and the House of Representatives with respect to its study. The Committee shall also make such reports, from time to time, to the Senate and House of Representatives as the Committee deems necessary. Any report of the Committee shall contain such findings, statements, and recommendations as the Committee considers appropriate.

(2) Any report of the Committee shall be printed as a public document and made available for sale to the public.

(3) Thirty days after the Committee submits its final, comprehensive report, the Committee shall cease to exist.

SEC. 1103. (a) The Committee or, on the authorization of the Committee, any subcommittee thereof, may, for the purpose of carrying out the provisions of this title, hold hearings, administer oaths for the purpose of taking evidence in any such hearings, take testimony, and receive documents and other writings. Any member authorized by the Committee may administer oaths or affirmations to witnesses appearing before the Committee, or any subcommittee thereof.

(b) In order to carry out the provisions of this title, the Committee is authorized—

(1) to appoint and fix the compensation of an executive director and such additional personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and general schedule pay rates;

(2) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(3) to appoint such advisory committees as it deems necessary;

(4) to promulgate rules and regulations governing the operation of the committee and its organization and personnel;

(5) to procure supplies and services;

(6) to enter into contracts; and

(7) to take such other action as may be necessary to carry out this title.

(c) Each department, agency, and independent agency of the executive branch of the United States Government is authorized and requested to furnish to the committee, upon request made by the chairman, such data, reports and other information as the committee deems necessary to carry out its functions under this title.

SEC. 1104. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this title.

AMENDMENT NO. 1032

On page 107, after line 19, insert the following:

STUDY OF SENATE COMMITTEE JURISDICTION

SEC. 102. (a) It is the sense of the Congress that—

(1) There is a demonstrated need for the Senate, as one House of the Congress, to assert its policymaking and oversight functions;

(2) the committee structure of the Senate is so organized as to frustrate the examination, analysis and the oversight of government policy, program operations, and expenditures; and

(3) the enactment of this Act will place an even heavier burden upon the committees of the Senate to conduct such examination, analysis and oversight.

(b) It is further the sense of Congress that the Joint Committee on Congressional Operations should immediately begin an in-depth analysis of the committee jurisdictions of the United States Senate, taking into account the need to reduce fragmentation of policy and program oversight, the necessity for aligning committee jurisdiction according to the functional purposes of governmental programs, the potential for the application of new technologies to the operations of committees of the Senate, and the requirement that staff resources be effectively and efficiently allocated among committees of the Congress of the United States. The Joint Committee on Congressional Operations shall make periodic reports to the Senate during the course of conducting the study herein ordered, and shall make a final report containing recommendation for reform and improvement of the committee structure and operations of the Senate no later than one calendar year after the enactment of this Act.

(c) The expenses incurred by the Joint Committee on Congressional Operations in carrying out this Section shall be paid from the contingency fund of the Senate upon vouchers approved by the chairman of the Joint Committee on Congressional Operations.

AMENDMENT NO. 1033

On page 171, line 5, after "Sec. 701," insert "(a)."

After line 14, insert the following:

"(b) To carry out such required analysis, appraisal and evaluation, such committees of the Senate shall each establish a subcommittee on legislative review, which shall have the duty to conduct for the committee the responsibilities assigned to the committees by this section, and to report to the committee to which each such subcommittee is responsible the results of the analysis, appraisals, and evaluation conducted under this section, together with such recommendations as the subcommittee deems appropriate.

(c) Subsection (b) of this section is enacted as an exercise of the rulemaking power of the Senate subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time in its exercise of its constitutional right to determine the rules of its proceedings. Nothing in this section shall be construed, however, as precluding any Legislative Review Subcommittee of the Senate from conducting hearings and engaging in other deliberations jointly with such committees or subcommittees of the House of Representatives which the House may designate to conduct the analyses, appraisals and reviews required under this title."

AMENDMENT NO. 1034

(Ordered to be printed, and to lie on the table.)

Mr. HATHAWAY submitted an amendment, intended to be proposed by him, to Senate bill 1541, supra.

AMENDMENT NOS. 1035 THROUGH 1038

(Ordered to be printed, and to lie on the table.)

Mr. NUNN submitted four amendments, intended to be proposed by him, to Senate bill 1541, supra.

## ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1004

At the request of Mr. KENNEDY, the Senator from Utah (Mr. MOSS) was added as a cosponsor of Amendment No. 1004, to H.R. 13025.

## NOTICE OF HEARINGS ON S. 2803 AND S. 2978

Mr. ERVIN. Mr. President, as chairman of the Subcommittee on Separation of Powers, I announce that hearings will be held on March 26, 27, 28, and April 2, on Senate bills 2803 and 2978. The hearings will be held in room 2228, Dirksen Senate Office Building, and will begin at 10 a.m. each day.

S. 2803, a bill I introduced on December 12, 1973, would insure the separation of constitutional powers by establishing the Department of Justice as an independent establishment of the United States.

S. 2978, a bill introduced by Senator CRANSTON on February 7, 1974, would establish a special commission to study the establishment of an independent permanent mechanism for the investigation and prosecution of official misconduct and other offenses committed by high Government officials.

Testimony will be received from approximately 20 witnesses, including a representative of the Department of Justice, three former Attorneys General, the former Special Prosecutor, former Assistant Attorneys General, and other persons who have held key Government positions. Views will be received also from outstanding members of the bar and the academic community.

In addition, two of the subcommittee professional consultants, Prof. Philip B. Kurland, of the University of Chicago, and Prof. Arthus S. Miller, of the National Law Center, the George Washington University, will be present.

Anyone desiring additional information should contact the subcommittee, telephone 225–4434 or 225–8421.

## NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

John L. Buck, of Pennsylvania, to be U.S. marshal for the middle district of Pennsylvania for the term of 4 years. (Reappointment.)

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, March 26, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

## NOTICE OF HEARING ON THE DISTRICT COURT FOR THE EASTERN DISTRICT OF KENTUCKY

Mr. BURDICK. Mr. President, as chairman of the Subcommittee on Improvements in Judicial Machinery, I wish to announce that a hearing for the consideration of S. 3171, to increase the number of district judges for the eastern district of Kentucky, is scheduled for March 21, 1974, in room 2228, Dirksen Office Building, beginning at 2 p.m.

Communications relative to this hearing should be directed to the subcommittee staff, 6306 Dirksen Office Building, extension 5–3618.

## NOTICE OF CHANGE OF ADDRESS OF THE OFFICE OF PUBLIC RECORDS

Mr. ROBERT C. BYRD. Mr. President, at the request of the secretary of the Senate, I wish to announce for the information of the Senate and the public that on Thursday, March 21, the Office of Public Records, Office of the Secretary of the Senate, will move from its present location in rooms ST–2 and ST–4, in the Capitol, to room 623, Immigration Building, 119 D Street, NE.

Normal working hours will resume on Friday, March 22.

The new telephone numbers are: 225–0322 and 225–0323.

## ADDITIONAL STATEMENTS

## RECONFIRMATION OF JUDGES—SENATE JOINT RESOLUTION 13

Mr. HARRY F. BYRD, JR. Mr. President, on January 9, 1973, I introduced Senate Joint Resolution 13, a joint resolution proposing an amendment to the Constitution with respect to the reconfirmation of Federal judges. That measure is presently cosponsored by the Senator from Alabama (Mr. Allen), the senior Senator from Georgia (Mr. Talmadge), the junior Senator from Georgia (Mr. Nunn), and the Senator from South Carolina (Mr. Thurmond).

I ask unanimous consent that the name of the distinguished Senator from North Carolina (Mr. Helms) be added as an additional cosponsor of this resolution and that the text of Senate Joint Resolution 13 be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the joint resolution will be printed in the Record.

### S.J. Res. 13

Joint resolution proposing an amendment to the Constitution of the United States with respect to the reconfirmation of judges after a term of eight years

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution if ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"Article —

"Section 1. Notwithstanding the provisions of the second sentence of section 1 of article III of the Constitution, each judge of the Supreme Court and each judge of an inferior court established by Congress under section 1 of article III shall hold his office during good behavior for terms of eight years. During the eighth year of each term of office of any such judge, his nomination for an additional term of office for the judgeship which he holds shall be placed before the Senate in the manner provided by the law, for the advice and consent of the Senate to such additional term, unless that judge requests that his nomination not be so placed. Any judge whose nomination for an additional term of office is so placed before the Senate may remain in office until the Senate gives its advice and consent to, or rejects, such nomination. If the Senate gives its advice and consent to an additional term of office, that term shall commence from the date of such advice and consent, or the day immediately following the last day of his prior term of office, whichever is later.

"Sec. 2. The terms of office established by section 1 of this article shall apply to any individual whose nomination for a judgeship is submitted after the ratification of this article to the Senate for its advice and consent."

Mr. HARRY F. BYRD, JR. Mr. President, I would like to take a moment to review the history of this legislation. I originally introduced this legislation in the 92d Congress as Senate Joint Resolution 106, a proposal identical to the present bill. Federal judges now serve for life. I believe that fixed tenure for judges, which is the practice in 49 of the 50 States, should be instituted for Federal judges.

In a democracy, why should any public official have life appointment?

Since that original date, my proposal for limited tenure and reconfirmation has received the endorsement of the State legislators of Michigan, Alabama, and Virginia. The Chief Justice of the Indiana Supreme Court, the Honorable Norman Arterburn, has indicated to me his personal support for this constitutional amendment. Most recently, the Governor of the State of New Hampshire, the Honorable Meldrim Thomson, Jr., has indicated that "such legislation is long overdue and, in fact, is essential."

Furthermore, the editorials of numerous newspapers and resolutions of many associations have shown that this is a proposal which has the support not only of jurists and distinguished public officials, but of the people, as well.

Mr. President, I submit that in a democracy, it is not logical or wise for a public official to have lifetime appointment and to be completely unaccountable for his actions. In the whole world, the only individuals today who have lifetime tenure are kings, queens, maharajas, and U.S. Federal judges.

I think it is time that something be done about this situation.

## ANSWER TO THE GAS SHORTAGE

Mr. HANSEN. Mr. President, it is indeed refreshing to hear or read something that suggests the simplest solution and probably the only one to our energy problems.

Arlington radio station WAVA recently broadcast an editorial that the only certain means of ending our gasoline shortage is to end all controls on prices and allocations.

Mr. Arthur W. Arundel, president of WAVA, was kind enough to answer my request for a transcript of his editorial broadcast in which recommended doing what the Europeans did—get the Government out of this and let the free market forces of supply and demand go to work.

Mr. President, I wish more Senators had been listening to what Arthur Arundel had to say. Some of them might rediscover the law of supply and demand and change their minds about price rollbacks, windfall profits tax, elimination of incentives such as depletion allowance and other regulatory legislation now being concocted in both the House and the Senate.

The energy mess we are in is strictly the result of inept Government policy—or no policy—as well as the stifling result of Federal price regulation brought on by the Supreme Court in 1954.

The Phillips decision that the Federal Power Commission should set ceilings on the wellhead price of natural gas set the stage for natural gas shortages that have also contributed to the oil and gasoline shortage.

Congress should now be doing everything possible to encourage the petroleum industry to discover, drill for and produce the additional oil and gas supplies so vital to this Nation's progress and welfare rather than concocting more of the same regulatory medicine that got us into the mess or doing away with the incentives so badly needed by the industry to develop or own abundant energy resources.

The WAVA editorial emphasizes the simple economic fact that nothing the U.S. Government can do whether gas rationing or ending the Arab oil embargo, will get oil moving again to this country so long as our prices under control cannot meet the market.

Mr. President, I ask unanimous consent that Mr. Arundel's WAVA editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Answer to the Gas Shortage

The gasoline shortage in this country is as incredible to stand in line for as it is for the journalist to do lines upon. We are burning up as much fuel as we are saving, service station owners seeing years of work in developing regular customers going down the drain, the government floundering and the politicians promising.

What no one seems to be doing is thinking.

At any rate, everyone else has had his turn at the answer to this and now it is mine.

Let's start with one fact on which everyone can agree. While the world oil shortage is now essentially all over, other nations finished with lines and allocations, the crisis just gets worse in the United States.

We have tried gas-less Sundays. We have tried alternating days to buy gas. And now, incredibly, we seem on the edge of something used only in world wars, gasoline rationing.

And still it gets worse.

Meanwhile Europe and Japan have no more gasoline shortages, and no more gas lines. Why? These nations, relying almost entirely on imported oil, also tried rationing, gasless Sundays and price controls. But then, and here is the key to it all, they did something else, they abolished all Government controls, including prices. Prices jumped 20 or 30 percent, but then settled down.

What they did, and we must do now, is get the Government out of this and let the free market forces of supply and demand go to work.

The huge fact is that nothing the U.S. Government can do whether gas rationing or ending the Arab oil embargo, will get oil moving again to this country so long as our price under controls can't meet the market. World oil brokers frankly say they are turning oil tankers around in mid-ocean and sending the oil to countries where they can get the world market price. There is absolutely nothing that the United States Government can do about that, except send the Navy to capture them.

Of course we are going to have higher

prices, we already have them. But the higher the prices go, the more reason we are going to have to drive less and have more efficient automobiles. Prices now are probably higher than if we had never gotten into these silly and currently typical Government efforts to treat its people as so many stupid children unable to make their own decisions. It is precisely the same sort of thing that has happened to prices of everything else since the Nixon administration began wage and price controls two years ago. Those who argue that higher prices for gas are unfair to the poor in gas lines might better direct their concerns to the growing lines of unemployed the way we are now doing it.

So at the end the only certain means of ending our gas shortage, and these long lines and the growing damage to our economy, is to abolish the Federal Energy Office, ending controls on prices and allocations and let the people of this country make their own judgement about automobile use. The best control government has ever devised was by its people.

Within days or weeks, your friendly neighborhood gasoline attendant would be smiling and even cleaning your windshield again.

And that easily written awaiting our way to the pump is that.

## REBUTTAL TO PRESIDENT NIXON'S STATEMENT ON ELECTION REFORM LEGISLATION BY SENATOR PASTORE

Mr. PELL. Mr. President, I am delighted to have this opportunity to call to the attention of my colleagues, who may not have been privileged to hear it, a most excellent statement presented by the senior Senator from Rhode Island, John O. Pastore.

This statement, presented over our national radio networks on Friday, March 15, was a rebuttal of President Nixon's statement to the Nation on election reform legislation. The President spoke on March 8.

Senator Pastore received the special honor of being requested by the leadership of the Congress to respond to the President's views. He is greatly deserving of this honor, for he has long been a Senate pioneer in the field of election reform, not only in the field of reforms concerned with disclosure of campaign contributions, but in the field of public financing of elections. Over this issue, as Senator Pastore points out, "the Congress and the White House dramatically part company." As chairman of the Subcommittee on Privileges and Elections, I realize how widely separated we are.

Senator Pastore's is an eloquent statement. It is a statement reflecting deep convictions. And it is also a statement which contains a simplicity and a directness of approach easy for all to understand. I commend these words to all concerned. They have a historic significance to this highly important issue, soon to be fully debated in this Chamber.

Mr. President, I ask unanimous consent that the full text of Senator Pastore's statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement of Senator John O. Pastore

My Fellow Americans:

Last week, in a radio address to the nation, President Nixon discussed his views on election reform and campaign financing. I have been asked by the leadership of the Congress to present a Congressional viewpoint.

Although there is never one viewpoint in Congress—and, hopefully, there never will be—there is general consensus among Democrats and Republicans alike that those who are elected to decide public policy should be open and above board about their sources of money.

This strong Congressional will was translated into law three years ago. The new law became effective on April 7, 1972. From that date on, secret money to finance Federal elections was outlawed.

Congress has been building on that basic framework ever since—and that is exactly and precisely the program that the President endorsed last week when he spoke to the people of the country.

The ballot box is the most sacred hallmark of our democracy. Into it go the hopes and dreams of millions of men and women who are proud of this country's past—and who care deeply about its future.

But democracy can work only if the elections by which the people choose their leaders are truly open—open to all citizens and free of the taint of secret money. Only in this way can we guarantee the election of candidates who represent not the special and vested interests, but the public interest.

That is why Watergate is a scandalous and serious stain on our democracy and, indeed, it threatens the foundation of our system of government and everything for which America stands.

Long before the recent investigations, democracy in America had been under heavy pressure from the corrosive power of private money in public life.

But the colossal corruption of politics revealed by Watergate shows that the infection has spread to the very heart of government and no one in public life can ignore the need for immediate remedial action.

In his address, President Nixon spoke of the problems facing us, especially in the areas of campaign financing, unfair campaign practices, the duration of campaigns, and the barriers that discourage talented citizens from entering public life.

True enough, there are many worthwhile proposals in the President's message, but we must remember that almost all of them have already been discussed by the Congress and some of them have already been enacted into law.

As a matter of fact, it was the Congress that passed a far-reaching campaign disclosure law in 1971—which I had the privilege to sponsor—and which became law and was signed by the President in 1972.

Then again, only a year ago, the Senate passed a bill to limit contributions by any individual to $3,000 for any candidate in Presidential elections as contrasted with the President's proposal to allow contributions up to $15,000.

How many Americans are capable of making a contribution of $15,000? Surely any such contribution is suspect of some personal vested interest.

This, in our view, still leaves the success of a Presidential campaign the private preserve of the rich and the powerful interests. It is high time that we decide that a "for sale" sign will never hang on the White House door.

Another distressing aspect of the President's proposal was his advocacy of "the sky is the limit" policy with no ceiling on how much a Presidential candidate can spend. This would make the Presidential opportunity a private arena of the rich, excluding qualified, dedicated, potential candidates who have no such call on large sums.

And, finally, the most serious defect is the President's opposition to public financing of elections. And this is where the Congress and the White House dramatically part company.

Indeed, public financing of Presidential elections is already the law of the land. It was enacted by the 92d Congress and approved by President Nixon's signature in February of 1972.

This law is called the dollar checkoff and millions of taxpayers have the opportunity of using it this year by checking line 8 of page 1 of their Federal tax returns.

I would strongly urge all Americans to avail themselves of this opportunity. It will not add a single penny to your tax obligation. It will not affect in the least any refund to which you may be entitled.

I repeat—it will not add to your tax nor will it take away from any refund to which you may be entitled.

It simply assures to each citizen an equal investment in future Presidents and allows the President—whoever he may be—to be beholden to no one but all the people.

What we are talking about, therefore, in the debate on public financing is not whether we ought to have public financing at all, but whether the public financing we now have should be expanded to include other elections, such as Presidential primaries and elections for Federal office.

Furthermore, public financing is not a partisan issue. It has solid support among the American people and Democrats and Republicans in the Congress as well.

In fact, the idea of public financing was first proposed in America by one of the nation's greatest Republican Presidents—Theodore Roosevelt. He called for public financing nearly seventy years ago in response to the notorious corruption in campaign financing that prevailed in American politics at the turn of the century—and the scandal of that time was child's play compared to the scandals in the 1972 elections.

Over the years, the nation has tried many other alternatives and found them wanting—such as prohibitions on political contributions by corporations and labor unions, and full reporting and disclosure of campaign contributions and expenditures.

But recent experience has proved that these approaches were never fully adequate to meet the abuses.

With the advent of television, the cost of financing campaigns has climbed astronomically—and with that rise in cost, has followed an equal rise in the magnitude of the scandals. We need not go further than Watergate, which is conclusive proof that the present system of private financing breeds corruption.

What we need is action—bold action—not fuzzy, gentle reforms fraught with loopholes. The President's call for full disclosure in itself is just not enough. We had a taste of that in the 1972 campaign when—with a full disclosure law on the books—millions upon millions of dollars were secretly contributed for public favor.

Public funds for the public campaigns of public officials make good sense if we want to end political payola.

Now is the time to purify our democratic process—to let this opportunity slip away would be a disservice to future generations. Public financing is an effective guarantee that every citizen's influence will be measured only by the rightness of his cause and the power of his vote—not by the number of hundred dollar bills he carries in his wallet.

Let us not be mislead by those who claim that public financing is taxation without representation and a raid on the Federal treasury. Taxation without representation is precisely what you have when you have corruption.

Too many big contributors receive special consideration for their contributions—and their viewpoints are all too often translated to public policy which, in turn, fattens the fat cats.

The raid upon the treasury is not to be found in the dollar checkoff which is freely the choice of the taxpayer—the real raid on the treasury is the special favors being meted out to those who give big in order to receive big.

Public financing may not be the complete answer to all the problems of government, but it is a start in the right direction.

What will it cost? Fifty cents per person per year. That—to me—is the cheapest and wisest investment that we, as Americans, can make in the future of our country.

## THE LIBERALS' CONTRIBUTION TO WATERGATE

Mr. FANNIN. Mr. President, every time that Government creates a problem, it inevitably creates another program to solve the problem, and this program in turn creates more problems which call for more programs, and so on.

The more Federal interference that we have in the lives of our individual and corporate citizens, the more problems we will have.

We could solve many of our problems by taking Government out of the lives of our people and by stopping Government meddling in an economic system which does pretty well when left alone.

In last Friday's New York Times an article by Jeffrey St. John suggests that Congress was the real breeding ground for Watergate, and that we seem to be determined to compound our problem rather than curing it.

Mr. President, I ask unanimous consent that this column, "The Liberals' Contribution to Watergate," be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

### The Liberals' Contribution to Watergate

(By Jeffrey St. John)

"The expansion and abuse of Presidential power," observes the historian Arthur Schlesinger Jr., in "The Imperial Presidency," constituted the underlying issue, the issue that, as we have seen, Watergate raised to the surface. . . ."

Professor Schlesinger, like many liberals favoring impeachment, refuses to face the rational remedy to prevent future abuse of Presidential power and thus forestall future Watergates. The remedy is for liberals to renounce the cherished and dangerous dogma that the Government should dictate the nation's social and economic life. For Watergate was partly the consequence of Congress having granted enormous economic powers to the President.

The respected pollster and political analyst Samuel Lubell, in his critique of the 1972 Presidential campaign, pointed out that it was "the overloaded economic powers in the White House that swept away traditional political restraints" and allowed Nixon campaign aides to manipulate the election.

Blackmail and extortion of huge and often illegal campaign contributions from United States corporations either doing business with or controlled by government were the results of the liberal compulsion for economic dictatorship,

Congress, therefore, shares considerable complicity in Watergate, particularly for the unlimited power it has turned over to the President to manage the economy by wage and price controls. The trend is continuing, with such economic problems as the energy crisis turned over to the President, who is given *carte blanche* powers, even though a growing number in the House and Senate favor Mr. Nixon's impeachment on the grounds that he abused the powers previously granted by Congress!

Another illustration of this trend is the current consideration by Congress of the brainchild inspired by Ralph Nader, the Consumer Protection Agency. The proposed agency would be granted unprecedented powers to protect consumers, but at what political and tax costs? According to the nonpartisan Tax Foundation, the Federal Government currently administers 1,000 consumer programs in 57 Government agencies at an annnual cost of $3 billion. But equally important, since the agency would be a new arm of the executive branch, political control of a Consumer Protection Agency would be vested in the White House staff.

Mr. Nader and his allies in Congress have decried the Watergate scandal in general and corporate campaign contributions in particular—contributions, for example, from the Associated Milk Producers, Inc., and other companies and industries that are either subsidized or controlled by past acts of Congress and administered by the executive.

But Mr. Nader and his allies refuse to face the underlying cause of political corruption connected with corporations. Instead, they push for more political control over the private economy and advocate Federal financing of elections, which would place even greater powers in the hands of the Government.

"The furor over private financing," asserts a Yale law professor, Ralph Winter Jr., in a study for the American Enterprise Institute, "is likely to obscure one of the few clear lessons of Watergate—the lesson that unchecked discretion to bestow or give away economic favors permits Government officials to wield arbitrary power. Only imposition of controls on the exercise of that power can solve the underlying evil."

In recent months, two prominent members of the Administration have offered similar views. Treasury Secretary George P. Shultz asserted last November that Watergate not only bore out Lord Acton's admonition that "power tends to corrupt and absolute power corrupts absolutely," but confirmed the conservative contention that the stronger a government the more corrupt it will become.

Echoing this theme, Presidential adviser Patrick Buchanan in a speech in January pointed out that those liberals now decrying Watergate were those very same individuals in the nineteen-sixties who termed conservative opposition to expansion of Government power "timid and negative."

Mr. Buchanan believes, moreover, that only a renunciation of the notion by liberals that political power can solve social and economic problems will bring about genuine reform and prevent future Watergates. "For politicans to promise," he states, "that this or that program is the answer to the age-old problem of poverty or malnutrition or bigotry is to mislead and deceive, to add to the eventual disillusionment and distrust of the political process, to draw down upon the limited remaining moral capital of government."

A measure of this distrust and the declining moral capital of the political process is found in recent opinion surveys that show as low a public regard for Congress as the executive. Nevertheless, Congress continues to concentrate more power in the executive, as illustrated by the Senate's refusal to scuttle wage and price controls. It is the height of political hypocrisy and intellectual dishonesty for members of Congress to demand impeachment of the President on the grounds of "abuse of power" when it is some of those same legislators who vote for retention of Presidential powers or their expansion by the creation of new agencies.

Congressmen must examine their own consciences and actions if they are really to deal with the problem of abuse of Presidential power. What is required of them is an end to the current and unrecognized form of political racketeering that guarantees future corruption in government.

## VETERANS' EDUCATIONAL PROGRAM DESERVES ACTION

Mr. HANSEN. Mr. President, recently, the U.S. House of Representatives passed H.R. 12628, the Veterans' Education and Rehabilitation Amendments of 1974.

As a member of the Senate Committee on Veterans' Affairs, I was very pleased with this action to improve our important educational programs for veterans. It is my hope that the Senate will move quickly on this legislation so that our Nation's veterans will be able to avail themselves of its benefits before the beginning of the new school year this fall.

Within this bill is a provision which I believe is long overdue. It amends the veterans' education program to provide that recent dischargees from military service may be allowed up to 6 months of educational assistance to pursue refresher training to upgrade their knowledge and skills in the technological advances being made in their fields of employment during the period of time they were in active military service.

In effect, this provision allows for a type of continuing education for veterans who are already trained in a particular trade or profession and in my opinion is a highly desirable addition. Under current law, a veteran may not pursue a program of education in an area in which he is already qualified.

The continuing education provision contained in H.R. 12628 is also included in a Senate bill now pending before the Senate Veterans' Affairs Committee, S. 2784. I am pleased to be a cosponsor of that bill and to note that hearings have been tentatively set on the measure for Friday, March 29, 1974.

Dr. George D. Kudler, president of the Academy of General Dentistry, an organization representing 11,000 practicing dentists, all of whom participate in continuing education, advises that if the quality of dental care is to remain high, it is essential that the practitioner of dentistry remain as current with new techniques and treatment as the dental student. The only way to achieve this goal is through continuing education.

I commend the academy and its members in their objective of encouraging the general dental practitioner to keep current with changing techniques and technology through continuing education. It is my hope that the enactment of H.R. 12628 or S. 2784 will do much to assist new dischargees of the dental corps in updating their training and skills.

The swift pace of technological change requires the concerned dental practitioner to keep current with all facets of dental care and treatment through his participation in continuing education program.

I agree with the Academy of General Dentistry when they say that the ultimate beneficiary of improved continuing education programs for the dentist will be the dental patient and, thus, the Nation's dental health.

## SENATOR BAYH OPPOSES RAIL ABANDONMENTS IN INDIANA

Mr. BAYH. Mr. President, last week I had the opportunity to testify in opposition to the report of the Secretary of Transportation on rail service in the Midwest and Northeast region.

As provided by the Rail Reorganization Act of 1973, the new Rail Services Office of the Interstate Commerce Commission is presently holding public hearings throughout the region on the DOT report. I understand that interest is high everywhere; in Indiana it is overwhelming. The reason is the DOT report proposes the abandonment of no less than 37 percent of existing trackage in my State—a higher proportion than in almost any other State in the region. If this report were to be adopted substantially as is in the final system plan, it would mean economic ruin for literally hundreds of industrial and agricultural units, for some entire communities, and for tens of thousands of individual Hoosiers.

For that reason I am unalterably opposed to it and have pledged to the people of Indiana that I shall do everything in my power as a U.S. Senator to block its adoption.

As I stated in my testimony last week, the issue is not at all whether to obtain Federal subsidies for uneconomic rail lines in Indiana. On the contrary, I am convinced, much the largest part of the trackage that is proposed to be abandoned could be made genuinely profitable again if the new Consolidated Rail Corporation would make a reasonable investment in upgrading track and in acquiring new equipment. To refuse to do so—to insist, instead, on simply abandoning service—would be "to take the whole sorry record of railroad mismanagement and disservice and set it in concrete as the foundation stones of the new rail system for Indiana. It says to the people of this State, 'You have been badly served in the past; therefore we will serve you even worse in the future.' "

Mr. President, I ask unanimous consent that the full text of my ICC testimony be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF SENATOR BIRCH BAYH

Thank you for granting me this opportunity to appear before you and testify in opposition to recommendations contained in the report of the Secretary of Transportation on rail services in the Midwest and Northeast region.

As you have been hearing all week from State and local officials, rail users and citizens throughout Indiana, the D.O.T. proposes to abandon fully 37 percent of present trackage in our State—more than in any other State except New Hampshire and Michigan. In some instances, important industrial communities would be cut off entirely from the rail service on which their economy depends.

Others would be deprived of direct rail access to their most important transhipment points. And in both categories there are cities for which there is no feasible alternative mode of transportation, because of the inadequacy of roads and bridges to handle heavy truck traffic.

Now the bureaucrats at D.O.T. who drew up this outrageous plan are not blind, nor are they particularly heartless or indifferent to Indiana's economic needs. They were simply operating by the numbers—strictly by the numbers—without inquiring into the transportation and economic realities that lay behind those numbers.

There can be no better illustration of the dangers of letting a computer dictate policy. That is what has happened in this case.

Not having time to do anything else, the people at DOT took the number of freight car loadings in and out of every rail point, calculated a car-per-mile ratio, and instructed the computer to eliminate all those that fell below the minimum ratio.

You do not have to have a Ph. D. in transportation economics to realize how hopelessly inadequate a procedure that is. At the very least, it eliminates from consideration the whole deplorable history of the deterioration of rail service over the past thirty years. To the computer, the collapse of the Penn Central—much the largest railroad in Indiana—and of the Erie Lackawanna isn't even a fact, because nobody put it on a punch-card and cranked it into the equation.

The disastrous freight car shortage, the murderous condition of existing track—these factors and many more which have made it impossible for shippers, with any other alternative, to rely on rail service—none of this is taken into account by the computer that produced this shameful DOT report.

I have received many dozens of phone calls and letters from Hoosiers able and willing to provide documentation of their need for rail freight service and of their inability to get it. Most of them have indicated their intention to appear at these hearings and make an unimpeachable record. It would be wrong of me to single out any one of them for particular comment in my own testimony, because adoption of the DOT report would spell disaster for so many.

But I can report that in case after case these shippers have had to use fewer freight cars, not because they had less goods to ship, not because an alternative mode of transportation was more economical, but because the railroads either could not or would not supply the cars to move the goods. In other cases the tracks were so bad—not having had an hour's maintenance in the last decade—and therefore the service so unreliable or so slow, that shippers in despair have had to turn to uneconomic alternative modes, or in some instances close down altogether, as the lesser of evils.

These and many other disincentives to the use of rail freight service have accumulated over the years at an accelerating pace, so that by now the miracle of the railroad business in Indiana is that it has as many customers left as it has. But it does—and the hard fact is that many thousands of rail users, and hundreds of thousands of Hoosiers whose economic lives are involved with theirs, continue to depend on rail service, no matter how haphazard and unreliable.

The DOT report proposes to ignore the interests of a significant portion of those users and of the many more who are affected. It proposes, in fact, to take the whole sorry record of railroad mismanagement and disservice and set it in concrete as the foundation stones of the new rail system plan for Indiana. It says to the people of this State, "You have been badly served in the past; therefore we will serve you even worse in the future."

That is an intolerable proposal. And I, as one United States Senator, with a seat on the Appropriations Committee, serve notice here and now that I do not intend to tolerate it.

Let me emphasize that I am not arguing for a Federal handout to support Indiana rail lines. That by no stretch of the imagination can be economically justified. I have too much respect for the taxpayer's dollar to ask any such thing.

The thrust of my position is that a very large portion of the rail lines which this report proposed to abandon can be made economically viable—yes, profitable—by reversing the mismanagement decisions of the Penn Central that led to their current sorry condition, including, I may say, the decision to forgo track maintenance in favor of investments in Manhattan real estate and jet aircraft for executives.

To anyone who takes the trouble—as I am sure your rail services office will do—to study carefully the testimony you have received this week, it will be obvious that many lines that once were profitable can be made profitable again. Give users the service and they will use the railroads. There is nothing mysterious about it. For many commodities in many locations, decently efficient rail service is the most economical way to move.

So let it be clear that I am not here talking about perpetual subsidies from any level of government. I am talking about the new rail corporation making the kind of investment in upgrading service that any prudent business management would make in order to lay the groundwork for long-term profitability.

In passing the Regional Rail Act of 1973 that produced the DOT report and these hearings today, we in Congress authorized investment capital for just that purpose. Though very much smaller in amount, it is no different in philosophy from those great investments we have made in highway and air transportation.

That was the purpose of the rail act and that is why I supported it. But under no circumstances will I sit back and let that kind of sensible investment be made in the rail systems of other States, while more than a third of Indiana's is closed down.

Those who draft the final system plan for submission to Congress have no alternative but to get behind the bare numbers on which the DOT report is based. They have to take into account not only what is but what can be. And when they have done so for Indiana, I am confident they will conclude that the greatest part of our presently underutilized tracks can and should be made part of a thriving Northeast rail system.

## DEATH OF EX-SENATOR EVERETT JORDAN

Mr. HUGH SCOTT. Mr. President, the many of us who knew him and respected him note with much sadness the passing last Friday, March 15, of the Honorable B. Everett Jordan, former Democratic Senator of North Carolina.

A U.S. Senator from 1958 until 1973, Senator Jordan served the people of his State and the responsibilities of his office with honor, selflessness, and dedication. He was a most capable chairman of the Senate Rules Committee. I served on this committee with him and observed his fair handling of committee work. He was a member of the agriculture and public works committees and was always responsive to the needs of his constituents.

Mr. President, Senator Jordan was a quiet man, but he was also a man who remembered to say the kind word. We enjoyed a most cordial relationship. Senator Jordan was a legislator to whom we could look with respect as one who fulfilled his duties most capably. He will be much missed.

I ask unanimous consent that Associated Press and United Press International accounts of his passing be printed in the Record.

There being no objection, the accounts were ordered to be printed in the Record, as follows:

### Everett Jordan Dies; Former U.S. Senator

Saxapahaw, North Carolina.—Former Sen. B. Everett Jordan (D-N.C.), who led the 1964 Senate investigation into activities of former Senate Democratic secretary Bobby Baker, died Friday at his home. He was 77.

A family spokesman said Sen. Jordan had been in declining health for five months. He underwent surgery several years ago for cancer.

Sen. Jordan, a Saxapahaw, N.C., textile millionaire, served 15 years in the Senate before his defeat by former Rep. Nick Galifianakis in the 1972 Democratic primary.

During the 1972 campaign, Sen. Jordan was speaking at a Raleigh shopping center when a rifleman shot to death four persons and wounded seven others before killing himself.

The wounded included Wes Hayden, Sen. Jordan's executive secretary.

The Senate seat was the only elective office ever held by Sen. Jordan, son of a Methodist minister.

In his Senate career, Sen. Jordan did not seek the public spotlight, preferring, as he said, to "do the little things, many of them which people wouldn't even think about, for people."

He was thrust into controversy in 1964 when the Senate Rules committee, of which he was chairman, began investigating the activities of Baker, a $19,600-a-year Senate aide who had accumulated a $2 million fortune.

The hearings dragged on for 18 months, and Sen. Jordan was assailed by Republicans, who called the hearings a "coverup" and said they did not go deeply enough into alleged sex scandals.

The committee found that Baker had been guilty of "gross improprieties." He was indicted in 1966, convicted a year later of income tax evasion, larceny and fraud and was sentenced to 1 to 3 years in prison. He was later paroled.

Sen. Jordan's normal activities as rules chairman involved mostly Senate housekeeping chores and he gained a reputation as tireless behind-the-scenes worker.

In 1927 Sen. Jordan moved to Saxapahaw, a tiny town south of Burlington, N.C., to take over a bankrupt textile mill that had been closed for four years.

He organized Sellers Manufacturing Co., which developed into a prosperous textile firm and made him a millionaire.

Sen. Jordan became a tireless worker in the North Carolina Democratic Party, becoming state chairman and a national committeeman.

He was first named to the Senate in 1958 to fill the unexpired term of the late W. Kerr Scott. The appointment by then-Gov. Luther Hodges was widely criticized, with opponents contending that Sen. Jordan would be only a "seat warmer" for Hodges, who was expected to run for the Senate.

Hodges did not run, and Sen. Jordan was elected to a two-year term later in 1958 and was reelected in 1960 and 1966 with only token opposition before his defeat in the 1972 primary.

He married the former Katherine McLean of Gastonia, N.C., on Nov. 29, 1924. They had two sons and a daughter.

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### Ex-Senator Jordan, 77, Dies in North Carolina

Saxapahaw, N.C. (AP)—B. Everett Jordan, former North Carolina senator, died at his home here yesterday after a long illness with cancer. He was 77.

Mr. Jordan, a Democrat, served in the Senate from 1958 until 1973. He first came into the national spotlight in 1963 when, as chairman of the Rules Committee, he presided over the investigation of the case of Bobby Baker, the Senate aide accused of influence peddling.

He also served as chairman of the Joint Committee on Inaugural Ceremonies and was a member of the committees on agriculture, public works and printing.

The soft-spoken Mr. Jordan, son of a Methodist minister, was considered a conservative but broke ranks with fellow Southern Democrats in 1970 to oppose the Vietnam war.

His bid for re-election ended in 1972 when former Representative Nick Galifianakis defeated him in the Democratic primary. Republican Jesse Helms won the seat in the general election.

His 1972 campaign was marred by violence. He was speaking at a Raleigh shopping center when a rifleman shot and killed four persons and wounded seven others before killing himself. Mr. Jordan was not hurt but his executive secretary, Wes Hayden, was wounded.

Mr. Jordan was appointed to his Senate post by Gov. Luther Hodges to succeed Senator W. Kerr Scott, who had died in office. Mr. Jordan was noted as a hard-driving businessman, working his way from mill superintendent to one of the wealthiest textile industrialists in the state. He owned mills that grossed more than $15 million a year.

He once said his work was his hobby and he had "done just about everything . . . to make a nickel."

He was born in 1896 at Ramseur, N.C., and graduated from Trinity College, now Duke University, in 1915.

He is survived by his wife, Katherine McLean Jordan, and three children, Benjamin Everett Jordan and Mrs. Roger Gant, of Burlington, N.C., and John Jordan, of Saxapahaw. He is also survived by a brother and sister and two grandchildren.

Funeral services are scheduled for 3 P.M. tomorrow at Saxapahaw Methodist Church.

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## RESTORATION OF CITIZENSHIP TO GENERAL LEE

**Mr. HARRY F. BYRD, JR.** Mr. President, on March 12, 1974, I was pleased to place in the Record the text of Virginia Senate Joint Resolution No. 38, expressing the sense of the Virginia General Assembly that the U.S. Congress restore full rights of citizenship to Gen. Robert E. Lee.

Shortly after the 1974 session of the Virginia Legislature was convened, an editorial appeared in the Richmond News-Leader, dealing with the restoration of General Lee's citizenship. Ross Mackenzie, editor of the editorial page, timed his effort appropriately, writing on January 18, 1974, the eve of the 167th commemoration of Robert E. Lee's birth.

I ask unanimous consent that the article, entitled "Citizenship for General Lee," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Citizenship for General Lee

Three years have passed since a researcher in the National Archives discovered an oath of allegiance to the United States signed by General Robert E. Lee. The existence of the oath means that there are no obstacles to the posthumous restoration of full citizenship to General Lee. On March 10, 1971, Virginia's Senator Harry F. Byrd, Jr., introduced in Congress a Joint Resolution to do precisely that. But the measure died in the Senate Judiciary Committee. Surely now is an appropriate time—tomorrow is General Lee's birthday—for the Senator's resolution to be re-introduced, and for it to be officially endorsed by the Virginia General Assembly.

Some history:

On June 13, 1865—two months after the surrender of the Army of Northern Virginia at Appomattox Court House on April 9—General Lee applied to President Andrew Johnson for amnesty and restoration of his rights as a citizen. He made the request pursuant to the President's Amnesty Proclamation of May 29, 1865. His request was endorsed by General Ulysses S. Grant, and forwarded by General Grant to President Johnson on June 20.

On June 13, General Lee evidently was unaware that an oath renewing one's allegiance to the United States must accompany such a request. Because of the apparent absence of such an oath, all attempts to restore General Lee's citizenship posthumously have failed. Those attempts have been many, probably beginning with requests for a senatorial resolution to correct his civil status shortly after his death on October 12, 1870.

About three years ago, a researcher digging through records in the National Archives discovered a notarized oath of renewed allegiance signed by General Lee on October 2, 1865—the day he became president of what is now Washington and Lee:

> I, Robert E. Lee, of Lexington, Virginia, do solemnly swear, in the presence of Almighty God, that I will henceforth faithfully support, protect and defend the Constitution of the United States, and the Union of the States thereunder, and that I will, in like manner, abide by and faithfully support all laws and proclamations which have been made during the existing rebellion with reference to the emancipation of slaves, so help me God.

Between June 13 and October 2, General Lee clearly had learned of the necessity of such an oath. But the oath probably was pigeonholed and never conveyed to President Johnson. Somehow it found its way into the National Archives, there to reside for more than 100 years.

When introducing his resolution for the restoration of General Lee's citizenship on March 10, 1971, Senator Byrd emphasized that General Lee "has stood as an unequaled example of gentlemanly demeanor, both in victory and adversity." Senator Byrd added that General Lee did fulfill "every requirement for the restoration of his citizenship":

As is known to many, on February 15, 1869, the outstanding treason indictments against General Lee, his sons, and 14 other general officers of the Confederacy, were dismissed by the United States. Thus, the only bar to the citizenship of General Lee is the third section of the 14th amendment to the Constitution, which provides that no person who has previously taken an oath as an officer of the United States and is subsequently engaged in rebellion against the same, can hold office. The amendment provides that Congress, by a two-thirds vote of each House, can remove such a disability.

As far as we can determine, the Virginia General Assembly has not officially endorsed a congressional resolution for the restoration of General Lee's citizenship since the discovery of General Lee's oath of renewed allegiance. Surely the time is at hand for such support from the Virginia legislature. For surely justice should be done for General Lee—who swore allegiance to the United States, but who died a man without a country. This is a small cause, yet a good cause, devoid of the partisanship that plagues the nation today, in which Virginia rightly should take the lead.

## LEGAL SERVICES MONSTROSITY

Mr. FANNIN. Mr. President, the legal services bill, S. 2686, was passed by the Senate without substantial amendment. The House already had passed a similar bill, H.R. 7824, which was preferable to me in that the new corporation was forbidden to engage in many of the horrible examples of misconduct which were spread upon the record in both the House and Senate. I was cosponsor of the Brock-Helms bill which simply stated, returned legal services to State control.

Early this month the Senate asked for a conference with the House on H.R. 7824. I believe Senate conferees should pay particular attention to a March 14, 1974, editorial in the Arizona Republic. This editorial points out many of the reasons why some of us opposed passage of the Senate bill.

It was brought up frequently in debate that the bill had administration support. I cannot believe that this legislation as passed by the Senate would be acceptable to President Nixon. I most certainly would urge that he veto it if the legislation emerges from this Congress in anything near the form of the Senate bill.

Mr. President, I ask unanimous consent to have the editorial from the Arizona Republic printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### TAX-FED ADVERSARIES

Only a presidential veto stands between the public and a new congressional monstrosity about to be set free.

Except for some minor comma-picking differences, the House and Senate are about to create the Legal Services Corporation, whose statutory independence leaves it unaccountable to anyone—not the White House, not the Congress, not the taxpayers.

Its requested two-year budget is $246 million, and its operating permit gives it license to be in the forefront of any legal action its 2,500 attorneys and thousands of other supporting personnel deem worthy.

When first created in the Office of Economic Opportunity, legal services established a breathless pace in social activism. Its attorneys were out front in such issues as abortion on demand, forced busing for racial balance, elimination of work requirements for welfare recipients, unionization of government employes, and introduction of quotas in employment and education.

Legal services attorneys, according to former acting OEO director Howard Phillips, also have helped organize advocacy groups such as the militant American Indian Movement, the Berkeley anti-police Hippie Youth Coalition, the National Committee to Combat Fascism, the Movement for a Democratic Military and the Addicts Rights Organization.

The National Welfare Rights Organization is among those groups who've received untold hundreds of thousands of dollars from legal services lawyers battling for a deeper dip in the tax trough.

This is wide veerage from the original intent of legal services—to provide help to individual poor people with legal problems.

From the original genesis has come a federally funded task force of militant attorneys mounting attacks on institutions through contrived activist groups and social malcontents—with virtually no outside auditing or control.

President Nixon has shown scant interest thus far in foiling this larger and more powerful independent organization. Perhaps at a time when the White House is beset with Watergate, the Washington Post's endorsement of legal services is a clue to the presidential inclination:

"(President Nixon) would earn much credit" by backing the legislation, the Post editorialized raptly.

## FOOD PRICES AND THE FARMER

Mr. HUMPHREY. Mr. President, I would like to call attention to a very informative article which I feel gives some useful insights into the current price and production problems facing the American farmer.

The article, "Rising Expenses, Shortages Hit Farmers as They Attempt To Boost Production," was included in the March 11 edition of the Wall Street Journal, and it points out the very serious problems facing the farmer in terms of obtaining a wide variety of his requirements such as fertilizer, tractors, baling wire and twine.

Beyond the problem of obtaining adequate supplies, there is also the fact that the prices for all of these requirements have skyrocketed.

While gross agriculture revenues increased an estimated 31 percent during last year and net income went up 32 percent, it is expected that gross revenues will be about the same this year with farmer costs up by 15 percent.

In real terms this will mean $10 billion less in net income, or a reduction of about 38 percent, which is a sharp decline.

Mr. President, the American farmer will attempt to cope with this serious cost squeeze. But this article should help destroy any notion that the farmer is getting rich at the expense of the consumer.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### COSTLIER CROPS: RISING EXPENSES, SHORTAGES HIT FARMERS AS THEY ATTEMPT TO BOOST PRODUCTION

(By Gene Meyer)

CHICAGO.—Farming was surprisingly more lucrative than normal last year. This year it's not only going to be breathtakingly more expensive to till the soil but serious shortages of some of the things farmers need could prevent them from producing enough to lower food prices.

Last year's bonanza, brought about largely by surging foreign demand for U.S. farm products, saw farmers' gross receipts rise 31% to a record $90.5 billion. After their costs were deducted, farmers were left with aggregate net income of a record $26.1 billion, up 32% from $19.7 billion the year before.

Farm economists say this year's gross receipts may only match last year's, or might even dip slightly if hoped-for bumper crops materialize and foreign demand tapers off. But farm expenses are expected to continue rising relentlessly and could reach $74.4 billion, 15% higher than last year. If that happens, farmers' net income would plummet to around $16.1 billion, which they were receiving annually in the pre-boom days of 1969 to 1971.

All of which raises some question about how willing farmers might be to go along with the Nixon administration game plan to produce all the crops and livestock they can and thus slow down the rise in food costs and prevent more food shortages. "Farmers need some profit incentive or somebody's going to go hungry—maybe not this year or next, but sometime," says E. C. Allan, a farm implement and supply dealer in Centre, Ala.

#### WIDESPREAD SHORTAGES

Farmers shopping for fertilizer, tractors and other supplies they will need for planting in a few weeks are discovering something besides soaring costs—severe and widespread shortages. Thus, even if farmers are willing to shell out record prices, they might not be able to get what they need. That, too, could mean tighter food supplies than expected, and thus little or no relief from high food prices, some experts fear.

The present high costs and shortages came about almost overnight. "One year we were concerned with meeting only domestic demand, for which we had surplus capacity," says Daniel Padberg, agricultural economist at Cornell University. "The next year we found ourselves straining our farm resources to meet demand not only in the U.S. but from several other countries. That created a new dimension for U.S. agriculture—scarcity."

Meanwhile, those firms that supply farmers were still gauging their production to the crop surplus years of the late 1960s when farm policy aimed to take land from production each year. When higher prices for their goods prompted farmers—with Agriculture Department blessing—to begin returning about 40 million acres to production, some suppliers were simply caught unprepared. Many are still trying desperately to catch up.

Fertilizer is a vivid example. In the middle to late 1960s, there was such an overabundance of certain types of fertilizer that many producers called it quits. Now some of those same companies are scurrying back into the business.

They're not getting back in time, though. The fertilizer shortage is acute, and it constitutes the most serious threat to hopes for abundant crops. In one of the liveliest debates going in agriculture, the Agriculture Department is estimating a 2%–5% fertilizer shortage this year, while the fertilizer industry steadfastly predicts a 10%–15% shortage. But both sides agree fertilizer is scarce and expensive; prices have risen 81% since they were removed from federal controls in October, and they are still climbing.

#### CUTTING YIELDS

If the fertilizer shortage cuts corn yields by just five bushels an acre, as some analysts think it will, there could be about 387 million bushels less of the key feed grain produced this year—6% less than the 6.7 billion bushels the government estimated would be raised, based on its January report of farmers' planting intentions.

"Unless there's some sort of miracle (to increase fertilizer supplies) in the next 30 days or so, we just won't meet our feed-grain production goals," Glenn Kreuscher, Nebraska agriculture secretary, says glumly.

Farm equipment is also in seriously short supply. Last year's flush times prompted many farmers to buy new tractors and other farm machinery to work more land or to replace equipment that had seen them through the lean years. That increased demand exceeds the output of the farm equipment manufacturers, says Boyd C. Bartlett, a Deere & Co. vice president, "so our inventories were really cleaned out."

Indeed, many dealers say they already are sold out of tractors and other equipment for this year. A farmer who orders a tractor now could have to pay about a third more than he did last year and would have to wait about six to eight months to get it.

### APPRECIATING VALUE OF TRACTORS

Thus, many farmers are looking for used equipment, which is selling at prices that seem to ignore the facts of age and wear and tear. One Nebraska cattleman says he saw a 20-year-old tractor that would have cost about $1,000 when new sell recently for $1,400, for example.

Other shortages are much less publicized than those of fertilizer and tractors but are even more critical to certain farmers. For instance, a shortage of dicalcium phosphate, a mineral without which pigs fail to grow to their normal size, "is just ruining my business," says Lindell Loveless, a hog farmer and co-op executive in Gillespie, Ill.

"Our co-op took $2 million to the world market to get either dicalcium phosphate or defluorinated phosphate, which is the best alternative, and we didn't get a nibble," Mr. Loveless says. Another alternative is steamed bone meal, but Mr. Loveless says, "There's not enough of that either, and it already costs two or three times as much as the other two."

Mr. Loveless could ease his plight by selling the corn he intends to grow instead of feeding his hogs. "But a year from now," he warns, "somebody's not going to have meat because I couldn't get the phosphate."

### BALING WIRE NIGHTMARES

A steel baling-wire shortage, which would seem to be a minor aggravation, is causing nightmares for some farmers. By some estimates, supplies of the wire, used to bind the bales of hay fed to cattle during the winter, will be between 30% and 40% below normal.

Ordinarily, this would present no problem because farmers could switch to a twine made from sisal fiber. But there was a drought in overseas sisal-producing areas last year, so there isn't much of that kind of twine available either. Plastic twine is still another alternative, but it is made from a petroleum base. The oil shortage eliminated that alternative.

If a farmer were really desperate he could switch to a new kind of special—and more expensive—haying equipment that doesn't require twine. But haying equipment is just about as scarce as tractors.

Some farmers are even worried about geting enough fuel, which is supposed to be allocated to them on a top-priority basis. But distribution problems are becoming "increasingly irksome," says Robert Beasley, an official of Farmland Industries Inc. in Kansas city. "A lot of co-op members are coming to us for fuel because their regular suppliers have gone out of business," he says. "That's putting pressure on our own allocations." Like many other Americans, farmers are also confused over just how much fuel is available. Prices for fuel used in farm equipment have increased by a third in the last year and prices for liquefied-petroleum gas, which will be needed to dry crops later, have doubled, suppliers say.

### POPULAR VARIETIES SOLD OUT

To be sure, some things are available in adequate amounts, but even they aren't as plentiful as in the past and will cost considerably more. Farmers should be able to get all the seed they need, for example, though they may at times have to settle for slightly less desirable varieties. "We're sold out of some of the popular seeds," says Les Clemson, a Beaman, Iowa, dealer.

Seed prices are as much as double last year's levels. "We had to pay our seed growers more in order to compete with the prices they could have received in the cash-grain market," explains one seed-company executive in Illinois.

Similarly, most herbicides and pesticides are available, though some preferred varieties are hard to get. Prices for some of these chemicals average about 15% higher than last year. Ironically, because herbicides and pesticides were expected to be in tight supply this year, many dealers bought up all they could find last fall. "Well, we didn't have to," one dealer says sheepishly, "but we could still run into supply problems down the road. You just never know any more."

The rare farmer who has lined up enough supplies and equipment to farm his existing acreage and wants more land will have to pay dearly for that too. Land costs last year rose an average of 21% across the country, which was the second highest yearly gain in history and topped only by a 22% gain in 1919. Land prices in the lushest growing and grazing areas of the country are up 30% from last year, farm realtors say.

"I've seen farmers around here who want to expand but can't do it any other way, start bulldozing down old buildings and ripping out fences on their present land," says Duane Sandage, a realtor in north-central Iowa.

The rising costs for virtually everything they use are causing farmers to be more sophisticated than ever in marketing their crops, Mr. Sandage says. "They're fine-tuning their marketing the way they have their growing," he says.

Farmers aren't simply selling once or twice a year and hoping to catch the top of the market, he explains. "Instead, they're holding on longer and looking at their production costs for some sort of signal to sell maybe five batches a year."

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## SALARIES FOR FEDERAL JUDGES

**Mr. HUGH SCOTT.** Mr. President, Linda Mathews, in a recent article in the Los Angeles Times, addressed herself to the problem of salaries for Federal judges. This is one of the issues that was raised during recent Senate debate on top-level Federal salary increases. The Los Angeles Times says it all. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Mar. 10, 1974]

### U.S. JUDGES HARD TO GET; PAY CITED

(By Linda Mathews)

WASHINGTON.—It sounds like a dream job: spend your days making momentous decisions that can affect thousands of lives; earn $40,000 a year for life; never worry about layoffs, firings, economic declines or a penniless retirement; rest assured that you are so universally admired that everyone in a room will stand, in respect, as you enter.

Yet, despite all the fringe benefits, this job is an employment counselor's nightmare. It is hard to fill, and it may get harder.

Very few people, it seems, want to be federal judges.

More than 20 vacancies exist now on the U.S. District Courts and the Circuit Courts of Appeals. In one section of the country, 15 topflight attorneys have declined judicial appointments from President Nixon, who selects all federal judges with the advice and consent of the Senate. Countless other lawyers, approached informally about openings elsewhere, have begged off.

Three experienced district judges, all relatively young as judges go, have quit their jobs in recent weeks. Still others are said to be on the brink of resignation.

The reason for this sudden lack of enthusiasm for the federal bench is simple. "It's the dough," said Thomas A. Masterson, who just left the U.S. District Court in Philadelphia to return to private law practice. "To do right by my family, as I see it, I need to make more money."

Other judges, and the government officials who know judges, concur in Masterson's diagnosis of the problem.

"Because of the inadequacy of judicial salaries, we're going to have many more resignations from the bench," predicted Rowland F. Kirks, director of the Administrative Office of the U.S. Courts. "And we're going to have greater difficulty recruiting new judges."

Kirks concedes that, to the average American wage earner making $10,000 or $15,000 a year, $40,000 sounds good.

"But you have to look at it from the point of view of a well-qualified attorney, in his middle years, who knows what he can expect if he continues to practice law," Kirks said. "And all our surveys indicate that the salary of federal judges is at least 50% to 75% less than the earnings of a comparable lawyer in private practice."

Masterson, for example, figures he can easily triple his judicial salary during his first year back with his old Philadelphia law firm.

"Any trial attorney in any major city in the country can do the same," he said. Kids fresh out of law school start at $20,000 at major firms, so an attorney my age in private practice would have to be pretty bad if he couldn't pull down more than a federal judge."

All but two of the present federal vacancies can be traced to salary problems.

"I'd hate to think of how many turndowns we've had from people who say they can't afford to be judges," one Senate source said.

Senators get into the act by suggesting possible candidates to the White House and the Justice Department. But there are sometimes squabbles over whether the prospect is qualified for the bench, which can slow down the process. That has happened with two vacancies, in Connecticut and Wisconsin, unfilled now for more than two years.

Despite his difficulty in making ends meet, Masterson called his decision to leave the bench after six years "the hardest I've ever made." What finally made up his mind, he said, was his hunch that his family finances, already bad, would probably get worse if he stayed a judge.

"It looked as if we might never get a raise," he explained recently, on the eve of a Senate vote on a pay increase for judges. "And even if we got one, it would be grossly inadequate, not even keeping pace with inflation."

Masterson proved prescient.

Wednesday the Senate killed an entire wage package, proposed by Mr. Nixon, that would have meant raises not only for judges, but for top executive branch employes and members of Congress themselves.

The President's proposal, endorsed by most judges though they thought they deserved more, would have increased judicial salaries 22.5% over a three-year period.

By 1976, the country's 400 district judges, now paid $40,000, would have made $49,700. The 97 judges on the 11 Circuit Courts of Appeals, now earning $42,500, would have been boosted to $52,800. A one-time raise for the Supreme Court would have brought the chief justice's salary to $67,200 and the salaries of the eight associate justices to $64,500.

Raises for the judges, whose salaries have been frozen since 1969 despite a 30% rise in living costs, were a political casualty. As they admitted during floor debate, senators were reluctant to vote themselves raises in an election year, lest they expose themselves to criticism.

The whole package went down to defeat despite intense judicial lobbying, a rare Capitol Hill phenomenon. Chief Justice Warren E. Burger and former Justice Tom C. Clark, in response to legislative requests, sent letters supporting the raise. An unsolicited letter came from 24 of the 29 district judges of the New York City borough of Manhattan. Kirks, as representative of the federal judiciary, was active. The American Bar Assn. wrote to every congressman.

Defeat means that judicial salaries will most likely not even be reviewed again until 1977. The special commission that surveys government salaries and recommends appropriate action to the President meets every four years.

Judicial reaction to the Senate vote was quick.

"This is an intolerable situation," said U.S. Dist. Judge Sidney O. Smith Jr., who had already announced his intention to leave the federal court in Gainesville, Ga., on June 1. "I know of other judges who are jittery about money. I'm very much afraid this will mean new resignations."

Lawrence E. Walsh, president-elect of the American Bar Assn. and a former federal judge in New York, said the bleak prospect of four more years without a salary increase would discourage the best candidates for the bench.

"Ideally, a new judge should be from 40 to 55 years old," he said. "Anyone older would probably be serving less than 15 years, so the country wouldn't get as much service from him. And besides, it takes five to 10 years to become a good judge, even for the best attorneys.

"But it's people in the 40- to 55-year-old range who can least afford to be a judge. They most likely have children to educate. They may have other heavy financial obligations. And those middle years are the choice years of their lives, as far as earning power is concerned. So you're asking them to make a big sacrifice to take a judgeship."

It was just such family obligations that influenced Masterson's and Smith's decisions to resign.

"Forty thousand doesn't go far if you have five children, as I do," said Masterson, now 46. "Take away $12,000 for taxes. Take away another $14,000 for tuition, which is what I pay for two kids in college and three in private schools. That leaves $14,000. My family lives on that.

"I admit, it's a question of life-styles. If I lived in the suburbs, where the public schools are better, my children wouldn't go to private schools. But, living where we do, they started out in private school, and they're oriented that way now. I've worked myself into this box."

Smith, 50, left private practice 12 years ago to become a judge. Now chief judge of the Northern District of Georgia, he said: "I missed the chance that other attorneys have to make some money and build up an estate."

And, with three children in college, Smith said, "I keep borrowing from my savings and my few investments to get by. Let me tell you, I was going deeper and deeper into the hole and I was getting old.

"I worried about the absence of an estate to leave my widow," said Smith, who expects to earn $135,000 a year practicing law in Atlanta. "I once figured out that my wife's benefit from the judicial survivors' annuity plan would be a few dollars more than she'd get from welfare."

A judge's own retirement is comfortable. He can retire at 65 with full pay, if he has served 15 years on the bench, or at 70 with 10 years' service. But his pension ends the day he dies.

Job security is ensured by the Constitution. Article III provides that all federal judges "shall hold their offices during good behavior" and "shall . . . receive for their services, a compensation, which shall not be diminished during their continuance in office.''

But other written commandments prevent a judge from earning much off-the-bench money to supplement his salary. New judicial canons bar a judge from boards of directors, for example, and discourage any other activities that might "reflect adversely on his impartiality" or bring him into frequent contact with lawyers who come before his court.

And, usually, there is no time for teaching, lecturing and writing, which the canons permit.

"Being a federal judge is a full-time job," Masterson said.

"It's hard work, important, interesting work, and a high honor, the highest of my life," Smith said, "so I always thought I should concentrate on it."

Legislators, whose own jobs are subject to voter sufferance, believe judges lead downright cushy lives. They see no reason for the judges to complain about their pay freeze. "My heart bleeds for the position in which the federal judiciary finds itself," said Senate Majority Leader Mike Mansfield (D-Mont.), one of the most vociferous opponents of raises, during last week's debates.

Other senators were skeptical, too, about claims that the low pay discourages some judge candidates. Said Sen. Peter H. Dominick (R-Colo.): "Every time it looks as though there might be a vacancy in my state, not only does everyone on the Colorado Supreme Court immediately see if he can get the nomination, but so do about three-fourths of the practicing lawyers in the state . . . I have found no indication whatever . . . that the salary is not large enough."

To this, one judge, asking not to be identified, replied: "It may be true that lawyers in Wyoming or Colorado or Montana will work for $40,000 a year. But they won't in the big cities, in Los Angeles, or Houston, or Washington, or Boston, where most of the litigation is and where you need judges the most. And in New York City, $40,000 is downright cruel."

This same judge concedes that it will always be possible to fill empty judgeships.

"The country's not going to be left without a judiciary," he said. "But who are you going to get? Second-rate lawyers, the ones who can't make any money. Or people, perhaps topnotch people, I admit, who were lucky enough to have inherited wealth. Or childless people. Or people over 55, who've made their fortunes and now can work in the public interest. Maybe even more women lawyers, if they have lawyer husbands to handle most of the income production for the family. But, these are very unrepresentative—and very small—groups from which we're going to draw."

Walsh of the ABA believes that all federal judges should be brought up to the present salary level of the Supreme Court's associate justices—$60,000 a year.

"This idea of a hierarchy, with the Supreme Court making more than the Appeals Court, and the Appeals Court above the District Court, can be overdone," he said. "If $60,000 is right for the Supreme Court, it can't be too wrong for everyone else. Don't we want well-qualified lawyers at every level of the judiciary?"

"I can't think of anything more important, if we want to improve the system of justice in this country, than good judges," Walsh concluded. "We can spend all the money we want for new buildings, for court improvements, for larger staffs, but if we have poor judges, none of the rest matters very much. Killing this raise was just about the most foolhardy thing I've heard of from Congress."

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## FIRST INTERNATIONAL FORUM ON THE ROLE OF WOMEN IN POPULATION AND DEVELOPMENT

Mr. PERCY. Mr. President, a forum both unique and historic took place recently with United Nations and United States support. For the first time in the history of the United Nations, or any other intergovernmental organization, women leaders from all over the world were nominated by their governments to come together to discuss and make recommendations on subjects of crucial importance to humankind.

One hundred nine countries selected women leaders in various fields to be their representatives at this First International Forum on the Role of Women in Population and Development. These women sat in the seats of their respective countries in the General Assembly Hall, where the forum opened on February 25 with greetings from high U.N. officials.

As U.N. Assistant Secretary General Helvi Sipila said on the opening day, this occasion should mark "the beginning of a new era of real partnership between men and women" in international affairs and economic development. Mrs. Sipila, Director of the U.N. Center for Social Development and Humanitarian Affairs, chaired the forum.

Among other speakers at the forum were Antonio Carrillo Flores, Secretary General for the World Population Conference to be held in Bucharest in August; Rafael Salas, Executive Director of the U.N. Fund for Population Activities and of the World Population Year, 1974; U.N. Under Secretary for Social Development and Humanitarian Affairs, Philippe de Seynes; Julia Henderson, Secretary General of the International Planned Parenthood Federation, and Gen. William H. Draper, Jr., U.S. Representative to the U.N. Population Commission and honorary chairman of the Population Crisis Committee.

I am proud to note that the participant selected by the United States for the forum was my friend and constituent, Mrs. Patricia Hutar, from Chicago, who spoke on the need for more constructive media presentation of the role of women in society.

A highlight of the forum was a reception at the White House where Mrs. Nixon greeted the participants along with the Ambassadors to the United States from the countries represented at the forum and their wives.

This historic gathering has already made an important contribution to World Population Year. The sharing of viewpoints among women from so many different backgrounds—including Supreme Court Justices, Government administrators, legislators, academicians, lawyers, and heads of organizations—produced an increased awareness of population problems, their complexity and their urgency and a heightened consciousness of the interrelationship of population, economic and social development, and the status of women.

The participants emphasized the "vicious cycle" of low education, low employment status of women, and high birth rate. In order to interrupt this cycle, the forum recommended "better educational and economic opportunities for millions of women, greater knowledge of and access to family planning, more health and nutritional services, more support from families, communities, and governments. Health education and all other social services must become involved."

In calling for an end to all discrimination against women, the forum asked specifically for the full participation of women in the formulation and implementation of both population and development policies. The representatives at the forum said they would use their influence on local, national and international levels to encourage other women to become active in these fields.

I find the recommendations made by the forum strong and far-reaching, and I share the hope of the participants that their conclusions will be incorporated into the text of the World Population Plan of Action, the most important item on the agenda of the Bucharest Conference.

The population explosion is surely one of the greatest dangers the human race has ever encountered, and steps toward solution are urgently required. So I, for one, am glad that women are at long last being involved in the search for solutions. And I hope that among the immediate byproducts of the First International Forum on the Role of Women in Population and Development will be the inclusion of women in all delegations to the World Population Conference.

This forum was funded in part by the U.N. Fund for Population Activities and in part by the U.S. Agency for International Development. This kind of interest and activity is in line with my amendment to the AID bill urging greater attention to the important role of women. The full integration of women in the development process, including work at policy levels as well as the grassroots, is essential for improving the quality of life in many developing countries.

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## THE MISSING IN ACTION

**Mr. STENNIS.** Mr. President, I want to take a few minutes today to review the efforts—so far, largely frustrated—to secure an accounting for Americans missing in action in Southeast Asia. This problem has troubled me as I know it has troubled many Members of the Senate.

In early 1973, I directed the staff of the Senate Armed Services Committee to keep a close watch on POW–MIA developments. That was done, first through the happy period when American POW's were being returned and, later, when it became apparent that no progress was being made in securing an accounting for MIA's.

Early in December 1973, I sent a member of the Armed Services Committee staff to Southeast Asia to get firsthand information on MIA problems and other problems. He conferred with U.S. officials in the field, who are charged with searching for graves and crash sites, and he conferred with our people who are charged with negotiating arrangements so that searches can proceed.

Our staff member also met privately with negotiators for the Vietcong—the PRG, the North Vietnamese, or DRV—and with a spokesman for the Communist Pathet Lao in Laos. I have since had an opportunity to confer with him about the MIA situation.

My information on the problems encountered is wholly in line with the state of affairs described in the testimony of Government witnesses before the Senate Foreign Relations Committee on Monday, January 28 last. The picture is a sad one, with only an occasional glimmer of light on the horizon.

### BACKGROUND

It should be understood that the Paris agreement, which led to withdrawal of U.S. troops from Vietnam, stated in article 8(B) that:

> The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action.

Further, the protocol to that agreement which deals with return of prisoners, provides, in article 10(A) that:

> The Four Party Joint Military Commission shall insure joint action by the parties in implementing Article 8(B) of the Agreement. When the Four Party Joint Military Commission has ended its activities, a Four Party Joint Military Team shall be maintained to carry on this task.

Under these authorities the United States prepared—and is presently waiting—to conduct searches, repatriate remains and make positive identification of the missing. Able, highly motivated men—many of them volunteers—have been assigned to units which are trained to go anywhere in Southeast Asia—no matter how difficult the terrain—to perform these tasks.

Unfortunately, however, the Four Party Joint Military Team—which succeeded the Four Party Joint Military Commission, as provided in the protocol, has been unable to agree on procedures which would admit U.S. search teams to North Vietnam and Vietcong-controlled portions of South Vietnam. In those Communist-controlled areas are about 95 percent of the sites which are to be investigated.

Since the areas of Laos controlled by the Pathet Lao and North Vietnamese have also been barred to U.S. search operations, the present impasse has developed. U.S. searches are ready to go everywhere but they are not permitted to go anywhere—except within the increasingly unproductive government-controlled areas of South Vietnam where search operations continue.

In the twice weekly meetings of the Four Party Joint Military Team in Saigon, the resourceful U.S. delegation, with South Vietnamese support, has proposed a series of initiatives, including site searches in North Vietnam and in Vietcong-controlled areas of the South aimed, in the language of the protocol, at "implementing article 8(B) of the agreement"

But North Vietnamese negotiators, followed by the Vietcong representatives, have made all progress on MIA's dependent on solution of problems outside of the scope of article 8(B) and beyond the purview of the Four Party Joint Military Team. Their discussion has become a propaganda litany featuring allegations of peace violations, land-grabs, threats, and so forth, none of them pertinent to the responsibilities assigned the Four Party Team.

The impasse is, therefore, not just a negotiating stalemate but a basic and serious deadlock, and it has occurred in the only four-party forum which is still in existence under the terms of the Paris agreement.

To make matters worse, an unarmed U.S. search team, operating near Saigon, in government-controlled South Vietnam in December, was ambushed—apparently by the Vietcong. An unarmed American was killed while in the process of signalling that he planned no resistance. A South Vietnamese was killed and several were injured. This operation had been announced, in advance, to the Four Party Joint Military Team, and all parties had been invited to be present.

### THE PROBLEM NOW

That is the situation as it stands, Mr. President. Almost 1200 military men are currently listed as "missing." Fifty-six who are in fact, missing, are in a special category. They were classed as prisoners but were not returned last February when our POW's were repatriated from North and South Vietnam.

The 56 were classed as prisoners because there was evidence—in photographs, broadcasts, news accounts, and the like—to indicate that they were alive in enemy hands. Like all the others, no information has been forthcoming about these men and their fate is wholly unknown.

In addition, there are more than 1,100 dead in the war zone of Southeast Asia whose bodies have not been recovered and returned to their families.

I am sorry, Mr. President, that the families of the missing—through the League of Families—have seen fit to talk of the "apparent abandonment" of these men by their Government. During the Christmas season an American died in this effort, as I have noted, and I would have liked to avoid recriminations of this sort.

On the other hand, Mr. President, I can and do sympathize with all of the families. They are well aware of the deadlock I have discussed. They have been waiting a year, and they are no closer to an accounting which would end the uncertainty for some of them.

They are aware, as we are, that the terms—the other terms—of the Paris peace agreement have been violated on both sides. They are also aware, however, as we some times forget, that these provisions with respect to MIA matters were clearly designed to operate independently from other provisions.

For example, the question of "military personnel and foreign civilians" was dealt with in a separate article from the one which deals with indigenous civilian prisoners. The Four Party Joint Military Team—and the Four Party Commission which preceded it—were charged only with the implementation of the MIA article, article 8(B).

In short, the MIA families have good reason to feel that they have received less than they were promised when the peace agreement was signed in Paris.

### THE DAYS AHEAD

Recently—in the last couple of weeks—there has been a hopeful development in this grim MIA situation. On March 6, Hanoi authorities permitted a U.S. team to retrieve the remains of 12 Americans who were said to have died in captivity and who were buried in graves near Hanoi. On March 13 the remains of another 11 Americans were turned over to a U.S. team.

These remains could have been repatriated a year ago. They should have been repatriated then. We should not delude ourselves that a wave of humanitarian good feeling has now swept Hanoi so that a new era of cooperation and civility is at hand.

A small step has been taken. That is all. A step is a step, however, and we should be thankful for it and make every effort to see that one step leads to another. It seems to me that we should search out new avenues—new approaches—both official and unofficial, as we try to move Hanoi toward further progress toward an MIA accounting.

As Vice President Ford recently reminded us, Mr. President, 12 nations—in the presence of the Secretary General of the United Nations—finally met in Paris, and, in effect, guaranteed the peace agreements which had been signed in late January. The accord, signed in March, provided that the International Conference on Vietnam can be reassembled on the request of six signatories even if North Vietnam dissents.

With violations of the peace agreement a daily occurrence, and with this matter of an MIA accounting a particular national interest, I would like to know whether consideration is being given to an attempt at reassembling that conference? Even if the reassembled conference failed to end all the violations of the agreement in Vietnam and restore peace there, it might eliminate the barriers to an MIA accounting.

I would like to see all such steps taken, within the various documents and accords to curb violations of the agreement and expedite the accounting for MIA's. Obviously, we should insist that the North Vietnamese and Vietcong live up to their commitments, and we have a special interest in those provisions which apply to MIA's.

But I want to say, Mr. President, that I think the conduct in this matter of the North Vietnamese and the Vietcong—the Democratic Republic of Vietnam—DRV—and the so-called Provisional Revolutionary Government—PRG—goes beyond a violation of 4-nation agreement and 12-nation accords. It is conduct which violates the canons of behavior which one nation exhibits toward another in the international community, even when they have been engaged in hostilities with one another.

North Vietnam and the Provisional Revolutionary Government loudly assert their right to equal treatment in the community of nations. Yet they have been bartering in bones. Until recently, they were holding dead bodies for ransom. They are preying on the hopes and fears of families, apparently in a ghoulish determination to force some further concession from our Government.

As long as North Vietnam and the Vietcong refuse to cooperate fully in an MIA accounting, MIA families—and many other Americans—will continue to believe that some of the "missing" are, in fact, still alive and imprisoned in the Communist-controlled areas of Southeast Asia.

Mr. President, until those bodies are returned—as many as can be located—until those bones are repatriated; until the MIA families are given all data by the North Vietnamese and Vietcong which might help in an MIA accounting, I think we should act on the assumption that they have violated the unwritten rules which govern the conduct of nations in their dealings with one another. I think we should proceed on that basis.

We are all well aware that critics, in all walks of life, all over the world, sharply attacked the United States for its role in Vietnam while our men were fighting there. Now our former adversaries there are refusing to carry out their obligations to us under the agreement which got our forces out—obligations which are no more than the humane post-war civilities which one nation has always expected from another in such circumstances.

I think we should pursue the North Vietnamese and Vietcong, around the world, at every opportunity, with this shabby record. This is the kind of public affairs campaign in which many Americans can participate in the course of their day-to-day activities.

Let me quickly say that I do not mean a public relations campaign, in the usual sense, with speeches, advertisements, rallys, and the related trappings. I am suggesting that we actively pursue the North Vietnamese and Vietcong with this evidence of their uncivilized conduct.

I am suggesting that no international lending agency—no bank or group of banks—should be allowed to consider investment in Southeast Asia without being reminded of this conduct by the North Vietnamese and Vietcong with respect to MIAs.

I am suggesting that no trade conference, trade fair or commercial conference should proceed without receiving a similar reminder.

I am suggesting, as a lawyer, that no international conference of lawyers—or doctors, or business executives, or accountants, or labor officials, or journalists—should pass without being reminded of the record of North Vietnam and the Vietcong in meeting MIA commitments.

I am suggesting that no international church convocation, of whatever denomination, should be allowed to adjourn without U.S. delegates bringing this MIA matter to the attention of the assembly.

And, of course, I am suggesting that our official spokesman give a similar and forceful reminder in every international forum in which the U.S. Government is represented—including a reconvened International Conference on Vietnam if that is feasible.

### FLEXIBILITY

While I feel strongly about this problem, I do not want to appear unreasonable about some of the specifics involved. I am not saying that all the plans we have made to speed an MIA accounting must be followed in every detail as U.S. authorities have planned them.

Considering the current status of the Vietnam fighting, it may be unrealistic to think that U.S. teams—even unarmed U.S. teams—would be permitted to conduct searches now in North Vietnam and the Vietcong-controlled areas of South Vietnam. Certainly the South Vietnamese are not going to give the North Vietnamese and Vietcong full visitation rights to cemeteries in areas they control.

However, this need not mean that no searches will be conducted. The good offices of international organizations such as the Red Cross could well be utilized to expedite location of graves and, especially, to repatriate the remains already located.

Further, the North Vietnamese have indicated that they have certain information—I.D. cards, uniforms and identification materials of that sort—on some of the men who died in Vietnam. That material could help end the uncertainty for some of the MIA families, and it should be provided. Spokesmen for the Pathet Lao, in Laos, have said similar information will be made available after the long-expected coalition government is formed there.

By whatever means—through whatever channels—the location and repatriation of remains should proceed and all available information should be provided. We should be reasonably flexible with respect to the methods by which the North Vietnamese and Vietcong carry out their dual responsibilities, under the agreements and as members of the world community.

But we should lose no opportunity to tell the world as long as these dual responsibilities of civilized society have not been met.

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## THE ENERGY CRISIS IN GERMANY

Mr. CURTIS. Mr. President, late last year I had the opportunity to have a most interesting meeting and discussion with Dr. Franz Josef Strauss. As the parliamentary spokesman on financial matters for the CDU/CSU parties in West Germany, his views of contemporary world problems merit special attention. Having served with distinction in several previous cabinets in Germany, Strauss speaks with particular authority on problems of governmental policy. Recently, in a speech before the German Bundestag, Dr. Strauss dealt extensively with the energy crisis in Germany and the failure of the Brandt government to effectively cope with the problem. He pointed out quite well the need for nuclear energy development. Also he noted the inevitable reduction of fuel supplies if the government attempts to maintain through controls artificially low price levels. Since the energy shortage is not a uniquely German or European phenomenon his remarks have real importance for Americans attempting to understand and surmount this vexing problem. Consequently, I request that the following excerpts from his remarks be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

### Remarks of Dr. H. C. Franz Josef Strauss on "Germany and the Energy Crisis" Before the German Bundestag

What is the rate of the energy needs in the years 1973, 1974, and 1975, broken down into the various energy supply branches? How will these needs develop over the next few years in view of the growth rate originally fixed by the government—by 2 to 3 percent as quoted by the Minister of Finance on November 22? How much of this energy can be saved without impairing the growth rate or how much can be replaced by changing the energy supply means? What will the picture be like if the growth rate for 1974 is zero? What energy minus can be expected from a zero growth rate in 1974 and 1975? What is the decrease of the real GNP if a certain amount falls out without being replaced? You, Mr. Chancellor, and even more so the Minister of Finance, must surely know the calculations which have been worked out on these issues. If the public were to learn the true facts, that would contribute much more to calming it down than does your statement that it is not the task of the Minister of Finance to dramatize. Nobody says that the Minister of Finance should dramatize. Nobody is reproaching him of dramatizing. What we expect from the Minister of Finance are neither words of mollification which do not rest on facts, nor a dramatization, which would unjustifiedly lead to panic. We want to know the truth.

I do not know whether is was a slip of the tongue when you talked about the daily changing truths. It might perhaps be true of the government policy that its truths change daily. Those would be at best subjective truths. There certainly are changes in the situation. But there is no daily change in the situation, which would permit talking about daily changing truths. Some events are of a very long-range nature or home-made, others are not home-made, but permit long-range forecasts, and some came upon us like a natural phenomenon, even though not totally unexpectedly, like the war which began in the Middle East on October 6.

In this connection it would be better to tell the public about the consequences on the employment market of the events quoted by me, which the Chancellor did not exclude but treat very globally. Assurances to the effect that we will well be able to survive the winter, or to the effect that the employment issue is a problem of high priority and that one worries about it and that there will be no decline on this count, are to no avail. You, Mr. Chancellor, headed your government declaration in 1969 with the slogan: more democracy, more information for the citizen of age. You and your office talked about a scientification of politics. What we experience here, is not a scientification of politics, but a style of proverbs.

What we want is a scientifically based, substantiated analysis of the technical and economic facts and their social implications. I think that this could be expected after such a long period of scheduled preparations in your planning staff and after a very long period of time since the outbreak of the crisis on October 6. Unfortunately, we have not been given that today. Why don't you say what the actual supplies are? I can understand that the government did not know itself for a long time what the supplies were in the individual areas, although it should have been its task to provide correct information on that, not only because of the outbreak of the war and the related consequences. The public is interested to learn what the supplies are in the individual areas—engine fuel, light heating oil, heavy heating oil etc. How long will these supplies last? What savings can be achieved through which measures already taken or still in the planning stage? On this issue, too, we were informed inadequately during the get-together between government and opposition. Thus the ban on second cars for which there is no clear definition as yet and which allows for a lot of dodging possibilities was not mentioned during the discussion to my knowledge.

Mr. Chancellor, we would also have liked to hear about the research programs for the production of energy, and we would have liked to hear about the result of the government's foreign-political explorations in the bilateral and multilateral talks which were hinted at today. On this the government has been absolutely mute. We would have liked to learn about the background, the processes and the contexts. In that light some of the things which necessarily had to appear confusing might have made a little more sense. If nothing is offered on this score, however, one has to proceed from the assumption that there is reason not to offer anything.

On November 29, 1973, I read in the information bulletin of the government: Federal Minister Friderichs declared on television that the confusion over the difference between alarming announcements and measures decided had been caused by press reports. He said that the cabinet was unanimously of the opinion that the present situation did not call for rationing and top prices. I share the opinion of the cabinet, and the opposition supports this opinion. But then one should also tell us what criteria determine that this attitude can be maintained and which criteria or events would have to take place if further measures have to be taken. The general declarations by the Chancellor that the government with a long view into the future will say in time what is going to happen cannot be believed by anybody who has so far relied on government declarations.

The Ministry for Economic Affairs submitted to the mineral oil companies a comprehensive list of questions on November 28, concerning stocks, amounts, and prices, in order to get more information on the mineral oil market in the Federal Republic and above all on the prices. Would it not have been better to obtain this information at a time when the situation was clear enough to permit the forecast that the coming shortage could be predicted as a sure fact? On the basis of the survey received, the talks with the opposition could then have been conducted and the public could have been informed via a state of the nation message such as this one today. It is almost a joke that one reads on November 28, that the government intends to explore the situation via a list of questions, in order to report on the situation on November 29, on a day when the questions cannot even have reached their addresses. Therefore, the public has become suspicious and unbelieving.

The statement does, however, not only contain open questions—more open questions than answers. It also contains misleading information and half truths. Thus it says: several European countries, among them the Federal Republic of Germany, have taken saving measures. That is true. But then it says: The United States is preparing these as the President's statement pointed out a few days ago.—Mr. Chancellor, that is an obvious untruth. Are you not familiar with President Nixon's special message of last April 18th and with his appeal of June 29th? At that time even Nixon could not have had the faintest idea that a war would break out on October 6. Even those involved in the war probably did not know about the outbreak until a few days prior to it. Those two statements—Nixon's appeal on April 18, when he announced a national energy producing program to cover the needs to be expected and to decrease America's dependence on deliveries from the Middle East, as well as his appeal of June 29, in which he announced saving measures—prove that this energy crisis is not solely related to the outbreak of hostilities and their related consequences, but that it constitutes a longer-term problem. The statement that—it is not for me to speak for the United States—after the Federal Republic had acted, now the United States was also considering doing something, is just plain wrong. The lessons learned from the events in the United States and from the discussions of them should have borne on our own energy program, which was announced in January 1973, and was to be presented in the summer in order to be passed at the end of September. We did not learn more details of it until October. Instead this energy program rests on preconditions which could not even be brought into tune with the past events, let alone with possible wars.

I would like to make an especially praising remark—I am even saying this half in earnest—on the good relations between the Federal Republic and the Iran.

It would have been very helpful if this government—but above all the Social Democratic members of a former government—had treated the Iran government and the Iranian monarch a little better than they did. I need only mention the shameful game in connection with the German representation on the occasion of the 2,500th anniversary. I need only remind you that during Howeida's visit during the period of the great coalition, we, the CDU/CSU cabinet members of the government, were sitting alone with the guest. The other side was at best represented by Parliamentary Under-secretaries of State. One did not dare to appear with the Iranian Prime Minister at public events—that applies to welcoming the guest as well as seeing him off—because one thought it better not to get into trouble with circles which one intended to integrate at a later point. Today one is thankful for the fact that the Iranian government does not react with the same emotion and passion, but that it balances out at least part of what other countries impose on us with their oil embargo in a factual manner, although it takes care of its own interests. But its actions are at least calculable.

You will say, Mr. Chancellor: But I have been over there. That is true. For that I wish to express again today my appreciation as I also did at the time, because some of the things which had been battered by you and your political friends, have been at least partially made up by your visit. But I would also like to point out that we should not be on our high horse too much, if the Iranians do not agree with our demand that our joint oil refinery should only take care of desulphurating the crude oil while the further processing takes place in the Federal Republic. I believe that we should be more generous in this respect, as we should generally treat our friends in the world better than has been the case in these last few years.

I also want to talk about a misleading piece of information concerning the assured framework for the nuclear energy program. That framework is not all that secured. If I follow the rate of reduction of the dispositions for the long-term financial planning for a national nuclear energy program—which could, of course, also be integrated into an international research framework—I do not receive the impression that the government took into special consideration the problems of modern scientific research and its technical development. We were almost lead to believe that most of the energies were exhausted by the presentation of the educational models of a nonsensical Social-Democratic school education policy and by the presentation of model plans and university projects, which have all totally disappeared with the result that new ones have been drawn up.

This state of the nation statement also contains a series of commonplaces and matters of fact or ambiguities. You say: That must not mean that we should stop thinking. Nobody has suggested that you stop thinking. What does it mean that the priority for Diesel fuel supply is secured? For whom? I take it that that applies primarily to public traffic. That surely does not mean exclusiveness, but a certain priority. On page 15 of the bill I read: "I reserve to myself the right of taking further steps, if this agreement—with the mineral oil companies—should be ineffective". Tell us what these "further steps" are. One should not leave unexplained such empty threats. Then it says: "The energy securing bill should be further exploited, if the need arises". You may proceed from the fact that also in this respect all measures which are technically justified, sensible and promising as far as alleviating the situation for the German people, regardless whether they be popular or not—probably the latter—will be supported by the opposition, in order to share the burdens.

The seducer of your youth working group went as far as to suggest putting the relevant economies under state control as a remedy. That would be the surest way, namely introducing top prices, to keep away import oils even though they may be expensive. It is terrible to have to say: we would rather have expensive oil than none at all. But no oil is even worse. If one has a certain amount at one's disposal, one may at least balance out the supplies within the country. By putting the mineral oil economy under state control we would be sure to achieve one thing: our economy would have to accept within a short period of time a terrific recession not only of our growth rate, but it would indefinitely have to accept a rate of unemployment which would reach into the millions.

This government declaration also contains some disappointments. I am thinking of your words on the socially weak, the receivers of social welfare and those receiving war victim pensions. A reference to the office for social welfare and an appeal to the competent offices to act unbureaucratically and expeditiously is certainly technically justified, but solves only part of the problem. If we do not pursue a recommendation made earlier, namely to either suspend the added-value tax or to halve it, at least to do away with the surplus profits which the consumer has to pay because through no fault of his, even through no fault of the government, prices have risen—but with the effect that the government pockets unjustified profits for its budget—then that is because we proceed from the assumption that these surplus profits—in regard to the crude oil tax that profit may well be assessed at one million Deutsche marks—are used in order to help those whose income has been considerably subjected to hardship on account of these enormous increases—due to the costs for the heating oil etc.—in order to help these people.

Three problems are at stake which need to be separated from each other. There is first the economic situation without the long-term energy problem and without the consequences of the war. We object to the fact that the consequences of an unsuccessful economic policy which at first did not recognize inflation, then let inflation take its own course, promoted it in part and then interfered too late—in part even in the wrong instances—are swept under the big rug of the "energy crisis".

The President of the Federal Employment Office made it quite clear a few days ago that, for example, the decline in the orders of automobiles, as well as the subsequent reduced working hours, did not have anything to do with the oil crisis yet, but that these consequences so far only followed from the government's economic measures. That does not only apply to the area of automobile construction. That applies equally to other areas, such as textiles, construction etc. And it does not only occur in certain sections, but also on the regional level. The situation as it exists in the border areas of the Federal Republic and—thinking of my home state—the closing down of firms and the increasing decline of the receipts in the local tax boards in the northern areas of Bavaria and in the east of Bavaria have been increasing evidence of the fact that a more differentiated and more precisely applied economic policy should have been pursued.

The problem of price stability has not been forcefully tackled for years. You know the discussions which we have had in this house for years. It is no use either to keep propagating the old fairy tale that this is caused by the situation abroad or that the fault lies more or less exclusively with the entrepreneurs, the producers and the dealers.

The responsibiilty of the Federal Government is stressed also by the latest expert opinion of the panel of economic experts. We shall discuss it in detail at some other time. The panel says: "There is no question that this inflationary development was imbedded in an international process of the same kind. But as little as the panel tends to underestimate this fact, that does not imply that the overall development has been unavoidable".

The panel is referring to earlier expert opinions and also to supplementary opinions in which the national measures and the national policy of stability were addressed in an unmistakable manner. I have no time today to go into detail. I shall do that at a later date. What we object to in this connection is the fact that the public is made to believe that declines in employment, the closing down of economic operations and the economic failures were a consequence of the unforeseeable war. Those consequences are still in the offing, but what we have here are consequences which have been brought on by the government's policy.

Other difficulties will be the result of cumulated effects, the result of an unsuccessful economic policy over a long period of time as well as of the effects of the energy crisis, the oil crisis. Thus the oil crisis is no excuse for economic-political mistakes. That is the first problem which we want to point out here very clearly.

The second problem areas is—inspite of all pronouncements by the Chancellor to the contrary—the government's delayed handling of the energy policy. Before the SPD parliamentary party Chancellor Brandt spoke about the serious defaults of the 50's and 60's. During these years he said the German government neglected to build up an oil industry of its own. He made this reproach in front of his own party. The statements were distributed in the SPD press media. He did not repeat this reproach here knew that that would have required a very thorough discussion and a thorough study of the past. We do not intend to conduct this research into the past today, although we are certainly willing to take it up. The truth is that the energy problems were in part approached from the right angle, and in part from the wrong angle, because the government relied on the common sense of everybody concerned, on the inexhaustiveness of the resources of raw materials—which kept contradicting all former forecasts and belied all former long-term forecasts—and on a full worldwide liberalization based on the sensible and rational behavior of all concerned. These premises were false. These mistakes have been made on all sides. I am certainly including us here, too.

I would also like to point out, however, that Mr. Klaus Dieter Arndt said at the time that conserving the German coal at the mining level of 140 million tons and later 110 million tons would have required such enormous sums of money that the public would not have accepted them. I would further like to remind you that following the Sinai crisis, after the 1967 war, the dangers became quite evident. I would like to know what the government had in mind, even though it did not want to upset the public with considerations of that kind—which is understandable. In retrospective it should be able to afford telling us that. It had to expect that after 1970 at the latest, military actions would set in to settle a situation which could obviously not be solved by diplomatic means. It had to calculate that in view of the development of the situation such military actions would lead to greater difficulties than was the case in 1956 or 1967. It had to know that in 1956 and 1967 the Americans rendered some assistance, and it could not assume that the Americans in view of the Federal Government's behavior would be filled with the same enthusiasm to help the Europeans again out of their predicament. What were the government's long-range political objectives? What were its diplomatic preparations in order to face up to this contingency I would very much like to have an answer to that. I am afraid that the answer will be: nothing. But we would be happy to be told otherwise.

I would also like to point out, Mr. Chancellor, that we jointly earmarked 575 million DM in our last financial program covering several years, which were to be expended starting in 1970 for the opening up of new oil fields, for the acquisition of oil fields and of shares in oil production companies at an annual rate of 115 million DM. In the federal budgets of 1970 and 1971, the first two of your time in office, these amounts were laid out as scheduled. In 1972 and 1973 they were assessed at 60 million each—as opposed to 115 million in the years before—and for 1974 they were put at 72 million. That means that the sums earmarked earlier in the program of the great coalition which were to be used for this purpose, have been considerably reduced under your party's government and that they continue being reduced.

Except for the federal crude oil supply program, the so-called cavern program, nothing worthwhile has happened I pointed that out in my statement of January 24, 1973. The Chancellor talked about the energy program which he said had been presented in the summer. For him the summer seems to be very long. It would be better if it lasted longer or if we could introduce a sun light extension program. The summer program was discussed in September and rested on preconditions of earlier years. Surely a valuable piece of work, but it no longer corresponded with the situation as it existed in September, notwithstanding the American warnings, experiences and events. I hinted earlier at Nixon's message of April 13 and at his appeal of June 29 as well as his decree to all American federal offices to reduce their energy consumption for the next 12 months by seven percent. I would also like to mention the measures taken by Canada, before the war broke out. I would also like to mention the energy program of the Soviet Union. I also refer to the British government. The Federal Government's energy program came in October 1973. The measures of that program should be worked over immediately, because even at that time they were not in compliance with the situation, let alone with the events which have occurred in the meantime.

Mr. Chancellor, a few hints concerning the energy program. The period covered by the energy program is too short. The coal program covers the years 1978–80, for the remaining energy sources it does not reach beyond 1985. That is short-winded energy policy. Medium-term energy policy refers to the past fifteen years of this century. Long-term means beyond the year 2,000 according to the definition of the "Ifo-Institut".

Regarding its foreign-political implications, the problem is as harmless as the world is always in order for our Foreign Minister. The key question of the future relationship with the oil producing countries—the Middle East, the Near East, Africa—is taken too easy, it is practically ignored. The danger that in addition to the dependence on Arab and African nations, dependencies might also arise on deliveries from countries of the Warsaw Pact in an unpleasant political situation is not taken at all seriously. It does not even exist as a hypothesis. The risks which result from the high dependence on crude oil imports for the entire complex of the world monetary system, are totally suppressed. The surplus profits for the OPEC countries today amount to 30, 35 billion dollars per year, in a few years it will be 50 billions. In 1985 probably 80 billions—countries of which those producing much oil do not know what to do with their profits as far as developing their country is concerned and those producing little oil have a need for money. As long as these questions are not included in the other non-resolved issues of the world monetary system, we cannot expect a normalization. Regardless of what future world monetary conferences may achieve: this problem has been practically dodged to date—including our own program.

The energy program lacks clear priorities. The Federal Government should spell out before the public its conflict of interests between the ecological issues and the energy supply. On the one side the justified concern for the environment sometimes turns into an ecological fanaticism under ideological auspices, on the other hand the long leadtimes of authorization processes concerning the construction of new power plants is lamented. The Federal Government should muster the political courage to outline to the public the limitations of the ecological ideas, however justified these concerns may be. But both objectives cannot be pursued at the same time.

In the area of research and development the energy program is restricted to verbal declarations of intent. Mr. Chancellor, you objected to the opposition's critical remarks on the nuclear research and technology program. The Federal Government announced in a draft for a 4th nuclear program for the years 1973–77 at the beginning of 1972 the sum of 9 billion DM. In the fall prior to the elections another draft was presented containing an overall sum of expenditure of 6.5 billion DM. In February of this year the draft was discussed. Two weeks later it was no longer accepted as a basis, because the funds for the medium-term financial program had been changed. The Federal Government took until now to revise the 4th nuclear program.

The final version has not yet been transmitted to Parliament, although that has been demanded several times. The decisive points are the following: expenses for nuclear research and nuclear technology are to increase by no more than 4 percent annually over the next few years. The number of scientists in the federal research centers is being reduced. Nuclear research and nuclear technology were largely neglected within the framework of the so-called re-orientation of the research policy, because they are allegedly not based on the needs of society. The result is great unrest in the research centers, a decline in the motivation of qualified scientists who are leaving their jobs, a delay in the development of advanced nuclear reactors, a delay and negligence concerning development of the high temperature reactor.

In the final part of my remarks I would like to say a few words about the opposition's contribution to solve the energy problem. The opposition is willing to help solve this crisis and even to take responsibility for unpopular measures. That is based on the condition, however, that it is informed fully and in time by the government on facts and intentions of this government. Information on the talks between government and opposition in the sense of a general state-political advertising campaign is of no interest to us. We want to know the facts, we want to know the intentions. Then we shall be willing to share responsibility in this situation. I have named the preconditions. The opposition cannot assume the role of the government, but it is willing to study any measure suggested by the government, to see if it is technically justified and necessary. After that it will determine its own attitude. We shall not tolerate that the crisis management serves as a kind of cover for intentions to gradually dismantle the free-market economy.

Fixed prices and top prices are no means to counter this energy crisis, after all the bitter experiences we have had. In addition to deleting the additional investment tax, we suggest measures to accelerate a switch from oil to coal. Such measures could be supported by fiscal privileges in the shape of increased tax deductions, which are already granted in the areas of coal mining and ore production and for ecological installations. Such fiscal privileges need not be restricted to the commercial enterprises, they could also be granted to private households which are able to replace oil heating by coal heating.

Mr. Chancellor, we ask you in all earnest to introduce a national research program which is attuned to the other European nations and following re-establishment of better relations with the United States—to the Atlantic Community, by granting fiscal privileges and premiums, and to accelerate this so that it may soon show visible results.

We further suggest that you offer a national price in this connection which should be bestowed publicly every year on those researchers who deserve merit for finding new energy sources and new energy techniques.

We further ask you to give long-term tax incentives to the automobile industry, in order to accelerate development of other means of propulsion within the framework of this research program.

Our socially underprivileged population needs support immediately. The declaration of intent by the cabinet of yesterday and the vague circumscription of a decision to be taken within the next few days do not suffice. The danger to job security caused by years of an unsuccessful economic policy which is now being rapidly increased by the energy crisis, has to be taken care of by immediate measures in the economically weak and underprivileged areas. The CDU/CSU will present a motion today which is in part in tune with your program which in turn has adopted essential elements of what the opposition has made public as its intentions during the last few days, namely to suspend certain cuts in expenditure, above all in the area of "improvement of the regional economic structure", to reintroduce the investment allowances law providing for an allowance of 10 percent for the economically weak areas, to take concrete steps for the housing construction, to suspend easy import terms (import facilitations) on the basis of the Federal Government's stability measures in the fields of textiles, clothing, leather, shoes and others. This program, this motion will be submitted to Parliament by our party chairman today.

Allow me, Mr. Chancellor, to say one last word in connection with the overall situation of which you have given a rather narrow description and which was filled with rather scarce information and factual statements. If it is not possible to lay out the considerations of the Federal Government on the foreign-political implications of the energy crisis in the long as well as in the short run, then you should inform the opposition on the background, connections and facts as viewed by the government. Of course, we do not have either the intention or the right to make suggestions on our part, for example on the solution of the Arab-Israeli question. But it does not suffice for you to limit yourself to talking about the neutral stance of the Federal Republic, to say that everybody has the right to live within internationally recognized boundaries. Then, Mr. Chancellor, you should also say what in your opinion are the secured boundaries, and what the government is doing in order to convince both sides—in cooperation with the stronger partner the USA—that both sides actually consider these secured boundaries as a just solution. What, Mr. Chancellor, do you understand by the term "settlement of the cause of the Palestinians", which you used in your cablegram to Boumedienne? We are always in favor of all those involved to live within secured boundaries, which are recognized by all sides. We are in favor of just settlements of unresolved issues. But what do you understand by that? Tell us: do you mean the return of 1½ millions of people to their former living areas, or do you mean something different?

If the German foreign policy is to be credible in both camps, if it is to have the moral strength to make us regarded as a friend of both sides, and if it wants to employ its moral, economic, and political weight to solve this question which would otherwise demand yet more blood, then we cannot speak with different tongues to the opposite parties or announce messages of different contents to the two camps. We will not get away with such conduct over a longer period of time.

We also express our regret, Mr. Chancellor, that the Europeans, and in particular the Germans, failed to assist our strongest ally on whom our security continues to depend practically exclusively, in a crisis which might put the lives of all of us at stake.

By that I do not mean that we could have intervened in the same manner as the USA did. I do not contend, Mr. Chancellor, that by remaining neutral you intended for one side to finally defeat the other. But if one leaves it to the Americans to settle the matter by means of achieving first a ceasefire and then a peace, then it should be a matter of alliance loyalty to assist this side morally as well as politically so that it does not feel abandoned—the effects and consequences of which we cannot yet assess. When in the spring of this year Secretary of State Kissinger—at that time still in his capacity as an adviser on national security affairs—in his Atlantic speech on April 25 in New York talked about three powers bearing global responsibility and two bearing regional responsibility, among them the Europeans, the Europeans took that to heart, and big statements were made, such as that the Americans from their position as a declining power did not yet realize that the Europeans constituted a rising power, that one had to take into consideration an emerging emancipated European big power. In the meantime we Europeans have proven that we are not even capable of taking regional responsibility—unless verbal acts of power are considered political solutions.

If the energy crisis is to have a meaning, if something good is yet to come of it, then it should incite the Europeans to learn in this decade to assume regional responsibility and to offer some solutions. What did we offer in order to get the Israelis to make concessions and the other side to stop its military operations? The representative of the Arabs' staunchest enemy in this case, the representative of the main deliverer for the Israelis, flew to Cairo and was able to re-establish diplomatic relations with the USA within a matter of hours. Why? Because the Egyptians know that in the long run the American intervention will help them more than the Russian missiles to find a peaceful solution. How did the Europeans look? After the big-mouthed statements of last April we saw that a power which is involved in deep internal turmoil, is able to act in an emergency, while we keep contenting ourselves with talk.

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## INTERFACE: PROVIDENCE

Mr. PELL. I would like to call to the attention of my colleagues "Interface: Providence," a plan of inspirational quality and worthy of most thoughtful consideration which could greatly improve the quality of life in Rhode Island's capital and which could have far-reaching implications for other cities as well.

The project began as a studio course in the division of architectural studies at the Rhode Island School of Design. One of the oldest and finest colleges of art in the United States, the Rhode Island School of Design has long been concerned with the problems of urban living and with the welfare of the Rhode Island community. Gerald Howes, associate professor of architecture, worked with 14 students on what became an in-depth study of Providence and its future. The planners explored many possibilities as their work took shape.

The project was originally conceived to "interface" mass transit systems in Providence with future high-speed rail service between Washington and Boston. The need for such service has long been of particular concern to me. In my book "Megalopolis Unbound," published 8 years ago, I called attention to the benefits to be derived from such service; and I am delighted that over the intervening years I have helped in an advancement toward these goals, most recently through legislation passed by the Senate last December which gave particular emphasis to high-speed rail passenger service in the Northeast Corridor.

"Interface:Providence" would transform Providence's central business district into a pedestrian-oriented area supported by an interconnecting transportation network. Salient features of the plan include restructuring the existing railroad station—Union Station—to serve high-speed rail, bus and people-mover systems, construction of a ring road around the central business district with direct access to long- and short-term parking facilities, the consolidation of goods delivery to the center city, the reconversion of the city's largest surface parking lot into a pond surrounded by a 50-acre park, and the establishment of green spaces throughout the city.

The "Interface:Providence" planners feel that the plan could be implemented in stages, with each successive step reinforcing but not conflicting with the previous phases of action.

I was privileged to see recently an hour-long slide presentation of "Interface:Providence" at the Rhode Island School of Design. I take this opportunity of congratulating those involved for developing and setting forth objectives which can relate to better designed and more pleasant and functional urban environments in cities throughout the Nation.

An adaptation of a publication on the "Interface" proposals appeared in the March issue of the Rhode Island School of Design Alumni Bulletin.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### INTERFACE:PROVIDENCE

What is a city?

Wiser people than ourselves have struggled to give sage and complete answers to this question. All who have tried have agreed thus far, that a city must have variety of choice sufficient to accommodate the incredible variety and combination of tastes of its people. By these means, it will thrive, its interests will be perpetually changing and alive for its inhabitants, and, of course, its spaces will reflect these varieties; sometimes brash and sometimes serene, sometimes narrow and bustling and sometimes quiet and contemplative, but above all a great orchestration of variety to fit the differing senses of its population.

Many in answering the question deny the title of city to a mere agglomeration of buildings which stand cheek by jowl looking like a city but which do not support nor reflect a corporate sense. Such are the dormitory towns, and such are the towns whose population surges in at nine o'clock in the morning and ebbs at five o'clock in the evening, adding little to the urban scene except crowding during their coming and going, and, when they have left, desolation.

Above all else cities are for people. Somehow this very simple fact seems to have been lost in our headlong rush to progress. The very reason for the city's existence has been overlooked. Cities are not primarily for commerce, although commerce plays a large role in their life, but only as one of people's many activities. Cities are not primarily for employment, although this too may be a factor in their functioning, but, again, only as one of the many activities of people. Nor are cities primarily for government, while government is essential to a city's functioning, its concern is the governing of people.

Local governments, faced with the loss of downtown merchants and those customers who once inhabited the city centers, look wildly and desperately for a source of tax revenue with no apparent drawbacks. They realize that housing invites children and children need schooling along with other costly care, so they reason that housing, being a poor source of revenue taking more income than it provides, should be avoided. Zoning laws are passed to permit certain uses in certain areas only, and these laws tend to reinforce the lack of orchestration, the thinness of composition which underlies the city's ailment. Instead of variety, monotony is encouraged. Finally the city fathers encourage and invite, to the general exclusion of other functions, the corporations capable of financing and building large office structures. In this case, the tax return is clear enough, but the price paid by the city in terms of variety of life and experience is enormous. Moreover, the additional burden of incoming and outgoing office workers is laid upon existing transportation systems, predominantly composed of the car on city streets. Thus a vicious cycle is enjoined. There follows more clogging of the city's arteries and organs for the period of eight hours a day and five days a week. The richness of city life suffers.

One can readily see how necessary a series of suitable types of transportation are to successful settlement and thus to living cities. It is painfully obvious why large commerces, valuable magnets in our cities, have been forced to leave. They depend heavily for their very existence on the free movement of large volumes of people through their premises daily. It is understandable that they flee to suburban sites, and one of the main reasons for their exodus is the use of the automobile within the city. Viewed narrowly, the automobile, a marvelously tractable and responsive machine, would seem to liberate the individual and permit flexible movement. However, within the confines of the city center, scaled as it is, and should be, on a human scale, this apparent individual flexibility of movement, multiplied many thousand times, has just the opposite effect, producing conflict and standstill. On all sides there is tension and mounting distaste. Population and merchant alike hold the city responsible. Their solution is to withdraw; but the fault lies not necessarily with the construction of any city center. The solution lies in devising a system of transporting people at varying speeds for varying distances conveniently to the traveler and without conflict with other travelers or goods movement.

When, in the fall of 1972, we commenced by looking at high speed rail as a consummate part of Northeast Corridor transportation between Boston and Washington, it was to examine the effect on Providence of such a possibility. To do justice to any study of this kind, it may not be treated in a vacuum but as part of a total transportation system, if such existed. It was necessary, therefore, to examine the other systems, existing and proposed, and how a traveler might make connections, since it is by these means than one might judge the effectiveness of the transportation for the citizens and those working and playing within the city. Do the systems connect, where do they connect, how do they connect, can one cross the city easily in all sorts of weather at all times of day and night? Was there a preferred location for such a connection to take place? This interconnection of transportation systems is called an interface.

As we looked into transportation systems to and from outlying areas, we gradually discovered the importance of speed scales, which could be described as an appropriateness of certain types of transportation and, therefore, speeds, for certain distances and numbers of people. For example, a journey of over 500 miles and at over 300 mph is fulfilled best by the airplane, which, of course, must be supported by easy access to and from its takeoff points by other means of transport. As one comes down in speed one will observe a singular lack of development of alternatives to the automobile or bus; probably because of its incredible tractability, the car is able to span between 3 m.p.h. (man walking) and 60 m.p.h. (present day train averages). In Providence we found little difference from other cities in this respect. The downtown area is dominated by the car at expense of the human being; vast areas capable of supporting commerce, living and services were taken over entirely by the car. And yet people coming to the city still have to walk considerable distances along routes aesthetically poor while avoiding the moving vehicles of others. Should this be so? Need it be so? Would a city not attract more trade, visitors and business if just the opposite were the case?

In Providence we found a situation unique among North American cities, one which apparently had been overlooked by many who earned their daily livelihood within her precincts.

Although one realized that Providence, like most American cities, has been losing population (10,000 between 1960 and 1970) from its center, it has a most clearly defined central business district. Few cities enjoy this clarity of defintion. Also the urban center has not prospered during the last forty years to an extent similar to other cities, and, while, one might think at first that this is an unfortunate factor, the city has not suffered within its business area from the mad scramble for land with its concomitant high-rise construction. Providence, therefore, has the opportunity now to prepare, and prepare carefully, for the intelligent revitalization of its downtown facilities. Furthermore, the central business district is definitely of a scale to make pedestrian use feasible, since it is no more than 3,900 feet from side to side, a distance which can be traversed in about fifteen minutes at the walking rate of three miles per hour. Even when we include the area in which the State Capitol rests, the central business district of Providence is still a pedestrian-scaled city precinct.

*Interface: Providence* would then, to state it succinctly, transform downtown Providence into an autoless city supported by a transportation network in which all systems would interconnect within a central terminus (a refurbished Union Station). The new city center of Providence, bounded on the west and south by highways, on the east by the Providence River, and on the north by Smith Street, would feature bus and people-mover systems to pick up visitors, shoppers, workers, and others and carry them comfortably to their destination, and the construction of a ring road around the central business district with direct access to parking facilities for about 14,000 cars—a number sizeably larger than can be parked in all of the parking spaces available today in or near the central city. The new city center would exemplify the propitious combination of usefulness and beauty in the re-creating of the Old Cove as a new body of fresh water that could have the added benefits of aiding in flood control and in helping to purify the air. In addition, a 50-acre park between the State Capitol and the business district, and green spaces—small parks and plazas—would be scattered throughout downtown Providence.

Enthusiasm and support for Interface: Providence have been widespread. Thus far about forty comprehensive slide presentations have been given to civic and government officials and groups, not to mention spot television programs, which were transmitted over all major networks in Rhode Island. The list includes U.S. Senator Claiborne Pell, the Governor of Rhode Island, Project Rhode Island, the Bicentennial Commission, the Greater Providence Chamber of Commerce, and the American Institute of Architects, Rhode Island Chapter, who commended the RISD team. In carrying out the details of the plan we worked closely with William Harsch, special assistant for policy and program review in the Governor's office, and the Urban Systems Laboratory of Massachusetts Institute of Technology, various state and city agencies, Penn Central, and others. Further support we have received throughout the development of our concept of the "autoless" city has come from periodicals such as Progressive Architecture and Architectural Forum; local newspapers, in particular the Providence Journal-Bulletin; radio stations; and national newspapers such as The New York Times, the Christian Science Monitor, the Boston Herald-American, and many others.

It has been said that today the city is dead, finished as a living organism, and no longer economically viable in a culture whose demands are so complex that the services needed to support urban life are impossibly expensive.

We do not believe it.

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## AMNESTY

Mr. TAFT. Mr. President, the issue of amnesty and immunity for deserters and draft resisters during the Vietnam conflict has recently received increased national attention, particularly as a result of hearings conducted by the House Judiciary Subcommittee on Courts, Civil Liberties, and the Administration of Justice. I commend the committee for scheduling such hearings as I believe they will greatly increase national understanding of the many difficult and complex questions involved in this area.

Legislation is pending before the Senate Judiciary Committee on this issue, the Earned Immunity Act of 1974, S. 2832, introduced by Senator PELL and myself with the cosponsorship of Senators PACKWOOD, BIDEN, HASKELL, and METCALF. The basic elements of this proposal include creation of an immunity review board with a requirement of up to 2 years of alternate service for individuals seeking immunity. The legislation would only apply to draft resisters who violated the military Selective Service Act during the Vietnam conflict. I am hopeful the Senate Judiciary Subcommittee on Criminal Laws and Procedures, the subcommittee to which S. 2832 has been referred, will consider our proposal and schedule hearings in this area.

In this context I ask unanimous consent that an editorial from the Cincinnati Enquirer of Monday, February 25, 1974, entitled "Toward An Amnesty Policy," and an editorial from the Cleveland Press, dated March 3, 1974, entitled "Support for Amnesty," be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Cincinnati Enquirer, Feb. 25, 1974]

### TOWARD AN AMENDMENT POLICY

It is easy to understand the doubts with which the Department of Defense reportedly views Sen. Robert Taft Jr.'s (R-Ohio) proposal that Vietnam War draft evaders be permitted to earn immunity to prosecution by rendering a tour of voluntary national service—including service in the armed forces.

Since Senator Taft initially advanced this solution to the complex issue of amnesty, the Army has abandoned the Selective Service System as a means of procuring manpower and begun relying exclusively on volunteers.

As one Defense Department spokesman has put it: "The individual who enlists under a coercive threat of prosecution is not a real volunteer and does not truly desire to be a professional soldier, sailor, airman, or marine."

But Senator Taft, the junior member of the Senate Armed Services Committee, intends to press his answer to the amnesty situation.

The legislation Senator Taft has introduced in partnership with Sen. Claiborne Pell (D-R.I.) calls, first of all, and most importantly, in our view, for the creation of an amnesty board to review individually the cases of those who actually seek amnesty, The total number of Vietnam-era draft evaders varies widely. Some, sympathetic to the cause of a general, unconditional amnesty, have suggested that as many as 100,000 may have defied the draft during the Vietnam years. Selective Service headquarters, however, lists only 11,000.

It would fall to the amnesty board, presumably, to determine which evaders would be eligible to escape prosecution by offering themselves either for military or alternative service.

The Taft-Pell proposal, we believe, is a realistic response to a problem with which the nation must ultimately cope.

It is realistic, for one thing, in that it faces the amnesty issue—which many in official Washington, including President Nixon, prefer not to face.

It is realistic, for another, in that it recognizes what many other commentators on the amnesty issue seemingly do not—that not all cases of draft evasion are alike.

If the experience that followed World War II is any accurate gauge, some draft evaders will be found to have acted out of firmly held moral objections to war. Others will be shown to have been animated by objections not to war in general, but to the Vietnam War specifically. Many others, it is likely to be shown, acted out of an effort to escape apprehension for felonies, for desertion of the families or for other personal reasons.

It was because of the wide variety of considerations involved that the amnesty panel appointed by President Truman recommended amnesty in only 10% of the evasion cases before it.

Senator Taft first advanced his idea of a conditional amnesty while the Vietnam War and the debate about it still raged. His critics have run the gamut—from those who favor no conceivable kind of amnesty to those who favor immediate, unqualified amnesty. Both extremes have been reluctant to recognize that he has offered a middle course—course, moreover, that takes into consideration the nation's earlier experiences with the complexities of draft evasion.

It may be that Mr. Taft will have to accommodate his proposals to the Defense Department's argument that the volunteer Army is not a suitable organization for discharging penitential service. But that, it seems to us is a relatively trivial aspect of his overall approach to an issue about which more and more Americans will be asking questions in the immediate future.

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[From the Cleveland Press, Mar. 13, 1974]

### SUPPORT FOR AMNESTY

The issue of amnesty for Vietnam War draft resisters, which Ohio's Sen. Robert Taft began championing more than two years ago, continues to gain support.

Earlier this year former Defense Secretary Melvin Laird spoke up to say that he was considering a conditional amnesty plan even while the Vietnam War was going on.

A few days ago Former Army Secretary Robert F. Froehlke testified before a House committee in favor of amnesty. Sen. Taft reiterated his views on amnesty in testimony given to the same committee.

Part of Taft's mission in appearing before the committee was to refute the position of Attorney Gen. William Saxbe, who has said that Congress does not have the constitutional authority to grant amnesty to Vietnam War draft evaders. We agree with Taft that "just as the President may grant reprieves and pardons" . . . so may Congress.

There are no hard figures on just how many draft resisters are abroad or underground. Estimates range anywhere from 30,000 up to 70,000. But whatever the number is, these young men remain a problem that must be dealt with if the deep wounds caused by the Vietnam War are ever to heal.

This newspaper has supported Taft's approach to the question of amnesty since he made his first proposal in December of 1971. He has recommended that young men be released from prison or be allowed to return to this country if they agree to some alternative service, such as in a veterans' hospital or with VISTA.

For taking a moderate, sensible position on amnesty, Taft has made himself the target of attacks from both sides—from those who want complete forgiveness and those opposed to any kind of amnesty. We admire

Taft for the sane course he has taken and hope he continues to pursue it.

The senator puts the case best when he observes that amnesty "could do something to regain the confidence of millions of Americans, especially among our youths, who love their country but have not agreed with a course it has followed."

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## EQUAL EMPLOYMENT OPPORTUNITY

Mr. BENTSEN. Mr. President, on January 8, 1974 the El Paso Natural Gas Co. and the Equal Employment Opportunity Commission announced the signing of an agreement designed to further realize equal employment opportunity for all applicants and employees of the El Paso Natural Gas Co. This agreement, which was voluntarily entered into by the El Paso Natural Gas Co., contains what EEOC officials have characterized as "the most progressive program for Spanish-surnamed Americans, American Indians, blacks, and females ever to be implemented in the Southwest." It reflects this company's commitment to equal opportunity for all Americans, and constitutes a great act of corporate statesmanship. The agreement should serve as a model to demonstrate how government and business can work together to resolve problems of mutual concern.

At a press conference following the signing of the agreement, Commissioner Telles of the Equal Employment Opportunity Commission described the importance of the occasion when he said:

> I think that this is a significant and historic occasion for El Paso, and I would say certainly for the entire Southwest. For this is the first time such a progressive and far reaching equal employment opportunity program has been agreed upon by the Equal Employment Opportunity Commission and certainly one of the most important and prestigious industries in the Southwest—This affirmative action program agreed upon provides equal opportunity to all Americans and it is particularly significant and meaningful to Spanish-surnamed Americans, American Indians, Blacks and females. It means new employment and job advancement possibilities for these people.

Company President H. F. Steen characterized the agreement as an—

> Expression of El Paso's continual moral commitment to the belief that all individuals, regardless of national origin, race, religion, or sex, are entitled to an equal opportunity for employment and advancement.

The affirmative action program which the El Paso Natural Gas Co. will undertake contains:

Commitments to hire specific percentages of Spanish-surnamed Americans, American Indians, blacks, and females during the next 7 years. These percentages for 1974 range from 56.8 percent of new hires in the home office to in excess of 70 percent of new hires in the field operating divisions.

Commitments to establish personal contact with over 90 schools, colleges, and organizations in order to recruit minority and female applicants.

Implementation of a personal development program at an estimated annual cost of $130,000 which will provide minority and female employees with training, counseling, and educational assistance in order that they may develop to their fullest potential.

Retroactive salary adjustments to over 140 minority and female employees at a total cost in excess of $250,000.

Prospective adjustments in 1974 of approximately $70,000 to the same 140 minority and women employees.

This agreement is a fine example of the way in which Government and business can work together for the benefit of all Americans, regardless of race, creed, sex, or color.

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## PENNSYLVANIA: MUSHROOM CAPITAL OF AMERICA

Mr. HUGH SCOTT. Mr. President, I am proud to state that the mushroom capital of America is in the Commonwealth of Pennsylvania. The Commonwealth accounts for more than half of the mushrooms produced in the United States, and mushrooms are Pennsylvania's largest cash-producing crop.

I have a tremendous amount of respect for the hard-working people who form the foundation of the mushroom industry. Unfortunately, during this past decade that foundation has been seriously undermined by competition from imported mushrooms. More recently, the industry has suffered a serious economic blow due to a botulism scare. Although an intensive investigation by the Food and Drug Administration has resulted in the discovery of a few instances of botulism toxin in canned mushrooms, it is important to note that no one in the United States has become ill or died from eating any canned mushrooms.

Because of the economic hardships imposed on this industry, two of my distinguished colleagues, Senator Taft and Senator Schweiker, have joined me in submitting a petition to the Small Business Administration calling for a disaster determination for the mushroom industry. If approved, individual members of the mushroom industry will be eligible to apply to the SBA for long-term, low-interest loans.

On March 14, 1974, an article entitled "Mushrooms: Perils and Pleasures" was published in the Washington Post. This article by William Rice vividly describes the situation in our mushroom industry. Mr. President, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Mushrooms: Perils and Pleasures

(By William Rice)

Kennett Square, Pennsylvania.—Even in late winter, with the earth and grass covering the low, gracefully rolling terrain still brown and somber, a visitor senses how productive the land about this neat, somewhat antique town can be.

New houses, older ones wearing coats of recent paint and well-kept barns and outbuildings are signs of prosperity. But the trees are naked, the day is gray and sunless and it is not difficult to transpose a Transylvanian gloom to southeastern Pennsylvania.

After all, this area, the "mushroom capital of America," has come under its own cloud of fear and suspicion. There's no reason for it, the residents claim; no present danger. Nonetheless the word botulism can cause more fright in the 20th century than the specter of a vampire, and fear of botulism is a very real threat to the mushroom industry centered here.

"Three or four of my close friends are not refilling," Fred Bonifacino told a group gathered in his living room that afternoon. "At 31 or 32 cents a pound, they just can't make it."

"The trouble started in May last year," he continued. "Prices were 40 to 50 cents before then, but all at once . . ." He paused, then asked, "When was the first recall?"

The answer came quickly. It was February, 1973, just over a year earlier, when the Food and Drug Administration (FDA) publicly announced *botulinum* toxin had been discovered in canned mushrooms and called back one manufacturer's production. In the months that followed other recalls were sounded, an intensive investigation of mushroom canners' facilities and products was undertaken and the public—still sensitive to a widely publicized death in 1971 due to botulism poisoning from canned vichyssoise—turned off mushrooms.

Bonifacino shouldn't be involved. He grows mushrooms for the fresh market. Only a small percentage of his twice-a-year crops would be offered to a canner. But the public has not paused to discriminate. Fear is the enemy of reason, so the taint of botulism, which prospers only in closed, airless spaces, has touched the fresh product as well. Fewer fresh mushrooms are being sold.

Through the years Bonifacino, a resolute man with a firm, deep voice and weathered, open face, has prospered in this complex, high risk business. He has more than 70,000 square feet of beds under roof in the squat, dark, cinderblock sheds called mushroom "houses." His modern ranch-style house is spacious and comfortable. An athletic elder son, Steve, has completed studies in mushroom science at Penn State University and is working with his father in the business.

But Bonifacino has refilled less than half of his growing units, called "doubles" in the trade, and said others have cut back or tried to prolong harvesting the current crop "because they're not sure of making any money and haven't been for goin' on a year."

Emidio Frezzo, who sat in the middle of the sofa drinking coffee, has replanted. "I can't stop producing," he said bluntly. "I have financial obligations. For the grower, much of his overhead is fixed and his costs have been predicated on a certain volume. So he has to keep producing to cover overhead. But at current prices we could lose 4 or 5 cents per pound."

Frezzo, called Junior by his colleagues, is president of the American Mushroom Institute, an industry trade association. He had brought John C. Bovenkerk, the Institute's executive director, to Bonifacino's home and A. T. (Art) Pratt had joined them. Pratt is vice president of the Kennett Canning Company, an S. S. Pierce subsidiary, and is president of the Mushroom Processors' Association.

Together they sketched a picture of a small but economically significant industry hit a brutal body blow by the botulism alarm at a time when it was already pinned to the wall by problems caused by inflation and foreign imports.

Canned mushrooms dominated the conversation because they dominate the mushroom business, particularly around Kennett Square. "The fresh mushroom share of the market is 30 per cent nationally," Bovenkerk said. "But here it's less. I'd say nearly 80 per cent of the mushrooms grown in the Delaware Valley go for canning."

Kennett Square became a mushroom center because of its mild climate (mushrooms thrive at a constant 60-degree temperature) and good access by rail and road to large cities along the East Coast. Its importance is shown by statistics. Mushrooms are Pennsylvania's largest cash-producing crop and the Pennsylvania production is more than half that of the entire United States.

Nationwide, the industry included only 700 growers, six of whom, Bovenkirk said, had thrown in the towel since Jan. 1 and resigned from his organization.

"Only a few growers, those who don't have big mortgages for example, can ease off," Frezzo said. His own production, estimated at 800,000 pounds last year, is mostly for canners.

"It's pretty hard to do both," he explained. "The man who grows for the fresh market has to grow better quality mushrooms and grow them bigger. Here in the East they prefer mushrooms white. [Californians, it seems, opt for mushrooms with a brownish color. As with eggs, the product is the same despite its exterior color.] Browns are easier to grow, so they cost less and when they are processed for canning no one can tell the difference.

"I'm living off depreciation writeoffs at the moment and I don't pay myself much. I went six months without paying myself at all."

The men cited layoffs and closing among canners as further signs of deterioration within the industry. While the official stand is "we don't dispute Food and Drug," resentment comes out in conversations.

"We're not alibing," begins one grower, "but it was a processing problem pure and simple. It was a new filling method, there wasn't enough heat so the product was understerilized. Everything is fine now."

"They were overzealous," says another. "It generated a tremendous amount of press, beyond what it should 've," is a third comment. "You can get rid of botulism with 10 minutes boiling," someone says, then stops. The public has as much interest in learning how to deal with botulism as it does in learning how to defang a rattlesnake. People simply don't want to be exposed to either.

Only low-acid foods that are canned without sugar or syrup, are potential breeding grounds for botulism spores, Bovenkerk explained. Swelling occurs within 72 to 80 hours after canning and always leads to easily recognizable, misshapen cans. Emphasizing the positive, the canners claim the incident has led to "a whole new concept of thermal processing procedures for non-acid foods."

Through this discussion Fred Bonifacino had been pensive. "To be a mushroom grower, you have to be a gambler," he said finally. "There was unfavorable publicity last year, but every year—with a minimum of $5,000 invested in each double—you have to pick twice to break even."

"And you have to pick when the mushrooms are ready," interjected his wife. "Even if the market price means you break even or lose, you pick."

"It's more than that," her husband continued. "Before you pick your first mushroom, you've spent 90 percent of the crop cost. Picking, watering and harvesting cost only about 10 percent."

"Raising mushrooms is very precise work," added Bovenkerk, on the verge of beginning a trade association presentation. "Each step has to be done right and there are more steps even than in raising orchids. Once they are picked, they have an average of less than four days shelf life before they begin to get spotty and discolor. That's why there is such a markup in retail stems. But you can let them sit a week and even if they don't look good, they taste fine."

"You can do all the work and not get a single mushroom," Bonifacino mused, his thoughts far from the marketplace. "You gotta be a gambler."

"Furthermore," Frezzo chimed in, "the price at retail has stood still or gone down a bit, so all the added costs caused by inflation are being absorbed at this end."

"Growers' costs are up 37 percent in two years," contributed Bovenkerk.

For all of this, the industry's two overriding concerns appear to be the threat posed by imports and how to restore public confidence and reestablish the steady, upward curve of sales that had led mushroom production to double during the 1960s.

The growing year that ended last June 30 showed a record production of 254 million pounds, according to Department of Agriculture statistics. It also showed growers who produce for the fresh market receiving 2.4 cents per pound less than in 1971–72, while those who sell to processors received 3.5 cents less. Figures for June, 1974, predictions indicate, will show a distinct drop in total sales.

"This year the second fill isn't harvested yet and all the warehouses and canneries are still loaded with unsold stock," said Frezzo. "Everybody's at a stage where they don't know what they're going to do," commented Bonifacino.

One step Bovenkerk proposes the government take is to impose a quota on imports of mushrooms. The largest imports are from Taiwan and South Korea, with the latter country's total climbing during the 1973 growing year despite an overall 4.5 per cent drop in imports.

"We have the technical skill," said Bovenkerk. "They have low wages and they ride on our backs. They don't pay for advertising or promotion of the product and they don't have to meet FDA factory standards."

Tariff Commission hearings have been held. But in the face of world political realities, the domestic mushroom men aren't too hopeful that the Nixon Administration will act.

As for the image of mushrooms, an industry "action team" has been formed to organize a one-year promotional program "to regain the confidence of the consumer." Its first efforts should be released this summer.

"We've looked back on other industries that had problems like ours, such as cranberries, smoked fish and tuna fish," explained Pratt, "and we've talked to the advertising agencies that have helped them. We just have to learn from them and map a road back for ourselves."

Fred Bonifacino, thinking to utilize the technical knowledge his son picked up at Penn State, has been asking about the possibilities of growing exotic mushrooms. Wild chanterelles and morels have never been duplicated in a commercial operation. Still, the prices exotic mushrooms fetch from gourmets make experimentation tempting to a small grower anxiously marking time while waiting for the public to lose or forget its distrust of mushrooms.

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## AMERICAN CONSERVATIVE UNION GATHERS STATEMENTS FROM 35 MEMBERS OF THE CONGRESS CONCERNING THE FISCAL 1975 BUDGET

Mr. HELMS. Mr. President, the American Conservative Union has again taken a stand when few others have come forth to do so—this time, concerning the fiscal year 1975 budget. By their work in gathering together statements on the budget from 35 of our colleagues in the Congress, ACU has focused attention on this incredible budget—which is certain to plunge America deeper into debt and thereby further mortgage the future for millions of Americans.

I commend the ACU for their fine work in gathering these statements together. I further commend this public-minded organization for its dedicated efforts to achieve sound policies of a balanced budget, reduced Government spending, and a return to fiscal sanity.

Mr. President, I am deeply concerned with the fiscal year 1975 budget. I am concerned that the President, in his unwise attempt to control a recession by pumping more money into the economy, is going to drive up inflation even faster than the already dizzying rate it is moving. I am concerned that those who advise the President, in their attempt to calm his liberal critics, have capitulated to proposals and demands for more Government spending—at the cost of an increased deficit and the addition of billions of dollars to an already bulging national debt. Most of all, Mr. President, I am concerned that the Congress has allowed the budget to get completely out of control—our control—by permitting 74 percent of this bloated budget to be consumed with so-called uncontrollable expenditures.

Mr. President, in the next several weeks, I shall address myself further and in detail to the many aspects of this budget which I feel are out of line with principles of sound fiscal policy. At this point, however, I desire to share the wisdom of my esteemed colleagues in the Senate and the House of Representatives, who have expressed their concerns, first to the President of the United States, and now to each of us, regarding the fiscal year 1975 budget.

In a letter to the President of the United States from M. Stanton Evans, editor, journalist, noted commentator for the CBS radio network program, "Spectrum," and chairman of the American Conservative Union, Mr. Evans states that:

> The proposed budget is especially disappointing to those of us who had anticipated a return to fiscal restraint.

Mr. Evans further points out that the statements from 35 Members of Congress were compiled in an effort to underscore a "growing alarm" in the Congress over runaway Federal spending.

Mr. President, I ask unanimous consent that the letter from Mr. Evans to the President and the statements from 35 of our colleagues in the Congress be printed in the Record at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

American Conservative Union,
*Washington, D.C., March 15, 1974.*

The President,
*The White House,*
*Washington, D.C.*

Dear Mr. President: Enclosed are excerpted statements by 35 congressmen and senators regarding the proposed budget for FY 1975. Most of the authors are Republicans; all are deeply disturbed about the inflationary impact this budget will have.

The statements were compiled by the staff of the American Conservative Union in an effort to underscore this growing alarm in Congress over runaway Federal spending.

The proposed budget is especially disappointing to those of us who had anticipated a return to the fiscal restraint that has traditionally characterized the Republican Party. Measured against that hope for economy at the Federal level, a $304 billion budget and a $9.4 billion deficit are distressing indeed.

In view of the stern fiscal tone that you set in the first months of your present term, one can only conclude that this year's inflated budget has been designed in part to assuage your liberal critics who have grown progressively more strident since Watergate broke into the news.

On past political history, it seems likely any such course is doomed to failure. It will fail to placate your long-time enemies on the left and, more importantly, it will alienate the conservative rank and file who have been your most loyal supporters.

Mr. President, the great majority of the American people want fewer government controls, a balanced budget and the easing of their heavy tax burden. To the extent that you champion these legitimate goals you will find the people behind you.

Speaking for the ACU Board of Directors, I urge you to hold the line on spending—to halt the drive to establish new programs and to pare domestic spending wherever possible. The American Conservative Union will support you in any attempts to do so.

M. STANTON EVANS,
*Chairman.*

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## EXCERPTED STATEMENTS OF 35 CONSERVATIVE MEMBERS OF CONGRESS CONCERNING THE PROPOSED BUDGET FOR FY 1975

[Compiled by the American Conservative Union, March 1974]

### SEN. JAMES B. ALLEN (D-ALABAMA)

Last year, when the Watergate revelations began, I stated my fears that a major fallout from them would be serious weakening of the President's determination to stand firm against liberal borrow-and-spend policies.

These fears were confirmed when the President delivered his proposed $304 billion fiscal year 1975 budget to Congress earlier this month.

But the President is only deceiving himself if he believes that deficit spending policies will appease the main force of his opposition—the liberals of both parties. His new deficit budget and spending program is a surrender to the wrong people on the wrong issue, and he is overlooking the great silent majority of Americans who are most affected by runaway inflation and governmental spendthrift policies.

Taking history as a teacher, I would not be surprised to see 1975 spending go far beyond the President's request and end up with a deficit of about $25 billion. This would bring the five year deficit under a supposedly conservative administration to $140 billion, requiring the Federal government to pay out some $29 billion this year just for the interest on the national debt.

The biggest single item in the 1975 budget is the almost $108 billion earmarked for income security programs, about 12 percent higher than they were a year ago.

But this tremendous outlay includes no special help for the working man, for middle-class Americans who are hit hardest by the twin-blows of rampant inflation and high taxation.

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### SEN. BILL BROCK (R-TENNESSEE)

The President proposes to spend over 300 billion dollars during the next year. No one needs to be told that is an unimaginable amout of money. He further proposes to raise 295 billion dollars by taxing the American people.

Much debate about the budget concern whether it is appropriate to the needs of the economy. So we have arguments about whether the deficit should be increased, in order to stimulate higher employment and output, or whether it should be reduced, so as to lower the rate of inflation. The size of the deficit is an important matter and should be debated. It seems to me, for example, that the near-zero growth rate which is projected is caused by shortages of energy, primary materials, low growth of labor force productivity and other bottlenecks. We have reached a stage where total output simply is not demand-determined as all macroeconomic models assume. In this situation, where our problem is constraint on supplies, it would be futile to attempt to reduce unemployment by increasing government spending in proportion to revenue. Such an attempt, in the current situation, would not likely help employment much, but would lead to disastrous further increase in the inflation rate.

In this period of economic turmoil and confusion, however, the argument about the optimal full employment surplus will not be settled. But it is obvious that you could have the same deficit or surplus for any level of spending by varying taxes accordingly. The needs of the economy could be as well served by less of both taxing and spending. And at this point we can say firmly that the federal budget is too big. The federal government is consuming too large a portion of national output in an absolute sense.

I don't say this just because the magnitude of 300 billion dollars is so hard to grasp. I say it because the processes by which spending is determined are so visibly out of control.

Many people say that government is just so complicated that it is unrealistic to presume we ever will have answers to those questions. If government has grown that complicated and unsusceptible to management, it is because it is too big. We must get control of it. To say it is beyond control is a simple admission that we have let the federal government outgrow its capacity for serving the American people.

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### SEN. JAMES L. BUCKLEY (C-R-NEW YORK)

The budget proposed by the Nixon administration is likely to further fan the fires of inflation without checking the growth of the Federal bureaucracy he has pledged to limit. The efforts made early in the second Nixon administration toward eliminating wasteful Federal programs which attempted in President Nixon's words to simply "throw dollars" at problems rather than attempt to achieve sensible solutions to our pressing social and economic problems are being abandoned.

The new budget abandons any attempt to limit superfluous Federal programs; it merely follows the path of least resistance along the well-tread fault lines of special interest legislation.

It is time the Congress curbs the runaway level of spending by the Federal Government by rationing the largesse to the "uncontrollable" Federal social programs so that the budget can be contained within manageable limits, the growth of the bureaucracy restrained, and inflation brought under control.

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### SEN. HARRY F. BYRD, JR. (I-VIRGINIA)

President Nixon's proposal calls for an increase of $29 billion in government spending for the year beginning next July 1.

This comes at a time of high inflation and a soaring cost of living. This continued deficit spending will further erode the purchasing power of the American worker's paycheck.

During the years of Mr. Nixon's presidency, government spending has gone up by $100 billion—an increase of 50 percent.

I submit that federal spending is out of control. And if we are going to get the cost of living under control, we must first get government spending under control.

The budget shows a planned deficit of $9.4 billion, but that figure is misleading.

That estimate of the deficit includes Social Security and other trust funds, which are earmarked funds not available for general government operations.

These trust funds have a surplus of more than $8 billion, so the deficit in actual federal funds will be nearly $18 billion, by the administration's own estimate.

Even that figure may be low. I note that the administration projects an increase of $16 billion in individual and corporate income tax revenues. At a time when recession threatens, that may be too high an estimate.

The deficit for the coming fiscal year will push the national debt above the half-trillion-dollar mark ($508 billion as of June 30, 1975).

This is a staggering figure—too huge for most of us to comprehend.

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### SEN. CARL T. CURTIS (R-NEBRASKA)

The Federal budget for the fiscal year calling for $304 billion is not simple. The solution to our budget problems centers on the basic question, "What is the purpose of the Federal Government?"

The budget in brief carries this challenging statement, "In 1975, over $223 billion in outlays, almost three-quarters of the budget will be virtually uncontrollable in the short run due to existing law and prior-year commitments. This represents a substantial decrease in the controllability of the budget since 1967, when only 59% of expenditures were uncontrollable".

What can we do about Federal expenditures? We should reduce them whenever and wherever we can including the elimination of waste and the discontinuance of obsolete programs. Here are some additional specifics:

1. We should stop enlarging the welfare state.

2. We should examine existing social programs for ways to terminate the subsidized portion of benefits now being paid to individuals who are not in need.

3. We should turn the administration of relief or welfare back to the states and counties. The Federal government should continue paying its proportionate share but the welfare rolls will never be cleaned up by a Washington bureau. It is a task that will have to be performed by the localities operating under state law.

4. We should adopt a constitutional amendment requiring the government to go on a pay-as-you-go basis. This will retard the expansion of the Federal government, prevent the ever-increasing of the interest load, and will bring an end to the day when the politicians spend and spend now and pay never.

### SEN. PETE V. DOMENICI (R-N. MEXICO)

Analysis of inflation and its dangers have appeared in several news media outlets recently. We know inflation is rooted in excessive government spending. For that reason, this body has a special responsibility this fiscal year to insure that our actions do not fuel inflation. I am concerned about the recently-submitted $305 billion budget. Will this budget help keep inflation under control? While we all recognize that legitimate and non-discretionary costs make up much of the budget, we should also acknowledge that the Congress and the Executive must now work together to protect the nation from inflation. Spiraling costs bear down on the poor, further erode the hard-won gains of our workers, undermine the confidence of business in the stability of our economy, and hinder our international dealings. Everyone suffers from inflation, including members of Congress, who must answer to their constituents when every month another jump in prices makes the front pages and television news. Unless we come to grips with inflation, and government spending, public confidence in government will continue to wane. I hope we will all join together in paring the proposed budget where possible, without endangering vital programs or weakening the national defense.

### SEN. BARRY GOLDWATER (R-ARIZONA)

I want to talk to you about a situation that I believe can make a bad political outlook for the GOP much worse. I know that sounds pretty drastic, but I mean every word of it. If you think our party is in trouble at this point, I suggest that you take a shot at predicting what kind of shape it will be in if the inflationary dynamite of a 304 billion dollar budget is laid at our door step.

Years ago, a Republican President, committed to the principles of fiscal responsibility, surprised us by unveiling a spending program which busted his former budget and went in rather heavily for deficit financing. The President was Dwight D. Eisenhower. The budget I am speaking of was presented for the fiscal year 1957. At the time it was felt that a new direction in Federal budgeting was needed to increase the popularity of the President's party in off-year elections. It was a shift to the left which I called attention to and referred to as a "dime store New Deal" budget.

The figures in that earlier budget are fascinating only because they were fractional when compared with today's spending program.

Now if I felt Ike's budget was a "dime store New Deal" you can imagine what I think of the budget recently sent to Capitol Hill. Like that earlier fiscal spending plan, this budget calls for a drastic change in direction. Or perhaps I should say it is a "change of a change" in direction.

The Wall Street Journal, which has a way of describing Federal budgets with exceptional accuracy, called the 304 billion dollar budget a conciliatory, politically-weakened compromise which dusted off some once-discarded liberal initiatives. It was all of this and more. In this budget, the White House has literally junked all of its ax-wielding austerity plans for reducing the size and cost of the Federal establishment. It also abandoned such concepts as reduction in social programs, liberal use of the Presidential veto, the rigorous enforcment of spending ceilings and the impoundment of monies unwisely voted for expending by the Democratic Congress.

As a result, we now are given a Republican budget that calls for an enlargement of the Federal bureaucracy, new life for some programs that last year were slated for the chopping block, a substitution of a promise of "flexibility" for last year's promise for a rigid spending "ceiling".

The Wall Street Journal sees in the latest budget "a different President" emerging—a President who speaks in muted tones and asks for accommodation with a Congress he castigated for its extravagance in his earlier message.

In other words, the Journal is saying what many Republicans are thinking—that the President who derided the Government's tendency to solve problems by "throwing money at them" is preparing to solve emerging economic troubles by throwing money at them.

. . . I say to you very firmly that, as a candidate and as Senator, I canot live with the budget my President has presented to the Congress. I believe it is a political mistake with the greatest kind of overtones for the welfare of my country. If there is one thing that will send our already high prices right straight through the roof of the nation's economy, it is another dose of unneeded Federal spending. It grieves me that the stern fiscal discipline which characterized last year's budget has become this year's dead horse. It discourages me to see a Republican Administration suggesting enlargement of a Federal bureaucracy which is already so bloated that it feeds upon itself and threatens to destroy this nation.

### SEN. EDWARD J. GURNEY (R-FLORIDA)

Just over a month ago, President Nixon submitted his annual budget message to Congress. To the surprise of many of us who had applauded his efforts to hold the line on federal spending, the budget for fiscal 1975—which begins in July—calls for an increase of $30 billion over anticipated spending this year.

In raw figures, the President is asking Congress to spend $304.4 billion—more than three times what the federal government spent fifteen years ago. Although government revenues have increased sharply in recent years, they have not kept pace with spending to date, nor can they be expected to pay for all of this increase next year. As a consequence, the national debt—which has risen 50% in the last decade—can be expected to increase even more.

While some people may think, what's a few more billion when the government is $460 billion in debt already, the problem is that deficit spending is a real spur to inflation. For instance, during the last 10 years when the national debt was going up 50% the cost of living was going up 40% and, as I need not remind you, it is still going up.

What we should be doing, therefore, is finding ways to spend less rather than more. This year, by tightening our belts a little, we were able to reduce the federal deficit from $14.3 billion in FY 1973 to $4.7 billion for FY 1974. But, next year, instead of moving another step towards a balanced budget as we should, the budget deficit is likely to increase to at least $9.4 billion.

Not only is this proposed budget too rich for the nation's blood, but it also points out the need for Congress to take greater responsibility for preparing the budget.

### SEN. CLIFFORD P. HANSEN (R-WYOMING)

Many Americans are still reeling from the shock of the announcement of a $304 billion federal budget. Almost everyone can suggest cuts, but Congress doesn't have a very impressive record of agreeing where they should be made.

President Nixon, in my opinion, must share with Congress much of the blame for this huge fiscal year 1975 budget; despite the fact that the great bulk of the expenditures called for in it are matters over which he has no control because they are in accordance with law enacted by the Congress. Although the President has made strong efforts to prevent the excessive spending pattern established by Congress over the past decade, the fact remains that some of his own programs are not models of conservative fiscal responsibility. More disturbing than the size of the budget is the fact that it is not balanced. The government is spending more than it takes in. And I believe that the basic cause of inflation in this country has been our failure to achieve a balanced budget.

Last year at this time, the President was beginning to make real progress in holding the line on federal spending. He had support from the people in almost every state and those in Congress with long records of advocating excessive spending were feeling the heat. What they were hearing then was: "Support the President's efforts to control spending and let special interest groups tighten their belts along with the rest of us."

It was not advice the fiscal liberals and deficit spenders in Congress wanted to hear, and their vast sighs of relief were audible throughout the halls of Congress when the Watergate scandal last spring began to take its toll on the President's support from the people.

The Presidential vetoes in early 1973 saved the American taxpayers millions of dollars and prevented further erosion of their buying power.

### SEN. JESSE HELMS (R-NORTH CAROLINA)

Even the most superficial glance at the FY-75 budget proposal reconfirms my belief that the federal budget must be balanced and fiscal sanity restored. If the Administration and the Congress were to adhere to principles of sound fiscal responsibility—a balanced budget, reduced federal spending, and more budgetary control on future spending—we could extricate ourselves from the economic crisis we are experiencing today in America.

I cannot stand by silently while America's future is being further mortgaged by reckless fiscal policies and budgetary mismanagement. During the last session of this Congress, I introduced, along with Senator Harry Byrd of Virginia, a bill to restore the value of the dollar and restrain inflation, a bill entitled the Emergency Anti-Inflation Act. This legislation would require the President to offer each year to the Congress a balanced budget—a *real* balanced budget, balanced in the nontrust fund acounts. Only when we have a balanced budget will we begin to see an end to the current economic instability.

When I offered this measure to the Senate in November, it was blocked by a margin of only three votes. This, to me, shows that the present budget is out of tune with Congressional thinking, and certainly out of tune with the American people who, after all, are the tragic victims of inflation and its attendant miseries.

### SEN. STROM THURMOND (R-SOUTH CAROLINA)

The federal budget must be brought under control. Fiscal responsibility must be a goal of our government. The proposed budget of $304 billion for fiscal 1975—which would exceed all federal spending from the Revolutionary War to the middle of World War II—is too big. The huge deficit expected as part of this proposed budget is bound to create more inflation which this country must not accept as inevitable. While it is difficult to cut many federal programs, both the President and Congress should closely examine all proposed spending with an eye toward budget reductions. The ultimate aim, of course, is a tax cut which the American people need as a stimulus to the economy.

### REP. BILL ARCHER (R-TEXAS)

I'm not at all happy with the $304 billion budget proposal. Inflation is one of the greatest problems this country has, and no one has ever been able to convince me that the way to stop inflation is to increase government spending. Rather than increase the budget, we should concentrate our efforts on cutting a lot of the fat out of already overbudgeted programs.

### REP. JOHN M. ASHBROOK (R-OHIO)

The Nixon Administration has two questionable accomplishments in government spending. It proposed the first $200 billion budget and is now proposing the first $300 billion budget in our nation's history. It took over 170 years to reach the $100 billion level and only 12 years to go from $100 to $300 billion. Have the needs of our country grown so greatly that these huge increases are necessary? Except for the need for a stronger national defense, the increased governmental spending is questionable at best. Few domestic problems have been solved by throwing federal money at them. More problems have arisen. With recurring federal deficits, inflation keeps growing. Excessive governmental spending is harming each wage earner, each person with a savings account and each person on pension.

In his campaign for the Presidency in 1968 then candidate Nixon spoke of putting restraints on federal spending. Also, in an interview published a few days after the November 1972 election the President outlined that one of his goals for his second term was the cutting of excessive governmental spending. A $304 billion budget, the largest in our nation's history is the antithesis of these earlier pledges.

### REP. LAMAR BAKER (R-TENNESSEE)

Each successive year billions of dollars are added to the federal budget and thus to the debt owed by the American taxpayers. The average person now works several months in the year just to pay his taxes alone.

Add inflation to this tax burden and we have a serious situation. A great many steps have been taken to stop inflation. I am in favor of one measure which has not yet been tried—that is, to reduce federal spending. The 1975 budget which is effective July 1, 1974, projects a $9.8 billion deficit. This is described as protection against a recession. I deplore the thought of a depression, but I also recognize the disastrous effects of spiraling costs. Inflation is a brutal tax on every person who has a fixed income. I want to protect those who have been thrifty, bought a home, and accumulated savings. To do this we must return to a more responsible accounting for the taxpayers money.

### REP. ROBERT E. BAUMAN (R.-MARYLAND)

The President has proposed the first $300 billion plus budget in the nation's history. Incredibly, it was only four years ago when he proposed the first $200 billion budget in the nation's history. Such a sum is almost unimaginable, and represents an awesome drain on our economic resources. It also brings into sharp focus the rate at which the federal government has grown in recent years. This year's budget proposal is nearly 11% higher than last year's. The one-year increase in spending for the Department of Health, Education and Welfare is nearly 15%! The budget proposed by the President would increase spending for the food stamp program to $3.9 billion, or double the amount spent in 1972!

One new program being proposed by the Administration is a system of national health insurance for everyone. The plan, which I oppose, would be costly to begin with, and would grow to be enormously expensive in the long run. The budget proposal asks an increase in federal health spending of 13% for next year, bringing it to a grand total of $26.3 billion.

Another new program proposed by the President is a guaranteed annual income plan for all Americans. The federal government already spends a staggering amount of money on income support programs, and this new plan will spend even more. Federal spending on income support programs has grown 165% since 1969, and under the proposed budget, will reach $100 billion next year!

The American taxpayer, saddled with rapidly rising prices, and an economy which is slowing down ominously, simply cannot afford such extravagance. And I cannot condone or support steep increases in federal spending at a time when the average citizen is struggling just to keep up. Cuts must be made throughout the budget, guided by a recognition that we cannot afford every program which someone thinks would be nice to have, and that a government which grows faster than the nation as a whole will eventually grow to dominate every aspect of our personal lives.

Rapid governmental growth must be halted, and I pledge to do all I can to work toward that end.

### REP. BEN BLACKBURN (R. GEORGIA)

I am deeply disappointed by the proposed budget for FY 1975. By proposing a budget of this size the President has completely abandoned the economic principles the Republican Party has espoused over the years. Those principles include a belief in limited government, limited government spending and a balanced budget. A budget of $304 billion, a deficit of at least $9.4 billion and plans to add more than 20,000 bureaucrats to an already bloated bureaucracy are hardly consistent with that philosophy. There is a great deal of fat in the proposed budget and I urge a vigorous, concerted attempt to trim it.

### REP. PHILIP M. CRANE (R-ILLINOIS)

In view of the galloping inflation that increasingly threatens our economy, I find the President's proposed FY '75 budget quite distressing. At a time when we should be holding the line on spending and trimming the fat out of existing programs, this budget calls for vastly increased spending and costly new programs—plus a deficit of $9.4 billion. The net result can only be a bigger, more unwieldy bureaucracy and accelerating inflation. I urge my colleagues in the Congress to join me in paring this budget to a more responsible size.

### REP. WILLIAM L. DICKINSON (R-ALABAMA)

My constituents have been writing and asking me what I am going to do about this $300 billion budget, and I have responded that I am concerned over the ever-growing Federal expenditures, but not as worried about the $300 billion budget as I am about the $9.4 billion deficit (probably a low figure) which the budget is creating. As a matter of fact, in the 5 years of the Nixon Administration the National Debt has grown from $368 billion to $466.5 billion—over $100 billion!

One of the main reasons that Richard Nixon was elected and reelected to be our President is that the people of this country were tired of excessive government spending. They wanted to see a balanced budget and they felt that Mr. Nixon offered the best hope of getting that balanced budget. However, the trend in deficit spending has not stopped with this administration as we had hoped. It has continued and is getting worse all the time.

The people who pay the bulk of the taxes in the United States to support the federal programs, a majority of which are not designed to help them, cannot even fathom what a billion dollars means. Yet, we seem to expect them to go on paying the taxes to support not only the myriad of federal programs—a number of them unnecessary or inefficient—but also the growing federal debt.

We cannot expect the hard-working people in this country whose dollars are being eaten up by inflation which is feeding off increased federal spending, to continue to pay the bills without more than just the usual complaints. This Administration has promised these people something—reasonable federal spending within the guidelines of a realistic budget with attainable goals—and it is time to deliver.

The Congress, it is true, must help to balance the budget by voting down unnecessary programs and appropriating reasonable amounts of money for the necessary ones, but the President can cut a number of programs from his budget to bring it in line with current resources, and I call on him to do that. The line of spending must be held, and the place to start is at the top.

### REP. BARRY GOLDWATER, JR. (R-CALIF)

Without a doubt, the President's fiscal 1975 budget is the most ill-conceived and the most inflationary to ever be presented to the Congress and the American people, and I am extremely disappointed in it.

Until now, the President has conscientiously attempted to hold down spending and, despite criticism from high pressure lobbying groups, I have supported him. Now it appears that he is capitulating to the very people in and out of Congress who criticize him the most.

The President isn't going to make any friends among the liberals with this inflationary budget. On the contrary, those who want to spend more and more of the taxpayer's money on every boondoggle known to man are never satisfied.

### REP. H. R. GROSS (R-IOWA)

On Monday, Feb. 4th, President Nixon finally made available to members of Congress the specifics of his budget for the next fiscal year. He had previously made it available to the press and other media of communication.

At the same time he released what is called the 'Economic Report of the President'. It is a mishmash of high optimism with a slight sprinkling of guarded caution. The President opens the Report with these words:

"The United States enters 1974 in a position of leadership in the world economy. The dollar is strong, we have constructive economic relations throughout the world."

He closes with this:

"Compared with our parents and grandparents we are enormously rich . . . But I cannot assure the American people of an easy time."

Just how 'enormously rich' are the American people? If measured in terms of debt, they are 'rich' beyond the wildest imagination of the 'parents and grandparents' of yesteryear for the President's Economic Report provides the basis for estimates that as of Dec. 31, 1973, the net public and private debt of the United States was two trillion, four hundred and thirty-six billion, three hundred million dollars!

Translated into figures that reads $2,436,-300,000,000.00, a conservatively estimated increase of $209 billion over the net public and private debt for 1972.

And in submitting his budget for the next fiscal year there is no relief in sight for President Nixon has called for expenditures in that one year alone of $304 billion. That is an all-time record budget for the federal government—whether in war or peace!

Moreover, the President admits there is a built-in deficit in his budget of some $10 billion. There is not a member of Congress who would bet a plugged nickel that the deficit will not be twice that amount. But even a $10 billion deficit means the nation is doomed to more inflation. It also means that the President has submitted the fifth consecutive deficit-ridden budget for which he is completely responsible.

Whether 'by comparison' or any other way this nation is not 'enormously rich' when it has a net public and private debt of nearly two and a half trillion dollars, and Mr. Nixon ought to know that the rubber band of financial irresponsibility can be stretched only so many times before it snaps.

### REP. LAWRENCE HOGAN (R-MD.)

The President's proposed budget for FY 1975 will stoke the fires of inflation and add weight to an already cumbersome bureaucracy. The Republican Party has traditionally been the party of fiscal responsibility and it is especially disappointing to me to see such a massive budget (and deficit) proposed by a Republican administration.

### REP. MARJORIE HOLT (R-MARYLAND)

On Monday, February 4, we received the proposed fiscal year 1975 budget. This budget contains projected expenditures of $304 billion which is an 11 percent increase in Federal spending over last year, and it contains a built-in deficit of $9.4 billion which is more than double last year's deficit.

Review of this budget and others of recent years clearly indicates that deficit spending is becoming a permanent way of life, insofar as the financial operations of our country are concerned. It is estimated that the total national debt will climb to $346.5 billion by the end of 1974, and $359 billion at the end of 1975. The interest alone of this debt is approaching $30 billion annually.

This live today, pay tomorrow philosophy of Government finance cannot be allowed to continue indefinitely for tomorrow will surely come. We cannot sustain a burgeoning public obligation year after year without experiencing adverse economic effects. The rampant inflation that has afflicted our economy during recent years has been fueled in great part by unrestrained Government spending. There will be no brightening in the economic horizon until we take positive steps to reform our fiscal policies.

We spent a great deal of the time discussing fiscal reform during the last session; our efforts culminated in the passage of the Budget and Impoundment Control Act of 1973. I have every hope that final action on this legislation will be forthcoming in the near future. This will provide us with a mechanism for budgetary control; it will still be necessary to mold a new philosophy of Government spending—a philosophy which recognizes the limitations of Federal dollars and the need for curing our apparent addiction to deficit spending.

Let it not be said that the legacy left by Congress in the 1970's was that of a bankrupt estate and economic chaos. Let us exchange our well-intentioned words for positive action to reform our budgetary procedures and philosophy.

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### REP. ROBERT J. HUBER (R-MICHIGAN)

After looking at the President's budget, I can't see how Mr. Nixon can so confidently promise the American people that there will be no recession this year. There is no doubt in my mind that we are in for more and more deficit spending and as long as that continues, we are always going to have inflation. And that, of course, will lead to a further downturn in the economy. It is a very basic lesson of economics that I wish our President would recognize.

It is doubly disturbing to me because when I supported a Republican for President in 1972, I sincerely thought that I was supporting fiscal responsibility in the Executive Office. I was wrong.

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### REP. TRENT LOTT (R-MISSISSIPPI)

The great preponderance of problems with the economy and resulting inflation in this country has been caused by irresponsible federal spending. The budget proposals for Fiscal Year 1975 are an expansion of this policy of reckless spending and, regardless of the various explanations about a full employment budget, it is irresponsible and must be reduced. In my opinion, the President should not have proposed this excessive deficit budget and Americans must not accept it.

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### REP. JACK KEMP (R-NEW YORK)

In my opinion, the President's budget message has to be the worst conceived of any on record—at least of any Republican President on record. It embodies the worst of Keynesian economic principles—planned deficits, the use of the government's spending power to compensate for declines in other segments of the economy—all at the taxpayers' expense. It fosters inflation by spending a full $30 billion over this year's budget and by encouraging the Federal Reserve to print ever-increasing amounts of paper money—without increasing what stands behind it—to help pay the bills for which tax revenues are not enough.

It is hard, in all candor, to realize that a budget proposal resting on such misguided principles and proposing such outrageous levels of expenditures came from a President whose political party has, historically, been known for the advocacy of fiscal integrity, less taxes and less spending, reducing the size of government and the number of its employes, balanced budgets and paying our own way now—rather than passing on our national debt to our children.

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### REP. JOHN ROUSSELOT (R–CA.)

The proposed budget for FY 1975, which will operate at a deficit of $9.4 billion under the unified budget concept and at a deficit of $17.9 billion not including the receipts from the trust funds, has something in it for everybody except the answer to fighting inflation.

Most economists agree that the continued trend of the Federal government to increase spending for goods and services financed through heavy deficits, coupled with the Federal Reserve Board's creation of new money, is the primary inflationary presssure in our economy. Instead of working with a budget which calls for an estimated $29.7 billion increase in spending over last year, such as is proposed for FY 1975, both the executive and legislative branches should be concentrating on ways to reduce the Federal spending and thereby easing the burdens of inflation and high taxation on the citizens of our Nation.

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### REP. WILLIAM J. SCHERLE (R-IOWA)

Hopes for a balanced budget have been dashed as federal spending for Fiscal Year (FY) 1974 skyrocketed to $273 billion. Government income for FY74—about $270 billion—will fall $3 billion short of paying the nation's bills.

Prospects for lowering the burgeoning federal debt are even dimmer in the coming year. On January 28, President Nixon presented his annual budget message to Congress asking for a whopping $300 billion to be expended in FY75, beginning July 1, 1974. This enormous federal outgo has been proscribed by recent stalemates in our economy. The President and his advisors fear that limited government spending would cause sluggishness in business activity. It is their hope that massive expenditures will stimulate the money flow.

Nonetheless, $300 billion for a single year is an appalling figure. From 1776 to 1941—a 175 year period encompassing a series of foreign and domestic wars and extensive New Deal legislation—$300 billion satisfied all federal spending requirements. Now this amount covers one year.

Presently the debt ceiling has climbed to a horrifying $475 billion, with a $29 billion price tag for interest alone. Increasingly large expenditures in FY74 and FY75 threaten to add over $14 billion to the national debt. Such grim expectations spell out financial caution for Congress.

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### REP. FLOYD SPENCE (R-SOUTH CAROLINA)

From 1963 through 1970 this country experienced a continuing inflationary spiral that each year showed the rate of inflation over the previous year growing greater. In 1971 and 1972 inflation continued but the rate of inflation, percentagewise, over the previous year tapered off from 5.9% in 1970 to 4.3% in 1971 and 3.3% in 1972. Then last year the annual rate of inflation leaped again to a new high of over 7%.

What causes inflation? Primarily it stems from bloated deficit Federal spending. I was greatly encouraged by the progress we were making in fighting inflation as a result of President Nixon's campaign to reduce spending. The progress was not enough, but it was something. Now, with the huge and unbalanced budget unveiled for 1975, we are pouring new fuel on the fires of inflation. I do not place all the blame on the President for this budget. In fact, I do not place even the major blame on the President. I blame the Congress which has consistently refused to shoulder any of the responsibility for cutting Federal spending. I blame the Congress which has consistently refused to deal with the economic problems before they get out of hand and then has behaved in the most crassly irresponsible and partisan political ways when it finally enacts 'solutions'. This is abundantly evident in its attitudes toward wage and price controls and the energy crisis, for examples.

But the President is not entirely blameless, either. I fear that this new budget is a rash over-reaction to a fear of incipient recession. We do not cure one economic ill by indulging ourselves in some new excess on the opposite front.

As the sponsor of a proposed Constitutional amendment to require balanced Federal budgets, I am unyielding in my view that Federal spending must be reduced and that continued deficit spending is a sure road to fiscal chaos and collapse.

I supported the President in his drive for fiscal responsibility and so do the people. I supported the President in his desire to return power to the state and local levels of government, and so I believe do the people. I am deeply disappointed in the size and imbalance of the 1975 budget and certainly hope it will be reconsidered, both at the White House and in Congress, in an effort to pare it down to a responsible size and make its spending provisions balance with the national revenues.

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### REP. ALAN STEELMAN (R-TEXAS)

The federal budget once again calls for deficit spending which will lead us further down the road to inflation that taxes those on a fixed income most unfairly.

I am convinced that a part of this inflationary trend is attributable to the failure of wage and price controls. Not only must we pare the budget and halt what has become an almost perpetual inflationary spiral, but we must end wage and price controls once and for all. I hope more of my colleagues will join me in the 'Congressional Countdown on Controls', a series of one-minute speeches on the floor of the House of Representatives to demand that the Administration totally cease wage and price controls or that the Banking and Currency Committee hold hearings on the repeal of the Economic Stabilization Act.

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### REP. SAM STEIGER (R-ARIZONA)

On February 5, President Nixon submitted to Congress a $304.4 billion budget for fiscal year 1975, the largest budget in this nation's history. While I am certainly appalled by the size of this figure, I'm even more appalled by some of the things the American taxpayer's money will be spent for.

An enormous amount of this money will be pumped into federal programs allegedly in support of a number of worthy causes. This truth is, however, that only a small percentage of the money ever gets to the people it is supposed to help or the situations it is supposed to remedy.

The vast majority is tied up in bureaucratic structure and red tape—with the taxpayer footing the bill. The facts are there for anyone who cares to look. The records and reports issued from these programs in the past have shown that the American taxpayer's dollars are being squandered and wasted on programs which have proven to be both unnecessary and unworkable.

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### REP. STEVE SYMMS (R-IDAHO)

The newly proposed budget is highly inflationary; it is obvious that the people who came up with this never dug a potato, because we are still spending ourselves into bankruptcy. Two or three years more of this fiscal insanity and paper dollars will replace toilet paper; we may then be using gasoline for currency.

REP. ED YOUNG (R-SOUTH CAROLINA)

5,000 of my constituents responded to a questionnaire I sent to all of them last August.

I asked 'How much personal inconvenience are you willing to bear to balance the Federal budget?' Only 10 per cent said 'none'; 76 per cent said 'some', if equally shared; and 14 per cent even said 'a great deal'.

My people are ready to bite the bullet. They realize that we cannot have a fiscally responsible Government unless we are willing to stop demanding that the Federal Government gratify all our worldly wants through endless giveaways. We cannot have both. The people of the sixth Congressional District of South Carolina are both intelligent enough and mature enough to admit this. I think the American people are too; it is time we faced up to our responsibilities to them.

REP. LOUIS WYMAN (R-N.H.)

I never thought I'd live to see the day when a Republican administration was consistently and continuously operated at a deficit. To me, it is unlikely that this country can take on health insurance for all its citizens, a guaranteed annual income for a family of four, and pay increases and support a military in which nearly 60 per cent of every defense dollar goes to pay allowances and fringe benefits all without incurring once again a massive federal deficit.

REP. JOHN B. CONLAN (R-ARIZONA)

Reaction to the proposed 1975 federal budget has been almost unanimous. It's too big most people say, and I certainly share that view. My general objection is that it contains increased funding for numerous domestic programs which should instead be trimmed or eliminated altogether.

REP. SAMUEL L. DEVINE (R-OHIO)

I have always been and continue to be a balanced budget man. Consequently, it seems inexcusable to me that a budget as out of balance as this one has been proposed. There is plenty of fat that can be cut out of this budget to bring it into balance and I urge that this be done.

## CALIFORNIA STUDENT WINS FIRST PLACE NATIONAL HONORS IN VFW VOICE OF DEMOCRACY CONTEST

Mr. CRANSTON. Mr. President, it gives me great pleasure to call my colleagues' attention to the honors recently bestowed upon a young California student. Steven B. Russo, of Santa Clara, was awarded first place national honors in the annual Voice of Democracy contest sponsored by the Veterans of Foreign Wars.

VFW Commander in Chief Ray R. Soden stated that Russo's winning essay on the assigned subject of "My Responsibility as a Citizen" was chosen from among essays submitted by nearly 500,000 young men and women from more than 8,000 public, private, and parochial schools throughout the Nation.

Mr. President, I am especially proud that this is the second time, in as many years, that a California student has been awarded the first place, $10,000 scholarship. Last year, Cindy Priddy of Long Beach, received this award for her essay entitled, "My Responsibility to Freedom."

I was pleased to have the opportunity to meet with Steven Russo in my office last week. In addition to his writing ability, he has won several speech awards and has an interest in political science. He plans to study for a career in law at the California State University at San Jose.

Mr. President, I ask unanimous consent that the full text of Mr. Russo's inspiring, well-delivered remarks be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

### MY RESPONSIBILITY AS A CITIZEN

On the morning of July 24, 1973, I was sitting in my living room watching on television what had become the most newsmaking event of the year—the Senate Watergate Hearings. Before me sat the Ervin committee with its distinguished group of inquirers and the witness of the day Gordon Strachan, a young former aide to H. R. Haldeman.

As the committee was just about to break for lunch the stately senator Montoya of New Mexico then asked of the witness this vitally important question: "Mr. Strachan," he asked, "What advice would you give to other young people like yourself who wish to come to Washington to work for the government?"

Strachan, showing great emotional strain answered in sincere, almost sobbing tones: "Stay away!"

And in accordance with the prevailing post-Watergate rationale many people are doing just that—staying away. Not just young people either, but people of all ages and all walks of life are beginning to ignore the very political system which has made our country great. Having witnessed men at the highest levels of government come under suspicion, many Americans are experiencing a growing disenchantment with politics, patriotism and citizenship. Some have even gone so far as to refuse to vote because they believe this nation is so corrupt that their actions no longer count.

But as Adlai Stevenson once said: "As citizens of this democracy you are the rulers and the ruled, the lawgivers and the lawabiding, the beginning and the end." No, ignoring one's role as a citizen is not the answer. Apathy is what creates the problems. There will always be corrupt individuals who will seek to misuse the reigns of power; the danger lies where there aren't enough people around who are involved enough to stop them.

That is why my responsibility to citizenship is to get involved. To get involved as an active participant in the way of life we call democracy.

I intend to do this first through involvement in my government, for that is the means by which the will of the people is fulfilled. But getting involved in government means more than just voting for the candidates of my choice. It also means being informed about the issues of the day and expressing my views on these issues to those officials I do not vote for. Further, involvement means such things as sitting on jury duty, paying my share of the tax burden, and serving in the military when called upon to do so. In these ways I can try to see to it that my government remains a government of, by and for the people, instead of just a government over the people.

But there is much more to responsible citizenship than just getting involved in the government. I also have a responsibility to get involved in my community as well. For the community is the foundation of society. As such I have a stake in preserving its natural environment. Further, I have a duty to help the people of my community to live better lives by supporting worthy charitable organizations. My cooperating with law enforcement officials is also a crucial part of participation in the community. But more importantly I must promote a better understanding among the various community members as peaceful and harmonious communities are critical to the task of a great nation.

Ultimately however, I have a responsibility to get involved in the betterment of myself, for a nation can only be as great as the people who inhabit it. This is why to be a responsible citizen I must also be a hardworking, lawabiding citizen as well. I must strive to get a good education and school myself in wisdom.

Finally, I must better establish my moral principles to live by them more thoroughly. For the crises in America today find their roots more than anywhere else in the failure of key individuals to distinguish right from wrong and to live by that distinction.

By doing these things I intend to fulfill my responsibility to citizenship through involvement in my government, in my community, and in the betterment of myself.

But just I alone keeping my responsibility to citizenship means next to nothing unless all of you are willing to keep your responsibiilties to citizenship as well. For we are living in a convulsive and crucial age. More than ever before the future of the nation is being determined by the will of their people to meet the challenges they face, and overcome them.

This makes it imperative that we the citizens of the United States of America be actively united as never before to accomplish our purpose of preserving liberty for all. If we fail to do this, undoubtedly freedom and we as her caretakers are doomed. But, if we stand together strong as a great people must, freedom cannot help but reign for generations.

So instead of staying away from the affairs of the state as Gordon Strachan suggests, let us get involved as responsible citizens that future generations may continue to know as we have, what it is like to be free.

## HOW PRIVATE ARE OUR TAX RETURNS?

Mr. ERVIN. Mr. President, some of my friends over in the House of Representatives have recently renewed their fight to keep the Department of Agriculture from prying into farmers' tax returns. Let me lend my voice in support of their efforts to protect the privacy of the tax returns of millions of farmers across the Nation, which are described in the article which accompanies these remarks.

I might also add that these attempts by various Government agencies to use the information contained in individuals' supposedly confidential tax returns may well be more widespread than we think. Just recently the Constitutional Rights Subcommittee has uncovered an "interagency data linkage" program now in the prototype stage, which eventually will be able to link up by computer individual income data contained in the social security, Internal Revenue Service, and census data systems. At present, a published Social Security Administration report discloses that the system is already operational for almost 132,000—131,812—individuals. It will not be long before this data linkage will be able to compile composite records from: 204,000,000 census records on individuals; 90,000,000 IRS individual income tax filings; 212,000,000 Social Security Administration records; and that is just about all of us.

I ask unanimous consent that the article, "Administration Order Perils Privacy of Tax Returns," be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Administration Order Perils Privacy of Tax Returns

(By Alan Emory)

The Nixon administration has laid down a policy that could open the individual tax returns of almost every citizen to a broad range of federal departments. It runs contrary to the President's own policy of confidentiality of certain White House documents and conflicts with his new program designed to protect individual privacy.

The policy centers on an executive order, once modified, which President Nixon issued early in 1973, allowing the Agriculture Department to examine the tax returns of the country's 3 million farmers. At the time, there was no press announcement from the White House or the Agriculture Department. The order was published in the Federal Register, which, as one farm spokesman has observed, "is not everyday reading for the average farm family."

Don Paarlberg, director of agricultural economics for the department, says the order is "inoperative" but it is still in effect.

Mr. Nixon told a questioner at his Feb. 25 news conference that he thought the order should be considered by a new privacy committee headed by Vice President Ford.

Rep. Jerry Litton (D.-Mo.), who discovered the order and held hearings on it, called it "strange" that Ford should be assigned to determine whether Mr. Nixon's action had been proper.

The real impact of the Nixon order is contained in an advisory opinion written by Assistant Attorney General Robert G. Dixon Jr., who says it was drawn up as a model so that tax returns could be used for statistical purposes by other federal agencies.

The order was "prepared by the Department of the Treasury . . . as a prototype for future tax-return inspection orders," Dixon said. This comment prompted Rep. Bill Alexander (D-Ark.) to observe that it constitutes a "frightening prospect that the administration is attempting to begin the process of making personal income information of whole classes of people available to various departments and agencies without regard to the private nature of the information"

Litton recalled that former Nixon aide John D. Ehrlichman had promoted a policy of making the Internal Revenue Service "more politically responsive" and wondered if the administration favored the order on farmers' returns because "if they could get away with that they could try another field later."

Actually, the IRS was dead set against the Nixon order all the way.

In a recent letter to Rep. William S. Moorhead (D-Pa.), chairman of a House Government Operations subcommittee that looked into the order, IRS Commissioner Donald C. Alexander declared that he insists his agency "guard the taxpayer's right of privacy."

He says he will not allow the Agriculture Department to obtain anything more than "a mailing list of names and addresses of farmers." The commissioner says he supports legislation to make tax returns "explicitly confidential" except for tax administration and enforcement.

Alexander says tax returns should be "confidential and private" unless Congress "clearly specifies" to the contrary.

The House Ways and Means Committee is preparing to hold hearings on legislation, sponsored by Reps. Litton, Alexander, Jack F. Kemp (R-N.Y.) and Barber B. Conable, Jr. (R-N.Y.), and others, designed to tighten the rules of privacy on individual tax returns.

The stand of IRS' Alexander puts him at odds with Agriculture Secretary Earl L. Butz, who twice rebuffed congressional requests to put the Nixon executive order in deep storage.

Butz says it is "essentially a matter of judgment" whether his department's inspection of individual farmers' tax returns amounts to an "invasion of privacy."

The list development procedure we have in mind is clearly in the public interest," he told Moorhead.

Coincidentally, when former Agriculture Secretary Clifford M. Hardin originally requested, in 1970, certain farm data that could be matched with the names of farm operators obtained from sources outside the IRS he said he specifically was not seeking an examination of individual tax records.

Butz told Moorhead last year "no employee" of his department would examine the individual return under the Nixon order's authority, but he refused to ask that the order be scrapped. He said, instead, that the "effectiveness of the security handling of data" by the staff of the Statistical Reporting Service "has not been challenged."

Paarlberg maintains the department never sought the tax return inspection authority, but that Treasury and Justice Department reviews had broadened it.

"We understand the first order was designed as a model to be used by other departments," he said.

When Rep. Charles Thone, (R-Nebr.), asked why the Agriculture Department could not obtain its statistics from the Census Bureau as authorized by the White House, Paarlberg replied, "We do not care which department they come from."

"I do very much," Thone snapped back.

Paarlberg said he was not sure whether the decision not to announce the order publicly had come in a phone call from the Treasury Department "or whether it came from the President's staff men." He had been in touch with both, but he did say he had not talked to indicted Nixon aides Ehrlichman and H. R. Haldeman.

When John W. Dean III was Mr. Nixon's counsel he recommended that the IRS zero in on political targets by making a requested audit "of a group of individuals having the same occupation."

Congressman Alexander says blanket authority to inspect individual tax returns of any group "clearly constitutes an invasion of privacy of that group."

He raises the possibility that the Commerce Department might inspect returns of businessmen it deals with; those of homeowners getting Federal Housing Administration-insured loans; union members dealing with the Labor Department, and those of individuals receiving grants or aid from the Department of Health, Education, and Welfare.

In fact, in the first half of 1970 the IRS made available 14,000 tax returns to the Justice and Labor departments, Federal Communications and Securities and Exchange commissions, Federal Home Loan Bank, Renegotiation and National Labor Relations board, Small Business and Social Security administration and the old Post Office Department.

At one point Litton sponsored a bill to kill the Nixon order and allow the Agriculture Department just farmers' names and addresses. The department cold-shouldered the measure and refused comment.

After Litton introduced another bill to tighten IRS rules about who could see the returns, the department indicated an interest in the earlier legislation.

The congressman said he had asked why farm census funds were stricken from last year's budget and "I have yet to get an answer. The census form goes to every farmer. A tax return sampling would not be as complete. Either they need the information or they don't."

According to Litton, the question of farm information came up when George P. Shultz was budget director in 1970, but nothing happened. Three years later the order was drafted at the Treasury Department, where Shultz was secretary.

Former IRS disclosure staff chief Donald O. Virdin says there would be no problem giving Agriculture the names and addresses of farmers quickly "if that is all Agriculture wants."

Assistant Attorney General Dixon says the Justice Department was never asked to express a "policy judgment" on the Nixon order so it didn't.

IRS Commissioner Alexander says his agency is working toward a goal of "ensuring the confidentiality of federal tax return data."

Against a backdrop of IRS investigations of tax returns of White House "enemies" and the President's strong defense of confidentiality on White House documents and tapes, the continued existence of his 1973 executive order has Congress and the IRS worried.

The Paarlberg "inoperative" comment does not satisfy them.

Litton says he listened to President Nixon's State of the Union message and was surprised to hear "a man who proposed opening up 3 milllion tax returns talking about privacy."

## STEWART ALSOP

Mr. PERCY. Mr. President, many of us have recently read with admiration the very special and personal journal of that gallant journalist, Mr. Stewart Alsop. Mr. Alsop has described, as few writers ever have, his head-on encounter with an encroaching, incurable disease.

A friend and colleague of Mr. Alsop's, the columnist William S. White, has rightly called Mr. Alsop's absorbing journal and his subsequent reporting a "superb performance of a true professional man's duty." He adds that the remarkable detachment Mr. Alsop has been able to bring to his task "is as quietly noble as is his total rejection of sentimentality, toward himself or toward anything else" as he explains to his readers "what might fairly be called the very ultimate of all issues."

I second Mr. White's appraisal, Mr. President, and ask unanimous consent that the full text of his tribute be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### A Courageous Journalist's Special Contribution

(By William S. White)

Mysticism is rarely any part of journalism, and the profession's true function—to inform—is rejected by the new young "activists" for the role of the advocate and special pleader.

Yet a friend and colleague of mine who is living inch by gallant inch, Stewart Alsop, is both exploring the great mystical enigma of death and faithfully following the old pro's credo that to spread information is both his obligation and his privilege. So he is spreading information about how life itself may come to its close.

It has been for me one of the most moving experiences of my time to watch this superb performance of a true professional man's duty. As the dark wings beat over his head, sometimes swooping down very close and then retreating for a bit in one of those "remissions" that come now and then to mock him with a special cruelty, Alsop the victim is first of all simply Alsop the writing man.

The detachment he is able to summon for this grisly—and this great—task is as quietly noble as is his total rejection of sentimentality, either toward himself or toward anything else. Courage I knew already that he had. For he has never followed the easy way in his craft; never run with the herd; never taken the chic and the safe line; never supposed that the privilege of writing a column is synonymous with the right to use it to ventilate private partisan or ideological hatred—or simply to promote, at all cost, a man called Stewart Alsop.

To respect and to accept these voluntary restraints upon oneself may sound easy enough; but it is not. No writer who has been through the meat-grinder in supporting an "unpopular war' in Vietnam has emerged without his wounds. No man who has resolutely rejected gimmickry and over-simplification (both devices so very handy, so very useful and often so very rewarding) has ever escaped without paying for it in one way or another in the end.

It used to be an article of faith in our trade that the public was interested in what the reporter could find out and what the commentator could possibly elucidate or what responsible contentions he might be able to contribute to any issue of significance. The public was not interested in the reporter or the commentator in and of himself.

Under such a criterion, I suppose, Stewart Alsop would not be "news"—though even under that criterion, I, for one, would be prepared in this case to argue the point. For what we have got here is the picture of a man both struggling with and simultaneously explaining and illuminating what might fairly be called the very ultimate of all issues. It touches every person of every age and circumstance. Someone said it rather crudely when he remarked upon death and taxes as the two inevitables. John Donne said it magnificently when he said that every man's death diminished every other man.

There is no way in which one man can help another in the kind of fix in which Stewart Alsop now finds himself. There is nothing to say to him—but this is not to say that there is no way to say something about him. He has been and is a great, a brave and a memorable journalist. And though in his book "Stay of Execution," he suggests that he does not over-much believe in divine intervention, others can believe in it for him. There is in a certain old book a prayer that goes like this: "I believe; oh God help my unbelief."

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## PROBLEMS ARISING WITH GASOLINE DISTRIBUTION

Mr. HUMPHREY. Mr. President, hearings on the gasoline distribution system were held last week before the Subcommittee on Consumer Economics of the Joint Economic Committee, which I have the privilege to chair. The subcommittee questioned the Deputy Director of the Federal Energy Office, John Sawhill, very extensively about the efficacy of FEO's allocation and pricing policies and about the draft plan for gasoline rationing. It also heard very able testimony from representatives of the American Automobile Association, the petroleum retailers, the Energy Office of New York City, and from a well-known academic authority on gasoline marketing.

The hearings raised doubts that the existing system of priorities for essential gasoline users is getting the gas to those users, particularly in the case of the farmer. It also raised questions about whether gasoline distribution among States is fair and about the effectiveness with which directives from FEO headquarters are carried out at lower levels. I was alarmed, furthermore, by reports that certain oil companies are moving systematically to terminate the franchises of successful gasoline dealers to take over the businesses for themselves and are acting to eliminate other franchised stations altogether.

The present two-tier oil price system, moreover, constitutes a critical threat to refiners and distributors relying heavily on the higher priced oil as the supply situation eases, and something must be done to alleviate this threat.

At this time I ask unanimous consent to have printed in the Record my opening statement of Thursday, March 14, the final day of the hearing. Also, I ask consent to insert the prepared statements of two witnesses whom the subcommittee, because of a previous engagement involving several Members, had insufficient time to interrogate. Both of these statements contain important information for policymaking, and I commend them to the attention of all my colleagues and the public.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Gasoline Distribution Hearings

(Statement by Senator Hubert H. Humphrey)

I am pleased to hear that the Arab oil embargo is about to be lifted. This is good news and should provide some measure of relief to motorists by the beginning of the peak summer driving season.

However, this does not change the fact that we have a long-run "energy crisis." Supplies were tight before the embargo and will be so after it is lifted.

We must not relax our conservation efforts, nor our efforts to produce more of our own energy at home. Both endeavors are essential if we are to eliminate the threat of foreign economic blackmail by those who control the oil taps.

The Federal Energy Office's gasoline allocation program underwent a severe test in February and emerged, I would say, with mixed reviews. Critical supply deficiencies in many areas took more than a month to relieve. At the first sign of relief, President Nixon declared that the energy crisis was over, but not even his own energy advisers seemed to believe him. Two days after the President's statement, Mr. Sawhill, whom we shall hear this morning, told a group of journalists that "the (energy) crisis isn't even fully upon us yet." And the March allocations of gasoline to nearly half of the States actually provide *less gasoline per day of the month* than in February. This applies to many of the States hardest hit by the February shortage.

The fact that the March allotments appear to be smaller on a daily basis in these States raises the question why the gas lines disappeared so promptly after the first of the month. Of course, some redistribution of supplies was carried out by FEO, and some improvements were introduced in service station hours and practices. It also is possible, however, that FEO's announcement, that dealers and refiners would receive higher mark-ups on gasoline after March 1, resulted in a build-up of supplies all along the distribution chain and accounted for much of the shortage prior to March 1. This would account for the big jump in primary gasoline inventories reported by the American Petroleum Institute for the week ending on March 1. If this is what did occur, it was a major mistake by FEO to announce the price adjustments in advance of their implementation. In the same vein, we might ask whether the delay in passthroughs of crude oil cost increases until the first of each month may help to explain the end-of-month shortages that have caused such inconvenience to motorists each month since November.

While most peoples' eyes have been riveted on the long lines at the gas pumps, the oil companies have raised retail gasoline prices 30% in the last year at a cost of about $200 a year for the average American family.

Indeed, it appears that the oil companies strategy has worked. The oil embargo is about to be lifted. Oil companies are reaping exhorbitant profits. The ranks of independent dealers have been decimated and thousands of franchised operators are threatened with contract termination. And, a number of other market factors make the future look bright for the oil companies and bleak for the consumers.

On Tuesday, this Subcommittee heard testimony that Federal regulations were at least partly to blame for the astronomical price levels reached this winter for propane, which is widely used for heating in rural areas, especially by lower-income people. The Subcommittee was told that low price ceilings on propane caused substantial hoarding. We also learned that the provisions for passthroughs of refining costs caused excessive mark-ups on propane by oil refiners. The price of propane went up to many times its normal level during the heating season, and now at the end of the season we are told that a surplus of this fuel exists all across the country.

Other testimony before the Subcommittee indicated that the system of end-user priorities for gasoline is not working satisfactorily in some cases. In particular, rural gasoline dealers, which are supposed to supply farmers with the full amount of their current gasoline needs, are getting the same reduced quota of gasoline as other distributors. In other words, the priorities system does not apply at the *dealer* level, and some rural dealers—especially farmer cooperatives—are not getting enough to fully meet the requirements of their priority customers. Yet we are pinning our hopes of stabilizing food prices and of paying for our oil imports on the ability of farmers to produce record crops this year. This will require *more* fuel than in the 1972 base year of the allocation program rather than less. Apparently the FEO and the Department of Agriculture have not been talking to each other. Since 1972, our farmers have been exhorted by this Government to plant an additional 60 million acres to meet rapidly expanding export demand. Our effort to get this additional production from our farms, is undermined by the lack of an adequate allocation of petroleum products for planting, transporting, drying, and harvesting this additional crop. Of course, another important implication of this problem is that the *non-priority* customers of these rural fuel dealers will have no gasoline at all.

Whatever the apparent end of the Arab oil embargo brings for the gasoline situation, it seems likely that supplies will tighten in the latter part of the year, especially if the economy recovers, as we hope it will, and if the oil exporting countries do not significantly expand their present rates of production, which is by no means assured even as the embargo is lifted. This means that the possibility of gasoline rationing is not dead, even though we all want to avoid it. More and more questions are now being raised about the equity and workability of the rationing system outlined by FEO in January, but no public or congressional debate on the details of this plan has taken place up to now. We hope today to initiate such a debate.

These many questions and complaints focus attention on the fact that the Federal Energy Office has a very difficult job on its hands. I sympathize with you, Mr. Sawhill, in dealing with the intractable problems of this shortage. Now, however, more and more we hear from both FEO insiders and from those trying to deal with FEO from outside that confusion reigns in the agency. Often, it seems, the regional offices don't carry out the rules as the headquarters purports to intend.

And the turnover of personnel in the decision-making strata at FEO, and the appointment of new people to positions of responsibilty, is hampering the effectiveness and continuity of policy making.

Mr. Sawhill, I hope that we can discuss some of these problems together today, straighten out at least a few of them, and initiate the process of solving others.

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### STATEMENT BY FRED C. ALLVINE

Thank you for this invitation to appear before your committee as it considers The Gasoline Distribution System. Unfortunately, time did not permit me to prepare a comprehensive statement.

One subject of major interest today is the possibility of having to ration gasoline. It is my belief that rationing should be adopted as only a last resort. Perhaps rationing would solve certain types of problems, but it would in turn establish an entire new set of problems for the driver and against the public welfare.

One of the reasons presented for rationing is that it would eliminate the inequitable distribution of gasoline between and within states. It is extremely unfortunate that drivers in certain states and cities tend to have enough gasoline to get along with, while others have to queue at stations and fight for much more scarce supplies.

A report going to the Federal Trade Commission today on The Petroleum Allocation Act discusses the inequitable allocation of gasoline through the United States. This report indicates that the FEO is now coming to grips with the problem and that this 45 day old program seems to now be getting on track. As with most new organizations, the FEO had problems getting itself structured and functioning, but now appears to be better prepared to carry out its responsibility for more balanced distribution of gasoline throughout the United States.

Rationing of gasoline won't be necessary if some of the inequities in distribution can be worked out by the FEO, and the general level of public demand for gasoline can be retarded enough to keep within the industries constrained ability to produce gasoline. In other words, the general public must continue to conserve gasoline through a variety of techniques that have been frequently discussed. Perhaps one of the worst things that could happen would be for the public to conconclude that the Energy Crisis is over and accelerate their use of gasoline.

As summer approaches, the demand for gasoline relative to supply could, for a period of time, become somewhat tighter. In fact, it will do so if the public obtains the impression from a government official that the Energy Crisis has passed. After the Arab embargo on oil is lifted, it will be 45 days before oil imports can be substantially increased. Furthermore, when the oil embargo is removed, it does not necessarily mean that, after a period of adjustment, automobile drivers will be able to purchase all the gasoline they want. Even without the Arab embargo, some shortages were forecasted for peak periods of gasoline demand in 1974 and 1975 because of an inadequacy of refining capacity in the United States and presumably throughout the free world. Remember, last summer before the Arab embargo, U.S. refineries were unable to produce enough gasoline to keep up with demand. However, there is a possibility that the rapid increase in the price of gasoline over the past nine months will bring demand and supply into balance when the embargo ends.

Some of the more obvious problems with gasoline rationing include the cost of a huge bureaucratic structure required to implement such a program, the difficulties in designing a fair and equitable rationing system—drivers vary greatly in terms of their essential needs for gasoline, the organization of a "white market" where holders of unneeded rationing tickets can sell them, and finally, the inevitable appearance of an illegal "black market" in rationing tickets.

What worries me still more about gasoline rationing is its potential for long-term injury to competition in the selling of gasoline to the public. At the present time, the private-brand, independent gasoline marketers are fighting to stay alive, and their situation is growing more and more precarious. Such independents, until the petroleum product shortage, were the major source of competition in the marketing of gasoline to the public. Then pioneered many of the new developments in gasoline marketing and, more importantly, sold gasoline at substantial discounts of 3c to 5c per gallon less than the major brand price of gasoline. These independent discounts are one of the major victims of the gasoline shortage. Supplies of gasoline to independents have, in many cases, been sharply cut, and what supplies they are receiving are terribly expensive. This combination of circumstances has put these independents in a noncompetitive position relative to their major brand competitors.

It is largely because of the tight supply situation that the independents can sell at higher prices than their major brand competitors, and this is keeping many of them from going out of business. If rationing was implemented, in particular the proposal of the Administration, I would predict widespread failure of the unbranded, independent gasoline marketers. The reason for believing that rationing would be disastrous to this segment of the market is that rationing would have the effect of balancing supply with demand. Many more automobile drivers would take what rationing coupons they have and look for the better price. Due to the "upside-down economics" of shortage, one-time customers of the unbranded, independents will find higher prices at many of their stations and cease to purchase from the independents. With a further loss of sales, many private-brand, independent gasoline marketers will be forced into bankruptcy.

Government policy during the unusual conditions of shortages should continue to try to preserve the structure of competition.

The Emergency Petroleum Allocation Act of 1973 had as one of its objectives:

Preservation of a sound and competitive petroleum industry with particular emphasis on protecting the market share and competitive viability of the independent sector of the industry.

More specifically, Section (4) (b) (1) (F) of the Act states that there shall be: "equitable distribution of . . . refined products at equitable prices among all . . . sectors of the petroleum industry, including independent refiners, small refiners, nonbranded independent marketers, branded independents marketers, and among all users;"

So far the FEO has failed to achieve "an equitable distribution of refined products at equitable prices" to the nonbranded independent marketers as required by the Act.

Many independents have informed me in the past couple of weeks that they have not received their fair share allocations of gasoline. For example, yesterday I received an urgent call from the executive secretary of a trade association with 80 independent, private-brand marketers in California. He stated that many of his 80 members are getting less than 50 to 60 percent of their 1972 base period supply. In contrast, he reported that Mobil is giving 97 percent allocations to its dealers, Chevron 90 percent, Gulf 90 percent, Exxon 83 percent, Phillips 75 percent, and Texaco 71 percent. There appears in many cases to be a real reluctance on the part of the FEO to force the major oil companies to share the shortage as required by law. Frequently, the explanation received by independents from the FEO administration is that it takes time to get things straightened out. Just like the medical patient requiring oxygen, the independents need supply now and not tomorrow after they have succumb.

The problem of the independent, private-brand marketer obtaining supply is complicated by the price that he has to pay for gasoline. Before the petroleum product shortages, the wholesale price that independents paid for unbranded gasoline was 12¢ to 14¢ per gallon less than the normal major brand price of gasoline at the pump. Since the petroleum product shortages, many independents have seen their wholesale buying price narrow to within 6¢ to 7¢ of the major brand retail price. Furthermore, there are many independents that are buying unbranded gasoline at wholesale that is as expensive as the major brand dealers are selling to their retail customers. It is because of the extremely high and inequitable cost of product to the independent, private-brand marketer that so many are being forced to sell at prices considerably above their major brand competitors. The cost of private-band marketing is considerably less than branded marketing, yet many independents are compelled to sell at high prices because of the cost of their supplies. The equitable pricing of refined product called for by the Act is not occurring. The regulations must be redesigned to permit the independent, private-brand marketers to purchase their supplies at equitable prices.

The inequitable pricing of supplies to the independent is a direct consequence of a decision by the Cost of Living Council in 1973 to de-regulate the price of oil produced from stripper wells and the price of newly discovered oil. As a consequence, the uncontrolled price of oil has climbed to over $10 per barrel, while price controlled oil sells for around $5.25. Since the independent refineries purchase a larger proportion of their supplies from stripper production, their cost of new material has climbed relatively to the major oil companies. In addition, independent refineries have been compelled to import increasing quantities of oil after costing $10 or more per barrel.

One way to improve the situation is to have domestic oil all selling at one price—somewhere between $6–$7 per barrel. The uncontrolled price of stripper production has increased by approximately 200 percent in a year. The logic of the Cost of Living Council's decision to de-control the price of stripper well production can be questioned. It has certainly resulted in a huge windfall profit to the owners of stripper wells, and has driven up to noncompetitive levels the price of much of the crude oil purchased by independent refineries. The limited increase in stripper production that is expected does not appear to warrant the high de-regulated prices.

Releasing the price of new oil can also be questioned. One of the reasons for the high price of new oil is the bonus bidding procedure employed by the Federal Government in leasing government land for oil and gas exploration and production. The administration has only leased 3 percent of the outer continental shelf. During 1972 and 1973, approximately five billion dollars was paid to the Federal Government for hunting licenses. Had this money instead been invested in drilling projects, almost twice the number of wells could have been drilled in the United States.

Bonus bidding procedures drive up the cost of oil and, in turn, forces the government into a position of de-controlling the price of new oil. The bonus bidding procedures might well be replaced by a "performance bidding" program similar to that employed by England in leasing the North Seas area it controlled for oil exploration and production. This practically eliminated the up-front money and has resulted in rapid development of North Sea oil production.

If the Administration abandoned its two-tier pricing structure for crude oil, then one major factor contributing to the high price of product to the independents would be eliminated. The other problem affecting the cost of oil to the independents is the high price of foreign oil. If this condition persists, then some program might be developed to even out the proportion of domestic and imported oil processed by the independent refineries and the major oil companies.

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### TESTIMONY PRESENTED BY HERBERT ELISH

As Director of New York City's Energy Office, I would like to thank you for the opportunity to testify this morning.

The energy crisis has affected all segments of our nation. We have all had to learn too quickly that we can no longer take readily available, cheap energy for granted. What we have not yet learned is the root causes of this energy crisis, nor how we can best live with the limitations it imposes upon us.

This energy crisis has meant curtailment of Americans driving habits; adjustment to lower indoor temperatures in winter, acceptance of exorbitant prices for heating oil, gasoline, and electricity. Even if shortages of fuels were miraculously to disappear tomorrow, we would not have solved our energy problems. Our fuel costs have risen to a price many of us simply cannot afford.

Until we as a nation have access to the information that can tell us what is at the heart of this crisis, we will be attempting to mend Humpty Dumpty with a band-aid. We will at best patch up a few pieces. We won't solve the problems.

In many ways this energy crisis is a crisis of information. We in New York City cannot deal effectively with situations affecting millions of people when our only data come from gut feelings. Until we get data—reliable data—from those in the energy business, we can only hope: hope for warm weather, hope for voluntary cutbacks of gasoline use, hope we get at least a fair share of fuel.

On the other hand, sound information would allow us to plan to accommodate shortages the magnitude of which we could confidently estimate. Much of the information we seek is already being collected by the Federal Energy Office. What we need is access.

Figures obtainable for November and December of 1973, when gasoline shortages were first becoming noticeable, show that in the Northeast supplies were well below those available elsewhere in the nation. In November, gasoline supplies in the Northeast were 9.4 percent below what demand was expected to be; for the entire U.S.; the shortage was 17.0 percent, the U.S. total shortage only 8.9 percent.

While these figures pre-date FEO's mandatory allocation program which went into effect in January, observation indicates that gasoline lines in the New York City area and other urban centers have been much longer than in other sections of the country. Furthermore, our figures show that in February, New York City's gasoline shortage was 15 percent. Unless FEO makes data available to us listing shortages elsewhere, we cannot be assured that we are even now receiving an equitable share of national gasoline supplies.

If in fact we are not getting a fair allocation, we suggest that emergency supplies be made available from inventories now maintained by the companies. American Petroleum Institute figures show that throughout February, the gasoline companies were increasing inventories, presumably to build up supplies for summer. Being as summer is a period of heavy, non-essential driving, we would prefer to use some small portion of those stocks now to lessen gas shortages that may curtail essential driving. First off, though, we need data to show if our local shortage is unfairly acute.

Access to FEO's Form 22 and 1000 listing individual supplier's monthly allocations and distributions would enable us to carefully monitor gasoline distribution within the City, to judge whether the supplies of gasoline we receive are proportional to the rest of the country, to ascertain expected gasoline shortfalls, and to determine how a supplier derived his allocation fraction. Access to FEO's weekly refinery reports (Form 1003) would provide continually up-dated information regarding the gasoline situation.

We have as yet not only been unable to obtain this information from the gasoline companies and FEO, but we also have been told by members of FEO that the Office itself does not audit gasoline supplier's forms to ensure that the companies have objectively set forth their supply situations, accurately calculated their allocation fractions, and made the proper distributions. This seems to us to put an inordinate amount of trust in those companies which have been accused of manufacturing the crisis in the first place.

The information contained in FEO's forms, if made available to us, naturally would be used with discretion, and solely for the purpose of planning how best to provide the City with the complex services it absolutely needs.

Those services, I might add, are jeopardized by current FEO gasoline regulations defining priority user and setting forth formulas for determining how much gasoline should be allocated to those users.

Priority users include emergency services, energy production, sanitation services, telecommunication services, public transportation services, cargo, freight, and mail hauling, and agricultural production. These users are provided with gasoline allocations based on their current fuel needs. Your local gas station has its allocation based on its sales in 1972. While for the most part essential services in New York City have received as much gasoline as necessary, FEO regulations are ambiguous and could lead to supply reductions for those services.

The allocation fraction—that percentage of the base amount to be received—under one interpretation of FEO regulations, could be the same for fire houses as it is for "Lucky's Gas and Car Wash" around the corner. If Lucky gets 80 percent of his March '72 supplies, our fire trucks could also get as little as 80 percent of their current need. In fact some New York City gasoline supply was sent this way in February. It was made up by an emergency allocation from the State set-aside. The one exception among priority users is agricultural production—that gets all it needs.

Of course food production is essential. But we think sanitation services, ambulances, police cars, and so on are essential too. We would like to see this discrepancy between agriculture and essential services needed in all communities corrected. Essential services must receive 100 percent of their needs.

The energy crisis has fostered all sorts of discrepancies. A major one we have attempted to bring before the FEO concerns price of residual fuel oil. Most of the residual oil used in this country is imported, and therefore unregulated in price. In general, the cost of residual oil has tripled since last year. This is a very grave problem for the Northeast and especially for New York City. Many of our landlords are faced with fuel costs that were unforeseen even six months ago and which in many cases mean the difference between making a profit or taking a loss. Unprofitable buildings may be abandoned, with no regard for tenants. Unfortunately fuel cost pass-throughs are not much of an answer to this problem, since buildings most likely to be abandoned are marginal housing stock, generally located in the poorest areas of the City.

Deputy FEO Administrator John Sawhill is reported to have told a meeting of Senators from New England on Tuesday that the price of residual oil in the Northeast is disproportionate to the nation as a whole and that FEO is conducting a study of price disparities. Sawhill was speaking mainly in terms of residual used by power plants to generate electricity. We are experiencing tremendous rises in the cost of our electricity in New York. We are also faced, however, with using the same fuel, at exorbitant prices, to provide 60 percent of the space heating in New York City. Heating in Philadelphia for example is only 7 percent residual oil. On this heating price question FEO assured us in New York as early as the beginning of February that it was studying the problem. We have had no response as of yet.

The double impact of heating oil cost increases and electricity cost increases may be devastating to New Yorkers. We have calculated that our heating cost rises are double the national increase.

Consolidated Edison, our power-utility company for New York City and Westchester County, announced this week that for the average March bill Con Ed's 2.9 million electricity customers will pay more than $20. For that average customer, about $5.50 of his bill will be for fuel costs above the amount figured into the base rate. Although prices of residual used in Con Ed's plants are leveling off, or even dropping slightly, fuel prices are of great concern to millions of New Yorkers facer with staggering electric bills.

Con Ed has suggested that the solution to high fuel prices is to be allowed to burn coal at two of its plants. We find the wisdom of this solution to be highly questionable. On a rough basis, if we assume an average of $12/barrel for residual oil for 1974, burning coal at both Con Ed's Arthur Kill and Ravenswood plants, would save 3.7 percent of the projected Con Edison electric costs for 1974. Burning coal only at Arthur Kill would save approximately 1.3 percent of total 1974 electric costs. If we use a figure of $15/barrel of residual (the price Con Ed says it is now paying), the savings for using coal at both plants, or at Arthur Kill alone would be 5.9 percent and 2.0 percent respectively.

These figures do represent substantial savings in the aggregate. Their impact on the individual consumer, however, is not very much. A two percent savings, for example, would not even reduce the average customer's bill below $20.

Furthermore, coal-burning would place a kind of hidden tax" on New York City. New York City is already polluted. Even so, our air is much cleaner now than it was in 1969 when we began a City-wide air pollution monitoring network.

In the vicinity of Con Ed's Arthur Kill plant, we are currently meeting national primary air standards for sulfur oxides and particulates. Air quality in the area of the Ravenswood plant, however, continues to fail to meet primary standards designed to protect health.

Coal-burning is not the current answer to New York City's energy problems. It would endanger our citizens; it wouldn't do much about sky-rocketing costs of energy. Solutions must be reached on a nationwide basis. For the good of us all we must equalize throughout the nation the price of both fuels and of the loss of convenience. We must not and we need not sacrifice essentials such as emergency vehicles or agricultural production.

What we need now is to find out about this crisis. If we know why it happened, we can find solutions; if we know what our supplies are, we can adjust our plans to account for real shortages. A time of crisis is not a time panic. By working together, we believe our problems, however difficult, can be overcome—by hard work, by compromise, and by reason.

## OVERSEAS RELIEF PROGRAMS

Mr. HUGH SCOTT. Mr. President, three great religious faiths are sponsoring overseas relief programs to give emergency help and continuing rehabilitation assistance to the needy of other lands.

This year, the beginning of the drives of the Catholic Relief Services, the United Jewish Appeal, and the Protestant Church World Service will coincide on Sunday, March 24.

The funds Americans contribute through their own faiths will be used to support self-help projects designed to aid victims of war and natural disasters and the poor.

I urge all who can to support these highly commendable programs which serve to restore the dignity and self-reliance of millions of otherwise homeless, hungry, and destitute people throughout the world.

## NATIONAL ECONOMIC POLICY

Mr. GOLDWATER. Mr. President, current events and the news media remind us daily that our shockingly high inflation rate reflects intense worldwide demand for many resources in short supply—raw materials, energy, and food. Overlooked is the inflationary character of the new administration budget. In a supply-short economy the fiscal 1975 budget threatens to intensify our record-high peacetime inflation through piled-on Government spending—the $30 billion increase over fiscal 1974 is the largest in our peacetime history. At its meeting in Washington on February 22 the directors of the Chamber of Commerce of the United States approved a statement on national economic policy that deserves widespread attention. I ask unanimous consent to have this statement printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement on National Economic Policy

The Administration's economic policy, as enunciated in the 1974 *Economic Report* of the President and the Annual Report of his Council of Economic Advisers as well as in the FY 1975 Budget document, is focused on cushioning the current economic slowdown. This is a laudable short-term objective, but it is imperative that Government fiscal policy not aggravate the current inflation; rather, it is essential that increases in outlays not exceed levels consistent with bringing the current inflation under control. Congress, in its appropriations procedures, should keep the potentially inflationary implications of the Budget very much in mind, as should the Federal Reserve in the adoption of monetary policy.

More importantly, from a longer-term perspective, the budget document presents a misguided "business as usual" attitude toward the economy and the radically new economic conditions facing the nation—in particular, the coincidence of shortages of many critically needed industrial raw materials and energy sources and continuing inflation. Fortunately we are moving out of most wage and price controls and this action will hasten the departure of shortages. In addition to appropriate monetary and fiscal policies, the proper approach is to remove governmental impediments to private investment in order to encourage business to upgrade our basic industries, expand their productive capacity, and develop new energy sources while restraining macro policies. The ultimate cure for inflation is to raise our productiveness as a nation, by encouraging output and investment, while restraining demand increases by pursuing stable and moderate monetary-fiscal policies and removing wage and price controls. The National Chamber believes that the best economic policy for the nation is to pursue anti-inflationary monetary and fiscal policies, and encourage private investment. The new present budget offers additional evidence of the need for immediate reform of the budgetary process.

## WORLD FOOD DISASTER NEAR

Mr. HUMPHREY. Mr. President, the February 15, 1974 edition of the New York Times included a challenging article, "World Seen Near A Food Disaster," reporting on a speech by Dr. John H. Knowles, President of the Rockefeller Foundation.

Dr. Knowles indicated that because of rising population, changing climate and economic dislocations such as the oil crisis, the world was close to the brink of a Malthusian disaster.

Dr. Knowles called on the United States as a world leader to adopt an austerity ethic in order to help avoid this major emergency.

He also pointed out the need for recognition in the United States that world civilization is interdependent and that a concern for conservation must replace the traditional concerns for production and growth.

These warnings need to be heeded. The threat of starvation in the world is real.

Mr. President, I ask unanimous consent that this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### World Seen Near a Food Disaster: Rockefeller Fund Head Asks New Ethic of Austerity

(By Harold M. Schmeck Jr.)

Washington, March 14.—Dr. John H. Knowles, president of the Rockefeller Foundation, said tonight that the world was coming close to the brink of a Malthusian disaster, with starvation and misery for millions, because of rising population, changing climate and economic perturbations such as the oil crisis.

Dr. Knowles called for a new ethic of austerity for the United States, as a world leader, to help the world avoid disaster.

The new ethic, he said, must involve controlled economic growth that conserves scarce resources, controlled fertility rate and markedly increased support for the World Bank, the United Nations and the Agency for International Development.

Above all, he said in a speech prepared for the Urban Institute here, there must be a recognition in the United States and abroad that world civilization is rightly interdependent and that concern for conservation must replace the traditional concerns for production and growth.

Dr. Knowles said he hoped that the American people would provide a model of moral and intellectual suasion for an interdependent world of nation states based on austerity and emphasizing the quality, as contrasted with the quantity, of life.

The Rockefeller Foundation was a major force in producing the so-called "green revolution" that provided new high-yield types of grain for underdeveloped regions of the world. Some persons had hoped that these developments in agriculture would be a major factor in preventing world starvation, but the calculations depended on other factors, too, including control of population growth and favorable climate conditions.

Dr. Knowles said food scarcity and short energy supplies alike had hit the world with a jolt as the inexorable expansion of the world's population proceeded apace.

Changes in climatic conditions, with increasingly scarce water supplies in some areas such as the Indian subcontinent and parts of Africa, together with the need for increasing quantities of fertilizer and pesticides had helped bring the world close to Malthusian disaster, Dr. Knowles said.

He said the rising price of oil may prove to be the straw that breaks the world's back because of its adverse effect on nations that have a desperate need to increase their food supply.

Thomas Malthus, English economist of the late 18th and early 19th centuries, predicted that ultimately population would outrun food supply and that the two would be brought into balance again only by starvation.

Among the 2½ billion people living in the world's less developed countries, Dr. Knowles said, 60 per cent are estimated to be malnourished, underdeveloped physically and poorly educated and 20 per cent are believed to be starving at this moment.

Dr. Knowles is the second high official of the Rockefeller Foundation to speak out in recent weeks on the potential gravity of the world food situation. At the annual meeting of the American Association for the Advancement of Science last month, Dr. J. George Harrar, president emeritus, warned that present levels of technology and natural resources would be insufficient to feed the world population of the future.

## AGAINST INCREASING MILITARY AID TO SOUTH VIETNAM

Mr. CRANSTON. Mr. President, I ask unanimous consent that testimony I have today delivered to the Armed Services Committee regarding military aid to South Vietnam be printed in the Record.

I am very grateful to Senator Symington and to the other members of this committee for the chance to be here today. I have asked a number of other Senators to join me, either in person or by written statement, to testify against raising the authorization ceiling for military aid to South Vietnam in fiscal year 1974 by $474 million. Senator Howard Metzenbaum of Ohio accompanied me to this hearing, and wished to testify against this additional military aid to South Vietnam. Unfortunately, he was just called back to his office.

My opposition rests on three simple convictions.

First, if we grant the Pentagon's request, we would be giving Thieu a clear signal that he can go on behaving exactly as he wishes, regardless of the Paris peace agreements.

Second, we would be giving tacit approval to back-door funding practices designed in part to get around congressional opposition to military aid and to keep Congress in the dark about what is really going on in Southeast Asia.

Third, we would be repeating the pattern of squandering millions of dollars on foreign military actions that are not in our Nation's interest, while the American people lack adequate housing, medical care, mass transit and much else, and are being squeezed by continuing inflation and rising unemployment.

Last week, 39 Senators joined me in publicly urging this committee to undertake an immediate investigation into the alleged violation of law now underway in Cambodia, where an American military adviser has been identified in the press as giving direct combat advice to Cambodian troops.

I assume that such an investigation will be launched.

Today, I propose that the Pentagon's request for authority to spend an additional $474 million in military aid to South Vietnam in fiscal year 1974 be denied outright.

As for fiscal year 1975 and beyond, I urge the committee to phase out, as rapidly as possible, future military funds for the Thieu government. I recognize that a total cutoff is probably not attainable at this time.

Let me elaborate, as briefly as possible, on the reasons for my opposition to the pending request.

I have already mentioned the Paris agreements. We are signatories to those agreements.

But instead of using whatever leverage we have on Thieu to implement them, we have been funding his prisons, training his police, arming his soldiers and paying his bills.

A study conducted by the Indochina Resource Center, using aid statistics, concludes that the United States is responsible, one way or another, for no less than 86.3 percent of South Vietnam's income—roughly $2.9 billion out of a total national income of $3.4 billion.

We even pay for South Vietnam's oil imports—at a time when Americans are waiting in gas lines at home.

We cannot pretend that we have no responsibility, or no influence. We should insist that Thieu make more of an effort to live up to those peace agreements—or do without our support.

Is the $474 million sought by the Pentagon really necessary, as U.S. Ambassador Graham Martin argues, to keep South Vietnam from "going Communist"? Or is it merely necessary, as I suspect, to keep Thieu in power?

Thieu is not the only alternative to a Communist government in South Vietnam.

In a recent interview, Clark Clifford, who would have liked to be here to testify today but could not—I have talked with him about this matter—named Thieu as "the one factor standing between war and peace." If the United States cut off military aid, Clifford said, Thieu would step down. And then, he felt, a "truly neutral and representative government would be formed."

As things stand, we are not getting any closer to peace in South Vietnam, and we might as well face it.

The peace agreements have supposedly been in force for over a year. But in that time, over 60,000 Vietnamese have been killed—more than America lost in our entire 8-year involvement. Over 900,000 more have been wounded or made homeless.

We have had plenty of time to test Thieu's good faith.

But look at what has happened.

On December 28, 1973, Thieu announced that the Saigon government would not agree to elections, regardless of article 9(b) of the peace agreements.

In January 1974, Thieu secured the approval of a subservient national assembly to revise a long-ignored constitution in order to permit himself to run for a third term as president in 1975.

Although all political prisoners were supposed to have been released by April 1973, Amnesty International, a consultative group advising the United Nations, estimates that there are still 75,000 to 100,000 people in jail for political reasons. Percentagewise, that is as if there were 1 million political prisoners in the United States.

In both the authorization and the appropriation bills, Congress added language barring U.S. funds from subsidizing police and prison systems. And section 32 of the authorization bill expressed the sense of the Congress that the President should deny economic or military aid to countries holding political prisoners.

We often hear from the White House that Congress is a "do nothing" Congress. Well, here we have done something. Those bills are on the record. I think that the will of the Senate is quite clear on the question of aid to Thieu.

I believe that U.S. defense money should be used in ways that will truly add to the security of the United States and fulfill our commitments to democratic governments abroad. We should not be weakening our economy—and hence our real defense posture—by squandering money on a warring, military dictatorship. To do so also weakens our democratic principles.

Let me now turn to the back-door nature of this request.

The administration initially requested $1.6 billion in military aid for South Vietnam in fiscal year 1974. But Congress rejected that proposal and instead imposed a ceiling of $1.126 billion.

No sooner was that vote out of the way than the Pentagon started talking publicly about a supplemental request.

I think that when Congress cut the administration's request for this fiscal year, it meant business.

Now the administration is trying to get that extra $474 million—only this time through the back door of the supplemental request. This is reminiscent of the old song: "Close the windows, they're coming in through the doors: Close the doors, they're coming in through the windows."

One way or another, the administration seems determined to spend that money on military combat in Vietnam. The Congress must be equally determined that it shall not be spent in such a wasteful, destructive manner.

While I am on the subject of back-door financing, let me say something else about the confusing nature of this request, namely, that it is not even clear how much money we are talking about.

As you probably know, the General Accounting Office has determined that reports submittted to the Congress by the Defense Department have not reflected the true value of military aid to South Vietnam. In fiscal year 1971, the GAO found that the Pentagon supplied almost a third again as much aid—another $400 million—as Congress was told about.

I cannot help wondering whether this same kind of thing is not still going on. I hope the committee will do its best to find out.

To conclude, Mr. Chairman, we have finally stopped wasting American lives in Vietnam. We must now stop wasting American dollars there, too.

This goes not only for fiscal year 1974, but for fiscal year 1975 and beyond. I want to state, for the RECORD, my opposition to the $1.6 billion in military aid that the administration is requesting for the coming fiscal year. This figure represents another $474 million increase over the current authorization ceiling.

I say "no" both times—"no" to an extra $474 million for 1974 and "no" to an extra $474 million for 1975. Military aid to Thieu should be going down—rapidly—not up.

I am delighted that Senators HART of Michigan, HUDDLESTON of Kentucky, and ABOUREZK of North Dakota, are now here to testify against this additional military aid to Thieu.

Thank you.

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## ANNIVERSARY OF HUNGARIAN INDEPENDENCE

Mr. PERCY. Mr. President, on this anniversary of Hungarian independence, we recall the March Laws of 1848 which made Hungary virtually independent under the Hapsburg monarchy and which called for popular, representative government, religious freedom, the right of public assembly and the abolition of serfdom.

Unfortunately Hungary's independence did not endure. In a few months the Hapsburgs, aided by Russian troops, overthrew the young republic.

In our time we have witnessed similar tragedies which have befallen the people of Hungary. In 1956 the Hungarians tried again to achieve real freedom, and again the effort was thwarted by Russian troops.

We can conclude that the past has been unkind to the Hungarians in a political sense. Yet the prestige of the Hungarian people has always been high, both in Europe and America. All know that the Hungarians have made magnificent contributions in music, drama, and literature. Indeed, the Hungarians have been acclaimed as well for their style of life, their interest in the arts, their dedication to life and freedom. Hungarians are much respected in the civilized world.

Against the backdrop of their political misfortunes, the Hungarians have maintained their traditions, their constructive character, and their determination that one day Hungary again will be free of foreign influence. They deserve the concern and the prayer of all Americans.

## OIL SHORTAGE WILL CONTINUE

**Mr. HUMPHREY.** Mr. President, the announcement that all but two Arab nations will lift their 5-month oil embargo for a 2½ month trial period carries but one message: The United States will continue to have an oil shortage. There is no guarantee that the embargo will not be reinstated.

Thus, we have no time to lose. The administration and Congress must buckle down to establishing a policy that will provide this country with adequate energy supplies. For at least the next 10 years that policy must consist of conservation, exploration, development and research.

Only through adequate energy resources of our own can we avoid dancing to the tune of foreign oil producers.

## AMERICA IS STILL A GREAT PLACE

**Mr. CURTIS.** Mr. President, a very interesting article appeared in the Christian Science Monitor entitled "Becoming an American, 1974." I believe this article has food for thought for all of us, and I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### BECOMING AN AMERICAN, 1974

(By Joy Gerville-Reache)

BOSTON.—I'm one of 59 immigrants just sworn in as American citizens here in Boston.

Some of my American friends have asked: Why do you want to join us, particularly now?

It's hard to say, in cut and dried terms. It's a sense of the time being right. Seven years ago, when I came here from Europe, I couldn't have done it. Even two years ago I couldn't.

But now, whatever the turmoil besetting the United States, I want to belong. I want to participate, to vote. I don't want to go on living, working, and paying taxes here as an outsider.

I don't love my country of origin any less because of this, but my affections have broadened. Instead of criticizing America, as I once did, I want to do my part to help, however small my contribution might be. Deep inside I know that this is the thing to do. It's a matter of feeling rather than cold reasoning.

The oath-taking ceremony has strengthened the desire to belong by making me feel wanted.

I had expected a dingy courtroom and a hustle of officialdom, but it wasn't like that. Under a fresh coat of paint District Courtroom No. 2 at Boston's John W. McCormack Building was light and dignified.

This was the first sitting in it since the redecorating.

One by one the new citizens filed in: all ages and many different ethnic origins. The youngest was a smiling Asian girl, seven or eight years old, who was accompanied by her adoptive American mother.

Two officials of the Justice Department greeted each of us with patient, gentle courtesy. Sitting on my right was a beautiful Asian woman, next to her an Irishman. A woman behind me patted me on the shoulder: "You British, too?" On my left was a Portuguese girl from the Azores.

Half an hour before the sitting was due to start we signed our citizenship papers on a table in the center of the room. After the signing two women wearing the peaked caps of the American Legion handed each of us a tiny Stars and Stripes.

There was a last-minute arrival—a girl in her 20's with long, dark hair falling over her shoulders. She might have been Italian or Portuguese. The clerks who had helped with the signing had left, but the girl wasn't scolded for being late. As patiently as before the two officials reopened their briefcases and found the documents for her to sign.

Promptly at 10 a.m. the judge was ushered in. He noticed the huddle of friends of the new citizens pressed against the door and invited them to move up the room to a space still awaiting chairs after the recent redecorating. A friend of mine found a seat in the witness box.

All 59 of us stood with right hand raised while the oath of allegiance was administered.

Then the judge spoke, and what he said was warm and moving. He told us that his grandparents were Italian immigrants. I learned afterwards that he was Judge Joseph L. Tauro, whose father is Chief Justice of the Massachusetts Supreme Judicial Court. His grandfather was a shoe-maker by trade.

"The great strength of this country," Judge Tauro began, "is caused by occasions such as this when men and women such as yourselves, filled with hope, high expectation and determination, join hands in voluntary association with native Americans in an oath of allegiance to the United States of America."

His grandparents, he said, came to the U.S. with no funds. "But nonetheless they had great wealth: that of health, courage, determination, faith in the American dream and faith in the virtue of hard work and in the satisfaction of doing a job well, both as a matter of personal pride and as a means for elevating the living standard of their family. I remember them well, with great love and, as I get older, increasing respect.

"But occasions such as this," the judge continued, "bring home the point that there really wasn't anything unusual about my grandparents. They were typical of hundreds of thousands of foreign-born men and women who left their home in search of something better and in the process so greatly enriched the quality of life in America.

"They were typical of you, ladies and gentlemen, all of differing backgrounds, different training and different traditions, but, nonetheless, sharing a common purpose: a dedication to the principles and ideals of this great country and a determination to preserve and enhance those principles and ideals for generations to come.

"My fellow Americans, I welcome you," he concluded.

Thank you, Judge Tauro, for making us feel wanted.

Thank you, America.

## THE INAUGURATION OF CARLOS ANDREZ PEREZ AS PRESIDENT OF VENEZUELA

**Mr. KENNEDY.** Mr. President, I would like to call attention to the recent inauguration of Carlos Andres Perez as President of Venezuela.

At a time when the viability of democratic processes has been challenged in all too many Latin American countries, the continuing success of the democratic system of Venezuela deserves our attention.

The promise of the new administration was evident in the inaugural address of the new President who looked not only to the continued social and economic progress of his own nation but to the role that nation can play in the development of Latin America.

His statement included a pledge to use the benefits of Venezuela's oil resources to raise the standard of living of all Latin Americans through the creation of a trust fund within the Inter-American Development Bank. It should be added that President Perez emphasized such a fund would be devoid of the veto which the United States consistently has insisted upon in the deliberations of the social progress trust fund.

At the same time, the new President's statement reflected previous expressions of a willingness to explore a normalization of relations with Cuba. I would hope, as I have stated in the past, that the administration would adopt as enlightened a position with regard to Cuba. It should be noted that Venezuela's attitude in this matter is more than the attitude of one Latin American nation. It was Venezuela which originally filed a specific complaint against Cuba in the OAS, with our support, that led to the economic embargo against that nation. Now Venezuela has indicated an awareness of changed conditions in the world and in the attitudes and practices of the Republic of Cuba, that we still have not admitted.

In this area as well as in others, the statement of the new President deserves our attention as an outstanding declaration by one of the leading statesmen of Latin America.

Mr. President, I ask unanimous consent that articles on this subject be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### VENEZUELAN SEEKS BIPARTISAN OIL STAND

CARACAS, March 12.—Venezuela's new president, Carlos Andres Perez, said today in his inaugural address that he will seek the support of all parties in drawing up legislation to nationalize the largely American-owned oil industry.

"We are going to fulfill the old aspiration of our people that our oil be Venezuelan," Perez told the nation in a television speech to Congress.

"More than a new law, it is necessary to obtain the agreement of all Venezuelans about what we can and should do to obey this unique and singular command of history."

Perez, of the moderately leftist Democratic Action Party, did not set a time limit on the nationalization debate.

"The softer the tone of our voice, the easier it will be to be heard and understood," he said. Concessions exploited by subsidiaries of Exxon, Mobil, Shell and others are presently to begin reverting to the state by 1983.

Venezuela is the third largest exporter of oil. Perez has promised to move up the takeover, which is expected to be accompanied by compensation for unamortized debt.

Perez told his audience, which included U.S. First Lady Pat Nixon and Soviet Presidium Vitali P. Ruben, that Venezuela would deposit some of the revenue from higher oil prices in the Inter-American Development Bank.

He said this money would be used by Latin American countries "without humiliating vetoes," a reference to the U.S. use of the veto threat to block loans to nations out of favor with Washington. The United States presently is the bank's main supporter.

"We shall have to assume a position of defense of Latin American rights trampled by the economic totalitarianism of the developed nations," he said.

Perez pledged to draw up a long-term energy policy which would include a decision on future development of the massive Orinoco heavy oil deposits, estimated at 700 billion barrels.

He said Venezuela, thanks to its oil wealth, would help Latin America's "common struggle for independent development, [through] just prices for other raw materials and a just and a balanced share in world trade."

Venezuela produces 3.35 million barrels daily, of which more than 3 million are exported. More than half of this goes to the United States, which receives 35 per cent of its oil imports from Venezuela.

Perez, 51, who has been jailed and exiled in his political career, is only the fifth freely-elected president in Venezuela's 150 years of independence. He defeated Lorenzo Fernandez of the Social Christian Party.

The three days of inaugural ceremonies were going off smoothly, a far cry from the early 1960s, when Perez was interior minister and Marxist' guerrillas were trying to bring down the government. The far left had little success at the ballot box in the December election, gaining only 12 per cent of the votes.

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### VENEZUELAN LEADER VOWS AT INAUGURAL TO HELP THE LATINS

(By Marvine Howe)

CARACAS, VENEZUELA, March 12.—Venezuela's new President today offered this country's vast oil wealth to help achieve the economic liberation of Latin America.

"We must take up the defense of Latin-American rights, trampled by the economic totalitarianism of the developed countries," President Carlos Andrés Pérez declared in his inaugural address.

The dynamic new chief of state made a clear bid for a role of leadership in Latin America in an hour-and-a-half speech in which he presented the broad lines of his Government's program.

"Venezuela," he declared, "now has the opportunity to offer Latin America, with the backing of oil, efficient cooperation to carry out the common struggle for independent development, decent prices for other raw materials and a just and balanced participation in world trade."

President Pérez, 51 years old, took the oath of office in the colonial-style legislative palace before a joint session of Congress and 260 representatives of 72 countries. A host of dignitaries, including Mrs. Richard M. Nixon, attended.

Outside, a heavy military guard held back several thousand spectators. There was a polite scattering of applause for Mrs. Nixon and no hostile leftist demonstration, of the kind that marred her visit here with her husband in 1958.

Speaking shortly after receiving the sash of office from the former President, Rafael Caldera, Mr. Pérez declared that to help other Latin-American countries Venezuela would set up a trust fund within the Inter-American Development Bank "without humiliating vetoes." This was a slap at the United States, which has retained a veto over the social progress fund in the bank.

#### OUR DOORS ARE OPEN

He said that Washington's offer of a new dialogue with Latin America "deserves our optimistic attention," and expressed approval of a new United States policy on the Panama Canal. He urged that Panama's claims be satisfied by Dec. 7, the 150th anniversary of the Congress of Panama, one of the earliest attempts to achieve Latin-American independence.

President Pérez made no specific reference to Cuba but declared that "our doors are open, even to those that are not represented here." In earlier statements, he has said that Cuba should take the initiative to restore relations with Venezuela.

The new President declared that it was urgent for Venezuela to establish a new oil policy that would be both "national and nationalistic." Foreign companies now account for 90 per cent of the country's production.

"We are going to full the old aspiration of our people, that our oil will be Venezuelan," he pledged.

Mr. Perez set no timetable in his speech but in an interview yesterday he declared that the nationalization procedure would be worked out within the first two years of his five-year term.

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## MENTAL CARE INNOVATIONS IN KANSAS

Mr. DOLE. Mr. President, the March 13 Wall Street Journal carried a report on the Menninger Psychiatric Clinic in Topeka, Kans. Foremost, among a small number of such private institutions in our Nation, the Menninger Clinic has for over 50 years been an outstanding example of the very best in mental health facilities and treatment.

The State of Kansas takes great pride in accomplishments of the Menninger family and in the work of the Menninger Foundation and its staff on behalf of better understanding of the human mind and improved means of responding to the mental illnesses to which individuals in our society are susceptible.

Always forward-looking and concerned with ways of changing its methods and practices to achieve greater effectiveness in providing mental health care, the foundation is a unique asset to Kansas and the Nation. I believe this article would be of interest to many Senators who are concerned with current mental health issues and developments, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### HEAL THY NEIGHBOR—THE MENNINGER CLINIC IS CHANGING ITS WAYS; PATIENTS HELP RUN IT

(By Richard D. James)

TOPEKA, KAN.—"I needed help, but it was hard to admit. I'd gotten involved with drinking and drugs and just started flipping out—losing contact with people. I was pretty much out of touch with reality."

Speaking is a 22-year-old Michigan woman. Dressed in bell-bottom blue jeans and a white blouse, she looks like a college coed. In fact she was one until she dropped out of school three years ago. Now she is a mental patient here at the Menninger clinic, one of the world's foremost psychiatric centers.

There are plenty of other patients her age at the clinic. Doctors just say they are seeing more young people than ever before. They site a variety of reasons including a surfeit of material goods that tempts jaded adolescents to stray off accepted paths of behavior and an effluent society that is better able to afford psychiatric care for its young.

Dealing with a wave of young patients is just one of the new ways of life faced these days by the Menninger Foundation, which runs the clinic. Founded more than 50 years ago by the Menninger brothers, Drs. Karl and Will, and their father, Dr. Charles, the foundation now is in transition.

#### A NEW GENERATION

Its operation is being taken over by a new generation of Menningers with a different style of doing things. They are adopting different management practices and treatment methods. One significant change: Patients are given a strong hand in running the hospital and treating other patients.

In addition, the foundation is experimenting with ways of taking what is learned in treating the mentally ill and using this knowledge to help other groups cope with the growing pressures of modern life.

The Menninger Foundation belongs to the exclusive high-priced world of private psychiatric hospitals. There are only 150 in the country, and they admit only slightly more than 100,000 patients annually. That compares to about 350 state and other public mental hospitals that admit about 770,000 patients each year.

Even as private facilities go, Menninger is small. It admits only about 300 patients to its two hospitals annually. Nearly all (95%) come from outside Kansas, and because of the high cost, they have been largely the rich and the famous. "If you'd look down our patient list (something no outsider is allowed to do), you'd recognize many of the names of American industry," an official says.

#### $100 A DAY

The cost of hospitalization runs $100 a day. The bill for an eight-month stay, about the average, totals $25,000 to $30,000. By comparison, the charge at Topeka State Hospital, a publicly supported psychiatric hospital a few block away, is $37 a day for the first 60 days and $9 a day after that; an eight-month stay costs around $4,000.

Despite the cost, Menninger isn't the exclusive realm it once was. "We still draw a large number of patients from the wealthy, and we get the children and spouses of a few Hollywood stars, but health insurance is changing that. It is giving us a broader socioeconomic range," says Dr. Roy Menninger, the 46-year-old president of the foundation and oldest son of Dr. Will Menninger, one of the founders.

Most patients are well aware of the cost. "You get a bill every month for more than $3,000 and you look at it and say, 'Well, last month it cost $3,000 and all I have to show for it are two ceramic pots and one bowl that I made in the workshop,'" says a 20-year-old patient who has been hospitalized about a year. "Am I worth $36,000 a year?" A divorced mother of three, also hospitalized for a year says: "An awareness of the cost is an important part of your treatment because you have a better idea of its value."

The foundation has a staff of 880 people, of whom about 120 are pyschiatrists or psychologists. (About 5% of U.S. psychiatrists were trained at Menninger.) Its facilities sprawl across more than 400 acres divided into what are called the east and west campuses. Indeed, the atmosphere is reminiscent of a college. The adult hospital, which houses 160 patients, resembles a dormitory. Rooms and hallways are carpeted. Nurses and doctors wear ordinary street clothes, not white uniforms. Patients and staff eat together in the same dining room.

### LITTLE RESTRAINT

During the day patients move freely among various buildings that house doctors' offices, manual arts shops, a gymnasium, canteen and other facilities. Few if any patients are restrained in any way. Hospital doors are locked at 11 p.m. and opened at 6 a.m. There are no locked wards. Occasionally, patients do leave the grounds without permission—they call it "eloping"—but the foundation hardly ever has to request aid from Topeka police in finding them. Most return voluntarily after a few hours. All patients are considered to be at the center voluntarily, and under Kansas law they can leave legally after giving five days' notice.

Seven Menningers are currently associated with the foundation, including Roy, the president. Of the original founders, only Karl is living. Now 80 years old, he is chairman of the board of trustees. Will died in 1966, Will's and Karl's father in 1953. Karl's only son, Robert, is a trustee and director of the foundation's museum and archives. Will's wife is a trustee. Roy's brother Philip holds an administrative post connected with fund raising. Another brother, Walter, is on "loan" from the foundation to Topeka State Hospital, where he heads the clinic. Edwin, a brother of Karl and Will who has never been employed by the organization, is a trustee.

Much of the power and responsibility for running the foundation rests with Roy, who was elected president in 1967, succeeding his father. Under his leadership the organization is undergoing numerous changes. In the treatment area, the old virtually total emphasis on psychoanalysis, where a patient sits down for long talks with a psychiatrist to explore the patient's past, is being modified. Psychoanalysis is still used, but so are a number of other approaches.

Today the entire hospital—patients and staff—is viewed as an experimental social setting in which patients carry out social tasks and the staff studies the emotional difficulties that the patients encounter. "Instead of a patient simply sitting with a psychotherapist and talking about the past, things are happening here in the hospital right now that can be observed," says Dr. Peter Hartocollis, hospital director.

Why does Menninger believe this approach is better than psychoanalysis alone? "The sicker a patient the less able he is to understand what he's doing. When a patient is too sick to be able to tell about himself, if the only thing you do is talk with him you only get a very partial and very distorted picture of his problem," Dr. Hartocollis says. "We want to get the full picture and then help the patient see it."

Under the system patients play an important role in helping other patients get well. The former Michigan coed tells how they've helped her: "If I don't keep in contact with reality and work very hard at it, I can get way off into fantasies. So I just keep talking to people. A lot of times I can think something is very real and that I'm being very rational, but they'll tell me I'm really very confused."

How can one mentally ill person know another is confused? "People aren't crazy 24 hours a day," she says. "It's an episode. You have your ups and downs." Patients can help during their rational periods.

### MAJORITY RULE

The hospital is organized to promote this kind of interaction. It is divided into sections of 30 to 35 patients and nine staff members. Each section is run a little differently, depending on the doctor in charge, but typically the patients in each section are divided into four teams. Each team meets four times a week with the staff members. An agenda is drawn up and minutes are kept. Usually the meeting lasts about an hour.

During the sessions, the patients and staff members through a majority-rule process make treatment decisions, among other things. They might, for instance, decide whether a patient should be allowed to take a bus into town alone. If staff members or other patients have noticed that the patient is particularly depressed, they may decide he needs extra attention and shouldn't be allowed in town alone. Ultimately the team doctor is responsible for the decision, but the majority—patients and staff—rules, and the doctor simply ratifies the action by signing the order.

Patients also are given a voice in governing the hospital. Patient government provides a setting for staff members to observe patients' behavior, but it also teaches them how to deal with responsibility, doctors say. Says one patient:

"I don't care what hospital I've been in (he has been in three—two public and one other private), they were trying to teach you to be responsible. But in all the other hospitals the staff did everything. For you to be able to assume responsibility, they have to give you responsibility."

Patient representatives are elected from each section to a 25-member council. Staff representatives serve on another council and a liaison committee has representatives from both councils. Issues range from how to deal with drugs or suicide to planning leisure-time activities. In one case patients wanted to serve champagne at a New Year's Eve party. The hospital council approved the idea and the patient council set the limits—one glass per person. The occasion was successful, and the champagne caused no problems.

### THE GOAL IS CHANGE

The main goal of the Menninger program is to bring about basic changes in the personality. From that standpoint the hospital is different from many psychiatric hospitals whose goal is to deal with an emotional crisis, help the patient pull himself together—at least temporarily—and get back to ordinary life.

The Menninger approach also differs from what has been going on in mental health generally during the past decade. Emphasis in the field, generally has been on closing mental hospitals and treating patients in the community while they live at home. Often that simply shifts the problem into the community, "where it is lost," says Dr. Roy Menninger. "Here we haven't gone along with the view that mental hospitals are passe and that there's no longer a need for an isolated and specialized environment to treat ill people." The hospital is still an important tool for diagnosis as well as treatment, he contends.

The Menninger doctors believe that what they learn from working with patients in the hospital may have broad social application. The foundation has already tried two pilot projects in this area. In both instances it sent a two-man team into communities to cool tensions between groups—in Lawrence, Kan., between blacks, Indians and Chicanos on the one hand and the police on the other, and in Plainfield, N.J., between the school board and the city council, which were at odds ostensibly over school integration.

"The team was composed of trained mental-health workers," says Dr. Menninger. "They knew how to listen to what wasn't being said. They understand the impact of feelings on behavior. They knew something about group behavior and how crazy people can act when they become members of a group. And they understood the irrational. As a result, they were able to reestablish a climate of trust. The two people weren't practicing psychiatry, but they would have never been so successful had they not been trained in working with mentally sick people."

### THE FLAT PANCAKE

Besides adopting new approaches to mental illness, the foundation is slowly changing from what has been called a family-held proprietorship run by two brilliant, charismatic individuals to a corporate institution with professional management. "Karl and my father attracted some brilliant people, but they built no substructure of supportive leadership." Dr. Roy Menninger says. "They were it, and everybody else was not of a flat pancake."

As a result, he says, the organization "had flairs of brilliance and drama—and it had considerable inefficiency. When I came into this job I found a disorganized organization somewhat akin to confused and angry children whose very forceful parents had suddenly departed."

Among other things, the Wharton School of Finance has been commissioned to help prepare a year-long study of the foundation, its future goals and how to reach them. In addition, the 80-member board of trustees that is ultimately accountable for the foundation's operation is being built into a more aggressive body.

"In the past it's been kind of a mutual-admiration society," says one observer, "Will Menninger put anybody on the board he liked or who he thought liked him." Now new members, like 48-year-old Harvey Kapnick, head of the accounting firm of Arthur Andersen Co. who was elected a trustee in April, are chosen with an eye toward adding management know-how or other skills and toward lowering the average age, which is around 70.

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## LOS ANGELES MAYOR THOMAS BRADLEY

Mr. KENNEDY. Mr. President, I would like to place in the RECORD an article from the New York Times magazine about Los Angeles' new mayor, Thomas Bradley.

Many Members of this Senate are acquainted with the mayor and know and understand his concern about the complex metropolis that he serves. As chief executive, Mayor Bradley faces enormous challenges. The New York Times articulately expresses how this highly motivated public official seeks to discharge his enormous responsibilities for the welfare of 8 million people.

I request unanimous consent to print in the RECORD "He's One of Us" by Steven V. Roberts, from the New York Times magazine, February 24, 1974.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### NOW EVEN WHITES IN LOS ANGELES SAY OF BRADLEY: "HE'S ONE OF US"

(By Steven V. Roberts)

LOS ANGELES.—The San Francisco Valley is probably the best example of the spectacular suburban growth that has blanketed the "sunbelt" states of the West and the South since the war. Thirty years ago it was an isolated area of orange groves and truck farms, untouched by the freeways that have since slashed through the Hollywood Hills, binding the valley in their concrete grasp to the fortunes of the Los Angeles metropolis.

Today more than one million people live in this northwestern section of the city, dwelling in comfortable, if unoriginal homes, shopping at convenient, if impersonal malls, eating at fast, if indistinguishable restaurants that have finally created, not a melting-pot culture, but a frying-pan culture. A Big Mac is a Big Mac is a Big Mac.

The relentlessly middle-class denizens of this valley tend to work in the service businesses and modern industries—such as electronics and computers—that provide the economic underpinning for suburbia. But while many of them make enough to get a taste of affluence—maybe a camper or a boat—they seldom erase that tinge of insecurity that can become badly inflamed, like a sore tooth, in times of inflation or unemployment. Except for a few small pockets, the valley is mainly white, and in 1969 the people here panicked at the prospect of Los Angeles' electing a black man, City Councilman Thomas Bradley, as Mayor. Sam Yorty, then a two-term incumbent running for re-election, nurtured those fears with the devotion of a mother tending her baby, and Bradley was snowed under. Last spring the two men met in a rematch, and then, four years later, times had changed. Many valley dwellers still did not like Bradley, but the hard edge of choice of a "black or a buffeon," as one analyst put it, large numbers just stayed home. As a result, Bradley got half the white votes cast citywide, and scored a smashing victory in a city that is only 18 per cent black.

As Bradley marked his first six months in office at the beginning of the year, I went to the valley to see what the people were saying and feeling about their new Mayor. Out of more than two dozen interviewed at random, only a few viewed him negatively. One of them, Mike Sellheim, an installer of burglar alarms, said the Mayor had "not done a damned thing." He had voted for Yorty because Yorty was white, but now he was confused. "I'm prejudiced in a way, and in a way I'm not," said Sellheim. "If he does his job properly, it wouldn't make any difference what color he is. But I was brought up in a white society, and I don't know. It's hard on him, the fact that he's black. I wonder if he'll favoritize the blacks, and not us." But a more typical comment came from Arnold Zweig, an insurance executive who also voted against Bradley: "I think he's trying; I feel he's a respectable and honest person who's doing the right thing, in general."

Except for Mike Sellheim, not one person now thought that Bradley's race was a drawback. The fact that he was black bothered Alfred Lipschitz, a technical writer. "We're all brought up with certain prejudices, but once the guy's in office and shows what kind of a person he is, it becomes a thing of the past. It's like when Kennedy was running for President. A lot of people thought his being Catholic was an awful thing, but that's another thing that's gone away. People are realizing how inconsequential these things are." Something seems to be happening in Los Angeles. The rages and passions of the nineteen-sixties have cooled. No one is saying, "We shall overcome," or "Burn, baby, burn," or "Off the pig." But out there among the freeways and patios and carports of the real heartland of America, people are saying that a man should be judged by ability, not color. To most people, he is a Mayor who happens to be black. "In this sense, I think we've attained what we've always looked for, a color-blind electorate," one labor leader said.

In another sense, Bradley's race is still very important. To many, he is a symbol of success. "People are happy to see a colored—a black man—mayor of a big city," said Lois Rowe, who did not vote for the Mayor. "They're proud of it; it shows we have made some headway." Nowhere is that felt more keenly than on the other side of the mountains from the San Fernando Valley in the black districts of South Central Los Angeles that voted more than 9 to 1 for Tom Bradley. "It gives hope for our children that color doesn't matter," Lucy Green, a barber, said. "Whatever background they come from, rich or poor, they can make it."

Tom Bradley could not agree more. He is 56 years old, a middle-aged, middle-class man who has never lost faith in democratic, peaceful progress. He is possessed of a quality almost as rare these days as chastity—patience. As bad as things might seem, he knows they are better than they once were. He has played by the rules, and has won. He has been called an Uncle Tom and a tool of "The Man," but he spent 21 years as a policeman, and he feels he has learned something. In 1969 he apologized to an interviewer for sounding "trite," and then said: "During my years on the police force, I learned that hostility breeds hostility. I saw that every man was looking for some kind of warmth, whether he would admit it or not. People, all people, are looking for respect, for human dignity. This is something we all nourish. I have faith in this element of human nature, faith that there is an underlying decency in every man."

If Tom Bradley does sound trite occasionally, after a while you realize he generally means what he says. In this age of "doing your thing," he does believe in such "old-fashioned" virtues as toil, even sacrifice. His aides worry that President Nixon has given the work ethic a bad name, but the Mayor's faith remains undaunted. "All this didn't fall into my lap," he said simply. "It took hard work and a long, bitter struggle."

That struggle began in Calvert, Tex., where Tom was born the second of six children to Lee and Crenner Bradley, field hands on a cotton plantation. He was 7 when the family joined the migration westward, seized by the elemental hope that things would be better "out there." But once in Los Angeles, his father jumped from job to job—waiter, steward, porter—and after a year or so the Bradleys split up. Tom's mother started doing "day work" as a domestic and by age 9 the youngster was helping out with a paper route. Somehow, even then, Tom had developed an iron core of determination. When it came time for high school, he deliberately left the poverty and pathology of his old neighborhood and entered a largely white school. This setting a pattern that would recur frequently in his life. He realized athletics was the only way he could finance an education, and he perfected skills in football and track that won him a scholarship to U.C.L.A.

Jobs were scarce for young blacks in 1940, even for those with college degrees, and civil service offered one of the few opportunities to get ahead. The Police Department was still largely segregated, but when things loosened up, Bradley rose to lieutenant, the highest rank reached by a black until that time.

He might have been seething inside, but Bradley's reaction to the racial snubs was to find some practical way around them. When he bought a house in 1950 in the white neighborhood of Leimert Park, he had a white friend negotiate the purchase. "Using a third party was the way it was done," he explained. "Getting mad wouldn't have gotten us our house any faster."

Frustrated by the limits of police work, Bradley decided to go to law school at night, and in 1961 he retired from the force to open a law practice. But some white businessmen who had met him during his police days urged him to get involved in politics, and in 1963 he became the first black elected to the City Council, representing a racially mixed district. In 1969 he was largely an unknown when he ran for Mayor, and Yorty adroitly manipulated that ignorance to convince people that militants would "take over" the city if Bradley won. At a time when black students were marching out of college buildings, guns drawn, when the Watts riots were still a vivid memory, the anxieties and prejudices that were festering in the tract homes of the San Fernando Valley seemed justified to many whites.

As Bradley has noted about himself, he often gets rebuffed the first time he tries something, but that seldom dissuades him. The day after his galling defeat, he started running again. For the next several years he moved around the city, showing people that he did not, in fact, have horns on his head and a Molotov cocktail in his pocket, a task made easier with the disappearance of the rioting and demonstrations. Moreover, Los Angeles is a special city. Despite the problems, racial tensions are palpably lower than in a place like New York. The small bungalows of Watts are just not as menacing as the tenements of Harlem, and they are farther from white neighborhoods. White people here don't imagine every black as a potential mugger—if only because neither whites nor blacks often walk anywhere. The city has never developed much of a militant black leadership and, since blacks account for less than 20 per cent of the population anyway, whites generally do not feel as threatened as they do in a city like Detroit, where blacks approach a majority.

As the 1973 campaign approached, Bradley received sizable financial support from a group of younger liberals, many of whom had been drawn into politics by the civil-rights and antiwar movements. Probably the best example was Max Palevsky, who made a fortune in the computer industry and contributed about $200,000 of it to the Bradley cause. And with that kind of war chest, Bradley launched an expensive TV campaign about six months before the election. In addition to conveying the moderate-responsible image, "we also wanted to show very early that Tom Bradley was black," explained David Garth, the New York-based political consultant who designed the media campaign. "We wanted people to get any kind of racial animosity out early." By election time, many people just did not believe the inevitable Yorty propaganda.

Tom Bradley is quite obviously black, and proud, but his quiet, almost dull demeanor does not frighten people. A flamboyant black—a Jesse Jackson or a Bobby Seale—might excite his supporters, but scare off everybody else. Bradley is more like Senator Edward Brooke of Massachusetts; he has the capacity to reassure people in a way that is particularly useful in the current climate of suspiciousness toward politicians of all colors. As Natalie Marks, a salesgirl in the valley, put it; "You just can't believe anybody anymore, but I don't think Bradley is out for himself. I think he's really working for the people."

One of the most frequent criticisms of him is that he is too buttoned-up, an unexciting plodder with a charisma quotient approaching Calvin Coolidge. I went to see him one day in his City Hall office and, after years of watching him in action, I still noticed the contradictions. He is 6-foot-4, has the thicks shoulders, neck and hands of the powerful football player he once was, yet his smile is thin, unsure, a bit embarrassed, often a tentative stab at a jollity. His aides considered it a victory when they got him to swear occasionally during the campaign; and he would no sooner wear an Afro than a dress. He acknowledges the criticisms made of him: "A lot of people have said to me 'You know, you're not as flamboyant as some people think a black man ought to be and you are too deliberate.' And I say, 'I have no intention of changing. Maybe you would call me deliberate, like a Sherman tank is deliberate. But it gets the job done.'" As one shrewd politician observed: "Bradley has adopted the mannerisms of a nineteen-forties civil servant. His appearance isn't as strong as the blacks of the sixties and seventies, the militancy isn't there. But he is a very, very strong man, very much in control of his emotions." Some other politicians see him as a man of limited imagination and intelligence and worry about whether he is really up to the job. Though David Garth, who has handled more than 40 candidates, says of Bradley: "He's among the brightest."

It is still too early to make definitive judgments about his performance as Mayor but certain impressions do begin to form. The Los Angeles Times said that his "biggest accomplishment" during his first half-year was "his emergence as an activist Mayor," but that style has been tempered with an innate sense of caution. His frugality is already entering political folklore; his press secretary, Bob Kholos, recounts the time several staff members brought him back some chicken soup for lunch. When the Mayor looked at the plastic container the soup was in, he beamed and said, "It's reusable." In his first months, Bradley sliced more than $10-million from the budget he had inherited. C. Erwin Piper, the city's administrative officer for 12 years, finds Bradley more conservative fiscally than *Yorty:* "It surprised the hell out of me; I rather expected that he would not be so conservative. But as he said to me, 'Let's make a buck squeak every time we spend one.' "

Some think Bradley has been too cautious about the selection of a staff. There was some obligatory talk after the election about a "national talent search," but the Mayor wound up selecting mainly young, local people who had worked for him on the City Council or the campaign. Several people close to Bradley told me, in critical terms, about the brilliant graduate of Harvard Law School who had worked for Mayor Lindsay in New York and now wanted to come to Los Angeles. But Bradley would not even interview him for a job.

The mention of John Lindsay brings up some interesting comparisons. Lindsay took office during the first blaze of concern over the "urban crisis." He stocked his administration with Ivy Leaguers, the best and the brightest of the urban wars, whose arrogance led them to promise victory in the Holy Crusade again poverty and decay. But in the end Lindsay's legions suffered the same disappointments as their counterparts in the Pentagon. Bradley takes a much more modest approach. One political strategist said, "As a black, he's probably sick and tired of politicians coming and saying, tomorrow will be Shangri-La. He's not about to make the same kind of empty promises."

Bradley chose as his chief idea and research person a 26-year old named Norm Emerson, who might not have a distinguished academic background but who had worked as a city planner and legislative aide in Sacramento. As Manuel Aragon, a Deputy Mayor, puts it, "We're not ideologues; we're not high-wire intellectuals. But we're very practical; we have a lot of experience being resourceful and solving problems." Aragon, a Mexican-American, worked several years as a fruit picker and attended three colleges before winning a degree; he has run a business and the Los Angeles poverty program; he can talk to farm workers in Spanish about their working conditions, and then put on a board-room accent and chat with business executives about profit margins. Aragon says the staff is thin in spots, mainly because the City Council has not appropriated enough money to hire enough people. (It does not appear to "favoritize" blacks; on a list of 28 top appointments I counted five blacks, four Chicanos and two Asians.) On the other hand, Bradley had to do so much for himself for so long that he has yet to master the art of delegating responsibility; it is hard to run a city when you still pick up your laundry and make your own plane reservations.

Sam Yorty had plenty of time to make plane reservations, since he always argued that the Mayor's office had little power and then proceeded to act that way. In fact, Los Angeles does have a governmental system that was heavily influenced by the reforms of the Progressive era, particularly the negative notion that if no one had much power, no one could do much damage. Officially, the City Charter mandates a "weak Mayor, strong Council" set-up. The Mayor controls only about 60 jobs, and the rest of the payroll is so dominated by Civil Service that even major department heads can be removed only for cause. During the campaign, however, Bradley contended that the Mayor could do a lot more if he wanted to, and since July he has been trying to prove his case. He shows up at so many places around town you half expect him to wave to you from a garbage truck.

One of his most successful tactics has been to visit different neighborhoods and spend the day listening to local problems. He also invited citizens to come to City Hall and vent their grievances, and, while this was done partly for public-relations value, people seem to feel that they have an accessible and active Mayor. Out in the valley they kept saying that Bradley "cared" about the city, and Larry Bees, a graphic designer, said: "He seems more concerned with the average person. He gives the definite impression that he's looking for solutions; he's not up for sale, in other words." This activity also continues his strategy of making people comfortable with the idea of a black Mayor. Bradley has been Mayor for six months and "nothing terrible has happened," as Stephen Reinhardt, one of his advisers, put it, and some former opponents even see him now as an insurance policy against racial violence. Other people agree with Jim Wyatt, a technical writer: "Bradley looks at himself as a chance to prove a black man can be a good Mayor, and he's putting out twice as hard as anybody else would. He wants to be a good example for his people and he's beating his brains out to be great."

Bradley is working hard, and, although he has had his frustrations, he has made a significant impact in a number of areas. As a 10-year alumnus, he has been able to improve relations with the City Council. And he has made inroads with the business and banker power sources downtown, which had long viewed him with suspicion, enlisting their aid with such problems as rapid transit and fuel supply.

Rapid transit is a perennial topic out here in the Car Capital of the Western World. During the campaign Bradley promised he would break ground within 18 months for a new system; now he admits that figure is unrealistic, but a real start has been made, which is more than Yorty accomplished in 12 years. And in the meantime, the city is experimenting with computer—run car pools and something called dial-a-ride, a cross between taxi and bus service designed mainly for older people.

Bradley's style of personal persuasion and public pressure came to the forte during Los Angeles's recent encounter with the energy crisis. The municipal power company had contracted to buy much of its oil directly from the Middle East, and when the embargo was clamped on, the city faced a deficit of almost 50 per cent in its energy supply. Bradley went on TV and radio, bluntly warning of the danger and urging people to conserve fuel voluntarily. But he was out of town, attending a League of Cities meeting in Puerto Rico, when the Department of Water and Power proposed a number of mandatory conservation measures, including a limit of 50 hours a week on all commercial and industrial establishments. Immediately cries of outrage from the business community bombarded City Hall, and for a day or so the administration seemed confused. But then Bradley called the office and helped arrange for a special citizens' committee headed by a department-store executive to study the problem. Bradley does have a tendency to name "blue-ribbon committees" and "*ad hoc* task forces" at the drop of an interoffice memo, but in this case the group worked night and day for a week and hammered out a compromise that provided for a 10 per cent power cut for residential and commercial users and a 20 per cent cut for industry.

By this time Bradley was back in town and he appeared before the City Council to urge it to accept the compromise. When by midafternoon it still had not, he strode into the Council meeting, announced he was going to Washington that night to seek more fuel for the city, and allowed as how it would be nice if the legislators took some action before he left. A few Councilmen yelped as they felt their arms twisting in the Mayor's grip, but within hours the new ordinance had been passed unanimously. Bradley then appeared for the third time, thanked the Council and caught the red-eye special for the East. Now under the theory of the squeaky wheel getting the oil, Los Angeles, along with some other cities pleading special problems, has been promised special consideration on heating-fuel allotments and, in the event of rationing, gasoline. Most participants praised the Mayor's performance. "The guy does his homework," said Dan Waters, general manager of the Central City Association and a former campaign aide to Richard Nixon. "That doesn't mean we always agree on approaches and procedures, but we find he has a very open mind; he wants all the help he can get in solving the city's problems."

Sam Yorty seemed to care little about many pressing city problems—poverty, for example, or police relations with minority groups. He was a friend of big business, a mna who believed that all growth was good, and if you asked him about his proudest achievements, he would mention the burgeoning skyline or the new convention center. To listen to Sam Yorty, Watts could have been in Kalamazoo. Since Bradley is determined not to step on too many toes, he has moved slowly in these sensitive areas, but changes are detectable. Take crime and police policy, which became major issues in the campaign. Unlike many white liberals, the ex-cop met the problem head on, and told me at the time: "The black community cares more about crime than any area of the city. Those who describe themselves as liberals see the problem as one of root causes, and want to hear more discussion of that. But it's a real crisis now and we have to deal with it now."

As Mayor, Bradley retained Police Chief Edward Davis, whose right-wing fulminations frequently offended the town's civil libertarians. But then he appointed a police commission—the five-man body that oversees the department—headed by William Norris, a downtown lawyer with solid liberal credentials. The vice president is Sam Williams, one of the best-known blacks in the city's legal Establishment.

The commission has displayed the same mixture of assertiveness and caution that marks Bradley's own methods. Quietly it has questioned police recruiting practices that tend to eliminate candidates who might have smoked marijuana, or marched in an anti-war demonstration. "My major concern is that the department is too homogenous," said Norris who wants to run for state Attorney General. "They all tend to look alike and act alike. I want to see some people with long hair on the force because there are a lot of people in this city with long hair." Out on the street, the commission has pressured the department into spending less time and manpower on such "victimless" crimes as homosexuality. Police in the Hollywood division have even invited gay leaders to ride around in squad cars, in order to learn more about police procedures and establish better communication. The sweetness-and-light policy has extended to Chief Davis's attending an A.C.L.U. dinner, which to some here is almost like Goebbels's attending a Hadassah card party.

The planning commission, to take another example, has traditionally been a rubber stamp for developers seeking code variances to jam a few more houses into tracts with names like Crestwood Lakes and Oakridge Estates. Today the city, which now has 2.8 million people, is zoned for a capacity of 10 million, but the Bradley commission wants to cut the limit back to 4 million, and has already reduced the zoning in several sections, including Westwood, the lovely home of U.C.L.A. which is now threatened by a glut of high-rise construction.

Under Yorty, the Model Cities program was so badly run that Washington cut $7.5-million from the city's grant. Bradley placed a high priority on revamping the operation, and now there is a good chance the money will be restored. In a proposal to the Council, Bradley has recommended that the new money be used mainly for child-care facilities and services for the elderly; another large chunk would be used to rehabilitate more than 1,000 homes that have been repossessed by the Federal Government in poverty districts. But in this area, as in many others, the city cannot do much without massive Federal aid. "This program," conceded Deputy Mayor Aragon, "is a long way from having sufficient scope to really affect the fundamental problems of a city the size of L.A."

So far Bradley has been fortunate. He has not had to face the kinds of issues, like a teachers' strike, or a battle over low-income housing in a middle-class neighborhood, that pitted blacks against whites during Lindsay's tenure in New York. Probably he never will have to face them. But even if it comes to a crunch, Bradley would seem to have a tremendous advantage over someone like Lindsay, who was always perceived, at least, as something of an elitist. As Larry Bees, the graphic designer, put it, Bradley identifies with the "average" people in this city, of any color, and they are beginning to identify with him, to feel that their Mayor, who lives in the same small frame house he bought 20 years ago on his policeman's salary, understands their problems. They tend to agree with Irma Gross, a white salesclerk in the valley, who told me: "I feel he's one of us." Salesgirls or taxi drivers or schoolteachers in New York did not think they belonged to the same group as John and Mary Lindsay.

Yet Bradley is black; he has been shaped by different forces than Irma Gross or John Lindsay, and when I looked for the source of his tremendous determination, the roots led back to race. "As a white man, it's something you can't understand," said Bill Elkins, a boyhood friend of Bradley's and now one of his top aides. "There's something in the black experience that produces a driving, motivating force in many young blacks to achieve. They feel a need to disprove all the myths of racism." Bradley once told Robert Kistler of The Los Angeles Times: "All my life I've had to be better and smarter and tougher than the next man. If I hadn't, I wouldn't have made it as far as I have."

After the election, however, Bradley seemed to relax a bit. Smiles and jokes came easier, and at his inaugural he startled the crowd by proclaiming: "I is de Mayor." A small thing, but very revealing. When I asked him recently to explain the remark, he gave a brief glimpse into what it must have been like to be a black at Poly High and U.C.L.A., in the Police Department and Leimert Park. He said he felt "a kind of looseness that I had never known before, the ability, the security to say that kind of thing over a radio or TV where the whole world is going to hear it. . . . I think that I have always been pretty disciplined about what I would say and what I would do. I think unconsciously I would be very careful so as not to make a mistake that could be used against me sometime in the future. And now having won, there's no worry. You don't have to think about that."

There have been costs. The need to be tough, to avoid mistakes has impaired Bradley's personal life. His golf clubs have been gathering dust for 10 years, and apart from an occasional football game—which usually turns into a campaign event—he seldom indulges in personal pleasures. For Tom Bradley, said his aide Phil Depolan, relaxation is working in a sweater instead of a coat and tie.

Bradley's wife and two daughters, now in their late 20's, have had to do without a husband and father most of the time. "You know," Ethel Bradley said during the 1969 campaign, "that man went to law school 18 years ago and I haven't seen him since." She has built her own world around her own interests—the Los Angeles Dodgers and a spectacular flower garden—and when Tom finally does come home, she is there. One daughter is a schoolteacher, the other a beautician and secretary who has had occasional brushes with the law over possession of marijuana. They, too, lead their own lives, and one gets the feeling that being a parent has not been a major part of Tom Bradley's life.

He has clearly decided that the price of being a public figure is worth it. Today, Tom Bradley is a recognized power in the Democratic party, the most likely heir to John Lindsay as a spokesman for American cities. A few of his more ardent admirers whisper about a possible Vice-Presidential nomination someday, and "Teddy and Tom" bumper stickers sprouted briefly after the election. But Bradley really loves Los Angeles in the way only a parent can love a gangly adolescent, and whatever happens in his political future, one thing is certain. He is de Mayor!

## RUNNING OUT OF WHEAT?

Mr. CURTIS. Mr. President, we have heard much in recent days about the possibility of a dollar loaf of bread due to a wheat shortage. Secretary Butz points out that there is only 7 cents worth of wheat in a loaf of bread at present prices. I, for one, have been very disturbed about these wild charges because my Nebraska farmers tell me that a substantial amount of unsold wheat remains on farm and in country elevators in our State.

In an attempt to drive down the price of wheat, many bakers have made irresponsible statements which in many cases has resulted only in enticing some farmers to hold on to their wheat in hopes the bakers may be right and they can benefit from even better prices for their commodity.

Several voices of reason have appeared in the news media with regard to this subject. A recent syndicated column by Richard Wilson entitled "Spare Me the Bread Panic," was the first to appear. Now, the Wall Street Journal has published in its March 1 edition, an excellent editorial which I ask unanimous consent be printed in the Record for the benefit of my colleagues who are interested in obtaining the real facts on the current wheat situation.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Running Out of Wheat?

The American Bakers Association is making a lot of noise, predicting the nation will run out of wheat for a few weeks this spring and there will be a "bread blackout." They know how to hit an American where it hurts, saying that unless the government doesn't take immediate action this will also mean "no hamburger buns, no rolls for hot dogs at the ball games, no bakery snacks for children, no birthday cakes and no pizza."

By all that is red, white and blue, we fearlessly predict nothing of the sort will happen. Cash wheat already has begun to slide from a stratospheric $6.18 a bushel last Tuesday, a price so gaudy that it was attracting Canadian wheat. And with the price falling (it hit $5.59 yesterday) and a new crop coming along in May, foreign buyers may be unloading some of the whopping 480 million bushels they have under contract but haven't used. It takes only 23 million bushels to keep this country at least in bread for a month.

What the worriers seem to forget is that the price of wheat, unlike the price of oil, is not being controlled by the government. By bidding up the price, Americans can not only pull in wheat from Canada. They can also buy back wheat from the 1973–74 crop that has been sold for export but which has not yet left our shores. In effect, we have already repurchased 37 million bushels from the Russians when they agreed to defer receipt of current-crop wheat until the new crop comes in. They bought low, sold high, and contracted to buy back through the futures market at a lower price. Ah, capitalism.

The Agriculture Department has good reason to be complacent in the face of the horrors being projected by the millers and bakers. It knows that of that 480 million bushels sold for export but still sitting around, 131.8 million bushels are ticketed for "unknown destinations." Its experience a year ago with its new export monitoring system indicates that the system does overstate exports. Foreign buyers hedge against anticipated shortages or simply take speculative positions at attractive prices. Given the short-term world grain needs and the high U.S. prices, it's not unreasonable to expect that much of the unknown-destination export wheat, and even some of the known-destination wheat, will never leave the country.

Then too, the vision of scarcity painted by the bakers relies on the juggling of numbers in a "statistical year." But farmers don't plant and harvest in a statistical year. Wheat from the old crop doesn't have to last until July 1 because a few hundred million bushels of the new crop will be rolling into the supply stream in May. About the only thing that can present this at this point is drought and plague in Texas.

What really seems to be the problem with the millers and bakers is that for the first time in decades they're having to deal in a free market in wheat. Always before, they could get by on skimpy inventories because Uncle Sam, through the taxpayer-financed Commodity Credit Corporation, sat on mountains of wheat that was always available at a moment's notice, at a price. Now, they either have to carry inventory or develop fancy lines of credit so they can buy in the forward market. Many have, and are covered. Those that haven't are learning fast, and we'll venture another fearless prediction that they won't be caught short a year from now.

The only thing that baffles us is what the bakers hope to gain by pumping up scarcity horrors, which can only put upward pressure on prices. Those who have cleverly covered themselves in the forward market would seem to have most to gain, competitively speaking, by putting up prices. Those who haven't covered themselves would be better off spreading wild stories of a huge wheat glut come spring.

While we're confident the nation will not run out of birthday cakes and pizza pies, we're not totally unsympathetic to the millers and bakers. After all, they were squeezed as unmercifully as any sector by the Cost of Living Council, until they were finally permitted to pass through soaring raw-material costs into the prices of their cakes and pies. But having learned so recently how brutal government intervention *in the* economy can be, it is troubling that they should now be demanding it again.

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## NEW DIRECTIONS IN THE FEDERAL FUNDING OF URBAN PROGRAMS

**Mr. MATHIAS.** Mr. President, recently the Assistant Secretary for Policy Development and Research at the Department of Housing and Urban Development Michael H. Moskow spoke to the Regional Conference on the Urban Involvement of Higher Education at the American Council on Education here in Washington. He described in his speech some of the HUD research and demonstration programs that he believes will help State and local governments carry out effectively the increased decision-making responsibilities envisioned under the New Federalism. Among these programs is the Urban Observatory program now operating in 10 cities including Baltimore. I found Mr. Moskow's comments interesting and enlightening. Mr. President, I ask unanimous consent that this speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### NEW DIRECTIONS IN THE FEDERAL FUNDING OF URBAN PROGRAMS

(Remarks by Michael H. Moskow)

The subject of this conference—the urban involvement of higher education—is one I approach with great fascination if not a little trepidation. The conflict between town and gown, after all, is almost as ancient as the battle of the sexes. And since HUD, to my knowledge, has contributed little to a resolution of the latter, you are perhaps entitled to some skepticism about its prescriptions for resolving the former.

In times past, the mutual suspicion and tension between university and city has been cast in almost apocalyptic terms. It was the conflict between good and evil no less, between the worldly and the innocent, between the untrammeled pursuit of truth and beauty and the contaminating temptations and brutalizing diversions of the real world.

That view was reflected in the decidedly rural bias that shaped the locational pattern of American colleges and universities—a bias that only now is being washed away by the vaulting growth of an Urban America. The founders of the University of North Carolina, just as an illustration, had such deep-felt concern that a townsite would contaminate academic activities that their charter—which was written in 1789—stipulated the university could not be located within five miles of any seat of government or any place where law and equity courts met.

Today, of course, such anecdotes amuse us. It is difficult for most of us to fathom the heat that men could bring to such concerns when all around us we see the blurring—even the disappearance—of fixed institutional roles and the erosion of traditional lines of jurisdiction in the face of extraordinarily rapid social change.

Obviously, there is now an enormous communications belt between the academic world and government. The heavy traffic between the universities and Washington, together with the heavy flow of Federal research money that inspires much of it, long has stood as mute testimony to the growing, if still uneasy, partnership forged between Federal policymakers and the university community.

That partnership, of course, did not really flourish until after Sputnik, but it was supported by a reasonably long tradition of public service in the universities going back to the land-grant colleges with their research to help farmers and to the Wisconsin Idea of Robert LaFollette who as Governor of Wisconsin pressed the state university at Madison into service as a brain trust for his reformist government.

While much of the academic traffic has related to defense or space, we have seen an explosion in Federally-supported social science research which came into its own during the long hot summers of the Sixties. At the end of 1973, HUD expenditures over the last six years on research in housing and urban affairs totaled $230 million. And in the past decade and a half we have witnessed an almost spectacular emergence in the universities of an urban studies movement, of new urban research centers and of the urbanologist as among the brightest stars in the academic firmament.

Yet, with all of this, it has been a little like a party to which the guest of honor was not invited. The bridges to Washintgon may have been in good repair. But what about City Hall? Where was the mayor, the sanitation commissioner, the police chief, the city council president? For them, the bridges hadn't yet been built; the age-old chasm between city and university remained.

I would not wish to overstate the point lest you go away thinking I had not recognized the incalculable value of the basic research into urban problems that has resulted from this enormous blossoming of academic interest in the cities.

But I think Paul Ylvisaker, then of the Ford Foundation and now Dean of the Harvard School of Education, at a meeting sponsored by the American Council on Education almost a decade ago when the urban movement was still very young, put it about as well as anybody—and the remarks are still relevant. He said:

"I believe that we are now coming to the end of the first period of urbanization and have reached the stage where the ideas produced during our decade of academic analysis are being picked up by political leaders—the men of action. And, having adopted these concepts, the men of action are now asking for programs to cure the ills the analysts have diagnosed. What we need at this point are a few simple tools that the man on the street can grasp and use in his attempts to manage the new society. But such tools are hard to develop. Adequate programs can be developed only when we get close to where the problems are."

The man on the street and at City Hall is still waiting for those tools.

The New Federalism, by putting money and power back where the problems are, is designed to shorten the wait. The whole thrust of the new direction this Administration has charted in the Federal funding of urban programs is to give people with bad housing and state and local governments with immovable problems, which is about all of them, the cash they need to back up their *own* particular priorities in the marketplace and to set their *own* agendas.

This means experimenting with direct cash assistance, as we now are doing, as an alternative to inefficient and inequitable Federal construction subsidies to help those in need of safe and sanitary housing. And it means general and special revenue sharing which give the decision-making authority back to state and local governments, as the alternative to narrow categorical grant programs, which keep the Federal bureaucracy in the driver's seat.

We have been running blind for too long, throwing Federal money *at* social problems without paying enough attention to the results—or lack of results.

Seven per cent of our population still lives in substandard housing. These are people for whom the solemn national goal set by Congress in 1949 of a decent home in a suitable living environment seems little more than an empty promise. The Housing and Urban Development Act of 1968 established a production timetable which sought to deliver on that promise in a decade but instead skewed Federal housing programs toward an emphasis on *new* production—the most expensive and least efficient possible method of fulfilling that promise. The result has been that some $65 billion to $85 billion has been spent or committed in housing subsidies to provide a grand total of about 2.7 million housing units for the needy. That has provided housing assistance for fewer than one family out of 15 that technically are eligible for such help. To help all of those eligible through the subsidy approach would cost, we have estimated, some $34 billion a year.

By contrast, if we were to provide direct cash assistance, we estimate the annual cost of helping *all* of those in need of safe and sanitary housing—not just one family out of 15—would range between $8 billion and $11 billion. It would not be done with mirrors. It would simply shift the emphasis to existing standard housing and away from *new* production and it would rely on the proven effectiveness of the market mechanism to meet demand.

The new tack we are taking both in housing and in community development stem largely from the realization that the fire-fighting policies we had fashioned, in our haste, during the depths of the urban crises of the Sixties had, in many cases, simply *added* to the likelihood of future conflagrations. This new understanding cuts across party lines. Whether the Administration's Better Communities Act is passed or one of the Congressional alternatives, such as the Barrett-Ashley bill, is passed, or whether some compromise proposal, one thing is certain: money and power, which for decades have been pouring *into* Washington, are going to begin flowing back to the places where the problems *are*, to the people who are on the spot, on the firing line, and who can respond to local priorities and local needs.

The Better Communities Act, as you may know, in lieu of seven categorical grant programs administered by HUD—urban renewal, model cities, neighborhood facilities, public facilities, rehabilitation loans, water and sewer grants and open space grants—would distribute the money to local governments and States on the basis of objective criteria, not on the basis of who is best at the game of grantsmanship.

The federal government has begun to move already in new directions through such agencies and processes as Federal Regional Councils and the delegation of more authority to the field.

We have reversed a sustained, pernicious and bankrupt tendency to believe that Federal officials in Washington were the only persons who cared enough or knew enough to deal with domestic problems. Billions of dollars later, we have learned that Washington possesses neither a corner on compassion nor a monopoly on the capacity to solve tough problems. Indeed, we have discovered the contrary. Local communities ,through their locally-elected officials, are axious and able to attack their problems.

In essence, the New Federalism really represents the best of the old Federalism. It is grounded on a confidence in the people, on the assumption that Americans are capable of judging what is best for themselves; and that locally-elected officials are the best barometers of local needs. They are directly accountable, and accountability is at the heart of the New Federalism.

As Secretary Lynn has said, "Sending dollars and problems to Washington may salve consciences, but it does not solve problems." What, you may want to know, are the implications of the New Federalism for the universities? What is going to happen to your research contracts? You may wonder.

Well, the first thing is that those bridges to Washington I spoke about earlier are not going to be enough any more. A lot of new bridges are going to have to be built to supplement them. But I think it will be worth the effort. The market for urban research won't dry up. It will simply shift and I strongly believe it will show new vigor. With new authority to set priorities, local governments will have a heavy new responsibility. To carry it out they will need to greatly improve their planning and management capabilities. They will need better data systems, better analysis, better control systems. They have always needed these things, of course, but now they will have the incentive and the cash to get them.

To help bring all this about, the heavy academic traffic should now flow across town to City Hall as well as to Washington. A strong network of university-local government partnerships is needed. The troubled waters between university and city must at last be bridged.

That will be no small task. As William P. Irwin of the Milwaukee Urban Observatory has written in *Urban Affairs Quarterly* (Sept. 1972):

"The psychological distance from a research scholar to a government technical representative with a graduate degree in Washington, D.C., is usually a good deal shorter than it is to a municipal line officer several blocks away. Local officials frequently have no idea how to state a research or service need in a manner that the academic researcher can comfortably examine. University scholars are at times woefully inept at explaining their research interests and abilities in terms which the official can relate to his operating needs. The quandary is deeper still. Both the official and the scholar may be quite unaware of the sort of assistance the former needs to discharge his responsibilities more knowledgeably. The upshot is that both tend to retreat into defensive and at times sniping positions."

The Urban Observatory program, which as you know was begun in 1969, is administered by the National League of Cities and funded by HUD and HEW and it represents the indispensable cornerstone in building a network of local government-university partnerships. The program operates at present in 10 cities—Albuquerque, Atlanta, Baltimore, Boston, Cleveland, Denver, Kansas City (both Kansas and Missouri), Milwaukee, Nashville and San Diego. And it has begun to build in these cities an effective transmission belt for bringing local research capabilities to bear in the search for solutions to local community problems.

The impact of the program has varied, of course, from city to city. In Albuquerque, for example, the impact has been important not so much in terms of research but in terms of providing a mechanism for an intergovernmental forum. It is operated under a joint-powers agreement among five involved agencies: the City of Albuquerque, the County of Bernalillo, the Albuquerque Public Schools, the University of Albuquerque, and the University of New Mexico. The value of the Observatory has been as a neutral meeting ground. It has provided the base for several coordinated efforts, including a conference on economic growth sponsored by all five agencies, and it has served to legitimize efforts that look toward integrated planning, programming and cooperation.

A housing inspection services study sponsored by the Boston Observatory resulted in a simplification of the housing inspection department's reporting system, the hiring of new inspectors and the training of them with funds allotted from Title I of the Higher Education Act of 1965; it also resulted in attempts to move the department away from a compliance orientation toward one of service. In Baltimore, on the other hand, a similar Observatory study brought into question the whole inspection mechanism, and caused the city to decrease inspection activities and concentrate its efforts on getting mortgage money into the inner city.

A study commissioned by the Boston Observatory of the "Little City Halls" program in that city clearly saved it from probable termination and provided impetus for the mayor to strengthen the program. As a result, voter-registration procedures were simplified and decentralized to the little city halls.

A study of neglected and delinquent children in Nashville resulted in a complete revamping of the service system, which now is reported to provide better service to children at less cost. Survey techniques introduced by the Nashville Observatory were picked up and reused by at least four city departments. The existence of the observatory has encouraged departmental self-examination. I am told, and has enhanced the capacity of the local government to conduct long-range planning.

In Milwaukee, the Observatory has set up an Urban Research Information Center to provide for public agencies, the university and community groups a comprehensive storehouse of knowledge on urban problems.

The Denver Urban Observatory has been entrusted by the city with the task of basic research for the city-charter revision, which gives an indication of the respect the observatory has earned there.

Clearly the urban observatories have proven to be valuable instruments for local governments in enhancing their planning and management capacities. They obviously represent an important step toward realizing the goals of the Better Communities Act and of the companion proposal, the Responsive Governments Act, which would provide financial assistance to increase local government capabilities in planning and managing resources—recognizing that they now are generally inadequate—in order to achieve local community goals in areas such as community betterment, adequate housing and environmental conservation and protection.

The chief disappointment in the observatories program has been the limited impact it has had on cities outside those that have been direct participants. That is a weakness we hope to resolve.

Because of the program's great value, the decision has been made at HUD to continue funding it at its present level in the next fiscal year—which is in the neighborhood of $1.5 million. To broaden the program's impact, however, we have decided to bring a set of 10 new cities into the network. The present 10 generally exceed 250,000 in population. The new set would be somewhat smaller in size to ensure a greater, diversity of metropolitan areas.

As the National Academy of Public Administration said of the Urban Observatory program in 1971, it is "aimed at building a new institution in urban America to link decision and scholarship on urban problems." Institution building is, of course, a long-term process. By broadening the network, we believe we will be strengthening this infant institution's roots in urban American and thereby ensuring its growth.

A university, of course, is a great deal more than a repository for research contracts, much more than a service station or a knowledge bank for men of action. It is a community of scholars with a diversity of interests that, by definition, go far beyond the occasionally mundane concerns of municipal officials. The energies of that community of scholars in pursuit of their own interests offer in themselves an enormous potential treasure house for the urban community.

In an effort to partially tap those energies, I am announcing today that HUD will provide support for doctoral dissertation research in selected housing and urban studies through grants. Announcements of this initiative together with guidelines for proposal submission will shortly be sent by HUD to all members of the Council of Graduate Schools in the United States. The maximum grant will be $10,000 for one year. We anticipate as a part of this initiative, to convene an annual conference at HUD of the grantees, an advisory panel and other urban experts to discuss current urban policy issues.

Let me turn now, if I may, to another program for which HUD has major responsibility and which promises significant improvements in local government administrative capacities. I am referring to the program of the Urban Information Systems Interagency Committee, or USAC. The Committee, as you may know is a consortium of ten Federal departments and agencies chaired by a representative from HUD, which is the lead agency. USAC's focus is on the capabilities of the modern electronic computer and the opportunities it provides not only for doing things faster and more efficiently but also for amassing and analyzing the vital information needed to formulate and manage local government programs.

USAC currently is sponsoring the development of prototype automated information systems in five cities: Dayton, Ohio; Charlotte, N.C.; Reading, Pa.; Long Beach, Calif.; and Wichita Falls, Texas. These demonstration projects have shown great promise of transferability to other cities.

Total Integrated Municipal Information Systems (IMIS) are being developed in Charlotte and Wichita Falls. This means that information systems are being applied to many groups of related activities, or modules, as the technicians define them.

The systems in the three remaining USAC cities, on the other hand, are more narrowly focused and concentrate on one particular functional subsystem. In Long Beach, for example, the focus is on public finance modules and in Reading, it is on physical and economic development modules.

I don't wish to burden you with a lot of computer jargon. You're interested—as we are—in what the payoffs are. Well, let's take Charlotte as an example. A fire operations module has been developed there which provides fire fighters at the scene of an alarm with rapid access to stored computer data on each building for which a fire inspection has been conducted—providing information for example, on the amount and location of volatile materials, which can be critical to the fire-fighting or rescue tactics used. The result is improved fire services to the community, increased protection for the fire fighter and the minimizing of life and property losses from fires.

The equipment management module in Charlotte provides municipal officials with a data system which insures that each unit of expensive equipment—from police cars to fire trucks to street cleaning equipment—provides a maximum of service with a minimum of down time. It does this by providing reports on each unit's maintenance history, reports that pinpoint abnormal conditions and preventive maintenance schedules.

The landfill control module provides public works administrators with an efficient means for the planning and control of solid waste disposal activities, specifically the recording of detailed information on landfill use and the nature and amount of refuse received from residential, commercial and industrial sources.

The traffic control maintenance inventory module provides a mechanism for maintaining an inventory by location of all traffic control devices and pavement markings, thus facilitating maintenance work.

The geographic data index maintenance module provides a workable mechanism for linking together data from all city departments based on geographic identifiers.

All of these systems permit incremental improvements in specific areas of city administration. They may not seem dramatic. But the cumulative impact of many such incremental changes and improvements in municipal operations is what ultimately is going to make the difference between cities that can cope and cities that cannot.

Revenue sharing is one answer—but it is not going to permit profligacy in the face of rapidly growing service demands. To stay in place on the treadmill, most cities are going to have to launch determined efforts, as well, to improve productivity so that they can provide better service at the same or less cost. The USAC program offers them one tool for accomplishing that.

Let me *close* with a brief general word about the federal government's research role when the New Federalism is no longer a vision but a fact. I have been talking mostly about *one* of the several goals of our program activities in Policy Development and Research at HUD, which is to strengthen the capabilities of state and local governments to meet public needs, a goal which includes the development of an improved research and development capacity at the state and local levels. It must also be recognized, however, that when it comes to research and development, the Federal Government has a unique role to play. Federal R&D can take advantage of a critical mass of human and dollar resources that may elude State and local governments. It can take advantage of economies of scale and central data collection and it can do a more uniform job of dissemination. What it *cannot* do is force a federal solution to state and local problems. The central conclusion of the 1972 report of the Committee on Intergovernmental Science Relations, you may recall, was that technology cannot be force fed. The demand for it must be created and nurtured. What this means, obviously, is that while the Federal Government under the New Federalism will have a unique capacity to conduct technological and managerial research and to demonstrate new systems and methods for application by other levels of government, it cannot perform that work in a vacuum free of "reality" and practical needs as seen by those on the firing line at the state and local level.

Clearly, then, if Government is to meet the most pressing domestic needs of the 1970's, there must be a flexible and responsive research partnership among all levels of government.

The university community working closely with all levels of government can provide the indispensable glue for that partnership.

## THE NIXON PRESCRIPTION FOR HEALTH CARE

**Mr. KENNEDY.** Mr. President, I ask unanimous consent that the following article by Dr. Rashi Fein, professor of economics of medicine at the Harvard Medical School, be printed in the Record. Dr. Fein's article constitutes an insightful analysis of the President's recently introduced comprehensive health insurance program. The article highlights many of the inequities implicit in the system, and the incredible complexity of any program of insurance which is related to employment. Any such program leaves millions of Americans in gaps in coverage, and discourages millions of others from obtaining needed health care, because of the high price of care over and above the program's coverages.

Dr. Fein is one of the most respected thinkers in the field of national health insurance, and I urge my colleagues to carefully consider this brilliant analysis.

There being no objection, the article was ordered to be printed in the Record, as follows:

### The Nixon $R_x$ For Health Care

(By Rashi Fein)

President Nixon has sent Congress his blueprint for a national health insurance program that, if written into law, would represent a significant improvement in meeting the medical bills of many Americans. But that says more about the size of the problem than about the wisdom of the proposed solution. For the administration's system would be one of complexity, confusion, inefficiency and inequity.

Under the administration's plan, millions of Americans would remain without protection. And even for those covered, medical care would continue to be rationed on the basis of income.

This is so because of a series of policy decisions made for ideological reasons. Faced with public concern over rapidly rising health costs, the President chose to stress *voluntary* enrollment, largely private financing (with funds flowing from employers and employees to private insurance companies), a minimal impact on the federal budget, and supervision by state rather than federal officials.

The administration's plan has three major components:

First, under the Employee Health Insurance Plan, employers would be required to offer their employees a health insurance plan with a federally defined set of covered services (the basic plan), coinsurance, deductibles and maximum liability provisions. If the employee elects to be covered, 75 per cent of the premium costs would be paid by the employer.

Second, under the Assisted Health Insurance Plan, states would contract with carriers to offer the basic plan of covered services to persons who are not working, who fall below defined income levels, or who are high medical risks (for instance, the disabled now covered by Medicare). Individual premium payments, out-of-pocket expenditures for medical care and annual maximum liability would vary with income. Program costs would be met by contributions from employers (where applicable), those insured, and state and federal funds. This plan would replace most of the existing Medicaid program.

Third, the Federal Health Care Benefits program would replace Medicare. The services covered would be identical to those provided in the basic employee plan. Premiums, out-of-pocket costs and maximum liability, again, would vary with income.

Americans would sort themselves (or be sorted) into one of the three programs and move between them as their socio-economic and demographic characteristics changed. In recognition of "voluntarism," each of the plans would provide "the opportunity . . . to obtain coverage" rather than the coverage itself. In recognition of "pluralism," each of us might face a different insurer as we changed employers or moved from one state to another.

#### EMPLOYERS AND EMPLOYEES

First, consider the Employee Health Insurance Plan. This part of the program would require that employers offer those employees who qualify, based on hours and weeks of work, a defined health insurance plan, and that, usually beginning about two months after the onset of employment, the employer contributing 75 per cent (65 per cent in the first three years of the program) of the premium expense for the covered employees. The employee would pay the rest.

The administration estimates that the benefit package defined in the plan would require a total premium of approximately $600 for a family and $240 for an individual. Recognizing that the $450 employer contribution to the premium might significantly increase payroll expenses, the plan provides for a federal subsidy (declining over a five-year period) to employers for a portion of the premium costs in excess of 3 per cent of total cash wages.

What might all this mean to the employer, to the employee, to the labor market? Some general answers are clear. Small, marginal and low-wage employers would find that, if the employee has a family and elects to be covered, the mandated premium expense would lead to a significant increase in costs. Even with the maximum subsidy, an employer whose employees elected coverage for themselves and their families and who had average annual wages $7,500 would find the wage bill increased by over 3.5 per cent in the first year. By the sixth year, with the decline in federal assistance and the increase in employer's contribution rate, premium costs would add a full 6 per cent to payroll expenses. While these percentages are reduced if the average annual wage is higher, there surely can be little doubt what kinds of workers employers would prefer: employees who elect to do without coverage, ineligible part-time rather than full-time workers, single individuals rather than heads of families, and temporary rather than permanent help.

Whether any of these factors would have a significant impact on, say the Ford Motor Co.'s hiring policy is not the point. The program the President offers is not really addressed to UAW members (whose coverage, in a number of respects, is already better) but to employees not now protected by an adequate health insurance program—people who are now and, in many cases would remain, in difficulty. It would make it more difficult for low-income heads of families to obtain regular, full-time employment.

Of course, it can be argued—and with considerable merit—that the impacts on employees are in part illusory; that premium would be shifted from employer to employee through the wage determination process (and to the consumer through inflation). But if that be the argument, we can question whether premiums of $600 permit us to say, as the President does, that the program "will cost no American more than he can afford to pay." This is surely not the case for those with low income.

Regrettably, too, the program has regressive characteristics: A premium that is a fixed dollar amount is a higher percentage of low incomes than of high. Thus, married employees with annual income of $7,500 would face a 2 per cent "tax" to meet their share of premium costs. For those with incomes $75,000 the "tax" would be a 0.2 per cent.

The adverse labor market and regressive tax impacts wuold be mitigated—though at a price—as some employers induce their employees to reject coverage. Though the bill prohibits such actions, there are subtle (and not so subtle) ways of accomplishing that objective. Again, those affected would be the economically most valuable, those who need coverage the most. Presumably, however, we who have coverage would feel better by having erected a fiction that the failure to obtain coverage was a matter of free choice.

The difficulties were known but not correctable. The decision was in favor of voluntary enrollment, employer-employee cost-sharing and minimal federal contributions. These are incompatible with progressivity and universal coverage.

### COSTS AND BENEFITS

The basic benefit package that the program mandates includes a long list of "covered" services: inpatient hospital service, physicians' services (though not including routine checkups), home health services, outpatient drugs, dental and vision care for persons under age 13, and more. Close examination of the nature of the program suggests, however, that the President's advisers use the term "covered services" loosely.

First, we would face deductibles, the dollars we must spend for covered services before insurance provides any assistance. In the Employee Health Insurance Plan these deductibles would equal $150 per person for covered medical services (but with no additional deductibles after three members of the family have *each* reached the $150 level) plus an additional per-person deductible (without a family limit) of $50 for outpatient drugs. A family of five—in circumstances where only two members have satisfied the deductible—could face expenditures of almost $1,000 on covered (and additional amounts on uncovered) services over and above the premium contribution *before any insurance benefits were paid*. A family of two would need to spend only $400 before receiving cash benefits.

After the deductibles have been satisfied, coinsurance would enter the picture: The plan would pay 75 per cent of the approved charges; the insured person would pay the remaining 25 per cent (and any charges in excess of those approved). There is, however, a limit to these "cost-sharing" expenditures by the insured: a "maximum annual liability" provision. For a family under the employee plan, this maximum liability (not including premium costs, payment for non-covered services, and of unapproved charges for covered services) would be $1,500 ($1,050 for an individual). The maximum expenditure for medical care would, of course, be greater since some services are not covered at all or have limits placed upon them (for instance, routine physical examinations including well-baby care, dental care, services to the mentally ill).

Certainly many Americans would benefit from such protection. Though the deductibles and cost-sharing rates would be quite high, many of us lack even those protections today. Millions more lack the plan's maximum liability protection. While few persons or families would reach the maximum—an individual would have to receive at least $3,600 worth of covered medical services before reaching the $1,500 liability limit—the presence of such a maximum would offer a measure of security that has real value. The more then the pity that the basic structure of the plan—the choice not to have a system that could relate benefits or premiums to income—creates a ridiculous situation: A working family with income of $7,500 would have a maximum liability of 20 per cent of income, while one with income of $15,000 would have a 10 per cent ceiling, and one with income of $75,000 would have a 2 per cent ceiling. Nor are the ceilings adjusted in any way to take account of family size and thus of other demands on income.

### PAYING IS GOOD FOR YOU

That the administration has proposed a system with high deductibles and cost-sharing is no accident. Given the desire to utilize employer-employee funding and on a voluntary basis, premium charges cannot be tied to income in a progressive (or, for that matter, even in a proportional) manner. Lowering deductibles and cost-sharing rates would significantly increase premiums since more Americans would receive cash benefits. In the absence of progressive funding, such premium increases would quickly price many employers and employees out of the market and would make the regressive impact of medical costs so explicit as to call the entire approach into question.

The administration, however, does not view the consequences of the deductible and cost-sharing as undesirable. In the past, the President's advisers have often argued that the introduction of deductibles and cost-sharing would: 1. reduce the utilization of medical care (though, in some unexplained way, not interfering with necessary care); 2. increase price consciousness on the part of consumers who would have to pay for care out of their own pockets. Both of these effects would help contain inflation.

In his message to Congress, the President stated: "By sharing costs, consumers would have a direct economic stake in choosing and using their community's health resources wisely and prudently." Furthermore, such sharing—a "sharing" in which the consumer pays 100 per cent of a significant deductible—clearly fits the ideological thrust of the administration: the need to stand on one's own two feet, not to be pampered.

These are interesting arguments even if based on erroneous facts and faulty theory. The chief difficulty relates to the belief that deductibles and cost-sharing, as constructed, can serve the same purpose for families with different incomes, tastes and medical needs. Clearly a family of six with income of $7,500 facing a premium of $150 and, say, $600 expenses which it must meet out of pocket without *any* insurance assistance is likely to behave differently in deciding whether to seek medical care than would a family of three with income of $27,500 facing the same premium and deductible. If costs to the consumer do make a difference—and the administration believes they do—then surely they don't make the same difference to all. Could deductibles have varied with income to help mitigate the problem? Not within the game plan chosen.

The consequences of the administration's decision are apparent: Medical care would continue to be better for those with higher incomes. Cost-sharing would discourage many from using preventive and early detection care. This is a necessary consequence of the administration's desire to have the payment system stay outside the federal budget and remain voluntary and private. It is a consequence of the desire to erect a system that reflects the administration's assessment that the issue is financial protection against high expenditures rather than a system that reflects the need to remove economic barriers to care at all levels.

### WHO'S ELIGIBLE FOR WHAT?

In recognition of the fact that many Americans would not have an opportunity to enroll in the employee plan, a second program, Assisted Health Insurance, with the same set of covered benefits, is proposed. This insurance would be developed through state contracts with insurance carriers. Thus we have a series of state programs meeting federal standards and guidelines rather than a federal program.

In general, the plan would enroll families with incomes of less than $5,000 ($3,500 for individuals); nonworking and very high-risk working families with incomes between $5,000 and $7,500; nonworking families with unusually high medical risks—such as the disabled—regardless of income; and unusually high-risk employer groups. Premiums, deductibles, cost-sharing rates and maximum liability provisions would all be income-related. Carriers would derive their income in part from employers (where applicable), in part from those enrolled (where income is sufficiently high to require payment), in part from state contributions with significant federal assistance to the states.

And thus the sorting and sifting begins. Persons would not be eligible for *the* program but for a particular program, and their eligibility would change with changes in employment status, income, health risk and state of residence. In a mobile society, this program structure would provide benefits not only to sick people but to the data processing industry as well. Yet unnecessary costs are not all that is at stake. The greater difficulty is that in systems of such complexity some individuals—again, those least educated and most vulnerable—are the ones most likely to fall between the cracks, to find themselves without coverage.

The Assisted Health Insurance Plan would replace the present Medicaid program (except for certain services not covered). No one can differ with the conclusion that the state Medicaid programs, with varying benefits and eligibility standards, need replacement. Uniformity is desirable. But the lesson of the need for uniform benefits and eligibility was not the only lesson that the administration should have learned from the Medicaid experience. Some of us have been impressed by the inability or unwillingness of many states to provide for efficient, administration and review—problems that remain with the heavy emphasis on state rather than federal program development and control.

We have also come to recognize the need to reduce economic barriers to care. Yet the Assisted Health Insurance Plan offers some Medicaid recipients fewer benefits than they now have and sets significant economic barriers for many—barriers that would reduce the utilization. While a family with income of $4,000, for example, would not have to spend more than 9 per cent of income for covered services, the problem in meeting the initial deductibles and cost-sharing payments, the first $360, cannot be overlooked. Clearly, these out-of-pocket expenditures would represent important economic barriers to care for those who, above all others need assistance: those with few cash resources.

### INSTEAD OF MEDICARE

The President also proposes that the Medicare system (though not including the disabled) be integrated into the new plan. The list of Medicare-covered services would be altered to conform to the mandated health insurance plan. As a result, certain services not covered at the present time would be covered—for instance, outpatient drugs, subject to cost-sharing—and all beneficiaries would be protected by a maximum annual liability (ranging up to $750, depending on income). These benefits are real, and they help address some of the inadequacies of Medicare.

It is unfortunate, however, that the administration's proposals would require additional payments for medical care on the part of many elderly. Deductibles, cost-sharing rates and maximum liability limits would vary with income, with a maximum $100 deductible and 20 per cent share of the costs above $100. This deductible would be greater than the $60 deductible for physician services that now applies, and the cost-sharing rate would be extended to cover hospital care where it is found only to a limited extent today.

Thus, the changes would provide greater benefits to some elderly, particularly that very small number with unusually high medical expenses, while reducing cash benefits to the many whose medical expenses are more limited. These proposed changes surely need to be seriously debated.

So, also, does the departure from the Medicare social insurance principles, Medicare would be transformed into an income-related program as it is replaced by a plan that would introduce income tests and vary the cash value of benefits with income. This, too, is the result of policymakers' preferences. Can we believe that the introduction of income tests into the social insurance system represents the preferences of the people?

In both these programs, with premium costs and benefits that are income-related, attention must be paid to the creation of "notch effects": situations in which small increases in income result in large increases in costs to the covered person. These difficulties are illustrated by a simple example: In the Assisted Health Insurance Plan, an increase in family income of $500 (from $4,500 to $5,000) would lead to an increase of $300 in premium costs, of $50 in per-person medical deductibles, of $25 in drug deductibles, and of almost $200 in maximum liability. Though the dollar amounts differ, a similar situation is found in the Medicare-replacement program. It is even possible to find that a $1 increase in income could lead to an increase in premium and other medical care costs of over $400. At low incomes, *and only at low incomes*, the plan would severely penalize persons whose income increases enough to move them from one income class into another.

These deficiencies could not be eliminated. Once the package for the employees' health plan was determined, other parts of the program fell into place.

### FACTS AND FICTIONS

In his message to Congress, the President stated: "My proposed plan differs sharply with several of the other health insurance plans which have been prominently discussed. The primary difference is that my proposal would rely extensively on private insurers." Indeed, the President would provide for major participation by private carriers, though without the federal regulation he had called for in the 1971 version of his plan, and without addressing the issues of privacy and confidentiality of income data made available to the carriers under this program.

The President justifies his approach on the basis of the pool of talent that exists within the private sector in administering and designing health plans and on the basis of the belief that competition in the health insurance industry would reduce premium costs to the employers and employees. Thus, "if the government were to act as the insurer, there would be no competition and little incentive to hold down costs." The myth that competition among the private health insurance companies results in greater efficiency than is found in the Social Security Administration is simply not supported by the facts.

Nor do we face a choice only between public insurance with the demise of the private carriers and private insurance with their survival. Other alternatives are available. Medicare, after all, is a public program that utilizes the private sector in the role of fiscal intermediary. The desirability of that alternative needs examination. It is clear, however, that the issues are considerably broader than the administration suggests.

There is, however, one difference that the President chooses to stress that is nonexistent and fictitious. Three times in his message he stated that his plan would "insure that doctors work for their patients, not for the federal government." This incantation was repeated a week later, just after his checkup at Bethesda Naval Hospital, where he was examined by a team of federally employed physicians.

It is a disservice to the quality of the debate to erect a fiction about the relationship of physicians to the government under other national health plans before the Congress. None of the major plans would create a National Health Service (and does the President really believe that British physicians don't work for their patients?) or would alter the relationship between physicians and patients. A publicly financed program does not equate with government employment any more than the President's privately financed program means that doctors will be working for insurance companies. The real issues are sufficiently important to provide ample room for honest debate, without trying to create differences where they don't exist.

The President has called his plan "the very best way . . . to assure all Americans financial access to high quality medical care." It is not the best way. Perhaps the Congress could improve it here and there, but its time would be better spent if it considers other paths. It is time for debating policy, not for refining details.

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## THE QUALITY OF GROWTH

Mr. MATHIAS. Mr. President, one of the most disturbing aspects of our current energy shortages is the tendency of human beings to repeat past mistakes. While it may be necessary to grant temporary variances and adjustments in environmental laws to cope with our unexpected energy shortfall over the next year or two, it would be a tragic overreaction to completely dismantle the very laws which now give Americans some hope for a cleaner environment. We have reports that the administration may soon propose that the National Environmental Policy Act be made totally inapplicable to energy projects. We simply cannot afford to exclude valuable centers of knowledge from this crucial decision.

Equally distressing has been the delay in enacting a comprehensive land use bill. We need Federal legislation, not to dictate what use can be made of land, but rather to provide a positive incentive for proper State planning. Proper land use is an energy issue, and we should give it the same kind of priority which we give to other energy legislation. There is not one American city which could not significantly reduce its energy consumption by proper planning. What if American cities had been designed with energy conservation in mind?

Energy and raw materials shortages can be accommodated only if we recognize the dimensions of the problem, the interrelatedness of the solutions, the need for consultation and planning in the public and private sectors. Those who are charged with responsibility to provide energy and those who protect the environment and the consumer must recognize the futility of working at cross purposes. Russell E. Train, Administrator of the Environmental Protection Agency, had occasion to touch upon these points in an address to the American Association for the Advancement of Science. I recommend his remarks to Senators for they provide a valuable blueprint for accommodating the future. No one cares more deeply about bringing quality to the lives of Americans than Russell Train and I ask unanimous consent that the text of his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### Remarks of the Honorable Russell E. Train—The Quality of Growth

I am delighted to be here in such distinguished company and in such a delightful city.

Most of you, I am sure, saw the sign at San Francisco International that reads: "Welcome to America's favorite city." San Francisco does, indeed, come closest to the one city in America where every visitor would rather live than leave.

But even San Francisco has its faults. One of its biggest—the San Andreas—is the result of the fact that, deep down under us, one part of the earth is moving away from the other. I read somewhere that, if the present movement continues, then a few thousand years from now San Francisco and Los Angeles will wind up next door to each other. There are those, I would imagine, who would regard that as a thoroughly unnatural disaster.

San Francisco is not the only American city that stands on unsteady ground. Several years ago, the National Geodetic Survey reported that the earth is falling in certain sections of the country—including the Gulf Coast and the Central Valley of California. Much of the subsidence in these areas, the Survey said, is the result of our large-scale exploitation of such natural resources as water, oil and gas. That least partly explains the sinking sensation that some of us feel when we hear those who insist that the answer to the energy crisis is simply to push on with that exploitation on a far larger scale and at a far more rapid pace.

To learn that we stand on unstable ground is no longer, for us Americans, as surprising or unsettling a discovery as it once might have been. For roughly a decade, we have had the ground cut out from under us over and over again, and we have become increasingly unsure of our footing. We are no longer so certain of where we stand or where we are going.

We have become the most powerful and prosperous nation in the world. But we have learned, over the past decade, that both our power and our prosperity are subject to increasingly stringent constraints. We have discovered that there are rather severe limits to our ability to employ our military might to further our ends abroad. We have witnessed the steady erosion of our economic position in world markets. At home, where once we imagined we had uncovered the secrets to endless economic growth, we have found ourselves continuously beset by both inflationary and recessionary pressures at one and the same time. We have seen our first serious efforts at "social engineering" fall far short of their aims. Our standard of living has continued to rise at the same time that we have become increasingly less satisfied with the quality and character of our lives. We find that as we become increasingly able to afford the "good life," it becomes increasingly impossible to buy.

Once we would have shrugged these things off as mere "growing pains." We are just beginning to understand the degree to which many of our pains really do stem from levels and kinds of growth that simply cannot be sustained.

We are beginning to understand, as well, that we can no longer continue to act on the basis of some of our oldest and most ingrained assumptions. I think, in particular, of the assumption that we would never run out of room or of resources and that, as a result, we could forever be free and easy with both; and of the assumption that if, for a time, we found ourselves in a tight squeeze, then we could—in the nick of time and out of nowhere—count on the *deus ex machina* of our unrivalled scientific and technological capability, not to speak of our unexampled ingenuity, to extricate us from our difficulties and set us off once more on our predestined path to the promised land of progress and prosperity.

The space effort was, I suspect, the last hurrah of what seems in retrospect our incredibly uncritical faith in the virtue and value of anything that bore the label of "science and technology"—a faith that we backed not only with billions of public dollars in the space program, but with billions upon billions of private dollars in the stock market.

I am aware, I must hasten to add, that the words "science" and "technology" cannot be so indissolubly lumped together that we somehow come to regard them simply as different versions or stages of the same thing. There are, for example, those who say that the genuinely scientific purposes of the space program were very early sacrificed and subordinated to what became, in fact, largely an engineering and acrobatic extravaganza. What I am saying, simply, is that the technological offspring of science must now survive for sterner tests before they can command the acceptance and investment that once was theirs almost without asking. The supersonic transport is an excellent instance of a technological option that we might well have ardently and automatically embraced had it presented itself to us a decade or so ago. In my judgment, while the SST was a potential economic and environmental albatross when considered three years ago, the new priority which we must accord to energy efficiency should finally put to rest any plans to squander further private or public funds upon the SST.

Our growing environmental concerns, and most recently the energy crisis, have combined with gathering force to make us understand that we do not have unlimited room or resources. We are starting to see that our energy and environmental ills stem, essentially, from the same source: from patterns of growth and development that waste our energy resources just as liberally as they lay waste our natural environment. We no longer live in a time when we were few and the land was wide and waiting for us. We have reached the point where we can no longer insulate ourselves from the punishment and pollution we visit upon the earth and the atmosphere, and where the natural resources we once regarded as so endlessly available and expendable are becoming increasingly hard to get.

The energy crisis is part and parcel of our overall environmental problem—a classic symptom of the strains that occur when an organism begins to exceed the carrying-capacity of its habitat. It warns us that we had better begin to face up to the fact that modern man everywhere is pressing the limits of the resources and resilience of the earth. Shortages of metals and other critical raw materials lie ahead. Despite the marvelous productivity of American agriculture—increasingly dependent, I might add, upon abundant energy—and the miracles of the Green Revolution, food shortages and famine are becoming all too common around the world. In the oceans, fishery stocks have been rapidly declining.

We are, it is clear, moving from an age of resource abundance to an age of resource shortages. By choice or by necessity, we are going to have to learn to live within our limits. We are going to have to come to grips with the problems of growth.

I am not one of those who would overwhelm you with the apocolyptic visions of the Club of Rome, and exhort you to repent before the catastrophe comes. I do not believe the end of the world is at hand, or even on the horizon. But I do think that we need to begin now to change the ways we grow before change is forced upon us by crises of even greater severity.

We can begin by setting ourselves the goal of cutting in half by 1985 our recent growth rate in energy demand of about five percent. There are any number of ways of achieving that goal that will have no appreciable effect upon overall levels of economic activity or employment and that will measurably improve our quality of life.

If, for example, the average vehicle weight of automobiles could be cut from the current 3,500 pounds to 2,900 pounds; if the Congress approved legislation setting appropriate standards for space heating in new buildings and restrictions on commercial lighting, and if population growth rates remain at their present low levels, then we could achieve a 2.5 energy growth rate by 1985. If we combined these measures with increased use of mass transit, recycling, energy conversion from wastes and other energy efficient and energy conserving measures in the residential, industrial and transportation sectors of our economy, we could bring the demand growth rate down to 2 percent or less by 1985.

There are, in addition, possibilities for significant energy savings in U.S. agriculture, which consumes huge amounts of energy not only in the growing of the raw product itself but in the transportation and processing of that product. As world population continues to explode, the world's fossil fuel supplies are rapidly diminishing. Yet it is those fuel supplies that have enabled American agriculture to perform such prodigies of production, and that are the vital ingredient in both American food production technology and the Green Revolution. If we are to produce enough food to meet the rapidly growing demand abroad as well as our own needs at home, we must begin to explore such energy-saving measures in agriculture as the substitution of labor for energy and of animal and green manure for chemical fertilizer, the more efficient use of machinery, the greater use of mechanical cultivation rather than herbicides, the breeding of disease, insect and bird resistant seeds, the transport of materials by train rather than truck.

We can also begin to take advantage of the fact that the United States is the major producer of one of the world's most important and energy-efficient crops—the soybean. Last year, soybeans accounted for about 5 percent of all U.S. income from exports and was the largest single item among our agricultural exports. The increasing production and use of soybeans as a meat substitute would both ease agriculture pressures on energy and environment, and serve as a growing source of strength for our world trade position. Vegetable protein requires substantially less energy to produce than does meat protein.

Perhaps our most enduring changes must come in our patterns of urban growth, in the way we organize our activities in our urban areas. We hear it said, often, that most of our urban ills are the result of overcrowding and congestion. There are just too many people, we are told, jammed together in much too small a space. Yet what creates the sense of overcrowding and congestion is not simply the number of people who live and work in our urban areas, but rather the fact that their jobs, homes, shopping centers, recreation areas are strewn like debris across the length and breadth of the landscape. It seems quite clear, for example, that we could take the city of Los Angeles—with the precise number of people, schools, airports, power stations that it now contains—and by arranging these differently achieve a hundredfold improvement in the quality of life and save, in the process, considerable amounts of energy, money and time. The streets would be less congested; open spaces and recreation areas more open and easily accessible; the air would be cleaner; far more of the services people need and the activities they seek to enjoy would be only a few minutes away by foot, by bicycle, by bus or by train; and life would be far brighter and far more bearable.

The spread patterns of settlement and development that characterize our urban areas are the unfortunate legacy of our old illusion that we had endless acres of land to build on and unlimited energy to burn. Unlike the cities of Europe, where land was scarce and small, our cities did not grow up—they grew out. They became what Wilfred Owen has called "accidental cities," which put "a premium on moving" because they "offer so little in the way of living." We have, as a result, become a country in which licensed drivers outnumber registered voters, in which for every baby born more than two cars roll off Detroit's assembly lines, in which—according to one estimate—the average commuter spends a month of daylight hours every year driving to and from work.

We need to bring our cities back together and reduce all the unnecessary travel and travail that, in Wilfred Owen's words, result "from the inconvenience of having things located in the wrong places." More compact forms of urban settlement and growth would be far more conservative of both energy and environment, and far more conducive to the "good life" that we so ardently seek.

In general, all of these changes that I have suggested would reduce our demands upon our resources and our environment while, in many respects, improving the quality of our life. If we use a little imagination and innovation in making these changes, they would not require reductions in the level of economic activity, but it should be emphasized that such changes would be far easier to accomplish—and the benefits of these changes secured—if we move more rapidly toward population stability. In my view, we should—as a matter of explicit national policy—do whatever is possible and practicable to hasten the achievement of population stability, and we should take all appropriate steps to provide leadership in achieving global population stability. But we should not deceive ourselves into believing that population stability—even if it were to occur tomorrow—would free us from the necessity of making the kinds of changes I have described.

For, the energy and environmental ills that afflict us, along with a great many other aggravations that seem so inseparable a part of modern life, are in large measures the result—not simply of how much and how fast we grow—but of *how* we grow, of the character and composition and quality of growth.

We can and should seize upon the energy crisis as a good excuse and a great opportunity for making some very fundamental changes that we ought to be making anyway for other reasons. I see disturbing signs, however, that we are responding to the energy crisis on the basis of the same old ideas and attitudes that brought us to our present pass in the first place. All we have to do, we are told, is suspend pollution controls and environmental standards and then pull out all the stops in an orgy of exploration, extraction and production that will give us enough energy to let us resume once more our wasteful ways of growing and living. (I have, I might add, often been struck by the fact that those who show little reluctance at pointing out the energy costs of certain pollution controls and environmental protection measures are extremely reluctant to acknowledge the large energy savings that many environmental measures would bring, and to draw attention to the often sizable energy costs involved in the very extraction and production of energy.) All we have to do, we are told, is invest vast billions of dollars in a mammoth Manhattan-type project that will once more enable our technological genius to come to the rescue.

Our first priority—in any national strategy that seeks to get at the roots of our energy crisis—must be to move gradually toward a deep and enduring reduction in energy demand. We need, at the same time, to move carefully and cautiously in the extraction and use of our current fossil fuel supplies, making certain that we apply the most effective and advanced techniques available for keeping environmental damage to the barest minimum. We need, finally, to undertake an intensive R&D effort to develop economically and technologically feasible ways of living off of our energy income rather than our energy capital, off of our renewable rather than our nonrenewable energy supplies, off of the sun, wind, tides and geothermal heat rather than off of our finite and rapidly falling reserves of fossil fuel.

When I testified at the Senate hearings on my confirmation as Administrator of EPA, I emphasized two things:

First, my commitment to the fullest possible participation by citizens in the decisions of their government, particularly in the environmental field.

And second, my conviction that EPA's enforcement policy can only be as sound as the standards on which it is based, and that those standards can only be as sound as the scientific data on which they are based. I emphasized my intention to strengthen the agency's ties to the scientific community.

My experience at EPA thus far has strengthened my conviction that public participation and scientific expertise are absolutely essential to our success.

Indeed, not simply the ability of EPA to get sound standards, but the ability of citizens to take part intelligently as well as fully in the decisions of their government, must depend very much on the extent to which the results of scientific research are readily understandable and available.

At precisely the point when the institutions and processes of government and politics are becoming absolutely essential if we are to resolve the intricate and interrelated issues before us, the citizens of this country are becoming more and more alienated and indifferent to those institutions and processes, which seem as ineffective as they are unresponsive. At precisely the point when the discoveries and achievements of our various sciences seem to bear most directly upon so many of our most pressing public problems, the gap between what the scientist knows and what the citizen understands has grown increasingly wider.

More than fifteen years ago, Hannah Arendt warned that "the 'truths' of the modern scientific world view, though they can be demonstrated in mathematical formulas and proved technologically, will no longer lend themselves to normal expression in speech and thought." To that degree, she went on to point out, these "truths" cannot enter into the political market-place and serve as a basis for public decision-making, for—in her words—"speech is what makes man a political being," and "men in the plural . . . men in so far as they live and move and act in this world, can experience meaningfulness only because they can talk with and make sense to each other and to themselves."

If we are to come to grips with the issues that I have touched upon—with what might be called the problems of growth—we are going to have to find ways of diminishing the distance between scientific knowledge and public understanding, and between the public and the processes of public decision-making.

To begin with, we are going to have to find new kinds of political leaders—leaders who understand that the fundamental issues before us are not always the isolated and immediate ones, but the interrelated and the long-range ones; leaders who understand that, in an age of growing scarcities, the ancient and honored practice of promising more of everything, of guaranteeing two chickens in every pot and two cars in every garage, is neither relevant nor responsible; leaders, in short, who understand that less is often better.

At all levels of government, we need *first*, to strengthen our ability to assess problems and programs not simply in isolation, but in their interrelationships; not simply over the short-term, but over the longer span of ten or twenty or thirty years; and *second*, to devise ways of keeping citizens abreast and involved in these longer-range analyses and, on the basis of these, in developing and deciding upon basic plans and priorities as well as strategies for achieving them.

Long ago, Aristotle observed that "that which is common to the greatest number has the least care bestowed upon it."

Americans, more than most people, have failed to take good care of the things that belong to all of us together: air, water, land, cities, regions, neighborhoods. Yet unless we start taking care of these things that belong to nobody in particular and everybody in general, we are going to find ourselves faced not only with a narrower range of individual choices than before, but with individual choices that are less worth making.

These common choices must be made through political processes and institutions that are both democratic and effective, that are large enough to encompass the problems and small enough to reflect and respond to the needs and desires of the citizens concerned. Most of these common choices involve problems that simply cannot be contained within any single local jurisdiction. Local governments are too feeble and too fragmented to cope with an increasing range of problems such as transportation, air and water quality, and above all the problems of growth—of the patterns and pace of development, of the way in which housing, jobs, schools, recreation and similar activities are distributed within a given area. Citizens within each separate jurisdiction are deeply and directly affected by decisions made within other jurisdictions; yet they have no say in those decisions. Each jurisdiction pushes and pulls against the other. And the citizens of each watch helplessly as their region assumes shapes and directions that are determined by forces they do not understand and cannot influence.

If the citizens of this country are going to have the chance to make intelligent, effective decisions about the patterns and problems of growth—if they are to exercise any real control over those patterns that so deeply affect and influence their lives—then we are going to have to develop, as rapidly as possible, effective democratic governmental institutions on the state and regional level to direct and regulate growth. As long as we fail to do so, then communities like Petaluma and others across the country that are engaged in what appear to be thoughtful efforts to manage their growth will find themselves increasingly thwarted.

I spoke earlier of Aristotle. I think we would do well to rediscover two old Aristotelian ideas. The first is the idea of politics as the process by which the citizens of a common area come together to make decisions about the problems and prospects they share in common. The second is the idea of nature as an unfinished creation which man, by his intellect and imagination, can bring to various kinds of completion *within* the broad boundaries of the laws and limits inherent in "nature" itself.

If we really understand these ideas, if we accept them and act upon them, then we will, I think, not only extend our range of individual choices, but discover that our choices are increasingly worth making.

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## A CABLE FROM SAIGON AND THE FUTURE OF U.S. POLICY TOWARD INDOCHINA

Mr. KENNEDY. Mr. President, troubling questions persist in many quarters over the character and objective of our country's policy toward Indochina—particularly over the kinds and level of our current involvement in South Vietnam, Laos, and Cambodia.

These questions were raised anew in a series of recent dispatches from the field, as well as in a recent unclassified cable from Ambassador Graham Martin in Saigon and other statements of officials in the executive branch. In light of the growing concern over American policy toward Indochina, and in order to clarify the contradictory and incomplete information currently available, I recently addressed a letter to Secretary of State Henry A. Kissinger to inquire as to this administration's policies and priorities in Indochina, and to ask him to comment on a number of specific questions.

Mr. President, in light of the many inquiries I have received over the letter and related material, I ask unanimous consent to have printed in the Record the text of my letter to Secretary Kissinger, as well as the full text of Ambassador Martin's cable of March 6 to the Department of State, commenting on a New York Times article, and an editorial from the Washington Post commenting on both.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on the Judiciary,
*Washington, D.C., March 13, 1974.*

Hon. Henry A. Kissinger
*Secretary of State,*
*Department of State,*
*Washington, D.C.*

Dear Mr. Secretary: As you know, there is continuing and, I feel, growing congressional and public concern over the course of American policy toward Indochina. Inquiry by the Subcommittee on Refugees and other committees of the Congress, an unclassified cable of March 6 from Ambassador Graham Martin in Saigon, other statements by officials in the Executive Branch, the supplemental appropriation request for the current fiscal year and the anticipated requests for FY 1975, news dispatches from the field, and various private reports, raise troubling questions for many Americans over the character and objective of our policy toward Indochina and over the kinds and levels of our current involvement in South Vietnam, Cambodia and Laos.

In light of the growing concern over American policy toward Indochina and the contradictory and incomplete information currently available, I would like to request comprehensive comment and review on the following items:

(1) the general character and objectives of American policy toward Indochina as a whole and toward each government or political authority in the area;

(2) the general content and nature of existing obligations and commitments to the governments in Saigon, Phnom Penh and Vientiane;

(3) the kinds, categories and levels of support and assistance given or projected to the governments in Saigon, Phnom Penh and Vientiane for fiscal year 1973 through 1975—including (a) a breakdown of the number, distribution, activities and agency/departmental association of official American personnel, as well as those associated with private business and other organizations under contract to the United States Government; and (b) a breakdown from all sources of humanitarian assistance, police and public safety oriented assistance, general supporting and economic development assistance, and military assistance;

(4) the current status and problems of reported efforts to establish an international consortium for general reconstruction assistance to the area;

(5) the current status and problems of the Administration's stated intention to encourage internationalizing humanitarian assistance to the area;

(6) the current status of negotiations between Washington and Hanoi on American reconstruction assistance to North Vietnam;

(7) the Department's assessment on the implementation of the ceasefire agreements for both Vietnam and Laos;

(8) the Department's assessment of the overall situation in Cambodia and the possibility for a ceasefire agreement; and

(9) recent diplomatic initiatives, involving the United States, aimed at a reduction of violence in Indochina and a greater measure of normalization in the area.

In addition to the above areas of inquiry, I would also appreciate very much the Department's comments on a series of recommendations contained in a recent report based on the Subcommittee's Study Mission to Indochina last year. Lengthy excerpts from this report, including some of the recommendations, were issued in late January and informally made available to officials in the Executive Branch. The recommendations focus on the relief and rehabilitation of war victims, but also include comment and suggestions on the broader aspects of United States policies and programs in the area.

In light of persisting hopes among all our citizens for peace in Indochina, and to clarify our country's commitments and continuing involvement in the area, I feel it would be extremely helpful if definitive information on our government's policy, involvement and future planning could be made available to the Subcommittee. I am hopeful, Mr. Secretary, that the Subcommittee can anticipate a response at an early date, and that appropriate officials from the Executive Branch will also be available for consultations or hearings.

In conclusion, let me express my personal dismay over a theme in Ambassador Martin's cable of March 6. For him to suggest a tie between alleged decisions in Hanoi and the views of Members of Congress and their staffs about the course of American policy towards South Vietnam and Indochina, is the worst kind of innuendo and regrettably ignores the many legitimate questions and concerns of the Congress and the American people over our commitments to the governments of Indochina and over the continuing level of our involvement in the political and military confrontations of the area. I would appreciate very much your comment on the Ambassador's cable.

Many thanks for your consideration and I look forward to hearing from you soon.

Sincerely,

EDWARD M. KENNEDY,
*Chairman, Subcommittee on Refugees.*

Enclosure.

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[From *"Relief and Rehabilitation of War Victims in Indochina: One Year After the Ceasefire,"* a Study Mission Report to the Subcommittee on Refugees, Committee on the Judiciary, U.S. Senate, January 27, 1974]

### VI.—RECOMMENDATIONS

Over the coming weeks and months—as they have since 1965—the Chairman and members of the Subcommittee will be as tenacious in their concern and suggestions for action as they feel the important situation in Indochina warrants. For the purpose of this report, the Chairman and the Study Mission make the following recommendations:

1. *Study on Bombing.*—The Secretary of State, the Secretary of Defense, and other officials in the executive branch should seriously consider a survey of American military practices in Indochina along the lines of the Strategic Bombing Survey undertaken in Europe and Asia following World War II. In light of the airwar's devastating impact upon civilians and civilian facilities, and the sharp controversy over the military effectiveness and political purposes of the airwar and other military practices, such a survey for Indochina by a broad spectrum of appropriate experts from both government and the private sector could provide a useful basis for future American military, diplomatic, and humanitarian policies and actions.

2. *Diplomatic Conference on Geneva Conventions.*—A Diplomatic Conference on Additional Protocols to the Geneva Conventions of 1949 opens in Geneva in late February 1974. On the agenda are two draft protocols concerning prisoners of war, the protection of noncombatants, the protection and relief of war victims, weaponry and other matters. The experience of recent conflicts—especially the Indochina War, which so heavily and tragically involved the United States—makes it incumbent upon the President that he instruct the American delegation to maximize its efforts in behalf of meaningful changes in the Conventions of 1949, and to support continuing efforts by the International Committee of the Red Cross and others in pressing for restraints on "conventional" and other weaponry not covered by the agenda of the Conference. The present conflict of views on these matters between the Departments of State and Defense must be resolved for an effective American contribution at the Conference.

3. *New Policy and Diplomacy towards Indochina.*—The President must finally break with the patterns and failures of the past and chart a new beginning in our relations with Indochina. We must further change the character of our involvement in the area, embark on new policies, and practice some lessons of the past. First, in line with Congressional directives in 1973, the Administration must finally shed its obsession with weapons deliveries and give top priority to humanitarian and people concerns in our allocation of aid to Indochina.

Second, new efforts, as outlined below, are also needed on the diplomatic front. The lingering and bloody war in Cambodia deserves better of our diplomacy. The breakdown of the ceasefire agreement in Vietnam demands more than a threat of new bombing. The fragile peace in Laos requires our more active support, as well as more rapid changes in the character and purpose of our presence in Vientiane. And the deadlock in our relations with Hanoi must be broken.

4. *Internationalizing Aid—International Red Cross.*—To the maximum degree practicable, our government should finally pursue the internationalization of relief and rehabilitation needs in Indochina through United Nations agencies and other channels. In this connection our government should finally give its strong support to the Indochina Operational Group (IOG) of the International Red Cross. The IOG is currently the only international humanitarian agency with representatives or communication in all the war affected areas of Indochina. The IOG's demonstrated expertise and effectiveness deserves a special emergency contribution of $10 to $15 million for immediate humanitarian purposes in Indochina.

5. *Needs of Orphans and Children.*—The special needs of orphans and other children disadvantaged by the war have a long record of neglect on the part of the governments in Indochina and the U.S. Mission in Saigon, Vientiane and Phnom Penh. Given this record of neglect and the documented needs among millions of children in the war-affected areas, our government should make every effort to increase the priority of concern over children—in both our assistance to the area and in our representations to the governments in Saigon, Vientiane and Phnom Penh. In the case of South Vietnam, the Department of State and the Agency for International Development must finally cut red-tape and expeditiously implement its new program to aid the process of adoption of orphans by American citizens, and to upgrade support for child welfare and health programs. The outline of the new program was recently communicated to the Subcommittee. Meeting the urgent needs of the orphaned, the lame, and all disadvantaged children in Vietnam is long-overdue. Special emphasis in the adoption process should be placed on American-fathered children. It is unconscionable to delay this effort in behalf of children in need.

6. *Refugee Resettlement in South Vietnam.*—To help normalize civilian life and avoid a festering refugee problem, as experienced in the Middle East and elsewhere, our government should strongly encourage and support—at the highest levels of the Saigon government—the *voluntary* resettlement of refugees in *secure* areas or their "return to village" in any area of South Vietnam where their native village is located. The ceasefire agreement provides for "freedom of movement", including the return of refugees to hamlets and villages now controlled by the PRG. Our government should strongly discourage and withdraw any support from programs using the refugees as pawns and "trojan horses" to expand Saigon's control in contested areas of the countryside. The strategic and forced movement of people—a key element in pacification—should play no role in American policy and programs in South Vietnam.

7. *Physical Rehabilitation.*—Tens of thousands of amputees, paraplegics, blind persons, deaf persons, and others with serious physical limitations resulting from the war, languish unattended in many parts of Indochina. Virtually no physical rehabilitation programs exist in Cambodia. The situation in Laos is little better. And in South Vietnam, despite documented needs and years of good intentions on the part of the Thieu Government and the U.S. Mission in Saigon, the situation among the physically disabled remains one of appalling neglect. The continued lack of meaningful progress in providing prosthetic devices for the lame civilians of South Vietnam is fast becoming a scandal of distressing proportions—especially when measured against the expeditious American delivery of weapons and materials of war. The time is long overdue for new initiatives and a greater measure of official concern in this important area of rehabilitation.

8. *Defusing the Bombs in the Countryside.*—By conservative estimates, there are some 300 million to 600 million pounds of undetonated explosives strewn today throughout the Vietnamese countryside—unexploded mines, booby-traps, and bombs. Little or no effort has been made to launch a systematic program of ordnance removal. In fact, the official view expressed to the Subcommittee is that "the clearing of ordnance, according to preliminary reports, has so far not been a major problem." Yet, hospital admission statistics tell a different story, as Vietnamese civilians continue to lose life and limb to mines and booby-traps in the field. America clearly has a responsibility to help support and fund a program to defuse these mines and bombs, many of which we left behind. To date, our government has given this responsibility little thought, and even less action.

9. *Prisons and Political Prisoners in South Vietnam.*—The record is clear that political prisoners exist in South Vietnam. And the record is also clear that the Thieu government has been thwarting a resolution of the prisoners' plight. But the complicity of our own government in the abuse of justice and

fairplay is also clear. And this should outrage the conscience of all Americans. Americans should yield to no one in condemning the cruelty to civilians by the PRG and its allies. But what they do cannot relieve our responsibility to help minimize and remedy the hardship and distress of civilians, including political prisoners, in South Vietnam.

(*a*) In line with the letter and spirit of a 1973 congressional directive, the President should rapidly phaseout *all* American sponsored or supported public safety oriented programs in South Vietnam, Laos, and Cambodia—and immediately divert unexpended funds for such purposes to meet humanitarian needs among orphans and other victims of the war.

(*b*) The United States should make immediate and strong diplomatic representations to the Thieu government in behalf of the humane and just treatment of all civilians detained for political reasons. Among other things, the United States should firmly counsel the Thieu government to invite a full inspection of prison facilities under the auspices of the International Committee of the Red Cross, and to provide for the orderly due process and/or release of those detainees not covered by the repatriation and return provisions in the prisoner protocol of the ceasefire agreement.

(*c*) The United States should make diplomatic representations—through various channels and in cooperation with other governments concerned over the future of South Vietnam—to further encourage and facilitate negotiations between the Thieu government and the PRG, as provided for in the ceasefire agreements, for the repatriation and return of those political prisoners on both sides covered by the agreement.

10. *Emergency Relief Needs in Cambodia.*—In the absence of a ceasefire agreement for Cambodia, and in light of the massive toll of civilian casualties and refugees from continuing war, the emergency humanitarian needs of war victims must be a matter of very urgent concern to our own government and all involved. Despite belated efforts to meet these needs, conditions among war victims continue to deteriorate. Food and shelter and medicine are still in short supply. Private voluntary agencies and the Indochina Operational Group of the Red Cross provide the most effective mechanism for additional relief efforts. It is imperative that the United States generously support, in cash and kind, the emergency relief programs of these agencies.

11. *Relief and Rehabilitation in Laos.*—In support of the ceasefire agreement for Laos and the continuing progress anticipated in forming a government of national union, the United States should move more rapidly in changing the character, personnel and purpose of our presence in Vientiane. Moreover, in light of the enormous humanitarian and reconstruction needs among the people of Laos, the United States should strongly encourage expanding programs of relief and rehabilitation in all parts of the country, and generously contribute to these programs. In this connection, a special effort should be made to encourage and expand the work of voluntary agencies, the Indochina Operational Group of the Red Cross, UNICEF, and other appropriate international channels.

12. *Relations with Hanoi—Relief and Rehabilitation in North Vietnam.*—In the context of recognized understandings between Washington and Hanoi, and of continuing efforts to implement the ceasefire agreement and protocols for Vietnam, the United States should take new initiatives to break the apparent diplomatic deadlock with North Vietnam. Such activity is needed to help chart a new beginning in our relations with Indochina—and could usefully serve many ends, including the following:

(*a*) An accounting of American missing in action;

(*b*) An accounting of American and other journalists missing in Cambodia;

(*c*) A ceasefire agreement for Cambodia;

(*d*) A de-escalation of military conflict in South Vietnam, and a new emphasis on the political framework and objectives of the ceasefire agreement for Vietnam;

(*e*) A renewal of negotiations on American contributions to the reconstruction of North Vietnam—primarily humanitarian assistance for medical facilities and housing and general rehabilitation needs;

(*f*) A beginning toward the normalizing of relations between Washington and Hanoi, as expresesd by Secretary of State Kissinger on January 24, 1973: "And therefore it is our firm intention in our relationship to the Democratic Republic of Viet-Nam to move from hostility to normalization to conciliation and cooperation. And we believe that under conditions of peace we can contribute throughout Indochina to a realization of the humane aspirations of all the people of Indochina. And we will, in that spirit, perform our traditional role of helping people realize these aspirations in peace."

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[Text of Ambassador Martin's March 6, 1974 cable to the Department of State]

### New York Times Article on U.S. Role in Vietnam

1. As a preliminary to detailed discussion of Shipler New York Times article datelined Saigon Feb. 16, it is necessary to record that embassy has long been aware of decisions taken last fall in Hanoi to mount all-out campaign this winter and spring to persuade the Congress to drastically reduce the magnitude of both economic and military aid to the Government of Vietnam.

2. The Stockholm Conference was to be used as the main coordinating mechanism, and the PRG delegation in Paris was to be the principal channel using the remnants of the American "peace movement" to bring influence to bear on selective susceptible, but influential, elements of American communications media and, particularly, on susceptible congressional staffers. The timing preferred was to begin with insertion of as much material as possible in the Congressional Record, hopefully to secure condemnation of the GVN in formal reports of congressional subcommittees, which could then be followed up and given wide circulation by "investigative reporting" which would tend to confirm and if possible to expand on the distortions they had been able to have inserted in the congressional subcommittee formal reports.

3. Looking at the Shipler article, paragraph by paragraph, the US mission has the following observations:

4. Paras 1–3—Ray Harris is a General Electric employee at Bien Hoa Air Base, his job is classified as a cleaner of parts and equipment. Shipler's figure of 2,800 DAO* civilian contractors is essentially corrct. The current count is 2,762, a figure provided by DAO. Shipler does not bother to record at this point that the number has been reduced within the past year from some 5,000. He does, however, mention a reduction in paragraph 37 of his article, saying inaccurately that 2,200 have left since July. He does not record fact available to him that Harris is part of a group of contract employees whose function is to teach the South Vietnamese how to service properly military equipment turned over to the GVN as well as maintain it until the training process is completed. Nor does Shipler record the fact known to him that contract personnel are continuously withdrawn when training is finished. The "program of military aid" does not "set the course of the war," as Shipler put it. The course is set by the continuous and continuing Communist buildup and efforts of the RVNAF to protect the population, land and resources under GVN control at time of the cease fire from actual military attacks mounted by the other side, which is not mentioned in the article.

5. Para 4—This is a classic. Shipler categorically postulates "South Vietnamese violations" without presenting a shred of evidence, and alleges American military aid "directly supports" such violations which thereby "breaks the spirit of the accords." He does reluctantly concede that "whether the United States is breaking the letter of the agreement could probably be argued either way." It is quite true that to Hanoi "the spirit of the accords" was that the Americans would deliver South Vietnam bound hand and foot into their hands. Fortunately, only a handful of Americans would agree with that interpretation of the "spirit of the accords."

6. Paras 5 and 6—No Americans, contractors or Government employees, are "integral parts" of the RVNAF military system. They provide limited and temporary technical assistance only to help the Vietnamese become self-sufficient. To describe "Pentagon-based generals who tour airfields" as "integral parts of the South Vietnamese supply, transport and intelligence systems" obviously distorts the meaning of the word "integral" to the breaking point. American generals visit not only Vietnam but other friendly nations throughout Southeast Asia. They also observe the use being made of military aid. (End-use inspection by U.S. personnel is required by the Security Assistance Act.) The term "liaison men" presumably refers to DAO's regional liaison officers. It is simply untrue that they give "advice," as Shipler reports, again without producing the slightest scrap of evidence. Even if permissible, none of the RLOS is qualified. They are civilians who, if they had previous military experience, were enlisted men or junior officers with little or no battle management training. It is unlikely that ARVN officers would heed their advice even if they offered it. And it is simply a falsehood that the CIA gives any "advice" to the national police.

7. Paras 7 and 8—Total budget cost of military aid to the GVN in FY–74 is 1059.2 million. Of the proposed 390.8 million increase, it is understood that about one-third is attributable to ammunition. Ammunition is expanded at a rate of 20 to 50 percent less than during the last year of the war, due to US-imposed constraints and RVNAF self-imposed management controls. The US does not "dump millions in cash into the Saigon government's defense budget." The US puts goods into the economy which are sold for piasters and then assigned for support of mutually agreed programs.

8. Para 9—This paragraph is another classic example of disguising propaganda under the protective rubric of "investigative reporting." Shipler now alleges U.S. military aid is indispensable to what is categorically described as "the South Vietnamese government's policy of resistance to any accommodation with the Communists." The implication is glaringly obvious, although unstated, that the GVN should do so. Beyond doubt, that is Hanoi's position. In the next sentence, Shipler states that "militarily, the extensive aid has enabled President Nguyen Van Thieu to take the offensive at times, launching intensive attacks with artillery and jet fighters against Viet Cong held territory." Shipler does not think it important to inform the readers of his paper that the "at times" in the above sentence were retaliatory strikes such as the ones made after the Communists shelled the Bien Hoa Air Base and later destroyed the Nha Be petroleum storage tanks, and that the GVN has a publicly announced policy of taking retaliatory action whenever the NVA/VC forces so attack GVN installations. Since there is no mention of the thousands of NVA/VC violations of the cease fire, the only logical

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*DAO—Defense Attaché Office, U.S. Embassy, Saigon.

assumption is that Shipler considers it a violation of the Paris agreement only when the GVN responds to these attacks.

9. Paras 10 and 11—In these paragraphs, the bias of the article becomes grossly obvious. Shipler contends that American aid permits President Thieu "to forestall a political settlement", stating that he has "rejected the Paris agreement's provision for general elections, in which the Communists would be given access to the press, permission to run candidates and freedom to rally support openly and without interference from the police. Mr. Thieu has offered the elections, but without the freedoms."

This statement is a complete reversal of the facts. The Paris agreement called for a cease fire, then was to come the delineation of the areas of control, the formation of the National Council of Reconciliation and Concord which would prepare for elections under internationally supervised control. The last thing the NVA/VC forces would ever accept is the holding of elections, for under true, impartial international controls they could not possibly receive more than ten percent of the vote.

So they have never observed the cease fire. They have never permitted the beginning of even discussion of the delineation of the "areas of control", both of which are necessary preliminaries to formation of the National Council of Reconciliation and Concord, which has to prepare for the elections. Their tactic has been to insist on the items enumerated by Shipler—particularly access to the press. President Thieu has never "rejected the Paris agreement's provision for general elections". He has, on the contrary, repeatedly proposed definite dates for elections. If the NVA/VC forces will accept definitively a specific date and international supervision, elections could be agreed upon immediately with all the freedoms covered in the Paris agreement.

Although these are the facts, Shipler implies that it is the reverse of these facts which excuse the NVA/VC attacks throughout the country "mostly with artillery and rocket attacks." Shipler does not think the readers of the New York Times would be interested in the fact that these NVA/VC artillery and rocket attacks often have the populace—children and unarmed civilians—as their main targets.

10. Para 12—Shipler implies skepticism when he reports that "US intelligence officials contend that . . . the North Vietnamese have sent thousands of tanks and artillery pieces South in violation of the Paris agreements." Best intelligence estimates indicate that since the ceasefire, North Vietnam has sent into South Vietnam at least 450 tanks and about 265 122mm guns, according to DAO figures. (The GVN often charges that North Vietnam has sent 600 tanks and armored vehicles South since the cease fire.) Shipler's use of the word "thousands" gives the intended impression that the US has exaggerated the infiltration of NVA weaponry. Shipler follows use of the word "contends" with a further attack on credibility of the extent of military buildup by powerful NVA/VC forces by pointing out that "Communists appear more frugal in battle with ammunition. . . ."

11. Para 13—Military experts believe that any restraint on NVA ammunition expenditure is a matter of tactics rather than real or expected shortages. The fact remains that the NVA has enough ammo in the south to support a country-wide offensive at the 1972 level for at least one year. Another factor which Shipler conveniently ignores is that ARVN positions are fixed to defend bases and populated areas. Their location is known to the enemy. Therefore, few rounds are needed for effective fire. The enemy still hits and runs. His permanent bases are outside ARVN artillery range and ARVN gunners must search for targets, register and then fire for effect, all of which requires more ammunition.

12. Paras 14–16—The F-5A is not the "mainstay of the VNAF. South Vietnam's work horses are the A-1 and A-37. General Electric, which is mentioned in these paragraphs, provides technicians who assist the VNAF with repair and maintenance of GE-built jet engines. This is normal practice; GE provides the same service to the USAF. Some jet components are of such complexity that only the manufacturer has the expertise to repair them. The GE contract is not typical of DAO contracts. It is true that is mainly an American work-situation with less emphasis on Vietnamese training. Nonetheless, considerable training programs are conducted by G–E at Bien Hoa. The shop which Shipler visited has a normal complement of 302 Vietnamese and about 50 Americans.

13. Paras 17–19—The implication in these paragraphs is that the Vietnamese are not serious about learning or are incapable of learning. Neither implication is true. According to the American manager, approximately 200 Vietnamese were normally assigned for duty on the day Shipler visited the shop. It should be noted that Shipler arrived there the afternoon before TET, January 21, the most important Vietnamese holiday, which was also a Vietnamese payday. It is likely that many Vietnamese had taken time off, but according to the shop manager, it is preposterous to state that not a Vietnamese was in sight.

14. Paras 20–30—Shipler quotes an American contract employee as saying the maintenance shop where he works "would turn into a big Honda repair shop" without the Americans. Even Shipler recognizes such a statement to be self-serving and exaggerated, which it was, but implies that an American presence will have to continue indefinitely "if the South Vietnamese are to have continued use of their complex weapons." Expert opinion holds a precisely opposite view—that within a very short time frame—American instructors can and will be wholly withdrawn. It is Hanoi's purpose to have them withdrawn immediately, before the American logistical training program can bring the South Vietnamese to the same standards of proficiency as the Soviet and Chinese training teams, which started years ago, gave to their proteges. In the North with infinitely more complex systems, such as SAM missiles. It is of course true, as the "Cessna aircraft" technician is quoted as saying in Danang that the South Vietnamese are "peace minded" but not the peace of the grave or total dictatorship which they know is all the other side has to offer.

15. Paras 31–32—Shipler quotes the personal opinions of contractor personnel on Vietnamese attitudes. This is not difficult for a reporter to do when searching for quotes to help him slant an article. It is comparatively easy to find an uninformed American who will observe that the Vietnamese don't care what kind of government they have. Current history does not support this attitude. The fact remains that the vast majority of South Vietnamese prefer the protection of the GVN to economic and political conditions under the PRG. The PRG has been singularly unsuccessful in luring Vietnamese into VC areas, where only three to five percent of South Vietnam's current population now lives. According to the Kennedy committee, 10 million have voted with their feet, preferring to accept refugee status rather than live under NVA/VC control. Shipler seems oblivious to the confirmation of the nonmilitary logistic training mission in which the American civilians are engaged when he quotes a technician as saying "I work for May Company and I try to keep the aircraft flying. I'm working on helicopters, that's all I know." Whereupon Shipler draws him out on the higher meaning of it all and gets the obvious response.

16. Paras 33–35—Shipler states that the Americans' work has carried some to positions of considerable authority in the South Vietnamese supply system. Use of the term "in" is questionable; contractor personnel are instructed to work "with" and not "in" RVNAF units. No American has any authority in the RVNAF system. It is true, but of no significance, that the RVNAF continue to use the term "Co Van" which is translated as "advisor". But this does not mean that Americans to whom Vietnamese apply the title are doing the same jobs as earlier Americans who were called "Co Van". After nearly 20 years of working alongside U.S. military personnel, the Vietnamese are accustomed to using the term "Co Van" for Americans with whom they work closely. The Vietnamese are making the decisions, however, and not the Americans. Shipler quotes Adams, a contractor employee, as saying "we" when referring to reorganizing the shop at Biet Hoa. Shipler calls this a "revealing slip of the tongue." It is natural to become so identified with your job that you say "we" even when referring to management decisions outside your authority. Any U.S. mission employee might well say "we" when speaking of a decision made by the department or the Pentagon. Shipler quotes an unnamed defense department official as saying "we Vietnamized the fighting. But we never Vietnamized logistics." That is a correct statement although the inferences subsequently drawn by Shipler are totally unfounded. He states in paragraph 38 of his article that "there is evidence the contacts occasionally cross into areas of relationship prohibited by the Paris agreement."—Contacts between American and Vietnamese. Shipler says there is evidence but presents none of it. He quotes two provisions of the Paris agreement, both of which have been and are being fully observed.

17. Paras 36–38—Shipler's statement that the DAO was originally scheduled to be dismantled early this year is an exaggeration or possibly a misunderstanding on his part. When the DAO was established, the U.S. mission hoped that the cease fire would bring total cessation of hostilities in South Vietnam. Had that happened, it was generally felt the DAO could complete most of its mission within approximately a year and have its residual functions absorbed by embassy or performed outside the country. At no time was this a positive commitment, although some embassy officers may have mentioned the possibility to newsmen in the early days of the cease fire. As of January 1, 1974, there were 1,015 DOD civilians in DAO, a fact made available to Shipler by the embassy. There are now 907 actually in South Vietnam, slightly fewer than the authorized number of slots. The number of DAO contractor employees on January 31, 1974, was 2,762. On July 1, 1973, the number was 3,502, which represents a drop of 740 instead of the 2,200 reported by Shipler. He has apparently confused the July figure with the original total of DAO contractor personnel in March 1973, which was 5,237. The U.S. has no military advisors in South Vietnam; no advice is given the Vietnamese in contravention of the Paris agreements, contrary to Shipler's undocumented personal opinion.

18. Para 41—This paragraph is wholly misleading. Regardless of what unidentified American and Vietnamese officials and U.S. civilians may have told Shipler, the DAO does not perfunctorily "see that the South Vietnamese get the equipment and ammunition they ask for." It is self-evident that the U.S. has not given the GVN Carte Blanche, but if the point needs explanation, specifics can be cited. For example, more than 200 aircraft to which South Vietnam is entitled under one-for-one replacement program have not been provided by the U.S. Since much of the defense material provided the RVNAF comes from U.S. sources, both as required by law and in the absence of a

South Vietnamese industrial base, the DAO assists the Vietnamese to relate their needs to U.S. supply sources. This is a far cry from advising them on what to ask for, as Shipler Gilibly suggests.

19. Paras 42–47—The case of Gerald Kosh, the regional liaison officer who was captured in the Paracels and later released by the Chinese, has been written about by several journalists. His duties were described by the DOD press spokesman at the time of his capture and explained to Shipler by the Embassy press officer, who also told him there were 12 regional liaison officers in the country, Shipler was told that an RLO does not act as an advisor, engage in covert or clandestine operations or participate in combat. Shipler was skeptical and insisted that there must be more behind the work of the RLOs than the USG was willing to disclose. He was assured there was not, that an RLO was basically employed to conduct overt liaison with the RVNAF and report on RVNAF efficiency and use of military equipment and supplies. The RLO only collects and transmits information he is given by the RVNAF, so it is pointless to suggest that his "reports end up in the hands of the South Vietnamese, perhaps providing indirect advice of one sort or another." It should be noted that in some cases, US law requires that audits and end-use inspections be conducted by joint US/Vietnamese teams. It is not uncommon for an American and South Vietnamese to make an inspection or auditing tour of a military unit together. It is often required procedure.

20. Paras 48–49—Shipler is wrong when he reports that Americans are still stationed in every province. There are four Consulates General in Vietnam in addition to the Embassy in Saigon. While there are some Vice Consul and development officers in the provinces, many of them cover two or more provinces. Only a few DAO civilians and no military personnel are stationed outside the greater Saigon area, aside from a few US Marine guards at the Consulates General.

21. Paras 50–51—It is true that six Air Force generals visited South Vietnam last fall; another group came recently. They came at the request of the American Ambassador who wished to be assured that our military material aid was adequate, but frugal; that it was appropriate to the scale of attacks being mounted by the NVA/VC forces at the direction of Hanoi; that, as required by law, we should be able to report accurately and precisely to the Congress. The generals were very helpful and the Ambassador hopes they can return at approximately the same interval in the future.

22. Paras 52–56—We will not simply say Shipler's statement that "although the Paris agreements explicitly rule out advisers to the police force the South Vietnamese National Police continue to receive regular advice from Americans" is inaccurate, it is utterly false and known to be so by the writer. Certainly, it is true that CIA officers connected with the Embassy meet routinely with police officials. It is hoped that this practice is followed at every embassy in the world in a continuing effort to keep senior officials of the U.S. as well informed and as currently informed as possible. That Americans in the provinces maintaining contact with local police officials may, out of habit, still be called "advisers" does not in any way change the fact that there are no American advisers, formal or informal, or under any device or cover.

23. Para 57—It is correct that the Ambassador issued instructions to U.S. aid officials in Saigon not to discuss these matters with Shipler. He worked on the New York Times article for more than three weeks—in Saigon, Bien Hoa and Danang, it became obvious to U.S. mission officers from Shipler's line of questioning that he had no intention of writing a reasonably balanced story, but rather a biased indictment of the U.S. role in Vietnam and the GVN's unreasonable obstruction of Communist objectives. Shipler, therefore, was not given the kind of cooperation the embassy normally extends to responsible reporters, since it is simply not possible to cooperate and thereby give a platform and inferred credibility to deliberate and gross distortions calculated to deceive the American Congress and the American people. DAO contractors, incidentally, were not told to refuse to talk with Shipler, as he asserts.

24. Paras 58–63—Here we begin to see the link forecast in Hanoi planning last fall. The figures given in the Kennedy report for overall assistance to police programs may well be accurate. We simply cannot confirm from here. It is important to record that the provisions of the Foreign Assistance Act of last December are being scrupulously complied with and at a more rapid pace than actually called for in the law itself. But the American people should be told why Hanoi is so determined to utilize every pressure at its command to destroy the police program, the answer is simple. No guerrilla subversion can exist in a closed society. It is no problem in North Vietnam or in the Soviet Union or the PRC for that matter. The guerrilla type of subversion and terror can only exist in a free and open society. In a free and open society, even one with warts as both ours and the South Vietnamese have, the most effective deterrent against terror and subversion is an effective police force. Therefore, every effort is made by the Communists to enlist all propaganda reserves against it, including the unwitting. Charges of repression, terror, brutality and corruption must be reiterated over and over again until it finally becomes imbedded in the conventional wisdom. We see the culmination of this process in Shipler's statement that "the police here have military functions and engage in infiltration, arrest, interrogation and torture of Communists and political dissidents". The juxtaposition should be carefully noted, certainly, the police engage in "infiltration arrest". How else can any free society anywhere defend itself? They engage in "interrogation". Any police system anywhere in the world does the same. And now follows innocently the word "torture". No evidence is presented, just the charge. Who is interrogated?—"Communists" and now, innocently again, "political dissidents," with no evidence presented. Then follows the flat statement, "this activity violates the cease fire agreement. . . ." In the first instance, there is simply no creditable proof of the police actions alleged, nor is there the slightest reference by Shipler to there being any possibility that there has been any violation on the so-called PRG side.

25. Paras 64 and 65—Shipler accurately records that the ambassador and Major General Marray refused requests by the New York Times for interviews. The reason is obvious. To do so would permit their own reputations for integrity to be used as a platform for promoting a campaign to grossly deceive the American Congress and the American people. Neither will permit this, although they quite freely see most reputable journalists who request interviews. As stated earlier, no instructions were issued to contractors to shun newsmen who apparently, on their own, also do not wish to be used in a campaign to deceive the American people. The comments attributed to the ambassador, from a second hand source, are also without foundation.

26. Para 66—The USG has never made a secret of the fact that it intends to replace some F–5A jet aircraft with faster, more maneuverable F–5Es. In the DOD press briefing of January 8, 1974, Lt. Gen. James said that this was no new information. "We have said all along," he told reporters, "That we had supplied the South Vietnamese with the F–5 Tiger one, which was the earliest F–5, and that considerable improvements had been made on subsequent models that we had contracted to provide them, and these old aircraft would be replaced on a one-for-one basis, this will be done in time . . ." The USG does not regard replacement of some F–5A aircraft with the later F–5E as a violation of the Paris agreements. The F–5E is simply a newer version of the F–5A, which is no longer available.

27. Paras 67 and 68—Shipler states that a high-ranking official of "one of the non-Communist delegation, asked recently if he thought the U.S. was faithfully observing the one-for-one rule," replied, "Of course not." The ICCS official was quite right, but not in the way Shipler implies. As a matter of fact, the USG unfortunately has not been able in one single category to provide one-for-one replacements of all the material lost by the GVN while defending itself from continuing NVA/VC aggression since the cease fire. Article VII of the Paris Agreement specifies that the two South Vietnamese parties shall not accept introduction of troops, military advisers and military personnel including armaments, munitions and war material into South Vietnam. Both parties, however, are permitted to make periodic replacements of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease fire on the basis of piece-for-piece, of the same characteristics and properties, under supervision of the joint military commission (TPJMC) and of the ICCS. Article 18(C) gives the ICCS specific responsibilities regarding prohibition under article VIL, the ICCS protocol specifies the designation of ICCS teams at points of entry, some of which are listed in paragraph B of article 4, and some are to be designated by the two South Vietnamese parties. These pertinent sections of the Paris agreement and of the ICCS protocol have not been implemented because of the inability of the TPJMC to reach agreement on either designated points of entry or the "modalities" of the control and supervision of military shipments.

The record shows there has been considerable unwillingness on the part of the so called PRG to help the ICCS deploy to sites in territory controlled by the Viet Cong. While the GVN has designated the additional points of entry, as required, the PRG has refused to do so. The PRG, as a matter of fact, has tried to prevent deployment of ICCS teams. For example, an ICCS helicopter taking a team in April 1973 to the entry point of Lao Bao in PRG territory was shot down claiming the lives of several ICCS members and the American crew. It is unjust for Shipler to say that the Saigon side is unlikely to grant permission to supervise replacement of weaponry for South Vietnam. The GVN has indicated its willingness, time and time again, to cooperate with implementation of the agreement and protocols provided the other side displays a similar cooperative attitude. Thus, the activities of the point of entry teams have been frustrated. At the beginning, on a unilateral basis, the Canadian and Indonesian delegations joined in involving themselves in supervision and control of military shipments and the GVN did not object to this. Shipler does not point out that the ICCS has no supervision whatever of military shipments coming into South Vietnam from the north, nor does he mention anywhere in his article the infiltration of combat troops from North Vietnam since the cease fire, a fact well known to him.

28. Paras 69–70—The Shipler quotation of Ambassador Durbrow ends the article consistently on another distortion. According to other sources, Durbrow was making the point that no one could expect the South Vietnamese unilaterally to observe the cease fire

if the other side ignores it completely, most Americans, we expect, would agree.

29. In summary, the Shipler article was obviously not written to inform New York Times readers but to give a slanted impression that the USG and GVN are grossly violating the cease fire agreement and preventing any kind of peaceful political accommodation with the Communists. The article contains numerous inaccuracies and half-truths. It deliberately omits or treats skeptically the flagrant Communist violations of the Paris accords, all of which have been pointed out repeatedly to Shipler and the NY Times Saigon Bureau by USG and GVN officials.

30. Both Secstate and Secdef may release this message, or portions of it, either to the Congress or the press if they deem it useful to do so. Embassy believes the Shipler story and this response might well be made available to the Columbia graduate school of journalism as a case study of propaganda under the guise of "investigative reporting" rather than a responsible journalistic effort, Martin.

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[From the New York Times, Feb. 25, 1974]

## VAST AID FROM UNITED STATES BACKS SAIGON IN CONTINUING WAR

(By David K. Shipler)

SAIGON, SOUTH VIETNAM, February 16—Ray Harris of Ponca City, Okla., has come back to Vietnam. This time he is not behind the machine gun of an Army helicopter but behind a workbench at the Bien Hoa air base, sitting next to South Vietnamese Air Force men and repairing jet fighter engines.

Mr. Harris is a civilian now, safer and better paid. But his changed role in the continuing Vietnam war has scarcely diminished his importance, for as a 27-year-old jet-engine mechanic he remains as vital to the South Vietnamese military as he was in 1966 as a 19-year-old helicopter gunner.

He is among 2,800 American civilians without whose skills South Vietnam's most sophisticated weapons would fall into disrepair. Employed by private companies under contract to the United States Defense Department, these men constitute one facet of a vast program of American military aid that continues to set the course of the war more than a year after the signing of the Paris peace agreements and the final withdrawal of American troops.

Whether the United States is breaking the letter of the agreements could probably be argued either way. But certainly the aid directly supports South Vietnamese violations and so breaks the spirit of the accords.

The United States, far from phasing out its military involvement in South Vietnam, has descended from a peak of warfare to a high plateau of substantial support, dispatching not only huge quanties of weapons and ammunition but also large numbers of American citizens who have become integral parts of the South Vietnamese supply, transport and intelligence systems.

These include not just the Vietnam-based mechanics and technicians but also the Pentagon-based generals who tour airfields to ascertain the needs of the South Vietnamese Air Force, the "liaison men" who reportedly give military advice from time to time, the civilian Defense Department employes who make two-to-three-week visits to provide highly specialized technical help, and the Central Intelligence Agency officials who continue to advise South Vietnam's national police on intelligence matters.

The total budgeted cost of military aid to South Vietnam is $813-million in this fiscal year, and the Pentagon has asked Congress for $1.45-billion next year, with most of the increase probably going for ammunition, which the South Vietnamese forces have expended at a high rate.

### TRUE COST EVEN HIGHER

The true costs of the military support probably rise considerably above the official figures. Some of the aid, for example, comes in through economic programs that dump millions in cash into the Saigon Government's defense budget. And other costs—salaries of Pentagon technicians who make special visits, for example—are hidden in the vast budgets of the United States Air Force, Army and Navy and are not labeled "Vietnam."

These valuable military goods and services have a sharp political impact. They are indispensable to the South Vietnamese Government's policy of resistance to any accommodation with the Communists. Militarily, the extensive aid has enabled President Nguyen Van Thieu to take the offensive at times, launching intensive attacks with artillery and jet fighters against Vietcong-held territory.

Furthermore, the American-financed military shield has provided Mr. Thieu with the muscle to forestall a political settlement. He has rejected the Paris agreements' provision for general elections, in which the Communists would be given access to the press, permission to run candidates and freedom to rally support openly and without interference from the police.

### VIETCONG MAINTAIN PRESSURE

Mr. Thieu has offered elections, but without the freedoms. The Vietcong, refusing to participate unless the freedoms are guaranteed, have maintained military pressure throughout the country, mostly with artillery and rocket attacks on Government outposts and, from time to time, with devastating ground assaults against Government-held positions.

United States intelligence officials contend that continuing American aerial reconnaissance, as well as prisoner interrogation and radio monitoring, shows that the North Vietnamese have sent thousands of troops and hundreds of tanks and artillery pieces south in violation of the Paris agreements. They have also refurbished a dozen captured airfields and built a large network of roads that threatened to cut South Vietnam in two.

Yet in battle the Communists appear more frugal with ammunition than the Government troops, who have been seen recently by Western correspondents spraying artillery across wide areas under Vietcong control as if there was no end to the supply of shells. This difference has bolstered the view of some diplomats that China and the Soviet Union, unwilling to support an all-out offensive now, have placed limits on the rate of resupply to Hanoi.

Amid the political stalemate then, the inconclusive war continues.

### KEEPING JETS IN THE AIR

Ray Harris is at his work-bench in the huge engine shop at the Bien Hoa air base just north of Saigon. He works for General Electric, which manufactures the jet engine that drives the Northrop F–5 fighter, the mainstay of Saigon's air force.

He hunches over a circular fuser assembly, the last part of the engine before the afterburner. The assembly is invisibly cracked, and Mr. Harris is using a machine about the size of a dentist's drill to grind down the metal so the crack can be welded.

There are Americans everywhere in the shop, which is devoted to repairing and overhauling fighter and helicopter engines. There is virtually no workroom or machine or assembly line where Americans are anything less than essential parts of the process. Although a few are training Vietnamese to take over the work eventually, most are simply doing the work, especially the highly technical jobs, themselves.

The line where rebuilt jet engines are finally assembled, for example, looks more like a factory somewhere in the United States than a shop belonging to the Vietnamese Air Force. Eight or 10 Americans work on several engines, and not a Vietnamese is in sight.

There are 25 Vietnamese assigned here, a technician says with a shrug, but he adds, "I never see them."

### OUTPUT IS KEPT HIGH

Ken Martin of G.E. is crouching with another American beside a jet engine that he has just assembled himself in four 12-hour days. Without the American technicians, he says, the shop could produce no more than 40 per cent of what it does. Another American, asked what would happen if he and his colleagues pulled out, replied, "This would turn into a big Honda repair shop."

As self-serving and exaggerated as these assessments seem, they underscore the long-term military role that American civilians will have to play if the South Vietnamese are to have continued use of their complex weapons.

Without long training, mechanics in any modern air force probably could not match the skills of the American technicians, most of whom are not young Vietnam war veterans like Mr. Harris but seasoned experts who have been building and rebuilding engines for years on bases here and in the United States.

"Most of our people—this is the only work they've ever done," said Glenn Miller, the 47-year-old G.E. supervisor at the shop. Mr. Miller has 22 years' experience with the company, all on jet engines.

His men are so vital that they—and those working on helicopters for Lycoming Aircraft—were all placed on 12-hour shifts last month during the week before Tet, the Lunar New Year holiday. Their objective was to get as many aircraft flying as possible, Mr. Miller explained, to be ready for any Communist offensive.

### $1,000 IN A LONG WEEK

Mr. Miller figures that with overtime and other bonuses, some of the men made $1,000 apiece that week.

High pay is cited by many of the civilians as the main reason for their choice of Vietnam as a place of work. After a year on the job G.E. employes get double their base salaries, bringing the average pay to $20,000 or more, plus $16 a day for food and lodging—an annual total in excess of $25,000.

Since living costs are low by American standards, and since the employes do not have to pay any Federal income tax on $20,000 a year if they are off American soil for at least 18 months, many say they save a good deal of money. Some add that the money has become a silent source of resentment among the Vietnamese Air Force men, who earn only $10 to $35 a month.

This, plus profound war-weariness, has made many Vietnamese men difficult to teach, the contractors say. "They are only kids, all of them—they don't want to be in the military to begin with," said Elmer Adams, a former United States Air Force man who works for Lycoming supervising helicopter repairs.

"It's a lack of desire," said a technician for Cessna Aircraft working at the Da Nang air base. "They've been under so much pressure for so long they just want peace. They're peace-minded."

### CRITICISM OF AMERICANS

It was said sympathetically, and the Cessna man went on: "All they know is that Americans came over here and tore up their country, uprooted their villages and now they're looking for food."

Gilbert Walker, another technician, who asked that his company not be identified, observed: "The people I talk to in town care very little about the form of government they have. I guess I don't feel much difference. I don't feel too much admiration for the present Government."

In that case, he was asked, why is he helping the South Vietnamese carry on the war? "I work for my company and I try to keep the aircraft flying," he replied. "I'm working on helicopters, that's all I know. Sometimes I sit back and think, What's it all for, what's the good of it all? It seems like an exercise in futility, what I'm doing."

Futile or not, the Americans' work has carried some of them to positions of considerable authority in the South Vietnamese military supply system. The South Vietnamese still call many of them "co van," which means "advisers," and the American office at the Da Nang base has a big sign over the door that reads, "Co Van."

The Americans often come to identify closely with their jobs, perhaps taking more responsibility than their contracts call for. In a revealing slip of the tongue, Mr. Adams of Lycoming looked around the Bien Hoa en*gine shop* and remarked, "We're in the process—they're in the process, rather—of reorganizing the shop.

### MANY STILL ON PAYROLL

The fact is that supply and transportation have remained an American operation. "We Vietnamized the fighting, but we never Vietnamized logistics," said a Defense Department official based in Saigon.

That is reportedly the principal reason the United States Defense Attaché's Office—originally scheduled to be dismantled early this year—still contains about 1,150 people, of whom 50 are military men, according to official figures.

In addition, the reduction in the number of Americans working for private defense contractors has halted, allowing the figure to level off at approximately 2,800, down 2,200 since July, according to a spokesman for the Defense Attaché's office.

The logistics effort—provision of maintenance, ammunition, weapons, trucks, fuel, electronics parts and the like—is now the basis for the Americans' most pervasive and intimate contacts with the South Vietnamese military. Depending on how such terms as "military" and "advisers" are defined, there is evidence that the contacts occasionally cross into areas of relationship prohibited by the Paris agreements.

"The United States will not continue its military involvement or intervene in the internal affairs of South Vietnam," Article 4 of the cease-fire agreement declares.

### TOTAL WITHDRAWAL

Article 5 says: "Within 60 days of the signing of this agreement, there will be a total withdrawal from South Vietnam of troops, military advisers and military personnel, including technical military personnel and military personnel associated with the pacification program, armaments, munitions and war material of the United States and those of the *other foreign* countries mentioned in Article 3(a). Advisers from the above-mentioned countries to all paramilitary organizations and the police force will also be withdrawn within the same period of time."

According to both American and South Vietnamese officials, the American civilians—both employes of private companies and those of the Defense Department—who help with supply activities not only see that the South Vietnamese get the equipment and ammunition they ask for but also advise them on what to ask for.

Some of these activities came to light as a result of the capture by the Chinese last month of a former United States Army Special Forces captain, Gerald E. Kosh, who was aboard a South Vietnamese naval vessel during a two-day battle with Chinese forces in the Paracel Islands, in the South China Sea.

Mr. Kosh, who was taken prisoner and later released, was described by a spokesman for the United States Embassy as a "liaison officer" with the South Vietnamese military whose job was to observe the efficiency of various army, navy and air force units and report to the Pentagon.

American officials steadfastly refused to provide further details of Mr. Kosh's job. They would not say exactly what he was supposed to observe or whether his reports were ultimately shared with the South Vietnamese. They did say that there were 12 such liaison men based in various parts of Vietnam.

### EXTENT OF ROLE UNCLEAR

What is not clear is whether they confine their observations to such matters as the condition of equipment and the rate of ammunition expenditure, or whether they evaluate military tactics and strategies and go so far as to suggest alternatives.

What is fairly certain is that their reports end up in the hands of the South Vietnamese, perhaps providing indirect advice of one sort or another.

A South Vietnamese officer in a position to know said recently that normal procedure called for an American and a South Vietnamese to make an inspection or auditing tour of a military unit together. Then they write up their reports, sometimes separately, sometimes together. The reports, he said, are forwarded up the chain of command in the United States Defense Attachés Office, which then relays copies of them to Lieut. Gen. Dong Van Khuyen, head of the Logistic Command for the South Vietnamese Joint General Staff.

More direct, overt advice is sometimes given by zealous Americans who are still stationed in every province. An embassy official reported recently that an American based in one province boasted to him about a successful military operation: "I told them to clear the Communists out of there."

Actually, South Vietnamese military men do not seem anxious for such guidance, noting with some pain that their country has suffered for years under American advice. What they want from the United States is military aid.

### SIX GENERALS PAY A VISIT

Clearly, the Pentagon continues to attach high priority to the success of the South Vietnamese military. Last fall a group of six Air Force* generals based in the Pentagon visited the Da Nang air base to find out what equipment and aid were needed, according to the base commander, Lieut. Col. Nguyen Tan Dingh. He said they were scheduled to come again this month.

A few weeks ago two civilian employes of the Air Force—one based in Hawaii and the other in Texas—were flown to Vietnam for a short stay so they could give advice on the repair and upkeep of plants that manufacture oxygen for jet fighters. One said he had been in and out of Vietnam frequently on similar missions since 1964, the other since 1968.

Although the Paris agreements explicitly rule out advisers to the police force, the South Vietnamese National Police continue to receive regular advice from Americans.

In a recent conversation with this correspondent, two high-ranking officers said they and their staffs met frequently with the Saigon station chief of the C.I.A. and his staff. Sometimes, they said, the C.I.A. chief asks the police to gather intelligence for him, and often they meet to help each other analyze the data collected.

A police official confirmed that in some provinces "American liaison men" who work with the police remain on the job. "There are still some, but not so many," he said.

### EPISODE IN POLICE STATION

Local policemen still refer to "American police advisers," according to James M. Markham, Saigon bureau chief of The New York Times, who was detained by the police late in January after a visit to a Vietcong-held area.

Mr. Markham said that in both Qui Nhon, where he was held overnight, and Phan Thiet, where he was detained briefly while being transferred to Saigon, policemen, talking among themselves, referred to the "police adviser." In Phan Thiet, he reported a policeman was overheard saying, "Let's get the American police adviser over here."

In the last six weeks The New York Times has made repeated attempts to interview officials in the United States Agency for International Development who are responsible for American aid to the police. Although the officials appeared ready to discuss the subject, they were ordered by the United States Ambassador, Graham A. Martin, to say nothing.

In the absence of official United States figures, the best information on police aid comes from Senator Edward M. Kennedy, who calculated that as of last June 30 the Agency for International Development and the Defense Department has spent $131.7-million over the years for police and prisons in South Vietnam. Despite a Congressional ban on such assistance enacted last December, such support has continued, according to American officials, but they say that no decision has yet been made on how to phase out the programs.

Section 112 of the new foreign aid bill reads: "None of the funds appropriated or made available pursuant to this act and no local currencies generated as a result of assistance furnished under this act may be used for the support of police or prison construction and administration within South Vietnam, for training, including computer training, of South Vietnamese with respect to police, criminal or prison matters, or for computers, or computer parts for use for South Vietnam with respect to police, criminal or prison matters."

### TRAINING IN WASHINGTON

South Vietnamese policemen are reportedly still being trained at the International Police Academy in Washington, and technical contracts with private companies that provide computer services and communication equipment have not been terminated.

Senator Kennedy reported that the Nixon Administration had requested $869,000 for the current fiscal year for police computer training, $256,000 for direct training of policemen, $1.5-million for police communications and $8.8-million for police equipment, presumably weapons and ammunition, from the Defense Department.

Although these figures are not normally included in the totals for military aid, the police here have military functions, and engage in infiltration, arrest, interrogation and torture of Communists and political dissidents.

This activity violates the cease-fire agreement, which states in Article 11: "Immediately after the cease-fire, the two South Vietnamese parties will . . . prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other, insure . . . freedom of organization, freedom of political activities, freedom of belief."

### INTERVIEWS ARE REFUSED

Not only has Ambassador Martin ordered American officials to remain silent on the subjects of military and police aid; both he and the Defense Attaché, Maj. Gen. John E. Murray, refused requests by The New York Times for interviews. Furthermore, the embassy told at least two private companies—Lear—Siegler, which employs a large force of aircraft mechanics here, and Computer Science Corporation, which works on military and police computer systems—to say nothing publicly about their work, according to company executives.

The official nervousness is attributed by an embassy employe to the Nixon Administration's apprehension about the inclination of Congress to cut aid to South Vietnam. The Ambassador has reportedly told several non-Government visitors recently that South Vietnam is in a crucial period and that he sees his role as unyielding support to build up and preserve a non-Communist regime.

He is reported to have pressed Washington to provide new weapons for Saigon to counteract the infiltration of troops, tanks and artillery from North Vietnam since the cease-fire. For example, plans have been made for the delivery of F-5E fighter planes to replace the slower, less maneuverable and less heavily armed F-5's, many of which were rushed to South Vietnam in the weeks before the cease-fire.

### VIOLATION IS CHARGED

Privately, officers in the International Commission of Control and Supervision scoff at the American contention that supply of the planes does not violate the Paris agreements, which permit only one-for-one replacement of weapons "of the same characteristics and properties." A high-ranking official of one of the non-Communist delegations, asked recently if he thought the United States was faithfully observing the one-for-one rule, replied, "Of course not."

There is nothing the commission can do about it without permission from both the South Vietnamese Government and the Vietcong to investigate, and permission is unlikely to be forthcoming from the Saigon side. Similarly, the commission has been unable to audit other incoming weapons and ammunition for both sides. During the first year after the cease-fire, the United States provided South Vietnam with $5.4-million worth of ammunition a week, apparently unaccompanied by pressure to restrain military activities.

Several weeks ago Elbridge Durbrow, who was Ambassador to South Vietnam from 1957 to 1961, came to Saigon and met with Ambassador Martin and General Murray. Mr. Durbrow, who denounced the Paris agreements and who declares, "I am a domino-theory man," was asked by newsmen whether the American officials had indicated that they were trying to keep South Vietnam from violating the cease-fire.

"Not from anybody did we hear that," he replied. Then, referring to General Murray, he said: "He's not that kind of man at all—just the opposite. If you are not going to defend yourself you might as well give up and let Hanoi take over."

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[From the Washington Post, Mar. 14, 1974]

### WHOSE AMBASSADOR?

In Graham A. Martin, President Thieu of South Vietnam has a warm friend and a forceful and highly placed advocate—a fine ambassador, you might say. Indeed, Mr. Martin's recent attack on a New York Times report on American aid to Saigon—an 18-page attack which Mr. Martin asked the State Department to make public—could hardly have pleased President Thieu more. It mirrored precisely Mr. Thieu's own view that the fount of all criticism of his rule is Hanoi.

The catch is that Graham Martin is not the ambassador of South Vietnam to Washington. He is the American ambassador to Saigon. This would seem to be an elementary distinction but Mr. Martin, in his blindered devotion to President Thieu, has evidently lost sight of it. We have his devotion (and his low boiling point) to thank for the fact that he has come out from behind the wall of discretion, behind which professional diplomats ordinarily work, in order to challenge a reporter for the Times.

It is, first, outrageous that Mr. Martin should preface his challenge with the suggestion that press and congressional criticism of South Vietnam is being orchestrated by Hanoi. The charge is false—and mischievous. That an American career envoy in the year 1974, should be sniping in a cheap political way at the motives of Vietnam policy critics is a sad commentary on how little the old cold-war-oriented hands have learned from our Indochina experience. Moreover, it is an old and unworthy ploy for an official to disdain to talk with a reporter on grounds that the reporter is "biased," and then denounce him for alleged errors. In short, Mr. Martin is paying a heavy price for Mr. Thieu's affection.

Secondly, Mr. Martin's critique is a throwback to the bad old days of one-sided, self-serving, over-simplified reporting on Vietnam and, as such, is altogether out of line with the more nuanced requirements of a policy that no longer needs to depend for its effectiveness on misleading the American people. We had thought, or hoped, the objective now was to help move the Vietnamese parties toward a real settlement. By the evidence of Mr. Martin, however, the policy is to supply President Thieu the resources and encouragement to let him sidestep the Paris accords and to keep pressing the war. For it is obvious that Mr. Thieu, seeing Mr. Martin's uncritical devotion to him, can have little incentive to heed whatever cautions the U.S. Government may simultaneously offer. We apparently have here a classic case study of how an ambassador loses influence with the government to which he is accredited.

As to the specifics of the aid program as discussed by the Times and Mr. Martin, we believe, as we have previously said, that Congress should itself go deeply into the whole program. The Times article charged that American military aid "continues to set the course of the war"; various American violations of the Geneva accords were alleged. Denying these allegations, Ambassador Martin responded that the course of the war is set by "the continuous and continuing Communist buildup" and by Saigon's response to "actual military attacks mounted by the other side." These are, we submit, differences of perception which the Congress ought to try to clarify before it votes further aid for South Vietnam. The administration is asking for $1.45 billion in military aid in fiscal 1975—up from the $829 million approved in 1974. Whatever total it finally approves, the Congress should be convinced that the money is being given in an amount and in a way designed to reinforce the Paris accords, not to undermine them.

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## THE URGENT NEED FOR REVITALIZATION OF THE RAILROADS

**Mr. PERCY.** Mr. President, there is an American industry, critically vital to our Nation's economy, that has for decades been dying a slow death. The problems of this industry affect every household in America. This industry has raised its prices 32 percent from 1967 to 1971, and it employs 61 percent fewer workers today than it did 25 years ago. Its inefficiency is estimated to cost the American taxpayer $10 billion annually. This industry is the once great railroad industry and unless action is taken, its condition, and its hurtful effect on every American's budget, will worsen.

The problems affecting the industry are very complex. Fortunately, they have recently been given close scrutiny by the Task Force on Railroad Productivity of the National Commission on Productivity and the Council of Economic Advisers. The task force was composed of distinguished academicians, businessmen, former Government officials, and transportation experts. Its final report is called "Improving Railroad Productivity" and formulates its recommendations for revitalizing America's railroads.

The first lesson to be learned from the report is that the problem of railroad productivity has no single cause or cure. The causes are multiple and interconnected and the solutions are varied and complex. One very basic problem is that the industry is over-regulated by the Interstate Commerce Commission. Restrictive regulations and work rules have distorted competition and discouraged technological progress in the rail industry. The industry has not been able to adapt its existing technology to the changing needs of intercity transportation. The task force recommends that containerization is a basic solution to the industry's technological lag and believes that if the full potential of containerization is exploited it could streamline railroad operations and the railroad network to the benefit of railroads and shippers, but also to the direct benefit of American consumers.

A second problem identified by the task force is that the present corporate structure of the rail industry is badly fractured. Because the railroads must perform as an integrated national system they must depend on each other's cooperation to insure efficiency. Inter-railroad differences and rivalries hinder the cooperation needed to make the rail system work efficiently, and the need for cooperation and interdependence destroys any possibility for competition among railroads. The report on "Improving Railroad Productivity" suggests that mergers be permitted among the railroads to establish four to seven independent continental systems. These railroads could provide efficient coast-to-coast and intercity service which would permit the railroads to compete with other modes of transportation. The mergers would also enhance competition within the railroad industry by ending the need for interdependence among the fragmented elements of the present system and by creating whole, independent continental railway systems.

According to the task force, labor contracts have also presented an understandable drag on productivity. Unions and railroads have had difficulties in agreeing on an appropriate sharing of the labor productivity gains that have resulted from technological innovation, merger, route abandonments, and reorganization of work. According to the task force:

> In general, labor unions have been put in the position of standing on job definitions known as work rules to protect workers from uncompensated job loss.

These work rules have had the effect of inflating the perceived cost of labor which has caused the railroads to minimize labor by consolidating and abandoning many of their facilities and contracting out work whenever possible. The report suggests that one possible solution to this problem is further modification of the present work rules. This would necessitate earlier retirement and more generous severance payments. A refinancing of the railroad retirement system should accompany any change in the work rules to insure compensation for the workers, according to the task force.

The above is only a sketch of the three most pressing problems of the industry. The report on "Improving Railroad Productivity" states that the keys to saving American railroads are improved factor productivity and speedier adaptation to changes in the freight market. The emphasis should be on structural and operational reforms that further these goals with public funds being used only to encourage and facilitate the necessary reforms.

According to the task force:

> The country faces a choice with respect to the railroad industry. If reforms and innovations of the type set forth in this report are avoided, the railroad industry will continue to falter. This will result in an even greater burden on the American consumer and taxpayer. The Federal government will continue to be confronted with periodic crises in the railroad industry. On the other hand, bold reforms can restore the industry to a vigorous and profitable state.

The crisis of the railroad industry is one of great national importance. The National Commission on Productivity and the Council of Economic Advisers have with their innovative and useful work on the subject of railroad productivity begun to prepare the groundwork for needed sweeping reform. The acute knowledge that we must place much greater reliance on rail transportation in coming years compels serious consideration of these recommendations. The final report of the task force on Railroad productivity "Improving Railroad Productivity" contains an excellent analysis of the ills of the industry along with valuable suggestions for increasing the productivity of the railroads. I recommend the entire report to my colleagues for their consideration and request unanimous consent that the "Conclusion" of the report be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### CONCLUSION

The railroad industry suffers severe problems. The industry can, however, be restored as an efficient, competitive, profitable industry. This report presents a series of reforms that will help to accomplish this. The rather thoroughgoing transformation of the industry envisaged is neither unduly costly nor is it achieved at the expense of any particular interest group.

Railroading is a troubled industry. Virtually every American suffers some consequence of the industry's afflictions. In the absence of traffic growth to offset gains in labor productivity, employment in the railroad industry has declined 61% in the past 25 years. The rate of return on the investment of Class I railroads in transportation property has averaged only 2.8% during the past decade. Unable to obtain the kind of service they need from railroads, shippers with a choice among transport modes have turned to trucks in increasing numbers. Shippers without a choice have suffered higher freight rates and in many instances poorer service as well. The railroads have petitioned for general rate increases in every year since 1967, and the general rate increases allowed by the ICC from 1967 through 1971 total over 32%.[1] Consumers as well as shippers bear these higher costs of distribution!

To date, the rail crisis has been most acute in the Northeast, where the Penn Central and five other Class I railroads are in bankruptcy and loss of rail service in some areas of the region is threatened. The problems of the railroad industry, however, are by no means confined to the Northeast, as Part I of this report has shown. Indeed, the Penn Central is in some ways only a more extreme manifestation of trends present throughout much of the industry.

What actions, if any, can the Federal government take to help the railroads regain their health? Before one can prescribe remedies, an accurate understanding of the problem and its causes is needed. It has been common practice among casual observers of the railroad problem to identify single causes and propose single cures. Railroad management, railroad labor, the Interstate Commerce Commission—all have been identified as "the devil" by various observers. Discriminatory property taxation, passenger train deficits, and even railroad technology itself have also been singled out as *the* cause at one time or another. Each analysis suggests its own cure: abolish the ICC, institute massive subsidies, abrogate work-rule agreements with labor, nationalize the railroads, etc. In fact, there is no single cause and no simple panacea for the ills of the industry, as the chapters of this report have suggested.

Each of the above factors has contributed, though, to the present problem, and the diagnosis is incomplete without reference to all of them. Not only are there a multitude of causes, but the causes tend to be interconnected. Regulatory practices, management practices, labor practices, railroad technology, etc., are, to a large extent, an accommodation to one another, as explained in preceding chapters. With management and unions unable to agree on the sharing of labor productivity gains, work rules perpetuate jobs that innovation has rendered obsolete. Technology evolves along lines that are consonant with work rules, regulatory practices, and the organizational structure of the industry. Management regards work rules, regulatory practices, and technology as constraints within which it must work. Recognition of the interactive and mutually reinforcing character of the causes of the rail problem should spell the end of overly simple prescriptions, such as nationalization, deregulation, massive subsides, etc., for solving the rail problem. Reform must be pursued on many fronts.

Only *fundamental* changes in the industry will restore the railroads to health. Sweeping slowed the growth of aggregate intercity changes in the American economy have freight demand, and these changes, together with the rise of trucking and other transport modes, have profoundly altered the character of rail freight service demanded. The railroads have not adapted to these changes with sufficiently alacrity. Various institutional arrangements inhibit this adaptation. The most important of these are politically motivated regulation, a Balkanized corporate structure, and counterproductive work rules.

The railroad industry is subject to detailed regulation pertaining to pricing, mergers, entry into trucking, and abandonment. The ICC, responding to political pressures, has used its regulatory powers to cross-subsidize low rates (in relation to cost) to small shippers, to shippers located along some lightly used branch lines, and to shippers of some bulk commodities. Competition from trucks and unregulated carriers has made this policy of cross-subsidization unworkable, as these modes have diverted to themselves and forced down rates on the very traffic that is supposed to "carry" the subsidized traffic. An unintended side effect of regulation, it is widely agreed, has been to stifle innovation in the railroad industry and, more subtly, to discourage managerial initiative. The cost to the consumer of various inefficiencies in surface freight transportation resulting from detailed regulation of this industry is estimated to be within the range of $4–10 billion per year.

The present fractured corporate structure of the rail industry severely handicaps railways in developing rail traffic and in handling rail shipments efficiently. Because the railroads must perform as an integrated system, strong and progressive railroads are dependent on weak and less responsive roads. Interrailroad differences and rivalries hinder the joint actions and joint decisions that are essential to the railways' performance as an integrated system. At the same time, competition among railroads is less effective because of the mutual interdependence of the competitors. Balkanization handicaps the railroads most in handling long, interregional shipments that must be interchanged between two or more railroads. Yet the comparative advantage and greatest traffic potential of the railroads are in just this type of traffic. The formation of four to seven or so independent continental systems (north to south as well as east to west) through predominantly end-to-end mergers will help considerably in solving the industry's problems.[2] Freed of their previous level of dependence on the cooperation of other railroads, the executives of individual railroads will have the ability and incentive to manage effectively and to take promising initiatives in service, pricing, marketing, and technological innovation. Competition among these continental systems, in addition to intermodal competition, will further stimulate managements to be responsive to shipper needs. Indeed, the creation of four to seven independent continental systems by merger can actually enhance interrailroad competition.

Management and labor unions, not unsurprisingly in a declining industry, have had difficulties in agreeing on an appropriate sharing of the labor productivity gains that have resulted from technological innovation, merger, route abandonments, and reorganization of work. In general, labor unions have been put in the position of standing on job definitions known as work rules to protect workers from uncompensated job loss. By inflating the perceived cost of labor, these work rules have induced management to minimize the use of labor whenever possible, for example, by substituting capital and purchased labor services for hired labor and by reducing train frequency to such a point that competitive, long-haul traffic is lost to truck. Both the short-run and the long-run interests of labor and management would be better served by other ways of sharing productivity gains. Reform of the Railway Retirement System, necessitated by its prospective financial difficulties, offers one opportunity for the Federal government to prompt such a solution.

Restrictive regulation, the Balkanized corporate structure, and counterproductive work rules have together discouraged and distorted technological progress in the rail industry. Railroad technology has not adapted to the changing intercity freight market, and, in particular, does not permit the railroads to provide the higher standards of freight service that shippers of transport-competitive traffic are demanding. There are a number of innovations that will permit the railroads actually to improve the quality of rail service and reduce costs simultaneously, thus yielding sizable gains in railroad productivity. The most important of these is containerization of shipments, which promises to streamline railroad operations and the railroad network to the benefit of the railroads and shippers alike. While piggyback traffic is growing year by year, the full potential of containerization is far from being reached. Revision of train schedules and operations and the implementation of a freight-car management system promise to improve the speed and dependability of delivery while improving car utilization. In addition to their direct contributions to railroad productivity, the research and innovations urged in this report will be powerful catalysts for the other reforms advocated.

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[1] The consumer price index rose only 21.3% and the wholesale price index only 13.9% during the same period.

[2] The dissolution of the Penn Central will probably be essential to the formation of these systems.

What role has new capital to play in revitalizing the railroads? One of the more striking conclusions of this report is that the railroad problem is more a problem of productivity and of adaptation to changing markets more than it is a purely financial problem. The railroad industry as a whole has had fairly good access to private capital, at least for rolling stock. The problem has not been capital unavailability so much as an inability to employ new funds profitably under present institutional constraints and with existing technology.

There have been frequent suggestions that Federal subsidies or Federally-guaranteed loans are vital to the survival or recovery of the industry. Several reservations about such a policy might be noted. First, money, per se, does not always cure productivity and marketing problems. Second, the government should be cautious about investing in what may be obsolete technologies. Investments in rehabilitating light-density rail lines, constructing high-capacity automated classification yards, and adding to the fleet of conventional boxcars could actually be counter-productive in the sense that such investments deepen the commitment of the industry to what may well be outmoded techniques and could thereby aggravate the problems of the industry. The low average and even marginal rates of return on recent investments in the railroad industry warn against further massive investment in some of the traditional ways of railroading. At any rate, Federal funds probably ought not be employed for conventional freight cars for which the industry has fairly good access to private funds. Finally, the railroads have been paying out a comparatively large proportion of net income as dividends, substituting equipment debt for stockholder equity. An overly casual infusion of public funds could be used to substitute for private funds, and end up purchasing the railroads for the taxpayer, i.e., nationalization via the back door.

There are, however, several possibilities, identified in this report, for which Federal money might be used creatively and in return for a genuine social, political or economic quid pro quo. For example, the Federal government may find assisting in the refinancing of the Railroad Retirement System unavoidable; however, it might reasonably expect in return progress toward elimination of counterproductive work rules. The Federal government might improve the financial health of the industry, facilitate containerization and the streamlining of rail service, by purchasing railroad rights-of-way whose light traffic density justifies abandonment and whose value in other uses, public and private, often might be greater. The government can also stimulate innovations in the railroad industry, particularly those of a "public good" or highly generalizable character, by sponsoring research along lines suggested in Chapter IX.

The recommendations of this report cover complex and controversial subjects. They strike at the heart of labor-management bargaining, intra- and inter-industry competition, use of scarce private and public investment funds, and they even touch on delicate political relationships (for poor transportation service is and should be a political issue). The recommendations call for profound changes in the way corporate officials, labor union leaders, and government policy-makers think about railroading and how they conduct their affairs.

This admixture of complexity and controversy means that implementation of the recommendations contained in the report will not be easily achieved. No one should expect that. The reward, however, can be an industry that is modern, competitive, lean and specialized compared to the railroads of today. This revitalized railroad industry would differ not in physical appearance alone, but in the satisfaction it brings to employees, investors, shippers, and the public.

## HEARINGS ON IRS PRACTICES SCHEDULED FOR APRIL 9, 10, 11

Mr. MONTOYA. Mr. President, a year ago the Appropriations Subcommittee on the Treasury, Postal Service and General Government Operations held special hearings on the administration of our tax laws by the IRS.

Tax collection is the point at which Government touches our lives most intimately. Americans have always had faith in the capability, fairness, and integrity of those who administer our tax laws, and 97 percent of the citizens of this Nation pay their taxes voluntarily.

However, in the process of examining the difficulties of the IRS in providing tax information and in handling compliance procedures, the committee discovered a number of serious complaints. We heard testimony from tax volunteers, labor leaders, CPA's, former IRS personnel, and from professional tax service representatives.

The most important information the committee received can be summed up as follows: Our tax system is now dependent on a professional tax preparation industry which is not licensed and which is an added expense to the taxpayer. The taxpayer whose return is being audited often feels like a "criminal" and does not understand the appeal process. The cost of tax legal assistance makes some feel that "the rich pay less and the poor simply pay," as one of our experts said. Taxpayer knowledge of IRS assistance, compliance and enforcement programs is inadequate. IRS forms and procedures are confusing and difficult for the average citizen to understand. Some taxpayers believe tax agents use a "quota" and are rewarded for the number of extra dollars collected or the number of cases closed.

These and other complaints were brought out in the hearings last year, and were accompanied by suggestions for improvements which IRS could make in serving the public.

One of the most gratifying results of the hearings was the realization that the public was made more aware of the difficulties IRS encounters in receiving and examining 78 million tax returns. Paralleling that we found that we were able to make the problems of taxpayers clear to the administration and that we were able to assist IRS in revising some forms, providing increased public information about audit services and appeal processes, and focus attention on the need for new guidelines for use in assessments and seizures.

Taxpayers who have written to me have generally expressed the feeling that the congressional hearings were one of the few forums open to them to effectively and specifically express their feelings about taxpayer problems. Many who wrote expressed the feeling that IRS could better serve the people from and for whom it collects taxes. Others wrote that when an individual disagrees with the IRS he has little choice but to grit his teeth and comply with the assessment. Many have written to suggest changes which they feel would be helpful to them as taxpayers or to the IRS as a necessary Government agency. All who wrote to comment on our hearings last year expressed support for vigorous and complete administration of our tax laws, with uniform treatment for all citizens.

Under the very able leadership of Commissioner Donald Alexander, the IRS has in the past year made definable progress in taxpayer service and information service. The committee has attempted to assist IRS in sifting through the problems and suggestions resulting from our hearings, and in making the needed changes.

It is because of the continuing pressure from the public for further discussion and because of the excellent results of last year's hearings, that I again plan to hold hearings on IRS practices. The hearings have been scheduled to be held on April 9, 10, and 11, 1974.

This year the subcommittee will review the changes which have been made at IRS and will try to discover how well those changes have been made clear to the taxpayer. New understanding and a change in perceived attitudes should be reflected in better voluntary compliance and in a better feeling about the accessibility and fairness of this Government agency to the average citizen.

We will focus on three areas: Taxpayer assistance, the audit and appeals procedures, and the collection process. We plan to hear testimony from a diverse group of witnesses concerned with all these areas. The subcommittee will also ask that witnesses speak to the problems of tax administration generally and provide ideas for improving future services.

## TWO CENTURIES OF HISPANIC CONTRIBUTIONS TO ARIZONA AND THE SOUTHWEST

Mr. GOLDWATER. Mr. President, with the sad state that the bicentennial celebration is in over most of the United States, it was indeed a joy to travel to my native State of Arizona last weekend and there participate in a program put on by our Arizona Bicentennial Commission, which is extremely active and getting results.

The theme was two centuries of Hispanic contributions to Arizona and the Southwest. So that my colleagues might know the extent to which the Arizona group has gone and is going, I ask unanimous consent that the program be printed in the RECORD and also, following that, the remarks that I made relative to the Hispanic contribution and my family's experience of over 100 years of this exposure.

There being no objection, the program and remarks were ordered to be printed in the RECORD, as follows:

### TWO CENTURIES OF HISPANIC CONTRIBUTIONS TO ARIZONA AND THE SOUTHWEST

MARCH 14, 1974—THURSDAY

(1-2:15 p.m. Arizona Room)

General session:

*Arizona and the Spanish Frontier,* Opening address by Professor John Francis Bannon, *S.J., Professor* Emeritus, St. Louis University.

Introduction by Professor Manuel Servin, Department of History, Arizona State University.

(2:30 p.m. Pinal Room (215))

I. Art and Literature in the Spanish Southwest.

Chairman and Commentator: Mr. Aaron Cohen, Scottsdale, Arizona.

*Forgotten Artists of the Hispanic Southwest,* Professor J. Douglas Hale, Department of Art History, Arizona State University.

*Spaniard and Mexican in Southwestern Fiction,* Dr. C. L. Sonnichsen, Editor, Journal of Arizona History.

(2:30-4 p.m. Cochise Room (212))

II. Missions and Presidios in the Spanish Southwest.

Chairman and Commentator: Mr. Bert M. Fireman, Executive Director, Arizona Historical Foundation.

*The Impossible Dream: Defense of the Spanish Southwest,* Professor Janet Fireman, California State University, Fresno.

*The Arizona Missions: Pacification, Protection, and Directed Culture Change,* Dr. *Charles W. Polzer,* S.J., Director, Kino House, Tucson, Arizona.

(7:30-9 p.m. Arizona Room)

Banquet—The Honorable Barry M. Goldwater, United States Senator from Arizona. Hispanic Arizona was muy simpatico.

Introduction by Mr. John H. Eversole, Chairman, Arizona Bicentennial Commission.

MARCH 15, 1974—FRIDAY

(10:00-11:30 a.m. Cochise Room (212))

1. The legacy of Hispanic law and the clash of Spanish and Indian cultures.

Chairman and Commentator: Mr. Sidney Brinckerhoff, Director, Arizona Historical Society, Tucson, Arizona.

*The Residues of Hispanic Law in the Southwest,* Mr. Raul H. Castro, former Ambassador to Bolivia and El Salvador, Tucson, Arizona.

*Face to Face: the Southwestern Indians and the Spaniards,* Professor Arrel M. Gibson, George L. Cross Research Professor, University of Oklahoma, Norman, Oklahoma.

(10:00-11:30 a.m. Pinal Room (215))

II. The Evolution of Appeites: Feast, Famine, and food in the Hispanic Southwest.

Chairman and Commentator: Professor Martin Ridge, Indiana University, Editor, The Journal of American History.

*The Mexican Chile: From Green to Dry Red to Arizona;* Mr. Joe Jordan, Phoenix, Arizona.

*Hoof Prints, Cow Chips, and Beef Steaks: The Mexican Cattle Industry and the Southwest,* Professor Manuel Machado, University of Montana, Missoula, Montana.

(2:30-4:00 p.m. Pinal Room (215))

I. New styles and old habits in Hispanic architecture.

Chairman and Commentator: Mr. Paul Roca, Phoenix, Arizona.

*The Influence of Hispanic Architecture on Contemporary Living Patterns;* Mr. Bennie Gonzales, Phoenix, Arizona.

*Mission Architecture Exemplified in San Xavier Del Bac;* Mr. Eleazar D. Herreras, Tucson, Arizona.

(2:30-4:00 p.m. Cochise Room (212))

II. The lure of wealth in the hispanic southwest:

Chairman and Commentator: Dr. Robert W. Blair, Mesa, Arizona.

*The Spaniard as Mining Man: A New Look at Some Old Propaganda,* Professor Otis E. Young, Jr., Department of History, Arizona State University.

*The Lost Dutchman Mine: Myth or Just Missing?* Mr. Fred M. Guirey, Phoenix, Arizona.

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### HISPANIC ARIZONA WAS MUY SIMPATICO

In considerable contrast to the Washington theme song of the last couple years, which seems to repeat over and over again like a broken phonograph—what's wrong with America—I appreciate the positive constructive note of the theme of this program put together by the History Department of Arizona State University and the Arizona Bicentennial Commission.

### TWO CENTURIES OF HISPANIC CONTRIBUTIONS TO ARIZONA AND THE SOUTHWEST

In other words—what's good about the past two centuries in which Arizona has developed as a blend of Anglo and Hispanic cultures.

The list is long and impressive. Because I have had other appointments today and am fully scheduled for tomorow, it is impossible for me to attend the sessions of this conference and hear all the papers being presented. From the program I note that scholars from the academic world as well as accomplished professionals from other fields are speaking on main themes of history and culture, and I shall not attempt to second-guess what they will be telling you in detail and with greater knowledge than I profess how we have benefited from the broad sweep and scope of two cultures that have been combined here in the Southwest.

I see that the influence of Spanish and Mexican artists and the portrayals of Spanish and Mexican types in literature have already been presented, as well as a review of the military and the missionary movement in Spanish times.

I am very sorry that I could not be here for the session in which the eminent former United States ambassador to Bolivia and El Salvador—Raul Castro—spoke on what we have gained from Spanish law. I am sure he expanded upon our fundamental realization that both mining law and irrigation law in Arizona—two of the cornerstones of our prosperity—are directly borrowed from Mexican and Spanish antecedents, just as we learned to mine our mountains, and irrigate our fields with skills introduced into this area by artisans from south of the border.

I was delighted to see on the program the name of Joe Jordan—speaking on the topic of Mexican foods. That is a considerable and important cultural contribution to the Southwestern scene. As far as that goes, Joe has a national as well as a local reputation as a cocinero. He kindly agreed to fly back to Washington a couple years ago to put on a regular Mexican feast for our annual Arizona Society picnic. It was such a huge success we've had to persuade Joe to come back to Washington a few times since for smaller parties. This native Arizonan—himself a blend of two cultures, raised in the little town of Raya with both Anglo and Mexican parentage—is so typical of the cultural achievements we have attained here in Arizona.

From my home on a hilltop just west of Camelback Mountain, I can look out over the foothills toward downtown Phoenix (when I can see anything) and see the beautiful home of another of our speakers, of Arizona's most prominent and successful architect, Bennie Gonzales. His distinctive style—adopted from Spanish architectural forms and indigenous materials, have made a striking impression upon the Southwest, adding a modern touch to the grand style of Mission architecture demonstrated so well in the restoration of Mission San Xavier del Bac which will be discussed tomorrow by Mr. Eleazar D. Herreras of Tucson, the architect who did such a marvelous job in restoring the facade and other features of the White Dove of the Desert near Tucson.

The Hispanic Arizona in which I grew up was one in which there was an unconscious blend of things Mexican in a world that advanced at a more rapid—but not necessarily a more comfortable pace than things south of the border.

Hispanic Phoenix was a place of many fiestas borrowed from the Mexicans. Not only did we celebrate Cinco de Mayo and the 17th de Septiembre as national Mexican holidays, but San Juan's Day late in June was of major importance, for it had both religious significance and some promise that the summer monsoons or rainy season usually could be dated in southern Arizona from San Juan's Day as surely as the swallows fly back to San Juan Capistrano in California on a regular schedule.

In Hispanic Phoenix when I was a boy we had an occasional bullfight, even though some citizens protested, and there were frequent if clandestine cockfights. At one time, when everybody rode horses, chicken pulls—a distinctive Mexican sport—were common on the streets of Phoenix.

On all such occasions, we kids enjoyed raspadas—or snowballs—and who could ever exceed the pleasure of a snowball—delicious sweet syrup poured over snowy scraped ice—on a hot afternoon.

Well, there was one thing that matched or exceeded that. Before the taco and burrito became the symbols of south-of-the-border foods, we here in Hispanic Phoenix had learned that Christmas was tamale season, and no coming of Santa Claus was complete until it had been preceded by a feast of hot tamales. I was still a young man and prohibition was an ugly reality when I learned that there has never been anything invented so effective the morning after as menudo.

The mariachi band is a familiar entertainment institution in the Southwest, with the strident sound of the trumpet sometimes said to be a reminder of the uneasy days of the French Empire in Mexico when trumpeters heralded the arrival of the Emperor Maximilian. Whether or not that is true, whenever I hear a mariachi band and thrill to the piercing sounds of the trumpet, I am reminded instead of another Hispanic cultural contributions from the days of my boyhood. We were frequently treated to little one-ring, family circuses that regularly crossed the frontier and toured the towns of Arizona with Mexican population centers. These little circuses invariably had jugglers and acrobats, a few trained dogs, often a trained bear, a clown or two who told jokes in broad satire and often slapstick humor—with all the acts introduced and salted by a small orchestra composed of a blaring trumpet, a guitarist, a bass fiddle, and a vigorous drummer.

These are just samples of the many contributions. Look at our names of places, such as rivers: the Santa Cruz, San Pedro, San Simon, Gila, Verde, Colorado, Salado; the mountains, Santa Ritas, Huachucas, Estrellas, San Franciscos, Plomosos, Sierra Blancas; towns, Nogales, Sierra Vista, Tucson, Casa Grande, Aguila, Patagonia, etc.

### *A majority of Spanish surnames*

Several years ago the late Senator Carl Hayden, who was born here in Tempe, received the permission of his colleagues in the United States Senate to have published as Senate Document No. 13, of the 89th Congress 1st Session, a report on the first three Federal Censuses made of Arizona. This was the partial culmination of Carl's only hobby of a lifetime—collecting the history of this native state for others—all of us here today—to study and enjoy at our leisure.

The other day I was looking at the copy of that document that I keep in my office in Washington. I was struck by the fact that in the first three censuses made of Arizona—in 1860—1864—and 1870—the majority of names of Arizona residents were of persons with Spanish surnames.

The 1860 census was made of Arizona County in the Territory of New Mexico. It comprised most of the lands south of the Gila River—the Gadsden Treaty country—reaching from the Rio Grande to the Colorado River. In that large desert area the principal city was Tucson. The Indian population counted was about 4000 individuals. There were 21 free colored residents, and 2421 other residents, most of them with Spanish surnames. There was a minority of a few hundred Anglo-Americans—most of them of them adventurers and miners and stageline employees—attracted to the new territory by the remote possibilities that it would develop as a mining area as rich as California had been a decade before.

Four years later—when the Territory of Arizona was created out of New Mexico Territory and the first separate civil government for Arizona was being established—another census was taken. By now Arizona had its present boundaries, except for that lower corner called Clark County that we lost to Nevada a few years later. Even though the number of Anglo-Americans had grown considerably as military posts were established in the new region and government and bureaucracy were established, the Spanish surnames still largely outnumbered all the others.

In 1870 the federal decennial census was taken—showing that the total population of Arizona (excluding Indians) had grown substantially in six years and now stood a few individuals short of 10,000. Of these fewer than 4,000 were native-born Americans. Nearly 6,000 were foreign-born and of these 4,348—by far the largest nationality—were Mexican-born. Spanish surnames still outnumbered all others.

The same thing was true in 1880. It wasn't until the census of 1890 that Spanish surnames were exceeded by others. By then the construction of two transcontinental railroads across Arizona and the opening of the huge copper mines, and the intense development of irrigation projects in the central valleys, had stimulated immigration from the United States to the degree that for the first time persons with Spanish surnames became a slight minority in the Arizona population.

### MEN OF VALOR AND DEEDS

When I read over the program for this conference I saw a name of a scholar from Montana that sounded somewhat familiar to me. Professor Manuel A. Machado of the University of Montana, I observed, was to speak on the subject of the Mexican contribution to the cattle industry in the Southwest. The name rang a bell, and my secretary was able to help me recall the context in which I had seen the name.

A few years ago, in the summer of 1970, Professor Machada had written an article for a scholarly publication, *The University Bookman*, which was sent to me by its editor Russell Kirk, now a well-known syndicated columnist. That article dealt with the topic: "Chicano Studies: A Mexican-American Dissents."

Professor Machado in that article contended, and I agree completely, that historians need to study seriously and in depth this theme that we are touching upon, the Hispanic Contributions to the southwest, and he said: "serious monographic studies need to be done on the impact of the Mexican-American on the United States."

He asked and I agree that Mexicans should not be treated as stereotypes—either of the Brown Berets or of folk heroes of the revolutions, but that thoughtful, careful studies should show how many and how varied were the contributions of Mexican-Americans to our development.

Out of my own memory and acquaintance let me mention a few such individuals in Arizona's history who deserve monographic treatment, whose exploits deserve books and lengthy articles:

Estevan Ochoa—the Tucson merchant and freighter who as a member of the legislature was the author of the laws that established the public school system in Arizona during the administration of Governor Safford.

Jose Maria Redondo of Yuma and Francisco Leon who were elected members of the very first Arizona legislature in 1864.

The Aguirre and Elias and Robles and Zepeda families were prominent in the early livestock and business developments in southern Arizona.

Jesus Ortiz and Sabino Otero, early settlers and holders of land grants.

Mariano Samaniego, freighter, regent of the University of Arizona, miner, assessor, adjutant general of the Arizona National Guard.

Anaya, Torrez, Peralta, Castañeda, Michelena, Ruis, Padres, Garcia, Franco, Perez, Jacome, Felix, Vasquez, Sandoval, Soto—these are all names of families of stature and accomplishment and achievement—who before the Castros and Herreras and Machados of today made important contributions to Arizona's development.

There is an entirely separate segment of significant pioneers with Hispanic association who contributed to our development, men of mestizo or mixed marriages who by intermarriage extended into succeeding generations the best of two nationalities to contribute to the melting pot of American life.

The Peter Brady family of Tucson and Florence.

Jack Swilling, the founder of Phoenix, who married Trinidad Escalante in Tucson in 1864.

Peter Doll, the German-born justice of the peace at La Paz, a friend of my grandfather and Uncle Morris.

William Oury, a survivor of the Alamo, one of the pioneers of the cattle industry in southern Arizona, mayor of Tucson in 1880 when the railroad arrived.

Solomon Warner, merchant, forced to leave Tucson during the Civil War, married a widow in Santa Cruz, Sonor, and returned to Tucson to be its leading miller and merchant.

George Stevens, member of the legislature, Indian fighter, scout for General George Crook's army, who had two wives—one a Mexican lady, the other an Apache Indian lady, and raised two families whose descendants are still prominent citizens.

Frederick Ronstadt, a German immigrant who married into the prominent Gandara family of Sonora and became leaders in Southern Arizona business and cattle industries.

The Barth and Hubbell families of northeastern Arizona, both married into Spanish families of New Mexico.

Art Van Haren, during my youth a popular baseball umpire.

Abraham Frank, whose daughter is still living in Yuma, a native of Germany who worked for my grandfather in Ehrenberg, carried mail along the Colorado River, was justice of the peace in Yuma.

Walter Lemon, early Phoenix hotel-keeper.

Joe Jordan, my favorite Mexican chef.

Dr. Walter Wilson Jones, a Virginia-born doctor, who was my grandfather's partner for many years in freighting operations, who married a girl from Sonora and whose descendants, the Frank and Gomez families, still live in the Tempe area.

There were many others like these in whose veins flowed both the blood of the Montezumas or of Castile, and Puritan and Anglo-Saxon stock, who here in the sunny Southwest made contributions to a better life for all of us.

### *Family experiences*

My grandfather was the first of the Goldwaters to reach Arizona, coming to this territory during the early years of the Civil War when it was still part of New Mexico.

Mike Goldwater arrived in the gold boom town of La Paz on the Colorado River prepared for the tri-lingual nature of that town. Its residents spoke Spanish, French, or English. Mike could communicate in all three.

Born in Poland, in a part where German as well as Polish was spoken, and in a home where Yiddish was the common language, as a very young man he left behind the political turmoil and repression of Poland, going to Paris where he worked as a tailor and learned a smattering of French. The 1848 political unrest in France caused him to move to England. In London he married my grandmother and added an accented English to his language capabilities. There my Uncle Morris and Aunt Caroline were born, but they remained behind when Mike and his younger brother Joseph responded to the call of the Gold Rush and made there way to California, with a brief stop in Philadelphia, the cradle of American liberty.

Their first residence in California was in a town in the southern mines, in the southern foothills of the Sierra Nevada in an area mostly settled by miners from Sonora. So the town where Mike first became an American businessman was called Sonora, in Tuolumne County, southeast of Stockton. He lived there, improving his Spanish, until the depression of 1857 caused business distress. So he moved south, to Los Angeles, and again entered business. Los Angeles was more than three-fourths Spanish-speaking. The Goldwater store was on North Main Street, in the shadow of the present City Hall. Mike's family lived nearby, within a block or two of Olvera Street, the center of Mexican culture in the downtown Los Angeles area now. My father was born in Los Angeles, and first attended schools where nearly all the children spoke Spanish, a first language, although to him it was a second language learned as a child.

Both my Uncle Morris and my father—as well as their other brothers—Ben, Sam, and Henry, all spoke Spanish. All worked in the family businesses, knew Mexicans as customers, fellow employes, friends and neighbors.

When the family enterprises shifted from La Paz to Ehrenberg, when a store was opened in Phoenix in 1872, and then in 1876 when the J. Goldwater & Brother opened their first store in Prescott, these frontier Arizona towns were totally bilingual, with Spanish and English spoken interchangeably, and with Mexican silver pesos as well as American greenbacks being accepted readily in trade.

This was the Hispanic Arizona in which we Goldwaters grew up. It was a culture that combined the Spanish language, Mexican culture, and the new aggressive mercantile ways of Yankee traders and Polish and German immigrants. It was Hispanic Arizona and muy sympatico.

In 1880 my grandfather and his brother Joseph dissolved their business partnership, with my Uncle Morris becoming a partner with his father. Joe moved into Southern Arizona for a new career in the booming mining camps of Bisbee, Contention, Charleston and Tombstone. There he was a partner with an old friend from La Paz and Ehrenberg, a Mexican gentleman named Jose Miguel Castaneda. For years Joe and Castaneda and a third partner, J. Guidani, also a Mexican, were leading merchants in Cochise County. When he was an old man, near the end of his life, had been widowed for many years and was lonely, Joe married for a second time. His second wife was his partner's mother-in-law, a Mrs. Arvizu, whom Joseph had known many years before at Ehrenberg.

*Mexicans by birth—Americans by choice*

When my grandfather first came to Arizona more than a century ago, most of the residents of the territory were Mexicans. Most of these residents were Mexicans by birth and Americans by choice.

By American aggression in the War with Mexico, the United States had acquired one-third the territory of the young Republic of Mexico—all of the lands north of the Gila River, California, Nevada, Utah, most of Colorado, and had settled the dispute over the boundary of Texas. Mexico acknowledged that Texas was now part of the United States and the boundary with the mother country was the Rio Bravo or Rio Grande as we preferred to call it.

Under the Treaty of Guadalupe Hidalgo, ending the war with Mexico, the United States agreed that residents of the annexed territories were to receive all the rights and privileges of American citizenship—if they so chose. The residents were given a year to decide whether they wanted to be Americans and remain in the United States or return to territory still held by Mexico. This provision of the treaty was to be restated and repeated six years later when the Gadsden Treaty brought the lands south of the Gila River—a railroad route to California—to the United States. Again, Mexican residents could automatically become Americans or had the option of moving into Mexico without prejudice.

Very few chose to return to Mexico. In spite of the bitterness of defeat and the huge loss of territory, it was clearly evident that citizenship in the United States was far more attractive than life under the political and economic unrest that was characteristic of the young Mexican republic at the time.

Within a few years governors of the northern tier of Mexican states were complaining to their central government in Mexico City that the emigration of Mexican residents into the bordering states of the United States had actually increased. They were losing population to the U.S., because the economic and other attractions of the United States were stronger than either patriotism or restrictive emigration laws in Mexico.

New mines and other industries were opening up in Arizona. Although the Mexican laborers provided the enterprising Americans with a cheap labor pool, the amazing difference between the value of the dollar and the peso made life with the most menial of jobs in the U.S. more attractive than remaining in Mexico where a caste system with peonage for a great share of the population offered less economic mobility, less opportunity, and in terms understood by all—fewer tortillas and frijoles for the worker and his family.

With little alteration, the waves of Mexican immigration into the United States have never stopped for the last 125 years. Whether born in the days of the tyrant Santa Anna, whether of the era of the strongman Porfirio Diaz, or of the revolutionaries like Juarez, Carranza, Zapata, Pancho Villa, Madero, or Escobar, the residents of Northern Mexico have always looked across the American frontier as a land of greater opportunity and success.

They found Hispanic Arizona muy simpatico.

*Seeds of doubt in a fertile land*

Although for most of the past two centuries the relationships of those of Mexican and Anglo-American descent have generally and normally been cordial in Arizona, there have at times been points of stress and disagreement, often precipitated by international events and misunderstandings.

At the outset, following the Mexican War, there was an influx of Mexican citizens into American territory—a reflection of the poverty, the political unrest, the caste system, and the lack of opportunity that existed in the early days of the Mexican republic. Sometimes this was expressed in dissatisfaction and discord and unkind comments between Americans and Mexicans. Uncomplimentary terms and unfavorable stereotypes of both were common along the frontier. There are always some persons around who want to stress the minor points of disagreement in preference to the major areas of agreement and satisfaction in everyday life.

But the Mexican population of Arizona continued to grow in numbers although with the passing of decades the Anglo-American population naturally grew faster and in time the Spanish surnames became the minority rather than the majority. But Arizona and the border states continued to attract Mexicans for various economic, social, political, and sometimes religious reasons.

With changing political currents and frequent revolutionary changes in Mexico, the residents of the northern states of Mexico frequently had reasons for *leaving* Mexico as well as for coming into the United States. The attractions here were often positive, promising economic and educational opportunity, greater vertical movement in the social order, etc., while reasons for leaving Mexico could be religious persecution, danger of facing a firing squad for political differences, conscription into revolutionary or government military forces that switched sides and allegiances often, and the abject and depressing poverty that was characteristic of Mexico so long.

Religious and political repression often followed changes in governments.

The development of major copper mining activities in Arizona following construction of the two transcontinental railroads in the 1880s served as a huge attraction for Mexican workers and artisans in a Mexico feeling the oppression of the Diaz administration, which finally brought order out of the chaos of the French Empire and the early dominance of the tyrant Santa Ana. The late years of the Diaz administration—as Mexico entered the 20th Century—found a great number of liberty-seeking Mexicans seeking refuge in the United States. American law, designed to maintain our political neutrality and keep our nose out of our neighbors' affairs, often led to the arrest and conviction of such refugees for stirring up revolutions along the frontier and acquiring arms and troops for shipment to Mexican compatriots in efforts to dislodge Diaz.

At the same time repressive efforts to subdue the independent Yaquis in southern and eastern Sonora brought a different kind of political refugee into Arizona, a type always offered political sanctuary under the American flag, as we have seen so abundantly in Florida recently.

Early in this century—under the rising labor union movement in the copper camps of the Southwest during the so-called Populist era—there emerged in American life and institutions the so-called nativist attitude. Trying to protect their jobs against foreigners, as the Irish had done in California previously against both Mexicans and Chinese, the labor unions in the copper camps endorsed anti-alien laws which discriminated against Mexican immigrants who had been providing a large share of the labor force in the mining camps. These efforts were to be exploited in some cases by the Scotch owners of some of Arizona's mines as well as by the native unions, with the result that for a while the Arizona labor scene was despoiled by strikes in the major mining camps. This was in the largest sense an isolated situation. There have been only two or three strikes in the long history of Arizona mining in which such discrimination was a factor.

Some years later, just before World War I, the long period of turmoil and revolution that had started with the Diaz Revolution in 1910, brought anti-American feelings to Mexico and anti-Mexican feelings in the United States. This was unfortunately heightened in the days of World War I by the Zimmerman Affair, in which a German ambassador attempted to persuade Mexican revolutionaries to divert American attention from the war in Europe by causing mischief along the Mexican border with Arizona and Texas. This period was also made critical and hectic by Pancho Villa's raid on Columbus, New Mexico, the expulsion of the Mormon colonists from Chihuahua and Sonora, and the Pershing Punitive Expedition into Mexico in pursuit of Pancho Villa.

This type of hostility and ill feeling along the frontier—which tragically frequently found expressions of unkindness in our Arizona towns and newspapers as well as in the press and society of Mexico—gradually diminished after World War I, only to be resurrected by another spate of revolutions along the international boundary in the 1920s, which led to expropriation of American oil interests in Mexico and another period of international stress and misunderstanding.

But—measured against two centuries of Hispanic and cultural blending and understanding—the disagreements between Mexicans and Americans, as well as between Mexico and the United States, have been characterized by their absence rather than their presence during these years since 1776.

That is why I say Hispanic Arizona Was Muy Simpatico.

Generally we understand and appreciate our hispanic heritage.

Our neighbors in Mexico generally respect and admire American accomplishment.

We live together as good neighbors—muy simpatico.

## NORTH DAKOTA'S ABILITY COUNTS CONTEST

Mr. BURDICK. Mr. President, each year the Committee on Employment of the Handicapped of the North Dakota Governor's Council on Human Resources sponsors the "Ability Counts" writing contest for high school students.

It is a valuable contest not only because it encourages writing ability, but also because it makes all who enter it think seriously about the problems of the handicapped and what must be done to overcome them.

This year's North Dakota winner is Jon Gilbertson of Bismarck, N. Dak. His topic is "Community Challenge: Barriers to the Handicapped." Mr. Gilbertson has clearly outlined the barriers to be overcome by handicapped people. This is a thoughtful and well-written essay, and I commend it to all those concerned about our handicapped citizens. I ask unanimous consent that Mr. Gilbertson's essay be printed in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

### COMMUNITY CHALLENGE: BARRIERS TO THE HANDICAPPED

Every man has a dream. Whether it be to climb a mountain or cross an ocean, this innate desire to conquer new barriers has spurred men to do great things since the beginning of time. But there are some people that have different dreams, different barriers. They are the handicapped. Their mountain can be a flight of steps on the way to work, their ocean a busy crosswalk with high curbs. By some cruel twist of fate, these people have been put in circumstance that puts them at a tremendous disadvantage, which is made worse by the trapping that civilization has put up. Barriers, not made out of malice, but out of misunderstanding and apathy toward the handicapped.

There are over 18 million adults in America that have physical handicaps severe enough to limit in some way there ability to hold a job, according to the Social Security Administration. In other words, one out of every ten adults in America has a physical disability severe enough to interfere with his earning a living! Did you know that one out of ten Americans of adult age has mental or emotional conditions severe enough for psychiatric care, according to the National Association for Mental Health? And that there are ½ million men and women in the country that are mentally retarded? Keep in mind that all these people have barriers to face.

"The main thing is to tell yourself 'I can'. Once you do that you've crossed the greatest barrier," stated LeRoy Johnson, 1972–73 Outstanding Handicapped Citizen of the Year in Bismarck, who was a victim of Rheumatoid Arthritis.

Although a positive attitude can have a magical effect on a person, it simply cannot make architectural barriers vanish into thin air. Architectural barriers are truly a Waterloo for many handicapped citizens. Imagine all the buildings that are inaccessible to the five million with heart conditions, the 250 thousand in wheelchairs, the 200 thousand in heavy leg braces, the 139 thousand with artificial limbs, the 260 thousand blind people, and the thousands over 65 just because of long, steep flights of stairs. Put yourself in the place of a person in a wheelchair trying to enter a typical building. Once you've finally breached that bulwark of steps and have entered the building, that may as well be a fortress, there are still more battles ahead. The out-of-reach drinking fountains, telephone booths, vending machines, light switches, and fire alarms. The rest rooms not designed for use by a wheelchair-bound person. The too small elevators and the narrow aisles in a cafeteria, library, or auditorium. And when it's time to go home, you have to again encounter those steps, narrow walks and the high curbs. Imagine the difficulties you would encounter trying to attend a ball game, go to a class, visit a friend, go to a museum, or anyplace in particular for that matter. Especially imagine the hardships of going to work every day of their lives!

In a world that demands mobility, transportation barriers form another foreboding barrier to the handicapped. Having public transportation is one thing, but making it accessible to the handicapped is another. However, recreational areas, buses, and railroads are now designing and planning for services that can be used by the handicapped. They are planning for level walks, handrails, phones and water fountains at wheelchair level, raised paltforms that meet level with the entrance to a bus or train, adequate rest rooms, wider aisles, and audio announcements for the blind. In the future, long-distance and local traveling will be available for all the handicapped.

Rejection and employer resistance are formidable barriers to the handicapped who seek to find a job. Some employers try to avoid hiring the handicapped mainly because of lack of understanding, lack of accurate information about handicapped workers, or prevalence of misinformation and prejudice. Many don't get hired because many handicapped people need more preparation and training for work. But foremostly, they need help in overcoming both architectural and transportation barriers.

"The handicapped worker is a member of America's most helpless minority, he needs labor's strong help to overcome prejudice, discrimination, and inadequate opportunity," implies Harold Russell, Chairman of the President's Committee on Employment of the Handicapped.

If the handicapped cannot enter certain buildings because of barriers, how can they hope to get or hold a job there? If he can't get to work or if an employer refuses to hire him just because he's handicapped, he doesn't stand a chance. All these barriers; transportation, architectural, and rejection must be torn down before the handicapped can take their rightful place in society. What can be done? Let the public know that you are in favor of the handicapped citizens in your community and want to help them eliminate these barriers. Urge city, state, and local officials to take action in this crusade against barriers. But most of all, remember these words from a handicapped citizen, "If it is to be, it's up to me."

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## COLLEGE OF ST. FRANCIS MARATHON TEAM

Mr. PERCY. Mr. President, one of the most innovative new athletic programs in the country is currently taking place at the College of St. Francis in Joliet, Ill.

This year St. Francis, under the leadership of track coach Tom Brunick, has replaced its traditional track and field program with a program of marathon running. Not having the resources to have a full-fledged track program, St. Francis is concentrating on distance marathon running. Success and enthusiasm for the program has already been great and marathon running looks like it can be a good program for many smaller schools that want to offer a collegiate sport, but cannot afford to have a large track program. The program has been called the "most innovative running program in the country" by the U.S. Track and Field Federation.

Mr. President, I commend this program and I ask unanimous consent that an article by Coach Brunick describing the program and an article in the September 1973 Runner's World magazine be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### A NEW DIMENSION IN DISTANCE RUNNING

(By Thomas F. Brunick)

I am writing this article to expose our running program at the College of St. Francis, Joliet, Illinois. We feel we have something which will add a new flavor to college distance running. It has been called, by the head of the World Marathon Association, one of the most innovative running programs in the country today.

The program consists of the traditional cross country season which runs from September to Mid-November. After the cross country season, we get into a program totally new to the collegiate distance running scene.

Instead of a track season, we have a marathon season. The season is comprised of four marathons: the North Central Marathon in December; the St. Louis Marathon in March; the U.S.T.F.F. National Marathon Championship at the Drake Relays in April, and the N.A.I.A. Marathon in June.

During the marathon season, we do not strictly run the marathon distances. We will be competing in distance races both on the track and off, emphasizing to our runners the enhancement it will give to our marathon program. The reason we are combining road running and distance running on the track into a marathon program is because we feel that in order for a marathon runner to reach his full potential, he must be a well-rounded distance runner. I think a good example of this would be looking at the three individuals who represented the United States in the 1972 Olympics. All three runners are very adept and quite qualified from the mile on up. In essence, we feel this is the key to success in marathon running.

I am sure the question in many peoples minds is "Can a marathon program be not only successful, but practical, on the collegiate basis?" In all honesty, we at the College of St. Francis feel it definitely can be.

First of all, we have always felt that there should be a place in collegiate distance running for the guy who doesn't particularly like to run strictly track and cross country but rather see himself as a distance runner more in the line of road runner. Consequently, we felt that this program would be attuned to these individuals.

Secondly, in the National Association of Inter-Collegiate Athletics (N.A.I.A.), a marathon is held in conjunction with the track and field championships. Overall, we don't feel the quality and enthusiasm is there. We feel that if a college or a group of colleges would specialize in this event, we can bring the N.A.I.A. marathon to the overall quality and esteem that this classic distance should be held at.

The third and final reason is that we simply feel that the marathon is really going to boom in popularity in the next four years. If people felt the marathon was popular in the past four years, I think they will be pleasantly surprised by the even greater enthusiasm which will be shown towards it in the near future.

Earlier in the article, I discussed the part of our program in which we would engage in road runs. We have set up a period from January through March in which we will take to the roads against other colleges and score them like cross country meets. We are extremely excited about this period of our training, because we feel it can shed some new light in the area of collegiate competition in the form of running.

These road runs could go anywhere from five miles to fifteen miles over various terrain and conditions. We feel that this season could enhance any collegiate distance running program no matter what their goals or desires. I think it keeps the guys from getting bored from either too much training or too much running indoors.

In closing, I would like to say that the main reason why we have developed this program is not to attract big names or big publicity, but rather to provide a program for the average distance runner, the guys who like to run the roads and the marathons but who very seldom gets the chance on a collegiate basis.

I know there have been other collegiate distance running programs who have used marathons, but none have ever gone to the degree of making it a collegiate varsity sport. We feel that marathons and road runs are now, and will be in the future, a vital organ of the complete distance running program.

We, at the College of St. Francis, want to be a part of this type of complete distance running program. We hope others will find merit in our program, and if so, possibly incorporate some of our thoughts and ideas into their programs.

### New School of Road Racing

Innovation often comes from unexpected places—like tiny College of St. Francis in Joliet, Ill. This winter, the school's running coach Tom Brunick will add road racing as a varsity sport, in addition to the regular cross-country and track programs.

St. Francis will have a separate road team, thought to be the first of its kind. Brunick says, "I know there have been other collegiate long distance running programs which have used marathons, but none has ever gone so far as making road racing an intercollegiate sport."

Brunick outlines his plans:

"The program consists of the traditional cross-country season which runs from September *to mid*-November. After that, we will get into something entirely new. Instead of a track season, we will have a marathon season comprised of four marathons—North Central in December, St. Louis in March, Drake Relays in April and the NAIA championship in June.

"We have set up a period from January through March in which we will take to the roads against other colleges. Races will be 5–15 miles, and will be scored like cross-country meets."

The main reason for the new program the coach says, "is not to attract big names to the school or big publicity, but rather to provide a program for the average distance runner, the guy who likes to run the roads but very seldom gets the chance when he's in college."

The idea's time has come. It was inevitable that colleges would sanction road racing teams. To Tom Brunick's credit, it happened to start at his school, and others are sure to join.

Road training brought it on. College and high school runners have been training on the roads for years. Many of them have raced there during the summer, and have either liked it better or found more success there than on the track.

Cross-country is the common meeting ground for track and road racers. But the winter and spring divide them again into short or long. Until recently, student-runners have had to go shorter to stay with their teams or longer and leave them.

The runners at Fullerton State faced that choice last year. They had won the NCAA college division cross-country championship. Three of the best runners preferred road racing to track. Doug Schmenk and Dave White had run 2:17 marathons, and Mark Covert was just over 2:20.

Schmenk, now the AAU marathon champion, said in the July '73 *RW*, "The coach doesn't dig this marathoning. He complimented our 2:17s with the infamous quote, '2:17 doesn't score points at the nationals.' But our success lies in the marathon, so that must be the direction we take."

Such resistance from coaches, though crudely stated, is understandable. They don't want to lose their most effective point scorers. If they feel that way, though there's a simple solution. Make the marathon (or other shorter road races) scoring events, held in connection with big track meets.

The small-college NAIA already had done that. The marathon has been part of that group's national meet for two years now. Tom Brunick's St. Francis runners will be racing there next spring at the end of their road running season.

The NCAA hasn't yet come around, but this is not to imply that the coaches in that organization are against the idea. They have been talking for three years of adding a national collegiate marathon championship.

Hal Higdon thinks all the college championships will soon have road races. "This will come about not through pressure from coaches with axes to grind," he writes in a college coaching journal, "but as a natural recognition that this is where a lot of our runners are already at."

Once the NCAA gives its blessing, look out established older road racers! Young students usually train more than older specialists, have more basic speed, more free time, and less fear of distance and pace because of their background and youth.

It shouldn't be long before the national collegiate rulers go with the tide. The USTFF, an appendage of the big colleges, has held a marathon for several years now—the most recent one in Wichita, Kans., in June. The college-oriented Drake and Kansas Relays have had marathons, too. And the Penn and Kansas Relay meets joined the trend.

The change, for the most part, is evolving peacefully and quickly. The main problem has been how to fit this healthy and growing adopted child into the small overall scheme of things—to benefit both individual runners and the schools' programs.

In his article on college road racing, Higron made several suggestions. The first was to spread the emphasis around, don't center all the attention on the marathon itself, but give the other long distance a piece of the action. Then give road racing a season of its own.

"The next logical step, or perhaps concurrent one," Higdon writes, "will be the development of road racing as a third sport, separate from cross-country or track and field.

"Word has it that the NCAA may schedule its inevitable marathon championship in December in a warm-climate state. This certainly is preferable to tossing the race in as an adjunct to the June track and field championships. But the December date would cause NCAA road running to become merely a tack-on to its cross-country program."

There are definite advantages of having a road race attached to track championships, mainly the team scoring aspect mentioned earlier. Making the marathon an event-for-points might break down lingering resistance from coaches.

But Higdon makes a good case for a winter-early spring season. He says, "I think an NCAA marathon championship might more logically come in early spring as a climax to a winter of outdoor road racing. There are several reasons for this.

"One is that racing more than two miles on a small indoor track is an act of insanity. It not only causes blisters, but also boredom. Second, it is difficult, if not impossible, to achieve the volume necessary for success as a long distance runner totally while remaining indoors. The risk of injury from running constantly around in circles far exceeds the risk of frostbite."

Regardless of final format, we have to start by lobbying for road races as collegiate championships. The teams like St. Francis' will follow, with full-scale programs (encompassing all distances above six miles) lasting a full season (at least the winter and early spring).

Then we start working on the high schools . . .

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## A CALL FOR THE PRESIDENT TO RESIGN

Mr. BUCKLEY. Mr. President, earlier today I issued a statement in which I proposed that the only way by which the Watergate crisis can be resolved is for Richard Nixon voluntarily to resign the office of President.

The decision to issue this statement has been, without any doubt, the most difficult I have been called upon to make.

As I know my call for the President's resignation is apt to be misinterpreted or misunderstood, I ask unanimous consent that it be reprinted in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement by Senator James L. Buckley

For months now I have been struggling to sort out the deeper implications of what is so inadequately called the "Watergate affair", and to determine what I myself am called upon to do. As the result of a long and painful study, I now feel impelled by a duty to my country, to my constituents, and to my beliefs to state plainly the conclusions I have reached.

I do so with sorrow because I am a life-long Republican who has worked actively for Richard Nixon. In 1972 I was Co-Chairman of the New York Committee to Re-Elect the President, and at the convention I gave one of the seconding speeches to his nomination. I saw in the decisive victory of November 1972 both the mandate and the opportunity to carry forth reforms of historic significance for the nation. Yet today, just sixteen months later, it is my conviction that the President has been stripped of the ability to fulfill that mandate.

I speak out reluctantly because I know that what I have to say will bring pain and distress to many who are my good friends and who have been good to me, Richard Nixon numbered among them. I am, moreover, reluctant to provide any degree of satisfaction to those in and out of the media who have been exploiting the Watergate affair so recklessly. I speak of those who in their campaign for purity in government have made such wholesale use of slanderous gossip, violations of grand jury secrecy, leaks of confidential documents and meetings, and any other device they felt to be useful to their purpose. I shrink from offering the smallest aid and comfort to their attempt to use Watergate as one more means to subvert the decisive mandate of the 1972 election.

The stage has now been reached, however, at which Americans must come to terms with Watergate if Watergate is not to end up drowning all of us.

The Watergate affair can no longer be thought of as merely a troublesome episode such as occurs from time to time in the political history of every country. It had its faint origin in what was itself a trivial and foolish incident. But from this minor incident, as has often happened before in history, Watergate has expanded on a scale that has plunged our country into what historians call a "crisis of the regime." A crisis of the regime is not like a political confrontation or labor dispute or economic recession or any other specific and limited difficulty. A crisis of the regime is a disorder, a trauma, involving every tissue of the nation, conspicuously including its moral and spiritual dimensions.

The outward signs of the depth of the crisis are obvious: the unparalleled downfall and departure of virtually the entire staff of the head of government; the formal initiation of impeachment proceedings; the confessions, indictments and trials. I won't repeat the list of what all of us know much too well.

Yet at the very heart of the crisis are things which cannot so easily be listed, for they consist of felt truths which do not lend themselves to the confines of charts and graphs and polls and headlines. I speak of the spreading cynicism about those in public life and about the political process itself. I speak of the pervasive and undeniable sense of frustration and impotence that has become the dominant political mood in the nation. I speak of a perception of corruption that has effectively destroyed the President's ability to speak from a position of moral leadership. And I speak of the widespread conviction that Watergate and all that it has brought in its wake has done unique and perhaps irrevocable damage to our entire system of government.

It is in the nature of a usual crisis to swell and then recede, to reach a climax and then be resolved. But it is a peculiar feature of the Watergate crisis, as of some other major crises in history, that even as the months drag out into years it has shown no sign of receding. This in itself proves the profound significance of the crisis, far beyond the separate significance of the individual incidents that mark its career.

At every stage since the prelude in June of 1972, we have heard the prophecy: "Everything will soon blow over." And this was a reasonable prediction in the early months. As a rule the public attention span is not very long. Most things do blow over in a few months.

But with the Watergate affair, the situation has been profoundly different. Invariably, after a short lull some new, usually unexpected blow has made the crisis still more profound. The affect of the landslide re-election of Richard Nixon might have been presumed to push the whole affair permanently onto the sidelines. But as things turned out, it was the election that was pushed, quickly enough, onto the sidelines.

And now, all these long months prove to be mere prelude to what lies immediately ahead. The impeachment process has begun. The House will or will not vote articles of impeachment; but in neither case will action by the Congress bring an end to our national agony.

I don't think many of us have seriously considered what an impeachment trial would be like in the era of mass electronic communications. Public opinion would compel the proceedings to be televised. For three months or more the Senate Chamber would be transformed into a stage set for the greatest melodrama ever conceived. History would come to a stop for the duration—in the country and throughout the world. The ruler of the mightiest nation on earth would be starred as the prisoner in the dock. The Chamber would become a 20th Century Roman Coliseum as the performers are thrown to the electronic lions. The most sordid dregs dug up by the Watergate miners would inflame the passions of the domestic audience and provoke the guffaws, prurient curiosity, or amazement of the outside world. The audience would hear those magical tapes in full—that could not be avoided. Not only the words directly relevant to charges at issue, but all the surrounding talk and epithets of touch, earthy men speaking as such men do in their supposedly private dialogue.

Can anyone imagine that such a trial could bring the nation back on an even keel and steady course; that it could fail to hurt the Presidency itself?

True, impeachment is established in the Constitution. Many argue therefrom that impeachment is the only proper procedure for dealing with alleged presidential dereliction. They say that the result of the impeachment action will clear up the Watergate affair one way or the other, pull the nation out of the crisis, and enable us to go constructively forward again. This is an illusion apparently shared by at least some people on all sides of the Watergate issue.

In the given circumstances, however, the impeachment process cannot possibly resolve the crisis. It can only exacerbate it still more, with reverberations that will be felt not only through 1976 but for many years beyond.

Suppose the House votes articles of impeachment and the Senate convicts. That result would leave a sizeable, embittered, stubborn minority convinced that the media had hounded Richard Nixon out of office in order to upset the mandate of the 1972 vote and subvert what it believes to be the foundations of the Republic. On the other hand, suppose the House fails to impeach, or the Senate, judging a House-voted impeachment, fails to convict. With equal certainty that would leave a major segment of the constituency equally embittered and unreconciled, convinced that the Congress had placed political expediency above its duty. Does either outcome hold the slightest promise of domestic tranquility?

* * * * *

There is one way and one way only by which the crisis can be resolved, and the country pulled out of the Watergate swamp. I propose an extraordinary act of statesmanship and courage—an act at once noble and heartbreaking; at once serving the greater interests of the nation, the institution of the Presidency, and the stated goals for which he so successfully campaigned. That act is Richard Nixon's own voluntary resignation as President of the United States.

Inevitably the President is the focus, the essence of the crisis of the regime; the linchpin of its entire structure. It could not be otherwise. The character of a regime always reflects and expresses the character of its leader. It is he who appoints his executive staff. If he does not explicitly command what his aides and agents do, they in any event do what they sense and believe he wants them to do. The captain is responsible for his ship, the commander for his army. And Mr. Nixon has explicitly recognized this responsibility.

If the President withdrew, this crisis would be resolved. Watergate scars would remain, of course. The debris would have to be cleaned up. There would still be many of the problems that have issued out of Watergate—not to mention the other mammoth problems our country faces.

But the organic, integrated, pervasive crisis of the regime would at once fall apart into separated elements.

Self-evidently, the impeachment process would end. Congress would be automatically discharged of the Watergate affair, and could devote itself to its legislative business. A new President would be at the helm, with the capacity to inspire and to restrain the Congress; to reach out to the people with the restored authority and moral strength that is so essential an ingredient of the Presidency.

I realize that there is an argument against resignation, which might be best summed up in the injunction to "bear those ills we have, than fly to others we know not of." To this argument I can only reply that it is not given to us to be able to predict the future but it is demanded of us that we obey the dictates of reason and conscience and this is what I have attempted to do. I cannot guarantee that the course I have recommended will bring our nation tranquility—but it will, most certainly, free our nation from the particular spiritual crisis that Watergate has made the central political fact of our time.

I think it is necessary to emphasize that my conclusion is based not on a reaction to any single incident or event but on what I see to be the cumulative effects of the entire affair. It is fruitless to argue that much of what has occurred in Watergate has occurred before and will in all probability occur again, human nature being what it is. What is important is the situation in which we, who bear the responsibility to ourselves and to the future as well as the past, find ourselves; a situation different not only in degree but in kind from any other in American history.

On this point I want to guarantee against misinterpretation. By proposing the President's resignation as the way and the only way to resolve the crisis, I do not in the least imply belief that he is legally guilty of any of the hundreds of charges brought against him by those sections of the media that have appointed themselves permanent grand juries and public prosecutors. My proposal reflects no personal judgment on the matter or guilt or innocence, for I have made none.

Nor do I propose Richard Nixon's resignation as a retreat by him, or as in any way acknowledging either guilt or weakness. Richard Nixon's resignation *now*—*before* any irreversible action takes place in the impeachment process—would be, and should be, a free, positive, and magnanimous act on his part. It would be an act of sacrifice for the achievement of the goals that he has proclaimed.

He would be succeeded by a man of his own choice; and one, most importantly, who is free of any connection whatever with the entire Watergate affairs. Gerald Ford upholds the policies for which the electorate overwhelmingly voted in November 1972. Therefore his installation would be in no way a repudiation of the electoral mandate. Rather, it would reaffirm those goals, which have been forgotten or neglected or defeated in the Watergate shambles; and it would offer a much more favorable chance of realizing them than is possible while the crisis continues.

I am deeply aware, of course, that in recent weeks Richard Nixon has found several occasions to say that he must defend the office of the President, and that he therefore should not resign because that would weaken the office. But precisely the opposite is the case. In order to preserve the Presidency, Richard Nixon must resign as President. If future Presidents are to carry out their grave responsibilities in the free and unfettered manner President Nixon desires, they must be able to inherit an office that has not been irrevocably weakened by a long, slow, agonizing, inch-by-inch process of attrition. As it now stands, the office of the President is in danger of succumbing to the death of a thousand cuts. The only way to save it is for the current President to resign, leaving the office free to defend itself with a new incumbent.

Mr. Nixon also argues that it would be destructive of the office for a President to be hounded out of office because he happens to have a low rating in the polls. In normal circumstances I would agree. But we have in the present case a qualitative difference that hinges not on the *fact* of a low rating but on the *reasons* for that rating. The President's current rating in the polls does not reflect a dissatisfaction with one, or two, or a dozen specific issues. Rather it reflects a cumulative loss of faith that has eroded his credibility and moral authority; a loss that, in my judgment, is beyond repair. This goes to the heart of the crisis of regime that is unique to Watergate.

Finally, there is the fact that the office of the President is not the only institution for which we must be concerned. We need a strong President now as well as in the future. We need the balance wheel that alone can be provided by a President able to exercise the full authority of his office, or we run the risk of a runaway Congress that could commit us to new and dangerous programs from which we may never be able to extricate ourselves. No one disagrees about the need to defend the office of the President. But there is little point in protecting the office of the President if at the same time irreparable damage is done to the Republic as we have known it.

I do not doubt that, as he sees and judges his own conduct, Richard Nixon has acted throughout this time of troubles for what he believed to be the well-being of his country. I hope and pray he will realize that the greatest and culminating action he can now take for his country is the renunciation of the world's highest office. His countrymen and the historians of the future, I feel sure, would judge that action in terms of the courage, patriotism, and self-sacrifice it would so dramatically display.

## REPLACING WELFARE WITH GUARANTEED EMPLOYMENT

Mr. PERCY. Mr. President, a recent article in Challenge magazine by Dr. Arnold H. Packer outlines a plan for replacing welfare with categorical job guarantees. The keystone of Dr. Packer's proposal is a guarantee of a job for one person in every family. Every family that contains one or more children would be entitled to one job paying one-half the median family income or about $3 an hour, or an annual income of about $6,000 in 1974. The same guarantee would apply to single-parent families; however, such families would also be able to choose a guaranteed half-time job paying three-eighths the median national income, or about $4,000 in 1974. Single-parent families with preschool children could choose to forgo both work options and elect, instead, to receive a welfare payment equal to one-quarter the median income, or $3,000.

Dr. Packer observes that our society has come to recognize that the existing welfare system will not do, but we yet cannot decide on an alternative program, whether welfare reform, a negative income tax, wage subsidies, or public sector jobs. Our challenge, he suggests, is to seek a solution that is both humane in terms of providing income for those who do not have it, and productive to society.

Dr. Packer suggests that the program would be operated through the Federal Employment Service. A person would go to the FES in his city and declare that he or she is eligible for a guaranteed job. The Service then would have a limited time to check the applicant's eligibility and find him a regular job paying at least the guaranteed wage. If the job search is unsuccessful, the applicant is placed on a special public sector job paying $120 a week. These jobs could include a number of possibilities in the public service field.

I commend Dr. Packer's article as an innovative suggestion which should be considered with other alternatives as we continue to reexamine the effectiveness of our Nation's welfare programs. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### EMPLOYMENT GUARANTEES SHOULD REPLACE THE WELFARE SYSTEM

(By Arnold H. Packer)

An open letter to the ghost of James Madison:

Mr. Madison, you and the other Founding Fathers prophesied that economic concerns would wither away if only the political structure you created would endure for a few generations. Well, Mr. Madison, as we approach the 200th anniversary of your handiwork, the millennium has not arrived. It is still mundane economics, not the philosophies and fine arts, that consumes most of our intellectual energies.

I imagine, Mr. Madison, that you thought the country would prosper and that you believed in the diminishing marginal utility of income. Well, part of your prediction was correct. I dare say we must be at least as affluent as you imagined. But, unfortunately, your view of human nature has been too charitable. Having more hasn't made us want less. We don't measure our income against a fixed standard, but rather continue to look enviously at how well our peers are doing. However, don't be too disappointed with your countrymen. Recent surveys suggest that the importance of relative income is worldwide.

We have yet to solve the fundamental dilemma of income distribution: How can we eliminate poverty without eliminating the reward for working? But we are making progress. For a long while, almost a hundred and sixty years, we didn't even think there was a dilemma. Those who didn't work didn't eat unless their family or some charity helped out—that tradition of self-reliance you bequeathed us.

Then forty years ago, well after the decadent countries of Europe, we began to realize that not everyone could work. In 1935, the Social Security Act was passed to take care of the aged and disabled, the widows and children, and the temporarily unemployed.

Thus our society institutionalized, in government, the responsibility to support those who couldn't or shouldn't work. As a nation we had passed the Rubicon and recognized that in our affluence we had a responsibility to these people. Of course, recognizing and discharging the responsibility are two different things. But given time and a mechanism, the country does reasonably well. As of July 1974, the Social Security Administration will pay its average retired couple $310 per month, and the aged poor couple not under Social Security will receive $230 from the Supplemental Security Income (SSI) program.

But, contrary to what you expected, Mr. Madison, the solution to one economic problem seems only to expose another, more difficult challenge. Some beneficiaries of the Social Security Act, many of those receiving Aid for Dependent Children (AFDC), can work and do work more than occasionally. Therefore, we now have to face the problem of distributing rewards among potential workers. What should be provided to single parents who have children, and what about the working poor? We recognize that the existing welfare system will not do, but as yet we cannot decide on an alternative—welfare reform, a negative income tax, wage subsidies, public sector jobs or what. That, Mr. Madison, is our current problem. Perhaps when we solve it, inflation, the energy crisis, campaign financing, and a few other things, we will be able to leave economics for philosophy and art, maybe on our 300th birthday.

#### CATEGORICAL JOB GUARANTEES

The solution to the problems of welfare and the working poor is to provide jobs for those who can work, support for those who can't, and some combination of work and support for those who can work only some of the time. The trick is to accomplish this equitably and efficiently—at a cost the public will accept. Moreover, the program must not create incentives for fathers to desert their families or leave those who work feeling that they would be just as well off on welfare. It is proposed that the following arrangement will come close to satisfying these criteria.

The proposal's keystone is a guarantee of a full-time job for one person in every family. Every family that contains one or more children would be entitled to one job paying one-half the median family income, that is, a wage of approximately $3.00 per hour and an income of about $6,000 in 1974. No other option would be guaranteed to families that contain two able-bodied adults of working age.

The same guarantee of a full-time job would also apply to single-parent (primarily female-headed) families. However, these families would have other options as well. The single head of a family with children could also choose, if he or she preferred, a guaranteed half-time job paying three-eighths the median income ($4,500 in 1974). The hours of the half-time job would conform to the school year, say 40 weeks of work at 25 hours per week. Both half- and full-time job guarantees would be considered fulfilled under the same conditions: when the earnings of one family member or the total unearned income received by the family exceeded one-half the median income.

These two options—full-time or half-time employment—would be the only alternatives open to single-parent families unless there were preschool children. Single-parent families with preschool children could choose to forgo both work options and elect, instead, to receive a welfare payment equal to one-quarter the median income ($3,000). Families without children and unrelated individuals would also be guaranteed full-time employment. However, the wage would be less—three-eighths the median ($4,500) for childless families and one-quarter ($3,000) for single individuals.

The various options are shown in the table. In addition to creating job guarantees, the plan would eliminate minimum wage laws and most in-kind programs such as food stamps and public housing.

#### WHY GUARANTEE JOBS?

Every society must continually reconcile the fundamental objectives of efficiency and equity. The reconciliation is reflected in income distribution. [A society so inhumane as to be concerned solely with efficiency would let those without the capacity to earn a living starve—and this includes the children of the unemployed. On the other hand, a society so muddle-headed that it passes out financial rewards equally and without regard to productivity may soon find that everyone is equally poor.] Therefore, we must seek a compromise that is both humane and productive. However, our distribution—in which the poorest fifth among U.S. families receives about one-eighth as much income as the richest fifth—may be neither humane *nor* productive. The poorest fifth is the subject of most income-maintenance schemes. It turns out, coincidentally, that these are the families whose incomes are less than half the median. About a third of these families are headed by an aged person and another third by females. The remaining third are poor two-parent families.

It is the mixed demographic character of the poorest 20 percent that makes the welfare problem so complex. In addition to the tension between equity and efficiency, there is a conflict between what may be called *work equity* and *support equity*. We are torn between the Protestant work ethic—those who sow shall reap—and the Christian charity principle of supporting the needy. The Welfare Rights Organization has called for welfare incomes of $6,500, more than half the median family income. And Gallup polls over the years report that the public agrees that half the median family income is the minimum necessary for a family of four "to get along." Unfortunately, $6,500 is approximately the average take-home pay for a worker with three dependents.

Most people would be offended by an income-maintenance system that provides a factory worker no more take-home pay than the welfare recipient who either cannot or will not work. Those who decry Archie Bunker and bemoan poverty in the midst of our "affluence" should recognize that Archie and his friends take home only $6,500 a year. The average production or nonsupervisory wage is only around $4.00 an hour. That is a gross income of $8,000 for a full year—before tax deductions, union dues and work expenses.

However, it is consistent with both work and support ethics to see to it that a family head who wants to work can earn an adequate income. Even Archie is likely to agree that, in this complicated age, it is society's responsibility to guarantee every family head the opportunity to make a living. At the same time, every able-bodied family head should be willing to work full time all year if the family contains another adult able to take care of the children. That is the line of reasoning that leads to job guarantees. However, the same ethic may lead to other solutions, and so the guarantee idea should stand the test of comparison.

### WHY NOT SOMETHING ELSE?

The poverty problem is not new, and there is no scarcity of proposed solutions—welfare, welfare reform and negative income taxes; job training and equal educational and employment opportunities; and public employment or wage subsidies. Why is the guaranteed-job scheme likely to be a better solution than these others?

The tax-and-transfer approach includes a negative income tax and all the variants of welfare reform. Certainly some taxing of the nonpoor to support the poor who are aged, disabled or have preschool-age children will be necessary. The problems arise when income transfers are used to aid the working poor. A successful negative income tax program must reconcile support and work equity. However, it is difficult to find a formula that provides adequate support to nonworkers without discouraging the poor who can work. For example, a $3,000 minimum support level which declines fifty cents for each dollar earned means some aid for everyone up to incomes of $6,000. This formula fails on all accounts: $3,000 is not enough to live on (no support equity), a tax rate of 50 percent is unfairly high at these income levels (no work equity), and a program this "generous" would cost too much to be politically viable. The welfare reform proposal that was defeated last time had only a $2,400 minimum support and a tax rate of 67 percent.

How would guaranteed employment compare? The proposed scheme also provides only $3,000 to a nonworking family. But it allows the family many choices for increasing that income from other sources (such as part-time employment, Social Security survivors' benefits and disability payments)—and allows it to keep most of what it earns. The plan would be even more expensive than welfare reform: perhaps $12–$15 billion for a total program. However, Social Security expenditures increased by $35 billion over the last six years, and so the question is not only cost but whether what's brought is worth the price. There is no right or cheap answer to poverty, but rather, a solution which is politically best because it conforms most closely to what the public thinks fair and efficient.

Tax and transfer schemes, whether implemented or proposed, have not been politically attractive. The demogrant idea proposed by candidate George McGovern ($1,000 for every person) went nowhere. And everyone agrees that the current welfare system should be someplace where it can be forgotten. The current welfare system fails because (among other things) it tries to separate the workers from the nonworkers but succeeds primarily in separating fathers from their families.

Can categorical job guarantees avoid this pitfall? Some say that the moment benefits are categorical—that is, depend on family status—incentives to alter family status are created. However, family structure incentives are inevitable whether the program recognizes family status or not. Even a demogrant would create incentives to live together—and have a larger family if one more mouth could be fed for less than $1,000 a year. Moreover, the job program described earlier is designed to be neutral. A single woman would have little to gain financially by having a child. And a father would have little financial reason to leave his family. He would have to take one child to be eligible for a family head's job, and then the family would gain access to a second job or $3,000 only if there was a preschool-age child. If a husband wants encouragement to leave the bosom of his family, it will have to come from another source. It is true that a woman whose youngest child has entered school might have an incentive to have another child to avoid losing her $3,000 stipend. But why, when she could work half time and increase her income by 50 percent?

The current welfare system not only encourages the father to leave his family but also tempts recipients to hide earnings or other income. This failing would be true of negative income tax schemes that have tax rates of 50 or 67 percent. There may be some incentive to be dishonest in the proposed job-guarantee programs also. But it is much less venal than the cheating encouraged by the current welfare program. Under guaranteed employment, cheating provides only an extra job—not extra unearned money.

Another problem with welfare programs is the income "notches" they create. Earning the last dollar that takes one off the welfare roles means the loss of many dollars in welfare and ancillary benefits. The sum of public housing, Medicaid, food stamps and related programs costs more than AFDC. These extra benefits often make leaving welfare a financial disaster. This is a problem that a negative income tax is supposed to cure, but it would be difficult to do without penalizing many current welfare recipients. In general, the notch problem is not as difficult under a guaranteed-job arrangement. The family head can moonlight; other family members can work; and, except that normal taxes must be paid, there is no penalty until some second family member passes the $6,000 income mark. Moreover, the family head may be successful enough at his guaranteed job to encourage his public employer (or someone else) to offer him, or her, a regular job at a higher salary.

If and when another worker in the famliy earns $6,000 or more, the family head would no longer be eligible for the guarantee. At first blush earning the last few dollars creates a severe penalty. The family's income will drop from $11,999 to $6,001 as the second worker's salary passes the $6,000 mark. But obviously it doesn't have to be that way. If a man's wife gets a raise from, say $5,900 to $6,500, he can quit the program and go get the best job he can in the open market. More importantly, a notch at an income of $11,999 hardly appears to be a social problem.

The strength of the plan is that there is nothing to keep the family head from going out and seeking the best job he can and forgetting the guarantee. In fact, there is nothing in the plan that *forces* anybody to do anything, or to forgo any promising opportunity. Only the government is forced to guarantee that every family head can have a job at a "decent" salary if he wants one and that a single parent can get a job that conforms to the children's school year.

All of the welfare plans, negative income taxes, and demogrants are plans to support the poor without asking anything in return. The political difficulty of upsetting work-equity values in this way has led many economists and politicians to seek a solution to poverty via a change in the distribution of earned income. (If we divide the population into five income groups, almost two-thirds of the income differences among the quintiles are a result of variations in average earnings per worker—a combination of lower wage rates and sporadic employment.)

One vehicle for changing earned income is the *human capital approach*, which includes equal educational opportunity, job training, fair employemnt laws and so on. The approach has been challenged on empirical and theoretical grounds. Job training hasn't fulfilled its promise. Christopher Jencks, in *Inequality*, has callenged the premise that education influences income. Lester Thurow has suggested that the econonmy generates the income distribution and that educational differences determine only who will be at the end of the line. As a wise old lady once said, everyone can't be above average. Another tactic is to use macroeconomic policy to maintain a condition of overemployment in which employers are forced to upgrade their workers. Recent inflation experience suggests the price of that policy is too high.

Thurow's *market-structure approach* discards the optimism of human capital and holds that unless the labor market itself is changed we all can't be better off—irrespective of investments in education or training. Thus, without structural change there may always be a dual labor market. One market will have good, steady, well-paying jobs for those who have made it, while the other will offer sporadic, unpleasant, dead-end jobs to those who haven't.

Minimum wage laws are a historic attempt to change the market structure. Unfortunately, the minimum wage rate is always too low to allow a breadwinner to support his family yet high enough to eliminate many jobs that secondary family workers would otherwise take. Noncategorical public employment-of-last-resort encounters the same problems. If the program gives a job to everyone, it will either be too large, pay salaries that are too low, be too expensive—or have all of these disadvantages.

The point is that if Junior or the ne'er-do-well husband of a successful woman executive (or, parenthetically, the wife of a well-paid husband) can't find an adequate job, it is no great social loss. But a father who can't maintain his family's economic well-being or respect because he bounces from dishwasher to delivery "boy" creates an unacceptable situation. That is the problem to be met and solved.

The simplest solution is the most direct one: guarantee family heads a job at an adequate income. The judgment here is that adequate means half the median family income and twice that given to welfare families. Making the guarantee categorical—one per family—means that the help can be focused where the problem is and the cost be kept within bounds. The net cost of the whole program—salaries less the savings on welfare, food stamps, and public housing—is likely to be less than one percent of GNP.

Those who have agreed with the argument up to this point might still believe that subsidized employment is a better idea. That is, find some way to make up the difference between whatever a family head makes in the private sector and the target of $6,000. Wage subsidies have a number of attractive advantages. The public cost may be less because the government need pay only the difference between the private wage and $6,000. Moreover, wage subsidies would not disrupt current market structures very much. Finally, the work now done by family heads in low-wage jobs may be more socially useful than assignments dreamt up in public employment.

However, wage subsidies are inferior to guarantees on two important counts. Subsidies create powerful incentives for collusion between employer and employee. Rather than agree on a raise that will reduce the subsidy, it is to everybody's advantage to arrange for hidden payments enabling boss and worker to split the government's payment.

Secondly, disturbing existing labor markets may not be all bad. Why should the public subsidize private employers who do not upgrade jobs? Job guarantees will force desirable changes throughout the job market for family heads who earn close to $6,000. Their employers will have to make wage-job condition offers that compare favorably with the new jobs. Thus, in contrast to welfare programs that drive Archie Bunker up the wall, categorical job guarantees should look good to most blue-collar workers. However, such a program won't be without problems.

### MECHANICS AND PROBLEMS

A typical response to the job-guarantee proposal is: How would it work, and where would you find the jobs? It might operate this way. A person goes to the Federal Employment Service office in his city and declares that he or she is a family head living with his or her children and that no other family member is earning $6,000 annually. The Service then has a limited time, say ten working days, to check the applicant's eligibility and find him a regular job, in either the public or the private sector, paying at least the guaranteed wage. If the job search is unsuccessful, the applicant is placed in a "special" public-sector job paying $120 per week. The Service is required to maintain a list of these special job openings so that it will always be able to accommodate any applicant it cannot place in private or regular government jobs.

What could these people do? Well, for one thing, they could be contracted out—at full pay—to private industry. Many firms are willing to pay $3.00 an hour for temporary employees. The rest of the job opportunities consist of urban beautification workers, school and hospital assistants, playground attendants, traffic directors, and so on. Some success has been reported in experimental public employment programs in Canada and New York City.

* * * * *

CATEGORICAL JOB GUARANTEES—OPTIONS AND FRACTIONS OF MEDIAN FAMILY INCOME[1] AVAILABLE TO SPECIFIED DEMOGRAPHIC GROUPS

| | Guaranteed employment[2] | | Non-earned benefit |
|---|---|---|---|
| | Full-time | Half-time | |
| Familes with children: | | | |
| 2 able-bodied adults of working age | ½ | None | None |
| Single-parent families: | | | |
| Without pre-school-age children | ½ | ¾ | None |
| With preschool-age children | ½ | ¾ | ¼ |
| Families without children: | | | |
| Aged or disabled[3] | None | None | ¼ |
| Not aged or disabled | ⅜ | None | None |
| Unrelated individuals: | | | |
| Aged or disabled | None | None | 3/16 |
| Not aged or disabled | ¼ | None | None |

[1] The median income was $11,100 in 1972, and is projected to increase at a rate of approximately 6 percent annually.

[2] Guarantee is exhausted when any family member obtains employment providing income equal to or exceeding the guaranteed wage or when unearned income exceeds this amount.

[3] Persons legally designated as disabled (permanently or temporarily) could elect to take the applicable employment option.

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. HARRY F. BYRD, JR.). The time for morning business having expired, morning business is concluded.

## ORDER FOR RECOGNITION OF SENATOR COOK TOMORROW

**Mr. ROBERT C. BYRD.** Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, and prior to the transaction of routine morning business, the distinguished Senator from Kentucky (Mr. COOK) be recognized for not to exceed 15 minutes.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

## CONGRESSIONAL BUDGET ACT OF 1974

**The PRESIDING OFFICER.** Under the previous order, the Senate will now resume the consideration of the unfinished business, which the clerk will state.

The assistant legislative clerk read as follows:

> A bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

**Mr. HARRY F. BYRD, JR.** Mr. President, I ask unanimous consent that during consideration of the pending business, S. 1541, John I. Brooks, and J. Philip Reberger of my staff may have the privilege of the floor.

**The PRESIDING OFFICER** (Mr. HATHAWAY). Without objection, it is so ordered.

**Mr. ROBERT C. BYRD.** Mr. President, I suggest the absence of a quorum.

**The PRESIDING OFFICER.** The clerk will call the roll.

The legislative clerk proceeded to call the roll.

**Mr. ERVIN.** Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

**Mr. ERVIN.** Mr. President, I ask unanimous consent that the committee amendment in the nature of a substitute of the Committee on Rules and Administration, be agreed to and that the bill as thus amended be treated as original text for purpose of further amendment.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

**Mr. ERVIN.** Mr. President, I ask unanimous consent that the following members of the staff of the Committee on Government Operations be allowed to remain on the floor during consideration of and votes on S. 1541 the Congressional Budget Act:

> Robert Bland Smith, Jr.; W. P. Goodwin, Jr.; Alvin From; James E. Hall; E. Winslow Turner; J. Robert Vastine; John Pearson; Vic Rienemer; Betsy Hayes; Gretchen G. MacNair; and Robert A. Wallace.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

**Mr. ERVIN.** Mr. President, S. 1541, the Congressional Budget Act of 1974, is the result of more than a year of intensive study and work by the Committee on Government Operations and its Subcommittee on Budgeting, Management, and Expenditures, and by the Committee on Rules and Administration.

I introduced this legislation on April 11, 1973, and the list of cosponsors reflects the Senators who have worked long and hard on the bill during its consideration: Senators MUSKIE, PERCY, METCALF, NUNN, BROCK, CHILES, HUDDLESTON, RIBICOFF, ALLEN, JAVITS, GURNEY, and former Senator Saxbe of the Committee on Government Operations; Senators CANNON, ROBERT C. BYRD, PELL, WILLIAMS, COOK, HUGH SCOTT, GRIFFIN, and HATFIELD of the Committee on Rules and Administration; and Senators MANSFIELD and CRANSTON.

It is difficult to single out individual Senators for praise, but I would like to mention that significant contributions were made by Senators PERCY, MUSKIE, METCALF, NUNN, and BROCK in the Committee on Government Operations.

Special praise also is due Senator ROBERT C. BYRD, who spent many days working on this bill in his capacity as chairman of the Subcommittee on Standing Rules of the Senate of the Committee on Rules and Administration, and to Senator CANNON, the chairman of that committee.

The Committee on Rules and Administration performed admirable work on S. 1541 within the constraints of a time limitation imposed by the Senate. The members of that committee are to be complimented on the product of their labors.

The legislative history of S. 1541 is unique in that two major committees of the Senate have made enormous contributions to its development. Also, during its consideration by the Committee on Rules and Administration, a staff working group was assembled by Senator ROBERT C. BYRD to make extensive changes in the bill as reported by the Committee on Government Operations.

This staff group consisted of representatives of the chairmen of 10 standing committees of the Senate, 4 joint committees, the House Appropriations Committee, the Congressional Research

Service, and the Office of the Senate Legislative Counsel. The Senate owes its gratitude to these staff members, who met long and hard under the direction of William McWhorter Cochrane, the staff director of the Committee on Rules and Administration, and Herb Jasper of the staff of the Committee on Labor and Public Welfare, who served as chairman of the staff group.

The Government Operations Committee also is indebted to several of its professional staff members who worked on the bill from its conception until the present. These men are Robert Bland Smith, Jr., chief counsel and staff director of the committee; J. Robert Vastine, minority counsel to the committee; Alvin From, and James E. Hall of the Subcommittee on Intergovernmental Relations; E. Winslow Turner and Vic Reinemer of the Subcommittee on Budgeting, Management, and Expenditures; W. P. Goodwin, Jr., counsel to the committee; W. Thomas Foxwell, the committee's staff editor; John Pearson, minority professional staff member of the Subcommittee on Reorganization, Research, and International Organizations; and Harrison Fox and Jerry Gustafson of Senator BROCK's staff.

In addition, the committee is indebted to Alan Schick and Louis Fisher of the Congressional Research Service; and to Harry B. Littell, the Senate Legislative Counsel, and to his Assistant Counsel, Lawrence A. Monaco, Jr.

Special thanks must go to Robert A. Wallace, the committee's chief consultant on the bill. Mr. Wallace is vice chairman of the board of the Exchange National Bank of Chicago. He served as Assistant Secretary of the Treasury under Presidents Kennedy and Johnson, and before that as staff director of the Committee on Banking. He also served as assistant to former Senator Paul Douglas, of Illinois, and is the author of the book, "Congressional Control of Federal Spending." Mr. Wallace's expertise and knowledge of the congressional appropriations process has been of invaluable assistance to the committee, and to the Senate as a whole, in developing this bill.

Mr. President, this bill is one of the most important pieces of legislation considered during my service in the Senate, and I do not say that lightly.

My first year here was one of the last years of good budget news for the American people. Believe it or not, in 1954 the Federal Government managed to cut its spending by some $2 billion below the previous year's level. This accomplishment has not been repeated in the ensuing 19 years.

Of course, things were a lot different in those days. The Federal budget was only $70 billion, and once in a while we actually had a surplus. But in recent years, the budget news has been consistently unfavorable.

It no longer is possible to shock the American people about the budget. They know that each year will bring higher taxes, more spending, and a bigger Federal debt.

Last month, when the latest budget was sent to Congress, it was with a sense of helplessness that we were given a budget which breaks the $300 billion barrier in Federal spending; lifts the Federal debt above the half trillion dollar mark; increases Federal spending $36 billion above the amount originally estimated for this year; must spend $30 billion just to pay interest costs on the public debt; and delivers the 14th budget deficit in the last 15 years.

At the rate the budget is growing, it will exceed $400 billion during this decade. By the time the United States celebrates the 200th anniversary of the Declaration of Independence, in 1976, the Government will be spending more than $1 billion a day, with no letup on Sundays or holidays.

The latest budget shows how much of our future has been mortgaged by the profligacy of the past. Seventy-five percent of the total—$223 billion—is uncontrollable and will be spent regardless of the actions taken by Congress this year.

The uncontrollable size of the budget is one of many trouble signs. Another is the Presidential seizure of power to impound funds appropriated by Congress. The Constitution clearly establishes Congress as the branch of government responsible for Federal spending policies. Yet in the past few years, the President has violated the intent of Congress by impounding on an unprecedented scale, not merely for routine administrative purposes but to substitute his own priorities and preferences for those of Congress.

A Congress that cannot control spending, cannot effectively control the executive branch, either. Increasingly, Congress has relinquished power over what is spent as well as over what is not spent. The budget tells us what must be spent regardless of current policy, and the President tells us what will not be spent, regardless of what has been appropriated.

The inadequacy of the budget is reflected in the habitual inability of Congress to complete appropriations before the start of the new fiscal year. Federal agencies and State and local governments must depend on the uncertainties and stopgap character of continuing resolutions because most of the appropriations bills have not been enacted in time.

Congress has set up an appropriations process but ignores it by allowing certain programs to be funded through the backdoor. Over the past five years, more than $30 billion has been added to the budget in the form of backdoor spending. The result is that at the same time that regular appropriations are being given careful scrutiny by Congress, other programs proceed to enactment without the same care. In many cases, Congress authorizes programs without any awareness of their full cost. They are open-ended, and the Federal Government will have to pay whatever the cost turns out to be.

Congress never decides how much total expenditures should be, nor does it go on record as to whether the budget should have a surplus or deficit.

The total seems to just happen, without anyone being responsible for it, or knowing with much confidence what it will be. The total results from dozens of separate actions, most taken in past years, some in the current session of Congress; some in appropriation bills; others in legislation which mandates the expenditure of funds.

The total revenues, expenditures, and surplus or deficit in the budget have a direct bearing on the condition of the economy, but Congress does not have the capability to assess the impact of its fragmented budget actions on the economy.

These inadequacies in the budget process derive from one source: for more than 50 years, Congress has taken steps to bolster the budgetary capabilities of the President and the Executive branch, but it has done little to equip itself with essential budgetary information, methods, and controls.

Congress has not established a legislative budget process comparable to the executive branch process created by the Budgeting and Accounting Act of 1921.

More than 50 years ago, the President was given the power and responsibility to prepare a comprehensive budget each year; Congress does not have this power or responsibility.

More than 50 years ago, we gave the President a Budget Bureau—now the Office of Management and Budget—to operate the executive budget system, and over the years, the Budget staff has grown into a vast instrument of Presidential power. Congress has no budget staff of its own, and it often must hurdle over the barriers of executive privilege and bureaucratic concealment to obtain essential data and information.

The time has come to restore the constitutional balance of power over the budget. Not by taking from the President, but by giving to Congress the resources and processes essential to the performance of its role as the guardian of the Treasury.

S. 1541 has as its central purpose the establishment of a congressional budget process, that would relate all fiscal actions within a comprehensive and consistent budget framework. This legislation has been prepared with almost unprecedented care and consideration by a variety of committees. It was stimulated by the work of the Joint Study Committee on Budget Control which was established by Congress in 1972 to study means of bringing budget totals under more effective legislative control.

Because of the importance of budget legislation, the Committee on Government Operations established a new Subcommittee on Budgeting, Management, and Expenditures in March 1973, under the able and diligent leadership of Senator LEE METCALF. The Metcalf subcommittee expanded and revised the original bill S. 1541 and it made many improvements in the congressional budget process. Further consideration and refinement was made by the Government Operations Committee which unanimously reported S. 1541 on November 20, 1973.

Because the legislation would affect the rules and operations of the Senate and many of its committees, S. 1541 was then referred to the Senate Committee on Rules and Administration, which unanimously reported an amendment in the nature of a substitute which was prepared in close consultation with the Members of the Government Operations Committee.

S. 1541 thus comes to the floor of the Senate with the unanimous support of the members of the several committees and subcommittees to which it was referred. It has had the benefit of careful and repeated review. Every provision and section has been fine tuned for meaning and impact. A multiplicity of perspectives and interests have been brought to bear on the bill. S. 1541 is not a hurried response to the "battle of the budget" but a product of deliberate and open process of debate and modification.

As a result of the unique legislative history, few provisions of the bill remain in precisely their original form.

S. 1541 is a lengthy and complex bill. it does not suffice to proclaim, "let there be budget reform or spending control." That approach was tried in 1946 when *Congress* enacted a requirement for a legislative budget without providing the detailed machinery for making the process work. The 1946 legislative budget never was successful because its mode of operation was not spelled out in detail. S. 1541 provides a careful and comprehensive delineation of each phase and facet of the congressional budget process.

I would like to discuss title by title the plan of operation laid out in S. 1541. The parts of the legislation relate to one another in a logical pattern for we cannot jerry-build budget reform on the sands of convenience. Just as Congress must take a comprehensive and consistent position on the budget, so too, must the framework for its new budget process be consistent and comprehensive.

### TITLE I

Title I deals with the formation of a new Committee on the Budget in the Senate. Establishment of a counterpart budget committee in the House of Representatives is left to determination by that Chamber.

The Budget Committee would perform a function which currently is outside the jurisdiction of any standing committee of the Senate. It would provide an arena and process for determining total budgetary policy in the light of economic conditions and other factors, bringing together for concurrent consideration by the Senate all the essential components of the budget—revenues, spending, and debt—and it would enable Congress to establish broad national priorities.

The Budget Committee is a necessary addition to the committee structure of the Senate and it would not infringe on the jurisdiction or operation of the now existing committees. In particular, it would complement the responsible and effective work now done by the Appropriations and Finance Committees. But neither Finance nor Appropriations alone can bring together tax and spending policy, and for this reason a new Budget Committee is a necessary first step in budget reform.

In their consideration of S. 1541 both the Government Operations Committee and the Committee on Rules and Administration believed it the wise course to establish the Budget Committee as a standing committee of the Senate, with as little difference between its composition and operation and those of other committees as possible. Guided by this principle, S. 1541 provides for a 15 person Budget Committee, to be selected in the same manner—through party processes—as any other Senate committee. The Budget Committee will be designated a major committee of the Senate, subject to the limitation on any Senator holding memberships on no more than two such committees. However, S. 1541 provides for a brief transitional period during which the members of the Budget Committee would be permitted to retain two other major committee assignments.

The main responsibility of the budget committee will be to superintend the new congressional budget process. The budget committee would have very limited jurisdiction to report legislation—it would be authorized to report only one type of bill, and concerning that its role would be largely ministerial. However, the committee would report at least two budget resolutions each year, one relating to a provisional termination of the budget in the spring of each year, the other a final determination late in the session but prior to the start of the new fiscal year.

The Budget Committee—under the standing rules of the Senate—would have authority to establish a staff of its own, but it also would be charged with responsibility for overseeing the new congressional office of the budget.

### TITLE II

Title II establishes a Congressional Office of the Budget and vests it with broad power to obtain necessary information from the executive branch and to cooperate with other agencies of Congress, such as the General Accounting Office and the Library of Congress.

S. 1541 favors a new congressional budget agency rather than a conventional committee staff for two closely related reasons. First, one of the main factors for the unfortunate mismatch in budget power between the legislative and executive branches has been the superior informational resources of the President and executive agencies and the inability of Congress to obtain information which would enable it to take an independent position. For this reason, Congress needs a specialized agency of its own that can function year round to acquire and develop the data and analyses with which to make informed budget determinations. At strategic points in the congressional budget process, the new office would be called upon to supply long range projections, analytic studies, and reports on spending alternatives.

The second factor is that all committees and Members must be involved in the determination of the budget, if the new process is to be successful. Each year all legislative committees of the Senate would submit their views and recommendations to the budget committee concerning the matters to be determined in the congressional budget. The committees would require both expertise and timely assistance if they are to be prepared for this new role.

At least twice each year, the membership of the Senate will be called upon to decide national budget policy. The budget policy inherently ramifies to all corners of the Congress. It is not confined to national defense, or to housing, or to space. If the Members are to be in a position to decide the budget, they must have the facts and be informed of all alternatives. Accordingly, the Congressional Office of the Budget must be available to serve all Senators, not merely the small number who have posts on the budget committee.

It is not anticipated that the Congressional Office of the Budget will require excessive size or become another OMB. We anticipate cooperation with the executive branch and to provide for an effective relationship, S. 1541 calls upon executive agencies to provide the congressional budget office with the information and reports it needs to do its job.

### TITLE III

Title III is the heart of budget reform. It spells out step by step the process by which Congress would set national budget policy each year. It provides a timetable for the budget process that links the budget to other legislative actions such as authorizations and appropriations in a manner that makes it possible for congressional budget action to be completed before the fiscal year commences.

After receipt of the President's budget, all legislative committees would transmit their views and recommendations to the Budget Committee which also would receive a report on fiscal conditions from the Joint Economic Committee. Early in the session, also, Congress would receive a report on budget alternatives from its Congressional Office of the Budget. Rather than having only the President's proposals, Congress would be in a position to assess various alternatives and their impacts on the future.

By May 1 of each year, the Budget Committee would report to the Senate a concurrent resolution on the Budget setting forth the appropriate levels and amounts of expenditures, revenues, and debt of the Federal Government. The total expenditures would be divided among major functional categories and within each such category they would be classified in ways which enable Congress to determine how much of the budget is intended for the continuation of existing programs, and how much for new programs or expansions, how much of the budget is processed through the Appropriations Committees and how much through other committees, how much of the budget is controllable and how much is not controllable under existing law.

In the development of S. 1541, long and serious consideration was given to the possibility of setting a firm limit on total expenditures in the first budget resolution. I believe that such a limitation—if it were feasible—would offer the most effective path to budget control. However, in the course of our consideration of S. 1541, we were persuaded that Congress needs a flexible budget process, one that can respond to changing circumstances and that an early determination of spending ceilings might be rigid and premature. Accordingly, in its present form, S. 1541 provides for the establishment of appropriate levels of spending which would guide Congress as it proceeds to consider the individual appropriation bills.

The report of the Budget Committee would clearly show how the amounts specified in the budget resolution relate to specific appropriation bills, so that Congress would have a convenient method for "keeping score" of its actions on the various bills.

Adoption of the first budget resolution is scheduled for June 1. Prior to this date, by May 15, it is anticipated that all committees would have reported any authorizing legislation relating to the next fiscal year. Bottlenecks in the authorizations process, which have been one of the leading causes of continuing resolutions, would be substantially eliminated. However, S. 1541 provides a procedure for waiving the May 15 deadline on the reporting of authorizing legislation should the Senate so decide.

Special procedures are provided for floor consideration of the budget resolution. The goal is to provide all Members ample opportunity to be heard and to offer amendments, and yet assure expedited action on the budget. The procedures also provide that the budget resolution could be adopted only if it were consistent; that is, that the amounts set forth for revenues, expenditures, and surplus or deficit are consistent with one another.

After adoption of the first budget resolution, Congress would take up the individual appropriation bills in much the same manner that it now considers such bills. The timetable of the budget process is constructed so as to assure action on the budget resolution before the appropriations are considered. In this way, the Congress would know how the amounts in each appropriation relate to the budget totals and the allocations made in the budget resolution. If it so desired, Congress could enact appropriations providing more spending authority than anticipated in the budget resolution, but it would know the effects of its actions.

The Budget Committee would report a second budget resolution after action on all appropriations is completed. This second resolution would set binding totals for total expenditures and could not be exceeded by any subsequent supplemental appropriation. However, Congress would be able to adopt a new budget resolution any time during the fiscal year.

With adoption of the second budget resolution, Congress would be in a position to consider the final part of its budget process—a reconciliation bill that makes any necessary adjustments in revenues, expenditures, and debt to achieve the budget policy of Congress. Congress would have to adopt the budget resolution before adjournment, and hopefully before the start of the new fiscal year.

### TITLE IV

The feature of this title is the establishment of special procedures for the consideration of backdoor spending legislation; that is, legislation which does not go through the regular appropriations process. More than a year ago, the Joint Study Committee offered conclusive evidence that backdoor spending accounts for a weakening of legislative budget control. Year after year, Congress trims the President's spending proposals that go through the appropriations process; yet each year bills are added to the budget through the backdoor.

Backdoor spending comes in a variety of forms, and S. 1541 recognizes that the control procedure appropriate for one type of backdoor may not be suitable for others. As provided in title IV, contract and borrowing authority would be transformed into ordinary authorization measures. Any legislation providing contract or borrowing authority would have to provide that the new authority is to be available only to the extent provided in an appropriations act.

Entitlement authority presents a substantially different situation for by the time the matter is considered in an appropriation measure, the United States is committed either legally or morally to pay whatever benefits have been enacted into law. At the most, the appropriation of funds for an entitlement is a perfunctory step that offers no genuine possibility of budget control. Accordingly, if Congress is to achieve effective control over entitlements, the Appropriations Committees must become involved before the entitlement is enacted into law. S. 1541 provides that legislation establishing new entitlements would be re-referred to the Appropriations Committee with a 10-day time limit. Appropriations could report the bill with amendments or without change, but once the bill is enacted, there would be no additional appropriations review other than is now provided for certain programs.

The new procedures for backdoor spending would not apply to existing programs and authorizations. Nor would they apply to social security trust funds, and other funds which are substantially self-financing such as the highway trust funds. The bill contains a provision enabling Congress to exempt general revenue sharing in the future should it so desire. Other exemptions are provided for certain Government corporations and for gifts to the United States.

### TITLE V

Early in its consideration of budget reform, the Government Operations Committee became convinced that the existing timetable of the budget process was inadequate. Not once in the 20 years I have been in the Senate, has action on all regular appropriations bill been completed before the start of the fiscal year. Continuing resolutions have become a way of life for the U.S. Congress.

Without adjustments in the fiscal year, budget reform could exacerbate the problem. In addition to its work on appropriations, Congress also would have to go through the budget process which I have previously described.

The Government Operations Committee considered a number of alternatives, including a shift to a calendar year cycle. But it came to the conclusion that a fiscal year runs from October 1 through September 30 offers the best opportunity for completing budget action in a timely manner. An October 1 fiscal start is in harmony with the schedule of Congress and would do minimal disruption to the operations of State and local governments, and especially school districts, which are dependent on Federal aid. The October 1 start would require only minor adjustments in the schedule for preparation and submission of the President's budget.

S. 1541 provides for an orderly transition to the October 1 to September 30 fiscal year. The 1976 fiscal year would have a 15-month duration, running from July 1 through September 30. Thereafter, the fiscal calendar would revert to its normal 12-month cycle.

### TITLE VI

S. 1541 deals primarily with the budget processes of Congress. This emphasis is appropriate in view of the fact that Congress has provided itself with no capability comparable to that which it gave the President more than 50 years ago in the Budget and Accounting Act of 1921. Unfortunately, Congress in the past has been the author of its own budgetary enfeeblement, for while it was generous in giving power to the President, it did little to enhance its own operations.

Yet even as it considers its internal operations, Congress must make certain adjustments in executive branch operations. One necessary change is to require the President to include in his annual budget the matters which would be in the budget resolution adopted by Congress. In this way, Congress would have the necessary information for making its own budget determinations.

A second change would be to provide for the annual submission of a current services budget by the President. This budget would be given to Congress by November 10 so that Congress would be able to get an early start on the budget for the next fiscal year.

A third change would be to return to the principle of a unified budget that covers all the financial transactions of the U.S. Government and its agencies. The unified budget concept was adopted in 1968, but in the years since then a number of agencies have been exempted from it. The exempted activities account for approximately $3 billion in 1975 expenditures.

The President's budget is only an estimate and a proposal. In many recent years, it has not been a particularly accurate estimate as both revenues and expenditures have deviated from the levels projected in the budget. S. 1541 would require the President to report and explain any variances from his revenue and spending estimates for the last completed fiscal year.

### TITLE VII

The Legislative Reorganization Act of 1970 establishes review and evaluation as one of the main responsibilities of the committees of Congress. There is some indication that committees have enlarged their oversight activities in response to the 1970 legislation.

S. 1541 further encourages legislative committees to bolster their evaluative efforts and authorizes them to use techniques such as pilot testing for this purpose. Under the bill, the General Accounting Office would be directed to provide assistance to any committee or Member relating to the evaluation functions of Congress. GAO would be directed to develop and recommend standards for the review and evaluation of Government programs.

### TITLE VIII

Another aim of the 1970 Reorganization Act was to promote the development of standard budget classifications and information systems for the budget process. Lead responsibility was vested in the Office of Management and Budget with GAO, as the representative of Congress, cooperating in the effort.

Hearings conducted by the Joint Committee on Congressional Operations indicate that OMB has not accorded this project the priority it deserves. Insufficient progress has been made over the past 4 years. In addition, OMB has not been adequately responsive in devising budget classifications and information relevant to the needs of Congress.

S. 1541 gives GAO primary responsibility for the task of developing the standardized codes and information systems. OMB still would be involved in a cooperative way, but I believe that the work will proceed at a more satisfactory pace and with greater cognizance of congressional information requirements, if responsibility were clearly lodged in GAO.

### TITLE IX

The congressional budget process represents a major departure in the way Congress handles financial policy. It would be wise, therefore, to phase in the various components over several years rather than forcing an all-at-once application upon Congress. Title IX of the bill establishes a transitional period.

Establishment of the new budget committees and the congressional budget office would proceed at once. Next would come the conversion to an October 1 to September 30 fiscal year. The final stage in the transition would be the activation of the core budget process provided in title III of this bill. However, the budget process could be put into operation a year earlier—for fiscal year 1976—if the Budget Committees deemed it appropriate and the House or Senate did not disapprove.

### TITLE X

Mr. President, the bill also contains in title X a very sensible solution to the excessive reservation of appropriated funds that has taken place during the past several years.

The purpose of title X is to define and clarify the authority of the President and other officers and employees of the executive branch to place appropriated funds in reserve. It is intended to prohibit the impounding of funds except for very narrow purposes or as specifically authorized by Congress in appropriations acts or other laws.

As we all know, the executive branch has impounded billions of dollars in the past. Much of the justification for impounding has been found in the Antideficiency Act (31 U.S.C. 665), which has been misconstrued, in my opinion, by the President and his agents.

The Antideficiency Act, as amended in 1950, permits executive officers to establish reserves:

> To provide for contingencies, or to effect savings whenever saving are made possible by or through changes in requirements, greater efficiency or operations, or other developments subsequent to the date on which such appropriations was made available.

The "other developments" clause has been interpreted by some officials of the Executive branch as justification for impounding funds because of economic or other developments, which Congress never intended to be done.

Title X will amend paragraph (c)(2) of the Antideficiency Act to delete the "other developments" clause, although it retains authority to establish reserves for contingencies, or to effect savings whenever savings are made possible by changes in requirements or greater efficiency of operations.

Since these are the only permissible reasons for the establishment of reserves other than as specifically authorized in other laws, title X expressly prohibits the use of reserves for fiscal policy purposes or to achieve less than the full objectives and scope of programs enacted and funded by Congress.

To insure that reserves are not used for these prohibited purposes, title X requires that whenever an Executive officer determines that any reserves are to be established, that officer shall notify the Comptroller General at least 10 days in advance of such establishment. He shall give his reasons for the reserves in a clear and detailed manner in order that the Comptroller General may determine promptly whether the requirements of title X have been complied with.

Title X carries another express prohibition of reserves for purposes other than as authorized by law, which reads as follows:

> Except as specifically provided by particular appropriations Acts or other laws, no reserves shall be established other than as authorized by this paragraph.

This sentence means exactly what it says: no reservations are to be made except as permitted by paragraph (c)(2) of the Antideficiency Act or other laws. If reservations are made for any other reasons, the Comptroller General will be authorized to bring a civil action to enforce the prohibition. He is expected promptly to do so.

The Comptroller General is authorized to bring a civil action in the U.S. District Court for the District of Columbia to enforce the provisions of the Antideficiency Act, as amended. Such actions will be given precedence over all other civil actions, and he may use attorneys of his own choosing, not necessarily those supplied by the Attorney General.

The duties of the Comptroller General are not spelled out in title X in as much detail as they were in S. 373, the impoundment bill passed by the Senate last year. Nevertheless, the Comptroller General is expected to exercise the authority granted him under title X in a vigorous manner.

For example, he will be expected to monitor the executive to insure that unlawful reservations do not take place, to move promptly to determine the legality of reservations and to bring suit when he determines they are illegal, and to keep the cognizant committees of Congress informed of actions to be taken to enforce title X.

The Comptroller General is given the leeway to develop a system to monitor the Executive if he determines that its regular activities are inadequate for this purpose.

Title X provides that whenever it is determined that any amount reserved will not be required to carry out the full objectives and scope of the appropriation concerned, the executive officer responsible will be required to recommend the rescission of that amount. In other words, if the President feels that an appropriation is too large to accomplish the full objectives and scope of a program, he can come to Congress and ask for the rescission or reduction of the appropriation. Congress would then make the decision about the funding level for the particular program involved.

The rescission process is not intended to provide an excuse for withholding funds for reasons other than those authorized by law. The entire system of apportioning funds, placing certain amounts in reserve, and recommending rescissions shall be carried out in a manner designed to satisfy the full objectives and scope of programs enacted and funded by Congress.

The term "appropriation" as used in the Antideficiency Act—and in title X—means "appropriations, funds, and authorizations to create obligations by contract in advance of appropriations." This definition is set out in paragraph (c)(1) of the Antideficiency Act.

Title X also contains a disclaimer that nothing in it shall be construed by any person or court as constituting a ratification or approval of any impoundment by the President or other Federal employee, in the past or in the future, unless done pursuant to statutory authority in effect at the time of such impoundment. This disclaimer is included in order not to prejudice any of the numerous lawsuits now pending against the administration over the impoundment issue.

Mr. President, there are three technical amendments which will be proposed to clarify the intent of title X.

The first amendment would replace the word "such" on line 18 of page 184 with the word "any." This change will require an executive officer to report to the Comptroller General any proposed reservation of appropriations at least 10 days prior to the establishment of that reservation, along with his reasons therefor. The word "such" could lend this requirement to an interpretation which was not intended when I suggested title X to the Committee on Rules and Administration. The intent is that all proposed reservations be reported to the Comptroller General, whether they are made strictly in accordance with the provisions of the Antideficiency Act, which title X amends, or under the terms of another law. This first amendment will clarify this intent.

The second amendment will delete the words "as a representative of Congress" on lines 22 and 23 on page 184. This provision would authorize the Comptroller General to bring a civil action to enforce the provisions of title X "as a representative of Congress." In my opinion, there are two reasons for dropping these words. First, they could be interpreted as meaning that Congress intended to restrict the number of parties authorized to bring suit such as a Member of Congress or a beneficiary of a program for which funds are reserved. As the report of the Committee on Rules and Administration indicates on page 74, it is not the intention of the sponsors to infringe on the rights of any other potential party. Second, the Comptroller General would like to be able to proceed expeditiously to bring civil actions in his own right and not only as a representative of Congress, and he feels that the present language could be construed to limit his authority to do so. By removing the words "as a representative of Congress", we will avoid these potential pitfalls.

The third amendment would substitute the word "section" for the word "paragraph" on line 1 of page 185. "Paragraph" would limit the authority of the Comptroller General to bring civil actions to enforce only the terms of paragraph (c) (2) of the Antideficiency Act, as amended by title X. In the past the Executive has justified the reservation of some funds on ground of paragraphs other than paragraph (c) (2). Since the intent of title X is to cover all reservations, the Comptroller General's authority to sue should extend to the enforcement of the entire Antideficiency Act, not just paragraph (c) (2). The intent of the sponsors is that the Comptroller General will monitor the reservations made by the Executive, and will be authorized to bring suit when he determines that a reservation has been made contrary to the Antideficiency Act, as amended, or any other applicable law. As amended by title X, the last sentence of paragraph (c) (2) will state that—

> Except as specifically provided by particular appropriations Acts or other laws, no reserves shall be established other than as authorized by this paragraph.

Therefore, if a reservation is made for which there is no statutory authority in effect at the time, the provisions of title X will not have been complied with, and the Comptroller General would be authorized to bring suit to enforce those provisions.

Mr. President, I have studied the issue of impoundment in considerable detail during the past several years. After more than 2 years of hearings, study, and revisions, the Committee on Government Operations fashioned a bill, S. 373, which would have permitted the President to impound funds for 60 days, at the end of which his authority would expire unless both Houses of Congress approved of his action. S. 373 was a considerable improvement over my first bill and in contrast to the impoundment bill passed by the House, it provides a workable procedure for the regulation of impoundments.

At the time the Senate and House passed their respective impoundment bills, however, very few lawsuits challenging impoundments had been brought. Memorandums, rulings, and decisions have now been rendered in more than 30 cases at the Federal district court level, and a few cases have reached the appellate courts. While no single ruling has yet emerged, and the Supreme Court has refused original jurisdiction of one case that squarely presented the constitutional issue, an unmistakable trend has emerged at the district court level against an unbridled Presidential discretion to impound. In light of this trend, I feel it would be unwise for Congress to delegate the power which the Constitution gives it rather than the President—the power of the purse.

Furthermore, by enacting S. 1541 Congress will for the first time in generations enable itself to consider all of the ramifications of the budget process. After this bill is enacted, Congress will consider whether to rescind appropriations, or to increase revenues to the debt ceiling when it devises a budget each year.

No longer should Congress be subject to the accusations of fiscal irresponsibility thrown at it by the President, and no longer will there be political justifications for impoundments.

With Congress the master of its own fiscal house, title X will put a stop to one of the primary abuses of executive power, and it ill do so in a very reasonable manner.

Mr. President, to my mind, S. 1541 is the most important legislation that Congress will consider this year. Its provisions have been refined through the legislative process, and I believe that in its present form it represents a consensus bill.

I strongly urge every Member of the Senate to give it his complete support.

Mr. President, I yield the floor.

Mr. CANNON. Mr. President, the Senate begins floor action today on S. 1541, the Congressional Budget Act of 1974. The redrafted bill before you represents the combined efforts of many Members of the Senate and their staffs, working under the leadership of the Rules and Administration and Government Operations Committees. These efforts have been directed toward drafting the most workable piece of legislation possible, in response to the present problems of unmanageable Federal expenditures. These expenditures have become unmanageable for two principal reasons: consistently high estimates of Federal revenues and equally consistently low estimates of the cost to the Federal Government of uncontrollable programs such as those granting benefits under statutory entitlements. These overestimates of Federal revenues and underestimates of Federal expenditures have been presented year after year to the Congress by the President and his staffs in the Office of Management and Budget, the Department of the Treasury, and other Federal agencies. Congress has lacked a capability of independently analyzing these estimates in their entirety; and in their interrelatedness, expenditures to expenditures for competing and complementary programs; and in the relationship between desirable aggregate levels of Federal spending and revenue. In addition, Congress has lacked a mechanism for comprehensive legislative treatment of all Federal spending programs, all Federal tax provisions, and the desirable stimulation of the economy, or cooling off of the economy through taxation and sound levels of Federal deficit or surplus for any given fiscal year.

The Congressional Budget Act of 1974, which we are now considering, is one of the most important bills ever worked on by the Committee on Rules and Administration, of which I am chairman.

I may say that great credit goes to Senator Ervin and his committee for the outstanding work they performed in coming forth with a bill that we were able, then, to try to refine and to get in a consensus form among the various committees involving legislation that we could try to support before the Senate.

If enacted, the bill would establish a new congressional budget process; create Committees on the Budget in each House of Congress; establish a new agency of the Congress, the Congressional Office of the Budget; provide for a congressional budget to be adopted early in each session and for this budget to be reviewed and revised or reaffirmed before adjournment; change the Federal fiscal year from a July 1 to June 30 time-frame to an October 1 to September 30 time-frame, and establish a timetable and procedures for the completion of both spending and revenue decision, within a comprehensive framework of the congressional budget, before the October 1 start date of a new fiscal year, thus avoiding the use of continuing resolutions lacking explicit congressional policy guidance for Federal agencies and programs; improve the availability and uesefulness of fiscal, budgetary, and program-related data and information needed by the Congress; and insure that the congressional budget will be the means for determining where Federal spending is to be increased or decreased.

The bill before you is necessarily complex; it aims to relate the many parts of a complex whole to a new systematic process and related set of procedures. The redrafted provisions in this bill are designed to add this new and comprehensive budget process to the existing congressional decisionmaking process with minimum disruption to established methods and procedures. The underlying philosophy for these changes has been the objective of producing a bill that is enactable, workable, and useful. This the Rules Committee has a sought to do by safeguarding some of the existing prerogatives of committees and Members, by simplifying the budget process which would be created upon enactment of this bill, by providing more time during each session for the actions required of a comprehensive budget process, by structuring an orderly yet flexible budget process, by establishing realistic procedures to expedite action on critical congressional budgetary decisions, and by providing ample time for a transition to the full operation of the new budget system.

Mr. President, the people of the United States are as apprehensive as are we about the state of the Federal budget and that of our national economy. Huge deficits in Federal spending, continuing and increasing inflation and unemployment, shortages of vital resources—these and other problems face us at the same time as more and more competing Federal programs implore additional funding. Those who elected us have a right to expect concerted congressional action in this area. The Congressional Budget Act of 1974 responds significantly to these needs. And, if such a new congressional budget process is upon enactment to be truly effective, it will require the dedication and cooperation of all Members and all committees of both Houses of Congress.

Mr. PERCY. Mr. President, the bill on which we begin debate today has an important place in the nearly 200 year history of this great Congress. I believe it represents one of those historic turning points in the evolution of our institution, a reversal of the accelerating erosion of the congressional purse power, a reassertion of our correct role in the American plan of government.

Mr. President, the distinguished chairman of the Government Operations Committee has indicated in his statement that the bill before us is one of the most important pieces of legislation considered during his long service in the Senate. He added, "I do not say that lightly." The Senator from West Virginia (Mr. ROBERT C. BYRD) also indicated that in his 22 years in Congress, both in the House and Senate, this is the most important piece of legislation that he has considered. In the statement that the distinguished chairman of the Committee on Rules and Administration, the Senator from Nevada (Mr. CANNON) has just given, he has indicated the importance he attaches to this landmark piece of legislation.

Mr. President, let me simply say this, that as a Member of the Senate who has not been in this body nearly as long, I not only consider it the most important piece of legislation that I have worked on since coming to the Senate, but I would anticipate, looking at it in perspective, it will probably be the most important piece of legislation I ever will work on, no matter how long I stay in the Senate, because of the profound effect it will have on the operations of Congress.

Just as my distinguished chairman, the Senator from North Carolina (Mr. ERVIN), has looked with deep concern on the deficits that have accrued and the lack of fiscal responsibility we have evidenced, I must say that my greatest concern has been the procedures used in Congress for handling the important matters of budgetary control, which is really the control placed on the expenditure of the taxpayers' moneys by Congress. When I came to the Senate, these procedures struck me as so contrary, so foreign to any relationship I had had, as a former industrialist, or as a trustee of great institutions such as the California Institute of Technology, the University of Chicago, and the Illinois Institute of Technology, where we dealt with large sums of money in the budgetary process. Those institutions seemed to exceed in skill and adaptability for the requirements of the job the procedures established in Congress, where we are dealing with figures that far exceed in size the budgets of these institutions.

It is for that reason that I have such respect for a former colleague of ours, Senator Williams of Delaware, who consistently, as the Senate's watchdog of the Treasury and the taxpayers' money, pointed out ways which would give us a better chance to balance our income against expenditures.

I can well remember back in 1968 when I worked with our distinguished colleague, as did other Members, to try to put a ceiling on Federal expenditures, a ceiling on the hiring of Federal personnel, and an actual rollback of the number of Federal employees as a means of attempting to bring the budget within control.

When in that year we were successful in passing such legislation, in fiscal 1969 we actually achieved not only a balance but a $3.3 billion surplus in the budget. This was accomplished through the tenacity of certain Members of Congress who felt that in periods of high level economic activity, with inflation one of our major problems, we should attempt to balance the budget and actually reduce the debt.

What a tragedy it was that then, with the change of administrations, there was no really conscientious attempt by Congress to exercise once again the responsibility that is so clearly given to us by the Constitution.

I consider it one of the great disappointments of my early career in the Senate that I was not persuasive enough to convince the executive branch of Government, under a Republican administration, to work with Congress in establishing the same kind of procedures in subsequent years that resulted so successfully in a surplus in our budget in 1969.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. PERCY. I am happy to yield.

Mr. HARRY F. BYRD, JR. When the Senator speaks of a surplus, he is speaking now on a unified budget basis and not on a Federal fund basis. Is that correct?

Mr. PERCY. That was on a unified basis.

Mr. HARRY F. BYRD, JR. The record shows that there was a deficit of $4.5 billion on a Federal fund basis.

Mr. PERCY. That is a very apt point brought out by the distinguished Senator from Virginia.

I can say, parenthetically, that on the distinguished Senator's side of the aisle, he would take second place to no one for being a watchdog of the Treasury and attempting in every way he could to see that we had the same kind of fiscal responsibility in this congressional "family" that all of us would have in our own personal families.

We did accomplish something at that point, but it was the creation of the Joint Study Committee on Budget Control and then the work of the House and the Senate in this Congress that has brought us to this particular stage in our deliberations.

The Constitution in article I, section 8, establishes that—

> The Congress shall have power to lay and collect taxes.

And in section 9, it declares:

> No money shall be drawn from the Treasury but in consequence of appropriations made by law.

The burden of this language is clear: Congress was given the power to determine the amounts by which the people should be taxed, and to determine the purposes for which the people's money was to be spent.

However, the Constitution did not instruct Congress how to organize itself internally to make these taxing and spending determinations. Thus the budget processes of Congress have evolved over time, changing slowly as the needs of the Nation have changed.

In 1867, as a result of the enormous increase in spending needed to finance the Civil War, Congress for the first time established Appropriations Committees. In 1921, after the gigantic jump in spending from $700 million before World War I to $7 billion afterward, Congress responded again to the need for reform. By that time more than half of the regular appropriation bills were outside the jurisdiction of the Appropriations Committees; administrative agencies could go to one set of committees for their regular annual appropriations, and to another set for supplementals. Congress passed the Budget and Accounting Act of 1921, which established the Bureau of the Budget and gave the President the power to coordinate and submit a single budget on behalf of his branch. It was a major reform, and it has remained the basis of the executive budget system in force today.

The aim of the 1921 act was to improve the congressional capability to coordinate and manage spending. But it was never intended to give the executive the overwhelming initiative and authority in budget and fiscal matters that has today warped the intent of Congress beyond recognition. Partly because of the vast ballooning of Federal expenditures during and after the Second World War, the necessity for tighter executive control of budget processes has resulted in a continuing strengthening of the President's budget organization and powers.

Congress, too, attempted in the immediate postwar period to organize itself to deal more effectively with the new realities of Federal spending. In the Legislative Reorganization Act of 1946, Congress provided for the annual adoption of a legislative budget, but the provisions of the act proved unworkable, and were later repealed. In short, since 1921 there has been no basic change in the manner in which the Congress has organized its exercise of the responsibility to spend the people's money. We are using today the same procedures we used in 1921, when the national budget totaled only $5 billion.

We need no reminder that the total figure has now increased to $304.4 billion in the fiscal year 1975 budget now before Congress for consideration.

During this period of Presidential domination of the Federal budget process the budget has mostly been in deficit. The budget has shown a surplus in only 6 years since 1931. To support this spending, debt and taxes have escalated. Today, the total of State, local, and Federal outlays absorbs 35 percent of the dollar value of our national output, up from 30 percent in 1965 and 20 percent in 1940.

I need only turn to the reference that the distinguished Senator from Virginia has made for the budget deficits that we have had since the surplus on a unified basis of $3.3 billion in fiscal 1969. In the subsequent year, there was a deficit of $2.8 billion. In the next year, it was $23 billion. In the next year, it was $23.2 billion. In the last fiscal year the deficit was $14 billion.

In other words, we simply have not had a surplus in the unified budget since the effort that was made by Congress in 1968. For the first time in 190 years, Congress bit the bullet, and passed legislation that directed, by law, the President of the United States to reduce the budget some $6 billion. That is what gave us the surplus. Not since that time have we had it, and we have had a deficit in 16 of the last 20 years.

What does it mean to the housewife? What does it mean to the family? What does it mean to the couple living on social security? What does it mean to the teacher who has an annuity, retired from her job as a teacher, and each year sees that annuity erode and her expenses get higher? Those cumulative deficits have done more to feed the fires of inflation than any other single action.

Our efforts have been counterproductive. We have passed legislation to help low-income people, to help the poor. It is the poor who have been hurt the most by inflation. There is no welfare legislation we can ever pass that will reach out to the millions of people who are affected when the price of milk goes up 5 cents a quart and the price of bread goes up 5 cents a pound. You cannot reach out and find the people who are irreparably damaged and who have no real line of defense. They simply have to take it out of the basic necessities required for their standard of living. It is the degrading step that finally some of them have to take to go on welfare, when they thought their working income or retirement income was adequate to provide for their normal life.

Faced with apparently undisciplined spending, increasing debt, higher taxes, runaway inflation and dwindling purchasing power, Americans have come to the perfectly understandable conclusion that their elected representatives—who are constitutionally charged with the right and duty to manage spending—are not doing their jobs. The blame has been set squarely in our laps.

Mr. President, I do not think that the distinguished Senator from North Carolina (Mr. ERVIN) would dispute the fact that the Congress is held in low esteem—the fact that nearly four out of five people indicate that they literally do not have faith in the Congress of the United States. A great deal of that loss of credibility is accounted for by the fact that people today are faced with constantly rising prices and ruinous inflation, while Congress continues to appropriate more money than it takes in, which acts as a stimulant for inflation rather than a depressant. Then we somehow naively feel that we can pass laws to repeal the laws of supply and demand—freeze the price of meat or roll back the price of oil—and legislate the intricate and delicate process of pricing in the free market. We have demonstrated through the years the need for a free market, by throwing it into chaos in the House and in the Senate.

In a much-quoted Harris poll for January, three of the eight questions asked related to the economy. Congress scored dismally. Only 13 percent thought we had done a good job in keeping the economy healthy. Only 10 percent thought we did a good job of keeping spending under controls. Only 6 percent thought we had helped control inflation. In each case the President scored better than Congress.

The President has helped focus public attention on Congress by labelling us fiscally irresponsible. This and previous administrations also bear a substantial share of the blame for the economic mismanagement and deficits of these inflation-ridden years, but the fact is that we are vulnerable to such charges. We are disorganized—our spending methods resemble a children's birthday party by their willy-nilly confusion. Worse, we are unable to respond to charges of irresponsibility with coordinated, fiscally sound spending and taxing decisions.

In fact, we have found that the vocabulary has been changed somewhat. When we considered a balanced budget, we believed that income had balanced outgo, until we heard the new vocabulary of a "balanced budget at full employment," which meant a huge deficit. Whatever it is called, the results have been disastrous, and they have confirmed the impression we had that a good old-fashioned balance is truly a balance.

Mr. ERVIN. Was not that practice based upon the strange economic theory that the more the country spent of the funds that it did not have, the richer it would be, in essence? But it always turned out poorer, did it not?

Mr. PERCY. My distinguished colleague very aptly puts his finger right on the point.

Critical views of congressional budget procedures are widely shared. In a 1970 policy statement, the respected Committee on Economic Development said:

> The present Congressional approach to fiscal affairs is indefensible. When budget decisions are extended long past the beginning of the fiscal year for which they are intended, when there is no Congressional mechanism to tie revenues and appropriations into a coherent pattern, when no legislative procedure exists to initiate actions based on a comprehensive view of the economy, then national stability is endangered.

In short, we have received a resounding public vote of "no confidence". We have failed to use our constitutional spending powers either wisely or well.

Of course, it is impossible to say that all of the government should be run as a business. Government is not a business, in a sense. It is not out to make a profit, for one thing. In many of its expenditures the rate of return cannot be seen as readily as an expenditure in corporate life.

But there is a certain business end to government. The principles of business should apply to it. I would dare say that if the head of any large business or small business presented to his stockholders or his board of directors a budget 6 months after the fiscal year had begun, and had been spending money based on a plan that was not first approved by the board of directors, he would not have a chance to do it a second year. No one would consider that a prudent way to run the business.

Certainly a family would be in great difficulty if the members of the family had no idea at the beginning of the year what they were going to do, if their income and expenditures were not related one to the other, and if some sort of plan had not been agreed to.

So, too, I think one of the grimmest aspects of the way we have handled ourselves is when, after the fiscal year has begun, without the appropriation bills having been passed, we pass continuing resolutions. That is no way to run a railroad, although maybe that is the way railroads have been run and is why some of them are in difficulty.

Certainly it is no way to run a Federal Government when we pass 135 appropriation bills over a period of 10 years with only 6 of them having been approved by Congress at the time the next fiscal year began, 129 of them were passed sometime during the course of the next fiscal year.

I think we have put our finger on one of the key problems. It is difficult for departments and agencies of government to make their plans. It is difficult for State officials to make plans when they do not know what to expect in the way of funds from the Federal Government. It is difficult for mayors who are dependent on certain amounts from the Federal Government to operate their municipalities. Certainly, we are all willing to recognize that something must be done to change the procedures from the way we now operate.

This is the situation which we today are taking action to correct. S. 1541 reorganizes our procedures to wield effectively the power which is ours. We do not interfere with the President's ability to formulate his own budget recommendations. We do provide Congress with the ability to evaluate those recommendations, and formulate our own budget policies. We do reinvigorate the role of Congress in determining national spending priorities. We do reassert the authority and prestige of Congress as a coequal branch of Government.

S. 1541 creates a process in which congressional tax and expenditure decisions can be comprehensively related to the fiscal needs of the national economy. Though more than 20 percent of the GNP is allocated through the Federal budget, the current spending process actually prevents congressional decisions about the necessary and appropriate amounts of spending in relation to income.

A major purpose of S. 1541 is to coordinate fragmented congressional spending decisions. Each year the President presents Congress with a single budget document relating income to outgo and the parts to the whole. Each year we break that budget into dozens of pieces and then act on each of them separately. We have no way to determine the relative merit of each program that competes for limited funds.

S. 1541 will provide a new control over unspent, "overhanging" budget authority from previous years. We now vote budget authority for future years, then lose further control over it. The fiscal year 1975 budget proposes programs requiring budget authority of $322 billion, but outlays of only $304.4 billion. It is estimated that at the close of this fiscal year, total unspent carryover budget authority will be $300 billion. The bill explicitly gives the Appropriations Committee the power to propose rescissions of unspent carryover budget authority.

S. 1541 will bring most new backdoor spending programs under the control of the Appropriations Committee. The purpose and effect of these provisions is to apply to all spending programs the same element of budget discipline that applies to standard authorization of expenditures. Control of "backdoors" is one of the most indispensable elements of the new budget process because backdoors have been the source of many of the deficits of recent years. Including them in the appropriations process is critical, because as Dr. Arthur Burns said in a statement to the House Appropriations Committee on January 21, "many, perhaps half, of the deficits in recent decades have come about not by design, but because of a basic defect in the procedures by which Congress acts on the budget."

S. 1541 gives Congress new budget institutions to put us on an equal footing with the executive branch and to make our new system work. The President's budget hits Congress each year like a tidal wave, containing hundreds of pages of recommendations backed by thousands of pages of charts, tables, explanations, and justifications. Under the current timetable we must deal with a $300 billion budget funding hundreds of agencies and thousands of separate activities, affecting the lives of all Americans and the future of the economy, all in the period of 5 months before the new fiscal year begins. We can no longer afford to operate in this fashion. Perhaps the most important provisions of this bill are those establishing the budget committees and the congressional Office of the Budget. No longer will Congress have to dance attendance on OMB and the agencies, taking what they are willing to give, when they are willing to give it. Essential to this procedural reform are the institutions to support it.

S. 1541 gives us, and through us the American public, a new vote and a new influence in fiscal policy affairs. It will bring budgeting out into the open as never before. We will, for the first time, have a full, formal annual accounting of the amounts that special tax exclusions, deductions, credits or deferrals are costing in uncollected revenues. S. 1541 provides for explicit public access to budget information obtained by the congressional Office of the Budget. Individual citizens can go to the offices of the COB and actually get copies of information they want. Because no budget can survive surprises, our bill provides detailed scorekeeping functions for the COB, so that the public will have complete and up-to-date accounts of how much is being spent, and for what. For the first time Congress will have the opportunity for public debate and votes on overall fiscal and budget policy and on appropriate national priorities.

Seventy-one percent of Americans say they want less secrecy in Government. I believe that this desire for open dealing applies to the national budget. S. 1541 builds on the lessons we are learning in Senate and House Committee—openness works.

Mr. President, this bill is one of enormous complexity and detail. It represents thousands of man-hours of effort on the part of Senators from both the Committee on Government Operations and the Committee on Rules and Administration, and of staff experts from most of the standing committees of the Senate and from several joint committees.

Very significant contributions have been made by minority members of the Government Operations Committee, and, the chairman has been very gracious and thoughtful in pointing out the members of the committee who have given their time and effort to this difficult task.

Mr. ERVIN. Mr. President, will the Senator yield for an observation?

Mr. PERCY. I am happy to yield.

Mr. ERVIN. I would like to state to the Senate that, by his wise counsel and his unceasing devotion to the formulation of this piece of legislation, the distinguished Senator from Illinois has made contributions to the development of this legislation which are impossible for me to overmagnify.

Mr. PERCY. Mr. President, I am very grateful indeed for those comments, and in turn I think we all realize that this legislation would not have been on the floor today, would not be in the condition it is in, were it not for the wise counsel, patience, persistence and determination, of the chairman of the Government Operations Committee (Mr. ERVIN) to see it through, and by his pointing out at appropriate moments that this is the most important legislation before the Congress.

But we have on the floor with us the distinguished Senator from Tennessee (Mr. BROCK), who has shown tremendous devotion to the bill, great introspection into the workings of Government and the processes of Congress. His contribution has been invaluable.

I may also say that, since I have seen him do battle, he has won some and lost some. I have an idea that when he takes the floor he will point out some of the areas in which this legislation should have been improved, and in which it can still be improved, but in his deliberative processes he has shown he is a realist and a pragmatist. He has joined together in the cosponsorship of a bill which we all recognize is not perfect, but which was the most perfect piece of legislation that all the members of our committee, together with the members of the Committee on Rules and Administration, could devise. It has been as well thought through, in detail as well as principle, as any I have been privileged to see.

Also, I wish to point out, even though he is not immediately on the floor with us, the distinct contributions made by the Senator from New York (Mr. JAVITS), who used to be the ranking minority member of the Government Operations Committee, and whose contributions have been very great indeed, particularly in building into the bill a new focus on tax expenditures.

Certainly the Senator from Delaware (Mr. ROTH) has made a major contribution; and this is quite appropriate, having come from the great State of Delaware, working not in the shadow of Senator WILLIAMS, but certainly bearing in mind the tremendous integrity and experience that Senator WILLIAMS brought. He demonstrates once again that it is not the size of the State a Senator comes from that counts; it is the Senator's knowledge that he brings to bear and the work of that Senator that determine the degree of impact he can have. The Senator from Delaware (Mr. ROTH) has certainly proven to be a very, very worthy succeeding Senator from the great State of Delaware, and I certainly commend the great contribution he has made to this effort.

Mr. President, in remaining comments, I would be remiss were I to fail to single out the seminal contribution of those Senators who served on the Joint Study Committee on Budget Control. The Joint Study Committee made one of the most important contributions to this legislation in its report of April 18, 1973. Five Senators representing the Appropriations Committee, five from Finance, and two at-large helped write this report on budget control concepts. It is this report which, in many respects, S. 1541 merely implements.

Special thanks are due to our able staffs. From the Committee on Government Operations I wish to commend particularly the work of the chief counsel, Robert Bland Smith, and the minority counsel, Robert Vastine, for their leadership. I also wish to call attention to the contribution of John Pearson and Bill Goodwin. Others who have made a major contribution to this bill are Alvin From and James Hall of the staff of the Intergovernmental Relations Subcommittee, and Winslow Turner and Harrison Fox from the staff of the Budgeting Subcommittee. Nicholas Bizony, of the staff of Senator NUNN, and Nathan Hayward, formerly of the staff of Senator ROTH, merit special credit. We owe a great deal of thanks to Harry Littel and Larry Monaco of the Office of the Senate Legislative Counsel, for their superb and tireless drafting; to Allan Shick of the Library of Congress, and to our committee's consultant, Robert A. Wallace, both distinguished experts in the congressional budget process.

In addition, special thanks are due to the staff of the Rules Committee, particularly to William McWhorter Cochrane, staff director of the committee, to

Herbert Jasper and to Anthony Harvey, who have played such an important role in the development of this legislation.

I have reviewed the substitute bill as reported by the Rules Committee very carefully, comparing the changes made by the Rules Committee with the provisions of the Government Operations Committee's bill. There are aspects of our bill I would have preferred to keep. It would have been well to provide a tighter deadline for the enactment of the first concurrent resolution. I would have preferred to retain the treatment provided by our bill for mandatory entitlements. The rescission process would, I tend to believe, have a surer chance of success had the so-called triggering mechanism of the government operations bill been retained.

However, the Rules Committee's changes have been constructive. They have on balance strengthened this legislation. Much of the credit for this is due to the distinguished assistant majority leader, Senator ROBERT C. BYRD. His great diligence, intelligence, and perception have vastly strengthened the bill, and have enhanced the likelihood that it will prove effective. I commend also Senator CANNON, Senator COOK, and Senator GRIFFIN for their outstanding consideration.

The bill now contains more workable rules. The transition period, which provides that the new budget processes will not become fully operative until fiscal year 1977, but that elements of the new process will come into effect in stages prior to that time, is very sensible and sophisticated. The provisions permitting membership on the Budget Committee until 1979 without prejudice to other standing committee memberships is very wise. A strong congressional Office of the Budget has been retained, but the Director and Deputy Director have been given fixed terms of office, and a clearer line of responsibility to the Budget Committees of both Houses has been established.

The Rules Committee recognized the essential wisdom of the fiscal year change to October 1, but the date for submission of the President's budget has been extended to February 15. The essential discipline of the bill, calling for authorizing bills to be reported by May 15, enactment of the first concurrent resolution by June 1, enactment of appropriations bills by August 7, and completion of the final reconciliation bill by September 25, should result in completion of all spending bills before the start of the fiscal year. This in itself would be a startling achievement. It has been decades since all spending bills were completed by July 1. The benefit to Federal Government agencies, and to State and local governments, will be profound.

Mr. President, to indicate the degree of understanding we have had to have and the fact that compromises have had to be made, I know that the distinguished Senator from North Carolina (Mr. ERVIN) and I felt that a calendar year would have been preferable. For many psychological reasons a calendar year would have been a good basis on which to organize this process. However, it was pointed out very clearly by the Director of the Office of Management and Budget and by certain members of our committee that there would also be many advantages to the October 1 date.

At the outset I wondered why we had to have this fiscal year beginning in what one might call the middle of the year, July 1.

In looking back, I find that the rationale was that Congress was supposed to finish its work and go home by June 30. The fact that we have not done this for over a quarter of a century was of no effect. It is done in the fiscal year. This is why again, not only physically, but also psychologically, we never seem to begin a new year. To us July 1 always was the middle of the year. It was not the end of the year or the beginning of a new year. And we never finished up the budgetary process by simply directing that we go home during the year or for the holidays at the end of the year. When we start the fiscal year, I think that a budget agreed to by the congressional and executive departments will make one contribution alone that will do more to cut out billions of dollars of waste in the budget and will make our dollars work smarter, rather than harder. In a sense, that is one of the great advantages.

Mr. President, the bill we present today creates a new system, a new procedure, to organize and coordinate congressional fiscal and spending decisions. It does not create ironclad procedures. Its success will depend mightily on the determination of the Members of both Houses to make it work. It is so structured as to take account of the human qualities of this remarkable institution. As Harry Truman said of the Constitution, "It's a plan, but not a straitjacket."

Mr. President, I know that some of my colleagues will argue for, and offer amendments creating, a tougher discipline. They will argue that "the teeth have been taken out of the bill", and some will no doubt argue for amendments to "put the teeth back in." I assure them that I will hear their arguments with understanding. It was I who led the effort in our Subcommittee on Budgeting to create a system of rules that would indeed have imposed a tough budget discipline on all committees reporting any spending measures. But I will now have to counter my esteemed colleagues' arguments with my own conviction that this bill creates a workable new process that will prove to be useful and effective precisely because it does permit latitude for flexible responses to changing situations.

I will also argue that this bill still contains the basic budget control recommendations of the Joint Study Committee on Budget Control and the budget reform concepts embodied in the Government Operations Committee's bill. I think it is important to enumerate them. The bill:

Relates national spending to national income;

Provides a focus for major debate on spending priorities;

Provides for setting a limit on annual outlays;

Brings the bulk of new "backdoor spending" under Appropriations Committee control;

Provides a mechanism whereby Congress, not the Executive, establishes national fiscal policy;

Provides a mechanism for enacting all spending bills before the beginning of the fiscal year; and

Establishes new congressional institutions to give Congress the expert backup we need.

These basic principles are embodied in this legislation. The rules to implement and enforce them have been made more flexible. But the institutions that will police this new system and make it work will be in place. The Budget Committees are given specific latitude to develop additional budget control techniques over time. Provision of a strong Budget Committee, with the expert backup of the congressional Office of the Budget, will insure that, over time, the principles of budget control are implemented, not swept aside because they are rigidly inflexible and thus, inoperative.

Over the years, I am confident that this legislation, so painstakingly developed, will prove to be extremely effective. I believe all Senators, regardless of party, can support it. It creates a politically neutral process, not biased toward either a liberal or conservative, a Democratic or Republican political viewpoint. A vote for this bill is not a partisan vote, it is a vote for representative democracy, for better government, for the evolutionary strengthening of our institutions.

Mr. President, I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, we are today beginning to debate a bill which I think may well turn out to be the most important piece of legislation acted on by this Congress. In fact, when we look back some years in the future, many of us may be able to say that it was among the most important measures acted upon during our entire service in the Congress.

When the Congress passed the Budget and Accounting Act in 1921, it intended to provide for an executive budget which would integrate the various proposals of agencies in the executive branch. Before that, each agency was free to make its independent recommendations to the Congress. I think we can all agree that the creation of an executive budget was a major contribution to the development of comprehensive economic and fiscal policy. That act was, of course, supplemented by the Employment Act of 1946, which called for the President's annual economic report to the Congress. With these two major statutory authorities, the President has been enabled to take a leading role in the establishment of economic policy.

In the more than 50 years since the Budget and Accounting Act was passed the Congress has permitted its "power of the purse" under the Constitution gradually to slip away or diminish. Increasing concern has been expressed by the public and by Members of the Congress itself.

This trend was magnified by actions taken during the past 5 years to extend, even further, the powers of the President and the executive branch. For example, while Presidents over many decades have occasionally seen fit to withhold funds appropriated by the Congress, we have seen in recent years the extension of this technique to cover programs throughout the Government and at levels never before seen. Many billions of dollars have been withheld, not because of any changes in circumstances after the action of the Congress in approving these funds, but merely because the President did not agree with the priorities or the judgments made by the Congress. We have seen many law suits filed against the Government to compel the release of these funds. As a consequence, the confidence of the public in the Government and in its processes has been diminished.

We have also seen the increasing use of the veto power to enforce the President's priority choices, against those of the Congress. The President, of course, has the right under the Constitution to *veto bills* when he disagrees with them. However, his reasons have frequently been stated in terms of general objections to the level of spending voted by the Congress. In many cases, it has been our view that the vetoed bills were entirely prudent and reasonable, when considered in the light of reductions made by the Congress in other bills. Nonetheless, the President has been unwilling to accept our judgment that we had merely reordered national priorities, as is the prerogative of Congress under the Constitution.

In order to give effect, then, to our priority choices, it has become evident that the Congress must make clear that it reaches its conclusions on individual spending bills in the broader context of a comprehensive congressional policy determination on the budget. So we are taking a very important step here to restore the power and influence of the Congress over matters of Government spending and the raising of revenues to finance such programs.

The purpose of S. 1541 is to establish a comprehensive congressional budget process. Through this process, it is our intention that all spending decisions will be considered in relationship to each other. In addition, it is vital that the aggregate spending decisions we make be related carefully to revenue levels.

The Congress is not now well equipped to make these complex and inter-related decisions. We need to create new structures and processes to assure that we can carefully and responsibly determine:

How much money is required to finance all of the programs which we have enacted?

How much can we responsibly provide to finance these programs?

How should we divide the funds which can be made available among these programs?

What amount of revenue will be provided from existing provisions in the tax laws?

Should this amount be increased or decreased, and how should we accomplish that?

Should we have a surplus or a deficit in the Federal budget, and how much should it be, in order to contribute to sound economic policies?

In order to assist the Congress to perform these tasks, the bill proposes the establishment of new structures and new procedures. These include: First, a requirement that the President submit a current services budget, which is a projection of the cost of all continuing existing programs, without major policy changes or legislative initiatives; second, a shift in the date for submission of the President's budget to February 15; third, establishment of budget committees in the House and Senate; fourth, creation of a Congressional Office of the Budget; fifth, provision for the establishment of a tentative congressional budget through a concurrent resolution to be adopted by June 1 and to be revised or reaffirmed 4 days after Labor Day; sixth, a score-keeping system to keep track of all revenue and spending decisions in relation to the tentative budget, and a timetable calling for the completion of all relevant actions by specified dates; seventh, the reconciliation of all spending and revenue measures with the second concurrent resolution by adoption of a bill not later than September 25 each year, which would include changes in revenues or spending as may be determined in the second concurrent resolution: and eighth, a shift in the beginning of the fiscal year to October 1.

The basic structure and framework of this bill was developed in the Government Operations Committee during almost a year of work. Before that committee began to fashion a bill, both the House and the Senate had the benefit of the recommendations of the Joint Study Committee on Budget Control, which had been created in the debt ceiling bill in the latter part of 1972.

When the Government Operations Committee reported this bill to the Senate on November 20, 1973, it was clear that it directly and indirectly affected a great many of the Standing Rules of the Senate. Accordingly, it was agreed to refer the bill to the Rules Committee for further study, and possible amendment, last November 30.

It had been the intention and expectation of the distinguished chairman of the Committee on Rules and Administration (Mr. CANNON) as well as my own intention as chairman of the Subcommittee on Standing Rules of the Senate, to review the bill only in respect to the changes in the Rules of the Senate, or the proposed establishment of new rules. However, in the course of a hearing which the Senator from Michigan, the distinguished assistant minority leader (Mr. GRIFFIN), and I conducted during the recess in January, it became evident that there were a number of objections to significant features of the bill which warranted serious consideration. At the suggestion of the chairman of the Government Operations Committee (Mr. ERVIN), the ranking minority member (Mr. PERCY), the Senator from Maine (Mr. MUSKIE), and the Senator from Montana (Mr. METCALF) and others who had contributed in major part to the development of the original bill, it was agreed that the Rules Committee would attempt to provide a forum for revising the bill. Our objective was to accommodate to the concerns which had been expressed in testimony before the committee or in letters sent to the committee, chiefly by the chairmen of the various standing committees of the Senate.

I have already related to the Senate the extraordinary staff effort which was organized under the leadership of the staff director of the Rules Committee, Mr. William McWhorter Cochrane. Certainly, the staff work which occupied as many as 45 staff members drawn from 10 standing committees of the Senate, four joint committees and other congressional offices including the House Appropriations Committee, was one of the finest examples I have ever seen during my 16 years of service in the Senate of staff cooperation, diligence, imagination and constructive compromise. It is principally that staff group which is responsible for the development of a bill which I think can command the support of a majority of the Senate.

After the staff group had completed its work, which included 90 hours of meetings during 25 sessions over a 16-day period, I met at length with certain members of the group and separately with the Parliamentarian of the Senate. I devoted 2 entire days and part of a 3d day to reviewing the bill with some of the working group members during the Lincoln's Day recess. I wanted to be sure that the bill would be workable and that it would not too greatly disturb the existing methods of doing business in the Senate.

I found that the working group had succeeded in greatly simplifying the bill, although it is fair to say that the bill under consideration still proposes the establishment of a fairly complicated procedure. That is made necessary by the effort to add a completely new and encompassing budgetary framework to the existing decisionmaking processes in connection with raising revenues and providing for their appropriation and expenditure.

Most of the suggestions made to the Rules Committee in testimony and in letters have been accommodated in the revised bill. But these changes were incorporated without departing from the basic structure and purposes of the bill proposed by the Government Operations Committee.

I concentrated my efforts on the need to assure that any changes made in the Standing Rules of the Senate were, in fact, essential to the operation of the bill. Moreover, I was intent on assuring that any new or special rules were reasonable and workable. In particular, I wanted to be sure that a majority of the Senate would be able to work its will in all of the important decisions to be made in this new budgetary process. Toward that end, I had very substantial assistance from the Parliamentarian and the assistant Parliamentarians.

Generally the committee tried to apply existing Senate rules and procedures to the congressional budget process, except where it was apparent that a specific new provision would be necessary to achieve the purposes of this bill. Accordingly, the 25 new point-of-order situations were reduced to 10 and these may be waived by majority vote, thus giving a maximum of flexibility to the procedures.

The principal change regarding procedure took place in the rewriting of the limitation on debate on concurrent resolutions and the reconciliation bill, as well as the insertion of a limitation on debate on the waiver resolutions. The bill referred to this committee provided, principally, for a limitation on time for the overall "enforcement" bill, or concurrent resolutions, and for the division of that time between the majority and minority parties. The Rules and Administration version provides for amendments, debatable motions, and appeals and for the control of the time by the majority and minority leaders or their designees; thus fixing the responsibility for apportioning time. In the case of conference reports, the committee amendment provides for the eventualities which would follow the defeat of a conference report, the request for a new conference, the appointment of new conferees, the instruction of such conferees, the possibility of amendments to such instructions, and the possibility of amendments in disagreement to a conference report, and amendments to such amendments in disagreement.

In addition, this committee's bill provides that appeals from decisions of the chair shall be limited to 1 hour of debate, to be divided equally between proponents and opponents of the decision, and will be decided by a majority vote. [Sec. 903(c)]. This provision, as well as the one for waiving the various new points of order by a majority vote, replaces requirements for two-thirds votes.

Similarly, a motion to recommit a concurrent resolution is not in order, unless the recommittal would be for a specified period that does not exceed 3 days when the Senate is in session. The debate on this motion is limited to 1 hour, equally divided. (Sec. 305(a)(3).) This provision also supersedes a prohibition against any motion to recommit a concurrent resolution. A complex set of rules relating to recommittal and second consideration of a concurrent resolution was deleted.

In addition, to a general waiver provision, now provided in title IX of the bill, which applies to all provisions of titles III and IV, specific waiver provisions were included to deal with delayed authorization measures and with certain measures which it would be desirable to take up in advance of the normal time under the budget process. (Sec. 303(c) and 402(b)). This will provide needed flexibility.

The Rules Committee also made the following principal changes in the bill:

The date for submittal of the current services budget was moved to November 10, in order to minimize any competition with the preparation of the President's budget;

The submittal date for the budget was shifted to February 15; in order to provide additional time for its preparation and, in particular, to assure that final year-end data would be included;

In order to give newly appointed members of the Budget Committee an opportunity to determine the relative importance of this committee, the members would be given until January 1979 to elect which of their category A committee assignments they would drop, if they wish to continue to be on the Budget Committee or to elect to discontinue membership on the Budget Committee;

Provision was added to require that the Speaker of the House and the President of the Senate pro tempore consult with the members of the Budget Committee in choosing the director and deputy director of the new Congressional Office of the Budget. A fixed 6-year term was also provided for these officers, but they may be reappointed. These changes were intended both to improve the responsiveness of the COB to the entire Congress, and to assure that they could be held accountable through the Budget Committees which are assigned an oversight role under the bill;

The first concurrent resolution date was moved from July 1 to June 1 in order to provide more time for the budget process and to preserve the August recess in odd-numbered years. It was, however, deemed necessary to shorten that recess by 1 week;

The content of the concurrent resolution was changed to provide for a breakdown of the total budget levels along the lines of the functional categories in the President's budget, rather than by committee and subcommittee. This was intended to focus more meaningful attention on program priorities, inasmuch as committee and subcommittee categories often include unrelated elements of the President's budget;

A system of translating the functional categories into committee and subcommittee classifications was provided for in the budget committee's report accompanying the concurrent resolution, and in a subsequent report to reflect the amendments made on the floor;

A requirement was added to the bill that there be a second concurrent resolution reported by the Budget Committees before the August recess, to be acted on after the end of the Labor Day recess. This was designed to assure that account would be taken of the changes in the state of the economy, the latest estimates of revenues and expenditures, and the net result of congressional spending decisions in appropriations and other measures;

The enforcement bill called for in the Government Operations Committee bill was renamed a reconciliation bill and the date by which action is to be completed was shifted to September 25. This intended to assure that there would be an opportunity for the President to approve or disapprove the bill—or at least to advise the Congress of his intentions—before the close of the fiscal year, so that any changes which needed to take effect before October 1 could be accomplished;

The reconciliation bill is designed to permit changes in revenues as well as in budget authority;

A deadline of May 31 for final action by the Congress on authorization bills to be effective in the ensuing fiscal year was changed to May 15 and made applicable to reporting such legislation to the floor;

Certain exemptions were made, especially for self-financed trust funds, to the requirements for making so-called backdoor spending programs subject to specific approval action by the Appropriations Committee;

A complex procedure calling for approval by the Appropriations Committee of certain "entitlement" programs—under whch individuals or governments—are assured payments if they meet the criteria established in the law—was replaced by a simpler process calling for the rereferral of the authorization legislation to the Appropriations Committee for 10 days—with the opportunity for the Appropriations Committee to amend such legislation by adding a spending limit;

Mandatory pilot test and program evaluation provisions were dropped in favor of provisions to strengthen the oversight responsibilities of authorizing committees and to make clear that such techniques as pilot test and program evaluation could be used in carrying out their responsibilities;

The 3-year limit on the duration of new programs and the required reenactment of existing programs are dropped from the bill;

A provision for inclusion of outlay ceilings in appropriations bills was removed in favor of reliance on rescission of budget authority by the Appropriations Committees in the reconciliation bill, including that for prior years. This, for the first time, will give the Congress an effective means of dealing with the carryover balances which are now estimated to exceed $300 billion;

Certain exemptions of programs from the President's budget are revoked, in order to assure that both the congressional budget and the executive budget will include all spending programs;

The effective date for the new congressional budget process is delayed until 1976 with respect to fiscal year 1977, except that provision is made for the budget committees to recommend implementation of all or part of the process in 1975, with respect to fiscal year 1976;

Amendments to the Antideficiency Act are included in order to assure that the legislative intent concerning the amendments to that act in 1950 are being complied with;

The purpose of the bill was related to clarify that the intent of the bill is to establish a congressional budget process which is concerned equally with revenues and with expenditures, and the short title was changed to the Congressional Budget Act of 1974.

Mr. President, I want to stress that what the bill does, principally, is to establish a new framework within which the existing decisionmaking processes will continue. In other words, I do not see this bill as in any way diminishing the role or inhibiting the operation of the Appropriations Committee, on which I serve, the Finance Committee, or of other authorizing committees. Every committee and all Members must participate fully if the new congressional budget process is to work. All of us have an equal share in discharging the constitutional responsibilities of the Congress. What we attempt to do through this legislation is strengthen the capacity of the Congress to participate more equally with the President in matters of economic and fiscal policy.

At the same time, while I emphasize the need to continue the existing processes of the Congress, I do not mean to underestimate the complications that the new process may entail. The fact that a timetable is established, and that certain decisions are expected to be made before a given date—while other decisions are expected to be delayed beyond that date—begins to illustrate just how much additional opportunity for delay and conflict there may be. I wish there were some simpler way to accomplish our purposes, but I do not believe that there is. I am not suggesting that the legislation is perfect. I am sure it can be improved and I hope that we may be able to refine or improve the bill even further before the Senate takes final action.

Clearly, even with the shift to an October 1 fiscal year, it will not be easy to complete all the necessary steps provided for under this new process. While we give ourselves an additional 3 months, we also have agreed to delay the submittal of the President's budget by approximately 1 month. So, effectively, we have added only 2 months to our process and we have introduced a great many new steps, both at the beginning and the end. So there is no assurance that we will be able to complete all the appropriations and other spending actions by the time of the August recess—or that we will be able to agree on a reconciliation bill by the 25th of September. In short, the timetable given in the bill should be regarded as an ideal schedule, which we should strive to meet. But we should understand that we may not succeed. I am convinced that it is time for us to try, however, to establish a new congressional budget process. I believe that the one proposed in this bill is basically workable for the following reasons:

First there would be no points at which either the Congress or the executive branch would grind to a halt because of failure to take a prescribed step.

Second, there would be substantial incentive for authorizing committees to act early, perhaps even a year in advance, and thus permit appropriations action to be carried out promptly after the adoption of the concurrent resolution each June 1.

Third, when necessary, a majority of the Senate would be able to determine to by-pass one or more of the new procedures.

Fourth, by delaying the effective date for the first operation of the Congressional Budget until 1976, we provide ample time for further refinement of the process by the new Budget Committees, and the Congressional Office of the Budget, which would be established promptly after enactment.

I think that we have before us a bill which can be enacted. More importantly, I hope and believe that it will prove to be workable. Finally, I hope that it will prove to be useful. Because if it does not make a significant contribution to strengthening the role of Congress and improving the quality of our decision-making in economic and fiscal affairs, it will certainly not be worth the trouble.

I do not think there ought to be any proposal for a time limitation on this bill, at least for the first couple of days of discussion. It is of such far-reaching importance that I hope we will all be able to give it sufficient attention that we can be sure that the bill will be workable and useful.

I do not think we can afford to fail again in our attempt to establish a successful congressional budget process. Toward that end, I intend to work closely with all those who are uncertain about any of the bill's provisions or have problems with them. I think we should all give it the best that we have within us, because so much is at stake here.

Mr. President, I ask unanimous consent that a list of the names of those staff members who contributed to the development of this bill be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered

(See exhibit 1.)

Mr. ROBERT C. BYRD. As is always the case, it is difficult in a matter of this sort to select any of the participants for special recognition. However, I think that mention must be made of some of the staff members who contributed an extraordinary amount to the development of the bill or the preparation of the Rules Committee report upon it. These include Herb Jasper, research director of the Labor and Public Welfare Committee, who served as chairman; Bill Goodwin, counsel, and Bob Vastine, minority counsel of the Government Operations Committee, Jim Hall and Win Turner from the majority staff of the Government Operations Committee, Nick Bizony who represented Senator NUNN, Michael Stern, staff director of the Finance Committee, Karl Braithwaite from the Public Works Committee, Guy McMichael, counsel to the Veterans' Affairs Committee, Lynn Sutcliffe from the Commerce Committee, Allen Schick from the Congressional Research Service, Bruce Meredith from the House Appropriations Committee and Tony Harvey from the Rules Committee staff.

### EXHIBIT 1

### STAFF GROUP FOR REVISION OF S. 1541

Herb Jasper, Chairman (Labor and Public Welfare); Tony Harvey, John Coder, Jim Medill, Joe O'Leary, Jack Sapp, (Rules and Administration); Bob Smith, Bill Goodwin, Bob Vastine, Jim Hall, John Pearson, Al From, Win Turner, Harrison Fox, and Jerry Gustafson, (Government Operations); Nick Bizony (Senator Nunn); Nick Miller (Senator Magnuson); Dan Brier (Senator Griffin); Frank Morton (Senator Cannon); Michael Stern, Joe Humphreys, (Finance); James R. Callaway, Gary Sellers, (Appropriations); Barry Meyer, Karl Braithwaite, (Public Works); Guy McMichael, (Veterans' Affairs); Lynn Sutcliffe, (Commerce); Frank Sullivan, George Foster, (Armed Services); James P. Beirne, (Interior and Insular Affairs); Bob Allnut (Aeronautical and Space Sciences); Bob Dove (Parliamentarian's Office); Harry Littell, Larry Monaco (Legislative Counsel); Don Tacheron, (Joint Congressional Operations Committee); Gene Wilhelm, (Joint Committee on Reduction of Federal Expenditures); Albert Buckberg, John N. King, Thomas R. White, III, (Joint Committee on Internal Revenue Taxation); Jerry J. Jasinowski, Doug Lee, Dick Kauffman, (Joint Economic Committee); Allen Schick, Louis Fisher, (Congressional Research Service); and Bruce Meredith, (House Appropriations).

### THE RULES COMMITTEE SUBSTITUTE AMENDMENT

### INTRODUCTION

Mr. METCALF. Mr. President, I rise to support S. 1541, as reported by the Rules Committee in the nature of a substitute. It is the culmination of a year and a half of hard work on the part of hundreds of members and staff—toiling, I may say, far in the shadows while other issues captured the spotlights. It also represents a giant step along the way of congressional reform. In the past, efforts to get control over fiscal and budgetary policy have been weak and fraught with political divisions and inadequate support from public and private interests. Today, it seems that congressional budget reform has wide appeal—from liberals, moderates and conservatives—and the only issue is how best to do it, to make it workable without destroying the basic representative freedom of our legislative institution.

It was toward this objective that in 1972, Congress established the Joint Study Committee on Budget Control. It was the same objective that led to introduction of hundreds of bills in the 93d Congress. Similarly, the Senate Committee on Government Operations established a new subcommittee—the Subcommittee on Budgeting, Management and Expenditures—to hold hearings on and consider many of these bills and the Joint Study Committee's recommendations.

The subcommittee held 8 days of hearings, heard from more than 30 witnesses, and spent hundreds of hours of staff and members' time framing a bill.

At the full committee level, the process of debate and readjustment in the substance of the legislation was more intense, and it resulted in a far more creative and flexible approach than that recommended by the Joint Study Committee, and reported out by the Budgeting Subcommittee.

Finally, the Rules Committee, to which the Government Operations bill was referred, heard from the Administration, from the Comptroller General, from the chairmen of 11 Senate standing committees, and from a panel of experts. That committee organized a group of 45 staff members, representing the interests and concerns of those Senate committees to be affected by congressional budget reform. That group met for some 90 hours in 16 days, all day, every day. The results were presented to the Rules Committee and with some minor changes, the committee adopted this substitute before us today.

Mr. President, this joint staff-member effort, and the magnitude, tenacity, and detail that it represented, I think is without precedent in this body. We should be most grateful to the staff for their assistance, many times beyond the scope of their regular duties and working hours. Particular gratitude should be expressed to the Library of Congress and to the Office of Senate Legislative Counsel for their continued staff support and expertise.

Mr. President, Congress has a constitutional responsibility to determine the fiscal policy of the United States through, among other things, its powers to levy and collect taxes, to borrow money, to pay the debts, to regulate the value of money, to regulate commerce, and to appropriate money from the Federal Treasury.

What Congress lacks at this time is a mechanism for exercising these powers in a comprehensive and coordinated manner, and a parliamentary procedure for obtaining the collective judgment of the legislative majority as to what the over-all fiscal and budgetary policies should be and how they should be implemented.

Where Congress has not acted decisively and effectively in establishing these policies, the executive branch has moved in to fill the void. It impounds or refuses to spend the money we appropriate to meet the people's priorities. It asserts policies and practices which manipulate our revenue structure and affect the value and supply of money. It has established its own computerized models of sophisticated economic and monetary assessment which are too often wrong, and which we are powerless to challenge.

To reassure the American people, to reassert the constitutional prerogative of the Congress, to provide adequate machinery for determining the level and direction of Federal spending, we must act—and act now—on budgetary control.

### SPECIFIC ISSUES

Having made these general comments with respect to S. 1541, I should like to highlight some special concerns which may be of interest to my colleagues as we approach this debate.

### 1. BUDGETARY INFORMATION

This is title VIII of the bill, beginning on page 173 of the Rules Committee substitute. Its location in the sequence of titles to the bill bears no relation to its importance to the budget control process. Indeed, it may well be the most critical part of the whole mechanism, for it requires the development and maintenance of standard classifications of fiscal and budgetary information to be used by the Federal Government in supplying Congress with what it needs to prepare and analyze and debate the legislative budget. Whatever rules and procedures we adopt; whatever committee and staffing requirements we establish; whatever fiscal self-discipline we may impose on ourselves, these will be meaningless, and indeed could be counterproductive, if we do not operate from a sound informational base in standard form and detail which can be utilized by both the Congress and the executive branch to satisfy their particular purposes.

Information is the name of the game in budget control. For too long we have relied each year on a veritable telephone book of budgetary figures and projections prepared in relative secrecy by hundreds of Federal agencies, the Office of Management and Budget, and the President. We have experienced great difficutly in verifying, or evaluating these figures in the light of economic implications and functional program priorities. Perhaps a few committees and their staffs have developed special systems for such evaluations, but even these committees do not believe they are being adequately served by the data and information made available to them by the executive branch.

Title VIII seeks to remove this serious impediment to the budget process, by stating very clearly that it is the mandate of Congress that there be developed and established standardized information systems and standardized definitions and classifications to facilitate the flow of budget and program-related data to the Congress in whatever form, whether by computer, documents, or microfilm techniques.

Senators will recall that, in the Legislative Reorganization Act of 1970—title II—Congress required the Secretary of the Treasury and the Director of the Office of Management and Budget, in cooperation with the Comptroller General, to develop and establish a standardized information and data-processing system. This system was to incorporate a capability to meet the information needs of Congress. But in more than 3 years little if anything has been accomplished through such executive leadership and cooperation by the Comptroller General acting as agent of Congress. Whether by design, neglect, indifference, or incompetence, the executive agencies, with no more than a handful of personnel assigned to the task, have been indulging in a prolonged game of "semantic sawdust," while Congress struggles toward budgetary reform.

In mid-1972, the Joint Committee on Congressional Operations investigated this situation, and found that only part-time technical staff and management support had been made available by the executive branch to carry out the informational systems mandate of the Legislative Reorganization Act of 1970. Task force groups to hammer out agencies' positions were not created until August 1971. Their reports, instead of developing agency arguments, were nothing more than the views of individuals on the task forces. A steering group was set up to furnish policy guidance, but it met only four or five times in 1971, and very infrequently in 1972.

In fact, it was not until June 1973, that the executive branch—OMB and Treasury—assigned six full-time staffers to this issue. From the date of the Legislative Reorganization Act to mid-1973, the equivalent of only two people full-time had worked on the problem.

Deadlines were constantly revised, or made indefinite. Reports—what there were—were vague and devious. Promises became unfulfilled. And reports from the General Accounting Office, which had been placed in a cooperative role under the 1970 act, made it clear that the executive branch was not being responsive, and, in fact, did not consider this effort with any degree of concern.

Therefore, from the very beginning of consideration of legislative budget reform legislation by the budgeting subcommittee of the Government Operations Committee, it was decided that, to have a workable budget control process, it was essential that the Congress reassert its intention to speed up the development of this fiscal, budgetary and program-related informational process, to apply a firmer control over its implementation, and to make sure that congressional requirements were built into this effort.

The bill reported by the Government Operations Committee, as well as the substitute reported by the Rules Committee not only restates the informational mandate of the Legislative Reorganization Act, but shifts the leadership role in developing and establishing the standards which determine what kinds of information systems can generate to the Comptroller General, nevertheless continuing the objective of arriving at results through cooperative agreement with Treasury and OMB. But this legislation as approved by both committees goes further to require—and certainly this is reasonable given the prerogatives of Congress—that if agreement cannot be reached on information standards and procedures, the Comptroller General shall report this to the Congress and recommend such legislation as may be necessary to satisfy congressional informational needs.

In short, a fiscal and program data system is more urgent than ever given the progress of legislative budget reform. Our patience is wearing thin. We are asking our agent at the General Accounting Office to try to pull the loose ends together and our friends in the OMB and Treasury to help him. But if we have to, we will go the legislative route to adopt the mechanics of this system, which might well include some major modifications in the Budgeting and Accounting Act of 1921.

Now, I know that from the testimony of OMB and from communications which I have received that the executive branch is not happy with the stronger medicine applied by title VIII of S. 1541; and that, in fact, it may seek opposition, or weakening amendments, to title VIII during Senate consideration. To those who may be listening to or leaning toward the pleas of the Executive on this issue, I say two things:

First. This is not a partisan issue. There was strong support in the Government Operations Committee and in the Rules Committee on both sides of the aisle. There is bipartisan support in this Chamber. This is an issue of Congress seeking to reassert and implement its previous intent to get fiscal and budgetary and program information in a meaningful way. It is a firm, but fair and reasonable, method of getting the relevant agencies to get on with the task and get it together.

Second. Both the language of the title and language of the Rules and Government Operations Committees' reports recognize the need and intention to preserve the President's discretion as to what he wants with respect to his own budget submission. That is why title VIII provides that standardized information systems and standard definitions and classifications are to be developed cooperatively by the legislative and executive branches—the systems in Federal agencies under the leadership of the Executive, and the definitions and classifications under the leadership of the Comptroller General.

OMB Director Roy Ash stated it very well:

> We feel strongly that the President should retain the authority to present the budget in a manner he desires . . . so long as the information needed by Congress is also provided.

### 2. CONGRESSIONAL OFFICE OF THE BUDGET

Just as a good budget control system is dependent on sound information, it must also be dependent on adequate and competent staff support. Title II of S. 1541—from its inception at the subcommittee level through the full Government Operations Committee and the Rules Committee has contained the provision for a new congressional budget office—a COB—to handle this support responsibility.

It would be an office whose primary responsibility would be to service the budget committees in their analysis of the President's Budget, their development of the legislative budget resolutions, their scorekeeping, function on spending and revenue bills, their continuing evaluation of changing revenue conditions and with respect to other issues within budget committee jurisdiction. Personnel of the COB could be assigned to the budget committees.

But, as intended by S. 1541, the Office would have a larger function. Early in each year, it is to report to Congress its views with respect to the economic impact of alternative levels of revenues and sepnding for the coming fiscal year to provide Members with a range of information by which they may determine what would be the appropriate deficit or surplus in the light of the economy. This report is intended to be a major economic and budget document. It recommends nothing, but merely provides every Member with an economic analysis independent of the Executive—of spending and revenue alternatives—including revenue losses attributable to tax expenditures.

In addition, the COB would be available to every Member and committee to provide the same basic budget and fiscal information provided to the budget committees and additional information designed to help in their understanding and formulating budgetary and fiscal policy particularly with respect to floor action on budget resolutions, spending and revenue measures, and changing economic conditions.

In order to provide this information and support, the COB, through computer technology and skilled personnel, would have to develop a capability of obtaining budgetary, fiscal and program information from the executive branch, from legislative agencies such as the GAO and the Library of Congress and from congressional committees, to be able to make analytic projections, and be able to inform Congress at any time where we are, and where we may be going with respect to the legislative budget.

This is a major effort, and it must be if we are to involve all Members and committees in the congressional budget process—both in framing the budget and acting within it.

This is why we felt that it would be best to create a new, nonpartisan, and independent congressional unit along the lines of the GAO—but by no means as large—rather than a joint budget staff as recommended by the Joint Study Committee on Budget Control. Such a joint staff by its nature would be limited in personnel and time to meeting the priorities of the budget committees, and to a lesser extent, those of the appropriations and revenue committees, rather than the needs of the rest of the Congress. There is the additional danger that a joint staff may tend to reduce the independence of analyses and recommendations coming from each House's budget committee.

From Capitol Hill, we face an executive bureaucracy of nearly three million employees, spread out through five hundred departments, agencies, major bureaus, and commissions, coordinated in some degree by the President's Office of Management and Budget, and by a White House staff, totalling nearly one thousand professionals. The budget this executive branch has recommended to Congress this year exceeds $300 billion; another $300 billion will be in the pipeline for future spending; we are nearly $500 billion in debt, with a continuing pattern of deficits every year.

We are no match for this huge executive in being able to understand the Nation's correct fiscal and budgetary policy, as well as program priorities, unless we have a strong, competent, physical capacity to deal with it—at least at the OMB level—on a more equal basis. A Congressional Office of the Budget—as we see it—would be a major step in that direction; a joint staff would, in my opinion, weaken our efforts at comparability in budgetary evaluation, and diminish the effectiveness of congressional budget control.

Some are concerned, and understandably, about the size of a COB—the tendency toward a bureaucracy, perhaps even policymaking, by such a unit. There is no doubt that we should be alert to such dangers. However we have placed oversight responsibility over COB in the budget committees. The COB director and his deputy are appointed by the Speaker and President pro tempore after consultation with the budget committees, and must be confirmed by the House and Senate. Their terms are limited to 6 years. They can be removed by resolution of either House. And the size and expenditure of the Office shall be controlled through the legislative appropriations process.

If additional constraints are necessary, I feel we should wait until the Office is established and see where the problems develop, rather than to act out of unfounded fears.

Both the Government Operations and Rules Committees considered this matter of legislative bureaucracy, and concluded that the benefits for Congress to equip itself with a strong and independent informational and evaluative budgetary arm to help it get in control of the Nation's budget far outweighed the risks of the tail wagging the dog.

I would hope that any efforts to reduce the concept or effectiveness of this needed capability would be defeated.

### 3. THE CONGRESSIONAL BUDGET PROCESS

Title III of S. 1541 was developed over many months through a painstaking route of hearings, consultations with experts, staff meetings, committee debates and discussions with public and private interest groups.

Essentially, our objective was to find a process where 535 legislators could have direct input in first determining the appropriate levels of spending, revenues and debt for the Nation, and then disciplining themselves to stay within those levels. Suggestions ranged from establishing firm spending limits on committees early in the session—which could only be broken by a two-thirds vote—to merely setting spending and revenue guidelines or targets for scorekeeping purposes. What we have here in S. 1541, I believe, strikes a balance between these two extremes, and can be made to work, if Congress so desires.

This, of course, reflects our greatest dilemma from the outset of the legislative consideration. We were seeking a process which would achieve the objective of budgetary discipline, and yet not be so inflexible as to fall of its own weight. A rigid, lock-step, series of rules and procedures recommended by the Joint Study Committee on Budget Control would no doubt have succeeded in controlling spending and revenue legislation, but would have been too tight a harness for Congress as a political animal to accept. On the other hand, mere spending ceilings recommended by a budget committee or even voted by Congress as targets would no doubt be honored in the breach, and could provide the President with yet another argument for impoundment.

S. 1541, as reported by the Rules Committee, provides a structure that Congress can follow without doing any substantial violence to existing legislative methods and procedures. It provides for a change in the fiscal year to October 1. This will give Congress valuable time in which to establish what it believes to be an appropriate budget and take whatever corrective action it deems necessary to conform to such budget before the fiscal year begins.

The bill provides for a first budget resolution to be adopted by June 1 which would set appropriate levels of total spending, revenues and debt, and contain sublevels of spending along broad functional lines. These would be only targets for the spending and revenue committees and for floor action to follow as they felt necessary. However, the legislation would go forward essentially in the same manner as today with certain exceptions as to backdoor spending which I will refer to later.

The Rules Committee substitute then provides for a second budget resolution to be adopted early in September. This would be a "second look" at the economy, at the Nation's needs; and at what Congress had done with respect to spending and revenues since the first budget resolution. If the spending and revenue estimates were within the limits set out in the first budget resolution, and there was no need to raise the appropriate deficit or surplus figures, the second budget resolution could merely reaffirm the first budget, and the spending and revenue bills would be implemented as enacted.

Chances are that this would be unlikely, since political, economic, and social factors change rapidly and require budgetary adjustments. Thus, in revising the budget through the second resolution, Congress would have a range of options. It could direct the legislative committees to report legislation rescinding new or carryover budget authority to the new appropriate spending level. Or it could raise the appropriate spending level to the total of the spending bills previously enacted plus anticipated supplemental spending. Or it could direct the revenue committees to report legislation adjusting revenues or the public debt limit to conform to the new budget. Or it could include varying combinations of these actions consistent with the second budget determination.

Then the budget committees would assemble the various reported legislation into separate titles of a "reconciliation bill" and report it to their respective Houses for adoption, after which it would go to the President for signature.

Under these budgetary steps from the first budget resolution to the final reconciliation measure, Congress could, of course, fail to act. Indeed, Congress cannot impose upon itself rules to make it do things it does not want to do. If this happens, the situation becomes the same as it is today. However, the Rules Committee substitute contains a new title X which is a type of anti-impoundment measure restricting the purposes for which appropriated funds may be reserved by the President and denying the establishment of such reserves for fiscal policy purposes or where they would have the effect of achieving less than the intent of Congress in funding a program.

Thus, even though Congress fails to take advantage of the budget process provided in S. 1541, the President would be under certain constraint to withhold funds under the argument that he was doing so for reasons of fiscal policy or to implement his own budgetary priorities.

This general approach toward congressional budget control as proposed by the Rules Committee substitute is similar to that suggested by Senator Saxbe and myself early in the subcommittee consideration of S. 1541. It is also similar to the approach taken by the House in H.R. 7130, which was passed by the House in December 1973. It is the result of an arduous and painful reexamination of the political and parliamentary pitfalls and restraints imposed by the rigid approach of the Joint Study Committee on Budget Control—an approach that has now been abandoned by many of the joint committee's leading members.

Although I fully support the Rules Committee's proposal for a flexible budget control process, I would be less than candid if I did not express certain reservations as to the manner and form in which it conceives the first—and presumably subsequent—budget resolution.

In my opinion, the resolution is overly detailed in its breakdown of appropriate spending categories, and will encourage Members to debate particular spending items, including existing and proposed programs, without ever getting to the heart of the matter—the macroeconomic issues.

The Rules Committee provides that the resolution is a tentative determination by Congress of the appropriate levels of budget authority, outlays, revenues, surplus or deficit and debt levels, and includes appropriate levels for functional budget categories for general priorities debate. That should be enough to take up the 50 hours allotted to the first budget resolution and the 15 hours for the second. But the substitute bill goes further to break each functional category into existing legislation by permanent authority and appropriation bill totals, and appropriations bills by controllable amounts and all other amounts, and into proposed legislation totals. In addition, the substitute bill establishes a procedure for "crosswalking" the categories adopted in the budget resolution into the legislative committee jurisdictions and into appropriations bills.

It is not enough to say that this not only clutters up the parliamentary situation on each floor, and can lead Members into a maze of trivia, but what is worse, even if accomplished, it will seriously interfere with the manner in which Congress acts on spending measures; it will prejudge new committee actions before they have a chance to be brought up; it will open old arguments as to what is controllable and what is uncontrollable; it will raise complaints over whose "walk" was improperly "crossed"; in short, it could become the initial undoing of the process, and at the very least be a troublesome venture, however ingenious in concept.

### 4. BACKDOOR RESOLUTION

Over the years I have supported many good programs which were designed to bypass the appropriations committees in order to be funded on the basis of need, not on the basis of fiscal restraint. I made no apologies because we had many social problems to solve and many persons in the country in immediate need of assistance.

I have become convinced that Congress must now get control of fiscal policy and prepare a national budget on the basis of what the economy can stand and what the Nation can afford to pay for. We have to look at spending and revenues together and incorporate them into a budgetary plan. Part of the quid pro quo for achieving this fiscal order is getting backdoor spending under some form of reasonable control.

The Rules Committee substitute seeks to do this in a careful way, but the real issue is whether it has been careful enough. You cannot go after backdoors with a meat ax; you have to use a fine-honed scalpel. You have to be selective and very mindful of the social objectives being affected. The House-passed bill places all "new" backdoors—contract authority, loans, mandatory entitlements—under control of the appropriations committees, and after September 30, 1978, all backdoors, new and old, are subject to such committee control. Exempted are trust funds supported by taxes, expenditures under insurance and guarantee programs, and certain other budget outlays. That is the "meat ax" approach.

The Rules Committee substitute places new contract authority and borrowing authority under appropriations control. But it provides that new mandatory entitlements—programs in which Congress vests a designated group with benefits, such as veterans benefits and black lung programs—shall be referred to appropriations committees for 10 days before floor consideration. Once the Congress enacts the mandatory entitlement into law, no appropriations control would attach, except that the second budget resolution could direct the appropriate legislative committee to adjust the amounts previously authorized.

Exempted are social security, highway, and other self-sustaining trust funds, transactions of certain government corporations, guarantees and insured loans, and certain other items.

The Rules Committee substitute does not touch existing backdoors, except that presumably they could be controlled through directions in the second budget resolution and the reconciliation process, but such a drastic step is not foreseeable.

This is more like the scalpel approach. I think we should be very careful to get a thorough understanding of the treatment of backdoor spending under S. 1541 before the Senate adopts the bill and we should go into the conference with a position on backdoor spending control that will result in corrective surgery, rather than losing the patient. We have succeeded in obtaining substantial support from liberals and others whose legislative work has centered on this backdoor form of funding programs, and that support should not be lost for failure to resolve this issue equitably and carefully.

### CONCLUSION

I hope that S. 1541 will be thoroughly debated, and that all Members' questions are fully answered, but I seriously urge that we keep the substitute, as reported by the Rules Committee, intact. Over a year and a half, our committee members on both the House and Senate side have struggled with literally hundreds of complicated variations of budget control, each with its own special problems, political and parliamentary. We have run the spectrum of what can be workable, and we have come up with this approach which is not too far from that of the House. It has far more support from the liberal community than did the bill from the Government Operations Committee, and yet it preserves a certain discipline that those of the moderate to conservative side have consistently supported. We should stay with this substitute.

Mr. President, there should be no mistake on this.

While dramatic events recently have dominated the evening news, the American people are highly concerned over mismanagement of the Nation's economic affairs.

They are likely to become even more so during this election year, with the prospects for a continuing energy crisis, staggering inflation, widespread unemployment, and recession.

They do not want Government by impoundment.

It is to the Congress, not the Executive, that the American people are looking today for creative leadership—the kind of leadership we can supply only if we are equipped to deal sensibly with budgetary questions and national priorities.

The PRESIDING OFFICER (Mr. BARTLETT). The Senator from Tennessee is recognized.

Mr. NUNN. Mr. President, will the Senator yield for me to make a unanimous-consent request?

Mr. BROCK. Mr. President, I yield to the Senator from Georgia.

Mr. NUNN. Mr. President, I ask unanimous consent that, during the consideration of the pending bill, Nick Bizony be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. Mr. President, I have listened to the distinguished preceding speakers—the Senator from North Carolina, the Senator from Illinois, and the Senator from Montana—with very great interest. I was grateful for the kind remarks of the Senator from Illinois.

I would also point out that I listened to them with interest because each of these men has made a unique contribution to the pending bill. I would like to recognize that contribution and express my gratitude for it.

Mr. President, this is a remarkable piece of legislation. It is conservative in the finest sense of being conservative, not simply in the sense that it gives us a mechanism by which we can place Government spending under some degree of control, but conservative in accordance with the principles of this Republic and its Constitution.

The Constitution clearly establishes in Congress the right and prerogative and responsibility for the control of the Nation's purse and control of all taxation and all expenditures and the responsibility for the enactment of all legislation.

I think we must be honest in admitting that in the last several decades this responsibility has not adequately been met by this institution, but I do not think it was from a lack of desire or sincerity or integrity of purpose on the part of Members. I think it was due in greater part to a structural inadequacy which just began to evolve as we dealt with a burgeoning Federal program that has grown to incredible size. In my own limited experience in the Congress of the United States, I have seen our Federal budget go from $100 billion to $200 billion, and now to $300 billion. I have seen our Federal programs go from 40 or 50 in number up to 1,600. Congress has not changed its procedures in response to this changing circumstance.

The Constitution of the United States reposes in these two bodies an obligation to enact the laws and to oversee the implementation of those laws as they are executed by the Executive. We have evolved and created so many Federal programs of late that it seems that Congress has lost control of the oversight function. This bill, in a truly conservative sense, is an effort to reestablish that function.

Congress has a responsibility to the people of this country under the Constitution to determine our national priorities, after debating the relative weight and importance of our Federal efforts, be they educational, for defense purposes, or in the area of public welfare or any other. This bill reestablishes that prerogative and responsibility in a manner that will serve the people of this country as they should be served. It is a remarkable piece of legislation to be coming out of this Congress, which has been criticized for tendencies in other directions. It is truly conservative; it is truly remarkable; it is truly the work product of people whose minds or philosophies diffe greatly, and yet whose sincerity of purpose has led them to the same conclusion—that Congress can no longer ignore its responsibilities.

Let me make it clear that while I feel this bill is a first step, and a revolutionary first step, in restoring our constitutional mandate—and it is just that—the process of reform will never stop as long as this is a free Republic. The process of budget reform must never stop.

This bill does not contain complete coverage of all areas that should be covered. It is not adequate in its demands upon Congress that we continue our reevaluation and review on a regular basis of ongoing Federal programs. One absolutely incredible thing to me, in my last 11 years in the House of Representatives and the Senate, has been the inability of either body to honestly evaluate ongoing Federal programs as they are executed by the Executive.

We have the General Accounting Office, one of the most important institutions of this Government, and they do a magnificent job within the limitations of their statutory authority and their budget. But the General Accounting Office primarily audits our Federal programs in terms of dollars and cents and in terms of the elimination of fraud. Only a very small portion of their effort—perhaps a third—goes to a comprehensive review and analysis, and even that tends to be in terms of dollars and cents but not in terms of human life. Yet our Federal programs are not simply expenditures of money; they affect families and human beings, and it is long passed time that we had a human audit to gage the positive or negative impact of our efforts. Until we do, we cannot in good conscience tell the American people that the Congress is meeting its full and complete responsibilities. We cannot tell the American people that we are adequately engaged in an oversight function over the Executive.

The oversight section of the bill was measurably reduced by the action of the Rules Committee. I understand the nature of their concern, but I shall offer an amendment to strengthen that particular section when we have an opportunity to do so from the floor.

The bill does not contain an adequate section with regard to testing new concepts before they are imposed upon 212 million people in 50 States. The concept of pilot testing, which is practiced by almost every corporation of any magnitude and size in this country and is well established in terms of its viability and workability, is also measurably weakened, and it should be strengthened.

The bill does not put a cutoff at the beginning of the fiscal year. The section which eliminated the opportunity for spending until the second concurrent resolution is passed was stricken. That section should be restored.

I do not, however, really want to take much time in talking about the negative aspects of this bill. I would like to talk about the things it does do, rather than the things it does not do.

For years Congress has had to face an executive branch with 2 or 3 million employees, to analyze and appraise the executive's budget and to take the pieces of that budget and fit them into a decent and responsible whole, with a staff of hundreds opposed to the millions.

We have not had adequate access to information. This bill restores that access. We have not had adequate staff to analyze the specific component parts of the budget and evaluate their relationship to the whole and their effect upon not only the budget but the economy and the life of this Nation itself. This bill creates a congressional office of the budget to perform that service.

We have not had, in the Congress of the United States, any commitment or any structure to deal with the budget as a whole, to analyze it, appraise it, and evaluate it, to relate the needs of one program to another, or to prioritize our receipts and expenditures. This bill creates a budget committee in each body to do that job.

In so many words, Mr. President, the bill goes a long way down the road of restoring responsibility to this body—a responsibility that I think every single Member would like to have. It gives us the structure to achieve that responsibility, to measure the structure up to the desires and the personal integrity of the Members. That is why I think it is a remarkable accomplishment, not only on the part of the Senator from North Carolina and the Senator from Illinois, who have led this committee, I think, in magnificent fashion, but on the part of every single member of the committee, because I know of no member who did not make a contribution. The Senator from Maine, the Senator from Delaware, the Senator from Georgia, and the Senator from Montana all played major roles in shaping a piece of legislation that is no one man's product but the product of a group of very sincere people who care very deeply about this country and believe that we can make a contribution to its future.

I must admit that when I first began work on the bill about 2 years ago, I was a little bit pessimistic about its early prospects; but when we finally succeeded in drafting a bill in the fall of 1972 and introduced it, I looked at it and I said to myself, "I honestly think we have a chance because it has an appeal to liberal and conservative, to Republicans and Democrats, and will contribute to a restoration of power and responsibility to the legislative branch of the Government."

A remarkable thing began to occur as

that Joint Committee began its operations. As the Senator from Montana, the chairman of the subcommittee, called our subcommittee into session for hearings and we began to receive the testimony of people from all walks of life to consider the expressions of previous Directors of the Budget and others who had competence in the field, and people from the Library of Congress and other places, it became increasingly clear that everyone had valuable and constructive suggestions and was willing to become deeply involved in this difficult legislation, I have to believe that all the agony of the discussion, the hundreds of hours we all put into it, separately and collectively, are well rewarded on this day as we begin to debate the bill.

Let me point out that the Senator from Illinois and the Senator from North Carolina have mentioned the work of the staffs. I do not know that I have ever seen a congressional staff work more effectively than ours, not only those who are on the committee itself but also on our personal staffs as well. Let me add a couple of names, those of James Medill and Joe O'Leary on the Rules Committee staff. They have made a remarkable contribution to this effort.

I believe we have spent enough time here patting each other on the back, so let us see what happens on the amendments.

I should like to express my gratitude to the colleagues I have on this particular Committee on Government Operations for their perseverance in seeking and achieving what I think is a remarkable, even a revolutionary first step in the restoration of power, prerogative and responsibility to Congress on behalf of the American people.

Now, Mr. President, I am very proud as I see S. 1541 come to the floor of this body. The Congressional Budget Act is a landmark in our legislative history. This bill will cause our many separate decisions with respect to various programs to be consistent with overriding national needs of economic health, growth, and fiscal responsibility.

I have long believed that the need to gain control of the Federal budget was the most urgent issue facing the Congress. Federal spending has tripled in the last 10 years. Total spending next year alone will equal aggregate expenditures from the founding of this Republic to the middle of World War II. But the procedures we have employed to determine spending levels have been so fragmented and fraught with confusion that we have not been able to assess the impact of our decisions on the economy or on real human needs. We have not achieved our decisions in the context of systematic debate of national priorities.

We have yielded our responsibility of managing the purse over to the executive branch. We have called upon the President to supply the coordination and consistency which we have not been able to give to budgetary decisions. Bit by bit the powers and responsibilities which are constitutionally ours have gravitated into the executive agencies.

The situation is untenable. The elected officials who should be most sensitive to the impact of Government activity on citizen well-being seem unable to determine how programs are carried out. We have not acted decisively to redress problems of waste, duplication and inconsistency among various programs. We increase the heavy tax burden on the public each year and spend the money on wide-ranging programs which seldom deliver that which is promised, and sometimes even work at cross-purposes. We have given the American public an unprecedented combination of inflation and unemployment.

It is no wonder that the polls are showing that our citizens hold Congress in such low esteem. A recent Lou Harris poll shows that people have not lost faith in our system of government which assumes the coequal status among the branches. But our lack of effective response to the many problems which afflict them have convinced them that we are verging on breaking the trust placed in us. That trust is the very cornerstone of our social compact and it has never been in greater peril.

Those who are burdened by taxation have a right to insist on public policy which effectively and visibly aids them in attaining the individual and collective ends they wish to pursue. The most important single step we can take to begin to correct the situation is to reform the procedures by which Congress establishes the national budget. For budgetary decisions are at the very core of public policymaking.

Far-reaching and significant reform measures, however, are always difficult to achieve. The central importance of the budgetary process magnifies that difficulty. While many of us can agree that various reforms have great merit on principle, it is also true that one change or another will affect each member in a discomfiting manner.

In September 1972 I introduced S. 3984 which was the first major budget reform legislation proposed for many years. At that time, I was not optimistic about prospects for reform.

But the Joint Study Committee for Budget Control was formed thereafter, and their diligent work increased interest in reform. My bill was reintroduced as S. 40 at the beginning of this Congress. It called for changes which are largely incorporated in the bill before us. Senator ERVIN submitted his bill, S. 1541, and many other Senators introduced bills also. Hearings on all of these reform proposals were conducted by the Subcommittee on Budgeting, Management, and Expenditures under the leadership of Chairman METCALF. My hope for meaningful reform grew apace.

After intensive study and after consulting with many experts in the budgeting area, the subcommittee reported a bill to the full Committee on Government Operations. Further study followed. The issues raised were sensitive and controversial. Discussions were conducted in an atmosphere of compromise and statesmanship. All the members of the committee were deeply involved in this legislation and made valuable suggestions. The efforts of Senator ERVIN, Senator MUSKIE, Senator METCALF, and Senator PERCY were especially helpful. The compromise measure reported represented a sincere and concerted effort to implement effective and workable reform.

The bill reported, however, was admittedly complex and called for significant changes in the Senate's rules. The bill was, therefore, referred to the Committee on Rules and Administration. Under Senator BYRD's leadership, the Subcommittee on Rules held hearings and began study of the bill. Committee chairmen made many useful criticisms and suggestions. Under Senator BYRD's guidance, an unprecedented effort of staff drawn from Appropriations, Finance, and most other standing committees was made to iron out remaining differences. More than a thousand man-hours went into this effort. We owe Senator BYRD a deep sense of gratitude for the many improvements made in the bill which the Rules Committee has reported.

The bill before us, then, is possibly one of the most intensively studied and carefully constructed pieces of legislation in the history of the Senate. It provides significant and effective reforms while preserving the flexibility and integrity of time-tested Senate procedures. It will enable us to make decisions in a context which recognizes both economic need and political reality.

In particular, S. 1541 will:

First. Create budget committees which will analyze spending and revenue decisions in an integrated macroeconomic framework.

Second. Create a Congressional Office of the Budget which will supply the professional expertise which Congress needs to analyze and process budgetary data.

Third. Provide 5-year projections of program spending so that the implications of current decisions upon future spending will be made more clear.

Fourth. Provide the GAO with the responsibility for recommending criteria and methodologies for better program evaluation, experimentation and pilot testing.

Fifth. Provide Congress with information which is more complete and responsive to Congress needs.

Sixth. Provide greatly improved control over backdoor spending.

These measures are vitally needed, and will give us a framework to begin to regain the faith of the people. They constitute most of the basic provisions of my original S. 40, and I am proud of that. But I am much more proud of the Senate. The thorough and thoughtful way in which this legislation has developed is surely the Senate working at its best. It stands as an example to the public that Congress can fruitfully and responsibly address the most difficult and complex of issues which come before it.

I urge the adoption of the Congressional Budget Act; its passage will be one of the Senate's finest hours.

**Mr. ERVIN.** Mr. President, I want to commend the distinguished Senator from Tennessee (Mr. BROCK) who has been a pioneer in this field. Ever since he came to the Senate, he has made a substantial contribution to the formulation of the pending bill.

**Mr. BROCK.** I thank the Senator from North Carolina very much.

**Mr. ERVIN.** To my mind, I have never known a finer example of the legislative process working at its best than has occurred with respect to this particular bill. *Every member* of the Government Operations Committee worked on it. It is absolutely free from partisanship, with a united determination to try to do something constructive in this field.

One great thing about it, and what made the bill reach its present stage, is that all those interested in the legislation were willing to do a little compromising here and there. Without that, we would never have reached the present state of the bill.

Mr. President, I ask unanimous consent that Don Tacheron, an aide to Senator METCALF, and Nick Miller, an aide to Senator MAGNUSON, be permitted the privilege of the floor during the further consideration of the pending bill.

**The PRESIDING OFFICER** (Mr. BARTLETT). Without objection, it is so ordered.

**Mr. ERVIN.** Mr. President, on behalf of the distinguished Senator from Illinois (Mr. PERCY) and myself, I send forward to the desk the text of amendments and ask for their immediate consideration. I also ask unanimous consent that they be stated and be considered en bloc.

**The PRESIDING OFFICER.** The amendments will be stated and considered en bloc.

The legislative clerk read as follows:

On page 106, line 7, strike out "The" before "Committee".

On page 110, line 10, insert a comma after "consultants" and strike out the comma after "employment".

On page 114, line 8, after "bills," insert "and".

On page 121, line 21, after "resolutions" insert "to be".

On page 127, line 6, strike out "during" and insert "in".

On page 130, lines 23 and 24, strike out "majority and minority leaders" and insert "majority leader and minority leader".

On page 139, lines 17 and 18, strike out ", and estimated outlays resulting therefrom,".

On page 139, line 19, after "action" insert ", and estimated outlays during such fiscal year under such new budget authority and budget authority initially provided for prior fiscal years,".

On page 144, line 7, strike out "to reaffirm or revise".

On page 144, line 11, strike out "for any prior fiscal year" and insert "initially provided for prior fiscal years".

On page 144, line 17, strike out "any".

On page 145, line 3, before "any" insert "specify and direct".

On page 153, line 1, strike out "consist" and insert "consists".

On page 168, line 3, after "Budget" insert a period.

On page 168, strike out lines 24, 25, and 26, and insert the following:

(1) by striking out "and" at the end of paragraph (11);

(2) by striking out the period at the end of paragraph (12) and inserting in lieu thereof "; and"; and

On page 169, line 1, strike out "(2)" and insert "(3)".

On page 172, line 12, after "include" insert a comma.

On page 179, line 14, strike out "subparagraph (r)" and insert "the Congressional Budget Act of 1974".

On page 180, line 3, strike out "subparagraph (r)" and insert "the Congressional Budget Act of 1974".

On page 180, line 6, strike out "subparagraph (r)" and insert "the Congressional Budget Act of 1974".

On page 181, line 7, strike out "the procedure in".

On page 181, line 15, after "shall" insert ", except as otherwise provided in such titles,".

On page 183, line 6, after "IV" insert "and in section 202(d)".

On page 184, line 2, strike out the comma after "IV".

On page 184, line 18, strike the word "such" and insert in lieu thereof the word "any".

On page 185, line 1, strike the word "paragraph" and insert in lieu thereof the word "section".

**Mr. ERVIN.** Mr. President, I ask unanimous consent that the amendments be agreed to en bloc. These amendments are all technical in nature and make no changes of a substantial character in the bill in any respect.

**The PRESIDING OFFICER.** The question is on agreeing to the amendments en bloc.

The amendments en bloc were agreed to.

**Mr. ERVIN.** Mr. President, I move that the vote by which the amendments were agreed to be reconsidered.

**Mr. PERCY.** Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

**Mr. PERCY.** Mr. President, I ask unanimous consent that the name of the distinguished Senator from Texas (Mr. TOWER) be added as a cosponsor of the pending bill, S. 1541.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

**Mr. NUNN.** Mr. President, I welcome the opportunity to say a few words about congressional budget reform, a subject that has been of prime importance to me for a period which considerably predates my election to this distinguished body. I particularly welcome this opportunity to talk about this extremely important matter in the context of Senate consideration of a budget reform measure which has occupied so much of my time and that of my colleagues on the Government Operations Committee over the course of the last year.

Particular credit is due the Senator from North Carolina and the Senator from Montana under whose able leadership the Subcommittee on Budgeting, Management and Expenditures, and the full Committee on Government Operations labored so productively. I would also like to single out Senators MUSKIE and PERCY for their constructive contributions and leadership, and the Subcommittee on Budgeting, Management and Expenditures for its groundbreaking efforts in this complex field.

I must say that I am very gratified that we have now reached the point of taking action on this vitally important and long-neglected area. A little over a year ago several Members, including myself, were saying that it appeared that the time was at last ripe for constructive action, and that we would soon have legislation before us. I am sure that many of us wondered then whether we were being overly optimistic, whether the apparent momentum and drive for meaningful reform would soon fade as it had so many times in the past. I am happy to say that the measure now before us is proof that we were not overly optimistic, that the time was indeed ripe.

At this point immediately preceding our action on what may be the most important piece of legislation in a decade, I would like briefly to review the problems with the Federal spending process as I see them and to assess the degree to which the measure before us deals with these problems. The shortcomings I am about to outline have been facts of congressional life for quite some time and should come as no surprise. I have repeatedly alluded to them in recent years, both in the course of my campaign for a Senate seat and on the floor of this Chamber. I promised my constituents to do all in my power to bring the Congress back to fiscal planning and responsibility, to end the steady economic erosion of repeated inflationary budgets, and to force recognition of the fact that we are not spending from a bottomless pocket. I sincerely hope the action we are about to take will enable me to go home and say that these goals have been met.

At present, we in the Congress make a series of unrelated and economically unplanned spending decisions each year. The fact that they are unrelated and unplanned causes two major problems.

First, the total of all spending actions invariably exceeds the income we receive. In the past 20 years, we have managed to spend no more than we take in only three times. These repeated deficits have occurred in a period of almost uninterrupted inflation, the worst economic climate for deficit spending. In the past 5 years alone, the total public debt has skyrocketed an additional $100 billion—and this at a time of rampant inflation.

It is easy to see the results of the appalling fact that we do not establish total yearly expenditures as a first step in the budget process. This first step is so simple, so logical, that I am sure most Americans, certainly most of my constituents, believe that it has always been a part of the appropriations process. Unfortunately, the reverse is true. It is because of this that I say achieving an economic focus on the total budget is the most urgent aspect of any budget reform system.

In the vast majority of years, a balanced budget—expenditures equal to revenues—is fundamentally good business. I do not say that we should never have a deficit budget; I believe there are rare occasions—during a war or during a severe economic recession—when the Government can properly justify the incurring of deficits. I do say most emphatically, however, that we must equip ourselves to study, evaluate, and plan our total spending before we begin making individual spending decisions determined solely by the pressures of the moment.

Since we do not now make a decision on total spending as such, the voters of this country have no way of determining where their representatives stand on this issue. A valuable byproduct of a reform which requires a specific decision on total spending will be to put each Member of Congress on record on what will be the most important domestic decision each year.

The second of the major problems stemming from the way we now decide to spend money has been categorized by some observers as the loss of power of the purse, perhaps the most basic and essential of the powers vested in the Congress by the Constitution. We do not know what our individual spending actions will add up to, how much is available to spend or what the impact of a particular decision will be on other decisions and programs.

The result has been that the President has refused to spend certain of the funds which Congress has directed him to spend. I believe that such action is fundamentally unconstitutional. I also believe, however, that in the absence of a responsible congressional budget, most Americans prefer Executive control of spending to no control at all.

We must, therefore, if Congress is to reassert its constitutional prerogatives, establish a system for recognition of the limits of our resources and for allocation of those limited resources among competing needs. This ability to select and establish national priorities is the very essence of the power of the purse with which we are charged under the Constitution.

The measure now before us represents a tremendous step away from the chaotic spending process we have been living with for so long. It is the product of months of work and literally uncountable man-hours, not by the Senators alone but, even more important, by the staff we have in the Government Operations Committee, in the Subcommittee on Budgeting and Accounting, and in the Rules Committee. I join those who have commended their efforts. I also join those who have pointed out that this kind of joint staff action and joint action between the members of the Government Operations Committee and the members of the Rules Committee is indeed unusual, if not unprecedented, in the history of this body.

I am told by many of my colleagues who have been here far longer than I that the cooperation and joint effort on this bill among many diverse interests is unprecedented, and certainly unique in recent memory.

I believe vast credit on this account is due to the chairman and members of the Committee on Rules and most particularly to the distinguished assistant majority leader. I am glad to see him on the floor today, because under his able leadership, this unprecedented kind of cooperation has taken place, and a forum was provided for the discussion and achievement of many salutary revisions of the budget reform measure as reported by the Committee on Government Operations. At the same time, most of the essential thrust and framework of the basic budget process embodied in that bill and so painstakingly constructed over the course of the last year has been retained. The result is a piece of legislation which goes a long way toward solving the problems to which I have alluded.

We have a measure which for the first time gives us the time and machinery to formulate and implement a rational, economically sound Federal budget. The fiscal year start is moved from July 1 to October 1, giving us vital additional time to plan and act before the budget year begins; no longer will we be regularly and repeatedly forced into the uncertainty of running the Government on continuing resolutions. The benefits from this improvement alone are worth the effort that has been expended. We will have committees on the budget in each House and a congressional office of the budget to back those committees in formulating the proposed budget each year. The resources of the COB will likewise be available to all committees and members to aid in planning and assessment of all matters affecting the congressional budget.

Perhaps the most important advance to be achieved through the new process is what I call the "spotlight" effect. The basic fact of scarcity dealt with by every American family every day at the supermarket and the gas pump will now confront the Congress every time it considers how and where to spend a dollar. We do have a scarcity of dollars, even though we do not act as though we do on many occasions.

The forced recognition that resources are limited each time we consider creating a program or activity that drains those resources is the heart of the budget process. Henceforth, we will plan our total spending in light of available revenues, the state of the economy, and the appropriate relationship of these factors one to another. Decisions which in the past have led to unplanned and unforeseen economic and budgetary consequences will be made with the benefit of the best available information on the likely effects.

Programs funded through so-called "backdoor" spending, those actions which result in spending the taxpayer's dollar without the benefit of Appropriation Committee scrutiny or control, will now be integrated into the larger pattern of all spending, competing as they should with other programs for their share of the finite Federal pie.

After we have made our decisions and taken the actions which will distribute that Federal budget across the vast spectrum of Government activity, we will take a final look at the total effect of what we have done and at the likely shape of economic events to come. We will ask, "Does it appear that spending will be too high?" We will ask whether revenues will be lower than we had anticipated. We will ask whether there will be a deficit in the Federal budget in a year of exploding inflation. If imbalances like these appear likely, the second budget resolution of the year will provide the opportunity to make the necessary corrections. Congress may, through the vehicle of this second concurrent resolution, direct that spending be cut back. That is one option. Or we may direct that revenues be decreased. As the third option, we may ask that the debt limit be changed, or we may have a combination of any of these three.

If we do our work wisely and well, if our economic forecasts are as accurate as the state of the art allows, we will head into the new fiscal year with maximized potential for a continued strong economy through a sane, rational Federal budget.

I wish particularly to commend the members of the Committee on Rules and the assistant majority leader for their close study and innovative revisions of the rules governing the procedures I have outlined. A new process such as this one, embodying as it does significant reforms in accustomed patterns, is bound to involve new restraints that may be somewhat constricting. I believe my colleagues have done a magnificent job of creating a framework of rules that will implement the new process and yet retain the flexibility and opportunity for debate and change that are so essential and so much a part of the existing Senate procedures.

I have said that we have a measure before us which accomplishes much of the badly needed and long-overdue reform of the congressional budget process. It does not, in my judgment, achieve all that is needed.

I will propose several amendments to this bill, amendments which I hope the Senate will consider very seriously, because I think they should be part of this RECORD. They should be part of our examination, whether or not they receive approval of the majority of the Members of this body. These amendments have been considered before. Some of these amendments were part of S. 1541 as it emerged from the Subcommittee on Budgeting and Accounting and as it emerged from the Government Operations Committee.

While I recognize, and I well recognize, many of the reasons why the changes were made, I believe that these amendments, which did have and would provide much more teeth to the process, should be examined carefully and should be part of this record, so that at least whether they receive approval or not they would be looked upon in the future as perhaps steppingstones to tighten and put teeth in the budgetary processes we are now involved in. It is true that the new process requires an early determination of appropriate total spending levels. It does not, however, insure that those levels will be adhered to.

We have gone back to what we debated vigorously in the Committee on Government Operations. We have gone back to a system of targets and not firm ceilings. We would be deluding ourselves and the American people if we held otherwise. The report makes this clear.

It is true that the new process requires congressional decisions as to how limited resources will be allocated, but it does nothing to insure that those decisions will be implemented. It is true that the new process requires projections as to the likely shape of the economy and an expression of congressional intent as to the appropriate relationship between expenditures and revenues. It does little, however, to insure that we will be weaned away from an ever-increasing public debt.

I am well aware that the measure before us represents, as does most legislation, an attempt to satisfy everyone to the extent that is possible. I ask my brethren to consider, however, whether we have perhaps sacrificed too much of the control that was embodied in both the recommendations of the Joint Study Committee on Budget Control and in S. 1541, as reported by Government Operations.

The Joint Study Committee recommended that an initial budget resolution set a total spending ceiling and subceilings for each appropriations act. Various rules and procedures were recommended to insure that all spending measures would then comply with the ceilings set. In addition, in the event external circumstances changed drastically, compensatory action on the levels of Federal revenues was mandated.

The budget bill, as reported by Government Operations, allowed flexibility as to individual spending measures but required that in the event total spending exceeded the limitation in the budget resolution, Congress must first consider a "ceiling enforcement" bill which would accomplish sufficient recissions of budget authority to get total spending back within the limit. Only in the event that Congress failed to adopt such an enforcement measure would there be a second and revising budget resolution.

I know that there are disadvantages to the alternate proposals I have described, just as there are disadvantages to the process in the measure we are now considering. It is my hope that in the course of the action we are about to take, we can find a road which leads to an increased likelihood that the budget structure embodied in the initial resolution will be adhered to, and at the same time preserves the flexibility and capacity to respond to external changes which are so vital to the legislative process.

In closing, let me express once again my admiration and thanks to all those who have labored so hard and long on this essential legislation. It seems to me to epitomize all that is best in the congressional institution.

I will be proposing certain amendments and I hope the Senate will give them careful consideration because I believe even though this bill is a good bill, and even though this legislation, to me, is a *dramatic* improvement of the status quo of our budgeting process now, it can be and should be strengthened to reflect more discipline in insuring that we will to the best of our ability provide a budgetary process which guards against inflation and guards the taxpayers' money, as we are pledged to do.

Mr. PERCY. Mr. President, before our distinguished colleague from Delaware (Mr. ROTH), who is a member of the committee, addresses the Senate on this bill, I wish to take this occasion to pay great tribute to my colleague from Georgia for his contribution to this bill. He has distinguished himself in his understanding of the issues and his utter devotion to find a practical, pragmatic, reasonable way for us to approach this matter, while at the same time clinging to the principles he had in mind for this type legislation. His contribution has been very great, indeed.

I also wish to commend our distinguished colleague from the great State of Georgia, Senator ALLEN, whose understanding of the rules of the Senate has been demonstrated on countless occasions, sometimes to the embarrassment of our distinguished colleagues; and he has always used the rules fairly and wisely. But his knowledge of the rules and his knowledge of the Senate and his conviction as a fiscal conservative have helped us immensely in the creation of this legislation. In fact, I find it hard to envision a piece of legislation that has had a wider range of ideology than this bill. We all have cosponsored it, yet there is not an element of partisanship in the contribution Members of the Senate have made to this legislation.

Mr. President, I yield the floor.

Mr. NUNN. Mr. President, will the Senator yield for one observation?

Mr. PERCY. I yield.

Mr. NUNN. Again, I commend my good friend, the Senator from Illinois, for his persistence in connection with this legislation. He and I have seen eye to eye on this legislation and on some points that are not involved herein.

However, the Senator referred to Senator ALLEN from Georgia. We in Georgia would be glad to have Senator ALLEN and I am sure he would be proud to be from the State of Georgia, but I do think the Senator would like to correct that for the RECORD.

Mr. PERCY. It was always my understanding that he is from the great State of the birth of my father. Did I, by chance, say Georgia instead of Alabama? If I did, I stand corrected.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 1615. An act for the relief of August F. Walz;

S. 1673. An act for the relief of Mrs. Zosima Telebanco Van Zanten;

S. 1852. An act for the relief of Georgina Henrietta Harris; and

S. 1922. An act for the relief of Robert J. Martin.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 2533) for the relief of Raphael Johnson.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a Congressional Office of the Budget, and for other purposes.

Mr. ROTH. Mr. President, I would like to make a few opening comments on this legislation at this time, reserving the balance of my statements for the specific amendments I intend to propose later in the course of the debate.

This bill represents the culmination of many thousands of hours of work by members of three committees and their very diligent staffs. For me, it goes well beyond the intense congressional interest in the issue of budget reform of the last year. It represents the most concrete evidence toward major accomplishment of a goal I have sought since I first joined Congress in the House of Representatives in 1967.

It has become a well-documented fact that Congress has rarely, if ever, considered the President's budget with a comprehensive meaningful debate. We have worked in a piecemeal fashion, turning our attentions one day to the procurement of military arms, and the next, coping with the nagging problems of poverty through various social programs. We have often been surprised, and perhaps some even embarrassed, by the overall results of our many hundreds of separate decisions.

Last year, for example, the Congress approved a debt limit of $465 billion, consistent with some $250 billion in Federal outlays for fiscal year 1973. Yet we simultaneously authorized spending of more than $260 billion, in apparent contradiction of our earlier economic directions. The ambiguity of our position and a period of intense inflationary pressure, caused the President to act unilaterally to impound more than $12 billion in funds for the past fiscal year.

I have argued consistently that this step, though by no means the most desired ultimate course of action, was, in the short term, a necessary remedy. Though Congress has authorized a joint committee to study and report on our economic well-being, its reports have no force of legislation. And though individual Members have from time to time decried the relative ranking of our Nation's priorities, Congress has never been faced with a full-fledged debate to determine its collective preferences. The President, therefore, has acted in the past because of a congressional vacuum rather than in spite of an orderly budget process.

It is this systematic consideration of national priorities and available resources to meet them that this bill seeks to establish. We have called for a new congressional Office of the Budget to provide skilled, impartial analysis of the financial impact of existing and proposed legislation. We have all too often awakened to major cost escalations or overruns after the die has been cast. An office of this sort will be able to provide Congress with the professional scrutiny of spending plans that we so badly need. Its director and personnel will be expected to perform their duties with the highest degree of professional integrity, and we can all look forward, I am sure, to the enormous benefit of this newly created resource.

Second, we have all wrestled with the very complex problems of a new congressional timetable for budget consideration. The recent increase in the number and size of continuing resolutions is a certain barometer that the present timeframe simply does not conform to legislative realities. On July 1 of last year, none of the 13 regular appropriation bills for fiscal year 1974 had been enacted into law. Many agencies and their constituencies have come to expect government by procrastination—a sorry commentary on Congress inability to cope with its yearly responsibility.

I fully agree that Congress should be under new constraints to complete action on authorizing bills by a certain date. This added discipline, set in the context of a change in the fiscal year to October 1, should help to steer the Congress through an expeditious, but thoughtful consideration of authorization bills and subsequent appropriations.

I heartily applaud the concept of an overall budget resolution in which Congress attempts to assign meaningful parameters to various legislative measures. A congressional budget resolution would seek to spell out limits on spending and debt, as well as drawing attention to needed changes in the sources and/or amounts of Federal revenues. It is this concurrent resolutiton which is supposed to bring the many parties at interest into direct contact with each other—the crucible in which current congressional thinking is forged.

I am pleased to see that the Rules Committee has stipulated that six organizations, now exempt from inclusion in the President's budget, will come back into full public view. We have lived with the idea of a unified budget since 1967 and I fully agree it is about time Congress, and the American people, be shown a truly unified presentation.

Finally, I am encouraged by the presence of language which would specifically direct Congress to rescind past budget authority it felt was no longer needed. There has been a great deal of talk on Capitol Hill about spending overhangs. For those of us who are deeply shocked by the inexorable growth of the Federal budget, this clear directive to reduce the size of the pipeline will, I hope, lead to a renewed awareness of the facts of budgetary life. We now have over $319 billion in carryover balances. Were Congress to neglect the budget entirely this year, these stockpiles of budget authority would yield over $100 billion in fiscal year 1975 outlays, one third of the President's proposal.

But I take strong exception to the decision to have these budget resolutions only targets, rather than firm constraints. Under this latest version of S. 1541, Congress would be mandated to consider a second budget resolution only 3 months after working on the first. Appropriations and other spending bills could be passed, and even take effect, without regard for any serious threat of curtailment. This is precisely the methodolgy we use today. Granted Congress can attempt to rescind spending which exceeds the total set in the concurrent resolution, but is that honestly a realistic assumption?

The bill calls for all authorization bills to be completed by the beginning of August each year, and assumes that all spending measures—both appropriations bills and "backdoor" spending authority—will be completed by September 30, in time for the beginning of the new fiscal year. Even though there is a proscription against appropriating funds before the first concurrent resolution is adopted, if spending decisions have been made throughout the summer, will Congress realistically rescind part of them later in the fall?

I cannot accept this scenario as a realistic political outcome. We have diluted the solution even farther by eliminating the trigger mechanism of the ceiling enforcement bill. The American people will have been notified that Congress has acted by voting a certain level of spending for any given program. If the appropriation has been signed by the President, Congress need only to vote to raise its overall spending in order to accommodate the results of yet another string of separate spending decisions.

The fact that this supposed rescission process will coincide with the election season every 2 years makes me all the more incredulous. If Congress, in an early display of discipline, voted to keep outlays within revenues, but exceeded its initial spending ceiling, can we really expect the entire House and one-third of the Senate to vote for retroactive cuts on the eve of their election? Will favored programs simply not burgeon as they do now? Can we not just look forward to a perfunctory process later in the fall when Congress reconciles spending excesses by adopting a new resolution consistent with the sum total of its earlier spending bills?

If this proves to be the case, the earlier debate on priorities will lose much, if not all, of its meaning. Will Senators and Representatives fight hard for their share of the budget if they know a subsequent resolution will simply confirm their future spending excesses? Will the integrity of the first resolution not be meaningless if it is always changed a second or even a third time? Will the new congressional Office of the Budget be performing difficult cost analyses and scorekeeping just to have the discipline of this new information waved aside in last minute appeals to emotion rather than good economic judgment? And, will Congress not have created an admittedly cumbersome and somewhat torturous process to confuse the public and tempt them into believing the essence of the spending process has really changed?

I raise these questions only because history provides a good analogy. The public debt limit was first conceived as a means of exercising spending control.

But, our frequent increases in this ceiling clearly demonstrate that Congress will accede to the reality of its earlier spending decisions.

I plan to propose several alternatives to this language which seem to me to offer a greater prospect for a meaningful debate on priorities and more sincere resolutions to hold spending within an economically feasible limit. Should Congress really desire that extra spending increment, let it say so by adopting the excess with a two-thirds vote. Or, let them call for an automatic increase in taxes to pay for the added programs. Or, if the developments subsequent to the first resolution make increases in one area necessary, let Congress decide where compensating cuts can be made in others. True national emergencies could always be handled by a suspension of these rules pursuant to a declaration by the President and endorsement by a sense of the Congress.

Let me point out also that I am deeply upset by the removal of the so-called "Sunshine" language from the Rules Committee's version of this bill. Congress is here grappling with a new process, perhaps the most important structural reform attempted in 20 years. Our Government Operations Committee firmly supported the need for open Budget Committee hearings, qualified by a carefully worded protection for individual rights to privacy, guarding legitimate proprietary information, or issues clearly relevant to the Nation's defense. If this new budget dialog is to gain widespread credence, it must take place where all interested Americans can view it. I, therefore, plan to join Senator CHILES in pushing for the reinstatement of this precious and most important feature.

Last, I will propose language as a replacement for title 10 dealing with the act of impoundment of funds. The bill as written would severely limit the Executive's latitude in making reservations of funds. The Congress should probably attempt to refine the interpretation of the Anti-Deficiency Law, for certain instances of its use have led to court contests over its domain. And I, for one, feel that some balance should be struck here. But, I prefer the language used by Chairman MAHON in his legislation, and will offer it as a substitute for the present title.

I thank the Presiding Officer. I yield back the remainder of my time.

Mr. HARRY F. BYRD, JR. Mr. President, I am pleased that debate is beginning today on S. 1541, the Congressional Budget Act of 1974.

Budgetary reform legislation is essential. The outdated and disorganized procedures under which the Congress now handles the budget are badly in need of change.

The budget bill comes before us at a critical time. Debate is beginning little more than a month since the President submitted to the Congress a budget which will produce the 15th consecutive deficit in Federal funds.

Only 3 times in the last 20 years—in 1956, 1957, and 1960—has the Federal budget shown a surplus. The accumulated deficit for that period is a staggering $227 billion.

That cumulative total, however, does not tell the full story. The truth is that well over half of the total deficit for the last 20 years will have been piled up since 1970—in 6 short years.

The national debt actually will pass

the half-trillion-dollar mark during the next fiscal year.

The debt has soared to the point where it takes 17 cents of every individual and corporation income tax dollar to pay the interest—just the interest—on the debt.

I think it is clear that the Federal budget is out of control. Spending is out of control.

And that, in my view, is the chief reason why inflation is out of control.

I might say that I am not alone in that view. Among those who have publicly stated the same opinion is William McChesney Martin, the former Chairman of the Federal Reserve Board.

If we are going to make any real progress in the fight against inflation, we must get control of Federal spending.

That is why it is so important that the Congress take action to reform its budgetary procedures. So long as we deal with the budget in 13 unrelated appropriations bills every year, and pile up long-term authorizations for spending both through the front door and the back door, Congress will not be able to fulfill its rightful responsibilities.

The principle of budgetary coordination involved in the Congressional Budget Act is a vital one, and I endorse this principle.

Nevertheless, I feel the pending legislation does not go far enough.

I believe that we must go further—that we must get back to the principle of a balanced budget.

Until we restore that principle, I think that inflation will continue unchecked.

On July 18 of last year, President Nixon stated:

> The key to success of our anti-inflation effort is the budget . . . I propose that we should now take a balanced budget as our goal . . .

I think the President spoke wisely on that occasion. From the proposed deficit of $18 million in Federal funds in his new budget, he has not followed his own advice, but it remains good advice.

It is vital that we get away from the huge deficits that the Government has been running in recent years.

I note that in subsection 301(a)(4) of the bill before us—on page 121—it is stated that the proposed new budget committees in their first concurrent resolution shall recommend—

> The amount, if any, by which revenues should exceed budget outlays, or by which budget outlays should exceed revenues, considering economic conditions and all other relevant factors * * *

Now that is a loophole big enough to drive a truck through—an armored truck, loaded with the taxpayers' money.

As I have said, I favor the basic principle of this legislation—the effort to coordinate the handling of the budget in the Congress. But we must plug that loophole.

In an effort to do so—to restore the principle of a balanced budget—I shall present amendments at the appropriate time. I hope that the Senate will seize the opportunity presented by this legislation to call a halt to the enormous deficits which are adding fuel to the fires of inflation.

Mr. President, I ask unanimous consent that a tabulation be printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1956 TO 1975 INCLUSIVE

(Prepared by Senator Harry F. Byrd, Jr. of Virginia)

[Billions of dollars]

| | Receipts | Outlays | Surplus (+) or deficit (−) | Debt interest |
|---|---|---|---|---|
| 1956 | 65.4 | 63.8 | +1.6 | 6.8 |
| 1957 | 68.8 | 67.1 | +1.7 | 7.3 |
| 1958 | 66.6 | 69.7 | −3.1 | 7.8 |
| 1959 | 65.8 | 77.0 | −11.2 | 7.8 |
| 1960 | 75.7 | 74.9 | +.8 | 9.5 |
| 1961 | 75.2 | 79.3 | −4.1 | 9.3 |
| 1962 | 79.7 | 86.6 | −6.9 | 9.5 |
| 1963 | 83.6 | 90.1 | −6.5 | 10.3 |
| 1964 | 87.2 | 95.8 | −8.6 | 11.0 |
| 1965 | 90.9 | 94.8 | −3.9 | 11.8 |
| 1966 | 101.4 | 106.5 | −5.1 | 12.6 |
| 1967 | 111.8 | 126.8 | −15.0 | 14.2 |
| 1968 | 114.7 | 143.1 | −28.4 | 15.6 |
| 1969 | 143.3 | 148.8 | −5.5 | 17.7 |
| 1970 | 143.2 | 156.3 | −13.1 | 20.0 |
| 1971 | 133.7 | 163.7 | −30.0 | 21.6 |
| 1972 | 148.8 | 178.0 | −29.2 | 22.5 |
| 1973 | 161.4 | 186.4 | −25.0 | 24.2 |
| 1974 [1] | 185.6 | 203.7 | −18.1 | 27.8 |
| 1975 [1] | 202.8 | 220.6 | −17.9 | 29.1 |
| 20-year total | 2,205.6 | 2,433.0 | −227.5 | 296.4 |

[1] Estimated figures.

Source: Office of Management and Budget and Treasury Department.

**Mr. HARRY F. BYRD, JR.** Mr. President, I think it is very important that Congress takes steps to reform its budgetary procedures. I think that the pending legislation certainly lays a good foundation. There are aspects of the pending legislation, however, that it occurs to me will not bring about the desired results of fiscal discipline and fiscal responsibility unless they are changed.

I wonder if I might ask several questions of the distinguished ranking minority member of the committee.

**Mr. PERCY.** Mr. President, I would be delighted to have such questions as the distinguished Senator from Virginia would like to ask.

**Mr. HARRY F. BYRD, JR.** Mr. President, on page 121 of the bill, the statement is made that the resolution shall set forth:

> (4) RECOMMENDED SURPLUS OR DEFICIT.—The amount, if any, by which revenues should exceed budget outlays, or by which budget outlays should exceed revenues, considering economic conditions and all other relevant factors;

Am I correct in my understanding that the resolution is not required to bring in a balanced budget?

**Mr. PERCY.** The Senator is correct.

**Mr. HARRY F. BYRD, JR.** Therefore, a resolution can provide for a deficit of $x$ number of dollars, $18 billion as projected for the current fiscal year, and say that under present conditions that is thought to be the appropriate deficit.

**Mr. PERCY.** The distinguished Senator from Virginia is correct. Not only that, but it was also the very strong feeling of members of the Government Operations Committee, and possibly of the Committee on Rules and Administration, in looking over the budget that it would be unwise to put the Congress in a straitjacket and require a balanced budget each and every single fiscal year. If, for instance, the country were to go into a period of recession where the economic activity was low and where the demands for assistance and help in providing employment, or whatever, might be quite high, the economy would require or almost demand stimulus in the Federal budget, and this would give the discretion to Congress to do so. Those who feel that the country should have a balanced budget regardless of the circumstances could not prevail and vote in a balanced budget.

The objective that we have a balanced budget, may be very desirable—but it is also to be hoped that we would have a period in which we could start paying off the national debt. However, there is no requirement in the pending measure that we have a balanced budget.

At the outset we should recognize that this would give us the flexibility to either further the national debt or enable us to pay down the previous deficit.

**Mr. HARRY F. BYRD, JR.** Mr. President, the Senator from Illinois is quite optimistic about being able to pay down the previous debt.

I note that 25 percent of the national debt will have been incurred in the fiscal year ending 1975; 25 percent of that debt will have been added in a 6-year period, from fiscal 1970 to fiscal 1975.

We are going in the opposite direction from paying off the debt. We are adding to it at a rate that we have never added to it before in the history of the Nation.

**Mr. PERCY.** The Senator from Illinois would not argue at all with that statement. The Senator from Illinois abhors the fact that in a period of a high level of prosperity and activity and almost rampant inflation, we have aggravated and added $100 billion of additional debt which only adds to the permanent financing charges for the national debt, puts more of the budget in an uncontrollable account and adds undoubtedly to the indebtedness of future generations.

**Mr. HARRY F. BYRD, JR.** And it adds to the existing inflation at this time?

**Mr. PERCY.** The Senator is correct.

**Mr. HARRY F. BYRD, JR.** Mr. President, Secretary Shultz in testifying before the Committee on Finance put the inflation at 10 percent. I believe that he said that was a staggering rate of inflation. I am not positive those were his exact words. However, to my mind it is a staggering rate of inflation.

May I ask the Senator another question? We are now coping with 14 different appropriations bills in Congress. Under the pending legislation, we will still have the same 14 separate appropriations bills.

**Mr. PERCY.** The Senator is correct; the figure may be 13, though they will still be handled separately.

**Mr. HARRY F. BYRD, JR.** Mr. President, how are they tied together before Congress adjourns? How are these separate bills tied together so that Congress will have to total amount?

**Mr. PERCY.** First of all, obviously, as the Senator knows, we never know what our total will be until the last appropriation of other spending bills has been approved. That ends up to be the total for the budget. That is the total expenditure, and the total consists of the sum total of all the subtotals.

When the Senator from Illinois served on the Appropriations Committee, he never really had a chance to work on the budget as a whole. The Senator from Illinois was assigned to certain subcommittees and worked on those subcommittees, never even being able to evaluate the expenditures of those subcommittees against simultaneous proceedings that were going on in other subcommittees of the Committee on Appropriations.

In this respect, under the Budget Reform Act now under consideration, we will have several opportunities to look at the whole. First of all, at the very outset, we begin the process of looking at existing programs from the standpoint of the effect if they were extended into the future without any new programs added and no deductions from existing programs. We will have, very early in the process, an opportunity to study the current services budget, which extends these programs out for another year, so that we can see what the spending impact would be.

We have a chance to study that budget and, obviously, then the chance to study the President's budget. It is when we get the input into the congressional office of the budget of all authorizing committees and all appropriating subcommittees as to what they think their requests are going to be that the congressional office of the budget has a chance to put the information together for the Members of Congress, and they put it together taking into account the best estimate that can be obtained of the receipts that are to be expected and what the total outlays will be, taking into account the subcommittees' subtotals and taking into account the impact of so-called backdoor spending. That is put together in the form of a concurrent resolution recommended by the budget committees of the Senate and the House of Representatives, and voted out by them to the floor of the Senate and the House of Representatives in the form of this concurrent resolution.

Mr. HARRY F. BYRD, JR. By what date must that be done?

Mr. PERCY. That must be repealed by May 1 and enacted by June 1. That, then, gives the Senate and the House of Representatives an opportunity to debate what they feel the individual subtotals should be as targets—how much for defense, how much for labor and public welfare, how much for housing and urban development, and so forth.

Mr. NUNN. Mr. President, will the Senator from Illinois yield for a question on that point, since it deals with an amendment I expect to offer, or the Senator from Virginia, if he has the floor?

Mr. HARRY F. BYRD, JR. I yield to the Senator from Georgia.

Mr. NUNN. On the part the Senator alluded to about the deadline of June 1 for the passage of the concurrent resolution, the Senator from Georgia reads that as saying there will be no appropriation measures prior to the passage of the concurrent resolution or June 1, whichever is the first to occur.

That, to me, is a very fundamental weakness in this legislation, and I do have an amendment which I am sending to the desk on that point, because to me it is somewhat ludicrous to have a provision for a concurrent resolution—and I agree with everything the Senator has said about that concurrent resolution and the fact that it strengthens the process—and then allow the arrival of June 1 as an alternative, so that appropriation measures could be concluded even in the absence of the concurrent resolution when June 1 rolls around.

So I am going to try to amend that section, and I would certainly hope the Senator from Illinois would look at that provision in that light, because it would, to me, obviate all the work we have done if we did pass the deadline of June 1 and did not have a concurrent resolution.

We do have a provision in the bill which gives plenty of latitude for extension. It provides that there can be extension with the appropriate procedure. I hope the Senator from Virginia will take notice of that provision also, because I am sure that he, like the Senator from Georgia, would like to have the process as tight as we can.

Mr. HARRY F. BYRD, JR. The Senator from Georgia is quite correct.

Mr. PERCY. Mr. President, I support that principle. I do not believe we should begin consideration of the spending bill, until we have a first concurrent resolution. I assume this is one of the refinements that the Senator from Georgia intends to offer.

Mr. NUNN. I know that to be the position of the Senator from Illinois because we talked about it many times in committee. I hope that the Senate will consider it favorably, and that the managers will accept it. I shall be presenting the amendment sometime tomorrow.

Mr. HARRY F. BYRD, JR. Mr. President, am I correct in understanding, then, that the various legislative committees would not begin to consider the budget until after June 1?

Mr. PERCY. Oh, no. The legislative committees must get under way immediately. Staffs can certainly begin to work when they receive the current services budget, which has come, generally speaking, within three-tenths or four-tenths of 1 percent of what the actual close-out of the preceding fiscal year turns out to be.

They can begin work on that. They can begin work when they get the President's budget. They can begin their own hearings, because they must give to the Congressional Office of the Budget and to the Budget Committee their best estimates as to funding they think they are going to require in the particular functions or activities under their jurisdictions.

Mr. HARRY F. BYRD, JR. Let us get to the President's budget. He now submits that budget in January for a fiscal year which begins in July. Under the pending legislation, when would he submit his proposed budget?

Mr. PERCY. He would submit the budget February 15 for a fiscal year beginning October 1, instead of having only 5⅓ months, at the most, for Congress to go through the whole authorization and appropriation process in the House of Representatives and the Senate. This is such an incredibly short period of time considering that the executive branch has had 16 months to put that budget together, and they operate with a chief executive officer who has directive power and control over agencies in the executive branch while Congress does not operate on that basis, as the Senator from Virginia knows better than the Senator from Illinois. I am sure the acting majority leader would be the first to say there is not the sense of direction in Congress that there is in the executive branch. Yet we are only given 5 months; so under the new measure we feel we will do a much better job, because we have given ourselves more time for the deliberative process.

Mr. HARRY F. BYRD, JR. So as far as the President's budget is concerned, there would be no fundamental change in procedures, except that instead of submitting the budget somewhere between January 20 and 25, as he normally now does, he would submit it by the 15th of February?

Mr. PERCY. That is true. It does require a little longer look ahead for the executive department and the Bureau of Management and Budget.

Mr. HARRY F. BYRD, JR. Only a couple of weeks.

Mr. PERCY. It is not very much. But Mr. Ash, who has conferred with us a number of times, concurs that on balance it is preferable that Congress have sufficient time to give consideration to the budget, so that there is a much better chance we could begin the fiscal year with all our appropriation processes completed and a second concurrent resolution adopted, and a reconciliation bill, if necessary, adopted, which is the answer to the first question posed by the Senator from Virginia. That process allows us enough time so that we can begin the fiscal year with our work completed, instead of starting the fiscal year with our work at best often only half done.

Mr. HARRY F. BYRD, JR. Take the work of the Armed Services Committee, which deals with the defense budget. Its work would start at any point after February 15, then, after the budget is submitted by the President?

Mr. PERCY. It can start earlier than that. The current services budget must be provided to us by November 10. When that current services budget is provided, all of the committees of the Senate and the House of Representatives and their staffs can begin work at that time.

Mr. HARRY F. BYRD, JR. Let me see if I understand it. The Senator means to say that the services are going to submit their own budgets irrespective of the administration's budget?

Mr. PERCY. No. This is sent down by the President. It is merely an extension of all existing programs——

Mr. HARRY F. BYRD, JR. He does not send it until——

Mr. PERCY. With all the authority

provided for the programs if carried on into the new fiscal year without any changes having been made in the program levels, and without any new programs having been added or any existing programs having been dropped.

Mr. HARRY F. BYRD, JR. What I am trying to understand is, we now deal with the President's budget, as he submits his budget. Then Congress deals with that, in one way or another, either by adding, subtracting, or keeping it the same. Do I understand that we will have the President's budget the same as in the past, only on a different date, but also will have submitted budgets by the various departments at an earlier date?

Mr. PERCY. No, not by the various departments. What we are adding to the process is first, a congressional office of the budget, a group of professionals who can literally work with us. Second, we want our own budget committee which has the responsibility at the outset to look at the overall revenue we expect to have available to us and the overall level of expenditures. Then we can begin immediately the process of determining through the Joint Economic Committee, the Joint Committee on Internal Revenue Taxation, and all other standing and joint committees that all of the input from those committees would be taken into consideration by the budget committee.

We get the current services budget from the President on November 10, and the President then submits his regular budget on February 15. We would have all of that period in between to analyze what the climate of the economy was and what impact it will have on the economy.

Mr. HARRY F. BYRD, JR. Let us stick with that period of November 10, I believe the Senator said, and the February 15 date.

Mr. PERCY. Yes.

Mr. HARRY F. BYRD, JR. The services will submit their own requests to Congress on November 10?

Mr. PERCY. Oh, no. The agency requests go directly to the Office of Management and Budget, and the President submits the current services budget to the Congress.

Mr. HARRY F. BYRD, JR. What will the services submit?

Mr. PERCY. There is no change in that except that each department must submit its budget with a little more lead time to the Bureau of Management and Budget than they have done in the past, so that it will enable the President to send down his budget on February 15 for a fiscal year beginning October 1.

Mr. HARRY F. BYRD, JR. I am still not clear, I may say to the Senator from Illinois. Awhile back, the Senator said that the legislative committees could begin work on the budgets which have been submitted by the departments before the President's budget comes down——

Mr. PERCY. There is no reason in the world why we cannot begin work on this whole process of taking back our initiatives and our constitutional responsibilities for having control over the power of the purse by not waiting for the President to submit his budget but by beginning our own work——

Mr. HARRY F. BYRD, JR. What I am trying to get clear is, do the departments submit their budget proposals to the Congress?

Mr. PERCY. They do not. They submit their proposals to the Bureau of Management and Budget, exactly as they do now. We are receiving no budget information direct from the departments to the Congressional Office of the Budget.

Mr. HARRY F. BYRD, JR. That is the way it should be.

Mr. PERCY. I agree wholeheartedly.

Mr. ERVIN. Mr. President, if the Senator will pardon my interjecting here, on page 169 of the bill, section 605(a), it states simply:

> On or before November 10 of each year (beginning with 1975), the President shall submit to the Senate and the House of Representatives the estimated outlays and proposed budget authority which would be included in the Budget to be submitted pursuant to section 201 of the Budget and Accounting Act, 1921, for the ensuing fiscal year if all programs and activities were carried on during such ensuing fiscal year at the same level as the fiscal year in progress and without policy changes in such programs and activities.

That is for the purpose of acquainting Congress with what costs would be if the existing programs were to be extended for another year without change. This would provide us with a starting point of informational fact.

Mr. HARRY F. BYRD, JR. Does that mean by each department?

Mr. ERVIN. No. This would come through Congress for use of the budget committees in developing basic information about program costs without additions or subtractions.

Mr. PERCY. Would it help the Senator from Virginia if we indicated that instead of one budget coming from the President, the new procedure will require two budgets; that is, the current services budget on November 10, and then the final budget, in the form that we are all familiar with, and probably with no changes in its present form, which would then be submitted on February 15.

Mr. ERVIN. The purpose of this is to give the committees full information, first about what we might call the "fiscal status quo," the programs currently being carried out, if unaltered, and then the President's budget which he sends down and in which he makes alterations in the budgets of current services.

Mr. HARRY F. BYRD, JR. But the services budgets are submitted to the Congress?

Mr. ERVIN. Yes. The current services budget is submitted to the Congress by the President.

Mr. ROBERT C. BYRD. Mr. President, I believe the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) is having a problem with the word "services." The word "services" has no connotation—it does not carry with it the connotation of the various services, such as the Armed Services——

Mr. HARRY F. BYRD, JR. The departments of the Government——

Mr. ROBERT C. BYRD. No, it does not mean that.

Mr. HARRY F. BYRD, JR. Then what does it mean?

Mr. ROBERT C. BYRD. It is merely a budgetary figure of what the programs and activities of this Government will cost in the next fiscal year if they are carried on at the same level as they are being carried on at the present time without any new authorization bill, without any increased recommendations from the President, or anything of that kind. It merely projects for the coming year what the cost of the Government will be if all the programs and all the activities are carried on at the same level as they are being carried on in the current fiscal year. Then, in February, when the President sends down his budget, that budget will comprehend the increases that are anticipated in the various programs and activities, or decreases. So the word "services," I believe, is——

Mr. HARRY F. BYRD, JR. I took that to mean departments of the Government.

Mr. ROBERT C. BYRD. No. No.

Mr. ERVIN. In other words, the purpose of the current service budget is so that the budget committees can have information to contrast the expenditures if continued without change—and the ones that would exist when the new requests in the President's budget are added.

Mr. HARRY F. BYRD, JR. It seems to me very important that the departments of Government submit their requests not to Congress but to the executive branch, and then the executive branch decides how much each department should spend and make its recommendations to Congress. I assume you have not changed that.

Mr. ERVIN. No. That has not changed. This is only to give Congress information about the expenditures of the programs that are in existence during the preceding year and what they would be if continued unchanged, during the next fiscal year so that they will have that to compare to the new requests in the President's budget that comes down later.

Mr. HARRY F. BYRD, JR. I thank the Senator. Let me ask this question. Is there a deadline on when the budget bill needs to be enacted, because we have a deadline now that we have not paid much attention to?

Mr. ERVIN. Look on page 38 of the committee report. It gives all the deadlines which are set forth in the bill. In other words, on November 10 the President submits the current services budget that we are talking about now, which shows what the programs would cost during the next fiscal year, if continued unchanged. Then on February 15, he submits his regular budget which is based on a consideration by the Office of Management and Budget of all the inputs they have received from all the different departments and agencies—their requests.

Mr. HARRY F. BYRD, JR. That has to be acted on by what date?

Mr. ERVIN. It has to be submitted to Congress by February 15.

Mr. HARRY F. BYRD, JR. And then Congress needs to enact it by what date?

Mr. ERVIN. It does not exactly act on that, except, of course, with the authorization bills and the appropriation bills. Then, on April 1, all the legislative committees of the Senate and the joint committees would submit to the budget committee their reports, what they think should be done. Then, on April 15, the Congressional Office of the Budget would submit another report to Congress which would deal with resources as well as the proposed programs.

Mr. HARRY F. BYRD, JR. The date I had in mind was the completion of enactment into law of all bills and resolutions providing new budget authority. As I undertsand it, that would be 5 days before the beginning of the August adjournment.

Mr. ERVIN. Yes. But first, this timetable contemplates that all the authorizing bills would be reported by May 15. We originally provided in the Senate bill that they should be enacted by May 31, but it was pointed out that there might be some difficulty in securing the final enactment of an authorization bill for such a vast establishment as the Defense Department.

Authorization bills would be reported by May 15, and then by June 1, action on the concurrent resolution—that is, the resolution which is reported by the budget committee. This is supposed to take into account full information about what has been authorized by the new authorization bills, and what sources of revenue are available, so that in reporting the resolution, the budget committee can determine the relationship between spending and revenues, in the hope of getting a balance between those two. But the resolution, in case it could not be balanced, would have to show any projected deficit or surplus, if there should be such.

In other words, the first concurrent resolution is supposed to represent the opinion of Congress as to what the full expenditures should be and what resources would be available, so that we would enact our appropriation bills after that time with knowledge of the fiscal condition of the country.

Mr. HARRY F. BYRD, JR. Is the Senator from Virginia correct in his thinking that that would mean that on June 1, the first concurrent resolution would be submitted and that resolution would say that the Budget Committee recommends total expenditures of—just to take a figure—$355 billion—

Mr. ERVIN. Yes.

Mr. HARRY F. BYRD, JR. "And we project revenues at $345 billion," or whatever it might be?

Mr. ERVIN. Yes.

The reason for all this information being submitted, starting back with November 10 and on through, is to give the committees as much information as can possibly be obtained on all fiscal subjects.

Mr. HARRY F. BYRD, JR. Up to that point, all the action has been on authorization and not on appropriations. Is that correct?

Mr. ERVIN. Yes. All appropriations will be subsequent to the first resolution.

Mr. HARRY F. BYRD, JR. So the appropriations would not be considered until the first concurrent resolution is received?

Mr. ERVIN. That is what the bill contemplates and requires.

Mr. ROBERT C. BYRD. Or until after June 1, whichever is the earlier.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. PERCY. The Committee on Rules and Administration, in its report, on pages 14 and 15, has provided a typical concurrent resolution, relating it to actual figures, if you had reconstructed the fiscal year beginning October 1, 1975. I believe those figures enumerate the objectives we would have.

I know the philosophical and fiscal background of the distinguished Senator from Virginia, and he would not agree with those figures, because they provide for an added deficit of $6.3 billion. But at least the Senator from Virginia would know this: Every Senator, at the beginning of the process, would have to lay out in indelible ink that we are agreeing ahead of time to an additional $6 billion in addition to an already very large debt. Then the appropriation process would begin.

Right now, we end up raising the debt limit when the flow of expenditures has almost placed us at the deadline, so that if we do not raise the debt limit, no checks are going to be issued in a week or so. This enables us to see clearly and lay out what that debt is going to be, and it gives us 7½ months to work on this, to whittle that amount down and to see whether or not it is possible, in the light of economic conditions, to actually reduce it, or to debate it then and there on the floor, on June 1.

Mr. HARRY F. BYRD, JR. How does it provide 7½ months? From June 1, action must be completed by September 25.

Mr. PERCY. It gives us the period from February 15, when we are to start work on this. In other words, we start thinking of how we are going to balance our expenditures against your revenues, and we now literally do not even engage in that thought process.

Mr. HARRY F. BYRD, JR. Then we get to June 1, and the figures indicated in the committee report show that if we adopt the figures as submitted by the Budget Committee, there will be a deficit of $6 billion. Then we go into the appropriation process, and we get 14 different appropriation bills to the floor. When do we tally up the total of those 14 appropriation bills, and how do we reconcile that with the figure submitted on June 1?

Mr. PERCY. It would be just before the August recess, or August 7 when no August adjournment has been provided for. That would provide for completion of enactment into law of all bills and resolutions providing new budget authority.

Mr. HARRY F. BYRD, JR. Let us assume that instead of those 14 appropriation bills showing a deficit of $6 billion, they add up to $10 billion. What happens at that point?

Mr. PERCY. Then, it is inconsistent with the first concurrent resolution, and obviously something then has to give. That is why the Rules Committee provided for a mandatory second concurrent resolution; at that point Congress has to face up to several choices.

The Senator from Illinois would earnestly say—and he would be shocked if the Senator from Virginia would not join with him in saying—that at this stage we would decide either to raise taxes and lay it right out on the line that you have to pay for these programs, if that is what you want, or you have to go back and cut back certain programs you hoped to be able to enact but which will exceed the appropriate levels of spending which have been established.

Some Members of this body will say that all these programs are needed and that we cannot raise taxes; therefore, we have to increase the debt. But that then becomes a subject of a very heated debate, because it will run up against sharp philosophical differences. At that stage, the debate would be focused on whether the economy is in an inflationary or a deflationary period; whether there should be a stimulant to economic activity or a dampening of an already overheated economy. But at least we have an opportunity for that debate, and not until we pass the second concurrent resolution would we be able to determine what happens to those bills, if they do exceed the $6 billion level that had been agreed to before.

Mr. HARRY F. BYRD, JR. For the purpose of understanding the legislation, let us assume that the 14 appropriation bills do exceed the first concurrent resolution. Do those bills automatically go into effect on October 1, or do they automatically not go into effect until the second concurrent resolution is adopted?

Mr. ERVIN. The answer to that question appears on page 100 of the Rules and Administration Committee report, under the heading "Budget Reconciliation Process."

Between June 1 and either the 5th day before an August adjournment, in case we have an adjournment, or by August 7, when there is no August adjournment, all the appropriation bills will be acted upon.

Then, 3 days before the beginning of the August adjournment, or by August 15 when there is no August adjournment, the Budget Committee will report its second concurrent resolution. What this does is set forth on page 100:

> Final budget resolution to be reported by a date 3 days prior to beginning of August recess or by August 15 and adopted by a date 3 days after the end of such recess or 4 days after Labor Day. This resolution will reaffirm or revise any or all figures in the initial budget resolution and may specify the amounts, if any, by which new budget authority, revenues and the public debt limit are to be changed in order to achieve the appropriate surplus or deficit, as the case may be. The final budget resolution will, where changes are specified, direct the committee of jurisdiction to determine and recommend necessary legislative action to ac-

complish the changes. Recissions of new budget authority on a pro rata basis may be directed where selected rescissions are infeasible.

In other words, that second concurrent resolution could say there has been too much appropriated, and it could direct the Committee on Appropriations in that case to reduce the appropriations by that amount. The second concurrent resolution will reconcile what has been done in the appropriation bills with what was done in the first concurrent resolution.

Mr. HARRY F. BYRD, JR. But there is no means of enforcing that.

Mr. ERVIN. The only means of enforcement would be that Congress must stay in session until it passes a second concurrent resolution, and an injunction is laid down for Congress to pass it before the beginning of the fiscal year on October 1. The purpose is to require Congress to take two close looks: first, at the time it adopts the first resolution; and second, after the appropriation bills are passed, at the time of the second resolution. It is contemplated the second resolution shall be adopted before the beginning of the fiscal year.

Mr. HARRY F. BYRD, JR. Is it contemplated appropriations do not become law until the second resolution is adopted?

Mr. ERVIN. They would take effect when enacted, subject to be rescinded in part by a reconciliation bill, the contents of which will be directed by the second concurrent resolution. In any event, spending could not take place until the beginning on the new fiscal year on October 1.

Mr. HARRY F. BYRD, JR. But suppose the resolution has not been approved by October 1.

Mr. ERVIN. We would be left in the same unfortunate position we are found in now, with continuing resolutions; but I think that is not very likely, at least not as likely as under the present system, because we have it starting on October 1 instead of July 1.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. ERVIN. I think it is a very significant bill for this reason. It gives Congress a chance to know the status of things at all times, and it requires Congress to take close scrutiny of our expendable resources and also our contemplated expenditures as early as the first of June in the first resolution; then to look at it again to see what was done. If we exceeded the amounts set in the resolution we could accept what was done or revise it, the thought being to make certain as nearly as possible that expenditures in the next fiscal year will not exceed the resources available to pay for them. That is the overall objective at least.

Mr. HARRY F. BYRD, JR. That seems like a good goal.

Mr. ERVIN. I think it is a good bill. The Joint Study Committee studied this proposition for many months and made many fine recommendations. The Committee on Government Operations worked on it for 8 months. The Committee on Rules and Administration took an extensive look at it. Many changes have been made in it but I believe it is as wise a bill as we can devise at this particular time until we have a little experience under its operation. Then I hope we can find ways to make it better.

Mr. HARRY F. BYRD, JR. I know the committees have been going at this matter very hard and it seems to be a substantial improvement over what we have now. Basically it gets down to whether or not Members of Congress are willing to vote for a balanced budget or not.

Mr. ERVIN. I think at long last the majority of Congress has been able to see what the Senator from Virginia, the Senator from Illinois, and I have been pressing for all these years; that it is essential to have a budgetary system under which Congress will not appropriate as it has in the past, and provide more expenditures than there are resources to pay. It is going to take a lot of cooperation but for the first time in the history of our country we would have a system whereby we would know exactly what we have done.

Mr. HARRY F. BYRD, JR. That is very important.

Mr. ERVIN. At that time if we do not do something to bring about a reconciliation between resources and expenditures, at least we would stand in the light and not in the darkness.

Mr. HARRY F. BYRD, JR. Something needs to be done to get at this runaway spending.

Mr. PERCY. Mr. President, will the Senator yield for a comment?

Mr. ERVIN. I yield.

Mr. PERCY. Mr. President, I wish to commend the Senator from Virginia (Mr. HARRY F. BYRD, Jr.) for his penetrating questions this afternoon. His questions have helped immensely. He always does his homework and he does it well. It is asking a lot of our colleagues, pressed as they are, to be able to read the 185 pages in the bill and the two reports that have been issued. Therefore, on the desk of every Senator there has been placed a book entitled "Congressional Budget Reform." When I began working on the bill some time ago, and believing that "a picture is better than a thousand words"—and that was not said by the former head of a camera company, but by someone else—I solicited assistance and help of a few staff members. Tom Foxwell, who is the committee editor, rendered very valuable service, as did John Pearson and Robert Vastine. I asked them to break this down so that it could be demonstrated in a few minutes rather than hours. The Congressional Research Service under Lester Jayson provided expertise, as did Helen Dalrymple. Among them this little booklet was put together.

Mr. HARRY F. BYRD, JR. It is very helpful. It is a fine booklet. It is well handled and it gives one the information at a quick glance.

Mr. PERCY. It is the budget in brief. Also we have made available a set of slides, so that any Member of the Senate can borrow or obtain a set of these slides if he would like to go out and explain this to a local labor union, to a group of consumers, or a group of businessmen, and try to demonstrate what we are doing. This will require restraint on the part of everyone. No longer can someone come in and say, "Here is a bill. Let us fund it." We are going to go into all these bills and amendments and relate each and every one to the objective and notify Congress whether it exceeds the estimates we started out with.

In effect, I would say to the Senator from North Carolina (Mr. ERVIN) that what we have tried to do is get together as a group to take a journey, but instead of keeping secret where we are going, which creates confusion, we are going to tell everyone what the objective of the trip is. Then as we go along the route, we are going to determine whether the route we are taking is going to end at the objective.

We are going to differ on the ways to get there or the vehicles to use, but at least if we agree on the goal—and we will have agreed on the goal by a vote of the Senate and the House—we will at least have reference points, and I think it will tend to pull us together, whereas right now we are going in a thousand different directions without a clearcut goal or objective.

Tomorrow morning, at 11:45 in my office, room 4311, Dirksen Office Building, I will present the slides to any Member of the Senate who wants to hear. Obviously, there ought to be a little explanation that should go along with them.

Possibly Senators would like to have that explanation so that they may go over that material, so that they may explain them in their own States and constituencies. I shall be happy to put on that presentation at any time, but tomorrow morning, at 11:45, in room 4311, that presentation will take no more than 10 or 15 minutes. Then it will run half an hour, for the very kinds of questions our distinguished colleague has been thoughtful enough to raise on the floor, because there are going to be questions that occur to others.

The better we understand the process, the more effective it is going to be. If we just pass legislation and take it for granted that the committee has done its work and therefore it must be a good bill, and we are not going to understand it, it is not going to be effective. We deeply believe every Member of the Senate ought to understand every implication as to what the bill means, so no one will be surprised and will say, "I did not realize"—as they did in the campaign reform bill—"I had to fill out those reports and supply those public figures." So many Members of the Senate adopted that bill not knowing what they were voting for. I hope no one does it in this case. It would be a great disservice to the objectives of the bill, all of which require understanding.

I think the two committees have gone to extraordinary lengths in trying to explain the bill, its impact, its implications. It is going to restrict freedom and activity; it is going to put a spotlight on what individual Members do, in putting in bills that call for considerable expenditures which go beyond or ahead of the route from which we once started. It is only through that process of understanding that we can take the steps to reach that goal and objective.

I can say without hesitation that we are going to stand on the floor of the Senate sometime hence and we are going to hear someone say, "Oh, I thought that bill was going to solve all our problems." It will not do that, but we can get a better handle on what we are trying to do than any effort which the Senator from Illinois has seen since he has been in the Senate or which has existed since the Budget Reform Act of 1921, when we had a budget of $5 billion. Those principles and practices are not applicable to a budget of $304 billion.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. ERVIN. Mr. President, the Senator from Virginia has been a staunch advocate of economy in government and harmonizing our resources with our expenditures—a thing that Congress has not done for many years.

Those who have taken that position always have had to fight under great disadvantages. We had to fight against specific programs and to try to reduce them without really knowing whether it was efficacious or find out what the effect of that program was in the light of the entire budgetary picture.

After this bill becomes effective, when we try to fight for sound fiscal policies we will have the complete fiscal picture before us. We will get a preliminary view of it in the first budgetary resolution. We will get a final view of it in the second budgetary resolution. We will have the advantage of making our attack on the entire budget picture instead of piecemeal.

Then there is another great advantage that will come to us under this bill: A Congressional Office of the Budget will give us a source of information from which we can obtain, at any given time, the exact status of all appropriations up to that particular time. The executive Office of Management and Budget has a tendency to be primarily interested in the amount of appropriations that have been requested for the different agencies and departments, but the Congressional Office of the Budget will also have an interest in the resources which are available to be appropriated as well as the appropriations that are to be made. From the information it supplies, we can see that we do not engage in deficit financing as we have in times past.

So there are two great advantages in this bill. One is that we will have an independent source of information from primarily an agency of Congress, which will furnish us fiscal information as to resources as well as information about proposed programs.

So I think it holds the hope that at long last we are going to be able to adopt sound policies and to put an end to deficit financing, because, like the Senator from Virginia, I think deficit financing is not only a fiscal sin but, in many respects, a moral sin.

I believe that there is something dishonest in a government or an individual incuring debts without having an intent to pay them. Deficit financing feeds the fires of inflation, which robs the past of its savings, the present of its power, and the future of its hopes as well as its earnings.

Mr. HARRY F. BYRD, JR. It is a tax on a tax.

Mr. ERVIN. That is right.

Mr. HATHAWAY obtained the floor.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr HATHAWAY. I yield.

Mr ROBERT C. BYRD. Mr. President, I think it would be well to state, so that the Senate will be on notice, that there will be no yea-and-nay votes today. The distinguished Senator is going to speak for 20 or 25 minutes, he tells me, and there will be at least one other speech later in this session, which will not leave time for debate on any amendment this afternoon. It is anticipated, however, that there will be yea-and-nay votes tomorrow.

Mr. HATHAWAY. Mr. President, I am making this statement on behalf of myself and my distinguished colleague from Maine (Mr. Muskie) who is necessarily absent on official Senate business and has prepared detailed opening remarks on this bill. My colleague (Mr. Muskie) chairs the Subcommittee on Intergovernmental Relations and has put a great deal of input into the bill presently before us.

Mr. President, the Congressional Budget Act of 1974 is the best kind of reform measure—self-reform. It will give Congress the means to deal in an orderly and comprehensive fashion with our most important decisions—those on budget policy and national priorities.

This legislation is necessary and important. It is necessary not only because our own procedures for handling the budget have gone unreformed for more than half a century, but also because it provides us an opportunity to reassert our constitutional control over the Federal purse strings.

Mr. President, it is important legislation because it can help restore our people's severely shaken faith in their Government.

Last fall, when Senator Muskie's Subcommittee on Intergovernment Relations surveyed public attitudes toward Government, it found that less than one American in three had "a great deal of confidence" in the Senate. More recent surveys by Louis Harris—who conducted the subcommittee survey—have found that public approval of the Congress has sunk even more.

I imagine that a great many Americans—perhaps a majority—perceive the Congress as an ineffective, uncreative institution unable to respond effectively to complex and pressing problems and unwilling to change its ways so that it can work better.

The Congressional Budget Act of 1974 challenges that perception. Enactment of this legislation will be a recognition that our procedures need reform and a demonstration that we are willing to change.

I am under no illusion that enacting budget reform legislation will alter radically the public perception of the Congress. But budget reform is a necessary step that we must take if we are to start down that long road toward restoring the balance of power between the branches of Government, and the balance of power between Government and citizen.

Last year, the Congress was the target of a partisan propaganda campaign, orchestrated in the White House, that branded us as "irresponsible" and "reckless" in our handling of the Federal budget.

Budget reform is our bipartisan and responsible response to partisan and reckless rhetoric.

To be sure, enactment of this legislation will not diminish debate in the Senate over what spending priorities should be. But this legislation represents a reaffirmation of the determination of members of both political parties to establish an open, informative, and thorough way for Congress to handle the Federal budget.

This bill calls for comprehensive consideration of the budget requiring us to relate spending decisions to revenue decisions. It rejects the notion that unanticipated budget deficits result only from so-called excessive spending. Rather, it recognizes that unexpected deficits can result from unrealistically high revenue estimates—as was the case for fiscal years 1970 through 1972—or from unanticipated increases in uncontrollable expenditures, as well as from increased Federal spending. For that reason, it requires the Congress to make an inclusive review of its budget policies on at least two occasions during its budget consideration.

But, most important, the procedure in this bill is a fair one. It establishes a procedure for congressional control of the budget that is neutral, that favors neither those who want to cut spending nor those who want to increase revenues.

Reforming the procedures by which Congress considers the budget is no easy undertaking. Unlike the executive branch, the Congress is not a monolithic organization which speaks with one voice on budget policy. Rather, an acceptable and workable congressional budget procedure must insure that every committee and, indeed, every Member of Congress contributes to the decisions.

We have endeavored to develop such a procedure in the bill before us today. The procedures in this bill will provide Congress a badly needed overview of the Federal budget, without requiring unwarranted intrusions into the integrity of our committee system.

The Congressional Budget Act of 1974 was drafted with much care and consultation.

It reflects the work of three committees of the Congress over a period of more than a year. In the fall of 1972, the Congress created the Joint Study Committee on Budget Control to recommend ways the Congress could improve its control over the Federal budget.

The recommendations of the Joint Study Committee were examined at great length last year by the Committee on Government Operations, which worked for more than 8 months before approving budget reform legislation. The bill was then considered by the Committee on Rules and Administration which further refined it.

Mr. President, this legislation commanded bipartisan support at every step in its development. The bill reported by the Committee on Government Operations reflected the work of Senators of both parties. Under the leadership of the distinguished Senator from North Carolina (Mr. ERVIN), Senators MUSKIE, METCALF, PERCY, BROCK, NUNN, and others worked together to develop comprehensive and workable legislation.

That cooperative spirit continued as the Rules Committee considered the bill. At the direction of the distinguished Senator from Nevada (Mr. CANNON), the distinguished assistant majority leader (Mr. ROBERT C. BYRD), and the distinguished assistant minority leader (Mr. GRIFFIN), the Rules Committee provided a forum for revising the bill, with the help of all interested parties.

The Rules Committee organized an extraordinary staff group for the purpose of reexamining the budget reform bill. All standing committees were invited to designate representatives. The resulting staff effort to produce a "consensus" bill is probably without precedent in the Senate. In all, 45 staff members representing 10 standing committees of the Senate, 4 joint committees, the House Appropriations Committee, the Congressional Research Service, and the Office of the Senate Legislative Counsel took part in this effort.

I am sure that the entire Senate joins me in expressing appreciation to the following staff members who played a key role in the development of this bill:

Robert Bland Smith, Jr., staff director and counsel of the Committee on Government Operations; and W. P. Goodwin, Jr., counsel to the committee.

William McWhorter Cochrane, staff director of the Committee on Rules and Administration; Joseph E. O'Leary, minority counsel to the committee; Anthony L. Harvey, counsel to the Subcommittee on Computer Services of the Rules Committee.

Herbert N. Jasper, researcher to the Committee on Labor and Public Welfare, who served as the chairman of the staff group which reexamined the bill.

J. Robert Vastine, minority counsel to the Committee on Government Operations; and John Pearson and Harrison Fox of the committee's minority staff.

Alvin From, staff director of the Subcommittee on Intergovernmental Relations; and James E. Hall, of the subcommittee staff.

E. Winslow Turner, chief counsel of Senator METCALF's Subcommittee on Budgeting, Management, and Expenditures.

Nicholas J. Bizony of Senator NUNN's staff.

And we all owe a special thanks to Harry Littell, the legislative counsel, who has labored over drafts of this legislation for nearly a year.

Mr. President, we cannot overestimate the importance of budget reform legislation. It is critical to the reassertion by the Congress of its constitutional control over the Federal purse strings.

Last year, the Senate took important steps toward redressing the balance of powers between the Congress and the President. It passed landmark war powers legislation and measures to block Presidential impoundment of funds and to assure information to Congress in the face of Presidential claims of privilege. But despite these important measures, the procedures by which Congress exercises its fundamental power to appropriate funds and raise revenues have remained unreformed.

During the past half century, we have witnessed a steady erosion of congressional control over the budget. In contrast, we have seen a consistent escalation of executive influence over budget and fiscal policies.

As a result, in 1974, Congress finds itself severely weakened in its efforts to carry out its dual responsibility to determine Federal budget policies and to establish national priorities. It lacks both the necessary resources to give the budget proper consideration and an adequate procedure for making rational decisions on national priorities.

The bill before us will reform the most serious shortcomings in the system by which Congress currently considers the budget.

It will provide the Congress with additional resources it needs, both in terms of staff and information, to make independent decisions on budget policies.

It will establish a realistic timetable for congressional consideration of the budget, enabling Congress to complete its work on the budget before the beginning of each new fiscal year.

It will, for the first time, provide Congress with a mechansim for overall, comprehensive consideration of budget policies.

First, this bill will better equip the Congress to handle the Federal budget. It will create new organizations that are critical to the success of budget reform.

It will establish a 15-member Senate Budget Committee to oversee congressional budget matters. And it will create a Congressional Office of the Budget to provide both Houses of Congress with staff resources they need to investigate and analyze the budget.

The new Senate Budget Committee will provide this body, for the first time, with a single committee responsible for an overview of all policy matters affecting consideration of the budget. That committee will become the focal point for all information and analyses relating to the formulation of recommended fiscal policies and budget priorities. But it will not be an executive committee of the Senate because existing committees—such as the Appropriations and Finance Committees and the authorizing committees—will have significant roles in the new budget process created in this bill.

The COB will meet our need for a highly competent professional staff to guide us in fiscal policy and budgetary considerations. It will be a full-time, year-round, nonpartisan staff that will compare with the General Accounting Office and will provide Congress with the kind of information and analyses it needs to work on equal footing with the executive branch.

In my view, the creation of the COB is an essential element of this bill. It is particulary important that the Congressional Office of the Budget will serve all committees and Members of Congress. If committees and Members are to operate effectively within this new budget context, they must have the right to easy access to the COB for whatever information and specialized assistance they need.

The Congressional Budget Act of 1974 also contains a number of provisions to expand the budgetary information available to Congress. The bill, for example, requires that Congress be given information concerning both tax expenditures in the budget and timely projections of the estimated impact of current decisions on future budgets. It requires, in addition, that early in the budget consideration process, the President submit a current services budget estimating the cost of continuing programs at their existing levels. With the current services budget in hand, the Congress can more easily evaluate proposed policy changes when the President submits his fiscal budget.

Second, the Congressional Budget Act of 1974 will provide Congress with the additional time it needs to complete action on the budget.

In changing the start of the fiscal year to October 1, the bill contemplates congressional consideration of the budget. It requires the President to submit the current services budget by November 10 and his final budget by February 15.

As a result, this bill will provide Congress with more time than it now has to consider budget policies after submission of the President's budget as well as with the capability to generate its own information for year-round budget considerations.

Third, the legislation will equip Congress with means for overall evaluation of budget policies.

The cornerstones of this mechanism are the two budget resolutions. The first enacted by June 1 would, in effect, establish the congressional budget for the fiscal year beginning the next October 1. That resolution would establish appropriate overall spending levels and recommended subtargets by functional categories, as well as revenue estimates and both projected and desirable surpluses or deficits.

The second budget resolution must be enacted shortly after Labor Day. This resolution provides Congress with the opportunity to reassess its initial budget and priority decisions just before the beginning of the new fiscal year—taking into account the most current economic data and the intervening actions on individual spending measures. If the latest revenue estimates and the individual spending measures previously enacted differ from the appropriate levels established in that second budget resolution, the resolution will also direct committees of jurisdiction to recommend the legislative action necessary to reconcile those differences.

Congress will then complete its action on the budget by enacting the reconciliation bill mandated by the second concurrent resolution.

An important element of the process

in this bill is that it requires the input of the Appropriations Committee, the Joint Economic Committee, the Finance Committee, the legislative committees, and the Congressional Office of the Budget before action upon that first budget resolution. In fact, the bill requires that authorization bills be reported to the Senate before May 15 so Congress will have the benefit of the work of the authorization committees before it when it enacts its first budget resolution.

As a result, when the House and Senate consider that first budget resolution, they will already have been informed of the views of all the key participants in the budget process, as well as the prospective impact of the budget.

After the Congress approves the first budget resolution, it will begin work on the actual approproations or spending bills. The bill calls for all spending bills to be completed by early August so that Congress will have time to reassess and revise its spending and revenue decisions in the second budget resolution and the reconciliation bill.

In this legislation, we are attempting to establish a fair and workable system for congressional control of the budget.

To be sure, with the enactment of this legislation, many of the procedures by which we operate in this body will be modified. But in drafting this legislation, we have made an extraordinary effort to consider the views of those Senators who expressed specific concerns about the bill.

Mr. President, I wish to underscore the fact that this new congressional budget process will not interfere with the manner in which Congress acts on appropriations measures. Rather, the procedure in this bill will supplement the appropriations process only to the extent of providing Congress with the capability of determining overall fiscal policy, focusing more closely on so-called uncontrollable program, relating expenditures to revenues and debt, and establishing broad national priorities.

And this new congressional budget process does not attempt to diminish the responsibilities of the legislative committees. The bill in no way interferes with their prerogatives to authorize programs, and it insures their participation in the drafting of legislation to reconcile individual congressional actions with overall congressional budget polices before the beginning of each fiscal year.

Mr. President, in the past 12 months we have come a long way toward meaningful and workable budget reform. The Congressional Budget Act of 1974 will, upon its enactment, not provide an instant panacea for all the ills that now afflict the process by which Congress considers the budget.

But the process for considering the budget included in this bill can work with the cooperation of the entire Senate. As we have developed this bill, we have sought and received that kind of bipartisan cooperation.

There is no question in my mind that this is most necessary legislation. And I am convinced that its enactment and implementation is essential for Congress to reassert its constitutional responsibility to control the Federal purse strings.

Mr. President, I ask unanimous consent that a further, detailed explanation of the Congressional Budget Act of 1974 be printed in the RECORD at this point.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

### EXPLANATION OF S. 1541, THE CONGRESSIONAL BUDGET ACT OF 1974

#### ESTABLISHMENT OF COMMITTEE ON THE BUDGET

The Bill creates a fifteen-member Senate Budget Committee. The membership of that Committee would be selected by the party caucuses. The Committee would be a major standing Committee so that after January 1979 its members could serve on the Budget Committee and just one other major committee. Until that time, its members could serve on the Budget Committee and two other major committees.

The Budget Committee would be the focal point for all information and analyses relating to the formulation of recommended fiscal policies and budget priorities. Its principal responsibility would be to consider the input of the Appropriations Committee, the Joint Economic Committee, the Finance Committee, the legislative committees, and the Congressional Office of the Budget and then report to the Senate for consideration a concurrent resolution setting out appropriate overall spending levels and recommended subtargets by functional categories, revenue estimates and projected and appropriate surpluses and debts.

In addition, the Budget Committee would be required to report to the Senate a second concurrent resolution not later than three days before the beginning of the August recess or not later than August 15 when Congress does not take an August recess. That second concurrent resolution would direct the steps Congress must take in a reconciliation bill to reconcile its individual budget actions with the budget policies established in that second concurrent resolution. In those cases in which the second concurrent resolution directs actions by more than one committee, the Budget Committee would be responsible for reporting out the reconciliation bill.

#### CONGRESSIONAL OFFICE OF THE BUDGET

The Bill establishes a Congressional Office of the Budget with a Director and Deputy Director appointed by the Speaker and the President Pro Tem after consultation with the Budget Committees, approved by both Houses, subject to removal by either House, for a term of office of six years.

The Congressional Office of the Budget would be a non-partisan staff to assist the Budget Committees in the discharge of all matters within their jurisdiction, and to provide informational and analytical services on the budget generally to other committees and members of Congress.

The Budget Committees in both Houses would have their own staffs.

#### CHANGE IN THE FISCAL YEARS

The fiscal year would be changed to October 1. The purpose of this change is to eliminate one of the most serious budgetary problems Congress now faces—that of having to run the country on continuing resolutions from July until the appropriations process is completed. The fiscal year shift will allow Congress the time it needs to complete its work on the budget before the new fiscal year begins.

#### TIMETABLE

The timetable for the Congressional budget process would be as follows:

| *On or before* | *Action to be completed* |
|---|---|
| November 10 | President submits current services budget. |
| February 15 | President submits his budget. |
| April 1 | Standing committees of the two Houses of Congress, Joint Economic Committee, and Joint Committee on Internal Revenue Taxation submit reports to Budget Committees. |
| April 15 | Congressional Office of the Budget submits report to Congress. |
| May 1 | Budget Committees report first concurrent resolution to their Houses. |
| May 15 | Committees report bills and resolutions authorizing new budget authority. |
| June 1 | Completion of all action on first concurrent resolution. |
| (1) Five days before beginning of August recess<br>or<br>(2) August 7 when no August adjournment | Completion of enactment into law of all bills and resolutions providing new budget authority. |
| (1) Three days before beginning of August adjournment<br>or<br>(2) August 15 when no August adjournment | Budget Committees report second required concurrent resolution. |
| (1) Three days after end of August adjournment<br>or<br>(2) Four days after Labor Day when no August adjournment | Completion of all action on second required concurrent resolution. |
| September 25 | Congress completes action on reconcilation bill implementing second required concurrent resolution. |
| October 1 | Fiscal year begins. |

#### FIRST CONCURRENT RESOLUTION ON THE BUDGET

The first concurrent resolution on the budget will set out the appropriate levels of total new spending for the upcoming fiscal year and recommend the allocation of that spending by functional categories. In addition, the first budget resolution will set forth estimated revenues, a recommended level of surplus or deficit, recommended changes in levels of revenues or the level of public debt in order to achieve the recommended surplus or deficit. This first concurrent resolution would, in fact, represent a "Congressional Budget."

The budget resolution would set out the subtargets by functional area as follows:

*Health (Budget authority and estimated outlays)*

| | | |
|---|---|---|
| Existing programs: | | |
| Permanent authority | —— | —— |
| Appropriations Committee jurisdiction: | | |
| Relatively controllable | —— | —— |
| Relatively uncontrollable | —— | —— |
| Proposed programs | —— | —— |
| Subtotal (Health) | —— | —— |

After the Budget Resolution is enacted, the Bill requires the Committee on the Budget to submit a report translating the spending levels in the functional categories into estimated appropriate spending levels for each individual appropriations bill and backdoor spending measure. The specific breakdowns for appropriations bills would be supplied by the Appropriations Committee.

### RULES FOR CONSIDERATION OF FIRST CONCURRENT RESOLUTION

Debate on the first concurrent resolution will be limited to fifty hours overall and two hours on each amendment.

All amendments to the concurrent resolution, whether or not they are mathematically consistent, are in order. The only consistency requirement, under the Bill, is that the concurrent resolution be mathematically consistent at the time of final passage. The Bill allows the resolution to be made consistent on the floor if it is inconsistent after all amendments are considered.

In the event that House and Senate conferees cannot reconcile their differences on the first concurrent resolution, the Bill sets up the following procedure: The concurrent resolution includes those totals on which the conferees have agreed and the arithmetic mean between the two versions for those totals on which the conferees could not agree.

### AUTHORIZATION PROCESS

Under the Bill, all authorization legislation for the next fiscal year must be reported before May 15.

The Bill would also allow the Senate, upon the recommendation (within ten days) of the Budget Committee to waive the authorization reporting deadlines.

### SCOREKEEPING PROCEDURES

The Bill includes intensive scorekeeping provisions. The purpose of the scorekeeping provisions is to keep the Congress informed during its consideration of spending measures of how its actions correspond to the appropriate spending levels set forth in the first concurrent resolution.

Specifically, the Bill requires that all spending measures must be accompanied by a statement, prepared after consultation with the Director of the COB, detailing how that bill would compare with the figures in the concurrent resolution. Reports accompanying tax expenditure legislation shall include a comparison of the new tax expenditures level with the existing level and a justification for the change.

In addition, the COB will be responsible for keeping up-to-date tabulations and status reports on spending measures as they are considered by the Congress.

After reconciliation, the COB will be required to prepare a report detailing a five-year projection of the impact of Congressional action.

### APPROPRIATIONS PROCESS AND RECONCILIATION

The Bill sets aside a two-month period after the enactment of the first concurrent resolution for the Congress to act upon appropriations bills and other spending measures and tax expenditure measures be completed by August 7. However, no spending measure passed between June 7 and August 7 can go into effect until the beginning of the next fiscal year, October 1.

The Bill provides that no spending measures be acted upon before June 1, the date of enactment of the first concurrent resolution. The only exceptions to that rule involve entitlements and trust funds, programs like veterans' benefits and social security benefits. Entitlements can be enacted before the first concurrent resolution is completed on the condition that each bill providing for entitlements is referred to the Appropriations Committee for a ten-day period before it is acted upon by the Congress. Entitlements acted upon before the completion of the first concurrent resolution, like those acted upon after the resolution, would not go into effect until the following October 1.

After action is completed on all individual spending measures, the bill sets forth a process to reassess the actions taken on those individual measures and the appropriate spending levels, revenue estimates and appropriate surplus or debt set out in the first budget resolution. This reconciliation process would work like this.

By a date three days prior to the beginning of the August recess, or by August 15 in years in which there is no August recess, the Budget Committee must report to the Senate a second concurrent resolution. That resolution must be adopted by a date three days after the end of the August recess or four days after Labor Day.

The second concurrent resolution will reaffirm or revise any or all figures in the initial concurrent resolution and may specify the amounts, if any, by which spending revenues, and the public debt limit are to be changed in order to achieve the appropriate surplus or deficit, as the case may be. This resolution will, where changes are specified, direct the Committees of jurisdiction to determine and recommend necessary legislative action to accomplish the changes. That second concurrent resolution may direct rescissions of new budget authority on a pro rata basis in cases where it is determined that selected rescissions are not feasible.

After the concurrent resolution is enacted, Congress must then work on a reconciliation bill. If the changes directed by the second concurrent resolution affect only one committee of the Senate, that committee would then promptly report a reconciliation bill to the Senate recommending specific changes in law to meet the directions set out in the second concurrent resolution.

If, however, more than one committee is affected by the directions set out in the second concurrent resolution, each committee affected shall promptly recommend changes in laws, in accordance with the direction in the second concurrent resolution, and transmit those recommendations to the Budget Committee. The Budget Committee will then report a reconciliation bill to the floor.

Congress must complete action on the reconciliation bill by September 25. And the Bill prevents the Congress from adjourning until the reconciliation process is completed.

### BACKDOOR SPENDING

All backdoor spending measures providing for contract or borrowing authority must go through the regular appropriations process.

However, the Bill does allow some exceptions in the handling of backdoor spending. Any bill providing for payments under a mandatory entitlement formula, for example, will be referred to the Appropriations Committee for not to exceed ten days after which the Appropriations Committee must report it to the floor.

In addition, the Bill exempts new trust funds from the provisions covering backdoor spending. The Bill also provides an exemption for general revenue sharing, providing the new authorization legislation for revenue sharing exempts it from the backdoor spending controls.

### EXECUTIVE SUBMISSION OF THE BUDGET

The Rules Committee Bill requires the President to submit to Congress a Current Services Budget by November 10. The Current Services Budget will be broken down by functional and sub-functional categories, showing estimated expenditures and proposed appropriations if all existing programs and activities were to be carried on for the ensuing fiscal year at existing levels with no policy changes.

The Bill sets the date for submission of the President's budget at February 15.

### IMPOUNDMENTS

The Bill includes an anti-impoundment title that amends the Anti-Deficiency Act to limit the justifications for reserving funds.

The Anti-Deficiency Act permits the Executive to create reserves of appropriations to provide for contingencies, to effect savings when such savings are made possible through changed requirements, and through greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available. The Anti-Deficiency Act has been used as a justification for impoundments of funds for fiscal and other program purposes, even though the legislative history of the Anti-Deficiency Act makes clear that it was not to be used for such purposes.

The anti-impoundment title would provide that appropriated funds may not be reserved for fiscal policy reasons or to achieve less than the full objectives and scope of programs enacted and funded by Congress. It would require that the Comptroller General be notified in advance whenever reserves are to be made, and it would empower him to sue in the United States District Court for the District of Columbia to enforce the terms of the Title, in other words, to contest any impoundments made for reasons other than those specifically provided in the Anti-Deficiency Act.

### TRANSITION PERIOD

There would be a phased implementation of the procedures under the Bill. The Budget Committees and the COB would be established upon enactment (presumably in 1974). The Budget Committees *could* report a first concurrent resolution as a "dry run" for fiscal year 1976. In calendar year 1976, the new Congressional budget process would take full effect for the fiscal year beginning October 1, 1977.

Mr. ERVIN. Mr. President, the distinguished Senator from Maine said he spoke for himself and his colleague, Senator MUSKIE. I wish to commend the Senator from Maine for making a most illuminating analysis and explanation of the way in which this bill will operate and the potential effects it will have on our congressional budget. I would also like to add that his colleague (Mr. MUSKIE) is a member of the Committee on Government Operations who has done yeoman service in the framing of this legislation. It would be impossible for me to recount the vast amount of work which Senator MUSKIE did in connection with this legislation, or the very fine suggestions he made for incorporation in this legislation.

Mr. WILLIAMS. Mr. President, I am very glad that the Senate is now taking up this historic legislation. Several times in the past, the Congress has attempted to establish a budget process for itself. The last major effort was made in the late 1940's and was abandoned after 3 years. I hope that we will be able to make this effort successful.

I have been following proposals for congressional budget reform with a great deal of interest because they would have such a significant effect on the programs for which the Committee on Labor and Public Welfare has legislative jurisdiction. As chairman of that committee, I have been increasingly concerned that these very important programs have been forced to bear an unreasonable and unfair share of the expenditure limitations or reductions which have been imposed by the administration. This is especially unfortunate because they are programs which mean so much to millions of our children and older persons, as well as to other large groups in our society, especially those who are disadvantaged.

It is perhaps understandable that these programs have been singled out because they constitute about half of what has been called the controllable part of the civilian sector of the entire Federal budget. Since about three-quarters of the budget has been classified as "relatively uncontrollable," undue attention has, I believe, been focused on the controllable programs as the ones which must be cut if expenditures need to be reduced for economic or fiscal reasons. And this administration has shown a marked lack of interest in having the Pentagon programs, which constitute two-thirds of the controllable sector, bear a reasonable part of the burden when it chooses to enforce cuts in the appropriations made by the Congress.

This administration has been particularly harsh with the programs of the committee which I Chair. Of the 38 vetoes of public bills by President Nixon, 15 have directly or indirectly affected programs of the Labor and Public Welfare Committee. Eleven vetoes affected bills which came from the committee and four were appropriations bills for these programs.

That the Congress has strongly disagreed with the President's judgment on these matters is attested to by the fact that three of the four vetoes which the Congress was able to override were for the committee's legislative and appropriation bills. So it is clear that the Congress and the President have had significant differences about the national need for the programs that the Labor and Public Welfare Committee has placed on the statute books.

The President has not been content merely to exercise the veto power, which is granted him under the Constitution. Instead, he has impounded funds, apparently in contravention of the law, when the Congress has passed legislative bills over his veto or has enacted appropriations bills over his budget requests. The administration also sought to dismantle the Office of Economic Opportunity, notwithstanding the fact that the Congress had only a short time before passed legislation to continue the program—legislation which the President had signed. I took the unusual step of going to court over that action and am pleased that the administration's efforts were determined to be in violation of the law and OEO was, therefore, continued in effect.

In the case of impoundments, we have seen a similar result. More than 60 lawsuits have been filed in Federal district courts over the impoundment of funds. Many of these have affected the programs of the Labor and Public Welfare Committee. I am glad to say that in almost every case, the plaintiffs have been successful and the administration has been ordered to release the funds, or at least to place them in an obligated status pending the final resolution of the cases.

For all these reasons, I have followed proposals to reform the congressional budget process with great interest. It was evident that the Congress' message was not getting across to the public. The administration was using its claims of "reckless spending" by the Congress with great success. And so I was pleased that the Congress determined to establish the Joint Study Committee on Budget Control in October 1972. I looked forward to its recommendations in the hope that they would enable the Congress to persuade the public and the administration that it was making its priority choices in a sound and sensible fashion, consistent with its responsibilities under the Constitution.

Unfortunately, there was a great deal of misinformation being spread about the nature of the problem. All of the proposals for reform in the early months seemed to emphasize putting a tight lid on spending. It was widely believed that the larger deficits which had been incurred in the several years immediately preceding the creation of the Joint Study Committee had resulted from some form of congressional extravagance.

Yet, this belief seemed to be inconsistent with the facts—as we in the Congress understood them. Each year, the chairmen of the House and Senate Appropriations Committees and the distinguished majority leader of the Senate (Mr. MANSFIELD) placed exhibits in the CONGRESSIONAL RECORD illustrating that the Congress had always made substantial reductions in the President's appropriations requests. In fact, every year for at least the past 20, without a single exception, the Congress has reduced the President's appropriations requests. But—the administration rejoined—while the Congress may have reduced appropriations requests, it was spending large sums through bills which authorized spending without going through the appropriations process. The major examples of these programs are the trust fund programs, such as social security, medicare, and unemployment insurance.

I was very pleased that the Joint Study Committee included information on both appropriated funds and nonappropriated expenditures in its report last April. Table 6 in that report, on page 39, shows that in the 5 years from fiscal 1969 through 1973, the Congress actually reduced the President's appropriations by $30.8 billion.

During the same 5 years, it increased spending authority through legislation, other than in appropriation bills, by $30.5 billion. And, as the report made clear, most of this was in the social security program, which is self-financed by payroll taxes.

During the same time period, the Congress actually saved another $8.8 billion by choosing not to enact legislation recommended by the President. This includes the Congress's determination not to enact measures which would have saved $1.6 billion, offset by the decision not to enact programs—or to delay them—which would have cost $10.4 billion additional. Therefore, the net result of congressional action in legislative bills was to increase spending authority by only $21.7 billion, while reducing the appropriations requests by $30.8 billion. In other words, the Congress actually saved $9.1 billion in spending authority during this 5-year period.

But still the message did not get across. Despite these very significant facts, as reported by the Joint Study Committee, the public and the press continued to believe that the Congress was responsible for running up the deficit somehow. Even Members of Congress were misled by claims that the deficits had resulted from congressional action. It was, therefore, not surprising that the early proposals for congressional budget reform overemphasized expenditure control as a solution to the deficit problem.

This matter has now been substantially clarified by a more detailed analysis of the 3 fiscal years, 1970 through 1972, which was undertaken at my direction. The figures resulting from that research are included in the Report of the Rules Committee on pages 18 and 19. There it is shown that the addition to the national debt during that period totaled $49.1 billion. In contrast, the budget recommendations for those 3 years would have resulted in an addition of only $6.9 billion to the debt. So the actual deficit for those 3 years was $42.2 billion higher than had been estimated in the budgets.

As shown in the report, this very substantial increase in the national debt resulted primarily from the revenue side of the ledger. The difference between budget estimates and actual receipts for those 3 years was $27.7 billion or more than $9 billion per year. This amounted to 65 percent of the difference between the estimated and actual deficits. Only $14.5 billion, or 35 percent of the total, resulted from increases in spending over the estimates in the budget.

I also asked that this $14.5 billion be subjected to closer scrutiny. The result was the discovery that most of the spending increases over the figures in the President's budget resulted either from administration initiatives, or from underestimates by the executive branch of expenditures under so-called uncontrollable programs. In fact, it turned out that only about $2.5 billion of the spending increases came from congressional initiatives and about $12 billion came from administration initiatives or underestimates.

One of the factors influencing the design of a sound congressional budget process that has, heretofore, received insufficient attention is the very substantial size of supplemental appropriations requests submitted by the administration. According to the table on page 13 of the Rules Committee Report, supplemental appropriations for the 10-year period from 1964 to 1973 averaged almost $10 billion each year. In the same 3 years for which revenues fell short of estimates by more than $9 billion per year, namely 1970 through 1972, the supplemental appropriations requests exceeded $27 billion or something over $9 billion per year.

One also has to look at the degree to which expenditures for uncontrollable programs exceeded the estimates in the President's budgets. The table on page 21 of the Rules Committee report indicates that the average underestimate in the President's budgets for these programs has been in excess of $5 billion per year. It was a little higher for these 3 years which I have been discussing—averaging just a little under $6.6 billion during that period.

The table on page 21 of the Rules Committee report includes estimates for seven uncontrollable programs. Five of these are subject to the appropriations process, so these underestimates overlap with the figures included in supplemental appropriations requests. However, the first two items in the table; namely, social insurance trusts and interest, are not subject to regular appropriations. Therefore, the underestimates here—averaging $2.7 billion per year—are in addition to those reflected in supplementals. Because this table of underestimates in uncontrollable programs is on the basis of expenditures and the table concerning supplemental appropriations is on the basis of budget authority, it is not possible to add the two together to get the total in any one year. However, to get some appreciation of the difficulty of establishing a sound congressional budget early in the session, we can see that we would have had to account for a $9 billion revenue shortfall, $9 billion in supplementals, and almost $3 billion in underestimates of nonappropriated funds, on the average, in any one of those years.

It is also important for the Congress to recognize that underestimates in the area of uncontrollable expenditures are routinely made—and why. In the table on page 21, there are 35 entries—7 programs for each of 5 years. It will be seen that 31 of the entries were underestimated and a mere four entries were overestimated. Moreover, the average amount by which the four items were overestimated was smaller than the average error in the underestimate category. This begins to suggest a pattern of underestimates in uncontrollable expenditures which the Congress must be prepared to deal with. The reason may well be that the administration takes little risk in submitting unreasonably low estimates for uncontrollable expenditures, because it can be sure that the supplemental requests will be honored when submitted. And in the case of nonappropriated programs, the expenditures are made automatically.

The same tendency is clearly present in the case of estimating revenues. It is always a convenient method for a President to reduce the size of the anticipated deficit by estimating revenues at a higher than realistic level. Occasionally, this is done by predicting that the economy will be operating at a higher level than appears reasonable. But, sometimes, the revenue estimates have been unreasonably high even when the administration's forecast of the gross national product was fairly close to the mark.

For all of these reasons, I think it is vital for the Congress to develop its own capacity for making revenue and expenditure estimates. That is why I am so pleased that the bill contains provision for a Congressional Office of the Budget, which will have a permanent, expert staff, available to all committees and Members. In this way, the Congress may at last be able to hold its own in the rather murky area of revenue and expenditure forecasts.

As I reviewed the legislation which was under consideration in the House and Senate last year, I became increasingly concerned that insufficient attention was being paid to the revenue and expenditure problems I have just outlined. I felt that the failure to understand these problems had led to the development of proposals which would not have served the public interest well. They would also have distorted the congressional decisionmaking process and might have adversely and unreasonably affected programs like those handled by the Labor and Public Welfare Committee.

I determined that the rereferral of the bill to the Committee on Rules and Administration, on which I serve, provided an unusual opportunity to review these problems from a fresh perspective. Accordingly, I made the Research Director of the Committee on Labor and Public Welfare available to assist the Rules Committee in its review. I also wrote to the distinguished chairman of the Subcommittee on Standing Rules of the Senate (Mr. ROBERT C. BYRD) to express concern about five problem areas: First, the degree to which the bill might deny a majority of the Senate the opportunity to "work its will;" second, the creation of numerous blockage points in the legislative process; third, undue restrictions or burdens placed on authorizing committees; fourth, unrealistic time schedules; and fifth, possible enhancement of the veto power of the President.

I also enclosed a list of 26 specific questions which elaborated on these five principal areas of concern. I am very pleased to say that most of the problems which I mentioned have been dealt with very effectively in the revisions which the Rules Committee adopted. I have, therefore, concluded that the bill which is now before the Senate is realistic and workable.

The proposed Congressional Budget Act of 1974 preserves the right of the majority of the Senate to express its will. It adds a new and comprehensive congressional budget making framework to the existing decisionmaking processes, without sacrificing the rights, prerogatives and opportunities to participate of all committees and Members. It avoids features which would have unwisely enhanced the veto power of the President.

Mr. President, this bill will greatly strengthen the ability of the Congress to play an important role in economic and fiscal policy. It will insure that the Congress pays as much attention to determining the appropriate level of Federal receipts as it does to holding expenditures within any predetermined level. It will help to assure that the Congress priorities, as reflected in legislation and spending measures, are carried into effect. It will permit programs, for which the Committee on Labor and Public Welfare has jurisdiction, to compete on fair terms with all others in the budget. In short, it will make meaningful the "power of the purse," which the Constitution vests in the Congress.

Mr. HUDDLESTON. Mr. President, as a member of the Government Operations Committee and an original cosponsor of S. 1541, I am pleased to support the pending legislation, the Congressional Budget Act of 1974.

The existing congressional budgetary process is undoubtedly an inadequate process. It might, in fact, be compared to the hydra-headed monster, with various heads eating up dollars, uncoordinated with what the other heads are doing or with the total amount of dollars available. That situation simply cannot be allowed to persist. In a country with a Federal budget of some $300 billion a year and a gross national product of over $1.3 trillion, the legislative branch, which, under the Constitution, must act before any payment can be made from the U.S. Treasury, has to have a better way of conducting its budgeting business. Otherwise, we will not be able to carry out our responsibilities in the Government and to our people.

The most basic—and often forgotten—aspect of the budgetary process is that it is the spending of tax dollars, the use of moneys of the American people. The American citizen working hard for his weekly earnings, trying to get along in a period of inflation and rising costs, frustrated by the apparently endless demand for his tax dollars, and by Government's seeming efforts to spend its way to wealth when he, from experience, knows he cannot, deserves a better deal. More attention should be given to the spending of his tax dollar, to what it is to be spent for and to the economic implications of spending it.

In addition to being a decision to spend, the budgetary process is a decision to spend for a specific program or activity. With each expenditure made, the Congress decides that some activities are more important than others. As Prof. Aaron Wildavsky has noted:

> The budget is the lifeblood of the Government, the financial reflection of what the Government intends to do. A theory that contains criteria for determining what ought to be in the budget is nothing less than a theory stating what the Government ought to do.

Yet, under existing circumstances, the Congress never reviews the budget in a comprehensive manner. Instead, it considers defense spending in one bill, health and education expenditures in another, foreign aid in another and so on. Budgetmaking is, in effect, fragmented and piecemeal.

Finally, the budgetary process, while being a decision to spend and to spend for certain items, is also an economic decision. For fiscal 1975, the President has proposed a budget of more than $304 billion. This will mean increased demand for certain goods and services. It will have an effect on the amount of money in circulation. Implicit in its adoption will be a determination as to whether the United States will have a surplus or deficit year.

Yet, again under existing conditions, the economic and fiscal impact of Federal spending on the economy is not considered in a comprehensive manner. Anticipated revenues are not measured closely against planned expenditures. Often we do not even know how much will be spent in a fiscal year, as appropriations bills and supplementals are passed after the fiscal year has begun. In fact, not in the almost 30 years since the end of World War II has the Congress completed action on appropriations bills prior to the beginning of the upcoming fiscal year.

Furthermore, the problems have been compounded by the fact that even the passage of appropriations bills—the spending activity which receives the most attention each year—does not cover the entire spending picture. It has, in fact, been estimated that as much as three-fourths of most recent budgets have been comprised of so-called noncontrollable items, which are not subject to the appropriations process. This "backdoor spending" may result from direct loans made available from the U.S. Government, contract authority, permanent appropriations—interest on the national debt, social security, for example—mandatory spending—public assistance, veterans benefits and black lung benefits, which are paid according to a formula. Today, these funds are either made available without the approval of the Appropriations Committee or that committee has no control over them. In a number of these cases, there is no alternative. A social security recipient should not, for example, be held hostage to congressional action in order to receive his monthly benefits. At the same time, however, it is extremely important that the impact of these expenditures on the overall economic and fiscal picture be identified and understood.

The legislation before us represents an attempt to meet these many problems. It is a move by Congress to put its financial house in order. It is an effort to look at the entire economic picture—what money is available or could be available, how much should be spent, for what purposes it should be spent. It represents an effort to bring good management and budgeting procedures—procedures which any good company and any alert American family already uses—to the legislative budgetary process.

Specifically, the bill would create special Committees on the Budget in both Houses of Congress, whose responsibility would be to review anticipated revenues for a year, the expenditures proposed by the President in his budget, the needs identified by the various committees of Congress, the general economic and fiscal conditions in the Nation. These committees would then recommend to the Congress as a whole guidelines as to what expenditures, tax measures and debt ceiling should be in effect for the upcoming year. In order words, new committees will be established to undertake the comprehensive evaluation of economic realities and the budgeting process, which has heretofore been lacking.

To assist these new committees, other committees of Congress and individual members, the legislation provides for creation of a Congressional Office of the Budget. Determining what the Federal budget should be in a $1.39 trillion economy is no small matter. It involves thousands of programs, economic theory, fiscal, and monetary policy and the standard of living which each of us will enjoy every day of our lives. The executive branch is armed with 700-plus employees in the Office of Management and Budget in addition to the budgetary officers in the various departments and agencies. To date, the Congress has simply not had the manpower to compete with the executive in the budgeting process and has had to rely to a great extent upon the executive figures, without its own analysis and evaluation of spending policy. The proposed Congressional Office of the Budget is designed to assist Congress in its budgetary functions and place it on a competitive footing with the executive branch.

As we all know, however, no budget is worth its salt unless one adheres to it. And, in order for one to adhere to it, there must be a certain amount of discipline and scorekeeping. While I supported, in the Government Operations Committee, stricter provisions to assist Congress in disciplining itself than are contained in the Rules Committee version, I appreciate the concerns which the latter committee expressed over the need for a budgetary process which fits into the well-established congressional traditions and methods of operation. We must remember that budget reform was tried in the past and failed, and it is possible that a more rigid system of adherence requirements than contained in the pending bill would have caused the proposed system to break down. I am not fully convinced, but I hope that the looser requirements contained in this bill will accomplish the desired goals and not prove to be simple trimmings on the system we already have.

Under the bill as reported, the budget committee will report an initial budget resolution recommending targets or guidelines for spending, appropriate levels of tax revenues and debt, as well as whether there should be a surplus or deficit. Spending targets would be set for 14 functional spending categories. Thus, Congress would take a look at the overall budget and fiscal situation and attempt to determine priorities among general categories—such as defense, health, and so forth—before considering any actual spending measures.

After doing this, appropriations measures would be considered in their traditional manner. Each reported spending bill would, however, have to contain a comparison of expenditures proposed with the relevant parts of the budget resolution and a projection of the outlays which would result from passage of the bill in each of the upcoming 5 years. It is intended that all appropriations bills be cleared by early August, a move designed to insure that all spending measures are approved before the beginning of the fiscal year, which under the bill is moved to October 1.

After passage of the appropriations bills, the Budget Committee would review all the spending measures and report a second budget resolution which would reaffirm or revise the first resolution, and specify the amounts by which spending, revenues and the debt should be changed. After that, there would be a reconciliation bill containing provisions to implement the revisions. Congress could not adjourn until the reconciliation process was completed—certainly an incentive to act.

As a control on backdoor spending, all new contract and borrowing authority, after being approved by the legislative committees recommending it, would have to be further approved by the Appropriations Committee in an appropriations bill and any bill providing for mandatory entitlements would have to be referred to the Appropriations Committee which would have the right to modify the budget authority—but not the legislative aspects—provided therein. This should place new emphasis and new control on backdoor spending.

At a recent hearing of the Permanent Investigations Subcommittee, on which I serve, mayors from a number of cities were asked which of the three following problems was of most concern to their people: Inflation, energy, or Watergate. Inflation was the easy winner.

The economic situation in our Nation hits each of us squarely each day. We here in Congress know that from from our own experiences. We know that from the many letters we receive from constituents who find it difficult to meet the growing costs of such basic items as food and heat.

When a 4- or 5-member family in the United States finds it difficult to live on $10,000 a year, something is wrong. When a 4- or 5-member family tries to live on less and their situation becomes one of striving just to get by, something is wrong.

It is beyond time for change. Our economic house must be put in order; and, since charity begins at home, Federal spending is a good place to start.

Congress cannot live in a glass house of inadequate information and analysis and fragmented budgetmaking. Nor should we want to. The use of public funds—of the taxes raised from the people of this country—is a special responsibility, one which should not be taken lightly.

Hopefully, with this legislation we are building the foundation of a process which will lead to ever-detailed consideration and understanding of the Federal budgeting process and the important part it plays in the overall fiscal and economic condition of this Nation.

Mr. PELL. Mr. President, I am pleased to give my strong support to the principles contained in S. 1541, the Congressional Budget Act of 1974.

This legislation has recently received most careful, detailed and thoughtful consideration by the Committee on Rules and Administration, on which I have the privilege of serving as ranking majority member.

Particular appreciation should be extended to the committee chairman, the able and distinguished Senator from Nevada (Mr. CANNON), and particularly to the chairman on Standing Rules of the Senate, the Senator from West Virginia (Mr. ROBERT C. BYRD), whose diligence, patience and wisdom contributed immensely to the bill's development. I would also like to give special commendation to the 45 staff members who cooperated in providing expert assistance from the ten standing committees of the Senate, and to William McWhorter Cochrane, Staff Director of the Rules Committee, whose leadership so helped coordinate the excellent staff work accomplished.

Mr. President, this legislation represents a major and historic accomplishment. It reflects concerns many of us have shared. I know it reflects my own deep concerns for fiscal responsibility.

*In the previous* Congress I voted for a ceiling on Federal spending and I expressed my convictions that the Congress, not this administration nor indeed any other, should determine the basis for our national priorities.

Congress represents the will of our people much more directly than the executive branch. In the past, however, because of the immense complexities of the budgeting process, Congress has increasingly acquiesced to a system of budget preparation in which the executive branch had a dominant role. Now by passage of this bill we have the opportunity of reversing that trend and of reasserting congressional responsibility.

That is the fundamental concept of S. 1541, whose principles I so endorse.

I believe this legislation can accomplish the following:

First. It can help us establish a ceiling on Federal expenditures, one which is realistic and based on ample new sources of information.

Second. It can help us establish fiscal policies to meet the particular needs, requirements, and conditions of each year ahead of us. Again, we will have sources of information we have lacked in the past, and we can respond more rapidly, more wisely, more responsibly to forestall emergencies and eliminate wasteful spending.

Mr. President. I believe this legislation is in the best interests of all our citizens, and I urge its passage.

Mr. COOK. Mr. President, there is a crisis in Government today. It is a crisis of institutions, and no one is immune from the implications which it has for the future. As a Member of Congress, I have certainly felt the effects of the crisis in Government. Only a couple of weeks ago, a national poll revealed that the U.S. Congress was held in lower esteem than was the President. An incredibly small 21 percent of the people believe that Congress is doing a good job. I must say that this came as quite a shock to many of my colleagues who had been getting great pleasure from gloating over the unpopularity of the President. I do not suggest that we are running an unpopularity contest with the Executive. But I do suggest that it is time we got our own House in order.

I suggest to my colleagues that if we are to meet our constitutional responsibilities particularly as they concern the handling of the people's money we must place some kind of restraint on the executive bureaucracy. Because tax burdens have become so very substantial, we are passing the point when we can simply add program-to-program in an ever-ending, escalating spiral of Government costs. The people are tired of being taxed so heavily. The resistance to taxation has become stronger and stronger. Certainly one-third of our national output is more than enough for the tax collection.

It seems that Congress has been satisfied to hold meaningless oversight hearings where we routinely listen to the heads of various agencies and departments, ruffle a few feathers, and sit around until another year to repeat the process. In all fairness, this oversight function has become a sham, not because Congress does not wish to keep track of what is happening, but because it is physically impossible to do so—we have neither the information nor the organization to do otherwise. As we begin debate on the Congressional Budget Act of 1974 (S. 1541), a bill designed to establish a procedure within the Congress to relate all spending decisions to each other and to revenues, I believe that we are taking a step which history may well record as the most important of this Congress. The bill is designed to equip the Congress with the capability for determining Federal budget policy and priorities. It then requires the Congress to determine: The funds which are needed to finance Federal programs; the funds available; the division of these funds among these programs; and just what amount of surplus or deficit funding would be consistent with sound economic policy. As we all know, the Congress is not now organized to meet these demands.

While the bill will be managed on the floor by the Government Operations Committee, I was very pleased to participate in the drafting role played by the Rules Committee in bringing this present revision to the floor today. If, by our actions here, we establish the procedures that give the people of this Nation the economic and efficient government they have every right to expect, then we can, indeed, take pride in our action.

One final and very important point. Congress must conduct more and more of its business in the public spotlight. What truly frightens me about the way we function is that it occurs by and large in secret. The public does not understand what does go on in this budgeting process, and because they are shut out, there is no way to feel that they are a part of what is happening. How can we pretend to represent the American people in the formulation of laws that affect them when we conduct our business behind closed doors? I think that we must trust the American people before we ask them to have confidence in us. As long as we legislate in the darkness, as long as we contrive to focus on today's crisis, and not tomorrow's needs, we will not deserve the trust and confidence of the public.

The bill which was originally submitted to the Senate by the Government Operations Committee contained a corrective provision. It has been deleted. I intend to lend my support to the efforts which will be made to reinstate this provision, and I urge my colleagues to join me in this effort.

So I look at budget reform from the perspective of the family's pocketbook. Would any family be able to survive had it used the spending techniques of the Congress? Very likely any family—or business—or university—would long since have gone bankrupt. In a sense, our Federal Government has been going bankrupt—year by year—through extravagant deficit financing. Budget reform offers the promise that we can reorganize our spending and taxing decisions in order to curb rampant deficits and bring inflation under control. A vote for this bill is a vote for the small man in America who needs to get big government off his back and out of his pocket, who wants and needs to respect the institutions of this Government. I support this bill wholeheartedly.

Mr. ERVIN. Mr. President, if no one wishes to speak at this time, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CURTIS). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CURTIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PERCY). Without objection, it is so ordered.

## REGARDING PUBLIC UTTERANCES URGING THE PRESIDENT TO RESIGN

Mr. CURTIS. Mr. President, I am sure there are many citizens throughout the United States who are very much concerned and disturbed by the talk of the resignation of the President of the United States.

I question no one's motives. I question no one's right to take any position he chooses to take. I believe that if someone felt the President should have certain advice, it should be delivered to the President. I believe that public utterances urging the resignation of the President although not intended necessarily as such, in reality tend to force a President of the United States to resign.

Mr. President, I am speaking today for what I consider the welfare of the country. Should President Nixon resign, he probably would find life a great deal easier, with fewer problems, fewer burdens, and fewer accusations.

We must view this on the basis of what does it do to our country?

The President of the United States has not been found guilty of the commission of any crime.

If a President is forced to resign because he is in disfavor, a disfavor created by a hostile press—not all the press—but there is no doubt about the existence of a hostile press which systematically day after day and day after day has filled the minds of the American people, conditioning them for a forced resignation, or impeachment and conviction.

If we permit that to happen, then it will happen to the next President of the United States. If one President can be forced out because he is in disfavor, or because his policies are disagreed with, then it will happen to the next President.

When that takes place, the United States will have gone the way of many other countries. It will have gone the way of Argentina which has had five inaugurations in 4 years.

That is what is at stake.

Oh, it is not the welfare of President Nixon. It is not his place in history which is involved here.

It is the stability of the Government of the United States.

Just as surely as they drive this man out of office, there will be fewer men of character, stability, and vision who will offer themselves for the Presidency because they know that if it happens once, it will happen again. That is not good for our country.

Mr. President, let us look around the world. England has a minority government and no one knows exactly who is in charge. The same thing is true of Israel. France and Germany are having their troubles.

Here, in this country, if we force the resignation of the President of the United States, we will join the procession of second-rate nations. We will have established a precedent that will be repeated and those people who hate a President, whoever he may happen to be, will continue to present their propaganda to the country.

Now, Mr. President, I am not going to try to defend the President of the United States on every issue at this hour of the night; but I can tell you something, Mr. President, about the tax investigation, that what has happened in the past 10 days is a shameful page in the history of our country.

I happen to be a member of the Joint Committee on Internal Revenue. Do you know, Mr. President, how many meetings we have had?

We have had just one.

At that meeting we received a letter from the President of the United States which said that he wanted his tax problems gone over and if he owed more tax, then he would pay it.

The committee assigned the job of collecting the facts and the law to the staff. That is where it stands today. The staff has not completed its work. It is hoping for a statement of facts which will be agreed upon and will not be in dispute.

I can speak with some authority on that. I have kept in touch with the staff as to when it would complete its work because I wanted to take a look at the statement of facts presented.

Last week I made specific inquiry, "Are you through with your work of collecting what the facts are?"

I was told that it would take at least another week.

Yet, last week, in the press—a week ago this last weekend—the President of the United States was tried and convicted.

There is no one who can doubt there was no single witness sworn. There was not one word of cross examination. There was no chance for the accused to tell his side of the story.

Yet, trial by the press convicted him.

In traveling through the city of Chicago a week ago Sunday, I was shocked to pick up a daily newspaper—I hold it in my hand—the headline clear across the page reads: "Nixon Tax 'Worst' Scandal."

Then, an individual who should know better, says he called for his resignation.

The first thing I did on Monday morning when I got to my office was to call the chief of the staff of the Joint Committee on Internal Revenue and I said to him, "Is your statement of facts completed?"

He said, "No." He said, "There was one statement but we worked it over and it is not completed. There were inaccuracies in it. The White House is submitting some more information and we will have to have it later."

Now, Mr. President, what kind of business is that? What kind of business is it that a verdict comes in before the facts do?

It is bad enough to be guilty of attempting to destroy a man without any sworn testimony, without the right to cross-examine, without a right to study your side of the case. But in this case, those sadistic forces that want him destroyed do not even wait for the statement of facts that they supposedly would rely upon themselves.

Mr. President, it is very likely that when the statement of facts is completed and agreed upon by both sides, some of the finest and best and most conscientious and objective tax lawyers in the country will disagree about it. The facts may well lead to a disagreement as to what the proper answer is.

I am not here to argue that everything that has been done has been wise or good public policy. At a later date, I am going to have something to say about the whole history of the gift of papers and documents of Presidents in the last few decades. I am going to have something to say about the amount of money involved. I am going to have something to say about Congress stopping it in the act of 1969, and the effective date when it was stopped was in the middle of the summer.

I do not expect to appeal to the press and to change the minds of people that way. As a matter of fact, my office received a call today in which the caller said, "If the Senator agrees with the resignation proposal, let us know. Otherwise, don't call us." My staff did not initiate such a telephone conversation. It was initiated by the press.

If you have something hostile to say about the President of the United States, your face will be all over the country, not once, but day after day and day after day. If someone has something to say in defense of the President, it is another story.

Do not take me wrong. I respect and admire a great portion of the press. I was elected to the House of Representatives eight times. I have been elected four times to the Senate. If they had treated me very badly, I would not be here.

I have great respect for their integrity, their competence, their patriotism, their honesty, and their objectivity—for a great portion of the press. I regret that I have no such idea about the whole crowd.

Mr. President, I submit that trial by press has no place in the American system of things. I submit that no one should be tried by the press or any place else and found guilty, without one word of testimony under oath, without the cross-examination of witnesses, and without the accused person having an opportunity to get his story out. It is not fair. Some day there will be a calmer hour when these small people who thrive on destroying others to advance themselves are dead and gone. The history will be written, and the American system of fair play will still exist; and those who adhere to it will be honored, when those who have ignored fair play and the American system of trying people are long forgotten.

I yield the floor.

Mr. PERCY. Mr. President, I should like to comment briefly on the statement made by Senator BUCKLEY today. This statement, I know—all of us who know Senator BUCKLEY know the great thought he puts into any major decision he makes. Therefore, I know that this statement came very reluctantly to him. In the text of his statement he points out that he has struggled to sort out the deeper implications of this affair called Watergate; he has given long and painful study to the conclusions he has reached; and he has been motivated by what he considered to be his duty to his country, to his constituents, and to his beliefs. As a result of this process, he was able to state the conclusions he reached as clearly and concisely as possible.

He mentioned the great feeling of sorrow he had in so doing, the reluctance with which he actually spoke out.

He also mentioned very clearly, as Senator CURTIS has done, that there are those both in and out of the media who, regretfully, have been exploiting the Watergate affair in what Senator BUCKLEY termed a reckless manner. But he also spoke of the deep feeling about the crisis of the country, the crisis of the party with which many of us are affiliated, and then stated clearly and concisely, as he always does, without equivocation, the conclusions he had arrived at. It is interesting that the conclusions that he, as an avowed conservative, arrived at so parallel those that the Senator from Massachusetts (Mr. BROOKE) had arrived at some time ago.

As I have talked with constituents of mine throughout Illinois, in every corner of the State, I have detected no ideological orientation when it comes to the feelings of outrage and sorrow, remorse and deep concern about the state of the country because of the trauma of Watergate.

We address this question, as Americans, from the standpoint of wanting to know what underlies this problem, so that we can better understand the nature of it, and then to try to determine what our responsibility is.

Senator BUCKLEY's statement today, calling for the President's resignation, obviously is going to make the situation more perilous for the President; because Senator BUCKLEY speaks as a respected Member of the U.S. Senate, he speaks as a Republican, and he speaks as an avowed conservative who has articulated as well as anyone the principles in which he believes so deeply.

Each of us is called upon to state where we stand on this matter. After reading very carefully the statement made by Senator BUCKLEY, I have concluded that my own position remains unchanged. Resignation is a personal decision which only Richard Nixon, him*self, can* make; and anything I might say would not be likely to influence his judgment. I have stated that any time the President of the United States or any member of his staff would want to know privately my opinion or would want to have my recommendation or observation I would always be honored to give it to them.

But in this case the President has stated that he does not choose to resign and we have no choice, but to continue with the constitutionally authorized impeachment procedures.

The distinguished Senator from Nebraska has made mention of the hostility of the media and of the press. I presume that this is a statement that could be made and probably has been made ever since the Founding Fathers of the Republic about the way the press has treated just about every President of the United States that has ever held office. Yet, the press need not apologize, because by the very nature of their unique role under our form of government, the fourth estate must take what I hope will always be an attitude of constructive criticism. And, they must always probe and dig. To his credit, the President himself has paid tribute to certain members of the press and media through whose persistence and determination more of the truth and more of the facts of Watergate have been brought to the attention of the American people.

Certainly, as Senator BUCKLEY has said, he has been searching for the deeper meaning of Watergate. Certainly, the Senate of the United States in its overwhelming vote to undertake a thorough and objective investigation of this matter, did so in a bipartisan way by a vote on the floor of the Senate. We felt that was our duty; it was our obligation. It was not a responsibility that anyone I know of really sought. It was at first accepted only with deep reluctance and deep concern. But each of us in the Senate looked upon it as the constitutional responsibility of anyone who has sworn to uphold the Constitution, to thoroughly investigate to see whether any member holding public office or any officer of the U.S. Government has done anything to subvert the Constitution, and if so what legislative remedies might be appropriate.

I say that because if the Constitution is subverted in any way then the rights, responsibilities, duties, and principles by which we all live are diminished.

Also, of course, the House of Representatives by overwhelming vote—I believe with only four negative votes—has given their Judiciary Committee subpena power so that the House may carry out its constitutional duties to determine whether a bill of impeachment should be voted by the House. The President himself has expressed the hope that this would be carried forward expeditiously and speedily, consistent with fairness, prudence, and the careful thought that such a momentous action requires.

This is the choice we are faced with now. I personally believe the process as it moves forward is a process the Nation will be able to take. We drew our impeachment procedures outlined in the Constitution from English law. Great Britain had to go through many traumatic impeachment proceedings; yet somehow the nation and the people were able to survive.

This Nation consists of the most highly educated, best informed electorate the world has ever known. As we gain in our understanding of the meaning of the impeachment process, I think that the feeling of the country which is being expressed is not one of hysteria, it is one of sadness, and one of considerable thought. Many of the same thought processes that Senator BUCKLEY so eloquently expressed today have been expressed privately by citizens who are trying to think it through themselves.

I think we have the strength and the resilience to go through this process and there certainly seems to be agreement in both branches of Government that we must, because the only alternative is resignation. I happen to think as we go through this process we are going to get a greater understanding of the wisdom of our Founding Fathers and a greater understanding of what the separation of power means to this country.

I have had any number of people say, "Thank God for the fact we have the separation of powers; not one branch, not one individual, not one group of men." Many of them, as the distinguished Senator from Nebraska well knows, had immense power in their hands, they were never elected to a single office and they were not accountable to a single individual in the electorate; only accountable to one person. Certainly there must be some checks on the excesses and abuses of that power. The judicial branch and the legislative branch of Government have provided those checks.

As we understand the nature of this form of government that has been so wisely designed, that process alone is going to be an extraordinarily valuable process. Certainly, as we understand better what happened in this phenomenon of Watergate we are going to understand better our responsibility as legislators to never again permit such a thing to happen. The President himself has called this a "sordid affair" and he has said we must get it behind us and learn from this example what must be done. The President himself has proposed an election reform bill, many parts of which I *can con*cur with and certain parts of which I disagree with strongly. But it happens that both the legislative branch and the executive branch are together on the fact that we do need legislation to check some of the abuses that have crept into our system. We can reaffirm our faith that the principles on which our Government is based, particularly the need for a strong legislature and judiciary as a check on the executive branch of Government, can be advantageous, and we can gain from this tragic situation we now face.

The pressure now becomes still greater for the President to cooperate fully with the various investigatory bodies, for time is running out. In the minds of many, obviously, it already is too late.

The Senator from Illinois would reiterate on the floor of the Senate what I reiterated in Illinois this weekend, that the process still can be reversed. There is still time for full, total, and complete cooperation to come from the executive branch of Government. Senator GOLDWATER indicated months ago that the leadership can be taken back and the initiative can be taken back by the White House by voluntarily putting forward this information so reasonable men would see it. This is necessary to determine the innocence or guilt of any of the parties in this case, yet it does not deny the courts, the Special Prosecutor, or the House of Representatives evidence. And this is not presented as a request for a fishing expedition, or the requests of dozens of people to paw through White House files, but rather for specific tapes and memoranda specified as to nature, demonstrated to be germane. The barrier standing in the way of delivery of such evidence will only continue to block the path on which we have been going.

We all face this matter with the prayerful hope that we shall be led to do the right thing, and then we will have an obligation to express what we feel is right.

No one has been more staunch in his friendship and support of the administration than the Senator from Nebraska, but he has found in his conscience, his judgment, and his heart the necessity of differing on some occasions, and he has forthrightly presented his viewpoint.

In this case, though I disagree with some of the things which my distinguished colleague from New York has said in his statement, I do feel, and I know, that he has said it only after the most prayerful thought and recognition of the deepest implications of what he has had to say. In effect, he is sending a message, and sending it in the most effective, forceful way he can, and the message is almost universal—full, detailed, and complete cooperation now between the White House, the executive branch of the Government, and the judiciary branch is the only way to ward off the confrontation—you might say the collision course—we are now on.

Mr. HELMS. Mr. President, I would be the last to question Senator BUCKLEY's good faith in his assessment of what the

President should do. But I feel obliged to suggest that there is one inescapable question that every American should ask himself before joining in a demand or a suggestion that the President resign.

That question is: What if the President is innocent? If the President is guilty, then I agree with Senator BUCKLEY that Mr. Nixon should resign. But if Mr. Nixon is innocent, as he claims to be, I feel it would be destructive to the long-range best interests of the country for him to yield to the rising clamor.

Without criticizing anyone holding a differing view, for myself I see this matter as a question of whether this Nation is to be reduced to surrendering to provoked emotions. Ironically, we find ourselves at a point in history when it is not popular to cling to the principle that the President of the United States, like every other citizen, is entitled to due process and a presumption of innocence until proved guilty. But it is a principle very dear to me, and as a matter of conscience, I cannot depart from it. Pontius Pilate, in a far more significant instance, washed his hands of responsibility, and that error will forever haunt his name.

My differences with President Nixon, both prior to and since my becoming a U.S. Senator, are a matter of record. In all candor, I have regretted his failures to uphold the principles of conservatism. But I honestly feel that conservatives will make a serious error if they advocate that a President, if he is truly innocent, resign to appease a hostile press, or even a majority of his countrymen.

So that I will not be misunderstood, Mr. President, let me reiterate: If the President is guilty, he should resign. On the other hand, if he honestly feels that he is innocent, he should stand his ground. All the rest of us, meanwhile, should accord him due process, and the presumption of innocence until proved guilty. Otherwise, we cannot hereafter plead that we were faithful to principles which are the bedrock of this Nation's stability and survival.

## APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. HUDDLESTON). The Chair, on behalf of the Vice President, pursuant to 10 United State Code 4355(a), announces the appointment of the following Senators to the Board of Visitors to the U.S. Military Academy: the Senator from Wyoming (Mr. MCGEE), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Alaska ( Mr. STEVENS).

The Chair, on behalf of the Vice President, in accordance with 10 United States Code 6968(a), appoints the following Senators to the Board of Visitors to the U.S. Naval Academy: the Senator from Nevada (Mr. BIBLE), the Senator from Nevada (Mr. CANNON), the Senator from Hawaii (Mr. FONG), and the Senator from Maryland (Mr. MATHIAS).

The Chair, on behalf of the Vice President, in accordance with 10 United States Code 9355(a), appoints the following Senators to the Board of Visitors to the U.S. Air Force Academy: the Senator from Rhode Island (Mr. PASTORE), the Senator from Colorado (Mr. HASKELL), the Senator from Colorado (Mr. DOMINICK), and the Senator from Oklahoma (Mr. BELLMON).

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

Mr. ROBERT C. BYRD and Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROBERT C. BYRD. How long does the Senator wish me to yield?

Mr. CRANSTON. About 10 minutes.

Mr. ROBERT C. BYRD. Mr. President, I yield to the Senator that he may speak first. I wish to address myself to the pending budget reform bill.

Mr. CRANSTON. Mr. President, probably no action by this Congress will have greater or more far-reaching consequences for the American people and our Nation's economy than the reform of our legislative budget process.

The need is great.

The Government appears to have lost control of spending.

Middle-income families, wage earners, businessmen, the poor, the elderly, are all the helpless victims of inflation due in large part to past Government spending for cold and hot wars and fueling the arms race. The congressional practice of piecemeal budgeting, appropriating funds for this program and then that, in response first to this demand and then that, without prudent regard for the availability of adequate revenues, is heading us toward fiscal crisis. The taxpayers of this Nation will not tolerate this situation any longer.

The establishment of a congressional budget process is an idea whose time should have come many years ago. In 1921, Congress created an executive budget process, gave the President a Budget Bureau to manage the Federal bureaucracy, and equipped him with great power over the preparation of the budget and the financial operations of the Federal Government.

That was more than 50 years ago. In the intervening half century, Congress has done little to bolster its own budget capability. Half-hearted measures were taken in the Legislative Reorganization Act of 1946, but the business of budget control requires the full commitment of the resources of the legislative branch.

S. 1541—the Congressional Budget Act of 1974—is a giant step toward the restoration to Congress of the constitutional power of the purse which it was assigned by the Founding Fathers almost 200 years ago.

This step comes at a time when public confidence in the institutions of American Government is at an all-time low. It comes at a time when the economy is suffering both rampant inflation and rising unemployment. It comes at a time when the Federal budget shows still another cost escalation and still another deficit. It follows a year in which the President challenged Congress on basic issues of constitutional authority and impounded funds in violation of the spirit and letter of the law.

The establishment of a congressional budget process thus comes at a time when bold remedies are needed for the ills of America. Budget reform by itself can play an important role in upgrading the capability of Congress to respond to modern problems and conditions in an informed and responsible way. By creating a congressional budget process—one in which Congress becomes directly involved in determining national economic policy and national priorities—S. 1541 promises to give Congress the means and instruments for restoring fiscal integrity to American Government.

In budget reform, the remedy must fit the problem. It is not enough to be in favor of reform, but the reforms must be workable and fair. I have been active in the effort to reform the budget, working particularly close to this effort, at varying times, with Senators PERCY, ROTH, and HARRY F. BYRD, JR., each able advocates of fiscal responsibility. S. 1541 is the product of an extraordinary effort involving many Members and committees of the Senate to insure a balanced, pragmatic approach. The legislation first was considered almost a year ago in the Subcommittee on Budgeting, Management, and Expenditures under the able chairmanship of Senator LEE METCALF of Montana. It was given extensive review by the full Government Operations Committee under the able leadership of Senator SAM ERVIN, and reported to the Senate in November 1973. Because of its impact on the rules and procedures of the Senate, S. 1541 then was referred to the Committee on Rules and Administration for its consideration. That committee guided by its able chairman, Senator HOWARD CANNON, determined that further revisions would be desirable, and under the creative leadership of the majority whip of the Senate—Senator ROBERT C. BYRD—a special task force was convened to develop a consistent and workable set of reforms. Staff representatives from many committees participated in the work of the task force, so that in the form that it is now before the Senate, S. 1541 represents a convergence of viewpoints.

I have indicated that budget improvement must be tailored to fit the particular problems that face the Senate. In this regard, S. 1541 succeeds remarkably well. It is not a wish list of "good ideas" but a careful response to the various disabilities of the existing budget process.

One problem is that Congress not only lacks staff and information of its own but that it is dependent upon the executive branch—the President and his budget agents—for much of the information it gets. A dependent branch cannot be a coequal branch. A legislature which does not possess the fiscal resources of its own cannot fulfill its vital role as the guardian of the Treasury. A very first step in budget reform, therefore, must be the formation of a congressional office of the budget with broad power to obtain information and to assist all committees and Senators in their year-round budget responsibilities. For this purpose, a committee staff—however, indispensable it may be—is not an adequate substitute.

Congress must not be turned into an executive committee, in which a small group of Members hold a monopoly on budget information and intelligence. Under S. 1541 every Member is called upon to make budget decisions, and if these decisions are to be based upon timely and accurate information, the new congressional budget office must be available to all. I strongly support the creation of a congressional office of the budget as provided in S. 1541, and I hope that this Chamber will not dilute the cause of budget improvement by settling for less than a full staff.

A second step must be the formation of new budget committees in the Senate and House. Despite their consistently responsible approach to Federal spending, the Appropriations Committees cannot properly consider all facets of the budget. They cannot give adequate attention to the impact of the budget on the economy, to the appropriate level of surplus or deficit in the budget, or to the debt of the United States. For these reasons, a committee which can relate revenues to expenditures needs to be established. But the new Budget Committee will not infringe on the work and jurisdiction of either the Senate Finance or the Appropriations Committee. It will deal with overall fiscal policy and with broad national priorities, not with particular spending or tax issues.

A third feature of budget reform—and one which is central to S. 1541—is the creation of a flexible and comprehensive congressional budget process. As designed in S. 1541, the process will enable Congress to consider basic economic and policy matters before it proceeds to individual appropriation measures. It will provide for adoption by June 1 of each year of a concurrent resolution on the budget which sets appropriate levels for total revenues, expenditures, and debt and allocates the spending among major functional categories. The congressional budget would guide but not limit congressional action on the various appropriation bills. Following enactment of all appropriations, Congress would adopt a second budget resolution that fixes spending limits for the next fiscal year.

This congressional budget process would operate within a revised October 1 through September 30 fiscal calendar. The main purposes of an October 1 fiscal start is to give Congress ample time for its enlarged budget responsibilities and to put an end to the use of continuing resolutions which have become a way of life in Congress. I believe that the new budget timetable is realistic and will enable Congress to complete all its budget work before the start of the fiscal year.

Another feature of the legislation is to amend the Antideficiency Act so as to clarify its intent and prevent the use of budgetary reserves to impound appropriated funds. The approach embodied in S. 1541 differs in some ways from the legislation passed by the Senate last year. It seeks to firmly guard against improper impoundments, but it also strives to avoid a confrontation with the President or to cripple his ability to prudently manage the Federal Government.

S. 1541 has many provisions to expand the information available to Congress, to encourage the review and evaluation of programs, and to provide long-range data on the future impact of the budget. It is a comprehensive package of legislation and I urge this body to give its wholehearted approval.

The basic principles of S. 1541 must be enacted by Congress.

Amendments will be offered, and I expect to support some of them. But I hope that whatever actions we take during the Senate's consideration of S. 1541 will not weaken the bill's basic provision of a congressional budgetary process that links overall spending to overall income under a sensible annual ceiling.

Mr. PERCY. Mr. President, may I ask the distinguished acting majority leader and the floor manager of the bill whether they have in mind any suggestions so that we may expedite the process of considering amendments. Would it be our objective to try to finish the bill by Thursday night?

Mr. ROBERT C. BYRD. Mr. President, I think it would be best that we not set any target date on tomorrow for completion of the pending bill.

Presumably we could complete action on this bill this week, perhaps by Thursday. However, I do not believe that we should attempt at this point to set a target date. If the measure is of such far-reaching significance, I would not want to even see a time agreement developed on this bill tomorrow, and not before Thursday.

Mr. PERCY. Mr. President, it would be the hope of the leadership to finish the pending bill this week?

Mr. ROBERT C. BYRD. By Thursday or Friday.

Mr. PERCY. I would fully concur that there be no desire at all to rush this legislation through. Our full consideration of the pending bill would indicate that we want everyone to understand the bill.

Again, I repeat an invitation to every Member of the Senate. At 11:45 a.m., I will have a slide presentation which will enable each Senator to have the background for what went into the many features of the bill. I will be able in an informal session to answer as many questions as possible. I will be very happy to be joined by both the members of the Committee on Government Operations by the members of the Committee on Rules and Administration.

If we aim to finish the legislation this week, that will be fine. If necessary, I think we should take all the time required, because the more we understand the bill, the better will be able to implement it to the spirit and the letter of the law.

Mr. ROBERT C. BYRD. Mr. President, I think that every Senator should have a reasonable time frame within which to understand the bill and offer amendments thereto.

I suppose that the distinguished chairman of the Government Operations Committee would agree that we might probably assume that the Senate will complete action certainly by the close of business Friday.

Mr. ERVIN. I believe that we can complete action by Thursday. So far as I know, most of the Members who have amendments to offer are in favor of the bill as a whole. And their amendments will be directed at narrow, specific points.

For that reason, I think that the bill can be handled with more than the usual dispatch.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator.

Mr. PERCY. Mr. President, would it be possible to think in terms of coming in somewhat earlier on Thursday morning?

Mr. ROBERT C. BYRD. Perhaps by Thursday, yes. I thought that it would be better if we not come in before noon on tomorrow. We shall see how much progress we make on tomorrow. If need be, on Thursday the Senate can convene earlier than the hour of noon.

## PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at the hour of 12 o'clock tomorrow. After the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Kentucky (Mr. Cook) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements limited therein to 5 minutes each; at the conclusion of which the Senate will resume the consideration of the unfinished business, S. 1541.

I would presume that most of the opening statements have been made today. I should say, in that regard, that it is not often in recent years that an entire day has been consumed by opening statements. As a usual thing, even on the most important and controversial bills in recent times, amendments have been offered thereto as a general rule on the first day and action has ensued thereon.

I think it is good that some of the opening statements have been made on this bill, because of its importance; and if further opening statements are to be made tomorrow, it would be perfectly appropriate to hear them. However, I would assume that some Senators will be ready to offer amendments on tomorrow. If so, yea-and-nay votes will occur thereon.

## ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 noon on tomorrow.

The motion was agreed to; and at 5:48 p.m. the Senate adjourned until tomorrow, Wednesday, March 20, 1974, at 12 o'clock noon.

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## NOMINATIONS

Executive nominations received by the Senate on March 19, 1974:

### Board for International Broadcasting

The following-named persons to be Members of the Board for International Broadcasting for terms of 3 years:

David M. Abshire, of Virginia.

John P. Roche, of Massachusetts.

The following-named persons to be Members of the Board for International Broadcasting for terms of 2 years:

Thomas H. Quinn, of Rhode Island.

Abbott M. Washburn of the District of Columbia.

### Department of the Treasury

David Robert Macdonald, of Illinois, to be an Assistant Secretary of the Treasury, vice Edward L. Morgan, resigned.

### The Judiciary

Joseph W. Morris, of Oklahoma, to be U.S. district judge for the eastern district of Oklahoma, vice Edwin Langley, deceased.

### Department of Justice

William S. Schloth, of Georgia to be U.S. attorney for the middle district of Georgia for the term of 4 years. (Reappointment.)

### Federal Communications Commission

Luther Holcomb, of Texas, to be a Member of the Federal Communications Commission for the unexpired term of seven years from July 1, 1968, vice H. Rex Lee, resigned.

### Farm Credit Administration

The following-named persons to be Members of the Federal Farm Credit Board, Farm Credit Administration, for terms expiring March 31, 1980:

Galen B. Brubaker, of Virginia, vice J. Homer Remsberg.

Dennis S. Lundsgaard, of Iowa, vice C. Everett Spangler.

### U.S. Army

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, United States Code, sections 3284 and 3307:

*To be major general*

Lt. Gen. Elvy Benton Roberts, [redacted], Army of the United States (brigadier general, U.S. Army).

Lt. Gen. James George Kalergis, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Vincent Henry Ellis, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Theodore Antonelli, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William Eugene McLeod, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Joseph Warren Pezdirtz, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Darrie Hewitt Richards, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Stewart Canfield Meyer, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Ralph Julian Richards, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Carpenter Raaen, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Maurice Wesley Kendall, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Robert Parfitt, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. George Gordon Cantlay, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert Charles Hixon, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Verne Lyle Bowers, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Kirk Singlaub, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Robert Aaron, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Jeffrey Greenwood Smith, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Arthur Kissinger, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Richard Hulbert Groves, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas Edward Fitzpatrick, Jr., [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Harold Gregory Moore, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Peter George Olenchuk, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Dennis Philip McAuliffe, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert Carter McAlister, [redacted], Army of the United States (brigadier general, U.S. Army).

### In the Army

The following-named person for reappointment in the active list of the Regular Army of the United States, from temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

*To be lieutenant colonel, Regular Army and lieutenant colonel, Army of the United States*

Sheftel, Lawrence A. L., [redacted].

The following-named person for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

*To be captain*

Mack, Arthur R., [redacted].

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Adamson, Robert D., [redacted]
Adnot, Michael J., [redacted].
Agness, Wayne C., [redacted].
Allard, James C., [redacted]
Altobello, Roy J., [redacted].
Anders, Michael T., [redacted].
Anderson, Robert B., Jr., [redacted]
Angulo, Jeffrey E., [redacted].
Antonelli, Michael A., [redacted].
Arvai, John J., [redacted].
Bailey, Leslie C., [redacted].
Baird, Robert G., [redacted].
Barker, William E., II, [redacted].
Barney, Casey T., [redacted].
Barone, Domenico L., [redacted].
Barron, David L., [redacted].
Barry, Dave D., Jr., [redacted].
Bartkoski, Terry P., [redacted].
Bartlett, Laurence W., III, [redacted]
Barton, Roy B., [redacted].
Bassert, David E., Jr., [redacted]
Becker, Edward R., [redacted].
Beene, Robert D., Jr., [redacted]
Beining, David J., [redacted].
Benckendorf, Scott L., [redacted]
Bennett, Basil E., [redacted].
Bennett, Leon R., [redacted].
Benoit, Michael R., [redacted].
Berry, John D. [redacted].
Berry, Michael J., [redacted].
Bethea, Levern, [redacted].
Bingham, Michael A., [redacted]
Binkoski, Ted R., Jr., [redacted]
Black, James D., [redacted].
Bohl, David C., [redacted].
Bohling, Alan W., [redacted].
Bolante, Jesse, [redacted].
Bond, Gregory W. [redacted].
Bonestroo, Paul M., [redacted]
Bosley, Charles M., [redacted].
Bowen, Patrick D., [redacted].
Boyd, Barry J., [redacted].
Boyd, Michael L., [redacted].
Bradley, Gary W. [redacted].
Brandolini, Alan R., [redacted]
Breton, Gerard D., [redacted].
Brom, Larry M. [redacted].
Brown, Charles D., [redacted].
Brown, Robert R., [redacted].
Brown, Steven R., [redacted].
Bunch, Parker R., [redacted].
Burd, Eric A., [redacted].
Burke, Thomas W., [redacted].
Burkert, Michael L., [redacted]
Burnett, James A., III, [redacted]
Bush, Bruce A., [redacted].
Bushy, David S., [redacted].
Butcher, Bruce O., [redacted].
Buzzetta, Lawrence J., [redacted]
Bynum, William R., [redacted]
Caldwell, John F., [redacted].
Cammons, David W., [redacted]
Campbell, Richard O., [redacted]
Campbell, Robert W., Jr., [redacted]
Campbell, Larry E., [redacted].
Campos, Ismael, [redacted].
Carper, David N., [redacted].
Carranza, Hector, II, [redacted]
Carroll, Samuel J., III, [redacted]
Carter, Alvin M., [redacted]
Chase, Robert K., [redacted].
Christman, Douglas M., [redacted]
Christian, Michael A. [redacted]
Clark, Ronald H., [redacted].
Clutch, David C., [redacted].
Cobb, William G., [redacted].
Cole, Richard I., III, [redacted]
Como, John A., [redacted].
Connor, Timothy O., [redacted]
Cook, John R., [redacted].
Cooper, King E., [redacted].
Cooper, Phillip S., [redacted].
Cope, James A., [redacted].
Copenhaver, Stuart C., [redacted]
Corley, Richard B., [redacted]
Coroalles, Anthony M., [redacted]
Cottone, Gary J., [redacted].
Cox, Alan L., [redacted].
Craddock, Gary R., [redacted]
Crawford, Robert L., Jr., [redacted]
Crim, Michael A., [redacted].
Crimens, Michael E., [redacted]
Cruz, Michael A., [redacted].
Cunningham, Lee H., [redacted]
Darden, James L., [redacted].
Dardis, Dennis P., [redacted].
Daugherity, Lyle D., [redacted]
Davis, Samuel W., [redacted].
Day, Philip C., [redacted].
De Long, John L., [redacted].
Dean, Arlis D. [redacted].
Deford, Roy S., Jr., [redacted]
Della-Moretta, Leonard, [redacted]
Dibert, John C., [redacted].
Dillard, John T., [redacted].
Dillon, Edward F., [redacted].
Dimaria, Charles, [redacted].
Dixon, Charles M., [redacted].
Dorsey, Ronald C., [redacted].

Driest, Charles W. [redacted].
Duffy, Lee F., [redacted].
Dunham, James T., [redacted].
Dunnavant, John L., [redacted].
Durham, Brascom G., [redacted].
Durham, Dwight S., [redacted].
Edwards, John A., [redacted].
Esteve, Jean R., [redacted].
Everett, Henry L., Jr., [redacted].
Evers, Michael B., [redacted].
Fagan, Boyde J., [redacted].
Fails, John D. [redacted].
Faistenhammer, William L., [redacted].
Ferguson, James M., [redacted].
Ferrell, Paul T., [redacted].
Ferriter, James P., [redacted].
Fette, David R., [redacted].
Fields, Charles M., [redacted].
Fischer, Joseph W., [redacted].
Flanagan, Stephen L., [redacted].
Flick, Gregory J., [redacted].
Flick, Ronald V., [redacted].
Foote, Dennis P., [redacted].
Frazier, Gregory L., [redacted].
Fugate, Fred C., [redacted].
Furches, Timothy M., [redacted].
Garcia, Israel S., [redacted].
Gatlin, Stephen, [redacted].
Gebhardt, James F., [redacted].
Gerding, Bernard F., [redacted].
Gerlach, Robert J., [redacted].
Giles, John S., [redacted].
Gilkes, George H., [redacted].
Goodroe, Michael E., [redacted].
Graham, Daniel O., Jr., [redacted].
Graham, Howard J., [redacted].
Gramling, Freddie W., Jr., [redacted].
Grant, Raymond L., [redacted].
Gray, Troy R., [redacted].
Greene, Derrell W., [redacted].
Greffrath, Charles A., [redacted].
Grimm, Charles R., Jr., [redacted].
Groom, William W., [redacted].
Gruener, Mark J., [redacted].
Hagerman, Harry J., [redacted].
Hales, James A., [redacted].
Haley, Jack M., [redacted].
Hall, David S., [redacted].
Hammond, Linden E., [redacted].
Hancock, John C., Jr., [redacted].
Hansen, Lee W., [redacted].
Harden, Herschel C., III, [redacted].
Hardy, Gerald M., [redacted].
Harris, John T., [redacted].
Harrison, Douglas D., [redacted].
Hart, Gerald J., [redacted].
Hatcher, Donald H., [redacted].
Hauser, Robert Jr., [redacted].
Hayes, Joseph J., [redacted].
Hayes, Thomas H., [redacted].
Hays, Mark W., [redacted].
Heflin, Tommy G., [redacted].
Heisserer, Karl M., [redacted].
Hemenway, Herbert G., [redacted].
Henderson, William T., [redacted].
Hesnard, David A. [redacted].
Hightower, John P., [redacted].
Hild, Fred S., [redacted].
Hill, Stephan L., [redacted].
Hirsawa, Patrick S., [redacted].
Hodge, John Paul, Jr., [redacted].
Hohosh, James D., [redacted].
Holbert, James E., [redacted].
Holland, Wayman, [redacted].
Hollingsworth, Michael G., [redacted].
Hollingsworth, Jan L., [redacted].
Holmes, Leslie K., [redacted].
Holtz, Jonathan E., [redacted].
Hooter, Richard G., [redacted].
Horan, James F., Jr., [redacted].
Hornbaker, Robert L., [redacted].
Houk, Lonny D., [redacted].
Houston, John A., [redacted].
Hovatter, Gary R., [redacted].
Howland, Michael R., [redacted].
Hoyt, Calvin M., [redacted].
Hughes, John O., [redacted].
Hughes, Warren A., Jr., [redacted].
Jackson, Steven C., [redacted].
Jacobs, Brett A., [redacted].
Jamison, Charles L., [redacted].
Jennings, Jimmy J., [redacted].
Jensen, Gerald L., [redacted].
Jenson, Jonathan R. K. [redacted].
Johnson, James H., [redacted].
Johnson, John T., [redacted].
Johnson, Roger J., [redacted].
Johnson, Silas, [redacted].
Jones, Kevin B. [redacted].
Jones, Kenneth P. [redacted].
Jue, Thomas J., [redacted].
Kaohi, Jeffrey K., [redacted].
Karabin, William R., [redacted].
Kawamura, Masateru, [redacted].
Keagle, Richard L., [redacted].
Keating, Peter M. [redacted].
Keels, Rod M., [redacted].
Keith, Russell D., [redacted].
Kelley, Kevin C., [redacted].
Kelly, Robert L., [redacted].
Kelso, Randall C., [redacted].
Keown, Woodrow, Jr., [redacted].
Kilpatrick, Terry L., [redacted].
King, Robert G., [redacted].
Kirk, Ronald E., [redacted].
Klaehre, Igor A., [redacted].
Klaudt, Ronald L., [redacted].
Klein, John J., III, [redacted].
Knutson, Michael, [redacted].
Koeltzon, Lonnie R., [redacted].
Koenig, Michael L., [redacted].
Koppin, Gordon A., [redacted].
Kornacki, Alan S., [redacted].
Krezeczowski, Alan W., [redacted].
Kupchinsky, Gary L., [redacted].
Kurek, Gerard W., [redacted].
Landowski, Gerald F., [redacted].
Langhenry, Burton R., [redacted].
Lee, James R., [redacted].
Lee, William T [redacted].
Leigh, Raymond B., [redacted].
Lerums, James E., [redacted].
Lewis, Joseph W., [redacted].
Linker, James A. [redacted].
Loerch, Andrew G., [redacted].
Lofton, Artis T. [redacted].
Long, Ralph D., [redacted].
Loomis, Robert A., [redacted].
Loper, Michael D., [redacted].
Lott, Marvin A., Jr., [redacted].
Loya, James M., [redacted].
Lucas, Roy J., [redacted].
Luciano, Robert J., [redacted].
Luebker, Thomas G., [redacted].
Lyon, George L., [redacted].
Machac, George W., [redacted].
Mackey, Cleo F., Jr., [redacted].
Marcel, Dennis C., [redacted].
Marksteiner, John E., [redacted].
Martin, Bobby L., [redacted].
Martinez, Josue M., [redacted].
Matthews, Kenneth A., [redacted].
Maumenee, James R., Jr., [redacted].
May, Robert E., [redacted].
Mayes, Robert L., [redacted].
McCluer, Thomas S., [redacted].
McDonald, David R., [redacted].
McFadden, Steven R., [redacted].
McFarlain, Patrick H., [redacted].
McInerney, William H., [redacted].
McBrearty, Patrick D., [redacted].
McBride, Robert H., [redacted].
McElwee, Thomas F., [redacted].
McKeag, Alan D., [redacted].
McKeown, Wendell B., [redacted].
McKillip, David E., [redacted].
Merrill, Edward M., [redacted].
Meyer, Robert J., [redacted].
Migues, Michael P., [redacted].
Miller, Bryant D., [redacted].
Miller, William D., [redacted].
Miller, Ronald L., [redacted].
Mills, Richard W., [redacted].
Miner, Thomas J., [redacted].
Mitchell, Randall R., [redacted].
Mizell, James T., II, [redacted].
Moffett, Robert L., [redacted].
Mogren, Eric T., [redacted].
Monroe, Kenneth R., [redacted].
Montelongo, Dario, [redacted].
Moody, Horace W., Jr., [redacted].
Moore, Alan E., [redacted].
Moore, Thomas P., [redacted].
Moreau, Terry S., [redacted].
Morgan, Paul R., [redacted].
Morris, Allen O., [redacted].
Mortensen, Gregg R., [redacted].
Motsek, Gary J., [redacted].
Mullen, Stanford T., Jr., [redacted].
Muniz, Jose R., [redacted].
Muramoto, Gary N., [redacted].
Murphy, Philip J., [redacted].
Myers, Terrence D., [redacted].
Myles, James R., [redacted].
Nadolski, Peter S., [redacted].
Nelsen, Larry M., [redacted].
Nelson, William E., [redacted].
Nesmith, Gary V., [redacted].
Nessel, Steven W., [redacted].
Newell, Lawrence E., [redacted].
Newsome, Earl St. Clair, III, [redacted].
Nicholas, Donald J., [redacted].
Nichols, Michael R., [redacted].
Nifong, Michael R., [redacted].
Nishida, Melvin T., [redacted].
Noblett, Alton R. [redacted].
Novak, James R., [redacted].
Oates, Kenneth A., Jr., [redacted].
Obal, John D., [redacted].
Oblom, Charles V., [redacted].
O'Connor, James P., [redacted].
Olson, Carl L., [redacted].
Owens, Terry L., [redacted].
Pagano, Salvatore J., [redacted].
Pahr, Robert W., [redacted].
Pancoast, Ervin J., [redacted].
Paseur, Randall W., [redacted].
Patterson, Zachary, [redacted].
Pearson, Monte L., [redacted].
Peppel, Duane A. [redacted].
Perry, Matthew E., [redacted].
Phillips, Manning H., [redacted].
Phillips, Mike W., [redacted].
Pickens MacArthur D., [redacted].
Plummer, Alfie L., [redacted].
Poquette, Russell J., [redacted].
Powell, John G., [redacted].
Prater, Benjamin H., Jr., [redacted].
Price, Percy E. [redacted].
Principe, Richard D., [redacted].
Purdy, Philip D., [redacted].
Quagliotti, Gregory L., [redacted].
Radford, Robert W., [redacted].
Ragsdell, Larry N., [redacted].
Ramos, Edwin T., [redacted].
Ramsey, Robert L., [redacted].
Re, Daniel C., [redacted].
Redieske, Daniel E., [redacted].
Redman, Joseph A., [redacted].
Reid, Henry L., III, [redacted].
Revolinsky, Philip A., [redacted].
Reynolds, Randy E., [redacted].
Reynolds, Richard G., [redacted].
Rhay, Gary D., [redacted].
Richardson, William C., [redacted].
Richard, Steven G., [redacted].
Richardson, Danny G., [redacted].
Richie, Philip H., [redacted].
Riley, Sidney E., [redacted].
Ritchey, Donald L. [redacted].
Robb, Andrew L. [redacted].
Roberts, Garry B., [redacted].
Robinson, Robert C., [redacted].
Roden, Dan G., [redacted].
Rodriguez, Robert A., [redacted].
Roesser, Karl, [redacted].
Rohner, Stanley E., [redacted].
Root, Thomas M., [redacted].
Rowberg, Brian L., [redacted].
Rueter, Rodney A., [redacted].
Rundle, William D., [redacted].
Rymer, William H., III, [redacted].
Schale, Steven C., [redacted].
Schieman, Kenneth G., [redacted].
Schmidli, James D. [redacted].
Schoen, Robert A., [redacted].
Schofield, Timothy M., [redacted].
Schwenne, Robert D., [redacted].
Scofield, Arthur E., [redacted].
Sealock, Gratton O., II, [redacted].
Seidl, Bernard, [redacted].

Seitz, Robert M., Jr., [redacted].
Self, John E., [redacted].
Serio, Frank A., Jr., [redacted].
Shally, Timothy O., [redacted].
Sharp, Gregory D. [redacted].
Shea, Carl J., [redacted].
Sheaves, William B., [redacted].
Shepherd, Morris E., [redacted].
Shivers, Brian M., [redacted].
Sierra, Nestor, [redacted].
Silenok, Alexander, [redacted].
Simmons, James, [redacted].
Simpson, Robert W., [redacted].
Sisco, Jerry W., [redacted].
Skinner, John E. [redacted].
Skolud, Heinz E. [redacted].
Smith, Larry A. [redacted].
Smith, Leslie G. [redacted].
Smith, Morris S., [redacted].
Smith, Solomon, [redacted].
Soper, Alan L., [redacted].
Spencer, Lanta V., [redacted].
Spencer, Jack H. [redacted].
Spencer, George C., III, [redacted].
Squires, John A., [redacted].
St. Clair, Coy R., Jr., [redacted].
Standiford, Alan H., [redacted].
Stanley, Joseph J. [redacted].
Stark, Richard M., [redacted].
Steenrod, Frederick J., [redacted].
Stephensen, Douglas G., [redacted].
Suarez, Anthony, [redacted].
Sur, Stanford K., [redacted].
Sweeney, Charles P., [redacted].
Swiderek, Peter K. [redacted].
Swisher, Richard E., Jr., [redacted].
Tabor, Thomas N., [redacted].
Talley, Wade K. [redacted].
Tamayo, Avelino, P., Jr., [redacted].
Tanel, Thomas L., [redacted].
Taylor, Thomas C., [redacted].
Teeter, Terry W., [redacted].
Telle, Theodore E., [redacted].
Thomas, Charles R., Jr., [redacted].
Thomas, General B., Jr., [redacted].
Thomas, Glynn O., [redacted].
Thomas, John A., [redacted].
Thompson, Chris V., [redacted].
Thompson, Thomas P., [redacted].
Thornton, Smith P., Jr., [redacted].
Tindoll, Davis D., Jr., [redacted].
Tipton, Paul E. [redacted].
Treiber, Randal L., [redacted].
Trost, Robert W., III, [redacted].
Trusler, Powell M., Jr., [redacted].
Turner, Robert D. [redacted].
Undercoffer, Graham L., [redacted].
Underwood, Bennie L., [redacted].
Urbanski, Jeffrey T., [redacted].
Van Daele, Walter E. [redacted].
Vanlaethem, George R., [redacted].
Vara, Joseph J., III, [redacted].
Vidal, George A., Jr., [redacted].
Viercinski, John A., [redacted].
Villapiano, John A., [redacted].
Wade, Stewart L., [redacted].
Walker, Bradford L., [redacted].
Walkowski, William J., [redacted].
Wallace, Larry, [redacted].
Walters, Luis R., Jr., [redacted].
Walton, Jeffrey A., [redacted].
Warner, Mark E., [redacted].
Waters, David M. [redacted].
Waters, William G., [redacted].
Wedin, Randall E., [redacted].
Wesley, Olan L., [redacted].
Whitehead, Frank G., [redacted].
Wilbourn, Donald E., [redacted].
Wiles, Douglass F., [redacted].
Williams, Evan L., II, [redacted].
Williams, Joseph W., [redacted].
Wills, Bob W. [redacted].
Wilson, Peter F., [redacted].
Wilson, Stephen D. [redacted].
Windle, Henry J., [redacted].
Wingfield, Fred B., [redacted].
Winkles, Ronald C., [redacted].
Woffinden, Duard S., [redacted].
Woods, Gary C. [redacted].
Young, Anthony H., [redacted].

### IN THE ARMY

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3299:

ARMY PROMOTION LIST

*To be lieutenant colonel*

Abercrombie, Edward, [redacted].
Adams, Basil R., Jr., [redacted].
Adams, John E., [redacted].
Adams, Paul M., Jr., [redacted].
Adamson, George F., [redacted].
Adessa, Anthony J., [redacted].
Agnew, James B., [redacted].
Aguanno, Edwin M., [redacted].
Ahearn, John F., [redacted].
Ainslie, Robert E., [redacted].
Albro, Ames S., Jr., [redacted].
Alderman, Nathaniel, [redacted].
Allen, Charles B., [redacted].
Alvey, Everett L., [redacted].
Anderson, Andrew H., [redacted].
Anderson, Darrell R., [redacted].
Anderson, George B., [redacted].
Anderson, Jerome H., [redacted].
Anderson, Norman R., [redacted].
Andre, Nick J., [redacted].
Andrew, Donald G., [redacted].
Anklam, Frederick M., [redacted].
Anthis, Robert F., [redacted].
Applewhite, Ray, [redacted].
Apuna, Samuel K., Jr., [redacted].
Archibald, Norman E., [redacted].
Arkley, Robert J., [redacted].
Armstrong, Raymond, [redacted].
Asente, James, [redacted].
Atkinson, Ellis O., [redacted].
Ault, William E., [redacted].
Avveduti, Paul R., [redacted].
Awtrey, Sherry E., [redacted].
Bachman, Clayton J., [redacted].
Bacon, Willis G., [redacted].
Baddaker, William L., [redacted].
Bailey, Kenneth R., [redacted].
Bailey, Robert H., [redacted].
Bailey, Ronald D., [redacted].
Bain, John R , [redacted].
Baker, Russell A., [redacted].
Baldwin, Jessie E., [redacted].
Baldwin, William R., [redacted].
Ballantyne, John L., [redacted].
Balzhiser, Robert M., [redacted].
Bard, John C., [redacted].
Bardwell, James E., [redacted].
Barnes, Harold F., [redacted].
Barnitt, George W., [redacted].
Barrand, Kerwood W., [redacted].
Barron, William T., [redacted].
Barton, Robert H., Jr., [redacted].
Bass, Richard H., [redacted].
Bauer, Daniel H., [redacted].
Baughman, Richard C., [redacted].
Bayer, William S., [redacted].
Beam, James D., [redacted].
Bean, John F., [redacted].
Beasley, Linton C., [redacted].
Beaumont, Charles D., [redacted].
Bedell, Norman H., [redacted].
Belcher, Eugene R., [redacted].
Bell, Frederick D., [redacted].
Benfer, Richard H., [redacted].
Benn, Clark H., [redacted].
Bennett, Willard M., [redacted].
Bertrand, Milton A., [redacted].
Bidwell, Bruce W., [redacted].
Biggerstaff, Jack, [redacted].
Bilderback, Gerald, [redacted].
Bindrup, Lavere W., [redacted].
Blaker, John R., [redacted].
Blanche, John G., III, [redacted].
Bockman, Leonard I., [redacted].
Bodine, James F., [redacted].
Boggs, Joseph C., [redacted].
Bole, Albert C., Jr., [redacted].
Bonito, Louis J., [redacted].
Bonner, Laurence B., [redacted].
Bonomo, Reno J., [redacted].
Bonsall, Edward H., [redacted].
Boon, Ivan G., [redacted].
Boose, Gordon D., [redacted].
Borum, William D., [redacted].
Bowden, John C., Jr., [redacted].
Bowdoin, Arthur C., [redacted].
Bowling, Frederick, [redacted].
Boyd, David T., [redacted].
Boyd, Gerald M., [redacted].
Boykin Curtis R., [redacted].
Boyle, Dean G. [redacted].
Boyle, Dennis M., [redacted].
Boyle, William P., [redacted].
Bozeman, Wallace B., [redacted].
Bradbury, Donald K., [redacted].
Bradel, James F., [redacted].
Brandt, Leo M. [redacted].
Breeding, Gene L., [redacted].
Breeding, William B., [redacted].
Brennand, Thomas C., [redacted].
Brenner, James J., [redacted].
Brinton, John R., [redacted].
Brizee, Harry A., [redacted].
Brock Mervine, [redacted].
Brodeur, Alfred F., [redacted].
Brogan, Thomas W., [redacted].
Broman, Ralph W., [redacted].
Brookshire, Grail L., [redacted].
Brown, Charles W., [redacted].
Brown, Elmer A., [redacted].
Brown, Ollie [redacted].
Brown, Robert F., [redacted].
Brown, Sam A., [redacted].
Browne, Robert T., Jr., [redacted].
Browne, Roger J., II, [redacted].
Brownlee, Emory W., [redacted].
Bryant, Deewitt T., [redacted].
Bryson, Jack M. [redacted].
Buckheit, Wilbur C., [redacted].
Buckley, Donald C., [redacted].
Buckley, Fletcher J., [redacted].
Buckley, Paul R., [redacted].
Buckner, Allen M., [redacted].
Bullock, Charles A. [redacted].
Burbules, Peter G., [redacted].
Burch, Olger D., Jr., [redacted].
Burdeau, Edward K., [redacted].
Burnett, Clark A., [redacted].
Burnison, George E., [redacted].
Burr, Richard A., [redacted].
Burris, James C., [redacted].
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Butler, Joe C. [redacted].
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Cannon, Archie S., Jr., [redacted].
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Helms, Jack E., Sr., [redacted].
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Ice, Ronald E., [redacted].
Ingram, Thomas A., [redacted].
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Janssen, Arlo D., [redacted].
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Jeo, Herbert, [redacted].
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Kampschror, Darrell, [redacted].
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Krueger, William H., [redacted].
LaChance, Martin P., [redacted].
Lackey, Marvin E., [redacted].
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LaFever, Morris, [redacted].
Lafon, Leslie C., Jr., [redacted].
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Ross, Ernest E. [redacted].
Rouchon, Anthony C. [redacted].
Routh, Harry M. [redacted].
Rudser, John L. [redacted].
Rue, Norman L. [redacted].
Rumsey, Frank A., Jr. [redacted].
Runnion, John E. [redacted].
Ruskauff, Donald R. [redacted].
Ruth, Charles W. [redacted].
Ryan, James P. [redacted].
Salvador, Ronald L. [redacted].
Samouce, Warren A. [redacted].
Sanders, Bobby L. [redacted].
Scales, David E. [redacted].
Schaefer, John R. [redacted].
Schludecker, Otto A. [redacted].
Schmidt, Carl F. [redacted].
Schmidt, Theodore H. [redacted].
Schneider, George J. [redacted].
Schnoor, Jack E. [redacted].
Schoendorfer, Frank, [redacted].
Schrack, Neil W. [redacted].
Schwarz, Charles E. [redacted].
Schweikert, Paul Jr. [redacted].
Scibilia, Anthony J. [redacted].
Scoggins, John [redacted].
Scott, Charles G. [redacted].
Scott, Hugh A. [redacted].
Scovel, James L. [redacted].
Searls, Billie E. [redacted].
Seay, Jefferson, III, [redacted].
Serven, Harold M., Jr., [redacted].
Severance, Fayette, [redacted].
Sewell, William P. [redacted].
Shafer, John C. [redacted].
Shallcross, George, [redacted].
Shaughnessy, Thomas, [redacted].
Shaw, Donald P. [redacted].
Shebat, Donald, [redacted].
Sheider, Augustus L. [redacted].
Sherron, Gene T. [redacted].
Shields, George D. [redacted].
Short, Audrey J. [redacted].
Sigler, Nolan M. [redacted].
Sikorski, Bennie W. [redacted].
Simmons, James W. [redacted].
Simmons, Jerry A. [redacted].
Simmons, Marvin E. [redacted].
Simpson, Claude S. [redacted].
Sims, Emmett W. [redacted].
Sims, Roy D. [redacted].
Sisson, Deryl A. [redacted].
Skeen, Henry G. [redacted].
Skibbie, Lawrence F. [redacted].
Skinker, Harry J. [redacted].
Slater, Burt E. [redacted].
Slesnick, Bruce W. [redacted].
Sloan, James H., Jr. [redacted].
Smiley, Robert D., Jr. [redacted].
Smith, Albert L. [redacted].
Smith, Douglas S. [redacted].
Smith, George E. [redacted].
Smith, John A. [redacted].
Smith, Marion G. [redacted].
Smith, Otto B. [redacted].
Snell, Ira, Jr. [redacted].
Snyder, Clinton W. [redacted].
Snyder, Quay C. [redacted].
Sorrels, Charles V. [redacted].
Spence, Thomas H. [redacted].
Spradlin, Glenn D. [redacted].
Springman, Robert W. [redacted].
Spry, Alfred E. [redacted].
Stallings, Joseph L. [redacted].
Stanberry, Billy M. [redacted].
Stanton, Martin P. [redacted].
Starkey, James E. [redacted].
Steed, Robert B. [redacted].
Stein, Henry J., Jr. [redacted].
Stelmachowicz, Peter, [redacted].
Stemarie, Normand A. [redacted].
Stenehjem, George N. [redacted].
Stephens, James E. [redacted].
Stephenson, Lamar V. [redacted].
Sterzik, Wilfred L. [redacted].
Stevens, Perry G. [redacted].
Stevenson, Leroy P. [redacted].
Steverson, James R. [redacted].
Stewart, Dennis W. [redacted].
Stewart, John K. [redacted].
Stewart, Richard K. [redacted].
Stodter, Charles S. [redacted].
Stoessner, Richard, [redacted].
Stotser, Don M. [redacted].
Stout, Herald F., Jr. [redacted].
Strand, Vincent W. [redacted].
Stuart, Douglas B. [redacted].
Sugg, Richard H. [redacted].
Sulik, John A. [redacted].
Sullivan, Harry E. [redacted].
Sullivan, Jerome J. [redacted].
Sullivan, William F. [redacted].
Sunell, Robert J. [redacted].
Surber, James W. [redacted].
Suso, Anthony, [redacted].
Swaren, John W. Jr. [redacted].
Swisher, Robert K. [redacted].
Talley, John D. Jr. [redacted].
Tallon, Richard J. [redacted].
Tate, Clyde J. [redacted].
Teberg, David T. [redacted].
Terry, Richard T. [redacted].
Therianos, Pericles, [redacted].
Thomas, John A. Jr. [redacted].
Thompson, Bill T. [redacted].
Thompson, Charles H. [redacted].
Thompson, Richard W. [redacted].
Thoreson, David P. [redacted].
Thornton, James F. [redacted].
Thorpe, John C. [redacted].
Thurman, Maxwell R. [redacted].
Tinsley, Philip Jr. [redacted].
Tippett, Jesse R., Jr. [redacted].
Tobin, Daniel J. [redacted].
Todd, Harold C. [redacted].
Tomsen, Willis C. [redacted].
Toreson, Lowell E. [redacted].
Travas, John E. [redacted].
Troutman, Gregory L. [redacted].
Tucker, Charles E. [redacted].
Tunmire, Dana, [redacted].
Turner, James M. Jr. [redacted].
Uhrig, Richard A. [redacted].
Underhill, Victor S. [redacted].
Vansickle, James P. [redacted].
Vaughn, Luther C. [redacted].
Vesser, Dale A. [redacted].
Vidrick, Robert L. [redacted].
Vinson, Newell E. [redacted].
Visscher, Robert E. [redacted].
Vittorini, Domenic, [redacted].
Vosel, Donald M. [redacted].
Wagner, Louis C., Jr. [redacted].
Wall, Frank B., Jr. [redacted].
Wall, Henry L., Jr. [redacted].
Walton, Ben L. [redacted].
Ward, Felker W., Jr. [redacted].
Ware, Fletcher D., Jr. [redacted].
Warf, Elmer R. [redacted].
Wash, William B. [redacted].
Washer, Robert J. [redacted].
Waters, Thomas L. [redacted].
Watkins, William W. [redacted].
Watson, Jack D. [redacted].
Watson, Ronald J. [redacted].
Watson, Shelley F. [redacted].
Watts, William E. [redacted].
Weafer, William J. [redacted].
Weathersby, Russell, [redacted].
Weaver, Richard L. [redacted].
Webb, John F., Jr. [redacted].
Webber, Herbert M. [redacted].
Weeks, Robert E. [redacted].
Weidenthal, Carlton, [redacted].
Weinstein, Kenneth, [redacted].
Weinstein, Saunder, [redacted].
Welch, Gene B. [redacted].
Wells, Robert W. [redacted].
Wells, Roy D. [redacted].
Welsch, Hanno F., Jr. [redacted].
Welsh, Milton, [redacted].
Welzel, Lewis A. [redacted].
West, Pleasant H. [redacted].
Westervelt, John R. [redacted].
Whitaker, Malvern R. [redacted].
White, Ulysses X. [redacted].
Whitehorn, Jack A. [redacted].
Whitley, James R. [redacted].
Whittington, Richard, [redacted].
Whittington, Wesley, [redacted].
Wilks, Clarence D. [redacted].
Williams, Edmund R. [redacted].
Williams, Emanuel L. [redacted].
Williams, Herbert E. [redacted].
Williams, Howard M. [redacted].
Williams, James A. [redacted].
Williams, William H. [redacted].
Williamson, Richard, [redacted].
Williamson, William, [redacted].
Willis, William J. [redacted].
Willner, Larry E. [redacted].
Willwerth, Dean R. [redacted].
Wilson, Dennis F. [redacted].
Wilson, Dwight L. [redacted].
Wilson, Parks W., Jr. [redacted].
Wilson, Robert D. [redacted].
Wilson, Robert E. [redacted].
Wilson, Virgil H. [redacted].
Wilson, Walter C., Jr. [redacted].
Wise, David L. [redacted].
Witt, John R. [redacted].
Witteried, Peter F. [redacted].
Wohlman, Melvin, [redacted].
Wolfe, Oren [redacted].
Wood, Joseph S., Jr. [redacted].
Woodbury, Grayson C. [redacted].
Wright, Elden H. [redacted].

Wright, Lewis W. [redacted].
Wyatt, James E., [redacted].
Wyatt, Lloyd L., [redacted].
Young, Robert L. [redacted].
Young, Roy J., [redacted].
Young, Thomas C., [redacted].
Yoxtheimer, Donald, [redacted].
Zapata, Roland T., [redacted].
Zeleznikar, Louis J., [redacted].
Zeigler, Richard G., [redacted].
Zion, Robert B., [redacted].

### CHAPLAIN CORPS

*To be lieutenant colonel*

Anderson, Alister C., [redacted].
Bainbridge, Clarence, [redacted].
Barry, Raymond E., [redacted].
Benton, Homer G., [redacted].
Boggs, James R., [redacted].
Clark, Albert V., [redacted].
Cook, Richard G. [redacted].
Davis, Pat H., [redacted].
Degi, Joseph, Jr., [redacted].
Dryer, Richard E., [redacted].
Edwards, Elwyn G., [redacted].
Ettershank, John P., [redacted].
Floyd, William R., [redacted].
Forsythe, Walter D., [redacted].
Gentry, William R., [redacted].
Harding, Richard M., [redacted].
Harrell, Ralph E., [redacted].
Helton, Clinton, [redacted].
Johnson, Kermit D., [redacted].
Logan, John D., [redacted].
Martin, William A., [redacted].
McCloy, Charles H., [redacted].
Moorfield, Claude E., [redacted].
Moss, Ira G., [redacted].
Nagata, William M., [redacted].
Nybro, Richard, [redacted].
Randles, Jack C., [redacted].
Raynis, Edgar A. [redacted].
Stevey, John E., [redacted].
Tibbetts, Alan C., [redacted].
Wright, Wendell T., [redacted].
Young, James H., [redacted].

### WOMEN'S ARMY CORPS

*To be lieutenant colonel*

Johancen, Mary G., [redacted].
Russell, Marilyn J., [redacted].
Smith, Ann B., [redacted].
Veach, Eva M., [redacted].
White, Jocelyn A., [redacted].
Williams, Mary R., [redacted].

### MEDICAL CORPS

*To be lieutenant colonel*

Bagg, Raymond J., Jr., [redacted].
Bartelloni, Peter J., [redacted].
Blee, William A., [redacted].
Buker, Robert H., [redacted].
Canales, Luis, [redacted].
Cataldo, Joseph R. [redacted].
Cooper, Neill S., Jr., [redacted].
Franger, Alfred L., [redacted].
Gamber, Herbert H., [redacted].
Garcia, Guillermo, [redacted].
Hagen, Raoul O., [redacted].
Hardman, John M., [redacted].
Hawes, William J., [redacted].
Hazlett, David R., [redacted].
Hernandez-Fragoso Ignacio, [redacted].
Herrick, Clyde N., [redacted].
Hill, Jay M., [redacted].
Hoffmeister, Richard, [redacted].
Holloway, Harry C., [redacted].
Huott, Archer D., [redacted].
Jaques, Darrell A., [redacted].
Koebele, Eberhard, [redacted].
Mayfield, Gerald W. [redacted].
Meyer, James A. [redacted].
Michie, James L. [redacted].
Mologne, Lewis A. [redacted].
Montegut, Ferdinand, [redacted].
Nelson, Roald A., [redacted].
Newton, John K., [redacted].
Nowosiwsky, Taras, [redacted].
Nuss, Donald D., [redacted].
Nusynowitz, Martin, [redacted].
Park, Robert C., [redacted].
Pitcher, James L., [redacted].
Pruitt, Basil A., [redacted].
Reeder, Maurice M., [redacted].
Ritter, Richard R. [redacted].
Russell, Philip [illegible]., [redacted].
Scheetz, Walter L., [redacted].
Siegal, David L., [redacted].
Sollie, Stanley C., [redacted].
Soriano, Franklin M., [redacted].
Stewart, James L., Jr., [redacted].
Strevey, Tracy E., Jr., [redacted].
Szymonski, Zozislaw, [redacted].
Tomlinson, Fred B., [redacted].
Torp, Richard P., [redacted].
Treasure, Robert L., [redacted].
Vilabalzac, Gilbert, [redacted].
Wergeland, Floyd L. [redacted].
Wettlaufer, John N., [redacted].
Whaley, Robert A., [redacted].
Wimsett, Willard B., [redacted].
Zurek, Robert C. [redacted].

### DENTAL CORPS

*To be lieutenant colonel*

Acomb, Kent M., [redacted].
Amand, Donald S., [redacted].
Barnes, George P., [redacted].
Bowles, William F., [redacted].
Brown, John S., [redacted].
Brudvik, James S., [redacted].
Brunton, Donald A., [redacted].
Burger, Robert B., [redacted].
Cheatham, Joe L., [redacted].
Cohen, George R., [redacted].
Combs, Frank F., [redacted].
Daniels, Jon L., [redacted].
Dearr, Marvin D., [redacted].
Dechamplain, Richard, [redacted].
Decker, Richard M., [redacted].
Duffey, Horace H., [redacted].
Endicott, William R., [redacted].
Engelhardt, Herbert, [redacted].
Fedalei, Albert F., [redacted].
Feeney, George E., [redacted].
Hart, Richard I., [redacted].
Heid, Theodore H. [redacted].
Hoffman, William, Jr., [redacted].
Hutchinson, Rowland, [redacted].
Johnson, Robert M., [redacted].
Jost, Thomas J., [redacted].
Kleehammer, Daniel, [redacted].
Klinar, Karl L., [redacted].
Lane, James J., [redacted].
Lederer, Robert M., [redacted].
Leonardo, Raymond C., [redacted].
Lewis, Jack A., [redacted].
Lhomme, Paul R., [redacted].
Loke, Michael W. T., [redacted].
McConnell, Richard, [redacted].
Milder, Jay J., [redacted].
Newell, Donald H., [redacted].
Olson, Robert A., [redacted].
Ott, Gerald R., [redacted].
Parker, Warren A., [redacted].
Saari, James T., [redacted].
Smith, Paul E., [redacted].
Staeble, William, II, [redacted].
Stanford, Hilton, Jr., [redacted].
Stoll, Robert P., [redacted].
Storie, David Q., [redacted].
Tsagaris, George J., [redacted].
Tye, Edward J., [redacted].
Vanswol, Ronald L., [redacted].
Vatral, John J., [redacted].
Walker, Alton L., [redacted].
Zingale, Joseph A., [redacted].

### MEDICAL SERVICE CORPS

*To be lieutenant colonel*

Axtens, Frank W., [redacted].
Beltran, Gilbert, [redacted].
Bigham, Harral A., [redacted].
Bizer, James E., [redacted].
Blackburn, Edward W., [redacted].
Bobay, Carl J., [redacted].
Brandt, Clarke M., [redacted].
Briot, William R., [redacted].
Brissee, John A., [redacted].
Brown, Joseph I., [redacted].
Buell, Leonard K., [redacted].
Burdick, Robert L., [redacted].
Cabell, Ben M., [redacted].
Campbell, William A., [redacted].
Carr, Robert A., [redacted].
Christie, Thomas C., [redacted].
Clark, Scott W., [redacted].
Clyde, Norman E., [redacted].
Ertell, Charles H., [redacted].
Evans, Wayne O., [redacted].
Girone, Gerard M., [redacted].
Hawkins, William H., [redacted].
Herwig, Lee C., Jr., [redacted].
Hille, Robert A., [redacted].
Ikeda, George, [redacted].
Killo, William S., [redacted].
Lawrence, Frank P., [redacted].
Leone, John N., [redacted].
Lewis, John P., [redacted].
Mateer, Charles A., [redacted].
McKinley, Fred W. [redacted].
Montalvo, Frank F., [redacted].
Mulrenin, Bernard K., [redacted].
Radke, Myron G., [redacted].
Rizer, Charles B., Sr., [redacted].
Rosen, Arthur, [redacted].
Ross, Don R., [redacted].
Russell, James L., Jr., [redacted].
Scott, Richard H., [redacted].
Sperling, Gerald J., [redacted].
Stiles, Peter W., [redacted].
Stover, James W., [redacted].
Temperilli, John, Jr., [redacted].
Thomas, Tommy, [redacted].
Triano, Donald H., [redacted].
Trudeau, Thomas L., [redacted].
Walker, James F., [redacted].
Webb, Richard, III, [redacted].
Wood, Theodore D., [redacted].

### ARMY NURSE CORPS

*To be lieutenant colonel*

Antonicci, Anna E., [redacted].
Ayers, Donna M., [redacted].
Baker, Evaline R., [redacted].
Betz, Cathrine T. [redacted].
Cooper, Robbie F., [redacted].
Geissinger, Amy D., [redacted].
Glisson, Bessie R., [redacted].
Hall, Marjorie N., [redacted].
Hall, Natalie, [redacted].
Houle, Alice T., [redacted].
Knox, Edith V., [redacted].
Landry, Margaret B., [redacted].
Mackey, Helen J., [redacted].
Nichols, Glennadee, [redacted].
Raffety, Gladys L., [redacted].
Rivera, Jeanne E., [redacted].
Shoemaker, Vera E., [redacted].
Smith, Marjorie A., [redacted].
Sullivan, Louise E., [redacted].
Tauroney, Teresa J., [redacted].

### VETERINARY CORPS

*To be lieutenant colonel*

Chandler, Harold K., [redacted].
Dean, Richard F., [redacted].
Oakes, Richard G., [redacted].
Stewart, Roland R., [redacted].

### ARMY MEDICAL SPECIALIST CORPS

*To be lieutenant colonel*

Bettzel, Barbara A., [redacted].
Bogrette, Ann, [redacted].
Day, Donna J., [redacted].
MacTaggart, Lois, [redacted].
Metcalf, Virginia A., [redacted].
Schmechel, Marilyn, [redacted].
Street, Dorothy R. [redacted].

### ARMY PROMOTION LIST

*To be major*

Parker, Joel R., [redacted].
Tomlinson, Carey G., [redacted].

The following-named officers for promotion in the Army of the United States, under the provisions of Public Law 92–129.

### DENTAL CORPS

*To be colonel*

Campbell, Robert A., [redacted].
Dunley, Robert E., [redacted].
Jost, Thomas J., [redacted].

Ott, Gerald R., [redacted].
Tomlin, Bryce D., [redacted].

### CHAPLAIN CORPS

*To be lieutenant colonel*

Libby, Billy W., [redacted].

### DENTAL CORPS

*To be lieutenant colonel*

Allison, Raymon E., [redacted].
Blubaugh, Edward C., [redacted].
Broering, Leo F., [redacted].
Brown, Alan R., [redacted].
Damico, Roland A., [redacted].
Goldberg, Stuart E., [redacted].
Hays, Granvil L., [redacted].
Kimbrough, William, [redacted].
Klonaris, Nick S., [redacted].
Lawson, Ralph T., [redacted].
Lewis, Marlin R., [redacted].
Ligon, Charles R., Jr., [redacted].
Lorton, Lewis, [redacted].
Machucapadin, Carlo, [redacted].
Mattia, Michael N., [redacted].
McClendon, Earl H., [redacted].
McCoy, Clark H., [redacted].
McCulloch, William, [redacted].
Moyer, John H., [redacted].
Parmer, Dennis E., [redacted].
Peak, Benson W., [redacted].
Peters, Donald D., [redacted].
Rushton, Robert A., [redacted].
Schnell, Frederick, [redacted].
Seymour, Fred W., Jr., [redacted].
Shaudis, Thomas C., [redacted].
Welsh, Stephen L., Jr., [redacted].
Woodyard, Stephen G., [redacted].
Zulaski, John F., [redacted].

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298:

### ARMY PROMOTION LIST

*To be first lieutenant*

Devlin, Daniel D., [redacted].
Hart, Robert W., [redacted].
Hughs, Jimmie N., [redacted].
Lynn, George A., [redacted].

### IN THE NAVY

The following-named officers of the line and various staff corps of the Navy for permanent promotion to the grades indicated:

### LINE

*Lieutenant commander*

Ablowich, Dean Allen
Ackerman, William Crandall
Adams, Albert Michael
Adams Joseph Harvey
Adler, Jay Burns
Adolph, Herbert Richard
Ainlay, Benjamin John
Alden, John Henry
Aldinger, Robert Waugh
Alemian, Haig Sarkis
Alexander, Edward Harrison
Allen, Benjamin Earl, Jr.
Allen, Edmond Lamar
Allen, James Warren
Allen, Richard Charles
Allison, Warner Lee
Almasi, George Raymond
Alvarado, Robert Joseph, Jr.
Alvarez, Everett, Jr.
Amantea, Thomas Richard
Amend, Robert Joseph
Ames, Richard Earl
Anderson, Craig Neil
Andersen, Robert Thomas
Anderson, David Carl
Anderson, Gerald Duane
Anderson, Lawrence Gustav
Anderson, Richard Oscar
Anderson, Thomas Harry
Andress William Dozier, Jr.
Angelosante, Carmen
Ansley, James Henry
Anton, Andrew Joseph
Appelgate, Terry Bruce
Arkin, William Eugene
Arms, Philip Baxter, Jr.
Arnaud, Antoine Jean Albert
Arnold, John Conrad
Arnold, Robert Judd
Asbell, William Edward
Asher, Charles Eugene
Ashley, Roger Trabue
Astleford, Nathan Leo
Athanas, Philip William
Atherholt, William Bradshaw
Ayre, Donald
Bacanskas, Alger Vladas
Backlund, Robert Alfred
Bacon, Barton Elijah, III
Bacon, Daniel Keith
Badger, Patrick Matthew, Jr.
Badgett, Robert Samuel
Baer, Robert Dale
Bailes, William Joseph
Bailey, David Leroy
Bailey, Eugene Ridgeway
Bailey, Ian McDonald
Bailey, Ralph Gurdon
Bailey, Stanley Jefferson J.
Bailey, Thomas Fitzgerald
Baker, Harry John
Baker, James Walter
Baldwin, William Earl
Ballard, Duane Clare
Ballard, James Oliver, Jr.
Ballou, Charles Lawrence
Baloga, Stephen Joseph
Bancroft, William Paul
Bannach, Leroy Robert
Bansemer, Ronald William
Barber, Stephen Wright
Bardeschewski, Walter Paul
Barfield, Henry Jackson, Jr.
Barker, Charles Milton
Barnes, Edward Thomas
Barnes, William George
Barnett, Roger Wayne
Barnhill, Hugh Kimbley
Barns, David Wallace
Barr, Jon Michael
Barr, Robert Kenney, Jr.
Barr, Thomas Hammond
Barrett, Robert William
Barrs, James Milton
Barry, Kenneth Randolph
Barta, Arnold Francis
Bartels, Albert Ludwig
Bartholomew, Charles Arnett
Bartolett, Frank S., III
Barton, Max Nolan
Bass, William Frederic
Bates, William Roger
Baxter, James Baird, Jr.
Baxter, Robert Cesar
Bay, Warren Harold
Bearse, Laurence M.
Beaulieu, Eugene Leo
Beck, Brian Kay
Beck, Gary Laurence
Beebe, Bruce Addison
Beem, James Noel
Beguin, Larry William
Belford, Ralph Wynn
Bell, Gary Eugene
Bell, James Howard
Bell, Ronald Kenneth
Belyea, Ivan Lowell
Bender, Thomas Jacob
Benford, Eddie
Bennett, Andrew Joseph
Bennett, John Faber, Jr.
Benshop, Edwin Charles
Benson, George Martin
Benson, Perry Southall
Benter, Harry William, Jr.
Bently, Donald Keith
Berger, Thomas Joseph
Berkowitz, Ross
Berry, Charles Henry
Berry, James Nelson
Berry, Niles Walter
Bessey, Roland Bruce
Best, James Bruce
Beveridge, Jerry Donald
Bianco, John August
Bickel, Michael David
Bickum, Gilbert Warren
Biddlecombe, George E., III
Bieber, Gene Leroy
Bieraugel, Eugene Edwin
Billings, David Joseph
Birchett, John A. K., III
Birtwistle, Richard, III
Bishop, William Richard
Bissell, Allen Morris
Black, Jerry Hall
Black, John William
Black, Norman Twining
Black, Phillip Ray
Black, Rudolph Richard
Blackburn, John Ogburn
Blackmon, Thomas Lester
Blaha, Douglas Dean
Blankinship, John Hamilton
Blankenship, Thomas Carey
Bleakly, Edward William
Bledsoe, Robert Dennis
Blew, Robert Eugene
Bliss, Robert Bruce II
Blockinger, Alvin Francis J.
Bloom, John Lester
Blundell, Thomas Edward
Bodenner, George Earle
Bodiford, Larry Joe
Boer, Westinus, II
Boggs, Dallas Benjamin
Bolden, David Richard
Bonham, Charlie Leonard
Bonnel, Gordon Alan
Boose, Donald Edwin
Booth, Albert James
Booth, Ronald J.
Borkert, Robert Lester
Bornholdt, Robert Alan
Boucher, Charles Eugene
Boufford, Francis William
Bower, Johns Hollis, Jr.
Bowlby, Carl Albert
Bowling, Weldon James
Bowman, Jack Bletz, Jr.
Bowman, Peter Bruce
Bowman, Robert James
Boyd, James Sherwood
Boyd, William Thurston, III
Boyer, Larry Albert
Boyes, Allen Dale
Boyle, Francis Joseph
Brackin, Charles Albert
Braden, Morse Shelton
Bradick, Andrew Albert
Bradley, Michael David
Brady, Carl Owen
Brady, John Beecher
Braendle, John Edward
Branch, Thomas Allen, Jr.
Brandon, John Raymond
Brandquist, Roland
Brannan, John Joseph
Bransom, Frank Harper
Breckenridge, Donald Roger
Bremner, Bruce Barton
Brent, Gerald Page
Brenton, Robert Jackson
Breslin, Michael Joseph
Brierley, Roc Michael
Brimmage, Kirby Lesley
Bringhurst, William, Jr.
Brinkley, Joseph William
Broadfield, Donald Earl
Broadwell, William Russell
Brookes, Edward Allen
Brooks, Charles Edwin
Brooks, Edward Walton
Brooks, Kenneth Montgomery
Brown, Barry Lewis
Brown, Charles Duane
Brown, Edward Ernest
Brown, George Ronald
Brown, Harold Eugene
Brown, Lorin W.
Brown, Robert Hadley
Brueggeman, John Lyle
Brugman, Thomas Cletus
Brummersted, David Anthony
Brunnworth, Rolland Henry
Bruno, Marco Joseph
Bruntlett, Carl Eugene
Bryan, Jon Jasper
Bryant, James Howard

Bryson, William MacLean
Bubeck, Charles Rodney
Buck, Duane Eugene
Buckley, Henry Timothy, Jr.
Buehler, Roy Robert
Bulkley, Peter George
Bull, Lyle Franklin
Bullock, James Paul
Bunce, Ronald Lynn
Bunch, Harold Anderson, Jr.
Bunnell, Robert Terrell
Burger, Joseph John
Burgess, Donald Elliot
Burke, David Valentine, Jr.
Burkette, Jerry Wayne
Burris, Richard Earl
Burroughs, Eugene Scott, III
Burton, John George
Burton, Robert Edward
Busby, Morris Dempson
Bush, Thomas Oliver
Butler, Phillip Neal
Butler, Warner Lewis
Butts, Maurice Richard
Butz, Will Alan
Bygler, Kenneth
Byrne, Barry James
Byrnes, Joseph Leo
Cagle, Lonnie Francis
Cahill, Joseph Patrick
Cain, Benjamin Guy, III
Callahan, James Francis
Callahan, Joseph Edward
Cameron, David Duncan, Jr.
Campbell, Arlington Fichtne
Campbell, Theodore Richard
Cangianelli, Leo Anthony
Carden, Francis Deleveaux J.
Carey, William Francis
Carlburg, Ernest Gordon
Carlson, Patrick John
Carlson, Roger Eugene
Carnell, Thomas E.
Carns, Neil Sherman
Carpenter, John Donald, Jr.
Carruthers, David Glenn
Carter, Floyd Winston, Jr.
Caruso, Sam Joseph
Carver, Donald Richard
Carwin, Paul Lawrence
Casavant, Douglas Donald
Case, Calvin Wayne
Cass, Dudley Eugene
Cassels, Bertrand Beasley J.
Casseri, Aldo Jerome
Castano, John Baptist
Castellano, William Joseph
Caswell, Gordon Charles
Cataldo, John
Catchings, Thomas Jackson
Cathey, Carl Darrell
Catlett, William Jackson, II
Cauthen, Halle Rivers
Champlain, John Galloway
Chapin, Robert Williams, Jr.
Chappell, George Charles
Chase, Malcolm Withington
Chasko, Gerald Joseph
Cheaure, Alfred Lothar
Chelton, Edward Ernest
Chenard, John Henry
Cheshire, Leonard Pascal, Jr.
Chesnutt, Billy
Chiles, Henry Goodman, Jr.
Chinn, Donald Morton
Chipchak, Robert Frank
Chrans, Larry J.
Churchill, Bruce William
Claman, John Sydney
Clark, Daniel Burrell
Clark, Frank Elwood
Clark, Kenneth George
Clark, Rolf Hans
Clark, Vernon
Clausen, Carl Charles
Clements, Steven Dale
Cleveland, Donald George
Cleveland, Richard Kenneth
Clexton, Edward William, Jr.
Cline, Donald Lee
Cobb, John Hale

Coday, Harold Lee
Coen, Ira Hearst, Jr.
Coffee, Desmond Thomas
Cogdell, Gary Brugh
Cohen, Paul Lewis
Cole, Edward Fiscus, Jr.
Cole, Isaiah Clawson
Cole, Joseph Demmitt
Colegrove, Robert John
Coleman, Jessie Verlon
Collicott, Charles Roy
Collins, Jerry Carlos
Collins, John Joseph
Collins, Leonard Jackson
Colvert, Lundy Ray
Combemale, Jeanloup Robert
Conway, Larry Joseph
Condon John Robert
Conley, Charles H.
Connell, James Joseph
Conner, William Thomas, Jr.
Conwell, Douglas Meriwether
Cook, Charles Irving
Cook, Walter Talbot
Cooper, Paul William, Jr.
Cooper, Robert Lee
Cooper, Robert Weatherby, Jr.
Copes, Raymond Francis, III
Copple, Jerald Allen
Cornelius, Paul Edwin
Costello, Robert Graham
Cotner, David Arthur
Cotterman, Andrew Gustav
Covell, Michael Averill
Covert, Dana Paul
Cowen, Wayne Edward
Cowles, David Eugene
Cowperthwaite, Franklin C.
Cox, Charles Claude
Cox, Charles John
Cox, Joseph Wesley
Crabbe, Douglas Vincent, Jr.
Crabbs, Edward Hamilton, Jr.
Craig, Edward Coleman
Craig, Kenneth Grant
Craiglow, Leo Harvey, Jr.
Cramer, Thomas Herbert
Crawford, Charles Wells
Crigler, Charles Hunter
Crippen Robert Laurel
Criste, David Murray
Criswell, Paul Earl
Crow, Hugh Enos
Crowder, Kenneth Lynn
Csernelabics, Richard C.
Culbertson, Richard Wesley
Cullen, Richard Columbus
Cupp, Larry Lee
Curley, Everett Patrick, Jr.
Currey, Carl Wilhelm
Curtis, Jon Edwards
Curtis, Thomas Gene
Curtiss, Daniel James
Cuttitta, Joseph S.
Dahlgren, Charles Elmer
Daily, Roger Morgan
Dalrymple, John Robert, Jr.
Dalzell, Frederic Samuel
Danforth, William Loynes
Daniels, Gene LeRoy
Daniels, Richard Farnham
Danielson, Harvey
Dannaker, Robert Paul
Danner, John Christian
Darwin, James Ray
Dattilo, Frank III
Davies, Robert Leston
Davies, Robert Llewellyn
Davies, William Emmett, Jr.
Davis, Curtis Christopher J.
Davis, Edwin Albert
Davis, George Washington, VI
Davis, Robert Thompson, II
Davis, Thomas Elwood
Davis, Vibert Hillis
Dawson, David Lee
Dean, Arthur Lee, Jr.
Dean, David Thomas
Decker, Joel Porter Wallace
Dehaemer, Michael Joseph
Dehler, Richard Frank
DeLoach, Jesse Howell
Delvecchio, John Richard
Denike, Daniel Joseph, Jr.
Denis, Robert Richard
Denn, George Everett, Jr.
Desha, Ernest Larry
Devins, Gerald Lee
DeWalt, Ralph Frederick
Dewhirst, George Harness
Diamond, Quensel K.
Dickey, Edwin Harvin, Jr.
Dickey, Riley Webb, Jr.
Dickinson, Robert Scott
Diggs, Bernard Wesley, Jr.
Digiovanni, Armand Frank, Jr.
Dimolios, Christo Charles
Dinning, Donald McPherson
Dix, Donald Walla
Dizor, Carl Adair, Jr.
Dobes, Joseph Charles
Dobrosky, John
Dodge, Ronald Wayne
Dobson, Richard Eaton
Doege, Arthur Gustav
Doll, Robert James
Dominiak, Laurence Raymond
Dooley, John Joseph
Dooley, William James
Dorfer, Jay Phillip
Dothard, Joseph Robert
Doughertry, Dennis Vincent
Dougherty, Francis Joseph
Douglas, Carlysle Arden
Dowell, George W., III
Doyle, John Francis
Driscoll, Allen Aiden
Drustrup, John Michael
Drylie, Herbert Dick, Jr.
Drylie, James Todd, II
Dubois, Denis Robert
Dubois, Dorse Howard, II
Duchesne, Robert Edward
Dudley, James Insley, Jr.
Duff, Franklin Duane
Duff, Robert Dwayne
Duffy, Francis Kevin
Duffy, James Francis
Duffy, Philip Fredrick
Dugan, Timothy Parks, Jr.
Duich, Stephen James
Duke, Thomas Edward
Duley, Donald Gordon
Duncan, Thomas John
Dunham, Donald Tolbert
Dunkle, Robert Alexander
Dunn, Gerald Leo
Dunn, James Michael
Dunn, Willmatthis, Jr.
Durbin, James Lanius, Jr.
Durfee, Gerald Armand
Durkin, Wallace Martin
Dutton, Bruce Maine
Dvornick, Eugene Steven
Dvornik, Donald Frederick
Dwyer, David Stephen
Dyer, Arland Raye
Dyer, Edward Harvey, III
Dyke, Conrad Scott
Earle, Joseph Todd
Eberlein, Bernard Earl
Eckert, Thomas Richard
Eddins, Charles Wade
Edgar, James Raun, Jr.
Edson, Darrell Willis
Edwards, David Richard
Eibert G. William
Eilertsen, James Teigen
Elliott, Jon Knox
Ellis, Willie Carl
Ellis, Wright Hoover
Embry, Hugh Collins
Emmerich, William Stanley
English, Charles Robert
Ennis, James David
Erdei, Elmer Alexander
Esau, Anthony Christopher
Esposito, Richard Michael
Evans, Fred Wilson, Jr.
Evans, William Robert
Everman, Leon Ervin

Famme, Joseph Bortner
Fang, George Weiming
Fanning, George Francis
Farber, Frederick Albert
Farmer, Michael Obrien
Farnan, George Francis
Farnan, Robert Leo
Farrell, Charles Augustus J.
Farren, Manus Gerard
Fay, Frederick Oliver, Jr.
Fedor, John David
Fee, Jerome John
Felger, Daniel G.
Fenn, Michael Robert
Fenno, Ted Perley
Ferbrache, Ray Leroy
Ference, Robert Joseph
Ferguson, Michael Blackburn
Ferrier, Donald Robert
Ferrier, Thomas Lee
Ferro, Nicholas Anthony
Ferruggiaro, John Benedict
Field, Robert Delano
Field, Stephen Arthur
Fields, Floyd Harrison, Jr.
Fijak, Theodore, Jr.
Findlay, James Roy
Finkelstein, Jimmie Bennie
Finkelstein, Milton Mordeca
Firebaugh, Millard Sherwood
Fisher, Ben Herman
Fisher, David Phillip
Fisher, George Garthwaite
Fisher, Robert Augustus
Fisher, Thomas Mark
Fitch, Kenneth Ray
Fitch, Robert Stuart
Flanagan, Alan Brian
Flanagan, Walter Brian
Fleming, Charles H., Jr.
Flesher, Elbert Eugene, Jr.
Flores, Arthur Jerome
Flournoy, Robert Alexander
Flynn, Cathal Liam, Jr.
Flynn, Robert James
Foley, Daniel Joseph
Folse, Ronald Leo
Folta, Kenneth David
Ford, James Iru
Ford, John Fletcher
Forthman, Ernest Almer
Fowler, Eugene Cary
Fowler. Richard Charles
Fox, William Clement
Frame, Lee Hudson, Jr.
Frazier, Lowell Dennis
Fred, Robert Henry
Frederick, William Edmund
Freehill, Robert Louis
Freeman, Joseph Harry, Jr.
Freeman, Michael Harry
Freiheit, James Edward
Frelich, Alan Wencil
French, Dana Page, Jr.
Frew, John Archibald
Friedmann, Alfred Rodney
Friedsam, Bruce Alexander
Fromholtz, Richard John
Frontz, Richard Franklin
Frothingham, John Carey
Fry, Michael Scott
Fryman, Wayne E.
Fuchs, Robert Edwin
Fuscaldo, Robert Patrick
Futch, Charles Abbott
Gabriel, Edward Michael
Gache, Marius Anthony
Gadsby, Donald Francis
Gaedecke, Walter Richard
Gagliano, Sam Joseph
Galbraith, Elmer Joseph, Jr.
Gallagher, Michael Thomas
Gallamore, John Cliff
Gamba, Robert Victor
Gambacorta, Francis Michael
Gamer, Jerrold Desmond
Gander, John Peter, Jr.
Garden, Leon Bernard
Garfield, Peter Jack
Garritson, Grant Richard
Garvey, Daniel Patrick
Gaskell, Lawrence Charles
Gasser, Robert Eugene
Gastrock, Barry Allen
Gauthier, David Pierre
Gavlak, Michael William
Geck, Robert Lee
Geeding, Robert William
Geer, David Winston
Gensler, Robert Lewis
Germany, Holmes Billy
Gerstel, Donald Arthur
Gesswein, Paul Schofield, Jr.
Giauque, Larry Lee
Gibson, James William
Giersch, George Joseph
Gilbreath, David Slagle
Gill, Donald Lee
Gill, Richard Barclay
Gill, Thomas Edward II
Gillen, Robert Francis
Giuffreda, Robert Noel
Glaspell, Grayson McGuire
Glivings, Rudolph
Glover, Robert Patrick
Gneckow, Gerald Eugene
Goggins, John Joseph, Jr.
Golden, Mark Melvyn
Goodman, Jerry Edward
Goodrich, Walker Raitt, Jr.
Gordon, Bradley Wells
Gordon, Robert Henry
Gost, William John
Goubeaux, Richard Francis
Gowers, Fred Lewis
Graffman, Joel Ross
Grafton, Jay Troy
Graham, David Bruce
Graham, Robert Lewis
Grantham, Frank Holmes
Graustein, Robert Stewart
Gravley, Thomas Wayne
Grayson, Arthur Loring
Green, Conrad Gibbons
Greenberg, Abe
Greene, Paul Edward
Gregor, Richard Allen
Gregory, William Herbert
Grice, John David
Griffin, Robert Noble
Griffis, William Willard
Grimes, Elmer Ray
Grinnell, Donald Prescott
Groff, Abram Lloyd, Jr.
Groggett, Joseph Edward, Jr.
Gros, Joseph Edward, Jr.
Grosfils, Eric Francis
Gross, Robert Bascum
Grotenhuis, John Henry
Groth, John Frank
Grunstra, James
Gubbins, John Spenser, Jr.
Gudmunson, Charles Edward
Guertin, Gerald Andre
Gurnee, William Theodore
Gustafson, Kurt Allen
Guter, Richard Joseph
Hackett, Douglas Myron
Hagen, John Michael
Hakanson, Gary Evan
Hale, Frederick Girvin
Hall, James Wayne
Hall, Jay Hardenbrook
Hallman, Lee Allen
Hallmark, John Bobby
Hallowell, Benjamin H., Jr.
Halpin, Hugh
Hambright, Thomas Leroy
Hamilton, James Bartin
Hamilton, Leonard Anderson
Hamilton, Ted Allen
Hamon, Richard Warren
Hampton, Thomas David
Hancock, James Everett
Hancock, John Bruce
Hand, David Roger
Hankins, Jack Thomas
Hansen, Eigil Lund, Jr.
Hansen, Kirby Walter, Jr.
Hansen, Richard Carl
Hansen Robert Raymond
Hanson, Ralph Edward, Jr.
Hanson, Robert Clyde
Harden, Jon David
Hardesty, Michael Alfred
Hardin, Bruce Howard
Hardison, Robert Payne, Jr.
Harless, Charles Wililam
Harlett, John Charles
Harold, Douglas Walker, Jr.
Harper, Don Spence, Jr.
Harrell, Gary Wayne
Harrell, Richard Earl
Harrelson, Allan Miller
Harris, David Franklin
Harriman, Robert Barbour
Hart, Clifford Awtrey
Hart, Robert Martin
Hartman, Gary Walton
Hartman, William Albert
Haselman, Eugene Albert
Haskell, Richard Davies
Hastie, William John
Haukereid, Arvin Lawrence
Haungs, Richard Elmer
Hayne, William John
Head, Thomas Arthur
Heald, David Blair
Healy, Kevin Michael
Healy, Patrick Robert
Heath, David Michael
Hechtman, Robert William
Heck, Jerome Ronald
Heckman, Robert James
Heckman, Ronald Wayne
Hedley, Peter Fraser
Heidt, John Harry
Heintz, Harvey Louis
Heinz, William John
Helmann, Jack Eldred
Helms, Hugh William
Hemmer, John Kenneth
Henderson, Jimmy Don
Henderson, Lee Herman
Hendren, Edward Dale
Hendry, John Alexander
Henrizi, John Taylor
Hensgen, Richard Harold
Henson, Jarrell Neal
Heppard, William Edgar
Herbst, Martin William
Herring, J. Michael
Herting, Thomas Joseph
Hertzler, Gerald Ray
Hezeau, Dan Wilfred
Hicks, Gerald Dennis
Hicks, Jack Andrew, Jr.
Hightower, Charles Vernon
Hilder, Lewis Edward
Hill, Aimo Walfred, Jr.
Hill, Alan Curtis
Hill, Ronald Vernon
Hill, Virgil Lusk, Jr.
Hill, William Joseph
Hillyard, William Franklin
Hilty, David Allen
Hinchy, Frank Thomas
Hinkel, Ronald William
Hinman, Kendall Goddard, Jr.
Hinson, Thomas Paul
Hinton, Thomas Evans
Hipper, Ira Mark
Hitch, William Lee
Hixson, Richard Michael
Hoadley, Garrick Little
Hoag, Robert Wyman, II
Hodge, Henderson Alison, III
Hodge, Stephen Andrew
Hoecker, Richard George
Hoernlein, Russell Paul
Hoffman, Drake Anthony
Hoffman, Joseph Francis, Jr.
Hoffman, Paul Mylton
Hofford, Robert Francis
Holben, Neil Edward
Holcomb, Charles Curtis
Holifield, Allison James, Jr.
Holland, John Deal
Holliday, James David
Holly, Richard Warren
Holmes, Ephraim Paul, Jr.
Holmes, John Anderson
Holmes, Stacy Vernon
Holt, Richard Harold

Holtel, Kenneth Paul
Holtz, Robert Sidney
Hood, J. V.
Hopkins, Howard David
Hopper, John Ford
Hopper, Robert Allison
Horn, Frank Gordon
Horsch, Arthur Richard
Hoshko, John, Jr.
Houghton, David Ralph
Houk, Donald Richard
House, Thomas Vann
Houtchens, Horace Paul
Howard, Albert Oscar, Jr.
Howard, John Richard
Howard, Lee Francis
Howard, Robert Metcalf
Howell, Frederick Junior
Howell, Norman Brice
Howerton, Norman Julius
Howson, Richard Ira
Hubbard, Charles Walter Jr.
Hubbard, Clarence Henry
Hubbard, Richard Gene
Huber, Raymond James
Huehn, Kelvin Wayne
Hugo, James Walter
Huhn, John Henry
Huke, George Edwin
Hulbert, Bruce Wheelon
Hulvershorn, Frederick W.
Humphrey, William Brownell
Hunt Frank Martin, Jr.
Hunter, Jack Edmund
Hunter, William Patterson
Hurlburt, Joseph Smith
Huth, Vincent James
Hutt, Thomas Epes, Jr.
Hux, Edgar Douglas
Hyatt, Charles Sidney
Ianucci, Robert Joseph
Ibach, James Sewell
Inderlied, William T., III
Innes, Henry Edgar
Isaacson, Robert Theodore
Jackson, David Edward
Jackson, Samuel Lee
Jackson, Warren Barrett, Jr.
Jacobsen, Kenneth Chester
Jaffee, Carl
James, Ronald Edward
James, Stephen Robert
Jones, Walter Albert, Jr.
Janes, Walter Albert, Jr.
Jenkins, Frederick Peter
Jenkins, Wendal Lamar
Jensen, James Leroy, Jr.
Jensen, Richard Morton
Jerding, Frederick Noel
Johannes, Richard Nelson
Johannesen, Robert Edward
Johniken, Teddy Atlee
Johns, James Edward
Johnson, Albert Parrent, Jr.
Johnson, Axel Robert S., Jr.
Johnson, Gary Robert
Johnson, Iver Raymond
Johnson, James Richard
Johnson, Kenneth Albin
Johnson, Larry Dean
Johnson, Ralph Borkland, Jr.
Johnson, Robert Amandus
Johnson, Ronald Bruce
Johnson, Stephen, Jr.
Johnson, Thomas Alvin
Johnson, Thomas Buford
Johnston, Daniel Francis
Johnston, Lowell Timothy
Jones, David Lynn
Jones, Frank Alfred, Jr.
Jones, Jerry Scott
Jones, Keith Shannon
Jones, Milton Haddon
Jones, Raymond George, Jr.
Jones, Thesle Robert
Jones, Thomas Price, Jr.
Jones, Winslow David
Jordan, John Leonard, Jr.
Joyner, James Dietrich
Juan, John
Judson, William Harry
Julian, Franklin Donald
Kaempfer, Frederick William
Kagy, Virgil Clarence
Kahler, Robert Charles
Kaiser, Theodore Joseph, III
Kalb, David George
Kallusch, Herbert William
Kanady, Garland Harold, Jr.
Kane, Robert Mattison
Kapocius, Algirdas Kazimier
Karcher, Victor Anthony
Karst, Allen Wayne
Kasales, Joseph Anthony
Katz, Alfred Charles
Kauffman, Lawrence Benjamin
Kaupas, Thomas Richard
Kay, Francis Daniel
Keating, Arthur Louis
Kehm, William Charles
Kelley, Alfred Samuel
Kelley, Thomas Gunning
Kelly, Jessie Henry
Kelly, Robert Francis, Jr.
Kennedy, Edward Elvis
Kennedy, John C.
Kennedy, Joseph Thomas
Kenney, Lawrence Harold
Kenny, John Joseph, III
Kerr, Howard J., Jr.
Kerr, James Earl
Kesler, Gene Paul
Kettinger, Joseph Paul
Kicker, Charles Kenneth
Kiel, Joseph Alan
Kiely, Richard Krake
Killinger, Edwin Earl
Kilpatrick, Arthur Lawrence
King, Wesley Allen
Kinney, Dennis Martin
Kinney, Richard Warren, Jr.
Kinsey, Beale Henry
Kirk, Francis Marion, Jr.
Kirkman, David Clair
Kisel, Jack Charles
Kizer, Clyde Richard
Klee, Charles William, Jr.
Klein, Donald Craig
Kline, Robert Leroy
Klinger, David Calvin
Knabb, Kenneth Keith, Jr.
Knapp, Edwin Jackie
Knepell, Thomas George Will
Knight, Daniel
Knight, Dennis Ray
Knight, Euodias Falcon, Jr.
Knorr, David James
Knudson, Kenneth Royce
Knudtson, Vernon Leroy
Knutz, James Evert
Koch, Larry Neil
Kochey, Frederick Loyal
Koehler, Thomas Clinton
Kogler, Robert Albert
Kolb, William Wister
Kolodziej, John Saverio
Komarek, Jon Perry
Koneval, Kenneth George
Koontz, Ronald Lee
Kordalski, Robert Edward
Korsmo, Thomas Brock
Korzensky, George Joseph, Jr.
Kouba, George Edward, Jr.
Kozlowski, Stanley Clare
Krall, John James
Kramer, Harvey Fred
Kramer, John Frederick, Jr.
Krause, David Robert
Kreassig, Richard Melvin
Kristensen, Gail Albert
Kroner, Frank Robert, Jr.
Kronz, James Cyril
Kronzer, James Edward
Kroyer, George Peter
Krulisch, Alan Henley
Kubishen, Michael Andrew
Kuester, Arland Wilmer
Kuhhirte, William Fred
Kulesz, James John
Kumpf, Thomas Lewis
Kundrat, Reginald
Kunz, James Charles
Kurz, Robert
Laack, Dennis Raymond
Lacey, John Stephen, Jr.
Laipply, Charles Thomas
Lair, James Anthony
Lake, John Townsend
Lamar, Mario Juan
Lamb, Donald Kieth
Lamb, Jay Walter
Lamb, Stanton Bruce
Lambach, Carl Ernest
Lambert, Barry Clifford
Lambert, Richard Ellis
Lamey, Paul Emile
Lammers, Lennis Larry
Lamporte, Richard Arthur
Lane, Glynn Quinton, Jr.
Lane, John William
Lang, Joseph McCarty, Jr.
Langen, Joseph Henry
Lapean, James William
Larison, Donald Eddie
Lasko, Paul Gilbert
Lawrence, Richard Wayne
Lazo, Reinaldo
Leardi, Paul Louis
Lee, James Raymond
Lee, William Joseph
Lefebvre, Edward Joseph
Lemanski, Albert Bernard
Lemoyne, Irve Charles
Leonard, William John
Lesuer, Wallace Tompkins
Levin, Frederick Wylie
Lewis, Harry Colson
Lickfold, Frederick R., III
Lindsay, Gene Harris
Linstedt, Gerald Lewellyn
Livingston, Ira Eugene
Lloyd, Roger Manford
Lockett, Joseph Louis, III
Loebel, Leonard Francis
Loftus, Thomas Joseph
Long, Harry Russell
Long, William Camielle
Landry, John Andrews
Lane, Howard Francis, Jr.
Lang, James Richard
Lange, Peter Saunders
Lantzer, Lawrence Arthur
Large, Elwyn Ferris
Lash, Franklin Bruce
Law, James Lawrence
Layton, David Ralph
Leahy, John Francis, III
Lebedeker, Michael David
Lee, James Stanley
Lees, Michael James
Lehardy, Frank Ackerman, Jr.
Leming, Billy Joe
Lenbergs, Harold Edvin
Leslie, Robert Curtis
Lettington, Thomas Floyd
Lew Girard Thomas
Lewis, Porter, Jr.
Limbaugh, John Robert
Lindsey, James Allen
Litzinger, Richard Fuller
Lloyd, Robert Collins
Lloyd, Rober William
Lockie, William Edward, Jr.
Loftus, John Bernard, Jr.
Logue, William Ralph
Long, Robert Arch
Loomis, Michael Francis
Loonam, Bernard Joseph
Lord, Norman Craig
Loveland, Kenneth Wilder
Loveless, Ralph Luther
Loving, Howard Hayden, Jr.
Lowack, Frederick John
Lowry, Bernard Franklin, Jr.
Lubs, Larry Lee
Luellen, Lawrence Horst
Luenser, Kenneth Herbert
Lund, Jon Robert
Lunneberg, Thomas Alvin
Luper, James Arthur
Lusignan, John Maynard
Lusk, James Bryan, Jr.
Lynch, Edward Thomas, Jr.

Lynch, Frederick Wintley MC
Macdougall, Donald Gerrad
Mack, Jacob Arthur, III
Mackay, George William
Mackay, William Robert, III
Macke, Richard Chester
Mackin, John William, Jr.
Macpherson, David Gregory
Madden, Michael John
Mahoney, John Timothy
Main, Christopher Avery
Makela, Toivo Wilmer
Malla, Richard John
Malone, John Patrick
Malopy, Lawrence Richard
Mann, Harry Paul
Manning, William Squires
Marburger, George Gerald, Jr.
March, Daniel Peter
Mares, David Lee
Marnane, Joseph Peter
Marquis, Richard Irving
Marsh, Frank Joseph, Jr.
Marshall, William Clarke
Marti, Thomas Joseph
Martin, Clifford Irwin
Martin, Harold Pierce
Martin, Harold Vaughn
Martin, Owen Carmin, Jr.
Martin, William Francis
Martin, William Glynn
Mason, Ronald Richard
Matheny, James Tim
Mathews, Drexel Loy
Mattis, James Bertrand
Matulka, Robert Dale
Mau, Gary Wilbur
Maybach, Alfred Allen, Jr.
Mayer, Roderick Lewis
Mayo, John Blount, Jr.
Mayo, Lester Myrl, Jr.
Mays, George Glennon
Mazzan, Carl Anthony, Jr.
McAbee, John Tolbert
McAfee, Robert S.
McBride, James John
McBride, William Richard
McCann, James Thomas
McCann, Wilford Dale
McCarthy, William Patrick
McCartney, Roy Scott, Jr.
McCarton, Joseph Francis
McCaskill, Charles Edward
McClanahan, Ted
McClelland, Michael Dwight
McClernon, Thomas Francis J.
McCloskey, Terry John
McClure, Thomas Wesley
McColgan, John Francis
McCormick, John Hubert C.
McCoy, Jimmy Hurst
McCrork, John Clinton, Jr.
McCullough, Larry Dean
McDaniel, John Richard
McDiarmid, James Edward
McDonald, William Mills
McDonell, John Gordon
McDonough, Thomas Frederic
McDowell, Thomas Niles
McElmurry, Joe Allen
McEntyre, Harry K.
McFillen, Roger Leroy
McGee, Wyatt Hudson
McGinley, Edward Stillman
McGoldrick, Henry Joseph
McGovern, Lawrence Edwin
McGregor, James Richard
McGuire, James Robert
McGuire, Richard James
McIntire, Lloyd Gilman
McKay, John Norman
McKay, Malcolm Wagner
McKeown, Edward James, Jr.
McKeown, Ronald Eugene
McKimens, Robert Bruce
McKinna, Michael Dennis
McKinney, Donald Lee
McKinney, James Bradley
McLaughlin, Thomas Earl
McLaurin, John Coleman, Jr.
McLeod, Samuel Dell, Jr.
McManis, Robert Bruce
McNabb, John Michael
McNair, Morris Luther, Jr.
McNamara, John Joseph
McNeill, James Bruce
McNeill, Robert Davis
McNicholas, Thomas Michael
McOlgan, Jerry Max
McTighe, John Terence
Meardy, Ronald Ross
Mears, Ronald Thomas
Medera, Don Winsor
Medaris, William Winston
Meeks, William Ellis
Meese, Harry Evan
Meiling, Jaque Lloyd
Meinicke, Thomas Alfred
Melton, Jack Leroy
Menikheim, Douglas Karl
Mensch, George Herbert
Mercado, Carlos Edward
Mercer, Benjamin F., III
Mermagen, Peter Julian
Merrick, Martin Peck
Merrill, Michael Herbert
Merriman, Gene Dale
Metcalf, Robert Edward
Metzler, Charles Paul, Jr.
Micalchuck, David Peter
Michalski, Louis, Jr.
Michaux, Richard Wehunt
Midas, Michael Thomas, Jr.
Middents, Paul Willby
Middleton, David Dean
Miller, Donald Leigh
Miller, Everett Ray
Miller, Leon Robert
Miller, Stephen Kurt
Miller, Thomas Leroy
Mills, Melvin Walter
Mills, Richard Bruce
Mims, Norman Wells, Jr.
Mims, William Jackson
Minick, William Edgar
Minugh, Edward Marshall
Misuna, Charles Wallace
Mitchell, Charles Vincent
Mitchell, Fredrick Gerard
Mitchell, Martin Ralph
Mitchell, Richard Floyd
Mitchell, Robert Ervin, Jr.
Mixon, Tracy Roland
Mock, Sanford Norman
Moffett, Peter Voland
Momm, John Albert
Mommsen, Durward Belmont, Jr.
Montgomery, David Robert
Montgomery, Robert Andrew
Moore, David Keith
Moore, Dennis Anthony
Moore, Lawrence Boyd
Moore, Robert Lord
Moorehead, William Stewart
Moran, Maurice Joseph
Morgan, Richard Alan
Morgan, Ronald Dennis
Morin, Thomas Eugene
Morris, Charles Ward
Morris, Edward Wiersma
Morris, John Elsworth
Morris, John Karl
Morrison, Harlan Langtry
Morrison, Karl Fisher
Morrison, Lawrence Alexander
Morrison, Richard
Morrissey, Jon Edward
Morse, Carl Samuel
Morse, John Palmer
Moscoe, Loren Joseph
Moses, Paul Davis
Mosser, John Henry
Mosteller, William Leidy
Mouns, Albert Lebeau
Mowery, Gary Willis
Moyle, Hal Eugene
Moynahan, Michael Joseph
Mrazik, Albert
Mucha, Marvin Francis
Muckenthaler, John Loren
Mueller, Joseph Brian
Muench, Raymond Whitney
Mulford, Michael Linden
Mulhall, John Lawrence
Mullen, James Joseph
Mullins, William Edward
Munger, Francis Xavier
Munroe, Frank Asbury, III
Murphy, Arthur William, Jr.
Murphy, James Andrew
Murray, Allan Walter
Murray, Edward Paul
Murray, Jack Lee
Murray, Roger P
Murray, Tom Reed, II
Myers, Thomas Andrew
Nagel, James Ronald
Nale, James Franklin
Narciso, John Anthony
Naughton, Robert John
Needham, William Ray
Nelson, Gerald Archibald
Nelson, Thomas Lane
Nelson, William Jerome, Jr.
Nemer, James Joseph
Nesbitt, Donald Lee
Newman, Roger Lee
Newman, William Edward
Newmister, Ronald Duane
Newton, Eugene Dexter
Nichols, Christopher Owen
Nichols, Roger Alan
Nitschke, Richard Neal
Nixon, Murray Cameron
Nolan, Donald Edward
Norfleet, Ashley Curtis II
Norton, Lafayette Ferguson
Nowotny, Lionel Jerome
Nystrom, Robert Eric
Oakes, Dudley Glen
O'Brien, Edward James, III
O'Brien, George Donohue, Jr.
O'Brien, Gerald Henry
O'Brien, James Edward
O'Connell, Michael Joseph
O'Donnell, Keith William P.
Olds, Harry Max
Oliver, Herndon Albert, III
Olsen, Robert Anker
Olzinski, Stephen James
Oney, Warren Wayne
Onorati, Roger Peter
Onslow, Vincent Leroy
Ortega, Manuel, Jr.
Ortengren, Ralph William, Jr.
Orth, Nelson Edward
Osborough, Harry Richard
Ostrander, Gary Lyle
Ott, Keith Montgomery
Owens, Edward Lee
Pafias, James Ellis
Page, Earl Daniel
Painter, Floyd Charles
Pajari, Earl Arthur
Paleologos, Nicholas C.
Paletta, Joseph, Jr.
Palm, Peter Elmer
Palmer, George Mathison, III
Parcells, Paul Whitney
Pariseau, Richard Roland
Parker, James Thomas
Parker, John Eugene
Parkhurst, James Chappell
Parnell, Charles Lavelle
Parry, Ira Eustace, Jr.
Parsley, William Vernon
Parsons, Edwin Francis, Jr.
Partington, James Wood
Partlow, Robert Greider
Passarella, Anthony Harold
Pastre, Robert Leslie
Patacsil, Peter Espejo
Patterson, Ronald Gilbert
Patton, James Howard, Jr.
Paul, Ronald V.
Paulsen, Thomas Dean
Paulson, Gaylord O'Neil
Paulus, John Francis
Pavelko, John
Pavlik, Michael Dennis
Payne, Joseph Carroll
Pearce, Robert Guy
Pearl, John Mitchell

Pearson, John Davis
Pedisich, Paul Everett
Peebles, Robert Harold
Pelkey, Frank Dixon
Pellett, David Andrew
Pelton, Joseph Earnest
Pence, Thomas Howard
Pendleton, Reid, Jr.
Penn, Buddie Joe
Penrose, William Dennis
Peoples, Donald Hall
Perisho, Gordon Samuel
Perkins, Robert Caldwell, Jr.
Perkins, Thomas Millard
Perry, Eugene Edward
Perry, J. Stephen
Perry, Lonnie James
Persell, Robert Alexander J.
Pestorius, Frederick M.
Petersen, Jack Eskield
Petersen, Louis Harold
Pethick, John Alvin, II
Petitt, William Edgar
Petrucci, Richard Joseph
Pettyjohn, James Robert
Pezet, Walter Angell, III
Pfau, Zeno J., Jr.
Philbrick, James William, Jr.
Phillippi, Frederick E., Jr.
Phillips, Henry Lemle, Jr.
Phimister, Stephen
Phipps, Rodney Galbraith
Picard, Joseph Charles E.
Pichel, Marcelino Raymond
Pigeon, Norman Brown
Piper, James Stanley
Pirofalo, Phillip Mathew
Pitt, William Matthews
Pittsman, Charles Wood, Jr.
Plaugher, Charles Edward
Poe, William Henry
Poole, Richard James
Pope, Rex Arvis
Pope, William Henry
Porter, Donald Ray
Porter, Ethan Oliver, Jr.
Porter, Richard Thilo
Porter, Robert Law
Post, Jerry Lee
Posthumus, Robert Kenneth
Potente, Estelito Nocon
Potter, Robert Allen
Powell, William Brant
Powell, William Llewellyn J.
Power, Francis Rawley
Powers, Byron Lippincott, Jr.
Powers, Robert Carney
Powers, Robert Joseph
Prehn, Robert Lloyd
Presnell, Lawrence David
Preston, Gerry Lee
Price, Lawrence Howe
Primmer, Stanley Leslie
Proshek, Robert Mealey
Purcell, William Clarence
Purl, John Donald
Putnam, William Marvin
Quarterman, John Maye, Jr.
Quast, Philip Michael
Quinn, Michael Edward
Raiford, John Frank, Jr.
Raines, Paul Eugene
Rambo, Vinton Arnold
Ramsay, Ian William
Ramsey, James Burnley
Ramsey, William Frank
Randall, Edward James
Randall, Robert Hudson
Randolph, William Lewis
Ransom, Edward Arthur
Rasley, Roger William
Rattan, James Dow
Rauth, James Arthur
Raymond, Robert Wall
Ready, John Kenneth
Reaves, Curtis Felton
Redmond, Robert Mize
Reed, Ross Mahr
Reese, Evan Price
Reese, Richard Lynn
Reese, Ronald Malcolm
Reeves, Philip Eugene
Rehrig, Gerald Jon
Reilly, George Vincent, Jr.
Reisenleiter, Vernon A., Jr.
Renwick, John Maxwell
Replogle, Hugh Butler
Repsher, Boyd Francis
Ressler, Paul Michael
Reust, Earl Daniel
Reuter, Stewart Earl
Rheinhart, Eugene Otis
Rhodes, Edwin Olliff
Rhodes, William Alfred
Rice, William Robert
Richardson, James Clarke, Jr.
Richardson, Jere Lee
Rickelman, John Henry
Ricketts, David Lynn
Ridder, Wendell Clayton
Riffle, Earl Robert
Rikli, Albert Frank
Ringelberg, John Michael
Roark, David Leroy
Robbins, Christopher Brooks
Roberts, Charles Keith
Roberts, Ernest Paul
Robinson, Regneld Dwaine
Robison, Kenneth Gerald
Roche, James Gerard
Rochells, Andrew Jerome
Rodgers, James Claude, Jr.
Rodgers, John Michael
Rodriguez, William Joseph
Roeder, Bernard Franklin, Jr.
Roemish, Eric Michael
Rogers, Elmer Earle, II
Rogers, Theodore Fleming, Jr.
Rohdenburg, Kurt Amandus
Rohles, Gerald Bernard
Rohr, Robert Charles
Roller, Donald Gordon
Rollins, David John
Roome, Jack Verne
Roper, Lidge B.
Rose, Michael Andrew
Ross, Robert Joseph
Ross, William Cotter
Ross, William Morgan, Jr.
Roth, Michael Charles
Rothbert, William Carl
Rothschild, Robert Edward
Roton, Cyrus William
Rowe, Arthur Earl, Jr.
Rowley, Charles Dana
Rowley, Thomas John, Jr.
Ruckersfeldt, George Edward
Ruhsenberger, John Francis
Russell, Jerry Curtis
Ruth, Paul Arthur
Ryan, Charles Edward
Ryan, Henry Joseph
Ryan, James Henry
Ryan, Kevin Thomas
Ryan, Larry Eugene
Ryan, Thomas David
Rybarczyk, Anthony Mark
Ryder, Albert
Saari, Colin Henry
Salisbury, Herbert Douglas
Salo, Kenneth Walter
Salopek, Raymond
Sammons, Charles Eugene
Sanders, David James
Sanders, Leslie Allen
Sandige, Edward Dabney
Sandlin, John Paul
Sands, Robert John
Sarepera, Hillar
Saunders, Franklin Harwood
Scalf, Fred Robert, Jr.
Schiller, William E.
Schippel, Edwin Lyle
Schlegelmilch, Charles Robe
Schlicht, Donald Leo
Schmidt, Henry, Jr.
Schmidt, John Arthur
Schmook, James Raymond
Schneider, Clinton Dunn
Schneider, Edward Joseph
Schneider, Michael John
Schottle, Howard Thomas
Schraeder, Paul Roger
Schreiber, David Ervin
Schriefer, Luther Frederick
Schroeder, David Donald
Schroeder, Raymond C., Jr.
Schuette, Richard Walter
Schuetz, Laurence Noel
Schulman, Richard David
Schweizer, Earle Godfrey Jr.
Sclichter, Edward Franklin
Scobee, Charles Russell Jr.
Scoggin, James Morris
Scott, Gordon Earl
Seaman, Stewart Russell
Sechler, William Ralph Jr.
Seeber, Lauren
Seebirt, James Eli
Seeley, Howard George
Segerblom, Ronald Lage
Sellers, Ralph Vincent Jr.
Sellgren, Charles Alan
Seneff, Gerald Neal
Sestric, Joseph Lawrence
Seyfarth, Robert Ernst
Seymour, John Gregory
Shaftoe, Lyndon Robert
Shaw, Frederick Albert
Shaw, Joe Leo
Shawkey, Richard Sutherland
Sheedy, Francis Xavier
Sheehan, John Joseph III
Sherer, Robert Wallace
Sheridan, Robert Emmett
Sherman, Bradford Crosby
Shew, James Edward Jr.
Shewchuk, Jon Dennis
Shields, Russell Kingman
Shoemaker, Brian Hall
Shoemaker, Hugh Louis
Shoemaker, William Bruce Jr.
Shoop, Robin Dexter Jr.
Shortal, Terence Michael
Shower, Albert Joseph Jr.
Shreckengaust, James Arthur
Shrum, John Lemmon
Shufelt, William John Jr.
Siegfried, Douglas Sherwood
Sienicki, Edward Francis
Siepel, Willard Ernest
Sigmund, Jay G. II
Silseth, David Franklin
Silvey, Frank Joseph
Simmons, Douglas William
Simmons, Vernon Pitkin
Simpson, Frank Thomas
Singleton, J. Arthur
Sipple, Howard Lawrence Jr.
Skinner, Garland Frederick
Skjod, Chester James
Slack, Charles Edward III
Slezak, Norman Lee
Sloan, Dean Elliott
Smink, William H.
Smith, Brooks Fate, Jr.
Smith, Earle Leslie, Jr.
Smith, Eugene Thomas
Smith, Gerald Lewis
Smith, Glen Walter
Smith, James Albert Daniel
Smith, Jerome Frost, Jr.
Smith, John Alan
Smith, John Freeland
Smith, Larry Leroy
Smith, Lawrence Jerome
Smith, Lynn Holmes
Smith, Raleigh Merritt
Smith, Raymond Nelson
Smith, Reid Hessey
Smith, Robert Cortland
Smith, Ronald Clendon
Smith, Vance Griffin
Smith, Wayne John
Smrcina, Kurt Louis
Smyth, Lorne Herbert
Snotherly, Everrette V., Jr.
Snyder, Robert William
Snyder, Wallace Hutton
Sollberger, Melvin Hugh
Sollenberger, Robert Neil
Sorensen, Ronald Niels

Soupiset, Robert Irl, Jr.
Souval, Paul Telis
Sovey, Paul Louis
Sparks, Paul Whitney
Spaugy, Donald Arthur
Spear, Sherley Lawrence
Spearman, William Robert
Sperling, Harris
Sprouse, Donald Hugh
Sprouse, Haywood Galbraith
Srite, David Alan
Stack, Efird Mills
Stackhouse, Charles David
Standish, Allen Joseph
Standley, John Robert
Stanley, Maurice Dudley, Jr.
Stanley, William Martin
Stasko, Nicholas Joseph
Staton, Billy Eugene
Stauts, Frank Lynn
Stave, John Alan
Steele, Boyden Tracy
Steele, Richard Hubbard
Steele, Robert Livingston
Stefencavage, George
Stephenson, Robert Franklin
Stepp, William Edward
Stevens, Jackie Lee
Stevens, Stanley Lincoln
Stevenson, Robert George
Stewart, Charles Lockman
Stewart, Harvey Taft, Jr.
Stewart, Jesse J.
Stewart, Kelsey Smith
St. Germain, Robert Maurice
Stickelberger, Robert W.
St. Jean, Russell Joseph
St. Laurent, Charles Manfred
Stoops, Ronald Rogers
Story, Douglas Edward
Straight, William David
Strand, Robert Henry
Strasser, Edward John, Jr.
Strickland, Richard James
Striedel, Henry Chris
Strobach, Walter Frederick
Struck, Gerald Loren Victor
Stryker, David Heaslip
Stryker, Phillips Cook, Jr.
Stuart, Frederick Bruce
Stuart, Thomas Edward
Stuart, Walter Allen
Stubbs, Darryl Anthony
Stubsten, Eugene Merrill
Stumbo, Stanley Charles
Sturm, Edward John
Sullivan, Daniel Joseph
Sullivan, Dennis Allan
Sullivan, George Edward, III
Sullivan, Raymond Francis J.
Sunderland, Bruce
Supersano, Raphael Thomas
Svensen, Stanley Roy
Swap, John Edward
Swavely, David Lee
Sweeney, Stephen Edward, Jr.
Swift, James Kenneth
Sydow, Kenneth Robert
Syverson, Maurice Scott
Tadlock, James David
Tait, Thomas Michael
Taylor, Bruce Andrew, Jr.
Taylor, Donald Eugene
Taylor, Frank Harry
Taylor, Herbert Wayne
Taylor, John Francis
Taylor, Turner Worthington
Teal, Thomas Henry, III
Tedeschi, Louis Carmelo
Terry, Charles Lance
Terry, John Robert
Terry, William Edward
Thames, Lewis Herman, Jr.
Therrien, Edward Louis
Thesing, Kenneth Lee
Thiel, Alphonse August, Jr.
Thienes, Harold Alphonse
Thomas, Christopher Roy
Thomas, Lonny Lurelle
Thompson, David Stratford
Thompson, Giles Morris
Thompson, James Eli, Jr.
Thomson, John Alexander
Thorell, Charles Scott
Thorner, Michael Gordon
Tillotson, Perry Sanford
Tindal, Ralph Lawrence, II
Tobin, Byron Eugene, Jr.
Tobin, Kiefer Ault
Toland, James Clinton
Tollefsen, Thomas Severt
Tonkin, Charles Thomas, III
Topp, David Paul
Torkelson, Thomas Gerald
Torrance, Harold Stiles
Towle, Robert Leland
Towsend, William Justus
Trader, William Dalzell, Jr.
Traister, Robert Edwin
Tranchini, Joseph
Treacy, Michael Francis
Treanor, Thomas Stanley, Jr.
Tredick, William Heulings
Triggs, Frederick, III
Triplett, Thomas Terrence
Tripton, Earl Leon II
Truesdell, William Marlowe
Traumbauer, David Sidney
Tucker, Gary Lee
Tucker, Robert Eugene, Jr.
Tulodieski, John Frank, Jr.
Tupaz, Jesus Bonifacio
Turbeville, Fred Morton, Jr.
Turman, Thomas Wilson
Turner, Alfred Rogers, Jr.
Turner, Steven Lloyd, Jr.
Tyler, Donald Kenneth
Ulmer, James Edwin
Umberger, Paul Jay
Underhill, Ross Hamock
Uner, Alan Lenn
Ungemach, Seibert Arthur
Unruh, Jerry Lee
Vail, Robert Cornell, Jr.
Vallin, Richard Thomas
Vandenbroeck, Thomas August
Vandersip, Clifton Judson
Vanderwolf, Peter John
Vanmetre, Robert Brian
Vanpelt, Albert Murle
Vanpelt, Sterley Branson, II
Vansickle, Kenneth Lee
Vanslyke, James Corbett, Jr.
Varga, George
Vaught, Clarence Scott
Vernot, George Andre
Verona, Francis Michael
Vester, James Allen, Jr.
Vickers, Robert Irving
Visted, Frank Alexander
Vonfischer, Eduard L., III
Vonkolnitz, Henry, Jr.
Wade, Barton Scott
Waer, Richard Dean
Waggoner, Mark Harvey
Wagner, Edward Francis
Wagner, James Andrew
Wainscott, Robert Phillip
Waldron, James Leroy
Walker, Edward Thomas, Jr.
Walker, Henry Edwin, Jr.
Walker, James Robert
Walker, Jon William
Wallace, Ernest Larry
Wallace, John Lloyd, Jr.
Wallis, Walter James
Walsh, Kirk Thomas
Walsh, Raymond Michael
Walter, Larry Edwin
Walters, Edward Crist
Walters, Horace Munro, Jr.
Walters, Richard Ralph
Walters, Robert Monroe
Ward, Charles Edward
Ward, John David
Wardle, Norval Leon
Wasson, Charles David
Waterman, Larry Wayne
Watrous, David
Watterson, Rodney Keith
Watts, Donald William
Wax, Gary Nathan
Webb, Lowell Elliott
Weber, James Gordon
Weeks, George Roland, Jr.
Weiermann, Donald Hans
Welch, John Michael
Welch, Robert Horton
Welch, William Charles, Jr.
Wells, Elwood Gordon
Wells, Richard Paul
Welte, James Carl
Wengert, William Henry
Wentworth, David Clive
Werhan, Kenneth Raymond
Wesberry, Reginald Ernest J.
West, Bernard Hyland
West, Frederick John
Westerman, John Phillip
Westfall, Robert Edmond
Whelan, John Francis, Jr.
Whitaker, Edson
Whitaker, William Drake
White, Bernard Grove
White, Richard James
Whitely, John Epes, Jr.
Whitley, William Robert
Whitney, Richard Merrill, Jr.
Whittington, William James
Whitton, Jon Walter
Wicklund, Robert Montgomery
Wiese, Richard Judson
Wilcox, John Bartlett
Wilcox, Wayland Edward
Wileen, Gordon Charles
Wilgenbusch Ronald Charles
Wilkes, Gilbert Vanduren, II
Wilkinson, Robert Bailey, Jr.
Willenbucher, Marshall R.
Willetts, Leo Joseph, Jr.
Williams, David Arthur
Williams, Douglas Allan
Williams, Hugh Thomas
Williams, Jack Rieber
Williams, John Henry, Jr.
Williams, Kenneth Hoyt
Willimon, Henry Pack, Jr.
Willsey, John Michael
Wilmot, Frederick Eugene
Wilson, David Carl
Wilson, Earl Fairburn, Jr.
Wilson, James Alexander, Jr.
Wilson, James Russell
Wilson, Laurence Woodford
Wilson, Raymond Joseph
Wilson, Robert Clair
Wilson, Robert James
Wilson, Robert Lawrence
Wilson, Waldo Wayne
Wilson, William Henry
Wiltamuth, Richard Ernest
Winant, Thomas Clinton
Winn, Robert Monte
Winstead, Shelby Dennis
Wise, Donald Rae
Wishart, Thomas Tinker
Wolfe, Ned Charles
Wolfe, James Bryant
Wolfgang, Paul Webster, Jr.
Wolniewicz, James Simon
Woltersdorf, Leonard Oscar
Woomack, Thomas Folts
Wood, Herman Francis
Wood, James Erastus III
Woodard, John Sanford
Woodward, William Jasper, Jr.
Worthington, George Rhodes
Worthington, James T. II
Wright, David Winsor
Wright, George Frederick
Wright, Hendon O.
Wright, Jerry Leonard
Wright, Lawrence Thomas
Wright, Lindell Wayne
Wyckoff, Roger David
Wylie, Walter Jay
Wyman, Richard Ernest
Wynn, Hugh John
Yakubek, Paul Marsik
Yarborough, Jerry Olin
Yeck, Richard Charles
Yeske, Lanny Alan
York, Thomas Andrew, Jr.

Youmans, Richard Walter
Young, Charles Thomas
Young, John Rawstron
Young, Richard Keith
Young, Stephen Grant
Youngberg, Guy Milton
Zalkan, Robert Libman
Zettler, Thomas Richard
Zmorzenski, Frank Peter
Zolman, Richard Ward
Zumwalde, Richard Theodore

### SUPPLY CORPS

Akers, John Robert
Altman, William, Jr.
Anderson, David Karl
Anderson, Thomas
Antolini, Richard Carl
Anttila, Robert Matthew
Bailey, Edwin Hammer
Baker, Kenneth Dean
Barber, John Edwin
Barnes, Francis Stoddard
Bauer, James Francis
Baum, Kenneth Arthur
Bean, John Raymond
Beeman, Ray Noel, Jr.
Benner, Willard James
Berger, Paul
Bergman, Richard Herman
Bessenger, Frank Leslie, Jr.
Bianco, Thomas Anthony, Jr.
Bingemer, Charles Erwin
Bishop, William Charles
Blankenfeld, Emmitt Elon
Bloxom, Donald Alison
Boardman, Albert Eugene
Booth, William Larry
Bosworth, Paul Raymond
Boyette, James Bee
Bratschi, Gilbert Wayne
Brennan, Anthony Charles
Bridwell, Donald Leroy
Bryan, Edward Lewis
Burks, Leroy
Burry, John Blaze, Jr.
Butler, Paul Kyle
Cairo, Robert Fred
Callaghan, Robert William J.
Carlson, John Otto
Carr, Jeffrey Allen
Caven, Terry Farres
Chalupsky, Raymond Jerome
Chaney, Keith Raymond
Chappell, Ralph Lathan
Chenoweth, Denver, Jr.
Chew, Edward Howard, Jr.
Chism, David Meredith
Clark, Paul Dennan
Contreras, Paulino
Conway, James D.
Cooper, Robert Allen
Cornett, Kenneth Haddon
Cox, Bobby Wayne
Cramer, James Richard
Crevier, Stanley Michael
Cromer, David William
Cushway, Dave Merritt
Dachman, George Wallace
Daeschner, William Edward
Davidson, James Patrick
Davis, John James
Dell, Jack Vining
Demaio, Robert Mario
Dickinson, Robert Autrey
Diener, Thomas Edwin
Dieterle, Edward Robert
Difilippo, Angelo Erminio
Doersch, Kirt Darrell
Dolina, John Roger
Dowling, John Patrick, Jr.
Draper, Walter Scott, IV
Driggers, Raymond Lavern
Dropp, Robert Anthony
Dudley, James Robert
Eason, David George
Eaton, Edward Smith
Eldridge, Robert Moore
Endt, Henry Joseph, Jr.
Epperly, Paul Judson
Evans, Don Randolph
Fahrenthold, Harvey Keith
Falconer, Douglas William
Faust, John Nicholas, III
Fava, Ernest Edward
Fenick, Robert William
Fickling, Thomas Nelson, Jr.
Fike, Charles Rowland
Fleming, John Moultrie, Jr.
Foerster, Kent Noel
Ford, John Edwin
Frasher, Burton Kay, III
Frazee, Sammy G.
Frost, Don Joaquin
Gahm, Jacob Harold
Gaines, James Edward
Ganz, James Garrison
Gear, James Robert
Geary, Richard Stratton
Gibson, Nelson McKinley, Jr.
Gillies, Tearle Albert
Gould, George Alphonsus, III
Gregory, Robert Taylor, Jr.
Growney, Kevin Joseph
Guerriero, Domestic Pelligri
Gustafson, Lawrence Charles
Haas, Willard Morris
Haase, Larry Lynn
Harms, Herbert Martin
Harte, Edwin Theodore
Hatchett, William Joseph, Jr.
Hayes, Alan George, Jr.
Hayes, Charles William
Henry, William Edward
Hensley, Norman Wesley
Hern, William Ray
Horhutz, Randolph John
House, Steven Howard
Huneycutt, Herbert Kent
Iaquinta, Francis Samuel
Jaap, Joseph Davies
Johnson, Jerry Ralph
Johnson, Paul Norris
Kee, William Dutton, Jr.
Kibler, Thomas Caldwell
Kiger, Charles Roy
King, Charles Eugene
Kipping, Dan Gene
Kittock, Kenneth Edward
Kreimer, Robert Maurice
Kuhns, Howard Edwards
Kuopus, Karl John
LaMade, John Steele
Lamparter, Theodore Albert
Lampman, Charles Major, III
Lara, Harry Lee
Larsen, James Andrew
Lavely, Lawrence William
Lempka, Gerald Arnold
Lines, Lee Robert
Lingle, Terry Kent
Littlefield, Belton James
Looney, Richard Glenn
Lovett, Heyward M., Jr.
Lunn, James William
Lynch, David Read
Lynch, Thomas Joseph
MacDonald, Alan Ramsay
Maguder, Henry John, Jr.
Mahelona, George Louis P.
Majors, George Washington J.
Manning, Huey Allen
Marshall, Clyde Mason
Matalis, Joseph Andrew
Matalavage, Joseph Anthony
Matheny, Arthur Leroy
Maxon, Bruce Ethan
McKechnie, John Joseph, Jr.
McKenna, Theodore Roland
McLaughlin, Robert John
Meininger, Willard Roger
Mendez, Ramon Eduardo
Merrell, Billy Joe
Miller, Ernest Baldwin, III
Miller, Kenneth Frederick
Mitchell, William Justin
Mitchell, Willis Albercht
Moore, Robert Marion
Morgart, James Alan
Morris, William Richard
Muenster, William Stephens
Myers, Cecil Earle, Jr.
Nissalke, Alan Jon
Nolan, John Walter
Nopper, Donald Norman
Nyenhuis, Keith Eugene
Ohare, Shamus James
Palmatier, Philip Earl
Pankey, Beverly Stclair
Paskowitz, Selwyn Sid
Payne, Billy Irish
Perkins, Robert Darol
Phillips, Garth Vaughn
Prescott, Gordon Wayne
Quarles, James Michael
Rech, Charles Louis
Reed, William Henry
Reeves, Malcolm Clephane, II
Rhodes, William David, Jr.
Riddell, William Boyd
Ridings, James, Jr.
Rush, Spencer
Sauer, Gary Owen
Savage, Horace Jay
Schroeder, James Andrew
Schroyer, Charles David
Schuerman, John Elmer
Schuster, Gerald Dee
Shaw, Robert Harris, Jr.
Sherman, Huson Barry
Simcox, John Delno
Simmons, Charles Jackson
Smith, Billy Gene
Smith, Charles Thomas
Snyder, James Ray
Starkey, Benjamin Thomas, Jr.
Stewart, James Ronald, Jr.
Strain, Oscar Ray, Jr.
Straw, Edward McCown
Sullivan, Edward Francis
Swanson, John Lance
Vanhouten, George Wendell
Vanpatten, David George
Varner, Robert Nolan
Vonradesky, Charles Willi R.
Waller, Terry George
Weatherson, Harvey Donald
Weaver, Milton Wallace
Weber, Jerome Joseph
Welborn, James Hill
Wheeler, Lawrence David
Whitman, Carl David
Whittington, Richard Guy
Wilcox, Harold Edgar, Jr.
Wild, Thomas Rudolph
Wingard, Bobby Norman
Wolf, Carl George
Yeoman, William Ray
Yim, Calvin Kam
Young, Everett Boyd

### CHAPLAIN CORPS

Aronis, Alexander Basile
Asher, William Carroll Lynn
Bohula, Edwin Victor
Bowes, David, Jr.
Brannan, Curtis Ward
Collins, John Milton, III
Cram, Norman Lee, Jr.
Daly, John Reymond, Jr.
Dando, George William
Deruiter, Peter John, Jr.
Dowd, Patrick Arthur
Doyle, James Michael
Erickson, Carl Willard
Frazier, Joseph Robert
Freistedt, Robert Ray
Goode, James Gilmer
Gothard, French McKinley
Hall, John Louis
Harris, Donald Bell
Hedwall, Ronald Lee
Howe, Merlen Floyd
Houston, William John, Jr.
Johnson, Thomas Frederick
Kane, Brian Edward
Kimble, Wilford Clyde
Kirk, Alston Shepherd
Long, Richard Albert
Matuszewski, Ramon Thaddeus
Mayou, Robert Louis
McHorse, George Ray
Moritz, Jerry Don
Muchow, Donald Karl
Oregan, Hugh Henry
Page, David Garth

Pegnam, John William
Perdew, James Russell
Powell, David J.
Rubino, Salvatore
Schumacher, Gordon Bruce
Shannon, James Dewain
Stott, Albert William
Swann, Hoyt Wayne
Thompson, Joseph James
Toner, Edward Richard
Weeks, Robert Martin
Westling, Lester Leon, Jr.
White, David Edward
Williams, James Augustus

### CIVIL ENGINEER CORPS

Absalom, George Marshall, II
Arcuni, Albert Anthony
Baker, John Lowell
Bell, Robert Bernard, Jr.
Bilden, Richard Peter
Brennan, John Paul
Briselden, Don James
Brown, Gerald Lee
Callahan, James Fredrick
Callender, Gordon Warren, Jr.
Cameron, James Jackson
Campbell, Donald Berlin
Coston, Vernie Richard
Crumbley, Don Carroll
Cunningham, Robert Browning
Doebler, James Carl
Eber, Richard Duane
Edelson, Bruce Harvey
Emison, Joseph Brantley, Jr.
Erchul, Ronald Anton
Falk, Norman Dean
Faulk, John Robert
Fermo, Louis Anthony, Jr.
Forney, David Leon
Frankel, John A.
Frazier, William Francis
Gallen, John James, Jr.
Garbe, Warren Murray
Gardiner, George Henry, Jr.
Gerdel, David Holland
Goins, Philip Allen
Greenwald, James Michael
Hale, Hugh Dillon, II
Hall, Royce Herman, Jr.
Hazucha, Paul Carleton
Jackson, Gerald William
Jensen, Allen Halvor
Johnson, Howard George
Johnson, Wayne Edward
Kasner, Jon Broughton
Kay, William Howard, Jr.
Kunz, Joseph David
Kurtz, Lewis Albert, Jr.
Laufersweilier, William J.
Lewis, Herbert Hawthorne, Jr.
Lockhart, Allen Clifford
Looff, Donald Lee
Lukey, John Gordon
Luzum, Gerald Dean
MacCall, Bruce Leonard
Maskell, Charles Michael
McKibben, Don Robert
Mehlhorn, Peter Franklin
Mergner, James Thaddeus
Miles, John Henry Thomas
Miller, David Bergenthal
Mossman, James Boone
Odom, Melton Lee
Olsen, Allen Neil
Parker, Robert Dale
Peechatka, Farley
Pensyl, J. Dick
Perrine, Robert Thomas
Petty, Larry Kiningham
Plunnecke, David
Porter, Michael David
Prather, James Thomas
Purinton, Lucian Bradbury
Quigley, Stephen Jerome
Quinn, Thomas Patrick
Riffey, Alan Kent
Rinnert, Henry Joseph
Robinson, George Sydnor, Jr.
Rugless, James Michael
Sandrini, Louis Michael
Schwirtz, Henry John
Shank, George Edward
Simon, Charles Ray
Smith, Alan Edward
Smith, Myron English, Jr.
Ster, John William
Street, Clifford Gail
Strong, Samuel Orbison, Jr.
Struthers, Lynn Carol
Tucker, Tracy Clark
Vanroyen, William Shipman
Vaughn, Kenneth Allen
Vogel, Lawrence William
Watson, James Preston
Wells, James Laurence
Williams, Richard Lyle
Woll, Jerry Dewayne

### JUDGE ADVOCATE GENERAL'S CORPS

Adam, Warren H.
Averna, Vincent Salvatore
Byrne, Edward Mark
Cassell, Carl J.
Commander, James Marvin
Debobes, Richard Dennis
Donato, Dan, Jr.
Gaeta, Sebastian, Jr.
Harris, Henry W.
Michel, Alan Emil
O'Neill, Robert Emmett
Reed, Robert Frederick
Roach, Joseph Ashley
Roberts, Philip Francis
Transeau, Alvin Sherman
Walker, John Allen
Watson, Thomas C., Jr.
Wimberly, Bennie Charles

### MEDICAL SERVICE CORPS

Acord, Loren Dale
Baumhofer, Anne Hermine
Behling, Daniel Wayne
Benedict, William Herbert
Bennett, Floyd Edward
Biesiadny, Lawrence Louis
Bogdan, Raymond Robert
Bolton, Ronald Raye
Brumfield, Harker Deverde J.
Cicero, Joseph David
Conley, Walter Raymond
Cooper, Max Leon
Cottet, Laverne Edith Boyd
Coxe, Robert Frederick
Chan, Robert Sherman
Christian, Elgin Ray
Craig, Donald Raymond
Dailey, George Lee
Dasler, Adolph Richard
Denison, Neslund Edward
Despiegler, Gary Dale
Doll, Richard Eugene
Drozd, Joseph John, Jr.
Duckett, Jack
Erie, James Rodney
Fancher, James Edward
Funderburk, Lester Ray, Jr.
Furr, Paul Arthur
Gillentine, James Donald
Groce, William Edward
Grothaus, Roger Harry
Hagstrom, Verne William
Heller, Billy Lee
Hempey, Ralph Clifford
Hendren, John Elbert
Hoggatt, Patricia Brown
Holiman, Frederick Lee
Horrobin, Robert William
Hoss, William Frederick, Jr.
Johns, Jack Elton
Johnson, Paul William
Kehoe, John Joseph, Jr.
Knight, John Robert
Kozik, John Richard
Laclair, Bernard Wilford
Lovin, Aubin Houston
Machir, Daniel Franklin
McKelvy, Patsy Lurleen
Metcalf, Lawrence Parsons
Morin, Richard Albert
Owens, Norman Kenneth
Peterson, Robert Victor
Piersol, Eugene Clark
Poquis, Robert Mendoza
Prelosky, Richard Nicklos
Price, Charles Allen
Price, Hudson Bryan
Ray, Paul Titus
Reid, Donald House
Robertson, James McLeod
Robinson, George Wayne
Saine, Floyd Dean
Scanlin, Patrick Joseph
Smith, Jewel T.
Soule, George Irven
Stalnaker, Mervin Lewis
Stewart, Shannon DeWitt
Stockman, Roger Emanuel
Thomsen, Paul David
Turbiville, Leslie Homer
Turner, John Randolph
Waldeisen, Lewis Edward
Walsh, John Patrick
Warren, Phyllis Imogene
Zentmyer, Robert Kenneth

### NURSE CORPS

Agrell, Diane Judith
Barkus, Phyllis Margaret
Barter, Columba Frances
Bartik, Joan Mary
Beatty, Florence Winifred
Becktell, Beatrice Diane
Blank, Norma June
Bogdanski, Mary Ann
Brayman, Mary Sanphy
Carroll, Maria Kathryn
Clancy, Patricia Elizabeth
Clinton, Bobbie Kay
Covington, Norma Ann
Cronin, Claire Mary
Dunham, Carla Ruby
Dyer, Alice
Elam, Hattie Rose
Fleury, Phyllis Jean
Hermes, Barbara Ethel
Hicks Elaine Bianchi
Hudak, Geraldine Joyce
Hvizdo, Barbara Ann
Jackson, Elizabeth Clark
Kozare, Carol Ann
Leonard, Dorothy Gertrude
Lopresto,, Gail Rude
Luisa, Caroline May
McGinnis, Mary Elizabeth
Miller, Barbara Ellen
Miller, Judith Huddle
Nixdorf, Mary Johanna
Phalen, Carla Mary
Pritchard, Virginia Lee
Purinton, Ruth Elizabeth
Reynolds, Ann Darby
Robel, Joyce Jean
Schroder, Beverly Ann
Schultz, Cynthia Ann
Silvestri, Gloria Jean
Stammer, M. Ellen
Stangelo, Joan Elaine
Teagle, Beverly Elaine
Vought, Dorothy May
Weitzel, Elizabeth Helen
Wills Jacquelyn Sue
Young, Carol Ann

### LINE

*Lieutenant*

Aaker, Charles Ervin
Aanerud, Kenneth Dean
Abbot, Charles Stevenson
Abel, Arthur Philip
Abel, Charles Paul
Abraham, Michael, III
Ackerson, Jeffrey Townsend
Adam, Ernest William
Adamek, James Rudolph
Adams, Donald Franklin
Adams, James Ralph
Adams, Merchant Stewart
Adams, Paul Forrest
Adams, Robert Bruce, Jr.
Adkins, Freeman Frederick
Aeschleman, Vance E., Jr.
Affeld, Richard Lorman
Agee, Jerry Bond
Ahearn, Robert William

Akst, H. Gordon
Alcon, Charles Arthur
Alderink, James Wesley
Alexander, Samuel John
Allen, Charlie Harvie
Allen, Donald Gene
Allen, Layton Southerland J.
Allen, Lloyd Edward, Jr.
Allison, Daniel Henry
Allman, John Chelsea, Jr.
Almon, John Sterling
Alonge, Sam Joseph, Jr.
Alton, Cecil Claude
Alvarez, Joseph Albert
Amann, Lawrence Stephen
Ameel, Frederick Donald
Anderson, Dennis Dean
Anderson, Gene George
Anderson, Raymond Eugene
Anderson, Terrance Edwards
Andrews, Roger Marshall
Angelina, Peter Gerald
Angleton, John Marshall
Appelhans, Richard C.
Aquino, James Musni
Arbogast, John Elbert
Arcari, Joseph Peter
Ardell, Eric Barclay
Arendt, Steven Maurice
Arje, Andrew Coulter
Armintrout, Michael Loren
Armstrong, Douglas McLean
Arquette, Howard Ralph
Arrington, Farlin Wesley
Arsuaga, Miguel Jose
Arthur, James Charles
Ashburn, Erich Harry
Ashby, Gary Lee
Ashe, Darrell Lee
Atkins, Ronald Wayne
Aven, Joseph Michael
Avers, Richard Paul
Awood, Michael
Ayers, James Robert
Badger, Richard Lee
Bagby, Joseph Tyler
Baggett, Donald William
Bahn, Theodore Inman
Baird, Leo James Michael
Bajuk, Gregory Emil
Baker, Jerry, Jr.
Bakken, Warren Howard
Bald, Reynald Alfred
Baldwin, David Lee
Baldwin, Simeon, III
Ballew, Jackie Charles
Balovich, Nicholas Michel J.
Bandy, Robert Frank
Banks, Bruce Christian
Banvard, James Henry
Barlie, Vincent Lawrence
Baranowski, William
Barbero, Frank Jr.
Barbour, Nathaniel Sumner
Barchi, Richard Henry
Barker, Timothy Lee
Barnes, John Winthrop, Jr.
Barnett, Peter Anthony
Barr, Richard Wendell
Barry, David John
Barry, James Dwight
Barry, Thomas Francis
Barry, Thomas Joseph
Bartel, Edward Donald
Bartley, Archie Lee, Jr.
Bartholomew, Marshall Edwin
Bartmess, Curtis, Jr.
Baskerville, James Jay
Bateman, James Harold
Bates, George Macnider
Bates, Kenneth Scott, Jr.
Bauer, William Timmons
Baum, Scott R.
Baumann, Dennis Clement
Baumhardt, Robert James
Beaird, Perry Wayne
Beach, Raymond Carl
Beachan, Richard Frank
Beachy, John Scott
Beakes, John Herbert, Jr.
Beal, Robert Everett
Beard, Timothy Robert
Beardslee, Jay William
Beattie, David John
Beaulier, Jerome Eugene
Beaver, Edward Arnold
Beaver, Edward Thomas
Beck, Andrew Conrad, II.
Beck, Brent Webster
Becker, Frederick Joseph, Jr.
Beckett, Robert Sampson
Beiser, Richard William,
Bell, James Keith
Bell, Russell Anson
Benn, Ross Gary
Benton, Robert Reid, Jr.
Benzin, Robert William
Bergen, Laurence Michael, Jr.
Berkebile, Donald Freeman
Bernier, Joseph Peter
Bertsch, William Preston, Jr.
Beschta, Gerald Thomas
Betts, Craig Robert
Betz, Bradford Byron
Bidlake, Kenneth Morton
Bidon, Patrick John
Bidwell, Henry Wadsworth
Biery, George Monroe, II
Bill, David Spencer, III
Biller, Charles John
Billings, Leland Raymond
Bird, Walter Dennis
Birchfield, Robert Boyd
Bird, Noel Thomas
Birkmaier, William B., Jr.
Bishop, Ernest Frank
Bitten, Ernest John
Bitzberger, John Charles
Bixler, Michael Balfour
Bixler, Paul Woodruff
Bjerke, David Gerhard
Bjorson, Gary Bernard
Blakeney, James Houston
Blanchard, Andrew A.
Blanchard, Frank Medford, Jr.
Blanton, James Cordell
Blaser, Bradford Harrison
Blazer, William Howard
Bledsoe, Frankie Carl
Blocksom, Roland Daly, Jr.
Blount, Thomas Edward, Jr.
Boehmer, Charles Edward
Boennighausen, Roger Paul
Bohrer, Theodore Albert
Boink, Louis Herman, III
Bokesch, William Michael
Boling, John James
Boncal, Richard
Bond, William Douglas
Bone, John Richard
Bonner, Jerold Albert
Booth, Gregory Seeley
Booth, Michael Brady
Borich, Michael Stephen
Borsh, Richard Martin, Jr.
Bortz, Richard Vaughan
Both, Edward Joseph
Bottenhorn, Donald James
Bouck, Dudley Charles
Bourland, Harry Raymond, II
Bowden, Gurnie Gobel
Bowden, Newman Floyd, Jr.
Bowen, James Leroy
Bowenkamp, Robert Donald
Bowles, Hugh Conrad
Bowman, Frank Lee
Bowman, Michael Lee
Bowser, Rex Jansen
Boyce, Brian Francis
Boyd, Thomas Arthur
Boyer, Robert Frank
Boyle, David William
Boyle, Garry Aloysius, Jr.
Boynton, Robert William, Jr.
Bozzelli, Philip Anthony
Bradford, Alan Roger
Bradt, Douglas James
Brady, Terrence James
Branco, Robert John
Brandenstein, Daniel Charle
Brant, Robert Leon
Brennan, Neil Maxwell
Bright, Philip Graham
Brilliant, Irwin Joel
Brindel, Glenn Richard
Britton, Max E.
Brix, Christian William, Jr.
Broderick, Donald Joseph
Broderick, Thomas Powell
Brodsky, Robert Gray
Bronaugh, Welbourne F.
Brooks, Nicholas George
Brooks, Robert Andrew
Brooks, Robert Emmett
Brooks, William Keith
Broome, Norval Lagier
Broome, William H.
Brosee, Manfred Neil
Brown, Duane Lawrence
Brown, Robert Douglas
Brown, Thomas William, III
Browne, Herbert A., Jr.
Browne, Thomas Cleage
Brownley, Lawrence Leroy
Broughton, Thomas Gary
Brunson, Richard Alan
Bryant, Franklin Simons
Bryce, William J.
Buchanan, John Frederick
Bucher, Lawrence Charles
Buckingham, James Robert
Buege, Paul Stephen
Bugelski, Michael Thaddeus
Bukowick, Albin Pafford
Buletza, Peter George
Bull, Harvey Elwood
Bulson, Marvin James
Bunch, Gerald Douglas
Bunge, Thomas Edward
Bunton, Ray Lincoln
Burda, Larry Allen
Burke, James Garry
Burnett, William Howard
Burkhart, Harold Jean
Burkhart, James Richard, II
Burkhead, Franklin, Jr.
Burns, Franklin Jeffrey
Burns, Kenneth Edward
Burrill, David Reid
Burtch, Patric James
Burton, Charles William
Burton, Herbert Walker, Jr.
Bush, Gary Albert
Button, Andrew Jerome
Byard, Larry Frederick
Byron, John Ladue
Byron, Roger Walter
Calabough, Jerry Simms
Calaway, Arvid M.
Caldwell, Dwight Burnett
Calise, Victor Edward
Callaghan, James Michael
Callahan, Patrick Anthony
Callaway, Leigh Lawrence
Calvert, Eric Scott
Campbell, James D.
Campbell, John Douglas
Canaday, Brent Arnold
Cannon, Arthur B.
Capper, Dean Robert
Capute, Joseph Robert
Carlson, David Samuel
Carlson, Edward James
Carroll, James Norman
Carroll, Richard Joseph
Carson, Frank James
Carson, Ross Henry
Carter, Rodger Besley
Carter, William Campbell
Caruso, John Anthony
Carver, Richard Leroy
Carwin, Harold John
Casey, Glenn Alton
Casterline, John Braman
Castle, William Kenneth, Jr.
Catello, George Michael
Catone, Richard Arthur
Caudill, Garland Wayne
Caudle, Norman Edward
Ceruzzi, Michael Leonard

Chalke, George Payne, Jr.
Chamberlain, Robert D., II
Champe, John E.
Chance, Logan Orin
Chandler, Michael Stewart
Chandler, Thomas H.
Chapman, Marion Perry, Jr.
Charest, Jerry Russell
Charles, John Robert
Cherry, Robert William
Chown, Donn Melvin, II
Chrisman, Willard George
Christiansen, Michael Paul
Clark, Edward, Jr.
Clark, Jack C.
Clark, James Robert
Clark, Robert Joseph
Clark, Thomas Arthur
Clark, William Stephen
Clarke, Joseph Dallas, IV
Clarke, Lawrence Mason, Jr.
Clawser, Samuel M., III
Clegg, Marshall Cardon
Clemins, Archie Ray
Cline, Gary Keith
Clinton, John William
Clothier, Thomas John
Cloyes, Robert Dagwell, Jr.
Cobb, Robert Linah
Cocci, James Alfred
Cogswell, John Cleveland, II
Cole, Otis Robert, III
Coleman, William Arnold, Jr.
Colley, Donald Vernon
Collier, James Church
Collins, James Patrick
Colson, Phillip Dean M.
Coltrane, Glenn Gray
Combs, John Wesley
Coneway, Clinton James
Conn, George Richard Werner
Connell, Jack Peterson
Connolly, John Michael
Cook, Charles Allen, Jr.
Cook, Curtis Blackman
Cook, Larry Larue
Coonan, John Joseph, Jr.
Cooney, Christopher John
Cooper, Jerry Reese
Cooper, Michael John
Cope, Stuart Samuel, Jr.
Copeland, Larry Mack
Cordell, Jeryl William
Cornwall, Orville L., Jr.
Corso, Danie Joseph
Costello, Terrence W., III
Costi, Ronald John
Cottrell, Davie Stewart
Council, George S., Jr.
Courts, David Paul
Coven, Richard Allen
Cox, Mariner Garnett
Crabtree Carlton Pierce
Cragg, Eugene Earl, Jr.
Cramer, Charles Rebert
Crane, Melvin Edward
Cranor, David Arthur, Sr.
Creager, Don Whiteman
Creasser, William Nial, Jr.
Creighton, John Oliver
Crenshaw, William Robins, Jr.
Crider, Thomas John
Cripe, Paul Lynn
Crites, Jerry James
Crociata, Joseph Philip
Crockett, James Oren
Cronyn, Brian Sullivan
Crosby, Dennis Allen
Crosby, George Robert
Cross, Lawrence Allan, Jr.
Crosskno, Harold Leon
Crowell, Gary Dean
Crowley, Jarrett Hunter, II
Crutchfield, James C., III
Cuddeback, Bryan Alfred
Cullen, Phillip Dean
Cullen, Timothy Edward
Cumings, Ronald Anthony
Cummings, David Lee
Cupper, Terrance Andrew
Curland, James W.

Current, Donavon Clark
Current Max Christian
Currier, Richard Martin
Curry Michael John
Curtis, Stephen Edward
Dadd, Alan Melvin
Dahlstrom, John Reeves
Dally, Donald Frederick
Dallas, Robert Mitchell
Dambekaln, Andris
Daniel, David Donald
Daniel, Ronald C.
Daniels, Harold Edward, Jr.
Davis, Charles John, Jr.
Davis, Ernest Lamont
Davis, Harold Walker
Davis, John Stark
Davis, Joseph Warren
Davis, Kenneth James, Jr.
Davis, Paul Franklin
Davison, Charles Alexander
Day, Gerald Walter
Deal, Leonard Joseph, Jr.
Debyl, Thomas Rubert
Dech, C. Michael
Deda, Donald James
Deitrick, Charles Lewis
Delello, Nicholas Joseph
Delong, Raymond James
Demarse, John Purchase
Dennis, Patrick Joseph
Denton, Richard Jackson
Depoy, Jimmy George
Deserio, Darryl James
Devries, Leonard Lyle
Dicarlo, Louis Albert
Dick, David Warren
Dickerson, Barry Sinclair
Dillow, Gary Eugene
Dinsmore, Edmund Keating
Dirienzo, Louis Ralph
Dittmer, Edward Raymond, Jr.
Dixon, Gregg Woodford
Doane, Robert K.
Dobscha, Frank John, Jr.
Dodge, Marvin Michael
Dollar, Stephen Edward
Dolson, Richard Charles
Donaldson, David Brian
Donaldson, Paul Howard
Donnelly, Michael Patrick
Donnelly, Walter Patrick, Jr.
Donovan, Daniel Jeremiah
Doran, Joseph Patrick
Dorsi, Robert Anthony
Douglas, Billy Stephen
Douglass, John Allen, Jr.
Dove, Curtis Ray, Jr.
Dowgwilla, Frank Michael, Jr.
Doyle, Dennis Michael
Draper, John Joseph, III
Driscoll, Robert George
Driver, Roy Kenneth
Drought, Richard Morley
Drummond, George Lee
Dubois, Michel Louis
Dudley, Scott Bruce
Duffy, John Francis
Dull, David Alan
Duncan, Robert Ray
Dunkin, David Eugene
Dunn, Dale Raymond
Dur, Philip Alphonse
Durick, Robert Edward, Jr.
Dvorchak, Richard John
Dwinelle, William Alfred
Dye, Gary Thomas
Dye, George Walter, Jr.
Dyer, Bruce Peter
Earhart, John Dudley, Jr.
Earl, Dennis Roland
East, Don Charles
Eaton, Paul Nealon
Eberle, Daniel Joseph
Ede, Terrence Frederick
Edens, Roderick Jefferson, Jr.
Edlund, Eric Allen
Edmondson, Gary Duane
Edwards, James Edward
Edwards, David Alan
Edwards, Robert Christopher

Eggleston, Larry Glenn
Ehrig, William Albert
Eicens, Imants Dzintars
Eiland, Leonard Marshall, Jr.
Eldridge, James Donald, Jr.
Ellis, John Raymond
Ellis, Robert Lee, Jr.
Ellison, James Ellsworth
Elton, Wallace Malcolm
Elwell, Robert Gwynne
Emery, Robert Hugh
Engelken, James Karl
Engle, Robert Allen
Erickson, John Arthur
Erickson, Paul Robert
Ericson, Keith George
Ernst, Larry Lee
Erny, Paul Frank
Erwin, John Thomas
Eshleman, Donald Eugene
Espy, Frederick Lewis
Esterl, John Edward
Eubanks, Thomas Irvin
Evans, Howard Charles
Evans, Kirk Eden
Evans, Oliver Keith
Evans, Samuel Hall
Ewing, Ward Hubert
Fagan, Patrick Michael
Fahsl, John James
Failla, Charles Carmelo
Fairbank, David Page
Fairchild, Lawrence Vernon
Fallon, Dennis Robert
Farmer, Clinton Jefferson
Farrell, Patrick Francis
Farrell, Richard Kenneth
Fast, Alger Gordon
Faust, Bobby Lynn
Fears, John Aaron
Feeser, Henry Roger
Felger, Thomas Robert
Fellows, Richard Hudson
Felt, Robert Yocum
Felton, Lewis Allen
Felty, Joseph William R.
Felsinger, Richard Cox
Fenstermaker, Roy Edward, Jr.
Ferdon, Frank Charles
Fesler, Walter Carl, Jr.
Fickel, Monty George
Fiebig, Edward Rolland, Jr.
Field, Michael Edward
Finch, Donald Leslie
Findley, Joseph Herbert, Jr.
Finger, Wade Joyner, Jr.
Finta, Thomas William
Fisher, Dwight Douglas
Fisk, Alan Elbert
Fiske, Gary William
Fitch, David Atwood
Fitzgibbons, Thomas Arthur
Fitzpatrick, John Louis
Flaherty, Timothy Joseph
Flegel, Kenneth Christian
Fletcher, Jerry J.
Fletcher, Luther Lawrence, I
Flowers, Gerald Ectlis
Folk, James Ellis
Foote, David Arthur
Foote, Jerry Lynn
Foote, Morris Cooper
Forrester, Joseph George, II
Fortenberry, Henry Charles
Foster, Edward Stephen
Foulk, Robert M.
France, Robert Timothy
Francis, William David
Franconeri, James Joseph
Franklin, Ronald Edward
Frantz, James Joseph
Franzitta, Anthony Michael
Freaner, Claude Whitman
Frederick, Jeffrey Con
Frederiksen, John Thomas
Fredrickson, John Allen
Freeman, David Lansing
Friedman, Paul Guthorne
Fritzius, Robert Stephen
Fryar, Bruce Carlton
Fuentez, Raymond Marques

Fuetsch, Carl Turner
Fuller, Robert Thorpe
Fullerton, William Ross
Fumia, Francis Henry, Jr.
Futch, Edward Ivey
Gabber, Wilhelm Martin
Gage, Carvel Clinton, Jr.
Galietta, Albert Frank
Galler, Joseph Louis
Gallo, Robert Michael
Galvin, James Joseph
Garcia, Juan Manuel, Jr.
Gardea, David Luis, Jr.
Garnar, George Edgar
Garnett, Michael W.
Gary, Michael Anthony
Gary, Ronald Darrell
Gaskin, Peter Joseph, II
Gaston, Tommy Eugene
Gazarek, Michael Joseph
Gebeaux, Robert Joseph
Gehrman, Fred Herman, Jr.
Genrich, Charles Mainard
Gerhard, Guy Edward
Gerhardt, Robert Ross
Gex, John Michael
Gibbs, Raymond W.
Gibel, Donald Wayne
Giblin, James Francis, Jr.
Gibson, Terrell Allen
Gibson, Thomas Leslie
Gidnet, Laurence Joseph, Jr.
Gilchrist, Daniel Edward
Gilder, Jerry Quinton
Giles, Wayne Houston
Gill, James Michael
Gill, Robert Pearson
Gillard, James Henry
Gillis, Stephen Herbert
Gilson, Irving Robert
Ginsburg, Peter Arthur
Giordano, Gerald Kenneth
Girard, Walter Allen
Glover, William Stewart, Jr.
Gnerlich, Charles Henry
Goedjen, Russell Clarence J.
Goff, Jerry Duane
Gohmann, Barton Charles
Gonding, Robert Lee
Gonzalez, Pedro
Gooding, Leroy Alvert
Goodrich, William Angier
Goodwin, Richard James
Goodwin, Ronald Howard
Gordon, Ian Scott
Gore, Michael Wayne
Gorell, Frederick Reimer, Jr.
Gorla, Thomas W.
Gorman, James Radcliff
Goryanec, George Thomas, III
Gosline, Robert Bradley, Jr.
Gracie, David Leo
Grall, Gene Patrick
Grandon, Raymond Arthur, Jr.
Granger, William Ernest
Grant, Harold Eric
Graves, David Michael
Gray, Ronald Eugene
Gray, Will Phelps
Greenmayer, Richard Doyle
Gregg, Frederick Marion, II
Gregoire, John Albert
Grieve, David James
Griffin, Charles William, Jr.
Griffiths, Ralph Emerson
Grim, Thomas Harold
Grokulsky, Ronald
Gromada, Walter Allen
Grostick, John Larsen
Grunberg, Richard Dennis
Grutzius, Charles Robert
Guilbert, Edward Hunt, Jr.
Guinn, Harold Wilson, Jr.
Gulley, John Howard
Gustafson, Jack Edward
Gustafson, William John
Guthrie, Benjamin Allen
Gwinn, William Herbert
Hack, William Fendrich
Hagen, James Burgess
Haggerty, Daniel Benedict J.
Hahn, Steven Welles
Haley, James Richard
Hall, David Parkin
Hall, Robert Edward
Hallinan, Thomas Joseph
Ham, Edward Everett, Jr.
Ham, Robert Andrews
Hamann, Errol Dean
Hamilton, John D. M. IV
Hamilton, Stephen Howard
Hammond, Reginald George
Hampton, James Franklin
Hancock, William Charles
Hanley, Wayne Richard
Hansen, George Robert, Jr.
Hanson, Jeffrey Wayne
Hanson, Peter Hale
Harbeson, Richard Finucan
Harding, Stanley Louis
Hardy, Randall Webster
Harley, Rodney Eugene
Harreld, Roger Allen
Harris, Alexander H., Jr.
Harrison, Cecil Alvin
Harrison, James Elder
Harsanyi, William Stewart
Hartung, Timothy Ryan
Hartzell, Cleon Leonidas, Jr.
Harvey, Phillip Ivan
Hasenbauer, Richard David
Haskell, Edwin Richard
Haskins, Michael Donald
Haslett, Donald Bruce
Hastreiter, John Rolland
Hatfield, Stephen Harry
Hattan, Robert Leland
Haughney, Charles Joseph
Hawkins, Thomas Lynn
Hayden, William Buford
Hayes, Michael Ney
Hayes, Timothy James
Hayes, William S.
Hazen, Donald David
Healy, Martin Joseph
Heaman, Richard Coe
Heburn, George Washington
Heilig, William White Jr.
Helm, Richard Eugene
Helmsin, Francis Kenneth, Jr.
Hemmerle, George Edouard
Henderson, Harry Gene
Hendrickson, James
Hendrickson, Larry John
Hennessy, Richard Clyde
Henny, David Coleman
Herbster, Gerald Fredrick
Herr, William Millard, Jr.
Herrera, Henry Francis
Hersh, David Sidney
Hershberger, John Louis
Hertel, Michael Monroe
Hewlett, Holden Willets
Hibler, Ross Gordon
Hickman, James Harold
Hickox, Gary Dee
Hicks, Wayne Earl
Higdon, Kenneth Hill
Highland, Hugh Marvin
Hight, Jimmy Frank
Hilgeman, John Lawrence
Hill, Billy John
Hill, Roger Benton
Hill, Theodore Drummond, Jr.
Hill, William Frederick
Hiltabidle, John Harries
Hitchcock, Robert Charles, I
Hobbs, Richard Rawlings
Hoberg, Raymond John
Hoddy, John Robert
Hodge, Jerome Brownlee
Hoepfner, Karl Thomas
Hoff, Kenneth Lincoln, Jr.
Hoffer, Charles Albert
Hoffman, Phillip Stewart
Hoffman, Royal Henry, Jr.
Hofstetter, Robert Emil
Hogg, Andrew Logan, Jr.
Holbert, William Harold
Holbrook, Robert Scott
Hollender, Edmund Victor
Holleran, Richard William
Holm, Clifford Milton
Hood, William Graham, III
Hoover, Jerry Wayne
Hoover, Philip Efird
Hoppe, James Albert
Hopson, Thomas Edward
Horn, William Allen
Horner, Ronald Dean
Horner, Timothy Francis
Hoskins, Robert Anthony
Hotton, Ralph Andrew
Hough, James Arthur
Hough, James Robert
Howard, Stephen Thomas
Howell, Buford Fredrick
Howton, Harry Marshall
Hoxie, Stephen Sanders
Huber, Dale Richard
Huber, Paul Mikel
Hudson, Warren Putman
Huffman, Curtis Wilson, Jr.
Huffman, Thomas Bartlett
Hufty, Jack Gordon, Jr.
Hughes, Gary Michael
Hughes, Herschel, Jr.
Hughes, Ivan Estes
Hughes, John Jerome
Hughes, Kirby Edmondson, II
Hull, Bradley Wayne
Hull, Robert Cody
Hulse, Richard Louis
Hunt, Andrew William, Jr.
Hunt, John West
Hunter, Lewis Thomas
Hunter, William Carrol, Jr.
Hura, Myron
Hyde, John Wendall
Hyink, Cornelius Dunlap
Hykes, Brian Lawrence
Ireland, Robert Louis
Irvin, Clarence Frank
Irwin, William Jenner
Iwasko, George Walter, Jr.
Jack, Robert E.
Jacka, Alan Wayne
Jackson, Earl Joseph
Jackson, John Dwight
Jacobs, Richard Edward
Jaget, Charles William
James, Gary Douglas
Januszewski, Francis James
Johnson, Daniel Eugene
Johnson, David Allen
Johnson, Gene Henry
Johnson, Jerry Lee
Johnson, Jerry Lee
Johnson, Paul Anthony
Johnson, Paul Niels Thornto
Johnson, Pierce Jarvis
Johnson, Robert Frederick
Johnson, Robert Lee, Jr.
Johnston, Howard Paul
Johnston, Ray Cappel
Johnstone, Charles Perry
Jones, Arthur Dewayne, III
Jones, Charles Ernest, III
Jones, Charles Ray
Jones, David Morgan
Jones, Dennis Lee
Jones, Francis Terrell
Jones, James Rheinhardt, Jr.
Jones, James William
Jones, Kenneth Allen
Jones, Robert Russell
Joransen, William Stuart
Jordan, Gerald Henry
Jordan, Michael Francis
Jordan, Robert Lucius
Jordan, Ronald Robert
Joslin, Roland Wayne
Joyce, Robert Richardson
Juhl, Douglas Wray
Julian, Benjamin Eugene
Kain, Joseph Edward, Jr.
Kainer, Edward Lester
Kalin, David Michael
Kamp, Gary Richard
Kamrath, Robert Allan
Kane, Leonard K, II
Kane, Thomas John
Kasen, Keith Melvin

Kauffmann, Carl Francis
Kaufhold, Francis Frederick
Kaufman, Edwin Joseph
Kaye, Barry Nelson
Kearney, Michael Erwin
Keefe, George Edwin, Jr.
Keeley, Robert Martin
Keiser, Ronald Lee
Keith, Larry Brian
Kelbaugh, Richard Lee
Kelly, Harold Wayne
Kelly, James Peter
Kelly, John T.
Kelly, Robert Tyrone
Kemlein, Donald Fleetwood J.
Kendrick, Robert Carroll
Kennedy, James Conway, Jr.
Kennedy, William Henry
Kenty, Jay William
Kern, Donald Sargent
Kessmann, Richard D.
Key, Charles T.
Kibble, Anthony John
Kickhofel, George Charles
Kidd, Delbert Ray
Kidd, James Stark L., Jr.
Kier, Larry Lee
Kilgore, Sidney Johnson, III
Kilhoffer, Carl Dawson
Kincaid, James Edward
Kincaid, Joseph Durward
King, Larry Lee
King, Robert Kenneth
Kingsley, John Francis
Kircher, David Robert
Kirkland, Moritz Earl
Kjosa, Roger Leroy
Klahr, Owen Allen
Klapperich, Donald Harry
Klein, George Adam, III
Klinkhamer, David Joseph
Knott, Gerald Wayne
Koberlein, Frederick L.
Kobylk, Nickolai Slate
Koch, Donald Bernard
Komenda, Jeffrey Frederick
Konczey, Alexander C.
Konetzni, Albert Henry, Jr.
Korbet, Michael Thomas
Kost, Lawrence Michael
Kostar, William Lee
Kowalick, Stephen Joseph, Jr.
Kowlok, Gerald Wayne
Kozoyed, Lawrence William
Kral, Jeffrey Craig
Kramer, Wesley Marvin
Kransniewski, Stanley Edward
Krejci, Emil James
Kropf, Wallace Leroy
Krueger, Paul Louis, Jr.
Kuechle, John Daniel, Jr.
Kupka, Stephen Gregory
Kurth, Robert Paul
Kuykendall, George Ira, Jr.
Labrecque, Robert Joseph
Lackey, Terry Carter
Lagomarsino, Thomas S.
Laible, Norman Wayne
Laing, James William
Lamb, James Bernard, Jr.
Lambert, Stephen Douglas
Lamey, James Hazzard
Lamm, William Davis
Langill, Frank Stewart
Langley, Michael Edwin
Lansford, Martin Carl
Larkins, James Marion, Jr.
Larrabee, Stephen Harris, Jr.
Larson, David Charles
Larson, Richard Mason
Lash, William Joseph
Lassen, Clyde Everett
Lassiter, Ronald Lawrence
Lathen, Donald Frank
Lathrop, Robert Taylor
Lattin, Terrance Lee
Lauder, Robert James
Lauer, Klaus Wilfried
Lawless, John Martin
Lawson, Dunbar, Jr.
Lebaron, George Rohmer, Jr.
Leber, George Martin, Jr.
Lechner, Bruce Edward
Lecompte, Walter Herrell, Jr.
Lecours, Thomas Edward
Lee, Earl Cunningham, II
Lee, Jimmy McArthur
Lee, Lynden D.
Lehto, Eric Christopher
Leonard, Fred Parker, III
Leonard, Robert Emory
Leum, Peter Lauritz
Leverette, Ronald Stewart
Levin, Kenneth
Lewis, Bernard Lee
Lewis, James Crawford
Lewis, Thomas MacArthur
Lewnes, Christopher
Lichtenwalter, James Edward
Lienhard, John Bernard
Lightstone, Robert Martin
Lindelsee, Lee Glenn
Lipfert, Ralph Hall
Lipscomb, Warren Neilson, Jr.
Lium, Rolf R.
Lockard, John Allen
Lockard, Martin Edward
Lockwood, Bruce William
Lockwood, Ernest Reese
Lockwood, Wayne Edward
Lones, John Evan
Long, Donald Erskine
Long, Edward Charles, III
Long, Gary Lamour
Long, James Alexander, III
Long, Laurence Graves
Longworth, Jay Nicholas
Loome, James Michael
Loop, David Everett
Lopacinski, James Michael
Lopez, Joseph Delbert
Lorenz, William F., III
Lorren, Lonnie Dwight
Lortscher, David John
Lothrop, Peter Scott
Love, Glendel Devon
Lovelady, David Eugene
Low, James Reiher
Lubenow, Richard John
Luckman, Thomas George
Lueneburg, Raymond Lee
Lundberg, William Dennis
Lupton, William Lloydd
Lutz, Frederick Ray
Lynch, Robert Burgess
Lyon, Douglas Veron
Lyons, Joseph Eugene, Jr.
Lyons, Richard Leo
MacDonald, James Ronald
MacKenzie, Donald Kenneth
MacPherson, George William
Maher, Jerome Thomas, Jr.
Mahlstedt, Paul Williams
Maitland, James Ellis
Maixner, Harold Vincent, Jr.
Major, William Earl, II
Mallett, Carl Victor
Maloney, Elbert Sevier, Jr.
Mandeville, Donald Ernest
Maniscalco, James Andrew
Manko, Michael Bradley
Manning, Amon Wade, Jr.
Manning, John Francis, Jr.
Maples, Amos Lee
Marcinko, Richard
Marfiak, Thomas Fletcher
Marinshaw, Stephen Alfred J.
Marks, William Leon
Marnane, Michael Joseph
Maroon, Jerry Wayne
Maruyama, Xavier Kuniteru
Marsh, Walter Crask
Marsh, William Thomas, Jr.
Marshall, David Joe
Martin, James Harold
Martin, John Leslie
Martin, Port Robert
Martin, Robert Stacy
Martin, Thomas Gordon
Martineau, Paul William, Jr.
Martinek, Charles Allen
Martinsen, Larry Gene
Massicot, William Harvey
Masters, Quentin Steward
Matchett, Charles William
Mate, Stanley Sykes
Matheson, Peter Dennis
Mathis, Troy Eddie, Jr.
Matthaei, Raymond Eugene
Mattis, David William
Mattox, Walter Charles, Jr.
Matyas, Carl Edward
Maule, Francis Eugene, III
Mauney, Fleming
Maupin, David Owen
Maxwell, David James
Maxwell, John Scott
Maxwell, William Haskew
May, Douglas Edward
Mayfield, William Terrell
Maynard, James Devere
Mazach, John James
McBride, Jon Andrew
McBurnett, Richard Lee
McCague, James Daniel
McCann, Richard Glenn
McClelland, Thomas Lee
McClendon, Robert Pierce, Jr.
McConathy, Donald Reed, Jr.
McConnell, William Spear
McCullough, Carl Preston
McCumber, Ralph Ray, Jr.
McCurdy, Philip Dean
McDaniel, Edwin Ralph
McDermaid, Steven William
McDermott, Douglas Loryn
McDonald, Raymond A.
McDowell, Elmer Jay
McElvein, David Burr
McGann, William Henry, III
McGarry, Charles Nicholas
McGee, William Earl
McGovern, Edward Roberts, III
McGraw, Bennette Dean
McGuane, Gary Francis
McGuffey, Artie Taft, Jr.
McKay, Joseph August
McKendrick, John Demille, Jr.
McKenney, Edward Anthony
McKenzie, Jerry Allen
McKinney, Ronald Lewis
McKnight, Philip Kinsey, Jr.
McLaughlin, Charles Wayne
McLeod, Robert Stirling
McManamon, Vincent Michael
McMenimen, Lawrence Leroy
McMinn, John Finley
McNamara, William Howard
McPartlin, Raymond Peter
McPherson, Thomas Lee
McRae, Charles Robert
Meador, Garry Robert
Mears, Allen Kennard
Mears, Michael Lawson
Meck, Norman Clare
Meirs, Michael Arthur
Meintzer, Robert Ells
Meloney, Michael Bruce
Meloy, John Donald
Mendenhall, Corwin Guy, III
Menikheim, Jerry Earl
Merigan, Edward Francis
Merrill, Grant Blackwell
Merritt, Hardy Lee
Merry, William James, Jr.
Meserve, Theodore Joseph
Michna, Kenneth R.
Miess, Samuel Allan
Mihok, William Franklin
Miller, David
Miller, Richard S.
Miller, Robert William
Miller, Ronald Dean
Minor, Donald Anderson
Minton, Joseph Kelly
Misiaszek, Joseph John, Jr.
Mitchell, Charles Scott, IV
Mitchell, John Thomas
Mitchell, Thomas R., III
Mitchell, William Ray
Mittell, John Evans
Mittendorff, Gerald Ernest

Mobley, Joseph Scott
Mock, Floyd Lester, Jr.
Moffett, Gordon Neill
Mollett, Robert Eward
Molnar, David Louis
Monell, Gilbert Finley, Jr.
Monroe, Larry Wayne
Montgomery, George Wynn
Moon, Howard Gale
Moore, Bily Gene
Moore, Edwin Terry
Moore, George Malcolm
Moore, James Francis
Moore, Randall Jack
Moran, Michael Charles
Morey, David Nelson, III
Morgan, Donald Leroy
Morgan, Edward Earle
Morgen, Marty Paul
Morris, George Frederick
Morris, Ralph Richard
Morton, Sperry
Moses, Dale Hopkins
Mossman, Harry Seeber
Mowry, James Walter
Moynihan, Patrick Joseph, Jr.
Mrazek, Robert Dale
Muldoon, Patrick Michael
Mulholland, Wayne Thomas
Mullet, Sanford Allen
Mullin, Leo George, Jr.
Murphy, Andrew Marshall
Murphy, Dennis Edward
Murphy, Robert Joseph
Murphy, Thomas Ernest
Murphy, Timothy Aloysius
Murray, Robert Edward
Myers, Henry Benjamin, Jr.
Naber, Michael Edmund
Neely, Eugene Garland, III
Nelson, Kenneth Stanley
Nelson, Thomas Swan
Nesbitt, Thomas Burns
Neumann, Dennis Ervin
Neumeister, John Edward, III
Neville, William Joseph, Jr.
Newcomb, Richard Dashiell
Newell, James Kirk, III
Newman, Paul Jonathan
Nichols, James Richard
Nichols, Loring Buttrick
Nicholson, Donald Lee
Nicholson, Samuel Thorne
Nicks, Harold Troy
Nolty, Gerald Wayne
Noonan, Patrick Joseph
Nordeen, Michael Brent
Nordstrom, Louis William, Jr.
Norrholm, Leif Johan
Norton, David Howel
Notz, Frank Peter
Nunno, Thomas
Nutwell, Robert Michael
Nygard, Howard Thomas
Obar, Michael Wayne
Oconnell, Michael Keith
Oconnor, Dennis Joseph
Odegaard, Richard Erling
Odell, William Howard
Offutt, James Hucorn, III
Offutt, Randall Eugene
Ogar, Walter Thomas, III
Ohlert, Edward James
Okeefe, Richard B.
Okeefe, Thomas Stephen, Jr.
Oldson, Dennis Randolph
Oliver, Daniel Trantham
Oliveri, John Charles
Olmstead, Allen John, Jr.
Olsen, Arthur Emanuel
Olsen, Curtis Wayne
Olsen, Richard Allen
Olsen, Sven Ivar
Olson, James Duane, II
Olson, Terry Gene
O'Malley, John Francis
Orr, William Stewart, Jr.
Orser, William Stanley
Orvis, James Worthington
Osani, Joseph Richard
Osborn, Kenneth Eugene
Osburn, Vernon Richard
O'Shea, Michael Glen
Osterhoudt, Robert Russell
Oudekerk, Milford Merwin
Ouellette, John David
Oyler, Joe Richard, III
Pacek, Robert Dennis
Paddock, John Francis, Jr.
Page, Allen Richard
Palazzo, Anthony John, Jr.
Palm, Danny James
Pappas, Peter Paraskevas
Parish, Philip Walter
Parker, Edward William
Parker, Leonard Alden, Jr.
Parker, Richard Ernest
Parkes, Norman Michael G.
Parlette, Richard Taylor
Parsons, Frederick Curry, II
Patch, David Alan
Patrick, Mark Sailer
Patterson, James Alexander
Paterson, James Wheeler
Patterson, Joe Donald
Paul, Thomas Walder
Payne, Tommy Everett
Pearson, Larry Glen
Peden, Richard Allen
Pedersen, Jack Lee
Pelensky, Mark
Pelton, Ronald Lynn
Pender, Orland James, Jr.
Pentecost, Claude Daniel
Percival, Robert Clayton
Pergler, Robert Armstead
Perkins, Allen Dean
Perrine, Redford Anthony, Jr.
Perry, Albert Kevin
Peszko, David Adam
Peters, Dennis Lee
Peters, Robert K.
Peterson, Carl Marvin, II
Peterson, Richard Franklin
Pfeifer, Charles Gregory
Pfister, Stephen Joseph
Phelan, Joseph Francis
Phillips, Gary Quinten
Phillips, Glenn Patrick
Phillips, William Standish
Phipps, Jeffrey Richard
Piatt, Cummings William
Piazza, Frank Peter, Jr.
Pierce, Peter Wood
Pierce, Richard Bryce, Jr.
Pillsbury, Seth Clinton
Piper, Harry Lee
Piper, Jack Lee
Pitman, Edgar L.
Plante, Robert John
Plis, Kenneth Jerome
Ploeger, Robert Bowers
Plumb, Paul Douglas
Plummer, Ronald Earl
Plunkett, John Russell
Poborsky, Richard Lee
Pobuda, Robert Gordon
Poggi, Steven Neil
Pohle, James Harold
Poiencot, Glenn Paul
Polsenski, Martin Joseph, Jr.
Porter, Charles Wayne
Porter, Thomas John
Posenecker, William Warren
Potter, Edward Allen
Potts, Ronald Lee
Powell, James Milton, Jr.
Powell, Orrin Bert III
Powell, Richard Allen
Power, Oliver Kenneth, III
Powers, Danny Jay
Powers, James Arthur, Jr.
Prather, Richard Fay
Price, Harry Jon
Price, Leland Herbert
Prout, James Gregory, III
Prusaitis, Gerald Joseph
Puffer, James Whitney
Pursley, Robert Earl, III
Putnam, Billy Wayne
Quinn, Donald Anthony
Quinn, Neal Albert, Jr.
Quinn, Robert Joseph, Jr.
Quinton, Mark Shannon
Qurollo, James Victor, Jr.
Radcliffe, William M., Jr.
Radican, William Walter
Raffetto, David James
Rahn, Donald Frederick
Rainey, Daniel Lawrence, Jr.
Rairdan, Eugene James
Rajaniemi, Charles Hugo
Raleigh, Richard Eugene
Ramsey, Gerald, Frankz
Randall, Jeffrey Wayne
Randolph, Robert Gene
Rankin, Charles Robert
Rasmussen, Ernie Loris
Rauch, Kenneth Norbert
Rawson, Warren Addison, Jr.
Razzetti, Eugene Anthony
Rea, Edward Eugene
Reass, Richard Martin
Redd, John Scott
Redden, John Andrew
Redington, Michael Patrick
Reed, Gordon Thomas
Regmund, William Charles, Jr.
Reid, John Mark, Jr.
Reidelberger, William Henry
Reilly, Michael Joseph
Rempt, Rodney Peter
Reynolds, Chester Louis, Jr.
Reynolds, Craig Lewis
Reynolds, Tom Hunter, Jr.
Rheinstrom, Gordon Harkness
Rhoades, Alan Sherburne
Rhyne, Fred Harold
Rice, Paul Donavon
Rice, Theodore Lee
Rich, John Shipley
Richards, Francis Gerald
Richards, Harry Joseph
Richards, John Russell
Richardson, Arthur Fields
Richardson, Larry Charles
Richardson, Robert Lamar
Richardson, Terry Allen
Richt, Harvey Francis
Riddell, Cyrus Michael
Ries, Kenneth Lee
Riley, Gerald Joseph
Riley, Michael Dean
Rinehart, Robert Coleman
Rish, Edward Carr
Rist, Austin Michael
Robb, William Stewart, Jr.
Roberts, Charles Raymond
Roberts, Joel Herbert
Roberts, Malcolm William
Robertson, William Clark
Robson, Clifford Pierce
Rockwell, John Hobart, III
Rogers, Geoffrey Spalding
Rogers, Ross Frederick, III
Rogers, Will Chapel, III
Rohrkemper, Stephen F.
Roland, John Rogers, Jr.
Rollins, Richard Edward
Roose, Robert William
Rosedale, Burgess Eugene
Ross, Paul Davidson, Jr.
Rowe, Donald
Rubel, Carl McHenry
Rubright, David Gerald
Rucker, Alexander Cauthorn
Rudell, Frederick Lawrence
Rudloff, Stephen Anthony
Ruff, Richard Kurt
Ruland, James Kenneth
Rule, William Martz
Ruppell, Jack Clyde Louis
Russ, Steven Kenneth
Russell, David Leroy
Ryan, Carl Joseph, Jr.
Ryan, James Jonathon
Sage, David Morlan, Jr.
Sage, Fred Walter, III
Sager, Harlan Raymond
Sailes, Frank Joseph
Sakonyi, Ronald Edward
Salibello, Cosmo

Salinas, Daniel, II
Samara, George Bitting
Sanborn, Philip Myron
Sanders, James Clifford
Sanders, Lewis Henry
Sanders, Robert C.
Sanders, Robert Tracy
Sandlin, Robert Odie, Jr.
Sansom, Edward Lee
Sapienza, Gerald Joseph
Sappington, Merrill Arthur
Sarich, Ace John
Sarnecky, Joseph Michael
Sarver, James Delbert
Savage, John Dennis
Saylor, William Harry
Scango, Pasty Donald
Scarbrough, Robert Royce
Schaede, Harry Robert
Schaefer, Frederick J. A.
Schalk, William Henry
Scheerer, Raymond Henry
Scherzinger, Victor Leo
Schindler, Charles Richard
Schleicher, Harold C., Jr.
Schlein, Paul Barron
Schneible, Daniel Carey
Schneider, Ronald Dale
Schoen, Gary William
Scholl, John Foster
Scholz, Ferdinand Andrew
Schoolfield, Ernest Lynn
Schrodt, Clair James
Schroll, John Raymond
Schultz, Dale Edward
Schultz, David Henry
Schumacher, Frank Arthur
Schuster, Michael Anthony
Schuyler, James Preston
Schweitzer, Ronald Paul
Scott, Donald James
Scott, Gary Everett
Scott, Murrel Clifton, Jr.
Scott, Robert Peter
Scovill, Judson Lawrence
Scrivener, Orlin Robert
Sears, Jay Allen
Sears, Scott Lowrie
Sears, William Carr
Seddon, Frederick Richard
Sedlak, John, Jr.
Sego, Thomas Edward
Segraves, Joel Rhinehart
Seiden, Steven Samuel Sutton
Selph, Tillman Stephen
Setzer, Alvah Earl
Seward, Theodore Clark, Jr.
Seymour, Donald Edward
Shaar, Edwin Willis, Jr.
Shaffer, William Harry
Shank, Michael Howard
Shannon, James Okey
Shaw, Herbert Bramwell, III
Shaw, Myron Jack
Shaylor, Stanley Russell
Shea, John Patrick, III
Shearer, Richard P.
Sheedy, Patrick James , Jr.
Sheeley, Royal Edwin
Shellenberger, Wilmont N.
Shelton, Leonard George, Jr.
Shenton, William Thomas
Shepherd, Patrick Martin
Sherman, Jerry M.
Sherman, Marshall Robert
Shewell, Daniel John
Shields, Scott Jenkins
Shinabarger, Jon Arthur
Shipe, Edwin Evans, III
Shipman, Richard Pierce
Shong, John William, Jr.
Shubert, William Moses, Jr.
Shultz, Robert Joseph, II
Shumadine, William Albert
Sidney, Richard William
Sigler, John Fleet
Silloway, Richard Frank
Silvia, Michael F.
Simard, Paul Joseph
Simmons, Robert Thomas
Simmons, William Alfred
Simon, James Richard
Simonpietri, Andre C., Jr.
Simons, William Edgar
Simonsen, Charles Michael
Simonsen, Weaver Clyde
Sinclair, Richard B.
Sink, William Christian, Jr.
Sinkovec, John Arthur
Sinness, Kenneth Robert
Siwinski, Edmund Louis
Skroch, Albert Paul, Jr.
Skrzypek, Paul Joseph
Slear, David Garver, III
Sliney, Edward Gilmore, Jr.
Smelik, Gerald Thomas
Smith, Carleton James, III
Smith, David Arthur, Jr.
Smith, David Basil
Smith, David Peter
Smith, Edwin Lee
Smith, Frank Leo
Smith, Gary Webb
Smith, James Cornelious
Smith, James Harvey
Smith, Jeffrey Forrest
Smith, Richard William
Smith, Ronald Ernest
Smith, Thomas Joseph
Smith, Tracy William
Smith, Urban Eugene
Smith, Walter Kenneth, Jr.
Smuda, James Francis
Snyder, Glen Dean
Snyder, John William, Jr.
Snyder, Luther William, Jr.
Snyder, Peter Burgess
Snyder, William R.
Snyder, William Thomas D.
Soares, Paul Louis
Sogga, Donald Nicholas
Solan, John Michael
Solomon, Dennis Lee
Solomon, William Emert, Jr.
Sorbie, Andrew
Soricelli, Joseph Martin
Sosnicky, Andrew Peter
Specht, Harry Frederick, Jr.
Speed, James Guy
Speidel, David Poor
Spelbring, Daryl Carlton
Spencer, Robert William
Spicer, Tadd Edward
Spikes, Clayton Henry
Stabb, John Albin
Standley Cecil Edmond
Standrich, Elvin Beryle
Standridge, Arthur Michael
Stankowski, Robert John, Jr.
Stanley, David Sloane, Jr.
Stanley, Harold Gene
Starr, Ronald Wayne
Staudte, Paul Vincent
Stearns Rodney Charles
Steel, James Robert, Jr.
Steele, Allen Wayne
Steele, Joseph Henry, III
Steenburgh, Charles Joseph
Steinman, Larry Wayne
Steffen, Nicholas John
Stephan, George Maurice
Stephenson, Raymond Layne
Sterling, Stoughton, III
Stevens, Wayne Ashley
Stewart, Alford Marshall, Jr.
Stewart, John Christopher
Stewart, Joseph Stanley, II
Stewart, William Cole
Stillinger, James Morris
Stillwagon, Richard John
Stockdale, Elwyn Edward
Stohr, Richard Jacob
Stolt, Robert Dean
Storwick, Richard Allen
Stout, Charles Lawrence, Jr.
Stoutamire, Stoney Lester
Stpierre, Francis William
Strausbaugh, Thomas Ligore
Strauss, Kurt Allan
Strawn, William Wesley, Jr.
Strayhorn, Robert Everett
Stricker, Robert John
Strickland, Henry Wilson
Strother, John Wayne
Stuart, Jay Clyde
Stubbs, Frederick Michael
Stuckey, James Godfrey
Stumm, Albert Francis, Jr.
Sturm, William Philip
Sulfaro, John James
Sullivan, Frederic Glenn
Sullivan, James Vincent, Jr.
Sullivan, Michael James
Summerlin, Thomas Wiley
Sumnick, John Michael
Sutton, Ronnie Neal
Swank, Jeffrey Lee
Swanner, Leroy, Jr.
Swanson, John Fredrick
Swartwood, James Michael
Sweatt, John L., Jr.
Sweeney, James Daniel
Swensen, Donald Laurence
Swientek, Francis Martin
Swinger, Alan William
Swingle, Robert Dennis
Switzer, William H., III
Syrko, Thomas Michael
Tafuri, Ronald Robert
Tageson, William John, Jr.
Tanber, Terry Neal
Tappan, Benjamin, III
Tarr, Edwin Arthur
Tarrant, Yancey Newell
Tattersall, Alan Peter
Taylor, Billy Byron
Taylor, Rufus Lackland, III
Taylor, William Ivey
Temme, Robert Lee, Jr.
Terrill, Thomas Joseph
Tessada, Enrique Augusto, IV
Thomas, James Ellison
Thomas, John Morgan
Thomas, Lewis Carroll
Thomas, Orville Gordan
Thompson, David H.
Thompson, John Ralph
Thompson, Neil Bruce
Thompson, Norman Ralph
Thompson, Ronald Melvin
Thurston, Charles Wayne, Jr.
Tibbetts, Charles Francis
Tickle, Harold Joseph
Timmons, David Richard
Tincher, Edward Sheridan
Tisdel, Richard Edward
Todd, Alan Mitchell
Toedter, Wendel Walter
Tomasko, John Anthony, III
Tompkins, Charles Leroy
Toriello, Andrew Norman, Jr.
Touve, Bruce Norman
Tracey, Michael Thomas
Trafton, Wilbur Cobb
Transue, Michael John
Trevathan, Joseph Coleman
Tritten, James John
Trueman, Larry Dean
Truesdell, William Clare, Jr.
Trump, Peter Arnold
Tryon, Frank Harold, Jr.
Tuck, Arthur Roger
Tucker, Richard King
Tully, Webb William
Turner, Guy Foster, Jr.
Turner, Howard Stansell
Turner, John David
Twaddle, Roy Royce, III
Tyler, John Thomas, Jr.
Uhrie, Richard James, Jr.
Upshaw, Arthur McAllen, III
Urquhart, Wiley Barnett, III
Ustick, Perry Wheeler, Jr.
Valenty, John Thomas
Valley, Bruce Leon
Vance, Charles Terry
Vanderhoek, James Storey
Vaneps, John Arch
Vanheertum, Bruce
Vanhouten, Paul Edgar
Vanloy, Alan Eric

Varner, Howard Leroy
Vazquez, Frank Xavier
Vidosic, Richard Paul
Vieth, John Charles
Vinson, John Emmanuel
Vion, Charles P.
Vogt, Peter Dixon
Vorek, Joseph Arnold
Voshell, John Eugene
Votava, Charles Frank, III
Wacaser, Anderson Wade, III
Wagenseil, Lawrence L.
Waggoner, David Thomas
Wagner, Dennis Larry
Wagner, Richard Henry
Wahl, Larry Charles
Wahlig, Leonard Otto
Wainwright, Stanley Dean, Jr.
Walberg, Peter Elon
Walker, David Charles
Walker, David Mathieson
Walker, Niles A.
Walker, Robert J.
Wallace, William T., Jr.
Walls, William Hammond
Walsh, David Francis
Walter, Norman James
Ward, Douglas Earl
Waring, Charles Wildey, Jr.
Waschbusch, John Frank
Wassmer, Douglas Harold
Waterman, Steven George
Waterson, Allan Frederick
Watson, David
Watt, Phillip Alexis
Watts, Gary Merlin
Wauson, Richard Earl, Jr.
Webb, Stephen Louis
Weber, Robert Sycks
Weber, Steven David
Weekes, John Alfred
Weeks, Floyston Allan
Weigand, Garry Lee
Weigand, Karl Russell, Jr.
Weinzapfel, Kenneth Henry
Welch, James Taylor
Welch, Raymond Vincent, Jr.
Weller, Philip Baxter
Wells, John Carroll
Wesh, Francis Reid
West, Clark O'Reilly
West, David Joe
West, William Robert
Wetzel, Kenneth Robert
Whalen, Daniel Patrick
Wheeler, William Richard
Whisman, Carl Lee
White, Allen Hardin, Jr.
White, Joseph Roger
White, Michael Vance
White, Richard Levi
White, Robert Dale
White, Robert Edmund
Whittemore, Michael Alan
Wiegand, Rudolf Paul, Jr.
Wiese, Clifford Allen
Wiggins, Joseph Lambert, Jr.
Wiles, Marvin Benjamin C.
Wiley, Armando Anibal
Wiley, Richard Andrew
Wilkes, Paul Douglas, Jr.
Wilks, Robert Edgar
Willems, Robert Cecil
Willever, Kent Arlington
Williams, Gregory Bruce
Williams, John William, Jr.
Williams, Michael Logan
Williams, Robert Allen
Williams, Robert Milo
Williams, Robert Russell, II
Williams, Thomas Johns, Jr.
Williams, Thomas Ryland
Williamson, Bruce Stephan
Williamson, Francis T., Jr.
Wills, Douglas Kent, Jr.
Wilsbach, Ronald Keith
Wilsey, James Fay
Wilson, Clark Albert
Wilson, John Franklin
Wilson, Kenneth Leighton
Wilson, Martin Bernard
Wiltshire, Kenneth James
Windle, Ralph Edward
Winners, Donald Lincoln
Wise, Billy Butch
Wise, Bobby Gene
Witt, George S.
Wittenberg, Robert Ralph
Woerner, James Paul, Jr.
Wojdyla, Michael John
Wojtkowski, William S., Jr.
Wolf, David Carl
Wolf, Robert William
Wolff, Richard Ernest
Wolford, Norman Henry
Woltz, David Ralph
Wonicker, William Curtis
Wood, Gordon Leo, Jr.
Wood, William Allison
Woodard, James Charles, Jr.
Woodfield, Jeffrey Reynolds
Woods, Robert Allen
Woodson, Walter Browne, III
Woodward, Harlan Wilfred
Woolard, Richard Trusty P.
Woolrich, Raymond Dudley
Wortham, Thomas Robert, Jr.
Worthington, Richard Ogle
Woxland, Daniel Allan
Woy, Gary William
Wright, Peter Warren
Wright, Thomas Williams
Wyatt, James Colquitt, III
Wyman, Bruce Dana
Yarbrough, Earl C.
Yates, Cornelius H., III
Yeaw, Ronald Everest
Yokley, Robert Andrew
Young, Brian Walter
Young, David Craig
Young, Delivan Terry
Young, Douglas Glenn
Young, James Stephen
Young, William Berkeley
Yusi, Frank Louis
Zafran, Robert
Zapatka, Stanley John, Jr.
Zarichny, Russell Joseph
Zerr, John Joseph
Ziegler, Philip Eugene
Zucker, Clayton George
Zuercher, Keith Edward
Zuga, Leonard Francis
Zuhr, Kenneth Christian
Zvacek, Robert Dale

### SUPPLY CORPS

Allega, Timothy James
Allen, Daniel William, Jr.
Allen, Dennis Jean
Auberbach, Eugene Edmond
Barnes, Frank
Barnett, Orlando Tyrone
Battersby, Richard Wayne
Bedle, William Bliss
Benbow, Robert Thomas
Bland, Gerald Hall
Bolling, Terry Lynn
Boyt, George Richard
Bray, Richard Lee
Brown, William Timothy
Burnette, Jimmy Darwin
Callahan, Ronald Lee
Campisi, Ronald Alexander
Cantrell, Floyd Orin
Chamberlin, Edward Robert
Chenault, David Walker
Chiomento, Thomas Vincent J.
Christian, Lawrence Alvin
Christophersen, Wilhelm G.
Clements, Charles Cecil, III
Coffin, Charles Edward, III
Collette, Robert Lloyd
Conradteberlin, Viggo Paul
Cottrell, Michael Francis
Crognale, Stanley Joseph, Jr.
Davies, David Alan
Davis, Kenneth Edward Jr.
Dawson, Joseph Charles
Dexter, Stephen Thompson
Diaz, Adalberto Miguel
Dingeldey, Peter Edward
Dobbert, Clarence Frederick
Doubleday, Ross Justin
Dyck, Arthur Jerry
Eaton, Roy William, Jr.
Edgerton, Donald Kenneth
Engel, Raymond Paul
Erdal, Dennis Marshall
Erickson, William Victor
Flakes, Donald L.
Freeny, Ronald Nelson
Fronczkowski, Ralph Edward
Gardner, Everette Shaw, Jr.
Garner, Darrell William
Gaunt, John Richard
Gibson, John Justin
Gordon, Jeffrey Leroy
Groves, Floyd Abram
Guild, Thomas Allen
Gustavus, Robert Lynn
Guth, Michael Harold
Hancock, Charles Mark
Hanson, Maurice Dale
Haugen, Steven Carl
Haynes, James Michael
Heiselberg, Gary Lee
Hendricks, Ross Franklin
Hilton, David Eastwood
Hoffman, Joel Jeffrey
Holley, Dewey Arnold
Hoyt, Charles Arny, III
Humes, Larry Frank
Ireland, Dennis Wayne
Jaudon, James Elton, III
Jenkins, Evan Richard
Jepson, Francis Edward, Jr.
Johnson, Edward Dean
Johnson, Larry Edward
Johnston, Willard Clinton
Jones, James W.
Jordan, Robert Richard
Kalas, Frank Joseph, Jr.
Kauffman, David Carl
Keller, Frank Boyd
Kelley, Henry George
Kennedy, Hunter Lee
Kern, Samuel Yeager
Keyworth, Richard Evans
Kincaid, Bruce David
King Lawrence Allen
Kinsey, Joseph William
Krisman, Dennis William
Lang, Eugene Cottrell, Jr.
Lemburg, Myrl Lee
Leniart, Peter Joseph
Lester, Timothy Oconnell
Leverentz, James Michael
Libby, Kurt William
Lincoln, Samuel Ankeney, III
Loveday, Leonard Norman
Lynn, Gary Dexter
Macarthur, Chester Bruce
Madril, Richard Joseph
Marx, Paul Thomas
Mathews, Gerald Kenneth
McCook, Kevin William
McGinnis, William James
McIlhaney, David Lee
McLaughlin, Robert
Mills, Kenneth Brewster
Mitchell, Ralph Melvin, Jr.
Moir, Ronald Lee
Monahan, David Wilson
Moore, Beryl Grant
Morell, Robert Phillip
Mortsolf, Larry Alonzo
Munro, David Thomas
Nelson, Napoleon B., III
Newton, George Edward
Northup, Paul Russell
Novak, Wayne Frank
Nuzum, Jude Meigs
Ott, Gene Franklin
Parks, Michael Blake
Parr, John Bernard
Pearce, Charlie Albert
Perkerson, John Alex, Jr.
Potts, John Arthur
Price, Donald Edward
Puckett, Kenneth Brawn
Quirk, David John

Robinson, Geoffrey Warren
Rock, William Joseph
Rodgers, Philip Edward
Rouzer, William Welf
Ruble, David Ross
Sarver, Gordon Jay
Satterthwaite, Peter Leo
Scarola, Joseph Ralph
Schechter, Kenneth Alan
Schweitz, James Joseph, Jr.
Scott, William Clyde
Scudi, John Turner
Seyfried, Philip Joseph, Jr.
Sheffo, Donald George
Sheppard, James Michael
Shirley, Joseph Garrison
Smith, Edmund Niels
Smith, James Lewis
Soares, Leonard Joseph
Souza, John Edward
Spadafora, William Henry
Spivey, Elbert Glenn
Squire, Stanley Ralph
Stanton, William Hugh
Steffens, Paul B., Jr.
Stewart, Frank Jeffrey
Taylor, Richard Eugene
Tracy, Richard Tillotson
Traser, Robert Milton
Tyson, George James, Jr.
Ullrich, James Marshall
Utter, James Henry
Vanrooy, Lester Arthur, Jr.
Vargo, Joseph Francis
Vaughan, Larry Edward
Volkmann, John Michael
Weaver, Willis Stanley
Weissner, William Wells
Whitlock, Robert Eldon
William, Edward Leo, III
Worthen, Winston Kent

### CHAPLAIN CORPS

Connor, Robert Matthias
Hiers, Homer Thomas, Jr.
Kibble, Herman Loris
Mintjal, Frank Delano
Moore, Paul James
Perry, William Lee

### CIVIL ENGINEER CORPS

Alfredson, Leonard Eric
Ankrum, George Theodore
Best, Thomas David
Bivins, Joseph Powell
Bone, Talbot Wade
Brookman, Peter James
Brown, Richard Eugene
Brown, William David
Bruce, Charles Jere
Burkett, Hugh Alan
Carlson, Richard Eric
Cole, Robert Lewis
Cooney, Thomas Allen
Cottingham, John Richard
Curtis, Elmer Ross
Dean, Hilbert Dwayne
Dougherty, James Michael
Eckloff, James Clement
Elkins, John Carroll
Everhart, Guy Franklin
Fesler, Jeffrey Blair
Fisher, William Grayson, Jr.
Franz, John Peter
Fucile, Eugene Paul
Gant, James Bryant
Garrigan, James Terry
Geibel, Bruce Burgee
Heath, John Emery
Hoff, Michael Leroy
Holm, Stanley Robert, Jr.
Hughes, Duncan Stuart
Jackson, James Otos
Jones, Lloyd Kenneth
Kennedy, Ronald Edward
King, Donald Madison
Koons, James Edward
Larsen, Quentin John
Laursen, Brian Ray
Leech, John Geoffrey
Lenehan, Thomas Francis, III
Leubecker, Stephen Tyson
Lines, Richard Alden
Lowery, Edward Joseph, Jr.
Lucas, John Albert, Jr.
McCaleb, Billy Haywood
McClure, Thomas Daniel
Milner, Ronald Albert
Moore, Seley Eugene
Nash, David Julian
Nigro, William Thomas
Owens, James Walter, II
Palmborg, James Glenn
Polanski, Charles Michael
Rever, John Nicholas
Roberts, James Award
Royal, Clifford Harper
Sherron, John Thomas
Somers, Allen Harry
Spence, Gordon David, Jr.
Spiezio, Frank Anthony
Thurston, Benjamin Easton
Tomayko, David James
Urbani, Donald Louis
Vadas, Peter Paul
Walcott, Fred Perry
Ward, Carter Studdert
Ward, James Emerson
Watson, Francis Xavier
Weyler, Michael Ernest
Wood, John Fairbanks

### JUDGE ADVOCATE GENERAL'S CORPS

Haldeman, Harold Watson, Jr.
Hughes, Winston Jackson
Kerr, Gerald Lee, III
King, Richard Glen
Martens, Richard Lawrence
Newman, Richard Carson
Nolta, Franklin Lyman
Oboyle, Thomas Robert
Rossi, Robert Raymond
Scholz, Ronald Walter
Smith, Willie, Jr.
Stoller, Harold Lloyd, Jr.
Wells, George Lawrence

### MEDICAL SERVICE CORPS

Ackley, Paul Nelson
Anderson, David Edward
Arnold, Leroy Edward
Aubin, John Edward
Bailey, John William, II
Barnhill, Russell Wynn
Beene, Joe Ray
Belter, Lyle Edward
Benander, Douglas Norman
Bobola, Edward
Brant, Robert Henry
Brubaker, Ralph Wesley
Bruhn, John Evan
Buckley, William Michael
Bufano, Thomas Joseph
Butler, Raymond Andrew
Call, Douglas William
Carney, William Patrick
Carpenter, Gordon Lee
Chaput, Raymond Leo
Charland, Normand Louis
Chitwood, Carl Steven
Coleman, Robert C.
Cote, Robert Raymond
Cowart, Paul Ray
Curran, Raymond Michael
Daily, Otis Patrick
Daniel, Paul Edwin
David, Dennis Duane
Davis, Donald Marion
Davis, Donald Ralph
Dayhuff, James Edmund
Devine, Robert Thomas
Dickens, Timothy Holland
Doppelheuer, Sandra Binek
Edwards, Darrel
Ehlert, George J.
Freed, Stanley H.
Fregeau, Wilfred Armand
Frost, Alan Walker
Galbreath, Robert Sheridan
Gardner, Gerald Laverne
George, James David
Giron, Sagat Macaraeg
Glaser, Zorach Ralphael
Goodhartt, William Ryan
Gutshall, Richard Brice, Jr.
Hall, Charles Edwin
Hamas, Michael, Jr.
Hammons, Johnnie David, Jr.
Hansel, George Joseph
Hayes, Charles Herbert
Hazelton, Terrial Lynn
Heston, Frank David
Hickey, Myron Joe
Hopkins, Robert Frank
Hostetler, Melvin Glenn
Howard, Ivan Dean
Hunter, Elizabeth Anne
Jackam, David Charles
Jeffs, Robert Anton Aulie
Jones, Thomas Newton
Julius, Leonard Jackson
Kellner, John Robert
Kennedy, Arthur Edmund
Lamasters, Michael Beach
Lamdin, Jay Marshall
Lindberg, John Robert
Ludwig, William Carl
Maassen, Leland Richard
Mann, Charles Frank, Jr.
McCracken, Gary Owen
McGrath, William Peter
Milliken, Paul Robert
Mills, Thomas Gilbert
Moore, Arthur William
Moore, John Riley
Moore, Leonard Lee
Moore, Patrick Holmes
Moroney, William Francis
Morris, Wayland Franklin, Jr.
Morton, Robert Johnathan, Jr.
Nacrelli, Walter Andre
Newman, Reginald Edward
O'Leary, Terrence James
Patterson, William Larry
Petersen, Neil Robert
Pheeny, Harold Thomas
Pinkerton, John Ward
Potter, Duane Ernest
Potts, James Conrad
Pratt, Michael Lee
Profita, Salvatore John
Pron, Sergei Frank
Raymond, Lawrence Foster
Relinski, Robert George, Jr.
Reynolds, Richard Dale
Rice, Edward Allen, Jr.
Rider, Jackie Bruce
Robinson, Ralph Eugene
Sander, Dale Frank
Schlegel, Elvin Lee, Jr.
Schroll, John Egmont
Sherwood, Walter Ollie
Sides, Alfred Leroy
Siggers, Adolph Lavelle
Smith, David Gary
Smith, James Peter, Jr.
Smith, Robert Edgar
Smith, William Walter
Snow, Kenneth Souder, Jr.
Steiner, Joseph Randolph
Stewart, Gene Nichols
Tackitt, Robert Duane
Talcott, Bruce Edwin
Taylor, Lloyd Cecil, Jr.
Tenopir, Stanley Joseph
Thomas, Whitney Proctor
Turco, Ronald Fisher
Wachal, Frederick Joseph
Walker, Richard Ives
Waln, William Edward
Weber, Herta Antoinette
Wilson, Everett Lynn
Wolff, Lavern Vernon
Woods, Ronald Stafford
Wooll, Earl Ronald
Ziner, Anthony John

### NURSE CORPS

Bagbey, Stanley Robert
Becklun, Joan Kay
Bohn, Randolph Joseph
Bousquet, Virginia Mae
Corboy, Mary Cornelia
Corbusier, Jill Ann
Cords, Marvin Dale

Cortez, Ida Marie
Dault, Judith A.
Doms, Kathleen Diane
Elsesser, Mary Ann
Gierman, Richard Lawrence
Goss, Barbara Ann
Henderson, Rebecca Robertso
Hughes, Barbara Ellen
Jordan, Janice Yvonne
Keller, Patricia Jane
Klefman, Gloria Gay
Kondash, Anna Marie
Krzewinski, Barbara Ann
Laflamme, Marguerite Anna
Learned, Charles Everett
McOsker, Susan Elizabeth
Mencik, Barbara Ann
Mitchell, Mary Catherine
Monk, Judith Lynn
Morris, Edward William
Nye, Margaret Catherine
Oberhausen, Karen A.
Parks, Joyce Marie
Peace, Shirley Ann
Peace, Velia Decicco
Pollock, Linda Sue
Quayle, Leo Claude
Raach, Carolyn Diane
Rex, Anita Carmelita
Rieder, Karen Anne
Ryan, Kathleen Veronica
Schneider, Victoria Ann
Snider, Stephen Emmit
Stokes, James Edmond
Stratton, Mariann
Vering, Wilma Gertrude
Vivian, Sandra J.
Walker, Raleigh Louis, Jr.

## CONFIRMATIONS

Executive nominations confirmed by he Senate, March 19, 1974:

### IN THE ARMY

The following-named Army Medical Department officers for temporary appointment in the Army of the United States, to the grades indicated, under the provisions of title 10, United States Code, sections 3442 and 3447:

*To be major general, Medical Corps*

Brig. Gen. Robert Wesley Green, [redacted], Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. Marshall Edward McCabe, [redacted], Army of the United States (colonel, Medical Corps, U.S. Army).

*To be brigadier general, Medical Corps*

Col. Philip Augustus Deffer, [redacted], Medical Corps, U.S. Army.

Col. Floyd Wilmer Baker, [redacted], Army of the United States (lieutenant colonel, Medical Corps, U.S. Army).

The following-named officer for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3307:

*To be major general, Medical Corps*

Maj. Gen. Edward Henry Vogel, Jr., [redacted], Army of the United States (brigadier general, Medical Corps, U.S. Army).

The following-named officers for appointment in the Regular Army of the United States, to the grade indicated, under the provisions of title 10, United States Code, sections 3284 and 3306:

*To be brigadier general, Medical Corps*

Maj. Gen. George Joseph Hayes, [redacted], Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. Marshall Edward McCabe, [redacted] Army of the United States (colonel, Medical Corps, U.S. Army).

Brig. Gen. Robert Wesley Green, [redacted], Army of the United States (colonel, Medical Corps, U.S. Army).

*To be brigadier general, Medical Service Corps*

Brig. Gen. John Edward Haggerty, [redacted] Army of the United States (colonel, Medical Service Corps, U.S. Army).

### IN THE NAVY

The following-named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

James M. Montgomery
Lee W. Fisher
Earl B. Fowler, Jr.
Kent J. Carroll
Claude P. Ekas, Jr.
Robert B. McClinton
Murray C. Cook
John C. Dixon, Jr.
James B. Linder
Richard E. Nicholson
Roy D. Snyder, Jr.
Sylvester R. Foley, Jr.
Edward W. Carter III
Bobby R. Inman
Steven A. White
"M" Staser Holcomb
John A. Walsh
Thomas J. Hughes, Jr.
Frederick F. Palmer
William D. Robertson, Jr.
Norman K. Green
Albert J. Monger
John H. Alvis
Donald P. Hall
Lucien Capone, Jr.
Arthur K. Knoizen
Paul H. Speer
William P. Lawrence
Gerald E. Thomas
Hugh A. Benton
Robert W. Chewning

### IN THE AIR FORCE

Air Force nominations beginning Loren K. Acker, to be first lieutenant, and ending Daniel B. Satterley, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on February 25, 1974.

### IN THE ARMY

Army nominations beginning Russell A. Duke to be colonel, and ending David E. Whitehead, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on February 25, 1974.

### IN THE MARINE CORPS

Marine Corps nominations beginning Vincent A. Albers, Jr., to be colonel, and ending David A. Zucker, to be first lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on February 25, 1974.

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# HOUSE OF REPRESENTATIVES—*Tuesday, March 19, 1974*

The House met at 12 o'clock noon.

Rev. Floyd H. Gayles, St. James Baptist Church, Washington, D.C., offered the following prayer:

*My mouth shall speak of wisdom, and the meditation of my heart shall be of understanding.*—Psalms 49: 3.

Almighty God, our Heavenly Father, the source of love, power, and wisdom, we come to Thee concerned with our needs, aware of our shortcomings, and yet confident that Thou wilt hear us pray. Lead us in the ways of justice, peace, and good will. Strengthen us to be diligent in performing our duties. Give us wisdom to make just decisions, and prepare us for the days ahead.

Bless Thou our beloved country and the institutions of this free land. Sustain with Thy power, and enlighten with Thy grace, the President, Speaker, and Members of Congress and all who are entrusted with our safety and security. Increase the faith of our people in government. Lord, help us to remember that we should be guided by Thy spirit. For not by might or power but by My spirit says the Lord of Host.

Through Jesus Christ, our Lord. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## PERSONAL EXPLANATION

(Mr. DULSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DULSKI. Mr. Speaker, on March 13, 1974, I was present and voting on rollcall No. 85, but although I inserted my card, for some reason my vote was not tabulated. I would like to have the RECORD show that had my vote been properly recorded, I would have voted "no" on rollcall No. 85.

On March 18, 1974, I was detained in my district, and so missed rollcall No. 91. Had I been present, I would have voted "yea."

## ERNEST PETINAUD TO RECEIVE JOHN W. McCORMACK ANNUAL AWARD

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, Ernest Petinaud, who retired in December as headwaiter of the U.S. House of Representatives restaurant, will be the 1973 recipient of the John W. McCormack Annual Award of Excellence to Congressional Employees.

The ceremony will take place in the Rayburn reception room of the U.S. Capitol on Thursday, March 21, 1974, at 10:30 a.m.

On March 4, 1925, the day Calvin Coolidge was inaugurated President, Ernest Petinaud began his career working for the House of Representatives. He was a member of the staff of the House restaurant until 1930 when he left to work in New York. Mr. Petinaud returned to the House restaurant in 1938, and from that time forward he made lasting friendships with the Members of Congress and their wives and guests. Ernest never forgot a name, and his outgoing manner earned him the title of "ambassador of good will" from the House of Representatives. Among the thousands of Members welcomed to the House restaurant by Mr. Petinaud, there were three freshmen Congressmen who later became Presidents of the United States: John F. Kennedy, Lyndon B. Johnson, and Richard M. Nixon.

Since retirement, Mr. Petinaud has devoted his time to social endeavors through his longstanding memberships in the Victory Lodge in Free Masonry, and in the Jonathan Davis Consistory in the Scottish Rite.

The John W. McCormack Annual Award was established in 1970 as a commemoration to the distinguished and dedicated service of the former Speaker during his 45 years in Congress. Previous recipients of the award are: 1970, Lewis Deschler, House Parliamentarian; 1971, Turner N. Robertson, Chief Page; 1972, Robert M. Menaugh, Superintendent, Radio and Television Gallery.

The Vice President, the Speaker, the majority and minority leaders, and many Members of the House are expected to be present for the ceremony.

It would be delightful to all of us to honor Ernest in being at the reception in the reception room on Thursday, March 21 at 10:30. We can pay him great respect for the diligence, the duty, and kindness he has shown to so many.

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## CLEAR AS MUD—NOT ROGER BUT THE USUAL KIND

(Mr. MELCHER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MELCHER. Mr. Speaker, tonight, when the President responds in Houston to questions of news broadcasters, I hope he is asked and clearly answers what policy this administration has to help stabilize fair beef prices.

Last summer the Cost of Living Council unwisely interfered with the beef market and caused disruption in confidence by consumers of adequate supplies of beef and likewise confidence of producers was shaken by threats of future rollbacks of prices which caused them to wonder if they should continue to produce at high levels.

So far the outcome has satisfied no one. Producers sold cattle for a short time at record high prices and consumers paid temporarily record high prices. Since then prices for cattle have dropped one-third but retail prices have been clinging to high levels. Only in recent days has there been a little retail adjustment to reflect that drop of prices for cattle so consumers would get a fair break and get more beef for their dollar.

The question I hope the President answers tonight in Houston is why this administration with its thousands of data experts in the Department of Agriculture does not establish the relationship of normal economic principles—when the price of cattle drops why do the consumers not get a better deal in buying beef?

The answer supplied lately by Washington economic experts of this administration has been as clear as mud of the usual kind—not the network Roger Mudd of television who is better at reporting on this subject than is the administration.

The Nation deserves a clear answer as to why cattle feeders with losses due to high feed costs and a lower cattle market go broke while consumers pay through the nose for hamburgers, roasts, and steak for their families.

## TRIBUTE TO JIMMY CAGNEY

(Mr. PEYSER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEYSER. Mr. Speaker, last night I watched on television a tribute to Jimmy Cagney, one of the all-time great American actors. As I watched the show, I realized Jimmy represents much of what this great land of ours is all about—fun, toughness, humor, love, and above all, pride.

When he was portraying the role of George M. Cohan, his pride in the United States shown brightly as he sang and danced, "I'm a Yankee Doodle Dandy," "Give My Regards to Broadway," and, "You're a Grand Old Flag."

It made me realize how long it has been since I have seen someone wear their love for our country right on their sleeve for all to see.

I must admit, it made me long for the day when all the people of the United States will again feel that they can stand and let all the world know that we are proud of our country and that we are willing to wear our love for it right on our sleeve and in our hearts.

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## EASTERN SHORE CHAMPIONS

(Mr. BAUMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BAUMAN. Mr. Speaker, one of the finest college basketball teams in the country will do battle once again this evening, in the National Invitational Tournament at Madison Square Garden. While their larger affiliate in College Park, Md., has been grabbing a good share of the headlines this year, the country folks from the University of Maryland-Eastern Shore have been whipping team after team among the small colleges.

Led by coach John Bates, the Hawks of Maryland-Eastern Shore won their first game in the NIT last Saturday night, beating Manhattan 84–81. Tonight, and with all due respect to the gentlemen from Florida (Mr. BENNETT and Mr. CHAPPELL), I predict Maryland-Eastern Shore will similarly be the victors over Jacksonville, a fine team that cannot be blamed if they are not quite as good as the talented young men from the Eastern Shore.

The Hawks' dazzling play, their long jump shots, and their own special brand of dunking have bewildered dozens of other college teams, and those of us who live on the Eastern Shore of Maryland are proud indeed to cheer on this fine team in the NIT.

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## THE GLENDO ROAD

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO of Wyoming. Mr. Speaker, today I am introducing legislation which will allow the Bureau of Reclamation to contribute toward the reconstruction of a public road originally built by the Bureau on the left abutment of Glendo Dam in Wyoming.

The road was originally built by the Bureau during construction of Glendo Dam. Following completion of the dam, the road was turned over to Platte County, Wyo., for local use and maintenance. Glendo Dam Reservoir and immediate vicinity has since been incorporated into the Glendo State Park under the administration of the Wyoming Recreation Commission.

Since its construction the road has been difficult to maintain. Neither Platte County nor the State recreation commission, has had the equipment required or funds to rebuild the road. It is not only used by boaters, fishermen, and other recreationists, but also as a major route by local ranchers, farmers, schoolbuses, and others. The Bureau has contributed as it could under current authority to correct and maintain the road in its present state. However, a major slide in 1966 has made maintenance almost impossible under the current arrangement. Restabilizing the slope of the mountain, resolving the underground drainage of water, and stabilizing the down side of the road fill into the canyon are all required to reopen the road to two-way traffic. The Wyoming State Highway Department estimates the total cost at $175,000.

The Bureau is willing to assist in providing funds for this necessary correction work, however, under current law, even though the Bureau constructed the road during the building of Glendo Dam, it is not authorized to assist. The bill which I am introducing today would give the Bureau the authorization necessary to relocate, reconstruct, and rehabilitate those portions of this roadway which have become a hazard and a menace to all those who must use it day to day.

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## EUROPEAN CRITICISM OF THE UNITED STATES

(Mr. WAGGONNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WAGGONNER. Mr. Speaker, I take a great deal of exception to the criticism being leveled at the United States from abroad because of the President's insistence on European cooperation on matters involving U.S. economic and political problems. I do not think that this is asking too much. For too long, Europe has gladly accepted economic and military assistance we have provided, but has looked the other way whenever we have begun to experience problems—problems, I might add, that have not only affected the United States, but Europe as well. Where would France be today had we not been there to lend a helping hand—economically and politically—in the postwar years or, most recently, when their currency was in danger?

Unmistakably, the question of European mutual defense, trade and economics, and politics are interrelated and cannot be considered as separate issues simply because some of our friends across the Atlantic would like for them to be. The facts are the U.S. economy is lagging and Europe is looking the other way. Maintaining 320,000 troops in Europe does not help our overall economic situation.

Most of us would agree we must continue to maintain an adequate defense force in Europe, but we cannot be expected to continue to bear a disproportionate share of the burden if some of our economic and political related problems go unattended.

### PERMISSION FOR THE COMMITTEE ON THE DISTRICT OF COLUMBIA TO FILE CERTAIN REPORTS

Mr. ADAMS. Mr. Speaker, I ask unanimous consent that the Committee on the District of Columbia may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

### PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

### MRS. ROSE THOMAS

The Clerk called the bill (H.R. 2535) for the relief of Mrs. Rose Thomas.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### COL. JOHN H. SHERMAN

The Clerk called the bill (H.R. 2633) for the relief of Col. John H. Sherman.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### ESTATE OF THE LATE RICHARD BURTON, SFC, U.S. ARMY (RETIRED)

The Clerk called the bill (H.R. 3533) for the relief of the estatae of the late Richard Burton, SFC, U.S. Army (retired).

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 2508) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### MURRAY SWARTZ

The Clerk called the bill (H.R. 6411) for the relief of Murray Swartz.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### RESOLUTION TO REFER BILL FOR THE RELIEF OF ESTELLE M. FASS TO THE CHIEF COMMISSIONER OF THE COURT OF CLAIMS

The Clerk called the resolution (H. Res. 362) to refer the bill (H.R. 7209) entitled "A bill for the relief of Estelle M. Fass" to the Chief Commissioner of the Court of Claims.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

### RITA SWANN

The Clerk called the bill (H.R. 1342) for the relief of Rita Swann.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

### LEONARD ALFRED BROWNRIGG

The Clerk called the bill (H.R. 2629) for the relief of Leonard Alfred Brownrigg.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### BOULOS STEPHAN

The Clerk called the bill (H.R. 4438) for the relief of Boulos Stephan.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### FAUSTINO MURGIA-MELENDREZ

The Clerk called the bill (H.R. 7535) for the relief of Faustino Murgia-Melendrez.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### ROMEO LANCIN

The Clerk called the bill (H.R. 4172) for the relief of Romeo Lancin.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### RUSSELL G. WELLS

The Clerk called the bill (H.R. 8545) for the relief of Russell G. Wells.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### AUTHORIZING THE SECRETARY OF THE INTERIOR TO SELL INTERESTS IN LANDS IN FLORIDA TO JOHN CARTER AND MARTHA B. CARTER

The Clerk called the bill (H.R. 10626) to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain lands in Florida to John Carter and Martha B. Carter.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### JORGE MARIO BELL

The Clerk called the Senate bill (S. 205) for the relief of Jorge Mario Bell.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### KAMAL ANTOINE CHALABY

The Clerk called the Senate bill (S. 245) for the relief of Kamal Antoine Chalaby.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### ERNEST EDWARD SCOFIELD (ERNESTO ESPINO)

The Clerk called the Senate bill (S. 428) for the relief of Ernest Edward Scofield (Ernesto Espino).

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### WILHELM J. R. MALY

The Clerk called the Senate bill (S. 507) for the relief of Wilhelm J. R. Maly.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### MRS. JOZEFA SOKOLOWSKA DOMANSKI

The Clerk called the Senate bill (S. 816) for the relief of Mrs. Jozefa Sokolowska Domanski.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### MAHMOOD SHAREEF SULEIMAN

The Clerk called the Senate bill (S. 912) for the relief of Mahmood Shareef Suleiman.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### MRS. ZOSIMA TELEBANCO VAN ZANTEN

The Clerk called the Senate bill (S. 1673) for the relief of Mrs. Zosima Telebanco Van Zanten.

There being no objection, the Clerk read the Senate bill as follows:

S. 1673

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the administration of the Immigration and Nationality Act, Mrs. Zosima Telebanco Van Zanten, the widow of Sergeant Sam J. Van Zanten, Junior, a citizen of the United States, shall be held and considered to be within the purview of section 201(b) of that Act and the provisions of section 204 of the said Act shall not be applicable in this case.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### GEORGINA HENRIETTA HARRIS

The Clerk called the Senate bill (S. 1852) for the relief of Georgina Henrietta Harris.

There being no objection, the Clerk read the Senate bill as follows:

S. 1852

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of the Immigration and Nationality Act, Georgina Henrietta Harris, the adopted daughter of Mrs. Esthyr Harris, a United States citizen, shall be held and considered to have met the residence and physical presence requirements of section 323 of such Act.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### VO THI SUONG (NINI ANNE HOYT)

The Clerk called the Senate bill (S. 2112) for the relief of Vo Thi Suong (Nini Anne Hoyt).

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### AUGUST F. WALZ

The Clerk called the Senate bill (S. 1615) for the relief of August F. Walz.

There being no objection, the Clerk read the Senate bill as follows:

S. 1615

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, on such terms that it deems just, the United States Postal Service is authorized to compromise, release, or discharge in whole or in part the liability of August F. Walz, postmaster, United States Post Office, Wilmington, Delaware, of the sum of $28,978.62 representing the amount of a revenue deficiency charged to his postal account as postmaster. Such deficiency resulting from unpaid postage on second-class transient mailings of the "Wilmington Suburban News" and the financial inability of the owner of such newspaper, and after his death, his estate to pay any part of such amount.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### ROBERT J. MARTIN

The Clerk called the Senate bill (S. 1922) for the relief of Robert J. Martin.

There being no objection, the Clerk read the Senate bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, on such terms as it deems just, the United States Postal Service is authorized to compromise, release, or discharge in whole or in part the liability of Robert J. Martin, of Lake Carmel, New York, to the United States for the loss resulting from the theft of an amount of cash in his custody as a mail-truck driver, which was taken in a theft occurring on January 2, 1969.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### MILDRED CHRISTINE FORD

The Clerk called the Senate bill (H.R. 1961) for the relief of Mildred Christine Ford.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### LIDIA MYSLINSKA BOKOSKY

The Clerk called the Senate bill (H.R. 2537) for the relief of Lidia Myslinska Bokosky.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### NEPTY MASAUO JONES

The Clerk called the Senate bill (H.R. 3203) for the relief of Nepty Masauo Jones.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### MELISSA CATAMBAY GUTIERREZ

The Clerk called the bill (H.R. 4590) for the relief of Melissa Catambay Gutierrez.

Mr. ROUSSELOT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

### MILAGROS CATAMBAY GUTIERREZ

The Clerk called the bill (H.R. 4591) for the relief of Milagros Catambay Gutierrez.

There being no objection, the Clerk read the bill as follows:

H.R. 4591

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in the administration of the Immigration and Nationality Act, Milagros Catambay Gutierrez may be classified as a child within the meaning of section 101(b)(1)(F) of the Act, upon approval of a petition filed in her behalf by Mr. and Mrs. Ulpian F. Gutierrez, citizens of the United States, pursuant to section 204 of the Act: *Provided,* That the natural parents or brothers or sisters of the beneficiary shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

With the following committee amendment:

On page 1, lines 6 and 7, strike out the names "Mr. and Mrs. Ulpian F. Gutierrez" and substitute "Mr. and Mrs. Ulpiano F. Gutierrez".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### URSULA E. MOORE

The Clerk called the bill (H.R. 5266) for the relief of Ursula E. Moore.

There being no objection, the Clerk read the bill as follows:

H.R. 5266

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Ursula E. Moore, widow of Staff Sergeant John M. Moore, Junior, United States Army (224–40–8385), is relieved of all liability to the United States that resulted from the shipment of her household goods and personal effects from Nuremberg, Germany, to Pemberton, New Jersey, in May 1971, and the storage of such goods and effects, the expenses of which were held by the Department of the Army to be noncompensable under existing law.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ursula E. Moore, an amount equal to the aggregate of any amounts paid by her, or withheld from sums otherwise due her, with respect to the indebtedness to the United States specified in the first section of this Act.

(b) No part of the amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike all after the enacting clause and insert:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ursula E. Moore, of Pemberton, New Jersey, widow of the late Staff Sergeant John M. Moore, Junior, United States Army (224–40–8385), the sum of $2,706.51 in full settlement of all her claims against the United States for reimbursement of amounts paid for storage and shipment of household goods from Germany to the United States in 1971. No part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### THOMAS C. JOHNSON

The Clerk called the bill (H.R. 6202) for the relief of Thomas C. Johnson.

There being no objection, the Clerk read the bill as follows:

H.R. 6202

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Thomas C. Johnson, of Hingham, Massachusetts, is relieved of liability to the United States in the amount of $2,382.94, representing overpayments of active duty pay received by him as a member of the United States Army for the period from July 5, 1967, to July 4, 1969, inclusive, as a result of an administrative error which, through no fault of his own, occurred in crediting him with service in the advanced Reserve Officers Training Corps program. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this section.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Thomas C. Johnson, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, with respect to the indebtedness to the United States specified in the first section of this Act.

(b) No part of the amount appropriated in subsection (a) of this section shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### MRS. RITA PETERMANN BROWN

The Clerk called the bill (H.R. 7128) for the relief of Mrs. Rita Petermann Brown.

There being no objection, the Clerk read the bill as follows:

H.R. 7128

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $12,500 to Mrs. Rita Petermann Brown of New Orleans, Louisiana, in full settlement of her claims against the United States for an award under the Act of August 12, 1955 (Public Law 84–378, 69 Stat. 707, relating to the Texas City disaster), as amended, due her under the laws of the State of Texas based upon the injuries sustained by her former husband, Ross M. Petermann, in the Texas City disaster on April 16, 1947. No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

### EMMETT A. AND AGNES J. RATHBUN

The Clerk called the bill (H.R. 7207) for the relief of Emmett A. and Agnes J. Rathbun.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### GIUSEPPE OTTAVIANO-GRECO

The Clerk called the bill (H.R. 7685) for the relief of Giuseppe Ottaviano-Greco.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### MARY NOTARTHOMAS

The Clerk called the bill (H.R. 9393) for the relief of Mary Notarthomas.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### RAYMOND MONROE

The Clerk called the bill (H.R. 11392) for the relief of Raymond Monroe.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### MRS. GERTRUDE BERKLEY

The Clerk called the bill (H.R. 2950) for the relief of Mrs. Gertrude Berkley.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

### VIOLA BURROUGHS

The Clerk called the bill (H.R. 7397) for the relief of Viola Burroughs.

There being no objection, the Clerk read the bill as follows:

H.R. 7397

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purpose of removing a cloud on the title to certain land, the United States hereby quitclaims to Viola Burroughs, of Burlington, New Jersey, all right, title, and interest in and to all that certain frame dwelling house and lot for ground, situate on the north side of Federal Street, between Lawrence and York Streets, in the city of Burlington, in the county of Burlington and the State of New Jersey, bounded and described as follows, viz: Beginning on Federal Street at the southeast corner of the house now or late of Mary Vandergrift, and extending thence eastwardly, along Federal Street and parallel with said Vandergrift's line fifty feet; thence north eighteen degrees and twenty minutes east fifty-seven feet six inches to the line of now or late Amos Hutchin's lot; thence westwardly by his line twenty feet to the northeast corner of said Vandergrift's lot; thence southwardly by said lot sixty-six feet eleven inches to another corner of said Vandergrift; thence southwardly by the same, at right angles with Federal Street, fifty feet to the place of beginning.

With the following committee amendments:

Page 2, line 3: After "Street" insert "twenty feet; thence northwardly at right angles with Federal Street".

Page 2, line 10: Strike "Vandergrift" and insert "lot".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## WILLIAM L. CAMERON, JR.

The Clerk called the bill (H.R. 8322) for the relief of William L. Cameron, Jr.

**Mr. ROUSSELOT.** Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

## JAMES A. WENTZ

The Clerk called the bill (H.R. 8823) for the relief of James A. Wentz.

**Mr. ROUSSELOT.** Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

## UHEL D. POLLY

The Clerk called the Senate bill (S. 71) for the relief of Uhel D. Polly.

**Mr. ROUSSELOT.** Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The **SPEAKER.** Is there objection to the request of the gentleman from California?

There was no objection.

**Mr. JAMES V. STANTON.** Mr. Speaker, I ask unanimous consent that further call of the Private Calendar be dispensed with.

The **SPEAKER.** Is there objection to the request of the gentleman from Ohio?

There was no objection.

## RAPHAEL JOHNSON

**Mr. FLOWERS.** Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2533) for the relief of Raphael Johnson, with Senate amendments thereof, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, lines 8 and 9, strike out "natural parents or".

Page 1, line 9, strike out "Gidharry" and insert "Johnson".

The **SPEAKER.** Is there objection to the request of the gentleman from Alabama?

**Mr. ROUSSELOT.** Mr. Speaker, reserving the right to object, I would ask the gentleman from Alabama if there is any change that has been made from the time the bill passed the House?

**Mr. FLOWERS.** Mr. Speaker, if the gentleman will yield, it is my understanding that these are merely technical amendments, and that there has been no change from what was in the House bill.

**Mr. ROUSSELOT.** I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER.** Is there objection to the request of the gentleman from Alabama?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

## CHANGES IN DEFINITIONS OF WIDOW AND WIDOWER UNDER CIVIL SERVICE RETIREMENT SYSTEM

**Mr. DULSKI.** Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2174) to amend the civil service retirement system with respect to the definitions of widow and widower, as amended.

The Clerk read the Senate bill, as follows:

S. 2174

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) clauses (1) (A) and (2) (A) of section 8341(a) of title 5, United States Code, are amended by striking out "2 years" wherever it appears and inserting in lieu thereof "1 year".

(b) The amendments made by subsection (a) of this section shall not apply in the cases of employees, Members, or annuitants who died before the date of enactment of this Act. The rights of such individuals and their survivors shall continue in the same manner and to the same extent as if such amendments had not been enacted.

SEC. 2. (a) Section 8339(f)(2) of title 5, United States Code, is amended—

(1) by deleting "greater" and inserting "greatest" in place thereof;

(2) by deleting the word "or" immediately after the semicolon at the end of clause (A);

(3) by redesignating clause (B) as clause (C); and

(4) by inserting immediately below clause (A) the following new clause (B):

"(B) the average pay of the Member; or".

(b) The amendments made by subsection (a) of this section shall apply to annuities paid for months beginning after the date of enactment of this Act.

The **SPEAKER.** Is a second demanded?

**Mr. GROSS.** Mr. Speaker, I demand a second.

The **SPEAKER.** Without objection, a second will be considered as ordered.

There was no objection.

## CALL OF THE HOUSE

**Mr. DERWINSKI.** Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

**Mr. O'NEILL.** Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 94]

Alexander
Annunzio
Ashley
Blatnik
Brasco
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Chamberlain
Chappell
Chisholm
Clark
Collins, Ill.
Conyers
Corman
Diggs
Dingell
Dorn
Drinan
Evans, Colo.
Fountain
Fraser
Frelinghuysen
Gettys
Giaimo
Gibbons
Goldwater
Gray
Gude
Hanrahan
Harsha
Hébert
Heckler, Mass.
Heinz
Hogan
Holifield
Horton
Jarman
Johnson, Colo.
King
Lehman
McClory
Metcalfe
Minshall, Ohio
Mollohan
Moorhead, Pa.
Moss
Murphy, Ill.
Nix
O'Brien
Patman
Peyser
Reid
Reuss
Rooney, N.Y.
Rose
Ryan
Satterfield
Sebelius
Seiberling
Steed
Stephens
Stubblefield
Teague
Waldie
Whitten
Wilson, Charles, Tex.
Yatron
Young, S.C.

The **SPEAKER** pro tempore (Mr. McFALL). On this rollcall 363 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## PERMISSION FOR COMMITTEE ON RULES TO HAVE UNTIL MIDNIGHT TO FILE CERTAIN PRIVILEGED REPORTS

**Mr. PEPPER.** Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

## CHANGES IN DEFINITIONS OF WIDOW AND WIDOWER UNDER CIVIL SERVICE RETIREMENT SYSTEM

The **SPEAKER** pro tempore. The Chair recognizes the gentleman from New York (Mr. DULSKI).

**Mr. DULSKI.** Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know of no opposition to this bill. It passed the Senate unanimously. It was approved by our committee by a unanimous voice vote and the administration recommends enactment.

I have called it up under Suspension of the Rules because the annual cost of $4.6 million is in excess of the cost which would qualify the bill for consideration on the Consent Calendar.

The primary purpose of the bill is to change the 2-year marriage requirement under the civil service retirement law to a 1-year requirement. This requirement applies only to the cases of surviving spouses of employees who died in service, and in the cases of surviving spouses acquired after retirement.

It does not apply to a spouse to whom an annuitant was married at the time of retirement as the law requires only that such a spouse be married at the time of retirement in order to be entitled to benefits.

Under a 1948 amendment (Public Law 80–426) to the retirement law, an employee could provide an annuity for his spouse by taking a reduction in his own annuity. To be eligible for the survivor annuity, the widow must have been married for at least 2 years immediately preceding his death, or have been the mother of his children born of their marriage.

The Civil Service Commission makes the point that the 2-year requirement was arbitrary and arose out of a compromise recommended by the conferees on the bill, some of whom recommended a 5-year marriage requirement.

The current trend is to liberalize the restriction. The Veterans' Administration marriage requirement for the payment of benefits to widows was amended to a 1-year requirement in 1967. The social security requirement was reduced in 1968 from 1 year to 9 months, as to 3 months in the case of an accidental death or a death in line of duty in the Armed Forces, and a subsequent law (Public Law 92–603) provides for a waiver of those requirements under certain circumstances.

Consequently, our committee unanimously recommended that the 2-year requirement be reduced to more nearly conform with the marriage requirement periods now provided in connection with comparable benefits under other laws.

Mr. Speaker, as I have indicated, I know of no opposition to this legislation and I urge the Members to vote in favor of S. 2174.

EXPLANATION OF AMENDMENT TO S. 2174

The amendment to the bill is intended to correct a deficiency in the provisions of the retirement law (5 U.S.C. 8339(f)(2)), relating to a maximum civil service annuity. The deficiency arises because of the method of computing the annuity.

Under existing law, an annuity may not exceed 80 percent of the "average pay" in the case of an employee, and 80 percent of the "final basic pay" in the case of most Members.

The "final basic pay" of most Members currently is $42,500, and in the case of Members serving in the leadership positions, is $62,500 for the Speaker, and $49,500 for the President pro tempore of the Senate and the majority and minority leaders of the House of Representatives and of the Senate.

However, when a Member who has served in one of the leadership positions subsequently serves as a Member, but not in a leadership position, his final basic pay currently is $42,500. Consequently, such a Member loses all rights to have the higher rate of pay he received as a Member in a leadership position considered in determining his maximum annuity.

The amendment to the bill will permit the pay received while in a leadership position to be used in determining the maximum annuity to which a Member is entitled when he serves as a Member subsequent to service in a leadership position.

Mr. DANIELSON. Mr. Speaker, will the gentleman yield?

Mr. DULSKI. Mr. Speaker, I yield to the gentleman from California.

Mr. DANIELSON. Mr. Speaker, I have no objections to the bill; in fact, I am for it, but I would like to ask a question.

Mr. Speaker, I have in mind a situation, and I would like to know whether or not the bill would take care of it. Years ago, when I was practicing law, I was consulted by the widow of a retired police officer. The circumstances were these:

The husband and wife had lived together and were married during all, or very nearly all, of his time in the police department. He then retired. They continued to be married for a number of years. For whatever reason, they got a divorce. Shortly after the divorce, the former husband married another lady. In a few weeks they, too, got a divorce, and a year or two later the original husband and original wife decided to get married again, and they did.

About 6 months later, the husband died of natural causes. We had this situation: The surviving widow had only been married to him for a period of 6 months immediately preceding the death of the annuitant, although they had been married for some 30 years, including all of the time in which the pension had been earned, and they were married at the time of his retirement, and at the time of his death.

I found in my research that, although this was an unusual situation, it was not unique. This situation, the interrupted marriage, does happen from time to time. What would be the effect of the bill which is now before us under that type of situation?

Mr. DULSKI. Mr. Speaker, as I understand it, the gentleman refers to a situation involving a city policeman, is that correct?

Mr. DANIELSON. That is correct.

Mr. DULSKI. This law deals with Federal employees.

Mr. DANIELSON. Mr. Speaker, I recognize that, but Federal people are no different than city people. The same factual situation could happen.

Mr. DULSKI. It would not change.

Mr. DANIELSON. Would the widow in that case have a right to claim the survivor's benefit even though she had been married to the annuitant only 6 months before his death; and even though she had been married to him for more than 30 years while the pension was being earned; and at the time he retired?

Mr. DULSKI. Mr. Speaker, in my judgment the answer is "no."

Mr. DANIELSON. The gentleman's answer is "no," and I appreciate his candor. I would like respectfully to suggest to the chairman that this real situation which I have outlined does happen from time to time, and it works a real inequity on the surviving widow. Say that she was with him for 30 years while he earned the pension and, just due to human nature, they interrupted the marriage.

Mr. DOMINICK V. DANIELS. Mr. Speaker, will the gentleman yield?

Mr. DULSKI. Mr. Speaker, I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Mr. Speaker, the gentleman has to realize that this legislation merely deals with Federal employees. He is referring to a situation of civil employment with local governments. This legislation would have no application. However, it may set a precedent which they may follow.

Mr. DANIELSON. Mr. Speaker, I understand the gentleman and agree with the gentleman's comments, but it would be easy to change my real situation of a Los Angeles city policeman to a hypothetical case of an FBI agent or a civil service employee of the Post Office Department. They could be married for 30 years, the one could retire; 5 years later they get a divorce with remarriage intervening; another divorce, and now the original spouses are married again and he dies within 6 months.

Mr. DULSKI. This bill would not change it.

Mr. DANIELSON. The widow would not get the benefit?

Mr. DULSKI. That is right.

Mr. DANIELSON. This is an area that badly needs to be covered, because these cases happen, and I respectfully urge that the gentleman consider this matter in the next appropriate legislation that comes before his committee.

Mr. DULSKI. Mr. Speaker, the gentleman has my assurance that will be done.

Mr. GROSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 2174, a bill which redefines "widow" and "widower," under the civil service retirement system. The Civil Service Commission and the Office of Management and Budget recommended enactment.

Present law defines a "widow" and "widower" as a surviving spouse who was married to the decedent for at least 2 years immediately prior to the date of death, or was the parent of a child by that marriage. This legislation would change the 2-year marriage requirement to a 1-year requirement.

In 1948, the Congress passed Public Law 80–426, establishing the 2-year marriage requirement. It was intended to protect against so-called death bed marriages. However, in the past decade the trend of other benefit systems operated by the Government has been to liberalize similar marriage requirements. For example, the Veterans' Administration in 1967, and the social security system in 1968, reduced their statutory marriage requirements to 1 year and 9 months, respectively.

According to the Civil Service Commission—

> . . . this protection to the civil service retirement and disability fund given by this statutory restriction is (in practice) mostly nominal, and causes undue anxiety and concern on the part of the employee who desires to protect the interests of his widow.

Mr. Speaker, I believe this legislation improves the survivor protection provisions of the civil service retirement system.

I support it.

Ms. ABZUG. Mr. Speaker, I am pleased that S. 2174 has come before us today. I compliment the chairman of the Post Office Committee, Mr. DULSKI, for bringing this matter to the floor.

The proposed changes are minor but a step in the right direction.

I would especially like to call this measure to the attention of the House conferees on the pension bill from the Education and Labor Committee. Unfortunately, the Education and Labor version of the pension bill, as passed by this House, contains a provision requiring the participant and spouse to have been married for 5 years before the annuity starting date to be eligible. The Senate version of the pension reform bill contains no such outlandish provision. As the committee report accompaning S. 2174 clearly states, the trend in other benefit systems is toward liberalization of marriage requirements. If the history of the civil service retirement system can prove this I submit that the private pension system can also afford it. No one has made anything like a convincing case that "death-bed, December-May marriages are going to upset the system.

I urge the adoption of this measure.

The SPEAKER pro tempore (Mr. McFall). The question is on the motion offered by the gentleman from New York (Mr. Dulski) that the House suspend the rules and pass the Senate bill, S. 2174, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

The title was amended so as to read: "An Act to amend certain provisions of law defining widow and widower under the civil service retirement system, and for other purposes.".

A motion to reconsider was laid on the table.

## NARCOTIC ADDICT TREATMENT ACT OF 1974

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12503) to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs.

The Clerk read as follows:

H.R. 12503

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Narcotic Addict Treatment Act of 1974".

Sec. 2. Section 102 of the Controlled Substances Act (21 U.S.C. 802) is amended by adding the following after paragraph (26):

"(27) The term 'maintenance treatment' means the dispensing, for a period in excess of twenty-one days, of a narcotic drug in the treatment of an individual for dependence upon heroin or other morphine-like drugs.

"(28) The term 'detoxification treatment' means the dispensing, for a period not in excess of twenty-one days, of a narcotic drug in decreasing doses to an individual in order to alleviate adverse physiological or psychological effects indent to withdrawal from the continuous or sustained use of a narcotic drug and as a method of bringing the individual to a narcotic drug-free state within such period."

Sec. 3. Section 303 of the Controlled Substances Act (21 U.S.C. 823) is amended by adding the following after subsection (f):

"(g) Practitioners who dispense narcotic drugs to individuals for maintenance treatment or detoxification treatment shall obtain annually a separate registration for that purpose. The Attorney General shall register an applicant to dispense narcotic drugs to individuals for maintenance treatment or detoxification treatment (or both)—

"(1) if the applicant is a practitioner who is determined by the Secretary to be qualified (under standards established by the Secretary) to engage in the treatment with respect to which registration is sought;

"(2) if the Attorney General determines that the applicant will comply with standards established by the Attorney General respecting (A) security of stocks of narcotic drugs for such treatment, and (B) the maintenance of records (in accordance with section 307) on such drugs; and

"(3) if the Secretary determines that the applicant will comply with standards established by the Secretary (after consultation with the Attorney General) respecting the quantities of narcotic drugs which may be provided for unsupervised use by individuals in such treatment.".

Sec. 4. (a) Section 304(a) of the Controlled Substances Act (21 U.S.C. 824(a)) is amended by adding after and below paragraph (3) the following: "A registration pursuant to section 303(g) to dispense a narcotic drug for maintenance treatment or detoxification treatment may be suspended or revoked by the Attorney General upon a finding that the registrant has failed to comply with any standard referred to in section 303(g)."

(b) Section 304(d) of such Act is amended (1) by inserting after the first sentence the following: "A failure to comply with a standard referred to in section 303(g) may be treated under this subsection as grounds for immediate suspension of a registration granted under such section."; and (2) by striking out "Such suspension" and inserting in lieu thereof "A suspension under this subsection".

Sec. 5. Section 307(c)(1)(A) of the Controlled Substances Act (21 U.S.C. 827(c)(1)(A)) is amended to read as follows:

"(1)(A) with respect to any narcotic controlled substance in schedule II, III, IV, or V, to the prescribing or administering of such substance by a practitioner in the lawful course of his professional practice unless such substance was prescribed or administered in the course of maintaining treatment or detoxification treatment of an individual; or",

The SPEAKER pro tempore. Is a second demanded?

Mr. NELSEN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. STAGGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the Narcotic Addict Treatment Act of 1974 (H.R. 12503), a bill similar to S. 1115 passed by the Senate last year, to amend the Controlled Substances Act to provide for registration of practitioners conducting narcotic treatment programs.

In hearings on this bill's predecessor, at which all witnesses including the administration's offered their support for the bill, the committee was pleased to learn, as we all must be, that the heroin epidemic which was sweeping our Nation has finally begun to subside. One of the important factors in turning the tide and turning heroin addicts away from that drug was the development of methadone treatment programs. The committee learned that methadone, while not a cure for the problem of heroin addiction, is being used effectively to treat some 73,000 addicts in over 2,000 programs across the Nation. At present these programs are operated under standards set out by the Food and Drug Administration and the Attorney General. While these standards have generally been adhered to, there have been occasional abuses including cases in which methadone has been diverted for illegal sale.

To remedy this situation, and to avoid these problems in the future, the FDA has sought authority to register all such treatment programs. Registration would be granted to programs which satisfy medical standards set by the Food and Drug Administration and security and diversion standards set by the Drug Enforcement Administration. This would maintain the appropriate functions of these two agencies while coordinating their efforts to insure the necessary controls.

In addition to providing authority for the formulation of standards, the bill also provides that if a program is granted registration, but fails to maintain compliance with the standards, its registration will be revoked and the program will close.

This bill then, without authorizing any new appropriations, will make possible the continued benefit of methadone treatment programs in curbing heroin abuse, while eliminating possible abuses of the programs themselves. Therefore I call on you to join the committee, the administration, and me in backing this bill and giving it your vote.

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from New York.

Mr. WOLFF. Mr. Speaker, first of all, I would like to congratulate the chairman of the committee, the gentleman from West Virginia (Mr. Staggers), for bringing before the House a bill as important as this one is to help provide an answer to one of the most serious problems affecting this Nation—that of narcotics addiction.

This is but one prong in attacking the serious drug problem we have in America. Concomitant, however, is the fact that we must try to reach the source of supply of the narcotics dealer. For it really is only at the source, according to law enforcement officials, that we can stop the traffic in narcotics.

I am happy to report to the House that after a 2-day session in Turkey, Congressman Rangel and I have gotten from the Turkish Foreign Minister a decision that they would not begin opium production again this spring thereby keeping in force the agreement that was originally made with Turkey to ban opium production. Before the ban on growing in Turkey they did supply some 80 percent of the opium that went into the heroin that came to the American market through the "French Connection."

Additionally, we were informed that discussions between Turkish authorities, U.S. Ambassador William Macomber and American officials will be continued in an effort to resolve the differences.

If Turkey, at any future date, goes back into opium production—even on a limited basis—it will open up a pandora's box. Everyone concerned with narcotics and crime in America knows that we do not grow opium based heroin in this country and that the one way to stop heroin abuse is to stop heroin at its source—the poppy. This is why the decision by Turkey is so important.

We learned that there are forces at work, including some greedy American pharmaceutical manufacturers and demagogic Turk politicians, attempting to make the opium culture an issue of "national independence from USA influence," by calling for a repudiation of the executive agreement entered into by both governments.

We must do all in our power to use every weapon at our command including the passage of this important bill before us today to eliminate the drug menace from our society.

I thank the chairman for yielding to me.

**Mr. STAGGERS.** I thank the gentleman from New York for his contribution.

I may say that in congratulating the chairman the gentleman should also congratulate the chairman of the subcommittee and the ranking member for the work they have done, because they have brought to us a good bill and one which we can support. I give them the credit because that is where it is due.

In fact, I think that all the members of the Subcommittee on Public Health and Environment—Mr. Rogers, Mr. Satterfield, Mr. Kyros, Mr. Preyer, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, Mr. Heinz, and Mr. Hudnut—deserve a commendation for the magnificent work they have done, and the hours of work as well, to support and improve the health of all our people.

**Mr. NELSEN.** Mr. Speaker, I want to add my thanks to the good chairman.

This is perhaps one of the most important endeavors that this legislative body has embarked upon. It deals with one of the real problems that the youth of America and the youth of the world faces, namely, the danger of drug abuse. This bill seeks to assure the proper administration of drug abuse programs.

I thank the chairman for his efforts.

**Mr. STAGGERS.** Mr. Speaker, I yield to the gentleman from Indiana (Mr. Hudnut), a member of the subcommittee.

**Mr. HUDNUT.** Mr. Speaker, as a cosponsor of H.R. 12503, I rise in support of this legislation. It calls for the highest degree of cooperation between the concerned agencies within the Department of Justice and the Department of Health, Education, and Welfare in the fight against drug abuse.

The Justice Department will be given greater power to identify and quickly act against those few practitioners who conduct treatment programs using narcotic drugs, especially methadone, improperly and thereby jeopardize their communities. In addition, it will provide a statutory complement to the FDA regulation of methadone, and provide more specific controls over diversions. Every possible means must be employed to insure proper treatment of narcotic addicts, while at the same time preventing diversions of the substitute drugs.

Evidence derived from the examination of methadone seized during arrests and from the examinations of arrest records suggests that most methadone diverted for illegal use and sale is derived from unscrupulous activities of certain individual practitioners: negligent administrations of legitimate programs, individual patients participating in otherwise carefully operated programs who sell drugs prescribed to them to others; and armed robberies of clinics, thefts and hijackings from commerce and drugstore burglaries.

This bill is designed to help prevent such diversions, and I hope it will be given quick passage by the House and the Senate.

**Mr. STAGGERS.** Mr. Speaker, again the chairman wants to say that he congratulates all of the subcommittee for the diligent work they have done not only on this bill but on the many other bills that have been brought to the floor which try to protect the health of the Nation.

At this time I yield to the subcommittee chairman, the gentleman from Florida (Mr. Rogers).

**Mr. ROGERS.** Mr. Speaker, I rise in support of H.R. 12503, the Narcotic Addict Treatment Act, a bill reported unanimously from the Subcommittee on Public Health and Environment after thorough hearings and careful consideration during executive session.

The diversion of methadone constitutes a serious health problem in this country. Several deaths are reported each year from overdoses of methadone and the abuse of the drug—sometimes in combination with heroin, sometimes by injection into the veins to get a "high"—is widespread. In Washington, D.C., methadone-related deaths accounted for 40 percent of total narcotic deaths during 1972. In late 1972 in Nassau County, N.Y., 29 of 60, and in Suffolk County, 7 of 11 narcotic deaths proved to be related to the use of methadone. Much of the diversion is a result of unscrupulous activities of certain individual practitioners or negligent administration of legitimate programs. This bill is designed to minimize the possibility of such activities.

Mr. Speaker, in December 1972, the Food and Drug Administration published regulations which cast methadone in a legal status somewhere between that of an investigational new drug—its previous status—and a new drug application, which allowed FDA to exert more controls over methadone. The import of the new regulations is that FDA now allows methadone to be distributed only in approved clinical facilities if it is to be used as a method of detoxification or maintenance or in a hospital pharmacy if it is used for treatment of pain. At present, there are approximately 60,000 addicts in methadone maintenance programs. Over 700 methadone maintenance facilities have been approved and around 3,000 hospitals have been approved to dispense methadone as a pain reliever.

Mr. Speaker, this bill facilitates enforcement of this policy by requiring a separate registration of practitioners by the Attorney General who wish to dispense or administer narcotic drugs in the course of treatment programs. Registration is based on three criteria: First, a determination by the Secretary of HEW that the applicant is qualified to engage in such treatment for maintenance or detoxification; second, a determination by the Attorney General that the applicant will maintain proper security of stocks of narcotics and maintain proper records; and third, a determination by the Secretary of HEW that the applicant will comply with standards respecting the amount of narcotics that may be provided for unsupervised use by an individual undergoing treatment—takeout privileges.

The bill also provides that the Attorney General may revoke a registration upon a determination that the registrant has failed to comply with any of the above three standards. This last provision—ability to revoke the methadone registration—is what will make the bill work, because it will become far easier for the registration of a practitioner to be revoked if the facility for which he is responsible becomes the source of diverted methadone. Existing law—which does not provide authority for separate registration—authorizes revocation of the narcotic license only in cases of conviction of a felony, falsification of an application for a narcotic license, or revocation of State medical license. This new methadone registration procedure will make revocation easier. Of course, revocation of the methadone license is without prejudice to the status of the narcotic license or State license.

Mr. Speaker, there is a typographical error in the report. The last sentence in the third paragraph under the heading "Purpose" should read as follows:

> Should the situation arise where practitioners are engaging in treatment which is neither purely maintenance, nor purely detoxification, there is ample authority under existing laws for suitable, flexible controls.

Mr. Speaker, this bill has administration support, and deserves the unanimous support of this House. I ask for its approval.

**Mr. ECKHARDT.** Mr. Speaker, will the gentleman from Florida yield?

**Mr. ROGERS.** I yield to the gentleman.

**Mr. ECKHARDT.** There was only one point on which I think there was some discussion in the committee on which reservations were held, and that was with respect to whether or not this registration was intended for the typical methadone control program or whether it would also apply in certain situations where the patient who is dependent on narcotic drugs and requires acute medical-surgical attention and is maintained on methadone or other narcotics until the acute medical or surgical problem has been dealt with—whether or not that would also be covered and whether it would unduly restrict a doctor.

A note in the report on the legislation deals with that and makes it clear that the legislation does not restrict doctors in that kind of action or in exercising the ordinary judgment that they could exercise but for the provisions of this act.

**Mr. ROGERS.** The gentleman is correct. The gentleman did express his concern on that, as did the gentleman from Kentucky (Mr. Carter), who is very much interested in making sure that this provision would not place an impediment on any physician giving methadone as a medical treatment other than for detoxification and maintenance.

Mr. ECKHARDT. I wish to compliment the subcommittee for its very careful work in this area and its concern on that very specific problem.

Mr. ROGERS. Mr. Speaker, I am sure the chairman of the full committee, the gentleman from West Virginia (Mr. STAGGERS) would agree with that interpretation.

Mr. STAGGERS. Mr. Speaker, I agree with the gentleman from Florida.

Mr. NELSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Speaker, I thank the distinguished ranking member of the committee for yielding me this time.

Mr. Speaker, I support the bill H.R. 12503, the Narcotic Addict Treatment Act, to provide for the registration of practitioners conducting narcotic treatment programs.

Although the artificial narcotic methadone does not afford a permanent solution to the problem of heroine addiction, many treatment programs involving the use of methadone have had some success. The number of patients now participating in these programs is estimated to be 73,000, and the FDA is receiving a large number of applications for the use of this drug.

With the increasingly widespread use of methadone there is the inevitable problem of its illegal sale and use. This legislation is designed to strengthen control over such programs and to prevent the increasing numbers of deaths from methadone overdoses.

Through improved enforcement methods and improved treatment techniques, we are making forward strides in overcoming the drug abuse problem in America. This legislation, by the increased regulation of methadone and other narcotic drugs used in the treatment of narcotic addicts, is necessary if we are to effectively continue our efforts in this important area of national concern.

Mr. NELSEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. HASTINGS).

Mr. HASTINGS. Mr. Speaker, I thank the gentleman from Minnesota for yielding me this time.

Mr. Speaker, I join in very strong support for this legislation. I first introduced this bill in 1973, and we did not consider it then, so I am delighted that the chairman of the subcommittee and the full committee saw fit this year to allow this measure to receive the careful attention that it did in the committee.

Mr. Speaker, I am very much concerned over the related deaths through methadone overdoses. We have been accustomed in this country to deaths through heroin overdoses, and so I believe the principal impact of this bill is that we are now trying to pay the attention that is needed to the advances that have occurred through the utilization of methadone in the legally authorized clinics in this country. The measure recognizes that methadone treatment is no longer a research project, but that we are now treating over 70,000 addicts with methadone today. This measure goes a long way toward providing the protection that is necessary to continue this very fine program.

Mr. Speaker, I again thank the gentleman from Minnesota for yielding me this time.

Mr. PEYSER. Mr. Speaker, I rise in support of this legislation. I believe that it serves a valuable purpose and urge its swift passage.

However, I would like to clarify one point. It is essential that the definition of "maintenance treatment" in no way be construed to condone or permit the usage of heroin or morphine as treatment drugs. It is my understanding that the bill is clear on this point, but I think that the intent of the House should be known. When we refer to narcotic drugs in the definition of "maintenance treatment" we are not including heroin or morphine. In fact, if the rules permitted, I would offer an amendment to specifically exclude these two drugs from ever being dispensed in any drug maintenance program in the country. I have a bill in right now to do that, and I hope that we can have hearings on it in the near future.

As I said, though, I do support the provisions of this bill. It is important that strict regulations be placed over the dispensing of any maintenance or treatment narcotic drug, and I urge swift passage of this bill.

Mr. NELSEN. Mr. Speaker, I have no further requests for time.

Mr. STAGGERS. Mr. Speaker, in closing, I would like to commend the gentleman from New York (Mr. HASTINGS) for recognizing this problem and for sponsoring this bill. The gentleman is to be commended not only by the House of Representatives, but also by the country, for the energetic leadership the gentleman has provided in this matter, as well as that of the distinguished gentleman from Kentucky, Dr. CARTER, and all the other members of the subcommittee.

Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill H.R. 12503.

The question was taken.

Mr. BROWN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 375, nays 0, not voting 57, as follows:

[Roll No. 95]

YEAS—375

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Donohue
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Gross
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holt
Holtzman
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen

Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

### NAYS—0

### NOT VOTING—57

Alexander
Annunzio
Blatnik
Brasco
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Chappell
Clark
Collins, Ill.
Dingell
Dorn
Fountain
Fraser
Frelinghuysen
Giaimo
Gibbons
Goldwater
Gray
Griffiths
Gude
Hanna
Hanrahan
Heckler, Mass.
Heinz
Hogan
Holifield
Horton
Jarman
Johnson, Colo.
King
Lehman
McClory
McEwen
Metcalfe
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, Ill.
Nichols
Nix
O'Brien
Patman
Reid
Reuss
Rooney, N.Y.
Ruth
Ryan
Seiberling
Steed
Stubblefield
Teague
Waldie
Whitten
Williams
Wilson, Charles, Tex.
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Burke of Florida.
Mr. Rooney of New York with Mr. Gude.
Mr. Teague with Mr. Heinz.
Mr. Brasco with Mr. King.
Mr. Nichols with Mr. Williams.
Mr. Carey of New York with Mr. O'Brien.
Mr. Chappell with Mr. Hanrahan.
Mr. Moorhead of Pennsylvania with Mr. McClory.
Mr. Stubblefield with Mr. Minshall of Ohio.
Mr. Reid with Mr. Goldwater.
Mr. Nix with Mr. Frelinghuysen.
Mr. Murphy of Illinois with Mr. Johnson of Colorado.
Mrs. Collins of Illinois with Mr. Hogan.
Mr. Fraser with Mrs. Heckler of Massachusetts.
Mr. Fountain with Mr. Horton.
Mr. Clark with Mr. McEwen.
Mr. Dingell with Mr. Gray.
Mr. Holifield with Mr. Dorn.
Mr. Metcalfe with Mrs. Griffiths.
Mr. Moss with Mr. Ruth.
Mr. Blatnik with Mr. Whitten.
Mr. Alexander with Mr. Lehman.
Mr. Hanna with Mrs. Burke of California.
Mr. Jarman with Mr. Giaimo.
Mr. Reuss with Mr. Gibbons.
Mr. Ryan with Mr. Waldie.
Mr. Seiberling with Mr. Yatron.
Mr. Steed with Mr. Charles Wilson of Texas.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 1115) to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill, as follows:

### S. 1115

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Methadone Diversion Control Act of 1973".

SEC. 2. Section 101 of the Controlled Substances Act (84 Stat. 1242; 21 U.S.C. 801) is amended by adding the following after paragraph (7):

"(8) The diversion of narcotic drugs, particularly methadone, used in the treatment of addicts dependent upon heroin or other morphine-like drugs into other than legitimate medical, scientific, or industrial channels is detrimental to the health and general welfare of the American people."

SEC. 3. (a) Section 102 of the Controlled Substances Act (85 Stat. 1242; 21 U.S.C. 802), is amended by adding the following after paragraph (9):

"(10) The term 'detoxification treatment' means the furnishing, for a period not in excess of twenty-one days, of a narcotic drug in decreasing doses to an addict in order to alleviate pain and other adverse physiological effects incident to withdrawal from the habitual use of a narcotic drug, as a method of bringing the addict to a drug-free state within such period."

(b) Section 102 of such Act is amended by adding the following after paragraph (12):

"(14) The term 'emergency treatment' means the administration of a narcotic drug to an addict when necessary to alleviate pain incident to withdrawal from a narcotic drug while arrangements are made for referral of the addict to a treatment program and the administration of a narcotic drug to detoxify a patient as a necessary adjunct to medical and surgical treatment of not more than twenty-one days duration in a hospital."

(c) Section 102 of such Act is amended by adding the following after paragraph (13):

"(16) The term 'maintenance treatment' means the furnishing, for a period in excess of twenty-one days, of a narcotic drug in the treatment of an addict for dependence upon heroin or other morphine-like drugs."

(d) Section 102, of such Act is amended by redesignating paragraphs (10), (11), and (12) as paragraphs (11), (12), and (13), respectively; by redesignating paragraph (13) as paragraph (15); and by redesignating paragraphs (14) through (26) paragraphs (17) through (29), respectively."

SEC. 4. Section 303 of the Controlled Substances Act (84 Stat. 1253; 21 U.S.C. 823) is amended by adding the following after subsection (f):

"(g) Practitioners who dispense or administer narcotic drugs in a treatment program for addicts shall obtain annually a separate registration for that purpose. The registration may be for maintenance treatment, detoxification treatment, or both. The Attorney General shall grant a registration under this subsection if the applicant—

"(1) is determined by the Secretary to be qualified to engage in such treatment under standards set by the Secretary, and

"(2) is determined by the Attorney General to be prepared to comply with standards imposed by the Attorney General relating to the security of the narcotic drug stocks, the maintenance of records in accordance with section 307, and with the concurrence of the Secretary, the quantities of drugs which may be provided for unsupervised use."

SEC. 5. Section 304(a) of the Controlled Substances Act (84 Stat. 1255; 21 U.S.C. 24 (a)) is amended (A) by striking "or" at the end of paragraph (3) and inserting "; or"; and (C) by adding the following new paragraph at the end:

"(4) has failed to comply with standards imposed pursuant to section 303(g). Such a failure may be treated as grounds for immediate suspension of registration under subsection (d) of this section. Action under this paragraph is entirely without prejudice to any other registration to utilize narcotic drugs in other types of medical practice."

SEC. 6. Section 307(c)(1)(A) of the Controlled Substances Act (84 Stat. 1258; 21 U.S.C. 827 (c)(1)(A)) is amended by adding the following after the word "practice"; "except in the treatment of narcotic addicts in accordance with registration under section 309(g), or in emergency treatment as defined in section 102(14);".

### MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of the bill S. 1115 and insert in lieu thereof the provisions of H.R. 12503, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 12503) was laid on the table.

## NATIONAL DIABETES MELLITUS ACT OF 1974

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12417) to require the development of a long-range plan to advance the national attack on diabetes mellitus, and for other purposes, as amended.

The Clerk read as follows:

### H.R. 12417

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

SECTION 1. This Act may be cited as the "National Diabetes Mellitus Act of 1974".

### FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress makes the following findings:

(1) Diabetes mellitus is a major health problem in the United States which directly affects perhaps as many as ten million Americans and indirectly affects perhaps as many as fifty million Americans who will pass the tendency to develop diabetes mellitus to their children or grandchildren or to both.

(2) Diabetes mellitus is a family of diseases that has an impact on virtually all biological systems of the human body.

(3) Diabetes mellitus is the fifth leading cause of death from disease, and it is the second leading cause of new cases of blindness.

(4) The severity of diabetes mellitus in children and most adolescents is greater than in adults, in which most cases involves greater problems in the management of the disease.

(5) The complications of diabetes mellitus, particularly cardiovascular degeneration, lead to many other serious health problems.

(6) Uncontrolled diabetes mellitus significantly decreases life expectancy.

(7) There is convincing evidence that the known prevalence of diabetes mellitus has increased dramatically in the past decade.

(8) The citizens of the United States should have a full understanding of the nature of the impact of diabetes mellitus.

(9) The attainment of better methods of diagnosis and treatment of diabetes mellitus deserves the highest priority.

(10) In order to provide for the most effective program against diabetes mellitus it

is important to mobilize the resources of the National Institutes of Health as well as the public and private organizations capable of the necessary research and public education in the disease.

(b) It is the purpose of this Act to establish a long-range plan to—

(1) expand and coordinate the national research effort against diabetes mellitus;

(2) advance activities of patient education, professional education, and public education which will alert the citizens of the United States to the early indications of diabetes mellitus; and

(3) to emphasize the significance of early detection, proper control, and complications which may evolve from the disease.

### DIABETES PLAN

SEC. 3. (a) The Director of the National Institutes of Health, with the advice of the advisory council to the Director, shall, within sixty days of the date of the enactment of this section, establish a National Commission on Diabetes (hereinafter in this section referred to as the "Commission").

(b) The Commission shall be composed of seventeen members as follows:

(1) The Directors of the seven Institutes named in subsection (e)(1).

(2) Six members appointed by the Secretary of Health, Education, and Welfare from scientists or physicians who are not in the employment of the Federal Government and who represent the various specialties and disciplines involving diabetes mellitus and related endocrine and metabolic diseases.

(3) Four members appointed by the Secretary of Health, Education, and Welfare from the general public. At least two of the members appointed pursuant to this paragraph shall be diabetics or parents of diabetics.

The members of the Commission shall select a chairman from among their own number.

(c) The Commission may appoint an executive director and such additional personnel as it determines are necessary for the performance of the Commission's functions.

(d) Members of the Commission who are officers or employees of the Federal Government shall serve as members of the Commission without compensation in addition to that received in their regular public employment. Members of the Commission who are not officers or employees of the Federal Government shall each receive the daily equivalent of the rate in effect for grade GS-18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Commission. All members of the Commission shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission.

(e) The Commission shall formulate a long-range plan to combat diabetes mellitus with specific recommendations for the utilization and organization of national resources for that purpose. Such a plan shall be based on a comprehensive survey investigating the magnitude of diabetes mellitus, its epidemiology, its economic and social consequences, and an evaluation of available scientific information and the national resources capable of dealing with the problem. The plan shall include at least the following:

(1) A plan for a coordinated research program encompassing programs of the National Institute of Arthritis, Metabolism, and Digestive Diseases, the National Eye Institute, the National Insitute of Neurological Diseases, the National Heart and Lung Institute, the National Institute of General Medical Sciences, the National Institute of Child Health and Human Development, and the National Institute of Dental Research, and other Federal and non-Federal programs. This coordinated research program shall provide for—

(A) investigation in the epidemiology, etiology, prevention, and control of diabetes mellitus, including investigation into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, prevention, and control of diabetes mellitus;

(B) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal phenomena associated with diabetes mellitus, including abnormalities of the skin, cardiovascular system, kidneys, eyes, and nervous system, and evaluation of influences of other endocrine hormones on the etiology, treatment, and complications of diabetes mellitus;

(C) research into the development, trial, and evaluation of techniques and drugs used in, and approaches to, the diagnosis, treatment, and prevention of diabetes mellitus;

(D) establishment of programs that will focus and apply scientific and technological efforts involving biological, physical, and engineering science to all facets of diabetes mellitus;

(E) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive diagnostic, therapeutic, rehabilitative, and control approaches to diabetes mellitus;

(F) the education and training of scientists, clinicians, educators, and allied health personnel, in the fields and specialties requisite to the conduct of programs respecting diabetes mellitus; and

(G) a system for the collection, analysis, and dissemination of all data useful in the prevention, diagnosis, and treatment of diabetes mellitus, including the establishment of a diabetes research data bank to collect, catalog, store, and disseminate insofar as is practicable the results of diabetes research undertaken for the use of any person involved in diabetes research.

(2) Proposed Federal, State, and local programs for—

(A) the screening of and detection in members of the general public for the overt symptoms of diabetes and, where appropriate methods exist, for cardiovascular degeneration occurring prior to the onset of such overt symptoms and referral for appropriate treatment of those who require it; and

(B) continuing counseling and education of doctors, diabetics, and relatives of diabetics (especially parents of diabetic children) on the steps that must be taken in order to live with diabetes.

The counseling and education described in subparagraph (B) shall include the dissemination of information on the importance of diet, on how to cope with the gradual progression of the disease, and on the critical importance of self-discipline and compliance with medical directives.

(f) The Commission may hold such hearings, take such testimony, and sit and act at such time and places as the Commission deems advisable to develop the long-range plan required by subsection (e).

(g)(1) The Commission shall prepare for each of the Institutes whose programs are to be encompassed by the plan described in subsection (e)(1) budget estimates for each Institute's part of the coordinated diabetes research program described in that subsection. The budget estimates shall be prepared for the fiscal year ending June 30, 1975, and for each of the next two fiscal years.

(2) Within five days after the budget is transmitted by the President to the Congress for the fiscal year ending June 30, 1975, and for each of the next two fiscal years, the Secretary shall transmit to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Labor and Public Welfare of the Senate, and the Committee on Interstate and Foreign Commerce of the United States House of Representatives an estimate of the amounts requested for each of the Institutes for diabetes research, and a comparison of such amounts with the budget estimates prepared by the Commission under paragraph (1).

(h)(1) The Commission shall publish and transmit directly to the Congress (without prior administrative approval) a final report within two hundred and ten days after the date funds are first appropriated for the implementation of this section. Such report shall contain the long-range plan required by subsection (e) and the budget estimates required by subsection (g).

(2) The Commission shall cease to exist on the thirtieth day following the date of the submission of its final report pursuant to paragraph (1) of this subsection.

(i) There are authorized to be appropriated to carry out the purposes of this section $1,000,000.

### RESEARCH AND TRAINING CENTER; DIABETES COORDINATING COMMITTEE

SEC. 4. Part D of title IV of the Public Health Service Act is amended by adding at the end thereof the following new sections:

### "DIABETES RESEARCH AND TRAINING CENTERS

"SEC. 435. (a) The Secretary may provide for the development, or substantial expansion, of centers for research and training in diabetes mellitus and related endocrine and metabolic disorders. Each center developed or expanded under this section shall (1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Secretary; and (2) conduct (A) research in the diagnosis and treatment of diabetes mellitus and related endocrine and metabolic disorders and the complications resulting from such disease or disorders, (B) training programs for physicians and allied health personnel in current methods of diagnosis and treatment of such disease, disorders, and complications, and (C) information programs for physicians and allied health personnel who provide primary care for patients with such disease, disorders, or complications. The Secretary shall, insofar as practicable, provide for an equitable geographical distribution of centers developed or expanded under this section.

"(b) The Secretary shall evaluate on an annual basis the activities of centers developed or expanded under this section and shall report to the Congress (on or before June 30 of each year) the results of his evaluation.

"(c) There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year ending June 30, 1975, $7,500,000 for fiscal year ending June 30, 1976, and $10,000,000 for fiscal year ending June 30, 1977.

### "DIABETES COORDINATING COMMITTEE

"SEC. 436. In order to better coordinate the total National Institutes of Health research activities relating to diabetes mellitus, the Director of the National Institutes of Health shall establish an Inter-Institute Diabetes Mellitus Coordinating Committee. This Committee shall be composed of the Directors (or their designated representatives) of each of the Institutes and divisions involved in diabetes-related research. The Committee will be chaired by the Director of the National Institutes of Health (or his designated representative). Such Committee shall prepare a report as soon after the end of each fiscal year as possible for the Director of the National Institutes of Health detailing the work of the Committee in coordinating the research activities of the National Institutes of Health relating to diabetes mellitus during the preceding year."

The SPEAKER. Is a second demanded?

Mr. NELSEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. STAGGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 12417, the National Diabetes Mellitus Act of 1974, a bill very similar to S. 2830 which recently passed calling for creation of a long-range plan for a national attack on diabetes, and establishment of diabetes research and training centers.

Witnesses before our committee reminded us that because science has learned to partially control and slow the most devastating effects of diabetes many of us are unaware of how serious and widespread this disease is. Diabetes directly affects over 10 million Americans and indirectly affects millions more. It is the fifth leading cause of death in America, and the second leading cause of blindness. Its complications may lead to heart disease, stroke, and kidney disease. It strikes both young and old, most severely the young, but most commonly those over 45. And despite medical advances in controlling this disease it actually seems to be increasing.

To respond to this serious and increasing problem of diabetes, H.R. 12417 provides several major steps.

First, it calls for the creation of a new National Commission on Diabetes. This Commission would be responsible for developing a long-range plan for a national attack on diabetes. This plan would contain specific recommendations for improved use and organization of national resources available to fight diabetes. This will include plans for coordinating diabetes research at NIH, plans for improving collection of data on diabetes, and plans for extending programs for diabetes screening, detection, and counseling and education programs on diabetes for scientists, health professionals, and the general public. One million dollars is authorized for the work of the Commission and development of the plan.

This bill carries the attack on diabetes further by providing the Secretary of Health, Education, and Welfare authority to fund the development and expansion of centers for research and training on diabetes and its most serious complications. For this purpose, $22.5 million is authorized to be spent between 1975 and 1977.

Now that the severity of the problem of diabetes has been brought to our attention we cannot fail to provide the response contained in this bill and the $23.5 million authorized to back that response. So I urge you to join me in voting for this bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I am sure all Members of the House are concerned with and support the attack upon diabetes, but how much is already being spent on this program by the Federal Government and by the States?

Mr. STAGGERS. Mr. Speaker, I could not say how much is being spent by the States, because it has not been coordinated to the extent it should be. I would say to my distinguished colleague from Iowa that the NIH spent $8½ million.

There are people in America who think it ought to be up in the hundreds of millions of dollars instead of the small sum we are starting out with now. The Senate in its bill has provided far more than we have.

We say that we must start on a scale that we can handle to get to the people and do something with, so that is the reason we have started with $23½ million over a period of 2 years, from 1975 to 1977.

As I said, it is the fifth ranking killer in America of all the diseases. There are so many complications from it that lead to other illnesses, which cause death. Diabetes may lead to heart disease, stroke and kidney disease and other killer diseases. Therefore, we have just really begun to realize the real, true significance and seriousness of the disease, and realize that something must be done, and done now, to control it.

Mr. GROSS. Mr. Speaker, I am sure there are any number of people in this country who would like to spend several hundred million dollars annually on this campaign, but there is an end to how much money can be spent for these purposes. Simply because there are people in this country who want to spend hundreds of millions of dollars does not mean that we should even spend another $23.5 million now.

Mr. Speaker, have the objections of the administration to this bill been removed, or is it still opposed to it?

Mr. STAGGERS. Mr. Speaker, they are not opposed, I do not think, to any amount of money or to the essence of the bill.

They perhaps have voiced some concern about the place of the NIH in the program. The subcommittee, though thought the NIH should control it.

I might say to the distinguished gentleman that the cost of this disease to the American people is so great that no one can estimate it. It runs into the billions of dollars. The little bit that we might be able to do with this legislation will prevent not only suffering and death, it will save the tremendous costs which are spent on medicines and treatment in our families, and spare them the heartbreak of watching somebody who has the disease and is finally passing through the last stages.

Mr. GROSS. This legislation is not going to remove all of the responsibility and the burdens which are sustained by reason of this disease, is it?

Mr. STAGGERS. Mr. Speaker, this is only a start. We as the direct representatives of the people are trying to help eradicate something that is being discovered and has been known as a killer in America. We are now finding out the ramifications of this disease and the tremendous harm it is doing to our people, and we think it is a small thing to ask that we have this program coordinated and have it coordinated in the NIH.

Mr. GROSS. However, this bill will call for the creation of another commission in Government, and it will result in all the bureaucrats that go with such a commission; is that not correct?

Mr. STAGGERS. This is correct, I will say to the gentleman from Iowa.

But we must have someone named to direct the program and see that something is done about this problem.

The subcommittee took great pains in the creation of that commission to see that it was balanced in every way. I believe there were seven members from the NIH, six scientists, and four members from the public. Of the four members from the public, two of them had even had diabetes or had children who had diabetes, so that we could have the input of those who had suffered, so that they could give us firsthand knowledge about the disease.

Mr. GROSS. Mr. Speaker, I would ask this further question of the gentleman:

Was not the National Institutes of Health created for the very purpose of coordinating medical research in the health programs of all kinds?

Mr. STAGGERS. It was indeed. However, we have found that there are certain diseases which are the great killers and cripplers of the American people. We have to pay some attention to them and get more input concerning these diseases and eradicate them.

Mr. Speaker, I have pointed this out many times: When polio was crippling millions of people across America, we were concerned and we were trying to help. It was because of the fact that we did have an input concerning the problem that polio today is eradicated. We have eradicated most of the great killers of this land, diseases that have killed hundreds and thousands of our people, diseases like smallpox, diphtheria, and yellow fever, for example.

Those diseases are now on the scrap heap because someone got into a research program and helped to eliminate them.

We hope to eradicate the five leading killer diseases, all of them, and we think it can be done.

But it is not going to be done unless it is coordinated properly, unless we have the best minds in America working on the problem and coordinating this program.

Mr. HUNGATE. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield such time as he may consume to the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Speaker, I rise in support of H.R. 12417, a bill aimed at advancing the national attack on diabetes mellitus. I would also like to commend the distinguished gentlemen on the Interstate and Foreign Commerce Committee, who studied this matter and unanimously recommended support for this bill. In reading through their report, I am impressed by their thoroughness and detail, and by the sound case they make for passage of this worthwhile legislation.

A reading of the hearings and the report on this bill reveals the pressing necessity for enactment of this comprehensive piece of legislation. Consider these compelling facts:

An estimated 10 to 12 million Americans today suffer from diabetes mellitus.

Diabetes is the fifth leading cause of death from disease in this country.

It is the second leading cause of new cases of blindness.

Diabetes decreases the life expectancy by approximately 30 percent.

There are 35,000 deaths a year attributed to diabetes, and experts believe that the actual toll is much higher, and

As of today, no cure exists for diabetes, only methods to stop the symptoms.

But these figures tell only part of the story, for because of the genetic connections of this disease, there is a geometric rather than an arithmetic increase in the number of diabetics, and some estimates predict that by 1980, one in five Americans will have diabetes or its traits.

Standing in stark contrast to these figures is the amount of Federal funding now provided for attacking this disease. Although the Federal Government has long taken the lead in financing research on diabetes, supplying the vast majority of the funding, only one-half of 1 percent of the NIH budget is earmarked for attacking this serious disease. To put the story of funding into clearer terms, it should be pointed out that only $1.25 per diabetic per year is now spent on research and related activities.

This is clearly inadequate. One explanation for this disparity, I think, is that this disease is so invisible. Many people have diabetes for years and are unaware of it. And the manifestations of the disease are not as graphic as other diseases, such as polio. All too often, the tendency has been to turn attention to the most visible problems, while neglecting those less visible but potentially more serious. This has been the case with diabetes.

And as any physician would tell you, one of the most important factors in the treatment of most illnesses is early detection. This is particularly important with diabetes, because of the serious complications which it all too often causes.

With this valuable piece of legislation, we have the opportunity to establish a national commission to develop long-range plans for combating diabetes, while recommending the most beneficial use and organization of national resources. Significantly, this legislation would also include the establishment of plans for the coordination of research programs and data collection, in order that efforts not be duplicated but rather focused and concentrated. Also, there are provisions for public education to encourage early detection of this disease.

These are just a few of the many important and far-reaching provisions of this bill. I strongly urge favorable consideration of this legislation, so that we may take positive steps toward the treatment and cure of this serious disease.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana, Mr. HUDNUT.

Mr. HUDNUT. Mr. Speaker, as a member of the Subcommittee on Public Health and Environment as well as a cosponsor of H.R. 12417, National Diabetes Mellitus Act of 1974, I rise in support of this important legislation.

H.R. 12417 would require the Director of NIH to establish a new National Commission on Diabetes. The Commission would then be required to formulate a long-range plan for combating diabetes with specific recommendations for the use and organization of national resources. The proposal is to include plans for a coordinated research program on all aspects of diabetes by the NIH; data collection as it concerns diabetes; the education of scientists and health manpower on diabetes; and programs for diabetes screening detection, counseling and education. The bill also authorizes the funding of new centers for diabetes research and training, and establishes an Inter-Institute Diabetes Mellitus Coordinating Committee within the NIH.

In the hearings on this bill our subcommittee heard extensive testimony on diabetes from the medical community, and also heard from a number of young people who are facing the future under this affliction.

At the present time we actually know very little about this disease that affects so many of our people. It is the fifth leading cause of death from disease in America. It is a leading cause of blindness and a major cause of heart attacks, strokes and blood vessel disorders. It sharply reduces life expectancy and causes millions of people to observe a strict regimen. It is a costly disease, not only in terms of national income lost by persons who are unable to work or severely restricted in their occupations, but also in terms of the expense which individuals and families who experience it must meet in order to sustain life. In my view, it is tragic that this Nation has been devoting only about $1.25 per diabetic each year for research and related activities.

According to information that has come to me recently there are 1.25 million diabetics on insulin in the United States. For each of these patients there are three others on diet alone or diet and oral therapy. Therefore, we know there are approximately 5 million diabetics in the United States and for every diabetic that is known, it is estimated there is one who has the disease but it is undiagnosed.

We need to have a much greater emphasis on this disease than is presently being provided. That is the purpose of H.R. 12417 and I hope it will receive the near unanimous approval of the House.

Mr. STAGGERS. Mr. Speaker, I thank the gentleman.

Again I want to compliment this Subcommittee on Health. I think the subcommittee is doing a great job. The Members on both sides of the aisle on that subcommittee have worked hard.

Mr. NELSEN. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Speaker, I want to indicate that I firmly support the National Diabetes Mellitus Act, H.R. 12417, which would significantly advance the national attack on diabetes mellitus.

Under this important legislation, the Director of the National Institutes of Health would establish a new National Commission on Diabetes, which would be charged with the responsibility of formulating a coordinated plan for combating this complex disease. Further, this measure authorizes the funding of new centers for diabetes research and training, and establishes an interinstitute diabetes mellitus coordinating committee within NIH.

The true seriousness of diabetes mellitus is not widely understood or appreciated today. Although approximately 10 million Americans are afflicted with the disease, and 325,000 new cases are being diagnosed each year, appropriate attention has not been focused upon the complex nature of diabetes. It is now known that this disease is the underlying cause of many thousands of deaths from other illness such as heart disease, stroke, and kidney disease. Further, diabetes is the second leading cause of blindness.

I submit that we must now take this step to coordinate our efforts in understanding diabetes and in locating the causes and most effective forms of treatment.

Under an amendment that I sponsored in subcommittee, this bill provides for the funding of centers throughout the United States to conduct research, disseminate information to the public, and to train professionals in the diagnosis and treatment of diabetes.

Mr. Speaker, diabetes is not arrested or controlled by insulin or by tablets commonly used for this purpose. Although blood sugar can often be controlled, this disease and its complications cannot. It silently, insidiously, progresses to bring about blindness, vascular difficulties, gangrene of the extremities, and other illnesses.

An effective means must be found to control and cure diabetes, and I believe that this legislation will provide a most important step.

Fine work is being done by our researchers at NIH, but we have the capacity to greatly increase our attack upon diabetes. I firmly support these efforts and I am in favor of this legislation.

Diabetes mellitus—

First, afflicts approximately 10 million Americans;

Second, is diagnosed in 325,000 new cases each year;

Third, is the fifth leading cause of death from disease;

Fourth, is directly attributed to 35,000 deaths each year;

Fifth, underlies the cause of many thousands of deaths each year from other diseases, such as heart disease, stroke, and kidney disease;

Sixth, is the second leading cause of blindness, producing blindness almost 20 years earlier than the leading cause of blindness, through such complications as diabetic retinopathy and other forms of vision degeneration; and

Seventh, costs the American economy approximately $2 billion annually in disability, sickness absenteeism, and premature death.

Present work now being conducted at NIH; or supported by NIH:

First, investigation into small blood vessel disease;

Second, infections;

Third, transportation, of insulin-producing cells;

Fourth; oral antidiabetic drugs;

Fifth, preventive measures against diabetes complications; and

Sixth, studies of the diabetes-prone pima Indians of Arizona.

*Authorizations of appropriations under H.R. 12417*

| | |
|---|---|
| Diabetes plan (no specified fiscal year | $1,000,000 |
| Diabetes centers: | |
| Fiscal year 1975 | 5,000,000 |
| Fiscal year 1976 | 7,500,000 |
| Fiscal year 1977 | 10,000,000 |
| Total | 23,500,000 |

Mr. GILMAN. Will the gentleman yield?

Mr. CARTER. I will be happy to yield to the gentleman.

Mr. GILMAN. Mr. Speaker, I rise in support of this legislation and the remarks of the gentleman from Kentucky. I urge my colleagues to join with me in supporting this National Diabetes Mellitus Act of 1974.

Earlier this year I introduced similar legislation, H.R. 12059, calling for a national attack on diabetes, a disease that takes 35,000 lives annually—the fifth leading cause of death by disease.

While some might argue that programs such as this one, categorical in nature, are inappropriate, it is my opinion that our Nation, the wealthiest and most prosperous nation in the world, has a responsibility to help our citizenry have the benefit of the best possible health care.

The fact that diabetes produces many severe side effects, including blindness, kidney disease, and abnormalities of the skin and nervous system, coupled with the fact that it takes its toll indiscriminately among our young people, underscores the necessity for congressional action in combating this disease.

The House Interstate and Foreign Commerce Committee has reported out a bill which will lead us up the road to meet the dread disease head on. The committee is prudently seeking the formulation of a long-range plan to combat diabetes, coordinating programs within NIH, as well as providing assistance to States and local communities for detection, screening, counseling, and education of diabetes. While we cannot expect any miracle from this legislation, by the passage of this measure we are recognizing the severity of the disease and embarking on an active battle to combat its harmful effects.

Accordingly, Mr. Speaker, I support the bill before us, H.R. 12417, the National Diabetes Mellitus Act, and urge my colleagues to adopt this measure.

Mr. BAKER. Will the gentleman yield?

Mr. CARTER. I am happy to yield to the gentleman.

Mr. BAKER. I am very much inclined to support the remarks of the gentleman in this regard. I have one question, however, that maybe the gentleman can clarify.

As I read the bill, I understand that it provides for the development and transmittal of budget estimates by an advisory committee independent of the normal budgetary process. In other words, there is some new means by which funds are budgeted in this instance for this purpose other than is normally provided in the budgetary process.

Mr. CARTER. Yes. As I read the bill, the commission does have some input into this. However, the amendment I propose and which provides $5 million in the first year for research and training centers, such as exist in the gentleman's home State of Tennessee, will not be allocated according to the method that he mentioned.

The SPEAKER. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Speaker, I yield 2 additional minutes to the gentleman from Kentucky.

Mr. NELSEN. Mr. Speaker, I yield an additional minute to the gentleman from Kentucky.

The SPEAKER. The gentleman from Kentucky is recognized for 3 additional minutes.

Mr. VANDER JAGT. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Michigan.

Mr. VANDER JAGT. Mr. Speaker, in response to the question raised by the gentleman from Tennessee (Mr. Baker) I do not think that the fear that the gentleman has expressed is of any concern on the part of the administration. What this legislation does is to set up an advisory commission to study the problem and then report back to the Congress. The advisory commission is to be made up of more private citizens than it is employees of the Federal Government.

The concern of the administration was that the report, instead of being brought back to the Congress, really should be channeled through the OBM. However, I really do not think that would be proper. The Congress is setting up this Advisory Commission. We really should have the report of that Commission, as to what its estimates are of the total program needs, presented to the Congress. It does not really get down into the budgetary process in the usual way we think of.

Mr. BAKER. There is no mandate of expenditures, so far as this legislation is concerned?

Mr. VANDER JAGT. That is correct.

Mr. CARTER. I might add that the Commission is formed by the seven heads of the Departments of NIH, six appointees of science and medicine is, and four people from the general public, two of whom are diabetics.

I believe I am correct on that.

Mr. BAKER. I thank the gentleman for yielding.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I am happy to yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Speaker, I appreciate the gentleman yielding me this time.

Mr. Speaker, the gentleman from Tennessee (Mr. Baker) asked, Does this provision provide a new procedure on the budget? I think the answer quite clearly is no; it does not. What this procedure is, as best I understand it, is to have the recommendations of the Commission forwarded to the Congress so that the Congress can consider them, and that then we shall have transmitted to the Committee on Interstate and Foreign Commerce in the House, and the Committee on Labor and Public Welfare in the Senate, a comparison of the recommendations of the Commission with the budgetary requests of the President. So that clearly, as best I can understand the proposition, it would not disrupt the budgetary procedure now done within NIH, and within the Department of Health, Education and Welfare, or within OMB.

Mr. CARTER. As I understand it, it is advisory only.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I am happy to yield to the gentleman from Minnesota, the ranking member of the committee.

Mr. NELSEN. Mr. Speaker. I thank the gentleman for yielding to me.

First, Mr. Speaker, I want to thank the gentleman in the well for the extensive work the gentleman has done on this bill. I also want to point out that it did come to my attention, too, from downtown, from HEW, that there was some concern about the provisions that are now under discussion. I have discussed this with the chairman of our subcommittee, and I will later ask the gentleman to enter into a colloquy on this subject.

The SPEAKER. The time of the gentleman has again expired.

Mr. NELSEN. Mr. Speaker, I yield 1 additional minute to the gentleman from Kentucky (Mr. Carter).

Mr. CARTER. I thank the gentleman for yielding me the additional time.

Mr. NELSEN. Mr. Speaker, if the gentleman will yield further, as I started to say, I will engage in a colloquy with the gentleman from Florida (Mr. Rogers) to establish what our course of action is, and I am sure that this will be of some value to the agencies looking on, and ahead into the future. Again I thank the gentleman for yielding.

Mr. MAYNE. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I am happy to yield to the gentleman from Iowa.

Mr. MAYNE. Mr. Speaker, I thank the distinguished doctor and Member from Kentucky, Mr. Tim Lee Carter, for yielding, and commend him for his remarks. I and other colleagues value highly his judgment and special expertise in matters of medicine and health. I commend also the members of the House Interstate and Foreign Commerce Committee for their efforts in preparing and reporting favorably this important legislation, and strongly request all in this House to give their full support to passage of H.R. 12417, the National Diabetes Mellitus Act of 1974.

Diabetes mellitus is the fifth leading cause of death by disease. It is the second leading cause of new cases of blindness and produces blindness almost 20 years earlier than the leading cause. It is also the underlying cause of thousands of deaths from related diseases. Although insulin therapy has successfully controlled the more obvious symptoms of diabetes mellitus, complications from the disease often lead to deterioration of blood vessels, the kidneys, the nervous system, and the retina of the eye. No cure has yet been developed for this disease, and modern diabetes research has not yet discovered its cause.

The National Institutes of Health—NIH—have provided the major support for current diabetes research, with focuses on: Investigation into small blood vessel disease and certain infections as possible causes of diabetes; treatment innovations such as the transplantation of insulin-producing cells and the production of less expensive, more reliable forms of insulin; the development of oral antidiabetic drugs; investigation into possible preventive measures against diabetes complications; and studies of the Pima Indians of Arizona who are particularly prone to the disease. This research has already provided valuable information regarding the disease, making possible our current understanding of the disease and its complications, but even more is needed.

I believe the present legislation, developed by the Public Health and Environment Subcommittee following its hearings last summer, will enable important progress toward the ultimate conquest of diabetes mellitus. It deserves the wholehearted support of this House.

H.R. 12417 requires the Director of the National Institutes of Health to establish a 17-man National Commission on Diabetes to formulate a long-range plan for combating diabetes mellitus, following a comprehensive study of the disease and its consequences. The plan must provide for coordination of the diabetes research programs within the various Institutes of NIH, and recommend Federal, State, and local programs for diabetes detection, screening, counseling, and education.

The Commission's research program on diabetes is to include data collection, analysis, and dissemination; education of scientists and health manpower personnel; and various applied research programs. The Commission is to report directly to Congress its long-range plan and its budget estimates for each NIH Institute participating in the research program. The bill authorizes $1 million for the Commission's study and planning activities.

The bill further provides $22.5 million over 3 years—$5 million in fiscal year, 1975, $7.5 million in fiscal year 1976, and $10 million in fiscal year 1977—for the Secretary of Health, Education, and Welfare to develop centers in which to conduct research, training, and information programs for physicians and allied health personnel in the diagnosis and treatment of diabetes mellitus and related endocrine disorders.

H.R. 12417 also requires the Director of the National Institutes of Health to establish an Inter-Institute Diabetes Mellitus Coordinating Committee. Diabetes is a prime example of a disease which affects the work of many of the Institutes, yet there is at present no formal apparatus within NIH to assure a coordinated research program related to diabetes in the various Institutes.

I concur in the committee's enthusiasm for the existing mechanism that the National Institutes of Health have for supporting basic research, with research support based on scientific merit as determined by the well-established NIH peer-review system. The plan to be prepared pursuant to H.R. 12417 is intended to preserve that system, and to expand or enlarge the existing efforts against diabetes, not to replace them.

Several constituents from the Sixth Congressional District of Iowa have advised me of their support for increased emphasis upon diabetes research. An Iowa couple wrote:

> It means a lot to the future of our family and our relatives. Our daughter, now 15, was found to be a diabetic shortly after birth. She has always accepted this, as we have, with no self pity. It is the other things, as eye sight; a cut toe—will it heal? and how any other illness affects the diabetes. Will she be near help when needed? These are constant thoughts every day. Diabetes is hereditary (four generations in our family), so how many more will be affected? We don't feel we dare have any more family (it also becomes expensive), and relatives are wondering if one of their family may show up to be diabetic.
>
> Both our daughters have stated they would not want a family because of more and more diabetics. Is this fair to them? We would like to know there could be a way to prevent diabetes so we might look forward to being grandparents someday to grandchildren that don't have to worry about becoming diabetics.

A student nurse in my district wrote:

> I have seen the effects of diabetes mellitus in the surgical ward. Amputations are frequently necessary due to gangrene, which is caused by decreased circulation associated with diabetes mellitus.

A doctor engaged in medical research at a nearby university wrote:

> Despite the discovery of insulin 51 years ago, the vascular complications of diabetes pose a most serious problem. Diabetics are prone to develop blindness, fatal kidney disease and other vascular complications leading to gangrene and requiring amputation occur all too frequently despite our present treatment methods of insulin, diet and/or the blood sugar lowering agents. We have reason to hope that beta cell transplants in man might prevent these serious complications . . . but an estimated additional 5 years of research may be required to provide the needed scientific answers before beta cell transplants are justified in man. We must prove that beta cell transplants are more effective in preventing the serious complications of diabetes than is insulin treatment. This evaluation may require an additional five to ten year period after we are able to begin human beta cell transplants.

The doctor warned:

> In the initial decades following the discovery of insulin, the medical community was lulled into false complacency because it assumed that all of the complications of diabetes would be eradicated by insulin treatment. Let us not therefore assume that the problem of diabetes will automatically be solved by the development of a successful human islet transplant procedures [beta cell transplants]. We must carry out a broad attack on the diabetes problem. There are limitless ramifications that require critical research. We must know more about the causes of diabetes. We must characterize the specific actions of insulin on the various cells and organs in the body. We must learn more about the cause of vascular complications of diabetes and how they may be prevented or treated.

These comments are representative examples of the letters I received concerning diabetes research.

There is a need not only for targeted research in the hope of providing a cure, but also for substantial basic research. All new disease treatments have been built upon more fundamental basic science investigations, and diabetes mellitus is no exception.

Diabetes afflicts 2.8 million Americans. It is estimated to exist undiagnosed in an additional 1.6 million individuals. Diabetes mellitus is a health problem of major proportions and deserves the attention directed by H.R. 12417. I urge my colleagues to join in approving this important and progressive legislation.

Mr. CARTER. Mr. Speaker, I thank the distinguished gentleman from Iowa.

The SPEAKER. The time of the gentleman has again expired.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I thank the gentleman from West Virginia for yielding me this time. I am pleased to be able to recommend to my colleagues the National Diabetes Act of 1974 which is intended to strengthen the research effort on diabetes. Diabetes is the fifth-leading cause of death among Americans and a major contributor to cardiovascular disease, the Nation's leading killer. There are 325,000 new cases of diabetes each year. A diabetic's life expectancy is about two-thirds that of a nondiabetic at any age. Doctors at the Joslin Clinic reported recently, for example, that a 30-year-old with diabetes could expect to live another 30 years, while a 30-year-old without diabetes can expect to live another 42 years.

Despite these staggering figures, Mr. Speaker, the current NIH effort in research related directly to diabetes is around $8 million, spread among no fewer than seven institutes within the NIH—the National Institute of Arthritis, Metabolism, and Digestive Diseases; the National Eye Institute; the National Institute of Neurological Diseases; the National Heart and Lung Institute; the National Institute of General Medical Sciences; the National Institute of Child Health and Human Development; and the National Institute of Dental Research.

Mr. Speaker, this bill is designed to rationalize the existing NIH program through providing a coordinated effort among the several Institutes within NIH and make recommendations for Federal, State, and local programs. The bill also authorizes the establishment of research and training centers for diabetes and related diseases.

Specifically, Mr. Speaker, the bill will require, within 60 days of enactment, the establishment of a National Commission on Diabetes whose membership is to include the seven directors of the institutes which engage in diabetes research, six non-Federal scientists and physicians, and four members of the general public, two of whom are to be persons who have diabetes or who are parents of diabetics. The Commission would have the following duties:

First. Formulation of a long-range plan encompassing the programs of all seven Institutes which engage in diabetes research as well as other Federal and non-Federal programs.

Second. Recommendations for Federal, State, and local programs for screening, detection, counseling, and education.

Third. Preparation of budget estimates for each of the seven institutes which would engage in the coordinated research program. Following its report, the Commission shall cease to exist.

The bill also requires that for the next 3 fiscal years, the Secretary is to transmit to the Appropriations Committees and to the Interstate and Foreign Commerce Committee and the Labor and Public Welfare Committee, a comparison of what the Commission has recommended for each of the institutes under the coordinated plan, and what the budget estimate is.

The bill also authorizes the Secretary of Health, Education, and Welfare to provide for the development or substantial expansion of centers for research and training in diabetes. Authorizations for this purpose are $5 million for fiscal year 1975, $7.5 million for fiscal year 1976, and $10 million for fiscal year 1977.

Finally, Mr. Speaker, the bill requires establishment of a permanent committee composed of the directors of all seven institutes to better coordinate research activities of each institute with respect to diabetes.

Mr. Speaker, it was the view of a unanimous Subcommittee on Public Health and Environment that the needs of persons with diabetes in the United States will not be met in the future unless the Federal Government expands its leadership role in the area and provides the financial support essential to implement successful research and treatment programs. This bill is designed to assist the National Intitutes of Health in this role, and I commend it to my colleagues.

Mr. Speaker, I want to recognize the work of the gentleman from Michigan (Mr. VANDER JAGT) and the gentleman from Wisconsin (Mr. STEIGER) who are particularly interested in this matter, as well as the other members of our committee, such as the gentleman from Kentucky (Mr. CARTER) who worked diligently on this bill.

Now, I think the concerns that have been expressed with respect to the preparation of budget estimates by the Commission should be eased upon a careful reading of the bill because there is no problem, either as to what is intended, or as to what is written.

The bill itself simply requires that the Commission will make budgetary suggestions as to what each of the seven involved institutes should spend on diabetes. Then the Secretary is to report what the Commission recommends and what the budget recommends. We think this is helpful so all Members of Congress can see what the Commission recommends and what the President, himself, in his budget recommends. But I emphasize that this bill would not interfere with the normal budgetary process.

There is no change in the process, but just a means to provide for a comparison.

Mr. Speaker, I would urge the passage of the bill under suspension. I think all Members can have great satisfaction in casting a "yes" vote and thus being able to tell the American people that they helped participate in doing something in a positive way against this dreadful disease—diabetes.

Mr. NELSEN. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. VANDER JAGT).

Mr. VANDER JAGT. Mr. Speaker, as one of the sponsors, together with the gentleman from Wisconsin, Congressman WILLIAM STEIGER, and 108 Members of this body, of the original legislation from which this bill evolves, I am pleased to rise in strong support of this legislation. This bill does not go as far or do as much as the original legislation, but it is a significant and important step forward by the Federal Government.

In testimony on that original legislation, I described it as a working paper and a commitment. I am a little disappointed that the committee took me literally on the working paper part, but the commitment remains, and that is, indeed, the important thing.

I commend the committee, the subcommittee, and their leadership on both sides of the aisle for very, very constructive efforts. It is modest in its approach. It has been said to be one small step forward for the Federal Government, but, believe me, it is a giant leap forward for the millions of American diabetics. This bill is an illustration of how this House can be, contrary to charges, responsive to the needs and desires of the American people. It really began 2½ years ago when a lady constituent came into my district office, Mrs. Kortman, a parent of diabetic children. She pointed out that diabetes is the fifth leading cause of death in America, the second leading cause of blindness; that 10 million Americans have it or will have it; and if we break that down to the family formula of 4, that means that 1 out of every 5 or 6 Americans is directly affected by diabetes.

In spite of that, the Federal attack was buried over there in the Institute on Arthritis, Metabolism, and Digestive Diseases, and less than one-half of 1 percent of the Federal research dollar for disease was going to diabetes.

Out of that discussion evolved a bill. Since that time I have been astounded at the outpouring of support from the grass roots across America, and from my colleagues in the House as they have come forward to join in sponsorship. From those who have diabetes themselves, or whose relatives or friends are living with this disease, there has been a steadily growing plea for greater Federal support of research and related programs. In the words of a letter which I received:

> My little girl, nearly 5, has had juvenile diabetes since she was under 2 years old. We can accept the shots, the rigid schedule, the exact diet, but we can't live with the knowledge that she will probably be blind, or without legs or with heart and kidney disease before she is 30, if she lives that long.

Because we felt the need for legislation was so great, we first tried to offer an amendment to digestive disease legislation on the floor, but upon the pledge of the chairmen of the subcommittee and the committee that diabetes would be considered separately in the following year, my amendment was withdrawn. Those promises were kept; hearings were held; and this bill was the result.

This particular bill seeks to set up diagnosis centers for early detection, and to improve the chances for preventing diabetes' onset in those people predisposed to it; but, above all else, the bill seeks to educate people as to how to live with this dreaded disease. Most people think that just because we discovered insulin, there is no real problem with diabetes. Nothing could be further from the truth, as we were reminded a little over a year ago upon the tragic death of Jackie Robinson, who died from diabetes. That athlete, whose magnificent physique could elude the second baseman's tag, could not elude the tag of diabetes and the ravage that it did to his body.

This bill will also enable us to take advantage of the possibilities—the exciting possibilities—that we have in research for better treatment and an eventual cure for diabetes.

If that should ever happen, I would like to think that Jackie Robinson would be remembered for two reasons. First would be that Jackie Robinson's life was the catalyst that gave hope to millions of blacks and wiped out discrimination in the big leagues, and second that Jackie Robinson's death would be remembered as a catalyst that would have nudged this Government into the program that gave hope to millions of diabetics and helped wipe out that dread disease.

However that may be, this program says to the millions of sufferers from this disease that we understand their problem, that we care about their problem, and that we have concern for them. We are giving hope to the quiet sufferers who have for too long been neglected.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. VANDER JAGT. Mr. Speaker, I yield to the gentleman from Wisconsin who had so very much to do in bringing this legislation to the floor.

Mr. STEIGER of Wisconsin. Mr. Speaker, I thank the gentleman for yielding.

I applaud the gentleman from Michigan for his eloquent statement and I associate myself obviously with his remarks and also extend my thanks to the subcommittee and to the full committee for bringing this legislation to the floor.

Mr. Speaker, the consideration today of H.R. 12417, the National Diabetes Mellitus Act of 1974, is the culmination of the efforts of literally thousands of people over the last 2 years.

My colleagues may remember the debate on the floor of the House on May 3, 1972, concerning diabetes research. At that time, the gentleman from Michigan (Mr. VANDER JAGT) offered an amendment to elevate the level of research on diabetes within the Institute. He was joined in this effort by Minority Leader FORD, the gentleman from Florida (Mr. FREY), and myself. The amendment was withdrawn on the assurances of the distinguished chairman of the Interstate and Foreign Commerce Committee (Mr. STAGGERS) that hearings would be held on this problem.

On February 27, 1973, Mr. VANDER JAGT and I introduced H.R. 4882, the National Diabetes Act of 1973. The response to that bill was quite overwhelming. More than 110 Members of the House eventually cosponsored the legislation, and hearings were finally held on July 21 and August 1, 1973 by Chairman ROGERS' Subcommittee on Public Health and Environment.

These events were due in no small part to the thousands upon thousands of citizens who contacted the committee and their representatives in support of this effort.

It was, therefore, indeed gratifying to see the committee mark up and report out the legislation before us today.

While neither Mr. VANDER JAGT nor I and many others were fully satisfied with the provisions of this legislation, we strongly believe it represents a major step in the right direction—a direction which will substantially increase the Federal initiative in this vital area.

Substantial credit is also due to Senators MCGEE and SCHWEIKER for their sustained leadership in the other body toward this same end.

The hearings last February 26, 1973, and the passage by the Senate of S. 2830 on December 20, 1973, clearly provided the further impetus to action by the House.

In addition to the legislation by both Houses to expand the Federal authority for research and treatment efforts, the provisions of the Labor-HEW appropriations bill for fiscal years 1974 and 1975 also clearly indicate the congressional intent to beef up this area by calling for a broad multidisciplinary approach to research and the establishment of regional research and treatment centers.

The point has been made that the administration clearly has sufficient authority already to undertake all the efforts called for in both the legislation before us today and the appropriations laws.

While I would agree with this, it is equally clear to me and to many others that if initiative is to be taken in this area that it must come from the Congress. On that basis I strongly urge your support of this legislation.

Mr. NELSEN. Mr. Speaker, I yield 2 minutes to my colleague, the gentleman from New Jersey (Mr. WIDNALL).

Mr. WIDNALL. Mr. Speaker, I rise today to express my strong support for H.R. 12417, which I cosponsored, the National Diabetes Mellitus Act of 1974, which will provide a concerted effort to advance the national attack on diabetes.

The Federal Government is the largest sponsor of diabetes research in the United States, conducting some 97 percent of all diabetes research now going on in this country. Virtually all of it is conducted under the auspices of the National Institute of Arthritis, Metabolism and Digestive Diseases.

H.R. 12417 mandates the director of the National Institutes of Health to establish a National Commission on Diabetes to expand, intensify and coordinate the Institute's activities respecting diabetes and related diseases. Both research and public education about the problem of diabetes will be expanded and centers for research and demonstration of clinical techniques will be established.

One must consider the devastating effects of diabetes to understand the importance of this legislation. Diabetes is one of the leading causes of blindness and death in the United States. Almost 4 million Americans are diagnosed to have diabetes and an additional 2 million persons are estimated to suffer from undiagnosed diabetes. Also, more than 5 million persons carry the potential to become diabetics. In the United States alone, there are over 300,000 new cases annually, and it has been estimated that in 2 years one out of 25 Americans will fall prey to diabetes.

Diabetes is a complicated disease for which there is no permanent cure. It is considered to be a hereditary disorder, causing an inability to metabolize carbohydrates. Symptoms of diabetes include weakness, loss of weight, excessive hunger and thirst, and occasionally arrested growth. Since the discovery of insulin 50 years ago there have been no significant discoveries leading toward its cure. There is important research now going on, however, and I was recently informed of the efforts of Prof. Arnold Lazarow of the University of Minnesota in this field. He is currently working with diabetic rats, and his experiments with beta cell transplantation show great promise.

I personally have a great interest in this and other research efforts, as I found a number of years ago, that I myself have diabetes. It is an interesting phenomenon, that once a person discovers he has diabetes, he learns how many others suffer from the same disease. It was, therefore, not long before I learned that many in the Congress are subject to diabetes, some have been for a long time.

Our colleague Mr. STEIGER should be congratulated on the outstanding effort he demonstrated in seeking enactment of this legislation and the chairman and committee deserve congratulations for their formidable support.

The necessity for mounting a concerted and high priority effort to find a cure for this disease is apparent. The estimated annual economic cost of diabetes is $2 billion, including medical costs, drugs and manpower losses. When we consider how the Nation's strength has been sapped because of diabetes, the importance of this legislation becomes clear. H.R. 12417 will provide an effective mechanism and sufficient funding for a concerted attack on diabetes. Although expenditures on diabetes research and education will increase from previous levels, the end result will mean a savings to America in the long run.

The Department of Health, Education, and Welfare does not support H.R. 12417 due to the requirement for preparation and transmittal of budget estimates without prior administrative approval. I understand the administration's concern over this departure from the normal budgetary process, but frankly this does not overly disturb me. The actual appropriation of funds—namely, the $1 million authorized in section 3(I) and the $22.5 million authorized over a 3-year period for diabetes research and training centers—would only become available, and to the extent provided for, under the normal appropriations process of the Congress.

Mr. Speaker, I strongly support this necessary and humane legislation.

Mr. NELSEN. Mr. Speaker, I yield 1½ minutes to my colleague, the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Speaker, I thank the gentleman for yielding.

I rise in strong support of this legislation. As one of the cosponsors of the original legislation I concur in, and would like to associate myself with, the eloquent and persuasive remarks of my colleague, the gentleman from Michigan (Mr. VANDER JAGT), whose untiring efforts are primarily responsible for this bill being before us today. I am confident of its passage.

Mr. NELSEN. Mr. Speaker, I want very briefly to add my support to the legislation and point out that some weeks ago I attended a meeting in Minneapolis and met with a group of people who were working on this program.

They pointed out something I had never really known before; that is, that diabetes-afflicted persons have kept their problem in a low profile. Thus Congress moved in other areas, on the problems of cancer and other major diseases. Those concerned with diabetes sat quietly, not getting the attention that their problem required. Now they are suddenly becoming alive.

I think the Congress has responded. I believe this is a good piece of legislation.

I would point out, however, that sometimes we in the committee are inclined to get into administrative processes a little too deeply. I believe it is the wish of the committee not to interfere with the internal budget processes which properly belong to the Executive.

I am sure the colloquy today has given assurance to HEW as to our intent.

Mr. Speaker, I have no further requests for time.

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Tennessee (Mr. FULTON).

Mr. FULTON. Mr. Speaker, I rise in support of the legislation.

Mr. Speaker, if someone were to come before this body and warn that within the next few years 5 million Americans would be stricken with a disease for which there is no prevention or cure, I am certain that we would, in our concern for the welfare of the people of America, hasten to responsible action.

Ironically, in considering the National Diabetes Mellitus Act of 1974 today, that is exactly what we are doing. Last year 5 million Americans suffered from diabetes mellitus, a disease for which there is no prevention or cure. Insulin is a life-prolonging drug which undoubtedly has saved the lives of millions of diabetics. But it is no cure. It has changed the character of this disease from an acute condition leading to early death from a diabetic coma to a chronic disease that far too often results in blindness, kidney failure, or in an acceleration of the blood vessel disease that leads to heart attack, stroke or gangrene.

Thus, while insulin is a tremendous step in the containment of this disease, as far as prevention and cure are concerned we remain in the Dark Ages.

This legislation would open the window to the light of knowledge. It would establish a national commission required to develop a long-range coordinated program to combat diabetes mellitus.

It would also provide Federal money for diabetes research and training centers to supplement the work in this field which now is being done almost entirely with private funding.

Mr. Speaker, the hearings on this legislation have outlined and detailed the need for this legislation and spelled out what it can accomplish to end needless suffering for millions in the future.

This legislation has my full support and I respectfully urge its passage.

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, I am proud to rise in support of H.R. 12417, the National Diabetes Mellitus Act. I believe Congress is well-advised in this move to underwrite a broad program for fighting this pernicious disease.

It has been assumed by many Americans that the advent of insulin, which stabilizes the diabetic's condition, represented a sufficient medical treatment of diabetes. Such is certainly not the case, as the diabetic's health is inevitably and pervasively affected by his or her disease.

For instance, a diabetic is more likely than others to suffer stroke, heart attack, kidney disease and other cardiovascular debilitations.

Our knowledge of how diabetes afflicts its victims and how the disease might be reversed instead of merely controlled remains relatively slim, and the bill before us today will begin a concerted effort to expand this knowledge. Over the next 3 fiscal years, $23.5 million will be earmarked for helping the diabetic and developing new means for fighting diabetes mellitus, the most crippling of several types of diabetes.

I would like to commend the work of the subcommittee on this measure, and I was proud to support it in the full Commerce Committee. The bill embodies the sound research and human compassion needed to cope with diabetes.

Mr. STAGGERS. Mr. Speaker, I would like to make one further statement that occurred to me while listening to the gentleman from Michigan (Mr. VANDER JAGT) who has spoken very persuasively. I would like to pay tribute to him and the gentleman from Wisconsin (Mr. STEIGER) for their unswerving efforts in the past 2 or 3 years to get this legislation before this House.

I want to compliment them, and also the gentleman from New Jersey (Mr. WIDNALL) and all the other Members; but Mr. VANDER JAGT and Mr. STEIGER especially, because they have carried the ball and have certainly kept it in front of us. As a result, the legislation is here today. I want to congratulate both of them, because they have done something to help the people of America live a better life and perhaps whip this dread disease. In this legislation we are doing something for the good of the land.

I want to again pay a compliment to the members of the committee and the staff that have worked so hard, as usual, on this piece of legislation.

Mr. Speaker, I have no further requests for time.

I urge a vote in favor of this legislation.

Mr. DONOHUE. Mr. Speaker, I earnestly hope and urge that the House will overwhelmingly approve this bill before us, H.R. 12417, the National Diabetes Mellitus Act of 1974, which is designed to establish a new National Commission on Diabetes empowered to formulate a long-range plan for the use and organization of national resources to combat diabetes.

Mr. Speaker, the highest medical authorities have testified that diabetes is the fifth leading cause of death in this country with 35,000 mortalities attributed to it annually. Its ravages constitute a major health problem in the United States since we know that this disease afflicts approximately 10 million Americans with some 325,000 new cases of diabetes diagnosed each year.

It has also been unquestionably established that the complications of diabetes lead to a great many other serious health problems involving the kidneys, the eyes, the gastrointestinal tract, the nervous system, and blood vessels with resultant heart attacks, stroke, and gangrene of the extremities.

In the face of all the health dangers caused by and associated with diabetes it is unfortunately too clear, from the testimony of record, that the needs of persons with diabetes in the United States are not being met at the present time nor can we reasonably expect that they will be met in the future unless and until the Federal Government expands its leadership role in this area and provides the essential Federal support that is undeniably required.

Mr. Speaker, the purpose of H.R. 12417 is to grant this essential support. In summary, it will do so by establishing, among other things, an Inter-Institute Diabetes Mellitus Coordinating Committee within the National Institutes of Health to conduct and coordinate research programs on all aspects of diabetes; collecting data concerning the disease; providing education programs for scientists and health manpower personnel; and projecting programs for diabetes screening, detection, counseling, and education.

Mr. Speaker, from all the authoritative evidence that has been revealed here, it is my considered opinion that the scientific pursuit and attainment of better methods of diagnosis and treatment of this dread disease deserves the highest priority and, in accord with our traditions, our National Government should encourage the persistent search for and production of fundamental new knowledge to form the basis of future advances in the understanding, prevention, control, treatment, and ultimately the cure of diabetes.

Therefore, I again urge the House to overwhelmingly adopt this measure without extended delay.

Mr. STEELE. Mr. Speaker, today the House is considering landmark legislation in the long history of medicine's attack on diabetes mellitus. The need for this legislation, as my colleagues have so soundly documented, is clear, and the bill itself—which grew out of legislation which I and over 100 other Members of the House cosponsored—is essentially strong and responsible. But, important as the National Diabetes Mellitus Act is, it is not enough.

The bill before us today would mandate the creation of a National Commission on Diabetes, charged with formulating an overall plan for combating diabetes, and would authorize increased Federal support of diabetes research and training centers. These are vital developments in the long-range effort by our health institutions to eradicate this disease. But there is right now an immediate, short-term need for emergency funds to keep our diabetes research effort moving forward. Congress must do more than call for a study and authorize a future strengthening of our diabetes-related institutions. We must provide cash, now.

In several locations across the country, diabetes research teams are on the edge of major breakthroughs on a number of fronts. With adequate funding, it is possible that we could be well on the way to a cure in a matter of months. But these projects are moving at a snail's pace because they must live on a month-to-month basis, always unsure of whether money will be available to continue their work for any period of time. And while potential controls or cures may lie just a few experiments ahead, research scientists must spend as much as half their time out of the laboratory, scrambling for funds.

Within the diabetes research community, there is no question about it: What is most needed is not a study and reorganization of the national resources devoted to diabetes. What is most needed is simply dollars.

The irony of this, Mr. Speaker, is that never has there been such genuine excitement in the diabetes field about research now underway. Never has optimism been stronger that watershed breakthroughs are imminent. As never before, it is now possible to say with confidence that soon a new control and, in all likelihood, a cure for diabetes will be found.

Let me illustrate this optimism by quoting from a recent letter from Dr. Walter Ballinger, head of the department of surgery at the Washington University School of Medicine:

> It now appears that, if current research can be continued, there is every reason to believe that we are at a time as critical as that when insulin was first discovered and made available. Insulin, however, does not cure diabetes nor does it prevent the horrible complications of diabetes.
>
> Current research indicates that this might very well be achieved very soon. Delay in achieving this research breakthrough means

> that millions of diabetics are continuing to have irreversible damage developing insidiously and relentlessly.

As Dr. Ballinger points out, we are now on the threshold of a discovery as monumental as that of insulin in 1922. When—and if—that threshold will be crossed depends largely on what this Congress decides to do.

The optimism of the diabetes experts is based on two developments. First, research teams in Boston, Los Angeles, and elsewhere have begun to perfect an artificial pancreas, which would mechanically replace the faulty insulin-secreting system in the diabetic. This device would constantly monitor the flow of blood sugar in the diabetic and automatically pump the proper amount of insulin as needed. Hence, the diabetic's metabolism will be regulated just as if his body reacted normally to changes in the blood sugar level. Not only would such an artificial pancreas make painful insulin injections obsolete, but it could also avoid the complications which grow out of diabetes—such as blindness, kidney failure, gangrene, and other cardiovascular afflictions—as a result of the metabolic shock caused by daily or twice-daily injections of insulin.

Second, researchers across the Nation—I am aware of specific efforts in Miami, Boston, St. Louis, and Minneapolis—are closing fast on an actual cure for diabetes by transplanting beta cells from the pancreas of nondiabetic subjects to the diabetic's pancreas. When rooted, these cells begin to produce insulin, and the diabetic is, in effect, cured. This process has already been carried to completion successfully in laboratory animals, and scientists are beginning to focus on the problems of transplanting human pancreatic cells. When perfected, these transplants could mean an end to the human misery of diabetes.

Both of these research frontiers are incredibly exciting, and more importantly, both promise results in the foreseeable future. But for lack of money, many aspects on these frontiers are lying dormant. The men and women who probe them, the research scientists, have all they can do just to avoid dismantling their own projects altogether—much less to expand into new areas.

Take for example, the experience of Dr. Arnold Lazarow, who is working with beta cell culturation at the University of Minnesota and who described his problem in the following way:

> The funds for diabetes research which my Department now receives from the National Institutes of Health are approximately one half the amount we received three years ago. In May 1973 the University of Minnesota applied for a Diabetes Center Grant in which a major proportion of the research activities relate to our research on "Islet Organ Culture/Transplantation." This grant (1–P17 AM 17467) although approved in November 1973 for a five year period would provide a total budget of $1,468,744 with $369,627 allocated for the first year. However, this grant has not been funded, because of the severe limitations of funds within the National Institute for Arthritis, Metabolic and Digestive Diseases. I had been informed that it is uncertain whether our grant will be funded before September 1974 if it is funded at all.
>
> We urgently need to continue and expand our studies on beta cell organ culture/transplantation using human fetal pancreas. We have already demonstrated that human insulin producing cells can be selectively grown in organ culture. However, many studies must be carried out before organ cultured beta cells can be transplanted into human subjects. It is unfortunate that the funds needed to pursue these human studies are not available and that research investigations which may be of great potential value in the treatment of human diabetes must be delayed because of the lack of funds.

Or of Dr. Dudley Watkins, at the University of Connecticut in my own State:

> When I applied for funding from the National Science Foundation for support in diabetes research, I asked for $66,000 to run my program. I was one of few applicants to be funded, but all I received was $42,000. I found it necessary to curtail several research projects for lack of sufficient funds. Thus, what I hoped to accomplish in two years will take four to five years. In fact, it was only through the generous support of Dr. Jules Silver that we were able to carry out several of our projects at the Marine Biological Laboratory in Woods Hole, Massachusetts where several thousand of our research animals are kept. I am sure that other researchers have had the same experience. What is equally discouraging is that many capable and bright young investigators were *not* funded at all. This situation can only lead to low morale among investigators and serve to drive bright young graduate students into other fields.

Or of Dr. Samuel Bessman at the University of Southern California, who describes his success in artificial pancreas research:

> All of this work has been done without any federal support, for preliminary efforts to obtain such support made it quite clear there was no money available for human chemical engineering. The NIH had enough trouble funding in the old areas and since little money had been spent on diabetes in the past, less money would now be available. It is an onerous and time-consuming task to write the intricate grant requests which we have written in the past and it is highly disappointing to find them rejected by groups in the NIH who solicit them without even having the funds to pay in the first place. We have, therefore, turned to the public for small donations and to small private funds for assistance. All of the work reported in the papers which I enclose was done through donations totalling approximately $30,000 over a period of almost 2½ years. I have personally contributed a portion of that funding.
>
> Our work would be considerably accelerated and very much more effective if we had more money but it is not worth wasting time, at present, to seek it through government channels.

The theme spelled out by these scientists is echoed throughout the diabetes research field. The problem is not manpower: Estimates are that four out of five diabetes projects will be turned down due to lack of funds, and that means a loss of valuable research personnel. The problem is not technology; the basic know-how of already established fields should prove adequate when fitted to the specific needs of diabetes. And the problem is not buildings and space: dozens of institutes and universities are eager to host diabetes research. The problem is money, and nothing will bring results faster than quick action by Congress to appropriate the necessary sums.

As a vehicle for this funding, I have introduced legislation for an immediate appropriation of $20 million, specifically earmarked for diabetes research. This amount, approximately double that to be spent in fiscal year 1974 for diabetes research by the Federal Government, would shore up the current research effort and accelerate both artificial pancreas and beta cell research progress. It would avoid the dismantling of sophisticated biomedical research teams and operations. It would provide the support needed to capitalize and expand on new findings, thereby broadening the diabetes field. And it would do all this now, when we need it most.

And furthermore, the appropriation would make sound economic sense. Diabetes will cost the American people upwards of $4 billion this year. For a small Federal investment—my $20 million emergency relief bill would amount to just $4 per known diabetic, or less than the average diabetic spends weekly on medication and treatment—we will be able to make major strides toward wiping out not only this huge expense but also untold physical and emotional anguish.

I therefore applaud the bill before us today as a sound and worthy beginning toward a diabetes cure. But I also urge my colleagues to go a step further—to join me in calling for nothing less than a full and immediate commitment from Congress to provide the dollars needed to enable medical science to score the major breakthrough against diabetes which is now so close at hand.

Mr. GROSS. Mr. Speaker, as I have said previously in this debate I know of no one in the House of Representatives who is opposed to reasonable measures for research in combating diabetes as well as other diesases and afflictions that jeopardize human health.

A number of years ago, Congress established what is now known as the National Institutes of Health—NIH—for the purpose of coordinating and financing national programs for research, treatment and cure of diseases, including diabetes.

Through the years NIH has received increasing appropriations from Congress. In the curent fiscal year it is receiving $1,532,000,000 for research yet here is this legislation authorizing an additional $23.5 million for diabetes research.

Additionally, this bill provides for the establishment of a commission to direct diabetes research, the very function which was supposed to have been vested in NIH.

I oppose this bill, not because of lack of concern for those who are or may be afflicted with diabetes, but because of the huge expenditure already being made for research in the field of human afflictions. If there has been a lack of attention to diabetes on the part of the National Institutes of Health then legislation should have been directed to that situation, not to establishing still another commission and adding another $23.5 million to the more than $1.5 billion already being spent.

The citizens of this country cannot afford the luxury of this kind of costly duplication.

Mr. DRINAN. Mr. Speaker, the legislation before us today will require the Director of the National Institutes of Health to establish a new National Commission on Diabetes. This 17-member Commission is to consist of the directors of the 7 Institutes of Health concerned with diabetes, 6 nongovernmental scientific or health specialists, and 4 public members—at least 2 of whom must be diabetics or parents of diabetics. Nothing could be more significant for the 10 million Americans who are now afflicted with diabetes or for the 325,000 new diabetics recognized each year.

If the needs of diabetics are to be met, the Federal Government must expand its role in combating this disease. The committee report states that diabetes is the fifth leading cause of death from disease, and is the underlying cause of many deaths attributed to other diseases.

Funding is authorized in this bill for diabetes research and training centers. The bill also establishes an Inter-Institute Diabetes Mellitus Coordinating Committee within the National Institutes of Health. The National Commission will be required under this legislation to develop a long-range program for coordinated research on all aspects of diabetes, including recommendations regarding organization of national resources, data collection on diabetes, the education of scientists and health manpower on diabetes, and programs for diabetes screening, detection, counseling and education.

I am hopeful that this bill will soon be enacted into law.

**Mr. RAILSBACK.** Mr. Speaker, I am pleased the House today passed H.R. 12417, the National Diabetes Mellitus Act. Last year, after hearing from several constituents of mine who either have diabetes or have loved ones who are afflicted by that disease, I joined several of my colleagues in sponsoring this legislation to intensify the attack upon diabetes.

Diabetes is one of our Nation's major health problems. Currently, there are more than 5 million Americans who are afflicted with diabetes. Of these, over 1½ million persons are not aware that they have diabetes. Even more unfortunate is the prevalence of this disease in our country. It is now growing at a rate of 9 percent a year. Diabetes is the fifth leading cause of death by disease, and the second leading cause of blindness. Also, diabetes is now estimated to be five times as common among young school age children as had been previously thought.

Although insulin has controlled the more obvious symptoms of diabetes, complications from the disease have often led to the gradual deterioration of blood vessels, the retina of the eye, the kidneys, and the nervous system. Most unfortunately, there is no known cure for diabetes, and diabetes research has not to date discovered its cause.

Therefore, I am convinced that it is imperative that we develop a national commitment aganst diabetes. This commitment could most easily and logically take the form of substantially stepped-up programs as envisioned in H.R. 12417.

The bill directs the head of the National Institutes of Health to set up a National Commission on Diabetes to develop a long-range plan for combating diabetes. Based upon a comprehensive study, this plan shall include coordination of the various diabetes research programs, and a proposal for various levels of government to provide programs on diabetes screening, detection, education, and counseling. The Commission on Diabetes will develop its long-range plan, and provide budget estimates for each of the NIH Institutes participating in the program.

H.R. 12417 also authorizes $22.5 million for the next 3 years in which the Secretary of Health, Education, and Welfare will develop centers for research, training, and information programs for physicians and associated health personnel in the diagnosis and treatment of diabetes and its related disorders.

Finally, the legislation orders the Director of NIH to create an Inter-Institute Diabetes Mellitus Coordinating Committee for the massive research effort.

Mr. Speaker, it is clear that we need a national commitment against diabetes. H.R. 12417, National Diabetes Mellitus Act, provides the tools for the national commitment. I am very encouraged by its passage by this body today.

**Ms. ABZUG.** Mr. Speaker, I am pleased today to support the passage of H.R. 12417, the National Diabetes Mellitus Act of 1974. This legislation is the final version of H.R. 7440, a bill I was proud to have cosponsored on May 2, 1973.

Diabetes is a national tragedy that has gone unrecognized for far too long. Nearly 10 million Americans suffer from diabetes. It accounts for 35,000 deaths annually, making it the fifth leading cause of death in our Nation. In addition, it is the second leading cause of blindness in this Nation. With research we have discovered it to be the underlying cause of many other illnesses such as heart disease, stroke, and kidney disease. It robs many of our citizens of their lives and many more of the opportunity to live full and productive lives.

The cure of diabetes lies in our dedication and coordination of our efforts—H.R. 12417 provides the diverse research authority to enable coordination of such areas as basic scientific knowledge, health-care delivery systems, and methods of prevention, detection, and self-help.

H.R. 12417 is important legislation. It expresses for the first time a national commitment against an awesome disease, and it supports that commitment. Although I am hopeful that the conference committee will see fit to increase the authorization to Senate's authorization level of $2.5 million, I am proud to have supported it and am pleased with its passage before the House today.

**Mr. BROOMFIELD.** Mr. Speaker, I am pleased that H.R. 12417, a bill to help in the fight against diabetes, has reached the floor. Diabetes is one of our most critical diseases, afflicting 5 million Americans, sometimes crippling, blinding, or even killing its victims. Although it can be treated, it is still the fifth leading cause of death from disease in the United States.

Diabetes strikes in varying intensities, but even those who have mild cases lead a life of frustration and discomfort. One of my constituents, writing in support of this legislation, told me his young daughter has to receive a daily injection of 21 units of insulin each morning before breakfast. Unless scientists come up with an answer to this puzzling problem, she will face this unpleasant routine for the rest of her life.

Many advances in the treatment of this disease have been made over the years. Indeed, doctors tell us that science is now on the verge of possible breakthroughs in the treatment and cure of diabetes.

Yet unless the Federal Government takes action, these breakthroughs could be years away. H.R. 12417 could be the step that puts us over the top in conquering this crucial health problem. It would provide the organization and funds necessary to wage an all-out attack on diabetes; an attack that if successful, would ease the suffering of millions of Americans.

I urge my colleagues to act favorably on this important legislation to carry out our national attack on diabetes. Future generations, as well as the 5 million people now suffering from the disease, deserve such action on our part.

**The SPEAKER.** The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill, H.R. 12417, as amended.

The question was taken.

**Mr. STEIGER** of Wisconsin. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

**The SPEAKER.** Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 380, nays 6, not voting 46, as follows:

[Roll No. 96]

YEAS—380

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan

Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
*Fisher*
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holt
Holtzman
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—6

Collins, Tex.
Crane
Gross
Landgrebe
Rarick
Symms

NOT VOTING—46

Alexander
Annunzio
Blatnik
Boland
Brasco
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Collins, Ill.
Dorn
Fountain
Fraser
Frelinghuysen
Giaimo
Gibbons
Goldwater
Gude
Hanrahan
Hogan
Holifield
Horton
Jarman
King
Leggett
Lehman
McClory
Metcalfe
Minshall, Ohio
Moorhead, Pa.
Moss
Murphy, Ill.
Nix
O'Brien
Patman
Reid
Reuss
Rooney, N.Y.
Ryan
Steed
Stubblefield
Teague
Waldie
Whitten
Wilson, Charles, Tex.
Wyman
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended, was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Wyman.

Mr. Rooney of New York with Mr. Jarman.

Mr. Teague with Mr. Whitten.

Mr. Holifield with Mr. Ryan.

Mr. Brasco with Mrs. Burke of California.

Mr. Carey of New York with Mr. Burke of Florida.

Mr. Giaimo with Mr. Leggett.

Mr. Murphy of Illinois with Mr. Horton.

Mr. Yatron with Mr. Gude.

Mr. Metcalfe with Mr. Lehman.

Mrs. Collins of Illinois with Mr. King.

Mr. Reid with Mr. Hogan.

Mr. Stubblefield with Mr. Minshall of Ohio.

Mr. Steed with Mr. Hanrahan.

Mr. Boland with Mr. McClory.

Mr. Fountain with Mr. O'Brien.

Mr. Fraser with Mr. Patman.

Mr. Nix with Mr. Blatnik.

Mr. Moorhead of Pennsylvania with Mr. Charles Wilson of Texas.

Mr. Moss with Mr. Gibbons.

Mr. Waldie with Mr. Goldwater.

Mr. Reuss with Mr. Dorn.

Mr. Alexander with Mr. Frelinghuysen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2830) to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus, a similar bill to that just passed by the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill as follows:

S. 2830

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "National Diabetes Research and Education Act".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress hereby finds and declares that—

(1) diabetes mellitus is a major health problem in the United States;

(2) diabetes mellitus is the fifth leading cause of death from disease and the second leading cause of blindness in the United States;

(3) uncontrolled diabetes mellitus significantly decreases life expectancy;

(4) the citizens of the United States do not have a full understanding of the nature and impact of diabetes mellitus;

(5) there is convincing evidence that the known prevalence of diabetes mellitus has increased dramatically in the past decade;

(6) the determination of the most effective program for discovering the magnitude of the disease, its causes, cures, and treatments must be given immediate attention;

(7) there is great potential for advancement against diabetes mellitus in the National Institute of Arthritis, Metabolism, and Digestive Diseases, of National Institutes of Health in concert with public and private organizations capable of necessary research and public education in diabetes mellitus; and

(8) the establishment of regional diabetes research and training centers throughout the country is essential for the development of scientific information and appropriate therapies to deal with diabetes mellitus.

(b) It is the purpose of this Act to expand the authority of the National Institute of Arthritis, Metabolism, and Digestive Diseases in order to advance the national attack on diabetes mellitus.

DIABETES PROGRAM

SEC. 3. Part D of title IV of the Public Health Service Act (42 U.S.C. 201) is amended by adding at the end thereof the following new sections:

"NATIONAL TASK FORCE ON DIABETES

"SEC. 435. (a) The Secretary within sixty days after the date of enactment of this section shall establish a National Task Force in Diabetes (hereinafter referred to as the task force) to formulate a long-range plan to combat diabetes mellitus. Such plan shall develop recommendations for (1) the utilization and organization of national resources for that purpose, and (2) conducting a comprehensive study and survey investigating the magnitude of diabetes mellitus, its epidemiology, its economic and social consequences, and an evaluation of available scientific information and the national resources capable of dealing with the problem. Such plan shall also include related endocrine and metabolic diseases and basic biologic processes and mechanisms, the better understanding of which is essential to the solution of the problem of diabetes mellitus.

"(b) The task force shall also develop a program to expand, intensify, and coordinate the activities of the National Institute of Arthritis, Metabolism, and Digestive Diseases respecting diabetes mellitus and related endocrine and metabolic diseases. Such program shall be coordinated with the other programs conducted or administered by the research institutes of the National Institutes of Health to the extent that such institutes have responsibility respecting such diseases. The program shall provide for—

"(1) investigation in the epidemiology, etiology, prevention, and control of diabetes mellitus, including investigation into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, prevention, and control of diabetes mellitus;

"(2) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal phenomena associated with diabetes mellitus including abnormalities of the skin, gastrointestinal tract, kidneys, eyes, and nervous system, and shall also include evaluation of influences of other endocrine hormones on the etiology, treatment, and complications of diabetes mellitus;

"(3) research into the development, trial, and evaluation of techniques and drugs used in, and approaches to, the diagnosis, treatment, and prevention of diabetes mellitus;

"(4) establishment of programs that will focus and apply scientific and technological efforts involving biological, physical, and engineering science to all facets of diabetes mellitus;

"(5) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive, diagnostic, therapeutic, rehabilitative, and control approaches to diabetes mellitus;

"(6) the education and training of scientists, clinicians, educators, and allied health personnel, in the fields and specialties requisite to the conduct of programs respecting diabetes mellitus; and

"(7) a system for the collection, analysis, and dissemination of all data useful in the prevention, diagnosis, and treatment of diabetes mellitus.

"(c) In the development of the plan, required under subsection (a), attention will be given to means to assure continued development of knowledge and dissemination of such knowledge to the public, which would form the basis of future advances in the understanding, treatment, and control of diabetes. Specific recommendations shall be made on the proportion of the effort devoted to individual basic research projects undertaken in the biomedical research laboratories of this Nation.

"(d) The Task Force shall be composed of ten members who are eminently qualified to serve on such Task Force, as follows:

"(1) six members shall be scientists or physicians representing the various specialties and disciplines involving diabetes mellitus and related endocrine and metabolic diseases; and

"(2) four members from the general public, two of whom shall be parents of children suffering from diabetes mellitus.

"(e)(1) The Task Force shall publish and transmit to the Congress an interim report within six months after the date of enactment of this section and a final report not later than three months thereafter. Such report shall contain a national program as required by subsection (b).

"(2) The Task Force may hold such hearings, take such testimony, and sit and act at such times and places as the Task Force deems advisable to develop a national program to eradicate diabetes mellitus.

"(f) The Director of the National Institute for Arthritis, Metabolism, and Digestive Diseases shall—

"(1) designate a member of the staff of such Institute to act as Executive Secretary of the Task Force; and

"(2) make available to the Task Force such staff, information, and other assistance as it may require.

"(g) Members of the Task Force who are officers or employees of the Federal Government shall serve as members of the Task Force without compensation in addition to that received in their regular public employment. Members of the Task Force who are not officers or employees of the Federal Government shall each receive compensation at the rate of $100 per day for each day they are engaged in the performance of their duties as members of the Task Force. All members of the Task Force shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Task Force.

"(h) There are authorized to be appropriated to carry out the purposes of this section $500,000 for the fiscal year ending June 30, 1974, and such sums shall remain available until expended.

### "IMPLEMENTATION ON DIABETES PROGRAM

"SEC. 436. Not later than sixty days after the Task Force submits its report and recommendations to the Congress (as required under section 435), the Director of the National Institute for Arthritis, Metabolism, and Digestive Diseases shall, through the National Institutes of Health and the Department of Health, Education, and Welfare, submit to the President for transmittal to the Congress a report outlining the action required and the staff requirements to carry out the recommended program with a request for such additional appropriations (including increased authorizations) in such amounts as may be required to pursue immediately the full implementation of the program recommended by the Task Force for which regularly appropriated funds are not available.

### "DIABETES EPIDEMIOLOGY PREVENTION AND CONTROL PROGRAM

"SEC. 437. (a) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, under policies established by the Director of the National Institutes of Health, and after consultation with the Advisory Council (established under section 434(b)), shall establish programs as necessary in cooperation with other Federal health agencies, State, local, and regional public health agencies, and nonprofit private health agencies, in the epidemiology, prevention, control, and evaluation of diagnosis and treatment of diabetes, appropriately emphasizing the prevention, control, diagnosis, and treatment of such diseases in children.

"(b) There are authorized to be appropriated to carry out the purposes of this section $2,500,000 for the fiscal year ending June 30, 1975, $5,000,000 for the fiscal year ending June 30, 1976, $10,000,000 for the fiscal year ending June 30, 1977.

### "NATIONAL DIABETES RESEARCH AND TRAINING CENTERS

"SEC. 438. (a) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, under policies established by the Director of the National Institutes of Health and after consultation with the Advisory Council (established under section 434(b)) and consistent with the recommendation of the task force, will provide for the development of research and training centers for the study of diabetes and related endocrine and metabolic disorders. Such centers shall be established geographically on the basis of population density throughout the Nation in an environment with proven research capabilities. A center may utilize the facilities of one institution or could be formed from a consortium of cooperating institutions. Each center shall encompass the research and training continuum from fundamental studies to applied clinical investigation and education of physicians and allied health personnel in optimal methods of diagnosing and treating diabetes and its complications. Each center shall develop effective mechanisms for training biomedical investigators needed for research into diabetes and related diseases, clinicians and allied health personnel to deal with fundamental and clinical problems presented by diabetes and its complications. Each center shall also develop effective mechanisms for disseminating contemporary information about diabetes to physicians and allied health personnel who provide primary care for patients with diabetes that live in the geographic area served by the center.

"(b) There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year ending June 30, 1975, $15,000,000 for fiscal year ending June 30, 1976, and $20,000,000 for fiscal year ending June 30, 1977.

### "ASSOCIATE DIRECTOR FOR DIABETES

"SEC. 439. (a) There is established within the National Institute of Arthritis, Metabolism, and Digestive Diseases the position of Associate Director for Diabetes who shall report directly to the Director of such Institute and who, under the supervision of the Director of such Institute, shall be responsible for programs with regard to diabetes within such Institute.

"(b) The Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases working through the Associate Director for Diabetes shall (1) carry out programs of support for research and training in the diagnosis, prevention, and treatment of diabetes mellitus and related endocrine and metabolic diseases, and (2) establish programs of evaluation, planning, and dissemination of knowledge related to research and training in diabetes mellitus and related endocrine and metabolic diseases.

### "DIABETES COORDINATING COMMITTEE

"SEC. 439A. In order to better coordinate the total National Institutes of Health research activities relating to diabetes mellitus, the Director of the National Institutes of Health shall establish an Inter-Institute Diabetes Mellitus Coordinating Committee. This committee will be composed of representatives who can speak for each of the institutes and divisions involved in diabetes-related research. The committee will be chaired by the Associate Director for Diabetes. Such committee will prepare a report as soon after the end of each fiscal year as possible for the Director of the National Institutes of Health detailing the work of the committee in coordinating the research activities of the National Institutes of Health relating to diabetes mellitus during the preceding year.

### "INTERAGENCY TECHNICAL COMMITTEE

"SEC. 439B. (a) The Secretary shall establish an Interagency Technical Committee on Diabetes Mellitus which shall be responsible for coordinating those aspects of all Federal health programs and activities relating to diabetes mellitus to assure the adequacy and technical soundness of such programs and activities and to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities.

"(b) The Director and Associate Director for Diabetes of the National Institute on Arthritis, Metabolism, and Digestive Diseases respectively of the committee, and the committee shall include representation from all Federal departments and agencies whose programs involve health functions or responsibilities as determined by the Secretary.".

### MOTION OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. STAGGERS moves to strike out all after the enacting clause of S. 2830 and insert in lieu thereof the provisions contained in H.R. 12417 as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time and passed.

The title was amended so as to read: "A bill to require the development of a long-range plan to advance the national attack on diabetes mellitus, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 12417) was laid on the table.

## PERSONAL EXPLANATION

Mr. SANDMAN. Mr. Speaker, right before the vote reported on H.R. 12417, I was called from the Chamber and did not return in time to vote. Had I been present, I would have voted in the affirmative.

## GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material on the two bills just passed.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

## NUTRITION PROGRAM FOR THE ELDERLY

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11105) to amend title VII of the Older Americans Act relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes, as amended.

The Clerk read as follows:

H.R. 11105

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 708 of the Older Americans Act is amended by striking out the word "and" before "$150,000,000" and by inserting before the period a comma and the following: "$150,000,000 for the fiscal year ending June 30, 1975, $200,000,000 for the fiscal year ending June 30, 1976, and $250,000,000 for the fiscal year ending June 30, 1977".

The SPEAKER. Is a second demanded?

Mr. ESHLEMAN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I rise in support of H.R. 11105, a bill to extend for 3 years title VII of the Older Americans Act which provides for a nutrition program for Americans aged 60 and over.

Mr. Speaker, let me at the outset pay tribute to our distinguished colleague from Florida, the Honorable CLAUDE PEPPER, who first sponsored this program in Congress, and who has again in the 93d Congress been a leader in the effort to expand upon and improve this program which means so much to our elderly citizens.

I want also, Mr. Speaker, to express my appreciation to the gentleman from Kentucky, the chairman of the Committee on Education and Labor, the Honorable CARL D. PERKINS; and the gentleman from Minnesota, the ranking minority member of the committee, the Honorable ALBERT QUIE, both of whom have worked diligently to get this measure through the committee.

And I should also say a word about the ranking minority member of the subcommittee, the gentleman from Pennsylvania, Mr. ESHELMAN, and about another gentleman from Florida, the Honorable WILLIAM LEHMAN, as well as the gentleman from Idaho, the Honorable ORVAL HANSEN, who have shown their deep commitment to programs to better the lives of the elderly, including the nutrition program which we are here today considering. I wish also to commend the gentlewoman from Connecticut, Mrs. GRASSO, and the gentleman from New York, Mr. PEYSER, for their contributions to this legislation.

### BACKGROUND

Mr. Speaker, the nutrition program for the elderly, enacted into law in 1972 by Public Law 92-248, initially began as a demonstration program under the Older Americans Act.

The program is designed to provide Americans aged 60 and over, and in particular the needy elderly, with one, hot, nutritious meal a day, 5 days a week, in a community setting.

And I should stress, Mr. Speaker, that although the nutritional aspects of this program are important in that better diet improves the health of the elderly, the nutrition program also makes it possible for older people to obtain a window on the world by providing them the opportunity to meet with other senior citizens who share their interests.

I regret to tell my colleagues, Mr. Speaker, that only today is the program beginning to be fully implemented.

For although the President in 1973 requested the full $100 million authorized for the nutrition program, he vetoed, first, the 1973 Labor-HEW appropriations measure, which included the funds for this program.

And since, Mr. Speaker, the nutrition program had never previously been funded, the continuing resolutions which provided authority for the Department of Health, Education, and Welfare to continue its existing programs did not allow the nutrition program to get off the ground.

Not until a subsequent supplemental appropriations measure was signed into law on July 1, 1973, were the fiscal 1973 funds made available for the nutrition program, and that supplemental included a provision making the funds available until December 31, 1973.

I am delighted to be able to tell my colleagues, as well, that the fiscal year 1974 Labor-HEW appropriations measure signed into law included $104.8 million for nutrition programs funded under the Older Americans Act.

### ACCOMPLISHMENTS

Even with these delays, Mr. Speaker, the Administration on Aging has already been able to report significant progress with respect to the nutrition program.

For within a month after receiving the fiscal year 1973 appropriation on July 1, 1973, the Administration on Aging allotted the $99.6 million to each of the States.

And by December 31, 1973, when authority to expend the funds expired, each of the States had allocated its funds to 665 nutrition projects.

By February 1, of this year, Mr. Speaker, I am pleased to tell my colleagues, 80,970 meals were being served daily to Americans aged 60 and over.

And by March 31, 199,529 meals will be served daily, and we anticipate that by June 30 of this year 212,000 meals will be the total served each day.

Further, Mr. Speaker, the Administration on Aging's statistics indicate that 70 percent of the meals served are directed toward persons below the Census Bureau's poverty threshold, and 37 percent of the recipients are members of minority groups.

### AUTHORIZATION

Mr. Speaker, the bill before us today simply extends for 3 years the nutrition program for the elderly and provides for modest increases in the appropriations authorized totaling, over the 3 years, $600 million.

The $600 million, Mr. Speaker, is divided as follows:

For fiscal year 1975, the bill authorizes $150 million, which we estimate will provide 319,277 meals per day;

For fiscal year 1976, the bill authorizes $200 million, which we estimate will provide 425,702 meals per day; and

For fiscal year 1977, the bill authorizes $250 million which would provide 532,128 meals per day.

### INFLATION

Mr. Speaker, let me take just a minute to comment upon the modest increases in authorizations included in H.R. 11105.

We provided these increases, Mr. Speaker, because we felt, first, that even given the difficulties the program has experienced in its first years, it has still proven to be an overwhelming success.

For the testimony of participants in the programs—the elderly beneficiaries themselves, as well as project directors, advocates for the elderly, and the administration, clearly indicated overwhelming approval for, and support of, the nutrition program for the elderly.

But I want to tell my colleagues, also, Mr. Speaker, that the increases authorized by this bill are needed if we are to begin to make good on our promises to America's elderly citizens.

For the astonishing and unprecedented inflation which we have been witnessing in this society has, not surprisingly, already had a severe impact on the nutrition program—and we anticipate further corrosive effects of inflation upon the projects funded under title VII.

Indeed, I should tell my colleagues that although early in 1973 the administration estimated that the 1973 appropriation would provide 250,000 meals daily, inflation is taking food from the mouths of the elderly. For the latest estimates indicate a decrease in the number of meals that will be served to a new total of 212,000.

Mr. Speaker, commonsense tells us that inflation will continue to keep its hand in our pockets.

Indeed, Mr. Speaker, to my great surprise, members of the administration appear ready to admit that hard times lie ahead.

Take the testimony of John T. Dunlop, Director of the Cost of Living Council, before the House Banking and Currency Committee on March 6.

Said Mr. Dunlop:

> The inflation in the prices of primary commodities in 1973-74 has been worldwide, unexpected, and beyond the range of previous experience.

And he continued, citing one of the primary commodities which significantly affects the price we pay for food in the supermarket:

> The cash price of No. 1 Hard Red Winter Wheat at Kansas City on February 25, 1974, was $6.19 a bushel, the highest price recorded. Prior to 1972, the highest price was $2.97 in December 1947.

Concluded Mr. Dunlop:

> The full range of primary commodities—feed grains, fibers, metals, and energy—have reflected a virulent price inflation this past year.

Mr. Speaker, the "virulent price inflation" described by Mr. Dunlop had already, this past year, taken 38,000 meals, each day, from the elderly.

And given the rather shocking price increases for primary products cited by the administration's Cost of Living Director, we would be engaging in wishful thinking if we anticipate that inflation will cease in the short term.

That is why, Mr. Speaker, the Committee on Education and Labor thought it prudent to provide for increased authorizations in H.R. 11105.

### OVERWHELMING SUPPORT

Mr. Speaker, the bill before us today has the overwhelming support of the members of the Committee on Education and Labor on both sides of the aisle.

It was reported out of the Select Subcommittee on Education, which I have the honor to chair, by a unanimous voice vote.

It was reported out of the Committee on Education and Labor unanimously.

The Secretary of Health, Education, and Welfare, Mr. Caspar Weinberger, in speaking of the nutrition for the elderly program, wrote in a letter to former Commissioner of the Administration on Aging, John Martin:

> I would like to assure you that the Administration would under no circumstances start such a substantial program and then propose it to lapse. . . .

Mr. Speaker, I hope that there is equally strong support on both sides of the aisle for H.R. 11105.

I should like to yield to the gentleman from Florida (Mr. PEPPER), the original sponsor of the measure.

Mr. PEPPER. I thank the gentleman for yielding.

Mr. Speaker, I am proud to have been the original author of the present bill and to have been associated in the authorship of this bill with the distinguished chairman of the subcommittee, the gentleman from Indiana (Mr. BRADEMAS) and others who support this worthy, very meritorious measure.

There are literally millions of elderly Americans who do not get enough food to eat every day. This bill is not going to buy all of the food that all of those needy people should have, but it is a good beginning toward that kind of a program.

This legislation not only provides at least one good meal a day for the elderly, it provides transportation to the site of the meals or for meals being sent to their homes if they are not able to get out. It also contemplates that there should be, in connection with the meals, a place where there would be social services rendered, recreational opportunities provided, and educational and cultural advantages enjoyed.

This bill envisages, in short, that eventually these places where the meals are served will be, in effect, clubs for older people, where they can receive enjoyment and stimulation as well as nourishing food. We know that simply providing a hot meal for a person does not appreciably alter a person's lifestyle. But providing the meal in a congenial social setting and exposing the elderly to other activities such as casework, health services, recreation and leisure time activities, can appreciably alter their lives and enable them to remain self-reliant and independent.

Mr. Speaker, I strongly urge the passage of this legislation to provide for a very modest extension and expansion of the nutrition program for the elderly for the next 3 years.

Mr. BRADEMAS. I thank the gentleman from Florida.

Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the committee, the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker. I rise in strong support of H.R. 11105 as amended by the Committee on Education and Labor.

Initially, I want to compliment our distinguished colleague, JOHN BRADEMAS, chairman of the Select Subcommittee on Education. A great deal of time and activity of the select subcommittee has been devoted to bettering the lives of the elderly. Under the competent and dedicated leadership of JOHN BRADEMAS, the subcommittee has carefully monitored the implementation of the comprehensive legislation for older Americans enacted last year. The determined and careful manner in which the subcommittee has carried out its responsibilities is an excellent example of how oversight should be handled by the Congress.

The program that will be extended by the legislation being considered here today is a better program because of the continuing attention and study Chairman BRADEMAS and his subcommittee have given as the nutrition program has developed in the last 2 years I want to congratulate not only Chairman BRADEMAS but also the other members of the subcommittee on both sides of the aisle for their work.

I would be remiss, however, Mr. Speaker, if I did not also mention the significant role our colleague from Florida—Mr. PEPPER—has played in the development of this program. He was the original sponsor of legislation to establish a nutrition program for our senior citizens. His foresight in seeing the need for this kind of program is matched only by his continuing interest in and strong support for the nutrition program.

Mr. Speaker, this is a simple bill and it is one in which every Member of this body can concur. There is absolutely no quarrel with the proposed extension of this program—that the program be extended has been universally accepted.

With regard to the length of the extension, I am in full accord with the committee bill, which extends the program for 3 years. To do less would in my judgment raise serious questions regarding the Federal commitment in this area. It is important that the Congress express its desire to continue the program and to provide it with stability. In proposing the 3-year extension, we will provide needed stability and continuity to a program which we support because of its documented benefits to elderly citizens in greatest need.

As to the authorizations proposed, we should know first that the proposed authorization for fiscal year 1975 is the same as the fiscal year 1974 authorization—$150,000,000. The administration has requested for fiscal year 1975 an appropriation of $100,000,000. The proposed authorization is in excess of this but I believe it is wise and justified. As detailed in the committee report, this program is very vulnerable to inflationary trends, particularly insofar as basic costs are related to the price of food and the cost of transportation.

We all know of the spiraling inflationary rates for both items. It is, therefore, important and, in my view, necessary that there be sufficient flexibility in the authorization figure to allow for necessary increases.

The subsequent authorizations of $200,000,000 for fiscal year 1976 and $250,000,000 for fiscal year 1977 are, indeed, justified not only because the program should be expanded to reach more needy elderly citizens, but also in view of what appears to be continued increasing costs for food and transportation.

Mr. Speaker, I know of no opposition to this bill and accordingly, I urge all Members of this House to support this measure.

Mr. BRADEMAS. Mr. Speaker, I yield to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. I thank the gentleman for yielding.

Mr. HECHLER of West Virginia. Mr. Speaker, I commend the gentleman from Indiana for bringing out this bill and for his leadership in connection with it, a bill which means so much to the people of this Nation.

Mr. Speaker, I am pleased to rise in support of H.R. 11105 which is providing hot meals for the elderly in 33 of West Virginia's 55 counties. Right now, 760 West Virginians are receiving hot meals under the program which will be expanded in the next several months to feed 1,700 residents in the Mountain State. Our State received $934,000 in Federal funds for the current fiscal year.

The program, which includes Meals on Wheels, operates 71 feeding centers in West Virginia. The meals, prepared at a cost of 80 cents to $1.40, are available free to elderly citizens and at costs ranging from as little as 10 cents to 50 or 60 cents depending on the ability to pay.

As you know, Mr. Speaker, people aged 60 and over, together with their spouses, are eligible for this nutrition program, and there is no means test. Also, this legislation provides a portion of money to transport the people to the meal centers or the meals to the people. This is highly important in West Virginia because of a lack of sufficient public transportation facilities.

I am pleased to support this program which operates under the West Virginia Commission on Aging in my State, with two senior citizens groups and 10 community action programs handling the programs in the various counties including Cabell, Wayne, Logan, Raleigh, Mercer, and Mingo in my congressional district.

Mr. BRADEMAS. Mr. Speaker, I reserve the balance of my time.

Mr. ESHLEMAN. Mr. Speaker, I rise in strong support of this legislation.

Mr. Speaker, I urge approval of this

bill, H.R. 11105, which would extend for three years the authorization for title VII of the Older Americans Act—the program of nutrition for the elderly. As the ranking Republican member on the Select Subcommittee on Education, which has jurisdiction over this legislation, I support this program wholeheartedly.

After a number of years of very successful pilot projects providing assistance for local nutrition programs for persons 60 years of age or older, the Congress in 1972 enacted title VII of the Older Americans Act with an authorization of $100 million for fiscal 1973 and $150 million for fiscal 1974. The President requested and the Congress appropriated the full authorization for fiscal 1973, but in the absence of final enactment of an appropriations act for fiscal 1973, the funds never became available. However, a supplemental appropriations bill was enacted late in 1973 providing $100 million which was made available until December 31, 1973, and the program was able to get started. $104.8 million has been appropriated for fiscal 1974. Despite this slow start in Federal funding, the program is now off to a good start because of the experience which had been built up at the local level and because of the very determined and skillful administration of Dr. Arthur S. Flemming, the former Secretary of Health, Education, and Welfare, who is now Commissioner on Aging in that department.

In 1973 we completely rewrote the Older Americans Act to provide more support and more encouragement of State and local efforts to provide services for older Americans. The keystone of the new act is title III which reorganizes the State delivery systems for providing these services and makes substantial Federal assistance available on a regular basis, rather than through support for pilot projects. Title VII—the nutrition program—is closely tied into the new title III and is probably the most important component of comprehensive services for the elderly.

The objective of providing one hot meal a day in a social setting—and of "Meals on Wheels" services for those who cannot leave their homes—serves more than a nutritional need. The nutritional needs, and particularly of needy older persons, are particularly great. It is widely recognized that older persons as a group are particularly vulnerable to poor nutrition. But this program also serves social, medical, and informational needs which for many senior citizens are critical to their well-being. It provides a focal point for the delivery of other services.

We probably have just scratched the surface of meeting the needs of the elderly for nutritional and related programs, and it is important that we continue the authorization for title VII for several years at a time and at adequate authorization levels in order to give it a sense of continuity and priority which will reassure people at the State and local level of continued Federal interest. We must not lose sight of the fact that the Federal funds generate additional public and private support at the local level, and that this is very largely a volunteer program in terms of the actual delivery of services.

Therefore, I see no problem at all with the authorization levels in this bill. The 1975 authorization is held at the 1974 level of $150 million, with increases to $200 million and $250 million for fiscal 1976 and 1977. This allows room for an orderly growth in the program, which today is serving only 200,000 persons on a regular basis, and also for the effects of inflation which are being felt rather sharply in food prices. An unknown factor in possible cost increases in the program is the effect of fuel shortages on the availability of volunteers to work in these programs. My information is that 27 percent of the projects are reporting a severe impact on the number of volunteers available due to gasoline shortages. Hopefully this is a short-term situation, but we must be prepared for contingencies. As I have said, this program relies very heavily on volunteers, and that is one of its strengths.

For these reasons, and because this is one of the very effective things we are doing to help those who richly deserve our encouragement, help, and respect, I urge speedy enactment of H.R. 11105.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I rise in support of H.R. 11105, which would extend for 3 years the authorization for the nutrition for the elderly program authorized by title VII of the Older Americans Act.

This will extend the authorization for this program 2 years beyond the expiration of the rest of that act. There has been this 2-year gap between the two since we added title VII in 1972—the year the rest of the act expired—with a 2-year authorization for 1973 and 1974. I hope that when we extend the rest of the act we make all of these programs coterminous, but I do not believe that our failure to do so is any objection to this bill. While it is true that the administration did suggest a simple 1-year extension of title VII, there is no suggestion that this will not be an ongoing activity, and I feel that State and local people who run the nutrition program—very heavily through the help of unpaid volunteers—need the assurance of continued support that this 3-year extension provides.

Similarly, for the reasons which have been discussed already and are outlined in the committee's report, I see no objection to increases in the authorization for fiscal 1976 and 1977. The fiscal 1975 authorization of $150 million remains unchanged from that of 1974—under which we have appropriated $104.8 million. We need to allow for an orderly expansion of this program. When we first authorized $100 million for it for fiscal 1973, for example, there was nothing in the budget for it other than continued support for pilot projects—but the President amended that budget to request the full $100 million authorization.

Not only do we need an orderly expansion of this program, but as has been pointed out, we need to be able to take account of inflation in costs and of the possible impact of gasoline shortages on the availability of volunteers.

This program has been tested over a period of years all across the Nation in urban and rural settings and has proved to be an extremely useful instrument for the delivery of a wide range of services to the elderly—and particularly to those living on meager incomes. Our 1973 amendments to the Older Americans Act closely keyed title VII nutritional services to the whole range of services supported under title III of that act and provided through State and area programs. Since the provision of nutritional services frequently is the focal point for providing other needed assistance, the integration of these efforts and their coordination is extremely important. I think that Commissioner Flemming and his staff at the Administration on Aging have been doing an admirable job of helping the States to bring this about. But much more effort is needed.

And I would like to make a point about that greater effort which I think needs stressing; and that is that the Federal Government alone, and Federal funds alone, will not reach all the elderly who need the kind of services encouraged under the Older Americans Act.

Precise figures by congressional district are not available, but by the best analysis I can make there are at least 15,000 persons in my district who are 60 years of age or older and whose income falls below the poverty level. Yet this year we shall reach only about 250 individuals in my district with the nutrition program with an expenditure of $45,000 in Federal funds and $5,000 in local funds—with an additional $9,100 available as income from the program from those recipients who pay for meals. Obviously, we could increase the Federal funds many times and not reach all the people who are in need of such assistance.

Therefore, it is very important that to the maximum extent possible Federal funds be utilized to stimulate public and private action at the State and local level. I think that is one of the things our committee should examine rather carefully when we again review the operation of the Older Americans Act—the extent to which this has occurred. This is one of the objectives of the present act, but I think that in terms of providing services to all who may need them it may be one we have not sufficiently stressed.

I think it is also necessary to examine the relative strengths of the so-called income strategy—by which we attempt through social security increases and other means to provide the income to people which will permit them to purchase the services they need—and the services strategy as exemplified by the Older Americans Act whereby we encourage the delivery of services to individuals in need. My guess is that we need a balanced use of both strategies to meet the needs of our senior citizens whose problems are complicated by such factors as isolation, loneliness, and physical infirmity. But we need to have a more informed examination of such issues, and many of the provisions of the

Older Americans Act are designed to help provide that sort of information.

But these careful evaluations are for the future. Meanwhile, the title VII nutrition program is producing excellent results for the individuals who are being served and is well worth our continued support. It is helping meet several of the most critical needs of our older population. I urge enactment of H.R. 11105.

Mr. ESHLEMAN. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. PEYSER).

Mr. PEYSER. Mr. Speaker, we pass many bills in this House and I oftentimes wonder whether the legislation we are passing is really having an impact on the people it is intended to. I can assure the Members that this legislation does have an impact on those who it is intended to benefit. In my congressional district 150 meals a day are being served. If anything we are looking for expansion of these programs because we still have many elderly who are not being reached under these programs. There is a constant need not only to maintain but to enlarge these programs for the needy elderly. I just hope the House will vote again unanimously to support this legislation.

Mr. ESHLEMAN. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. HUNT).

Mr. HUNT. Mr. Speaker, I rise in support of H.R. 11105.

One of the reasons I have been interested in this bill is that I come from an area where we have many senior citizens who in their twilight years oftentimes have to resort to relief.

This morning it was my privilege to address a group of about 500 senior citizens representing 65 units in the southern New Jersey area. They are the most appreciative and the nicest people. They are not looking for any charity but what they are looking for is some help whereby they might maintain their dignity and at the same time get the proper nutritive values they so richly deserve.

I commend the committee for bringing out this bill. I think it is one of the best things we have done so far this year as far as helping elderly people.

We talk sometimes about the elderly and neglect sometimes the fact they are among the most hungry of our people. They are sometimes too old to make a respectable living as far as the monetary returns are concerned. Sometimes it is the elderly who are hurt the most, those who are on fixed income who are hurt the most by the rising inflation.

The members of this committee richly deserve all the merit and reward they can get for this legislation.

Mr. LONG of Maryland. Mr. Speaker, the Nation's elderly have had much of the purchasing power of their food money stolen from them by inflation. The nutrition program for the elderly bill would authorize funds to continue to provide the elderly with low-cost meals served in community centers where these citizens can also benefit from recreational and other social services.

In my State of Maryland, response to nutritional programs has been favorable. The fledgling program provided nearly 3,000 meals daily last year, but—with an inflation rate of nearly 10 percent—the number of meals served will drop to 2,500 per day this year.

Last year in Baltimore County a meal cost an elderly person $1.25—this year the same meal costs him $1.55. The county received $140,000 for its nutrition program this year, but that amount is not enough to reach the 8,000 older people in the county who qualify.

Continued funding of the nutrition program will accomplish two things:

First, it will allow for expansion of present programs so that more people will be reached; and

Second, it will help agencies to keep up with inflation.

Mr. REGULA. Mr. Speaker, I rise in support of H.R. 11105, a bill to extend the nutritional programs for the elderly. Earlier this Congress, a compromise, but unnecessarily expensive, version of the "Older Americans Act" passed this body and became law. This legislation while expensive did not meet the needs of many older Americans and although that legislation contained budget busting excessive authorization levels and cost inflating duplicative programs, a singular failure of that compromise was the lack of authorizations for special nutritional programs for the elderly. The bill before us today remedies that defect by providing $150 million in fiscal year 1975 increasing that amount by $50 million each fiscal year through fiscal year 1977 under the program.

During this time of fuel shortages, the mobility of many older Americans has been curtailed. Funds are already authorized in the act for transportation, home health and recreation, however, without adequate nutrition, those services are next to meaningless for many who must remain indoors or are handicapped. Programs such as the one we are authorizing today can provide new hope for a significant segment of our population.

I strongly urge that the 3-year authorizations contained in this legislation be passed as reported by the Committee on Education and Labor.

Mr. BROTZMAN. Mr. Speaker, I rise in strong support of this legislation and congratulate the committee on bringing it to the floor.

Mr. Speaker, ever since coming to Congress, I have held senior citizens' forums in my district each year. The basic purpose of these meetings is to hear firsthand the concerns and problems of these constituents. One of the continuing concerns is the adequacy of their diet, particularly in view of the high rate of inflation. This measure helps provide adequate nutrition for a group of Americans who have done much for this country, and I am pleased to add my voice in its support.

Mr. JOHNSON of California. Mr. Speaker, today we have the the opportunity to expand and improve one of the most beneficial programs for the elderly people of this Nation. Since its inception, the nutrition program for the elderly has proven to be a very valuable aid to our senior citizens. Through the legislation before the House at this time, the program can be improved and expanded to serve additional older Americans who deserve this type of aid.

Although the program had a slow beginning, due primarily to the difficulties we had in arriving at an agreeable level of funding for the Departments of Labor and Health, Education, and Welfare, in its limited existence it has progressed rapidly and holds great potential for the future in meeting the needs of our older Americans.

Food, shelter, and good health are basic needs of every American. Yet in this time of skyrocketing inflation, even these three basic needs are hard to obtain on the fixed incomes on which many of our senior citizens live. For many of the elderly, a small pension is the sole source of income.

Across our land, rents have been rising. In many communities rents have risen so rapidly that city fathers have had to enact rent control laws just to keep the situation under control. To further complicate the plight of the senior citizens, many of them are being displaced by urban renewal projects or apartment conversions to coops or condominiums, usually for higher paying tenants. When the money required for rent goes up, it means that the older persons must do without something else. Usually this means a reduction in food.

This highlights another of the problems facing every senior citizen. The cost of the food he needs to maintain a balanced diet has also gone up drastically in the last few years. On top of this, there are predictions of shortages of certain key foods and actual shortages of others. Therefore, it has become increasingly hard for the senior citizen to find the food he needs to maintain a healthy existence.

When his health does fail, he meets a new crisis. Today's medical costs are almost out of reach for many people. If the older American has a catastrophic illness, he knows his only hope is a quick death. There is no way that he can afford adequate medical care. It is difficult for many of them to afford the medicines they need on a regular basis for high-blood pressure, arthritis, or other common ailments among the elderly.

These three—shelter, food, and health—are necessities for us all. Many senior citizens must spend all of their monthly income on just these three items. This allows no opportunity for other expenses such as clothing, entertainment, or household upkeep. For some, their budgets are so tight that they most often cut down on one of these three necessities. The easiest to cut is food. Thus they develop, out of economic need, the bad habit of poor nutrition.

This is an oft repeated story which each of us has heard from our constituents. There is a ray of hope. That hope lies in the program being conducted as the nutrition program for the elderly. This program has produced favorable results. With additional funding, it can multiply its accomplishments.

In senior citizen centers, in churches, in schools, and in other nonprofit organizations meals are prepared daily for the elderly. Food is delivered to those who cannot come to the central serving unit. Through this program new friendship is developed between the shut-in and the meal carrier. It provides the homebound an additional contact with the outside world which is so important to their continued existence. Often these persons are unable to cook for themselves. Through this program, commonly referred to as the Meals on Wheels, these older Americans are again able to enjoy the benefits of a hot meal and good nutrition.

For those who can get out to the various places where the meals are prepared, the program provides not only the benefits of a good hot meal and fellowship with other elderly people, but also an expanded program to provide them with recreation, nutrition education, and other activities designed to meet the particular needs of the elderly in that community.

Mr. Speaker, this is just the beginning of this great success story of the nutrition for the elderly program. Great joy is brought to the hearts of many citizens of our Nation through this program. That cannot be measured in dollars and cents. Neither can the improved health and well being of the people served by the program be evaluated in this way. I assure you and my colleagues that this program so ably conceived by the select subcommittee has proven itself to be of tremendous assistance to the aging. Through this program we can help a large portion of our American citizenry. I hope that we can demonstrate our solid support today by casting our votes for the expansion and improvement of this most worthy program.

Mr. WIDNALL. Mr. Speaker, I rise in support of the full continuation of the nutrition program for the elderly, proposed in H.R. 11105. As a member of the House Republican Task Force on Aging, I am fully aware of the importance of this bill. This program was conceived in recognition of the terrible circumstances involving some of our low-income senior citizens. It is a demonstration program, intending to serve as a comprehensive treatment of nutritional and service needs for these most deserving members of our population.

Although the program has been active for only 8 months, some very creditable achievements have already been recorded. As of March 8, 1974, for example, 62 percent of the first year's objectives have been reached. This amounts to 123,000 meals per day as measured against an objective of 212,000. Of course, these figures give no measure of the value of the many services that are being provided in conjunction with the meals, such as transportation, social services, home health, recreation, and aid to the handicapped. Further, it is certainly noteworthy that the program is currently active in all but one State.

With this great beginning, we must realize that we are serving only 1 percent of the identified need. We simply must continue this effort and we must succeed, for it is a critical and urgent need that we seek to fill.

We can do no less than continue this effort, at least at the level recommended in H.R. 11105. As we gain experience and find ways to combine Federal resources with State and local resources, we will find the opportunity to evaluate and reconsider all aspects of this program. In the interim, we at least have the assurance that this program is working and in progress, and seeking to enhance the lives of our deserving older Americans.

The provisions of this bill allow us to show America's senior citizens they have not been forgotten. These are citizens who have worked all their lives and who now deserve, at least, the assurance of a decent meal and the supportive services contained in this measure.

Mr. Speaker, I urge the prompt enactment of this most important legislation.

Mrs. GRASSO. Mr. Speaker, the nutrition program for the elderly symbolizes our commitment to the elderly Americans who have given so much to this country. Since its passage in 1972, the program has offered hope and assistance in the fight against inadequate nutrition in the diets of older Americans. Unfortunately, the authorization for the program expires on June 30, and unless it is extended the programs will no longer be able to serve our senior citizens.

To insure the continuation of this vital project, I am proud to be a cosponsor of H.R. 11105, a bill to extend the nutrition program for the elderly for 3 additional years. The bill would authorize $150 million for fiscal year 1975, $200 million for fiscal year 1976, and $250 million for fiscal year 1977.

The elderly spend an estimated 30 percent of their income on food, and today's astronomical food prices have had a more devastating impact on them than on most consumers. Under present circumstances, many older Americans have been forced to make the unnecessary decision between food and fuel or other necessities. The nutrition program for the elderly provides grants to States to pay up to 90 percent of the costs of establishing "hot meal" programs for people 60 years of age or older and their spouses. These low-cost nutritionally sound meals are served in strategic locations such as community centers, senior citizen centers, schools, and churches. Here the elderly citizen may escape isolation and come in contact with other people in the same age and interest range. The program also arranges to provide meals for those people who are unable to leave their homes.

During this fiscal year, Connecticut is receiving $1,360,000 for the nutrition program, or about one-fourth of what it could utilize. At the present time, 10 regional programs are operational throughout the State—two of which began last month—and serve about 1,925 meals per day. Additional programs are being funded and the full statewide program is expected to serve 2,500 meals per day.

In my Sixth District, the central Connecticut area is served by programs in the greater New Britain and Bristol areas. Another program in Enfield receives funds from the Capital Region program operated by the Community Renewal Team of Hartford. In addition, operations have begun for programs in Newtown, Thomaston, Southbury, Watertown, and the towns of the Litchfield Hills area.

Few people can deny the need for this program and few can deny the enthusiastic response which has accompanied the implementation of the 1972 law. Under these circumstances, not extending the nutrition program for the elderly would be tragic. The fact that so many of my colleagues on the subcommittee and full committee are cosponsoring this 3-year extension underscores the value of the program and the overwhelming support of the Congress for it.

Mr. Speaker, too many Americans are robbed of their dignity and independence in their later years by inflation and loneliness. By providing for the continuation of the nutrition program for the elderly, we will insure for our senior citizens the continuation of their self-reliance, health, and well-being.

In February 1972, the House passed the original authorization for the nutrition program for the elderly by a vote of 350 to 23. I am confident that today we will again show our overwhelming support for this beneficial program by suspending the rules and passing H.R. 11105.

Mr. MOAKLEY. Mr. Speaker, I rise in support of H.R. 11105. The nutrition program for the elderly is a worthwhile project which deserves our utmost support.

The Older Americans Act was a step toward fulfilling our responsibility to deal with the problems of older Americans by planning a comprehensive program. The nutrition program for older Americans is part of this effort. It deserves additional support so that a greater number of older people will be able to receive daily meals.

By the time this bill becomes effective, the cost of each meal is expected to rise to $2. This means that approximately 100 million additional meals per year will be served as a result of this amendment. This in turn means that 20 million additional elderly will be fed by the nutritional program.

In my own city of Boston, the increased authorization means that 1,500 people would be added to the 1,000 fed by the nutritional program for the elderly at the present time. Although this will not solve all of the problems facing the elderly in Boston, or any other part of the country for that matter, it will certainly make a difference to the thousands who would otherwise go hungry.

We must look upon this bill not as a solution, but as a step toward a solution. This means that we must not only vote for this bill today, but we must commit our energies to an idea. We must assert our determination that the problems of the elderly are of vital importance. We must get on with the business of legislating relief for these people.

We must not look upon the large amount of money authorized by this bill as an obstacle. We must consider the millions of additional meals which senior citizens will receive. Many of these people would not otherwise eat a well-balanced meal at all.

It is equally important though, that we pass this bill, and go on to pass other legislation which will provide greater assistance to the senior citizens of our community. The elderly have devoted their lives to making America work, and are now being left to starve and die, because they cannot afford to eat properly and take care of their health.

No country as rich as ours can justify treating their old in this manner. No responsible Congress should accept anything short of maximum relief for the greatest number of older Americans. I hope that this amendment points out to us the severity of the problem facing older Americans. It is solving those problems which we must direct our energies to.

Mr. BINGHAM. Mr. Speaker, I rise to urge my colleagues to act quickly and favorably on the legislation before the House today, H.R. 11105, which would extend title VII of the Older Americans Act, the national nutrition program for the elderly. This bill, which I had the honor to cosponsor, does not substantially change the program as first enacted in Public Law 92–258; it simply extends it for 3 fiscal years and provides modest increases in the authorizations for fiscal year 1975—$150 million; fiscal year 1976—$175 million; and fiscal year 1977—$200 million. This bill is designed to provide permanent financing for projects across the country which will assist in meeting the nutritional and social needs of persons aged 60 and over. House passage of this legislation should help discourage the administration from phasing out this nutrition program or cutting its level of funding. Furthermore, favorable congressional action will help meet our responsibility to help the elderly of this Nation deal with the basic problems of old age.

Over 20 million people in this country are over the age of 60 and of these, 4.7 million or 20 percent live in poverty. When you include the near poor, especially in urban areas where rents and food are so high, this percentage is closer to 40 percent. In New York City alone out of a population of 1,300,000 aged 60 or older, approximately 300,000 are below the poverty level.

The plight of the elderly poor is tragic. Barred from most employment opportunities, plagued by inadequate fixed income, rising rents, increasing food costs, social isolation and health problems, they have few friends and family to turn to, and are reluctant because of pride, fear and lack of knowledge to utilize the governmental services available to them. In urban areas like New York City, their plight is even more tragic as rising crime makes many virtual prisoners of their homes, thus increasing the potential for malnutrition, mental, and physical deterioration. It would be unconscionable to ignore these problems of people who have contributed so much to this Nation's growth. One measure of a nation's greatness is reflected in its concern for its disadvantaged and elderly citizens.

The permanent programs established by Congress to meet the needs of the elderly are part of our commitment to fight the problems encountered by persons over 60. The Older Americans Act of 1965 set up a Federal Administration on the Aging and among other things authorized research and demonstration projects in many areas of elderly need. One such program authorized the employment of elderly citizens to provide community services including the preparation of hot meals in either group settings or individual homes. One meals project which had particular success was established in Miami, Fla., represented in part by my colleague, Congressman PEPPER. The success of this project plus the testimony and support from various senior citizen groups and experts on the problems of the aged, prompted Congressman PEPPER to sponsor legislation in 1970 to expand this nutrition program to a nationwide basis. I joined him, Senator KENNEDY and many others that year in sponsoring the legislation which eventually became Public Law 92–258. Unfortunately due to controversies over the Labor-HEW appropriations bill, for 1973, the new title VII program was not funded until July of 1973, and is due to expire in June 1974.

When we passed the legislation in 1972, we hoped to have 2 years of experience behind us before amending and extending the program. Because of the delay in funding we now need more time to evaluate its implementation on a nationwide basis before making any major changes in the workings of the program. A 3-year extension is therefore essential.

One might ask why Congress considers nutrition for the elderly so important that it is singled out for special attention. Since 1965, in the course of numerous hearings on the Older Americans Act and related legislation, a central theme emphasized by experts on aging has been the importance of nutrition for the elderly. One expert noted that—

> When poor nutrition exists and persists in the older adults, it serves to intensify the severity of other conditions which accompany the process of aging. By not specifically dealing with the problems of adequate diet in the elderly we encourage the spiral of chronic disease, physical and psychic disability, and ultimate institutionalization.

This basic fact prompted several White House Conferences and Advisory Committees on Aging to recommend a national commitment to eliminate older American malnutrition and isolation. As the former U.S. Commissioner on Aging, John Martin, noted in testimony on the original legislation:

> I have reason to believe that any investment in improving the nutrition of older people will be substantially offset by savings in other publicly financed programs. We do not know how much poor nutrition is costing in Medicaid or Medicare dollars, let alone misery, illness and premature senility.

The success of the nutrition programs now in operation is encouraging. Hot meals are being provided across the Nation by senior citizen centers, schools, churches, synagogues, and other social settings in areas with concentrations of elderly poor. These programs offer not only nutritious meals, but friendship and companionship for many senior citizens as well. They also provide employment for many elderly people who still have the desire and the capacity to work, giving them the great satisfaction of being able to help their peers. This part of the program is especially satisfying to me, because I have been active in the effort with Senators WILLIAMS and KENNEDY since 1965 to provide Federal funds to support community employment for senior citizens. It is clear that through the operation of the nutrition programs for the elderly that we are providing a worthwhile outlet for this valuable energy.

It is important to point out that the present authorized level of funding is woefully inadequate. In New York City, for example, there are presently in operation many senior centers which provide one nutritious meal daily to the elderly. These programs are currently funded by the New York City and State governments with substantial Federal aid under title XVI of the Social Security Act and are feeding 10,000 seniors daily. Significant as these programs are, they do not come close to meeting the needs of the estimated 82,000 persons over age 60 in New York who need daily meals. Thus the nutrition programs for the elderly under title VII will be an important added boost for senior citizens in New York City. Under title VII New York City is to receive over $4 million in Federal funds which will add some 10,000 meals daily, bringing the total to 20,000, but even this number is only one-fourth of the estimated daily meals needed for the elderly in New York City.

The New York City Office of the Aging, charged with administering the title VII nutrition program, sought applicants for the new program throughout the city. They could offer 63 sites for the programs, which would each be allocated $68,000 annually and feed 150 seniors each day. They received an overwhelming response of more than 300 applications for the 63 sites, truly reflective of the enormous need of the elderly in New York City. The Office of the Aging is now selecting the best program sites from these 300 applications, taking into consideration those areas which need sites most desperately. This task has taken many months of careful selection and has resulted in severe disappointment for many groups which did not receive funding.

I have had the opportunity to visit several of the senior citizen centers operating in my district and have been deeply touched by what I have seen. The nutrition programs have brought out of isolation hundreds of senior citizens who formerly remained lonely and totally uninvolved with the world around them. The nutrition programs have encouraged numerous older Americans to participate actively in the affairs of their senior centers and have stimulated new and lasting friendships among the members. I might add however, how personally distressing it has been for me to see these centers forced to close their doors to so many elderly who need a hot nutritious meal. Unfortunately, there are limits to the amount of people a center can serve and, once that number is reached, the doors have to be locked and many hungry elderly people have to be turned away, a truly pathetic sight.

Just last week one of my staff members who spoke to the director of the Mosholu-Montefiore Senior Citizens Center in the Bronx—which is now funded by title

XVI—was struck by the concern of the director over the absence of another senior center in the area. Mr. Jay Roth, director of the program, confirmed our belief that the Montefiore Senior Center was operating extremely well and that the nutrition programs served as a link to the active participation of senior citizens in many of the center's activities. Yet Mr. Roth noted that the center was operating "too well." Registration at the Mosholu-Montefiore Senior Center is up to 600 persons, which mean that individuals who desire the lunch offered by the center can receive the meal 2 or 3 days a week at the most. Furthermore, there is a list of about 600 persons who would like to join the center. This would double the center's membership and reduce to one meal every 2 weeks the nutritional assistance that the center could supply for each senior citizen, all of whom need hot meals much more frequently. It is quite obvious that an additional senior citizens center is greatly needed in this area and in hundreds of other areas across this Nation. Unfortunately the funds are not yet available. The Bronx has been alloted eight centers to operate under title VII funds for its 245,000 citizens over the age of 60. This means for every 30,000 seniors there will be only one center. Obviously due to other programs in the Bronx the ratio is not quite that bad yet it is clear that the present funding is not sufficient.

A nation as affluent as ours should consider it a privilege to be able to offer its most respected citizens the chance to benefit from their long years of hard work by providing meals, employment, and social fulfillment on a daily basis. I trust that my colleagues will move swiftly to pass this legislation and follow up this action by increasing the funding for this vital nutrition program for the elderly.

Mr. MEEDS. Mr. Speaker, I urge the passage of H.R. 11105, to extend and expand nutrition programs for Americans over 60 years of age.

As one of the original sponsors of the Older Americans Act, I am delighted with the progress that has been made toward lessening the isolation of senior citizens and improving their diet.

The Puget Sound region and Snohomish County in particular have been in the national forefront of developing hot lunch and meals-on-wheels programs. Hundreds of older Americans receive one hot, nutritious meal a day in Snohomish County through senior centers in South County, Everett, and Arlington.

Nationally, the Administration on Aging estimates nearly 81,000 meals are being served daily to Americans age 60 and over. By the end of the fiscal year, that figure is to increase to 212,000 meals a day. Seventy percent of the recipients are below the poverty threshold.

One of the advantages of this program is that it brings senior citizens out of their apartments or homes and to a community center where other health or supportive services can be made available to them.

H.R. 11105 extends the nutrition program for the elderly for 3 years. It would authorize $150 million for fiscal 1975, $175 million for fiscal 1976, and $200 million for fiscal 1977.

Mr. Speaker, I have witnessed a lot of Federal programs, but none where Federal dollars are being put to better use.

Mr. DONOHUE. Mr. Speaker, as a sponsor of the original Older Americans Act, I urge the House to overwhelmingly approve this bill before us, H.R. 11105, to extend the nutrition program for the elderly for 3 years with the limited appropriation increases that are required because of the inflationary spiral that has been most recently accelerated by the energy crisis.

In substance this bill reaffirms the original intent of the Congress to provide our older citizens, especially the needy, with at least one hot meal a day over 5 days a week in accessible community centers in an effort to assure our eldrely of an adequate diet and to help reduce the depressing loneliness that too often and unnecessarily overcomes our aged people.

I am gratified that the authoritative testimony of the Administration on Aging demonstrates the efficacy of the nutrition program and their statistics show that 70 percent of the meals served are directed toward persons below the Census Bureau's poverty threshold and that 37 percent of the recipients are members of minority groups.

Mr. Speaker, it is only too obvious that in this unfortunate period of our history, inflation, a limited, fixed income, poor diet, and lack of transportation to essential services represent a real and tremendous threat to the physical health and spiritual morale of millions of our older citizens.

In the face of these factors I think it is very clear that enabling our elderly citizens to eat a good meal in a congenial surrounding and providing them with the opportunity to observe and participate in other activities such as casework, health services, recreation, adult education, and leisure-time programs can and will substantially improve the quality of their lives in those years when such wholesome encouragement is so urgently needed.

Mr. Speaker, any country that lays claim to being civilized has a great responsibility to reasonably care for and encourage its older people who have, in their time and turn, contributed and sacrificed so much for the continuing freedom and progress of their fellow citizens. This bill is intended to partly fulfill that national responsibility and obligation and I again urge its resounding approval.

Mr. MAYNE. Mr. Speaker, I rise in support of H.R. 11105, the bill amending title VII of the Older Americans Act to extend nutrition programs for the elderly, and call upon all Members to vote for its approval.

On October 25, 1973, I joined with the Congressman from Florida (Mr. PEPPER) and others in cosponsoring introduction of H.R. 11124, which proposed a 3-year extension of the special nutrition programs for the elderly with an authorization of appropriations of $150 million for fiscal year 1975, $175 million for fiscal year 1976, and $200 million for fiscal year 1977. The House Select Subcommittee on Education studied H.R. 11124 and identical bills including H.R. 11105, and amended the legislation to increase the authorization levels to $200 million for fiscal year 1976 and to $250 million for fiscal year 1977. I concur in these amendments and commend the Subcommittee and the House Education and Labor Committee for reporting this legislation favorably to the House.

I supported the original legislation providing nutrition programs for the elderly. Based on a recommendation of the White House Conference on Food, Nutrition, and Health, authorized in 1972 and implemented in fiscal year 1973, the original nutrition program for the elderly had an authorization of $100 million for fiscal year 1973 and an authorization of $150 million for fiscal year 1974.

This program enables low-income elderly to enjoy a low-cost, nourishing, and well-balanced hot meal each day. These meals are provided in senior citizen centers, churches, and other public and private nonprofit centers. The program affords an opportunity to provide other educational, recreational, and counseling services to the elderly as they gather for these daily meals. Meals may also be provided to the homebound elderly.

Under the program, the Federal Government underwrites the cost of equipment, labor, management, supportive services, and food on a 90–10 matching basis with the States. The elderly participant pays a low cost for the meal, or, in accordance with the policy of the local sponsors, the balance of the cost is provided from other public or private sources.

This program has become one of the most important and popular of the several programs initiated under the Older Americans Act, not only because it helps assure that participating senior citizens receive the nutrition needed for continued good health, but also because the personal contacts provided by participation in the program helps break up the isolation and loneliness which otherwise afflicts too many elderly citizens. Its value far outweighs its costs to the Federal and State governments and to the local sponsors.

As an early cosponsor, I strongly endorse the extension and increased funding proposed in H.R. 11105 as amended and urge its passage by the House.

Mr. BIAGGI. Mr. Speaker, I rise in strong support of the bill H.R. 11105 to provide appropriations for the older American nutrition program for the next 3 fiscal years. Passage of this legislation will insure that this highly successful program, which has thus far benefited millions of older Americans, will continue.

Since its inception in 1972, the nutrition program has received a great amount of support and acclaim from senior citizens across the country. In my own congressional district in New York City, I receive mail continuously from senior citizens expressing both their gratitude and support for this program.

The benefits for the average senior citizen go far beyond the mere providing of one hot meal a day, 5 days a week. The content of these meals is such that it promotes better health among its participants by providing them with a balanced and regular diet of high quality food.

In addition, many of the participants in the nutrition program are people living on fixed incomes. In light of the dramatic rise in food costs, a rise which hit 20 percent in New York City alone in 1973, the distributing of one full meal a day provides these individuals with real relief from the crushing burdens of inflation.

The nutrition program provides an additional equally as important benefit. Being that most of the meals under the program are distributed at clubs, churches, and schools, these senior citizens, who might otherwise face life of complete isolation, are now able to meet their friends and acquaintances at least once a day. This regular contact does a lot to lift the cloud of loneliness which covers so many of our elderly citizens today.

As a cosponsor of H.R. 11105, and a strong supported entire older American nutrition program, I am pleased at the opportunity to speak on behalf of this legislation. This bill will insure the continuation of this worthwhile program at least through 1977. The increased authorizations in the bill will allow for increased participation in this program by those senior citizens who are presently not included.

Mr. Speaker, millions of elderly Americans have come to rely on the nutrition program to provide them both with decent meals and meaningful social contact. Let us in the Congress continue our commitment to improving the quality of life for older Americans, a commitment which has this far resulted in an 11-percent increase in social security benefits, the establishment of a supplemental security income program for blind and disabled older Americans, and increases in annuities for retired Federal employees. The older American nutrition program has proved itself to be a meritorious program, worthy of continued funding. I recommend and expect its overwhelming approval this afternoon by my colleagues.

Mr. STEELE. Mr. Speaker, I rise to support H.R. 11105, to extend the nutrition program for the elderly. As Chairman of the House Republican Task Force on Aging, I am well aware of how effective this program is, both in preventing malnutrition among the elderly and in bringing people together for needed social contacts.

The nutrition program allows the elderly to seek vitally important help with dignity. All participants are given an opportunity to pay all or part of the cost of the meals that they receive. There is no degrading means test to be met and no one is turned away, because of the inability to pay.

My own State of Connecticut provides a solid example of the role this program can play. Connecticut received $1.3 million in the last fiscal year under this program, and set up 11 regional projects with those funds. Seventy separate meal sites were encompassed by these projects, and this program is now serving between 2,500 and 3,000 nutritious meals a day.

Mr. Speaker, so far a total of $98.6 million has been released to the States under the nutrition program for the elderly. Today's legislation will double that amount by 1977. In my view, this money is well spent. In this land of great affluence, there is no excuse for any of our elderly to go hungry, and this program goes a long way to prevent that from happening. I strongly support this legislation as a sound step toward establishing a permanent program of elderly nutrition, and urge its passage.

Mr. TIERNAN. Mr. Speaker, in 1972, Public Law 92-258 was enacted adding title VII to the Older Americans Act of 1965 to authorize a nutrition program for older Americans. In fiscal 1974 the Congress appropriated $104,800,000 for this program—$5,200,000 more than the President had requested.

The purpose of this program is to provide older Americans, particularly those with low incomes, with low-cost, nutritionally sound meals served in local community centers, such as schools, churches, and senior citizen centers. Besides promoting better health among the elderly through improved nutrition, the program is aimed at reducing the isolation of old age and meeting the social needs of our older citizens.

Many elderly persons do not eat adequately. First, in many cases, they cannot financially afford to do so; second, they lack the information and encouragement to select and prepare nourishing and well-balanced meals; third, they have limited mobility which may impair their capacity to shop and cook for themselves. Additionally, many of our senior citizens have feelings of isolation, rejection, and loneliness which sometimes discourages the preparation of a meal that will be eaten alone.

I am pleased that the Congress has recognized the need for and generously supported a national program to promote better health among the older segment of our population through improved nutrition. I am hopeful this program will go a long way in reducing the sense of isolation among our older Americans.

I rise in support of H.R. 11105. Mr. Speaker, I include an article from today's Christian Science Monitor in the Record at this time:

### More and More Elderly Rebuilding Lives of Activity

(By Florence Mouckley)

Five years ago Moshe Dove was asked to retire from his job as a maintenance engineer in a hospital. Soon after, he joined a senior citizens group in Venice, California.

Then he learned about a pilot project on the needs of the elderly at the University of California at Los Angeles—and today, well-read but with a modest formal education, he is teaching a course on the problems of aging at UCLA. Most of his students are undergraduates.

A Monitor survey finds that more and more elderly Americans are radically changing the stereotyped image of old people as lonely and aimless.

Older people are becoming active, involved with people and with life around them, and are giving of their skills, knowledge and expertise that they have accumulated over a lifetime, the survey shows.

#### ATTITUDES CHANGE SLOWLY

It is not happening in a flash. Ingrained attitudes of older people as "useless" are held by many elderly people themselves, as well as by a large segment of American society.

And "too many retirees just want to sit and be entertained," complains an official of one senior citizens' organization. "It's a constant struggle to get them involved in the community. We try to encourage volunteerism in our local chapters, but it's awfully hard to get new retirees involved."

Nevertheless, thousands of programs across the country—both public and private—are working at widening opportunities for the elderly.

Organizations such as the American Association of Retired Persons and the National Council of Senior Citizens, Inc., are out to give senior citizens a political voice and clout. Groups like the Gray Panthers are determined to change the image of "old people" and upset society's "putdown."

#### A SECOND CAREER

In New York City, Joseph Simon, a retiree with a chemical engineering degree and 52 years' experience in operating his own business, is now fully engaged in a second career.

He is a volunteer in the Retired Senior Volunteer Program (RSVP) sponsored by the Community Service Society of New York, a non-profit, federally funded social agency.

He works in RSVP's "two-together" program, which provides tutoring for children referred to it by the city's probation office.

One day recently, Mr. Simon was all smiles as he announced that one of his pupils—a 14-year-old who had reached the eighth grade but who could only read on a first-grade level—"knew 48 out of the 55 words that I tested him on. These are all the words he had difficulty in reading previously."

#### "I FEEL GRATEFUL"

Mr. Simon has very simple words to explain why he devotes his time to these youngsters: "I feel grateful that life has been good to me and I want to give some of it back."

Many older people, say those professionals who work with them have two basic priorities: to maintain their health and to supplement meager Social Security benefits. But beyond that they want significant relationships with other people, and activities that "mean something."

"What happened," says gerontologist Dr. James Peterson, "is that our society defined older people as socially 'useless' and they accepted that classification and they withdrew. It's partly their fault and partly society's fault for putting them on the shelf. Now, when we give them the opportunity to become part of the mainstream they love it."

Dr. Peterson, of the Ethel Percy Andrus Gerontology Center of the University of Southern California, came up with these findings from a study he undertook of middle-class older people in which there were 70,000 respondees:

Older people's interests and concerns are no different than those of the middle-aged or young people. They want to live an active life where they can put their skills and abilities to meaningful use. Their hobbies are pursued, not so much as hobbies, as for bringing them into contact with other people.

"We have determined from other studies," says Dr. Peterson, "that the difference between older people who get sick mentally or physically and those who don't is whether or not they have close friends or family. Good, meaningful relationships seem to be very basic to their well-being."

This is what Dr. Peterson sees for older people in the future: "They will be active, they will be learning—we've already proved that there is no serious diminution of mental ability with age. They will have 'senior power'—that is they will be advocates for their own position—they never have been up to now.

"Through organizations like the American Association of Retired Persons, which has legislative councils in every state in the union, the older person is beginning to feel not only involved but powerful and I think that's enormously important—a sense of their own worth and esteem."

What Dr. Peterson predicts is beginning to take hold.

### A CASEWORKER'S EXPERIENCE

Julian Marcus, a retired businessman who needed to supplement his income and keep his mind active, took a job as a caseworker with the Council on Aging in Columbia, Ohio.

He helped establish the Senior Citizens Placement Bureau of Franklin County, an offshoot of the Council on Aging funded by the Columbus Foundation and private enterprise. The placement bureau, of which Mr. Marcus is executive director, tries to find jobs for people over 55. The service is free. Mr. Marcus says the bureau has had good success.

"We found that these older people had talents because whatever you've done all your life is not taken away from you the day you retire."

Mr. Marcus says that the bureau is placing two out of every five people who apply for jobs. This is a much better record than many professional agencies, he claims.

Mrs. Lorraine Boardman, a retiree of San Diego, California, who taught school for 33 years, disproves the myth that all older people need sedentary jobs.

### BUSY PAINTING HOUSES

Mrs. Boardman now earns $30 a day house-painting, remodeling kitchen, bedrooms and garages, and enclosing breezeways, among other things. She has always been interested in working with her hands. As a youngster on the farm, she made sleds. And in her off-hours as a teacher, she helped colleagues with "handywoman" jobs.

Mrs. Boardman invites other senior citizens to get into this kind of work: "It's wide open. Anybody who has skill can usually find work right in his own neighborhood."

The teacher turned handywoman says she gets the same satisfaction out of her second career as she did from her first one—"a sense of creativity and accomplishment."

(Contributing to this survey are: George Moneyhun in New York, Curtis J. Sitomer in Los Angeles, Judith Fruitig in Chicago.)

Mr. BURKE of Massachusetts. Mr. Speaker, I rise before my colleagues in the House today to give my fervent support to H.R. 11105, a bill which will amend title VII of the Older Americans Act to provide for the extension and increased funding of the nutrition program for the elderly.

In this day of increasing economic difficulty for all Americans, it is incumbent on us to do all we can to help our senior citizens in every way that we can. Most of our senior citizens have struggled a lifetime to provide for their basic human needs, but now find that the money they have worked a lifetime to accumulate is being eaten up with every passing day as a result of inflation and the ever increasing cost of living.

The nutrition program for the elderly currently serves 70 percent of its meals to persons below the Census Bureau's poverty threshold. Thirty-seven percent of these recipients are members of minority groups. Surely our senior citizens must, at the very least, be allowed the right to have access to federally provided meals if they cannot provide these meals themselves. But more than just providing meals, the nutrition program for the elderly gives our senior citizens a chance to meet and socialize—a chance to share memories, and a chance to help each other cope with the problems of old age. Thus, the program is also aimed at reducing the isolation of old age by making available possible opportunities for citizens to meet on a regular basis in community centers that provide, in addition to nutritional services under title VII, recreational, health, and other social services.

In closing, let me remind my colleagues that our entire society today owes its entire existence to our senior citizens. We cannot, as human beings, ignore their needs. They have done so much for us, more than any one of us will ever realize. We must allow them the right to live out the rest of their years in peace, happiness, and contentment. It is for these reasons that I urge an immediate extension and an increase in funding for the nutrition program for the elderly.

Mr. GROSS. Mr. Speaker, as I said on March 13, 1973, a little more than a year ago, the Older Americans Act is a full-blown demonstration of what a little financial pregnancy means when attended by congressional spenders.

I pointed out then that in 1966, when the act received its first funding, the appropriation was $7.5 million.

The bill before us this afternoon, March 19, 1974, authorizes an expenditure of $150 million in fiscal year 1975; $200 million in fiscal year 1976, and $250 million in fiscal year 1977.

That is a total of $600 million.

Not a single Member of the House knows what the financial situation of this Government will be 6 months from now much less 3 years hence.

Mr. Speaker, this legislation is fiscally irresponsible and, therefore, unacceptable. With 68 other Members of the House I voted against it a year ago and I have no alternative but to vote against it today.

Mr. BIESTER. Mr. Speaker, I am pleased to rise in strong support of H.R. 11105, nutrition program for the elderly.

The 3-year authorization we are voting on today will serve to underscore our national commitment to a program of nutritional assistance to the elderly. Under the provisions of this legislation, one hot meal can be served 5 days a week, in congregate settings, to those individuals in the community 60 years of age and older. Because the program is designed to aid the needy this effort is having and can continue to have a tremendous impact in assuring that a larger number of our elderly obtain at least a minimum number of nourishing balanced meals each week. Since its inception, the program has accomplished much, and the increased authorizations provided for in this legislation quite correctly reflect the toll inflation has taken on the foodstuffs necessary for the program.

Plans are well underway in my district, as they are across the country, to take full advantage of this nutrition program. In Bucks County, for instance, four sites have already been designated to serve specific geographic areas with large populations of needy elderly. A conservative projection of senior citizens to be served initially under the hot lunch program is 115. Not only will meals be served to groups in the various churches and senior citizen centers, but 10 percent of the meals will be delivered to the homebound elderly. This phase of the program will complement an ongoing privately funded Meals on Wheels program which serves two meals each day to approximately 40 persons whose circumstances are such that they are unable to get around and must stay home. The lady who has supervised this program so well, Mrs. Elizabeth Ackley, has assumed the responsibility for organizing the county's elderly nutrition effort and will apply her expertise in this new but related activity.

The county's program will also provide supportive services which will strengthen the basic objective of bringing balanced meals to the elderly. Transportation to the congregate settings, nutritional education, health and welfare counseling and referral services and shopping assistance will all supplement the nutrition program. We cannot overlook a highly significant side benefit of this entire effort which is the opportunity it provides for companionship and daily contacts with other individuals among a segment of our population which tends to become increasingly isolated with advanced age.

As an early supporter of the nutrition program title added to the Older Americans Act in 1972 and as a cosponsor of elderly nutrition legislation in this Congress, I urge passage of this most beneficial and valuable measure.

Mr. ESHLEMAN. Mr. Speaker, I have no further request for time and reserve the balance of my time.

Mr. BRADEMAS. Mr. Speaker, I have no further request for time.

The SPEAKER. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill H.R. 11105, as amended.

The question was taken.

Mr. HILLIS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 380, nays 6, not voting 46, as follows:

[Roll No. 97]

YEAS—380

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp

Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Donohue
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford
Forsythe
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gilman
Ginn
Gonzalez
Goodling
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lent
Litton
Long, La.
Long, Md.
Lujan
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rarick
Rees
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—6

Archer
Collins, Tex.
Crane
Gross
Landgrebe
Symms

NOT VOTING—46

Alexander
Andrews, N.C.
Annunzio
Blatnik
Brasco
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Collins, Ill.
Dorn
Dulski
Fountain
Fraser
Frelinghuysen
Giaimo
Gibbons
Goldwater
Gude
Hanrahan
Hastings
Hogan
Jarman
King
Lehman
Lott
Luken
McClory
Metcalfe
Minshall, Ohio
Moss
Murphy, Ill.
Nix
O'Brien
Patman
Reid
Reuss
Rooney, N.Y.
Rostenkowski
Ryan
Steed
Stubblefield
Waldie
Whitten
Wilson, Charles, Tex.
Wyman
Yatron

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Annunzio with Mr. Gude.

Mr. Rooney of New York with Mr. Jarman.

Mr. Rostenkowski with Mr. O'Brien.

Mr. Dulski with Mr. Ryan.

Mr. Brasco with Mr. Hanrahan.

Mr. Carey of New York with Mrs. Burke of California.

Mr. Giaimo with Mr. Goldwater.

Mr. Murphy of Illinois with Mr. Lott.

Mr. Yatron with Mr. McClory.

Mr. Metcalfe with Mr. Lehman.

Mrs. Collins of Illinois with Mr. Minshall of Ohio.

Mr. Reid with Mr. Whitten.

Mr. Stubblefield with Mr. Luken.

Mr. Steed with Mr. Charles Wilson of Texas.

Mr. Fountain with Mr. Hogan.

Mr. Andrews of North Carolina with Mr. Wyman.

Mr. Fraser with Mr. Patman.

Mr. Nix with Mr. Blatnik.

Mr. Moss with Mr. Gibbons.

Mr. Waldie with Mr. King.

Mr. Reuss with Mr. Dorn.

Mr. Alexander with Mr. Frelinghuysen.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

## JANE FONDA IN THE U.S. CAPITOL

(Mr. MARTIN of North Carolina asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MARTIN of North Carolina. Mr. Speaker, I commend my colleagues for their participation yesterday in an overdue effort to brand the words and actions of Jane Fonda, for what they are. She and her fellow travelers have provided the most effective propaganda available to the North Vietnamese Government.

We must recognize that without equipment and weapons from the United States, the South Vietnamese could not resist the North Vietnamese, whose arms come from their Communist neighbors to the north. The current campaign led by Miss Fonda has the purpose of demoralizing our resolve to continue to provide weapons for the self-defense of the South Vietnamese people. The Paris Peace Accords have not led to any relaxation of the North Vietnamese invasions, nor has it produced the promised information as to the fates of thousands of Americans missing in action.

So it is clear that what Miss Fonda is up to now is the further propagandizing on behalf of victory for the North Vietnamese. Her recent use of congressional committee rooms to advocate a halt to U.S. aid to South Vietnam is another scandalous step in her road to "peace by default." I will not quarrel with the right of other Members of Congress to entertain whom they please in Government facilities or to promote whatever cause, because I would rather their alliances be clearly known to the public. But her so-called Seminar in American Imperialism is no less shameful, whatever its sponsorship.

Dissent has its rightful place, but I object that the U.S. Capitol is not that place for revolutionaries whose actions would have been considered treasonous had they occurred in 1918 or 1944 instead of 1972.

Along with other Members of Congress, I attended luncheon yesterday with eight American servicemen who were held prisoners of war in North Vietnam for a combined total of 55 years. They reported that the most devastating weapon used against them to break their resistance was not the physical or psychological mistreatment, but it was the recordings of anti-American statements by Americans visiting in North Vietnam. They cited particularly filmed statements by Miss Fonda, telling Hanoi, "I come to you as your comrade," and her radio appeals to American servicemen to refuse their orders and not prepare airplanes for combat missions.

Several of these men expressed the belief that her visit and propaganda contributed to prolonging the war and their captivity.

We are proud of these eight Americans and their fellows who served and sacrificed in Vietnam, and we resent the insult to them and to this Congress that was occasioned by the forum for Miss Fonda.

## PREVIEWING FUTURE CITIZENS

(Mr. CLANCY asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. CLANCY. Mr. Speaker, it is my sincere pleasure to introduce in the Halls of Congress today and in the Nation's Capital this week 60 future citizens from my hometown area of Cincinnati, Ohio.

They are seniors in Cincinnati area high schools, selected for their interest in Government, their examples of citizenship, and their scholarship. This is the third year that selected seniors have been brought to Washington by the First Congressional District, the Second Congressional District of Ohio which I am proud to represent, and the Greater Cincinnati Chamber of Commerce.

This week, these young people will meet and talk with many of our colleagues. They will attend seminars with administration officials, view our committees in action, talk with lobbyists, question our staffs, and meet with Supreme Court Justice Potter Stewart, of Cincinnati.

There will be some social occasions in addition, but mainly, these young congressional scholars will be accelerating their education this week. As a result, they will be better prepared following high school graduation to understand our Government and take their place as good citizens in the operation of it.

I commend this third annual congressional scholarship program to you, my colleagues, and suggest that you explore the possibility of establishing similar programs, perhaps in conjunction with the chambers of commerce in your districts. This is the finest program of this type that I have encountered. Its chief value is in teaching the basic fundamentals of our Government. Its usefulness to future citizens is inestimable.

Today, I am especially proud to introduce the latest congressional scholars:

James F. Lay and Sally Werner of Aiken High School; William Dickhart, Charles Porter and Susan Wolf of Anderson High; Brian Friedman of Roger Bacon High; Barbara Ullman, College Preparatory; Vicki Lynn Jenkins, Deer Park; Rick Kreinist, Elder High; Leonard Weber, Elder; Kerry Donahue, Finneytown; Stan J. Armitage, Forest Park; Richard J. Mawhorter, Greenhills; Mark Jellison, William Henry Harrison Senior High.

Darrell Guerrant, Hughes; Evelyne Thompson, Hughes; Holly Williams, Indian Hill; Mark A. Meyer, LaSalle; Barry Mesley, Lockland; Diana Undercoffer, Loveland; Jane McGoron, Marian; David Paris, Mariemont; Vicki Steigelman, McAuley; Leo Gorman, McNicholas; John George, Moeller; Linda Spitznagel, Mother of Mercy; Donald Eugene Burke, Jr. and Dennis Listermann, Mt. Healthy.

Judi West, Mount Notre Dame; David Thompson, North College Hill; David Pitman, Northwest; Tom W. Grace, Norwood; Barbara Fluegeman and Steven Sykes, Oak Hills; Jayne Treinen, Our Lady of Angels; Cynthia Bradley and Gail Dekker, Princeton; Theodore J. Jones, Purcell; John Stirnkorb, Reading; Brigid Ferguson, Regina; Tina M. Sewell, St. Bernard; Joan Luttmer, St. Ursula.

Daniel J. Burke, St. Xavier; Terri Corcoran, Seton; Mary Helen Babbit, Summit Country Day; Randy Fort, Sycamore; Brenda Wright, Taft; Richard Klaus, Taylor; Marianne Budde, Ursuline Academy; Nancy Godenberg, Walnut Hills; Scott Ehrnschwender, Walnut Hills; Greg Louis and Alan Trenz, Western Hills; Ernest Lee Harris and Lisa Jane Anderson, Withrow.

And, Frank A. Johnson and Donald Wietmarschen, Woodward; Albert Genry, Wyoming, and Stephen Hester and Stephen Zoz of Colerain.

Adults accompanying them are Steve Baker of Anderson High; Elvin Turner, of Hughes; Jerry Junker of McAuley; Charles Payne, Lockland; Georgia Sanford, Taft; Arleth Cawdrey, Parent-Teachers Association president of North College Hill; Jeannie Brock and Lorraine Cooper of the Greater Cincinnati Chamber of Commerce.

## CAMPAIGN REFORM LAW

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, some members of the press have been speculating that there will be no campaign reform this year. I just want to advise them that there will be. Perhaps it may become an annual event, who knows. We had a bill 2 years ago, but the committee is working on a new bill which will set strict limits on expenses for campaigns, which will publicly finance the Presidential campaign insofar as people are willing to voluntarily contribute a dollar by checking it off on their income tax form, which will put a limit of $20 million on each party for expenses in the Presidential campaign and which will put a severe limit on contributions to either House Members, Senators, or Presidential candidates if the public does not choose to finance them totally, by placing a top limit of $2,500 on a contribution to a Presidential campaign.

There will be no more $1 million and $2 million and $500,000 and $100,000 contributions. Any contribution over $100 may not be in cash but must be in the form of a check.

There are other salutary reforms of this type.

The bill also will do away with some of the reporting now necessary. It will not require reporting in an off year in any quarter in which a candidate does not spend in excess of $1,000. It will do away with the 15-day and with the 5-day period. The 5-day period is useless. By the time the 5-day report becomes public the election is over. It will require one quarterly report in addition to the 10-day prior to election and report after election.

I think the bill the committee is working on will be an improvement and we hope to have it on the floor in the next few weeks. The President's suggestions of last week are too little and too late.

## INFLATION

(Mr. BINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BINGHAM. Mr. Speaker, I was shocked and dismayed yesterday when I heard the chairman of the House Committee on Banking and Currency announce that in his view there is no chance for any extension of wage and price controls beyond their scheduled expiration date of April 30.

I cannot believe that this Congress will simply throw in the towel in the most important issue facing this Nation. Inflation is raging across this country. We had a rate of inflation of over 8 percent last year. If present indications are correct, inflation for this year may easily run as high as 10 percent, unless we take some action.

I know that this issue is at the front of the minds of my constituents. I think this is probably true of the constituents of every Member of this House.

I am well aware of the fact that the AFL-CIO and other labor organizations are strongly opposed to the extension of controls, even on a standby basis. And their opposition is entirely understandable, because the controls have been administered in such a way as to penalize working people. Wage controls have been stiff, while controls over prices have been largely ineffective and controls over profits have been nonexistent.

But in the long run it will be working people, as well as retirees and others on fixed incomes, who will be hurt the most by inflation. In the short run, organized labor may make big gains in wage levels, but these will be passed on, with extras, to the consumers, and real wages will go down, not up.

Because the controls have been unfairly administered up to now does not absolve Congress of the responsibility of trying to halt inflation. We in the Congress must make a vigorous and honest effort to see that the administration does a better job.

I respectfully submit that the Banking and Currency Committee must report out a bill, even if it does so with an unfavorable recommendation. Then at least the House can work its will. How can any of us face our constituents this spring, summer, and fall, when they ask us what we have done to stop the constantly rising prices of food and other necessities, and we have to say: "the committee in charge would not even give us the chance to vote on price controls."

I urge the Banking and Currency Committee to report out a bill that will not only extend the President's powers to impose controls, but will provide mandatory procedures for correcting the distortions and inequities of the past and preventing their recurrence and set realistic goals for the leveling off of the inflationary spiral. Then at least the Congress will have met its responsibilities to the American people.

## LIBERTY AND JUSTICE FOR ALL?

The SPEAKER pro tempore (Mr. ROSE). Under a previous order of the House, the gentleman from West Virginia (Mr. HECHLER) is recognized for 5 minutes.

Mr. HECHLER of West Virginia. Mr. Speaker, for 9 years Roy Owens has owned his own home in Eureka Hollow, in the heart of the McDowell County coalfields at Eckman, W. Va. Roy Owens is a disabled coal miner in his sixties, drawing compensation for black lung. I visited Roy and his wife on Saturday, and also talked with many of Roy's neighbors who own their own homes in this former coal camp.

Shock waves broke through Eureka Hollow when 21 families received eviction notices to get out of their own homes within 60 days. It seems that the Pocahontas Fuel Co., a subsidiary of Consolidation Coal Co. plans to slice the top off the mountain and build a strip mine above Eureka Hollow. Although Roy Owens and most of his neighbors actually own their homes, the land is owned by the coal company. So in a cruel, callous two sentence letter they were told to get out and take their houses with them if they wanted. The letter included this brutal sentence:

"You have the privilege of moving the house or any materials within," they were told. They were not offered any compensation, were not told where to go, just told get out.

What about Lawrence Mitchem, who suffered a broken hip in a coal mining accident, who raised a family of 10, and who is now retired on disability? Mr. Mitchem asked me this question about his house: "If I was able to tear it down, where would I take it?"

Meanwhile, the strip mining operation will go forward, as the coal company proclaims it will mine about 6,000 tons of coal a day.

Mr. Speaker, the rights of human beings are fundamental in the United States of America. It is time we stop pushing people around in the name of the energy crisis. Is Eureka Hollow going to be the symbol of what the coal companies do to the people's rights in this country?

What excuse does the coal company have for this cold, heartless, callous and cruel conduct? First, they have called me a "publicity hound" for having exposed their outrageous scheme. Then, they suggested I ought to get them "help from the Federal Government for relocating these people." What kind of subsidy do they expect? Who caused the problem in the first place? Whose property rights are being violated?

The following article from the Huntington, W. Va., Herald-Dispatch of March 18, 1974, includes some comments on this situation in the West Virginia coalfields. The story is still unfolding. I hope that knowledge of this terribly unjust situation will help protect the rights of others threatened by exploitation in the coalfields:

### Life in the Coalfields—New W. Va. Strip Mine To Force People Off the Land

(By H. Ray Evans)

Eckman, W. Va.—Plans for a new strip mining operation at Eureka Hollow near this McDowell County community have brought notices to 23 families to move out of an old coal camp.

The situation was termed "cruel and heartless" by Rep. Ken Hechler, D-W. Va., in a news release yesterday. Hechler said he has sent a "strong telegram of protest" to the Pocahontas Fuel Co. Division of Consolidation Coal Co. and the Northfork Land Co. about the situation.

"If that doesn't produce results, I plan to take other steps to insure that these people who are helplessly being pushed around have their rights protected," Hechler said.

Contacted for comment yesterday about Hechler's charges, officials of the coal company and the land company denied any evil intent or any violation of the rights of the residents, many of whom were termed "squatters."

Haze Cochran, vice president of public relations for Consolidation Coal Co., said in Pittsburgh that he had not known of the situation until contacted yesterday but upon checking into it he found that most of the residents involved "are squatters or trespassers."

"I think the thing to do here is for all the parties concerned to sit down and see what could be worked out. It's the first I've heard of it. If someone had called me and said, 'Look, there's a hardship being created for these people,' then probably we could work something out," Cochran said.

"We probably still can work something out. I don't think it's fair to paint us as the big, dirty landlord. I intend to get into this thing a little deeper with our people and see what we can work out," he added.

Hechler said in his news release that the families have been notified to move their own homes and many have lived in the community for 30 or more years.

"It is outrageous that the coal company is trying to throw them ont on the excuse that the land isn't owned by those who have full ownership of the houses on the land.

"These families, which include many disabled coal miners, widows, crippled people and children, were brutally informed in a cold, two-sentence letter from the Northfork Land Co., dated March 5: 'Our lease will be canceled and the lessor wants possession of property within sixty days or by May 4, 1974. You have the privilege of moving the house or any materials within.'

"In other words, these people are being told they can jack up their own house, put it on a mule, and move it wherever they want to move it but the land belongs to those who want to strip mine," Hechler charged.

Mrs. Ruby Dalton, secretary-treasurer of Northfork Land Co., confirmed, when contacted at her home in Kyle yesterday, that she had delivered the notice mentioned by Hechler.

But she said the land company had no choice in the matter since it leased the land from Pocahontas and Pocahontas canceled the lease because it wanted to open a new strip mine.

The land and most of the housing units on it originally comprised a coal camp connected with the Old Eureka Mining Co. which operated there in the 1920s, according to a resident.

Mrs. Dalton said Northfork originally leased the land from Crozier Coal and Coke Co., then from Pocahontas after Pocahontas bought all of Crozier's holdings.

She said Northfork never has owned the land but it did sell some of the old coal camp houses through the years and rented other units. Occupants of the housing units also have been charged $20 a year to lease the land on which the houses are located, she said.

"When they bought these houses, they knew it was on leased property and we couldn't sell them the land," she said explaining that the leases on the land are on a 30 to 60 day cancellation basis.

"They fixed up some of the houses but many didn't even bother to pay the lease on the land. When Pocahontas Fuel told me they were cancelling the lease, what was I to say? I felt bad, but what could I do?

"Some of them came to see me and raised a lot of sand, but I went over the books and out of 20 some notices I issued there were only four people that had paid their rent. A lot of them were squatters—they move in with no lease agreement at all," she said.

Mrs. Dalton said she did ask Pocahontas for an extension until school is out and this was granted so that the residents now have until sometime in June to move.

Mrs. Dalton said many of the houses are very old and wouldn't be worth moving to another location. "Three-fourths of the housing is terrible."

Asked why Northfork never evicted those tenants who have failed to pay their leases in the past, she said "because I just didn't go up there to evict them."

She said two families already have moved out since getting the notice and she has made efforts to help others find housing elsewhere. "I'm just trying to help them as a friend," she said.

William Graham, one of the residents notified to move, said he bought the house he now lives in from Robert Miller, now deceased, in 1961 for $750 and leased the land for $20 a year. He said he made payments on the house and received receipts for his payments and still owes less than $100 on the purchase price.

Roy Owens, another resident, said he has lived in his house for about 20 years, renting it until 1960 when he bought it for $900. He said he made the last payment in 1965. He said he has paid his lease on the land but added that some residents haven't.

Owens said he is in his 60s and he remembers the houses being in the hollow when he was a boy going to school. His is an eight-room house which he said was "in bad shape when I got it."

Owens said he has invested about $3,000 in siding, panelling and other improvements on the house. Now, he said, he does not know what to do about his situation.

Joseph M. Richards, president of Pocahontas, said, when contacted at his home in Bluefield yesterday, that the firm plans to open a completely new strip mining operation to remove the top of a mountain overlooking Coalbank Creek.

He said the mine operation will not involve where the housing is located but the proximity of the occupied hollow and the coal-bearing mountain is such that the law would not allow dynamiting because of possible blast damage.

He said the mine is planned to produce 6,000 to 7,000 tons of coal per day.

Richards said the coal is for metallurgical use but the demands of the energy crisis do figure in the plan to open the operation.

Hechler said in his release that most of the families in the area were promised when they bought the houses "that eventually they would also be able to buy the land.

"That promise made by Robert Miller of the land company, was never put in writing and Mr. Miller is now no longer living. Now the land company, without offering any compensation or any advice whatsoever, tells these God-fearing people that they can just pick up their big houses and get out of there. Did you ever hear of anything so callous?" Hechler said.

Consolidation executive Cochran expressed anger at this statement from Hechler, saying "If the Congressman has any ideas about how we can help these people he could come to us and tell us.

"All too often Ken tries these cases in the press where I think the better solution would be to call upon the company if he has a complaint like this and we could sit down and see what we could work out.

"Ken Hechler is a publicity hound and probably saw a chance to make something of this without talking to the people at the company first.

"If these people have a problem in moving we would certainly like to hear from them.

"But I think since Congressman Hechler has brought it up now I would think there should be some help from the federal government for relocating these people," Cochran added.

## POLITICAL CORRUPTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 30 minutes.

Mr. HOGAN. Mr. Speaker, the revelations in Maryland regarding alleged payoffs, kickbacks and political contributions tied to award of design contracts, have sparked concerns in my State as well as in many other States and jurisdictions along the lines, "What can be done to prevent such improper practices in this area?"

The architectural and engineering professions are deeply embarrassed and distressed by the highly unfavorable publicity stemming from the Maryland scandals since they seem to center on the influencing of the award of architectural and engineering contracts.

Mr. Speaker, I am today introducing legislation which is aimed at reducing the inclination and opportunity to engage in kickbacks in all Federal negotiated contracts.

Mr. Speaker, this morning I spoke at the 1974 Architects-Engineers Public Affairs Conference on this matter. I would like to insert into the RECORD at this point, my speech which will clarify the basis and the need for this legislation which also includes the text of the bill which I introduced today.

### ANNUAL ARCHITECTS-ENGINEERS PUBLIC AFFAIRS CONFERENCE SPEECH

(By Representative LAWRENCE J. HOGAN)

It will not come as news to any of you that my State has a serious problem which it shares with the architectural and engineering professions. I am referring, of course, to the investigations, testimony, public statements and news stories dealing with alleged kickbacks, bribes, payoffs or illegal political contributions by architects and engineers seeking contracts in Maryland.

Our current Governor says these shenanigans ended when he became Governor. However, those who contributed to Governor Marvin Mandel's 1970 campaign received overwhelming returns on their investments in State business. The largest single group contributing to his campaign was architects, engineers, contractors and those renting space to the State. 293 of these contractors in the over-$1,000 category provided 37% of the total amount he reported spending, and 40% of this amount came from those who profited by decisions of the board of public works. These architects and engineers received contracts from the State totaling $14.8 million, for a return of $100 for every 67¢ contributed. Contributing contractors did even better. They were granted extras and changes totaling $13.7 million, or $100 in unbid work for every 39¢ contributed.

I am not here today to prejudge those mentioned in the Department of Justice statement filed at the time of former Vice President Spiro Agnew's resignation. I don't have to remind you that in the wake of Mr. Agnew's resignation and nolo contendere plea to a tax evasion charge, the Justice Department issued a statement accusing him of receiving kickbacks on State contracts while he was Governor of Maryland. Nor am I here to condemn the nearly 25 engineering and architectural companies which have been mentioned during the trial of the Baltimore county executive now underway in my State. And I am certainly not here to suggest that in spite of the extensive adverse publicity that all architects and consulting engineers doing work in Maryland are dishonest . . . and certainly, if there are extensive kickbacks by A–E's, they are not restricted to my State of Maryland. In fact, scandals appear to be croppling up in Pennsylvania, Kansas, New Jersey, Louisiana and several other States.

What I am here to say is that we have a problem, you as an architect or engineer and I as a public official. We know that the vast majority of those in our respective professions are conscientious, honest, responsible individuals, but we have an obligation to try to demonstrate to the general public, as well as to each other, that we do not condone award of design contracts on the basis of political favoritism, or kickbacks, or any other corrupt procedure. To do this, I believe that we need to say dramatically and publicly that we do not want to be associated with professional services contracts that are awarded on any basis other than professional qualifications.

I am aware that several of my colleagues in the Congress and in State legislatures have suggested that this problem can be easily resolved by requiring that all architectural and engineering work be performed by in-house government staffs or by directing that all architects and engineers be selected for work on the basis of competitive bidding. That approach is somewhat appealing, to those who seek simplistic solutions. You ask several architects and engineers to bid on a hospital complex or a sewage treatment plant or something else; award the contract to the low bidder, and you eliminate all hanky panky or favoritism.

Unfortunately, life is not quite that simple. By asking architects and engineers to bid, the government will also be eliminating (or at least seriously reducing) any incentive to the winning A–E to be innovative and imaginative or to advance the state of the art. Ask for competitive bids and you encourage the cheapest (rather than the most economical or best) design. Furthermore, with poor designs you run the risk of the attendant higher cost of construction, or maintenance, or both, and you may be jeopardizing public health, safety and welfare by dealing with the architectural and engineering company which may not be the best qualified for that particular job. Just as I would not seek bids for the performance of open heart surgery, I would be reluctant to utilize this method to find the most competent designer of a medical laboratory or an airport control system. As a lawyer, I can imagine the chaos to the legal profession which would result if attorneys were selected on a competitive bid basis.

Unfortunately, many elected officials disagree with me. In the wake of the scandals, there is a great haste to do something, even if it's wrong.

On March 12th the Maryland House of Delegates passed such a competitive bidding by a vote of 124 to 0 without any debate. If it's enacted, it would be the first such statute in the country, but you can bet it won't be the last.

The Maryland bill would establish two professional services evaluation boards, one for the Department of Transportation and one for the Department of General Services, which would oversee all negotiations for contracts on State projects. For contracts in excess of $25,000 firms would be selected on a competitive basis. The bill would also prohibit paying architects and engineers a percentage of the total construction costs.

Governor Mandel, who always seems to be very late in "getting religion," created "watchdog" professional boards by executive order in January. The Governor's order merely allows price consideration while the House bill puts the emphasis on competitive bidding.

Competitive bidding is not the answer. The obvious question, then is . . . what is? After discussions with architects and engineers in my district, and after talking to the staffs of your national organization, my own staff and legislative counsel of the House of Representatives, it is my opinion that one means of both reducing the opportunity and inclination to engage in kickbacks or political contribution schemes would be to make such practices a negating factor in all Federal negotiated contracts. I have drafted and am introducing today a bill directly aimed at accomplishment of this goal on all negotiated Federal Government contracts.

Because it is relatively short, I would like to read you my bill. It states:

"*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all negotiated contracts entered into by the United States Government shall contain the following clause set out in a conspicuous manner as an integral part of said contracts:

" 'The United States shall have the right to terminate this contract without liability, and, at its discretion, recover the full amount of any fees or payments made or due under this contract, and any other contract negotiated by the government with said contractor, as well as any additional costs incurred by the United States in completing or obtaining the thing or service contracted for, upon the conviction of the contractor, or any person acting on behalf of the contractor, for violation of section 201 of title 18 of the United States Code. This right to terminate and recover is in addition to, and not in lieu of, any other rights and remedies which may be available to the United States under the terms of this contract or as otherwise provided by law.' "

What this legislation will do is to spell out the fact that firms providing services for the Federal government have been awarded jobs on the basis of their professional-technical qualifications and not on a basis of how much they contributed, or for whom they performed favors.

This is not a completely new idea. In fact, there is already a federal law on the books which prohibits anyone who is negotiating, or performing work for the United States Government from making or soliciting any contribution, donation or gift, or promising to make any such political contribution or gift, to any political party, committee or candidate for public office. The fine for violation is not more than $5,000, or five years imprisonment, or both.

But, as far as I know, this law has never really been enforced. It is, however, currently being tested in the courts. But I think it is safe to say that it was not intended to prohibit the Chairman of the Board of General Motors from making a contribution to any federal candidate so long as the government was purchasing GM cars, nor do I think it would keep any of you from making a contribution to the Congressional candidate of your choice if your firm was performing or negotiating work on any project in which federal money was involved.

Since the law covering this subject is being ignored, my proposal is a prescribed contractual provision that cannot be overlooked. It will be part of the contract itself. Several federal agencies have for years required certifications by architects and engineers to the effect that their contracts have not been obtained via a contingency or commission arrangement. The language of my bill goes somewhat further—it warrants that no fee, commission, percentage, brokerage, gift, contribution or consideration of any kind has been paid in an effort to obtain the contract. I propose to require this wording in every negotiated federal contract.

If a government agency discovers some sort of illicit practice, it would not have to wait for the General Accounting Office or the Justice Department to initiate an investigation and possible prosecution. The contracting officer could halt the work based upon the fact this provision is contained in his contract with the architect engineer, and an investigation could be immediately undertaken at his direction. Plainly and simply, every contract between an A-E and the government would spell out the fact that the A-E has made no political contributions or other payments as a prerequisite for being considered for the performance of that particular job. If the government can show that this is not the case, i.e., that the architect engineer did, in fact, make a political contribution or offer something of value in hopes of being selected as the professional services contractor, the penalty would be substantial and, to my mind, would serve as a strong deterrent.

Under these circumstances, the owner of that firm, if he engaged in unprofessional or illegal practices, stands to: (1) lose the job; (2) be required to repay the government all profit earned on that job, or any other job he has with the government; (3) assist the government in locating a replacement for his firm, and (4) probably jeopardize all future potential for performing work for that particular government agency and probably any other government agency.

It seems to me that very few government contractors would risk loss of profit, loss of fee, loss of prestige, all in order to improve their chances of getting a particular contract.

This legislation may be very tough, but I think that we all need to recognize that the problem which prompts the introduction of my bill is one which demands stern measures. For the first time in this nation's two hundred-year history, we have had a Vice President forced to resign due to questionable activities. The American people have been shocked to learn that numerous contracts (not just architectural and engineering contracts) are being awarded on the basis of political contributions, or payoffs, or kickbacks or some other corrupt practice. The American people deserve some assurance that this procedure will not be permitted to continue.

As tough as my bill might be, I think it is far preferable from your point of view and the Government's point of view to competitive bidding.

For the honest, dedicated, hard-working architect-engineer—and I am sure that includes the majority in the A-E profession—this contract provision represents no hardship whatsoever because I'm confident this is the way most of you operate anyway. All of your legal rights are preserved. No one can take any punitive action against you until it has been proven that you have offered or given some contribution or gift tied to award of a job.

But, for those firms which substitute competence with payoffs to elected officials, they should be penalized and I am hopeful that all of you will join me in wanting to see such practices and attitudes terminated forever.

Let there be no misunderstanding. I am in no way suggesting that this legislation alone will solve the political-influence-in-contracting problem. We should be addressing ourselves to other methods for coping with this concern, but I think this could be am important beginning. I see this legislation as the first step in discouraging any illicit practices on Federal contract awards similar to those procedures which have been so widely publicized and condemned in my state. Hopefully, similar legislation will be adopted in Maryland and elsewhere.

I accepted your invitation to come down to this meeting because I felt it was important to explain my position to you. I appreciate the opportunity to discuss my bill with you and I invite your support. I think we both have much to gain through its adoption.

For you, enactment of this bill will provide a positive and aggressive answer to those persons who have erroneously come to assume that all A-E contracting is dishonest. I know better; . . . you know better; . . . with adoption of this bill, the public will hopefully also begin to know better.

Thank you for inviting me.

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## A NEW FACE FOR APARTHEID

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, I would like to include for the thoughtful attention of my colleagues an article entitled "A New Face for Apartheid" by Jennifer Davis of the Africa Fund; a second article entitled "Voices for Disengagement" also produced by the Africa Fund; and a third article, a bulletin by the director of special projects of the American Committee on Africa.

These articles relate to the continuing debate on U.S. business involvement in southern Africa. Their text is as follows:

### A NEW FACE FOR APARTHEID

(By Jennifer Davis)

Three advertisements appeared in the New York Times and Washington Post in September. Their political implications are analysed below but it is also necessary to point out that the advertisements are full of distortions and half-truths. Thus Lucas Mangope is quoted as saying: "I have often expressed my differences with the white government of Pretoria in no uncertain terms. But the mere idea of total economic sanctions . . . makes me shudder." In fact the men and women who have expressed real radical opposition to the South African Government have found themselves banned, house arrested or imprisoned for their actions, and to advocate, even verbally, the imposition of sanctions against South Africa is a crime under the Terrorism Act, punishable by a minimum five year jail sentence and the possibility of a death sentence.

Lucy Mvubelo, the signer of the second advertisement, is identified as "General Secretary National Union of Clothing Workers (S.A.)." The advertisement fails to point out that under South African law Ms. Mvubelo, an African woman, can only be a member of a non-recognised, non-registered Trade Union, which has no official right to participate in collective bargaining. Nor does the advertisement indicate that it is still virtually totally illegal for a black worker to strike under any circumstances.

As for Buthelezi's claim that what the Black people of South Africa need is "full foreign participation in South Africa's economic development" he knows quite well that foreign investment has increased dramatically in the last decade without leading to changes in the exploitation, misery and oppression imposed by Apartheid. In the ten years to 1971 in which U.S. investment grew from less than $300 million to $964 million another record was set—90 new discriminatory laws were passed, all designed to perpetuate racial discrimination. White-black wage gaps have grown, not narrowed, and the average wage paid to Africans in all sectors of the economy is lower than the Poverty Datum Line—i.e. the level needed for bare survival.

#### DEFENDERS OF THE SOUTH AFRICAN WAY OF LIFE

The South African regime's hitherto subdued public relations campaign, built around the use of black spokesmen and women, took a large step into the open in September in the United States. Big, expensive advertisements with appeals against economic and political sanctions signed by Lucas Mangope and Gatsha Buthelezi, both Bantustan Ministers, and Lucy Mvubelo, a "trade union leader", appeared in two of America's most influential daily newspapers, the New York Times and the Washington Post. Both advertisements were sponsored by the Trust Bank—a bank dominated by Afrikaner capital and on whose Board sit many of the ruling Nationalist Party's leaders.

The South African Government has always tried to persuade the outside world that Blacks were happy under the system of Apartheid, exploitation and exclusion practiced by the white rulers. That way Western factory owners, British ship builders, United States motor corporations and computer sellers could all continue to invest, do business and make profits in South Africa with an easy conscience. The South African Government continued to tell this story despite the evidence of 69 people shot at Sharpeville in 1960 and 12 strikers killed at Carletonville in September 1973, despite hundreds of political prisoners and the one million arrests every year under the pass laws, despite the 80% of the African working population that is still paid below poverty datum line wages, despite the fact that no black woman or man has any hope of ever having any say in shaping the laws and policies of their own land as long as the present system of government survives.

But the myth of the happy black man has become more and more difficult to maintain in the face of increasing internal and external opposition to the system, and the South African Government has had to adopt new and more sophisticated tactics to project a favorable image internationally. "Dialogue" with independent Africa, the visit of President Banda to South Africa, attempts to project an image of multi-racialism via sports events, the new willingness to allow prominent black U.S. visitors into the country—all these were sign-posts on the road the South Africans were taking in an attempt to maintain external credibility and strengthen internal control. No one will believe whites who defend South Africa any more, as the racists have been forced to seek credibility by using black spokesmen and women. Few people in the world would believe the voice of Prime Minister Vorster or mine-owner Oppenheimer (Chairman of the Corporation which owns the mine at which the 12 workers were shot this month) when they promise that "things are changing and getting better." Hence the new tactic of using black voices to tell the story.

#### SAFETY VALVE

In fact the South Africans are attempting to do more with this new tactic than just pull off a giant international confidence trick. They are beginning to understand the usefulness of allowing the development inside South Africa of a black elite, which, by being given some freedom to criticise the Government, will capture the following of the black majority and curb the militancy of the people, acting as a safety valve for popular anger and frustration. Perhaps the clearest expression of this role is afforded by Chief Gatsha Buthelezi, who has at times made very strong speeches attacking various aspects of Government policy, and who has emerged as one of the most publicised black figures in the current controversy about African wage levels. In a recent speech Buthelezi said: "We need a complete re-orientation in our thinking about black workers. We cannot have industrial workers who do not get any, or so little, of the benefits of industrialization. If we do not do something about it we are asking for trouble. I wish to appeal to South African industry to ward off a bloody revolution by making our people feel that they have something to lose if anything went wrong in South Africa. A few million Rand set aside now to meet the aspirations and needs of black workers is a big investment in the long run. It is better to lose a few million Rand now than everything later."

The tactic of using this rising black elite as spokesmen, nationally and internationally satisfied a number of different needs at the same time, and coalesces the interests of a number of very different forces. It meets internal white interests politically, as described above. It also provides a strong platform for preserving international credibility. This is crucially important for South Africa. Apart from the importance of international military and strategic support, South Africa is still extremely dependent on foreign capital for its economic prosperity and growth. It is estimated that the total value of foreign capital invested in South Africa had reached $8,160 million by the end of 1972; $809 million dollars of new capital flowed into South Africa in 1972 alone. It is vital to keep that stream flowing. But corporations have been coming under increasing attack in the United States, as well as in Europe, for their role in supporting the white minority and colonial regimes in Southern Africa. It has become embarrassing for many of the giant U.S. corporations to have their role in southern Africa continually exposed and attacked. They are looking for a way back to respectability, seeking a way to justify their continued involvement in South Africa in terms of a "contribution to the process of peaceful social change". Not surprisingly, they have seized on men such as Buthelezi to provide them with the needed justification. Thus Buthelezi has recently been hailed by the prestigious American business newspaper, the Wall Street Journal as "the most prominent black leader in South Africa," in an article which launched a strong attack on "reformers, particularly in the United Nations and American and British churches, who dream of eradicating apartheid through an anathema that would strangle the South African economy." Branding those who support international actions, such as corporate disengagement and economic sanctions against apartheid, as people adopting a "posture of total moral purity" whose purpose is concerned less with correcting the specific evils than with "demonstrating the virtue of the posturer," the Journal indicates its preference for men of reason, such as Buthelezi. It concludes, "We can't help believing that if any good does come out of the unhappy situation in that nation, it will be less the result of the far-away critics than of the political prudence of men like Chief Buthelezi" (Wall Street Journal, August 27, 1973).

### VISITS SPONSORED

South Africa's new black spokesmen have been receiving support and encouragement not only from the U.S. business world, but also from significant political circles. Thus the U.S. State Department has been sponsoring an increasing number of visits to the United States by black South Africans. The list of such visitors is interesting because it focuses heavily on men involved in one way or another with the Bantustan administrations . . . or with the parallel government institutions in the cities. The list of such sponsored visitors in 1972/73 included Chief Kaiser Matanzima (Chief Minister of the Transkei) Dr. David Thebehali (Johannesburg Urban Bantu Council) Mr. Lennox Sebe (Executive Counselor for Education, Ciskei), Mr. B. L. Dlalda( Executive Counselor, Kwazulu), and Professor and Mrs. Ntsanwisi (Chief Counselor, Machangana—Tsonga Territorial Authority). Chief Lucas Mangope and Chief Gatsha Buthelezi also spent time in the United States, the latter having been especially invited, the last time he came, in order to help lead the argument against Church leaders calling for an end to U.S. corporate involvement in Southern Africa, in a struggle being fought out within the Synod of the United Church of Christ.

Two points of particular interest might be stressed in connection with all these visits. First that these black leaders travelled with the consent of the South African Government. Secondly, that the United States Administration, which has consistently refused to recognise the legitimatcy of the liberation movements in Southern Africa, and which has steadfastly adhered to the position that it can only support "peaceful methods of change" has been quick to welcome these new "leaders."

There can be no doubt that the "change" being sponsored by the South African Government is not the kind of change being fought for by the black majority of southern Africa. Thus, whatever their motives, the so-called black leaders who lend their names to the South African propaganda campaign are giving support to the stability of that very authority which will have to be destroyed before there is real liberation in southern Africa. In this context their own personal honesty or sincerity is irrelevant, and the effect of their action is a betrayal of the freedom struggle in South Africa.

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### VOICES FOR DISENGAGEMENT

Recent years have seen growing pressure on U.S. Corporations involved in Southern Africa, generated by public exposure of their complicity with the white minority, apartheid and colonial systems of South Africa, Rhodesia, and Portuguese-ruled Africa. Many companies have responded by developing a rationale which seeks to justify their initial investment, continued presence and ongoing expansion in these racially oppressive countries.

The most universal corporate defense raised is the argument that U.S. companies act as catalysts for peaceful and constructive change of the racist systems by investing inside Southern Africa.

There is nothing in the history of South Africa's economic development to bear out these arguments that increasing industrialization must inevitably lead to improvement in the quality of life for everyone. For the black people of South Africa the last 20 years of intensive economic development have also been years of intensifying oppression and exploitation. White-black wage-gaps widened, pass laws were tightened and extended to cover African women as well as men and the Bantustan design was used to transform the whole African population into a rightless "temporary work force" in the "white" areas. The 10 years between 1961 and 1971 set a record for the number of new discriminatory laws passed—98 of them—all based on the intention to perpetuate racial differences.

South Africa now has all the apparatus of a police state . . . and that framework was being built at the same time as were the great new factories and roads and bridges that heralded economic prosperity.

Despite well-financed attempts by the South African Government and many major corporations to sell the image of the U.S. Corporation as a force for good in Southern Africa the chorus of African and other voices raised to contradict this argument continues to grow. The statements we have quoted below come from people representing a great diversity of background and experience. They have one important common theme—the rejection of the delusion that corporate expansion will lead to significant change in the oppression of the peoples of Southern Africa, and the conviction that the logical response in support of the struggle for self-determination should be immediate disengagement by U.S. business from South Africa.

"Resolution: (1) To reject the involvement of foreign investors in this exploitative economic system . . ." Black People's Convention, South Africa. December, 1972.

"There has been great publicity given recently to moves by South African business circles and foreign investors in South Africa, ostensibly designed to bring about changes within the existing order. It must be pointed out from the outset that these changes which would consist in the improvement of the social policies of the firms, increment in Black wages and vocational training, in no way affect the basic tenets of apartheid. They are but a devious attempt at perpetuating white domination and maintaining one of the highest rates of exploitation in the world under the disguise of welfare politics, . . . [the] dubious premise that economic progress and accrued investment will gradually transform and corrode the apartheid system from within . . . is upheld neither by history nor statistics. Recent statistics show a widening gap between white and black wages. The earning gap between white and black mine-workers rose from 15.2 to 1 in May 1966 to 17.9 to 1 in 1970. Black wages in the mines did not go up once in real terms between 1911 and 1970." Ambassador E. O. Ogbu, Chairman, U.N. Special Committee on Apartheid 1973.

"Our call for disengagement of foreign investment is supported by a large number of organizations and movements who are against those who advocate violence as the only solution to gain political and social freedom for the millions of oppressed and underprivileged people in South Africa." Sonny Leon, Leader of the Coloured Labor Party, 1972.

"The ANC has long called for the ending of all foreign capital investment in South Africa. We see the economy as essentially structured by a colonial-type relationship between the white minority and foreign capital interests on the one hand, and the African people on the other.

"South Africa is an attractive center for profitable foreign investment, precisely because migrant labor in abundance is organized and made easily available to business by the regime as a conscious act of policy . . . companies are not motivated by the desire to bring employment to the African people or to improve the economic condition of African workers [but] . . . largely by considerations of profit, their share of the market and the sources of the raw material supplies they require." Oliver Tambo, Acting President-General of the African National Congress, South Africa.

"The economic boycott of South Africa will entail undoubted hardship for Africans. We do not doubt that. But if it is a method which shortens the day of blood, the suffering to us will be a price we are willing to pay. In any case, we suffer already, our children are often undernourished, and, on a small scale (so far), we die at the whim of a policeman." The late Chief Albert J. Luthuli, Nobel Prize winner and President of the African National Congress.

"All investments are a direct contribution to the colonial war. I understand how Gulf can say that investment brings progress. Some even say that after independence Africans will have the fruits of this investment. But this progress is not real for the African population. The increased economic interests of Western countries will bring about a need to defend these interests.

"To invest in Angola, Mozambique, and

Guinea Bissau is to delay our independence. We are against it.

"At the United Nations we stated that we will consider any agreement between Portugal and these companies invalid. These investments are immoral acts against our people." Marcelino Dos Santos, Vice President of FRELIMO, New York, October, 1972.

"The apartheid government grows stronger by the day because of its solvency, which it gets from foreign investors. If the government had an economic shock, things might begin to change. . . ." Mrs. Fatima Meer, Indian Congress of South Africa, January, 1973.

"SASO sees foreign investments as giving stability to South Africa's exploitative regime and committing South Africa's trading partners to supporting this regime. For this reason SASO rejects foreign investments.

"Further SASO sees the ameliorative experiments like those of Polaroid as at worst, conscience salving and at best, resulting in the creation of a change-resistant middle class amongst the few blacks employed by foreign firms." Statement of Policy of the South African Student Organization (the national Black student organization) 1972.

"The Africans accept sanctions as a price for their freedom and declare as our enemy any person who claims on our behalf that sanctions should be withdrawn to alleviate African suffering through lack of employment. The African National Council calls upon the Security Council and all States which support the cause of human freedom to intensify sanctions." Methodist Bishop Abel Muzorewa, President, the African National Council of Zimbabwe (Rhodesia) before the UN Security Council, January, 1972.

"Disengagement from these territories (Angola and Mozambique) will no doubt mean financial loss to Gulf, but it will at least provide it with moral leadership and set a valuable precedent for social responsibility among other corporations. This leadership will put Gulf in a position of strength especially at this time when African States are beginning to pose incompatible alternatives: either investment in Southern Africa or in independent Africa or in other progressive States, not in both." Executive Secretariat of the Organization of African Unity at the United Nations, 1970.

"The basic fallacy in the argument of those who hold out any hope of political change through economic expansionism is that they fail to understand a single fact of history: in authoritarian societies economic forces are controlled by political forces, not the other way about.

"It is naive to suppose that South Africa's white society would give up its power, its privileges and its present system of more rapid economic expansion. The change-through-expansion argument should be seen for what it is—a rationalization to justify what is in the best economic interests of those who employ it. Hard-headed political analysis shows that it is almost certain to be a dangerous delusion." Colin Legum, born and raised in South Africa and respected author and journalist on African affairs.

"Reafirming the inalienable right of the people of South Africa to self-determination and freedom, . . . Condemns the continued and increasing cooperation of certain States and foreign economic interests with South Africa in the military, economic, political and other fields, as such cooperation encourages the South African regime in the pursuit of apartheid in the defiance of the United Nations; . . . Requests States members of international agencies and organizations, particularly the members of the European Economic Community, the General Agreement on Tariffs and Trade and the International Monetary Funds, to take the necessary steps to deny all assistance and commercial or other facilities to the Government of South Africa so long as it pursues its policies of apartheid and racial discrimination and continues to defy the resolutions of the General Assembly and of the Security Council; . . . Invites all organizations, institutions and information media to organize . . intensified and coordinated campaigns in 1973 with the following goals:

"(a) Discontinuation of all military, economic and political collaboration with South Africa;

"(b) Cessation of all activities by foreign economic interests which encourage the South African regime in its imposition of apartheid;" Extracts; United Nations General Assembly Resolution 2925E (XXVII) 1972

"I believe that apartheid has to come to an end. I believe that America itself, with its industries and business can no longer underwrite apartheid, whether it be General Motors, Chrysler, Ford, or 300 other companies that are there. The tide is moving in the direction of freedom and opportunity in the world, not in the direction of apartheid, and I am saying that the United States government ought to declare an economic embargo against the Union of South Africa. . . ." Rev. Dr. Leon Sullivan, Director of General Motors Corporation "Meet the Press", March 7, 1971

"To the extent that U.S. corporations are agents which support and strengthen the South African economy they are also responsible for the strength of apartheid. A healthy economy strengthens white control, white imperviousness to economic sanctions, white ability to keep blacks oppressed. . . . If indeed U.S. investment in South Africa assists in maintaining the overall system of white control then the only legitimate demand possible by those wishing to challenge that control is that U.S. companies must withdraw from South Africa." Timothy H. Smith, Executive Secretary, the Interfaith Committee on Social Responsibility in Investments

"American business as it increases its economic involvement in South Africa becomes a partner of the South African state as it maintains its control over the great mass of non-white people living within its boundaries. This economic aid has helped South Africa on its way to a self-sufficient economy, has and continues to provide important political and psychological support to the racist system, and now helps the South African economy in its process of economic, military and political expansion into the rest of Africa. . . . To think that a few remedial changes made by U.S. corporations allowing a few more Africans to get skilled positions and to allow some increase in wages (even as the cost of living goes up) will challenge the pattern of apartheid and minority control is naivete of the worst order. . . . Some of us oppose this. . . . Thus we take the view that all sorts of pressure must be brought to bear on U.S. companies to get out of South Africa, and urge truly concerned people to look toward the struggle of the liberation movements and the mass of oppressed peoples for fundamental change in South Africa." George M. Houser, Executive Director of the American Committee on Africa, "An Open Letter to Ulric Haynes, Jr.", April 18, 1971

"I must report that the idea of doing business in South Africa is *totally unacceptable;* we could not be true to the basic principles on which we run our business and we should lose our integrity in the process. We should have to operate within a social climate where the colour of a man's skin is his most important attribute and where there is virtually no communication between the races; we should be locked into this system. We should have to operate within an economic climate which is deliberately designed to demoralize and to maintain an industrial helotry; we should in turn profit from such exploitation and ultimately end up with a vested interest in its maintenance." Mr. Neil Wates, Managing Director of Wates, Ltd. after visiting South Africa in 1970 and rejecting an invitation to invest in that country.

"Most of us believe that American corporations should totally disengage from southern Africa; that the presence of American corporations in which we are shareholders undergirds the system of racism, colonialism and apartheid which prevails in southern Africa . . . even progressive employment on the part of American companies will not bring the basic changes in society that we support because of our Christian commitment to freedom, justice and self-determination." From the report by an ecumenical church team of 14 person who visited South Africa in October-November

"The basic change sought is majority rule. Accordingly, the Chairman (of the House Foreign Affairs Subcommittee on Africa, Congressman Charles Diggs) supports the principle that U.S. business should disengage from South Africa. . . . External pressure reinforced by the tinderbox nature of South African society may ultimately force withdrawal." Hon. Charles Diggs, Jr., Report of Special Study Mission to Africa, February 1971–January 1972

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AMERICAN COMMITTEE ON AFRICA,
*New York, N.Y., March 7, 1974.*

BULLETIN

The white government of South Africa is in the middle of another slick public relations ad campaign in the *New York Times*—2 have appeared already—February 27, and March 6—with two ads still to appear. The uniform headline to the ad is—"Should the Black People of South Africa Rule Themselves?"

I'm afraid too many readers of the New York Times are going to be taken in by that regime's talent for perverting, twisting, distorting and torturing the truth—not to mention the outright lies.

Our statement "we say no to apartheid" has appeared widely in the Black press: Columbus, Georgia; St. Louis; Buffalo; Evanston, Illinois; St. Petersburg, Florida; New York City, etc., and as a full page ad in Encore Magazine.

We hope that it will be possible for you to: print it in your publication, publicize it, reproduce it, circulate, post.

Let us know what you can do and how we can help. Also, if you need additional copies we will be happy to send them to you by mail.

The best,

RAY GOULD,
*Director, Special Projects.*

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WE SAY NO TO APARTHEID

We take this pledge: in solemn resolve to refuse any encouragement of, or indeed, any professional association with the present Republic of South Africa, this until the day when all its people shall equally enjoy the educational and cultural advantages of that rich and beautiful land.

Dick Gregory, Joanne Woodward, Frederick O'Neal, Pete Seeger, Ossie Davis, Brock Peters, Barbara Walters, Karl Menninger, Kurt Vonnegut, Jr., Arthur Miller.

Paul Newman, Leonard Bernstein, Ashley Montagu, Jerome Robbins, Al Hirschfeld, Clive Barnes, Rex Reed, Elia Kazan, Betty Friedan, Norman Corwin.

Norman Rockwell, Oscar Brand, Ruby Dee, Eli Wallach, Peter Bogdanovich, Stephen Sondheim, Terry Southern, Harry Golden, Zero Mostel, Kay Boyle.

Sidney Lumet, Richard Schickel, Erskine Caldwell, Galway Kinnell, Carey McWilliams, George Price, Denice Levertov, Roy Lichtenstein, Katherine Anne Porter, Partial Listing.

Will you say no to apartheid?

South Africa—where there is total denial of civil, political and human rights for the Black majority (80% of the population)—where there is racial discrimination, segregation and control of every movement from birth to death—that is the law of apartheid—that is the law of the land.

If each reader were to join the growing cultural and economic boycott of South Africa, it *could* make a difference. The people of South Africa who say *NO* to apartheid, many in prison or exile, will be heartened by this expression of support from the U.S.

The American Committee on Africa, formed in 1953, is the oldest U.S. organization effectively and responsibly supporting African people in their heroic struggle for dignity and freedom. ACOA is a non-profit organization. Hon. William H. Booth, President, George M. Houser, Executive Director.

National Committee: Arthur Ashe, Bella Abzug, Thurman Arnold, James Baldwin, Roger N. Baldwin, Stringfellow Barr, James B. Carey, Hon. Charles C. Diggs, Jr., Hon. Donald Fraser, Donald S. Harrington, Clarence B. Jones, Eugene J. McCarthy, Frank C. Montero, Wayne Morse, F. D. Patterson, Sidney Poitier, A. Phillip Randolph, Hon. Charles B. Rangel, Victor Reuther, Cleveland Robinson, Robert St. John, Hope R. Stevens, Howard Thurman, Stanley V. Wright (partial listing).

## LABOR—FAIR WEATHER FRIEND—XII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, I come from 1 of 19 States that have so-called right-to-work statutes, which enable States to prohibit labor contracts that require union membership as a prerequisite for being hired. This prohibits the closed shop. These laws are allowed under the Taft-Hartley Act, and are as vigorously opposed by labor as they are supported by management.

One of the effects of these statutes is that they make it very difficult for a union to maintain the membership of every employee in an organized company. In my State, organized labor represents only a fraction of the working force, thanks in part to statutes like this.

Regardless of how one might feel about the merits of this particular issue, the right-to-work issue is almost universally regarded as the litmus test of one's feelings about organized labor. Opponents of unions use it as a test of loyalty to business and management. Labor sees the issue as basic to its own survival—and so does business. There is no middle ground on this issue.

When it came time for the House to consider repealing section 14(b) of the Taft-Hartley Act, labor made repeal its top priority. Management made defeat of the repealer its top priority. If ever there was a time when the bedrock friends of labor came to a test, it was on this issue.

When the votes were counted, only four Texans supported repeal. Out of 19 States with right-to-work laws, only 18 Democrats voted for the repeal of 14(b). Fifteen of those votes, including mine, came from areas where there was heavy opposition to the repeal.

It was a close vote. It was an issue in which labor counted its friends. It was an issue where there was no middle ground. Either you were a friend of labor or you were not. I was a friend.

That is one hard vote; one of many hard votes on which I stuck out my neck to say that I believe in the right of men and women to organize and bargain collectively, and that this is a right that should not be unduly abridged.

Now, having been attacked publicly by that same AFL–CIO that so anxiously courted me on that issue, I wonder whether it was worth it. Today I wonder whether I would do it again, because I wonder whether the AFL–CIO really cares about its friends—its very few friends in my part of the country. I supported labor on a position that they thought was vital, when the temperature was hot, and the vote as close as they come. Today I wonder if they would support me in a close contest, with the votes close and the issues equally hot.

And I wonder what I would do if 14(b) ever came to a vote again. I wonder, not because I feel any differently about my principles, but because I would like to know if the AFL–CIO really cared about that very crucial and painful vote. They were my friends then, when the need of my vote was very great. Are they now? And if they are, why do not I get some answers from them? If labor really cares about me, I will know when the lies of their Labor Council for Latin American Advancement have been retracted. That's when I will really know whether it was worth while.

Today, I expressed my sentiments in a reply to a letter concerning legislation sent me by Andrew J. Biemiller, director, Department of Legislation, AFL–CIO, who has never replied to two letters I have written him since December. I submit this letter for the RECORD:

> WASHINGTON, D.C.
> *March 19, 1974.*
>
> Mr. ANDREW J. BIEMILLER,
> *Director, Department of Legislation, AFL–CIO, Washington, D.C.*
>
> DEAR MR. BIEMILLER: I have your letter in support of the 1974 Amendments to the Fair Labor Standards Act.
>
> I am sure that you are aware of my consistent record in support of legislation of this nature, so your letter is entirely unnecessary. I am glad to know that you are concerned about justice for others and I cannot comprehend your continuing failure to act in any way to obtain justice for me. You know that the AFL–CIO has consistently provided financial support to persons who are dedicated to my defeat, and if they succeed, I am one friend of Labor who just wouldn't be here any more. Of late, the AFL–CIO has given more than financial support to these individuals—it has endorsed their public assaults on me and even carried them in its official newspaper. I have directed many protests to you and others in Labor, who are in a position to correct this injustice, but I have never received so much as a reply from anyone other than the Editor of your official organ.
>
> I believe that I have borne this insidiousness long enough and I don't intend to remain silent about it any more. I enclose herewith eleven statements which are part of the series in which I will outline my feelings.
>
> It is curious to me that you solicit my support in the name of justice, while denying anything like justice to me and, indeed, insist on supporting financially, and every other way, some of my most dedicated opponents. There must really be a curious kind of thinking in the penthouse of the AFL–CIO these days. Maybe you would be more successful if you supported your friends once in awhile.
>
> Sincerely,
>
> HENRY B. GONZALEZ,
> *Member of Congress.*

## ON INTRODUCTION OF A BILL TO PROHIBIT INTERLOCKING DIRECTORATES AMONG LARGE CORPORATIONS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, in 1912, a congressional committee reported:

> When we find common directorship in banks and other businesses located in the same area and representing the same class of interests, all further pretense of competition is useless.

Two years later, in an attempt to preserve competition among major American corporations, Congress passed the Clayton Act. Section 8 of this legislation provides that—

> No person at the same time shall be a director in any two or more corporations . . . if such corporations are or shall have been theretofore, by virtue of their business and location of operation, competitors, so that the elimination of competition by agreement between them would constitute a violation of any of the provisions of any of the antitrust laws.

However, this narrow provision does not forbid indirect ties among competing corporations. For example, it is perfectly legal for two competing firms to each have a director on the board of a third business entity which has business ties with both of them. The effect of these interlocks may inhibit competition among all three companies.

In fact, in 1969, a Federal Trade Commission report on corporate mergers maintained—

> The existing law on interlocking directorates is inadequate, and interlocks among our great corporations are especially inimical to competition because the economy has become increasingly concentrated among a few hundred corporations.

The gregarious nature of American industry is well demonstrated by the extent of direct interlocks among major petroleum companies. An FTC study released earlier this year claimed that the U.S. eight largest oil firms are, to some extent, "commonly rather than independently owned." For example, the FTC pointed out that the Chase Manhattan Bank, through various nominees, is both the largest shareholder in Atlantic Richfield and the second largest shareholder in Mobil. The FTC reasoned that it is certainly not in the interest of Chase Manhattan to promote vigorous competition between these firms.

The practice of having directors of oil companies serve on the boards of directors and advisory committees of our American financial institutions is widespread.

For example, "Interlocking Oil: Big Oil Ties with Other Corporations," a study authored earlier this year by Angus McDonald of the Center for Science in the Public Interest, found the major, integrated oil firms to be sharing 163 indirect interlocks—in which theoretically, competing entities have members sitting as directors on the corporate boards of third parties.

McDonald discovered the following:

The Bank of America, largest in the United States, has a total of 16 directors, 4 of whom are oil men. Another oil executive is a member of the bank's advisory committee. The individuals are: E. Hornsby Wasson, director of Standard of California; John G. McLean, director of Continental; Chauncey J. Medberry III, chairman of Getty Oil; Robert DiGorgio, director of Union Oil; Prentiss Cobb Hale, director of Union Oil.

Chase Manhattan, the second largest bank in the United States, has a total of 25 directors, 4 of whom are oil men. Another oil man is a member of Chase Manhattan's advisory board. The individuals are: John Kenneth Jamieson, chairman and chief executive of Exxon; William P. Tavoulareas, director of Mobil; William A. Hewitt, director of Continental; Robert O. Anderson, director of Atlantic Richfield; and John E. Swearington, chairman of Standard of Indiana.

The First National City Bank, third largest in the United States, has a total of 26 directors, three of whom are oil men. The individuals are: Albert L. Williams, director of Mobil; William I. Spencer, director of Phillips; William G. Gwinn, director of Shell.

The Morgan Guaranty Trust Co., fifth largest in the United States, has a total of 24 directors, 4 of whom are oil men. Another oil man is a member of the advisory committee. The individuals are: Bert S. Cross, director of Exxon; Emilio G. Collado, director of Exxon; Elmore C. Patterson, director of Atlantic Richfield; Thomas G. Gates, director of Cities Service; and J. Paul Austin, director of Continental.

The Chemical Bank of New York, sixth largest in the United States, has a total of 22 directors, 4 of whom are oil men. Five members of the advisory committees are also oil men. The individuals are: Ralph Warner, Jr., chairman of Mobil Oil; James G. Riordan, director of Mobil Oil; T. Vincent Learson, director of Exxon; Howard W. McCall, director of Texaco; Monroe Edward Spaght, director of Shell; H. I. Romnes, director of Cities Service; William C. Renchard director of Amerada Hess; William S. Boothby, director of Getty Oil; and Joseph A. Thomas, director of Getty Oil.

In all, 132 of the 460 oil firm interlocks, McDonald found, involve banks, and another 31 involve insurance companies, which has especially ominous implications for competition.

In order for a company to enter the petroleum industry, or any highly capital intensive business, enormous amounts of capital are required. As I have indicated, financial institutions capable of funding such endeavors share common concerns with the large vertically integrated oil firms. Hence, for these banks to finance a new corporation interested in competing in the petroleum industry would not at all be in their best interests. Thus, as the independents find it increasingly difficult to get the requisite financial assistance, the prospects of increasing competition become increasingly limited.

Management interlocks are not limited to the oil industry, and neither are the anticompetitive implications of such interlocks. In 1965 the House Antitrust Subcommittee conducted a study on interlocks in American corporations generally. Although this study is 9 years old, its findings and conclusions undoubtedly suggest the magnitude of our current problem. In 1965 the 26 directors of General Motors Corp. held management positions in 22 banks and financial institutions, 4 insurance companies, and 32 industrial-commercial corporations. Through its directors, General Motors has two ties each with Melon National Bank & Trust Co., Canada Life Insurance Co., A.T. & T., International Nickel Co. of Canada, Ltd., and Gulf Oil Corp. In addition, it had single interlocks with United States Smelting, Refining & Mining Co., Gillette, Rail Trailer Corp., Gar Wood Industries, Harshaw Chemical Co., and Jones & Laughlin Steel Corp.

The study indicated that the Ford Motor Co. had 19 directors who took part in the management of 12 banks and financial institutions, 3 insurance companies, 38 industrial-commercial organizations, and 3 other companies. Among the banks and financial institutions, members of Ford's management participated in two interlocks each with Morgan Trust Co. and One William Street Fund, Inc., and in three interlocks with Federal Street Fund. Three of Ford's directors served with General Foods Corp., and two with Continental Can Co. Other companies linked with Ford's management were Owens-Corning Fiberglass Corp., Trans World Airlines, Pan American World Airways, B. F. Goodrich Co., and Sears, Roebuck & Co.

In general, interlocks generate several potential problems, according to the House study:

The impairment or elimination of competition between firms which use interlocking directorates as effective liaisons;

Preferential treatment in the supply of material and credit to favored companies;

Withholding of capital and credit from "outside" competitors;

Where an individual serves in the managements of differing corporations, his conflict of interest may result in "inside dealing" for his personal gain, at the expense of either or all of the corporations he serves. In a broader framework, his loyalties to the stockholders of each of the respective corporations are divided; and

Finally, by means of interlocks, control over the major part of American commerce could be concentrated among the hands of so few individuals that in the committee's words, "normal social and political forces relied upon to maintain a free economy would be ineffective to control abuses."

It is important to note that the Holding Company Act of 1935 prohibits both direct and indirect interlocks in utility holding companies. While the Federal Trade Commission staff recommended several years ago that indirect interlocks be prohibited in industrial corporations as well, no law has yet been passed making them illegal.

In an attempt to correct this shortcoming in law, I am introducing legislation today prohibiting—

First. Interlocks between competitors achieved by means of: Directors of one company acting as officers of another: and directors of one company being large stockholders in another;

Second. Interlocks between potential competitors;

Third. Vertical interlocks between buyers and sellers, including industrial firms and various kinds of financial institutions providing lending or investment services; and

Fourth. Indirect interlocks achieved through third party organizations of any form—whether partnerships, proprietorships, associations, or corporations.

After years of investigation by such groups as the Federal Trade Commission, the Federal Power Commission, the Judiciary Committees of both Houses of Congress, and private research organizations, it seems imperative that we learn from our recent bitter experience in the energy area and correct these anticompetitive abuses.

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## ECONOMIC JUSTICE FOR WESTERN IOWA POWER CONSUMERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. Culver) is recognized for 5 minutes.

Mr. CULVER. Mr. Speaker, in recent days I have been visiting in the western part of Iowa to discuss at first hand many of the economic problems and potential of that important region of my State.

These are independent-minded people who neither want nor expect any special favors from the Federal Government. They do resent Federal stupidity, however, and rightly so. That is why I have been so incensed to learn of the arbitrary treatment they have received at the hands of the officials who set public power rates in the Missouri River Basin.

Both the rural electric cooperatives and the municipal power systems who buy and resell Missouri Basin hydropower from the Bureau of Reclamation have been put in a serious bind by unjustified rate impositions scheduled to go into effect April 1. These have been calculated to cost Iowa consumers alone some $180,000 for the balance of the year, without even taking into account the effect of punitive penalties—which by their nature are totally incalculable but could be disastrous to Iowa consumers—for so-called overuse of hydropower.

How we can speak of "overuse" of a natural and constantly replenished resource in these days of fossil fuel scarcity is to me entirely beyond explanation. It also appears to make no sense to the seasoned professionals in the Bureau of Reclamation, who have had no justification to offer in the face of repeated questions from their REC and municipal customers. The Bureau has been forced to waffle and duck, seized as it seems in the grip of some political decision made by an officeholder who knows not what he does. I am inserting the most recent example of a nonanswer dictated by the Assistant Secretary level in the Department of the Interior.

In company with several of my Missouri Basin colleagues in the House and Senate, I have directed a letter to Secretary Morton to turn around this folly.

The fact is, contrary to the latest Interior letter, that there has been no "full disclosure and consultation with the interested parties." Until there is, we insist that the unjustified rate changes must be suspended. I personally go further and insist that future procedures must be devised and published that will insure consumer interests the right to be consulted and to participate in public power rate decisions from the outset.

Our people have had enough inflation for energy costs without enduring governmental price gouging as well. In my judgment, the Department of the Interior has behaved in this episode exactly as if it were one of the giant and secretive oil companies it is supposed to monitor. It looks as if bad habits are infectious.

I am also inserting the letter I have signed to Secretary Morton. Hopefully, this will have the effect of sparing our consumers unnecessary and unjustified further increases in their monthly bills. The letters follow:

BUREAU OF RECLAMATION,
*Washington, D.C., March 8, 1974.*
Mr. FRED G. SIMONTON,
*Executive Director, Mid-West Electric Consumers Association, Inc., Evergreen, Colo.*

DEAR MR. SIMONTON: Assistant Secretary Morton has asked us to respond to your letter dated February 7, 1974. Your letter has been reviewed and your views concerning the Department and its policies regarding the power rate increases are noted.

You are correct in your understanding that we still are of the opinion the power rate increases announced on November 1, 1973, are necessary. The new rates will become effective April 1, 1974.

Our policy on matters such as this is to carry out our responsibilities with full disclosure and consultation with the interested parties. Your views will be given full consideration as we continue our management of the Reclamation power program.

Sincerely yours,
G. G. STAMM, *Commissioner.*

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MARCH 14, 1974.
Hon. ROGERS C. B. MORTON,
*Secretary of Interior,*
*Washington, D.C.*

DEAR MR. SECRETARY: This letter is to request your personal and immediate attention to the Department of Interior's proposed power rate increases for consumer-owned electric systems receiving their wholesale power supply from the Bureau of Reclamation in the Missouri River Basin service area. We ask that you reconsider and countermand the decision to make new and higher rates effective April 1, 1974.

At the very least, Mr. Secretary, this rate increase should be postponed for a minimum of eight or nine months, which would permit sufficient time for the Department to more thoroughly and carefully coordinate its policy with its power customers.

There is a special reason that this should be done in this area of the country. Under these proposed new rates, customers of this power will be penalized for using an excess of certain amounts—one of the principal objections of these customers.

In this area of the Nation, the customers of the Bureau of Reclamation, almost without exception, use electric power for purposes without which they would use some form of petroleum product—gas, oil or propane. The effect of these penalties and the higher rates would aggravate the shortage of other fuel supplies. Making maximum use of electric power by the existing rate schedules has the effect of providing energy needs from hydro-electric generators or electric power generated by lignite steam plants. We can ill afford, Mr. Secretary, to take any step that will use our short supplies of petroleum for purposes that can be provided by these other energy sources.

We feel there are other strong reasons to defer a decision on these new rate schedules, principally:

1. The Department has not responded to requests from Members of Congress and Bureau customers for adequate information and supporting data.

2. Our review of the information supplied to us and the preference customers leaves us unconvinced that the rate increase proposed by the Department is required to meet the pay-out criteria established by the Congress.

3. We object in the strongest possible terms to the penalty provisions included in the proposed new rate schedules. Department spokesmen have acknowledged that they are punitive and an attempt to assess liquidated damages in advance. These penalties would impose impossible management decisions on both the Bureau and its customers.

We urge that you give this matter your personal attention and will inform us of your favorable decision as soon as possible.

## THE GROWING OF OPIUM IN TURKEY

The SPEAKER pro tempore (Mr. ROSE). Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 10 minutes.

Mr. RANGEL. Mr. Speaker, most of the Members of the House are aware that not too many years ago the streets of New York and the major cities throughout this country were plagued with the highest quality and quantity of heroin this country had ever seen. Through the office of the then Bureau of Narcotics and Dangerous Drugs we were able to determine that approximately 80 percent of this drug was then being grown in Turkey and processed in France. After many months of negotiations with the Government of Turkey an agreement was finally reached between our Government and the Turkish Government whereby Turkey would ban the production of opium. This Congress then awarded $35.7 million to make certain that the transition of giving up the growing of this crop by the Turkish farmers would be made easy, and we would provide not only economic assistance, but the technical assistance necessary for those farmers to become engaged in a substitute crop.

Recently it was aired in our New York papers, as well as papers throughout the country, that the Turkish Government had decided that they would no longer be bound by that agreement, and indeed would resume the growing of poppies.

The gentleman from New York, Congressman LESTER WOLFF and myself, then took off for Turkey on Thursday of last week in an effort to determine the facts as to whether or not the Government was actually going to breach what we consider to be a binding executive agreement between those two governments. We were met with a great degree of hostility because it was thought that this Government had placed this ban on the people of Turkey without any degree of sensitivity for the plight of the Turkish farmers.

Today I will be sharing this special order not only with other colleagues, but with my colleague, the gentleman from New York (Mr. WOLFF), as we try to state for the record the perilous possible confrontation that these friendly nations may have. The fact of the matter is that the agreement to impose the poppy ban was entered into between our Government and a military government of Turkey. While there is no question with the presently-elected government that agreement is binding, there is some question as to the equity and the fairness of the agreement because out of the $35.7 million we still are holding $20 million in escrow. Also, several months ago when the political campaigns in Turkey were in full swing, all of the seven political parties promised the Turkish people and, more specifically, the Turkish farmers, that they would remove the ban on the growing of poppies.

So now we find the Turkish Government faced with the commitment that they made to their people, and at the same time recognizing that in the long end of a negotiating tunnel the only tools that we have in the U.S. Congress are to enforce the amendment that was made to the Foreign Assistance Act. It stated that when the President of the United States finds that any nation is not cooperating with our efforts to curtail the international flow of drugs, he is mandated to cut off both foreign and military aid to that country.

Mr. Speaker, the gentleman from New York and I found out that the poppy is not considered to be a poison by the people of Turkey because the idea of its misuse is foreign to their concept because for centuries they have used that plant as a staple, they have used it for oil, for flour, indeed, for seasoning.

The agreement did not take into consideration the fact that while the military Turkish Government was always concerned with the illegal growing of poppies, that it was considered not to be immoral for the farmers, in addition to the poppy crop that they had grown for the Turkish Government, to be able to have also additional poppies that they would sell right in their local community.

We now find ourselves without having really done anything to change or to improve the quality of life for the Turkish opium farmers.

We do find Turkey itself indicating that at some future date they may consider resuming in whole or in part the opium crop. We believe that, in order for the people that are going to be adversely affected by this decision since there is no indication that the French connection will be broken in any way, if they start to resume the poppy growing. What is necessary at this time is that this Nation and the executive branch of the Government through its State Department place this on the highest foreign affairs priority to make certain that we avoid the collision that these two friendly nations would have.

It is now apparent that there will not be a spring planting, but because of commitments made by the Turkish Government to its farmers, it is clear that plans are underway for the resumption of full scale production by the fall and certainly next spring. It may be that, because of what is now considered to be a top Turkish priority in their domestic efforts to show their independence of all nations, including this one, our only tool will be the severe tool to cut the military and economic ties that these two nations have enjoyed for many decades.

TABLE 1.—USAID/TURKEY STATUS OF $10,400,000 POPPY GRANT

| Date of request | Project title | Project duration | Project cost | Cumulative project cost | Requested release | Actual release | Date of release | Cumulative releases | Cash balance available for release |
|---|---|---|---|---|---|---|---|---|---|
| July 7, 1972 | Coordination committee | Unspecified | $500,000 | $500,000 | $500,000 | $500,000 | July 20, 1972 | $500,000 | $9,900,000 |
| Aug. 4, 1972 | Irrigation projects in poppy area | 1 year | 640,786 | 1,140,786 | 640,786 | 640,786 | Aug. 17, 1972 | 1,140,786 | 9,259,214 |
| Aug. 26, 1972 | Livestock fattening project | do | 864,786 | 2,005,572 | 864,786 | 864,786 | Sept. 6, 1972 | 2,005,572 | 8,394,428 |
| Sept. 19, 1972 | Wheat production in development area | do | 58,036 | 2,063,608 | 58,036 | 58,036 | Oct. 3, 1972 | 2,063,608 | 8,336,392 |
| Nov. 18, 1972 | USDA/ERS |  | [1] 105,890 | 2,169,498 | 105,890 | 105,890 | Nov. 28, 1972 | 2,169,498 | 8,230,502 |
| Dec. 8, 1972 | Forage-pasture and fodder crops culture | 1 year | 316,008 | 2,485,506 | 316,008 | 316,008 | Dec. 18, 1972 | 2,485,506 | 7,914,494 |
| Do | Survey of existing oil processing places | 1 month | 14,593 | 2,500,099 | 14,593 | 14,593 | do | 2,500,099 | 7,899,901 |
| Feb. 20, 1973 | Determination of loss of poppygrowers | 6 months | 21,429 | 2,521,528 | 21,429 | 21,429 | Mar. 12, 1973 | 2,521,528 | 7,878,472 |
| Apr. 9, 1973 | Sunflower agriculture development | 3 years | 778,095 | 3,299,623 | 778,095 | 542,857 | May 28, 1973 | 3,064,385 | 7,335,615 |
| May 25, 1973 | 16 irrigation projects | 1 year | 726,126 | 4,025,749 | 726,126 | 726,126 | June 13, 1973 | 3,790,511 | 6,609,489 |
| June 1, 1973 | Handicraft research | Unspecified | 4,693 | 4,030,442 | 4,693 | 4,693 | do | 3,795,204 | 6,604,796 |
| June 13, 1973 | Research on suitable products for Afyon and Usak. | 3 months | 9,286 | 4,039,728 | 9,286 | 9,286 | June 27, 1973 | 3,804,490 | 6,595,510 |
| July 25, 1973 | Cattle development | 5 years | 4,295,518 | 8,335,246 | [2] 750,122 | 341,875 | Sept. 17, 1973 | 4,146,365 | 6,253,635 |
| Aug. 28, 1973 | Dairy products factory | 2 years | 725,858 | 9,061,104 | 725,858 | 212,587 | Oct. 2, 1973 | 4,358,952 | 6,041,048 |
| Do | Wheat production | do | 1,837,715 | 10,898,819 | [2] 855,715 | 855,715 | Sept. 17, 1973 | 5,214,667 | 5,185,333 |
| Oct. 3, 1973 | USDA/ERS (2d release) |  |  |  | 93,593 | 93,593 | Nov. 16, 1973 | 5,308,260 | 5,091,740 |

[1] For 1 year. Total cost unknown.

[2] 1st year requirement.

TABLE 2.—U.S. ECONOMIC ASSISTANCE TO TURKEY ADMINISTERED BY AID, U.S. FISCAL YEARS 1972–74

[In thousands of dollars]

|  | U.S. fiscal year |  |  |
|---|---|---|---|
|  | 1972 | 1973 | 1974 planned |
| Development loans | 40,000 | 9,000 | 6,000–20,000 |
| Eregli steel mill expansion (stage I) | 40,000 |  |  |
| Industrial investment and credit bank (SYKB) |  | 9,000 |  |
| Irrigated agriculture |  |  | [1] 6,000–10,000 |
| Tourism development |  |  | [1] 10,000 |
| Technical assistance and related grants | 3,700 | 3,771 | 2,611 |
| On-farm water development | 127 | 122 | 118 |
| Cereals production | 220 | 244 | 264 |
| Agriculture administration and planning | 171 | 270 | 129 |
| Bosporus University |  | 650 | 225 |
| Development administration training | 415 | 552 | 717 |
| Technical support | 863 | 774 | 817 |
| Robert College and Admiral Bristol Hospital (American schools and hospitals abroad) | 1,100 | 1,000 |  |
| Terminating projects | 804 | 68 |  |
| Population |  | 91 | 341 |
| Food donations (Public Law 480, title II) | 8,700 | 6,100 | 2,800 |
| CARE school feeding and maternal child health programs | 8,700 | 6,100 | 2,800 |
| Narcotics related programs | 15,700 | 5,000 | 15,000 |
| Compensation | 5,000 | 5,000 | [1] 5,000 |
| Control | 300 |  |  |
| Development | 10,400 |  | [1] 10,000 |
| Grand total | 68,100 | 23,871 | 26,411–40,411 |

[1] Not yet obligated.

TABLE 3.—TRANSFERS OF U.S. RESOURCES TO TURKEY

[In thousands of dollars]

|  | Fiscal year— |  |  |
|---|---|---|---|
|  | 1972 actual | 1973 estimated | 1974 proposed |
| Total of all U.S. resources transferred | 227,765 | 193,897 | 287,158 |
| Security assistance (subtotal) | 155,809 | 136,916 | 223,054 |
| Military assistance program | 60,731 | 58,450 | 85,501 |
| Country costs | (60,731) | (58,450) | (85,501) |
| International military education and training program |  |  | 2,499 |
| Military Assistance Advisory Group—administration and training costs | 3,449 | 3,566 | 3,554 |
| Excess defense articles (legal value) | 35,100 | 36,400 | 50,000 |
| Ships transfers (loans, leases) | 41,416 | 18,500 | 6,500 |
| Real property transfers | 113 |  |  |
| Foreign military credit sales | 15,000 | 20,000 | 75,000 |
| Development assistance (subtotal) | 71,956 | 56,981 | 64,104 |
| Agency for International Development: |  |  |  |
| Development loans | 40,000 | 40,000 | 40,000 |
| Technical assistance | 3,263 | 2,500 | 2,450 |
| Population programs |  | 93 | 60 |
| International narcotics control | 15,700 | 5,000 | 15,000 |
| Peace Corps | 1 |  |  |
| Public Law 480 | 12,515 | 8,973 | 6,112 |
| Mutual education and cultural exchange | 477 | 415 | 482 |

Source: Foreign assistance and related programs appropriations for fiscal year 1974—Senate hearings before the Committee on Appropriations, May 31, 1973.

Mr. Speaker, I now should like to yield to my distinguished colleague, the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. I thank the gentleman for yielding.

Mr. Speaker, I want to take this opportunity to congratulate the gentleman from New York (Mr. RANGEL) for his efforts on this recent trip that we made to Turkey. As chairman of the Subcommittee on International Narcotics Control, I, as well as Mr. RANGEL, was very disturbed about the press reports received relative to the breaking of the ban and Turkey's going back into opium production. However, we are happy to report a successful mission.

After a 2-hour meeting with Turkish Foreign Minister Gunes, he told us he had reached the decision, on behalf of his Government, not to break the opium ban at this time and that his country will forgo the spring planting of poppy seeds for the production of opium.

Additionally, we were informed that discussions between Turkish authorities, U.S. Ambassador William Macomber, and American officials will be continued in an effort to resolve the differences.

No promises were made, no new "deals" were reached. However, a greater mutual understanding of the problem was attained.

We found deficiencies on both sides. A lack of appreciation of the true impact on the peoples of both countries has undermined the original executive agreement whereby the United States was to pay Turkey approximately $36 million to get out of the opium business.

The farmers we visited in the opium region of Afion—by the way, "Afion" means opium, and that is the name of their city—in their simple ways did not know of the destruction wrought by the poppy crops they grow. The average farmer realizes between $35 and $50 per year from the sale of legal morphine or opium gum to the Government of Turkey. Poppy byproducts are the farmer's prime product—the poppy seeds which are made into cooking oils and native bread.

It is the parasites, the illegal drug peddlers, who reap the real harvest with their illicit purchases from some of these farmers. And corrupt local officials greased the way for substantial quantities to be diverted into illegal channels to provide the link to the so-called French Connection that before the ban supplied—as my colleague said—more than 80 percent of all the heroin destined for the United States.

Today the Turkish people are almost totally unaware of the real success of the opium ban in breaking up the French Connection and cutting off the flow of heroin to the Eastern United States. Shortages in the East, higher prices for heroin, and a deterioration in the quality of available heroin proves out the success of the ban. The effect, however, *has not reached* the average Turk in the street or on the farm. In fact, we learned that there are forces at work, including some greedy American pharmaceutical manufacturers, whose names are being turned over to OMB and DEA, and demagogic Turk politicians, attempting to make the opium culture an issue of "national independence from U.S.A. influence," by calling for a repudiation of the executive agreement entered into by both governmnts.

Also contributing to this situation is the talk of United States attempts to induce India to increase her production of opium for pharmaceutical purposes. The Turks say, "Why single us out?" and we cannot say they are wrong.

We must seriously question the validity of India's ability to exert the necessary constraints to control present production, no less any added volume. And, how does one explain this double standard on the part of the United States?

Mr. RANGEL. I thank my distinguished colleague, the gentleman from New York (Mr. Wolff).

## PANAMA CANAL: DIPLOMATIC TRICKERY REQUIRES ACTION BY THE CONGRESS

The SPEAKER pro tempore (Mr. Rose). Under a previous order of the House the gentleman from Pennsylvania (Mr. Flood) is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, on February 7, 1974, in Panama City, Republic of Panama, U.S. Secretary of State, Henry A. Kissinger, and Panama's Minister of Foreign Relations, Juan A. Tack, signed a joint statement of principles to govern the negotiation of an entirely "new" and "modern" treaty for the Panama Canal. This would replace the 1903 treaty under which the Canal Zone was acquired by the United States, the canal constructed, and has been subsequently maintained, operated, sanitated, and protected.

To make the status of the U.S. Canal Zone absolutely clear, attention is invited to the following elemental historical facts:

First. The Congress in 1902 authorized the President to acquire perpetual control of a Canal Zone for the construction and perpetual operation of an isthmian canal.

Second. Following the secession of Panama from Colombia on November 3, 1903, such zone was acquired from Panama, a successor state, for $10,000,000, which is more than was paid for either Florida or Alaska. The small annuity in the treaty was the obligation of the Panama Railroad assumed by the United States and not a "rental" as so often erroneously stated.

Third. In addition to the purchase price for the necessary "sovereignty and jurisdiction" over the Canal Zone, the United States obtained title to all privately owned land and property in it from individual owners, making the Zone our most costly territorial acquisition.

Fourth. The 1903 Treaty uses the term, "in perpetuity," seven times, conclusively showing that the "grant" by Panama of the "use, occupation, and control" of the Canal Zone was intended to be perpetual as provided by the 1902 statute.

Fifth. The total investment of the United States in the canal enterprise, including its defense, from 1904 through June 30, 1971, was $5,695,745,000.

Sixth. The Congress has not authorized the disposal of either the Canal Zone or any land or property in it.

The signing of the Kissinger-Tack joint statement at Panama, which treats such historical facts as matters of little consequence, was followed by enormous publicity in the United States and abroad, causing many questions to be raised by concerned U.S. citizens and users of the canal as to precisely what that document means. Some of those questions have been studied by Edward Hunter, editor of Tactics, the only professional "spy war" journal, Box 3541, Arlington, Va. 22203.

In his analysis, Mr. Hunter describes the purposes of the statement as follows:

> To create a situation that would make rejection of the so-called principles by the United States "acutely embarrassing" and thus, assure that the document will be accepted as a "treaty signed, approved and promulgated."
>
> To invite a "propaganda attack" in the event of nonacceptance of the "principles" by the Congress with the expectation that such attack would have the effect of giving the "principles" legitimacy.
>
> To serve on a basis on which a treaty embodying such "principles" could be negotiated in the normal manner.

Mr. Speaker, as explained by Mr. Hunter, such procedure is diplomatic trickery in the highest degree for it makes the sovereign people of the United States and their Congress the "enemy" against which elements in the executive branch of our Government and the pro-Red revolutionary dictatorship of Panama are allied in a power struggle against the people and the Congress over control of one of the world's most strategic waterways.

It is, indeed, an interesting coincidence that 2 days after the appearance of Mr. Hunter's article that Twin Circle an outstanding New York weekly, published a perceptive column on the same subject by Dr. Robert Morris, former Counsel of the U.S. Senate Subcommittee on Internal Security and now president of the University of Plano of Texas. In this article Dr. Morris charges that Secretary Kissinger and Ambassador Ellsworth Bunker are acting as if they and not the Congress have the authority to take the step that was taken on February 7 at Panama, and urges thorough hearings in both Senate and House.

The issue, Mr. Speaker, is not U.S. control over the Panama Canal versus Panamanian but continued undiluted U.S. sovereignty over the Canal Zone versus U.S.S.R. domination. This is a question that no amount of sophistry can remove and it must be faced.

In order that the indicated articles by Mr. Hunter and Dr. Morris may be readily available to the Congress and more likely read throughout the Nation, I quote both as parts of my remarks:

[From Tactics, Mar. 20, 1974]

### Panama Canal—Where We Stand

What actually did Secretary of State Kissinger sign on Feb. 7, 1974 in Panama City concerning the Panama Canal? Where does this put the United States as regards the canal? What is the validity of whatever document he signed? Is our status as of now any different than before he signed? In what way, if any, are we bound by its language or stipulations?

Is the canal still ours, in perpetuity, and if this is so, is it only technically so because of the signing? Has some doubt now been cast on what hitherto had been accepted as indisputable?

These questions and more have been consistently asked of this editor ever since the signing ceremony in Panama. Many persons were assuming that the canal, for all practical purposes, was being given up.

The intent of this article, therefore, is to provide in as objective a manner as possible, as "intelligence," the answer to these questions. Obviously, great confusion persisted on the subject.

### WHAT ACTUALLY WAS SIGNED?

The first question that arises, of course, is what actually was signed, as regards validity, not contents.

The document is officially called a "statement of principles." After listening to explanations from varied sources, from the State Department to Congress, and by influential activists without official standing, it boils down to this:

The document is not binding, but insofar as the two governments will be able to accomplish it, the principles are binding. This is not a treaty, which requires Senate approval, nor an agreement for an abandonment of sovereignty over the Canal Zone, as this would require the approval of both the House and the Senate, but it is an understanding to this effect, constituting a convenient framework for future negotiations.

If this sounds strange, it is; rather, as a State Department officer who participated in the ceremony expressed it colloquially, the document has a "funny status." Actually, what the Nixon administration has attempted to do through Henry Kissinger is to create a situation which would make it acutely embarrassing for the United States to reject the so-called principles.

This is expected to assure that we will accept the document as if it were a treaty signed, approved and promulgated. If anyone has a feeling as if this were flea market bargaining in which the tourist seems to be "taken for a ride," one could hardly deny it.

Two observations warrant mention. The far left-type government of Panama can be expected to raise an international furore, supported by the usual pro-red propaganda orchestration worldwide, if we later decide, upon the insistence of the Congress, that one or more of the so-called "principles" simply are not acceptable.

The expectation is that such a propaganda attack, if considered necessary, would have the effect of giving the "principles" the legitimacy of a treaty. They would become the basis on which a pact could be negotiated in the normal manner.

The seeming fait accompli would assure approval by Congress. That is, if this propaganda climate could be maintained. This is the trickery in the signing.

The enemy, under such circumstances, becomes the American Congress and people, against whom the U.S. and Panamanian government would be allied.

The second observation is that, through such an acceptance of so-called "principles," negotiations assume a procedure characteristic of the communist method of negotiating, as contrasted with that of other countries.

What we call a negotiation, with its give and take, precedes negotiations under communism. Whereas we traditionally leave all issues up to discussion and resolution at a negotiating conference, the reds consider the negotiating table merely the place were delegates sign what already has been determined beforehand by exercise of persuasion and power, as on a battlefield or in a propaganda war.

We can be sure Panama will insist that so-called negotiations formalize into treaty form what already was signed by Kissinger as a set of "principles."

### STATE DEPARTMENT'S VIEW, TOO

The State Department view is that what Kissinger signed constitutes a convenient framework for future negotiations, but "cannot conceive" of a situation in which any of the "principles" would be abandoned.

Congress, buttressed by what the people desire, will have to be heard from on this, of course.

The State Department considers the "principles" to be a guide in reaching treaty agreement, but if the principles are inflexible, they constitute a treaty, in effect, by themselves, and this is contrary to Constitutional requirements.

State Department officers also employ the phrase, a statement of philosophy, in reference to the document. Semantics cannot change facts, though; they can only mislead, confuse and defraud.

Washington might have accomplished one result that frequently is the only viable one in an impossible situation, and that is to gain time, to stall when anything else would only create embitterment and solve nothing.

A statement was issued on Feb. 7, jointly by Kissinger and Juan Antonio Tack, Panama's minister of foreign affairs, containing the list of eight principles.

"The new treaty," the statement said, "would abrogate the treaty existing since 1903, and its subsequent amendments, establishing the necessary conditions for a modern relationship between the two countries, based on the most profound mutual respect."

### TEXT OF THE EIGHT PRINCIPLES

The statement declares:

The principles to which we have agreed, on behalf of our respective governments, are as follows:

1. The treaty of 1903 and its amendments will be abrogated by the conclusion of an entirely new interoceanic canal treaty.

2. The concept of perpetuity will be eliminated. The new treaty concerning the lock canal shall have a fixed termination date.

3. Termination of United States jurisdiction over Panamanian territory shall take place promptly in accordance with terms specified in the treaty.

4. The Panamanian territory in which the canal is situated shall be returned to the jurisdiction of the Republic of Panama. The Republic of Panama, in its capacity as territorial sovereign, shall grant to the United States of America, for the duration of the new interoceanic canal treaty and in accordance with what that treaty states, the right to use the lands, waters and airspace which may be necessary for the operation, maintenance, protection and defense of the canal and the transit of ships.

5. The Republic of Panama shall have a just and equitable share of the benefits derived from the operation of the canal in its territory. It is recognized that the geographic position of its territory constitutes the principal resource of the Republic of Panama.

6. The Republic of Panama shall participate in the administration of the canal, in accordance with a procedure to be agreed upon in the treaty. The treaty shall also provide that Panama will assume total responsibiltiy for the operation of the canal upon the termination of the treaty. The Republic of Panama shall grant to the United States of America the rights necessary to regulate the transit of ships through the canal, to operate, maintain, protect and defend the canal, and to undertake any other specific activity related to those ends, as may be agreed upon in the treaty.

7. The Republic of Panama shall participate with the United States of America in the protection and defense of the canal in accordance with what is agreed upon in the new treaty.

8. The United States of America and the Republic of Panama, recognizing the important services rendered by the interoceanic Panama Canal to internal maritime traffic, and bearing in mind the possibility that the present canal could become inadequate for said traffic, shall agree bilaterally on provisions for new projects which will enlarge canal capacity. Such provisions will be incorporated in the new treaty in accord with the concepts established in principle 2.

### WILL SERVE AS GUIDELINES

The accompanying joint statement declared:

"The principles will serve as guidelines for the next round of treaty talks which are expected to get under way in the near future. The principles are general in character and do not address the many specific issues involved in defining the new treaty arrangement. These remain to be negotiated."

In other words, semantics aside, this is a treaty that looks forward to its expansion. Actually, it has only such validity as it can get away with, barring the Congressional consent, by both houses of Congress, that is required for it to become binding in our law.

The Administration's prestige is put on the line by it, yet it gives the government an out, if it needs it. The State Department can say, "Very sorry; we forgot to get Congressional assent."

Maybe President Nixon has decided that the Communists are not the only ones to get the best of both worlds. Let us hope so, or make it so! Public and Congressional pressure can make sure, at least, that we do not give up our world.

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(From Twin Circle, Mar. 22, 1974)

### PANAMA CANAL IN PERSPECTIVE

(By Robert Morris)

Perspective is so important. It enables one to see clearly. That is why the sly but successful propagandists are always throwing dust in our eyes.

For seemingly inexplicable reasons the U.S. State Department has been trying to take and turn it over to the Panamanian government which is run by political bandits allied the Panama Canal from the United States to Fidel Castro and Colonel Qaddafi and other enemies of the United States.

They have no legal authority to do so since sovereignty over the canal was formally ceded to the United States "in perpetuity" in 1903. The ceding was wrought by treaty which under our Constitution becomes the law of the land, equal to the Constitution.

No president, much less the State Department, has the power or authority to change this deeply ingrained constitutional enactment by executive agreement.

To amend or to annul this treaty which is what Dr. Henry Kissinger, through Ambassador Ellsworth Bunker, is trying to do, legislative action must be taken by a two-thirds vote in the Senate and possibly even a two-thirds vote in the House of Representatives.

### SELF-DESTRUCTIVE STEP

But Kissinger and Bunker are acting as if they and not the Congress have the authority to take this step which a clear perspective would show to be suicidal and self-destructive.

If Panamanian dictator Torrijos is given sovereignty and authority over the Canal, he and his allies will see to it that we will not use the Canal at all or else we will be blackmailed into outrageous payments and conditions. That is the booming lesson of contemporary history. To try to safeguard our interest by agreements after surrendering sovereignty is fanciful.

All of which points up the folly of our present policy of detente. The Communists and their allies (of which Torrijos is one) are driving ahead toward their goal of Sovietizing the world. We are peacefully and unilaterally co-existing with them, even to the extent of foregoing any educational implementation of our posture.

We sent troops into Vietnam to stem the Communists but we could not indoctrinate them that Communism was an evil force of aggression. When soldiers know not for what they fight, they lose their morale. And when parents know not for what their sons fight and die, they do more than lose morale.

How can we possibly survive in a world with aggressive Soviet power when all our agencies of government are precluded, by authority on high, to educate our people on the true nature of Communism?

Every Soviet bureaucrat is imbued with a sense of dedication to Communist advancement. Every bureaucrat of ours must be neutral to Communism (or worse) to be eligible for service.

It necessarily follows that our present policy will take us into one retreat after another. The enemy can implement its aggressions with propaganda and demonstrations. We can only implement our position with abstract, often inane and now thoroughly incredible protests and pretensions.

Let there be thorough hearings in the Senate and even the House of Representatives on the issue of the Panama Canal. Then let the Congress make its decision. Let us not engage in the secret diplomacy that has led us into one disaster after another.

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## OPIUM PRODUCTION IN TURKEY

The SPEAKER pro tempore. Under a previous order of the House the gentleman from New York (Mr. WOLFF) is recognized for 15 minutes.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. WOLFF. I yield to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

I want to congratulate the gentlemen from New York, Mr. RANGEL and Mr. WOLFF for undertaking their recent mission to Turkey, appealing to the Turkish government to refrain from breaking the ban on growing opium in their country.

I had occasion to visit Turkey last year and to discuss the narcotics problem with Turkish officials and with our own drug enforcement officials.

At that time I found that our Government's efforts and expenditures had helped significantly in drying up opium trade in that part of the world—and that these efforts have had an impact upon herion traffic in our Nation.

We have expended over $35 million dollars in inducing Turkey to subsist its poppy growing operations. This was money well spent. My own recent visits to drug treatment centers in my congressional district involved in complex rehabilitating programs substantiate the need for an all out effort to stop the cruel monster of drug addiction at its source, the poppy.

While the success of my colleague's visit to Turkey was a partial victory in our firm resolve to stop the villain at its source, we cannot let our efforts end at *this small* success. We must continue to lavish our attention on the vascillating situation in Turkey.

If the problem lies with the parasitic illegal drug peddlers described in Mr. WOLFF's statement, we need to go beyond our current efforts, using our good resources of men and money, by sending some of our agricultural experts out into the Turkish fields where they will be able to train and advise Turkish farmers in producing other crops—cash crops that will assure the farmer's livelihood while not harming our youth here at home.

The problem mandates action. We cannot for a minute rest our heads or turn our backs to this creeping plague. We must do whatever we can to assure our coming generations that narcotic addiction is an unpleasant but distant memory.

Mr. WOLFF. Mr. Speaker, I thank the gentleman from New York (Mr. GILMAN) for his contribution and his work in this area.

In continuing the dialog that took place between my colleague, the gentleman from New York (Mr. RANGEL), and me, we cannot succeed in this Nation in our fight against drug addiction and related crime in this country by employing any half measures. They will not work.

Perhaps like the energy crisis there is a contrived shortage of opium being foisted on the world by some pharmaceutical manufacturers. However, if Turkey at some future time does go back to opium poppy production, even on a limited basis, it will open up a Pandora's Box. Everyone concerned with narcotics and crime knows that we do not grow the opium poppy in this country.

One way to stop the heroin abuse is to stop the heroin at its source, the opium poppy. This is why the decision by Turkey is so important.

The gentleman from New York (Mr. RANGEL) and I arrived at a time of elevated tension between the United States and Turkey, created by widespread reports that the ban on opium production was to be lifted. Our visit was heralded by statements in the Turkish press with statements attributed to us, of a possible cutoff of U.S. aid. This impression was the result of an answer to a reporter who asked us at the airport on our arrival what remedies were available if Turkey did break the ban.

We replied that there was existing legislation on the books sponsored by the gentleman from New Jersey (Mr. RODINO) and the gentleman from New York (Mr. RANGEL) and me to require the President to cut off all economic and military assistance to any nation which does not fully cooperate in our efforts to combat illegal narcotic traffic. This provision was also included at my instigation in the new United States trade bill, so now we have an even greater weapon with which to fight this drug war.

That it is not now necessary to invoke these provisions is certainly welcome and clearly due to the fact that Turkey has long been a friend and ally of the United States and it is in the interest of both nations to encourage this relationship. But ally or not, our children are our first priority and if any nation refuses to cooperate with us in this drug war and makes it through the illegal production of opium unsafe for us to walk the streets of our Nation, we will be compelled to take this sterner course of action.

Last year when the elections were being held in Turkey, as a result of the interests that I had in the statements being made by various members of the political parties who were competing in the election, I asked the chairman of the President's Committee on Narcotics Control, Mr. Handley, who was formerly the Ambassador to Turkey, for permission to go to Turkey and talk to some of the people. Many impediments were put in my way. In fact, I was told at the time that if I went there, I would rock the boat.

Well, I think it is about time that somebody did rock the boat and let the people know over there that we are determined in our efforts to stamp out this menace to our people.

The whole question of mutual assistance is not a one-way street. Mutual assistance implies that both nations participate and cooperate.

Therefore, it is a happy occasion that we are able to report that Turkey has decided to forego the spring planting; however, that does not imply for one moment that they will not go into production again in the future.

It is my hope that they will see the importance that we attach to this and the importance that, really, this has in the moral context of the increase of the supply of narcotics that would be available if Turkey went back into the business of producing the opium poppy.

It took a marathon of meetings with Turkish officials, farmers, and members of the Turkish Parliament, to change an atmosphere of hostility into mutual understanding and to convince the Turks that we want to stop this narcotics traffic. Future meetings will benefit from this understanding.

I want to thank my colleague from New York (Mr. RANGEL) for the cooperation and assistance that he has rendered in making possible this new agreement.

I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, I want to thank the gentleman for making it possible for us to have had the contacts that we did have in Turkey, so that we could get the story, not only from the members of the Turkish Parliament, but from the peasant poppy farmers as well.

While Members of this Congress recognize fully well the adverse effect that the growth of poppy seeds and the growth of poppy in Turkey will have on the general American population, I think we should know that we are not alone in this fight, because it was President Nixon that elevated this question of international drug trafficking to one of priority as it relates to foreign affairs.

We did have an appeal from our Ambassador in Turkey, Mr. William Macomber, who certainly has been fighting to break this assault on our country.

I think one of the pioneers in our legislative efforts has been our chairman, the gentleman from New Jersey, (Mr. PETER RODINO) who was able to get the support of our colleagues in New York and get the happy ending referred to by my colleague from New York (Mr. WOLFF) in our foreign policy. So I am glad we had this exchange with the gentleman from New York (Mr. WOLFF). I hope we can encourage our State Department to get some laws on this subject.

Mr. WOLFF. Mr. Speaker, I thank the gentleman. I must echo the sentiments of the gentleman on the work of Ambassador Macomber, who has been a giant in these efforts. He has certainly turned around some of the problems we have had with Turkey. I am sure his continuing coversations with the Turkish Government will provide the climate for the continuation of the ban.

Mr. Speaker, I yield back the balance of my time.

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## ENDING THE OIL EMBARGO

The SPEAKER pro tempore (Mr. ROSE). Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 15 minutes.

Mr. PODELL. Mr. Speaker, yesterday, after months of anguished waiting, the good news finally came from Vienna. The Arab oil producing States, or at least a majority of them, have decided to forgive the United States for past sins, and resume shipping oil to us. Well, I am less than delighted at this turn of events. The reason for the resumption in shipments, as Sheikh Ahmed Zaki Al-Yamani stated, was to repay the United States for changing her Middle East policy. Continued oil shipments are dependent on our maintaining an "even-handed" policy.

Even though the U.S. Government may protest from now until doomsday that our actions in the Mideast since

September were motivated solely by a sincere interest in bringing about a peace settlement and a feeling that this was the most propitious time for beginning a strong peace effort, the timing of the Arabs' decision, and statements accompanying that decision, have created a sentiment that is going to be extremely difficult to overcome, which is that the United States knuckled under to Arab oil blackmail.

I cannot be pleased about the resumption of oil shipments because it seems like a reward to a recalcitrant child for taking a medicine he did not like. It makes the United States look like the kind of nation that can be pushed around by anyone, like the kind of nation that is so fearful for its economic well-being that it will go to any lengths to maintain that well-being. Now, I know, Mr. Speaker, that the United States is not such a nation. But the timing of recent events may lead the rest of the world to think it is.

I strongly doubt that the resumption of oil shipments from the Middle East will stem the rise in oil prices. In fact, key spokesmen in the industry have already predicted continued rises in gasoline prices, until the cost of a gallon of gas at your favorite local pump may reach 75 or 80 cents by this summer. Such predictions should lay to rest the idea that the severe shortages we have been experiencing recently were the direct result of the Arab oil embargo.

We must not be carried away with delight simply because the Arabs have temporarily relented, Mr. Speaker. Rather, we must remember that they are still playing their carrot-and-stick game, with the United States as the donkey they hope to lead along by the nose. If this country does not persist in its efforts to force Israel to accept a peace settlement, which may or may not be in Israel's best interests, they threaten to cut off the flow again.

It is significant that the only combatant with whom Israel has not yet reached a disengagement agreement, let alone a workable cease-fire agreement, is also one of the only two nations at the Vienna conference who refused to end the embargo. I am speaking, Mr. Speaker, of Syria. Syria has steadfastly refused, with a virulence that makes Egypt's attitude look almost timid by comparison, to deal reasonably with the Israeli Government. While hosting our Secretary of State and talking outwardly of peace, they continue to provoke incidents along the Golan Heights, and then they say that the United States is not meeting her burden in bringing peace to the Middle East and talk about refusing to lift the embargo.

It is because of attitudes such as this, Mr. Speaker, that I am extremely skeptical of the benefits we hope to receive now that the embargo is lifted. Let us not forget for a moment, that this weapon is perceived by the Arabs as having been used successfully against the United States, and that therefore they feel they will be able to use it successfully again. It would be the height of folly for this country to relax now and think that we can return to our former patterns of energy consumption.

It has never been more important for each of us, both as public and private citizens, to realize that what America needs most is not an increased supply of oil, but a decreased demand for it. We should not be lulled into complacency by the temporarily increased oil shipments. Rather we should keep in mind that these shipments are temporary, subject to disruption at any time the Arab States become dissatisfied with the United States, and we should learn how to get along with less gas for our cars, and a generally lower level of energy consumption all around.

We should realize that the oil embargo alone did not create the recent shortages and astronomical price rises, but rather it was the concerted actions of the giant oil companies in combination with the embargo, that resulted in so many of the consumer's problems.

I hope that we will never again be lulled into thinking that oil is plentiful, ever-flowing river. We have seen that it is a scarce and valuable commodity, and more importantly, that it is a weapon of political blackmail of the worst kind. This Nation and her leaders can no longer afford to be naive about the meaning of oil. It is not just something to power cars and tractors, and heat your homes and offices. It is something that can be used against us. It is urgent that we do all we can in the next few years to greatly decrease our dependence on imported oil, else this great Nation will be dangerously vulnerable to manipulation by any country with a political grudge against us.

## IN MEMORY OF ALFRED F. BEITER

(Mr. DULSKI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DULSKI. Mr. Speaker, I just learned of the passing last week of my friend and former Member of this House, Alfred F. Beiter, at Boca Raton, Fla., where he retired 10 years ago.

Mr. Beiter was born in Clarence Center, N.Y., attended Williamsville High School and Niagara University, which in 1942 awarded him an honory doctor of laws degree. Following the footsteps of his grocer-feed merchant father, he was in the feed business in Amherst, N.Y. from 1915 until 1929 when he began his public service by being elected Town Supervisor in Amherst.

After reelection to another 2-year term in 1931, he entered the congressional race in 1932. It was a strongly Republican district, but Democrat Beiter was one of the many carried into office with the Roosevelt landslide.

An uproar ensued in Amherst when he refused to resign his post as Town Supervisor, insisting on completing the term which expired in late 1933. A true party man, he knew his resignation would result in the Republican Town Board's appointment of a Republican successor and in Republican control of the Erie County Board of Supervisors. The fight was carried to the courts, but the Appellate Division of the New York State Supreme Court agreed that he could legally serve in both positions, and he commuted almost daily by train from Buffalo to Washington until his supervisor's term expired.

His next two terms in Congress demonstrated his concern for the district's growth, as he fought for legislation to deepen and dredge Buffalo Harbor and the feeder streams such as the Black Rock Channel.

Defeated for reelection in 1938, he was again elected in 1940 for his final 2 years in Congress. In 1949 he began 12 years of service in Washington as president of the National Customs Service Association, and then was chosen by President Kennedy in 1961 for the post of Deputy Commissioner for policy planning in the U.S. Customs Bureau. He was chairman of the Customs Service's steering committee for the 175th anniversary in 1964.

Many of my colleagues will recall his wife Margaret, long-time key aide on the House Public Works Committee before retirement in 1964 led the Beiters to Florida.

Alfred Beiter had a long and distinguished career in public life. Our deepest sympathy is extended to his wife, his son David of Stillwater, N.Y., and his daughter, Nancy Beiter of Washington, D.C.

## VETERANS' PREFERENCE FOR VIETNAM ERA SPOUSES

(Mr. DULSKI asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DULSKI. Mr. Speaker, today I am introducing legislation to correct a technicality in the law which denies veterans' preference to certain unremarried widows or widowers of the Vietnam era, while granting it to others.

The Disabled American Veterans requested this amendment to the law in Resolution No. 389, adopted at their national convention last year.

The bill amends section 2108(1)(A) of title 5, United States Code, redefining veterans to include "Vietnam era" veterans. This will entitle otherwise eligible Vietnam era spouses to veterans' preference points in appointments to Federal jobs, according them the consideration intended by Congress but heretofore denied by a quirk in the language of the law.

## AGAINST "PROGRESSIVE" SOCIAL SECURITY TAXES

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, much attention has been given recently to alternate methods of financing the social security program.

If anyone should know of the possible pitfalls regarding alternate methods of financing, Mr. Robert M. Ball, who was Commissioner of Social Security for over 11 years, should.

I ask that the clear and concise article written by Mr. Ball appearing in the Star-News for Sunday, March 10, "Against 'Progressive' Social Security Taxes," follow my remarks.

### Against "Progressive" Social Security Taxes

(By Robert M. Ball)

In the name of "tax reform" there is a movement afoot which would seriously undermine the contributory nature of the social security system.

One current proposal is to finance social security by a progressive tax, with complete exemption for low-wage earners. Under this proposal the present flat-rate social security deductions from earnings would be dropped, and the loss of income arising from the *failure of* low-wage earners to make contributions would be made up by higher payments from middle-level and higher-paid wage earners. As a consequence such earners would be called on to pay more for social security than their protection is worth to them.

Proposals to finance all or the major part of social security out of the general revenues of the United States are also being advanced.

I believe that such changes would be dangerous to the stability of the system and would threaten contributors' rights to future benefits.

A good argument can be made for direct government assistance to low-income workers, but this can be accomplished without making radical changes in the nature of our popular and successful social security system. Social security is a social *insurance* system similar to those found in major industrial countries throughout the world and is based on a long tradition of self-help. The fact that those who get protection for themselves and their families pay specifically toward the support of the system, together with the absence of a means test, are the main features of social insurance which sharply distinguish it from "welfare."

The proper financing principles for such a program—really a government-operated, contributory, retirement and group insurance plan—are by no means the same as the financing principles one would want to follow in raising money for the support of general government expenditures. Social security financing should not be considered separately from social security benefits or approached solely as a tax issue.

If the financing principles of social security are changed so that large numbers of people are paid benefits without contributing, while large numbers of other people are charged much more than they would have to pay for obtaining the protection elsewhere, fundamental changes in the benefit side of the program are almost bound to follow. Without a tie between benefit rights and previous contributions, questions would undoubtedly arise about the basis for paying benefits to those who can support thmeselves without the benefits. If financing were related to ability to pay, it is very likely that benefits would be related to need. Thus as a result of a change in financing, we could find that social security had been turned into a welfare or negative income tax program designed to help only the very poor and that it no longer was a self-help program serving as a base for all Americans to use in building family security.

The analysis of social security financing separately from social security benefits and solely in terms of taxation principles seems to me to be based on a misunderstanding of the nature of social security—a misunderstanding that grows in part out of the fact that social security today is lumped in with other government programs, both organizationally and in the presentation of the budget. I believe it would help make the nature of social security clear if it were operated by a separate government corporation or instrumentality and if social security transactions were kept separate from the rest of the federal budget.

Before considering this proposal, however, it would be well for the reader to have in mind the scope and nature of our social security system as it is today.

During 1974 the social security programs—cash benefits and Medicare—will pay out $75 billion in benefits.

Approximately 100 million working people will make social security contributions during 1974 and in return will receive credits toward benefits for themselves and their families designed to partly make up for the loss of earned income during retirement, during periods of extended and total disability before retirement age, or because of death. They also will receive credits toward paid-up hospital insurance during periods of extended and total disability and after age 65. Nearly 30 million people—one out of seven Americans—now receive a social security check each month, and practically all Americans are heavily dependent upon the system for future retirement, disability, survivors', and health insurance protection.

The social security system is a compact between the federal government and those who work in employment covered by the system. In return for paying social security contributions while earning, the worker and his family receive certain benefits under defined conditions when those earnings have ceased or may be presumed to have been reduced. As in all insurance, the covered individual exchanges the uncertainty of a relatively large potential loss for the certainly of a relatively small payment.

Social security involves very long-term commitments; not only are beneficiaries paid on the average over many years once they come on the rolls, but contributors today are being promised benefits which may not begin for 40 or more years in the future.

The system is almost entirely compulsory, and the employee contributions which are similar to employee contributions to private pension plans and group insurance are legally a tax—a benefit tax paid by the persons, who together with their families, are protected by the program. By law the income of the system can be used only for social security benefits and the administrative expenses of the social security system.

Unlike individual annuities under private insurance, social security does not, and indeed should not, build up reserves held to each worker's account sufficient to pay off accumulated rights. Social security is financed on a current-cost basis, with nearly all contributions in a given year ordinarily being used in that year to meet benefit payments and administrative expenses. The social security trust funds that do exist are contingency reserves designed to avoid the need for sudden and disruptive contribution rate increases that might otherwise be required by a sudden dislocation in the nation's economy which brought a cut in payrolls and consequently in social security income.

Precisely because the honoring of expectations now being built up is dependent on future contribution income, it is essential to establish the inviolability of benefit rights and to guard the financing source from other uses or erosion. To a very considerable extent this has been done. To help make certain that the obligations now being created are honored in the distant future, the management of the system by the Executive Branch and the Congress has been conservative. All costs have been carefully estimated over the long run (for 75 years in the case of cash benefits and for 25 years in the case of hospital insurance) and earmarked financing designed to meet the estimated cost has been provided for by law.

But the security of future benefit payments not only derives strength from there being some kind of long-range plan to fully meet cost, but is also greatly reinforced by the concept of a social security tax or contribution paid by the people who will benefit under the system. Putting it another way, the moral obligation of the government to honor future social security claims is made much stronger by the fact that the covered workers and their families who will benefit from the program made a specific sacrifice in anticipation of social security benefits in that they and their employers contributed to the cost of the social security system and thus they have a right to expect a return in the way of social security protection.

This is true in social security, railroad retirement, civil service, and state and local retirement systems, even though there is not ordinarily in any of these programs—nor, for that matter, in private group insurance—an exact relationship between the amount of protection provided and the contributions made by the individual. Very importantly, the contributory nature of the system helps to make clear that it would be unfair to introduce eligibility conditions to people who have paid toward their protection.

I believe it would add significantly to public understanding of the trustee character of social security as a retirement and group insurance plan if the program were administered by a separate government corporation or instrumentality and if its financial transactions were kept separate from other government income and expenditures.

Social security now, with 70,000 employees and some 1,300 district offices across the country, is one of the very largest direct-line operations of the federal government. It accounts for nearly 60 percent of the personnel of the Department of Health, Education, and Welfare and pays out $1 for every $3 spent by all the rest of the federal government.

It does not make sense administratively to have this huge program, which intimately touches the lives of just about every American family, operated as a subordinate part of another government agency. The management of social security could be made more responsive to the needs of its beneficiaries and contributors if it were freed from the frequent changes in the levels of service to the public which grow out of short-term decisions about employment ceilings and the varying management value systems which follow the frequent changes of HEW secretaries and their immediate staffs.

Until the fiscal year 1969 budget, the financial transactions of the social security system were kept entirely separate from general revenue income and expenditures, except for purposes of economic analysis. Today they are a part of a united budget, which lumps together general revenue income and expenditures and the separately financed social security system. This is leading to confusion on just how separate from other government programs social security really is. In the interest of protecting social security's long-term commitments, the separateness of social security financing should be made unmistakably clear.

The purpose of the annual budget is, on the one hand, to make choices among expenditures, giving preference in the budget period to one expenditure over another and, on the other hand, to determine who pays what and how much for the expenditures. Social security promises—stretching into the distant future, resting on past earnings and contributions, and with separate financing—are not a proper part of this essentially competitive process.

The inclusion of social security transactions in a unified budget is bad for other reasons as well. It leads to a distortion of the decision-making process on non-social security programs. Occasional excesses of income over outgo in social security operations in the short run tend to be used as an excuse for financing additional general revenue expenditures since social security income, though legally reserved for social security expenditures, is treated in the budget in the same way as general revenue income and shows up as if it were available money.

Just about every American has a major stake in protecting the long-term commitments of the social security program from fluctuations in politics and policy. The administration of social security by a separate government corporation or instrumentality and the separation of social security financial transactions from other government income and expenditures would strengthen public confidence in the security of the long-run commitments of the program and in the freedom of the administrative operations from short-run political influence. It would give emphasis to the fact that in this program the government is acting as trustee for those who have built up rights under the system. Such changes would not only help to preserve social security as our most effective anti-poverty program—keeping some 12 million people out of poverty and doing so under conditions that protect their dignity and self-respect—but would also help to preserve social security as a universal retirement and group insurance plan on which all Americans can rely.

## ANSWER TO ENERGY CRISIS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, the prospective end of the Arab oil embargo does not alter the fact that the United States faces a long-term energy crisis if it does not begin now to develop domestic alternatives to massive amounts of costly foreign oil. It was with this in mind that I introduced H.R. 12045 and companion bills to establish an Emergency Coal Administration to mobilize the development of our enormous coal reserves. While the United States has half of the world's coal deposits, there is no reason for us to be dependent on foreign oil. We have but to organize our coal development effort as we did war production in World War II, and this is what my legislation proposes.

I am pleased, therefore, that some attention is being given in the media to the possibilities of coal. An especially outstanding contribution is the article by Jep Cadou in the April issue of the Saturday Evening Post on "Coal: An Answer to the Energy Crisis." I believe this article will be quite revealing to many Members of Congress, as well as to others who read this RECORD, and I request permission to include it at this point:

### COAL: AN ANSWER TO THE ENEGRY CRISIS

(By Jep Cadou)

With the energy crisis being cused and discussed by just about everyone in the world, it seems most appropriate that the solution may lie in a four-letter word. It is C-O-A-L. Coal is black and beautiful. But more important, it is bountiful; so bountiful that the United States has a supply which would last nearly 800 years under the present rate of consumption.

It is also phenomenally versatile. You can make just about anything you desire in the way of energy—petroleum, natural gas or electricity—from coal, providing you are willing to pay the price. The technology exists to use coal as the keystone of a national "crash program" to make up our energy shortfall, not in a decade or two but within the next two or three years.

The main ingredients needed to make such a dream become a reality would be an investment in billions of dollars' worth of sophisticated mining equipment and a recruitment program to add upwards of 100,000 miners to the national work force.

Coal mining has undergone something of an industrial revolution of its own since World War II. "It's pretty hard to find a coal shovel around a mine now—and nobody's looking for them," say Don Stiffler, superintendent of the Chinook Mine near Brazil, Indiana. This is the oldest operating mine in Indiana and has been producing coal since 1927.

Manual labor has been replaced to an amazing degree by machinery. The general public's mental picture of a miner as a begrimed mole clawning the coal out of the ground with a pick and shovel is as obsolete as a photograph of a professional golfer playing with hickory shafts. You are likely to find today's miner pressing buttons or pushing levers to operate expensive equipment which removes the coal from the earth. cleans and sizes it and ships it to the user.

The United States is in prime position to exploit coal as Answer No. 1 to the energy crisis because it is by far the most coal-rich nation in the world. Total U.S. coal reserves are estimated at more than three trillion tons. That is more than seven times as much as the 425 billion tons of reserves estimated for Russia. It is almost fourteen times as much as the 217 billion tons estimated for China. It is more than sixty-three times as much as the 48 billion tons estimated for the United Kingdom. It is seventy-five times as much as the 40 billion tons estimated for Canada.

The Arab oil boycott fell upon us with almost the same lightninglike surprise as the Japanese betrayal at Pearl Harbor. Like that event, it has galvanized the American people's attention to a single purpose, combating the common enemy. In this case, however, the enemy is an abstraction—the energy shortage—rather than a nation such as Japan or Germany.

The United States, in snapping back from the initial catastrophic blow in the Pacific, demonstrated its ability to get even the most monumental of tasks done quickly when its people work with a single purpose. In 1941, we were retreating on all fronts with the flower of our Navy on the harbor floor at Pearl. Scores of our aircraft had been destroyed and the nation was in disarray. Two years later, fighter, bomber and cargo aircraft were pouring from our factories in production numbers unprecedented in world history. Millions of men were in uniform, a large percentage of them overseas. Many squadrons of our planes darkened the skies over Europe and Asia. This nation, almost singlehandedly, smashed the tyranny of the greatest juggernaut the earth had ever seen.

All this was accomplished despite considerable loss of life and property visited upon us by formidable enemies. Without death and destruction to dilute our efforts, we could now concentrate all of our skills and other resources on building our assets and minimizing our liabilities.

Must it take us five years to build the Alaskan pipeline?

It certainly wouldn't take that long if the nation were at war and the oil from the Alaskan oil fields were needed to power our war machine. The job could surely be done in two years with an absolutely all-out "crash" effort.

Must it take us until 1980 to develop our energy independence as a nation from the Arabs, or anyone else who might take a notion to suddenly dry up our oil supplies? Not if our machine-tool industry and manufacturing plants were to be geared up to the processes of extracting, transporting and refining coal products.

Perhaps the time is ripe for the President and Congress to declare a national emergency and to mount an all-our mobilization to cope with the energy crisis.

Dr. Carroll Wilson, a professor at the Massachusetts Institute of Technology who drew up a "Decade Program" for energy independence in *Foreign Affairs*, said: "It is a big job, but no bigger than the Manhattan or Apollo projects—in fact it's substantially less in proportion to the scale of the American economy in the 1970's and 1980's."

Wilson cited the adaptability and transportability of pipeline-quality coal gas as the basis for a massive crash program and capital investment in coal gasification plants. At the same time he recognized the environmental issues involved, including the need for federal standards covering strip mining, a provision for land restoration and a provision for pollution controls on coal gasification plants.

The area of strip-mining land restoration now is left almost entirely to the states, and the effectiveness and stringency of the state laws vary greatly. As a result, so does the relative quality of the restoration performed in various states.

The AMAX Coal Company, a division of American Metal Climax Company, is a recognized leader in the field and has won many awards for its work in land restoration. One subsidiary of the company, Meadowlark Farms, Inc., is charged with land management before mining and land reclamation after mining. The progress that has been made in the reclamation area in recent years is apparent from a visit to one of the company's mines in Indiana.

As you enter the 8,000-acre mining property, evidence of the "old way" of land reclamation is visible—literally millions of scrub pine trees planted on land that is still distinctly "lumpy" in terrain.

Nearer the "pit" where the strip-mining operation is being conducted, the terrain changes abruptly to a typical farming landscape with neat rows of crops planted on land that is quite level. This is the "new reclamation" as practiced by Meadowlark. In 1972 Meadowlark harvested over a million bushels of grain and marketed more than a million pounds of beef and pork. So, instead of the gouged, jagged earth that most persons associate with strip mining, you will see peaceful pastoral scenes of cattle and hogs grazing or feeding on grain in the wake of the AMAX operations.

Harry Mayle, who operates a dragline, a $5 million piece of equipment as big as a four-apartment unit, is a miner of thirty-two years' experience who likes to play golf in his spare time. Mayle compares the company's reclamation efforts with the courtesy shown by the thoughtful golfer who replaces his divot after he swings and takes turf. As Mayle's giant shovel scoops up a huge "bite" of earth and then deposits it on the top of a fill that will soon be planted in crops, he says, "That soil is called glacial till; it's great for growing alfalfa."

When Mayle started out as an "oiler" on mining equipment in 1941, he was making $1.12 per hour. He is now drawing $6.89 per hour as a dragline operator. And the oiler who assists him on the mammoth piece of equipment is making $6.34. The prevailing top wage rate for deep miners is $6.25 per hour.

Of course, the price of food that Mayle and his family buy at the grocery store and the other items that make up the cost-of-living index also have increased greatly during the last thirty-two years, but not to the extent that the wages have. Like many of the workers employed in the U.S. coal industry, Mayle is a second-generation miner. His dad worked thirty-three years for the same company that now employs him. The senior Mayle lived on pension for fourteen years after his retirement and died at age eighty. When the younger Mayle, who now is fifty-six, started as a miner, there was no such thing as a pension; nor were there paid vacations.

So, the economic lot of the coal miner has definitely improved, and the back-breaking labor of yesteryear has been taken over by Gulliver-sized machines, almost in its entirety. One of these is the unit train—a train of 100 or more cars which hauls the coal from the preparation plant, after it is mined, cleaned and sized, to the user, which in most cases now is an electric generating plant. Its loading is entirely automatic.

Like the proverbial mountain coming to Muhammad, many of the larger electric utilities in the national have built new plants close to existing mines, which greatly cuts the cost of hauling the coal. Huge diesel-powered transport trucks with capacities of 100 tons or more carry the coal from the mine to the preparation plant when there are considerable distances involved, as there usually are in strip mining. Conveyor belts or automated miniature trains may be used for shorter distances.

From the preparation plant, it may be sent to the utility in a unit train or by one of several other methods under newly developed technology. If the plant is very close, conveyors may be used. For greater distances, it can be sent by pipeline. One coal pipeline 108 miles long was built to carry a mixture of coal and water from a mine near Cadiz, Ohio, to a power plant in Cleveland, where the coal was separated from the water and fed into the boilers of the power plant. This operation was closed in 1963 when railroads lowered the rate for coal hauling, making it uneconomical. But further installations have been put into operation in Britain and other countries.

Pipeline transmission of coal is economical between areas where a large supply of coal is available and specific markets where large tonnages of coal are used at a fairly uniform rate. Electric power plants are a good example of such markets. Another pipeline for coal transmission has been built to carry the fuel from the Black Mesa area in the northern part of Arizona to Clark County (where Las Vegas, Nevada, is located) and is now in operation.

Coal can be converted into gas and petroleum to help make up for the shortfall in these two vital energy sources. The two most promising methods for conversion are known as gasification and liquefaction. There are several processes available in each area.

Most prominent of the gasification techniques is the Lurgi process, which has been demonstrated in fourteen commercial plants which treat and purify gases originating from coal. It consists basically of cooking the coal. Altogether, fifty-nine different grades of coal from all over the world have been processed successfully. They include coke, anthracite, bituminous, lignite and peat. The five-step process has been performed with a wide variety of gasification agents including mixtures of steam and oxygen, air and carbon dioxide. Two full-size Lurgi process plants now are under construction in New Mexico.

The end product of the process is synthetic natural gas (SNG), which can be used to make up the shortfall resulting from our limited quantities of available natural gas. Methanation is another promising process of making SNG. Several groups are now working to develop the commercial aspects of methanation. At least four major projects are underway.

The Conoco project is intended to demonstrate methanation on a large enough scale to establish its commercial practicality. Thirteen partners have joined Continental Oil Company to support a demonstration plant built at the Scottish Gas Board's Lurgi coal gasification installation at Westfield, Scotland. The plant will take a slip-stream of 10 million cubic feet per day of synthesis gas, pass it through a gas purification train and produce 2.6 million cubic feet of SNG.

Liquefaction is the process of making petroleum substitutes from coal. There are several methods, including dissolving the organic matter in a suitable solvent, addition of hydrogen to produce a hydrocarbon, or synthesis of petroleumlike compounds from hydrogen and the carbon monoxide produced from coal.

Pilot plants to demonstrate the liquefaction process have been built or are under construction now at Fort Lewis, Washington; Princeton, New Jersey; and La Verne, California. These projects hold forth possibility of burgeoning new industries to process billions of tons more coal and to create hundreds of thousands of jobs to feed the economy and to replace jobs lost through cutbacks in the space industry, the airlines and other highly technical fields.

A huge training program would be required to get the job done. Not just anybody can mine coal, any more than just anybody can extract petroleum or natural gas from coal. The United States now has an estimated 150,000 coal miners. In order to mount the kind of effort that would be needed to launch a meaningful "crash" program to solve the energy shortage, their ranks would have to be nearly doubled.

That, in turn, would probably require a substantial public relations program in order to make coal mining more attractive to the youth of America. The psychological stereotype of moles clawing out coal in pitch darkness under creaking timbers and in constant fear of their lives is too firmly implanted in the national mind to be easily erased.

Working conditions for miners have improved tremendously during the last quarter century, largely through the efforts of the United Mine Workers of America (UMWA) and through federal and state laws and regulations.

Mining is still a hazardous occupation, but it is growing safer all the time. The miners say so. And so do the cold statistics. There were 325 fatal injuries in coal mining in the United States in 1960, according to the Bureau of Mines of the Department of the Interior. There were 260 such deaths in 1970 and 180 in 1971, the last year for which statistics have been reported.

Such occupational diseases as the dreaded "black rot" still do exist in the mines, but there have been great strides in improved ventilation in the shafts to reduce the inhalation of coal dust. Much more progress is needed if the mines are to be able to attract the large numbers of new miners needed to meet the energy crisis demands.

Skilled engineers to build the necessary conversion plants and to find improvements over present methods also will be vital. The possibilities for creating new industries and new jobs appear almost unlimited. In the big energy poker game, it appears it's time for Uncle Sam to play his black ace—coal.

## OFFICE OF COAL RESEARCH TO CONDUCT ANTIPOLLUTION TESTS ON HIGH-SULFUR COAL TO GENERATE POWER

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, in order to deal with our long term as well as short term energy limitations, the United States must accelerate both its exploration and usage of new energy sources. While we panic over the fuel needed for the very next day, enormous reserves of coal and oil lie untapped beneath the ground.

What is especially troublesome to me is that while the United States has half of the world's known reserves of coal we continue to import a sizeable amount of the coal we use from Poland and other foreign countries. For this reason, I have introduced H.R. 12045, the Emergency Coal Administration Act of 1974. The Coal Administration established would have the power to develop greatly expanded energy resources for the American people in the future.

The prospect of setting a high level national priority for the exploitation of coal has been frightening to many environmentalists. These people fear that in our zeal to develop coal resources the environment will be neglected. However, the necessary technology currently exists to minimize the resulting environmental damage. H.R. 12045 would provide for loans and grants to make the best production methods approved by the EPA available to those involved in coal production.

The Office of Coal Research has been particularly active in funding the research and development of such antipollution devices. In a Department of the Interior news release issued on March 11, the Office of Coal Research announced that it has awarded a $1.4 million contract to the Combustion Power Co. The company will test the pollution effects of new methods for burning high sulfur coal to generate electrical power. Below, I include that release and call it to the particular attention of my colleagues.

### OCR WILL CONDUCT ANTIPOLLUTION TESTS ON HIGH-SULFUR COAL TO GENERATE POWER

The Office of Coal Research (OCR) has awarded a $1.4 million contract for testing the pollution effects of high-sulfur coal burned directly to generate electrical power through new technology, Secretary of the Interior Rogers C. B. Morton announced today.

Under the 16-month contract awarded to Combustion Power Company of Menlo Park, California, more than 1,000 tons of very high-sulfur coal will be burned in a new system with full test capabilities.

"We are hopeful," said Dr. S. William Gouse, Jr., Acting Director of OCR, "that clean and safe combustion of high-sulfur coal will gain us several years in the effort to combat the energy problem in the field of electricity. We are thinking of an economical plant in the 300,000 to 400,000 kilowatt range that can be constructed in about 2 years to meet the needs of some 200,000 people. Most States in the Appalachian and Midwestern coal regions have tremendous potential for yielding this kind of coal."

The Combustion Power Company tests will use 4 to 5 percent sulfur coal which is readily available.

The testing contract was agreed to as a result of combustion innovations achieved while Combustion Power was conducting research and development work for the Environmental Protection Agency in burning municipal solid wastes without pollution.

General Bernard A. Schriever, board chairman of Combustion Power, said the company's CPU-400 experimental facility was being made available because "utilization of our coal reserves offers our people the best guarantees for national defense and energy supplies. We are confident our system can handle coal. And we appreciate the combined efforts of the EPA and OCR working together on the national problem."

The Combustion Power system utilizes a pressurized fluid-bed reactor in which high-sulfur coal is burned in a thermo-chemical process, releasing heat energy while chemically reacting the sulfur into inert sulfates. The hot combustion gases are cleaned by removing particulate matter and then expanded through the gas turbine to produce electricity.

Direct combustion of coal in a gas turbine is a method of obtaining electric power directly from the heat energy of the coal and eliminates the necessity of first converting coal into a fuel gas or a liquid. Demonstration of the coal-fired gas turbine is part of OCR's overall program for producing clean forms of energy from the U.S.'s abundant coal reserves.

## NEED FOR CONGRESS TO REGAIN CONTROL OVER U.S.-OWNED LOCAL CURRENCIES GENERATED UNDER PUBLIC LAW 480

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, as you know, the executive branch of our Government recently entered into an agreement with the Government of India which resulted in the relinquishment of $2.3 million in American-owned Indian rupees. Many of our colleagues have denounced this agreement as "one of the greatest giveaways America has had." If nothing else, the agreement stands as a monument to the further usurping of congressional power by the executive branch as it has long been held that—

> There can be no doubt that only the Congress is legally empowered to give away the property or money of the United States . . . (*State of Indiana* v. *Ewing*, 99 F. Supp. 734, cause remanded 195 F. hd 556.)

Mr. Speaker, I met with Ambassador Moynihan last September shortly after the proposed United States-India Rupee Settlement Agreement surfaced in the newspapers. During that meeting, I expressed to the Ambassador my deep concern over the questionable legal authority for the executive branch to enter into such an agreement without specific authority from the Congress. I stressed that—

> The State Department should submit the proposed agreement to the Comptroller General for a firm decision on the legality of the proposed agreement before it was signed.

Ambassador Moynihan indicated that he thought this might be a sound procedure and that he would consider it further. Unfortunately, however, during the next 4 months, officials of the State Department made no effort to refer this agreement to the Comptroller General for a firm legal decision.

Subsequently, on February 8, 1974, Representative HAMILTON, Democrat of Indiana, chairman of the Subcommittee on the Near East and South Asia, Committee on Foreign Affairs, and I, as chairman of the Foreign Operations and Government Information Subcommittee, Committee on Government Operations, wrote to the Honorable Henry A. Kissinger, Secretary of State, again urging State Department officials to obtain an immediate, firm decision from the Comptroller General. In an attachment to our letter, we pointed out, in part, that:

The final proviso of section 104 of Public Law 480—which reads, in pertinent part:

> Paragraphs (2), (3), and (4) of the foregoing proviso shall not apply in the case of any nation where the foreign currency or credits owned by the United States . . . are determined . . . to be in excess of the normal requirements of the departments and agencies of the United States.

Would appear to preclude the use of paragraph (2) of the penultimate proviso of section 104 of Public Law as statutory authority to enter into the proposed agreement.

The 1966 House and Senate Agriculture Committee reports, House and Senate floor debate, and conference reports clearly showed that the Food for Peace Act of 1966 provided for a major redirection of Public Law 480 by embodying two basic revisions in the food for peace law—the elimination of the surplus disposal principle, and—the emphasis on self-help in hungry lands.

The final proviso of section 104, known as the "Mondale-Poage proviso," was added to Public Law 480 in 1966 as a result of an amendment offered by Senator MONDALE to place increased emphasis on the "self-help" provisions of the food for peace law. Senator MONDALE's floor statement clearly described the purpose of his amendment as being:

> *Aimed at freeing our excess holdings of foreign currencies, so they can be put to work attacking the problem which caused their accumulation—inadequate farm production.* In India, for example, we held $586 million in rupees in a restricted "U.S. uses" account at the close of last year. And this fund has been growing at a rate of over $100 million a year, while our spending from it has been limited to about $38 million a year.
>
> My amendment *frees these rupees* and other excess currencies, *for use to support farm progress,* by waiving legal restrictions on them in countries where our currency holdings are greater than our needs over the next 2 years. (Emphasis supplied.)

Senator ELLENDER, chairman of the Senate Committee on Agriculture and Forestry, speaking strongly in support of the Mondale amendment further clarified the intent of the "Mondale-Poage" proviso:

> *Under the bill* as we have presented it, *our Government can more or less force India to use more funds to develop its agriculture;* and under the agreements that will be entered into, there can be a provision that India shall use so much of its resources to develop agriculture. After the amount that it usually uses is reached, then *we can insist that* some of these counterpart funds be used in order to assist *India* to *further increase its agricultural program, so as to make India more or less self-sustaining in that regard.*
>
> In the past, much of the aid was used to develop industrially But *under this bill, we can now insist that it be used to develop agriculture.* It is my belief that *if this new policy is followed through* by our Government, *it will only be a question of a few years until India should be self-sustaining.*
>
> For instance, *under this new law, we can insist that* instead of putting up, let us say, a plant to make steel, *they make fertilizer—something to aid agriculture.*
>
> Another feature, I may say to my good friend, the Senator from Oregon, is that *we can insist that some of these funds be used to develop education along agricultural lines.*
>
> *Under this bill the emphasis is being put on agriculture.* These funds can be used to further develop agriculture, and thereby make it possible that we will soon be out of India, insofar as our selling surplus food for her to carry on. (Emphasis supplied.)

The Senate Committee report Senate Report 1527, 89th Congress, 2d session, page 11, 1966—clearly spells out the intent concerning use of excess currencies:

> (16) Exempts "excess currency" countries from the requirements described in items (14) and (15). *Requires the amount of the excess to be devoted to the acquisition of buildings and grounds for U.S. purposes and to additional agricultural self-help.* Requires Presidential reports on the extent and use of the excess. (Emphasis supplied.)

Mr. Speaker, as a result of the February 8, 1974, letter Congressman HAMILTON and I sent to Secretary Kissenger, the General Counsel of the Agency for International Development finally wrote to the Comptroller General on February 11, 1974, requesting his views concerning the legal basis for the proposed rupee settlement agreement between the United States and India. In his letter, the General Counsel of the Agency for International Development points out that:

> The legal analysis at issue turns on the following words at the start of the Mondale-Poage proviso: ". . . paragraphs (2), (3) and (4) of the foregoing proviso [including appropriation, waiver and laying before Congress] *shall not apply* in the case of any nation where [there is excess foreign currency] . . . (emphasis added.)
>
> This language, on its face, could be construed in two ways: either to state that resort to the first proviso is not *permitted* or to state that such resort is not *required.* In our opinion, the former construction would ignore the permissive, liberalizing and supplementary intent of the amendment. The Committee report quoted in the Congressional staff memorandum states the amendment "[e]xempts 'excess currency' countries from the requirements . . ." of the first proviso. We believe that the Mondale-Poage proviso was not intended to prohibit resort to the requirements of the first proviso, but only to remove the mandatory nature of their application."

In arriving at his opinion—that the Mondale-Poage proviso was permissive rather than mandatory—the General Counsel of AID relied on the first sentence of a paragraph numbered "(16)" on page 11 of Senate report 1527, 89th Congress, 2d session, 1966. For the benefit of our colleagues, the paragraph referred to follows in its entirety:

> (16) Exempts "excess currency" countries from the requirements described in items (14) and (15). *Requires the amount of the excess to be devoted to the acquisition of buildings and grounds for U.S. purposes and to additional agricultural self-help.* Requires Presidential reports on the extent and use of the excess." (Emphasis supplied.)

Faced with a situation which for all

essential purposes represented a fait accompli, the Comptroller General of the United States rendered a decision on February 26, 1974, in which he concludes:

> While the matter is not entirely free from doubt, this Office would interpose no objection to AID's entering into the subject agreement under the authority of the penultimate proviso, but that that agency should obtain congressional clarification of the intent of the two subject provisos prior to entering into any similar agreements.

In arriving at this decision, the Comptroller General comments, in pertinent part, as follows:

> The issue persented for decision as to whether assistance under the authority of the first proviso may be furnished, arises by virtue of language in the Mondale-Poage proviso stating, in pertinent part, that paragraphs (2), (3), and (4) of the first proviso 'shall not apply' to the expenditure of foreign currencies or credits in excess currency nations. A literal reading of the statutory language makes the first proviso unavailable as authority for the entering into the subject or similar agreements which involve the grant of excess currency (here, rupees) to an excess currency nation (here, India). There is some support in the legislative history for this literal interpretation and for the proposition that the Congress wished to exercise a degree of control—such as that contained in the Mondale-Poage proviso—over the uses made of United States-owned excess currency by recipient countries.
>
> However, reading the legislative scheme as a whole and recognizing that a primary purpose of the Mondale-Poage proviso was to furnish added means for dealing with the use of large reserves of excess currencies, it would seem somewhat anomalous to conclude that Congress intended to make unavailable previous authorities and procedures under which grants could be made without using appropriated funds. It seems more reasonable to conclude when Congress provided that paragraphs (2), (3), and (4) of the first proviso were to be inapplicable to excess currency countries, that it intended only that the restrictive provisions of those paragraphs not apply, leaving the agency free to make grants of excess currency without the requirement for Presidential waiver of the appropriation requirement of 31 U.S.C. 724 and the presentation of the proposal to the appropriate committees of Congress, *if* the recipient nation agrees to utilize, to the extent practicable, the funds for agricultural self-help projects as defined by section 109 of Public Law 480.
>
> Accordingly, and while the matter is not entirely free from doubt, inasmuch as the provisions and procedures set forth in the first proviso have been fully complied with, this Office will not object to AID's entering into the proposed agreement under the authority of the second and third paragraphs of such proviso, rather than the Mondale-Poage proviso, if the cognizant congressional committees interpose no objection thereto. However, due to the uncertainty caused by the language of the Mondale-Poage proviso that the subject paragraphs of the penultimate proviso "shall not apply" in excess currency nations, we believe congressional clarification as to the intent of the Mondale-Poage proviso should be obtained before AID enters into any similar agreements.

Mr. Speaker, the Comptroller General in his decision has concluded that the legality of the United States-Indian Rupee Settlement Agreement "is not entirely free from doubt," but that his office "would interpose no objection to AID's entering into the subject agreement." His decision also admonishes the Agency for International Development to "obtain congressional clarification of the intent of the two subject provisos prior to entering into any similar agreements." Mr. Speaker, in view of this Comptroller General decision, it is time our colleagues started thinking of changes to Public Law 480, as follows:

Revising the opening sentence of section 104 to read:

> SEC. 104. As may be provided for annually in Appropriation Acts, the President may use or enter into agreements with foreign countries or international organizations to use the foreign currencies, including principal and interest from loan repayments, which accrue in connection with sales for foreign currencies under this title for one or more of the following purposes.

Deleting the provisos following section 104(k).

Adding as section 106(c):

> (c). Any loan made under the authority of section 104 shall bear interest at such rate as the President may determine but not less than the cost of funds to the United States Treasury, taking into consideration the current average market yields on outstanding marketable obligations of the United States having maturity comparable to the maturity of such loans, unless the President shall in specific instances after consultation with the advisory committee established under section 407 designate a different rate.

The letters referred to follow:

WASHINGTON, D.C., *February 8, 1974.*

Hon. HENRY A. KISSINGER,
*Secretary of State,*
*Washington, D.C.*

DEAR MR. SECRETARY: We wish to convey to you three areas of major concerns we have about the proposed Indian rupee settlement agreement and on which we would like to have your comments by the close of business on February 14, 1974. You responses will be included as part of the record of the hearing by the Subcommittee on the Near East and South Asia on the proposed agreement, at which Ambassador Moynihan testified.

The first major point of concern relates to the statutory authority for the Indian rupee settlement agreement. As indicated in the attached paper, this matter was discussed with Ambassador Moynihan during his meeting with Congressman Moorhead on September 27, 1973. We believe that this matter should be carefully resolved before the agreement is signed and once again urge appropriate State Department officials to obtain an immediate, firm decision from the Comptroller General.

Second, we believe that the list of development projects for which the rupees returned to India under the provisions of the agreement would be available should be recast to take into consideration the energy crisis and the problems the world petroleum price increases have caused the Indian economy. We would propose that item (vii) of the agreement listing agreed-upon projects include, in addition to the projects mentioned, the following:

"a. methane demonstration projects with the view of expanding its uses as a fuel in India;

"b. the development and exploitation of oil and coal deposits that may exist in India or offshore; and

"c. the utilization of ground water deposit."

Third, serious consideration should be given to implementing the objectives through this agreement of the Moorhead-Broomfield plan to expand American export to India by utilizing U.S.-owned excess rupees to pay Indian import duties on such products not exceeding 10 percent. This would apply only to developmental goods and services. Ambassador Moynihan and the Department already have been given details of the plan. The Ambassador assured the congressional proponents of the plan that he has no problems with it and would try to implement its objectives if given such instructions.

We would appreciate your prompt consideration of this letter and the attached memorandum.

Sincerely,
WILLIAM S. MOORHEAD,
*Chairman,*
*Foreign Operations and Government Information Subcommittee, Committee on Government Operations.*
LEE H. HAMILTON,
*Chairman,*
*Subcommittee on the Near East and South Asia, Committee on Foreign Affairs.*

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QUESTIONABLE STATUTORY AUTHORITY FOR THE PROPOSED INDIAN RUPEE SETTLEMENT AGREEMENT

The Subcommittee Chairman and staff met with Ambassador Moynihan, at his request, on September 27, 1973, to discuss the proposed rupee settlement agreement. During the course of the discussion, the Chairman and staff stressed that "the State Department should submit the proposed agreement to the Comptroller General for a firm decision on the legality of the proposed agreement before it's signed." Ambassador Moynihan indicated that he thought this might be a good idea and that he would consider it further.

Subsequently, on December 4, 1973, State Department officials submitted a copy of a "Memorandum of Law From the Office of the General Counsel, AID". Concerning the statutory authority, AID/General Counsel conclude as follows:

"We conclude that the rupee proceeds of the P.L. 480 loan agreements involved in the proposal may be granted to the GOI to support its economic development budget without appropriation by the U.S. Congress under the conditions established in paragraph (2) of the penultimate proviso of section 104 of P.L. 480 (hereinafter referred to as Paragraph 2).

"Paragraph 2 authorizes grants of P.L. 480 foreign currencies for economic development purposes under section 104(f) of P.L. 480 and permits such grants to be made without appropriation if the President determines that it would be inconsistent with the purpose of Title I of P.L. 480 to require appropriation. The authority to make such a determination has been delegated to the Administrator of AID. Paragraph 2 does not impose any 'additionality' requirements for grants made pursuant to section 104(f).

"The final proviso of section 104, known as the 'Mondale-Poage proviso,' was added to P.L. 480 in 1966. Mondale-Poage applies in the case of excess currency countries such as India, and was designed to facilitate the use of such currencies by eliminating the generally applicable appropriation requirement. Under Mondale-Poage, excess currencies may be used for section 104(f) purposes, but a requirement of 'additionality' is imposed.

"There is some question as to the dimensions of the 'additionality' requirement in Mondale-Poage. It is possible, given the magnitude of the grants contemplated in the proposal, that it might be difficult to comply with that requirement. Accordingly, the question arises as to whether Mondale-Poage was intended to restrict the pre-existing authority set forth in Paragraph 2 to use grants for section 104 purposes without appropriation and without any additionality requirement. In our opinion Mondale-Poage has no such effect. Paragraph 2 and Mondale-Poage stand in the statue as independent authorities which supplement, but do not restrict each other. We find nothing in the legislative history which would suggest otherwise.

"The purpose of Mondale-Poage was to give the Executive Branch additional flexibility in disposing of foreign currencies in excess currency countries. It was not intended to restrict pre-existing flexibility. The general purpose of the amendment is reflected in Senator Mondale's floor statement in support thereof (Cong. Rec. 20234 daily ed. August 29, 1966):

"'My amendment frees these rupees and other excess currencies, for use to support farm progress, by waiving legal restrictions on them in countries where our currency holdings are greater than our needs over the next two years.'

"Comparable statements in the legislative history uniformly support the expansive intent of the amendment, e.g., Hearings Before the Senate Committee on Agriculture and Forestry, 89th Cong., 2d Sess. 338–40 (1966); S. Rep. 1527, 89th Cong., 2d Sess. 11 (1966); H.R. Rep. 2075, 89th Cong., 2d Sess. 17 (1966).

"Due to the additionality test, if the Mondale proviso were construed as the exclusive means of making 104 grants without appropriation in excess currency countries, the anomalous result would be that there would be more flexibility to make such grants in non-excess currency countries (pursuant to Paragraph 2) than in excess currency countries under Mondale-Poage. This would clearly be inconsistent with the Congressional intent as set forth above.

"Section 104(f) grants pursuant to Paragraph 2 may only be made in accordance with the procedures set forth in the paragraph which immediately follows it. That paragraph requires that any agreement not be entered into or carried out until 30 days after it is transmitted to the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture. (The time period is 60 days if Congress is not in session when the agreement is transmitted.)"

The sections of law referred to by the AID/General Counsel follow:

"Provided, that—

"(2) Section 1415 of the Supplemental Appropriation Act, 1953, shall apply to all foreign currencies used for grants under subsections (f) and (g), to not less than 10 per centum of the foreign currencies which accrue pursuant to agreements entered into on or before December 31, 1964, and to not less than 20 per centum in the aggregate of the foreign currencies which accrue pursuant to agreements entered into thereafter: Provided, however, That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purposes of this title,

"Provided, further, That paragraph (2), (3), and (4) of the foregoing proviso shall not apply in the case of any nation where the foreign currencies or credits owned by the United States and available for use by it in such nation are determined by the Secretary of the Treasury to be in excess of the normal requirements of the departments and agencies of the United States for expenditures in such nations for the two fiscal years following the fiscal year in which such determination is made. The amount of any such excess shall be devoted to the extent practicable and without regard to paragraph (1) of the foregoing proviso, to the acquisition of sites, buildings, and grounds under paragraph (4) of subsection (b) of this section and to assist such nation in undertaking self-help measures to increase its production of agricultural commodities and its facilities for storage and distribution of such commodities. Assistance under the foregoing provision shall be limited to self-help measures additional to those which would be undertaken without such assistance. Upon the determination by the Secretary of the Treasury that such an excess exists with respect to any nation, the President shall advise the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture of such determination; and shall thereafter report to each such Committee as often as may be necessary to keep such Committee advised as to the extent of such excess, the purpose for which it is used or proposed to be used, and the effects of such use."

Staff review of the 1966 House and Senate Agricultural Committee reports, House and Senate floor debate, and Conference reports indicates that the Food for Peace Act of 1966 embodied two basic revisions in the Food for Peace law:

The elimination of the surplus disposal principle, and

The increased emphasis to be placed upon encouraging and promoting expanded farm production overseas to meet rising world food needs was repeatedly made in Committee and during floor debates. During the Senate Committee consideration of the bill, an amendment, offered by Senator Mondale, was considered and adopted, and is reflected as the final proviso of section 104. The Senate Committee report—S. Rept. 1527, 89th Cong., 2 Sess., p. 11 (1966)—describes the intent of the Committee concerning usage of local currencies as follows:

"(11) Restores the existing provision limiting the use of foreign currencies without appropriation for emergency relief to nonfood relief and $5 million per year.

"(12) Permits sales of foreign currencies for dollars to U.S. citizens in nonexcess, as well as excess, currency countries.

"(13) Provides for the use of foreign currencies to finance the planning of nutrition programs in friendly countries.

"(14) Restore the existing limits on grants and uses of repayments so as to subject them to Appropriation Act or committee approval.

"(15) Restores the existing minimum interest rate on foreign currency loans (the cost of funds to the United States).

"(16) Exempts "excess currency" countries from the requirements described in items (14) and (15). Requires the amount of the excess to be devoted to the acquisition of buildings and grounds for U.S. purposes and to additional agricultural self-help. Requires Presidential reports on the extent and use of the excess."

During the Senate floor debate on the bill, both Senator Mondale and Senator Ellender spoke in favor of the "Mondale-Poage proviso." In speaking for his amendment, Senator Mondale clearly described the purpose of the amendment as being:

"aimed at freeing our excess holdings of foreign currencies so they can be put to work attacking the problem which caused their accummulation—inadequate farm production. In India, for example, we held $536 million in rupees in a restricted 'U.S. uses' account at the close of last year. And this fund has been growing at a rate of over $100 million a year, while our spending from it has been limited to about $38 million a year.

"My amendment frees these rupees and other excess currencies, for use to support farm progress, by waiving legal restrictions on them in countries where our currency holdings are greater than our needs over the next 2 years."

Senator Ellender further clarified the intent of the "Mondale-Poage" amendment:

"Under the bill as we have presented it, our Government can more or less force India to use more funds to develop its agriculture; and under the agreements that will be entered into, there can be a provision that India shall use so much of its resources to develop agriculture. After the amount that it usually uses is reached, then we can insist that some of these counterpart funds be used in order to assist India to further increase its agricultural program, so as to make India more or less self-sustaining in that regard.

"In the past, much of the aid was used to develop industrially. But under this bill, we can now insist that it be used to develop agriculture. It is my belief that if this new policy is followed through by our Government, it will only be a question of a few years until India should be self-sustaining.

"For instance, under this new law, we can insist that instead of putting up, let us say, a plant to make steel, they make fertilizer—something to aid agriculture.

"Another feature, I may say to my good friend, the Senator from Oregon, is that we can insist that some of these funds be used to develop education along agricultural lines.

"Under this bill the emphasis is being put on agriculture. These funds can be used to further develop agriculture, and thereby make it possible that we will soon be out of India, insofar as our selling surplus food for her to carry on."

In view of the foregoing, it would appear that:

The final proviso of section 104 of P.L. 480—contrary to AID/General Counsel's belief—precludes the use of paragraph (2) of the penultimate proviso of section 104 of P.L. 480 as statutory authority to enter into the proposed agreement,

And further restricts the use of excess U.S.-owned rupees to "the acquisition of sites, buildings, and grounds under paragraph (4) of subsection (b) of section 104 and to assist such nation in undertaking self-help measures to increase its production of agricultural commodities * * * additional to those which would be undertaken without such assistance."

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Department of State,
*Washington, D.C., February 15, 1974.*

Hon. William S. Moorhead,
*Chairman, Foreign Operations and Government Information Subcommittee, Committee on Government Operations, House of Representatives.*

Dear Mr. Chairman: The Secretary has asked me to reply to your letter of February 8, also signed by Chairman Hamilton of the Subcommittee on the Near East and South Asia, Committee on Foreign Affairs concerning the Indian Rupee Agreement. I am sending the same reply to Chairman Hamilton.

First, on the legal issue, we believed that our own thorough legal study and determination of the statutory authority for entering into the Agreement provided us with a firm basis on which to proceed. Consequently, we had not felt that referral to the Comptroller General was necessary or warranted.

Nevertheless, in accordance with our desire for the closest consultation with you and other concerned Congressional Committees and Members, we sought an immediate, firm decision from the Comptroller General on the legal issue by letter dated February 11 (enclosed). The Comptroller General has informed us by telephone today that the General Accounting Office has reviewed the matter and that his office has no objection to our proceeding with signature of the Agreement on February 18. He also told us that a written response would follow. We will forward to you a copy of this response as soon as we receive it.

Second, as concerns the direction of the use of our rupee grants to India, we agree that the energy crisis will have a most serious impact on Indian economic development and that the areas you identify are well suited for Indo-US cooperative endeavors. After careful study and consideration of your suggestions we propose to treat them as follows:

We will seek to encourage expansion of the use of methane as a fuel in India through joint Indo-American research projects and the study of the manufacture of this low-cost fuel in Indian technical institutes. We will raise with India the desirability of allocation of a portion of our rupee grant to India for such purposes. We have instructed our Embassy in Delhi to open discussions with the Indian Government to explore how we may most effectively cooperate to secure the expansion of the use of methane in India.

We have already been consulting with the Government of India on ways to step up India-American cooperation in the search for oil off India's coast and the exploitation of any deposits located. We believe this is a field ideally suited for private U.S. firms, contracting directly with the Indian Government. The Indian Government has called for international bidding on such contracts and we have been encouraging qualified U.S. firms to participate.

Similarly, we have encouraged the Indian Government to act promptly on the application of a major U.S. company to develop a coal gasification project in India. Here again, there is great scope for private U.S. firms to contribute to Indian development.

The utilization of ground water deposits in the vast, fertile plain across which the Ganges River flows has long received attention as part of U.S. technical assistance programs to India. We have indicated to the Government of India our willingness to discuss the nature of any future assistance program and expect that, following signature of the Rupee Agreement, this general subject will be taken up in New Delhi. In that context, we believe that appropriate attention should be given to the question of ways to optimize the use of India's enormous ground water resources. In the meantime, however, we will raise with India the question of allocating a portion of our rupee grant to improving the utilization of ground water deposits.

We believe that all of these ideas, and others, for ameliorating India's economic development performance in the wake of the sudden steep rise of world petroleum prices will be the more readily discussed with India in the improved atmosphere following the conclusion of the Rupee Agreement. We believe this atmosphere will be conducive to the resolution of various outstanding questions in the areas of trade and investment.

In this context, we will be giving serious consideration to implementing the objectives of the Moorhead-Broomfield plan to expand American exports to India. After thorough study of the implications of this proposal, legal as well as commercial, we propose to take it up with appropriate Indian officials with a view to what can be done to give it effect.

We have noted your request for our comments by February 15 and that our responses will be included as part of the record of the January 29 hearing of the Subcommittee on the Near East and South Asia on the proposed agreement. As you are aware, we intend to sign the Agreement with India and to have it enter into force on February 18, 1974.

Sincerely yours,

STANTON D. ANDERSON,
*Acting Assistant Secretary for Congressional Relations.*

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AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., February 11, 1974.*

PAUL DEMBLING, Esq.,
*General Counsel,*
*General Accounting Office,*
*Washington, D.C.*

DEAR MR. DEMBLING: As you know, the United States Government has recently had negotiations with the Government of India to settle the long-standing matter of the large rupee balances the U.S. holds there. The agreement to resolve this, signed ad referendum in New Delhi on December 13, 1973, is summarized, and favorably commented on, in the Comptroller General's letter to Congressman Hamilton, January 28, 1974, B-146749.

On February 8, 1974, Congressman Hamilton and Congressman Moorhead addressed a letter to Secretary Kissinger (attached), indicating a concern regarding the legal basis for the settlement agreement, and suggesting that the Department obtain a decision from the Comptroller General. Since the matter appears to be a question of legal interpretation, and in view of the timing needs involved, I write directly to you. (The agreement is scheduled to be formally signed February 18, 1974, before the re-opening of India's Parliament.)

There is, basically, one principal legal question pertinent here. That question, which arises under the provisos to section 104 of the Agricultural Trade Development and Assistance Act of 1954, as amended (P.L. 480), relates to how, other than by specific appropriation by Congress, we may use such currencies for, e.g., grants to the host country. There are two routes to achieve this. Under paragraphs (2) and (3) of the first proviso, this may occur if there is both a Presidential waiver of section 1415 of the Supplemental Appropriation Act, 1953 and the grant agreement is laid before the committees of the Congress for thirty days (sixty if Congress is not in session). This is the route we have taken in this case.

The agreement has been laid before the Agriculture Committees, hearings have been concluded, and no objection has been registered. (The agreement has also been presented to the Foreign Relations and Foreign Affairs Committees.)

Another route, pursuant to the final proviso of section 104 (the Mondale-Poage proviso), is available only for excess-currency countries. Under this proviso, no appropriation is required (nor waiver, nor laying before Congress), but issues exist as to the extent the assistance must be additive to self-help measures which would have been undertaken without such assistance.

The critical question the Congressmen's inquiry raises is whether, in an excess-currency country, *only* the second route is available. This would mean, for instance, to follow the logic of the staff memorandum accompanying the inquiry, that the ability to use local currency in excess currency countries would be far more restricted than in other countries. We believe that such a construction of the Mondale-Poage proviso would contradict the purpose of the Congress in enacting Mondale, which was to facilitate the use of excess currencies.

The legal analysis at issue turns on the following words at the start of the Mondale-Poage proviso:

". . . paragraphs (2), (3) and (4) of the foregoing proviso [including appropriation, waiver and laying before Congress] *shall not apply* in the case of any nation where [there is excess foreign currency] . . ." (emphasis added).

This language, on its face, could be construed in two ways: either to state that resort to the first proviso is not *permitted* or to state that such resort is not required. In our opinion, the former construction would ignore the permissive, liberalizing and supplementary intent of the amendment. The Committee report quoted in the Congressional staff memorandum states the amendment "[e]xempts 'excess currency' countries from the requirements . . ." of the first proviso. We believe that the Mondale-Poage proviso was not intended to prohibit resort to the requirements of the first proviso, but only to remove the mandatory nature of their application.

We have chosen, accordingly, to take for the settlement agreement the more conservative route of the first proviso, laying the agreement before the Congressional committees and invoking the authority to waive appropriation, which we believe appropriate in this case.

We have consulted extensively with Congress concerning this rupee agreement with India. In July 1973, when Ambassador Moynihan was first instructed to open negotiations, Department of State officials met with the Chairmen of the House and Senate Agriculture and Foreign Affairs/Relations Committees. Again, in September 1973, as the outlines of a possible settlement became clearer. Ambassador Moynihan consulted with over two dozen concerned Congressmen, once again including members of the Agriculture and Foreign Affairs/Relations Committees but also including members of the House and Senate Appropriations Committees and the House Committee on Government Operations. Finally, after the agreement was initialled in New Delhi, Ambassador Moynihan, accompanied by State, AID, and Department of Agriculture officials, met formally with the Near East and South Asia Subcommittee of the House Foreign Affairs Committee, the Senate Foreign Relations Committee, the House Agriculture Committee and the Senate Committee on Agriculture and Forestry as well as with other individual members interested in this agreement. In all, we have consulted at least once with over 60 members of Congress. The Congressional reaction throughout has been generally favorable.

I attach papers that may assist in establishing the background of the arrangement proposed, including my memorandum on the subject. I regret that we are under pressure of time to consummate this arrangement, as I have mentioned, and hope that we may resolve the matter together before the end of the week. We should be happy to assist in any way we can.

Sincerely yours,

ARTHUR Z. GARDINER, Jr.,
*General Counsel.*

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WASHINGTON, D.C., *February 26, 1974.*

HON. WILLIAM S. MOORHEAD,
*Chairman, Foreign Operations and Government Information Subcommittee, Committee on Government Operations, House of Representatives.*

DEAR MR. CHAIRMAN: By letter dated February 8, 1974, as well as in prior informal contacts, you requested the Secretary of State to obtain the opinion of this Office as to whether the Agency for International Development (AID) may enter into a proposed excess rupee agreement with the Government of India pursuant to the authority of the first proviso of section 104 of Public Law 480, 83rd Congress, 7 U.S.C. 1904, or whether AID is required to use the authority contained in the second (or so-called Mondale-Poage) proviso of that section.

The General Counsel of AID requested our decision in the matter by letter dated February 11, 1974. Enclosed for your information is our decision of today to the Secretary of State in which we state that while the matter is not entirely free from doubt, this Office would interpose no objection to AID's entering into the subject agreement under the authority of the penultimate proviso, but that that agency should obtain congressional clarification of the intent of the two subject provisos prior to entering into any similar agreements.

Sincerely yours,

ELMER B. STAATS,
*Comptroller General of the United States.*

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WASHINGTON, D.C., *February 26, 1974.*

File: B-146749

Matter of: Excess rupee agreement with India.

Digest: AID may enter into excess rupee agreements with India (excess currency country) pursuant to first proviso of section 104, Public Law 480, even though literal reading of second (so-called Mondale-Poage) proviso makes procedure of first proviso inapplicable to excess currency nations, since matter is not free from doubt and intent of second proviso was apparently to remove excess currency from restrictions of first proviso and not to eliminate applicability of alternate procedure.

This decision to the Secretary of State is in response to the request by the General Counsel of the Agency for International Development (AID), Department of State. He requested our views concerning the legal basis for a proposed settlement agreement between the United States and India concerning the large rupee balances held by the United States in India.

The question arises under the first and second provisos of section 104 of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480), 7 U.S.C. 1704. These provisos which immediately follow subsection 104(k) were added by section 2(B) of the Food for Peace Act of 1966, Public Law 89-808, November 11, 1966.

The first proviso is, in effect, a restatement of prior law. The second paragraph thereof authorizes grants of Public Law 480 foreign currencies for economic development purposes under section 104(f) of that law without the need for specific appropriations, if the President determines that it would be inappropriate or inconsistent with the purposes of Title I of Public Law 480 (7 U.S.C. 1701 *et. seq.*) to require appropriation. The third paragraph thereof provides that no agreement or proposal to grant any foreign currencies or to use any principal or interest from loan repayments shall be entered into or carried out until the expiration of thirty days (or sixty days when Congress is not in session) following the date on which such agreement or proposal is transmitted to the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture.

The second or ultimate proviso, also known as the Mondale-Poage proviso, provides—

"*Provided, further, That paragraphs (2), (3), and (4) of the foregoing proviso shall not apply in the case of any nation where the foreign currencies* or credits owned by the United States and available for use by it in such nation are *determined by the Secretary of the Treasury to be in excess* of the normal requirements of the departments and agencies of the United States for expenditures in such nations for the two fiscal years following the fiscal year in which such determination is made. *The amount of any such excess shall be devoted to the extent practicable* and without regard to paragraph (1) of the foregoing proviso, to the acquisition of sites, buildings, and grounds under paragraph (4) of subsection (b) of this section and to assist such nation in undertaking self-help measures to increase its production of agricultural commodities and its facilities for storage and distribution of such commodities. Assistance under the foregoing provision shall be limited to self-help measures additional to those which would be undertaken without such assistance. Upon the determination by the Secretary of the Treasury that such an excess exists with respect to any nation, the President shall advise the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture of such determination; and shall thereafter report to each such committee as often as may be necessary to keep such Committee advised as to the extent of such excess, the purposes for which it is used or proposed to be used, and the effects of such use." (Emphasis supplied.)

The proposed settlement provides, in part, for India to prepay all outstanding rupee obligations, including principal and interest, up to the date of settlement. Outstanding principal and interest would not be prepared for commercial loans except for some of the Public Law 480 Cooley loans. The United States will then grant the major part of the Public Law 480 generated rupees—equivalent to about $2.2 billion—to the Indian Government for projects as specified in the settlement. The projects, which are to be chosen by the Government of India, are in the areas of agriculture, housing, family planning, health, technical education, power development, and rural electrification. AID proposes to enter into the subject agreement with India under the authority of the first proviso of section 104 of Public Law 480.

The issue presented for decision as to whether assistance under the authority of the first proviso may be furnished, arises by virtue of language in the Mondale-Poage proviso stating, in pertinent part, that paragraphs (2), (3), and (4) of the first proviso "shall not apply" to the expenditure of foreign currencies or credits in excess currency nations. A literal reading of the statutory language makes the first proviso unavailable as authority for the entering into the subject or similar agreements which involve the grant of excess currency (here, rupees) to an excess currency nation (here, India). There is some support in the legislative history for this literal interpretation and for the proposition that the Congress wished to exercise a degree of control—such as that contained in the Mondale-Poage proviso—over the uses made of United States-owned excess currency by recipient countries.

However, reading the legislative scheme as a whole and recognizing that a primary purpose of the Mondale-Poage proviso was to furnish added means for dealing with the use of large reserves of excess currencies, it would seem somewhat anomalous to conclude that Congress intended to make unavailable previous authorities and procedures under which grants could be made without using appropriated funds. It seems more reasonable to conclude when Congress provided that paragraphs (2), (3), and (4) of the first proviso were to be inapplicable to excess currency countries, that it intended only that the restrictive provisions of these paragraphs not apply, leaving the agency free to make grants of excess currency without the requirement for Presidential waiver of the appropriation requirement of 31 U.S.C. 724 and the presentation of the proposal to the appropriate committees of Congress, *if* the recipient nation agrees to utilize, to the extent practicable, the funds for agricultural self-help projects as defined by section 109 of Public Law 480.

Although the provisions and procedures of the first proviso are more restrictive and more difficult to comply with than those of the Mondale-Poage proviso, the executive branch has decided to enter into the instant agreement pursuant to the authority of the first proviso. In the instant situation, the President has determined that the appropriation of these funds would be inappropriate or inconsistent with the purposes of Public Law 480 as required by paragraph (2) and the agreement has been submitted to the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture as required by paragraph (3) of the penultimate proviso without, insofar as we are aware, any objection to the agreement being raised. Moreover, the Department of State advises that it has met and consulted, both formally and informally, with the Near East and South Asia Subcommittee of the House Foreign Affairs Committee, the Senate Foreign Relations Committee, the House Agriculture Committee and the Senate Agriculture and Forestry Committee, as well as with other interested members of Congress, with respect to the full scope of the proposed agreement.

Accordingly, and while the matter is not entirely free from doubt, inasmuch as the provisions and procedures set forth in the first proviso have been fully complied with, this Office will not object to AID's entering into the proposed agreement under the authority of the second and third paragraphs of such proviso, rather than the Mondale-Poage proviso, if the cognizant congressional committees interpose no objection thereto. However, due to the uncertainty caused by the language of the Mondale-Poage proviso that the subject paragraphs of the penultimate proviso "shall not apply" in excess currency nations, we believe congressional clarification as to the intent of the Mondale-Poage proviso should be obtained before AID enters into any similar agreements.

Elmer B. Staats,
*Comptroller General of the United States.*

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. O'Brien (at the request of Mr. Arends), for today, on account of death in the family.

Mr. Fountain (at the request of Mr. O'Neill), for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Hechler of West Virginia, for 5 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Hillis) and to revise and extend their remarks and include extraneous matter:)

Mr. Hansen of Idaho, for 5 minutes, today.

Mr. Kemp, for 10 minutes, today.

Mr. Hogan, for 30 minutes, today.

Mr. Carter, for 10 minutes, today.

(The following Members (at the request of Mr. Breckinridge), to revise and extend their remarks, and to include extraneous matter:)

Mr. Diggs, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Harrington, for 5 minutes, today.

Mr. Culver, for 5 minutes, today.

Mr. Rangel, for 10 minutes, today.

Mr. Flood, for 10 minutes, today.

Mr. Wolff, for 15 minutes, today.

Mr. Podell, for 15 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Moorhead of Pennsylvania and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $940.50.

Mr. Gross immediately preceding the vote on H.R. 11105.

Mr. Gross, immediately preceding the passage of H.R. 12417 today.

(The following Members (at the request of Mr. Hillis) and to include extraneous matter:)

Mr. Steelman.

Mr. Broomfield.

Mr. Eshleman.

Mr. Zwach in two instances.

Mr. Brotzman.

Mr. Kemp in three instances.

Mr. Hogan.

Mr. Thomson of Wisconsin.

Mr. Wyman in two instances.

Mr. Huber.

Mr. Derwinski in two instances.

Mr. Frenzel.

Mr. Railsback in two instances.
Mr. Conte.
Mr. Bob Wilson.
Mr. Abdnor.
Mr. Gilman in two instances.

(The following Members (at the request of Mr. Breckinridge), and to include extraneous matter:)

Mr. Harrington.
Mr. Mills.
Mr. O'Hara in five instances.
Mr. Gonzalez in three instances.
Mr. Rarick in three instances.
Mr. Carey of New York.
Mr. Stokes in six instances.
Mr. Conyers.
Mr. Bingham in five instances.
Mr. Jones of Oklahoma.
Mr. Rogers in five instances.
Mr. Tiernan.
Mr. Breckinridge.
Mr. Dent.

## ADJOURNMENT

Mr. BRECKINRIDGE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 10 minutes p.m.) the House adjourned until tomorrow, Wednesday, March 20, 1974, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2068. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Elementary and Secondary Education Act of 1965 to provide for a research, development, and evaluation program to be known as Follow Through for the purpose of developing and testing various approaches to the education of children from low-income families in kindergarten and early elementary grades who were previously enrolled in Headstart or similar preschool programs; to the Committee on Education and Labor.

2069. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S., 1154(d)]; to the Committee on the Judiciary.

### Received From the Comptroller General

2070. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Federal Prison Industries, Inc., Department of Justice, for fiscal year 1973, pursuant to 31 U.S.C. 841 (H. Doc. No. 93–243); to the Committee on Government Operations and ordered to be printed.

2071. A letter from the Comptroller General of the United States, transmitting a report on the examination of financial statements of the Bureau of Engraving and Printing fund for fiscal years 1972 and 1973, pursuant to 31 U.S.C. 181; to the Committee on Government Operations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALDIE: Committee on Post Office and Civil Service. S. 628. An act to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married; with amendment (Rept. No. 93–915). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Select Committee on Committees. House Resolution 988. Resolution to reform the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representatives, with amendment (Rept. No. 93–916), Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 991. Resolution providing for the consideration of H.R. 11929. A bill to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments; with amendment (Rept. No. 93–917). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 992. Resolution providing for the consideration of H.R. 12412. A bill to amend the Foreign Assistance Act of 1961 to authorize an appropriation to provide disaster relief, rehabilitation, and reconstruction assistance to Pakistan, Nicaragua, and the Sahelian nations of Africa; with amendment (Rept. No. 93–918). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 993. Resolution providing for the consideration of H.R. 12435. A bill to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes; with amendment (Rept. No. 93–919). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 994. Resolution providing for the consideration of H.R. 12920. A bill to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes; with amendment (Rept. No. 93–920). Referred to the House Calendar.

Mr. DIGGS: Committee on the District of Columbia. H.R. 8747. A bill to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students (Rept. No. 93–921). Referred to the House Calendar.

Mr. DIGGS: Committee on the District of Columbia. H.R. 12109. A bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils (Rept. No. 93–922). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia. H.R. 12473. A bill to establish and finance a bond sinking fund for the Dwight D. Eisenhower Memorial Bicentennial Civic Center, and for other purposes; with amendment (Rept. No. 93–923). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIGGS: Committee on the District of Columbia, H.R. 12832. A bill to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia; with amendment (Rept. No. 93–924). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRINKLEY:

H.R. 13574. A bill to commemorate the American Revolution Bicentennial by establishing a meetinghouse program, by making grants available to each of the several States for the purpose of acquiring and restoring certain historic sites with a view to designating and preserving such sites for use as meeting-houses in connection with such Bicentennial, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROWN of California:

H.R. 13575. A bill to authorize a 5-year extension of the period of temporary admission into the United States for certain residents of Chile who are in the United States as nonimmigrant aliens, and for other purposes; to the Committee on the Judiciary.

By Mr. BROWN of Michigan (for himself and Mr. Ashley) (by request):

H.R. 13576. A bill to extend and amend the Economic Stabilization Act of 1970 to provide for the orderly transition from mandatory economic controls and continued monitoring of the economy and for other purposes; to the Committee on Banking and Currency.

By Mr. CARNEY of Ohio:

H.R. 13577. A bill to amend the Railroad Retirement Act of 1937 so as to increase the amount of the annuities payable thereunder to widows and widowers; to the Committee on Interstate and Foreign Commerce.

By Mr. DULSKI:

H.R. 13578. A bill to amend title 5, United States Code, to extend the status of preference eligible to certain spouses of veterans who served on active duty in the Armed Forces in the Vietnam era; to the Committee on Post Office and Civil Service.

By Mr. FREY:

H.R. 13579. A bill to amend title 38 of the United States Code in order to provide service pension to certain veterans of World War I and pension to the widows of such veterans; to the Committee on Veterans' Affairs.

By Mr. GUNTER:

H.R. 13580. A bill to amend the Internal Revenue Code of 1954 to provide that no individual shall pay an income tax of less than 10 percent on his income and to provide that industrial development bond income shall not be excluded from gross income; to the Committee on Ways and Means.

By Mr. HARRINGTON (for himself, Mr. Hechler of West Virginia, Mr. Waldie, Mr. Helstoski, Mr. Eilberg, Mr. Brown of California, Mr. Clay, Mr. Badillo, Mr. Mitchell of Maryland, Mr. Gude, Mr. Stark, Mr. Edwards of California, Miss Holtzman, Mr. Podell, Mr. Riegle, Mr. Donohue, Mr. Dellums, Mr. Roybal, Mr. Studds, and Ms. Abzug):

H.R. 13581. A bill to amend section 8 of the Clayton Act to prohibit certain corporation management interlocking relationships, and for other purposes; to the Committee on the Judiciary.

By Mr. HARRINGTON (for himself, Mr. Reid, Mr. Conte, Mr. Brademas, Mr. Esch, Mr. Hicks, Mr. Hogan, Mr. McKinney, Mr. Roybal, Mr. St Germain, Mr. Sarasin, and Mrs. Schroeder):

H.R. 13582. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement. thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mrs. HOLT (for herself, Mr. Winn, Mr. Breckinridge, Mr. Steelman, and Mr. Rinaldo):

H.R. 13583. A bill to establish a national homestead program under which single-family dwellings owned by the Secretary of Housing and Urban Development may be conveyed at nominal cost to individuals and families who will occupy and rehabilitate them; to the Committee on Banking and Currency.

By Mr. HUBER:

H.R. 13584. A bill to amend the Internal Revenue Code of 1954 to temporarily reduce the excise tax on gasoline, diesel fuel, and special motor fuels by 2 cents per gallon; to the Committee on Ways and Means.

By Mr. JOHNSON of Pennsylvania:

H.R. 13585. A bill to amend title II of the Social Security Act to provide that a beneficiary who dies shall (if he is otherwise qualified) be entitled to a prorated benefit for the month of his death; to the Committee on Ways and Means.

By Mr. McKINNEY:

H.R. 13586. A bill to amend the Internal Revenue Code of 1954 to provide an income tax credit for any individual who performs voluntary service for any organization engaged in the treatment, care, or rehabilitation of the physically handicapped or the mentally ill; to the Committee on Ways and Means.

By Mr. MATHIAS of California:

H.R. 13587. A bill to assure that weather modification activities and the collection of hydrometeorological information necessary to the management of water resources can be conducted in conjunction with the management and administration of wilderness areas and other Federal lands; to the Committee on Interior and Insular Affairs.

By Mr. MINISH:

H.R. 13588. A bill to amend the Urban Mass Transportation Act of 1964 to establish a new urban transportation formula grant program, to amend related provisions of law dealing with mass transportation, and for other purposes; to the Committee on Public Works.

By Mr. RONCALIO of Wyoming:

H.R. 13589. A bill to expand the Glendo Unit of the Pick-Sloan Missouri Basin program to provide for the rehabilitation of a road relocated by the Bureau of Reclamation in the vicinity of Glendo Dam and Reservoir, Platte County, Wyo.; to the Committee on Interior and Insular Affairs.

By Mr. ROSE:

H.R. 13590. A bill to direct the U.S. Postal Service to issue regulations prohibiting the use of collect-on-delivery mail service for the mailing of certain animals; to the Committee on Post Office and Civil Service.

By Mr. ST GERMAIN:

H.R. 13591. A bill to amend the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

H.R. 13592. A bill to amend the Emergency Petroleum Allocation Act of 1973 to authorize and require the President of the United States to allocate plastic feedstocks produced from petrochemical feedstocks, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SIKES:

H.R. 13593. A bill to provide for the termination of certain oil and gas leases granted with respect to land located in the Ocala National Forest; to the Committee on Interior and Insular Affairs.

By Mr. STUDDS (for himself and Mr. Minish):

H.R. 13594. A bill to extend on an interim basis the jurisdiction of the United States over certain ocean areas and fish in order to protect the domestic fishing industry, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mrs. SULLIVAN (for herself, Mr. Murphy of New York, Mr. Clark, Mr. Jones of North Carolina, Mr. Leggett, Mr. Biaggi, Mr. Anderson of California, Mr. Metcalfe, Mr. Breaux, Mr. Rooney of Pennsylvania, Mr. Studds, Mr. Bowen, Mr. Grover, Mr. Ruppe, Mr. Snyder, Mr. Lott, Mr. Pritchard, and Mr. Bauman):

H.R. 13595. A bill to authorize appropriations for the Coast Guard for the procurement of vessels and aircraft and construction of shore and offshore establishments, to authorize appropriations for bridge alterations, to authorize for the Coast Guard and end-year strength for active duty personnel, to authorize for the Coast Guard average military student loads, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. UDALL:

H.R. 13596. A bill to improve the quality of health care for American Indians by providing health care educational opportunities encouraging maximum involvement of Indians in the creation, planning, and implementation of health care programs directly affecting their needs, by improving substandard health care facilities, by encouraging research into all facets of Indian health care problems, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VANDER VEEN:

H.R. 13597. A bill to reimburse the States for all unemployment compensation paid to individuals whose unemployment is attributable to the oil crisis; to the Committee on Ways and Means.

H.R. 13598. A bill to amend the Federal-State Extended Unemployment Compensation Act of 1970; to the Committee on Ways and Means.

H.R. 13599. A bill to provide for a temporary program of special unemployment compensation in areas of high unemployment and to amend the Federal-State Extended Unemployment Compensation Act of 1970; to the Committee on Ways and Means.

By Mr. ULLMAN:

H.R. 13600. A bill to amend the Federal Election Campaign Act of 1971 to provide for public financing of certain political campaign advertising expenses, and for other purposes; to the Committee on House Administration.

By Mr. WALSH (for himself, Mr. Winn, Mr. Forsythe, Mr. Fulton, Mr. Bafalis, Mr. Helstoski, Mr. Bell, Mr. Gilman, Mr. Davis of South Carolina, Mr. Burgener, and Mr. Harrington):

H.R. 13601. A bill to establish a Bureau of Missing Persons to strengthen interstate reporting and interstate services for parents of runaway children and to provide for the development of a comprehensive program for the transient youth population; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON of California:

H.R. 13602. A bill to provide assistance and full-time employment to persons who are unemployed or underemployed as a result of the energy crisis; to the Committee on Education and Labor.

By Mr. ROY (for himself, Mr. Kyros, Mr. Preyer, Mr. Nelsen, Mr. Hastings, Mr. Heinz, and Mr. Hudnut):

H.R. 13603. A bill to amend the Public Health Service Act to provide adequate financing of health care benefits for all Americans; to the Committee on Interstate and Foreign Commerce.

By Mr. MAHON:

H.J. Res. 941. Joint resolution making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes; to the Committee on Appropriations.

By Mr. JOHNSON of Pennsylvania:

H.J. Res. 942. Joint resolution asking the President of the United States to declare the fourth Saturday of each September "National Hunting and Fishing Day"; to the Committee on the Judiciary.

By Mr. BRADEMAS:

H. Res. 989. Resolution to provide for the printing of additional copies of a report of the Select Committee on Committees; to the Committee on House Administration.

By Mr. WAGGONNER (for himself, Mr. Flood, Mr. Crane, Mr. Blackburn, and Mr. Breaux):

H. Res. 990. Resolution in support of continued undiluted U.S. sovereignty and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

## MEMORIALS

Under clause 4 of rule XXII,

388. The SPEAKER presented a memorial of the Legislature of the State of California, relative to the tuna industry; to the Committee on Foreign Affairs.

## PETITIONS, ETC.

Under clause 1 of rule XXII,

407. The SPEAKER presented a petition of the Congress of Micronesia, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to the appropriation of additional funds to the Trust Territory of the Pacific Islands, which was referred to the Committee on Appropriations.

# EXTENSIONS OF REMARKS

## RESEARCH AND TREATMENT FOR THE PROBLEMS OF HUMAN GROWTH

### HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. JONES of Oklahoma. Mr. Speaker, yesterday I was privileged to call the attention of my colleagues to Mrs. Bill J. Schneider and her views on the relative funding priorities in the field of health research, training, and care. Her son was successfully treated for his problem as a part of a National Institutes of Health program in St. Louis, Mo., for research and training of doctors.

Mrs. Schneider was concerned that this program and similar ones would be cut back to provide increased funding for the war on cancer which has received so much publicity. I was of course happy to check on this matter for her and even happier to be able to report back such positive news from the National Institutes of Health on the future of human growth research and training.

Mr. Speaker, I request that Dr. Donald Whedon's letter to me be reprinted in the Congressional Record to bring attention to this work. I think any effort to share this good news and to call attention to the hope for parents of children such as Mrs. Schneider's is worthwhile.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
*Bethedsa, Md., January 30, 1974.*

Hon. JAMES R. JONES,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. JONES: Your letter of January 16, 1974, to Mr. George Hopper, Special Assistant for Congressional Liaison, and a copy of a letter from Mrs. Bill J. Schneider regarding human growth hormone, have been referred to me, as Director of the National Institute of Arthritis, Metabolism, and Digestive Diseases, a component of the National Institutes of Health. This Institute is concerned with clinical and basic research investigations of human growth hormone, which is produced by the pituitary gland.

As Mrs. Schneider knows, this Institute sponsors, through financial support, the National Pituitary Agency, at the University of Maryland School of Medicine, Baltimore, Maryland, which conducts a program for human pituitary gland collection at postmortem examination and for preparation, from these glands, of human growth hormone for fundamental and clinical research. The Agency distributes the hormone to interested and qualified scientists investigating the physiologic effects of the hormone, its molecular configuration, and the effects of human growth hormone in problems of short stature in children.

In answer to Mrs. Schneider's question, the National Pituitary Agency will certainly not be phased out. In fact, its budget has increased slowly but steadily throughout the years, and we see no reason for this to change. I must add a personal note that we are very pleased to learn of the good results obtained with Stan Schneider in the research studies in which he participated.

Regarding training support, your constituent will be pleased to know that a $30 million program of Research Training Fellowships has been established within the Department of Health, Education, and Welfare to strengthen the nation's biomedical research capability. Scheduled to begin this fiscal year, the program will receive additional funds over the next three years, bringing the total allocation to approximately $90 million. The Research Training Fellowship plan is designed to meet, in a coordinated manner, the total research manpower needs of the present as well as the future, and to channel training funds into specific areas of need.

I shall be happy to hear from you further if you require additional information or if I can be of assistance to you in any other way.

Sincerely yours,
G. DONALD WHEDON, M.D.,
*Director, National Institute of Arthritis, Metabolism, and Digestive Diseases.*

## ENERGY CAN BE MADE CHEAP AND ABUNDANT

## HON. WILLIAM L. SCOTT

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 19, 1974*

Mr. WILLIAM L. SCOTT. Mr. President, a conservative newspaper, Human Events, in its March 16 issue included a special supplement entitled "Energy Can Be Made Cheap and Abundant." This article is by Dr. Petr Beckmann, a professor of electrical engineering at the University of Colorado. It is a detailed article obviously written after a considerable amount of research which discusses various facets of the energy problem and, in my opinion, is well worth reading by every Member of the Senate. There is a philosophical undercurrent in the article about which there could well be a difference of opinion. The writer indicates that recent laws enacted by the Congress and regulations of various Government departments and agencies have interferred with the free enterprise system and contributed to the shortage of energy we have today. Dr. Beckmann is critical also of what he considers to be unwarranted attacks upon corporations attempting to meet the energy needs of the country and of environmentalists who he feels show little concern for the maintenance of our standard of living or the capitalistic form of government.

Again, Mr. President, I do not suggest that any Senator will agree with every phrase in the article, but I believe that it will stimulate the thinking of all Members of this body. Therefore, Mr. President, I ask unanimous consent that this article be printed in its entirety in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### ENERGY CAN BE MADE CHEAP AND ABUNDANT

(By Petr Beckmann)

One of the biggest brainwashing campaigns ever is now under way.

You are being saddled with a guilt complex. With 6 per cent of the world's population, you are being told, the United States is consuming 33 per cent of the world's energy. That is the truth, but not the whole truth.

You are being told that the world's energy resources are finite and rapidly dwindling; that they will be depleted if we do not use them carefully. That is not even the truth, let alone the whole truth.

You are being told that the present energy crisis will force Americans to do with less energy, that it will rid America of "too much technology," and that this is a healthy thing just like curing a patient of obesity. That is, a cure of obesity that drains the patient's life blood.

You are being told that more technology and more energy consumption means more pollution. That argument says the more vacuum cleaners, the more dirt on the carpet. The truth is that a clean environment needs more and better technology; in particular, large amounts of energy are needed for the present forms of pollution control.

#### LIMITLESS SOURCES

The harnessable energy sources on this planet are limitless. To give but two examples, the sun will shine for some 50 billion more years, and nuclear fusion can never run out of fuel.

To give but two examples of proven processes with "limited" fuel supplies, breeder reactors can run on uranium for the next 200 years, on thorium for the next 2,000 years; and oil, natural gas, hydrogen, methanol and other fuels can be synthesized from domestic coal for many centuries.

Obviously, then, the low thermostat settings and the cars now lining up at the gas stations do not mean that we have reached the bottom of the energy barrel; we have merely reached a bottleneck.

How did this country get itself into it?

Consider first a classic little case. It does not explain the energy crisis by itself, but it is typical of what caused the crisis. It is the case of steel pipe for oil well casings.

The proven oil deposits under the surface of the United States are sufficient to satisfy present demand for the next 50 years; and this estimate does not consider the untold amounts in the continental shelves, nor the vast deposits of oil shale in the mountain states, which contain more oil than the deposits of the entire Middle East.

Most of this enormous underground wealth remains unexplored and untapped. Back in the '50s, in a shortsighted, vote-pleasing move, Congress controlled the price of oil and gas. In the long run, this did not give the consumer cheap oil, but an oil shortage; for oilmen do not work for charity, but for profit, and the number of new wells declined drastically from year to year as the costs went up and the prices of oil and gas remained frozen. At the same time, oil and gas became cheap fuels to be burned under power plant boilers. While demand for this artificially cheap oil increased by 7 per cent a year, domestic oil production has actually been declining since 1970.

If anyone doubted that governmental price fixing chokes off production, he had a new opportunity to look at the alternative: In May of last year, the price of "new" (newly discovered) oil was decontrolled, and the incentive of the new price, now $6.75 a barrel and moving up, immediately spawned a new and successful search for oil. Hundreds of new oil wells sprang up in Texas, Louisiana and Oklahoma, and a veritable flood of oil was in the offing within a year or two.

But the boom soon ran out of steam, or rather out of steel pipe for well casings. Under Phase IV regulations, profits in the steel industry are limited by bureaucratic formulas, and since the steel industry is in business for profits, too, it naturally prefers to produce more of the goods with less severe profit limitations, and this does not include tubular goods. But there are no controls or exports, and so steel pipe for well casings is now being exported abroad while drilling rigs in Texas are being shut down for lack of it. And 15 per cent of these exports go to Arab countries which have embargoed oil exports to the United States.

There is more to this snafu by government regulation of the market. A single Houston supplier of steel pipe sits on two million feet of casing, but he can't sell it for fear of violating Phase IV regulations. Some senators pleaded with the Cost of Living Council to grant an exemption for well casings, and the exemption was finally granted. But a cobweb of bureaucratic regulations cannot be untangled by cutting a single thread. The next thread was another regulation keeping the price down to December 1972 levels, which would still entail selling at a loss, and so those two million feet of casing keep sitting there while the company president explains to his frantic customers why he cannot sell it to them.

But if American steel pipe is exported to Arab countries, perhaps American wells can be cased by British steel pipe? No; large deposits of oil have been found under the North Sea in the last four years, but the countries on its shores who have been scrambling for that oil are much further gone along the road to the Socialist welfare state, and they have been stifling their industries with taxes in the public interest. Up to now, they have been getting their supplies in Houston. No longer; America has joined the public interest, too.

#### WELL CASINGS SHORTAGE

So what is happening with well casings in Texas and Oklahoma? This is what is happening: Used casing is being sold at prices 80 per cent, and sometimes 100 per cent, above the price of new casing, which is unavailable; abandoned wells are being stripped of their casings in the hope of salvaging some that survive the operation; new wells are being designed not for maximum efficiency, but for minimum casing requirements; one small company says it will be lucky to get casing for half of the 100 new oil sites it has discovered since "new" oil was decontrolled; supplies of steel pipe in the field are being closed off by barbed wire fences and put under armed guard; the sheriff in Odessa, Tex., is using a helicopter to spot a new type of criminal from the air—the pipe rustlers.

And all this, remember, is due to regulations that were supposed to protect the consumer.

The case of casings is but an insignificant typical for one of the major roots of the shortage: bureaucratic regulation of the market place.

The way in which bureaucratic regulations have blocked access to abundant energy could fill a whole book, and only the very minor case of steel casings has been described in some detail, but there are all too many other, and more important, examples.

There are 46 billion barrels of oil, together with 228 trillion cubic feet of natural gas, under the Atlantic continental shelf (says the U.S. Geological Survey), no more than 100 miles offshore, and no more than 600 feet under the surface of the ocean. That is more than the entire proven reserves of the United States under dry ground. It is also more than the deposits under the North Sea, where the first oil was found only four years ago, and where 28 mobile rigs are now drilling for this treasure, with 50 more on order.

Unlike many of the more exotic sources of energy, this vast reservoir could begin to yield the black gold within two years; but the federal government is keeping it closed to exploration, and its timid moves toward lifting the ban run into a plethora of more laws, decrees, regulations and guidelines, from environmental impact statements (with years of environmental suits to follow) to a suit against the state of Maine, which claims 200 miles of offshore waters on the basis of yet another decree, this one by King Charles in the 17th Century. Oil, yes, says the state of Delaware, but get it from the oil shale in Colorado. Oil, yes, says the state of Colorado, but get it off the coast of California. Oil, yes, says everybody, but let's have more laws preventing it from being produced in my back yard.

Or take the electric utilities. They switched from coal to gas—which would have been an economic absurdity in a free market—and when the gas ran out, they switched to oil. Their profits are regulated by a myriad of regulations put out by the government agencies mothering energy matters—65 of them, by last count.

The utilities' struggle to fund research of new methods of generating electric power in the squeeze between rising costs and frozen rates has been no less than heroic, but it has been a losing battle. And even orthodox power plants get swamped in red tape. There were no less than 28 large nuclear plants scheduled to go on line in 1973, but they did not make it because of ever changing regulatory requirements, environmental suits, and more red tape shackling the contractors and subcontractors.

Natural gas? There are gas wells in Louisiana where it is being flared, and it is bubbling up through the waters of the Gulf of Mexico, with nobody bothering to capture it. Would you bother for a regulated wellhead price of 25¢ per thousand cubic feet?

In transportation, government regulation has ruined the energetically most efficient means of transportation: the railroads. They were forced, "in the public interest," to run unprofitable trains, and they had to compete against the tax-supported network of roads. Some went bankrupt, others carry only certain types of freight, and all now lack facilities for convenient and fast passenger transportation.

On the roads, the Interstate Commerce Commission's rules and regulations often force truckers to ship freight by a crooked route and return with empty trucks; and the freight for the return trip is often carried by another crooked-route-empty-return truck in a monumental waste of motor fuel on the interstate highways.

Apart from this direct interference in energy conversion and access to primary energy sources, government regulation has also been stifling the production and conversion of energy in a number of other ways, of which shortsighted taxation is one of the most detrimental.

There is a time-honored way of making the man who is being kicked a little happier: Give him somebody that he can kick, too. It is an age-old recipe used by the power-hungry throughout history; and however abominable it may be, the sad truth is that it usually works. It would of course no longer work if the Jews or the Negroes were made the scapegoats, but it works when the scapegoat is made more fashionable; big business in general, and the oil companies in particular.

The world owes you a living, brother, go get it from those who make more than you do. The oil companies are making huge profits, which proves that they are raping you. Nationalize the bloodsuckers! There will be plenty of energy once they are handed to the whiz kids who are running the U.S. Postal Service.

This type of propaganda has become so commonplace that it has almost obliterated some simple facts. The oil companies have had a string of lean years, and only in 1973 did they make a respectable profit. Even then, the after-tax profits were well below the average for all of manufacturing. Besides, the oil industry is one where investments are extraordinarily high in price and slow in paying for themselves.

You can build an awful lot of refrigerator factories for the price of one refinery and this is, in fact, what has happened, because taxation and other regulatory policy has made refineries only marginally profitable, and few of them have been built in the last few years. Last summer's gasoline shortage was a refinery shortage, not a crude oil shortage. But there was no shortage of refrigerators.

### WRONG TAX BREAKS

What tax breaks the oil companies are given are often of the wrong kind. For example, tax credits of various kinds made it profitable for the oil companies to become increasingly dependent on overseas refineries, and if tomorrow someone found a magic wand to turn water into oil, the energy crisis would not be over, for U.S. refinery capacity would still fall short of demand by some two million barrels a day.

But all this is merely scratching the surface. The real refutation of the "guilty of profits" argument is that profits are the driving force behind research and development of new energy sources, and however heretic the statement may be today, the oil companies need more, not less, profits for imaginative research programs.

It was not the Federal Power Commission or thhe Environmental Protection Agency, but the Occidental Petroleum Co. that found a method of retorting oil shale *in situ*, with minimal environmental impact. And the oil companies need not be told by bureaucrats to reinvest their profits in long-term research, for they are unlikely to kill the goose that lays the golden eggs: Exxon has just doubled its 1974 capital spending budget to more than $6 million.

There are more and more examples of stifling energy sources by taxation, price regulation and other bureaucratic interference, but the examples tend to get boring, and perhaps the point has been made.

But consider one more point, which is perhaps more eloquent than any other. If the price of domestic crude oil had been free to rise from its controlled level of $4.25 (now $5.25) a barrel, it would have risen in harmony with world prices to a level which not only would have encouraged more exploration and made the supply more plentiful. It would also have risen to a level where power plants would not have burned it under their boilers, and more important still, it would have risen to a level where synthesis of fuels from coal (oil, gas, gasoline, hydrogen, methanol) would have become competitive with natural crude oil and the products refined from it.

In other words, a free market would not only have made the supply of natural crude more plentiful; it would also have seen to it that less of it was needed. And the reduced demand would not have been due to pricing crude oil out of reach, but due to cheaper alternatives becoming available.

A second major cause of the present energy bottleneck is closely intertwined with government regulation and sometimes indistinguishable from it. Ecology, until the late '60s, was the name of a respectable scientific discipline; since then the word has become meaningless in the mouths of hysterical pseudo-scientists, frustrated housewives and affluent do-gooders on messianic ego-trips.

Their campaign became a mass movement embraced by their politicians—for who in his right sense would oppose clean air or clear water?

But it soon turned out that the leadership of the ecological crusade was not so much after clean air and clean water as it was on a corporation-bating binge and on a campaign against technology, which had wounded "involved" intellectuals with the ultimate insult: They could not understand it any more.

Of course, keeping the environment clean needs more and better technology, not less; and curbing economic growth curbs the economic muscle for keeping the environment clean. No wonder, then, that the doomsday prophets and environmental fanatics keep tottering in self-defeating circles of inconsistency. At the moment, they are driving the energy horse with a whip in the right hand, while pulling the reins back with the left; and when the horse collapses, they scream "We told you so!"

Unfortunately, the environmentalist myths are not only fallacious, but also widespread.

It is, for example, widely believed that the present troubles with energy and other shortages are rooted in the run-away demand of an exploding population. But there is no population explosion in the United States. The replacement rate has been steadily declining for the last 10 years; last summer it crossed the zero-growth rate, and it is now heading for the point where not even immigration at present rates will prevent the U.S. population from declining when the average lifespan of 70 years of the present population has run its course.

The population controllers with their "too-many-of-you-others" mentality have therefore already run out of their goals unless they want to start killing off the living. They have yet to explain how sterilization in the United States can prevent a population explosion in India.

Even more widespread is the myth of the bottom of the barrel. Resources, we are told, are finite, and we will deplete them if we don't watch our step (we are never told how eventual depletion can be prevented by this theory even if we do watch our step). But non-renewable is not irreplaceable, and most raw materials that have disappeared did not vanish by depletion, but by replacement and subsequent lack of demand.

Copper, for example, is going to be in short supply in a few more months; not so much due to Salvador Allende's legacy as due to U.S. price controls, which have forced industry to reduce imports by 25 per cent. But let that pass; the main industrial use for copper is due to its high electrical conductivity. However, there are higher conductivities around: platinum, gold, silver.

The reason why telephone lines are not made of gold is that there are other things than conductivity to consider, and when copper gets short, they will be made of aluminum (as done by many countries already), which is in plentiful supply for a long time. And when aluminum runs out? They will be made of glass fibers, because by that time electrical communications will be carried by guided laser light. And glass will last for as long as there is sand in the deserts. And so it goes; the barrel has a very elusive bottom.

### DEPLETION MYTH

Depletion of resources is perhaps the most successful of the environmentalist scarecrows, and the danger is that if this myth is accepted, it can eventually become true. If fossil fuels are regarded not as something to be explored and replaced, but as a sacrosanct last bottle of water in the desert, they may become just that; and instead of moving forward to cheap and abundant energy, we will live in a stunted economy draining its dwindling resources.

This myth of the empty barrel is being constantly harped on by the ecocult. It forms the basis of a computer program financed by the Club of Rome, which has inspired much awe among the gullible, though it is a pseudoscientific piece of unmitigated nonsense. It is based on false premises and shamelessly manipulated input data, but even so, it proves no more than that if you keep drinking from a finite bottle, the bottle will eventually be emptied. For such wisdom, most people need neither a computer nor a MIT degree, but others are awed when they hear the word "computer."

Now energy is always conserved, it can be converted, but not destroyed; in addition, the source of solar and nuclear energy are for all practical purposes unlimited. That will not fit the theory of the empty barrel, so a new gimmick by the name of "thermal pollution" was thought up. This is little more than a fraud, but like all good frauds, it contains a grain of truth.

The Second Law of Thermodynamics does indeed amount to saying that in each energy conversion some small fraction must be irretrievably converted to heat. The environmentalists refer to this totally irrelevant law when they speak of nuclear and other power plants endangering aquatic life by using *rivers to cool* their condensers. Such argumentation would put the well being of fish above that of people; but it is faulty beyond that.

The heat involved raises the water temperature only by a few degrees, possibly displacing one species of aquatic life, but enabling another to find habitat—if indeed, it amounts to that much. When the British built a nuclear plant by the river Blackwater in Essex, there were the usual screams that the warm water would wipe out the oysters *downstream*. But it did no such thing; it did not even help the oysters when many of them died in the severe winter of 1962–3.

But nature is not without irony. What the warm water in British estuaries did show was that sole, plaice and other fish will undergo accelerated healthy growth, reaching maturity twice as fast, and an experimental fish farming station on the Isle of Man is now using "thermal pollution" (sans nuclear power plants) to breed healthy specimens faster.

With their half-baked theories and self-defeating cures, the environmentalists recruited a following of impressive extent. They were amply helped by power-hungry *rabble-rousers* who rightly saw in environmentalism a horse on which to crusade against business and the profit motive. They went almost totally unopposed, for who wanted to be accused of supporting pollution? Politicians no longer campaigned for justice and motherhood, but for ecology and the environment, and Congress, sensing this mood, passed emotion-swayed environmental legislation, some of which may well one day become a laughing stock of history.

What all of this legislation has in common is that it puts the burden of proof on those who seek to change the status quo.

Whoever intends to build a power plant, for example, must supply an environmental impact statement describing in detail all the possible and impossible effects on everything from noise to disturbing the local vegetation, and this statement is then subjected to endless challenges. But no statement is required on the impact of failure to build the plant: How many women might die in childbirth for lack of electric power? How many tons of food might rot in refrigerators during blackouts and brownouts? How many working opportunities will, directly and indirectly, fail to materialize? The negative standards are set, rather arbitrarily, by the Environmental Protection Agency; the positive standards are set by nobody.

Among this environmental legislation, the 1970 Clean Air Act stands out as a major cripple; it will probably undergo drastic amendment before this year is out. It is technically unsound, its standards are based on erroneous data, and it is legally so nebulous that its latest interpretation by the Supreme Court will, in some parts of the country, make bad air worse while protecting air that does not need protection. In some instances it actually guarantees greater health hazards as its standards are progressively enforced.

### AUTO EMISSION CONTROLS

The auto emission standards are unsound from several points of view; but perhaps the most ludicrous is their uniform enforcement throughout the country. The idea of enforcing the same standard in Los Angeles as in the countryside of Montana is something like forcing everybody to wear sterilized rubber gloves, no matter whether he is a surgeon or a stockbroker. Except that this glove idiocy would come cheaper: The total cost of the present pollution control will eventually come to $60 billion. And for that money the auto industry is forced to produce cars that guzzle ever more gasoline, have ever less power, and are about to be equipped with emission controls that may produce new health hazards.

Yet $60 billion, according to a study at Texas A&M, is more than enough to build coal-to-methanol refineries meeting the projected gasoline demand for 1985; methanol pollutes less than gasoline, and its pollution can be more easily controlled—for the small fraction of cars driving in heavily polluted areas such as Los Angeles and other metropolitan areas.

The 1970 Clean Air Act is also a landmark in that Congress has legislated a technology that does not yet exist. The Senate has now followed up this idea by passing a bill ordering the auto industry not only to meet the as yet unaccomplished 1976 emission standards, but to bring the gas mileage up to 20 miles per gallon as well. It has not yet legislated the production of cars running on fire-proof fuel.

Though the Clean Air Act forced power plants to switch to low-sulfur coal, then to gas, then to oil, and caused cars to lose power while guzzling more gasoline, it would be wrong to present it as a major cause of the energy crisis, which was in the making long before 1970. A much larger share of the blame must go to the anti-technology sentiment fomented by the ecocult and to its legalistic guerrilla tactics against the Alaskan pipeline, nuclear power plants, refineries, oil drilling, and, in fact, any type of energy conversion or accessing facility.

The "suddenness" of the energy crisis is what has been used as alleged proof that the crisis was contrived by the oil companies. In fact, there was nothing sudden about it.

Fifteen years ago a presidential commission warned that demand would soon outpace supply unless countermeasures were taken, but the report was ignored, as were the increasingly frequent and increasingly urgent warnings by experts in industry and the universities. The present Administration is now being berated for not having foreseen the crisis, and while it is true that it could have done more, it has a better record in this respect than all of its predecessors. By April 1973, it had progressed from general warnings to submitting 18 specific proposals to Congress, including reevaluation of the price controls on gas and oil. But Congress ignored the proposals; by March 1974 it had acted on only one of them (the Alaska pipeline bill), and that only after the Arab oil embargo, watergating away precious months.

A look through the trade journals of the petroleum industry and of the electric utilities for the last few years will soon dispel any suspicions that the arrival of the energy crisis was sudden. The warnings from industry (but not its PR departments) and from the universities were frequent and urgent. But nobody listened.

There were other warnings, too. The long lines of cars now waiting their turn at the gas pumps in some metropolitan areas were commonplace in Denver, Colo., and Portland, Ore., in the summer of 1973.

To say that the energy crisis erupted suddenly is like looking at a man who has fallen to his death from a skyscraper and saying "How strange! The man was in perfectly good health when he fell past the fifth floor, and now all of a sudden he is dead."

But, of course, energy production in the United States is not dead, and that is another point that is overlooked in the "why so sudden" question placed at the door of the oil companies. Block-long lines at gas pumps do not start only when all the gas is gone; they start when the supply is down by as *little* as 10 percent. The cross-over point from enough to insufficient is indeed a "sudden" one. It so happened that the Arab embargo made that point appear dramatically in the fall of 1973; but without the embargo that point would have been reached a little later anyway.

The present shortage is more serious than was foreseen by government spokesmen immediately after the Arab embargo, when it was pointed out that direct imports of Arab crude amounted only to 5 percent of total U.S. consumption. When imports of refined products and other dislocations were considered, the forecast quickly rose to between 17 per cent and 21 per cent. Moreover, this represented only the immediate shortage for the present winter.

The real crunch will very likely appear as a gasoline shortage in the spring of this year, since refineries were ordered to produce 15 to 20 per cent more heating oil at the expense of gasoline during the winter. The usual latitude for changes in the fraction of gasoline production is only 5 per cent, and this disruption may show up as an additional factor in the shortage. When demand goes up this spring and summer, a refinery capacity shortage of some two million barrels per day (b/d) will probably show up as well.

On the other hand, the embargo proved far less effective than anticipated, partly thanks to the oil companies who switched deliveries from non-Arab countries to Holland and the United States and delivered Arab oil to "Arab-friendly" countries, often by radio message to tankers already bound for a different destination.

More important, the considerable waste of energy, engendered by its artificial cheapness through price controls, will cushion the increasing crunch as this waste is progressively eliminated. There is quite a way to go before energy consumption in the U.S. is reduced to the more frugal level of Europe, where a gallon of gasoline costs $1 up, and a kilowatt-hour of electric energy is double the U.S. price.

The present energy shortage has so far been an inconvenience, not a catastrophe. Yet it is fraught with dangers that could very well lead to disaster.

First, there is the danger of appeasement, of knuckling under to the Soviet-Arab blackmailers and aggressors. Several influential voices have already called for an "evenhanded" approach to the Middle East situation—meaning evenhanded treatment of aggressor and victim alike—in order to end the energy crisis. One Ragai El Mallakh, adviser to the Energy Project in Washington, D.C., has gone so far as to lay the energy situation at the door of an Israeli lobby and to suggest that achieving independence in energy is a gimmick in self-image not worth the costs in money or pollution.

Such Chamberlainesque exhortations to trade security and integrity for oil are not merely immoral and short-sighted, they are also multiply fallacious and they rely on ignorance of recent history.

Arab lands—worthless deserts—have been handed back to Arab dictators before, only to be used as springboards for Soviet-inspired and Soviet-backed military adventures. The energy crisis has been approaching for the last 15 years, and the latest Soviet-Arab military and political adventure was merely a last straw that accelerated its arrival. But most important, of all blackmailers the Arab sheiks have the least motivation to honor any agreements they would like to extort.

They have not the slightest reason to squander the only resource of their medieval sheikdoms—certainly not for money or gold, which they receive in such quantities that they literally do not know what to do with it; and as they hike the price of crude oil, they will only have more of it for less production.

They are merely using Israel as an excuse for what is the only way for keeping their anachronistic sheikdoms alive as long as possible. (Iran, on the contrary, is making an effort to use its oil revenue for transforming its economy to a more viable one by the time oil loses its present importance, and it has not joined the embargo.)

The second big danger is that conservation of energy, which is the only immediate answer to the present bottleneck, will become a self-serving end; instead of forging ahead to harness the limitless supplies of solar, nuclear and geothermal energy, instead of unlocking America's vast reserves of untapped fossil fuels, this attitude rejoices in the "blessings of doing with less" and presents conservation as the only possibility henceforth and forever more. If this approach gains wide acceptance, the doomsday theory may well become the doomsday practice.

In this connection it should be pointed out that consuming 33 per cent of the world's presently harnessed energy is no cause for a guilt complex. Would anybody be ashamed of the fact that with only 6 per cent of the world's population, America has more institutions of higher learning than any other country? Fully 35 per cent of American youth enroll in college; in the USSR, the fraction is only 12 per cent, and in India it is quite minute. Americans are no more "depleting" the world's education than they are depleting the world's energy, for both are in potentially unlimited supply.

Moreover, the two are not unconnected, for the high level of education is one of the symptoms of a high standard of living; this has been brought about by high productivity, which, in turn, is due to large-scale and efficient harnessing of energy. Yes, efficient: With all the waste of energy in the United States, it still produces a higher GNP per unit of consumed energy than any other country in the world. This is a point to remember the next time you hear Americans called "a nation of energy pigs."

The third danger is that the energy crisis will be used as a cloak for an unprecedented attack on the principles of private enterprise. Not merely for a fresh avalanche of regulatory laws and agencies (that also), but for an outright attack on the principle itself. Naturally, such attacks are not made against the corner drug store or the small stockholder. They are first made against the large industries "too important to be left in the hands of those who have only profit for a motive"; above all we hear that "natural resources belong to all of the people."

### THE "THIN SLICE"

"The planet Earth is a seamless structure with a thin slice of sustaining air, water and soil that supports almost four billion people," writes Ralph Nader in an article called "The Profits in Pollution." "This thin slice belongs to all of us."

This thin slice belongs to all of us. The "thin slice" includes the totality of human civilization with a fat layer of earth and all of the sky thrown in, and what Nader wants to belong to everybody, and he makes amply clear in his corporation-baiting binges, is not so much the air and the water as it is the oil and the gas and the other corporate assets. By constant repetition, amply disseminated by the mass media, the word "profits" has been made as repugnant as "pollution"; one cannot exist without the other; therefore give "back" to the people what the corporate vampires are using to rape the consumer.

This line of thought is pursued by a number of eloquent demagogues. The more sophisticated among them are adept in drawing fallacious conclusions from arguments injected with heavy doses of truth (an ingredient which too seldom appears in Ralph Nader's tirades). It is a method used, for example, in many scholarly dissertations seeking to demonstrate that private ownership of natural resources is an 18th Century idea that no longer makes sense in a modern economy.

More interesting than the tactics of the demagogues is their strategy. The target is not the corner drugstore, but oil, coal, electric power and mass transportation. Why?

Because only a fool would want to see the corner drugstore run by the government; but oil—well, people muse, perhaps it would not be a bad idea to cut the "rapists" down to size.

This writer once talked to an older Russian who remembered the nationalization process in the USSR in the early '20s. He came from a very small town in the Ukraine, and the first thing to be confiscated there was a large forest nearby that belonged to a *kulak* (large landowner). This was announced at a public meeting with most of the inhabitants present, and apparently everybody agreed that a forest should belong to everybody to enjoy. Shortly afterward, a public meeting was called to nationalize the small factory in the town.

"Now comrades, you all know that I supported nationalization of the forest," said the factory owner, "but when it comes to a little factory like mine, I ask you . . ." but he aroused no sympathy. At the next meeting, the local druggist said, "Now, comrades, you all know that I supported nationalization of the factory, but when it comes to a little drugstore like mine, I ask you. . . ." And so it went, until the people were left with the right to own fountain pens, except that he could not get any to buy.

Now only a paranoic would suggest that the various oil company baiters, from Adlai Stevenson III to the commentator of your local radio station, are engaged in a conspiracy to deprive you of your fountain pen. Presumably they want no more than some form of "public ownership" of the oil industry, and possibly the railroads. But the motivation of the advocates of nationalization (or whatever less offensive word they use) is not what is of interest here. What matters is the first step along a road to disaster. Who cares what made that Ukrainian druggist support the confiscation of the forest? Whatever it was, he saw his error only when it was too late.

### DELUDED PUBLIC

Fully 25 per cent of the American people, according to a recent Harris poll, now believe that the energy crisis was contrived by the oil companies—the very companies that had been sounding the alarm for many years (alas, only in their trade and professional journals, in congressional hearings and other public meetings—their own public relations departments joined the fashionable ecology fad and squandered millions on oozing out environmental drivel).

If a quarter of the U.S. population holds this demonstrably wrong opinion, it is worth while to take a closer look at the present onslaught against the oil industry.

A formidable hate campaign has been unleashed against the oil companies; politicians, the mass media, college professors, and almost everybody else active in political life has joined in the merry sport of kicking the scapegoat. You are not "with it" today if you don't spit your fair share of saliva at Exxon and Texaco.

The utter irrationality of this campaign is evident from the fact that its instigators are out for blood, not for oil. Even if the charges against the oil companies were true, which they are not, a thoughtful approach would look to increasing the oil supply first; but what we are witnessing is a grueling call for blood, and the punitive measures with which to hit the scapegoat, whether a rollback of oil prices, or increased taxes, or trust busting, or outright nationalization, will obviously only guarantee that the oil supply dries up even further.

The utter irrationality of this crusade is also evident from the charges hurled at the oil companies: They not only contradict the facts, they even contradict each other.

The same people who are willing to believe that the oil companies want to drive the independents out of business by keeping their prices indecently low are also quite willing to believe that the companies are raping the consumer by keeping their prices indecently high. They believe that the companies are purposely keeping the oil supply low so as to raise prices, yet they also believe that they want to destroy the Alaskan environment in their unbridled greed for more oil.

They see every ship anchored off the coast as fresh proof of the diabolical plot that they are allowed to pass on price increases of foreign oil anyway.

Yet the salient facts are simple. A substantial change in energy sources cannot be expected for some 15 or 20 years. Oil will have to continue to provide a significant share for at least this time. The investments needed to supply that part of the energy, according to all financial experts, will amount to about one trillion dollars over the next 15 years. There is no chance that the oil companies can get that kind of money out of their present earnings. They cannot even get half that amount, which they will be required to put up if they want to borrow the rest. The simple fact of the matter is that the oil companies' present profits are *insufficient* to ensure the needed energy supplies for the future.

Such a statement may sound very heretic in the face of orthodox wisdom which preaches that the oil companies are rolling in exorbitant profits, but a coolheaded examination of the figures will confirm the conclusion.

### MISLEADING STATISTICS

The outraged reports of 50 per cent and 60 per cent increases in profits are always based on lean years such as 1971 or 1972 (if the detractors could find a year with no profits at all for a base period, the percentage increase would be infinite). The percentage on invested capital is hardly ever quoted, because it is well below the average of production industries, or for that matter, below the average of any other group of industries. And most of the profits go into the vast investments to keep the oil industry alive.

The oil companies' profits have, in fact, been steadily declining since 1968; the trend was only stopped in 1973. And the reason is not hard to find. With prices controlled at an unrealistically low level, it became increasingly unprofitable to explore and to invest within the United States. In 1973, oil production increased by 20.5 per cent in the Asia-Pacific area, by 16.9 per cent in the Middle East, by 4.3 per cent in Africa, by 6.4 per cent in Latin America, by 9.3 per cent in the Communist world. There was only one major oil-producing area which recorded a decline: the United States of America, down by 2.8 per cent.

The depletion allowance and intangible drilling costs are another red herring waved by the rabble rousers. The original idea behind these tax breaks was to encourage exploration. The major companies with their gigantic floating rigs at $250 million apiece can find other ways to write off their expenses, and several of them have offered to scrap this chicken feed for higher prices in a free market.

If these tax breaks are abolished, it won't be Exxon or Shell who will go out of business; it will be the little wildcatter who will no longer be able to risk drilling a dry hole. It is the little independent who will be ruined by the senators masquerading as his friends in their slimy game of clowning for political popularity.

It is also the little independent who finds most of the new oil at the present time. Fairy stories about monopolies, cartels and conspiracies to the contrary, there is now no oil company in the U.S. that has more than 9 per cent of the oil, gas or gasoline market.

However absurd the accusations against the oil companies, the charges have gained credibility since the Federal Trade Commission filed suit against them alleging "anti-competitive practices." If even a government agency says so, many think, there must be some truth to it.

What is the FTC? It is not just another bunch of bureaucrats. It is a collection of liberal lawyers who specialize in perverting semantics. They are the people who are supposed to prevent misleading advertising, but who have in fact helped to make it more misleading than ever.

They have, for example, ruled that a company must submit complicated and convincing proof before it can say "Our product is better," but no proof is required if the company says "Our product is best." They have no objections to half-truths and three-quarter lies like "Of all leading gums, Trident is sugar free" (in which the word *only* is missing before *Trident,* and with good reason), but they brought suit against Gillette when they found that the razor in a TV commercial was shaving the abrasive not off sandpaper, but off something else. They do not prevent misleading advertising, they merely give it the stamp of respectability. They protect the countless millions who yearn to dip a crystal chandelier in pancake batter.

The FTC's war against English grammar, as in "better" and "best," is but a small part of their activities in perverting semantics. The suit brought against the oil companies abounds in the type of half-truths and three-quarter lies which the FTC is encouraging on the TV screen.

"The ties between the oil companies and financial institutions are so strong," charges the FTC, "that, in a real sense, the banks and major oil companies enjoy an identity of interests." What the semantic perverts are saying is that all voluntarily concluded business transactions are based on common interest. When you borrow money from a bank, the FTC has just discovered, this is because you want to borrow it and the bank wants to lend it. You enjoy an identity of interests. (And "in a real sense," too, whatever the unreal sense may be.)

But the oil companies and the banks are in cahoots in far bloodier crimes. The three major shareholders in Mobil are major New York City banks, charges the FTC, and it is therefore not in the interest of these banks to finance a competitor. But elsewhere the FTC charges that Chase Manhattan is the largest shareholder in Atlantic Richfield, and the second largest in Mobil; it is not in the interest of Chase Manhattan to promote competition between them.

What the semantic perverts are saying is that there are two kinds of banks in New York City: those that are criminal because they invest in one oil company, and those that are criminal because they invest in two or more oil companies.

### "HUMOR" BY THE FTC

But the FTC is not without a sense of humor. It actually charges that the consumer is hurt because due to the companies' market power, "society's resources aren't allocated efficiently." This humorous statement appeared in an FTC report issued at a time when "society's" resources (this thin slice belongs to all of us!) were allocated not by the oil vampires, but the FEO; and the efficiency was such that in Colorado you could get all the gas you wanted, but in neighboring Arizona drivers stood in line for two hours in hopes of getting to the pump before the gas ran out. What the vampires in their boundless agreed for profits would do, if the politicians got out of the way, would be to truck some gas from Colorado to Arizona; and what the raped consumers in their pitiful helplessness would do would be to gladly pay a few more cents per gallon rather than stand in block-long lines.

And so the suit rambles on. The gist of the argument might well be paraphrased in the FTC-approved Trident chewing gum slogan: "Of all major U.S. corporations, the oil companies are vertically integrated."

What price controls, allocations and other forms of interference have done to oil, they have done to coal, only more so.

They have, among other things, rendered the idiom "carrying coals to Newcastle" obsolete, for Newcastle doesn't have all that much coal. The United States, with trillions of tons of it underground, is the place to which coal (coke) is now being imported all the way across the big lake from Germany. The steel industry and the electric utilities are frantically competing to get what they can, while American coal is being exported overseas. Perhaps the crews of the freighters are waving in mid-Atlantic as they pass each other in opposite directions in this monumental lunacy second only to the distinguished feats of Soviet bureaucracy in its more idiotic moments.

Until last fall, both steam coal and metallurgical coal were price-controlled. Then the Cost of Living Council decontrolled part of the steam coal, but not metallurgical (higher grade) coal. There has never been a price control of imported and exported coal, and the coal, naturally, goes where it fetches most money.

The resulting long list of sordid details includes a price rise of $9 per ton to as much as $40 a ton, a cut in steel production (one million tons, or 8 per cent by Bethlehem Steel), power plants breaking down because low-grade coal (better than none, some utilities thought) accumulates slag in the boilers, coal mines running out of steel supports because the steel industry doesn't have enough coal, and all the other woes so well known to every controlled economy.

And sooner or later the advocates of nationalization will step in and say "You see? Private enterprise is no longer able to handle the thing. Society's resources belong to all of us. Coal is too important to be left in the hands of profiteers."

If coal is not next, the railroads are. In a recent article "Trains into Flowers—An argument for the nationalization of American railroads," Barry Commoner injects a heavy dose of truth into his arguments to arrive at a fallacious conclusion.

The six-page article does not make a single mention of how government interference and union featherbedding have stifled the railroads. Instead, much space is devoted to the perfectly true points that railroads use much less fuel per ton-mile of freight than do trucks, that they pollute less, that they are run far below capacity, that land use, energy consumption and costs are smaller for railroads than for roads, and that the Penn Central bankruptcy was the largest in U.S. history But by weird mental acrobatics he concludes from these points that railroads can no longer be run at a profit, and that they should be nationalized.

### TIME LEADS NEEDED

The time leads for constructing conventional energy facilities are of the following orders: refinery, three years; surface coal mine, two to three years; underground mine, three to four years; coal gasification plant, four years; new oil and gas production, three to eight years; fossil-burning power plant, five years; nuclear power plant, eight years.

These figures do not take into account environmentalist sabotage or bureaucratic hurdles. (The Alaska pipeline was longer in the courts than it will take to build, and even now the 50-odd required federal and state permits are not yet in hand.)

Obviously, then, there are no quick ways of getting out of the bottleneck. Relaxing air pollution standards, for example, will save some power plants from closing down, but it will not have a decisive effect, for switching back to coal under the boilers is not as easy as in a bonfire; nor is the coal industry prepared to handle substantially increased demand immediately. Under the circumstances, conservation of energy is the only immediate major option.

Conservation does not increase the supply. It may soften the shortage, but there are several ways of doing this. The one advocated by many politicians is the one that got the country into the bottleneck in the first place: more bureaucratic regulation. Rationing is the way to spread the shortage fairly, we are told, and it is the only way to ensure gasoline for the poor.

But rationing is one of the ways that could help make the shortage permanent. It provides no incentives to tap new energy sources, it will not prevent gasoline prices from rising, it will cost $1.4 billion a year to administer, and it would be a godsend to the Mafia.

On the contrary, if price controls were removed, the price of gasoline would move to the point where demand meets supply. Estimates vary between 60 and 80¢ a gallon for that point, which is still well below the $1 gas. At that price, car pools and slow driving would arrive overnight and with such fervor as the government's advertisers appealing for sacrifices could never dream of. This, coupled with the enormous incentive for new oil production and new refinery capacity, would soon drive the price down again, and the poor would then be better off than with rationing coupons and nothing to stop the price spiraling up. (Incidentally, where but in America do the poor have cars?)

Bureaucratic allocation of fuels leads to cases like oil wells in Texas having to shut down because their pumps run out of diesel fuel. And if rationing is good for the Mafia, allocation is fabulous for the lobbyists, influence peddlers and string pullers ready to demonstrate what allocation can do for the allocators.

A bureaucracy is also vulnerable to pressure groups like Nader's phony crusaders who demand that supplies be allocated to "consumers" rather than industry. In a free market consumers would be free to make their own decisions on how best to economize on the energy they have purchased, and they would not need Mr. Nader to be so good to them.

Here is a little item of what conservation by allocation and appeals instead of conservation by a free market can do: Some 630 million gallons of good gasoline are immediately available, here in the United States, but they are not being used. On the contrary, they use up energy, because their weight of many hundreds of tons is being pushed around the country without rhyme or reason from sea to shining sea.

This is the gas in the lower halves of the fuel tanks of 90 million passenger cars. It never flows into the carburetor, because motorists refill their tanks as soon as the fuel guage shows the tank half-empty. They do this because of the 10 gallon per fill limit, because of gas pumps closed on Sundays, because of the general uncertainty whether gas will be available when the tank is near empty. Lifting price controls would soon start these 630 million gallons of gas flowing from the fuel tanks into the carburetors.

### A SPECIAL GAS TAX?

Realizing the advantages of a free market and the pitfalls of rationing, some politicians have suggested a compromise: a government tax on gasoline to raise funds for alternative energy sources. Such a tax would indeed curb demand, but it would give no incentive to competing suppliers to produce more supplies. Like all taxes, it would merely creep up and up; most likely it would eventually be used for further wars on poverty that cure nobody's poverty except that of its administrators. But even in the unlikely case that the proceeds would be handed to industry as research funds, who needs such a middleman?

There is an abundance of energy sources that can be harnessed within the next five to eight years: coal, gas, synthetic fuels, oil, oil shale, and nuclear power. None of these need pollute, for pollution is a byproduct of poor technology, not of technology in general.

The domestic coal supplies of the United States suffice for between 300 and 500 years. No other area in the world has as rich deposits as the belt stretching from Montana and the Dakotas to Arizona and New Mexico, much of it low-sulfur coal. Coal need not be a "dirty" fuel; apart from pollution control in conventional furnaces, coal can be used as a feedstock for synthesizing natural gas, crude oil, gasoline, methanol and other synthetic fuels.

Germany ran a war without oil by synthesizing gasoline from coal, and coal refining technology has come a long way since then. Although investment costs for coal gasification and liquefication are high (about $300 million for a 100,000 b/d coal-to-methanol plant), large-scale production could make methanol competitive with gasoline even at present prices, and the advantage would widen in the future.

Natural crude oil and gas are not only available in the continental United States, where the removal of price controls on "new" oil has shown how production goes up with price increase, but above all in the continental shelves, where billions of barrels of oil await the governmental go-ahead. Oil spill prevention and clean-up have advanced beyond recognition since the Torrey Canyon and Santa Barbara spills, and oil spills no longer represent a significant risk for offshore drilling or supertankers.

There is more oil in the oil shale of Colorado, Utah, and Wyoming than in all of the Middle East, and it is low-sulfur, too.

The rising price of natural crude oil is about to make retorting of oil shale competitive; and the recently demonstrated feasibility of retorting it *in situ*, without use of water or even bringing the shale to the surface at all, is being consistently ignored by the environmentalist bogey of ruining the Rockies. A vicious campaign based on superstitious fantasies has also been unleashed against the demonstrated feasibility of freeing natural gas by underground nuclear explosions.

Nuclear power, in the presently used form relying on uranium and plutonium, cannot run out of fuel before other forms of nuclear energy production and other sources of energy become widely available. But in the case of nuclear power, environmentalist superstitions have been more successful in confusing the public than in any other area, perhaps because the anti-nuclear crusaders have been playing so cleverly on the psychological association between "atomic" and "bomb." That association makes as much sense as the association of "electric" and "chair."

Is nuclear energy dangerous?

Of course it is; harmless energy is as common as incombustible fuels. But it has proven to be the safest form of large-scale energy conversion yet discovered.

No industry is as closely regulated for safety as nuclear power; and indeed, none is easier to regulate, for none has its danger points so highly concentrated and so closely guarded. The precautions taken in waste disposal and preventing overheating of reactor cores border on the absurd, and the incredibly few mishaps that have occurred (in the weapons industry, virtually none in the power industry) have been blown up beyond all sanity.

For example, when some tritium found its way from a Colorado plutonium refinery into the water supply of a nearby town, the "disaster" made national headlines and it provided the environmental paranoics with a new bogey for years to come. What they did not say was that the radiation the citizens got from the contaminated water supply, during the few days before it was detected, was less than they receive from the luminescent dials of their watches.

### ANTINUCLEAR PROPAGANDA

This type of anti-nuclear propaganda stunt has frightened many people who think nothing of getting behind the steering wheels of their automobiles, though 50,000 people are slaughtered annually on the nation's highways. And the comparison is an apt one, for fatalities per passenger mile are fewer for automobiles than they used to be for stage coaches. Advancing technology consistently raises overall safety, and the safety hazards increase only seemingly when the potential hazards are considered without weighing them against benefits.

In nuclear power generation, the greatest danger comes from the waste disposal system (not from overheating of the reactor core, which has a philosophically small probability), and here the situation is such that the average individual could be exposed to less than one-thousandth of the radiation received from natural sources. These, as the anti-nuclear crusaders invariably fail to point out, are the biggest source of radioactivity. The next highest dose received by the average individual comes from medical equipment such as X-rays, followed by that from other man-made equipment such as TV sets, and nuclear waste radiation is still one hundred times below that.

The records accumulated in the past 15 years show that nuclear power plants are safer than fossil-burning ones. They are not, of course, without potential danger; no energy conversion facility is. But has anyone ever considered the health hazards of not going nuclear?

Whoever wishes to attempt such a consideration will find that the AEC has spent more than $1 billion on exploring health and environmental problems of nuclear energy, but that very little data are available on the health hazards of generating electricity by burning fossil fuels. However, here are some scraps of information:

Number of deaths from unrestricted coal burning (pre-1968) in power plants in New York alone: several thousand per year. Number of American miners currently disabled by black lung disease: 50,000. Compare this with the number of reactor-related fatalities in the power industry since nuclear plants went into operation: None.

There are no major technological problems in harnessing the conventional types of energy listed above. Their technical feasibility has been demonstrated and, with the possible exception of oil shale recovery, their economics are well known. The obstacles are entirely legal. Leases to explore the continental shelves and oil shale lands (almost all of which are owned by the federal government) can be granted by the federal government, in some cases without congressional approval. The price controls on gasoline can be lifted by Executive Order.

As for the lengthy environmental litigations, no one would suggest that even the most paranoid environmentalist should be deprived of his right to due process also implies hearing the other side. If environmental impact statements were required to be accompanied by impact statements on the consequences of failure to realize the proposed project, then judges and juries would have to rule on genuine dilemmas (which, after all, is their job), and not on esoteric questions of biology with the deck always stacked in favor of the status quo.

Looking ahead toward the '80s and '90s, the energy picture is shaping up in ways that belie the myth that the era of cheap energy is over. Not only can it be made cheap, but it can be made clean as well.

Among the many alternatives that need long-term research and development, two now appear particularly promising: nuclear fusion and solar energy. But whatever alternative is considered, there is a tendency common to all: If energy is to be clean and abundant, it must be converted centrally in large facilities for distribution to the individual consumers. Small-scale conversion is cumbersome, inefficient, and it tends to be dirty as well.

For example, solar energy harnessed by individual houses is cumbersome, wastes a lot of space (the roof and attic, the south wall, plus storage facilities), requires maintenance, and it will not provide all of the energy required by a family in an industrialized country; nor does it come cheap, since the house must be designed as a solar house from the outset.

Similarly, domestic windmills and other "low-impact" technology ("feudal" technology would perhaps be a better name) require much effort for very little power output, and they soon run into problems of space, and even pollution when storage facilities are considered.

Large-scale facilities to harness wind, tidal and sea wave power cannot, as simple calculations show, have a decisive effect as major energy sources on a national scale, though individual facilities can be quite impressive.

Geothermal power is not likely to be one of the early alternatives. The places where natural underground steam is available are relatively few, and utilizing the heat deep in the earth by injecting water and harnessing the existing steam now appears further away than other alternatives. However, there may always be surprises, and geothermal energy is an alternative which, unlike wind and tides, can eventually provide unlimited power.

### SOLAR POWER INSUFFICIENT

The trouble with solar energy is one that is not always appreciated: Solar power is very dilute (about one kilowatt per square meter), and to harness appreciable amounts of power, very large collecting areas are needed. Solar farms (which would generate steam in pipes distributed over many square miles), solar furnaces (which would use mirrors to concentrate sun rays in boilers), and satellite collectors (which would transmit power to earth by very short radio waves) all run into the problems of large collector areas, and while there is plenty of room for solar farms in the desert, they do not represent a general solution for areas where land is hard to come by.

There is, however, a vast area already collecting solar energy; namely, the earth's oceans. The temperature difference between the surface and the deep water in tropical oceans amounts to some 25° C, enough to run turbines using a working fluid with a low boiling point (ammonia, for example). The electric power thus generated could be used in several ways; one of them would be distillation and electrolysis to produce hydrogen for piping or shipping to the shore; hydrogen is a non-polluting fuel with high heating value.

The environmental impact of such offshore solar sea power plans would be minimal: If there were enough of them to meet the demand of the whole world at present U.S. consumption rates (a demand that will not be posed for a very long time), they would do no more than lower the surface temperature of tropical oceans by less than 1° C.

### NUCLEAR FUSION

Probably even more attractive is the promise of nuclear fusion, which releases energy by fusing two nuclei of deuterium into a helium nucleus. Such a process runs on *virtually unlimited* fuel, for deuterium, an isotope of hydrogen, is amply available from sea water. Moreover, fusion produces vastly more power per unit amount of fuel, and it produces less radioactive wastes, in fact, a process involving the fusion of boron nuclei (also in plentiful supply), which will give rise to virtually no radioactivity at all, is now envisaged.

Thermonuclear fusion is the process by which the sun releases energy, but it has not yet been achieved in the laboratory. It requires neutrons at velocities corresponding to temperatures of 20 million degrees, a sufficient density of the neutrons, and maintaining both for a sufficiently long time to keep the reaction going.

It is this combined requirement which has not yet been achieved, though the individual conditions have been achieved separately. This is usually the sign of being close to a breakthrough, but an exact forecast cannot be made. The pessimists predict success for the end of this century, the optimists talk about five to 10 years. What can be said with certainty is that there will be no fusion at all if it is starved of funds.

About a quarter of the primary energy consumption in this country goes for transportation, but abundance of primary energy sources does not automatically guarantee satisfactory means of transportation. At present, most transportation is powered by the internal combustion engine, which has a low efficiency (20 per cent or less), is noisy, relies on fossil fuels, and pollutes. The obvious answer, on present evidence, is to power transportation by centrally generated electricity.

For mass transportation over intermediate distances, the problem will very likely be solved by magnetic levitation or electromagnetic flight in which trains float above an electromagnetic guide track, their speeds unrestricted by the mechanical limitations of wheels. The advances of superconductivity have made the powering of the train and track feasible, and several early versions of such trains are now on the test tracks in the United States, France, Britain, Germany and Japan.

But mass transportation denies a man the basic virtue of a car: to go where he likes when he likes. Here, too, electric power is almost certainly the long-range answer.

Barring a major breakthrough, battery storage will not give a car the range, room, speed and acceleration which even contemporary drivers require; but recent advances in plastic materials will make it possible to store large amounts of energy in "superflywheels" spinning in vacuum canisters to drive an electric generator. Such a flywheel is revved up by electric power from the mains (at home, for example) and can power a car electrically for some 200 miles of driving; if not loaded, the flywheel will spin for many months. A bus using this principle (though still with a metal flywheel and a range of only six miles between recuperation points) will be tested in the streets of San Francisco within two years.

### AN ECONOMIC PROBLEM

It is hoped that the foregoing discussion has made it amply clear that except for a temporary bottleneck, the problem of clean and abundant energy is not technological, or technological only to a minor degree. The real problem is economic and something like ideological: The basic option is whether to make the bottleneck permanent by the same methods that made it appear in the first place, or whether to go forward to more and better technology to assure abundant supplies of clean energy; and whether to take the fast road of free enterprise or the road into the swamp of bureaucratic regulation.

The choice is easy enough for those who have the technical background and the necessary information; but that includes only a small fraction of the population, and both points present a major stumbling block a the present crossroads.

### LEAD TIME

It takes three years to build a refinery and five years to build a power plant; but it takes 15 years to become a competent and experienced engineer. Engineers and physicists will, in fact, be the ultimate bottleneck in the energy shortage. Yet what will be needed in vanquishing the energy crisis is not merely the engineer who is a competent specialist in a narrow field of energy conversion; to solve energy problems as they are now shaping up, he will have to understand economics and world politics as well. Perhaps more training of this kind would have seen fewer politicians who thought that technology and energy production could be legislated, and fewer engineers who were blind to the ideological raids on technology.

In the climate of widespread antitechnology sentiment, enrollment in engineering and the hard sciences has been steadily declining at most American universities for a number of years. Technology, like business, has become a dirty word in the eyes of a part of the younger generation.

Engineering schools, which even in the best of times had a freshman mortality of as much as 50 per cent, have an inescapable tendency to lower standards in the face of decreasing demand and mounting insufficiency of high school preparation.

It has always been easier to major in the memorization-oriented subjects demanding less exact thinking than the vertical structured sciences such as physics and engineering; but today some of the drift from the hard sciences is to the mysticism of the various Maharajah of Mumbo Jumbo, where the impressionable learn to relate, to find out about themselves, to be aware, and to freak out.

### ENGINEER SHORTAGE

1984 will hopefully not be the year of Newspeak and the Memory Hole; but it will certainly be a year of an acute shortage of engineers and physicists.

Perhaps the greatest obstacle to the logical course of moving rapidly toward harnessing some of the unbounded energy around us lies in the misconceptions dished out daily, weekly and monthly by the information industry, which appears to be dominated by men of identical ideological outlook. This manifests itself not only in the misinformed attacks on the oil companies, but above all in the constant harping on the theme of energy conservation as a self-serving end with little or no regard to the abundance of potentially harnessable energy.

This campaign takes many forms. The utterly erroneous postulate that more technology means more pollution is constantly repeated and pounded into the mind of the reader and TV viewer. The blessings of doing without the energy "obesity" are expounded. Every scrap of misinformation is used to bolster the anti-nuclear crusade. Economic growth is presented as a disease.

Guilt complexes for using too much energy are fostered, the implication being that the energy consumed in the United States is somehow stolen from less fortunate or less powerful countries. The country is reproached for not having listened to the doomsday prophets' triumphant we-told-you-so's are reported in all their sick absurdity.

A climate of helplessness and defeat is being created. ("Population is swelling," says an editorial by Norman Cousins. "The food supply is shrinking. Oxygen is being depleted. . . . The sky has become an open sewer. The conditions of life on this planet are running down.")

Above all, the conservation of energy, undoubtedly necessary in the present temporary bottleneck, is being presented as a new patriotic ethic to be instilled in all citizens forevermore, for allegedly we have reached the bottom of a once plentiful barrel, and there is no more when the remainder is gone.

Perhaps nowhere has this attitude of the information media been seen more clearly than in reporting the President's energy message. The items on conservation and waste were blown up to imply that this was the only way from now on for all times, but the parts referring to actions safeguarding the future were almost totally embargoed.

For example, you may not have read the following passage before:

"We can take heart from the fact that we in the United States have half the world's known coal reserves. We have huge untapped resources of natural gas. We have the most advanced nuclear technology known to man. We have oil in our continental shelves. We have oil shale out in the western parts of the United States, and we have some of the finest technical and scientific minds in the world. In short, we have all the resources we need to meet the great challenge before us. Now we must demonstrate the will to meet that challenge."

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## ECONOMY IN VOTER REGISTRATION

### HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. FRENZEL. Mr. Speaker, the National Municipal League has published under Library of Congress Catalog No. 73–85779, a short booklet entitled "The Cost of Administering American Elections," written by Prof. Richard G. Smolka of American University. The booklet provides an excellent review, in simplified form, of the costs of administering registration and election systems.

I commend it to all Members, particularly if the House should take up the post card registration bill, HR 8053.

Because the chapter on the costs of voter registration is particularly interesting, I have inserted the last few pages of that chapter entitled "Conclusions."

In addition, under the chapter headed "Comparative Costs of Elections," I am inserting a paragraph from page 74, entitled "Voter Registration."

The two sections noted above follow. I hope Members will find them interesting and will be encouraged to read the booklet in its entirety.

### EXCERPTS FROM "THE COST OF ADMINISTERING AMERICAN ELECTIONS"

#### CONCLUSIONS

Registration costs are astronomically high because the methods are inefficient and ill suited to the requirements of the task. Typically, in large and medium-sized jurisdictions thousands of voters must be registered during periods just prior to the elections. This is also the time when election officials must devote the greatest amount of time to the preparation of the ballot and the polling places. From an administrative standpoint it is the least desirable time to register large numbers of voters. The process has become so cumbersome that most states must close registration a minimum of 30 days prior to an election, and some states require as much os 50 days. Even the Supreme Court of the United States in *Marston* v. *Lewis* has recognized the enormous burden of last-minute registration on the election process.

In addition to registration, most states provide for purges which are conducted after the general election either every two or four years. These are required by law to bring registration lists up to date as a fraud prevention device. It is presumed that persons who have not voted in at least one election during the prescribed period may have moved.

Courts have intervened in the process and prevented easy purges by mail. The Michiigan supreme court in overturning a mail purge conducted in Detroit, ruled that the failure of the addressee to respond to the purge notice could not be construed as evidence that he no longer lived at the address indicated. Although purge practices vary widely, they have one thing in common—they are all expensive.

In some jurisdictions, there is a canvass of voters to verify the names on the list prior to the election. Such a process resulted in the deletion of names of many persons who should have been able to vote in 1972 in St. Louis.

Even with purges many jurisdictions find that the lists are still out of date and that the simplest way to keep them accurate is to initiate a statewide purge as Kentucky did in 1973. Such a practice is very expensive. The conversion of county lists to a statewide registration list in Virginia cost over $500,000 without the requirement of reregistration.

Registration costs can be drastically reduced if the activity can be systematized. The most efficient way of achieving maximum registration with minimum effort at a low cost is by means of an annual personal canvass supplemented by deputy registrars.

There are employees of the election board in every precinct in the country. These precinct judges and clerks offer a pool of talent already familiar with the elections process and with the persons whose names are on the list with which they work. Many of these officials are now employed in systems such as the prohibitively expensive New York City registration process which lacks the efficiency of the canvass.

Utilization of precinct election judges as canvassing teams and deputy registrars would provide a built-in protection against fraud. If such a canvass were conducted in January or February of each election year, it would permit several months for checks and challenges of the names not only by precinct officials of the political parties but also by party and public officials. Further, once the precinct canvass has been completed, if any unusually large increase of registration occurs, it will immediately draw suspicion and some explanation will be required. "Deadwood" would be effectively eliminated from registration lists.

A list compiled as early as January or February, however, will not be completely accurate by November. There must be an efficient method to supplement the roster, delete names of persons who have moved, and to make necessary changes. At the present time, notaries public are considered officers of the state for the purpose of verification of the signatures of individuals on legal documents. If precinct judges functioned in a similar manner and were permitted to enroll registrants at times other than the annual canvass, then the prospective voter would not need to go out of his neighborhood to register. Further, when a new resident offers to register, this is immediate notification to the precinct deputy registrar that the registrant at the former address may no longer live here.

Alternate methods of supplementing registration by canvass are also available. The Michigan secretary of state has suggested that the Department of Motor Vehicles serve as such an agency because of high proportion of persons reporting changes of address for drivers license or auto registration purposes would be able to utilize the service without making additional trips to other public offices. The system used in Allegheny County, Pennsylvania, described above, is another alternative.

The least expensive system of voter registration is the North Dakota method which merely requires the voter to identify himself at the polls. There are no permanent lists, no changes of address, no purge and no list processing. The volunteer deputy registrar system is the next least expensive. If every community were able to recruit as high a proportion of civic-minded citizens as Multnomah County, Oregon, then there would be little cost to the voter registration effort. Because volunteers account for over 90 percent of all registrations in the county the cost per registrant is less than 5 cents.

The deputy registrar system with paid deputies may be the next least expensive provided that the deputies register voters in high volume, obtain accurate information, and process it in a timely manner. The deputy registrar system can operate effectively for about 25 cents per registrant but must be supplemented by a central registration office or decentralized offices to ensure that all citizens of the jurisdiction have an opportunity to register. The cost of the entire system depends on the proportion registered by the deputies and the costs of operating the supplementary system. The more usual costs per registrant for the deputy system would range between 35 cents and $1.00 or more.

The post card system does not offer the registrar an opportunity to instruct the prospective voter in person. Hence, many cards are incorrectly completed and the registrar must seek out the voter either by telephone, in person or by mail to obtain the correct information. If either the name or address is not legible or if the address is incomplete, it may take considerable time to identify the applicant. Kentucky experience with mailed-in registration forms indicates that about one in four is incomplete or incorrect. A clerk can process about four such forms an hour. On this basis, the net cost of post card registration can be estimated to be about a minimum of 50 cents per registrant. This estimate is based on very limited experience, however, and is subject to change depending onthe simplicity of the form, the educational level of the prospective voter, and familiarity of the voters with the particular form.

Central office registration costs vary depending on the wage scales paid rather than the work to be performed. A minimum estimate for this type of registration is 25 cents and the costs may easily exceed $1.00 per registrant. In addition it is the least convenient and the lowest volume system of registration.

Although the canvass method may appear at first sight to be extremely expensive, comparable to conducting a national census, nevertheless it does produce a relatively low-cost voter registration list because it operates at maximum efficiency for an extremely short period of time. There are no wasted motions, no haphazard efforts to seek out registrants, no difficult and time-consuming purge processes, and no repetitive processing of inactive registrants, all of which add to the cost of election administration. The voter enumeration conducted early in an election year also relieves the election office of a large volume of last minute registration, freeing its officers to devote full time and attention to the process of ballot construction, printing ballots and counting the vote.

There is no reason why the canvass method of voter registration should cost more in the United States than the 70 cents per voter reported by Canada, and there are several reasons why it should cost less.

* * * * *

#### VOTER REGISTRATION

Economy in voter registration can be achieved in the same manner as in political campaigns. Political campaign consultants sometimes advise candidates that time and energy can be used most efficiently if they "go where the ducks are." Likewise, it is readily apparent from illustrations in many parts of the country that the cost of voter registration is reduced greatly if the registrars go where the potential voters are. A systematic door-to-door canvass which combines voter registration and purge procedures provides an efficient, economical manner of producing an accurate voting list with maximum security.

Deputy registrars, mobile registrations and other easy opportunities for voters to register or to change registrations contribute to keeping lists current and lowering costs. Other techniques which require excessive processing or ineffective use of manpower, or produce inaccurate information, will be time consuming, produce inaccurate lists and contribute to expensive purge processes.

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## WHAT IS BUSINESS?

## HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 19, 1974*

Mr. HARRY F. BYRD, JR. Mr. President, a brief but pointed editorial on the role of business in our Nation appeared in the March issue of Nation's Business.

The point made in the editorial—that business, after all, is people—is so basic that I think all of us need to be reminded of it from time to time.

I ask unanimous consent that the editorial, "What Is Business?" be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### WHAT IS BUSINESS?

The energy problem has brought attacks not just on oil companies but on business as a whole. Critics demand that business somehow be punished.

We wonder what they mean by "business." All the businesses we know are owned by people—whether by one guy, a few partners, or thousands of stockholders.

Businesses buy from people, too—some big ones buy from thousands of suppliers.

Businesses give people jobs—a total of 90.5 million.

And businesses serve people—providing the goods and services all 212 million of us need and want.

Whom would it hurt to punish business?

## REPRESENTATIVE JACK KEMP REPORTS TO THE PEOPLE OF WESTERN NEW YORK ON NEW DEVELOPMENTS IN THE REGULATION OF WATER LEVELS ON THE GREAT LAKES

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. KEMP. Mr. Speaker, the regulation of the water levels of the Great Lakes is a matter of great importance to the people of western New York. It is a goal to which, in their interest, I am totally committed.

Why is the water level on these lakes important?

Without an adequate water level, navigation is impeded through the lakes and the St. Lawrence River which ultimately empties these bodies to the sea, affecting such major industrial ports as Buffalo.

Without an adequate water level, power generated from falling water—to light and heat our homes and factories—is threatened.

Without an adequate water level, water quality diminishes as a stable level of pollutants is mixed with a diminishing quantity of water.

But, on the other hand, if there is too much water, serious flooding may occur along the shorelines and rivers which either empty into the lakes or serve as conduits between them.

If there is too much water, shoreline erosion damage—both gradual and storm created—also increases, destroying millions of dollars in real property and personal possessions.

If there is too much water, port and marine facilities—commercial, municipal, and private—are jeopardized, threatening commerce and jobs.

Against this background, one can understand more fully why this matter is of extreme concern to western New Yorkers and their elected and appointed officials. The vitality of the economy along the shore is directly affected by water levels on the lakes. In few places is this more true than in the counties of Erie, Niagara, and Chautauqua, N.Y., all bordering on Lake Erie or the Niagara River which empties it—over the falls—into Lake Ontario.

#### NEW STUDY FINDS REGULATION OF LAKE ERIE MAY BE ECONOMICALLY FEASIBLE

Mr. Speaker, I am pleased to bring to the attention of the House and to the people of western New York, a finding of the International Great Lakes Levels Board, that regulation of Lake Erie may be economically feasible.

The 300-page report, released on February 26 by the Board, under the aegis of its parent body, the International Joint Commission, embodies the findings and conclusions of several hundred engineers and scientists from both the United States and Canada. The report, under preparation since the Board's appointment in 1965, used the most up-to-date technology and all available information from both countries.

This report is also commendable because it reflects a well-reasoned balance between economic development on one hand and environmental protection on the other. The report shows that we can have technological progress, even involving substantial construction, and yet take into full account all reasonable, potentially adverse environmental impacts. I commend the Board and Commission for insuring this balance in the report.

#### SPECIFIC FINDINGS ON LAKE ERIE

This is truly one of those cases of, "First the good news; then the bad news."

First the good news: The study finds that "two preliminary plans for the combined regulation of Lakes Superior, Erie and Ontario exhibit favorable benefit-cost ratios." Now the bad news: The study also finds that "further study is needed of the alternatives for regulating Lake Erie."

I am a patient man. I know that adequate study is essential in order to insure the worth of projects to be built with the taxpayers' dollars. It is better to know all the facts than to construct a project on incomplete information, only to have its purpose frustrated when it fails to meet its objective.

But, how long must we wait?

The study just released has been underway since 1965—a full 9 years. I am not criticizing the Commission or the Board of their staffs—they have done fine jobs—but I am saying to all those in key leadership positions to effect authorizations and appropriations in the Congress of the United States and the Parliament of Canada that every day, every month, every year of delay is costing the people of the Lakes' areas a share of our Nations' joint and several posterities.

It is hard to tell a port captain who sees his commerce declining, or a landowner who sees his property being gradually washed away, or a labor man about to be laid off, that we must have still yet another study. This is particularly true when the water level has been as high as it has in Lake Erie over the past few years. I think everyone can understand that.

What, then, has the Board recommended?

The Board has developed and evaluated plans for the coordinated regulations of the three lakes—Superior, Erie, and Ontario—under three alternative approaches. For the purpose of these plans, Superior-Erie-Ontario have the acronym "SEO".

All of these alternative plans would employ the existing regulatory works for Lakes Superior and Ontario, preserving the existing criteria and other requirements governing the Commission's Orders of Approval governing the regulation of Lake Ontario.

These three alternative plans are as follows:

Plan SEO–33. This plan would regulate Lake Erie with channel enlargement and control works in the upper Niagara River, based upon the principle of balancing storage in all the lakes.

Plan SEO–901. This plan would permanently lower the mean level of Lake Erie by channel enlargement in the upper Niagara River and employ a related plan—SO–901—for the regulation of Lakes Superior and Ontario.

Plan SEO–42P. This plan would employ the Black Rock Canal to increase Lake Erie outflows during periods of above-average supply, regulate Lake Superior in accordance with plan SO–901, and use a modified Plan 1958–D rule curve for the regulation of Lake Ontario.

SEO–33 and SEO–42P are both trial plans; they have not been sufficiently refined. SEO–901, on the other hand, is essentially a refined plan in that one can estimate with some precision the effects of lowering the mean level of Lake Erie by a certain amount, and the amount of lowering was determined so that the minimum level of the lake would not be changed from natural conditions.

As to the economic feasibility of SEO–901, it would provide annual benefits of almost $6.4 million at an annual cost of only $169,000, giving thereby a benefit-cost ratio of a most healthy 37:6. The incremental benefit-cost ratio of this plan is even better—40:3.

The Board's principal concern in the use of these figures, it points out, is the concept of enduring shore property benefits from permanently lowering the lake levels; they think this to be "highly suspect." There could also be a detrimental effect on wetlands around the lake area. Plus, the future level of the lake might be permanently lowered. This is, understandably, why additional study is needed.

#### STABILIZATION OF LAKE LEVELS MUST BE A "MUST" PROJECT

Mr. Speaker, the stabilization of the water levels of the lakes is essential.

It must become even more of a priority project within both our Government and that of our Canadian neighbor.

It is a matter on which we must show movement toward construction at the earliest possible date.

## CUBA

### HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 19, 1974*

Mr. HARRY F. BYRD, JR. Mr. President, Columnist Richard Wilson, in the

Washington Star-News of February 9, made a valuable contribution to the current debate about "normalizing" relations with the Castro regime in Cuba.

Mr. Wilson wrote that if there is to be movement toward more normal relations between the United States and Cuba, there must be assurances that the Castro government will not "offend the interests of the United States, nor the security of the hemisphere."

He also pointed out that the reported recent espousal of "normalization" by Soviet Premier Brezhnev no doubt reflects a reassessment of their own interest on the part of the Russian leaders. Communism, Wilson said, "has not prospered in the Western Hemisphere."

If we are to establish better relations with Castro's Cuba, let it be on a realistic basis, and let the United States keep its own interests paramount.

I ask unanimous consent that the column, "What Would Fidel Castro Promise?" be printed in the Extensions of Remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

### WHAT WOULD FIDEL CASTRO PROMISE?

(By Richard Wilson)

When Sen. Edward M. Kennedy espouses an international cause it can fairly be concluded to have an important domestic political content. This is certainly the case with Senator Kennedy's advocacy of "normalizing" U.S. relations with Fidel Castro.

The issue is a complex and serious one which cannot be settled on the basis of catch phrases that "surely an administration that is willing to travel 9,000 miles to improve relations with the People's Republic of China should be willing to span the 90 miles to the Republic of Cuba for the same purpose."

The issues involved are so different as to make any such comparison irrelevant. Furthermore a sharp division of opinion may be expected to take the place of the universal approval of President Nixon's initiative in China.

According to one version, why not embrace Fidel Castro, let bygones be bygones, promote the good will of Latin America and détente with Russia? But, according to an opposite version, why help a bearded buffoon who is hung around Moscow's neck as a living symbol of communism's failure in the Western Hemisphere?

Both versions are parodies of the available alternatives, but they serve to illustrate the heat that may enter into this argument before President Nixon and Secretary Kissinger respond to the open overtures of the Moscow and Havana governments.

The present phase began early in January when the Cuban ambassador in Mexico said for publication that "Guantanamo isn't important to us now" and that Havana is ready to discuss normalizing relations as soon as Washington lifts its 12-year economic blockade of Cuba. Previously Castro insisted the United States must give up the naval base at Guantanamo before relations could be normalized.

Concurrently, the Peron government in Argentina broke with American policy, resumed diplomatic relations and advanced a credit of $200 million for the purchase of Argentine products, including automobiles manufactured by a subsidiary of Ford Motor Co.

Argentine Ford is reported negotiating for the sale of 1,500 cars and 1,000 heavy trucks but is caught in the middle between Peron's virtual orders to do so and American prohibitions against it unless the embargo is modified. Pressure is on to open the car market in Cuba once again.

Now Soviet Chairman Leonid Brezhnev is reliably reported to have reasoned with Castro, and Foreign Secretary Andrei Gromyko came to Washington to open the way toward normalization with the President and Kissinger.

But this is no sentimental question, no worthy liberal cause in the terms stated by Senator Kennedy, and not really anything that will promote detente unless there are some hard practical reasons why the United States should help Moscow share a burden which has cost it $5 billion. Not only that. Communism has not prospered in the Western Hemisphere and is a much poorer investment than when Nikita Khrushchev backed down from maintaining a nuclear base in Cuba.

What recompense will there be for the $2 billion and more of American property seized by Castro? What guarantees of the personal liberty of Cubans and the right to return in safety of the thousands of refugees who wish to do so? What commitments against the export of revolution which, however farcical, is not an abandoned goal? What benefits from cultural exchange if they merely mask and condone the Havana repression? What sure sign that we are not closing the prison doors forever on those who pray for liberty in Cuba? These are questions which often occur to the liberal mind, as they must have to Senator Kennedy but he did not mention them when he advocated that we should abandon the boycott, restore commercial air service, and encourage the "free" exchange of ideas and people. Free? Like with Solzhenitsyn in Russia? And is the restored air service to carry Cubans both ways?

These are among the practical questions, but they are aside from the broader generality of Russia's motives. Russia would like to share the cost of a bad investment, cut its losses and maybe salvage a little profit. Russia's approach to the Western Hemisphere is being softened, as it was in Africa, and that is all to the good.

But if that is the case, in view of the drastic events of scarcely a decade ago, then firm assurances must be found that Russia's client, the hard-to-manage Castro, shall conduct a government which does not offend the interests of the United States, nor the security of the hemisphere.

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## WHO'S RUNNING DETROIT?

## HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. HUBER. Mr. Speaker, unionization of city employees has brought about some sad days for our Nation's once proud big cities. San Francisco was the most recent victim, and who can forget when all of New York City's bridges were locked open. Recently, the mayor of Detroit had to yield to the threat of a strike by the city garbage collectors, who are under the Teamsters, rather than assist in an area grape sales boycott by Ceasar Chavez. I do not agree with what Mr. Chavez is trying to do, but the speed with which the threat of this strike made the mayor buckle under, raises the question: Who is running Detroit? The article, as printed in the Detroit Free Press, March 9, 1974, follows:

### YOUNG YIELDS TO TEAMSTERS OF CHAVEZ

(By Peter Benjaminson)

Mayor Young yielded to Teamster pressure Friday and agreed to refuse aid to a Detroit area grape sales boycott backed by United Farm Workers leader Caesar Chavez.

Local Teamster representatives had indicated to Young that the men who drive Detroit's garbage trucks might walk off the job next month if the mayor aided Chavez by proclaiming a Grape Boycott Day.

Chavez' union is battling the Teamsters in California for the right to represent that state's farm workers.

The request for support from Chavez and the Teamsters' reaction to that request put Young in a political bind because both Chavez and the Teamsters supported him in his campaign for mayor last year.

A spokesman for Young said Friday the mayor feels he "can't subject the people of Detroit to the threat of a garbage strike."

The spokesman said that although Young sympathizes with Chavez' goals on behalf of the mostly Latino farm workers, the mayor doesn't want to take sides in a union battle and has political obligations to both sides in the dispute.

A walkout by garbage truck drivers next month would come at a particularly bad time for the city.

The weather is likely to be warmer and any garbage left uncollected would rot quickly. Also, the Teamsters labor contract with the city is expiring and a walkout might well exacerbate any attempts to negotiate a new contract without a strike.

Young's spokesman said that the mayor "appreciates his friendship with Chavez and if there was some way to work out an accommodation he would be glad to do it."

Reacting to Young's decision, a spokesman for Chavez' grape-boycott effort charged Friday that "the Teamsters are holding up for ransom the million and a half people who pay taxes in Detroit to have their garbage collected."

The spokesman, Sam Baca, went on to charge that "by succumbing to this type of coercion, the mayor is setting a dangerous precedent. Will the people of Detroit be threatened with the denial of a service for which they pay taxes every time the elected officials of this city make a decision the Teamsters do not approve?"

Young's spokesman, Bob Popa, said he did not consider the Teamsters strike talk a threat "because they were just offering the strike as a possibility. They weren't holding a gun to our heads."

But Baca said the Teamster action was "an example of the strong-arm manner which we have come to expect from the Teamsters Union," which he called "ruthless and brutal" in its California organizing effort.

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## NEW OIL DISCOVERIES DEPEND ON DOMESTIC FAIR PRICING

## HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. COLLINS of Texas. Mr. Speaker, America continues to ride on the borderline of an energy crisis. Even with Arab oil, we are slipping backwards in our energy economics. In the United States, we can find and produce oil for $10 a barrel. The Arabs demand and get $15 a barrel for their oil. The obvious solution is to produce more domestically so we can save money and save foreign exchange.

The Dallas Morning News on March 10 had an enlightening editorial on this subject. They quoted a prominent Dallas oil man, Cary M. Maguire, who told the Senate Committee 4 years ago about the impending shortage. Read the News editorial and let us provide oil incentives for more production.

NONPROGRESS REPORT

The only meaningful energy legislation that has so far moved from Capitol Hill to the President's desk was the emergency energy bill, no achievement of which to be proud. Mr. Nixon announced, even before the bill reached him, that he would veto it.

And very properly so, since the bill's distinguishing feature was its rollback of oil prices from the level that free market forces have carried them to—something like $10 a barrel—to a level more popular with the voting public.

Plain evidence, here, of just how shallow runs Congress' concern with making the U.S. self-sufficient in energy.

How much oil would a price rollback produce? Nary a gallon. Given the $110,000 cost of a 4,000- to 5,000-foot well that six months ago could have been drilled for $75,000—this is thanks to shortages and inflation—the oilman needs higher prices if he is to drill for oil.

And yet Congress appears to believe that finding energy is as cheap and as automatic as flipping on a light switch.

To find oil, to produce nuclear energy, to harness the sun's rays requires not only huge sums of capital but a lot of what businessmen call "lead time." You do not snap your fingers and magically discover all the oil you need. You settle on a drilling program; you select sites, you budget the money, you plan refinery and transportation facilities.

It is as Dallas' Cary M. Maguire, an independent oilman, told Sen. Jackson's subcommittee on minerals, materials and fuels back in November, 1969, when testifying on gas supplies:

"Gentlemen," said Maguire, "although there is instant coffee, there is no instant supply of gas. We beg the committee to do something to correct the situation now—and I mean now, not three years from now."

Well, the three years passed, and not even by then had Congress acted. Yet as Maguire also told the committee, the average gas discovery takes a lead time of 6.4 years.

And so three years of that 6.4-year lead time have been wasted. Even if tomorrow we raised prices high enough to stimulate drilling, it would be half a dozen years, if then, before we had enough gas to go around.

## BROWN HITS 50

## HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ABDNOR. Mr. Speaker, about this time every spring in South Dakota, crises and other events that command world headlines are crowded off the front pages by State basketball competition. Even the "streaks" that are notorious throughout other parts of the Nation take a different form in South Dakota. There we pay more attention to scoring streaks on the basketball court, and, also contrary to the national norm in these things, we let the little guys have their go at these streaks, too.

Steve Brown, of Hamlin County, was this year's big streaker with 50 points in one game. I want to share with my colleagues a bit of his achievement.

The article follows:

BROWN HITS 50

(By Dave Jurgens)

By this time of the basketball season, the adjectives have been used and reused so much they become old hat.

So what do you do when a player like Steve Brown comes along? Dig up some new ones or rework the old ones.

In record-shattering fashion, Brown led Hamlin past Salem 80–68 in semifinal action at the Arena Friday night and sent the Chargers into Saturday's finals of the state Class B tournament against Parker.

Brown busted the tournament scoring record for a semifinal game with his 50-point outburst. The old mark of 40 was set by Stan Uhlir of Kadoka in 1951.

The 5-10 sharpshooter, an 11-man all state quarterback pick last fall in football, also took a giant stride toward the tournament scoring mark of 103 set by Tripp's Mike Frier in 1967.

Brown has 83 in two games.

He helped Dick Baysinger's Chargers hold the lead at all stops Friday as he scored 10 points in the first frame, 12 in the second, 11 in the third and 17 in the last eight minutes.

He was true on 18 of 40 tries from the field and connected 14 of 16 times from the free throw line.

Four Cubs, Kevin Weber, Raulie Weber, Norm Peterson and Steve Norberg, had chances to try their own personal defensive tactics on him.

Peterson fouled out and Norberg had four fouls for the night.

Brown's second-half heroics included scoring all but nine of the Chargers' points in the last 16 minutes.

His fourth-quarter output matched that of Duane Knebel's Cubs.

Hamlin's 10-point halftime lead stretched to 14, 53-39, in the early going of the third period before the Region 5 champs battled back to within nine at the quarter's end.

Brown scored Hamlin's initial nine fourth-frame points while Salem was scoring four. Then Kevin Weber, Norberg and Raulie Weber, hit fielders for the Cubs, who meet Britton in the third-place game tonight at 7, and Norberg added a pair of charities to cut the score to 69–63.

Bruce Wadsworth hit a free toss and Brown added six straight from the free stripe to ice the game for the Chargers.

Harley Tetzlaff scored off a Brown assist late in the game and Brown closed out the Charger scoring with two more gifters.

## BAN THE HANDGUN—XXXIII

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. BINGHAM. Mr. Speaker, the two newspaper articles reproduced below from the March 13 edition of the New York Post and the March 12 edition of the Washington Post, respectively, demonstrate an extremely alarming pattern. In each instance, a gunman, caught in the act by policemen, has chosen to shoot it out rather than surrender peacefully. Cornered criminals, armed with deadly handguns, pose a tragic menace to our Nation's peace officers. How many more policemen must be shot in the line of duty before the Congress finally enacts meaningful gun control legislation?

The articles follow:

SECOND MAN SOUGHT IN COP'S SLAYING

A nationwide alarm was out today for a man sought for questioning in the murder of a policeman during a Queens holdup Saturday.

Police issued the alert yesterday for Martin Settles, 22.

Officer Timothy Hurley, 32, was shot outside a Jamaica bar when he tried to halt fleeing robbers. He was the first policeman killed in the line of duty this year.

Osborne (Sonny) Boalds, 36, was arrested four hours later in an apartment near the bar in connection with the shooting.

Boalds had bullet wounds in the thigh and shoulder which police said were received in the exchange of shots with Hurley and his partner, William Cutter.

POLICE ASSAULTED, MAN WOUNDED

A 26-year-old Washington man was listed in fair condition at D.C. General Hospital yesterday after being shot by police officers who he allegedly threatened with a pool cue and fired at with a gun, D.C. police reported.

According to the report, the exchange of gunfire occurred after the man, who was identified as Terry L. Burbin of 1246 Wiley St. NE, threatened customers in Dixie's Pool Hall, 1342 H St. NE, with a gun. Police responding to the call chased the suspect down an alley, where he hid behind a parked car, pulled a gun, and opened fire, police said. Four police officers were in pursuit and those who actually hit the suspect could not be determined, according to police.

Burbin, shot in both legs and in his left side, has been charged with assault with a deadly weapon.

## YANKEE INGENUITY

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. DERWINSKI. Mr. Speaker, the Congress is still stumbling along in an attempt to work out energy legislation. Some practical grassroots thinking might be in order.

I believe that the editorial from the March 9 edition of the Press Publications, serving West Cook County and DuPage County, Ill., which I will insert following my remarks, is the kind of practical grassroots thinking that should be more evident in the Congress.

The editorial follows:

YANKEE INGENUITY

The United States Government with its constant meddling in the mercantile affairs of the country is ignoring and degrading one of the greatest traits of the people. This trait is commonly called "Yankee Ingenuity."

The American citizen has always survived. Through thick and thin, good times and bad the American Citizen has always managed to cope with the problem and make the necessary adjustments without the interference of a benevolent government bureaucracy.

So what if food is scarce and costly—we are all too fat anyway. So what if gas is short and expensive—we have always found a way before and we will again.

Everyone knows that the more you tax business the higher go the prices and the average citizen winds up paying the bill anyway.

Allocation (which is rationing spelled in Washingtonian) is unfair and administratively impossible.

Instead of using Yankee Ingenuity to find ways to get the job done with less of the scarce commodities the citizens are using the ingenuity to find ways around the bureaucratic rules. What a waste of effort.

If the government was to take its fingers out of the gasoline stew and gasoline soared to $1 a gallon, how long would it take an Ingenious Yankee to create a gasless carriage?

Major oil companies do not want gasoline to sell at $1 a gallon because they know that as soon as they price themselves above what the market will bear the citizens will find a substitute and put them slam out of business.

It is only by a combined effort on the part of oil and government to keep the price as high as possible within reason and at the same time keep the people's attention focused on this one problem that they can keep Yankee ingenuity from making their very existence unessential.

It would do us all well to remember that there was a lot of bureaucratic hot air over protecting the whale herds to conserve the source of supply of whale oil and blubber and that a lot more bureaucratic hot air was spilled over the shortage of hay to feed the ever growing number of horses in the nation at the turn of the century.

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## MARCONI COMMEMORATIVE STAMP

## HON. ANGELO D. RONCALLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. RONCALLO of New York. Mr. Speaker, last October I introduced House Joint Resolution 781 to require the Postmaster General to issue a special postage stamp in commemoration of the great Italian-American inventor, Guglielmo Marconi. Marconi's contribution to the art and science of communication made possible the great advances of the 20th century in this field, and indeed our lives would be quite different had it not been for his work.

Not only Italian-Americans, but all Americans, have forebears from distant shores. A stamp commemorating Marconi's life work is a fitting tribute to the ethnic diversity that so enriches our country. I hope that the Committee on Post Office and Civil Service will move without delay to bring House Joint Resolution 781 to the floor for a vote.

I was recently delighted to receive a resolution from the county legislature of Suffolk County, N.Y., urging prompt congressional action. I insert it at this point in the RECORD for the information of my colleagues. The resolution follows:

RESOLUTION NO. 38

Whereas, H.J.R. 781 of October 18, 1973, calls for the issuance of a special postage stamp in commemoration of the late Guglielmo Marconi, said stamp to be first placed on sale on April 25, 1974, and be sold thereafter as the Postmaster General shall determine, and

Whereas, the late Guglielmo Marconi, who was born in Italy in 1874, discovered and implemented the first practical wireless telegraphy, and

Whereas, Guglielmo Marconi was awarded the 1909 Nobel Prize in Physics in recognition of his discovery, and

Whereas, Guglielmo Marconi's discovery was the forerunner of most of the revolutionary twentieth century innovations in communications, benefiting people in America and all over the world, and

Whereas, the site of the birth of the American Wireless is located on Fire Island Avenue Extension and Virginia Road in the Village of Babylon, Suffolk County, and

Whereas, there are many people in Suffolk County of Italian heritage including some on this legislature who would appreciate this honor being bestowed on one of their own; now, therefore, be it

Resolved that this legislature supports in total and hereby urges the Congress of the United States through the Committee on Post Office and Civil Service to entertain favorably and to enact proposed H.J.R. 781, and be it further

Resolved that the Clerk of this Legislature forward copies of this Resolution to the Chairman of the Committee on Post Office and Civil Service and to Senators Javits and Buckley and to Congressmen Roncallo, Grover and Pike and to the Mayor of the Village of Babylon, Gilbert Hanse.

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## DOUBLE STANDARD

## HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. THOMSON of Wisconsin. Mr. Speaker, one of the biggest complaints we hear from the people is that people in the Government are not willing to abide by the same standards that they impose on others. If we are so anxious to modify people's behavior, it is incumbent upon us to lead by example, especially in these days when public opinion polls show a declining confidence by the people in their Government and those who run it.

A recent disturbing example of this double standard is the case of Supreme Court Justice William O. Douglas. In the past, Justice Douglas has fairly earned the admiration of civil libertarians who would see the Government shackles removed from as many personal freedoms as possible. The Justice has prided himself on his record of defense of such basic constitutional rights as freedom of the press.

How hypocritical of him it was, then, to refuse to have his public remarks taped during a recent appearance in my congressional district. Justice Douglas, by banning this legitimate form of news coverage, has done more violence to the civil liberties of those newsmen than he has effected during decades of opinion-writing on the bench. He has seriously damaged his own credibility and may have undermined the integrity of the Supreme Court.

I enclose at this point in the RECORD, a resolution unanimously passed by the Wisconsin Broadcasters' Association, condemning Justice Douglas' ban on taping of his remarks. It is a worthwhile reminder to all of us of the public trust to which we have been elected.

RESOLUTION

Whereas, the Honorable William O. Douglas, Justice of the United States Supreme Court, did prohibit all taping and filming, by broadcast news representatives, of his public address delivered at the University of Wisconsin-Platteville on January 23, 1974, and

Whereas, Justice Douglas further stated in a local radio news interview with a member of the news staff of Radio Station WSWW, Platteville, Wisconsin, that he banned the taping and filming of his speech because, in the words of Justice Douglas, "The people who have the tapes are not very ethical . . .", implying that broadcast news representatives in the past have deliberately taken his remarks out of context, and

Whereas, the aforementioned reasons given for the ban by Justice Douglas tend to impugn the integrity and professional ethics practiced by the vast majority of broadcast journalists, and

Whereas, such an unwarranted indictment of responsible broadcast news persons by so distinguished a national personage as a Justice of the United States Supreme Court may tend to discredit all news media representatives, in the minds of the listening and viewing public, and

Whereas, the banning of any legitimate form of news coverage of a public official at an open meeting held on the campus of a public, tax-supported university constitutes a blatant violation of First Amendment guarantees—with the imposition of restrictions on the public's right to know,

Now, therefore, be it resolved, that the Wisconsin Broadcasters' Association, assembled in annual mid-winter session at Madison, Wisconsin, this February 12, 1974, be officially recorded as opposed to the banning of tape and film coverage of the public address by Supreme Court Justice Douglas at the University of Wisconsin-Platteville on January 23, 1974, on the grounds that such prohibition is not only unconstitutional, but also discriminates against one segment of the news media, in that broadcast news personnel were denied the right to utilize the technology of their profession to gather information essential to the presentation of such a broadcast news account.

Be it further resolved, that copies of this Resolution be sent to Justice Douglas; to the Chief Justice of the United States Supreme Court; to each of the other Justices of the United States Supreme Court; to the President of the University of Wisconsin, Dr. John Weaver; to Frank Pelisek, president, and members of the University of Wisconsin Board of Regents; to each member of the Wisconsin Congressional Delegation; and to the principal representatives of the National Association of Broadcasters; to the Radio-Television News Association; Northwest Broadcast News Association; the Associated Press; United Press International; ABC News; CBS News; Mutual News; NBC News; Public Broadcast Corporation; and the Mutual Black News Network.

Motion proposed by WBA Past President Robert Bodden, President-General Manager, WSWW, Platteville, Wisconsin. Unanimously approved at the business meeting of the Wisconsin Broadcasters' Association, February 12, 1974.

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## PERSONAL FINANCES

## HON. EDWIN D. ESHLEMAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ESHLEMAN. Mr. Speaker, I submit for publication the following personal financial information of Mrs. Eshleman and myself:

*Total worth*

| | |
|---|---|
| Bank accounts (time and demand) | $14,000 |
| Retirement equity | 21,000 |
| Old books and coins | 8,000 |
| Automobiles, two | 5,000 |
| Life insurance (cash value) | 7,000 |
| Home real estate | 60,000 |
| Personal property | 20,000 |
| Stock holdings (Armstrong, Delaware Fund, Duquesne Light, Fulton Bank) | 50,000 |
| Total | 185,000 |

The above includes the inheritance from my father. (No outstanding liabilities.)

*1973 Federal income tax summary*

| | |
|---|---|
| Adjusted gross income | $47,152.60 |
| Tax paid | 11,127.50 |
| Total deductions | 7,153.00 |

This amount includes a total contribution to church and charity of $4,025 which, in turn, includes the untaxable portion of my State retirement.

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## WHO IS RESPONSIBLE FOR HIGH FOOD PRICES?

### HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ZWACH. Mr. Speaker, the March issue of Successful Farming contained an editorial which I wish every adult in America could read. It is one of the best expositions of the reasons for high food prices that I have ever read and to share it with my colleagues, I ask your permission to include it in the RECORD:

EDITORIAL VIEWPOINT

(Here is a story that, until now, no one in agriculture has had the backbone to write. It is written by Fred Bailey, Jr., *Successful Farming's* Washington correspondent, and bears reading closely . . . and pondering. If anyone cares to respond, we are always glad to give space to responsible viewpoints.—The Editors.)

As you read this, a lot of people are getting set to spend a lot of money to tell the consumers of this country—as though they hadn't heard it over and over again like a broken record—what a great buy food is. The argument has mainly been that "you can afford it, so quit griping!" This has been the traditional party line of the entire food industry and as farmers we've faithfully followed it like a hound behind a jackrabbit. In the opinion of this writer, it's high time we began leveling with consumers and telling them we couldn't agree with them more: Food prices *are* too high. Because they are.

Who's responsible. And in the same breath we ought to tell them *why* food prices are too high, so if they want to yell at someone they'll know who to yell at—namely those segments of our food system that are really responsible for soaring grocery costs: Labor unions whose featherbedding and excessive wage demands have been a major factor in higher-cost food; a rail system that is often just slightly more efficient than a mule train; a maze of ridiculous laws and regulations by state and local governments; an almost total lack of uniformity in grades and standards; and a long list of other obstacles which stand in the way of consumers getting more for their food dollars.

As the most efficient sector of our food system (and the most efficient sector of the entire U.S. economy, for that matter), we've been apologists for shortcomings in the rest of the system for much too long. And with each new bump in the cost of living curve, these shortcomings become that much more difficult to apologize for, that much harder to justify with silly statistics. The fact is, we have nothing to apologize for, nothing that needs to be justified. Agriculture's accomplishments are a matter of record and most consumers are aware of them.

Time to be honest. Yet we continue to be a party to the big lie that everything's just dandy at the checkout counter. The longer we participate in this deception, the more we risk incurring the distrust and hostility of our best friends: The American consumers who enjoy and pay for the things we produce.

The time has thus arrived to assert that we don't like overpriced food one bit more than they do. After all, we have to buy back most of our groceries at the same inflated prices they have to pay. But it's not just that. Much more worrisome is the fact that when consumers finally tire of being gouged at the grocery store, they'll start buying fewer groceries.

So first thing we need to do is stop parroting the party line about how cheap food is. Our customers know better. Instead, we need to lay out the kind of hard facts a National Commission on Productivity came up with, but in some cases decided not to talk about, when it took a close look at productivity in the food industry. The report of the Commission clearly points a finger at causes of higher food prices. From this and other sources, consider the following:

Of the roughly $750 the average American will spend for food at and away from home this year, farmers will get only about $300. Fully half of the remainder—about $225—will go to pay the tab for labor. During the past 10 years, labor costs in the food industry have soared a staggering 80%, four times faster than productivity.

Or let them look at specifics: Substantial money could be saved by butchering meat into retail cuts at a packing plant but local butchers' unions won't allow it. Costs could be cut if bread and milk could be stacked on the grocery shelf by store clerks instead of by highly paid delivery truck drivers. Fish would be cheaper if they didn't have to be caught in boats built in union boatyards. And supermarket expenses could be reduced if retail clerks weren't so obstinately opposed to automated checkout counters.

Much of our rail transportation makes molasses seem speedy. It takes half again longer, and in some cases twice as long, to move perishable food from the West to the East Coast as it did 20 years ago. Instead of more refrigerated cars to haul food, the railroads today own less than one-third as many as in 1968. At any given time, an average of nearly 90% of the railroad cars in the U.S. are standing still, empty. One result: More food must be carried by trucks, driven by drivers who may earn $25,000 annually.

One more fact for mediation: Mainly because of anti-backhaul laws, up to 40% of the trucks on the road run without a load. Cost: $250 million.

A simple item like an orange is handled 17 separate times from tree to table. Apples are packed in containers of 40 different sizes and shapes, none of which fit a standard grocery shipping pallet. The 8,000 most common items in a food warehouse are packaged in 2,650 different sizes, reducing automated handling.

Federal, state and local regulations add unnecessarily millions of dollars to the cost of food. A single change by a single state in the ingredients required to be listed on sausage labels added $75,000 a year to consumer costs. Absurdly confusing packaging and inspection requirements further boost grocery prices.

This is by no means a complete list. It is barely a beginning. But it's at least a sample of the sort of things someone should be telling consumers about who is really responsible for the exorbitant cost of food. Let's stop trying to kid our customers.

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## RUSSIAN CARS AND ADDITIONAL U.S. UNEMPLOYMENT

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. RARICK. Mr. Speaker, the American people have become so conditioned to accept change that many times it seems they cannot be shocked into any reaction. But the proposed sale of Soviet automobiles to the American market may stimulate public reaction.

American industrialists, using American capital and know-how, are building the world's largest truck factory in the Soviet Union on the Kama River. It seems unlikely that Soviet technology can offer the American consumer an automobile competitive in engineering standards and efficiency with the U.S. and foreign makes now available. It also does not seem likely that there are enough Communists in the United States who would buy Russian hardware out of ideological loyalty to deliver windfall profits to Russian workers.

Some American workers may wonder who gave the Soviets this invitation to compete in our marketplace against U.S. wage scales and our free enterprise economy. Perhaps our chiefs of state feel it is necessary to aid the Russians in improving their balance of payments to offset all that wheat that they generously took off our hands. Admission of the Soviets to our marketplace may be one of the price tags of the historic East-West détente.

Americans have always seen something good in "free" trade—new competition, new jobs, and new sources of credit. After all, if the cheaper and less sophisticated Russian cars prove too successful, we could always follow the pattern set by our friends in other nations—including the Soviet Union—and simply nationalize their holdings and investments in our country.

I insert a related news clipping:

THE RUSSIANS ARE COMING—MAYBE

(By Charles Yarbrough)

Confirming rumors of the last year or so, a recent dispatch from Dow-Jones says the Russians are indeed thinking of putting one of their subcompacts into the American market.

The story says the Soviets will take about six months to decide "after taking into consideration such problems as U.S. tariffs, safety and emission standards."

Covering that course in a mere half a year would be an achievement itself.

Even United States auto builders are still bewildered.

What the Russians are being called upon to consider—and anticipate—are such governmental dictates as the environmental plumbing system and what's coming (or disappearing); interlock ignition systems; air-bags-or-something-better; bumper standards and how to make fuel out of wheat.

Most likely Russian automotive candidate for the U.S. market appears to be the Lada, which Dow Jones compared loosely with the Fiat 124.

> It could be expected that performance figures for the trim little car as it is currently operating in Russia will be deflated when American gadgetry is applied.
>
> Examples: Claims of 27.7 miles per gallon and a top speed of 87 miles an hour.
>
> The Lada has a four-cylinder, in-line engine with 73.1 cubic inches and 65 horsepower; a five-bearing crankshaft and overhead cam; a two-barrel Weber carburetor. Four-speed transmission is manual.
>
> Its dry weight of 1,962 pounds is on a 95-inch wheel base.
>
> It comes, at least in the Russian version, only as a saloon-sedan four-door for five passengers; bucket seats in front. Price was not available at this writing.
>
> Were it not for U.S. standards—toughest in the world—this country could be deluged with imports most motorists here have never seen, including more from Russia. Almost comparable are the Zaz 968, the Moskvich and the Volga.
>
> (A contrast would be the Zil 114 limousine of 7,000 pounds and eight cylinders and a top speed of 118 miles an hour).
>
> Rough comparisons could be made of the Lada and the British Ford Cortina 1300; the French Citroen GS Berline and the Peugeot 204, plus a half dozen small cars from the Japanese.
>
> No comparison at all could be made with the Ford Pinto, Chevrolet Vega, AMC Gremlin.
>
> Nearest thing to a comparison even in names, diligent auto historians might be able to ferret out, might be "Lad's Car," a juvenile "auto" for two small passengers, which was produced in kit form at Niagara Falls, N.Y., from 1912 to 1914.
>
> Or, the "Lady", a 2¼ horsepower creation which flitted into history from Coventry, England, in 1899.
>
> Its distinction, other than brevity, was a two-seater body.

## 11500 BANANAS ON PIKE'S PEAK

### HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. HOSMER. Mr. Speaker, H.R. 11500, the bill to blast surface coal mining, provides that the mine operator must provide advance notice of blasting. That is a sound idea. However, as in most of the rest of this bill, the whole thing runs backward.

The operator would have to provide advance written notice to local governments "and residents who would be affected." That puts the burden on the operator to determine who would be affected, and then, presumably, make sure that each person gets a registered letter.

The bill sheds no light on how to find out who would be affected. Does he survey people for miles around, asking, "Do sudden noises make you jumpy?" If he misses one person on the mailing list, is he violating the law?

It would be logical to allow the operator to run a public notice in a local newspaper of general circulation. But H.R. 11500 was written by environmentalists to stop strip mining, not to regulate it. It is not a logical bill, it is a punitive measure. It is as illogical as starting a banana farm on Pike's Peak.

## THE ALL-AMERICAN ROUTE

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. GAYDOS. Mr. Speaker, it is difficult for me to understand the continued indecision of the Nixon administration over the feasibility of an "All-American" transportation system for Alaskan natural gas versus a pipeline through Canada.

Surely, we should have learned by now that our energy needs are something which are of concern to us alone and on which, when crunches come, we can depend little on others, including those who profess to be our "good allies."

Still, despite these recent lessons, the White House, according to the United Press International, goes on "considering" a new Canadian route for Alaskan gas and talking note of that country's proposal for our participation in the $6 billion MacKenzie Valley pipeline.

As for me, I favor the all-American project being urged by the El Paso Natural Gas Co., and others, even though, on the surface, it appears to the benefit of the west coast markets. This route would move the gas by pipeline across Alaska and then bring it down to the mainland by tanker fleet. Present west coast supplies then would be freed to the rest of the country.

The issue, it seems to me, is the one which the President keeps stating—that of making this Nation self-sufficient in the energy field and independent of others. How this could be accomplished by participating in a Canadian pipeline project for the transmission of Alaskan gas through Canada is beyond my powers to understand.

Should we trust Canada? Perhaps, at one time, the question would have brought an affirmative reply from most people in this country. But times certainly have changed and Canadian-United States relationships have changed with them. In the current oil crisis, Canada has played its position as a U.S. supplier to its own profits gain and advantage.

I cite the message given our energy officials by Donald MacDonald, Canada's energy minister, in his recent trip to this city. A report by Robert D. Bott, as published in the Pittsburgh Press of February 3, said:

> Two conclusions emerged from MacDonald's 5-hour meeting with William E. Simon, head of the Federal Energy Office. Canada will not lower its oil export tax unless international market prices come down and it will not enter into a continental energy sharing with the United States.

Mr. Bott added, in his dispatch, that Canada will continue to charge us the inflated international oil price "indefinitely" and that Mr. MacDonald flatly rejected the argument of Mr. Simon that we should get a lower price as a "good trading partner." In other words, the United States-Canadian "partnership" has gone the way of so many other of our vaunted alliances with the chips down and Uncle Sam in the middle.

Canada, of course, has a right to charge us any amount we are willing to pay for her oil and gas. There is nothing we can do about such a decision except to examine our business relationships in other fields and make any adjustments which might be advisable under the altered circumstances. But most important, this Canadian stand must be accepted as notice enough that Canada cannot be counted upon any more than an Arab shiekdom in a time of an U.S. energy crisis.

For this reason alone, the decision should be made in favor of the all-American pipeline route through Alaska and they by tanker to our west coast ports. We know now that we cannot depend, with the totality which our energy needs demand, on a transportation system running across Canadian soil, and thus subject to Canadian regulation and control.

## PROTESTING THE REMOVAL OF CARDINAL MINDSZENTY

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ASHBROOK. Mr. Speaker, it will be remembered that last year the United States and Canada received visits from Cardinal Joseph Mindszenty of Hungary although his visit to the United States, unfortunately, covered only several days. It was anticipated that the cardinal would visit Washington, but last-minute plans ruled this possibility out also. It is my understanding that the cardinal will again visit the United States this year and that his visit will be for a longer period of time.

On February 5, 1974, the cardinal was removed from his jurisdiction as Archbishop Esztergom in Hungary and as the spiritual leader of Hungarian Catholics. This action caused protests from many sources as the cardinal has become a symbol of freedom among freedom-loving peoples all over the world.

The Washington representative of the Government of the Commonwealth of Poland-in-Exile, the direct successor to the London Polish exile government during World War II, was numbered among those protesting in a letter to the Pope emphasizing the freedom-loving spirit of the peoples of east-central Europe and the absence of religious freedom.

I insert at this point the above-mentioned letter from Ambassador Ostoja-Starzewski:

> FEBRUARY 14, 1974.
>
> His Holiness, POPE PAUL VI,
> *Vatican City, Vatican.*
>
> YOUR HOLINESS: We urge Your Holiness most respectfully to reconsider the order for the retirement of Cardinal Mindszenty, Archbishop of Esztergom and Primate of Hungary.
>
> It is our opinion that the Holy Roman Catholic Church should not compromise with the Communist usurpers in Hungary, or with the Red Czars in the Soviet Union and the usurping Communist regimes in East Central Europe which region has been enslaved by Russian imperialism.

Poles, Hungarians, Czechoslovaks and other East Central Europe who are Christians will never accept the Communist usurpation of power in their countries no matter how many Western Heads of State are trying to whitewash Soviet Russian policy and their crimes committed against persons and humanity in East Central Europe and the Soviet Union.

We consider it as our sacred duty to free our countries from Communist killers, by force if necessary.

It is only a matter of time that or our children will follow the path of our ancestors who have written our history with their blood, fighting the Russian and Soviet imperialists trying to take over Europe.

The hands of the bestially murdered people from the forest of Katyn, the graves of Vinnica, Budapest, the Baltic countries, Yugoslavia and East Germany point accusingly to Moscow and demand justice.

The Free World paid a heavy price fighting the usurpation of power by Adolf Hitler and after World War II the West sucessfully demanded trials against those people who had committeed crimes against humanity by killing innocent people and torturing them in jails and concentration camps.

We do not believe that anybody of the world has the right to force us to accept a theory of coexistence with the Red killers, that they should be accepted as full members of world society and that the bestial crimes against humanity should remain unpunished.

Nothing in the world is so important as to justify such a compromise, neither the artificial detente policy nor the creation of so-called peace.

Please accept this letter personally also as coming from a man whose whole family has been erased by the dictators of the Third Reich and the Soviet Russia.

With the expression of our highest regards, we are,

Respectfully yours,

ALEX OSTOJA-STARZEWSKI,
*Ambassador and Special Adviser to the President of the Commonwealth of Poland-in-Exile.*

## SUBCOMMITTEE ON CRIME TO HOLD HEARING ON THE BUREAUCRATIC ACCOUNTABILITY ACT OF 1973, H.R. 6223, H.R. 6224, AND H.R. 6667

### HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the House Judiciary Committee has scheduled a hearing on the Bureaucratic Accountability Act of 1973, H.R. 6223, H.R. 6224, and H.R. 6667. The hearing will be held on Wednesday, March 27, 1974, at 10 a.m. in 2141 Rayburn House Office Building.

This legislation was introduced by the distinguished chairman of the House Judiciary Committee, PETER W. RODINO, JR., and Representative RONALD V. DELLUMS. It would amend the administrative procedure provisions of title 5 of the United States Code to make rulemaking provisions applicable to matters relating to public property, loans, grants, benefits, and contracts. Further, it would provide for payment of expenses incurred in connection with proceedings before agencies; waiver of sovereign immunity; the enforcement of standards in grant programs; and other purposes.

Witnesses scheduled to testify on the bureaucratic accountability bill are Representative RONALD V. DELLUMS, Senator EDWARD M. KENNEDY, Antonin Scalia, chairman, Administrative Conference of the United States, and the Department of Justice.

Those wishing to testify or submit a statement for the record should address their request to the House Committee on the Judiciary, U.S. House of Representatives, Washington, D.C. 20515.

## NIXON'S CHINA INITIATIVE

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. CRANE. Mr. Speaker, there have been dramatic shifts in American foreign policy in recent years. These have included the rhetoric of "detente" which has led to such unilateral concessions as those implicit in the SALT agreements and the wheat deal and the change in our relationship with the Communist Chinese Government in Peking.

Many Americans have hailed our altered policies toward the Soviet Union and Communist China as an important "breakthrough" in American diplomacy. All of us hope that this is true. Many of us, however, fear that it is not, and that it is now time to ask the very serious questions which too many Americans tended to overlook at the time of the dramatic policy changes.

The whole question of our altered relationship with Communist China is placed in perspective by Prof. James Dornan of the Catholic University of America in an article appearing in the February, 1974 issue of The Alternative.

Professor Dornan notes that:

> There has been . . . virtually no cogent examination of the political assumptions and purposes of the Nixon-Kissinger grand design for the reorientation of American foreign policy, or of the place of the Peking initiative in that design. Such analysis as has appeared . . . has consisted principally of superficial remarks about an allegedly emerging 'tripolarity,' with little attempt either to define the political, military and economic conditions under which true tripolarity could occur, or to demonstrate that such a state of affairs is or should be the primary objective of American foreign policy.

Discussing what appears to be a growing euphoria in Washington concerning our relationship with Peking, Professor Dornan writes that:

> The danger is obviously real that the Administration will allow its fascination with certain features of the new China relationship to obscure our differences with Peking over the future course of Asian and for that matter global international politics. Moreover, prudence alone would dictate that the possibility of a Moscow-Peking rapproachment, particularly in the post-Mao leadership era, not be totally discounted; any attempt to use Peking as a permanent make-weight in the balance of power on the American side . . . could prove to be dangerous in the extreme.

Professor Dornan also discusses the alleged "détente" with the Soviet Union. He points out that—

> The unchecked build-up of Soviet strategic and conventional military power, the continued attempts by the Soviets to project political influence in the Middle East, Asia, and Latin America, the uncompromising position the USSR has assumed in the various East-West negotiations now in progress all constitute challenges to Administration logic. . . .

The Communists, both in Moscow and Peking, appear to be as committed to their traditional goal of world domination as ever before. The brutal repression within both the Soviet and Communist Chinese societies continues, as the renewed cultural revolution and the Solzhenitsyn case so clearly indicate. The only change appears to be in our own policy, and it is something which we should carefully rethink at this time.

I wish to share with my colleagues the article, "Nixon's China Initiative," by Prof. James Dornan as it appeared in the February 1974 issue of The Alternative and insert it into the RECORD at this time:

### NIXON'S CHINA INITIATIVE

(By James Dornan)

"The biggest story I have ever covered," Joseph Alsop wrote with characteristic hyperbole: indeed, although nearly two years have elapsed since the event, it remains plausible to assert that the President's visit to Peking ranks among the most brilliantly-staged foreign policy operations of the postwar period. Few such events have attracted the support and aroused the enthusiasm of such a wide spectrum of professional opinion; fewer still have so promiscuously stimulated the imagination of the American populace.

To be sure, what has often been called "the mystique of the East" has long had a singular impact upon the American—not to say the western—political mind. The sheer vastness of the Orient, with its countless millions of people, its unfathomably nonwestern values, its ancient and proud yet curiously primitive civilizations, has fascinated westerners for centuries. China in particular has been the focus of American attention since the late eighteenth century, in considerable measure for economic reasons.

Beyond such underlying factors, several additional circumstances helped create a climate of opinion favorable to the President's initiative. The sheer audacity of the undertaking itself was obviously crucial. The sudden turnabout of relations with a nation toward which the United States had been unremittingly antagonistic for more than two decades was striking in itself; that it was accomplished through super-secret diplomacy followed by a week-long presidential sojourn in a land never before visited by a ranking American elected official was truly astonishing.

The media obviously had an enormous impact as well. Every public moment of the trip, appropriately embellished by rhapsodic commentary, was beamed home to enthralled television audiences. Respected reporters such as Alsop and W. H. Hornby of the *Denver Post*, not to mention members of the congressional delegations which quickly followed the President across the Pacific, were lavish in their praise of the "New China." Alsop was writing for most of them when he enthused that "everything in China has changed, in truth, except the endlessly resilient, hardworking and clever Chinese people. The quality of life has changed, vastly for the worse for the ancient ruling class but for the better for everyone else . . . The right way to see the New China, in truth, is to forget the Communist label and to consider the revolution as a specifically Chinese event"; he went so far as to suggest that "the period of harshness, of dogmatism, of extreme heavy-handedness" in the Communist rule over China is drawing to a close. Steffens and the Shaws went only a little further in their praise of the Soviet system after their visits during the 1920s and 1930s. (See Alsop, "In China, Everything is Changing" and "Conclusions After a Visit to China," December 16, 1972, and January 15, 1973, *Boston Globe*. For Hornby's articles, see *Congressional Record*, January 29, 1973, pp. S1474–82. Alan Reynolds has written an excellent critique of these and similar analyses of the "New China"; see "A Reader's Guide to the Visitors' Reports," *National Review*, March 3, 1972.)

Finally, general public discontent with recent American foreign policy was a significant factor. The deepening war-weariness of the American population, a reaction both against Vietnam and against the seemingly endless Cold War, had molded a ready constituency for policies of conciliation with our postwar adversaries. Long before the specifics of his new foreign policy became known, Nixon's promise of "an era of negotiation, not confrontation" had struck a responsive popular cord.

That the average American found the China trip of compelling interest, and in the main viewed it favorably, is therefore not surprising. But there was a broad spectrum of American intellectual opinion equally receptive to the new policy. Few of the nation's so-called Sinologists, for example, had accepted the analysis of Chinese aims which culminated in the extension of the containment policy to Asia; virtually all rejected the thesis that China was the principal enemy in Vietnam, as the Johnson Administration had so often argued. Hence, most of the "old China hands" greeted the Nixon visit with unrestrained enthusiasm.

Moreover, by the time the Nixon-Kissinger team assumed office a consensus was rapidly forming among opinion leaders around the "limitationist" position concerning the goals and activities appropriate for American foreign policy in the seventies. That consensus attracted many conservatives as well as liberals, although for fundamentally quite different reasons. Both camps agreed that the United States was "overextended" in its international commitments and hence needed to scale down considerably its operations and activities abroad. Orthodox liberals apparently believed as well that a reduced international role for the United States and a concentration upon domestic reform would enable America to better fulfill her historic mission of propagating American ideals; in this view, moral example rather than military force was to be the means for changing the world. (For a discussion of this point, see author's "The Search for Purpose in American Foreign Policy," *Intercollegiate Review*, Winter 1970–71.) Many conservatives, on the other hand, were persuaded that the Nixon-Kissinger foreign policy bespoke a new "realism" in American diplomacy. Nixon's policy, it was argued, represented the abandonment of the crusading internationalism of Woodrow Wilson and his liberal successors, and the adoption in its stead of the "national interest" as the standard guiding our international behavior. Kissinger's theory of international politics, as articulated in the hard-headed logic of *A World Restored* and *Nuclear Weapons and Foreign Policy*, was believed to rest on precisely such a foundation; more disquieting features of his approach, particularly as revealed in the position papers which he wrote for Nelson Rockefeller during the 1968 preconvention campaign, went unnoticed.

Thus many conservatives expected that Nixon's China policy would attempt to exploit the Sino-Soviet dispute in order to improve America's position in the global conflict with the USSR. Barry Goldwater, on the other hand, in his first full comment on the China initiative, urged conservatives to accept the fact that "this is not 1960; it is 1972, and the world situation which we now confront is an entirely new ball game." "I am satisfied that we have not given away one single thing to the Red Chinese," he stated, and he asked that "all Americans join in supporting the President of the United States in his efforts to establish world peace in the most direct and effective way possible." Some on the Right—William Buckley most prominently—were far more dubious; but even these commentators did little more than denounce the euphoria and the atmospherics which accompanied the Nixon trip. Buckley himself was largely content to reiterate his moral objections to the Peking regime.

There has been, in sum, virtually no cogent examination of the political assumptions and purposes of the Nixon-Kissinger grand design for the reorientation of American foreign policy, or of the place of the Peking initiative in that design. Such analysis as has appeared in the press and professional literature has consisted principally of superficial remarks about an allegedly-emerging "tripolarity," with little attempt either to define the political, military, and economic conditions under which true tripolarity could occur, or to demonstrate that such a state of affairs is or should be the primary objective of American foreign policy. But that aside, virtually all commentators have missed the real point: the China gambit, electrifying though it may have been an international theater, and whatever its long-run importance, was actually only a sideshow in what Nixon clearly regards as the principal scenario of his foreign policy, the effort to establish an effective détente with the Soviet Union.

Those who attribute to Henry Kissinger the paramount role in the formulation of the Nixon Administration's foreign policy should reread the now-famous article, "Asia after Vietnam," written by Nixon himself for *Foreign Affairs* in October 1967. Although principally concerned with recommendations for America's post-Vietnam Asian policy, the article adumbrates in more-or-less complete form most of the themes of what was later to be called the "Nixon Doctrine," and lays the foundation for the unusually coherent global strategy articulated by the Nixon Administration after it assumed office. (Kissinger's thinking had been developing along lines remarkably parallel to Nixon's, especially between 1965 and 1968; see the analysis in Stephen R. Graubard's *Kissinger: Portrait of a Mind*, pp. 223–69.) In general, that strategy rests on the belief that virtually all of the forces and factors which determined the structure of world politics during the first two postwar decades have changed.

The principal changes are said to be six in number. Japan and the nations of Western Europe, the latter gradually drawing closer together economically and politically, have recovered from the ravages of World War II, and are capable once again of assuming major roles in the world political system. The new nations of Africa and Asia have substantially matured since the early post-independence period; they now appear able to resist external aggression and to hold their own in relations with the bigger powers. The one-time communist monolith has been shattered, replaced by a lossely organized bloc whose members quarrel as often as they cooperate. U.S. military preeminence has given way to a condition of strategic parity between the USSR and the United States, substantially reducing American freedom of maneuver in crisis situations. The old "isms"—the once-vibrant ideologies which for twenty years animated the foreign policies of the great powers—have lost their vitality, and more traditional goals such as security and economic progress have become the primary concerns of the superpowers. Finally—most important of all in the Nixon view—United States foreign policy is now inhibited by serious internal constraints. Our citizens' "psychological resources" have been exhausted and their "moral strength" has been undermined; the nation's ability to play a major role in world politics is thus severely diminished. (For a characteristic discussion of these points, see *U.S. Foreign Policy for the 1970's: A New Strategy for Peace* [February 18, 1970 pp. 1–3] and *U.S. Foreign Policy for the 1970's: Shaping a Durable Peace* [May 3, 1973, pp. 1–9], Reports to the Congress by Richard M. Nixon.)

The American response to these transformations in international politics, according to the Administration, must be commensurately far-reaching. First, our foreign policy objectives and interests must be restructured. The universalization of American principles and values can no longer constitute an important purpose of American policy; the day is past when we can look forward confidently to a democratic world emerging under American auspices and leadership. "Two centuries ago," Nixon wrote in his 1971 Annual Report, "our mission was to be a unique exemplar of free government. Two decades ago it was to take up worldwide burdens of securing the common defense, economic recovery, and political stability. Today we must work with other nations to build an enduring structure of peace." Stability and order, not the "expansion of the domain of freedom," must become the goals of our foreign policy. (For a more complete analysis of the main themes of the Nixon Administration's foreign policy, see the author's "The Nixon Doctrine, Strategy, and Tripolarity," available from the Intercollegiate Studies Institute.)

Not only must American expectations be scaled down, but our role in world politics must be substantially diminished as well. The day is past when global security can depend solely on American power or American will. But since other nations are now capable of doing more for themselves, this need not mean a rising level of insecurity around the world. It is only necessary that our determination to reduce our efforts be clearly understood, so that others will realize that they must assume responsibility for their own defense.

The effort to call forth a greater effort by others in maintaining their own—and world—security has constituted one of the Administration's major purposes from the outset. The Nixon Doctrine in its original formulation, while reiterating America's commitment to aid both those nations which we consider vital to our security and others which are threatened by nuclear attack, was in considerable measure a hortatory device aimed at erstwhile friends and allies; the new distance which we have introduced into our relations with Europe and Japan, best symbolized by the "shocks" administered to the latter in 1971, appears similarly motivated. In the future, Nixon has announced, "our interests must shape our commitments, rather than the other way around." Kissinger has made it even more clear that far-reaching changes in the structure of American alliances may be in the offing: "if the only argument for American military participation in an area," he has said, "is the fact that the United States happens to have made a treaty some fifteen years ago, that would be a very precarious position for that area and for us. . . . So there has to be a periodic review of our commitments and there has to be a very systematic attempt to define our interests." (*Background Briefing* [*United States Foreign Policy*], June 26, 1970, mimeo) This statement, made to the press in mid-1970, deserved far more attention than it received.

It is thus clearly the Administration's view that other nations should no longer rely upon their alliances with the United States as the sole or even the primary instrument of their security. At the same time, the United States has arrived at a new definition of its primary interests and a new estimate of the means appropriate to safeguard them. Those interests concern especially the emerging new relationship with the USSR. Kissinger has believed at least since 1968 that the Soviet Union—and for that matter the CPR—is no longer a revolutionary power, although still anxious for a large role in world politics. Nixon, in turn, has made it plain that we fully recognize the right of the USSR to great power status, with the appropriate territorial and other prerequisites; indeed, even the "natural expansion of Soviet influence in the world" will not arouse American hostility unless the Soviets seek "exclusive or predominant positions" in areas where the United States retains vestigial interests.

Nixon and Kissinger manifestly hope that already-tempered Soviet designs can be further modified by American acceptance of the USSR's recently acquired global status and by American policies aimed at cooperation and interdependence. The Soviets have doubtless already taken note of the scaling down of American purposes represented by the Nixon Doctrine itself; in addition, the Administration has explicitly renounced any American interest in altering the domestic political order of the Soviet Union, both by public statements to that effect and more recently by its vigorous opposition to the Mills-Vanik legislation aimed at forcing a liberalization of Soviet emigration policies. Beyond that, Nixon and Kissinger have sought to create a "momentum toward progress" in our relations with the Soviets by means of negotiations on a broad range of issues; the economic arrangements discussed at the Moscow and Washington summits in particular, they believe, have established "an interdependence between our economies which provides a continuing incentive to maintain a constructive relationship."

It is only in the context of their convictions about the future of the Soviet-American relationship, therefore, that many otherwise inexplicable features of the Nixon-Kissinger foreign policy can be understood. If our conflict with the Soviets has been mitigated by events—especially by a change in Soviet ambitions—and can be expected to further diminish in the future, then America's fundamental security position is markedly improved. Not only is the danger of a military confrontation with the USSR reduced, but the need to "contain communism" through a vast complex of alliance systems is largely eliminated. Similarly affected is the whole range of American political interests abroad. In the past these interests have been in no small measure determined by the exigencies, real or perceived, of the Soviet-American conflict. With that conflict abated, they will of necessity be reduced in number and importance; so too will the need for military power and political influence to protect them. Herein may lie the explanation for the Administration's apparent lack of concern over both the relative decline of American military power and the political significance of that decline. In the Nixon-Kissinger design, our security in the future will be guaranteed above all through the new association with the USSR. To be sure, we must avoid an overly abrupt break with the patterns of the past to avoid upsetting the always-delicate equilibrium of the international system. We must also maintain strength sufficient to convince the Soviets that there is no alternative to détente and to deter direct threats to our physical survival from whatever source. Such considerations as these explain the Administration's vigorous support for the Trident and the B-1 weapons programs. It cannot be too strongly emphasized, however, that the purposes of Nixon's defense program are quite limited, a point grasped by neither his opponents nor his supporters in Congress; indeed, his annual calls for an "American military capability second to none" represent mostly a bone tossed to the defense conservatives there and elsewhere.

## II

Doubtless because of the peculiar difficulties and delicate negotiations involved in establishing relations with the CPR, the Administration has been considerably more reticent in articulating its expectations for the Chinese relationship than it has for that with the USSR. Nixon has stated that he undertook initial steps to establish contacts with the Peking regime shortly after assuming office, implementing a design he had first set forth in the 1967 *Foreign Affairs* article. Rumors of new tensions in the Sino-Soviet relationship and of possible Soviet intent to launch a preemptive attack on Chinese nuclear installations may have influenced the pace of his actions as well. (Alsop has asserted that the Soviets informally sought tacit American support for such an attack early in 1969, and John Newhouse alleges that the USSR during the SALT talks in 1970 proposed a plan for joint retaliatory action against China in the event of a nuclear war initiated by Peking against the USSR or the United States. See Alsop, "Thoughts Out of China, I: Go Versus No-go," *New York Times Magazine*, March 11, 1973, and Newhouse, *Cold Dawn: The Story of SALT*, pp. 188–89.) But beyond the now-repetitious salutes of the Chinese as a "great and vital people" without whose cooperation "no stable and enduring international order is conceivable" plus occasional references to China's future economic and military potential, he and Kissinger have said little concerning the assumptions and purposes of the new China policy. The contrast with the excesses which have often characterized Administration rhetoric on the future of U.S.-Soviet relations is striking. (Compare the section of the 1973 State of the World message dealing with the CPR with that discussing relations with the USSR; *1973 Annual Report*, pp. 16–25 and 26–39.) If the hopes and expectations of the American people have been overly aroused by the China visit—and it is by no means certain that such is the case—blame must be placed primarily on the media and not on the President.

In any event, while the Administration's restraint in discussing its China policy complicates the task of analysis, its general purposes are quite clear. No "grand alliance" between the United States and the CPR against the Soviets is intended, nor is any effort to be made to use the Chinese connection to alter a military and political balance of power which is rapidly worsening from the American standpoint. Neither is an improvement in Sino-American relations being sought by the Administration as an end in itself. (It has been suggested that the pro-Pakistan "tilt" of American policy during that nation's war with India was designed to earn plaudits from Pakistan's principal ally as well as to repay Pakistan from her aid in opening Washington-Peking communications. But the Administration, it should be noted, perhaps not without disingenuousness has defended its pro-Pakinstan policy as an effort to forestall total domination of the subcontinent by an Indian regime increasingly disposed to act as Russia's agent. See the 1972 Annual Report, pp. 141–52). The principal purpose of the Nixon-Kissigner foreign policy is the achievement of a permanent improvement in relations with the USSR, and the opening to Peking must be understood primarily in terms of its contribution to that end. The Administration believes that Moscow's fear of China's military potential and territorial irredentism will further strengthen the Soviet interest in a détente with the United States. While the role of China in world politics is not without significance for the Administration, Nixon and Kissinger continue to view the world in bipolar terms; the "age of tripolarity," if it is to come at all, is in their view still some time in the future.

To be sure, it is doubtless true that there exist significant ancillary motives behind the Administration's Asian policy as well. There has been widespread speculation, for example, that the Administration hoped to obtain Peking's support for a negotiated settlement of the Vietnam war. There is little firm evidence on this issue, however, and it may be that most commentators have in any event missed the central point. Nixon certainly was convinced even before the onset of his administration that the American public would not support a foreign policy which did not result in an American military departure from Southeast Asia. At the same time, he repeatedly expressed concern about the possible impact of an overly precipitous withdrawal upon Soviet perceptions of our will and constancy.

The China policy thus served his purposes nicely. It made possible a withdrawal from Vietnam under terms which earlier Nixon had considered unsatisfactory, but which placated the American public to the greatest extent feasible without doing severe damage to America's global position. Since it had often been officially stated that the containment of China was one of the foremost reasons for our involvement in Vietnam, once Chinese hostility had at least somewhat abated it was not as important to American credibility abroad that we stand firm in Indochina. On the domestic scene, the key factor was popular ambivalence: a majority of Americans appeared to desire an end to the U.S. presence in Southeast Asia, but also were plainly apprehensive about expanding communist influence in Asia and elsewhere. The public thus might be largely satisfied with a political settlement which, though far from perfect, did not seem likely to set in motion a general communist advance throughout the Orient. Détente with China would reduce fears that the latter might be the result of a "compromise" in Vietnam. In any case, there can be no doubt that the China policy had important political roots, related to the 1972 campaign as well as to the broader purpose of attracting popular support for the Administration's foreign policy generally.

Over the longer term, Nixon may hope that China's own objectives will serve to check North Vietnam's more extended ambitions. From the perspective of overall policy priorities, however, his views on the importance of Southeast Asia to the United States have been unclear for some time. As many commentators have observed, the Nixon Doctrine is notably vague as to precisely what "interests" are sufficiently vital to justify American intervention in Third World conflicts under the perceived changed conditions of world politics. Given the new relationship with Peking, not to mention present public aversion to interventionist policies, Nixon appears to have concluded that Vietnam is of substantially less significance for American purposes than was the case earlier, and so was willing to accept a negotiated settlement whose terms made the ultimate survival of a noncommunist government in Saigon doubtful.

Considered even within Nixon's own perspective, of course, the China policy has incurred substantial costs. The loss of "face" for the United States implicit in the spectacle of an American president appearing as a supplicant in the court of the new Chinese mandarins had an immediate impact throughout Asia; indeed, evidence indicates that uncertainty concerning America's future intentions is now widespread in the region. (See the summary of Asian reactions in William R. Kintner's *The Impact of President Nixon's Visit to Peking on International Politics*, pp. 23–56.) Equally damaging to America's prestige were the terms of the agreements announced at the conclusion of the Nixon visit. The CPR conceded virtually nothing, suffering at most a slight blow to its stature as leader of the world's revolutionary forces. Peking agreed to facilitate scientific and other "people-to-people" exchanges, but the Chinese stand to profit as much from these as the United States. Peking made no pledge to diminsh her support for insurrectionary movements along her southern border, indeed, such activities continue unabated. The United States publicly conceded that Taiwan is part of China; and while not yet renouncing our defense pact with Taipei, we have agreed ultimately to eliminate the American military presence from the island. (A substantial reduction in the American force on Taiwan, Secretary Schlesinger recently disclosed, is scheduled for this fall.) Given Administration's announced intention, referred to earlier, to review all American treaty commitments in the light of our "interests," the demise of the Taipei regime at some not-distant point appears probable. Finally, Nixon's public utterances in Peking came perilously close to an admission that the United States bears primary responsibility for the Asian cold war itself. One Chinese leader summed up rather effectively the impression gained from the visit when he told *Washington Post* reporter Stanley Karnow that "we don't owe the Americans anything, but the Americans owe us much. Now they are redressing the balance."

### III

There can be no doubt that the Nixon China policy, and the more basic global strategy of which it is a part, reflects and reinforces some of the worst features of the American political character. As many commentators on international politics have pointed out, the danger that summitry and its accompanying atmospherics will create among the populace an illusion of international harmony is an ever-present one in a democracy. Even more worrisome is the apparently irresistable inclination of every American president to believe that he can succeed where his predecessors have failed by bringing peace to the world. It is a commentary on the depth of the utopian strain in the American political tradition that an Administration which prides itself on its toughmindedness and whose principal foreign policy architect is widely—if somewhat inaccurately—celebrated for his "realism" has proved to be little more immune than its predecessors from such temptations. To be sure, the current utopianism is of a sharply different variety than that of Wilson, FDR, *et al.* It is surely to Nixon's credit that his administration has explicitly renounced the ancient American conviction that the world should be remade in the American image, and that policy making during his presidency has exhibited an awareness of the realities of power at home and abroad. Nevertheless, he and Kissinger both have grossly underestimated the power drive of the Soviet state, and have drastically exaggerated the stabilizing effects of nuclear weapons in the international system. In the last analysis they appear unable to accept the permanence of conflict as the fundamental reality of world politics. The distance between contemporary American foreign policy and the moralistic-legalistic tradition whose apotheosis was Wilson is thus not as great as it appears.

The danger is obviously real that the Administration will allow its fascination with certain features of the new China relationship to obscure our differences with Peking over the future course of Asian and for that matter global international politics. Moreover, prudence alone would dictate that the possibility of a Moscow-Peking rapprochement, particularly in the post-Mao leadership era, not be totally discounted; any attempt to use Peking as a permanent makeweight in the balance of power on the American side—a policy which the Administration has rejected, albeit for the wrong reasons—could prove to be dangerous in the extreme.

Nevertheless, the conclusion remains inescapable that the dangers inherent in the Nixon China policy are limited when compared with those created by Administration assumptions about the possibilities for a détente with the USSR. The unchecked buildup of Soviet strategic and conventional military power, the continued attempts by the Soviets to project political influence in the Middle East, Asia, and Latin America, the uncompromising position the USSR has assumed in the various East-West negotiations now in progress all constitute challenges to Administration logic as yet unanswered. Indeed, the argument that Soviet foreign policy objectives in their broadcast definition have decisively changed is only slightly more compelling now than when it was first raised not long after the Revolution of 1917. It would not be the least of the ironies associated with this Administration if the attention lavished on the Peking initiative caused the nation to misperceive the ultimate purposes and attendant dangers of the Nixon-Kissinger global strategy generally. Is it too cynical to suggest that this may have been among the purposes of the China gambit from the outset? Perhaps; but at the very least it is probable that the Administration would regard this as a not-unwelcome consequence.

## VETERANS AFFAIRS DIRECTORS HONOR CONGRESSMAN RODINO

### HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. DORN. Mr. Speaker, on March 4, 1974, the Man of the Year award was presented to our distinguished colleague, PETER W. RODINO, by the National Association of State Directors of Veterans Affairs. As many of us in the House already know, PETER earned a most distinguished record in World War II, winning a commission in the Army after service in an armored division in North Africa. He left his greatest mark in Italy where he was assigned to a military mission to the Italian Army in the late stages of the war. There, he organized a campaign in which families of American soldiers sent packages of food and clothing to impoverished families in Italy. When PETER returned to this country, he was designated by the Red Cross to continue the drive which eventually involved thousands of packages.

As chairman of the Veterans' Affairs Committee, I know that whenever veterans' problems are involved, I can count on PETE RODINO's vote. The first year he came to this Chamber, he served on the House Veterans' Affairs Committee. And since that time, he has been unwavering in his commitment to the needs and hopes of all our servicemen. During the opening days of this 93d Congress, PETER RODINO introduced House Resolution 100, to establish a national commission to evaluate and study all veterans benefits programs. He has continually fought to prevent the loss of reduction of veterans pensions when social security benefits were raised. And, he has long been an advocate of all measures to provide fair and realistic benefits to our disabled and their families. Over the past few years, PETER has been particularly concerned with providing education, training, and job opportunities to our Vietnam veterans. We all recognize that the unemployment rate for veterans aged 20 to 24 stands at 10.6 percent. PETER RODINO has not ceased in his efforts to support all legislation to reduce so disturbing a figure.

PETER RODINO was honored at a luncheon ceremony in Washington, attended by high Government officials and national leaders of the major veterans organization. On the silver loving cup which was presented to him were engraved the words:

> For his diligent and persistent efforts to reform and upgrade the federal judiciary system and to strengthen its proper historic constitutional role in the American tri-partite unique system of government.

I would like to join the many who came to congratulate my colleague last Monday for his strong and continued support for all the men who so ably served this Nation.

## SERIOUS CONFLICT OF INTEREST

### HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ASPIN. Mr. Speaker, it has recently been brought to my attention that Mr. John J. Gilhooley, who is a director of the National Rail Passenger Corporation—Amtrak—is also president of an interstate bus company, Transport of New Jersey, which competes for passengers with Amtrak in the New York-Philadelphia corridor.

I believe that this is a serious conflict of interest. The Amtrak Improvement Act of 1973—Public Law 93–146—specifically outlaws a director from having financial interests in competition with the corporation:

> No member appointed by the President may have any significant direct or indirect relationship, with any person engaged in the transportation of passengers in competition with the corporation, during the time he serves on the board. (Section 303a7)

In a time of acute fuel shortages when our rail transit system needs the best management possible, Amtrak has a director who would personally gain from the limitation of intercity rail service.

I have written to President Nixon and requested him to ask for Mr. Gilhooley's resignation from the Amtrak board so that a more impartial director can be found to replace him. I cannot imagine that Mr. Gilhooley can contribute sound guidance and advice to the National Rail Passenger Corporation when it may result in a loss for his bus company.

To further compound this unfortunate situation it turns out that Transport of New Jersey is also an active member of the National Association of Motor Bus Owners—NAMBO—a Washington-based lobbying group that has consistently opposed Amtrak and has waged an expensive public relations campaign against the rail corporation.

I have here a brochure that was recently sent to me by NAMBO entitled "Amtrak, Should It Survive?" that includes the following passage:

> The long distance train is in the same position now as the stage coach was to railroading: it is time to let it die an honorable death.

If Mr. Gilhooley subscribes to this view held by NAMBO—and he is an active member of the organization and his company contributes funds for its lobbying activities—it is utter stupidity to have him on the Amtrak board.

All of my colleagues here know that the Board of Directors of Amtrak are appointed by President Nixon with the advice and consent of the Senate.

## AID FOR CHILEAN NONIMMIGRANT RESIDENTS

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. BROWN of California. Mr. Speaker, in the past months I have become increasingly aware of the plight of our nonimmigrant Chilean residents, and have found it difficult to answer such residents' pleading letters with the usual noncommittal phrases.

A nonimmigrant resident has a defined time period to his visa. At the end of this period, he may apply for an extension, which is usually given if he can demonstrate that his present pursuits are those he was admitted upon. Thus, a student may apply for an extension if he proves that additional study is necessary; he cannot transfer his choice of occupation.

Under the usual course of events, this practice is totally justified and supportable. But when such a nonimmigrant resident must be forced to return to a home that offers only danger and possible arrest upon arrival, a home that is in chaos due to a military coup while the resident was away is another matter entirely. I found it no longer possible to turn away from these people, and am, therefore, introducing legislation today that will alleviate the situation. My bill will allow an extension of 5 years for all temporary Chilean residents who are in this country at the time of enactment.

In 1973, the number of temporary Chilean residents who reported under the alien address program was 4,921. I estimate that this is the number we are and will be dealing with if this legislation becomes public law. There are additional Chileans in the country, in pursuit of a pleasant tour of our great land, but they are not the ones that will choose to remain on this 5-year visa program.

This bill's sole purpose is to aid those temporary Chilean residents that are in fear of returning to their home at the present time due to harassment they are receiving from Chileans at home. I hope my colleagues will face this issue and the facts concerning the present deprivation of human rights in Chile that pour into our offices daily. These temporary residents should not be labeled, they are merely people in fear of their lives, and the instinct that reaches for survival has no connection with any political philosophy. It exists in all of us, and in similar circumstances we, too, would be pursuing similar courses of action.

This bill merely extends the visas of these aliens for 5 years; it grants no additional privileges, and they can still be deported if a crime is committed. But at least it gives them time to pursue other courses, time to find other means to attain immigrant standing, and time for the situation in Chile to regain order.

I ask my fellow Representatives to think of the position of these temporary Chilean residents, to put yourselves in their place, and then to join me in this endeavor.

## MICHEL AMENDMENT NO. 1

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. MICHEL. Mr. Speaker, pursuant to House Resolution 963, providing for the consideration of H.R. 69, I am today submitting for publication in the CONGRESSIONAL RECORD the text of what may be proposed as an amendment to that bill when the House resumes consideration of it.

AMENDMENT TO H.R. 69, AS REPORTED, OFFERED BY MR. MICHEL

(MICHEL AMENDMENT NO. 1)

Page 29, beginning with line 18, strike out everything after "be" down through the period in line 21, and insert in lieu thereof the following: ": (A) from two-thirds of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection), but not more than $2,000,000,000, the product obtained by multiplying the number of children aged five to seventeen, inclusive, in the school district of such agency by 40 per centum of the amount determined under the next sentence, and (B) from the remaining one-third of such amount so appropriated, but not more than $1,000,000,000, the product obtained by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence."

Page 31, line 17, insert after "be" the following: ": from two-thirds of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection), but not more than $2,000,000,000, the product obtained by multiplying the number of children aged five to seventeen, inclusive, in Puerto Rico by 40 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States, and, from the remaining one-third of such amount so appropriated but not more than $1,000,000,000."

Page 32, line 19, strike out "two-thirds of".

Page 33, line 15, strike out "used by the Bureau of the Census in compiling the 1970 decennial census.", and insert in lieu thereof the following: "of families receiving an annual income of less than $3500."

Page 33, line 25, strike out the comma.

Page 34, line 1, strike out "the current criteria of poverty", and insert in lieu thereof "$3500".

Page 34, beginning with line 4, strike out everything after "Act" through "index" in line 8.

Page 48, line 10, strike out "85" and insert in lieu thereof "90".

## FOREIGN AID AND TECHNICAL ASSISTANCE

## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. FRASER. Mr. Speaker, our respected colleague, the gentleman from New York (Mr. BINGHAM) has written an excellent article on the origins, development, and continuing need for a U.S. program of technical assistance to the less developed nations.

Mr. BINGHAM was an acting administrator of the Technical Cooperation Administration in the early 1950's. He was deeply involved in giving life to the concept of technical assistance that President Truman announced as point 4 of his 1949 inaugural address.

Congressman BINGHAM has watched our technical assistance program closely ever since. I am certain his observations, published separately by the U.S. Agency for International Development and Global Dialogue Publications and reprinted below, will be of interest to many readers of the RECORD.

POINT IV ALIVE AND WELL

(By Representative JONATHAN B. BINGHAM)

"Fourth we must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas."—President Harry S. Truman, January 1949.

In January 1949, President Harry S. Truman wanted a new idea for the foreign part of his Inaugural Address and his staff came up with one. Over the objections of the State Department, the idea went into the speech. It was an idea that had "found its time", and it caught hold. Today, 25 years later, the idea has as much vitality as ever, and a vast array of activities are based upon it—activities carried on by tens of thousands of people around the world—Americans, foreign nationals, international civil servants—white collar, blue collar—young and old—teachers and students.

The essence of the idea, as Mr. Truman put it, was that, "for the first time in history, humanity possesses the knowledge and the skill to relieve the suffering" of the "more than half the people of the world . . . living in conditions approaching misery." The problem was essentially one of communication, to convey the knowledge to those who needed it. While resources were essential to effect the needed communication, the transfer of "knowledge and skill" was at the heart of the process, rather than the transfer of material resources from rich to poor.

Mr. Truman said "we must embark on a bold new program for making the benefits of our scientfic advances and industrial progress available for the improvement and growth of underdeveloped areas," and he invited "other countries to pool their technological resources in this undertaking through the United Nations and otherwise."

At first, the U.S. Congress was dubious. The late Secretary Robert A. Taft saw the proposal as "opening up a kind of wide-open distribution of all kinds of aid to all kinds of people anywhere in the world whom the President might desire to help" and said he had heard "no substantial or persuasive argument made in favor of any such program." At one point, the Senate came within one vote of killing the proposed Act for International Development, but the Act was eventually passed, almost 18 months after Mr. Truman's address.

Over the years since then, the U.S. "technical assistance" has not only survived all the shifts of organization and substance in the overall foreign aid program, it has grown and has acquired a solid base of support in the Congress. The increasing legislative difficulties which the foreign aid program has faced in the Congress are not traceable to the technical assistance program, but rather to aspects of the military and budgetary assistance programs with which it is unfortunately linked in the annual or biennial legislative package. If it were possible for a bill to be brought to the floor of the Senate and the House which would be limited to a modern version of the Point IV program, such a bill in my judgment would have the enthusiastic support of a widespread constituency in the United States—a constituency which the overall foreign aid program presently does not have—and the Congress would, I believe, respond accordingly.

Twenty years ago, the main emphasis of the program of the Technical Cooperation Administration (TCA) was on agriculture, health, and education. Today, after intervals of special interest in other areas, the concentration of AID's development aid is still on these three areas.

The most dramatic new development in program emphasis is the current major effort in the field of popular planning. I am somewhat embarrassed to note that in 1954, when I wrote "Shirt-Sleeve Diplomacy," I took it for granted that the Congress would reject the idea that "methods of birth contol" might be included in U.S. educational programs. Actually, the Congress has taken the lead in pressing for a substantial proportion of our aid to be for the purpose of encouraging and assisting in the development of population planning programs. It is the only substantive area in which a dollar figure ($125 million) was specified in the legislation for the past two fiscal years.

In the early days of Point IV and especially in the technical cooperation programs which preceded it, as in Latin America and Liberia, a good deal of the activity was retail in character, meaning that techniques were being communicated to the users of these techniques. Such pioneer and deservedly famous shirtsleeve diplomats as Horace Holmes in India and Frank Pinder in Liberia were, in fact, working directly with village people. Their achievement was to demonstrate that even desperately poor and ignorant people could be persuaded to try new methods.

Since those early years the effort in the U.S. technical assistance program has been to stress the multiplication factor—to train the teachers, to establish and strengthen extension services, to build institutions capable to carrying on the essential work of communication and education. For its part, the Peace Corps, founded in 1961, has turned increasingly to technical assistance, but its emphasis has remained at the retail or consumer level.

Geographically, there also have been interesting shifts in the technical assistance program. As of 1952, two of the largest U.S. programs were in Taiwan and Iran; both of these have since been phased out completely as the local governments demonstrated a capacity to carry on the work of Point IV on their own. Similarly major programs in Korea and Brazil have been phased down as these countries have achieved impressive economic development. Sizable programs of aid to Egypt and Burma have been closed down for political reasons. While India has required and received large amounts of developmental aid over the years, the technical assistance component has been of decreasing importance in this country of tremendous human resources at all levels of professional and technical training.

### NEED FOR TECHNICAL ASSISTANCE

During these same two decades, the emergence of more than 30 independent African states has created a vast area of need for technical assistance of many kinds. Initial progress, although often limited, has brought these countries to a level where they are now ripe to absorb more assistance. Compared to the programs of France and the United Kingdom, the U.S. contributions have been modest, but nevertheless substantial by the standards of 1952.

Starting with President Kennedy's Alliance for Progress, there has been a sharp increase in the relative emphasis on Latin America in the U.S. development programs. In 1952, the programs in Latin America totalled less than $20 million, as against a world-wide total of some $250 million. As of 1972, Latin America accounted for almost one third of a world wide total (for development loans, population programs and technical assistance) of about $1 billion.

Of course, it is not only in the United States that the Point IV concept has burgeoned since 1949. Mr. Truman's initiative led directly to the United Nations' Expanded Technical Assistance Program (a total for the U.N. and its specialised agencies of about $20 million in 1952), and ultimately to the U.N. Development Program (currently running at about $300 million annually). Many countries, large and small have undertaken technical assistance programs of their own. Israel, once on the receiving end, developed a small but fast moving, efficient and highly successful program. The Soviet Union was initially slow to respond to the Point IV challenge, but in the 1960's embarked on ambitious development aid programs, often stressing the conspicuous, rather than the basic.

### QUESTION OF PROGRAM SIZE

What has been the effect of all this? If the various national and international programs are today much larger than 20 or even 10 years ago, does this mean that the Point IV idea was a delusion?

On the contrary, the very spread and increase of development programs has been a mark of the validity of the idea. There have been dramatic instances of material progress—like the virtual elimination or control of malaria and smallpox in much of the world and the fantastic success of newly developed high yielding strains of wheat and rice—but even more important has been a vastly increased recognition of the importance of the concepts of communication and institution building as basic to growth. The Green Revolution would not have occured otherwise. The underlying research, no matter how basic, imaginative and successful, could not by itself have been translated into food production.

It seems inconceivable that the United States which was more than any other nation responsible for the Point IV explosion, could not turn its back on the idea and retreat into a shell of economic isolationism. But if by any chance we were to attempt to do so, the war against world wide stagnation and poverty would go on. The difference would be that, without our contribution, the struggle would be that much the more difficult and the developing world, and we ourselves, would be the poorer.

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## DIESEL TAX SUSPENSION

## HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. GUNTER. Mr. Speaker, I was pleased last week to reintroduce H.R. 12724, the Emergency Diesel Fuel Tax Suspension Act, with additional cosponsors.

At the same time, because of the continued interest in this proposal, I invite still additional cosponsors.

The bill reintroduced, I am pleased to report, carries the names of 13 new cosponsors.

They include Congressmen JIM BURKE, of Massachusetts, a member of the Ways and Means Committee of the House to which this legislation has been referred; Mr. TIERNAN, of Rhode Island; Ms. ABZUG, of New York; Mr. BROWN, of California; Mr. EDWARDS, of California; Mr. MILLER, of Ohio; Mr. PEPPER, of Florida; Mr. RIEGLE, of Michigan; Mr. SEIBERLING, of Ohio; Ms. SCHROEDER, of Colorado; Mr. THOMPSON, of New Jersey; Mr. WALDIE, of California; and Mr. WHITEHURST, of Virginia.

Mr. Speaker, the dilemma still facing sectors of the economy dependent upon the capability of the Nation's truckers to purchase diesel fuel at prices which will allow them to stay in business and move the Nation's food supplies and other commodities has not disappeared simply because that dilemma is temporarily off the front pages of the newspapers.

Since the settlement of the nationwide strike by independent owner-operators and the return to work, news of the predicament they face in the cost of fuel has faded. But the problem remains all too real.

It is reassuring in this regard that a number of colleagues have indicated their continued concern with this problem by asking to cosponsor the legislation which I introduced intially more than a month ago, on February 7, 1974, to suspend collection of the Federal tax on diesel fuel for 6 months tied to a freeze at January 15, 1974, price levels. I believe this interest shows the responsiveness of Congress even where the problem has become subsurface and no longer commands immediate public attention.

The fact remains that roughly half the truckers in the country received no benefit from the passthrough provision Congress permitted the Interstate Commerce Committee to implement without the delay ordinarily required, and that such a passthrough provision is itself inherently inequitable and further damaging to the economy.

In addition, the fact remains that the

problem—spiraling diesel fuel costs—has not and will not go away at any early date.

Therefore, I am again urging suspension of the diesel fuel tax for 6 months, at a figure estimated at $185 million, and at a time when the highway trust fund enjoys a $2 billion surplus.

I will reintroduce the original bill again shortly and invite additional cosponsorship.

## AMENDMENTS TO FEDERAL FOOD, DRUG AND COSMETIC ACT

### HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. O'BRIEN. Mr. Speaker, last October the Subcommittee on Public Health and Environment of the Interstate and Foreign Commerce Committee held hearings on proposed legislation regarding vitamin, mineral and other dietary supplements. One of those bills was H.R. 6170, which I introduced to prevent the Food and Drug Administration from interfering in the sale of truthfully labeled dietary supplements for reasons other than safety or fraud.

In the 5 months since those hearings were held, no further action has been taken and none is scheduled. I would like to take this opportunity to insert for the RECORD my testimony at the hearings and urge the committee to take action as soon as possible on this urgently needed legislation:

STATEMENT OF HON. GEORGE M. O'BRIEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ILLINOIS

Mr. Chairman, I appreciate this opportunity to present to the subcommittee my views on the recently issued regulations of the U.S. Food and Drug Administration affecting food supplements. I strongly object to these regulations and respectfully urge this subcommittee to report favorably my bill, H.R. 6170, which would prevent the FDA from interfering in the sale of truthfully labeled vitamin and mineral food supplements for reasons other than safety or fraud.

Because the FDA's deadline for the implementation of these regulations is set for the end of this year this legislation assumes a new urgency and I am most grateful to the subcommittee for scheduling hearings on this matter.

My bill, H.R. 6107, introduced on March 26, is identical to H.R. 643, introduced by Congressman Hosmer of California. It defines food supplements and special dietary uses of food. It also prohibits FDA limitations on the potency, number, combination, amount, variety, or use of food supplements unless intrinsically injurious to health in the recommended dosage and limits the FDA's authority to require warning labels on food supplements to instances where the recommended dosage is intrinsically injurious to health.

My remarks will be brief. I do not pretend to be an expert on the subject of nutrition. Nor do I wish to act as final arbiter in the lengthy and interminable disputes between the proponents and opponents of natural foods and food supplements.

I *do* regard myself as something of an expert on the views and needs of the people of the 17th Illinois Congressional District. I have heard from a great many of them on the subject of food supplements and their opinion has been unanimous. The new FDA regulations are bad news.

One does not need to be an expert on nutrition to understand why. The people of my home district believe in freedom of choice. They have confidence in their own and in their fellow man's ability to weigh evidence and to come to a rational conclusion. They resent the effort on the part of the U.S. Food and Drug Administration to make "fact" of opinion and to impede free choice. They are repelled by the idea that a Washington bureaucrat can decree as "fact" that the vitamin content of a food is not significantly affected by its storage, transportation, processing or cooking or by the soil in which it is grown. They are disturbed by the fact that the FDA can give its opinion the force of law and compel adherence to these "facts" under pain of criminal sanction. In their opinion the FDA's new regulations amount to a censorship of ideas and to an unnecessary restriction on the individual's right to eat as he choses even at the risk of making a mistake.

Research in nutrition is only beginning. Conclusions as to the validity of various nutritional propositions are at best educated guesses. Two hundred years ago bleeding by leeches represented the last word in medical treatment. One can only wonder what the state of medicine would be today if opinions to the contrary had been banned as "mislabeling."

No one questions the right and obligation of the Food and Drug Administration to protect the public from mislabeled goods or from food supplements proven hazardous to one's health. But the FDA's new regulations go far beyond these legitimate ends. They run counter to the concepts of freedom of choice and of free interchange of ideas which are essential to a democratic society.

## TRIBUTE TO VERSAILLES, PA., VOLUNTEER FIRE COMPANY

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. GAYDOS. Mr. Speaker, long ago the volunteer fireman carved himself a special niche in the hearts of Americans who live in suburban or rural areas. They have turned to him many times for help and he has never failed to respond. His dedication and courage have won him the admiration and respect of his friends and neighbors.

It is for that reason I rise today: to pay tribute to a volunteer fire company which has provided the residents of a community within my 20th Congressional District of Pennsylvania with fire protection and other related services for 60 years. The Versailles Volunteer Fire Company will reach this milestone on April 13.

That alone is worthy of public recognition, but there is another reason that I bring it to the attention of my colleagues. At this anniversary observance, the members of the volunteer fire company will honor one of their own; a man who has adopted this great Nation as his own and who, by his life, has set an example for all native born Americans.

This fine, elderly gentleman is Mr. Sabata "Sam" Dimieri, who came to the United States at the turn of the century, opened a shoemaker shop and became a charter member of the Versailles Volunteer Fire Company. He has been active in its affairs from the beginning, serving as an officer for 49 years, including 46 consecutive years as its treasurer. This, too, is a noteworthy accomplishment in its own light but it is made more startling because Sam is looking forward to an anniversary of his own. Sam will be 92 years old on May 5.

Sam has been a part of the transition of the Versailles Volunteer Fire Company from a bucket brigade operation to the modern, self-sustaining organization it is today; one which offers the community fire protection as well as ambulance and rescue services and which has assets valued at a quarter of a million dollars.

Mr. Speaker, it is an honor to recognize the Versailles Volunteer Fire Company. I commend its officers and members for their dedicated service of the past and wish them continued success. As for Sabata "Sam" Dimieri, what can one say to one who has given so much except "Salute and God bless you."

## QUINCY GOLDEN EAGLE COLOR GUARD

### HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. FINDLEY. Mr. Speaker, the Golden Eagle Color Guard of Quincy, Ill., will be in Washington during the annual National Cherry Blossom Festival representing the strength and vitality of Illinois and the Nation's youth.

The Golden Eagles are composed of 24 young ladies who are students at Notre Dame High School in Quincy. The unit is sponsored by the Quincy CYO as a part of a program involving many hundreds of Quincy area youth.

Under the leadership of Sister Karl Mary; CYO Director Joe Weise; and Herb Wellman, the director of the Golden Eagles; these young ladies have developed themselves into a finely tuned precision marching unit.

The members of the Golden Eagles are: Linda Harcharick, Kathy Koch, Kay Kuhlmeier, Sally Schlipman, Theresa Schonoff, Mary Lou Schutte, Sue Buckner, Geri Heinze, Chris Herman, Nancy Kinney, Debbie Swartz, Kathy DeVries, Karen Ennis, Lisa Harcharick, Maggie O'Brien, Sherri Stegeman, Lou Wensing, Donnette Bockenfeld, Candy Britton, Donna Cramsey, Lisa Musolino, Karen Quinn, Dori Scharnhorst, and Debbie Wellman. Accompanying the Eagles to Washington is Mrs. Wellman, wife of the director; Mr. and Mrs. William Kinney; Mrs. Melvin Koch; and Mrs. Charles Heinze; and Mrs. Wayne Harcharick.

These young ladies have carried their banners from the eastern seaboard of the United States to Texas during the past 6 years, showing the American people a fine example of young womanhood on and off the field.

Previously, the Golden Eagles have

been to Washington as part of the annual Cherry Blossom Festival. Now they are returning for this year's Parade of Princesses. In addition, the Golden Eagles will perform at the new Capital Arena on March 28 when All-American Jim Wisman, Quincy's basketball star, plays in the All-American High School Basketball Championship.

I am proud that these young ladies and Jim Wisman will be here from the 20th Congressional District in western Illinois.

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## SAVE A DUCK SLOUGH

## HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. CONTE. Mr. Speaker, I am pleased to report to my colleagues today on action taken this morning by the Migratory Bird Conservation Commission, on which I am privileged to serve.

The Commission gave reapproval for the acquisition of 875 acres of land for the Sherburne National Wildlife Refuge in Sherburne County, Minn. This completes acquisition at this 30,124-acre refuge located 40 miles northwest of the Twin Cities of Minneapolis and St. Paul.

The Sherburne Refuge is designed primarily as a production refuge, but when developed will also attract large concentrations of migrating ducks and geese that use the western portion of the Mississippi flyway.

Acquisition of this land is made possible, as my colleagues are aware, through revenues realized from the sale of migratory bird hunting stamps, popularly known as duck stamps.

In the April issue of Field and Stream magazine, writer Don Grussing, coincidentally from Minnesota, tells of his suggestion for increasing duck stamp income, and that is simply for sportsmen and conservationists to purchase an extra duck stamp or two.

At this time, I insert the article into the Record:

### Save a Duck Slough

(By Don Grussing)

How? Buy two duck stamps next year—unless you already buy two; then buy three or four. It's one of several quick and easy steps a hunter can take to help preserve and protect wildlife habitat.

As a hunter you're faced with a big problem. Habitat—places to hunt and places that birds and animals you do hunt must live and reproduce in—is disappearing. It's a fact of life that's been well documented. You've read about it in Field & Stream, newspapers, government publications, and periodicals put out by conservation organizations. You've got to do something about it.

You've got to do your part to protect our disappearing duck-producing marshlands (which, incidentally, provide much habitat for other game and nongame species). You've got to try to save patches of cover and fencerows for pheasants, quail, and doves, and the old orchards where ruffed grouse hang out.

The key thing that you, as a sportsman, must understand, is that you can do a great deal to put away what's left for your use, and the use of future generations. It's as easy as buying a fifth of whiskey, or a sack of lawn food.

Many sportsmen, seeking to help, have banded to form clubs, working enmasse as a political and environmental force. In fact, private sportsmen's clubs have performed some very important conservation deeds. Among them are construction of thousands of wood duck houses, preservation of trout streams and hunting habitat through club acquisition, spreading the gospel of conservation education, and much more. Some of the most important waterfowl wintering grounds in the U.S. are owned by hunting clubs. But, not everyone has the time or inclination to belong to a club. Your job may make it impossible. Or, you might not be a joiner.

But there is still something each and every hunter in the United States and Canada can do to protect and preserve wildlife habitat. One simple way is to buy an extra duck stamp this fall. Prairie potholes are still disappearing to the drag line and drainage ditch in this country. In the pothole country of the three most important duck-producing states in the U.S., Minnesota, and South and North Dakota (plus a corner of Iowa), it's estimated that 60 percent of the potholes have already been drained. And friends, it's continuing right now.

To fight this trend, Federal and state governments have been getting long-term easements on the prime duck-producing wetlands or buying them outright as fast as money allows. But that's not quite fast enough in the face of pressure applied by drainage interests.

As fast as money allows—that's the key! And that's where you can help. Federal funds for habitat acquisition come primarily from duck-stamp revenues. All you have to do to speed up wetlands acquisition is buy an extra duck stamp or two.

Can it help? Of course. For every twenty hunters purchasing an extra duck stamp this fall, enough revenue will be produced to acquire one acre of duck-producing wetlands in key areas of the U.S. (That's based on a cost estimate of about $100 per acre for wetland acquisition. This figure varies, according to the Bureau of Sport Fisheries and Wildlife. The Bureau's realty office gives a per acre average of $100 to $150.)

So you can see, it only takes a little effort per hunter to lay away literally thousands of acres of wetlands each year.

It's not for duck hunters only, either. Every species of game benefits from wetlands. Pheasants, doves, rabbits, deer, quail—virtually every wild creature utilizes wetlands in its life routine.

But look at what can be done if duck hunters alone participate.

If only 10 percent of the 2 million duck hunters in the U.S. buy an extra duck stamp this fall, we'll be stocking away about 10,000 additional acres of wetlands annually. In ten years, we'll have stashed away 100,000 acres.

On the other hand, if half of the duck hunters could be persuaded to buy an extra stamp, we could acquire about 50,000 acres of wetlands in one year. In ten years, we'll have acquired 500,000 acres of wetlands on top of the present programs.

You don't even have to buy a duck stamp to give money for Federal acquisition of wetlands. If you wish, you can simply send a contribution, any size, to: Director, Division of Wildlife Service, Bureau of Sport Fisheries and Wildlife, Washington, D.C. 20240. Include a brief note concerning the purpose for which your donation is intended, and it'll get into the right account.

What's that? You say you'd rather have the money to go to a certain state! Well, a lot of states will let you do that, too. In fact, that's how I got turned on to this whole idea.

I live in Minnesota. Last year I raised a group of wild mallard ducklings for release in a couple of ponds in my neighborhood. One of my neighbors let his Siberian husky run loose one day and the dog broke into my pen, killing four of fifteen ducks and permanently crippling one. The neighbor wouldn't pay me, so I took him to small claims court. I figured the value of the five ducks at about $6 each. I won. But there was no sense for me to keep the money. I was raising the ducks for a conservation project. Let the money be used for conservation purposes!

My first idea was to give the money to Ducks Unlimited, a very fine organization, and one that I am proud to belong to. But I thought, Why not buy some wetlands in my own state, where I do much of my hunting. I'll still give my annual contribution to Ducks Unlimited in a couple of months.

I found out that Minnesota, one of the most important duck-producing states, does have a special fund to which you can donate money expressly for wetlands acquisition. And though my money wasn't much, they were glad to get it. And it's tax deductible.

I sent my contribution to Milo Casey, Director of the Division of Game & Fish, 301 Centennial Building, 658 Cedar St., St. Paul, Minnesota 55155.

It turns out that another prime pothole state also has a special fund for wetlands acquisition. South Dakota's Harvey H. Pietz, Executive Assistant with the Division of Game and Fish, told me donations designated for the specific use of wetlands acquisition have helped the state buy at least two tracts of wetlands. Contributions for South Dakota can be sent to the Department of Game, Fish and Parks, State Office Bldg., Pierre, South Dakota 57501.

North Dakota does not earmark donations specifically for wetlands acquisition. But the North Dakota Game and Fish Department at Bismarck does take donations specifically for prairie chicken production areas.

If you're interested in donating money to your state for wetlands or other habitat acquisition, check with your state department of game and fish. They'll be able to give you details on state programs in a few minutes.

Of course, there are other places where your money can be effectively and efficiently used for wildlife habitat acquisition.

One is The Nature Conservancy headquarters at 1800 North Kent Street, Suite 800, Arlington, Virginia 22209. Money from duck hunters or upland game hunters specified for wetland acquisition would be welcomed by The Nature Conservancy. This agency is currently involved in a very active program to acquire wetlands across the entire U.S. The agency would appreciate support of hunters who share an interest in preserving our fast-vanishing swamps and wetlands.

Involvement in acquisition of all sorts of ecologically important lands has led The Nature Conservancy to setting aside almost 268,500 acres of ecologically vital land across forty-five states and among the Virgin Islands. A significant proportion of these acres are wetlands.

Another helpful conservation organization is the Audubon Society, 1130 5th Avenue, New York, New York 10028. Money donated to its refuge fund will be used for acquisition and management of some of the finest refuges in the world. Many are in the U.S. and are most helpful to waterfowl and other game.

I dare not forget Ducks Unlimited, one of the pioneer organizations devoted to waterfowl production and preservation. This is a most deserving place for your contribution, because funds go to preserve and protect waterfowl habitat on the great Canadian breeding grounds. And it operates entirely on contributions of duck hunters. You can write for information to the national headquarters, P.O. Box 66300, Chicago, Illinois 60666.

Even if you don't hunt ducks, you should know that most other wildlife benefits from your wetlands contribution. But if you're a grouse hunter, you can join the Ruffed Grouse Society of America. This organization, headquartered at 4515 Culver Road, Rochester, New York 14622, is studying methods of improving grouse habitat, methods of maintaining peak cover, and generally improving grouse hunting throughout the U.S.

Ideally, you'd send money to more than one organization. Personally, I feel strongly about Ducks Unlimited projects in Canada. I'm also going to see to it that Minnesota gets some more money, and I'm going to buy an extra duck stamp next year, and just put it away.

But can I afford that? It's easy. I quit smoking not too long ago, and now I've got an extra $150 a year to fool around with.

But you don't have to spend that much money. It'll only cost you about 42 cents a month to buy an extra duck stamp each year. Certainly protecting your favorite outdoor recreation is worth that! Wouldn't you agree with that?

Won't you please give some of your extra change to protect our dwindling wildlife resource? Remember, if we all do a little bit, collectively we're doing a lot.

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## FUNDS FOR EDUCATION

## HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. COLLIER. Mr. Speaker, the numerous programs administered by the Office of Education received appropriations totaling almost $6,000,000,000 for fiscal 1974. A table that I am inserting in the RECORD shows how most of these funds were allocated. The activities have been broken down by categories, but there is considerable overlapping between categories.

As my colleagues and other interested persons go over these programs and their costs, I am sure they will ask many questions. Some that occurred to me are:

Why should the taxpayers of the entire Nation have to pay for the education of migratory children? Should not the States that profit from their parents' labor pay for the children's schooling?

Why should children with limited English-speaking ability be helped from the time they are 3 until they become 18? Can they not learn to speak English fluently in less than 15 years?

When there is an obvious oversupply of teachers, why spend millions of dollars to train more, thus adding to unemployment among educators and possibly depressing their salaries?

Mr. Speaker, we will soon be asked to appropriate money for fiscal 1975. Here is a fertile field for effecting the economies that will be necessary if the budget is to be balanced.

The table follows:

*Funds for Fiscal 1974*

EDUCATION OF THE DISADVANTAGED

[in thousands of dollars]

| | |
|---|---|
| Programs for disadvantaged children to meet educational needs of deprived children | 1,446,338 |
| College work-study, to stimulate and promote the part-time employment of postsecondary students of great financial need | 270,200 |
| Educational opportunity grants, to assist students of exceptional financial need to pursue a postsecondary education | 210,300 |
| Programs for migratory children, to meet educational needs of children of migratory farm workers | 98,331 |
| Bilingual education, to develop and operate programs for children aged 3–18 who have limited English-speaking ability | 50,350 |
| Special grants to urban and rural school districts with high concentrations of poor children, to improve education of disadvantaged children | 47,701 |
| Special programs serving schools in low-income areas, to train or retrain persons for career ladder positions or for staff positions in urban and rural poverty schools and to introduce change in the ways in which teachers are trained and utilized | 46,229 |
| Follow Through, to extend into primary grades the educational gains made by deprived children in Head Start or similar preschool programs | 41,000 |
| Upward Bound, to generate skills and motivation for young people with low-income backgrounds and inadequate high school preparation | 38,331 |
| Programs for children in State institutions for the neglected and delinquent, to improve the education of such children | 25,449 |
| Student special services, to assist low-income and handicapped students to complete postsecondary education | 23,000 |
| State student incentive grants, to encourage States to increase their appropriations for grants to needy students or to develop such grant programs where they do not exist | 19,000 |
| To strengthen State administration of Elementary and Secondary Education Act title I programs (financial assistance to local education agencies in schools where there are concentrations of children from low-income families) | 18,048 |
| Total | 2,334,277 |

EDUCATION OF THE HANDICAPPED

| | |
|---|---|
| Programs for the handicapped in State-supported schools, to strengthen programs for children in such schools | 85,778 |
| Programs for the handicapped (aid to States), to strengthen educational and related services for handicapped children | 47,500 |
| Personnel training for the education of the handicapped to prepare and inform teachers and others who educate handicapped children | 39,615 |
| Training of physical education and recreation personnel for handicapped children (funds included in previous item) | — |
| Deaf-blind centers, to develop centers and services for deaf-blind children and their parents | 14,055 |
| Media services and captioned film loan program, to advance the handicapped through film and other media, including a captioned film loan service for cultural and educational enrichment of the deaf; to establish and operate a national center on educational media for the handicapped; to contract for research in the use of educational and training films and other educational media for the handicapped and for their production and distribution; and to contract for training persons in the use of educational media for the handicapped | 13,000 |
| Early education for handicapped children—to develop model preschool and early education programs for such children | 12,000 |
| Handicapped research and related activities—to promote new knowledge and teaching techniques applicable to the education of the handicaped | 9,566 |
| Programs for children with specific learning disabilities—to provide for research, training of personnel, and to establish model centers for the improvement of education of such children | 3,250 |
| Information and recruitment for handicapped—to improve the recruitment of educational personnel and the dissemination of information on educational opportunities for the handicapped | 500 |
| Physical education and recreation for handicapped children—to perform research in such areas | 350 |
| Total | 225,614 |

VOCATIONAL AND ADULT EDUCATION

| | |
|---|---|
| Vocational programs, to maintain, extend, and improve vocational education programs and to develop programs in new occupations | 494,227 |
| Occupational training and retraining, to train persons for work in fields where personnel shortages exist | 145,000 |
| Adult education, to provide literacy programs for adults | 63,485 |
| Vocational facilities, to construct such facilities in the Appalachian region | 24,000 |
| Vocational education research (developing new careers and occupations), to develop new vocational education careers and to disseminate information about them | 9,000 |
| Vocational education research, to develop programs that meet the special vocational needs of youths with academic and socioeconomic handicaps | 9,000 |
| Vocational education research, to develop, establish, and operate exemplary and innovative projects to serve as models for vocational education programs | 8,000 |
| Vocational education research (relating school curricula to careers), to stimulate the development of new methods for relating school work to occupational fields and public education to manpower agencies | 8,000 |
| Vocational education curriculum development, to develop standards for curriculum development in all occupational fields and promote the development and dissemination of materials for use in teaching occupational subjects | 4,000 |
| Total | 764,712 |

### LOANS AND INTEREST

| | |
|---|---|
| Interest benefits for higher education loans, to provide such benefits through commercial lenders | 310,000 |
| National Direct Student Loan program, to assist in setting up funds at institutions of higher education for the purpose of making low-interest loans to graduate and undergraduate students attending at least half-time | 293,000 |
| Instruction in nonpublic schools, to provide interest bearing loans to private schools to improve instruction of academic subjects | 250 |
| Total | 603,250 |

### IMPACT AID

| | |
|---|---|
| School maintenance and operation, to aid school districts on which federally activities or major disasters have placed a financial burden | 225,820 |
| Public schools construction, to aid school districts in providing minimum school facilities in federally impacted and disaster areas | 19,000 |
| Total | 244,820 |

### DESEGREGATION ASSISTANCE

| | |
|---|---|
| Basic grants, to aid school districts to eliminate or reduce minority group isolation | 146,875 |
| Pilot projects, to help school districts provide special educational assistance in minority group isolated schools | 37,341 |
| To local education agencies, to aid school districts in hiring advisory specialists to train employees and provide technical assistance in matters related to desegregation; to teacher institutes—to improve ability of school personnel to deal with school desegregation problems; and to general assistance centers and state education agencies—to provide technical assistance for school desegregation activities | 21,700 |
| Nonprofit organizations, to give aid to community based efforts in support of school district Emergency School Aid Act programs | 19,915 |
| Special programs, to support efforts serving Emergency School Aid Act aims in areas not included in specified programs | 12,447 |
| Bilingual-bicultural programs, to help school districts provide such programs to reduce isolation of minority language groups | 9,958 |
| Educational television, to develop and produce multi-ethnic television presentations supporting educational improvements | 7,468 |
| Total | 255,704 |

### LIBRARIES

| | |
|---|---|
| School library resources and instructional materials, to help provide school library resources, textbooks, and other instructional materials | 90,250 |
| Library services, to extend and improve public and institutional library services and library services to physically handicapped persons | 44,019 |
| College library resources, to strengthen library resources of junior colleges, colleges, universities, and postsecondary vocational schools | 9,975 |
| Librarian training, to increase opportunities for training in librarianship | 2,850 |
| Interlibrary cooperation, to establish and operate cooperative networks of libraries | 2,730 |
| Library demonstrations, to promote library and information science research and demonstrations | 1,425 |
| Total | 151,249 |

### TRAINING OF TEACHERS, ETC.

| | |
|---|---|
| Teacher Corps, to improve educational opportunities for children of low income families and to improve the quality of programs of teacher education for both certified and noncertified and inexperienced teacher interns | 37,500 |
| Educational personnel training and development, to support, broaden, and strengthen training of teachers and other educational personnel | 26,179 |
| College teacher fellowships, to increase the number of well qualified college teachers | 5,806 |
| Fellowships for higher education personnel, to train persons to serve as teachers, administrators, or education specialists in higher education | 2,100 |
| Educational development for educators from other countries, to provide opportunity for such educators to observe U.S. methods, curricula, and organization on elementary, secondary, and higher education levels | 350 |
| Total | 71,935 |

### STATE EDUCATION AGENCIES

| | |
|---|---|
| Strengthening state education agencies, to improve leadership resources of such agencies | 34,675 |
| To improve state and local comprehensive planning and evaluation of education programs | 4,750 |
| To help states administer programs under titles VI and VII of Higher Education Act | 3,000 |
| State administration of National Defense Education Act programs, to strengthen administration in state education agencies for supervisory and related services to elementary and secondary schools | 2,000 |
| Total | 44,425 |

### INDIAN EDUCATION

| | |
|---|---|
| Indian education—to aid local education agencies Indian controlled schools on or near reservations meet the special educational needs of Indian children | 25,000 |
| Programs to provide additional educational assistance to Indian children in federally operated schools | 15,810 |
| Special projects in Indian education—to support planning, pilot, and demonstration projects for the improvement of educational opportunities for Indian children and to develop training programs for educational personnel | 15,000 |
| Total | 55,810 |

### CUBAN REFUGEE EDUCATION

| | |
|---|---|
| To help school systems meet the financial impact of Cuban refugee education | 10,000 |
| Cuban student loans—to provide a loan fund to aid Cuban refugee students | 2,600 |
| Total | 12,600 |

### FOREIGN LANGUAGES, ETC.

| | |
|---|---|
| Group projects abroad for language and area studies in non-Western areas, to promote development of international studies and research and to promote research on educational problems of mutual concern to American and foreign educators | 2,300 |
| Teacher exchange, to promote international understanding and professional competence by exchange of teachers between the United States and foreign nations | 1,320 |
| Fellowships abroad for doctoral dissertation research in foreign language and area studies, to promote instruction in international studies through commercial lenders | 750 |
| Consultant services of foreign curriculum specialists, to support visits by foreign consultants to improve and develop resources for foreign language and area studies | 160 |
| Fellowship opportunities abroad, to promote instruction in international studies through grants for graduate and faculty projects (funds included in previous item) | ------ |
| Total | 4,530 |

### OTHER PROGRAMS

| | |
|---|---|
| Basic educational opportunity grants, to provide financial assistance to postsecondary students at the undergraduate level | 475,000 |
| Supplementary centers, to support innovative and exemplary projects | 146,168 |
| Advanced institutional development, to assist selected developing institutions to enter the mainstream of higher education | 99,992 |
| National teaching fellowships and professors emeriti, to strengthen the teaching resources of developing institutions (funds included in previous items) | ------ |
| Strengthening developing institutions, to provide partial support for cooperative arrangements between developing and established institutions (funds included in previous item) | ------ |
| Instruction in public schools, to strengthen instruction of academic subjects | 26,250 |
| Veterans cost-of-instruction, to encourage recruitment and counseling of veterans by postsecondary education institutions | 23,750 |
| Incentive grants, to encourage greater state and local expenditures for education | 17,855 |
| Educational broadcasting facilities, to aid in the acquisition and installation of broadcast equipment for educational radio and television | 15,675 |
| University community service programs, to strengthen higher education capabilities in helping communities solve their problems | 14,250 |
| Endowments to agriculture and mechanic arts colleges to support instruction in such programs in land-grant colleges | 12,200 |
| Undergraduate instructional equipment, to improve undergraduate instruction | 11,875 |

| | |
|---|---|
| Cooperative education programs, to support the planning and implementation of such programs at higher education institutions | 10,750 |
| Higher education innovation and reform, to aid higher education in generating reforms in curriculum development, teaching, and administration | 10,000 |
| Talent search, to assist in identifying and encouraging promising students to complete high school and pursue postsecondary education | 6,000 |
| Drug abuse education and related programs and activities, to organize and train drug education leadership teams at state and local levels, to provide technical assistance to these teams, and to develop programs and leadership to combat causes of drug abuse | 5,700 |
| Sesame Street-Electric Company—to fund children's public television programs | 3,000 |
| Projects in environmental education, to develop environmental and ecological awareness and problem-solving skills through education programs conducted by formal and nonformal educational organizations and institutions | 1,900 |
| To assist the Close Up Foundation, Washington, D.C., to carry out its program of increasing the understanding of the federal government among secondary school students and the communities they represent | 500 |
| Total | 880,865 |
| Grand total | 5,649,791 |

## WABC RADIO BACKS VOTER REGISTRATION BY MAIL

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. RANGEL. Mr. Speaker, voter participation in elections in the United States is dismally low. It is urgent that the House of Representatives quickly completes action on legislation, already passed by the Senate, to establish a mail voter registration system. As I told the Subcommittee on Elections of the House Administration Committee in my testimony, the present method of registering voters has the tragic effect of disenfranchising millions of citizens.

The following WABC radio editorial, directed at the need for comparable legislation at the State and city levels, presents strong arguments in favor of opening our electoral system to those who are left out because of archaic and inequitable voter registration laws:

#### Taxes Are Collected by Mail, Why Not Voter Registration by Mail

City Council President Paul O'Dwyer has introduced a resolution to the City Council supporting voter registration by mail.

Aside from being more convenient, mail registration would be economically sound. To register a new voter, it now costs from $5 to $8. Registration by mail would cost the taxpayer less than $2 per new voter.

It is estimated that over one million new voters could be registered to vote by the mail system. In these apathetic times, only 50 percent of New Yorkers register and only 60 percent of those registered actually vote.

We feel that voter registration by mail would be financially feasible and would greatly assist the elderly and handicapped resident. We urge prompt action by the City Council and the State Legislature.

## ON A NATIONAL ECONOMIC PLANNING BOARD

### HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. HARRINGTON. Mr. Speaker, an editorial by Wassily Leontief, entitled, "For a National Economic Planning Board," appeared in the March 14 New York Times. Mr. Leontief's article pointing out the ineffectiveness of the Council of Economic Advisers and the need for the reinstatement of President Franklin D. Roosevelt's National Resources Planning Board, is timely indeed in face of an impending recession and an insensitive Federal Government.

It seems to me that Dr. Leontief's recommendations would create a vehicle to help curb inflation and prevent a damaging recession, and provide a continued degree of unity in setting national economic policy.

Dr. Leontief's words should be heeded and deserve the attention of each Member of this body. Therefore, I insert them in the Record at this time.

The text follows:

#### For a National Economic Planning Board

(By Wassily Leontief)

Cambridge, Mass.—"Maybe we need an economic planning agency." Coming from Herbert Stein, this statement might reflect momentary frustration with the inability of the "invisible hand" of the automatic market mechanism to arrest galloping inflation, rising unemployment and mounting shortages of prime necessities.

Four months have passed since Mr. Stein, chairman of President Nixon's Council of Economic Advisers, uttered these words, at the last annual meeting of the American Economic Association, and things in the meantime have gone from bad to worse.

Some optimists will argue that had George P. Shultz, Secretary of the Treasury; Roy L. Ash, Director of the Office of Management and Budget, and William E. Simon, Administrator of the Federal Energy Office, not interfered with the operation of the free-market mechanism by their contradictory pronouncements and haphazard edicts, all would be on the mend by now.

I disagree, and am prepared to argue that if in place of the powerless and understaffed Council of Economic Advisers we had had a well-staffed, well-informed and intelligently guided planning board, the mess in which the country finds itself today could have been avoided.

The American economy is a gigantic, intricate machine. A serious malfunction of any one of its component parts affects, sometimes with a long delay, the workings of all the other parts. Decisions that are made and actions taken today will affect the life of everyone. Some of these changes might be felt only five, perhaps ten years, and even twenty years from now. Decisions made by the large oil companies several years ago to restrict construction of new refineries in the United States have idled tens of thousands of workers in the automative, plastics and many other industries today.

The decision made today by a large company to build or not to build a new steel mill or a chemical plant, or to start a mining operation, can have major repercussions in the future.

For the managers, this means taking normal business risks, but it should not be forgotten that the outcome of such necessary gambles will affect not only the stockholders of that particular corporation and the careers of those in charge but also many businesses in other sectors of the economy as well. For example, the present shortage of raw materials in the petrochemical industry has stalled the phonograph-record-making business.

True, nearly every self-respecting corporation has a vice president in charge of planning. He is responsible for assessing the available options by predicting the probable consequences of alternative courses of action; top management, of course, has the duty to make the final choice. But how can the corporate planner of Republic Steel know what the demand for the future output of a proposed new mill might be if he does not know whether Bethlehem Steel is planning to expand its steelmaking capacity, too?

Moreover, even if he finds out, how can he anticipate the decision of a railroad czar in Washington to finance large-scale purchases of new equipment, or of some oil company to authorize or possibly to cancel the construction of a new pipeline?

Miscalculations resulting from such ignorance are bound to lead to over-investment, which is bad for the stockholders, or underinvestment, which, as recent experience has shown, can be very good for some stockholders but bad for others and the public at large.

There are, of course, Government agencies in Washington that monitor the situation or even control the planning decisions made in some key industries.

For instance, the Federal Power Commission is supposed to control electric utilities (or is it vice versa?), the Interstate Commerce Commission the railroads, and so on.

Whenever trouble crops up someplace, a new Government agency or commission is set up to investigate, and if things get really bad, to regulate.

In some instances two or three different agencies with overlapping responsibilities arrive at contradictory appraisals of the present state and future prospects of the same industry. This is not at all surprising. The heads of these agencies, more often than not corporate vice presidents in mufti, have as much difficulty finding out what the situation actually is as they did when they sat in their own company offices, since the real cause of trouble in most cases lies outside their narrow field of vision.

The resulting scene reminds one of a Ringling Brothers act with four frantic characters in a car, one pressing on the gas, another on the brake, the third clutching the steering wheel, and the fourth blowing the horn.

Isn't it high time to revive President Franklin D. Roosevelt's National Resources Planning Board? Our technical capabilities for monitoring the state of all the branches of the economy in their mutual interrelationships and for analyzing in great detail the available options—not from the point of view of an individual company or sector but of the system as a whole—are much greater today than they were forty years ago. Most of the necessary factual information is available, and what is missing can be readily obtained.

The establishment of a national planning board would obviously require major efforts and much time. Steps taken now in this direction could not possibly lead to the solution of the present crisis. They might, however, keep the country from stumbling into the next crisis, and the next, each contributing one more turn to the inflationary spiral in which we have been caught.

## THE SPACE SHUTTLE

## HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. TEAGUE. Mr. Speaker, only a few opportunities occur in a generation to support or advocate truly innovative change benefiting all the people of this Nation. Our national space program has been an innovative stimulant to education, industry, and economic progress. The gains accrued from the Apollo program are still being realized in our daily lives, and foreshadowed what will likely be an even more significant direct contribution to our Nation—the Space Shuttle. H. Allen Perry, in a definitive article from the American Legion magazine, points out in detail the importance and value of the U.S. space effort and the need for a low-cost space transportation system. I urge the reading of this important article to my colleagues and general public:

### THE SPACE SHUTTLE—THE SPACE AGE WILL PROBABLY REALLY BEGIN ABOUT 1980, WHEN SPACE SHUTTLE OPERATIONS MAY START

(By H. Allen Perry)

If we tend to think that we have been living in the Space Age for about 15 years, ever since NASA started operations in October 1958, I doubt that history will agree.

It will probably be viewed in the future as the start of the Space Age.

The space shuttle will mark our first effort to use the same vehicle for transit back and forth between earth and space, time after time.

From this so many other things must flow that the shuttle is the key to getting into space on a working basis.

Although the United States had made 666 civilian and military space launchings by the end of 1972, I rather think that they will all be seen as the log rafts, and the shuttle will be Numero Uno of the new age. It will provide the first foundation for *regular* space operations for all the things our descendants will do in space.

The use of space by man stretches ahead forever. Fifty years, a hundred, a thousand. We cannot even start to guess what we will do there eventually.

Our decendants will almost surely have factories in space, while huge mirror lenses may be parked in close orbit to the earth, reflecting the perpetual sunshine in space down to solar furnaces on earth to supply us with power.

Before such things and countless unimaginables can even begin, the aims of the space shuttle must be realized.

The size of the payloads we orbit must be increased and the cost of putting them up decreased. A routine way to repair and resupply satellites in orbit—or to add improvements to them—must be worked out. The wasteful habit of throwing away millions of dollars worth of launch vehicle and satellite after one use must end. Taxi and tugboat services must exist in space to avoid the costly launches against earth's gravity for every little thing that we may want to do out there.

The space shuttle represents our first crack at converting the space around the earth from the proving ground it now is to a busy harbor. To see it as a whole, let's jump ahead to an imaginary look at perhaps the 150th launching of the space shuttle program from Cape Kennedy. Maybe the years is 1983 or so.

Earlier shuttle trips have modestly tried to do only one or two things at a time to test them out in practice. This 150th trip has multiple missions and its crew are old hands at shuttling. The first launchings have parked various things out in space, in orbit around the earth. Craft like the one we are looking at on the pad took them all out and returned. They have already revisited many of them, ferried repair crews up and back to some of them, and several times relieved crews stationed on others. Each was ready for turnabout only two weeks after gliding back home.

Even at this stage of the space game we are still experimenting and exploring. Many of the satellites that this mission will revisit are still collecting scientific data. One day we will know most of what we can readily learn in earth orbits, and more of the satellites will be doing jobs that are more immediately practical than long-range scientific research.

The craft we see on the pad is called an orbiter. "Space shuttle" refers to the whole project, not any one element.

The orbiter has carried dozens of payloads up, and it may carry hundreds more before we replace it. It doesn't look like the earlier rockets, but like a big jet transport standing on its tail. It has delta wings for moving about in the earth's atmosphere and for gliding to a landing on return trips from space.

Though it is like nothing else in the past in detail, it is plainly a flying cargo vessel and not a three-staged space package whose parts will be separated, never to be reused when the mission is complete. Like a jet transport or a bomber, the payload is inside its main body.

Except for the Apollo moon rocket the payload is much bigger than anything we ever blasted off in the days before the shuttle. One reason is that the orbiter does not carry the weight of a third-stage rocket, and can use the saving to carry useful load. It is only going to a low orbit. There is a tug orbiting in space that will haul any of the payload that is destined for a distant orbit the rest of the way.

The tug was sent up just one time and parked in orbit, to sort of take the place of all future third-stage rockets. The orbiter need only bring it fresh fuel supplies to keep the tug operable, instead of blasting the weight of a third-stage launch vehicle off the earth each time we put something in a distant orbit.

For this and other reasons, the useful load of the orbiter is much larger than useful loads were before 1978. For instance, one thing in the orbiter as it stands on the pad is a new sort of Skylab, an advanced version of the first one up that got in trouble in May 1973. Yet it is simpler and cheaper as it is not an independent vehicle. It is called a Space Lab. Several scientists working in a shirtsleeve atmosphere can conduct space experiments in it for anywhere from seven to 30 days. On this trip four scientists have been allotted 20 days. The Space Lab is not a part of the orbiter, but is just part of the payload—a sort of workshop in an enclosed cylinder that's going along this time. This one will be carried inside the fuselage on the whole trip, though it *can* be exposed to the space environment.

We can pretend that the scientists in the Lab for Trip 150 are going to try to manufacture several useful things for mankind in space that cannot be manufactured on earth, and were never known before, because they can't be made except in no-gravity, or in a perfect vacuum. It is felt that their work on this trip will result in a permanently orbiting space factory to produce unheard of drugs and other chemical compounds within a few years, as well as some more familiar products that will be of a purity unknown on earth, where trace contaminants and uneven reactions are unavoidable. A rather conservative professor has predicted that as a result of this trip, crystals will be made in space of such purity that they will revolutionize electronics.

If it weren't carrying a Space Lab on this trip, the orbiter could take up a number of free-flying satellites (as it has often done) and park them in orbit by pushing them overboard.

Right now, it's close to launch time. The orbiter has a huge fuel tank strapped to its belly and two slightly smaller rockets on either side of the tank. All three are so big that, to the eye, the orbiter looks something like a DC–9 piggybacked onto the larger tank and rockets. This impression isn't all that inaccurate. The orbiter has its own high pressure engines for takeoff, smaller ones for maneuvering in space, and other jet engines can be added for flying around like a plane in the atmosphere. But on the launch pad, the blast-off rockets and fuel tank combined seem to be bigger than the orbiter is.

It takes off gently and slowly, though with the usual thunder and flame of a big-rocket launching. The two rockets are blasting with their own solid fuel supply, the orbiter's engines are burning liquid hydrogen drawn from the big accessory tank. The package accelerates slowly, avoiding the high G's of earlier rocketry.

At 25 miles up, over the Atlantic, the two boaster rockets drop off. They are parachuted over the Atlantic to be picked up at sea, and will be refueled and ready for reuse with a later shuttle trip.

The orbiter continues toward space. In the fringes of the earth's atmosphere, it lets go of the huge fuel tank. This burns up on reentry, and it is the only major equipment that is expendable, outside of the fuel itself.

Having shed the tank and rockets, the orbiter now looks just like an airplane flying in space.

Soon, it goes into low orbit—100 miles above the earth's surface, at about 18,000 mph. At this point, the scientists in the Lab begin their in-orbit experiments, dressed in ordinary clothing. Up front in the cockpit, orbiter crew-members open the cargo bay doors and place a package of materials outside to test what effect the vacuum of space has on them.

Then the orbiter fires its maneuvering rockets and changes orbit somewhat. The scientists in the Lab work on. They are heating a complex liquid chemical in a way that's familiar on earth, but the results are different because no turbulence occurs in it when heated. In the absence of gravity there is no up or down, hence no mixing, boiling action in the liquid. The Lab scientists conceal their excitement as they take notes and draw tentative conclusions about a phenomenon never before observed. The chemical reaction is occurring in a brand new way.

Next stop, on this mission, is the unmanned Large Space Telescope. It has been observing the universe without any intervening atmosphere, taking pictures of a clarity that no earthbound telescope can record. Some exposed film is ready to be picked up and some batteries are scheduled for replacement. An orbiter crewman leaves the ship and takes care of these tasks, returning with the film and a report on the state of the telescope.

The allotted 20 days are up. At a specified moment, the pilot fires maneuvering rockets and descent begins. At an altitude of about 400,000 feet the orbiter enters the fringes of the earth's atmosphere. From here on in the landing will be completely unpowered. Control is provided only by the orbiter's wings and tail surfaces. The ceramic thermal protection system can stand the heat of this reentry and a hundred more.

At about 39,000 feet, the pilot engages an automatic landing system and the oribter begins a curving descent to a predetermined point at about 20,000 feet, some 20 to 30 miles from the shuttle port. There, the orbiter steadies into a steep, 6,000-foot-per-minute descent in a 300-knot glide. It's the world's largest glider now. About 45 seconds before landing, the craft's nose comes up. Finally, it settles down for a smooth, 160-knot landing, belly down, on retractable wheels that are now in landing position. The runway is more or less similar to that used for today's jetliners, only about twice as long, at 15,000 feet.

Two weeks later, the orbiter will be off on Trip 151, this time carrying several small satellites, perhaps, or a large observatory, or another Space Lab with several scientists.

The Trip 150 Lab scientists have headed back home, certain that they have a sample of a drug and of an electronic crystal of the greatest purity ever known, as well as a dozen other samples about which they are willing to say nothing, pending analysis. The conservative professor, after only a brief inspection of the electronic crystal his friends brought back, is already designing in his mind an unmanned capsule to grind out silicon and germanium crystals in space and deliver them in quantity to the orbiter.

The films from the telescope have been processed and a host of astronomers have convened to consider the results. They make no statements at all, and when reporters press them, a spokesman finally says: "These pictures are an improvement over large telescope photos taken through the atmosphere by an order of 100 or more. Many of the results seem astonishing. I am afraid we can say nothing more until after a great deal of analysis, and we await further photos of other sections of the heavens taken by this instrument."

An Arizona scientist puts a sour note on things in an open letter to the President complaining about delay in sending up the first experimental Solar Power Reflector. He hints that oil and coal interests are responsible "while the energy crisis is upon us." A swift denial comes from power interests, and for three days the news media play up the quarrel. A NASA scientist releases a list of technical problems still facing the Reflector. Hardly anyone read it because they can't understand it as well as they can the exchange between the Arizona scientist and the fuel producers.

Though this has been only an imaginary trip, it should give a general idea of what the space shuttle is all about. It seems obvious that it will be the true start, for all start, for all future centuries, of getting into space on a working basis.

Development of the shuttle began in earnest in August 1972, with the awarding of major contracts. By 1976, it's expected, the reusable vehicle will be undergoing horizontal test flights within the earth's atmosphere. By late 1978, space tests will begin. And, according to the current schedule, the shuttle will be fully operational by 1980.

The present program envisions five orbiters (two by 1978) to take care of our needs through 1990, each with a life of 500 missions or more.

But we are *not* going to foot the whole bill. Several European nations have already agreed to produce the Space Lab, and they are working on it now.

We expect that the shuttle may bring the launch cost down to about $160 a pound at the same time that it permits retrieving or repairing gadgets in orbit. We envision that many nations will be coming to us for launching and in-space services for satellites of their own. Whatever arrangements are made, NASA believes that we'll recoup a good part of space shuttle costs by operating it as a satellite taxi and road-service truck for paying customers.

In the first 12 years of the shuttle, as many as 780 trips are envisioned. About 26% would be manned or man-tended. Almost an equal number would involve further earth study or render services to earth, such as communications, navigation, weather and others that may be developed. About 25% are expected to involve physics, astronomy or interplanetary exploration. Unquestionably, the final pattern of later missions will evolve more definitely from the results of the earlier trips.

About 22% are expected to be allocated to the military. One of the early missions is expected to put a north-south military observation satellite in orbit, a tricky bit of business from a shuttle launched in an east-west orbit. The military is planning to have its own space shuttle station in California.

Present estimates are that without the shuttle the planned launches to 1990 would cost about $42 billion and be neither redeemable nor repairable in space. With the shuttle they would cost about $35 billion, and enjoy the greater versatility in operations that it will allow.

The preparations for flights will be shorter, less tedious and less expensive. The deployment of ships to attend the splashdowns of manned satellites in mid ocean can be abandoned, to make landings cheaper.

The wedding of an airplane with a space vehicle was seen when Congress first created NASA. The initials stand for National Aeronautics and Space Administration, with "aeronautics" ahead of "space." Though it has attracted fewer headlines, a great deal of NASA's work has been concerned with the development of novel airplane design and testing. In 1958, virtually all advanced development of planes and space vehicles being conducted by many government agencies was pulled together and put under NASA. This was ten months after our first satellite in space, Explorer 1, was launched by an earlier agency in March 1958.

During the middle and late 1960's, when the Apollo program was at its peak, when NASA was growing by the minute and when our desire to undertake space adventures seemed unlimited by such earthly considerations as budgets and technical difficulties, the space shuttle was revived as part of a broad, almost grandiose plan. It included a low-earth orbit space station, a space base on earth, a space shuttle, a high-orbit space station, a nuclear shuttle, a space tug, a manned lunar orbiting station, a manned moon base and manned trips to Mars.

The space shuttle and the space tug are the only items left from that shopping list. Even the space shuttle isn't very close to the original design. It's far simpler, less luxurious.

Today, about the only aspect of the original luxury design that's left is the rationale: a device that can offer economic space transportation to all customers. Which seems to be the real meat of all the earlier proposals.

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## CAREY DENOUNCES DESECRATION OF JEWISH CEMETERIES

### HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. CAREY of New York. Mr. Speaker, I have brought to the attention of the House on many occasions the plight of Soviet Jewry and the persecution these people have experienced in trying to exert their right to emigrate to another country.

Today, however, I wish to speak about another facet of discrimination that these people have experienced—the desecration of their cemeteries.

I have been informed that the Soviet administration in several cities in Eastern Europe has been destroying sites of Jewish cemeteries to make way for buildings. In some instances, moreover, the removal of these burial sites has also meant the destruction of historical sites such as the graves of the great Yiddish writers Mendel Mocher Sesorim and Simon Frug.

In Odessa, in Kishinev, in Warsaw and Moscow, the story has been the same—progress has been used as an excuse for persecution. It is a subtle approach, but an appalling policy, nevertheless.

I feel strongly that we must protest this action and urge the United Nations to issue its own objections to such behavior.

The dignity of the living is either enhanced or diminished by the manner in which those who have gone before are treated.

The assault on the resting places of Eastern European Jews is an affront to all men. Let us go on record as protesting such behavior and having been able to end such practices through the united efforts of the Congress and the U.N.

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## TRANSPORTATION IMPROVEMENT ACT OF 1974

### HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ZWACH. Mr. Speaker, on March 1, 1974, I received a copy of S.F. No. 720, resolution No. 1, as adopted by the Minnesota Legislature. The resolution memorializes Congress and the President to stop railroad abandonment.

With the new administration proposal called the "Transportation Improvement Act of 1974," which includes liberalizing railroad abandonment procedures, it is imperative that Congress hear from the separate States in this regard.

I share the concern of the Minnesota Legislature, and wish to share this concern with the other Members of this body. The resolution follows:

RESOLUTION

Whereas, maintaining adequate, competitive transportation facilities is equally vital to industry, business and all consumers; and

Whereas, railroad service is particularly vital to hundreds of Minnesota communities; and

Whereas, Minnesota's biggest industry, agriculture, is heavily dependent upon the railroads to move its production equipment and supplies, and its millions of tons of farm grains to market; and

Whereas, the loss of rail freight service that has already occurred and the continued loss of freight service that is programmed by the railroads for abandonment of most branch lines and some sections of primary rail arteries has had and will increasingly have a disastrous economic impact upon the State of Minnesota and its citizens; now, therefore,

Be it resolved, that the appropriate federal agencies declare a moratorium on all further railroad abandonments immediately until a study is completed and it is determined if reasonable transportation alternatives are available to the public.

Be it further resolved, that copies of this resolution be forwarded to the Congressional Delegation of this State, to the President of the United States, to the Interstate Commerce Commission, to the Secretary of Transportation, to the Chairmen of the United States House and Senate Committees on Transportation and Commerce, and to the major farm organizations requesting their support for the enactment of this program.

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## CLIENT REPRESENTATION OR POLITICAL ACTION?

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ASHBROOK. Mr. Speaker, the Senate version of the Legal Services Corporation Act, although containing apparent restrictions on political activity, has an escape clause built into every restriction. This escape hatch is the language "necessary to the provision of legal advice and representation." Thus Legal Services attorneys may not engage in political activities "except where necessary to provide necessary legal advice and representation to eligible clients." Nor may they make personnel or funds available for advocating or opposing ballot measures "except as necessary to provide legal advice." Nor may they lobby for legislation "except where necessary to the provision of legal advice."

As an attorney, I find it difficult to believe that lobbying, working on a referendum, or any other form of political activity is necessary to the provision of legal advice or client representation. Why should political activity be an integral part of an attorney's services? I do not think there is anything extraordinarily political about the clients of Legal Services attorneys. I do believe, however, that the drafters of this legislation are paving the way for the Legal Services attorneys to get as politicized as they want, and to politicize their clients if that suits them too.

I want to bring to the attention of my colleagues an example of what I mean. One of OEO's Legal Services grantees is the National Clients Council. A notable feature of this organization is its political involvement and its lobbying efforts. I have a confidential memo from OEO, dated September 20, 1972, which describes some of the council's activities. As I read over the memo, I am struck by the fact that most of the council's political activities could be justified by invoking "necessity for client representation," if you are willing to stretch the point somewhat. That, of course, is what will be done if we allow these escape clauses to be written into the law.

Mr. Speaker, I submit this memorandum from OEO for the consideration of my colleagues:

(Confidential)

SEPTEMBER 20, 1972.

MEMORANDUM FOR THE DEPUTY DIRECTOR

From (deleted).

Subject: National Clients Council.

I recommend that appropriate steps be taken, over the long run to discontinue the funding of this grantee, which is up for renewal at the end of September, for the following reasons:

1. The underlying concept of the grant, namely the presupposition that the poor should be governmentally regarded as a group, is inimical to the position taken by President Nixon in opposing quotas. Opposition to quotas is based on the view that it is wrong to deal with people in consequence of their collective identity, rather than their individual identities. In the "one America" which the President seeks, discrimination, either favorable or adverse, on the basis of one's group characteristics, would be prohibited.

2. Included on the Board of Directors of the National Clients Council are two organizations which have been politically active against President Nixon and his policies: the National Welfare Rights Organization and the National Tenants Organization. NTO is regularly in the news for its activities in organizing rent strikes.

3. The August 1972 newsletter of the National Clients Council included the following paragraph:

"The new Legal Services Corporation bill is still in a state of limbo. You will remember that President Nixon vetoed the Bill that included the provision for establishment of an independent non-profit corporation to house the present programs administered by the Office of Legal Services. That was last December. Since that time, friends of Legal Services have sought to arrive at a compromise bill which would adequately serve the needs of the poor and would stand a chance of being signed into law. Last month the OEO program, including the Office of Legal Services, was extended in the same form and at the same dollar level for another two years.

"This was only after a committment could not be obtained from the Nixon administration in support of the new compromise bill. Now that same compromise bill has been returned to the House-Senate conference committee for further adjustment and compromise. If you would like to voice your support for a strong Legal Services Corporation, now is the time. Write your Senator or Congressman and voice your opinion."

It seems to me most improper for us to fund an organization which has been actively lobbying in this manner.

4. It also seems wrong that government funding should be used for a grantee to lobby for more government funds. Yet the following quote from the August newsletter gives evidence that the National Clients Council is doing precisely that.

"Well, it's refunding time once again and NCC has been busily preparing budgets and proposals for refunding by the Office of Legal Services since the time of the Annual Conference. We had hoped to be able to secure funds to greatly expand and improve NCC's work program this year. However, with the uncertain fate of the new Legal Services Corporation Bill, all programs are being refunded at the same level. We must then strive to improve the services offered by NCC and continually work towards expansion even within limited budgets. Your support of NCC and its goals and work programs can be of great help. Write: Mr. Robert Bellrung, Office of Legal Services, 1200 19th St. N.W., Room L-514, Washington, D.C. 20036."

5. The work program mentions that "NCC is presently very deeply involved in formulating an innovative method of training for Boards of Legal Services Programs." In view of what seems to me to be an improper use of the newsletter, I am concerned as well about the possible content of the proposed training activities.

I appreciate your consideration of this recommendation.

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## FUEL CONSERVATION

## HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ROUSH. Mr. Speaker, recently I asked high school students in my district to express themselves on how we can each conserve fuel and what the Government should do about the fuel shortage. Some of the ideas were ingenious and farseeing, and I would like to share the following examples with my colleagues:

### CARING IS THE ANSWER

(By Carlene Ness, Huntington Catholic High School)

Did you ever think about what this world would be like if people did not care about other people? There would be even more mass confusion, crime, and selfish people in our world than there are today. Sure we do not have a perfect world now, because people are not perfect. But the majority of the people "care," that is why I believe we can pull through this energy crisis, a problem that we ourselves brought about. We took the abundant supply of fuel that God gave us and misused it, took it for granted. Now we have to suffer the consequences.

One person did not use up our entire supply of fuel, nor can one person solve the shortage problem. We must all do our part to save fuel because we all helped bring about the crisis. This may mean we cannot drive three hundred miles to see Grandma over the holidays, or our house may be a little colder but it will be worth it in the future.

Some of us say, "It does not do me any good for me to turn down my heat if everyone else on my block has their furnace going full blast."

This is true, but that is where the "caring" part comes in. We have to do our part in conserving fuel so the next generation does not have to suffer for our mistakes.

### HYDROGEN: THE ANSWER TO THE FUEL SHORTAGE

(By Terri Scher, Huntington Catholic High School)

Gasoline consumption has dropped fifteen per cent over the last three weeks. Highway lighting has been cut by half except for ramps and freeways. Thermostats are being turned down all over the country.

These are only a few of the drastic measures being taken by President Nixon to halt the energy crisis. Will they work? It is hard to say.

Personally, I think the whole answer to the fuel shortage is very simple. Hydrogen. What is it? Hydrogen is a colorless, gaseous, odorless, nonpoisonous inflammable substance. It is also the lightest element yet known to scientists. It is fourteen times lighter than air. When hydrogen is combined with oxygen, it produces water.

What can be done with it? Hydrogen can be used to replace gasoline as a fuel.

The idea makes a lot of sense when you think about it. Hydrogen is the most abundant element in the universe. Why not turn it into something as essential as fuel?

Unlike electricity, hydrogen can be stored. It is pollution-free. When burned, it produces only energy and water vapor. Even today hydrogen is being used to blast huge rockets off the launching pad. It has been used for a quarter century in America's atomic and space programs. Hydrogen could be substituted for the fuels that now fire steam-generator power plants. But it will be far more efficient to use it in a fuel big enough to supply a neighborhood, or a smaller one about the size of a dishwasher to make on-the-spot electricity for homes, hospitals, farms, apartments, stores and small factories.

As an engine fuel, hydrogen is in many ways superior to gasoline and diesel fuel oil. In this day and age everybody is always screaming about pollution. Hydrogen's biggest selling point is this: Only four per cent as much pollution as gasoline-powered vehicles.

By now you are probably thinking, "OK, what is the drawback?" Here it is: Right now, made from nuclear energy, it would cost three times as much as gasoline. It takes electricity to separate the H from $H_2O$. Big *money is needed* to launch a hydrogen era. To build just one atomic plant on an artificial island in the sea will cost at least $600 million, and many of them will be necessary.

The United States already uses one third of the world's energy, and by 1990 our consumption of energy will probably be twice what it is today.

Fossil fuels, with the problems of depletion and pollution, can no longer be the only option to fight this energy crisis.

For relief, hydrogen offers more than a *glimmer of hope* as the big payoff.

### THE FUEL SHORTAGE

(By Mary Farquhar, Bishop Luers High School)

Hon. J. Edward Roush poses one loaded question. First, let me say that I am very glad that someone realizes that we are facing a fuel shortage and not an energy crisis. Energy as defined by my most detested physics book is "the ability to do work." America has never suffered from a lack of the ability to do work. It is suffering from a fuel shortage which if allowed to go unchecked and unexplained could result in a much dreaded energy crisis.

People turn to Washington for leadership. But, how can anyone lead; if no one knows what is going on?

The Administration has so far not put forth a concrete plan of action. The voluntary measures they have set come as more or less predicted surprises and are based on the oil companies statistics. I find that slightly frightening to say nothing of ironic. During the fuel shortage, the large oil companies are profiting (e.g. Exxon has increased their profits by 80%.) This does not help a confused public at all. I think it would be right in forming a fact finding committee, independent from the oil companies. Or a statement I found inserted in the Congressional Record (Dec. 3) can only become more prevalent. It was in an article written by Michael O'Hearn. And the article was submitted by Hon. Edward J. Derwinski who found it "one of the more imaginative, inquisitive, and interesting articles" he has read on the crisis.

The statement which caught my eye was one where Mr. O'Hearn said, "No one has proved to me that there is a shortage."

In my opinion it is the duty of the Congress as our elected officials to set the record straight. If there is a fuel shortage we should know it and how much, or if this is another one of these schemes on the level of the Russian Wheat Deals we should know that too.

The average American is being hurt by this shortage while the bank rolls of the big oil companies soar. How can the administration expect Joe Citizen to limit his driving when oil companies are making unlimited profits? Therefore, I think Congress should pass the windfall profit legislation. If the oil companies need the huge profits for taking risky gambles searching for new oil fields as they claim, then they should be able to prove it.

Else, how are we to know that the fuel shortage is not some concoction of the oil company to pass the Alaskan Pipe Bill?

As cigarette smoking is dangerous to your health, using fuel wastefully is dangerous to your pocketbook. I think in advertising a product; if the product is a motor vehicle (car, truck, etc.) the miles that it gets per gallon of gas should be posted and machines using electricity (refrigerators, washing machines, etc.) should post the number of BTU's it uses per hour.

This would help consumers be more comparative and it make for more interesting commercials. Picture a luxurious sedan with a beautiful woman spouting out features (the car's not her own) in a sexy voice. Flashing across the screen would be a sign showing that this epitome of comfort is a hopeless gas guzzler.

At present everyone is suppose to use ten gallons of gas per week. Since this is the case I think more of the highway funds should be used to expand mass transit systems. Ten gallons of gas does not get a person from one state to another in most circumstances.

Plus, it is now obvious that the interstate Highway System is costly, both economically and environmentally.* The $68-billion price tag for some 42,500 miles of highway is indeed staggering, but even more overwhelming are the environmental costs. To build just the Interstate System:

1. Total excavations will move enough materials to bury Connecticut knee-deep in dirt.
2. New rights-of-way needed amount to 1.5 million acres.
3. The sand, gravel and crushed stone needed for construction would build a wall 50 feet wide and nine feet high around the earth.
4. The steel used will take 30 million tons of iron ore, 18 million tons of coal and 6.5 million tons of limestone.
5. Lumber and timber requirements would take all the trees from a 400-square-mile forest.
6. The culvert and drain pipes used will equal the combined water and sewage system in six cities the size of Chicago.

By contrast, the railroads are a very economical and environmentally sound means of transportation. For example:

1. Railroads require far less land than highways. One track can handle as many people as 10 to 20 lanes of expressway.
2. Diesel locomotives create less pollution and noise than other forms of transportation.
3. Even if they were financed with tax money, railroads are much cheaper than highways. For example, new expressways cost $1 million a mile in rural areas and $10 million and up in urban areas. By contrast, upgrading existing railroad rights-of-way costs about $200,000 per mile.

Tearing up the land bothers a lot of people including those that want something left in 40 years. This brings in strip mining. It can last only for 40 years and it will leave unrepairable scars on the Earth. Strip mining should only be used as a last desperate resort especially if full oil tankers are resting in docks waiting for the prices to go up.

Congress has been acting on the fuel shortage. They should continue to do so in a calculating manner not only to keep our houses warm this year or next but in the future and in a safe manner. The fuel problem will remain but Congress can deal with it now. It should be kept in dimensions that we can end in the future.

### HOW WE CAN CONSERVE FUEL

(By Catherine G. Wall, Huntington Catholic High School)

Sooner or later the people in the United States are going to realize that there is a fuel shortage. They know that they must cut down a little but to me, they are not going to realize it until it is all gone and they are freezing in their houses and there is no gas to go anywhere. Then they will wish they would have cut down when they were told to.

There are many ways we can conserve fuel. The problem is getting the people to conserve it. First with the gas, I think it is a good idea to have all gas stations closed on Sunday. This should be a day where everyone stays home instead of going to visit friends or relatives or just out for a Sunday drive. These things are not really necessary. There is a lot of gas wasted on just people going places just to be going. Of course then, there are some people that must be on the road all the time, like the business man. Therefore let him on the road, but if gas is needed it should be up to the company where he is employed to supply it for him.

Lowering the speed limit is going to be one of the hardest jobs for the Government to get the people to cooperate with. The Government can ask the public to reduce the speed, but it is still going to have to be reminded of them. You can not really arrest someone if they are speeding because if they are a normal person, the next time they get on the road they will speed up again. I do not think that not having buses for away basketball games is solving any gas shortage because if there are not any buses the fans are going to drive to the game and when you get about six people driving that is all the more gas you could be saving by just getting a bus. A bus does not use up as much gas as a whole school full of fans would going in separate cars.

The heat shortage can only be solved by the people themselves. Asking the people to turn down their thermostats is only a small part of it. The biggest part is the people actually turning them down. You can not set a certain temperature because some houses are bigger than others and if there is a baby, they need to be kept warmer than a person of average age. I myself can tell what it is like to freeze in a house. With a five floor house heating the whole thing would be a little expensive. Our thermostat has always been set at 68 degrees and now its even lower. I guess my family is just conserving for those people who do not. A question that runs through my mind is, Are the men in politics themselves turning down their thermostats. Remember the famous saying "Practice what you preach."

### THE FUEL SHORTAGE

(By Debbie Young, Huntington Catholic High School)

The problem of how to conserve fuel is not something that can be put off. It is a problem that we have to deal with today. I think that before we can find a solution to it we have to realize the seriousness of the shortage. Many people do not think that it will affect them personally. Others do not even believe that there is a shortage.

The fuel shortage will affect the life of every American. It is possible that everyone's life style may be changed. Americans are going to have to unite and do their part in saving fuel. They are going to have to be a lot less wasteful. They have to decide whether the ways they are using fuel are necessary and cut out some of the luxuries that they have become accustomed to.

People should lower the thermostats in their homes, use less electricity and water, cut down traveling, and lower their speed when traveling. They should try to cut down on Christmas lights too.

Mass transit in large cities would cut down a lot on personal transportation to shopping centers, places of employment, libraries, doctors offices, and other centers of activity. This would save a lot of fuel and would not cause too much change or discomfort in anyone's life style. Although this could be successful in the cities it would not be possible in rural areas. Therefore all personal transportation could not be cut out. Car pools should be organized whenever possible and people should walk to places that are nearby instead of taking their car. One measure that the government might have to take is driving restrictions on public school pupils and on students of state universities.

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*Information obtained from Rodale's Environment Action Bulletin, April 28, 1973.

Fan buses to basketball games and other activities may be banned if the shortage gets more serious because they are not really necessary. This may cut fuel but if people drive their own cars to the activities more gas may be used than that the bus would use.

The government may have to put limitations on aviation fuel. I think that they should also stop space flights for a time being until some solutions to the fuel shortage are made because of the huge amount of fuel they consume. Race driving is also an unnecessary use of fuel.

The President has asked gasoline station owners to voluntarily close their stations from nine p.m. each Saturday until midnight Sunday. He feels that this should cut down on unnecessary Sunday driving, even though people can fill up on Saturday night. He has also asked Americans to reduce their speed to fifty miles per hour because an automobile uses much less gas comparatively at this speed. The fifty mile an hour speed limit could possibly become a law throughout the United States.

The higher gas prices that are being charged today are hoped to cut the amount of gas purchased. People are more likely to buy only the gas they need.

Small economic cars are much better on gas mileage. Cars with anti-pollution devices burn more gas. It has been suggested that these devices be removed, but we should not pollute the air in order to conserve fuel, just as we should not do much strip mining because it defaces the land.

We should not sell our fuel to other countries. Our scientists can reach and find new methods of making fuel. And if worse comes to worse, gas will have to be rationed.

These are suggestions on how to conserve fuel. But before the country can act as a whole to fight the shortage they have to realize that it is going to affect them sooner or later. They have to understand that it is a serious problem that must be solved now through cooperation, or it may result in a severe economic upset for our country.

## KEEPING OUR NATION ON AN ACCURATE COURSE

### HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. CARTER. Mr. Speaker, surveyors know that the mistake of the smallest fraction of an inch at the eye of the transit operator will make a dangerous error yards wide, a few miles down the road. The following article reminds us of the importance of keeping our Nation on an accurate course:

#### SOMETHING NOT QUITE STRAIGHT TODAY CAN BECOME FATALLY CROOKED TOMORROW

Bowing and scraping to greedy groups abroad because it might get you votes at home can lose allies for America, and be the difference between life or death for your country some day.

We feed our enemies, because "it's the decent thing to do". Today's tiger cub, well fed, can tear you apart tomorrow.

Your ear to the ground for the whisper of security might mean you wouldn't hear the rumble of a coming nuclear blast which could kill you and your nation.

No future worth living can be reached by compromising today with the truth, with honor.

Either we go back to the principles of courage, decency, self-respect—the principles which built this nation—or we accept the slightly dishonest, the expedient, the compromise, the "practical"—which so many seem to want, and which can not help but seal the death of this nation, and of all who accept it.

There is no middle ground. Either we believe in this country, the principles which built it, or we do not. And if we do not, if we are not willing to sacrifice self for principle, then—God Save America.

## BILINGUAL EDUCATION AMENDMENTS TO H.R. 69

### HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. BADILLO. Mr. Speaker, I wish to announce that I am preparing a series of amendments which I intend to offer to title VII of H.R. 69, the Elementary and Secondary Education Amendments of 1974.

Title VII of H.R. 69 amends and extends the Bilingual Education Act, and it is my view that the limited scope of the committee amendments fails to reflect the importance we should attach to this program.

The Bilingual Education Act authorizes funds for special instruction for children from other than English-speaking families. The current USOE estimate is that there are 5 million such children throughout the country, including Spanish speaking, Chinese, American Indian and Eskimo, Italian, Greek, and a variety of other ethnic backgrounds. These are among the most educationally disadvantaged youngsters in America, since their educational progress is hampered or permanently impeded by their inability to understand the instruction offered in English in the standard classroom and curriculum.

Federal bilingual education programs are intended to allow these children to be taught in their mother tongue at the same time they are learning English.

Also incorporated into the program are studies in the history and cultural heritage of the ethnic groups from which their families come, to instill a sense of pride and identity in place of the social isolation that is so often the lot of non-English-speaking children in the classroom today.

Bilingual education has received only nominal support from the Federal Government, from the first appropriation of $7.5 million in 1966 to $53 million in fiscal 1974—far below the level authorized by Congress. The President has requested a cutback in the budget to $35 million next year, a disastrous setback for an urgently required program already reaching far too few of the children in need of its benefits.

In New York City, only 7,300 or 250,000 Spanish-speaking students are enrolled in bilingual programs. The U.S. Civil Rights Commission recently found that less than 4 percent of the Mexican American children in the public schools of the Southwest are receiving bilingual instruction. Nationwide, 111,000 children participated in the 217 projects funded in 1973, the last year for which data are available, only 2 percent of those in need of such aid.

The U.S. Supreme Court has recently ruled that Chinese-speaking children in the San Francisco public schools are being denied their right to equal educational opportunity under title VI of the Civil Rights Act through the failure of the schools to provide them with bilingual instruction.

The court stated that to require children to acquire basic skills before they enter school is to make a mockery of public education.

Clearly, we need to do more for these children unless we are willing to allow their special needs to go unmet, with the all too predictable consequences of educational retardation, increasing truancy, and the high dropout rate characteristic of students of limited English-speaking ability. We must stimulate meaningful nationwide activity at all levels of government to overcome the neglect shown these youngsters till now.

Mr. Speaker, the amendments I will offer to H.R. 69 will be similar to provisions in the Senate amendments to ESEA. I will offer an amendment to establish a Bureau of Bilingual Education within the Office of Education, to be headed by a Director with the rank of Deputy Commissioner of Education with the responsibility to report to Congress every year on the activities of the Bureau. Present administration is in a Division of Bilingual Education within the Bureau of Elementary and Secondary Education, but I feel that the low levels of the President's budget requests over the years indicates that we must upgrade the status of the office to generate the kind of thrust this program needs.

Another amendment will authorize the Commissioner of Education to make grants for preservice and inservice bilingual teacher training and for short-term training institutes. It will also authorize fellowships for advanced degrees in bilingual education and will allow the Commissioner to pay stipends and expenses for participation in these programs in accord with prevailing practice. Though there is already provision in the Bilingual Education Act for funds for teacher training, I believe that this aspect of the program needs greater emphasis. The teacher is the key to what happens in a bilingual program as in any classroom. Fluency in two languages is required, as well as an ability to teach about the cultural heritage of the specific ethnic group being instructed. USOE has found that many of the teachers in its programs are not qualified to handle this kind of assignment, and I am convinced that we should add stronger incentives in the law to prospective bilingual teachers.

I will also offer an amendment to extend the availability of other educational programs to individuals of limited English-speaking ability, particularly vocational education, library services, and adult education. Besides providing formal classroom instruction in basic skills that pupils will need to get ahead in society, we should give the opportunity to youngsters and older people alike from non-English-speaking backgrounds to participate in all federally supported education programs.

Finally, I will offer an amendment to the act to describe what the content of a bilingual educational program should be. Where bilingual programs have been instituted, they are often rudimentary, sometimes no more than 1 hour a day of separate instruction in English as a second language. A comprehensive bilingual program must include instruction in all subjects at preschool, elementary, and secondary levels; the study of the history, nation, and geographical area of the student's background; provision for the enrollment of children whose language is English to avoid social isolation and to enrich the studies of the English-speaking children; and the establishment of standards regarding pupil/teacher ratios, teacher qualifications, and other factors in the enhancement of bilingual instruction.

Mr. Speaker, we can no longer ignore the needs of half a million children in our schools who, without our commitment, may be denied forever the right to play productive roles in our society. Equal educational opportunity will never be a reality so long as we deny to one child the chance to advance to the full limit of his ability and capacities. Expanded bilingual education programs are essential if we are to make that goal attainable.

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## NUCLEAR WARSHIPS AND THE NAVY'S FUTURE

## HON. BOB WILSON

OF CALIFORNIA

*IN THE HOUSE OF* REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. BOB WILSON. Mr. Speaker, as a member of the Seapower Subcommittee of the House Armed Services Committee, I am intimately aware of the rapidly expanding Soviet naval threat and the declining posture of the U.S. Navy. My colleagues and I are alarmed over the tremendous change in the balance of naval power which has taken place in recent years.

We all remember the Cuban missile crisis of 1962 where the United States displayed its overwhelming superiority of naval power and the Soviets were forced to back down. But, last year during the Arab-Israeli October war the United States found itself in an entirely different position with the Soviet fleet in the Mediterranean greatly outnumbering the U.S. 6th Fleet. If they had challenged us would we have won? I am not sure of the answer, but I think all of us should ponder the question. I, personally, have my doubts as to what the outcome would have been and I don't like to find the United States in such a position. We are a maritime power and we must have a Navy second to none.

There is just no doubt in my mind that the United States must embark on building a modern Navy for the future capable of defending our national interests against the naval threat being developed by the Soviets. I am also convinced that the new warships we build for our striking forces—submarine and surface—must have nuclear propulsion. If we are to learn any lessons from the expanding Soviet naval capability and the current oil crisis, we must provide nuclear propulsion in our new warships being built for our first line striking forces which must be capable of defending us in areas of highest threat.

Frankly, after the debate that has been going on for a quarter of a century concerning the need for nuclear propulsion for striking force ships; after the present fuel crisis has demonstrated the tremendous vulnerability of our oil supply lines; after the Soviets have put to sea in a period of 10 years far more new classes and more new warships of modern design than ever put forth by any world power in the equivalent period of time in peacetime—I don't see how the Navy could even be considering the design of new ships for our aircraft carrier striking forces which do not have nuclear propulsion.

Can you imagine this House of Representatives ever again approving the construction of a major aircraft carrier that depends on fuel oil for its propulsion? I can't, but let me tell you: The Navy can and does. The Navy not only can imagine it but they are currently working on the design of a new class of conventionally powered aircraft carriers and missile ships for our carrier task forces. They are wasting the taxpayers' money even to be looking at such designs. I am sure that our committee will not approve future attack aircraft carriers that are not nuclear powered, and I am sure that we will continue to insist that sufficient nuclear escorts be built to provide our Navy with all-nuclear carrier task forces.

It is time for our Navy to stop living in the past and to start recognizing the needs of the future. We must get about the task of building the ships needed to defend our national interests in the areas of highest threat. Not to do so could be fatal. I think it is essential that our citizens understand these issues.

I know of no one who has demonstrated more vision in foreseeing the needs of our Navy than Adm. H. G. Rickover, U.S. Navy. Nor do I know of a more eloquent spokesman for our Navy's needs. Therefore, I asked Admiral Rickover to prepare a speech on "Nuclear Warships and the Navy's Future" and invited him to present it to the San Diego Press Club on March 8, 1974. I will insert my introductory remarks and Admiral Rickover's speech in the RECORD at this point. His speech was received with enthusiasm by a large audience. The thrust of the reaction was amazement over the reluctance of the Navy to accept nuclear propulsion for our new warships built for our striking forces.

Mr. Speaker, I consider Admiral Rickover's speech addresses an issue of great national importance and I recommend it be read by all Americans:

### NUCLEAR WARSHIPS AND THE NAVY'S FUTURE

(By Admiral H. G. Rickover)

Congressman Wilson has asked me to give you my views on nuclear propulsion in the Navy.

Much has been said in recent months about the importance of naval power as it relates to contemporary international relations. For a country that is essentially an island nation, whose economic life is increasingly dependent on foreign resources, and the majority of whose allies are oceans away, the emergence of widespread national interest in our naval posture is long overdue.

Several important events are making clear the inescapable reality of our dependence on naval power. Among these are the national retrenchment following the long war in Southeast Asia, the development of a strong Soviet Navy, with warships particularly designed to destroy U.S. naval forces, and most recently, the Arab-Israeli conflict, with the resultant loss of oil supplies from the Mid-East.

The current lack of foreign oil has reminded us of our vulnerability to outside pressures. It has not been easy for our citizens to accept the fact that this country is dependent on anyone or anything. Americans are proud of their self-reliance and self-sufficiency. That something as simple as heating a house or driving a car can be governed by conditions beyond national or individual control is for most of us a painful revelation. The smoothest generalizations are breaking up against the rough edges of recent events.

So far, the oil shortage has only been an inconvenience to the majority of our people. But a shortage of petroleum could have disastrous results on the ability of our oil-fired naval forces to fight in areas where fuel supplies are unavailable to us. This does not have to continue to be the case for future major U.S. naval combatants, because we can build them with nuclear propulsion, if we exercise the foresight to do so.

With existing designs of naval nuclear propulsion plants it is possible to provide enough energy for ten to 13 years of ship operation without the need to refuel. And new reactor designs now under development will last 15 years. In contrast, oil-fired naval warships must be refueled every few days. The initial nuclear fuel for a NIMITZ Class aircraft carrier contains the energy equivalent of 11 million barrels of Navy distillate fuel oil, or enough oil to fill a train of railway tank cars, stretching from San Francisco to Los Angeles.

It was the concern for fuel for naval ships in time of war that led to establishment of the Naval Oil Reserves, which are now being considered as a quick source of additional oil during the present shortage. But even if this reserve is still available during a future war it will also be necessary to have the oil at hand where it is needed, before it can be used. Of what value is an oil-fired warship if it is unable to get oil? It is the need for a reliable worldwide fuel distribution system, that is the Achilles' heel of our oil-fired Navy. The difficulty in obtaining foreign oil supplies to support recent operations in the Mediterranean and the Indian Ocean shows this vulnerability.

But from the very beginning of the nuclear power program there has been strong opposition in the Navy. Were it not for the Congress and the Atomic Energy Commission we would not have nuclear submarines. In 1948 when the Navy opposed nuclear submarines, the Navy's systems analysts made a study. This study showed that a nuclear submarine would be worth 1.41 times as much as a conventional submarine, but would cost about twice as much. The analysts therefore concluded that nuclear power was not worthwhile. The Navy argued that if they built nuclear submarines they would only get half as many submarines each year. This argument was similar to a view held by the Navy at the end of the nineteenth century. President Theodore Roosevelt said that the Navy feared to push submarines lest Congress withhold appropriations for building battleships. Fortunately, in the case of nuclear power, Congress prevailed and the *Nautilus* was built. In fact, the Atomic Energy Commission paid for the propulsion plants of the first two nuclear submarines. The *Nautilus* ushered in a revolution in submarine and naval warfare.

Although nuclear submarines have now been recognized as among the most vital warships we have, opposition to them has nevertheless continued for over a quarter of a century. For example, the Department of Defense at one point decided to stop building any more nuclear submarines after 1970, but they were overruled by Congress.

In another case, just a few years ago, the systems analysts in the Defense Department suggested sinking ten of our Polaris submarines to save money. And more recently it had to be Congressional action that increased the number of high speed *Los Angeles* Class nuclear attack submarines in the shipbuilding program over what the Defense Department had requested. Such a reluctance to build submarines has continued even though the Soviets have surpassed us in numbers of nuclear submarines since 1971 and are outbuilding us by three to one; and even though they now possess three times our submarine building capacity and are still increasing that capacity; and even though they have introduced nine new designs in the past seven years as compared to two for us.

In nuclear powered surface warships the opposition has been even more persistent. The five nuclear surface ships in service today came into being only after much pushing and shoving by Congress. The aircraft carrier *Kennedy* was built with conventional power over the strong objection of Congress. One of the two nuclear powered frigates which were authorized by Congress in fiscal year 1968 was not permitted to be built by the Defense Department, and the other was delayed for nearly two years. In 1971 the Navy scrapped a previously planned program to provide each nuclear powered carrier with its required four nuclear frigates, and suspended indefinitely the nuclear frigate construction program. Yet this was the only type of new combatant ship having a fleet air defense capability.

Central to the opposition to nuclear powered ships has been the precept that we should not go to nuclear power until we can show it is no more expensive than conventional power. But why should we expect to get all the advantages of nuclear power at no additional cost? The cost of all other weapons has gone up as their capabilities have improved. For example, the M-16 rifle costs three times as much as the World War II M-1 cost; a modern machine gun costs nine times more than one from World War II; a C-5 transport plane is over 300 times as expensive as the World War II C-47; the airplanes the Navy flies today cost 20 to 25 times as much as World War II aircraft. Does that mean we should have only four or five planes on our carriers instead of 100?

Even so, the additional cost of nuclear powered warships is minimal when all factors are considered. First, nuclear powered ships are built to higher standards than conventional ships and have proved to be more reliable in the operation of their propulsion plants. These first line ships carry the most modern and complex weapons systems and have increased operational capabilities over their conventional counterparts—all of which naturally contribute to their higher initial cost. In addition, the construction cost of nuclear ships includes nuclear fuel for over ten to thirteen years of operation, whereas the initial cost of a conventional powered ship does not include the cost for oil.

Recently, oil costs have risen dramatically. It now costs close to $25 a barrel to buy and deliver oil to Navy ships. At that rate, it would cost almost $270 million to provide the amount of oil for a conventionally powered carrier equivalent to the nuclear fuel in the *Nimitz*. That is almost three times the cost of the nuclear fuel for this ship.

Nuclear and conventional ship costs should be compared on a lifetime basis. For example, compare lifetime costs for a nuclear carrier task group with those of a conventional task group. The nuclear carrier increases the task group cost about two percent. Each nuclear escort increases the overall task group cost one percent, so that four nuclear escorts increase the task group cost four percent. Therefore, the lifetime cost for a complete nuclear task group, consisting of a nuclear carrier and its four nuclear escorts, is six percent greater than that of a conventional carrier accompanied by four conventional escorts.

This is merely the peacetime cost. It does not take into account any of the advantages of nuclear power.

Nuclear powered task forces are far less dependent on logistic support. When logistic supply lines are attacked during a real war the decrease in the requirement for ships' fuel for the strike forces will have a compounding beneficial effect. The surviving fuel transportation and storage facilities can then all be concentrated on getting fuel for aircraft and other military vehicles to the forward areas. The escorts that would otherwise be required for the tankers which carry ships' fuel could then be assigned to assuring the safety of other supplies.

A major lesson of World War I, the first war in which fuel oil played a predominant role, was pithily expressed: "The Allies floated to victory on a sea of oil." In World War II also, the supply of oil was a controlling factor in most military operations.

Here is a statement about fuel, that points out how lack of oil was instrumental in the defeat of Japan. It is quoted from the Strategic Bombing Survey conducted after the war. This report entitled "Oil in Japan's War" states:

"In every phase of the war, oil determined Japan's strategy and governed the tactical operations of its Navy and Air Force. The collapse of the Japanese war effort was the consequence of their inability to maintain their supply routes.

"The effect of oil shortage on Japanese Naval strategy became devastatingly apparent in the campaign for the Marianas and the Philippines. Japanese fleet units had to be dispersed between the Japanese Inland Sea and Singapore, owing to limited fuel availability and failure to achieve satisfactory coordination between the fleets, contributed substantially to the Japanese defeat. Fuel shortage in the Home Islands deprived the Japanese naval forces fighting off the Philippines of the services of at least three battleships, which together with several aircraft carriers were taken out of service and assigned to duties as port and antiaircraft vessels because they consumed too much oil."

There are numerous examples where oil shortages have been a critical factor in military operations, examples that appear now to have been forgotten. Unfortunately, history has a way of taking revenge for forgetfulness.

Take the carrier task force again. In the case of a conventional carrier with four conventional escorts, one third of the fuel is used for the carrier, one third for the conventional escorts, and one third for the aircraft. By doing away with the need for fuel for the carrier and its escorts; by making them nuclear powered; only one third the amount of propulsion fuel—that used by the aircraft—is needed. Further, we design our nuclear carriers with the capacity for almost twice as much aircraft fuel and 50 percent more aircraft ammunition than the latest conventional carrier. This reduction in logistic support becomes especially important when our naval forces are operating away from home during a real war, when they are subject to enemy attack.

When a nuclear carrier is substituted for a conventional carrier, the range of a carrier task group with four conventional escorts is doubled. When two of the four escorts with the nuclear carrier are nuclear, the range of the carrier task group is doubled again. When all the escorts are nuclear, the range of the carrier task group is essentially unlimited.

For these reasons a nuclear task force is at least 50 percent more effective than a conventional task force.

I am sure you know the maxim learned through the bitter lessons of war that: "The art of war is the art of the logistically feasible." It is the elimination of the requirement for a continuous supply of propulsion fuel that makes nuclear powered warships so valuable.

The areas I have just mentioned represent a tremendous increase in military effectiveness. In my opinion, this effectiveness far outweighs the six percent higher lifetime cost for the all-nuclear carrier task force.

There are many examples where the value of nuclear propulsion for surface warships has been demonstrated in real terms, in every day operational missions of the Fleet. I frequently receive letters from the commanding officers of our nuclear warships telling me of some of these advantages. As one of many examples, for 13 days during July 1971, the *Truxtun*—the frigate that Congress changed to nuclear propulsion in the 1962 program—provided an excellent demonstration of the capability of a nuclear powered ship to perform truly independent missions free of the fuel oil umbilical cord.

While on a special mission, the *Truxtun* steamed 8,600 miles at an average speed of advance of 28 knots, traveling from Subic Bay in the Philippines to Perth, Australia, and crossing the Indian Ocean twice en route. This is the longest period of such high speed operation ever sustained by any ship. This high speed could have been continued for an essentially indefinite period, had there been a need. At the conclusion of her mission, the *Truxtun* was fully ready to undertake protracted combat operations.

In contrast, our most modern oil-fired frigate would have had to refuel at least three times during such a transit, and would have arrived at her destination with close to minimum fuel reserves, unable to conduct extended combat operations. And, of course, there are no tankers normally available in the middle of the Indian Ocean from which to refuel. From a practical standpoint, no nonnuclear ship could have performed the *Truxtun's* mission—in peace or in war—because of the fuel support needed.

Also to be considered in comparing nuclear powered to conventionally powered ships is the availability of fuel reserves during war. I mentioned that the Naval Oil Reserves are now being considered as an emergency source of fuel. These reserves are, therefore, not guaranteed.

The situation is different when we have nuclear fuel as a reserve. What limited our industrial output, and therefore our fighting capacity in World War II was the labor supply. But we can employ labor now—in peacetime—to manufacture nuclear fuel for our nuclear navy, and we can store the fuel in a small area. We would then be assured of having fuel reserve for a long war, and we would not need labor, during the war to manufacture nuclear fuel.

There are events in a nation's history that, to use Thomas Jefferson's phrase, are like "a fire bell in the night." The recent conflict in the Mid-East was such an event. For the first time, we were in a situation where the Soviet Fleet in the Mediterranean outnumbered the United States Sixth Fleet.

Had the Soviet Mediterranean Fleet been ordered to challenge the Sixth Fleet who would have won? From the limited information available to me, I do not think the answer is entirely clear. Would such a question have been seriously asked ten years ago? Perhaps this thought will give you an inkling of the change that has taken place in the balance of naval power over the past decade.

This change underscores the urgent need we, as an island nation, have to build a Navy strong enough to protect our national interests, and our economic and political survival. To me, it is clear that the striking force ships we build for such a Navy must have nuclear power.

Yet, despite its demonstrated superiority, there is no firm long-range building program to convert our major combatant forces to nuclear power.

I suppose, that to some people, any rate of transition to nuclear power, or to any other new weapon, is unreasonable. But many have taken a stand against nuclear power for the Navy before they even investigated it. Their tendency has been to fit facts into their preconceptions. They have failed to see that the essence of all progress is a shedding of preconceived ideas and accustomed ways of doing things. In the past, this failure has prolonged military ideas beyond their time.

Changes in the Navy often come at a distressingly slow pace. It took two thirds of a century for our Navy to change from sail to steam. In 1814, Robert Fulton designed and built for our Navy the world's first warship propelled by steam. It was named *Demologus*. Over the next 20 years the United States built some 700 steam merchantmen while the U.S. Navy built only one steam vessel.

It might interest you to know that in 1869, 55 years after the *Demologus*, the Navy Department issued a General Order requiring all warships to carry a full set of sails. The concern over cost was so great that specific instructions were issued as to when the steam engines could be run. The order warned naval commanders that:

"They must not be surprised, if they fail to carry out the spirit of this order, if the coal consumed is charged to their account."

After conversion to steam had become a reality we went through another period when there was great reluctance to shift from coal to oil. At the beginning of the 20th century is was generally accepted that oil-fired warships offered substantial military advantages over coal-fired warships. But since they were more expensive, there was great resistance to building them. It took Winston Churchill's command decision as First Sea Lord to give Britain's Royal Navy the position of world leadership in converting warships from coal to oil. As it later turned out, this was a significant factor in Britain's naval superiority in World War I. Churchill said:

"Shocked at the expense, the Admiralty had reverted for two years to 27-knot coal-burning flotillas. It was too late to stop the last bevy of these inferior vessels, but I gave directions to design the new flotilla to realize 35 knots speed without giving up anything in gunpower, torpedoes or seaworthiness. Build slow destroyers? One might as well breed slow race horses!"

When one talks about the delay by the Navy in going from sail to coal, or from coal to oil, everyone today agrees that those responsible were stupid not to make the change faster. As Goethe said: "It is the truth, but not for us." With hindsight they can easily see the traps their predecessors fell into, but they cannot recognize that a generation hence they themselves will be classed along with the other shortsighted leaders who refused to go from sail to coal, and from coal to oil.

Inertia seems to be endemic to naval development. Curiously, the lethargy is most often felt by the nation which has the greatest navy. On March 4, 1858, the French, on one day, laid the keels of three frigates. These ships were to have iron plates bolted to their sides to protect them against shot and shell—they would be far better than anything the more powerful British Navy possessed. In June of that year a high British naval official reluctantly admitted that his country had to accept the challenge. He said:

"Although I have frequently stated it is not in the interest of Great Britain, possessing as she does so large a navy, to adopt any important change in the construction of ships of war which might have the effect of rendering necessary the introduction of a new class of very costly vessels until such a course is forced upon her by the adoption by foreign powers of formidable ships of a novel character requiring similar ships to cope with them, yet it then becomes a matter not only of expediency but of absolute necessity."

Half a century later, however, another responsible British official argued that his country was wrong to build the *Dreadnought*—the all big-gun battleship which made all other battleships obsolete. He said: Britain "ought never to lead in ship construction, but always to follow with something better."

For a leading navy such an attitude appears to have some merit. It coincides with all the natural instincts to preserve a familiar and comfortable way of life—a way which recalls hard-won victories of the past. Also, this attitude can be defended upon economic grounds because it keeps costs down by preserving existing ships, equipment, and naval skills. But development never ends. To believe that advances can be deferred and that a nation can make up lost ground can be fatal. Such a cast of thought is what Mahan recognized when he wrote: "Finality never will be reached in anything save death . . ."

In each of the instances I have mentioned change was demanded of an organization; change in leadership and in training. The fault was inertia—a comfortable faith that lessons and ways of the past will hold in the trials of the future. In its broadest sense this is an undemanding mental attitude which is opposed to change. It is a vested interest.

Those outside the professional ranks, such as the press, citizens, and Congress can recognize the danger of such blindness—if they but know the facts.

You might properly ask why I, an engineer, am the spokesman for nuclear warships. The answer is that there are two roads which must be traveled to accomplish change in our military: the road of action and the road of words.

I would prefer to devote my energies entirely to engineering. But since no one in the Navy was devoting his effort to the words, I was forced to do both. This was true in 1946; it is still true today. Perhaps, by the next century, the Navy itself will finally realize the importance of nuclear power, but this is not yet the case. It should have come in the 1950's. This is a sad commentary on the lack of foresightedness of all but a few of our naval leaders over the past quarter century.

I would like to suggest that we must—from the standpoint of national safety—avoid proving again the old adage that, "history repeats itself." Congressional concern in this regard has been clearly indicated by a House Armed Services Subcommittee on the Middle East. In its December 1973 report the Subcommittee stated:

"The Committee on Armed Services has in the past consistently urged nuclear propulsion for naval vessels because of its operational advantages—the virtually unlimited range such power gives a ship. Now nuclear propulsion has become a must because of logistic realities. In addition to the danger of a shortage of oil for ships, the rising cost of oil, when available, has made scrap paper out of past comparative cost estimates for nuclear and conventional power.

"The wisdom of the committee's past position has been borne out by time, and the committee should question carefully the construction of further oil-powered ships where the technology exists to make them nuclear powered."

What must be done? We need a permanent program to build nuclear powered ships—a program that will not be drastically changed every year or two as has happened in the past. Admiral Moorer, Chairman of the Joint Chiefs of Staff, and for many years an eloquent proponent of nuclear power for our striking forces, agrees with me that we must build these first line ships during peace.

The excuse for not building better ships is always that they are "more expensive." But all weapons of war are expensive. Cheap weapons will not win us a war. And if we cannot win a war, there is no sense in spending money on weapons at all.

Rarely in naval history have the leaders looked far enough ahead. They generally build ships that they consider to be adequate for the present. That is why, frequently, naval leadership has been replaced when war broke out.

We should be planning now for war that may erupt fifteen or more years from now. Therefore, it is time to establish a firm program for making all new major combatant ships for our striking forces nuclear powered. It is a matter of national priority.

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## ESTONIAN ANNIVERSARY

## HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. HOGAN. Mr. Speaker, on February 23, 1974, I had the pleasure of attending the meeting of the Baltimore Estonians Societies at their commemoration of the 56th anniversary of the Declaration of the Independence of the Republic of Estonia. It is my privilege to share with my colleagues the remarks made at that event by Mrs. Vaike Lugus:

### REMARKS BY MRS. VAIKE LUGUS

Distinguished guests, Dear Estonians: Fifty-six years ago our Estonian forefathers declared Estonia independent and its people free.

To commemorate this golden day in Estonian history we gather and celebrate.

Honored guests, I shall not present to you an intellectual analysis of Estonian Republic, its people and government.

I also shall not give a history lecture, but I would like, with your permission to speak about times and people which not long ago were part of your and my reality.

My friends, tonight I am giving my heart the freedom to speak.

To be a true human being, a true Estonian, you have to have heart. Without it, you are dead and lost. You become a "ubi bene ibi patria" patriot, and everything in this world becomes a happy coincidence.

In this case life and its noble endowments become meaningless.

That Estonia became independent, was not a happy coincidence neither was it charity of the world opinion that freed the Estonians but rather their very own courage and faith that they had kept buried in their hearts for centuries.

They never forgot that once in the beginning of history they were free. They remembered and they never let it go. The Estonian mothers whispered it to their sleeping babies and sang their lullabies about freedom.

The idea of freedom was not an utopian idea but once possessed reality. The harder the suppression the stronger their desire to become free became.

Our forefathers did not lose their freedom for their lack of courage or incompetence but for the brutality and inhumanity.

And we, the modern generation of Estonians, lost Estonia again for the brutality and inhumanity. This time it was represented by the Russian Communists who invaded our country, destroyed our government, and deported our people.

It is pitiful indeed that during the existence of mankind there has existed so little in man's behavior that can be called human.

When in one hand the infinite is the limit of his freedom and the moon and stars are his stepping stones—then on the other hand, he is tied down by thousands of ideological chains and the "iron curtain" is the end of his world."

Our Estonian forefathers did not have very many earthly riches to leave us. Even the geographical location of their country was poor and invited conquering neighbours and blundering nations to be constant visitors. Many of them stayed and exercised their power.

Small indeed was the wealth they had to pass to the next generation but only then if one forgets that the greatness of an individual or a nation does not depend on materialistic things but on the strength of his soul and on the determination of his mind and spirit.

The materialistic strength of the Roman Empire is no more only ruins remain.

The Greeks look sadly at their broken Ionic and Doric columns, the last witnesses of their materialistic greatness. But the greatness of their minds and the power of their thoughts have been branded on the minds of generations yet to be born. Their intellect left permanent impressions on mankind's perception of justice, democracy and art.

Christ, who was born without a kingdom, built the strongest kingdom ever known in men's hearts by faith alone.

Our Estonian ancestors did not build pyramids or conquer other nations. They were the master-builders of character.

Are we really as naive as to believe that whatever we have achieved in Estonia or outside it, we have done it alone without the help of the previous generations.

Could we be able to walk tall and proudly among other people if among our leaders would be found men like Hitler, Stalin and Ivan the Terrible, just to mention a few who have brought shame and dishonor to mankind.

During the proud history of Estonian people our ancestors never committed crimes for which we have to pay.

To be free from previous generations sins and crimes is a great blessing indeed. It is the greatest gift what one nation can leave for the next generations. We were fortunate to receive such a gift.

The question arises—are we able to do the same for the next generation?

Can our young people in the year of 2000 say the same about us? Or do they have to hang their heads in shame because their parents did not know how to live in freedom and help those who were left in Estonia.

Are our young men and women going to forget the language, literature, music and art—the sustaining power of their ancestors because we are too lazy to help them to learn about their heritage.

Who answers all these questions? Time? No, time never gives answers. It only carries the message you and I give.

Therefore it is up to us—you and me. We are the ones history will question. We cannot escape our responsibility. We can never abandon the Estonian people or forget their captivity. They cannot speak for themselves—we can.

Our forefathers passed to us an unblemished page in the history book. Let us keep it this way.

Today is a festive day. It is a day of beautiful memories. This is a day we rejuvenate our spirit and strengthen our soul.

This is the day when we look with pride at our young people and rejoice about their achievements.

This is also a day when we remember the men and women who were our leaders and path finders.

One of such great Estonians was our late President Konstantin Päts. Today we celebrate his hundredth birthday.

Konstantin Päts and Estonian people were twins. They were inseparable, one without the other was an orphan.

He was a man who deeply loved his country and people. He was a leader who was involved in every phase of Estonian life and who had an unlimited faith in Estonian people.

We loved him, and we called upon him when dark days were our companions.

He was an organizer, a planner, a teacher, and a builder. He was a pragmatist who believed that a strong economic foundation was necessary for a vigorous nation.

His life was a dedication for Estonia.

He had to live outside Estonia, and he was sentenced to death by the Russians.

He lived in Switzerland and used every minute of his time there for planning and preparing for Estonian independence.

In 1906 he visited America in search of a place where Estonian political refugees could settle.

One of the few places he visited was Baltimore. American Estonians are proud of this fact, and when we all gather here in 1976 to celebrate Esto '76, we are not coming to a strange place after all because our ancestors have been here before.

And if we recapture the spirit of this great man, we have regained the spirit of 1776.

Konstantin Päts was arrested and deported by the Russian communists. The Estonian people have no information about his fate, but we shall never forget him and his sacrifice.

All over the world Estonians are paying tribute to the man who loved his country and democracy more than his life.

"Per aspera-ad astra" was the motto of the Estonian President.

"Per aspera-ad astra" has become the motto of all Estonians.

Estonian people have steadily and with unwavering determination reached for freedom. The desire to be free and independent will never die in their hearts.

It was not an coincidence that Solzhenitsyn became a champion of freedom and human rights. What else could he become after he met an Estonian lawyer in the prison.

We can never forget that it is our duty to explain, explain and once more explain to the rest of the world the wickedness of the communism and its evil hold of human mind.

We shall demand freedom for Estonia and its people as long as we live.

Much has been given to us and much we must give.

With grateful hearts and gentleness we remember these Estonian men and women who gave their lives, so we can live in freedom.

Gently we lay a wreath of thankfulness and reverence on the graves of Estonian heroes.

Quietly we lit the memorial candles in our hearts for those who died in Siberia.

May God grant peace to their souls.

We shall never give up freedom.

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## THE SUDDEN INFANT DEATH SYNDROME

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. HARRINGTON. Mr. Speaker, sudden infant death syndrome is a dreaded disease which claims the lives of almost 10,000 babies per year. Congress can no longer turn its back on its responsibility to help affected parents discover the reason behind the mysterious deaths of their infants.

If action is not taken by Congress to make the necessary funds available for research of SIDS—the killer of thousands—there can and will be no hope of terminating or preventing the existence of this frightening disease.

Recently I received a letter from Paul McDermott, executive director of the Advertising Club of Greater Boston, in which he enclosed a copy of a letter from Charles Barr, chairman of the National Foundation for Sudden Infant Death. Mr. Barr's letter best expresses the importance and necessity of SIDS legislation, and I would like to insert it in the RECORD at this time for the information of my colleagues. It speaks for itself:

FEBRUARY 15, 1974.

Mr. PAUL McDERMOTT,
*Executive Director, the Advertising Club of Greater Boston, Boston, Mass.*

DEAR PAUL: Through efforts such as yours, the Advertising Club of Greater Boston and especially those serving in public service for the Commonwealth of Massachusetts, the National Foundation for Sudden Infant Death has accomplished in these last twelve months, legislative goals that are literally enormous.

We're so close in our united efforts, but we're not there yet. Our understanding is that Senate Bill S1745 and House Bill HR 11386 have been reported out of joint conference favorably. The report substantially supports the House's recommendations of six (6) million dollars funding over three years for programs, information, counseling and education relating to the Sudden Infant Death Syndrome.

We need more help.

In all bluntness, it's both interesting and personally heartening to discover along the legislative road that so many Massachusetts Congressmen play a very real and substantial part in shaping our National health legislation. We have received the support of so many Congressmen of this Commonwealth on our legislative journey. We hope to receive their continued support.

The Honorable Silvio O. Conte would be an enormous and perhaps final contribution to our efforts. The funding for the above mentioned bills is, relatively, not great. It is small compared to many governmentally supported health programs, and yet it is huge to us when compared to the problem itself.

If HEW flashed a bulletin that a great *plague* will hit our country in 1974 and *absolutely* kill 8,000 to 10,000 babies, wrecking the lives of twice as many adults, our government would respond immediately and forcefully.

It will happen in 1974 and the only instrument we now have to, in some degree, harness this devastation, is our bill before our elected officials.

The Foundation is indebted beyond recognition to those in government that have recognized and supported the cause of Sudden Infant Death. We hope this support will continue. We ask your continued help and the continued help of those who might support our efforts.

It has not been a battle, but a process. It hasn't been a plague, but a disease. It won't be a victory, but a satisfaction. Thank you very much for your help.

Best personal regards,

Charles T. Barr,
*Chairman, National Publicity Committee, National Foundation for Sudden Infant Death.*

## COST OVERRUNS IN PENTAGON

## HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. ASPIN. Mr. Speaker, cost overruns have become a way of life for the brass in the Pentagon.

In the last few months both the costs of the Air Force's new B-1 bomber and the F-15 fighter aircraft have jumped a total of $2.7 billion.

The cost of the Air Force's new F-15 Eagle fighter increased more than $1.4 billion and the total cost for 749 of the aircraft rose from $7,86 billion to $9.27 billion.

Mr. Speaker, the Pentagon is conveniently trying to blame the Congress for the overruns on this program. It is true that last December Congress decided to reduce the number of planes to be purchased during fiscal year 1974 from 77 to 62. At the same time the Pentagon decided to "restructure" the program by purchasing fewer F-15's than were originally planned in the next several years and buying more planes in later years.

Frankly, Mr. Speaker, I doubt the Pentagon's claim that restructuring the program caused all the increases and resent the Pentagon's assertion that Congress is at fault. I have asked the GAO to investigate the exact cause of the overrun.

Frankly, Mr. Speaker I suspect the blaming of both Congress and the restructuring of the program is a very thin smokescreen covering up the Air Force's waste and mismanagement.

Similarly, the Air Force Secretary, John McLucas, admitted in a letter dated March 13, 1974, to the Congress, that the price of the B-1 bomber has risen from $13.7 billion to $15 billion, or $61.5 million per aircraft.

Mr. Speaker, this is the wrong kind of bomber to be building, and when the price tag goes above $61 million for each plane there is not much question that the taxpayers are being cheated.

I am afraid to report, Mr. Speaker, that the present Air Force estimate for the B-1 bomber is extremely optimistic and undoubtedly too low. The Air Force's estimate on production assumes the inflation rate for 1985 will only be 3.3 percent annually. If this administration's past track record is any indication, that price is clearly too low.

Mr. Speaker, something must be done and be done soon about rapidly escalating weapons costs. An effort must be made by all the military services to simplify by eliminating unnecessary subsystems and using existing missiles, radars and guns rather than developing new ones.

A chart outlining B-1 costs follows:

TOTAL SUMMARY B-1 COST

[Dollar amounts in millions]

| | Aircraft quantity | 1970 dollars | | 1975 dollars | | Then year dollars [1] | |
|---|---|---|---|---|---|---|---|
| | | Total | Unit | Total | Unit | Total | Unit |
| Sept. 30, 1973 SAR: | | | | | | | |
| Development | 3 | 2,513 | -------- | 2,748 | -------- | 2,788 | -------- |
| Procurement | 241 | 7,736 | 32.1 | 9,208 | 38.2 | 10,884 | 45.2 |
| Total program | 244 | 10,249 | 42.0 | 11,956 | 49.0 | 13,672 | 56.0 |
| Oct ltr to SASC (R. & D. Subc): | | | | | | | |
| Development | 3 | 2,513 | -------- | 2,748 | -------- | 2,788 | -------- |
| Procurement | 241 | 8,181 | 33.9 | 9,738 | 40.4 | 11,512 | 47.8 |
| Total program | 244 | 10,694 | 43.8 | 12,486 | 51.2 | 14,300 | 58.6 |
| Current estimate: | | | | | | | |
| Development | 5 | 3,030 | -------- | 3,370 | -------- | 3,500 | -------- |
| Procurement | 239 | 8,051 | 33.7 | 9,583 | 40.1 | 11,500 | 48.1 |
| Total program | 244 | 11,081 | 45.4 | 12,953 | 53.1 | 15,000 | 61.5 |

[1] R.D.T. & E. estimate based on escalation rate of about 5 percent. Procurement estimate through fiscal year 1985 based on escalation rate of 3.3 percent.

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## JOHN A. OSBORNE—UNITED AIR LINES SKYCAP OF THE YEAR

## HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. STOKES. Mr. Speaker, on January 18, Mr. John A. Osborne of Cleveland won United Air Lines Eastern Division's Skycap of the Year Award for 1973. Of the hundreds of skycaps serving United Air Lines passengers in 33 cities of the Eastern United States, Mr. Osborne was singled out for special recognition.

I know from personal experience how richly he deserves this award. Mr. Osborne has been a friend of mine for many years. He started working for United Air Lines on January 1, 1948. He is now lead skycap at Cleveland's Hopkins Airport. Day in and day out John Osborne makes a special effort to greet and assist passengers with a friendly personal style which is his hallmark. As lead skycap he not only directs all the other United skycaps at Cleveland Airport, but he leads and inspires them with the outstanding example he sets. They can all justly take pride in his achievement.

It is a further reflection on Mr. Osborne's performance that Cleveland Hopkins has captured two of the three Skycap of the Year Awards since the prize was instituted in 1971. He is the best of the best.

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## REMARKS OF CONGRESSMAN CARL D. PERKINS

## HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. O'HARA. Mr. Speaker, the distinguished chairman of the Education and Labor Committee recently addressed the annual meeting of the Kentucky Conference of the American Association of University Professors. His remarks were, as they customarily are, perceptive and thought provoking. There is, of course, no one in the Congress who has done more for American education, including postsecondary education, than Chairman Perkins, and his views deserve and demand careful attention. In the hope that they will be fully read by all who share this concern for the future of education beyond the high school, Mr. Speaker, I insert the remarks of the distinguished gentleman from Kentucky (Mr. Perkins) at this point in the Record:

Remarks of Congressman Carl D. Perkins

No one who has been as interested and involved in education legislation for the last quarter century as I have, can fail to appreciate the unique and significant contributions the American Association of University Professors has made to American higher education.

Tonight I am therefore most pleased to have an opportunity to meet with and pay my respects to the Kentucky Conference of the Association and its many members who are among the educational leaders of our State.

This is an important meeting for it is taking place at a critical time. We are about to embark upon a period in which I am convinced there will be major debates over the organization and financing of postsecondary education. The initial debates are now being launched in the media, in academic councils, on college campuses and across the dinner table—as well as in state and Federal legislative chambers.

The debate is prompted in part by findings and recommendations of a number of national groups that have recently completed studies on the financing of postsecondary education. Two of these—the Carnegie Commission and Committee on Economic Development—have proposed specific and far-reaching tuition recommendations—which as you know have been the subject of sharp criticism.

A report of a third national group—the National Commission on the Financing of Postsecondary Education—provide an analytical framework to compare alternative financing plans, including the plans proposed by the Carnegie Commission and the Committee on Economic Development.

But it seems to me that the debate is prompted more by the economic situation in which we find higher education, than by the studies to which I have referred. One of the resolutions adopted by the 59th Annual Meeting of the American Association of University Professors last year addresses this issue—the economic crisis in higher education. The resolution states rather succinctly the nature of the crisis:

"The symptoms of an economic crisis in American higher education are becoming more portentious; financial resources of higher education are eroded by inflation, by funding cutbacks and by a reduction in enrollment rates—the real income of faculties is declining."

and the situation has worsened in the ten months since the adoption of your resolution. Indeed, as one observer recently noted, college and university budgets are being put together with more than usual misgivings this year.

Added to the continuing problems relating to the uncertainties of Federal aid, enrollment trends and tuition levels, is the energy crisis—and looming over the entire budget making process is the grim spectre of rapidly escalating inflation. Financial distress in higher education is a term we hear and read more about on almost a daily basis—whichever way we turn.

In dealing with the question of financial distress, we must recognize that we do not at this time have universally agreed upon measures of determining financial conditions in higher education.

Some are appalled by this. I too am appalled, but I will not utilize this as an excuse for lack of action or deferral of action.

The Chief Economist of the American Council on Education recently hit the nail squarely:

"Financial distress is no less real because we lack precise measurements of it. The consequences of the distress are everywhere apparent."

And while we should and must sympathize with—and do something about—the problems confronted by institutional budget-makers, let us not forget the very real financial problems confronting those who are wrestling with budgets at the grassroots level—in the average household. Financial distress in higher education is not confined to institutions. It is shared by students and parents at virtually all income levels.

Because you are on the college campus meeting with students each day, you know this better than I. I know it not only as the father of a college student, but also from the correspondence which has reached my office.

The letters I receive from parents who do not know where to turn make me question the arguments of those who wish to shift more of the costs of higher education to the beneficiaries of higher education—to students and their families.

It is argued by some that the benefits of postsecondary education accrue largely to the individual rather than to society and that therefore as a matter of equity, a larger share of the increased costs should be borne by students and their families. Such an argument presumes that students and families are able to pay more. Perhaps this is a theory we should consider and debate. It is not one that at this point in time I can accept, and it is one that I know many of my colleagues in the Committee cannot accept.

Let me now turn to the issues and debates in Congress which, in your invitation, you specifically asked me to mention. We are now midway in the life of the 1972 Higher Education Act which was heralded by many in the Spring of 1972 as landmark legislation—as the most significant higher education bill ever enacted.

I so characterized the Act and I continue to hold that view. But midway through the life of this Act I fully understand why some may question these assertions. For clearly to date the promises and potential implicit in the new Act are unfulfilled.

Inadequate funding and, in many instances, total lack of funding, misinterpretation of the statute and of Congressional intent by the Executive Branch, and timing problems have hampered full and proper implementation of the law.

May I cite a few examples.

With regard to inexcusable delays, the Executive Branch has yet to promulgate regulations for the implementation of Title IX of the 1972 Act—which prohibits discrimination on the basis of sex in education.

I know from having reviewed your Resolutions that the American Association of University Professors has an intense interest in this matter, and I am sure you share my concern that twenty months of inaction have elapsed since this provision became the law of the land. I am advised that draft regulations are presently on Secretary Weinberger's desk for review. When they are finally promulgated, an additional 45 to 60 days will be available for public comment.

I urge you to communicate with the Department of Health, Education and Welfare and the Committee on Education and Labor your concerns and recommendations regarding this issue.

I note from your Resolutions also that the Association is concerned for the timeliness of student aid appropriations. Past uncertainties in this regard have caused serious disruptions in the plans and lives of thousands of students. Yet, the student assistance programs administered by the Office of Education are among the few education programs which are presently forward funded. Appropriations to be used in the next academic year were appropriated by the Congress last December 18. Moneys were provided at that time for operation of the Basic Grant Program, the Supplemental Educational Opportunity Grant Program, the Direct Loan Program and the College Work-Study Program in academic year 1974–75.

Despite this, the Office of Education has yet to notify colleges and universities of what they will receive. Two and a half months have elapsed—and we are very close to the point in the year when institutions must know what funds will be available to them and subsequently to their students. The delay is inexcusable and we are trying to do all we can to expedite action at the earliest date.

With regard to funding, the battle to establish appropriate levels of spending for higher education continues.

Despite concrete and widespread enthusiasm in the Congress for a greater Federal effort in postsecondary occupational and vocational education and for community college expansion—and despite apparent enthusiasm in the Executive Branch for such programs—they have not as yet been funded.

Again this year the President's budget fails to request funding of these programs.

In the area of student aid, I applaud the Administration's request for full funding of the new Basic Opportunity Grant Program. But I reject the companion recommendation that this be accomplished at the expense of the three college-based student aid programs.

Once again this year we are faced with a budget request from the Administration that would terminate loan assistance under the Direct Student Loan Program and grant assistance under the Supplemental Educational Opportunity Grant program. And I am confident that once again this year the Congress will reject this scheme.

A direct student loan program administered by Kentucky universities and colleges is essential. We cannot rely, as the Administration suggests, solely on a program of Federal insurance of student loans made by commercial lenders.

Another serious problem is the continued unwillingness of the Executive Branch to support direct general assistance to colleges and universities. You may recall that in the debate leading up to the enacting of the 1972 Act, there was a sharp difference in the Congress and in the country between those favoring increased student aid and those requesting direct institutional aid. The 1972 Act quite properly in my judgment struck a compromise authorizing not only new and improved student aid programs, but also a program of direct institutional grants. Unfortunately, the subsequent funding pattern has not been as balanced. The Administration would have virtually all Federal assistance flow in the form of student assistance. There has been no support and no request for funding of the institutional aid program to date.

What does this mean then in terms of our agenda? There are actually two agendas—the immediate and the long-range. We are now involved in immediate efforts to improve the implementation of the 1972 Act—including efforts designed to secure more adequate funding, and efforts designed to insure administration of programs more directly in line with Congressional intent.

Two matters are of prime concern with regard to the latter. Anyone who is at all close to higher education today is aware of the problems that are now being experienced with the Federally insured student loan program. This is the largest of the Federal student aid programs and it has through the years pumped $4,565,000,000—over four and a half billion dollars—into the educational pipeline. At a time when college costs and needs are greater than ever, we are experiencing a dramatic decline in the volume of lending.

As is usually the case in any complex program, there is no one single cause for this decline. But it is clear that the new requirement for a needs analysis in the program has had an adverse impact, particularly on students from families with incomes between $10,000 and $15,000. Accessibility to the loan program for these students has been sharply curtailed.

In light of these problems, we have on our Committee agenda a bill already favorably considered by one of our Subcommittees to repeal the needs test requirement for students from families with adjusted family incomes of $15,000 or less.

Despite the opposition of a few in Congress and despite what Administration opposition has been evidenced, I am confident that within the next month, legislation of this type will be enacted.

We have been working and will continue to work on another of the student assistance programs—the new Basic Opportunity Grants program. Again, lack of funding and inept administration at the Federal level has kept this program from becoming what I know it can become. This is the first year of operation and less than one-tenth of what is needed to fully fund the program is available for expenditure and not even this small amount is being fully utilized.

In addition the program is being operated under unacceptable and inequitable administrative guidelines which, because of timing, we are unable to change.

I should like at this point to be a salesman for the Basic Opportunity Grants Program. It is, as I have said, the Federal program which holds the greatest potential for meet*ing that oft*-stated Congressional intent that no qualified student be denied access to higher education because of financial barriers.

Reflect for just a moment on what a fully funded BOG program would mean to your institution, to your classes and particularly to the hundreds of thousands of needy students.

In theory, every student in postsecondary education—defined in a broad sense—is entitled to a grant of $1400 minus what his family can reasonably be expected to contribute toward educational expenses.

Indeed, if properly funded and administered, the BOG program in and of itself would go far in easing much of the financial crunch we have been discussing.

We are not at a point where there will be full funding, I fear, but we have made progress. For the coming year, appropriations for the BOG program have gone from this year's level of $122,000,000 to $475,000,000. Both freshmen and sophomore students will be eligible next year as compared to only freshmen for the current academic year.

We have also been able to correct a number of inequities in this year's program which were brought about by incorrect administrative interpretations. Students who are Social Security recipients and students from low income families who own a farm or small business were virtually excluded this year from the program. Many, many young men and women in Kentucky were adversely affected by these rulings. We have been able to secure changes in Office of Education regulations which will guarantee the benefits of the program to those students—as was originally intended by the Congress.

On the long-range agenda, as I have mentioned, we are midway through the life of the 1972 Act. The authority for all higher education programs will expire in June of 1974. Our long-term agenda is not as long as we may think.

The recent studies that deal with the administration and financing of postsecondary education mentioned earlier obviously give us a great deal of material to deliberate over, digest and analyze during our consideration of extension legislation.

Our initial planning calls for early and first consideration of student assistance programs. As you know, Federal student assistance, aside from the insured loan program, is dispensed on the basis of need and traditionally, this has meant a dependency on "needs analysis" systems.

Our recent experience with the use of those systems in the insured loan program has heightened Congressional interest in this area, and we will be giving particular attention to the reasonableness and feasibility of continued dependence on such systems.

We are then, as I said initially, at a critical time for higher education. We have before us what I am confident will be a healthy debate on both the form and level of financing for postsecondary education. As these issues are discussed now and in the future in the Congress, it is important that we hear from those who are affected at the local level. The outcome of our deliberations will be determined largely by the response of concerned citizens and informed leaders such as yourselves.

What happens in Washington begins with people. Nothing really gets done unless the people are aroused, and convey their beliefs and opinions to their elected officials.

In the twenty years I have served in the Congress, we have moved through two decades of what can only be considered major victories for American education. I hope this pace can be maintained and that the 1970's become as memorable as the 1960's. This will only come from the united efforts of all who believe in human worth and development and to whom education is a touchstone for this fragile thing we call civilization.

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## DAVID LAWRENCE OF PENNSYLVANIA

### HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. DENT. Mr. Speaker, in times like these, it is well to recall the days of strong and vibrant leaders. Two men very quickly come to mind—Harry Truman and David Lawrence of Pennsylvania. David Lawrence was a dear friend of mine—and of my home State, and, in his memory, I would like to enter here an article by Lawrence Lee of the Pittsburgh Press of February 10, 1974:

#### STRONG MEN GOT THINGS ROLLING

(By Lawrence Lee)

Once upon a time . . .

There was a president.

He was president of the United States.

That was when they had railroads. The country depended on railroads. People traveled by railroads.

If the railroads stopped, the country stopped.

The trainmen refused a new contract. They did not like the terms.

They said: "We will shut down the railroads . . . And to hell with the country."

The owners could not manage their own railroads. They could not lead the trainmen. They could not make things go.

But the country had a president.

#### NO WORRY ABOUT VOTE

He was president of all the country. He did not worry whether or not his party would get back into office. He did not worry about getting the labor vote.

He did not wear a trainman's cap and get himself photographed grinning with the engineers. He did not ask the owners to pose with him in front of the Capitol steps.

He was in the office to run the country.

He decided he was expected to run it for all the citizens.

Not just for people who call themselves labor.

Not just for people who call themselves management and spend corporation funds for expensive advertisements telling the public how pure and how just and how righteous they are.

He decided to run the country . . . for the men who wanted to work and support their families . . . for the men who had to make a living by traveling on the railroads, not in big bright expensive cars . . . for men and women who had families and who make the country go in spite of Labor and in spite of Management.

So, on Aug. 27, 1950, the president acted.

He ordered the Army to take over the railroads. And the Army did it.

The owners howled. The trainmen howled.

But the railroads ran. And the country ran. And the trainmen and the owners sulked and fumed for two years. Then they signed a new contract.

Then the president returned the railroads to the owners, and the country's life kept moving.

And the people knew they had a president.

His name was Harry Truman.

Once upon a time . . .

There was a mayor in Pittsburgh.

He headed a machine. Most nice people do not like machines. But there was much good in the mayor who ran the machine.

He made Pittsburgh run; and the rhythm could be heard across the country.

#### HE MADE THEM KNOW

He made labor know that labor needs management. He made management know that labor has to have a reasonable wage and fair working conditions.

And the city ran.

He did not sit in City Hall and stick in his thumb and pull out a plum and say, "What a good boy am I."

He ran the city.

And he became governor of the Commonwealth of Pennsylvania.

And he did not put all of his relatives in office.

He put some good men and women there. And the commonwealth ran.

And his name was David Lawrence.

But that was . . . once upon a time.

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## AMVETS 1974 LEGISLATIVE PROGRAM

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. TEAGUE. Mr. Speaker, on March 14, 1974, the House Veterans' Affairs Committee was privileged to receive the AMVETS legislative goals for 1974. Cmdr. Berge Avadanian of Massachusetts presented the statement which follows:

#### STATEMENT OF BERGE AVADANIAN, NATIONAL COMMANDER OF THE AMVETS (AMERICAN VETERANS OF W. W. II, KOREA AND VIETNAM

Mr. Chairman and Members of this Committee:

AMVETS is grateful for the privilege and opportunity of presenting to the Members of this distinguished Committee, our observations and recommendations respecting continuing sound, practical and enduring veterans benefits legislation. In the ever changing social and economic American society, the dedicated actions of this Committee in the interests of the American veteran and his dependents continues to be their greatest assurance of a life with honor and dignity, one which will allow them to make their contribution to the best of their capacities, for the peace, welfare and continued growth of our Great Nation.

This opportunity to present highlights of AMVETS 1974 legislative programs, concerns and hopes is to me, my National Staff, my Officers, our subsidiaries and members, an honor and privilege beyond my adequate description.

At this particular posture, I would like to present our National Executive Director, Leon Sanchez, National Service and Legislative Director, Ron Hartley, and our National Legislative Chairman and Past National Commander, A. Leo Anderson.

It is obvious that the ever changing crucial economic crises of today present difficulties requiring effective, creative and rapid reactions with positive ameliorating measures by this distinguished Committee which has been a hallmark of its efforts in behalf of the

Nation's veteran universe. This understanding and close coordination should contribute positively to substantially reducing the time element usually required in conceiving, considering and evaluating necessary veterans' legislative and programs and their embodiment as concrete legislative proposals. The objectivity, balance and long range responsibility, insures sound veterans benefits legislation. To this end, AMVETS will continue to offer to this Committee its full cooperation and the manpower and assistance resources at every level of our organization for this purpose.

The growth of understanding and respect between this Committee and AMVETS has been of great benefit to our organization, and we are most grateful for the assistance and cooperation extended to us by your capable and highly knowledgeable Staff Director, Mr. Oliver Meadows, and his supporting professional staff technicians.

It has long been the basic legislative policy of AMVETS to seek, insofar as practical, complete equalization of benefits for all veterans.

AMVETS is ever midful of the relationship of veterans legislation to the other areas of social and economic needs in the Nation today. We believe further that viligance and continuing effort to protect veteran's interests are not to be submerged by adverse special action groups.

As never before, the unequaled administrative capacity and demonstrated efficiency of the Veterans Administration make it the one agency which should be charged with administrating ALL veterans benefits programs. AMVETS believes that the Veterans Administration is capable of taking on any additional responsibilities in the veterans field which may develop in succeeding years.

### NATIONAL CEMETERIES

We are delighted that The National Cemeteries Act of 1973 was approved as this provides a vehicle with which the Veterans Administration can function in the capacity of adequately servicing the needs of our deceased comrades.

### NATIONAL HEALTH CARE

We were further pleased with the January 28, 1974 statement of the President when he stated in his Special Message: "As I look forward to proposing my National Health Care plan—to make more and better health care available to all Americans—it will be more than ever important to take the Veterans Administration's Health Care System into consideration. It is my strong view that it should continue as a system under the Veterans Administration to insure the proper care of eligible veterans. The Veterans Administration now operates the largest civilian medical care system in the world. It is only fitting that it remain one of the best." It is also AMVETS strong view that the Veterans Health Care System should continue under the Veterans Administration to provide medical services exclusively to the Nation's veterans and those dependents who are found to be qualified under recently enacted legislation.

### EDUCATION

With respect to education, AMVETS' firm belief has been demonstrated that any federal investment in the training and education of our Nation's veterans and their dependents is a wise and prudent investment in America.

AMVETS fully realize the importance of developing meaningful education and training programs which would further an individual's potential or enhance his employment opportunities, and we greatly appreciate the time and efforts expended in developing and formulating this needed legislation for the betterment of this Nation's veterans.

The G.I. Bill provides educational and training opportunities to eligible veterans and dependents which, of course, are designed to aid not only the college oriented individual but also those who wish to receive technical or vocational training.

We strongly believe that the educational benefits earned by the American veteran who served in the active military service should have extended time to pursue his education.

AMVETS urges liberalization of the current education restrictions which would assist in the retraining, cross training or refresher training of certain eligible World War II and Post Korean veterans when their occupation was affected by technical changes (or as a result of the energy crisis.) If the returning veteran is to continue his education under the G.I. Bill, there must be a substantial increase in the educational payments. Although it is our belief that a 15% increase is needed, we are delighted to see this Committee has passed a measure to increase the education allowance by 13.6% and extending the eight year delimiting date to ten years.

### COMPENSATION

Compensation is another area of deep concern to AMVETS which relates directly to those men and women who became disabled while serving in the active military service of our Armed Forces. Since the latest compensation increase in August 1972, the rate of inflation has increased tremendously. This alarming increase has distressed all veterans and Americans and has drastically eroded the buying power of the once powerful American dollar. The need to increase the compensation rates and to keep them in line with the economy is of vital importance, if the Nation's veterans (service-connected disabled) are to continue to maintain a decent way of living and to stand proud while caring for his family.

In this respect, the disabled veteran has not received a fair shake. AMVETS strongly supports legislation that would allow a minimum 15% increase. We also feel further that favorable consideration for a like increase of 15% should be extended to the widows and children eligible for Dependency and Indemnity Compensation benefits.

### NON-SERVICE CONNECTED PENSION

The matter of non-service pension payments recently developed into a shocking economic inequity to a small segment of our nation when over 24,000 veterans and widows of veterans lost their pensions, and over a million pension payments were tragically reduced due to increases in their annuities such as social security.

Many disabled or elderly veterans, dependents of veterans who receive Veterans Administration pension benefits survive only with the addition of other meager retirement annuities or social security payments. When an increase in one benefit due to cost of living adjustments results in the reduction or termination of another benefit, it creates a penalizing effect upon those who are in greatest need. Congress should not tolerate this situation.

AMVETS suggests that more comprehensive and meaningful pension structures be enacted consistent with this Nation's ever changing economic climate.

An AMVET 1973 National Convention Resolution relates to special monthly "housebound" payments. Under current law, an allowance is payable to a veteran in addition to his pension if he is permanently housebound. The requirement for this allowance is contained in Section 502(c) of Title 38, United States Code. In recognition of the plight of the older veteran in need, we strongly urge an amendment to this section of the law so that it would require the payment of the housebound allowance to all veteran pensioners who are 75 years of age or older.

### LOAN GUARANTY

Since the creation of the Loan Guaranty Program, many veterans of World War II, Korea, and Vietnam have taken advantage of their VA guarantee to insured loans to purchase, construct or improve a home. It is a well known fact that if it weren't for this program, many veterans could not afford to buy a home. Until recent years, veterans eligible for entitlement to a Veterans Administration Guaranteed Loan could only buy, build or improve a conventional home. Now, the veteran can get his loan guaranty certificate to purchase a mobile home. AMVETS realizes that with the increasing population many contractors are turning away from single family units, and the trend now shows that condominiums are edging their way into the commercial market. Since the condominium provides the individual family with its own home, while making it economically feasible for a young veteran to buy into a particular unit and with the current economic conditions, the condominium seems a logical alternative in housing and surely could be "home of the future." We urgently request that Congress look into the feasibility of amending Title 38, U.S. Code, Chapter 37, Section 1810 to include condominiums in its provisions to automatically guarantee loans in order that an eligible veteran may secure his own individual residence. This action would also amend section 34 of the National Housing Act which would eliminate VA Regulations 36 (4358). To this end we strongly urge passage of H.R. 9578.

### REORGANIZATION OF DVB

We are concerned with the recent information we have received regarding the reorganization of the Department of Veterans' Benefits. One of AMVETS major objectives is to assure that every veteran has the opportunity to receive prompt assistance and action in regards to filing claims with the VA for compensation, pension, education, etc. Consequently, we are fearful that claims files and Rating Boards may be transferred from Regional Offices to one of the Federal Regional Centers and thus delay the timely administrative action involved in claims.

AMVETS urges that this Committee monitor closely the activities related to any reorganization of the Department of Veterans Benefits, thus assuring that this Nation's veterans will continue to receive first class personal assistance on a local basis.

### EMPLOYMENT

AMVETS has in previous testimony gone on record in supporting all efforts being made by both governmental and private sectors in their quest to aid America's veterans in their search for gainful employment. Current statistics show a rise in unemployment—for younger veterans (20 to 24 years) unemployment rates rose even faster. It is obvious that the last one on the payroll is the first one off when it comes to job cut backs. Thus, the Vietnam Era veteran is already feeling the pinch of the energy crisis and its resultant unfavorable economic effects. We strongly urge consideration of veterans preference in projects undertaken by State and local governments under current Revenue Sharing and Concentrated Employment and Training legislation. This is a crucial period for the veteran, particularly the handicapped and disadvantaged veteran. Therefore, we strongly feel that every returning serviceman deserves the opportunity to find his place in our economic system.

AMVETS would like to relate its concern in the practice of some agencies within the Federal System which have not fully adhered to the Veterans' Civil Service Preference Act. Among those jobs that have been filled by contract are security guards, messengers and custodians. It is believed that strict compliance with Public Law 92-540, with respect to Chapter 42 which requires mandatory listings of job openings created by federal contracts, will further the cause of the American veteran.

The "Job Bank" and "Job Information Delivery System" developed and required by the U.S. Department of Labor are generally in conflict with Veterans Preference due to the manner in which they are applied. This is demonstrated by the small fraction of job opening referrals in larger and medium size offices of State Employment Centers. The "Job Bank System" allows only a short file selection period for veterans before job openings are released to the general public and other agencies, and counter or wall postings are based on a "first-come-first served" process without regard to veteran status, unless it happens to be specified by the prospective employer.

We also believe in strong Veterans Preference and Re-employment Rights Programs which continue to be a deterrent to unjust agency action and guarantees to our Nation's defenders of a full and fair hearing should arbitrary and capricious action be taken.

It is in this spirit that we make the following recommendations.

1. Vigorously enforce all provisions of the Veterans Preference Act of 1944, as amended, and any and all efforts to weaken or reduce the beneficial provisions of this legislation.

2. Amend the regulations pertaining to reduction-in-force to include reorganizations, transfers of function, abolishment of jobs, and related actions which permit an agency to place a non-veteran in a position more favorable than a veteran.

3. Amend the Federal Employees Compensation Act to repeal the irrevocability clause so that survivors of deceased veterans can elect or reelect to receive either Federal Employees Compensation Act benefits or other benefits from other government sources which may be of the greater benefits.

4. Continue strong Veterans' Reemployment Rights Program. The veteran who left a job to perform military service must be assured of the right to return to that employment with full rights and benefits, whether he worked for a private business or for the Federal, State, or local government. Therefore, we believe in a strong and adequately funded Veterans Reemployment Rights program which would continue the protection of Federal law that now exists for veterans, reservists, and national guardsmen in private industry—extend that protection to the State and local government area and provide outside recourse to Postal Service employees who have reemployment rights problems. Only with a strong reemployment rights program can our Nation's defenders be protected against losing out in their established civilian careers when they interrupt those careers to serve their country.

Mr. Chairman and members of this Committee, we have intentionally made no reference to the VA Medical Delivery Service in view of the fact that the statement of the Chief Medical Director, Dr. Marc Musser indicated that sufficient funds will be available for operation of the Veterans Administration Medical Program in an effective and prudent manner.

### SAVINGS BONDS

I would personally like to thank Congresswoman Margaret Heckler for the assistance she gave in persuading the Department of the Treasury to return over 700,000 veteran owned Series E-Savings Bands (with a face value of ten million dollars) to their rightful owners.

### VETERANS DAY

AMVETS wishes to extend its sincere thanks to this Committee for its efforts of restoring November 11 as Veterans Day. We are gratified that in the past two years, (36) additional states have already voted to celebrate Veterans Day on November 11 as the official State holiday.

### ENERGY CRISIS

AMVETS are painfully aware of the severity of the energy crisis and its impact upon every citizen of this Nation. We are particularly concerned with the adverse effects it is having on the severely handicapped veteran. We must remember that many disabled veterans have to depend upon their private automobiles because their handicaps prevent their use of public transportation.

We, therefore, highly favor a regulation or special legislation that will meet the needs of the handicapped veteran in the event of gasoline or other fuel rationing.

### NATIONAL DEFENSE

The AMVET organization believes that to keep America free, we must continue to keep it strong. History has proven that any nation wishing to seek its own determination must be willing to defend it. The U.S. has always been the leader among the nations of the world, and it was through our strength that many more crises were not turned into war.

We must not forget that whenever this country has negotiated with aggressive or belligerent nations, the only language they have understood is strength. Unless we can deal from a position of strength, there will be little or no incentive for our aggressors to negotiate. Dr. Kissinger has said it best "Weapons strengthen the hand of the diplomat as well as the hand of the soldier." We are disturbed about the proposed defense budget cutting and its effect on our national security.

AMVETS urge you, the members of this Committee to exert your influence on your colleagues of the House Appropriation Committee regarding an adequate funding of our defense needs.

America's security must never come out as second best.

On March 1, 1974, AMVETS presented testimony before the Subcommittee on Civil Liberties and Administration of Justice on the position of amnesty and a copy of same is attached.

### AMNESTY

On March 29, 1974, we will observe a day of honor for the Vietnam Era veterans, marking the anniversary of the last United States combatant to leave Vietnam.

AMVETS realizes that the war in Southeast Asia was this nation's most controversial conflict, with the brunt of its unpopularity being carried by men and women who served in America's Armed Forces during those troubled times. In its strongest of mandates AMVETS has and continues to firmly oppose any legislation that would grant amnesty in any form to those individuals who have shirked their legal and moral obligations to serve their country.

### MISSING IN ACTION

AMVETS have not and will not forget those American servicemen who are still listed as Missing in Action in Southeast Asia.

Here it is a year after the so-called official end of the Southeast Asia conflict, and there are still more than 1,200 American families living in anguish and not knowing the true fate of their loved ones.

The AMVETS organization is distressed and angered that the enemy has not given full and acceptable accounting of the Americans Missing in Action, or in returning all the bodies of the sixty servicemen that they themselves claim died in captivity.

Have we forgotten that following the Korean conflict, 389 servicemen were never accounted for? Isn't it our moral and legal obligation to use whatever means possible to learn the fate of those Americans listed as "missing" in Southeast Asia?

AMVETS urgently requests this Committee to use its influence in assuring that a genuine search will be conducted and that sufficient personnel and equipment be furnished in order that the search teams can accomplish their mission.

AMVETS feel that this country, through diplomatic and other peaceful channels could apply even more pressure to the Communists and compel them to comply with Article 8B of the Paris agreement. Therefore, we again urge each of you to exert your personal and combined influence in this grave matter. Americans must not forget those men not yet accounted for by the Communists.

### NATIONAL CEMETERY SYSTEM

We congratulate this Committee for enactment of our longtime legislative goal, The National Cemetery System. We are proud that Rufus H. Wilson, Past National Commander of our organization, is the Director of that program. We recommend that this Committee carefully monitor the development of this new program with the view in mind of expansion, and we assure you that our findings and recommendations will shortly be submitted regarding the report on national cemeteries prepared by the Veterans Administration.

### CONCLUSION

In conclusion, Mr. Chairman, I wish to express the sorrow of AMVETS on the untimely deaths of your revered colleagues, Congressman John P. Saylor and Congressman Charles M. Teague. At our 29th National Convention last August, Congressman Saylor was awarded our Silver Helmet Congressional Award. Their dedication will always be remembered and greatly appreciated by AMVETS and by all Americans.

Mr. Chairman, I would again like to thank you for granting us the opportunity to appear before you this morning. We of AMVETS pledge our full cooperation and support, and again, thank you.

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## AMENDMENTS TO H.R. 69

## HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. PEYSER. Mr. Speaker, last Thursday, I introduced 11 amendments to the bill H.R. 69 which may be offered when the bill comes to the floor. Today I am introducing three more amendments which I may offer at that time:

AMENDMENT NO. 12 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for program and projects approved by the Secretary of the Interior which meet the applicable requirements of section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the acreage per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 80 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 95 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

### AMENDMENT NO. 13 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, p. 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of Title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year of payments to States under section 134(a) (other than payments under such *section to jurisdictions* excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 3(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 3(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (1) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 95 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as declined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

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### Amendment No. 14 to H.R. 69, as Reported, Offered by Mr. Peyser

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

Sec. 102. Section 103 of title I of the Act is amended to read as follows:

Sec. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum, of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 13(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with pubilc funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B) or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commisisoner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commisisoner, such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 40 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 95 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income of less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

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# LEGISLATIVE RECOMMENDATIONS OF THE BLINDED VETERANS ASSOCIATION

## HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. TEAGUE. Mr. Speaker, on March 14, 1974, the National Service Officer of the Blinded Veterans Association, Mr. David Schnair, appeared before the House Veterans' Affairs Committee and made some very outstanding recommendations to the committee to help blinded veterans.

For the benefit of my colleagues in the Congress who were not privileged to hear Mr. Schnair, the text of his statement follows:

### BLINDED VETERANS ASSOCIATION

(Statement of David L. Schnair)

Mr. Chairman and Members of the Committee, I want to thank you for the opportunity to appear before you today on behalf of the Blinded Veterans Association, in particular, and all the nation's blinded veterans, in general.

Before turning to a review of the Blinded Veterans Association's legislative program and of our concerns, I would like to give a brief background of the BVA and its objectives. The BVA was founded in March, 1945 as a membership organization of veterans who lost their sight as a result of their service in the Armed Forces of the United States. It was incorporated under the laws of the State of New York in 1947 and chartered by Act of Congress in 1958. Our members include blinded veterans of World War I, World War II, the Korea Conflict, the Vietnam Era and Peacetime Service. Fortunately, the number of living veterans with service-connected blindness is relatively small. However, the problems of the individual blinded veteran and his family in adjusting to blindness can be great. Therefore, the Blinded Veterans Association, since its inception, has concentrated its efforts on assuring the maintenance of high quality rehabilitation services by the Veterans Administration and in motivating and assisting the blinded veteran to take advantage of these services.

Our goal, in effect, is to assist each other to lead as normal a life as possible as productive citizens in our home communities. Our objective and these efforts have been significantly manifested during the past year with the reintroduction of an expanded BVA Field Service Program which operates with funds made available under a contract negotiated with the Veterans Administration in 1972. We indeed are grateful for the opportunity the Veterans Administration funds provide for the BVA to demonstrate the effectiveness blinded veterans can achieve in assisting each other to become productive and useful citizens. Our Field Service Program staff currently includes five blinded veterans: a National Field Service Director supervising its activities from our national office and four Field Representatives. The latter travel throughout the United States seeking out blinded veterans to determine their needs, to acquaint them with available federal, state and local government and other community resources, and to motivate them to take advantage of these services with the goal of becoming gainfully employed and dignified citizens.

In our outreach efforts, the Field Service Program staff also has been conducting an on-going educational program at each Veterans Administration Regional Office and at each Veterans Administration Hospital with a view to assuring that the personnel of these facilities are aware of the capabilities of the blind, potential problems, rehabilitation techniques, and of the wide range of facilities and community resources which are available to serve and assist the blind.

While not ignoring blinded veterans from earlier periods, the staff has concentrated on reaching the approximately 650 Vietnam Era blinded veterans in this first year of the expanded field service. Since March, 1973, the Field Service Director or the Field Representatives have contacted more than two-thirds of these veterans and by June, 1974, we hope to have established contact with all of the known Vietnam Era blinded veterans. The BVA takes considerable satisfaction from the early successes achieved in this activity and looks forward to continuing and fruitful cooperation with the Veterans Administration in the coming years in pursuance of our mutual objective. Now, I would like to describe some of the legislative priorities of the BVA.

#### DISABILITY COMPENSATION

The loss of sight is many losses. It is expensive and it is a financial as well as physical handicap. In many instances many of us, both old and newly blinded alike, and for many reasons, remain the victims of our handicaps and must live and provide for ourselves and our families on the fixed income of our disability compensation. Because of our disabilities, and conditions stemming from them, many of us are unemployed or underemployed; often our disabilities prevent our wives from obtaining employment to augment the family income, the method used by more and more families to meet the increased cost of living which has risen steadily over the years. For those of us who must make it on the fixed income of our disability compensation, the disparity between our compensation and rising costs begins after the enactment of a compensation increase and widens steadily until it is reduced by a subsequent increase. Except for a very brief period, we are always behind.

Grateful as blinded veterans have been for the disability compensation increases provided over the years as living costs have risen, we feel there now is a very real and urgent need for prompt legislative action providing for additional, larger increases since the cost of living has skyrocketed following enactment of the current disability compensation rates in August, 1972. Between that latter date, when the Consumer Price Index was 125.7, and January, 1974, the index had risen markedly to 139.7, an increase of 14 percentage points within a 16/17-month period. Unfortunately, as living costs still are rising, we have no reason to believe, nor is there much assurance, that the sharp increase in the Consumer Price Index will not continue indefinitely.

The BVA, of course, is very pleased that the Chairman of this Committee and Congressman Teague have respectively introduced H.R. 11469, which would provide for an increase of 15% in disability compensation, and H.R. 12263, providing for a 20% increase. We agree that the 15% increase compares very favorably with the Consumer Price Index statistics. Accordingly, we support the 15% increase as provided in H.R. 11469, as a minimum and with certain modifications as outlined below.

There always has been a lag between the enactment of compensation increases for disabled veterans and their survivors and the continuing rise in the cost of living. This has been particularly significant in the months since the August, 1972 compensation increase. Since every indication is that the Consumer Price Index will continue to spiral upwards, the BVA strongly urges the Congress to enact legislation promptly which will assure that the compensation payable to veterans for service-connected disabilities will keep pace with the continuing increases in the cost of living. We believe this requires the adoption of an automatic cost-of-living system similar to that now applicable to Civil Service personnel, retired government employees and numerous other groups.

We note that, in his March 4th communications to the Chairman and Representative Hammerschmidt, President Nixon recommended a 12% increase in disability compensation, effective March 1, 1974. The President also recommended that future increases in disability compensation be provided by automatic cost-of-living adjustments. While we believe that the 12% increase is inadequate, we fully support both the cost-of-living adjustments, as already indicated, and the March 1st effective date recommended by the President to avoid continuing erosion in the purchasing power of disability compensation as the cost of living continues to rise. If the Congress should conclude not to adopt the automatic cost-of-living adjustment system at this time, Mr. Chairman, we are of the strong opinion that a much higher increase in disability compensation—at least the 20% provided under H.R. 12263—would be justified, as long as it is effective March 1, 1974. Only by such an anticipatory increase can disabled veterans be provided with a measure of protection against the continuing erosion in the purchasing power of their compensation.

Before proceeding, Mr. Chairman, we wish to indicate our support of that portion of President Nixon's communication which recommends a 16% increase in dependency and compensation, an amount identical to that contained in S. 3072 which has been introduced by Senator Hartke.

### SURVIVORSHIP BENEFITS

Mr. Chairman, in recent years the continuing number one legislative priority of the BVA, after compensation increases to stay abreast of the cost of living, has been the provision of adequate survivorship benefits for the families of deceased and totally disabled veterans. The BVA feels that a major need of a veteran suffering from a permanent and total service-connected disability is to provide financial security for his survivors despite the inability to obtain adequate insurance and adequate employment, the normal means of creating a suitable estate. At the present time, when a permanent and totally disabled veteran in receipt of disability compensation dies from causes not clearly service-connected, his survivors are not eligible for Dependency and Indemnity Compensation, the system provided when families are deprived of support by the service-connected death of a veteran. The veteran's survivors are left to whatever they may be entitled under the pension system. We in the BVA believe this to be wrong and unconscionable.

A veteran's service-connected disability may make him ineligible for insurance or may make the cost prohibitive. His inability to engage in gainful employment limits the amount of savings he can accumulate and, more importantly, prevents him from building up Social Security benefits available to the rest of the population. Often, the veteran's disability compensation is only barely adequate to provide current living expenses, especially for the veterans with dependent children as well as a wife. Under the circumstances, we think it is the inescapable obligation of the government to assist these veterans and their families in solving this problem occasioned by the veterans' military service.

This Committee will be interested to know that Canada long ago saw fit to provide survivorship protection for the families of its seriously disabled veterans defined as those 50% or more disabled without any means test and without distinction as to the cause of death. Canada also grants the surviving widow of such a veteran the full amount of his disability compensation for one year after his death as a means of assisting her to adjust to new financial circumstances. According to our information, the widow of a Canadian veteran who is rated 100% disabled for service-connected blindness receives a widow's pension of at least $200 a month. Also, the children's allowances are doubled to the widow on the veteran's death. Thus, we understand that the widow of a Canadian blinded veteran with three dependent children would receive at least $360 a month. This amount is not related to the cause of the veteran's death nor to his widow's financial resources. The sole criterion for eligibility for these benefits is the veteran's permanent and total service-connected disability. Surely, the United States ought to be able to provide similar protection for the families of its permanently and totally disabled veterans. Thus, the members of the Blinded Veterans Association favor legislation which would provide for the statutory presumption of service-connected death of severely and totally disabled service-connected veterans. Legislation proposed in H.R. 2477, which we endorsed before this Committee in testimony in the spring of 1973, is designed to meet this vital need, although we would like to suggest some modifications to this Bill which we feel are essential and reasonable.

We believe that entitlement to DIC for the survivors of a veteran having a permanent and total service-connected disability is justified on the basis of the profound effect the veterans' disability has on his capacity to provide for the economic well being of his family after the veteran's death. However, we cannot believe that the disability has had a less profound effect if the veteran dies less than twenty years after the original disability was incurred! Certainly, the needs of the veteran's family are not any less because of his shorter period of disability. Therefore, we would recommend that H.R. 2477 be modified to eliminate the requirement that a veteran must be permanently and totally disabled for at least twenty years in order that his survivors be eligible for DIC. Similarly, we believe that the provisions of H.R. 3017, which would bar DIC payment when the death of a service-connected totally disabled veteran was occasioned by accidental causes having no relationship to the service-connected disability is discriminatory. The veteran and his family most assuredly are still subject to the same problems in creating an adequate estate whether his death is accidental or not. Accordingly, we urgently request that any such provision included in any pending legislation be eliminated.

An alternative in providing security for the survivors of permanent and totally disabled service-connected veterans which we would recommend would be to extend the provisions of Public Law 92–425, promulgated in 1972. This Law established the Survivor Benefit Plan which provides families of certain deceased retired military personnel an annuity up to 55% of their retired pay. While the retired serviceman pays a portion of the cost of the system through deductions from his retired pay, the Government bears a substantial cost of the benefits, particularly for those involving lower grade enlisted personnel. The BVA enthusiastically welcomed the enactment of the Survivor Benefit Plan but feels that this legislation left a glaring inequity which affects a substantial number of our members as well as many other disabled veterans. I refer to the fact that the Plan makes no provision for the survivors of disabled enlisted men of World War II. The reason for this is simple: enlisted personnel were not entitled to disability retirement until the enactment of the Career Compensation Act of 1949.

We requested in our April, 1973 testimony that this indefensible deficiency be corrected and, since no action has yet been taken, we again urge correction of this deficiency before the present session of Congress adjourns. Every day of delay jeopardizes the financial well-being of families of these disabled servicemen. Our remedial proposal is simple: that the benefits of the Survivorship Plan be extended to all servicemen who are not now eligible because they are not in a retired status and who, at the time of their separation from the service, were determined by the Veterans Administration to have a severely disabled service-connected status. They would be expected to make the same contributions that are chargeable under the Survivor Benefit Plan.

We realize, Mr. Chairman, that there can be a difference of opinion as to whether such a program should be administered by the Department of Defense, which now administers the existing program, or by Veterans Administration. We recognize that these men are, in fact, disabled veterans, not retired military personnel, and that the legislation we are proposing would not confer retired status on them. But the important thing is not to let such differences stand in the way of the earliest possible corrective action. We say, again, each day's delay means that this one group of families of disabled servicemen is being subjected to major, if not catastrophic, financial penalties as a result of a technicality in the law. We cannot believe that Congress intended such an unfair blow to fall on the survivors of men who sacrificed equally for their country as others whose families are now protected.

We still think, Mr. Chairman, that legislation that would make Dependency and Indemnity Compensation payable to the survivors of deceased permanently and totally disabled veterans has much merit and continue to regard its adoption as a BVA priority. The important thing, of course, is to make available these vitally needed benefits with the least possible delay.

### AID AND ATTENDANCE

To our exceeding regret, legislation introduced in previous sessions of Congress to provide an additional aid and attendance allowance to certain service-connected blinded veterans has not yet been acted upon by this Committee. Consequently, we once again ask your urgent consideration of legislation to amend paragraph (r), Section 314, Title 38 of the U.S. Code as contained in H.R. 6137 which was introduced upon request a year ago by Chairman Dorn. This Bill would provide an additional monthly Aid and Attendance Allowance to any veteran whose visual acuity is 5/200 or less and who is otherwise entitled to the compensation authorized under Title 38, Section 314, subsection (1), (m) or (n) or the intermediate rates thereunder.

The BVA's request and justification for this additional allowance is based on several facts, some obvious and others more subtle. We see this additional aid and attendance allowance as a means of becoming more competitive in the job market and in a blinded veteran's opportunity to more fully participate in the world of work. Such an allowance could help blinded veterans in the purchase of transportation to and from work, it could provide funds to obtain reading research services by sighted persons; i.e., it could assist immeasurably in a blinded veteran's ability to hire eyes so that he could meet the requirements often stipulated as a pre-requisite for employment.

It is a well established and obvious fact that, due to his disability, the blinded veteran is immediately cut off from 85% of the means of communication which sighted people enjoy. One must see danger in order to avoid it; the first indication of such danger to a blind person is too late—when the veteran has already fallen and sustained bodily and serious injury. The blind person often needs assistance in finding a restaurant table, in reading menus, in locating street addresses and entrances to buildings.

For all these stated reasons, both obvious and subtle, and for many others the BVA feels that the additional allowance provided under H.R. 6137 is essential in order that the blinded veteran would be compensated for the expense he incurs for aid and attendance in his everyday activities. We urge Congress to take action on this legislation during the present session.

### INCREASE AWARDS FOR DISABILITIES IN COMBINATION WITH BLINDNESS

Another inequity which the BVA feels is in need of legislative action during this session of Congress also would involve an amendment to Section 314, Title 38. Resolution No. 28, adopted at our 1971 National Convention, requests the Congress to amend Section 314 to grant compensation under subsection (o) for loss or loss of use of a hand or leg when it occurs in combination with blindness. As in the previous instance, similar legislation was introduced at our request by Chairman Dorn a year ago in H.R. 6136 but has not been acted upon by this Committee.

Our request for this legislation is based on the realization that the loss of the tactile sense caused by an artificial hand or foot is considerably more handicapping when it occurs in combination with blindness since such loss deprives the blinded veteran of essential contacts with the environment and that the use of an orthopedic cane to assist a *blinded* veteran who also has lost a leg deprives him of the use of a long cane as a mobility tool. We strongly endorse the provisions of H.R. 6136 and respectfully urge action on this legislation before this Congress adjourns.

The BVA is equally concerned with the present method used by the Veterans Administration in rating impaired hearing in combination with blindness. It would seem to be obvious that the sense of hearing becomes the principal avenue of information for a blind person and that impaired hearing in combination with blindness compounds problems incident to the pursuit of vocational, social and recreational activities. Therefore, and pursuant to Resolution No. 12 adopted by the BVA in 1971, we respectfully request that the Congress direct the Administrator of Veterans Affairs to take appropriate action to revise the current method of rating impaired hearing in combination with blindness for disability purposes.

Currently, except for a few statutory provisions dealing with loss of hearing in combination with loss of sight, the Veterans Administration Disability Rating Schedule assigns percentages of disability for hearing loss occuring in blinded veterans as if such hearing losses occured in individuals with normal vision. We strongly feel that the VA's current rating method should be altered in order to eliminate current inequities in the disability rating structure and request the Congress' assistance in achieving this objective.

### ELIGIBILITY FOR AUTOMOBILES AND ADAPTIVE EQUIPMENT

In April, 1973, the BVA testified in favor of Bills which would extend to those disabled veterans who served on or after February, 1955, particularly those serving during the Vietnam Era, the same eligibility for the automobile allowance grant as is presently available to disabled veterans who served during World War II and the Korea Conflict. In appearing before this Committee again, we are anxious to reiterate our support of such legislation as embodied in H.R. 5934, H.R. 1633 and H.R. 4491. The BVA is fully in accord with the Veterans Administration's recommendation to remove the present statutory discrimination against veterans of the Vietnam Era which requires that the prescribed disability for this eligibility must be "a direct result of the performance of military duty."

The BVA also would like to express its particular support of that portion of S. 2363, introduced by Senator Hartke, which would amend Section 1902, Title 38, United States Code, to increase the automobile allowance grant to disabled veterans to $3,300. We fully support the efforts of the Paralyzed Veterans of America in seeking an increase in the amount of this allowance in view of the marked increase in the cost-of-living of this allowance in view of the marked increase in the cost of living subsequent to enactment of the presently authorized $2,800.

### EDUCATIONAL ASSISTANCE FOR VIETNAM ERA VETERANS

The BVA joins with other veterans' organizations in supporting all of the provisions of H.R. 12628, the "Veterans' Education and Rehabilitation Amendments Act of 1974", which would increase the amount of educational assistance to Vietnam Era veterans by 13.6%. We commend the sponsors of this Bill for initiating prompt action in this current session of Congress to improve educational and training benefits for the nation's veterans.

As in the case of the American Legion, we believe that there are justifiable reasons to take a hard look at providing a separate payment, direct to the institution of the veteran's choice, in an amount calculated to cover the cost of tuition, fees, books and other customary charges. We would urge the Members of this Committee to seriously consider this proposal in order that our veterans may have sufficient freedom to attend the educational institution of their choice and that there will be no question that our Vietnam Era veterans will have been treated as fairly and equitably as those veterans who returned from World War II.

### ENDORSEMENT OF OTHER PENDING LEGISLATION

Other Bills pending in Congress which are of concern to blinded veterans and which the BVA endorses include H.R. 100 and S. 150. The first of these would make certain that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced because of increases in monthly social security benefits. It is our position that veterans should never be penalized in the computation of their pension or compensation as a result of periodic increases in social security benefits. We realize that the present situation in which this is happening is extraordinary; we are sure that Congress did not intend for this to be the case and we urge that the essential action to remedy this conflict be effected at the earliest possible moment. S. 150, introduced by Senator Inouye, provides that the Administrator of Veterans Affairs may furnish outpatient dental services and treatment for a non service-connected disability to any war veteran who has permanent total disability from a service-connected disability.

### BVA RESOLUTIONS REQUESTING LEGISLATION

At their 1972 National Convention, the members of the Blinded Veterans Association adopted two Resolutions urging legislation of interest to this Committee on which no action has been taken to date. Copies of these two Resolutions are attached to this Statement for the Committee Members' review and consideration, but we would like to describe them briefly.

Chapter 21, Title 38, United States Code, provides a special housing grant, presently in the amount of $17,500, the objective of which is to aid certain totally disabled veterans in the purchase of construction of special, adaptive housing to accommodate prosthetic devices for these veterans. Resolution No. 16/72 requested that the BVA secure federal legislation which would extend the provisions of this law to include blinded veterans without their having to suffer any additional disability beyond total service-connected blindness.

Resolution No. 5/72 recommended the establishment of an agency within the VA which would be authorized to make loans directly to the blind and 100% disabled veterans for the purchase of adequate housing. The Resolution further recommended that the loans be of sufficient amount to adequately purchase a home at current market prices and an interest rate of 3 to 5%.

Before concluding, Mr. Chairman, I should like to note that Resolutions adopted by the BVA at our Twenty-Eighth National Convention in 1973 are primarily administrative, as opposed to legislative, in nature. In accordance with Resolution No. 1/73, we have urged the Veterans Administration to establish a fourth Blind Rehabilitation Center at an appropriate location in the southern part of the United States where blinded veterans will receive the basic rehabilitation which is available at the three present Centers located at West Haven, Connecticut, Hines, Illinois, and Menlo Park, California, respectively. As a result of our Field Service Program activity, the BVA is of the opinion that there is evidence of an increasing need for additional accommodations, in a fourth location, to extend the benefits of the Veterans Administration's fine rehabilitation program to more Vietnam Era blinded veterans.

Resolution No. 2/73, urges the Veterans Administration to initiate an in-house program of training and employment of blinded veterans in the Veterans Administration telephone information service, a program already proven successful in the Internal Revenue Service, the Social Security Administration and the Civil Service Commission Job Information Centers. We are pleased that the Veterans Administration is moving ahead with the development of this program as recommended by this particular Resolution.

A major action of our 1973 National Convention was the adoption of Resolution No. 6, which placed the BVA on record as opposing the granting of amnesty to anyone who has been proven a deserter of the Armed Forces of the United States and to those now seeking amnesty and are residing outside the boundaries of the United States in order to avoid serving in the military.

Mr. Chairman, I would like to say how very appreciative the entire membership of the Blinded Veterans Association is for the dedicated service and highly important contribution the members of the House Veterans Affairs Committee have rendered to the American veterans. There can be no doubt of the tremendous debt we owe you for the sympathetic role this Committee has played in the development of needed veteran legislation. We sincerely hope that Congress will act favorably on the legislation we have recommended or endorsed in this Statement. We believe this legislation is urgently needed at this time.

Again, I wish to express my gratitude, and the thanks of the entire membership of the Blinded Veterans Association, for the opportunity to appear before you today.

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### RESOLUTION No 16/72

Whereas, the federal government has enacted into law a special housing grant which is in the amount of $17,500 and which is designed to aid certain totally disabled veterans in the purchase or construction of special housing designed to accommodate prosthetic devices for these veterans, AND

Whereas, those totally disabled veterans are defined as paraplegics, bilateral amputees and blinded veterans who suffer the loss or loss of use of one lower extremity, AND

Whereas, all other totally disabled veterans have been excluded from the provisions of the U.S. Code, Title 38, Chapter 21, AND

Whereas, blinded veterans are by federal governmental definition legally, totally disabled veterans, AND

Whereas, blinded veterans do need certain safe, necessary and convenient prosthetic devices in their homes, such as special electric wall outlets, railings, sliding doors, intercom system, special toilet facilities, special stairwell construction to prevent serious disabling falls, Braille thermometers, etc. etc. NOW LET IT HEREBY BE

Resolved, that the Blinded Veterans Association, in Convention in Hollywood, California, on this 22d day of July, 1972, secure federal legislation designed to include blinded veterans in U.S. Code, Title 28, Chapter 21, without such blinded veterans having to suffer any additional disability beyond total blindness which is service-connected.

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### RESOLUTION No 5/72

Whereas, the Veterans Administration will provide a special constructed house free of charge to the paraplegic veteran, AND

Whereas, the Veterans Administration will guarantee 60% of a home mortgage loan or up to $12,500 for all veterans, AND

Whereas, this policy has proven inadequate to substantially assist the blinded veteran in obtaining adequate housing, AND

Whereas, adequate housing for all citizens is recognized key goal of the American dream, AND

Whereas, adequate housing for the blinded veteran is mandatory if he is to be rehabilitated and his life enhanced to the point where blindness becomes a nuisance instead of a handicap, AND

Whereas, current VA policies place the blinded veteran in the same position as all other 28 million-plus veterans in competing for adequate housing, AND

Whereas, this practice is discriminatory in itself as experience has shown that the blinded veteran is not in a position to compete as an equal with sighted persons on the open housing market, AND

Whereas, if the blinded veteran is to enjoy the full benefits of the American society, the current VA housing policy must be amended in a manner that will contribute immeasurably to assisting the blinded veteran in obtaining adequate housing as smoothly and without undue bureaucratic administrative frustration, THEREFORE BE IT

Resolved, that the Blinded Veterans Association call upon the Veterans Administration to establish an agency within the VA and authorize it to make loans directly to the blind and 100% disabled veterans for the purchase of adequate housing. This agency should be provided with the necessary funds and the loans should be a long-term low interest, non-profitable type with the interest based at a level that will adequately cover the cost of the program. This agency should also provide the veteran with some type of low cost home mortgage insurance either directly or through some type of contracted services, AND BE IT

Further resolved, that the loan be of a sufficient amount to adequately purchase a home at current market prices ($25,000 to $30,000 ceiling) and an interest rate of 3 to 5%. (The State of California authorizes certain of its veterans a loan of up to $35,000; if the state can authorize at this level, the Federal Government should be able to do better.)

## ECONOMIC CONTROLS

## HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. HUBER. Mr. Speaker, as I have noted before, the present economic controls are a real disaster for the country. Since the time they were imposed, we have reached a record rate of inflation. We have seen shortages of paper, meat, gas, petrochemicals, wood, milk and even freight cars. Unemployment is on the rise as more and more companies are shutting down, primarily due to the fact that with controls, they cannot make a profit.

In spite of all this, it is amazing to me that there are still some who wish to keep the controls in order to maintain the present level of the economy. I should only like to ask those people, do they really want to stabilize us at the current levels listed above? This could only guarantee that the shortages and the rampant inflation would continue. Even the AFL–CIO has finally come to that conclusion and now advocates the removal of these controls.

Last year, when the matter of extending the economic controls came up on the House floor, I was 1 of only 114 Members who voted against the extension. The reason I did so was because I felt that any extension would lead us to economic chaos. The result of the extension has more than vindicated that position. And I am sure that if we wish to see more unemployment, more inflation, and more shortages, all we will have to do is extend the economic controls for another period of time. As George Santayana so wisely pointed out a long time ago, those who do not learn from history are doomed to repeat it. Are we going to benefit from the history of the past year, or are we to ignore it?

As the Wall Street Journal observed in its February 14, 1974, editorial:

> We've had our flirtation with controls. Now it's time to consign them again to the museum from whence they came along with all the other machines that history has proved unworkable.

I am inserting the Journal's excellent editorial into the CONGRESSIONAL RECORD for the consideration of my colleagues.

[From the Wall Street Journal, Feb. 14, 1974]

### HOW ABOUT A CLEAN BREAK?

The administration does not want Congress to renew the wage-price control authority of the Economic Stabilization Act, which expires April 30. It has learned that price and wage controls are futile, treacherous and dangerous. That's the good news.

The bad news is that the administration plans to keep a lid on petroleum prices through the Federal Energy Office, to control the cost of medical care—apparently in anticipation of the inflationary effect of its own health care program—and to maintain some kind of jawboning agency, the Cost of Living Council, not entirely happy with the administration's decision, is still quietly pressing for continuing power to enforce existing wage and price agreements, thereby stretching into a club what we were told would merely be "monitoring and review" authority. In other words, we are learning once again how reluctant bureaucrats are to give up any power mechanism, even one that they have concluded is futile, treacherous and dangerous.

By now the administration and almost everyone else who understands the problem knows that price controls have been an economic disaster. They have distorted market forces in a fantastically complex economy, inhibited expansion, masked overstimulation of demand, created shortages, worsened inflationary pressures and created dissatisfactions over wages among working people. But we are now being asked to accept the proposition that while controls have been a disaster it won't hurt to hang onto just a few controls affecting those industries that are politically sensitive.

This is nonsense. Petroleum is a politically sensitive industry because it has developed serious shortages largely because of controls. If there is any single industry that should be relieved of controls it is petroleum—in order that it might again respond to market forces and begin to develop the new capacity that will be needed to overcome the shortages.

As to medical care, federal intervention here helped get us into the controls syndrome in the first place. The enormous and sudden demand that Medicare and Medicaid thrust on the nation's medical care facilities was highly inflationary in the late 1960s. And inflated medical care costs were a major component of the rise in the Cost of Living Index that Democrats in Congress used in their arguments which won passage of the Economic Stabilization Act.

It is probably true that the Nixon health bill, if it passes Congress, would generate further health care inflation. But that is an argument against massive programs, not an argument for controls. Much of what needs to be done to improve access to adequate medical care in this country can be done more selectively and judiciously rather than in the slam-bang manner that characterized the 1960s. It need not be inflationary, or at least not excessively so, if it is soundly based on some proper means for obtaining revenues and allocating scarce resources like doctors' time.

Beyond that, the administration wants—and the Cost of Living Council is pressing to expand—continuation of some sort of jawboning program. This will perpetuate the myth that businessmen are responsible for inflation and that there have to be government officials around to talk such people out of their nefarious ideas. In fact, it is the other way around. There is a need for responsible people to tell the Congress and government when they are being unwise in the management of the fiscal and monetary affairs that are the fundamental sources of inflation.

For all those reasons it is time to make a clean break. We've had our flirtation with controls. Now it's time to consign them again to the museum from whence they came along with all the other machines that history has proved unworkable.

## AN INVITATION TO ALEXANDER SOLZHENITSYN

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. HARRINGTON. Mr. Speaker, the Senate of the Commonwealth of Massachusetts has passed a resolution extending greetings to Alexander Solzhenitsyn and inviting him and his family to come and live in the United States.

This is a commendable gesture on the part of my State. Mr. Solzhenitsyn is an outstanding author who has contributed several major literary works in the past decade to the benefit of the people of Western countries. He has been honored with the Nobel prize, as well as the less tangible, but equally important, admiration of his readers. His sharp criticism of the violations of basic human rights that led to his expulsion from the Soviet Union and the revocation of his citizenship have won him an honorable place in Western history.

I would like to insert for the benefit of my colleagues, the resolution passed on the 19th of February by the State senate, which was also transmitted to Mr. Solzhenitsyn. Even though the famed author has decided to make his home in Switzerland, I believe my colleagues will be interested in noting the action our State has taken welcoming Mr. Solzhenitsyn.

The text follows:

COMMONWEALTH OF MASSACHUSETTS

(Resolutions extending greetings on behalf of the Commonwealth of Massachusetts to Alexander I. Sohzhenitsyn, his wife Natalya and his children and inviting him and his family to make their new home in the United States of America.)

Whereas, Alexander I. Solzhenitsyn is an outstanding author and has contributed several major literary works in the past decade, for which he has been honored with the Nobel Prize in literature; and

Whereas, He has been a persistent and sharp critic of policies implemented by the Soviet Socialist government to repress politically dissident views; and

Whereas, He has been in the past a victim of such repressive policies, having been imprisoned during the political dictatorship of Joseph Stalin; and

Whereas, He is now again a victim of such policies, having been recently stripped of his Soviet citizenship, unlawfully deported from his country and sent into permanent exile; and

Whereas, The United States of America has long been a "Mother of Exiles" and has welcomed all those "yearning to be free"; now, therefore, be it

Resolved, That the Massachusetts Senate hereby extends its greetings, on behalf of the Commonwealth of Massachusetts, to Alexander I. Solzhenitsyn and his family and invites them to make a new home in the United States of America, where they may enjoy every right and privilege which our Constitution guarantees to the people of this country; and be it further

Resolved, That a copy of these resolutions be transmitted forthwith by the Clerk of the Senate to the Congress of the United States and to Alexander I. Solzhenitsyn and his family.

## LABOR-MANAGEMENT COLLEGE OF THE CATHOLIC DIOCESE OF BUFFALO TO HONOR PETER J. RYBKA

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 19, 1974*

Mr. KEMP. Mr. Speaker, in the course of our lifetimes, we have the privilege of knowing, and we are affected by, outstanding, fellow human beings.

They inspire us. They help shape the attitudes and lives of the people in their communities and in similar pursuits. They seemingly have unlimited capacities to dedicate their energies and their talents for the betterment of others, in the immediate and greater worlds in which they labor.

This Sunday, in my congressional district, the people of western New York will gather to pay tribute to my close, personal friend, and a truly outstanding American, who embodies all of the attributes I have described.

He is Peter J. Rybka, labor and civic leader, union pioneer, public servant, sports fan, devoted family man, father, and grandfather. He will be the recipient of the coveted Bishop's Plaque, awarded annually by the Labor-Management College of the Catholic Diocese of Buffalo, an honor which will be bestowed by the Most Reverend Edward D. Head, Bishop of the Diocese, and the Very Reverend Monsignor Stanley A. Kulpinski, director of the college.

Like many of my constituents and others in our community, Peter Rybka has deep and close cultural ties in Poland, from where his parents emigrated.

His father was a coal miner who emigrated to America with his wife, Sophie, and first settled in the coal mining town of Dupont, Pa., where Peter, the oldest of six children, was born.

At the age of 7, Peter and his parents moved to Buffalo. A year later, when he was only 8, his father was killed in an industrial accident and his mother went to work to support her family.

Her struggle and the hardships of the other members of Peter's family made indelible impressions upon his consciousness. These struggles, he has observed, have helped direct the course of his active involvement to secure opportunities for the less fortunate.

After a limited formal education in parochial elementary and public schools, Peter went to work in a steel mill when he was 15 to help support his mother and his brother, three sisters having fallen victim to a scarlet fever epidemic when he was but 10.

In 1933, he began organizing workers in Buffalo feed mills and other industrial activities.

By hard work and service Peter Rybka rose from union steward, to full-time business representative of the executive board of the Buffalo area AFL–CIO, a post he still holds.

He won election as vice president of the American Federation of Grain Processors. He served on that Council's executive board and later was elected vice president of the succeeding international union, the American Federation of Grain Millers, AFL.

Since 1959, Peter Rybka has served as the full-time vice president of the American Federation of Grain Millers International, responsible for 12 States in the Eastern area.

While pursuing his career and striving for the betterment of his fellow workers and their families, he maintained an active role in western New York political affairs. He served as elected democratic committeemen. He won the Buffalo Council at large seat in 1947 by a record plurality and 111,000 votes of support.

He appointed a fellow trade unionist and another great friend of mine, Stanley M. Makowski, as his personal secretary, a move that contributed to Stan's own distinguished career in public service and his present seat as Buffalo's outstanding mayor.

Peter Rybka went on to serve as the Majority Leader of the Buffalo City Council. And, to this day, he is a vigorous and wise competitor in local, State and Federal election campaigns, playing hard, tough and clean as he did on municipal and semiprofessional baseball teams.

Mr. Speaker, I could go on and on about Peter Rybka's service on a wide variety of labor committees, his 20 years of dedicated service to the Cheektowaga Zoning Board of Appeals, his contributions to Polish-American relations and other public contributions.

Perhaps, most of all, I am deeply grateful for his consistent help and counsel as a knowledgeable and concerned member of the Maritime Trades Union, Buffalo Port Council.

Peter Rybka's assistance to help secure grain milling and storage contracts from the Agriculture Department, his leadership and cooperative efforts to extend the shipping season of the Great Lakes and the Seaway, his unrelenting and continuing work to retain and expand the Buffalo Port's traditional role as the gateway, shipping point for grain and other commodities, his support for pension protection legislation, for emergency medical care of seafarers and port workers, his untiring work to secure a higher minimum wage and other efforts in behalf of greater wage and employment opportunities for the people of our community have been invaluable to me, personally.

I am proud to know him. I am proud to call him my friend.

I am privileged to salute him before my colleagues and the people of America whom he serves.

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# HOUSE OF REPRESENTATIVES—*Wednesday, March 20, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*With Thee is the fountain of life; in Thy light shall we see light.*—Psalms 36: 9.

O God of Grace and Lord of Glory who art with us all our days, help us to realize our dependence upon Thee and our constant need of Thy guidance, Thy wisdom, and Thy love. May we always be aware of Thy presence and come to know that with Thee we are ready for every responsibility and equal to every experience.

Let Thy spirit work mightily throughout our Nation and our world that men and women everywhere may turn to Thee for guidance, for wisdom, and for good will. Give us all grace to listen to Thee that we may not be frustrated by fear nor wearied by worry, but in Thy light may we see light and by Thee be given courage to walk in right ways—for Thy sake and the good of our human family. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the amendments of the House to a bill of the Senate of the following title:

S. 2315. An act relating to the compensation of employees of Senate committees.

The message also announced that the Senate disagrees to the amendment of the House to the amendments of the Senate to the bill (H.R. 12253) entitled "An act to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. PELL, Mr. RANDOLPH, Mr. WILLIAMS, Mr. KENNEDY, Mr. MONDALE, Mr. EAGLETON, Mr. CRANSTON, Mr. HATHAWAY, Mr. DOMINICK, Mr. JAVITS, Mr. SCHWEIKER, Mr. BEALL, and Mr. STAFFORD to be the conferees on the part of the Senate.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill and joint resolutions of the House of the following titles:

S. 1276. An act for the relief of Joe H. Morgan;

S.J. Res. 163. Joint resolution authorizing the President to proclaim the last full week in the month of March of each year as "National Agriculture Week" and the Monday of each such week as "National Agriculture Day"; and

S.J. Res. 179. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning April 21, 1974, as "National Volunteer Week."

The message also announced that the Vice President, pursuant to section 4355 (a) of title 10, United States Code, appointed Mr. MCGEE, Mr. HUDDLESTON, Mr. GOLDWATER, and Mr. STEVENS, to the Board of Visitors to the U.S. Military Academy.

The message also announced that the Vice President, pursuant to section 6968 (a) of title 10, United States Code, appointed Mr. BIBLE, Mr. CANNON, Mr. FONG, and Mr. MATHIAS to the Board of Visitors to the U.S. Naval Academy.

The message also announced that the Vice President, pursuant to section 9355 (a) of title 10, United States Code, appointed Mr. PASTORE, Mr. HASKELL, Mr. DOMINICK, and Mr. BELLMON to the Board of Visitors to the U.S. Air Force Academy.

## MAJORITY LEADER THOMAS P. O'NEILL, JR., REPLIES TO PRESIDENT'S ATTACK ON CONGRESS

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. O'NEILL. Mr. Speaker, President Nixon engaged in one of his favorite diversions last night, sniping at Congress from the cover of a friendly audience.

His attack on Congress was another attempt to divert the public from his own lack of leadership in the energy crisis. After all, the only energy action program we have is the result of a law passed by Congress last year over the President's objections. And the reason that we have no new law is that the President vetoed it just a few days ago. He took sides with the oil companies who fought the oil price rollback.

On prices, at least, the President is consistent. He also called for deregulation of natural gas—in other words, uncontrolled price increases for gas producers. The President's theory apparently, is that windfall profits for one segment of the energy industry should mean windfall profits for all.

That may be his idea of fairness. Ours here in Congress is a windfall profits tax to prevent the big companies from taking unfair advantage of the people.

Let us not forget that the gasoline shortage has doubled prices at the pumps, and this Nation has no way of requiring that those extra oil company revenues go into more oil and gas exploration.

President Nixon did make one thing clear last night: his priorities and those of the Congress are different. He is worried about the big energy companies and their profits. The Congress is worried about the people who have to pay for it all.

## IN REPLY TO PRESIDENT'S ATTACK ON CONGRESS

(Mr. ROUSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROUSH. Mr. Speaker, I rise with reluctance because I have hesitated to speak out about the scandalous affairs that have had such a great effect on our country. But I can no longer stand by in silence while this Congress, and the men and women of this Congress, are attacked repeatedly and unfairly by our Chief Executive.

Mr. Speaker, it is not true that this Congress has been dragging its feet. As a member of the House Appropriations Committee, I can personally testify that Congress is going about its business—that the Congressmen are hard at work on the many, many problems that confront us today.

I cannot help but feel, Mr. Speaker, that when the President complains about ineffectiveness, he is only voicing what he sees around him—the ineffectiveness of his own administration.

Mr. Speaker, I feel what has happened to the administration is a sad thing, but I will not stand by and let the President or anyone else cast the blame on Congress. Congress has stepped into the void left by a weakened administration, and has performed admirably in filling that void. The men and women of Congress, Republican and Democrat, deserve praise for the extra effort they are putting forth, not criticism such as one might expect from a child.

Mr. Speaker, Congress is getting on with the Nation's business. It is time the administration does the same.

## IN DEFENSE OF THE PRESIDENT

(Mr. WYDLER asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. WYDLER. Mr. Speaker, I cannot help but get the impression, in listening to the majority leader's speech and the speech of the last gentleman, as well, that they both protesteth too much.

The fact of the matter is that the congressional record on helping our Nation meet the energy crisis is a very sorry and sad one. The fact is that the President asked the Congress for 17 bills to help the people of this country to meet the energy crisis. The Congress has responded by passing one bill that was a bill mandatorily allocating fuel oil and gasoline. That bill turned out to be such a poor piece of legislation that it created more problems in this country than it solved.

I think we all would have to admit that in retrospect. On the rest of the legislation, there has been discussion but no action.

I would think, Mr. Speaker, that the people of this country know that no matter what the majority leader might say about this situation, the fact is that the people of the country are not being helped at all when the Congress of the United States does nothing.

It is just not enough to merely criticize the President and demogogue his proposals to solve the energy crisis as merely intended to make the oil companies rich. The President's proposal for a windfall profits tax on the oil industry is one of the proposals. Congress has failed to act upon.

If the Democratic leadership does not like the President's programs it is their right to change them.

But there is no excuse—no excuse at all—for a policy of do-nothing.

## AMERICAN PEOPLE NOT BEING FOOLED ON ENERGY CRISIS

(Mr. HAYS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, the gentleman from New York (Mr. WYDLER) who just preceded me in the well, made a few interesting observations, but I believe the gentleman had his facts a little bit mixed up.

Sure, the President has asked for 17 bills, not to help the American people, but to help the big oil companies who dumped 5 or 6 million dollars into CREEP last year, the Committee To Re-Elect the President.

The American people are not being fooled. Somebody should have told the President last night that that television program was being broadcast outside of Texas, because what he was saying was good for the fatcats in the oil industry but it was not good for the American people.

If you think you can go home this fall and convince the people that the President's spokesman, Mr. Simon, who is on TV day in and day out, asking for price increases and advising price increases in gasoline, if you think you can convince the American people that such increases are in their interest, you are welcome to try, but I think that they know in whose interest it is. I think they know what has happened about the 500-percent increase in the cost of propane gas. I think they know what the President wants when he wants all regulations taken off of gas, so that their fuel bills can go up 300 or 400 percent. They are not as gullible as some of the Members may think they are, and the majority leader was right on target with his speech.

## CALL OF THE HOUSE

Mr. HAYS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 98]

Alexander
Andrews, N.C.
Blatnik
Boggs
Brasco
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Chisholm
Clark
Clausen, Don H.
Conyers
Dingell
Donohue
Findley
Fraser
Frelinghuysen
Gibbons
Gray
Gubser
Gude
Hansen, Wash.
Hébert
Hogan
Holifield
Huber
Jarman
Jones, N.C.
Kuykendall
Lehman
Litton
Long, Md.
McClory
McDade
McEwen
Metcalfe
Minshall, Ohio
Murphy, Ill.
Murphy, N.Y.
Patman
Peyser
Powell, Ohio
Railsback
Reid
Reuss
Rodino
Rooney, N.Y.
Ryan
Steiger, Ariz.
Stokes
Teague
Wiggins
Wilson, Charles, Tex.
Yatron

The SPEAKER. On this rollcall 378 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## APPOINTMENT OF CONFEREES ON H.R. 12253, AMENDING GENERAL EDUCATION PROVISIONS ACT

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, H.R. 12253, to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975, with the House amendment to the Senate amendments thereto, insist upon the House amendment to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Speaker, reserving the right to object, is that simply asking for a conference?

The SPEAKER. That is correct.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. Perkins, Brademas, O'Hara, Quie, and Dellenback.

## PERMISSION FOR COMMITTEE ON SCIENCE AND ASTRONAUTICS TO MEET DURING SESSION OF THE HOUSE TODAY

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Science and Astronautics be permitted to meet during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

## PERSONAL PRIVACY RECEIVES A BADLY NEEDED BOOST

(Mr. GOLDWATER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. GOLDWATER. Mr. Speaker, it is with great pleasure that I take note of the recommendations of Vice President Ford, and the official affirmative agreement by President Nixon to rescind Executive Orders Nos. 11697 and 11709. These orders opened the individual Federal income tax returns of up to 3 million American farmers to analysis and use by the U.S. Department of Agriculture. The rescission clearly is a step in the direction of restoration of the personal privacy of Americans. Whatever the statistical data that could have been gained from access to such records, is not worth the corresponding sacrifice in personal privacy it occasioned.

The manner in which the rescission of the orders was accomplished is equally noteworthy. Vice President Ford, acting in his capacity as head of the new Committee on the Right of Privacy, has moved in a manner that complements the President's announced commitment to a restoration of personal privacy. The President's expeditious and affirmative response rounds out a good first step down the road of restoration of personal privacy. It sets a healthy example for both the public and private sectors of American life.

Congress has been concerned with this problem of personal privacy in all its aspects for some time. This action by the President and the Vice President can serve to bolster congressional interest and action—for after all, in many instances it has been the Congress that established the laws and regulations under which personal privacy has been invaded and personal information has been misused. Only the Congress can remedy the problem. At the very least, Congress should make it declared policy that only the Congress controls the collection and use of such personal information. It is a serious problem that cries for congressional action.

## PERMISSION TO RE-REFER H.R. 13100 TO THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. DONOHUE. Mr. Speaker, I ask unanimous consent that the bill H.R. 13100, to provide for the compensation of innocent persons killed or injured or whose property was damaged in the course of the occupation of Wounded Knee, S. Dak., and for other purposes, be rereferred from the Committee on the Judiciary to the Committee on Interior and Insular Affairs.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## FAIR LABOR STANDARDS AMENDMENTS OF 1974

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 993 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 993

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12435) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that Act, to expand the coverage of that Act, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendments adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except on motion to recommit with or without instructions.

The SPEAKER. The gentleman from Indiana is recognized for 1 hour.

Mr. MADDEN. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. Latta) pending which I yield myself such time as I may consume.

Mr. Speaker, the Education and Labor Committee must be commended for the long period of time devoted to hearings, debate, and hard work in preparing this legislation for submission to the House. Congressman Dent and the members of this subcommittee, assigned by Chairman Perkins for this difficult task, must receive special congratulations for the successful and complicated decisions and reports they are submitting to the House today on legislation to raise the minimum wage.

It was about 6 years ago that the Congress last enacted legislation to improve the income of millions of low-wage earners throughout the Nation. Three years ago, in 1971, efforts were made by the House Labor Committee to increase the minimum wage of certain segments of our low-paid workers, and that bill passed the Education and Labor Committee by a vote of 26 to 7. But it failed to be acted upon by the House-Senate conference committee.

Last summer, a long-delayed minimum wage bill was enacted by the House. But it was vetoed by the President, which veto was sustained in September of last year. At the time of that veto, millions of underpaid wage earners over the Nation were struggling to keep their families supplied with the necessities of life, after enduring the burden of unreasonable costs of living over the previous 4 years since the last minimum wage bill was enacted.

Since the President vetoed the minimum wage bill last spring, it is estimated that food costs, rents, interest rates, educational expenses, fuel, and all the necessities of life have skyrocketed approximately 10 percent.

One has only to visit families in urban areas, and in many sections of our rural communities where large segments of rural workers are employed on an hourly basis, to observe the deplorable conditions that inflation and the high cost of living have inflicted upon American families in the wage-earning category.

Congressman DENT's Education and Labor Subcommittee has taken the testimony of many witnesses during the months of hearings on this legislation, including Secretary of Labor Brennan and other Government officials, Congressmen, Senators, management and industrial executives, labor union leaders and members, and so forth.

The value of the dollar has eroded to such a low level that the cost of some necessities has almost doubled since the last minimum wage increase.

The proposed minimum wage rate for nonagricultural employees covered under the minimum wage provisions of the act by the 1966 and 1974 amendments will be $1.90 an hour beginning the first day of the second full month after the date of enactment; $2 an hour beginning January 1, 1975; $2.20 an hour beginning January 1, 1976; and $2.30 an hour beginning January 1, 1977.

For agricultural employees covered under the provisions of this act, the minimum wage will be $1.60 an hour beginning the first day of the second month after the date of enactment; $1.80 an hour beginning January 1, 1975; $2 an hour beginning January 1, 1976; $2.20 an hour beginning January 1, 1977; and $2.30 an hour beginning January 1, 1978.

In presenting the legislation before the Rules Committee, Congressman DENT and members of his subcommittee went into detail concerning the application of this bill's provisions pertaining to Federal, State, and local employees, domestic service employees, retail and service establishment employees, and other segments of our economy.

The leaders of our Government, business, and industry, and the American public fully realize that we are in a serious economic situation caused by inflation and the high cost of living, and if the buying power of this Nation is not expanded, we will be in a depression almost as serious as the early thirties, when approximately 14 million American workers were unemployed or working part time. To you older Members of the House, I do not need to give the details of those dreadful depression days when idle workers were craving food and enduring deplorable living conditions, losing their bank deposits and seeing foreclosure of their homes and farms—conditions almost directly brought about by the high interest inflation days of the twenties, when Andrew Mellon, as Secretary of the Treasury, had complete charge of our economy under three Presidents. That tragic depression, which continued for almost 6 or 7 years, was brought about by high interest rates and lack of buying power of millions of unemployed American workers.

Mr. Speaker, House Resolution 993 provides for an open rule with 2 hours of general debate on H.R. 12435, the Fair Labor Standards Amendments of 1974.

House Resolutiton 993 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment.

Mr. LATTA. Mr. Speaker, like other Members in the Chamber, I enjoyed listening, as always, to my very favorite chairman, even though sometimes his facts do not agree with history.

I can recall something about those days he spoke of and how many people were unemployed, especially during the period of the Roosevelt administration. I think history will show how we got out of that unemployment problem.

Mr. Speaker, this legislation that the rule makes in order is a compromise. I believe it is acceptable to most of the people who are interested in minimum wage. I might hasten to point out that today we have more people employed in the United States than at any other time in our history. We have an unemployment rate of 5.2 percent, which is too high but still nothing like the unemployment rate during the era that our distinguished chairman spoke about.

I might also say, Mr. Speaker, those smokestacks especially in Gary, Ind., do not employ people at the minimum wage, which is what is covered under this bill. Those people are employed at wages much greater than the minimum wage; and we are thankful for that.

Everybody knows the minimum wage does not apply to too many people. I might say this bill we have up for consideration today has not corrected one of the defects that was in the other bill. It has gone a little way toward it, but it has not corrected the defect, and I think the House should correct that defect. Since this is an open rule, I hope the House will correct the defect.

I have reference to the discrimination that is permitted under this legislation, if it passes and is signed into law, between the student going to school and the individual who cannot go to school for reasons of his own or for family reasons, such as the fact that he does not have the wherewithal to go to school. I am concerned about these young people because a lot of them not having anything to do and not being able to get a job at a higher wage rate will be discriminated against by the student who will be able to work for 20 hours at less than the minimum wage in any 1 week. This person cannot go to school, and I just noticed the other day that of our high school graduates now there are some 50 percent who are not going on to college.

However, as to that 50 percent who go out to try to get a job, if this legislation passes in its present form, they will have to compete for these lower paid jobs with a student employed at a lower figure. You know and I know, Mr. Speaker, who most employers will hire; they will hire the individual whom they can hire at lower cost, and they are discriminating against this individual whom we least want to discriminate against—these people who come from poor families, people who cannot get a job, and cannot go on to school. Because of that a lot of them turn to crime.

So, Mr. Speaker, I would hope my good friend—and he is my good friend—the gentleman from Pennsylvania (Mr. DENT) who has worked many, many hours on this legislation, will take another look at this provision which provides for this discrimination, before this legislation is passed.

Mr. Speaker, I support this rule. It is an open rule with 2 hours of general debate.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. MADDEN. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. DENT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12435) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. DENT).

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 12435, with Mr. EVANS of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr.

DENT) will be recognized for 1 hour, and the gentleman from Minnesota (Mr. QUIE) will be recognized for 1 hour.

The Chair recognizes the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, for the third time in a couple of years, we are back on the floor of the House of Representatives with a very much-needed draft of legislation attempting to increase the minimum wage to that great number of workers who are the lowest paid workers in America.

Mr. Chairman, I was asked the other day what would have happened if the minimum wage worker was covered by the cost-of-living index increase awarded rather regularly every year by the Chief Executive to the civil servants of this Nation.

Mr. Chairman, in 1967, the year after the last minimum wage increases were passed, civil servants received a 4.5-percent increase, and this would have made the minimum wage at that time $1.67. Coming down the line, 1968, an increase of 4.9 percent; 1969, an increase of 9.1 percent; another 1969 increase of 6 percent, making 15.1 percent in that year alone.

In 1971 there was a 5.96 percent increase; 1972, 5.5; 1973, 5.14; and 1973, again, in October, 4.77. If the minimum-wage worker were to receive the same percentage of increase given to the civil servants of this country of ours, that minimum-wage worker earning $1.60 in 1967 would have come up with a pay schedule today of $2.49 an hour. We are asking initially for $2 even, 49 cents less than what the increases have been on a percentage basis for the much higher paid civil servants.

At this time I do not think it takes an argument or any kind of a logical discussion to talk about an increase to $2 for prior 1966 coverage, or $1.90 for those that were covered in 1966 and by this bill, and $1.60 for the farm and agricultural workers of this Nation of ours. We do hope to accomplish increases from $2 to $2.10 to $2.30, and from $1.90 in three steps to $2.30, and from $1.60 in four steps to $2.30, $2.30 being the eventual wage across the board of all minimum workers in the United States.

When that day comes, then the problems before this Congress will be mostly in deciding only what the cost-of-living index requires and a simple amendment across the board will take care of the lowest paid workers in America.

We are hopeful that this House today will give consideration to this legislation on the basis of need, on the basis of the demand that has been made upon these individuals who in many cases have families to take care of and who have to meet the demands of today's inflationary prices on everything that they buy, and especially the foodstuffs that they consume with their families. It is long overdue.

I believe that every Member of Congress realizes that this is a necessary step to be taken at this time. We have many Members who would like to add, I believe, to the remarks that are being made today.

Mr. Chairman, we have been here before on this matter and there is little more I can say in support of minimum wage legislation than I have already said.

If there is one essential difference between this bill and its ill-fated forerunners, it is that this legsilation is the beneficiary of unanimous support by the Committee on Education and Labor. The committee ordered H.R. 12435 reported by a roll call vote of 33 to 0.

Surely then, you will say, there must be substantive differences between this bill and the bills which were either precluded from House-Senate conference committee action or vetoed. Indeed, there are differences but each Member will have to individually weigh the substance of them.

From the perspective of those of us who have steadfastly advocated all of the measures, we have compromised on key issues but not so much as to do violence to the basic and essential integrity of the legislation. We support this bill with enthusiasm and clear conscience.

From the perspective of those who have opposed our efforts in the past, the compromise was apparently sufficient to reverse their adamance. They too, support this bill.

From the perspectives of us all, we are relieved to be finally free of the heavy burden of this legislation. And we stand together to resist all advances upon it, no matter how tempting the lure. The Congress has written this bill, literally as well as figuratively. We did not seek, nor did we accept, the input of outside interested parties. We simply resolved to do what it was we had to do, and the product is before you.

Mr. Chairman, the details of the legislation follow:

H.R. 12435

SUMMARY OF THE FAIR LABOR STANDARDS AMENDMENTS OF 1974 (AS REPORTED BY THE COMMITTEE ON EDUCATION AND LABOR, MAR. 15, 1974)

| A. Increase in the minimum wage rate | Hourly rate | Effective date |
|---|---|---|
| Category of coverage: | | |
| Nonagricultural employees covered under the minimum wage provisions of the Fair Labor Standards Act prior to the effective date of the 1966 amendments (including Federal employees covered by the 1966 amendments.) | $2.00<br>2.10<br>2.30 | 1st day of the 2d full month after the date of enactment.<br>Jan. 1, 1975.<br>Jan. 1, 1976. |
| Nonagricultural employees covered under the minimum wage provisions of the Fair Labor Standards Act by the 1966 amendments and 1974 amendments. | 1.90<br>2.00<br>2.20<br>2.30 | 1st day of the 2d full month after the date of enactment.<br>Jan. 1, 1975.<br>Jan. 1, 1976.<br>Jan. 1, 1977. |
| Agricultural employees covered under the minimum wage provisions of the Fair Labor Standards Act____________ | 1.60<br>1.80<br>2.00<br>2.20<br>2.30 | 1st day of the 2d full month after the date of enactment.<br>Jan. 1, 1975.<br>Jan. 1, 1976.<br>Jan. 1, 1977.<br>Jan. 1, 1978. |

### B. EXTEND COVERAGE OF THE ACT

Minimum wage coverage will be extended to the following:

Federal employees.
State and local employees.
Domestic employees.
Retail and service employees.
Conglomerate employees (in agriculture).
Telegraph agency employees.
Motion picture theater employees.
Logging employees.
Shade grown tobacco processing employees.

Overtime coverage will be extended to the following:

Federal employees.
State and local employees.
Domestic service employees.
Retail and service employees.
Seasonal industry and agricultural processing employees.
Telegraph agency employees.
Hotel, motel, and restaurant employees.
Food service employees.
Bowling establishment employees.
Nursing home employees.
Transit (local) employees.
Cotton ginning and sugar processing employees.
Seafood canning and processing employees.
Oil pipeline transportation employees.
Partsmen and mechanics in certain vehicle sales establishments.

### BRIEF SECTION-BY-SECTION ANALYSIS

SECTION 1.11. *Short Title.*—Provide that the act may be cited as the "Fair Labor Standards Amendments of 1974."

SECS. 2 and 3. *Nonagricultural Employees.*—Provides a minimum wage rate for nonagricultural employees covered by the act prior to the effective date of the 1966 amendments, and Federal employees covered by the 1966 amendments, of not less than $2 an hour beginning on the first day of the second full month after the date of enactment, not less than $2.10 an hour beginning January 1, 1975, and not less than $2.30 an hour beginning January 1, 1976.

Provides a minimum wage rate for nonagricultural employees covered by the 1966 and 1974 amendments to the act of not less than $1.90 an hour beginning on the first day of the second full month after the date of enactment, not less than $2 an hour beginning January 1, 1975, not less than $2.20 an hour beginning January 1, 1976, and not less than $2.30 an hour beginning January 1, 1977.

SEC. 4. *Agricultural Employees.*—Provides a minimum wage rate for agricultural (and domestic service—see sec. 7) employees covered by the act of not less than $1.60 an hour beginning on the first day of the second full month after the date of enactment, not less than $1.80 an hour beginning January 1, 1975, not less than $2 an hour beginning January 1, 1976, not less than $2.20 an hour beginning January 1, 1977, and not less than $2.30 an hour beginning January 1, 1978.

SEC. 5. *Government, Hotel, Motel, Restaurant, and Food Service Employees in Puerto*

*Rico and the Virgin Islands.*—The minimum wage rate for hotel, motel, restaurant, food service, and Government of the United States and the Virgin Islands employees in Puerto Rico and the Virgin Islands shall be in accordance with the applicable rate in the United States.

*Other Employees in Puerto Rico and the Virgin Islands.*—Provides for an increase of $0.12 an hour on wage orders presently under $1.40 an hour, and $0.15 an hour in wage orders $1.40 or more an hour, effective on the first day of the second full month after the date of enactment. Provides additional annual increases of identical amounts until the wage order rates are in conformance with applicable rates in the United States. In the case of an agricultural employee whose hourly wage is increased (above that required by wage order) by a subsidy paid by the Government of Puerto Rico, the increases shall be applied to the sum of (1) the wage rate and (2) the amount of the subsidy.

Provides for the establishment of special industry committees to recommend minimum wage rates for employees newly covered by the 1974 amendments (including employees of the Government of Puerto Rico and its political subdivisions). The recommended rates cannot be less than 60 per centum of the rates applicable to U.S. employees covered by the 1966 and 1974 amendments, or $1 an hour, whichever is higher.

With respect to other employees covered under wage orders, the rates cannot be less than 60 per centum of the otherwise applicable rates in the United States, or $1 an hour, whichever is higher. Employees of the Government of Puerto Rico and its political subdivisions are subject to this provision only in the initial establishment of wage order rates pursuant to the recommendations of special industry committees.

Provides further that, special industry committees recommend the minimum wage rate applicable in the United States except where pertinent financial information demonstrates inability to pay such rate. Also, that a court of appeals may upon review of a wage order specify the minimum wage rate to be included in the wage order.

SEC. 6. *Federal and State Employees.*—Amends definitions of the act to permit the extension of minimum wage and overtime coverage to Federal, State, and local public employees. Federal, State, and local public employees engaged in fire protection or law enforcement activities, however, are exempt from the overtime provision.

SEC. 7. *Domestic Service Workers.*—States a finding of Congress that domestic service in households affects commerce and that the minimum wage and overtime protections of the act should apply to such employees. This section prescribes therefore, the minimum wage (not less than $1.90 an hour beginning on the first day of the second full month after the date of enactment, not less than $2.00 an hour beginning January 1, 1975, not less than $2.20 an hour beginning January 1, 1976, and not less than $2.30 an hour beginning January 1, 1977) and overtime (compensation for hours worked in excess of 40 per week) rates applicable to such employees. If such employee resides in the household of the employer, minimum wage compensation only is required. The provision does not apply to a person who, on an intermittent basis, provides baby sitting services, or who provides companion services. Domestic service employees are described as those who are engaged in domestic service employment more than 8 hours during a workweek.

SEC. 8. *Retail and Service Establishments.*—Reduces and ultimately repeals the "dollar volume" test for coverage of retail and service establishments of a "chain" under the minimum wage and overtime provisions of the act. Effective July 1, 1974, the minimum wage and overtime provisions of the act will apply to such establishments with gross annual sales or services of $225,000 or more; and effective July 1, 1975, gross annual sales or services of $200,000. Beginning July 1, 1976, all such retail and service establishments will be subject to the minimum wage and overtime provisions of the act.

SEC. 9. *Tobacco Employees.*—Retains a limited overtime exemption for employees engaged in activities related to the sale of tobacco. Overtime compensation must be paid for employment in excess of 10 hours in any workday and 48 hours in any workweek for a period or periods not to exceed 14 workweeks in the aggregate in any calendar year. Without this section, the limited overtime exemption would be ultimately repealed by section 19.

Also repeals the present minimum wage exemption for employees engaged in the processing of shade-grown tobacco.

SEC. 10. *Telegraph Agency Employees.*—Repeals the minimum wage exemption for employees of small telegraph agencies, and reduces and ultimately repeals the overtime exemption for such employees. During the first year after the effective date of the 1974 amendments, overtime compensation must be paid to such employees for hours worked in excess of 48 per week; during the second year, for hours worked in excess of 44 per week; and thereafter, for hours worked in excess of 40 per week.

SEC. 11. *Seafood Canning and Processing Employees.*—Reduces and ultimately repeals the overtime exemption for employees engaged in the processing and canning of seafood. During the first year after the effective date of the 1974 amendments, overtime compensation must be paid to such employees for hours worked in excess of 48 per week; during the second year, for hours worked in excess of 44 per week; and thereafter, for hours worked in excess of 40 per week.

SEC. 12. *Nursing Home Employees.*—Amends the overtime exemption for nursing home employees to provide an overtime exemption for employment up to 8 hours in any workday and up to 80 hours in any 14-consecutive-day work period. This coverage is identical to that for hospital employees. The present overtime exemption for nursing home employees is for employment up to 48 hours in any workweek.

SEC. 13. *Hotel, Motel, and Restaurant Employees and Tipped Employees.*—Reduces the overtime exemption for employees (other than maids and custodial employees in hotels and motels) employed in hotels, motels, and restaurants. During the first year after the effective date of the 1974 amendments, overtime compensation must be paid to such employees for hours worked in excess of 48 per week, and thereafter, for hours worked in excess of 46 per week.

The overtime exemption for maids and custodial employees in hotels and motels is reduced and ultimately repealed. During the first year after the effective date of the 1974 amendments, such employees must be paid overtime compensation for hours worked in excess of 48 per week; during the second year, four hours worked in excess of 46 per week; during the third year, for hours worked in excess of 44 per week; and thereafter, for hours worked in excess of 40 per week.

With respect to tipped employees, the tip credit provision of the act is not to apply unless the employer has informed each of his tipped employees of the tip credit provision and all tips received by a tipped employee have been retained by the tipped employee (either individually or through a pooling arrangement).

SEC. 14. *Salesmen, Partsmen, and Mechanics.*—Provides an overtime exemption for any salesmen primarily engaged in selling automobiles, trailers, trucks, farm implements, boats, or aircraft if employed by a nonmanufacturing establishment primarily engaged in the business of selling such vehicles to ultimate purchasers. Also provides an overtime exemption for partsmen and mechanics of automobile, truck, and farm implement dealerships.

SEC. 15. *Food Service Establishment Employees.*—Reduces and ultimately repeals the overtime exemption for employees of food service establishments. During the first year after the effective date of the 1974 amendments, overtime compensation must be paid to such employees for hours worked in excess of 48 per week; during the second year, for hours worked in excess of 44 per week; and, thereafter, for hours worked in excess of 40 per week.

SEC. 16. *Bowling Establishment Employees.*—Reduces and ultimately repeals the overtime exemption for employees employed in bowling establishments. Beginning 1 year after the effective date of the 1974 amendments, such employees must be paid overtime compensation for hours worked in excess of 44 per week, and beginning 2 years after the effective date, for hours worked in excess of 40 per week.

SEC. 17. *Substitute Parents for Institutionalized Children.*—Provides an overtime exemption for couples who serve as houseparents of children who are institutionalized by reason of being orphaned or having one deceased parent. Further provides that such employed couples must receive cash wages of not less than $10,000 annually, and reside on the premises of the institution and receive their board and lodging without cost.

SEC. 18. *Employees of Conglomerates.*—Precludes the availability of the minimum wage exemption presently applicable for certain employees employed in agriculture to a controlling conglomerate with an annual gross volume of sales made or business done in excess of $10 million, if the conglomerate materially supports the employing agricultural entity.

SEC. 19. *Seasonal Industry Employees.*—Existing law provides an overtime exemption for employment in seasonal industries up to 10 hours in any workday or 50 hours in any workweek for not more than 10 workweeks during the calendar year. Existing law also provides an overtime exemption for employment in agricultural processing up to 10 hours in any workday or 48 hours in any workweek for not more than 10 workweeks during the calendar year. In the case of an employer who does not qualify for the overtime exemption under both categories the exemption is extended to 14 workweeks during the calendar year for the category under which he does qualify.

The overtime exemption for employment in seasonal industries is reduced to 48 hours in any workweek for not more than 7 workweeks beginning on the effective date of the 1974 amendments, not more than 5 workweeks beginning January 1, 1975, and not more than 3 workweeks beginning January 1, 1976. The overtime exemption for employment in agricultural processing is reduced to not more than 7 workweeks beginning on the effective date of the 1974 amendments, not more than 5 workweeks beginning January 1, 1975, and not more than 3 workweeks beginning January 1, 1976. In the case of an employer who does not qualify for the overtime exemption under both categories, the exemption is reduced from 14 workweeks during the calendar year to 10 workweeks during 1974, to 7 workweeks during 1975, and to 5 workweeks during 1976. Effective December 31, 1976, the overtime exemptions are repealed.

SEC. 20. *Cotton Ginning and Sugar Processing Employees.*—Repeals the current overtime exemption and provides a limited overtime exemption for certain employees engaged in cotton ginning and sugar processing as follows:

| Annual workweeks | Hours of work permitted during each such workweek without payment of overtime compensation | | |
|---|---|---|---|
| | 1974 | 1975 | 1976 and thereafter |
| 6 weeks | 72 | 66 | 60 |
| 4 weeks | 64 | 60 | 56 |
| 2 weeks | 54 | 50 | 48 |
| 2 weeks | 48 | 46 | 44 |
| Balance of year | 48 | 44 | 40 |

SEC. 21. *Transit Employees.*—Reduces and ultimately repeals the overtime exemption for any driver, operator, or conductor employed by an employer engaged in the business of operating a street, suburban or interurban electric railway, or local trolley or motor bus carrier. During the first year after the effective date of the 1974 amendments, overtime compensation must be paid to such employees for hours worked in excess of 48 per week; during the second year, for hours worked in excess of 44 per week; and thereafter, for hours worked in excess of 40 per week. *In determining* the hours of employment of such an employee, hours employed in charter activities shall not be included if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment.

SEC. 22. *Cotton and Sugar Services Employees.*—Retains a limited overtime exemption for certain employees engaged in cotton ginning and sugar processing activities. Overtime compensation must be paid for employment in excess of 10 hours in any workday and 48 hours in any workweek for a period or periods not to exceed 14 workweeks in the aggregate in any calendar year. Without this section, the limited overtime exemption would be ultimately repealed by section 19.

SEC. 23. *Motion Picture Theaters, Logging Crews, and Oil Pipeline Transportation Employees.*—Repeals the minimum wage exemption for employees of motion picture theaters, and logging employees, but retains the overtime exemption for such employees. Also repeals the overtime exemption for employees of oil pipeline transportation companies.

SEC. 24. *Employment of Students.*—Provides for the employment of full-time students (regardless of age but in compliance with applicable child labor laws) at wage rates less than those prescribed by the act in retail and service establishments, agriculture, and institutions of higher education at which such students are enrolled. Students may be employed at a wage rate of not less than 85 per centum of the applicable minimum wage rate or $1.60 an hour ($1.30 an hour in agriculture), whichever is the higher, pursuant to special certificates issued by the Secretary. Such special certificates shall provide that such students shall, except during vacation periods, be employed on a part-time basis (not to exceed 20 hours in any workweek). In the case of an employer who intends to employ five or more students under this section, the Secretary may not issue a special certificate unless he finds the employment of any such student "will not create a substantial probability of reducing the full-time employment opportunities" of other workers.

In the case of an employer who intends to employ less than five students under this section, the Secretary may issue a special certificate if the employer certifies to the Secretary that he is not thereby reducing the full-time employment opportunities of other works. The certification requirements are not applicable to the employment of full-time students by the educational institutions at which they are enrolled. Sections 15 (Prohibited Acts) and 16 (Penalties) of the act would be applicable to an employer who violated the requirements of this section. A summary of the special certificates issued under this provision is required to be included in the Secretary's annual report on the act.

Section 24 also provides that the Secretary may waive the minimum wage and overtime provisions of the act with respect to a student employed by his elementary or secondary school, where such employment constitutes an integral part of the regular education program provided by the school and is in accordance with applicable child labor laws.

SEC. 25. *Child Labor.*—The employment of children under age 12 in agriculture is prohibited unless they are employed on a farm owned or operated by their parents or guardians, or on a farm exempt from the minimum wage provisions of the act. Children 12 or 13 years of age may work in agriculture only with the written consent of their parents or guardians or if their parents or guardians are employed on the same farm. For persons 14 years of age or older, prior consent is not required for employment in agriculture.

Any person who violates the child labor provisions of the act or applicable regulations, is subject to civil penalties. The Secretary is permitted to require employers to obtain employee's proof of age.

SEC. 26. *Suits by the Secretary.*—Authorizes the Secretary to sue for back wages (which he can do now) but also to sue for an equal amount of liquidated damages without requiring a written request from the employee. The Secretary could also sue even though the suit might involve issues of law that have not been finally settled by the courts. In the event the Secretary brings such an action, the right of an employee provided by section 16(b) of the act to bring an action on behalf of himself, or to become party to such an action would terminate, unless such action is dismissed without prejudice, on motion by the Secretary.

SEC. 27. *Economic Effects Studies.*—In addition to and in furtherance of the requirements of section 4(d) of the act, the Secretary is required to conduct studies on the justification or lack thereof for each of the exemptions provided by sections 13(a) and 13(b) of the act. Such studies shall include an examination of the extent to which employees of conglomerates receive the sections (13(a) and (b) exemptions and the economic effect of their inclusion in such exemptions. The report on the study would be due not later than January 1, 1976.

SEC. 28. *Nondiscrimination on Account of Age in Government Employment.*—Extends the provisions of the Age Discrimination in Employment Act to an employer with 20 or more employees. Also extends the provisions of the act to State and local governments and their related agencies.

States a policy of nondiscrimination on account of age in the Federal government, and authorizes the U.S. Civil Service Commission to enforce that policy.

SEC. 29. *Effective Date.*—Provides that the effective date of the 1974 amendments shall be the first day of the second full month after the date of enactment.

With respect to what we have done to the wage schedules, greater understanding will probably be served by a comparison of the relevant provisions of last year's vetoed conference report, the subsequently introduced Quie-Erlenborn bill (H.R. 10458), and the bill before us. For this purpose, we must assume that the conference report would have been enacted in September 1973—when vetoed—the Quie-Erlenborn bill would have been enacted in September 1973—when introduced—and this bill would have been enacted in January 1974—when introduced. The fact that this bill will be enacted this month or next, does not affect the comparisons.

I. NONAGRICULTURAL EMPLOYEES COVERED UNDER THE MINIMUM WAGE PROVISIONS OF THE FAIR LABOR STANDARDS ACT PRIOR TO THE EFFECTIVE DATE OF THE 1966 AMENDMENTS

| Effective date (by year) | Conference report | Quie-Erlenborn | Dent (revised) |
|---|---|---|---|
| 1973 | $2.00 | $2.00 | |
| 1974 | 2.20 | 2.10 | $2.00 |
| 1975 | | 2.20 | 2.10 |
| 1976 | | 2.30 | 2.30 |

II. NONAGRICULTURAL EMPLOYEES COVERED UNDER THE MINIMUM WAGE PROVISIONS OF THE FAIR LABOR STANDARDS ACT BY THE 1966 AMENDMENTS AND 1973(4) AMENDMENTS—EXCEPT FOR DOMESTIC SERVICE EMPLOYEES IN REVISED DENT BILL

| Effective date (by year) | Conference report | Quie-Erlenborn | Dent (revised) |
|---|---|---|---|
| 1973 | $1.80 | $1.80 | |
| 1974 | 2.00 | 2.00 | $1.90 |
| 1975 | 2.20 | 2.20 | 2.00 |
| 1976 | | 2.30 | 2.20 |
| 1977 | | | 2.30 |

III. AGRICULTURAL EMPLOYEES (AND DOMESTIC SERVICE EMPLOYEES IN THE REVISED DENT BILL) COVERED UNDER THE MINIMUM WAGE PROVISIONS OF THE FAIR LABOR STANDARDS ACT

| Effective date (by year) | Conference report | Quie-Erlenborn | Dent (revised) |
|---|---|---|---|
| 1973 | $1.60 | $1.60 | |
| 1974 | 1.80 | 1.80 | $1.60 |
| 1975 | 2.00 | 2.00 | 1.80 |
| 1976 | 2.20 | 2.20 | 2.00 |
| 1977 | | 2.30 | 2.20 |
| 1978 | | | 2.30 |

We have also modified the test of coverage for domestic service employees from the social security test—$50 per calendar quarter from a single employer—used in earlier legislation—including the vetoed conference report—to a test which covers any such employee who in any workweek is employed in domestic service for more than 8 hours in the aggregate in one or more households.

This legislation, unlike the vetoed bill, provides an exemption from the overtime provisions for public employees engaged in fire protection or law enforcement activities including security personnel in correctional institutions.

We have also modified the student employment provisions, to render them more accessible to employers willing to employ students under the requirements of the amendment.

With respect to the student employment provisions, I would point out that the term "employer" is defined in the statute and was not chosen without being mindful of legislative intent. It does not appear in the revelant provisions of existing law, so the Secretary cannot be guided by past practice.

We intend by the use of the term "employer," that the Secretary look to the highest level of person acting directly or indirectly in the interest of an employer in relation to an employee; that is, the highest structure of ownership or control. We intend, for example, that a controlling conglomerate or a chain be considered the employer when the Secretary determines whether one of its subsidiaries or establishments is employing less than five—or more than four—students pursuant to special certificates. See *Phillips* v. *Walling*, 324 U.S. 490 and *Mitchell* v. *Bekins Van and Storage Company*, 352 U.S. 1027.

Mr. Chairman, I would now like to clarify our intent with respect to a couple of the provisions to the extent the bill itself is unclear.

For instance, the bill modifies section 3(m) of existing law by requiring employer explanation to employees of the tip credit provisions, and by requiring that all tips received be paid out to tipped employees. We intend to make clear where the burden of proof rests in legal proceedings. Under this provision the burden is clearly on the employer to provide to a court's satisfaction that the amount of tip credit claimed by such employer was actually received as tips by the employee. The employer must meet this burden with objective data, such as tipping practices and receipts in his establishment.

With respect to the provisions applicable to Puerto Rico and the Virgin Islands, the committee is aware that industry committees meet throughout a year to recommend increases in relevant wage orders, and further recognizes that such committees are now convened and that others have recently discharged their responsibilities. Acknowledging the inequity involved with mandating across-the-board adjustments in wage orders which have only recently been increased upon recommendation of appropriate industry committees, the committee intends that the Secretary consider such increases in applying the statutory adjustments; that is, that increases recommended within a reasonable time prior to the effective date of the statutory adjustments be compared to the increases required by the bill so that only the greater of the two shall initially apply. For purposes of administration, the committee intends that 3 months be deemed a reasonable time.

With respect to the test of coverage for domestic service employees, the committee intends that the burden be placed on the employer who is not employing such an employee at the minimum wage rate to be certain the employee is not covered; that is, that the employee is not employed in domestic service during the workweek for more than 8 hours in the aggregate in one or more households. The minimum wage liability of the employer is fixed by the employee's hours of work during the workweek. Of course, the provisions of section 16 of existing law apply fully and equally to this coverage.

Section 28 of the bill extends the provisions of the Age Discrimination in Employment Act to public employees. The committee is aware of programs supported by the Administration on Aging, however, designed to assist in the employment of individuals over age 65. We have no desire, by the effect of this provision, to impede the operation of such programs and do not expect the Secretary to construe this amendment to that extent.

Section 6 of the bill extends minimum wage and overtime coverage to Federal employees, as well as State and local government employees. With respect to Federal employees, the bill authorizes the Civil Service Commission with responsibility for administering the provisions of the act to most employees of the United States. The Commission, however, is not given such authority over employees of the Library of Congress, U.S. Postal Service, or Postal Rate Commission. Nor do we intend that the Commission have such authority over employees of the Tennessee Valley Authority, TVA.

Administration of the act by the Commission with relation to the bulk of Federal employees is logical because title 5 of the United States Code contains provisions establishing their pay and working conditions. In most cases the Civil Service Commission is entrusted with administration of these statutes. Thus, administration of the Fair Labor Standards Act by an agency other than the Commission would cause serious conflicts.

Application of Civil Service Commission administration to TVA, however, could not be justified by this potential administrative conflict. Section 3 of the TVA Act states:

> The board shall without regard to the provisions of Civil Service laws applicable to officers and employees of the United States, appoint such managers, assistant managers, officers, employees, attorneys, and agents as are necessary for the transaction of its business, fix their compensation, define their duties, require bonds of such of them as the board may designate, and provide a system of organization to fix responsibility and promote efficiency. Any appointee of the board may be removed in the discretion of the board. No regular officer or employee of the Corporation shall receive a salary in excess of that received by the members of the board.

This provision established TVA's independence from many laws for which the Civil Service Commission has administrative authority. In recognition of the provisions of section 3 of the TVA Act, Congress has, by direct reference or definition, excluded TVA from many sections of title 5, and from subchapter V of chapter 55, premium pay. As a result, pay and working conditions at TVA are the subject of wide-ranging collective bargaining not subject to the limitations imposed on most Federal agencies by this and other parts of title 5 of the United States Code.

We intend therefore that the Secretary have authority over the administration of the act regarding TVA employees. The Senate has amended its bill to achieve this effect.

Finally, Mr. Chairman, I would like to address myself to a section of the committee report entitled, "The Youth Employment Project." It appears beginning on page 36 of the report.

Mr. Chairman, this language reflects the committee's resolution of the difficult and divisive subject of the so-called youth employment provision. As all Members know, the provision would have permitted any employer to employ youth at a subminimum wage rate irrespective of their status as full-time workers in the labor force.

My personal views on this provision have been so often expressed they do not bear repetition. My views—and those of the majority of the committee, and apparently the majority of the Congress, as reflected by the defeat of the youth employment amendment in both Houses last year—are fairly stated by the discussion under "youth employment" in House Report No. 93-232, which accompanied H.R. 7935, last year's minimum wage legislation.

House Report No. 93-913, which accompanies the bill before use, takes note of this history. It goes on, however, to express the view that the committee does not object to the development and implementation of a limited pilot project—the youth employment project—in which certain employing establishments are permitted to pay to youth workers wages lower than the otherwise applicable minimum wage rate in order to determine the actual effects of such lower wages on the employment patterns of young and adult workers. The qualifications under which the project is to be conducted are several and are to be strictly applied by the Secretary.

For instance, the number of employing establishments participating in the project cannot exceed eight at any given time. These words were chosen with care and mean exactly what they say. They do not mean eight employers with project workers employed in several of the establishments of that employer. The test is on the establishment unit—the employing establishment.

By the same token, the individual employing establishment is the test when the Secretary determines the maximum number of workers which any employer may be authorized by the Secretary to employ under the project. The maximum cannot exceed 5 percent of the total number of workers in that particular establishment, or 100, whichever is the lesser.

This means that, at the very most, no more than 800 workers can be employed under the project at any given time.

Another qualification is that the employment involved provide a responsible work experience. We do not intend that the project be a substitute for cheap labor. It is intended to afford a responsible work experience to youth who otherwise would not be afforded the experience of meaningful employment. Within this context, I do not consider pushing hamburgers across a counter a responsible work experience.

The report is silent on the duration of any such employment. That is a deliberate omission to give the Secretary some flexibility in adopting the project to the employments involved. But I would think our objective is clearly to have the youth employed for a sufficient period of time to acquire responsibility from the work experience and the requisite degree of skill associated with the employment, and then to move on within the employing establishment at or in excess of the applicable minimum wage rate.

We also intend that the Secretary take careful note of the additional prescribed qualifications, specifically that the project be administered consistent with all purposes and provisions of the act, that workers be employed under the project only in order to prevent curtailment of opportunities for employment, and that such employment not create a substantial probability of reducing the full-time employment opportunities for other workers. There are other significant qualifications as well.

Because "the youth employment project" cannot be squarely reconciled with the law and any existing regulations issued thereunder, we can appreciate that the Secretary will want to follow the prescriptions set forth in the committee report with great care regarding so-called youth employment. We have essentially carved this project out of our own intent and reflected that clear intent in the report. Any deviation will be met with a quick congressional response and we will not be hesitant to revoke the authority we have established in the report. The Secretary is required to report periodically on this project, prior to submission of his final report in 1977, and we will undoubtedly follow it attentively by both the reports and our oversight responsibilities via the public hearing mechanism.

Mr. Chairman, I have probably belabored discussion of the youth employment project, but the notion of so-called youth employment has become of such volatility it has quite naturally engendered strong and outspoken feelings. But because of that background, it is important that the Secretary understand in unmistakeable terms that the purpose and specifications of our action are not to be altered in any fashion.

Mr. Chairman, having said all of that, I will close with the wish that this legislation enjoy the strong and affirmative support it deserves. As I said earlier, it is a product of the Congress and a proper example of the kind of progressive and meaningful legislation which an overwhelming majority of the Congress can support when the Congress resists undue outside interference and performs its legislative function with the public interest in clear focus. In that context, I would like to pay special tribute to my two strong subcommittee allies on minimum wage legislation, **Phil Burton** and **Bill Clay**, to our patient and cooperative full committee chairman, **Carl Perkins**, and to two honorable and distinguished adversaries on the minority side, **Al Quie** and **John Erlenborn**. We all came together this year in a spirit of understanding and good faith and did the job that had to be done. We are now united and will go to the House-Senate conference on this legislation equally united. I hope and expect that comity will continue well into the future on all other matters.

Mr. Chairman, my extraneous matter follows:

*Civil service comparability increases applied to minimum wage worker*

| Civil service percentage increase: | *Minimum wage worker* |
|---|---|
| 1967 (October), 4.5% | $1.67 |
| 1968 (July), 4.9% | 1.75 |
| 1969 (July), 9.1% | 1.91 |
| 1969 (December), 6.0% | 2.02 |
| 1971 (January), 5.9% | 2.14 |
| 1972 (January), 5.5% | 2.26 |
| 1973 (January), 5.14% | 2.38 |
| 1973 (October), 4.77% | 2.49 |

*Percentage increases in minimum wage rate*

(1) 1938 enactment (initial $0.25; increase to $0.40), 60 percent increase.

(2) 1949 amendments ($0.40 to $0.75), 87.5 percent increase.

(3) 1955 amendments ($0.75 to $1.00), 33⅓ percent increase.

(4) 1961 amendments ($1.00 to $1.25), 25 percent increase.

(5) 1966 amendments ($1.25 to $1.60), 28 percent increase.

### 1974 AMENDMENTS

*Employees covered prior to effective date of 1966 amendments*

$1.60 to $2.00, 25 percent increase.
$2.00 to $2.10, 5 percent increase.
$2.10 to $2.30, 9.5 percent increase.

*Employees covered by 1966 and 1974 amendments*

$1.60 to $1.90, 12.5 percent increase.
$1.90 to $2.00, 5.3 percent increase.
$2.00 to $2.20, 10 percent increase.
$2.20 to $2.30, 4.5 percent increase.

POVERTY THRESHOLD LEVEL AND THE MINIMUM WAGE RATE POVERTY LEVEL THRESHOLD FAMILY—OF 4 (NET INCOME)

| | Continental United States | Hawaii | Alaska | Present minimum wage (gross income) |
|---|---|---|---|---|
| Non-farm | $4,300 | $4,940 | $5,380 | $3,200 |
| Farm | 3,655 | 4,200 | 4,570 | 2,600 |

| | Continental United States | Hawaii | Alaska | Initial minimum wage increase (gross income) |
|---|---|---|---|---|
| Non-farm | $4,300 | $4,940 | $5,380 | $4,000 |
| Farm | 3,655 | 4,200 | 4,570 | 3,200 |

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### Fact Sheet—The Minimum Wage and Inflation, Updated February 26, 1974

#### I. KEY FIGURES

*C.P.I. (1967=100)*

| | |
|---|---|
| 1966 (____) | 97.2 |
| 1967 (Jan.) | 98.6 |
| 1968 (Jan.) | 102.0 |
| 1974 (Jan.) | 139.7 |

*Percent increase: January 1974*

| | |
|---|---|
| 1966–Jan. 1974 | 43.7% |
| Jan. 1967–Jan. 1974 | 41.7% |
| Jan. 1968–Jan. 1974 | 37.0% |

#### II. KEY FACTS

The 1966 Amendments to the FLSA provided for a $1.60 minimum wage to be achieved in two steps—$1.40 on February 1, 1967, and $1.60 on February 1, 1968.

A. *The $1.60 rate was enacted in 1966.* Therefore, a rate of $2.30 was required in January 1974 to compensate for changes in the CPI since 1966.

B. *The $1.60 rate became effective on February 1, 1968.* Even if the minimum wage is adjusted only for changes in the cost of living since January 1968, a minimum wage of $2.19 was required in January 1974 in order for the minimum wage worker to have the same purchasing power as the $1.60 rate yielded him in February 1, 1968.

C. *Projections:*

The minimum wage rates of $2.30 an hour and $2.19 an hour must be adjusted for anticipated price increases after January 1974 (the latest date for which the consumer price index is available).

1. Assuming $2.30 in January 1974 and price increases of 9.4% per year: (The current annual rate of inflation for the past twelve months).

Then:
January 1975=$2.52.
January 1976=$2.75.
January 1977=$3.01.

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### Fact Sheet—Minimum Wage and the Standard of Living, February 28, 1974

The erosion of the standard of living of a full-time, year-round, minimum-wage worker is shown by comparison of this worker's total yearly earnings to the official poverty level for a non-agricultural family of four; to the lower budget level of the Bureau of Labor Statistics; and by noting the percentage of his total earnings that must be spent on food, according to the Economy Food Plan of the Department of Agriculture.

In 1968, the total earnings of a full-time, minimum-wage worker were $225 below the poverty level for a non-agricultural family of four. By January of 1974, this worker's total earnings were $1,436 below the poverty level.

In the spring of 1969, the full-time, year-round, minimum-wage worker's earnings were $3,216 below the lower budget level of the Bureau of Labor Statistics. In January of 1974, the same minimum-wage worker was $4,981 below the lower level budget.

Additionally, the plight of the minimum-wage worker is shown by the percentage of that worker's earnings that must be used to buy food. In December of 1968, a full-time, year-round, minimum-wage worker, family of four, had to spend $1,196 or 36 percent of his income for food. By January 1974, the same minimum-wage worker now had to spend $1,742 for food or 52 percent of his total earnings for food. Further, the Economy Food Plan, from which these food costs are taken, is designed solely for temporary or emergency use when funds are low according to the Department of Agriculture.

2. Assuming $2.19 in January 1974 and price increases of 9.4% per year:

January 1975=$2.40.
January 1976=$2.62.
January 1977=$2.87.

#### III. EROSION OF THE $1.60 FEDERAL MINIMUM WAGE

A. Assuming the Congress decided in 1966 that $1.60 was an appropriate minimum wage considering living costs at that time—then the minimum wage was worth only $1.13 in January 1974.

B. Assuming that February 1968, the effective date of the $1.60 rate is a more conservative base from which to measure erosion, then the $1.60 rate was worth $1.17 an hour in January 1974.

#### IV. BURDEN OF FIGHTING INFLATION UPON THE WORKING POOR

If workers earning the statutory minimum wage had received a 5.5 percent yearly wage increase, the wage standard of the President's Cost-of-Living Council, then the federal minimum wage would presently be $2.21 an hour (February 1974) increasing to $2.33 by February 1975 and $2.46 by February 1976.

TABLE 1.—COMPARISON OF THE MINIMUM WAGE WORKER INCOME AND THE POVERTY LEVEL INCOME OF A 4-PERSON FAMILY, 1968–74

| Year | CPI (1967=100) | Poverty level[1] income (non-farm 4-person family) | Minimum wage earnings: Hourly rate | Minimum wage earnings: Annual earnings (2,080 hr) | Number of dollars a full-time minimum wageworker's income is below poverty level |
|---|---|---|---|---|---|
| 1968 | 104.2 | $3,553 | $1.60 | $3,328 | $225 |
| 1969 | 109.8 | 3,743 | 1.60 | 3,328 | 415 |
| 1970 | 116.3 | 3,968 | 1.60 | 3,328 | 640 |
| 1971 | 121.3 | 4,137 | 1.60 | 3,328 | 809 |
| 1972 | 125.3 | 4,273 | 1.60 | 3,328 | 945 |
| 1973 | 133.1 | 4,539 | 1.60 | 3,328 | 1,211 |
| 1974 (January) | 139.7 | 4,765 | 1.60 | 3,328 | 1,436 |
| PROJECTION | | | | | |
| 1975 (January) | [2] 152.8 | $5,210 | [4] $2.00 | $4,160 | $1,050 |
| | | | [4] 2.10 | 4,368 | 842 |
| 1967 (January) | [3] 160.5 | 5,473 | [4] 2.20 | 4,576 | 897 |
| | | | [4] 2.30 | 4,784 | 689 |
| 1977 (January) | [3] 168.5 | 5,745 | [5] 2.77 | 5,762 | −17 |

[1] Poverty level incomes were derived from the revised method of adjusting the Social Security Administration's 1963 poverty thresholds for changes in the CPI (all items).

[2] Computed assuming continuation of the rate of inflation for the last 12 mo. of 9.4 percent throughout the next year.

[3] Computed assuming estimated 5 percent rate of increase in CPI from January 1975 through January 1977.

[4] Assumes adoption of higher minimum wage rates through FLSA legislation.

[5] Minimum wage rate needed go bring full-time minimum wageworker above poverty level given above assumptions.

TABLE 2.—COMPARISON OF THE MINIMUM WAGEWORKER'S INCOME AND THE LOWER BUDGET LEVEL OF A 4-PERSON FAMILY, SPRING 1969 THROUGH JANUARY 1974

| | Full-time minimum wage worker's annual earnings | Lower budget of BLS | Number of dollars a full-time minimum wage worker's income is below lower level budget |
|---|---|---|---|
| Spring 1969 | 3,328 | 6,544 | 3,216 |
| Spring 1970 | 3,328 | 6,960 | 3,632 |
| Fall 1971 | 3,328 | 7,214 | 3,886 |
| Fall 1972 | 3,328 | 7,786 | 4,058 |
| January 1974 | 3,328 | [1] 8,309 | 4,981 |

[1] Estimate.

TABLE 3.—COMPARISON OF MINIMUM WAGEWORKER INCOME AND THE ECONOMY FOOD PLAN COST FOR A FAMILY OF 4[1]

| Date | Total yearly earnings for a full-time minimum wageworker | Yearly economy food plan[2] cost for family of 4 | Percentage food cost is of total earnings |
|---|---|---|---|
| December 1968 | 3,328 | $1,196.00 | 36 |
| December 1969 | 3,328 | 1,274.00 | 38 |
| December 1970 | 3,328 | 1,279.20 | 38 |
| December 1971 | 3,328 | 1,336.40 | 40 |
| December 1972 | 3,328 | 1,388.40 | 42 |
| December 1973 | 3,328 | 1,705.60 | 51 |
| January 1974 | 3,328 | 1,742.00 | 52 |

[1] The Economy Food Plan is the least expensive food plan, designed for temporary or emergency use when funds are low according to the Department of Agriculture.

[2] The Economy Food Plan of the Department of Agriculture is based upon a household food consumer survey taken by the Department of Agriculture in 1965–66. The figures are for a family of 4. The husband and wife are assumed to be between the ages of 20 to 35, 1 child, male or female, age 6 to 9 the other male, age 9 to 12.

*Estimated distribution of nonsupervisory employees who would be brought under the overtime compensation protection of the act by H.R. 12435*

[Number of employees to be covered by the bill—In thousands]

| | |
|---|---|
| Industry: | |
| Federal, State, and local government | 4,555 |
| Domestic service | 1,150 |
| Retail or service establishments | 520 |
| Oil pipeline | 15 |
| Seafood canning and processing | 40 |
| Transit | 35 |
| Hotel, motel, and restaurant | 1,512 |
| Nursing home | 742 |
| Salesmen, partsmen, and mechanics | 11 |
| Food service | 199 |
| Bowling establishments | 48 |
| Seasonal industries | 641 |
| Telegraph agencies | (1) |
| Cotton ginning | |
| Sugar processing | 26 |
| Total | 9,525 |

[1] No estimate available.

NOTE.—With respect to certain hotel, motel, and restaurant employees, and employees engaged in cotton ginning and sugar processing activities, the bill does not require the payment of overtime compensation for hours worked in excess of 40 during a workweek, but rather, for greater numbers of hours worked during a workweek.

*Estimated distribution of nonsupervisory employees who would be brought under the minimum wage protection of the act by H.R. 12435*

[Number of employees to be covered by the bill—In thousands]

| | |
|---|---|
| Industry: | |
| Federal, State, and local government | 5,079 |
| Domestic service | 1,285 |
| Retail or service establishments | 654 |
| Agriculture | 25 |
| Motion picture theaters | 59 |
| Logging | 42 |
| Telegraph agencies | (1) |
| Shade grown tobacco | (1) |
| Conglomerates | (1) |
| Total | 7,144 |

[1] No estimate available.

ESTIMATED NUMBER OF NONSUPERVISORY EMPLOYEES COVERED UNDER THE MINIMUM WAGE PROVISIONS OF THE FAIR LABOR STANDARDS ACT BY INDUSTRY[1]

[In thousands]

| Industry | Total number of employees in industry | Number of employees covered | Number of employees not covered or exempt |
|---|---|---|---|
| Agriculture | 1,232 | 513 | 719 |
| Mining | 573 | 568 | 5 |
| Contract construction | 3,625 | 3,608 | 17 |
| Manufacturing | 17,628 | 17,524 | 104 |
| Transportation and public utilities | 4,181 | 4,104 | 77 |
| Wholesale trade | 2,691 | 2,683 | 8 |
| Retail trade | 11,015 | 7,149 | 3,866 |
| Finance, insurance, real estate | 2,813 | 2,662 | 151 |
| Service industries (except private households) | 9,626 | 7,087 | 2,539 |
| Private households | 2,060 | | 2,060 |
| Federal Government | 2,308 | 615 | 1,693 |
| State and local governments | 6,300 | 2,914 | 3,386 |
| Total | 64,052 | 49,427 | 14,625 |

[1] Estimates exclude 2,147,000 outside salesmen exempt under sec. 13(a)(1) of the act.

ESTIMATED NUMBER OF NONSUPERVISORY EMPLOYEES COVERED UNDER THE OVERTIME PROVISIONS OF THE FAIR LABOR STANDARDS ACT, BY INDUSTRY[1]

[In thousands]

| Industry | Total number of employees in industry | Number of employees covered | Number of employees not covered or exempt |
|---|---|---|---|
| Agriculture | 1,232 | | 1,232 |
| Mining | 573 | 556 | 17 |
| Contract Construction | 3,625 | 3,570 | 55 |
| Manufacturing | 17,628 | 16,856 | 772 |
| Transportation and Public Utilities | 4,181 | 2,407 | 1,774 |
| Wholesale Trade | 2,691 | 2,476 | 215 |
| Retail Trade | 11,015 | 5,157 | 5,858 |
| Finance, insurance, real estate | 2,813 | 2,661 | 152 |
| Service industries (except private households) | 9,626 | 5,511 | 4,115 |
| Private households | 2,060 | | 2,060 |
| Federal Government | 2,308 | 615 | 1,693 |
| State and local government | 6,300 | 2,764 | 3,536 |
| Total | 64,052 | 42,573 | 21,479 |

[1] Estimates exclude 2,147,000 outside salesmen exempt under section 13(a)(1) of the Act.

Mr. QUIE. Mr. Chairman, I yield to the gentleman from Illinois (Mr. Erlenborn) such time as he may consume.

Mr. ERLENBORN. Mr. Chairman, I rise in support of H.R. 12435. It is certainly a contrast to see the gentleman from Pennsylvania (Mr. Dent) and me rise in support of this bill as compared with what happened last year and the year before with minimum wage legislation. I think the passage of time, plus the one substantial difference this year of the opportunity for cooperation and compromise, explains the difference between what happened in the past and what is happening today. The passage of time has shown us that with the inflation that we have experienced, last year in particular, and the last several years generally, it is difficult for anyone to argue that an increase in the minimum wage rate is not justified.

Oh, there are those who still today say that any increase in the minimum wage would be inflationary; it would cause pressures for other wage rates above the minimum to go up, also. I think it is just as logical to say that increasing the minimum wage rate today recognizes the inflation that already has taken place.

I am pleased, as I say, that we have had the opportunity of compromise this year that was not apparent in the last several years. In that spirit of compromise in the subcommittee the gentleman from Pennsylvania and his colleagues on the Democratic side agreed with a few amendments that the gentleman from Minnesota (Mr. QUIE) and I wanted to make in the bill, and the bill was reported by the subcommittee without a dissenting vote and reported by the full committee without a dissenting vote.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Pennsylvania.

Mr. DENT. I want to say that while there is a great deal of criticism by some of the outspoken critics of Congress as a body of men who apparently have little regard for the needs of the people, the events of the last 2 weeks have demonstrated when it gets down to the crux of a problem, to the real needs of the people of this Nation, Congress does rise to its responsibility.

With the gentleman on the floor at this point, the gentleman from Illinois (Mr. ERLENBORN), the ranking Republican member on the subcommittee, and all the members on his side, including the ranking minority member on the full committee, as well as the members on this side, there was never a question of our meeting that responsibility. We have met it on both the controversial pension plan bill and also on this legislation. While we have had difficulty in getting to the common ground, when it gets down to where the real need is great enough and the common good of a great number of people is concerned, we set aside any personal differences in the matter as well as disregard any political considerations.

I thank the gentleman for his contributions and for all the help he has given me.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman from Pennsylvania for his contribution. I would agree with what the gentleman said.

In 1972 the House of Representatives adopted on the floor of the House a substitute bill which I offered, H.R. 7130, which would have raised the wage rate in 1973 to $1.80 and in 1974 to $2. The bill before us today in 1974 will set a minimum wage rate at $2, the same rate that would have been achieved had my substitute been adopted in 1972.

The wage rates in this bill I think are modest. The 40-cent increase does appear to be quite a bit, but as I have pointed out, we would have reached that point even if the plan called for and endorsed by the minority in 1972, had been adopted. So the $2 wage rate for this year I think is reasonable and it is called for as a result of the inflation we have experienced in the intervening almost 2 years.

I compliment the gentleman from Pennsylvania on his reasonable approach to this problem this year and for the modest increases thereafter, $2.10 for next year, for 1975, and then $2.30 in 1976.

I would point out that in this bill we are considering the minimum wage rate will go further than the bill already approved by the Senate which stops at the $2.20 level in 1975. A few of the areas of compromise that have been agreed upon I would like to touch on just briefly.

The youth differential, or as organized labor likes to refer to it, the subminimum wage for youth was a most difficult difference of opinion between the majority and the minority. I am not of course totally satisfied with the way this has been resolved. I would much prefer to have had the Congress adopt this wage differential so that young people would have a better chance of being employed, but I have noticed for instance some interesting figures, in that the employment of minority youth has risen considerably in the last year. The figures from the Labor Department are encouraging in this regard and the gentleman from Pennsylvania and his colleagues on the majority side have agreed to include in the report a provision calling on the Secretary of Labor under existing authority, which they have referred to constantly throughout the years of this debate, to maintain a pilot project to see whether a further youth differential would be effective.

Another element that was terribly difficult in the vetoed bill last year was the extension of overtime coverage to firemen and policemen in State and local government. I am happy to say in the compromise this year overtime coverage for these very important employees has not been included.

Mr. Chairman, I think that this is a good compromise. I am happy to see Democrats and Republicans join together in a bipartisan effort to pass this much-needed bill.

I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Chairman, I have a couple of questions. I was wondering about the working mother supporting infant children, who might herself be making just a minimum wage, if she hires a babysitter is she required to pay the babysitter the minimum wage?

Mr. ERLENBORN. I would answer the gentleman that my understanding of the bill is that it extends coverage of the minimum wage law to domestics generally for the first time. Included in domestics would be full-time babysitters. The bill does exclude casual babysitters from coverage, but those who engage in its relatively full time would be covered in the Act.

Mr. SNYDER. I have another question, if the gentleman will yield.

Mr. ERLENBORN. I will be happy to yield.

Mr. SNYDER. We have another situation where news boys deliver weekly newspapers on 1 day a week and on other days of the week deliver for the same printer or publisher advertising circulars.

My understanding is that under existing law they are not exempt on the day they are delivering advertising circulars. Sometimes it may be political mail, I might say, or circulars; but they are exempt the day they are delivering the newspapers. We have had some discussion about this and I know the gentleman is favorable to this; but I wondered if it is included in the bill?

Mr. ERLENBORN. I am afraid I have to tell the gentleman it is not included in the bill. As the gentleman knows, I did include that in my substitute offered last year or the year before.

I do not believe Congress ever intended to have this difference exist between those who deliver regular newspapers and those that deliver advertising flyers or shopping news.

There was, as the gentleman knows, an interpretation of the Department of Labor to make a distinction. I think it is a distinction without justification and something that was not intended by the Congress; however, it is, unfortunately, not remedied by this bill.

Mr. SNYDER. Is it the interpretation of the gentleman today that even though there is no exemption written in, that it is or is not the intention of the Congress under this legislation that those who deliver shopping news on other days should or should not be included?

Mr. ERLENBORN. This gentleman is of the opinion that the Congress never intended to have that difference and those that deliver shopping news, as well as other newspapers, should enjoy the same exemption. I am afraid the Department of Labor disagrees with that.

Mr. TOWELL of Nevada. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Nevada.

Mr. TOWELL of Nevada. I would like to associate myself with the remarks of the gentleman.

Mr. Chairman, we have indeed come a long way since July 1938 when the first Fair Labor Standards Act was signed into law. That bill provided for a minimum wage of 25 cents per hour and further required the payment of time-and-a-half for hours in excess of 44 hours per week.

Through various revisions of the original law, we have come to the present minimum wage which was enacted in 1966 providing for a minimum at that time of $1.60 per hour arrived at in two steps—$1.40 per hour on February 1, 1967, and $1.60 per hour on February 1, 1968—and it has remained at the $1.60 per hour rate since that date in 1968.

However, in the intervening years we have had an exceedingly high rate of inflation and now find ourselves in a position where those earning the minimum rate of $1.60 are now, in effect, losing approximately $1,400 a year figured on their 1968 minimum wage rate because of the intervening inflation. While all of us have indeed been adversely affected by this strong inflationary trend since 1968, most Americans have received substantial wage increases which have narrowed the gap considerably between real wages—purchasing power—and what the inflation has done to their take-home pay. But unfortunately those who are still pursuing jobs which pay only the minimum wage of $1.60 an hour now find themselves barely able to exist. Therefore, we can no longer afford as a nation to continue paying at the 1968 rate.

During 1973 I did not support the Education and Labor Committee's minimum wage bill. In order to compromise and work out an acceptable minimum wage law, many of us on the Education and Labor Committee offered an alternative bill; and I for one wish that hearings would have been held at a much earlier time than those that have just been concluded in the committee. In a spirit of compromise and cooperation, those of us who had offered the compromise voted unanimously for H.R. 12435 as it was written by the committee. This bill as it comes before you today is not written exactly as I would have preferred it; and I still have grave reservations regarding its lack of a true youth differential. I hope that we are not adding fuel to the fires of inflation for this is the very thing we are trying to overcome for a large portion of working Americans who now find themselves in a serious financial crisis because of their wages being tied to the 1968 rates of $1.60. It is to help these people that I am lending my support to this legislation.

Mr. ERLENBORN. Mr. Chairman, I yield to the gentleman from Wisconsin.

Mr. DAVIS of Wisconsin. Mr. Chairman, I certainly want to express my appreciation to the gentleman from Illinois for all he has done in working out what appears to be an acceptable compromise.

Here is one question that does bother me. Based upon our past experience some couple years ago, the gentleman did prevail with the so-called Erlenborn amendment, which did include some of these things that some of us felt strongly about. When it got into conference with the other body, most of those provisions that the gentleman had succeeded in returning to the House were wiped out and finally that legislation failed of enactment.

As I understand it, the Senate has passed a bill in this area which is substantially the same as that legislation which did fail of enactment.

Now, are we in the position where we can vote for this legislation with some assurance that this is substantially the form—if starting out as a compromise as it does, that it will be funded in a conference, or are we going to have the previous experience of this coming back to us substantially the same as the Senate has passed it and find ourselves in the same difficult position we found ourselves in before?

Mr. ERLENBORN. Mr. Chairman, I appreciate the question asked by the gentleman from Wisconsin. Let me first of all respond to the gentleman by saying that with his long and vast experience here in the Congress of the United States, he knows that no one can speak with certainty as to what the conference will do.

I think the gentleman also knows that it is customary for some accommodation to be reached. It is very seldom that either body is totally successful in gaining acceptance for that body's point of view. With that as a reservation, let me say that I feel that our colleagues who have joined in this bipartisan agreement will stick with that agreement in the conference and will compromise with the Senate only when we agree in a bipartisan fashion that the compromise is necessary and proper.

Mr. Chairman, I am relying on the assurances of my colleagues that this will be the case.

Mr. QUIE. Mr. Chairman, I reserve the balance of my time.

Mr. DENT. Mr. Chairman, I yield to the gentleman from Pennsylvania (Mr. GAYDOS) 6 minutes.

Mr. GAYDOS. Mr. Chairman, I rise in support of this bill.

The concepts in this bill are basically the same as in H.R. 7935 which was passed by the House on June 6, 1973, only to encounter a successful Presidential veto. The main difference in the two bills is reflected in the provisions on establishing new minimum wages for individuals covered and an expansion in the number of domestic employees covered.

The bill before us provides that shortly after enactment, nonagricultural and Federal employees would receive a new hourly minimum wage of $2, employees newly covered under the 1966 and 1974 amendments would receive $1.90 and agricultural employees would receive $1.60. Because of the existing differential in the present law on the minimum hourly rates for these three classes, the bill provides for a series of yearly increases so that by 1978 all employees covered by the act will receive a minimum of $2.30 per hour.

H.R. 7935 which was before the House last year would have provided for rates of $2, $1.80, and $1.60 per hour, respectively, for the same three categories, with all employees covered receiving $2.20 per hour by 1976. While the present bill provides for a higher hourly rate at a later date, it does retain the concept of eliminating the inequitable rate differential between agricultural and nonagricultural workers which is in the present law. To that extent, the bill does represent a giant step forward in providing equal protection for all employees covered by the Fair Labor Standards Act.

The need for such an increase in minimum wages is most graphically demonstrated by a comparison between the wages received by an employee receiving the current minimum of $1.60 per hour and the poverty threshold of a nonfarm family of four people. While an employee currently receiving the $1.60 minimum would have a yearly income of $3,200 for 50 weeks of employment, this is $100 less than the poverty level. Twenty States and the District of Columbia provide welfare benefits and payments to a family of four which are in excess of the annual earnings of a person receiving the $1.60 minimum hourly wage. It is indeed shocking that Federal law allows individuals to be employed at wages that literally imprison them in a continuous condition of poverty.

If we are really concerned with reducing the welfare rolls, we must take the first step and provide an incentive for individuals to seek employment at wages which exceed the welfare benefits available to the unemployed.

The bill before us provides for the inclusion of approximately 7 million new workers under the Fair Labor Standards Act. Approximately 5 million of these will be Federal, State, and local government employees, and one and a quarter million domestic service employees.

The present plight of the domestic worker is indeed a national scandal. A Department of Labor survey indicates that 31 percent of them receive cash wages less than 70 cents per hour, and that 68 percent were paid less than $1.50 per hour. Additionally, this class of workers does not receive benefits such as workmen's compensation, unemployment compensation, sick leave, vacations, and other benefits received by just about any other class of workers.

Passage of the bill before us will mean that this long-neglected group of workers will receive a minimum hourly wage of $1.90 shortly after enactment with annual step increases so that by 1978 they will receive a minimum hourly wage of $2.30. This group, largely consisting of women struggling to preserve the family unit, to eke out a meager existence and who are making a strenuous effort to be gainfully employed and avoid inclusion on the welfare rolls, will finally receive a wage which will elevate them from the state of near peonage to which so many of them are now consigned by the unconscionably low wages they currently receive.

Since the House last considered minimum wage legislation last September, spiraling inflation has continued to further erode the purchasing power of the dollar. To those workers at the lower earnings levels, the impact has been most critical. The urgent necessity for the passage of this bill is obviously clear.

I urge my colleagues to support this bill.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. GAYDOS. I yield to my colleague, the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am very pleased to cast my vote in support of the bill which would improve the Fair Labor Standards Act and extend its coverage to about 7 million workers, including public employees and household domestic workers.

Raising the present minimum wage from $1.60 to $2, and to higher amounts in subsequent years has a vital significance when one considers the fact that nearly two-thirds of the 25 million poor in America are members of families headed by a worker in the labor force.

About one-quarter of the poor—and more than 30 percent of all children growing up in poverty—are in families headed by a full-time, year-round worker whose wages are so low that his family is impoverished. An increase in the minimum wage rate to at least $2 per hour would enable a full-time worker to earn approximately $4,000 a year in gross salary. In August 1973 the Department of Labor released the poverty level threshold figure: $4,300 annual net salary for an urban family of four. The tragic inequity of these two figures is immediately apparent.

Opponents of the minimum wage law continue to "beat the dead horse" of inflation. Ironically, the charge of inflation remains one of the major contentions against minimum wage increase despite the public admission by the U.S. Chamber of Commerce that "minimum wages do not create inflation," and, despite successive Labor Department studies which have concluded that inflation is not caused by minimum wage increases. Regarding this aspect of the subject, it is much more important to keep in mind that today's $1.60 minimum wage buys less than the $1.25 minimum wage bought in 1966.

It is ridiculous to say that raising the wage level from $1.60 to $2 is inflationary merely to sustain a poverty level of existence, particularly when corporate profits are at the highest level in history.

Working people of this Nation react to increased costs of living. Working men and women pay the price of inflation with decreased buying power and all that this entails. They are the victims of inflation—not the perpetrators. Since the last amendment passed by the Congress to the minimum wage law, the cost of living has increased by over 43 percent. The $1.60 an hour provided in the minimum wage schedule adopted in 1966 has dwindled to $1.13 in terms of buying power.

The current minimum wage proposals are designed to conform to the basic purpose of the Fair Labor Standards Act—this measure is as valid today as when the act first became effective.

Its purpose is to correct and, as rapidly as practicable, eliminate labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers without substantially curtailing employment or earning power.

These proposals will achieve that goal and, as with past increases, without causing unemployment.

Successive Labor Department economic studies have determined that wages of workers at the lowest end of the wage scale have increased and there have been no adverse employment effects. As a matter of fact, the departmental studies have found that the sharper the minimum wage increase, the sharper the decrease in unemployment.

Mr. Chairman, suffice it to say, the minimum wage rate has been increased periodically over the last 3 decades without any negative impact on the national economy, but with significant assistance to the low-wage workers who need and depend upon these increases to sustain themselves and their families.

This vote today and the ultimate passage of these improving amendments will constitute, I believe, substantial progress.

Mr. GAYDOS. Mr. Chairman, may I make this further observation, for the benefit of my colleague, the gentleman from Pennsylvania: that in his area, the area of Johnstown, Pa., the need for this legislation is obvious.

I am sure my colleague will support this legislation.

Mr. QUIE. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in support of this legislation. It has been before his body for quite a long time now.

As the Members will recall, in the 92d Congress we were unable to agree to a conference on the bill passed by the House in 1972. In this Congress we have gone to conference. Following conference the President vetoed the bill. The veto was sustained. Now we are again considering a new minimum wage bill. The gentleman from Illinois (Mr. ERLENBORN) said in the course of his comments that we were able to reach a compromise between the majority and the minority on this legislation. This is compromise legislation. Just as it could not be totally what the gentleman from Illinois would like, neither is it totally what I would want. But none of us get exactly what we want.

Mr. Chairman, what we have here, I believe, is a piece of legislation that we can support.

Now, why should we not engage in a prolonged battle in order to see if we might get something better, according to our point of view? The reason is simply this: we have waited a long time for an increase in the minimum wage. There is no question that this bill is not inflationary, because inflation has already occurred.

To bring employees, pre-1966 employees, from $1.60 up to $2 will not have the ripple effect of escalating other rates, because those rates have already increased, as if the minimum wage had previously been increased.

Further, after the veto was sustained, I introduced legislation, joined in by a number of my colleagues, which would have increased the minimum wage. Had that been worked out at the time it was introduced, the rate would already be at the $2 level; and we would be at the $2.10 level before the $2.10 rate for pre-1966 coverage is expected to go into effect pursuant to this legislation. For these reasons, I find the increased rates provided for in this bill completely acceptable.

Mr. BURTON. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman from California.

Mr. BURTON. Mr. Chairman, I would like to commend the gentleman in the well, Mr. QUIE, for his constructive role in revising the minimum wage legislation after it was vetoed. All too often when our colleagues do something worthy of note it goes unnoted, and even more often, if we do little or nothing, the record is replete with encomiums that rather seriously rewrite history.

However, I do think it is very important that it be stated without reservation the gentleman in the well has played, most assuredly, a very constructive role in helping us to unsnarl this very, very difficult and intricate issue. I want to be on record as having expressed those sentiments.

Mr. QUIE. I thank my colleague from California.

Mr. O'BRIEN. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Illinois.

Mr. O'BRIEN. I thank the gentleman for yielding.

Mr. Chairman, passage of this minimum wage increase comes not a day too soon. Since the last increase was passed in 1966, the cost of living has skyrocketed 43 percent.

While the average hourly wage for other American workers has risen more than 50 percent in that time, workers on the bottom rung of the economic ladder have not received similar benefits. They are the ones, ironically, who are hardest hit by the rising cost of food, housing, and clothing.

The bill we are considering today increases the minimum wage from its current rate of $1.60 per hour to $2 within 1 month of enactment. By next January, this figure will rise to $2.10 an hour and will reach $2.30 1 year later. In addition, the bill provides coverage for several new groups including domestic workers and requires overtime payments for still other groups who have been neglected by the law.

While I realize that even this three-step increase will not fully compensate for the inflation we have experienced in the last 8 years, it is an important step toward helping millions of our lowest paid workers sustain themselves in the marketplace.

I believe we can no longer deny these increases and that is the reason I am voting for the fair labor standards amendments today. It is also the reason I voted to override President Nixon's veto of a virtually identical bill last year.

As my colleagues are aware, that veto was overridden when a bipartisan effort in the House failed to muster the required two-thirds vote. I hope and trust that this year the President will sign this urgently needed legislation.

Mr. QUIE. Mr. Chairman, there is also a provision in this legislation which would bring agricultural employees up eventually to the maximum rate provided in section 6 of the act. Heretofore it was always accepted that the agricultural rate ought to be below the nonagricultural rate. However, something good has occurred in the last 2 years, namely, American farmers' earnings have increased. We see them in a difficult light at the present time. It is true those feeding cattle and hogs and some dairymen are not doing very good, but the grain producers at the present time are in good shape.

It is important, I believe, that earnings in agriculture in America be comparable to nonagriculture. So I support this increase.

I believe the increase in rates in this legislation and the time period in which they are raised are acceptable.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIE. Mr. Chairman, I yield myself 5 additional minutes, and I yield to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Chairman, I would not let this moment go by without stating that the leveling hand of the gentleman in the well played a great part in this agreement. The need today is to try to raise the wages of the lowest paid workers. Therefore we set aside a great many things that we would have liked and would have been anxious to fight about. As I said a while ago, it shows that the Congress meets its responsibilities. I am very grateful to the gentleman for the hours that he spent in cooling down some tempers and getting some good legislation written.

Mr. QUIE. I thank the gentleman from Pennsylvania.

I would say, also, that it is possible that the increase to $2 for those who were covered prior to 1966 could go into effect on the 1st day of May. If we pass this bill today—and I note that other body has completed action on its bill—it is possible to go to conference immediately and bring the bill out and have the President sign that bill before the end of March. If that occurred, the new minimum wage could go into effect by the 1st of May pursuant to the language of the House bill.

Apart from the advantage to those who are low paid, that result would allow more time to absorb the first increase before the effective date of the next increase, January 1, 1975; and for that reason would be more acceptable than if we waited until a later time to pass this legislation. The longer we wait the more difficult it is to absorb the next increase.

We ought to be motivated to move quickly.

Mr. SKUBITZ. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Chairman, I thank the gentleman for yielding. I will support this legislation. I regret very much, however, that the committee did not provide for a minimum wage of $2.20. I think it is only fair to say to those who worry and speak about inflation, this amount being inflationary, that if it is inflationary to give people the minimum amount necessary to provide for food, clothing, shelter and heat, then so be it. I think it is time we got the minimum wage up to where it ought to be realistically and in line with the inflationary costs that have already taken place.

Mr. QUIE. I thank the gentleman from Kansas for his remarks, but I must say that what we are trying to do here is to deal with the possible.

Mr. Chairman, I might say that three changes have been made in this legislation which make it different from the Senate bill. There are other changes, also, but three of them are significant.

One of them has to do with the exemption of police and firemen from the overtime provisions.

This is of tremendous importance, and I believe the Members would realize that if they were to check with their own municipalities and see what the increased cost would be if we adopted the language in the Senate bill, it would represent a phenomenal increase in the cost to those municipalities, that is to their taxpayers.

We have compromised this, and put all Federal, State, and local government employees under the minimum wage; and cover them under the overtime provisions with the exception of police and firemen. I find that this is an acceptable compromise that we ought to go along with.

This legislation makes a change in another area which I think removes a very inequitable feature in the student differential at the present time, and that is with reference to the historical ratio. Under the present law you are permitted only to hire under the student differential that proportion that students in your work force represented in the 12-month period prior to May 1961. And just as was our experience with the farm program, if you used a base period that eventually becomes ancient history, so has the 12-month period prior to 1961 become ancient history. So that is removed. However, we did not change the language that was in the bill that was vetoed where you have post certification if you have four or fewer student workers hired, with precertification if you have five or more. I think the precertification will make certain that there will be no replacement of full-time employees by the use of the student differential.

The other is the youth differential that we have attempted to bring about for a long time. Many of us feel strongly that the dropouts, the ones that school has no future for——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. QUIE. Mr. Chairman, I yield myself 5 additional minutes.

Mr. Chairman, as I started to say, the ones that school has no future for at all need employment opportunities, and the majority have felt very strongly that we should not do that by means of a lower rate. Rather than engage in that battle, there was agreement that under this authority under section 14(a) of the act, the Secretary is expected to establish one pilot project in no more than eight establishments in the country, and no more than 100 in each establishment, and some other language in the report, which begins on page 36 of the report.

From our experience with that pilot project we will then be able to debate the question knowledgeably of whether there ought to be any new provision for a youth differential. In a couple of years we will then have that information available to us. I find that an acceptable compromise.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I notice the gentleman from Minnesota has mentioned firemen and policemen, and other classifications who are exempted from certain provisions of this law.

Mr. QUIE. The overtime provisions.

Mr. QUILLEN. The overtime provisions, yes.

I wonder why ambulance drivers are not also exempted from the overtime provisions? If the gentleman will recall, for the past 4 years I have asked similar questions in the Committee on Rules. Ambulance service in my district has been partially eliminated, and in some cases eliminated altogether because they cannot pay time and a half to ambulance drivers who sleep in, waiting for emergency calls. To me this is just as important as the exclusion of firemen and policemen from the overtime provision. I wonder if any thought was given to this.

Mr. QUIE. I would say to the gentleman we reached a compromise on public safety employees, and I imagine—anyway from my part in that discussion—the question of ambulance drivers was not raised among members of the subcommittee.

Mr. QUILLEN. The funeral homes in my district had to do away with ambulance service for this reason, and in some of the counties this service is very desperately lacking, very critically lacking. I am wondering if the committee would accept an amendment to do the same thing for ambulance drivers that they have done for firemen and policemen, because life is so important.

Mr. QUIE. I would suggest the gentleman talk to the gentleman from Pennsylvania (Mr. DENT) and the gentleman from Illinois (Mr. ERLENBORN) on that.

But I do recall on the ambulance drivers that they did run into some difficulty with medicare and, therefore, some of them went out of business because they could not get their payments out of medicare, which had nothing to do with the overtime provision.

Mr. QUILLEN. Will the gentleman yield further for a question to Mr. DENT?

Mr. QUIE. I would say that the gentleman from Tennessee ought to talk this out with these two gentlemen. I am not suggesting we do it on my time, because I would like to get this over with. I would suggest the gentleman go over and talk to Mr. DENT about it.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Tennessee.

Mr. BAKER. I thank the gentleman for yielding.

If ambulance service is operated by the fire department in a city, would the gentleman consider under this circumstance the activity probably would be covered?

Mr. QUIE. My understanding is, yes; covered by the exemption from the overtime provisions.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Pennsylvania.

Mr. DENT. I thank the gentleman for yielding.

If they belong to the fire department or police department, they are exempted. The only ambulance drivers that are covered have been covered for some time immemorial because of being engaged in interstate commerce or by a hospital.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from California.

Mr. BURTON. I thank the gentleman for yielding.

I would certainly state that with regard to fire and police exemption, at least in our case, as members of the department itself in service, we exclude overtime for fire and police departments, and members of the fire and police departments are not then supplementarily covered by anything we are doing here. That exemption, to the extent they are exempt, now will continue to be exempt, including emergency services.

Mr. QUIE. I think the gentleman from Tennessee is talking about ambulance drivers who work for the funeral homes, and that never came up in our discussions.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Tennessee.

Mr. QUILLEN. I would like to ask the gentleman from Pennsylvania (Mr. DENT) a question. I think he is incorrect in that he said it was because of interstate operations.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIE. Mr. Chairman, I yield myself 2 additional minutes.

I yield to the gentleman from Tennessee.

Mr. QUILLEN. Ambulance drivers in my district do not go, as a rule, across State lines.

Mr. QUIE. I would say that has nothing to do with whether they are covered or not, because domestic workers do not usually go across State lines and they are going to be covered in this act.

Does the gentleman from Pennsylvania desire to make any further comment on this? I yield to the gentleman from Pennsylvania.

Mr. DENT. Nothing, except that we found that the reason many funeral homes gave up, and especially in my area—and no funeral homes have ambulance service there any more—is because communities now have a separate arrangement in communities working with the police department for ambulance service, where they get some kind of community funds put into it.

I understand that every other community of any size has the same arrangement. I do not know of any ambulance drivers who work for funeral homes in my area any more. It is a regular service of each community.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield further?

Mr. QUIE. I yield to the gentleman from Tennessee.

Mr. QUILLEN. That is not true, I will state to the gentleman from Pennsylvania, in my district. Even the emergency rescue squads come into play on this, but now under regulations, even the emergency rescue squads must have a trained technician in the ambulance or in the rescue squad vehicle before they can take a body from the accident scene to the hospital.

So we are critically in need of ambulance service. For the last 4 years I have asked the committee to look into this. When we get to the amendments, I would like to talk with the gentleman about it, without using further the time of the gentleman in the well.

Mr. DENT. I will be glad to discuss it with the gentleman and maybe we can come to some agreement on it.

Mr. QUIE. Mr. Chairman, I yield myself 1 additional minute to complete my statement.

I want to compliment not only my colleague, the gentleman from Illinois (Mr. ERLENBORN), who has worked long on this legislation, and he and I worked together on this compromise, but also the gentleman from Pennsylvania (Mr. DENT) and the gentleman from California (Mr. BURTON), as well as our colleagues on the committee, the gentleman from Missouri (Mr. CLAY) and the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), who were a part of the working out of this agreement. The gentleman from Kentucky was also assisted in reaching accord on this bill. I just want to commend them all for enabling us to come to the floor with a minimum wage bill for the first time that I recall in my years in Congress united in this way. A minimum wage bill which I am confident is a good piece of legislation and which I stand behind all the way to its final enactment.

The CHAIRMAN. The gentleman from Minnesota consumed 18 minutes.

Mr. DENT. Mr. Chairman, I yield such time as he may consume to the gentleman from Puerto Rico (Mr. BENITEZ) for some questions and suggestions.

Mr. BENITEZ. Mr. Chairman, I thank the gentleman.

I wish to say in the first place on behalf of Puerto Rico that I rise in support of the bill. While Puerto Rico is more affected de facto than any other community by the requirements of this law, we are glad to accept its norms and principles. In Puerto Rico we believe fully in the basic principles of the minimum wage and we preach and practice the norm of advancing the possibilities of compensation to the highest possible level within our resources.

In the case of Puerto Rico we have made in this law an effort through a three-pronged movement toward raising salaries: First, establishing a basic floor minimum; this is a minimum below which no salaries can go; second, adding onto existing wages significant real raises everywhere so as to approach the Federal minimum; and third, retaining to industry committees that they may review the wage order and advance them if it is possible even beyond the requirements of the fixed advance every year.

Now I come to my question to the Chairman on basic point.

The vetoed bill contained a provision to the effect that the first statutory increase in wage orders might not fully apply to wage orders increased by industry committees during the period July 26 to the effective date of the legislation. That provision applied the first statutory increase only if the increase mandated by action of the relevant industry committee during the period was less than the first statutory increase; and if it was less, the affected employee was to receive the amount of increase mandated by such industry committee plus the difference between that amount and the otherwise applicable statutory amount.

I notice this bill does not contain a similar provision and I would appreciate the gentleman's explaining the committee's intent in that regard.

Mr. DENT. The language of the provision to which the gentleman refers was dropped from this bill because of the irrelevancy of the dates stipulated therein. But the intent of the committee with respect to the import of the accommodation has not changed.

If the gentleman will take note of page 27 of the committee report, he will see that a similar legislative intent is associated with this bill.

We recognize that industry committees meet throughout a year and recommend wage order increases. It would be patently unfair to add the first statutory increase to a wage order which has only recently been increased upon recommendation of an industry committee. The committee report reflects our intent that the Secretary take such recent wage order increases into consideration to applying the first statutory increase.

Mr. BENITEZ. Can the gentleman tell me if the Senate concurs in this clear intent?

Mr. DENT. The Senate does concur and the legislative intent will be spelled out in the conference report on this legislation.

Mr. BENITEZ. I thank the gentleman and I am happy to see such unanimity in the bill.

Mr. QUIE. Mr. Chairman, I yield to the gentleman from Michigan (Mr. ESCH).

Mr. ESCH. Mr. Chairman, I rise in support of the legislation. I would add my comments to all those involved in reaching this compromise provision today.

I rise today in support of the minimum wage legislation, H.R. 12435, before us today. The time has come to end the delay in passing this important bill and to bring millions of workers out from under the poverty level.

Tens of millions of American citizens have been denied the basic necessities of life because of this delay. At a time when the value of the dollar has been shrinking, Congress has failed to move. The present minimum wage law has served to bring greater dignity, security, and economic freedom for millions, however, it has not kept pace.

The fact is the $1.60 of today's minimum wage buys less than the $1.25 minimum wage of 1966. In fact, the rates included under this legislation, taking the CPI index into account, would even have to be greater than the rates called for in the bill. Even at the level of $2 per hour—such as the rate specified for previously covered employees—a full-time worker would earn less than the poverty threshold than he did before his wage was increased to the present $1.60. The phased-in raise to $2.30 permits these workers to recapture some of this lost buying power.

Inflation has hit hardest on the lowest income worker—and many of these are minimum wage earners. Ironically, more than 20 States provide more in welfare assistance, including food stamps—than the minimum wage, and the one way Congress can move to reduce dependency on welfare, and to encourage greater participation in the work force, is to increase these rates as soon as possible.

The legislation moves to address inequities of the existing law and includes, for the first time, domestic workers.

Perhaps the issue over which there has been greatest dispute has been in the inclusion of a so-called youth differential. I personally have favored this proposal as a means to encourage employers to hire untrained and inexperienced youth. Specifically, I believe the failure to do so may severely cut into this summer's youth employment programs, and the National League of Cities estimated that a $2 minimum wage will reduce the total eligible for the neighborhood youth program by 20 percent.

Accordingly, if the Congress moves without such a differential today, I would urge members of the Appropriations Committee to increase the $300 million budget request to offset this loss.

I believe, in the meantime, that we should call on the Secretary to implement existing regulations which would allow him to develop pilot projects to determine the effects of a "subminimum" wage on nonschool youth employment. The Education and Labor Committee has clearly signaled its intent to ascertain the facts by requiring a final report on the question of youth employment to Congress in 1977.

This legislation represents a vital step forward and I urge Members of this House to support it.

Mr. DENT. Mr. Chairman, I yield such time as he may consume to the chairman of the full committee, the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, once again this House undertakes to examine the question of the minimum wage rate and amendments to the Fair Labor Standards Act. As the Members will recall, last year H.R. 7935 was passed and sent to the President. That measure, unfortunately, was vetoed in September.

Since then continuing inflation has caused the cost of living to skyrocket still higher. The plight of the poorest of our workers has continued to worsen.

The bill before us today, H.R. 12435, provides an increase in the minimum wage of those already covered. It extends wage or overtime protection—or both—to many groups of workers not currently covered.

The wage rate for the more than 34 million nonagricultural workers, covered by the act previous to the 1966 amendments, would be raised within 2 months of enactment to $2 an hour. The minimum would be increased to $2.10 on January 1 of next year and increased again to $2.30 an hour a year later.

Nonagricultural workers newly covered by the 1966 amendments—10 million—and by the 1974 amendments would have a $1.90 an hour minimum applied initially, with subsequent raises to $2, $2.20, and $2.30 an hour on January 1 of the next 3 years.

Covered agricultural employees would get $1.60 an hour initially. They would enjoy 20 cents per hour increases on January 1 of each of the next 4 years.

These are modest increases, Mr. Chairman. If the cost-of-living increase mechanism had been incorporated into the 1966 amendments, the minimum wage rate in January of this year would have exceeded $2.23 an hour. But there has been no such mechanism. Millions of American workers and their families have continued to fall further and further behind the rest of us. This bill will help them catch up some of the way. It does not attempt to put the minimum wage where it should be, but the bill provides a worthwhile and necessary increase.

With respect to the extension of coverage and the removal of overtime exemptions, the provisions of H.R. 12435 parallel very closely the provisions of H.R. 7935, the conference report that was overwhelmingly approved by the House last year. Such differences as there are result from negotiation and compromise with our minority colleagues and with the administration.

As the Members will recall, in the conference report minimum wage coverage was extended to Federal, State, and local employees; domestics; employees of some additional retail and service establishments; employees of conglomerates engaged in agricultural activities, and employees of telegraph agencies and motion picture theaters.

All of these extension of coverage are retained in H.R. 12435.

In the committee bill, overtime protection is also extended to most of these employees. Some other overtime exemptions are reduced and others repealed.

For a number of industries the overtime exemption is reduced over a period of years and ultimately repealed. Among these are the overtime exemptions for employees of bowling establishments; maids and custodial employees in hotels and motels; transit employees; employees of food service establishments; employees of some retail and service establishments; seafood canning and processing employees; and seasonal industry employees.

In all of these cases the schedules for the reduction and repeal contained in the conference report are retained.

As they study the committee report, Members will find close similarity in the treatment of the various industry categories in H.R. 12435 and the vetoed conference report.

We have, however, accommodated the administration and our minority colleagues in a number of very important respects. While we have extended wage and overtime coverage to State and local employees generally, firemen and policemen are exempt from the overtime provision.

We have compromised also in the treatment of students. The committee bill permits the employment of full-time students at wage rates less than those prescribed in the act in retail and service establishments, in agriculture, and in institutions of higher education at which they are enrolled. Such students may be employed at a wage of not less than 85 percent of the applicable minimum or $1.60 an hour—$1.30 an hour in agriculture—whichever is higher. Up to four students may be hired without the traditional precertification procedure. That is to say, there need be no prior finding by the Secretary of Labor that there is no substantial probability of job displacement before issuance of such certificates. Employers of five or more students will continue to require such precertification.

While the committee seriously considered the possibility of subminimum wage rates for nonschool youth as suggested by the administration, most of us felt this would violate a basic objective of the act. In addition, many of us felt the provision for a subminimum wage would contribute to, rather than ease, the critical problem of unemployment. Many of us were particularly concerned in a period of rising unemployment that a youth subminimum wage would give unemployed youth a competitive advantage over adult heads of households for the scarce jobs available.

The committee, however, has recognized the need for further information and further data on this most important problem. As indicated in the committee report we do not object to the development and implementation of a pilot project which will permit, in a number of establishments, the payment of wages at lower than the minimum rate in order to determine the impact of such lower wages on the employment patterns of both young and adult workers. It is our belief that the Secretary of Labor has authority already to conduct such tests and demonstrations, and we support such tests.

In short, Mr. Chairman, while this bill is substantively identical in its major provisions of the conference report which was approved overwhelming last year, it it a genuine bipartisan compromise. It is a bill that is long overdue and I urge its support.

Mr. DENT. Mr. Chairman, I thank the gentleman from Kentucky for his kind remarks.

I yield 3 minutes to the distinguished gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. Mr. Chairman, I too want to join in congratulating the chairman and the members of the committee who have finally brought forth a minimum wage bill which I assume is going to be passed overwhelmingly by this House, and which I further assume the President of the United States will not veto.

Mr. Chairman, this legislation comes at a most propitious time. There are approximately 9 million Americans who constitute the working poor. They are nonunion people. They, more than any other group in this country, have been caught in the squeeze of inflationary prices. They, more than any other group in this country—that is, the 9 million of the working poor, nonunion—have almost had their backs pushed against the wall because of the spiraling rate of prices.

This House will shortly consider whether or not to extend the Economic Stabilization Act. My impression is that there is a growing consensus not to extend the Economic Stablization Act. My feeling is that most of us think that the Economic Stabilization Act, despite the pronunciamentos made Mr. Shultz and Mr. Dunlop, has been a complete disaster, and I do not think this body will act to extend the Economic Stabilization Act as it is written.

I want to take a minute to spell out the implications of that possible future act by this House for the 9 million working poor I have just spoken about. Every economist in this Nation, whether he be leftwing economist or rightwing economist, agrees that once we stop the Economic Stabilization Act, wages are going to go up, hopefully level off, and then hopefully remain stationary. However, the nonunion working poor will not enjoy significant wage increases.

Every economist, whether he be of the right or the left persuasion, is also in agreement that once we lift controls, prices are gong to zoom up, and, theoreticaly, it is expected they will level off, and then hopefully they will then drop somewhat.

The situation, my colleagues, is this: The 9 million working poor, nonunion wage earners, who have been caught in this squeeze, who are backed up against the wall, are going to be even in more dire straits once we lift controls on prices. Therefore, the very least that we can do for them—we ignored them during this whole period of controls, the very least we can do for them is to pass overwhelmingly this bill, which I think is an effective, strong, meaningful piece of legislation.

Mr. Chairman, I would simply want to indicate my admiration for the gentleman from Pennsylvania (Mr. DENT) for his perseverance, and my gratitude for his interest in that class of workers about whom I have spoken.

Mr. QUIE. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota (Mr. FRENZEL).

Mr. FRENZEL. Mr. Chairman, I want to compliment the members of the committee and subcommittee, particularly the leadership people, the gentlemen from Pennsylvania, Kentucky, Minnesota, and Illinois, who have worked out what I think is an excellent compromise. It is well past the time when this House should have passed a minimum wage bill. It seems to me that in this bill we have a particular piece of legislation which each of us can support with some enthusiasm.

Mr. Chairman, I know, particularly from the standpoint of my own district, that in section 6, which is the inclusion of Federal and State employees, that employees engaged in fire protection or law enforcement are exempt from the overtime provisions. I recall vividly that the last minimum wage bill which we passed through this House contained a similar exemption. When our conferees met with the Senate, we accepted the Senate position.

Mr. Chairman, it is my hope and my expectation that our conferees this time will not accede to the Senate position, and will maintain the exclusion of overtime for fire and police employees.

Mr. Chairman, I am pleased to support the bill. I certainly would not support it if it did not have that exclusion in it.

Mr. DENT. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I am privileged today to rise in support of this bill. I am a cosponsor of the bill presently under consideration, and have been since my advent into the House.

The bill accomplishes at long last, with a minimum of resistance on their side of the aisle, an objective which has been long sought after for the working person of our country.

I would like to congratulate the gentleman from Puerto Rico for the work he has done in helping to resolve the very complex problems connected therewith.

The purpose of this Fair Labor Standards Amendments of 1974 is to provide a uniformity in minimum wage. Ostensibly, no one quarrels with that. However, we do find some objection. We find, notwithstanding the thrust of providing a uniformity of treatment of all working people in our country, that this very bill contains exceptions that categorize an important segment of our working force, an important segment of American life, into the position of second-class citizens.

Mr. Chairman, I talk in terms of the policemen and the firemen, the people who have been recognized as the first line of defense on the domestic scene. I simply cannot understand the paradoxical position of providing an exemption for them in this bill and the Committee on the Judiciary reporting out a bill which would provide some $50,000 in compensation for the loss of lives, because they have sacrificed their lives, to their survivors.

The situation is to be lauded on this side and condemned on this side. I recognize the importance of this bill. I do not rise here in order to present an obstacle, but, Mr. Chairman, I would exhort the Members strongly that in conference we accede once again to the language of the Senate committee and recognize these people whom the country has looked upon as being the martyrs of our last decade, with their being assassinated, not simply killed in the conventional method of death and injury, but assassinated, and we look to them and try to provide for their survivors.

I suggest very strongly that we try to provide for them and their families while they are here.

Mr. Chairman, another area of concern is the hotel workers and the restaurant workers, who are being unfairly treated. This is another disparity.

The employers are not required to maintain or pay the full minimum wage; they are being credited with 50 percent, 50 percent of the tips being given to the employees.

These are the so-called tips, and we do not know that they are universally applied and accurately ascertained.

Fifty percent will be credited to the employer, to the detriment of the employee.

I am not sure that we will be able to work this out in conference, but if that would not be the case, as I said in committee, I plan to introduce legislation to that effect as soon as this bill is passed, and hopefully the President will not veto it.

Mr. Chairman, one of the most important bills in Congress this year is before you—the minimum wage bill, H.R. 12435, of which I am a cosponsor. I have worked long and hard in my capacity as a member of the General Subcommittee on Labor of the Education and Labor Committee, which wrote this bill, both in this Congress and in past Congresses to raise the minimum wage for the American worker and write fairer coverage provisions. It has been one of my major legislative interests, as it is for many of my colleagues. This is entirely right. It affects the living standards of a great number of people and offers Congress the opportunity to do something about inflation as it affects the American worker.

We have, quite recently, recognized the need of those living on fixed incomes to catch up with the rate of inflation in this country. We have not done anything for those who work for a living. Last year we tried, and the Congress went on record by passing the minimum wage bill. But the President vetoed it. I hope and trust that he will not do so again this year. The need is greater—we have behind us a year in which the cost of living rose by at least 8 percent. Certainly no one can ignore the impact of that on the large mass of people in this country who meet their family budget by earning a wage.

In accordance with this need, the General Subcommittee on Labor proposes to raise the minimum wage for a significant number of people. We have decided to do it over a 3-year period so that what we do to help those victimized by inflation does not contribute to raising the inflation rate further. We are proposing to raise the minimum hourly rate to $2 this year, to $2.10 next year, and to $2.30 in 1976.

More significant, however, is the extent of coverage this bill provides. For that is the key to a fair standard of living. A labor union can often gain adequate wage rates for its employees to catch up to the cost of living. But only the Federal Government can provide the mechanism that places most of the workers of the country on an equal footing at the starting line, and so give them an equal chance to gain the necessary raises.

We are extending coverage in this bill to 7.1 million additional workers, bringing total coverage to 56.5 million workers. Coverage is being extended to Federal, State, and local government employees, whose rights to not only a fair wage, but a comparable wage to those in private industry, have been neglected too long. We are extending coverage to domestic service employees, who have been some of the most underpaid and poorly treated laborers in the work force. We are extending coverage to employees of retail and service chainstores because there has been no justification for not treating them like everyone else.

These are important steps, but they do not clear up all the injustices which presently exist in the labor force. Overtime provisions are crucial. They must be fairly applied to all workers if there is to be anything resembling equal treatment.

Consequently, we are reducing the overtime exemption for hotel, motel, and restaurant and tipped employees. It is high time. We are reducing and ultimately repealing the overtime exemption for employees of food service establishments. We are limiting the overtime exemption for employment in seasonal industries where in the past much of the work has been inadequately compensated. We are reducing and ultimately repealing the overtime exemption for any driver, operator, or conductor employed in street, suburban or interurban electric railways, local trollies or buses. If we are to give attention to mass transit in this country, one of the first things we must do is improve the lot of those who work in mass transit. This bill is doing it.

This bill breaks new ground in several other important respects. We have finally resolved that workers in Puerto Rico will be—must be—treated identically to workers in the United States, because they are part of this great country. We are providing step by step wage increases for workers in the island until they match what is paid here on the mainland. The overtime provisions for Puerto Rican workers will also be made identical to mainland provisions.

We are prohibiting children under age 12 from working in commercial agriculture—the last instance of virtually forced child labor in the United States and a stain on the reputation of this country for justice.

We are increasing opportunities for students by allowing part-time employment at 85 percent of the minimum wage, while at the same time writing tough provisions prohibiting the hiring of students where to do so would reduce opportunities for full-time employment at regular minimum wage rates for the rest of the labor force. This is a just and necessary compromise which gives fair rights to both students and full-time workers without doing damage to either group.

We are authorizing the Secretary of Labor, for the first time, to sue not only for back wages in cases of violation of the minimum wage act, but also allowing him to sue for an equal amount of liquidated damages without requiring a written request from the employee. Only by being tough with violators of the act will we insure justice for the American worker.

Finally, I would like to raise two collateral points. I am distressed that firemen and policemen—workers who lay their lives on the line for the people they serve—are not covered by the overtime provisions of the act. I think this is unfair and unequal treatment. I hope to work in conference to see this corrected. These workers are some of the most necessary and selfless in the work force. There is no excuse for anything less than equal treatment.

In addition, this bill does not repeal the tip credit provision which allows employers to reduce their minimum wage obligation by 50 percent to employees who receive tips, on the assumption that his tips equal one-half of the minimum wage. I do not believe the assumption is correct, and the union involved—the Hotel and Restaurant Employees and Bartenders International Union does not believe it either. I have no intention of denying the passage of this important legislation over this matter. But as I have stated in committee, I intend in the near future to introduce legislation to abolish the tip-credit provision of the act, and hope that the Congress will take quick action on the matter.

In sum, Mr. Speaker, this is a good bill and needs to be passed. I commend it to the House.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. BIAGGI. I am delighted to yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I wish to assure the gentleman that all the Members concerned with this legislation have a deep regard for the problems the gentleman mentioned. Both of these problems are very old problems; they have been with us ever since we first introduced legislation concerning minimum wage. The problems deal with overtime for both public servants and private citizens.

However, at this time, as the gentleman knows—and I have discussed it with the gentleman, and he has agreed—the primary objective must be to get the low-paid workers at least this increase in pay. It does not mean that there is any less concern for the two problems the gentleman has brought before the House.

I give the gentleman every assurance that both problems will be given every consideration possible in the very near future.

Mr. BIAGGI. Mr. Chairman, I thank the gentleman for his remarks in that regard.

I would like at this point to congratulate the leaders on both sides of the aisle and the members of the committee, of which I am a member, for the very wonderful work they have done and the very statesmanlike attitude and position they have taken in accommodating themselves to the differences that have existed over the past number of years.

Mr. DENT. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, I rise in support of this legislation and urge that we overwhelmingly pass it this afternoon so that it can be "made perfectly clear" to Mr. Nixon and his advisers that this body believes that millions of American workers have been denied a living wage and the protections of the Fair Labor Standards Act for far too long. We must act decisively today so that there is no doubt that we believe positive steps must finally be taken to relieve the misery of millions of this Nation's poorest workers, a condition significantly exacerbated by Mr. Nixon's ill-conceived and heartless veto of the minimum wage legislation passed last year.

Although this measure is certainly welcome and long overdue, I am disappointed by the very small increase in the minimum wage authorized by it. The raise to $2 per hour which is affected 1 month after the bill's enactment will result in a covered nonfarm worker—laboring on a 40 hours per week/50 weeks per year basis—grossing less than the annual net income considered to be the poverty level. Since the Congress last amended the minimum wage some 8 years ago, uncontrollable inflation has raised the cost of living by over 43 percent. It has been estimated that a rate of $2.30 per hour—a minimum which will not be reached until January 1976 under this bill—was required this January to compensate for changes in the consumer price index since 1966. When you take into account tax and social security deductions, a worker receiving the $2 minimum will net less than a family of four in New York City receives under public assistance.

It is a tragic commentary on these times and this present administration in particular that much of the brunt of the fight against inflation has been callously foisted upon the working poor. The AFL–CIO has estimated, for example, that if workers receiving the statutory minimum wage had received a 5.5 percent annual wage increment—the standard established by the Cost of Living Council—the Federal minimum wage would currently be about $2.21 an hour. Even this figure will be little improvement, however, as the Bureau of Labor Statistics reports that the lowest budget for the cost of family consumption for a family of four in the New York City metropolitan area is $6,353 per annum—almost $2,000 higher than the amount grossed by someone earning $2.21 per hour. But when you then include such necessary additions as social security contributions, income taxes—Federal, State, and local—and similar payments, the total budget for this family of four becomes $7,841.

As I noted in my separate views in the committee report, the drastic inflation of food prices has a substantial impact on those workers who are struggling to support their families on the minimum wage and, at the meager level proposed under H.R. 12435, I am afraid that many of these workers will simply not be able to make ends meet. Frankly, the basically inadequate increments contained in this legislation are required simply to catch up with the rising cost of living and the general inflationary spiral.

In addition to establishing new wage minimums H.R. 12435 also authorizes a number of important and long-overdue extensions of FLSA coverage and protection to large numbers of workers who have been forced to endure a second-class status for far too many years. It will afford the protection of the law to over 7 million additional Federal, State, and local government employees and domestic workers and will furnish overtime coverage to millions of our fellow countrymen who have been long denied the benefits of meaningful salaries for many hours of work. By providing for this additional coverage we will remedy a number of gross injustices which exist in the American labor force.

Mr. Chairman, we must pass this legislation by a substantial majority in order to impress upon this administration that we will no longer tolerate an economic program which clearly appears to be designed to promote business and special interests at the expense of the American worker. It is nothing more than pure hypocrisy that Mr. Nixon should deliberately withhold a much needed wage increase for this country's poorest workers after his own meaningless economic policies have resulted in one of the worst periods of inflation and economic dislocations in the U.S. history.

One can only assume that Mr. Nixon was more interested in fighting inflation with the wages of the poor when he vetoed the minimum wage last year while permitting corporate profits to rise to record heights than in pursuing programs which could have provided some relief. As with the debate over the necessity for a full employment economy, the struggle over a minimum wage increase is very much the classic confrontation between this country's "have's" or the majority and the "have nots"—blacks, Spanish-speaking, women, youth, and other minorities; that is, as long as the majority has what it wants, why should it be concerned with the needs and problems of the minority.

The overwhelming necessity for a livable minimum wage and the achievement of a full employment economy are not only directly related but confront at least one common obstacle—the claim by many economists, business leaders, academicians and government officials that these factors will result in an unacceptable level of inflation. One of our colleagues has proclaimed, for example, that—

> Increasing the minimum wage will . . . raise prices.

Many cite the findings of Prof. A. W. Phillips of the London School of Economics that unemployment rates below 2½ percent would cause wages to rise faster than productivity and presumably would be accompanied by rising prices as proof positive that the American economy cannot afford zero unemployment, or even a decline below 4 percent unemployment, as there will then be a proportional rise in prices. Directly related to the ramifications of the Phillips Curve is the fact that the capitalist economy must have built-in unemployment at a substantial level in order to prevent workers from seeking higher wages by keeping them in a constant state of anxiety over job security. Closely associated with this theory is the contention that the minimum wage must be kept in check in order to prevent any inflationary pressures.

I have recently come across a very well-written and perceptive article on this issue by New York University Prof. Helen Ginsburg. Also citing the Phillips Curve, Professor Ginsburg quite accurately notes that, because of it, full employment "has been redefined to mean the unemployment rate considered consistent with the degree of price stability desired by policymakers." I believe that Ms. Ginsburg's very timely observations warrant our careful reflection and I submit it at the end of my remarks for inclusion in the Record.

Mr. Chairman, despite its failings, we must enact H.R. 13435 in order to provide not only some small aid to the millions of underpaid and unprotected working men and women of this Nation but also some degree of hope that their plight is recognized and that some more substantive action may eventually be taken to further assist them. Approval of this bill today will represent important progress and we must not shirk our obligation to help our country's working poor.

The article follows:

### NEEDED: A NATIONAL COMMITMENT TO FULL EMPLOYMENT

(By Helen Ginsburg)

More than 300 years ago, the pioneering English economist, Sir William Petty, advocated a new and daring approach to the growing problem of unemployment.[1] In contrast to actual practice in seventeenth century England, Petty was convinced that the unemployed "ought neither to be starved, nor hanged, nor given away." That idea seemed absurd to wealthy Englishmen at the onset of capitalism, as did his belief that lack of employment, rather than innate laziness, might be the real cause of the miserable condition of the unemployed.

Ironically, Petty was motivated by hard-headed economic logic rather than by humanitarianism. He reasoned that the unemployed represented an untapped source of labor available to enrich the nation and suggested that they be provided with public employment to enable them to build highways, plant trees, build bridges, and so forth—a proposal still to gain acceptance in the United States.

The lot of the unemployed poor was not a happy one in Petty's time nor in subsequent centuries. The continued spread of poverty and unemployment in England during the initial transition to industrial capitalism convinced the upper classes that relief caused poverty by encouraging dependency. So unemployed paupers were put to work. But this work was punishment rather than dignified employment—and the misery of the paupers continued unabated. The many workhouses that were established throughout England, and later in America, served as punitive institutions to discourage the poor from relying on relief. "The workhouses in which the paupers were confined," observed historian Paul Mantoux, "came to be much more like a prison than a refuge. The fear it inspired was relied on to frighten away all who had not reached the last stage of destitution."[2]

Some of the "idle poor," mostly children, were provided with "real" jobs outside the workhouses—in the prison-like textile factories that sprang up in England during the Industrial Revolution:

"The parishes . . . were only too anxious to get rid of their paupers. Regular bargains, beneficial to both parties if not to the children, who were dealt with as mere merchandise, were entered into between the spinners on the one hand and the Poor Law authorities on the other. Lots of fifty, eighty or a hundred poor children were supplied and sent like cattle to the factory where they remained imprisoned for many years.[3]"

Even with the passing of the worst abuses of the industrial revolution, unemployment remained. Indeed, bouts of unemployment recurred more or less periodically in all industrial capitalist nations. Attempts to understand these phenomena have left us with sharply different interpretations of the nature and significance of unemployment—and with equally varied policy prescriptions.

Socialist theoretician Karl Marx, writing in the nineteenth century, considered depressions and unemployment inevitable under capitalism.[4] Marx concluded from his analysis that ever-worsening depressions would contribute to the weakening of capitalism. Eventually, with the help of a revolutionary working class, the sick system would collapse. Humane socialism would be born out of the ashes of inhumane capitalism, ending forever the scourge of unemployment.

In stark contrast to Marx's ideas were those of a long line of influential economists, stretching from the late eighteenth century into the twentieth century. The Frenchman Jean Baptiste Say, the Englishman Alfred Marshall, and many other classicists and neoclassicists stressed the transitory nature of unemployment. In on way or another, they minimized the extent of involuntary unemployment and even denied the possibility of its existence. Belief in the self-regulating nature of capitalism permeated their doctrines. They advocated laissez-faire: the government should keep its hands off the economy—even in times of unemployment.

The Great Depression of the 1930's shattered the commanding authority of neo-classical theories. More than the stock market had crashed.[5] The economy was in near-ruin. Poverty, mass unemployment, conflict and chaos were everywhere. Nearly 13 million people were out of work; miners earned $1.75 a day; soup kitchens and bread lines dotted the landscape; and labor was picketing, marching, demonstrating and sitting-in. Unemployment skyrocketed from 3 per cent in 1929 to 25 per cent in 1933. From 1931 to 1940, joblessness never fell below 14 per cent, and in four years it averaged more than 20 per cent.[6]

In 1936, in the midst of this catastrophic depression whose tentacles left no capitalistic nation unscathed, the British economist John Maynard Keynes introduced theories that provided new intellectual support for active government intervention in the economy. These Keynesian or "new economic" theorists eventually gained widespread acceptance and came to dominate economic thinking in the capitalist world.

Like Marx before him, Keynes acknowledged capitalism's built-in tendency to generate high unemployment. Unlike Marx, how-

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Footnotes at end of article.

ever, Keynes was a staunch supporter of capitalism. With active government intervention in the economy, argued Keynes, full employment could be achieved under capitalism. With enough government expenditures, sagging demand in the private sector could be bolstered and the economy could be pushed to full employment.

In the end, conditions proved more crucial than theory in determining policy. Armies of the unemployed were clamoring for jobs. The New Deal strategy to end unemployment antedated, but bore a remarkable resemblance to Keynesian theory. The most notable of the myriad government-sponsored work projects was the productive but much-maligned W.P.A. There were also indirect attempts to increase employment by stimulating private business. Adherents of laissez-faire attacked New Deal efforts as too massive, but they were not massive enough to end unemployment, which still averaged nearly 10 per cent in 1941.

With World War II, conditions changed abruptly. From 1943 to 1945, unemployment remained below 2 per cent, dropping to a record low of 1.2 per cent in 1944. Eventually the armed forces absorbed some 11.5 million men and women. With millions of new war-induced civilian jobs to fill, severe labor shortages developed.[7] People whose labor had previously been unutilized or underutilized became valued workers and helped to keep the wartime economy running. Applicants who would have been told in other times that they were "too old," or "disabled," or that they "belonged in the kitchen" were hired. Faced with a tight labor market and government pressure, racial discrimination by employers also abated somewhat, and black workers scored some employment breakthroughs in industry.

The most extended period of full employment this nation has ever known occurred during World War II. Clearly, a tight labor market helped disadvantaged workers. Full employment also proved to be a powerful weapon against poverty. With jobs in hand, millions of breadwinners left the ranks of the poor.

Even full employment did not erase the memory of the depression. There was widespread fear of a recurrence after the war. Liberal and labor circles believed that the country should never again tolerate the plague of unemployment; that a nation capable of total mobilization for war could plan for a peaceful postwar economy, with guaranteed jobs for all.

The Full Employment Bill of 1945 was the political expression of these sentiments. The bill, introduced by liberal senators, declared that:

"All Americans able to work and seeking work have the right to useful, remunerative, regular and full-time employment, and it is the policy of the United States to assure the existence at all times of sufficient employment opportunities to enable all Americans who have finished their schooling and who do not have full-time housekeeping responsibilities to freely exercise this right."[8]

But Congress was unwilling to accept the concept of the right to employment. Despite Senate approval, by 75 to 0, the bill was defeated by conservatives in the House of Representatives.[9] What finally emerged in 1946 was the present law, the Employment Act of 1946. This weaker substitute nevertheless states that the federal government has the responsibility to create conditions:

"Under which there will be afforded useful employment opportunities, including self-employment, for those able, willing and seeking to work, and to promote maximum employment, production, and purchasing power."[10]

To achieve these aims, the federal government was committed to use "all practical means consistent with its needs and obligations and other essential considerations of national policy." But the concrete goal of the right to employment—in effect, guaranteed employment—was replaced by the more vague goal of "maximum" employment. With plenty of room for flexible interpretations, future governments were even given leeway to opt against full employment, if its attainment seemed inconsistent with other policy goals.

Since passage of the Employment Act of 1946, unemployment has remained far below the depression levels of the 1930's; but it has also lingered well above the full employment levels of World War II. In recent decades, joblessness has been substantial and persistent, and has been drifting upward. The trends are disturbing. For example, from 1946 to 1959, unemployment averaged 4.2 per cent, compared with 4.9 per cent from 1960 to 1972. In these 27 years, unemployment has risen above 5 per cent 12 times but has dipped below 4 per cent only 10 times. Most disquieting of all, since 1948, unemployment has never gone below 4 per cent, except in wartime—from 1951 to 1952 and again from 1966 to 1969.

Unemployment in the United States is substantially higher than it is in many industrial nations. From 1961 to 1970,[11] unemployment averaged 4.7 per cent in the United States, compared to 0.6 per cent in Germany, 1.3 per cent in Japan, 1.5 per cent in Sweden, 2 per cent in France and 3.1 per cent in Great Britain. But contemporary American society on the whole exhibits little concern over rates of unemployment that would be politically intolerable elsewhere. In Paris, demonstrations for full employment occur when unemployment hits 2.6 per cent. Yet, as Senator Alan Cranston (D., Calif.) observed in testimony on behalf of the Public Service Employment Act of 1972: "In this country the rate hovers at 6 per cent and nobody seems to care."[12]

Does callousness about unemployment stem from anxiety over inflation? Many—but not all—economists feel there is a trade-off between unemployment and inflation (the Phillips curve, in technical jargon). According to this reasoning, driving down unemployment causes prices to rise and, conversely, increasing unemployment decreases the rate of inflation. Consequently, in many circles, even the concept of full employment has changed over the years. No longer does the term focus on human beings. No longer does it mean that all jobseekers will find jobs. Instead, it focuses on price changes. *Full employment has been redefined to mean the unemployment rate considered consistent with the degree of price stability desired by policymakers.*

While he was President Richard Nixon's director of the Office of Management and Budget, George Shultz stated that "the definition of unemployment we [government] have used in calculating full employment is a rough four per cent unemployment."[13] There are even hints that this figure may be revised upward soon. Witness a recent Treasury Department report: "Over the next few years a four per cent unemployment rate as a national goal is not feasible without significant inflation."[14]

This economy rarely operates with only four per cent unemployed. But suppose unemployment fell to that level. With our present civilian labor force of about 86 million workers, 3.4 million of them would still be without jobs. Only in an Alice-in-Wonderland world could that be considered "full employment."

With price stability given top priority, the reduction of unemployment has become a secondary goal of government—if indeed it is a goal at all. Keynesian measures—deliberate use of fiscal and monetary policy—are not vigorously applied to combat unemployment, lest prices rise. Even worse, strategies are advocated to hold down inflation by increasing unemployment. Thus, when unemployment fell to 3.6 per cent in 1968, the Business Council worried about inflation. That influential group, mainly corporate presidents and board chairmen, wanted the next President to take deliberate steps to reduce the pace of inflation—even if those steps meant increasing unemployment to 5.5 per cent.[15] By 1970, unemployment had already risen to 4.9 per cent. Yet Andrew F. Brimmer, a Federal Reserve Board member, urged fighting inflation with measures that would necessitate "a somewhat higher level of unemployment."[16]

Concern about inflation can, at best, only partly explain our attitude toward unemployment. Other nations, too, must cope with inflation, which in recent decades has generally been greater in Europe than in the United States. This is still true despite the rapidity of recent price rises in the United States. But strong political pressure from labor and the left has committed the governments of most industrial nations in Europe to full employment—even if the consequence is rising prices. Lacking sufficient pressure, the United States government gives priority to the quest for stable prices—even if the consequence is high unemployment.

What else accounts for America's complacency about unemployment? Does indifference stem from ignorance of the true extent of unemployment? In 1972, unemployment was 5.6 per cent, and 4.8 million persons were jobless. But official figures grossly understate the amount of unemployment. Let us cite just two examples: part-time workers and discouraged workers. Persons who work part-time usually do so out of choice. But some do so out of necessity, when full-time work is unavailable. In official statistics, part-time workers who want full-time jobs but are unable to find them are considered employed.[17] Actually, they are partly unemployed and may suffer sharply reduced earning power.

Consider also the discouraged or hidden unemployed. Jobless men and women who want to work but have become so discouraged that they have given up searching for jobs are not counted as unemployed. They are classified as "not in the labor force," and their presence goes unrecorded in the official unemployment count. If we add the 2.4 million involuntary part-time workers and the 765,000[18] discouraged unemployed to the inventory of the jobless, the magnitude of unemployment looks strikingly different. In 1972, at least 8 million persons were fully or partly unemployed, compared to 4.8 million persons officially unemployed.

Is it the composition of the jobless rolls that explains our society's insensitivity to the problems of the unemployed? Unemployment is no longer the mass affliction it was in the 1930's. It does not fall evenly on the whole population; nor does it strike at random. While most of the unemployed are neither poor nor black—and no one is absolutely immune—unemployment is selective, striking hardest and most disproportionately at those on the bottom rung of society's ladder. Unemployment tends to hit the same groups over and over again. Those with the most job insecurity and the least earnings are the most vulnerable: blacks, the poor, youths, unskilled workers and women. As blacks well know, the old adage, "last to be hired and first to be fired," is still true. The affluent and professional workers are more rarely unemployed, but it can happen. Unemployment among engineers in Seattle, editors in New York or college professors in California is dramatic, and newspapers and television document it. But unemployment and misery in the ghettos are constant, less interesting and ignored—except when cities burn.

The more familiar statistics obscure these sharp group differences in unemployment.

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Footnotes at end of article.

Thus, unemployment was 5.6 per cent in 1972. But that is an average rate that masks the fact that unemployment was 5 per cent for whites, compared to 10 per cent for blacks.[19] The average rate can hold little consolation for 16- to 19-year-olds in the labor force; 16.2 per cent of these white youths and 33.5 per cent of the black youths were jobless. At upper occupational levels, 2.4 per cent of professional and technical workers and 1.8 per cent of nonfarm managers and administrators were out of work. But on the bottom, 10.3 per cent of nonfarm laborers were unemployed.

The women's liberation movement has not yet eliminated the male-female unemployment rate gap. In 1972, male unemployment was 4.9 percent; female unemployment was 6.6 percent, about one-third higher, and the differential has widened considerably over the past two decades. Yet the earnings of married women enable many families to climb from near-poverty to more decent living standards. And for families headed by working women, unemployment is often the first step on the road to welfare. Even female heads of households experience greater unemployment than their male counterparts—5.4 percent for women contrasted with 3.4 percent for men in 1971.[20]

Despite Freedom Rides, sit-ins, demonstrations and riots, the unemployment rate for blacks is still about double that of whites—a ratio practically unchanged for two decades. Even the statement that 10 percent of blacks are unemployed compared to 5 percent of whites masks much of the problem. In ghettos, the official unemployment rate is just the tip of the iceberg. By the mid-1960s, the Bureau of Labor Statistics (BLS) recognized the relative irrelevance of using official unemployment figures to describe the state of unemployment and underemployment in urban slums and designed a "subemployment" index, which included not only the official unemployed but also groups not normally counted in that category. To the official unemployed were added involuntary parttime workers, heads of households working full-time but earning less than $60 a week (the poverty level at that time), male "discouraged" unemployed workers, and a few similar groups.[21]

Using this index, the BLS surveyed 10 slum areas. Their findings spelled catastrophe. In January, 1967, with nationwide unemployment at 3.7 percent, official unemployment in these slums was 10 percent. But *subemployment* ranged from 24 percent in Boston to 47 percent in San Antonio. Everywhere the pattern was repeated: Bedford Stuyvestant, 28 percent, East Harlem, 33 percent, Philadelphia, 34 percent, St. Louis, 39 percent. The subemployment survey got to the heart of the problem: unemployment and the inability to earn an adequate income. "If a third of the people in the nation couldn't make a living," said Labor Secretary Willard Wirtz in a confidential memo to President Lyndon Johnson, "there *would* be a revolution." [22] Wirtz recognized that for people in the slums, the depression of the 1930's had never ended. But other Americans, for whom that depression was only a chapter in a history book, have chosen to ignore that fact.

By the summer of 1967, riots reconfirmed the calamity of ghetto life. The report of the National Advisory Commission on Civil Disorders reiterated and supplemented the BLS findings.[23] The commission found that an unemployment crisis was only part of the problem. Equally disturbing was the undesirable nature of many jobs open to Negroes and other minorities. Negro men were more than three times as likely as white men to hold low-paying, unskilled or service jobs, which tend also to be part-time, seasonal and dead-end jobs. The commission singled out the concentration of Negro men in the lowest occupations as the most important cause of poverty among Negroes.

Riots are only one manifestation of despair. Sub-employment has a human face. As Elliot Liebow has said,[24] a man without a job or a working man who is unable to support his family is being told clearly and for all to hear (especially his family) that he is not needed. No man can live for long with this terrible knowledge. Liebow's extensive study of Negro street-corner men showed that the youths who have never worked but can foresee their probable future and the men who are unable to support their families retreat to the streetcorner. There, in self-defense, they join with others like themselves to construct a world which gives them some minimum sense of belonging and being useful.

The welfare explosion of the 1960's centered considerable attention on fatherless families and on the need for "work-fare" programs for welfare mothers. The urgent need for decent jobs for ghetto men failed to arouse equivalent concern. Yet male subemployment has been cited as one of the causes of fatherless families.

The National Commission on Civil Disorders did recognize the significance of male subemployment and called for more and better jobs. In March, 1968, the commission advocated, among other actions, creation of two million new jobs within three years. But by March, 1971, because of a recession, there were actually 2.1 million more unemployed.

It is comforting—but untrue—to think that subemployment is no longer a major ghetto problem. A very recent analysis of Census Bureau volumes on *Employment Profiles of Selected Low Income Areas* by a subcommittee of the Senate Committee on Labor and Public Welfare confirms the persistence of widespread subemployment.[25] Using a subemployment index conceptually similar to that of the BLS in 1967, but with a $2 an hour cut-off point, the subcommittee tied the subemployment index to the official $4,000 poverty budget for urban families of four. In late 1970 and early 1971, subemployment averaged 30.5 per cent in 60 major poverty areas of 51 cities.

The subcommittee also developed an alternate index of subemployment using a $3.50 an hour cutoff point as a proxy for the BLS "lower living cost" budget for an urban family of four. That budget averaged $6,960 nationally. This is substantially higher than the "poverty budget" but represents a realistic estimate of the cost of a more socially acceptable standard. The findings were astounding. Fully 61.2 per cent of workers in poverty areas were unable to provide for their families at the "lower level living" standard.

Poor people, even those on welfare, as Leonard Goodwin has shown, are committed to the work ethic and have the same aspirations as middle class people.[26] But for most of the poor, the work ethic has proven a sham. Even hard work does not enable them to live in decency.

It is cruel and senseless for a nation to talk about the work ethic while those in power discuss the need to increase unemployment. With a labor force of some 86 million persons, even a one percentage point rise in the unemployment rate condemns an additional 860,000 people to joblessness.

If we are to eliminate poverty, adequate income maintenance must be provided for those unable to work. But jobs are the best form of income maintenance for those who are willing and able to work. The nation must belatedly accept the concept proposed in the Full Employment Bill of 1945. *The federal government must guarantee the right to remunerative, full-time employment*. The federal government must provide meaningful public service jobs at wages that will enable workers to attain at least the BLS lower living standard if it is impossible to absorb them into the private sector of the economy. For affluent America to push its poor and its welfare recipients into menial, low-wage and dead-end jobs is the modern equivalent of sending the children of the "idle poor" to the textile mills.

Public service employment is not mere "make work." The much maligned W.P.A. produced plays, painted murals, and built swimming pools, bridges, viaducts, public buildings, water mains, parks, roads and streets and much more. Today, there is a critical need for public service workers in such fields as health, housing inspection, education, traffic control, urban renewal, sanitation, parks and recreation, and pollution control. Enactment of the Service Employment Act of 1972 (the Hawkins-Cranston Bill) would be a step in the right direction. If we firmly acknowledge William Petty's discovery that the labor of the unemployed poor represents an unused national asset, the quality of their lives and the lives of all Americans can be substantially improved in the 1970's.

### FOOTNOTES

[1] Sir William Petty, from *A Discourse of Taxes and Contributions* (London: 1667), in Helen Ginsburg (ed.), *Poverty, Economics and Society* (Boston: Little, Brown, 1872), pp. 12–14.

[2] Paul Mantoux, *The Industrial Revolution in the Eighteenth Century* (1905), rev. ed. (New York: Harper Torchbooks, 1962), p. 432.

[3] *Ibid.*, pp. 410–411.

[4] For views of Marx, Say, Marshall and Keynes, see any book on the history of economic thought. Especially good for non-economists are Robert L. Heilbroner, *The Worldly Philosophers* (New York: Simon and Schuster, 1967), Daniel R. Fusfeld, *The Age of the Economist* (Glenview, Ill.: Scott, Foresman and Co., 1966) and Jacob Oser, *The Evolution of Economic Thought* (New York: Harcourt, Brace and World, 1963).

[5] For an eyewitness picture of the depression era, see David A. Shannon, *The Great Depression* (Englewood Cliffs, N.J.: Prentice-Hall, 1960).

[6] Unless otherwise specified, data are from or derived from *Employment and Earnings* (U.S. Department of Labor, Bureau of Labor Statistics), Vol. 19, No. 8, February, 1973. Other good sources of data and information on unemployment are the *Monthly Labor Review* (U.S. Department of Labor, Bureau of Labor Statistics), and the annual *Manpower Report of the President* (U.S. Department of Labor).

[7] Manpower policy in the depression and afterward is analyzed by Garth Mangum, *The Emergency of Manpower Policy* (New York: Holt, Rinehart and Winston, 1969).

[8] Council of Economic Advisers, "The Employment Act: Twenty Years of Experience," in John A. Delchanty (ed.), *Manpower Problems and Policies* (Scranton, Pa.: International Textbook Co., 1969), p. 5.

[9] Garth L. Mangum, *op. cit.*, p. 22.

[10] *Ibid.*, p. 21.

[11] Constance Sorrentino, "Unemployment in Nine Industrialized Countries," *Monthly Labor Review*, June, 1972, pp. 29–33. Derived from Table 1, p. 30.

[12] U.S. Senate Committee on Labor and Public Welfare, Sub-Committee on Employment, Manpower and Poverty, *Hearings on Comprehensive Manpower Reform*, 92nd Con., 2nd Sess., Part 5 (Washington, D.C.: U.S. Government Printing Office, 1972), p. 1647.

[13] U.S. Congress, Joint Economic Committee, *Hearings on the 1972 Economic Report of the President*, 92nd Cong., 2nd Sess., Part 2 (Washington, D.C.: U.S. Government Printing Office, 1972), p. 325.

[14] *Ibid.*, p. 325.

[15] Eileen Shanahan, "Executives Back Job Cut in a Split with President," *The New York Times*, October 21, 1968.

[16] Edwin L. Dale, Jr., "Necessary' Rise in Idle Predicted," *The New York Times*, June 21, 1970.

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Footnotes at end of article.

[17] For details on measuring unemployment, see U.S. Department of Labor, *How the Government Measures Unemployment,* Bureau of Labor Statistics Report No. 418, p. 1973.

[18] Paul O. Flaim, "Discouraged Workers and Changes in Unemployment, *Monthly Labor Review,* March, 1973, Table 1, p. 10.

[19] Statistics relating to blacks in this article refer to "Negroes and other races." Negroes comprise about 92 per cent of the persons in this statistical category.

[20] Paul O. Flaim and Christopher G. Gellner, "An Analysis of Unemployment by Household Relationship," *Monthly Labor Review,* August, 1972, pp. 9–16, Table 3, p. 14.

[21] U.S. Department of Labor, *A Sharper Look at Unemployment in U.S. Cities and Slums,* 1967.

[23] U.S. Senate, *Hearings on Comprehensive Manpower Reform,* p. 2321 (Part 5).

[22] *Report of the National Advisory Commission on Civil Disorders* (New York: Bantam Books, 1968), especially Chs. 7 and 17.

[24] See Elliot Liebow, "No Man Can Live with the Terrible Knowledge that He is Not Wanted," *The New York Times Magazine,* April 5, 1970, pp. 28–29 and 129–133, and *Tally's Corner* (Boston: Little, Brown, 1967).

[25] U.S. Senate, *Hearings on Comprehensive Manpower Reform,* pp. 2276–2286.

[26] Leonard Goodwin, *Do the Poor Want to Work?* (Washington, D.C.: Brookings Institution, 1972).

Mr. DENT. Mr. Chairman, I yield such time as he may require to the gentleman from California (Mr. BURTON).

Mr. BURTON. Mr. Chairman, I rise in support of this legislation.

In addition to the remarks I made with reference to the gentleman from Minnesota (Mr. QUIE) I would like to make it clear first things come first.

The distinguished chairman of the subcommittee (Mr. DENT) deserves the plaudits and commendations not only of all of us in this Chamber but all of the low-income wage earners who will hopefully receive some benefit as a result of this legislation.

Further, although I agree with the Department of Labor and not my friend from Illinois (Mr. ERLENBORN) on the newspaper distribution issue. It would be unfair to do anything but add commendations to the gentleman from Illinois not for the very onerous 5 years of work that he performed, and which, in turn, compelled a number of us to do so likewise during the course of our 5 year deadlock on this matter, but to commend him for his thoughtful, though belated, conversion to the cause. In a very serious vein I would like to commend him for his most constructive role in making this particular moment possible.

Mr. DENT. I yield to the gentleman from North Carolina (Mr. JONES) for a question.

Mr. JONES of North Carolina. I thank the gentleman for yielding.

Mr. Chairman, we have discussed overtime here covering many areas of employment, but we have a situation on Capitol Hill which concerns me to a great degree. We have, I believe, approximately 1,000 Capitol Hill policemen who are our sole protectors from demonstrators and other law violators. Also in connection with the Capitol Hill police, there are assigned from the Metropolitan Police Department *x* number of men, maybe 100 or 150. The inequity involved in this: During emergencies or periods when it is necessary for these officers to work overtime, the Capitol Hill police are compensated only to the extent of time accumulated for leave or vacation whereas their counterparts, those serving side by side, the Metropolitan Police, are paid overtime in cash. This seems to me a great inequity.

I wonder if the chairman would care to comment on that and what could be done to make it more equitable so that we could put the Capitol Hill police on the same basis that the Metropolitan Police are now enjoying.

Mr. DENT. As the bill is now written and after a great deal of discussion over many months and long hearings, it was decided that the other body would include in its provisions overtime provisions for the firemen and police. Our bill does not carry overtime for the police or firemen. However, it is now a question that is open for discussion in the conference.

Personally, up to this moment I did not know of the inequity between the Capitol Hill and downtown police. It is an inequity, and I think conferees will give it very serious consideration.

Mr. JONES of North Carolina. The inequity I am referring to is not that the Metropolitan Police per se downtown are getting what they are but the inequity lies with the fact that the Capitol Hill police department, where they work side by side with the Metropolitan Police, do not get reimbursed on the same basis. One gets cash for the overtime whereas the other gets time.

Mr. DENT. I am sure that is so, and I believe they should have the right to operate on the same basis as the Metropolitan Police. This is not especially a situation that should be peculiar to the Capitol Hill police.

Mr. JONES of North Carolina. We should give our employees the same protection. And I respectfully ask that this be considered in conference.

I thank the chairman for yielding.

Mr. DENT. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, I take this time to direct a question to the chairman of the subcommittee with respect to section 17 of the bill, "Substitute Parents for Institutionalized Children."

Is it the intent of the committee that this section not be construed so as to extend minimum wage and overtime coverage under the Fair Labor Standards Act?

Mr. DENT. The gentleman is correct. This section was added to provide an overtime exemption for certain employees of institutions which have, since the 1966 amendments, been covered by reason of the fact that the Department of Labor considered those institutions to be educational institutions under section 3 of existing law. These employees, therefore, have been covered since 1966, and the bill merely provides an overtime exemption with respect to them. It does not, in any way, extend coverage to institutions which are not now covered pursuant to section 3 of the law.

Mr. TAYLOR of North Carolina. Do I understand the gentleman then, that institutions which provide only custodial care and make use of the local public schools would not be covered by this provision?

Mr. DENT. The gentleman is correct.

Mr. TAYLOR of North Carolina. Do I further understand that institutions which are established primarily to provide custodial care, such as orphanages and children homes, but which may also provide incidental educational instruction are equally excluded?

Mr. DENT. The gentleman is again correct. To the extent that such institutions are not now covered by existing law, this bill does nothing to include them. The gentleman may be interested in knowing that we have communicated this intent to the Director of Child Care Services of the Duke Endowment, of the gentlemans' home State, and our most recent corresdondence from him clearly indicated understanding and approval.

As the gentleman may know, this provision of the bill was primarily designed to exclude certain employees of the Hershey School, an outstanding Pennsylvania institution, which the Department of Labor treats as a covered educational institution under the law.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield such time as he may consume to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I appreciate very much the work that the distinguished gentleman from Pennsylvania (Mr. DENT) has done on this measure. I would ask how long the gentleman has been working on this particular legislation.

Mr. DENT. Since 1970.

Mr. BURTON. Mr. Chairman, if the gentleman will yield, since 1969.

Mr. ICHORD. The gentleman has been working on this bill since 1969?

Mr. BURTON. That is right.

Mr. ICHORD. Mr. Chairman, I understand and I appreciate the desirability, and even the necessity of compromise, but, as the gentleman from Pennsylvania knows, 7935 did not eliminate the exemption for small stores. The committee bill does phase out that exemption, and on July 1, 1976, ultimately eliminates the exemption altogether.

I wonder what the gentleman from Pennsylvania got, and what the minority gave in working out the elimination of this exemption altogether.

Mr. DENT. What we have done is only eliminate the exemption in a graded-down fashion over the years, but only for establishments within chain store enterprises. The independent stores exemption will not be eliminated by one bill.

Mr. ICHORD. That would be an enterprise doing a total business of more than $250,000 a year?

Mr. DENT. That is exactly correct.

Mr. ICHORD. But the individual stores doing less than $250,000?

Mr. DENT. That is right.

Mr. ICHORD. This was not included in 7935; why did the minority give this up in this bill, and what did the majority get in this bill? Because 7935 did not deal with the exemption at all.

Mr. DENT. I will tell the gentleman from Missouri that I might say that what we all got was an opportunity to try to work for a bill that will raise the pay of the lowest paid workers, and we had to give a little, and they had to give a little, and they had to get a little, and we took a little, and it came out just like that.

Mr. QUIE. Mr. Chairman, if the gentleman will yield, we gave a lot, it seems to me, but really, the problem was one that nobody was really raising much concern about it, and so we just worked on the areas where deep concern was expressed by others.

Certainly everybody does not agree with every part of the bill, but we on the minority side did not even make a drive to change that provision that the gentleman from Missouri is talking about now.

Mr. DENT. I might say in closing—and I am sure it is in closing—that we have already agreed on both sides to consider the Senate proposal as well as our own suggestion that we correct the date, simply because the legislation was started in January and so many months have passed that we may have to change the effective date.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Texas.

Mr. KAZEN. I thank the gentleman for yielding.

Pursuing the line of questioning of Congressman TAYLOR on children's homes, am I to understand that this legislation does not cover any of the children's homes that have not previously been covered?

Mr. DENT. That is exactly right.

Mr. KAZEN. If the gentleman will yield further, in other words, this legislation will not extend and cover any homes for dependent children, neglected children, or boys ranches, or homes of this type, if they are not now covered under the present law?

Mr. DENT. No; it does not cover those homes as such. It just covers the ones that we have had covered before, since 1966, and we are making a correctional amendment in this as a remedy to a situation discovered to be unbearable in some of the institutions. It is a betterment of a condition rather than an added problem.

Mr. KAZEN. If the gentleman will yield further, so when my people write to me who run these homes, the charitable organizations, and the agency for the Baptist General Convention in Texas who are the sponsors, fearing that they will have to put up with overtime provisions and that they will have to have shifts for house parents, I may advise them that this kind of institution is not covered?

Mr. DENT. I can assure the gentleman that I must answer in that vein. If he desires, I will be glad to give him a letter on that.

Mr. KAZEN. I thank the gentleman.

Mr. DENT. Does the gentleman from Minnesota have any more requests for time?

Mr. QUIE. I have no more requests for time.

Mr. DENT. I yield to the gentlewoman from New York (Ms. HOLTZMAN).

Ms. HOLTZMAN. I appreciate the gentleman's yielding.

Mr. Chairman, I want, first, to congratulate the distinguished chairman for reporting out this bill after many years of hard work.

I would like to ask the chairman of the subcommittee the following question.

I was planning to introduce an amendment to this bill that would close a loophole in the Equal Pay Act for women. I had previously introduced a bill, H.R. 12061, with 35 cosponsors, that would override a court decision that permits wage discrimination on the basis of sex. I am sure that the distinguished chairman would like to see any wage discrimination on a basis of sex eliminated. I wonder whether he plans to call hearings on my bill in the near future.

Mr. DENT. I want to assure the gentlewoman from New York that the bill she sponsored, cosponsored by 35 Members, I believe, of the House, has been discussed with the Department of Labor. We have established a basis for hearings within the next several weeks. We will get a conference right away, and she will be notified of the time.

Ms. HOLTZMAN. I thank the distinguished chairman.

Mr. DENT. Mr. Chairman, I yield back the balance of my time.

Mr. PRICE of Texas. Mr. Chairman, there has been much discussion during the 93d Congress, which frequently has become quite emotional, about increasing the minimum wage. Today, I wish to discuss the implications of such an act.

A national minimum wage rate was first established in the United States with the passage of the Fair Labor Standards Act of 1938. The stated purpose of this bill was, and still is, to eliminate labor conditions harmful to the "health, efficiency, and general well-being of workers without substantially curtailing employment or earning power." In other words, the act intended to eliminate low wages without eliminating jobs.

Theoretically, increasing the minimum wage will help in eliminating existing low wages. But, in fact, a higher wage is not all happiness. Someone must pay for it. That someone is all too often the workers for whom the law was enacted.

One of the provisions in H.R. 12435 will extend minimum wage coverage to an additional 3.4 million Federal, State, and local government employees. Presently, 5 million Federal, State, and local employees are covered. A minimum wage should mean higher salaries for these people, but in essence, since their salaries are paid from tax revenues, the only way that their wages will be increased is to increase taxes. Can anyone say what take-home pay these additional 3.4 million workers are going to have after their taxes are raised?

An increase in the hourly minimum wage does not mean an automatic guarantee of higher wages, nor does it mean more money in the pocket of the wage earner. We cannot tamper with basic economic laws. If we legislate in violation of these laws, the end result can only be more economic trouble.

If by raising the minimum wage, we merely succeed in adding to the inflationary spiral by forcing prices up, we have really accomplished very little. And in the long run, we end up legislating to the detriment of those we seek to help.

Should the minimum wage be increased to $2 or to $2.50 per hour, the fires of inflation will be fanned to new heights, and additional unemployment will hit American's work force.

The National Association of Counties and the National League of Cities support the minimum wage bill but they oppose any attempt to extend coverage to firemen and policemen. The House bill does not contain such a section although the Senate passed bill does provide for this additional extension. The reason why counties and cities oppose this provision should be quite obvious: their budgets cannot afford it.

The National Retail Merchants Association oppose the minimum wage bill because they will not be able to absorb the additional wages increase. Some businesses might have to close and most will reduce their number of employees, especially due to the House provision to eliminate the "dollar volume" test by July 1976.

The chamber of commerce worries about the possible inflationary repercussions of this legislation.

And I worry about this legislation.

More views could be presented in opposition to raising the minimum wage for various reasons. But, everything boils down to one point: raising the minimum wage does not automatically guarantee higher wages.

If we pass this bill, we will be able to go home and tell our constituents we raised their wage rates, but if we are honest, we will also have to tell them that the Congress voted for more inflation, higher prices, more unemployment, more taxes, and no real increase in personal spendable income.

Mrs. HOLT. Mr. Chairman, I am pleased that a minimum wage bill is back on the floor of the House. Many of us in this Chamber have recognized the need for alterations in the minimum wage rate, expansion of eligibility, and increased overtime coverage, but we were unable to support last year's bill because of specific objectionable features.

The bill we are considering today, H.R. 12435, is, in my opinion, a vast improvement over last year's proposal. It provides for a moderate, needed increase in wage rates, extends wage and overtime benefits to many American workers who are currently being denied them, and provides for a wage differential for full-time students. In general, I feel that this bill will minimize inflationary pressures and protect employment opportunities for low-income workers.

There is, however, one provision in this bill which I feel will work to the detriment of small independent businessmen. Section 8 of H.R. 12435 will phase out the current $250,000 volume exemption by July 1, 1976. If it is necessary to eliminate this exemption, and I am not sure that it is, we should at least give the small businessmen time to adjust to this change. Two years is not enough time to effect these adjustments. My colleague from Missouri (Mr. ICHORD) has offered an amendment which has the effect of delaying this proposed phaseout by 1 year. Under this amendment, the small store exemption would not be completely eliminated until July 1, 1977. I support this amendment.

In addition, I am concerned about the extension of wage rate and overtime coverage to employees of State and local governments. There is a serious question in my mind as to the advisability of further Federal intrusion into the affairs of other levels of government. We have witnessed too much of this in the past and the results have been less than desirable. No one favors subminimum wage level public employees, but I must question the right of the Federal Government to dictate wages and employment conditions to State and local governments.

The enactment of significant legislation inevitably involves a compromise; you must consider the good features along with the bad, and determine which is predominant. I maintain that the minimum wage bill which is before us today is, essentially, responsible legislation. It has been 8 years since the passage of minimum wage legislation; during this time, the consumer price index has increased over 35 points. Relief for the low wage earner is long overdue.

Mr. Chairman, I endorse the passage of the Fair Labor Standards Amendments of 1974, H.R. 12435.

Mr. McKAY. Mr. Chairman, I wish to commend the House Education and Labor Committee for their effort in drafting this significant minimum wage legislation. These observations are in no way intended to distract from the good work of the committee, but to clarify matters of particular importance to me.

I was successful in amending last year's minimum wage legislation in order to exempt institutions of higher learning from the certification process in hiring full-time students. My amendment is included in this year's bill on page 40, lines 16–19 of H.R. 12435. By including this provision in the bill, the committee makes it clear that the certification requirements of section 24 are not applicable to the employment of full-time students by an educational institution at which they are enrolled unless the Secretary determines it is violating the other requirements of section 12 in its employment of students. To be more specific, it is my understanding from the committee, that this provision is meant to exempt universities and colleges from being involved in the certification process discussed in paragraph 3 of pages 38–39 so long as such colleges and universitie are not in violation of regulations promulgated "to assure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of" other persons.

The purpose of section 24 is to provide employment opportunities for students who desire to work part time so long as such employment does not displace adult workers. In promulgating regulations to insure that student employment does not have a substantial probability of reducing full-time employment, the Secretary could dismantle university student employment programs if the regulations were too restrictive. I am certain that this is not the intent of the committee. Therefore, the Secretary should consider average student employment of educational institutions in recent years in developing regulations. It should not be a violation of the substantial probability requirement if the number of students employed by an educational institution does not substantially increase.

Mr. NIX. Mr. Chairman, I am happy to lend my support to this bill, which raises the minimum wage for American workers and extends minimum wage protection to millions who previously were unprotected.

I hope this bill will be passed and I also hope that President Nixon will reverse his past course and sign it into law. An increase in the minimum wage is long overdue. The increases in this bill are modest indeed when one considers the soaring costs of the necessities of life.

I fail to understand the logic of those who insist that these modest increases will cause great inflation and economic calamity. And I fail to see the justice in the demand that these low-paid workers should bear the brunt of the effort to hold down inflation. Indeed, simple justice and equity demand that these workers be given at least this minimum protection against the rising cost of living.

Mr. DONOHUE. Mr. Chairman, I most earnestly hope that the House will resoundingly approve, without any weakening changes, the vitally important measure now before us, H.R. 12435, the Fair Labor Standards Amendments of 1974, which, in summary, is designed to increase the current minimum wage rate from the present $1.60 an hour up to $2.30 an hour by spaced increments, in various worker categories, over a period of 4 years and extend wage and hour coverage eligibility to approximately 9.5 million additional workers.

In moving toward our determination of this vitally important legislative proposal let us emphasize that there has been no increase in the minimum wage since 1967, and let us also remember that a person earning $1.60 an hour, working 40 hours a week and 52 weeks a year would only make an annual income of $3,320, which figure, according to our own U.S. Department of Labor, is well under the $4,200 per year, that this Federal agency proclaims to be the poverty level income for a family of four.

Let us further emphasize, however, regrettably, that the cost of living in this country has risen more than 42 percent since the last minimum wage increase granted over 6 years ago, and if it were to be raised only enough to keep up with the intervening cost of living, it would have to be placed at a figure of $2.28 per hour right now.

In consideration of these facts and in the face of ever accelerating increases in the cost of basic living necessities and personal services, it is practically impossible to understand how anyone can attempt to justify the withholding of a marginal minimum wage increase to the millions of workers and their families who are undergoing extreme hardships from the inflationary plague, aggravated by the energy shortage, that is raging throughout this country.

We should also, Mr. Chairman, be consciously mindful that the documented history of minimum wage increases very clearly demonstrates that every advance in the minimum wage since World War II has resulted in additional employment opportunities for all our working citizens of whatever age or economic level.

Mr. Chairman, as a matter of truth it is obviously discriminatory and unjust to use millions of our lowest-paid workers as scapegoats for our inflation affliction and it seriously undermines the imperative necessity of insuring that the sacrifices that must be made to overtake and overcome the inflationary curse must be equally distributed throughout every segment of our society.

If great numbers of our people ever become convinced that our Federal Government does not intend to apply the basic principle of equal treatment for all in our effort to stabilize our economy, then I think it is quite apparent there is a very grave danger that we will not only be unable to successfully resolve our inflation problem, but we will also be unable to resolve any of the other great domestic and international problems that threaten our continuing status as a first-class world power.

Mr. Chairman, because of the reasons I have already outlined together with the overwhelming evidence on record, I very earnestly believe that the House, in simple justice to millions of American workers, should overwhelmingly approve this minimum wage bill and I hope that such approval will be forthcoming without extended delay.

Mr. HARRINGTON. Mr. Chairman, I rise in strong support for H.R. 12435, the "Fair Labor Standards Act Amendments," otherwise known as the minimum wage bill. This legislation, it seems to me, deserves the overwhelming endorsement of the House of Representatives.

H.R. 12435 provides a badly needed increase in the minimum wage, to $2.30 per hour, and will extend protection of the minimum wage and overtime laws to 12 million nonsupervisory employees, 615,000 Federal employees, 513,000 agricultural employees not presently covered. The basic minimum wage would rise from the present levels of $1.60 per hour for nonagricultural employees and $1.30 per hour for agricultural employees, to $2.30 per hour for nonagricultural workers and the same amount for individuals working in agricultural employment. Thus, for the first time, the disparity between the minimum wage for agricultural and nonagricultural workers would be eliminated, although the $2.30 wage would become effective in 1976 for the nonagricultural workers, and 1 year later for most agricultural employees. Eventually, approximately 6 million workers would benefit from the minimum wage increase and the extension of coverage.

There should be little question that these wage increases are needed, especially in the light of the crush of today's inflation. And, it should be remembered that the workers affected by the minimum wage laws are those at the lower end of the wage scale—those who need help most. The cost of living has risen more than 25 percent since 1966, yet the current minimum wage rates of $1.30 and $1.60 per hour, set in 1966, have not been adjusted to help meet the inflationary crunch. What is more, increasing taxes—especially in the form of the regressive social security payroll tax—have further eroded the ability of the worker to make ends meet. Because of inflation, 1974's $1.60 buys less than $1.25 did in 1966. And, many workers covered by the minimum wage have been deprived of full overtime earnings because their industry was exempt from the overtime pay requirements of the Fair Labor Standards law.

Between the establishment of the minimum wage in 1938 and today, the cost of living has risen nearly 230 percent. During this time, however, only four bills increasing the minimum wage have been signed into law, and last year, for the first time in the history of the legislation, a President vetoed a minimum wage bill. Unhappily, the veto was sustained, preventing immediate assistance to the workers, covered and uncovered, and their families, who had suffered a 37½-percent increase in the cost of living.

I cannot accept the arguments of the President that last year's minimum wage bill was inflationary and likely to increase unemployment. From the record, the President is the last one anyone should listen to about these subjects, as this administration has defined the economists in proving, to the lament of the nation, that you can have both high inflation and high unemployment.

It is not too much to ask that we extend the decency of a living wage to workers now unprotected, as far as I am concerned. It is not too much to ask that we make at least an effort to bring the minimum wage rate up to a contemporary standard, even though within another year or two even the levels contained in this bill will be too little, and too late as well. Already, the minimum wage is so low that significant numbers of Americans, rather than work for such paltry pay, have opted for the welfare system. Is this any kind of sensible approach to either employment policy or to income maintenance? I hardly think so.

Congress must enact a far-reaching minimum wage law, to improve the income available to working families to the point they can lead a decent life, and to end this inane incentive away from welfare and towards work. Most important, though, is the concept behind minimum wage legislation—and that is the right of Americans to have the protection of their Government in seeing that a decent, livable wage is paid for a day's work. The House should pass this bill today, and if the President furthers his past follies by vetoing this needed legislation, then Congress must rise to this challenge and override the veto.

Mr. BAUMAN. Mr. Chairman, the proponents of H.R. 12435, the Fair Labor Standards Act Amendments, undoubtedly have the best of intentions. In their minds, the march of inflation requires that the minimum wage be increased to keep pace. Sadly, they are wrong.

There is substantial statistical evidence to indicate that each time the Congress raises the minimum wage, unemployment grows more or less proportionately. The reason for this is simple, and should be obvious to all. In forcing up the required wage for those on the lower end of the economic ladder, those who are employed in "marginal" jobs, this body is pricing them out of the market. Employers who would continue to employ a janitor, for example, at $1.60 an hour, may have to let him go if they must pay him $2 an hour. A student in high school whose skills are as yet undeveloped, may be given a job doing unskilled work at $1.60 an hour, but might not be productive enough to be given a job if the minimum is set at $2 an hour.

This bill will have no effect at all on the Nation's skilled labor force. Construction workers making $8 or $10 an hour or more will receive no benefit from an increase in the minimum wage to $2 or $2.30. Those who will be affected are those holding marginal jobs, and in all too many cases the effect will simply be the loss of those jobs.

At the very least, this bill should contain a "youth differential," a provision which establishes a somewhat lower minimum wage for those under the age of 18, or 20, in recognition of the fact that they are generally unskilled and could not be profitably hired by an employer at a higher wage.

Particularly in resort areas, such as Ocean City, but nearly everywhere in Maryland or the rest of the country, teenagers will be looking for full-time or part-time summer employment in a few months. In many cases, they will be trying to earn money to go on to a university or trade school after graduation. By increasing the minimum wage here today, without providing a youth differential, we are simply insuring that a large number of these people will be unable to find work, and will make their task of earning enough to further their education much more difficult.

For low-income workers, especially those who are black, this will mean hardship and welfare dependency, because many in this position are being priced right out of the job market. Many older persons, who often work parttime to supplement their social security incomes, will be similarly affected. In reality, this bill hurts precisely those whom it is supposed to help.

By the provisions affecting the seafood processing industry, this bill will hurt many people in my district in Maryland, where seafood and shellfish are a major industry. Processors will simply be unable to maintain present employment levels, because of the provisions in this bill. Some of the Members of this House may not mind increased unemployment in their districts; they may wish to blame it on something or someone else—but make no mistake—this bill will be a significant cause of unemployment if and when it takes effect.

Mr. Chairman, I must cast my vote against this measure, for the very simple and honest reason that I believe that it will cause unemployment among those who can afford it least.

Mr. RARICK. Mr. Chairman, I rise in opposition to H.R. 12435, the Fair Labor Standards Act Amendments of 1973.

If all the oratory, promises and pledges of the moment could be reduced to an unemotional look at this legislation before us, we would quickly realize that it is nothing more than another tax. I for one, do not believe that the American workers actually want yet another Federal tax added to their already heavy tax burden.

I, too, am in favor of working, productive citizens receiving fair wages for work done; however, the legislation before us far exceeds the desire of many of our colleagues to guarantee a $2.30 an hour minimum wage for unskilled labor.

When politicians legislate private salaries and wage scales, they are not only officiously intermeddling in the free enterprise economy sector, but are in reality passing a new tax which will be borne by all of our people.

There is nothing in existing law that prevents a man or woman from earning $2.30 an hour, or more, depending on his productivity and the success of his employer. But when politicians force a salary raise on the employer, whoever he may be, we know in advance that the employer will no more bear the brunt of the increase than will those politicians who think it is good for votes to spend someone else's money.

The employer who is faced with this increase in minimum wage will treat it simply as another Federal tax and will merely shift it on to the consumer. This legislation will raise all prices across the board and, in the long run, those people whom we are talking about helping will suffer most through higher prices and increased taxes.

The American people are being literally taxed to death and enactment of the legislation before us can only hasten their demise. Such gimmicks as use tax, sales tax, or minimum wage increases no longer fool the people. A tax is a tax, regardless of what it is called, and the only true beneficiary will be government at all levels through increased tax revenues.

The legislation before us wreaks havoc on the retirees, pensioners, disabled, and welfare recipients. We should be trying to hold down the cost of living, thus controlling the inflation which results from dumping more money in the marketplace without a corresponding increase in productivity.

In reality, Mr. Chairman, the legislation before us is antilabor. I do not believe that the average working American will accept this deliberate attempt by the Congress to level the wages of all Americans. The skilled worker and organized laborer should regard this as special interest legislation, adverse to their paycheck.

Finally, Mr. Chairman, I have consistently opposed use of the Congress to legislate labor contracts and establish salary standards. I have never regarded Congress as a proper forum to conduct negotiations on wages and working conditions. That is why I have never supported antistrike legislation.

Rising prices, inflation, and increased taxes must stop somewhere. Passage of a $2.30 minimum wage law will not help us restore fiscal sanity to any sector of our economy, and no one should blame the private sector. The fault lies here in the Federal Government. It is continued deficit spending that is a prime cause of the inflation which is being used to justify bringing it to the floor.

Mr. Chairman, I repeat—my main opposition to this bill is that it is nothing but another tax on the consumers of our Nation. I will cast my people's vote against this legislation proposing such an inflationary increase in minimum wage.

Mr. MOAKLEY. Mr. Chairman, I rise in support of H.R. 12435, the Fair Labor Standards Amendments. For millions of working Americans, this is the single most important bill which will come before the 93d Congress. Millions of workers who are not covered by the minimum wage laws at the present time will be covered, and millions more, now paid below the standards established by this bill will receive larger paychecks if this bill is passed into law. Some 4,172,000 workers will receive larger paychecks as a result of this bill.

These workers are Federal, State, and local government employees, household workers, retail and service employees and in movie houses across America. Many are employed by large chain businesses which have long avoided paying their employees the minimum wage. In total, this represents 7½ percent of the working population of the United States.

The argument offered by President Nixon when he vetoed the last minimum wage bill passed by this Congress is appalling. We must not accept his argument that an increase in the minimum wage would cause more inflation and that the economy cannot support this. What the economy cannot support are the tax shelters for the wealthy, and for big business. These are the loopholes which Mr. Nixon used to avoid paying thousands of dollars in taxes.

This bill represents a compromise. The original bill contained provisions to allow lower pay for younger employees. The administration argued that this would discriminate against older workers. We, unfortunately, gave in on this issue. But we must not allow the minimum wage to remain at $1.60. As long as it does, there will be no relief for the millions of working poor who can barely support their families.

The graduated increase which this bill provides for is a responsible program. It is one which will bring the minimum wage up to a more acceptable level. I urge my colleagues to vote for this bill. We must make up for the time lost in passing this legislation into law. We must act now.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

### H.R. 12435

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1974".

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6(a) (1) is amended to read as follows:

"(1) not less than $2 an hour during the period ending December 31, 1974, not less than $2.10 an hour during the year beginning January 1, 1975, and not less than $2.30 an hour after December 31, 1975, except as otherwise provided in this section;".

### INCREASE IN MINIMUM WAGE RATE FOR NON-AGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1973

SEC. 3. Section 6(b) is amended (1) by inserting ", title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1974" after "1966", and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.90 an hour during the period ending December 31, 1974.

"(2) not less than $2 an hour during the year beginning January 1, 1975.

"(3) not less than $2.20 an hour during the year beginning January 1, 1976, and

"(4) not less than $2.30 an hour after December 31, 1976."

### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 4. Section 6(a) (5) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than—

"(A) $1.60 an hour during the period ending December 31, 1974,

"(B) $1.80 an hour during the year beginning January 1, 1975,

"(C) $2 an hour during the year beginning January 1, 1976,

"(D) $2.20 an hour during the year beginning January 1, 1977, and

"(E) $2.30 an hour after December 31, 1977."

### INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States.

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1974, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1974 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

"(A) Effective on the effective date of the Fair Labor Standards Amendments of 1974, the wage order rate applicable to such employee on the day before such date shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

"(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the day before such first day shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a) (5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

"(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1974, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1974, appoint a special industry committee in accordance witht section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or $1 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1974, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2) (B).

"(4) (A) Notwithstanding paragraph (2) (A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2) (A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2) (A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1, whichever is higher.

"(B) Notwithstanding paragraph (2) (B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2) (B), shall, on and after the effective date of the first wage increase under paragraph (2) (B), be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employee.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section (8) fixing a higher minimum wage rate."

(c) (1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)"

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### FEDERAL AND STATE EMPLOYEES

Sec. 6. (a) (1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Section 3(e) is amended to read as follows:

"*(e) (1)* Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

"(2) In the case of an individual employed by a public agency, such term means—

"(A) any individual employed by the Government of the United States—

"(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

"(ii) in any executive agency (as defined in section 105 of such title),

"(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

"(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

"(v) in the Library of Congress;

"(B) any individual employed by the United States Postal Service or the Postal Rate Commission; and

"(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

"(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

"(ii) who—

"(I) holds a public elective office of that State, political subdivision, or agency,

"(II) is selected by the holder of such an office to be a member of his personal staff,

"(III) is appointed by such an officeholder to serve on a policymaking level, or

"(IV) who is an immediate adviser to such an officeholder with respect to the constitutional or legal powers of his office.

"(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family."

(3) Section 3(h) is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed."

(4) Section 3(r) is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of a public agency,".

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1) "including employees handling, selling, or otherwise working on goods" and inserting in lieu thereof "or employees handling, selling, or otherwise working on goods or materials",

(B) by striking out "or" at the end of paragraph (3),

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or",

(D) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of a public agency.", and

(E) by adding after the last sentence the following new sentence: "The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce."

(6) Section 3 is amended by adding after subsection (w) the following:

"(x) 'Public agency' means the Government of the United States; the government of a State or political subdivision thereof; any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency."

(b) Section 4 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to any individual employed in the Library of Congress to provide for the carrying out of the Secretary's functions under this Act with respect to such individuals. Notwithstanding any other provision of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, or Postal Rate Commission). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.".

(c) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following new paragraph:

"(20) any employee of a public agency engaged in fire protection or law enforcement activities (including security personnel in correctional institutions); or".

(d) (1) The second sentence of section 16 (b) is amended to read as follows: "Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees simliarly situated.".

(2) (A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendment of 1974, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on grounds other than State immunity from Federal jurisdiction."

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16".

### DOMESTIC SERVICE WORKERS

Sec. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: "That Congress further finds that the employment of persons in domestic service in households affects commerce."

(b) (1) Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee who in any workweek—

"(1) is employed in domestic service in one or more households, and

"(2) is so employed for more than eight hours in the aggregate,

shall be paid wages for such employment in such workweek at a rate not less than the wage rate in effect under section 6(b)."

(2) Section 7 is amended by adding at the end thereof the following new subsection:

"(k) No employer shall employ any employee in domestic service in one or more households for a workweek longer than forty hours unless such employee receives compensation for such employment in accordance with subsection (a)."

(3) Section 13(a) is amended by adding at the end the following new paragraph:

"(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary)."

(4) Section 13(b) is amended by adding after the paragraph added by section 6(c) the following new paragraph:

"(21) any employee who is employed in domestic service in a household and who resides in such household; or".

### RETAIL AND SERVICE ESTABLISHMENTS

Sec. 8. (a) Effective July 1, 1974, section 13(a) (2) (relating to employees of retail and service establishments) is amended by striking out "$250,000" and inserting in lieu thereof "$225,000".

(b) Effective July 1, 1975, such section is amended by striking out "$225,000" and inserting in lieu thereof "$200,000".

(c) Effective July 1, 1976, such section is amended by striking out "or such establishment has an annual dollar volume of sales which is less than $200,000 (exclusive of excise taxes at the retail level which are separately stated)".

### TOBACCO EMPLOYEES

SEC. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b)(2) of this Act the following:

"(1) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 36, or 37 (as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco,

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture) or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packaging, perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section."

(b)(1) Section 13(a)(14) is repealed.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b)(4) of this Act the following new paragraph:

(22) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapper tobacco; or".

### TELEGRAPH AGENCY EMPLOYEES

SEC. 10. (a) Section 13(a)(11) (relating to telegraph agency emloyees) is repealed.

(b)(1) Section 13(b) is amended by adding after the paragraph added by section 9(b)(2) of this Act the following new paragraph:

(23) any employee or proprietor in a retail or service establishment which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, who is engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telephone company where the telegraph message revenue of such agency does not exceed $500 a month, and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed or".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(23) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, section 13(b)(23) is repealed.

### SEAFOOD CANNING AND PROCESSING EMPLOYEES

SEC. 11. (a) Section 13(b)(4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours."

(c) Effective two years after such date, section 13(b)(4) is repealed.

### NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

### HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who performs maid or custodial services) who is", (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any work-week at a rate not less than one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee of a hotel or motel who performs maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employee unless (1) such employee has been informed by the employer of the provisions of this subsection, and (2) all tips received by such employee have been retained by the employee, except that this subsection shall not be construed to prohibit the pooling of tips among employees who customarily and regularly receive tips."

### SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (relating to salesmen, partsmen, and mechanics) is amended to read as follows:

"(10)(A) any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles, trucks, or farm implements, if he is employed by a non-manufacturing establishment primarily engaged in the business of selling such vehicles or implements to ultimate purchasers; or

"(B) any salesman primarily engaged in selling trailers, boats, or aircraft employed by a nonmanufacturing establishment primarily engaged in the business of selling trailers, boats, or aircraft to ultimate purchasers; or".

### FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15. (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, such section is repealed.

### BOWLING EMPLOYEES

SEC. 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(b) Effective two years after such date, such section is repealed.

### SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

(24) any employee who is employed with his spouse by a nonprofit educational institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, and

"(B) who are enrolled in such institution and reside in residential facilities of the institution, while such children are in residence at such institution, if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000; or".

### EMPLOYEES OF CONGLOMERATES

SEC. 18. Section 13 is amended by adding at the end thereof the following:

"(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to, but materially support, the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by paragraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section 3(s)."

### SEASONAL INDUSTRY EMPLOYEES

SEC. 19. (a) Sections 7(c) and 7 (d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks", and

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks".

(b) Section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof 'five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out "five workweeks" and inserting in lieu thereof "three workweeks", and

(2) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks".

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

### COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Section 13(b) (15) is amended to read as follows:

"(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or sirup; or".

(b) (1) Section 13(b) is amended by adding after paragraph (24) the following new paragraph:

"(25) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13 (b) (25) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13 (b) (25) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

(c) (1) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

"(26) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugar cane into sugar (other than refined sugar) or syrup and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13 (b) (26) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13 (b) (26) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

### LOCAL TRANSIT EMPLOYEES

SEC. 21. (a) Section 7 is amended by adding after the subsection added by section 9 (a) of this Act the following new subsection:

"(m) In the case of an employee of an employer engaged in the business of operating a street, surburban or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment."

(b) (1) Section 13(b) (7) (relating to employees of street, suburban or interurban electric railways, or local trolley or motorbus carriers) is amended by striking out ", if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, such section is repealed.

### COTTON AND SUGAR SERVICE EMPLOYEES

SEC. 22. Section 13 is amended by adding after the subsection added by section 18 the following:

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

"(B) exclusively to provide services necessary and incidental to the receiving, handling and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarly engaged in storing and compressing;

"(C) exclusively to provide services necessary and incidential to the receiving, handling storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing and processing of cottonseed; or

"(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugarcane or sugar beets; and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7."

### OTHER EXEMPTIONS

SEC. 23. (a) (1) Section 13(a) (9) (relating to motion picture theater employees) is repealed.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

(27) any employee employed by an establishment which is a motion picture theater; or".

(b) (1) Section 13(a) (13) (relating to small logging crews) is repealed.

(2) Section 13(b) is amended by adding after paragraph (27) the following new paragraph:

"(28) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering operations does not exceed eight."

(c) Section 13(b) (2) (insofar as it relates to pipeline employees) is amended by inserting after "employer" the following: "engaged in the operation of a common carrier by rail and".

EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe.

"(b) (1) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail or service establishments.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a) (5) or not less than $1.30 an hour, whichever is the higher (or, in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

"(3) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

"(4) (A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may issue a special certificate under paragraph (1) or (2) for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subparagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

"(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of the student status of the employees to be employed under such special certificate."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws."

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b)."

CHILD LABOR

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

"(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age."

(b) Section 13(c) (1) (relating to child labor in agriculture) is amended to read as follows:

"(c) (1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is less than twelve years of age and (i) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a) (6) (A)) required to be paid at the wage rate prescribed by section 6(a) (5),

"(B) is twelve years or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

"(C) is fourteen years of age or older."

(c) Section 16 is amended by adding at the end thereof the following new subsection:

"(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

"(1) deducted from any sums owing by the United States to the person charged;

"(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"(3) ordered by the court, in an action brought for a violation of section 15(a) (4), to be paid to the Secretary.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled 'An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes' (29 U.S.C. 9a)."

SUITS BY SECRETARY FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: "The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to an employee or employees under section 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right, provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary in an action under this subsection in which a recovery is sought of unpaid minium wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provision of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary."

ECONOMIC EFFECTS STUDIES

SEC. 27. Section 4(d) is amended by—

(1) inserting "(1)" immediately after "(d)";

(2) inserting in the second sentence after "minimum wages" the following: "and overtime coverage"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishments described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976."

### NONDISCRIMINATION ON ACCOUNT OF AGE IN GOVERNMENT EMPLOYMENT

Sec. 28. (a) (1) The first sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out "twenty-five" and inserting in lieu thereof "twenty".

(2) The second sentence of section 11(b) of such Act is amended to read as follows: "The term also means (1) any agent of such person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(3) Section 11(c) of such Act is amended by striking out ", or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

(4) Section 11(f) of such Act is amended to read as follows:

"(f) The term 'employee' means an individual employed by any employer except that the term 'employee' shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employers subject to the civil service laws of a State government, governmental agency, or political subdivision.".

(5) Section 16 of such Act is amended by striking out "$3,000,000" and inserting in lieu thereof "$5,000,000".

(b) (1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

### "NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"Sec. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each department, agency, or unit referred to in subsection (a);

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

"(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law.".

### EFFECTIVE DATE

Sec. 29. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on the first day of the second full month which begins after the date of the enactment of this Act.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

Mr. DENT (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the bill be dispensed with, that it be printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

### AMENDMENT OFFERED BY MR. ICHORD

Mr. ICHORD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Ichord: Page 65, line 12, strike out "1974" and insert in lieu thereof "1975".

Page 65, line 16, strike out "1975" and insert in lieu thereof "1976".

Page 65, line 19, strike out "1976" and insert in lieu thereof "1977".

Mr. ICHORD. Mr. Chairman, several years ago I was present at the initial meeting of two of my colleagues.

One had been here for a number of years and the other had just arrived. I performed the niceties of introducing the two. The older Member asked the newer Member: "What is your business?" The newer Member did not quite understand what was meant and said: "I am on the Post Office and Civil Service Committee." Then the older Member clarified his question and said: "I mean out in the real world what did you do?" The reply was made about what his occupation was.

The longer I stay around this body the more I am inclined to ask the question: What did you do out in the real world?

I am inclined to ask the same question when I see this body proceeding without logic and without commonsense as I see this body doing when it attempts to eliminate the small store exemption. If it made sense in 1960 to have the exemption and if it made sense in 1965 to retain the exemption, the retention of the exemption today makes more sense than it did in 1960, because the exemption of $250,000 today is the equivalent of an exemption of only $157,000 in 1960 dollars. The 1974 dollar today is worth only 63 cents.

Mr. Chairman, my amendment will not change the aims or the purposes of the committee bill. It will not change its extension of coverage. All it does is to provide adjustment time for those small establishment stores doing less than $250,000 a year which are a part of a company called an enterprise that altogether does more than $250,000 a year.

I am cognizant of the fact that it has been the announced intention of the leadership, the managers of this bill on both sides to eliminate all or most of the exemption contained in section 13(a). I would point out again, however, that my amendment does not stop or basically change the committee proposal to eliminate the exemption. It only provides adjustment time for those businesses which are affected.

Instead of the exemption being reduced to $225,000 on July 1, 1974, that would be reduced to $225,000 on July 1, 1975. Instead of being further reduced to $200,000 on July 1, 1975, it would extend that to July 1, 1976, and then on July 1, 1977, phase out and eliminate the exemption altogether.

I would state to the gentleman from California that I think we should get a clear picture of the establishments for which this exemption is very vital. The exemption does not apply to foodstores. Foodstores average well over a millon dollars volume. The exemption does not apply to major chains like Sears, Penney, Woolworth, Ward, and Grant. It does not apply to the large department stores. It is an exemption for small stores in small communities operated by a very modest size company.

I would point out to the gentleman from California and the gentleman from Minnesota that in 1960 when John Kennedy was the manager of the minimum wage legislation he accepted this exemption because he saw that there was a need.

In 1963 when Congressman James Roosevelt questioned the exemption, after further study he did grant the exemption.

My good friend, the distinguished gentleman from Pennsylvania (Mr. DENT) has in the past also accepted the exemption.

I would hope that the committee would reconsider and accept this amendment which I offer.

Mr. Chairman, I yield back the balance of my time.

Mr. BURTON. Mr. Chairman, I move to strike the requisite number of words.

The committee over the last 5 years has weighed the very point that was raised by the gentleman from Missouri. Perhaps some refreshing of our memories would be in order. In the House-passed minimum wage bill, we had in that bill a provision that extended immediate minimum wage coverage and time and a half after 40 hours to conglomerates and all their operations, including their chainstore operations.

The Senate version eliminated virtually upon enactment the previously existing wage and overtime exemption for chainstores.

Now, the proposal before us today is identical to that which was agreed upon in conference, except for a delay in time, because time has passed since we last acted and the President vetoed the previous wage bill.

This proposal does not in any way disturb the current exemption for the small individual retail establishment.

It does not disturb that in any way. It does incorporate the House-Senate conference committee's agreement, which I might note if we were to deal with this in somewhat more simplistic terms, gave the chainstore owners a better break overall than either the House-passed version or the Senate-passed version last year.

Now, there is some date differential in the House and Senate bills.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. BURTON. I yield to the gentleman.

Mr. ICHORD. What is the date contained in the Senate bill? The date contained in this bill beginning the phaseout is July 1, 1974. All I am asking is an extension to July 1, 1975. The purpose of this is to give the small store a chance to cancel their leases or to sell their business to some independent operator.

Mr. BURTON. Those in the chainstore business have had at least several months notice. To be immediately responsive, the Senate bill delay has a different 6-month effective date than does the legislation we have. Obviously, that would be a conferenceable matter, as is right and proper.

Mr. ICHORD. When does the gentleman expect this bill to be signed into law by the President? I am sure he does not expect it to be vetoed.

Mr. BURTON. I would expect, if it is signed, or if it is not signed, becoming law by virtue of a veto override—which we have no evidence is likely at this point. I expect the law would be effective either the 1st of May or the 1st of June. That would depend essentially, on the time frame within which the Executive decides when, if it is to be signed, it will be signed.

Mr. ICHORD. Then if we retain the July 1, 1974, date, we would only give the store owner 1 month from June 1 through July 1 to cancel his lease or to sell the business.

Mr. BURTON. No, no. As I stated earlier, the provision in this bill was much more favorable to the chain store owners than the provision in either House version of last year. It was one reason why we had no difficulty in constructing this year's package, because the large chain store owners as a result of last year's conference got a better break than the overwhelming majority of them got in the House version or in the State version before we went to conference last year.

Mr. ICHORD. Mr. Chairman, the gentleman mentions large chain store owners. I am not concerned about large chain store owners at all. I am concerned about Sears, Penney, or Woolworth. They do not use the exemption.

Mr. BURTON. Mr. Chairman, I do not know if they do or not, but I do know that there are no small, independent retailers that are covered by this legislation that are exempt under current law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri (Mr. ICHORD).

The question was taken; and on a division (demanded by Mr. BURTON) there were—ayes 31; noes 25.

So the amendment was agreed to.

Mr. HENDERSON. I move to strike the last word.

Mr. Chairman, I would like to inquire of the gentleman from Pennsylvania the intent of the Education and Labor Committee by their language on page 28 of House Report 93-913 regarding the Civil Service Commission responsibilities under the Fair Labor Standards Act. The bill provides that the Civil Service Commission is authorized to administer the provisions insofar as Federal employees are concerned. The language in the report at page 28 seems to be in conflict with the bill.

I assume that the Commission will have the authority to determine who in the Federal work force is covered and how the existing provisions of law on overtime for Federal employees are going to be administered when in conflict with the provisions of the Fair Labor Standards Act.

Mr. DENT. Mr. Chairman, would the gentleman yield to me?

Mr. HENDERSON. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, the gentleman is absolutely correct, and if there is any conflict in the report as opposed to the understanding the gentleman has given to the situation at this point, I can assure the gentleman that his views are correct.

Mr. HENDERSON. Mr. Chairman, I thank the gentleman for his response to clarify this question and make legislative history.

Mr. Chairman, I commend the gentleman from Pennsylvania and the committee for the action they have taken with regard to the administration of the coverage of Federal employees in this bill, as opposed to the bill that was brought before us last year. For that reason, I think many of us are going to find that we are voting for this bill with a great deal more enthusiasm than we voted for it last year.

Mr. Chairman, I thank the gentleman very much.

### AMENDMENT OFFERED BY MR. SNYDER

Mr. SNYDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. SNYDER: Page 83, after line 6, insert:
>
> That section 13(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(d) is amended by inserting after "newspapers" the following: "or shopping news (including shopping guides, handbills, or other types of advertising material).

Mr. SNYDER. Mr. Chairman, this is a simple amendment.

Those Members who were present on the floor when I had the colloquy with the gentleman from Illinois (Mr. ERLENBORN) will understand the amendment, I believe, without too much explanation.

Under existing law, a youngster, a teenager, can deliver a newspaper for a newspaper publisher, and that youngster is exempt from the law. In many cases across this country, this is a weekly newspaper.

On the other hand, that same publisher employs those same youngsters on other days of the week to deliver what we call shopping circulars or shopping news, but when they deliver the shopping news, they are not exempt under the law.

This is what my amendment would cover. It takes the same language that is in the social security exemption, where they exempt newspaper boys and those who deliver shopping news, and puts it into this law as an exemption.

What has happened has been that we have had hundreds of thousands of youngsters across this country who have been put out of business in recent weeks and months because of the interpretation of the law by the Department of Labor. As it now exists, this is an interpretation which is a matter of controversy, I might say, because, recalling my colloquy with the gentleman from Illinois, he thought the Department of Labor was wrong; the gentleman from California indicated a while ago that he thought they were right.

Mr. Chairman, from my own personal experience, I would like to say this to the Members: I represent northern Kentucky, as well as some other areas in Kentucky, but as my district includes that area across the river from Cincinnati commonly referred to as the Greater Cincinnati Area. We have had more than 1,200 youngsters who have lost or will lose the right to make $5 or $10 a day for delivering shopping circular news after school. They pay them not by the hour, but by the piece.

In my hand right here, I am holding a full page ad which I will show the Members. This appeared in a weekly newspaper back home, and it contains the legend: "Should these kids work or run the streets?" And here are the pictures of some of those who were fired, as a result of the injustice and unfairness of covering them by the minimum wage law.

I have a file full of letters here from kids in school. I have testimonials from those who have earned money toward their education, some of them putting away a savings of over $1,000 or $2,000 while they were going through high school.

Mr. Chairman, all I would ask the Members to do is to let these youngsters deliver shopping news circulars on the other days of the week when they are not delivering the weekly newspaper, and give them the same exemption under this law that they have under the social security law.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I thank the gentleman for yielding.

In different parts of the country we use different terminologies. In my district we have several small free newspapers which are circulated in the various suburban areas. They are directed more toward advertising than they are newspapers, but nonetheless they do carry newspaper copy.

Would the gentleman's amendment also cover the distribution of that type of publication?

Mr. SNYDER. It would, without question.

Mr. MILFORD. Mr. Chairman, I thank the gentleman.

Mr. SNYDER. Mr. Chairman, I ask the Committee for a favorable vote. I understand that the circumstances are such that the leadership on both sides handling this bill are not going to accept the amendment. I ask those Members here to support the kids who want to work and earn a few extra bucks. I thank the Members very much for whatever support they may give the youngsters for this amendment.

Mr. DENT. Mr. Chairman, I rise to oppose this amendment.

I understand the gentleman's problem. I have discussed it with him, but if we accept this amendment we move beyond the existing provisions of this particular act and set aside the child labor provisions. The only reason why you have newspaper boys is simply because by law they are exempt and have been specifically exempt. In many cases the very same boys who deliver the newspapers also deliver the so-called shopping news items. There has been no question ever raised in all the history of the minimum wage law before this complaint came in from the gentleman from Kentucky.

Therefore the committee decided on more than one occasion to oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. SNYDER).

The question was taken; and on a division (demanded by Mr. SNYDER) there were—ayes 32, noes 34.

### RECORDED VOTE

Mr. SNYDER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 167, noes 236, not voting 29, as follows:

[Roll No. 99]

### AYES—167

Abdnor
Alexander
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Blackburn
Boggs
Bowen
Bray
Breaux
Brinkley
Broomfield
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burleson, Tex.
Butler
Byron
Camp
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clausen, Don H.
Clawson, Del
Cochran
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
de la Garza
Dennis
Derwinski
Devine
Dickinson
Downing
Duncan
du Pont
Eshleman
Evans, Colo.
Evins, Tenn.
Fisher
Flowers
Flynt
Fountain
Frey
Froehlich
Goldwater
Goodling
Green, Oreg.
Gross
Gubser
Guyer
Haley
Hamilton
Hammerschmidt
Hanrahan
Harsha
Hastings
Hébert
Hinshaw
Holt
Hosmer
Huber
Hudnut
Hunt
Hutchinson
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Kastenmeier
Kazen
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Latta
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McKay
McKinney
McSpadden
Macdonald
Mahon
Mann
Martin, Nebr.
Martin, N.C.
Mathis, Ga.
Mayne
Milford
Miller
Mizell
Montgomery
Moorhead, Calif.
Nichols
Owens
Parris
Passman
Poage
Powell, Ohio
Price, Tex.
Quillen
Rarick
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Roush
Rousselot
Runnels
Ruth
Satterfield
Scherle
Schneebeli
Sebelius
Shriver
Shuster
Sikes
Skubitz
Smith, Iowa
Snyder
Spence
Steed
Steiger, Wis.
Stuckey
Symington
Symms
Talcott
Taylor, Mo.
Teague
Thomson, Wis.
Thone
Thornton
Treen
Ullman
Vander Jagt
Veysey
Waggonner
Wampler
Ware
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wright
Young, Ill.
Young, S.C.
Young, Tex.
Zion
Zwach

### NOES—236

Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Aspin
Badillo
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boland
Bolling
Brademas
Breckinridge
Brooks
Brotzman
Brown, Calif.
Brown, Mich.
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Carney, Ohio
Carter
Chappell
Chisholm
Clark
Clay
Cleveland
Cohen
Collier
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Delaney
Dellenback
Dellums
Denholm
Dent
Diggs
Donohue
Drinan
Dulski
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Fascell
Findley
Fish
Flood
Foley
Ford
Forsythe
Frenzel
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gilman
Ginn
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Grover
Gunter
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Holifield
Holtzman
Horton
Howard
Hungate
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jordan
Karth
Kemp
Kluczynski
Koch
Kyros
Landrum
Leggett
Lehman
Lent
Litton
Long, La.
Luken
McCormack
McDade
McEwen
McFall
Madden
Madigan
Mallary
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Mollohan
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nix
Obey
O'Brien
O'Hara
O'Neill
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roy
Roybal
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shoup
Sisk
Slack
Smith, N.Y.
Staggers
Stanton, J. William
Stark
Steele
Steelman
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Taylor, N.C.
Tiernan
Towell, Nev.
Udall
Van Deerlin
Vander Veen
Vanik
Vigorito
Waldie
Walsh
Whalen
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Zablocki

### NOT VOTING—29

Anderson, Ill.
Ashley
Blatnik
Brasco
Burke, Fla.
Carey, N.Y.
Dingell
Dorn
Fraser

Frelinghuysen
Gibbons
Gude
Hanna
Hogan
Jarman
Metcalfe
Minshall, Ohio
Moorhead, Pa.
Nelsen
Patman
Reid
Reuss
Rhodes
Rooney, N.Y.
Ryan
Stanton, James V.
Steiger, Ariz.
Thompson, N.J.
Yatron

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. YOUNG of Illinois. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this opportunity to address a question to the very able gentleman from Pennsylvania (Mr. Dent). I ask the gentleman from Pennsylvania this question. This bill proposes to include in the coverage of the Fair Labor Standards Act State and local employees. There have been objections raised to this additional coverage by many of the municipal officers in my district. I understand that, based upon the work that the committee has done, it looks as if this act will pass and will add to the coverage of this act the State and local employees.

The question I have for the gentleman from Pennsylvania (Mr. Dent) is on what basis should State and local government employees be included under the policy of the Fair Labor Standards Act, which according to the report states that the Congress finds the existence in industries—industries, I repeat that word—engaged in commerce or in the production of goods for commerce of labor conditions detrimental to the maintenance of the minimum standards of living necessary for health, efficiency and general well being of workers, and then it goes on to list the five circumstances.

The question that I have for the gentleman from Pennsylvania (Mr. Dent) is under what legal interpretation do State and local employees become part of industry and under what conditions would their services affect interstate commerce?

In other words, why would it be appropriate and constitutional under the policy of this act to bring in workers who are employed in State and Federal Government?

Mr. DENT. Some municipal and State employees have been covered since 1966 under the interpretation of the law. I do not think that the gentleman is hinting or suggesting that State and local employees do not engage in commerce.

The purpose of the minimum wage, starting back in 1937, has been to get a universal wage level in the United States. One by one local governments have acceded to coverage. At this point there has been no remonstrance made to me or any member of my committee that was reported to me by any of the State or local governments on the coverage of their employees.

We discussed it in 1966. At that time we had taken such a big bite of coverage that we felt we could not defend our position because of the enormous numbers covered; however, we now are at the point where almost every recognizable group in the United States will be covered by the minimum wage. It does not mean that they are not being paid a minimum wage. I would say in the main that few, if any, municipal employees are not being paid the minimum wage.

Now, in the area of police and firemen, the House bill does not cover overtime for firemen, which is the only bone of contention we have had with municipal governments.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. Young of Illinois and by unanimous consent, Mr. Dent was allowed to proceed for an additional 2 minutes.)

Mr. DENT. Mr. Chairman, we had no remonstrance on that coverage, at all, except in the case of some policemen and firemen; but we are going to conference where there is a great difference between our coverage and the criteria we set down and that of the Senate.

Mr. YOUNG of Illinois. I would like to ask the gentleman from Pennsylvania one more question; that is, have there been any interpretations by the courts as to the validity of Congress providing for coverage of all State and local employees, in view of the fact that the Federal Government is a Government of limited powers, delegated powers, and the States have all the rights not otherwise given to the Federal Government?

Mr. DENT. Mr. Chairman, I would suggest that the gentleman read page 6 of the report. In the case of Maryland, and others against Wirtz, Secretary of Labor, and others, the Supreme Court considered the contention of appellants—28 States and a school district—who sought to enjoin enforcement of the act as it applies to schools and hospitals operated by the States for their subdivisions. That was for the minimum wage law.

The CHAIRMAN. Are there further amendments? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Evans of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 12435) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rates under that act, to expand the coverage of that act, and for other purposes, pursuant to House Resolution 993, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. BAKER

Mr. BAKER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BAKER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Baker moves to recommit the bill, H.R. 12435, to the Committee on Education and Labor.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

### PARLIAMENTARY INQUIRY

Mr. BURTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BURTON. Mr. Speaker, is the Speaker in the process of announcing the passage of the bill?

The SPEAKER. That is correct.

Mr. BURTON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 375, nays 37, not voting 20, as follows:

[Roll No. 100]

YEAS—375

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Badillo
Bafalis
Barrett
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton
Butler
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Chisholm
Clancy
Clark
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Diggs
Dingell
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford
Forsythe
Fountain
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys

Giaimo
Gilman
Ginn
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Huber
Hudnut
Hungate
Hunt
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Kluczynski
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan

Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Roncallo, N.Y.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin

Sarbanes
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—37

Archer
Armstrong
Ashbrook
Baker
Bauman
Beard
Blackburn
Broyhill, Va.
Burleson, Tex.
Byron
Camp
Clawson, Del
Collins, Tex.

Conlan
Crane
Daniel, Dan
Devine
Dickinson
Fisher
Flynt
Goldwater
Goodling
Gross
Hébert
Hutchinson
Landgrebe

Montgomery
Poage
Powell, Ohio
Price, Tex.
Rarick
Robinson, Va.
Rousselot
Satterfield
Symms
Teague
Treen

NOT VOTING—20

Blatnik
Brasco
Burke, Fla.
Carey, N.Y.
Fraser
Frelinghuysen
Gibbons

Gray
Gude
Hogan
Jarman
Metcalfe
Minshall, Ohio
Patman

Reid
Reuss
Rooney, N.Y.
Ryan
Steiger, Ariz.
Yatron

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Blatnik.
Mr. Yatron with Mr. Gray.
Mr. Brasco with Mr. Minshall of Ohio.
Mr. Reid with Mr. Gude.
Mr. Metcalfe with Mr. Patman.
Mr. Carey of New York with Mr. Burke of Florida.
Mr. Fraser with Mr. Steiger of Arizona.
Mr. Reuss with Mr. Frelinghuysen.
Mr. Ryan with Mr. Hogan.
Mr. Gibbons with Mr. Jarman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

**Mr. DENT.** Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be discharged from the further consideration of the Senate bill (S. 2747), to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes, a bill similar to H.R. 12435, just passed by the House, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2747

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1974".

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6(a)(1) is amended to read as follows:

"(1) not less than $2 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1974, and not less than $2.20 an hour thereafter, except as otherwise provided in this section;".

INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1973

SEC. 3. Section 6(b) is amended (1) by inserting ", title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1974" after "1966", and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.80 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1974,

"(2) not less than $2 an hour during the second year from the effective date of such amendments,

"(3) not less than $2.20 an hour thereafter.".

INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 4. Section 6(a)(5) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than—

"(A) $1.60 an hour during the first year from the effective date of the Fair Labor Standards Amendments of 1974.

"(B) $1.80 an hour during the second year from the effective date of such amendments,

"(C) $2 an hour during the third year from the effective date of such amendments,

"(D) $2.20 an hour thereafter.".

INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States.".

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1974, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1974 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

"(A) Effective on the effective date of the Fair Labor Standards Amendments of 1974, the wage order rate applicable to such employee on the day before such date shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

"(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the date before such first day shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a) (5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

"(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1974, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1974, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or $1.00 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1974, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2) (B).

"(4) (A) Notwithstanding paragraph (2) (A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2) (A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2) (A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1.00, whichever is higher.

"(B) Notwithstanding paragraph (2) (B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2) (B), shall, on and after the effective date of the first wage increase under paragraph (2) (B), be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1.00, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employee.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section 8) fixing a higher minimum wage rate."

(c) (1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### FEDERAL AND STATE EMPLOYEES

SEC. 6. (a) (1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Section 3(e) is amended to read as follows:

"(e) (1) Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

"(2) In the case of an individual employed by a public agency, such term means—

"(A) any individual employed by the Government of the United States—

"(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

"(ii) in any executive agency (as defined in section 105 of such title),

"(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

"(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

"(v) in the Library of Congress;

"(B) any individual employed by the United States Postal Service or the Postal Rate Commission; and

"(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

"(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

"(ii) who—

"(I) holds a public elective office of that State, political subdivision, or agency,

"(II) is selected by the holder of such an office to be a member of his personal staff,

"(III) is appointed by such an officeholder to serve on a policymaking level, or

"(IV) who is an immediate adviser to such an officeholder with respect to the constitutional or legal powers of his office.

"(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family.".

(3) Section 3(h) is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed.".

(4) Section 3(r) is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of a public agency,".

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1) "including employees handling, selling, or otherwise working on goods" and inserting in lieu thereof "or employees handling, selling, or otherwise working on goods or materials",

(B) by striking out "or" at the end of paragraph (3),

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or",

(D) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of a public agency.", and

(E) by adding after the last sentence the following new sentence: "The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce.".

(6) Section 3 is amended by adding after subsection (w) the following:

"(x) 'Public agency' means the Government of the United States; the government of a State or political subdivision thereof; any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency.".

(b) Section 4 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to any individual employed in the Library of Congress to provide for the carrying out of the Secretary's functions under this Act with respect to such individuals. Notwithstanding any other provisions of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, Postal Rate Commission, or the Tennessee Valley Authority). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.".

(c) Section 7 is amended by adding at the end thereof the following new subsection:

"(k) No public agency shall be deemed to have violated subsection (a) with regard to any employee engaged in fire protection or law enforcement activities (including security personnel in correctional institutions) if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, a work period of twenty-eight consecutive days is accepted in lieu of the workweek of seven consecutive days for purposes of overtime computation and if the employee receives compensation at a rate not less than one and one-half times the regular rate at which he is employed for his employment in excess of—

(1) one hundred and ninety-two hours in each such twenty-eight day period during the first year from the effective date of the Fair Labor Standards Amendments of 1974;

"(2) one hundred and eighty-four hours in each such twenty-eight day period during the second year from such date;

"(3) one hundred and seventy-six hours in each such twenty-eight day period during the third year from such date;

"(4) one hundred and sixty-eight hours in each such twenty-eight day period during the fourth year from such date; and

"(5) one hundred and sixty hours in each such twenty-eight day period thereafter.".

(d)(1) The second sentence of section 16(b) is amended to read as follows: "Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly *situated.*".

(2)(A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standard Amendments of 1974, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on the grounds other than State immunity from Federal jurisdiction.".

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16".

### DOMESTIC SERVICE WORKERS

SEC. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: "The Congress further finds that the employment of persons in domestic service in households affects commerce."

*(b)(1)* Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee who in any workweek is employed in domestic service in a household shall be paid wages at a rate not less than the wage rate in effect under section 6(b) unless such employee's compensation for such service would not because of section 209 (g) of the Social Security Act constitute 'wages', for purposes of title II of such Act."

(2) Section 7 is amended by adding after the subsection added by section 6(c) of this Act the following new subsection:

"(l) Subsection (a)(1) shall apply with respect to any employee who in any workweek is employed in domestic service in a household unless such employee's compensation for such work would not because of section 209(g) of the Social Security Act constitute 'wages', for purposes of title II of such Act."

(3) Section 13(a) is amended by adding at the end the following new paragraph:

"(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary)."

(4) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following new paragraph:

"(20) any employee who is employed in domestic service in a household and who resides in such household; or".

### RETAIL AND SERVICE ESTABLISHMENTS

SEC. 8. (a) Effective January 1, 1975, section 13(a)(2) (relating to employees of retail and service establishments) is amended by striking out "$250,000" and inserting in lieu thereof "$225,000".

(b) Effective January 1, 1976, such section is amended by striking out "$225,000" and inserting in lieu thereof "$200,000".

(c) Effective January 1, 1977, such section is amended by striking out "or such establishment has an annual dollar volume of sales which is less than $200,000 (exclusive of excise taxes at the retail level which are separately stated)".

### TOBACCO EMPLOYEES

SEC. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b)(2) of this Act the following:

"(m) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37 (as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco,

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture), or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packing, of perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section.".

(b)(1) Section 13(a)(14) is repealed.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b)(4) of this Act the following new paragraph:

"(21) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapper tobacco; or".

### TELEGRAPH AGENCY EMPLOYEES

SEC. 10. (a) Section 13(a)(11) (relating to telegraph agency employees) is repealed.

(b)(1) Section 13(b) is amended by adding after the paragraph added by section 9(b)(2) of this Act the following new paragraph:

"(22) any employee or proprietor in a retail or service establishment, which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month and receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(22) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, section 13(b)(22) is repealed.

### SEAFOOD CANNING AND PROOCESSING EMPLOYEES

SEC. 11. (a) Section 13(b)(4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(e) Effective two years after such date, section 13(b)(4) is repealed.

### NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

### HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who is employed to perform maid or custodial services) who is," (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee who is employed by a hotel or motel to perform maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employee unless (1) such employee has been informed by the employer of the provisions of this section, and (2) all tips received by such employee have been retained by the employee, except that nothing herein shall prohibit the pooling of tips among employees who customarily and regularly receive tips.".

### SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (relating to salesmen, partsmen, and mechanics) is amended to read as follows:

"(10)(A) any salesman primarily engaged in selling automobiles, trailers, trucks, farm implements, boats, or aircraft if he is employed by a nonmanufacturing establishment primarily engaged in the business of selling such boats or vehicles to ultimate purchasers; or

"(B) any partsman primarily engaged in selling parts for automobiles, trucks, or farm implements and any mechanic primarily engaged in servicing such vehicles, if they are employed by a nonmanufacturing establishment primarily engaged in the business of selling such vehicles to ultimate purchasers; or".

### FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15. (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, such section is repealed.

### BOWLING EMPLOYEES

SEC. 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out "forty-eight hours and inserting in lieu thereof "forty-four hours".

(b) Effective two years after such date, such section is repealed.

### SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

"(23) any employee who is employed with his spouse by a nonprofit education institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, or

"(B) who are enrolled in such institution and reside in residential facilities of the institution, while such children are in residence at such institution,

if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000; or".

### EMPLOYEES OF CONGLOMERATES

SEC. 18. Section 13 is amended by adding at the end thereof the following:

"(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common ocntrol with, another establishment the activities of which are not related for a common business purpose to, but materially support, the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by subparagraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section 3(s).".

### SEASONAL INDUSTRY EMPLOYEES

SEC. 19. (a) Sections 7(c) and 7(d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks", and

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks".

(b) Section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out "five workweeks" and inserting in lieu thereof "three workweeks", and

(2) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks".

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

### COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Section 13(b)(15) is amended to read as follows:

"(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or syrup; or".

(b)(1) Section 13(b) is amended by adding after paragraph (23) the following new paragraph:

"(24) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year.

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13 (b)(24) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six".

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year; and

(3) Effective January 1, 1976, section 13 (b)(24) is amended—

(A) by striking out "sixty-six" and inserting in lieu thereof "sixty";

(B) by striking out "sixty" and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" and inserting in lieu thereof "forty".

(c)(1) Section 13(b) is amended by adding after paragraph (24) the following new paragraph:

"(25) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugarcane into sugar (other than refined sugar) or syrup and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13 (b)(25) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13 (b)(25) is amended—

(A) by striking out "sixty-six" and inserting in lieu thereof "sixty";

(B) by striking out "sixty" and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" and inserting in lieu thereof "forty".

### LOCAL TRANSIT EMPLOYEES

SEC. 21. (a) Section 7 is amended by adding after the subsection added by section 9 (a) of this Act the following new subsection:

"(n) In the case of an employee of an employer engaged in the business of operating a street, suburban, or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit) in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employees' regular employment."

(b) (1) Section 13(b) (7) (relating to employees of street, suburban, or interurban electric railways or local trolley or motorbus carriers) is amended by striking out ", if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, such section is repealed.

### COTTON AND SUGAR SERVICES EMPLOYEES

SEC. 22. Section 13 is amended by adding after the subsection added by section 18(a) the following:

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

"(B) exclusively to provide services necessary and incidental to the receiving, handling, and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarily engaged in storing and compressing;

"(C) exclusively to provide services necessary and incidental to the receiving, handling, storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing, and processing of cottonseed; and

"(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugar cane or sugar beets; and".

"(2) receiver for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7.".

### OTHER EXEMPTIONS

SEC. 23. (a) (1) Section 13(a) (9) (relating to motion picture theater employees) is repealed.

(2) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

"(26) any employee employed by an establishment which is a motion picture theater;".

(b) (1) Section 13(a) (13) (relating to small logging crews) is repealed.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

"(27) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering operations does not exceed eight.".

(c) Section 13(b) (2) (insofar as it relates to pipeline employees) is amended by inserting after "employer" the following: "engaged in the operation of a common carrier by rail and".

### EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and of messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitation as to time, number, proportion, and length of service as the Secretary shall prescribe.

"(b) (1) (A) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide, in accordance with subparagraph (B), for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Pureto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail service establishments.

"(B) Except as provided in paragraph (4) (B), the proportion of student hours of employment under special certificates issued under subparagraph (A) to the total hours of employment of all employees in any retail or service establishment may not exceed (i) such proportion for the corresponding month of the twelve-month period preceding May 1, 1961, (ii) in the case of a retail or service establishment whose employees (other than employees engaged in commerce or in the production of goods for commerce) are covered by this Act for the first time on or after the effective date of the Fair Labor Standards Amendments of 1966 or the Fair Labor Standards Amendments of 1974, such proportion for the corresponding month of the twelve-month period immediately prior to the applicable effective date, or (iii) in the case of a retail or service establishment coming into existence after May 1, 1961, or a retail or service establishment for which records of student hours worked are not available, a proportion of student hours of employment to total hours of employment of all employees based on the practice during the twelve-month period preceding May 1, 1961, in similar establishments of the same employer in the same general metropolitan area in which the new establishment is located, similar establishments of the same employer in the same or nearby counties of the new establishment is not in a metropolitan area, or other establishments of the same general character opening in the community or the nearest comparable community. For the purposes of the preceding sentence, the term 'student hours of employment' means student hours worked at less than $1.00 an hour, except that such term shall include, in States whose minimum wages were at or above $1.00 an hour in the base year, hours worked by students at the State minimum wage in the base year.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a) (5) or not less than $1.30 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c) (3)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

"(3) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

"(4) (A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four—

"(i) the Secretary may issue a special certificate under paragraph (1) or (2) for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection, and "(ii) in the case of an employer which is a retail or service establishment, subparagraph (B) of paragraph (1) shall not apply with respect to the issuance of special certificates for such employer under such paragraph.

The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subparagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

"(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of the student status of the employees to be employed under such special certificate."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws."

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b)."

### CHILD LABOR

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

"(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age."

(b) Section 13(c)(1) (relating to child labor in agriculture) is amended to read as follows:

"(c)(1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is less than twelve years of age and (i) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a)(6)(A)) required to be paid at the wage rate prescribed by section 6(a)(5),

"(B) is twelve years or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

"(C) is fourteen years of age or older.".

(c) Section 16 is amended by adding at the end thereof the following new subsection:

"(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

"(1) deducted from any sums owing by the United States to the person charged;

"(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"(3) ordered by the court in an action brought under section 15(a)(4), to be paid to the Secretary. Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled 'An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes' (29 U.S.C. 9a)."

### SUITS BY SECRETARIES FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: "The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under section 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary in an action under this subsection in which a recovery is sought of unpaid minimum wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provisions of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary."

### ECONOMIC EFFECTS STUDIES

SEC. 27. Section 4(d) is amended by—

(1) inserting "(1)" immediately after "(d)",

(2) inserting in the second sentence after the term "minimum wages" the following: "and overtime coverage"; and

(3) by adding at the end thereof the following new paragraphs:

"(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishment described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976.

"(3) The Secretary of Labor shall conduct a study on means to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment, such as disadvantaged minorities, youth, elderly, and such other groups the Secretary may designate. Such studies shall include suggestions under the authority that the Secretary of Labor has available under section 14 of the Fair Labor Standards Act and shall be transmitted to the Congress one year after the effective date of these amendments and thereafter at two-year intervals after the effective date of these amendments.".

### AGE DISCRIMINATION

SEC. 28. (1) the first sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out "twenty-five" and inserting in lieu thereof "twenty".

### Nondiscrimination on Account of Age in Government Employment

(2) The second sentence of section 11(b) is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(3) Section 11(c) of such Act is amended by striking out ", or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

(4) Section 11(f) of such Act is amended to read as follows:

"(f) The term 'employee' means an individual employed by any employer except that the term 'employee' shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy-making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision."

(5) Section 16 of such Act is amended by striking the figure "$3,000,000", and inserting in lieu thereof "$5,000,000".

(b)(1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

### "NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each such department, agency, or unit;

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

"(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law."

### EFFECTIVE DATE

SEC. 29. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on the first day of the first full month which begins after the date of the enactment of this Act.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

### AMENDMENT OFFERED BY MR. DENT

Mr. DENT. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DENT: Strike out all after the enacting clause of the bill S. 2747 and insert in lieu thereof the provisions of H.R. 12435, as passed, as follows:

### SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1974".

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6(a)(1) is amended to read as follows:

"(1) not less than $2 an hour during the period ending December 31, 1974, not less than $2.10 an hour during the year beginning January 1, 1975, and not less than $2.30 an hour after December 31, 1975, except as otherwise provided in this section;".

### INCREASE IN MINIMUM WAGE RATE FOR NON-AGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1973

SEC. 3. Section 6(b) is amended (1) by inserting ", title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1974" after "1966", and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.90 an hour during the period ending December 31, 1974.

"(2) not less than $2 an hour during the year beginning January 1, 1975,

"(3) not less than $2.20 an hour during the year beginning January 1, 1976, and

"(4) not less than $2.30 an hour after December 31, 1976."

### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 4. Section 6(a)(5) is amended to read as follows:

"(5) if such employee is employed in agriculture not less than—

"(A) $1.60 an hour during the period ending December 31, 1974,

"(B) $1.80 an hour during the year beginning January 1, 1975,

"(C) $2 an hour during the year beginning January 1, 1976,

"(D) $2.20 an hour during the year beginning January 1, 1977, and

"(E) $2.30 an hour after December 31, 1977."

### INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States."

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1974, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1974 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

"(A) Effective on the effective date of the Fair Labor Standards Amendments of 1974, the wage order rate applicable to such employee on the day before such date shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

"(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the day before such first day shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

"(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1974, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1974, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or $1 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendations, but not before sixty days after the effective date of the Fair Labor Standards Amendments of

1974, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2)(B).

"(4)(A) Notwithstanding paragraph (2) (A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2)(A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1, whichever is higher.

"(B) Notwithstanding paragraph (2)(B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(B), shall, on and after the effective date of the first wage increase under paragraph (2)(B), be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employees.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section (8) fixing a higher minimum wage rate."

(c)(1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### FEDERAL AND STATE EMPLOYEES

SEC. 6. (a)(1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Section 3(e) is amended to read as follows:

"(e)(1) Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

"(2) In the case of an individual employed by a public agency, such term means—

"(A) any individual employed by the Government of the United States—

"(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

"(ii) in any executive agency (as defined in section 105 of such title),

"(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

"(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

"(v) in the Library of Congress;

"(B) any individual employed by the United States Postal Service or the Postal Rate Commission; and

"(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

"(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

"(ii) who—

"(I) holds a public elective office of that State, political subdivision, or agency,

"(II) is selected by the holder of such an office to be a member of his personal staff,

"(III) is appointed by such an officeholder to serve on a policymaking level, or

"(IV) who is an immediate adviser to such an officeholder with respect to the constitutional or legal powers of his office.

"(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family."

(3) Section 3(h) is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed."

(4) Section 3(r) is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of a public agency,".

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1) "including employees handling, selling, or otherwise working on goods" and inserting in lieu thereof "or employees handling, selling, or otherwise working on goods or materials",

(B) by striking out "or" at the end of paragraph (3),

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or",

(D) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of a public agency.", and

(E) by adding after the last sentence the following new sentence: "The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce."

(6) Section 3 is amended by adding after subsection (w) the following:

"(x) 'Public agency' means the Government of the United States; the government of a State or political subdivision thereof; any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency."

(b) Section 4 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to any individual employed in the Library of Congress to provide for the carrying out of the Secretary's functions under this Act with respect to such individuals. Notwithstanding any other provision of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, or Postal Rate Commission). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.".

(c) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following new paragraph:

"(20) any employee of a public agency engaged in fire protection or law enforcement activities (including security personnel in correctional institutions); or". (d)(1) The second sentence of section 16(b) is amended to read as follows: "Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees similarly situated.".

(2)(A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1974, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on grounds other than State immunity from Federal jurisdiction."

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16".

### DOMESTIC SERVICE WORKERS

SEC. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: "That Congress further finds that the employment of persons in domestic service in households affects commerce."

(b)(1) Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee who in any workweek—

(1) is employed in domestic service in one or more households, and

"(2) is so employed for more than eight hours in the aggregate,

shall be paid wages for such employment in such workweek at a rate not less than the wage rate in effect under section 6(b)."

(2) Section 7 is amended by adding at the end thereof the following new subsection:

"(k) No employer shall employ any employee in domestic service in one or more households for a workweek longer than forty hours unless such employee receives compensation for such employment in accordance with subsection (a)."

(3) Section 13(a) is amended by adding at the end the following new paragraph:

"(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary)."

(4) Section 13(b) is amended by adding after the paragraph added by section 6(c) the following new paragraph:

"(21) any employee who is employed in domestic service in a household and who resides in such household; or".

### RETAIL AND SERVICE ESTABLISHMENTS

SEC. 8. (a) Effective July 1, 1974, section 13(a)(2) (relating to employees of retail and service establishments) is amended by striking out "$250,000" and inserting in lieu thereof "$225,000".

(b) Effective July 1, 1976, such section is amended by striking out "$225,000" and inserting in lieu thereof "$200,000".

(c) Effective July 1, 1977, such section is amended by striking out "or such establishment has an annual dollar volume of sales which is less than $200,000 (exclusive of excise taxes at the retail level which are separately stated)".

### TOBACCO EMPLOYEES

SEC. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b)(2) of this Act the following:

"(l) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(*A*) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37, as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco,

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture) or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packaging, perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek, compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section.

(b)(1) Section 13(a)(14) is repealed.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b)(4) of this Act the following new paragraph:

(22) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapper tobacco; or".

### TELEGRAPH AGENCY EMPLOYEES

SEC. 10. (a) Section 13(a)(11) (relating to telegraph agency employees) is repealed.

(b)(1) Section 13(b) is amended my adding after the paragraph added by section 9(b)(2) of this Act the following new paragraph:

(23) any employee or proprietor in a retail or service establishment which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, who is engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telephone company where the telegraph message revenue of such agency does not exceed $500 a month, and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(23) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, section 13(b)(23) is repealed.

### SEAFOOD CANNING AND PROCESSING EMPLOYEES

SEC. 11. (a) Section 13(b)(4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours."

(c) Effective two years after such date, section 13(b)(4) is repealed.

### NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

### HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who performs maid or custodial services) who is", (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee of a hotel or motel who performs maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employee unless (1) such employee has been informed by the employer of the provisions of this subsection, and (2) all tips received by such employee have been retained by the employee, except that this subsection shall not be construed to prohibit the pooling of tips among employees who customarily and regularly receive tips."

### SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (realting to salesmen, partsmen, and mechanics) is amended to read as follows:

"(10)(A) any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles, trucks, or farm implements, if he is employed by a non-manufacturing establishment primarily engaged in the business of selling such vehicles or implements to ultimate purchasers; or

"(B) any salesman primarily engaged in selling trailers, boats, or aircraft employed by a nonmanufacturing establishment primarily engaged in the business of selling trailers, boats, or aircraft to ultimate purchasers; or".

### FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15. (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, such section is repealed.

### BOWLING EMPLOYEES

SEC. 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(b) Effective two years after such date, such section is repealed.

### SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

(24) any employee who is employed with his spouse by a nonprofit educational institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, and

"(B) who are enrolled in such institution and reside in residential facilities of the institution, while such children are in residence at such institution, if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000; or".

### EMPLOYEES OF CONGLOMERATES

SEC. 18. Section 13 is amended by adding at the end thereof the following:

"(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to, but materially support, the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by paragraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section 3(s)."

### SEASONAL INDUSTRY EMPLOYEES

SEC. 19. (a) Sections 7(c) and 7(d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks", and

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks".

(b) Section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out "five workweeks" and inserting in lieu thereof "three workweeks", and

(2) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks".

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

### COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Section 13(b)(15) is amended to read as follows:

"(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or sirup; or".

(b)(1) Section 13(b) is amended by adding after paragraph (24) the following new paragraph:

"(25) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(25) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(25) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

(c)(1) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

"(26) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugar cane into sugar (other than refined sugar) or syrup and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(26) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(26) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

### LOCAL TRANSIT EMPLOYEES

SEC. 21(a) Section 7 is amended by adding after the subsection added by section 9(a) of this Act the following new subsection:

"(m) In the case of an employee of an employer engage in the business of operating a street, suburban or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment."

(b)(1) Section 13(b)(7) (relating to employees of street, suburban or interurban electric railways, or local trolley or motorbus carriers) is amended by striking out ", if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, such section is repealed.

### COTTON AND SUGAR SERVICE EMPLOYEES

SEC. 22. Section 13 is amended by adding after the subsection added by section 18 the following:

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

"(B) exclusively to provide services necessary and incidental to the receiving, handling and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarily engaged in storing and compressing;

"(C) exclusively to provide services necessary and incidental to the receiving, handling, storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing and processing of cottonseed; or

"(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugar cane or sugar beets; and".

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7."

### OTHER EXEMPTIONS

SEC. 23. (a) (1) Section 13(a) (9) (relating to motion picture theater employees) is repealed.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

(27) any employee employed by an establishment which is a motion picture theater; or".

(b) (1) Section 13(a) (13) (relating to small logging crews) is repealed.

(2) Section 13(b) is amended by adding after paragraph (27) the following new paragraph:

"(28) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering *operations* does not exceed eight."

(c) Section 13(b) (2) (insofar as it relates to pipeline employees) is amended by inserting after "employer" the following: "engaged in the operation of a common carrier by rail and".

### EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe.

"(b) (1) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail or service establishments.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a) (5) or not less than $1.30 an hour, whichever is the higher (or, in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

"(3) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

"(4) (A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may issue a special certificate under paragraph (1) or (2) or the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subpagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

"(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of the student status of the employees to be employed under such special certificate."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws."

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b)."

### CHILD LABOR

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

"(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age."

(b) Section 13(c) (1) (relating to child labor in agriculture) is amended to read as follows:

"(c) (1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is less than twelve years of age and (i) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a) (6) (A)) required to be paid at the wage rate prescribed by section 6(a) (5),

"(B) is twelve years or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

"(C) is fourteen years of age or older."

(c) Section 16 is amended by adding at the end thereof the following new subsection:

"(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

"(1) deducted from any sums owing by the United States to the person charged;

"(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"(3) ordered by the court, in an action brought for a violation of section 15(a) (4), to be paid to the Secretary.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled 'An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes' (29 U.S.C. 9a)."

### SUITS BY SECRETARY FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: "The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to an employee or employees under section 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right, provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary in an action under this subsection in which a recovery is sought of unpaid minimum wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provision of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary."

### ECONOMIC EFFECTS STUDIES

SEC. 27. Section 4(d) is amended by—

(1) inserting "(1)" immediately after "(d)";

(2) inserting in the second sentence after "minimum wages" the following: "and overtime coverage"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishments described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976."

### NONDISCRIMINATION ON ACCOUNT OF AGE IN GOVERNMENT EMPLOYMENT

SEC. 28. (a)(1) The first sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out "twenty-five" and inserting in lieu thereof "twenty".

(2) The second sentence of section 11(b) of such Act is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(3) Section 11(c) of such Act is amended by striking out ", or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

(4) Section 11(f) of such Act is amended to read as follows:

"(f) The term 'employee' means an individual employed by any employer except that the term 'employee' shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision.".

(5) Section 16 of such Act is amended by striking out "$3.000,000" and inserting in lieu thereof "$5,000,000".

(b)(1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

### "NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having position in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each department, agency, or unit referred to in subsection (a);

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

"(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law.".

### EFFECTIVE DATE

SEC. 29. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on the first day of the second full month which begins after the date of the enactment of this Act:

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12435) was laid on the table.

## GENERAL LEAVE

Mr. DENT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter, on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## APPOINTMENT OF CONFEREES ON S. 2747, FAIR LABOR STANDARDS ACT OF 1938

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the House insist on its amendment to the Senate bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Messrs. PERKINS, DENT, DOMINICK V. DANIELS, BURTON, GAYDOS, CLAY, BIAGGI, QUIE, ERLENBORN, HANSEN of Idaho, KEMP, and SARASIN.

## TENNESSEE VALLEY AUTHORITY POLLUTION CONTROL FACILITIES

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 991 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

### H. RES. 991

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 991 provides for an open rule with 1 hour of general debate on H.R. 11929, a bill to amend the Tennessee Valley Authority Act of 1933.

H.R. 11929 provides that expenditures by the Tennessee Valley Authority for pollution control facilities will be credited against required power investment return payments and repayments. Beginning in fiscal year 1975, the TVA would be entitled to a credit against the payments and repayments which are required by law as a return on the appropriation investment in power facilities. The credit would be in an amount equal to that expended for any certified pollution control facility in the preceding year. Such a credit would be equal to a cash payment.

Mr. Speaker, I urge the adoption of House Resolution 991 in order that we may discuss and debate H.R. 11929.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 991 is the rule providing for the consideration of H.R. 11929, the Tennessee Valley Authority pollution control facilities bill. The rule is an open rule with 1 hour of general debate.

The primary purpose of H.R. 11929 is to provide that TVA expenditures for pollution control facilities will be credited against payments TVA makes to the Treasury as return and repayment on the appropriation investment in power facilities.

In addition, 10 percent or more of the power generating capacity of the plant will be required to operate the environmental control devices. It is the intent of H.R. 11929 that the added increment of power producing capacity which is required in new facilities to operate environmental control devices would also be considered a pollution control facility.

The total cost of this bill for the next 5 fiscal years is estimated by the committee to be $394,500,000.

The committee report contains letters from TVA, the Environmental Protection Agency, and the Treasury Department. All three letters conclude that this bill is not in accord with the administration's program.

Supplemental views were filed by Members, Congressmen DON H. CLAUSSEN, HAMMERSCHMIDT, ABDNOR, and HANRAHAN pointing out that the Nation overreacted in setting up stringent environmental requirements and should "return to a more reasoned approach."

Minority views were filed by Members, Congressmen CLEVELAND and SNYDER arguing that—

> The clear effect of H.R. 11929 is to provide that the Federal Government would pay 100% of the cost of environmental control equipment installed by the Tennessee Valley Authority pursuant to air and water pollution control laws. No similar benefit is available to other power producing organizations.

They propose a credit equal to 50 percent of the cost of pollution control facilities.

Mr. Speaker, I have no objection to the adoption of the recommended rule.

Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee (Mr. QUILLEN).

Mr. QUILLEN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this is a measure which would equalize the pollution costs of the TVA in conjunction with the private corporations and other power producing facilities throughout the United States.

I would like to invite the attention of the Members of the House to the fact that the TVA power backs up other power companies east of the Western States and provides power to them during peak periods.

We all know about the high cost of power to consumers, and its application to every facet of progress in the United States. The TVA has pioneered not only in flood control but also in pollution control, and pollution control costs should be credited by the U.S. Government. This would tend to lower power rates for the benefit of all the people, not only in the Tennessee Valley area but throughout the width and breadth of this country.

Mr. Speaker, I urge adoption of the rule and the passage of the bill.

Mr. DEL CLAWSON. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I am surprised that a bill of this nature would reach the floor of the House of Representatives and my surprise impels me to raise some questions about it.

It seems to serve a very narrow sectional interest and to discriminate against power production elsewhere throughout the country.

In my district, for example, the city of Springfield has a municipal powerplant and that city has gone to great expense to install pollution control devices to bring the emissions from that plant within the standards that are being established by EPA.

I also have a number of rural electric cooperatives in my district. They are formed into WIPCO, which is a central power cooperative which generates electricity for the benefit of these other rural electrical cooperatives. This cooperative has installed a pollution control device on its plant at Pearl, Ill., near my hometown, and has paid from revenues for the full cost of this expensive installation.

The question I raise is why the committee considering this bill did not extend the 100 percent Federal financing principle on pollution control devices to the generation of all power throughout the country? Why is it restricted just to one region of the Nation? Can anyone provide me with an answer to that question?

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I will be glad to yield to the gentleman.

Mr. JONES of Alabama. The municipal distribution systems as represented by the American Public Power Association and in the National Rural Electric Cooperation Association have supported this proposal. I would like to point out to the gentleman that under the tax exempt bonding authorities possessed under the existing law the municipalities issue tax-exempt bonds; so consequently that gives them an advantage that even TVA does not have. Consequently, they are advantaged to that extent.

Mr. FINDLEY. May I ask the gentleman this question. I could not quite catch his comments. Did he state that private utilities had tax-exempt bonds for the financing of pollution control devices?

Mr. JONES of Alabama. I thought the gentleman was addressing himself to the municipal owned and operated enterprises.

Mr. FINDLEY. Yes.

Mr. JONES of Alabama. So my reply to that question is, "Yes."

Mr. FINDLEY. It is true that the municipalities can issue bonds, the interest of which is tax exempt; but they do have the responsibility to retire those bonds.

Mr. JONES of Alabama. That is true.

Mr. FINDLEY. And to pay the interest on them.

Mr. JONES of Alabama. Yes.

Mr. FINDLEY. Yet this bill would seem to establish a rather unusual precedent of Federal financing of pollution control devices for just a limited part of the country.

Mr. JONES of Alabama. If the Tennessee Valley Authority could issue tax-exempt bonds, then it would not be necessary for us to consider a bill in the nature such as we have before us today.

Now, the bonds that have been issued by the Tennessee Valley Authority have exceeded $2.5 billion. They are not tax exempt. The properties which these bonds provide are owned by the United States. The municipal and cooperative properties are owned by the people they serve.

Mr. FINDLEY. I see.

Mr. JONES of Alabama. So there is the great disparity which the gentleman failed to understand.

Mr. FINDLEY. Bonds issued by utilities and municipalities whether tax-exempt or not must be retired from enterprise revenue and interest paid that way too. I just make the summary comment that if we approve this bill, I do not see how in good conscience and fairness this Congress can fail to approve full Federal financing of pollution control devices for the rural electric cooperative generating plants and for the private utility generating plants throughout the country. We will establish a bad and expensive precedent with this bill.

Mr. DEL CLAWSON. Mr. Speaker, I have no further requests for time.

Mr. JONES of Alabama. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. JONES of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama (Mr. JONES).

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 11929) with Mr. EVANS of Colorado in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the genleman from Alabama, (Mr. JONES) will be recognized for 30 minutes, and the gentleman from Tennessee (Mr. BAKER) will be recognized for 30 minutes.

The Chair now recognizes the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 12 minutes.

Mr. Chairman, H.R. 11929 would amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments. These credits would be similar to those already provided for private investment for various purposes inasmuch as they would reduce liabilities for payments to the Treasury on the basis of expenditures required to achieve nationally beneficial objectives.

This legislation is necessary because conditions and circumstances in the Nation, in the electric power industry and in the Tennessee Valley region have changed considerably since the last major review of the TVA Act in the 1950's.

H.R. 11929, as reported, would add a subsection to section 15d of the TVA Act of 1933. The first part of the new subsection provides that beginning with fiscal year 1975, and every year thereafter, the Tennessee Valley Authority is entitled to credit payments for certified environmental control equipment during the preceding year against both the required $20 million per year annual repayment and the annual payments as return on the appropriation investment.

In any year where expenditures for pollution control equipment exceeds the payments required as a return on appropriation investment for the next fiscal year, the amount in excess of the repayments shall be applied against the $20 million annual repayment.

In those years where the investment for certified pollution control equipment exceeds the sum of the $20 million per year annual repayment and the return on appropriation investment for the next year, such excess sums would be credited against the outstanding unrepaid appropriation.

Credits against the return on appropriation investment or repayment of the appropriation investment shall be applied against the return or repayment sums as if they were payments in cash.

The second part of the new subsection provides that in order for pollution control expenditures to be eligible to be credited against annual repayments or payments as return on appropriation investment, such expenditures must be for certified pollution control facilities. For a facility to qualify as a "certified pollution control facility," the Board of the Tennessee Valley Authority must first certify to the Environmental Protection Agency that the environmental control facility has been or is being constructed, reconstructed, erected, or acquired, in conformity with programs and requirements for abatement and control of water or atmospheric pollution or contamination. The Administrator of the Environmental Protection Agency, in addition, must then certify to the Secretary of the Treasury or his delegate that the facility in question is or will be in compliance with the applicable regulations of Federal agencies, and is in furtherance of the general policy of the United States for cooperation with the States in the prevention and abatement of water pollution under the Federal Water Pollution Control Act or in the prevention or abatement of atmospheric pollution or contamination under the Clean Air Act.

By crediting expenditures for pollution control facilities against Treasury payments, cash will be available for investments that would otherwise have to be made with borrowed money. Therefore, the Tennessee Valley Authority would have to borrow less and thereby obtain a savings in interest costs. This reduction in interest costs would further reduce the need for borrowing and expand the benefits to the Tennessee Valley Authority.

It is intended that eligible facilities to abate or control water or atmospheric pollution or contamination shall include all new or reconstructed facilities that are either required pursuant to existing schedules of compliance or which will be required at a future time pursuant to the Federal Water Pollution Control Act and Clean Air Act.

It is intended that partial expenditures for pollution control facilities, the construction of which will extend over more than 1 fiscal year, may be credited against payments and repayments as they accrue and prior to the actual completion of construction. Such partial expenditures may be certified prior to the time the environmental control equipment is actually put into operation.

Certain environmental control facilities utilized by the power industry such as cooling towers, electrostatic precipitators and stack-gas cleaning facilities require significant quantities of electric power for their operation. It has been estimated that in certain new power plans with high performance precipitators, $SO_2$ scrubbing devices, and forced-draft cooling towers, 10 percent or more of the power generating capacity of the new plant would be required to operate the environmental control devices. It is the intent of H.R. 11929 that that added increment of power-producing capacity which is required in new facilities to operate certified environmental control devices would also be considered to be a certified pollution control facility. Thus, the cost of this added increment of power producing capacities would be eligible to be credited against the repayments and investment return payments.

It is to be noted that the Federal Water Pollution Control Act and the Clean Air Act both authorize or direct the States to set pollution control standards. It is intended that the facilities installed pursuant to such State pollution control standards shall also be eligible for certification as certified pollution control facilities.

In recent years a number of national requirements have been placed on various private and public activities for control of air and water pollution. The requirements have been established by legislation such as the Water Pollution Control Act, the Clean Air Act, the Solid Waste Disposal Act, the National Environmental Policy Act, amendments to the acts, executive orders, and regulations to implement the acts.

Improvement of the environment is a significant enough national goal to merit national financial support through various means:

First. Direct Federal appropriations are provided for pollution control at many Federal installations. These include military bases, industrial production facilities, naval vessels, GSA buildings, and recreational areas.

Second. Federal grants are provided to State and local governments for many pollution control activities. Presently, water pollution abatement facilities are eligible for 75 percent Federal grants.

Third. Private industry is provided with various tax relief devices to ameliorate the cost of pollution control equipment as well as other investments in facilities.

The tax provisions related only to pollution control equipment include the 5-year amortization provided for facilities installed in existing plants and tax-exempt status for State and local revenue bonds used for pollution control. Other provisions of the tax law provide for investment credits for new plant—7 percent for most industry, 4 percent for regulated utilities—and various liberalized depreciation procedures such as Asset Depreciation Range—ADR—which provides for a 20-percent alternation of the depreciation life of equipment—which would be available for new plants regardless of whether for pollution control or production.

Each firm makes its own decision as to which tax procedures, if any, will be most beneficial to use in accounting for new investments or additions to old facilities. The sum of all the available tax provisions can be large.

For the privately owned electric utilities, these incentives have generated more than $5 billion in tax credits and other reductions in payments to the Federal Government.

In recent years the decrease in Federal tax payments by electric utilities has been dramatic. In 1961 Federal taxes amounted to 11.1 percent of operating revenues from private systems. In 1972 this had dropped to 3.5 percent. During this period, annual operating revenues and operating income more than doubled.

While these credits and incentives accrued from the total range of investments in facilities, including pollution control, by private utilities, H.R. 11929 limits the credits available to TVA to the system's investment for environmental enhancement.

The investments paid for by the consumers of TVA power have the identical general public beneficial effects as those by private industry on control of pollution, providing of jobs, and improving the total economy of the entire Nation. Therefore, differences in the purpose, functions and control make providing the exact same advantages impossible.

The TVA, for example, has no profits subject to Federal taxes. Under the law, all, not part, of TVA income surplus to the requirements of the system would go to the Treasury.

The TVA is wholly owned by the United States. Any appreciation of the system, any accumulation of property or equipment, accrues to the United States. Yet, these enhancements are now totally paid for by charges to the users of TVA power.

At the end of 1973, the TVA's power assets were $4.507 billion. Total appropriations have been $1,404 billion. Although the system has made total payments to the Treasury of $992.9 million, the balance of appropriations was $1,035 billion. The section 15d borrowed funds, which will be retired from revenues from consumers, totaled $2.535 billion. Consumers have provided revenues for payments to the Treasury of $992.9 million plus the revenues for the retained earnings of $823.7 million or a total of $1,815 billion.

To put TVA consumers on a comparative basis in respect to environmental improvement with the general investments paid for by consumers of privately produced electric power, this legislation makes a recognition of the cost of federally required air and water pollution control programs and provides credits against required Federal payments.

The credits would be for equipment installed to meet various standards imposed by legislation which was unanticipated at the time of the 1959 TVA Self-Financing Act.

Although no appropriations would be required under this proposal, the effect would be to afford consumers of TVA power with a treatment similar to that of privately owned facilities in regard to the pollution control and other investments. That is, investments would result in a reduction of liabilities for payments to the Treasury. Cost of operation of the facilities would still be totally borne by consumers of TVA power.

The Tennessee Valley Authority power program, the Nation's largest, supplies power in most of Tennessee, in northern Alabama, in northeastern Mississippi, in southwestern Kentucky and in small portions of Georgia, North Carolina, and Virginia. This area of approximately 80,000 square miles, has a population of about 6,000,000. Within this area, TVA furnishes power to 160 municipal and cooperative electric systems, TVA, as the wholesaler of power to these distributors, provides the generation and transmission systems while local systems provide the distribution facilities and handle the resale of the power to the ultimate consumers. In addition, TVA serves directly 48 industrial customers having large or unusual power requirements and several Federal installations including AEC facilities at Oak Ridge and Paducah, NASA's Marshall Space Flight Center at Huntsville and the Air Force's Arnold Engineering Development Center at Tullahoma.

As a supplier of power, TVA's objective is the advancement of the national defense and the physical, social, and economic development of the area in which it conducts its operations by providing that area with an ample supply of electric power. In providing this ample supply of power, it has been necessary for TVA to add substantially to the 800,000 KW of generating capacity that served the area in 1933. TVA's power generating facilities now include 29 hydro plants, 12 steam plants—including the Allen plant leased from Memphis—and two gas turbine installations. Twelve hydro plants owned by subsidiaries of the Aluminum Co. of America also are operated as part of the TVA system, and eight hydro plants of the U.S. Corps of Engineers are operated in coordination with the TVA system. In addition to the power generation facilities, the TVA power system includes over 16,500 miles of transmission lines and 360 substations. Approximately 1,500 mile of these transmission lines are extra-high-voltage—500,000-volt—lines.

TVA's present generation capacity of 22,039,015 kilowatts is composed of 3,192,630 kilowatts from hydro facilities, 17,749,584 kilowatts from fossil fueled steamplants, and 1,096,800 kilowatts from combustion turbines. The capacity from Alcoa and the Corps of Engineers adds 423,715 kilowatts and 819,666 kilowatts, respectively, of additional capacity, making a system total of 23,282,396 kilowatts. In addition, to meet the growing power requirements of the Tennessee Valley area, 17,830,960 kilowatts of additional capacity is now under construction or authorized. This includes 1,530,000 kilowatts from a pumped storage hydro facility and 16,300,960 kilowatts from nuclear plants. The nuclear capacity being added represents 13 generating units of more than a million kilowatts each.

Commercial operation of the first of these, Browns Ferry Unit 1, will begin soon. The above generating plant additions are scheduled to increase system capacity to above 41 million kilowatts by the end of 1982. Thus, to continue to provide ample power to meet the region's growing requirements, TVA must almost double its generating capacity in less than 10 years.

The importance of TVA's power program is not limited to the Tennessee Valley region. TVA's electric power system is interconnected with surrounding electric power systems through a number of high capability transmission lines. TVA has entered into contractual arrangements with a number of privately owned utility companies and cooperatives whereby various services are reciprocally provided the respective parties through these interconnections. One of the important services included is the provision for diversity capacity exchange which allows TVA and other systems to exchange power on a seasonal basis thereby eliminating the need for an equivalent amount of additional generating capacity on each system. TVA is currently exchanging about 2,060,000 kilowatts of power on a seasonal basis with systems to the South, West and Northwest. Peaks occurring in fiscal year 1973 graphically illustrate the utility of the exchange arrangements. TVA's summer peak use of 15,276,000 kilowatts occurred July 26, 1972, but its peak generation, which occurred July 18, 1972, was 17,009,000 kilowatts, when the TVA system was delivering exchange power. On the other hand, the peak winter use on the TVA system occurred January 12, 1973, and amounted to 18,888,000 kilowatts. But the winter generation peak was 16,883,000 kilowatts on January 29, 1973, over 2,000,000 kilowatts less, when TVA was receiving exchange power.

These contractual arrangements between TVA and other electric power systems also include such services as the concurrent exchange of power and provisions for furnishing maintenance energy and emergency assistance. Emergency assistance between interconnected systems is quite important since power can flow back and forth when needed to help relieve emergency situations that sometimes threaten the reliability of electric power service.

Practically all power systems east of the Western United States, with the exception of those systems in Texas, and systems covering much of Canada are linked together by a large network of interconnections. Since TVA constitutes a sizable portion of this network, the TVA power system adds substantially to the reliability of the Nation's power supply.

To help assure adequate electric power not only for the consumer of the Tennessee Valley region but also for the entire country, TVA participates in many electric power utility industry activities, such as the National Electric Reliability Council—NERC—North American Power Systems Interconnection Committee—NAPSIC—Electric Power Research Institute—EPRI—Atomic Industrial Forum—AIF—and many other such activities that influence the country's power industry and electric power service to the Nation's citizens and industries.

One cooperative effort in which TVA is a leading participant is the Liquid Metal Fast Breeder Reactor—LMFBR—project. TVA is participating with the AEC, Commonwealth Edison Co. of Chicago, Breeder Reactor Corp., and Project Management Corp. in the construction and operation of this Nation's first large-scale demonstration project of this type. The plant, which will be in the range of 350-400 megawatts, is presently proposed to be located on the TVA system near Oak Ridge, Tenn. The project is estimated to cost about $700 million with pledges amounting to about $250 million to be obtained from all segments of the utility industry, including privately, publicly, and cooperatively owned companies. Of this amount, TVA has pledged about $22 million over a 10-year period on behalf of itself and its distributors and will provide approximately $2 million in nonreimbursable services to the project. Since liquid metal fast breeder reactor technology appears to have the best potential for meeting future energy requirements in an economical and environmentally acceptable manner the experience and knowledge gained through work on this project should be quite beneficial to TVA and the Nation.

From the very start, the Tennessee Valley Authority has been concerned with the environment and the quality of life for the people of the region and elsewhere. The concern is in response to the congressional mandate to encourage conservation and wise use of resources.

TVA has demonstrated its belief in environmental quality in many ways. For example, although the valley is much more heavily populated than in 1933, and although there has been extensive industrial growth along the waterway, the river's waters are generally of higher quality than they were before the reservoirs were created. Only a few years after TVA was in operation, TVA surveyed the waters of the valley to determine their quality and to identify problem areas that existed. Based in part on the results of the survey, the Authority determined that antipollution covenants should be contained as a condition in deeds in which TVA transferred land to others for developmental purposes.

Coal, even before TVA, was a major source of home and industrial energy for the people of the Tennessee River Valley. Before TVA, the winter skies of the cities were dark from the smoke and soot from thousands of individual home fires and scores of industrial facilities.

Coal is still the primary fuel for the energy produced by the TVA but the difference is a cleaner environment.

The polluting effects of burning coal at central power stations can be attacked in ways that would be impossible if this coal were still burned in thousands and thousands of individual homes and businesses. From the standpoints of technology and economy, it is far more environmentally advantageous to have the required amounts of energy from coal consumed at large central facilities such as provided by TVA.

In the 1940's, before becoming a major coal purchaser, TVA surveyed the effects of strip mining in the valley area. Using this information, initial experiments and demonstrations of reclamation techniques were established. State action to control and regulate strip mining was urged on a comprehensive basis by State and Federal legislation. In 1965, TVA adopted a policy requiring reclamation under its coal purchase contracts. TVA took this action to demonstrate the effectiveness of reclamation requirements and to assure the reclamation of all areas being surface mined to supply coal to TVA. Through the years TVA has strengthened these contract provisions.

In recent years, the need to assure a quality environment has given rise to new laws and regulations which evidence the Nation's environmental concern. They set forth a number of new requirements which will result in substantial investments in pollution control facilities at electric power generating plants. Because they are relatively new these laws are subject to a variety of interpretations.

Until these new laws concerning environmental controls have been further interpreted by the courts and regulatory agencies, it is not possible to precisely establish the costs which will be incurred by TVA for pollution control at its steam plants. Nevertheless, based upon the TVA's best interpretation of the laws and discussions with State pollution control agencies, the Authority has planned a TVA program for environmental controls.

The capital costs involved in the TVA program are outlined as well as potential costs should the TVA be required to expand upon the planned program. The difference in cost is substantial. The capital investment for the total planned TVA program, including investments made to date, would be $570 million. Capital costs for controls which the TVA believes are not needed, and which the Authority is resisting, could add as much as $1.65 billion to this program.

Investments by the public sector of the economy—such as TVA—have exactly the same beneficial result as investments by the private sector for such things as pollution control, providing employment, improving safety, or other objectives of the incentives.

In the case of the TVA, the cost of the investments is a direct charge to the consumer just as the costs of investment in facilities are reflected in the rates paid by consumers of power produced by a private utility.

H.R. 11929 recognizes that the pollution control investments by the consumer of TVA power have the same beneficial national objectives as investments by the private sector.

While the proposal to credit TVA with pollution control expenditures has been patterned after similar incentives already provided to private firms for pollution control and other investments, the differences in the nature of the two types of systems make exact parallels impossible.

Estimates vary as to the value of the tax laws concerning investment credits, accelerated amortization, and liberalized depreciation to private firms. A spokesman for the private utility industry suggested the value to be 50 percent of the cost of investment. This would include pollution control equipment as well as income-producing facilities such as generators.

The result of these incentives would vary from firm to firm according to the tax situation of each. The results can even be different for adjacent systems with the same ownership.

In 1971, before the full effect of the most recent tax laws changes was realized, at least 10 percent of the class A and B electric utilities reported Federal income tax refunds rather than payments. For 126 of the 206 systems in class A and B, 1971 Federal taxes were less than the previous year.

While the incentives available to private systems apply to 100 percent of their investments in equipments, whether for pollution control or not, the legislation, H.R. 11929, as reported, would apply only to the TVA pollution control investments, which account for about 20 percent of the Authority's total investments in facilities.

Neither does the legislation provide a means of credit for all past or future pollution control investments by TVA. The legislation ignores investments made before fiscal year 1974. The credits will be available so long as there is an appropriated balance against which to apply the credit.

In that sense, the proposal only provides a solution to the problem of environmental investment costs for a short time.

To a degree, the suggestion that private utility firms be accorded a 100-percent credit presents questions as to the applicability to such systems. For example, the total Federal tax payments of all private electric utilities in 1972 was $889 million. The estimate of the cost of pollution control to the industry the same year was $1.144 billion—$255 million more than the total tax liability.

There is a likelihood that the systems with heavy environmental costs would be the same firms with a heavy rate of general investment which would already have reduced or completely eliminated the tax liabilities.

In any event, the proper place for the examination of the possible ramifications of any alterations in treatment private firms should receive is in the committee with jurisdiction over such matters.

The TVA and its power program are a vital resource program of the United States. The Congress has set forth its objectives in the advancement of the national defense and the physical, social, and economic development of the area in which it conducts its operations by providing that area with an ample supply of electric power.

In recent years the total amount of the investment required to realize that objective has been huge. The investment will grow larger in the future.

Although the ownership of the system is entirely by the United States, the capital funds for the investment in sites and facilities have been provided by the consumers of electric power in the form of retained earnings or from long-term borrowing backed by the sale of electric power.

The investments by the TVA consumers have the same beneficial results in the economy and in control of pollution as the investments made by private firms.

In recognition of this, H.R. 11929 will permit TVA to credit its pollution control investments against its presently required payments to the U.S. Treasury. It will enable the electric ratepayer in the Tennessee Valley to share some of the cost of added power facilities with the general taxpayer, as do consumers of private power companies—rather than continuing to pay for all of TVA's pollution control costs. The TVA power system will continue to grow, thus providing the Federal Government with a growing asset without additional appropriations or grants from the Federal Government.

I urge your approval of H.R. 11929 as reported from the Committee on Public Works.

Mr. EVINS of Tennessee. Will the gentleman yield?

Mr. JONES of Alabama. I yield to my friend.

Mr. EVINS of Tennessee. I thank my friend for yielding.

I want to associate myself with the remarks of the distinguished gentleman from Alabama (Mr. JONES), who has brought forth this necessary bill at this time.

I want to ask the gentleman if it is not true that private utilities today are getting tax writeoffs and tax credits for all moneys expended for pollution control devices installed?

Mr. JONES of Alabama. Yes; not only that, but they have three methods for offsetting them under the Revenue Acts of 1954, 1962, 1969, and 1972. The last of these was in recognition of the fact that the requirements for arresting emissions under the Clean Air Act and the Water Pollution Control Act called for certain requirements to be met.

Mr. EVINS of Tennessee. We are all interested in abating pollution. This bill would give the Tennessee Valley Authority credit for money expended for that purpose, whereas the private utilities get a tax writeoff for similar expenditures. If the gentleman from Illinois (Mr. FINDLEY), who spoke earlier against the bill, would like to offer an amendment or a separate bill for that purpose, I am sure it would be adopted in line with the policy established in this legislation.

I want to commend the gentleman from Alabama (Mr. JONES) again. This bill is quite necessary and needed.

There have been seven electric power rate increases in the past 6 years in this area because of expenditures incurred in the pollution control field. There have been more than $1,450 million paid back into the Federal Treasury by the Tennessee Valley Authority over the years, and this year alone some $80 million from power revenues of the TVA will be paid back into the Treasury. The TVA is a Federal Government owned agency. What other Government agency do we know of that pays $80 million annually into the Treasury? This bill will provide some relief for TVA and the people of the area in regard to pollution control costs. I urge its adoption.

Mr. Chairman, I want to associate myself with the remarks of the distinguished gentleman from Alabama (Mr. JONES) and commend him for his sponsorship of this bill H.R. 11929, a bill to authorize the Tennessee Valley Authority to charge pollution control costs against its repayments to the U.S. Treasury.

I commend the gentleman from Alabama (Mr. JONES) also for the excellent hearings he conducted on this bill as chairman of the Subcommittee on Economic Development and I commend the gentleman from Minnesota, chairman of the full Committee on Public Works (Mr. BLATNIK) for his expeditious handling of this vital and important legislation.

We are looking to this bill to provide some much-needed relief to the people of the Tennessee Valley who recently received their seventh electric power rate increase in the past 6 years.

This bill should avert any further rate increases by placing TVA in a better financial position and reducing the amount of its annual statutory required repayments into the Treasury.

Since its creation in 1933, the Tennessee Valley Authority has been a national model for the generation and distribution of low-cost electric power. It has been widely acclaimed for its low-cost "yardstick" policy.

TVA is now in danger of losing its low-cost power yardstick image as a result of its several rate increases aggregating more than 80 percent since 1967.

Pollution control measures required by the Environmental Protection Agency are becoming a greater and greater cost factor and expense. Private utilities are given a tax credit or tax writeoff for costs of environmental protection devices installed.

TVA repayments to the Treasury have totaled more than $1 billion 141 million since its inception.

In fiscal 1974, TVA will make a $20 million payment toward its appropriations investment and a $63 million payment as a dividend—a total repayment into the Treasury of $83 million in 1 year.

Indications are that TVA will spend $170 million on pollution control equipment in fiscal 1974.

TVA power rates are rising more rapidly than those in the Nation as a whole.

TVA customers in many instances are paying higher electric bills than other consumers in the Nation because 4 out of 10 homes in the Tennessee Valley area are all-electric—they use large amounts of electricity. Industry electricity costs in the area have also been increased greatly.

This bill is similar to tax relief already granted private utilities to ease the financial burden of pollution control.

As a Federal agency TVA should receive equal tax treatment with private utilities.

In addition, Federal grants are being provided to State and local governments for many pollution control activities.

But TVA must now bear the entire cost of providing pollution control expenses. This bill will provide some needed relief.

Presently, these costs are passed on to the electric consumers in the Tennessee Valley area who already are overburdened with increasing electric power rates.

Our people need and deserve relief from the escalating power rate increases which this bill provides.

I urge approval of H.R. 11929 in the public interest.

Mr. BAKER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 11929. This bill reflects the fact that the growing cost of environmental controls is detracting from the ability of the Tennessee Valley Authority to meet goals and objectives set for TVA by the Congress.

Mr. Chairman, the Tennessee Valley Authority is a great national asset. The Authority was established by the Congress in 1933 as a multipurpose resource agency to work on conservation, development, land use, and other conservation-related programs. The Tennessee Valley Authority has not only realized but has exceeded the hopes and dreams of the leaders of the TVA legislation in Congress and the people who live within the Tennessee Valley.

The Tennessee Valley Authority is charged with and has carried out the broadest duty of planning for the proper use, conservation, and development of the natural resources of the Tennessee River drainage basin and its adjoining territories for the general, social, and economic welfare of the Nation. Power production is a vital element of the total program of the Tennessee Valley Authority.

Mr. Chairman, the Authority is a federally owned resource development agency. Many of the benefits of the Authority accrue not only to the residents of the region, but also to the Nation. These include the Authority's funded environmental, research, and development programs; the providing of low-cost reliable power to the Atomic Energy Commission; participation in the national power grid with concomitant benefits to our friends in the Northeast, particularly in the summer time when the TVA has surplus power which is available to other power-short parts of the Nation; and the demonstration of the capability of producing low-cost power which acts as a national control on the cost of power.

The Tennessee Valley Authority, like other power producing systems, must comply with all of the environmental controls applicable to any other power system set forth in the Federal Water Pollution Control Act and the Clean Air Act. These programs require the expenditure of vast sums of money. The Authority, like other power producing systems in the United States, has had to make extensive borrowings to acquire the capital required for environmental controls as well as expansion.

Unlike other power producing systems in the United States, Tennessee Valley Authority consumers must pay the full cost of these expensive environmental controls and the full cost of expansion. The consumers of other power systems benefit from the various provisions of tax laws which apply not only to environmental control equipment, but also to all capital expenditures. I want to emphasize this point because it is most important. The credits which are addressed in H.R. 11929 apply only to environmental control equipment and not to the other capital expenditures. Expenditures for environmental control equipment will be approximately 20 percent of the TVA budget. All the other capital expenditures for which TVA would get no credits under H.R. 11929 amount to 80 percent of the capital expenditure budget.

Mr. Chairman, H.R. 11929, which we bring before you today under the leadership of Bob Jones of Alabama, is intended to provide benefits to the Authority and its customers which are similar to those currently available to the private power companies and their customers. For example, under current laws, the Authority and its customers receive no credits for expenditures of pollution control equipment and other capital investments while private power companies get various writeoffs under the internal revenue code. The Authority must pay back all borrowed capital while the receipts for shares of stock in private companies are not paid back.

Again, I wish to note clearly that H.R. 11929 would provide credits only for certified pollution control equipment while the private companies have the opportunity to use accelerated depreciation and investment credit provisions of the Internal Revenue Code for all eligible investments and not just for pollution control facilities.

We believe the Authority is somewhat disadvantaged as compared to private utilities in terms of bearing the full cost of environmental control equipment and the cost of expansion. It is argued that the Authority does not pay Federal income taxes, and that, therefore, the provisions of the Internal Revenue Code for private industry are not relevant arguments for giving credits to the Authority. This is not a valid argument. I want to make this clear today. The Federal Government by way of tax relief pays a significant percentage of the cost of environmental control and other capital equipment installed by private industries. H.R. 11929 would provide similar but only partial benefits which are currently available to the private power companies.

H.R. 11929 provides for credits for expenditures for pollution control facilities. These pollution control facilities must be certified by the TVA and the Administrator of the Environmental Protection Agency. It is intended by our language that eligible facilities to abate or control water or atmospheric pollution or contamination shall include all new or reconstructed facilities that are either required pursuant to existing schedules of compliance or which will be required at a future time pursuant to the Federal Water Pollution Control Act and Clean Air Act.

It is intended that partial expenditures for pollution control facilities, the construction of which will extend over more than 1 fiscal year, may be credited against payments and repayments as they accrue and prior to the actual completion of construction. Such partial expenditures may be certified prior to the time the environmental control equipment is actually put into operation.

Certain environmental control facilities utilized by the power industry such as cooling towers, electrostatic precipitators and stack-gas cleaning facilities require significant quantities of electric power for their operation. It has been estimated that in certain new power plans with high performance precipitators, $SO_2$ scrubbing devices, and forced-draft cooling towers, 10 percent or more of the power generating capacity of the new plant would be required to operate the environmental control devices. It is the intent of H.R. 11929 that that added increment of power producing capacity which is required in new facilities to operate certified environmental control devices would also be considered to be a certified pollution control facility. Thus, the cost of this added increment of power producing capacities would be eligible to be credited against the repayments and investment return payments.

Mr. Chairman, it is a distinct pleasure for me to be one of the managers of H.R. 11929 today. It is a pleasure for me for a number of reasons, first, I believe in the goals and objectives of H.R. 11929. Second, it has been a pleasure for me to work on this bill within our own Committee on Public Works led by Chairman Blatnik and Congressman Harsha. Finally, I have been privileged to work with my good friend Mr. Jones of Alabama on this bill. I know of no member who works more tirelessly or ably than my good friend from Alabama. He has been a leader in the development of the power program at the TVA as well as in development of water resources throughout the Nation. His contribution to this legislation and his leadership have been outstanding.

I would like to share with my colleagues that H.R. 11929 would contribute to our national program for a clean environment, as well as our national program to make us self-sufficient and not reliant on other nations for our energy supply.

I urge your support of H.R. 11929.

Mr. BAKER. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. Snyder).

Mr. SNYDER. Mr. Chairman, I, of course, oppose the bill as reflected in the minority views.

Let me just say this: If a member represents constituents who are served by TVA, you should support the bill—as the antipollution equipment at the generating facility will be paid for by all the taxpayers in the country and not by your constituents in increased rates.

On the other hand, if a member represents an area served by other than TVA, you should oppose the bill as your constituents are going to pay for the antipollution equipment at the generating facility serving them through increased consumer rates—and will also pay for the same equipment for TVA consumers through their taxes to the Federal Government.

It is just that simple.

Mr. BAKER. Mr. Chairman, I yield such time as he may require to the gentleman from Tennessee (Mr. Duncan).

Mr. DUNCAN. I thank the gentleman for yielding.

Mr. Chairman, I am a cosponsor of this bill, and I strongly urge my colleagues to vote for its passage. I also want to compliment the gentleman from Alabama (Mr. Jones) and the gentleman from Tennessee (Mr. Baker) for the leadership that they have given, and I also want to compliment all the members of the Committee on Public Works, a committee that I had the privilege of serving with some years ago before I went to another committee. I am aware of the fact that many of my colleagues are of the opinion that the TVA is an agency that serves only the seven States in its prescribed territory. As has been stated, the TVA serves the entire Nation. There is not a power system east of the Rocky Mountains that has not somewhere, at some time, benefited because of the power produced by the TVA. Bear in mind that that power was paid for by the consumers of TVA power in the TVA territory.

This is a good bill; it is good legislation and fair; and I urge all of my colleagues to support it.

Mr. BAKER. Mr. Chairman, I yield such time as he may require to the gentleman from Tennessee (Mr. Quillen).

Mr. QUILLEN. I thank the gentleman for yielding.

Mr. Chairman, I spoke for the rule and for the passage of this measure a moment ago, but I want to repeat: the Tennessee Valley Authority expenditures for pollution control should be credited by the U.S. Government, so these credits could accrue to the benefit of all the people. I remember back when they started to create the atomic bomb, TVA had a great part to play in the establishment of that facility at Oak Ridge. Today TVA is experimenting in various ways to produce cheaper electricity which will benefit power consumers. TVA has paid back to the Government millions of dollars—yes, millions and millions of dollars—during past years and will pay back more in years to come. I think it is only proper that this bill be passed—it is long overdue.

I would say the way power costs to consumers are spiraling, anything we can do to reduce those rates for the benefit of the people is money well spent.

I congratulate the committee for promptly reporting this measure, and I am proud to be a cosponsor with other colleagues.

Mr. Chairman, I urge the passage of this bill without amendment.

Mr. BAKER. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire.

Mr. CLEVELAND. I thank the gentleman from Tennessee for yielding time.

Mr. Chairman, the gentleman from Kentucky (Mr. Snyder) and I have offered minority views in the committee report. It is not my purpose now to repeat those views, but I think there are a couple of points in those views that should be called to the attention of this committee.

First of all the gentleman from Kentucky and I, because we serve on the Public Works Committee, have come to know something about the TVA. I think it is fair to say that we both have been quite enthusiastic about this institution. It has done a great deal of good for many people over a long period of time and under no circumstances do I want my criticism of this bill to be construed as critical of the TVA. That is No. 1.

No. 2, I think it is proper that the committee should address itself to the cost the TVA is being forced to pay, because of our pollution programs and particularly is this so because some of the most costly pollution control programs they are being forced to pay for are the products of the Public Works Committee. I have been concerned about the burdens this committee has imposed on both public and private organizations, costs that may come back to haunt us. I am glad the committee is taking initiative in this regard and I applaud it.

But I come now to my final point. If we are doing this, let us make it fair and let us not make it 100 percent for TVA and 50 percent for other companies who may be forced to face these expenditures.

Remember this. The staggering environmental cost does not only apply to utilities. Those costs apply also to industries in my district and in the districts of every one of the Members of this House, they apply to private industries and to job producing industries, they apply to farmers small and large, and small and large businesses. So if we are going to give 100-percent funding for the necessary expenditures by TVA to meet our environmental requirements, which we have ourselves enacted, then in all fairness we should do it 100 percent across the board for all other hard-pressed businesses and small farmers and small businesses.

When we have concluded our debate I will offer an amendment. This amendment takes one approach. One approach would be of course 100-percent funding across the board for everybody. That would be fair but it would be enormously expensive. My approach is simply to reduce the funding for TVA to approximately 50 percent, which is the approximate tax writeoff that a private utility would take. For smaller business, of course, it would not be 50 percent, but I think this is a step toward equity and fairness. At the proper time I will offer the amendment, the explanation of which is set forth succinctly in minority views in the report.

In conclusion, the House should be warned that if my amendment is not adopted and if the bill passes, then we will face the well justified request for full Federal funding of all pollution control costs. These almost incomprehensible costs would haunt this House for years to come.

Mr. BAKER. Mr. Chairman, I yield to the gentleman from California (Mr. Don H. Clausen) such time as he may consume.

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, as we consider H.R. 11929, I think it is important for us to recognize that this bill which I support is one of the first examples of legislation which will be introduced and enacted to provide financial relief in some form from the very high cost of environmental control facilities. I think we should recognize that we are going to have more bills such as H.R. 11929 which seek to provide assistance to meet the heavy costs that environmental legislation has imposed. These costs are paid by consumers and taxpayers.

I think it is appropriate to call to the attention of this body that the Committee on Public Works which developed Public Law 92-500, the 1972 amendments to the Federal Water Pollution Control Act, recognized that we did not know the full costs and impacts of the stringent water pollution control requirements for 1983. Because of this we provided in section 315 of Public Law 92-500 for the establishment of the National Commission on Water Quality. This Commission which is made up of five members from the public and five members from both the Senate and House Committees on Public Works. The Commission now includes such distinguished leaders in the development of water pollution control legislation as Bob Jones of Alabama, and Bill Harsha of Ohio. It is chaired by Nelson Rockefeller and is charged with evaluating the costs and impacts of meeting or not meeting the water pollution control requirements for 1983.

Over a year has passed since the Water Pollution Control Act amendments were enacted and even more time has passed since the Clean Air Act was enacted. It is now time to make a thorough review to evaluate the results that have been achieved, to determine whether the law has been implemented as intended by the Congress, and to determine whether the full costs and impacts are in line with our expectations when the legislation was developed. Because of energy shortages, inflation, and a better idea of the results, costs, and impacts of environmental legislation, there appears to be a realization by everyone knowledgeable in the area of environmental affairs that the National Commission on Water Quality has an important task to accomplish. Perhaps the time has come to have similar reviews of air pollution control legislation. We have learned much since the law was enacted and I believe it would be timely to have such a review. I do not intend that such a review would be to reduce the requirements, but rather to evaluate the accomplishments and determine what the road ahead should be.

Mr. Chairman, it has been a distinct pleasure for me since LaMar Baker has come to the Congress to work closely with him on the legislation program of the Committee on Public Works. He has demonstrated an active interest in all of our legislation, has been active in our hearings and meetings, and has introduced bills which have led to the development of important new laws. LaMar Baker, the minority floor manager of H.R. 11929 today, and a Member of Congress and our committee for only 3 years, has again demonstrated his legislation qualities which are so valuable in this body. His constituents have reason to be proud to be represented by such an able and industrious Member of Congress.

In closing, Mr. Chairman, I wish to commend Bob Jones of Alabama, for his leadership on the committee in the development of H.R. 11929 and the rest of 'the legislative program of the Committee on Public Works. We are indeed fortunate to benefit from his leadership.

Mr. BAKER. Mr. Chairman, I have no further request for time.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 1 minute.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Chairman, I rise in support of the measure.

This bill makes an amendment to the TVA Act and limits consideration priority to that specific act.

I can see why the TVA is experiencing high costs in its water pollution control equipment. This high cost is typical to most if not all the other river authorities in the country. I also realize that TVA has raised rates 4 or 5 times in recent years, and that TVA burns coal almost exclusively.

At the same time, if the principle of this bill is approved, then it should be in order for other public authorities to likewise qualify for relief. Apparently that method would lie with the Ways and Means Committee. But whatever jurisdictional approach is deemed best it should be in order. Members of the committee assure me that the bill would or could set the precedent if a river authority or municipality qualifies under a similar set of facts.

The Lower Colorado River Authority in my district may build a transmission plant within the next year or two, and it may burn coal or lignite. If such a facility is recommended, I want to alert my authority about those possibilities. Moreover, the LCRA may well qualify for some present credit under existing circumstances for regular high costs of pollution control equipment, and believe me, these costs are high.

I support this specific bill to give relief to TVA only, but I think other authorities or municipalities may well be considered for similar credits.

Mr. STUBBLEFIELD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman from Kentucky.

Mr. STUBBLEFIELD. Mr. Chairman, I rise in support of this measure.

Mr. FULTON. Mr. Chairman, the cost of energy in America today is moving upward at a dizzying rate. Rapidly rising costs of energy fuels is a primary contributor to this inflation but can not be blamed entirely. Another significant but necessary incremental cost is the expense of maintenance and restoration of quality to our environment. These latter considerations have been weighed by the Congress and implementation of measures necessary for this undertaking are moving forward as a matter of firm and established public policy.

What this legislation will do is to provide a more equitable distribution of the impact of these environmental quality costs as they relate to power production and power consumer rates.

Under present Federal law an unusual paradox exists. Private power companies enjoy tax writeoffs or credits for expenditures for pollution control equipment and programs. This has been made possible, because the Congress believes that environmental control produces highly desirable social benefits which contribute to the general welfare. This is a belief which I also firmly hold.

The paradox exists in that the Tennessee Valley Authority, a Federal corporation which is owned by the people of the United States, receives no commensurate credit for its environmental quality costs, costs which are currently running at a rate of about $150 million a year. As a result TVA power consumers are currently paying directly for this effort through their power bills.

This legislation would give TVA a more equitable consideration for these expenditures, a consideration similar to that enjoyed by the private power consumers.

Thorough hearings were conducted on this legislation by the Public Works Water Resources Subcommittee under the able chairmanship of the gentleman from Texas (Mr. ROBERTS). However, the impetus and guidance for the bill came from the gentleman from Alabama (Mr. JONES) to whom we all owe a considerable expression of gratitude.

Mr. Chairman, this legislation is worthy, is needed and is most proper. I respectfully urge its passage.

Mr. MICHEL. Mr. Chairman, I rise in opposition to H.R. 11929 for I believe this legislation runs counter to sound Government fiscal policy.

This bill would amend section 15(d) of the Tennessee Valley Authority Act of 1933 to provide that expenditures by TVA for pollution control facilities be credited against its required payments to Treasury as an annual return on its appropriation investment in power facilities as well as its annual repayment on the appropriation investment itself. These payments amounted to $83.4 million in fiscal year 1974.

Prior to 1959, TVA received virtually all of its funds from congressional appropriations.

That year, Congress approved revenue bond financing for TVA as a means of financing the future power needs of its consumers. In so amending the TVA Act, however, Congress placed two stipulations on this agency:

First. It limited TVA's horizontal expansion.

Second. It required TVA annually to pay interest on its appropriated investment in power facilities and to pay off $1 billion of the principal over a scheduled period. So far the Authority has repaid $200 million on the $1 billion in principal.

Passage of H.R. 11939 will abrogate this commitment Congress made to the Nation's taxpayers in 1959. While many arguments may be advanced to demonstrate why enactment of this bill would be unwise, this reason alone, in my opinion, is perhaps the most important. Passage of H.R. 11929 would free the TVA and its customers from financing their pollution control equipment and require that these costs be paid by the taxpayer.

Some supporters of this bill have used diversionary tactics to focus attention away from the new taxpayer subsidy for TVA stating that private companies are presently given certain credits against Federal income tax liabilities for investment in pollution control facilities and TVA and its power customers should be extended the same benefits. They point to the basic 48-percent corporate tax rate, the 4-percent investment credit, and the temporary accelerated depreciation schedules for environmental equipment which expires this year.

Unfortunately, they fail to consider the fact that one must pay Federal income tax before such tax deductions come into play and TVA pays no Federal income tax. If TVA made such payments, this argument might be valid. But to use such an argument it is necessary to apply the same income tax rate—or and in lieu of tax payments—on TVA and its consumers as now applies to private companies and their customers.

Let me assure you that such action in this direction would result in a hue and cry from TVA partisans that would ring long and loud through the halls of this Congress as TVA customers would be faced with paying the same costs in their power bills that power consumers from other areas must pay. TVA customers would learn at last that the low TVA residential rates, for example, are not necessarily the result of "economies through greater volume of use" as the majority report states, or better management, or Government operation, but from the past advantages of layers of low interest financing and freedom from Federal income tax. So far, TVA's average residential rate for power is 1.5 cents a kilowatt hour as compared with the average of 2.4 cents charged by private utilities which must include the full cost of taxes and interest in their rates. TVA's phony yardstick so often used to measure the fairness of electric rates throughout the country will again be shortened if this bill is passed.

Mr. Russell Train, Administrator of the Environmental Protection Agency, aptly pointed out the subsidy included in this bill in a letter to the House Public Works Committee opposing H.R. 11929. He said:

> A dangerous precedent would be established by passage of H.R. 11824 (H.R. 11929) in that the cost of pollution control would not be borne by those responsible for it, but would be borne by the general taxpayer—such costs, in effect, would be subsidized.

Mr. Train further noted in his opposition to this legislation:

> Its rates [TVA's] establish a yardstick for setting the rates of the electric power industry as a whole. We, therefore, believe that the true cost of producing power (including the costs of abating pollution caused by generating facilities) should be reflected in TVA's rates.

Thus, this bill would create additional inequities among electric power users in other areas of the country who have no similar benefit. As a result, a consumer outside the TVA service area would pay for pollution control equipment twice; first, from his supplier of electric service through increased rates, and second, he would also pay for TVA pollution control equipment since this bill would allow TVA to deduct the cost of its equipment from its repayment to the U.S. Treasury.

Mr. Train further stated that the proposed legislation would not be consistent with the administration's program related to public and private sectors of pollution control equipment.

A major purpose of the TVA Revenue Bond Act of 1959 was to make the power program of the corporation self-supporting. This concept would be completely reversed by passage of this bill.

The general counsel of the Treasury stated in his letter of opposition to H.R. 11929 that passage of this legislation would understate the power program expenditure of TVA and inflate its retained earnings.

He said:

> In essence, this failure to disclose a cost of operations would be tantamount to backdoor financing and appears to be the kind of procedure which Congress itself is attempting to eliminate in proposed legislation to control expenditures and establish national priorities soon to be considered by the Senate.

This bill is one of the most flagrant examples of special interest legislation that has been brought before the Congress for some years. Its real objective is to keep the already subsidized power rates of TVA artificially low by socking it to the taxpayers and power consumers in other areas of the country. I strongly oppose the burdening of my constituents with paying TVA's cost and welcome the support of other Members in joining this opposition. Now is not the time to favor them with further subsidies over other citizens.

People today work harder and longer hours in an effort to keep abreast of the increased cost of living created by inflation—most of which has resulted from giveaway programs by politicians who have long forgotten how to say the word "no" and make it stick. People, everyday become more and more fed up with reckless and irresponsible spending and subsidy programs being approved by Congress—an example of which we are faced with today. I suggest that any Member who is seriously considering supporting this bill should first consider how he plans to rationalize his vote at a time when his constituents are devoting their evenings preparing their 1973 income tax *forms* and many sleepless nights worrying about meeting this financial obligation to the Federal Government on April 15.

Congress in 1959 took a great step forward toward making TVA's power program self-supporting. This was an action for which every person in the Tennessee Valley should have been proud for it removed a segment of their economy from being stepchildren of the Federal Government and placed this responsibility on *local* people where it belongs. Passage of this bill today will wipe out this progress that has been made in the last 14 years to make the TVA program self-supporting and face the people of the TVA area backwards into the dark eras of the past.

H.R. 11929 is but the first step. This bill is designed only to help keep TVA from increasing its artificially low rates while continuing to meet new costs of operation by placing these costs on the taxpayer. If approved, it is unlikely that Treasury will ever receive further repayments from TVA on its power investment.

What then is the next step when new costs arise that will increase TVA's power rates. If the philosophy of this bill is applied, there is a good chance that TVA will return to Congress and request that its basic act be changed so that once again TVA can obtain free congressional appropriations at the expense of the remainder of the country to keep its rates low. Once Congress gives in on the Treasury repayment issue it is just a short step back to reestablishing the congressional appropriations procedure for TVA.

I strongly urge that H.R. 11929 be defeated. It is bad fiscal policy. It is bad environmental policy. It is special interest legislation that provides financial advantages to one section of the country at the expense of others. I hope other Members will join with me in this effort.

Mr. Chairman I include at this point an item from the New York Times on the subject which I consider very appropriate:

### Pollution Fund for TVA Backed—House Bill Would Require 100 Percent Federal Subsidy

(By E. W. Kenworthy)

WASHINGTON, March 18.—A little noticed bill, favorably reported six days ago by the House Public Work committee, would require the Federal Treasury to pay the total cost of air and water pollution control facilities installed by the Tennessee Valley Authority.

The 100 percent Federal subsidy, which would begin in the fiscal year 1975, could amount to $150-million a year, according to the committee report.

The TVA, a corporation of the United States Government, was created by Congress in 1933 to bring cheap power and other economic benefits to the relatively undeveloped area of the Tennessee River and its tributaries. It is now the nation's largest producer of electricity. It pays no Federal taxes, but makes payments to the states and cities in the area in lieu of local taxes.

At present, TVA's average residential rate for power is just under 1.5 cents a kilowatt hour, compared with an average of 2.4 cents charged by private utilities. Average residential consumption in the authority's system is 15,000 kilowatt hours a year, compared with just over 8,000 in areas served by private companies.

#### FROM TVA STATES

The principal sponsor of the subsidy bill is Representative Robert E. Jones, Democrat of Alabama. There are 17 co-sponsors, all from the seven states in which T.V.A. operates.

The bill has the enthusiastic support of Aubrey J. Wagner, the T.V.A. chairman. It is opposed by the Treasury Department, the White House Office of Management and Budget and the Environmental Protection Agency.

Electric cooperatives and municipally owned systems are expected to support the bill if they believe its passage would provide a precedent for Federal subsidies to pay the cost of pollution control in their systems. Should it pass, private utilities are certain to demand an equalization subsidy by way of tax benefits.

And that is one of the reasons that the Administration opposes the bill. In a letter to the committee chairman, John A. Blatnik, Democrat of Minnesota, on March 6, Edward F. Schmults, the Treasury general counsel, said:

"Unavoidably its effect would be to shift to the general public expenses which otherwise would be borne by consumers of electricity produced by the T.V.A., and we have to regard this as an undesirable precedent for Federal absorption of pollution controls costs generally."

#### "DANGEROUS PRECEDENT"

In another letter to Mr. Blatnik on Feb 28, Russell E. Train, administrator of E.P.A., also warned against setting "a dangerous precedent" for Federal subsidy of all pollution control. He also asserted that the subsidies would be inequitable to taxpayers outside the T.V.A. area who would be taxed to pay for the authority's pollution control while at the same time paying higher rates to cover such costs passed on to consumers by private utilities.

Furthermore, Mr. Train said, "artificially low-priced electricity could increase demand when the over-all national goal is to conserve all energy to the maximum extent possible."

This is how the Jones bill would work:

In 1959 Congress amended the T.V.A. act to provide (1) that, beginning with the fiscal year 1961, power plant construction would no longer be funded by Congressional appropriations but by T.V.A. revenues and bond issues, and (2) that T.V.A. would repay $1 billion of past appropriations at the rate of $10-million a year for the first five years, $15-million a year for the second five years and $20-million a year thereafter, plus interest on the unpaid remainder.

So far, the authority has paid just over $200-million on the $1-billion of principal. In this fiscal year, the payment of principal and interest will be about $83-million.

The Jones bill permits a credit against the annual principal and interest of the capital cost of new pollution facilities. These include taller stacks for dispersion of pollutants, hydrostatic precipitators to eliminate soot, limestone scrubbers to reduce sulphur dioxide emissions from plants fired by high-sulphur coal plus the cost of power to operate them, water cooling towers, storage ponds and waste removal.

The bill also provides that if the annual equipment costs exceed the principal and interest in any year, then the excess can be applied to reducing the principal further.

Mr. BEARD. Mr. Chairman, I rise in support of H.R. 11229, which I was pleased to be able to cosponsor with a number of my Tennessee Valley colleagues. I will be very brief.

The benefits to the average residential customer of allowing TVA to credit its investments in pollution control equipment against its annual payments to the U.S. Treasury will be tremendous. The first year reduction in the TVA's cash requirements under H.R. 11229 has been estimated at $83.4 million, which works out to approximately 11 percent of the average electric bill. Further, the value of the proposal to TVA power-users could increase each year as the TVA's cost requirements were reduced through the credit, and a lesser need to borrow money.

Mr. Chairman, rates for the average TVA-region household have skyrocketed in recent weeks, in some cases increasing as much as 200 percent in 1 month. I feel that any proposal which can help reduce this awesome burden must be favorably acted on as quickly as possible.

This legislation will put the TVA on an equal plane with private industry, in allowing it to receive some financial benefits from its effort to combat air and water pollution. We all agree that anti-pollution devices are good: They help to restore and preserve our environment. But, they are also expensive. Attempts to fulfill the requirements of the various EPA standards have sometimes resulted in ruin for the small businessman. Now, I am surely not suggesting that TVA is being forced into bankruptcy, because of its pollution abatement and control measures. But the fact of the matter is that these efforts to comply with the mandates of the Federal Government have proven to be very costly, and I feel that the TVA and the people of TVA region deserve a break. This legislation, Mr. Chairman, will give them this badly needed break, and it is my hope that this committee and the full House will act very soon to pass H.R. 11229.

Mr. VANIK. Mr. Chairman, it is with considerable reluctance that I will support the passage of this legislation to assist the Tennessee Valley Authority in meeting the costs of required environmental pollution control equipment. Private utility companies have been extended a multitude of tax subsidies to assist them in expanding service and in amortizing the cost of pollution control devices. The TVA does not have such investment recovery tax preferences. This legislation is therefore designed to place the TVA on the same general footing as other power companies.

There is considerable merit to this argument. On the other hand, the TVA has certain preferences which other utility companies do not. The legislation today permits the TVA to write off the cost of pollution control facilities against the Authority's annual "dividend" to its original stockholders—the U.S. public and the Federal Treasury. This is a dangerous precedent. I would hope that the TVA would further adjust its rate structures so that it will be able to resume its payments to the Treasury at the earliest possible date. In a very real sense, these repayments constitute the payment of taxes, dividends, and profits by the TVA. To permit the TVA to avoid these Treasury repayments for any length of time will place the Authority in a superior position to private power companies. I believe that this would be unfair. In addition, it would destroy one of the most useful aspects of the TVA—its use as a "price yardstick," a comparison between the efficiency and profit rates of public and private power companies.

I want to commend the committee for pointing out in the committee report that American utility companies have—in many cases—reduced their Federal corporate tax payments virtually to zero. Because of the importance of this tax development, I would like to enter in the RECORD at this point several sections from the committee report:

From page 6:

> Each firm makes its own decision as to which tax procedures, if any, will be most beneficial to use in accounting for new investments or additions to old facilities. The sum of all the available tax provisions can be large. The data published in *Moody's Public Utility Manual, 1973*, indicates the Federal Tax Code changes can have a significant impact on individual electric systems. The comparative consolidated income account for the American Electric Power Co., Inc., shows 1966 operating revenue of $488.2 million, net operating income of $118 million, and Federal tax payments of $60 million which was lessened somewhat by pro rata credit of $7.6 million from accelerated amortization accumulations transferred to the income account. Operating revenues increased by 1972 to $860 million, net operating income of $244 million yet federal income taxes declined over the years until this entry showed a credit of $5.6 million. Credits of $6.7 million were shown from accelerated amortization accumulations and $984 thousand from liberalized depreciation. Through various recovery provisions of the tax laws, Consolidated Edison Co. of New York, Inc., reported to stockholders for 1970 credits in the federal income tax entry of $19.9 million, credit of $900 thousand from provision for deferred income tax and investment tax credit of $2.4 million. For 1971 the firm reported credit of $3 million in the federal income tax item, credit of $3 million from the provision for deferred income tax and an extraordinary item of $53 million credit from recalculation of earlier tax liabilities. For 1972 the federal income tax item was a credit of $1 million and credit of $2.2 million was shown from the deferred tax entry. This indicates that in place of payments of federal income taxes in the past three years, the system has received credits from taxes paid earlier. In both cases, other provisions of the tax law may have been employed to achieve tax credit status. Not all firms are in this situation.
>
> The decrease in the payments of federal income taxes by private utilities illustrates the significance of tax law changes to achieve national objectives. As a percent of operating revenues, federal taxes for electric systems decreased for 12.0 percent in 1955 to 3.5 percent in 1972. Had the federal tax payments been the same percent as in 1955, federal receipts from this industry would have been $2 billion greater for 1972.
>
> Some of the tax code changes relating to these reductions are discussed below.
>
> Early accelerated depreciation and liberalized depreciation were provided by the Internal Revenue Code of 1954. Section 167 provided liberalized depreciation by allowing a faster rate of depreciation during the early years of life of facilities. This applies to all new facilities at the option of the company.
>
> Section 168 of the 1954 Code provided for an accelerated 60-month depreciation for the facilities constructed under the emergency legislation to encourage private firms to expand to provide electric power during the Korean Conflict. The Office of Defense Mobilization certified facilities valued at $1.777 billion eligible for Section 168 which allowed the companies to depreciate these facilities over 5 years in place of the 33⅓-year life which was normally used.
>
> The accumulated accelerated amortization at the end of 1972 amounted to $682,916,000. This account is decreasing as credit is transferred to the income account of the firms over the pro rata life of the equipment involved. The accumulations also exclude the credits which accrued to the firms using the flow-through system of accounting. Approximately 30 percent of the firms were using flow-through in 1971.
>
> The next liberalization of depreciation rules was provided by Revenue Procedure 62–21, issued by the Treasury Department July 12, 1962, to spur business investment. This allowed electric utilities to depreciate facilities over 28 years in place of the former guideline life of 33⅓ years.
>
> The investment tax credit was authorized by P.L. 87–834, to provide credit for investment in certain depreciable property, signed October 16, 1962, as part of a program to stimulate the future economic growth of the United States and lessen the chances for recessions. For privately owned electric utilities this provided a 3 percent credit against tax liabilities for new investments in facilities. For unregulated industries, the credit was 7 percent.
>
> P.L. 90–364 of June 28, 1968, the Revenue and Expenditure Control Act, included facilities for pollution control in a category for special tax treatment. Although the legislation ended the existing tax exemption on the interest from industrial development bonds of more than $1 million, exemptions were retained for air or water pollution control abatement facilities and for certain other facilities. As all interest rates have accelerated, this provision is getting renewed attention from electric utilities and other industry.
>
> Under certain conditions a firm can obtain the interest savings attributed to the tax free bonds and also claim the amortization advantages consistent with ownership of the pollution control facility.
>
> The investment tax credit was repealed by the Tax Reform Act of 1969, P.L. 91–72, but the Congress recognized the need for special consideration of pollution control expenditures by allowing a five-year amortization of such investments.
>
> The amortization provisions is available for a five-year period for pollution control equipment installed at existing facilities. Other incentives have been more widely engaged by industry.
>
> Problems in the economy during 1971 resulted in additional changes in the tax procedures for private firms that year.
>
> The Administration adopted new liberalized depreciation schedules (Asset Depreciation Range—June 22, 1971) for business property and equipment which allowed alteration by 20 percent of the minimum guideline life rules for property which had been shortened in 1962.
>
> The accumulations of the liberalized depreciation provision increased $242,748,000 from 1970 to 1971. From 1971 to the end of 1972, the increase was $366,992,000 or more than 51 percent above the increase of the previous year.
>
> The total accumulations of liberalized depreciation procedures for the electric power industry amounted to $2,024,519,000 plus $86,070,000 in accumulations which were unidentified at the end of 1972. As in the case of the accumulations from accelerated amortization, the total accumulation does not include sums which were treated under the flow-through system of accounting for the credits transferred on the basis of the pro rata life of the equipment.
>
> At the time the Tax Reform Act of 1969 was considered, the Ways and Means Committee was concerned about the revenue reducing results from expanded use of the flow-through system for dealing with accelerated depreciation in the utility industry. The legislation fixed the existing system for utilities and set rules for changing from one system of accounting to another.
>
> Because flow-through reduces operating income requirements and becomes the base for further reductions in rates, this reducing again taxable income and income tax, the Committee was advised that the trend toward flow-through treatment of accelerated depreciations could shortly reduce tax revenues by as much as $1.5 billion to $2 billion a year. (House Report 91–413)
>
> In response to Administration requests, the Congress adopted the Revenue Act of 1971, P.L. 92–178, which was signed Dec. 10, 1971.
>
> This reinstated the investment tax credit with an increase of 33⅓ percent for electric utilities—from 3 percent credit to 4 percent credit. House Report 92–533 states:
>
>> Your committee's bill raises the rate for public utility property to 4 percent. In part, this is provided because of the increasing problem many utilities are encountering in raising the capital required for modernization and expansion.
>
> The Report states the general purposes of the legislation as:
>
>> Put our present lagging economy on the high growth path. Increase the number of jobs and diminish the high unemployment rate.
>>
>> Relieve the hardships imposed by inflation on those with modest incomes.
>
> The investment tax credit has amounted to $1.186 billion for the electric power industry at the end of 1971. The accumulations in this account at the end of 1972 amounted to $796,272,000.
>
> The use of increased depreciation for tax purposes has two other beneficial results for private utilities. Distributions of profits to stockholders can be up to 100 percent tax-free in certain situations.

The accumulations of the taxes and credits can be invested in the property to save the interest which would be paid if equal sums were borrowed. On the basis of $3.5 billion accumulations at the end of 1972, the interest benefit at 8 percent would be $280 million a year.

On August 1, 1973, I made a major speech in this Chamber on aspects of corporate taxation in the United States. *In that speech,* I analyzed some of the ways and means that utility companies were lowering their tax rates. I also described—at great length—how very profitable utilities, such as Con Edison, could be distributing their dividends to stockholders 100 percent tax free.

Mr. Chairman, we all want cheap power. We all want energy costs to be as low as possible.

But what has happened in this country is that we have subsidized the development of various forms of energy. We have subsidized oil production through the depletion allowance, the intangible drilling expense, and the foreign tax credit. We have been subsidizing the utility companies through these overlapping rapid depreciation tax gimmicks. The result is that energy has been cheap—and the result of cheap energy is that we have been careless. We have not designed efficient cars. We have built homes and buildings without adequate insulation and with walls made of glass.

The bill before the House today does not correct any of these problems. It perpetuates the status quo.

But it is obvious from the tax data which I have developed and which the committee has furnished the House today, that we must undertake a complete overhaul of our system of energy subsidies. Only as American business and American consumers began to pay the true cost of energy will we develop energy conservation as a national ethic. Only when we truly begin to save energy will we solve our energy crisis and obtain energy independence.

**Mr. ANDERSON of Illinois.** Mr. Chairman, I rise in strong opposition to H.R. 11929. For the last year we have been engaged in an important and historic effort to reform and rationalize the congressional budget process. Yet this bill would institute still another back-door spending gimmick which would only further reduce the controllability of the annual budget.

For the past 3 years we have struggled mightily to keep the Federal budget from careening out of control and have helplessly watched the so-called fiscal dividend from economic growth being completely eaten up by the built-in momentum of Federal spending. This bill would only compound that problem by adding what amounts to another $100 million per year to the deficit.

In the early 1970's we embarked on a massive new effort to clean up the environment, and, more particularly, to insure that the pollution costs of our high standard of living and sometimes extravagant consumption habits are fully reflected in the prices we pay for goods and services. Yet, this bill is based on the illusion that there is such a thing as a "free lunch" and that by hiding pollution control costs in the tax bill we can have a clean environment and cheap power too.

During the last 6 months this Nation has had to come face to face with the unsustainability of our voracious appetites for energy, and with the consequent need to make major collective and individual efforts to conserve limited supplies of fuel. Nevertheless, this bill would reward overconsumption of energy rather than provide incentives for curtailing unnecessary use.

During the last 2 years, our national political discourse, spurred by the Watergate tragedy and other events, has dwelt heavily on the need to clean up the governmental decisionmaking process; to establish new national priorities; and to assert the broad public interest against the special interests, advantages, and protections that clutter the Federal budget, hover around the executive departments, and dominate the Federal regulatory agencies. Yet this bill calls upon the general taxpayers of the Nation to subsidize the electricity consumption of a small segment of the population in one region of the country.

Mr. Chairman, I am well aware of the principal argument made in behalf of this bill and must admit that it has a strong surface appeal. Since the TVA is a public nonprofit corporation, it may not avail itself to the various tax advantages afforded private investor-owned utilities. The pages of material included in the committee report on the dollar value of these tax benefits to various private utilities would seem to make a good case for this bill.

But before we become too mesmerized by all of these statistics and their implied unfairness to TVA, let us recall a few cardinal facts: TVA does not pay Federal income taxes; TVA has no equity capital; TVA has no private investors or shareholders who must be paid a return on their investment.

These obvious facts mean that TVA rates, prices, and revenues need not reflect a margin for profits to be paid to shareholders and for income taxes to be paid to the Federal Government. While I have some reservations about the wisdom of providing tax breaks even to private utilities, the important point is that these tax breaks do not lower actual capital costs by a single penny. The only thing they affect are tax liabilities, and to the extent that they lower tax liabilities they marginally reduce the price and revenue levels needed to secure an adequate after-tax rate of return.

Let me put this in concrete dollars and cents. In 1972 private utilities in the United States earned roughly $5.5 billion in net profits. That amounts to roughly 39 cents per kilowatt-hour that TVA users do not have to pay because by law TVA revenues are limited to the costs of producing power.

Were not the various accelerated depreciation and other tax breaks available to these private utilities they would have paid nearly $2.7 billion in Federal income taxes on these profits as opposed to the $900 million they actually paid. These tax breaks, then, result in a tax savings of roughly 13 cents per kilowatt hour.

In sum, private utility consumers buy 39 cents rather than 52 cents more per kilowatt hour than do TVA consumers due to the Federal pollution and other tax breaks available to private utilities. But the point is they still pay 39 cents more, all other things being equal. How it can be concluded from this that we need a compensating subsidy for the TVA system is difficult for me to fathom.

Indeed, because of the proximity of fuel sources and lower costs generally in the TVA region, its consumers are already far better off than their counterparts in other areas of the country. According to the committee report, the average per kilowatt hour residential cost of electricity in the TVA system is 1.32 cents. Compare this to New York where the median cost is 3.18 cents, California where it is 2.08 cents, or the Northeast as a whole where it is 2.93 cents.

In short, the combination of natural advantages in production costs, the lack of need to cover profit and dividend costs, and the exemption from Federal taxes mean that consumers in the TVA region get electric power nearly twice as cheaply as many other areas of the country. In light of this, should taxpayers in New York, Illinois, or California be called upon to lower these bargain basement power rates even more? I think not, and urge that the House defeat this bill and repudiate the unsound reasoning that lies behind it.

**Mr. JONES of Alabama.** Mr. Chairman, I have no further request for time.

**The CHAIRMAN.** The Clerk will read.

The Clerk read as follows:

H.R. 11929

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Tennessee Valley Authority Act of 1933 is amended by inserting immediately at the end of section 15d the following new subsection:

"(i) (1) Beginning with fiscal year 1975, and each fiscal year thereafter, the Corporation shall be entitled to a credit against the payments required as a return on the appropriation investment in power facilities and the annual repayment sum established for such fiscal year in the first sentence of subsection (e) of this section in an amount equal to the amount actually expended by the Corporation during the preceding fiscal year for any certified pollution control facility. The return on the appropriation investment in the Corporation's power facilities required to be paid by such first sentence of subsection (e) shall be reduced in an amount equal to such credit in the same manner and to the same extent as if such credit were a payment in cash. In any fiscal year when the amount expended by the Corporation for a certified pollution control facility or facilities exceeds the payments required as a return on the appropriation investment for the next fiscal year, the amount in excess of such payment requirement shall be applied, as a credit against the annual repayment sum for the next fiscal year and the appropriation investment required to be repaid by such first sentence shall be reduced in an amount equal to such credit in the same manner and to the same extent as if such credit were a repayment in cash. In any fiscal year in which the amount expended by the Corporation for a certified pollution control facility or facilities exceeds both the payments required as a return on appropriation investment for the next fiscal year and the annual repayment sum established for such fiscal year, the amount in excess of such return payments and annual repayment sum shall be applied to the reduction of the appropriation investment required to be repaid by such first sentence in addition to both the credit against the appropriation investment return payment for such fiscal year and the reduction in such investment required as a result of the credit against the annual repayment sum for such fiscal year.

"(2) For purposes of this subsection, the term 'certified pollution control facility' means a new identifiable treatment facility which is used, in connection with a plant or other property, to abate or control water or atmospheric pollution or contamination by removing, altering, disposing, or storing of pollutants, contaminants, wastes, or heat and which—

"(A) the Board has certified to the Environmental Protection Agency as having been constructed, reconstructed, erected, or acquired in conformity with programs or requirements for abatement or control of water or atmospheric pollution or contamination; and

"(B) the Administrator of the Environmental Protection Agency has certified to the Secretary of the Treasury or his delegate (i) as being in compliance with the applicable regulations of Federal agencies and (ii) as being in furtherance of the general policy of the United States for cooperation with the States in the prevention and abatement of water pollution under the Federal Water Pollution Control Act, as amended (33 U.S.C. 466 et seq.), or in the prevention and abatement of atmospheric pollution and contamination under the Clean Air Act, as amended (42 U.S.C. 1857 et seq.).".

Mr. JONES of Alabama (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 11, after "is" insert "or will be".

The committee amendment was agreed to.

Mr. KEMP. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Members will record their presence by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 101]

Adams
Alexander
Anderson, Ill.
Blatnik
Brasco
Buchanan
Burke, Fla.
Carey, N.Y.
Carney, Ohio
Chisholm
Clark
Conyers
Diggs
Dingell
Downing
Eckhardt
Edwards, Calif.
Esch
Fraser
Frelinghuysen
Gibbons
Gray
Griffiths
Gubser
Gude
Hanna
Hansen, Wash.
Hawkins
Hébert
Henderson
Hogan
Holifield
Horton
Jarman
King
Kluczynski
Kuykendall
McFall
Martin, Nebr.
Martin, N.C.
Metcalfe
Michel
Minshall, Ohio
Patman
Pike
Reid
Reuss
Rodino
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Ruppe
Ryan
Satterfield
Shuster
Smith, N.Y.
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Tiernan
Wilson, Charles H., Calif.
Wright
Wyatt
Yatron

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EVANS of Colorado, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 11929, and finding itself without a quorum, he had directed the Members to record their presence by electronic device when 367 Members responded, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The committee resumed its sitting.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 17, strike out "having been" and insert in lieu thereof "being".

The committee amendment was agreed to.

AMENDMENTS OFFERED BY MR. CLEVELAND

Mr. CLEVELAND. Mr. Chairman, I offer a series of amendments and ask unanimous consent that they may be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. CLEVELAND: Page 2, line 5, after the word "to", insert the following: "50 per centum of".

Page 2, line 12, after the word "when", insert the following: "50 per centum of".

Page 2, line 21, after the word "which", insert the following: "50 per centum of".

Mr. CLEVELAND. Mr. Chairman, the amendment I have offered is described in detail in the minority views at the end of the committee report.

Basically what the amendment does is simply to cut down the amount TVA will be reimbursed by 50 percent. This brings it in line with what the average corporation would have to pay for a similar type of pollution control device.

Mr. Chairman, I only want to make a couple of points in connection with these amendments.

First of all, Mr. SNYDER, the gentleman from Kentucky, and I, when we wrote our supplemental views, were not being critical of the TVA. The Committee on Public Works, on which we serve, has studied TVA, and we think it has performed an important function.

Second, we think the Committee on Public Works was wise in taking cognizance of the fact that the environmental pollution laws that the Congress enacted are going to be enormously expensive.

Now comes the point of my amendment. We do not think it is fair to give the TVA 100-percent financing when the small business in your district, the small farmers in your district, the utilities in your district, the REA's and municipal electric companies in your district receive none of this relief. It is no fair; it is simply not fair.

The purpose of this amendment is to introduce an element of fairness into this picture.

It is true that TVA need help in order to meet the environmental mandates of this Congress. It is true that they are enormously expensive.

It is perfectly proper for the Federal Government to assist because we have required these environmental restrictions and almost every Member here has voted for them. It is perfectly proper for us to give some tax assistance to meet the requirements, but the essential unfairness of this legislation is that TVA is singled out for 100-percent financing, leaving unhelped and unaccounted for the small farmers, the small businesses, and the other utilities, private utilities, REA utilities, and municipal utilities that are all faced with the same problem. No one is doing anything to help them.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, the gentleman from New Hampshire attended the hearings and the gentleman well knows that all the rural cooperatives came in and testified for this measure. The American Public Power Association and those other little people to whom the gentleman has referred came in and requested the bill that is now before the House.

Mr. CLEVELAND. I will say to the gentleman from Alabama that if they did they will probably be in here tomorrow asking for 100-percent financing for themselves. This is a piecemeal way of doing this, and it is not the right way to do it.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. CLEVELAND. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Chairman, I made the loan for Colorado University of $27 million, and the cost of scrubbing equipment for that plant will cost them $17 million. And I am wondering, is there any provision in here to give some relief to the REA's and other plants throughout the country, that I have had special interest in? Because I know the cost is excessive, and I hope that if we are going to move this way that it certainly should be expected that they too will get some relief somehow.

I thank the gentleman for yielding. Perhaps the chairman of the committee would like to comment on that.

Mr. JONES of Alabama. Mr. Chairman, if the gentleman will yield, in the supplemental views that the gentleman from California (Mr. DON H. CLAUSEN) and others submitted, and are included in the committee report, it is pointed out there the necessity for doing just what the gentleman has suggested. However, this committee does not have jurisdiction to go into that problem. It is a general revenue proposition, and certainly it should be attended to, as the gentleman has suggested. I join with the gentleman, and with the supplemental views, that something should be done to give relief across the board to a greater extent than is now enjoyed.

Mr. NELSEN. Mr. Chairman, if the gentleman will yield further, I would like to point out also that some consideration should be given to the possibility that some of the standards that are required by EPA might be too severe, and might be modified where the environmental considerations would not be damager, and probably some of the suggestions for *the updating* of equipment could be modified.

Mr. FINDLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND), but I want to make it clear that in my view this amendment, while a step in the right direction, does not really eliminate the discrimination which is very clear in this bill.

All of the Members should understand correctly what is proposed by this bill. This bill proposes 100 percent Federal financing of the cost of the pollution control devices that are being installed in TVA and TVA only. The amendment would reduce the Federal financing to 50 percent. But how can one find justice and equality when one compares even a 50-percent provision with the position of the municipality of the city of Springfield, Ill., which, like TVA, is not subject to Federal income tax but nevertheless has to retire 100 percent of the expense of the environmental control devices that it has recently installed out of system revenues.

So in giving support to this amendment I hope we will all recognize that it simply makes a bad bill a little better, but it certainly does not make the bill desirable. Even if the amendment is adopted, I would hope that my colleagues will join me in rejecting this very unwise, unsound precedent for Federal financing of environmental protection devices in the electric power industry.

Mr. NELSEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my concern about this proposal relates to the new REA Act we passed last year providing for long-term financing at reasonable rates. The REA program has enjoyed 2 percent interest rates for years. As a farmer and a user of electric power, I am grateful to my country and to my Government, but I also want to point out that we gave the Tennessee Valley Authority 120 years to liquidate their obligation to the Government in one of the first years I was here. REA gets 35 years. It seems to me if we authorize paying the cost of scrubbers for the powerplants in TVA, by the same reasoning we should then authorize payment for scrubbing devices installed by REA co-ops.

I have examined the cost of these installations and have found that $17 million would have to be spent on a $27 million plant in Colorado, $30 million at another installation, and $20 million in still another. It is just impossible even to imagine the cost of these scrubbers. In addition to that, the residue that is going to be deposited will lie there forever. I do not know that research has developed the right answers at this point.

I think we are going to find that the Environmental Protection Act and the whole energy process should be revised to provide that where the ambient air quality is not disturbed, some of the requisites of the EPA could be relaxed to the degree that the total cost will not be as great as we presently anticipate.

I was hoping that we could wait a bit about this and try to see what our environmental demands are going to be, and try to see what we are going to require in our ambient air quality and some of the standards that are going to be applied.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I thank the gentleman for yielding.

The TVA and all of the private facilities are now petitioning EPA to relax some of their stringent requirements on scrubbers in order to have more research and development programs to reduce the cost of those scrubbers and also to increase the efficiency which they now estimate to be approximately 30 percent effective. So I hope that EPA will not insist upon hasty investment either by TVA or the private utilities in order that they can make wise and prudent investments in those mechanisms that would be required.

Mr. NELSEN. I thank the gentleman for his comments.

I should like to point out further that in the Committee on Interstate and Foreign Commerce in our consideration of the emergency energy bill, we found that because of some of these standards that have been so stringently applied, we have almost closed the coal mines of our country. I think more money ought to be spent for research to develop better emission qualities for coal and to harness some of the resources lying dormant to relieve the pressure on petroleum and gas in our country.

I have introduced a bill to do that, and I hope the chairman of the committee will join me, and perhaps we can find some answers.

Mr. JONES of Alabama. I should like to state that 82 percent of all of the energy produced by TVA is from coal, and the rest comes from hydro, from 29 dams that are in the TVA area.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, the gentleman in the well had a great deal to do with the authorization of the Cooperative Finance Corporation, the CFC, as free of Federal taxation but established with the authority to issue bonds to raise money for the construction of electrical generation stations by cooperatives throughout the country. This CFC corporation is required to pay back out of revenues of the cooperative the cost of the bonds and the interest.

Mr. NELSEN. I understand that.

Mr. FINDLEY. Mr. Chairman, some of the revenues have gone to finance environmental protection devices to get the cooperative into compliance.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(On request of Mr. FINDLEY, and by unanimous consent, Mr. NELSEN was allowed to proceed for 2 additional minutes.)

Mr. FINDLEY. Mr. Chairman, if the gentleman will yield further, I happen to know that in my county, Pike County in Illinois, the WIPCO borrowed money from CFC partly to install protective devices on the generative plant owned by that cooperative. It has to pay that money back out of revenues of the cooperative as well as to pay the interest on the bonds. Is there any equity in extending 100 percent financing for the TVA devices and no Federal financing for the devices owned by the rural cooperatives?

Mr. NELSEN. This is a concern I share. I realize in order to provide equity something would have to be done to provide equity with this cost to the REA program. I would be a little bit constrained from having to come in, after Congress has given us a good REA financing plan, to ask for another approach, another handout, another assist from the Government at this point. But I do feel that I would be almost forced to do it. If we do it for one we should do it for another. I am a bit unhappy about this turn of events at this time.

Mr. BAKER. Mr. Chairman, I rise in opposition to the amendment. H.R. 11929 recognizes that the pollution control investments by the Tennessee Valley Authority have the same beneficial national objectives as investments by the private sector.

While the proposal to credit TVA with pollution control expenditures has been patterned after similar incentives already provided to private firms for pollution control and other investments, the differences in the nature of the two types of systems make exact parallels impossible.

As I noted in my opening remarks, H.R. 11929 addresses capital expenditures only for certified environmental control equipment. Such pollution control equipment expenditures constitute only about 20 percent of TVA's expansion budget. H.R. 11929 does not provide credits for the other 80 percent of TVA's capital costs.

Under current laws, the TVA and their consumers receive no credits for expenditures for pollution control equipment while private power companies get various writeoffs under the Internal Revenue Code. This bill is intended to provide similar such benefits to the TVA and their power consumers. It should be noted that this bill would provide credits only for certified pollution control equipment while the private power companies have the opportunity to use accelerated depreciation and investment credit provisions of the Internal Revenue Code for all eligible capital investments and not just for pollution control equipment.

Further, let us not fail to recognize that TVA cannot sell stock. TVA is a Federal corporation. Thus, in lieu of stock financing, Congress provided an original appropriation most of which must be paid back with a high annual return on the appropriation investment. Other systems do not have to pay back the shareholders' equity. TVA does. Then, when the repayments are made, the system is still owned by the U.S. Government and not by the consumers within the TVA region. Finally, it should be remembered that TVA consumers through the Tennessee Valley Authority have contributed extensively to Federal environmental control research and development programs. H.R. 11929 would help to recognize this national asset.

The distinguished gentleman from New Hampshire is a good friend. It is a pleasure to serve with him as a member of the great Committee on Public Works. However, at this time, and I believe this is the first time, I must oppose his amendment.

I urge my colleagues to reject this amendment.

Mr. DUNCAN. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Tennessee.

Mr. DUNCAN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the amendment.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, I rise in opposition to the amendment and I join in supporting the bill, H.R. 11929, to provide that expenditures by the Tennessee Valley Authority for pollution control facilities will be credited against required power investment return payments and repayments to the U.S. Treasury.

Because the TVA system generates power by burning large amounts of high-sulfur coal, the system is faced with especially high pollution control costs. It has been estimated that TVA will have to spend $150 million a year for an indefinite period in order to meet the Federal standards. Under this legislation, the authorization to credit expenditures for pollution control facilities against repayments to the Treasury would make cash available for investments that would otherwise have to be made with borrowed money. Borrowing less would mean a savings in interest costs, and the result would be an expansion of benefits to TVA and the people it serves.

I submit that this measure will provide great assistance in making necessary pollution control investments, and I urge my colleagues to support this bill.

Mr. BEARD. Mr. Chairman, will the gentleman yield?

Mr. BAKER. I yield to the gentleman from Tennessee (Mr. BEARD).

Mr. Chairman, I rise in opposition to the amendment.

Mr. JONES of Alabama. Mr. Chairman, I move to strike the requisite number of words.

I rise in opposition to the amendment. As the gentleman from Tennessee (Mr. BAKER) has previously stated, the proposition was examined by the committee in extended deliberations.

Because of the many differences between the TVA and private electric systems, the committee's proposal differs from the provisions of the tax laws which enable private firms to recapture portions of their investments.

Specific aspects of the laws which relate to private firms were ignored in H.R. 11929:

First, private firms have had access to pollution control amortization and other credits for a number of years and they have been using them during this time.

Second, private firms are able to recalculate their tax obligations from several years past or carry credits forward for several years to make maximum use of credits which accrue.

Third, private firms can take advantage of various provisions of the tax code for all of their investments—liberalized depreciation and investment credits apply to equipment used for production as well as for pollution control. The committee proposal relates only to investments by the TVA for pollution control, perhaps 20 percent of the Authority's total capital program.

Fourth, before the credits would be available, as outlined on page 30 of the report, the TVA would have to invest $150 milllion a year in pollution control facilities. This $150 million a year would come from the charges to consumers of TVA electric power, not appropriations.

Fifth, the credits which might accrue to the TVA from this legislation could be invested in facilities for the system thus enhancing the value of the system. The land and all the improvements of the TVA are owned by the United States even though since 1959 all improvements in the power system have been paid for by the consumers of TVA power. The credits which accrue to a private system, although partially paid for by tax credits, are owned by the stockholders of the firm.

The detailed investigation of the total power situation by the Public Works Committee indicates the bill, H.R. 11929, should be supported as reported from the committee.

I urge rejection of the amendment.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

I ask for this time to ask the chairman of the subcommittee a few questions.

Are they still producing fertilizer in the Tennessee Valley Authority?

Mr. JONES of Alabama. Yes. The experiment is still going on at Muscle Shoals to make fertilizer. A lot of the fertilizer produced there is used for agricultural experimental work and not produced in any quantity for commercial sales.

Mr. GOODLING. Is that not being produced in direct competition with private enterprise?

Mr. JONES of Alabama. No. It is the other way around. It is an experiment in research and development; for instance, at the present time that fertilizer is being shipped to many States through the State extension service for use on demonstration farms. That is the great extent of their production.

Mr. GOODLING. Is it being produced at a profit?

Mr. JONES of Alabama. No; it is not.

Mr. GOODLING. There is no profit?

Mr. JONES of Alabama. It is on a break-even proposition. It goes up and down as does the price of fertilizer. It is hard to estimate from year to year. It is a practical thing, just like commercial fertilizer.

Mr. GOODLING. Would the gentleman favor a bill to give the fertilizer manufacturers in my congressional district equal treatment?

Mr. JONES of Alabama. Well, if they carry out research and development, yes, I would be pleased. I want to help any situation that will produce more fertilizer to produce goods and food necessary for the people of this country.

Mr. BAKER. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. BAKER. Mr. Chairman, we should take note of the fact that there are two distinct divisions in TVA, the power producing division and all other aspects of TVA. This has absolutely nothing to do with fertilizer experimentation.

Mr. GOODLING. Mr. Chairman, does this not include the pollution controls and fertilizer making sections of it?

Mr. JONES of Alabama. It does not.

Mr. GOODLING. Why would it not? What are they doing about their pollution?

Mr. JONES of Alabama. In section 26 and section 15 of the TVA Act of 1933 as amended by the Act of 1959, it has absolutely nothing to do with navigation or with any other aspects of TVA except the generation and distribution of power.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. Mr. Chairman, I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I would like to ask the gentleman from Pennsylvania if there is anything in this bill to reimburse electrical consumers from the eastern half of the country who pay 125 percent more for their utility costs, because of environmental laws requiring high-sulfur fuel rather than low-sulfur fuel; therefore, the utility costs passed on to consumers in the East have gone up 125 percent.

Mr. GOODLING. Mr. Chairman, I would like to refer the gentleman from Massachusetts to the chairman of this committee to tell him that.

Mr. CONTE. Is there anything in this bill to help the consumer in the East pay that additional cost?

Mr. JONES of Alabama. Mr. Chairman, if the gentleman will yield, there is no burning of oil or gas in TVA, so consequently the question is irrelevant.

Mr. CONTE. This bill requires New England taxpaying fuel consumers to pay full 100 percent of TVA's pollution control costs. The extra costs for expensive, low-sulfur fuels for TVA are to be paid out of the pockets of New England taxpayers, already burdened with the highest fuel costs in the country. I repeat my question: Is there anything in this bill for the consumer in the East who has to pay an additional 125 percent above normal fuel costs due to environmental laws which require the burning of low-sulfur instead of high-sulfur oil?

Mr. JONES of Alabama. The legislation does not deal with fuel cost.

Mr. CONTE. Mr. Chairman, I think the bill ought to be defeated.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I regret that I had to attend a committee meeting and did not hear all of the debate on this bill.

What is the rationale that justifies this raid upon the U.S. Treasury for almost $400 million to compensate the Tennessee Valley Authority 100 percent to the exclusion of other public and private utilities?

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield for a reply?

Mr. GROSS. Mr. Chairman, I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, I regret the gentleman's absence, because the gentleman from Tennessee (Mr. BAKER) and I went into great detail to make an explanation as to why it was necessary; because these requirements were made since 1959 when the TVA assumed the appropriated obligations that had been made in 1930 and up until 1959 to produce power and pay its whole way in production of power, plus the reduction of $1.2 billion.

There was no way to anticipate these additional costs that arose because of the Clean Air Act and the Water Quality Act and the requirements that were placed on the Environmental Protection Agency.

Mr. GROSS. Neither could any other public, semi-public, or private utility anticipate that.

Mr. JONES of Alabama. They did. We passed in 1969 an act giving private utilities authority to write off 100 percent in tax writeoffs for those new additions as required by EPA. That is all we are doing here, giving TVA the same credit, or the same opportunities as we did the private utilities.

Mr. GROSS. Who controls the rates charged by the TVA for electrical energy?

Mr. JONES of Alabama. The Authority itself.

Mr. GROSS. Why does it not raise its rates rather than throw the full burden of these costs on the Federal Government and the taxpayers of the entire country?

Mr. JONES of Alabama. They have been raised five times, and we are now paying a rate of from 7 to 9 percent.

Mr. GROSS. I do not know the history of rate increases with respect to any other utilities, but I expect they have been raised four or five times, too.

Mr. JONES of Alabama. Yes. Not only is TVA going to have to increase rates, but every private utility in this country, with their fuel costs going up, their wages going up, and every aspect of the business going up, is going to be in the same position. Consequently, there is hardly a utility in the United States that does not have to raise rates.

Mr. GROSS. Mr. Chairman, that situation is shared by every other utility in the country, yet the TVA is here today asking for 100-percent compensatory payments from an already bankrupt U.S. Treasury.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to my friend, the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, I have heard much testimony before my Subcommittee on Public Works of the Committee on Appropriations. I have heard the various power commissions, the Alaska Power Administration, the Southeastern Power Administration, the Southwestern Power Administration, and the Bonneville Power Administration.

We only had the Bonneville Power Administration in 2 days ago, and they told us that they considered a rate increase periodically, but under the law they only did it once every 5 years. Only once every 5 years do they consider a rate increase.

They hold public hearings, of course, and hear the people making their protests, and then they file with the Federal Power Commission. This is the procedure required by law for the Bonneville Power Administration. The TVA reviews its rates every quarter, not every 5 years. The TVA reviews its rates every 3 months, every quarter, and they do that so they can see what their liquidating, self-sustaining interests are. And, as I said earlier, they are paying into the Treasury this year $80 million. The TVA is paying $80 million into the Treasury.

Mr. GROSS. Mr. Chairman, I certainly do not want power consumers in the State of Iowa paying taxes and high rates for electrical energy in order to compensate those who are served by the Tennessee Valley Authority. I support the amendment by the gentleman from New Hampshire because it would make the bill less worse and then I urge that the entire proposition be voted down.

Mr. EVINS of Tennessee. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. I yield to the gentleman from Tennessee.

Mr. EVINS of Tennessee. Mr. Chairman, all private utilities are given a 100-percent tax writeoff, a tax credit, for all moneys expended for pollution control devices. This would only equalize the situation as it relates to a public agency of the Government.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, the private utilities pay Federal income taxes. The TVA does not pay one thin dime of income tax money, and these writeoffs relating to accelerated depreciation and investment credits are all related to the Federal income tax.

Mr. GROSS. The Tennessee Valley Authority has a highly favorable interest rate on the money borrowed from the Federal Government.

Mr. QUILLEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Chairman, I thank the gentleman for yielding.

As the gentleman knows, the TVA is doing a lot of experimental work in the production of electricity, and in many ways they are accomplishing things which will accrue to all of the people of the United States.

TVA has done a world of good, and the people down there are paying higher rates, and this will have the effect of reducing the rates across the country.

Mr. GROSS. And also, Mr. Chairman, I would point out that TVA has been treated as a sacred cow. No matter how it may be described otherwise this is special privilege legislation and it projects the spendng of $400 million into the uncertain future of the next 5 years.

In the name of fairness, reason, and financial responsibility this bill ought to be defeated.

Mr. BUCHANAN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New Hampshire (Mr. CLEVELAND).

While it would appear that the Tennessee Valley Authority does not have access to the same pollution control tax benefits available to private power companies and that some legislative remedy is in order, it does appear that the 100-percent payment deduction provided by this legislation would create an inequitous situation with TVA enjoying benefits not available to other utilities of this type.

Mr. Chairman, I appreciate the job TVA is doing in providing efficient and economical energy for millions of people. This legislation, however, effects not only the people served by the TVA, but the many millions of American taxpayers served by other electric utility companies throughout the Nation.

Existing tax law does not permit those taxpaying members of the electric utility industry to deduct 100 percent of the cost of pollution control equipment.

I am, therefore, concerned that we are setting the stage for a raid on the Treasury by other electric utility companies seeking the same benefits which this legislation in its present form affords TVA.

It would also seem that if this principle is to apply to utilities, it ought apply to all other businesses currently faced with major expenditures for pollution control equipment. Thus, support of legislation providing for the Federal Government to pick up the tab for all pollution-control expenditures for the Tennessee Valley Authority could well precipitate a massive push by industry in general for such benefits. In fact, I would be surprised if this were not the case.

I, therefore, urge my colleagues to support this amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Hampshire (Mr. CLEVELAND).

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 36, noes 58.

So the amendments were rejected.

The CHAIRMAN. Are there any further amendments? If not, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. EVANS of Colorado, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee having had under consideration the bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments, pursuant to House Resolution 991, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. SNYDER

Mr. SNYDER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SNYDER. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SNYDER moves to recommit the bill H.R. 11929 to the Committee on Public Works.

Mr. JONES of Alabama. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. FINDLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 209, nays 193, not voting 30, as follows:

[Roll No. 102]

YEAS—209

Abdnor
Abzug
Adams
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Badillo
Baker
Barrett
Beard
Bennett
Bergland
Bevill
Biaggi
Biester
Boggs
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Clancy
Clark
Clausen, Don H.
Clay
Cochran
Collins, Ill.
Conyers
Corman
Cotter
Culver
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Dickinson
Diggs
Duncan
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fisher
Flood
Flowers
Flynt
Foley
Ford

Fulton
Fuqua
Ginn
Gonzalez
Gray
Green, Pa.
Griffiths
Gunter
Hammerschmidt
Hanley
Hanna
Hanrahan
Hansen, Idaho
Hansen, Wash.
Harsha
Hays
Hébert
Hicks
Holifield
Holtzman
Hosmer
Howard
Hungate
Ichord
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kuykendall
Kyros
Landrum
Leggett
Lehman
Litton
Long, Md.
Lott
Lujan
Luken
McClory
McCloskey
McCormack
McFall
McKay
McSpadden
Macdonald
Madden
Mahon
Mathis, Ga.
Matsunaga
Meeds
Melcher
Mezvinsky
Milford
Mills
Mink
Mitchell, Md.
Mizell
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nichols

Nix
O'Neill
Owens
Passman
Pepper
Perkins
Pickle
Poage
Podell
Price, Ill.
Quie
Quillen
Randall
Rees
Reid
Roberts
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rostenkowski
Roybal
Runnels
Ruth
St Germain
Sarbanes
Shipley
Sikes
Sisk
Slack
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Symington
Teague
Thompson, N.J.
Thomson, Wis.
Thornton
Udall
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waggonner
Waldie
Wampler
White
Whitten
Widnall
Williams
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wolff
Wright
Wyatt
Yates
Young, Ga.
Young, Tex.
Zablocki

NAYS—193

Addabbo
Andrews, N.C.
Archer
Arends
Armstrong
Ashbrook
Bafalis
Bauman
Bell
Bingham
Blackburn
Boland
Bray
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.

Buchanan
Burgener
Butler
Byron
Camp
Chamberlain
Chappell
Clawson, Del
Cleveland
Cohen
Collier
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Daniel, Dan

Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Wis.
Dennis
Derwinski
Devine
Dingell
Dorn
Drinan
Dulski
du Pont
Erlenborn
Esch
Eshleman
Findley
Fish
Forsythe

Fountain
Frenzel
Frey
Froehlich
Gaydos
Gettys
Giaimo
Gilman
Goldwater
Goodling
Grasso
Green, Oreg.
Gross
Grover
Gubser
Guyer
Haley
Hamilton
Harrington
Hastings
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hillis
Hinshaw
Holt
Horton
Huber
Hudnut
Hunt
Hutchinson
Johnson, Colo.
Kemp
Ketchum
Koch
Lagomarsino
Landgrebe
Latta
Lent
Long, La.
McCollister
McDade
McEwen
McKinney
Madigan
Mallary

Mann
Maraziti
Martin, Nebr.
Mathias, Calif.
Mayne
Mazzoli
Michel
Miller
Minish
Mitchell, N.Y.
Moorhead, Calif.
Mosher
Murtha
Myers
Nedzi
Nelsen
Obey
O'Brien
Parris
Patten
Pettis
Peyser
Pike
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Railsback
Rangel
Rarick
Regula
Rhodes
Riegle
Rinaldo
Robinson, Va.
Robison, N.Y.
Rodino
Roncallo, N.Y.
Rose
Rosenthal
Roush
Rousselot
Roy
Ruppe
Sandman
Sarasin

Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shoup
Shriver
Shuster
Skubitz
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Steele
Steelman
Steiger, Wis.
Studds
Sullivan
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Tiernan
Towell, Nev.
Treen
Vander Jagt
Veysey
Walsh
Ware
Whalen
Whitehurst
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Wyman
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Zion
Zwach

NOT VOTING—30

Alexander
Anderson, Ill.
Blatnik
Brasco
Burke, Fla.
Carey, N.Y.
Chisholm
Donohue
Downing
Fraser

Frelinghuysen
Gibbons
Gude
Hawkins
Henderson
Hogan
Jarman
King
Kluczynski
Martin, N.C.

Metcalfe
Minshall, Ohio
Moakley
O'Hara
Patman
Reuss
Rooney, N.Y.
Ryan
Steiger, Ariz.
Yatron

So the bill was passed.

The Clerk announced the following pairs:

Mr. Rooney of New York with Mr. Jarman.
Mr. Yatron with Mr. Burke of Florida.
Mr. Kluczynski with Mr. Downing.
Mr. Brasco with Mr. Hogan.
Mr. Blatnik with Mr. Gibbons.
Mr. Carey of New York with Mr. Alexander.
Mrs. Chisholm with Mr. Gude.
Mr. Donohue with Mr. Frelinghuysen.
Mr. Fraser with Mr. King.
Mr. Metcalfe with Mr. Patman,
Mr. Moakley with Mr. Reuss.
Mr. O'Hara with Mr. Steiger of Arizona.
Mr. Ryan with Mr. Martin of North Carolina.
Mr. Henderson with Mr. Anderson of Illinois.
Mr. Hawkins with Mr. Minshall of Ohio.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

### GENERAL LEAVE

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this bill and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

## REVENUES FROM MINERAL LEASES

(Mr. RONCALIO of Wyoming asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RONCALIO of Wyoming. Mr. Speaker, today I am introducing legislation identical to that already introduced in the House and the Senate by Members from Rocky Mountain States confronted with massive resource development and its related growth impact. This legislation would open up the revenues returned to States from mineral leases on Federal lands for uses other than construction and maintenance of roads and schools.

Wyoming may become the Nation's leading exporter of energy. Not only does Wyoming have oil shale resources, which led me to introduce separate legislation, but also an estimated 21 trillion tons of strippable low sulfur coal, continuing production of oil and gas, 50 million tons of uranium ore, and other minerals essential to the perpetuation of our industrial society and economy.

Mineral resource development is approaching the boom stage in my State and forecasts for population growth and increased demands for services to handle it are alarming. The Wyoming State Legislature, in its recent budget session, began to deal with the problems of growth by increasing the State's severance tax to 3 percent on trona, coal, oil shale, and petroleum other than from stripper wells.

It is estimated that the population will double in northeastern Wyoming by 1990 due to coal extraction and related power plant construction. In the Powder River Basin, job opportunities are forecast to increase from 13,076 in 1970 to 42,013 in 1990. Many jobs will be short-term construction work creating an unstable, *transient* community. Towns will be without the local bonding capacity necessary to provide the schools, water and sewage facilities, highways, and other public services required.

As the Mineral Leasing Act now reads, the State legislature is given the discretion of how Federal lease revenues shall be spent within the limitations of schools and roads. My State and others like it are going to need greater flexibility in use of royalties and revenues in order to deal with the unique problems of rapid growth. States will still be able to use these funds for highways and schools, but will also, under this legislation, be able to distribute funds received to other areas demanding attention.

## WHY CAN'T THE PEOPLE BE PARTNERS IN DEVELOPING OIL ON THEIR OWN LAND?

(Mr. REES asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. REES. Mr. Speaker, during the past few months the Department of Interior has been leasing out some of the more promising oil shale tracts on the public land in the western States. The bonus bids were higher than expected, from $75 million to $210 million, and the winning bids were submitted by those major oil companies which could afford to pay the huge bonuses.

The winning bidders now have the opportunity to develop these known shale resources and convert the shale to marketable petroleum. This process is expensive, of course, so that only the largest oil companies can enter into shale oil development after paying the huge bonuses. As a result, the smaller independent companies are frozen out of this bonanza. Thus we have even greater domination of the energy field by a few gigantic companies.

There are other problems on the horizon. The major bidders for the shale oil tracts tend to be vertically integrated companies; that is, each one covers all phases of the industry from the production of petroleum products to refining to pipelining to distribution to retailing. With their new domination of shale oil resources, there will be even less chance for outside competition from independent refineries, pipelines, distributors, and retailers. More concentration and less competition usually equals higher prices.

Why, when the United States leases out its public lands and tidelands, must it give everything away to the highest bidder? Why cannot the Government, in dealing with our public land, become a partner in the project? This is done in most other countries. U.S. oil companies are standing in line to sign up for such partnership arrangements whether it be in Iran, Peru, Saudi Arabia, or the North Sea.

Let us try out a hypothetical bid that does not go to the highest bidder. The Government decides to lease out a tract of tidelands for oil exploration. If it wished to do so, it could structure the lease so that the public would hold a 50-percent interest. The small-to-medium producer could be encouraged to bid if there was a relatively small bonus but a rather large royalty payment for the oil taken out. Once the bid is given out, the taxpayers would, in effect, be partners with the successful bidder. As partners we could invest funds in the exploration and development of the field, which would solve one of the problems faced by the oil companies—the need for vast amounts of capital for exploration and development.

If the field is a productive one, the taxpayer does well because the Government makes money. Under the present procedure, with its emphasis on large bonus bids, the income from a productive field could have little, if any, relationship to the original bonus. Under the partnership arrangement everyone—the oil company and the Government—would benefit in direct relation to the success of the field.

Once the field is developed and the oil is flowing, the Government could have the option of taking its share of the oil and marketing it to independents. By doing that, there could be far more competition in the pipelining, refining, distribution, and retailing of petroleum products than there is now. More competition, especially in an area where competition has been drastically reduced because of the energy crisis, would in all probability keep prices at an honest and reasonable level.

This partnership approach certainly is superior to other proposals that have been put forward, such as having the Government establish a Federal corporation to go into the business of resource development. Our petroleum companies, large, medium, and small, have the expertise and technology to do the job. With an enlightened Government partnership on public lands and with a policy to maximize competition in the energy field, everyone should benefit—the citizens who own the public land; the petroleum industry, from small to large companies; and, of course, the ultimate consumer.

## TURKISH BAN OF OPIUM POPPIES

(Mr. WOLFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLFF. Mr. Speaker, 3 days ago I held a talk with Turkish Foreign Minister Gunes. He told me there would be no spring planting of opium poppies and no further planting would take place without prior discussions with U.S. authorities.

As I indicated in a special order yesterday I made no threats on withdrawal of aid.

However, some press reports from Turkey today rumor a break of the ban on the growing of opium poppies.

If these rumors become fact and Turkey draws down a curtain of poppies between our two countries, let them be put on notice that the almost $300 million in aid we are to give Turkey in 1974 is in jeopardy—that we, in Congress, will not sit idly by while they reestablish the French Connection and grow opium to shoot heroin into the veins of young Americans.

Perhaps, though, when it comes to the military aid, they do not need us any longer. Maybe they can use poppies instead of planes to protect their people.

## WHEAT DEAL COMES HOME TO ROOST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, there can be little doubt now that the Soviet wheat deal was a real disaster. It was promoted with the thought that we could bolster our trade with an enemy and bring peace as well as help our domestic economy. The result has been to hurt our consumer and pile more governmental expenses on the back of the already sagging American taxpayer.

The farmer received a short-term benefit. Whatever complaints we might have on the deal, they should not be blamed on the farmer. He merely produces the wheat. His Government made the policy mistakes, not the farmer.

I have written the following letter to the President:

> February 28, 1974.
>
> Dear Mr. President: Aside from policy difference regarding the so-called Soviet wheat deal, I think we have now reached the point where we must consider our own basic national interests first. I believe if we do this, we will cancel all further shipments of wheat to the Soviet Union.
>
> No major power in the world can afford to trade away vital resources necessary to the survival of its own economy. In all too many areas we are doing this. We should not be trading vital scrap iron, and grain, for example.
>
> In no area is this policy more ridiculous than in wheat. The American public should not face shortages of any kind at a time when we are exporting wheat we do not have in surplus to any foreign nation, let alone an avowed enemy.
>
> I hope the Administration will reconsider its basic policy and put American interests first.
>
> Sincerely,
>
> John M. Ashbrook,
> *Representative to Congress, 17th District.*

Mr. Speaker, recent inquiries to my office from constituents of the 17th District have expressed concern over whether there will be an adequate supply of wheat for domestic consumption to carry us through the end of the present 1973–74 marketing year. While this concern would seem to be a simple one, it points up problems effecting consumers, millers, bakers, wheat farmers, exports, transportation, fertilizer supplies, various governmental agencies and future wheat and fertilizer supplies as well. What is obviously needed, to begin with, is a spirit of "give and take" on all sides to cope with the present and future problems in this area.

The February 5 issue of the Chicago Tribune carried an item entitled "Keep Wheat at Home, Bakers Ask" in which bakery industry spokesmen predicted a drastic increase in the price of bread unless steps are taken to insure an ample supply of wheat for American consumers. This was basically the same fear expressed by almost every grain exporter last August because of foreign demand for U.S. wheat shipments. A Department of Agriculture—USDA—spokesman at that time conceded that increased exports were pulling U.S. reserves to the lowest level in 27 years. Later, in January of this year, an item in the Baltimore Sun on the 9th stated:

> Wheat exporters are being quietly urged to delay foreign deliveries wherever possible to conserve the dwindling United States supply of bread grain until a new harvest is ready next summer, the Agriculture Department disclosed yesterday.

Several weeks later, in a nation noted for its huge wheat-producing capacity in past decades. President Nixon signed a proclamation making it legal to import as much wheat into this country as anyone wants to ship to us. These two adminisration actions certainly indicated some concern over a possible domestic wheat shortage.

On the other hand, as reported by Senator Robert Dole of Kansas on February 25, the National Grain and Feed Dealers Association has projected a carryover supply of 150 million bushels of wheat above the domestic and export need. Senator Dole also cited reports from several large grain companies as well as many of the grain elevators located in the wheat producing areas that they had 50 to 100 cars of wheat sold, but were unable to ship because of a lack of railroad equipment. This problem, the shortage of railroad cars for wheat transportation, was further accentuated by Governor Dan Walker of Illinois in September of last year when he was quoted as saying that Illinois alone has "300 million bushels of grain in elevators that may never reach market."

One further development stressing the seriousness of the transportation problem which affects both the consumer and the farmer was the effort by Secretary of Agriculture Earl Butz on March 13, 1974, to make available 4,000 additional railcars to transport fertilizer to farmers in time for spring planting.

To further complicate matters, not only is there a railcar problem but, according to Don Paarlberg, Director of Agricultural Economics at USDA, last September, a fertilizer shortage has been caused in large part by soaring overseas fertilizer exports. While hoping for a bumper crop of wheat this year, USDA cautions us that a fertilizer shortage could mean further trouble for the wheat farmer.

The fertilizer situation is at present serious enough to warrant a concerted effort on the part of involved Federal agencies to establish priorities aimed at increased production and distribution of this much needed commodity. I have introduced House Resolution 983 relating to the serious nature of the supply, demand, and price situation of the fertilizer problem. This proposal emphasizes the need for additional effort by the Federal agencies.

Even though the administration has released millions of additional acres from the set-aside program for wheat planting, needless to say, a serious fertilizer shortage can have a serious effect on our planned surplus in the coming months.

In addition, I am contacting the Interstate Commerce Commission concerning what steps, within their authority, are being taken to assist both the consumer and farmer in transporting both the wheat and fertilizer to their various destinations.

Also, Secretary Butz is being asked to provide a clarification as to the present status of the wheat supply and whether present supplies, plus voluntary postponement of wheat exports temporarily will insure an ample supply of wheat until this year's crop becomes available. Furthermore, USDA is being queried about the feasibility of establishing a basic stockpile of wheat for domestic consumption, a recommendation that has been advanced recently.

It is becoming increasingly evident that the role of foreign trade is playing a major role in our present food situation. On February 22, 1973, Assistant Secretary of Agriculture Carroll Brunthaver made this quite clear:

> Let me emphasize that the decision for an export-oriented agriculture has already been made. It is already being implemented, and has been for some time. The machine is rolling, and we are not going to throw it into reverse.

While the export of our agricultural products is both a legitimate and worthwhile practice, our experience with the controversial Soviet grain deal of 1972 indicates that constant supervision is called for in the export area. It should be remembered that, with the U.S.S.R. facing a major food shortage in 1972, the United States was presented with a unique opportunity to obtain cash or gold for our wheat but instead granted the Soviets $750 million in credit.

As I pointed out in a past Washington Report, the U.S. taxpayer was socked for $3 million in subsidies to U.S. exporters in a deal that allowed Russia to corner one-fourth of our wheat crop. The result was a large increase in wheat prices and subsequent increases in livestock and poultry. In addition, it was charged by the General Accounting Office, an agency of Congress and independent of administration pressure, that USDA ignored early evidence that the Soviets would be forced to buy large quantities of wheat in 1972, that the Department paid more in trade subsidies than was necessary, and the USDA presented distorted pictures of the trade to U.S. farmers who were selling their wheat.

Ironically, a year later the New York Times of August 17, 1973, carried a story headlined: "U.S.-Enriched Loaf is a Bargain at 23 Cents in Moscow Stores." The account began:

> While American housewives are paying higher prices for baked goods, Russian bread remains one of the biggest consumer bargains in the Soviet Union.

As if to prove its point, the Times ran this item on the same page:

> U.S. BREAD PRICES RISE
>
> Last week major bread producers in the United States announced raises of 1 to 4 cents a loaf, depending on the size and type of bread. These increases represented the highest cost of flour brought some weeks ago.
>
> With the price of wheat rising daily on the commodity markets, the price of bread is expected to go up still further.
>
> In New York, a 1-pound 6-ounce loaf of white bread that had been selling for 46 cents was up to 49 cents.

Adding insult to injury, Vladimir S. Alkhimov, Deputy Minister of Foreign Trade for the U.S.S.R., stated on January 28, 1974, that the Soviet Union would be willing to sell wheat to the United States—if our shortages become severe.

The Soviet offer was made possible, of course, by the record grain crop harvested by the Soviets in 1973. One important aspect of the 1973 crop was pointed out in the Baltimore Sun of October 29, 1973, in a headline reading

"Record '73 Harvest To Speed Growth of Soviet Industry."

The Sun article led off by stating that:

> An all-time record grain harvest of about 215 million tons is expected to improve the overall Soviet economy and release many millions of dollars of foreign currency for industrial development.

With the high priority given to the production of military implements of war, it is safe to assume that the "industrial development" will certainly include the producing of additional tanks, airplanes, SAM missiles, et cetera, for future harassment of the free nations.

The article also speculated that the 1973 harvest was likely "to stiffen Kremlin policymaking generally." If true, the 1973 record crop could help to explain why, while the United States was exerting every effort to persuade the Arabs to lift the oil restrictions to help alleviate the energy crisis at home, one press account reported on March 13: "Moscow urging Arabs to retain U.S. oil embargo."

Evidently our relations with the Soviet Union is not a two-way street. When the Soviets had food troubles in 1972, we bailed them out with the no-concessions grain deal. And how did the Soviets reciprocate in 1974? While we were negotiating with the Arabs for more oil, the Soviets were trying to frustrate our efforts by encouraging the Arabs to keep the embargo.

The above example of the grain deal and the energy crisis clearly demonstrate the importance of foreign policy in our domestic affairs. Presumably, little attention is given by the consumer to our present disastrous foreign policy which, in the name of détente, has effectively placed the interests of Communist governments before our own. A number of us here in Congress have stressed the defense-before-détente policy, but it has largely fallen on deaf ears. One effect at least of the Soviet grain deal and our present wheat situation was to bring into the American home the danger of this so-called détente policy which understandably has less citizen interest generally than the issue of food prices and shortages. In August, 1973, I stressed this theme in an issue of the Washington Report:

> All too often our foreign policy works against the best interests of the American people. Nowhere is this more true than in the Soviet wheat deal—a deal I warned against last year. The Administration, in its eagerness to befriend the Soviet Union, has cost the American taxpayer and consumer hundreds of millions of dollars.

Several years ago, when East-West trade proposals were being advanced, I asked a Navy flyer who had been jailed and beaten by the North Vietnamese whether he had any evidence of Soviet involvement in the Vietnam war. He stated simply that a Soviet SAM missile had shot him down. In the same vein, it must have been exasperating to Vietnam veterans to learn how we got "taken" in the Soviet grain transaction. The military supplies that the Soviets provided the North Vietnamese sent many an American boy home in a coffin. Now Red China, the other main supporter of the Vietnamese Communists, will purchase from the United States 140 million bushels each of wheat and corn this year. A Baltimore Sun item of February 13 states that the Chinese have played it low-key and spread its business over a number of American firms.

On the subject of East-West trade generally, this administration is so enchanted with the détente thesis that basic considerations relating to national security now take second place. Recently, an article in Business Week described the Pentagon's concern over the transferral of vital technology to the Soviet Union which, in the long run, would greatly aid their war machine. As in the Soviet grain deal, it seems that just about any concession is in order if it appeases or entices Communist officials. Not long ago I cosponsored a resolution calling for suspension of further credit to the Soviet Union through the Export-Import Bank until Congress reviews this issue.

Fortunately, at least for the time being, the Bank announced on Monday of this week that it was suspending temporarily consideration of all export credits to the Soviet Union and three other Communist countries pending clarification of a technical legal issue raised by the same General Accounting Office mentioned previously. Another measure which a number of us here in the House have introduced is a provision which denies loans to the Soviet Union until it allows the right of emigration to its citizens. This is an example of a quid pro quo which the administration could have used in the Soviet grain deal but did not. Such a move on the administration's part would, of course, alienate the Soviets.

Another recommendation—this was related to the Vietnam war—I suggested in my Washington report of April 19, 1972, also went unheeded. The proposal was made that:

> A denunciation of the Soviet Union for its role in supplying, aiding and abetting the principal aggressor is clearly called for, and the President should also immediately order home the agricultural delegation headed by Agriculture Secretary Butz now visting the USSR.

As shown from the foregoing, there are a number of vital issues which are receiving close scrutiny and which have been occasioned in part by citizen inquiries on the present wheat supply. Hopefully, USDA's assurance that there will be available enough carry-over wheat to cope with domestic demands will prove to be correct. However, assurances alone are hardly reassuring in this case. Questions as to what uncommitted stocks are on hand, what percentage of sold wheat is slated for domestic consumption, and what is the amount of overseas sales still to be fulfilled seem to have a direct bearing on the present supply.

Again, hopefully, in viewing the overall picture—the problems of the energy crisis, fertilizer, transportation, exports, détente, and foreign policy, adequate consumer needs, to mention a few—will bring home to us that the food issue is multifaceted and requires the cooperation and forbearance of all citizens to resolve our difficulties, both present and future.

## GARBERVILLE, CALIF., MARKS 100 YEARS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN) is recognized for 5 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, the February 7 edition of the Garberville, Calif., Redwood Record included an excellent article commemorating the 100th anniversary of the unincorporated town of Garberville on March 16, 1974.

As a youngster I had the opportunity to visit Garberville on a number of occasions. These opportunities came when my family and I would camp at Redway and Richardson's Grove—two beautiful recreation areas near Garberville on the Eel River.

It is for this reason that Garberville holds a favorite spot in my heart and I want to take this time to pay tribute to Jacob C. Garber and the town's early pioneers, and to all their descendants still living in this beautiful Redwood Empire community. I also think it is fitting to commend those townspeople involved in this centennial anniversary celebration.

I am inserting the following article—which was written by Mrs. Zella Wright, an active and dedicated community leader—in the CONGRESSIONAL RECORD to add prominence to the occasion and to record permanently the story of Garberville for my colleagues in the Congress and for all Americans to read and enjoy.

In addition, let me take this opportunity to extend a standing invitation to my colleagues to this fine resort area.

The article follows:

### GARBERVILLE, CALIF., MARKS 100 YEARS

The unincorporated town of Garberville will be 100 years old in March, and plans are being made by the Chamber of Commerce for a number of events marking the Centennial Celebration.

It was on March 16, 1874 that Jacob C. Garber, for whom the town is named, was granted a permit for the establishment of the Garberville Post Office.

One of Southern Humboldt's early pioneers, Garber came to California in 1845, at the age of twenty-one. He was born in Fort Republic, Va. on Jan. 7, 1824, the son of Martin Garber, Sr. and Magdalene Mohler Garber. The family moved to Pennsylvania in 1836, and Jacob grew to manhood there, living for a short period also in both Iowa and New York before coming West.

While residing in Nevada County, California, he engaged in mining for a number of years, and also served as County Recorder there with much credit to himself. From Grass Valley, he moved to Humboldt county in 1867; and the following year settled on a little flat on the banks of the South Fork of the Eel River, at the site now owned and occupied by the State Department of Transportation (Division of Highways). There Jacob Garber built a three-room log house, one room of which was used for a store which the few surrounding settlers referred to as the South Fork Trading Post. The building was constructed of native logs, the timbers hand hewn and the boards hand split.

In that same year of 1868, Garber married Miss Julia Wheeler. In 1873 he purchased a parcel of land on the flat now occupied by the town of Garberville. The lot was located in the center of town, on the west side of the main street, where the Western Auto store (site of the old Garbervillle Mercantile Store) now stands. Upon completion of the store, Garber added space for Garberville's first post office and applied for a post office permit. This permit was granted on March 16, 1874, and the new-born settlement was promptly named Garberville. Today the town stands as a monument to Jacob Garber's foresight and industry.

Prior to this time, the settlement was known variously as South Fork or Dogtown. Previous to establishment of the post office, mail was carried in over the hills to the east by horseback, from a place called Centre Station. This was a site on the old Mail Ridge Trail where the Harris Road branched to continue on to Fruitland. A cabin was located there and a corral and barn where horses were kept to provide fresh steeds for the stage coaches which traveled this key artery.

### A NEW STORE

Jacob Garber built a store on his property purchased in 1873, named simply Garber's Store. It was partially replaced by a new building about 1911 or 1912. The wood siding and roof were at this time replaced with corrugated iron to provide greater stability and protection against fire.

The first merchandise for Garber's enterprise came by mule train from Shelter Cove, then a key north Pacific coast port. The pioneer Parker Brothers operated the mule train. Later, when a road had been built between town and the cove, wool, hides, deerskins, sheep, dried venison and fruit, eggs and butter were hauled from Garberville for shipment at Shelter Cove. In 1878 the principal wool shippers from the area were Garber, a man named Martin, and M. Saunders & Co.

Jacob and Julia Garber had no children of their own. However, they took to their hearts a seven year old, part Indian girl, Alice Emma Conness (who later became Mrs. Joseph Caton) and raised her. They never, however, officially adopted her. In 1887, Mr. and Mrs. Garber decided to leave Garberville and moved to Grangeville, Idaho. Their store here was purchased by three local men, Fred Coady and brothers Benton and Lemuel Dahle, the latter a brother-in-law of Julia Garber.

Both Mr. and Mrs. Garber were held in great regard by their friends and neighbors of Garberville for their superior character, their strong and energetic ways and their deep love of the soil and the great outdoors.

Jacob Garber died in Grangeville, Idaho on Oct. 2, 1904. His years there had been distinguished also with community service. After a few years spent farming and raising stock, he was named Probate Judge in 1891. In 1897 he was appointed postmaster of Grangeville, a position he held until his death.

### PIONEER REGISTRATION

Chamber of Commerce director Zella Wright has been named by President Dan Healy to chair the Centennial Celebration observances. "We are already busy with plans for several events," she said today, "with many more to come. One of the most important things we'd like to accomplish during this Centennial year is the registration of all residents whose family members have lived for a considerable period in Garberville and the immediate environs. We are looking for two particular categories: (1) those who trace their family residency back more than 100 years and (2) those who fall in the 75 to 100 year category. As soon as details are finalized, registration sites will be announced. We hope that all will come forward to record their names."

Planning for two other activities is underway—a showing of pioneer artifacts, and an exhibit of photographs of pioneer residents and early Garberville scenes. Mrs. Wright has asked Margo McReynolds to chairman the former, and Rae Matthews to take charge of the photo display.

Mrs. McReynolds has started work and to date has named Lynne Neyman, Frances Dell Era, Sam McCush and Donna Crenshaw to her committee. Additional names will be added as plans progress. The tentative date for this event is sometime in July.

Mrs. Matthews is planning the old photo exhibit for August. Anyone having photographs they feel may be of interest, and which they are willing to display, should call Mrs. Matthews. If you cannot reach her, leave message at the Redwood Record.

Many "mini exhibits" and additional community events are in the formative stages. Announcements will be made in the Record as plans progress and chairmen are named for each activity.

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## ABANDONMENT DISASTER DEMONSTRATION RELIEF ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. Diggs) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, for Congressmen Ford, Dingell, Nedzi, Conyers, Congresswoman Griffiths, and myself, I introduce the Abandonment Disaster Demonstration Relief Act.

This coalition of Members of the House, representing districts in the Detroit urban and suburban area, has consistently fought to improve the conditions under Federal housing programs in our own metropolitan area and others across the country.

The problem we address today is that of abandoned housing—homes which have been acquired by the Department of Housing and Urban Development and the Veterans' Administration through foreclosures.

Mr. Speaker, we recognize that the crisis in abandoned housing is a disaster that knows no city boundaries. While the core of the city remains the most severely damaged area by the blight of abandoned homes, the suburban areas are carrying an ever-increasing share of the burden as more and more homes are left open for months to the terror of vandalism, disease, and crime, and breed decay for the entire neighborhood.

As of December 31, 1973, HUD reported owning 75,269 repossessed units nationally, including about 12,000 in the Detroit area alone. The figure on actual HUD-related abandoned units is probably even higher than this, since the houses are often abandoned for months before repossession by HUD.

The cost of these abandoned houses is staggering—as witnessed by the article I have enclosed from the Washington Post of March 16, 1974, which places the yearly cost of defaulted mortgages at $2 billion.

The bill we offer has as a major goal the correction of gross defects in the present system of management of these properties. It would help communities like the Detroit metropolitan area, that are suffering from the abandonment disaster, to rehabilitate salvageable housing, to increase the supply of new housing with special emphasis on the needs of moderate- and low-income families.

The bill would establish a Neighborhood Corporation, a special government-sponsored corporation to deal specifically with abandoned housing units.

This Corporation would be able:

To secure possession and ownership of many abandoned housing units quickly to prevent deterioration of the unit and to stem the spread of abandonment in a neighborhood;

To renovate and rent or sell abandoned units and to originate mortgages at interest rates below the going market rate;

To hold land for redevelopment and to construct new housing in accordance with a city's community development or housing plan.

In addition, housing units now owned by the Department of Housing and Urban Development and the Veterans' Administration would be turned over to the Corporation. The Corporation would pay HUD and VA the amount remaining on the foreclosed mortgage or the fair market value, whichever is less.

The Corporation would be authorized to operate 5-year demonstration programs in three metropolitan housing areas. If the approach works, the life and activities of the Corporation could be extended by Congress. If it fails, the Corporation would phase itself out at the end of the 5-year period.

Program areas would be selected on the bases of the seriousness of their abandonment problems and of the proposals of the major city in the market area to work with the Corporation. The Corporation would be authorized to work with suburban communities within the area which have an abandonment problem.

The Neighborhood Corporation would be funded through issuance of $35 million worth of stock which the Secretary of the Treasury would be required to buy.

Additional capital would be raised through issuance of debt obligations in the private capital market not to exceed $350 million. The Treasury would be authorized but not obligated to purchase these obligations.

The backup authority of the Treasury, similar to the approach which has enabled the Federal National Mortgage Association and other Government-sponsored organizations to raise money, and the guarantee of at least 10 percent equity capital would encourage investors to purchase the Corporation's debt obligations.

Because the obligations sold by the Corporation would not be debt obligations of the United States, the Corporation's funding would not be affected by any Federal debt ceiling.

We believe this bill is vital to Detroit and its suburbs if we are to stop the perpetual monstrous bureaucracy that has turned whole neighborhoods into crime-ridden jungles of empty buildings. Each of the Members who joins me today has seen the deterioration of neighborhoods in his or her own district.

The approach offered in our bill offers an alternative to self-perpetuating Federal agencies whose programs have failed. It also emphasizes the cooperation and input of local communities in planning and implementation of programs, rather than Federal domination of plans.

Mr. Speaker, the legislation we introduce today in the House was drafted and introduced in the Senate by my distinguished colleague from Michigan, Senator PHILIP HART; it is my hope that both the Senate and the House will act on this important legislation to stop the disaster of abandonment from destroying our urban and suburban neighborhoods. I would like to include in the RECORD the article I alluded to from the Washington Post of March 16, 1974:

[From the Washington Post, Mar. 16, 1974]

DEFAULTS HIT HUD SUBSIDIES

(By William Chapman)

The Department of Housing and Urban Development is now spending $2 billion a year to bail out housing subsidy programs in which there has been a massive wave of defaults on federally insured mortgages.

That is more than four times as much as HUD was spending to acquire defaulted mortgages and properties in 1970, and administration officials predict the total will keep rising in the years to come.

Two special HUD funds created to back up the mortgage insurance programs have been plunged deeply into debt in the past few years and HUD now is being forced to borrow $1 billion a year from the Treasury to meet its obligations to lenders who held the bad mortgages.

This backdoor financing out of the Treasury disturbs some members of Congress, who see it as virtually unstoppable. However, Congress so far has refused to appropriate money—as required by its own authorizations—to pay off the mortgages.

In the view of some HUD officials, there is no end in sight to the acquisitions, even though President Nixon has frozen the major housing subsidy programs that produced the wave of defaults in the past five years. Millions of dollars in federal insurance were committed to the subsidies before Mr. Nixon froze them early in 1973.

Asked yesterday when the wave of defaults might crest, one HUD official turned up the palms of his hands and said, "I wish I knew."

Most of the defaults have occurred in low-cost housing subsidy programs started in the late 1960s to help poor and moderate-income families get decent houses. In thousands of cases, the families proved unable to keep up payments, and the government was committed to buying the mortgages from lending institutions, principally mortgage bankers and savings and loan associations.

Extensive fraud, mismanagement and bribery in many of the cases have been brought to light by federal prosecutors in the last two years. Thousands of the homes were sold to the poor at vastly inflated values under Federal Housing Administration mortgages. In many cases the properties acquired are worth only a fraction of what the government paid for them.

H. R. Crawford, HUD's assistant secretary for housing management, yesterday gave this picture of his inventory: By acquiring defaulted mortgages, HUD now owns 75,000 single-family homes and 25,000 apartment units. Another 139,000 homes or apartment units are in some stage of default and about 70 per cent of them ultimately will have to be absorbed by the government. By next year, Crawford said, he expects the government to have about 200,000 homes or apartment units on its books.

Crawford also said he, expects the default rate in certain of the subsidy programs to rise in the next few years.

The accelerating rate of government acquisitions is illustrated by a comparison of 1970 and estimates for the 1975 fiscal year.

In 1970, HUD had to spend $448 million to acquire properties with defaulted mortgages. Budget officials at HUD yesterday estimated that in Fiscal 1975 that will have risen to more than $2 billion. In the current fiscal year, which ends this June, the amount spent is estimated to be $1.9 billion.

HUD is now able to recoup about half of the $2 billion by reselling the properties or through insurance premiums taken in from the properties not in default. That leaves the other half, about $1 billion, to be borrowed from the Treasury.

Congress created two insurance funds that were supposed to have enough reserves to absorb the losses, but both funds have been exhausted. One of them, the General Insurance Fund, is expected to have a deficit of $715 million by mid-1975. The other one, called the Special Risk Fund, will be $810 million in the red by mid-1975, HUD budget officials estimate.

The rapidly deteriorating position of the two funds has provoked an investigation by the House Government Operations Committee's Subcommittee on Legal and Monetary Affairs.

FHA Commissioner Sheldon B. Lubar, in a letter to the subcommittee, has estimated that HUD must call on the Treasury for $1 billion in the current fiscal year and for $1.085 billion in the next fiscal year. By last December, HUD already had been forced to borrow nearly $2 billion from Treasury.

The practice of borrowing from the Treasury disturbs some of the subcommittee members. "It was not the original intent of Congress to have this money taken out of the Treasury," said Rep. Sam Steiger (R-Ariz.), ranking Republican member of the subcommittee.

"The idea was that they would be self-sustaining. If the deficits were to be made up, it was supposed to be out of the regular appropriations process. But now it's become an automatic authorization."

Two years ago HUD sought an appropriation to make up the expected deficit in one of the funds. It was turned down by the House Appropriations Committee, which suggested that HUD wait until the exact amount of the deficit was known.

This year, with the funds deep in debt, HUD is seeking a $92 million supplemental appropriation to meet part of the deficit and lessen its reliance on Treasury borrowings. Congress has not yet acted on the request for the supplemental appropriation.

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## FAIR WEATHER FRIEND—XIII

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, as you know from my recent statements, I was recently attacked by a labor group, the Labor Council for Latin American Advancement. Furthermore, you know this attack was organized by a very few people and not cleared by the board of that organization.

Yet, despite this attack, various officials of the AFL–CIO continued to praise me for my work in Congress in behalf of the labor men and women of this country.

For example, I have received a number of letters thanking me for my support of the 1974 Amendments to the Fair Labor Standard Act.

An example of my response to these letters is as follows:

HOUSE OF REPRESENTATIVES,
*Washington, D.C., March 19, 1974.*

MR. PATRICK E. GORMAN,
*Secretary-Treasurer and Chief Executive Officer, Amalgamated Meat Cutters, 2800 N. Sheridan Road, Chicago, Ill.*

DEAR MR. GORMAN: I want to thank you for your letter in support of the 1974 Amendments to the Fair Labor Standards Act.

You know my voting record in these matters, so you know that I support legislation that advances justice for American workers.

I have for years been unable to understand why the AFL–CIO, in general, and your Union in particular, have subsidized and supported certain individuals who are dedicated to my defeat. I don't know what these persons hope to gain and I don't think that you have gained anything from their activities either. Up until now, I have been willing to bear all of this silence, but of late these individuals have taken to making public attacks on me and that is just too much. I am replying, in kind, and I enclose a series of statements that form a part of what I intend to say. You are supposed to be interested in justice, and I know that I am. I'd like to see you do something for one of your friends, namely, me.

Sincerely yours,

HENRY B. GONZALEZ,
*Member of Congress.*

Mr. Speaker, for the record, I would like to submit once again the text of the attack which was made on me by this so-called Labor Council for Latin American Advancement which none of the national AFL–CIO officials have refuted.

LABOR COUNCIL FOR LATIN
AMERICAN ADVANCEMENT,
*Washington, D.C., Dec. 19, 1973.*

The Labor Council for Latin American Advancement (LCLAA), the trade union voice of U. S. workers of Latin descent, has vigorously condemned the union-busting attitude of Congressman Henry B. Gonzalez of Texas, while reaffirming support of the strikers who launched a national boycott against the Farah Manufacturing Co., a big producer of men's pants.

For over 20 months, 3,000 workers at the Farah plant in El Paso, Texas have been on strike to protest inhumane treatment and to demand that Farah allow them to unionize. They have been aided in this struggle by the Amalgamated Clothing Workers Union, and backed by the AFL-CIO. Because of the success of the boycott, two Farah plants in San Antonio were just closed. Plants in Las Cruces, N. M. and Victoria, Texas had to be shut down earlier this year. Farah strikers are mostly Mexican-Americans, and about 85% are women—all struggling for human dignity and social justice. They also have the full backing of the Catholic Church and the help of Archbishop Francis J. Furey.

On December 8, in a shocking demonstration of anti-unionism, Congressman Gonzalez offered to aid the Farah Co. to obtain a federal loan to re-open the San Antonio factories. Gonzalez also urged President William Farah to reconsider the closings. The LCAA says "Gonzalez is on the side of big business and against the Farah strikers, who are only asking for a fair share."

As a result of the San Antonio Plant closings, the Farah strike-breakers who had been hired to replace the strikers took their anger out on a meeting of Catholic leaders. They put 60 pickets on the street outside a

Catholic meeting that had nothing to do with the Farah strike. Congressman Gonzalez visited the pickets and expressed support of the Company.

The LCLAA strongly denounces Gonzalez for his actions, and reaffirms the sentiments which led to unanimous approval of two Resolutions supporting the Farah strikers at the LCLAA Conference held in Washington, D. C. in November. That Conference was addressed by AFL–CIO President George Meany, Senator Joseph Montoya of New Mexico and other distinguished people in and out of the labor movement.

### TEXT OF TELEGRAM SENT TO GONZALEZ BY LCLAA

The Labor Council for Latin American Advancement representing thousands of workers of Latin American descent is appalled at your support of the union-busting Farah Manufacturing Company of El Paso, Texas, a company representing the worst kind of reactionary employers. Their notorious policy of exploiting and abusing Mexican-American workers has forced its employes to go on strike in defense of their human dignity and in the pursuit of legitimate improvement in their social, economic and working conditions stop Your identification with scabs and support for such union-busting tactics are cause for great concern stop We urge you to reconsider this policy and to work towards persuading the Farah Manufacturing Company to abandon its policy to ignore existing laws, to cease and desist from its union-busting tactics and, above all, to treat its employes as human beings and not with the contempt and prejudice presently demonstrated stop

RAY MENDOZA,
*Chairman.*
J. F. OTERO,
*1st Vice-Chairman.*

Mr. Speaker, who is Ray Mendoza? Who is J. F. Otero? We know who Don Slaiman is and that he is no longer the AFL–CIO director, but we have not heard from him or the others.

Neither George Meany, Don Slaiman, or Andrew Biemiller—all big panjandrums of labor—have even had the courtesy and decency to answer my letters. Well, as we say in Spanish: "El que más saliva tiene, más pinole traga (he with the most saliva eats the most pinole). These gentlemen ought to know, I have plenty of saliva.

## THE PRESIDENT'S STATEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. MEZVINSKY) is recognized for 5 minutes.

Mr. MEZVINSKY. Mr. Speaker, in Houston last night, the President made a statement that shocked me and raised the ire of many of the people in the First District of Iowa.

In response to a question from Waterloo, Iowa, newsman Grant Price, who asked what kind of assurances the administration offers farmers that increased food production will not drive farm prices down, the President glibly indicated that our farmers are doing pretty well for themselves. He said farmers "have never had it so good."

The only excuse for such a misleading statement is that Mr. Nixon must be so distracted by other matters that he is totally unaware of the agricultural situation in the country today.

Indeed, 1973 was a long-overdue good year for most farmers and record prices resulted.

However, farm expenses are rising relentlessly and threaten to take a massive bite out of farm income.

It is expensive to farm and getting more and more so. Staggering increases have been registered in the prices of fertilizer, farm machinery, feed, and feeder livestock. Add to this the severe shortages in many areas—especially in fertilizer and some important feed additives such as dicalcium phosphate—and it is clear that our farmers are facing pressing problems.

The cattle industry is on its knees and it is estimated that beef producers—hit by rising feed costs—are losing more than $100 on each steer they take to market. It is also ironic that many hog producers are actually losing money raising the pork which has been selling for record high prices at the supermarkets.

It is incredible that the President is apparently unaware of these problems.

Instead he tells the Nation that farmers are having a heydey. He even had the audacity to compare the farm situation with that of the oil industry where profits are skyrocketing.

With consumers looking for a culprit on whom to pin rising food price blame, the President pointed an unjustified finger at our farmers.

Not only did he avoid answering the very pertinent question from Mr. Price, Mr. Nixon indulged in a misleading statement that adds to the misunderstanding of the problems facing America's farmers.

I would hope that Mr. Nixon finds some time to study the agricultural situation before his next prime-time TV appearance.

## PERSONAL EXPLANATION

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, on March 11, because of the funeral services held for Mrs. Hugh Carey, I was unavoidably absent from the floor for roll No. 73. Had I been present, I would have cast a yea vote.

On February 6, I was unavoidably absent from the floor for roll No. 25. Had I been present, I would have cast a yea vote.

## CARE IN GUATEMALA

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, it was my privilege on a recent trip to Guatemala to meet Mr. William F. Salas, Director of the Cooperative for American Relief Everywhere (CARE) in Guatemala, who was kind enough to tell me of the wonderful work that CARE is doing in that country and around the world. CARE is a partnership effort between recipients and donors in coordinated programs aimed at developing the ability of local groups to attain a decent standard of living on their own. One of this organization's most important contributions to the people of Guatemala, under Mr. Salas' able leadership, is in providing food for 400,000 school children and 105,000 new mothers and mothers-to-be who would otherwise suffer from inadequate diets or malnutrition.

Unfortunately, these figures are now being reduced because of cuts in food allocation by USAID this year. In addition to its efforts to feed the hungry, CARE is training workers for new jobs, educating children, teaching adults to read and write, aiding in the construction of schools, clinics, roads, water systems, and public health and sanitation facilities. I was so impressed by all that this great organization is doing to make the quality of life so much better and happier for countless people, not only in Guatemala but in 33 other countries, that I asked Mr. Salas to put into writing what he had told me, which he graciously has done.

I ask, Mr. Speaker, that Mr. Salas résumé of CARE's work in quieting the cries of the hungry child, in nourishing the body of the weary mother, in kindling the fires of knowledge in uneducated minds, and in offering health care to those who have never had such care, be inserted in the body of the RECORD following these remarks:

CARE,
*Guatemala, February 14, 1974.*

Hon. CLAUDE PEPPER,
*House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN PEPPER: First of all, I wish to thank you for the time you gave me to explain the CARE operation in Guatemala.

In accordance with your suggestion, I am enclosing a résumé of our work here, which you so kindly offered to include in *The Congressional Record*. I hope it is brief and explicit enough so that the readers may get the same kind of an understanding as you did of what CARE is doing.

Please convey my very best regards to Mrs. Pepper, and I hope that we will have you down here again very soon.

Very truly yours,
WILLIAM F. SALAS,
*Director of CARE.*

### CARE DEVELOPMENT PROJECTS IN GUATEMALA

#### INTRODUCTION

CARE—Guatemala is only one of the 34 countries in which CARE operates overseas. Although CARE's work in this country is relatively limited as compared to its operations in other parts of the world and therefore cannot be presented as a typical CARE operation, it is representative of what CARE is doing overseas. Bearing in mind that each country has its own problems and its own priorities, this report briefly stresses some of the needs which are being met in Guatemala. However, before proceeding, one must consider briefly what CARE is and how the original concept of CARE's work has changed.

Food has been synonymous with CARE since the end of World War II, when CARE food packages meant survival for starving European families until their own fields could again be harvested. As the European economy recovered, attention turned to emerging nations and other continents. The problem was no longer a question of rebuilding what had been destroyed, but to build what had never before existed. CARE began to move in new directions.

Beginning in the early 50's, U.S. food donations enabled CARE to shift its emphasis from relief packages for individual families to school lunch, food-for-work and other feeding programs that develop human resources and raise the living standards of vast groups of people.

Simultaneously, a second dimension was added—CARE's Self-Help Program—to give tools to help people help themselves. In packages and special projects, CARE began to send supplies to meet every type of need—to expand food production; train workers for new jobs; educate children and teach adults to read and write; spur construction of schools, clinics, roads, water systems, public health and sanitation facilities; and, finally, through CARE's "MEDICO" service, even doctors and nurses to practice and teach modern medicine.

Today, after 28 years, CARE is a partnership effort between recipients and donors in coordinated programs aimed at developing the ability of local groups to attain a decent standard of living on their own. Throughout CARE's day-to-day operations, the donations are matched in some form by recipients, from the host governments to the community groups who benefit directly. The know-how gained in organizing and administering long-range projects for human progress is passed on to the local leaders and counterpart agency people with whom CARE works.

### CARE-GUATEMALA

The CARE-Guatemala program, in operation since July of 1959, began with the primary interest of improving the nutrition of Guatemalan pre-school and primary-school children with food obtained from USDA through AID. CARE's original feeding program was with pregnant and lactating mothers and their pre-school children, mostly within Guatemala City and later the Department (State) of Guatemala. The feeding program was then expanded to include the school children in the primary grades of Guatemala City and later in the Department of Guatemala. These two programs were further expanded in 1968 to cover the entire country, including 400,000 primary-school children and some 105,000 pregnant and lactating mothers and their pre-school children. Because of cuts in food allocation by USAID this year, we may only reach 225,000 primary-school children and 75,000 pre-school children; and the possibiilty exists that USAID may reduce even more these tentative figures in 1975.

### FEEDING PROGRAMS

#### *School feeding*

This program is ongoing in some 2,700 schools in Guatemala. It is limited to children in public primary schools (first through sixth grades). Along with each school-feeding program, there are school-snack parent-teacher committees. These committees are given the responsibility for setting up a school kitchen and for providing such items as pots, pans and fuel with which to prepare the daily snack. In addition, the committee generally provides someone to help in the preparation of the food.

CARE maintains 28 regional warehouses—at least one in every department—from which school directors, with help from the municipalities, pick up the PL 480 foods for their schools. CARE supervisors make monthly visits to all areas to help with problems which may develop. Individual schools are also "spot-checked" on a regular basis.

#### *Maternal-child feeding*

The Maternal-Child Welfare Program feeds pre-school children and lactating and pregnant mothers, and is being operated with the cooperation of the Ministry of Health, through their health centers in every department of Guatemala.

Only flour, corn-soy blend (CSB), bulgur, soybean oil, etc. from the approved list of PL 480 commodities are given to these recipients, now that milk is no longer available.

In some areas, where there are no local health units, volunteers have set up Maternal-Child feeding programs to help fight malnutrition. CARE is glad to provide the foods for these programs, providing the controls and distribution systems are well planned and administered.

Pregnant and nursing mothers and all pre-school-age children are eligible to receive up to 8.3 lbs. of food per month, although this may be reduced by AID in fiscal year 1975.

### FOOD DEVELOPMENT AND NUTRITION RESEARCH

Because of the threatened shortages of PL 480 foods, CARE has become very active not only in applied nutrition research, but also in seeking local substitutes for the PL 480 foods which are less available from USDA. To this end, we are experimenting with regional and international organizations in projects which will—we hope—eventually replace U.S. PL 480 food donations with local foods.

In addition to supporting the Government of Guatemala's desire to replace donated PL 480 foods, CARE also monitors the effects of the PL 480 food supplementation by the utilization of growth curves intended to evaluate the individual health-status progress of each child. Concurrently along with these growth curves, intensive nutrition education classes for pregnant and lactating mothers are being implemented in many urban health centers. We hope to expand this into the rural areas in the near future. Some of the visual aids especially produced for these programs include charts and filmstrips.

CARE is also vitally concerned with the effective coordination of all Government of Guatemala's health-related programs and, therefore, we work with the government's "Interministerial Committee" in implementing the national policy of nutrition and feeding. Explicit in this area is the conscious attempt to combine donated PL 480 nutrition feeding programs with family planning and all other health services for an effective synergistic attack on the immense problem of malnutrition in Guatemala, especially among its rural population.

CARE and the Peace Corps are jointly involved in a Rural Nutrition Education Program, which has as its main objective the utilization of home/school-grown vegetables as substitutes for PL 480 foods. This objective has become increasingly important due to the diminishing availability of PL 480 foods and the low priority assigned to school feeding. This education is extended to the families of the children and includes, besides nutrition, education on child care and the development of rural homes.

### SELF-HELP PROGRAMS

As already pointed out, CARE asks the host government to match CARE's contribution in development projects. In Guatemala, as in many other countries, we have carried this one step further: We also ask the people who benefit from our projects to contribute an equal amount.

Thus, in the School Construction Program, in which CARE has built more than 10% of the total rural schools in the country, the government matches CARE's contribution dollar-for-dollar, as do the communities where the schools are built. In other words, for every dollar contributed by the American donor, CARE manages to obtain matching funds of two-to-one, increasing the donors' efforts by three. It has been CARE's experience over the years that where there is government and community participation, the recipients are much more likely to maintain the CARE-initiated projects than if these are given as an outright gift in which the government and the community had no participation.

As an adjunct to our School Construction Program, we have been involved for many years in a School Desk Construction Program. Many children in Guatemala attended schools where no desks existed and they had to sit and write on the floor. Over the last ten years, we have built 109,539 desks, which accommodate 393,228 children. Working with the government on this project, we have been able to pass on the technical and financial responsibility to the Ministry of Education. In three years, CARE will phase over 100% of this program to the Government of Guatemala, enabling CARE to dedicate its efforts and finances to other needed development programs.

CARE-Guatemala is also very active in helping to bring potable water to the rural communities, only 13% of which have this basic facility. We feel that by developing the water systems, CARE eventually can help reduce the incidence of water-borne diseases and all the consequent health and economically-related problems arising from them. As with CARE's school construction, all water projects are matched dollar-for-dollar by the government and the recipient villagers.

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## AMERICAN DAIRY INDUSTRY

(Mr. HANLEY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANLEY. Mr. Speaker, I am sure that you are aware of the traditional cyclical nature of farm production in this country where periods of scarcity and high prices stimulate increased farm production, often leading to overproduction and low prices. Historically, the overproduction phase of this cycle has pulled the bottom out of farm prices, thus putting many farmers out of business, and in turn restarting the scarcity period of the cycle.

In order to protect the American farmer from this vicious cycle and to assure a steady, reasonably priced and plentiful supply of farm goods for the American consumer, the Federal Government has enacted a series of parity price support programs in which the Government maintains the farmer at a viable economic level during periods of overproduction. While these policies have not ended the cyclical nature of agriculture, they have steadied it without seriously undercutting the economic benefits of the free market system. Today, however, short-sighted policies by the Department of Agriculture threaten to seriously harm at least one major farm segment; namely, the American dairy industry.

In recent years the American dairy industry, stimulated by increasing prices for its goods, has taken on the necessary and expensive expenditures in equipment, livestock, and feed to keep pace with demand, yet maintain a fair price for the consumer. In the last 2 years, though, two major Agriculture Department policies seem to have seriously affected domestic dairy production. The first, is that price support levels for dairy products have been set too low. Indeed, despite the urgings of myself and many of my colleagues for a 90 percent level of parity for milk, the Secretary of Agriculture has just announced that price support levels will be adjusted only to 80 percent of parity. In a heavily fluctuating marketplace the farmer is very uncertain about investing funds in increased production that may be lost because an 80-percent price support level will not allow him to break even should the marketplace take a plunge, especially in a heavily fluctuating economy. While taken by itself, an 80 percent support price during this time of increasing demand for dairy products, should not hinder farmers from expanding production, but when you add the administration's dairy import program you quickly arrive at a situation where the farmer is very, very cautious about making expenditures needed to stimulate production.

In order to meet the expected 3-billion-pound jump in demand for dairy products this year, the President has authorized the importation of dairy products into the domestic dairy market. These products are often subsidized by foreign governments and are not produced under the rigid and expensive sanitary standards employed in this country. Moreover, profittaking by importers and processors have prevented any price relief at all to the consumer. As a result of this the American dairy farmer has found the prices he must charge still profitable because of demand, yet wide open to a sudden collapse if all limits on imports are dropped. While most farmers have not cut back production, they are very reluctant to expand into a market where they may be at an inherent price disadvantage without sufficient protection from the adverse effects of overproduction. The end result could mean that while short-term daily shortages may be met, the long-term implications of these policies may very well heavily damage the American dairy industry, creating serious dairy product shortages, without any sort of price relief for the American consumer.

Needless to say, I feel that the present dairy policy of this administration is misdirected, and ill advised. Therefore, I again call on my colleagues to join with me in calling on the Secretary of Agriculture to take immediate steps to adopt a 90-percent parity and to abandon the dairy import program before the American dairy industry suffers serious damage.

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## BILL TO TRIPLE LAND AND WATER CONSERVATION FUND

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, the Land and Water Conservation Fund Act of 1965 has been very useful in providing outdoor recreational opportunities for the people of our country. The fund is derived from entrance and user fees collected at a number of Federal recreation areas, receipts from the sale of surplus Federal property, Federal taxes on motorboat fuels, and royalties from offshore oil wells. Sixty percent of the fund goes to the States, on a 50–50 matching basis, to acquire and develop recreation lands. Forty percent goes to the Federal agencies—like the National Park Service, Forest Service and Bureau of Sport Fisheries and Wildlife—to acquire lands needed to satisfy national conservation goals.

Although many valuable acres of land in our country have been preserved through the use of the fund, the fund has not, as yet, truly met the needs of our country's people. Between 1960 and 1970, 24 million people were added to the population of the United States. Seventy-three percent of the Nation's population now live in urban areas, on less than 2 percent of our country's land. Within our central cities, one family in two or three does not own a car. Yet most of our parks are located in nonurban areas, accessible only to families with automobiles, and then only on weekends or summer vacations.

States manage about 42 million acres of parkland, but only 11 percent of this represents regional, community and neighborhood parks and recreation areas. The problem is one of funding. Many park projects have been located in rural areas, where open space is more available and land prices are considerably cheaper than near metropolitan centers.

The problem is the same on the Federal level. Only 8 percent of all Federal recreation lands are located in urban areas. With the exception of the two new Gateway National Recreation Areas in New York and San Francisco, and National Capital Parks in Washington, D.C., the National Park Service has not been able to take an active role in providing outdoor recreational opportunities for people in our urban areas. Most Federal parks are far removed from the urban masses or, where they are located in metropolitan areas, they are limited in purpose—such as National Battlefields—or unsuitable for intensive recreation—such as National Historic Sites.

Many regions of the country, including some of our most densely populated States, have been shortchanged with regard with Federal recreation areas. For instance, the east north-central region of the Midwest—consisting of Ohio, Indiana, Illinois, Michigan, and Wisconsin—has 20 percent of the country's population but only 1 percent of all federally administered recreation lands. A similar problem exists in New England, in the South and in the Middle Atlantic States.

In its far-reaching report, "National Parks for the Future," the Conservation Foundation recommended that the National Park System continue to be expanded. Recognizing the acute need for urban recreation, the foundation recommended that a task force be established "to prepare an inventory and evaluation of sizable natural areas within striking distance of large cities for addition to the National Park System."

Unfortunately the money available to the National Park Service for land acquisition has not kept pace with what is required. The Park Service estimates that it currently needs around $242 million to acquire lands already authorized by Congress. With the proposed additions of Big Cypress and Big Thicket, the total could be raised to well over $400, million, this is a conservative estimate; some estimates put the total as high as $2 billion.

The Park Service share of the land and water conservation fund in the budget for fiscal year 1975 is only about $71 million. In fiscal year 1974, no moneys were budgeted from the fund for Federal land acquisition, and the Park Service was left with only carryover funds appropriated in previous years. At this erratic, low rate of funding, it will be many years before the Park Service can acquire the necessary lands authorized by Congress. And, in the meantime, land prices are escalating rapidly and many key parcels of lands could be lost to development.

Thus if we are to expand our country's ability to provide outdoor recreational opportunities where they are most needed—and to preserve valuable open space before it is lost forever—more funds must be made available.

One of the task force studies contained in the Conservation Foundation's "National Parks for the Future" report recommended a $100 million "Buy Back America" program for urban park acquisition and development. The 1969 Bureau of Outdoor Recreation plan, which unfortunately was never published, proposed a $6.3 billion 5-year program for the same purposes. Our late colleague, Congressman John P. Saylor, former ranking minority member of the House Interior and Insular Affairs Committee, frequently stressed the need for more funding for Federal and State outdoor recreation programs; his suggestion was to put in the land and water conservation fund all of the money that comes from offshore drilling. Congressman Saylor and others realized that as the need is great, so is the cost of meeting that need.

Mr. Speaker, I am today introducing a bill to amend the Land and Water Conservation Fund Act of 1965, to increase the annual authorization for the fund from $300 million to $900 million. Mine is a more modest proposal than the ones I have previously cited, but I think it is a reasonable and workable one. It will allow us to buy now the recreation lands that are so urgently needed, at today's prices and before they are completely lost to development. It will end the logjam that has stymied Federal acquisition, and will help the States expand their programs to meet the needs of their people.

Moneys for the increased funding are already available in the U.S. Treasury. One oil lease alone recently provided $300 million in receipts. The Secretary of the Interior has announced plans to increase oil drilling on the Outer Continental Shelf by tenfold, which would more than adequately cover a threefold increase in the land and water conservation fund. And we would be using a nonrenewable resource to provide a very renewable resource to enrich the lives of present and future generations. This is truly a worthwhile cause.

## RESPONSIBILITY FOR THE GASOLINE SHORTAGE

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, as in the case of Watergate, the Nation is indebted to the press for uncovering the scandalous facts concerning the Nixon administration's responsibility for the gasoline shortage, as well as the price escalation that has accompanied it.

Today I am offering for the Record a reprint from the Akron Beacon Journal of March 13 of a Newsday article by Bob Wyrick and Brian Donovan which lays out how a series of deliberate decisions by the administration led directly to the present gasoline shortage.

The best thing one can say about this story is that it exposes monumental ineptitude and short-sightedness. Beyond that, there is strong circumstantial evidence of collaboration between oil industry representatives and the administration similar to the activities which led to the milk price support scandal.

The story commences with a reported promise in 1968 by Vice Presidential candidate Spiro Agnew who, while seeking contributions in Texas, promised oilmen that Mr. Nixon, if elected, would kill an oil import plan opposed by the major oil companies.

In 1970, the article goes on, President Nixon rejected a Presidential Task Force's recommendation that the administration drop the oil import quota program. The article continues that in August 1971, an OEP economist recommended that the oil import quota program be revised in view of the expected leveling off of domestic oil production in 1972. In fact, by the summer of 1972, fuel supplies got even tighter and some oil companies had used all of their authorized imports for the year.

As the 1972 Presidential election approached, a State Department economist advising the Oil Policy Committee stated that the time was ripe for a complete revision of the oil import program and that the price of domestic crude oil and gasoline should be allowed to increase substantially. By mid-November, 1972, the OEP Director was warning the White House that before oil price increases could be granted, public hearings would have to be held and that this would result in visible disagreement within the administration. He also pointed out that it would result in a revision of the oil import program, the tax law impact on the industry and the level of monopolistic concentration would receive heavy attention.

Then on January 11, 1973, President Nixon dropped the phase II price control program. That left the oil industry free to announce an 8-percent heating oil price increase of its own and allowed the administration to avoid criticism if it had allowed prices to increase in advance. Many of us will remember our amazement at the untimely removal of price controls in January, 1973. We are now beginning to see at least some of the possible reasons for the ill-advised and disastrous action.

With inventories depleted, the first signs of a gas shortage began appearing in March, 1973 and finally in April, the administration set aside the "national security" argument used for years to keep oil imports low and announced an end to the oil import quota system.

The new system was similar in principal to what Nixon's task force had urged 3 years earlier. But now, one important thing had changed: Imported oil prices had risen to match domestic prices. The foreign oil no longer threatened the industry's profits.

The story reported in the Newsday article assumes added significance when read in connection with an interview with J. Kenneth Jamieson, chairman of Exxon Corp., reported in the Akron Beacon Journal for March 17. I will also offer that article for the Record.

Mr. Jamieson is reported as saying that U.S. refinery capacity cannot meet unrestrained U.S. demand even if unlimited crude oil becomes available, for the reason that oil companies failed to expand refinery capacity in recent years because of the Federal quota on oil imports.

Mr. Jamieson states that now that the import quotas have ended, the companies have an economic incentive to build new refinery capacity in the United States. He adds that the profits are now right, too.

Mr. Jamieson's statement amounts to striking confirmation from the head of the Nation's largest oil corporation that it was the administration's oil import restrictions which prevented the expansion of refinery capacity in the United States in anticipation of gasoline and fuel oil demands. This lays responsibility for the gasoline shortage, with all the attendant price inflation, squarely in the lap of the Nixon administration as a result of a policy followed not by inadvertance, but by design. Moreover, it is now clear that it was a policy whose purpose and effect was to promote the private interests of the oil industry.

Now that the facts are coming out, the responsibility to do something to correct the situation falls on Congress. First and foremost, the Congress has an obligation to investigate the complete facts behind this scandalous story. One of the reasons why the situation developed as it did was because of the lack of reliable public information as to the availability and distribution of petroleum. Of course, it is too late to try to turn the clock back. However, the insatiable greed of the major integrated oil companies must be curbed.

Certainly, an excess profits tax is not only justified, but would tend to discourage the kind of aggrandizement of profits that led us to the present crisis. At a time when the vast majority of individual consumers are being squeezed by the combination of inflation and shortages it is absolutely essential that the Congress impose at least equality of sacrifice on the corporations who have helped bring about this situation.

It is also essential that the monopolistic tendencies in the oil industry be attacked and that competition be strengthened within the industry. In addition to effective antitrust enforcement action by the executive branch, the Congress should adopt legislation divorcing ownership of crude oil production from ownership of pipelines and refineries.

Mr. Speaker, the Newsday article and the interview with Mr. Jamieson follow these remarks:

### Nixon Men Risked Oil Crisis

(By Bob Wyrick and Brian Donovan)

New York.—The big oil companies had every reason during the 1972 presidential campaign to help finance another four years for Richard Nixon.

Throughout its first term, the Nixon administration has consistently protected their interests. The pattern had begun, in fact, even before Nixon took office.

It was during the 1968 campaign, as Newsday reported Tuesday, that then-vice presidential candidate Spiro Agnew, seeking contributions, met privately with Texas oilmen and promised that Nixon, if elected, would kill an oil-import plan opposed by major oil companies.

That promise was kept, and other benefits followed. In 1970, Nixon rejected a presidential task force's recommendations that the administration drop the oil-import quota program, which had kept U.S. oil prices above world prices by sharply limiting the amount of cheaper foreign oil allowed into the American market. And in 1971, then-atty. Gen. John Mitchell granted oil companies a controversial antitrust exemption that allowed them to work together in establishing Mideast oil prices. The prices began rising soon afterward.

Those early, pro-industry decisions set a pattern that was to continue during the second Nixon campaign, which raised about $5 million from oil interests. Again, the issue was oil imports. But this time, the situation was more serious: U.S. oil production was falling behind demand, shortages were imminent and administration officials were faced with a crucial choice.

Basically, the administration had three chances during 1971 and 1972 to make decisions that would have kept the country's supplies of petroleum products in balance with the growing demand. At that time, plenty of oil was still available on the world market.

The choice was between risking a shortage that would hurt consumers or a surplus that could hurt the major oil companies' prices and profits. In each case, administration officials took the first choice.

Dr. Joseph Lerner, the Federal Energy Office's senior economist, summed it up this way: "In effect they were practicing brinkmanship."

In August 1971, another government economist named Philip Essley made a prophetic prediction, one that had serious implications for the nation's oil policy. And it was completely ignored by top officials.

Essley worked for the Office of Emergency Preparedness (OEP), the agency that was then monitoring the oil import program. The agency's director, retired Gen. George A. Lincoln, also served as chairman of the Oil Policy Committee, reporting to presidential assistant Peter Flanigan, Nixon's chief oil-policy adviser.

Essley predicted, in 24 pages of facts and charts, that domestic oil production would reach its peak and level off during the following year. That meant the tight import quotas long favored by the big oil companies would have to be relaxed if the government wanted to prevent shortages, for, with demand growing and domestic production staying the same, only foreign oil could make up the difference.

"It should be obvious," Essley wrote, "that the rapidly changing circumstances will require . . . the government to reevaluate the basic position regarding imports and adopt new policies within the relatively near future."

The coming year, of course, was 1972—and a presidential election. Nixon already had shown in 1970 his unwillingness to scrap the quota system.

But shortly after the Essley study was circulated, another OEP staff paper recommended that the old mathematical formula for setting quota levels—basically slanted toward keeping imports low—be replaced with a straight supply-demand formula. That would be "the most viable method," the paper said, of assuring that enough fuel reached the consumer.

These were not isolated warnings. As early as 1970, the oil trade press began noting that domestic production appeared likely to peak soon.

But despite all that, the administration, in November, chose to stick with the old formula and allow only a conservative import increase—100,000 barrels a day—for the following year.

Both Lincoln and Flanigan told Newsday the White House played no important role in that decision. But, in fact, Lincoln wrote a memo for his private files saying he had "cleared the rationale" with White House assistant Flanigan.

The first to notice what was happening were the nation's smaller, independent oil companies.

Up to then, things had looked rosy for them. Since the late 1960s, they had been steadily capturing a growing share of the U.S. market, at the expense of the major firms. Their advantage over the majors was a more streamlined, low-overhead marketing setup—including self-service gas stations, little advertising, fewer mechanics to pay—that let them undercut the big companies' prices. Their appeal was to motorists who did not care about tigers in their tanks, just cheap gasoline.

But the smaller companies had a serious weak spot. The independent marketers, and the independent refiners who helped supply them with products, depended heavily for their supplies upon the big multinational firms. If a shortage developed, the independents would be the first to feel the squeeze.

That is what happened as 1972 began.

The tight import quotas allowed the major companies to start cutting back on sales to independents, saving what oil was available for their own operations. The smaller companies, facing disaster, protested vigorously.

In February, for instance, Clark Oil sent a letter to the Office of Emergency Preparedness calling for a 350,000-barrel-a-day increase in imports. The company warned that the accelerating shortage "would literally destroy . . . independent refiners if no action is taken."

Other independents joined the chorus. The American Petroleum Refiners Association, representing 31 small refiners, wrote to Lincoln in March recommending a 500,000-barrel import increase and predicted a "catastrophe" for the small companies unless action came soon.

"It was obvious what was going to happen," said Walter Famariss, the group's president. "But I met with Lincoln and Flanigan and I got nowhere. Their attitude was, "OK, we think we're going fine and we don't buy what you're saying.' "

During this same period, some politically powerful oil interests were fighting to keep imports as low as possible. Most of the major companies supported import increases far smaller than the independents wanted. Humble Oil (now Exxon) gave the OEP a prediction—totally erroneous—that no additional imports at all would be needed in 1972.

Oil drilling companies controlling Southwest oil fields also opposed higher quotas, since foreign oil would cut into the market for their own product. It was on April 5, 1972, while the quota decision was pending, that $700,000 in secret Nixon contributions, mostly from Texas oil men, traveled to Washington aboard a Pennzoil plane.

It took the administration nearly four months to act. Some OEP staff officials renewed their suggestions that the government drop the now-obsolete formula for figuring imports and adopt a supply-demand method. By this time, even some major companies were feeling the pinch, although not as badly as independents.

The Oil Policy Committee met on April 25 to decide how large the increase should be. Flanigan sat in. Records show he firmly opposed relaxing imports enough to restore any surplus capacity to the Southwest. The result: Another conservative increase, this time of 230,000 barrels a day, less than half of what some independents had requested.

Flanigan told Newsday that politics had no part in the decision. Any larger increase, he contended, could have hurt the over-all U.S. oil industry and discouraged exploration. Moreover, Flanigan said, he did not feel that any serious shortages existed then or, in fact, until the Arab embargo.

But the facts contradict Flanigan's contention. Actually, the nation's inventories of crude oil, gasoline and fuel oils began dwindling steadily in early 1972, prior to the second important decision, and industry reports showing the trend were easily available to the White House at the time.

By late summer of 1972, some oil companies, particularly the smaller ones, had used all their authorized imports for the year. Again, the Nixon administration had to do something about the import program. It did, but the effect was the same as before: Fuel supplies got even tighter.

The third decision, made in August and announced by President Nixon on Sept. 13, was to rely on big oil companies to act against their own economic interests.

They could bring in additional oil above the quota levels, Nixon announced, but whatever they brought in would be subtracted from their import allowances for the following year. The limit was 10 pct. of 1973 quotas.

The result was predictable: Only 35 pct. of the extra oil that had been authorized actually came into the country during the rest of 1972. Some large companies—including Exxon, Shell and Gulf—brought in none of the additional oil they had been allowed.

As the 1972 Presidential election approached, the three Nixon administration decisions had combined to create inventory shortages that would worsen as the year drew to a close, bringing severe fuel-oil shortages in the Midwest that forced the closing of schools and caused some states to set up emergency fuel supply centers to keep hospitals open. Some Midwest industries complained they were cut back 29 to 40 pct. by fuel suppliers.

It was against this background that William Truppner, a staff member of the Oil Policy Committee, circulated a memo from a State Department official that recommended forcing up oil prices substantially and putting the costs of the price increases directly on the consumer.

This was the course that the Nixon administration eventually followed.

The classified memo, written Oct. 27, 1972, by Frank Mau, a State Department international economist and adviser to the Oil Policy Committee, stated:

"It seems clear that with a new administration which has already stated its intention to make hard and, if necessary, unpopular decisions, the time is ripe for a complete revision of our oil import and incentive program . . . "The domestic price of crude oil and products should be allowed to increase substantially. At a minimum, the domestic price of crude oil should be increased to $4 per barrel . . .

"A substantial increase in gasoline and other product prices would eliminate the need to continue to indirectly subsidize the domestic refining and petrochemical companies . . .

"The cost would be placed where it should be—directly on the consumer."

At the time of Mau's memo, the domestic price for crude oil was $3.39 a barrel and U.S. production was roughly 10 million barrels a day. Increasing the price to $4 a barrel would have meant roughly $6 million a day to the oil industry of $2.1 billion a year.

The prices were allowed to go up even more drastically than Mau suggested. In March, crude prices jumped 25 cents a barrel; on May 15, the Cost of Living Council allowed crude prices to go up another 35 cents; by August, oil already under production ("old oil") had reached $4 a barrel and newly discovered oil was allowed to sell at $5. At the time the Arab embargo hit, new oil was selling at $5.60.

Mau said he was "appalled" and "amazed" that Newsday had obtained the document. He insisted these were his personal views, not those of the State Department.

"I don't accept the idea that the industry's profits are unreasonable," Mau said. "In fact, I don't think they are high enough. I feel that the industry has been horribly abused on this score. They have done a bad job of public relations."

During the winter of 1972–73, newspapers were filled with revelations which drew the Watergate burglars closer and closer to the orbit of the White House. The papers also carried other, smaller articles about a severe heating-fuel shortage in the Midwest.

In this time of mounting scandal, there were those within the Nixon administration, however, who were more interested in maintaining a good united public image than in acting immediately to solve heating-fuel shortages for American citizens.

One such official was Lou Neeb, executive secretary of the Price Commission. As early as mid-November of 1972, OEP Director Lincoln was warning the White House that price control rules, which had frozen heating oil prices at a particularly low level, could worsen Winter fuel shortages by discouraging heating oil production.

But Neeb's memo pointed out that before price increases could be granted, public hearings would have to be held and that Price Commission members were divided on whether the solution was to raise prices or change the oil-import program in such a way as to increase heating-oil production.

"We would have the situation of a potentially publicly visible disagreement within the administration," Neeb warned, adding, "the holding of such public hearings always provides a forum for those who wish to voice their opinions on other aspects of government and industry practices . . . I would anticipate that the oil import program, the aspects of the tax law that impact on the oil industry, and the level of (monopolistic) concentration would receive heavy attention . . . at any such hearings we would hold."

Then, on Jan. 11, 1973, new price control policies saved the commission from the potential controversy Neeb had feared. On that day, Nixon replaced compulsory controls with voluntary price guidelines. That left the industry free to announce an 8 pct. heating oil price increase on its own. And it allowed Nixon officials to avoid the criticism they almost certainly would have gotten if they had approved the new prices in advance.

Another month passed before the administration held hearings on whether the industry could justify the new prices as reflecting higher costs. (Under the new system, such hearings came after a price increase, not before.) By the time Federal officials announced on March 6 that the prices could remain at the higher level, the Winter was nearly over and consumers had begun worrying about another product: Gasoline.

With inventories depleted, the first signs of the gasoline shortage began appearing last March, well before the peak Summer driving season. Some cities began having trouble getting gasoline supply contracts for their municipal vehicles. Service stations began closing, principally those operated by the cut-rate independents.

Some major oil companies began cutting back sharply on their sales to the independent firms, explaining that the shortage—resulting from decisions they had supported during the previous two years—had wiped out surplus supplies. Around the country, gasoline inventories were from 15 to 25 pct. below the previous year.

At that point, the Nixon administration set aside the "national security" arguments it had been using for years to keep imports low. Last April, the administration announced it was finally abandoning the quota system and allowing major increases in the amount of foreign oil allowed into the country.

The new system was similar in principle to what Nixon's task force had urged three years earlier. But now, one important thing had changed: Imported oil prices had risen to match domestic prices. The foreign oil no longer threatened the industry's profits.

But the move came too late. Inventories remained short. As the Summer wore on, more than 4,000 gas stations closed for lack of supplies, and sales by many discount chains dropped as drastically as they had risen a few years before. By Fall, motorists in some parts of the country were searching hard to find a gas station open on Sunday. The age of the price war was over.

The Arab embargo, announced in mid-October, would produce even worse shortages, driving prices still higher and boosting profits for the major oil companies. But statistics show all those trends were well under the way before the . . .

The shortages had given major oil companies exactly what they wanted—higher prices. And the cost fell exactly where State Department official Frank Mau had advised a year earlier: Directly on the consumer.

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### EXXON BOSS: WE DON'T NEED HIGHER PRICES

NEW YORK.—The chairman of the world's largest oil company says the industry does not need higher prices and profit margins to finance new energy development.

J. Kenneth Jamieson, chairman of Exxon Corp., said in an exclusive interview that "the industry should be able to operate, generating the capital it needs, with the current rates of return."

Jamieson also said Exxon might bring increased petroleum supplies quickly into the United States by diverting them from Europe after the end of the Arab oil embargo.

But he said U.S. refinery capacity could not meet unrestrained U.S. demand even if unlimited crude oil becomes available.

He said companies failed to expand refinery capacity in recent years because of the Federal quota on oil imports, which President Nixon had retained until a year ago despite a Cabinet task force recommendation in 1969 that it be removed.

Oil industry profits increased some 47 pct. in 1973, and Exxon's worldwide profits soared to a record 59 pct., enabling the company to increase its dividends 45 cents per share and still reinvest almost $1.5 billion—some 60 pct. of net earnings.

Jamieson said the oil companies do not really need new "incentives" to invest in efforts to increase energy production, but it would like the Federal government to stop imposing new regulations and tampering with old ones.

"I think what the industry is saying is: Leave us alone," said Jamieson.

Here are excerpts from the interview with Jamieson, held in his office 51 floors above central Manhattan:

Q—Has crude oil been diverted from the United States to other markets because of the crude oil allocation program here?

A—I can only speak for our own company and I can assure you that we did not do that.

Q—Is any additional oil available that could come to the United States?

A—Not that we know of, no.

Q—With profits rising rapidly in Europe, you were able in 1973 to increase your dividends and still reinvest a great deal of the profit. If that is possible under 1973 conditions, do the oil companies need further price and profit increases in the United States to attract investment money?

A—No. We think the rate of return of the oil industry right now is at a satisfactory level. You may get further price increases if the producing countries substantially raise crude prices again. Then we've got to pass that cost through, but that does not increase our rate of return.

Q—Is that conclusion general in the industry, or unique to Exxon?

A—We're probably in as good shape as any of the large companies in the industry. I would say: Yes, the industry should be able to operate, generating the capital it needs, with the current rates of return . . .

Q—There has been a lot of talk in this energy crisis about corporate responsibility. What is the corporate responsibility when you have your home office here, but a large part of your operations overseas?

A—Well, our corporate responsibility, we felt, in this energy situation was to share our supplies worldwide just as equitably as we possibly could, recognizing all of the restraints that we had with the embargo and sometimes imposed by the host governments . . .

Q—I understand the United States has a shortage of refinery capacity. Is that so?

A—I think there has been some misunderstanding on that. Refinery capacity was tight last year, but the industry was able, by bottleneck elimination and better maintenance techniques, to find quite a lot of capacity.

I think our refining now is sufficient at least through this year and possibly next.

Demand will be the key to the refinery capacity. If the demand gets back onto the rate of growth it was on last year, then there will be a shortage of refinery capacity.

Q—In recent years, Exxon expanded refinery capacity in Europe in anticipation of growth. Why didn't it do that in the United States?

A—Well, we had this uncertainty about our crude supply in the U.S., where the import regulations were quite confused . . . Now with the clarification of the import regulations, it shifted the economics definitely back into the United States to build this refinery capacity.

Also, there were refinery siting problems and a lack of facilities for handling big tankers.

Q—About a year ago, President Nixon lifted the quota from oil imports and since then a lot of companies have begun expanding refinery capacity here. What happened to remove the siting problems and lack of deepwater ports?

A—Most of the refinery expansion today is in existing refineries.

Q—Oil industry profits rose sharply in 1973 and Exxon's profits jumped 59 pct., but it appears the large increase came mainly from your operations abroad, not the United States. Is that correct?

A—That's right. Our profit off oil and gas operations in the U.S. rose just about in proportion with our sales here. The bulk of the profit increase came out of Europe, and Japan to a degree. And our chemical business is up substantially worldwide.

Q—What caused those foreign profit increases?

A—Volumes were up, and prices went up substantially. European prices for years had been very badly depressed.

. . . You got into this tight supply situation, the law of supply and demand still applies, and the prices went up.

So as a result, our profits increased in Europe. But they're still not at any exorbitant level.

Q—There has been some criticism of Aramco. Exxon is part owner of Aramco, the company which produces the bulk of Saudi Arabian oil, for refusing to supply oil to the war. Can a company such as Exxon say that it has a responsibility to its home nation?

A—No, because what they (the Saudi Arabians) said was you cannot use Saudi crude to supply the U.S. armed forces. They further said that if you do, you will suffer the dire consequences . . . Let's take our company in Italy . . . We had to cut deliveries to the U.S. military by the percentage of Saudi crude that we had been running in Italy, Now had we not done that we could have jeopardized all of our supplies out of Saudi Arabia . . . Now there's a clear case where the sovereign government, the host country, tells you to do something and you ——— well do it . . .

Q—Some people are saying that the majors are trying to drive the independent gasoline retailers out of business. How do you explain the fact that 10,000 stations out of 250,000 went out of business last year?

A—Well, I think that was a trend that had started in the industry and had been going on for quite a number of years now . . . I think you will find that very many of these independents who have gone out were very marginal operators . . . As far as us deliberately trying to squeeze them out, that's just not true.

Q—There have been reports that Aramco is going to be nationalized by Saudi Arabia and that it's in the middle of negotiations to work it out. Is that true?

A—No. There are no negotiations going on at the present time.

Q—Your figures an the amount budgeted for exploration each year are pretty stable over the years. So when you budget for this you have a pretty good idea of what you're going to spend on exploration every year. And you must have a fairly good record of hitting oil or you wouldn't be in business. And you have a triple A rating, so you have no troubles with credit. Now is it really meaningful to talk about the oil business as a really risky business?

A—I sure think it's terribly risky. Probably the biggest risk we have today is on the political side.

Q—But the risks you're talking about don't really seem to hamper your ability to attract capital.

A—Not as of now they don't. But I think you've got to look at our stock. We had a very good earning record in '72, and our stock certainly hasn't reacted. Our stock is down. Our price-earning ratio has dropped. The market is saying we're putting a very high factor on these political risks.

Q—What about the oil company argument that they need more incentives from the government to produce more oil if, as you say, the companies are making adequate profit now?

A—I don't think the industry is saying that. I think what the industry is saying is:

"Leave us alone." You see you've got all these uncertainties hanging over you. You got people who want to get rid of the depletion allowance, you got people intent on rolling back prices. So you've just got a completely uncertain climate that you're operating in. That's what people are objecting to.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Gude (at the request of Mr. Rhodes), for the week of March 18, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Hillis) to revise and extend their remarks and include extraneous material:)

Mr. Goldwater, for 10 minutes, today.
Mr. Hansen of Idaho, for 5 minutes, today.
Mr. Goldwater, for 60 minutes, April 2.
Mr. Ashbrook, for 30 minutes, today.
Mr. Don H. Clausen, for 5 minutes, today.

(The following Members (at the request of Mr. Ginn) to revise and extend their remarks and include extraneous material:)

Mr Diggs, for 5 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mr. Ford, for 5 minutes, today.
Mr. Mezvinsky, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent permission to revise and extend remarks was granted to:

Mr. Madden, and to include extraneous material.

Mr. Buchanan to extend his remarks prior to the vote on the Cleveland amendment.

(The following Members (at the request of Mr. Hillis) and to include extraneous material:)

Mr. Conlan in five instances.
Mr. Wyman in two instances.
Mr. Ketchum.
Mr. Baker.
Mr. Spence.
Mr. Thomson of Wisconsin.
Mr. Kuykendall in three instances.
Mr. Ashbrook in five instances.
Mr. Symms in two instances.
Mr. Huber.
Mr. Derwinski in two instances.
Mr. J. William Stanton.
Mr. Price of Texas.

(The following Members (at the request of Mr. Ginn) and to include extraneous material:)

Mr. Patten in three instances.
Mrs. Griffiths.
Mr. Mills in 10 instances.
Mr. Gonzalez in three instances.
Mr. Murphy of New York.
Mr. Fraser in five instances.
Mr. Rarick in three instances.
Mr. Rees in two instances.
Mr. Montgomery.
Mr. Murtha.
Mr. Podell in two instances.
Mr. Litton.
Mr. Stokes in six instances.
Mr. Jones of Oklahoma.
Mr. Vanik in two instances.
Mr. Fascell in three instances.
Mr. Rostenkowski in three instances.
Mr. James V. Stanton.
Mr. Flowers in three instances.
Mr. Udall in five instances.
Mr. Fauntroy in two instances.
Mr. Diggs.
Mr. Studds in three instances.
Mr. McSpadden.
Mr. Gunter.
Mr. Eckhardt.

## SENATE BILL AND JOINT RESOLUTIONS REFERRED

A bill and joint resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1276. An act for the relief of Joe H. Morgan; to the Committee on the Judiciary.

S.J. Res. 163. Joint resolution authorizing the President to proclaim the last full week in the month of March of each year as "National Agriculture Week" and the Monday of each such week as "National Agriculture Day"; to the Committee on the Judiciary.

S.J. Res. 179. Joint resolution to authorize and request the President to issue a proclamation designating the calendar week beginning April 21, 1974, as "National Volunteer Week"; to the Committee on the Judiciary.

## ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2533. An act for the relief of Raphael Johnson.

## SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1615. An act for the relief of August F. Walz;

S. 1673. An act for the relief of Mrs. Zosima Telebanco Van Zanten;

S. 1852. An act for the relief of Georgina Henrietta Harris;

S. 1922. An act for the relief of Robert J. Martin; and

S. 2315. An act to amend the minimum limits of compensation of Senate committee employees and to amend the indicia requirements on franked mail, and for other purposes.

## ADJOURNMENT

Mr. GINN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 4 minutes p.m.), the House adjourned until tomorrow, Thursday, March 21, 1974, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2072. A letter from the President of the United States, transmitting amendments to the budget request for fiscal year 1975 for the Civil Aeronautics Board (H. Doc. No. 93–245); to the Committee on Appropriations and ordered to be printed.

2073. A letter from the President of the United States, transmitting a proposed supplemental appropriation for fiscal year 1974 for the Department of Labor (H. Doc. No. 93–244); to the Committee on Appropriations and ordered to be printed.

2074. A letter from the Deputy Assistant Secretary of the Interior, transmitting a proposed amendment to a concession contract to authorize continued provision of facilities and services for the public in Acadia National Park, Maine, for a term ending December 31, 1974, pursuant to 67 Stat. 271 and 70 Stat. 543; to the Committee on Interior and Insular Affairs.

2075. A letter from the Chairman, Pennsylvania Avenue Development Corporation, transmitting a draft of proposed legislation to amend the act of October 27, 1972 (Public Law 92–578); to the Committee on Interior and Insular Affairs.

2076. A letter from the Administrator of General Services, transmitting a prospectus proposing the acquisition of leased space in a building to be constructed to house the U.S. Courts and other Federal agencies in Columbia, S.C., pursuant to 40 U.S.C. 606; to the Committee on Public Works.

### RECEIVED FROM THE COMPTROLLER GENERAL

2077. A letter from the Comptroller General of the United States, transmitting a report on problems affecting mail service and improvements being taken; to the Committee on Government Operations.

2078. A letter from the Comptroller General of the United States, transmitting a report on the difficulties of assessing results of Law Enforcement Assistance Administration projects to reduce crime; to the Committee on Government Operations.

2079. A letter from the Comptroller General of the United States, transmitting a report on complications incurred because of delays in transferring patients to Veterans' Administration Spinal Cord Injury Treatment Centers; to the Committee on Government Operations.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ARCHER:

H.R. 13604. A bill to amend title XI of the Social Security Act to repeal the provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. ASPIN:

H.R. 13605. A bill to amend title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the U.S. Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BELL:

H.R. 13606. A bill to exempt certain automotive parts and accessories from the excise tax imposed by section 4061 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. BURLESON of Texas:

H.R. 13607. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. DIGGS (by request):

H.R. 13608. A bill to amend the act of August 9, 1955, relating to school fare subsidy for transportation of schoolchildren within the District of Columbia; to the Committee on the District of Columbia.

By Mr. FREY:

H.R. 13609. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to authorize group life insurance programs for public safety officers and to assist State and local governments to provide such insurance; to the Committee on the Judiciary.

By Mr. HASTINGS:

H.R. 13610. A bill to amend the National Housing Act to provide a statutory basis for the continuing administration by Federal Housing Administration of the standard risk *programs* under such act; to the Committee on Banking and Currency.

By Mr. JOHNSON of Pennsylvania:

H.R. 13611. A bill to provide for tax counseling to the elderly in the preparation of their Federal income tax returns; to the Committee on Ways and Means.

By Mr. KARTH:

H.R. 13612. A bill to amend the Internal Revenue Code of 1954 to extend the cutoff date for qualification of low-income housing rehabilitation expenditures for the 5-year depreciation privilege provided by section 167 (k); to the Committee on Ways and Means.

By Mr. KARTH (for himself, Mr. Corman, and Mr. Johnson of California):

H.R. 13613. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. LITTON:

H.R. 13614. A bill to establish a Department of Social, Economic, and Natural Resources Planning in the executive branch of the Federal Government; to the Committee on Government Operations.

By Mr. MATSUNAGA:

H.R. 13615. A bill to amend the Intercoastal Shipping Act, 1933; to the Committee on Merchant Marine and Fisheries.

By Mr. MOAKLEY:

H.R. 13616. A bill to amend title 38 of the United States Code to provide that veterans' pension and compensation will not be reduced as a result of certain increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. REES:

H.R. 13617. A bill to amend title 39, United States Code, to provide for the furnishing of certain information with charitable solicitations sent through the mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RONCALIO of Wyoming:

H.R. 13618. A bill to provide that moneys *due the* States under the provisions of the Mineral Leasing Act of 1920, as amended, may be used for purposes other than public roads and schools; to the Committee on Interior and Insular Affairs.

By Mr. SYMINGTON:

H.R. 13619. A bill to amend the Federal Food, Drug, and Cosmetic Act to include a definition of food supplements, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ARMSTRONG (for himself and Mr. Kemp):

H.R. 13620. A bill to amend the Clean Air Act to provide for temporary suspension of certain air pollution control requirements; to provide for coal conversion; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BRECKINRIDGE (for himself, Mr. Alexander, Mr. McSpadden, Mr. Ginn, Mr. Charles Wilson of Texas, Mr. Denholm, Mr. Litton, and Mr. Rose):

H.R. 13621. A bill to prohibit the reservation of appropriated funds except to provide for contingencies or to effect savings; to the Committee on Government Operations.

By Mr. BRINKLEY:

H.R. 13622. A bill to amend the Public Service Act to improve the national cancer program and to authorize appropriations for such program for the next 5 fiscal years, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DOMINICK V. DANIELS:

H.R. 13623. A bill to guarantee to the civilian employees of the executive branch of the U.S. Government the right to have a counsel or representative of his choice present during interrogations which may lead to disciplinary actions and to prevent unwarranted reports from employees concerning thier private life; to the Committee on Post Office and Civil Service.

By Mr. DELLENBACK (for himself, Mr. Esch, Mr. Forsythe, Mr. Cederberg, Mr. Veysey, Mr. Thone, Mr. King, Mr. Parris, Mr. Shriver, Mr. Ketchum, Mr. Winn, Mr. Wydler, Mr. Whitehurst, Mr. Murtha, Mr. Cleveland, Mr. Mallary, Mr. Myers, Mr. Burgener, and Mr. Frenzel):

H.R. 13624. A bill to amend the Higher Education Act of 1963 to provide for increased accessibility to guaranteed student loans, to extend the Emergency Insured Student Loan Act of 1969, and for other purposes; to the Committee on Education and Labor.

By Mr. DIGGS (for himsef, Mr. Ford, Mr. Nedzi, Mr. Conyers, Mr. Dingell, and Ms. Griffiths):

H.R. 13625. A bill to provide, on a demonstration basis, emergency relief for the general welfare and security of the United States by preventing the loss of existing housing units through the phenomenon of housing abandonment, to protect the health and living standards in communities and neighborhoods threatened by abandonment, to protect the interests of the United States in connection with certain mortgage transactions, to assist local public bodies in the development and redevelopment of well-planned, integrated, residential neighborhoods and in the development and redevelopment of communities, and for other purposes; to the Committee on Banking and Currency.

By Mr. HARSHA (for himself, Mr. Blatnik, Mr. Grover, Mr. Jones of Alabama, Mr. Cleveland, Mr. Kluczynski, Mr. Don H. Clausen, Mr. Wright, Mr. Snyder, Mr. Clark, Mr. Zion, Mr. Johnson of California, Mr. Hammerschmidt, Mr. Dorn, Mr. Mizell, Mr. Henderson, Mr. Baker, Mr. Roberts, Mr. Shuster, Mr. Howard, Mr. Walsh, Mr. Anderson of California, Mr. Abdnor, Mr. Roe, and Mr. Hanrahan):

H.R. 13626. A bill to name a Federal office building to be located in Carbondale, Ill., the "Kenneth J. Gray Federal Building"; to the Committee on Public Works.

By Mr. HARSHA (for himself, Mr. Roncalio of Wyoming, Mr. Taylor of Missouri, Mr. McCormack, Mr. James V. Stanton, Ms. Abzug, Mr. Breaux, Mr. Studds, Mrs. Burke of California, Mr. Ginn, Mr. Milford, and Mr. Vander Veen):

H.R. 13627. A bill to name a Federal office building to be located in Carbondale, Ill., the "Kenneth J. Gray Federal Building"; to the Committee on Public Works.

By Mr. HILLIS (for himself and Mr. Regula):

H.R. 13628. A bill to amend the Internal Revenue Code of 1954 to provide for an excess profits tax on the income of corporations engaged in oil production and refining, and to establish the Energy Research, Development, and Exploration Trust Fund; to the Committee on Ways and Means.

By Mr. KEMP:

H.R. 13629. A bill to terminate the Emergency Daylight Saving Time Energy Conservation Act of 1973 on the last Sunday of October 1974, and to amend the Uniform Time Act of 1966 in order to provide that daylight saving time as provided for under such act shall be from the last Sunday in February until the last Sunday in October of each year; to the Committee on Interstate and Foreign Commerce.

H.R. 13630. A bill to amend the Civil Rights Act of 1964 to provide for freedom of choice in student assignments in public schools; to the Committee on the Judiciary.

H.R. 13631. A bill to suspend for a temporary period the import duty on certain horses; to the Committee on Ways and Means.

H.R. 13632. A bill to facilitate the movement of persons and goods in interstate commerce, and to aid in eliminating the burdens on interstate commerce which result from the lack of adequate coordination of highway and other transportation facilities and systems in many parts of the United States, through a comprehensive program of Federal assistance to States and localities to aid in the provision of such transportation facilities; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 13633. A bill to amend the Federal Reserve Act, the Federal Deposit Insurance Act, and the Federal Home Loan Bank Act, to require depository institutions to notify owners of time certificates of deposit which are automatically renewable of that fact, and for other purposes; to the Committee on Banking and Currency.

By Mr. McCORMACK (for himself, Mr. Teague, Mr. Mosher, Mr. Goldwater, and Mr. Towell of Nevada):

H.R. 13634. A bill to further the conduct of research, development, and commercial demonstration in geothermal energy technologies, to direct the National Science Foundation to fund basic and applied research relating to geothermal energy, and to direct the National Aeronautics and Space Administration to carry out a program of demonstrations in technologies for commercial utilization of geothermal resources including hot dry rock and geopressured fields; to the Committee on Science and Astronautics.

By Mr. MACDONALD:

H.R. 13635. A bill to amend the Communications Act of 1934 to require that an opportunity to reply to certain partisan broadcasts by the President be given to the other major political party; to the Committee on Interstate and Foreign Commerce.

By Mr. MEZVINSKY (for himself and Mr. Williams):

H.R. 13636. A bill to provide for tax counseling to the elderly in the preparation of the Federal income tax returns; to the Committee on Ways and Means.

By Mr. PATMAN:

H.R. 13637. A bill to establish a National Development Bank to provide loans to finance urgently needed public facilities for State and local governments, to help achieve a full employment economy both in urban and rural America by providing loans for the establishment of small and medium size businesses and industries and the expansion and improvement of such existing businesses and industries, and for the construction of low and moderate income housing projects, and to provide job training for unskilled and semiskilled unemployed and underemployed workers; to the Committee on Banking and Currency.

By Mr. SCHERLE:

H.R. 13638. A bill to repeal the Economic

Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. SEIBERLING:

H.R. 13639. A bill to amend the Land and Water Conservation Fund Act of 1965 to increase the authorization of appropriation for the Land and Water Conservation Fund; to the Committee on Interior and Insular Affairs.

By Mr. TALCOTT:

H.R. 13640. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. ESCH:

H.R. 13641. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. HANRAHAN (for himself, Mr. Brown of California, Mr. Badillo, Mr. Thompson of New Jersey, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Young of Georgia, Mr. Dellums, Mrs. Burke of California, Mr. Gilman, Mrs. Mink, Mr. Harrington, Ms. Holtzman, and Mr. Roe):

H.R. 13642. A bill to amend the Economic Stabilization Act of 1970 to insure that advertising expenses are excluded from consideration as part of the rates and charges of any regulated public utility, and for other purposes; to the Committee on Banking and Currency.

By Mr. McSPADDEN:

H.R. 13643. A bill to suspend until June 1, 1970, the regulations of the Environmental Protection Agency relating to spill prevention control and countermeasure plans; to the Committee on Public Works.

By Mr. PARRIS (for himself, Mr. Sarasin, Mr. Roncallo of New York, Mr. Vander Jagt, Mr. Veysey, and Mr. Yatron):

H.R. 13644. A bill to amend the Internal Revenue Code of 1954 to temporarily reduce the excise tax on gasoline by 2 cents per gallon; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. Podell, Mr. Roncallo of New York, Mr. Roybal, Mr. Sarbanes, Ms. Schroeder, Mr. Steele, Mr. Studds, Mr. Mollohan, and Mr. Won Pat):

H.R. 13645. A bill to amend section 4a, the commodity distribution program of the Agriculture and Consumer Protection Act of 1973: to the Committee on Agriculture.

By Mr. ROE (for himself, Mr. Patten, Mr. Helstoski, Mr. Rodino, Mr. Dominick V. Daniels, Mr. Thompson of New Jersey, Mr. Howard, Mr. Minish, Mr. Forsythe, Mr. Rinaldo, Mr. Widnall, Mr. Hunt, and Mr. Maraziti):

H.R. 13646. A bill to amend section 4a, the commodity distribution program of the Agriculture and Consumer Protection Act of 1973; to the Committee on Agriculture.

By Mr. ROE (for himself, Ms. Abzug, Mr. Bevill, Mr. Brown of California, Mr. Burke of Massachusetts, Mr. Clay, Mr. Coughlin, Mr. Davis of South Carolina, Mr. Dent, Mr. Duncan, Mr. du Pont, Mr. Edwards of California, Mr. Eilberg, Mr. Fascell, Mr. Fraser, Mr. Hanley, Mr. Harrington, Ms. Holtzman, Mr. Jones of Oklahoma, Ms. Jordan, Mr. Litton, Mr. McSpadden, Mr. Murtha, and Mr. Pepper):

H.R. 13647. A bill to amend section 4a, the commodity distribution program of the Agriculture and Consumer Protection Act of 1973; to the Committee on Agriculture.

By Mr. ROE (for himself, Ms. Abzug, Mr. Bevill, Mr. Bingham, Mr. Brown of California, Mr. Burke of Massachusetts, Mr. Clay, Mr. Coughlin, Mr. Davis of South Carolina, Mr. Dent, Mr. Duncan, Mr. du Pont, Mr. Edwards of California, Mr. Eilberg, Mr. Fascell, Mr. Fraser, Mr. Hanley, Mr. Harrington, Ms. Holtzman, Mr. Jones of Oklahoma, Ms. Jordan, Mr. Litton, Mr. McSpadden, Mr. Murtha, and Mr. Pepper):

H.R. 13648. A bill to amend the National School Lunch Act and for other purposes; to the Committee on Education and Labor.

By Mr. ROE (for himself, Mr. Podell, Mr. Roncallo of New York, Mr. Roybal, Mr. Sarbanes, Ms. Schroeder, Mr. Steele, Mr. Studds, Mr. Mollohan, and Mr. Won Pat):

H.R. 13649. A bill to amend the National School Lunch Act and for other purposes; to the Committee on Education and Labor.

By Mr. ROE (for himself, Mr. Patten, Mr. Helstoski, Mr. Rodino, Mr. Dominick V. Daniels, Mr. Thompson of New Jersey, Mr. Howard, Mr. Minish, Mr. Forsythe, Mr. Rinaldo, Mr. Widnall, Mr. Hunt, and Mr. Maraziti):

H.R. 13650. A bill to amend the National School Lunch Act and for other purpose; to the Committee on Education and Labor.

By Mr. ROE (for himself, Ms. Abzug, Mr. Bergland, Mr. Burke of Massachusetts, Mr. Dominick V. Daniels, Mr. Eilberg, Mr. Hanna, Mr. Hawkins, Mr. Helstoski, Ms. Holtzman, Mr. Howard, Mr. Hunt, Mr. Rinaldo, Mr. Rodino, Mr. Roybal, Mr. Stark, Mr. Studds, Mr. Thompson of New Jersey, and Mr. Won Pat):

H.R. 13651. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. ROE:

H.R. 13652. A bill to amend title II of the Communications Act of 1934 to authorize common carriers subject to such title to provide certain free or reduced rate service for individuals who are deaf or hard of hearing; to the Committee on Interstate and Foreign Commerce.

By Mr. VANDER JAGT:

H.R. 13653. A bill to amend title 18, United States Code, to limit the amount of political contributions which may be given to candidates for certain Federal offices; to the Committee on House Administration.

By Mr. McCOLLISTER:

H.J. Res. 943. Joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day"; to the Committee on the Judiciary.

By Mr. O'HARA:

H.J. Res. 944. Joint resolution to designate the period between August 12, 1974 and August 18, 1974 as "National Amateur Astronomers Week"; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself, Mr. Davis of South Carolina, Mr. Edwards of Alabama, Mr. Fraser, Mr. Karth, Mr. McSpadden, Mr. Mazzoli, Mr. Snyder, and Mr. Taylor of Missouri):

H.J. Res. 945. Joint resolution authorizing the President to proclaim the week beginning on the second Monday in November each year as "Youth Appreciation Week"; to the Committee on the Judiciary.

By Mr. BOLAND:

H. Con. Res. 448. Concurrent resolution relating to peace throughout the world; to the Committee on Foreign Affairs.

By Mr. RUNNELS:

H. Con. Res. 449. Concurrent resolution to declare the sense of Congress that Smokey the Bear shall be returned to his place of birth, Capitan, N. Mex.; to the Committee on Agriculture.

By Mr. YOUNG of Illinois:

H. Con. Res. 450. Concurrent resolution setting a prospective limit on appropriations for the fiscal year ending June 30, 1975; to the Committee on Appropriations.

By Mr. BREAUX (for himself, Mrs. Boggs, Mr. Esch, and Mr. Nichols):

H. Res. 995. Resolution expressing the sense of the House of Representatives concerning the expenditure of money appropriated by the Congress for the Bicentennial celebration; to the Committee on the Judiciary.

By Mr. REGULA:

H. Res. 996. Resolution in support of continued undiluted U.S. sovereignity and jurisdiction over the U.S.-owned Canal Zone on the Isthmus of Panama; to the Committee on Foreign Affairs.

By Mr. ROE:

H. Res. 997. Resolution to establish as part of the congressional internship program an internship program for senior citizens in honor of John McCormack, and for other purposes; to the Committee on House Administration.

By Mr. SISK (for himself, Mr. Madden, Mr. Bolling, Mr. Pepper, Mr. Matsunaga, Mr. Murphy of Illinois, Mr. Long of Louisiana, Mr. McSpadden, Mr. Anderson of Illinois, Mr. Quillen, Mr. Latta, and Mr. Del Clawson):

H. Res. 998. Resolution to amend the House rules regarding making of points of no quorum, consideration of certain Senate amendments in conference agreements or reported in conference disagreement, request for recorded votes and expeditious conduct of quorum calls in Committee of the Whole, and postponement of proceeding on suspension motions, and for other purposes; to the Committee on Rules.

## MEMORIALS

Under clause 4 of rule XXII memorials were presented and referred as follows:

389. By Mr. ZWACH: Memorial of the Legislature of the State of Minnesota, relative to railroad abandonment; to the Committee on Interstate and Foreign Commerce.

390. By the SPEAKER: Memorial of the Legislature of the State of Rhode Island and Providence Plantations, relative to a commemorative stamp in honor of Gen. Nathaniel Greene; to the Committee on Post Office and Civil Service.

391. Also, memorial of the Legislature of the Commonwealth of Virginia, relative to equalizing axle weight limits for interstate trucks; to the Committee on Public Works.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

408. By the SPEAKER: Petition of the County Legislature, Suffolk County, N.Y., relative to Ireland; to the Committee on Foreign Affairs.

409. Also, petition of the City Council, Seward, Alaska, relative to the Harding Ice Field/Kenai Fjords National Monument proposal; to the Committee on Interior and Insular Affairs.

# SENATE—*Wednesday, March 20, 1974*

The Senate met at 12 o'clock noon and was called to order by Hon. JAMES ABOUREZK, a Senator from the State of South Dakota.

### PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray today in the words of an enduring hymn:

"O Master, let me walk with Thee
In lowly paths of service free;
Tell me Thy secret; help me bear
The strain of toil, the fret of care.
"Teach me Thy patience; still with Thee
In closer, dearer company,
In work that keeps faith sweet and strong,
In trust that triumphs over wrong.
"In hope that sends a shining ray
Far down the future's broadening way;
In peace that only Thou canst give,
With Thee, O Master, let me live."
—WASHINGTON GLADDEN, 1879.

We pray in His name who came not to be ministered unto, but to minister and give his life for many. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, D.C., March 20, 1974.*

*To the Senate:*

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES ABOUREZK, a Senator from the State of South Dakota, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
*President pro tempore.*

Mr. ABOUREZK thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, March 19, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the bill (S. 1115) entitled "An act to amend the Controlled Substances Act to provide for the registration of practitioners conducting narcotic treatment programs," with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 2174. An act to amend the civil service retirement system with respect to the definitions of widow and widower; and

S. 2830. An act to amend the Public Health Service Act to provide for greater and more effective efforts in research and public education with regard to diabetes mellitus.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 4591. An act for the relief of Milagros Catambay Butierrez;

H.R. 5266. An act for the relief of Ursula E. Moore;

H.R. 6202. An act for the relief of Thomas C. Johnson;

H.R. 7128. An act for the relief of Mrs. Rita Petermann Brown;

H.R. 7397. An act for the relief of Viola Borroughs; and

H.R. 11105. An act to amend title VII of the Older Americans Act relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes.

## ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 2533) for the relief of Raphael Johnson.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. ABOUREZK).

## HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 4591. An act for the relief of Milagros Catambay Gutierrez;

H.R. 5266. An act for the relief of Ursula E. Moore;

H.R. 6202. An act for the relief of Thomas C. Johnson;

H.R. 7128. An act for the relief of Mrs. Rita Petermann Brown; and

H.R. 7397. An act for the relief of Viola Burroughs. Referred to the Committee on the Judiciary.

H.R. 11105. An act to amend title VII of the Older Americans Act relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes. Referred to the Committee on Labor and Public Welfare.

## EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar will be stated.

## DEPARTMENT OF STATE

The second assistant legislative clerk read the nominations in the Department of State as follows:

L. Douglas Heck, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Sumner Gerard, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the Senate resume the consideration of the legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

## ORDER OF BUSINESS

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The ACTING PRESIDENT pro tempore. Under the previous order, the distinguished Senator from Kentucky (Mr. COOK) is now recognized for not to exceed 15 minutes.

## OUR CONTINUING ENERGY PROBLEMS

Mr. COOK. Mr. President, I am delighted and apprehensive by the decision of seven of the nine Arab States—delighted because this increased oil supply will relieve some of the hardship which the people of this Nation have been suffering because of the shortage of petroleum products, and apprehensive because there is an inherent danger that this announcement may cause us to lower our guard and reduce our efforts to meet our continuing energy problems.

Mr. President, we have not solved our energy problems. While the people of the Nation can be justifiably proud of the superb way they responded to the President's requests that they observe strict conservation measures, such measures created no energy fuels and merely reduced the consumption of existing fuels.

I submit to the Senate that we must increase, not decrease, our efforts to find new sources of energy and make full use of those natural resources we have available to us.

Is there an energy crisis? While the United States comprises only 6 percent of the world's population, we use about one-third of the world's energy fuel, or 36 million barrels of oil or its equivalent every day: 17 million barrels come from oil, 11 million barrels come from gas, 7 million barrels come from coal, 1 million barrels come from nuclear, water power, and all other sources.

Where do we use this 36 millions of barrels per day?

Eight millions of barrels for transportation. Thirteen millions of barrels for industry. Seven millions of barrels for generation of electricity. Five millions of barrels in the home. Three millions of barrels in commercial buildings.

If we have this 36 million barrels a day, then what is the problem? Very simply stated, we are running out of oil and gas which provide 77 percent of our energy needs, and we are not using the two fuels that are abundant—coal and nuclear. Yes, this is a crisis, but we should be able to solve it.

I suggest that our crisis was brought about by four basic problems, and each must be solved if we are to be an energy sufficient Nation.

First, rapidly increasing demand: We used 18 million barrel equivalent in 1950; 36 million today; and at this rate, by 1990, we will need 65 million barrels.

Second, diminishing fuel supplies: We are running out of oil and gas, and unless we find some new reserves, we will have to rely more and more on our coal, nuclear power, solar energy, geothermal power, and other sources to meet our demands.

Third, concern for the environment: We pollute the air with fumes from automobiles, incinerators, factories; our streams are polluted by the sewage and waste materials we pour into them. We have made vast improvements. We still have a long way to go, and the road is paved with energy considerations.

Fourth, lack of foresight: We—and I include Congress, the Executive, State, and local governments, industry, you and me—we just did not look far enough ahead and take the required action.

Let us address each of these independently and see what we have done and what we must do:

First, rapidly increasing demand. As I stated earlier, we have made inroads toward solving this part of our problem and I would hope that we could increase these efforts over the coming months. If we have learned nothing else since October, it is that we are a wasteful Nation, and we can get by with using a great deal less energy. One of our most wasteful uses of energy is transportation. It is always easier to ride than to walk, and it is always easier to take our own automobiles than to share with our neighbors. I believe we must insist that our gasoline engines are not efficient. We can no longer accept 7 or 8 miles per gallon in order to move one person from one area to another. When the energy crunch first hit us, one of the first actions we took was to reduce the number of commercial flights available throughout the country. I recognize this did cause inconvenience. However, it is amazing how rapidly we adjusted to this inconvenience.

Before this action, some 45 percent of the space in our commercial aircraft was empty. Now it is not at all unusual to have a full aircraft, and our load figure has increased into the 70 percent area. Additionally, we must design our buildings and our homes to assure that we derive the full use from the energy we expend to heat these buildings. The same is true of commercial buildings. And the list goes on. But I believe we have addressed this first problem, and I think we can cope with it.

Two. Diminishing fuel supplies. This is a little more difficult. There is only so much fuel available. The time is here with us right now when we must use the resources we have available. We are now mining somewhere around 650 million tons of coal a year. We could increase this to over a billion and a half tons a year. The Department of the Interior reports that we have over 3 trillion tons of coal in this country. We must mine this coal, and most assuredly we must reclaim the land after it is mined. It is necessary that we convert this natural valuable resource into usable and acceptable energy fuel. To this end, twice during this Congress I have introduced legislation which would establish an energy research and development trust fund. I believe that the establishment of this fund is essential if we are going to solve this research and development problem so necessary to convert these valuable natural resources to meet our needs.

Therefore, Mr. President, on July 13, 1973, for myself, Senator ROBERT C. BYRD, and Senator HOWARD BAKER, I introduced S. 2167, a bill to accelerate energy research and development by providing adequate funding over a continuing period of time through the creation of an energy research and development fund. The fund would draw its support from those moneys received by the Federal Government from its lease sales of public lands on the Outer Continental Shelf. I reasoned that as it was the shortage of energy which now enhanced the value of these public assets, this new revenue should in turn be used to find relief to the energy problem itself. I still believe that this reasoning is sound and am more than ever convinced that we will never achieve our R. & D. goals by year-to-year financing and must adopt some type of trust fund concept. However, there is good argument for broadening the base of this fund by including receipts from Federal lease sales and all other sales or grants of development rights of energy sources on Federal lands.

It has now been 8 months since I introduced this bill, and while I have been promised by the chairman of the Senate Interior Committee that hearings will be held at an early date, this date has as yet not been set.

In my original concept, I envisioned that the fund would be managed and coordinated by the Interior Department. However, in my introductory remarks, I recognized that new organizational concepts were being considered and suggested that should the President's reorganization reach fruition there may be a new office better suited for this purpose.

One program advanced by the President is of particular interest to me, and this is the creation of an Energy Resource and Development Administration to control the Nation's efforts in this area. The idea is not new, as it is found in the President's earlier program to create a Department of Natural Resources. What is new is the suggestion that we remove R. & D. from the proposed department and create a new independent administration. I think this is sound, and I support it. On November 13, 1973, I introduced a second bill, S. 2694, for this purpose.

I have been encouraged by the action taken by Senator RIBICOFF of the Senate Government Operations Committee, in that he just this week has conducted hearings on S. 2744, a bill designed to establish the Energy Research and Development Administration. He has assured me that I will receive every consideration in the markup sessions, and I sincerely hope that my energy trust fund will be included in the final version of the bill. In addition, we must find and use the oil and gas which I am confident lies on the Outer Continental Shelf. As our existing wells are depleted, we must find new domestic sources. I believe that we must speed the construction and the use of our nuclear powerplants. It is not impossible that we could see a twentyfold increase in nuclear power before the year 2000. I submit that we must build many new petroleum refineries in the next 5 to 10 years. The refining capacity we have today within the continent is woefully inadequate to handle the petroleum products which are available to us from our domestic and foreign markets. We must make every effort to develop our oil shale, our geothermal energy, our solar energy, magnetohydrodynamics, and all other exotic possibilities for energy sources.

Third, concern for the environment. This is the only planet we have, and we hope to live on it for a long time, and I submit we must do everything possible to protect the environment in which we live. But I also believe that it is necessary that we have intelligent compromise with ecological considerations because such compromise is certainly within our interests. There is a very delicate balance in this consideration, and any changes should be brought about very cautiously. In particular, we have environmental problems which impact very significantly on the production and use of coal. If we are to continue to surface mine our coal, then we must assuredly increase our efforts to conduct these operations in a manner which has minimum impact on the environment. I am proud at the efforts in my State now being conducted at Berea College by the Forestry Service to improve reclamation practices nationwide. Turning to the use of coal, I believe that dynamic research and development programs adequately funded over sustained periods of time provide us the only real solution to the problems related to the environmentally acceptable use of our natural resources. One very important consideration relating to the production of electrical energy concerns the siting of powerplants and related power transmission lines and related facilities.

Fourth, lack of foresight. For a long *time, very* few realized the seriousness of our problem. Then, in the space of a few months, we all seemed to try to out do each other to see how much and how quickly legislation could be introduced. As a result, we have seen some 800 pieces of energy related legislation being introduced in this Congress.

The sad commentary is that only emergency bills have passed the Senate. It really does not do us a whole lot of good to fix blame as to why we did not take the necessary action or why we did not pass the necessary bills because that will not solve our problems. The fact is that we just did not do it. And let me conclude by saying, "Let's do it now!"

The American people have no objection to making a sacrifice. They do it, and they have done it many times in the past. They do not want to do it if they are blackmailed.

May I say, in all honesty and all sincerity, I noticed that our friends in the Middle East said the other day that they would reevaluate their position on the 1st of June. Well, hang their damn meeting on the 1st of June. They can do anything they want to at their meeting on the 1st of June. The United States can just tell them, so far as this Senator is concerned, that they can ram that meeting on the 1st of June, purely and simply because this Nation is not going to be bullied in its adequacy to solve the problems of this Nation, and we are going to make a decision now, and we should make it now, that we are going to do it, and we are not going to find ourselves in a position of waiting in line to decide whether we can buy $2 or $3 worth of gasoline, because a few countries in the Middle East have decided that they are going to reevaluate a position on the 1st of June, depending on the fact that this Nation has not done a thing in the long-range solution to our energy problems.

The only thing I can say is that Congress can stand up now and resolve those problems and do it in a way that will do justice to this Nation and do justice to the operation of government as we know it, being reflective of the desires of the people of this Nation.

## DEATH OF CHET HUNTLEY

Mr. COOK. Mr. President, before I entered the Chamber earlier this morning, I read on the ticker about the death of a remarkable man at the age of 62. We all had read that Chet Huntley had been very, very ill. But I think it comes as a shock to many of us who thought he was quite a logical, understandable, and objective voice over the years to read this morning about his death.

I would merely like to state for the RECORD that I think his was indeed a remarkable career in the news media as he knew it and that he used that media to a wonderful, wonderful advantage to the American people; that what he brought to the American people in the insight of the news of the day was probably some of the most remarkable objective reporting this country has ever had the opportunity to witness. Of all the news people I have ever known or ever had the privilege to meet, and ever had the privilege to listen to, two of the most outstanding we have ever had the opportunity to listen to were Edward R. Murrow and Chet Huntley.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, for not to exceed 15 minutes, with statements therein limited to 5 minutes.

## A CENTURY OF HIGHER EDUCATION AT EASTERN KENTUCKY

Mr. HUDDLESTON. Mr. President, Eastern Kentucky University is this year commemorating a century of higher education on its campus at Richmond.

Higher education there dates to the 1874 founding of Central University, a Presbyterian institution born out of the conflicts of the Civil War. Since its founding as a public institution in 1906, Eastern Kentucky University has achieved a distinguished record of institutional development. Through its philosophy of extending educational opportunities to the broadest possible segment of society, Eastern Kentucky University has granted 26,630 degrees and has served countless thousands of other individuals in meeting their educational goals. The university now offers more than 200 major degree programs and has an enrollment of some 15,000 sutdents. While many colleges and universities are experiencing severe enrollment declines, Eastern's enrollment has continued to increase.

Under the able and foresighted leadership of its president, Dr. Robert R. Martin, and his outstanding faculty and administrative staff, Eastern Kentucky University has developed a broad academic offering in the liberal and fine arts, the sciences, business, teacher education, preprofessional and professional areas, and in the applied and technical disciplines. Seeking to serve in unique and needed ways, Eastern Kentucky University has taken a position of leadership in many areas. Among their most innovative programs are those in law enforcement and criminal justice, nursing and allied health programs, vocational and technical education, and special education and rehabilitation. More than 1,800 students are presently majoring in law enforcement. The institution was the first in the Nation to receive a Federal grant to establish a school of law enforcement in 1966.

Through its dynamic approach to its responsibilities as a public institution, the university has drawn national attention to itself and its programs, reflecting favorably on the Commonwealth of Kentucky.

I want to express congratulations to President Martin, the faculty, alumni, and students of Eastern Kentucky University during this Centennial Year of Higher Education on the Richmond, Ky., campus.

## QUORUM CALL

Mr. HUDDLESTON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ABOUREZK) laid before the Senate the following letters, which were referred as indicated:

### STATISTICAL SUPPLEMENT, STOCKPILE REPORT

A letter from the Administrator, General Services Administration, transmitting, pursuant to law, a copy of the Statistical Supplement, Stockpile Report, for the period ended December 31, 1973 (with an accompanying report). Referred to the Committee on Armed Services.

### OPINION AND FINDINGS OF FACT

A letter from the Chief Commissioner, transmitting, pursuant to law, certified copies of the opinion and findings of fact in the case of *Dr. Donald J. Alm* v. *the United States,* Congressional Reference No. 10–72 (with accompanying papers). Referred to the Committee on the Judiciary.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ABOUREZK):

A resolution adopted by the County Legislature of Suffolk County, N.Y., relating to the situation in the "North" of Ireland. Referred to the Committee on Foreign Relations.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, with an amendment:

S. 2893. A bill to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next three fiscal years (Rept. No. 93–736).

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

S. 404. A bill for the relief of Arthur Rike (Rept. No. 93–737).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with an amendment:

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia, as a component of the National Wild and Scenic Rivers System, and for other purposes (Rept. No. 93–738).

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. ROBERT C. BYRD, from the Committee on the Judiciary:

William J. Mulligan, of Wisconsin, to be U.S. attorney for the eastern district of Wisconsin;

John L. Buck, of Pennsylvania, to be U.S. marshal for the middle district of Pennsylvania; and

Arthur S. Flemming, of Virginia, to be a member of the Commission on Civil Rights.

(The above nominations were reported with the recommendation that the nominations be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before and duly constituted committee of the Senate.)

By Mr. WILLIAMS, from the Committee on Labor and Public Welfare:

Abraham Weiss, of Maryland, to be an Assistant Secretary of Labor.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time and referred as indicated:

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 3191. A bill to amend title 10, United States Code, to provide that commissioned officers of the Army in regular grades below major may be involuntarily discharged whenever there is a reduction in force. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 3192. A bill to extend the time limit for the award of certain military decorations. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 3193. A bill to amend title 10, United States Code, to authorize the selective continuation of certain regular commissioned officers on the active lists of the Army, Navy, Marine Corps, and Air Force upon recommendation of a selection board, and for other purposes. Referred to the Committee on Armed Services.

By Mr. GURNEY:

S. 3194. A bill to provide for the termination of certain oil and gas leases granted with respect to land located in the Ocala National Forest. Referred to the Committee on Interior and Insular Affairs.

By Mr. BENTSEN:

S. 3195. A bill to amend Title VII of the Older Americans Act relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. JACKSON:

S. 3196. A bill for the relief of Mr. Charles E. Robertson. Referred to the Committee on the Judiciary.

By Mr. JACKSON:

S. 3197. A bill to direct the Comptroller General of the United States to conduct a study of the reporting requirements of Federal agencies on independent business establishments, and for other purposes. Referred to the Committee on Government Operations.

By Mr. CLARK (for himself, Mr. Moss, and Mr. Percy):

S. 3198. A bill to amend title XVIII of the Social Security Act to require skilled nursing facilities under the medicare program and the medicaid program to provide medical social services. Referred to the Committee on Finance.

By Mr. MONDALE:

S. 3199. A bill for the relief of Clover Venice Barnes. Referred to the Committee on the Judiciary.

By Mr. MONDALE (for himself, Mr. Hart, Mr. Brooke, Mr. Johnston, Mr. Humphrey, Mr. Eagleton, Mr. Kennedy, Mr. Hathaway, and Mr. Abourezk):

S. 3200. A bill to provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUMPHREY:

S. 3201. A bill for the relief of Mr. and Mrs. Leodegario V. Soriano, Jr. Referred to the Committee on the Judiciary.

By Mr. NELSON:

S. 3202. A bill to amend the Farm Labor Contractor Registration Act of 1963 to provide for the extension of coverage and to further effectuate the enforcement of such act. Referred to the Committee on Labor and Public Welfare.

By Mr. WILLIAMS (for himself, Mr. Cranston, Mr. Javits, Mr. Taft, Mr. Stafford, Mr. Pell, Mr. Kennedy, Mr. Eagleton, Mr. Hughes, and Mr. Schweiker):

S. 3203. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. MATHIAS:

S. 3204. A bill to eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps. Referred to the Committee on the Judiciary.

By Mr. MOSS (for himself and Mr. Goldwater) (by request):

S. 3205. A bill to amend section 203(b) of the National Aeronautics and Space Act of 1958. Referred to the Committee on Aeronautical and Space Sciences.

By Mr. NELSON (for himself, Mr. Abourezk, Mr. Bayh, Mr. Bible, Mr. Biden, Mr. Brooke, Mr. Cannon, Mr. Case, Mr. Chiles, Mr. Clark, Mr. Domenici, Mr. Dominick, Mr. Fong, Mr. Fulbright, Mr. Gravel, Mr. Gurney, Mr. Hansen, Mr. Hart, Mr. Hartke, Mr. Haskell, Mr. Hathaway, Mr. Humphrey, Mr. Jackson, Mr. Javits, Mr. Johnston, Mr. Kennedy, Mr. Mathias, Mr. McGee, Mr. McGovern, Mr. McIntyre, Mr. Mondale, Mr. Moss, Mr. Nunn, Mr. Packwood, Mr. Pastore, Mr. Pell, Mr. Percy, Mr. Proxmire, Mr. Randolph, Mr. Ribicoff, Mr. Stevenson, Mr. Symington, Mr. Taft, Mr. Tower, Mr. Tunney, Mr. Williams, Mr. Inouye, Mr. Eagleton, Mr. Cranston, and Mr. Hollings):

S.J. Res. 196. Joint resolution designating April 21 through April 28 as "Earth Week, 1974". Referred to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 3191. A bill to amend title 10, United States Code, to provide that commissioned officers of the Army in regular grades below major may be involuntarily discharged whenever there is a reduction in force. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, by request, for myself and the Senator from South Carolina (Mr. Thurmond), I introduce, for appropriate reference, a bill to amend title 10, United States Code, to provide that commissioned officers of the Army in regular grades below major may be involuntarily discharged whenever there is a reduction in force.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining the purpose be printed in the Record immediately following the listing of the bill.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

### S. 3191

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* that chapter 361 of title 10, United States Code, is amended by inserting the following new section after section 3814, and inserting a corresponding new item in the chapter analysis:

§ 3814a. Regular commissioned officers: second lieutenants, first lieutenants, and captains; discharge during a reduction in force

"(a) Under regulations prescribed by the Secretary of the Army, whenever there is a reduction in the actual personnel strength of the Army, a commissioned officer in a regular grade below major may be discharged, without his consent, if that discharge accords with the recommendations of a board of officers appointed by an authority designated by the Secretary to determine the officers to be continued on active duty.

"(b) An officer not selected for continuation under subsection (a) shall—

"(1) if he is eligible, and so requests, be retired under section 3911 of this title;

"(2) if he is not eligible for retirement under section 3911 of this title, but is eligible for retirement under any other provision of law, be retired under that law on the date he requests and approved by the Secretary, but not later than 90 days after he receives notification that he has not been selected for continuation; or

"(3) if he is not eligible for retirement under section 3911 of this title or any other provision of law, or does not request retirement under section 3911 of this title if he is eligible, be honorably discharged on the date he requests, and approved under regulations prescribed by the Secretary but not later than 90 days after he receives notification that he has not been selected for continuation.

An officer who has completed, immediately before his discharge, at least five years of continuous active duty is entitled to a readjustment payment computed by multiplying his years of service, but not more than eighteen, computed under section 3927(a) of this title, by two months' basic pay of the grade in which he is serving on the date of his discharge. Such an officer may not be paid more than two years' basic pay of the grade in which he is serving at the time of his discharge or $15,000, whichever amount is the lesser.

"(c) For the purposes of subsection (b) (3), including eligibility for and computation of readjustment pay, a part of a year that is six months or more is counted as a whole year, and a part of a year that is less than six months is disregarded, in determining the years of service for computation of the amount of readjustment pay.

"(d) If an officer who received a readjustment payment under this section qualifies for retired pay under any provision of this title or title 14 that authorizes his retirement upon completion of twenty years of active service, an amount equal to 75 percent of that payment, without interest, shall be deducted immediately from his retired pay.

"(e) This section does not apply to an officer who is required to be discharged for failure of promotion to the grade of first lieutenant, captain or major under section 3298 or 3299, or who is found to be disqualified for promotion under section 3302, of this title.

"(f) An officer recommended for removal from the active list under chapter 359 or 360, or who is selected for discharge under section 3814, of this title, may not be considered under this section. However, failure to consider an officer for separation under chapter 359 or 360, or section 3814, of this title does not prevent him from being considered for continuation under this section.

"(g) Under regulations prescribed by the Secretary, a regular officer who is within two years of becoming eligible for retired pay may not be involuntarily discharged under this section before he becomes eligible for that pay, unless his discharge is approved by the Secretary."

SEC. 2. This Act is effective on the date of enactment and expires two years after that date.

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DEPARTMENT OF THE ARMY,
*Washington, D.C., November 29, 1973.*
Hon. JAMES O. EASTLAND,
*President pro tempore, U.S. Senate.*

DEAR MR. PRESIDENT: A draft of legislation "To amend title 10, United States Code, to provide that commissioned officers of the Army in regular grades below major may be involuntarily discharged whenever there is a reduction in force" is enclosed. This proposal is part of the Department of Defense Legislative Program for the 93rd Congress, and the Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Army has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by Congress.

### PURPOSE OF LEGISLATION

The purpose of the proposed legislation is to permit the Secretary of the Army, or his designee, to convene boards which would be empowered to determine whether certain Regular Army second lieutenants, first lieutenants, and captains should be discharged during a period when the personnel strength of the Army is being reduced. Officers in the Army Reserve who are serving on active duty are subject to release from active duty during such periods (10 U.S.C. 1162). The bill would enable the Secretary of the Army to consider certain regular commissioned officers for continuation on active duty during such a reduction in a manner similar to that authorized for release of reserve officers during a reduction in force.

Under current Army policy, reserve officers released from active duty are permitted to remain in the Reserves in an active or inactive status. Under the bill, Regular Army officers would be discharged from the Army. As Regular Army Officers do not hold reserve commissions, this would effect their complete separation from the military. Generally, however, Regular Army officers who are discharged from the Regular Army are tendered reserve commissions. It is anticipated that regular officers who are not selected for continuation under this bill would be similarly treated and be given the opportunity to accept a reserve commission. This would enable the officers to continue their military service should they so desire, and, by permitting them to serve in the Reserve, would place them in the same position as their contemporaries in the Reserve who are released from active duty.

The Department of the Army considers the proposed legislation as providing a very useful career management tool for maintaining the high quality of the officer force. By using the authority granted him in the bill, the Secretary of the Army would be able to insure that those officers who remain on active duty during a time of a reduction in force will be those officers who have best demonstrated an ability to perform in a satisfactory and efficient manner. By enabling the Secretary of the Army to consider both regular officers and reserve officers at the same time, all officers affected by the reduction in force will be considered equally with their contemporaries without regard to their component. Thus, it will correct a situation which leads to certain inequities which are caused because Regular Army officers cannot be discharged during a reduction in force even though their records may be comparable to reserve officers who are released from active duty. Additionally, by enabling the Secretary to consider both regular and reserve officers for continuation on active duty, it will enable the Secretary to retain some reserve officers on active duty who might otherwise be released from active duty simply because their retention would cause an overage in authorized strength during a reduction in force.

A compensation formula has been included in the bill for officers who are not selected for continuation, but do not qualify for retirement. It provides for two months' basic pay for each year of service, with a $15,000 or two-year basic pay maximum, whichever is lesser, that may be paid to any one officer. This compensation formula is similar to that which is applicable to reserve officers who have been selected for release from active duty during a reduction in force (10 U.S.C. 687). The bill also provides that its provisions would not be applicable to an officer who is required to be discharged because he has failed to be promoted to first lieutenant, captain, or major. It also provides that, in the case of members of the Medical, Dental, or Veterinary Corps, it provisions would not be applicable should they be found not to be qualified for promotion by a professional screening board. The provisions of the bill also would not be applicable to an officer who has been found disqualified for duty because of moral or professional dereliction of duty or whose continued service would not be in the interests of national security or an officer who is discharged during his three year probationary period. Because discharge of officers for moral or professional dereliction of duty, in the interests of national security, or during their probationary period is a matter within the discretion of the Secretary of the Army, the bill provides that failure to discharge an officer for those reasons would not preclude his discharge under the provisions of the bill. The proposed legislation would contain adequate protection for those regular officers who are within two years of eligibility for retirement. Such protection parallels are currently enjoyed by reserve officers in a similar position (10 USC 1163(d)). Finally the bill provides that it will be effective for only two years after enactment.

With the reduction of the overall commitment of the United States forces in Southeast Asia, the Army has been greatly reduced in strength. It is anticipated that these reductions will necessitate the additional involuntary release of officers in FY 75. The sizeable reduction the officer corps has already experienced during the past few years has been accomplished primarily through the involuntary separation of reserve component officers. To provide the necessary quality screening of the career force and to provide a measure of equity to the officer corps, it is desired that, if necessary, some of this additional reduction be allowed to come from the Regular Army component. The Department of the Army strongly urges that the bill be enacted.

### COST AND BUDGET DATA

There are no cost implications from approval of this legislation. This would substitute the involuntary discharge of a regular officer in lieu of involuntary release of a reserve officer. Both would be entitled to the same readjustment payment.

Sincerely,

HOWARD H. CALLAWAY,
*Secretary of the Army.*

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By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 3192. A bill to extend the time limit for the award of certain military decorations. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, by request, for myself and the Senator from South Carolina (Mr. THURMOND), I introduce, for appropriate reference, a bill to extend the time limit for the award of certain military decorations.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining its purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

### S. 3192

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any other provision of law, a decoration or device in lieu of decoration which, prior to the date of enactment of this Act, has been authorized by Congress to be awarded to any person for an act, achievement, or service performed while on active duty in the Armed Forces of the United States, or while serving with such forces, may be awarded at any time not later than two years after the date of enactment of this Act for any such act or service performed between July 1, 1958 and March 28, 1973 inclusive, if written recommendation for the award of the decoration, or device in lieu of decoration, is made not later than one year subsequent to the date of enactment of this Act.

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DEPARTMENT OF THE AIR FORCE,
*Washington, D.C., January 31, 1974.*

Hon. GERALD R. FORD,
*President of the Senate.*

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To extend the time limit for the award of certain military decorations."

This proposal is a part of the Department of Defense Legislative Program for the 93d Congress, and the Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. The Department of the Air Force has been designated to act on behalf of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

### PURPOSE OF THE LEGISLATION

The purpose of this legislation is to extend the time limit for recommending and awarding certain decorations for acts, achievements, or service performed during the period of hostilities in Southeast Asia.

Time limitations have been imposed by Congress on the medal of honor; the Army's distinguished service cross and distinguished service medal; the Navy's distinguished service medal, Navy cross, silver star medal and Navy and Marine Corps medal; the Air Force's distinguished service medal and Air Force cross, and the Coast Guard's distinguished service medal, distinguished flying cross, and Coast Guard medal (10 U.S.C. 3744, 6248, 8744; 14 U.S.C. 496). For these Army and Air Force decorations a recommendation must be initiated within two years after the distinguished service and the award made within three years after the date of the act justifying the award. For the Navy, Marine Corps and Coast Guard, the recommendation must be initiated within three years from the date of the act or service and the award made within five years. In the case of all services, provision is made for an exception to the time limitation for award, but only if the recommendation has been lost or, through inadvertence, not acted upon.

The time limitations specified in sections 3744, 6246, and 8744 of title 10 and section 496 of title 14 do not apply to such awards as the Army and Air Force silver star, Legion of Merit, Soldier's Medal, Air Force distinguished flying cross, Airman's Medal, Bronze Star Medal, Air Medal, service commendation medals, and Purple Heart. However, in the interest of consistency and administration, the military departments have established time limitations for these cited decorations which are based on limitations in the above-cited sections of title 10 and 14. This procedure has been consistently followed.

As a result of these time limitations, many individuals who participated in the Vietnam Conflict may have been denied appropriate recognition of their heroism, self-sacrifice or exceptional accomplishments. In some instances prolonged delays have been encountered in receiving necessary substantiating information from individuals who were prisoners of war or from those who were evacuated from the combat zone due to wounds, injuries or illness. In other instances, records were destroyed either by enemy action or to prevent their falling into the hands of the enemy. Enactment of this proposed legislation will prevent these cases from lapsing by providing for a period of two years from the date of enactment for awarding decorations for acts, achievements, or service performed between July 1, 1958 and March 28, 1973, if written recommendation for the award is made not later than one year after the date of enactment.

The Armed Forces Expeditionary Medal may be awarded to personnel who participated in the Vietnam operation between July 1, 1958 and July 3, 1965. The Vietnam Service Medal is awarded for such participation between July 4, 1965 and March 28, 1973. Accordingly, the draft legislation specifies July 1, 1958 through March 28, 1973 as the qualifying period.

Similar legislation was enacted in 1950 concerning awards for World War II (64 Stat. 103) and in 1956 concerning awards for the Korean Conflict (70 Stat. 933).

In summary, this legislation would provide authority over a limited period for the granting of awards to deserving individuals, which could not be granted under existing law. The Department of the Air Force on behalf of the Department of Defense recommends that the legislation as described above be enacted.

### COST AND BUDGET DATA

Enactment of the proposed legislation would have no significant budgetary impact inasmuch as the procedures for processing recommendations for decorations are already established and most of the medals which will be required are already in stock.

Sincerely,

JAMES P. GOODE,
*Acting Assistant Secretary, Manpower and Reserve Affairs.*

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By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 3193. A bill to amend title 10, United States Code, to authorize the selective continuation of certain regular commissioned officers on the active lists of the Army, Navy, Marine Corps, and Air Force upon recommendation of a selection board, and for other purposes. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, by request, for myself and the Senator from South Carolina (Mr. THURMOND), I introduce, for appropriate reference, a bill to amend title 10, United States Code, to authorize the selective continuation of certain regular commissioned officers on the active lists of the Army, Navy, Marine Corps, and Air Force upon recommendation of a selection board, and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of the legislation and explaining the purpose be printed in the RECORD immediately following the listing of the bill.

There being no objection, the bill and letter were ordered to be printed in the RECORD, as follows:

S. 3193

A bill to amend title 10, United States Code, to authorize the selective continuation of certain regular commissioned officers on the active lists of the Army, Navy, Marine Corps, and Air Force upon recommendation of a selection board, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.* That part II of subtitle A by of title 10, United States Code, is amended by inserting the following new chapter after chapter 61:

"CHAPTER 62.—RETIREMENT OR CONTINUATION ON THE ACTIVE LIST OF CERTAIN OFFICERS UPON RECOMMENDATION OF A SELECTION BOARD

"Sec.
"1235. Regular commissioned officers: continuation on the active list.
"1236. Transition payments to certain officers.
"1237. Authority to convene selection boards to recommend certain officers for continuation on the active list.

"§ 1235. REGULAR COMMISSIONED OFFICERS: CONTINUATION ON THE ACTIVE LIST

"(a) Notwithstanding any other law, each regular officer on the active list of the Army, Navy, Marine Corps, or Air Force serving under either a temporary or permanent appointment in the grade of—

"(1) lieutenant colonel or commander (Navy) who has failed of selection for temporary or permanent promotion to the grade of colonel or captain (Navy) two or more times and whose name is not on a promotion list; or

"(2) colonel or captain (Navy) who has served at least four years in grade and whose name is not on a promotion list;

may be considered for continuation on the active list by boards convened under section 1237 of this title. The number of such officers authorized by the Secretary concerned to be selected for continuation on the active list may not be less than 70 percent of the number of such officers considered in the various officer communities as prescribed by the Secretary concerned.

"(b) Notwithstanding any other law, an officer who is considered for continuation under this section and who is not selected for continuation shall—

"(1) if he is eligible for retirement under any other law, be retired under that law on such date as may be requested by him and approved by the Secretary concerned, but not later than the first day of the seventh month after the Secretary concerned approves the report of the board that considered him for continuation;

"(2) if he is not eligible for retirement under any other law, be retained on the active list until he attains such eligibility, and then be retired, unless he is sooner separated under any other law; or

"(3) if his name is placed on a promotion list to a higher grade than that in which he was serving at the time he was considered and not selected for continuation under this section, be retained on the active list.

"(c) An officer may be considered for continuation on the active list under this section only once in each grade.

"§ 1236. TRANSITION PAYMENTS TO CERTAIN OFFICERS

"(a) An officer who—

"(1) on the effective date of this Act, is either serving in the grade of lieutenant colonel or commander (Navy) or colonel or captain (Navy); or is on a promotion list to one of those grades;

"(2) is not recommended for promotion to a higher grade after the effective date of this Act; and

"(3) is considered but not selected for continuation on active duty under section 1235 of this title;

is entitled to the transition payment prescribed in subsection (b).

"(b) An officer who is in the category described in subsection (a) is entitled to a lump-sum transition payment of $4,000.

"§ 1237. AUTHORITY TO CONVENE SELECTION BOARDS TO RECOMMEND CERTAIN OFFICERS FOR CONTINUATION ON THE ACTIVE LIST

"The Secretary concerned shall—

"(1) whenever the needs of the Service require, convene selection boards to recommend certain officers for continuation on the active list in accordance with the provisions of this chapter; and

"(2) prescribe regulations for the administration of this chapter."

SEC. 2. A regular officer may be considered for continuation on the active list under the amendments made by this Act at any time after the effective date of this Act.

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GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE,
*Washington, D.C., September 18, 1973.*

Hon. SPIRO T. AGNEW,
*President of the Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: There is forwarded herewith a draft of proposed legislation "To amend title 10, United States Code, to authorize the selective continuation of certain regular commissioned officers on the active lists of the Army, Navy, Marine Corps and Air Force upon recommendation of a selection board, and for other purposes."

The proposal is a part of the Department of Defense Legislative Program for the 93rd Congress. The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the presentation of this proposal for the consideration of the Congress. It is recommended that this proposal be enacted by the Congress.

### PURPOSE OF THE LEGISLATION

The purpose of this proposal is to authorize the Secretaries of the Military Departments to convene selection boards to consider for selective continuation regular commissioned officers who:

(1) in the grade of lieutenant colonel or commander (Navy) have at least twice failed of selection for promotion to the temporary/permanent grade of colonel or captain (Navy).

(2) have served more than four years in the temporary/permanent grade of colonel or captain (Navy).

Under existing law for the Army and Air Force, an officer in the regular (permanent) grade of lieutenant colonel is subject to mandatory retirement upon completion of 28 years of commissioned service. Similarly, an officer in the regular (permanent) grade of colonel is subject to mandatory retirement upon completion of 30 years of service, or five years in grade, whichever is later. No similar authority is provided under the temporary promotion laws of these services (section 3442 and 8442 of title 10, United States Code) for regular officers serving in or failing of selection to temporary grades. Since temporary promotions occur earlier than do permanent promotions, an officer who has been twice non-selected for a temporary promotion is allowed to remain on active duty for several years thereafter.

In comparison, existing law for the Navy and Marine Corps (sections 6376, 6377 and 6379 of title 10, United States Code) subjects regular commanders or lieutenant colonels to involuntary retirement for length of service after completion of 26 years commissioned service and two failures of selection to the next higher grade. Regular officers in the grade of captain (Navy) or colonel are involuntarily retired for length of service after completion of 30 years commissioned service (and two failures of selection) or 31 years commissioned service in certain cases. These provisions for the Navy and Marine Corps apply to officers in their temporary as well as permanent grades.

Because of the tenure afforded by these laws an officer may not be involuntarily retired before his mandatory length-of-service retirement date except by reason of physical disability, under punitive conditions or for unsatisfactory performance of duty. Involuntary separation of naval officers with more than three years of active duty can be effected only by court martial, by dropping the officer from the rolls under 10 U.S.C. 1161 and 1163, or, if the officer has less than 20 years of service, by an approved selection-board finding of unsatisfactory performance. While these existing procedures provide for the disposition of certain officers, they do not permit the early involuntary retirement of officers who are excess to the needs of the services, particularly in times of rapid force reductions. Therefore these provisions have limited application in the management of the regular active duty officer force.

The basic purpose of this legislative proposal is to provide a more flexible management authority to correct imbalances in officer grade distribution that result from large fluctuations in the officer forces over relatively short periods of time. For example, during the past several years a series of force reductions has made it necessary to separate from active service undesirably large proportions of junior officers because of the statutorily guaranteed tenure in the senior grades. This proposal would provide the Services with greater personnel-management flexibility during such periods of reduction, facilitating maintenance of desirable grade balance, and complementing the Services' efforts to maintain a high quality officer force.

A board convened under these provisions would recommend officers for continuation on active duty in the number specified by the Secretary. However, the number specified for continuation on active duty must be at least 70% of the officers being considered in each officer community. An officer may be considered for continuation on active duty under this authority only once while serving in the grade of lieutenant colonel or commander and only once while serving in the grade of colonel or captain (Navy). Each retirement-eligible officer not selected for continuation on active duty would be retired not later than the first day of the seventh month following the date the Secretary approves the board report. Those officers who are not eligible for retirement would be retained on active duty until qualified for retirement and then retired.

This legislation will provide immediate authority to respond to significant reductions in force, while establishing an on-going method to maintain balance in the officer structures if such reductions are experienced in the future. The Army and the Air Force had similar authority during a five-year period from 1960 to 1965 (section 10 of the Act of July 12, 1960, P.L. 86-616 (74 Stat. 395)). The Navy also had similar authority from 1959 to 1970 (the Act of August 11, 1959, P.L. 86-155 (73 Stat. 333)).

There will be officers not selected for continuation and forced to retire under this proposal immediately following its enactment. These officers will be required to make a transition to civilian life with little prior notice when their age limits opportunities for a second career. Accordingly this proposal provides for a lump-sum transition payment of $4,000 to those officers who are not continued from a grade in which they are serving, or to which they have been selected at the time this proposal is enacted into law. Officers appearing on promotion lists after the date of enactment and involuntarily retired under this proposal will not be entitled to the transition payment.

This is a long-range, permanent measure to provide more flexibility in the career management of the regular officer force. It would provide an immediate step towards achieving overall officer management objectives of the Department of Defense. The changing times and needs of the Services make this legislation essential.

### COST AND BUDGET DATA

Enactment of the proposal will not result in increased Fiscal Year 1974 budgetary requirements for the Departments of Defense. To the extent that discontinuation transition payments are effected in FY 1974 they will be absorbed within available appropriations.

The five year monetary outlays for transition pay based on the officer end-strengths contained in the President's Budget for Fiscal Year 1974 and current projected end strengths for the out-years are estimated to be:

[In millions of dollars]

| Fiscal year: | |
|---|---|
| 1974 | 2.9 |
| 1975 | .8 |
| 1976 | .8 |
| 1977 | 1.0 |
| 1978 | .8 |

If unforeseen additional officer reductions are imposed in Fiscal Year 1974 and the out-years, the costs of transition pay will be increased.

Although they cannot be accurately estimated at this time, it is expected that overall cost savings will accrue from the discontinuation of officers. These savings will result from a combination of factors, including the reduced lifetime retirement pay of these officers retired with less than normal statutory service, a reduced number of officers in those grades affected, and a decreased proportion of officers who have maximum years of longevity for pay purposes in each of the grades affected.

Sincerely,

L. NIEDERLEHNER,
*Acting General Counsel.*

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Section by Section Analysis of a Bill "To amend title 10, United States Code, to authorize the selective continuation of certain regular commissioned officers on the active lists of the Army, Navy, Marine Corps, and Air Force upon recommendation of a selection board, and for other purposes."

### SECTION 1

This section inserts a new chapter 62 into part II of subtitle A of title 10, United States Code, the purpose of which is to authorize the selective continuation on the active list of certain regular commissioned officers upon the recommendation of a board. The chapter is composed of three sections as follows:

#### *Section 1235*

Subsection (a) authorizes selection boards to consider for continuation on the active list two categories of regular commissioned officers in all four of the Services—(1) each lieutenant colonel and commander (Navy) who has failed of selection for promotion to the temporary or permanent grade of colonel or captain (Navy) two or more times, and whose name is not on a promotion list, or (2) each colonel or captain (Navy) who has served at least four years in grade and whose name is not on a promotion list. The number of such officers authorized by the Secretary concerned to be selected for continuation on the active list may not be less than 70 percent of the number of such officers considered in the various officer communities. The Secretary concerned, under his authority in section 1237 to prescribe regulations to administer this chapter, will define what is meant by "officer communities" for the military department under his jurisdiction.

Subsection (b) provides that an officer who is considered but not selected for continuation under this section shall be removed from the active list. If such an officer is eligible for retirement under any other law, he shall be retired under that law on such date as may be requested by him and approved by the Secretary concerned, but not later than the first day of the seventh month after the Secretary concerned approves the report of the board that considered him for continuation.

If, however, such an officer is not eligible for retirement, he shall be retained on active duty until he attains such eligibility, and then be retired, unless he is sooner separated under some other law. If an officer is subsequently promoted to a higher grade, he shall be retained on the active list in that higher grade. In that case, he may again be considered for continuation while serving in that higher grade.

Subsection (c) provides that an officer may be considered for continuation on the active list only once in each grade.

*Section 1236*

Subsection (a). The purpose of this subsection is to authorize a transition payment to be paid to those officers who, on the effective date of this Act, are already serving in one of the grades covered in section 1235 (or on a promotion list to one of those grades) and who later are non-continued under that section prior to the normal mandatory retirement date for length of service (and for failure of selection in the case of the Naval Service) for that grade. An officer who is recommended for promotion to a higher grade after the effective date of this Act is not entitled to the transition payment.

Subsection (b) prescribes a lump-sum transition payment in the amount of $4,000.

*Section 1237*

This section requires the Secretary concerned, whenever the needs of the Service require, to convene selection boards to recommend certain officers for continuation on the active list in accordance with the provisions of this chapter. Further, the Secretary concerned is given broad discretionary authority to prescribe regulations for the administration of this chapter. The purpose of this section is to give the Secretary concerned the discretionary power to prescribe by regulation the details of the system for considering officers for continuation. The Secretary concerned may prescribe such matters as: the zone of officers to be considered, the composition and voting rules of the selection boards, the frequency with which the boards shall be convened, the definition of what "various officer communities" to be considered means, additional qualifications for eligibility for consideration, and any other matter necessary to administer this chapter.

SECTION 2

This section provides that a regular officer may be considered for continuation on the active list at any time after the effective date of this Act.

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By Mr. GURNEY:

S. 3194. A bill to provide for the termination of certain oil and gas leases granted with respect to land located in the Ocala National Forest. Referred to the Committee on Interior and Insular Affairs.

Mr. GURNEY. Mr. President, today I am introducing a bill which would terminate the leasing of lands in the Ocala National Forest, in the State of Florida, for the purpose of exploration for gas and oil.

As some of my colleagues here in the Senate may recall, on February 7, on page 2640 of the CONGRESSIONAL RECORD, I inserted my testimony which I gave before the Department of Interior during hearings held in Ocala, Fla., with regard to their proposal to lease certain areas located within the Ocala National Forest for oil and gas exploration. I would like at this point to request that my testimony of this date be printed at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT MADE BY SENATOR EDWARD J. GURNEY ON THE PROPOSED OIL AND GAS EXPLORATION IN THE OCALA NATIONAL FOREST

I oppose oil and gas exploration in the Ocala National Forest in the strongest possible fashion.

My opposition is based on two points. First, there is a strong possibility that such drilling will jeopardize critical water resources in Florida's underground aquifer. Second, such drilling will seriously encroach upon the natural beauty and recreational use of this valuable national forest.

Nor does it appear that the oil and gas potential in this area will contribute significantly to our energy needs, urgent as they are, to outweigh the negative factors which would need to be done to accomplish the proposed oil and gas drilling.

We are in the grip of the latest crisis to appear on the national scene—the energy crisis—and we must not fall into the process of making all the panicky, poorly thought out over-reactions that have characterized other responses to recent problems.

Energy has come to be taken for granted by the American consumer because it had always been available at low cost.

The individual consumer, and industry as well, could not conceive of a situation in which they could not have all the cheap energy they wanted.

Although some segments of the energy industry continued to promote the use of more and more energy—especially electricity—there were warnings from the oil industry that things might not be so easy going in the future.

Within the past year, those somewhat dire predictions have become less prediction and more dire. The embargo on most oil exports from the Mid-East following the October Arab-Israeli war has jeopardized the oil supply of America.

Because of the tightening supply situation, the Federal Government, industry, and the American people have been willing to accept some strong medicine—such as lowered home and work temperatures, reduced speed limits, and Sunday service station closings—however, such measures do not serve as basis for the idea that we need to sink exploratory wells into every geological structure that might contain a barrel of oil.

The environmental crisis, which we have survived, left us with numerous examples of inflated rhetoric and throughtless response.

That crisis also left us with a greater appreciation of a serious set of problems.

It would be folly of the highest sort for us to now repeat the errors of the crisis past, while forgetting the lessons which it taught. Yet, that is just what we seem to be doing.

Our new found broadened perspective of that natural world makes clear that we cannot undertake a change of local conditions

The serious nature of the consequences quences in return.

The serious nature of the consequences which might follow from oil drilling operations—either exploratory or production efforts—is what leads me to strongly oppose the proposed oil operations in the Ocala National Forest.

The most disturbing possible adverse effect of this proposal is the threat posed to the important water bearing strata. This Floridan aquifer is the water barrel for most of Florida. Any reduction in the ability of this aquifer to so serve our population is much too high a price to pay for energy.

We are continually reminded that a nation which runs on energy cannot afford to run out.

We need to remind ourselves, however, that we can move without oil, but we can't live without water.

The adequacy of our water supply is not to be glibly assumed. To do so would be to repeat our experience with energy supplies—an experience which has shown that the unlimited has a faculty for becoming limited, very quickly.

Already in areas near the Ocala National Forest, ground water levels have dropped significantly.

Growth of industry and population in this area and elsewhere in Flordia will place increasing demands on this most precious resource.

If all planned sites in Marion County, for instance, are developed, the population will grow from the present level of 72,000 to nearly 350,000 in 8 to 10 years, it is estimated.

In another instance, the United States geological survey has reported that the Greater Orlando area by 1980 will have exceeded a 50% withdrawal of recharged ground water necessitating a new source of supply elsewhere. One suggested source for the needed supplement is the Ocala area.

Added to the evident water needs for people are the additional requirements for industry and agriculture.

Taken together, there is too much of our future well-being dependent upon the Floridian aquifer to proceed with oil drilling in the Ocala National Forest.

We must retain some degree of concern for the long-term outlook, rather than being captivated by expediencies of the moment.

The threat to the Floridian aquifer, as I said, is the most disturbing element of the proposed oil enterprise in the Ocala National Forest, but there are other less spectacular environmental ills ahead if we follow the course of action.

Numerous conservationists have criticized the oil exploration program only to be informed by various agency officials that only a miniscule portion of the Ocala National Forest will be affected. In one agency response it was noted that "less than one-tenth of one percent of the forest area would be disturbed if there is a major discovery of oil or gas."

While such expressions may be technically accurate as far as surface area cleared for drilling, they ignore the esthetic impact of the operations on the surrounding forest lands.

Similarly, the threat posed by an oil spill spreading through the waters of the forest would soon affect a considerably greater portion of the lands than the one-tenth of one percent cited.

I am not in opposition to the principle of multiple use under which our national forests are operated. Certainly more than one beneficial use can be derived from these lands.

One must be able to draw a line occasionally, however, when a proposed use would too greatly impede other uses. A consumptive use is not to be ruled out, but non-consumptive uses such as recreation must be protected.

It is hard to conceive that if oil is discovered in great enough quantity that only the area mentioned in this proposal would be effected. We must consider not just the exploration but the act of drilling itself if the exploration is successful. Slowly but surely additional requests will be received by the Department of the Interior to lease more and more acres in the Ocala National Forest until we would hear from these same officials not "only one-tenth of the forest would be affected" but that "only one-tenth of the forest would not be effected."

Public input in the past has indicated a considerable interest in maintaining the unique features of this forest in its natural state. This represents a growing public demand emphasizing recreational type usage of the Ocala National Forest over natural resource development.

Between 1960 and 1970, 24 million people were added to the population of the United States, increasing the total to 203.2 million. Population projections indicate an increase of between 57 and 96 million by the year 2000. State population densities now range from over 1,000 persons per square mile to less than 5 per square mile. Florida, as you know, leads the nation as one of the fastest growing States. As Florida grows, so does the demand by its citizens for recreational land.

Some of America's natural resources need special consideration for their high recreational potential and/or their need to be protected. These are areas of great value to outdoor recreation on which uncontrolled development could result in irreversable damage to historic, cultural, or esthetic values, or natural systems and processes.

Many areas of critical concern in Florida have been identified and classified by the State in comprehensive outdoor recreation plans. The Ocala area has been recognized for not only its recreational value but also for its representation as the last ground water recharge area in the State.

This environmental impact statement we are reviewing today states that "the Ocola National Forest is one of the oldest and heaviest used national forests in the eastern United States with over two million visitor days of recreation use each year. Millions of Americans look to this forest for outdoor recreation, where they can escape from their daily tensions of life."

The summary of this environmental impact statement points out that oil and gas operations will involve building roads, clearing land for drilling, production sites, and pipeline. The amount, size, and location of activity would depend upon the extent of the oil and/or gas discoveries. The report points out that "an accidental oil or salt water spill or well blow-out is possible during drilling or production operations. Adverse effects which could result from activities or mishaps are a reduction in the naturalness of the forest, danger to human life, danger to wildlife, danger to historic or archelogical resources, and oil or water pollution."

The report fails to state, however, that there is also the possible loss of recreational opportunities. Florida needs this forest and I feel that to accept the change and permit these oil and gas explorations is unthinkable abuse of our national forest.

The proposal we are examining here denies protection of forest lands for esthetic and recreational uses.

The Ocala is already a much used forest. Multiple use in the Ocala is approaching the point of multiple abuse.

The point which we need to begin considering now is what we may do to restore the natural fabric of the Ocala forest, not what we can do to further rend it.

There is a grave risk that the energy crisis is being used as a mask for numerous damaging assaults upon the environment. The current threat to the Ocala National Forest is one of those assaults. Therefore, I suggest that the proposal to conduct oil operations in the Ocala be classified as a bad idea, rejected and forgotten.

The energy crisis will not be darkened by such a move, but the burden we place on Florida's esthetic and natural resources will be lightened.

Mr. GURNEY. Mr. President, during these hearings I was able to fully elaborate upon the threat to Florida's vital supply of fresh water posed by the proposed encroaching developmental activity to take place in this area.

The Ocala is the southernmost national forest in this Nation and as we all know, mineral leasing rights are under the jurisdiction of the Department of Interior, while management responsibility rests with the U.S. Forest Service under the Department of Agriculture.

Four years ago the Secretary of Interior, with the consent of the Secretary of Agriculture issued 163 leases covering 95 percent of the forest for oil and gas exploration. When the principal leaseholder applied for permission to drill an exploratory well, I voiced by objections to this in the strongest possible fashion. The public outcry supporting my objection was so great that it led to a U.S. Geological Survey and resulted in an environmental impact statement. However, on July 6, the governing suspension instituted by the Department of Interior will expire and although there is a clear and evident danger to the Florida aquifer, it appears to be the intention of the leaseholders to drill for oil and gas.

Mr. President, I would like to call to the attention of my colleagues, a publication prepared by the Florida Conservation Foundation which fully supports the mandate that all oil and gas leasing in the Ocala National Forest be terminated. I request at this point in time that this publication be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

### THE OCALA OIL GAMBLE

Oil drilling in the Ocala may sacrifice a unique National Forest and contaminate vital underground water supplies. Are we taking this gamble because the oil is vitally needed for essential purposes, or for continuing a frivolous waste of energy on such things as electric hair brushes and elaborate packaging?

### THE PEOPLE'S FOREST

The Ocala is the southernmost National Forest in the United States, 672 square miles of which 573 are publicly owned. The balance, 15%, is privately owned, mostly around the edge of the Forest. The responsibility for managing this resource "in the best public interest" lies with the U.S. Forest Service under the Department of Agriculture. Mineral leasing rights, however, are under the jurisdiction of the U.S. Department of the Interior.

In 1969 and 1970 the Secretary of the Interior, with the consent of the Secretary of Agriculture and the Forest Service, issued 163 leases (95% of the Forest) for oil and gas exploration. The Amoco Production Company, which owns 148 of these leases, submitted an application for permission to drill an exploratory well in June of 1971. A public outcry caused operations to be suspended. The suspension was extended twice, ostensibly to allow additional time for the U.S. Geological Survey to complete an environmental impact statement. The last suspension expires on July 6, 1974, and a public hearing on the environmental impact statement was held in Ocala, January 8–9, 1974, to clear the way for permission to begin drilling. (Suspicion exists that the hearing was delayed and timed to coincide with public concern over the energy crisis).

### THE CONTROVERSY

The controversy over oil drilling in the Ocala National Forest reflects the basic schism which exists between energy-promoters and energy-conservers regarding the true nature of the present crisis and its implications for our social system. The depth of this controversy is vividly illustrated by statements attributed to participants in the confrontation.

John D. Meyers, District Geologist, Placid Oil Company: "We can no longer afford the luxury of retaining this oil and gas in the ground. The energy crisis is now not sometime in the remote future. The oil industry is ready, able and willing to protect the environment and provide the energy needs for our country but we cannot do this without drilling wells. The Ocala National Forest, in all probability, will not contain commercial hydrocarbons, but the only way to find out is to drill. Let's find out."

Senator Edward Gurney, R-Winter Park: "There is a grave risk that the energy crisis is being used as a mask for numerous damaging assaults upon the environment. The current threat to the Ocala National Forest is one of those assaults." Senator Gurney termed drilling in the Forest as an "unthinkable abuse."

Environmental Science and Engineering, Inc., in a report prepared for the Amoco Production Company: "The most serious potential threat of the proposed drilling operation is contamination of fresh water aquifers by hydrocarbons, brine, drilling fluids, chemicals, or by those pollutants which would move vertically within the geologic section.

"The technology of the petroleum industry in general, and of Amoco Production Company in particular, is such that poor operation, groundwater contamination, and major accidents can be avoided."

Lyman E. Rogers, Chairman, Florida Coalition to Protect the Ocala National Forest: "We can get the oil that America needs somewhere else but we cannot get the water Florida needs anywhere else. . . . Technology cannot make a 600 square mile aquifer, 1,200 feet deep."

Mr. Rogers also states, "The 'Ocala Decision' is a showdown between those who would defend the values that our natural world gives to man, and those who for their own reasons believe that our new found technology is capable of allowing exploitation without degradation.'

Wayne A. Blankenship, Jr., Division 'Landman, Amoco Production Company: "Amoco has drilled for and produced oil and gas in and around environmentally sensitive areas in the southeastern United States and the Gulf of Mexico for the past 35 years. For instance, Amoco has carried on drilling and producing operations in and near ecologically important areas like the Rockefeller Wildlife Refuge and Game Preserve and the Russell Sage or Marsh Island Wildlife Refuge and Game Preserve in Southern Louisiana without adverse impact on the environment."

Max Blumer, Woods Hole Oceanographic Institution, writing in "Environmental Affairs:" "Oil pollution is the almost inevitable consequence of our dependence on an oil-based technology. The use of a natural resource without losses is nearly impossible and environmental pollution occurs through intentional disposal or through inadvertent losses in production, transportation, refining and use.'

John Holdren, Physicist, University of California Lawrence Livermore Laboratory and Philip Herrera, Environmental Editor, Time, in their book "Energy:" "No means of supplying energy is without liabilities, and no form of consumption is without consequence to the ecosystems that support us."

The authors go on to say, "The energy industries have tended to regard forecasts as inevitable and, indeed, desirable. They view the energy crisis as the problem of mobilizing technology and resources quickly enough to achieve the forecasted levels; to them, the growing opposition of environmentalists to their efforts is part of the crisis.'

Brant Calkin, Sierra Club: "We have attacked our power needs with all the enthusiasm of the woodchopper who doesn't have time to sharpen his axe. We must take time to define the point of diminishing returns in energy growth and we must do it now."

Gene Morrell, United States Department of Interior, Office of Oil and Gas: "Right now (October, 1972), the United States is like a jet plane traveling through the atmosphere with its tanks one-fourth empty. On board is the American consumer with his aspirations for a cleaner environment, rebuilding inner cities, a vacation cabin, two cars, and a modern home built with all those wonderful conveniences his nation's high productivity has made available for him.

"He sits comfortable with his aspirations. But when the fuel gauge indicates the plane may not have enough fuel to reach its destination, the passenger scoffs and says the guage doesn't work or thinks the whole thing is a hoax."

M. King Hubbert, U. S. Geological Survey, in "Energy, Resources and Power Production:" "The eposide of industrial exponential growth can only be a transitory epoch of about three centuries duration in the totality of human history. . . . Although the forthcoming period poses no insuperable physical or biological difficulties, it can hardly fail to force a major revision of those aspects of our current economic and social thinking, which stem from the assumption that the growth rates that have characterized this temporary period can somehow be made permanent."

Malcolm F. Baldwin, Conservation Foundation, writing in the Ecology Law Quarterly: "The oil policy of the United States has not reflected the ecological ramifications of oil production and consumption. Furthermore, the governmental decision-makers do not presently have sufficient information to make sound environmental policies concerning oil."

Howard T. Odum, Environmental Engineering Sciences, University of Florida, Gainesville: "The countries that hold back their richer reserves while others are spending their last reserves end up with more relative power in military and economic affairs. The recent actions to use our reserves of fuel and other energy costing and amplifying strategic reserves for business as usual is bordering on treasonous and yet was adopted by an ignorant Congres."

Malcolm Baldwin, Conservation Foundation: "The decision (of the oil interests) to challenge the state (authority) buttresses the simple point that industry, guided by the profit motive, cannot be the arbiter of social welfare. . . . The enterprise of the oil industry is checked by the federal government only after a problem develops. Federal regulation of spills, tankers, offshore platforms and port and refinery construction are after the fact—after investment and after social choices have been made for us in terms of what the industry and government believe to be the public interests."

ENFO believes that a definition of "the public interest" is the crux of the conflict, not only in the Ocala Forest, but in all matters of the environment vs oil production. An examination of the Ocala oil drilling problems indicate that the project is a dangerous gamble with known resources for highly questionable purposes.

### THE OCALA PLAN

A ten-year management plan for the Forest was prepared by Robert A. Entzminger, Forest Supervisor, in 1971, after an extensive series of "listening sessions" and public hearings to determine what the citizens of Florida desired from forest management. The plan was widely commended as truly representative of what the citizens wished the federal agencies to do with their property. The plan recognized that the primary value of the Forest was as a recreation area in a wild and natural setting. This reflected by the fact that the Forest is one of the oldest and most heavily used National Forests in the Eastern United States, with over two million visitor-days of recreation use each year. The economic value as a tourist attraction is indicated by the fact that tourism brings Florida an estimated five billion dollars a year. It is so vital to the state' economy that Governor Askew appealed to the Federal Energy Office for special consideration in gasoline allotments to support Florida's tourist industry.

The basic points of Mr. Entzminger's Forest plan were:

Manage the Ocala in a natural condition to furnish more dispersed recreation opportunities which provide a quality experience;

Protect the environment and provide facilities which do not detract from the forest setting;

Stop current timber management practices;

Institute strict controls over hunting to increase safety and decrease the illegal take of deer;

Decrease "road pollution" and restrict vehicle access to designated roads;

Regulate or curtail special uses of National Forest land. Acquire private lands inside the Forest boundary; and

The policy set forth in the Ocala Forest plan was, "Permit only special uses which contribute to the general public interest and are compatible with the management objectives. . . . When gas and oil leases are ready for renewal, investigate each lease to determine compatibility with unit objectives and policies."

The interpretation of Mr. Entzminger and the people of Florida as to "the best public interest" in management of the Ocala Forest did not jibe with those of federal bureaucrats and special interests. Leasing 95% of the Forest for oil and gas drilling certainly could not qualify as "compatible with unit objectives and policies." Also, the recommendations to "stop current timber management practices," "decrease road pollution," and "acquire private lands inside the Forest" were looked upon as, carrying the interests of the public much too far.

Mr. Entzminger was transferred out of the region and the Environmental Impact Statement said, ". . . There is no basis for attempting to evaluate overall impacts of oil and gas operations on aesthetic values, or the possible effects of such impacts on total public use of the Forest, for whatever recreational purpose" (emphasis added).

Recreation opportunities in the Forest include picnicking, camping, swimming, boating, fishing, hiking and hunting, and millions of Amercans look to the Ocala as an escape from the pressures and tensions of modern technological society. Yet, according to the criteria used in the impact statement, this is not worth an attempted evaluation. Presumably officials consider camping, picnicking and swimming in the vicinity of an oil well just as pleasant as in a natural setting. How else can we justify drilling in the Forest as compatible with a stated policy of "maintaining and protecting a natural environment?"

### THE FOREST'S NATURAL VALUES

#### *The sand pine ecosystem called Big Scrub*

This system dominates 50% of the Forest. Ariel E. Lugo, a biologist at the University of Florida, stated "The Big Scrub is unique in the world. . . . Fire is the major environmental factor in maintaining the scrub community and switching off the development of the successional species. When fire is removed, these species will become increasingly dominant and will eventually replace it. . . . Fire serves as a stimulus for germination of seeds which require heat for germination to occur and also stimulates photosynthesis by providing ash 'fertilizer'."

The problem is not discussed in the environmental impact statement but it appears that forest fires which maintain the Big Scrub will be incompatible with petroleum production.

#### *The deer herds and hunting*

The Ocala is one of the most popular hunting areas in Florida. The impact statement mentions that hunting will be "curtailed" in the vicinity of drilling and production operations. If oil is discovered, wells will be placed on 80-acre spacing and connected by access roads. The "curtailment" of hunting under such conditions doesn't need much imagination.

#### *Wetlands*

The Forest includes swampy areas, ridges, springs and runs, and over 600 lakes and ponds of various sizes. There are only 75 first magnitude springs (64.6 mdg) in the United States, 17 are in Florida and the only one in the Forest owned by the public is Alexander Springs. Silver Glen, also a first magnitude spring in the Forest, is privately owned. In addition, four of Florida's seven publically owned second magnitude springs are in the Ocala. Their value for water-oriented recreation and as a habitat for aquatic life are well-known. Other wetlands are vital for recharging parts of the Floridan Aquifer upon which the state depends for virtually all of its fresh water.

The best public interest for wetlands use was demonstrated by an overwhelming vote in favor of a referendum on a $200 million bond issue to protect environmentally sensitive lands, which would favor wetlands and recharge areas. The Ocala Forest is already owned by the people and permission to drill for oil in this area appears to be in conflict with the public interest expressed by the voters in protecting such areas.

#### *Rare and endangered species*

The rare and endangered species listed as inhabiting the Forest are shortnose sturgeon, American alligator, southern bald eagle, American osprey, Southern red-cockaded woodpecker, Florida sandhill crane, wood ibis, short-tail hawk, Florida manatee, Florida panther, Florida water rat, Kirtland's warbler, and the peregrine falcon. The comments of Pat Dunn, Assistant Attorney General, speaking at the Ocala public hearing, expresses the public interest in protecting these species. Ms. Dunn stated, "By property, I mean not only lands, but the valuable resources below those lands—such as mined resources and fresh water supplies. I also mean wildlife—always the State's property—and in this instance the Florida panther, the bald eagle, the manatee—all endangered species, living jewels more rare and therefore more valuable than diamonds."

#### *The Floridan Aquifer*

The major public concern is possible contamination of the aquifer from drilling and oil producing operations. The Ocala limestone underlies the entire area of the Forest and this geologic unit forms the principal member of the Floridan Aquifer, from which most of the state's drinking water supplies are drawn. The Forest is a vital recharge area for the aquifer.

Many areas of Florida are already facing critical water supply problems, largely due to excessive drainage and development of recharge areas which lower the underground water table. Dr. Martin Miflin, professor of geohydrology at the University of Florida stated, "Considering the nature of peninsula Florida's increasing water demands and the fact that virtually 100% of the water supply is drawn from the aquifer and considering the damage already done to the aquifer system . . . it becomes even more important to retain all the remaining viable recharge areas in their natural undeveloped state so that they can continue to do their part in providing us with adequate and safe water supply."

The Floridan acquifer also provides the flow of crystal clear water which makes such springs as Alexander, Juniper, Silver Glen and Salt Springs unique and important tourist attractions. Underground water from the Forest also discharges into the St. Johns River, Lake George and some into the Oklawaha River, as well as the myriad of ponds, lakes and streams which make the Forest and its wetlands the most heavily used National Forest in the eastern United States.

The environmental statement reports, "The ultimate extent of environmental impact of oil and gas activities in the Ocala National Forest will depend on the magnitude, location, and the manner in which operations are conducted. Prior to commencement of such operations, *such impact may be anticipated only with uncertainty*" (emphasis added).

It also states, "Careful analysis of the potential impacting actions and the potentially impacted environmental elements . . . indicates an extremely broad range of potential adverse impact in both the long-term and short-term view. In either view, the possibility of an escape of hydrocarbons, either on the land surface or in the subsurface, poses the greatest potential for adverse ecological impact."

The environmental statement goes on to say that oil spills in aquatic or semi-aquatic habitats would be far more serious than on land, that containment and clean-up in most of the waters of the Ocala would be "difficult at best because of the extensive occurrence of marshy and heavily vegetated shorelines."

The impact statement admits that data on the geologic and hydrologic conditions of the aquifer of the Forest are relatively scarce, but states, "The conditions to be encountered there can be anticipated with confidence." It goes on to say, "The possibility of significant adverse impacts does exist, and although considered remote, they are discussed. . . ."

### *Petroleum toxicity*

The impact statement stresses repeatedly that damage from oil spills, if they occur, would be temporary. Max Blumer of Woods Hole Oceanographic Institution who made extensive and detailed studies on the effects of oil spills off Massachusetts, states, "Hydrocarbons from a relatively small and restricted oil spill in the coastal waters of Massachusetts, U.S.A., have spread, nine months after the accident to an area occupying 5,000 acres offshore and 500 acres in tidal rivers and marshes. The effect on natural populations in this area has been catastrophic. The full extent of the coverage of the ocean *bottom* by petroleum hydrocarbons is unknown; chemical analyses are scarce or nonexistent."

Blumer states that all studies which report short-term effects of oil spills on marine ecosystems are solely the result of *visual* investigations, not chemical analysis of sediments and organisms. He states that *all* crude oils and all fractions except highly purified and pure materials are poisonous to all marine organisms. Many are acute poisons for man, and we know that chemicals responsible for cancer in animals and man occur in petroleum. Blumer states, "Hydrocarbons are among the most persistent organic chemicals in the marine environment." He says they are retained by organisms for long time periods, *if not for life,* and are passed up through the food web to humans.

The environmental statement claims that pipe lines buried in porous sands or beneath the water table could possibly leak and oil could penetrate the aquifer. In this case it claims the oil would form a "bubble" on the subsurface and could prevent percolation and recharge. Blumer, however, states, "Many of the toxic petroleum hydrocarbons are also water soluble. Water treatment plants, especially those using distillation, may transfer or concentrate the steam-volatile toxic hydrocarbons into refined water streams, especially if dissolved hydrocarbons are present in the feed streams or if particulate oil finds its way into the plant intake."

The environmental statement claims that although the possibility of oil penetrating the aquifer is remote, "Even a few such droplets could produce a visible oil film on the surface of a container of water, and impart an undesirable taste and odor to the water at very low concentration. Flushing this contaminant from the aquifer would require months or years. . . ."

### PREVENTIVE TECHNOLOGY

The petroleum companies, the environmental statement, and all supporters of oil drilling in the Ocala Forest rely entirely on the technology of Amoco Production Company and its expertise at operating in environmentally sensitive areas to prevent contamination of the aquifer. The primary systems stressed as capable of preventing serious contamination are a blowout preventer which would automatically seal the well if excess pressures are encountered, and a string of production casings extended from the surface down through the critical areas. A cement slurry is circulated through the casings and back to the surface to insure that the entire length of pipe is bonded to surface strata. The shallow fresh water zone would be protected by two strings of casings and the ground water near the surface by three strings, bonded by two layers of cement.

Robert O. Pruyn, staff engineer for Amoco, states, "Drilling through shallow fresh water sands is not new to Amoco. In West Texas where we are a major operator there is a shallow fresh water formation known as the Ogalala. This formation is a very prolific water sand, occurring at depths as shallow as 200 feet. The sand provides fresh water for irrigation throughout West Texas and also provides drinking water for numerous towns and cities. . . . Literally thousands of wells have been successfully drilled through these formations."

The aquifer beneath the Forest, however, is limestone, not sand. The rock is fractured, similar to a boulder that has been hit with a sledghammer, and water circulates along solution channels eroded along these fractures. As a result the Floridan aquifer supports the most extensive maze of water-filled tunnels, caves and caverns in the world. Divers penetrating these caverns from surface openings have followed huge tunnels for almost 2,000 feet without reaching the end and they have explored caverns large enough to house a modern three story building. Many of these fracture zones are so extensive and complex they have as many fissures as a rock jetty.

The extent and location of such caves and caverns in the aquifer beneath the Forest is unknown. The impact statement, however, says, "Should open caverns or fissures be penetrated by a well, it is possible that part or all of the drilling mud in the well bore could be lost into such very permeable zones."

Dr. Edward T. LaRoe, a marine biologist, in discussing oil drilling in The Big Cypress, stated, "The caustic muds, which are released with drill tailings or cuttings, and the strong solvents and detergents used to keep the rigs clean would be particular problems."

Not discussed in the impact statement is the effect of attempting to recirculate cement around casings if the well penetrated a huge cavern or tunnel system.

Also not discussed in the statement is the potential effect of cave-ins or subsidence and the formation of sink holes, which are common in Florida. Sink holes are formed when the earth's crust caves into an underground chamber, which is usually connected to the aquifer. It seems obvious that the formation of sink holes present the possibility of a rupture of pipelines, and even well casings, and potential ground water contamination.

### CONCLUSIONS

ENFO agrees with the comment of J. Barry Nittan, research assistant at Florida Department of Health and Rehabilitative Services, "Although Amoco proposes several safeguards against the disruption of the aquifer, a concern for the public health of Florida's population prompts the Bureau of Comprehensive Health Planning to question the adequacy of the EIS in this vital area."

We also agree with Attorney General Robert L. Shevin in this statement, "Further study of the long-term effects that present drilling methods would have on the Floridan aquifer is imperative to complete this statement. I, therefore, recommend to the Secretary that operations be suspended until that study is made and evaluated.

"The historical, natural and aesthetic qualities solely belonging to the Ocala National Forest are, in most part, a result of the non-renewable resources of that area. The consumption or destruction of these resources would permanently alter those qualities. I, therefore, recommend to the Secretary and to the Congress that National Forests of such unique nature as the Ocala either be closed to mineral explorations and operations or be preserved as the last resort for those resources."

The Secretary of the Interior claims that, although the law gives him authority to grant oil and gas leases, he does not have the legal authority to cancel them once they are granted. He states that leases can be acquired to preserve wildlife or other purposes, "in the public interests," but that an equal area must be granted in exchange.

This law could be changed by the Congress. If this does not prove possible, then ENFO agrees with the statement of Attorney General Shevin that, "The lessee should be held absolutely liable for all harm done to the State of Florida by the existence and activities of his operations. A greater standard of care other than mere reasonable steps should be required of the lessee."

A positive test of Amoco's confident statements that oil drilling and production in the Forest will not damage the environment or contaminate the aquifer is to demand that the company accept full financial responsibility for its actions. As one insurance executice succinctly put it. "If it isn't insurable, it isn't safe."

It is unreasonable to ask the people of America to accept the risk solely on the oil company's word that "everything will be all right." If Amoco is not willing to support their convictions by accepting the financial gamble, the people of Florida certainly should not be asked to subsidize the oil company's operation by accepting the environmental gamble.

Also, any oil that may exist in the Ocala belongs to all the people of the United States and should be utilized in their best interests, not solely for the benefit of Amoco stockholders. ENFO suggests that the best interests of the people may be served by leaving this oil in the ground until a long-range federal energy policy assures us that it is essential for necessity-oriented uses and not to be wasted on more of the frivolous uses which have helped create the present crisis.

Mr. GURNEY. Mr. President, I hope my colleagues realize the importance of immediate consideration of this proposal, as every day that is allowed to go by will be a day closer to the destruction of this precious and valuable natural resource.

Mr. President, I ask unanimous consent that at the conclusion of my remarks the bill I am introducing today be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3194

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) all oil and gas and other mineral leases entered into by the United States under the Mineral Lands Leasing Act (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands (30 U.S.C. 351 et seq.), or any other applicable law, with respect to any land located in the Ocala National Forest, in the State of Florida, shall be terminated as of the date of enactment of this Act. Notwithstanding any other provision of law, on and after such date of enactment, no oil and gas or any other mineral lease shall be entered into by the United States with respect to any such land.

(b) The Secretary of the Interior is authorized and directed to take whatever action he deems necessary to assure that all activities carried out under any lease terminated by this Act cease immediately upon the termination of such lease.

SEC. 2. (a) The United States District Court for the Middle District of Florida shall have exclusive jurisdiction to hear and decide any action brought to determine the amount of just compensation to which any holder of a lease terminated by this Act is entitled on account of such termination.

(b) The Secretary of the Treasury is authorized to pay the amount of any compensation determined to be just compensation according to the terms of subsection (a). Of the amount of the just compensation so determined, no part of each of the amounts authorized to be appropriated by the preceding sentence in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with each claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

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By Mr. BENTSEN:

S. 3195. A bill to amend title VII of the Older Americans Act relating to the nutrition program for the elderly to provide authorization of appropriations, and for other purposes. Referred to the Committee on Labor and Public Welfare.

### NUTRITION PROGRAM FOR THE ELDERLY

Mr. BENTSEN. Mr. President, yesterday the House of Representatives by a vote of 380 to 6 passed a 3-year extension of the nutrition program for the elderly under title VII of the Older Americans Act. The size of the vote indicates the broad-based support this program has received since it was initially implemented.

I am today introducing comparable legislation in the Senate.

The need for nourishing meals for older Americans has been amply documented by the White House Conference on Aging, the White House Conference on Food, Nutrition, and Health, and by the Senate Select Committee on Nutrition and Human Needs.

Older Americans frequently have difficulty in obtaining an adequate diet. The problems in providing balanced and nourishing meals have a number of root causes, including inadequate income, an absence of skills to choose and prepare well-balanced meals, limited mobility to purchase the necessary foods, or simply an absence of incentive to eat properly because of feelings of loneliness and rejection.

Whatever the cause, malnutrition among older Americans constitutes one of our most serious social problems, one that requires the special attention that this legislation affords it.

The problem has been aggravated in recent months by spiraling inflation that has cut deeply into the food budget of the elderly American living on a fixed income. In 1973, food prices were up 22 percent on average over 1972. Moreover, the combination of rising food costs and declining real wages resulted in sharply reduced consumption.

A Department of Agriculture economist wrote several years ago that—

> If prices go up and our income remains the same, we tend to buy 2 to 3 percent less food with each 10 percent change in price.

Through November of last year, average real income in 1973 declined 3.3 percent over the previous year, considering the rate of inflation.

Between the fourth quarter of 1972 and the third quarter of 1973, per capita consumption of meat was down 13.7 percent; poultry, 18.6 percent; eggs, 6.9 percent; and total livestock-related goods, 8.6 percent.

To the low-income older American, this combination of rising prices and declining wages works a special hardship, and it lends new urgency to the need for this legislation.

Presently, more than 80,000 meals are being served each day under this program to Americans aged 60 and over throughout the country. Estimates are that this figure will increase to approximately 212,000 meals per day by the end of this fiscal year.

With this bill, we would hope to increase that number substantially over the next 3 years.

In addition to the nutritive value of the meals, the program allows older Americans to receive the food at strategically located centers, such as senior citizens homes, schools, and community centers in a social atmosphere that can help overcome some of the isolation so prevalent among the elderly. Indeed, the social benefits of the program are as significant as the nutritional ones, and I urge the administrators not to overlook their importance when administering the program.

I am confident that this measure will be swiftly passed by the Senate and sent to the President for his signature. It is a compassionate and effective program, which deserves our support.

At this point, I ask unanimous consent to insert the text of my bill in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 3195

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 708 of the Older Americans Act is amended by striking out the word "and" before $150,000,000" and by inserting before the period a comma and the following: "150,000,000 for the fiscal year ending June 30, 1975, $175,000,000 for the fiscal year ending June 30, 1976, and $200,000, for the fiscal year ending June 30, 1977."

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By Mr. JACKSON:

S. 3197. A bill to direct the Comptroller General of the United States to conduct a study of the reporting requirements of Federal agencies on independent business establishments, and for other purposes. Referred to the Committee on Government Operations.

### FEDERAL REPORTING REVIEW ACT

Mr. JACKSON. Mr. President, today I am introducing legislation to provide for a comprehensive study by the General Accounting Office of the paperwork burden imposed upon business by Federal law and by reports and questionnaires required by Federal agencies. This study would be designed to review all reporting and other informational requirements currently imposed by Federal agencies to determine the extent to which such requirements are outmoded, duplicative, unnecessary or unduly burdensome to small business establishments The product of this study would be a specific proposal by the GAO on what actions, if any, the Congress and the executive branch can and should take to effectively deal with this problem on a permanent basis.

The problem of striking an appropriate balance between the public's and the Government's balance between the public's and the Government's "right to know" and the right of private enterprise to be free from unnecessary informational fishing expeditions is a perennial and growing source of frustration and irritation for legitimate businessmen. Small business is particularly hard hit by the added overhead of complex and time consuming reporting requirements.

While small businessmen complain that Federal tax, regulatory, statistical, and other reporting requirements have steadily increased, there has been no recent effort by the Federal Government to modernize data collection procedures and to consolidate, coordinate, and streamline them on a Government-wide basis.

Mr. President, there is an apparent need to enhance cooperation between agencies that collect data to share information, to simplify the questionnaires and forms, to devise common data formats, and to utilize improved collection methods such as interagency piggybacking of reporting requirements. There is a need to improve the crazy-quilt patchwork of reporting requirements that now exists in many agencies, and to undertake a real effort to rationalize the various parts of the system.

Mr. President, data collection has a substantive side and a procedural side. Judgments as to what information is needed by Federal agencies in order to effectively enforce or implement the laws are a substantive matter. Only the enforcing or implementing agency is authorized by law to decide this question. On the other hand, the manner in which this information is collected, information sharing between and among separate agencies seeking similar data, coordination among agencies to develop similar data formats, and other such questions are in many respects, procedural in nature. It is in the procedural area that an opportunity exists to relieve a great deal of unnecessary paperwork burdens, and it is in this area that the GAO study I am suggesting would focus. The GAO would investigate how Federal reporting requirements can be reformed to lessen the burden on small business consistent with the authority of the agencies to develop the information base they need to effectively enforce or implement the law. These recommendations would be submitted to the Congress for review and, where appropriate for legislative consideration.

The Congress attempted to legislate a solution to this problem over 30 years ago when it passed the Federal Reports Act of 1942. That statute provided authority for the Director of the Bureau of the Budget—now the Office of Management and Budget—to set up a centralized and well equipped office to monitor federal information gathering procedures governmentwide, and to review, integrate and simplify Government data collection activities.

The Federal Reports Act was, in many respects, adopted with laudable objectives in mind, but it has not worked out in practice. Despite congressional prodding, OMB has for over 30 years failed to take seriously its responsibility for rationalizing reporting procedures. I have been and am persuaded that OMB is not the proper place for this responsibility to be exercised.

Currently, there are approximately 6,000 public use forms in use excluding Internal Revenue Service forms. The IRS has another 3,000 or so forms currently in use. The study I am suggesting would go through these forms one by one and suggest the specific changes that are needed. This is a massive and onerous task. Realtistically, however, it is the only way in which real reforms can be affected.

Last year, I coauthored an amendment to transfer to the GAO from OMB authority to administer the Federal Reports Act with regard to the independent regulatory agencies. GAO is now in the process of setting up the mechanism to do this. For this and other reasons, the GAO is ideally situated to conduct the study I am proposing. Indeed, it is my understanding that a pilot study is currently underway by GAO of the Department of Labor's 283 public use forms. I approve of this pilot survey; however, I believe it should be broadened. This study represents only a fragment of the total solution to the paperwork burden. Ultimately, the job of going through the rest of the forms must be done. I see no reason for postponing this task if there is any chance it will impose burdens on small businessmen who need a solution to their paperwork problems now, without yielding benefits of equal value to the federal agencies in the exercise of their important responsibilities in implementing and administering the provisions of Federal law.

By Mr. CLARK (for himself, Mr. Moss, and Mr. PERCY):

S. 3198. A bill to amend title XVIII of the Social Security Act to require skilled nursing facilities under the medicare program and the medicaid program to provide medical social services. Referred to the Committee on Finance.

### EMOTIONAL AND SOCIAL NEEDS OF NURSING HOME PATIENTS

Mr. CLARK. Mr. President, I am introducing legislation on behalf of myself, the Senator from Utah (Mr. MOSS) and the Senator from Illinois (Mr. PERCY) to require that skilled nursing homes provide medical social services to qualify for participation in the medicare and medicaid programs. This is a companion bill to a measure introduced in the House of Representatives by Congressman BURKE of Massachusetts.

Before 1973 the Department of Health, Education, and Welfare required skilled nursing facilities to provide medical social services. But H.R. 1, the Social Security Act—Public Law 92-603—changed that. Attempting to cut health care costs, Congress included in the bill a provision prohibiting HEW from requiring these vital services. The legislation we are introducing today would reinstate this requirement.

Information from around the country has shown that nursing home patients cannot be adequately cared for without medical social services. Medical and nursing care alone are not enough.

Medical social services are needed to help patients adjust to institutional life, to reduce feelings of isolation and depression, common among the chronically ill. These services include preadmission and discharge planning, personal and social restorative services, and community source development. In short, they allow nursing home patients to live a more normal life within the institution and help some patients return to the community.

Studies have shown that the absence of social services impairs the effectiveness of medical and nursing care. An Ohio study reports that without social services, more patients are tied to beds or given a heavier dose of medication. This may cause skilled care institutions to become little more than "warehouses for the dying." Last year, the Maryland Governor's Commission on Nursing Homes found that "the most glaring deficiency found in nursing homes is the lack of social work services" and, the nursing home ombudsman program of the National Council of Senior Citizens in Michigan reports that the lack of social services is among the most common complaints of nursing home patients.

Some nursing homes have attempted to use volunteers to replace trained social service workers. But while these volunteers have provided some help, specialized training is still needed. It is indispensable. Nursing staffs have not been able to provide medical social services because they do not have the time or the training for it.

The lack of qualified personnel to deal with these problems is only made worse by the fact that so many nursing home patients do not have visitors to provide them with outside contact and access to community services. A study in Michigan reported that one out of every three nursing home patients had no visitors at all. Many others receive only one or two visits a month.

As I have visited nursing homes around Iowa, one point which has been brought to my attention over and over again is the need of nursing home patients for more than just physical care. They need attention paid to their emotional and personal needs as well. And only trained personnel can provide this kind of service in an institutional setting.

The Department of Health, Education, and Welfare has demonstrated its concern by encouraging nursing homes to provide medical social services, even though the law now forbids the Department from requiring them. This legislation would require nursing homes to offer medical social services as a condition of participation in the medicare and medicaid programs.

Mr. President, as expert testimony before the Senate Special Committee on Aging's Subcommittee on Long Term Care has so ably indicated, medical social services are essential if we are to provide adequate care for this Nation's skilled nursing home patients. It is an obligation that we can and must meet.

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By Mr. MONDALE (for himself, Mr. HART, Mr. BROOKE, Mr. JOHNSTON, Mr. HUMPHREY, Mr. EAGLETON, Mr. KENNEDY, Mr. HATHAWAY, and Mr. ABOUREZK):

S. 3200. A bill to provide emergency relief with respect to home mortgage indebtedness, to refinance home mortgages, to extend relief to the owners of homes who are unable to amortize their debt elsewhere, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. MONDALE. Mr. President, I am today introducing legislation which attempts to anticipate a possible tragedy for thousands of Americans and, most importantly, to avoid it. I am talking of the heartbreak of losing one's home. And, for literally thousands of Americans, that heartbreak may become a reality over the next several months. As the rate of inflation continues to rise, unemployment continues to increase, and the energy crisis takes its toll in both prices and jobs, many Americans may find it increasingly difficult, and eventually impossible, to meet home mortgage payments. For these unfortunate citizens, a major investment—quite possibly the largest investment of their lifetime—will vanish, and their shelter will be suddenly gone.

So that the Federal Government in anticipation of this possibility, may be ready to cope with this tragedy and aid those families faced with mortgage foreclosure, I am today introducing standby legislation which would reactivate the Home Owners' Loan Corporation. The legislation is designed to become operative only when the foreclosure situation reaches crisis proportions and provides real help to those American families faced with the loss of their homes.

### THE ORIGINAL HOMEOWNERS' LOAN CORPORATION

During 1932 and 1933, this Nation experienced a period of high unemployment. At the same time, the public exhibited a serious lack of confidence in existing property values. As a result of these two forces, the annual rate of real property foreclosures climbed to nearly 250,000. Most of the foreclosed properties were owner-occupied homes. And, surely, the foreclosures resulted from the inability of families, with the head of the household unemployed, to meet mortgage payments.

The foreclosures obviously exacerbated the economic hardships of the affected families. In addition, they had a domino effect by collapsing real estate values and making lenders reluctant to finance new housing. The resultant inactivity in the construction industry further contributed to the depression of the entire economy.

Against this background, Congress enacted the Home Owners Loan Act of 1933. It directed the members of the Federal Home Loan Bank Board to establish the Home Owners' Loan Corporation and to serve as the Board of Directors of the HOLC. The HOLC represented an attempt to counteract mortgage foreclosures by allowing the HOLC to purchase mortgages from private lending institutions and to refinance the mortgages of homeowners faced with foreclosure because of temporary financial hardship.

The HOLC was authorized to issue stock of up to $200 million and up to $2 billion in bonds. The bonds had the full faith and credit of the United States behind them, were tax-exempt, and were to bear interest at a rate of 4 percent or less.

The HOLC was authorized to exchange its bonds for home mortgages and other liens—such as tax liens—secured by real estate. A $14,000 limitation—or 80 percent of the value of the property—was placed on the mortgage or lien to be refinanced. The HOLC could rewrite the mortgage loan balance to be amortized over a 15-year period and could grant such extensions of time for payment as might prove necessary. The maximum interest rate on the refinanced mortgage would be 5 percent, which was significantly lower than the prevailing rate. The HOLC could also make cash loans to homeowners with debt-free homes who were faced with financial difficulties and possible loss of the home. Such loans could not exceed 50 percent of the appraised value of the property and bore an interest rate of 6 percent or less.

The Home Owners' Loan Corporation was established in June of 1933 and eventually liquidated in March of 1951. It made, or acquired and refinanced about 1,016,000 mortgage loans; most during the first 3 years of its existence. The original aggregate amount of these loans totalled $3,093 billion. Only about 19 percent of the original loans ended in foreclosure. In the process of its operations, the HOLC helped about 800,000 homeowners save their homes. It also helped innumerable lending institutions from whom it acquired mortgages By stemming the tide of foreclosures, it was also influential in stabilizing property values and in restoring the necessary confidence which led to an upturn in residential construction.

### THE NEED FOR THE HOLC TODAY

During the fourth quarter of 1973, the economy grew at a rate of only 1.3 percent. The unemployment rate is over 5 percent, and leading economists are predicting a rise in unemployment to 7 percent. The energy crisis is estimated to have displaced more than 200,000 workers already, and more energy-crisis unemployment can be anticipated as the automobile manufacturing industry, the plastics industry, and the construction industry feel the effects of the energy shortage.

Against the backdrop of high unemployment, we find a situation where, for millions of American homeowning families, mortgage payments are high in relation to income and savings. This predicament is particularly acute for young workers who acquired their homes in recent years at high prices with mortgage interest rates high. Unemployment rates among this group will be even higher than the national average, and their savings are frequently too small to permit them to meet mortgage payments over any extended period of unemployment.

There are also millions of elderly American homeowners who, although their homes may be debt-free, will find it extremely difficult to meet the cost of property taxes during a period of inflationary living costs. Their fixed incomes will simply be squeezed too far. Many will lose their homes to tax liens.

For millions of homeowners of all ages, the equity invested in their homes represent their greatest asset. Furthermore, almost all would have to pay more for housing in today's inflated market, if they were forced to live elsewhere. When the cruel arm of unemployment reaches into their homes, literally millions of Americans will find their shelter seriously threatened. They will have nowhere to turn, and nowhere to hide. Although many mortgages are insured, they are insured to protect the lender-mortgagee against loss, not usually the homeowner-mortgagor.

There are between 30 and 35 million owner-occupied, one-to-four family homes in this country. More than 20 million of these homes are subject to outstanding mortgages. According to a quarterly index published by the Federal Home Loan Bank Board, the mortgage foreclosure rate on all properties for the first three-quarters of 1973 was about four-tenths of 1 percent. But, the mortgage delinquency rate on one-to-four family properties—the most accurate measure of potential mortgage foreclosures on this class of properties—was 4.26 percent at the close of the third quarter of 1973 and rose to 4.7 percent—the highest rate in 20 years—at the close of 1973. In addition, seriously delinquent loans—those with two or more payments past due—rose to a record high of 1.26 percent at the end of the third quarter. We are already seeing a trend—an ominous trend toward mortgage foreclosure on a widespread basis for one-to-four family dwellings.

When the mortgage foreclosure rate on all properties reaches a level of five-tenths of 1 percent, it is estimated that the rate of foreclosures on one-to-four family properties would be approximately 100,000 per year—surely a critical situation. When and if such a situation occurs—and we have every reason to believe that it might—we should be prepared to help those families who face the possibility of a loss of their home.

### A NEW HOLC

Mr. President, I am today introducing legislation designed to help these homeowners who face the possibility of the loss of their homes during a serious economic downturn. The bill establishes a new Home Owners' Loan Corporation; to come into being when and if the Federal Home Loan Bank Board Index reaches the critical five-tenths of 1 percent level. The board of directors of the corporation will be members of the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs. The corporation will be empowered to issue stock and bonds at levels sufficient to serve its needs.

The Corporation will be empowered to acquire, in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate. It is limited to one-to-four family properties of a value of $40,000 or less. The Corporation may refinance the mortgage over a 30-year period at an interest rate not to exceed 6 percent. In addition, the Corporation may make cash advances, up to 50 percent of the property value, to homeowners whose obligations cannot be secured by the Corporation. Finally, the Corporation may refinance the mortgage over a 30-year period at an interest rate not to exceed 6 percent. In addition, the Corporation may make cash advances, up to 50 percent of the property value, to homeowners whose obligations cannot be secured by the Corporation. Finally, the Corporation will be able to help homeowners redeem homes already lost to foreclosure.

It is important to note that the HOLC will not become operative—and will cost nothing—until we are faced with a national foreclosure crisis. When and if that crisis comes, we will be ready with a mechanism for helping thousands of American families from losing their homes.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

### S. 3200

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Home Owners' Loan Act of 1974".

### DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "Corporation" means the Home Owners' Loan Corporation created under section 3 of this Act.

(2) The term "home mortgage" means a

first mortgage on real estate in fee simple or on a leasehold under a renewable lease for not less than 99 years upon which there is located a dwelling for not more than four families, which is, or was for at least one month during the preceding year, used by the owner as a principal residence, and which has a value not exceeding $40,000.

(3) The term "first mortgage" includes such classes of first liens as are commonly given to secure advances on real estate under the laws of the State in which the real estate is located, together with the credit instruments, if any, secured thereby.

### ESTABLISHMENT AND CAPITALIZATION OF HOME OWNERS' LOAN CORPORATION

SEC. 3. (a) There is established a corporation to be known as the Home Owners' Loan Corporation, which shall be an instrumentality of the United States, which shall have authority to sue and to be sued in any court of competent jurisdiction, Federal or State, and which shall be under such bylaws, rules, and regulations as it may prescribe for the accomplishment of the purposes and intent of this section. The board of directors of the Corporation (hereinafter referred to as the "board") shall consist of the members of the Federal Home Loan Bank Board, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Administrator of Veterans' Affairs, all of whom shall serve as such directors without additional compensation.

(b) The board shall determine the minimum amount of capital stock of the Corporation and is authorized to increase such capital stock from time to time in such amounts as may be necessary, but not to exceed in the aggregate $1,000,000,000. Such stock shall be subscribed for by the Secretary of the Treasury on behalf of the United States, and payments for such subscriptions shall be subject to call in whole or in part by the board and shall be made at such time or times as the Secretary of the Treasury deems advisable, and for the purpose of making such payments, the Secretary is authorized to use as a public debt transaction the proceeds of the sale of any securities hereafter issued under the Second Liberty Bond Act, and the purposes for which securities may be issued under the Second Liberty Bond Act are extended to include such payments. The Corporation shall issue to the Secretary of the Treasury receipts for payments by him for or on account of such stock, and such receipts shall be evidence of the stock ownership of the United States. The Secretary of the Treasury may sell, upon such terms and conditions and at such price or prices as he shall determine, any of the stock acquired by him under this subsection. All purchases and sales by the Secretary of the Treasury of such stock under this subsection shall be treated as public debt transactions of the United States.

(c) The Corporation is authorized to issue bonds in an aggregate amount not to exceed $10,000,000,000, which may be sold by the Corporation to obtain funds for carrying out the purposes of this section, or exchanged as hereinafter provided. Such bonds shall be issued in such denominations as the board shall prescribe, shall mature within a period of not more than 18 years from the date of their issue, shall bear interest at a rate not to exceed a rate determined by the Secretary of the Treasury taking into account the average yield on outstanding marketable obligations of the United States as of the close of the preceding month, and shall be fully and unconditionally guaranteed as to interest only by the United States, and such guaranty shall be expressed on the face thereof. In the event that the Corporation shall be unable to pay upon demand, when due, the interest on any such bonds, the Secretary of the Treasury shall pay to the Corporation the amount of such interest, which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, and the Corporation shall pay the amount of such interest to the holders of the bonds. Upon the payment of such interest by the Secretary of the Treasury the amount so paid shall become an obligation to the United States of the Corporation and shall bear interest at the same rate as that borne by the bonds upon which the interest has been so paid. The bonds issued by the Corporation under this subsection shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by any State, county, municipality, or local taxing authority. The Corporation, including its franchise, capital, reserves and surplus, and its loans and income, shall likewise be exempt from such taxation; except that any real property of the Corporation shall be subject to taxation to the same extent, according to its value, as other real property is taxed.

### FUNCTIONS

SEC. 4. (a) The Corporation is authorized, for a period of three years after the date of enactment of this Act, but only during any calendar quarter in which the Federal Home Loan Bank Board determines that the foreclosure rate (stated as an annual percentage rate of all mortgaged structures) exceeds one-half of one per centum, (1) to acquire in exchange for bonds issued by it, home mortgages and other obligations and liens secured by real estate (including the interest of a vendor under a purchase-money mortgage or contract) recorded or filed in the proper office or executed prior to the date of the enactment of this Act, and (2) in connection with any such exchange, to make advances in cash to pay the taxes and assessments on the real estate, to provide for necessary maintenance and make necessary repairs, to meet the incidental expenses of the transaction, and to pay such amounts, not exceeding $50, to the holder of the mortgage, obligation, or lien acquired as may be the difference between the face value of the bonds exchanged plus accrued interest thereon and the purchase price of the mortgage, obligation, or lien, except that the aggregate of such advances and payments shall be reduced by an amount determined by the board to be equal to the amount of costs which would have been incurred in foreclosure proceedings in connection with the mortgage, lien, or other obligation. The face value of the bonds so exchanged plus accrued interest thereon and the cash so advanced shall not exceed in any case $40,000. In any case in which the amount of the face value of the bonds exchanged plus accrued interest thereon and the cash advanced is less than the amount the home owner owes with respect to the home mortgage or other obligation or lien so acquired by the Corporation, the Corporation shall credit the difference between such amounts to the home owner and shall reduce the amount owed by the home owner to the Corporation to that extent. Each home mortgage or other obligation or lien so acquired shall be carried as a first lien or refinanced as a home mortgage by the Corporation on the basis of the price paid therefor by the Corporation, and shall be amortized by means of monthly payments sufficient to retire the interest and principal within a period of not to exceed 30 years; but the amortization payments of any home owner may be made quarterly, semiannually, or annually, if in the judgment of the Corporation the situation of the home owner requires it. Interest on the unpaid balance of the obligation of the home owner to the Corporation shall be at a rate not exceeding 6 per centum per annum. The Corporation may at any time grant an extension of time to any home owner for the payment of any installment of principal or interest owed by him to the Corporation if, in the judgment of the Corporation, the circumstances of the home owner and the condition of the security justify such extension, and no payment of any installment of principal shall be required during the period of three years from the date this Act takes effect if the home owner shall not be in default with respect to any other condition or covenant of his mortgage. As used in this subsection, the term "real estate" includes only real estate held in fee simple or on a leasehold under a lease renewable for not less than 99 years, upon which there is located a dwelling for not more than four families used by the owner as a home or held by him as a homestead and having a value not exceeding $40,000. No discrimination shall be made under this Act against any home mortgage by reason of the fact that the real estate securing such mortgage is located in a municipality, county, or taxing district which is in default upon any of its obligations.

(b) The Corporation is further authorized, during any quarter referred to in subsection (a) in any case in which the holder of a home mortgage or other obligation or lien eligible for exchange under subsection (a) of this section does not accept the bonds of the Corporation in exchange as provided in such subsection and in which the Corporation finds that the home owner cannot obtain a loan from ordinary lending agencies, to make cash advances to such home owner in an amount not to exceed 50 per centum of the value of the property for the purposes specified in such subsection (a). Each such loan shall be secured by a duly recorded home mortgage and shall bear interest at a rate of interest which shall be uniform throughout the United States, but which in no event shall exceed a rate of 6 per centum per annum, and shall be subject to the same provisions with respect to amortization and extensions as are applicable in cases of obligations refinanced under subsection (a) of this section.

(c) The Corporation is further authorized, during any quarter referred to in subsection (a), to exchange bonds and to advance cash, subject to the limitations provided in subsection (a) of this section, to redeem or recover homes lost by the owners by foreclosure or forced sale by a trustee under a deed of trust or under power of attorney, or by voluntary surrender to the mortgagee within two years prior to such exchange or advance.

(d) The board shall issue such rules and regulations as may be necessary, including rules and regulations providing for the appraisal of the property on which loans are made under this section so as to accomplish the purposes of this Act.

(e) Any person indebted to the Corporation may make payment to it in part or in full by delivery to it of its bonds which shall be accepted for such purpose at face value.

### ADMINISTRATIVE PROVISIONS

SEC. 5. (a) The Corporation shall have power to appoint and fix the compensation of such officers, employees, attorneys, or agents as shall be necessary for the performance of its duties under this Act, without regard to the provisions of other laws applicable to the employment or compensation of officers, employees, attorneys, or agents of the United States. No such officer, employee, attorney, or agent shall be paid compensation at a rate in excess of the rate provided by law in the case of the members of the Federal Home Loan Bank Board. The Corporation shall be entitled to the free use of the United States mails for its official business in the same manner as the executive departments of the Government, and shall determine its necessary expenditures under this Act and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other law governing the expenditure of public funds.

(b) The board is authorized to make such bylaws, and issue such rules and regulations, not inconsistent with the provisions of this section, as may be necessary for the proper conduct of the affairs of the Corporation. The board is further authorized and directed to retire and cancel the bonds and stock of the Corporation as rapidly as the resources of the Corporation will permit. Upon the retirement of such stock, the reasonable value thereof as determined by the board shall be paid into the Treasury of the United States and the receipts issued therefor shall be canceled. The board shall proceed to liquidate the Corporation when its purposes have been accomplished, and shall pay any surplus or accumulated funds into the Treasury of the United States. The Corporation may declare and pay such dividends to the United States as may be earned and as in the judgment of the board it is proper for the Corporation to pay.

### PENALTIES

SEC. 6. Whoever makes any statement, knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Home Owners' Loan Corporation or the board upon any application, advance, discount, purchase, or repurchase agreement, or loan under this Act, or any extension thereof by renewal deferment, or action or otherwise, or the acceptance, release, or substitution of security therefor, shall be punished by a fine of not more than $5,000, or by imprisonment for not more than two years, or both.

### FHA AUTHORITY

SEC. 7. During any period when the Corporation is carrying out its function pursuant to section 4, the Secretary of Housing and Urban Development may not make cash expenditures in connection with default proceedings under any provision of the National Housing Act, except as provided in the second sentence of section 207(j) of such Act.

### AUTHORIZATION

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

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By Mr. MATHIAS:

S. 3204. A bill to eliminate discrimination based on sex in the youth programs offered by the Naval Sea Cadet Corps. Referred to the Committee on the Judiciary.

Mr. MATHIAS. Mr. President, the U.S. Naval Sea Cadet Corps, a federally chartered nonprofit educational organization sponsored by the Navy League of the United States, is a volunteer training program for youths in the 14- to 18-year-age bracket.

There are over 150 NSCC units spread across mainland U.S.A., as well as units in Alaska, Hawaii, and Puerto Rico. The current strength of the corps is close to 6,000.

To be eligible to enroll, a youth must be a U.S. citizen attending school with an acceptable academic record as certified by school authorities, must have parental consent, pass a physical examination and a standard Navy qualification mental test—SBTB.

The officers of the Naval Sea Cadet Corps are all adult volunteers over the age of 21 who have been carefully selected and screened prior to receiving appointments. Many are retired, reserve, or active duty military personnel, and all serve without pay. They are authorized by the Secretary of the Navy to wear naval officer-type uniforms while participating in NSCC activities.

A national board of directors, appointed by the national president of the Navy League, establishes policy for NSCC and provides for its execution. The only personnel who receive any compensation are the national executive director and a small staff at the NSCC national headquarters.

Financial support for the organization comes from the Navy League, individual, and group contributions, and a small enrollment fee paid by each cadet. Support in the way of training facilities and training materials—textbooks, manuals, et cetera—are provided by the Navy. The cadets are afforded the opportunity to train in seaman, airman, fireman, and constructionman rates, and senior cadets may move on to ocean sciences, engineering, naval officer preparatory courses, avionics, et cetera. There is no military obligation involved in NSCC membership, but ex cadets may be given advanced pay grade enlistments should they choose to enlist in the Navy or the Coast Guard.

The basic objectives of NSCC are:

To develop in young people an interest and skill in seamanship and seagoing disciplines;

To inculcate in cadets an appreciation for our Navy's history, customs, traditions, and the significance of a modern Navy on the Department of Defense team;

To build in every cadet a sense of patriotism, courage, self-reliance, and confidence; those qualities which will mold good moral character and citizenship, to the enhancement of the quality of our Nation's manpower; and

To raise the prestige of a military career and increase the advancement potential of cadets who may later elect to serve with the Navy.

The Naval Sea Cadet Corps desires to have the basic legislation changed in order that the advantages of NSCC membership may be made available to young ladies as well as young men. Therefore, I am today introducing legislation designed to amend the Federal charter to accomplish this end.

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By Mr. NELSON (for himself, Mr. ABOUREZK, Mr. BAYH, Mr. BIBLE, Mr. BIDEN, Mr. BROOKE, Mr. CANNON, Mr. CASE, Mr. CHILES, Mr. CLARK, Mr. DOMENICI, Mr. DOMINICK, Mr. FONG, Mr. FULBRIGHT, Mr. GRAVEL, Mr. GURNEY, Mr. HANSEN, Mr. HART, Mr. HARTKE, Mr. HASKELL, Mr. HATHAWAY, Mr. HUMPHREY, Mr. JACKSON, Mr. JAVITS, Mr. JOHNSTON, Mr. KENNEDY, Mr. MATHIAS, Mr. MCGEE, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MONDALE, Mr. MOSS, Mr. NUNN, Mr. PACKWOOD, Mr. PASTORE, Mr. PELL, Mr. PERCY, Mr. PROXMIRE, Mr. RANDOLPH, Mr. RIBICOFF, Mr. STEVENSON, Mr. SYMINGTON, Mr. TAFT, Mr. TOWER, Mr. TUNNEY, Mr. WILLIAMS, Mr. INOUYE, Mr. EAGLETON, Mr. CRANSTON, and Mr. HOLLINGS):

S.J. Res. 196. Joint resolution designating April 21 through April 28 as "Earth Week, 1974." Referred to the Committee on the Judiciary.

Mr. NELSON. Mr. President, every American regardless of age, race, occupation, or political persuasion is affected by the environment. We are all concerned about the quality of air we breathe. We are all concerned about the safety and quality of the Nation's public water supplies. We all enjoy clean lakes and streams. We are all concerned about the type of legacy in terms of nature and beauty we will leave for future generations. How we work and how we relax are interrelated with the environment. To understand where we have been and to help shape the future, public discussions involving every sector and segment of society must be encouraged.

For the last several years Earth Week has provided such a public forum for citizens to get together and talk about environmental problems and try to work together in solving them. Earth Week is an annual event that symbolizes the continued need for environmental education and candid public discussion.

Last year, hundreds of thousands of students in elementary and secondary schools and in colleges participated in special environmental education projects which included films, lectures, and practical work sessions where conservation skills were taught.

Today, I am introducing with 49 cosponsors a joint resolution which calls for the designation of April 21–28, 1974, as "Earth Week '74." I invite every Senator to join as a cosponsor to this joint resolution.

Concern over the quality of the environment is still a very important issue with the people of this country. In a recent poll taken late last year by Common Cause to determine the public's feelings on priority issues, concern about "protecting and enhancing the environment" ranked second to a desire to "overhaul and revitalize government." Today, millions of people are constructively working with local, State, and Federal agencies to improve the quality of life for all Americans. There are no simple answers. The problems that we must seek solutions for are intricate and complicated. Everything is connected to everything else—energy demands are linked to air pollution regulations, public safety and health questions come up every time nuclear power is mentioned, and the astronomical yearly increase in the Nation's ability to create solid waste materials depend on the continued emphasis of the outdated philosophy of use it once and throw it away. The energy crisis and its long-term affects on the American standard of living are yet to be determined.

Considering the interdisciplinary approaches needed to understand these problems it is particularly appropriate to discuss Earth Week, an annual event which for the past 3 years has sought to bring together members of the public, local, State, and Federal Government, and leaders from business and industry to discuss mutual problems and to seek constructive answers to present and future problems. Various agencies at all levels of Government are working to clean up the environment. Yet, the public plays an enormous role in pollution cause and solution. During this past summer, the District of Columbia Council of Governments declared six air pollution alerts that lasted a total of 25 days. These series of alerts included the first Sunday alert and the highest pollution level ever recorded in the Nation's Capital.

As a current slogan states "People Start Pollution—People Can Stop It." Earth Week provides the forum for intense educational discussions to take place.

Last year the Earth Week resolution was supported by over 70 Senators and 100 Representatives. It was also proclaimed by numerous Governors and by a wide variety of educational and environmental organizations.

This year the supporters of Earth Week hope to focus wide attention on what individuals can do to abate the degradation of our environment through formal and informal educational programs. A sustained national effort is needed to solve many of our problems and Earth Week plays a vital role by bringing together individuals on all sides of the issues.

A new national coordinating organization, the Alliance for Environmental Education, is now working to make Earth Week 1974 a success. This organization is composed of 27 major public spirited groups including: American Association for Health, Physical Education and Recreation; American Forest Institute, American Nature Study Society, American Society for Ecological Education, Association for Environmental and Outdoor Education, Boy Scouts of America, Conservation Education Association, Conservation Foundation, Forest Institute, Girl Scouts of the U.S.A., Humane Society of the United States, Izaak Walton League of America, League of Women Voters of the United States, Massachusetts Audubon Society, National Association for Public Continuing and Adult Education, National Association of Conservation Districts, National Audubon Society, National Council of Geographic Education, National Education Association, National Parks and Conservation Association, National Science Teachers Association, National Wildlife Federation, Nature Conservancy, Northeastern Environmental Education Development, Soil Conservation Society of America, Western Regional Environmental Education Council, and Wildlife Management Institute. Through their individual inhouse communication network, information will be passed to their State and local representatives in every State.

As representatives of the people we have the responsibility to safeguard for future generations and manage for present Americans the finite resources of this great country. If we permit these limited resources to be destroyed by neglect or by reluctance to act, we will never have the chance to undo the damage. We must be willing to pay for safe drinking water. We most afford the costs of clean and healthful air. We must assume the responsibility to insure that people may relax at safe beaches and swim in clean lakes.

Environmentalism is not an idea of the 1960's and 1970's. Some of the oldest environmental organizations were founded around the turn of the century. In 1908, President Theodore Roosevelt sponsored the first White House Conference on Conservation. Earth Week is a continuing part of the American tradition to achieve harmony with nature.

Congress has appropriated billions of dollars for environmental projects including a new Federal agency, the Environmental Protection Agency, and a specific environmental education program. We will spend billions more in our search for the answers posed by the energy crisis. Congress can take credit for passing strong legislation that has led to improved environmental quality. Ecology has become a household word. All Americans are trying to understand the environment and how they affect it and are affected by it.

Since the first Earth Day certain basic factors have become clear: There are expensive costs that must be paid not only in terms of dollars, but in terms of human health and happiness.

In the final analysis the public will determine how and when we will reach some accommodation with the environment. Earth Week by encouraging, sustaining, and renewing the attitude for a reasonable balance between man and nature plays an important role in preserving and protecting the quality of life in America.

All Senators are welcome to cosponsor this Senate joint resolution.

Mr. President, I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 196

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

Whereas the environmental issue ranks very high on the scale of general public concern, and is of importance to a broad spectrum of Americans of all ages, interests, and political persuasions, and

Whereas there is a need and desire for continuing environmental education, and for a continuing nationwide review and assessment of environmental progress and of further steps to be taken, and

Whereas Earth Week, 1971, 1972 and 1973, and Earth Day, 1970, have been nationwide educational events promoting a greater understanding of the serious environmental problems facing our Nation, and encouraging a persistent search for solutions, and

Whereas Earth Week last year was proclaimed by the President of the United States, the Governors of forty two States and the mayors of seventy five cities, and was supported by many members of both parties in both Houses of Congress, and

Whereas Earth Week has been the focus of special environmental education projects of hundreds of thousands of grade school, high school, and college students, and

Whereas Earth Week has provided a base for the continuing commitment by all interests, including education, agriculture, business, labor, government, civic and private organizations and individuals, in a cooperative effort to preserve the integrity and livability of our environment: Now, therefore, be it

*Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled;* That April 21 through April 28 be designated as Earth Week, 1974, a time to continue the nationwide effort of education on environmental problems, to review and assess environmental progress and to determine what further steps must be taken, and to renew the commitment and dedication of each American to restore and protect the quality of the environment.

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## ADDITIONAL COSPONSORS OF BILLS

### S. 1835

At the request of Mr. HARTKE, the Senator from Iowa, (Mr. CLARK), was added as a cosponsor of S. 1835, a bill to amend title 38, United States Code, to increase the maximum amount of Servicemen's Group Life Insurance to $20,000 to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to Veterans' Group Life Insurance and for other purposes.

### S. 2738

At the request of Mr. JACKSON, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. CLARK), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HASKELL), the Senator from Oregon (Mr. HATFIELD), and the Senator from Maryland (Mr. BEALL) were added as cosponsors of S. 2738, relating to the necessity of reorganizing certain departments and agencies of the executive branch, and for other purposes.

### S. 2801

At the request of Mr. PROXMIRE, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of S. 2801, to amend the Food, Drug, and Cosmetic Act, and for other purposes.

### S. 2835

At the request of Mr. HUMPHREY, the senior Senator from North Carolina (Mr. ERVIN) and the junior Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 2835, a bill to rename the first Civilian Conservation Corps Center located near Franklin, N.C. and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson.

### S. 2854

At the request of Mr. CRANSTON, the Senator from Maryland (Mr. BEALL), the Senator from Washington (Mr. JACKSON), and the Senator from New Jersey (Mr. CASE) were added as cosponsors of S. 2854, a bill to amend the Public Health Service Act to expand the authority of the National Institute of Arthritis, Metabolic and Digestive Diseases in order to advance a national attack on arthritis.

### S. 2877

At the request of Mr. TOWER, the Senator from New Jersey (Mr. WILLIAMS), the Senator from Alaska (Mr. STEVENS), and the Senator from Florida (Mr. GURNEY) were added as cosponsors of S. 2877, the Meeting House Preservation Act.

### S. 2913

At the request of Mr. MONDALE, the Senator from Minnesota (Mr. HUMphrey) was added as a cosponsor of S. 2913, a bill to declare that certain federally owned lands within the White Earth Reservation shall be held by the United States in trust for the Minnesota Chippewa Tribe.

### S. 3006

At the request of Mr. Proxmire, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor to S. 3006, the Fiscal Note Act.

### S. 3024

At the request of Mr. Ribicoff, the Senator from New Mexico (Mr. Montoya) was added as a cosponsor of S. 3024, the Energy Crisis Unemployment Benefits Act.

At the request of Mr. Bellmon, the Senator from North Dakota (Mr. Young) was added as a cosponsor of S. 3045, the Rural Development Health Care Services Act of 1974.

### S. 3055

At the request of Mr. Mondale, the Senator from Florida (Mr. Chiles) was added as a cosponsor of S. 3055, to amend the Federal Water Pollution Control Act in order to improve the program for research and demonstration of new techniques in lake pollution control.

### S. 3067

At the request of Mr. Hartke, the Senator from Minnesota (Mr. Humphrey), was added as a cosponsor of S. 3067, a bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes.

### S. 3072

At the request of Mr. Hartke, the Senator from Minnesota (Mr. Humphrey), was added as a cosponsor of S. 3072, a bill to amend title 38, United States Code, to liberalize the provisions relating to payment of dependency and indemnity compensation, and for other purposes.

### S. 3073

At the request of Mr. Moss, the Senator from Alaska (Mr. Gravel) was added as a cosponsor of S. 3073, to amend the Higher Education Act of 1965 with respect to certain determinations concerning expected family contributions for basic educational opportunity grants.

### S. 3076

At the request of Mr. Gurney, the Senator from North Dakota (Mr. Young), the Senator from Montana (Mr. Metcalf), and the Senator from Oklahoma (Mr. Bellmon) were added as cosponsors of S. 3076, to increase the rates of vocational rehabilitation, educational assistance, and training assistance allowance paid to veterans and other persons, and for other purposes.

### S. 3077 AND S. 3078

At the request of Mr. Gurney, the Senator from Connecticut (Mr. Ribicoff), the Senator from North Dakota (Mr. Young), the Senator from Ohio (Mr. Taft), the Senator from Kansas (Mr. Dole), the Senator from Minnesota (Mr. Humphrey), the Senator from Montana (Mr. Metcalf), and the Senator from Oklahoma (Mr. Bellmon) were added as cosponsors of S. 3077, to increase the maximum amount of the grant payable for specially adapted housing for disabled veterans, and S. 3078, to increase the maximum limitation on loans made or guaranteed under title 38, United States Code for the purchase of homes and for other purposes.

### S. 3127

At the request of Mr. Ribicoff, the Senator from Delaware (Mr. Biden) was added as a cosponsor of S. 3127, to provide medicare coverage for optometric services.

### S. 3136

At the request of Mr. Domenici, the Senator from Montana (Mr. Metcalf), the Senator from South Dakota (Mr. McGovern), and the Senator from Alaska (Mr. Gravel) were added as cosponsors of S. 3136, the American Arts and Handicrafts Act.

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## NATIONAL NO-FAULT MOTOR VEHICLE INSURANCE ACT—AMENDMENTS

### AMENDMENT NO. 1039

(Ordered to be printed, and to lie on the table.)

Mr. GURNEY (for himself and Mr. Dole) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 354) to establish a nationwide system of adequate and uniform motor vehicle accident reparation acts and to require no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways in order to promote and regulate interstate commerce.

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## CONGRESSIONAL BUDGET ACT OF 1974—AMENDMENTS

### AMENDMENTS NOS. 1040 THROUGH 1042

(Ordered to be printed, and to lie on the table.)

Mr. BEALL submitted three amendments, intended to be proposed by him, to the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget; and for other purposes.

### AMENDMENT NO. 1043

(Ordered to be printed, and to lie on the table.)

### ECONOMIC IMPACT STATEMENT—AMENDMENT TO S. 1541

Mr. PROXMIRE. Mr. President, I send to the desk an amendment to S. 1541 and ask that it be printed and made available to call up during the course of the debate on the bill.

The basic purpose of S. 1541 is to provide Congress with the institutions and mechanisms to make intelligent judgments about spending, taxes, fiscal policy, and the budget. By establishing a Congressional Office of the Budget and budget committees we, in large part, do that.

But there is an additional factor which is vitally important. That is the economic impact which bills, resolutions, and White House proposals will have. Except in a general way, when the Joint Economic Committee makes its annual and semi-annual reports, we do not have that expertise. And then we have it in a general rather than in a specific way.

### PROPOSAL

For these reasons my amendment proposes that every bill or resolution of a public character which is reported to the Senate or House be required to include an economic impact statement. Of course bills which had no effect on the economy would not be required to have such a statement or, at best, a statement that the amendment did not apply.

The amendment calls for such a statement to be included in the report on a bill or resolution, without change. In other words, we want an honest, professional, economic opinion.

The statement would include, but not be limited to, its, the bill or resolution's, effect on jobs, economic growth, prices, and economic efficiency and productivity.

It would be prepared by the staff of the Joint Economic Committee.

### VITAL TO CONGRESSIONAL FUNCTIONS

I think such an amendment is vital if the Congress is to do its job and do it intelligently.

We now have no such capacity.

In my judgment, we could create a small group of professionals—I would say a total of four or five at most—who could prepare such statements. These would have to be added to the present staff.

### JOINT ECONOMIC COMMITTEE HAS EXPERTISE

I originally thought that such professional group or small coterie of people should be housed in the Congressional Office of the Budget. But the bill gives that office such a large number of responsibilities that I believe that it is better to charge the Joint Economic Committee with the responsibility of preparing the economic impact statement because that is their expertise. Further, let me say that I do not envision a long, detailed, economic analysis in the nature of a benefit-cost study, but a more general statement of the measure's economic effects. However, I see no reason why, when there is some very important measure before us—whether to begin a new $5 billion program of public works or a huge subsidy program for energy development, et cetera—a more detailed analysis could not be given at a particular committee's request.

### WHY WE SHOULD REQUIRE ECONOMIC IMPACT STATEMENT

There are a great many reasons why we should do this. But let me just mention one.

During this year's hearings on the economic report, Dr. Arthur Okun who was formerly the head of the Council of Economic Advisers, told us about his experience with programs for economic stimulation in the past. In particular he pointed out how in 1962, a year of very high unemployment, a series of programs aimed at stimulating the economy were both proposed and passed. They were largely public works and other economic development programs.

But what happened was that they did not really come into effect fully until 1966, at the time when inflation due to the Vietnam war was upon us. Instead of taking up the slack and aiding an economy where unemployment and slow growth were the problem, their effect was to stimulate the economy at a time of inflation, a shortage of goods, and pressures on scarce resources. It had exactly *the wrong* effect at the wrong time.

Now that is the kind of situation we should avoid and the kind of wrongheaded policy this amendment is designed to head off. I commend it to the Senate.

### AMENDMENT NO. 1044

(Ordered to be printed, and to lie on the table.)

Mr. RIBICOFF (for himself, Mr. Long, Mr. Williams, Mr. McGovern, Mr. Stafford, Mr. Hartke, Mr. Randolph, Mr. Cranston, and Mr. Mondale) submitted amendments, intended to be proposed by them, jointly, to Senate bill 1541, supra.

(Ordered to be printed, and lie on the table.)

Mr. NELSON. Mr. President, on behalf of myself, the Senator from Minnesota (Mr. Mondale), the Senator from Delaware (Mr. Biden), and the Senator from Kansas (Mr. Dole), I submit an amendment intended to be proposed by us, jointly, to Senate bill 1541, supra. I ask unanimous consent that the amendment be printed in the Record.

This amendment would change the Congressional Budget Act to provide for rotating membership on the Senate Budget Committee. Simply put, this would prohibit any Senator from serving more than 6 years consecutively on the committee. After serving 6 years a Senator would be barred for the next 2 years from serving on the committee. After this 2-years absence, the Senator would not be prohibited, under this amendment, from resuming membership on the committee.

Mr. President, I believe this procedure is necessary to insure that this all-important responsibility, control of our Federal budget, is shared by a great many Senators and not left in the hands of a few.

The bill in its present form would have the Senate Budget Committee be another "Category A" committee. Senators are limited to membership in two such committees.

It is true that the notion of rotating committee membership is an unusual one, but what we consider today is the establishment of an unusual and very special kind of Senate committee. This committee will not, like the Committees on Agriculture and Forestry or on Foreign Relations, have jurisdiction over one area—even a broad area—of Senate legislation. Instead, the Senate Budget Committee would affect everything of substance done by the Senate and by the Congress.

Mr. President, this proposal would encourage, rather than discourage, Senators who are experienced and knowledgeable in budget matters to join the new committee. This is so because the amendment would not require a Senator to resign from one of two "Category A" committee assignments, such as Finance or Appropriations, in order to serve on the Budget Committee, where his expertise would be so valuable—indeed, indispensable. On the other hand, more junior Senators would also be encouraged to join the new committee, where the absence of a traditional seniority system would permit them, through hard work, to make a truly meaningful contribution.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

On page 107, on line 6, beginning with the word "The", strike everything through the word "completed." on line 19, and insert the following: "Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) The Committee on the Budget shall consist of fifteen members.

"(b) For purposes of paragraph 6, service of a Senator as a member of the Committee on the Budget shall not be taken into account.

"(c) (1) Membership on the Committee on the Budget shall be divided into three classes with five seats in each class. The members first elected to the committee shall, by lot, determine the class to which their seats are assigned. Thereafter, members elected to the committee shall be elected to a seat in one of the three classes.

"(2) A member serving on the committee in a seat of the first class during the 95th Congress, or during any third Congress following the 95th Congress, shall not be eligible to serve on the committee during the Congress following such 95th Congress or following any such third Congress, as the case may be.

"(3) A member serving on the committee in a seat of the second class during the 96th Congress, or during any third Congress following the 96th Congress, shall not be eligible to serve on the committee during the Congress following such 96th Congress or following any such third Congress, as the case may be.

"(4) A member serving on the committee in a seat of the third class during the 97th Congress, or during any third Congress following the 97th Congress, shall not be eligible to serve on the committee during the Congress following such 97th Congress or following any such third Congress, as the case may be."

### AMENDMENT NO. 1047

(Ordered to be printed, and to lie on the table.)

Mr. JAVITS (for himself, Mr. Chiles, Mr. Muskie, Mr. Johnston, Mr. Moss, and Mr. Mondale) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 1541, supra.

### AMENDMENT NO. 1048

(Ordered to be printed, and to lie on the table.)

Mr. PROXMIRE. Mr. President, I submit an amendment, intended to be proposed by me, to Senate bill 1541, supra. I ask unanimous consent that the amendment be printed in the Record.

### Amendment No. 1048

On page 159, between lines 11 and 12, insert the following:

ECONOMIC IMPACT STATEMENTS

Sec. 405. (a) The Joint Economic Committee shall prepare an economic impact statement with respect to any bill or resolution of a public character to be reported to the Senate or the House of Representatives. Such statement shall analyze the impact of that bill or resolution, if enacted into law, upon the United States economy, including, but not limited to, the number of new jobs that will be provided, the effect upon the economic growth of the United States, its inflationary, deflationary, or recessionary impact, and its effect with respect to efficiency and productivity.

(b) The economic impact statement with respect to a bill or resolution shall be included, without change, in the report on that bill or resolution. It shall not be in order in either the Senate or the House of Representatives to consider such bill or resolution unless the economic impact statement prepared in accordance with this section has been made available to the Members of that House of the Congress considering the bill or resolution.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

### AMENDMENT NO. 1049

(Ordered to be printed, and to lie on the table.)

Mr. PROXMIRE. Mr. President, on behalf of myself and Senators Percy, Muskie, Nelson, Stafford, Dole, Symington, Pell, McClure, Cook, and McGovern, I submit an amendment, intended to be proposed by us, jointly, to Senate bill 1541, supra. I ask unanimous consent that the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

### Amendment No. 1049

"On page 157, line 4, insert '(a)' after "Sec. 403.".

"On page 157, after line 22, insert the following:

'(b) The Director of the Congressional Office of the Budget shall, to the extent practicable, prepare for each bill or joint resolution of a public or private character, which has been reported in the Senate or the House of Representatives, or for each amendment proposed on the floor of such House, a fiscal note. Such fiscal note shall appear at the bottom of the first page of such bill, joint resolution, or amendment, in bold-face type, when such bill, joint resolution, or amendment is printed. Such fiscal note shall contain an estimate of the costs which would be incurred, or the savings which would be achieved, in carrying out such bill, joint resolution, or amendment in the fiscal year in which it is to become effective and in each of the four fiscal years following such fiscal year.' "

### AMENDMENT NO. 1050

(Ordered to be printed, and to lie on the table.)

Mr. TAFT. Mr. President, today I am introducing for myself, the Senator from Alabama (Mr. Sparkman), the Senator from Texas (Mr. Tower) and the Senator from Wisconsin (Mr. Proxmire) an amendment to S. 1541 which would delete the reference in section 606 to the Federal Financing Bank and thus keep the bank out of the budget.

Section 606 would repeal a number of

provisions of law which have exempted from the budget certain Federal programs and agencies, including the Federal Financing Bank.

Including the outlays of the Federal Financing Bank in the budget totals, as would be required by section 606, would mean that each time the Federal Financing Bank purchased an obligation guaranteed by another Federal agency a new budget outlay would occur. Thus the Federal budget and the Federal deficit would be increased by the amount of Federal Financing Bank purchases of guaranteed securities.

I think that there has been a great deal of misunderstanding about the effect of section 606 on the Federal Financing Bank. I agree that when the bank purchases an obligation issued by a Federal budget agency, such as TVA, there would be no net effect on Federal budget totals; this would simply be an intragovernmental transaction. I also recognize that obligations guaranteed by Federal agencies would not be directly affected by S. 1541, and they could continue to be financed outside of the budget.

The problem created by S. 1541 is simply that guaranteed obligations could not be financed by the Federal Financing Bank except by increasing budget outlays. Thus, since guaranteed borrowers could not count on the ready availability of Federal Budget funds, the Financing Bank would not be the assured source of financing that the Congress intended it to be.

The total amount of securities issued or guaranteed which would be eligible for purchase by the Federal Financing Bank in the fiscal year 1975 is estimated at $20 billion, of which guarantees account for $17 billion. Consequently, the Federal budget deficit of $9.4 billion estimated for fiscal 1975 would be increased by $17 billion if the bank purchased these securities, and the deficit would be $26.4 billion. I do not think it is realistic to expect that this would occur. Rather, many guaranteed borrowers who are eligible to borrow from the Federal Financing Bank would generally feel obliged to continue their own market borrowing operations so as to avoid the uncertainties of relying on sufficient funding when they need it from the Financing Bank. Thus, these guaranteed borrowers would continue to pay more on their borrowings, and the intent of the Congress in the Federal Financing Bank Act of 1973 would not be achieved.

The additional interest cost incurred in financing guaranteed securities outside of the Federal Financing Bank will in many cases be a direct cost to the Federal Government and thus to the taxpayer, since many guaranteed obligations, such as in the subsidized housing programs, involve direct Federal interest payments.

Who else will pay the cost of including the Federal Financing Bank in the Budget?

The rural electric cooperatives, whose bond issues will be guaranteed by REA under the new program enacted by the Congress in May of last year, would be required to pay more by borrowing in the market rather than through the Federal Financing Bank.

A higher interest rate would also be required on the Farmers Home Administration-guaranteed obligations to finance farmers, rural housing, and a variety of other rural development purposes.

The new Student Loan Marketing Association, established by the Congress to lower the costs of financing the student loan program, would also have to pay more on its borrowings.

The residents of Maryland, Virginia, and the District of Columbia would bear a higher cost for the new subway because the Washington Metropolitan Area Transit Authority would pay more on its borrowings which are guaranteed by the Secretary of Transportation.

The cost of financing would also be higher for small business investment companies; health maintenance organizations; hospital facilities; new communities; and a variety of other housing, education, and transportation obligations which are guaranteed by Federal agencies and which are eligible for Federal Financing Bank purchase.

Only if the Congress wishes to place these guaranteed securities themselves in the budget, which would not be done by S. 1541, would it make sense to require that budget outlays be incurred each time one of these securities is financed by the Financing Bank.

Thus, the inclusion of the Federal Financing Bank in the budget would serve only to continue the disorderly conditions in the market for Government-backed securities and raise the cost of borrowing for programs which were enacted by the Congress for the express purpose of lowering their borrowing costs. I do not think that any Member of the Senate wishes to see this happen. Thus I urge that you support my amendment, which would assure that the intent of Congress in the Federal Financing Bank Act of 1973 would be fulfilled.

I ask unanimous consent that the amendment, a letter from Secretary Shultz of the Treasury supporting it, and a letter from Comptroller General Staats opposing it, which I will discuss on the floor, be inserted in the RECORD at this point.

There being no objection, the amendment and material were ordered to be printed in the RECORD, as follows:

### AMENDMENT NO. 1050

On page 170, delete "(3) Federal Financing Bank;" and renumber the items which follow accordingly.

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SECRETARY OF THE TREASURY,
*Washington, D.C., March 14, 1974.*

Hon. SAM J. ERVIN, Jr.,
*Chairman, Government Operations Committee, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: In our further review of S. 1541, we find one provision concerning the Federal Financing Bank, created by the Congress on December 29, 1973 (P.L. 93–224), which would effectively negate the purpose of that recent legislation.

Specifically, Section 606 of S. 1541, as reported by the Senate Committee on Rules and Administration on February 21, 1974, would repeal a number of provisions of law which exclude certain programs and agencies, including the Federal Financing Bank, from the Federal Budget totals and limitations. Inclusion of the Federal Financing Bank in that provision misconstrues the nature and purpose of the Bank, which conducts no substantive program and is designed solely to coordinate and make more efficient borrowing by other Government agencies that will take place in any event. The decision on appropriate budgeting treatment should be made with respect to the substantive agencies, not with respect to the Federal Financing Bank.

I sympathize with the objective of Section 606 to provide for better budget control. If the Congress determines that certain substantive Federal credit programs be included in the Budget, this can and would be assured by including those programs in the Budget. This objective would not be achieved by including the Federal Financing Bank in the Budget. The Bank is simply an optional financing vehicle to consolidate and to lower the costs of market borrowing activities for other Federal agencies. The Bank is authorized to issue its own securities and to use the proceeds to purchase any obligation issued, sold, or guaranteed by a Federal agency. Such purchases by the Bank would not affect the budget treatment of the agency operations. That is, those agencies which are in the Budget would not be removed from the Budget by using the Financing Bank. Nor would agencies outside the Budget be brought into the Budget simply because their obligations were financed by the Bank. Thus the Federal Financing Bank itself would have, and should have, no effect on the Federal Budget outlay and receipt totals or surplus or deficit except, of course, that budget savings would be realized over time by the reduction in agency financing costs made possible by the Bank.

The need for the Federal Financing Bank arose from the fact that over the years Congress provided many Federal credit agencies with authority to conduct their financing activities independently. The result has been a proliferation of inefficient Government-backed obligations in the market in the form of agency issues, sales, or guarantees of securities.

To a considerable extent, such agency financing is today in the form of guaranteed securities. This form of financing is outside the Budget today, and under the terms of S. 1541 would remain outside the Budget. Much of the savings made possible by the Bank would arise from financing such guaranteed obligations through the Bank. In many cases, such as guaranteed Farmers Home notes, public housing bonds, and GSA certificates, the Government itself would directly realize the savings in interest costs since these programs involve direct Federal interest payments. In other guarantee programs, such as Merchant Marine bonds, Amtrak issues, and Washington Metropolitan Transit Authority bonds, the interest savings would benefit the guaranteed borrowers but should in the end also lead to a reduction in Federal construction or operating subsidies for these programs.

If the Federal Financing Bank were to be included in the Budget while the substantive guarantee programs themselves remain excluded, those Federal agencies could not find it practicable to use the Bank to finance guaranteed securities. The net effect would be that most agency financing activities would continue to be conducted directly in the market in less efficient forms and at substantial additional costs to the programs being financed and to the Federal taxpayers.

In sum, the decision as to appropriate budgeting treatment should be made with respect to the credit programs themselves, and not on the basis of whether they choose to use the Federal Financing Bank as a financing vehicle. It is not my intention here to suggest which Federal credit programs should be in the Budget. I merely wish to point out the overlapping, and therefore self-defeating, nature of including the Federal Financing Bank in Section 606.

Sincerely yours,

GEORGE P. SHULTZ.

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COMPTROLLER GENERAL OF THE
UNITED STATES,
*Washington, D.C., March 18, 1974.*

Hon. CHARLES H. PERCY,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR PERCY: You have requested the comments of the General Accounting Office on provisions of Section 606 of S. 1541, as reported by the Committee on Rules and Administration. These provisions concern the Federal Financing Bank. Essentially, these provisions would require that the Federal Financing Bank and several other agencies now excluded from the budget totals be included therein.

We believe it appropriate that the activities of the Federal Financing Bank, like those of all other Government agencies, be included in the budget totals, and we therefore favor these provisions of Section 606 of S. 1541.

As we understand it, among the arguments of those opposing the legislation are contentions that the Federal Financing Bank is unique; that it is not a program agency; that its activities will create neither expenditures nor borrowings that will not otherwise occur; and that its activities are in effect a consolidation of the financing activities of other Federal programs. It is also argued that exclusion from the budget is necessary to assure neutrality with respect to the budget status of programs the Bank would be dealing with.

We disagree fundamentally with the "budget neutrality" argument. Rather, we agree with the President's Budget Concepts Commission of 1967 that all agencies and programs should be subjected to the test of *inclusion* in the budget totals and the consequent priority evaluations and judgments.

Further, it is not clear to us that the other cited arguments are valid. To the extent that Federal Financing Bank activities simply mirror or duplicate the activities of other agencies or programs, these activities can and should be netted out of the budget totals as is done in many other areas of the budget. It appears likely, however, that some activities of the Bank will not be duplicative of amounts otherwise included in the budget for a given year. These activities should be reflected in the budget and included in budget totals.

We do not read the language of Section 606 as requiring the inclusion of the total amounts of guarantees of non-Federal obligations in budget totals nor do we believe this should be required. If this is a concern, we believe it could be removed by report language or legislative history clarifying the intent of the bill to exclude such guarantees except for a reasonable contingency amount.

Sincerely yours,

ELMER B. STAATS,
*Comptroller General of the United States.*

AMENDMENT NO. 1051

(Ordered to be printed, and to lie on the table.)

Mr. HARRY F. BYRD, JR. (for himself and Mr. HELMS) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 1541, supra.

## AMENDMENT OF RANDOLPH-SHEPPARD ACT—AMENDMENT

AMENDMENT NO. 1045

(Ordered to be printed, and referred to the Committee on Labor and Public Welfare.)

Mr. HARTKE. Mr. President, on October 30, 1973, I cosponsored a very worthwhile piece of legislation introduced by my good friend and distinguished colleague, Senator RANDOLPH, of West Virginia. The bill, S. 2581, goes a long way to further the cause of the blind of our country. It would strengthen the Randolph-Sheppard Act of 1936, giving the blind vendors greater opportunity to establish their vending facilities throughout the Federal Government. We should take all steps necessary to assist the blind people of our country to live normal lives.

I am hopeful that the amendments will pass; however, I must introduce an amendment which will slightly alter the intent of the proposed new section 7 of the Randolph-Sheppard Act. My amendment would not significantly change the character of the bill, but would allow departments within the Federal Government with vending machines in their work areas and accessible only to Federal Government employees to maintain the charitable resources they receive from those machines. The moneys which the various departments in the Federal Government receive from the vending machines used exclusively by employees are not sizable, and are used for the purchase of flowers in times of sorrow, for scholarships for a deserving student, and to brighten their day with other charitable contributions.

The few moneys received by the various departments from the vending machines are not used for personal enrichment of any of the employees, but for the common good and morale of the employees. We should not be eager to take away these few resources from a worthwhile purpose. We should make more facilities and moneys available to the blind people of our country, but not at the expense of other worthwhile endeavors.

Mr. President, I still support the Randolph-Sheppard Act amendments, but as modified by my amendment.

Mr. President, I ask unanimous consent that the text of my amendment to S. 2581 be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1045

On page 14, line 24, strike the period at the end thereof and insert the following:

"; except vending machines on Federal property which are within an office or workplace accessible only to employees of the Federal Government."

## NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

George A. Locke, of Washington, to be U.S. marshal for the eastern district of Washington for the term of 4 years; reappointment.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, March 27, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

## NOTICE OF HEARINGS ON CIRCUIT COURTS OF APPEALS

Mr. BURDICK. Mr. President, as chairman of the Subcommittee on Improvements in Judicial Machinery, I wish to announce that a series of six hearings on the courts of appeals for the several circuits will commence on March 27, 1974. These hearings will concentrate on S. 2991 which contains the recommendations of the Judicial Conference of the United States that an additional nine circuit judges be authorized for seven of the circuits, excluding the fifth and ninth circuits. The fifth and ninth circuits are excluded from immediate consideration in the first phase of these hearings because the Commission on Revision of the Federal Court Appellate System has recommended that those two circuits be divided. Those recommendations are embodied in S. 2988, S. 2989 and S. 2990, which bills will be considered, together with the number of additional judgeships required, in the second phase of the hearings to be commenced later in this session.

The following is the schedule for hearings on S. 2991, the so-called circuit court omnibus judgeship bill:

March 27th: Room 6202 at 10:00 A.M. Senator Roman L. Hruska and Professor Leo Levin.

March 28th: Room 6202 at 10:00 AM. Judge Robert Ainsworth, Administrative Office of the U. S. Courts.

April 4th: Room 457 at 10:00 AM. Chief Judge Luther Swygert, Seventh Circuit and Chief Judge Collins Seitz, Third Circuit.

April 10th: Room 6202 at 10:00 AM. Chief Judge Frank Coffin, First Circuit and Judge Gerald Heaney, Eighth Circuit.

April 11th: Room 6202 at 10:00 AM. Chief Judge Clement Haynsworth, Jr., Fourth Circuit and Chief Judge David Lewis, Tenth Circuit.

April 23rd: Room 2228 at 10:00 AM. Chief Judge Harry Phillips, Sixth Circuit and Chief Judge Irvin Kaufman, Second Circuit.

Communications relative to the first phase of these hearings during March and April should be directed to the subcommittee at 6306 Dirksen Office Building, extension 5-3618.

## NOTICE OF HEARINGS ON AGRICULTURAL FUEL SITUATION

Mr. McGOVERN. Mr. President, I wish to announce that the Subcommittee on Agricultural Credit and Rural Electrification, of the Committee on Agriculture and Forestry, will hold hearings on

Monday and Tuesday, March 25 and 26, on the fuel situation as it relates to American agriculture and related industries.

Mr. William E. Simon, director of the Federal Energy Office, is scheduled to be the lead witness.

The hearings will be held at 10 a.m. on each day, in room 4232 in the Dirksen Senate Office Building. Members of Congress or others wishing to testify or submit statements for the RECORD should contact the committee staff.

## ADDITIONAL STATEMENTS

## SENATOR BARTLETT DISAGREES THAT PRESIDENT SHOULD RESIGN

Mr. HELMS. Mr. President, the distinguished Senator from Oklahoma (Mr. BARTLETT) shares my affection and high respect for our distinguished colleague from New York (Mr. BUCKLEY), and it was with deep regret that we found ourselves in disagreement yesterday with Senator BUCKLEY,

I addressed myself to this matter yesterday in the Senate. Senator BARTLETT has supplied me with a copy of a statement which he released on the subject.

I ask unanimous consent that Senator BARTLETT's statement be printed in the RECORD.

There being no objection, Senator BARTLETT's statement was ordered to be printed in the RECORD, as follows:

### STATEMENT BY SENATOR DEWEY F. BARTLETT ON PRESIDENTIAL RESIGNATION

Senator Jim Buckley has called for the resignation of President Nixon. I know Senator Buckley and am sure he arrived at this decision sincerely with much forethought and without malice. However, I must disagree with him. I do not believe that the current Presidential situation precipitated by the Watergate scandal, can properly be resolved by the resignation of our President.

First, forcing a President to resign because of public clamor could cause irreparable damage to the constitutional office of the Presidency. We are supposed to be a government of laws, not of men. The forced resignation of the President could subject every sebsequent President to the whim of an opinion poll or to the clamor for impeachment rather than to the laws of the constitution.

If a President who is innocent of an impeachable offense resigns from office because of the tremendous public pressure brought to bear on him, the voters who elected that President are denied their mandate. Once such a resignation occurs, the precedent is established for a minority to succeed through pressure where it failed through the electoral process.

Certainly, if a President is guilty of wrongdoing, he should resign or be impeached. But it is a dangerous idea to suggest that the President resign solely because public opinion has turned against him and that he may be impaired in carrying out his duties.

Second, the American people deserve a complete resolution of the Watergate and related affairs. Resignation would not serve to put Watergate behind us, rather it would leave unresolved the multiplicity of questions about Watergate.

The authors of our Constitution carefully delineated the process of determining innocence or guilt of a President who might be charged with wrongdoing. We are now in the midst of that process. The House Judiciary Committee is studying the evidence and will report to the House. If the House decides there is evidence of wrongdoing, a bill of impeachment will be reported, the President will be tried by the Senate, and he will be either exonerated or found guilty and removed from office.

We should not try to change the rules for the removal of a President in the middle of that process by substituting forced resignation for the impeachment. Article 2, Sec. 4 has been in our Constitution for almost two hundred years. Only once, in 1868, has an impeachment proceeding been levied against a President. Then too, it was traumatic, but the nation and the presidency emerged intact.

A traditional part of our judicial process is the presumption of innocence until proved guilty. A denial of this right to the President could erode our ability to find justice.

We are all weary of Watergate. However, rather than call on the President to resign, I call upon him, the Congress, and the special prosecutor's office, to achieve the earliest possible complete and just resolution to the entire afair.

Our goal should be justice for the President and exposure of the complete truth. Certainly, if that goal is achieved, our country and its institutions will not onlv survive, but will be strengthened.

## DYSLEXIA

Mr. RIBICOFF. Mr. President, the magnitude of national troubles often blurs our vision of specific human problems. We look at the forest and fail to see the trees. A single person's disability may be hidden from all but his family and a few friends and neighbors.

Jim McCarthy, of CBS radio, recently focused our attention on one of these personal plights so often ignored by society at large. In a poignant, seven-part series he traces the educational history of Justin, a boy with dyslexia, a reading disorder that Justin shares with approximately 1 million other American schoolchildren.

Dyslexia is a functional disorder; once identified, it can be combated with special remedial treatment. The tragedy is that it so often is not identified until it is too late. The dyslectic child, falling far short of his classmates in spoken language, reading, spelling, and penmanship, is considered mentally retarded. In Justin's case, with an IQ of between 135 and 145, he was unable in the second grade to read or write his own name.

Reading skills are the core of our entire educational system. But until teachers are trained to identify specific reading problems and until remedial help is established on a far broader basis than it exists today, the child with a reading disorder is quite literally lost in our public schools and, ultimately, lost to the adult world as well.

"Why Johnny Can't Read" becomes why Johnny cannot work. The cost in human tragedy is immeasurable; the cost to our whole society can be counted, and the time for a reckoning is long overdue.

In the hope that they will be fully read by all who share my concern for Justin and a million more children who are handicapped by dyslexia, Mr. President, I ask unanimous consent that Jim McCarthy's series be printed in full in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### DYSLEXIA

JUSTIN. This is . . . a . . . big . . . white . . . r . . . ra . . . rabbit.

MCCARTHY. This is Justin, age eight, a child who possessed remarkable skills and adaptiveness in pre-school and kindergarten, but in the first grade began failing all subjects. With the suggestion by his teachers that the child was retarded, Justin's family took him to Georgetown University's Psychological Testing Service, where Dr. Macario Giraldo, the Service's psychological director, tested him for retardation.

GIRALDO. What I found in testing him by using the best available standardized measures of intelligence we have now was that he was a youngster, not only average and normal as far as general intelligence goes, but very bright, quite bright as a matter of fact.

MCCARTHY. No retardation found, but Justin still had problems. A suggestion by Justin's teachers in the second grade that he was having eye trouble was proven incorrect by two ophthalmologists. At the end of the second grade, Justine was to have been promoted with another comment that he, according to the school, had a retardation problem. Justin's family blocked the promotion and had him retested by Dr. Giraldo.

GIRALDO. This is a boy of above average intelligence who shows an obvious reading disability. This reading disability seems very much connected with some visual-motor coordination problem in this child.

MCCARTHY. On the first test, Justin's IQ was listed between 125 and 135; the second test showed he was now between 135 and 145, not exactly, as suggested, retarded. Mrs. Pat Shea, Georgetown University's Coordinator for Developmental Reading Programs, saw Justin next for new tests and found—

SHEA. Very great difficulty in getting meaning from print and associating sound and visual symbols together. He has very great difficulty here. But dramatically enough on balance of tests, for example, his ability to listen both for the main ideas of stories told to him for the significant facts and details that were related to him, his ability to relate back these kinds of stories when his only requirement was to listen and tell as much of the story as he could. Here one was fascinated by his ability to relate back a story almost word for word, in perfect order, absolutely accurate and with a great deal of security.

MCCARTHY. The conclusion after the whole range of intelligence tests at Georgetown University was that Justin was a dyslexic. He saw words and letters backwards and thus could not read or write even his own name, despite his high IQ. There are an estimated one million Justins in America's schools today who have dyslexia or specific learning disabilities. That's what our series is all about . . . Our brilliant child, who's pushed through our school systems, unable to read or write beyond his own name. More on these children and what's being done to help them in our follow-up reports.

MCCARTHY. In attempting to discuss the subject of dyslexia, one runs into a hornet's nest of disagreement. No one wants to accept any single definition of the word, and the World Federation of Neurologists, Psychiatrists, Psychologists and Educators each go their own way. However, Mrs. Margaret Rawson, one of the first teachers to specialize in dyslexia and who helped found the first school specializing in specific learning disabilities, believes this to be the least objectionable definition.

RAWSON. *Dys* is poor or inadequate. *Lexia* is for words, like lexicon or dictionary. A 10-year old I know said it best, I think: What's wrong is my words; I forget them.

MCCARTHY. Mrs. Rawson, now in her 70's, remains a visiting professor of language arts at several colleges, an internationally recognized lecturer on learning disabilities, and despite her years continues trying to teach teachers to identify children with dyslexia early.

Rawson. You look over your classroom full of children. The ones who stand out, for whom you have to watch out, who may have real difficulties as time goes along, are the ones whose achievement in spoken language, reading, spelling, penmanship and associated language skills is below expectations based on age, physical condition, intellectual ability, conventional schooling and social opportunity.

McCarthy. The great tragedy of dyslexia or specific learning disability, according to Margaret Rawson, is that some teachers have a tendency to place the slow learner at the back of the room. And parents often regard the child as hopeless, even retarded, because he cannot read or write his own name. Tragic, Mrs. Rawson says, and wrong.

Rawson. Very often he's the bright kid on the block because dyslexia has no necessary connection with the level of intelligence. Some of the brightest people in the world have had a great deal of difficulty in this field. If the child gets the right kind of help, he doesn't become a nondyslexic; he still has problems as he grows older. But he doesn't have to fail; he can do anything that he has it in him to do.

McCarthy. It has been said that there are no problem readers, only problem teachers and problem schools. Margaret Rawson agrees, and we'll go into that subject with another expert in this field of dyslexia in another report.

McCarthy. One of the great tragedies in our school systems today is that few teachers are properly trained to identify the student with a specific learning disability, or dyslexia. And too often the student is pushed from one grade to the next inadequately prepared, something Dr. Gil Shiffman, Director of Education, Johns Hopkins University, says we're seeing too much of.

Shiffman. We do find youngsters graduating from school with a very, very limited ability to handle the verbal material. It's a real serious problem. But I think one of the major reasons is basically that our teachers in many cases are not properly trained in identification and remediation techniques for children with specific language disabilities.

McCarthy. Dr. Shiffman complained that one of the major roadblocks to education is the teacher who says, "The student will catch up once he's in a peer group and shouldn't be held back an extra year in a grade." To Dr. Shiffman, the child that is not learning should be caught immediately and given special help with his reading, writing or vocabulary problem.

Shiffman. The longer we say, "Let's see if this kid will outgrow it, let's see if he'll pick up these skills next year," the longer we let these students move on, to upper and higher grades without remediating, the less the chance of ever permanently remediating him. The damage you do when you expose this youngster to failure year after year, it's a very frightening thing. And sometimes this scar—and it becomes a scar whether you like it or not—can never completely be erased.

McCarthy. To erase the scar or prevent it from forming to begin with, Dr. Shiffman says we have to have more specialized tutoring in the schools, and we must catch the students with dyslexia, or specific learning disabilities, early on, before they're pushed from grade to grade without the required skills, and that despite some fears is not an expensive proposition now. But, according to Dr. Shiffman, it may be prohibitively expensive in the future.

Shiffman. I believe you can spend all the money fighting poverty; we spend all the money in every facet of social welfare and other things like that. But I don't believe you can really make it—I don't believe anybody can make it, no matter how much we concern ourselves about our quality of edution—if the person is having difficulty with literacy. I happen to believe that so many people are locked in to very menial jobs because of literacy problems. And I believe this is a national problem. I believe this should be a national commitment on early identification of these youngsters.

McCarthy. In 1969, as a result of a Special Commission on Dyslexia set up by thc Department of Health, Education and Welfare for which Dr. Shiffman authored the working paper, legislation was passed to provide federal grants and contracts to seek out children with a specific learning disability and provide remedial education for them. We'll discuss that aspect of the problem in another report.

McCarthy. As a result of the Report of the National Advisory Committee on Dyslexia and Related Reading Disorders of the Department of Health, Education and Welfare, legislation was passed by Congress to seek out the student with specific learning disabilities at the local level. Rebecca Caulkins, Coordinator for Learning Disabilities at the U.S. Office of Education, is in charge of that program.

Caulkins. This program was established by legislation in 1969 with the idea of having within each state a model demonstration program which would reach children who had learning problems, including dyslexia. In 1970 there were eight model programs established; 15 the following year, and 21 additional in the third year, making a total of 44 model demonstration projects over the country, one in each state.

McCarthy. The pilot programs to help educationally handicapped students are state organized and state run, according to Rebecca Caulkins. But they have this basic guideline.

Caulkins. You start out with the idea that you want to identify the children who are in need of special help, and if your teachers are not aware enough, then the first thing you need to do is to work with your teachers to help them become more aware of each child's individual learning needs and learning style. In order to identify these children you have to train the teachers in how to identify them. After that, there is a second step which is, how do you work with these children with their special needs and with their special learning styles. You have a teacher-training program there too.

McCarthy. While it sounds complex and confusing, it's not, according to the U.S. Office of Education's Rebecca Caulkins. It boils down to a simple equation. Train the teacher to find the student with a special learning disablity, then tutor the student, keeping a progress report for use by other schools to use in remediating their special students.

Caulkins. Part of the legislation mandated that there be an early screening program to identify those children who would have learning problems. It also included provisions for research and for training of teachers so that they would be able to identify children early who had need of special help and give them instruction and help in working with these children after they were identified.

McCarthy. Some states have done wonders with pilot programs to aid the student with specific learning disabilities and are filtering the information gained down through the entire school system. Others are not. Some states are continuing the programs, funding them completely on their own; others are letting them drop. The main problem appears to be the retraining of teachers. In another report we'll talk about teacher-retraining programs.

McCarthy. In a recent report from the U.S. Office of Education, 3.3 million adults were identified as being part of the nation's educational system. Unfortunately, according to Florence Hesser, few of them have had more than the basic courses in reading, and fewer still know what dyslexia is. Mrs. Hesser, Director of George Washington University's Reading Center, is retraining teachers to look out for the dyslexic child in the classroom, to reach them and teach them as they are.

Hesser. We've been inclined to think because we're math teachers, because we're social studies teachers, because we're English teachers, we're not reading teachers. But the children are reading, and in these classroom situations, every teacher should have preparation in this area. More and more it's being required that the teacher's certification contains at least one reading class and then the Master's too, no matter what you're getting the Masters in as long as it's in education.

McCarthy. Tragically, few of the estimated one million children afflicted with dyslexia, or specific learning disabilities, are identified in the early grades when they can be remediated. Studies have shown countless thousands of students graduating from high school without being able to read or write beyond their names. At George Washington University's Reading Center, Florence Hesser is trying to emphasize to teachers the need for reading courses throughout a student's school life.

Hesser. In the past we have just assumed that at fifth grade these books were in the room at the beginning of the year, we had to use this text to teach from, and all the children read from the same text. And as a result some of them are just seriously lost.

McCarthy. So you recommend that we start teaching reading through kindergarten and go right through the twelfth grade, if not junior college.

Hesser. Yes, I certainly do. We find here at George Washington University many people coming who have very strong intellectual abilities, high IQ's, who are not able to cope with freshman subjects because they're not reading well and have been passed through high school without this being recognized for many different reasons. Then they get to college and they're just floored.

McCarthy. They're floored because no one recognized they had a reading disorder early enough to start remedial training. However in recent years several specialized agencies have been established where parents of children who seem exceptionally bright but who are failing in school can take this bright youngster for a battery of tests to find out why they're not progressing. We'll go into that aspect of the dyslexic child in another report.

McCarthy. The tragedy of dyslexia, or specific learning disabilities, is that so few children with this disorder are detected in time to help them. In recent years, however, special centers have been set up to help the parent with an exceptionally bright but slow learning youngster. Dr. Arnold Capute, a specialist in developmental pediatrics, is in charge of the testing team at the Kennedy Institute in Baltimore.

Capute. The pediatrician examines a child to see that Johnny has good eyesight, that his hearing is fine, and that he has no chronic illness. The psychologist determines how Johnny's visual interpretation system is working and his auditory system is interpreting what is heard. Then, of course, one of the most important roles is played by the educator who does achievement tests and finds out how Johnny is functioning. They will also seek methods for either teaching at the child's strengths or teaching at the child's weaknesses. The team also has a geneticist, who frequently will look at the child's inability to understand what is spoken or what he sees—he will do certain tests on the mother and the father to see if this is really of a genetic origin. The child also goes to the hearing and speech personnel, to see if the child understands what the child hears.

McCarthy. Social workers also visit the family to assure them their child is not dumb but does need compassion. And an opthalmologist and hearing specialist also see the child to determine whether the brain retains what it sees and hears. Then the specialists sit down and discuss each other's tests, calling in the parents to explain what is needed to help the student.

Capute. Some students have such a high IQ that maybe in the fifth grade they should be reading at sixth grade level, but are only reading at the fourth grade level. And therefore we put him in either the specific learning disability or call him a reading disability. These are not children who are retarded, but these are children who have specific perceptual problems. In other words, the child who is mentally retarded is depressed in both the cognitive and the perceptual areas, while the child who has learning disability has more or less of a dissociation.

McCarthy. Dr. Capute's testing team at the Kennedy Institute is expensive, but worth the cost if it helps the dyslexic child. Unfortunately there are too few Kennedy Institutes in the United States and too many students with undetected dyslexia, or specific learning disabilities. There is some federal help available at the state and local education level who want to do more for the student with dyslexia, and we'll talk about that in another report.

McCarthy. Several years ago the Supreme Court ordered that every child, especially those with dyslexia or specific learning disabilities, must receive the best education possible and Congress authorized $31 million this year for special education. Unfortunately they only appropriated $3¼ million. So parents of children with specific learning disabilities must most often help the child on their own. In our first report you heard Justin.

Justin. A . . . big . . . white . . . a . . . ra . . . ra . . . bit.

McCarthy. A near genius who could hardly read or write. But after nine months of private and expensive tutoring three days a week because his school system could not provide for his needs, this is the new Justin.

Justin. Me and Jimmy and Harry and Timmy. We have a dog. One day my dog was sick.

McCarthy. In addition to tutors, private schools are available to the dyslexic or specific learning disabled child. But the cost runs from $3000 to $25,000 a year, which few families can afford. However, Mrs. Patricia Shea, Coordinator of Georgetown University's Developmental Reading Program, offers some tips on how a concerned teacher or parent can teach the dyslexic child.

Shea. With these kinds of dyslexic youngsters, as far as any kind of program to help them overcome these difficulties, it is usually best that a program strong in phonics be initiated and carried through. But in addition they also need an integrative kind of program so that the visual, the auditory, the kinesthetic is developed at the same time.

McCarthy. Professor Margaret Rawson, a language specialist, on her method of teaching children with dyslexia or specific learning disabilities.

Rawson. If we can reduce the load of what he has to remember to its elements, say to the letters of the alphabet and the sounds for which they stand, and teach them the system—how those things go together—then he can afford to forget whole words and that sort of thing because if he does forget, he can always work them out again. This seems like the intelligent way to do it and it's the way that seems to have been very effective with these youngsters.

McCarthy. In other words the child must see while he listens, while he speaks, while he writes. And in that way one portion of the brain can catch what another misses. In Justin's case there are letters made of sandpaper taped to the walls and appliances of his home so he can see, trace, feel and say the hard letter every time he passes them. All of which reinforces its recognition in the brain. This doesn't work in all cases, but it does in most, according to the experts with whom I've spoken and to whom I've taken my son, Justin, to find out why Justin couldn't read.

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## AEC SAFETY CLAIMS: TWO TESTS CLEARLY COMING

Mr. GRAVEL. Mr. President, it will be interesting to see who really believes the AEC's recent claim that the chance of a catastrophic nuclear accident is only one in a billion per plant per year.

An important test of that figure's credibility will be the behavior of the nuclear and insurance industries. The nuclear industry and its banking creditors should declare they no longer need insurance protection under the Price-Anderson Act, and the insurance companies should start climbing all over each other to sell as much insurance as possible on such a "safe bet." Actions speak louder than words.

### THE PRICE-ANDERSON TEST

The utilities have been telling the public that nuclear powerplants are safe—but still they have refused to gamble their own assets on these "safe" plants. Even now, utilities are pressing for Government insurance-aid under the Price-Anderson Act; hearings before the Joint Committee on Atomic Energy are resuming March 27 and 28, and there will be additional hearings later.

The Price-Anderson Act, which is section 170 of the Atomic Energy Act, was passed in 1957 for 10 years explicitly "to encourage the development of the atomic energy industry."

When the act was first passed and then renewed—1965—utility representatives testified that they would build no nuclear powerplants if they had to stand fully liable for accidents.

The Price-Anderson Act set the limit for public liability at $560 million per nuclear accident, regardless of the size of the real damage, which could exceed $17 billion per accident according to papers released by the AEC in 1973. In addition, under the Price-Anderson Act, about 80 percent of that $560 million is paid to the injured parties by the taxpayers, not by the AEC licenseholder.

As millions of Americans know from utility advertisements, the electric companies now vigorously deny the basic premise of the Price-Anderson Act—that giant nuclear accidents can happen.

### THE INSURANCE INDUSTRY TEST

Meanwhile, the insurance industry has voted no-confidence in "safe" nuclear power by refusing to insure our homes, businesses, and autos against damage from nuclear powerplants. Policies contain a special "exclusion clause."

As for providing public liability insurance to nuclear utilities, even a pool of insurance companies today cannot be persuaded to offer more than $110 million per accident. In exchange for this $110 million in public liability coverage, a utility pays an annual premium between $250,000 and $450,000 on each nuclear plant, according to AEC Commissioner Doub.

With 40 plants now operable, the ratio of premium to benefit suggests that the risk is far greater than one chance in a billion per reactor-year in the eyes of the insurance industry. In fact, the whole insurance industry combined refuses to sell more coverage than $110 million on these "safe" plants. Why are these companies passing up such a "safe" way to make money? At the present premium rate, utilities would have to pay premiums of about $20 million per plant per year to buy $6 billion in public liability coverage.

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## PLASTICS AND PRICE CONTROLS

Mr. BROCK. Mr. President, independent plastic processors manufacture hundreds of important consumer products. They employ 600,000 people directly, and the employment of another 11 million depends on the goods they produce. In Tennessee, there are over 180 independent firms in the industry, employing well over 5,000 people.

Many plastic processors now face bankruptcy and financial ruin. The Governor's office in Tennessee has estimated that over 50 percent of the firms engaged in plastics processing in Tennessee are either laying off employees or shutting down completely. Nationwide, over 500 firms have been forced out of business, and it is estimated that an additional 1,000 processors will be forced to close within 4 to 6 months.

What is the cause of this tremendous upheaval in what was once a prosperous sector of our Nation's economy? Why are some of our most prominent businessmen being forced to lay off employees, shut down plants and, in some cases, declare bankruptcy? Unsound business practices? Lack of foresight? Poor management? No, Mr. President, the fault does not lie with the individuals. Rather, it lies with a system of price controls which has made it more profitable to export the raw materials processors need than to sell them on the domestic market. The dramatic increase in the export of these raw materials, polyvinyl chloride, polystyrene, low-density polyethylene, high-density polyethylene, polypropylene, and phenolic has led to shortages for domestic processors.

Fortunately, the price controls on these goods, collectively known as plastic feedstocks, have been lifted. Naturally the domestic price will now rise until it reaches parity with the world price. However, the shortages will not end when this occurs, for the shortage has been aggravated by the shortage of petrochemical feedstocks. Plastic feedstocks are a product of petrochemical feedstocks, and a shortage of the one means a shortage of the other.

Petrochemical feedstocks, and I again underline that these are the raw materials for plastic feedstocks, are covered by the mandatory allocation program published by the Federal Energy Office on January 15, 1974. The regulations provide for an allocation of 100 percent of the current requirements of petrochemical producers. It was assumed that plastic feedstocks would be under the allocation program as well.

Federal Energy Administrator William Simon has stated, however, that the Emergency Petroleum Allocation Act does not give him authority to allocate plastic feedstocks. Without an allocation program, of course, the effects of the shortages I have pointed out are not distributed equitably.

Let me digress for a moment to explain briefly the structure of the plastics processing industry. There are two types of plastic processors in the industry today. The first is the independent. Employing anywhere between 10 and 250 people, he buys his plastic feedstocks from whom he can, and processes them in his own plant. The second type of processor is the "captive" processor. He is a subsidiary of a major oil or chemical company. A link in an enormously large, vertically integrated business, he is in direct competition with the independent.

The problem, Mr. President, is that the major oil and chemical companies, who own these "captives," are the very same companies from which the independent must purchase his raw materials. Obviously, when a shortage occurs, the majors will supply their own subsidiaries first. The independent gets what is left over. In today's market, this may be 40 to 100 percent less than what he needs to operate at normal capacity.

Congress has tried, throughout the current energy shortage, to insure that the economic effects of it are equitably distributed. In the case of the independent plastic processors, Congress has failed to do so. I ask my colleagues to join me in cosponsoring Senator Dole and Senator Hugh Scott's bill, S. 3098, to provide for the mandatory allocation of plastic feedstocks.

## ESCALATING FUEL PRICES AND FUEL SHORTAGES

Mr. ABOUREZK. Mr. President, recently, Newsday, the Long Island, N.Y., newspaper, ran a series of extremely informative and insightful articles on the Nixon administration's responsibility for the escalating fuel prices and widespread fuel shortages.

The articles written by two young investigative reporters, Bob Wyrick and Brian Donovan, reveal that "a series of early Nixon administration decisions favoring major oil companies led to fuel shortages that could have been avoided and sent fuel prices soaring—well before the Arab oil embargo."

I ask unanimous consent that the articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Sunday Newsday, Mar. 10, 1974]

### Nixon and the Oil Giants: How Top Aides Ignored Advice and Aided Big Oil

(By Bob Wyrick and Brian Donovan)

(Note.—Big oil companies have benefited from a series of decisions by the Nixon administration. In a two-part series, Newsday reviews these actions, some traced to 1968 campaign promises, which contributed to the present fuel shortages and soaring gas prices long before the Arab oil embargo. Here is Part I.)

A series of early Nixon administration decisions favoring major oil companies led to fuel shortages that could have been avoided and sent fuel prices soaring—well before the Arab oil embargo.

A Newsday investigation shows a pattern of close political ties between top Nixon administration officials and the oil industry leading to a series of three key policy decisions in 1971 and 1972 that brought about the shortages.

Those decisions were made while the President's reelection campaign fund-raisers were collecting contributions of about $5,000,000—some of them illegal—from oil companies and their executives.

The Newsday study shows that those decisions were part of a history of administration actions that benefited big oil interests and helped keep fuel prices high for the American consumer.

The shortages that began developing in 1972—when ample oil actually was available on the world market—primarily hurt the smaller, independent companies whose cut-rate marketing used to serve as a check on the major corporations' prices. As a result, the big companies' profits began to soar months before the embargo cut supplies and price competition even further.

The top Nixon officials who played roles in important oil matters included:

Former Vice President Spiro Agnew, who solicited contributions to his and Nixon's 1968 campaign by promising oil executives in a private meeting that Nixon, if elected, would kill an oil-imports plan opposed by major oil interests. That promise was kept.

Former Attorney General John Mitchell, who tried to squelch a 1970 presidential task force report calling for lower fuel prices, in a move that one official charges was blatantly political; and who later granted several major oil companies controversial antitrust exemption. Mitchell, a top Nixon political adviser for years, served as campaign manager during both Nixon campaigns.

Former Commerce Secretary Maurice Stans, who took part in carrying out Agnew's 1968 promise, backed up Mitchell on the task force issue, then became Nixon's chief 1972 campaign fund-raiser. Both Stans and Mitchell are now on trial for allegedly trying to win favors for a major Nixon contributor, in a case unrelated to oil matters.

Presidential Assistant Peter Flanigan, still one of Nixon's chief energy advisers, who influenced the 1971 and 1972 decisions that led to shortages. A former Wall Street investment banker, Flanigan acknowledged in an interview that he had had extensive business ties with the oil industry before joining the administration. He denied any conflict of interest.

Administration spokesmen say that the controversial decisions were made for reasons of "national security," to keep the U.S. from becoming too dependent on foreign oil. But a number of oil experts—including some in the government—contend that the policies actually worked against the interests of national security and left the country even more vulnerable to the Arab embargo.

The Newsday inquiry also discovered unpublicized government documents showing that:

A full year before the embargo, a State Department energy official urged large fuel-price increases to stimulate new oil discoveries. The official wrote: "The cost would be placed where it should be—directly on the consumer." And that is what the administration did.

The administration delayed a decision on whether price controls were aggravating last winter's heating-oil shortages after a top Price Commission official warned that the required public hearings could embarrass the administration politically. Although other officials were calling for prompt action, the hearings were stalled.

A former Nixon oil-policy told Senate investigators confidentially last November that major oil companies were exploiting the shortage to drive up prices and hurt independents. But in public Senate testimony a month later, he generally defended the administration and did not mention those points.

The decisions that began the shortages involved the politically sensitive issue of oil imports. In 1959, the Eisenhower-Nixon administration, with oil industry support, set up a system of strict quotas on how much foreign oil could be brought into this country.

Under that program, annual oil imports into all parts of the U.S. east of the Rocky Mountains could not total more than 12.2 per cent of domestic oil production. For the West Coast, with much less producing capacity of its own the percentage rule was not applied; instead, import levels were adjusted periodically to balance supply and demand.

The system served to keep imports low. During the 1960s, foreign oil, on the average, accounted for only about 20 percent of U.S. consumption. The biggest suppliers were Canada and Venezuela. At that time, Arab oil imports totaled only about one per cent of American demand.

The nation's demand for oil products grew dramatically during that decade. From 1960 to 1970, the demand rose from 9,798,000 to 14,697,000 barrels a day (A barrel holds 42 gallons). But as long as U.S. oil fields had the capacity to satisfy most of that demand, the quota system worked without producing national shortages.

The oil industry supported the system with vigorous lobbying and heavy political contributions. The reason was simple: Foreign oil was substantially cheaper then than oil drilled in the U.S. If large supplies of foreign oil had been allowed into the American market, prices would have been forced down. So the quotas let the huge international oil companies such as Exxon and Mobil sell their domestic oil at an artificially high price while using their foreign oil holdings to develop new markets abroad.

But in 1971 and early 1972, the Nixon administration was about to fall sharply behind demand, indicating a need for substantially more imports. The first of those warnings, documented by statistics, came in an August, 1971 study by one of the government's own oil economists. In January, 1972, a state official from Louisiana, one of the biggest oil producing states, delivered essentially the same message in personal meetings with Nixon and Flanigan.

But government records show the administration disregarded those who were calling for import increases large enough to provide a significant safety margin against a shortage. Instead, the government allowed only modest increases—choosing, in effect, to risk a shortage rather than a surplus that could have forced down fuel prices.

The first such decision came in November, 1971. It caused the nation's fuel inventories to drop sharply within a few months.

The second came in April, 1972. By then, many of the smaller, independent oil companies were warning that only substantially higher imports could assure adequate supplies for the consumer and health competition in the industry. But again, the administration allowed only the smaller import increase advocated by major firms.

The third decision, in August of 1972, led directly to last winter's heating oil shortages by giving the big oil companies the opportunity to hold back supplies and wait for prices to go up, as they did shortly afterward.

The oil companies deny that they deliberately fostered the shortages. They blame the country's energy problems on a variety of factors, among them government restrictions on offshore drilling, delay of the Alaska pipeline, gas-guzzling modern cars, price controls on natural gas, environmental objections to new refineries, and steadily increasing fuel consumption caused by America's growing population and rising living standard. And to be sure, all those issues, and many others, are part of the broad question of how the country can meet its long-range energy needs.

But Nixon oil officials did not have to resolve the nation's total energy problem in order to avert the fuel shortages that began in 1972. The question then was a simpler, short-range one: how much foreign oil should be allowed into the U.S. to make up for reduced domestic supplies?

While the decisions on that question were being made, Flanigan or one of his assistants regularly sat in as White House observers on meetings of the Oil Policy Committee, an interagency group responsible for recommending quota levels.

Flanigan's real role, however, went beyond that of an observer. Records show that the committee's chairman "cleared the rationale" for the November, 1971 decision with Flanigan. With the backing of major oil companies, Flanigan then advocated what turned out to be another inadequate increase when the quotas were increased the second time. The final authority for all three decisions, of course, rested with Nixon himself.

The Nixon administration's reluctance to make significant changes in the oil import program, supported fervently for years by powerful oil interests, was not surprising. It appeared to flow logically, in fact, from a pattern of decisions that began even before Nixon took office.

### THE MACHIASPORT CASE: AGNEW MAKES A PROMISE

On Oct 21, 1968, vice presidential candidate Spiro T. Agnew appeared before a select group of oil company executives at the Petroleum Club in Midland, Tex., to seek contributions for the Nixon-Agnew campaign.

The Texas oil producers were vitally interested in stopping an application to the federal government by the State of Maine that would have created a duty-free trade zone for oil imports at Machiasport, Me. The free trade would have allowed Occidental Petroleum Corp. to build an offshore refinery at Machiasport and bring in cheap Libyan crude oil to supply fuel-pinched New England.

Nothing in Agnew's background qualified him as an oil expert. But as a politician, he knew the oil men in the audience were afraid that if the Machiasport plan was approved it would be the first step in letting in cheaper foreign oil and would eventually force down the price of domestic oil and hurt them in the pocketbook. So Agnew made a promise.

"Agnew said that if he and Nixon were elected they would kill Machiasport," said Walter B. Davis, then a vice president in Occidental Petroleum, who was in the audience. The news of the Agnew promise leaked in a column by the late Drew Pearson, but received scant attention in most of the news media at the time.

Although Agnew recently refused to be interviewed about Nixon's oil policy, Newsday independently confirmed that the promise was made by contacting Davis and Jack Bradford, president of the 300-member Petroleum Club. Bradford said the club did not keep records on how much was collected that day from club members, but he said, "Nixon got a ton of money out of us out here."

It is impossible to determine how much oil money the Nixon campaign collected for the 1968 election because of the inadequacy of campaign reporting laws at that time. But an indication is furnished by the Citizens Research Foundation of Princeton, N.J., which surveyed contributions made by oil executives who were serving as directors and honorary directors of the American Petroleum Institute, the industry's main trade organization. The survey showed that Republicans (including Nixon) received $429,366 from officials of the trade group, while Democrats received only $30,606.

The Machiasport promise was the first known commitment made to the major oil interests from what was to become the Nixon administration.

### THE PROMISE IS KEPT

It was not a simple matter for the new Nixon administration to make good on Agnew's promise. In January, 1969, in the final days of the Johnson Administration, a sub-cabinet level group called the Examiners Committee of the Foreign Trade Zones Board, already had recommended unanimously that the Machiasport application be approved. And on Feb. 10, before the Nixon administration had gained time to pull itself together, the Committee of Alternates of the Foreign Trade Zones Board (a higher level group made up of deputy secretaries), also had unanimously approved the Machiasport proposal.

That left the final step in the decision squarely in the lap of the Foreign Trade Zones Board, which is comprised of the secretary of commerce, who is chairman, the secretary of the treasury and the secretary of the Army. Nixon's new Secretary of Commerce was Maurice Stans, who had distinguished himself as a Nixon campaign fundraiser in the 1968 campaign. Nixon credited Stans with raising more than $20,000,000; Time magazine said he raised $34,000,000. In either case, it represented the largest amount ever raised for a presidential campaign up to that time.

It was Stans who made good the Agnew promise. What Stans did on Feb. 28, 1969 was to abruptly cancel a scheduled meeting of the Foreign Trade Zones Board at which the Machiasport issue was to be decided. On canceling the meeting, Stans said the Machiasport decision would be delayed until President Nixon had an opportunity to review U.S. oil-import policies.

It marked the first time in 27 years that the Foreign Trade Zones Board had failed to approve an application that had received favorable recommendations from both of the board's sub-cabinet level groups. The Machiasport project has been on the shelf ever since.

### OIL TASK FORCE FORMED: INDUSTRY APPLIES PRESSURE

On March 27, 1969, two of the oil industry's leading spokesmen urged Nixon to establish a cabinet-level task force to study the oil-import program. The two spokesmen were Michael L. Haider, retired board chairman of Jersey Standard (now Exxon) and chairman of the American Petroleum Institute, and Frank N. Ikard, the president of the institute.

Nixon followed their suggestions and set up the task force to review U.S. oil-import policies. The so-called 1970 Task Force on Oil Import Quotas has a mandate from Nixon to determine whether any changes should be made in U.S. import restrictions on oil. The major oil companies and the independent domestic producers wanted to keep imports as low as possible to keep prices high. But the new task force, headed by then Secretary of Labor George P. Shultz, quickly began following a course that alarmed big oil interests, and it looked for a while as if neither the oil companies nor the Nixon administration could control it.

By the fall of 1969, the task force staff had produced a preliminary report that called for a tariff program that would let cheap foreign crude oil flow into the U.S. at a rate that would drive down American oil prices from about $3 to $2 a barrel. The thrust of the report was that America needed more competition to stay healthy and provide a fair shake for consumers.

Jim Collins, formerly Washington bureau chief for the industry-oriented Oil Daily, recalled the industry reaction. "They went right up the wall," he said. But not everyone who got excited about the way the task force was headed came from the oil industry. At the final meeting of the task force on Dec. 15, 1969, then Attorney General Mitchell, who previously had delegated his work on the task force to a subordinate, showed up in person to make a request of the task force members about the politically sensitive matter of oil imports. His comments would have pleased major oil company executives, had they been present.

Mitchell warned the task force, "Don't put the President in a corner," said S. David Freeman, a staff member of the task force who was present at the meeting. Roland S. Homet, who was general counsel for the task force, said that Mitchell's interference was strictly political, and that it became obvious after a few exchanges that Mitchell had no understanding of the issues involved. "It was blatant what he was doing, and he did it so crassly that it had no effect," said Homet, now a private attorney in Washington. "He [Mitchell] said you've got to give the President some options."

Stans, on one occasion at least, also expressed concern that the task force seemed firm in its resolve to recommend lowering domestic oil prices, according to Homet. In what started as a casual conversation between Homet, Shultz and Stans, "He [Stans] said, 'Did you realize that there are political implications in all this?' to me and Shultz." Homet recalls. "Shultz said, 'Oh, really?' " After a brief staring-down period, Stans dropped the conversation, Homet said. "Those of us who worked with Shultz have a marvelous respect for the man," said Homet. "He kept us insulated from politics and that's why we were able to turn out the kind of report we did." Both Mitchell and Stans have declined interviews about their roles in administration oil policy. Shultz was not available for an interview.

Between the last meeting of the task force and the release of the final task force report in January, 1970, the oil industry was conducting an intense lobbying effort to head off the tariff proposal. In November, 1969, the oil industry's chief spokesman paid a visit to the White House. The spokesman was American Petroleum Institute chairman Haider, who originally had suggested creating the task force. Now he came to argue against the task force's findings. Flanigan told Newsday that he, Haider, and the President met together to discuss import quotas.

Flanigan said that he does not recall the thrust of Haider's remarks at the meeting but said that the President was eagerly soliciting views of persons who were knowledgeable about oil and Haider was, he felt, one of the more knowledgeable persons around at the time. The Oil Daily reported that Haider emerged from the meeting "feeling more optimistic" and expressing a belief that "Nixon has a good grasp of the problems surrounding oil-import controls and [Haider] is more confident that the outcome will be favorable."

James W. McKie, who was chief economist in charge of putting out estimates for the task force, told Newsday, "We were bemused that we were bypassed and that somebody [Haider] got direct access to the President like that."

Ed Erickson, a former member of the task force staff, felt that Haider's visit marked the turning point. "It was at that meeting that the decision was made not to relax the quota system," Erickson said. Asked how he became convinced of this, he replied, "From reading the body english of the people I was negotiating with in the industry," he said. "They stiffened. They knew something we didn't know, and we knew we'd lost the ballgame."

NIXON OVERRULES SHULTZ: MORE IMPORTS REJECTED

The final task force report, although modified and softened somewhat from the staff report, still was completely unsatisfactory to the oil industry. It called for abolishing the industry-supported import quotas and replacing them with a system of tariffs—in effect, a tax—on oil imports. The recommendation, if adopted, would have opened up the flow of cheaper foreign oil into the U.S. and brought down domestic prices.

The report was an embarrassment to the Nixon administration, which had to figure out a way to ignore its own task force's suggestions without seeming to ignore them. And that was a job for Peter Flanigan.

On Feb. 20, 1970, Flanigan held a press conference to release the report and field questions about it. He told reporters that Nixon would follow task force recommendations in those cases where they were unanimous. But the section on dropping the quotas, while approved by a majority of task force members, was opposed by Commerce Secretary Stans and Interior Secretary Walter J. Hickel. Therefore, Flanigan said, that recommendation would not be acted on until the administration gave it further study.

While conceding that the report was the best study ever made of U.S. oil imports, Flanigan hammered away during the press conference on the theme of "national security," saying that the U.S. had to make sure that abolishing the quotas would not weaken the domestic oil industry and endanger the country's ability to get oil in emergencies.

But Flanigan's "national security" arguments were not supported by the Central Intelligence Agency. At the time of Flanigan's press conference, Newsday has learned, the CIA had already studied the tariff question and advised the task force in a confidential report that it was "highly unlikely" that a tariff system would threaten the country's foreign oil supplies in a crisis, even in the event of an Arab-Israeli war—which the CIA said was likely to occur.

In fact, the task force report covered the same question Flanigan was raising. To avoid becoming too dependent on Mideast oil, the report recommended, the U.S. should limit imports from Arab countries to 10 per cent of total U.S. crude oil use. But Flanigan did not mention either that point or the CIA's findings.

Ironically, the country later became more dependent on Arab oil than it would have if the task force recommendation had been adopted. The Arab oil embargo that began last October has caused shortages of 14 to 17 per cent of total demand, according to government estimates.

"The report recommends phased-in adoption of a preferential tariff system that would draw the bulk of future imports from secure Western Hemisphere sources," Shultz told a Senate subcommittee on antitrust and monopoly March 3, 1970. "A ceiling would be placed on imports from the Eastern Hemisphere. These would not be allowed to exceed 10 per cent of U.S. demand."

Shultz told the subcommittee: "A majority of the task force found that the present oil import system does not reflect national security needs, present or future, and 'is no longer acceptable.' Its 12.2 per cent limitation on imports . . . has no current justification. Besides costing consumers an estimated $5 billion each year ($8.4 billion per year by 1980), the quotas have caused inefficiencies in the marketplace, have led to undue government intervention, and are riddled with exceptions unrelated to the national security."

Nixon did not see it that way at all. In August, 1970, after the initial furor over the task force report had died down, the President announced, in a move applauded by the oil industry, that he would not replace the quota system with tariffs. Retired Gen. George A. Lincoln, the director of the Office of Emergency Preparedness who had originally supported the tariff idea, had turned 180 degrees by the time the President's decision was announced and, by August, said he was in favor of keeping oil-import quotas.

Some task force members believe Flanigan "orchestrated" the opposition to the majority report of the task force, according to Erickson. Flanigan denied it.

The major task force recommendation that succeeded in getting presidential approval was the recommendation that an Oil Policy Committee (OPC) be established to oversee the import program. Nixon created this committee and named Lincoln as its chairman. The task force itself went out of business and most of its cabinet-level members were named to the new committee. But not Shultz, who in the words of one task force staffer had "tried his best and failed." Shultz was replaced in his oil policy role by Mitchell.

The rejection of the tariff proposal marked the second major decision by the Nixon administration that favored the position of big oil. But the major oil companies still were not completely happy. During 1969, independent refineries, with their more efficient marketing systems, had challenged the majors on the open market in a series of bitter gasoline wars. And the independents were winning.

Earnings for most major companies declined in 1969, while the rate of sales increase for the independents was three times that of the majors. Coupled with these annoying inroads from smaller competitors, was the fact that the major American oil companies were having trouble with their host countries in the Mideast. The big companies wanted help, and the man they turned to was John Mitchell.

THE MITCHELL LETTER: CARTEL'S CARTE BLANCHE

In January, 1971, John McCloy, a New York lawyer who represents major oil interests, called Mitchell and asked him to send somebody to New York to pick up a copy of an agreement reached by the oil companies that required government approval. Mitchell promptly dispatched two high-ranking officials to New York to fetch the papers. They returned with an industry agreement that one source said caused the Justice Department's antitrust division staff to have "apoplexy."

What the major oil companies asked for, briefly, was assurance from the Justice Department that it would not prosecute under antitrust laws if the companies formed a cartel to bargain jointly with the newly formed Organization of Petroleum Exporting Countries. (OPSC). This assurance was to be given in the form of a departmental "business review letter."

The primary target of the oil company agreement was Libya, which was setting a bad example for other Mideast countries by unilaterally raising prices. Prior to 1970, the oil companies effectively dictated the prices they would pay OPEC nations for their oil. Libya broke the mold when it demanded and received a whopping increase in price from Occidental Petroleum, which was more vulnerable than the majors because the bulk of its holdings were concentrated in Libya.

The majors, fearing that Libya's lead would be followed by other OPEC countries, worked out a "safety net" agreement with Occidental and other Libyan independents which basically stated that if Libya cut back on the independents' production, the majors would make up the difference by supplying the independents from their sources. In return, the independents agreed not to negotiate any price increases to Libya unless they first were approved by the majors, according to investigators of the Senate subcommittee on multinational corporations.

The subcommittee, headed by Sen. Frank Church (D-Idaho), currently is conducting an investigation to determine whether the letter, which Mitchell agreed to write, was used by the oil companies to jack up international oil prices. A subcommittee staffer told Newsday that the logic behind the Mitchell letter was flawed because it "assumed that the companies and the countries were in opposition, instead of realizing that both the companies and the OPEC countries had a joint interest in higher crude prices."

Oil executives deny any assertion that they practiced monopolistic pricing, but the fact remains that international oil prices and oil company profits rose steadily after Mitchell allowed the formation of the cartel in January, 1971. Major oil company profits, which had declined steadily since 1968, jumped 8.2 per cent in 1971. After negotiations began between the cartel and OPEC, prices of imported crude oil jumped according to government figures from $2.71 in 1970 to $3.17 a barrel in 1971. $3.34 a barrel in 1972 and $4.39 a barrel in 1973 before the Arab oil embargo took effect.

Mitchell's letter was classified as secret on the ground that its disclosure would damage U.S. foreign relations.

OIL MONEY AND OIL INFLUENCE

At about the same time the Mitchell antitrust letter was written in January, 1971, the Finance Committee for the Reelection of the President was established. It became the most efficient campaign fund-raising organization the U.S. has ever seen. The committee collected $60,200,000—$5,000,000 of it from oil interests.

Testimony before the Senate select Watergate committee indicates that Mitchell, who resigned March 1, 1972 to manage Nixon's campaign, actually assisted in the finance committee's 1971 fund-raising efforts from oil executives while he still held his cabinet post.

The case in point involves an executive of Gulf Oil Co., one of the companies helped by the Mitchell letter. The executive, Claude C. Wild Jr., Gulf's vice president for governmental relations, told the Senate committee that he was approached in early January or February of 1971 by Lee Nunn, then staff director for the Republican Senatorial Campaign Committee who resigned April 1, 1971, to work full-time on Nixon's reelection. Wild testified that Nunn asked him "if I could get $100,000 in their hands one way or the other," and suggested that if Wild wanted verification he should contact Mitchell.

Wild said that a friend of his who represented tobacco interests in Washington was similarly approached by Nunn. He said that he and his friend went together to Mitchell's office in the Justice Department in April or May of 1971 for a meeting. Mitchell verified that Nunn was going to participate in the Nixon reelection effort and said "that he had full confidence in Mr. Nunn," Wild testified.

Wild said that after the Mitchell meeting he gave Nunn an illegal corporate contribution of $50,000. But Nunn approached him again in January, 1972, and suggested that he contact Stans about the possibility of giving another $50,000. At the meeting, which Nunn set up, Stans "indicated that he was hopeful of obtaining $100,000 from the large American corporations . . . [and] he said he would like [another] $50,000," according to Wild.

Gulf's second illegal corporate contribution of $50,000 was delivered personally to Stans, who had resigned from Commerce to head up the financial side of the Nixon reelection effort, according to Wild, who testified: "Any time anybody, either a person in office or his agent, solicits you for funds there is a certain amount of pressure. In the instance [of the reelection committee], I dealt with two cabinet officers. This was, I guess I am a weak soul but anyway I did succumb to that . . . made a mistake in judgment . . . which I regret, shall regret."

Another oil executive, Orin E. Atkins, chairman of the board of Ashland Oil Inc., told the Watergate panel that he bowed to Stan's request for $100,000 on March 27, 1972 because he wanted to get a foot in the door at the White House so he could express his company's views to the administration. Atkins testified that Stans asked him to make the contribution prior to a new campaign reporting law that went into effect April 7, 1972, so that it would be kept secret.

Atkins denied that his company got any direct benefit from the contribution, although exhibits at the hearing showed that Atkins wrote a business associate to say: "There was a good business reason for making the contribution and, although illegal in nature, I am confident that it distinctly benefited the corporation and the stockholders." Atkins refused to discuss the contribution with Newsday.

The second largest amount in secret (although not illegal) contributions collected from members of a single oil firm was $211,000, which came from executives of Amerada Hess Corp., of New York. Amerada Hess President Philip Kramer denied that there was "any relationship" between the contributions and the fact that 10 months after they were made the White House altered oil import quotas in a way that uniquely benefited Amerada Hess. The White House action provided a huge increase in the quota for refined fuel oil permitted to enter the continental U.S. from the Virgin Islands. The only oil refinery in the Virgin Islands is owned by Amerada Hess, which is currently expanding it to increase production from 400,000 barrels per day to 580,000 barrels per day.

There were numerous indications that Stans was pushing to keep the source of contributions secret. Two days before the April 7 disclosure deadline, Roy Winchester, vice president of Pennzoil Company (an oil and gas firm), stuffed $700,000 into a suitcase and flew from Texas to Washington in a Pennzoil plane to personally deliver the money to Nixon's reelection committee. Included among the $700,000—raised mostly from Texas oil men who wanted their identities kept secret—was $100,000 in illegal oil corporation funds that had been "laundered" in Mexico. Most of the $100,000 later wound up in the bank account of Bernard Barker and apparently was used to help finance the Watergate burglary.

While the oil money flowed into the Nixon campaign, Presidential Assistant Flanigan met frequently with oil company executives to discuss imports and other policy matters. But Flanigan told Newsday he was not aware at the time of which executives were contributing. Of the illegal gifts, Flanigan said: "I was appalled to hear that those corporate officers were stupid enough to violate a law they must have known of."

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## Old Friend of Oil Industry Helped Shape Nixon Policy

Presidential Assistant Peter M. Flanigan, who has played an important role in shaping Nixon administration oil policy, had extensive business ties with the oil industry for years before taking his White House post.

Flanigan, a top Nixon adviser since 1969, influenced government decisions that led to fuel shortages and higher fuel prices. A Newsday investigation did not find any evidence that his official actions were taken to benefit specific companies he had dealt with during his business career. But the policies he helped create did benefit big oil interests in general. And Flanigan made it clear, in an interview, that he generally agreed with major oil company views and felt their current profits were fully justified.

"I don't give a damn about the oil companies," Flanigan said. "But if the oil companies don't get enough profits, the consumer isn't going to get what he wants, which is gasoline."

Before joining the Nixon staff, Flanigan was a vice president of a large Wall Street investment banking firm, Dillon, Read & Co. Inc. The firm is the third largest underwriter in the U.S. for the financial ventures of oil companies, according to a recent study by a Washington consulting firm, Stanley R. Ruttenberg and Associates Inc.

The consultants' findings, which have been confirmed by Newsday, show that since 1958, Dillon, Read & Co. has handled securities issues that raised at least $733,000,000 in capital for four large oil company clients: Texaco, Union Oil of California, Ashland Oil and Amerada Hess. Flanigan, who joined Dillon, Read & Co. in 1947, worked in the firm's corporate finance section, which arranges such deals.

During his career with the firm, Flanigan said he had also:

Helped put together financial deals for another Dillon Read client, Texas Eastern Transmission Corp., a large oil and natural gas exploration and pipeline company. Texas Eastern is now seeking the administration's permission to import liquefied natural gas from the Soviet Union.

Served on the board of directors of United Gas Corp., another natural gas pipeline company, before it merged with Pennzoil Co. in 1968.

Helped set up oil tanker leasing corporations and handled other financial matters for Union Oil of California. Flanigan's father is a former Union Oil director.

Under Nixon, the 50-year-old Flanigan operates as the administration's chief contact man with big business interests, and he also has held key positions in the White House's energy policy bureaucracy. Flanigan said that he no longer has an interest in Dillon Read and owns no oil-related stock. He said he had no prejudice in favor of big oil.

But in a two hour interview, Flanigan's views on oil issues paralleled those of major oil companies on virtually every point. He said that the oil industry was highly competitive, not monopolistic; that he saw no evidence that oil companies had contrived the current shortages; and that price controls on natural gas should be abolished. He described as a "fallacy" the idea that consumers and oil companies necessarily had conflicting interests.

In the interview, Flanigan left open the possibility that he would return to Dillon Read after leaving the government. But he said he had no agreement with the firm. Any White House decisions benefiting the oil industry also could stimulate business for Dillon Read.

A conservative Republican, Flanigan worked in two Nixon presidential campaigns before leaving Wall Street for Pennsylvania Avenue. During the 1960 campaign, he organized a nationwide citizens operation called Volunteers for Nixon-Lodge. He took a leave of absence from Dillon Read in 1968 to serve, under John Mitchell, as Nixon's deputy campaign manager. He said he had no role in the 1972 campaign, which raised oil contributions totaling about $5,000,000.

Flanigan's job in the 1968 campaign did not involve soliciting contributions, he said. But he added that he had encouraged associates on Wall Street and in the business community to support Nixon financially. He told them, he said, that if they failed to contribute, "they would be derelict in their duty."

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[From Newsday, Mar. 11, 1974]

## Nixon and the Oil Giants: Three Lost Chances To Avert the Fuel Crisis

(By Bob Wyrick and Brian Donovan)

(Note.—Yesterday's report outlined a series of early Nixon administration actions that benefited big oil companies. These actions were the beginning of a pattern of decisions, well before the Arab oil embargo, that would eventually lead to fuel shortages and higher fuel prices. Among the top Nixon officials who played roles in those actions were former Vice President Spiro Agnew, former Attorney General John Mitchell, former Commerce Secretary Maurice Stans and presidential assistant Peter Flanigan, still serving as a key White House energy adviser. Today's article, the second of two parts, details the three decisions that began the shortages and the price spiral.)

The big oil companies had every reason, during the 1972 presidential campaign, to help finance another four years for Richard Nixon.

Throughout its first term, Nixon's administration had consistently protected their interests. And the pattern had begun, in fact, even before Nixon took office.

It was during the 1968 campaign, as Newsday reported yesterday, that then-vice presidential candidate Spiro Agnew, seeking contributions, met privately with Texas oil men and promised that Nixon, if elected, would kill an oil-imports plan opposed by major oil companies.

That promise had been kept. And other benefits followed. In 1970, Nixon rejected a presidential task force's recommendations that the administration drop the oil-import quota program, which had kept U.S. oil prices above world prices by sharply limiting the amount of cheaper foreign oil allowed into the American market. And in 1971, then Attorney General John Mitchell granted oil companies a controversial antitrust exemption that allowed them to work together in establishing Mideast oil prices. The prices began rising soon afterward.

Those early, pro-industry decisions set a pattern that was to continue during the second Nixon campaign, which raised about $5,000,000 from oil interests. Again, the issue was oil imports. But this time, the situation was more serious: U.S. oil production was falling behind demand, shortages were imminent and Nixon officials were faced with a crucial choice.

Basically, the administration had three chances during 1971 and 1972 to make decisions that would have kept the country's supplies of petroleum products in balance with the growing demand. At that time, plenty of oil was still available on the world market. The choice was between risking a shortage that would hurt consumers or a surplus that could hurt the major oil companies' prices and profits. In each case, Nixon officials took the first choice.

In an interview with Newsday, Dr. Joseph Lerner, the Federal Energy Office's senior economist, summed it up this way: "In effect, they were practicing brinkmanship."

### NOVEMBER, 1971 DECISION 1—AN ECONOMIST IGNORED

In August of 1971, another government economist named Phillip Essley made a prophetic prediction. It had serious implications for the nation's oil policy. And it was completely ignored by top officials.

Essley worked for the Office of Emergency Preparedness (OEP), the agency that was then monitoring the oil-import program. The agency's director, retired Gen. George A. Lincoln, also served as chairman of the Oil Policy Committee, reporting to presidential assistant Peter Flanigan, Nixon's chief oil-policy adviser.

What Essley predicted, in 24 pages of facts and charts, was that domestic oil production would reach its peak and level off during the following year. That meant the tight import quotas long favored by the big oil companies would have to be relaxed if the government wanted to prevent shortages. For with demand growing and domestic production staying the same, only foreign oil could make up the difference.

"It should be obvious," Essley wrote, "that the rapidly changing circumstances will require . . . the government to reevaluate the basic position regarding imports and adopt new policies within the relatively near future."

Exactly why Essley's study was disregarded remains unclear. Later, other officials of the Office of Emergency Preparedness would acknowledge that he was the agency's most qualified analyst. Essley had worked as an executive of three oil companies, and held a master's degree from Harvard Business School. When Senate investigators tried to answer the question last year, they were told conflicting stories, with Lincoln saying he never saw the study and other emergency-preparedness officials saying he must have.

Essley's report was significant in another way. His prediction meant that a safety margin the nation had once enjoyed was about to disappear. Soon, federal oil officials would be operating in a situation where the smallest miscalculation of import levels could promptly plunge the country into a shortage. And since Essley's forecast was accurate, that was precisely what happened.

The safety margin had been provided by a system set up years before in Texas and Louisiana, the two main oil-producing states. Under that system, called "pro-rationing," state agencies controlled the rate at which oil could be pumped from wells. If demand began outrunning supply, the states simply boosted the pumping rate, and a new supply of oil would be flowing into the nation's refineries within 10 days.

But if the wells were opened up to the maximum rate and still could not satisfy demand, as Essley accurately predicted, the safety cushion of pro-rationing would disappear. Then the federal government could avoid shortages only by getting rid of the import quotas entirely or by making sure that the annual levels were set high enough to satisfy demand for the coming year.

The coming year, of course, was 1972—a presidential election year. Nixon already had shown in 1970 his unwillingness to scrap the quota system. But shortly after the Essley study was circulated, another emergency-preparedness staff paper suggested a procedural change. The paper recommended that the old mathematical formula for setting quota levels—basically slanted toward keeping imports low—should be replaced with a straight supply-demand formula. That would be "the most viable method," the paper said, of assuring that enough fuel reached the consumer.

These were not isolated warnings. As early as 1970, the oil trade press began noting that domestic production appeared likely to peak soon.

But despite all that, the administration, in November, chose to stick with the old formula and allow only a conservative import increase—100,000 barrels a day—for the following year. Essley described the meeting in which the staff got the news: "Lincoln [the agency's director] simply walked in and said, 'I don't think we'll have any trouble selling a 100,000 barrel per day increase. Everybody put their [supply-demand] balances back in their pockets . . .' "

Both Lincoln and Flanigan told Newsday that the White House had played no important role in that decision. But in fact, Lincoln wrote a memo for his private files saying that he had "cleared the rationale" with White House assistant Flanigan.

After shortages began, the Senate investigations subcommittee carried out an extensive inquiry into how they started. At a hearing last fall, chief investigator LaVerne Duffy traced the origins to that 1971 decision. The import increase, he said, "was very low, and events have shown it to be the single most important factor in the tight crude oil supply situations of 1972 and early 1973."

### APRIL 1972: DECISION 2 KEEPING SUPPLIES TIGHT

The problem began inconspicuously, little noticed by the press or the public. There were no gas station lines, no energy czars. But it was then, early in 1972, that the country's fuel shortages started—directly resulting from the administration's decision the past November to keep a tight rein on imports. The first to notice what was happening were the nation's smaller, independent oil companies.

Up to then, things had looked rosy for those companies. Since the late 1960s, they had been steadily capturing a growing share of the U.S. market, at the expense of the major firms. Their advantage over the majors was a more streamlined, low-overhead marketing setup—including self-service gas stations, little advertising, fewer mechanics to pay—that let them undercut the big companies' prices. Their appeal was to motorists who did not care about tigers in their tanks, just cheap gasoline.

But the smaller companies had a serious weak spot. The independent marketers, and the independent refiners who help supply them with products, depended heavily for their supplies upon the big multinational firms. If a shortage developed, the independents would be the first to feel the squeeze.

That is exactly what happened as 1972 began.

The tight import quotas allowed the major companies to start cutting back on sales to independents, saving what oil was available for their own operations. The smaller companies, facing disaster, protested vigorously.

In February, for instance, Clark Oil sent a letter to the Office of Emergency Preparedness calling for a 350,000 barrel per day increase in imports. The company warned that the accelerating shortage "would literally destroy . . . independent refiners if action is not taken."

Other independents joined the chorus. The American Petroleum Refiners Association, representing 31 small refiners, wrote to Lincoln in March recommending a 500,000 barrel import increase and predicted a "catastrophe" for the small companies unless action came soon.

"It was obvious what was going to happen," said Walter Famariss, the group's president. "But I met with Lincoln and Flanigan and I got nowhere. Their attitude was, 'Look, we think we're doing fine, and we don't buy what you're saying.' " In January, Nixon also got a personal warning that domestic oil production was failing to meet demand. J. M. Menefee of Louisiana, then the state's chief official in charge of monitoring oil fields, met with the President and Flanigan. He told them, he said, that Louisiana wells were yielding less and less oil.

During this same period, some politically powerful oil interests were fighting to keep imports as low as possible. Most of the major companies supported import increases far smaller than the independents wanted. Humble Oil (now Exxon) gave the Office of Emergency Preparedness a prediction—totally erroneous—that no additional imports at all would be needed in 1972.

Oil-drilling companies controlling Southwest oil fields also opposed higher quotas, since foreign oil would cut into the market for their own product. It was on April 5, 1972, while the quota decision was pending, that $700,000 in secret Nixon contributions, mostly from Texas oil men, traveled to Washington aboard a Pennzoil plane.

It took the administration nearly four months to act. Some emergency preparedness staff officials renewed their suggestions that the government drop the now-obsolete formula for figuring imports and adopt a supply-demand method. By this time, even some major companies were feeling the pinch, although not as badly as independents. One company, Mobil, suggested raising imports enough to let Texas and Louisiana cut back production and return to the old pro-rationing system, which had helped balance supply and demand.

The Oil Policy Committee met on April 25 to decide how large the increase should be. Flanigan sat in. Records of that meeting show that he firmly opposed relaxing imports enough to restore any surplus capacity to the Southwest. The result: another conservative increase, this time of 230,000 barrels a day, less than half of what some independents had requested.

Flanigan told Newsday that politics had no part in the decision. Any larger increase, he contended, could have hurt the overall U.S. oil industry. and discouraged exploration. Moreover, Flanigan said, he did not feel that any serious shortage existed then or, in fact, until the Arab embargo.

But the facts contradict Flanigan's contention. Actually, the nation's inventories of crude oil, gasoline and fuel oils began dwindling steadily in early 1972, prior to the second import decision, and industry reports showing the trend were easily available to the White House at the time.

As a consultant to the Senate investigations subcommittee, Dr. Fred C. Allvine of Georgia Tech, coauthor of two books on gasoline marketing, did a detailed report last year concluding that the pre-embargo shortages were "largely avoidable." If inventories had been kept "at higher and more comfortable levels," Allvine wrote, the embargo would have had a less drastic impact, at least in its early months.

But, in fact, the opposite process was already in motion. Once again, the administration had acted to keep supplies tight, and by the end of Mar, 1972, inventories had dropped below the levels of the previous three years.

### AUGUST, 1972: DECISION 3 SELF-BORROWING FAILS

By late summer of 1972, some oil companies, particularly the smaller ones, had used up all their authorized imports for the year. Again, the Nixon administration had to do something about the import program. It did, but the effect was the same as before: fuel supplies got even tighter.

The third decision, made in August and announced by Nixon on Sept. 18, was to rely on big oil companies to act against their own economic interests. They could bring in additional oil above the quota levels, Nixon announced, but whatever they brought in would be subtracted from their import allowances for the following year. The limit was 10 per cent of 1973 quotas.

In effect, the industry was being asked to borrow from itself. It could, if it wished, import additional oil and sell it during 1972. Or it could ignore the plan, which was voluntary, and wait until 1973, when prices might well be higher.

The result was predictable: Only 35 per cent of the extra oil that had been authorized actually came into the country during the rest of 1972. Some large companies—including Exxon, Shell and Gulf—brought in none of the additional oil they had been allowed.

Of course, no company has ever admitted that it deliberately withheld fuel from the consumer to wait for higher prices. But the borrowing plan not only gave the companies an opportunity to do exactly that, but also provided a built-in explanation: Why, the companies asked, should they have stepped up 1972 imports at the expense of 1973 supplies?

Since then, two former senior Nixon oil-policy officials have expressed doubts about the credibility and motives of the big oil companies as the shortages developed. One was Office of Emergency Preparedness director Lincoln, now retired. In an interview, Lincoln said that three companies, which he would not identify, had written him in 1972 promising they would take full advantage of the borrowing plan. Later, he said, he discovered they had not. "This is the problem you get when you're dealing with the oil industry," Lincoln said.

The other official was Elmer Bennett, who served as the Office of Emergency Preparedness's general counsel while the three key import decisions were made.

Last November, after he had left the agency, Bennett had a private interview with staff members of the Senate investigations subcommittee, which was getting ready to hold hearings on the shortages. An unpublished memo in the committee's files quotes Bennett as saying that major oil companies had exploited the shortage. "He pointed out that industry not only used the shortages to pressure government into increasing the price of fuel oil, but to also clean up the problems that they had with the independent price marketers," the memo says.

That question—whether oil companies had taken advantage of tight supplies—was one of the main topics explored in the subcommittee's public hearings. Yet, when Bennett testified last December, he was not asked about the subject and did not volunteer his views. Instead, he generally defended the administration's handling of import questions.

A spokesman for Sen. Henry Jackson (D-Wash.), the subcommittee chairman, said Bennett was not asked about oil company actions because the subcommittee felt the point already had been documented. Bennett said he had not brought up the subject because he felt the administration had already solved the independents' problems with supply allocation rules in the spring of 1973. In fact, those rules were not issued until last January, a month after Bennett's testimony.

### ONWARD TO CRISIS: THE CONSUMER PAYS

As the election approached toward the end of 1972, the three Nixon administration decisions had combined to create inventory shortages that would worsen as the year drew to a close, causing severe fuel-oil shortages in the Midwest that forced the closing of schools and caused some states to set up emergency fuel supply centers to keep hospitals open. Some Midwest industries complained they were cut back between 20 and 40 per cent by fuel suppliers.

It was against this background that William Truppner, a staff member of the Oil Policy Committee, circulated a memo from a State Department official that recommended forcing up oil prices substantially and putting the costs of the price increases directly on the consumer. And this was the course that the Nixon administration eventually followed.

The classified memo, written Oct 27, 1972 by Frank Mau, a State Department international economist and adviser to the Oil Policy Committee stated:

"It seems clear that with a new Administration which has already stated its intention to make hard and, if necessary, unpopular decisions, the time is ripe for a complete revision of our oil import and incentive program. . .

"The domestic price of crude oil, and products should be allowed to increase substantially. At a minimum, the domestic price of crude oil should be increased to $4 per barrel . . .

"A substantial increase in gasoline and other product prices would eliminate the need to continue to indirectly subsidize the domestic refining and petrochemical companies . . .

"The cost would be placed where it should be—directly on the consumer."

At the time of Mau's memo, the domestic price for crude oil was $3.39 a barrel and U.S. production was roughly 10,000,000 barrels a day. Increasing the price to $4 a barrel would have meant roughly $6,000,000 a day to the oil industry or $2.1 billion a year. The prices were allowed to go up even more drastically than Mau suggested. In March, crude prices jumped 25 cents a barrel; on May 15, the Cost of Living Council allowed crude prices to go up another 35 cents; by August, oil already under production ("old oil") had reached $4 a barrel and newly discovered oil was allowed to sell at $5 per barrel. At the time Arab embargo hit, new oil was selling at $5.60.

Mau said that he was "appalled" and "amazed" that Newsday had obtained the document. He insisted that these were his personal views, not those of the State Department. "I don't accept the idea that the industry's profits are unreasonable," Mau said. "In fact, I don't think they are high enough. I feel that the industry has been horribly abused on this score. They have done a bad job of public relations."

### THE POLITICS OF STALLING

During the winter of 1972–73, newspapers were filled with revelations which drew the Watergate burglars closer and closer to the orbit of the White House. The papers also carried other, smaller articles during that period about a severe heating-fuel shortage in the Midwest which was closing schools and causing general discomfort. In this time of mounting scandal, there were those within the Nixon administration, however, who were more interested in maintaining a good united public image than they were about acting immediately to solve heating-fuel shortages for American citizens.

One such official was Lou Neeb, executive secretary of the Price Commission. As early as mid-November of 1972, OEP director Lincoln was warning the White House that price control rules, which had frozen heating oil prices at a particularly low level, could worsen winter fuel shortages by discouraging heating oil production. On Nov. 29, Lincoln discussed the problem with presidential assistant Flanigan, pointing out that responsibility for adjusting heating oil prices rested with Neeb's commission. According to a memo Lincoln wrote for his files, Flanigan "expressed confidence in Neeb and indicated that perhaps we should wait to see what Neeb comes up with."

Neeb promptly came up with a suggestion that showed more concern over the Nixon administration's public image—and that of the oil industry—than over the danger of a shortage. On Dec. 6, in a memo stamped "confidential," Neeb sent a warning to James W. McLane, deputy director of the Cost of Living Council: "We do face a potentially embarrassing situation in the heating oil [shortage] which could be embarrassing to the administration . . . My analysis is that there would be some increase in heating oil production if the Price Commission could move quickly on some price relief."

But Neeb's memo pointed out that before price increases could be granted, public hearings would have to be held and that Price Commission members were divided on whether the solution was to raise prices or change the oil-import program, in such a way as to increase heating-oil production.

"We would have the situation of a potentially publicly visible disagreement within the administrtaion," Neeb warned, adding: "The holding of such public hearings always provides a forum for those who wish to voice their opinions on other aspects of government and industry practices . . . I would anticipate that the oil import program, the aspects of the tax law that impact on the oil industry, and the level of [monopolistic] concentration would receive heavy attention . . . at any such hearings we would hold."

Neeb had a suggestion for avoiding the sometimes embarrassing annoyances of the democratic process—procrastinate. "Hopefully, we can minimize some of this by holding out-of-season hearings," the Price-Commission official wrote. "We would prefer to delay these [hearings] to spring when attention on heating oil should be low." He urged this decision, even though he said, "At present production schedule we are probably not producing sufficient amount to get us through the winter with any degree of safety margin."

Neeb was right about that: As the winter went on, the Midwest shortages grew more severe. Yet through December and early January, the Price Commission took no action. Then, on Jan. 11, 1973, new price control policies saved the commission from the potential controversy Neeb had feared. On that day, Nixon replaced compulsory controls with voluntary price guidelines. That left the industry free to announce an eight per cent heating oil price increase on its own. And it allowed Nixon officials to avoid the criticism they almost certainly would have gotten if they had approved the new prices in advance.

Another month passed before the administration held hearings on whether the industry could justify the new prices as reflecting higher costs. (Under the new system, such hearings came after a price increase, not before.) By the time federal officials announced on March 6 that the prices could remain at the higher level, the winter was nearly over, and consumers had begun worrying about another product: gasoline. In all, events had turned out just about as Neeb had hoped.

### THE RESULTS

The effect of the administration's three import decisions did not end with last winter's heating oil shortage. Instead, the first symptoms of today's gasoline shortage began to appear. There were no lines at gas pumps yet, but by the spring of 1973, months before the Arab embargo, the stage had already been set.

With inventories depleted, the first signs of the gasoline shortage began appearing last March, well before the peak summer driving season. Some cities began having trouble getting gasoline supply contracts for their municipal vehicle. Gas stations began closing, principally those operated by the cut-rate independents. Some major oil companies began cutting back sharply on their sales to the independent firms, explaining that the shortage—resulting from decisions they had supported during the previous two years—had wiped out surplus supplies. Around the country, gasoline inventories were from 15 to 25 per cent below the previous year.

At that point, the Nixon administration set aside the "national security" arguments it had been using for years to keep imports low. Last April, the administration announced that it was finally abandoning the quota system and allowing major increases in the amount of foreign oil allowed into the country. The new system was similar in principle to what Nixon's task force had urged three years earlier. But now, one important thing had changed: Imported oil prices had risen to match domestic prices. So the foreign oil no longer threatened the industry's profits.

But the move came too late. Inventories remained short. As the summer wore on, more than 4,000 gas stations closed for lack of supplies, and sales by many discount chains dropped as drastically as they had risen a few years before. By fall, motorists in some parts of the country, including Long Island, were searching hard to find a gas station open on Sunday. The age of the price war was over.

The Arab embargo, announced in mid-October, would produce even worse shortages, driving prices still higher and boosting profits for the major oil companies. But statistics show that all those trends were well under way before the boycott.

By last Oct. 12, according to industry figures, the country's inventories of crude oil, gasoline and fuel oils were all below the previous year's levels—at a time when the average demand for petroleum products was up more than eight per cent. In that same month, the Interior Department predicted before the boycott that heating-oil shortages in the coming winter probably would range from four to 10 per cent, depending on weather.

Major oil company profits also began soaring well before the boycott. During the first nine months of last year, the profits of the top 16 oil companies went up an average of 44 per cent over the same period in the previous year. The biggest increases were scored by Amerada Hess, 88 per cent; Gulf, 60 per cent; and Exxon, 59 per cent.

Those profits reflected the rising prices of both foreign and domestic crude oil. And it was administration actions that set those increases in motion before the Arab oil embargo.

The shortages had given major oil companies exactly what they wanted—higher prices. And the cost fell exactly where State Department official Frank Mau had advised a year earlier; directly on the consumer.

### MEMOS WARNED PRESIDENT OF AIDE'S BUSINESS TIES

A White House official privately urged President Nixon in 1970 to restrict presidential assistant Peter M. Flanigan's influential role in government decisions involving big business because of "possible conflicts of interest" in Flanigan's extensive financial holdings.

Nixon, however, did not follow, the recommendations made in confidential memos from then-special counsel Clark Mollenhoff, a lawyer and Pulitzer Prize winning investigative reporter whose White House duties included trying to spot potential administration scandals before they became public.

As a result, Flanigan remains one of Nixon's most powerful aides, and he still plays an important part in shaping government policies—particularly oil policies—that affect the interests of the nation's largest corporations.

The previously unpublicized dispute within the White House came to light during a Newsday investigation of oil decisions during the Nixon years. In interviews, contradictory versions of the incident were given by Flanigan, who denied any potential conflicts in his holding, and Mollenhoff, who has left the administration and returned to newspaper reporting. They agreed, however, that the controversy began over Flangian's financial connections with an oil tanker company.

Flanigan came to the White House in 1969 from a Wall Street investment banking firm, Dillon, Read & Co. Inc. Among the firm's oil industry clients is Union Oil Co. of California. While Flanigan was still a Dillon Read vice president, he also served as president and a stockholder of a company called Barracuda Tanker Corp. Dillon Read had set up the company solely to lease tankers to Union Oil.

When he was named to his White House post, Flanigan said, he sold his interest in Dillon Read to others in the firm, resigned as president of Barracuda, and put the rest of his personal stock holdings, including 308 shares in Barracuda, into a "blind trust." In such trusts, an administrator takes over the management of the stock owner's portfolio. As long as the arrangement exists, the administrator is not supposed to tell the owner anything about sales or purchases of stock by the trust.

For his administrator, Flanigan chose his father, Horace C. Flanigan, a former board chairman of Manufacturers Hanover Trust and a former Union Oil director.

That was where matters stood on March 9, 1970, when then-Sen. Joseph D. Tydings (D-Md.) took the Senate floor and gave the first in a series of speeches on the case of a tanker called the Sansinena, owned by Barracuda and leased to Union.

The Sansinena had been operating under a foreign flag and, thus, was barred from carrying oil between U.S. ports. But on March 2, 1970, Tydings revealed, the Treasury Department had granted a special waiver allowing the ship to do so. Only a few days before, Flanigan's stock in Barracuda had been sold to others in the tanker venture for about $20,000. The waiver made the ship more valuable, Tydings said, charging that "by the stroke of a pen" the government had "created a multimillion dollar windfall."

That was when the Flanigan-Mollenhoff dispute began. According to Flanigan's version, Mollenhoff acted impulsively. Without speaking to Flanigan or investigating the situation independently, Mollenhoff "fired off a memo" to Nixon saying Flanigan should be fired, the White House aide said. After that, Flanigan said, he called Mollenhoff to his office and they discussed the tanker matter, Flanigan said that his explanation left Mollenhoff convinced that Flanigan had done nothing wrong.

Newsday has obtained a copy of the memo Mollenhoff sent to Nixon on March 10, the day after Tydings' first speech. The memo did not say that Flanigan should be fired. Nor did it mention the tanker. Rather, it noted Flanigan's broad powers within the administration, mentioned "possible conflicts of interest," and said: "This problem is particularly difficult when it involves someone with large financial holdings who is from a family and from a business firm that has such extensive investments." The memo said reporters had raised questions about Flanigan's oil-policy role and suggested that Nixon should "see if there isn't some different allocation of [Flanigan's] duties that would eliminate some of the potential problems."

Mollenhoff said in an interview that Flanigan, during their meeting, had shown him a partial list of his financial holdings. They included, he said, a substantial amount of stock in Anheuser-Busch Inc. Mollenhoff said he was disturbed by that, since one of Flanigan's White House jobs was overseeing agencies like the Federal Trade Commission, which regulates activities of companies, such as Anheuser-Busch, engaged in interstate commerce.

Molenhoff said he continued sending similar memos to Nixon through the spring of 1970, but without results. Meanwhile, the tanker controversy also continued. The Treasury Department promptly revoked the special waiver, and Flanigan shifted control over the trust from his father to an official of Manufacturers Hanover Trust. He and his father had never discussed his trust holdings, Flanigan said. He said he chose a new administrator only to avoid further congressional criticism. Flanigan also issued a statement at the time saying he had never discussed the waiver application "with any government official or employe."

Six weeks later, however, Tydings released an internal government memo showing that Flanigan had asked Federal Maritime Administrator Andrew Gibson the previous October about why the tanker was barred from domestic shipping. Asked about that in an interview, Flanigan said the inquiry was merely a casual one and did not represent an attempt to influence the waiver matter.

Mollenhoff said that he sent his final memo about Flanigan to Nixon on May 6, 1970, saying: "It would appear to me that it is virtually impossible for Peter Flanigan to isolate himself from his stock interests without a full divestiture. Since Flanigan considers the sale of the stock out of the question, the only manner in which possible conflicts can be avoided is through some clearly worked out restriction on his duties . . ."

The following month, Mollenhoff resigned his White House post and went back to the Washington bureau of the Des Moines Register and Tribune. Viewers of Nixon's televised press conference last Oct. 26 may recall Mollenhoff as the scowling, six-foot-four reporter who shouted, "Mr. President, Mr. President!" so insistently that Nixon finally recognized him by saying, "You're so loud, I have to take you."

"You happen to dodge all my questions," Mollenhoff replied. Nixon laughted.

## ONE THOUSAND DOLLAR PERSONAL EXEMPTION

Mr. HARTKE. Mr. President, yesterday I introduced a bill which would increase the personal exemption on Federal income tax returns from $750 to $1,000. This is a proposal which I first made in January 1961; I believe that it is all the more necessary today.

The likely course of the economy will be a downturn in 1974. My legislation would help cushion recession and speed recovery with only minor effects on the course of inflation this year.

Economic activity already sags. Industrial production has declined during the past 3 consecutive months; unemployment has risen by 650,000 persons since October 1973; and real GNP is declining sharply this quarter. What has happened is that a normal economic cooloff which began last summer and autumn collided with the energy crisis and the slowdown turned into a tailspin.

To correct this problem and stimulate demand in a beneficial way, I have proposed an increase in the personal exemption to $1,000. This increase is also necessary because the fiscal 1975 budget does not already provide such a stimulus.

This kind of tax relief is also socially responsible. Before 1974 is over, inflation will have eroded the real value of the $750 exemption by more than 20 percent since it went into effect at the beginning of 1972. The Hartke approach would help restore some of the badly eroded buying power of the workers of this country.

In 1973 real average weekly earnings—the amount of money workers actually get—were down 1.5 percent. Surging food and fuel prices have exacted a particularly heavy toll on this segment of our population. The Hartke approach would provide direct relief for these people.

The social and economic case for tax relief is very strong. In this week's Newsweek, economist Paul Samuelson advocates the very approach taken in my legislation. He adds:

> If such a tax cut were to be done, it were well it were done quickly.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE ECONOMIC OUTLOOK

(By Paul A. Samuelson)

Any intelligent person following current economic events might be forgiven if he despairs of making any sense of the situation. There seem to be more contradictions than ever in the developing trends. Let me therefore try to provide a guide to where we seem to stand as the winter of 1974 draws to a close.

Yes, the economic experts were right in saying last spring that the U.S. was then moving into a "growth recession." Since last Easter we shifted down from boom expansion to far below the 4 per cent annual rate of real growth that is the par needed to provide jobs for a growing labor force in a technologically progressive economy. The unemployment rate is on the rise, and by next fall the odds favor its being nearer to 6 per cent than 5½ per cent.

Yes, the experts were right who predicted that 1974 would be a year of "stagnation"—stagnation along with serious inflation. Price increases have been accelerating and spreading. This quarter's rate of inflation is hovering just below the 10 per cent level. And the end is not yet in sight. I have been talking recently with businessmen all over the land. And virtually all tell me they are panting for an upward adjustment in their prices—to compensate them for what they consider a profit-margin squeeze as their raw-material costs have soared. I presume that a survey of trade-union officials would show a similar desire on the part of workers for a "catch-up" in their wages.

Yes, there is an actual "recession" in real output this first quarter of 1974—perhaps at as much as a 4 per cent annual rate of decline. For the second quarter, the bets are about even among the experts on a further decline in output or a leveling off. Little money is being offered on the long-shot bet of a "V bottom" and a sharp upsurge in business.

#### COLD COMFORTS

No, there is no cogent evidence to support the view that the U.S. is about to plunge into depression. A worldwide depression is primarily a fabrication of free-lance journalists, gold bugs, and financial sensationalists who have had a miserable track record as forecasters in the past.

No, the typical forecasters from banks, industry, universities and governments do not expect the inflation rate to be as bad at the end of 1974 as it is now. (I don't know quite how to square this with Fed chairman Burns's recent Congressional testimony warning of two-digit inflation of the Latin American type. Perhaps there is something infectious in the job that makes its holder succumb to the temptation that so often seduced former chairman Martin—namely, to issue warnings that go beyond the evidence in order to shake voters and congressmen out of policies deemed to be unsound. But perhaps Burns has cogent evidence and ways of analyzing it that will gradually become available to the public at large.)

#### UNCERTAINTIES

The foregoing appraisal exhausts the easy side of my current audit. Much harder to answer are the following questions:

Will unemployment peak out at 6 per cent? Will it be stable or falling by the year's end?

Will the upturn in business come soon enough, so that 1974 will not go down in the history books as a "genuine" recession? And will any improvement in the stagnation come soon enough and be significant enough to take pressures off Republican candidates in next November's election?

The jury is still out of these issues. And until they are clarified by the passage of time, legitimate debate about desirable policies can go on. Therefore, I would urge the following cautious programs:

1. Regardless of what happens to the oil boycott and to the continuation of a recession in real incomes and output, personal tax exemptions should be immediately raised. Even in World War II, the exemptions were $500 per head; in view of the inflation since then, $900 or $1,000 would be a fairer exemption than the present $750.

If such a tax cut were to be done * * * well it were done quickly. Now, while unemployment is growing.

2. Now is also the time for monetary policy to ease. It would be folly to try to roll back energy prices or raw-material prices by contriving recession or encouraging a maintained level of unemployment above 5½ per cent. After healthy growth is restored, gradual anti-inflationary pressure will again be in order.

This, I submit, is a sober and cautious program. I believe that it is also a humane one.

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## SOLAR POWER—A BRIGHT FUTURE

Mr. McINTYRE. Mr. President, as the present energy crisis amply demonstrates, the problem of supplying ourselves with adequate amounts of fuel is one that will be with us for a long time to come. To ignore or discount any potential energy source before it is fully examined and tested would obviously be foolish and, in the long run, self-defeating. In New England, a region which requires large amounts of heat in the winter and cooling in the summer, such examination and testing is being avidly pursued. In particular, solar energy has attracted much attention. The simplicity of the process and the infinite and nonpolluting nature of the energy source appear to make solar power an excellent energy resource.

Currently, a tremendous amount of research is being done on this subject in New England and across the country, and experts predict the coming of a one billion dollar solar energy industry in the next ten years. At the present time, however, individual businesses and homeowners are reluctant to take the leap and install solar energy units.

The article, "Solar Power: Bright Spot in Energy's Gloom" first appearing in March 1974 issue of the New Englander magazine makes clear the good sense of solar power in this day of energy shortages.

For this reason, Mr. President, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SOLAR POWER: BRIGHT SPOT IN ENERGY'S GLOOM

(By Kirtland H. Olson, P.E.)

In the next few years, some of your competitors will cut their operating costs by using the sun to heat and cool their plants and provide process energy. While many scramble for low-sulfur oil at high prices, management of solar-heated plants will enjoy zero fuel costs, zero pollution, and positive cash flow generated by depreciation of solar equipment. Maximum return on investment now occurs at less than full solar heating, but greater levels can still return a net profit.

Solar energy pays off best when it is used most. Thus, the best applications involve poorly insulated buildings (schools, industrial plants, offices) that consume large amounts of energy at low temperatures. New England's large winter heating/summer cooling demands generate high rates of utilization of the capital investment in solar collectors, shortening the payback interval.

#### PRIVATE SECTOR SPEARHEADS R. AND D.

Present barriers to solar climate control will tumble, leading to a $1-billion industry within ten years. Right now, investigations of solar energy contribute several million dollars to the NE economy, at least half from private sources.

Regional governments may find themselves playing catch-up again, since the private sector appears at the forefront of solar energy development. Federal agencies may fare no better, having neglected direct use of solar energy in favor of more complex and longer range systems. For example, 1972 figures from the National Science Foundation show only two grants in New England, totalling about $200,000. Both grants went to universities in Massachusetts and both deal with electric power generation rather than direct heating or cooling.

Of $200-million recommended for solar energy development by AEC Chairman, Dr. Dixy Lee Ray, only $50-million will go to develop heating and cooling of buildings between 1975 and 1979. Dr. Ray recommended $12.8-million for this purpose, beginning in July, 1974 (fiscal 1975). Sen. Hubert Humphrey (D.-Minn.) has introduced a bill (S. 2819) that would authorize $600-million between 1975 and 1979, with $56-million for fiscal 1975 alone.

#### BARRIERS TO SOLAR POWER

Large solar installations remain untried. Contractors, engineers and architects do not possess the experience with solar energy that they have with conventional heating, ventilating and air conditioning designs. Clients want assurances that their new building will function without surprises.

High first costs of solar collectors make investors shudder. Who wants to pay 40 years of heating bills in one year? Even if solar heat costs less in the long run, the cash flow seems less favorable without careful analysis.

No solar energy industry exists yet. A few small companies produce specialized components, such as swimming pool heaters, and *some foreign* producers make solar water heaters. Architects and engineers cannot choose solar heating panels as they do curtain walls, light fixtures, or windows. Every job entails a custom design.

Property taxes depend on value, not fuel cost, thus discouraging capital investment to reduce energy costs. Furthermore, taxes seldom go down and may increase suddenly, adding an unstable element to the cost of energy from the sun.

Although these points are real and strong, each will fade away within a few years. Some clients will build solar energized buildings and their consultants will gain experience. Investors and consumers will come to understand life-cycle costing and recognize solar collectors as sound investments. Major manufacturers will soon be entering the solar field, as indicated by the 65 companies who are paying ADL to conduct a study toward developing a solar energy industry. Many elements of the tax structure will change as the need to conserve resources becomes more urgent.

All barriers to solar energy reflect the past. Within a year, solar-energized buildings will be under construction in New England. Within five years, sun-powered climate control will make a difference in your life. Within ten years, solar climate control will constitute a $1-billion industry. Ten percent of all buildings constructed by 1985 will use solar climate control, according to a study by NSF and the National Aeronautics and Space Administration.

### WHAT IS A SOLAR COLLECTOR?

Imagine a storm window covering a box that contains a blackened metal plate lying atop some glass wool insulation. Placed in the sun, the metal plate will increase in temperature until the heat escaping from the insulated box equals the solar energy input. With only a single glass, this temperature will probably rise to 100 to 220°F. If the box were double-glazed and the insulation equal to four inches of Urethane foam, the temperature could reach 400°F. Of course, when heat is taken from the plate, it cools down so we can warm up. Circulating air or water over or through the collector box, we take heat from the sun just as we do from a furnace.

Most people just can't believe that solar energy is so simple. It seems too good to be true.

Combining the collector with pumps, storage tanks and auxiliary heating provides a solar climate control system. For some rough rules of thumb, figure that about half the floor area of a well-insulated building must collect sunlight to provide for heating and cooling use. Ten to 15 gallons of water storage are needed for each square foot of collector. Auxiliary heat will roughly equal solar heat, but not be used continuously. Collector weight will approximate 7 lb. per square foot, and buildings designed for 40 lb. per square foot snow loading probably will not need reinforcing, just load distribution. (Typical buildings allow snow loads of 30 lb. per square foot.)

### HOW MUCH SUNSHINE DOES NE GET?

U.S. Weather Bureau data show that most of the region will experience 2,200 to 2,600 sunny hours, or 50 to 60% of the daylight hours. A band along the northwestern border will gather less than 2,200 hours, but between 40 and 60% of the days will be totally or partly sunny at any location in New England. That's enough sunny days for solar collection, but is the sun bright enough?

Yes! Even at mid-winter, New England will receive 100 Langleys (100 Langleys equals 0.97 kilowatt hours per square yard of collector, equivalent to 3,310 BTU per square yard) on a typical day. NE's yearly average approximates 300 Langleys per day according to weather bureau records that span more than 20 years of observations at places such as Logan Airport and Blue Hill Observatory in Milton, Mass. Since flatplate solar collectors work even on cloudy days, the region gets plenty of useful input from the sun.

How much energy does a building need? Although requirements vary with structural style, number of windows and amount of insulation, the Massachusetts Audubon Society's planned 8,000-sq. ft. addition will need 40,000 to 70,000 BTU per degree day.*

Most parts of New England suffer 1,000 to 1,500 degree days during January or February, making each day represent 34 to 51 degree days and making a similar building require about 1.36 to 3.56 million BTU per day. This represents 3,700 to 9,700 square feet of collector if the panels gather all the incident solar energy. Reflections and losses make 100% efficiency unlikely, so somewhat more collector is needed, say roughly twice as much.

### ECONOMIC PROS AND CONS

As the numbers make clear, doing the whole job with solar energy requires that energy use be reduced to a *practical* minimum or additional collector area be provided. Using solar energy to carry the basic load of the building and a conventional heating system to handle peak loads offers an economic solution.

At the present (undeveloped) state of the art, solar climate control makes sense as an adjunct to conventional methods. Economic analysis puts the optimum amount of solar heating or cooling at 50 to 70% of total requirements at current prices.

Keep several points in mind when you consider the financial pros and cons of free heat. First, you will not pay for fuel on a seasonal basis. Instead, your mortgage or lease payment will include equal monthly contributions (principal and interest) toward the capital cost of solar climate control equipment. Examination of the mortgage payment formula shows that a 15% increase in principal raises the monthly payment 15%. Conversely, if your fuel bill equals 12% of your mortgage payment, you could divert that expense to pay a 12% higher mortgage to cover the capital cost of solar equipment. Depreciation of the structure and incremental real estate taxes will replace fuel costs as expense items in your budget.

### WRESTLING WITH ROI

Reports that claim an optimum balance of solar and auxiliary heat raise several questions. Most important, what is optimized? Many analysts choose return on investment (ROI) as the criterion to justify a particular level of solar energy use. But the best ROI may occur far below the point at which solar heating costs equal the costs of other systems. Thus, if you chose to use solar energy until the solar cost equalled the cost of conventional sources, you might well find that 100% solar heat makes sense for you.

The best return on investment depends on current fuel costs as well as present construction and finance costs. As energy costs fluctuate, so does the ROI, and thus the "best" amount of solar energy for your application. Some analysts now feel that energy prices might double or triple within a few years. If true, this would make increasing amounts of solar power profitable.

Construction costs will trend upward with energy costs, but downward as production technology reduces component costs. Plastic, glass and aluminum comprise the basic materials for collectors, and all will rise in price. High levels of automation are practical in making solar collectors, so costs will probably follow material prices. All these factors combine to influence the ROI you can expect over the next five years. All seem to suggest that solar equipment is a good investment now and may get better in the near future.

Both incremental and total dollar costs of solar equipment will show optimum earnings rates at less than 100% sun power. In each case, varying the fraction of solar energy by ±50% of the optimum value would probably still provide a positive return. Other factors modify the choice within this range.

### COLLECTOR COSTS: $4.50/SQ. FT.

Rough estimates of cost for a large house, needing 25,000 BTU per degree day for space heating and 1,041 BTU per hour for hot water, work out as follows: Pumps and auxiliary materials cost $375. Figure $4.50 per sq. ft. for collectors at today's prices and 32¢ to 42¢ per gallon for water storage. Within five years, collector costs should drop to $2.50 per sq. ft., with other prices following the general economy. These costs apply only to the solar portion of the heating system; add the cost of auxiliary devices (conventional heaters).

On the regional level, solar installations can *at worst* help the economy. New England imports almost all of its heating oil and gas, and thus sends dollars overseas. Solar panels use U.S.-produced parts *locally assembled,* thus diverting payments from foreign sellers to the local economy. Even if foreign producers shipped completed solar panels to New England, the bulk of system cost would still feed the local economy.

What other factors influence the choice of solar energy? Uninterruptible energy supplies grow scarcer by the day. Energy from the sun, captured and stored locally, provides reliable power. Even partial solar climate control can cut fuel requirements enough to stretch shrinking allocations over growing businesses.

New construction using total solar energy climate control eliminates the furnace, smokestack, and some of the expensive maintenance that goes with operating them. Even when conventional heating equipment is installed as an auxiliary system, a smaller furnace does the job.

Power needed for pollution control may come directly from solar energy, or be fired from other uses by solar climate control equipment. Air pollution drops as less fuel is burned.

Solar power provides stable energy costs. Once installed, you know how much power you have and what you will pay for it. And it provides a measure of independence from energy suppliers.

### WHERE CAN IT BE APPLIED?

Whenever hot water or hot air at temperatures below 250° F will serve the end use, solar energy can compete. Space heating, hot water supplies, refrigeration and air conditioning all fall in this category. Furthermore, these uses represented 11% of the nation's energy consumption in 1968. More important, these uses accounted for 76% of the energy used by commercial enterprises. Industrial direct heat accounted for 11.5% of 1968 consumption, about 28% of all industrial use. These figures exclude process steam consumption, for which some displacement would be possible, since some steam uses were based on convenience and cheap energy rather than efficiency.

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* Degree days equal the difference between 65° F and the actual 24-hour average outside temperature. Thus a day when the temperature was 50° F for six hours and 10° F for 18 hours would contribute [65—(50x6/24 —(10x18)/24]=45 degree days.

Areas of use include schools and other public buildings; industrial and commercial buildings; old housing; new construction; and mobile homes. Each offers a specific group of factors that favors solar power. Predicting development is always risky, but the list is about in the order of likely development.

Schools make good candidates for solar climate control because they use lots of heating and air conditioning and have access to low-interest capital. Some states, like Massachusetts, subsidize construction costs heavily, again favoring high first cost and low operating costs. Furthermore, schools do not pay real estate taxes, so capital structure does not incur penalties compared with operating cost. Other public buildings and certain non-profit operations enjoy similar incentives to use capital intensive methods.

Industrial and commercial buildings and production processes also provide high-use loads that employ capital effectively. Tax writeoffs for pollution-related equipment and depreciation contribute to cash flow. Stable energy costs also make the investment attractive.

Old housing offers a high use application where the alternative of fully insulating may well be more costly and less effective than converting to solar heat. Rental units and buildings converted to commercial use involve financing and tax writeoffs that favor capital investment over operating costs. Low fuel allocation priorities add incentives for conversion.

### NO RESTRICTION OF BUILDING DESIGN

New construction of commercial, industrial and residential properties permit inclusion of solar climate control right from the design phase. Solar collectors can function as part of the wall or roof. Buildings can face their roofs toward the sun, sloped at angles that collect sunlight effectively. Energy-conserving designs reduce the collector area required to maintain human comfort.

Architectural style will not be limited to contemporary designs, either; the sharply pitched roof of New England colonial styles fits the solar application well. Large, flat-roof, one-floor plants now popular in many industries create large volumes with small surfaces. Slight modification of the roofline to a saw-tooth shape could provide north-sky lighting and south-sky heating, cutting both fuel and electric costs dramatically.

Mobile homes and office trailers can also use solar heating and cooling. Energy loads are relatively high because of the small volume enclosed, and such mobile buildings often park in sunny locations. Additional roof area, in the form of patio covers, can easily be added to mobile homes.

### POTENTIAL FOR AUXILIARY HEATING

Many industrial and commercial enterprises require auxiliary heating, often supplied by small electric space heaters or similar devices. A solar panel only 3x6 feet can replace a 1500-watt space heater. Using a sunny, south facing wall or a small, roof-mounted structure to capture sunlight provides the heat source which feeds hot water or hot air to a nearby inside location. A small fan or pump circulates the heat to point of use.

Entryways and lobbies offer opportunities for solar heating. These areas consume disproportionate amounts of energy as doors open to admit people. When the entry faces south, nearby solar panels can provide the necessary heat, but even a north exposure can use hot water piped from rooftop collectors. Decorative pools can provide some heat storage and tend to raise the local humidity, making lower temperatures acceptable. Hot water storage tanks, placed in utility rooms or behind screens, provide heat when the sun does not shine.

Covered walkways provide large roof areas for gathering sunlight to heat buildings or provide snow melting capability.

When used only for auxiliary winter heating the vertical walls of a building can capture significant amounts of energy to reduce fuel use. In New England the midwinter sun rises only 24° above the horizon, and a vertical collector receives 90% of the available energy. Such a collector would gather little energy in summer, so would not function well for both heating and cooling.

Hot water from solar heaters is a reality in many parts of the world including the southern U.S. As fuel prices rise, solar hot water supplies will become more attractive. Large, well-insulated storage tanks, suited for off-peak electric water heating, fit equally well to solar heating. In both cases the available interval for maximum power is about eight hours, and auxiliary heating provides a lesser capability at other times. A single 4 x 8 foot panel provides the equivalent of the 3 kilowatt electric heater in a 100-gallon tank.

### WHERE TO GET HELP

Almost every university or college in New England either has someone working on solar energy or can refer you to another source. State energy councils, usually reached through the governor's office, can refer you to knowledgeable sources. A few architects and engineers possess personal knowledge of solar energy, and the well-publicized research groups will help with referrals and reprints of publications.

Determination and ingenuity will key your whole program. Dr. William Shurcliff, a nuclear physicist who advocates 100% solar heating, puts it this way: "All the research houses built by universities failed. What we need is some ingenuity applied to real problems." New England business can surely find the shortest path to practical answers—look at the record.

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## COMMITTEE OF PARLIAMENT WARNS AGAINST AMERICAN NUCLEAR REACTORS

Mr. GRAVEL. Mr. President, on February 3, 1974, the Select Committee on Science and Technology of the House of Commons urged the British Government not to buy American nuclear power reactors; the committee's report questioned whether American light-water reactors are safe enough for a populous country like Britain.

Uncertainties about the design of the emergency core cooling system played an important part in the negative recommendation, according to the Washington Post, March 10, 1974.

Another important consideration, according to the March issue of "Not Man Apart," was the integrity of the pressure vessel itself. Sir Alan Cottrell, who is the government's chief science adviser and a metallurgist of international standing, testified to the committee that he is not convinced that PWR pressure-vessel integrity can be guaranteed. The rupture of the vessel could result in a catastrophic release of radioactivity to the environment.

In addition to the select committee, British opponents of American nuclear reactors include the head of the U.K. Atomic Energy Authority, the chief nuclear inspector, and the Institute of Professional Civil Servants, which represents 8,000 nuclear scientists and engineers.

## NATIONAL ENVIRONMENTAL POLICY

Mr. TUNNEY. Mr. President, recently in the surge of understandable concern about energy shortages, there seems to have been a concurrent ebbtide of concern about our environmental laws. Many have argued that these laws are inconsistent with the efforts to conserve scarce fuel, or that they are luxuries at a time of crisis.

There have been attempts to undercut laws and safeguards already on the books. But a careful look at existing environmental law shows that the environmental movement remains vigorous and purposeful.

### THE NATIONAL ENVIRONMENTAL POLICY ACT

The landmark National Environmental Policy Act—NEPA—has withstood the storm unleashed since the first court cases were brought to enforce its provisions. I was in the House when this act passed, and I recall fears that the environmental impact statement would be no more than a "filing requirement." It turned out to be much more. It has stimulated public participation and has given the public an opportunity to scrutinize Federal activities.

The court decisions assessing whether impact statements are adequate have forced more complete consideration of alternatives that are more environmentally sound. Suits based on noncompliance—when no statement was filed—have been used successfully to stop environmentally harmful activities such as clearcutting in the national forests.

While NEPA itself has not been amended or weakened, a few attempts to exempt Federal activities from its requirements have been successful. Two unfortunate exemptions—which I opposed—involve the barring of further court suits on NEPA grounds in the trans-Alaska pipeline project and the exemption from NEPA requirements of a Federal-aid highway being constructed through an urban park in San Antonio, Tex. I opposed the exemption from NEPA in the trans-Alaska pipeline case because I felt that the project could be constructed in a manner that would satisfy NEPA requirements, and the exemption was, therefore, unnecessary—and a bad precedent as well.

It is fair to say, however, that exemptions from NEPA are few and far between, and the law remains fully in force.

### THE CLEAN AIR ACT

Another important bill that is weathering the attack is the Clean Air Act. It is worthwhile to recall the statistics which were used to justify the legislation: $6 billion yearly in pollution-related health costs; $10 billion in property loss. This averages out to almost $80 a year for every American. EPA itself estimates that it will cost $15 billion over the next 5 years to control air pollution just from present sources. It states that—

> simply letting pollution continue will be far more expensive than spending what it takes to curb it.

The act declares that deterioration of air quality is a national public health problem. It requires attainment of ambient air standards by 1977, with interim levels set for 1975 and 1976, and it mandates a rollback in auto emission levels.

There were lengthy and heated discussions about implementation plans under the act for various regions, and there was strong resistance from Detroit concerning deadlines for reducing auto emissions. We have seen parking surcharges suggested and abandoned—for good reasons, I might add, since they were far too drastic. We have seen the development of the catalytic converter to reduce hazardous exhaust from the internal combustion engine, and have heard reports of new health hazards from the catalyst itself.

At this juncture, it seems clear that the road to clean air involves very basic changes in land use patterns and life styles, and for this reason, the majority of Congress seems to be persuaded that the time frame mandated in the legislation should be extended for 1 year. Importantly, however, no changes have been made in the basic regulatory framework in the legislation.

At the administration level, EPA has used the flexibility of the Clean Air Act to grant temporary, emergency variances in order to deal with the fuel shortage. Certain cities have been allowed to buy high sulfur residual oil for their generators because no cleaner products were available. However, variances have only been granted when no reasonable alternatives were available; and, to date, the number of variances has been limited.

The courts also have helped to enforce Clean Air Act requirements. Citizen suits have been brought successfully to compel performance of nondiscretionary duties. In a landmark decision last June, for example, the U.S. Supreme Court held that EPA could not permit the relocation of industry if it would lead to the deterioration of air quality.

### WATER QUALITY

Another major bill, the Federal Water Pollution Control Act amendments, survives unscathed. It is worthwhile to recall how ambitious the legislation is. An "interim" goal—which I initially suggested in the Public Works Committee—is to reach a level of water quality by July 1, 1983, that will protect fish, shell fish, wildlife and recreation. By 1985, the goal is to eliminate the discharge of all pollutants into the navigable waters of the United States.

It should be recalled that the President vetoed the water bill, ostensibly because it cost too much. The bill was quickly repassed over his veto by an overwhelming margin. The President then impounded cleanup funds, precipitating yet another constitutional crisis as to the proper separation of powers in our constitutional system of government. The courts upheld Congress and ordered the funds released.

The long-range implications of stopping all discharge into our waterways are likely to stimulate imaginative advances in technology. Technology is now being demonstrated to convert sludge into efficient energy for our homes and factories instead of dumping it in our waterways. Other kinds of trash and waste may also be able to be used to meet what will be a continuing shortage of domestic fuel.

My Subcommittee on Science and Technology recently held hearings on expediting research for waste conversion by strengthening the Resource Recovery Act.

### NOISE POLLUTION

The Noise Pollution Control Act of 1973 is another major environmental law which survives intact. I was chief sponsor and Senate floor manager of this act, which provides the first comprehensive Federal program to control unwanted sound. Specifically, the legislation sets up programs to control noise from new products, aircraft and interstate carriers. Most of the deadlines have been met, and citizen suits have been brought to compel compliance with remaining sections.

### LAND USE

Even now, as the legislative action in Congress focuses largely on energy questions, there is no corresponding shortage of initiative on environmental issues. Among the more important bills presently before Congress is the Land Use Policy and Planning Assistance Act. It passed the Senate last year but the House Rules Committee has indefinitely postponed floor action by failing to grant the necessary rule.

The land use bill addresses the basic problems of environmental degradation and energy waste by looking at unchecked and inefficient growth patterns. It will impel each State to develop a 5-year growth plan as a condition of receiving Federal funds. It is imperative that we begin the task of reshaping our attitudes about land. We must come to grips with the fact that uncontrolled and unlimited growth will lead inexorably to a lower quality of life.

### RESEARCH AND DEVELOPMENT

The West Coast Corridor Feasibility Study, which I sponsored, would authorize $8 million in Federal funds for a study of a high-speed ground transportation system which is clean, safe, quiet, economical, and efficient. The corridor would link major coastal cities from San Diego to Seattle. When developed, this mass transit system could reduce use of private ground transportation as well as air transportation. This bill is pending House action.

My second bill, the Automotive Research and Development Act, would provide $340 million over 3 years to develop a smogless alternative to the internal combustion engine. Far too little research has been done on clean engines, and, through this program, we should be able to continue to use needed private transportation without sacrificing clean air goals.

### TOXIC SUBSTANCES

Another vital bill, now in Senate-House conference, deals with regulation of toxic substances. As chairman of the Senate conferees, I believe we will soon report this significant legislation. The goal is to prevent unreasonable threats to humans—and the environment—from the use of products containing dangerous chemical substances.

### SOLID WASTES

The Resource Conservation and Waste Management Act of 1973, which is now pending in the Senate Commerce Committee, will stimulate resource recovery in lieu of disposal, and will contain a section on demonstration programs for producing energy from waste products. I am now developing this section from information received in the hearings I held in California.

### OFFSHORE DRILLING

As our fuel shortage stimulates increased exploration for vitally needed new sources of oil and gas, we must also insure that this exploration does not become a panicky, wildcatting stampede that tramples and desecrates our shoreline and our countryside. We know that the vast bulk of untapped oil and gas reserves in the country lie offshore along the Outer Continental Shelf. There are ways—carefully drawn and specifically spelled out—to assure production while protecting the environment, to impose strict and absolute safeguards while preventing another disaster like the one at Santa Barbara in 1969.

I tried to incorporate these principles in the Outer Continental Shelf Safety Act, which I introduced last December and on which hearings will be shortly scheduled.

Also, my bill will give an economic incentive to the oil industry to improve safety by making drillers strictly liable for damages from spillages or blowouts, and for the cost of cleaning them up. Most significantly, my bill will introduce a new planning process for Outer Continental Shelf leasing, by requiring the Interior Department to rank proposed lease areas by environmental and geologically and seismologically safe rather than in fragile areas like the Santa Barbara Channel.

### WILDERNESS AREAS

The California wilderness, where man can meet nature on nature's own terms, must be protected. The basic importance of wilderness is its capacity to meet human needs that civilization has left unsatisfied. I have already introduced legislation to set aside as wilderness six areas in the California forests and will soon introduce a comprehensive omnibus bill which will include both designation and study areas.

### URBAN PARKS

I have introduced legislation (S. 1270) to establish the Santa Monica Mountain and Seashore National Urban Park. The bill, cosponsored by Senator CRANSTON, would create a major national park along the beaches of Santa Monica Bay and the mountains and valleys of the Santa Monica Mountains in Los Angeles and Ventura Counties.

Never before in America has such a large, concentrated population suffered from such a scarcity of recreational resources. Ten million people live in metropolitan Los Angeles; yet the city has less open space than any other metropolitan area in the country, including New York. To compound this, over 8 million Americans visit southern California yearly.

If these mountains are developed, residents and visitors will lose the only remaining open space in the Los Angeles Basin and the city's last remaining nonpolluting buffer will disappear.

### IN CONCLUSION

We must not lose sight of the basic justification for environmental legislation: Protection of public health and welfare.

This same goal also justifies our need to solve the energy crisis, since without heating oil and gasoline, we cannot heat our homes, keep our factories running and keep vital transportation services moving.

Obviously, the most precious single environment is a person's home and his or her ability to live in comfort and in relative freedom from want. Both environmental safeguards and sufficient energy resources are necessary to protect this home environment.

A careful balancing process is necessary to protect our total environment. We must have smogless air, pure water, and quiet—and we must have jobs, heat, and vital services. So far, the balance has not tipped dangerously, and the sudden anxieties of the energy crisis have not washed away the progress made in environmental legislation and protection. It will not tip, if we all continue to work together.

## PUBLIC CAMPAIGN FINANCING

Mr. MATHIAS. Mr. President, I would like to call the Senate's attention to a very fine editorial, from the Philadelphia Inquirer, which supports efforts to enact a public financing/campaign reform bill. The editorial draws attention to the leadership being shown by the distinguished Republican Leader, Mr. Scott of Pennsylvania. I have been privileged to work with him on this bill and can attest to his great efforts to bring about clean elections.

I ask unanimous consent to have this editorial printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Public Financing Is a Key to Vital Campaign Reform

In a radio speech, President Nixon has finally outlined his own ideas on how to clean up political campaigns, Congress having sensibly rejected his proposal of a few months ago to assign the whole matter to still another study commission.

Many of Mr. Nixon's proposals are designed to end the abuses, to which he barely alluded, which infected his own re-election campaign. In 1972, for example, campaign committees with fancy names but no members proliferated as a device to get around the contributions and spending limits in the 1971 campaign reform act which Mr. Nixon had signed with a flourish. Now, he proposes that each political candidate have only one campaign committee, to be the depository of all funds raised in his or her behalf.

Preparing for 1972, the President's fundraisers went out of the way to collect donations in cash, which is hard to trace but not—as we have seen—impossible. For the future, the President would that all political donations over $50 be made by check or other negotiable instrument.

In addition, Mr. Nixon has changed his position to favor repeal of the proviso of the Federal Communications Act of 1934 requiring "equal time" for all candidates for an office, however insignificant or frivolous their candidacies may be. In 1972, the White House quashed repeal. So had President Johnson when the matter came up in 1964.

The electronic media want and should be allowed to give more free coverage of major candidates, including the kind of debates in which Mr. Nixon and John F. Kennedy engaged in 1960 when Congress suspended the "equal time" proviso.

On the negative side, Mr. Nixon has now made public his adamant opposition to public financing of campaigns. This "raid on the public Treasury," as he calls it, would have the effect of "undermining the very foundation of our democratic process."

It would, he argues, "not only divert tax dollars from pressing national needs, but would also require taxpayers to sponsor political candidates and parties with which they might totally disagree."

We think, to the contrary, that clean elections are as much a "national need" as any of the other things to which citizens contribute their taxes. The bills being considered in Congress would also not only provide funds for both major parties but include financing for minor parties, if these showed serious strength.

It is estimated that the 1972 federal elections cost between $200 million and $250 million. That's only $1 or perhaps $1.25 per citizen—a small price to pay for a great investment in keeping our democratic process fair and honest.

As the citizens lobby Common Cause points out, that would be considerably less than the $500–$700 million more which Americans had to pay for milk alone after dairy producers made their huge contributions to the President's campaign.

In a Gallup poll last September, two-thirds of Americans surveyed favored a total ban on all campaign contributions from private sources. We think the bill sponsored by Sen. Hugh Scott and Sen. Edward Kennedy goes in the right direction. It would provide for all public financing, or for a mix of public and private, and it would set reasonable limits on the amounts that could be spent.

Mr. Nixon says that a free society should have no such "artificial limits". Well, we have seen the "horrors," in ex-Attorney General John N. Mitchell's word, caused by having no effective lid at all and too much money to spend.

What truly undermines the foundation of our democratic process is a system in which candidates must raise enormous sums from special interests, which almost always expect their quid pro quo. If we have learned nothing else from Watergate, surely we have learned this.

## NEW HAMPSHIRE SPEAKS OUT FOR RAIL SERVICE

Mr. McINTYRE. Mr. President, the Interstate Commerce Commission has recently held hearings in the Midwest and Northeast region to determine a rail reorganization plan for this area. These hearings represent the second step in a yearlong process to establish a feasible and economically sound plan for improving rail service for this region.

Representatives from all over New England were asked to give testimony in Boston last week on the preliminary report of the Department of Transportation's recommendations for reorganizing these rails. The Governor's office in New Hampshire was very ably represented by George Gilman, commissioner of New Hampshire's Department of Resources and Economic Development.

Mr. President, I therefore, ask unanimous consent that his testimony be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Testimony of Commissioner George Gilman

Mr. Chairman: I offer for the record a letter from Governor Thomson which I would like to read.

Please note the importance which Governor Thomson places on recognition by the I.C.C. Rail Service Planning Office of a revised "core" system plan for New Hampshire following along the lines of serving existing rail users and taking account of New Hampshire's rapid industrial growth.

I recognize that this is but the second of seven steps in the Federal Government's railroad planning process. We hope this will lead to a strong and healthy rail system.

The vitality of our rail service is critical to the national and regional economies but very directly also to scores of New Hampshire communities whose names appear on maps only in fine print.

New Hampshire's growth and prosperity as much as those of any state in the nation were built on a rail network which once linked all of our large communities and most of the small ones to one another and to the outside world. New Hampshire's vital industrial base which provides jobs for our people still owes its existence to rail service.

For the past several years our state has fought before the I.C.C. and in court and more recently negotiated in earnest good faith to stem the tide of abandonments which would serve only to injure the state's economic future.

Now, no more serious threat to our economy has emerged than the recommendations in this core report.

A survey of medium and large employers in our state shows that more than 20,000 jobs would be endangered by the loss of rail service, and another 26,000 would be affected. This amounts to more than half the manufacturing jobs in New Hampshire.

A substantial majority of these manufacturing facilities may be directly affected by the cutbacks envisioned in the core report, while we are aware as well that New Hampshire will be able to draw on Federal monies to subsidize or assume rail service where it is considered vital where it is not part of the consolidated rail system, this is not a viable remedy.

New Hampshire is skeptical of the efficacy of "subsidies" either offered by the Federal Government or State Government.

Rather, in our view a core plan which we propose as a substitute will in our judgment contribute to a sound New Englaid rail system and best serve New Hampshire.

The heart of this discussion and the reasons for our appearance is to indicate very strongly that the DOT "core" system is unacceptable.

Frankly, it is inadequate; it is wrong in concept; and Governor Thomas and others representing New Hampshire will fight its implementation at every step.

In substitute, I submit a plan for rail servive for New Hampshire as part of a "core" system and I should indicate it is the minimum we can accept. It represents New Hampshire's vital needs now and in the future.

I submit a copy for your records. Please note that it has seven components:

(1) Service through the industrial heartland of New Hampshire up the Merrimack River, at least to Meredith, the base of the White Mountains.

(2) The eastern area on New Hampshire servicing industrial Strafford and lower Carroll Counties to the base of the White Mountains.

(3) East/West service in an area projected for substantial future industrial growth extending on a line from Portsmouth to Manchester. Note also that a spur leg running south along the seacoast from Portsmouth is necessary.

(4) Service to industrial Cheshire County linking onto main line service along the Connecticut River.

(5) Service into southwestern Hillsborough County.

(6) The vital link branching from the Merrimack River line just north of Concord and running into White River Junction, the so-called northern line.

This line is essential for heavy and wide loads and provides an additional entry and exit to New Hampshire other than that running south to the Boston area.

(7) The northern complex of existing service serving industrial communities of Woodsville, Littleton, Lancaster, Groveton and Berlin. Jobs are not easily come by in this northern part of our state and it is imperative that existing rail service there be maintained.

The above seven segments represent an accommodation between past rail service and the sharply curtailed cutbacks proposed in the "core" report. It seems to me clearly sensible that New Hampshire can expect this much from our Rail Planning Office.

It provides for existing service to New Hampshire industries and would recognize future growth patterns of our state. Nothing less would be satisfactory.

## CAPITAL PUNISHMENT

**Mr. HARTKE.** Mr. President, recently the Senate approved legislation which establishes a mandatory Federal death penalty for certain crimes. I opposed that bill, because the death penalty is both morally wrong and unjustifiable in practice.

I spoke against the bill on the floor of the Senate, saying that "vengeance is within the province of the Lord; it should not be a substitute for justice." The only possible rationale for the death penalty is vengeance; it does not deter crime or decrease murder.

Mr. President, an article on this subject appeared in today's Washington Post. Written by William Raspberry, I believe that it succinctly states the essence of the Senate debate on the capital punishment bill. I, therefore, ask unanimous consent that the article be printed in the Record.

There being no objection, the column was ordered to be printed in the Record, as follows:

### DEBATING THE DEATH PENALTY

(By William Raspberry)

("While many people who support the death penalty believe that it would help prevent certain heinous crimes, my guess is that they support it for another reason: retribution.")

The Senate may have been reflecting the wishes of the people if not its superior wisdom last week when it voted, 54 to 33, to restore the death penalty for certain categories of federal offenses.

And now the lobbyists for morality are turning—not very hopefully—to the House in their effort to let the death penalty stay dead.

As was the case when the bill was under consideration in the Senate, its opponents will argue in the House that there is no reliable evidence that capital punishment deters crime and, therefore, it shouldn't be enacted.

I'm guessing that that argument will be as ineffectual in the House as it was in the Senate, and for the same reason: It misses the point.

To begin with, capital punishment would deter certain kinds of crime: income tax evasion, for instance, or speeding. If it were a certainty that any person caught deliberately underpaying his income taxes or driving his car too fast would be put to death, hardly anybody would underpay his taxes or drive too fast.

Of course no one ever proposes capital punishment for the kinds of crime that it clearly would deter. And the evidence is at best inconclusive that it would deter the sorts of crimes for which it is proposed: treason, kidnapping or murder in the course of skyjacking.

But again, I doubt that that is the point. While many people who support the death penalty believe that it would help prevent certain heinous crimes, my guess is that they support it for another reason: retribution.

That is, certain offenses—brutal rapes, mutilations, mass murder, for instance—strike some people as so foul that they are willing to see their perpetrators dead, no matter whether anyone else is deterred.

I don't feel that way, but I appreciate the difficulty of arguing with those who do. If your statistics are drawn with enough care and presented with enough clarity, you can win the argument over deterrence. But if the debate is not over efficacy but over deserts—whether a particular low-lifed s.o.b. deserves to die—you might as well shrug your shoulders and walk away.

It is interesting, though, that, even among those who would conclude that certain abominable offenders deserve to die, few would be willing to carry out the sentence themselves, just as few of them would be willing to participate in a lynch mob. But it's okay if the *state* does it; the state, by speaking solemn legalisms and conducting stony-faced rituals, transforms mere killing into *execution*, which sounds much less offensive.

But is it, really? Sen. Harold E. Hughes (D-Iowa) invokes the usual efficacy argument against capital punishment as well as "the shortest of the Ten Commandments: 'Thou Shalt not kill.' "

Then he adds: "I oppose the death penalty because it demeans human society without protecting it." Hughes is saying that a lynch mob by proxy is still a lynch mob.

He made some other points that deserve consideration. Capital punishment, almost of necessity, is "capricious and unjust in its application. It discriminates against the luckless, the poor and the racial minorities."

That is one of the key reasons for the Supreme Court's 1972 decision outlawing the death penalty. Judges and juries had so much discretion in deciding when to impose the death penalty, and used that discretion in such wildly varying directions, that the court ruled it unconstitutional.

The bill that now goes to the House seeks to overcome the court's objections by spelling out specifically which crimes are subject to the death penalty and by making the application of the penalty (with certain exceptions, also spelled out) automatic upon conviction.

But Sen. Hughes' objections weren't so much constitutional as moral and practical.

Capital punishment prolongs court proceedings, he said, both because of the certainty that the condemned will seek every possible appeal and delay and because of the added weight it puts on jury deliberations. If a mistake is made, if the convicted person turns out to be innocent, "there is no road back." Then:

"Finally, I oppose the death penalty because it is grossly destructive of human hopes for a society more amenable to peace and less dependent on violence for the solution of its problems."

Unfortunately, Hughes' arguments—and those of others, including Sen. Philip Hart (D-Mich.) and Sen. Edward Kennedy (D-Mass.)—left a majority of the Senate unmoved. Nor is there much hope for a more civilized outcome in the House.

Well, if they are going to enact capital punishment, let me propose an amendment that occurred to me last week when I was watching NBC's "The Execution of Pvt. Slovik":

Be it further enacted that members of any jury that votes the death penalty, and any magistrate who upholds said vote, shall together comprise the firing squad that will execute the sentence.

## THE REMOVAL OF THE OIL EMBARGO

**Mr. ROTH.** Mr. President, the removal of the embargo provides some relief, but it should not cause us to relax our efforts in working to solve the energy crisis. The embargo's end cannot mean a return of the wasteful practices of yesterday, but it does provide us an opportunity to work—and I emphasize the word work—out of our current situation. It is very tempting to believe—even when we know better—that the energy crisis is not really real. It is comforting to think that it could disappear just as rapidly as it came. Let no one be mistaken, there is a shortage. There is not enough oil and energy to keep our economy growing; to provide all the jobs necessary for our increasing population; to provide the gas, air-conditioning, and recreation that more and more Americans are becoming accustomed to. There is no way out of this situation except through sacrifice and hard work.

The recent episode has been a sad one for Americans. It is sad but true that too few, both in public and private life, have demonstrated the kind of leadership that will enable us to overcome this current condition. It deeply disturbs me that too many on both sides of the political aisle were willing to play politics. I take strong exception to those in the administration who claimed—wrongly in my view—that the crisis was over. In addition, the role of Congress provided a sorry chapter of events following the onset of the crisis. Too many in the Congress have been willing to play politics with a problem that touched every aspect of American life. At this late date, despite much activity and noise, Congress as a whole has not yet passed any legislation to increase the supply of oil and energy. Its principal legislative proposal, the Energy Emergency Act, has been denounced by several influential publications ranging from the Wall Street Journal to such papers as the Washington Post and the New Republic. In recent years, Members of Congress have deplored its diminishing role in governmental affairs. Too often the White House has preempted the leadership role. Yet, nothing in the recent conduct of either House would indicate the Congress is ready to assume a leadership role.

One of the sorriest pages of the recent chronicle of events have been the lack of leadership in the oil industry itself. I had hoped that somewhere someone among the business leaders of this industry who have the expertise needed today would come up with some constructive proposals to make this Nation self-sufficient. Unfortunately, all one has heard is justification of high profits. Where are the men of vision and leadership, both in and out of government, who put the Nation's welfare above political ambitions or corporate profits?

With the end of the embargo, we have a new opportunity to develop an effective national energy program that will be in the interest of all the people. This also gives Congress the opportunity and the obligation to provide constructive leadership, leadership not subject to the personal ambitions of the Members of Congress. This is the time for the Congress to create an ad hoc energy committee that would look at all aspects of the problem rather than to take the piecemeal approach, marked by bitter competition among congressional committees.

In developing a national energy program, I believe the following additional things should be done:

First. Institute now a major research and development program that will make this Nation self-sufficient in the early 1980's. Let us put together the best group of scientists and managerial talent to lead the way. Do not say, it cannot be done. That was not the attitude which put a man on the moon.

Second. Reform depletion and other oil and gas tax advantages so that they will provide true incentives for new energy sources as well as honest to goodness competition in the industry.

Third. Move full steam ahead on allocation and standby rationing programs so that we are ready for any future emergency. The public will respond if persuaded the programs call for equal sacrifice and effort in all regions of the country and all parts of the economy. We need programs to insure fairness so that we can devote our full efforts to providing for all rather than more fighting over who will get more or less of what is available.

Fourth. Develop procedures that will assure a fair hearing to those who believe that their groups have been unfairly treated, such as the truckers and gasoline station owners. I strongly urge adoption of my legislation to create an Office of Private Grievances and Redress.

Fifth. Develop a strong energy conservation ethic. It is imperative in the days ahead that each of us conserve gasoline and other forms of energy to help insure the future growth of our economy.

Sixth. Develop policies that will put foreign nations on notice that this country will not sit idly by, but will take countermeasures in the event of future embargoes or blackmail.

All of this and more needs to be done. Let us put country and the people's welfare above profits and personal ambitions. Let us get on with the job.

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## REPORT ON INSPECTION TRIP OF ARMED FORCES PROGRAMS

Mr. STENNIS. Mr. President, I ask unanimous consent that there be printed in the Record a report to me, as chairman of the Armed Services Committee, from the ranking minority member, Senator Thurmond dated February 13, 1974. The report summarizes in a very brief and informative way certain weapons systems he observed during a visit to the plants which are producing these items. This report represents a firsthand observation of Senator Thurmond, and I know it will be of great interest to all Members of the Senate.

There being no objection, the report was ordered to be printed in the Record, as follows:

Report by Senator Strom Thurmond to Senator John C. Stennis, Chairman, Senate Armed Services Committee, on Orientation Trip to Pennsylvania, Connecticut, and Vermont, February 13, 1974

Mr. Chairman, I am submitting herewith a report concerning my one-day orientation trip to inspect Army, Navy and Air Force programs at Philadelphia, Pennsylvania; Stratford, Connecticut and Burlington, Vermont. During this visit I was briefed and inspected progress on the following programs: UTTAS, HLH, CH-53E, General Electric T-700 engine and the GAU-8/A 30mm gun. The following are some of my observations concerning these programs:

1. Utility Tactical Transport Aircraft System (UTTAS)—On this trip I visited both contractors in the UTTAS competitive prototype competition, Boeing Vertol and Sikorsky. Each company has been authorized 3 flying prototypes. First flight is scheduled for November of 1974 although both expect to get their No. 1 aircraft airborne sometime during September.

Helicopters, with their complex rotor, drive and flight control systems require longer flight periods than fixed wing aircraft so 14 months of contractor tests and six months of user tests are planned. This aircraft will replace the HUEY and will be used essentially to transport personnel into combat landing zones. It will be able to carry a full squad of 11 men, thus enabling the Army to maintain the organizational integrity of the infantry squad. Presently the HUEY is too small and underpowered for this job. Essentially the two aircraft appear very similar although the Sikorsky helo is about 5 feet longer and employes a tail wheel as opposed to the Boeing nose wheel design. There are also differences in the rotor systems and blades. Boeing uses a fiberglass base structure in the blade whereas the Sikorsky helo depends on titanium for its structural integrity.

It appears that the intense competition is resulting in an outstanding design and production work, plus real cost savings. Experience in recent years indicates that relatively low cost hardware programs such as the UTTAS are best developed in this competitive prototype environment.

2. Heavy Lift Helicopter (HLH)—This program began with development of critical components and last year the Congress approved one prototype. In the current budget the Army is requesting a second prototype on the grounds it reduces the program risk and shortens the development period. The HLH is a totally new helo, using the fly-by-wire guidance method and a tandem rotor. It is designed to lift 22.5 tons under stringent ambient conditions and over 30 tons under normal conditions. This requirement is based on the new container configuration used by the Army and independent shippers. First flight is scheduled for August 1975.

3. CH-53E—This helicopter is a product improvement of the CH-53A and is being developed by Sikorsky. Two prototypes will be built and it is designed to lift 16 tons which is double the load of the CH-53A. This older aircraft is now in the foreign sales program. The additional lift capability of the "E" model is achieved by adding a third engine, an extra rotor blade and other improvements. The Navy needs this particular size helicopter for below deck storage on aircraft carriers. It is actually a heavy lift helicopter, but of course can carry over 100 personnel and sizeable cargo loads internally, whereas the HLH is strictly a "lift" helicopter.

4. General Electric Engine, T-700—This engine was selected in competition for use on both UTTAS prototypes and will also be used on the AAH (Attack Helicopter). It has four major advantages over present helicopter engines. Briefly, they are:

(a) Lower fuel consumption.

(b) Use of a new type integral foreign object separator to keep the engine free of sand and dirt associated with takeoffs and landings.

(c) Lower maintainability due to access and engine construction. (A small set of wrenches are used for field maintenance.)

(d) Built-in design life three times greater than any other helicopter engine.

While this engine has met or exceeded requirements to date it faces a critical milestone in order to be cleared for the first UTTAS flight tests in September of 1974.

5. GAU-8/A 30MM Gun—This gun is very large and the A-10 fuselage was designed to accept it. It was built to defeat tanks at a greater than 4,000 foot slant range. Some recent development changes involved reduction of the huge drum from 41 to 34 inches in diameter. This gun is mounted in a nose section of the A-10 in Burlington, Vermont and it was demonstrated during my visit. This particular gun has fired about 8,000 rounds. Another gun is one of two prototypes at Edwards AFB, California and has fired 800 rounds in ground tests. The first flight tests are scheduled later this month.

The successful development of the GAU-8 is essential to the success of the A-10. Because of its great size, weight and power, flight tests will be critical, as a weapon of this type has never been fired from a relatively lightweight plane of this type. Also, crucial to the GAU-8 tests is adaptation of the depleted uranium or tungsten carbide penetrator round which to date has not been tested from the gun. A penetrator of great density is essential if the gun is to meet its armor killing requirement.

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## AEC USING MEANINGLESS SAFETY FIGURES

Mr. GRAVEL. Mr. President, recently the AEC paid professors at MIT 2 million tax dollars to estimate the probability of a nuclear power catastrophe. The report, which is known as the Rasmussen study, provides the AEC with figures like one-chance-in-a-billion per plant, per year according to the AEC.

The following warning about the report has been issued by the Committee for Nuclear Responsibility, P.O. Box 2329, Dublin, Calif. 94566:

### Figures From the Study Are Necessarily Meaningless

First reason is the difficulty of predicting either the frequency or the consequences of human error (and malice). Error or malice could instantly reduce the catastrophe-odds from 1-per-billion to near certainty. Estimates about the small chance of a nuclear disaster depend on the reckless assumption that operators of nuclear plants will make no serious errors during emergencies; also, that no demented or hostile people will try to destroy the plants.

*Second reason* is the lack of experience with operating nuclear hardware. Since the very first 1,000-megawatt nuclear plant went into operation in June 1973, experts have hardly one reactor-year of experience to examine. They can do little better than guess when they assign reliability estimates to nuclear hardware of this type. Furthermore, for 4 years straight, the AEC has had to scold and to fine nuclear equipment firms, engineering firms, and utilities for unacceptably sloppy quality-control, but according to a report in the Los Angeles Times, Dec. 26, 1973, the industry is still unresponsive.

Third reason is the unjustifiable assumption that nuclear safety-systems (some of them never tested) have been properly designed. This assumption denies all the recent nuclear "surprises" which show that nuclear engineers are failing to foresee all the design problems. If the design of a safety-system is defective, even perfectly working hardware will not make it effective.

Fourth reason is the flaw of assuming that all possible paths leading to a catastrophe have been recognized. As recently as October 1973, the AEC's Director of Regulation, L. Manning Muntzing, admitted to a Congressional Committee (JCAE): "I'm really concerned about some of the surprises we see". How many unsuspected paths to catastrophe are still waiting to be discovered?

### OR IS IT 1-CHANCE-IN-90?

On January 31, 1974, AEC Commissioner Dixy Lee Ray testified to the JCAE that the chance of a core-meltdown is one-in-a-million per reactor per year (compared with 1-per-billion for a "catastrophe"). But, according to Dixy Lee Ray, "The study indicates that it [core-meltdown] would not be an extraordinarily large accident due to the presence of many other safety features."

It is clear why the AEC must suddenly deny that a core-meltdown could be a catastrophe. If the chance of a major meltdown were really as low as 1-in-a-million per reactor-year, and if we let the AEC license 280 plants for operation by 1985, it would mean the probability of a meltdown accident during the 40-year lifespan of those plants would be unacceptably high: one-chance-in-90.

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## WORLD SEEN NEAR A FOOD DISASTER

Mr. JAVITS. Mr. President, tomorrow, the Foreign Relations Committee will hold the first of 2 days of hearings on a new 3-year authorization of funds for the International Development Association, the soft loan window of the World Bank, designed to aid the world's poorest nations. Everyone who has studied the oil price increases demanded by the OPEC nations agrees that the developing countries will be the most seriously affected. Their economies are fragile and have few possibilities for the type of conservation measures that have so aided the United States recently. These countries are also unlikely to benefit from substantial new investments by the OPEC countries and cannot borrow easily in international financial markets. Their plight is extremely serious.

An article and editorial published in the New York Times emphasizes the seriousness of the situation. They deserve our attention, Mr. President, and I ask unanimous consent that the article by Harold Schmeck, Jr., and today's excellent editorial by James Reston be printed in the Record.

There being no objection, the article and editorial were ordered to be printed in the Record, as follows:

### World Seen Near a Food Disaster—Rockefeller Fund Head Asks New Ethic of Austerity

(By Harold M. Schmeck, Jr.)

Washington, March 14.—Dr. John H. Knowles, president of the Rockefeller Foundation, said tonight that the world was coming close to the brink of a Malthusian disaster, with starvation and misery for millions, because of rising population, changing climate and economic perturbations such as the oil crisis.

Dr. Knowles called for a new ethic of austerity for the United States, as a world leader, to help the world avoid disaster.

The new ethic, he said, must involve controlled economic growth that conserves scarce resources, controlled fertility rate and markedly increased support for the World Bank, the United Nations and the Agency for International Development.

Above all, he said in a speech prepared for the Urban Institute here, there must be a recognition in the United States and abroad that world civilization is rightly interdependent and that concern for conservation must replace the traditional concerns for production and growth.

Dr. Knowles said he hoped that the American people would provide a model of moral and intellectual suasion for an interdependent world of nation states based on austerity and emphasizing the quality, as contrasted with the quantity of life.

The Rockefeller Foundation was a major force in producing the so-called "green revolution" that provided new high-yield types of grain for underdeveloped regions of the world. Some persons had hoped that these developments in agriculture would be a major factor in preventing world starvation, but the calculations depended on other factors, too, including control of population growth and favorable climate conditions.

Dr. Knowles said food scarcity and short energy supplies alike had hit the world with a jolt as the inexorable expansion of the world's population proceeded apace.

Changes in climatic conditions, with increasingly scarce water supplied in some areas such as the Indian subcontinent and parts of Africa, together with the need for increasing quantities of fertilizer and pesticides had helped bring the world close to Malthusian disaster, Dr. Knowles said.

He said the rising price of oil may prove to be the straw that breaks the world's back because of its adverse effect on nations that have a desperate need to increase their food supply.

Thomas Malthus, English economist of the late 18th and early 19th centuries predicted that ultimately population would outrun food supply and that the two would be brought into balance again only by starvation.

Among the 2½ billion people living in the world's less developed countries, Dr. Knowles said, 60 per cent are estimated to be malnourished, underdeveloped physically and poorly educated and 20 per cent are believed to be starving at this moment.

Dr. Knowles is the second high official of the Rockefeller Foundation to speak out in recent weeks on the potential gravity of the world food situation. At the annual meeting of the American Association for the Advancement of Science last month, Dr. J. George Harrar, president emeritus, warned that present levels of technology and natural resources would be insufficient to feed the world population of the future.

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### McNamara Looks Ahead

(By James Reston)

Washington, March 19—One of the charges made against officials and press alike during the oil crisis was that they did not alert their peoples in time to the magnitude of the problem. They saw the trend but not the stupendous dangers ahead, so now they are looking forward to even more serious world economic crises.

Here for example is Robert McNamara, president of the World Bank, asserting with almost missionary zeal that the rich nations have not yet calculated the economic and human consequences of quadrupled oil prices or even begun to grapple realistically with the food and fertilizer shortages he sees ahead.

A few years ago he protested publicly when C. P. Snow, the British scientist, predicted at Fulton, Mo., that before long the world would be watching "millions" of human beings on television dying of starvation. Now, he says, he is not so sure Lord Snow was overly pessimistic. One or two more seasons of bad weather, he oberves, and the human family will be enduring unimaginable disasters.

Helmut Schmidt, Minister of Finance of the Federal Republic of Germany, is almost as gloomy about the divisions among the advanced nations at a time when the world economy, despite rent boom conditions, is entering a phase of extraordinary instability.

Writing in foreign Affairs for April, he sees a struggle for the distribution of essential raw material developing in the world, with most nations looking to their own selfish interests and avoiding cooperative planning necessary to meet the common problems.

"It is a struggle for the distribution and use of the national product, a struggle for the world product . . . Mr. Schmidt says. "The struggle over oil prices may be followed tomorrow by a similar struggle over the prices of other import raw materials. And since what is at stake is not just pawns on a chessboard, but the peaceful evolution of the world economy and the prosperity of the nations of the world, we need a politically sound philosophy if we are to win this dangerous fight."

Mr. NcNamara's experts at the World Bank estimate that India alone will have to find an additional $1 billion a year just to pay the increased cost of oil at present prices. In addition, the hundred poorest countries of the world, where two billion people exist, 40 per cent of them in semi-starvation, the rise in fertilizer prices will cost them an additional $1 billion, which of course they do not have.

This year, he notes, the advanced nations of the world will have to pay $53 billion more for the same amount of oil products they consumed in 1973. The increase for all the poor nations will be $10 billion. Meanwhile, the increased revenues to the oil producing states this year will be on the order of $63 billion, and half of this going to Saudi Arabia, Kuwait, Qatar, Abu Dhabi and Libya.

"Were no other changes to affect international trade," McNamara says, "the 1973 current account surplus of the developed nations would turn into a deficit of $41 billion and the 1973 current account deficit of the developing nations would double to $23 billion.

"Such deficits," he concludes, "threaten the stability of the economies of the oil-consuming nations throughout the world. Individual nations may seek to finance the deficits by unilateral, beggar-my-neighbor policies of drastic exchange rate adjustments and severe trade restrictions. But such efforts to expand exports and restrict imports, if pursued by many nations, can only lead to a worldwide deflationary spiral. . . ."

These anxieties are shared by Secretary of State Kissinger and the departing Secretary of the Treasury, George Shultz, yet while U.S. official development assistance to the world amounted to 2.79 per cent of the U.S. G.N.P. in 1949, it is now only .22 per cent, and the House of Representatives rejected last Jan. 23 U.S. participation in the replenishment of the International Development Association funds for the poorest nations.

Mr. McNamara called this at the time "an unmitigated disaster" and ever since he has been running around the world trying to persuade the rich nations to calculate the consequences of the coming world disorder. He got some promise of help from Iran ($200 million at 8 per cent interest and $150 million a year for soft long-term loans at 2 per cent) but he will have to get many more advance commitments to keep the international development assistance program going after July 1.

This is the somber prospect that helps explain Washington's irritation with the current squabbles among the allies over the procedures rather than the substance of the world economic crisis. Mr. Kissinger is alarmed by the disarray he sees in the world and exasperated with the slowness of coming to grips with it—sometimes exasperated at his own exasperation.

Mr. McNamara notes the fact that the most fighting has taken place in the poorest regions of the world and equates political stability with economic stability. Helmut Schmidt comes closer to the bone.

"In the short run," he says, "there is at least a point beyond which economic stability would be in jeopardy. And that point is reached whenever the industrialized countries are confronted with intolerable adaption and reorganization problems incapable of being solved at short notice and are thus driven into employment crises or toward an even higher rate of inflation. I do not wish even to contemplate a point—at least theoretically conceivable—beyond which the irrational use of force might ensue . . ."

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## A THREAT TO AMERICA'S FISHERMEN

Mr. McINTYRE. Mr. President, the New England fishing industry is as old as our country. Its traditions, like those of the Nation, are strong and durable. New Hampshire has played a major role in this industry for hundreds of years. However, in spite of these long-standing traditions, the fishing industry in New Hampshire, in New England, and up and down our coastlines is now being threatened.

Foreign fishing fleets are plundering our great reserves, operating without regard for conservation or preservation of fish populations—often just outside the present 12-mile territorial limit. These acts, which are not prevented by any current laws, can lead only to the demise of the American fishing industry.

For example, in 1966, of the 3 million tons of fish caught off New England, only 227,000 tons were caught by New England fishermen. Our fish populations are being depleted at our own expense.

It is in recognition of this grave threat and the necessity of extending our 12-mile territorial limit to 200 miles that I ask unanimous consent that the article, "The Need for Swift Action," appearing in the February 1974 issue of Field and Stream, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### The Need for Swift Action

(By A. J. McClane)

On October 11th, 1973, Frank Mather of the Woods Hole Oceanographic Institution threw the gauntlet before a group of sportsmen, commercial fishermen, scientists, and members of the State and Interior departments in a meeting held at the National Marine Fisheries Service in Washington, D.C. In his coolly scientific way, with the aid of charts and slides, Mather condensed twenty-three years of research into a shockingly inescapable conclusion. For all practical purposes, our Atlantic bluefin tuna population is nearing extinction. Seemingly, this would have little impact except on a handful of anglers, but this is only one parameter in a problem that can no longer be ignored. The luxury of *speculating* on the management of American marine resources is past. It is now time to enact a Salt Water International Fishing Treaty.

Despite SWIFT'S origin at Field & Stream, the concept is not a brainchild of our Circulation Department; with an audience of 8 million readers and a 78-year tradition of helping to create conservation projects as the Pribilof Island Seal Treaty and Ducks Unlimited, Field & Stream seeks only to generate public support through all available media—to resolve another crisis of greater magnitude—because it affects every American citizen.

As anglers, our interest is essentially sport-oriented. However, the problem cannot be separated on the basis of specialized methods of harvest. Methods can be controlled, but the total loss of a fishery cannot be prevented without a basic understanding of how we as a nation, capable of producing spaceships that carry man to the moon—a lifeless planet—are incapable of preserving the viability of our oceans.

Man has until very recently viewed his seas as a vast, undepletable resource. Ever since Captain John Cabot returned from his first voyage to the New World—not with stories of exotic spices and gems—but tales of a region so filled with fishes that "they could be caught simply by lowering weighted baskets in the water"—the idea has persisted that the ocean's bounty is without limit. But under that 137-million square miles of water, only a narrow shelf around the earth's continents has the basic fertility to produce an abundance of aquatic life. It is concomitant to mention in these days of an energy crisis that our seabed lands also hold oil, gas, and hard mineral reserves that may well determine the future of our U.S. economy.

Thus, it is appropriate to define a coastal nation's rights to ocean resources—including their management—to the extension of its submerged continental landmass. The idea is not new. The Truman Proclamation of 1945 established the ground rules:

". . . The United States regards the natural resources of the subsoil and the seabed of the continental shelf beneath the high seas but contiguous to the coasts of the United States, as appertaining to the United States, subject to its jurisdiction and control."

President Truman's reasoning was as follows:

". . . the exercise of jurisdiction over the natural resources of the subsoil and the seabed of the continental shelf by the contiguous nation is reasonable and just since the effectiveness of measures to utilize cooperation and protection from the shore—since the continental shelf may be regarded as an extension of the landmass of the coastal nation and thus naturally appurtenant to it (since these resources frequently form a seaward extension of a pool or deposit lying with the territory) and since self-protection compels the coastal nation to keep close watch over activities off its shores which are of the nature necessary for the utilization of these resources."

While there is for the moment a workable agreement among nations with respect to those resources found in their seabeds, the critically vulnerable living resources are harvested under a variety of territorial limits established unilaterally, ranging from America's archaic 12-mile zone to the 200 miles of Ecuador, Peru, and Brazil. This created near military confrontations between the U.S. and Peru—and Great Britain and Iceland during last year's "Tuna and Cod Wars," which have centuries-old precedent beginning in 1625 when the Dutch Navy employed gunboats to protect its herring fleet. Many unsung battles have been fought in the past. However, gunboat diplomacy is far removed from intelligent marine-fisheries management—which thus far has played a minor role in the politically oriented meetings between nations. The American government has with blind consistency done nothing to unilaterally extend its 12-mile fishery zone, but chosen instead to seek mutual agreement with other countries—and failed—while the very resources we must protect are dwindling to the point of no return.

As diplomats we have been as effective as a one-legged man trying to win a behind-kicking contest.

The American position is ludicious when the Ecuadorian Navy, for example, employing vintage U.S. destroyers, effectively defends an *its* declared 200-mile limit against the tuna clippers of all nations while the fish off our own coast are being decimated by international conferences.

Until this year, the bluefin tuna of the Atlantic had no economic value on the American market. Tuna, as the mayonnaise-oriented house-wife cherishes it, is principally taken off California, Mexico, and the west coasts of South America and Africa, and includes the yellowfin and albacore. The Atlantic bluefin's chief value has been to anglers in the party-boat and charter-boat trades. In 1972, if you wanted to sell a tuna at dockside in Gloucester, it would bring a top five cents per pound.

This past summer the price rose to *one dollar and five cents* per pound—a rewarding figure for fish weighing from 600 to 900 pounds.

Finding the last remnants of giant bluefin schools off our New England coast, the Japanese commercials caught, bought, and airlifted every available tuna—14- to 20-year-old fish—which only a miracle can replace. This has been rationalized as an island nation's search for protein and has a prophetic parallel in the depletion of whales which is worthy of comment.

Japan maintains that whale meat is a major source of its protein, so in 1971, 12-million pounds of the product was exported to the U.S. in the form of pet food. Since that time a ban has been imposed here on utilizing endangered marine mammals. Blue and humpback whales are on the verge of extinction, yet Japan totally disregards all measures for conservation adopted by the International Whaling Commission.

The U.S. on the other hand is apple-pie moral. We made whaling illegal two years ago.

Just weeks ago Soviet vessels were sighted fifty miles off our Oregon coast, north of Florence, with whales in tow and lying dead in the water. This is not illegal. It occurred and will continue to occur beyond our 12-mile limit.

The conferences go on while the "song" of the humpback is a dying lament in the graveyard of giants—marlin, tuna, swordfish—they are all becoming specters in a Jules Verne world with, ironically, a technological potential of *20,000 Leagues under the Sea.*

In an era of exploding human population throughout the globe, with a diminishing agricultural base, the utilization of food from the sea is a necessity which SWIFT does not deny, but aquatic crops, like farm crops, must be harvested at a sustainable level. This is not being done.

Although the United States was once the greatest fishing nation in the world, today we are importing 70 percent of our seafoods, nearly all of which are taken from our own continental shelf by ships of other countries.

Until the 1960s our stocks of cod, hake, haddock, herring, and other foodfishes were already declining in the Post World War II boom in commercial fishing. Then, from under leaden polar skies out of Murmansk, beyond the Arctic Circle, a vast electronically sophisticated fleet began emptying the Northwest Atlantic fishing grounds at a fantastic rate. Automated freezer factory ships, Soviet BMRTs, measuring the length of a football field and weighing over 3,000 tons, were stationed off the American coast and in their wake came an armada of 400 to 800 government-subsidized distant-water trawlers from Poland, East Germany, West Germany, Bulgaria, Spain, China, and Korea as well as Japanese seiners and longliners. Today the haddock has virtually disappeared. The cod and hake are not far behind. The population of herring—a basic plankton converter and one of the keys to ocean ecology—has declined by an estimated 90 percent in the last ten years.

During peak periods it's not unusual for the Coast Guard to sight over 200 foreign vessels working just outside the 12-mile limit. This armada is not confined to the Atlantic Ocean. Japanese and Soviet fleets forage the entire area from Alaska's Continental Shelf to Baja California in Mexico—consuming everything from black and striped marlin to the arrowtooth flounder. Even the Japanese admitted, at the most recent Billfish Symposium in Hawaii, that marlin populations are down, way down. But while our diplomats talk, the subject is being decimated.

In the past few years a number of privately funded organizations as well as state governments have presented bills to Congress and *the Senate* demanding a 200-mile territorial fishing limit. The Massachusetts Legislature, the New England Governor's Conference, the Emergency Committee to Save America's Marine Resources, and the American Fisheries. Society have spearheaded the drive. More recently, the National Coalition for Marine's Fisheries has become a powerful new forces in seeking what is just and reasonable. There are other organizations to be sure. The IGFA—saltwater angling's barometer of world opinion—has spoken out for the 200-mile limit.

SWIFT is not designed to usurp the role of these conservation groups but is, rather, an integrated emergency committee that will serve as a voice for all concerned citizens.

When we talk about extended jurisdiction to a 200-mile limit it's obvious that this would encompass the Bahamas as well as Cuba. Both countries would have much to gain in terms of future marine resources, which plays a vital role in their respective economics. Realistically, however, the sovereign rights of an archipelago and an island nation must be taken into account. Bilateral agreements with Canada and Mexico are a logical procedure, and having an equal stake in the future of both Atlantic and Pacific stocks of fish—both from a sport and food standpoint—these nations should offer strong support. However, time has run out.

As a result of the findings of our scientific Advisory Director, Frank Mather, SWIFT seeks the following regulations to be enacted:

(1) We demand unilaterally a 200-mile fisheries limit for a period of five years—same to be renewed or revised at the end of that period. This interim measure, we believe, is reasonable in terms of assessing and implementing practical management policies.

(2) To limit the commercial seine catch to bluefin tuna in the Northwest Atlantic to 1,000 tons annually.

(3) Prohibit the killing of tuna up to 12 pounds in weight in both the sport and commercial fisheries. This encompasses the now critical 1-year age class.

(4) Prohibit the use of any gear other than rod and reel with a maximum line test of 130 pounds, for tuna larger than 150 pounds This is similar to a new regulation already enacted by Canada—and eliminates longlines, harpoons, and handlines.

(5) Limit angling kills to one tuna of 150 pounds or more per day, or five "school" tuna not to exceed 150 pounds in the aggregate.

(6) Permit an unlimited number of released fish.

## GRIZZLY BEARS: KILL OR PROTECT?

Mr. CRANSTON. Mr. President, a number of concerned Californians have been in touch with me about the endangered species status of the grizzly bear. Of particular and immediate concern is the annual grizzly bear hunting season in the national forest lands surrounding Yellowstone National Park.

The Department of the Interior will begin a study within the next 2 weeks to determine the size of the grizzly bear population and the extent to which the grizzly is threatened with extinction. In the interim, I have asked the Chief of the Forest Service, John R. McGuire, to suspend the grizzly bear hunt until this study is completed and the data carefully evaluated.

I ask unanimous consent that the text of my letter to Mr. McGuire be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

MARCH 14, 1974.

JOHN R. MCGUIRE,
*Chief, U.S. Forest Service,*
*Washington, D.C.* 20250

DEAR MR. MCGUIRE: I am writing with regard to the hunting season which will begin April 1, 1974, in the National Forests surrounding Yellowstone National Park. I am concerned particularly about the permits which will be issued by the Wyoming Game and Fish Commission for the taking of twelve grizzly bears on National Forest lands.

While the grizzly bear is not officially listed as an endangered species, there is evidence that this species is threatened. Because of conflicting views on the question, the Department of the Interior is about to begin a study to establish correctly both the size of the grizzly bear population and the extent to which the grizzly bear is threatened with extinction. The notice of this study is expected to be published in the Federal Register during the week of March 18.

I urge the Forest Service to suspend all grizzly bear hunting activities on the National Forest lands surrounding Yellowstone National Park until the study by the Interior Department is completed, and the data evaluated. In the event that the study shows the grizzly bear population can readily sustain the loss of twelve bears, the hunting season might then be opened.

I believe the Forest Service has the responsibility as the Agency managing the land on which the grizzly bear lives to protect a species whose continued existence is, at the very least, in question.

I look forward to your early response.

Sincerely,

ALAN CRANSTON.

## GENERAL ASSEMBLY OF NORTH CAROLINA CALLS ON U.S. GOVERNMENT TO OBTAIN FROM GOVERNMENT OF NORTH VIETNAM AN ACCURATE ACCOUNTING OF ALL AMERICAN SERVICEMEN MISSING IN ACTION

Mr. HELMS. Mr. President, today I received from the Honorable Thad Eure, secretary of state of the State of North Carolina, a copy of a resolution from the General Assembly of North Carolina, which calls on the Government of the United States to obtain from the Government of North Vietnam an accurate accounting of all U.S. servicemen who are listed as missing in action.

Nearly 1 full year ago, all U.S. prisoners of war held by the Hanoi government were to have been released; but yet, to date, more than 1,200 U.S. servicemen remain unaccounted for. The Government of North Vietnam is legally obligated to make an accounting for these missing servicemen, but, to date, has not done so. It is a long overdue accounting that needs to take place and one which this Nation must demand of Hanoi.

Mr. President, the story of the suffering of the families of those still missing in action and otherwise unaccounted for is not new to us. The long years, for many, of futile hope, of despair, of family disruption calls out to us to take action on this matter.

I commend the General Assembly of North Carolina for bringing this matter to our attention and for letting the families of those 1,200 missing Americans know that the plight of their loved ones is not forgotten.

Mr. President, so that my colleagues in the Congress may have the opportunity of knowing the feelings of the General Assembly of North Carolina on this important matter, I ask unanimous consent that this resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

### A JOINT RESOLUTION CALLING UPON THE U.S. GOVERNMENT TO OBTAIN FROM THE GOVERNMENT OF NORTH VIETNAM AN ACCURATE ACCOUNTING OF ALL AMERICAN SERVICEMEN MISSING IN ACTION

Whereas, on March 27, 1973, all prisoners of war held by the government of North Vietnam were to be returned to their respective governments; and

Whereas, almost one year has passed and there are still over 1,200 servicemen whose whereabouts are unknown; and

Whereas, the POW-MIA story of this war has been a long and tragic one and the hopes and dreams which were generated in the hearts and minds of the families and friends of these brave men 12 months ago are still unfilled; and

Whereas, the government of North Vietnam adamantly continues its refusal to account for these brave men; and

Whereas, the families of these servicemen continue to suffer in weakened spirits as the seasons pass, not knowing whether their loved ones are dead or alive; and

Whereas, the government of North Vietnam is legally obligated to make an accurate accounting for all of our servicemen;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

Section 1. The General Assembly of North Carolina goes on record by calling upon the government of North Vietnam to live up to and abide by the terms of the Paris Agreement and cease hindering the legal search for our unaccounted for sons.

Sec. 2. We also go on record by calling upon the United States Government to make every effort to secure an accurate accounting of all of our missing personnel.

Sec. 3. We further declare that all North Carolinians will not forget these brave men whose whereabouts are still unknown.

Sec. 4. The Secretary of State is hereby directed to prepare and deliver certified copies of this resolution to the Secretary General of the United Nations, the Secretary of State of the United States, the President of the United States, the Governor of North Carolina, and to Congressmen and United States Senators of North Carolina.

Sec. 5. This resolution shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 6th day of March 1974.

## THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, for the past 7 years I have daily urged the Senate to take action on the genocide and other human rights conventions. With respect to the Genocide Convention, there has now been widespread support for this position in this administration, in previous administrations, among many of the most prominent members of the bar, among the press, and among many of my constituents.

In March 1971 hearings were completed by the subcommittee of the Committee on Foreign Relations on the Genocide Convention. As with the hearings in 1950 and 1970, that the large body of testimony was in favor of the convention attests to the intense interest in the convention and the widespread support of basic human rights. Indeed, such resistance as there is to ratification of this treaty seems to have abated in the 20 years since the original 1950 hearings.

I genuinely believe that this lessening of resistance can be attributed to the broader and deeper understanding of the provisions of the convention. It is most helpful that the provisions of the convention which seemed to raise so many questions and doubts have now been debated and explained by a great many eminent members and scholars of the bar, officials of the administration, and representatives in the United Nations.

It is my sincere hope that the Senate will not fail to ratify this important document.

## FLORENCE PARKER

Mr. MONDALE. Mr. President, many Americans were deeply saddened by the death last month of Florence Parker. A native Minnesotan and a graduate of the University of Minnesota, Miss Parker was known for both her dedication as a public servant and for her lifelong devotion to the cooperative movement. An excellent biographical sketch of Miss Parker's career, written by Erma Angevine, appears in a book entitled "Great American Cooperators." I believe many of my colleagues would enjoy reading about this brilliant and very gifted woman.

Mr. President, I ask unanimous consent that the biographical sketch of Florence E. Parker be printed in the RECORD.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

[From the book "Great American Cooperators"]

### FLORENCE C. PARKER

(By Erma Angevine)

A statistician with a sense of humor; a cooperator with a sense of proportion; a historian with a sense of words. Florence E. Parker is at 75 one of the most vital, witty, and stimulating persons. She retired in 1952, 10 years ahead of schedule, to write a book. She went to San Diego to relax in the sunshine and live a life of quiet ease.

Miss Parker isn't the type for quiet ease. She set about at once to help organize a cooperative memorial association and at the same time to help coordinate a federation of California memorial societies. She's still at it.

Let's go back a bit.

Florence E. Parker was born in Minneapolis August 19, 1891. She was graduated from the University of Minnesota, where she majored in English, and joined the working force at a time when opportunities for women were extremely limited.

Miss Parker's first job was to proofread a 1250-page compilation of labor laws for the United States Bureau of Labor Statistics in Washington, D.C. Rather than let this document overwhelm her, she characteristically amused herself and her fellow workers by reading to them ridiculous statements that she unearthed: "Sponges shall not be shipped from any port less than six inches in diameter," a Florida law read. "Miners shall not be lowered into nor hoisted out of any mine with gunpowder," was the law in Colorado.

Miss Parker says her sense of humor won her a place on the editorial staff of the department "in spite of my being a woman." Having worked her way through college, she sympathized with labor. These liberal, pro-labor feelings led her into field studies on union activities—pension plans, welfare measures for disabled and aged members, and a 300-page volume on care of the aged in the United States.

### FINDS "LIFE-LONG ABSORPTION" IN CO-OP DEVELOPMENT

Cooperatives entered her life in 1920 when she accepted an assignment to look into self-help projects and found a "life-long absorption." She wrote, and the Bureau of Labor Statistics published reports on consumer, self-help, worker, student, and housing cooperatives. She wrote about taxation of cooperatives and turned out the annual reports on statistics of operation and developments among cooperatives.

Second in command of the editorial division and assistant editor of the Bureau's *Monthly Labor Review*, Miss Parker interested herself in the ups and downs of co-ops throughout the U.S. She was a charter member and organizer of the Department of Labor Credit Union; president and director of Rochdale Cooperative in the nation's capital; and a director of the Cooperative League of the USA.

In 1946, Miss Parker became the Bureau's full-time Specialist on Cooperatives. Of her new job, she said, "It's like going to heaven without having to die."

The Bureau sent her to co-op meetings here and abroad. She attended all biennial congresses of the Cooperative League from 1920 to 1956. She sat on the back row at Eastern Cooperative League (now called Eastern Cooperatives) meetings and was usually introduced as "Miss Parker, the aunt of the cooperative movement."

She knew more about what was going on than many co-op leaders—and she could both praise and scold those responsible. She understood the co-op's operating statement and could take it apart digit by digit.

In addition to many pamphlets and articles about U.S. cooperatives, she wrote two books based on her observations at International Cooperative Alliance Congresses in Czechoslovakia in 1948 and Denmark in 1951: *Cooperatives in Postwar Europe* and *International Aspects of the Cooperative Movement.* Joining with Helen Cowan she also wrote *Cooperative Associations in Europe and Their Possibilities for Postwar Reconstruction.*

### WRITES MONUMENTAL HISTORY OF CONSUMERS CO-OPS

One reason she elected to retire early was to concentrate on a special project she'd been planning for years. She wanted to write a history of consumer cooperatives in this country. Miss Parker already had much of the research on file. She knew of obscure cooperatives that others had never heard about. She knew managers, directors, and members. Her reputation for research gave her access to personal files of cooperatives leaders.

For the first five months after she retired, she visited cooperatives and co-op people all over the country. For the following 18 months she wrote. Her first draft was monumental—1,800 single-spaced legal size pages. She revised her manuscript three times and then looked for a publisher.

*The First 125 Years: a History of Distributive and Service Cooperation in the United States, 1829–1954,* was published by the Cooperative League in 1956.

In her book Miss Parker centers her attention on consumer and service cooperatives. Her meticulous research, however, led her to examine all kinds of cooperatives. Her book is the definitive volume on the history of consumer cooperation in the U.S. She notes the early beginnings with the New England Association of Farmers, Mechanics, and other Workingmen in 1831, the farm co-ops of the Grange after the Civil War, and the 45 electric power cooperatives that predated the Rural Electrification Administration. Her book is not just a history. It is an evaluation of cooperatives past, present and future.

In the dedication of *The First 125 Years,* Miss Parker writes:

"Still fairly young when I first began to read cooperative literature, attend meetings, and absorb the cooperative philosophy, I then envisioned cooperatives as instruments entirely of brotherhood and sweetness and light. This illusion was rudely shattered at the very first Cooperative Congress I attended—that of 1920. For that meeting was marked by a knock-down and drag-out oral battle between the Cooperative League's representatives (notably its president) and those of regional organizations of the Midwest and Far West whose practices deviated from accepted Rochdale methods. At that Congress I learned that even cooperators were not exempt from the American passion for bigness and speed and that some of them would resort to questionable tactics to obtain 'results.'

"This was the first of a long series of revelations showing that the cooperative movement is above all one of people—people of all sorts and descriptions: Some who joined only because of what they could get out of it in dollars and cents. Some who did not by any means disdain the possible economic advantages, but also caught a gleam of something shining beyond. And some who envisioned the store or other enterprise merely as a valuable means to the larger end of a broader, fuller life open to an ever-growing circle of people, with services provided for use and not profit. For this ultimate aim, thousands have worked and sacrificed with single-minded devotion and a few have even laid down their lives.

"This is not to say that anywhere near all the effort has been on a selfless, lofty plane. The cooperative movement has by no means been free of personal ambition, of bitter antipathies, of petty bickering and politicking, or of many honest differences of opinion as to ways and means. All of these have been present, and many a cooperative has been torn and even wrecked, primarily because two men or two factions could not get along with each other and neither would yield.

"Since the cooperative movement is one of personalities, it is peculiarly subject to all of the human characteristics. Its successes are the result of the higher qualities of leadership, high ideals, perseverance, and courage. Its failures have been the result of human frailties, of inexperience and short vision.

"By and large, I venture to say, few if any economic movements have elicited more devoted, disinterested service than the cooperative movement. Over the years certain cooperators stand out like beacon lights."

One of those beacon lights now and always will be Florence E. Parker.

## THE CURRENT ENERGY SHORTAGE

Mr. TOWER. Mr. President, I wish to present to the Senate a memorial resolution of the Senate of the State of Texas sponsored in that body by Senator Ron Clower. The resolution expresses the views of the senate in connection with the current energy shortage and merits the attention and thoughtful consideration of the Senate of the United States. I ask unanimous consent to have my letter to Senator Clower, his reply, and the resolution printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

March 14, 1974.

Hon. Ron Clower,
*Senate of the State of Texas,*
*Austin, Tex.*

Dear Senator Clower: I appreciate very much the resolution which you forwarded from the Senate of the State of Texas. As I believe the United States Senate should have the views of the Texas Senate before it in its deliberations of the various energy measures now pending, I shall take the liberty of inserting the resolution in the Record. However, since I differ to some extent with some of the views expressed in the resolution, I shall also insert therewith a copy of this letter.

Let me say first that I generally agree quite strongly with the positions taken in the resolution. However, I have reservations about demanding the immediate elimination of the foreign depletion allowance because I do not know whether such a measure would impact adversely on drilling in the North Sea or investments in the Caribbean, and thus how it would impact on the supplies of some of this Nation's very strong allies and good friends. Furthermore, I would encourage careful consideration by EPA of the costs and benefits of removal of automobile pollution-control devices and very careful study by the Commerce Department of embargoes. The same effect as that of an embargo may well be achieved by removal of price controls, which I favor.

Sincerely yours,

John Tower.

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The Senate of
the State of Texas,
*Austin, February 1, 1974.*

Senator John G. Tower,
*Old Senate Office Building,*
*Washington, D.C.*

Dear Senator Tower: During a recent special session of the Texas legislature called by the Governor to deal with lowering the maximum speed limit, I introduced the enclosed memorial resolution. It was designed to bring to the attention of the U.S. Congress several methods by which the current fuel crisis might possibly be eased.

Because Texas produces more petroleum than any other single state in this nation, we are vitally concerned with finding ways that our finite resources can be developed to their maximum potential. Part of this developmental process should be an informed and unified effort to identify and bring into production the energy resources of every state.

I hope that you will consider the proposals herein and call them to the attention of the appropriate agencies or legislative committees. Our current energy problems are real, but they need not create a disastrous economic situation if the leaders of state and national government will encourage the most efficient recovery of current energy resources as well as the rapid development of new sources.

The people of Texas and of this nation are looking to you for leadership in this time of testing.

Sincerely,

Ron Clower.

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### Senate Resolution

Whereas, Throughout the history of this nation, the United States of America has faced and overcome crises of war, economic disaster, and political upheavals; and

Whereas, Currently, the people of this country are dedicating themselves to an all-out effort in solving the energy crisis, and it is imperative that the Congress of the United States take positive action by enacting legislation which will assure for the nation the energy resources necessary to alleviate the present situation, looking to a time in the not too distant future when energy reserves will be sufficient to meet foreseeable needs; and

Whereas, The State of Texas has long been willing and ready to share its natural gas and oil reserves with sister states not so generously endowed, but Texas resources are fast nearing a stage of depletion and it is in the interest of Texas citizens as well as those of the entire United States that affirmative steps be instituted by the Congress to meet the energy needs of this nation without further delay; now, therefore, be it

Resolved by the Senate of the 63rd Legislature, 1st Called Session, That the Senate of the State of Texas hereby memorialize the Congress of the United States to enact legislation to relieve the energy crisis by

(1) removing the ceiling price on natural gas at the well head on all gas from new sources brought into production after January 1, 1974;

(2) increasing the oil depletion allowance to stimulate exploration, recovering marginally productive areas, and for research into new energy sources, such as oil shale, solar, geothermal, or liquefied and gasified lignite;

(3) removing the depletion allowance on all foreign oil and gas exploration and production;

(4) encouraging the reconversion of existing power facilities that burn fuel oil and/or natural gas to coal, providing that environmental controls are sufficient to maintain an acceptable air quality level;

(5) directing the Environmental Protection Agency to draw up a plan for the temporary selective removal of gas- and power-robbing pollution control devices from automobiles and trucks, provided that the removal of such devices be permitted only in those areas where the air standards are above the minimally acceptable levels estabilshed by the Environmental Protection Agency;

(6) imposing an embargo on the export of crude oil, refined oil products, or natural gas until such time as the normal flow of these products is reestabilshed in the world market;

(7) imposing an embargo on the export of rolled steel products until such time as manufactured goods of rolled steel are in sufficient supply to meet the demand created by increased exploration and development in the petroleum industry; and

(8) removing the price ceiling on rolled steel products; and, be it further

Resolved, That the Senate of the State of Texas also request the Congress to consider a selective embargo to apply to all countries now participating in a petroleum embargo in this country, such embargo to include, but not be restricted to, manufactured goods, especially those related directly to the production or consumption of petroleum, foodstuffs, and other similar items; and, be it further

Resolved, That copies of this Resolution be forwarded to each Stnator and Representative in the Congress from Texas, with the request that this Resolution be officially entered in the Congressional Record as a Memorial to the Congress; and, be it further

Resolved, That copies of this Resolution also be sent to the presiding officers of the legislatures or assemblies of every state, territory, and protectorate of the United States of America.

## NUCLEAR POWER: SHOWDOWN THIS YEAR ON INSURANCE

Mr. GRAVEL. Mr. President, I am pleased to learn that various citizen groups may mobilize as a coalition to insist on meaningful changes in the Price-Anderson Act. Its renewal will probably come up for a vote this year, although it does not expire until August 1977. When the vote is taken, it must be a rollcall vote, unlike the votes in 1957. Citizens have a right to know whether their representatives stand with a handful of nuclear investors or with the people on this matter.

Members of Congress who would like to know more about this issue can learn a great deal from the insurance commissioner of Pennsylvania, Dr. Herbert S. Denenberg, Harrisburg, Pa. 19120. He held 3 days of hearings on the subject during August 1973 in Philadelphia. His office has issued "A Citizen's Guide to Nuclear Non-Insurance," and the January 1974 issue of Prevention magazine carries his article entitled, "Nuclear Energy Is an Insurance Swindle."

In January 1974, Dr. Denenberg submitted proposed revisions for the Price-Anderson Act to the Joint Committee on Atomic Energy, and he accused the nuclear industry of "hypocrisy" on the insurance issue. "Out of one side of the mouth they say that nuclear power is so safe that the public need not worry, but out of the other they claim they need protection from liability in case they are wrong."

One of the earliest groups to take a stand on the subject of Price-Anderson is the Sierra Club, at 324 C Street SE., Washington, D.C. 20003. In October 1972, the Sierra Club board passed the following resolution:

> As a means of internalizing the cost incident to the use of nuclear power, the Sierra Club favors the repeal of the limited liability provisions of the Price-Anderson Act.

### UTILITIES WANT ACTION THIS YEAR

It is interesting to note that when my bill to repeal the Price-Anderson Act was before the Joint Committee in 1971 and 1972, the committee held no hearings. However, on September 18, 1973, when the committee announced it would open hearings in 1974, Chairman Melvin Price of Illinois explained as follows:

> From time to time, representatives of the electrical utility industry have urged the Committee to consider the matter of the possible extension or modification of the Act during the present session of the Congress in order to prevent an unwarranted disruption in the planning process for nuclear power plants.

Does this suggest that electric utilities would still refuse to build nuclear powerplants if they were held fully liable for the accidents they claim will never happen?

### RESTORING LIABILITY, THE PRINCIPAL RESTRAINT ON RECKLESS ACTIVITY

I favor repealing the Price-Anderson Act as it applies to commercial nuclear powerplants and related facilities. The principle is simple. A corporation which causes a nuclear activity to occur should accept full financial liability for damage which its activity may inflict on the public.

It is disconcerting in the extreme to realize that the nuclear power industry is rapidly expanding under a law which not only acknowledges that giant nuclear accidents can happen, but then proceeds to remove the principal restraint which normally operates to prevent reckless activities; namely, full liability for public damages.

If there is any foggy thinking about nuclear safety among utility directors and bankers, there would be no fog cutter more effective than having to put assets at risk.

Instead of Price-Anderson, we need a law which removes all Government insurance aid, and which requires nuclear utilities to put their own assets on the line if they cannot buy private insurance. However, the new legislation must retain the "no fault" provisions in the present law, since negligence might be impossible for claimants to prove if no one could even approach the radioactive debris after an accident. Additionally, the law must include certain other waivers of defense, and deal with the problem of radiation-induced cancers which take 10 or 20 years to appear and then look just like other cancers.

### CONGRESS WILL HAVE TO ACT

If it is no longer conceivable for nuclear powerplants to have the disastrous radioactive releases which prompted the act in the first place, then the nuclear industry would not miss the protection of that act. However, AEC Commissioner Doub testified to the Joint Committee on January 31, 1974, as follows:

> Today as in 1957 and again in 1966, we can not say that there is no chance of a major nuclear incident, despite all the safety measures that are and could realistically be taken.

If it is possible for catastrophic nuclear accidents to happen, then it is surely time for Congress to correct the unfairness of putting the risk on the victims instead of the investors. More important, we must examine the morality of encouraging such a technology at all, especially in view of the safe alternatives like direct and indirect solar energy—including windpower.

## VIETNAM VETERANS DAY

Mr. TOWER. Mr. President, on March 29 this country celebrates Vietnam Veterans Day, to commemorate the day the last U.S. combat troops left Vietnam.

I think that this observance is of critical importance to the Nation in that all Americans owe a debt to the Vietnam veteran which we should publicly acknowledge. Unfortunately, many of our Vietnam veterans feel that they returned to a nation which did not care about their sufferings, respect their endeavors, or appreciate the sacrifices they made.

Whether you supported or opposed this country's Vietnam policies and handling of the conflict is not the question. The Vietnam veteran was not the policymaker. He merely did his job and did it well and he should be honored for doing so.

We cannot and we must not forget our veterans who have fought this country's wars. A day's observance is little enough to ask—a day in which each of us can say that we realize the sacrifices made and are thankful to our Vietnam veterans.

## CONGRESS AND THE PRESIDENT

Mr. MUSKIE. Mr. President, in the Outlook section of yesterday's Washington Post, there appeared an article by Richard Goodwin which I think merits the thoughtful attention of all of us in the Congress.

The article, entitled "Clipping White House Wings," is an examination of the evolution of the imbalance of power between the executive and legislative branches of the Federal Government. In the article, Mr. Goodwin avoids a common oversimplification of the problem which usually finds the Congress being blamed for a simple lack of backbone and the President for singleminded and excessive hunger for power. There are, of course, many other variables in the power equation, as Mr. Goodwin points out, and many other questions to be asked.

Among these are the changing role of the National Government, an antiquated congressional structure, and management and oversight problems grown so complex that even the most versatile of us find it difficult to keep up, given the limited information resources available to us today.

Unfortunately, this situation breeds cynicism toward Government, even among those of us who know so well the difficulties of redressing the imbalance. Yet Mr. Goodwin notes that we can take heart at the prospects for change. Ironically, things may have gotten so bad that we can now see that "even though the President's power is a consequence of modern conditions, it is not a necessity."

I hope that we in Congress will take a serious look at some of the questions raised by Mr. Goodwin in the very near future. I ask unanimous consent that his article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### A Time for Clipping White House Wings

(By Richard N. Goodwin)

(Goodwin, a speechwriter for Presidents Kennedy and Johnson, is the author of "The American Condition." This article is excerpted from the current issue of Rolling Stone.)

We may yet have one reason to be grateful to Richard Nixon if his conduct in office awakens us from our obsessive concern with the character, personality or intentions of individuals, and reminds us that decency and self-restraint are interesting qualities but not to be counted on. The venalities of the past few years are personal to the character of this administration, but the fact they could be committed can only mean that the democratic structure has broken down.

Every modern President, with the possible exception of Eisenhower, has had occasional fantasies of benevolent tyranny and sincerely believed that the welfare of the country would be improved if he could run things as he wished without the interference of Congress, courts, press and public opinion. Most of them have expressed such sentiments to intimates. They were restrained from exercising such power, not by abstract conviction about the nature of democracy, but by institutions, laws, traditions, and centers of private power within the society.

We failed to respond to the erosion of these restraints largely because most of our Presidents have been honest and relatively benevolent and their purposes have coincided with those of the citizenry. It took the advent of Lyndon Johnson and Richard Nixon to remind us of history's elemental lesson. Some must be permitted power but no one can be trusted with power—not Gerry Ford, Henry Jackson or even Henry Kissinger.

We have had strong Presidents throughout our history. Nevertheless, the presidency which has developed during the last decade does not differ only in degree from its predecessors, nor is it an adaptation of traditional structures to new historical circumstances. It is a novel institution, a rupture with tradition which cannot be masked by the most diligent efforts to compare Jefferson's handling of the Barbary pirates to the war in Vietnam or Polk's authority to order a few troops into disputed territory with the power to blow up the advanced industrial world.

Franklin Roosevelt managed to conduct the entire New Deal and World War II with a personal staff smaller than the number of men needed to cook lunch for the battalions of faceless ministers who now swarm through the corridors of the White House, the Executive Office Building, and, perhaps, other structures whose existence has not yet been disclosed. These men are not advisers; merely to listen to them for five minutes each would consume most of a presidential term. They are an independent bureaucracy whose authority extends to every function of government. In a kind of constitutional mockery, the Congress dutifully evaluates and confirms presidential appointees and its committees sternly interrogate cabinet members, while the real government toils on in seclusion, its activities so extensive that even the President cannot keep informed of its myriad deeds.

Congress' loss of authority has coincided—and not by coincidence—with a transforming change in the function of government from framing and enforcing legislation to regulation and the conduct of foreign affairs. A presidential staff charged with drafting laws for submission to Congress was an innovation, but not a danger. One which is invested with the modern power to regulate the economic process, and the multiplying relationships between the citizen and the state, has usurped the authority to govern.

By allowing its own powers to be diminished, Congress has seriously weakened what Hamilton described as "the two greatest securities" of the people "for the faithful exercise of any delegated power." First, the restraints of public opinion" which, Hamilton pointed out, would "lose their efficacy" if it was necessary to divide censure among a number or if there was any "uncertainty on who it ought to fall; and, secondly the opportunity of discovering with facility and clearness the misconduct of the persons they trust, in order either to their removal from office, or to their actual punishment in cases which admit of it."

The impeachment of the President will not, by itself, restore these restraints; the conditions which permit abuse would still remain. It is not enough to throw out the thieves, it is also necessary to dismantle the den; to reduce the power of the executive and rebuild, as best we can, barriers against presidential ambition and desires.

For decades American Presidents have been probing and extending the limits of the emerging executive power, and Mr. Nixon, for all his excesses, probably fell far short of existing possibilities, undone by incompetence and triviality. For power breeds power and, if the process is not checked, will some day override all restraints; if, indeed, that point has not already been passed without our having noticed or understood.

The languishing democratic process cannot be restored simply by exhorting the President to self-restraint or the Congress to self-assertion. "Power" is an abstraction, but its exercises requires tangible organization and institutions. Those involved in women's liberation have repealed Freud's dictum that anatomy is destiny, but it is still true that in government, structure is power. The present executive metastasis can be arrested only by changes in the instruments which permit the exercise and accumulation of an authority which is both unnecessary to the national well-being and dangerous to the nation's liberty. We already have the formal power to make such changes. And one can readily illustrate the kinds of modifications which are required.

One would begin, for example, by eliminating the presidential bureaucracy—through a simple congressional refusal to renew its annual authorization and approval. The President should be permitted a few speechwriters and personal assistants, a couple of press secretaries and a crony or two. But a President, mindful of tradition, might restrict himself to 11—the number who served Franklin Roosevelt. The presidency does not need a private super-department to manage the public departments whose officials he also appoints and directs.

We have been told by every President since Eisenhower that a mushrooming foreign policy staff was a necessity of the complex modern world. Then Henry Kissinger moved down the street to the State Department, trailing clouds of power as he went. The justifications for other, less sensitive activities secluded within the White House are equally mythological.

Nothing is done—legally and in the public interest—by the presidential staff which cannot be accomplished by public agencies subject to those public and congressional restraints provided by the democratic process. Perhaps a good President might be trusted with a private government, but only theologians can be permitted to rely on the coincidence of goodness with power.

The ability to conduct national affairs in secret deprives Congress and public of influence on the process of decision; it encourages conspiracy between private interests, executive employees and a handful of powerful congressmen. Moreover, the systematic abuse of power requires a lot of time and a lot of people. Even the most corrupt power-hungry and energetic President cannot—by himself or with a few assistants—run a spy system, issue secret orders to "independent" agencies, infiltrate the department with loyal subordinates, pay off friends and supporters, monitor the media and pursue "enemies." A general without a loyal army may abuse his authority but he cannot become a tyrant.

The independent regulatory agencies should follow the presidential bureaucracy into the limbo of discarded deformities. These agencies were established to regulate import sectors of the economy—railroads, airlines communications and media, stock market, etc. Since their decisions directly influence the personal fortunes of individuals and the earnings of companies—the ability to bestow or deny wealth—careful effort was made to insulate the agencies from the pressures of politics and the coercion of politicians.

Time and corruption transformed this "independence" into a shield behind which agencies and the industries they were to regulate formed alliances against the public interest they were to protect. As a result, in the late Fifties and early Sixties, a variety of studies—conducted privately and by the government—recommended their abolition. But the businesses which had violently protested their creation fought to preserve them. And nothing was done. The Nixon administration, with its genius for innovative advance, discovered that regulatory agencies could be used, not only to help business in general, but to serve those particular interests and companies though specially deserving of presidential favor, and those who had yielded to presidential blackmail.

It is time to follow recommendations—made by many during recent decades—to transfer the judicial functions to courts, whose independence is more secure, and to place the legislative power in government departments scrutiny of Congress and public. Even better, Congress might enact general regulations into law thus reassuming the legislative authority it has abdicated in the name of permitting "administrative discretion."

It will be harder to guard against the sprawling apparatus dedicated to enforcing the law, collecting taxes, compiling intelligence, spying on individuals, and protecting the national security against all enemies real or imagined. Like all good bureaucracies, these organizations want to grow—to add functions and extend jurisdiction—but never to eliminate the redundant or obsolete. And that mischief which is due to idle hands, the need to make use of an excess of money or an agent, is sheltered by their relative secrecy of operation. By undertaking to redraft and reenact the legislation which establishes those varied functions, Congress could provide a public review which might at least serve to expose waste, incompetence and obsolescence.

Although one cannot eliminate all the dangers inherent in the inconsistency between democracy and a national police, some protection could be provided by the establishment of joint congressional committees to share presidential authority over the bureaus of intelligence and law enforcement. It would be necessary to equip such committees with professional staffs large enough to monitor all their operations. It cannot be assumed that any congressional committee will prove a zealous guardian of civil liberties, but, if only from self interest, a congressional group might be counted on to obstuct lawless acts intended to advance the political fortunes of the President and his party. Certainly, it will increase the number of those who must be enlisted for illegal conspiracies.

Reductions in presidential authority will not, by themselves, eliminate the varied incapacities which have brought the Congress to its present low estate. Congress has been enfeebled, not by the personal defects of its members, but by the nature of modern politics and by the inadequacies of congressional organization.

Every member of Congress must share his constituency with the President. Open conflict is a risk made to appear far more dangerous by the President's exclusive access to mass media. Potentially damaging controversy can most readily be avoided by abandoning responsibility, by letting the President decide. This is the course dictated by contemporary politicial wisdom, except when issues touch the immediate interests of a district or on those rare occasions when public passions force a congressman to a choice. Moreover, the same large private interests which benefit from presidential power also support and influence members of Congress, while the President can use his power over federal resources to enrich the districts of the faithful.

Reducing executive authority along the lines suggested here will dilute some of those political weapons of control, but opposition to even a moderately popular President will never be made to seem a safe or easy course.

And even if changing political conditions instill Congress with the will and courage to reassert its powers, the way will be blocked by a legislative organization based in impotence. Congressional committees, for example, are often little more than executive enclaves within the legislative branch. "Key congressmen"—the ranking members of important committees—are permitted to share the rewards and even the authority of the administration, in return for helping to protect the executive against unwanted interventions by the Congress. Their relationship with the executive, with which they also share a distaste for the hazards of public debate and legislative interference is far more rewarding than their ties to other members, or to the Congress as an institution. That is why the White House staff has hastened to assert jurisdiction over these congressional relations which once helped executive departments to maintain some independence of the presidential will.

The most important source of congressional subservience, however, is not the committee structure or the seniority system, but the inability of members to obtain and use that expert knowledge and information which, given the complexity of modern government, has become necessary to the exercise of power. The official who visits Capitol Hill to argue the President's case is backed up by studies and memos, supported by battalions of specialists and statisticians, flanked by assistants eager to provide a missing fact or suggest the answer to an awkward question. The congressman, on the other hand, is rarely equipped to debate the executive, or even to comprehend what is being newly proposed or what ongoing activities he is expected to support.

A Congress determined to share in the conduct of affairs will need its own counterpart to the Bureau of the Budget—a congressional institution large enough to monitor and evaluate executive activities, to master the details of complicated legislation, and to provide new ideas and specific recommendations for congressional initiatives to resolve important national problems.

It is also, and equally, responsible for ending inflation, reducing crime, or helping the poor. We cannot be sure that congressmen will want to forefeit the relative comfort and tranquility made possible by the abdication of this responsibility. But the most zealous Congress cannot act without the resources needed to examine and understand the afflictions of the nation.

This new congressional agency will not be effective if it simply disgorges vast quantities of memos and studies for men who are already inundated by more material than they can read or master. Its officials and experts should participate directly in committee interrogations of their executive counterparts. Their expertise, their scrutiny of executive actions, and their continuing examinations of national problems would be freely available to all members and, in most cases, to the public.

Congress is democracy's only public forum, and its power to force debate and disclosure is also the most important instrument for the participation of the citizen. That power is drained of all content and meaning by congressional ignorance, or by congressional dependence on information that the executive tells it. If the deeds and policies of government are not subjected to the open clash of the diverse interests and ideas which Congress represents, there can be no public will or popular government, only a plebiscite.

It will not be easy to reverse the accumulation of presidential authority. Yet the prospects have been brightened by the emerging realization that the restoration of democratic principle is also a necessity of effective government. It now appears that even though the President's power is a consequence of modern conditions, it is not a necessity. Our problems and circumstances do not require a usurping executive and an enfeebled Congress.

Indeed, the clearest lesson of the past decade is that the removal of restraints breeds massive incompetence, increases the likelihood of actions and policies which damage the national well-being. The large industrial bureaucracies which dominate the modern economy have been a principal cause and support of increased presidential power, finding it more congenial to deal in secret with a small group of fellow executives than to master the confusions of the democratic process. They now discover that the price of this support has been an end to the sustained economic expansion of the postwar period. Surely an entire decade of misrule is enough to convince even the most skeptical that we are not the victims of bad luck, but of more fundamental defects in the organization of the state.

There is no guarantee against error but to concentrate power over the immense complexities of modern life, to reduce public debate and congressional participation, is to make error inevitable, and to ensure recurrent crises each of which will lead to further encroachments by an executive anxious to mask its failures and subdue the opposition which failure arouses. We are far more likely to increase our economic well-being, resolve our social problems, and avoid self-destructive world policies amid the confusions of democracy than in the quiet intrigue of executive chambers.

## LONG ISLAND SOUND STUDY

**Mr. RIBICOFF.** Mr. President, On March 18, 1974, in Stamford, Conn., the Senate Subcommittee on Reorganization, Research and International Organizations which I chair held the fifth in its series of hearings on the future of Long Island Sound.

The hearing was held to receive the preliminary staff draft of the New England River Basins Commission's Long Island Sound study.

I ask unanimous consent that my opening statement describing the background of the study and its importance be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF SENATOR ABE RIBICOFF

We are here today to begin the most crucial public campaign ever mounted to preserve and protect Long Island Sound.

For thousands of years—ever since mammoth glaciers moved across New England to the Atlantic Ocean—the Long Island Sound has been a source of beauty and bounty.

But over the last few decades the Sound has been severely damaged.

When I was a boy you could swim anywhere in the Sound. I remember the delight of eating steamed clams, crab, oysters and lobster taken from the Sound. The wetlands were teeming with different varieties of water fowl. Few were the days when we couldn't see the Long Island shore.

The view has changed since those days—and so has the Sound itself.

The great press of people and commerce to the shores of the Sound has—ironically—failed to bring with it a greater conscience, a greater awareness of the delicate balance between man and nature.

Bulldozers often moved ahead of thoughtful planning. Tankers and industry rolled in before clean air and water were of any concern. It was easier and cheaper to run a pipe into the Sound than to put in a sewage treatment plant.

What was once a rich, fluid extension of the Atlantic Ocean has become an urban sea that in some spots has ceased to sustain anything but algae.

What is more dismaying is the illusion that we can continue to use the Sound as an industrial park.

Too recent are the battles we have fought together to stop so-called "planners" from moving their irrational ideas from the drawingboard to the Sound. And our victories have been hard won.

Just last summer, I got a bill through the Congress which not only stopped the proposed bridge, but gave Connecticut a voice in any possible future plans to span the Sound.

We discovered a study sponsored by the Federal Aviation Administration to build a jetport—or "wetport" as some described it—in the middle of the Sound. Fortunately, after some discussion with the FAA, it agreed with me that the Sound could not be considered as a possible location.

Together we have investigated and thwarted efforts to drill for natural gas off Guilford, dump submarine waste into the Thames River and send fermentation residues into Groton's waters.

But these are stop-gap measures—merely holding actions—skirmishes. Today, for the first time, we have the makings of a broad action plan that offers not fixed strategies, but options that we can choose to shape ultimately into law.

In a sense, we are sitting on the edge of a living laboratory in which all the errors of our haste and oversight are visible. We see the full spectrum of man's impact on a marine environment.

Four years ago I opened a similar hearing on Connecticut's shoreline to find out what you thought could be done to diagnose and correct the ills of Long Island Sound. And three years ago I won federal financing for a massive study by the New England River Basins Commission to do just that. It cost $3.5 million.

The study—the most comprehensive ever made—gives overwhelming testmony to the delicate balance of factors which affect the Sound. It reveals what many of us already knew that an action in one spot can unsettle the balance many miles away or in a completely different environmental category.

An oil spill in Northport, Long Island could soon wash up on Fairfield County shores.

Sewage from the East River could affect fishing off Stonington.

The study offers us a great range of positive options to make the Sound a better place to live and enjoy. Among their recommendations I heartily support are:

Improving the beaches by nourishing them with sand that has been washed away.

Encourage private development of "dry slips" for landbased storage of smaller boats, opening up additional in-water storage for larger boats that can't be "racked."

Prohibit development in critical natural resource areas to protect wetlands, floodplains and other ecologically fragile environments.

Pass legislation to protect rare and endangered species of Long Island Sound—like the osprey and the peregrine falcon.

Establish a fisheries management research program with state and federal cooperation in all U.S. waters which share migratory fish with the Sound.

Today this study merely lays out the problems as defined by experts—along with their broad recommendations. It is up to the people of Connecticut and New York and Rhode Island to turn the pages of the study into solid resolutions.

It is the public that must make the toughest decisions. It is the place we swim in, our fishing ground, our boating waters, our neighborhoods and jobs and businesses that hang in the balance. Simply put, it is our future.

Too often the public is not informed about the critical decisions that stand to change their lives. And, tragically, too often they "let someone else do it," only to regret their error.

Over the next two months the public will have the opportunity to express their opinions at 10 public hearings the New England River Basins Commission has already scheduled around the Sound. I urge all of Connecticut to join this campaign to create a new Long Island Sound. Your concerns and thoughts are vitally important.

## THE SCARCITY SOCIETY

**Mr. DOMENICI.** Mr. President, Mr. William Ophuls has written an excellent article which appears in the April 1974 edition of Harper's magazine entitled "The Scarcity Society: Farewell to the Free Lunch—And to Freedom As an Infinite Resource."

In his article, Mr. Ophuls presents his analysis of the growth of our philosophies, values, and institutions in the age of abundance from which we are now beginning to depart and the alternatives among which we must soon make hard choices. This analysis deserves the deliberate considerations of all who would preserve our freedoms in the "scarcity society" Mr. Ophuls predicts.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article

was ordered to be printed in the RECORD, as follows:

### THE SCARCITY SOCIETY: FAREWELL TO THE FREE LUNCH—AND TO FREEDOM AS AN INFINITE RESOURCE

(By William Ophuls)

Historians may see 1973 as a year dividing one age from another. The nature of the changes in store for us is symbolized by the Shah of Iran's announcement last December that the price of his country's oil would thenceforth be $11.87 per barrel, a rise of 100 percent over the previous price. Other oil-producing countries quickly followed suit. The Shah accompanied his announcement with a blunt warning to the industrialized nations that the cheap and abundant energy "party" was over. From now on, the resource on which our whole civilization depends would be scarce, and the affluent world would have to live with the fact.

Our first attempts to do so have been rather pitiful. In Europe, the effect was to reduce once-proud nation-states to behavior that managed, as one observer put it, to combine the characteristics of an ostrich and a flock of hens. In America, which now lacks almost any observable leadership, the reaction to the statement was merely a general astonishment, followed by measures even more inappropriate than those adopted by the Europeans (except for Kissinger's efforts to promote international cooperation).

In one sense, Iran's move marked a dramatic geopolitical "return of the repressed," as the long-ignored Third World for the first time acted out its demand for a fair share of the planet's wealth. And the powerful new Organization of Petroleum Exporting Countries (OPEC) is only the first such group; resource cartels in copper, tin, bauxite, and other primary products may soon follow OPEC's example. But in another, more important sense, the Shah laid down a clear challenge to the most basic assumptions and procedures that have guided the industrialized democracies for at least 250 years. That challenge is the inevitable coming of scarcity to societies predicated on abundance. Its consequences, almost equally inevitable, will be the end of political democracy and a drastic restriction of personal liberty.

For the past three centuries, we have been living in an age of abnormal abundance. The bonanza of the New World and other founts of virgin resources, the dazzling achievements of science and technology, the availability of "free" ecological resources such as air and water to absorb the waste products of industrial activities, and other lesser factors allowed our ancestors to dream of endless material growth. Infinite abundance, men reasoned, would result in the elevation of the common man to economic nobility. And with poverty abolished, inequality, injustice, and fear—all those flowers of evil alleged to have their roots in scarcity—would wither away. Apart from William Blake and a few other disgruntled romantics, or the occasional pessimist like Thomas Malthus, the Enlightenment ideology of progress was shared by all in the West.* The works of John Locke and Adam Smith, the two men who gave bourgeois political economy its fundamental direction, are shot through with the assumption that there is always going to be more—more land in the colonies, more wealth to be dug from the ground, and so on. Virtually all the philosophies, values, and institutions typical of modern capitalist society—the legitimacy of self-interest, the primacy of the individual and his inalienable rights, economic laissez-faire, and democracy as we know it—are the luxuriant fruit of an era of apparently endless abundance. They cannot continue to exist in their current form once we return to the more normal condition of scarcity.

Worse, the historic responses to scarcity have been conflict—wars fought to control resources, and oppression—great inequality of wealth and the political measures needed to maintain it. The link between scarcity and oppression is well understood by spokesmen for underprivileged groups and nations, who react violently to any suggested restraint in growth of output.

Our awakening from the pleasant dream of infinite progress and the abolition of scarcity will be extremely painful. Institutionally, scarcity demands that we sooner or later achieve a full-fledged "steady-state" or "spaceman" economy. Thereafter, we shall have to live off the annual income the earth receives from the sun, and this means a forced end to our kind of abnormal affluence and an abrupt return to frugality. This will require the strictest sort of economic and technological husbandry, as well as the strictest sort of political control.

The necessity for political control should be obvious from the use of the spaceship metaphor: political ships embarked on dangerous voyages need philosopher-king captains. However, another metaphor—the tragedy of the commons—comes even closer to depicting the essence of the ecopolitical dilemma. The tragedy of the commons has to do with the uncontrolled self-seeking in a limited environment that eventually results in competitive overexploitation of a common resource, whether it is a commonly owned field on which any villager may graze his sheep, or the earth's atmosphere into which producers dump their effluents.

Francis Carney's powerful analysis of the Los Angels smog problem indicates how deeply all our daily acts enmesh us in the tragic logic of the commons:

"Every person who lives in this basin knows that for twenty-five years he has been living through a disaster. We have all watched it happen, have participated in it with full knowledge. . . . The smog is the result of ten million individual pursuits of private gratification. But there is absolutely nothing that any individual can do to stop its spread. . . . An individual act of renunciation is now nearly impossible, and, in any case, would be meaningless unless everyone else did the same thing. But he has no way of getting everyone else to do it."

If this inexorable process is not controlled by prudent and, above all, timely political restraints on the behavior that causes it, then we must resign ourselves to ecological self-destruction. And the new political structures that seem required to cope with the tragedy of the commons (as well as the imperatives of technology) are going to violate our most cherished ideals, for they will be neither democratic nor libertarian. At worst, the new era could be an anti-Utopia in which we are conditioned to behave according to the exigencies of ecological scarcity.

Ecological scarcity is a new concept, embracing more than the shortage of any particular resource. It has to do primarily with present and future needs, and a variety of pollution limits, complex trade-offs between other physical constraints, rather than with a simple Malthusian overpopulation. The case for the coming of ecological scarcity was most forcefully argued in the Club of Rome study *The Limits to Growth*. That study says, in essence, than man lives on a finite planet containing limited resources and that we appear to be approaching some of these major limits with great speed. To use ecological jargon, we are about to overtax the "carrying capacity" of the planet.

Critical reaction to this Jeremiad was predictably reassuring. Those wise in the ways of computers were largely content to assert that the Club of Rome people had fed the machines false or slanted information. "Garbage in, garbage out," they soothed. Other critics sought solace in less empirical directions, but everyone who recoiled from the book's apocalyptic vision took his stand on grounds of social or technological optimism. Justified or not, the optimism is worth examining to see where it leads us politically.

The social optimists, to put their case briefly, believe that various "negative feedback mechanisms" allegedly built into society will (if left alone) automatically check the trends toward ever more population, consumption, and pollution, and that this feedback will function smoothly and gradually so as to bring us up against the limits to growth, if any, with scarcely a bump. The market-price system is the feedback mechanism usually relied upon. Shortages of one resource—oil, for example—simply make it economical to substitute another in more abundant supply (coal or shale oil). A few of these critics of the limits-to-growth thesis believe that this process can go on indefinitely.

Technological optimism is founded on the belief that it makes little difference whether exponential growth is pushing us up against limits, for technology is simultaneously expanding the limits. To use the metaphor popularized during the debate, ecologists see us as fish in a pond where all life is rapidly being suffocated by a water lily that doubles in size every day (covering the whole pond in thirty days). The technological optimists do not deny that the lily grows very quickly, but they believe that the pond itself can be made to grow even faster. Technology made a liar out of Malthus, say the optimists, and the same fate awaits the neo-Malthusians. In sum, the optimists assert that we can never run out of resources, for economics and technology, like modern genii, will always keep finding new ones for us to exploit or will enable us to use the present supply with ever greater efficiency.

The point most overlooked in this debate, however, is that politically it matters little who is right: the neo-Malthusians or either type of optimist. If the "doomsdayers" are right, then of course we crash into the ceiling of physical limits and relapse into a Hobbesian universe of the war of all against all, followed, as anarchy always has been, by dictatorship of one form or another. If, on the other hand, the optimists are right in supposing that we can adjust to ecological scarcity wtih economics and technology, this effort will have, as we say, "side effects." For the collision with physical limits can be forestalled only by moving toward some kind of steady-state economy—characterized by the most scrupulous husbanding of resources, by extreme vigilance against the ever-present possibility of disaster should breakdown occur, and, therefore, by tight controls on human behavior. However, we get there, "Spaceship Earth" will be an all-powerful Leviathan—perhaps benign, perhaps not.

#### A BIRD IN THE BUSH

The scarcity problem thus poses a classic dilemma. It may be possible to avoid crashing into the physical limits, but only by adopting radical and unpalatable measures that, paradoxically, are little different in their ultimate political and social implications from the future predicted by the doomsdayers.

Why this is so becomes clear enough when one realizes that the optimistic critics of the doomsdayers, whom I have artificially grouped into "social" and "technological" tendencies, finally have to rest their different cases on a theory of politics, that is, on assumptions about the adaptability of leaders, their constituencies, and the institutions that hold them together. Looked at closely, these assumptions also appear unrealistic.

Even on a technical level, for example, the market-price mechanism does not coexist easily with environmental imperatives. In a market system a bird in the hand is always worth two in the bush.[1] This means that resources critically needed in the future will be discounted—that is, assessed at a fraction of their future value—by today's economic decision-makers. Thus decisions that are economically "rational," like mine-the-soil farming and forestry, may be ecologically catastrophic. Moreover, charging industries—and, therefore, consumers—for pollution and other environmental harms that are caused by mining and manufacturing (the technical solution favored by most economists to bring market prices into line with ecological realities) is not politically palatable. It clearly requires political decisions that do not accord with current values or the present distribution of political power; and the same goes for other obvious and necessary measures, like energy conservation. No consumer wants to pay more for the same product simply because it is produced in a cleaner way; no developer wants to be confronted with an environmental impact statement that lets the world know his gain is the community's loss; no trucker is likely to agree with any energy-conservation program that cuts his income

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* Marxists tended to be more extreme optimists than non-Marxists, differing only on how the drive to Utopia was to be organized.

We all have a vested interest in continuing to abuse the environment as we have in the past. And even if we should find the political will to take these kinds of steps before we collide with the physical limits, then we will have adopted the essential features of a spaceman economy on a piecemeal basis—and will have simply exchanged one horn of the dilemma for the other.

Technological solutions are more roundabout, but the outcome—greater social control in a planned society—is equally certain. Even assuming that necessity always proves to be the mother of invention, the management burden thrown on our leaders and institutions by continued technological expansion of the famous fishpond will be enormous. Prevailing rates of growth require us to double our capital stock, our capacity to control pollution, our agricultural productivity, and so forth every fifteen to thirty years. Since we already start from a very high absolute level, the increment of required new construction and new invention will be staggering. For example, to accommodate world population growth, we must, in roughly the next thirty years, build houses, hospitals, ports, factories, bridges, and every other kind of facility in numbers that almost equal all the construction work done by the human race up to now.

The task in every area of our lives is essentially similar, so that the management problem extends across the board, item by item. Moreover, the complexity of the overall problem grows faster than any of the sectors that comprise it, requiring the work of innovation, construction, and environmental management to be orchestrated into a reasonably integrated, harmonious whole. Since delays, planning failures, and general incapacity to deal effectively with even our current level of problems are all too obvious today, the technological response further assumes that our ability to cope with large-scale complexity will improve substantially in the next few decades. Technology, in short, cannot be implemented in a political and social vacuum. The factor in least supply governs, and technological solutions cannot run ahead of our ability to plan, construct, fund, and man them.

Planning will be especially difficult. For one thing, time may be our scarcest resource. Problems now develop so rapidly that they must be foreseen well in advance. Otherwise, our "solutions" will be too little and too late. The automobile is a critical example. By the time we recognized the dangers, it was too late for anything but a mishmash of stopgap measures that may have provoked worse symptoms than they alleviated and that will not even enable us to meet health standards without painful additional measures like rationing. But at this point we are almost helpless to do better, for we have ignored the problem until it is too big to handle by any means that are politically, economically, and technically feasible. The energy crisis offers another example of the time factor. Even with an immediate laboratory demonstration of feasibility, nuclear fusion cannot possibly provide any substantial amount of power until well into the next century.

Another planning difficulty: the growing vulnerability of a highly technological society to accident and error. The main cause of concern is, of course, some of the especially dangerous technologies we have begun to employ. One accident involving a breeder reactor would be one too many: the most minuscule dose of plutonium is deadly, and any we release now will be around to poison us for a quarter of a million years. Thus, while we know that counting on perfection in any human enterprise is folly, we seem headed for a society in which nothing less than perfect planning and control will do.

At the very least, it should be clear that ecological scarcity makes "muddling through" in a basically laissez-faire socio-economic system no longer tolerable or even possible. In a crowded world where only the most exquisite care will prevent the collapse of the technological society on which we all depend, the grip of planning and social control will of necessity become more and more complete. Accidents, much less the random behavior of individuals, cannot be permitted; the expert pilots will run the ship in accordance with technological imperatives. Industrial man's Faustian bargain with technology therefore appears to lead inexorably to total domination by technique in a setting of clockwork institutions. C. S. Lewis once said that "what we call Man's power over Nature turns out to be a power exercised by some men over other men with Nature as its instrument," and it appears that the greater our technological power over nature, the more absolute the political power that must be yielded up to some men by others.

These developments will be especially painful for Americans because, from the beginning, we adopted the doctrines of Locke and Smith in their most libertarian form. Given the cornucopia of the frontier, an unpolluted environment, and a rapidly developing technology. American politics could afford to be a more or less amicable squabble over the division of the spoils, with the government stepping in only when the free-for-all pursuit of wealth got out of hand. In the new era of scarcity, laissez-faire and the inalienable right of the individual to get as much as he can are prescriptions for disaster. It follows that the political system inherited from our forefathers is moribund. We have come to the final act of the tragedy of the commons.

The answer to the tragedy is political. Historically, the use of the commons was closely regulated to prevent overgrazing, and we need similar controls—"mutual coercion, mutually agreed upon by the majority of the people affected," in the words of the biologist Garrett Hardin—to prevent the individual acts that are destroying the commons today. Ecological scarcity imposes certain political measures on us if we wish to survive. Whatever these measures may turn out to be—if we act soon, we may have a significant range of responses—it is evident that our political future will inevitably be much less libertarian and much more authoritarian, much less individualistic and much more communalistic than our present. The likely result of the reemergence of scarcity appears to be the resurrection in modern form of the preindustrial polity, in which the few govern the many and in which government is no longer of or by the people. Such forms of government may or may not be benevolent. At worst, they will be totalitarian, in every evil sense of that word we know now, and some ways undreamed of. At best, government seems likely to rest on engineered consent, as we are manipulated by Platonic guardians in one or another version of Brave New World. The alternative will be the destruction, perhaps consciously, of "Spaceship Earth."

### A DEMOCRACY OF RESTRAINT

There is, however, a way out of this depressing scenario. To use the language of ancient philosophers, it is the restoration of the civic virtue of a corrupt people. By their standards, by the standards of many of the men who founded our nation (and whose moral capital we have just about squandered), we are indeed a corrupt people. We understand liberty as a license for self-indulgence, so that we exploit our rights to the full while scanting our duties. We understand democracy as a political means of gratifying our desires rather than as a system of government that gives us the precious freedom to impose laws on ourselves—instead of having some remote sovereign impose them on us without our participation or consent. Moreover, the desires we express through our political system are primarily for material gain; the pursuit of happiness has been degraded into a mass quest for what wise men have always said would injure our souls. We have yet to learn the truth of Burke's political syllogism, which expresses the essential wisdom of political philosophy: man is a passionate being, and there must therefore be checks on will and appetite; if these checks are not self-imposed, they must be applied externally as fetters by a sovereign power. The way out of our difficulties, then, is through the abandonment of our political corruption.

The crisis of ecological scarcity poses basic value questions about man's place in nature and the meaning of human life. It is possible that we may learn from this challenge what Lao-tzu taught two-and-a-half millennia ago:

"Nature sustains itself through three precious principles, which one does well to embrace and follow.

"These are gentleness, frugality, and humility."

A very good life—in fact, an affluent life by historic standards—can be lived without the profligate use of resources that characterizes our civilization. A sophisticated and ecologically sound technology, using solar power and other renewable resources, could bring us a life of simple sufficiency that would yet allow the full expression of the human potential. Having chosen such a life, rather than having had it forced on us, we might find it had its own richness.

Such a choice may be impossible, however. The root of our problem lies deep. The real shortage with which we are afflicted is that of moral resources. Assuming that we wish to survive in dignity and not as ciphers in some antheap society, we are obliged to reassume our full moral responsibility. The earth is not just a banquet at which we are free to gorge. The ideal in Buddhism of compassion for all sentient beings, the concern for the harmony of man and nature so evident among American Indians, and the almost forgotten ideal of stewardship in Christianity point us in the direction of a true ethics of human survival—and it is toward such an ideal that the best among the young are groping. We must realize that there is no real scarcity in nature. It is our numbers and, above all, our wants that have outrun nature's bounty. We become rich precisely in proportion to the degree in which we eliminate violence, greed, and pride from our lives. As several thousands of years of history show, this is not something easily learned by humanity, and we seem no readier to choose the simple, virtuous life now than we have been in the past. Nevertheless, if we wish to avoid either a crash into the ecological ceiling or a tyrannical Leviathan, we must choose it. There is no other way to defeat the gathering forces of scarcity.

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[1] Of course, noneconomic factors may temporarily override market forces, as the current Arab oil boycott illustrates.

## INFLATION

Mr. ALLEN. Mr. President, I am indebted to Mr. John L. Ebaugh, Jr., of Birmingham, Ala., for a letter in which he provides a clear and concise presentation of the consequences reasonably to be expected if inflation in the United States is not brought under control.

Mr. Ebaugh draws from the experiences of the Government of Chile, while under control of the Communist Salvador Allende, for lesson materials. Of course, Lenin, Keynes, and other Communists and Socialists recognized the revolutionary potential in the use of inflation to debauch the currencies of nations which adhere to concepts of private ownership of property and a competitive free enterprise economic system. We have proof enough of the devastating effects of inflation. It is high time that Congress quit passing the buck and face up to the consequences of our failure to cut out waste extravagance, proliferation of Federal agencies, and our failure to balance the Federal budget.

Mr. President, I commend to the thoughtful consideration of all Senators Mr. Ebaugh's thought-provoking exposition and I ask unanimous consent that his letter to me be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Independent Insurance Agents, Inc.,
*Birmingham, Ala., March 13, 1974.*
Hon. James Allen,
*Washington, D.C.*

Dear Sir: You are very right about keeping our defenses up to at least par with Communist Russia. We have moved into a dangerous military position that should not be. However, there is another facet of our national life that is even more dangerous because we are destroying ourselves.

Before the Communist Allende government took over Chile, their democratic government had debased their currency by deficit spending paid with printing press money. The first thing that the Allende government did was to crank the money printing press into high gear with "benefits" for the workers. Minimum wages rose by law from 200 escudos per month in 1968 to 16,000 escudos per month in 1973. Price controls, rent controls, and all of the other palliatives were imposed. As money became less available, prices rose and everybody tried to buy ahead, pushing prices still higher.

Savings banks, savings and loan associations and life insurance companies went out of business. People withdrew their money. Every Chilean city has the shells of partially completed buildings, their construction halted because committed mortgage financing disappeared.

Rent controls were imposed at $8.00 per month for an apartment that cost $12,000.00 to build. There is not a privately owned house or apartment for rent in the entire country. Many were "nationalized" for the benefit of "the workers," meaning that they were seized without compensation to their owners, even some private homes.

Food supply shrank below requirements. Sugar production, formerly 65% of national demand, shrank to 25%. Other foodstuffs decreased proportionately. Located on the shore of one of the greatest fishing areas of the world, the supply of fish shrank until national rationing was imposed to divide starvation equally.

The value of their money dropped from five escudos to $1.00 U.S. in 1968 to 800 per $1.00 in 1973. The purchasing power of the minimum wage dropped from $40.00 U.S. to $20.00 in five years. Black markets sprang up. The official exchange rate in 1973 was 80 escudos to $1.00 U.S.; the black market rate was 780. Business could not be conducted legally. No supplies were available at legal prices; only on the black market. Businesses were "nationalized" when they shut down or tried to sell at black market prices. Bribery and official corruption became rampant as people sought to survive.

Unemployment benefits rose faster than the minimum wage until a man could draw a minimum wage from unemployment relief. (New York has done this many years.) People lost incentive to work. Productivity almost disappeared. Meanwhile the money press ground out paper with which to pay for all of this.

The final result last summer was total chaos. Transportation workers struck. The movement of essential food and other supplies stopped. Factory workers took to the streets; so did "students" planted in their universities to aid the chaos. Cuban and Russian troops moved in with the imported sugar; grenades, ammunition, and automatic weapons came in sugar sacks.

That's when the Chilean army took over. The Russians left peacefully but refused to send a team to play tennis with Chileans, forfeiting their position in international competition. Do you think that their departure would have been peaceful had not the United States been watching carefully? I don't! When we destroy ourselves economically, bring about such chaos in our own country, who is there to save us?

In my lifetime, I have seen Germany, Italy, France (for the second or third time) and Brazil, Peru and Argentina go down to uncontrollable inflation. Need we go through the same stupid process?

Yours very truly,
John L. Ebaugh, Jr.

## INTERSTATE COMMERCE COMMISSION RESPONDS TO SENATE RESOLUTION 289 ON FERTILIZER

Mr. McGOVERN. Mr. President, I would like to take this occasion to commend the Interstate Commerce Commission for its action yesterday in ordering over 1,000 hopper rail cars to help speed up the shipment of fertilizer supplies to American farmers.

This action is in accordance with the passage of Senate Resolution 289 on February 27, 1974, which called upon all Federal Government agencies having any responsibility for establishing priorities for the allocation of materials and facilities—including railcars—utilized in the production or distribution of fertilizer to give the highest priority to such requirements. On February 28, 1974, I sent a copy of this Senate-passed resolution to all appropriate Federal agencies and to the 50 State Governors asking for their cooperation in implementing both the letter and spirit of it.

I would like to request unanimous consent that a copy of ICC Chairman George M. Stafford's response and a copy of the Commission's Car Service Order No. 1178 making these railcars available be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Interstate Commerce Commission,
*Washington, D.C., March 5, 1974.*
Hon. George S. McGovern,
*Chairman, Subcommittee on Agricultural Credit and Rural Electrification, U.S. Senate, Washington, D.C.*

Dear Chairman McGovern: This is in reply to your letter of February 28, 1974, enclosing a copy of Senate Resolution 289, which relates to the serious nature of the current supply, demand, and price situation of fertilizer.

We in the Commission have been quite concerned for some time regarding the adequacy of transportation for the distribution of fertilizer, fully realizing the importance of this commodity to our nation's economy. Last year the fertilizer industry was experiencing considerable difficulty in moving the commodity from Florida to Midwestern points of consumption. At that time, I called into Washington top operating officials of the carriers participating in such rail haul. At that conference I polled each carrier's representative individually, asking him to explain in what manner he expected to contribute to the orderly transportation of fertilizer from point of origin to areas where it was desperately needed at that time. Each one advised me of his contribution, some including additional car supply and others assurances that movement on their lines would be expedited. This action proved quite successful in having the fertilizer moved without much delay.

I am aware of the increased importance this year of this commodity and the current capacity of the nation's fertilizer industry to meet existing demands. On Thursday, February 28, 1974, Mr. Ed Wheeler, representing the Fertilizer Institute, along with representatives of the fertilizer industry, met in my office for the purpose of reviewing the car supply and recommending to the Commission suggestions for coping with the problem.

With our nation being plagued with the worst car shortage in history and particularly of the types needed for transporting fertilizer, the problem of meeting the demands of these shippers is indeed a very difficult one. However, we do intend to take whatever action is deemed necessary to insure an adequate car supply for the orderly transportation of fertilizer, as we realize that this is a movement which must be consummated within a specific period. We are now working on a plan whereby we will endeavor to appropriate cars made empty at New Orleans and have them returned under load with fertilizer to the owning carriers. This is a program which has not been tried before, but one which we feel is workable.

While the Commission is without authority to give preferential treatment to any shipper, we certainly will do our utmost in making these essential fertilizer supplies available to farmers in a timely and equitable manner.

Sincerely yours,
George M. Stafford,
*Chairman.*

### Service Order No. 1178—Distribution of Covered Hopper Cars

At a session of the Interstate Commerce Commission, Railroad Service Board, held in Washington, D.C., on the 15th day of March, 1974

*It appearing*, That an acute shortage of covered hopper cars for transporting shipments of fertilizer exists in the state of Florida; that the railroads serving the fertilizer producing areas of that state are unable to furnish additional system cars for the movement of this traffic; that entire areas of the country are unable to receive adequate supplies of this fertilizer because of these shortages of freight cars; that the United States Department of Agriculture has certified that there is an immediate need for increased shipments of fertilizer into these areas in order to maximize the production of feed grains and other agricultural crops; that a substantial portion of this fertilizer will be routed via, or terminate on the lines named herein; that existing regulations and practices with respect to the use, supply, control and distribution of freight cars are insufficient to secure an adequate supply of covered hopper cars for shipments of fertilizer from Florida origins; that it is the opinion of the Commission that an emergency exists requiring immediate action to promote car service in the interest of the public and the commerce of the people. Accordingly, the Commission finds that notice and public procedure are impracticable and contrary to the public interest, and that good cause exists for making this order effective upon less than thirty days' notice.

*It is ordered,* That:

§1033.1178 DISTRIBUTION OF COVERED HOPPER CARS

(a) Each common carrier by railroad subject to the Interstate Commerce Act shall observe, enforce, and obey the following rules, regulations, and practices with respect to its car service:

(b) *Assignment of cars to fertilizer traffic.* The carriers named herein shall each withdraw from grain service and forward to the Seaboard Coast Line Railroad Company (SCL) prior to April 1, 1974, one hundred (100) covered hopper cars listed in the Official Railway Equipment Register RER No. 390, issued by W. J. Trezise, as bearing reporting marks assigned to it, having mechanical designation "LO", and having cubic capacity not greater than 4,000 cubic feet and weight carrying capacity not less than 140,000 pounds.

Burlington Northern System, comprising cars of:

Burlington Northern Inc.

The Colorado and Southern Railway Company.

Fort Worth and Denver Railway Company.

Chessie System, comprising cars of:

The Baltimore and Ohio Railroad Company.

The Chesapeake and Ohio Railroad Company.

Chicago, Milwaukee, St. Paul and Pacific Railroad Company.

Chicago and North Western Transportation Company.

Chicago, Rock Island and Pacific Railroad Company.

Illinois Central Gulf Railroad Company.

Louisville and Nashville Railroad Company.

Missouri Pacific System, comprising cars of:

Chicago & Eastern Illinois Railroad Company.

Missouri-Illinois Railroad Company.

Missouri Pacific Railroad Company.

The Texas and Pacific Railway Company.

Norfolk and Western Railway Company.

Penn Central Transportation Company, George P. Baker, Richard C. Bond, and Jervis Langdon, Jr., Trustees.

St. Louis-San Francisco Railway Company.

Such cars may be used by the SCL only for transporting shipments of fertilizer originating in Florida and routed via the lines of the car owner.

(c) *Delivery of empty cars.* Empty covered hoppers described in paragraph (a) herein maybe sent by the car owner to the SCL at any junction. Cars owned by railroads which do not have a direct connection with the SCL shall be sent to the SCL via the Louisville and Nashville Railroad Company without charge to either the car owner or the SCL. Cars owned by the Penn Central Transportation Company (PC) which are located east of Pittsburgh, Pennsylvania, may be forwarded to the SCL via the Richmond, Fredericksburg and Potomac Railroad Company without charge to either the PC or the SCL or may be delivered to the SCL direct at Norfolk, Virginia.

(d) *Reports required.* Each car owner named in paragraph (a) herein, shall report to R. D. Pfahler, Director, Bureau of Operations, Interstate Commerce Commission, Washington, D.C., 20423 the initial and number of each covered hopper furnished to the SCL for fertilizer service, and the date forwarded to the SCL. The SCL shall report to Director Pfahler the initial, number and date received of each covered hopper received by it under the requirements of this order. No additional reports are required for cars previously reported and returned to the SCL for additional empty movements.

(e) *Retention of cars in service.* Empty covered hoppers sent by the owner to the SCL as required herein shall be returned empty to the SCL via reverse of loaded route for subsequent shipments of fertilizer originating at origins in Florida, until their removal is authorized by this Commission or until this order expires or is vacated. Cars which must be removed from active service because of mechanical defects must be replaced by the car owner in the manner provided in paragraph (c) for delivery of cars to the SCL. The car owner must notify both this Commission and the transportation officer of the SCL the initial and number of the car removed because of mechanical defects and the initial and number of the replacement car, together with the dates of removal and replacement.

(f) *Rules and regulations suspended.* The operation of all tariff provisions and of all other rules and regulations, insofar as they conflict with the provisions of this order, is hereby suspended.

(g) *Application.* The provisions of this order shall apply to intrastate, interstate, and foreign commerce.

(h) *Effective date.* This order shall become effective at 11:59 p.m., March 18, 1974.

(i) *Expiration date.* The provisions of this order shall expire at 11:59 p.m., May 31, 1974, unless otherwise modified, changed, or suspended by order of this Commission.

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15 and 17(2). Interprets or applies Secs. 1(10–17), 15(4), and 17(2), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10–17), 15(4), and 17(2).)

*It is further ordered,* That a copy of this order and direction shall be served upon the Association of American Railroads, Car Service Division, as agent of all railroads subscribing to the car service and car hire agreement under the terms of that agreement, and upon the American Short Line Railroad Association; and that notice of this order be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Service Board.

ROBERT L. OSWALD,
*Secretary.*

## NO-FAULT INSURANCE

Mr. CURTIS. Mr. President, S. 354, a bill aimed at requiring all 50 States to adopt no-fault auto insurance or else have a Federal no-fault law imposed upon them, is on the calendar of this body.

This legislation is directly opposed to the interest of small business, as was brought out by a group of witnesses before the Senate Committee on the Judiciary January 31. The leadoff witness that day was from the great State of Nebraska, Dwight Perkins of Lincoln, president of Farmers Mutual Insurance Co. of Nebraska.

I ask unanimous consent that the testimony of Mr. Perkins on the anti-small business implications be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

TESTIMONY OF DWIGHT PERKINS, PRESIDENT, FARMERS MUTUAL INSURANCE CO. OF NEBRASKA

Mr. Chairman and members of the Committee.

My name is Dwight Perkins. I am President of Farmers Mutual Insurance Company of Nebraska located in Lincoln, Nebraska.

I am here this morning as a representative of my own company, and as one of the representatives of the National Association of Independent Insurers, which I currently have the honor of serving as Chairman. A number of other NAII companies have also sent their Chief Executives here today to present their views.

We welcome this opportunity to testify on S. 354.

On behalf of my company and the NAII, and personally as one of your constituents, Senator Hruska, I would like to express our appreciation for the kindness and consideration which has been extended to the industry witnesses. We have every confidence that the thoroughness of your hearings will be enlightening to the Committee and to the rest of the Congress.

The men you will hear shortly will be raising a variety of questions about S. 354, among them:

The wisdom of further federal intrusion into the regulation of insurance.

The detrimental effects of the unlimited medical benefits mandated by the bill.

And the unnecessarily abrupt change to new and rigidly prescribed standards of law and rating equities.

Our company subscribes to these judgments.

But there are other things about the bill which concern us as a small Nebraska company, to which I would like to invite your attention.

By way of background, Farmers Mutual of Nebraska was organized in 1891 and presently serves approximately 140,000 policyholders. It confines its operations to Nebraska.

I hope you will forgive my reference here to my own company. I mention it only because it seems to me that it is typical of hundreds of other small and medium-sized independent companies which form the backbone of the NAII and, I believe, the industry generally.

As a matter of fact, of the 403 member companies of the NAII, more than one-fourth write in only one state—and half of our members do business in five states or less.

These companies have deliberately restricted their operations to their own territories. By doing so, they have remained close to their markets and have been able to respond quickly to the changing needs of their members. For many years, they have provided reliable insurance protection, and efficient claims service in their own areas—often at substantially lower costs than was generally available from the eastern giants.

As a result, such companies collectively insure millions of policyholders, and represent a substantial—and I believe—healthy competitive force in the industry.

But S. 354 would confront such companies with special dangers.

For example, small companies would face a serious—perhaps insoluble—problem because of S. 354's requirement of unlimited medical and rehabilitation expense coverage.

For the large national writer, the costs and hazards of providing such catastrophic coverage are perhaps manageable.

But they would ultimately prove unmanageable and insupportable for the small company.

Suppose, for example, chance should deal a single company a half-dozen of these catastrophic unlimited medical cases in a single year—involving, for these six claims alone, liabilities totaling several million dollars.

Of course, no company—large or small—would bear such a risk alone. Prudent management would have arranged for reinsurance to cover the risk in excess of the amount the company could afford to carry for its own account.

But negotiating and paying for an adequate reinsurance treaty in unlimited amounts poses quite a different problem for the small company than for the giant.

The large company, because of its countrywide spread, and the greater risk it could afford to retain for its own account, could probably present to the reinsurer an acceptable—perhaps even a desirable risk.

But a small company with a limited spread and limited resources would of necessity have to ask the reinsurer to assume a much greater proportion of each risk. For this reason, and because of its restricted premium base, the small company presents to the reinsurer a far less attractive picture—and its cost for such reinsurance would be proportionately much higher—if, indeed, it could get such reinsurance at all.

The increased reinsurance costs made necessary by S. 354, piled on top of other inflationary pressures, will predictably mean eventual rate increases for *all* companies—large and small.

But for the small one-state or five-state company, it will mean disproportionately higher rates, and the ultimate crippling of its competitive position. Thus, such a small company would face a loss of premium volume at the very time its business expenses are rising.

It is not hard to read the fate of the small company in this. But the real loser would be the insuring public.

Some say we exaggerate the danger. They point to the statistical rarity of catastrophic accidents, and question how great the financial strain could be. Unfortunately, statistics are often rewritten by reality.

Statistically, *six* catastrophic accidents covered by a single small company are probably not supposed to occur in Nebraska next year. But who can say it will not happen? The reinsurer will properly consider that it could happen, and will understandably take the possibility into account.

As to costs, I would respectfully note for the Committee that A. M. Best and Co. estimates the 1973 underwriting profit for auto insurers at four-tenths of one per cent.

To the small company, faced with the reinsurance problem created by this bill, fractions will spell the difference. A fractional increase in reinsurance costs, a fractional increase in inflationary pressures, a fractional loss in premium volume—and hundreds of small companies will ultimately have no recourse but to leave the auto insurance field to the giants, or be absorbed by them.

This would eventually create a concentration of the business into a few mammoth companies, and would deprive the consumer of a vigorously competitive market in the auto insurance field.

We believe this result is one of the many adverse effects of S. 354.

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## INTERNATIONAL NARCOTICS DIPLOMACY

Mr. HARTKE. Mr. President, it has recently come to my attention that the Government of Turkey is contemplating further developments to the agreement between the United States and Turkey which provided for the timely transfer of the production of poppies to the agricultural production of commodities furthering the nutritional needs of mankind.

Under the agreement of the two countries, the United States was to provide $35 million to the Turkish Government. Fifteen million dollars was compensation to the Turkish Government for losses in foreign earnings from the export of poppy derivatives. The additional $20 million was to be used to finance an agricultural development program for the farmers in the affected region by transferring their production capabilities from poppies to foodstuffs which have a nutritional value for man. That agreement has been met by mixed emotions on the part of Turkish farmers.

Mr. President, I ask unanimous consent to have an article by Juan de Onis in the August 9, 1973, New York Times published in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARTKE. We have begun to turn the corner in American usage of heroin since the ban on poppy production in Turkey. The facts indicate there are fewer deaths from heroin usage on the east coast of the United States, and the quantity and quality of heroin have deteriorated substantially as the supply has lessened. If the Government of Turkey should decide to renew the production of poppies, our country would be faced with a serious substantial influx of poppy derivatives—mainly heroin. We must be ever mindful of the grave consequences to which our people would be subjected. The long lean stem of the poppy is but a needle in an American's arm. When the poppy is cut off, the needle is removed.

Mr. President, if conditions have arisen since the agreement which were unforeseen by the parties to the negotiations, the United States should take necessary measures to assure its continued good faith to all parties concerned.

I have written a letter to His Excellency, the Ambassador from Turkey, Melih Esembel, expressing my concern for the future of the agreement. Mr. President, I ask unanimous consent to have the letter to Ambassador Esembel printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD. as follows:

U.S. SENATE,
COMMITTEE ON VETERANS' AFFAIRS,
*Washington, D.C., March 15, 1974.*

His Excellency MELIH ESEMBEL,
*Ambassador of Turkey, The Embassy of Turkey, Washington, D.C.*

DEAR AMBASSADOR ESEMBEL: I have noted with interest several recent media statements that the Government of Turkey is considering new proposals regarding the production of poppies and their derivatives. As you may be aware, I have been interested in legislation regarding the illicit international trafficking of opium and its derivatives which may pursue a course leading to the veins of Americans. My interest here necessarily does not apply just to Americans, but to the welfare of mankind throughout the world.

I would only suggest my sentiments are with the agreement negotiated between our Governments providing for monies to your Government for the timely transfer of agricultural production from poppies to other commodities furthering the nutritional needs of man. I believe that agreement was sound and reasoned. Though your Government may now consider the interests of Turkey slighted by that agreement, the pursuit of a course of action licensing the production of poppies throughout Turkey would be most damaging to the welfare of the peoples of the world. We have seen, for example, a shortage of heroin on the East coast of the United States since the agreement became effective.

The medicinal derivatives from the poppy have direct benefit to many suffering people, however, the strict adherence to agreements negotiated by governments and the international opium production agreements allow for adequate production for medicinal needs.

I would appreciate receiving from you the intentions of your Government in this regard. I hope we may have the opportunity to further discuss this matter at your convenience.

With my best wishes, I am
Sincerely,

VANCE HARTKE,
*U.S. Senator.*

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### EXHIBIT 1

[From the New York Times, Aug. 9, 1973]

### POPPIES GONE, TURKISH FARMERS ASK: "WHY HAVE AMERICANS DONE THIS?"

(By Juan de Onis)

AFYONKARAHISAR, TURKEY.—A stubborn sentiment among small farmers against the American-sponsored program to eradicate opium poppy planting in Turkey is being encouraged by the promises of local politicians that the ban will be repealed.

The plan to halt poppy production—an attempt to dry up this important source of the base drug for heroin—went into full effect this summer. The plots of red poppy flowers, from which opium gum is extracted, have been virtually eliminated, according to United States narcotics officials here.

But the 70,000 Turkish farmers affected by the ban do not like the prohibition and are hoping that it will be repealed after a new Parliament is elected in October.

The ban is not a national campaign issue as yet, but local politicians representing the major parties in the seven-province area where the program is in force have been promising farmers that they will be planting poppies again next summer if their candidates are elected.

#### PROSPECT IS PLEASING

"They say they are going to change the law," said Hidayet Arslan, a farmer with a flashing mouthful of gold-capped teeth and a big cloth cap pushed back on his sunburned forehead. He stood beside his new Turkish Fiat tractor that was driving a wheat thresher in a field outside the village of Akoren.

The prospect of repeal obviously pleased

Mr. Arslan and a group of other farmers who paused in their work. They leaned on wooden rakes and pitchforks among stacks of tawny wheat as they discussed what they called the "American ban" on one of their traditional crops and a source of food and cash.

There is no record of opium addiction among the sturdy, healthy-looking Turkish farmers who were working in the field with their children and their wives, who wear flowered dresses over baggy leggings and bandanas on their hair.

For the Turkish farmers of this region their poppy plantings, usually less than half an acre in holdings that average 15 acres, are regarded as a legitimate source of cooking oil and tasty seeds for their bread, as well as the opium gum that is the cause of the ban.

At Akoren and other villages the farmers showed almost no knowledge of the connection between their poppies and the heroin-addiction problem in the United States.

"Why have the Americans done this to us?" asked one farmer, who then listened with puzzlement on his face to a visitor's account of the drug-addiction problem in American cities, such as New York.

### HEAVY PRESSURE FOR BAN

The legal outlet for the opium gum, extracted by the farmers from poppy pods, was the Turkish state agricultural marketing organization, which in turn sold the gum to pharmaceutical companies for conversion into medicinal morphine.

But while the state agency paid about $13 a kilo, a little over two pounds, for the gum, illegal buyers of the morphine smuggled out of Turkey to heroin laboratories abroad paid the farmer $35 a kilo.

In this chain of illegal traffic, which often passed through Marseille to the United States, the real profit was for the black marketeers in the morphine base. The price of a kilo of the base in Turkey was $600 after an inexpensive conversion of the gum to morphine in crude clandestine laboratories.

With perhaps half of Turkey's annual opium gum production of 120,000 kilos going into illegal channels in 1970, Turkey was identified as a major source of morphine supply for the heroin traffic to the United States, and heavy pressure was brought by the Nixon Administration for a ban on poppy growing.

In July, 1971, Nihat Erim, then Premier, announced that the ban on poppy planting would go into effect after the harvesting of the crop last summer. The Government offered to pay farmers an annual compensation equivalent to $40 per kilo, based on sales to the marketing organization during the cutoff year of 1972.

Talks with farmers in this beautiful area of southwestern Anatolia, where valley lands rise through foothills to high blue mountains, showed that they were satisfied with the compensation, which is paid to them through the same marketing organization to which they sell their wheat.

### THE PENALTIES ARE STIFF

The farmers indicated that the stiff penalties for poppy production, which can lead to 10 years in jail, were a strong deterrent to illegal plantings.

At Akoren, the farmers shook their heads vigorously when asked if anyone was still planting poppies. One farmer clutched his throat in his strong, brown fingers in a gesture of strangulation. "They hang you," he said.

But American and Turkish narcotics agents in Ankara, Turkey's capital, and in Istanbul, the main smuggling center, said that traffic in the morphine base was still a problem because stocks of the drug are on hand from poppy production in past years.

The price of the morphine base has risen to $750 a kilo in Turkey, or 30 per cent more than before the poppy ban. Several large shipments have been seized recently, including 50 kilos at a clandestine laboratory in Corum Province on the Black Sea.

On the outskirts of this city of 50,000 people, a railroad and trucking center, the owner of a gasoline station, Ismael Acar, was arrested earlier this year and charged with smuggling large amounts of opium gum. He is in jail.

The villagers say, however, that they are not concerned about poppies as a source of income. They depend basically on wheat and on livestock, and what they talked about was the high cost of feed, the rising cost of living, which has offset recent increases in wheat-support prices, and on the need for industries in the area to give their children jobs.

"We nearly all own our land and there are no big estates to be divided up here, but our holdings are not big enough for each of our children to be farmers," said one farmer.

To compensate the Turkish Government for losses in foreign earnings from export of morphine, amounting to $3-million to $5-million a year, the United States put up $15-million as part of the ban agreement. Of this fund, $10 million has been distributed so far. The money directly finances the compensation to farmers.

In addition, the United States pledged $20-million to be used to finance an agricultural development program for the benefit of the farmers in the poppy ban region. Of this amount, only $3.8-million had been invested by last month.

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## IN 17 MONTHS 850 "ABNORMAL" NUCLEAR EVENTS REPORTED

Mr. GRAVEL. Mr. President, various nuclear engineers are claiming at public hearings and over television that nuclear power catastrophes cannot happen because "we have solved the accident problem." Their arrogant assertion is devastated by a recent report, written by AEC experts and released on January 29 by Ralph Nader and the Union of Concerned Scientists, P.O. Box 289, MIT Station, Cambridge, Mass. 02139.

The report reveals how many design problems "of a generic nature" and "with real safety significance" the nuclear engineering community has failed to foresee. Furthermore, the report shows again and again how safety systems which look adequate on paper are defective in reality due to human errors in manufacture, construction, operation, and maintenance. Only the wildest nuclear dreamers could expect anything else, given the fallibility of human beings.

As of January 29, 1974, the AEC had not yet released the report, which was dated October 1973. Entitled "Study of the Reactor Licensing Process," it was written by eight AEC experts including the AEC Assistant Director of Regulation, L. V. Gossick. Claiming the October version was just a "draft," the AEC released its modified version on February 4, 1974; it is available in two volumes entitled "Study of the Reactor Licensing Process," dated December 1973, and "Study of Quality Verification and Budget Impact," dated January 1974. The division makes the latter volume the one which should concern every Member of Congress.

### REGULATORY REPORT CHALLENGES ONE-PER-MILLION ACCIDENT ODDS

The following statements come verbatim from the AEC report, October version, and the January version is substantially the same:

> Review of the operating history associated with 30 operating nuclear reactors indicated that during the period 1/1/72 to 5/30/73, approximately 850 abnormal occurrences were reported to the AEC. Many of the occurrences were significant and of a generic nature requiring followup investigations at other plants. Forty percent of the occurrences were traceable to some extent to design and/or fabrication-related deficiencies. The remaining incidents were caused by operator error, improper maintenance, inadequate erection control, administrative deficiencies, random failure and combination thereof. (Page 16).
>
> The large number of reactor incidents, coupled with the fact that many of them had real safety significance, were generic in nature, and were not identified during the normal design, fabrication, erection, and preoperational testing phases, raises a serious question regarding the current review and inspection practices both on the part of the nuclear industry and the AEC. This is particularly true when the increasing number of operating reactors which will be on-line in the 1980's and the 1990's is considered. (Pages 16–17).
>
> The Task Force [the eight AEC experts] intuitively believes that the probability of having a major accident during the operation of present-day nuclear reactors is acceptably small. However, it does not believe that the overall incident record over the past several years, combined with the common-mode failures that have been identified, give the required confidence level that the probability for such an accident is one-in-a-million or less per reactor-year. (Page 18).
>
> If there were 1,000 reactors operating and the probability of a major accident were one-in-a-million per reactor-year, the probability would be one-time-in-33 that such an accident would occur at one or more reactors during the 30-year lifespan of the reactors. (Page 18).

Mr. President, since the AEC licenses nuclear power reactors for a 40-year lifespan, the figure above could be adjusted to 1 chance in 25.

So that my colleagues may study more of the excerpts, I ask unanimous consent that the document released January 29, 1974 by Nader and the UCS, entitled "Excerpts From AEC Task Force Report: Study of the Reactor Licensing Process, October 1973," be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

### IN AMERICA, THE POISON OF A MILLION HIROSHIMA BOMBS?

Mr. GRAVEL. Mr. President, there were only 40 operable nuclear powerplants in the United States at the beginning of 1974, so we may get away with human errors in the nuclear industry a while longer. But our country will almost certainly pay a terrible price if we permit a few extremists to commit the Nation to 1,000 nuclear powerplants in the next 25 years.

A thousand nuclear plants would produce as much radioactivity as a million Hiroshima explosions, every year, plus 600,000 pounds of plutonium.

There is no denying the necessity of containing these poisons with at least 99.99-percent success. In other words, after its infancy, the nuclear industry simply and obviously cannot tolerate normal levels of human error.

It violates both commonsense and minimum morality to let our country become dependent on such a technology. In 1973, nuclear power contributed just 1.2 percent of the country's energy. Ten years from now, however, there are supposed to be 280 operable plants rather than only 40. Instead of helping America solve its energy problem, nuclear power could make it far worse. If a severe nuclear accident, say in 1985, required the *shutdown* of all the plants, this country would suffer a truly colossal energy crisis.

### IDEAL TITLE FOR A PUBLIC REAPPRAISAL

Now is the proper time to reevaluate nuclear power, while we can still get along so easily without it. In fact, this is the ideal time for a reappraisal, in view of the recent reduction in the growth rate of electrical consumption.

That is why I hope other Senators will add themselves as cosponsors to S. 1217, the Nuclear Power Moratorium Act, which I introduced in March 1973.

### Exhibit 1

### Excerpts From AEC Task Force Report: Study of the Reactor Licensing Process, October 1973

### COMPOSITION OF THE TASK FORCE

The Task Force was chaired by L. V. Gossick, Assistant Director of Regulation; and vice-chaired by M. L. Ernst, Program Assistant to the Deputy Director for Reactor Projects. The Task Force members assigned to perform this study were: W. E. Campbell, Jr., Regulatory Standards; A. J. DiPalo, Office of Program Analysis; T. H. Essig, Technical Review—L; R. D. Smith, Fuels and Materials—L; J. H. Sniezek, Regulatory Operations; and S. A. Varga, Reactor Projects—L. Mr. M. G. Malsch, Office of the General Counsel, was assigned as part time legal advisor. (pp. 2–3)

. . . freedom from accidents does not necessarily demonstrate a sufficiently low level of risk. This is especially true in an emerging technology where in a broad base of satisfactory operating history has not been established. (p. 10)

Regulation of nuclear power has been based on conservative practices and, at least on the surface, appears to have been successful. (p. 10)

Regulatory policies have continued to evolve, and have stressed the importance of assuring safe operations, but there is still an unanswered question as to the quantified degree of safety (or conversely, the level of risk) of a nuclear power plant. (pp. 10–11)

The ultimate determination of the acceptable level of public risk is actually a matter which should be debated and established in the public arena. It is a political question which cannot be solely resolved by a regulatory or technical decision. It is recognized that technical issues are difficult for the layman to understand, especially as related to the occurrence of low probability events. In the case of nuclear reactors, the level of risk is presently difficult for even the engineer to quantify, and in fact, it has not yet been firmly established. (p. 11)

The risks to the public from a reactor is truly a value judgment. For simplicity it may be expressed as the total of all risks which result in a degradation of the human environment from all conceivable accidents, weighted by the respective accident probabilities. However, quantification of these risks is complicated since identification of all possible accident combinations has not been acomplished. (p. 12)

The equation for the loss of coolant accident, for which the probability of fission products release can be estimated, may be written as:

$Pa = Pp \times Pe \times Pc$

Pa=probability of the postulated accident

Pp=primary coolant system failure rate, $10^{-3}$ per demand per year (assumed)

Pe—emergency core cooling system failure rate, $10^{-2}$ per demand per year (assumed)

Pc—containment failure rate, $10^{-3}$ per demand per year (assumed)

The resulting probability (Pa) for this chain is $10^{-8}$ per demand per year. In order to prove the above system probabilities (with 95% confidence), demonstrate that each system will perform as designed under operating conditions, and demonstrate that there are no common mode failures that would affect the random, independent nature of the events, it would be necessary to test the particular design for literally thousands of years under all the accident and operating conditions. This approach is obviously impractical. In general the level of risk must be calculated by looking at demonstrated component and subcomponent reliabilities; however, accelerated qualification testing programs may provide the key data in certain areas. (pp. 13–14)

While accident chains can be postulated and the appropriate, detailed probabilistic equations written, the availability of actual performance information (in the form of reliability data) is a matter which has not been fully addressed by the nuclear industry. (p. 14)

Review of the operating history associated with 30 operating nuclear reactors indicated that during the period 1/1/72–5/30/73 approximately 850 abnormal occurrences were reported to the AEC. Many of the occurrences were significant and of a generic nature requiring followup investigations at other plants. Forty percent of the occurrences were traceable to some extent to design and/or fabrication-related deficiencies. The remaining incidents were caused by operator error, improper maintenance, inadequate erection control, administrative deficiencies, random failure and combination thereof. (p. 16).

The large number of reactor incidents, coupled with the fact that many of them had real safety signficance, were generic in nature, and were not identified during the normal design, fabrication, erection, and preoperational testing phases, raises a serious question regarding the current review and inspection practices both on the part of the nuclear industry and the AEC. This is particularly true when the increasing number of operating reactors which will be on-line in the 1980's and 1990's is considered. (pp. 16–17)

Regarding the safety of nuclear power generation, the entire question of level of risk is subjective. The present state of the art does not permit exact quantification of the level of risk nor does it provide for the quantification of improvement in the level of risk for alternative modes of operation within Regulation. (p. 17)

It is anticipated that the Rasmussen study will provide needed insight on quantifying the loss-of-coolant accident chain probabilities required to establish the level of risk for this accident. It would be beneficial to continue to factor in operating experience to help validate the numbers, continue to analyze for accident chains that may be overlooked, and quantify risks from other potential accidents of less serious consequence. (p. 17)

The Task Force intuitively believes that the probability of having a major accident during the operation of present-day nuclear reactors is acceptably small. However, it does not believe that the overall incident record over the past several years, combined with the common mode failures that have been identified, give the required confidence level that the probability for such an accident is $10^{-6}$ (one in a million) or less per reactor-year. (p. 18)

The Task Force concludes that wherever reasonably possible, Regulation should strive to improve the confidence level that reactors are indeed safe and should demonstrate that the probability for a major accident is $10^{-6}$ (one in a million) or less per reactor-year. This is especially important as the number of operating reactors exceeds 100 and approaches 1000. As a matter of interest, if there were 1000 reactors operating and the probability for a major accident were $10^{-6}$ (one in a million) or less per reactor-year. ability would be less than 0.03 (one time in 33) that such an accident would occur at one or more reactors during the 30 year lifespan of the reactors. (p. 18)

It was concluded by the Task Force that it is difficult at this time to assign a high degree of confidence to quantification of the level of risk associated with nuclear reactors. (p. 20)

### INSPECTION

To date the Regulatory inspection philosophy has been focused primarily on obtaining assurance that the applicant or licensee (utility) is assuring the adequacy of the construction and operation of his plant. The inspection effort by Regulation encompasses only about 1–2% of the safety related activities that take place on the construction site. The Task Force concludes that this effort should be expended significantly in the area of construction. Inspection of preoperational testing activities should also be expanded. The history of problems beseiging reactors under construction and in operation (Enclosure 5) supports this conclusion. (p. 23)

### QUALITY VERIFICATION

It is recommended by the Task Force that certification not be considered by Regulation at the present time, except for the certification of standardized designs and designated sites. It is concluded that a sufficient case has not been made at present to support the concept of vendor certification. Even if vendor certification were deemed to be necessary, standards have not been developed sufficiently in the areas of concern to be able to define clearly the requirements that must be met by a certified product. (p. 31)

Regarding the inspection of vendors, it is concluded that Regulation currently does not really have a vendor inspection program. It is concluded that this must be increased considerably (approximately 10 times the current effort). The technique followed should be similar to the one used today; i.e., QA inspections with increased attention paid to problem areas. The AEC should require that licensee, NSSS, and AE contracts or purchase orders include a boilerplate requirement which would authorize AEC entry into vendor shops for inspection purposes. Generic problem solving on 'standardized' items should be pursued by the NSSS (or the standardized applicant) and the AEC should take action directly with these 'certificate' holders. Enforcement action on 'nonstandardized' items should be taken through the utility applicant. (pp. 32–33)

Extension of the Rasmussen-type study should be considered for other accident modes and other reactors. While this type of analysis is not a panacea with respect to evaluation of the safety of reactors, these techniques will help to identify weak areas and will give a reasonably good numerical value of level of risk. Of course, such analyses are dependent on identification of all accident chains and the proper quantification of probabilities of occurrence of specific events. (p. 40)

Regarding the inspection of construction sites, NSSS's, AE's and vendors, the required

Regulatory Operations inspection would be considerably greater than now exists. (p. 41)

In view of the energy crisis and the Administration's expressed interest in nuclear power, it is difficult to consider acceptable variations. (p. 57)

Regarding the safety of nuclear power generation, the entire question of level of risk is subjective. The present state of the art does not permit exact quantification of the level of risk nor does it provide for the quantification of improvement in the level of risk for alternative modes of operation within Regulation. (p. 17)

It is anticipated that the Rasmussen study will provide needed insight on quantifying the loss-of-coolant accident chain probabilities required to establish the level of risk for this accident. It would be beneficial to continue to factor in operating experience to help validate the numbers, continue to analyze for accident chains that may have been overlooked, and quantify risks from other potential accidents of less serious consequence. (p. 17)

The Task Force intuitively believes that the probability of having a major accident during the operation of present-day nuclear reactors is acceptably small. However, it does not believe that the overall incident record over the past several years, combined with the common mode failures that have been identified, give the required confidence level that the probability for such an accident is $10^{-6}$ (one in a million) or less per reactor-year. (p. 18)

The Task Force concludes that wherever reasonably possible, Regulation should strive to improve the confidence level that reactors are indeed safe and should demonstrate that the probability for a major accident is $10^{-6}$ (one in a million) or less per reactor-year. This is especially important as the number of operating reactors exceeds 100 and approaches 1000. As a matter of interest, if there were 1000 reactors operating and the probability for a major accident were $10^{-6}$ (one in a million) per reactor-year, the probability would be less than 0.03 (one time in 33) that such an accident would occur at one or more reactors during the 30 year lifespan of the reactors. (p. 18)

It was concluded by the Task Force that it is difficult at this time to assign a high degree of confidence to quantification of the level of risk associated with nuclear reactors. (p. 20)

### INSPECTION

To date the Regulatory inspection philosophy has been focused primarily on obtaining assurance that the applicant or licensee (utility) is assuring the adequacy of the construction and operation of his plant. The inspection effort by Regulation encompasses only 1–2% of the safety related activities that take place on the construction site. The Task Force concludes that this effort should be expanded significantly in the . . . elusive value judgment called "level of risk." (p. 59)

The recommended inspection effort for NSSS's, A–E's and vendors. Since these are areas in which there is virtually no routine AEC inspection program, this variation seems plausible. However, the Task Force would recommend against any cuts, since there have been significant deficiencies noted in the limited inspections performed, and there have been significant deficiencies in vendor produced products which have caused incidents. While it is very true that not many deficiencies have been found in vendor-produced items, this is only because there have been few inspections performed. (p. 59)

A study of nuclear power parks and underground siting should be made in the future. (p. 65)

The total Staff review time for individual site and plant reviews will probably be about the same as the site-plant combination reviews presently performed; the site designation process will merely break the existing review process into two parts. (p. 2–1)

It is obvious that when only AEC resources are considered as applied to the numerous facets; QA programs, implementation of QA programs, design review, fabrication, erection, testing and the numerous attributes within each activity sphere, the result is an extremely low quantitative confidence level that the product will perform as designed. (p. 4–16)

### OPERATING REACTORS

Reactor operating licenses require that abnormal occurrences, as defined in the Technical Specifications, be reported to the AEC. Approximately 850 abnormal occurrences were reported to the AEC during the 17 month period used as a sample base (January 1, 1972, to May 31, 1973). These abnormal occurrences involved malfunctions or deficiencies associated with safety related equipment. Forty percent of the occurrences were traceable in some extent to possible design and/or fabrication related deficiencies. The primary cause of at least 200 of the component malfunctions was design and/or fabrication errors. The remaining incidents were precipitated by operator error, improper maintenance, inadequate erection control, administrative deficiencies, random failure, and variations of the foregoing. Many of the incidents had broad generic applicability and potentially significant consequences. Several of these are discussed in section C of this enclosure. (pp. 5–1 to 5–2)

The following are examples of incidents having generic implications which have come to the attention of Regulation during the past few years.

### *1. Failed Hangars on ECCS Torus Suction Header for BWR's*

In May 1972, during conduct of the power ascension testing program at a BWR facility, the licensee discovered and reported that several pipe hangars supporting the 24 inch ring suction header for the ECCS systems had failed and the header had sagged approximately six inches. Utility response to the Bulletin issued by Regulatory Operations and followup inspections revealed that similar problems (broken or bent hangar bolts, no lock nuts, improper bolts, overranged seismic restraints, and unbalanced hangar loadings) were in evidence at 4 additional BWR facilities. Failure of the ring suction header could negate operability of the ECCS and constitute a breach of containment integrity. The cause of component failure was attributed to failure to take dynamic effects into consideration during the stress analyses, failure to specify proper bolting materials to be used in erection of the ring header, and poor workmanship during system erection. Corrective action has been taken at the affected facilities.

### *2. Limitorque Valve Operators*

During 1972, several licenses of light water reactors reported malfunctions in two models of electric valve operators used extensively in safety-related systems. The malfunctions were attributed to a lack of proper clearance between the moving parts comprising the torque switch unit and the inability of the torque switch reset spring to return the electrical contacts to a closed position following operation of the valve. During review of the problem, RO found that the vendor had not performed qualification testing to verify the switch design. RO informed all utilities having reactors in operation or under construction of the deficiency. Approximately 70 percent of the facilities had torque switches of the defective model installed. Valve operators utilizing the defective switches (limited to a 2-year manufacturing period) are being equipped with new torque switch assemblies by the licensees and component vendor. The manufacturer has modified his torque switch testing program to preclude repetition of this deficiency which had rendered many safety related valves inoperable.

### *3. Thin Walled Valves*

Inspection of valves in the primary system and engineered safeguards systems at nuclear power plants under construction revealed that valve body castings do not always meet the minimum thickness requirements of the specified codes. This deficiency is attributable to lack of proper quality control at the foundry and failure of the manufacturers to require verification of valve wall thickness. Utilities with reactors in operation are presently being required wall thickness. Results to date indicate that virtually all facilities are finding valve with wall thickness below code requirements. Current purchase specifications issued by licensees now require positive verification of valve wall thickness.

### *4. Main Steam Relief System Failures*

In a two year period, three significant incidents associated with main steam system pressure or temperature reduction systems have occurred at PWR facilities. On one occasion the nozzle between the safety valve and the steam line was completely severed during hot functional testing and resulted in injury to seven personnel. During the second incident, 3 of the 4 safety valves had blown off a main steam header and the header was split open during hot functional testing. Eight personnel were injured during the incident. The third incident involved the decay heat release system. During operation of the decay heat release valve the nozzle backed out of the vent sleeve due to reactive forces. Two personnel died as a result of injuries suffered during the incident. Operator error was a contributing cause of this incident.

The above incidents were precipitated by design inadequacies which did not consider the total dynamic forces involved during valve actuation. As a result of these occurrences, owners of other light water reactor facilities are analyzing and modifying their relief systems as appropriate.

### *5. Fuel Densification*

During inspection of fuel assemblies at an operating PWR facility in April 1972, the licensee observed that an appreciable number of fuel rods had sections with collapsed cladding. This could cause fuel temperatures to exceed acceptable values both during normal operation and under accident conditions. At the time of initial ABC review of this phenomenon, it appeared that this problem was associated only with PWR fuel design. It was thought that axial gaps would be much less likely in fuel rods containing free-standing fuel pellets (as in the case for BWRs) and consequently the review effort was concentrated on PWRs. However, after initiation of a review of BWR fuel densification effects, other problems associated with fuel densification besides clad collapse were uncovered which resulted in an increased review effort which resulted in operating limitations being imposed on several operating BWRs. In retrospect, it seems likely that more extensive fuel design evaluation and proof testing, coupled with an increased and continuing post-irradiation examination of fuel rods from older reactors would have revealed the existence of the fuel densification phenomenon.

### *6. High Energy Line Breaks Outside Containment*

An anonymous letter to the ACRS concerning the possible effects of the rupture of the main steam line outside the containment was received in late 1972. This prompted a rather extensive review of all plants for steam line breaks. The reviews initially concentrated on steam lines and compartment pressurization, but quickly expanded to feedwater lines and included pipe whip and the environmental effects of the ruptured pipes. It was determined that the failure of these lines at some plants could have rendered control spaces uninhabitable and safety systems inoperable.

Further extension of this review resulted in a rather detailed and lengthy set of preliminary criteria to be applied to present generation plants for all high, moderate, and low energy line breaks outside the containment. A regulatory guide which outlines an acceptable approach as to separation, isolation, and restraint of lines outside the containment whose rupture could cause safety problems is in preparation for not only the *present* but also for future generation plants. This design deficiency reinforces the need for Regulation to more thoroughly review the design layout of nuclear power plants.

*7. Maximum Drywell Temperature*

The maximum design drywell temperature for present generation BWRs was determined from the design-basis loss of coolant accident (LOCA). This is the rupture of the largest recirculation pipe in the primary system and resulted in an equilibrium saturation temperature of about 280°F after blowdown. During a slow release of primary coolant steam at an operating BWR facility, the drywell temperature recorders indicated temperatures in the range of 320 to 340°F. While it was initially suspected that either faulty temperature recorders were the cause of the high temperature or that some highly localized effect was taking place, a simple application of the principles of adiabatic blowdown (constant enthalpy) of the saturated steam associated with a small leak revealed that an equilibrium temperature of 340°F would result. Consequently, the design temperature for the drywell and specified operability temperature for safety related components located in the drywell was changed to 340°F.

*8. Flooding of Safety Related Equipment*

In June 1972 an expansion joint in the main condenser circulating water system at a BWR facility failed and flooded the turbine building to a depth of approximately 15 feet. Safety related equipment including diesel generator cooling water pumps, service water pumps, and the residual heat removal system were flooded and rendered inoperable. Although the failure, per se, was not precipitated by a deficiency in safety related equipment, the inundation of safety related equipment as a result of the nonsafety related component failure highlighted a deficiency in over-all plant layout. As a result of this occurrence other utilities have examined their plant layouts and corrective actions are being initiated as appropriate. (pp. 5–3 through 5–9).

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## EXIMBANK SUSPENDS RUSSIAN ENERGY DEAL AFTER GAO RULING

Mr. **SCHWEIKER.** Mr. President, on Friday, March 8, I received a legal opinion from the Comptroller General to the effect that the Export-Import Bank lending procedures to the Soviet Union are contrary to law. Upon receipt of that opinion under cover of my letter demanding suspension of Soviet loan transactions, the Eximbank, at 8:45 Monday morning last week suspended consideration of all Communist country applications, pending clarification of the ruling.

I am pleased that U.S. subsidized investments in Siberian energy exploration have been suspended. I am going to continue to push to insure that American energy needs are met before we make massive 6 percent energy investments abroad. I am not opposed to foreign Eximbank transactions in general, but I am opposed to this specific Russian energy deal at a time when the energy crisis is adversely affecting American consumers.

Last Thursday the New York Times, in an editorial, reiterated the point I have tried to make in calling for, and releasing, the GAO ruling on Eximbank transactions. The Times editorial said:

> It is hard to see the 'national interest' in pumping an eventual $6 billion, or much more, into developing Soviet energy sources when the investment could be well or better applied inside this country.

The Times also calls on Congress "to grasp this unexpected opportunity to subject the Siberian venture to harder scrutiny."

I welcome this support from the New York Times, and am at a loss to understand the confusion and bewilderment being demonstrated by the Eximbank in reaction to the GAO opinion. The law could not be more clear. Compliance with the law simply requires that the President submit to the Congress his determination that the proposed transactions would be in the national interest. While I remain firmly opposed to any Russian energy deals, I do not oppose nonenergy transactions, involving resources not scarce in this country, particularly with Eastern European countries.

Mr. President, on March 8, I reported to my colleagues on the GAO ruling, and published it in the Record, beginning on page 5914. I ask unanimous consent that the New York Times editorial I have just referred to, and newspaper reports of the Eximbank suspension of export credits to the Soviet Union this week be printed in the Record.

There being no objection, the editorial and reports were ordered to be printed in the Record, as follows:

[From the New York Times, Mar. 14, 1974]

### Siberian Gas

The Administration's dubious proposal to channel billions of American investment dollars into developing the Soviet Union's Siberian natural gas fields has run into a well-timed legal barrier. On political and strategic grounds, beyond the technical point of law involved, the Congress would do well to grasp this unexpected opportunity to subject the Siberian venture to harder scrutiny.

Acting on a request by Senator Schweiker, Republican of Pennsylvania, the General Accounting Office has barred the Export-Import Bank from extending credits for the first part of the project pending a legally required statement from the White House that the project would be considered in the "national interest." Without an initial credit of $49.5 million, the ambitious Yakutsk exploration plan would probably die aborning.

The notion of a vast Soviet-American joint venture in the energy field had a certain superficial attraction when it was first broached two years ago, both as a tangible expression of an emerging détente and as a possible means of opening promising new energy sources.

Even then three were skeptics, including this newspaper, who questioned the plan's justification on both technological and commercial grounds, to say nothing of the security implications. With the passage of time, those doubts have become stronger than ever.

Vast new supplies of natural gas could admittedly provide an alternative to petroleum now imported from the Middle East, but this would simply be trading one politically unreliable source of energy for another equally vulnerable to the policy evolution of a foreign government. It is hard to see the "national interest" in pumping an eventual $6 billion, or much more, into developing Soviet energy sources when the investment could be well or better applied inside this country.

Strongly championed by Secretary of State Kissinger, the Siberian natural gas projects have become a symbol of the Administration's policy of détente. But the genuineness of the Soviet interest in détente has been cast increasingly in doubt by Moscow's attitudes in Europe and the Middle East. However valuable a mood of reduced tensions between the two superpowers, political atmosphere is not something to be bought by economic transactions that cannot be justified on their own merits. The Siberian natural gas development has yet to pass this test.

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[From the New York Times, Mar. 12, 1974]

### Eximbank Halting Credits to Soviet on Legal Issue

(By Edwin L. Dale, Jr.)

Washington, March 11.—The Export-Import Bank announced today that it is suspending for the time being consideration of all export credits to the Soviet Union and three other Communist countries pending clarification of technical legal issue raised last week by the General Accounting Office.

At issue is whether the President must declare each individual loan to be in the "national interest" and report to Congress on each loan, as the G.A.O. contends, or whether a single "national interest" finding for all future loans to a given country is sufficient.

The Eximbank has assumed for years that a single finding was enough and has made about $250-million of loans to the Soviet Union on the basis of a national interest finding by President Nixon in late 1972.

Another $250-million in loan applications is pending, including a request for a preliminary loan commitment of $49.5-million for exploration for natural gas in the Yakutsk field in Siberia.

It was the potentially huge natural gas deal that led Senator Richard S. Schweiker, Republican of Pennsylvania, to ask the General Accounting Office, an arm of Congress, to investigate the legality of the Eximbank loans. Senator Schweiker opposes the credits for natural gas.

Citing a potential figure of $6.1-billion in Eximbank credits, Senator Schweiker said last week, "I can't conceive of how any President could make the determination now that exporting $6.1-billion of American capital for energy development in the Soviet Union would be in the national interest.

In announcing the temporary suspension of further credits to the Soviet Union, Yugoslavia and Rumania, Walter S. Sauer, acting president of the Eximbank, said he could not estimate how long it would last.

The Eximbank's own lawyers are making the first examination of the legal question involved, which arises from interpretation of the wording of the underlying Export-Import Bank legislation.

In a coincidental development, Nikolai S. Patolichev, the Soviet Trade Minister, said in an interview with the magazine U.S. News and World Report that action by Congress blocking further Eximbank credits would "by all means" jeopardize the large natural gas deal.

He was interviewed before the G.A.O. finding and was referring to the provision in the House passed trade bill that would block further Eximbank credits unless the Soviet Union relaxes its emigration restrictions.

[From the Washington Post, Mar. 12, 1974]

### UNITED STATES HALTS NEW LOANS TO SOVIETS

(By Dan Morgan)

In a move that could affect dozens of American manufacturers, the U.S. Export-Import Bank yesterday halted the processing of all new loans and credit guarantees to the Soviet Union and three other Communist nations.

The suspension of business with the Soviet Union, Poland, Romania and Yugoslavia was ordered by the bank's board pending "clarification" of a ruling by the General Accounting Office—the investigative arm of Congress—that the loans have been extended under an illegal procedure.

Bank officials said that, as a result, action on a Yugoslav application to finance the purchase of four Boeing aircraft was put off yesterday. They said that unless the problem is resolved, the signing of the Boeing agreement, which was originally planned for Friday, will have to be postponed.

The Yugoslav national airline and two Yugoslav banks are seeking $15.95 million in Export Import Bank credits to finance the transactions. The loans will be used in the $35.4 million purchase of two Boeing 707 and two 727 commercial aircraft.

Bank officials said yesterday that they were optimistic that the transactions would be approved, but they expressed concern that the GAO ruling would cause delays in many deals involving the four Communist nations.

On Capitol Hill, Sen. Richard S. Schweiker (R-Pa.), who had sought the GAO ruling on the legality of deals with the Soviet Union, hailed the bank's action in stopping further loans to that country.

He said that the suspension achieved the objective he sought: a stoppage of any American government financing of future Siberian natural gas exploration. "The Siberian energy deal is dead, at least for now," he said in a statement.

The surprise ruling by the GAO involved interpretations of a law governing the granting of low-interest government credits to Communist countries. The law specifies that the President must determine that such credits are in the national interest and report the finding to Congress.

General "national interest" findings were made for Yugoslavia in 1967; for Romania and Poland in 1971 and for the Soviet Union in 1972. But the GAO ruled that the law and its legislative history indicated that such a finding should have been made for each of the separate transactions subsequently approved.

Bank officials said yesterday that this would set up a "burdensome and time-consuming" bureaucratic procedure. However, they said that they had no alternative but to cease all business with the four nations pending clarification.

The credits have provided the major impetus for expanded economic cooperation with the Communist world. They have also helped the United States compile a sizable balance of trade surplus in East-West trade.

Nevertheless, at least as far as the Soviet loans are concerned, congressional concern has been evident.

Since Oct. 18, 1972, the Nixon administration has authorized the extension of $255 million in Export-Import Bank credits to the Soviet Union, covering 10 major projects, including the Kama River truck plant.

No credits for Soviet energy development projects have been granted, but an application for a $49.5 million loan to finance natural gas exploration in the eastern Siberian province of Yakutsk is on file at the bank. Other Soviet project loan applications have a value of over $200 million.

Yesterday in the Senate Foreign Relations Committee, Sen. Clifford P. Case (R-N.J.) said he was "deeply concerned" that "these things were done without coming to Congress."

The Export-Import Bank loans have been a major boon to Poland, Romania and Yugoslavia. Fifteen loans valued at over $100 million have been extended to Yugoslavia this year for purchase of petrochemical, textile, mining, steel mill and transportation equipment. Also, Westinghouse is hopeful that the bank will provide financing for the export of a nuclear power station to be built in Slovenia at the town of Krsko.

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[From the Wall Street Journal, Mar. 11, 1974]

### EX-IM BANK'S WAY OF EXTENDING LOANS TO RUSSIA DOESN'T OBEY LAW, GAO SAYS

WASHINGTON.—The Export-Import Bank isn't obeying the law in the way it extends commercial loans to the Soviet Union, according to a congressional agency's legal opinion.

The General Accounting Office, an arm of Congress that can rule on the legality of government actions, said planned energy-development projects in Siberia can't be financed by the Ex-Im Bank under a blanket presidential ruling that commercial transactions with the Soviet Union generally are in the national interest. The GAO said the President must approve each project individually and tell Congress why.

A Republican Senator said this should shoot down the two Siberian energy projects, because the President wouldn't dare tell Congress they should be financed with U.S. help. "I can't conceive that this administration with the long lines at the (gasoline) stations today would determine this is in the national interest," said Sen. Richard Schweiker of Pennsylvania. It was Sen. Schweiker who asked for the GAO opinion.

One project the Senator objects to is exploratory drilling for natural gas in the Yakutsk area of eastern Siberia, involving Occidental Petroelum Corp. and El Paso Natural Gas Co. and Japanese concerns. The Ex-Im Bank is studying a request for a $49.5 million loan to the Soviet Union covering U.S. equipment and services for the Yakutsk project, said Walter Sauer, the bank's acting president.

The second and larger project is the North Star development of natural-gas fields in western Siberia. Tenneco Inc., Texas Eastern Transmission Corp. and Halliburton Co.'s Brown & Root Inc. subsidiary have been negotiating with the Soviet government about participating.

Sen. Schweiker said the Soviet Union is expected to ask for Ex-Im Bank credits to help finance the $7.6 billion North Star project. However, the bank's Mr. Sauer said "we know nothing about that" and "there hasn't been any indication that they're coming to us."

In a letter to Mr. Sauer, the Senator asked the bank to "immediately suspend" consideration of credits to the Soviet Union until Congress gets assurances the law is complied with. In a telephone interview, Mr. Sauer wouldn't comment on the Senator's letter.

The GAO cited a 1968 law forbidding the Ex-Im Bank to extend credits to a Communist country unless the President tells Congress it's in the national interest. The law's wording and legislative background, said the GAO, "clearly requires a separate determination for each transaction." Instead, the bank has been relying on a single Oct. 18, 1972, determination by President Nixon that it's in the national interest for the bank to extend credit for the sale or lease "of any product or service" to the Soviets.

Sen. Schweiker said the GAO opinion calls into question the legality of $255 million of Ex-Im Bank loans to the Soviet Union for a variety of comercial transactions, but added he only objects to the energy-related projects. He complained the bank's 6% loans amount to a U.S. subsidy that isn't available for energy exploration in this country.

"It's too high a price to pay for detente in view of the energy crisis here at home," Mr. Schweiker said.

The House already has passed a ban on Ex-Im Bank credits to the Soviet Union because of that country's restrictions on emigration of Jews. The Senate has been warned the trade bill containing this ban will be vetoed if it reaches the White House.

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## TENANT MANAGEMENT OF ST. LOUIS PUBLIC HOUSING IS SUCCESSFUL

Mr. SYMINGTON. Mr. President, it is not very often that we hear good news about public housing. For the past year, however, two public housing projects in St. Louis have been operating under a tenant management experiment which is producing marked improvement in the living conditions in these projects.

In December 1972, the Ford Foundation approved a grant for a tenant management program at Carr-Square and Darst projects. During the one year of operation, crime and vandalism have decreased, the projects are free of trash and litter and rent collections have improved.

On the basis of the accomplishments of this program so far, the foundation recently announced an additional grant which will continue the present program at Carr-Square and Darst and permit expansion of the experiment to two other public housing complexes, Webbe and Peabody.

The accomplishments of the two Tenant Management Corporations demonstrate that, with proper training and management, tenant participation and pride can improve public housing and make it a decent place to live. The directors and their staffs are to be congratulated for their progress; and we wish them and the new tenant management groups continued success.

I ask unanimous consent that the Ford Foundation letter of announcement and staff memorandum on this demonstration project be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE FORD FOUNDATION,
*New York, N.Y., March 1, 1974.*

Hon. STUART SYMINGTON,
*Old Senate Office Building, Washington, D.C.*

DEAR SENATOR SYMINGTON: I am pleased to inform you that the Foundation has recently approved an additional grant of $130,000 to the Tenant Affairs Board of St. Louis to continue and extend a promising tenant management program at four St. Louis public housing projects (Carr-Square Village, Darst, Webbe, and Peabody).

Initially funded in December, 1972, this program is testing (with gratifying success thus far) the proposition that trained tenants given expert advice and working with a supportive Housing Authority can improve the operation of even severely impaired public housing projects.

A staff memorandum describing this grant in greater detail is attached. We will be pleased to answer any questions you may have.

Sincerely,

LOUIS WINNICK,
*Deputy Vice President.*

### Tenant Affairs Board of St. Louis

Few components of the federal housing program have proved more problem-ridden and resistant to solutions than public housing. Changes in the last decades in tenancy (from a *majority* working poor to a predominance of dependent families), increases in density, and inflation-caused financial deficits have resulted in serious frustrations for local housing authorities, tenants, and HUD alike.

No place in the country has the cycle of dissatisfaction with traditional public housing been played out more dramatically than in St. Louis, where a prolonged 1969 rent strike toppled both Housing Authority administrators and commissioners. Those who took their place inherited a bankrupt system and an inventory of badly mutilated units including the now infamous Pruitt-Igoe project.

While the rent strikers succeeded in winning many of their demands, including the appointment of two tenants to the Authority's board of commissioners, and gained recognition and salaries for duly elected representatives of each of the city's nine family projects, the goal they deemed most important, tenant management, was not achievable at that time.

However, by 1972 HUD, the Authority and City Hall had become convinced that the only solution to pervasive problems at the project level was "peer pressure." Thus, they joined the Tenant Affairs Board (TAB) in advocating the funding of a tenant management demonstration in two of St. Louis' public housing projects, low-rise Carr-Square Village and high-rise Darst.

In December 1972 the Foundation approved a fifteen-month grant to TAB of $130,000 to test the proposition that trained tenants given expert technical assistance and working with a supportive Authority could improve the operations of even severely-impaired public housing projects. Agreement was reached with the St. Louis Housing Authority that it would continue its normal flow of dollars to the two experimental projects while the Foundation funded those extraordinary costs required for the demonstration. At the outset, two conditions for a grant renewal to allow additional conversions to tenant management were established: (1) improved operations and (2) the Authority's willingness to assume as normal project expenses those new staff positions which were designed as part of the experiment.

In December, all involved participants—project managers, tenants selected for the newly created positions of building managers in the high rise and lane managers in the low rise, maintenance staff, and the directors of each of the two tenant management corporations (TMCs)—began an intensive training program. On March 15, 1973, actual tenant management began.

Included in the Foundation grant was an evaluation role for a St. Louis University team of social scientists. With tenant management in charge, the St. Louis University team found at Carr-Square Village that rent collections have improved markedly, substantial amounts of back rent are being collected, and incidents of vandalism have declined significantly.

The TMC directors—but more so the tenants in the newly created positions of lane managers—are credited with much of the new spirit of resident cooperation at Carr-Square. These six sub-managers function as community organizers and apartment inspectors; they handle maintenance concerns, orient new tenants and, in general, act as all-purpose concierges.

The 656-unit Darst project (whose original condition was at least as bad as that of Carr-Square) has progressed even further. Here, too, summer youth were involved in an intensive groundwork effort, a new security force was selected, trained and armed, and attention was focused on frequency and manner of garbage pickup. Derelict autos are gone—as is the trash that littered stairwells and halls. Screen doors are being replaced; tile walls and elevators throughout the project have been scrubbed.

In October, with the TMC experiment but seven months old, the Authority made its decision regarding the program's future. Administrators and commissioners alike agreed to continue tenant management at Darst and Carr-Square and to absorb as an Authority expense the new positions created under the grant. Moreover, they joined TAB in a request to the Foundation that support be given to allow two more projects—Webbe and Peabody—to embark on the TMC path.

Given improved operations under TMC management and concrete evidence of the Authority's willingness to institutionalize the TMC program, a second grant of $130,000 for one year to TAB was approved. The grant will allow Darst and Carr-Square the continuation of technical assistance and the establishment of an innovative tenant service program. For the two new TMCs, the grant will pay the costs of management training, technical assistance and the tenant service program.

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## NEW MEXICO LEARNS ABOUT THE ISSUE OF PRIVACY

Mr. ERVIN. Mr. President, in the past several months, many events have come to light that should alert Americans to dangers to their constitutional right of privacy. There have been almost daily media reports concerning actions by Government and individuals that infringe upon privacy. I believe that we would all agree that the right of personal privacy is one of the most basic and inherent rights possessed by Americans living under our Constitution.

Last month, the state of the Union message alerted the Nation to the President's new concern with the right of privacy. That was followed by the introduction of two bills, one by Senator HRUSKA at the request of the Justice Department and the other by me, that deal with one special area of privacy—computerized police data bank systems. Then, in response to pressure from courts and citizens' groups, LEAA adopted my suggestion for a moratorium on its funding of behavior control projects. At the end of February, Congressman EDWARDS of California began hearings before a House judiciary subcommittee on police data banks. In his response to the President's state of the Union message, Senator HART gave a comprehensive speech outlining the kinds of action that the President should undertake immediately to support his words with concrete action. In addition, the Senate Subcommittee on Constitutional Rights, of which I am chairman, recently conducted hearings on privacy and police computers.

We have heard a great deal about Government wiretaps, burglaries in the name of "national security," practically unlimited access to personal records, and the like. The Government has also sought to undertake various programs that affect mental processes, such as psychosurgery and behavior modification. At the same time, many Government officials have been paying more attention to the problem of unwarranted intrusions into personal privacy. These events have been national in origin and in scope.

But is the problem of privacy only of concern to the National Government and a few experts? Do the people realize the dangers to privacy that confront them? Are they concerned?

During the month of March, the State of New Mexico has been teaching itself about privacy. New Mexico is in the midst of a unique self-education campaign that is designed to teach its people about invasions of privacy. I think that all Americans should be made aware of this State's efforts. I also think it is one which, if successful, ought to be duplicated in other States. For despite the efforts of public officials in Washington, the people must know about and care about invasions of their privacy. The best results would occur if the people were informed at the State and local levels of government. What we do in Washington is doomed to failure if the people are not aware of or concerned about dangers to the right of privacy.

The New Mexico campaign was conceived by the Institute of Regional Education, a group of people seeking ways to bring issues of public interest to the attention of ordinary citizens through the various media. They selected privacy as the most timely topic and enlisted the cooperation of the New Mexico Civil Liberties Union.

The first stage in the campaign was a series of spot advertisements on radio and television and small advertisements in the newspapers. The newspaper ads consisted of pictures of a human eye or of a computer card. The television advertisements were very effective. One showed the close-up of an eye which sounded like a camera shutter when it blinked. Another showed a group of children playing. The camera focused on a young girl 13 years old who suddenly was photographed as in a mug shot with her social security number in place of a prison number. Pictures of this mug shot also appeared on billboards throughout New Mexico. Another effective television spot focused on the pyramid and the human eye on the reverse of the $1 bill. The eye became a rocket which circled the Earth, beaming in on New Mexico and taking closeup pictures of citizens in their homes.

This initial stage was designed to attract the citizen's attention to the issue of privacy, not to give detailed information. It was very dramatic and clearly caught the attention of readers and viewers.

The next stage of the campaign entailed the publication of a 38-page Sunday newspaper supplement entitled "Ten More Years—1974 Report on Invasion of Privacy and the Technology of Control," which was distributed on a statewide basis. The supplement explains the purpose of the campaign and briefly treats such issues as data banks and Government files, giving detailed information on various types of files, how they are used, how they can be useful, and what the dangers of them are. Another topic is surveillance—the various ways Government keeps track of citizens' political activity at both the Federal and State levels.

Recordkeeping is not the only privacy

issue. Since the theme of this privacy campaign is the different ways government and society monitor and control behavior, the supplement also has an article on drug use—not illegal drug use, but the many ways people legally take drugs to change their behavior and control their emotions. Another article deals with psychosurgery, aversive therapy, and other kinds of behavior modification techniques and violence prediction.

The third stage in the campaign is a series of discussions and interviews on television and radio in which a variety of people who possess expertise in these issues speak in detail about them. I have seen the list of participants and they are indeed a fine collection of national experts. A member of the staff of the Subcommittee on Constitutional Rights was invited to participate, along with Congressman Barry Goldwater, Jr., author of, among other privacy bills, one of the more far-sighted proposals to control computerized data banks.

The object of the campaign is not to push any particular bill or set of rules. It is only to inform and enlighten the citizens of New Mexico on an issue which concerns their most precious right—the right to be let alone. New Mexico, the New Mexico Civil Liberties Union, the Institute for Regional Education, and the people of New Mexico are to be commended for their interest and initiative and their participation in a unique project. All Americans have a great stake in its success.

Mr. President, three documents give a brief description of the privacy education campaign and its goals. They are the "Statement of Common Sense," a summary of the campaign, and the plan for the followup to the media campaign. I ask unanimous consent that these three documents be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Statement of Common Sense

We, citizens of New Mexico, feel that there are growing dangers to life in our modern society. More and more, we are being controlled and directed in our actions and thoughts. Our privacy is being invaded and our constitutional rights as American citizens are being threatened.

It is time for us to use our common sense, and call upon public officials to use the authority we gave them, to face the following questions and provide the citizens of New Mexico with the answers they deserve. Questions in the public interest are vital to our security as human beings and citizens of a democracy. These questions in the public interest must be talked about publicly and debated.

#### FIRST

Should citizens be protected against computerized record keeping and use of surveillance technology?

#### SECOND

Should arrest records of cases not resulting in conviction be removed from police files?

#### THIRD

Should there be a public review to guarantee the protection of people's rights in regard to the State and local police use of the National Crime Information Center (FBI) computer system?

#### FOURTH

Should strict regulation of credit records be provided to protect the rights of people?

#### FIFTH

Should your social security number be used as a method of identification for record keeping?

#### SIXTH

Should a Citizens Review Board be established to investigate and make recommendations about the uses, abuses, protections and general practices of record keeping in the State?

#### SEVENTH

Should the operation of the New Mexico Law Enforcement Assistance Administration (LEAA), as implemented by the Governor's Criminal Justice Planning Council and the Albuquerque Metropolitan Crime Commission, be reviewed for policy and greater community representation?

#### EIGHTH

Should more emphasis be given to the investigation of organized crime and official corruption in New Mexico?

#### NINTH

Are drug and behavioral modification programs being used in the State's penal and educational institutions? If so, should they be?

#### TENTH

Is psychosurgery being used in New Mexico? If so, should it be?

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### Summary: Mass-Media, Surveillance—Control Project

The New Mexico Civil Liberties Union is sponsoring a campaign to bring an important issue to the attention of the public in the Albuquerque metropolitan area. Through invasions of privacy, we are facing increased threats to our civil liberties. The issues covered are:

Record Keeping—especially computerized.

Surveillance.

Behavior Modification Programs.

Legalized Drug Abuse.

Law Enforcement Assistance Administration.

Predelinquency Programs.

Violence Prediction Methods.

Psychosurgery.

Each one of these issues is extremely important in its own right. Each can be used to control and direct behavior—each becomes a tool of control. When they are all put together, when they are seen as a group of methods, they are more threatening than any single one of them. Together, they become a technology of behavior control.

A saturation, month-long, mass-media, advertising campaign has been developed to attract attention to the issue. Ads have been developed over the last nine months for:

Television—150 to 200 prime time spots in 10, 30 and 60 seconds on 3 network affiliates for a period of one month.

Billboards—100% coverage in the Albuquerque area.

Radio—daily ads on Albuquerque radio stations.

Newspapers—several ads each week in the Albuquerque Journal.

To disseminate the information, several different methods will be used:

Three, one-hour long talkshows will be produced for prime-time, local network television; the participants will be well-known national individuals as well as nationally recognized specialists in these areas;

A comprehensive booklet-report will be printed (150,000 copies) and distributed (over 100,000 will be inserted in a Sunday Albuquerque Journal edition);

Speakers from New Mexico will participate on local radio and television talkshows;

Network documentaries on television; and

Newspaper, radio and television coverage of the issue and of the campaign.

The emphasis of the campaign will be to:

Generate citizen involvement through support for the Statement of Common Sense;

Create greater public awareness of the issue;

Develop a public-interest advertising model for use elsewhere; and

Establish a permanent monitoring agency to follow the issue in the state.

There is much more information available. If you would like to know more, please contact: Institute of Regional Education, P.O. Box 404, Sante Fe, New Mexico 87501, (505) 982-2272.

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### Follow-up to Media Campaign—Project on Privacy, Data Collection, and Behavioral Modification

Sponsor: New Mexico Civil Liberties Union.

Development: Affirmative commitment by the New Mexico Civil Liberties Union to establish Follow-Up Project/Statewide fund-raising effort to assist project/Board planning of the project.

A. Objectives:

1. Establish a statewide Office to indicate organized concern for the issues.

a. To identify and cultivate an active constituency.

b. To keep the issues before the public/a public watchdog.

c. To influence public policy.

2. Compile current/extensive research into the issues.

a. Available to the public (library).

b. As a resource background for programs of action (clearing house).

3. Stimulate investigative journalism/widespread news coverage of the issues.

4. Design action-models that offer citizens the opportunity to work for their rights/operative through the statewide organization.

5. Design programs of public education that can be offered to the media, educational institutions, and community groups.

6. Assist the individual citizen in the process of the protection and recovery of rights as relates to the scope of the project.

B. Scope Of The Project:

1. Day-to-Day Monitoring of State Administration—programs and initiatives; serves as public watchdog; through research to be thoroughly knowledgeable with the issues and vital personnel .

2. Project Newsletter/Special Publications—to provide a source of public record on the issues; serve as a vehicle to interest, identify, and cultivate a constituency.

3. Media Coverage:

a. Stimulate investigative journalism/hard news coverage—identify and cultivate contacts in State Administration and news-corps.

b. Public Interest Advertising (pas's)/talkshows, etc.

4. Statewide Office/Library—located in Albuquerque that serves as a center for information and action programs/serves as a central clearing-house for the issues.

5. Consultation—available upon request for:

a. Investigative research;

b. Administration and corporate evaluation;

c. Special request from state legislators for studies as background for legislation/hearings; and

d. Advice and assistance in litigation.

6. *Public Education Programs*—

a. Speaking engagements.

b. Cooperative projects with schools, universities, and community groups.

c. Media programming and publications.

7. Lobbying Effort—hopefully a statewide constituence will form around the project, equipped with documentation, cultivated contacts within the legislature, and programs of citizen action aimed at influencing legislation.

8. Volunteer Programs—providing citizens an organized opportunity to assist in a given area listed above, and/or focus on a particular issue of immediate importance.

C. Staffing.

Perhaps the key to an effective project is a full-time, interested and creative staff. To obtain this combination of factors, serious effort will be made to identify and hire the projects two staff persons, prior to the operation of the project. This will provide the staff the opportunity to work directly with the sponsor on all aspects of the development of the project. In so doing the staff will in effect found the project and be intimately associated with all its detail. This organizational time before operations will also afford the staff and Executive Office of the New Mexico Civil Liberties to formulate and test a productive working relationship. Essentially the Project staff will work directly with the Executive Director and Staff Counsel. Director and Counsel will oversee the project development for the Board.

*Projected budget (12 months)*

| | |
|---|---|
| Staff, two persons, at $600/month | $14,400 |
| Office rental & utilities (shared with executive office) at $100/month | 1,200 |
| Phone, at $100/month | 1,200 |
| Permanent office equipment | 800 |
| Office supplies, stamps, etc., at $100/month | 1,200 |
| Travel, at $200/month | 2,400 |
| Publications, at $200/month | 2,400 |
| Media—time and space at $250/month | 3,000 |
| Special project funds | 1,000 |
| Total | 27,200 |

Mr. ERVIN. Mr. President, because the supplement "Ten More Years—1974 Report on Invasion of Privacy and the Technology of Control," contains much valuable information of interest to all Americans, I would also like to place excerpts from it in the Record, as well. The length of the supplement precludes its entire reproduction, so I have selected portions of it that deal with subjects that have not been as well covered as other aspects of the privacy issue. Persons wishing a full copy should contact the New Mexico Civil Liberties Union at P.O. Box 25961, Albuquerque, N. Mex. 87125. I ask unanimous consent that these excerpts from the supplement be printed as well in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

## Ten More Years? 1974 Report on Invasion of Privacy and the Technology of Control

(By New Mexico Civil Liberties Union)

One morning last year, Richard Stark, a resident of Corte Madera, California, opened his bank statement and found more than just cancelled checks. Enclosed with his checks was a memo dated August, 1971, with his name and account number. It said: "This memo is to authorize you to read checks to the FBI before sending statement to customer." The words, "before sending statement to customer," were underlined in red ink. Bank officials admitted that the memo was genuine and had been mailed to Stark by accident.

If this were but a single, isolated incident, perhaps we could overlook it; however, such incidents are increasingly commonplace. This is but a small aspect of a growing nationwide network of surveillance, invasion of privacy, and control.

In a society dominated by large bureaucratic institutions, the control of information is a vital element of power. The more centralized decision-making becomes, the more it must rely on a huge network of information-gathering activities.

This information-gathering activity, ranging from credit bureaus to the Social Security Administration, invades every aspect of our daily lives. The existence of massive records and files becomes a subtle restraint on individual freedom; there is always the fear that a statement or action may prove to be unwise or unpopular and come back to haunt you from the files. The late Senator Joseph McCarthy stained the lives of many innocent people with his hearings. If he had had the surveillance equipment and computer databanks of today at his disposal, the damage could have been many many times greater.

Since McCarthy's day, we have been exposed to numerous revelations of the military spying on Americans civilians, of CIA and FBI involvement in questionable and illegal surveillance, and of agencies and corporations snooping and prying into private lives—all aided by the fantastically sophisticated and powerful weapons of the computer and modern "spy" equipment.

Computer records, though certainly the broadest reaching in their impact, are just one aspect of the network of control emerging from today's new technology. There are electronic surveillance hardware and weapons, behavior modification programs, mood-changing drugs, widespread intelligence operations, methods of violence and delinquency prediction, and even psychosurgery. All the necessary equipment for a police state has been assembled before us: what assurance do we have that it will not be put to use?

The answer is that we do not have such assurance, and in fact this system already is being put to use in too many instances—sometimes intentionally, sometimes not intentionally so. Perhaps just as disturbing is the fact that, due to the secretive and complex nature of the apparatus, we American citizens do not even know how widespread and dangerous the existing system really is.

Of course, the technology which has created the tools of surveillance and control also has created our modern affluence. However, the major concern, at present, is how and why it is used. It is time we examine critically the kinds of technology that is rapidly being developed and put to use.

It is for this reason that we have conducted a media campaign and written this report: to raise questions about a growing threat to the residents of New Mexico and to the citizens of America. That threat is usually called "invasion of privacy," but we feel that concept is too narrow to describe the danger confronting us.

The danger we are facing is that of control: all of us, in different ways, are being increasingly directed. For some, this control is subtle and not too physically painful; for others, it is very direct. For all of us, it is very powerful and more and more limits our freedom and our range of choices.

In what follows, we shall examine many applications of the technology of control and their implications for our basic rights and freedom. Much of what is described in the booklet is taking place, at present, outside of the State of Mexico. However, it appears to us that what is occurring now in other states is a nationwide trend, with experiments and models being developed for use elsewhere in the country.

This booklet will probably be best read in several sittings. It is meant to be a report on dangers facing us. (Hopefully, you will want to keep it.) It has not been written for its shock value; however, this report may be upsetting because the information itself is alarming. Most people are not aware of its extent and that is the purpose of this whole campaign—to get out information to the public that does not ordinarily reach that far.

The campaign hopes to raise questions that the NMCLU feels are vital to our security. To raise questions in the public forum is a democratic exercise of our constitutional rights of freedom of expression. We cherish this right and invite you to join with us in examining these questions. The answers to these important questions will have to be found in another public forum—that of public policy and law, the proper business of the legislative, executive and judicial branches of our government.

Today we are living in a mass culture in which physical distances seem to shrink as centralization grows. The technology that created mobility and mass communications also has been the major factor in the breakdown of smaller communities, neighborhoods, churches and most other forms of personal association. These institutions that previously defined relationships among individuals and stood between them and the power of large corporations and massive federal agencies have been shaken and changed by technology. Increasingly, the individual has become isolated and anonymous.

Rapid technological change has been a major force in creating the confusing world we find ourselves confronted by. New machines—television, automobiles, computers—are constantly influencing our lives. The computer, for example, has changed the way we work in both factories and offices. The growth in the use of computers has been impressive.

Computers have also affected record-keeping. At this time 20 page dossiers on every American could be kept in a single filing cabinet. The potential is even greater.

". . . a tape storage system which will make it possible to store a dossier on every living person in the U.S. and to retrieve any one of them in a maximum of 28 seconds."

These and other wonders are being churned out of our businesses, mostly from the larger corporations. Much of this business is being supported by the federal government, which both buys the products and pays for much of the research needed to create the new products. Computers, electronics, law enforcement technology, credit, drugs and many other areas are now big businesses. These are major growth industries that the economy is increasingly being forced to depend on.

Obviously, there are larger profits to be earned. But there are other forces creating the "need" for new products. One of these is the bureaucracy itself. Arthur Miller, a Harvard law professor and one of the leading experts in the field, describes this process:

"As information-recording processes have become cheaper and more efficient, the government's appetite for data has intensified and been accompanied by a (tendency) toward centralization and collation of file material . . . Technological improvements in information-handing capability have been followed by a tendency to engage in more extensive manipulation and analysis of recorded data. This in turn has motivated the collection of data pertaining to a larger number of variables, which results in more personal information being extracted from individuals . . . One consequence of this combination of greater social planning and computer capacity is that many governmental agencies are beginning to ask increasingly complex, probing and sensitive questions."

Unfortunately, there have been many serious side effects that have accompanied these changes in our society. Just as automobiles were not invented to pollute the air and kill thousands each year, these discoveries were not all made for the purpose of curtailing individual freedom, but some of their uses have that effect. Mass society has a huge appetite for information on which this new technology feeds. The safeguards of privacy of two centuries ago are now no longer genuinely effective. The Founding Fathers in their efforts to develop protections for citizens within the Constitution could not foresee modern communications, modern surveillance methods, or computerized information systems; they mistakenly assumed that protecting against self-incrimination and the trespass of the individual's property would be an adequate assurance of his privacy.

One of the biggest dangers now is that the danger itself may not be recognized by a majority of our citizens, or they may not be ready to insist on protections. That has been the history, through the ages, of how totalitarian and dictatorial powers have grown. First, only a minority—usually those regarded without much sympathy by the majority of citizens—are the subject of the more severe repressions. The majority may face increasingly irritating abuses, but not of a magnitude to cause protest. Finally, of course, it has been too late.

This danger is particularly valid now—the danger of gradual and subtle erosion of rights—because we are not dealing with rabblerousing, would be dictators, but quiet, hard-to-defect infringements involving complex technology and science. By the time we wake up, it may be too late.

The genius of the American system has been that the Founding Fathers did not have to foresee every detail of what the future might bring. They helped shape a document, the Constitution, which spelled out legitimate governmental powers and reserved important individual liberties to the citizens. Lawmaking bodies and the courts, through the years, have shaped current answers to fit within that broad insurance of individual protection. Each new generation has to work to apply new answers and ways of applying those same protections to new situations. That's the meaning of the cry of our Revolutionary War, "Eternal vigilance is the price of liberty." None of us can wait for "someone else to do it." The pressures are so great that each citizen must jealously protect his own freedoms, and join in concert with his fellows—otherwise we will all be endangered.

There has been another major side effect of technological changes. As a nation, as individuals, we are suffering more and more from anxiety, fear, mental depression, frustration. Much of it results from the stresses of our modern society. Unfortunately, the individual has been the focus of the problem; that is, the problem is said to lie within the individual rather than in the society. Solutions are directed at the individual rather than the society. Mostly, these solutions rely on technology to cover over only the symptoms of the problems people are experiencing. These symptoms, such as crime, drug abuse, worker absenteeism and turnover, "dropping out," and lack of discipline, show up in our actions and behavior. Technology changes or redirects the behavior to permit better functioning within an environment that doesn't change, an environment that is accepted the way it is.

Thus the individual is forced to change his or her behavioral symptom, when quite often the society, the environment, is the place where change should occur. All levels of leadership in our nation—economic, political, intellectual and scientific—have failed us, in this regard, by creating answers that emphasize the individual as the source of the problem.

### RECORDS, FILES, DOSSIERS, DATABANKS AND PRIVACY

Almost every time you fill out a questionnaire, an application, or a form, it may be held from one to two years to as long as you live, or sometimes even beyond.

These records are kept by the government agency or corporation for which you filled out the form, but they aren't the only ones who see the information. Very often, employers, other agencies, landlords, reporters or police have legal access to them. And, as we know all too well, sometimes people get information illegally, too.

Some agencies and corporations have gathered millions, and in some cases, billions of files. The federal government had, by 1967, accumulated over 27 billion names in its files down through the years. The Retail Credit Co. had information on 45,000,000 Americans.

As a result, each American citizen is probably the subject of 10 to 20 of these files (or "dossiers"). So far, they are somewhat decentralized in the hands of federal, state, and local agencies and private businesses.

But modern communications and the computer places information easily within reach of anyone who wants to go after it. In 1967, a Long Island newspaper reporter randomly chose an individual to research. With approval, the reporter published a biography of him. The "guinea pig" was shocked to see the extent of the information that the reporter had amassed about him. This information included health, birth, marriage, children, financial, home and car, and discharge records.

In the past, such a task would have been much more difficult. Records were scattered, incomplete and contained little personal data. This has changed, especially in recent years.

Now, with the aid of the computer, large amounts of private information are readily available. However, many officials have wanted to go beyond this present state of slightly inefficient data collection. In the late 1960's, a proposal was made to establish a National Data Center in which all the available information on every U.S. citizen would be centralized in one huge computer system.

Social Security numbers would have been, and still could be, the means of meshing and centralizing all the available information on each citizen.

A report commissioned by the Secretary of Health, Education, and Welfare (HEW) entitled, "Records, Computers and the Rights of Citizens," makes this point:

"After reviewing the drift toward using the Social Security Number (SSN) as a de facto standard universal identifier, the Committee recommends steps to curtail that drift. A persistent source of public concern is that the Social Security Number will be used to assemble dossiers on individuals from fragments of data in widely dispersed systems.

"Although this is a more difficult technical feat than most laymen realize, the increasing use of the Social Security Number to distinguish among individuals with the same name, and to match records for statistical-reporting and research purposes deepens the anxieties of a public already full of concern about surveillance."

Although the proposed National Data Center was not voted into law, it gained a substantial amount of powerful support and will likely be reconsidered again in the future. Such centralizing of computerized information on citizens is already occurring at the local level in cities such as New Haven, Connecticut and Huntington Beach, California, as well as within many federal agencies. The process of compiling these records often invades our privacy. There are only a few ineffective laws regulating data collection and use, and these are not strictly enforced. Computer records, though, create many threats to our rights.

Type of Information Collected: Much of the information being collected is highly personal, too detailed and unneeded by those collecting it.

Accuracy: Raw, unverified data, or hearsay (gossip), often finds its way into records. Anybody who's had a running battle with the computer over a bill he or she doesn't owe knows how frequently these mishaps occur.

Access to Information: Illegal or legal access to data often occurs without the knowledge of the individual who supplied it with the understanding that it would be used only by the agency or business that requested or needed it.

Selling of Information: Many agencies sell data, including our own Motor Vehicles Department here in New Mexico.

Personnel Training in Data Use and Interpretation: Often the people handling and gathering information are not sensitive to the issues involved in interpretation of the data.

Obtaining of Information Under "Express or Implied Compulsion": While the majority of federal data is "voluntary," it is collected by making people feel that they legally must supply the information.

Information Merger or Centralization: The proposal for a National Data Center was rejected, but there are other data centralizing influences that aren't regulated. Federal agencies already have authority to share information. Twenty agencies already share computer time. Harvard law professor Arthur Miller stated that: "The roots of a federal information network have taken hold. All is needed to make the system flourish is nourishment from the White House in the form of funding and soft breezes of passivity from Congress."

Time Sharing: Many corporations and government agencies share computers with others. Unauthorized persons may gain access to sensitive data in this way. The security of such sharing remains unregulated.

### *Record prison*

The collection of data on individuals by government and private sources holds many dangers for us all. Our rights, guaranteed by the Constitution, are continuously threatened while we are not even aware of it.

There are other hazards, too. Data collection becomes a means of directing people's actions and behavior. Many are afraid to do something, even though it is their legal right, if that act will "go on the record." A person becomes locked into the past—a past that is composed of judgments, opinions and anecdotal accounts, and records, a past that does not often permit a second chance. This became very clear in Congressional hearings when people testified of the "chilling effect" of having military agents spying on lawful political activity.

A bad credit record on even a small item can follow someone for a lifetime and hinder or prevent further credit. Even if the unpaid debts are the result of bookkeeping errors or honest grievances, they can still continue to plague you. These same forces might exist if you haven't applied yourself in school and your record is bad. You may sincerely want to try at the age of, say, 25, but a negative record may make it impossible. Or, job-hopping, even for an excellent reason (e.g., illness in the family forces the need to go to different places), looks bad on a record and makes an employer think twice about the person's stability. In these and other ways, record keeping can act like a "tracking system" in the public schools; early actions put a person in a category (like "college prep" or "technical vocation") and make it close to impossible to get out of.

Arrest records are an even clearer case. According to FBI statistics, of all the arrests made, about 47% are never brought to trial, are acquitted, or have their charges dropped. Yet arrest records are not removed from personal files and surveys have shown employers' biases against hiring people with arrest records. This policy also results in employment discrimination against minority groups (Mexican-Americans, Blacks and Indians) who are much more likely to be arrested. Estimates for the probability of arrest of a black urban male once in his lifetime is 90% compared to 60% for white urban males. For the country as a whole, 50 million Americans are estimated to have some sort of arrest record.

There are many examples of how prison records hurt people:

A suburban Kansas City police department was providing information on arrest and conviction records of potential tenants to apartment owners. This free public service kept "undesirables" out of town.

Police in cities such as San Francisco, Chicago, New York, Washington, D.C., Los Angeles, and Boston routinely allow influential employers to check police records despite policies or regulations prohibiting it.

A former U.S. Post Office employee was mistakenly charged with, and later cleared of, mailing obscene letters. Six years later he was disqualified for state employment because the Post Office had not corrected his employment record.

A police lieutenant with the New York Port Authority picketed the Authority with several other policemen and they later received a raise in pay. However, included in his excellent record was a negative evaluation based on his picketing; it resulted in his being turned down for later jobs with private security agencies.

### *Decision making*

Our actions are directed in another important way aside from tracking. Records are extensively used in making policy. Agencies use them, politicians use them. But most citizens don't see the records, the citizens are the records. Lumped together, the actions of individuals recorded in files often show a trend or a direction. Guided by this information, officials can make decisions. But most people are left out of this process.

Information thus becomes power in the sense that information is of essential importance in making decisions. (The larger and more centralized our institutions become, the greater their need for information for research as well as for decision making.) But this information has become highly specialized. There is rarely any public knowledge of the existence of the information, how to get it, how much it costs, etc. Also, much information is "classified" or "top secret". Keeping the information away from citizens makes it impossible for large numbers of Americans to participate in the decisions that affect them, thus keeping power to make decisions in the hands of a few.

Professor Donald Michael, of the University of Michigan, puts the matter this way:

"... Using the computer for long range planning in a context of social perturbations (problems) will demand a collaboration among planners, policy makers and politicians that will threaten the practice of democracy . . . Its (the threat's) source is twofold: the increasing dependence of those with political power on esoteric knowledge and the decreasing ability of the concerned citizen to get the knowledge he needs to participate in matters of importance to him . . . In the urban world of 1976 that control, that power, will increasingly be based on access to and control of information and the means for generating new knowledge out of it."

These forces are all well underway at both state and federal levels. We all know how difficult it often is to affect policy decisions at these levels. But the same process is also taking place in our city and county governments.

The program is called "integrated management information system" (IMIS). Information from all departments of local government is integrated into a central department that helps to tie all governmental functions together with the hopes of improving decision-making ability. Furthermore most of these systems are applications of social science. While there are exceptions, the data in these systems "generally concern human beings and their institutions."

Two examples of such systems—New Haven and Hunting Beach—were briefly described earlier. They are by no means the only ones, as IMIS's are springing up all around the country. Many of them include data on individuals from the police. For instance, the Department of Housing and Urban Development (HUD) cooperated with the Law Enforcement Assistance Administration (L.E.A.A.) in setting up systems in Dayton, Ohio; St. Paul, Minn.; Long Beach, Calif.; Wichita Falls, Tex.; Charlotte, N.C.; and Reading, Pa. In Wichita Falls, for example, "any kind of business a citizen does with the city" will be easily retrievable, according to the assistant city manager.

The problems involved in acquiring and using data for decision-making are illustrated in many ways:

Price rises for government publications were announced in November, 1973. Some people saw this as a further attempt to stop statistical data from reaching the public. (Other recent attempts have been made: the firing of highly competent individuals who tried to make data public; canceling of press conferences; the removing of Bureau of Labor Standards Commissioners.) The *Albuquerque Journal* editorialized on this subject (11–17–73):

"Censorship and government secrecy frequently take devious and subtle forms, but the goals and the calculated results are inevitably the same."

Still other problems exist regarding the flow of correct information to the public. For instance:

A recent executive order gave the Department of Agriculture the power to inspect the federal tax returns of farmers "as may be needed for statistical purposes." This order applies to about 3 million farmers and it is the first time that the tax returns of any group as a whole were opened up for any reason. Returns of individuals are available to many federal agencies. Congressional committees, to states and to individuals legally requiring the data. In the first half of 1973, federal agencies alone looked at over 20,000 returns. But never has a class or group such as farmers (or businessmen, or homeowners, or union members, etc.) been exposed to this practice. The future goals of this order was revealed by a report of the Committee on Government Operations:

"Apparently, the original executive order was designed as the first in a series permitting other federal agencies to extract personal financial information from the income tax returns of American citizens whether they be farmers or not."

For over a decade, the United States Information Agency secretly paid authors and publishers over one million dollars of tax money to produce highly political books on sensitive and controversial topics. These books, which would not otherwise have been produced, bore no government label or any other identification concerning sponsorship or origin of information.

The federal government has consistently manipulated definitions and statistics in order to make their performance look better. Unemployment figures is one area. Senator William Proxmire recently introduced a bill to guard against even more overt forms of juggling figures by U.S. officials.

In addition, Time magazine has criticized former Attorney General John Mitchell's reporting of crime statistics in this way: "Trouble is, the gains Mitchell reported are like a set of crooked corporate books—deceptive."

In Washington, D.C. the auditor for the Police Department found that "more than 1,000 thefts of over $50 had been purposely downgraded to below $50. That made them petty larceny and dropped them from the roster of major crimes."

### *Credit records*

We are all affected by these uses of data. Specific individuals, however, are often unjustly hurt by the use of information about them. For instance, many credit bureaus compile extensive files about people who have borrowed money or who have tried to borrow money. Retail Credit Co. of Atlanta has files on over 45 million Americans and the Associated Credit Bureaus of America has collected data on over 100 million citizens. In total, columnist Jack Anderson has reported that an estimated 100 million Americans are "spied upon" each year by credit bureaus.

Unfortunately, unverified, often inaccurate information—gossip—often finds its way into the files. It is difficult, if not impossible, to find out who makes the charges which may keep someone from getting a loan or job. In this way, "due process" is denied when a person cannot confront an accuser; there is no attempt to find out the accuracy of the information.

Access to information is sometimes easy. The FBI and the IRS are often credit bureau customers. Anyone with a "legitimate business transaction" (landlords, insurers, employers, creditors, etc.) can see the records even if he wants to make other uses of them. Other people, such as private investigators, have been known to see these records for non-business purposes.

Mistakes in credit records are frequent; there are about 200 million charge accounts and 240 million credit cards. The President of Sentry Insurance Company estimates that computer mistakes occur 2–3% of the time. Given 200 million charge accounts, that could be six million mistakes—and that's counting only one charge per account. One day, Sentry mistakenly cancelled 8,000 homeowner and auto policies.

Many people have had battles with computer mistakes about credit. Were yours similar to the following examples?

Leon Sanders, a 40-year-old radio newsman, was forced to move from Shreveport to Dallas to Waco to San Antonio because a credit company mistakenly recorded his car as being repossessed. Because of this false record, his car actually was repossessed in San Antonio. When he sued the dealer, he was fired because the car dealer was a major advertiser at the radio station at which he worked. Moving back to his hometown of Center, Texas, he said, "I'm okay now in Center. People here have known me all my life and they take my word over that of some credit company."

Dun and Bradstreet issued a misleading credit report on a chairman of two companies. When he finally called Dun and Bradstreet, the company began a war on him. (A Dun and Bradstreet memo reads in part, "He really started something.") They circulated rumors, wrote false letters, and devised a phony bankruptcy report on his company that ruined the firm's reputation and its business. He sued and won over $6 million, but his health is bad, his savings are gone, and Dun and Bradstreet is holding the decision up in court.

The files of 3 million people were auctioned off by a bankrupt credit bureau in Boston in 1969.

In 1971, the wife of a Texas professor lost her insurance because of a credit bureau report that she is an alcoholic. She never drinks.

When a credit bureau reported that the house of a Maryland resident was "filthy," the man lost his auto insurance.

An Indiana man sued a credit company for falsely reporting that he had been in prison for a year. Because of it, he lost a job promotion.

An applicant for credit had trouble because of the following report: ". . . he got an infection in his right foot, causing his Big Toe and Little Toe to swell and peel; these were seen, and they present an infected, swollen appearance." Other people had trouble because of reasons such as, "slothful housekeeping," "poorly groomed," and "defamatory in speaking of insurance companies."

To protect consumers, the Fair Credit Reporting Act (FCRA) was passed in 1971. But its protection was limited and the Federal Trade Commission (FTC) had received many complaints by September of 1972. One major flaw is that the consumer cannot see his or her own file. A person can have it read to him or have parts read to him. FTC officials say that an individual does not know if the file has been completely or accurately read to him and that "there is often wholesale withholding of information concerning character, reputation or morals." This denies "due process" when a person cannot face his accuser.

Another problem has been access to information, in many areas, it is still relatively easy for non-authorized persons to see credit records. Also, the individual is not informed of the file's existence, or of any investigation carried out about him, or about any other person who wants to see his file. There is no way to update information; there is no way for a person to correct or explain data in his file. Credit bureaus still collect gossip and list arrests even when there was no conviction.

Another major credit problem is discrimination against women—especially married women. Fearing that they will become pregnant and permanently leave the labor force, creditors often refuse credit or refuse to count the wife's income. They sometimes require proof that a woman cannot bear children before granting credit.

### *Health records*

While the FCRA was weak in most areas, it did not cover medical information at all; therefore, all the problems of data-collecting are possible in this single area. Data banks store such information to be used by life, health and accident insurance companies. The *New York Times*, reporting on federal hearings into the matter, stated:

"If you're one of the millions of Americans who has tried to take out life insurance, sought health and accident coverage or applied for consumer credit, selected facts about your background may be lurking in a computer accessible to hundreds of companies. Such data, which has been stored on perhaps 40 million Americans, may even include information about sexual patterns, drinking habits and drug abuse. Moreover, the information may be totally inaccurate or out of date."

One veteran insurance man told a Senate investigation committee last week that at least 40% of such information is "defective and erroneous." Further, John E. Gregg, who was also a former FBI agent, said that under existing federal law the consumer is powerless to find out either if such derogatory medical information exists or even to correct the record if it is inaccurate.

One such company, the Medical Information Bureau (MIB), serves over 700 insurance companies and has files on about 12 million Americans. It gains about 400,000 files a year and answers insurance company questions almost 80,000 times each day. MIB is only one of several similar companies that supplies information to insurers. MIB collects data on drinking and sexual patterns, drug use, hazardous hobbies, psychological states, anxiety or depression, criminal pursuits, etc.

This particular company is not listed in the telephone directory in its hometown. It is only listed as "Joseph C. Wilberding," (MIB's executive director), 35 Mason St., Greenwich, Connecticut.

### *Bank records*

You may also think that your banking records are confidential. As in so many other cases, this is just not so. The FBI and IRS both have easy access to anyone's records. Although the law requires a subpoena, many banks give information upon request. The customer whose records are being secretly searched is rarely informed.

By requirements of the 1970 Bank Secrecy Act, banks must now keep detailed records of all accounts. These records include photographing all checks over $100 and recording of all deposits and withdrawals for at least two years. Information about bank records, obviously, are not limited to you and your family.

### *Military records*

Nor are the members of the military free of their recorded past. Aside from the normal files, each serviceman receives a SPN—"separation program number designator"—upon discharge. It is a special code of 530 items, one of which is placed on the serviceman's discharge papers. Many of the code items are derogatory, and they can even be included with an honorable discharge.

Even though the SPN's were intended for internal use only, the injury occurs through the availability of the code listings to large corporations. Ex-servicemen can be turned down for a job, without knowing why, on the basis of incorrect information or on the arbitrary decision of someone in the military who didn't like the applicant. The codes cover areas such as bedwetting, "marginal producer," "other good and sufficient reasons," "unsuitability-individual evaluation" (meaning the view of a superior), and "early release of Puerto Rican personnel who failed to qualify for training" (possibly referring to language problems).

### *School records*

School children are falling into similar record prisons. In fact, of all record keeping, the school system's is among the most extensive. More and more information has been added to the file until many school records are now more like dossiers covering all aspects of a pupil's life. The average school is likely to keep data (for as long as 50 years) on:

Personal and social behavior; scholastic achievement; test scores; reading record; health, dental, hearing records; personal, anecdotal accounts of behavior; guidance counselor's records—aptitude, personality reports from psychologists, social workers, agencies, courts, police.

There are many areas of possible abuse: easy access by unauthorized persons; students' and parents' being unable to see the records; outdated information being rarely destroyed; unneeded personal information and opinions recorded.

The Russell Sage Foundation surveyed public schools in 1972 found the vast majority of schools in this country still do not have records policies which adequately protect the privacy of students and their parents. New Mexico, fortunately, is in the forefront of states trying to protect students' rights. Any public school student can see his or her record and the State's Board of Education has a policy preventing access to "government investigative agencies." Unfortunately, stated policy is often not followed in other states, at the local level. Evidence from different parts of the country show that local school officials, counselors and teachers often evade or break policies and even the laws regarding school records.

Centralizing records of school data is also underway. The State of Florida stores data on all students in the ninth grade and over in one large computer. Included in the data collected are: Social Security number, grade, health, sex, race, religion, marital status, family background, academic record, extracurricular activities. The states of Iowa and Hawaii are setting up similar systems.

In California, a centralized computer stores juvenile records that may include psychiatric information. According to educational reporter, Diane Divoky, any child six years or older can be declared "pre-delinquent"—that is, in danger of becoming delinquent—and the child's file can be placed in these computers. By state law, such a child is then accountable to the State Youth Authority. Another program, funded for two years instructed kindergarten teachers in ways to identify potential delinquents among five year olds. (The federal government has had similar ideas. The White House proposed that psychological tests be given to all 6- to 8-year-old children in the U.S. The Nixon Administration advocated camps and extensive treatment for those children who were found to be "hardcore." John Ehrlichman sent the proposal to HEW, which rejected the plan).

Also at the federal level, government officials controlling a data bank of information on 300,000 children of migrant farm workers showed insensitivity concerning the privacy of these records which were meant to help in the school placement of the children. The director of California's program said he would allow people identifying themselves as potential employers to see the information, even derogatory parts.

Once the records are collected and computerized, other uses are possible. James Allen, a former U.S. Commissioner of Education, proposed in 1970 a computerized information system "to find everything possible about (each school) child and his background," in order to develop an educational "prescription" for each student.

To make it possible to more easily computerize students through the use of a standard number, a law was passed by Congress in 1972 (P.L. 92-603; Section 137; p. 3607). It stated that "social security numbers will . . . be assigned to all members of appropriate groups or categories of individuals by assigning such numbers . . . *to children of school age at the time of their first enrollment in school.*" (Emphasis added.) It's not mandatory, but this is a major step.

### *Privacy and the law*

In our philosophical tradition of individual freedom, privacy has long been recognized as a basic right. In our past, that right has been fused with property rights both in the Constitution and in common law. This marriage of privacy to the older legal concepts of property worked fairly well in a society which was technologically less complicated and less concerned with information; it provided a solid legal framework for settling disputes and avoided the problems of establishing an independent right to privacy.

So long as surveillance required the presence of a human observer or trespass of an individual's home or business and inspection of his papers and personal effects, no clear distinction between privacy and property rights seemed necessary; but with the advancement in surveillance technology and the creation of large files of personally sensitive information, the property rights approach proved severely limited. In addition to trespass and unlawful searches, common law presently recognizes four other categories of invasion of privacy for which it grants relief, but these areas also have loopholes.

The common law approach nowadays leaves a lot of ground uncovered. First, it fails to provide protection against new, sophisticated spying techniques. For example, the courts ruled that a microphone driven into the wall of an adjoining hotel room was a trespass or unreasonable search, while one merely attached to a wall was not. Second, juries and judges have been hesitant to award substantial damages merely on the grounds of injuries to reputations, but have demanded clear proof of economic loss. Third, the publicity of legal action makes a suit unattractive when the original injury is the disclosure of sensitive information. Finally, there are many situations where common law protections do not apply: (1) a situation where freedom of the press is at issue, as with someone judged to be a public figure; (2) the right of a private citizen to sue a government agency is limited; (3) a citizen, judged to have consented to the dissemination of the information in question, loses his right to legal redress. The question of "implied consent" becomes especially sticky as we shall see later.

*Whatever protection the threat of a lawsuit offers the individual against physical surveillance, it offers virtually none against data surveillance.* Suits involving intrusion must be directed only against the investigators obtaining information, not those who have merely received it. By the time data has passed into a larger computer network, it may have passed through many hands, been edited and reorganized, and it may be difficult to prove the original source even if the managers of the computer system are completely cooperative.

Finally, there is the question of consent. When has information been given "voluntarily?" A person may willingly fill out a form, take a psychological test, or have a physical examination in order to obtain a job, a loan, or government benefits. While, in a sense, this data is given voluntarily, in reality he may have no alternative. Further, he may not consider or anticipate this confidential information winding up in a computer dossier that will continue to follow him. Of the over 27 billion individual names filed by the federal government, two-thirds were *obtained* by "expressed or implied compulsion." Yet, the disclosure of information obtained "voluntarily" falls outside the protections provided by common law.

We see then that legal action and the threat of legal action provides rather meager protection against physical surveillance and virtually no protection against data surveillance. Yet this is our principal legal safeguard. While court actions to protect privacy serve certain useful purposes, it is neither an adequate nor always appropriate means of guarding basic rights. First, because it is always after the fact, an invasion of privacy cannot be undone; punitive damages can at best discourage future invaders. Yet the awarding of damages is an uncertain proposition, and the injured party faces the long, expensive, and aggravating prospect of a lawsuit in which he must assume the burden of proof. Even if his suit is successful, that is no guarantee that the same misleading information does not continue to survive in files unknown to him.

Some states are taking some steps to better this situation. Massachusetts, for instance, has a law upholding the individual's right to privacy. There is also a review of all state uses of data and one agency has already issued new guidelines. Oklahoma has a law that regulates the reporting procedures of credit companies. New Mexico, Oregon, New Hampshire and Delaware offer some protection of school records. Some states are resisting federal programs in crime fighting and drug rehabilitation because of inadequate federal safeguards. But these are only beginnings.

### WHAT DO YOU THINK?

This booklet has tried to illustrate some of the growing dangers in our society. "Invasion of privacy" is becoming a real problem as computerized record keeping, surveillance and other questionable activities confront us. Our Constitutionally guaranteed rights are being threatened; a free and open society, our ideal, is in danger.

Looking at any single area might not create this impression. But, when all the different areas of danger are placed in front of us at the same time, the true size of the threat becomes clearer. We are, all of us, threatened by changes in the world around us. Not just some people or some groups—but the rich and poor; young and old; all religions; all races. Whether it is credit ratings, behavior modification programs, surveillance, government records, prisons or the L.E.A.A., whether we feel the subtlety of the "record prison" or the directness of psychosurgery, "control" is being felt by everyone in very powerful ways. Through behavior modification programs, record prisons and surveillance, we learn to conform. But conforming means being controlled. It is just as clearly a form of control as psychosurgery, prison and drugs. Conformity and control come to mean the same thing.

Professor Perry London, Professor of Psychology at the University of Southern California and a Research Fellow of the National Institute of Mental Health, defines behavior control as "the ability to get someone to do one's bidding." This definition is adequate as far as it goes. Unfortunately, however, it may imply a conspiracy, and the types of behavior control that are developing do not constitute a conspiracy. This does not mean that some people wouldn't like to take control of the society: some of the Watergate incidents—for example, attempts that were made to control our electoral process—clearly show that there are some people who would like to directly control all of us.

But there are many other people who work within narrow limits and who probably don't think like that. Psychosurgeons say they want to treat sickness, not create a technology for social control. Bureaucrats want to be more efficient, and save tax money rather than create record prisons. Corporations want to make money and the product that makes money for them doesn't seem to be that important. Scientists want to create, to help society—not to create instruments to destroy it. As Professor London puts it:

". . . most of the scientists, technicians, teachers, doctors and other specialists in the learned professions have not yet looked upon the tools that they have made or use as parts of a technology for controlling behavior."

Each person, within the limits of what he is doing or wants to do, does not want to create mechanisms for control. Nor do most people seek to control other people's lives. But when the results of the activities of all these individuals are put together, the end product is a dangerous and increasingly efficient technology of behavior control.

In the past, people were controlled, mostly, by forcing them to do what was wanted of them. This is no longer true. Now, there are many other methods to control our moods, thoughts, actions, emotions, and wills: drugs, behavior modification, psychosurgery, electric shocks, hypnosis, electronic bugging and computerized records.

So far, however, we have merely scratched the surface of what will occur in the future. Technological development will make our present state of technology of behavior control seem as ancient as the horse and buggy. New drugs, more efficient means of behavior modification, electronic miniaturization, and surgical improvements all will contribute to the future developments. And of course, the computer will continue to improve in its efficiency and scope, thus . . . making it easier all the time to track and predict virtually any kind of mass behavior trend (through better and better data processing methods); this makes it easier, in turn, to forecast, then control, the individuals who make up the mass. (Perry London, Behavior Control, 1969, p. 5)

Shouldn't we begin to think about these consequences before it is too late? This booklet has attempted to raise some questions about some of the controls developing. To illustrate, several areas were chosen:

Record keeping;
Surveillance;
Legal, mood-changing drugs;
Behavior modification programs;
L.E.A.A.;
Violence prediction methods; and
Psychosurgery.

All, or most, of the examples described in this booklet seem to share certain basic assumptions.

1. They view the problem as within the individual, not in society.

2. They tend to justify keeping things as they are.

3. They tend to focus on those parts of the population that are most difficult to control or that are the most dissatisfied with the way things are: ethnic minorities, children, women, the old, social deviants.

4. Their results, unstated and perhaps unknown even to themselves in many cases, are conformity and control.

5. Some of them redefine a behavioral problem of daily life to be a medical problem.

### *Our children*

Clearly, the mechanisms of social control exist. They are developing rapidly and will be increasingly effective. They influence the lives of us all. As an example, look at all the pressures that are developing on our children:

Extensive school records without adequate privacy protections and containing anecdotal, confidential data.

Photo I.D. cards in public high schools.

Social Security numbers in the first grade.

H.E.W. data bank on 300,000 children of migrant farm workers.

Court and arrest records of juveniles are public in many states, including New Mexico.

Juvenile records (in California) are computerized and filed centrally; they include psychiatric histories.

Boy Scouts in Rochester, N.Y. recruited by police to observe and report criminal and suspicious acts.

Police and security agents monitor schools.

"Pre-delinquent" and "pre-prevention" programs in many places; many funded by L.E.A.A.

Behavior modification programs: in public schools, for slow learners, for juvenile delinquents, and to train parents and teachers.

Use of Ritalin for "minimum brain dysfunction."

Urinalysis tests to detect drugs.

Tests to detect future violence in 6-year-olds.

Psychosurgery for hyperactivity, aggression, and emotional instability: some children are as young as 5 or 6, and some are adolescents with criminal records and who are explosive, impulsive, and unpredictable.

### *Privacy and Behavior Control*

Of course, it is not just children who are affected. We are all affected by invasions of privacy. Privacy has been defined and characterized in many different ways:

Privacy is the claim of individuals, groups, or institutions to determine for themselves when, how and to what extent information about them in communicated to others. . . .

Privacy is the voluntary and temporary withdrawal of a person from the general society through physical or psychological means, either in a state of solitude or small-group intimacy or, when among larger groups, in a condition of anonymity or reserve.—Professor Alan Westin.

The right to be let alone is indeed the beginning of all freedom.—Mr. Justice William O. Douglas.

Many, if not all, of these issues talked about in this booklet can be considered invasions of privacy and threats to our civil liberties. Record-keeping (as presently practiced) and surveillance (L.E.A.A., army, FBI, police, etc.) certainly fall into this category. But so do others. For instance, a Michigan Circuit Court ruled that psychosurgery, because it tried to change behavior rather than cure disease, both violates the right of privacy by intruding upon the brain; violates the First Amendment by injuring the person's ability to generate ideas.

Certainly many aspects of legal drug abuse, violence-control methods and behavior modification programs would fall under these same severe criticisms.

An invasion of privacy can threaten our ability to function freely and openly. If our actions are directed or manipulated, an invasion of privacy becomes a method of controlling what a person says, does, and maybe, thinks and feels. When this happens, the means of invading a person's privacy is also a method or tool to control behavior. Any of these tools is a serious threat in its own right.

But, when all these tools are put together, when they are seen as a group of methods, they become much more threatening than any single one of them. Seen not as individual issues or threats, these tools become, together, a technology of behavior control. And we are all in danger.

The issues described in this report attempt to document this technology. They are invasions of privacy; and they are tools of behavior control. More and more, we are being recorded, punched on a computer card, watched, drugged, studied for violence, operated on, punished or rewarded, photographed, and policed. The tools that threaten our democracy and freedom are being developed and increasingly put to use. What do you think about it?

* * * * *

"Fundamental to our way of life is the belief that when information which properly belongs to the public is systematically withheld by those in power, the people soon become ignorant of their own affairs, distrustful of those who manage them, and—eventually—incapable of determining their own destinies."—President Nixon, 1972.

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### RECORDS THAT MAY HAVE BEEN COLLECTED ABOUT YOU

Adoption, airline flight records, arrest, bank accounts, bank loan, birth, car registration, census, church records, consumer credit, conviction record, customs, divorce, draft status record, driver's license and record, drug prescriptions, employment, F.B.I., fingerprints, food stamps, general health, gun registration, ham radio registration, hotel/motel, hospital, immigration, insurance, job application, library card, marriage, military, Medicare, mortgage, newspaper morgue files, passport, pet registration, police, pilot registration political activity, political party, prison term, private investigators' records, psychiatric, school, security clearance, Social Security, stocks and bonds transactions, subscription mailing lists, tax returns, telephone, university, utilities, voter registration, and welfare.

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"The FBI's promiscuous data dissemination practices have injured millions of people," states the executive director of the American Civil Liberties Union. As poor as the FBI's record has been, some local police agencies have been worse. The Police Department of Hobbs, New Mexico and the Sheriff's office of Bernalillo County were two of six agencies that, for a period of time, were cut off from FBI data because of improper use of information.

* * * * *

There was a time when information about an individual tended to be elicited in face-to-face contacts involving personal trust and a certain symmetry, or balance, between giver and receiver. Nowadays an individual must increasingly give information about himself to large and relatively faceless institutions, for handling and use by strangers—unknown, unseen, and all too frequently, unresponsive. Sometimes the individual does not even know that an organization maintain a record about him. Often he does not see it, much less contest its accuracy, control its dissemination, or challenge its use by others.—Records, Computers, and the Rights of Citizens, HEW Report, 1973.

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In New Mexico, arrest records of juveniles will be public information. This was not the case before an October, 1973 court ruling based on legislative changes in the children's code. As a result, the effects of "tracking" juveniles for the rest of their lives may be very grave.

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In 1971, the New Mexico State Police made 4548 arrests. Of those in which a decision was reached, 41.6% of the arrests resulted in acquittal or release.

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Eric McCrossen of the *Albuquerque Journal* reported about an Albuquerque man, named "Peter," whose naval career is being jeopardized by an arrest record. He was found "not guilty" on a misdemeanor charge. It cost him over $2,000 to prove his innocence. About this matter. Peter says:

"Is the fact that the tab for my innocence is $2,200 versus a probable $250 for a guilty outcome what infuriates me? Not hardly. *Having an arrest record is what really angers me at present.* There is no possible way to rescind this record. *This costly mistake on behalf of our judicial system could jeopardize my future career as a naval officer.* For all practical purposes, a guilty verdict would have had the same drastic outcome except it would have been considerably less expensive. The sweet dream of being innocent until proven guilty has turned out to be a nightmare for me, the nightmare of being guilty after proven innocent." (Emphasis added)

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In another New Mexico case, an airman at Holloman Air Force Base was arrested and held, "without probable cause," for armed robbery with a deadly weapon. The day after the arrest, his innocence was clearly established. He went to the District Court of Otero County to get Alamogordo to remove all traces of his arrest—"mug shots," fingerprints, arrest records, index cards, and others. We quote, at length, the "complaint for Declaratory Judgment" that was presented to the court because its message is very important.

Plaintiff's photographs are maintained and used by the City (Alamogordo) as "mug shots" by way of demonstration to persons complaining of crimes committed against them by persons unknown who may or may not fit the Plaintiff's physical characteristics, including his race. Further, the Plaintiff believes that the Defendant City, through the Department of Public Safety, has or may in the future, *forwarded the same materials to the Federal Bureau of Investigation* or other Federal or State agencies or disseminate them or furnish information from them as public records to provide information to individuals or agencies, both public and/or private . . . The retention of the memorabilia by the city in its files . . . serves no lawful or legitimate function of the Defendant City or the agencies to which it may have been or may be forwarded. *It violates the Plaintiff's constitutional and lawful right to privacy.* It, of necessity, *will have a deleterious effect upon his future with the United States Air Force and with any agency that would require of him in the future a security clearance because of matters of national security. It could and would lead to harrassment and inequal treatment of him in the future as a result of any report made by any credit reporting agency to any user of such data considering applications for credit or insurance, by its mere presence.* The mere presence of such a record would work as a serious impediment to this Plaintiff and as a basis of unlawful and unconstitutional discrimination in Plaintiff's future search for occupation and those things to which he would otherwise be entitled . . . (This) constitute(s) punishment or penalty of the Plaintiff without due process of law." (Emphasis added.)

### MORE EXAMPLES

American Airlines computers as of 1968 give information on its passengers to 10–15 investigators (government and private) each day. The data includes time of flight, hotel and car reservations, seat number, and the entire passenger list.

The Assistant Secretary of Commerce for Economic Affairs considered it "bad psychology" to advise people that their responses to a form were voluntary.

Of the 27,270,000,000 names in federal files, over 18 billion of them were "data obtained under express or implied compulsion."

In Crystal Lake and Carpentersville, Illinois, cable TV is being installed that can survey 180,000 houses in 30 seconds to find out which program is being watched in each house. Individual sets can be turned on and off from the central headquarters. With this method, a clear picture of the political views of the cable TV owner can be obtained.

Social scientists proposed to bug each room in each apartment of a federally sponsored low-rent housing project and feed all words recorded into a computer that would develop a personality profile of low-income citizens to compare to Americans who have "made it."

The State Civil Service Department of New York began a code to identify all its employees by race and ethnic origin. When it began, there was no public announcement and the employees did not know about it.

Psychiatric records obviously contain highly sensitive and confidential information about an individual, whether undergoing private therapy or in an institution. A lawyer who worked in a state mental hospital stated that:

Government agencies routinely release and exchange psychiatric records of less prominent citizens. Government and police investigators generally feel little compunction about rummaging through psychiatric records . . . (F)ormer mental patients are permanently branded. Their psychiatric histories follow them about relentlessly and often ruin their lives.

A Senate subcommittee found that federal investigators have access to 279,000,000 of the psychiatric reports.

A machine whose use is increasing rapidly and potentially involving many "average citizens" at some point in their lives, is the polygraph or "lie detector".

Although polygraphs are normally thought to be used only in criminal investigations, they are more and more frequently being used by private business and industry—primarily for screening job applicants. According to Robert J. Ferguson, Jr., a leading polygrapher, more than 500,000 polygraph tests were conducted in 1968 for pre-employment purposes. Potential employers thus enter into people's minds as a price for getting a job.

There are many problems with so-called "lie detectors," aside from a primary one, namely, that they represent an invasion of privacy. They measure physiological reactions which occur for a variety of reasons. They cannot accurately measure whether or not a person is lying. Thus the machine can be "beaten," fooled, or misintrepreted. And so can the operators, who, for the most part are poorly trained.

Even though the method has such serious flaws, a new machine has been developed that measures changes in psychological stress in a person's voice without his even knowing that the test is going on.

Foreign governments have also made use of data. Hitler used a questionnaire, called a "fragebogen," in the towns and villages that aided him in centralizing data on each and every citizen. He didn't use computers, either. In South Africa, each citizen must register with the government, receive a classification according to race, and carry identification cards.

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## ECONOMIC ORDER AND THE FUTURE

Mr. NELSON. Mr. President, we are all getting asked whether the energy crisis is real. Our mail, our office visitors, and our trips home all reflect a concern how we got into the crisis. The people want to know, "What the facts are."

On Thursday, March 14, 1974, at a symposium on economic order and the future sponsored by the University of Delaware my senior colleague (Mr. PROXMIRE) gave a very thoughtful speech that answers these questions with facts. Senator PROXMIRE not only lists some of the causes for the energy crisis but he details some practical solutions.

Mr. President, I urge every Senator to read this document and ask unanimous consent that the text of the speech Senator PROXMIRE delivered on March 14, 1974, be printed in the RECORD.

There being no objections, the speech was ordered to be printed in the RECORD, as follows:

### ENERGY 1974: AN ECONOMIC NIGHTMARE

Now to get to the subject of the evening, the energy quandary of 1974 which I think we can properly call an "economic nightmare".

Let's first consider how we got into this remarkable situation and what we can do about it. One very serious problem that must be faced and recognized is that many Americans and particularly those who are most deeply involved in and concerned with the oil industry feel deeply that the oil industry is the archetype of the American free system. It is capitalism at its vigorous best. In many ways, of course, oil does represent a smashing success.

The oil industry provides half the energy needs of our country. It does seem to have all of the elements classically identified with capitalism. There is big risk involved, particularly in the exploration process, enormous amounts of capital are required probably more than in almost any industry to provide for the exploration, production, transportation by pipeline and tanker, refining, distribution.

It is an industry characterized by technological expertise, and change. And above all it has the romantic and exciting Rockefeller saga in which the nation's richest family, the quintessence of the establishment, the Rockefellers achieved fabulous wealth—a combination of brilliant judgment, a shrewd application of business principles and a remarkable degree of absolute ruthlessness successfully persisted in for many years—gave big oil supremacy. Today the seven sisters, that is the seven big oil corporations, that are the biggest of the majors are among the twenty biggest corporations in the nation. They truly dominate the industry.

And the first distinguishing element of this industry today is that it is highly concentrated. It is true there are tens of thousands of companies in the business but the top twenty oil producers control 70 percent of the crude oil produced domestically. And the top four firms alone produce 31 percent of the crude oil.

A recent Federal Trade Commission study shows that the top 20 firms account for 86 percent of the nation's refinery capacity, 79 percent of its gas sales. And the basic power is even greater since the top companies have a full 94 percent of domestic crude proven reserves.

#### GENERAL DEPENDENCE ON OIL

The oil industry is not only an immensely rich, highly concentrated industry with a romantic legend going for it, but it produces a product which is essential for our economy and our society.

If anything features the American society today it is its mobility. We are free to travel whenever, wherever we wish almost as far as we wish and, of course, oil is the key to the transportation of goods and people.

As the principal source of energy, the oil is also essential for the production of our varied and enormous manufacturing enterprises.

And the astonishing production of food in this country which not only feeds America abundantly but provides a large part of the food for the world is, of course, squarely based on oil for its energy.

Our very living—heating our homes, lighting our homes, energizing our radio and television—all of this is based on the oil industry.

Until very recently, the resources of this nation in oil were so enormous as to be able to feed this national demand for super mobility, for infinite and ever expanding production for the highest standard of living in the world. In recent years that situation has changed and now it has changed dramatically.

#### NOW A SHORTAGE—OR IS THERE?

With this background it's easy to understand why many Americans simply won't believe it when they are told there is a shortage of oil.

A majority of people in responding to a poll that I sent to my constituents recently indicated that they did not believe there was a shortage. Their view was put to me bluntly by a Wisconsin businessman who told me, "no one can tell me that this country which has so much of everything and has always had so much of everything is running out of oil. I just can't believe it. It's impossible."

Well, the impossible does seem to be the fact.

The problem is that our production, for a number of reasons which I will describe shortly, has diminished every year since 1970 in this country, meanwhile our consumption has continued to increase at breakneck speed. We have been continuing to consume oil at a rate which doubles every ten or twelve years and until late last year that continuing pace was uninterrupted.

As a result imports which we have increasingly relied on in recent years became even more vital since 1970. The amount we could import from Canada, Venezuela and other non-Arab exporting nations is limited. The Arab countries did, indeed, provide residual margin with the embargo imposed last fall. In spite of leakages we did, indeed, and still do have a shortage.

#### THE ECONOMIC NIGHTMARE

In any event there is no question that we are facing what is an "economic nightmare". I'm sure almost everybody in this audience has sat in one of those long lines to get gasoline on more than one occasion, and believe me the end is nowhere in sight.

So far unemployment caused by the energy shortage has not touched most Americans, but where it has hit it has hit hard, indeed. The auto industry has suffered hundreds of thousands of workers laid off.

The recreation industry throughout the country which depends on tourists who drive up to spend the weekend swimming, fishing, hunting, skiing or just lying in the sun is in serious trouble throughout the country. Bankruptcies are virtually certain even if the embargo ends, unemployment is sure to follow.

The high price of gasoline and fuel oil has already transfered billions of dollars from the consuming public to the oil industry. Many thousands of low income workers simply can't afford it.

Recently I was in rural Wisconsin and met with a number of fuel dealers who told me the sad story of a number of their older customers who lived in large, old houses and had no way of paying the additional $30 to $40 a month required for fuel to heat their homes.

The fuel dealers as small businessmen simply couldn't afford to carry their customers the oil people didn't have the money, welfare couldn't and wouldn't provide it.

And the haunting nightmare goes on and on with truckers who strike to get the gasoline they need to keep their business operating. Their strike is understandable—the lesson of the strike is one which should chill all of us. It is a strike based on violence and intimidation and it worked. Was this a signal to the country that the way a group can get its way in the energy shortage is to resort to violence?

And tonight as we meet here, West Virginia coal miners are still on strike insisting that they want to have gasoline guaranteed in sufficient quantities and with adequate convenience so that they can get to and from work. Their strike is idling thousands of others working in fuel plants, producing some of the very products essential to increase our own production of oil.

And, of course, the economic nightmare of the energy shortage has a broader implication. The sky-rocketing oil prices are reflecting not only in gasoline and heating oil but in everything—in higher food prices, as the transportation and the production of food costs more, higher prices for plastics, clothes, housing and most everything we buy.

Meanwhile the economic nightmare takes on an outrageous equity dimension. While many consumers are suffering, the company profits are going right through the roof.

Nineteen seventy-two, indeed, was not a particularly good year for the oil industry. Nineteen seventy-three was a very good year, indeed, and hold on to your hats because in 1974 the profits are going to go right through the roof—they will be many times what they were in 1973.

In fact, the transfer of income from the American consumer to the oil industry will be the equivalent of 15% surtax on all the Federal income taxes paid by all the people in this country—an immense $16 billion increase in profits in one year, an enrichment which will shatter all records and will only be dwarfed by the more than 10 times greater increase in wealth which the oil companies will enjoy because of the leaping value of their reserves caused by oil prices going out of sight.

Think of that for a minute—oil company profits can be expected to go up in 1974 a mammoth $16 billion because the price of oil has gone up so sharply and so quickly. The reserves of oil which the oil companies of this country have have risen by something like $150 billion and possibly much more than that in this year alone.

I think I can say without question that there has been no such overnight enrichment of any group of Americans in the history of this country and all of it based not on hard work, good judgment risk or even ruthlessness but simply on the catastrophe that has hit the oil consumer with the oil shortage.

#### HOW DID WE GET INTO THIS MESS?

By government and industry subversion of the free enterprise system. The government has been up to its ears in oil for decades—and all we have to show for it is an oligopolistic industry, fat and ponderous from having gobbled up rich subsidies for years. Here's how it happened.

Prorationing is one of the oldest forms of government intervention in the oil industry.

It is a practice which arose for good reasons from the wasteful way in which oil was produced before World War I. At that time oil producers tapping the same underground reservoir of oil would vie with each other to pump the oil out of the ground as fast as possible. If one outfit didn't get the oil first, another would. The problem with this free-for-all approach to production was that the oil was not being pumped according to efficient engineering principles. Excessive drilling and production of the same oil field prematurely dissipated natural underground pressures with the result that much of the oil could never be recovered.

To combat the waste, the leading oil producing states passed prorationing laws to limit crude production to the maximum efficiency rate (MER). This was a much needed reform.

Unfortunately, this needed conservation measure was soon corrupted by a second kind of prorationing, market demand prorationing. Once the machinery to limit production according to engineering efficiency was set in motion, the forces to tie this limitation to market demand grew overwhelming.

Under market-demand prorationing, the individual state regulatory bodies determined what each state's total would be by adjusting output (production) to expected demand. And the oil companies, of course, had a lot of input into what the expected demand figure would be. Now the problem with this system is that demand cannot be estimated without some assumption about price. The assumption in this case was that prices would be constant rather than decline. As a result, production quotas based on this assumption tended to sustain the price which lay behind the forecast. The original conservation aim of prorationing was perverted into an elaborate system of price fixing. The major oil companies set a high, non-competitive price for crude oil which was then protected by the prorationing states which made sure that no excess oil was produced.

For more than a decade this system protected the supply and price of the vast majority of domestic crude oil from normal market forces.

Everything clicked along nicely until after the Second World War. Foreign oil was no threat to the domestic price structure. As recently as 1948 the U.S. produced 2/3 of the world's crude oil and had almost 1/3 of the world's proven reserves. But times changed. Within 10 years the U.S. was producing only 1/3 of the world's crude oil and possessed 1/9 of the proven reserves. We were no longer the trend-setter in world oil prices. As new oil fields opened abroad, the world price of oil began a downward spiral . . . while prorationing kept domestic prices high.

Once again the spectre of Adam Smith's market raised its head. Because of high American prices and rapidly growing demand, imports tripled between 1948 and 1958.

It didn't take long for the oil industry to realize that American prices couldn't be kept high without protection from much cheaper foreign oil. Once more the industry turned to Washington for help in making sure that the free market wouldn't return. The answer? An oil import quota system to keep inexpensive foreign oil out.

### OIL IMPORT QUOTA SYSTEM

The oil import quota system was established 15 years ago (1959) by Executive Order of the President. Congress had nothing to do with this one. You can be sure that the reasons given for this action were of the noblest sort: national security. This bill of goods was sold to the American people (insofar as the American people knew anything about it) on the grounds that domestic oil production was essential to our national security and that the higher prices of American oil resulting from the program would encourage exploration and development of new oil reserves in this country. Now who could argue with that? Only the facts, which are notoriously overlooked in the history of subsidies for the oil companies. The fact is that the only national security gained by the oil quotas was that of the major oil companies who reaped a bonanza in higher prices for crude oil. Profit, not national security, was the real motive for the quotas.

The import quota system limited oil imports for those states east of the Rockies to 12.2% of the estimated domestic production. The five Western states were allowed to import only the estimated difference between demand and domestic supply. Domestic refiners were given import tickets, worth about $1.50 per barrel, the difference between the world crude price and the domestic price.

This system may have been a bit more acceptable if it had worked, if the protection of higher domestic prices had given oil producers enough incentives to look for more oil and thereby contributed something to our national security. But the system didn't work. Here's why:

The production incentive was supposed to come from the $1.50 per barrel revenues from the import tickets. This money was going to be used to look for oil. Now if you want to encourage oil exploration and development through a subsidy, it seems straightforward enough to give the subsidy to those whose business it is to explore and develop. So did the government give the import tickets to the oil producers? No, they were given instead to the oil refiners. This would have been fine if most domestic exploration was done by the integrated major oil companies which could easily shift funds from refining to production. However, nearly 80% of onshore exploratory drilling is done by independent producers who do not own refineries and who received no benefit from the import tickets. This was a little like robbing Peter to pay Paul to rob Peter on his own time.

As a result, the avowed purpose of the quota system—protection of national security by increased domestic production—was completely circumvented. In the long run, the oil import quota system not only failed to improve our national security, it worked to undermine that security. Along with state pro-rationing, the import quotas eliminated the spare productive capacity in this country and severely limited new entries into the refining field. With a strictly limited supply of crude oil, no one was interested in making the huge capital investment needed to build new refineries. During the years the quota system was in effect, no new refineries were built on the East coast and eight closed. Even if the oil embargo were lifted tomorrow, we still wouldn't have the refinery capacity in this country to turn enough crude oil into the products we need. It will be four to five more years before the new refineries now under construction will be in full operation.

### TAX SUBSIDIES

You may think that state prorationing and import quotas would have been sufficient protection for the national security and enough of a boon to the oil companies to satisfy nearly everybody. No such luck. Countless other blessings are bestowed on this industry, not the least of which are the tax giveaways.

Those of you who may think unkindly of the Internal Revenue Service this time of year probably have a hard time realizing how painless paying taxes can be. Just to give you a balanced view of things, let's look at how nice it can be for the privileged few.

### THE OIL DEPLETION ALLOWANCE

The oil depletion allowance is one of the best known tax favors given to the oil industry. The rationale for this subsidy is again rooted in national security. The argument is that without the depletion allowance, oil companies would not explore for the oil we need to protect ourselves from possible interruptions in our oil supply, such as the Arab embargo.

The oil depletion allowance, along with other subsidies, stimulates the allocation of resources to the discovery and production of crude oil. This is one reason for the tremendous pressure on oil firms to integrate backwards in order to get the benefit of the favorable tax provision.

And it's a darn good benefit at that. The depletion allowance permits crude oil producers to subtract 22 percent of their total production revenues from gross income, so long as this amount does not exceed 50 percent of net pretax income. Think how nice it would be if you were earning $10,000 a year and could act as though 2200 of those dollars didn't exist for tax purposes!

One of the main reasons the depletion allowance failed to encourage exploration for more oil was the prorationing system. Within ten years after the depletion allowance acquired its present form, market-demand prorationing came along and restricted oil production. So obviously, the depletion allowance wasn't able to improve national security at that level.

In addition to its failure to encourage production significantly, the oil depletion allowance has had a positively detrimental effect on the nation's refinery capacity. You have to keep in mind that crude oil right out of the ground isn't good for much of anything. It's only when the crude is refined into products like gasoline and heating oil that a useful commodity is made available. To the extent that we have an inadequate refinery capacity in the U.S., we must continue to rely on imported products—and this is precisely the sort of thing the oil depletion allowance was supposed to avoid.

Now you may ask, "Senator, how can a tax subsidy to crude oil producers possibly work to discourage refineries, especially when you'd think all the more of them would be needed to process the additional crude?"

In order to understand the answer, all you have to do is make a simple distinction between fantasy and reality. For our purposes, fantasy may be defined as what is supposed to happen when a subsidy is given to the oil industry. Reality is simply the opposite of that. Now, the fantasy about the oil depletion allowance is that it would protect our national security. Here is how reality works:

The oil depletion allowance encourages the vertically integrated major oil companies to seek high prices for crude oil because a high percentage of the income can be written off for tax purposes. But these higher crude profits result in lower refinery profits since the refineries have to pay more for the crude oil. This presents no problem for a large integrated company which owns both the production facility and the refinery. As a matter of fact, the Federal Trade Commission has estimated that America intergrated companies which produce between 40 percent and 80 percent of their own crude oil can still come out ahead even if they raise crude prices up to a point where refinery profits have been reduced to nothing.

This is great for the integrated firms which can easily absorb losses at one level by making them up and more at another due to the tax benefits. But the system wrecks havoc on independent refiners who have little or no crude oil of their own and must buy it at the high prices encouraged by the depletion allowance. *They* don't have any way to absorb the loss and simply can't operate for little or no profit.

This presents a tremendous barrier to entry at the refinery level. Since the capital costs of entering the refinery business are at least $250 million, very few have been willing to take the investment risk outside the integrated structure of the major companies. Not only did prorationing and import quotas leave them without a guaranteed supply of crude oil, but the oil depletion allowance raised the price of crude to a level incompatible with operating independently from production in many cases. This has left the U.S. with a serious shortage of refinery capacity with little relief in sight for several years.

### INTANGIBLE DRILLING EXPENSING

Another of the subsidies to the oil industry is the allowance given for intangible drilling expenses. Due to the nature of producing oil, a major part of investment expenditures *is devoted to* drilling wells and all that goes along with that. Certain of these expenses are known as "intangibles": lease rentals, materials, supplies, repairs, wages, and the like. Although the expenses themselves may be intangible, the tax benefit is not. The oilmen can write off all of these expenses in one year; they don't have to depreciate the expenses over a period of time as is the case for other industries.

This subsidy is also defended on the grounds that it provides an incentive to find more oil. Sound familiar? It is, and so are the results.

The problem with this write-off is that it is not limited to those who actually go out and drill wells in unproven areas. The intangible drilling subsidy applies to both developmental wells and exploratory wells.

Now here's the crunch. The main attractiveness of the intangibles deduction is closely tied to the likelihood of drilling a successful well so that the oil depletion allowance can be taken. You can't use the depletion allowance until you are producing oil. As a result, much of the tax incentive from intangible drilling deductions is channeled into drilling developmental wells on already existing oil pools, not into exploratory wells, the ones that expand our oil resources.

It's the same old story. The subsidy benefits those who already *have* the oil, mostly the major companies. Efforts to limit such subsidies only to the small independents who do most of the exploratory drilling have never gotten very far. A 1967 government study showed that nearly 92 percent of all depletion deductions were taken by companies with assets of over a quarter billion dollars. The smaller companies with assets of under $1 million, the ones who take the greatest risks to find new oil sources, got the benefit of only thirty cents out of every $100 in depletion deductions.

### THE FOREIGN TAX CREDIT

There is one more tax credit given to the oil companies which brings the idiocy of this system around full-circle. This is the "golden gimmick" of them all . . . the foreign tax credit.

The "golden gimmick" is a means whereby royalties paid by U.S. oil companies to a foreign government are masked as a tax payment. Instead of deducting these royalties from the oil companies' income as a legitimate business expense, the royalties are treated as taxes paid. The net effect is to greatly reduce American oil companies' tax liabilities at home, to the tune of some $2 to $2.5 billion a year.

National security is the justification claimed for all the other tax "incentives" and the foreign tax credit is no exception. But what possible national security is gained by this gimmick or the foreign oil depletion allowance? Absolutely none. The golden gimmick is a stupid, self-defeating feature of the tax code which was accomplished simply by a ruling of the Internal Revenue Service. It doesn't contribute one iota to expanding our domestic reserves. What it does do is encourage the oil industry to explore abroad to the detriment of domestic exploration. It subsidizes major international firms with no benefit to the domestic production industry.

The only incentive provided by this subsidy, apart from the incentive to develop abroad, is the incentive for American firms and the Mid-East nations to raise the price of oil. As the price of Mid-East oil goes up, the tax write-offs of American oil firms operating there go up. This is one of the reasons that Mid-East oil is now 40 percent higher than U.S. oil.

One has to look at the tax and subsidy system as a whole in order to fully appreciate the calculated insanity of it all. Supposedly in the name of national security we have enacted tax incentives to explore for domestic sources of oil. Yet the tax incentives work to benefit existing production, not encourage exploration. Next, also in the name of national security, we put an import quota on foreign oil. Again, this did nothing to encourage domestic production and in fact restricted the growth of our domestic refinery capacity. The final absurdity, the foreign tax credit, was also defended on national security grounds: if we don't get the oil some other, perhaps unfriendly government would. Well, some other government got control of the oil fields anyway . . . those same people whose oil your tax money helped pay for all those years! It's enough to give national security a bad name even without the current difficulties the term has to live with. Under this "Drain American First" policy, national security has demanded that the American taxpayer subsidize the development of foreign oil which national security then prevented him from using.

### WHAT CAN WE DO ABOUT IT?

### *1. Eliminate subsidy system*

After years of subsidizing the oil industry to protect our national security, we now find ourselves with just the opposite. Fuel prices are soaring, demand is outstripping supply, people are losing their jobs, the economy is suffering, the NATO alliance is crumbling in a mad scramble for oil.

The tax subsidies, prorationing, and import quotas obviously didn't work when they were supposedly needed. There is no believable justification for them now. Yet all of the subsidies I've mentioned except the import quota program are still in existence . . . despite record profits for the major oil companies on both domestic and foreign operations.

It is high time to reintroduce the dynamics of normal market forces into this industry. Yes, this will mean higher prices. Without the subsidies, the oil companies will have to be able to pass through the additional tax costs of doing business to the oil consumer. But that's a far better than even exchange. The gross interferences with the free market that's taken place in the past has only encouraged the wasteful use of a limited resource, while at the same time discouraging the expansion of provable reserves of that resource. In the long run consumers will benefit from higher prices and an end to the tax subsidies. The gains achieved by a more equitable tax burden, better resource allocation and greater industry efficiency will more than compensate for the higher prices.

The transition to the free enterprise system will take time. But we have to begin now.

### *2. Conservation*

The government does have a public service responsibility to continue to do everything possible to encourage energy conservation. We no longer have the luxury of believing that our oil supplies are infinite. Better resource allocation and tough conservation efforts are essential to encourage wise energy use until new sources and technologies are developed. Even though these restrictions on demand are an interference with the free market, they are a temporary and effective way to help in the emergency situation. We must also fight to preserve the great strides that have been made in environmental protection. Our air, land and water have too long been treated as free goods. They no longer are. If we abandon environmental restrictions in an all-out fight for more energy, it will only be at a tremendous social cost . . . a cost which would eventually far outweigh the benefits.

### *3. Research program*

How about a national research program which will make it possible for us to provide the overall energy sources we will need to meet the immense energy demands of the future?

Dr. Milton Friedman, that eminent high priest of free market economics at the University of Chicago, has said that there should be no federal research program, that it should be left entirely to the market and to the oil industry.

I must disagree. I agree with much of what Friedman has argued and I enthusiastically favor the free market but I do think that the research program is too vital to leave to the prospects of free market activities and especially in view of the past record. Even the oil companies recognize that the cost of research into some of these exotic areas will certainly require the kind of capital that only the federal government is capable of putting into it, particularly with the immense risk involved. This means that we must continue federal research, with as much private industry input as possible in developing our oil shale resources. Incidentally, the oil potential from the shale which lies in only three of our western states is greater than all the oil which lies under the sands of the Arab countries in the Middle East. We have more than 500 years of coal in this country. Gasification and liquification of coal so that it can be used for natural gas and for petroleum purposes is another area where federal research is very promising.

Everyday the sun bares down billions of kilowatt hours of energy on this earth. Harnessing that energy is not as remote or as impractical as it might seem. We are making progress in this area and moderate federal investment in research is likely to pay very big dividends.

Under the surface of the earth, there are immense potential resources of heat and pressure that are untapped and unused. There again is a great potential for research to develop. Fusion is even a more remote prospect. In twenty-five or thirty years this could provide a clean, reliable and very inexpensive source of most unlimited energy.

The Senate has passed legislation to provide aggressive, new research activity in all these areas. The Administration would go far more slowly. There is no question, in my view, that the country is well on its way, with its research, to developing a future supply of energy that is likely to give us an immense abundance.

### *4. Price controls*

It is imperative that the government act to ensure that the consumer doesn't bear the full burden of the energy crisis. Although prices will have to rise in the transition to a free market, this mustn't be allowed to happen without phasing out the subsidies concurrently. Many major oil companies have argued for an end to price controls claiming that this alone would constitute a free market. But we cannot end price controls any more abruptly than the tax benefits without throwing a monkey wrench into the already poor economic situation.

The reason there's so much talk about windfall profits for the industry now is that prices are skyrocketing without verifiable cost justification. The trebling of Mid-East oil prices alone does not justify ever increasing domestic prices. These foreign oil prices bear no true relationship to the costs of production. Furthermore, because of the foreign tax credit, such foreign price hikes have served to even further increase the revenues of the oil companies that produce in the Mid-East. What about the argument that the current price increases on domestic oil are necessary to encourage domestic exploration and development? Well, how much of an increase is enough? That's a question nobody can answer.

Last week the President vetoed the Energy Emergency Act on grounds that its price control provisions for new oil would result in "reduced energy supplies" and that "the oil industry would be unable to sustain its present production." Friends, Will Rogers had a point. Sometimes Politics is "applesauce." The sole basis of the President's position seems to be a philosophic notion that only sky-rocketing prices will stimulate oil production sufficiently. Aside from the fact that there isn't a free market in the oil industry, the President's argument is crucially undermined by two basic realities: Between February of 1973 and February of this year, the average price of domestic crude oil doubled from $3.40 per barrel to $6.95 per barrel. What happened to production? It declined by 200,000 barrels a day. Granted it takes a little time for new production to come on tap. But how high do the prices have to go? The Energy Emergency Act set a ceiling price on new oil at $7.09 per barrel. While this isn't a perfect provision, it would have given us time to get the facts and require the oil companies to justify their price increases by providing actual cost increases. After all, just four months ago when new oil prices ranged from $5.30 to $6 a barrel, the industry's trade journals were saying that these prices were enough to encourage large amounts of new exploration and production in this country.

There isn't one shred of evidence to show that exploration for domestic crude oil in 1974 will be one whit greater at current prices of $10 a barrel for new oil than it would be at a ceiling price of $7.09. Even Mr. William Simon, who is perfectly aware of the real production limitations caused by shortages of drilling rigs, tubular goods and experienced manpower, has said that $7 a barrel will bring forth as much new production "as we can reasonably expect to get."

To emphasize my point again: while a return to free enterprise is vital, we mustn't take a piecemeal approach. We cannot eliminate price controls on oil without simultaneously phasing out the subsidies. The transition will have to be a gradual one over the next several years. Although the veto of the energy bill was a setback, the winds of fortune are in the air again. The House Ways and Means Committee appears ready to counter the President's action by pushing legislation to phase out the oil depletion allowance altogether over a 5 to 7 year period!

### *5. Restore competition*

a. The government must face its obligation to enforce our anti-trust laws to encourage competition in the transition to a free market. This will not be easy, and the history of anti-trust enforcement isn't encouraging. But constructive action can and must be taken. The Senate Commerce Committee is now considering legislation which would give fair access to petroleum pipelines by all members of the oil industry. This would give independent oilmen a fair chance to compete. It may be that refineries will have to be divorced from major oil company control in order to counter the anti-competitive effects of vertical integration.

b. One of the most important incentives to greater competition is to revise the way in which federal lands are leased for oil exploration. The government doesn't even know how much oil it has on its own lands. The basic facts are controlled by the oil companies, an inexcusable circumstance since facts mean knowledge and power. In the past the government has leased these lands to the oil companies by a system known as "bonus bidding". Oil companies submit bids for the right to develop and explore for oil on the lands. Since this requires a tremendous capital outlay, only the largest companies are in a position to participate and often times they join together to make joint bids. A system of royalty bidding is a needed reform. Under this system, bidders would offer the government a share of the future oil recovered from such lands. This would give smaller companies an opportunity to participate in exploration ventures on the federal domain. In the long run, the government is likely to come out ahead as well.

### WHOLESALE ALLOCATIONS

Finally, wholesale allocations are vitally needed to protect competitive independent refiners and marketers.

Historically, independent refiners have received less than 5 percent of their crude oil input from their own production facilities. In times of plentiful oil supply, these refiners have been heavily dependent on major oil companies for their crude oil. Despite this reliance on the majors, the independent refiners sold back only 14 percent of their refined product to the majors. The bulk went to the independent markets. This was fine with the majors in the past because most of their profits came at the production level and it was advantageous to push as much through to marketing as possible, even through independent retail outlets.

This situation changed, however, with the advent of the energy crisis. As world oil supplies tightened in 1971, the majors realized a need to streamline their own inefficient marketing system to compensate for declining crude (production) profits. Consequently, since 1972 independent marketers outside the vertically integrated structure of the majors have found themselves being squeezed out of business. In mid-July of last year, integrated and controlled marketers were receiving from 100 percent to 120 percent of their 1972 supply. At the same time, independent retailers were cut back to only 50 percent to 70 percent of their 1972 supply.

The 8 largest major companies have directly supplied only about 1.1 percent of the gasoline sold by independents in the past. The independents secured the rest from smaller majors and independent refiners. However, the 8 largest majors were still able to control how much the independents got by reducing sales and exchanges of crude oil with other majors and independent refiners. As a result, during the shortages of 1973, competitive independent firms were folding left and right while the majors were expanding their control at the retail level.

The purpose of the Emergency Petroleum Allocation Act was to redress this situation through a system of mandatory allocations of both crude and refined products. The Act was implemented by FEO on January 15 of this year.

The major oil companies and the Administration were opposed to allocations from the beginning. The majors cooperated poorly under the voluntary program which preceded the present mandatory system. I'm already getting signals that the majors are undermining the mandatory allocation of refined products by delaying action in filing supply forms and going through legal maneuvers to fight compliance.

Some majors seem to be going all out to fight the crude oil allocation provisions of FEO's regulations. FEO has determined that if crude oil supplies are evenly distributed to all the nation's refineries, then each refinery can utilize 76 percent of its capacity. If a refiner has enough crude oil to operate at greater capacity, then he must sell the excess to a refiner whose capacity is under 76 percent.

Here are the arguments against crude allocation as made by the majors:

1. All refineries are not equally efficient. For example, Gulf claims that its refineries can produce more gasoline from a barrel of crude than the industry average. Gulf can also produce petrochemical feedstocks more efficiently than many refiners. So why sell to a refiner who cannot operate as efficiently?

2. The forced sale price to other refiners discourages maximum search for additional crude oil. Why should any company buy expensive foreign crude oil (over $13/bbl) and be forced to sell it at a weighted average price of all crude oil ($8/bbl)?

3. Conoco says they do not disagree with the intent of the allocation legislation to provide crude supplies to small and independent refiners. But they object to being forced to sell crude to large companies such as Arco, Sohio, Sun and Texaco. They don't want to subsidize these large companies at the expense of their own customers.

4. Imports have fallen from 2.8 million bbl/day to 1.9 million bbl/day. The majors argue that this is because it is simply more profitable to refine crude oil outside the U.S. or that it isn't worth the trouble to import if they have to turn around and sell it to another company.

Other side of the issue:

Crude allocations have been in effect for a relatively short time. There are kinks in the program yet to be worked out.

You also have to keep in mind that the prices paid for imported oil doesn't bear a true relationship to cost. If an international oil company is importing its own oil, the higher price can be internally adjusted to a degree.

Conoco opposes selling crude to other majors, even though they admit that the program is not hurting them financially. They just don't like to subsidize their competition. This argument presupposes a competitive free market which doesn't exist in fact.

The way in which crude oil allocations are being administered present some legitimate problems.

However, these are not sufficient reasons to scrap allocations altogether. The problem is not in the law itself—which aims at protecting competition—but in the regulations that implement the law. If we get rid of the current allocations program, there is little that would stand in the way of major oil companies going back to the practice of cutting off their competition's supply.

The Federal Energy Office is working closely with the Senate Interior Committee to iron out kinks in the program. Hopefully their joint efforts will solve most of the remaining difficulties in the crude allocation program as it affects imports. As an interim measure, wholesale allocations can help keep competition alive, if not well.

### SUMMARY AND CONCLUSIONS

No one can say when this "economic nightmare" with the long lines and high prices, the uncertain employment, the general tragic inflationary consequences is going to end.

In the short run we must compromise with the free market difficult as such a compromise may be for many of us. It seems that we will require, in the energy area, price controls and allocations.

In the longer run, the free market must be the way and we should move into the free market as rapidly as possible. The longer run can be very bright, indeed. With the vast possibilities of research, I am confident that energy will one day be even cheaper than it was ten or fifteen years ago.

After all, in the areas where we concentrated our technological efforts in the past thirty years, the results have been far more revolutionary than any of us had imagined.

In the early 1940's President Roosevelt

gave orders for all out technological research into nuclear power. The result was the development of an incredibly destructive force—the atomic bomb and then the hydrogen bomb. The immense possibilities of nuclear energy for peaceful purposes.

In 1961 President Kennedy set the nation's course toward space travel by ordering an all out national dedication to reaching the moon.

Now if twenty years ago anybody had said that man would be walking on the moon within a few years, he would have been given a one way ticket to a mental institution. Today we talk freely about visiting other planets and even going beyond the solar system.

Similarly, with the kind of intellectual and scientific resources which this nation is about to throw into the energy problem, I'm convinced that the future will be bright, indeed.

Let me finally conclude by saying that at no point, under any circumstances, should we make any compromise with the great progress we have made in developing a cleaner environment in order to short cut the way to more energy.

We are going to awaken from this "economic nightmare"—not in a week, or a month or a year, but with patience and determination. We can have a better world.

## WALTER HELLER, ARTHUR OKUN, AND PAUL SAMUELSON CALL FOR TAX CUT TO STIMULATE THE ECONOMY

Mr. MONDALE. Mr. President, two very distinguished former Chairmen of the Council of Economic Advisers, Walter Heller and Arthur Okun, urged a tax cut to stimulate the economy and head off a recession in testimony before the Senate Finance Committee this morning.

Nobel Prize-Winning Economist Paul Samuelson has also called for such a tax cut in his column in this week's Newsweek.

Their assessment of the economic outlook and what we ought to do about it differs sharply from that presented to the Finance Committee yesterday by Treasury Secretary Shultz.

This is one of the most important issues now facing Congress. I therefore ask unanimous consent that the prepared statements of Walter Heller and Arthur Okun, along with Paul Samuelson's column, be printed in the Record. I hope my colleagues will be able to take the time to review them carefully.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From Newsweek, Mar. 25, 1974]

### The Economic Outlook

(By Paul A. Samuelson)

Any intelligent person following current economic events might be forgiven if he despairs of making any sense of the situation. There seem to be more contradictions than ever in the developing trends. Let me therefore try to provide a guide to where we seem to stand as the winter of 1974 draws to a close.

Yes, the economic experts were right in saying last spring that the U.S. was then moving into a "growth recession." Since last Easter we shifted down from boom expansion to far below the 4 per cent annual rate of real growth that is the par needed to provide jobs for a growing labor force in a technologically progressive economy. The unemployment rate is on the rise, and by next fall the odds favor its being nearer to 6 per cent than 5½ per cent.

Yes, the experts were right who predicted that 1974 would be a year of "stagflation"—stagnation along with serious inflation. Price increases have been accelerating and spreading. This quarter's rate of inflation is hovering just below the 10 per cent level. And the end is not yet in sight. I have been talking recently with businessmen all over the land. And virtually all tell me they are panting for an upward adjustment in their prices—to compensate them for what they consider a profit-margin squeeze as their raw-material costs have soared. I presume that a survey of trade-union officials would show a similar desire on the part of workers for a "catch-up" in their wages.

Yes, there is an actual "recession" in real output this first quarter of 1974—perhaps at as much as a 4 per cent annual rate of decline. For the second quarter, the bets are about even among the experts on a further decline in output or a leveling off. Little money is being offered on the long-shot bet of a "V bottom" and a sharp upsurge in business.

#### COLD COMFORTS

No, there is no cogent evidence to support the view that the U.S. is about to plunge into depression. A worldwide depression is primarily a fabrication of free-lance journalists, gold bugs, and financial sensationalists who have had a miserable track record as forecasters in the past.

No, the typical forecasters from banks, industry, universities and governments do not expect the inflation rate to be as bad at the end of 1974 as it is now.

(I don't know quite how to square this with Fed chairman Burns's recent Congressional testimony warning of two-digit inflation of the Latin American type. Perhaps there is something infectious in the job that makes its holder succumb to the temptation that so often seduced former chairman Martin—namely, to issue warnings that go beyond the evidence in order to shake voters and congressmen out of policies deemed to be unsound. But perhaps Burns has cogent evidence and ways of analyzing it that will gradually become available to the public at large.)

#### UNCERTAINTIES

The foregoing appraisal exhausts the easy side of my current audit. Much harder to answer are the following questions:

Will unemployment peak out at 6 per cent? Will it be stable or falling by the year's end?

Will the upturn in business come soon enough, so that 1974 will not go down in the history books as a "genuine" recession? And will any improvement in the stagflation come soon enough and be significant enough to take pressures off Republican candidates in next November's election?

The jury is still out on these issues. And until they are clarified by the passage of time, legitimate debate about desirable policies can go on. Therefore, I would urge the following cautious programs:

1. Regardless of what happens to the oil boycott and to the continuation of a recession in real incomes and output, personal tax exemptions should be immediately raised. Even in World War II, the exemptions were $500 per head; in view of the inflation since then, $900 or $1,000 would be a fairer exemption than the present $750.

If such a tax cut were to be done, it were well it were done quickly. Now, while unemployment is growing.

2. Now is also the time for monetary policy to ease. It would be folly to try to roll back energy prices or raw-material prices by contriving recession or encouraging a maintained level of unemployment above 5½ per cent. After healthy growth is restored, gradual anti-inflationary pressure will again be in order.

This, I submit, is a sober and cautious program. I believe that it is also a humane one.

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### Statement by Walter W. Heller

In this period of economic discontent—plagued simultaneously by double-digit inflation and a side-slip into recession—your Committee is understandably perplexed as to the path of fiscal, economic, and social responsibility in taxation. On one hand, you are told that broad-based tax reduction would supply badly needed stimulus for a sagging economy and provide a significant antidote for rising unemployment. On the other, you hear that such action would aggravate an inflation that is already intolerable. You must wonder whether there is any way of fighting recession without paying an unacceptable price in worsened inflation.

Given the likely course of the economy in 1974 and the peculiar nature of our current inflation, I believe that a broad-based tax cut of moderate size—perhaps $6 or $7 billion in income and payroll tax cuts—could help cushion recession and speed recovery with only minor effects on the course of inflation this year.

To support this conclusion, one has to establish the reasonableness of three propositions:

First, that the economy is sliding into recession not because of materials shortages and supply bottlenecks but primarily because of a sag in consumer spending and in home buying, i.e., because of a lack in demand.

Second, that the kind of inflation we have this year—born of food and fuel price explosions, a world-wide upsurge in commodity prices, the one-time pop-up effect of removing price and wage lids, and the cost-push effect of accelerating wages and decelerating production—has a life of its own, one which will lose much of its vigor by the end of the year even if as much as $8 billion of net fiscal stimulus (including some action on expenditures) is pumped into the economy.

That the fiscal 1975 Budget does not already provide such stimulus—a conclusion which is shared, after close inspection of the budget numbers, by the Council of Economic Advisers, the Federal Reserve Bank of St. Louis, the Congressional Research Service of the Library of Congress, The Conference Board in New York—to name nothing but impeccable authortiy.

For the more detailed reasoning and facts that establish the validity of these three propositions, may I respectfully refer the Committee to the attached statement on "Budget Policy for a Soft Economy", which I am to submit to the Senate Appropriations Committee later this morning. I believe it makes a persuasive case that a prompt tax cut would be an *economically* responsible act.

That the kind of tax relief under discussion today—an increase in personal income tax exemptions, preferably buttressed by payroll tax relief for the working poor on the general pattern proposed by Chairman Long in 1972—would be *socially* responsible seems undeniable:

Before 1974 is over, inflation will have eroded the real value of the $750 exemption by more than 20% since it went into effect at the beginning of 1972.

Boosting exemptions on the pattern of either Senator Mondale's or Senator Kennedy's proposals would concentrate the bulk of the tax benefits at the middle and lower end of the income scale where recent inflation, especially in the form of surging food and fuel prices, has exacted a particularly heavy toll. It would help restore some of the badly eroded buying power of workers.

To reach those at the bottom of the income scale calls also for a step-up in social service programs (see the attached statement to the Appropriations Committee) and relief from payroll taxes for the working poor and near-poor. Payroll tax action toward this end is discussed below.

The social or equity case for tax relief in the form of higher income tax exemptions (and the introduction of payroll tax exemptions) is so strong that it would make sense even if the Congress were to match it with simultaneous tax increases elsewhere in the tax system.

But to give the necessary stimulus to a sagging economy, the proposed tax reductions would presumably *not* be matched by immediate counterbalancing tax increases. Would such action, then, be *fiscally* responsible in the sense of safe-guarding the revenue-raising power of the tax system for the longer run?

To answer this question, one should first be clear on the magnitudes of the cuts in the perspective of total individual income and payroll tax revenues. As calculated by the Brookings staff, revenue costs would be as follows:

Under the Mondale proposal—the $200 optional tax credit—the revenue cost would be $5.9 billion in calendar 1974 and $5.7 billion in 1975.

Senator Kennedy's $100 exemption increase proposal would cost $4 billion in 1974. If an increase to $1400 in the low-income allowance were added to the Kennedy plan, the cost would rise to $4.3 billion.

Stepping the exemption up to $900 per capita in 1975 would increase the cost of the straight exemption increase to $6.3 billion in 1975, or to $6.9 billion if the low-income allowance were raised to $1500.

As to the payroll tax, introducing a "vanishing exemption" in the form of a $1300 deduction and a $750 per capita exemption which would phase out by $1 for every $1 of earnings above the basic allowance (i.e., a family of four would be exempt until their earnings exceeded $4300 and would be fully taxable on earnings above $8600) would involve revenue losses of $3 billion a year if limited to the personal contribution; and $5.6 billion if *both* the personal and the employer contributions were covered in the plan.

Comparing these revenue losses with the expected total yields of income and payroll taxes, one finds the percentage erosion to be quite modest:

Of the expected $129 billion yield of the individual income tax in fiscal 1975, the losses run from about 3% on the $850 exemption plan to just over 5% on the plan combining a $950 exemption with a $1500 low-income allowance.

Of the expected $86 billion of social security payroll taxes in fiscal 1975, the losses would range from 3½% under the modified Long plan covering only the personal contribution to 6½% if employer contributions were also covered.

Another measure—one that could provide some stimulus in the short run without any revenue cost in the long run—would be a modest cutback in over-withholding of income taxes, which now gives rise to refunds of about $24 billion a year. This move is attractive in principle for dealing with the current weakness of consumer demand. But it involves technical complexities and might also run into resistance from taxpayers who use over-withholding as a means of forcing themselves to save.

To protect the integrity of the revenue-raising system in the longer run, Congress could couple its exemption boost with a firm pledge to compensate for the revenue losses by adopting revenue-raising tax reforms to be phased in during 1975 and subsequent years. The necessary funds could be raised by a substantial boost in the minimum tax on preference income plus a phasing out of most of the tax shelters for petroleum as price curbs on oil are progressively relaxed.

In short, the projected program would achieve immediate tax relief to stimulate the economy and aid those hardest hit by inflation and would later restore revenues by measures that would improve the structure of the tax system. That would be fiscal responsibility at its best.

Since the Committee on Finance will have heard and seen ample testimony on the proposal for income tax exemption increases, I should like to add a few thoughts about the proposal for social security payroll tax relief at the bottom of the income scale. Let me put my central concern in the form of a question: What possible justification is there for extracting nearly 6% (5.85%, to be exact) from the miserable pay of people in poverty and near-poverty status—without regard to family size at that—and another 6% from their employers (the bulk of which, it is widely agreed, also comes out of the hides of the wage earners)?

Even if the social security system were a true insurance system, I doubt that the present approach would stand any reasonable test of equity and logic. And as even a casual inspection of the wide disparity between in- and out-payments of the social security system reveals, it's *not* an insurance system in any rigorous meaning of that term. Basically, it is a transfer system whereby today's working population supports today's retired and disabled population. As the Brookings study, *Setting National Priorities, the 1974 Budget*, cogently put it:

"It is misleading to think of payroll taxes as individual contributions destined to be returned to the contributor at a later date; it is far more accurate to think of the social security system as a national pension scheme, whose benefit levels are determined by the national priority accorded to the needs of the retired, the disabled, and survivors and whose costs are paid for by a tax on current earners. Once this point of view is accepted, there is no logical reason why the tax used to support the pension system should impose hardship on the poor."

As to the appropriateness of initiating payroll tax relief in 1974 on the general pattern of the Long plan, one should remind oneself of three vital facts of life about the 1973–74 economic environment, namely,

First, that general inflation, plus payroll tax increases, drained away 4% of the real spendable earnings of workers from January 1973 to January 1974;

Second, that because of the upsurge in food, fuel, and housing prices, today's inflation is eating away a much higher percentage of low incomes than of high incomes;

Third, total demand—and especially consumer demand—has fallen below the U.S. economy's overall capacity to produce, thus making it a relatively safe time to release added funds into the economy.

Given the dangers of a speed-up in the price-wage spiral, 1974 is also a particularly appropriate time to provide tax cuts in the form of payroll tax relief coupled with increased personal income tax exemptions. Nothing hits labor's real take-home pay as visibly and pervasively as payroll taxes and income tax withholding. And nothing would be more clearly recognized as "reparations" for the ravages of roaring food and fuel price inflation than a combination of income and payroll tax relief of the type that I have discussed. What labor gets as tax relief would cut down the pressure for king-sized catch-up wage settlements. This "safety valve effect" could be significant in taking some steam out of any new price-wage spiral.

In sum, combined income and payroll relief could help redress the grievances of inflation, improve the structure of the tax system, and help cushion the downturn now and support recovery later.

There will be no lack of fears, real and fancied, brought to bear on this proposal. Some will say that Congress can't get it all together fast enough to cope with the 1974 recession. Others will say that the economy can't stand *any* stimulus without breaking out in a new rash of inflation.

Let me close by expressing my confidence (a) that the Congress can and will act if it sees the need, (b) that both the social and the economic need for action *is* compelling and is *not* going to fade away quickly, and (c) that our $1.3 trillion economy has the capacity to absorb $6 to $8 billion of net fiscal stimulus and put it to good human advantage, with only a minor to minuscule impact on inflation.

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### Budget Policy for a Soft Economy

(By Walter W. Heller)

Mr. Chairman and Members of the Committee: As the Committee on Appropriations grapples with the awesome implication of a $304 billion budget for the social, economic, and defense needs of the country, it is also making critical decisions affecting the course of the American economy. The total amounts spent relative to the amounts received, as well as the composition of the Budget, will have a lot to do with the strength and health of the U.S. economy, with the duration of the current downturn and the speed of its recovery, and with the outlook for inflation in the longer run.

In setting its overall budget course, the Committee has to judge first of all, whether Mr. Nixon's proposed fiscal 1975 Budget is deflationary or inflationary, whether it will stimulate or restrain a tiring economy, and whether it will help or hinder economic recovery.

On the surface, it has the earmarks of a stimulative budget. But is it really? Does it reverse the swing of the budget pendulum, which went from a clearly expansionary stance in fiscal 1973 to one of economic restraint in fiscal 1974?

A close inspection of the economic import of the Budget numbers by competent outside observers clearly supports Mr. Nixon's statement in his Budget message that "the recommended budget totals continue this policy of fiscal restraint as part of a continuing anti-inflationary program."

It is true that, with spending scheduled to rise by nearly $30 billion, and the deficit to double from $4.7 billion to $9.4 billion, the fiscal 1975 Budget gives the *appearance* of stimulus. But careful study shows (a) that the projected increase in federal spending for FY 1975 is actually *less* than in FY 1974 and (b) that the rise in the deficit is caused by a softening in the economy, not by any letting down of our fiscal guard. These conclusions have the backing of respected authority:

The budget document itself shows that on a full-employment basis, the Nixon budget for FY 1975 would increase the surplus from $4 billion to $8 billion (unified budget basis).

On a national income accounts basis, the Council of Economic Advisers projects the full-employment surplus as holding steady at $6 billion in fiscal 1975.

The St. Louis Federal Reserve Bank, which keeps a running account of the Federal Budget in terms of the national income accounts, projects a full-employment surplus rising from $2 billion in the first half of calendar 1974 to $9 billion in the second half and 12½ billion in the first half of 1975.

The "overview of the Budget" prepared by the Congressional Research Service of the Library of Congress concludes that "Fiscal policy for fiscal 1975 is planned to continue to exercise restraint on the economy."

Michael E. Levy of the Conference Board notes that if one adjusts net budget outlays by adding back in the "proprietary receipts from the public" (like rents and royalties on Continental Shelf lands) the projected gross spending increase for fiscal 1975 is less than the increase for 1974 ($29.5 billion against

$32.1 billion). His own measures show no significant change in the "fiscal thrust" of the Federal Budget between fiscal 1974 and fiscal 1975.

Even allowing for some slippage in the budget process, then, it seems reasonable to conclude that, contrary to surface appearances, the fiscal 1975 Budget offers little or no net stimulus to the economy.

This leads directly to the second question: *Should* the Budget be stimulative under present circumstances? Should adjustments be made in expenditures or taxes in such a way as to cushion the blow of rising unemployment and restore consumer buying power eroded by inflation, especially in the lower income brackets? The answer, it seems to me, is clearly "yes."

One should proceed promptly on both fronts—not massively, but in moderation. Given the reality of the present decline in the economy and taking full account of the unusual nature and likely path of inflation, prompt action to make the Budget moderately more stimulative would represent both economic and fiscal responsibility.

There is rather widespread agreement on the general economic scenario for 1974. Most forecasters, including those in the White House, expect the first half to be plagued by economic downturn and double-digit inflation followed by a second half in which the economy will turn up and inflationary pressures will begin to ease.

As to the nature of our current downturn: one finds that while *supply* shortages generate both headaches and headlines, a closer look reveals unmistakable signs of a shortage of *demand*. Battered by tight money and beleaguered by runaway food and fuel prices, the consumer has pulled in his horns:

For consumers, January was perhaps the cruelest month. While consumer prices were racing upward at a 12% annual rate, personal incomes dropped $4 billion. For nonfarm workers, real spendable earnings were down 4% from a year earlier.

The gasoline shortage has converted an expected decline in auto sales into something akin to disaster. The average drop in overall sales of domestic cars so far this year is between 25% and 30%, but the plunge in demand for standard models is closer to 50%.

On durables other than cars, consumption has been falling in real terms for nearly a year, while consumer spending for non-durables and services has kept only a trifle ahead of inflation.

Residential construction has dropped from a $60 billion rate a year ago to not much more than $45 billion today.

No quick rebound of consumer spending is in sight. Exploding oil prices are still working their way through the economy, soaking up $15 to $20 billion of consumer purchasing power in the process. That's the amount of tribute the American consumer has to pay foreign and domestic producers of oil. In the short run, very little of the buying power thus siphoned off will reappear in the economy either as demand for U.S. exports or as increased dividends and capital spending by the U.S. oil industry.

Even with an end to the Arab embargo, our economy will continue to suffer the paradox of "oil drag"—a cost *in*flation of prices and a tax-like *de*flation of demand. Indeed, with more high-priced foreign oil coming into the country, the number of consumer dollars siphoned away from other purchases will actually rise. Only as the oil producers recycle more of their bonanza into the economy—and later, as oil prices recede—will the oil drag begin to let up.

To slow the slide of the economy toward recession and to speed the process of recovery, then, calls for prompt budget stimulus. But in the face of ferocious inflation, would the appropriations committee and taxing committees of Congress be acting responsibly in launching such stimulus? Won't a lot of the stimulus run off into even more inflation? No one can deny that whenever consumers step up their buying, sellers are in a better position to hold or raise prices. But in the present setting, a moderate fiscal stimulus—say $6 to $8 billion of combined tax relief and expenditure increase—would have very little effect on the inflationary forces now at work in our economy:

Taking the economy as a whole, the excess demand of 1973 is a thing of the past. The economy now suffers from deficient demand, and particularly from weak markets for consumer goods and services.

The primary thrust to our recent inflation comes from skyrocketing food and fuel prices which, as Arthur Burns has pointed out, "hardly represent either the basic trend in prices or the response of prices to previous monetary or fiscal policies." As these pressures begin to burn themselves out later this year, they will leave a legacy of high but less rapidly rising prices.

Inflation today also represents a lagged response to the boom in world commodity prices other than food and fuel. Even after the economy turns the corner, these pressures will also ebb, much as they did after the price explosion that was set off by the Korean boom in 1951.

Another part of today's inflation represents the one-time "pop-up effect" associated with the removal of Phase IV's price and wage controls.

The sharp rise in unit labor costs also plays a role. These costs moved ahead at a 9% annual rate in the last quarter in 1973. They will get worse as wages accelerate and productivity slackens in recession. Once recovery gets underway and demand and output rise, productivity will again increase.

In 1974, in other words, inflation has a life of its own nourished not by excessive demand but primarily by a variety of cost factors that lie beyond the reach of fiscal and monetary management. The great bulk of a prudent budgetary stimulus under these circumstances would express itself not in higher prices but in higher output, more jobs, and increased income. Even with a moderately stimulative fiscal and monetary policy, the rate of inflation should ease to 6% or less by the end of 1974.

Against this economic background, one can consider the components of a program of fiscal stimulus in the range of $6 to $8 billion. It would be reasonable to let the following objectives serve as guides in composition of the program:

To generate jobs that will quickly take a significant number of people off of the unemployment rolls.

To take some of the sting out of unemployment for those who remain on the rolls.

To compensate wage earners for the loss in real earnings they have suffered in the past year—and thereby to ease some of the mounting pressures for king-sized wage settlements.

To provide special relief for the poor and near-poor whose living standards have suffered most from the run-up of prices of food, fuel, and shelter.

Action that might be taken in the area of tax relief centers on the income and payroll taxes. I have covered these possibilities in some detail in my statement today before the Senate Finance Committee. A copy of that statement is appended for the information of the Committee on Appropriations. In brief, I examined the following:

An adjustment in the social security payroll burden, especially to shield the working poor. This would cost about $3 billion.

An increase in income tax exemptions, either in the form of the flat $100 increase proposed by Senator Kennedy (which would cost about $3 billion) or in the form of a conversion of the exemption into an optional $200 credit as Senator Mondale has proposed (which would cost about $6 billion).

The adjustment of over-withholding—which now gives rise to refunds of about $24 billion a year—to effect a one-time cutback in federal income tax collection—a move that is very attractive in principle for dealing with our current recession, but which involves technical complexities and might also run into resistance from taxpayers who use over-withholding as a means of forcing themselves to save.

To preserve the longer-run revenue-raising power of the tax system it would be important to accompany income and payroll tax cuts with a pledge to recoup the revenues in due course by such moves as (1) a removal of oil tax preferences which are indefensible in the face of huge price increases enjoyed by the oil industry; (2) a major increase in the minimum income tax; and (3) the tightening or closing of other tax escape hatches.

Since it can be quickly translated into reduced withholding and larger paychecks, tax relief probably offers the best opportunities for quick anti-recession action. But significant contributions can also be made from the expenditures side. Indeed, in several areas, increased budget expenditures can zero in on the unemployment problems of a soft economy with greater precision than tax cuts.

The direct provision of jobs through more generous funding of the public service employment program (under Title II of the Comprehensive Employment and Training Act of 1973) would be a particularly effective measure. The President has requested only $250 million in his fiscal 1974 Budget and $350 million in his 1975 Budget for this purpose—to be spent in areas where unemployment exceeds 6½%.

The 6½% unemployment threshold is unduly high, and the amounts requested by the White House for the program are unduly low. Reducing the threshold to 6% of even 5½% and boosting the budgeted amount to at least $1 billion for the next twelve months would yield an excellent payoff at relatively low cost:

There is nothing better one can do for the jobless than to give them a job—that's precisely what this program does.

In matching jobless people with jobs that need doing at the state and especially the local level, the program provides needed services for the public.

It contributes some welcome insulation against recession and support for recovery.

Some concern has been expressed that by the time the program gets into full swing, much of the need for it may have passed. But the 1970–71 experience has shown that it can be activated rather quickly. Given that backlog of experience, together with the 1973 legislation, one should [illegible] move even faster in 1974–75. One should also bear in mind that unemployment—which is likely to rise to 6% or so by summer—will hang high even after economic recovery starts. Real growth at an annual rate of over 4% will have to be sustained for some time before the private economy generates enough job opportunities to bring unemployment down to tolerable levels. So there is little or no risk that even a sizeable public service employment program will overstay its economic welcome.

Other programs already before the Congress also offer the kind of job support the economy badly needs:

The balance of the manpower training and employment programs, budgeted at about $3 billion each for fiscal years 1974 and 1975, should be funded as promptly and generously as possible.

New budget authority for social programs—for health, education, and housing—is programmed to drop by $2 billion between fiscal 1974 and 1975. Especially in housing, it seems that a period of economic softness, unacceptably high unemployment, and painful erosion of the real buying power of low income groups would be a time to step up, not squeeze down, federal efforts.

Action to raise the level and extend the duration of unemployment insurance benefits is overdue. The President's April 1973 proposals, supplemented by his 1974 request for extension of benefits for areas experiencing "particularly high levels of unemployment over the next twelve months" should be speedily enacted—indeed, they are not generous enough under present circumstances.

A rather different set of spending possibilities should also be explored. I recall that in the recession of 1960–61, President Kennedy asked us to survey the possibilities for speeding up useful expenditures across the whole range of federal programs. Even after weeding out those that represented ingenious but unsound attempts by the agencies to feed at the recession trough, a respectable list of useful and quick job-creating opportunities was generated.

Maintenance work on national forest and park roads and facilities is one example. Today, one would surely add maintenance and repair work on Amtrak facilities and the roadbeds of railroads slated to go into the new national rail corporation. Past experience suggests that large public works undertakings are not promising candidates for this list, but even here, such oranizations as the Associated General Contractors of America believe they can demonstrate untapped opportunities for speedy action. Although the sum total would not be huge, spending speed-ups—like the public employment program—can efficiently combine job creation with the provision of badly needed public services.

Although it may be presumptuous to specify a particular menu from this smorgasbord of possibilities, it is irresistible to try. A broad but balanced quick-action program of fiscal stimulus of $8 billion or so might be selected from the following elements:

Perhaps $2 to $3 billion of quick added spending on more generous unemployment compensation and public service employment and other government service programs with a high job-creating content.

A boost in the income tax exemption providing about $4 billion in tax relief focused especially on the middle and lower-middle income groups, thus helping to restore some of the blue collar workers' eroded buying power.

Social security payroll tax relief for the working poor and near-poor of the type proposed by Senator Russell Long, at a cost of about $3 billion.

Two final observations are in order:

Since the foregoing program adds up to more than $8 billion—and since the Congress might wish to do even more for the blue collar worker and especially the working poor—an immediate increase in the tax libilities of the oil industry beyond the $3 billion proposed by the President could provide the needed offsetting revenues to keep the net loss near or below the $8 billion mark.

In the light of the $15 to $20 billion of demand-absorption by exploding petroleum prices, one might wonder why the fiscal stimulus should be held to only $8 billion or so. The answer is two-fold. First, one hopes that the $15 to $20 billion will shrink as oil prices recede and as some oil monies reappear in the economy. Second, given the existing economic uncertainty, one should take the prudent course and allow a considerable margin for error.

### Statement of Arthur M. Okun, Senior Fellow, the Brookings Institution[*]

Economic activity is sagging in the United States today: Industrial production has declined during the past three consecutive months; unemployment has risen by 650,000 persons since October; and real GNP is declining sharply this quarter. In large measure, the economic setback reflects the oil embargo and the ensuing escalation of petroleum prices. The economy was slowing down last summer and autumn in response to fiscal and monetary restraints that were applied to halt the earlier hyperactive boom. If not for the energy crisis, I believe the slowdown would have been limited and appropriate in scope and magnitude. But after colliding with the oil embargo, the welcome slowdown turned into an unwelcome tailspin.

Federal allocation policies prevented the oil shortage from having major disruptive effects on industry and headed off the wave of store, plant, and office closings that seemed to emerge on the horizon. The shortage was confined largely to consumer use and particularly to the gas tank of the family car. As a result, the petroleum shortage has affected the economy primarily by weakening the demand for products related to gasoline—most notably automobiles and vacation activities. The collapse of new car sales is just beginning to spread to other industries that supply products to Detroit. These prospective damaging secondary effects are one negative element in the economic outlook for the months ahead.

A second and much larger negative factor in the outlook is the prospective impact of higher fuel prices on consumer demand for other products. Fuel inflation is taking an enormous toll on the real purchasing power of the American consumer. It now seems likely that, directly and indirectly, the American consumer will spend $20 billion more on petroleum products in 1974 than in 1973 (and will get less product). History tells us that the consumer responds to such increases in the cost of essential items by tightening his belt generally, and cutting his consumption of a wide variety of discretionary items ranging from movie tickets to television sets. It takes time for such adjustments to be made, and they are not visible now. But the fuel price drain is an inevitable depressive influence that will increasingly hold down production in consumer industries across the economy during the year ahead. The higher payments to countries that ship oil to the United States and the higher payments to the domestic oil industry are the equivalent of a huge tax on the consumer, and they will force cutbacks in other areas of consumer spending.

Moreover, the incomes earned from higher petroleum prices will not flow into the spending stream to create jobs or output in the United States during the foreseeable future. Only a small portion of the increased revenues of the domestic industry will be reflected in increased investment this year; at this point, the industry is probably ready to invest all it can given managerial and physical limitations on the speed with which capital spending can be geared up. The nations that ship oil to the United States will ultimately spend some of their increased revenues on U.S. products; but that too will take a considerable period of time. In the interim, that money will be a net drain out of the U.S. spending stream.

This diagnosis points to a clear prescription for providing additional fiscal support to the U.S. economy, particularly to alleviate the pinch on consumer purchasing power. At a minimum, such support will help to ensure the beginnings of a recovery by the end of 1974. I see virtually no risk of such a strong self-generating upsurge that additional fiscal support would be risky and inappropriate. At a maximum, such a measure might prevent a prolonged and sharp slide in employment and output.

A well-timed, broad-based cut in consumer taxes would be the best way to provide the fiscal support. In gauging the appropriate magnitude of such a measure, I am assuming that the expenditure side of the budget for fiscal year 1975 may turn out slightly above the administration proposal, but not by a significant margin. I see some opportunities that Congress may choose to pursue in adding to jobs programs, housing programs, and strengthening the unemployment compensation system. But only a small volume of such expenditures could be geared up adequately to provide antirecessionary protection in the near-term when it is needed. On the other hand, I see some likelihood that Congress may trim the administration requests for military expenditures. Given that assumption, I conclude that a tax cut of about $6 billion (annual rates) would be large enough to be constructive and small enough to avoid excessive fiscal stimulus under any plausible economic scenario.

#### THE INFLATION ISSUE

I am recommending anti-recessionary supportive measures only after the most careful consideration of their possible impact on the serious problem of inflation. I feel particularly confident today that the response of the economy to a tax cut will increase output and employment rather than add to inflation. A tax cut in 1974 will not even reduce unemployment from current levels; it can and will limit the deterioration in economic activity that is bound to occur in the months ahead. It supplies a landing net for a recessionary economy— not a launching pad for a boom.

When the tax bolsters consumer demand, the economy will have ample labor and plant capacity to meet and greet that spending. While a number of shortage areas linger on today, those other than food and fuel will continue to vanish during the first half of 1974 as rapidly as they emerged during the first half of 1973. The economy's operating rates will be significantly lower by mid-year than they were late in 1972, when lumber was the only significant area of shortage. Since only a trivial part of additional consumer income is funneled into the demand for food, a tax cut will have virtually no effect on food prices. In the case of petroleum, price controls should insure that any increment in demand is not converted into additional inflation.

More unemployment is *not* what this country needs to stop inflation. Labor markets were not tight last year and they are becoming regrettably easier. Wages have not accelerated and have not contributed to the upsurge in inflation. To maintain the fiscal policy of 1973 in 1974 is to prescribe the same medicine for a case of the chills that was appropriate for a fever. It is expensive and ineffective medicine. The difference between 6½ percent and 5½ percent unemployment rates at yearend could cost $40 billion in our rate of GNP without reducing the rate of wage-increase by as much as 0.1 percent. Indeed, I would argue that, by evidencing the concern and effort of the government to alleviate the acute cost-of-living squeeze on the worker, a tax cut may have beneficial effects in preserving the recent moderate behavior of wages.

In short, a supportive tax cut that offsets only part of the "tax" collected by the petroleum-producing countries is not going to exacerbate the inflation problem. My sense of the urgent need to reverse the present inflation leads to proposals for a rollback of petroleum prices and for regulations to ensure adequate domestic supplies of farm products. These are surely lesser evils (with greater anti-inflationary benefits) than letting the whole economy go through the wringer.

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[*] The views expressed are my own and not necessarily those of the officers, trustees, or other staff members of the Brookings Institution.

### SPECIFIC TAX CUTS

Three proposals would fill the tax bill, as I see it:

1. Reduce social insurance taxes on employees and the self-employed, making up for that loss of receipts to the social insurance funds out of general revenues. That could amount to a reduction across the board in payroll taxes of nearly one percentage point. Alternatively, it could be structured to graduate the payroll tax, giving the greatest proportionate relief at the low end of the wage scale.

2. Incorporate into the income tax law the option of a $200 credit in lieu of the present $750 personal exemption that is deductible in calculating taxable income.

3. Raise the present personal exemption from $750 to $900 per person.

The economic impact of all these options would be highly desirable and roughly equivalent. The tax cut stemming from any would flow immediately into consumer take-home pay through our withholding system. Indeed, any one would provide an occasion for restructuring withholding rates to reduce the current large volume of over-withholding and thus to produce an even larger immediate effect on take-home pay. The widespread small increases in consumer take-home pay resulting from any of the tax cuts would get into the spending stream and help to alleviate the possible retrenchment in consumer living standards that might otherwise take place in response to job layoffs and fuel inflation. The vast bulk of any of these tax cuts would flow to the lower-middle and middle-income consumer who consumes virtually the whole of his income.

Any choice among the measures really has to be based on one's sense of equity about the tax system and one's perception of the feasibility of prompt enactment. As I view the equity issue, easing the burden of the payroll tax would be my top priority. But that requires the use of general revenues for partial financing of the social insurance funds; and that would be a new precedent which the Congress has been reluctant to adopt in the past and might well wish to deliberate at length before accepting now.

The $200 credit option also introduces a new provision into the tax laws, but one that should be much less controversial in principle. There is a paradox in the present provisions that make the personal exemption worth $105 per head to families in the lowest income-tax bracket and $525 per head in the highest. The $200 credit option provides tax relief for families in tax brackets under 26 percent. That covers the vast majority of Americans and, by excluding the remainder, it can offer a significantly larger amount of tax relief to the family at median income than would the straight rise in the personal exemption. I regard that feature as an advantage of the $200 credit option. On the other hand, the personal exemption increase has the advantage of being the simplest type of tax cut. The fact that it provides some relief to every family that pays income taxes may also be viewed as an advantage.

Any one of these three tax measures would be constructive and responsible, representing a combination of good economic policy and good social policy. They deserve prompt consideration and action.

## U.S. CAPITOL BUILDINGS SHOULD PROVIDE FACILITIES FOR HANDICAPPED PEOPLE

Mr. RANDOLPH. Mr. President, the Subcommittee on the Handicapped has been working to develop a program to eliminate all architectural barriers in the buildings on Capitol Hill. Our members and staff have been involved in meetings with George M. White, the Architect of the Capitol, and his assistant, Elliott Carroll. As a result of these conferences, Edward Noakes, American Institute of Architects, has been hired as a consultant to the Architect's Office. He has been charged with drawing up a comprehensive plan designed to make the Capitol complex accessible to all citizens.

Indeed, some work has already been started. Last March, Senator STAFFORD, the ranking minority member of the subcommittee, and I, participated with Mr. White in a symbolic groundbreaking for a ramp at the First and C Street entrance of the Dirksen Senate Office Building. This was a first step. Further, the Architect has been eliminating barriers as minor construction projects are undertaken.

Mr. President, a substantial amount of work and planning has been going on over the past year. Last week I received a letter from Mr. White which states in part:

> I wish to keep you informed of our plans for implementation of the Report entitled "Architectural Barriers in Buildings and Grounds under the Jurisdiction of the Architect of the Capitol," by Edward Noakes, AIA, Consultant to this office, a preliminary draft of which was submitted last summer.
>
> After detailed analysis and comments by members of my staff, the report is now being corrected by Mr. Noakes for publication in its final form, to be completed by March 15, 1974. Upon receipt of the final report, the portion applicable to each building will be delivered to the respective Superintendent for implementation of those items which can be accomplished with our own forces, without additional appropriations. This portion of the work will concentrate on providing a minimum of one barrier-free entrance, public telephone and two public restrooms per building.
>
> Costs for the remainder of the work are currently being determined by the estimating division of this office preparatory to requesting authorization and funding for design and construction during fiscal year 1976.

It is gratifying to know that the report is completed and that work will be expedited.

Finally, Mr. President, I express appreciation to the members of the Subcommittee on the Handicapped—Senators WILLIAMS, STAFFORD, CRANSTON, PELL, KENNEDY, MONDALE, HATHAWAY, JAVITS, TAFT, SCHWEIKER, and BEALL—for their support of this vital project and their commitment to barrier-free buildings on Capitol Hill.

Additionally, I am grateful for the cooperation of Senators CHURCH, DOLE, and PERCY who are vitally interested in this effort.

I know that I speak for all of us when I say that handicapped citizens have the right to access to any Federal building in this Nation and that the buildings here on the Hill should serve as models for others.

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## INNER-CITY INVESTMENT CAN BE SUCCESSFUL

Mr. SYMINGTON. Mr. President, probably the most critical need of our cities today is jobs. The concentration of unemployment and underemployment among inner-city residents undermines the capacity of cities to provide and maintain services needed for effective and permanent community development.

Contributing to this situation has been the tendency in recent years for more and more firms to move their facilities to the suburbs in effort to find cheaper land, a better labor market, less crime and a number of other advantages.

A company in St. Louis, however, is proving that an inner-city plant can also be successful. Four years ago, the Brown Shoe Co. opened a million-dollar factory in the Jeff-Vander-Lou area of the city of St. Louis, an area with high unemployment and other urban ills, but also an area where a number of residents had joined together to encourage community pride and job-creating investment in their neighborhood.

The JVL shoe plant is growing steadily and executives of the Brown Group expect it soon to show a profit. The turnover rate is almost cut in half and employment is moving up toward the 400-worker maximum from a start of 50 in January 1970.

Hopefully, the Brown Shoe experience in Jeff-Vander-Lou will encourage other companies to invest in the inner-city.

I ask unanimous consent that a recent St. Louis Globe-Democrat article describing this successful venture be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### INNER-CITY SHOE FACTORY IS ALIVE AND THRIVING

(By Marsha Canfield)

Skeptics predicted five years ago that the sheer weight of inner-city problems would overwhelm a proposal to build a million-dollar factory in the shadow of deteriorating Pruitt-Igoe.

They were wrong, according to Macler Shepard, W. L. Hadley Griffin and others involved in building and operating the Brown Shoe Co. Jeff-Vander-Lou plant.

Pruitt-Igoe has become a mass of broken glass and twisted metal, a wasteland slated for destruction as a failure.

The two-story JVL plant across Jefferson avenue in North St. Louis is virtually untouched by vandalism. It is adding to its nearly all-black work force. It is increasing production.

And while the plant is not yet showing an economic profit, Griffin, chairman of the board of the Brown Group, Inc., and Shepard, chairman of the neighborhood organization that Jeff-Vander-Lou, Inc., persuaded Brown to build in the city, are certain it will.

There has been success—the personal success of a young man leaving a humdrum job to be trained for supervision responsibility or of a woman whose factory job has meant getting off welfare and keeping her children in school.

The neighborhood has benefited.

"This plant has changed the minds of some other businesses who were going to go to the suburbs. It's hitting at what was killing us—jobs—and providing the opportunity for blacks to enter management," Shepard said.

There have been other spin-off benefits, such as stabilizing the general area and making rehabilitated housing more successful, he said.

Griffin said, "We know that what we're doing makes economic sense. We went into this as a business venture and know that no plant will be profitable for a while."

Creating a core of trained operators who can adjust to the pressure of factory work has been one of the factors, R. W. Shoemaker, president of Brown Shoe Co., said.

Absenteeism and turnover are on the wane. Turnover, once as high as 80 per cent, is below 50 per cent, according to Virgil Zoller, plant manager. "We now have, stable core of trained personnel, and we have operators as competent as in any factory I've been in in 48 years," he said.

The plant opened in January, 1970, with 50 workers selected by Jeff-Vander-Lou and trained by Brown. The first year averaged 360 pairs of shoes a day.

There were 1,512 pairs a day beginning in 1973 and lately the 282 workers have passed the 3,400 mark. The plant can be expanded to 400 workers producing 5,500 pairs a day.

Making a shoe can require as many as 100 steps from cutting leather to the final drying. The plant makes women's casual dress shoes, whip-stitched moccasins and sandals under the brand names of Life Stride, Naturalizer, Air Step, Miss America, Fanfare, Connie and Risque.

Most workers come from the Jeff-Vander-Lou area, which takes its name from its boundaries: Jefferson, Vandeventer and St. Louis avenues.

The neighborhood organization is the personnel office for the plant, interviewing and screening applicants in the JVL station on Bacon street.

The firm tries to bring local people into the personnel selection in all its plants, but the partnership with Jeff-Vander-Lou is unusual.

Jeff-Vander-Lou acted like a miniature chamber of commerce, offering the support businesses, churches and families might in a rural area. Shepard and others approached Brown about building in the ghetto at a time when other companies across the nation were fleeing the central cities.

"We didn't want benevolence. We wanted jobs. We knew we'd never made shoes before, but we knew we sure could be trained to make things," Shepard said.

Griffin said that without the neighborhood group, the plant would not have been built. "We wouldn't have touched it," he said.

"We required several things and one of them was an identifiable and knowledgeable community leadership which would work with us in making a joint decision," he said.

Both share the ultimate goal of making the plant a self-sufficient, black-managed business concern. Shoemaker attributed part of the lag in the plant's success to the policy of training management residents for the top jobs, rather than transferring people from other plants.

The top jobs of plant manager, plant superintendent and assistant superintendent are filled by whites. Two of the nine foremen are white.

Shepard said:

"This is one of the keys—that a company took a giant step by taking a completely inexperienced group and training them for management."

## STATEMENT BY SENATOR HOWARD W. CANNON IN RESPONSE TO THE PRESIDENTIAL MESSAGE OF MARCH 8, 1974, ON ELECTION REFORM

Mr. CANNON. Mr. President, on March 8, 1974, the President sent to the Congress a message on campaign reform. The message contained a number of recommendations, nearly all of which have already been enacted into law or have been passed by the Senate and are awaiting further action by the House.

In order to study and compare the White House proposals side by side with existing law and Senate-passed bills and pending bills, I have been awaiting the arrival of legislative proposals from the executive branch, but to date nothing has been submitted.

It is unfortunate, because the omnibus Senate bill, S. 3044, has been on the calendar since February 21—a month ago—and will soon be debated here in the Senate Chamber.

On Friday, March 15, 1974, the distinguished and very articulate senior Senator from Rhode Island, JOHN O. PASTORE, delivered a nationwide radio address—a congressional response to the President's message. Senator PASTORE'S comments were printed in the CONGRESSIONAL RECORD of March 19, 1974, at pages 7081 and 7082, and I urge all of my colleagues to read them.

What Senator PASTORE said, in part, is that the Senate has been moving consistently toward the adoption of better and stronger election laws. The Federal Election Campaign Act of 1971 became law on April 7, 1972. That act requires timely, detailed disclosure of all receipts and expenditures by all candidates for Federal office and by all political committees raising or spending more than $1,000 in a calendar year.

The act covers all Federal elections—primary, runoff primary, special and general, and applies to caucuses and conventions.

In his message, the President stressed the need for such added reforms as:

First. A single authorized political committee for each candidate;

Second. Complete disclosure of identities of donors and recipients of campaign contributions;

Third. Limitations on contributions by a single contributor to Presidential and congressional candidates;

Fourth. Prohibitions against the use of cash, loans, and other gifts; and

Fifth. Creation of an independent Federal Election Commission.

Mr. President, I do not know where the advisers to the President have been in the past year or so, or what public information has been available to the President, but I thought it was perfectly clear that the Senate passed a bill, S. 372, last July 30, 1973, by a vote of 82 to 8, which incorporated the following provisions and more:

First. Limitations on contributions by individuals and political committees—not more than $3,000 to any candidate or political committee;

Second. Limitations on expenditures in primary and general elections—10 cents times voting age population in primaries and 15 cents for general elections;

Third. Prohibitions against the use of cash excess of $100 for contributions or expenditures;

Fourth. Requirement for a single central campaign committee for each candidate for election to Senate and House and not more than one such committee in each State for Presidential candidates;

Fifth. A campaign depository for each candidate where all deposits and withdrawals shall be recorded; and

Sixth. An independent Federal Election Commission to oversee the law and with primary civil and criminal and prosecutorial power.

It is obvious that Senate action is months ahead of Presidential recommendations and should be given public credit.

This year, the bill I reported to the Senate on February 21, 1974, S. 3044, again incorporates the provisions of existing law and of the bill, S. 372. Further, S. 3044 recommends public financing of all Federal elections in order to allow any candidate to run for office without relying upon wealthy contributors or special interests.

The Senate, in both S. 372 and S. 3044, would repeal the equal time provisions of section 315 of the Communications Act of 1934; provide for modest tax credits or deductions for political contributions; and use the existing law dollar checkoff as a basic for financing Federal campaigns.

Except for a few suggestions to curb "dirty tricks" or to change the term of office for Federal elective offices—which would be a constitutional amendment—there is no significant point in the Presidential message which has not been considered and rejected by the Senate or incorporated into the existing law or the Senate-passed bill, S. 372.

In short, Mr. President, while the Congress and, to a greater degree, the Senate, has been fulfilling the need to provide meaningful needed election reforms, the executive again has demonstrated its practice of arriving with too little, too late.

## BRANCH RAIL LINES IN NEW HAMPSHIRE

Mr. McINTYRE, Mr. President, the Department of Transportation's first planning study recommended that the Nashua to Hillsboro, N.H., branch line be terminated at Milford, N.H. If this rail service is not continued, the Hopkins Co. and the Monadnock Paper Mills could no longer continue as an economically viable operation.

Both of these businesses gave testimony at the rail hearings in Boston regarding the Department of Transportation preliminary plan. The Monadnock Paper Mills and the E. C. & W. L. Hopkins Co. can best explain the necessity of continuing rail service to this area.

Mr. President, I, therefore ask unanimous consent that each of their testimonies be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Monadnock Paper Mills, Inc.,
*Bennington, N.H., March 6, 1974.*

Submission to the Interstate Commerce Commission in Connection With Ex Parte No. 293 (Sub No. 1)

First report of the Planning Office in connection with the requirements of the Regional Rail Reorganization Act of 1973. Submission with specific reference to Zone 8 and the branch line from Nashua to Hillsboro.

I am Erving A. LeCain, Treasurer of Monadnock Paper Mills, Inc., of Bennington, New Hampshire, and I appear representing my company. Associated with me in this submission and sharing with me my ten minute time period is William Hopkins, General Manager and Treasurer of E.C. & W.L. Hopkins, Inc., of Greenfield, New Hampshire. Both companies are on the Nashua to Hillsboro branch line and both companies will be vitally affected by the proposal as indicated in the Planning Report—Zone 8—that the branch line be terminated at Milford, New Hampshire. We have combined in this submission the relevant data as to need, rail traffic history, economic impact, etc., as our interests are mutual.

In this brief statement we would like to cover the following aspects of the problem:

1. The need for rail service for both companies and the cost and consequences of its elimination.

2. The economic impact not only on the companies but their employees, the communities and, in fact, the total area.

3. A review of the number of rail cars handled together with the best immediately available estimate of the tonnage handled on this branch line as far as Bennington.

4. Based upon this traffic data for 1973 and the criteria contained in the Department of Transportation report, "Rail Service in the Midwest and Northeast Region—Volume I", particularly the criteria presented in the charts listed as Figure 9 and Figure 10, which delineate the measurement of "financial viability" for local service, it is quite obvious that there must have been insufficient or incorrect data available to the planning group resulting in the suggestion that the line terminate at Milford. When we relate that actual rail traffic to this criteria, it is obvious that the branch line as far as Bennington, N.H., is clearly financially viable and any proposed abandonment is unwarranted.

5. Finally, there is a further substantial question as to the supposed lack of profitability on the branch line, despite outmoded equipment and inadequately maintained roadbed.

As to the critical need for rail service for the two companies, it can be put quite simply. The Hopkins Company, which is an animal feed producer and completely dependent upon bulk shipments of grain, would be forced to close without rail service. The paper mill is extremely dependent upon rail service and this might best be illustrated by a quotation from a study of the New England railroad problems financed by a grant from the New England Regional Commission as follows:

"Shippers differ in their dependence upon rail service. For example, paper related industries have a great dependence upon rail service because they ship and receive large quantities of products that require a relatively low cost freight service."

More specifically, the paper mill would no longer be able to purchase and process some of the bulk commodities now received in hopper cars and used in an automatic bulk handling and process system and would have to return to the use of bagged material with its added cost and inefficiency. Other bulk commodities, especially wood pulp which must come by rail from such distant points as the West Coast and British Columbia, would have to be unloaded and shipped by truck from Milford on. Obviously in order to do this, land would have to be purchased and an unloading dock constructed and additional people hired to rehandle all of the basic bulk commodities used by the mill. Preliminary estimates of the added cost, without enough time to make a detailed study, indicate that the additional capital cost and, more importantly, the additional annual operating costs are such that the paper mill would no longer be economically viable.

Both the Hopkins Company and the paper mill are of vital importance to the communities in which they operate and, with the single exception of a small electronics assembly plant, represent the only industry in either of the two towns. The importance of the companies to the area and to their employees is illustrated by the following table listing the population of the towns, the number of employees, the total payroll and the total sales of each of the two companies.

ECONOMIC IMPACT

| | Bennington | Greenfield |
|---|---|---|
| Population | 675 | 750 |
| Paper mill and grain mill: | | |
| Number of employees | 190 | 40 |
| Payroll | $2,097,000 | $300,000 |
| Annual sales | 10,300,000 | 3,700,000 |

We seriously question the inability of the Boston & Maine Railroad to earn a profit on this branch line. Before proceeding to a detailed review of the volume of traffic on the branch line as far as Bennington, we would make clear that we have based all of our comparisons on the assumption that the line from Bennington to Hillsboro, amounting to nine miles and under embargo for more than a year, probably cannot be considered a viable portion of the line. To illustrate the fact that both companies have always tried to cooperate with the railroad in meeting their difficult financial problems, the companies agreed to give up a local freight agent quite some time ago when the Boston & Maine Railroad suggested that the elimination of this agent would improve the profitability of the line. Monadnock gave up a limited warehouse operation in Hillsboro when the Boston & Maine put an embargo on this branch line beyond Bennington more than a year ago. They did this without protest, recognizing the justification for the action.

Now to the most important aspect of the report and recommendation as it relates to the actual traffic data. We must assume that either inadequate or incorrect data as to rail cars handled and average weekly tonnage moved must have been used because, based upon the Department of Transportation criteria, the proposed abandonment of this branch line from Milford to Bennington cannot be justified.

Based upon the D.O.T.'s report on Zone 8, we have a total of 723 cars from Nashua to Milford. Our neighbor, the E.C. & W.L. Hopkins Company of Greenfield estimates a net total number of cars for 1973 or 650 (see their separate filing for details) and Monadnock received or originated a total of 490 cars. This represents a total of 1863 cars for a branch line totaling 34 miles from Nashua to Bennington.

Our best estimate indicates that a minimum of 1800 tons per average week was handled on this branch line between Nashua and Bennington and it is recognized that tonnage is a better measurement of importance and income than number of rail cars handled.

In 1970, according to a report covering the Boston & Maine Railroad traffic within the State of New Hampshire which was developed under a grant by the New England Regional Commission, a total of 1626 cars were handled between Nashua and Bennington. The 1973 volume showed an excellent increase and if suitable rail cars had been available, the paper mill was not only willing but anxious to increase its outgoing rail shipments of finished product. We estimate that between the paper mill and the Hopkins grain mill a total of more than one million dollars of rail freight charges were represented by the volume of traffic on this line in 1973.

Attached is a chart showing the rail mileage, the rail cars handled and the tonnage handled for 1973 for the branch line from Nashua to Bennington. Using the criteria illustrated in Figure 9 and Figure 10, the following conclusions are quite clear:

1. When the traffic between Nashua and Bennington is compared to that between Nashua and Milford (the portion of the branch line proposed to be contniued), we find that the weekly tonnage data is notably superior for the branch line to Bennington as compared to the Nashua-Milford section. We also find that in number of cars handled, the line from Nashua to Bennington is at least equal to the Nashua-Milford section. Attached are copies of Figure 9 and Figure 10 charts with the actual traffic data overlaid in red ink.

2. If the Commission requires that the comparison be of the Milford-Bennington section of the line be of the Milford-Bennington section of the line to the Nashua-Milford section, then the conclusions are also favorable. The average weekly tonnage as illustrated on Figure 10 is at least equal and possibly better for the Milford-Bennington section. The cars per mile handled is at least as good as the Nashua-Milford section. This comparison we have also illustrated by the same overlay chart method and we attach herewith.

We have been advised in the past when reviewing this branch line with the Boston & Maine Railroad that it was "marginally profitable". When we consider the handicaps which are the result of deteriorated equipment and roadbed resulting in very substantial speed limits and the fact that traffic on this branch line could have been increased substantially if suitable rail cars had been available when needed, there is no justification whatsoever to assume that a properly maintained branch line with adequate equipment would not be well and profitably supported by the volume of traffic generated from Nashua to Bennington. Monadnock has recently secured a substantial account in the Midwest which, if suitable service can be provided, will increase the outgoing rail volume significantly.

This summer Monadnock Paper Mills, Inc. will complete an investment of $750,000 in a pollution treatment plant in order to meet the abatement requirements of the Federal Government through the Environmental Protection Agency. We cannot see logic or common sense for a process of reasoning that results in one "arm" of the Government insisting on substantial financial outlays in order to stay in business while the proposals of another "arm" of the same Government could result in the business having to close.

Attached to and made a part of this submission is a letter from the Local of the United Paperworkers International Union representing the employees at Monadnock and a letter from the Selectmen of the Town of Bennington protesting this proposal.

To sum up—both companies protest most strongly that there is no justification for the proposed abandonment of the portion of this line from Milford to Bennington in terms of a viable railroad branch line operation and that this would result in an unnecessary and tremendous economic impact on the area served by this branch line.

BOARD OF SELECTION,
*Bennington, N.H., February 28, 1974.*

We understand that the first Planning Report under the new Federal Rail Reorganization Act proposes that the branch line serving this community be terminated at Milford. We wish to protest most strongly and associate ourselves with the protest being filed by Monadnock Paper Mills, Inc. related to this subject. The consequence of such an action on the industry which is the major employer and taxpayer in this area would be devastating and, further, we think this action is both unjustified and unnecessary.

Yours truly,
BENNINGTON BOARD OF SELECTMEN.

UNITED PAPERWORKERS INTERNATIONAL UNION,
*Bennington, N.H., March 6, 1974.*

We wish to add our protest to that being filed by Monadnock Paper Mills, Inc. regarding the proposal by the Department of Transportation that the branch line serving this company be terminated at Milford. The employment, payroll and welfare of our members as well as the community is at stake in this unnecessary and unwarranted proposal.

Sincerely,
SAMUEL ZACHOS,
*President.*

MONADNOCK PAPER MILLS, INC. AND E. C. & W. L. HOPKINS CO., BENNINGTON, N.H. AND GREENFIELD, N.H., ZONE 8—BRANCH LINE NASHUA TO HILLSBORO

[Per mile data on rail cars and tonnage—Nashua to Bennington, 1973]

| Station | Number of miles | Number of cars, 1973 | Weekly tonnage | Cars per mile | | DOT criteria | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Station to station | Nashua to— | Cars | | Tonnage | |
| | | | | | | Minimum | Maximum | Minimum | Maximum |
| Nashua to Milford | 12 | 723 | 700 | 60 | | 33 | 71 | 350 | 700 |
| Miles to Greenfield | 15 | 650 | 600 | 43 | | 30 | 75 | 400 | 850 |
| Total from Nashua | 27 | | 1,300 | | 51 | 37 | 59 | 550 | 1,300 |
| Miles to Bennington | 7 | 490 | 500 | 70 | | 36 | 78 | 250 | 450 |
| Total from Nashua | 34 | 1,863 | 1,800 | | 55 | 38 | 59 | 600 | 1,500 |
| Summary for section proposed for abandonment: Milford to Bennington | 22 | 1,140 | 1,100 | 52 | | 36 | 64 | 450 | 1,100 |

[1] Estimate.

STATEMENT OF E. C. & W. L. HOPKINS, INC.

We are an animal and poultry feed manufacturing business, Standard Classification #2042, situated on the Nashua to Hillsboro, N.H. branch of the Boston & Maine Railroad, 27 miles west of Nashua at Greenfield, N.H. The population of the town is approximately 750.

We employ approximately 40 people with a payroll of $300,000.00 in 1973.

The map of Zone 8, Nashua, N.H., Volume II, Part I, of the Secretary of Transportation's Report, indicates a cut-off of the Nashua to Hillsboro branch at Milford, N.H. This would force our company out of business.

We purchase approximately 32,000 tons of grain and grain products per year, most of which originates in the midwest "breadbasket" area of the country. Rail shipments of this large volume, from distances in the area of 700 to 800 miles, are the only means for us to receive this large tonnage. We have no alternative mode of transportation to receive our raw materials and relocation of our manufacturing plant is economically just not possible. We estimate the added cost to truck from a rail head would be approximately $200,000.00, needing approximately 40 truckloads per week, an impossible alternative.

We believe the Secretary's recommendations, relative to our branch, lacked complete information on the volume of carloads and tons for the Nashua to Hillsboro line for the stations of Greenfield and Bennington. We respectfully request extension of service to Bennington, N.H. in light of the following information.

In 1973 we received approximately 631 carloads and forwarded 195 carloads. Only 10% of the freight in the out-bound carloads was "non-transit" and we, therefore, take credit for 19. Adding these together, we consider the total for Greenfield, N.H. to be 650 carloads. The Monadnock Paper Mills, Inc., located in Bennington, N.H., 34 miles west of Nashua, had approximately 500 carloads per year received and forwarded. The total for Milford, N.H. was 723 carloads. The total for the branch, Nashua to Bennington, is approximately 1,873 carloads, for a distance of 34 miles, which shows 55 carloads per mile, per year. Since this is well above the 34 carloads per mile standard, and as shown on the tracing of Fig. 9 of the Department of Transportation's "Relationship of Rail Line Length and Traffic Volumes Local Service Operation," falls just below the "upper criteria," we believe the branch meets the Secretary's requirements as far as Bennington, N.H., and should be recommended for service.

Because our cars are heavily loaded, use of the net tons per week criteria gives the branch a greater demonstration of meeting the Secretary's requirements, as shown by the use of the tracing of Fig. 10—"Railroad-Motor Carrier Breakeven Analysis for Local Service Line of Varying Length."

| | Tons/wk. |
|---|---|
| Greenfield (transit outbound excluded) | 600 |
| Bennington—approximately | 500 |
| Milford—approximately | 700 |

Total net tons per week for the branch gives a total of 1800 tons per week, which is well above the "upper criteria" for the 34 miles to Bennington.

If each station must stand alone, then Greenfield, with a total of 650 carloads aplied to the 15 miles from Milford, N.H. (the next station) shows 43 carloads per mile, well above the standard of 34. And equally, the station in Bennington, 7 miles distant from Greenfield, with approximately 500 cars, comes to 71 carloads per mile.

The Rail Reorganization Act (PL 93-236) states in section 206 (a) that the goals of the final system plan, which is to result from USRA's consideration of the Secretary's Report and the Interstate Commerce Commission's evaluation thereof, includes for example goal #2, "is the maintenance of rail service to meet the rail transportation needs of the region." As my introduction makes clear, loss of service to Greenfield and Bennington fails to meet this goal as we would have no alternative but to go out of business.

Also, goal #8 in section 206 (a) is the minimization of job losses and economic impact to the area now served by rail. With the closing of our two businesses the impact on the area would be a major disaster as we are the principle employers in our two towns.

We, therefore, respectfully urge the retention of the Hillsboro Branch to Bennington, N.H. with service at that station and Greenfield because:

1. The current traffic meets the criteria based either on carloads or net tons per week.

2. Without these stations, the service to the area is inadeqaute.

3. The economic impact and loss of jobs that would be the result of collapse of our business would be disastrous to the area.

## NEW YORK TIMES SUNDAY MAGAZINE: INTELLIGENT ARTICLE ON VITAMINS

**Mr. PROXMIRE.** Mr. President, one of the alarming events in Washington is the insistence by the Food and Drug Administration that safe vitamins and minerals be called drugs and regulated under the drug laws rather than under the food laws.

There is ample authority now on the books for the FDA to control foods which are either misbranded or mislabeled, or which are toxic. That surely would cover most areas of possible or potential abuse in the sale of vitamins and minerals.

### PREJUDICE BY THE FDA

But the FDA is more interested in religion than in science. It takes the view, against a considerable amount of objective and scientific evidence, that vitamins and minerals in amounts greater than the so-called recommended daily allowance are not needed.

But a number of studies on vitamin C indicate that amounts 10 to 20 times the RDA have very beneficial effects and studies by the Department of Health, Education, and Welfare's own National Institutes of Health indicate that large groups of persons—the aged in particular—as well as the poor, pregnant mothers, and others, are deficient in numerous nutrients.

In fact the FDA has said it is a subtle fraud to say that—

> Major segments of the population of this country are now suffering from, or are in imminent danger of suffering from, nutritional deficiency.

Yet studies by their own NIH indicates that this is true for large groups of the aged, both poor and well-to-do.

### A RIGGED BOOK OF REGULATIONS

*On the one* hand the FDA has said that vitamins and minerals are "illegal" and "misbranded" if they claim they are effective against any disease. But on the other hand, the FDA would require that the manufacturers and distributors of those same vitamins and minerals prove that they are effective in the prevention of a disease before they could be sold in quantities in excess of 150 percent of the *recomm*ended daily allowance. That is an up-side-down requirement. Heads the FDA wins. Tails the manufacturers lose.

The FDA has rigged the regulations.

That is why I and 24 other Senators have sponsored S. 2801 to require that vitamins and minerals continue to be regulated under the food laws and not as drugs, which they are not.

The New York Times article by Michael Halberstam, is a refreshing statement from a very knowledgeable source. The FDA has been two to three decades behind the facts and behind the evidence. There is some chance that this and other articles may finally bring them into the second half of the 20th century.

I ask unanimous consent that the article, "The A, $B_{12}$, C, D, and E of Vitamins" from the New York Times magazine of Sunday, March 17, 1974, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### THE A, B–12, C, D AND E OF VITAMINS

(By Michael Halberstam)

Ah, those were the days, those were the days when we doctors knew all about vitamins, and the people who stuffed themselves with B and C were cranks and food faddists, not Nobel Prize winners; Those were the days, the lovely days, when we could sit round the doctors' dining room and tell about examining some nutty woman who was taking 800 units of vitamin E daily, and not have to worry that some colleague across the table would reply that *he* took 1,600 units and had never felt better. Best of all, in those pre-Pauling days, when some steely-eyed patient fixed us across the consulting-room table and asked if we "believed" in supplemental vitamins, we could look sympathetic-scientific and reel off a bit of vitamin tape from our minds, something to the effect that it wasn't really necessary to supplement a normal diet ("And I'm sure you eat a normal diet . . ."), but that if the patient felt better taking vitamins, there was no harm in them.

We *knew* about vitamins then. We knew what the textbook said, that vitamins were unrelated organic compounds occurring in many foods in small amounts, which were necessary for the normal functioning of the body. We knew that since vitamins could not be synthesized by the body, they had to be provided in food or in tablet form. Some of us even knew that the word vitamin itself came from the first such substance isolated, a member of the "amine" chemical family, necessary for life, "vita."

We knew all about vitamin supplements, too. We remembered the analogy from medical school about pouring extra coffee in a cup that was already filled—supplemental vitamins, added to a standard diet, just sloshed over the brim, so to speak—coming out in the urine in amounts nearly directly proportional to the excessive intake. People took vitamins, we were told, because they did not understand nutrition and because advertising lured them with promises of greater strength and happiness. "We have the richest urine in the world," our medical-school professors told us, and we chuckled cynically.

Nobody's laughing now. For one thing, the Food and Drug Administration has decided that some vitamins *are* dangerous, and has put limitations on the amount of vitamins A and D that can be put in a nonprescription capsule. The F.D.A. regulation, which went into effect in October, has managed to antagonize a wondrously diverse group of Americans, including self-confessed health-food freaks, political radicals, right-wing libertarians, retail pharmacists, and manufacturers.

The F.D.A.'s concern about overdosage with A and D is more than matched by the growing popular belief that we are not getting enough of other vitamins. The most advanced theory is that vitamins, instead of being substances with a necessary but limited role in the body's normal functioning, can actually be therapeutic in certain diseases, particularly when given in enormous dosages ("megavitamins"). Megavitamins are said to be able to cure schizophrenia, prevent the common cold and overcome impotence. Since, next to a cancer cure, these are probably the public's three most common obsessions, it's little wonder that a whole new industry has grown up around megavitamins.

For a health concern to become a health fad, the American public requires documentation. As a nation, we have great faith in science, coupled with skepticism about scientists. They don't know everything, we say. We believe in miracles, but they have to be scientific miracles. We enjoy disputing conventional science, but we like to have some scientists on our side. In the vitamin controversy, Linus Pauling, chemist, molecular biologist and international peacemaker, provided the scientific muscle which moved megavitamins from a cult to a national issue.

Pauling became the guru of the vitamin movement not through any personal research or systematic interest in metabolism, but as the result of a dinner-table conversation. At an awards dinner in 1966, Pauling, then 65, expressed to a biochemist he happened to meet a desire to live another 15 or 20 years. A few weeks later, the biochemist, Irwin Stone, obligingly sent off to Pauling a regimen for daily doses of vitamin C that were 10 times the usually recommended amounts. Pauling and his wife promptly began the regimen, noticed an improved sense of well-being and a decreased number of colds, and began searching around for an explanation of the phenomenon.

Pauling was well aware of the coffee-cup theory of vitamin usage and misusage. He knew that experiments had shown that vitamin C (ascorbic acid) was not synthesized by humans, that it was necessary to cellular metabolism and that its lack eventuated in scurvy. He knew that, for ascorbic acid or any other vitamin, no therapeutic use had ever been found—if you lacked a vitamin, you developed a specific deficiency disease, but taking extra amounts did not affect the body. Pauling knew that in the case of vitamin B–12, as well as C and the others, initial enthusiasm had suggested that there might be therapeutic effects, but, despite the number of people who said they felt better after B–12 injections, no use for it outside of pernicious anemia had ever been proven.

But Pauling had fewer colds when he took massive doses of vitamin C, and when Linus Pauling stops sneezing it's not like the way it is when you and I stop sneezing. Pauling wanted to know why, and, using the chemical phenomenon known as mass action, he constructed a theory to fit his observations. A lot of scientists have criticized Pauling for working backward from observations to theory without any intervening research, but this is the way a lot of great science is done. Of course, it is also the way a lot of bad science is done, but Pauling's own brilliance assured him a hearing. It did not assure him scientific acceptance or even respectability however, since scientists are wary of colleagues who poach on their fields. Pauling had done this successfully once before, when he abruptly switched his interests from physical chemistry to human molecular biology, and had ended by discovering the single amino acid variation which makes sickle-cell hemoglobin differ from normal hemoglobin.

This work was based on years of laboratory experimentation; but Pauling's theory of vitamin C's action was a pure construct. He theorized that, since certain diseases are known to result from inadequate or abnormal enzymes in the body—and since vitamins often act as the nonprotein ("coenzyme") part of these enzymes—by saturating the body with large amounts of the coenzyme, enough active, complete enzyme would be available to overcome the hereditary or acquired defect. Megavitamin therapy, in Pauling's view, is one form of what he calls "orthomolecular medicine," the use of normally occurring bodily substances—as opposed to chemicals derived from plants or synthesis—to treat illness.

Another reason for vitamin C's effectiveness, Pauling has hypothesized, is human biochemical individuality. Too many scientists, he says, tend to think of humans as falling within a narrowly defined biologic "normal," with 5 per cent of the population slightly above or below these values. Following the argument of Roger Williams, a veteran researcher in the vitamin field, Pauling suggests that humans may have widely disparate needs for vitamin C, some requiring a mere 250 milligrams daily (which itself is about 10 times the F.D.A. recommended dose), while others need 40 times more—10 grams daily!

If such biochemical individuality exists for vitamin C—or the other vitamins—it is in itself a unique kind of individuality, for in no other body nutrient or chemical is such disparity found. No matter whether one examines Eskimos or South Sea islanders, their blood sodium, liver enzymes and red-blood-cell membranes have remarkably constant values. The amount of protein required to sustain good nutrition in one person is quite predictable for the next.

Dr. Pauling's scientific enthusiasm for vitamin C does not rest with his judgment of its effect on the common cold. Like an over-educated huckster, he has cited ascorbic acid's value in inactivating viruses and controlling cancer. Vitamin C, he has written, "can improve the health of almost everyone. It may turn out to be the most valuable of all the substances that we can use in our efforts to decrease the amount of human suffering caused by disease." Understatement is not one of Dr. Pauling's problems.

With Linus Pauling doing the downfield blocking, megavitamin therapy was set loose. For the past four years, sales of vitamins have climbed steadily, leaving both physicians and pharmacists slightly bewildered.

"Everyone buys them," says Irving Dalinsky, who is the owner of the Georgetown Pharmacy and a pharmaceutical sage for a cross section of Washington's beautiful people and hippies. "Vitamin C usage has gone out of sight—everyone buys it in 250- or 500-milligram capsules. They use it like an amulet—maybe it will keep away colds. And vitamin E—we used to sell eight bottles a year, now we'll sell eight a week. The young people go for vitamin A—they hear it's good for acne. The older people are interested in E—they hear it's good for circulation and sex. They all go big for the organic vitamins, too." Organic vitamins are those derived from natural, rather than synthetic sources. Chemists say the substances are molecularly identical. Most scientists contend there is no difference between organic and synthetic vitamins—except for the higher cost of the former.

In New York, Dudley Lascoff of the Turtle Bay Chemists on Second Avenue says, "People are very conscious of the strengths. They want high-potency vitamins, the heavy stuff. With vitamin C, 500 milligrams is the biggest seller. Sales have doubled or tripled in the past few years."

Many believers in vitamin C are a far cry from the nutrition faddists who once flocked behind the semiscientists popular on television talk shows. Harry McPherson Jr., a distinguished and healthy Washington, D.C., lawyer, says, "I'm living proof that the stuff works, at least for me. I had two or three colds yearly until I started taking 500 milligrams. Since then, no colds, and I've never felt better." Dr. Patrick Gorman, a university cardiologist also in Washington, recommends vitamin C for his patients and takes it himself. What got him interested in vitamin C? "I read the book, tried the pills, and they worked." Another internist told me, "I developed a sore back, so I went to my orthopedist. He advised heat, rest and vitamin C. I thought he was nuts with the vitamin C, but I decided to give it a chance. It's crazy, but it works. When my back starts acting up, I take C and it goes away like magic. Don't ask me to explain it—I'm embarrassed."

Individual experiences with a drug or vitamin are one thing, scientific evidence another. What has really rocked the medical and scientific establishment is that the few controlled studies done since Pauling proposed his theory tend to support some claims about ascorbic acid's action against colds. When the controlled studies (one group of subjects was given vitamin C, and another group, matched for age, sex, etc., was given a placebo) began to appear, it was not exactly as though a new step had been taken in biochemistry. New enzyme systems are elucidated all the time. What the field trials opened up was a whole new theory of enzyme-vitamin interaction that made no sense in light of what everybody "knew."

First from Canada, then from Ireland, then from a Navajo reservation, came studies indicating that ascorbic acid in megadose vitamins either prevented, or ameliorated, the common cold. In Toronto, Drs. Terence Anderson, D. B. W. Reid and G. H. Beaton gave volunteers 1,000 milligrams of C daily to prevent colds, and 4,000 milligrams to alleviate any cold symptoms as soon as they developed. Those in the vitamin C group had fewer colds than those in the control group, but the difference was not outside the limits of chance. What was statistically significant was the total number of days of disability from all illness and the decrease of systemic cold symptoms—fever, weakness, chills—in subjects taking C. In studies done at a boarding school, C. M. W. Wilson and H. S. Loh of Trinity College in Dublin found that 500 milligrams of vitamin C daily had a protective effect against cold symptoms for boys, but not for girls. Loh and Wilson have suggested that 2,000 milligrams of C daily "should provide resistance to the common cold in about 80 per cent of teen-age children." Like Pauling himself, they advocate stepping up the dose once actual cold symptoms develop. A third research effort, done by Dr. John Coulehan of the United States Public Health Service, indicated that grade-school Navajo children given daily 1,000 or 2,000 milligram doses of ascorbic acid had statistically fewer cold symptoms than schoolmates who were taking placebos. The difference was most marked among older girls, and did not appear to be significant in older boys.

Ireland, Canada, the Southwest—the evidence comes in, Pauling chuckles and denounces the medical establishment which refused to believe his theories, and the establishment, myself included, is back at the old drawing board.

The definitive 1970 edition of Harrison's "Principles of Internal Medicine" states, "There is no justification for the widespread marketing of [vitamins] to families for their purported value in preventing colds or infections." The author of that particular section, George V. Mann, associate professor of medicine at Vanderbilt University, is today a bit more guarded as he talks about possible revisions for the next edition. "I still don't think that megavitamins are the sort of regimen that can be recommended for the general public, but it's possible that they're beneficial. We don't have the evidence yet, and Pauling didn't either—he was just working on a hypothesis. But you can't disregard some of the clinical studies. I'm working on a project which suggests a rationale for extra-high levels of ascorbic acid in some patients—diabetics, for example. There may be impaired cell-membrane transport of vitamin C in some cases, which could necessitate higher blood levels. It's not proven, but it's possible. Even Pauling's hypothesis—anything's possible."

In Toronto, Terence Anderson's group is continuing the studies which indicated benefit from high-dose ascorbic acid. "Frankly, when we began our first study, we intended to lay to rest all the business of the clinical values of megadose vitamin C. I didn't believe a word of Pauling's theory. That's why we had so many subjects in our first experiment—you need large numbers of subjects to prove a negative. So I was more than a little surprised when the results came out. Now we're continuing the study, trying to find the optimal dosage. Some researchers have suggested that up to 6,000 milligram doses of ascorbic acid are indicated to treat actual cold symptoms. Our work so far is preliminary, but it indicates that that much may be necessary."

Does Dr. Anderson take vitamin C himself? "Oh, yes. Not regularly, but when I start to develop cold symptoms. I'm convinced that it helps me, but not every time. By the way, there may be something in vitamin E, too."

Vitamin E! This ubiquitous substance is the Pygmalion of vitamins, ready to be made into anything the food faddists or the nutritionists want it to be. Vitamin E is necessary for human health, yet found in so many different foodstuffs that clinical deficiency almost never exists. It is found in almost all human tissues, but its function within the cell remains obscure—it may be involved with oxygen transport, but no one knows. Vitamin E was discovered when rats, put on a synthetic diet deficient in vegetable oils, turned out to be sterile or to abort early. The infertility could be reversed by adding wheat germ or vegetable oil. The as-yet-unidentified vitamins was named tocopherol, from the Greek meaning to "bring forth in childbirth," and its place in the half-world between science and faddism was thus assured. Who, after all, can fail to be intrigued by a vitamin that scientists themselves have labeled a fertility substance?

"People take it for other reasons, too," says Washington pharmacist Robert Sinker. "They've heard that it's good for the skin and the circulation. But sex—that's a big part of it, too." Nutrition "experts" who appear on radio and TV talk shows have pushed vitamin E as a cure for impotence.

The idea that vitamin E might affect circulatory disease stems from two related developments. It is proven that E deficiency in some animals (especially lambs, cows and rabbits) can harm the heart. These observations were extrapolated to man by some physicians, particularly Drs. Evan and Wilfred Shute of London, Ontario. Using mostly anecdotal material from patients ("I had leg cramps until I started taking . . ."), the Shutes have built up a theory of vitamin E's beneficial effect on the circulation, a theory which has been taken up by the vitamin-buying public.

However, unlike the situation with vitamin C, almost all attempts to prove the value of E in heart and blood-vessel disease have shown it to be worthless. A few controlled studies have suggested that it may help some patients with intermittent claudication—leg cramps caused by poor circulation below the waist. No effect at all has been found in the treatment of the heart pain angina pectoris except by the Shutes themselves.

Although the F.D.A.'s current Recommended Dietary Allowance (R.D.A.) for adults is 15 to 45 units daily, the most commonly bought form of vitamin E contains 400 units, and sales keep going up. And why not—if you heard from a friend, or from a televised "expert," that a pill would improve your sex life, add sparkle to your skin and protect you against air pollution, you'd be less than human not to be ready to feel better once you started taking the pill yourself. In the matter of sex, thinking better is often doing better, and thus the value of vitamin E—or any other substance—is in direct proportion to the patient's belief. The placebo effect may not be so clear-cut in air-pollution experiments, but it certainly has influence in our perception of minor aches, colds and general well-being. It is nice that some people who take large amounts of a vitamin on their own tend to feel better, but it is neither unexpected nor does it amount to scientific evidence.

If vitamins are natural substances, and their value in treating various ills is not proven why can't individuals take what they want and, in effect, be their own consenting, experimental controls? Why should the Government become involved at all, as it did when F.D.A. attempted to limit the amount of vitamins A and D that can be contained in a single pill? These are sensible questions, and are sensibly answered by Dr. Alexander Schmidt, the F.D.A.'s director since last year. "There's no doubt that excessive A and D can be harmful," he says. "That's been known for a long time. With the megadose craze, there's a real danger people may harm themselves. We felt we had to put some restriction on the way A and D were available."

Although "hypervitaminosis" from A and D is rare in adults, most of the scientific establishment endorsed the F.D.A.'s attempt to limit consumption ("attempt," because, although the amount of A and D per capsule has been regulated, there is no limit on the number of capsules that can be bought).

Vitamin D, which prevents rickets and is necessary for the absorption and use of calcium within the body, had a brief vogue in the nineteen-forties as a treatment for various other conditions, including rheumatoid arthritis. This early craze for a kind of megavitamin therapy produced a small epidemic of people suffering from headache, weakness, nausea and the other signs that too much calcium is present in the bloodstream. The epidemic ended when its relationship to excessive vitamin D was realized. Vitamin A can cause similar afflictions along with changes in the skin, hair and tendons, if taken in overly large amounts.

Vitamin C and the B vitamins do not accumulate in tissues as do A and D, and thus toxicity to them has almost never been reported. Many nutritionists and biochemists, however, have expressed concern about the long-term effect of megadose vitamins. For example, some researchers suspect that high dosages of vitamin C can lead to the formation of kidney stones, or increase the tendency toward gout, among those who have a high uric-acid content in their urine, since ascorbic acid may act against the dissolution of uric acid crystals.

Also, using the same kind of anecdotal material so beloved of the vitamin enthusiasts Dr. M. H. Briggs has reported in Lancet, the British medical journal, decreased fertility among a group of patients on high-dose C. In an equally unscientific study, Dr. Harold Cohen of Sylmar, Calif., wrote to the New England Journal of Medicine that, as part of a study of the effect of megadosages of vitamin E on middle-aged men, he and his physician-partner took 800 units daily. Both he and his associate experienced severe fatigue within a week of starting the vitamin. The lassitude disappeared when they stopped the vitamin E, and promptly recurred when they resumed it. Like most of the evidence surrounding megadosage vitamins, this is purely circumstantial, but it suggests that vitamin E may induce the very symptoms that many people take it to prevent.

There is, quite simply, megaignorance in the scientific community about megavitamins. This is probably as it should be, for, with the exception of high-dose vitamins A and D, not enough conditions have been "treated," not enough time has passed, for any genuine researcher to tell you what the long-term effect of 2,000 or 4,000 milligrams of ascorbic acid daily may be. It would be suspicious if the medical community granted an instant endorsement of high-dose vitamins, particularly since older physicians remember fads during the nineteen-twenties and nineteen-thirties, when vitamins B and C were said to cure everything from sterility to depression.

Yet the scientific journals do appear to have been overtaken by events during the current enthusiasm, and physicians have had little reliable information to fall back upon. With the exception of an article reviewing vitamin E's action on the circulatory system, none of the major medical journals have published recent complete reviews of vitamin action and theory. When The New England Journal of Medicine printed Dr. Coulehan's article on the beneficial effect of vitamin C among Navajo children, it forsook its common practice of editorializing on significant articles in that week's issue. I suspect that the journal's distinguished editorial board may have been so puzzled by the article that it just couldn't agree as to what—if anything—the findings meant.

In this context the position of the F.D.A. remains precarious. Its half-hearted attempt to decrease toxicity from A and D, an attempt akin to combating alcoholism by selling whisky only in pints, has brought down the full fury of the health-food and vitamin enthusiasts. Bumper stickers proclaim: "God Gave Us Vitamins—The F.D.A. Wants to Take Them Away." A group of pill-takers and distributors, banded together under the name of the National Health Foundation, has brought suit to reverse the recent F.D.A. regulations, and is lobbying to remove vitamins from F.D.A.'s jurisdiction completely.

The issue comes down to fundamental differences in the way people look at human nature and the function of government. The conservatives, led by columnist James Kilpatrick, have little difficulty in deciding the issue. Using classic libertarian arguments, Kilpatrick has pummeled the F.D.A.'s mild vitamin-mineral regulations as an example of unrestrained Big Brotherism. "Some measure of 'confusion' is vital to a free society," Kilpatrick has written. "Protect us from fraud, I would say to Dr. Schmidt. Protect us from dangerous drugs. But do not use the awesome power of Federal law to protect us from being bewildered. Do not discourage us from being, if it pleases, our own potty little vitamin-popping selves. This is not your business, Doc. It is ours."

The Congress of County Medical Societies, a growing group of physicians who tend to feel that the American Medical Association is a left-wing sellout to the Federal Government, has mobilized its members about what it terms "The F.D.A.'s War Against Vitamins." The A.M.A. itself supports the recent F.D.A. limitations, but the A.M.A. leadership can by no means guarantee the total support of its membership.

The libertarians like Kilpatrick, who feel that the Government's responsibility ends with protecting the public from fraud and from dangerous drugs, are more than matched by the consumerists—or, at least, the "strict protectionists," since a split has appeared in what used to be closed ranks. Led by Dr. Sidney Wolfe of Ralph Nader's Health Research Group, the strict protectionists feel that the F.D.A. hasn't gone nearly far enough in limiting vitamin sales. According to Dr. Wolfe, "The F.D.A. regs say that medicines have to be not only safe, but effective. People are making medical claims for vitamins. It's not like marijuana, which is a civil-liberties issue. No one's making medical claims for grass, but they are for vitamins, and the F.D.A. should step in."

Dr. Wolfe is particularly upset by what he thinks of as defectors from the consumer-protection ranks, the "loose protectionists." Foremost among these is James Turner, whose book "The Chemical Feast" was a bitter, documented attack on the F.D.A. for allowing the use of untested chemicals like food preservatives, flavorings and other additives.

Turner, however, doesn't feel that the F.D.A. needs stricter regulations in the vitamin field, just better ones. "I don't think we should think of, or control, vitamins and other essential nutrients in the same way that we do estrogens added to cattle feed, or nitrates added to salami. I'm all for protecting the consumer, but the consumer has to have freedom, too. I respect Sid Wolfe, but I don't think he gives the consumer enough credit for being able to protect himself. He says the marketplace won't work—I say we just haven't given some consumers enough information. I'd rather do that than place on more restrictions."

Turner has proposed before a House committee a measure which, he hopes, will be compatible with consumer protection, individual freedom and the tortured pages of definitions and regulations under which F.D.A. itself functions. He suggests that an official scientific panel establish a list of "essential nutrients," which would be presumed safe unless there is evidence to the contrary. Turner's legislative proposal has many other features, most of them acceptable to vitamin enthusiasts and food faddists. "I've been accused of consorting with quacks," says Turner, a highly articulate left-oriented lawyer. "I'm really sick of the word 'quack.' Those people out there are genuinely concerned about their nutrition. The F.D.A. says people don't need supplemental vitamins if they eat a balanced diet, but we know that maybe 50 per cent of the population doesn't eat a balanced diet. Why restrict these people's vitamins?"

Turner has found an unexpected pleasure in talking to health-nut groups. "In general, I'm giving speeches to older, more conservative organizations. I point out that the vitamin issue is not only a matter of nutritional and scientific policy, but also of individual freedom. They begin to see that the commitment to individual rights inherent in the freedom to take vitamins within certain limits, also applies to the freedom to protest the Vietnam war."

Nader's group isn't wildly enthusiastic about this kind of consumer education. "The health-food people, the National Health Foundation, are rabid about keeping estrogens out of cattle feed," says Dr. Wolfe. "Then they go ahead and say people should be able to take any amount of vitamins they want, because vitamins are a natural substance. But so are estrogens. They've set up a double standard. Either you believe in the F.D.A. regulations or you don't."

The man responsible for the F.D.A. regulations, Dr. Schmidt, sits in the middle and smiles. Although the vitamin hearings had been going on for years before he took over at the F.D.A. in July, Dr. Schmidt says he has no reservations about his position in the controversy he inherited. "I had a chance to look the regulations over before I signed on," he says, "and I found them eminently reasonable. I only wish we had had a chance to promulgate them more effectively—too many people believe we're going to take away all their vitamins. In fact, the A and D regulations are rational, reasonable and rather puny. But we've been subjected to a deliberate campaign of falsehood that has put us continually on the defensive."

Schmidt resents charges that his agency is paternalistic. "I don't blame people for being worried about us. After all, when you hire people to regulate, tendency is to believe that the more they regulate, the better the job they're doing. But I like to think a real test of an agency is when and where it forgoes regulation. Given the pressures we're subject to from all sides—consumers, nutritionists, manufacturers, lawyers, conservatives, radicals—I'd say we're doing a good job. But we're going to keep making enemies."

Does Dr. Schmidt take supplemental vitamins? "No. I'm interested in the vitamin C studies, but I've lived through too many magic studies in cardiology to believe in magic elsewhere. Just the same, the preliminary studies are interesting and the ascorbic acid claims are certainly worthy of controlled studies. That's what the law requires, anyway. But I'd say that the claim that we're a puny, undernourished race because we don't get enough vitamins doesn't seem to have much validity. Just look around you."

Americans—Western men in general—are bigger and stronger than ever. Yet they still get runny noses, fatigue, depressions and heart attacks. It would be nice to believe that massive doses of vitamins—or anything else—will clear up our skin, and our arteries, like a chemical Roto-Rooter. It may, in fact, be just possible that vitamins can do all these things. A reasonable person may preserve reasonable skepticism. Indeed, as an experiment, I began to take vitamin C myself when I started work on this article, and was promptly rewarded for my initiative with a plague of acne, which disappeared when I stopped taking the vitamin. Probably this was just a coincidence, but it's one I'd just as soon not repeat. My personal experience, however, need not dampen anyone else's ardor in the quest for perfect health and eternal youth. After all, you're just as pretty as you think.

A PILL POPPER'S GUIDE TO VITAMIN SUPPLEMENTS

| Vitamin | Identified deficiency state | F.D.A.'s adult recommended daily allowance | Common megadoses | Some claimed (and disputed) megadose benefits |
|---|---|---|---|---|
| C (ascorbic acid) | Scurvy (abnormal gums, skin, hair, legs) | 30 to 90 mg | 500 to 4,000 mg | Prevention and treatment of colds antivirus effect. |
| D | Rickets in children (poor calcification of bones), weakened bones in adults. | 200 to 400 units | 400 to 10,000 units | General well-being. |
| E | No identifiable deficiency disease in man | 15 to 45 units | 100 to 400 units | Hair, circulation, fertility, sexual ability. |
| A | Night-blindness, dry eyes | 2,500 to 5,000 units | 5,000 to 10,000 units | Skin, acne, well-being. |
| Folic acid | Anemia | 0.2 to 0.4 mg | 1 to 5 mg | Skin, antidepressant. |
| B-2 (riboflavin) | Dermatitis | 0.8 to 2.6 mg | | |
| B-1 (thiamine) | Beri-beri, heart failure nerve irritation | 0.75 to 2.25 mg | | Antidepression, increased energy. |
| B-3 (niacin) | Pellagra (dermatitis, sore mouth, mental changes) | 10 to 30 mg | 1,000 to 3,000 mg | Antidepression, antischizophrenia. |
| B-6 (pyridozine group) | Anemia, neurologic disease, dermatitis | 1 to 3 mg | 25 to 50 mg | Improved skin, increased energy. |
| B-12 | Pernicious anemia | 3 to 9 mcg | 1,000 mcg | Hangover remedy, antifatigue. |

## THE RATE OF INFLATION

**Mr. BROCK.** Mr. President, on March 4 I introduced the Economic Stability Act of 1974. In my remarks at that time, I explained the necessity of stabilizing the rate of monetary growth if we are to achieve a noninflationary real economic growth.

Coincidentally, the Wall Street Journal on March 6 published excerpts from a statement by economist Milton Friedman on the same subject which came to a similar conclusion. Mr. President, I ask unanimous consent to have printed in the Record that article: "Why Curbing Inflation Is the Fed's Job."

There being no objection, the article was ordered to be printed in the Record, as follows:

### Why Curbing Inflation Is the Fed's Job

The following has been excerpted from a letter of Mr. Friedman, Professor of Economics at the University of Chicago, to Senator William Proxmire, chairman of the Joint Economic Committee of Congress. The complete letter also contains a discussion of technical questions dealing with control of money supply. Mr. Friedman is responding to a letter to Mr. Proxmire from Arthur Burns, which was excerpted on this page on November 26 last year.

On September 17 you asked Dr. Arthur Burns, the chairman of the Board of Governors of the Federal Reserve System, to comment on certain published criticisms of monetary policy. On November 6 the chairman replied on behalf of the System. This reply has been widely publicized by the Federal Reserve System. It was reprinted in the Federal Reserve Bulletin (November 1973) and in at least five of the separate Federal Reserve Bank Reviews.

The reply makes many valid points. Yet, taken as a whole, it evades rather than answers the criticisms. It appears to exonerate the Federal Reserve System from any appreciable responsibility for the current inflation, yet a close reading reveals that it does not do so, and other evidence, to which the reply does not refer, establishes a strong case that the Fed has contributed to inflation.

According to the reply, "*The severe rate of inflation that we have experienced in 1973 cannot responsibly be attributed to monetary management*" (italics added). As written, this sentence is unexceptionable. Delete the word "severe," and the sentence is indefensible.

The reply correctly cites a number of special factors that made the inflation in 1973 more severe than could have been expected from prior monetary growth alone—the world-wide economic boom, ecological impediments to investment, escalating farm prices, energy shortages. These factors may well explain why consumer prices rose by 8% in 1973 (fourth quarter 1972 to fourth quarter 1973) instead of, say 6%. But they do not explain why inflation in 1973 would have been as high as 6% in their absence. They do not explain why consumer prices rose more than 25% in the five years from 1968 to 1973.

The reply recognizes that "the effects of stabilization policies occur gradually over time" and that "it is never safe to rely on just one concept of money." Yet, the reply presents statistical data on the growth of money or income or prices for only 1972 and 1973, and for only one of the three monetary concepts it refers to, namely, M1 (currency plus demand deposits), the one that had the lowest rate of growth. On the basis of the evidence in the reply, there is no way to evaluate the long-term policies of the Fed—or to compare current monetary policy, or one concept of money with another.

From calendar year 1970 to calendar year 1973, M1 grew at the annual rate of 6.9%; in the preceding decade, from 1960 to 1970, at 4.2%. More striking yet, the rate of growth from 1970 to 1973 was higher than for any other three-year period since the end of World War II.

The other monetary concepts tell the same story. From 1970 to 1973, M2 (M1 plus commercial bank time deposits other than large C.D.s) grew at the annual rate of 10.5% from 1960 to 1970, at 6.7%. From 1970 to 1973, M3 (M2 plus deposits at non-bank thrift institutions) grew at the annual rate of 12.0%; from 1960 to 1970, at 7.2%. For both M2 and M3, the rates of growth from 1970 to 1973 are higher than for any other three-year period since World War II.

As the accompanying chart demonstrates, prices show the same pattern as monetary growth except for the Korean war inflation. In the early 1960s, consumer prices rose at a rate of 1% to 2% per year; from 1970 to 1973, at an average rate of 4.6%; currently, they are rising at a rate of not far from 10%. The accelerated rise in the quantity of money has clearly been reflected, after some delay, in a similar accelerated rise in prices.

However limited may be the Fed's ability to control monetary aggregates, from quarter to quarter or even year to year, the monetary acceleration depicted in the chart, which extended over more than a decade, could not have occurred without the Fed's acquiescence—to put it mildly. And however loose may be the year-to-year relation between monetary growth and inflation, the acceleration in the rate of inflation over the past decade could not have occurred without the prior monetary acceleration.

Whatever therefore may be the verdict on the short-run relations to which the reply restricts itself, the Fed's long-run policies have played a major role in producing our present inflation.

There is much evidence on the shorter-term as well as the longer-trem relations. Studies for the United States and many other countries reveal highly consistent patterns. A substantial change in the rate of monetary growth which is sustained for more than a few months tends to be followed some six or nine months later by a change in the same direction in the rate of growth of total dollar spending. To begin with, most of the change in spending is reflected in output and employment. Typically, though not always, it takes another year to 18 months before the change in monetary growth is reflected in prices. On the average, therefore, it takes something like two years for a higher or lower rate of monetary growth to be reflected in a higher or lower rate of inflation.

To avoid misunderstanding, let me stress that this is an average relationship, not a precise relationship that can be expected to hold in exactly the same way in every month or year or even decade. As the reply properly stresses, many factors affect the course of prices other than changes in the quantity of money. Over short periods, they may sometimes be more important. But the Federal Reserve and the Federal Reserves alone has the responsibility for the quantity of money; it does not have the responsibility, and certainly not sole responsibility, for the other factors that affect inflation. And the record is unmistakably clear that, over the past three years taken as a whole, the Federal Reserve System has exercised that responsibility in a way that has exacerbated inflation.

This conclusion holds not only for the three years as a whole but also for each year separately, as Table II shows. The one encouraging feature is the slightly lower rate of growth of M2 and M3 from 1972 to 1973 than in the earlier two years. But the tapering off is mild and it is not clear that it is continuing. More important, even these lower rates are far too high. Steady growth of M2 at 9% or 10% would lead to an inflation of about 6% or 7% per year. To bring inflation down to 3%, let alone to zero, the rate of growth of M2 must be reduced to something like 5% to 7%.

TABLE II.—RECENT MONETARY GROWTH RATES

[Calendar year annual percent rate of growth]

| | M1 | M2 | M3 |
|---|---|---|---|
| 1970-71 | 7.0 | 11.8 | 12.8 |
| 1971-72 | 6.5 | 10.2 | 12.5 |
| 1972-73 | 7.4 | 9.5 | 10.6 |

For more than a decade, monetary growth has been accelerating. It has been higher in the past three years than in any other three-year period since the end of World War II. Inflation has also accelerated over the past decade. It too has been higher in the past three years than in any other three-year period since 1947. Economic theory and empirical evidence combine to establish a strong presumption that the acceleration in monetary growth is largely responsible for the acceleration in inflation. Nothing in the reply of the chairman of the Federal Reserve System to your letter contradicts or even questions that conclusion. And nothing in that reply denies that the Federal Reserve System had the power to prevent the sharp acceleration in monetary growth.

I recognize, of course, that there are now, and have been in the past, strong political pressures on the Fed to continue rapid monetary growth. Once inflation has proceeded as far as it already has, it will, as the reply says, take some time to eliminate it. Moreover, there is literally no way to end inflation that will not involve a temporary, though perhaps fairly protracted, period of low economic growth and relatively high unemployment. Avoidance of the earlier excessive monetary growth would have had far less costly consequences for the community than cutting monetary growth down to an appropriate level will now have. But the damage has been done. The longer we wait, the harder it will be. And there is no other way to stop inflation.

The only justification for the Fed's vaunted independence is to enable it to take measures that are wise for the long-run even if not popular in the short-run. That is why it is so discouraging to have the reply consist almost entirely of a denial of responsibility for inflation and an attempt to place the blame elsewhere.

If the Fed does not explain to the public the nature of our problem and the costs involved in ending inflation; if it does not take the lead in imposing the temporarily unpopular measure required, who will?

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## THE WALL STREET JOURNAL ON RELIEVING THE BURDEN OF SECOND-CLASS POSTAL RATES

Mr. KENNEDY. Mr. President, some of the most obvious symptoms of our sick economy are the soaring postal rates now being inflicted on the American public. The 10-cent stamp is bad enough for the average citizens, but few are aware of the even more serious burden that astronomical rate increases are now imposing on what is perhaps the most valuable source of ideas in our free society, the Nation's newspapers and magazines.

Today's Wall Street Journal contains an excellent discussion of this issue by Mr. Stephen Grover. As Mr. Grover notes, publications are taking a number of imaginative steps to try to alleviate the burden, but many believe that the real remedy lies with Congress.

To provide the sort of relief that is urgently needed, Senator Barry Goldwater and I have joined in introducing legislation that is now before the Senate and that will soon be considered by the Committee on Post Office and Civil Service. My hope is that the Senate will be able to act on this measure as soon as possible. Only through prompt action to relieve the burden of rising postal rates can we commute what is, in effect, a death sentence for many of the Nation's most valuable publications.

Mr. President, I ask unanimous consent that the article from the Wall Street Journal may be printed in the Record, as well as an article I prepared on the subject for the current issue of Signature magazine.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Mar. 20, 1974]

### Embattled Fourth Estate: In Throes of Postage Hikes, Publishers Shrink Product, Hike Prices, Cry Doom

(By Stephen Grover)

To hear many of the nation's magazine and newspaper publishers talk, the Postal Reorganization Act of 1970 is this generation's equivalent of the pre-Revolutionary War's sugar and stamp acts. "A heavy blow" is how the usually optimistic Reader's Digest magazine referred to the postal act in its January issue, adding that the congressional move "makes our future—and that of many other magazines—uncertain."

"There is no doubt whatever," the Digest's editors continued, "that the rate rise will force a large number of magazines to stop publishing,"

Rates, of course, are at the heart of the postal act. Besides setting up the present U.S. Postal Service as a semi-independent body with more autonomy than the old Post Office had ever enjoyed, Congress directed its new creation to see that all classes of mail were made to pay their own way. And as far as second-class mail was concerned, this congressional direction was a radical departure from times past. American tradition, said historian Arthur Schlesinger Jr. in a recent article in this newspaper, has been "in transit second-class mail at cheap rates because the circulation of newspapers and magazines has been deemed essential to the enlightenment of the Republic and to the strengthening of American democracy."

The result of the Postal Reorganization Act will be that postal rates for most publications will be at least 242% higher by 1976 than they were in 1971. The effects of the increases, which are taking place in steps over a five-year period, are already obvious. Such magazines as Esquire, Ladies' Home Journal and Fortune and such newspapers as The Wall Street Journal have trimmed their size as one means of shaving their postal bills. Some periodicals have also started to print on lighter-weight grades of paper, and many publications have raised prices. Some, like the Journal have taken all three steps.

#### GRIM VIEW

Now, many publications say they can do no more. Prices are about as high as they can go without a drastic loss of readership. Still lighter grades of paper, even if they were avilable, would cost far more than the postal savings that they would effect. And further dimensional shrinkage would in most cases be unfeasible. The upshot: Many publications are taking the same grim view as Reader's Digest and assert that unless postal rates are trimmed, or unless they're spaced out over a 10-year period instead of the current five-year schedule, they will have to fold.

The malaise at the Digest, whose U.S. circulation of 18.4 million makes it the most popular American magazine in existence, is caused by the fact that 90% of its circulation is sent to subscribers via second-class mail; consequently, the publication faces a rise in its second-class postage bill from $7 million this year to $16 million two years hence.

Significant as this magnitude is, the Digest is far from alone. Dow Jones & Co., publisher of The Wall Street Journal, Barron's and The National Observer, expects its second-class postage bill to rise this year alone to $13.7 million, up from $8.7 million last year (the Dow Jones increase is largely accounted for by the Journal, 80% of whose 1.4-million circulation is subscription). Time Inc., whose Time, Fortune, Money and Sports Illustrated magazines all depend heavily on mail delivery, expects its second-class postage bill will rise by $4.5 million this year to $14.4 million. Newsweek magazine expects its second-class postage expenditures to amount to $5.7 million in 1974, a 54% jump over last year—"and that's assuming that the volume of second-class postage remains about the same as it was last year," says Gibson McCabe, president of Newsweek, a Washington Post Co. publication.

#### NOWHERE TO TURN

Dire as the predicament of these publications may be, certain of their sisters in the field may fare even worse. For example, a number of the nation's smaller technical journals and magazines of opinion, unlike such mass-circulation publications as Time and Newsweek, are almost entirely dependent on revenues from circulation, rather than advertising, and therefore can't turn to increased advertising rates to meet higher postage bills.

One such magazine is The Nation, nearly all of whose 30,000 circulation is subscription. The Nation has few advertisers. "Consequently," says its publisher, James J. Storrow Jr., "any increase in costs must be borne almost entirely by our readers." The publication has already raised its rates to $15 a year (for 48 issues) from $12.50 in 1971, the year the first step of the new postal increases went into effect, and the magazine is fearful that any further increases will lead to a loss of readers.

"We already pay 25% to 30% more for postage than for paper, and postal rates are going up faster than any other item," Mr. Storrow says.

The periodicals with sparse advertising argue that ad-heavy publications brought about the current postal situation. Traditionally, major consumer publications have taken advantage of low subscription rates and even cheaper second-class postal rates to flood the nation with their production and then raise their ad rates on the basis of huge subscription lists. In fact, this factor was a significant motivation for Congress to pass the Postal Reorganization Act; and today U.S. Postmaster General Elmer T. Klassen stands by that decision. "I find it difficult to think these publications deserve any form of subsidy," he says.

#### "CATCH 22" LOGIC

Mr. Klassen quickly adds, "We're not trying to destroy anyone. These magazines are our customers." Nevertheless, Arthur Keylor, Time Inc.'s group vice president in charge of magazines, is skeptical about Washington's benevolence. "If the Postal Service were to find the volume of mail declining as a result of the increases, it would find a way to jack up the rates still more. And then where would we be? The whole business has a 'Catch 22' logic to it."

While some of the smaller and middle-sized publications are more or less resigned to the postal-rate increases—"There isn't much that we can do about them," says Russell Bernard, publisher of Harper's magazine—the larger publications are moving to confront the problem on a number of fronts. Coleman W. Hoyt, distribution manager of Reader's Digest, says his magazine has developed a delivery system based on the services of a private carrier that it will try out in several communities this summer in conjunction with McCall's and several other major magazines.

According to Mr. Hoyt, the Digest system sorts the magazines not only by particular areas within a community but by exact carrier routes as well. "We're even planning to sequence the walk of that carrier," he says, "so he doesn't have to do any sorting himself while on the route."

The Wall Street Journal already does its own delivering in towntown areas of New

York and Pittsburgh. And it recently arranged to have a private carrier, Inland Carriers, a division of Inland Diversified Corp., deliver copies of the paper to areas of Los Angeles, including the downtown business district. While such delivery is currently a bit more expensive on a per-copy basis than the Postal Service, Dow Jones's president, Warren H. Phillips, says that private delivery will be more economical than the mails by next July when the next step of the postal increase goes into effect.

(One of the problems attendant to private delivery is that federal law forbids the use of postal boxes by carriers other than those employed by the U.S. Postal Service. Consequently, private carriers making residential deliveries must shove magazine under doorways or hang them in plastic sacks on doorknobs if no one is at home.)

### EYE ON THE NEWSSTAND

As another ploy in the war against rising postal costs. Time Inc. says that it may consider increasing newsstand sales of its various publications at the expense of subscription distribution. The company's newest magazine, People, channels almost all of its one-million circulation through newsstands or supermarkets, and Time Inc.'s Mr. Keylor says that People "will give us exposure to the newsstand and equip us to do more in this area."

While such moves may help the subscriber-oriented publications cope with postal increases, many believe the real remedy lies with Congress. Currently before that body is a bill that would spread out postal increases over a 10-year period (as the magazine industry has urged) and that would reduce by a third the proposed increases on the first 250,000 copies of magazines' circulation. As The New York Times observed in a recent editorial: "This bill would at least relieve the immediate pressure on all periodicals, and, by reducing the increases for a magazine's first quarter-million circulation, would rescue hundreds of valuable sources of education and healthy controversy from certain extinction."

The extent of public concern over the effect of rising postal rates on periodicals is such that the bill's two sponsors are Sen. Edward M. Kennedy (D., Mass.) and Sen. Barry Goldwater (R., Ariz), who rarely see eye to eye on anything. Says a spokesman for Sen. Kennedy: "Realistically, the 10-year provision is the most likely to succeed. But there's an outside chance we'll also get the 250,000 provision passed."

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[From Signature magazine March 1974]

## Stamping Out the Reading Public?

(By Senator Edward M. Kennedy)

### AN IMPORTANT MESSAGE FROM THE EDITORS OF SIGNATURE

We bring a certain bias to the article which appears below. To support Senator Kennedy's views—as do many of his associates in the Congress—is an easy posture because it is so obviously self-serving for us. But the implications of Senator Kennedy's statement should be a warning light, not merely to magazine editors, but to all Americans. And those implications are chilling.

Just twenty years ago, a respected institution of learning—Columbia University—celebrated its 200th anniversary. It took as its bicentennial theme. "Man's right to knowledge and the free use thereof." Two years hence America will celebrate the 200th anniversary of the constitutional establishment of those same principles. We wonder, as does Senator Kennedy, whether certain of our rights—your rights—are going "the way of the passenger pigeon." The Editors

To virtually every citizen, the news of the 10-cent stamp is unwelcome fresh evidence of the nation's sick economy and our continuing inability to bring inflation under control.

But for thousands of newspapers and magazines across the country, the news of rising postal rates is far more serious than just a symbol of inflation—it's a matter of life and death to many widely respected journals that have always been pillars of the First Amendment and the lifeblood of ideas in our free society.

For almost two centuries, the postal system in America has operated on Benjamin Franklin's basic principle that the printed word occupies a central place under the Constitution and the First Amendment. Whether you call it a postal service or a postal subsidy, the purpose and tradition have always been the same. We want no financial hurdles to block the spread of ideas in our democracy.

Now, overnight, the Postal Service is trying to change all that and nullify this proud tradition. The trouble began with the Postal Reorganization Act of 1970, which created the Postal Service and imposed a general requirement that the mail should pay its way. Disregarding other equally important requirements and substantial legislative history, the Postal Service is reading the language on self-sufficiency as a license to reverse one of the time-honored traditions of our country—that ideas and printed words have never had to pay full freight in our national life, at least in terms of the accountant's balance sheet.

The figures tell a story of astronomical recent increases in postal rates for newspapers and magazines. In 1971, the Postal Service approved a 127 percent increase for such rates, to be phased in at the rate of 25 percent a year through 1976. And last fall, the service compounded the crisis by imposing an additional 91 percent increase to be phased in over the remainder of the same period. As a result, these new rates mean a total increase of 218 percent by 1976, or an average increase of 43 percent a year for five years. That makes even the soaring cost of food and fuel a bargain by comparison.

Obviously, it is no answer to say that the postal increase represents only pennies per copy, which has been the favorite hedge of the Postal Service in defending the heavy increases. Clearly, the country is not tolerating a demand by oil companies for exorbitant gasoline price increases, even though they, represent "only" pennies per gallon. Why, then, should exorbitant annual postal increases be received with any more equanimity?

For many respected publications, such increases may well be a mandatory sentence of capital punishment. The death of *Life* and *Look* and many other popular magazines of wide appeal in recent years is somber testimony to the very real threat the current postage increases pose to existing publications.

The Postal Service argues that the problem isn't serious, because publications can pass the rate increases along to their subscribers and their advertisers. In the view of most economic experts, however, the large new postal increases simply can't be passed along that way. As subscriptions and advertising rates go up, subcribers and advertisers drop off, according to the inexorable laws of the marketplace. For many publications, asking them to raise their rates is simply asking them to go out of business.

A further alarming prospect is that the unrestrained new postal rates will accelerate the disturbing journalistic trend away from low-price mass-audience newspapers and magazines and toward costly special interest publications. If the new postal rates are allowed to stand, we face the very real danger that television will become the only mass medium in the country, while magazines become the exclusive preserve of a small and affluent elite.

It's bad enough that many distinguished publications have now become extinct, gone the way of the passenger pigeon, victims of the unyielding brutality of the balance sheet. But when the heavy thumb of government itself intrudes to distort the balance, the problem is much worse.

Nor can the problem of rising postal rates be viewed in isolation. At this time of challenge on so many fronts to freedom of the press, the burden of the new rate increase is especially ominous. In recent years, we have seen the Pentagon Papers case and the attempt to impose an unprecedented prior restraint on the dissemination of news. We have seen subpoenas served on newspapers, reporters subjected to illegal wiretapping by the government, and other reporters jailed for contempt for refusing to disclose their sources to law enforcement agencies. We have seen threats of oppressive government action against the freedom of the broadcast media. Wherever we turn, we see the press and our First Amendment freedoms under attack by the pressure of official policy.

Most insidious of all, perhaps is government pressure in the form of economic policy. The Supreme Court proclaimed long ago, in prohibiting States from taxing the new Federal institutions being created at the beginning of our Republic—"The power to tax is the power to destroy," said Chief Justice John Marshall.

And so is the power to impose exorbitant postal rates. The Postal Service has the responsibility to exercise its vast new powers wisely and fairly, and Congress and the people must hold it to that standard.

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## SENATOR COTTON'S PORTRAIT UNVEILED

Mr. McINTYRE. Mr. President, yesterday—March 19—a portrait of my dear friend and senior colleague was unveiled for permanent display in the statehouse of New Hampshire.

This portrait, commissioned by the many friends and admirers of Senator Norris Cotton, was painted by a New Hampshire artist, George Augusta, of Hampton Falls.

I am neither connoisseur nor critic, Mr. President, but to my unpracticed eye this portrait captures the Yankee essence of Norris Cotton. There is strength there, and independence; and dignity warmed with a hint of humor.

I know that in the years to come I will not pause before that portrait without reflecting upon how fortunate I was to have him for a colleague, and how fortunate the people of our State were to have him labor in their behalf for half a century.

Norris Cotton will retire from this body upon the expiration of his present term. I shall miss him. I shall miss his wise counsel. I shall miss refusal to let our political differences weaken our mutual resolve and effort to serve the people of our State. But most of all I shall miss the day-to-day reassurances of his friendship.

In recognition of the honor deservedly bestowed upon him in Concord, N.H., yesterday, Mr. President, I ask unanimous consent that the brochure distributed at the unveiling of Senator Cotton's portrait be printed in the Record.

There being no objection, the brochure was ordered to be printed in the RECORD, as follows:

### DEDICATION OF THE PORTRAIT OF THE HONORABLE NORRIS COTTON, U.S. SENATOR

(Artist: George Augusta, Hampton Falls, N.H. Portrait Committee: Meldrim Thomson, Jr., Governor of New Hampshire, chairman; Lane Dwinell, former governor of New Hampshire, vice-chairman; E. Allen Parker, secretary; William King, treasurer.)

### NORRIS COTTON

Oft times the great move in our midst without recognition.

They are with us in the sunshine of school days, share the dreams and hopes of budding maturity, and grow from day to day and from one service to another, until suddenly the total of the lifespan of their good deeds marks them as outstanding among their fellowmen.

Such a one is Norris Cotton.

Born of America's great tradition in a humble farm home of Godloving parents, Norris grew up in the small town of Warren, New Hampshire, where friendship and neighborliness were as much a part of daily life as the woodstove in winter and the fishing hole in summer.

Born May 11, 1900, he attended Tilton School, Phillips Exeter Academy, Wesleyan University and George Washington University Law School. In 1927 he married Ruth Isaacs of Union City, Tennessee.

Blending God's precious gifts of a strong physique, native intelligence, and great industry, he prepared himself as a young lawyer for the long, interesting, and unusual career of a half century of public service for the citizens of his native Granite State.

As a lawyer, prosecutor, legislator, Congressman and United States Senator, Norris Cotton wove the bright pattern that has marked his career of service.

And in between and interspersed throughout the pattern he managed to be an excellent preacher, a teller-of-tales—some tall and some a bit wide on the bias of time, but always in good fun and risable—a strong debater, author with a sharp and bouncy pen, an easy friend beside any hearth, and yet so astute and knowledgeable that his advice was sought by Presidents.

It is our heartfelt prayer that the warmth and beauty of Norris Cotton's autumn will linger in health and happiness for unfolding years yet unreckoned.

To him we extend our sincere and grateful thanks for the fifty years of sacrifice and service that he gave to our sovereign State of New Hampshire.

And now, it is my rare and great privilege to unveil this permanent portrait of Norris Cotton, who is one of New Hampshire's all-time great citizens and one of America's finest statesmen.

MELDRIM THOMSON, Jr.,
*Governor.*

### RESOLUTION

Whereas, the month of October, 1973, has been proclaimed Norris Cotton Month in New Hampshire, affording our citizens an opportunity to pay tribute to Senator Cotton; and

Whereas, Senator Cotton has served the people of New Hampshire and of the United States for more than a half a century; and

Whereas, Senator Cotton's distinguished career of public service began in 1923 as a member of the New Hampshire Legislature and has included serving as Secretary to Senator George Moses from 1924 to 1928; serving as the Grafton County Attorney from 1933 to 1939; serving as Justice of the Lebanon, New Hampshire, Municipal Court from 1939 to 1944; and again serving as a member of the New Hampshire House of Representatives from 1943 to 1945 during which time he was elected Speaker of the House; and

Whereas, he then went on to serve the people of his home state and his nation as a member of the House of Representatives from 1946 to 1954 and as a respected member of the United States Senate from 1954 to the present time; and

Whereas, Senator Cotton has left an indelible mark on the American political scene; and

Whereas, his many friends in New Hampshire have contributed toward having a portrait of Senator Cotton commissioned;

Now, therefore, pursuant to the provisions of RSA 4:9, the Governor and Council hereby authorize to be permanently displayed in the State House the said portrait of Senator Cotton at a location to be selected by the Governor.

With the advice and consent of Council:

Executive Council: Lyle E. Hersom, Robert E. Whalen, James H. Hayes, John F. Bridges, Bernard Streeter, Jr.

MELDRIM THOMSON, Jr.,
*Governor.*

ROBERT L. STARK,
*Secretary of State.*

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## THE ENERGY SITUATION

Mr. BEALL. Mr. President, in recent months this body very correctly has spent a great deal of time considering our Nation's energy shortage. We have very carefully studied many proposals in this area, and have heard from countless experts on the facts surrounding our current situation.

One of my constituents, Mrs. Ellen R. Sauerbrey, has forwarded to me a copy of a paper she recently prepared which discusses in some detail the factors behind our energy problem. I found Mrs. Sauerbrey's comments most perceptive, and thus I ask unanimous consent that her remarks be printed in the RECORD for the benefit of my colleagues.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### THE ENERGY SITUATION

(By Ellen Sauerbrey)

Although the dimensions of the energy "crisis" have been very confused by a great deal of conflicting and misleading rhetoric from many sources, an intelligent comprehensive study of the problem brings out certain inescapable conclusions:

1. There is an energy shortage.
2. It has been created and aggravated in large part by governmental economic and ecological regulatory policies.
3. A reversal of the present devastating trend will require the removal of governmental interference and the investment of tremendous sums of capital, which must be first raised by the energy producing industries.

Energy in the U.S. is no longer a superabundant and cheap commodity which can be used wastefully. While a great deal of attention today is focused on whether the shortages of 1973–74 are real or imagined, whether the government and the oil companies are cooperating to increase prices (it is indicative of our departure from a free economy that we take for granted that the government must cooperate or control in pricing), attention should be directing itself to the fact that we will experience increasing shortages of energy for at least the next twenty years and that it must become more costly.

The problems of the immediate future deal with two kinds of shortages which are already here today. The first is the shortage of domestic supplies of our most used primary fuels—oil and natural gas. The second is the shortage of the means to convert promary fuels into usable products, primarily refinery capacity and power generating capacity.

Solutions to the total energy crisis will have to be dealt with in various time frames:

1. Peak demand shortages. These are problems arising from a lack of reserve capacity to meet unusually heavy demand periods, such as the increasing electric power blackout and brownouts.

2. Short term (3–5 year) energy supply problem. Since it takes lead time to explore for new gas and oil or build refineries and pipelines, increases in supplies during this period will come largely from imports. Demand must be decreased. Prices must rise to discourage wasteful use and provide needed capital to increase production for the future. (An undesirable alternative would be government regulations, such as rationing, which will decrease demand by restricting the consumer's freedom of choice but *will not* increase supplies in the future.)

3. Intermediate-term energy supply problem. During this period, until about 1990, we will continue to be dependent on current types of energy, including conventional sources of fossil fuels and nuclear power plants. Unless we take the right steps to increase our domestic fuel supplies and conversion facilities, and conserve on our use of energy, it will be necessary to tremendously increase our imports of gas, crude oil, and refined products. This would create dangerous dependence on exporting areas and a balance of payments crisis. Toward the end of this period, investment in new technology should begin to produce significant amounts of energy from oil shale, solar energy, and the breeder reactor (which will greatly extend our supplies of nuclear fuel).

4. Long-term energy supply problems. Within several centuries, all the fossil fuels which have been deposited over the life of the earth will be depleted. As we are using up these fuels, tremendous economic investment must be put into harnessing alternate energy sources. Solar and geothermal energy could be made available in unlimited and nonpolluting form. By the end of this century, the fusion reactor, using an almost limitless fuel, deuterium, is the most likely practical alternative energy source.

In this study we will concentrate on the short and intermediate term problems of this decade until at least 1985. Projections indicate that between 1970 and 1985, the total energy use in this country will double, going from 64 quadrillion BTU (QBTU) to 125 QBTU, and that most of this energy must come from fossil fuels, which currently supply almost 98% of our energy. In 1970, the breakdown on energy sources was as follows:

34.1% domestic natural gas;
30.7% domestic oil;
10.4% imported oil;
21.8% coal;
1.5% imported natural gas; and
1.5% nuclear, solar, hydrothermal.

Notice the huge reliance on natural gas and oil, a fairly recent phenomena. In the past ten years, there has been a major shift away from coal on the part of industry which now is 75% dependent on gas and oil, and electric utilities which now use 40% gas and oil. Now with both natural gas and oil becoming scarce, we are becoming increasingly reliant on imported sources. This trend must be reversed to make more use of coal, our most abundant fossil fuel. As the demand for oil has increased, refinery construction has not kept up, and we are forced to import not only crude oil, but also refined products.

If we are to prevent the situation from becoming worse, we must understand what forces have taken us from an energy-rich country to a country rapidly depleting our scarcer fuels, and failing to develop new resources or our production facilities. Government regulations and environmental requirements have created much of the problem.

The first fuel to show shortages, and to trigger problems in other areas, has been natural gas. The unwise dependence on natural gas has resulted largely because of government regulations imposed by the Federal Power Commission, holding the price of natural gas sold on the Interstate market well below the market value. With gas priced artificially low, and thus below the price of competing fuels, users have been attracted away from coal and oil. Government policy has been to encourage use of natural gas for environmental reasons. While wasteful use has been stimulated, the low price imposed has also resulted in profits being so low that gas producers have been unable to attract the investment capital needed to explore for new gas and oil fields. In 1956, when FPC regulations first went into effect, 58,000 new wells were drilled. In 1971, only 27,000 wells were drilled.

(Exploration has increased recently since the FPC raised the price rates in late 1972.)

The result has been that we are rapidly depleting our known gas reserves. While in 1963 we had 20 years of reserves, in 1973 we have only 9.6 years. Despite an obvious need to remove the FPC regulated price, Senator Adlai Stevenson has a bill currently pending in the Senate (S2506) which will extend the FPC controls for the first time to the sale of gas within the state where it is produced. Natural gas is currently selling on the free market within the state where produced for about three times the regulated price. Gas producing states may be expected to hold more and more gas out of the interstate market and market it more profitably within the state.

An interesting side note is that while the FPC "protects the consumer from high prices" and creates shortages of domestic gas, another wing of the government is promoting the LNG tanker program to increase natural gas imports. The imported gas, largely from Algeria, is sold in the U.S. for about three to six times the price of our regulated natural gas.

We have vast untapped domestic resources of natural gas which, should capital be available to harvest them, have been locked up by environmental controversies. Meanwhile the Administration, has been promoting the pouring of billions of dollars in capital needed in this country, into developing the Siberian gas fields. The cost of this gas, according to former Commerce Secretary Maurice Stans would be about $1.50/thousand cubic foot, or five times the regulated price of our regulated natural gas.

The increasing shortages of natural gas and the pressures of the Environmental Protection Agency against the use of coal, are causing many users to switch to oil. At the same time, Senator Muskie's Clean Air Act of 1970 has tremendously increased gasoline consumption by at least 2 million barrels a day, when fully in effect.

However, while oil consumption leaps, our domestic oil reserves have been decreasing, dropping from 12.9 years in 1955 to 9.6 years in 1969. Two governmental regulations have been used as political footballs, creating uncertainty in sound planning by the industry and discouraging investment of capital in domestic exploration.

First is the oil depletion allowance. Devised to encourage the investment of capital in the very risky business of drilling holes in the ground, it allows a portion of the investment (only in holes that produce new oil or gas) to be written off as a tax deduction. It is under constant attack as a diabolical tax loophole. A potential investor, thus has no way of knowing from one year to the next how much the oil depletion allowance will be, or if it will indeed survive the "tax reformer's" wrath. Uncertainty always discourages investment. In 1969 Congress reduced the depletion allowance from 27½% to 22%. Since the chance of striking oil is much better when drilling in the Middle East, domestic exploration has lagged. Secondly, import quotas, instituted by President Eisenhower in 1959, were devised to control the amount of cheap foreign oil allowed into the U.S. Instead, the quotas have often been used by government officials to hold down prices of domestic oil, by threatening to allow a flood of foreign oil into this country at a cheaper price, if domestic prices were increased. There is little incentive to risk capital exploring for domestic oil, which might not even be able to compete with foreign oil in the market. Because of the severe domestic oil shortages and rising foreign prices, import quotas were finally removed in 1973.

It should also be remembered that there were no serious shortages of oil (or anything else) when price controls were put into effect in this country in August 1971. With the price of fuel oil frozen at the seasonally low price of summer, fuel oil shortages developed in the winter of '72–'73. Two obvious factors contributed to this shortage. Prices in this country were frozen at about 12¢ a gallon while selling in Europe at 25¢ a gallon so more fuel oil found its way into the more profitable open markets of Europe. Also, since gasoline prices were not as distorted, refineries turned out more gasoline which was more profitable. Attempts by refineries to correct this imbalance caused gasoline production to suffer in the summer of '73.

Such distortions are typical of the confusions that result when government attempts to control the free market. As with price-fixing of natural gas, the artificial suppression of the price of gasoline (to half the price of that in Europe) has both encouraged wasteful consumption and discouraged production.

It is worth noting the totally ignored fact that between 1963 and 1972 the retail price of gasoline rose less than 19% while the overall Consumer Price Index rose over 37%. From January 1st to August 31, 1973, the price of gasoline went up 4.4%. During the same period the Consumer Price Index rose by 5.9%. On a constant dollar basis the price of crude oil has declined over the past decade while at the same time costs of production have soared.

The U.S. is blessed with rich untapped supplies of oil. But because of impact studies, bureaucratic red tape and legal delays provided for by the National Environmental Policy Act of 1959 and Environmental Protection Act of 1970, environmentalists have been able to almost totally block exploration and production of oil from two of our richest domestic sources, the Alaska North Slope and off our shoreline. Though the Alaskan pipeline is finally about to go forward, five year delays have more than doubled the estimated cost from $1.5 billion to $3.6 billion, deprived us of two million barrels of oil a day and $2 billion per year on our balance of payments due to our need to import this oil.

Approximately half of the oil in this country is located on public lands, primarily on the outer continental shelf. Offshore drilling to recover this rich supply can only go ahead as the Interior Department leases areas for exploration. Using legal delays and regulations provided for by the National Environmental Protection Act of 1970, environmental groups have been able to tie up most such leasing in court suits.

Much of this activity is irrational and unjustified. About 17,000 wells drilled off our western and southern continental shelves have resulted in 25 blowouts and only *three* major spills. Studies, such as that conducted by forty leading scientists, led by Dr. Dale Straughan, a marine biologist from the University of Southern California have indicated that "Not only had overall damage by the spill been greatly overestimated, but where damage had been done, nature returned it to normal." In fact, there is evidence that the artificial reefs and barriers associated with the offshore wells may actually contribute to increasing fish populations in these waters.

As already indicated, U.S. coal is our most plentiful national energy source, but its use is declining rapidly. The only thing wrong with coal is that it can't be mined and it can't be burned. Though the low cost of natural gas has attracted users away from coal, the major impetus has come from environmental pressures. Making use of coal will depend on solving several key problems: sulfur dioxide pollution from burning coal with high sulfur content, objections to strip mining, increased mining costs required by the Coal Mine Health and Safety Act of 1969, and perhaps most important, developing the technology to extract oil and gas from coal.

Electric power plants and industries have been forced to discontinue burning coal because of pollution standards and are using up the oil, which is the only fuel that can be used to run an automobile engine or manufacture petrochemicals. The significance of this can be seen by recognizing that if electric utilities were totally returned to use of coal, and if one half of the oil and gas being used in industry were replaced by coal, it would almost eliminate our need to import oil and gas for years! Again, at the risk of being repetitive it is necessary to point out the governmental regulation such as price controls, environmental controls, and the Mine Safety Act have made it unprofitable to mine coal. This has dried up the investment capital that must be invested if the technology needed to solve the problems of coal is to be developed.

The major short term substitute for fossil fuels was expected to be nuclear power plants. However, once again environmentalists have blocked development. Licensing requirements and approval of literally dozens of governmental agencies, difficulty in gaining approval for building sites, and law suits have made it almost impossible to get a nuclear plant into operation. It now requires at least a ten year lead time. Ralph Nader and Friends of the Earth are currently in court attempting to close 20 of the 31 operating nuclear power plants.

Not only availability of raw products, but the ability to convert them into the useable products needed, are critical in the current energy crunch. The two major problems we face in this area today are lack of refinery capacity and lack of ability to convert primary fuels into electricity (power plants).

No refineries have been built in the U.S. for over five years and by mid-1973 none were under construction. Lead time in building a refinery is over four years, so our shortage of refinery capacity will worsen until at least 1977. An Arkansas Energy Forum study indicates that in April of 1973, the U.S. was importing refined products at the rate of over 4 million barrels per day, and that this need for imports will increase to 5.9 million barrels in 1974, and 7.5 million barrels in 1975. The total world's exportable refinery capacity is only expected to reach 7.5 million barrels a day in 1975. We will have to compete for that capacity with Japan and Europe. It is considered unlikely that we will be able to purchase more than three million barrels a day, and if the dollar continues to lose purchasing power due to inflation and devaluation, we may not be able to pay that much. So we are facing a critical shortage of refined products for the coming years.

Again environmental policies have made it almost impossible to find a refinery site. Fluctuating import quotas have made it impossible for industry to know whether a refinery, once constructed, could depend on having sufficient supplies of foreign crude oil. No one wants to spend millions to build a refinery unless assured of an adequate supply of crude oil. Fifty to seventy refineries will be required by 1985, requiring a capital investment of eighteen billion dollars (in today's dollars). Price controls on refined products have created a situation where refineries are not a sufficiently attractive investment to draw the needed capital. People will continue to invest where the profits are greatest and the risks least, hardly a description of the oil industry in recent years or today.

The growing shortage of electric generating capacity has come about for the same reasons as refinery shortage. Significant delays are being experienced in building power plants, again due largely to environmental objections. Expenditures have been required to shift existing poor plants from use of coal to use of oil or natural gas to meet environmental regulations. Now, in many areas they are being converted back to coal because of the unavailability of oil and gas.

Wall street analysts contend that an investment of $260 billion in power plants will be required by 1990 if brownouts and blackouts are not to become a way of life. Since utilities are government regulated, and the return on investment is not very attractive, these analysts question the ability of utilities to raise the capital required to provide the generating capacity needed.

This brings us to the crux of the problem, the economics of financing our energy needs. Barring radical changes in our rate of consumption and domestic production, the United States will import almost ⅓ of its total energy needs and over ½ of its oil by 1985. The cost of this imported oil between 1973 and 1985, based on a cost of $4.00 a barrel was expected to exceed $200 billion dollars and create a crisis in our balance of payments. This was an optimistic estimate since the cost has recently jumped to about $9.00 a barrel landed here. The great loss of purchasing power of our dollar abroad, due to our inflation and devaluation of our currency, makes it unrealistic to expect foreign oil prices to drop back to their former level.

The chart that follows gives some idea of our total short term energy costs between now and 1985:

$200–$400 billion—imported oil 1973 to *1985*;

25 billion—500 supertankers and 35 superports;

15 billion—tankers and facilities for importation natural gas;

20 billion—refinery capacity;

200 billion—power plant construction and transmission equipment;

15 billion—coal gasification;

100 billion—minimal exploration and development domestic gas and oil (each additional $10 billion here would reduce 1985 import requirements by 10%, and reduce import costs; and

600 billion—estimated total capital requirements through 1985 including above plus pipelines, railroad cars, etc.

The critical question is: Where does the money *come from*? Wall street analysts project the energy industries will have only *half* of the necessary capital, unless there is a radical change in the pricing system. Though politicians do not find the obvious answer politically acceptable, sound economics dictates a need for the price of energy to rise. A return to the free price system is the only mechanism that will create the capital needed to increase supplies, and will also reduce demand below the above projections.

Because we are no longer taught basic economics, we have lost sight of the function of the pricing system and of profits. The great function of the free price system is to force people to economize on those things which are in shortest supply. If price controls are taken off gasoline, it is true that the poor man may buy less than the rich man. This is true of anything which is not given away free. But as prices rise, people look for other options. Each person has a direct and immediate interest in using less fuel. As energy becomes more expensive more people will find mass transit attractive, insulation will sell better, people will give more consideration to the type of car and other energy using products they purchase, to the type of heat they use in their home. No government edict is as effective as an increase in cost in persuading people to readjust their values.

The second argument against allowing prices to rise is that the oil companies will make big profits. It is precisely these profits that will encourage people to invest in oil companies rather than elsewhere. And it is this ability to attract capital that will permit the energy producing industries to increase the supply. As supplies increase sufficiently, profits will fall once again to the level of other industries.

Though space does not permit a lengthy treatment of the subject of profits, a few basic misconceptions should be touched upon. First of all, many people who should know better, have created an impression of "windfall profits" by citing the percentage of increase of profits over last year. A moment's reflection will demonstrate that if profits climb from $1.00 to $2.00, the percentage of increase is 100%. Using these same misleading criteria, the Washington Post has enjoyed, this year, a profit increase of 249% and U.S. Steel of over 100%. No one is calling for penalty taxes of the newspaper or steel industry.

Secondly, there are various ways to measure profits, such as return on sales, return on shareholders equity, return on invested capital, etc. The gauges which have the most relevence reflect, not profit on sales (the figures being generally quoted) but profit on investment. It should be obvious that return on investment is the one barometer that will attract capital needed for increasing exploration and production. If the profits here were indeed so high, investors would be rushing to buy oil company stocks. The truth is that these stocks are plummeting because the return on investment in the oil industry is in the range of 10% while the return for manufacturing industries as a whole averages over 12%. Recent profit increases have brought the depressed industry back to the level of profits in 1967.

Third, it must be remembered what happens to profits. Exxon for example received much attention when it announced profits of $2.44 billion for 1973, but much less when it announced projected capital expenditures for 1974 of $3.7 billion.

Several undiscussed factors have contributed to a short term profit increase such as the selling off of inventories (which will have to be replaced) at a time when prices were rising sharply. Also a large part of the profits came from overseas operations and were due in part to currency revaluations. It is to be hoped that misconceptions about profits do not lead to punitive legislation that will prevent development of energy needed for our future.

We experienced the inhibiting effects of price controls (and profit controls) during the beef shortages of last summer. Beef products almost disappeared from the supermarket shelves until price controls were lifted. Beef prices rose permitting a fair profit, and beef again found its way to the market. As supplies increased the prices fell somewhat again and stabilized. If the prices are attractive enough, farmers will increase production of beef and it will be abundant next year. However, no amount of government intervention will force farmers to grow beef if it is not profitable. Rationing the beef would have insured that each person got a small taste of whatever scarce supply of beef was available, but it would not have made the beef more abundant, or more cheap.

So, rationing of petroleum products will not increase the supplies, or lower the demand. Each person, instead of having a stake in conserving fuels will be motivated to try to get all he can for fear he will be cut off later. Every pressure group will believe it is entitled to special treatment. Competition will shift from the market place to the political arena. Is there anyone who thinks that this will ensure him fairer treatment?

Price rises and healthy profits alone will not solve the energy problem as long as the government and the environmental movement prevent the companies from investing their capital in those areas which are necessary if our way of life is to continue—refineries, exploration, power plants, pipelines, superports, etc. Some balance must be struck between our energy needs and our environmental considerations.

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## CONGRESSIONAL COMMUNICATION

Mr. ERVIN. Mr. President, on February 20, 1974, the Joint Committee on Congressional Operations, under the chairmanship of Senator Metcalf, opened hearings on a most significant issue—Congress and the media.

Because of the importance of this issue to all of us, I would like to share with my colleagues the very thoughtful and substantive testimony delivered by Senator Muskie as the leadoff witness for these hearings.

Drawing upon a comprehensive survey conducted by his Subcommittee on Intergovernmental Relations, Senator Muskie presents a clear case for the argument that present patterns of communications between public officials and their constituents are simply not working as they should.

The Senator from Maine then proceeds to argue forcefully and convincingly that the Congress cannot afford to ignore new ways to communicate with the people who elect it. Though the price tag may be high for such projects as televising congressional debates, Senator Muskie concludes that the price we pay for public ignorance is even greater.

I urge my colleagues to give careful attention to Senator Muskie's remarks, and I ask unanimous consent that the entire text of his remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

### Testimony of Senator Edmund S. Muskie

I would like to begin today by congratulating the Chairman on his timely initiative in holding these hearings. If the strength of a democracy depends in the best of times on the degree to which its people are well informed, certainly the axiom carries even greater force today. When public confidence in the leadership of all institutions, and especially government, has reached an all-time low, while the complexity of the nation's problems reaches an all-time high, communications between the American people and their leaders should be better than ever before.

But we know that is not the case. Indeed, that is why we are here—because we recognize that in general, Americans are not well informed about their government, at any level, and that we in public life are somehow failing to communicate to those we represent what government is all about today.

My testimony today contains no quick answers to this dilemma. I do try to suggest ways in which we can change some of our practices in Congress to encourage more responsible press coverage and I raise some questions—for which I hope this Committee will seek answers—about the means we might consider of using television to present Congressional activities directly to the public. But before making proposals, I want to set out some of the evidence about the seriousness of the problem we confront.

### I.

In December of 1973, the Subcommittee on Intergovernmental Relations released a comprehensive study on the attitudes and expectations of Americans toward their government. That study, prepared by the Subcommittee staff and by Louis Harris and Associates, gave us fresh insight into the state of public awareness of government and its functions in the United States today.

The general public was asked a number of questions designed to measure the degree of public knowledge of government. The answers were almost uniformly discouraging.

While 89% of the public correctly identified the Governor of their state—

Only 46% were able to correctly identify their Congressman.

Only 59% correctly named one U.S. Senator from their state, and only 42% could name the other Senator as well.

And only 62% correctly identified the composition of the U.S. Congress, even when given the correct answer as a choice among three incorrect ones. A full 20% believed that the Congress is composed of the Senate, the House and the Supreme Court.

A different set of the study's findings show how inadequate the traditional paths of communication between officials and their constituents are today. While a number of these specific findings do not relate directly to Congress, they are parallel to our own situation and should help us discuss alternative proposals for change.

### II.

First of all, it is apparent that public officials think they are communicating with the public better than they actually are.

When asked how up to date they would rate the people in their area on what is going on in Federal, state and local government and in politics, the state and local officials sampled gave the public a higher rating in three out of four cases than the public gave itself.

These officials were fairly accurate in their estimate of public awareness of what is going on in the Federal Government and in politics. But when asked the same question about their own level of government, they missed the mark by a mile. Local officials over-estimated public information about local government by 26 points, the same margin of error State officials showed in assessing public knowledge of state government.

Federal officials were not included in our sample, and we cannot draw any conclusions about them on this point. Nevertheless, it is obvious that for state and local officials, at least, their communications with their constituents are successful only in their own minds.

### III.

My second point is more complex, but also, I think, more significant for our discussion. According to the study, the traditional means which most public officials use to communicate with their constituencies are simply *not* reaching those who need most to be educated about the way government operates.

On the contrary, those who benefit most from these regular avenues of contact are those who are already the best informed, and those who have a personal stake in a particular governmental function.

In one question, state and local officials were asked what means they use to keep in touch with those they serve. They responded as follows: 42%—personal conversations and contacts; 42%—public and community meetings; 36% through the media; 36%—answering correspondence; 29%—answering telephone calls; and 21%—keeping their offices open to people.

In a follow-up question, they were asked which regular contacts they maintain with the public and how worthwhile they find such activities. Of the 70% who keep regular office hours, 77% found doing so very helpful in getting their job done. Of the 88% who make speeches and appearances on a regular basis, 68% found doing so very helpful. Of the 66% who attend weddings, funerals and social events, 34% found doing so very helpful. And of the 38% who send out newsletters on a regular basis, 51% found doing so very helpful.

The citizens' perspective on these same functions is markedly different.

Measuring public contact with elected Federal officials, we asked people whether or not they had ever received a mailing from their Congressman or Senator. 74% of the public said they had received a letter from the former, and 59% from the latter.

On the surface at least, these figures are fairly impressive. But they are misleading. While 83% of the college educated said they had received a mailing from their Congressman, only 61% of those with an eighth grade education had. While 74% of those with an annual income of $15,000 or more had received a letter from their Senator, only 50% of those in the $5,000–10,000 income range had. While 72% of those the study designated as "active citizens" and 67% of those who said they voted in the 1972 election had received a mailing from their Senator, only 38% of those who did not vote had. And while 78% of whites had received a letter from their Congressman, only 42% of blacks had.

At the state level 37% of the officials reported keeping regular office hours, and 74% found this service very helpful in getting their job done. However, when the people were asked if they had ever visited a state legislator in their state capital, only 14% responded affirmatively. Among professional, college educated and active citizens, this percentage rose to over 20%. However, for blacks it was only eight percent; for those with an eighth grade education, five percent.

Among local officials, 27% volunteered that responding to their mail is an important way for them to keep in touch with their constituents. However, for the people they seek to serve correspondence is far less significant. Only 19% of the total sample said they had ever written a letter to a local government official. For the wealthier, the better educated and the "active citizen," this percentage rose substantially to 30% or better. For blacks, however, it sank to six percent, and for those who did not vote in 1972, to 11%.

I could cite more statistics from the study on this point, but the message is already clear. In almost every case, the means of communication elected officials use primarily reach those who are already best informed—the college educated, the upper income group, the active citizen. Likewise, in every case, the less educated, the poorer and *those who did not vote* do not participate in the communications process. While most of these figures relate to state and local officials only, I would guess that we in Congress are equally trapped in the same pattern of two-tiered communication.

### IV.

On a related point, the Subcommittee study also reveals that those in our society who actually go to their government directly to get it to do something for them are the same well informed and active people. Moreover, they generally go to their government for a particularized, personal service rather than on broader policy issues of concern to the general community.

Only 24% of the general population reported ever having gone to their local government. Among the college educated the figure was 38%, 42% among professionals, and 39% among active citizens. For blacks, the figure was only nine percent; for those who did not vote in 1972, 15%. And the same pattern holds for those who have ever gone to State or Federal Government, though the percentages of contact are much lower across the board.

The concerns that take people to their government are varied, but primarily personal. At the local level, traffic-related problems and zoning questions elicit the greatest public action. At the State level, the most common motive for contact was financial assistance of one form or another, with scholarships aid often listed as a specific concern. Of those who contacted the Federal Government, the largest number said they sought help on such matters as citizenship, disability insurance payments, social security, and passports, followed by persons seeking Federal grants or research aid and individuals with military-related problems.

By and large we found that citizens do not go to their government to communicate with officials about broad policy questions, but rather to seek help on problems which involve only the mechanics of government. With the sole exception of the Federal Government, where 23% of those who said they had ever gone to the Federal Government to get it to do something had written to express an opinion on an issue, in no other instance did a substantial number of persons cite the expression of their viewpoint on a public issue as a reason for going to their government.

### V

The lengthy, detailed analysis I have presented of the communications gap between the government and the governed is only helpful as a diagnosis if we can go beyond it to prescribe some curative measures. I hope I am not mistaking the symptoms for the illness when I insist that relations between officials and the press are the key to restoring public contact and—ultimately—public confidence.

Television and the printed press are the megaphones which carry our thoughts outside this room. It will be months, I would imagine, before these hearings are printed, and even then, most of the records of your Committee's work will end up on library shelves. If we have a message to transmit, we must rely on journalists to amplify it for us—or find new means to go directly to the people.

The Subcommittee survey found, to no one's surprise, that Americans rely overwhelmingly on television and newspapers to inform them about public issues and the conduct of government. Yet, as I already observed, the public knows itself to be poorly informed.

The survey also found—in the wake of the journalistic enterprise that went into investigating the Watergate scandals—that television news and the press were the only major institutions with a higher standing among the public in 1973 than they had in 1966. These levels of confidence are less than awe-inspiring: 41% for television news and 30% for the press. Nevertheless, the public rating is at great variance with the view of state and local officials, 17% of whom accord television news a great deal of confidence and 19% of whom give the same respect to printed reporting.

Those figures define the problem. The men and women who know most and best what government is doing also trust least the only reliable means they have for communicating their knowledge, for eliciting a public judgment on their performance and, most importantly, for developing a public role in the work of government.

In passing, I might suggest some reasons for that lack of trust. It does not stem from the sensitivity of officials to criticism and exposure. We are all sensitive; we are all, in many respects, secretive. But no one who runs for office in a democracy now nearly two centuries old can be so naive or vain as to expect universal praise or think himself immune from probing inquiry.

### VI

Our problem with the press is not that it investigates too much, but that it reports too little. We all know that conflict makes news. But we also know that a televised shouting match usually concentrates more on the exchange of insults than the exchange of ideas. A Congressional investigation receives more attention when important voices—but not necessarily significant questions—are raised.

The opposite is true for the activities which constitute the bulk of our productive work in the Senate—the actual exercise of legislating. Until this Congress, of course, we did not permit public scrutiny of the committee mark-up process, the occasion when most legislation takes final shape, when disagreements are sharply drawn and frequently reconciled.

But I am confident that a poll of those committees which have opened their doors during mark-up sessions would reveal that private interests have been well represented in the audience—as lobbyists—while the public interest—in the form of journalists—has been noticeably absent. You and I know, Mr. Chairman, from our own experience how little publicity was given the recent mark-up sessions of the Senate Government Operations Committee which resolved difficult problems on executive privilege, on reforming Congressional budget procedures and on revising the government procurement practices which account for billions of dollars in annual outlays.

Now why are there dozens of reporters and three television network cameras covering testimony on government secrecy and none at the committee meetings where laws are written to deal with those problems? The answer, I suspect, is that a clash of opinion is innately more newsworthy than the resolution of those differences.

That judgment of what makes news is one we must live with while we do our best to alter it. To the extent that committee members—and even special committee staff—engage in a constant attempt to brief journalists in advance of a mark-up session, or a floor debate, on the issues involved, we may be able to increase the informative coverage our work merits. Such activities will take time from us and money from our committee budget. We ought to give them a try.

In a column last May in the Washington Post David Broder intimated that responsible journalists recognize their profession's shortcomings. He suggested that newsmen should say "publicly what we know to be the case: that every day, we print a partial, incomplete version of certain selected things we have learned, some of them inevitably erroneous, all of them inevitably distorted by the need to abridge and by the force of our own preconceptions and prejudices. If we acknowledged that fact of journalistic life, perhaps we could act more quickly—and with less coyness—to correct yesterday's version with today's fresh evidence."

A second problem, however, is that one leak is often worth a thousand releases. A fact—or a prediction—that has been kept secret sets the adrenalin of editors pumping faster than an announcement made in broad daylight and delivered to their offices days ahead of their deadlines. Occasionally—if not seriously—I wonder if we might not get more attention if we stamped our material "Confidential" or "Eyes Only" and passed it out with whispers instead of with messengers to the press gallery.

### VII.

In fact, however, our only proper course is to invite more publicity, not less, by exposing ourselves more to the public than ever. If a committee inquiry into the problems of federalism or environmental policy or health care cannot compete for attention against all the other news events in Washington, we should take the committee to the expert witnesses in the States, where the presence of a few Senators is more likely to arouse interest.

The financial differential between paying our fares out of the Capital and the expenses of the men and women we bring here to testify will not be great. And the added attention we can promote for an issue by taking the issue to those who must deal with it will often be worth the price.

When Lou Harris presented his findings in formal testimony to the Subcommittee on Intergovernmental Relations, I introduced him by saying, "The dialogue—in which the press is the essential intermediary—between the people and their leaders is being interrupted and distorted.

"To restore it will take a change of manners not laws, on both sides. The change will have to begin with a new acceptance by officials of the necessity of submitting their public conduct to continual scrutiny and a new willingness by journalists to conduct that scrutiny with an eye to information as much as sensation."

That is, I realize, a broad and imprecise prescription. While we are trying various means to fill it, I would only urge, in addition, that we explore the other option: that of finding new ways to inform the people directly, without intermediaries, of our activities. Obviously, television is the only medium that can carry such a message for us effectively.

Equally obviously, the use of television by Congress to present itself more fully to the public raises a number of questions. I cannot answer them, but I can and do urge that your committee give them thorough study.

From the practical point of view, we need to be able to estimate the cost of televising floor debates either continuously or optionally, according to the importance of the issues under discussion. We need to know what staff would be required for such an undertaking. We need to examine the cost—and value—of a Congressional service covering committee hearings and mark-up sessions, either to offer videotape footage to the commercial networks or for use in preparing programs the Congress itself sponsors as legislation comes to the House or Senate floor for decision.

I can imagine programs, properly supervised, which would give viewers the essential background on important bills, present excerpts of actual debates and even make the chief sponsors and opponents of such legislation available as a panel to answer telephoned questions from all over the country about the issues involved. I can conceive, even, of a public television network controlled by Congress offering nothing but views of Congress at work.

I cannot, however, begin to estimate the cost of such an undertaking. I can only wonder aloud what agreements between the majority and minority parties in each House—and between the Houses—would be necessary to control such programming. And I have to ask, quite frankly, what audience we might reach with daytime broadcasts of the proceedings on Capitol Hill.

I do not, however, put these questions forward as extravagant fantasies. If such broadcasts—such a network, perhaps—could perform a truly informational role, the considerable cost of establishing it should be weighed against the price we now pay for public ignorance.

I hope you will give these questions serious study. It is time they were asked. I hope they can be answered.

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## HEAT FOR CLASSROOMS FROM SUNPOWER

Mr. BEALL. Mr. President, one of the major answers to the energy crisis lies in the ability of this Nation to develop new sources of energy for our growing demands. One of the prime possibilities for energy in the future is, of course, in the area of solar energy. Recently, a Maryland school became the first in the Nation to obtain heat from the sun. Timonium Elementary School, which is located near Baltimore, is now making use of solar power to heat one classroom wing, and many Americans are now watching this project with great interest, hoping that it can be used in other areas for much-needed power.

Because of the general interest in solar power, I ask unanimous consent that a brief description of the project be printed in the Record, for the benefit of my colleagues.

There being no objection, the paper was ordered to be printed in the Record, as follows:

### Elementary School Becomes First In United States To Get Heat for Classrooms From Sunpower

A typical American elementary school today became the first in the nation to obtain heat from solar energy.

The project is one of a group of four experiments at schools in the northern and middle latitudes of the United States to test the use of sunpower for heating of buildings.

Some 5700 square feet of solar energy collector panels on the roof of the Timonium Elementary School, near Baltimore, Maryland, will heat water to replace the existing oil-fired steam heat system in serving one classroom wing.

The solar energy experimental system is designed to provide all the heat in that wing under average conditions, with its steam heating standing by in the event of sharp departures from expectations.

The four school experiments are funded by the National Science Foundation's program of Research Applied to National Needs (RANN), which is supporting research looking to wide application of solar energy for heating and cooling of buildings.

The other school experiments are in Warrenton, Virginia; Boston, Massachusetts; and Osseo, Minnesota, near Minneapolis.

The AAI Corporation, of Baltimore, designed and manufactured the system for the Timonium school and retrofitted it on the structure.

The project is a cooperative one with the Baltimore County School Board. The four experimental solar energy experiments are expected to add important scientific and technical knowledge on the use of such systems in schools and many other types of buildings, as new or retrofit installations. Data on the costs of systems and operating and maintenance costs will be obtained.

A principal purpose of the Timonium project is to help determine whether solar heating systems can economically reduce the fuel required to heat school buildings by substantial amounts. The school is representative of many others across the United States, basically one-story construction with window walls on one side of each room.

The section equipped for the solar energy heating test at Timonium is the central wing of three, running north-south. The solar collectors are ranged in 10 banks across the roof, tilted at 45 degrees, and facing south. There are 180 individual collector panels, each of 32 square feet.

The essentials of the system are the solar collectors, a heavily-insulated 15,000 gallon hot water storage tank, and a hot water room heating system fed directly from the collector or from the storage tank. The results will be compared with the heating requirements supplied solely by a conventional oil-fired steam boiler for the other two wings.

The solar energy system is phased to collect and store heat one day, use the heat early the next day, and repeat the cycle. Enough heat is stored in the tank to heat the school for four or five days.

Controls will utilize a simple logic circuit which will regulate storage, collection, and heat transfer to the building, and call for conventional heat if necessary. School temperature will be allowed to drop to 60 degrees at night and on weekends. Heat will come on early enough each school day to bring the temperature to 68 degrees by school opening time.

The major components, such as the individual collector panels, the collector banks, and the storage tank, were fabricated at AAI's plant and trucked to the school. Most work was done outside of school hours, with minimum interference with classes. The storage tank sits outside the school, with a pump house near it.

An instrumentation and operations console is in one corner of a room in the school which is intended for future use as a library. AAI personnel have access to the instrumentation for data observation and collection.

The project director and principal investigator is Irwin Barr, vice president of AAI Corporation. AAI will prepare a final report which will detail all costs, and make estimates of costs for "production" installations. Performance data will be prepared in a form useful to architects and designers so that preliminary estimates can be made for new school installations and retrofit installations in schools, warehouses, shopping centers, and other buildings.

The reporting will also include a complete description of a solar heating system installed in a typical school containing about 30,000 square feet of area to be heated. A "do it yourself" estimating form will be prepared, with directions for filling it in to identify capital and operating costs to be compared to similar costs for fossil fuel and electric heating of buildings, both existing and to be built, allowing for variation in future fuel and electricity costs. Detailed technical results obtained during operation of the system will be reported.

The annual energy consumption for public and private schools is over four per cent of the annual U.S. commercial sector energy demand, and one per cent of total annual U.S. energy demand. The Timonium installation, being a "first," and experimental, is not economically competitive with conventional systems because savings obtainable in "production" systems of established type could not be made.

### FACT SHEET

Supported by: The National Science Foundation (NSF).

Contractor: AAI Corp., Cockeysville, Maryland.

Site: Timonium Elementary School, Timonium, Maryland.

Jurisdiction: Baltimore County School Board.

Type: Roof-mounted Solar Collector Array, Hot Water Room Heating.

Area of Wing: 9581 Square Feet.

Solar Collector Total Area: 5700 Square Feet Approx.

Individual Collector Panels: 32 Square Feet.

Number of Panels: 180 in 10 Banks.

Attitude of Collector Panels: 45 Degrees.

Orientation: South.

Storage Tank Capacity and Dimensions: 15,000 Gallons; Height 15 Feet; Diameter 15 Feet.

Interior Heating System: Hot Water Convector.

Location: Window Wall Each Classroom.

Existing System: Oil-fired Steam Heat.

Manufacture: Individual Panels, Collector Banks, Storage Tank: Fabricated at AAI.

Project Costs: $495,000 NSF; $73,000 AAI.

Other Schools: Experiments with solar energy heating for sharing heating loads with conventional systems are at Fauquier County Public High School, Warrenton, Va.; Grover Cleveland Junior High School, South Boston, Mass.; and North View Junior High School, Osseo, Minn.

## SENATOR BYRD OF VIRGINIA QUESTIONS SECRETARY KISSINGER ON RHODESIAN POLICY

Mr. HELMS. Mr. President, I want to direct the attention of my colleagues to a recent exchange between the distinguished Senator from Virginia (Mr. Harry F. Byrd, Jr.), and the Secretary of State, Dr. Kissinger, at Finance Committee hearings on the trade bill.

Senator Byrd's time for questioning was, of course, limited, but in a short space of time he very skillfully brought out the Secretary's reluctant views on a number of important matters. In the light of the Secretary's considerable reputation for semantic adroitness, the accomplishment of the Senator from Virginia was no small feat, and deserves to be highlighted on this floor.

The Senator's main line of questioning deals with the extent to which the Secretary has committed the United States to courses of action without appropriate review by Congress. Senator Byrd brings out that the trade bill, for example, is desirable in the Secretary's view only if the Secretary's personal commitments to the Soviet Union are kept. He brings out that the Middle East peace agreements appear to involve military commitments which are unstated.

Most interestingly, he brings the Secretary to the point where he must admit that the United Nations embargo against Rhodesia is based upon a fallacious notion, namely, that Rhodesia is a threat to the peace. Dr. Kissinger admits that Rhodesia is no threat to the peace. Yet the United States supported the embargo because of commitments to other nations. Finally, Senator Byrd makes the Secretary clarify the limit of our commitments to the Republic of Panama in the recent "Statement of Principles" which the Secretary signed in Panama City.

The Secretary's highly personal diplomatic style, often without the participation of experts in other agencies and levels of the Government, has often led us into the position of apparent commitments to other nations, commitments made without sufficient consultation and debate. I congratulate the Senator from Virginia for drawing the Secretary out on these issues.

Mr. President, I ask unanimous consent that the text of the exchange between Senator Harry F. Byrd, Jr., and Secretary Kissinger be printed in the Record at the conclusion of my remarks.

There being no objection, the text was ordered to be printed in the Record, as follows:

### Senator Byrd Questions Secretary Kissinger at Senate Finance Committee Hearing, March 7, 1974

The Chairman. Senator Byrd?

Senator Byrd. Thank you, Mr. Chairman.

Mr. Secretary, am I correct in my understanding of your statements today that the major, the most important, and the most compelling aspect of the pending legislation is Title IV, giving trade concessions and credits to Russia?

Secretary Kissinger. No, Senator Byrd, I do not think you would be correct in drawing this conclusion. We think that the whole bill is of extraordinary importance.

The reason that I have emphasized the amendments that have been made to Title IV is the consequences of these amendments on our foreign policy would be so severe. But, if you ask me to compare Title IV as it was drafted, or as it was proposed to the Congress, and its significance to other Titles, I would not single it out.

Senator Byrd. Well, I am asking you to compare it as it exists today, as it is before the Committee today.

Secretary Kissinger. As it is before the Committee today, it is the part which most requires change, and therefore, I have singled it out in my testimony. It is the most urgent issue before the Committee, in my view.

Senator Byrd. If it is not the most important, and the most compelling aspect of this legislation, then why would you recommend a veto?

Secretary Kissinger. Well, when I was asked the question I think Senator Hartke correctly pointed out that I was in some difficulty; that I would not recommend a veto very happily and very easily because I think it is equally compelling, or almost equally compelling, to have a—to create a multilateral trading system. It is going to be a very close decision which I hope we will not be forced to make.

I believe that the impact of withholding most favored nation treatment from the Soviet Union, after the record that I have put before the Committee, would have a very serious effect on our relationships with the Soviet Union.

Senator Byrd. Well, the fact that you would recommend a veto, as you stated you would do, certainly suggests to me that you regard that part of the bill as more important than all of the rest of the bill, combined.

Secretary Kissinger. Well, I have every hope that we will not be faced with this decision and that we can work something out before I will have to face that question.

Senator Byrd. In other words, you feel that you made a commitment to Russia in that regard?

Secretary Kissinger. I feel that we have made a commitment, but that, I think, is relatively less important because it would be clearly understood that the commitments would fail for reasons that are outside of our control.

I believe that the evolution toward a more moderate international system, that the prospects of peace, would be severely jeopardized—not in the sense that a nuclear war would start, but in the sense that relationships would deteriorate and some of the cold war atmosphere would return; and that in this resulting atmosphere of tension, there could be—that this could have consequences that we would all regret, and I believe it is unnecessary.

I believe we can achieve the objectives of the Trade Act as well as our foreign policy objectives, and many of the objectives of those who have put forward the amendments, without driving it to this confrontation.

Senator Byrd. An outstanding newspaper—The Richmond Times-Dispatch—had an editorial on Monday—I just saw it today—in which it commends your efforts in the Middle East and I certainly concur in that. You have done a magnificent job. But it comes up in the context of commitments. The editorial ends by saying that what is known of the developments in the Middle East is fine for the Arabs and is fine for the Americans and is fine for the Russians, but the missing ingredient according to the editorial is what secret commitments, if any, have been made to Israel.

And the editorial says, Israel very likely is being offered nothing less than the military protection of the United States. Now my question is, have any commitments been made to Israel and has the military protection of the United States been offered to Israel?

Secretary Kissinger. No commitments, either secret or otherwise, of any kind, have been made to Israel, or to anybody else. Everything, every understanding that has been reached, has been put before the Senate Foreign Relations Committee, and every understanding, written or implied, has been shown to the Chairman of the Senate Foreign Relations Committee and is available to the Chairman of the House Foreign Affairs Committee.

Senator Byrd. Well, there are commitments and agreements?

Secretary Kissinger. There were a series of technical understandings associated with this disengagement agreement, most of which have been already superseded by the implementation.

We were in the position where, on occasion, neither side was willing to accept a proposal by the other, but that both sides were willing to accept proposals when they were made by us. Sometimes we passed on understandings of one side to the other.

There is no military commitment to Israel and no additional commitment except those that are generally known to have been made to Israel or to anybody else as a result of the negotiations that are now going on.

And I am not hedging. There is nothing—there is no escape clause in what I am saying.

Senator Byrd. Mr. Secretary, would you agree or disagree with Sakharov's statement in regard to detente in which he said, and I quote, "Detente is when the West in fact accepts Russia's rules of the game. Such a detente would be dangerous."

Secretary Kissinger. Well, Senator Byrd, the relationship between domestic structure and international stability is a problem that has fascinated students of history for a long time. Is it necessary to have democracy in order to have peace? I think it would not be easy to demonstrate from history that democracies are always peaceful.

At any rate, to bring about democracy in the Soviet Union in the face of 300 years of Russian history followed by 50 years of Soviet history, as a pre-condition to making peace would doom us to decades of struggle, and the outcome would not be foreordained. We do not approve of the Soviet domestic structure. We do not like its values. We do recognize, however, that today, and for the immediate future, we are doomed to co-existence with the Soviet Union.

Senator Byrd. That is what gets me to the next subject that I was interested in, the question of domestic policy in other nations and subjecting ourselves on other nations. You are here to advocate relaxing trade barriers with other nations, but you recommend that legislation be enacted by the Congress to embargo the purchase of a vitally strategic material from Rhodesia, of which material the United States has none.

Now your testimony before the Foreign Relations Committee, of which the present Chairman is in the Chair, you were then urging an embargo on trade. Now you are coming here and urging a relaxing on trade with another country.

Secretary Kissinger. First of all, Senator, I must say you were very restrained in your first round of questions.

(General laughter.)

Secretary Kissinger. I have already been asked substantially this question earlier. Quite frankly, the foreign policy context of the decision is somewhat different, both because of the case of Rhodesia, it is tied to the status of the government itself. It is tied to the implementation of U.N. resolutions. And it is related to our relationship with many other countries.

In the case of the Soviet Union you have this overriding, practical necessity.

Senator Byrd. Do you think our actions toward Rhodesia are just or unjust?

Secretary Kissinger. I think it reflects the decisions of the international community and the general conviction about justice.

Senator Byrd. Well, I am not clear whether you regard it as just or unjust.

Secretary Kissinger. Our action? Yes, I recognize it as just.

Senator Byrd. You recognize our action in embargoing trade with Rhodesia as being just?

Secretary Kissinger. Yes.

Senator Byrd. Do you regard the Soviet Union as being governed by a tight dictatorship, by a very few persons over a great number of individuals?

Secretary Kissinger. I consider the Soviet Union, yes, as a dictatorship of an oligarchic nature, that is, of a small number of people in the Politburo.

Senator Byrd. In your judgment, is Rhodesia a threat to world peace?

Secretary Kissinger. No.

Senator Byrd. In your judgment, is Russia a potential threat to world peace?

Secretary Kissinger. I think the Soviet Union has the military capacity to disturb the peace, yes.

Senator Byrd. In your judgment, does Russia have a more democratic government than Rhodesia?

Secretary Kissinger. No.

Senator Byrd. In your judgment, does South Africa have better racial policies than Rhodesia?

Secretary Kissinger. Does South Africa have better racial policies?

Senator Byrd. Yes.

Secretary Kissinger. I would not think so.

Senator Byrd. If it is just to embargo trade on Rhodesia, would it be equally just to embargo trade against South Africa?

Secretary Kissinger. I believe that the embargoing of trade on Rhodesia is not based on its internal policies so much as on the fact that a minority has established a separate state, and it does not therefore represent exclusively a judgment on the domestic policies of the Rhodesian government, but also a question with respect to the legitimacy of the Rhodesian government.

Senator Byrd. The staff informs me that the Rhodesian trades actions were imposed January 5, 1967, before the Smith government was established.

Well, to get back to—so it is not because of the internal policy, it is not because of the racial policies——

Secretary Kissinger. Not at all.

Senator Byrd. Well, then you say it is because Rhodesia seeks to establish her own government. Is that not what the United States did in 1776?

Secretary Kissinger. In a different international context.

Senator Fulbright. Well the Secretary said he would stay until 1:00 o'clock. Does the Senator from Virginia have two or three more minutes he would like to have?

Senator Byrd. I have three or four more questions.

(General laughter.)

Senator Fulbright. Well, the Chairman made a bargain with him. If he stayed until around 1:00, he would not have him back this afternoon.

Senator Byrd. But the Chairman made a bargain on behalf of himself, not on behalf of the Committee.

Senator Fulbright. Well, go ahead.

Senator Byrd. My questions are brief and I do not want to hold you up, Mr. Secretary.

Senator Fulbright. No. The Senator is recognized.

Senator Byrd. Mr. Secretary, I am very much interested in this Rhodesian matter. I have never been there. I have no connection with it one way or the other. And you have testified that you feel that the action that the United States has taken is a just action, and you are entitled to your view, just as I am entitled to my view; I feel that it is a very unprincipled action.

Now you have testified, and it is interesting to note, that the then foreign secretary of Great Britain, Douglas Hume, in an interview last December, said that while his government supports trade sanctions against Rhodesia because it had been put on by the previous Labor government, he did not think it was the correct policy. And then he added "We disagree with the political systems of a number of countries, for example, South Africa. But we trade with them. And by and large, we do not believe in ostracism and a boycott."

Would you care to comment on that?

Secretary Kissinger. I agree with the general principle that he has enunciated.

Senator Byrd. And then you have testified that you do not regard Rhodesia as being a threat to world peace.

Secretary Kissinger. That is correct.

Senator Byrd. And then you know, of course, that under the United Nations Charter action can only be taken against a country in regard to an embargo, if that country is judged to be a threat to world peace.

And so my question to you is do you think the United Nations acted improperly?

Secretary Kissinger. I had not thought that the United Nations had acted improperly, but in the light of what you have said, I would have to review the particular positions of the embargo.

Senator Byrd. Thank you. I have just one more question, and I want to say, Mr. Secretary, as you know, I have a high regard for you. We met five years ago in the President's office, and I have had a warm regard for you ever since then, for yourself and for your ability. In presenting these questions, I just want to understand the issues. There are vitally important matters, and I think the matter of Rhodesia pertains to something that should be considered in the context of this pending legislation.

But there is one statement that I would like to take exception to that you made, Mr. Secretary, in Panama. Now you said this in your statements to the Panamanians—that you commit the United States to prompt completion of negotiations leading to the transfer of sovereignty over the Canal Zone from the United States to Panama. I just want to get clear whether you can commit the United States to negotiations leading to giving up the Panama Canal in perpetuity.

Secretary Kissinger. I can commit the United States to the negotiations. I cannot commit the United States without ratification by the Congress to the result.

Senator Byrd. That is why I thought that it was unfortunate to use the word commit. I think that might be misleading.

Secretary Kissinger. I do not have the text in front of me, Senator.

The intent was to commit the United States to prompt negotiations leading to a result that had already been agreed to in these principles. There was no additional commitment involved except to the prompt negotiation.

Senator Byrd. Leading to the transfer of sovereignty.

Secretary Kissinger. To negotiations leading to the transfer of sovereignty. This was part of the eight principles that were signed.

Senator Byrd. This has not been agreed to by the Congress.

Secretary Kissinger. But of course the Congress will have an opportunity to reject it. The commitment obviously extends only to the prompt negotiations and to the content of what we will submit to the Congress. It cannot commit the Congress to approve it.

Senator Byrd. Well, I hope the Panamanians understood that.

Thank you, Mr. Secretary.

## NEW CITIZENS

Mr. FONG. Mr. President, I ask unanimous consent to have printed in the Record a timely and thoughtful speech by an American woman of international prominence. Mrs. Anna Chennault, vice president for international affairs, Flying Tiger Line, Inc., addressed the new citizens at a naturalization ceremony on February 12 in the U.S. District Court of the District of Columbia.

Mrs. Chennault spoke of the opportunities and obligations of new citizens to help enrich the culture and other aspects of American life. She expressed her deep faith in the United States as the "hope for freedom and land of opportunity" and as a country which expects and encourages new directions for working together. Mrs. Chennault's words carried special meaning for her audience because she herself became a U.S. citizen by naturalization in the District of Columbia some years ago.

I commend her speech to all who believe in a strong and peaceful America, and I ask unanimous consent to have it printed in the Record.

There being no objection, the speech was ordered to be printed in the Record as follows:

### Remarks to New Citizens

(By Anna Chennault)

Judge Corcoran, honored guests, and friends: This is a very special occasion for our new citizens, and I am honored and privileged to have this opportunity to share with you your joy and excitement.

As we welcome our new citizens, I wish to tell you that I, myself, became a United States citizen in the District of Columbia some years ago. When I look at the list provided me, I notice we have 25 different nationalities. When we talk about the United States being the "melting pot of talent," this selection of people certainly demonstrates our point. I wish to speak to you as a friend this morning, not as a lecturer.

You have waited for many years to become an American citizen, therefore, first of all allow me to congratulate and welcome you to this big family. You come from different parts of the world. Some of you came to the United States to seek new opportunity, to be with your family, to seek freedom, to build a better future for yourselves and your children, or to have a better education. Regardless of what your reasons may be, you must care enough about America in order to be a citizen of this great nation.

On this very special day, allow me to share with you my humble thoughts. As you all realize, America is a young nation. Her culture, her philosophy, and her religions are combinations of many cultures. Therefore, may I say to all of you, whether you are from Europe, Asia, Latin America, Africa, or any other part of the world, you bring with you your own heritage.

Consequently, it is important that you and your children be proud of such heritage and use your heritage to enrich your adopted country.

I have known many naturalized citizens who have not preserved their own culture. This is certainly considered a waste of human potential. The combined heritage of different people is one of the elements to give strength to this great land of America.

Talking about America, let me tell you in a few words what I think of my adopted country. I have done a great deal of traveling on account of my work. Regardless of what other people have to say about this country, the majority of the people still regard America as the hope for freedom and land of opportunity, and I think it is most important that as a nation we do care about the others. We cared enough to fight in the First World War, we cared enough to fight in the Second World War, the Korean war, and in Southeast Asia. Now that we have ended the longest war in our history, we have begun to work and try to achieve the longest peace.

Our foreign policy is peace. Peace through strength, through new defense strategy, through negotiation. Our relationship with our allies as well as with other world powers have new directions and new priorities. It is our responsibility and our privilege to participate in political elections. Building a strong America is our unfinished business. May we ask all of you—our new citizens—to help us in continuing our job.

In the 70's, we experienced disappointments as well as achievements. Wherever there is progress, there is challenge. Shaping a peaceful world requires an America who remains strong; an America who cares enough to stay involved. Your citizenship, like mine, has not come easy to you like a native born. In order to preserve our privilege and your opportunity, you must work hard to fulfill your obligation.

The first advice I can give you is that you must register to vote. This is not only your privilege, but your obligation. Our system is a democratic system. This is a country for the people, of the people, and by the people. You have just as much right as the person next to you to make a change. As a new citizen, where do you begin? The way to begin is through political, economical, social, and moral avenues. We must not be afraid to be involved.

You all want better opportunities to serve your country. It is up to you to seek the channels so that your talent, your culture, your ability is recognized and can be part of the contribution for the new challenge of this most demanding decade. Let us combine our strengths and our efforts to make this new era a most exciting period of our time.

In 1976, this Nation will celebrate her 200th birthday. For you and many new citizens like yourselves, we expect and encourage new directions and new ideas to work together. We are proud to be Americans, and let us make certain that America can be proud of us.

Allow me to quote you a few lines from the poem, "I am an American", by Carmen Dragon:

#### I AM AN AMERICAN

I am an American,
Listen to my words,
Listen well . . .
For my country is a strong country,
And my message is a strong message,
I am an American,
I speak for democracy, and the dignity of the individual.

I am an American,
And my ancestors have given their blood for freedom.
A million and more of my countrymen have died for freedom,
I am an American,
And my country is their eternal monument.

I am an American,
And the fruits of my thought and labor are mine to enjoy.
I am an American,
And my heritage is of the land and of the spirit, of the heart and of the soul.
I am an American, and these are my words . . .
Show me now. . . .
A country greater than my country,
A people more fortunate than my people!

I congratulate you, for now your dream is fulfilled and your hope is achieved.

## ENERGY AND RESOURCE RECOVERY FROM SOLID WASTE

Mr. DOMENICI. Mr. President, I wish to call to the attention of my fellow Senators and the public the recent remarks on solid waste management and recovery of energy and resources by Arsen J. Darnay, the Deputy Assistant Administrator for Solid Waste Programs of the Environmental Protection Agency.

Mr. Darnay's opening statement and the accompanying materials indicate clearly that there is a vast potential for the recovery of energy from the mountains of solid waste which our cities and towns now view generally as a problem to be buried and as a potential serious risk to health and the environment.

Mr. Darnay points out that there is sufficient energy in the solid waste which our cities generate to light every home and business in the country, the equivalent of 150 million barrels of oil a year.

I urge Senators to review this excellent background material in the context of our continuing concerns that we first maximize production of sufficient domestic energy for all of our national needs and, second, that we do so in an environmentally responsible manner. This data represents graphic evidence that energy production and environmental protection are complementary rather than conflicting goals.

In the next few days I intend to introduce significant new legislation which will give EPA the authority, the administrative mechanism, and the funding to assist States, municipalities, and industry in achieving what primarily must be their responsibility for exploiting these potential new sources of energy and raw materials.

Mr. President, I ask unanimous consent to have printed in the Record Mr. Darnay's statement, the EPA press briefing, and a set of questions and answers on resource recovery.

There being no objection, the material

was ordered to be printed in the Record, as follows:

### STATE-OF-THE-ART BRIEFING ON SOLID WASTE MANAGEMENT AND ENERGY

(By Arsen J. Darnay, Deputy Assistant Administrator for Solid Waste Management Programs, U.S. Environmental Protection Agency)

It is a pleasure to have this opportunity to give you a brief state-of-the-art report on EPA land protection and residuals management programs, with special emphasis on how our activities are related to the energy problem.

The United States annually consumes about 190 million tons of major metal, paper, glass, rubber, and textiles. Of this amount, 143 million tons come from virgin resources; the remaining 48 million tons—about a quarter of the total—are obtained from resource recovery operations. This represents a lower percentage of resources recycled than ever before in history. Moreover, virtually all of the recovered materials are derived from discards of industrial processing, fabrication, and manufacturing activities, rather than from obsolete products discarded into the municipal waste stream. And the wastes from the municipal waste stream, for the most part, end up in open dumps where they contribute to insect and rodent problems, waste land, and, too often, contaminate air and water. Propertly designed sanitary landfills are still the exception rather than the rule.

As Mr. Train pointed out in a recent address, disposing of municipal waste in environmentally unsound ways is not the only deficiency in the current resource use/residuals management picture. It is much more serious than that. The failure to control the amounts of wastes produced in the first place and to recover resources and energy that has become wastes have far-reaching environmental consequences. When two production systems are compared—one using virgin materials, and the other, secondary materials—the system using wastes causes less air and water pollution, generates less solid waste, and consumes less energy.

According to a survey made last year by the Conference of Mayors almost half of our cities will be running out of current solid waste disposal capacity within five years. The cities' management of solid waste will have to be conducted in the face of two critical trends: the volume of solid waste they must handle is going up; the amount of land for disposal sites in urban areas is declining.

In the past 50 years, the amount of waste discarded per person in the United States has doubled. In cities, solid waste volumes are estimated to have almost doubled in the past 20 years. The urban percentage of the total population, now 74 percent, has increased 10 percent since 1950. Between 1958 and 1976, packaging consumption (90 percent of which is disposed) will have increased an estimated 63 percent.

For many decades now, the management of the Nation's solid wastes has been a source of pollution, disease, and hazard. Since 1965, when the issue first received national recognition and a separate Federal program was formed to identify solutions and to lead a coordinated national response, much has been accomplished by all of us at all levels of the society. The states, local government, private sector, universities and research institutes, citizen groups, labor unions, and the Federal government, have together taken the first small steps in the right direction.

But the job is far from finished. In some respects we have not even begun to fight. A strong thrust to bring hazardous wastes under control is just beginning, even as successful air and water pollution control programs are increasing the tonnage of such wastes that must be disposed of on land. Resource recovery—which had been possible decades ago—is only beginning to be given serious consideration. Many waste management systems are still woefully inefficient. And open dumping continues to be the dominant land disposal method in many states and many areas within states.

In large outline, the situation is still much the same as it was in 1965. But to those of us directly involved in the field, it is also obvious that the ice is beginning to break.

From the perspective of a Federal agency charged with environmental protection and resource conservation, the future presents a problem and an opporunity. The problem is environmental degradation and hazard to human health. The opportunity is energy and materials conservation.

Environmental insult and hazard of improper waste management continue in the absence of energetic regulation of land disposal and vigorous enforcement of regulations where they exist. So long as economic pressures tilt the balance toward cheap but sloppy disposal, so long as no consistent and uniform rules exist for private and public operations, and so long as offending sites cannot be closed because no alternatives exist, the necessary transition from poor environmental management to optimum management will not take place as quickly as it should.

For this reason, EPA supports government regulation of land disposal, be it at the state, county, or local level. As air, water, pesticides, ocean dumping, and other laws are implemented, many hazardous substances, sometimes in greatly concentrated form, will be diverted to the land.

The EPA has already reached the decision to seek a Federal standard-setting and regulatory role in the hazardous waste area. Early last year we proposed the Hazardous Waste Management Act. If passed, it would provide for state regulation of hazardous waste storage, treatment, and disposal under Federal standards. And it would permit direct Federal regulation of some extremely hazardous wastes at the discretion of the Administrator of EPA.

With regard to non-hazardous wastes, we will soon publish final guidelines on incineration and land disposal as a guide for state and local regulatory action. While these guidelines are not mandatory for any but Federal facilities and are less stringent than some existing state regulations, they represent a minimum level of control all areas should adopt. Within the limits of our resources, we are committed to aiding states in the establishment and improvement of regulatory and enforcement programs. The progress of states or other jurisdictions in these areas will largely determine whether or not we shall seek a Federal standard-setting role in the future.

The new opportunity in waste management is, of course, resource recovery. The current energy crisis, which is one of the consequences of a style of life which historically has encouraged the careless use of resources and the careless disposal of residuals, makes it very clear that now we must begin to conserve the resources we have while we seek new ones.

At this time, more than ever before, solid waste represents a new, untapped resource.

It is fortunate and serendipitous that EPA's developmental and demonstration efforts in this area have been successful in showing that energy can be obtained from solid waste in various forms and at an attractive cost vis-a-vis processing for disposal.

In the area of resource recovery, our technical assistance and demonstration activities help bring about the potential energy savings which can be realized through: (1) employing solid waste as a direct energy source; (2) saving energy through increased recycling of materials; and (3) conserving energy through source reduction practices.

In the area of solid waste collection and disposal, our efforts also encourage a significant savings in fuel by providing information and technical assistance to cities for the purpose of enhancing productivity and efficiency in the collection and disposal of solid waste.

#### SOLID WASTE AS A DIRECT ENERGY SOURCE

About 125 million tons (1971) of solid waste are generated each year from homes and commercial establishments (offices, stores) across the country. About 70 to 80 percent of this is combustible and can be converted into energy using modern technology.

Some of this technology is being demonstrated by EPA. EPA's demonstration project in St. Louis, Missouri, converts solid waste into a low sulfur fuel that can be used as a supplement to coal in power plant boilers. Every ton of solid waste can be converted into 900 kilowatts of electricity.

Two other EPA-supported projects, one in Baltimore, and one in San Diego, will convert solid waste into a combustible gas or oil using a process called pyrolysis. Operations begin in late 1974 or 75.

If energy recovery were practiced in all SMSAs in the United States, about 800 trillion BTUs would be recovered annually. This corresponds to the energy in about .4 million barrels of oil per day. By comparison, this is equal to 5½ percent of the fuel requirements of all electric utilities, 12 percent of the coal used by electric utilities, and about 1 percent of all the energy consumed in the United States in 1970.

#### SAVING ENERGY THROUGH INCREASED RECYCLING OF MATERIALS

The technical feasibility of recycling materials from the municipal solid waste stream is becoming increasingly well demonstrated. Recycling of these materials requires considerably less energy per ton than it does to mine, transport, and refine the virgin raw materials. Had currently-known technology been applied in 1972 to the household and commercial solid wastes of our metropolitan areas, almost 14 million tons of recovered steel, aluminum, and glass could potentially have been substituted for their virgin material counterparts. Such a substitution would have yielded a national primary energy saving of about 170 trillion BTUs, or the equivalent energy content of 30 million barrels of crude oil. The potential for 1985, based on projected material use, is about double this 1972 level, or equivalent to 60 million barrels of crude oil.

#### ENERGY SAVINGS FROM SOURCE REDUCTION

Material developed through studies conducted by EPA indicates that changes in consumer habits and practices can also make a significant contribution to meeting our energy needs. This occurs in many ways. When a consumer takes his own shopping bag to a grocery store or purchases a smaller automobile than he previously owned, energy savings are being realized.

When a consumer uses a refillable bottle, he can save at least 50 percent of the energy that would have been required to produce a nonreturnable bottle or can. If all consumers used returnable bottles, 244 trillion BTUs of energy would be saved each year.

The consumption of less packaging also saves energy. For example, if each individual consumed no more packaging in 1972 than he did in 1958, we could have saved almost 600 trillion BTUs in 1972, the equivalent of .3 million barrels of oil per day.

#### FUEL SAVINGS IN THE COLLECTION AND DISPOSAL OF SOLID WASTE

Solid waste collection is an essential service which is highly dependent on fuel. It involves the operation of over 100,000 vehicles, which consume an estimated 287 million gallons of gasoline and 163 million gallons of diesel fuel per year. Through our solid waste management technical assistance program to states and local governments, we are encouraging changes which could result in the greatest fuel savings commensurate with the need to properly and safety carry out the vital public service of solid waste management.

Significant amounts of fuel savings can be achieved very quickly by instituting certain short-range changes, as follows: (1) *decreased frequency of residential collection.* If those communities which presently collect solid waste twice per week were to collect once per week, a fuel savings of 29 percent could be achieved; (2) *elimination of special pickups,* particularly when no resource recovery or other desirable purpose is achieved. Communities which collect separately certain items such as food wastes, which end up at the same disposal site as other components of the waste stream which are collected, would cut their fuel requirement in half; (3) *improved vehicle routing procedures* would result in a fuel saving of 5 percent in those communities where it is needed; (4) other short-term changes which would save significant amounts of fuel include minimizing separate pickups for bulky items, and improved waste storage practices and procedures.

Implementation nationally of alterations (1) and (3) in current operations could result in an annual savings of 18.2 million gallons of diesel fuel and 39.1 million gallons of gasoline. This amounts to 1.8 percent of the projected shortfall of gasoline and 3.0 percent of the projected industrial shortfall of diesel fuel.

Waste is a *big* energy resource. To paraphrase a TV commercial, "a nation that runs on oil can't afford to waste its garbage."

Energy recovery is accompanied by materials recovery as well. In fact, removal of non-combustible portions of the waste stream is desirable to achieve energy recovery. Energy recovery is not in conflict with separate collection of corrugated, news, and other paper fractions for recycling.

Nor, for that matter, is there any conflict between recovery and older approaches to waste management. Recovery is merely the latest tool in the hands of the progressive waste manager. It minimizes land requirements for disposal, it lowers the costs of processing, and it allows waste management to become what it should be—a part of the national resource management system.

Although the technology is coming along, the economics are attractive, and markets for materials have significantly improved, implementation of resource recovery on a large scale is still ahead of us.

It will require a major cooperative effort on the part of many different organizations to make that happen—local government and private sector waste contractors, energy and materials-consuming organizations, state governments, and the national government.

The states, in my opinion, can and should play a major role in implementing municipal waste recovery. The innovative approach taken in the State of Connecticut—where a state-wide implementation planning effort, a strong regulatory thrust aimed at land disposal, and a new institution with fiscal and operating powers were combined—certainly merits study by other states and emulation where regional conditions indicate its applicability.

In resource recovery and conservation, the Federal government must take a strong leadership position as well. Working with the private sector and state and local government, we plan to promote and work hard to obtain the acceptance and widespread adoption of recovery—not only because it is manifestly the best alternative to disposal, but because advocacy of energy and resource conservation is a proper Federal role and results in significant national benefit.

Recycling is impeded largely by institutional problems, and the Federal contribution with the greatest potential pay-out is technical and implementation assistance to help states and communities initiate programs, reach the right technical decisions, obtain financing, and secure markets.

Our assistance efforts related to resource recovery will be closely linked with the promotion of good regulatory practices because, where cheap disposal options are denied, resource recovery becomes more feasible economically. In a strategic sense, the optimum approach to solving the solid waste problem must rely on a two-pronged thrust—environmental upgrading on the one hand, and recovery on the other. These thrusts depend on one another and are mutually supportive.

Finally, in the resource conservation area, we shall vigorously pursue actions at the Federal level to change Federal policies that impede recycling and to urge conservation by source reduction and other means where they can be achieved with minimum economic dislocation.

I have described, in outline form, the most important areas of Federal action and emphasis. We shall stress, in the coming year, the two areas which are relatively new—hazardous waste management and resource recovery. But this will be done without neglecting assistance to states and communities related to conventional waste management functions. To solve the problems and to take advantage of the opportuntiy, no facet of the field can be neglected.

Before I begin to answer your questions, I should like to place special emphasis on the St. Louis Boiler Demonstration, which I mentioned earlier.

From a very practical point of view, it holds by far the most promise for rather quick application in a number of cities of any energy resource recovery technology currently available. In this demonstration, which is being conducted by the City of St. Louis and the Union Electric Company, with EPA support, shredded residential refuse is being burned with pulverized coal in a full-size steam electric generating boiler.

Residential refuse is first shredded. Then the shredded refuse is separated into combustible and non-combustible portions by a system of air classification.

The combustible portion is taken by truck to the Union Electric Company's Meramec Plant, where the prepared waste is burned with pulverized coal in a full-size (125 megawatt) steam electric generating boiler. Waste fuel replaces 15 to 20 percent of the coal burned in each boiler. About 5 percent of the electricity generated in the St. Louis area would be supplied by recovering energy from the residential and commercial waste discarded in the area.

The non-combustible portion is processed to remove magnetic metals, which are sold to the Granite City (Illinois) Steel Company, a division of National Steel.

The processing plant was designed for a capacity of 300 tons per shift, two shifts per day. Operating problems have limited daily throughput to about 200 tons per day. Nevertheless, we are very encouraged by the results of the first year of operating experience, particularly with the operation of the boiler.

There are still two important technical questions that must be resolved: air emissions and water pollution. We have conducted tests, and we expect results in about a month. All of the remaining problems and questions are economic, rather than technical, in nature. Our test and evaluation program in the next six months will address many of these questions.

I am pleased to report that this St. Louis demonstration has attracted the interest of utilties and municipal officials across the country. Cities where a plan to use solid waste as auxiliary fuel to generate electricity is under serious consideration, or a definite commitment to the plan has been made, include New York, Chicago, Philadelphia, Detroit, Washington, D.C. (including suburban Maryland and Virginia), Boston, St. Louis, Baltimore, Cleveland, Milwaukee, San Diego, Buffalo, Monroe County, N.Y., Memphis, Albany, Akron, Nashville, Knoxville, Bridgeport, and Brockton, Massachusetts.

Here in the St. Louis demonstration, we have convincing evidence of a large, virtually untapped energy source for the country. We calculate that our large urban areas (the Standard Metropolitan Statistical Areas)—where solid waste can be profitably used as fuel—generate about 90 million tons of residential and commercial solid waste each year.

About 70 to 80 percent of this waste can be burned. If that combustible waste were used as fuel, we would have an energy recovery of 800 trillion British Thermal Units annually, the equivalent of 150 million barrels of oil a year.

That's enough energy to light our homes and commercial establishments all year long. It's also equal to 27 percent of the oil projected to be delivered through the Alaskan pipeline.

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## RESOURCE RECOVERY, SOURCE REDUCTION, AND ENERGY

### QUESTIONS AND ANSWERS

Q. How does resource recovery save energy?

A. Burning solid waste is using it as a direct energy source. This also is a conservation of energy that would otherwise have been used by burning coal, gas, or oil. Energy also is saved through the increased recycling of materials; it normally takes more energy to manufacture a product using virgin materials than secondary materials. For example: manufacturing steel with iron ore instead of scrap iron and steel.

Q. What is source reduction?

A. Source reduction is a reduction in the consumption of materials and products that also results in a reduction in the generation of waste. The use of refillable soft drink and beer bottles—reducing the amount of materials needed for beverage containers—is an example of source reduction. Another example is the reduction in paper packaging that goes beyond the need for protection, containment and sale of a product.

Q. How does source reduction save energy?

A. The reduction in the consumption of materials for a product means a conservation of the energy needed to make the product. (It also means a conservation of the materials, and reduced damage to the environment.)

Q. What is the most practicable thing cities can do today about resource recovery?

A. Officials in many cities should be seriously considering the use of mixed municipal waste as auxiliary fuel to make electricity. This would ordinarily be accompanied by removal of at least the magnetic metals for recycling. Such a system is now being demonstrated in an EPA-supported project in St. Louis by the city and the Union Electric Co. In this case, the solid waste is burned along with pulverized coal. In an existing utility boiler, every ton of this solid waste is converted into 900 kilowatts of electricity. Using an existing boiler saves the cost of building a new one and assures a market for electricity.

Q. Can you identify cities where the technology of burning waste to make electricity might be applied?

A. Energy recovery is under consideration in 20 metropolitan areas. They are: New York, Chicago, Philadelphia, Detroit, Boston, Washington, D.C., Cleveland, St. Louis, Baltimore, Milwaukee, San Diego, Buffalo, Memphis, Rochester, Bridgeport, Albany, Akron, Nashville, Knoxville and Brockton, Massachusetts.

Q. Just how large a contribution would the burning of solid waste make towards the energy shortage?

A. A substantial amount. About 100 million tons of solid wastes are generated each year from homes, offices and stores in urban areas across the country. About 70 to 80 percent of this is combustible and can be converted to energy. If energy recovery were practiced in all Standard Metropolitan Statistical areas in the United States, about 800 trillion British Thermal Units would be recovered annually. This corresponds to the energy in about 400,000 barrels of oil per day. This equals (1) five and one half percent of the fuel requirements of all electric utilities; (2) 12 percent of the coal used by electric utilities; (3) about one percent of all the energy consumed in the United States in 1970.

Q. Will energy recovery systems require landfill space?

A. Yes. Every system leaves a residue of about 5 to 10 percent of the incoming volume of waste. Also, construction and demolition debris, land clearing wastes, and some other wastes cannot be processed by an energy recovery system.

Q. Are there any other technologies that involve the use of solid wastes as fuel?

A. Yes. EPA is supporting demonstrations in San Diego County, California, and Baltimore, Maryland of a thermal process called pyrolysis. In San Diego, the wastes will be converted through pyrolysis to a low-grade fuel oil. In Baltimore the wastes will be converted to a synthetic gas, which will be lighted and used to provide heat or air conditioning to office buildings.

Q. How can energy be saved through recycling?

A. Recycling of materials recovered from municipal solid waste stream requires considerably less energy per ton than it does to mine, transport, and refine the virgin raw materials. Had currently known technology been applied in 1972 to the household and commercial solid wastes of our metropolitan areas, almost 14 million tons of recovered steel, aluminum, and glass could potentially have been substituted for their virgin material counterparts. Such a substitution would have yielded a national primary energy savings of about 170 trillion BTU's, or the equivalent energy content of 30 million barrels of crude oil. The potential for 1985, based on projected material use, is about double this level, or the equivalent of 60 million barrels of crude oil.

Q. What can be done to conserve energy through source reduction?

A. Consumers themselves make a contribution here. When a consumer takes his own shopping bag to a grocery store or purchases a smaller automobile than he previously owned, energy savings are realized. When a consumer uses a refillable bottle, he can save approximately 50 percent of the energy that would have been required to produce a nonreturnable bottle or can. If all consumers used returnable bottles, 244 trillion BTU's of energy would be saved each year, the equivalent of 115,000 barrels of oil per day.

The consumption of less packaging also saves energy. For example, if each individual consumed no more packaging in 1972 than he did in 1958, we could have saved almost 600 trillion BTU's in 1972, the equivalent of 300,00 barrels of oil per day.

Q. Just how important is packaging in the solid waste problem?

A. Packaging is the largest single product class in the solid waste stream. It constitutes approximately 30 to 40 percent of municipal waste. Packaging also accounts for about 47 percent of all paper production, 15 percent of aluminum production, 75 percent of glass production, close to 9 percent of steel production, and approximately 29 percent of plastics production.

There has also been a spectacular rise in packaging consumption. In 1958, packaging material consumption equalled 412 pounds per person. By 1971, this figure rose to 591 pounds, a growth rate of 43 percent. This rate has far outstripped the rise in consumption of the materials being packaged. Overall, for example, the consumption of food in the United States increased by 2.3 percent by weight on a per person basis between 1963 and 1971. During the same period, the tonnage of food packaging increased by an estimated 33.3 percent per person. Obviously, all this growth in packaging consumption means increased consumption of raw materials and energy and an increased generation of solid wastes.

Q. What can be done to decrease packaging consumption?

A. The situation calls for both consumers and industry to make changes along these lines: (1) *Increasing the average package size produced and consumed*. The trend toward small containers is costly in terms of resources used and wastes generated. One estimate, for example, finds that the elimination of all tomato juice cans smaller than 32 ounces in 1971 would have brought about a reduction in steel use of 19.6 percent for this product. (2) *Eliminating overpackaging*. The day is gone when all packages were used only to contain and protect a product. Many single products are now sold in two packages, one to contain the product and one to advertise it. Many premium wines, for example, are sold in bottles placed in sculptured cartons for shelf appeal. (3) *Reusing packaging*. Consumers discard about 90 percent, by weight, of all packaging within one year of purchase. Except for refillable bottles and refillable cartons, consumer packages are invariably used only once. There can be no doubt that an increase in the reuse of packaging would reduce energy consumption (as well as reduce environmental discharges and the use of materials). To take one example: If 1,000 tons of corrugated containers were used five times instead of once, 30 percent less energy would be used.

Q. What about the Oregon bottle law? Isn't that an example of source reduction?

A. Yes. Oregon's law, enacted in 1972, calls for a mandatory deposit on beverage containers. The law has succeeded in making marked reductions in roadside litter, and in eliminating the use of the no-return bottle. It also drastically curtailed the use of beverage cans, causing some unemployment in the container manufacturing and canning industries.

Q. Can fuel savings be effected in the collection and disposal of solid waste?

A. Yes. Significant amounts of fuel savings can be achieved quickly by instituting certain short range changes, as follows: (1) decreased frequency of residential collection. If those communities which now collect solid waste twice per week were to collect once per week, a fuel savings of 29 percent could be achieved; (2) elimination of separate pickups. Communities which collect separately certain items such as food wastes that end up at the same disposal site as other wastes would cut their fuel requirement in half; (3) improved vehicle routing procedures would result in a fuel saving of five percent nationwide; (4) other short term changes which would save significant amounts of fuel include minimizing seperate pickups for bulky items, and improved waste storage practices and procedures. Implementation nationally of alterations (1) and (3) alone could bring about an annual savings of 18.2 million gallons of diesel fuel and 39.1 million gallons of gasoline. This amounts to 1.8 percent of the projected shortfall of gasoline and 3.0 percent of the projected industrial shortfall of diesel fuel.

## EPA PRESS BRIEFING ON SOLID WASTE MANAGEMENT AND ENERGY

The activities that the Environmental Protection Agency carries out under the Resource Recovery Act of 1970 have several significant positive impacts on the energy problem.

In the area of *resource recovery*, our technical assistance and demonstration activities help bring about the potential energy savings which can be realized through: (1) employing solid waste as a direct energy source; (2) saving energy through increased recycling of materials; and (3) conserving energy through source reduction practices.

In the area of *solid waste collection and disposal*, our efforts also encourage a significant savings in fuel by providing information and technical assistance to cities for the purpose of enhancing productivity and efficiency in the collection and disposal of solid waste.

### SOLID WASTE AS A DIRECT ENERGY SOURCE

About 125 million tons (1971) of solid waste are generated each year from homes and commercial establishments (offices, stores) across the country. About 70 to 80 percent of this is combustible and can be converted to energy using modern technology (Attachment 1).

Some of this technology is being demonstrated by EPA (Attachment 2). EPA's demonstration project in St. Louis, Missouri, converts solid waste into a low sulfur fuel that can be used as a supplement to coal in power plant boilers. Every ton of solid waste can be converted into 900 kilowatts of electricity.

Two other EPA supported projects, one in Baltimore, and one in San Diego, will convert solid waste into a combustible gas or oil using a process called pyrolysis. Operations begin in late 1974 or 75.

If energy recovery were practiced in all SMSAs in the United States, about 800 trillion BTUs would be recovered annually (1970 data) (Attachment 3). This corresponds to the energy in about .4 million barrels of oil per day. By comparison, this is equal to (1) ⅓ of all the power supplied by hydroelectric plants, (2) 5½ percent of the fuel requirements of all electric utilities, (3) 12 percent of the coal used by electric utilities, and (4) about 1 percent of all the energy consumed in the United States in 1970.

### SAVING ENERGY THROUGH INCREASED RECYCLING OF MATERIALS

The technical feasibility of recycling materials from the municipal solid waste stream is becoming increasingly well demonstrated. Recycling of these materials requires considerably less energy per ton than it does to mine, transport, and refine the virgin raw materials. Had currently-known technology been applied in 1972 to the household and commercial solid wastes of our metropolitan areas, almost 14 million tons of recovered steel, aluminum, and glass could potentially have been substituted for their virgin material counterparts. Such a substitution would have yielded a national primary energy saving of about 170 trillion BTUs, or the equivalent energy content of 30 million barrels of crude oil. The potential for 1985, based on projected material use, is about double this 1972 level, or equivalent to 60 million barrels of crude oil. (See attachments 4 and 5)

### ENERGY SAVINGS FROM SOURCE REDUCTION

Material developed through studies conducted by EPA indicates that changes in consumer habits and practices can also make a significant contribution to meeting our energy needs. This occurs in many ways. When a consumer takes his own shopping bag to a grocery store or purchases a smaller automobile than he previously owned, energy savings are being realized.

When a consumer uses a refillable bottle, he can save at least 50 percent of the energy that would have been required to produce a nonreturnable bottle or can. If all consumers used returnable bottles, 244 trillion BTUs of energy would be saved each year.

The consumption of less packaging also saves energy. For example, if each individual consumed no more packaging in 1972 than he did in 1958, we could have saved almost 600 trillion BTUs in 1972, the equivalent of .3 million barrels of oil per day. (See attachments 6 and 7)

FUEL SAVINGS IN THE COLLECTION AND DISPOSAL OF SOLID WASTE

Solid waste collection is an essential service which is highly dependent on fuel. It involves the operation of over 100,000 vehicles, which consume an estimated 287 million gallons of gasoline and 163 million gallons of diesel fuel per year. Through our solid waste management technical assistance program to states and local governments, we are encouraging changes which could result in the greatest fuel savings commensurate with the need to properly and safely carry out the vital public service of solid waste management.

Significant amounts of fuel savings can be achieved very quickly by instituting certain short-range changes, as follows: (1) *decreased frequency of residential collection.* If those communities which presently collect solid waste twice per week were to collect once per week, a fuel savings of 29 percent could be achieved; (2) *elimination of special pickups,* particularly when no resource recovery or other desirable purpose is acheived. Communities which collect separately certain items such as food wastes, which end up at the same disposal site as other components of the waste stream which are collected, would cut their fuel requirement in half; (3) *improved vehicle routing procedures would* result in a fuel saving of 5 percent in those communities where it is needed; (4) *other short-term changes* which would save significant amounts of fuel include minimizing separate pickups for bulky items, and improved waste storage practices and procedures.

Implementation nationally of alterations 1 and 3 in current operations could result in an annual savings of 18.2 million gallons of diesel fuel and 39.1 million gallons of gasoline. This amounts to 1.8 percent of the projected shortfall of gasoline and 3.0 percent of the projected industrial shortfall of diesel fuel. (See attachment 8)

### ATTACHMENT 1

*Quantity and composition of residential and commercial solid waste*

| | *Percent weight* |
|---|---|
| Combustible: | |
| Paper | 31 |
| Plastics | 3 |
| Rubber and Leather | 3 |
| Textiles | 1 |
| Wood | 4 |
| Food Wastes | 18 |
| Yard Wastes | 19 |
| Total | 79 |
| Non-Combustible: | |
| Glass | 10 |
| Metals | 10 |
| Miscellaneous | 1 |
| | 21 |
| Total | 100 |

NOTE.—Recycling of paper would reduce heating value of waste by about 10%. (Not all paper can or would be recycled.)

### ATTACHMENT 2

FUNDING OF FEDERAL DEMONSTRATION PROJECTS

[In millions of dollars]

| Grantee | Type | Federal share | Total cost |
|---|---|---|---|
| St. Louis, Mo | Solid waste as fuel | 2.6 | 3.9 |
| Baltimore, Md | Pyrolysis gas | 6.0 | 16.2 |
| San Diego, Calif | Pyrolysis oil | 3.0 | 4.0 |
| Delaware | Solid waste as fuel plus pyrolysis. | 9.0 | 13.8 |
| Total | | 20.6 | 37.9 |

### ATTACHMENT 3

ENERGY RECOVERY FROM SOLID WASTE

Conversion Factors: 4500 BTU per pound of solid waste; 9 million BTU per ton of solid waste; 5.8 million BTU per barrel of oil.

Population of all SMSAs in 1970, 139.4 million persons.

Waste generation per person per year × .657 tons.

Total waste generated in SMSAs, 91.6 million tons.

BTUs per ton of waste × 9 million.

Energy recoverable from SMSA waste, 824 trillion BTUs.

BTUs in a barrel of oil ÷ 5.8.

Equivalent barrels of oil, 142 million ÷ 365 days.

Equivalent barrels of oil per day, .389 = .4.

### ATTACHMENT 4

BACKGROUND MATERIAL ON SAVING ENERGY THROUGH INCREASED RECYCLING OF MATERIALS

Today, only negligible quantities of post-consumer solid waste generated by households, commercial businesses, and institutional establishments are processed for material recovery. However, a growing body of engineering evidence tells us that well-designed, large-scale material recycling systems are generally much less energy consuming than corresponding systems of virgin material supply. Thus, if we compare the total system energy requirements to mine, transport, and refine the virgin raw materials against the energy required to extract, transport, and reprocess similar materials from the Nation's solid waste stream, we would find, for example, that recycled aluminum would require about 200 million BTU less per ton than virgin aluminum, and that recycled iron and steel consumes about 12 million BTU per ton less than its virgin counterpart. These are the two most prominent metals in our industrial economy, as well as in municipal refuse. We estimate that in 1972 alone, almost one million tons of aluminum and over 10½ million tons of ferrous metals were discarded as community solid wastes. Add to this about 13 million tons of glass, and one has accounted for the bulk of the mineral content of our municipal solid wastes.

### ATTACHMENT 5

BASES OF ESTIMATED NATIONAL ENERGY SAVINGS FROM RECYCLING ALUMINUM, FERROUS, AND GLASS FRACTIONS OF SOLID WASTE

*Assumptions*

1. Projection of total "available" post-consumer aluminum, ferrous, and glass waste consistent with recent RRD composition estimates were based on the Midwest Research Institute Baseline Projections contract.

2. It was assumed that 100% of the waste generated in Standard Metropolitan Statistical Areas would be processed; this amounts to roughly 70 to 74% of total U.S. generation between 1972 and 1990.

3. *Recovery process efficiencies* were assumed as follows: Aluminum—65–75%; ferrous—90%; glass—70%, based on MRI research.

4. *Energy savings per ton of material recycled* were taken as follows, based on an assessment of available literature and current ongoing contract work (in $10^6$ BTU/ton of material recovery):

| | |
|---|---|
| Aluminum | 200 |
| Ferrous | 12 |
| Glass | 1.3 |

SUMMARY OF PROJECTED SAVINGS, 1972-90

[In trillion Btu]

| Materials [2] | Estimated annual energy savings [1] | | | | |
|---|---|---|---|---|---|
| | 1972 | 1975 | 1980 | 1985 | 1990 |
| Aluminum (46-56 percent) | 82 | 115 | 164 | 212 | 274 |
| Ferrous (63-67 percent) | 81 | 87 | 95 | 107 | 116 |
| Glass (50-52 percent) | 8 | 13 | 15 | 16 | 16 |
| Total energy | 171 | 215 | 274 | 335 | 406 |

[1] Energy savings are based on "total system" analyses, which consider primary energy required for new material acquisition and for electricity input, as well as principal refining processes for both virgin material and recycled material.

[2] Figures in parentheses indicate percent of the individual material in nationwide solid waste assumed to be recoverable from a "maximum possible" recovery effort.

### ATTACHMENT 6

POTENTIAL SAVINGS THROUGH REDUCTION OF PACKAGING TO 1958 PER CAPITA CONSUMPTION LEVELS

| Packaging material | Total consumption ($10^3$ tons) | | Per capita consumption (pounds) | | Total consumption, 1971 (at 1958 per capita rate) | Potential material savings ($10^3$ tons) | Potential energy savings ($10^{12}$ Btu) |
|---|---|---|---|---|---|---|---|
| | 1958 | 1971 | 1958 | 1971 | | | |
| Paper | 16,552 | 27,700 | 193.0 | 271.3 | 19,747 | 7,953 | 324.5 |
| Glass | 5,933 | 11,100 | 69.2 | 108.7 | 7,078 | 4,022 | 61.5 |
| Steel | 6,198 | 7,255 | 72.3 | 71.1 | 7,394 | [1] 139 | [1] 4.2 |
| Aluminum | 97 | 757 | 1.1 | 7.4 | 116 | 641 | 126.0 |
| Plastic | 368 | 2,900 | 4.3 | 28.4 | 439 | 2,461 | 88.6 |
| Other (wood, etc.) | 6,212 | 10,613 | 72.4 | 103.9 | 7.411 | 3.202 | |
| Total | 35,360 | 60,325 | 412.4 | 590.8 | 42,185 | 18,140 | 596.4 |

[1] Potential energy savings in steel are negative as per capita consumption of steel packaging decreased between 1958 and 1971.

Source: Energy consumption data provided by Gordian Associates, Inc.

## ATTACHMENT 7

BEVERAGE CONTAINER ENERGY CONSUMPTION[1] (1972)

| Container type | Beverage delivered[2] (million ounces) | Energy consumed per million ounces[3] (Btu×10⁶) | Total energy consumed (Btu×10¹²) |
|---|---|---|---|
| Refillable bottle[4] | 293, 554 | 184 | 54 |
| Bimetallic can | 348, 775 | 443 | 154 |
| 1-way glass bottle | 260, 989 | 551 | 144 |
| Aluminium can | 104, 336 | 748 | 78 |
| Total current system | 1, 007, 654 | | 430 |
| All refillable system | 1, 007, 654 | | 186 |
| Saving | | | 244 |

[1] Beer and soft drink only.

[2] Source: Midwest Research Institute, Baseline Forecasts of Resource Recovery, Draft Report.

[3] Source: Midwest Research Institute, Environmental Impacts of 9 Beverage Container Systems, Draft Report.

[4] Assumes that each bottle makes 10 trips.

## ATTACHMENT 8

## ANALYSIS OF FUEL CONSUMPTION FOR SOLID WASTE MANAGEMENT

### FOREWORD

On December 21, 1973, the Office of Solid Waste Management Programs wrote to the Administrator of the new Federal Energy Office, William E. Simon, in response to the Proposed Mandatory Fuel Allocation Regulations published on December 13, 1973, in the *Federal Register*. In this letter, the health and environmental importance of solid waste management was emphasized, and it was suggested that "sanitation services" be included in the "emergency services" section to insure the highest priority for the continuity of this vital service in any fuel allocation program.

Following is an analysis of fuel consumption for solid waste collection, transport, and disposal. It does not include processing because of limited available information on these systems. However, collection, transport, and disposal represent the current major energy consumption functions of the field.

This document is intended to show how solid waste management agencies can, in turn, help conserve fuel as well as to describe the industry, its fuel consumption characteristics, and factors which should be considered in a fuel allocation program.

1. Solid waste management trends and characteristics impacting fuel consumption:

There are many factors which increase the requirements for solid waste collection and sanitary landfill equipment, and thereby increase the fuel resources needed for solid waste management:

1.1 Ten percent yearly *increase in the amount of waste* to be collected resulting from population and per capita waste generation increases and the banning of open burning.[1]

1.2 *Increases in* the number of *residences receiving collection service,* particularly in rural and formerly rural areas and areas changing from optional to mandatory collection.

1.3 *Expanded levels of service* resulting from state and local health and sanitation standards, such as increased frequency of collection.

1.4 Increasing *further haul distances* to disposal facilities because of lack of availability of suitable land, public pressures, and environmental laws. Typical haul distances for major cities are: [2]

| | *Miles* |
|---|---|
| Chicago | 20–30 |
| Milwaukee | 30 |
| Pittsburgh | 30 |
| Portland, Oregon | 30 |
| San Francisco | 35 |
| St. Paul | 20 |
| Washington, D.C | 35 |

The longer haul distances have resulted in the tendency to purchase larger and heavier vehicles which consume more fuel both on and off the route, but reduce the number of trips required.

1.5 *Increased traffic congestion* and *hours of operation limited* to congested hours because of noise pollution regulations or citizen desires.

1.6 *Increase in collection of separated materials* for resource recovery, particularly newspaper, via piggyback (bin on packer) or separate collection, and subsequent hauls to different discharge points.

1.7 *Air pollution control equipment* to meet emission standards has decreased fuel economy on packer trucks.

1.8 Federal and State air and water pollution standards, and pressures from EPA (Mission 5000) to *convert open and open-burning dumps to sanitary landfills* means the use of earth-moving equipment and waste compactors where few or none were previously used.

2. Factors which impact fuel allocation programs that are based on the previous year's deliveries:

2.1 Currently about *70% of all new packers are diesel-powered*[3] and the trend is for this to increase. With a 4 to 6 year replacement life and the additional trucks required, the average annual *fleet replacement*[4] *rate is 15% per year.* Thus, diesel packers are replacing gasoline packers rather rapidly, changing the fuel demand.

2.2 On a local level, *changes in collection agency* (from municipal collection to private, private municipal, or one private firm to another) and *conversion of open* (often burning) *dumps to sanitary landfills* using earth-moving and waste-compaction equipment to comply with environmental laws change the fuel demands for each collection agency.

2.3 Fuel, deliveries on a monthly basis don't necessarily correspond to monthly fuel consumption. Thus, in 1972 Scottsdale, Arizona, had fuel deliveries the end of October, and the beginning of December with none in November. Based on last year's deliveries Scottsdale's allocation was zero for November, and on November 16, 1973, it ran out of its supply of diesel fuel for the month.

2.4 Initiation of new sanitary landfill operations or upgrading of previously existing disposal operations. These activities require fuel for equipment which was not used in the previous year.

2.5 As discussed in Section One, many factors affecting the solid waste industry increase its fuel requirements.

3. Solid Waste Collection. In this section, estimates for national fuel consumption and potential fuel-saving measures for solid waste collection are presented.

3.1 Estimate of the Number of Solid Waste Collection Vehicles in the United States. As shown below, there are approximately 103,165 collection vehicles in the U.S., of which 74 percent are packer trucks.[5] The private sector operates 59.8% and the public sector operates 40.2%.

These figures do not include vehicles used by residential and commercial accounts which haul their own wastes, including many demolition/construction wastes.

| | Packers | | | | Others: hoist-type container, trains, satellite vehicle | |
|---|---|---|---|---|---|---|
| | Front loaders | Side and rear loaders | Rolloff tractor | Open (stake) trucks | | Tota |
| Public agencies | 1, 000 | 34, 000 | 0 | 4, 000 | 2, 500 | 41, 500 |
| Private firms | 7, 670 | 33, 932 | 6, 496 | 7, 327 | 6, 240 | 61, 665 |
| Total | 8, 670 | 67, 932 | 6, 496 | 11, 327 | 8, 740 | 103, 156 |

As shown below 69.8% of these vehicles are used in residential and 30.2% for commercial collection, 41% are diesel-powered and 59% are gasoline-powered.

| | Packers | Roll-off | Open and others | Total |
|---|---|---|---|---|
| Diesel: | | | | |
| Residential | 24, 456 | 0 | 0 | 24, 456 |
| Commercial | 11, 387 | 6, 496 | 0 | 17, 883 |
| Gas: | | | | |
| Residential | 36, 683 | 0 | 10, 911 | 47, 594 |
| Commercial[1] | 4, 076 | 0 | 9, 156 | 13, 232 |

[1] Commercial includes large apartment complexes serviced by bulk bins.

3.2 Estimated Annual Fuel Consumption for Solid Waste Collection. Fuel consumption for residential packer trucks is as much a function of time (hours of usage) as miles driven. First, packers spend hours each day idling on the route while the collectors are handling wastes (particularly for backyard service), and second, the hydraulic compaction mechanism consumes substantial fuel, usually while the vehicle remains idle or by running an auxiliary engine. Indeed, the nine curbside systems on the DAAP[6] show 42.6% on route-idling, 20.7% on-route driving, 30.3% off-route transport and dump, and 6.4% compaction times. For backyard systems idling time is even more (61%) while off-route transport and dump (21%), on-route driving (13%), and compaction times are less.

As shown in the table below, 72.6% of the fuel used for solid waste collection is consumed in residential collection.

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[1] Sources: (1) *The Impact of the Middle Distillate Fuels Mandatory Allocation Program on Refuse Collection and Disposal Services Summary Report*, NSWMA, December 18, 1973. (2) AMS case studies, 1972–73. (3) Southeastern Oakland County Incinerator Authority (SEOCIA), 7% compounded, 10% simple, 1960–73.

[2] op. cit., NSWMA, December 18, 1973.

[3] op. cit. NSWMA, December 18, 1973.

[4] Sources: (1) op cit. NSWMA, December 18, 1973. (2) American City Magazine, Survey of Municipal Fleets, November 1973 issue. (3) Phone conversation with Heil Co. representative on January 10, 1974 reveals 13.5% equipment turnover in both census regions 2 and 8 with an average life of 6 years/packer from a nationwide survey conducted in December 1973, in which over 1,000 responses were received and only 2 regions have been compiled to date.

[5] Sources: (1) NSWMA/AMS/EPA, Survey of the Private Sector, 1972. (2) American City magazine, Survey of Municipal Fleets, November 1973 issue. (3) Phone conversation with Heil Co. representative, an. 3, 1974.

[6] Data Acquisition and Analysis Program (DAAP), OSWMP, EPA Project, 1972–74.

[Gallons per year]

| | Commercial collection [1] | Residential collection [2] | Sum |
|---|---|---|---|
| Diesel | 58, 119, 750 | 103, 263, 010 | 161, 382, 760 |
| Gas | 64, 506, 000 | 222, 150, 860 | 286, 656, 860 |
| Total | 122, 625, 750 | 325, 413, 870 | 448, 039, 620 |

[1] Based on (i) each vehicle travels 75 mi/d (St. Petersburg, Fla., reports 75 to 80 mi/d for its front loaders); (ii) each vehicle is used 260 d/yr; (iii) diesel vehicles get 6 mi/gal (17,883 vehicles), reported values range from 3 to 10 mi/gal; (iv) gas vehicles get 4 mi/gal (13,232 vehicles), reported values range from 1.9 to 8 mi/gal.

[2] These figures are based on the calculations shown in appendix A, sec. 4.

3.3 Potential Savings Resulting from Change in Frequency of Collection. There are many changes that can be implemented to conserve fuel. The change with greatest potential savings for any specific community, with only very minor or no negative environmental impact, and one that is readily implementable is to change from 2/wk to 1/wk collection.

Twice-a-week collection frequency is received by 43.6% of the population in the United States.[7] For relatively efficient systems, 23 to 33 percent fewer vehicles will be required for one/week than 2/wk collection.[8] Using a 29% vehicle reduction and fuel savings potential for all systems which convert from 2/wk to 1/wk collection, 12.6% of the residential vehicles used in the United States can be reduced. This analysis assumes that 6.6% other than 2/wk or 1/wk collection frequency areas are inner-city and cannot change to a lesser frequency. The potential national fuel savings for conversion from twice to once-a-week collection is:

Diesel: 13,011,139 gal/yr or 849 B/day.

Gas: 27,991,008 gal/yr or 1,826 B/day.

This potential fuel savings expressed as a percent of the projected national shortage is:

Diesel, industrial sector: 849 B/Day over 40,000 B/Day=2.1%; gasoline: 1,826 B/Day over 1,412,000 B/Day=.13%.

3.4 Other Collection Fuel Saving Potentials:

(i) Conversion of all concrete storage bins and 55 gallon drums for storage to bulk bins, conventional cans, or paper/plastic sacks could result in another 15 to 25 percent savings. (Must consider, however, the use of petroleum products for plastic sacks rather than fuel, and possible fuel consumption to distribute substitute containers) .

(ii) Better residential routings: 5% savings potential.

(iii) Utilization of transfer stations. Rather than each packer traveling the ever-increasing distance to landfills, have fewer transfer riggs make the trip. A 10% savings potential exists here.

(iv) Decreased frequency of commercial collections.

(v) Reduction in the overlap of resources caused by open competition whereby several private collection firms may collect on the same street.

(vi) Reduction in separate collections and special pickups. Several communities still though all wastes frequently end up in the separate food wastes or noncombustibles even same disposal site. This duplication of collection systems (often garbage only by city and rest of the waste by private haulers) should be eliminated. Bulky item collections could be less frequent, or temporarily suspended.

(vii) Better vehicle loadings can be achieved, and more efficient collection methods can be employed (more efficient vehicle sizes, and types, crew sizes, collection from one side of the street at a time).

(viii) Rural systems could go to transfer bins or stations to eliminate the longer hauls by the individual residential waste generators.

(ix) Placement of waste on one side of the street for collection (opposite the side with cars for one side of the street parking). Clustering of waste along the street to reduce the number of stops.

4. Solid Waste Disposal:

This section deals specifically with land disposal equipment, i.e., tractors, scrappers and draglines. These equipment types are the major fuel consumers at land disposal sites.

4.1 Estimated Total Pieces of Equipment on All Disposal Sites:

An accurate count of the number of disposal site machines in operation at this time is difficult, but estimates were made using the 1968 survey.[11] From the information available, the following number of equipment types have been determined. The estimates are based on the 1968 sote survey [11] and an estimated growth of approximately 3%/year in number of sites and equipment.

| | Year (number of sites) | |
|---|---|---|
| | 1968 | 1974 [1] |
| Equipment type | (15, 730) | (18, 380) |
| Draglines (or shovel-type excavators) | 702 | 820 |
| Scrapers (self-propelled) | 542 | 630 |
| Tractors (bulldozers and loaders) (tracked and rubber-tired) | 7, 283 | 8, 500 |

[1] Projected linearly.

Because of the recent emphasis on sanitary landfills (and its inherent requirement for more equipment), the linear increase in equipment can be conservatively assumed.

4.2 Total Estimated Fuel Consumed Annually by Disposal Equipment:

The following quantities of fuel consumed have been determined assuming a 6-hour operating day and a 260 day/year operation.

| Equipment type | Number | Fuel consumption [1] (gallons per hour) | Annual fuel consumption (gallons) |
|---|---|---|---|
| Tractor | 8, 500 | 10 | 132, 600, 000 |
| Dragline | 820 | 12 | 15, 350, 400 |
| Scraper | 630 | 15 | 14, 742, 000 |

[1] Appendix B.

Thus, total annual diesel fuel consumption for land disposal operations is estimated as 162,692,400 gallons or 387,363 barrels. This is equivalent to 1,490 barrels per day.

Unlike collection, there are no easy and practical methods of achieving full savings immediately in the disposal function. For this reason, we strongly recommend that this important sanitation function receive an allocation which is sufficient to cover current estimated consumption.

### SUMMARY

Solid waste management is an essential service which must receive the highest priority for fuel allocation. At the same time, there are several short and long range steps which can be taken to conserve energy.

Solid waste collection and disposal consume 287 million gallons of gasoline and 326 million gallons of diesel fuel per year. Of these figures, collection operations consume approximately 100% of the gasoline and 50% of the diesel fuel.

Solid waste collection and disposal use of diesel fuel is about 3.6% of all *highway use* of diesel fuel. Solid waste collection use of gasoline is about 1.6% of all *truck use* of gasoline.

While we recognize the essential nature of the service, EPA also recognizes the responsibility to conserve energy. The following short range steps could be taken to reduce energy requirements for residential solid waste collection:

1. If those communities which presently collect solid waste twice per week were to collect only once per week, a savings of 29% could be achieved for those communities.

2. Communities with separate collection of food waste could essentially halve their fuel requirements. This is not to say that separate collections such as newspaper which involve resource recovery should be abandoned.

3. A savings of 5% could be made in those communities which have poor routing.

4. Other short term changes include improved storage practices, minimizing separate pickups for bulky items, improved operating policies, and placing waste on one side of the street or clustering.

On a national basis, a savings of 18.2 million gallons of diesel fuel and 39.1 million gallons of gasoline per year would result from changing from 2/week to once-a-week and using better routings. This is 1.8% of the projected shortfall of gasoline and 3.0% of the projected industrial shortfalls of diesel fuel.

In order to conserve fuel, Atlanta, Georgia, recently got the frequency of collection of residential solid waste from twice-a-week to once-a-week; and in so doing, cut the number of crews from 96 to 66. This, on the face of it, suggests a fuel savings about 33%. This also demonstrates how readily even a major city can implement a frequency of collection change.

Long term actions include use of transfer stations where warranted, use of better and properly sized collection equipment, elimination of situations where several private collectors operate on the same street, and replacement of open dumps in remote areas with sanitary landfills nearer to population centers.

### APPENDIX A

*Residential collection service survey results*

1. Source: Refuse Collection Practice, APWA, 1966.

Results of a Nationwide Survey conducted in 1964.

Point of collection (71,000 cities):

Alley/Curb—61%

Backyard (+alley or curb)—31%

No specific point—8%

Frequency of collection 418 cities):

1/wk—47%

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[7] This percent is based on 1972-73 data from 366 communities representing all states except Hawaii and Alaska and covering a population of 51,891,000 or about 25% of the total U.S. population. It does not include New York City, Chicago, or Philadelphia. Systems with twice per week collection of household wastes and once-a-week collection of garden wastes (typical of the South) were counted as twice-a-week.

Sources for this survey include: (1) ACT Systems, Inc. telephone survey (1972), (2) AMS case studies (1972-1973), (3) ICMA and NLC seminar participants surveys (1973), (4) EPA technical assistance projects (1972-1973), and (5) Survey by the City of Inglewood, Calif. (Jan. 1972).

Surveys by APWA (1964), Ralph Stone (1968), and EPA (1968), shown in Appendix A, also support this figure.

[8] These percent ratios were developed from the DAAP and two cities which changed their frequency of collection (Atlanta—31%, Portland, Maine—29%). An equivalent (23 to 33 percent) fuel savings can be expected.

[11] National Solid Waste Survey, EPA, 1968.

2/wk—48%
>2/wk—3.6%
<1/wk—0.5%
variable 0.7%

2. Source: A study of Solid Waste Collection Systems Comparing One-Man with Multi-Man Crews, Ralph Stone and Co., Inc./EPA, 1969 Results of a Nationwide mail survey by Ralph Stone conducted in 1968 (42 states represented)

Point of collection (206 cities):

| Population | Percent curb/alley | Percent backyard/alley | Percent curb/alley and backyard |
|---|---|---|---|
| 10,000 to 100,000 | 47 | 19 | 7 |
| 100,000 to 500,000 | 11 | 4 | 3 |
| Greater than 500,000 | 5 | 2 | 2 |
| Total | 63 | 25 | 12 |

FREQUENCY OF COLLECTION (112 CITIES)

| Population (X1,000) | 1 per week (percent) |  | 2 per week (percent) |  | 3 per week (percent) |  |
|---|---|---|---|---|---|---|
|  | Cities | Population | Cities | Population | Cities | Population |
| 10 to 100 | 29 | 8 | 33 | 8 | 2 | 0 |
| 100 to 500 | 9 | 12 | 10 | 2 | 3 | 3 |
| More than 500 | 7 | 30 | 6 | 26 | 1 | 1 |
| Total | 45 | 50 | 49 | 46 | 6 | 4 |

3. Source: National Solid Wastes Survey, EPA, 1968 pg. 21.

*Frequency of collection*

| Combined collection: | Percent (*Pop. basis*) |
|---|---|
| 1/wk | 48 |
| 2/wk | 32 |
| Other* | 20 |

*Many of these are 2/wk + 1/wk trash (garden waste).

4. (a) Fuel Consumption Rate for Packers: Diesel: 2.32 gal./hr.; Gas: 3.19 gal./hr.

These values are based on three months' data on 24 diesel packers and 16 gas packers from 10 communities on the EPA Data Acquisition and Analysis Program (DAAP). Twenty-three percent of the gas and 25 percent of the diesel packers in this sample are backyard systems while 30 percent of collection systems are backyard. Ratios on these vehicles are:

|  | Gallons per hour | Miles per gallon | Gallons per ton |
|---|---|---|---|
| Diesel | 2.32 | 2.55 | 1.56 |
| Gas | 3.19 | 2.12 | 2.09 |
| Ratio diesel: gas | 1.38 | 1.20 | 1.34 |

(b) Average Packer usage of 7 hrs./day, 5 days/wk. (The average vehicle usage of 44 packers from 16 communities over a 12 month period on the DAAP was 6.7 hrs./day).

(c) Fuel consumption Rate for Non-packers:

Satellite Vehicles: 20 miles/gal., 20 miles/day.

Open Trucks: 10 miles/gal., 50 miles/day.

Other Vehicles: 10 miles/gal., 50 miles/day.

APPENDIX B[1]

TYPICAL PERFORMANCE DATA OF SELECTED EQUIPMENT USED ON DISPOSAL SITES

| Equipment type and horsepower | Fuel consumption (gallons per hour) | Weight (pounds) | Capacity |
|---|---|---|---|
| Crawler tractor: |  |  |  |
| 270 | 10.0–13.0 | 73,000 | 250 to 500 tons.[2] |
| 180 | 7.0– 9.0 | 48,000 | 170 to 270 tons.[2] |
| 140 | 5.0– 6.0 | 33,000 | 60 to 200 tons.[2] |
| 100 | 3.5– 4.5 | 25,000 | 25 to 90 tons.[2] |
| 75 | 2.5– 3.5 | 19,000 | Up to 40 tons.[2] |
| Tracked loader: |  |  |  |
| 270 | 11.0–14.0 | 76,000 | 5-yd bucket cap. |
| 190 | 7.5– 9.0 | 48,000 | 3.25-yd bucket cap. |
| 130 | 5.5– 7.0 | 32,000 | 2.25-yd bucket cap. |
| 80 | 3.5– 5.0 | 24,000 | 1.5-yd bucket cap. |
| Wheel loader: |  |  |  |
| 170 | 6.0– 8.5 | 36,000 | 4.5-yd bucket cap. |
| 130 | 4.5– 6.5 | 28,000 | 3.5-yd bucket cap. |
| 100 | 3.0– 4.0 | 20,000 | 2.25-yd bucket cap. |

[1] From information supplied by the Caterpillar Tractor Co., Peoria, Ill.

[2] Per 8-hr day.

| Equipment type and horsepower | Fuel consumption (gallons per hour) | Weight (pounds) | Capacity |
|---|---|---|---|
| Dragline: 200 | 12 |  | 5-yd. bucket capacity. |
| Scraper (self-propelled): |  |  |  |
| 300 | *11 |  | 14-yd$^3$ capacity. |
| 413 | *15 |  | 21-yd$^3$ capacity. |
| 450 | †18 |  | 14-yd$^3$ capacity. |
| 640 | †23 |  | 21-yd$^3$ capactiy. |
| Elevating scraper: |  |  |  |
| 150 | 5 |  | 11-yd$^3$ capacity. |
| 300 | 12 |  | 22-yd$^3$ capacity. |

*Single engine.
†Tandem engines.

## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? There being no further morning business, the period for morning business is closed.

## ORDER FOR ADJOURNMENT TO 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10:30 a.m. tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER TO CONSIDER UNFINISHED BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow under the standing order, the unfinished business, S. 1541, if action on it is not completed today, be laid before the Senate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## CONGRESSIONAL BUDGET ACT OF 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 1541, which the clerk will please read by title.

The assistant legislative clerk read the bill by title, as follows:

A bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## RECESS FOR 30 MINUTES

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess for 30 minutes.

The motion was agreed to; and at 12:41 p.m. the Senate took a recess until 1:11 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HATHAWAY).

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

Mr. ERVIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HATHAWAY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, we have had an hour now when we could have been considering amendments today. We have a multitude of amendments. If Senators who expect to present those amendments do not come to the Chamber and propose some of them, I will have to ask that we go to third reading.

Mr. President, I suggest the absence of a quorum.

Mr. GRIFFIN. Mr. President, will the Senator withhold?

Mr. ERVIN. Yes.

Mr. GRIFFIN. I just want to join in the Senator's admonition. As the representative of the leadership on this side I want to indicate that if Senators have amendments, they should come to the Chamber and present them. Otherwise they can expect that the bill will go to third reading. We will put that message on the line so Senators will get the word.

Mr. ERVIN. We have wasted 1 hour when we could have been considering amendments. I think it would be well to send out notification that if Senators do not come to the Chamber, we will go to third reading.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. PERCY. Mr. President, the Senator from Delaware (Mr. ROTH), I know, has amendments and I understand he is home ill this afternoon. We will advise him we are ready for those amendments and the consideration of them. The Senator from Ohio (Mr. TAFT) I believe has an amendment. We will immediately advise him we are ready to take up that amendment. The Senator from Tennessee (Mr. BROCK) has an amendment, as well.

I wonder if it would be well to have a live quorum to advise Senators we are ready to go and the distinguished assistant minority leader has indicated we will be ready for a third reading if we do not get amendments.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore (Mr. METCALF). Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I ask for recognition.

The ACTING PRESIDENT pro tempore. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I request the attention of the Senator from North Carolina, who is handling the bill, for a short colloquy, but first I want to say that I am familiar enough with this bill to know it represents a tremendous amount of work by the membership and the staff members. I commend them very highly for it. I followed the subject matter most of last year, even though I was not in attendance here and I am one who thinks that something must be done.

I should like to direct the floor manager's attention to the deadlines imposed, particularly with reference to authorization legislation. Of course, I am thinking in terms of Armed Services Committee authorization bills—and may I just add a sentence there that the Senate Armed Services Committee is really just getting into the swing of having hearings this year and reviewing records of subcommittees that have gone into these weapons, weaponry, in depth. Just the research and development for this year alone is over $9 billion. We will have a fine-tooth comb run through these items and produce a rather complete record of testimony and staff work on it.

I mention that to show that the Senate is fully in accord with the idea of authorizing legislation.

Does the distinguished floor manager of the bill agree with me that any deadline imposed on the enactment—and I stress the enactment—of authorizing legislation could endanger the entire authorization process?

Mr. ERVIN. Yes, I think that is true. That is particularly true with respect to authorizing legislation which has to come from committees such as the Senate Armed Services Committee and the committee which handle the authorizations for HEW projects.

Mr. STENNIS. I thank the Senator. I just want to buttress the bill as much as I can, as chairman of one of the authorization committees—to maintain the strength of the provisions that the Senate committees have written into the bill. I want to say here that I believe, not only would a May 31 deadline be unworkable as to the passage of an authorization bill, but that, equally, the earlier deadline put in the House bill for enactment of all authorizations would be absolutely impossible. We cannot live with that kind of provision and carry out our legislative responsibilities. I am still referring to deadlines on the enactment of legislation.

Does the Senator agree with my observation in that respect?

Mr. ERVIN. Yes. I understand the Senator is speaking specifically with reference to authorization bills.

Mr. STENNIS. Yes.

Mr. ERVIN. The Government Operations Committee originally included a deadline by which all authorization bills were required to be enacted. That was changed by the Rules Committee in deference to the obvious—that in some cases it would be impossible to meet the deadline. We changed the deadline for reporting all authorization bills to May 15.

Mr. STENNIS. I heartily approve of of that change to a reporting requirement and think it was reasonable and necessary. In fact, is it not true that a committee loses control of a bill once it is reported to the full Senate?

Mr. ERVIN. Yes. It may then be said to be in the bosom of the Senate.

Mr. STENNIS. That is a good expression; I like to hear the Senator use it. The committee can recommend legislation to the Senate, but as far as the legislation being on the calendar and being called up is concerned, it is subject to the regular orderly processes of the Senate calendar.

Mr. ERVIN. And the committee which has reported the bill has no control over that, as the Senator so well points out.

Mr. STENNIS. It is my understanding the adoption of this bill will in no way affect the current authorization process which is required, by law, for defense procurement, research and development, and manpower appropriations, except that the bill would require reporting of such authorizing legislation on or before May 15. In other words, this bill does not repeal or restrict or abrogate in any way our general statutes requiring an authorization for those items, except as to the deadline for reporting the bills.

Mr. ERVIN. Yes, that is right. The report will give the Budget Committee and the Senate information as to the probable amounts that will be involved after the enactment of the authorizing bills and the enactment of the appropriation bills.

Mr. STENNIS. That is very good, and the Senate certainly is entitled to that information.

I point out, too, that we now make recommendations to the committee and the Congress each year with respect to defense manpower requirements, both manpower in uniform and in Civil Service employment, a responsibility which adds to the authorization load. The current law provides that no appropriation may be made unless and until legislation authorizing that authorization and manpower requirement has been enacted.

Debate on the authorization bill involves other major elements of national policy, such as overseas troop reductions, strategic nuclear posture, and so forth.

In the event that enactment of the authorization bill was delayed on the floor or by Presidential veto, it is my understanding there is nothing in this Budget Act of 1974 that would allow appropriations to be made before the authorizing legislation was enacted.

Mr. ERVIN. It does not change that practice of the Senate at all.

Mr. STENNIS. That is very good. That statement strengthens the record and helps make it possible for a chairman to accept the position I have taken here.

Further, S. 1541 would provide that bills establishing new entitlements would be referred to Appropriations Committees with a 10-day limit prior to floor consideration. I believe military pay raises, special pay, and bonus authorities fall under this provision. It is my understanding that the Appropriations Committee, in the 10 short days, would not and could not change the substance of such authorizing legislation. In other words, the Appropriations Committee could not change a pay structure or the legal entitlement provisions of a pay bill, but, rather, the Appropriations Committee effort would be to determine whether or not the legislation authorizing pay changes could afforded within the budget in any year.

Mr. ERVIN. That is right. The Appropriations Committee could determine the amounts, but could not alter an entitlement bill otherwise. That, I might state, is one of the most difficult things to handle in a proper manner. It is difficult to get a method to really get as firm a hold on entitlement bills as would be desirable, but that is the best the committee could come up with.

Mr. STENNIS. I think that statement reflects a great deal of work and an understanding of the problem, too. I commend the Senator.

Just one further point. I understand that all such entitling legislation that an authorization committee might handle would continue to be managed by the author of the bill on the floor of the Senate.

Mr. ERVIN. Yes.

Mr. STENNIS. I thank the Senator, and I commend him and those who worked with him—the Senator from Maine (Mr. MUSKIE) and many other Senators—on the bill.

Mr. PERCY. Mr. President, will the distinguished Senator from Mississippi yield to me?

Mr. STENNIS. Yes, I am glad to yield to the Senator from Illinois. He has worked on this subject diligently for some time.

Mr. PERCY. I thank the distinguished Senator. I want to express deep appreciation to him for the service he provided the Joint Study Committee on Budget Control. I have listened with some interest to the colloquy that has taken place.

In the report which the distinguished Senator from Mississippi signed is an interesting paragraph on page 14:

> Appendix Table 12 shows that 9 of the present 13 annual appropriations bills are affected at least in part by the requirement of annual authorizing legislation. This table also shows that for the 9 bills which required some annual authorization, during the period 1968 through 1971, the dates of passage for the authorizations generally occurred later in the year. On the other hand, as indicated in the table, action on the appropriations bills has been completed in relatively short periods of time after completion of authorization.

I recall that years ago, when we went on continuing resolutions for a period of 4 months for the Department of Defense, it was very difficult for the Department to operate that way. But that was better than the appropriations for the Department of Transportation and the Departments of Labor and Health, Education, and Welfare, which went for 12 full months on the basis of continuing resolutions in fiscal years 1971 and 1973, respectively. This bill provides extra time for the Congress by changing the fiscal year to October 1, with a current services budget, submitted a month and 10 days after the conclusion of the fiscal year. That would be the date of November 10. That would permit the Congress to know what would be spent by each of the departments under existing programs if they did not increase or decrease any of the levels of activity for programs. There would be no surprises when the budget comes in. It would not be a surprise to the chairman, who has worked with the Secretary of Defense and the various services over a period of time and knows essentially what would be in the budgets. Hearings could begin very early in the process. That would be a much better arrangement for getting every single spending bill enacted before the fiscal year begins rather than to have a continuing resolution, which is a very poor way to run the Government. We hope that the extra time would be helpful under the new practice.

Mr. STENNIS. I think the Senator has made a very fine statement. It is true both in logic and in practice. The proposals in the bill contain modifications which may not be exactly what every Senator would like. Maybe we would all dislike one provision or another, to some extent, but the bill is better than the arrangement we now have. With these changes, we will have a better chance to get at the meat of the problem. The Senator from Illinois is so correct.

In years when an inauguration takes place, we do not now get the buget until after January 20. When we have an extended Christmas recess, we do not get the budget until sometime in February. This bill will put the bee on us. There will be no excuse now.

I like the idea of the change in the fiscal year. I think it can be made an outstanding achievement for the legislative branch.

We, in Congress, will have a budget director. That is new. I hope we can get the most capable, the finest, the most qualified man possible, one who will be "on his own."

I would comment that as a member of the Committee on Appropriations for a good number of years, I think that Congress ought to have 50 or more highly competent investigators out on their rounds 12 months of the year, bringing back hard, bare facts, that can be laid on the table when witnesses are questioned and when figures are fixed in the bill.

We are the only ones who have the responsibility and the power to put the money figures in the bills. We now have just a minimum of sources of information and personnel, who are under our control, to go out and dig hard for the facts.

Mr. PERCY. Mr. President, I should like to ask the Senator a question. He has mentioned the importance of our having a competent director in the top position at the Congressional Office of the Budget. There is a feeling by some that the salary for the job should be lowered. The Government Operations Committee and the Committee on Rules and Administration felt so strongly about the importance of that position that they provided a pay scale comparable to the pay scale of the Comptroller General of the United States. That automatically means that we would be on a manhunt—or a womanhunt—for an absolutely top executive with an extensive background in Government and in fiscal management, one who would be looked up to as a congressional watchdog over the budgetary process. Such a person would earn his or her salary 10 times over.

Does the Senator agree that we ought to have that kind of person holding such an office?

Mr. STENNIS. I may say that I have not looked into the salary levels, but we must have someone who will be able to question witnesses, who will have the drive and will to work, who will use his judgment if we are going to improve the fiscal process. If we do not have such a person, the budget will not be a worth a continental.

Mr. President, I should like to make some additional remarks on the bill.

I have believed for some time that there is no problem facing our Government—both Congress and the executive branch—which is as pressing as the problem of controlling the budgeting and spending process. In this Chamber, we have come to know that action is needed in this field.

In that spirit, I want to commend all the committees and all the individuals who have helped to bring this budget reform matter to the floor for action. I am especially grateful to the Senate Rules Committee and to its Subcommittee on Standard Rules of the Senate which is headed by the Senator from West Virginia (Mr. BYRD). I support the bill, S. 1541, as reported by the Rules Committee.

I believe it will put us on the road toward a budgeting process which will give Congress tighter strings for use in exercising the constitutional power of the purse.

I want to say, Mr. President, that, as chairman of the Senate Committee on Armed Services, I had very serious reservations about an earlier version of S. 1541. My reservations also apply to the House version of this bill, H.R. 7130. The House bill and the earlier version of the Senate bill contain a provision which could seriously impede the authorization—appropriations process in the Senate and even restrict the freedom of Senators in debate.

I am referring to the provision, which would require final enactment of all authorization bills by a given date each year, May 31 in an earlier Senate version and March 31 in the House bill. That provision is modified as section 402, on page 154 in the bill before us, to require that authorization bills be reported by May 15 of each year, and provision is made in the same section for a waiver of that deadline if that should be necessary.

The waiver procedure provides that a committee, unable to meet the May 15 reporting date for an authorization bill, would report a waiver resolution to the Senate stating reasons why the waiver is necessary. The new Senate Budget Committee would have 10 Senate meeting days to consider the waiver resolution and debate on it here in the Senate would be limited to 1 hour, with 20 minutes on motions and appeals. In other words, the procedure assures a timely Senate vote on such a waiver resolution.

Members of the Senate should understand that the Senate Armed Services Committee is required, as a matter of law, under the so-called 412 legislation, to authorize certain functions of the Department of Defense each year as a necessary precondition to the appropriation of funds for those activities. I was—and am—greatly concerned about any provision which would superimpose a new statutory requirement that our annual authorization bill must be finally enacted by May 31 or, worse, by March 31.

As the Senate is well aware, our Armed Services Committee hearings on the $20 billion authorization bill have often lasted 3 months. Floor debate—including debate on highly important military and foreign policy issues proposed in floor amendments—has lasted 4 to 9 weeks in the 4 most recent years. The time required for conferences has ranged from 2 to 4 weeks and, of course, the President must have time to review the bill before he acts.

Under the statutory time pressure, proposed in the House bill, I can envision circumstances under which there might be no military authorization bill at all. Even more likely would be an annual rush to meet the enactment date which would restrict debate here in the Senate on issues which demand a full and careful consideration. Such a situation might invite delaying tactics by determined partisans in one controversy or another.

I have discussed these mandatory enactment dates at some length so that my opposition will be on the record. I feel more comfortable with the May 15 date for reporting authorization bills each year. Our committee is currently working hard to report the fiscal year 1975 military procurement authorization bill by this May 15, and I believe the date will be met.

I think the authorization process—a strong and effective authorization process—will be safeguarded by the provision of S. 1541 in the bill before us which requires a May 15 reporting rather than a May 31 enactment of authorization bills.

For these reasons, and favoring a strengthened budget process as I do, I support the bill, S. 1541, as reported by the Rules Committee and urge that it be passed without any change in the provision I have mentioned.

I cannot emphasize too strongly, Mr. President, that I am supporting the pending Senate bill, with a May 15 requirement for reporting of authorization bills. We can live with that reasonable provision and improve our procedures under it.

But, Mr. President, I cannot support the House provision requiring enactment of authorizations by March 31, the May 31 enactment provision of the earlier Senate bill, or any other provision which would destroy the authorization-appropriation process, and if section 402 is altered I will have to reconsider my support for this measure.

Mr. MUSKIE. Mr. President, the Congressional Budget Act of 1974 is the best kind of reform measure—self-reform. It will give Congress the means to deal in an orderly and comprehensive fashion with our most important decisions—those on budget policy and national priorities.

This legislation is necessary and important. It is necessary not only because our own procedures for handling the budget have gone unreformed for more than half a century, but also because it provides us an opportunity to reassert our constitutional control over the Federal purse strings.

Mr. President, it is important legislation because it can help restore our people's severely shaken faith in their Government.

Last fall, when my Subcommittee on Intergovernmental Relations surveyed public attitudes toward Government, we found that less than one American in three had "a great deal of confidence" in the Senate. More recently surveys by Louis Harris—who conducted the subcommittee survey—have found that public approval of the Congress has sunk even more.

I imagine that a great many Americans—perhaps a majority—perceive the Congress as an ineffective, uncreative institution unable to respond effectively to complex and pressing problems and unwilling to change its ways so that it can work better.

The Congressional Budget Act of 1974 challenges that perception. Enactment of this legislation will be a recognition that our procedures need reform and a demonstration that we are willing to change.

I am under no illusion that enacting budget reform legislation will alter radically the public perception of the Congress. But budget reform is a necessary step that we must take if we are to start down that long road toward restoring the balance of power between the branches of Government, and the balance of power between Government and citizen.

Last year, the Congress was the target of a partisan propaganda campaign, orchestrated in the White House, that branded us as "irresponsible" and "reckless" in our handling of the Federal budget.

Budget reform is our bipartisan and responsible response to partisan and reckless rhetoric.

To be sure, enactment of this legislation will not diminish debate in the Senate over what spending priorities should be. But this legislation represents a reaffirmation of the determination of members of both political parties to establish an open, informative and thorough way for Congress to handle the Federal budget.

This bill calls for comprehensive consideration of the budget requiring us to relate spending decisions to revenue decisions. It rejects the notion that unanticipated budget deficits result only from so-called "excessive spending." Rather, it recognizes that unexpected deficits can result from unrealistically high revenue estimates—as was the case for fiscal years 1970 through 1972—or from unanticipated increases in uncontrollable expenditures, as well as from increased Federal spending. For that reason, it requires the Congress to make an inclusive review of its budget policies on at least two occasions during its budget consideration.

But most importantly, the procedure in this bill is a fair one. It establishes a procedure for congressional control of the budget that is neutral, that favors neither those who want to cut spending nor those who want to increase revenues.

Reforming the procedures by which Congress considers the budget is no easy undertaking. Unlike the executive branch, the Congress is not a monolithic organization which speaks with one voice on budget policy. Rather, an acceptable and workable congressional budget procedure must insure that every committee and, indeed, every Member of Congress contributes to the decisions.

We have endeavored to develop such a procedure in the bill before us today. The procedures in this bill will provide Congress a badly needed overview of the Federal budget, without requiring unwarranted intrusions into the integrity of our committee system.

The Congressional Budget Act of 1974 was drafted with much care and consultation.

It reflects the work of three committees of the Congress over a period of more than a year. In the fall of 1972, the Congress created the Joint Study Committee on Budget Control to recommend ways the Congress could improve its control over the Federal budget.

The recommendations of the Joint Study Committee were examined at great length last year by the Committee on Government Operations, which worked for more than 8 months before approving budget reform legislation. The bill was then considered by the Committee on Rules and Administration which further refined it.

Mr. President, this legislation commanded bipartisan support at every step in its development. The bill reported by the Committee on Government Operations reflected the work of Senators of both parties. Under the leadership of the distinguished Senator from North Carolina (Mr. ERVIN), Senators METCALF, PERCY, BROCK, NUNN, myself, and others worked together to develop comprehensive and workable legislation.

That cooperative spirit continued as the Rules Committee considered the bill. At the direction of the distinguished Senator from Nevada (Mr. CANNON), the distinguished assistant majority leader (Mr. ROBERT C. BYRD), and the distinguished assistant minority leader (Mr. GRIFFIN), the Rules Committee provided a forum for revising the bill, with the help of all interested parties.

The Rules Committee organized an extraordinary staff group for the purpose of reexamining the budget reform bill. All standing committees were invited to designate representatives. The resulting staff effort to produce a "consensus" bill is probably without precedent in the Senate. In all, 45 staff members representing 10 standing committees of the Senate, 4 joint committees, the House Appropriations Committee, the Congressional Research Service, and the Office of the Senate Legislative Counsel took part in this effort.

I am sure that the entire Senate joins me in expressing appreciation to the following staff members who played a key role in the development of this bill:

Robert Bland Smith, Jr., staff director and counsel of the Committee on Government Operations; and W. P. Goodwin, Jr., counsel to the committee.

William McWhorter Cochrane, staff director of the Committee on Rules and Administration; Joseph E. O'Leary, minority counsel to the committee; Anthony L. Harvey, counsel to the Subcommittee on Computer Services of the Rules Committee.

Herbert N. Jasper, researcher to the Committee on Labor and Public Welfare, who served as the chairman of the staff group which reexamined the bill.

J. Robert Vastine, minority counsel to the Committee on Government Operations; and John Pearson and Harrison Fox of the committee's minority staff.

Alvin From, staff director of my Subcommittee on Intergovernmental Relations; and James E. Hall, of the subcommittee staff.

E. Winslow Turner, chief counsel of Senator METCALF's Subcommittee on Budgeting, Management, and Expenditures.

Nicholas J. Bizony of Senator NUNN's staff.

And, we all owe a special thanks to Harry Littell, the legislative counsel, who has labored over drafts of this legislation for nearly a year.

II

Mr. President, we cannot overestimate the importance of budget reform legislation. It is critical to the reassertion by the Congress of its constitutional control over the Federal purse strings.

Last year, the Senate took important steps toward redressing the balance of powers between the Congress and the President. It passed landmark war powers legislation and measures to block Presidential impoundment of funds and to assure information to Congress in the face of Presidential claims of privilege. But despite these important measures, the procedures by which Congress exercises its fundamental power to appropriate funds and raise revenues have remained unreformed.

During the past half century, we have witnessed a steady erosion of congressional control over the budget. In contrast, we have seen a consistent escalation of executive influence over budget and fiscal policies.

As a result, in 1974, Congress finds itself severely weakened in its efforts to carry out its dual responsibility to determine Federal budget policies and to establish national priorities. It lacks both the necessary resources to give the budget proper consideration and an adequate procedure for making rational decisions on national priorities.

The bill before us will reform the most serious shortcomings in the system by which Congress currently considers the budget.

It will provide the Congress with additional resources it needs, both in terms of staff and information, to make independent decisions on budget policies.

It will establish a realistic timetable for congressional consideration of the budget, enabling Congress to complete its work on the budget before the beginning of each new fiscal year.

It will, for the first time, provide Congress with a mechanism for overall, comprehensive consideration of budget policies.

III

First, this bill will better equip the Congress to handle the Federal budget. It will create new organizations that are critical to the success of budget reform.

It will establish a 15-member Senate Budget Committee to oversee congressional budget matters. And it will create a Congressional Office of the Budget to provide both Houses of Congress with staff resources they need to investigate and analyze the budget.

The new Senate Budget Committee will provide this body, for the first time, with a single committee responsible for an overview of all policy matters affecting consideration of the budget. That committee will become the focal point for all information and analyses relating to the formulation of recommended fiscal policies and budget priorities. But it will not be an executive committee of the Senate because existing committees—such as the Appropriations and Finance Committees and the authorizing committees—will have significant roles in the new budget process created in this bill.

The COB will meet our need for a highly competent professional staff to guide us in fiscal policy and budgetary considerations. It will be a full-time, year-round, nonpartisan staff that will compare with the General Accounting Office and will provide Congress with the kind of information and analyses it needs to work on equal footing with the executive branch.

In my view, the creation of the COB is an essential element of this bill. It is particularly important that the Congressional Office of the Budget will serve all committees and Members of Congress. If committees and members are to operate effectively within this new budget context, they must have the right to easy access to the COB for whatever information and specialized assistance they need.

The Congressional Budget Act of 1974 also contains a number of provisions to expand the budgetary information available to Congress. The bill, for example, requires that Congress be given information concerning both tax expenditures in the budget and timely projections of the estimated impact of current decisions on future budgets. It requires, in addition, that early in the budget consideration process, the President submit a current services budget estimating the cost of continuing programs at their existing levels. With the current services budget in hand, the Congress can more easily evaluate proposed policy changes when the President submits his fiscal budget.

IV

Second, the Congressional Budget Act of 1974 will provide Congress with the additional time it needs to complete action on the budget.

In changing the start of the fiscal year to October 1, the bill contemplates congressional consideration of the budget. It requires the President to submit the current services budget by November 10 and his final budget by February 15.

As a result, this bill will provide Congress with more time than it now has to consider budget policies after submission of the President's budget as well as with the capability to generate its own information for year-round budget considerations.

V

Third, this legislation will equip Congress with a means for overall evaluation of budget policies.

The cornerstones of this mechanism are the two budget resolutions. The first enacted by June 1 would, in effect, establish the congressional budget for the fiscal year beginning the next October 1. That resolution would establish appropriate overall spending levels and recommended subtargets by functional categories, as well as revenue estimates and both projected and desirable surpluses or debts.

The second budget resolution must be enacted shortly after Labor Day. This resolution provides Congress with the opportunity to reassess its initial budget and priority decisions just before the beginning of the new fiscal year—taking into account the most current economic data and the intervening actions on individual spending measures. If the latest revenue estimates and the individual spending measures previously enacted differ from the appropriate levels established in that second budget resolution, the resolution will also direct committees of jurisdiction to recommend the legislative action necessary to reconcile those differences.

Congress will then complete its action on the budget by enacting the reconciliation bill mandated by the second concurrent resolution.

An important element of the process in this bill is that it requires the input of the Appropriations Committee, the Joint Economic Committee, the Finance Committee, the legislative committees, and the Congressional Office of the Budget before action upon that first budget resolution. In fact, the bill requires that authorization bills be reported to the Senate before May 15 so Congress will have the benefit of the work of the authorization committees before it when it enacts its first budget resolution.

As a result, when the House and Senate consider that first budget resolution, they will already have been informed of the views of all the key participants in the budget process, as well as the prospective impact of the budget.

After the Congress approves the first budget resolution, it will begin work on the actual appropriations or spending bills. The bill calls for all spending bills to be completed by early August so that Congress will have time to reassess and revise its spending and revenue decisions in the second budget resolution and the reconciliation bill.

VI

In this legislation, we are attempting to establish a fair and workable system for congressional control of the budget.

To be sure, with the enactment of this legislation, many of the procedures by which we operate in this body will be modified. But in drafting this legislation, we have made an extraordinary effort to consider the views of those Senators who expressed specific concerns about the bill.

Mr. President, I wish to underscore the fact that this new congressional budget process will not interfere with the manner in which Congress acts on appropriations measures. Rather, the procedure in this bill will supplement the appropriations process only to the extent of providing Congress with the capability of determining overall fiscal policy, focusing more closely on so-called uncontrollable programs, relating expenditures to revenues and debt, and establishing broad national priorities.

And this new congressional budget process does not attempt to diminish the responsibilities of the legislative committees. The bill in no way interferes with their prerogatives to authorize programs, and it insures their participation in the drafting of legislation to reconcile individual congressional actions with overall congressional budget policies before the beginning of each fiscal year.

### VII

Mr. President, in the past 12 months we have come a long way toward meaningful and workable budget reform. The Congressional Budget Act of 1974 will, upon its enactment, not provide an instant panacea for all the ills that now afflict the process by which Congress considers the budget.

But the process for considering the budget included in this bill can work with the cooperation of the entire Senate. As we have developed this bill, we have sought and received that kind of bipartisan cooperation.

There is no question in my mind that this is most necessary legislation. And I am convinced that its enactment and implementation is essential for Congress to reassert its constitutional responsibility to control the Federal purse strings.

Mr. President, I ask unanimous consent that a further, detailed explanation of the Congressional Budget Act of 1974 be included in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

## EXPLANATION OF S. 1541, THE CONGRESSIONAL BUDGET ACT OF 1974

### ESTABLISHMENT OF COMMITTEE ON THE BUDGET

The Bill creates a fifteen-member Senate Budget Committee. The membership of that Committee would be selected by the party caucuses. The Committee would be a major standing Committee so that after January 1979 its members could serve on the Budget Committee and just one other major committee. Until that time, its members could serve on the Budget Committee and two other major committees.

The Budget Committee would be the focal point for all information and analyses relating to the formulation of recommended fiscal policies and budget priorities. Its principal responsibility would be to consider the input of the Appropriations Committee, the Joint Economic Committee, the Finance Committee, the legislative committees, and the Congressional Office of the Budget and then report to the Senate for consideration a concurrent resolution setting out appropriate overall spending levels and recommended subtargets by functional categories, revenue estimates and projected and appropriate surpluses and debts.

In addition, the Budget Committee would be required to report to the Senate a second concurrent resolution not later than three days before the beginning of the August recess or not later than August 15 when Congress does not take an August recess. That second concurrent resolution would direct the steps Congress must take in a reconciliation bill to reconcile its individual budget actions with the budget policies established in that second concurrent resolution. In those cases in which the second concurrent resolution directs actions by more than one committee, the Budget Committee would be responsible for reporting out the reconciliation bill.

### CONGRESSIONAL OFFICE OF THE BUDGET

The Bill establishes a Congressional Office of the Budget with a Director and Deputy Director appointed by the Speaker and the President Pro Tem after consultation with the Budget Committees, approved by both Houses, subject to removal by either House, for a term of office of six years.

The Congressional Office of the Budget would be a non-partisan staff to assist the Budget Committees in the discharge of all matters within their jurisdiction, and to provide informational and analytical services on the budget generally to other committees and members of Congress.

The Budget Committees in both Houses would have their own staffs.

### CHANGE IN FISCAL YEAR

The fiscal year would be changed to October 1. The purpose of this change is to eliminate one of the most serious budgetary problems Congress now faces—that of having to run the country on continuing resolutions from July until the appropriations process is completed. The fiscal year shift will allow Congress the time it needs to complete its work on the budget before the new fiscal year begins.

### TIMETABLE

The timetable for the Congressional budget process would be as follows:

| *On or before* | *Action to be completed* |
|---|---|
| November 10 | President submits current services budget. |
| February 15 | President submits his budget. |
| April 1 | Standing committees of the two Houses of Congress, Joint Economic Committee, and Joint Committee on Internal Revenue Taxation submit reports to Budget Committees. |
| April 15 | Congressional Office of the Budget submits report to Congress. |
| May 1 | Budget Committees report first concurrent resolution to their Houses. |
| May 15 | Committees report bills and resolutions authorizing new budget authority. |
| June 1 | Completion of all action on first concurrent resolution. |
| (1) Five days before beginning of August recess<br>or<br>(2) August 7 when no August adjournment | Completion of enactment into law of all bills and resolutions providing new budget authority. |
| (1) Three days before beginning of August adjournment<br>or<br>(2) August 15 when no August adjournment | Budget Committees report second required concurrent resolution. |
| (1) Three days after end of August adjournment<br>or<br>(2) Four days after Labor Day when no August adjournment | Completion of all action on second required concurrent resolution. |
| September 25 | Congress completes action on reconciliation bill implementing second required concurrent resolution. |
| October 1 | Fiscal year begins. |

### FIRST CONCURRENT RESOLUTION ON THE BUDGET

The first concurrent resolution on the budget will set out the appropriate levels of total new spending for the upcoming fiscal year and recommend the allocation of that spending by functional categories. In addition, the first budget resolution will set forth estimated revenues, a recommended level of surplus or deficit, recommended changes in levels of revenues or the level of public debt in order to achieve the recommended surplus or deficit. This first concurrent resolution would, in fact, represent a "Congressional Budget."

The budget resolution would set out the subtargets by functional area as follows:

*Health* (*budget authority and estimated outlays*)

| | | |
|---|---|---|
| Existing programs: | | |
| Permanent authority | —— | —— |
| Appropriations committee jurisdiction: | | |
| Relatively controllable | —— | —— |
| Relatively uncontrollable | —— | —— |
| Proposed programs | —— | —— |
| Subtotal (health) | —— | —— |

After the Budget Resolution is enacted, the Bill requires the Committee on the Budget to submit a report translating the spending levels in the functional categories into estimated appropriate spending levels for each individual appropriations bill and backdoor spending measure. The specific breakdowns for appropriations bills would be supplied by the Appropriations Committee.

### RULES FOR CONSIDERATION OF FIRST CONCURRENT RESOLUTION

Debate on the first concurrent resolution will be limited to fifty hours overall and two hours on each amendment.

All amendments to the concurrent resolution, whether or not they are mathematically consistent, are in order. The only consistency requirement, under the Bill, is that the concurrent resolution be mathematically consistent at the time of final passage. The Bill allows the resolution to be made consistent on the floor if it is inconsistent after all amendments are considered.

In the event that House and Senate conferees cannot reconcile their differences on the first concurrent resolution, the Bill sets up the following procedure: The concurrent resolution includes those totals on which the conferees have agreed and the arithmetic mean between the two versions for those totals on which the conferees could not agree.

### AUTHORIZATION PROCESS

Under the Bill, all authorization legislation for the next fiscal year must be reported before May 15.

The Bill would also allow the Senate, upon the recommendation (within ten days) of the Budget Committee to waive the authorization reporting deadlines.

### SCOREKEEPING PROCEDURES

The Bill includes intensive scorekeeping provisions. The purpose of the scorekeeping provisions is to keep the Congress informed during its consideration of spending measures of how its actions correspond to the appropriate spending levels set forth in the first concurrent resolution.

Specifically, the Bill requires that all spending measures must be accompanied by a statement, prepared after consultation with the Director of the COB, detailing how that bill would compare with the figures in the concurrent resolution. Reports accompanying tax expenditure legislation shall include a comparison of the new tax expenditures level with the existing level and a justification for the change.

In addition, the COB will be responsible for keeping up-to-date tabulations and status reports on spending measures as they are considered by the Congress.

After reconciliation, the COB will be required to prepare a report detailing a five-year projection of the impact of Congressional action.

### APPROPRIATION PROCESS AND RECONCILIATION

The Bill sets aside a two-month period after the enactment of the first concurrent resolution for the Congress to act upon appropriations bills and other spending measures. Specifically, it requires that all action on spending measures and tax expenditure measures be completed by August 7. However, no spending measure passed between June 7 and August 7 can go into effect until the beginning of the next fiscal year, October 1.

The Bill provides that no spending measures be acted upon before June 1, the date of enactment of the first concurrent resolution. The only exceptions to that rule involve entitlements and trust funds, programs like veterans' benefits and socal security benefits. Entitlements can be enacted before the first concurrent resolution is completed on the condition that each bill providing for entitlements is rereferred to the Appropriations Committee for a ten-day period before it is acted upon by the Congress. Entitlements acted upon before the completion of the first concurrent resolution, like those acted upon after the resolution, would not go into effect until the following October 1.

After action is completed on all individual spending measures, the bill sets forth a process to reassess the actions taken on those individual measures and the appropriate spending levels, revenue estimates and appropriate surplus or debt set out in the first budget resolution. This reconciliation process would work like this.

By a date three days prior to the beginning of the August recess, or by August 15 in years in which there is no August recess, the Budget Committee must report to the Senate a second concurrent resolution. That resolution must be adopted by a date three days after the end of the August recess or four days after Labor Day.

The second concurrent resolution will reaffirm or revise any or all figures in the initial concurrent resolution and may specify the amounts, if any, by which spending revenues, and the public debt limit are to be changed in order to achieve the appropriate surplus or deficit, as the case may be. This resolution will, where changes are specified, direct the Committees of jurisdiction to determine and recommend necessary legislative action to accomplish the changes. That second concurrent resolution may direct rescissions of new budget authority on a pro rata basis in cases where it is determined that selected rescissions are not feasible.

After the concurrent resolution is enacted, Congress must then work on a reconciliation bill. If the changes directed by the second concurrent resolution affect only one committee of the Senate, that committee would then promptly report a reconciliation bill to the Senate recommending specific changes in law to meet the directions set out in the second concurrent resolution.

If, however, more than one committee is affected by the directions set out in the second concurrent resolution, each committee affected shall promptly recommend changes in laws, in accordance with the direction in the second concurrent resolution, and transmit those recommendations to the Budget Committee. The Budget Committee will then report a reconciliation bill to the floor.

Congress must complete action on the reconciliation bill by September 25. And the Bill prevents the Congress from adjourning until the reconciliation process is completed.

### BACKDOOR SPENDING

All backdoor spending measures providing for contract or borrowing authority must go through the regular appropriations process.

However, the Bill does allow some exceptions in the handling of backdoor spending. Any bill providing for payments under a mandatory entitlement formula, for example, will be referred to the Appropriations Committee for not to exceed ten days after which the Appropriations Committee must report it to the floor.

In addition, the Bill exempts new trust funds from the provisions covering backdoor spending. The Bill also provides an exemption for general revenue sharing, providing the new authorization legislation for revenue sharing exempts it from the backdoor spending controls.

### EXECUTIVE SUBMISSION OF THE BUDGET

The Rules Committee Bill requires the President to submit to Congress a Current Services Budget by November 10. The Current Services Budget will be broken down by functional and sub-functional categories, showing estimated expenditures and proposed appropriations if all existing programs and activities were to be carried on for the ensuing fiscal year at existing levels with no policy changes.

The Bill sets the date for submission of the President's budget at February 15.

### IMPOUNDMENTS

The Bill includes an anti-impoundment title that amends the Anti-Deficiency Act to limit the justifications for reserving funds.

The Anti-Deficiency Act permits the Executive to create reserves of appropriations to provide for contingencies, to effect savings when such savings are made possible through changed requirements, and through greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available. The Anti-Deficiency Act has been used as a justification for impoundments of funds for fiscal and other program purposes, even though the legislative history of the Anti-Deficiency Act makes clear that it was not to be used for such purposes.

The anti-impoundment title would provide that appropriated funds may not be reserved for fiscal policy reasons or to achieve less than the full objectives and scope of programs enacted and funded by Congress. It would require that the Comptroller General be notified in advance whenever reserves are to be made, and it would empower him to sue in the United States District Court for the District of Columbia to enforce the terms of the Title, in other words, to contest any impoundments made for reasons other than those specifically provided in the Anti-Deficiency Act.

### TRANSITION PERIOD

There would be a phased implementation of the procedures under the Bill. The Budget Committee and the COB would be established upon enactment (presumably in 1974). The Budget Committees *could* report a first concurrent resolution as a "dry run" for fiscal year 1976. In calendar year 1976, the new Congressional budget process would take full effect for the fiscal year beginning October 1, 1977.

**Mr. BENTSEN.** Mr. President, I am pleased to participate in this colloquy today and I want to take this opportunity to commend my colleagues on the Joint Study Committee on Budget Control, the Senate Government Operations Committee, and the Committee on Rules and Administration, for their dedication and outstanding work on developing budget reform legislation, certainly one of the most important issues to come before the 93d Congress. In the last couple of years, thousands of words have been spoken in the Congress on the need for improving the formulation and execution of fiscal policy. I am not certain the average American understands all this and I doubt he is impressed by it. But I have no doubt that he does understand and is impressed when he hears the President say that it is time to get big government off your back and out of your pocket. Unless we in the Congress can make our case in terms just that direct and just that relevant to the average American, we are going to lose the powers of the purse. But if we can implement an effective system to deal with fiscal matters, we will be able to stop the erosion of congressional power to the executive branch and thereby find ourselves on the road to full restoration of our constitutional powers.

The problems of Congress have been identified, discussed, solutions proposed and rehashed for years but they continue to plague us. I believe that now, finally, we have before us the proper machinery for strengthening Congress management of the Federal budget. The bill before us may not be free of defects but it is a flexible mechanism for making a start toward reforming the way Congress makes decisions on setting national priorities.

Control of Federal expenditures, Mr. President, is not the only point at issue. Even more profound is the principle of the survival of representative government. Under the doctrine of the separation of powers, the power to determine expenditures was properly assigned to the Congress but we have been in danger of losing that power because we have never developed the mechanics for controlling the budget. Piecemeal reductions in Federal programs, which is more or less what the Congress presently does, fail to provide a permanent solution to the problem of regaining and retaining congressional control over Federal spending. Congress has to have the means for making an independent judgment on the amount of Government money to be spent each year and we need the machinery for insuring coordination among the various committees incurring obligations and making outlays. Moreover, we have neither the appropriate resources and access to information for properly scrutinizing the Federal budget nor a rational procedure for making decisions about national priorities.

The day has long since passed when our resources were unlimited and we could pass appropriations with scant regard of anticipated revenues. We must have a system to insure that when we vote additional funds for any one program, we will know where we are getting those funds and the impact of those moneys on the Federal budget.

The role the Federal budget plays in our general economic situation is obvious. In this regard, I am pleased to see that the substance of an amendment introduced to the Budget Control Act of 1973 has been incorporated into S. 1541. One basic purpose of congressional budget reform should be to provide for systemic congressional determination of the surplus or deficit necessary to meet the Congress responsibility under the 1946 Employment Act of promoting "maximum employment, production, and purchasing power."

Presently there is no such systematic determination. Under S. 1541, the concurrent resolution reported by the Budget Committee would set guidelines recommending appropriate levels of budget authority and outlays, revenues, debt level, and the surplus of deficit. This would allow the Congress to focus on the issue of what level of budget surplus or deficit is appropriate in light of our Nation's economic condition and to do so before we become involved in the consideration of individual spending programs. I believe such an approach is good management and that it is good economics as well.

Mr. President, budget reform legislation is not a liberal or a conservative issue nor is it a partisan issue. It is an issue faced not by Republican and Democratic Senators and Representatives but by U.S. Senators and Representatives. The overall perspective of Federal spending that this bill provides is indispensable if we expect to maintain congressional control over our Federal pursestrings. For that reason I am pleased to be a cosponsor of S. 1541 and I urge the Senate's expeditious approval of this legislation.

Mr. TALMADGE. Mr. President, since coming to the Senate 17 years ago, I have resisted what I view as an alarming and unhealthy trend toward spendthrift and adventuresome government. Unfortunately, year after year, the Federal budget has mushroomed, and the Federal debt has soared. Along the way, the Government has abandoned any semblance of fiscal sanity.

Mr. President, there is no doubt in my mind that excessive Federal spending is one of the root causes of inflation. I have been deeply concerned with the continued failure of the Government to attain a balanced budget. Judging from the comments I have heard from my fellow Georgians, they are equally concerned.

I am amazed that, on the one hand, the Federal Government prints books on maintaining a simple household budget, and on the other, it cannot follow its own advice. If we cannot keep our own house in order, can we reasonably ask others to do the same?

Mr. President, James Madison, one of the Founding Fathers of the Republic, once stated:

> No government will long be respected without possessing a certain portion of order and stability.

Today, the Senate is actively debating how we can take responsible steps toward restoring order and stability to Government. I applaud this. It is long overdue. The time has certainly come when the United States should do business on business principles.

Last year, the Joint Study Committee on Budget Control, on which I had the privilege of serving, conducted an extensive review of the Federal budgetary process. From that study, a bill, S. 1641, to revise and reform the congressional budget process, was drafted and introduced in the Senate. I cosponsored this proposal and am pleased that many of its provisions are being considered today.

Mr. President, I am constantly asked if the Congress can do anything to stop the spiraling rate of inflation. Of course we can.

But to do so, Mr. President, the Congress cannot continue its harum-scarum approach to appropriating the Federal dollar. Each year, we are asked to consider funding for thousands of Federal programs. Who is to say which activities are more desirable than others? For that matter, are all of these programs necessary? I daresay that if we had a "big picture" readily available, many of these programs which do little more than furnish secure and comfortable jobs to a few bureaucrats would fall by the wayside.

We seem to be spending money on the assumption that the Federal dollar is endless. There is not one safeguard against big spending in the entire Federal budgetary process. Huge deficits have unfortunately become routine today. The Federal bureaucracy is permitted to take the taxpayers' dollars on a wild spending spree, and then turn around and unashamedly ask for more. This is not a system. This is chaos.

A jumbled conglomeration of figures gathered from several appropriations bills can hardly be called a working budget for a $300 billion enterprise. The Congress must realize that the Federal pie can be cut just so many ways. Then and only then will we be able to resolve funding priorities. As the situation now stands, many Federal agencies and programs receive money by default: Either the Congress is unable or unwilling to determine just what the agency or program does, or Congress simply assumes that the job is being done and it will not hurt to print up a few more paper dollars to finance the operation.

We already know that previous spending decisions will require an estimated $300 billion in future expenditures. This kind of shortsightedness ought to demonstrate the compelling need for effective budget reform.

Mr. President, 1 year ago, I stated on the floor of the Senate that the Federal spending spree was akin to that of the proverbial drunken sailor on a weekend pass. I regret to report that the situation is even worse today. Still, the Government of the United States tries to be all things to all people. Still, Federal influence and Federal dollars permeate every nook and cranny in America and every corner of the world.

Mr. President, we are but 2 years short of this Nation's 200th anniversary. I feel that if the taxpayers of this country were asked what they could best use as a Bicentennial gift, I believe they would overwhelmingly ask Congress for Federal budget control spending reform.

I hope that the Senate will take this opportunity to give Americans a much-needed spending break. The President, in proposing a record-shattering $300 billion unbalanced budget, has stated that it is up to the Congress to set the economy straight. If the executive branch has chosen to throw fiscal restraint to the four winds, then I for one will do all that I can to see that the Congress refuses to meekly fall in line.

Mr. President, I would have much preferred that this debate center on the constitutional amendment I introduced last year to put an end once and for all to deficit financing, which plagues the economy and robs the workingman of his hard-earned dollars. The bill we are presently considering would still permit the Congress to approve the use of this foolish practice.

However, I feel that this measure may provide a degree of order and stability where none has existed before. By placing ceilings on Federal expenditures, this bill may lead to much needed cutbacks in extravagant and unnecessary programs. It could be a practical means of forcing the Congress to decide whether to let the Nation sink deeper into debt, or raise Federal taxes, or finally get down to business and trim the fat from the budget.

There is no reason why future generations of Americans should be burdened with an awesome national debt which has increased by $200 billion in 20 short years. Yet, the U.S. Government, with its policy of playing policeman, banker, and Santa Claus the world over, is teetering on the edge of bankruptcy.

Mr. President, I am not one to use the word "crisis" lightly. Americans are being told that we face everything from an energy crisis to a food crisis to a toilet paper crisis. It has become difficult to separate fact from fiction. It is clear, however, that we have been deeply immersed in a series of budget crises since the Second World War. The soaring price of gold and the instability of the dollar are proof enough of this.

A wise man once observed that a man cannot drink himself sober. By the same token, Mr. President, a nation cannot spend itself rich. We have tried. We have failed. Now we must exercise restraint. This bill is a step in the right direction. It should be passed.

Mr. CHILES. Mr. President, I ask unanimous consent that Mr. Les Fettig be granted the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### AMENDMENT NO. 1034

Mr. HATHAWAY. Mr. President, I call up my amendment which is at the desk and ask that it be stated. I have modified it.

The ACTING PRESIDENT pro tempore (Mr. Metcalf). The amendment, as modified, will be stated.

*The assistant* legislative clerk read as follows:

(f) Consideration of Alternative Courses of Action in Light of Changes in Estimated Outlays or Revenue Receipts.—On February 15 of each fiscal year, if the latest estimates of outlays or revenue receipts reported to the Congress under subsection (b) (1) or (3) change by 3 percent or more from the outlay or revenue levels set forth in the most recently agreed to concurrent resolution on the budget for such fiscal year, the Director of the Congressional Office of the Budget shall be required to report any such change to the Committee on the Budget of each House, and shall be required to list alternative courses of action Congress might take in light of such change in the estimates of outlays or revenues, or both. The Committee on the Budget of each House, shall, on or before March 1, report to its House on its consideration of the alternatives listed, its recommendation for action, or its reasons for not taking any action at that time.

Mr. HATHAWAY. Mr. President, the amendment I am proposing is quite simple in form and sound in terms of fiscal practice. It would merely require that Congress consider the impact of unforeseen changes in outlays or revenue receipts during the fiscal year.

This amendment would add a new subsection to section 308. That section already requires that the Director of the Congressional Office of the Budget issue periodic reports giving an up-to-date comparison of the latest estimated outlays and revenue receipts, and the estimated outlays and revenue receipts set forth in the most recently agreed to *concurrent resolution* on the budget. My amendment would add a new subsection to section 308, and would require that near the midpoint of the fiscal year, significant changes in outlay and revenue projections for the current fiscal year be dealt with by the Congressional Office of the Budget and the budget committees.

Under my amendment, if the projected outlays and revenue receipts for the fiscal year have changed by 3 percent or more on February 15 of that fiscal year, the Director of the Congressional Office of the Budget would be required to report that deviation to the Committees on the Budget in each House, and shall be required to list alternative steps Congress might take in light of these changes in projected outlays, revenues, or both. My amendment further requires that the Committee on the Budget of each House report, to its House, on or before March 1 on its consideration of the alternative courses of action, its recommendations for action, or its reasons for not taking any action at that time.

Basically, then, my amendment only mandates a reassessment by the budget committees at about the mid-point of the fiscal year if outlays or revenue receipts are expected to deviate significantly from the outlay and revenue projections underlying our most recently adopted budget resolution. After consideration, the committee could recommend action to Congress—perhaps selective rescissions or additions to budget authority; changes in budget authority on a pro-rata basis; changes in the revenue laws; or other action taking into account the new economic conditions. Or the committee could decide to take no action at all—in which case it would simply report to Congress its reasons for so deciding.

S. 1541 as reported already stipulates—in section 304—that Congress may at any time adopt a concurrent resolution on the budget which revises the most recently agreed to concurrent resolution on the budget. My amendment would not affect the right of Congress to revise at any time. It would mandate a reconsideration and reassessment by the Congressional Office of the Budget and the budget committees only if expenditure and revenue projections have changed significantly by mid-February.

Mr. President, my amendment requires Congress to take unforeseen changes in revenues and/or expenditures into account. In so doing, it makes us more "fiscally responsible"—something we are often accused of not being.

I urge adoption of my amendment.

Mr. ERVIN. Mr. President, as I understand, the Senator has modified his amendment by changing the March 15 date?

Mr. HATHAWAY. To February 15.

Mr. ERVIN. To February what?

Mr. HATHAWAY. To February 15, and also the date on page 2 of the amendment from April 1 to March 1.

Mr. ERVIN. Yes. I see no objection to the amendment. I am not opposed to it.

Mr. HATHAWAY. I thank the Senator.

Mr. PERCY. Mr. President, I know of no objection on this side of the aisle to the amendment of the Senator from Maine.

The ACTING PRESIDENT pro tempore. Without objection, the amendment is agreed to. The bill is open to further amendment.

Mr. CHILES. Mr. President, I suggest the absence of a quorum while I find an amendment and send it to the desk.

The PRESIDING OFFICER (Mr. Hathaway). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, I ask unanimous consent to withdraw my amendment No. 1024 so that it can be treated in two parts, which I have submitted and circulated to Senators separately.

The PRESIDING OFFICER. The Senator does not have to withdraw his amendment. An amendment, even a printed amendment, does not have any status until it is called up.

Mr. CHILES. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. CHILES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. ERVIN. Mr. President, has that amendment been printed?

Mr. CHILES. It has been printed. What I have done was split amendment No. 1024 into two parts. Amendment No. 1024 called for the national goals and priorities as well as the budget provision. This simply splits that into two separate parts, so that we would have a report on national goals and priorities as one amendment, and the budget reporting provisions in the first portion.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? Without objection, it is so ordered. The amendment will be printed in the Record.

### S. 1541

On page 168, line 3, strike out the closing quotation marks, and between lines 3 and 4, insert the following:

"(i) The Budget transmitted pursuant to subsection (a) for each fiscal year, beginning with the fiscal year ending September 30, 1979, shall contain a presentation of budget authority, proposed budget authority, outlays, proposed outlays, and descriptive information in terms of—

"(1) a detailed structure of national needs which shall be used to reference all agency missions and programs;

"(2) agency missions; and

"(3) a summary of agency programs and basic program steps, with a detailed description to be provided directly by the agencies to the appropriate committees of Congress to the extent applicable to agency activities.

"(j) To assist the President in carrying out the provisions of subsection (i)—

"(1) each agency shall furnish information in support of its budget requests in accordance with its assigned missions in terms of Federal functions and subfunctions, including mission responsibilities which may be delegated to component organizations; and

"(2) each agency shall release all programs to agency missions and shall furnish information to describe the program step being executed and for which budget authority is being requested or outlays made to the extent applicable to agency activities.

"(k) For purposes of subsections (i) and (j)—

"(1) The term 'national needs' means those Federal functions and subfunctions which are, at a given time, being performed by the Government in order to provide for the wellbeing of the Nation. National needs (functions and subfunctions) describe the purposes being served by budget authority and outlays without regard to the means that may be chosen to meet those purposes.

"(2) The term 'agency missions' means those responsibilities for meeting national needs whch may be variously assigned to the agencies of the executive branch. Agency missions can be expressed in terms of those functions or subfunctions which may be, at a given time, the responsibility of that agency and its component organizations.

"(3) The term 'program' means that organized set of activities and actions which may be undertaken by an executive agency in order to solve a particular problem, meet a particular objective, and achieve a particular set of goals directly related to fulfilling that agency's mission responsibilities and which, over the course of the program, entails significant expenditures of resources.

"(4) The following are four of the basic steps in the process by which new programs, or major modifications to existing programs, are formulated and executed:

"(A) 'Establishing needs and goals' means defining the particular problem to be solved and the objective measures of the end results, or goals, to be sought and attained as a consequence of the program. Goals describe the level of mission capability the agency is seeking, when it is to be made available, and the total cost within which that capability is to be provided without regard to the means used to achieve those results.

"(B) 'Exploring alternatives' means the creation, definition, and evolution of competing means to solve a particular problem, drawing on the base of technology in order to identify and evolve those approaches that are promising, to eliminate those that are not promising, and to supply information on the expected costs and benefits of each approach.

"(C) 'Choosing the preferred program approach' means the evaluation and choice of the preferred program approach from among remaining alternatives. The evaluation will determine which approach will best meet the updated goals of the program and the costs and benefits accruing to each alternative in meeting the agency's mission.

"(D) Implementation means putting the preferred program approach into operation and monitoring its effectiveness, including final development preparation of the chosen approach, operational support and maintenance, and modification based on review of program effectiveness."

On page 182, line 14, before the period insert "and section 201 (i), (j), and (k) of such Act (as added by section 601) shall apply with respect to the fiscal year beginning on October 1, 1978, and succeeding fiscal years".

**Mr. PERCY.** Mr. President, will the Senator yield?

**Mr. CHILES.** I yield.

**Mr. PERCY.** I ask unanimous consent that Mr. Brian Conboy, special counsel for the minority, be permitted access to the Chamber during the consideration of this measure and votes thereon.

**The PRESIDING OFFICER.** Is there objection to the request of the Senator from Illinois (Mr. PERCY)? The Chair hears none, and it is so ordered.

**Mr. CHILES.** Mr. President, my amendment would require that the President's budget include—not to the exclusion of any other information—a clear presentation of—

First, the basic goals and end purposes or functions being performed by the Federal Government to meet the needs of the Nation;

Second, agency's responsibilities for contributing to each function or subfunction and through which programs; and

Third, a summary of steps as programs evolve, from initial conception and consideration of alternatives through final implementation, with detailed information to be supplied directly from the agencies to the appropriate congressional committees.

After the extensive discussion that has taken place over the last year at staff and committee levels, I am sure most of my colleagues are aware that these amendments will not displace any existing budget information: rather, they build upon some existing information already included in one part of the President's budget, "the Federal program by function."

The amendments are not complicated or difficult to understand: nothing could be more simple than to ask, "Who's doing what?" to meet each national need and to describe how programs are evolving in each agency.

These amendments are—

Not a replacement for any current information the Congress receives;

Not complicated or difficult to understand; and

Not in conflict with any of the provisions of S. 1541.

But having said what these amendments are not, let me say what these amendments are, what they represent.

They are an essential and critically needed addition to this historic effort of the Congress to reassert its power over the purse.

And, the reason I can say that these amendments are important is that they are based on a legislative history the equal of any that will be offered. These measures are not disruptive or hastily considered. They are supported by—

The 2½-year study of the bipartisan Congressional Commission on Government Procurement on which I served along with Senators JACKSON and GURNEY, Congressmen HOLIFIELD and HORTON, and the findings of the Commission on why the Congress was losing control over major Federal programs and the budgets they command. They are based on the Commission's recommendations on what visibility the Congress needed and the framework within which the Congress could more effectively participate;

They are supported by the legislative history of S. 1414, a bill based on the Commission's findings, which passed the Government Operations Committee in just 2 days after S. 1541 on a unanimous vote including Senators ERVIN, MUSKIE, JAVITS, PERCY, and BROCK;

They are supported by all the evidence compiled in Senate Report 93-675 accompanying S. 1414; and

They are supported by written comments on S. 1414 from the Comptroller General, who also was a Commissioner, who stated, in part:

> We believe that the development of the type of program structures that will be required by S. 1414 is in fact *essential* to enable the Congress to achieve its objective of exercising control over Federal spending.
>
> We agree with your views of the importance of the Federal budget being clearly structured in terms of national needs and the specific programs to fulfill these needs. In addition, we think that such a structure should be the "base" structure for making major decisions on the Nation's priorities and related resource allocations by both the legislative and executive branches.
>
> The objectives and basic framework of S. 1414 are consistent with the work that we are doing under the 1970 (Legislative Reorganization) Act.

These amendments are also supported because they incorporate the suggestions made by the General Accounting Office to improve the language.

They are also supported because the amendments reflect changes made to accommodate each and every specific objection raised by the Office of Management and Budget in staff meetings held at OMB on January 8, held here in the Senate on February 25, and in several extensive telephone conversations over the past month.

Despite the changes made to respond to OMB objections, my staff tells me that they may still oppose the amendments. I find it difficult to understand how there could be any valid grounds for OMB opposition—and I hope we are not going to be the victim of the "not invented here syndrome."

In the first place, while the information called out in my amendments will have great utility to the Congress in correlating programs to national needs and priorities and in overseeing individual programs, the usefulness of the information to the executive agencies and to OMB is bound to be magnified many times over since the basic responsibility for developing manageable budgets and programs rests with the executive branch.

Second, the information called for in my amendments emphasizes the need for coordinated program objectives at the outset. Such information lends great support to the "management by objective" principle which, in the past year, has been given an overriding priority by Mr. Ash in his role as Assistant to the President for Executive Management.

Because of an understandable desire to avoid past mistakes and blunt future criticisms, many bureaucracies in the executive branch tend to draw all matters up to the highest possible level for decision whether they are significant in all cases or not. The same thing has been happening in the Congress where we find ourselves constantly bogged down by literally thousands of separate budget decisions in committee and on the floor.

My amendments would offer the opportunity to reserve this trend by encouraging top agency management and the Congress to concentrate their attention on those few key program decisions which are major turning points in any program, thereby laying the groundwork for a balanced, selective decentralization of program decisionmaking to the agency operating levels.

Since my amendments do therefore, in fact, support current executive branch trends of management by objective and selective decentralization of decisionmaking, I find it totally inconceivable that the President would seriously contemplate any opposition to our budget reform bill simply because of these amendments.

The net effect of having incorporated OMB's suggestions, however, is not one I object to. On the contrary. As I said, the result is to leave that much stronger support for these amendments because they reflect the best thinking and suggestions from all knowledgeable sources, including staff representatives from the Government Operations Committee, the Rules Committee, as well as Senators METCALF and MUSKIE.

Among the best support for these amendments are the moves taken by the executive branch to improve program control and more fiscally responsible management.

In presenting the fiscal year 1975 defense budget request just this month, Secretary Schlesinger endorsed the same mission-oriented budget structure called for in these amendments. He reported that defense management was beginning to concentrate long-range planning and review for new programs on discrete subfunctional mission areas beginning with Mission Concept Papers, MCP's, on strategic offense, continental air defense and theater air defense. As Secretary Schlesinger stated:

> These papers are planning documents designed to provide an understanding of the broad functional and fiscal context into which proposed new systems should fit during their development, acquisition and operational life.

Also, the executive branch Interagency Steering Group recently endorsed the framework for program control and information put forward by the Procurement Commission and embodied in these amendments. Noteworthy is the fact that this group included representatives from the Department of Defense, DOD, the Atomic Energy Commission, AEC, the National Aeronautics and Space Administration, NASA, the Department of Transportation, DOT, and the National Science Foundation, NSF.

These amendments also draw support from a broad range of congressional interests surveyed by the General Accounting Office, GAO, to identify what kinds of improved information the Congress required. OMB recognized the results of this survey in a report dated March 4, 1974, which stated:

> Reformat Budget Along Functional or Program Lines
>
> A number of comments suggested the need for greater program orientation of budget data. Some suggested that the budget be program oriented whereas others expressed the need for a capability to convert the traditional budget into program terms. For example, it was stated that "the system should be able to provide a budget reformation along functional or program lines (rather than agency) to disclose all programs within a functional area and pull together information on programs cutting across agency lines." Variations of this statement of need were expressed by staff members of the House Committee on Government Operations, Senate Committee on Commerce, House Committee on Education and Labor, Joint Economic Committee and the Senate Committee on Appropriations, Subcommittees on Agriculture and on HUD, Space and Science.

Finally, these amendments are in the best interests of business, both large and small, because, as the Commission pointed out, the long-term effect would be to encourage private sector competition and the application of new technology to meet public needs by paying careful and regular attention to how the Government was exploring the very best available alternatives in each Federal program.

### THE ISSUE

The amendments are built upon the premise that budget decisions that merely allocate resources to agencies and programs can severely weaken congressional control over national priorities because—

Separate agencies serve the same or similar national needs, as do many programs within agencies; and

Congress does not participate in early program decisions to set goals and decide how a need is to be met.

### THE CURRENT SITUATION

The conditions that deny Congress a strong voice in controlling the budget exist today because—

First, the President's budget presents fragmented information on agencies, programs and activities. To identify national priorities, Congress must trace through a maze to find out who is doing what to meet particular national needs; and

Second, current budget information gives Congress only poor visibility over program evolution. Early steps that set goals and explore alternatives are not fully exposed to top-level executive agency decisionmakers or to congressional oversight yet generate long-term financial commitments to Federal programs that are often prematurely locked-in to a poor approach.

Both congressional and executive control has suffered from fragmented budget decisionmaking. The management of the executive branch would also benefit from this "top-down" budget control information—Federal functions alined with agency responsibilities, agency missions guiding programs, and programs being controlled by program steps.

To correct the current situation, these amendments would bring budget priorities and programs into sharper focus through better budget information. They would strengthen congressional control over what the government is buying as well as over how much it is spending, and these amendments would provide additional information to accompany the fiscal year 1979 budget, specifically:

First. Budget information of sensible groupings of agencies and programs alined with national needs; and

Second. Budget information to give Congress an overview of essential program steps.

This information should enable Congress to overcome the programs which have plagued attempts to have meaningful control over the budget and national priorities. The Congress and the executive branch would have a common framework to illuminate—

What national needs the Government is seeking to satisfy;

How much money is being allocated to meet each in accordance with national priorities; and finally

How well each program is being conceived and executed to meet each need and solve each problem.

### BUDGET AND ACCOUNTING ACT OF 1921

The most critical legislative action in terms of budget information and the Congress ability to deal with it is the Budget and Accounting Act, 1921. As summarized in the Government Operations Committee report on S. 1541 (Senate Rept. No. 93–579), Congress transferred budgetary supremacy to the President, giving him responsibility under the act for preparing the annual budget. The exception was that the President, aided by his Bureau of the Budget, would serve as an agency of congressional control of the purse. The aim of the 1921 act was to improve congressional capability, not to establish the President as an independent participant in the budget process.

Since that act, the number of Federal agencies, the number of Federal programs and the size of the Federal budget to support them have all exploded. In the intervening 50 years, the country has witnessed a continuous process of Government by increment: New agencies added to and within old ones to meet the most prominent needs of the day; and new programs added to old ones to meet the most popular demands of the day.

The net result has been a proliferation of Government organizations, activities and actions, all being financed through and presumably controlled by the Congress with the President and his Office of Management and Budget providing the rhyme, reason, and choices of Congress. In fact, few individuals in the executive branch, and still fewer in the Congress, are able to digest the Federal budget to the point of understanding, in the most simple terms why $304 billion are being spent, for what purposes, and how well the objectives are being attained. The impossible position Congress finds itself in annually was described in Senate Report No. 93–579:

> Consider the situation that prevails early each year when the President unveils his budget. With no advance preparation on its part, Congress receives a 400-page budget accompanied by a thousand-page appendix. These later are supplemented by thousands of pages of justifications and explanations. Within the space of 5 months, Congress then must make more than $250 billion of program and spending decisions, covering hundreds of agencies and thousands of separate activities. Although months of labor and millions of hours of administrative preparation precede the submission of the executive budget, Congress is excluded from the process, receiving only the end-product in the form of the budget plus whatever supplementary material the agencies choose to give it or which Congress can extract.
>
> Moreover, although the budget may be the program alternatives, Congress receives only outcome of an exhaustive exploration of the official recommendations and it has great difficulty ascertaining which possibilities were considered and why they were rejected. Nor is Congress readily able to obtain intelligence on the long-range consequences of current program and spending choices.
>
> All this makes Congress painfully dependent upon Presidential agencies, notably OMB, for essential program and financial information. It gets only what the executive gives, and only when the executive gives it. This dependence seriously erodes the ability of Congress to function as an independent institution with the dual responsibility of establishing national priorities and controlling expenditures. Of course, Congress generally has little trouble finding out what the President wants; the budget itself is an encyclopedia of facts and preferences. But Congress often has great difficulty extracting information about options not favored in the President's budget. As a matter of fact, the budget is often presented and defended in a manner that thwarts the consideration of alternative courses of action. So huge is the budget and overwhelming the publicity marshaled

in its behalf, that Congress literally takes weeks to recover from "budget shock," absorbing the bewildering array of information and coming to grips with the billions of dollars of decisions.

### GOVERNMENTWIDE BUDGET INFORMATION

The President's budget—no matter when it is submitted—presents a confusing picture of Federal programs and agencies. Separate programs of separate agencies are not collected into sensible groupings and used to control budget authority. Rather, the agencies themselves and their activities are used to gage budget levels as a proxy for priorities. This fragments congressional visibility over what end-purpose Federal funds are serving—what national needs are being serviced.

For example, an allocation of budget authority for the Department of Health, Education, and Welfare—HEW—does not necessarily reflect clear congressional control over education in the Nation's priorities. HEW is only one of 21 separate agencies that are funded to carry on programs to meet educational needs.

Further, within HEW, there are 19 separate programs designed to meet one subsidiary need to prevent school dropouts. Of more than 300 major programs, 54 overlap each other and 36 overlap programs in other executive agencies.

In environmental protection, funds for the Environmental Protection Agency—EPA—account for only 60 percent of the Federal effort; other programs are scattered in other agencies, in other accounts, and separately budgeted, not to mention backdoor spending.

What has been lacking is a budget structure that starts with a modern, detailed, and complete tabulation of Federal functions and subfunctions—the end-purposes for spending money—and within this framework, a tally of all agencies, activities, and programs that are serving each need.

The Congress does not necessarily control priorities by pouring money into one agency's account or another. And because congressional committees and appropriations bills are keyed to executive agencies, there is, in fact, cause for concern over the way allocations of budget authority are set at this time. The amendments, however, do not call for a new and different structure of budget bills and committees.

Instead, the amendments seek only to have the President's budget and allocations of budget authority reference a framework of national needs and groupings of agency programs. This information would be made available to the appropriations and authorizing committees as they operate on the budget.

### CURRENT BUDGET STRUCTURE

The closest thing to highlighting national priorities in today's budget is the tabulation of "Federal functions."

However, these budget categories are inadequate for controlling national priorities because they are "catch-all's"—general headings used to cover a multitude of existing agencies and programs, all separately budgeted, as shown in the table.

TABLE 1.—*Current fragmentation of budget information—Total number separately budgeted executive organizations*

| *Federal functions* | |
|---|---|
| National defense | 7 |
| International affairs and finance | 11 |
| Space research and technology | 1 |
| Agriculture and rural development | 3 |
| Natural resources and environment | 12 |
| Commerce and transportation | 24 |
| Community development and housing | 7 |
| Education and manpower | 21 |
| Health | 5 |
| Income security | 9 |
| Veterans benefits and sciences | 4 |
| Interest | 1 |
| General government | 18 |
| Total | 123 |

Source: The Budget of the U.S. Government, FY 1974, Table 14, pp. 345–358.

Another attempt to spell out domestic needs are the functional categories used for Federal assistance programs. Table 2 shows the 18 domestic needs used in OMB's "Catalog of Federal Domestic Assistance," and shows how many separate executive agencies have their own programs to meet the same needs and serve the same functions.

TABLE 2.—*Number of separate executive agencies with own domestic assistance programs.*

| National needs: | *Number of agencies* |
|---|---|
| Agriculture | 6 |
| Business and commerce | 29 |
| Community development | 28 |
| Consumer protection | 20 |
| Cultural affairs | 4 |
| Disaster prevention and relief | 11 |
| Education | 27 |
| Employment, labor, and manpower | 15 |
| Environmental quality | 9 |
| Food and nutrition | 5 |
| Health | 10 |
| Housing | 6 |
| Income security and social security | 23 |
| Information and statistics | 22 |
| Law, justice, and legal services | 23 |
| Natural resources | 10 |
| Science and technology | 9 |
| Transportation | 6 |

Source: Catalog of Domestic Assistance, OMB, 1972.

A functional breakdown keyed to national needs is the kind of information needed to make an assessment of the budget and control national priorities.

But there is no correct framework today, as indicated by table 3. Domestic functions chosen for domestic assistance programs—on the right—do not correlate with the Federal functions in the budget.

TABLE 3—*Two views of national needs*

The Budget: "Federal Functions"

National defense.
International affairs and finance.
Space research and technology.
Agriculture and rural development.
Natural resources and environment.
Commerce and transportation.
Community development and housing.
Education and manpower.
Health.
Income security.
Veterans benefits and services.
Interest.
General government.

Catalog of Federal Domestic Assistance Programs (OMB)

Agriculture.
Business and commerce.
Community development.
Consumer protection.
Cultural affairs.
Disaster prevention and relief.
Education.
Employment, labor and manpower.
Environmental quality.
Food and nutrition.
Health.
Housing.
Income security and social services.
Information and statistics.
Law, justice, and legal services.
Natural resources.
Science and technology.
Transportation.

### HEALTH, EDUCATION, AND WELFARE BUDGET STRUCTURE EXAMPLES

HEW provides a good example of how the current budget structure fragments congressional attention, confuses congressional control over priorities, and damages the programs that are supposed to meet public needs

Table 4 shows how the HEW budget is broken down today: How it is presented, justified, analyzed, and appropriated.

*Table 4.—Current budget structure: Department of Health, Education and Welfare*

Health Services and Mental Health Administration

Mental health.
St. Elizabeths Hospital.
Health services planning and development.
Health services delivery.
Preventive health services.
National health statistics.
Retirement pay and medical benefits for commissioned officers.
Buildings and facilities.
Office of the Administrator.

National Institutes of Health

National Cancer Institute.
National Heart and Lung Institute.
National Institute of Dental Research.
National Institute of Arthritis, Metabolism and Digestive Diseases.
National Institute of Neurological Diseases and Stroke.
National Institute of Allergy and Infectious Diseases.
National Institute of General Sciences.
National Institute of Child Health and Human Development.
National Eye Institute.
National Institute of Environmental Health Sciences.
Research resources.
John F. Fogarty International Center for Advanced Study in Health Sciences.
Health manpower.
National Library of Medicine.
Buildings and facilities.
Office of the Director.
Scientific activities overseas (Special foreign currency program).
Payment of sales insufficiencies and interest losses.

Office of the Assistant Secretary for Education

Salaries and expenses, Assistant Secretary for Education.
Postsecondary innovation.

Office of Education

Elementary and secondary education.
School assistance in federally affected areas.
Emergency school assistance.
Education for the handicapped.
Vocational and adult education.
Higher Education.
Library resources.
Educational development.
Educational activities overseas (special foreign currency program).
Salaries and expenses.
Student loan insurance fund.

Payment of participation sales insufficiencies.
National Institute of Education.

Social and Rehabilitation Service

Grants to States for public assistance.
Work incentives.
Social and rehabilitation services.
Research and training activities overseas (special foreign currency program).
Salaries and expenses.

Social Security Administration

Payments to social security trust funds.
Special benefits for disabled coal miners.
Supplemental security income program.
Limitation on salaries and expenses.
Limitation on construction.

Special institutions

American Printing House for the Blind.
National Technical Institute for the Deaf.
Model Secondary School for the Deaf.
Gallaudet College.
Howard University.

Office of Child Development

Child Development.

Office of the Secretary

Office for Civil Rights.
Department of Management.

Elliot Richardson, as Secretary of HEW, had this to say about improving the situation:

> Here, I am—as one must be—deeply troubled by the sense of failure, of frustration, of futility which pervades much of our human resource system—much of our society. And I am thoroughly convinced that the conceptual framework which has guided us in the past is no longer tenable.
>
> For the foreseeable future there will remain the necessity to fix administrative responsibility for the resolution of issues which cut across Health, Education, and Welfare organizational units.
>
> The Bureaucratic Labyrinth: Since 1961, the number of different HEW programs has tripled, and now exceeds 300. 54 of these programs overlap each other; 36 overlap programs of other departments. This almost random proliferation has fostered the development of a ridiculous labyrinth of bureaucracies, regulations and guidelines.
>
> The average state now has between 80–100 *separate service* administrations and the average middle-sized city has between 400 and 500 human service providers—each of which is more typically organized in relation to a Federal program than in relation to a set of human problems.
>
> But in none of this is there a rational approach to priority-setting. The appropriation process is itself highly fragmented. HEW's resource allocation is determined piecemeal by ten different subcommittees—with no coordination of any kind.
>
> The Congress is not organized to bring the process of budgeting under rational control.

TABLE 5.—*An alternative HEW budget structure*

Financial Assistance to Individuals

Medicaid.
Medicare.
Student aid.
Social security.
Supplementary security income.
Aid to Families With Dependent Children.
Others.

Financial Assistance to States and Localities

Education

Disadvantaged.
Handicapped.
Vocational.
Import aid.
Support Services.

Health

Preventive services.
Medical services.
Others.

Social services

Children and families.
Disabled.
Aged.
Others.

Human Resources Development

Manpower development.
Market and services development.
Development.
Research and experimentation and dissemination.

Source: Based on national needs and objectives; derived from Eliot Richardson's "Mega" Proposal; Hearing before the Committee on Labor and Public Welfare, United States Senate, Ninety-Third Congress, First Session on Caspar W. Weinberger to be Secretary of Health, Education, and Welfare—Additional Consideration by Committee on Labor and Public Welfare, Part 2, Appendix, Comprehensive HEW Simplification and Reform "MEGA Proposal", 1973.

Table 5 gives an example of how HEW's budget and programs could be reconstructed under these amendments. Secretary Richardson said:

> We must radically simplify our conception of the functions of HEW in order to make comprehensive analysis and administration manageable.
>
> To this end, I recommend we conceive of HEW as having only three basic functions (to which each of its 300 programs might be assigned): (1) providing financial assistance to individuals; (2) providing financial assistance to states and localities; and (3) building human resources capacity.
>
> Only with such a comprehensive and comprehensible conceptual framework will we be able rationally to engage, focus and sustain public attention and debate.

Mr. Richardson called for the same approach as my amendments:

First. Establish a clear picture of the functions to be performed (the needs to be met); and

Second. Cut through the artificial barriers of agencies and organizations that we use as a proxy for priorities.

The kind of mission-oriented budget structure connects budget choices and priorities with their impact on defense strategy and policy—unlike today when attention focuses on cutting one program out of dozens; or one activity like R.D.T. & E.; or making "pro rata" across-the-board cuts that may control spending but not defense priorities or the programs being evolved to meet them.

PROGRAM CONTROL INFORMATION

New programs to meet any specific need do not spring full-blown from executive agencies or from legislation. There is a natural evolution of steps: establishing the need for a new program in the first place—goals and objectives; exploring alternative approaches—research and development; choosing a preferred approach—demonstration, test and evaluation; and program implementation—operational phase.

All of these steps are crucial to program success and budget control. If Congress cannot review and judge the first two, it has been futile to try to control the last two. Only 5 percent of the program cost may be spent early but it determines how the remaining 95 percent will be used. The most effective way to control program funds is to control the early steps which lock in the levels of spending that Congress becomes more concerned with later. From weapons to social welfare programs, Congress becomes locked in by not having a clear chance to confirm needs, goals and the search for alternatives.

In defense, the big program choices are really either "go" or "no go" decisions—there are often no alternatives left to expensive systems. Congress often misses the key early decisions on needs and goals and alternatives that would give an opportunity to debate defense strategy and policy. Instead, large sums are spent in research and development for a single system which then is difficult to control in the budget.

In social programs, too, there has been poor congressional program control. Over-ambitious or ill-considered goals have helped create the budget crisis. Social scientists are arguing for more experimentation on workable approaches before funds are committed. Time and again, premature commitments have generated severe budget problems later.

The Congressional Procurement Commission found that—

> Congress often cannot act as a credible and sensible check because programs provide no handles to enable Congress to interrelate the purpose of new systems and the dollars being spent on them with national policies and national needs. Instead, data is presented to Congress in "traditional" forms, inviting attention to already defined products and to annual budget, increments that finance development and production; and
>
> Congress should be given the opportunity and information to understand the needs and goals for new programs in the context of National policy and priorities. Thereafter, they should be in a better position to monitor the development, procurement, and operating funds going to programs to meet these needs.

What has been lacking is:

> A framework of program steps, and information about each, to give Congress visibility over program progress and control over program-related expenditures.

This same structure of basic steps and variations on it has been propounded by the Procurement Commission; the Research and Policy Committee of the Committee for Economic Development in their 1971 report on "Improving Federal Program Performance, a Statement on National Policy"; Ramo's 1969 book, "Cure For Chaos: Fresh Solutions to Social Problems Through the Systems Approach"; in Forrester's "Urban Dynamics"; in Danhof's "Government Contracting and Technological Change"; in Hall's "Methodology for System Engineering"; and many others.

The basic structure lies behind any organized problem-solving approach for large-scale programs and is being, and must be, reflected in Federal programs across the spectrum of national needs, and must also be reflected in the information the Congress sees and deals with as the Nation's highest deliberative body.

My membership on the Commission did not make me a budgetary expert but it did give me some insight as to how the budget is drawn up and how Congress often finds itself "locked in" to some programs because Congress was "locked out" on early stages.

The "key" to the "locks" is for Congress to have budget information submitted that would reflect the key stages in administration's program evolution and have the programs then related to agency missions in terms of Federal functions and subfunctions.

Congress must have an early opportunity to debate and understand a program's purpose, to understand what problem it is we are trying to solve and the goals that we are trying to attain. That purpose ought to be carefully weighed by the appropriate congressional committees to determine its relationship to public needs, to the agency's mission and to other related Federal programs and whether the new program should be started at all. It is because we haven't had this kind of viewpoint in the past that accounts for the growing frustration and disillusionment with the results of Federal programs to meet both social and defense needs.

When Congress reviews programs at too late a stage, only relatively minor technical or program decisions can be challenged and these technical judgments more properly belong to the executive branch. As more programs get into trouble, the remedy has been for Congress to become immersed in a great mass of detail and trivia. In other words, the executive branch has taken over the congressional policy role and Congress is trying to perform a part of the executive branch operating role. JOHN RHODES of Arizona, who serves on three Appropriations Subcommittees, calls this kind of thing "stumbling over billions of dollars to pick up dimes."

Attached to the end of my statement are some specific examples from the Department of Health, Education, and Welfare and the Department of Defense to illustrate the difficulty Congress may have in following early program stages and the powerful effects these early steps have on program cost and effectiveness.

### SUMMARY COMMENTS

Congress requires improved visibility over the budget as a whole and particularly the early phases of new programs. Congress should have the visibility within individual programs to effect control over the dollars that these programs eventually command.

It is at the beginning stages of any program, at the research and development level, that Congress ought to be directing most of its energies, because that 5 percent of the budget develops into 95 percent over the years, through small increases from budget to budget.

The most effective way to control programs is to control the early steps which actually determine the level of spending that Congress becomes concerned about later—when it is too late to do anything about it.

Current budget information draws the Congress to dwell excessively on detail. We are challenged to confront the budget on the budget's terms, challenged to become specialists and technical experts on smaller and more detailed aspects of Federal expenditures. And even when we are successful in this battle, we have lost the war because we have fragmented our view and control over the basic thrust, direction, and purpose of Federal expenditures. Such issues are never exposed in our current budget; they are hidden.

My amendments address a problem we all know only too well. Budgeting for a modern government is extremely complex and the armada of officials in executive agencies who prepare and justify the President's budget far outnumbers the congressional subcommittees and their small staffs. The question of how much money should be spent for a government program is often without a determinate answer. And though the amounts of money that executive agencies request and Congress appropriates are not unrestrained, Congress is in no position to know whether those amounts are well spent.

The budget must include information for Congress in a workable fashion for Congress to regain control. Individual programs must be keyed to functions and missions of Federal agencies and those functions and missions keyed to national needs and priorities. Congress must have that kind of understandable, coordinated information before it can realistically challenge different ways to meet the goals; confirm the way we will try to meet them and closely supervise how well our taxpayers' money is being spent.

Until that requirement is met, until the Congress receives a budget that is structured in practical and comparable fashion, Congress can talk all it wants to about reasserting itself. I fail to see how any budget can be controlled until it is fully understood.

In summary, let me say this: The legislation will require that information come to the Congress at key stages of program development—from the time the goals are set and while alternative means of achieving those goals are being explored. This will be the first time the Congress will receive such information on a regular basis for all agencies, all programs before they are committed.

This is absolutely essential for achieving congressional control of the budget and to stimulate the widest possible application of new technology to meet program goals. Without this type of information, the agencies came to the Congress with precooked solutions and programs that are already under way and predetermined in all their essential characteristics.

On top of this program control information, the legislation would also link all programs and program goals to human needs and national priorities rather than Government agencies. I think it can be a major step in making our Government efforts more visible to the public and more manageable for the Congress.

I ask unanimous consent that certain attachments and incorporated materials in connection with my statement be printed in the RECORD at this point.

There being no objection, the attachments were ordered to be printed in the RECORD, as follows:

### PROGRAM INFORMATION EXAMPLES

### HEW EXAMPLES

The need for a step-by-step, consistent framework for program control was spelled out clearly in the case of the Department of Health, Education, and Welfare by then Secretary Elliot Richardson who, in the face of poor planning and control, recommended a program structure of setting goals, exploring alternatives, and choosing for program implementation comparable to that called for in the bill:

"Early in 1970, I commissioned a study of HEW's experience with policy development and implementation. The study showed serious weaknesses—a reactive rather than active procedures; no systematic means for setting priorities for policy issues; a lack of coordination among legislative development, budgeting, and planning; erratic monitoring and coordination; lack of review procedures and quality controls; and lack of clear assignments of responsibility. In several cases enacted legislation had never been implemented, studies had been shelved with no provision to follow through on recommendations, and frequent duplication of effort occurred in staff offices and agencies.

"To overcome these shortcomings, we must recognize a sequence in which—

"(1) issues are identified and analyzed,

"(2) decisions are taken from among alternatives, and

"(3) legislation or appropriations are obtained and implemented with precise planning, monitoring and evaluation."

The second basic step of exploring alternatives before committing to a program approach is especially critical to program performance and ultimate program budget control. This competitive research and development phase has long been recognized as pivotal in defense programs but only recently have many of the problems in social programs been traced to poor control over this exploration of alternatives.

Budget control can be severely weakened unless alternatives are thoroughly explored and with congressional cognizance. Budget authority has been committed to program approaches that simply do not meet the needs or do so only at an unnecessarily high cost because new technology was not given a chance.

In one case of a new program designed to meet the nutritional need of older Americans former Secretary of HEW Richardson commented:

"We can predict with complete confidence that this new program—launched with much fanfare—will not possibly succeed in fulfilling its implicit promise. In point of fact, one hundred million dollars represents but a small fraction of the resources needed to get the intended job done. It will allow approximately 250 thousand older persons to be served—but we estimate that there are, at a minimum, 5 million older Americans who are eligible for service according to the definition of eligibility now prescribed by law. To serve that eligible population equitably would require at least two billion dollars per year. In effect, for every older American who is served by this program, there will be at least nineteen older Americans—eligible and similarly situated in need—who will not be served."

Preventing cases like this in the future will require more careful execution of the first two steps in the program framework: setting goals and exploring alternatives. Secretary Richardson made the case for these amendments' program control structure and their importance to budget control as follows:

"It is important to note that the cost of extending the present range of HEW services equitably—to all those who are similarly situated in need—is estimated to be approximately one quarter of a trillion dollars. That is, the additional cost would be roughly equivalent to the entire Federal budget!

". . . pressing a button may pass a law but it will not necessarily solve a problem.

"At a time of disillusionment with the integrity of government, however, ineffective responses to needs we do not really know how to meet can only compound distrust and reinforce alienation.

"We want to know what works. We want to know what works best. We want to know what it costs to get some improvements. We want to be able to measure the tradeoffs among competing alternatives in order to invest our limited resources in the most effective methods and programs.

"Research and Development programs merit special attention . . . reforming the structure of HEW program authorities will improve efficiency and effectiveness. But that alone cannot possibly result in the wholly satisfactory and equitable provision of the current range of human services to those in need . . . the job simply cannot be done with present technologies, for this would require the allocation of impossible sums (250 billion dollars—a 100 percent tax increase, which even if it were politically possible would be economically catastrophic). Clearly, we must organize our research and development to discover wholly new manpower and capital technologies for service delivery—with quantum leaps in efficiency. And we must work to overcome the irrational barriers from licensure and credentialing to fear—which impede the widespread application of proven new technologies."

The same emphasis on exploring alternatives came in the Brookings Institution's 1973 analysis of the budget and national priorities. Again, the problem is seen to be an inadequate postulation of the needs that are to be met and trying to meet them without knowing how:

"The problem in the 1960's was still seen primarily as determining *what* should be done and *how much* should be spent. The idea persisted that if one could identify a problem and allocate some Federal money to it, the problem would get solved.

"How is the use of medical care affected by changes in health insurance provisions? What effects do changes in tax rates or welfare programs actually have on how hard people look for jobs or strive for increased earnings? Would schools or school districts provide better education if they were rewarded for performance? How would effluent charges actually affect the volume of pollutants discharged into air and water?

"Unfortunately there is no way to answer most of these questions by statistical analysis of existing social systems. One cannot find out how the working poor would respond to a particular income maintenance system when no such system exists.

"For these reasons, the best way—perhaps the only way—of finding out how individuals and institutions respond to changes in incentives would seem to be to try out the incentives by embarking on a program of social experimentation.

"In many areas of social policy, no one really knows which techniques or approaches are successful and which are not. Even if school officials, hospital administrators, or manpower training specialists have the right incentives to seek efficient and effective courses of action, they often have no way of finding out what works and what does not work.

"(But) . . . it has become clear that in many areas of Federal concern, no one really knew what would work."

Under terms of these amendments, executive agencies would regularly inform Congress of the current activities to set program goals and their efforts to explore alternatives. Finally, Congress could challenge and approve the choice of a preferred program approach to gain the requisite oversight in order to appropriate funds for its implementation.

### DEPARTMENT OF DEFENSE EXAMPLES

In its recommendations to establish a common program control framework, the Commission on Government Procurement traced most of the problems in weapons acquisition to the *absence* of such a logical control framework. Pertinent excerpts from the Commission analysis follow.

Congress and agency heads must exercise their responsibilities by participating effectively in key acquisition decisions that steer a program and determine which national problems are met; determine how successful agencies will be in performing their missions; and influence long-term patterns in the use and allocation of national resources. To participate effectively requires that meaningful information be brought forward for deliberation. Decisions on needs, goals, the choice of a system, and commitment of development and production resources must be presented in a clear and cohesive framework that can be referenced by all parties involved.

#### *Congressional review of needs and goals*

Without a clear understanding of the needs and goals for new programs, Congress is unable to exercise effectively its responsibilities to review expenditures and the allocation of national resources. This failure is partly encouraged by the timing and format used to present system acquisition programs and by the kinds of questions this format provokes. The wrong questions are asked early about research and development projects and, when the right ones are provoked by debate on a particular system, it is often too late for the answers to be relevant.

Current budgeting and review procedures expose the need and goals for a program to Congress at a time when a single system is proposed, with cost, schedule, and performance estimates often predicated on insufficient research and development efforts. At this stage, it is difficult to control costs because system characteristics are fixed within a narrow range. Thus, the cost to meet a mission need is largely determined by the costs of the new systems, not the worth of alternatives. This leaves Congress a futile choice: either pay the price or let the need go essentially unsatisfied. Congressional ability to deal with agency budgets and to provide meaningful guidelines to allocate limited national resources is seriously undermined.

Early acquisition plans concentrate on a "needed" new system and a preferred system approach with inadequate attention to why any new capability is needed at all and what the capability is worth.

One of the reasons new systems have been more and more complex and costly is that current acquisition procedures tend to say "this is what we need" from the outset.

Although Congress can see the defense program in terms of missions and systems already chosen to perform them, it does not review that start of the acquisition process, the establishment of needs and goals that precedes the search for alternatives. Issues on mission need first emerge for congressional review after the search for alternative systems essentially has been completed and a specific system is proposed for funding in the final stages of development in preparation for production. This makes control of agency budgets and allocation of resources to meet the national needs difficult at best.

Questions of national policies, priorities, and capabilities must precede and be separated from the search for a particular kind of system. Needs that specify a collection of system characteristics do not lend themselves to such questions because the system performance, cost, and availability are predetermined within a limited range, reflecting implied answers to mission needs and goals. The level of mission capability, the cost to achieve that capability, and the time it becomes available are three principal bases for setting goals for an acquisition program.

Two programs—the Cheyenne helicopter and the Trident submarine—illustrate these difficulties and the kind of information that would be brought forward to improve congressional visibility and control under my amendments.

#### *The Cheyenne Helicopter*

The Report of the Commission on Government Procurement presented the following case study analysis for this program.

Although the AH-56 Cheyenne helicopter appeared for large-scale funding in 1965, it began years earlier in exploratory development under a project titled "aircraft suppressive fire." Another project called "air mobility" also helped finance this early armed helicopter exploration. In about 1963, the project was moved into an advanced development project listed as "aircraft suppressive fire system." This was changed later to the "advanced aerial fire support system." With each change, the identifying project number was changed.

Although these funds were small, they were financing the activities leading to a Qualitative Material Requirement (QMR) being approved by Army headquarters in 1965. Among the work paid for was a system concept study by the Planning Research Corporation in 1964 and industry concept formulation studies between 1962 and 1965, all of which provided information for this requirement document.

To make the exploration of the system even more obscure, essential parts of the Cheyenne (the TOW missile and night-vision avionics) were funded under still different identifying numbers and accounted for separately. There was no consistent grouping of all funds directed toward improving the mission of close air support that were, in fact, being used to eliminate alternative systems and move toward the Cheyenne.

#### *The Trident submarine*

The roots of the Trident program date back to 1966. In 1966–67, the "Strat-X" studies began to define the needs and goals for increased strategic mission capability.

They indicated the need for an Advanced Sea-based Strategic Missile System built around a new submersible platform, Undersea Long Range Missile System (ULMS), later called Trident.

In December 1970, the Director of Defense Research and Engineering informed the Navy that ULMS was desirable and further indicated that Contract Definition should commence to allow Full Scale Engineering Development by 1970.

The Navy commenced initial detailed studies on ULMS in early 1968 and, on April 23, set forth the preliminary concept of ULMS, with planned milestones calling for completion of preliminary design in June 1970, contract design and longlead material procurement in fiscal year 1971 for the submarine, and missile characteristics definition by fiscal year 1971. Between 1967 and 1971, over 400 in-house studies decided—

(A) How much strategic capability was needed;

(B) How much we could afford to pay for it;

(C) When we should have it; and

(D) How to best get it: The Trident configuration.

Throughout this process, Congress had but a narrow and limited view of those key decisions that were assessing strategic offense mission capability, setting program goals and eliminating alternative kinds of systems which could meet them. The first identifiable piece of budget information came in 1968 when one of 4,000 project sheets of R&D information (a descriptive summary sheet, p. 275), went to the Armed Services Committee. It was located under the RDT&E subheadings

"Missiles and Related Equipment"

"6.32.06.47N Advanced Sea-Based Deterrent,"

"Project U15-09X, Undersea Long-Range Missile System,"

The Chairman of the R&D Subcommittee of the Senate Armed Services Committee has said that the subcommittee—four Senators and one staff man—had to examine $8 billion in R&D money going to about 4,000 projects. He said they were lucky if they could take a look or have a briefing or a hearing on 15 percent of the 4,000 projects. The Chairman of the Senate Armed Services Committee agreed that it was very difficult for Congress to get into it at all.

The early, very small expenditures for Trident flowed as shown in the chart:

HISTORY OF TRIDENT FUNDING, FISCAL YEAR 1972 AND PRIOR YEAR OBLIGATIONS

[In millions of dollars]

| Fiscal year | Funds | Program element number |
|---|---|---|
| 1968 | $0.6 | (Fiscal year 1971 and prior years are currently reflected under PE 63314N.) |
| 1969 | 5.9 | |
| 1970 | 10.0 | |
| 1971 | [1]42.5 | |
| 1972 | 104.8 | PE 64560 $39.7 (submarine).<br>PE 64363 $65.1 (missile). |
| 1973 | 821.6 | PE 64560 $122.0 (submarine).<br>PE 64363 $348.4 (missile).<br>PE 11228N $351.2 (procurement). |

[1] As of Dec. 31, 1972 (out of $43.7 fiscal year 1971 program).

The Trident case is only illustrative of the situation where the key early decisions that formulate programs and choose alternatives are not made regularly visible to the Congress. Although only a fractional percentage of the total program costs are involved, they determine how the bulk of program funds which follow will be spent and how effectively.

The overall effect is that Congress often feels backed into a corner when it comes to controlling the budget and program expenditures. In its Fiscal Year 1972 Authorization Report, the Senate Armed Services Committee complained that "in each area there is only a single weapon system available to modernize the forces—and this system is often a very costly one. This means that Congress is faced with the decision of approving the procurement of that system or denying modern weapons to our armed forces."

Mr. ERVIN. Mr. President, this bill that we are considering went through the Government Operations Committee and then went through the Committee on Rules and Administration. The Committee on Rules and Administration has not considered any proposal such as that incorporated in the Senator's amendment, and for that reason and other reasons I am constrained, reluctant as I am to do so, to oppose the amendment.

The measure before us is a bill to regulate a congressional budgetary system. The Senator's amendment, in effect, would change the executive budgetary system. We have reported out a bill, of which the distinguished Senator from Florida was the author, to make such a revision; a separate bill. It ought to stand on its own merits in that bill, S. 1414, and we ought not to complicate a bill to establish a congressional budgetary system with amendments to the executive budgetary system.

For this reason, and also because the Rules Committee has had no opportunity to consider this matter, I am compelled to ask the Senate to reject the amendment.

I wish the Senator would withdraw his amendment, because I think it is identical in large part with the bill the committee has reported favorably and already is on the calendar. I think we should not try to marry a congressional budgetary bill with an executive budgetary bill because it complicates legislation to do so. I wish the Senator would withdraw his amendment and let the bill which is now on the calendar and which deals with this same subject stand on its own feet.

Mr. CHILES. Mr. President, I am glad for the distinguished chairman's comments. Of course, the bill does not deal with any rule or reflect any change in the rule and, therefore, it would not be within the purview of the Rules Committee as such. The bill was considered by the Committee on Government Operations, and we did discuss it at that time, whether it should be made a part of the budget bill or make it as a separate bill. It would be eligible as an amendment to the budget bill. It is my feeling that this amendment is an important part of the budget-making process and would increase the information that would remain available to Congress and would, therefore, be a good addition to the budget bill, which I strongly support and feel is a good bill. That was the reason for proposing the amendment at this time.

Mr. ERVIN. I would like to ask the Senator if this does not contain the same provisions as S. 1414, which is on the calendar.

Mr. CHILES. I am sorry—I missed the last part.

Mr. ERVIN. Does not this amendment contain the same provisions as the independent bill, S. 1414 which appears on page 8 on the calendar?

Mr. CHILES. It does, Yes, sir.

Mr. ERVIN. I support the principle of the Senator's amendment, but we should not try to make siamese twins out of a bill to establish a congressional budgetary system and legislation which relates to an executive budgetary system as well. So I hope the Senator will withdraw his amendment and let us pass S. 1414 at a later date.

Mr. PERCY. Mr. President, will the Senator from Florida yield?

Mr. CHILES. I yield.

Mr. PERCY. It should be brought to the attention of the Senate, in addition to the comments the distinguished chairman has made, that the Office of Management and Budget does oppose the amendment. OMB indicates that the amendment would be a prescription for making agency budget justification statements too voluminous to use within the time constraints that S. 1541 would set.

Obviously, all of us would be concerned if the major executive branch agency working with us feels that we are imposing on them a requirement that would make it difficult to meet the schedules that have been outlined. This would be a serious blow at the whole essence of what we are trying to accomplish.

The amendments would require that the budget summarize "agency programs and basic program steps" and that each agency "furnish information in support of its budget requests in accordance with its assigned missions in terms of Federal functions and subfunctions" and to "relate all programs to agency missions." To the extent that this does not duplicate information already presented in the budget or in agency justification statements, it would add such a large volume of information that it would either overburden the decisionmaking processes or not be used. It is our impression that the appropriations subcommittees obtain now the information they want and can use. Certainly, the committees can ask for what information is desired. They will request it only if they need it and think they can actually use it and that they can continue the process.

I understand also that there is objection from some of those who have worked on title VIII. Title VIII provides for a GAO-OMB effort to reclassify and categorize existing budget information. In other words, we only now, this year, in 1974, actually began to be able to present the current budget, that is, the accounts budget in a standard uniform way from agency to agency. To impose another requirement under a program budget is extremely difficult and probably premature and even, maybe, impossible.

Of course, obviously nothing is impossible if we muster enough resources but I am concerned about the feeling it would make other time requirements in the bill difficult if not impossible to achieve.

For these reasons, regretfully, I would oppose the amendment but would certainly look more favorably on it if presented as a separate bill.

Mr. CHILES. Mr. President, after listening to this colloquy with the distinguished chairman and the ranking minority member on the committee, I will withdraw the amendment.

The PRESIDING OFFICER (Mr. BEALL). The amendment is withdrawn.

Mr. ERVIN. Mr. President, I want to thank the Senator from Florida. I think it will be better to handle it in the form of a separate bill which is now on the calendar.

### AMENDMENT NO. 1033

Mr. HUMPHREY. Mr. President, I have some amendments at the desk and I would like to call up now my Amendment No. 1033.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 171, line 5, after "SEC. 701.", insert "(a)".

After line 14, insert the following:

"(b) To carry out such required analysis, appraisal, and evaluation, such committees of the Senate shall each establish a subcommittee on legislative review, which shall have the duty to conduct for the committee the responsibilities assigned to the committees by this section, and to report to the committee to which each such subcommittee is responsible the results of the analysis, appraisal, and evaluation conducted under this section, together with such recommendations as the subcommittee deems appropriate.

"(c) Subsection (b) of this section is enacted as an exercise of the rulemaking power of the Senate, subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time in its exercise of its constitutional right to determine the rules of its proceedings. Nothing in this section shall be construed, however, as precluding any legislative review subcommittee of the Senate from conducting hearings and engaging in other deliberations jointly with such committees or subcommittees of the House of Representatives which the House may designate to conduct the analyses, appraisals, and reviews required under this title.".

Mr. HUMPHREY. Mr. President, I ask unanimous consent that a member of my staff, Clifford Miller, be permitted the privilege of the floor during the consideration of S. 1541.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 1030

Mr. HUMPHREY. Mr. President, I am not sure that I called up the right amendment at this time. Amendment No. 1030 is the one I wish called up.

The PRESIDING OFFICER. Amendment No. 1033 was stated. Amendment No. 1033 is withdrawn for the time being and the clerk will state Amendment No. 1030.

The second legislative clerk read as follows:

On page 107, line 2, delete the word "and," and after line 2 insert the following:

"(D) to receive and review all information, data, analyses, and reports prepared by the Congressional Office of the Budget on the subjects of long-range national growth and development, goals, and priorities, reviewing such materials and using them as a guide during deliberation on concurrent resolutions on the budget and in carrying out other duties assigned to the Committee on the Budget as required under titles III and IV of this Act.".

On line 3, strike "(D)" and insert "(E)".

On page 116, after line 25, insert the following:

"(g) NATIONAL GROWTH, DEVELOPMENT, GOALS, *AND* PRIORITIES.—In keeping with the purposes of this Act, to establish national goals and priorities to meet the needs of a strong national economy, the Office shall review on a continuing basis all legislation, trends, and developments in government at the Federal, State, and local levels, and related trends and developments in the private sector, including available national resources, which affect the Nation's growth and development, goals, and priorities. Once each year the Office shall submit to the Committees on the Budget of both Houses and to each House of Congress a 'National Growth, Development, Goals, and Priorities Report', containing such information, data, and analyses as the Director shall deem necessary to enable Congress to consider fiscal and budgetary matters in terms of balanced national growth and development policies and national goals and priorities. The Office may also submit to the Committees on the Budget, from time to time, materials such as additional data, analyses, and information on the subjects of growth, development, goals, and priorities, and in addition shall provide such materials on request to any Member or committee, or either House of Congress.".

Mr. HUMPHREY. Mr. President, this amendment, through a fairly simple device, would place congressional budget-making in perspective, recognizing that the Federal budget has a massive impact on the Nation's growth and development and is, in effect, a statement of the Nation's goals and priorities.

I suppose it is fair to say that there is no single action that takes place in the total economy that has a greater impact on the economy and the future development of this country than the annual Federal budget. The size of that budget alone indicates what its impact would be.

The pending bill is an outstanding document and I surely want to compliment the two committees, the Committee on Government Operations and the Committee on Rules and Administration. They have perfected this legislation thus far and we are indebted to the members of those two committees.

Many of my colleagues already have noted that this bill is the product of intensive study and deliberation spanning over 2 years. It goes a long way toward a constructive, orderly, and logical process for congressional decisions in Federal spending and revenue measures. Its enactment would be a truly historic development, a signal that Congress is, indeed, committed to major, meaningful self-reform. Therefore, I commend those who took part in the strenuous task of drafting the bill and I am pleased with many of the ideas.

In particular, with reference to the amendment I am now offering, I am pleased to see that there is provision for 5-year budget forecasts both by the President and by Congress. This attempt to look ahead of the budget proposals before Congress in any given year is essential, if we are to be well-informed as we consider budget bills and resolutions.

The adoption of my amendment would strengthen the ability of Congress to achieve what the drafters of the bill have proposed. In addition to the 5-year projections already included in the bill, my amendment would specifically instruct the Budget Committees of the Senate and House to use information on long-range national growth and development, goals and priorities as a guide in their budget deliberations.

The amendment further instructs the new Congressional Office on the Budget to assemble such materials, and to report them once annually to the Budget Committees. The machinery for the Office to perform this task is already included in the bill, in the provisions authorizing the Office to call upon other agencies of the executive and legislative branches for information and data.

I commend those who prepared the report accompanying the bill. It is one of the most descriptive reports on legislation that we have had. It is pointed out in the report that there likely will be a slack period after the office—that is, the Congressional Office of the Budget—and the Budget Committees have completed their work on one year's budget and before they begin consideration of the next.

Under my amendment, it will be noted that no date is specified for the Office to submit its annual report to the committees. The timing is left to the discretion of the director of the Office, who presumably would schedule the report for that slack period.

I believe such a report can be prepared, that it can be a report of meaning and substance, without overburdening the Office. The authority of the Office to rely on other Government agencies assures this. But I believe it is appropriate and essential that the report itself be prepared by the Office, an arm of Congress, rather than an executive branch agency.

But the key element in this amendment is its requirement for the Committees on the Budget to use information relating to long-range national growth and development, goals and priorities as a guide in their budget deliberations—in other words, to take into consideration each year what the impact of that budget will be on the development of this country for years to come. It is absolutely essential that our Government have some long-range projections and forecasts, and it is important that this be a part of congressional activity, as well as being done on the executive side.

The provision for 5-year budget projections is an important and desirable improvement over present procedures. But those projections will become infinitely more meaningful if they can be weighed against the Nation's long-range prospects, opportunities, and needs as assessed by the numerous experts and specialists already employed in the Federal Government and dealing with these questions.

Mr. President, this amendment is the result of having spent approximately 4 years of my life on study of the subject of national growth and development. It is shocking to note that the U.S. Government has no instrumentality for setting goals and priorities and for projections of development and growth. The last time we had anything like this was in 1940, with the National Resources Planning Board.

This amendment does not set up any elaborate machinery at all. In fact, it merely is a guide or an instruction to the budget committee and to the Congressional Office of the Budget. The amendment speaks for itself. It reads:

> In keeping with the purposes of this Act, to establish national goals and priorities to meet the needs of a strong national economy, the Office shall review on a continuing basis all legislation, trends, and developments in government at the Federal, State, and local levels, and related trends and developments in the private sector, including available national resources, which affect the Nation's growth and development, goals, and priorities. Once each year the Office shall submit to the Committees on the Budget of both Houses and to each House of Congress a "National Growth, Development, Goals, and Priorities Report," containing such information, data, and analyses as the Director shall deem necessary to enable Congress to consider fiscal and budgetary matters in terms of balanced national growth and development policies and national goals and priorities. The Office may also submit to the Committees on the Budget, from time to time, materials such as additional data, analyses, and information on the subjects of growth, development, goals, and priorities, and in addition shall provide such materials on request to any Member or committee, or either House of Congress.

Mr. President, I hope the committee will look with favor upon this modest amendment. I believe that all it does, in fact, is to accentuate what the bill already has as one of its directions. It simply fortifies the 5-year budget projection and places a responsibility upon the Congressional Office of the Budget to take into consideration the long-term impact of Federal expenditures and investments upon the American economy. It is designed to give us a sense of where we are going and some sense of direction as to where we might ultimately arrive.

I hope that the chairman of the committee, or whoever may be handling this part of the bill, will look with favor upon this matter.

**Mr. ERVIN.** Mr. President, I thought the committee was putting quite a responsibility on the Congressional Office of the Budget when it required that Office to make studies for 5 years on fiscal matters. This amendment would require a study on matters having a very indirect relationship to the bill, not for 5 years, but until the last lingering echo of Gabriel's horn trembles into ultimate silence.

In addition, it runs contrary to the purpose of this bill, which is to enable Congress to do what it can to set the Federal financial house in order. This amendment would require the Office to make studies which really are the business of Senators and Representatives and Presidents. The Office would have to study, on a continuing basis, all legislation, trends, and developments in Government at the Federal, State, and local levels, and related trends and developments in the private sector which affect the Nation's growth and development goals and priorities. The Office would have to make studies related to every possible aspect of the future of this Nation.

I agree with the distinguished Senator from Minnesota that that might be desirable, but I think a different organization should make those kinds of studies, instead of what is essentially an organization to study fiscal and economic conditions of the country to enable Congress to prepare a congressional budget for 1 year at a time.

This amendment would change the entire concept embodied in the Congressional Office of the Budget, and for that reason I do not think it has any place in this bill.

I suggest to the Senator from Minnesota that he consider setting up some other agency to study national goals and priorities and all these things which relate not only to congressional legislation but also to State legislation and the affairs of the private sector. That is entirely beyond the scope and intent and purpose of this particular bill.

**Mr. HUMPHREY.** Mr. President, what is the time situation on the amendment?

**The PRESIDING OFFICER.** There is no time limit on the amendment.

**Mr. HUMPHREY.** Mr. President, I recognize the sincerity of the argument of the distinguished chairman. I think he is dead wrong, and I want to address myself to it.

The Federal budget is not an item unto itself, and that is what has been wrong around here. The Federal budget is related to State budgets and local community budgets, but we pay no attention to State and local budgets. The Federal budget is also related to the private sector, and the private sector is related to the Federal budget.

For this body to try to ignore the fact that a budget of more than $300 billion has an impact upon the private economy is to deny its reason for being here. To say that what develops in the private economy has no effect upon the budget is to ignore what the tax revenues will be, what the income of the people will be.

This amendment is only a guideline for the Congressional Office of the Budget to try to take into consideration, for the purpose of informing Congress, what the impact of this budget will be for fiscal year 1975, 1976, 1977, or whatever year is being used, on the long-term growth and development of our country. Also, to advise what its impact will be on priorities and goals of our country. I think this is a logical extension of the five budget projections. But again I most sincerely say that if we in Congress think by legislating on a Federal budget we are immune from what is going on in the private sector of the economy, we are living in a fool's paradise. What happens in this regard has a great effect on the economy. It will have a great effect on the gross national product, an impact that will be felt at Federal, State, and local levels. We cannot prepare budgets in a vacuum and we should not.

I think the bill before us is an extraordinarily good document and I have paid my compliments to the committees. They have done an extraordinarily good job, but that does not mean it cannot be improved.

The Government of the United States is the only government in the world that does not have some instrumentality or some agency to give some sense of direction to national growth and development. One can say, "Well, this ought to come on some other bill." But the time is now; the task is urgent, to quote Victor Hugo, since we all like to be kind of intellectual around here. The longer we put this off, the worse it will get. Had we had this before, we would have known more about the energy situation. What does this have to do with the oil industry? It has a great deal to do with the oil industry in terms of the impact of research or the lack of research.

One item after another is involved here. The entire transportation system of this country is involved. Are we going to say that the Federal budget will have no impact on the growth of the transportation system of this country? What kind of transportation system are we going to have; what kind of transportation system should we have? Are we going to ignore in each national budget what should be the goal of this country in transportation? Or are we going to say that it is the problem of the railroads, that it is the problem of the buslines, that it is the problem of the airlines? That is the trouble and today our transportation system is inadequate for the task.

Mr. President, we may not adopt this amendment, but that would not be the first time we have failed to do what we should do. The need to prepare some system for ascertaining goals and priorities of this Nation is clear and unmistakable, and if we do not do it in Congress, the executive branch should do it by itself, but I hope we can do it in partnership. For Congress to have a mechanism to work with the private sector on national growth and development is absolutely essential.

We have housing legislation involving billions of dollars. But that is not the only problem. The problem is: Where are the people going to live? Where should they live? Under what conditions should they live there?

In this body we passed a great Environmental Protection Act, which is long overdue. The author of the bill, the Senator from Maine (Mr. Muskie) is in the Chamber. It was long overdue, but no one took into consideration what would happen through the change in the economy with that kind of legislation. Let us have a goal with respect to gas and oil. For instance there is the impact upon the automobile industry.

This amendment proposes to ask the Office of the Budget, which is a congressionally created office, to give us some idea where we are going and what the impact will be year by year upon the total, long-range goals of this country. Hopefully, we can set some goals and priorities. I doubt anyone here knows what our goals and priorities are. We have not made up our minds with respect to what we want to do and what timetable we want to have for accomplishment of our objectives. We do not have any goals.

What are our goals with respect to housing and health, with respect to manpower training and education? We have not made up our minds. Everybody cannot be on first; somebody has to be in the dugout.

Again, I want to say this is not the kind of amendment I think the Nation ultimately will need. I think we need at the national level an office of national growth and development and we need in the Congress a joint committee on national growth and development. I think we need to start to plan for the use of our resources and to have a mechanism for setting up goals and priorities, for setting up guidelines, forecasts and projections. But just to project a 5-year Federal budget without relation to its effect on the balance of the economy is not the answer. It is better than what we have. The 1-year annual budget has serious limitations. The 5-year projection is a commendable improvement but it is important to know what the budgets in those 5 years will do to the total national economy.

**Mr. MUSKIE.** Mr. President, will the Senator yield?

**Mr. HUMPHREY.** I yield.

**Mr. MUSKIE.** I do not think it needs to be argued that the process the Senator urges is a process that is needed, not only in the executive branch of government but also in the congressional branch, as well. I think it is important to point out to the Senator that we did consider legislation of this kind briefly in committee in connection with this budget reform legislation.

The distinguished Senator from Florida (Mr. CHILES) introduced legislation asking us to consider adding it to the budget bill. At that point in the consideration of the budget bill we felt we had not had an opportunity to give mature consideration to that function as a responsibility of the proposed congressional office of the budget so the Senator from Florida was urged to have the bill reported separately. It was reported separately and it is on the calendar as S. 1414. *It has the* support of the Senator from North Carolina (Mr. ERVIN) and the Senator from Illinois (Mr. PERCY), and I think it has the support of the full committee. It well may end up in the congressional office of the budget. It may well do that, but we felt most of the 8 months of effort we gave to the budget reform bill should be devoted to the budgetary responsibilities and that we should not casually introduce this very important responsibility at a late hour in committee consideration of the bill.

I speak for myself and I think for the other Senators named. We are all for this kind of approach. We see it as being part of the responsibilities of the COB down the road, but we did not want to overcomplicate the pure budget reform with which we had been occupied most of this year. So I would like to associate myself with the Senator in connection with most of what he would like to do. But S. 1414 will have the support of the committee, I think, and perhaps end up at the same place.

Mr. HUMPHREY. I thank the Senator. I always feel the time to do what needs to be done is when the time arrives and since the committee has seen fit to approve this concept—and I was unaware of that—I hope it would not seem out of place to give it consideration in this bill.

Ultimately, as has been indicated, it has had committee consideration. But I must say, with all due respect, that even if it had not had committee consideration, that does not necessarily deny the opportunity to offer it here on the floor and, hopefully, have it acted upon with favor.

Mr. MUSKIE. Mr. President, will the Senator yield again?

Mr. HUMPHREY. I yield.

Mr. MUSKIE. May I make this point clear? It was because we were not certain that the Congressional Office of the Budget was the place in which ultimately to rest that responsibility that we proposed to set it up separately. The Senator from Florida (Mr. CHILES) would set up a separate Office on Goals and Priorities. We think it better to start it down that road rather than tie the two together. That is a pragmatic judgment. As the Senator has said, any Senator has the right to do so and any idea can be proposed on the floor if the Senator so wishes. I thought it would be useful to the Senator's discussion to give him this legislative history.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PERCY. Though I would oppose having the Congressional Office of the Budget having imposed on it at this time this huge responsibility, at the same time I would like to say, as I have told the Senator from Florida (Mr. CHILES) before, I would strongly support a separate office being established at an appropriate time for this purpose. I cannot think of anything that would be more important than for Congress to take a long look ahead to see where we are going. Too often the Government deals with urgent legislation rather than that which is ultimately important. We are always dealing in crises.

The Senator from Minnesota has focused our attention on the fact that we have to have national goals, we have to have a sense of priorities, we ought to have some plan in mind as to the road we ought to be traveling on.

The depth of my own feeling on this goes back to a conversation I had in 1958 with President Eisenhower, when I proposed to him that we establish a Commission on National Goals. The President became very excited about the idea, so much so—that was in December 1958—that he took away from the printer the state of the Union message that he had virtually wrapped up, and we sat there a whole day working on the state of the Union message, and the proposal to establish a Commission on National Goals, which was incorporated in his state of the Union message in January 1959.

The consequence of the proposal being made by the Senator from Minnesota is indicated by the fact that it took almost a year to establish that Commission, a distinguished president of Brown University was selected to chair that Commission, the Commission members were drawn from all over the country, the expense involved was so great that it took months to find money for that particular Commission. Ultimately it was formed. It met innumerable times over a period of a year, and ultimately a final report was issued. But I think the distinguished Senator will recall that President Eisenhower felt that each of the parties should have a way to implement the national goals. At that time, the Committee on Programs and Progress in the Republican Party was established. I was asked to serve as chairman of it, which I did. The Democratic Party set up a counterpart committee on how to implement the goals. But the establishment of the Commission on National Goals took so long that both parties had set up their own committees long before the Commission on National Goals had issued a report.

I feel something like this is needed. I think the objectives which have been pointed out both by the Senator from Florida (Mr. CHILES) and the Senator from Minnesota (Mr. HUMPHREY) are worthy. But I look at the responsibility we have imposed upon the Congressional Office of the Budget, and realize we have not yet a director or a deputy director, and have not even created the office yet. We are imposing on that office the duty to make reports to Congress with respect to revenue losses attributable to present Federal tax laws. We require it to develop information with respect to the effect of existing law on revenues, authorizations, budget authority, and outlays for the current fiscal year and three fiscal years thereafter. We impose on it the duty to obtain information from executive and legislative agencies. We impose on it the duty to provide analyses of the effect which each amendment to the concurrent resolution would have on budget authority and outlays. We impose on it the duty of preparing and making available, at the close of each day of consideration of a concurrent resolution, an analysis of the effect all amendments agreed to would have on both the new budget authority and outlays. We impose on it the duty to undertake studies and provide assistance to committees having jurisdiction over budget authority legislation, in compliance with requirements with respect to amendments to the concurrent resolution.

We impose on it the duty to prepare the following with respect to each reported bill: an estimate of costs to be incurred in the fiscal year when effective, and in each of the 2 following fiscal years; a comparison of such estimate with the estimate made by the reporting committee and any reporting agency; and a list of existing and proposed Federal programs which would provide assistance for the objectives of the program authorized by the bill. And there are many other duties.

The requirements on the Congressional Office of the Budget are so great, and that objective so noble and worthy in the estimate of the reporting committees that to give it at the same time, and simultaneous with its establishment, the requirement "to establish national goals and priorities to meet the needs of a strong national economy," to "review on a continuing basis all legislation, trends, and developments in the private sector, including available national resources, which affect the Nation's growth and development, goals and priorities" is such a huge responsibility that it is little wonder that Nelson Rockefeller, in setting up the Commission on Critical Choices, has initially put in $1 million of his own money, $1 million of Laurence Rockefeller's money, and is looking for $10 to $15 million more to fund just a one-time commission.

If we turn from our effort to create a new Congressional Office of the Budget and ask it to undertake that kind of work, which would really dwarf the obligations imposed under this bill, it would mean requiring an entirely different type of personnel, a different goal, a different approach, a different kind of analysis, and I tend to think we will end up doing both jobs poorly, whereas I think they are both worthy of being done well.

Let us first give the job of being the fiscal watchdog of the Congress to this Office of the Budget in the Congress, and then let us set up a separate commission or body for that other purpose, which takes a long-range look at things. I would absolutely support the creation of such a body, but I regretfully could not encumber this bill with it, because it would absolutely bog it down and take our eyes away from the specific goal we have here of restoring the responsible role the Constitution gives to the Congress in the way of appropriating, authorizing, and spending our money and managing our fiscal affairs, a responsibility that we have abdicated and that we want to focus on in this bill.

Mr. HUMPHREY. I have great respect for the Senator from Illinois and his great experience both in public and private life. He knows that. I again repeat that my regard for this bill is one of great pleasure that it has been placed before us. I think it is a tremendous piece of legislation. But I would not be true to my own concerns if I did not express once again what I think are very serious limitations. I ask Congress to broaden its view. I think Congress tends to look at the budget as something separate and distinct from the rest of our economy. With a present budget of $304 billion, as the committee reports, that is no small item, and it has a tremendous effect upon national growth and development and in the quest for goals and priorities. I am for goals and priorities. We need to have goals and priorities, but we need also to know how our Nation is growing. We need to know the effect of what we do here. Obviously, we have seen over the years what the effect of spending is. For example, the Department of Agriculture opened 160 million acres of land, but they forgot to contact the fertilizer industry. Very interesting. How are they going to get the land to produce?

It seems to me that we ought to have some sense of planning, forecasting, and guidance. I realize that we do not have that problem in every bill, but these are matters that ought to be handled properly.

I have been around here long enough to be able to count. I am aware of the unanimous reluctance to accept this amendment. It is not going to go very far. But that does not stop me. I feel that we have to do something.

This Government is derelict in its responsibility to the American people when it appropriates money without regard to its impact and the effect it will have on policy. We talk about monetary policy without regard to what its effect will be on the American people generally.

The time has come when we must realize that the economy will be bigger next year. What will it be in a few years when the population is 350 million?

If there is any area that has demonstrated a failure in planning, it has been the transportation program. Take the farm-to-market roads, that are supposed to provide the means of bringing food from the farms to the marketplace. They receive second- and third-rate attention. We have got to find a way to get our food to market. We can starve in the midst of plenty. There is plenty of food on the farm, but it needs to be processed and transported.

We pass millions of dollars for housing bills—yes, billions of dollars. But we need to know how the funds are handled and whether they are properly administered. We need to know what that means, in the long term, to the United States of America. Everyone cannot live on the eastern seaboard. Everyone cannot move to Chicago or Miami. Our problem is that we have never had any priorities. The amendment of the Senator from Florida (Mr. CHILES) is good. My staff assistant has brought it to my attention. Compared with the amendment I have offered, I do not consider his amendment basic enough. My amendment is but an extension of the bill. It is projected in the bill.

But, Mr. President, I have some other amendments. I have spoken with the distinguished and most able chairman of the Committee on Government Operations (Mr. ERVIN), the ranking member of the committee (Mr. PERCY), and the distinguished Senator from Maine (Mr. MUSKIE), who have seen fit to say this is a good measure, but "not now. We prefer to wait just a little while."

The distinguished Senator from Florida (Mr. CHILES) is an extremely able Senator and a member of the Committee on Government Operations. I commend him for his leadership. I shall be glad to join him. I am interested in legislation, not in the parenthood of legislation. I know that for 34 years nothing has been done. For 34 years this Government has been awaiting the planning of an instrumentality. For 34 years we have been watching, with no projections except from the Bureau of the Budget. The Bureau of the Budget has not been able to project what the impact of the budget would be on the Nation. We have a countryside that has lost millions of people to the cities. We have in this country a great need for transportation and educational systems. We have a distorted pattern of health care facilities, with hospitals in the big cities, and without adequate facilities in the rural countryside.

The Senator from Minnesota is pleading for national priorities and for national growth policies, because they are needed. They are required.

Mr. President, I withdraw my amendment.

The PRESIDENT pro tempore. The amendment is withdrawn.

Mr. HARRY F. BYRD, JR. Mr. President, I submit an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 166, line 11, insert the following: In such Budget, beginning with the fiscal year 1976, nontrust fund outlays shall not exceed nontrust fund revenues.

Mr. HARRY F. BYRD, JR. Mr. President, this is a one-sentence amendment. It amends title VI of the committee bill. The caption of title VI is "Matters To Be Included in the President's Budget." This proposal states that among the matters to be included is a balanced budget.

I invite the attention of the Senate to the speech delivered on July 18, 1973, by President Nixon, and I quote a paragraph from that speech.

> The key to success of our anti-inflation effort is the budget . . . I propose that we should now take a balanced budget as our goal . . .

This is the opportunity to begin that process, to bring about a balanced budget. Two steps are necessary, of course. The first step is that the President must submit to Congress a balanced budget. Unless that is done as a practical matter, there is no hope of achieving a balanced budget.

What has happened in recent year is that Presidents have submitted to Congress deliberately unbalanced budgets. The current budget submitted by the President of the United States will show by his own figures, a deficit of $18 billion. There is no way that a balanced budget can be achieved when he sends to Congress a budget which is badly out of balance.

The one-sentence proposal offered by the senior Senator from Virginia for himself and for the distinguished junior Senator from North Carolina (Mr. HELMS) would do only one thing. It would be to add a sentence to title VI, requiring that beginning with fiscal year 1976 the President submit a balanced budget.

This proposal would not affect the budget which Congress is working on now. It would not affect fiscal 1975. It would affect the budget which the President will next submit, dealing with fiscal 1976.

The purpose of the legislation before us is to try to bring about some semblance of responsibility in handling tax funds. Where do those funds come from? They come out of the pockets of the wage earners. That is the only place the Government can get money. And I submit that these huge deficits which our Government has been running year after year are the major cause of inflation. That is the major reason why the purchasing power of the wage earner's dollar has decreased 20 percent in a 3-year period: these huge Government deficits.

As President Nixon stated on July 18 of last year, if we are going to bring fiscal responsibility to this country, we must cut back to a balanced budget. This amendment would be the first step toward achieving that objective.

A vote was taken on an amendment similar to this—identical, as a matter of fact, except for the phraseology; it was identical in purpose—on November 29, 1973, and it received 43 votes in the Senate. It was not enacted; it was tabled by a vote of 46 to 43, but it did receive 43 votes.

If we are going to be serious about attempting to bring about fiscal responsibility, if we are going to be serious about attempting to get inflation under control by getting Government spending under control, then this is a desirable first step.

I say again, Mr. President, that the only thing this amendment would do would be, beginning in fiscal year 1976, to require the President to submit to Congress a budget that is in balance.

I wonder if I might ask the distinguished floor manager of the bill whether he would be inclined to accept the amendment, because I believe it would greatly strengthen the proposal which has been brought in by the committee.

Mr. ERVIN. Mr. President, no comparable proposal was considered by either the Committee on Government Operations or the Committee on Rules, and I would not feel at liberty to accept the amendment.

Like the Senator from Virginia, I would like to see a balanced budget above everything else, but I think the best way to handle that in a rational manner would be to pass this bill and consider that subject when it comes up under the executive budgetary bill. Certainly it would be an exercise in futility to agree to this amendment and then find the budget could not be balanced.

Mr. HARRY F. BYRD, JR. Mr. President, if the Senator will yield, what this proposal does is say the President shall submit a balanced budget. Congress can then work its will. But it says the President shall submit a balanced budget. It is only a one-line amendment.

Mr. ERVIN. Yes, but I still feel that, since this bill has been considered over a period of about 10 months, altogether, by the two committees, I do not feel at liberty to accept the amendment. I would rather have it offered, as I said to the Senator from Florida, as an amendment to the executive budgetary bill, rather than to S. 1541.

Mr. HARRY F. BYRD JR. But I say to my distinguished friend from North Carolina, that if he will turn to page 165 of the bill, he will find that this proposal ties in precisely with title VI, which is captioned "Matters To Be Included in the President's Budget." This legislation itself already directs the President what to include in his budget. The amendment merely goes one step farther and says he shall submit a balanced budget.

Mr. ERVIN. Well, I would not feel at liberty to accept an amendment on a proposition never considered by either of the committees. The committees have worked on this bill. I might say to the distinguished Senator from Virginia that the Government Operations Committee worked on it at least 8 months and the Rules Committee at least 2 months, and I would not favor adding an amendment which had not been considered by either of the committees.

Mr. HARRY F. BYRD, JR. I can understand the Senator's position. As chairman of the committee, he feels quite properly that he could not speak for either or both of the committees in this regard.

Mr. PERCY. Mr. President, will the distinguished Senator yield for a question?

Mr. HARRY F. BYRD, JR. I yield to the Senator from Illinois.

Mr. PERCY. I believe while the Senator from Virginia and the Senator from Illinois were in the Chamber last night we discussed the concept of a balanced budget.

Mr. HARRY F. BYRD, JR. Well, we did not discuss it in such specific terms. I am trying now to get back to specific terms.

Mr. PERCY. No, that is right. The Senator from Virginia is very specific now.

I believe very deeply in the principle of a balanced budget. As I have said before, I have never had an unbalanced budget in any business I have been connected with, in my personal life, or in any activity until I came to the Senate. Then I was aghast to find that no one was even thinking in terms of a balanced budget. That did not even seem to be a goal toward which we worked, until this concept of a balanced budget at full employment came up.

Mr. HARRY F. BYRD, JR. If I may say so to the Senator from Illinois, that is simply a fraud on the American people.

Mr. PERCY. I would not wish to be so indelicate, myself, as to say it was a fraud.

Mr. HARRY F. BYRD, JR. I said it; the Senator did not.

Mr. PERCY. But I certainly would not entirely disagree with what the Senator has said. After all, what is normal unemployment? Is it 4 percent, 4.5 percent, 3.5 percent, or whatever it may be?

When we were considering tax legislation for fiscal 1968, we were in a period of high economic activity and a period of inflation, and yet we still had from the administration a budget with a large deficit. At that time, the former Senator from Delaware, Mr. Williams, introduced a bill which mandated by law that that budget must be cut by $6 billion, and we ended up, on a unified basis, with a balanced budget giving us a $3.3 billion surplus, but it still provided for outlays greater than income, which was not really a balanced budget, in accordance with the principle that the Senator from Virginia wanted, but it came closer than it would have otherwise.

Mr. HARRY F. BYRD, JR. That is in the ability to sustain deficit figures.

Mr. PERCY. Right. I ask this question of the Senator from Virginia: What happens when the Nation is at war—let us say in World War II, when we had no regard for whether we were running a balanced budget in those years because the survival of the free world was at stake and we were willing to mortgage our future for the present in order to have the resources available in the present to protect the future? What happens in a period like that under a mandated legislative requirement that apparently, no matter what, we have a balanced budget year after year?

Mr. HARRY F. BYRD, JR. In a time of emergency, Congress can change it quickly, whenever it so desires to change it.

Mr. PERCY. In other words, Congress could change it during a war as that would be an emergency. That would be natural. Everyone would understand that, and we would immediately change the principle. What would happen if the Nation were plunged into a depression such as in the 1930's when, obviously, the principles of Herbert Hoover were unacceptable to the American people and he was voted out of office? Of course, as I recall, President Roosevelt, in 1931, before he became President or ran for office, if my memory serves me correctly, talked about fiscal responsibility and a balanced budget; but when he came in, he said, "Let's go to work and develop all these agencies," and they spent a great deal of money so that we presumably were going to spend ourselves back to prosperity. But whether that philosophy was right or wrong, the country demanded those kinds of expenditures, and they were made. What would happen during a period of depression or a deep recession? Would the Senator from Virginia still insist at that time on a balanced budget?

Mr. HARRY F. BYRD, JR. I would say that if Congress is willing to enact this legislation which applies to the beginning of fiscal year 1976, the next budget which would be submitted, that the President would then submit to Congress, would be a balanced budget. Congress could make the decision as to whether it wanted to accept that budget, in balance as the President submitted it, or whether Congress wanted to change it. Of course it would be free to do whatever it believed was necessary under the conditions that existed.

But, as I see it, if we are going to get back to a balanced budget, or get to a balanced budget, I should say that the first step must be for the Chief Executive to submit a balanced budget. Until that is done, we will never get a balanced budget. This provides for the first step.

Mr. PERCY. Suppose the Chief Executive submits by law a balanced budget, and he said, "I am doing this because I am required by law to submit it, but if the Congress accepts a balanced budget, it will be disastrous for the United States because we are in deep recession, or depression, and this would further deflate the economy. We need stimulants. We do not need depressants. Here is my budget. I am mandated by law to present it, but if you accept it, you are irresponsible"? Would not the implication be that we would be irresponsible to pass such a law in the first place?

What then is the effect of the amendment?

Mr. HARRY F. BYRD, JR. Congress would make its own decision at that time, whether the President was correct in his assessment or not correct. This amendment does not tie the hands of Congress. It merely says to the President that he is to submit a balanced budget.

Mr. PERCY. One further question: What if the President sends down a budget in 1976, or whenever it might be, and he says: "I am mandated by law to present a balanced budget and here it is. But we have accepted a national goal to be self-sufficient in energy by 1980. Congress has accepted that and the American people are for it. No longer are we going to place ourselves in a position where we will be dependent on outside sources for the supply of energy. We have research programs underway which Congress has appropriated funds for and the authorization for which continues for several years. But these programs will have to be scuttled and that national goal will have to be abandoned if I submit a balanced budet and, therefore, here you have mandated that these are the kinds of moneys that will be required to be appropriated if we are to continue our national goal."

What then is the effect of this particular provision?

Mr. HARRY F. BYRD, JR. There again, I say to the Senator from Illinois, Congress will make its own decision, to decide whether the President is accurate in what he says, or wise in what he says.

Congress has complete control of it. Congress will make the decision.

Mr. PERCY. Well, I should only like to conclude this colloquy by stating that the amendment of the distinguished Senator from Virginia does raise important and profound questions. It really goes to the heart of fiscal responsibility, in a sense; but it also raises problems.

I commend my distinguished colleague for raising the issue. I would feel, with the Chairman, not having had the opportunity for committee hearings, and not having had the opportunity for the executive branch even to comment to us on what effect it would have on directing them to do this, that it would be better to consider the proposal after such hearings and consideration had been given to it. I would therefore stand with the Chairman and oppose this particular amendment; but I commend my colleague from Virginia for introducing it.

Mr. HARRY F. BYRD, JR. It would be a useless gesture to ask the executive branch what it thinks because it obviously would not be in favor of it. It has been submitting, year after year, unbalanced budgets, so obviously they would not be in favor of it.

Mr. ERVIN. Mr. President, there is another serious objection to the amendment. I believe it would be unconstitutional.

Section 3 of article II of the Constitution states:

> He——

That is, the President——

> . . . shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient; . . .

The amendment in effect says that the President cannot make a recommendation to Congress for expenditures unless revenues equal or exceed expenditures—that is, so far as nontrust funds are concerned.

I think a President can make any kind of recommendation to Congress with respect to expenditures because section 3 in Article II of the Constitution says,

> . . . as he shall judge necessary and expedient . . .

It does not say that Congress can tell the President what kind of recommendations to make to Congress with respect to fiscal matters.

Mr. HARRY F. BYRD, JR. He can make his recommendation which will take into account both the expenditure side and the revenue side.

Mr. ERVIN. But the Constitution says,

> He shall from time to time give . . .

This amendment tells him what he must recommend to Congress in this respect.

Mr. HARRY F. BYRD, JR. It tells him he must recommend a balanced budget.

Mr. ERVIN. But the Constitution says that he can recommend to the consideration of Congress such measures as "he"—that is, the President—"shall judge necessary and expedient . . ."

Mr. HARRY F. BYRD, JR. I just point out that the legislation presented by the distinguished Senator from North Carolina, right here, in title VI, puts certain requirements on the President. This is just an additional requirement to it.

Mr. ERVIN. But that requirement is purely for information. It does not tell the President what he has to recommend to us.

Mr. HARRY F. BYRD, JR. If we take the view that Congress cannot require the President to submit a balanced budget, there is no hope whatsoever that we will ever achieve it.

Mr. ERVIN. Oh, yes. Congress can compel a balanced budget because it has the power of the purse. But we also have a separation of powers, and the Constitution provides that what the President recommends to Congress is something for the President and not Congress to determine.

Mr. HARRY F. BYRD, JR. Well, the Senator from North Carolina is a constitutional lawyer——

Mr. ERVIN. I do not think Congress can compel the President to make a sensible recommendation to Congress. [Laughter.]

Mr. HARRY F. BYRD, JR. Well, I think Congress is certainly within its powers to attempt to legislate a sensible requirement such as the Senator from North Carolina says this is a sensible requirement. Then it can be tested in the courts if there is any question about its constitutionality.

Mr. ERVIN. The way to do this would be to pass a resolution directing the Chaplain of the Senate to pray that the good Lord will give the President the wisdom to recommend a balanced budget. [Laughter.]

Mr. HARRY F. BYRD, JR. Well, I believe in the power of prayer very much. But I also believe in the power of Congress to exert some responsibility and enact some legislation. If it is tested in the courts, Congress can help, but I think we have an obligation to try to get some fiscal solvency, some fiscal responsibility, back into the Government, which is completely irresponsible fiscally. When I say "Government" I mean both the executive and legislative branches. I cannot see any reason in the world why Congress should not mandate the President to submit a balanced budget, and then Congress can work its will from that time on.

Mr. ERVIN. I might say to the Senator that I am very serious about this. I do not think Congress can tell the President what to recommend to Congress. We in Congress have the power to balance the budget, if we have the will to do so. The main purpose of this bill is to get us a balanced budget at the earliest possible date.

Mr. HARRY F. BYRD, JR. I say to the Senator from North Carolina that there is nothing in this bill to bring about a balanced budget. There is nothing in this bill to demand a balanced budget. I do not see one line in here that says we will have a balanced budget.

Mr. ERVIN. No, but the bill requires that the first concurrent resolution will tell us how much money we have available, and then we will legislate in light of that fact.

As I said yesterday, if, after this bill takes effect, we appropriate more money than we have, we are sinning, not as we have in the past, in the dark, but we are sinning in the light.

Mr. HARRY F. BYRD, JR. But we are still sinning.

Mr. ERVIN. Let us hope that we will not sin.

Mr. HARRY F. BYRD, JR. That is a hopeless hope, I think.

Mr. ERVIN. I still have optimism, even when I do not expect that things will come about as I hope.

Mr. HARRY F. BYRD, JR. I have optimism for most things, but I do not have much optimism about what Congress is going to do when it starts passing around tax money.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. HARRY F. BYRD, JR. I yield.

Mr. MUSKIE. I do not want to take too much time, but I think two or three additional observations might be useful.

In the first place, I think it is clear from the bill and the committee reports as they have been developed that the information made available to Congress by the Executive will make clear the steps that need to be taken to balance the budget. I believe that is what the Senator has in mind.

Mr. HARRY F. BYRD, JR. That is exactly what the Senator has in mind.

Mr. MUSKIE. So I think that information will be available.

The second point is that if what the Senator has in mind is that the President should recommend a balanced budget and present no other options to Congress, that would be a disservice to Congress and an even greater disservice to the country. Without this bill the President is in the best position to evaluate economic option at the present time.

Hopefully, we can match his capability with this bill. But at the present time, he is in the best position to evaluate the impact of Federal budgets upon the economy and to project what is likely to happen in the range of relationships between the budget and the state of the economy. So, if the purpose of the Senator's amendment is to limit the President's recommendations to those of a balanced budget, the effect will be to deprive Congress of a great deal of useful information it should have.

The third point I want to make is this: The Senator has stressed, and rightly, the impact upon our economy of the Federal budget, given its present magnitude and complexity. The Senator is concerned about the inflationary pressures that are generated by a Federal budget. But let me make this point about the current fiscal year: If we had a balanced budget with respect to nontrust fund activities of the Government, we would be running a budget surplus of $10 billion to $15 billion this year, at a time when most economists agree that the economy is slowing down and needs some stimulation. If we had that kind of policy fixed, then we would not be in a position to respond to the current economic situation. A surplus in this kind of situation would have a depressive effect upon the economy, like it or not.

The final point I should like to make is that the effect of the Senator's amendment, if it were implemented by budget policy, would be to destroy the concept of the unified budget. That concept is fairly new, but I think it is useful, if we are to be in a position to evaluate the total impact of Federal expenditures and outlays upon the economy; and if we are to fracture the unified budget concept again as it was not so long ago, I think that again we would be limiting our ability to use effectively and wisely the potential for dealing with inflation or depression which lies in the Federal budget.

I make those observations with respect to the overall objective of the bill. Its purpose—and I think it will be effective in this respect—is to stimulate the development of budgetary and fiscal discipline on the part of Congress and on the part of the Executive. It does so by estabilshing procedures, by estabilshing new resources in terms of the Congressional Office of the Budget, computerized technology, and so forth. Mostly, it would do so by making clear to every Member of Congress what the options are and what the consequences of spending legislation may be. The discipline of information and disclosure of that information to Congress and to the public are what this bill relies upon, together with procedures that force us to confront these decisions on a regular, ongoing basis, at each point of which the consequences will be clear.

So I can understand the Senator's pessimism about the possible results because of our past failures to deal with this issue. But I thought that these additional observations might be a useful addition to the discussion on the Senator's very valuable amendment. I think we would all like to see the day when this kind of fiscal discipline again rules Federal expenditures.

Mr. HARRY F. BYRD, JR. I thank the Senator. He has made useful and helpful comments.

I point out that if this amendment were adopted, the option would lie with Congress. It applies to the original presentation of the budget. Congress would have whatever options it felt were desirable and worthwhile, but at least it would start with a balanced budget.

Mr. MUSKIE. If the Senator were to say that the President ought to make available to us information as to what decisions would be required to achieve a balance of the kind the Senator speaks about, that kind of information would be useful.

Mr. HARRY F. BYRD, JR. I believe that if we are going to get anywhere at all toward achieving a balanced budget, we need to do more than supply information.

The Senator from Maine raised the point of the unified budget. As he well knows, that is a very recent development. Historically, the way to Government's finances have been tabulated has been on an administrative or a Federal funds basis. It was not until the middle of the administration of President Johnson, when he was running such huge deficits, that the Government then went to a unified budget; so it made the deficits look less by taking the surplus from the trust funds and applying that to the deficits in the Federal funds. As a result, it made the deficits appear to be less, but actually they were not less.

The reason why the Federal funds budget is the key budget is that that determines the national debt. The national debt, in my judgment—although most Members of Congress do not regard it as such—has a very important effect on the average citizen and on the average taxpayer; because in the budget we are now considering, there is $30 billion of interest payments—$30 billion to pay the interest on the national debt. Where does that $30 billion come from? It comes out of the pockets of the wage earners. It comes out of the pockets of the taxpayers of our country.

So I say that these huge deficits in the Federal funds budget, which means higher and higher debts and more and more deficits, means at the same time greater and greater expenditures for interest payments.

Let us take a look at some of these interest payments. Let us go back 10 years, to fiscal 1965. The interest on the Federal debt at that time was $11.8 billion.

Or fiscal year 1975, 10 years later, it is $29.1 billion, so that the interest charges on the debt during that short period of time increased almost three times. That has a very direct effect on every taxpayer. As a matter of fact, to put it in focus, it means that of every income tax dollar paid into the Treasury, 17 cents goes to pay the interest on the debt.

The pending legislation undoubtedly is an improvement over our present procedures in Congress, but, in itself, as I judge it, it is not going to get us back to fiscal responsibility. It is going to take more than this. That is why it seems to me the Senate should give consideration to an amendment which, as a starter, would require the President to submit a balanced budget.

Mr. HELMS. Mr. President, I think time is running out on this Congress if we ever intend to act responsibly in fiscal matters. For a generation now we have been making excuses as to why we canot do what needs to be done, when actually our duty is to do what we must do if the fiscal integrity of this country is to be preserved.

I am delighted always to stand with the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) in any effort to restore fiscal sanity to our Nation. As Senator BYRD has indicated, the amendment which he has submitted for himself and me is identical in intent to measures that I proposed last year, on June 27, on July 19, and on November 29.

Our last effort was defeated in the Senate by a 3-vote margin, 46 to 43.

As the distinguished Senator from Virginia has made clear, this amendment is quite simple. It is practical, and it strikes at the heart of the Nation's economic travail. It provides simply that the President of the United States be required to submit annually a balanced budget in which the non-trust-fund expenditures would not exceed non-trust-fund revenues for each fiscal year. The effective date of this bill would be the beginning of fiscal year 1976 or July 1, 1975.

The fiscal year 1975 budget, of course, has already been submitted. It has been well publicized that the projected receipts in that budget, including the trust fund receipts, are $295 billion, while the administration's projected outlays are $304.4 billion. This leaves a projected deficit of $9.4 billion. In fiscal year 1974, the estimated deficit was $4.7 billion, or exactly half as much. Despite the President's announced intent to balance the budget in fiscal year 1974, he was not able to do; 1975 will be even worse.

Indeed, if we break down the fiscal year 1975 budget according to a more rational method of bookkeeping, we should be even more alarmed.

If the trust fund accounts, which rightly should not be considered as ready money, are separated out, the true deficit grows to $17.8 billion in fiscal year 1975. This happens because the trust fund accounts traditionally run a small surplus, and that surplus is used to whitewash the deficit for general operations.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the way the figures break down.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

| I. Budget totals: [1] | *Billion* |
|---|---|
| Projected receipts (including trust fund receipts) | $295.0 |
| Projected outlays by the Administration | 304.4 |
| Projected deficit | 9.4 |
| II. Budget Breakdown by Accounts: | |
| Projected receipts in the Trust Fund accounts | 115.8 |
| Projected outlays in the Trust Fund accounts | 107.4 |
| Trust Fund surplus estimate for FY 1975 | 8.4 |
| Projected receipts in the Federal Fund | 202.8 |
| Projected outlays in the Federal Fund | 220.6 |
| Projected deficit in the Federal Fund [2] | 17.8 |
| III. Means by which the Nixon Administration arrived at its Deficit figures: | |
| Projected deficit in the Federal Fund | 17.8 |
| Projected surplus in the Trust Fund accounts | 8.4 |
| Projected deficit [2] | 9.4 |

[1] Federal Budget for FY 75: Summary at p. 46.

[2] Actual Budget Summary figures are $17,900,000,000 due to "rounding off" by Budget officials; however, adding the figures or subtracting them as the case may call for often gives slightly different results—in this case, the sum would be $17,800,000,000.

Mr. HELMS. Mr. President, it is for this reason that the distinguished Senator from Virginia and I are proposing that the President be required to submit a balanced budget in the non-trust-fund accounts. It is fiscally unsound to count the trust fund receipts as general income. It is true that the trust fund accounts furnish funds which are immediately loaned to the Treasury to pay the bills of the United States. But these loans are a prime cause of inflation. They constitute the spending of money for general purposes which we do not have for those purposes.

Now there may be some who will say that we have to cut necessary Government programs in order to balance the budget. In this regard, it may be pointed out that the President is not entirely responsible for the deficit, since 74 percent of the fiscal year 1975 budget consists of so-called uncontrollable expenditures. In other words, this is spending mandated by Congress.

I agree with those who want to cut Government programs, for I believe that much Government spending is unnecessary. But if Congress mandates spending, if Congress continues to set up so-called uncontrollable spending programs, then Congress is obligated to raise the taxes to pay for such spendthrift ways. The President's obligation under our amendment is to present a balanced budget, including spending cuts where possible, or tax increases where necessary. The Congress then would have the moral obligations to abide by the same principles.

Thus the amendment which we are proposing today, and have proposed on previous occasions, would be an excellent tool in getting spending under control. It would require the President to present the budget in such a way that the real deficit is immediately recognizable, and the proper steps for correction are included.

It is time for the Senate to take action to stop runaway spending in every area of Government. It is time to stop fooling ourselves about the amount of money we are taking in. It is time to quit kidding ourselves about the amount of money we must take in to pay for our fiscal extravagance. This amendment will bring realism back to the budget process.

Mr. President, the distinguished Senator from Virginia discussed briefly the present status of the Federal debt. I want to reiterate some figures I have often mentioned in this Chamber. We talk about $465 billion Federal debt. This enormous figure floats over the heads of American taxpayers because it is almost impossible to conceive $1 billion, let alone $465 billion. But to put the Federal debt in proper perspective so that anybody can understand it, it should be pointed out that the interest alone—$30 billion a year—on the money already borrowed and spent by the Federal Government breaks down to a cost to the taxpayers of the United States of $54,000 a minute, or almost $1,000 every time the clock ticks. This is the situation that has caused the backbreaking inflation in this country. We can blame it on anything or anybody else we want to, but we know that the blame lies in the Senate and in the House for our fiscal irresponsibility. So the question today is, Do we have the courage to do what we must do if we are really serious about bringing inflation under control? If we do, we will adopt this amendment.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. HARRY F. BYRD, JR. I yield.

Mr. NUNN. Mr. President, I applaud the Senator from Virginia and the Senator from North Carolina for introducing the amendment. I intend to vote for it. We must come to grips with the debts we have in this Nation. I believe the Senator made a strong case for that. I would like to ask a question about the amendment so that we will have a proper legislative history on this matter.

As I understand it, the amendment applies to nontrust funds.

Mr. HARRY F. BYRD, JR. That is correct.

Mr. NUNN. That means it would exempt everything concerning trust funds? Is that the Senator's intention?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. NUNN. Suppose we had trust funds—I think we have several of them—that, in effect, had to tap general revenues to provide funds in order to meet the purposes of the trust; that is to say, the trust fund's expenses exceeded the trust fund's income and had to be made up by general revenues. I think there are several of them, including the social security trust fund. Does the Senator mean that would include all general fund items, or does the Senator intend to include general revenue funds that go into supplying the difference between outgo and income of trust funds.

Mr. HARRY F. BYRD, JR. The trust funds in toto have a large surplus. It is only the Federal fund that has a deficit. The trust funds in toto, altogether, have a surplus. So I was thinking of the administrative Federal funds deficit only.

Mr. NUNN. So if we took all the trust funds into consideration, there would be a surplus, and if the nontrust funds were taken into account, there would be no deficit; in fact, there would be a small surplus?

Mr. HARRY F. BYRD, JR. That is correct.

Mr. NUNN. I thank the Senator.

Mr. HARRY F. BYRD, JR. Mr. President, I have two tables to insert in the RECORD, but, first, I would like to state the facts are that in fiscal years 1970 through 1975—a 6-year period—the total Federal funds deficit amounts to $133 billion. To put that in perspective, that represents 26 percent of the estimated national debt on June 30 of 1975. So in that 6-year period, 26 percent of the total national debt will have been incurred.

I ask unanimous consent that two tables I have prepared be inserted in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

RECEIPTS AND EXPENDITURES, FEBRUARY 1974 (PREPARED BY SENATOR HARRY F. BYRD, JR., OF VIRGINIA)

| | Fiscal year | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 | [1] 1974 | [1] 1975 |
| Receipts (in billions): | | | | | | | | |
| Individual income taxes | $69 | $87 | $90 | $86 | $95 | $103 | $118 | $129 |
| Corporate income taxes | 29 | 37 | 33 | 27 | 32 | 36 | 43 | 48 |
| Total income taxes | 98 | 124 | 123 | 113 | 126 | 139 | 161 | 177 |
| Excise taxes (excluding highway) | 10 | 11 | 11 | 10 | 11 | 10 | 11 | 11 |
| Estate and gift | 3 | 3 | 4 | 4 | 5 | 5 | 5 | 6 |
| Customs | 2 | 2 | 2 | 3 | 3 | 3 | 4 | 4 |
| Miscellaneous | 3 | 3 | 3 | 4 | 4 | 4 | 5 | 5 |
| Total Federal fund receipts | 116 | 143 | 143 | 134 | 149 | 161 | 186 | 203 |
| Trust funds (social security and highway, less interfund transactions) | 38 | 44 | 51 | 54 | 60 | 71 | 84 | 92 |
| Total | 154 | 188 | 194 | 188 | 209 | 232 | 270 | 295 |
| Expenditures (in billions): | | | | | | | | |
| Federal funds | 143 | 149 | 156 | 164 | 178 | 186 | 204 | 221 |
| Trust funds (less interfund transactions) | 36 | 36 | 40 | 48 | 54 | 61 | 71 | 83 |
| Total | 179 | 185 | 196 | 212 | 232 | 247 | 275 | 304 |
| Unified budget surplus (+) or deficit (−) | −25 | +3.1 | −2 | −24 | −23 | −15 | −5 | −9 |
| Federal funds deficit | −27 | −6 | −13 | −30 | −29 | −25 | −18 | −18 |

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[1] Estimated figures.

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1956-75 INCLUSIVE

[In billions of dollars]

| | Receipts | Outlays | Surplus (+) or deficit (−) | Debt interest |
|---|---|---|---|---|
| 1956 | 65.4 | 63.8 | +1.6 | 6.8 |
| 1957 | 68.8 | 67.1 | +1.7 | 7.3 |
| 1958 | 66.6 | 69.7 | −3.1 | 7.8 |
| 1959 | 65.8 | 77.0 | −11.2 | 7.8 |
| 1960 | 75.7 | 74.9 | +0.8 | 9.5 |
| 1961 | 75.2 | 79.3 | −4.1 | 9.3 |
| 1962 | 79.7 | 86.6 | −6.9 | 9.5 |
| 1963 | 83.6 | 90.1 | −6.5 | 10.3 |
| 1964 | 87.2 | 95.8 | −8.6 | 11.0 |
| 1965 | 90.9 | 94.8 | −3.9 | 11.8 |
| 1966 | 101.4 | 106.5 | −5.1 | 12.6 |
| 1967 | 111.8 | 126.8 | −15.0 | 14.2 |
| 1968 | 114.7 | 143.1 | −28.4 | 15.6 |
| 1969 | 143.3 | 148.8 | −5.5 | 17.7 |
| 1970 | 143.2 | 156.3 | −13.1 | 20.0 |
| 1971 | 133.7 | 163.7 | −30.0 | 21.6 |
| 1972 | 148.8 | 178.0 | −29.2 | 22.5 |
| 1973 | 161.4 | 186.4 | −25.0 | 24.2 |
| 1974 [1] | 185.6 | 203.7 | −18.1 | 27.8 |
| 1975 [1] | 202.8 | 220.6 | −17.9 | 29.1 |
| 20-year total | 2,205.6 | 2,433.0 | −227.5 | 296.4 |

[1] Estimated figures.

Source: Office of Management and Budget and Treasury Department.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a question?

Mr. HARRY F. BYRD, JR. I yield.

Mr. ROBERT C. BYRD. I have not been able to be on the floor during much of the debate on the Senator's amendment. Does the Senator's amendment require the President to send to the Congress a balanced budget?

Mr. HARRY F. BYRD, JR. Yes.

Mr. ROBERT C. BYRD. I compliment the Senator on what I know his intentions and motives are. I think all of us would like to see a balanced budget, but I ask this question: Is it not going a bit far to require the President to submit a balanced budget when, depending upon the circumstances at the particular time, the President may feel that it is in the best interest of the economy, of the prosperity of the Nation, of the need for increasing employment, et cetera, et cetera, to present at that particular time, perhaps, an unbalanced budget?

Mr. HARRY F. BYRD, JR. Well, I will say to the Senator, that is exactly what has happened in each of the last 6 years, and even before that. Each President has had one excuse or another as to why he cannot, in his judgment, present a balanced budget. The current budget submitted by the President is unbalanced to the extent of $18 billion.

Mr. ROBERT C. BYRD. I agree with the Senator that that has been done, but, with all due respect to my famous namesake, I do not believe he has answered my question.

Cannot there be times when, because of circumstances that are out of the norm—perhaps there may be a depression, there may be very high unemployment—the economy may need the additional shot of deficit financing? There could conceivably be times when that would be necessary. Would it not be a mistake to attempt to force the President under those circumstances to send up a balanced budget? He may need to send up an unbalanced budget in the interest of his fiscal policy or in the interest of getting the Nation on the move and off the dime.

Mr. HARRY F. BYRD JR. I agree with the Senator that that is not a perfect situation. Presidents have taken exactly the view stated in the question put by the able Senator from West Virginia. But the decision finally rests in the hands of the Congress itself. All the options are still available to the Congress. When the President submits a balanced budget under the law, if this should become law, he can, of course, submit language, any statement he wants to make, to say he is doing it under duress, or whatever statement he wants to make, and then the Congress itself can make a determination as to whether the conditions which he says exist do exist or do not exist. But I just do not see how, as a practical matter, we are going to get to a balanced budget unless the Chief Executive, when he initiates the budget, brings it into balance.

Mr. ROBERT C. BYRD. May I interrupt the distinguished Senator? The Senator is saying that the President ought to be forced to send up a balanced budget and that the Congress would retain the prerogatives of unbalancing that budget. Would we not be better advised not to attempt to force the President to submit a balanced budget in times of depression, in times of war, in times of low employment? Would it not be better for Congress to assume that responsibility of balancing the budget, which this bill provides for?

Mr. HARRY F. BYRD, JR. That is where I differ with the able Senator from West Virginia. I do not see anything in this bill that requires the Congress to balance the budget. I have an amendment to do that, and if that would be preferable to the amendment I have offered, I would be very glad to withdraw the amendment and offer the other amendment.

Mr. ROBERT C. BYRD. But the bill does provide parameters and guidelines and new procedures——

Mr. HARRY F. BYRD, JR. It does do that.

Mr. ROBERT C. BYRD. Which will encourage and assist the Congress to move in the direction of a balanced budget. It provides the Congress with the procedures whereby it might set its own—I will use the word "ceiling" for want of a better term. But for the first time we are considering legislation that will give the Congress a Congressional Office of the Budget, that will give the Congress two Budget Committees, that will provide for the enactment of resolutions setting the levels of expenditures for various programs, that will give the Congress the opportunity to discipline itself; not only that, but will also encourage and require it to better discipline itself.

Mr. HARRY F. BYRD, JR. How will it require us to discipline ourselves? Just answer that one question.

Mr. ROBERT C. BYRD. Because every Member of both Houses will have the opportunity of having full information laid before him by that Congressional Office of the Budget, which hopefully will be on a par with the Office of Management and Budget. We have not had this information or these data heretofore with respect to revenues or with respect to projections of costs of programs into the years ahead. Now, when Congress has that information, which will be made available to it through its own instrument, through its own arm, and if we really mean what we say we mean, then we will have the tools, we will have the legislation, we will have the procedures whereby we can see what we are doing, and we can cut the cloth to meet the revenues. It seems to me that if we really want to balance the budget, we ought to accept the responsibility which is ours.

I do not think we ought to attempt to encumber and straitjacket the President in circumstances which we cannot foresee today, but which may occur down the road. There may be another depression like the one of the 1930's, which I lived through and which the distinguished Senator from Virginia lived through. It may be that in that situation a Democratic or a Republican President would find it necessary in the people's interest and the interest of the country to engage in some deficit financing. So we ought not to require him in each and every instance to send a balanced budget to Congress. I think we ought to have the prerogative of balancing the budget. I think we have that responsibility and duty.

Mr. HARRY F. BYRD, JR. We have that responsibility. In the last 20 years we have utilized it to achieve a balanced budget only three times. We have not brought about a balanced budget since 1960. In all those years we have not had a balanced budget.

Mr. ROBERT C. BYRD. Mr. President, may I say to my genuine friend that for the first time, in this legislation, Congress will be able to see the total picture of the total revenues and total expenditures. We have not had that picture heretofore. We have had to depend on the executive branch, with its armies and legions of people who come before our committees with the information at their fingertips. They give us what they want to. Sometimes we see what we want, but never the total picture. As Paul says, "We can only see through a glass darkly." But now we will have the picture of the total revenues and total expenditures and will be able to better discipline ourselves. We will have the responsibility and the information needed to balance the budget.

Mr. HARRY F. BYRD, JR. I think the additional information which will be available to Congress, in the change of procedure, will certainly be desirable. It will be useful, but in itself it is not going to solve the problem. The Senator from West Virginia may be a little more idealistic on this subject than I am, but I simply do not believe that this proposed legislation as written, desirable as it is, much improved as it is over what we have now, will come anywhere near solving our problem.

Let me read one section. This is my primary concern. Section 301(a)(3), on page 121, states that the proposed new budget committees, under the first concurrent resolution, shall recommend "the amount, if any, by which revenues should exceed budget outlays or by which budget outlays should exceed revenues, considering economic conditions and all other relevant factors."

What this legislation provides is that Congress shall determine what the size of the deficit shall be. We should not proceed on the theory that there will be a deficit.

Mr. ROBERT C. BYRD. But Congress may determine that the size of the budget deficit shall be zero.

I compliment my friend. I know of no Member of this body who is more conscientious, more sincere, or more knowledgeable with respect to the Nation's finances, and wants more to have a balanced budget and to keep our financial house in order. But I hesitate to say that we ought to force the President always to send a balanced budget to Congress.

I say again that I should like to see a balanced budget. I should like to see a budget in which the income is even greater than the outgo. But I would hesitate to attempt to force the President to send Congress a budget in which he would determine priorities, in which he would say that we should build a reservoir in India, when to balance the budget would prevent a reservoir from being built in southern West Virginia; or to say that we will spend *x* money in a certain country that might well go to make payments to eliminate black lung disease among miners in West Virginia.

I would rather have the President submit his budget and let us scrutinize it fully, knowing what all the facts are as supplied by our Congressional Office of the Budget. Then we may discipline ourselves, if we can, and establish our own priorities, in order to bring about the balanced budget, rather than to leave it to Mr. Nixon or to some other President in the future.

Mr. HARRY F. BYRD, JR. This amendment does not leave it up to Mr. Nixon or to a Democratic president in the future. The complete option is in the hands of Congress. If the President submits a budget, as the Senator from West Virginia indicated a moment ago, for projects in India instead of for West Virginia, or for Virginia or Maryland, or any other State, Congress has complete control of that, just as it does at the present time. So it does not preclude any of the present options whatsoever.

Mr. ROBERT C. BYRD. I understand the Senator's amendment; I shall not belabor the point further. Whatever his amendment does that would require more information from the executive branch, I am all for that, and I think the bill goes a long way in that direction. I am for a balanced budget, if it is feasible and possible to have one. But I do think there are times when it is in the interest of our people, under unique circumstances, perhaps not to have a balanced budget.

I congratulate the Senator from Virginia upon his dedication to the theory of having always a balanced budget. But I would hesitate, and I think I would have to vote against his amendment, if I have understood it correctly. If it requires the President at all times to submit a balanced budget to Congress, I would have to vote against the Senator's amendment. I think we ought to keep that responsibility as a part of our constitutional duty. Congress is the institution, among the three coordinate branches, that has control of the purse. We do not abdicate our responsibility in this bill.

Mr. HARRY F. BYRD, JR. We do not abdicate our responsibility under this amendment in any way. As a matter of fact, the ultimate responsibility rests with Congress. That is where the ultimate responsibility rests.

Mr. ERVIN. Mr. President, I shall have to vote against the amendment of the Senator from Virginia. I do not think we can accomplish a constitutional result by unconstitutional means. I think the only public officials who can balance the budget are the public officials who have the power to levy taxes and the power to make appropriations, and those two powers are concentrated in Congress, and Congress alone.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. HARRY F. BYRD, JR. Would the Senator support an amendment requiring Congress to balance the budget?

Mr. ERVIN. Well, I do not know whether we can very well tell Congress what it can do tomorrow. We have before us a bill that tries to give Congress light, so that it can legislate in light, rather than in darkness. I think that is as far as we can go. I do not think we can pass a bill today that Congress cannot set aside tomorrow.

Mr. HARRY F. BYRD, JR. I could not agree with that——

Mr. ERVIN. I do not believe that Congress is going to take recommendations of the President and abdicate its function.

Even if the President recommends a balanced budget, I think Congress is still going to exercise its constitutional powers, and I do not think we can take away the constitutional power of the President to recommend such measures as he deems necessary.

The only way I think we can require Congress to balance the budget is to put in a constitutional amendment and get it adopted. I have tried to do that several times.

Mr. HARRY F. BYRD, JR. I think what should be done is, by way of legislation, to require the President to submit a balanced budget and Congress to enact a balanced budget. I have proposed legislation to do that. But I think we had better do it one step at a time.

Mr. ROBERT C. BYRD. Mr. President, the nontrust funds are expected to be out of balance by $18 billion.

Mr. HARRY F. BYRD, JR. That is right.

Mr. ROBERT C. BYRD. If the amendment of the distinguished senior Senator from Virginia were in effect, it would require a reduction in the President's appropriation requests by that amount.

Mr. HARRY F. BYRD, JR. I would say to the Senator from West Virginia that it would not be operative until 1976. It would not affect this budget that Congress is now working on.

Mr. ROBERT C. BYRD. Yes. But I am trying to point out the difficulty of application of the amendment offered by the distinguished Senator from Virginia. I respect him for his viewpoint. Many times I have agreed with him. In this case, I shall have to be agreeable in my disagreement.

The PRESIDING OFFICER (Mr. DOMENICI). The question is on agreeing to the amendment of the Senator from Virginia. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MANSFIELD), and the Senator from Wyoming (Mr. MCGEE) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Colorado (Mr. DOMINICK), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. PACKWOOD), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from South Carolina (Mr. THURMOND).

If present and voting, the Senator from Oregon would vote "nay" and the Senator from South Carolina would vote "yea."

The result was announced—yeas 29, nays 57, as follows:

[No. 77 Leg.]

YEAS—29

Allen
Baker
Bartlett
Bellmon
Brock
Buckley
Byrd,
  Harry F., Jr.
Chiles
Cook
Cotton
Curtis
Dole
Eastland
Fannin
Goldwater
Gurney
Hansen
Helms
Hollings
Hruska
Johnston
McClellan
Nunn
Roth
Scott, Hugh
Scott,
  William L.
Stennis
Symington
Talmadge

NAYS—57

Abourezk
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Clark
Cranston
Domenici
Eagleton
Ervin
Fong
Gravel
Griffin
Hart
Hartke
Haskell
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Kennedy
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Taft
Tower
Tunney
Weicker
Williams

NOT VOTING—14

Aiken
Church
Dominick
Fulbright
Hatfield
Inouye
Javits
Long
Mansfield
McClure
McGee
Packwood
Thurmond
Young

So the amendment of Mr. Harry F. Byrd, Jr., was rejected.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Perkins, Mr. Dent, Mr. Dominick V. Daniels, Mr. Burton, Mr. Gaydos, Mr. Clay, Mr. Biaggi, Mr. Quie, Mr. Erlenborn, Mr. Hansen of Idaho, Mr. Kemp, and Mr. Sarasin were appointed managers on the part of the House at the conference.

The message also announced that the House insisted on its amendment to the amendments of the Senate to the bill (H.R. 12253) to amend the General Education Provisions Act to provide that funds appropriated for applicable programs for fiscal year 1974 shall remain available during the succeeding fiscal year and that such funds for fiscal year 1973 shall remain available during fiscal years 1974 and 1975, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Perkins, Mr. Brademas, Mr. O'Hara, Mr. Quie, and Mr. Dellenback were appointed managers on the part of the House at the conference.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

### AMENDMENT NO. 1023 AS MODIFIED

Mr. BROCK. Mr. President, on behalf of the Senator from Montana (Mr. Metcalf), Senator Biden, Senator Dominick, Senator Domenici, and myself, I call up amendment No. 1023 as modified, and ask that it be stated.

The PRESIDING OFFICER (Mr. Domenici). The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 173, after the matter appearing between lines 15 and 16, insert the following:
>
> "CONTINUING STUDY AND IMPLEMENTATION OF ADDITIONAL BUDGET REFORM PROPOSALS
>
> "Sec. 703. (a) In order to insure that congressional spending and revenue decisions are reflective of, and responsive to, the needs and will of citizens, to review those new developments in information technology that are related to the budget process, to promote increased understanding of social problems, and to consider changes in the configuration of social and economic needs and other circumstances, the Committees on the Budget of the Senate and House of Representatives shall study on a continuing basis proposals designed to improve and facilitate methods of congressional budgetmaking, and may hold hearings on such proposals either separately or jointly. The proposals to be studied and on which such hearings may be held should include but not be limited to the following:
>
> "(1) improving the information base required for projecting the feasibility, cost, benefit, and general effectiveness of new programs, by such means as pilot testing, survey research, and other experimental and analytical techniques;
>
> "(2) methods of improving analytical and systematic evaluation of the effectiveness of existing programs;
>
> "(3) encouraging the comparison of existing programs with alternative program strategies designed to meet similar needs;
>
> "(4) increasing the stability and certainty of public policy decisions by the establishment of biennial authorizations, multiyear budgeting, or other means of controlling expenditures;
>
> "(5) improving the degree to which programs may be evaluated in human terms by the development of techniques of human resource accounting and other means of providing noneconomic as well as economic evaluation measures;
>
> "(6) methods for establishing maximum and minimum time limitations for program authorization; and
>
> "(7) developing, providing, and refining a supplemental national purposes budget which would consolidate proposed spending according to the goals and purposes to be served, highlighting (insofar as possible) the degree to which each program incorporates and promotes the program steps of establishment of goals, exploration of alternatives, choice of preferred program approach and program implementation.
>
> "(b) (1) As soon as practicable after the completion of such study, each Committee on the Budget shall submit a report to its House, or, in the event the Committees on the Budget prepare a joint report, the committees shall submit such report to the Congress. Such report shall include such findings and recommendations as may be appropriate.
>
> "(2) For the purpose of completing the study and hearings required to be made by subsection (a), the Committee on the Budget are authorized—
>
> "(A) to establish such task forces on budget procedures as may be appropriate; and
>
> "(B) to utilize the services, information, facilities, and personnel of the departments and establishments of the Government.
>
> "(c) Nothing in this section shall preclude the study, conducting of hearings, or reporting of legislation to improve the budgetary process by any means or by any other committee of the Congress."
>
> On page 103, immediately below item 702 in the table of contents, insert the following:
>
> "Sec. 703. Continuing study and implementation of additional budget reform proposals.".

Mr. NELSON. Mr. President, I ask unanimous consent that Ray Calamaro of my staff be permitted the privilege of the floor during consideration of the pending bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROCK. Mr. President, the amendment proposed by myself and Senator Metcalf calls for continuing study and upgrading of the budgetary process. I think it is crucial that we recognize that the role of Congress in budget determination is so vital to our health as a society that it requires constant attention.

Long periods of inattention to the way Congress treats the budget have occurred in the past. They have resulted in a weakening of Congress responsibility, authority and control over public policy. In an excellent review of proposals to increase budgetary control by Congress, Allen Schick, of the CRS suggests that the restoration of Congress status will result from its coming "to grips with the realities of big and fast-moving government," not from efforts which merely weaken executive power. Schick goes on:

> Nor will any single remedy cover all the disabilities which now afflict Congress. The job will have to be done piece by piece; in the same manner that power slipped away it will have to be taken back.

I agree with that observation. Given the position we are in, it is unlikely that any single measure, even one so vast in scope and importance as S. 1541, can establish the competence over spending which Congress requires. We should not contribute to the impression that S. 1541 will complete the job of reforming our budgetary procedures. To do so would lead the public to expect an increased quality of public policy which will yet be beyond our competence to deliver.

S. 1541 addresses the problem which is most basic and important in the context of congressional budget making. This problem is that of insuring that aggregate expenditures and revenues are consistent with fiscal policy needs. The focus is properly on the macroeconomic issues, not only because of the primary importance of economic health, but also because our knowledge is greatest in this area. The crucial reforms envisioned in S. 1541 give Congress the tools to deal responsibly and creatively with what the economists call the "stabilization" function of budget policy.

The Federal budget also has an allocation. While S. 1541 does create a framework for a debate on spending priorities, it does not go far in developing procedures which will serve to make that debate as informed and meaningful as it eventually must become. Indeed, it could not, for not enough is known about ways to improve the allocation of resources by legislative bodies. It is the intent of the amendment to increase our knowledge and understanding in this crucial area.

The areas where increased knowledge might especially benefit us are suggested by consideration of what a budget is. A foremost student of budgeting, Aaron Wildavsky writes:

> Budgeting is concerned with the translation of financing resources into human purposes. A budget, therefore, may be characterized as a series of goals with price tags attached. Since funds are limited and have to be divided in one way or another, the budget becomes a mechanism for making choices among alternative expenditures. When the choices are coordinated so as to achieve desired goals, a budget may be called a plan. Should it include a detailed specification of how its objectives are to be achieved, a budget may serve as a plan of

> work for those who assume the task of implementing it. If emphasis is placed on achieving the most policy returns for a given sum of money, or on obtaining the desired objectives at the lowest cost, a budget may become an instrument for ensuring efficiency.

Surely we would wish that the budget enacted by Congress would clearly indicate our goals, the financial effort made in the pursuit of each, the way our objectives are achieved, and our desire to obtain them efficiently. As Wildavsky's statement implies, if we wish to establish such principles of control we must then examine alternatives, coordinate our choices, examine the effective impact of spending on the attainment of human purposes and search for the lowest cost methods of that attainment.

We are not equipped to exercise this kind of control. Our amendment suggests areas for study and action which would improve our ability.

Programs designed to meet similar objectives are scattered among functional categories, agency activities, and committee jurisdictions. In order to see how the total budget impacts upon our national purposes, we need budgetary data consolidated along program budgeting lines as well as by functional category.

In order to insure that our goals are most effectively pursued, it is necessary that new program initiatives be compared on an equal footing with existing programs in the competition for limited funds. But patterns of long-term authorizations and appropriations often give a special entrenched status to programs which consequently far out live their usefulness. We must consider ways to overcome this problem. The most direct method would be to limit the time period for program authorization. This approach and others should be examined.

On the other hand, the recent explosion of social programs, the constant switching of gears by administrative agencies, and the changing of directions by the administration has created a stop-go Government which has not permitted the necessary adjustment by State and local officials. The instability created by our refusal to recognize the important role of other levels of Government has frustrated our own objectives.

Whatever Federal policies are determined, those officials at the local level must be able to count on them at least for a reasonable time. We should investigate whether more programs should be given a minimum lease on life as well as a reasonable automatic maximum. Perhaps, more thought and careful examination could be given programs if appropriations were customarily for a period of 2 years.

Indeed, it might be beneficial to place the budget cycle on a biennial, rather than annual basis, as the State of Hawaii has done. This step, if feasible, might allow more time for focusing on major policy issues, and for coordinating and analyzing programs. The matters of biennial appropriations and multiyear budgeting offer hope for greater control, and therefore improvement, in public policy and should be carefully studied.

The area which requires the greatest attention, however, is that of program evaluation. For too long we have passed programs and have not followed them through to see how well they are working. For too long we have based our considerations of new programs on hunch, intuition, and the merits of objectives sought without objectively analyzing the likelihood of attaining those objectives by the specific program envisioned.

As the economists put it, we do not know enough about the "production functions" by which program inputs are translated into outputs—the actual effects on person's well-being. The result is that such evaluations of programs as are being conducted in various areas can find little evidence that our spending of billions has made any difference.

There is a great lesson for us here. It is that much experimentation with alternative programs approached should be conducted prior to massive investment of public funds and that the Congress must design those programs carefully, so that much more can be learned from them. This lesson is being shouted at us by practitioners in every corner of the social sciences. In her excellent series of lectures, "Systematic Thinking for Social Action," Alice Rivlin draws the issue sharply:

> The argument for systematic experimentation is straightforward: Information necessary to improve the effectiveness of social services is impossible to obtain any other way. In the absence of deliberate experimentation, new methods of delivering social services are implemented only sporadically or in combination of other factors that influence their apparent success. New methods must be tried out systematically under a variety of conditions if their effectiveness is to be evaluated accurately.

Eli Ginzberg and Robert M. Solow, in a retrospective commentary on the failure of programs of the 1960's write:

> The conclusion to be drawn is not that our government should delay action in critical areas until it has all the knowledge and technique to fashion a successful solution. In the first place, the required knowledge can be generated only be action, at least on an experimental scale . . . The most one can say is that a responsible leadership will proceed with caution in areas where it lacks adequate knowledge and experience, in the expectation that second efforts at social intervention will be improved by what learned from the initial experiments. We do not know if the idea of a frankly experimental public program can be made politically viable. It is worth a try.

In the 25th anniversary volume of the Rand Corp., Garry D. Brewer comments on the relation of experimentation and the policy process. In answer to the question, "Why experiment?" Brewer writes:

> Because intervention in our social system now depends to a large degree on guesswork, expediency, and compromise, any procedure that allows consideration of a wider-ranging and more objective assessment of policy alternatives should be examined carefully. Experimentation is one such procedure. A major strength of the technique is that it reveals empirical information about various social objectives and between various recipient groups are subjected to partial experience—an important intermediate step between speculation and full-scale implementation.

In "The Politics and Economics of Public Spending," Charles L. Schultze says:

> In our present state of knowledge it is often difficult to predict with any degree of certainty the specific performance of proposed social programs. In such cases the wide range of uncertainty about the relationship between inputs and outputs can be reduced through either expost evaluation of operating programs or the design and evaluation of demonstration projects. Unfortunately, however, too few programs are routinely subjected to an evaluation of results . . . The lack of feedback between program results and the decision process even in the case of so-called experimental programs is one of the weakest links in the budgetary system.

Mr. President, a long list of scholarly arguments calling for more experimentation, pilot testing, and demonstration projects could be assembled. But what the arguments all boil down to is this: The Congress which establishes laws to solve problems must itself develop means for finding out what works.

Recurrent evaluation of existing programs is important and should be improved. But the data and methodology for evaluation are difficult to handle. They are difficult because the programs were not initially designed to permit good evaluation. Objectives were left unclear. Criteria for success were left unstated. Evaluators often do not know what the intent of Congress was.

It is time now to begin a serious effort to design programs with evaluation in mind at the outset. And the best way to do that is to experiment with innovative programs and to use that approach to clarify objectives and to better determine cost benefits and relevant tradeoffs.

Our amendment calls for study of means to implement program experimentation, to provide comparison of alternative approaches and to improve the quality of ex-post evaluation. Program evaluation will not provide definitive answers as to what programs should be enacted, retained, or discarded. Evaluation is an imperfect art and cannot supplant political judgment. But policy decisions must be taken in light of all the information which can be made available. In so doing, we might focus our political debate on issues which really matter. I agree with Charles Schultze's judgment that—

> The most frustrating aspect of public life is not the inability to convince others of the merits of a cherished project or policy. Rather, it is in the endless hours spent on policy discussions in which the irrelevant issues have not been separated from the relevant, in which ascertainable facts and relationships have not been investigated but are the subject of heated debate, in which consideration of alternatives is impossible because only one proposal has been developed, and, above all, discussions in which the nobility of aim is presumed to determine effectiveness of program.

We are far from an ability to accurately assess the impact of our activities at the basic human level. We need better measures of program performance—measures which allow us to evaluate in human terms as well as in economic terms of costs and benefits. We must carefully consider our objectives. We must learn how we may collectively attain those objectives. There is so much work to be done. Let us begin the task now by studying the issues. Let us take this occasion to set our agenda for the immediate future by agreeing to this amendment.

Mr. President, I ask unanimous consent to have the article, "Experimentation and the Policy Process," by Gary D. Brewer, printed in the RECORD. It is an excellent brief statement of the issues involved in program experimentation and evaluation.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

## EXPERIMENTATION AND THE POLICY PROCESS

(By Garry D. Brewer)

It is now common to point out how complex and how difficult to resolve are the many problems which beset our society. The problems are not new, but they seem more pervasive, and at least we now know that we can and must do something about them. Unfortunately, we have undertaken measures to alleviate some problems only to find that we did not like the consequences and have failed to achieve our objectives.

However, while we can point to unexpected and unintended effects of tinkering with social problems, there is an urgent sense that much more must be done to invent new and better policies.

How can policymakers institute needed change in a complex society without exacting exorbitant costs or inducing extraordinary disruptions? How can they find out in advance that a program may not work as intended, and avoid wasting scarce resources?

By carrying out carefully designed small-scale social experiments, social scientists hope to gather enough reliable information on the complex effects of a proposed program to allow decisionmakers to make better-informed choices among possible programs before they decide upon full-scale implementation.

Although social experimentation has roots in the methods of the natural sciences, a social experiment differs fundamentally from either a "clean" natural science experiment, containing carefully selected and measurable variables whose interrelationships are known with some accuracy, or even a "not so clean" psychological experiment, also containing a few measurable variables whose interrelationships are the object of study.

Social experiments confront problems and have objectives that differ substantially from those of natural science experiments. Experimentation in the social setting involves the systematic comparison of policy objectives and strategies in terms of their causes and effects, as well as this can be determined; of the consideration of variables, some measurable and others not; of goals held by relevant participants; and of the institutional practices in which these objectives, strategies, and goals are embedded.

In practice, a social experiment is an organized attempt to pretest a particular innovative policy before committing vast resources to the solution of some large social problem. An example might be the experiment in New Jersey with income maintenance, undertaken before there was a national commitment to such a program. In this case, alternative programs were tested on sample populations in several other states. The same approach characterizes the experiment with housing allowances. In this instance there will be parallel tests to assess the supply response to housing allowances, a demand experiment, and tests of alternative administrative structures. In yet another context, educational vouchers are being used to assess how parents and pupils respond to alternative programs being offered in the public schools in the Alum Rock district of San Jose, California.

### WHY EXPERIMENT?

There are many reasons for conducting social experiments: scientific reasons, to enhance our understanding of the world and society; normative and ethical reasons, to assess alternatives from several human and humane perspectives technical reasons, relating to the relative importance of policies, the time constraints associated with alternative policies, and the relative costs of various options; efficiency reasons, because large-scale social programs are costly and may be irreversible; and finally, political reasons, arising from an operator's need to propose a chosen policy with as little uncertainty about probable outcomes as possible.

Perhaps the purest answer to the question "Why experiment?" is tied intimately to the quest for knowledge itself. Because intervention in our social system now depends to a large degree on guesswork, expediency, and compromise, any procedure that allows consideration of a wider-ranging and more objective assessment of policy alternatives should be examined carefully. Experimentation is one such procedure.

A major strength of the technique is that it reveals empirical information about various social objectives. The tradeoffs among competing objectives and between various recipient groups are subjected to partial experience—an important intermediate step between speculation and full-scale implementation.

There are several technical reasons for conducting social experiments. For large and complex systems, it is often useful to identify relationships and constraints that are sensitive to small changes. These elements may be the key to the behavior of the overall system. Because small changes may have unexpectedly large consequences, and because no one can foresee all important interactions and outcomes, it is necessary to experiment on a carefully defined and limited basis to determine the likely outcomes of a variety of planned interventions.

A valid experimental design is crucial. Because an experiment by definition is conducted in some less-than-total setting, extraneous and diversionary features of the environment should be minimized. This requires pre-experimental analysis and modeling to formalize one's views about the environment, to suggest where experimental changes might have the greatest impacts, and to serve as a "blueprint" to be revised as the experiment is carried out and as new, detailed information is obtained.

Concern for social efficiency underlies many efforts to experiment. Tests, limited in scope and controlled with a solid experimental design, are a far less expensive way to examine plausible interventions than is the blind commitment of major resources. Not only do experiments cost less in absolute dollar terms, but for a given number of dollars many more options may be measured, tested, and compared. There is really no reason to be satisfied with only one or two large and possibly "irreversible" policy options. Not only is the one-option strategy unsatisfactory, but there are good reasons to be wary of any one or two "answers" that have not been subjected to partial testing and assessment.

As small children we all experienced the comforting feeling that mother or father (or some grown-up) really knew what to do in a trying situation; someone, somewhere, "knew" and would take care of us. For many, if not most, large social problems, *no one really knows what to do.* No one really understands many of the incredibly complex systems in which we all routinely participate; and no one really knows how to make them work better, more efficiently, or more equitably. We must face these facts, and social experimentation is addressed directly to this hard process, for better or worse.

Many of these concerns turn out to be largely political issues. A well-executed experiment may provide more and better information about real options so that the politician may perform better—selecting from among a wide range of options the one or the few most likely to accomplish society's objectives. Furthermore, consensus building is enhanced if information about a number of plausible alternatives and associated outcomes is laid out for public consideration.

### WHY NOT EXPERIMENT?

There are also reasons why social experimentation should not be carried out; the method is not a panacea. These counterarguments include scientific, ethical, methodological, institutional, and political dimensions that must be taken seriously.

### SCIENTIFIC REASONS

A purist might argue that the social experiment prematurely closes off options from consideration by the simple expedient of having to identify a set of alternatives before the experiment is carried out. Such selection may prevent new ideas, determined as the experiment progresses or as knowledge about the problem improves, from being examined and possibly chosen for implementation.

Because an experiment is a limited and controlled procedure, there will always be some doubt about the validity of transferring and generalizing the experience to larger populations and to less-controlled settings. This may be a sufficient reason not to trust an experimental result without conducting additional investigations to determine the effects of a selected option in a less-controlled setting.

### ETHICAL REASONS

The ethical and human dimensions of social experiments have seldom received the attention they warrant. Whose preferences are being represented in the various options proposed for experimental testing? How are those options determined, measured, and specifically related to individuals? How are different benefits received by experimental subjects reconciled and justified? At the conclusion of an experiment, how does one make restitution for an experimental alternative not finally chosen but upon which recipients have become dependent? What about confidentiality of data and other human problems associated with the conduct of the experiment? These and many other primarily ethical issues all come into play and must be accounted for by the social experimenter.

### METHODOLOGICAL REASONS

An assortment of methodological problems confront the social experimenter. A persistent one is to translate into operational terms the goals held by various participants so that comparable tradeoff calculations may be carried out. It is not a trivial problem to define and then measure some criterion or other, but it is a fundamental requirement of the experimental technique.

Social measurement has not progressed so far that one can, with confidence, reach into a tool kit for pretested, much-used, and reliable measures of experimental outcomes. In fact, much ingenuity is needed to develop and test measures of experimental results. Not only is the general issue of measurement validity a thorny problem, but one is continually confronted with the specific task of reconciling the ongoing experiment with the setting in which it is carried out. Are the measurements valid, accurate, and reliable? And if they are not, what can be done about it?

It would be helpful if there were well-developed and reliable social indicators to reduce the measurement problem. The need to devise multiple measures of experimental outcomes (social events are not unidimensional) may result in the proposing and testing of a variety of possible indicators in the course of one or two large social experiments.

### INSTITUTIONAL REASONS

Institutional problems are many, and run the gamut from difficulties in choosing experimental sites to the composition of the group conducting the experiment. Ideally, experimental sites should in significant ways mirror the larger setting in which the results will be implemented.

What constitutes "significant ways" is the basic problem. Should one pick a single location that in demographic, socioeconomic, and political characteristics is a microcosm of the larger setting? Or, should sites be selected to reveal the impacts of the experimental alternatives when administered by various institutional structures, each having rather different political and administrative capabilities? Arguments for the second strategy concentrate on the not-well-understood but critical issue of policy implementation. Or, should one select sites having vastly different sociological characteristics? Arguments for this strategy stress the need to anticipate the nonobvious impacts of interventions. No one of these strategies is "correct" or "best," and the ultimate choice often turns out to be a judgmental or negotiated matter of some consequence.

We have already alluded to the possibility that the experimental design may close off options by the choice of alternatives to be considered. Does one compromise "scientific" standards by adjusting the experiment in midcourse as a result of information generated in the experimental design? Clearly, one must try to maintain scientific standards; however, there is no certainty that the set of alternatives initially selected is the best or most complete. Should *sequential design* be considered? One form of experiment allows the researcher to choose a final design as more information becomes available, a choice that might be considered if there are limits on the size of field operations that can be undertaken. On these issues there may be continuing disagreement between experimental purists and more action-oriented and pragmatic operators. Because there is no clear way around the problem, recognition of its existence may at least temper acrimonious mutual recriminations.

A third institutional problem centers on the composition of the group conducting the experiment. It is nearly axiomatic that the group will be multidisciplinary, since no individual or any group from a single discipline is likely to be able to carry out the experiment alone. There is an additional, complicating problem. The experimental group needs to have access to the operational setting, but at the same time must resist being distracted by day-to-day operational problems. How does one keep in intimate contact with a real setting without being captured by those actually operating in that setting? How does one safeguard against an eager operator's desire to take one of the partially tested experimental options and to implement it prematurely? Again, there are no easy answers.

### POLITICAL REASONS

An experiment may only be a substitute for much needed action. Difficult or politically sensitive problems are often referred to an expert commission for advice and recommendations. This may merely drag out the final resolution and buy time for a politician who may not be around when the commission files its report and recommendations. Experiments could also be used as a political stalling tactic; they are usually hard to carry out and require considerable time to design and execute properly. If an experiment is primarily a substitute for action, then one might legitimately decide not to experiment at all.

Implementation is also a problem. Bureaucracies are not equally endowed with competent people. The clean and relatively unambiguous results obtained under experimental conditions may fail to materialize when implemented by less capable or by differently motivated bureaucrats. Furthermore, an experiment may promise results beyond the capacity of the average or less capable bureaucracies to deliver. When an experimental option is badly or improperly implemented, the harm done in terms of lost confidence and popular disillusionment may far exceed any possible benefits.

An experiment may raise expectations to the point where it is clearly and practically infeasible to satisfy them. For instance, tested options may turn out to be so expensive, even though effective, that no right-minded politician would be able to endorse any of them. However, if the experiment has been carried out, there is likely to be some demand for its wider application. All alternatives may be infeasible, even obviously so, before the experiment is undertaken. In such a case, it may be sensible not to experiment at all.

A politician may elect not to experiment to avoid being associated with some unconventional or controversial options that are legitimately incorporated in the experimental design. There are alternatives. The researchers may determine what the politician fears and modify the design accordingly. Or, the experiment may be conducted without the formal or tacit approval of the responsible politician. Each of these accommodations has costs, and if the costs are judged to be excessive, this may be sufficient reason to cancel the planned experiment or to address the fundamental problem in other ways.

Other reasons why an experiment may not be carried out include the fact that some problems are trivial or of limited scope: experiments are costly and nonexperimental research may do the job better. And experiments should not be relied on when the pressure for quick solutions is great, as in the case of a crisis situation. Good experiments take time to execute.

Several general classes of problems confronting a would be social experimenter have been stressed. That no easy answers have been offered should not be taken as a reason *not* to experiment. Quite the contrary, experimentation has considerable promise as a policy-assisting method, but, as with many things in social life, there are no "pat" answers, only plenty of worrisome issues that must be dealt with as forthrightly as possible.

### SOCIAL EXPERIMENTS AND THE POLICY PROCESS

To locate social experimentation in the general policymaking process is to call attention, in yet another way, to several of the possible benefits and many of the real limitations of the technique.

For convenience a public policy or program may be imagined as having a "life," a sequence of events through which it flows from earliest initiation to its eventual termination. This process is first described and then experimentation is related to it.

### THE POLICY PROCESS

Invention or initiation, the earliest phase of the policy process, begins when a problem is first sensed. At this point, a number of ways to alleviate it may be proposed, including many ill-defined and inappropriate "solutions." This phase, marked by a casting about for answers, should help to sharpen and redefine the problem.

Estimation, the second logical step in the process, deals with risks, costs, and benefits associated with each candidate solution suggested in the invention phase. Estimation implies narrowing the range of plausible solutions (by excluding the infeasible or the truly exploitative, for instance) and ordering the remaining options according to scientific *and* evaluative criteria. A battery of sophisticated methodologies is available for this purpose. Social experiments represent an interesting combination of scientific and evaluative perspectives, a point to which we return shortly.

The third, or selection, phase is most easily seen as the "political" step. Someone, usually the policymaker, must select from the "invented" and "estimated" options. The policymaker must strike a balance between the analyst's rational calculations and the multiple, changing, and conflicting goals held by society at large.

Implementation refers to the execution of the selected option. As evidenced by a heightened interest in and statements of concern about the failures of policy implementation, this is a phase of the overall policy process that is little understood, not particularly appreciated, and not well developed. We need to think more systematically about implementations and to integrate it into the other phases of the policy process. Certainly one must understand implementation mechanisms before govern-performance can be evaluated and improved, the next step in the sequence.

Initiation or invention and estimation are primarily forward-looking activities. Selection stresses the urgency of the present. Evaluation is basically backward-looking, concerned with inquiries about system performance and individual responsibility. Typical topics and questions reflected in the idea of evaluation include the following: What officials and what policies and programs were successful or unsuccessful? How can one assess and measure performance? What criteria were used to make those measurements? Who made the assessment, and what were the assessor's purposes? Evaluation is a necessary input to the next and final phase of the sequence.

Termination or adjustment is necessary when policies and programs have become dysfunctional, redundant, outmoded, unnecessary, and so forth. From the conceptual point of view, it is not a well-developed phase; however, one should not underrate its importance. How, for instance, can a policy be adjusted or terminated without having been thoroughly evaluated? Who suffers from the termination? What provisions for redress have to be considered? What personal costs are involved by termination? Can they be met? What can be learned from termination that will inform the initiation and invention of new policies or programs in the same or related fields? The list of relevant questions is long, but neither these questions nor the fact that termination is linked intimately to other steps in the policy process should be ignored.

How does experimentation fit into the phases of this rather abbreviated and stylized characterization of the policy process?

### EXPERIMENTATION AND POLICYMAKING

In the initiation or invention phase prototyping will allow systematic but relatively unstructured efforts to generate a full range of options for subsequent consideration. So conceived, prototyping is a precondition to full-scale experimentation. It is exploratory, and seeks to assess new options in the light of existing institutional practices.

For example, rather than conjecturing about various proposals to construct large-scale community information utilities, it may be a more efficient and effective strategy to develop a limited prototype utility to determine political-institutional, technical, and admnistrative-managerial effects. A basic feature of the prototype, as distinguished from the social experiment, is that the policy alternatives considered are at best imperfectly and incompletely known. By constructing a prototype, one may reach an initial agreement on a testable set of experimental options.

Systematic experimentation is well suited to the estimation phase of the policy process where several alternatives may be simultaneously tested according to both scientific and evaluative criteria; however, one needs to make some important conceptual distinctions between natural experiments, random innovations, and more systematic forms of experimentation. A common feature of these experimental forms is that novel options have been tested or partially realized in some limited setting. A common deficiency of current policy practice is that these experiences are seldom carefully evaluated and information about them is not made generally available. As a result, the wheel gets reinvented with distressing regularity.

For example, management information system development has progressed in the "natural" way in a number of municipalities over the past decade. However, no thorough evaluation of those natural experiments has been carried out. In effect, a large but uncoordinated and unevaluated investment in natural experiments has been made, but lacking a systematic experimental orientation, general social dividends from it have not yet been realized. Many of these natural social experiments exist, but we have not yet capitalized on the general lessons they provide about political, technical, and administrative opportunities and problems.

Random innovations could also be integrated better into the policy process, and adopting a general experimental attitude might be one way to do it. There is a biological revolution of dramatic proportions confronting mankind, a revolution characterized by random alterations of the genetic basis of life itself. However, this random experimentation is not accompanied by any systematic or careful investigation of the implications it may have for us all. What human and institutional measures must be developed to control these random events in ways congenial to the full development of man? We have scarcely even begun to recognize the problem, much less turn our full attention to its resolution.

If an experiment has been carried out well, it should contribute to the final choice of one of the tested alternatives. Hopefully, more and better information will have been generated in the course of the experiment, cannot easily be ignored and that will in significant ways improve and focus debate about issues involved in the choice.

Implementation may be enhanced by conducting social experiments. First of all, the experiment may provide vital clues about the operation of institutional and individual incentive systems vis-à-vis a set of tested alternatives. Because implementation seems to depend delicately on such incentive systems, the experiment affords a preview of how equally plausible options will be treated. That, in itself, may be sufficient reason to experiment. Finally, eventual implementation may be speeded because the alternative chosen will have been operationally tested; participants will "know" how to get a new but tested program under way.

The connection between implementation, evaluation, and social experimentation has been mentioned. An experiment may yield a variety of valuable performance indicators. For instance, how much should an option cost for a given amount of service or output delivered; how long should a given procedure take to implement; and how many persons are needed to carry out detailed tests of the option? Such performance measures serve as initial evaluation criteria for the option's more general implementation. Rigid adherence to experimentally derived measures is not expected, but such measures provide a point of departure for detailed follow-up.

Possible impacts of the social experiment on the termination phase of the sequence are not predictable, primarily because we have not yet had adequate experience. In principle, the experiment should begin to shed light on whether the studied problem is going to be chronic, recurring, or resolvable. If chronic, one would expect slight demand for termination (as is the case of Medicare or Social Security); if recurring, one might consider building into the selected option termination provisions that are a function of service demand (as is the case with disaster relief programs); and if the problem appears to be resolvable, termination provisions might be built in directly (as was the case with polio prevention research).

By relating social experimentation to the policy process, some of the possible benefits inherent in the technique are revealed. Figure 1 shows how various benefits may emerge from each phase of the policy process. The list is impressive. However, the promises of social experimentation are still far from being realized and there are many pitfalls along the way. Realizing the potential is an intricate and formidable challenge, but the rewards for meeting the challenge squarely seem well worth the considerable difficulties involved.

About the author: As a doctoral student in political science at Yale, Garry Brewer did research for the Defense Advanced Research Projects Agency and was a consultant to Rand. In 1970/1971 he took a professorship at Berkeley, followed by a lecture series at the University of California at Los Angeles and the University of Southern California. On the permanent Rand staff since then, and on the faculty of the Rand Graduate Institute for Policy Studies, Dr. Brewer has worked on the theory and techniques of operational gaming, developing criteria for validating, evaluating, and costing games. His other research interests include the appraisal of policies and programs for handicapped children, and the design and implementation of regional information systems in several national settings.

### POSSIBLE BENEFITS

#### *Initiation/Invention*

Creative thinking about a problem.

Prototypical design.

Crude Hypothesis testing.

Preliminary investigation of concepts or claims.

#### *Estimation*

Scientific examination of likely impacts and outcomes of a set of plausible options.

Normative/evaluative examination of likely human impacts of plausible options.

Development of outlines of a complex program.

Thorough evaluation of concepts or claims.

Establishment of a first approximation of performance indicators.

Detailed estimation of critical parameters.

#### *Selection*

Focusing debate on the actual issues.

Allowance for "cleaner," less "hedged," or "compromised" options to be selected.

Choice among program designs.

Reduction of uncertainty about various options.

#### *Implementation*

Development of specific, difficult pieces of a program.

Development of a complex program giving due respect to existing institutional and incentive structures.

Minimization of implementation costs.

Establishment of performance expectations based on estimates of critical parameters for selected option.

Reduction in unexpected and unwanted "surprises" from program implementation.

#### *Evaluation*

Comparison of estimated performance levels with those actually attained.

Reconciliation of expected institutional responses with those actually observed.

#### *Termination*

Predetermination of whether the problem is chronic, recurring, or resolvable.

Generation of information about new problems, some of which may require experimental treatment.

Mr. BROCK. Mr. President, let me summarize what the effect of this particular amendment will be.

Mr. ROBERT C. BYRD. Mr. President, if the Senator from Tennessee would yield for a question, is it his intention to ask for the yeas and nays on this amendment?

Mr. BROCK. No; it is not. I would hope and I believe that the amendment will be agreed to by the ranking minority member and the chairman of the committee.

Mr. ROBERT C. BYRD. I thank the Senator.

Mr. BROCK. Mr. President, the Senator from Montana and I feel very strongly that this new Budget Committee, in its role of establishing the budget process and presenting to Congress the opportunity to determine national priorities, has an obligation to continue its studies for ways and means by which we may make further improvement in the budget process.

I do not think any of us feel that this bill is the end of the road. To the contrary, we feel that it is the beginning of a major reform effort to give this body the tools with which to be more responsive to the American people.

We would suggest that the committee, once created, study ways and means of making further improvements, study issues such as methods by which Congress can produce information for better program analysis.

I would very much like to see Congress establish ways in which we can improve the quality of our ex post evaluation of existing programs; study ways to consider alternative program strategies: consider the desirability of 2-year appropriations, 2-year budget cycles, or other means of obtaining stability and thorough consideration of decisions. Additionally, we really must consider ways and means of evaluation in human terms—human resources accounting, if you will—noneconomic evaluation measures—in order to better assess the impact of our programs on the quality of life in this country. We should study the desirability of time limits for authorizations, as opposed to appropriations; and study the presentation of budget data organized on program purpose lines in addition to functional presentations.

This amendment would give the committee the authority to do these things, to report its recommendations, to form task forces with the new Congressional Office of the Budget, the GAO, and agency experts, and to study desirable ways and means of upgrading our budgetary process.

The sum and substance, Mr. President, is to place on the committee's agenda a mandate for continuing effort to review and analyze and appraise and upgrade our efforts for budgetary reform. I believe this is very much in consonance with the purpose of this bill.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. ERVIN. I say to the Senator from Tennessee that this amendment is in entire harmony with the bill. In fact, it is designed to make the bill substantive legislation on this subject.

The Senator from Tennessee has been one of the most diligent people in the development of this bill. His amendment gives a mandate to the committees on the budget to study methods, and it gives them facilities for making such studies that will improve the congressional budget in the future.

So far as I am concerned, I am in favor of the amendment, and I understand that the Senator from Illinois also is in favor of it.

Mr. PERCY. Mr. President, if the Senator will yield, I should like to join the chairman in his comments, because I did support titles VII and VIII in the original S. 1541 reported by the Government Operations Committee. These were titles drafted by the distinguished Senator from Tennessee (Mr. Brock).

I strongly favored these titles, because I believe that too frequently we get going on a program and we do not evaluate it. We never take another look at it. We just assume that everything is going along all right. However, many times if we take a look at them, we find that everything is not all right. For example, the Government Operations Committee took a look at Presidential committees and commissions, and found that we were spending $65 million on them. We passed legislation to correct that.

If we were to take a look at some of these programs, we would find that some have served their usefulness and should be discontinued.

I was disappointed when this proposal was taken out of the present bill; but now that we are simply asked in amendment No. 1023 to provide for a Budget Committee study to look into this matter, to see whether we should do more with respect to oversight and evaluation, I certainly support it. I commend the Senator for offering the amendment. I know of no one on this side who is opposed to it.

Mr. BROCK. I say to the Senators from North Carolina and Illinois that I am very grateful for their support. We share the same objective.

I would be remiss in presenting this if I did not, in addition, pay my respects to the chairman of our subcommittee, the Senator from Montana, who has uniquely contributed to the process of this bill and to its component parts. I am grateful for his support and for his cosponsorship of this amendment. He has meant much to the legislative process, and it has been a pleasure to serve under his leadership.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BROCK. I yield.

Mr. HUMPHREY. I should like to ask a question. I had to step out of the Chamber for a moment.

Does the Senator's amendment provide for legislative review of proposals and programs authorized by Congress, for oversight as a kind of followthrough, to make sure that these programs are operative?

Mr. BROCK. It does not require a triennial review, as my original section did, because that was stricken by the Rules Committee, in a concern that we were trying to bite off more than we could chew given our present limited understanding of these matters.

What we have done in this amendment is to direct the newly formed committees on the budget to study ways and means in which we can exercise greater oversight and evaluation functions.

Mr. HUMPHREY. I thank the Senator. I have an amendment which I will offer later—I say this primarily for the Record—which hopefully will strengthen the provisions in the bills and add to the ability of Congress to carry on oversight responsibilities.

Mr. BROCK. I look forward to the Senator's amendment and intend to support it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BARTLETT. Mr. President, S. 1541 must be regarded as one of the most significant fiscal reforms of the last 50 years. The enactment of the Congressional Budget Act of 1974 will take its place in history alongside the creation of the House Ways and Means Committee in 1802, the establishment of the House and Senate Appropriations Committees in 1869 and 1867 and the passage of the Budget and Accounting Act of 1921.

The need for this reform is most pressing. Federal expenditures have grown like topsy. They have gotten completely out of hand. Since 1900 per capita expenditures have grown from $7 per person to over $1,100 in 1972. Roy Ash, Director of the OMB, recently estimated that the Federal Government is spending $10,000 per second 24 hours a day, 365 days a year. As a corollary to this spending, the Federal debt has reached almost $500 billion, inflation has skyrocketed and twice in recent years we had to devalue the dollar.

The power of the legislative branch to control expenditures began 600 years ago when the English Parliament first challenged the Crown over expenditures. Our own Founding Fathers molded the President-Congress relationship over spending after that of the Crown-Parliament in England providing in the Constitution that—

> No funds shall be drawn from the Treasury but in consequence of appropriations made by law.

But if Congressional power over the purse is "a most complete and effective weapon" as Alexander Hamilton characterized it, we should utilize it as a "carefully aimed rifle rather than an ineffective blunderbuss."

Our spending decisions should be made on the basis of full and factual information—not only about the individual programs but also about the distribution of funds among the different programs and with full cognizance of totals to be expended in relation to total revenues and the national debt.

I am satisfied that S. 1541 is a giant first step in bringing a semblance of order and priorities to the congressional spending process. With this bill, Congress can continue to receive the benefits of the President's budget, but will no longer be at its mercy. The bill will give Congress the organization to develop and enforce its own budget.

But with these new benefits also comes new responsibility. No longer can Congress point the finger of blame at the executive branch if budget and debts continue to soar. Congress will have matured and the responsibilities of the Congress over the budget will be significant.

Mr. President, I am pleased to be a cosponsor of S. 1541. Its passage will hopefully mean a more enlightened Congress spending more wisely our Nation's tax dollar.

The members of the Government Operations Committee and the Senate Rules Committee are to be congratulated for overcoming the extreme complexity of congressional budget reform. For a single executive to resolve political differences over $300 billion in spending requests is itself a gigantic undertaking. For Congress, with 535 independently elected Members, 26 committees, Republican and Democrats, conservatives and liberals and representing a variety of economic and social interests, the problem of creating a single congressional budget has appeared virtually impossible.

After the 93d Congress got underway last year over 250 bills and resolutions relating to budget reform were introduced in Congress. In the Senate these measures were referred to the Government Operations Committee. Senator Metcalf chaired the Subcommittee on Budgeting Management and Expenditure and with his usual dedication did an outstanding job of studying the proposals and developing comprehensive legislation which eventually emerged as S. 1541.

I appeared before Senator Metcalf's committee and testified concerning Senate Concurrent Resolution 19, my own proposal for budget reform. I am pleased that some of the ideas set forth in that resolution are included as a basic concept of S. 1541.

I know the Congress can and will make improvements in the budget mechanism as time goes by. I would like to see stronger teeth in this bill which would require Congress to establish a balanced budget and live within it. Hopefully, during the consideration of this legislation, or in time, that will come.

Mr. President, I am pleased to be a cosponsor of S. 1541. Its passage will hopefully mean a more enlightened Congress, spending more wisely our Nation's limited tax dollars.

### AMENDMENT NO. 1017

Mr. CHILES. Mr. President, I call up my amendment No. 1017, and I ask unanimous consent that names of the following Senators be added as cosponsors: the Senator from Delaware (Mr. Biden), the Senator from California (Mr. Tunney), the Senator from Kentucky (Mr. Cook), the Senator from Kansas (Mr. Dole), the Senator from Illinois (Mr. Percy) and the Senator from Minnesota (Mr. Humphrey).

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CHILES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 107, after line 19, insert the following:

(d) Each meeting of the Committee on the Budget of the Senate, or any subcommittee thereof, including meetings to conduct hearings, shall be open to the public, except that a portion or portions of any such meeting may be closed to the public if the committee or subcommittee, as the case may be, determines by record vote of a majority of the members of the committee or subcommittee present that the matters to be discussed or the testimony to be taken at such portion or portions—

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) will relate solely to matters of committee staff personnel or internal staff management or procedure;

(3) will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual, or otherwise to expose an individual to public contempt or obloquy, or will represent a clearly unwarranted invasion of the privacy of an individual;

(4) will disclose the identity of any informer or law enforcement agent or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or

(5) will disclose information relating to the trade secrets or financial or commercial information pertaining specifically to a given person if—

(A) an Act of Congress requires the information to be kept confidential by Government officers and employees, or

(B) the information has been obtained by the Government on a confidential basis, other than through an application by such person for a specific Government financial or other benefit, and is required to be kept secret in order to prevent undue injury to the competitive position of such person.

(e) Paragraph 7(b) of rule XXV of the Standing Rules of the Senate and section 133A(b) of the Legislative Reorganization Act of 1946 shall not apply to the Committee on the Budget of the Senate.

Mr. CHILES. Mr. President, my amendment would restore antisecrecy language in the budget bill—language that the Rules Committee deleted.

Supporters of the Humphrey-Roth amendment of last year and cosponsors of my own Federal Government-in-the-sunshine proposal, S. 260, need no convincing, I am sure, of the necessity for this provision. But others who have in the past expressed various reservations concerning open meetings legislation will be interested in the results of a Common Cause survey of House Committee practices in 1973.

Open meetings now characterize the House. This is in stark contrast to the Senate where secrecy continues to govern the conduct of all but a few committees.

In 1973, the first year under its new antisecrecy rules, the House reversed its decades-old tradition of doing all of its important committee work behind closed doors and opened almost 80 percent of its mark-up meetings to the public. The House openness rule was adopted in the belief that the public has a right to know what is done to legislation in committee—usually the most important point in congressional action on a bill. This was a major breakthrough in the history of the Congress. And even more impressive is the fact that the House—with its news openness rules—was able to do as much work in 1973 as it had done in the last comparable session, even though opponents of the new rule had alleged it would not work. The antisecrecy rule did not impede the activities of the House—in fact, many important and complicated pieces of legislation were drafted by committees in open session and brought to the House for votes with no more delay than in earlier years when secrecy prevailed.

With S. 1541 we have the opportunity to interrelate all congressional spending decisions to each other and give the Congress earlier and more accurate information as to how much money is needed and is available to finance Federal programs.

This bill is intended to provide Congress with much more complete information as to the consequences of any decision to increase or decrease the funding of Federal programs or the size of the Federal surplus or deficit.

My amendment, No. 1017, is intended to provide the public with much more complete information—to allow them access to meetings of the Committee on the Budget of the Senate unless the majority of the members of the committee present determine by record vote that the matters to be discussed or testimony to be taken fall into one of five exemption categories; that is, that the matters to be discussed at the meetings: first, will disclose matters necessary to be kept secret in the interests of national defense; second, will relate solely to matters of committee staff personnel or internal staff management or procedure; third, will tend to charge an individual with crime or misconduct, to disgrace or injure the professional standing of an individual to public contempt or represent an unwarranted invasion of privacy; fourth, will disclose the identity of any informer or law enforcement agency or will disclose any information relating to the investigation or prosecution of a criminal offense that is required to be kept secret in the interests of effective law enforcement; or fifth, will disclose information relating to the trade secrets or financial or commercial information pertaining specifically if an act of Congress requires the information to be kept confidential by Government officers and employees or the information has been obtained by the Government on a confidential basis.

The intent of S. 1541 is to give Congress better visibility over program evolution in order to assist in the setting of priorities. It certainly seems logical then that the public ought to be able to know what goes on during meetings of the Committee on the Budget. This will be the place priorities will be set. This will be the place important decisions will be made—decisions which will have a direct effect on the public. The people are the benefactors of the programs that will be considered at the meetings. And they are also picking up the expense of the programs through their taxes. It is, after all, their Government—a government of representative officials elected to serve the people's interests. It surely seems fitting and appropriate then that the public be allowed in on the activities of that committee.

As I have said before, frequently, in discussions over openness rules, bills, and amendments—the closed door practice in Congress is contrary to the spirit of our Constitution. As individuals and as a collective body, Members of Congress have as their duty under the Constitution the function of providing their constituents with the most efficient and nondiscriminatory legislation possible. I think too, that the Senate has both the means and the integrity to restore the public confidence in Government and its institutions which has been so seriously eroded in recent months.

I strongly urge my colleagues to look at the facts:

First. Openness works. It has worked well in the House this past year. Major legislation, including the emergency energy bill considered by the House Interstate and Foreign Commerce Committee, was considered in open markup. It has worked well in the committees of the Senate that have opened their meetings. It has worked well in the Committee on Government Operations which by rule opened up its meetings; it has worked well in the Committee on Interior and Insular Affairs, which opened up its meetings; and it has worked well in the Committee on Banking, Housing and Urban Affairs, which has opened up its meetings.

Second. In the setting up of a new congressional budget procedure the time is right now to provide for citizen access. The Government Operations Committee saw fit to include this openness language in S. 1541.

Third. Open meetings do not lead to filibustering or showboating. They offer, I believe the opportunity for a candid look at how legislators work. Predictions of disaster are repudiated by actual experience. Through open meetings the media can do a better job reporting and is less dependent on "leaks."

There are not many secrets on Capitol Hill. Any "secret" meetings I have attended were usually reported in full in the newspapers—only I hardly recognized it was the same meeting I attended. Open meetings can do much to assure fair and accurate reporting serving the citizen and the legislator.

### CONCLUSION

Thomas Jefferson in a letter to John Adams critically commented on the closed sessions of the Framers of our Constitution. I believe that criticism is very appropriate today. Jefferson said:

> I am sorry they began their deliberations by so abominable a precedent as that of

> tying of the tongues of their members. Nothing can justify this example but the innocence of their intents and ignorance of the value of public discussion.

I do not believe we are ignorant of the value of public discussions. And as for our intentions—I must believe that they too are of the highest order. We are intent upon increasing budget control and congressional visibility—and this effort is a part of an overall intent to assure governmental accountability to the people. But how can that effort be one of good faith if we do not resolve to meet in public? How can our rhetoric about need for citizen participation and involvement be meaningful unless we restore the link between the people and the Government—by letting the people in on the Government?

Democratic self-government and informed citizenry just naturally go hand in hand. It is essential then that public business be conducted in public—in the open—in the "sunshine." Only with this openness can the public judge and express, through its vote or its voice, whether governmental decisions are just and fair, whether the Government is a government of the people.

Mr. ROTH. Mr. President, I urge adoption of amendment 1017, the Chiles-Roth amendment, to restore the antisecrecy provisions to the Federal Expenditures/National Priorities Act.

The debate on open versus closed committee markup meetings is a familiar one to this body. To put it in a nutshell, the question is whether committee markup sessions should be open as a general rule with the option to close in compelling circumstances or whether markups should be closed with the option to open at the convenience of the committee.

I have argued that in a democracy there can be no valid reason for obscuring from public view a vital part of the legislative process unless there are clearly compelling reasons to do so. I will not rehash old ground by listing the many arguments in favor of open meetings, but I want to point out why openness is essential in the case of the proposed Senate Committee on the Budget.

This committee will be one of Congress most important committees. It will set an overall budget ceiling, and it will establish ceilings within which each authorization committee of the Senate must operate. In essence, then, it will have a crucial role in determining national priorities. It will consider the budget in relation to revenues and will hence have a major role in determining whether or not or to what extent the Federal Government will take the lead in controlling inflation. It will cover, in a way which no other committee—except perhaps Appropriations—does, the whole gamut of public policy. Certainly if the citizen has a right to know anything about this Government—and his right is fundamental to our democracy—it is where his money will be spent and whether his Government is going to have a balanced budget or increase the national debt and how these issues are decided.

Second, the point is not often made, but it is nonetheless true, that closed meetings not only exclude the public and the media. In the process they also tend to impair the channels which a Senator uses to keep track of the activities of committees other than his own. Each Senator—whatever his committee assignments—will have a direct interest in the operation and decisions of the Budget Committee because that committee will influence in a profound way which each standing authorization committee may do. For this reason, too, I think it is most important that we establish right from the outset that this new committee will not operate only at its own convenience, but must, except in compelling circumstances, conduct its markups in open session.

Finally, it should be noted that in previous debates reservations were expressed as to whether committees could operate effectively and in the national interest in open markup. Experience has proven that they can. I have the great privilege of sitting on the Committee on Government Operations. Its markup on this bill was public. Its markup on the Federal Energy Emergency Administration Act was public. So was the markup on the Congressional Right to Information Act.

Mr. President, I hope my colleagues will join Senator CHILES and myself in supporting open markups for the Senate Budget Committee.

Mr. ROBERT C. BYRD. Mr. President, I rise in opposition to the amendment.

Last March a year ago, the Senate Rules Committee reported out Senate Resolution No. 69, which was adopted by the Senate on a rollcall vote, I believe, of 91 to 0.

The background of that resolution was somewhat as follows: Going back to the very origin of the Senate, in 1789, there was no requirement in the Senate rules that meetings of Senate committees for markups or voting should be open. As a matter of fact, the Legislative Reorganization Act required meetings of standing committees of the Senate for markup sessions and for voting to be closed. It was to alleviate that situation that the Senate Rules Committee reported out Senate Resolution 69, because various committees of the Senate wanted to conduct open markup and voting sessions. They could not do so because there was no provision in the rules for such open sessions, and, as a matter of fact, as I have already stated, the Legislative Reorganization Act required those meetings to be closed.

I am not talking about hearings. Hearings, under the Legislative Reorganization Act, of standing and select and special committees, except under special circumstances where there is classified information requiring an executive session, are open.

But, in order to accommodate the legitimate and justifiable wish of various committees that they be permitted to have open markups and voting sessions, the Rules Committee early last year reported Senate Resolution 69, which provided that meetings of standing committees shall be open, except for markup sessions and voting sessions and when a majority of the committee votes to close meetings.

Also provided by Senate Resolution 69, which is now in the form of paragraph 7(b) of rule XXV of the Standing Rules of the Senate, a committee may by rule determine whichever course it wishes to take. A committee, by rule, may decree that markup sessions or voting sessions may be open. Complete autonomy is given to every standing committee of the Senate by paragraph 7(b) of rule XXV of the Standing Rules of the Senate, made possible by Senate Resolution 69, which was adopted last year unanimously by the Senate.

So any committee may, by rule or majority vote, order those meetings which otherwise would be closed—to wit, markup sessions and voting sessions—to be open. The Committee on Government Operations may adopt a rule to have all its meetings open, and it has done so. The Committee on Public Works could autonomously, under paragraph 7(b) of rule XXV, decree that a markup or voting session be open by majority vote.

That is a fair and just rule. It gave every standing committee the authority to have open markup and voting sessions which, prior to March of last year, could not be open. So it brought the sunshine in to that extent.

Now the distinguished Senator from Florida has indicated that various committees have successfully implemented this rule and are finding it valuable to open those sessions which, prior to last March, were required to be closed. Many committees, as he has correctly indicated have adopted standing rules requiring such committee sessions to be open. Other committees have not adopted such a rule. As I say, it is up to each committee to adopt its own rule, or, in the absence of a rule, to determine on a case-by-case basis whether or not it will open markup and voting sessions.

In any event, whether the meetings are open or closed, under the Legislative Reorganization Act every rollcall vote conducted in a committee must be made public and the persons identified who voted for and who voted against and who voted present or who were absent, and that vote must be in the committee report accompanying every bill, unless that committee has, prior thereto, publicly announced the vote and identified those who voted for and against.

I reiterate that hearings are not involved in this amendment. Hearings were not involved in Senate Resolution 69 last year. They are already mandatorily made open to the public unless a majority of a committee feels that, under peculiar circumstances, there is classified and sensitive information that ought to be heard in executive session.

The distinguished Senator from Florida comes in here today and offers an amendment—and I respect him for being consistent; I respect him for his sincerity, and I respect him for his conscientiousness of purpose; I do not find fault with him for that—which seeks to singe out the Budget Committee, that would be created by this very important legislation, and discriminate against it by saying that paragraph 7(b) of rule XXV of the standing rules of the committee shall not apply to that committee.

In whatever way the Senate wishes to go, that is all right with me. But I do not think the Senate should attempt here, today, to impose its will on a single, standing committee of the Senate. I do not know who will make up the membership of that committee if the legislation passes. I do not intend to serve on it. I would not serve on it if I were asked to serve on it. I have all the work I can do, and more. But I believe that Senators who may be on that committee should have the right to determine for themselves the rules that that committee shall follow, just as every other standing committee of the Senate has the prerogative of making such determination.

The Committee on Foreign Relations often must consider very sensitive matters, matters that go to the heart of the national security.

The Committee on Appropriations of the Senate often must consider, in executive session, highly classified matters that go to the national security of America.

The Committee on Armed Services often finds it necessary to consider in executive session extremely sensitive and delicate matters.

The Budget Committee, if it is created by this legislation, is going to cut across all of these subject areas. It is going to have to consider in executive session, if it is to protect the interests of the country, classified material that would be also within the jurisdiction of the Armed Services Committee, the Committee on Appropriations, or the Committee on Foreign Relations.

Why should Senators single out one standing committee and say, "'You are not equal to the other standing committees"? The Budget Committee should have the prerogative to determine for itself what it shall do. But we would be saying, in effect, that we are not going to let it do that. We would be saying, "The Senate is going to impose upon you a mandate that, with respect to sensitive, classified information which your committee members may feel ought to be considered in executive session, you will not be able to consider in executive session until such time as a majority of your committee votes to close the session." I do not believe that is right. If we are going to impose that mandate on the Budget Committee, then let us reconsider Senate Resolution 69 in another form or under a new number, and let the Senate impose the same mandate upon all the standing committees of the Senate. Let us not single out one committee—the Budget Committee—and say that it will be bound by this rule which the Senate lays down today by this amendment, while the other 17 standing committees may each decide for themselves under rule XXV, paragraph 7(b), what procedure they will follow.

I am for sunshine where there ought to be sunshine. For example, I am for having selected debates of the Senate on television. I have submitted a resolution that has been referred to the Committee on Rules and Administration for a study of such a matter. I think it is an idea whose time has come, as the late Senator Dirksen used to say. I think that one of the things that is wrong with the country today is that the President, whether he be Democrat or Republican, can command, at the snap of his fingers, literally speaking, all the television networks, all the radio broadcasting networks, and all the press media to carry an instant messages to the people anytime he wishes. He can put his case before the American people and have all the networks at his command. But in Congress we have 535 voices; nobody speaks for Congress. I think there ought to be televised sessions of Senate debates on a selected basis, so that the American people can see for themslves whether or not Congress is "dragging its feet" on any issue—as the President last night incorrectly and unjustifiably charged.

So I should like to have sunshine there. Congress should get its message out to the people. But I am not for saying to one committee, "You will do it this way, but we will allow the other 17 committees to decide for themselves." I think the Budget Committee ought to have the same right, the same prerogative. To do otherwise would discriminate against that committee.

I for one have faith in the Senate. I personally think we ought to make our judgments based not on what the House does. The House has the closed rule. We do not have a closed rule in the Senate. Any Senator can come to the floor and offer any amendment he wants to offer and get a vote on it in public view.

The House operates under a closed rule. Members there are sometimes deprived of the privilege that Senators have, but sometimes for good reason.

I have served in a State legislature. I have served in both houses of the Legislature of West Virginia. But I think we ought to determine how we do business in the Senate, not on how business is done in the West Virginia Legislature or in the other body of Congress, but on the basis of what is most efficient and most reasonable for the Senate. I have faith in every Member of the Senate. I do not think that Senators on any committee have to have self-approved watchdogs looking over their shoulders. If a committee wants to have an open session for markup, it can do so now, under the rules.

If it does not want to be bothered about having votes from time to time on the matter of open markup sessions, it can adopt a standing rule in the committee that all such meetings will be open. It seems to me that that is fair enough.

I know that the motives of every Senator are as high and as good as my own motives. I simply think it is wrong to single out one committee. I think we ought to go by the rules. If we want to change the rules, let us change the rules. If there is an effort to change the rule, I will vote against it, but the majority will prevail. If the Senator from Florida (Mr. CHILES) can get a majority vote, he will do it. Last year he made an effort, but he failed by nine votes.

Let us not attempt, however, to undo piecemeal what the Senate wrote into its standing rules last year. If the Senate wants to make a change in a rule, let us do it head on, not chip it away, which this amendment would have the effect of doing.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. PERCY. I am really most heartened by the way the Senator from West Virginia has stated his views. Some parts of his speech I could not agree with, but having heard his comments, I want to say how much we appreciate the recommendations of the Senator from West Virginia and his part in making this legislation better than it was before.

In this respect, I have tried to take an objective and impersonal view, because in the Committee on Rules and Administration this particular section was cut out. This section represented an amendment which the Senator from Illinois had offered and which had been unanimously accepted in the Government Operations Committee, as I recall.

But in retrospect and in fairness, I must say that I received my inspiration for the amendment from the Senator from Florida, who has long fought for open committee meetings and who worked within the Government Operations Committee, under the rules of the Senate, to open up our markup sessions unless, by a vote of the committee, we closed them for a specified reason.

I wondered how it would work. We have now had more than a year of operation. It has worked remarkably well. Not at any time have we ever had an audience we could not control. No one from the audience has ever interfered. It has helped get Senators there on time and be more attentive. I think we have, in a measure, removed the suspicion that so many people have as to what goes on behind those closed doors when we sit down to really do the work of the Senate and markup these bills.

So we now have the rule of the Government Operations Committee, which the rules of the Senate permitted, and we have found that it has worked very well indeed.

In this particular case, I have felt there was good justification for inserting this provision of open markups in the Budget Committee operations, because there every single committee will be affected. It will affect every lobby that exists in the country, and every citizen.

When we look at the declaration of purpose of the bill as reported by the Committee on Government Operations and by the Committee on Rules and Administration, it is very clear. There are four separate purposes: First, to establish national goals and priorities to meet the needs of a strong national economy—I am sure every citizen in America agrees that we need a strong national economy; second, to provide for the congressional determination each year of the appropriate level of Federal revenues and expenditures—and that is of interest to every concerned citizen; third, to assure the most effective use of Federal revenues—those revenues come from our citizens, who should be more interested in how effectively we use them. It is the concerned citizens who feel, by 90 some percent according to the latest polls, that we do not use them effectively; and fourth, to assure effective control over the budgetary process.

The function of the Budget Committees of the House of Representatives and the Senate would be to develop concurrent resolutions on the budget and a reconciliation bill. I cannot imagine that when the Budget Committee comes in, after all of this deliberation, and has a markup, the various committees of the Senate would not want to have a staff member attend that session. They will want to see the blow-by-blow process as those concurrent resolutions are marked up, which will have such a vital effect upon their work. If I were on the Armed Services Committee as a member, or were a staff member, and I had worked for many months, I would not want to have the feeling that the debate on national priorities was behind some closed door. I would like to see and hear what goes on, and obviously many others would want to.

For that reason, I have felt that before Senators voted on this proposition, or before they decided they were going to ask for membership, in their respective caucuses, on this committee, they ought to know about it ahead of time. I am delighted to hear that the distinguished assistant majority leader, a very powerful member of the Committee on Rules and Administration, is anxious to have a study to see whether we should not change the rules for all committees. I think it is very interesting, just as in the Federal judicial system——

Mr. ROBERT C. BYRD. Now, if the Senator will permit me, I had rather the Senator did not put words in my mouth.

Mr. PERCY. I am sorry if I misquoted the Senator.

Mr. ROBERT C. BYRD. I said I had submitted a resolution for the Rules Committee to conduct a study on televising the debates of the Senate, which is a different matter.

Mr. PERCY. I accept that modification, then, and I think that such a study is to be encouraged and supported.

I would also hope that after the Senate, and particularly the Rules Committee, has seen and drawn from the experience of various committees that have now opened up their markups and processes of deliberation, we might get a pattern as to whether this would be good for the entire Senate. It is to move us in the direction of getting more experience, particularly in a committee that affects vitally the work of every single committee and that vitally affects the Nation and all of its citizens, that I would hope we could successfully adopt this measure. I trust that the sponsor of the amendment will ask for a rollcall vote. If he does not intend to ask for it, the Senator from Illinois will do so.

I see assent. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PERCY. For the various reasons reiterated, I am enthusiastically in support of the amendment. In fact, I really hope that the Members of the Senate, after taking into account the nature of the work of this Budget Committee, will feel that all such sessions and markups should be open unless national security matters are being handled, or matters that might affect certain of the exclusions enumerated in the amendment. In those cases, the reasons could be fully explained, and then a vote taken to close the meeting.

It is understood that many times it is necessary to do that, but I would hope that for the most part, most of these sessions could be opened, and that it would not be necessary each and every time there is a markup on a concurrent resolution or a reconciliation bill to specifically ask for a vote to open it. I would hope it would be looked upon as standard procedure for this committee, rather than the exception.

Mr. ROBERT C. BYRD. I thank the Senator. The standard procedure is provided for in rule XXV, paragraph 7(b), which provides for every committee to be completely autonomous in this regard and make its own rules. If the Budget Committee wants to do that, I would not be surprised to see the distinguished Senator from Illinois—in view of the great input he has had on this bill and the longtime interest that he has shown—become a member of that committee, and I am sure he would carry the banner right up to the cannon's mouth and ram it down the barrel, in the interest of having open sessions. That is perfectly within his rights, and if he did so as a member of that committee, I would have no complaint. I just think, however, we ought to stick by the rules, and let every committee be treated alike.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I have promised to yield to the Senator from Montana first. It was largely because of the request and at the urging of the distinguished Senator from Montana (Mr. METCALF) that the Rules Committee took this matter under consideration and came to grips with it, and it is largely based on his support, advice, and counsel that the committee acted as it did to bring out Senate Resolution 69 last year and S. 1541, the bill now before the Senate.

Mr. METCALF. Mr. President, I am grateful to the Senator from West Virginia.

It was my responsibility to be floor manager of the Legislative Reorganization Act of 1970. Senator Yarborough, whom we all remember with great respect and high regard, offered an amendment which, much to my surprise, closed committee meetings so that we could not have markup sessions in public. When, in the Interior Committee and the Government Operations Committee, I found out that there would be a point of order raised against bills on the floor because we had had markup sessions in public, the Senator from West Virginia will recall that I came before the committee and suggested that we have an amendment of the rules. The Senator brought out this rule, and I supported it, that said we should open up committee hearings by majority vote.

I have always remembered an admonition that Speaker Rayburn made. The Senator from West Virginia and I came to Congress together and served under Speaker Rayburn. He said that the most effective rule is a working majority.

I was confident that in my committees, the Committee on Government Operations and the Committee on Interior and Insular Affairs, we had a working majority and could open the committees up. So I had thought that the rule suggested was satisfactory, and, if the Senator will recall, I supported him on the floor.

I just completed a hearing this morning about these various things in the House and Senate. I have learned that over in the House they have a different rule, where they have open committee hearings, except when a majority closes them. And they have closed more meetings than we have since we provided the new rule on our side. So the sunshine rule is not always the best rule. But I see no reason why this new committee, this Budget Committee, which is going to deal with national priorities, which is going to decide important national policies, should not have its markup sessions and its hearings in the open.

Here we are deciding growth, policy, and programs in the national interest so that it would seem to me that in this case especially, we should say that here is where we will have openness, disclosure, full and outright exposure of Congress and of Congress's operations to the public, to the press, to television, and to anyone else. I think that here is where we should start. So that if we are going to deal with national priorities and goals, we should start with a budget committee that works in the open.

Mr. ROBERT C. BYRD. Mr. President, I thank the Senator. Let me reiterate that hearings in the Budget Committee would not be affected by this amendment. They will be open, under the Legislative Reorganization Act. We are only talking about markup sessions and voting sessions. If a majority of the Budget Committee wished to adopt a standing rule that all such meetings will be open, a majority can do it. If that committee also wishes to open up any session without such a standing rule, a majority of the committee can do that.

Mr. STENNIS. Mr. President, will the Senator from West Virginia yield for a question.

Mr. ROBERT C. BYRD. I yield.

Mr. STENNIS. As a question of fact, as I understand the present rule, and which the Senator has just explained, it is optional with the committee as to whether a session will be closed or open and the proposed amendment would make it mandatory that markup sessions would be open; is that not correct?

Mr. ROBERT C. BYRD. The proposed amendment would do this: It would remove the budget committee—which will be a standing committee—from the operations of paragraph 7(b) or rule XXV, which governs all 17 other standing committees in this respect. It would require all mark up and voting sessions of that one committee to be open unless closed by a majority vote of the budget committee.

Under the standing rule governing all other standing committees, if a committee desires to adopt a permanent rule within the committee requiring open markup and voting sessions, every committee has that right. Otherwise, all meetings of every standing committee are open with the exception of a meeting for markups or a meeting for voting, which such meetings a majority of the committee may at any time vote to open.

In other words, the standing Senate rule puts the burden on the majority of each committee to open mark-up and voting sessions. The Senator from Florida would put the burden on the majority of the Budget Committee to close such meetings. Not only would the Senator from Florida do that but his amendment as joined in by the Senator from Delaware (Mr. ROTH), discriminates against the Budget Committee—a standing committee—and says that that committee, unlike all the other standing committees, cannot live by the rule governing other standing committees in this respect.

**Mr. STENNIS.** I want to make one further comment.

**Mr. ROBERT C. BYRD.** Mr. President, I yield the floor.

**Mr. STENNIS.** Mr. President, I will take just a few minutes, if I may be recognized, to say that I am very much impressed with the strides forward that have been made here by the various committees and its staffs in a very, very difficult situation of trying to forge a forward looking pattern for legislation that will come nearer to meeting our problems than our present procedures do.

I believe that this committee is going to have a hard go. It will have a tough assignment. It will continue to be that way until it is well established and will grow in importance and effectiveness. Certainly, in view of that, they should not be singled out to have a special rule apply to them with reference to the markup.

I am one of those who believe—say what you will, Mr. President—that the public is entitled to know. I think that what the public is interested in is getting the very best judgment it can from the Members of this body, whether divided into committees, subcommittees, or whatever it is. That is what the public is entitled to. That is, on second thought, the least they want at heart and, really, that is what they pay for when they pay their taxes—our best judgment, our seasoned consideration. Again, as I see it, in human nature, based on my experience here, to get a better product out of a Senator if he is free to sit there at that table and reason with his colleagues and exchange ideas, observations, and facts, and then, frankly, has to yield and meet conditions and go into compromises. If every element of all those considerations has got to be in public, we do not get the best we can out of it. I say that according to my observations, based on my experience, without any exceptions—and I rather think we are all very much alike in that regard.

I would certainly want to leave it where the committee would certainly have full control, without any discriminatory arrow pointing at them in any way. In fact, they will need seclusion more, I would think, than many of our established committees. This would be, in a way, like a conference committee, because members will have to confer and reach some kind of agreement from many different standpoints.

Thus, I would hope that we would leave it alone. Just leave it alone and let the committees work it out and see how it works. I am willing to leave it entirely with the way the committees have handled it.

Mr. President, I yield the floor.

**Mr. MUSKIE.** Mr. President, it should be clear in the record of this debate that the amendment proposed by the distinguished Senator from Florida was included in the budget reform bill reported by the Government Operations Committee. They did so in part for the reasons which have been stated by the distinguished Senator from Illinois (Mr. PERCY).

The distinguished Senator from West Virginia (Mr. ROBERT C. BYRD) makes a persuasive case which includes, I gather, the principal point that the effect of the amendment would be to discriminate against one committee.

Why, then, did the Government Operations Committee undertake to include this requirement in the bill?

Speaking only for myself, because the committee has not taken a position on the amendment on the floor this afternoon, I think we did so first because, the Government Operations Committee has had exceptionally fine experience with open, markup sessions. I do not think we have had a closed session in the past year.

This rule has applied to our consideration of such legislative matters as the budget reform bill, executive privilege legislation, impoundment legislation, and so forth.

It was of interest to me that, at the same time the Watergate Committee was taking testimony on the consequences which have flowed from our failure to deal with these problems, executive markup sessions on constructive legislation to correct fundamental policy got so little attention, even with the open markup sessions.

So, No. 1, because we have had excellent experience, we thought we would incorporate it in this charter for the new budget committee.

Second, this is a new committee. It is not an established committee with established rights and perquisites and feelings of autonomy. It is a new committee created to serve the Senate as a whole, and its counterpart on the House side to serve the House as a whole. This is not a standing committee in the usual sense. It is a committee whose responsibilities spread like an umbrella over all committees. Hopefully, it will be a very visible committee. Hopefully, its work will contribute to the public interest, and the beneficient consequences of that will be highly visible.

So we saw this committee as a way to symbolize the importance of opening up the legislative process, without necessarily violating whatever prerogatives other standing committees of the Senate may feel they have. It was the way to open it up.

Today, Mr. President, I read an editorial on the back page of U.S. News & World Report. It is entitled "Dropout's Lament." The editorial refers to the fact that there appear to be an unusually high number of congressional dropouts this year, Members who are not going to run again. The writer of the editorial was interested in getting the reasons why. He talked to one, a Republican whom he does not identify, a Republican who could win easily, who has won several terms, and whose successor, as yet unidentified, probably will continue to win the seat for the Republican Party.

He asked this Republican Member of Congress—he does not identify the House:

Then why quit?

This was the answer, in part:

> A. Two things: the system and Washington.
>
> By the system I mean Congress, the way it has to operate. It is frustrating.
>
> I am serious about public life. There are things I want for this country—things that need to be done. I came to Congress determined to make it move. I know how my people feel. I'm the guy to see to it. That's what Congress is all about.
>
> But what am I really? I'm a pebble on a beach. I'm nothing. It's the system. I can't do anything unless I'm chairman of an important committee—and I could wait forever for that. Seniority. I've held my job 14 years and I'm a member of the minority. You can guess how long I'd have to be around to be a committee chairman.
>
> Congress is run by a few veterans. The rest of us are just numbers. Oh, we can make a lot of noise, but who will hear us?
>
> * * * * *
>
> Q. What about Washington?
>
> A. What is "Washington"? To most of my people it is some place out there that raises taxes and sets the speed limit on interstate highways. It is a world series every four years when we pick a President. The rest of the time it is blah?
>
> You take the ordinary voter. Can he tell you the name of his Congressman, or how he stands on the minimum wage?
>
> I am genuinely interested in people, in seeing to it that they are well served. I'd be more effective as a member of the city council in my hometown. When you talk about "of the people, by the people and for the people ," that's where government is—right there where they live and work. To those people Washington—and everybody in it—is a big, overbearing, impersonal nothing.

That is one man's view. It is not mine, entirely. But it makes a point.

If we want to be relevant to the lives of our people—and believe me, they do not think we are at the moment—then we have to be seen by them; we have to be heard by them. They have to see the way in which we make policy. They have a right to see what results we achieve and where we stand, at those places where the decisions are made that count.

I have watched debate on the floor of the Senate during the years I have been here—now 16—and the attendance declines with every passing year. The debate becomes less relevant to the policy that ultimately emerges from Congress with every passing year. All of us here know that increasingly the important decisions are made in the committee.

Look at this bill. This is an important fundamental reform, and it is going through here—with minor controversies and a few amendments. But, by and large, the Senate is taking the judgment of two committees—the Government Operations Committee and the Rules Committee. Excellent work was done in these committees.

Incidentally, I should like to pay tribute to the outstanding work done by the distinguished Senator from West Virginia on this bill in the Rules Committee.

The decisions are made there. With the exceptions of those few committees which have begun to open up the process, the decisions are made behind closed doors. People outside do not know what the divisions were, what arguments were raised, who voted either way. This happens over and over again. So the decisionmaking process is out of sight.

Is it any wonder that the people do not see that what we do has anything to do with the problems they face or the way they live or the prospects for the future?

I am simply giving my personal interpretation of why the Government Operations Committee included in the bill the amendment now before the Senate.

We saw this as a major new policymaking arm of Congress, which we hoped to use to make the point that these new policy decisions are going to be made, to the fullest extent possible, in public view.

The argument that the distinguished Senator from West Virginia makes is a perfectly reasonable and rational argument. I do not quarrel with him, until he gets to his conclusion; and at that point we part company, for the reasons that he has stated so well and which I have undertaken to state in my own behalf.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. CHILES. The Senator was responsible in the Subcommittee on Government Operations for pulling out the Harris poll on the attitudes of people toward Government. I think it was an outstanding poll. In that poll, as I recall, 74 percent of the people felt that excessive secrecy was one of the causes of Watergate, and I believe it said the same with respect to the other problems we are now facing in Government. Does the Senator recall that?

Mr. MUSKIE. Yes. That was a very striking finding of this poll. I believe the percentage is about, as the Senator has stated; 74 percent said that excessive secrecy was in large part responsible for the failure of Government to serve their needs. The Senator is correct. I believe that most Members of the Senate have received copies of that survey, which is a very helpful analysis of the public attitude and really underscores the comments made by the unidentified Republican in this editorial.

Mr. COOK. Mr. President, will the Senator yield?

Mr. MUSKIE. I yield.

Mr. COOK. First, I should like to associate myself closely with the remarks that the distinguished Senator has just made.

I sometimes wonder why we cannot stop to realize that we create the problems we have to face. The Senator from West Virginia said that he did not want somebody in a committee room looking over his shoulder.

Mr. ROBERT C. BYRD. No, the Senator from West Virginia did not say that.

Mr. COOK. I make reference to the fact that the Senator from West Virginia did not want people who were going to be in every committee room——

Mr. ROBERT C. BYRD. No; let the Senator from West Virginia state his position.

Mr. COOK. All right.

Mr. ROBERT C. BYRD. The Senator from West Virginia said that he trusted the Members of this body, and he did not believe that they had to have some self-appointed watchdog looking over their shoulder, to make sure that the American people get the kind of representation they have a right to expect elected representatives.

Mr. COOK. All right. Let me say that I am delighted to have that explanation. I understand the Senator from West Virginia.

One of the major reasons we have every pressure group in the United States, and we have more and more and more of them all the time, is purely and simply because we continue to operate behind closed doors. The reason we have all the groups that come by our offices day in and day out that are interested in this piece of legislation and that piece of legislation is that we have created the kind of atmosphere that this was their only way to make their point and try to get across what they really believe in, because they have said, "We cannot come in that room. We do not know what goes on, and we have to meet them in the hallways as we lean against the walls, as they go to committee hearings."

I do not think there is any question about the fact that we had quite a debate here on how we should have committee meetings open or closed. It worked in some committees, and I am delighted that it has. But I would say it has not functioned too well in the committees of which this Senator is a member. I say that in all honesty.

It does not take very much homework to look at the committees I serve on. As a matter of fact, the other day I witnessed with a degree of chagrin, when we were debating a very substantial piece of legislation, that out of the cold walked a young reporter, with whom I am familiar. The hearing was stopped. The chairman said, "Just a minute just a minute," and the young man left and we then pursued what we were doing. I do not think this is the way it should operate.

I am delighted with the comment made by the Senator from Maine that one of the reasons you look at some of these amendments and get some satisfaction out of them is that this was an amendment proposed by the Senator from Florida, who is in his first term, supported and cosponsored by the Senator from Delaware, who is in his first term in the Senate, and as a first termer I was delighted to cosponsor it. Maybe we should take a look at this and start to realize the significance of the debates and arguments because we are talking about the confidence of the American people.

I would say to the Senator from West Virginia, in all fairness, the American people, if they had their choice of televising a hearing where a major piece of legislation is marked up, where they could see exactly what was going to happen as the result of legislation, they would be far more interested in seeing that process, than to have cameras in the four corners of this room to see some of the debate on the floor of the Senate.

I say that in all fairness because they are concerned about the significance of the legislation that is written, the decisions made, and the language utilized; and that is not gone into on the floor, and we all know it. Would not they be amazed if they could watch television some day and have all the school children in P.S. 97 watch the U.S. Senate when we have a debate on who makes the best chili, whether it is Texas or Arizona.

Mr. MUSKIE. Or New Mexico.

Mr. COOK. Or New Mexico, with all due respect.

Let us face up to the issue that we do go behind closed doors and come up with major legislation of paramount significance in the United States.

I do not have the floor in my own right the Senator from Maine does—but I could not be more pleased with the remarks of the Senator from Maine because this is truly the issue. The issue is whether we, as a body, not worrying about the Presidency and its 28 percent, but whether we, as a body, can rise above 21 percent, and in doing so whether we can say to the American people, "Here is how it was done."

Mr. DOMENICI. Mr. President, will the Senator yield for a question?

Mr. COOK. I yield.

Mr. DOMENICI. As a freshman Senator, for my own reasons I probably could have been confused by that same reporter and rather candidly expressed frustrations. I have not made up my mind on this bill, but let me ask the Senator from Kentucky a few questions.

When the young reporter came into the closed meeting, I take it that the Senator from Kentucky was aware of the fact that under the existing rule he could have requested that the meeting be made open, and had he been joined by a majority, it would have been open. I do not argue that that is the best rule, but I wonder if the Senator would address himself to that.

Does the Senator think that even though that portion of the rule exists that it is not operative? Before the Senator answers, I would say that even at this point in time I have not found a meeting I personally wanted open, or where someone came to me and said that he wanted to be there, I never found one where I requested that it be open that it was not opened.

I wonder if the Senator does not think that will work or if there is something inhibitive about the committee or seniority that does not let it work.

Mr. COOK. I thought about that at the time, and I thought it unfortunate we did not discuss the situation there. Members might have left and we would have accomplished nothing because I knew the significance of what would occur. I am at least that familiar with that committee and its attitude in that respect. Second, when the Senator talks about how it works in the seniority system, I never will forget the first year I was here. There was a particular bill our office was vitally interested in and our legislative staff worked until almost 3 o'clock in the morning to prepare amendments. The next day I went to the committee and I had five amendments in my hand. I proceeded to say I had these five amendments to bring up. The acting chairman said, "Let's get the bill out of here and on the calendar." I said, "I have these five amendments we have been working on half the night. I would like to take them up." He said. "Go ahead and take them up. I have all the proxies for everyone who is not here. We will vote them down and get on our way."

With respect to the Senator's reference as to why I did not attempt to enforce the rule, maybe I should admit guilt. Maybe I should have then urged on the spot on that occasion that that be done. Maybe I would be better off if I had done so. I think I have a very good idea what would have occurred. But I am not going to argue the semantics of that particular point or whether this was the opportunity that could have presented itself.

I am just saying that major pieces of legislation that are subject to being marked up by the Senate can be marked up in public view, with those interested in attendance. It would not hurt that structure. It would not hurt the ability to mark up bills.

I admit to the Senator from West Virginia that we should not parrot what is done in the House. I wish to say to my Democratic colleague from Kentucky that when Representative CARL PERKINS can mark up the HEW Corporation bill on the House side in a public meeting of that committee and get it done, and he now has gotten it done for 2 years, that takes the greatest amount of ability to mark up that legislation which represents an appropriation bill as emotional as any that faces the Congress of the United States.

And he has been able to accomplish that in the committee. He has been able to do it, and to his credit as a Democrat, this Republican says he should be given credit for it.

Mr. DOMENICI. May I say to the Senator from Kenutcky I really did not ask the question of why he did not move that the meeting be open to put the Senator on the spot. I think I could summarize—tell me if I am correct—that he really does not believe that, in the overall functioning of the committees in which the Senator operates, that option on the part of the majority is really a very good mechanism for accomplishing what the amendment of the Senator from Florida would do. It really has some hangups in the Senator's opinon, as one who has been here for some 5 years. Is that correct?

Mr. COOK. The hangup comes in this way, and it is a very real one, may I say to the Senator from New Mexico. As the Senator remembers, when the resolution was adopted, it is quite true that it was adopted by a vote of 91 to 0, but just before that the amendment of the Senator from Florida had lost by only 8 or 9 or 10 votes. Perhaps that is why the resolution was agreed to so rapidly by a vote of 91 to 0, because there was a real movement at that time that this would not be a negative approach to hold these committees open or closed, but would be a positive one.

Mr. DOMENICI. The point I make for the Senator's observation and comment is that probably he is saying that we really are not going to get concrete examples on the floor of the Senate as to why that part of the rule is not working. Senators are not going to come before the Senate and say, "I have tried four times to get a markup session open and I failed." As a matter of fact, it is the Senator's observation it is not even being tried in many cases; they just remain closed. Is that the Senator's observation?

Mr. COOK. Yes.

Mr. DOMENICI. One last question: The Senator mentioned that pressure on Senators from special interest groups would be alleviated if we had markup sessions that are now closed opened, and if we changed the rule accordingly.

I have not, in my short 1 year and 2 months, had many witnesses who wanted to be heard or who wanted an opportunity to go to the markup. I have not heard from them in any numbers where they really wanted that and were denied it, but I understand also it is part of the concern of the Senator from Kentucky that there are people who, because they cannot go in, choose other ways to find out and have an influence on legislation. Is that one of the Senator's positions?

Mr. COOK. May I say I think there are some rather remarkable stories that can be told by Senators on the floor, where they have been to markups on major pieces of legislation. I can give the Senator one example myself. There was a major markup on a piece of legislation and I felt there was a very discriminatory matter in the bill, and I expressed myself. We had a dinner party at our home that evening, and I must have received 10 long-distance telephone calls from interested people in my State asking me why I had a hangup and why the bill did not get out of committee. Next day I found out that one of the majority staff members had let that information out. That is the way things get to Jack Anderson and other columnists here.

I am convinced that there are many reporters around here who make their living that way, rather like the bootlegger looking for the one on whom he can make his best shot. Many of our rather substantial reporters make a living from what goes on off the floor and behind closed doors, and would have it be that way rather than have it take place in open meetings, where they would lose the benefit of the squealers and individuals who give them this information.

We have a number of such people on the standing committees of the Senate of the United States, and I think the Senator from New Mexico knows of it—it is not hard to find out what went on in the markups. It all depends on whom one can call and discuss things with. One finds out all of a sudden that he has a horrible reputation.

As a matter of fact, there is a Senator on the other side of the aisle who woke up one day and read the headlines in newspapers in his State as to what he had said in the committee, and he found out it came from a staff member who was disappointed in the position he had taken on a piece of legislation and decided this was the way he would get even with the Senator and get him in line.

May I say to the Senator, I would rather have everybody there when we markup a bill, so everybody's position will be known and no one may misinterpret what he said. I would rather they get it there than get it second hand or third hand.

I thank the Senator.

Mr. DOMENICI. I thank the Senator.

Mr. COOK. I thank the Senator from Maine for yielding, and wish to say I think the sooner we start in this direction, the better. May I say that sometimes we have to start with one committee before we can move to another. Sometimes we start in one place, and as a result of having started with that, we move on and realize the wisdom of what we have done on a small scale, so we can go on to a larger scale.

Mr. MUSKIE. I thank the Senator.

Mr. President, I ask unanimous consent that a communication from Jack T. Conway, president of Common Cause, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMMON CAUSE,
*Washington, D.C., March 7, 1974.*

DEAR SENATOR: The Congressional Budgetary Procedures Act of 1973, S. 1541, as reported by the Senate Government Operations Committee contained an anti-secrecy provision for the newly proposed Budget Committee. This provision was successfully sponsored in the Committee by Senators Percy and Muskie. The Senate Rules Committee, however, deleted the section in its consideration of the legislation. When the Budget bill comes to the floor next week, Senator Chiles will move to restore this vital anti-secrecy provision. We urge your support for this amendment. With its inclusion, we believe the budget bill represents an important step forward in improving the Congressional budgetary powers.

The proposals end secrecy in Congress' consideration of the budget. It would require the new Budget Committee to hold all of its meetings in public, limiting closed meetings to reasons of national security, personal privacy and other legitimate matters. This is a reasonable and workable proposal.

The budget bill contains a second key provision sponsored by Senator Percy which would grant citizen access to general budget information obtained for Congress by the new Congressional Office of the Budget. This provision would provide citizens with the opportunity to obtain important information without imposing any unreasonable burdens on the Congress. We urge your opposition to any efforts to delete or weaken this provision.

On March 6, 1973, you voted for the open-committee markup proposal that would have established a presumption for all Senate committee meetings to be held in public. There is now a history of open meetings in the Congress: three Senate Committees, Government Operations, Interior and Banking have adopted open meetings rules; under Senator Jackson's and Senator Metcalf's leadership, open conference committee meetings were held on the Emergency Energy Bill; and the House now conducts the overwhelming majority of its business in open markups. Openness works!

If Congress is to win public support for tax measures and public expenditure programs, it must be prepared to provide citizens with clear, understandable information through a budget process that is open to public view and participation.

Sincerely yours,

JACK T. CONWAY,
*President.*

Mr. ROBERT C. BYRD. Mr. President, I shall take only a very few minutes. The distinguished Senator from Maine (Mr. MUSKIE) referred to an article that has appeared in U.S. News & World Report. It might more properly have been entitled "A Retiree's Lament." It happened to be a Republican, but it could very well have been a Democrat. In any event, it was an unidentified retiree from Congress who was voicing his lament concerning the "system."

I dare say there could be many stories written based on statements by retirees from Congress who would not echo the criticism that was embodied in this particular article. And yet one retiree's lament goes out to 2½ million readers, or whatever the number may have been.

This is one reason why Congress has a 21-percent rating today. So Members of Congress are running down the institution of which they are a part. This retiree was a sorehead—a man of little faith.

One of the American poets has said, "Learn to labor and to wait." This retiree did not learn to labor and to wait. Milton said:

> They also serve who only stand and wait.

One does not have to be the chairman of a committee, one does not have to be the ranking member of a committee, one does not have to serve in the leadership to make his impact upon the history of this country and to leave his influence and his "footprints on the sands of time." This man, referred to in the article, had lost his guts and his enthusiasm. He did not have the determination and the willpower and the patience to labor and to wait.

Mr. ERVIN. Mr. President, will the Senator pardon an interruption?

Mr. ROBERT C. BYRD. If I may just continue, and so he was disappointed because he did not have his hands on the ball and he decided to grumble and to go home. He was a quitter.

I believe in the system. I have worked in the legislative system for 28 years. And if I were never to become a committee chairman, if I had never been elected to a position of leadership, I would still believe in and uphold and defend the system.

I say we ought to quit running down this institution. Those of us who want to retire, let us retire and get out. If we cannot swim here, let us get out. But every Member who comes to this body and the other body can make a contribution. Whether he ever becomes the chairman of a committee, he can make a great contribution. If he will work and sweat, he can serve. What greater privilege is there than to serve? That is what we ask to do when we ask the people to send us here. What greater privilege is there than to work for the people of the United States?

It has been said in the debate that the "reason why we have pressure groups is that we operate behind closed doors." Yet, the Senate of the United States operated behind closed doors for 5 years at the beginning of its history.

When the constitutional framers—that illustrious gathering of our forebears sat down in Philadelphia in 1787, the first thing they did was to close the doors of the Constitutional Convention. It did not cause pressure groups and lobbyists to spring up everywhere.

I am for open hearings. But times do come when closed meetings of committees are necessary. To say that only a majority can close a meeting puts the onus on a single member to stand up and say, "We should have closed hearings." That member will be subjected to criticism for moving that a meeting be closed.

I want this system. We run down the system. No wonder only 21 percent think the system is working. The rest are running us down instead of working in the system. This system has worked very well for 185 years, operating under the rules, 19 of which were originally adopted. We have opened up sessions of the Senate. Senate Resolution 69 opened up the sessions, making it possible for committees to open up their sessions.

All I am asking the Senate to do today is to stick with the rules—not to single out one committee and say that the rules shall not apply to that committee; not to deprive a majority of the members of that one committee, once they have been appointed, from determining what rules the majority of them wish to follow. If the majority of that committee wish to have open markup and voting sessions, let them provide that the session shall be open. Well and good. I have no complaint about that. A majority of that committee, under paragraph 7(b) of standing rule XXV can make that determination.

Let us leave it to the majority of the Budget Committee to make that determination. Let us not chip away a little here and a little there and discriminate against that committee before it is even created.

What I have said about the committee is not in criticism of any Senator. It is not directed to what the Senator from Maine said about the editorial. The editorial is there for all to see. But we are living in a time when Congress and all institutions have suffered. One reason why Congress has suffered is that so many Members of Congress leave Congress and then run Congress down when they leave. They run the institution down. I think it is about time some of us stood up for the institution, for Congress, and for the system.

Mr. CHILES. Mr. President, I think we have had a good debate on the amendment. And no Senator is better in debating a point than the distinguished junior Senator from West Virginia. I think he has made some very good points.

We had a sunshine law proposed in Florida. It took about 6 or 8 years before it passed. I have heard every one of these arguments time and time again. And I for one felt, in Florida, that if we could only operate freely in committees for once, if they were open, then people would understand that government can still work. At first, when I was a Florida State legislator, I felt, as the distinguished Senator from Mississippi (Mr. STENNIS) feels whom I respect very much. And I think some people in the Government Operations Committee believed at first what he believes so sincerely. Because when we made a motion to open up that committee, the same argument was made. But we tried opening up meetings and now I do not think anyone would want to go back to the closed sessions. I only wish we could try open sessions with the Committee on the Budget.

I believe in the system, too. I believe in a governmental system that is based upon the principle of democracy—a democracy properly informed. That is the kind of democracy I believe is going to make the right decision. That is the right rationale on which government should work.

Once there was a theory that only the aristocracy could rule; that they were the only people who could make the right decisions. There have been, throughout history, governments ruled by divine rule, by unenlightened rulers, by despotic rulers, but our system set up nearly 200 years ago was unique. It called for rule of the people and of the people's duly elected representatives. But our democracy rests on two requirements. They are, first, the majority of the people; and second, a properly informed citizenry. I think that what we are talking about here is that through this amendment we are going to give the people an opportunity to be informed about major decisions—about budgetary priorities. I believe and trust in the rationale of our system through which we believe a majority of the people, if they are properly informed, will make the right decisions.

I know that the Senate has been operating for over 185 years. I think that in most ways we are operating in the very same way we did 185 years ago. I think we have to do something if we want to be a coequal branch of Government, if we want to carry out our responsibility under a system of checks and balances if we want to reassert our constitutional power. But I think we have to come up to the 20th century in the procedures we have.

No Senator can say that he loves the Senate more than any other Senator. But we all listen to our own drum, our own instinct that tells us what is right.

I know I listen to my own drum. And I believe if we are going to do something about our system, we must do it right. If we are going to reform the congressional budgetary procedure we must do it right. We say we wonder why only 20 percent of the people have confidence in us. I feel if we are going to trust our fellow Senators—and I certainly do—we have to cut off the closed committee meetings and do the right thing and open them up. If we trust our fellow Senators, why in the world do we not trust the people? We trust one another, but somehow we do not seem to trust the people, the people we were all sent here to represent.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. CHILES. I yield.

Mr. CURTIS. I believe there is a point in addition to and separate and apart from the question whether hearings should be open. If the pending amendment prevails, it will be in the statute and thus we will be surrendering to the House of Representatives and the Executive the power of the Senate.

Mr. CHILES. I disagree with the Senator, because Congress could not surrender by statute the power the Constitution gives us, and the Constitution provides that each House shall have the authority to make its own rules.

Mr. CURTIS. My suggestion is this: That this proposal now pending should be debated as to whether or not it should be incorporated in the Senate rules. If we incorporate it in the statute, it can never be changed without the consent of the House of Representatives and the approval of the Executive. For that reason, regardless of the merits, the proposal should be handled by an amendment to the rules, I believe, and not be placed in the statute. You cannot change it without the consent of the House of Representatives and the President.

Mr. CHILES. Well, I respectfully disagree again. I think the Constitution would give us the authority, if we wanted to change it, to change it again by Senate rules.

Mr. President, I think the record is clear. I yield the floor.

Mr. ROTH. Mr. President, it is my understanding that it is already in the legislation that nothing will prevent the Senate from changing its rules, so we do not have to rely on constitutional protection, but on the specific legislation now sought to be enacted, or the Senate rules.

Mr. MOSS. Mr. President, I support the Chiles amendments.

As I testified in a statement to the Rules Committee on S. 1541, in January, there was much that concerned me about the bill's prospects for bringing meaningful and workable budget reform to the Congress.

But one thing I did say needed more attention if we were going to have substantial reform, and not just a charade, was better budget information to cut through the hodgepodge of agencies, activities, organizations and programs that drive each and every one of us crazy each time we try to make some rhyme or reason out of the Federal budget each year.

The amendments we have before us would accomplish just that and signify still more. They represent one of the most forward-looking steps we can take for ourselves in the course of our Senate duties and for the people back home: and that is to start to put the Federal budget and the key decisions that control our spending in a clear, comprehensive and comprehensible framework of national needs, functions, programs, and program steps.

I would vote for and support any measure that offered even the possibility of making this Government run on a set of information and decisions that could be directly within the grasp of individual Members and individual citizens, a structure to enable all participants to voice important judgments on national policies, priorities, and programs not just judgments on a barrage of thousands of programmatic pieces that the executive branch uses to drain our energy and dissipate our attention, whether intentionally or not. This Government simply has to become more responsive to the people. It is high time we let the people know and understand just what we are doing and we get back to a representative form of government rather than one of executive rule.

But as the distinguished Senator from Florida has explained, these amendments offer a lot more than just a possibility to work such an improvement. They will, in my judgment, bring us and the public direct benefits in understanding and controlling the budget simply because they are so well grounded, so well supported, and the product of so much hard thinking by so many knowledgeable sources over the last 3 years.

I urge my colleagues to join with me in support of these much needed measures.

The PRESIDING OFFICER (Mr. NUNN). The question is on agreeing to the amendment (No. 1017) of the Senator from Florida (Mr. CHILES). On this question, the yeas and nays have been ordered, and the Clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Hawaii (Mr. INOUYE), the Senator from Louisiana (Mr. LONG), the Senator from Montana (Mr. MANSFIELD), the Senator from Wyoming (Mr. MCGEE), the Senator from Texas (Mr. BENTSEN), the Senator from Delaware (Mr. BIDEN), the Senator from Rhode Island (Mr. PASTORE), and the Senator from Massachusetts (Mr. KENNEDY) are necessarily absent.

I further announce that if present and voting, the Senator from Rhode Island (Mr. PASTORE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD) and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I also announce that the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. PACKWOOD), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

I further announce that the Senator from Vermont (Mr. AIKEN) is absent due to illness in the family.

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Oregon (Mr. HATFIELD).

If present and voting, the Senator from Oregon would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 55, nays 26, as follows:

[No. 78 Leg.]

YEAS—55

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Brock
Brooke
Burdick
Case
Chiles
Clark
Cook
Cranston
Dole
Domenici
Eagleton
Ervin
Gurney
Hart
Hartke
Haskell
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Jackson
Johnston
Magnuson
Mathias
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Pell
Percy
Proxmire
Ribicoff
Roth
Schweiker
Stafford
Stevenson
Symington
Taft
Tunney
Weicker
Williams

NAYS—26

Bennett
Bible
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Curtis
Eastland
Fannin
Fong
Gravel
Griffin
Hansen
Helms
Hruska
McClellan
Pearson
Randolph
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Talmadge
Tower

NOT VOTING—19

Aiken
Bentsen
Biden
Church
Dominick
Fulbright
Goldwater
Hatfield
Inouye
Javits
Kennedy
Long
Mansfield
McClure
McGee
Packwood
Pastore
Thurmond
Young

So Mr. CHILES' amendment (No. 1017) was agreed to.

Mr. MUSKIE. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. ROTH. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, let me congratulate the present occupant of the chair, the distinguished Senator from Florida (Mr. CHILES). He just won a great victory.

Mr. President, for the information of the Senate, there will be no more rollcall votes today.

The Senate will come in at 10:30 a.m. tomorrow morning. Immediately after the two leaders or their designees have been recognized under the standing order, the Senate will resume the consideration of the unfinished business. Amendments will be in order. Yea-and-nay votes will occur.

Mr. HRUSKA. Mr. President, S. 1541 marks nearly 2 years of concerted congressional effort to devise more effective ways of exercising our constitutional duties to levy taxes and appropriate funds.

It was my privilege in company with 15 other Members of the Senate to serve on the Joint Study Committee on Budget Control, which filed its report and recommendations on April 18, 1973. I was also privileged to cosponsor S. 1641, the budget reform bill introduced the same day by the distinguished chairman of the Appropriations Committee.

Since that time, I have followed with close interest the labors of the Committee on Government Operations and the Committee on Rules and Administration to fashion reform proposals which could command the support of a majority of Senators and establish a sound basis for compromise with the House. I congratulate the distinguished chairmen and members of the two committees for their handiwork. It is no mean feat to labor in the long shadow of the Constitution and nearly 186 years of congressional practice and precedent and forge proposals as cogent as those presented in the pending bill and the reports of the two committees.

I do not subscribe, Mr. President, to all of the recommendations and will state my major reservations. On the other hand, barring unforeseen changes in the amending process, I intend to vote for the bill on final passage. The House has passed its bill and good ground as well as momentum for reform are strong. I have concluded, speaking as a ranking member of the Appropriations and Judiciary Committees, that this 93d Congress must accept responsibility for establishing the framework for budget reform and leave to future Congresses the tasks of refinement for which I anticipate clear needs. The bill before us is a good start toward building the framework, and in that vein I support it.

Mr. President, I note that 38 Senators contributed directly to committee work on the reform proposals. Fifteen served exclusively on the Joint Study Committee on Budget Control; 14 served exclusively on the Committee on Government Operations and nine on the Committee on Rules and Administration. The distinguished chairman of the Appropriations Committee served on both the Joint Study Committee and the Committee on Government Operations. The distinguished junior Senator from Alabama served on both the Government Operations and Rules Committees. In addition, many other Senators have contributed actively through participation in hearings or by proposing amendments.

In short, this bill bears witness to a great cooperative effort in the Congress. It belies the claims of the prophets of doom that Congress is unwilling to reform or, if disposed to reform, incapable of rising to the task.

My major reservations with the pending bill concern significant deviations from the specific recommendations, if not the spirit, of the Report of the Joint Study Committee on Budget Control:

First. The provisions recommended to impose and maintain spending ceilings are not sufficiently strong.

Second. The proposal to leave to party caucuses the assignment of members to the Senate Budget Committee may weaken the responsiveness desired from the Appropriations and Finance Committees.

Third. Creation of the Congressional Office of Budget is premature.

Fourth. The issue of impoundment should be reserved for separate legislation or, more preferably, resolved tacitly by successful congressional budget reform.

I shall elaborate later, Mr. President, on each of these reservations. They reflect my years of experience on the Appropriations and Judiciary Committees and a strong disposition toward conservative reform.

My fundamental concern with the pending bill is that it proposes too much too soon in the way of structures and procedures. It does not give sufficient weight to the collective wisdom of this body which, more often than not, arrives at acceptable compromises with relatively limited structures and procedures.

I regret that the proponents of this bill were not content with just laying the foundations upon which future Congresses could fashion more or less elaborate structures in response to clearly perceived needs growing out of actual experience. They have sought instead to anticipate all foreseeable contingencies in the budget process. Experience should make clear to us that in its temper and style of handling the budget, Congress functions as much as a government of men as a government of laws. Structures which may appear wise and durable to this Congress may not serve well the legitimate preferences of our successors several years hence.

Mr. President, I find an underlying implication in the bill and committee reports that structures and procedures—matters of form—will serve as miraculous solvents for the extremely sticky issues of substance which are the main concerns of Congress. Improved staffing for the budget process, and better coordination among the authorizing, taxation, and appropriations functions certainly will improve somewhat our understanding of basic national policy choices and the costs and consequences of major alternatives. Reforms of this sort provide no magic solutions, however, to the issues of defense versus welfare, income support versus social service programs, subsidized housing versus housing allowances and so on. Many of our problems in handling the budget spring from the near impossibility of resolving easily issues of this sort. Our wisdom in making policy decisions grows slowly with each Congress.

Public sentiment, technological change and unexpected economic shifts tend to sunder the most rational analyses and alternatives when the time comes to face up to basic policy and spending choices necessary to guide the Republic for another year or two.

I fear very much, Mr. President, that we may be heading into situations in which exaggerated disputes over congressional budgetary procedure and jurisdiction could distract us from the often intractable realities beyond this Chamber. Those realities are the real meat of policy and spending deliberations. Our difficulties in keeping a firm grip on the substance of the Nation's concerns could be compounded by undue agonizing over the technical validity of voluminous studies and the data supporting them. Few of us are qualified by training or experience to discriminate wisely in such technical matters.

Unfortunately, it appears that many Senators believe that the road to reform lies in procedural, structural and analytical competition with the executive branch on budgetary matters. It is my conviction that our main strength lies in quite different directions. It lies first in our representative character—our sensitivity to what the public will support State by State and congressional district by congressional district. This sensitivity is notably lacking in the executive bureaucracy. Second, it lies in our ability to make collectively legitimate national policy decisions in relatively short order considering the geographical vastness of the Republic, the diversity of the American people, the intricacies of the Federal system and our Nation's major role in world affairs. The Chief Executive, acting alone, can decide quickly. But in those instances where he moves toward decisions in concert with Federal agencies, the pace can be glacial.

It is very much in fashion, Mr. President, to chide the Congress for ineffectiveness and to attribute to the executive branch great qualities of efficiency and precision. The truth of the matter, and I speak without partisanship, is that for too many years Congress has tended to accept wholesale attractively wrapped executive recommendations which hindsight showed to have rested on shaky analyses and egregiously wrong assumptions. Our failures have resulted more, perhaps, from our too ready acceptance of executive recommendations and too little reliance on our own judgment and public opinion. The path of wisdom would seem to lie on one hand in more careful attention to executive needs for improved data and planning capabilities. What is offered by the executive should be as competent as the sciences and arts of analysis and planning will permit. On the other hand, Congress should not, given the relatively limited number of Members and the unique constitutional responsibilities of each, so ensnare itself in structures, procedures and staff recommendations that it loses its bearings through fruitless competition with the executive and decreasing sensitivity to public sentiment.

May I return now Mr. President, to the four major reservations with the pending bill which I outlined previously.

### SPENDING CEILINGS

The Joint Study Committee on Budget Control recommended mandatory ceilings for the first concurrent resolution. In the pending bill, the first concurrent resolution is more or less advisory in character. There would be strong incentives to exaggerate estimates of new budget authority, outlays, and appropriations as hedges against the unavoidable confronting of fiscal reality at the time of the second concurrent resolution and in the subsequent reconciliation bill. Experience strongly suggests that there is no substitute for early and firm action on spending ceilings. For 2 years the distinguished chairmen on the Senate and

House Appropriations Committees have set subcommittee ceilings on their own initiative. Because these ceilings have lacked the early expressed sanction of the House and Senate, the committees have been highly vulnerable to the pressures for increased spending that come into play during markup and floor action. I recognize that there is strong sentiment in the Senate for the rather relaxed ceiling provisions in the pending bill. It seems inevitable to me, however, that in a few years Congress will have to strengthen considerably the force and effect of the first concurrent resolution.

### SENATE BUDGET COMMITTEE MEMBERSHIP

The Joint Study Committee on Budget Control made specific recommendations on the sources of Budget Committee members. One-third would come from the Appropriations Committee, one-third from the Finance Committee, and one-third from the other standing committees. This formula was not devised, as some have alleged, to buttress the seniority system, to assure conservative dominance, or to preserve the power of the Appropriations and Finance Committees. The real aim was to provide for close communication and clear accountability among the Budget Committee and the two standing committees which bear major responsibilities for dealing with the consequences of Budget Committee decisions. The party caucuses may in their wisdom appoint Budget Committee members in roughly the proportions proposed by the Joint Study Committee. I would consider such a result fortunate because it would recognize the importance of both experience and the disciplines fostered by direct participation in the revenue and appropriations processes. Such a result would not carry, unfortunately, the force of clear legislative recognition that the Appropriations and Finance Committees bore major responsibilities for the quality of Budget Committee performance.

I fear very much, Mr. President, that *the party caucuses* could under some circumstances appoint Budget Committees heavily weighted with representatives of authorizing committees. I am not unaware of the temptations to argue for generous authorization levels and to engage in mutual support compacts with members of other committees. The inevitable result, as we all know, is to leave the problems of adjusting dreams to reality on the doorsteps of the Appropriations and Finance Committees.

A specific concern with Budget Committee membership is the proposal to set a date certain for terminating the waiver on Category A Committee assignments. The fact is that we do not know what the workload of the Senate Budget Committee will be. It seems upwise to set at this time a requirement which would foreclose the future possibility of having Budget Committee members serve on either the Appropriations or Finance Committees and on one of the major authorizing committees as well. It would have been wiser, in my judgment, if the bill did not set a termination date for the Category A waiver. This is a matter which could be reviewed by any future Congress in the light of actual experience.

### CONGRESSIONAL OFFICE OF BUDGET

My earlier expressed reservations about procedures and structures apply particularly to this proposal. The Joint Study Committee recommended a joint staff to serve the Senate and House Budget Committees. Such an arrangement would have the virtue of relatively few staff members, close coordination between the budget activities of the House and Senate, and most importantly, close day-to-day contact between members and staff to assure that we would in fact be consciously responsible for our decisions. I would not object if experience later suggests the merits of separate Senate and House staffs and even a Congressional Office of Budget. But at this time, I have some apprehension about the confusion which could result when two new and separate Budget Committee staffs plus a new Congressional Office of the Budget attempt to work with the staffs of the present standing committees, the General Accounting Office, the Congressional Research Service, the Office of Management and Budget, and the budget staffs of the other executive agencies.

### IMPOUNDMENT

Mr. President, I regret that the House in its wisdom has included anti-impoundment provisions in its reform bill. The provisions in the bill before us are comparatively restrained. It would be regrettable enough, if the bill finally agreed to in conference proved unacceptable to the President. The entire reform effort represents a constructive and, in spite of my reservations, a generally effective congressional response to uncontrollable spending situations which, in my judgment, have sanctioned executive impoundment as a last resort measure. Furthermore, the Federal courts have taken cognizance of impoundment issues and have rendered judgments for or against selected impoundment actions. It is much too early, however, to discern a clear judicial pattern.

### CONCLUSION

Mr. President, I congratulate again the two committees for their efforts. I have dwelt mainly on my reservations about the pending bill. This should not be construed as opposition to its broad thrust which is clearly in the direction of needed reform. We are making a good start. I trust that we will keep open minds and move promptly to make needed adjustments dictated by experience.

It would be well to support a fair and thorough trial of the procedures and structures which finally emerge from this significant and constructive venture in which I have been privileged to participate.

Mr. TAFT. Mr. President, it is a great pleasure to see before us for debate the Congressional Budget Act of 1974. I believe that this legislation conceivably could become the most significant bill to be debated and passed by the 93d Congress. It is, potentially, one of the most important bills to come before us in years.

The need for this legislation is obvious. No properly run business in the Nation considers each proposed expenditure piecemeal, independently of a careful assessment of total expenditure demands and revenues available. No properly run business with varying divisions and investment concerns fails to assess whether its investment in each concern relative to the rest reflects the priorities it deems most beneficial for its interests. Yet, Congress has continued to operate our Government, in which our taxpayers have far more money invested than in any corporation, in a manner which allows expenditures to be agreed upon without consideration of either their effect upon the total budget picture or their relationship to Congress sense of national priorities. Partly, although not totally for these reasons, by far the largest peacetime budget deficits have occurred recently, and the total Federal debt has increased by approximately $200 billion in the last 20 years.

The legislation before us would provide a structure for preventing these tendencies. For the first time, it would provide a regular congressional framework for openly debating national priorities, rather than only the merits of individual proposals. It would also provide a procedure for consideration of overall revenue and expenditure levels and to some extent, the relationship of individual proposals to these levels and the priorities agreed upon.

I welcome in particular the bill's new controls on "backdoor spending" such as contract authority, permanent appropriations bills and "mandatory entitlement" bills. During the past 5 fiscal years, Congress has cut the administration's appropriations requests by about $30 billion. However, during the same period, Congress approved in bills other than appropriation bills—or "backdoor spending"—amounts in excess of $30 billion more than the administration's budget estimates.

I would be remiss if I did not mention my doubts about the mechanics of this bill. The proposed timetable for considering the budget is strict and I am concerned about the early deadline for reporting all legislation containing authorizations, as well as the expectation that all revenue and controllable appropriation bills could be enacted in a 2-month period. The very short time periods between receipt by the Congressional Office on the Budget of Information from all authorizing committees; its report to Congress on the budget; reporting of a resolution proposing appropriate budget levels by the budget committees; and the deadline for standing committees to report authorizing legislation; also concern me greatly. I hope that these provisions and others which may need more work will be discussed fully during the floor debate.

Nevertheless, it is imperative that we address these problems and do our best to enact a workable bill. We are all aware that according to some polls, an all-time low of 21 percent of our citizens have confidence in the Congress. I believe there are few, if any, more constructive steps we could take to remedy that situation than to pass a bill indicating that Congress is ready to reassert its constitutional responsibility to exert control over the Nation's purse strings, in a rational and effective manner.

The public relations benefits of this bill, however, are incidental. Most crucially, it is an attempt which must be made to take a major step in the direction of expending our country's money with the care and deliberation which that process deserves. For that reason, I trust we will press for its expeditious enactment.

## MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 1615. An Act for the relief of August F. Walz;

S. 1673. An Act for the relief of Mrs. Zosima Telebanco Van Zanten;

S. 1852. An act for the relief of Georgina Henrietta Harris;

S. 1922. An Act for the relief of Robert J. Martin; and

S. 2315. An Act to amend the minimum limits of compensation of Senate committee employees and to amend the indicia requirements on franked mail, and for other purposes.

The ACTING PRESIDENT pro tempore (Mr. METCALF) subsequently signed the enrolled bills.

## APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. NUNN). The Chair, on behalf of the Vice President, in accordance with title 46, section 1126(c) of the United States Code, appoints the Senator from Louisiana (Mr. JOHNSTON) to the Board of Visitors to the U.S. Coast Guard Academy, and the Chair announces on behalf of the chairman of the Committee on Commerce (Mr. MAGNUSON) his appointments of the Senator from Rhode Island (Mr. PASTORE) and the Senator from Kentucky (Mr. COOK) as members of the same Board of Visitors.

The Chair, on behalf of the Vice President, in accordance with title 14, section 194(a) of the United States Code, appoints the Senator from Alaska (Mr. GRAVEL) to the Board of Visitors to the U.S. Merchant Marine Academy, and the Chair announces on behalf of the chairman of the Committee on Commerce (Mr. MAGNUSON) his appointments of the Senator from Louisiana (Mr. LONG) and the Senator from Maryland (Mr. BEALL) as members of the same Board of Visitors.

## FAIR LABOR STANDARDS AMENDMENTS OF 1974

Mr. WILLIAMS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2747.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes, which was to strike out all after the enacting clause, and insert:

#### SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act may be cited as the "Fair Labor Standards Amendments of 1974".

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

#### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6(a)(1) is amended to read as follows:

"(1) not less than $2 an hour during the period ending December 31, 1974, not less than $2.10 an hour during the year beginning January 1, 1975, and not less than $2.30 an hour after December 31, 1975, except as otherwise provided in this section;".

#### INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1973

SEC. 3. Section 6(b) is amended (1) by inserting ", title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1974" after "1966", and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.90 an hour during the period ending December 31, 1974,

"(2) not less than $2 an hour during the year beginning January 1, 1975,

"(3) not less than $2.20 an hour during the year beginning January 1, 1976, and

"(4) not less than $2.30 an hour after December 31, 1976."

#### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 4. Section 6(a)(5) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than—

"(A) $1.60 an hour during the period ending December 31, 1974,

"(B) $1.80 an hour during the year beginning January 1, 1975,

"(C) $2 an hour during the year beginning January 1, 1976,

"(D) $2.20 an hour during the year beginning January 1, 1977, and

"(E) $2.30 an hour after December 31, 1977."

#### INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States."

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1974, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1974 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

"(A) Effective on the effective date of the Fair Labor Standards Amendments of 1974, the wage order rate applicable to such employee on the day before such date shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

"(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the day before such first day shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

"(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1974, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1974, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or $1 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1974, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2)(B).

"(4)(A) Notwithstanding paragraph (2)(A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2)(A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1, whichever is higher.

"(B) Notwithstanding paragraph (2)(B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(B), shall, on and after the effective date of the first wage increase under paragraph (2)(B), be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employee.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section (8) fixing a higher minimum wage rate."

(c)(1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### FEDERAL AND STATE EMPLOYEES

Sec. 6. (a)(1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Section 3(e) is amended to read as follows:

"(e)(1) Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

"(2) In the case of an individual employed by a public agency, such term means—

"(A) any individual employed by the Government of the United States—

"(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

"(ii) in any executive agency (as defined in section 105 of such title),

"(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

"(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

"(v) in the Library of Congress;

"(B) any individual employed by the United States Postal Service or the Postal Rate Commission; and

"(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

"(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

"(ii) who—

"(I) holds a public elective office of that State, political subdivision, or agency,

"(II) is selected by the holder of such an office to be a member of his personal staff,

"(III) is appointed by such an officeholder to serve on a policymaking level, or

"(IV) who is an immediate adviser to such an officeholder with respect to the constitutional or legal powers of his office.

"(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family."

(3) Section 3(h) is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed."

(4) Section 3(r) is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of a public agency,".

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1) "including employees handling, selling, or otherwise working on goods" and inserting in lieu thereof "or employees handling, selling, or otherwise working on goods or materials",

(B) by striking out "or" at the end of paragraph (3),

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or",

(D) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of a public agency.", and

(E) by adding after the last sentence the following new sentence: "The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce."

(6) Section 3 is amended by adding after subsection (w) the following:

"(x) 'Public agency' means the Government of the United States; the government of a State or political subdivision thereof; any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency."

(b) Section 4 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to any individual employed in the Library of Congress to provide for the carrying out of the Secretary's functions under this Act with respect to such individuals. Notwithstanding any other provision of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, or Postal Rate Commission). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.".

(c) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following new paragraph:

"(20) any employee of a public agency engaged in five protection or law enforcement activities (including security personnel in correctional institutions); or". (d)(1) The second sentence of section 16(b) is amended to read as follows: "Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated.".

(2)(A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1974, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on grounds other than State immunity from Federal jurisdiction."

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16".

### DOMESTIC SERVICE WORKERS

Sec. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: "That Congress further finds that the employment of persons in domestic service in households affects commerce."

(b)(1) Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee who in any workweek—

"(1) is employed in domestic service in one or more households, and

"(2) is so employed for more than eight hours in the aggregate,

shall be paid wages for such employment in such workweek at a rate not less than the wage rate in effect under section 6(b)."

(2) Section 7 is amended by adding at the end thereof the following new subsection:

"(k) No employer shall employ any employee in domestic service in one or more households for a workweek longer than forty hours unless such employee receives compensation for such employment in accordance with subsection (a)."

(3) Section 13(a) is amended by adding at the end the following new paragraph:

"(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary)."

(4) Section 13(b) is amended by adding after the paragraph added by section 6(c) the following new paragraph:

"(21) any employee who is employed in domestic service in a household and who resides in such household; or".

### RETAIL AND SERVICE ESTABLISHMENTS

SEC. 8. (a) Effective July 1, 1974, section 13(a)(2) (relating to employees of retail and service establishments) is amended by striking out "$250,000" and inserting in lieu thereof "$225,000".

(b) Effective July 1, 1975, such section is amended by striking out "$225,000" and inserting in lieu thereof "$200,000".

(c) Effective July 1, 1977, such section is amended by striking out "or such establishment has an annual dollar volume of sales which is less than $200,000 (exclusive of excise taxes at the retail level which are separately stated)".

### TOBACCO EMPLOYEES

SEC. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b)(2) of this Act the following:

"(l) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37 (as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco,

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture) or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packaging, perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek, compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section."

(b)(1) Section 13(a)(14) is repealed.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b)(4) of this Act the following new paragraph:

"(22) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapper tobacco; or".

### TELEGRAPH AGENCY EMPLOYEES

SEC. 10. (a) Section 13(a)(11) (relating to telegraph agency employees) is repealed.

(b)(1) Section 13(b) is amended by adding after the paragraph added by section 9(b)(2) of this Act the following new paragraph:

"(23) any employee or proprietor in a retail or service establishment which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, who is engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telephone company where the telegraph message revenue of such agency does not exceed $500 a month, and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(23) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, section 13(b)(23) is repealed.

### SEAFOOD CANNING AND PROCESSING EMPLOYEES

SEC. 11. (a) Section 13(b)(4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours."

(c) Effective two years after such date, section 13(b)(4) is repealed.

### NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who (A) is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

### HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who performs maid or custodial services) who is", (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee of a hotel or motel who performs maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employee unless (1) such employee has been informed by the employer of the provisions of this subsection, and (2) all tips received by such employee have been retained by the employee, except that this subsection shall not be construed to prohibit the pooling of tips among employees who customarily and regularly receive tips."

### SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (relating to salesmen, partsmen, and mechanics) is amended to read as follows:

"(10)(A) any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles, trucks, or farm implements, if he is employed by a nonmanufacturing establishment primarily engaged in the business of selling such vehicles or implements to ultimate purchasers; or

"(B) any salesman primarily engaged in selling trailers, boats, or aircraft employed by a nonmanufacturing establishment primarily engaged in the business of selling trailers, boats, or aircraft to ultimate purchasers; or".

### FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15. (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, such section is repealed.

### BOWLING EMPLOYEES

SEC 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(b) Effective two years after such date, such section is repealed.

### SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

"(24) any employee who is employed with his spouse by a nonprofit educational institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, and

"(B) who are enrolled in such institution and reside in residential facilities of the institution,

while such children are in residence at such institution, if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000; or".

### EMPLOYEES OF CONGLOMERATES

SEC. 18. Section 13 is amended by adding at the end thereof the following:

"(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to, but materially support, the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by paragraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section 3(s)."

### SEASONAL INDUSTRY EMPLOYEES

SEC. 19. (a) Sections 7(c) and 7(d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks", and

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks".

(b) Section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out "five workweeks" and inserting in lieu thereof "three workweeks", and

(2) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks".

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

### COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Section 13(b)(15) is amended to read as follows:

"(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or sirup; or".

(b)(1) Section 13(b) is amended by adding after paragraph (24) the following new paragraph:

"(25) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13 (b)(25) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13 (b)(25) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

(c)(1) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

"(26) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugarcane into sugar (other than refined sugar) or sirup and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(26) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year" and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(26) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

### LOCAL TRANSIT EMPLOYEES

SEC. 21. (a) Section 7 is amended by adding after the subsection added by section 9(a) of this Act the following new subsection:

"(m) In the case of an employee of an employer engaged in the business of operating a street, suburban or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment."

(b)(1) Section 13(b)(7) (relating to employees of street, suburban or interurban electric railways, or local trolley or motorbus carriers) is amended by striking out ", if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, such section is repealed.

### COTTON AND SUGAR SERVICE EMPLOYEES

SEC. 22. Section 13 is amended by adding after the subsection added by section 18 the following:

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

"(B) exclusively to provide services necessary and incidental to the receiving, handling and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarily engaged in storing and compressing;

"(C) exclusively to provide services necessary and incidental to the receiving, handling, storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing and processing of cottonseed; or

"(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugar cane or sugar beets; and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek, compensation at a rate not less than one and one-half times, the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7."

### OTHER EXEMPTIONS

SEC. 23. (a)(1) Section 13(a)(9) (relating to motion picture theater employees) is repealed.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

"(27) any employee employed by an establishment which is a motion picture theater; or".

(b)(1) Section 13(a)(13) (relating to small logging crews) is repealed.

(2) Section 13(b) is amended by adding after paragraph (27) the following new paragraph:

"(28) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employed by his employer in such forestry or lumbering operations does not exceed eight."

(c) Section 13(b)(2) (insofar as it relates to pipeline employees) is amended by inserting after "employer" the following: "engaged in the operation of a common carrier by rail and".

### EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsection (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe.

"(b)(1) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail or service establishments.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a)(5) or not less than $1.30 an hour, whichever is the higher (or, in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

"(3) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

"(4)(A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may issue a special certificate under paragraph (1) or (2) for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that, if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subparagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

"(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of the student status of the employees to be employed under such special certificate."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws."

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b)."

### CHILD LABOR

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

"(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age."

(b) Section 1(c)(1) (relating to child labor in agriculture) is amended to read as follows:

"(c)(1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is less than twelve years of age and (i) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a)(6)(A)) required to be paid at the wage rate prescribed by section 6(a)(5),

"(B) is twelve or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

"(C) is fourteen years of age or older."

(c) Section 16 is amended by adding at the end thereof the following new subsection:

"(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

"(1) deducted from any sums owing by the United States to the person charged;

"(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"(3) ordered by the court, in an action brought for a violation of section 15(a)(4), to be paid to the Secretary.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled 'An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes' (29 U.S.C. 9a)."

### SUITS BY SECRETARY FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: "The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to an employee or employees under section 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right, provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary is an action under this subsection in which a recovery is sought of unpaid minimum wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provision of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary."

### ECONOMIC EFFECTS STUDIES

Sec. 27. Section 4(d) is amended by—

(1) inserting "(1)" immediately after "(d)";

(2) inserting in the second sentence after "minimum wages" the following: "and overtime coverage"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishments described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976."

### NONDISCRIMINATION ON ACCOUNT OF AGE IN GOVERNMENT EMPLOYMENT

Sec. 28. (a)(1) The first sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630 (b)) is amended by striking out "twenty-five" and inserting in lieu thereof "twenty".

(2) The second sentence of section 11(b) of such Act is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(3) Section 11(c) of such Act is amended by striking out ", or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

(4) Section 11(f) of such Act is amended to read as follows:

"(f) The term 'employee' means an individual employed by any employer except that the term 'employee' shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision.".

(5) Section 16 of such Act is amended by striking out "$3,000,000" and inserting in lieu thereof "$5,000,000".

(b)(1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as section 16 and section 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

### "NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"Sec. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules, regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each department, agency, or unit referred to in subsection (a);

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

"(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any persons aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law.".

### EFFECTIVE DATE

Sec. 29. (a) Except as otherwise specifically provided, the amendments made by this Act shall take effect on the first day of the second full month which begins after the date of the enactment of this Act.

(b) Notwithstanding subsection (a), on and after the date of the enactment of this Act the Secretary of Labor is authorized to prescribe necessary rules, regulations, and orders with regard to the amendments made by this Act.

Mr. WILLIAMS. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives to S. 2747 and agree to the request of the House for a conference on the disagreeing vote thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. Burdick) appointed Mr. Williams, Mr. Randolph, Mr. Pell, Mr. Nelson, Mr. Eagleton, Mr. Hughes, Mr. Hathaway, Mr. Javits, Mr. Schweiker, Mr. Taft, and Mr. Stafford conferees on the part of the Senate.

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## H.R. 5236—CONVEYANCE OF CERTAIN MINERAL INTERESTS IN THE STATE OF UTAH

Mr. MOSS. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs be discharged from further consideration of H.R. 5236 and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered, and the bill will be stated by title.

The assistant legislative clerk read as follows:

> H.R. 5236, to provide for the conveyance of certain mineral interests of the United States in property in Utah to the record owners of the surface of that property.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MOSS. Mr. President, H.R. 5236 was passed by the House of Representatives on March 4 and referred to the Interior and Insular Affairs Committee on March 5. On the same day, March 5, the Interior Committee reported an almost identical bill, S. 265, which I sponsored and which was subsequently passed by the Senate on March 7.

Mr. President, while the provisions of these two bills are not identical, they are very similar and in fact the provisions of the House-passed bill are in many respects an improvement on those passed by the Senate.

Mr. President, I therefore move that the Senate concur in the bill which was passed by the House, H.R. 5236.

Mr. GRIFFIN. Mr. President, reserving the right to object—and I shall not object—I want to indicate for the record that the distinguished ranking Member, the Senator from Arizona (Mr. Fannin) has been consulted with regard to this request and he approves of it. As I understand it, the motion just made by the Senator from Utah meets with the approval of this side of the aisle.

Mr. MOSS. Mr. President, I thank the Senator from Michigan. There is no objection from the Committee on Interior and Insular Affairs. It has been cleared by both sides of the committee and the ranking Republican member on the committee.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Utah.

The motion was agreed to.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate resumed the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a Budget Committee in each House; to create a congressional office of the budget, and for other purposes.

Mr. McGOVERN. Mr. President, I call up my amendment which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. McGOVERN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 168, line 3, strike out the quotation marks and on page 168, between lines 3 and 4, insert the following: "(i) The President shall include in the Budget transmitted to the Congress pursuant to subsection (a), estimates for appropriations to be made during the fiscal year to which that Budget applies which are by law authorized to be obligated in the immediately succeeding fiscal year for grants, contracts, or other payments under any program for which such appropriations are or may hereafter be, authorized (including but not limited to appropriation estimates pursuant to section 412 of the General Education Provisions Act (20 USC 1223)). Within 30 days after enactment of this subsection, the President shall transmit to the Congress supplemental budget estimates for such appropriations to be obligated in the immediately succeeding fiscal year.

Mr. McGOVERN. Mr. President, this amendment is virtually identical to S. 3163, which I introduced last week on behalf of Senators Biden, Brock, Case, Cook, Hansen, Kennedy, and Pastore, and has been modified only to integrate it with the provisions of the pending bill.

The basic thrust of the amendment is to include in the budget the President submits under the Budget and Accounting Act, as amended by this bill, estimates for the advanced funding of programs which are authorized by law to be appropriated 1 year in advance of the year they are to be obligated, as for example certain educational programs administered by the Commissioner of Education.

One of the principal problems school administrators face today is the delay in appropriating funds for education programs. Even if the administration were more cooperative, the actual appropriations would not be made until the late spring or early summer before the start of the new school year with notice of the individual school district entitlements some months later. For the school districts to plan the next school year properly and negotiate teacher contracts, they ought to know the amount of Federal funds they will receive the following year by early spring at the latest. So, even under the best of circumstances, the present fiscal year appropriations process does not meet school district administrative needs.

This means that the school administrator does not know what Federal funds to expect for the school year until 2 or 3 months after school has opened. Since an administrator cannot plan on dollars which may not come, this has meant less education for students and economic uncertainly for teachers.

The change in the start of the fiscal year proposed under S. 1541, from July 1 to November 1, while helpful in many other areas, would actually further delay notice of individual school district entitlements by as much as 4 months unless we provide for the advance funding of those programs.

In 1968, the last year of the Johnson administration, the Congress enacted a statute which if implemented would avoid this problem entirely.

This statute (20 U.S.C. 1223) authorizes appropriations for educational programs administered by the Commissioner of Education in "the fiscal year preceding the fiscal year for which they are available for obligation." In other words, this statute would move the appropriations process back 1 year so that appropriations for fiscal year 1976 would be passed in fiscal year 1975 even though they would not be available for obligation until the following year. If this procedure were followed, school officials would know the amount of funds they would receive 1 year earlier than is presently the case.

The statute also provides for a 2-year appropriation in the first year it is implemented in order to effectuate a transition to this method of appropriating educational funds.

Appropriating funds on this basis would have no effect on the size of the Federal budget, since the funds would show up as outlays only in the year they were to be expended and not in the year they are appropriated.

The amendment I am offering would implement this and other similar forward funding statutes which have been or may hereafter be enacted by including in the budget estimates of the funds necessary to be appropriated on that basis. This would not only facilitate the congressional budget process but also provide for the kind of notice school districts and other similarly situated entities need to plan their budgets rationally.

Mr. President, I know of no objection to the amendment. I have checked with the managers of the bill on both sides. I hope the amendment will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. ROBERT C. BYRD. I ask the managers of the bill whether they agree to accept the amendment.

Mr. PERCY. From the standpoint of this side of the aisle, there is no objection at all. We have agreed to accept it.

Mr. MUSKIE. That is right. Speaking for this side of the aisle, we have agreed to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. McGOVERN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MUSKIE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METCALF. Mr. President, just over a year ago, in introducing S. 1215, the Federal Fiscal and Budgetary Information Act, I pointed out—

First, that congressional ability to acquire and effectively use fiscal, budgetary, and program data and information—most of which must be obtained from the executive branch—was woefully inadequate;

Second, that establishment of a new congressional budget procedure—to identify and select more sensibly among competing program interests and priorities—would add information requirements which we were in no position to meet; and

Third, that the time had come for Congress to create a modern information handling facility of its own.

Mr. President, the record of hearings and committee deliberations on S. 1541, the Congressional Budget Act of 1974, certainly supports this proposition: Expansion of congressional capability to command sources of reliable information is a precondition of effective legislative budget control.

That is why the Government Operations Committee was convinced of the imperative need for a new Congressional Office of the Budget, with a staff similar in expertise to that of the President's Office of Management and Budget. I am delighted that the Senate Rules and Administration Committee, in its report on S. 1541, "strongly supports the need for this new staff office in the Congress."

Similarly, both committees recognized the need for improved congressional access to more reliable and useful information in the executive branch. That is why both committees included provisions of S. 1215, in revised form, which amend title II of the Legislative Reorganization Act, to insure that the Congressional Office of the Budget—among other congressional information users—can specify, obtain, and use the data and information it will require to perform its duties. And, again, I am delighted to add, both committees agreed—

First, that this authority—contained in title VIII of S. 1541—"properly exercised, will vastly extend the information reach of the Congress;"

And, second, that the amendatory language of title VIII "will insure that the original intent of the Legislative Reorganization Act is fully realized."

Mr. President, to demonstrate the significance of title VIII, and its critically important relationship to the new procedure in the Congressional Budget Act of 1974, I must first describe what we attempted to accomplish and our experience under the provisions of the 1970 act which this title amends.

As many Senators will recall, in developing the Legislative Reorganization Act of that year, Congress foresaw the need for improvement of executive branch information systems, and for provision for consideration of congressional needs in their development and use. The legislative history of the requirements eventually incorporated as sections 201, 202, and 203, of the act, and their intent, have been described in some detail in House Report No. 92-1337, issued by the Joint Committee on Congressional Operations. I ask unanimous consent that the relevant portions of this report be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REQUIREMENTS OF THE 1970 ACT

For the first year after the effective date of title II, systems developers within the Office of Management and Budget persisted in a narrow conception of what would be required under the 1970 Legislative Reorganization Act.

Work already underway on information systems designed primarily for use in budget and program decision processes at the highest executive level was simply to be continued, and slowly. Only parttime technical staff and management support were made available for the title II project. Priorities for development of the all-important classifications were set without reference to congressional interests and information needs. An inventory of existing executive branch information systems and data sources was considered, then abandoned.

At the heart of title II are (1) congressional participation in the design of and the benefits from establishment of an improved Federal fiscal and budgetary information system; and (2) congressional access to such information, *when and as needed*, in the executive branch.

The legislative history makes these points clear: Congress needs "ready access to information that already exists and expert assistance in locating and analyzing that information." Moreover, the purpose of sections 201 and 202 is to "furnish congressional participation for the program already underway in the [then] Bureau of the Budget to classify information so that the same activity means the same thing in each agency and department." And the first step is the establishment of standard classifications "so that our studies produced will yield accurate and useful information."

The House Committee on Rules' report on the 1970 act discusses title II in some detail, emphasizing the requirement for congressional involvement in systems development and indicating that more than standardization is intended. Also required are classification structures and procedures that will produce data and information suited to the needs of *all* branches of the Government. Because of the project's potential for increasing congressional knowledge of governmental financial operations, the House Rules Committee pointed out that it is "vitally important to the legislative branch that those who evolve the system make adequate provision for congressional needs and applications." And, it was added—

To assure that result, sections 201 and 202 involve the Comptroller General, in effect as an agent of Congress, in the development, establishment, and maintenance of the system. And section 202 instructs the responsible officials to go about their tasks in a manner that will *meet the needs not only of the executive branch but of all of the branch of the Government.*

It is difficult to forecast when this system will become completely operative. In the meantime, and to provide a supplementary facility even after the system is completed, Congress *needs to know what program and fiscal data is already available in the executive branch.*

Throughout, in considering these provisions in 1967 and again in 1970, it was Congress' understanding that for some years the executive had been undertaking a program-planning-budgeting systems approach and associated efforts to improve the quality and availability of information needed for proper management of Federal programs and activities. "During the past half decade," the House Rules Committee report states, "the executive branch has been developing a system for collecting and analyzing budget data which promises to improve its ability to prepare and to evaluate the budget." It is hoped that this system, the report continued—

* * * will ultimately assist the executive branch in making more meaningful comparisons between the costs of Federal programs and their benefits. Moreover, it will permit the extraction of many other types of specialized information about the fiscal aspects of Federal activities.

Thus, what was intended in section 201-203 of title II—and what will be required in their implementation is—

First, that the effort to improve the acquisition, reporting, and analysis of fiscal, budgetary, and program-related data and information must be continued, with congressional participation;

Second, that the design and operating procedures of a standardized fiscal and budgetary information and data processing system must provide adequately for congressional needs and applications; and

Third, that the governmentwide standard classifications of programs, activities, receipts, and expenditures of Federal agencies must reflect and serve not only Executive requirements and purposes but those of the Congress as well.

And, before and after the standardized system is in operation, provision must be made for congressional access to—and full information about—fiscal budgetary, and program-related data and information available in the executive branch.

Mr. METCALF. Briefly stated, the intent of these sections of the 1970 act was to insure, first, congressional participation in the design of—and the benefits from—establishment of an improved Federal fiscal and budgetary information system; and second, for congressional access to such information, when and as needed, in the executive branch. Responsibility for developing and establishing the systems was assigned to the Office of Management and Budget and the Department of the Treasury, in cooperation with the Comptroller General, acting as agent of Congress.

The Joint Committee on Congressional Operations, of which I am chairman in this Congress, began monitoring implementation of sections 201, 202, and 203 in early 1971. The joint committee held hearings and, as I indicated a moment ago, issued a report on August 15, 1972, detailing gaps in executive reporting practices and capabilities that have serious consequences for congressional review of and control over Federal expenditures. I ask unanimous consent that portions of this report describing congressional information needs and excerpts from its findings and recommendations be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL INFORMATION NEEDS

Preliminary results of a comprehensive requirements study, begun by GAO in mid-1971, indicate the wide range and diversity of fiscal, budgetary, and program-related information which Congress must acquire and process to monitor Federal financial operations. In summary, the Comptroller General's February 17, 1972, report points out that Congress needs to *easily* obtain information on—

*Federal programs and projects:* Basic financial information, such as on budget requests, authorizations, appropriations, obligations, and expenditures, related to a variety of classification structures based on definable congressional user patterns. Congressional user patterns identified in our survey include committee jurisdictions, responsible Federal organizations, broad objectives or subjects, rural and urban areas, and target groups.

*Federal fiscal policies:* Socioeconomic information and national estimates, such as gross national product, consumer income, and cost-of-living indices; Federal subsidy programs; tax expenditures; and foreign currency holdings.

*Federal financial actions affecting States and political subdivisions:* Information on revenues and outlays and domestic assistance programs related to States and their political subdivisions.

Executive agencies—the primary, if not sole source for such information—can and do meet some of the needs identified in these areas. But there are gaps in existing reporting capabilities and practices that have serious consequences for congressional review and control of Federal expenditures.

Of particular concern are the problems involved in dealing with multiple sources of basic financial information. At present such information is acquired within and reported by a maze of classification schemes and systems, established over the years to serve various purposes. Comparisons between information from these systems are at best difficult to make. At worst, they are misleading, because program terminology, accounting methods, and coding procedures differ from agency to agency—and even between bureaus within agencies. Moreover, existing executive reporting capabilities and practices leave much to be desired. Lengthy delays in responding to congressional inquiries; difficulties encountered in clarifying, from agency sources, costs associated with activities carried out at lower levels in the departmental hierarchy; identifying changes in program directions resulting from funding decisions within the executive; in linking fiscal and budgetary information to authorizing legislation; in determining where Federal funds are being expended, for whose benefit, and for what purpose—all were cited frequently during a survey of committees and Members conducted in conjunction with the GAO requirements study.

Patterns of information use vary widely from committee to committee, Member to Member, and policy question to policy question. Federal accounting systems cannot be structured to meet all congressional needs without statistical manipulation. Special reports and analyses will have to be prepared, on demand, just as they are now. Nor is it feasible to accommodate all congressional requirements in a centralized information system or fully integrated, massive data file. Different types of users (e.g., authorizing, appropriations, revenue, oversight, investigatory committees) have different needs (in terms of frequency of use, currentness of information, etc.) and no single reporting format can satisfy these. But the basic information must be consistent—from standardized and compatible data sources.

The Joint Committee understands that the GAO survey is designed, in effect, to assist in sorting out one-time information needs from those which reoccur and can best be met systematically; to identify those which can be met periodically with printed documents and those which may require immediate response; and to determine the reporting formats best suited to the needs of the various types of congressional users. Thus, as the Comptroller General's report concluded,

* * * it is expected that the Congress will require a wide range of access and reporting capabilities, ranging from annual reporting to an ability to obtain date immediately through use of a computer terminal. The accounting systems of the Federal Government should provide the needed data. In addition, the Congress needs the ability (1) to obtain budgetary and fiscal information through easily identifiable sources, (2) to identify sources of additional pertinent information, and (3) to effectively access those sources and to analyze responses.

Since August 1971, when interviewing was started, a nine-member GAO technical staff has been assigned full time to the requirements study. In a statement submitted for the hearings record, the Comptroller General assured the Joint Committee that additional staff will be assigned as needed. "This is one of our highest priority projects," he stated, "and we plan to devote sufficient resources to do the job effectively." Thus far, initial interviews have been held with the staffs of all of the committees and with the offices of 68 Members of both Houses.

The Comptroller General's preliminary report was sent February 17 to all committees and Members for review and comment, but little change was anticipated in the general information categories it contains. "The comments we have received on that preliminary report," a GAO spokesman advised the Joint Committee on April 25, "indicate that it was basically complete and that only details remain to be worked out. We do not intend to save up further information until we have it all complete. We will transmit such information to OMB and Treasury as rapidly as we can obtain it from the committees and Members of the Congress."

What remains to be done is the definition, in much greater detail, of specific access and reporting requirements reflecting the differing needs of the various committees as well as Members of both Houses. Thus, the GAO staff will have to maintain "a continuous liaison" with the congressional users of budgetary and fiscal information. "Our objective in maintaining this liaison," the Comptroller General stated, "is to work with the congressional staffs to refine the general information needs described in our report to the level of detail necessary for executive branch implementation of the standard classifications and the data processing system." Other work scheduled by GAO in connection with its requirements study includes:

Resolving specific problems involving currently provided information of * * * committees and Members.

Obtaining congressional users' approval of report layouts or formats prior to the initiation of development work on the system that is to produce such reports.

Providing congressional users with an opportunity to use the developed system and examine its reporting capability prior to full system operations.

Developing and providing a comprehensive training program specifically geared to acqainting congressional staffs with the procedures and methods for accessing and retrieving information from the system. This should be supplemented with comprehensive user manuals documenting such procedures and methods.

Providing procedures for improving congressional reports, identifying new congressional information needs, and developing system changes to meet new congressional report requirements.

Detailed definition of congressional requirements is expected to be completed within the next 18 to 24 months.

### JOINT COMMITTEE FINDINGS AND RECOMMENDATIONS

Testimony in the Joint Committee's hearings and preliminary results of the GAO survey indicate the scope of the title II project and provide a framework within which *effective* planning can proceed. In concert with the other agencies directly involved, the OMB must now prepare a firm schedule for work on the project's major elements and an estimate of the technical staff and management personnel needed for its timely and orderly completion. The approach must be sufficiently broad to incorporate congressional requirements as these are defined and made available by the GAO.

To avoid unnecessary costs and duplication of effort, the requisite access and reporting capabilities should be considered in the context of existing fiscal, budgetary, accounting, and management information systems and practices in the executive departments and agencies.

As Caspar W. Weinberger, then Deputy Director of OMB, pointed out during the hearings, congressional requirements should be met whenever possible through modification of information systems presently in operation. "We have the problem," he advised the Joint Committee, "that, because we have a lot of these systems already going, it's a little hard to start from scratch. In fact, it's just about impossible. We have to build, in a way, on what we have."

It is evident, therefore, that executive planning must include a thoroughgoing inventory and review of significant information systems operating not only within OMB and the Treasury Department but in the other Federal agencies as well. Such a review, in conjunction with GAO survey findings, will identify those systems and classification schemes that can be adapted, with minor adjustments or supplementary procedures, to improve the flow of information to Congress. It also will assist the systems developers in identifying any reporting procedures or practices that are either obsolete and no longer serving a useful purpose or are costly but of marginal utility.

It is equally apparent, however, that adequate provision for some of the congressional needs described in the Comptroller General's report will require development of new reporting capabilities or major alteration of systems and classification schemes presently in operation or being devised in the executive. Classification structures which must be considered in connection with basic financial information needed on Federal programs and projects are illustrative:

First, both necessity and common sense dictate the requirement for standard definitions and uniform accounting procedures. In his testimony, the Comptroller General described this as a "central" issue: "A terribly complicated problem has always been the definition of terms so that you can get some commonalty of meaning, so that programs which are supportive or even duplicative among different agencies can be identified and related. * * * To some extent any definition of this type for budgetary purposes has to be arbitrary. To some extent it has to be contingent on your judgment as to what constitutes a program. This will change from time to time depending upon changes in legislation and changes in needs and circumstances. * * * Until you can get agreement on the definitions, it is very difficult to move from that point."

Second, highly generalized program information which may be suitable for use in the Executive Office of the President is not necessarily sufficient for most congressional committees. We will require program and project classification structures to provide the kind of detail included in such documents as agency justifications, including breakdowns by object categories. This means that standardization and systems compatibility will have to extend deep into the agencies, in some instances, to the project manager and operating level. For example, we will need a uniform method of linking projects and funding status, the amount provided by Congress and the amount actually spent by the Executive. Congressional committees often review individual grants, loans, and contracts. The classification structure will have to permit us to easily acquire financial and program data about these, individually or in groups, from numerous operating organizations in the executive branch.

Third, Congress needs not only to be able to identify programs and projects with the executive organization responsible for their day-to-day management. For more intensive program review, as intended by the 1970 act, we have to compare performance with the objectives and criteria intended by the Congress in authorizing and appropriating funds. Thus, we must also link programs and projects to their legal base, classifying them by appropriations and by authorizations and committee jurisdictions.

Fourth, looking to the future, as research techniques for performance measurement and evaluation become more fully developed, we will need classifications for impact data, by target groups and by geographic areas. The target group concept must be carefully defined, and a wide range of geographic area definitions must be considered, including regions, urban and rural, States, congressional districts, and cities.

Because of the complexity of these structures, and because they are essential to support needed information capabilities pertaining to fiscal policy and financial actions affecting States, planning for development and application of the program and project classifications should take precedence initially. If priorities must be assigned for consideration of individual structures, these should reflect the level of difficulty involved in establishing the various classifications, not simply their function in Executive decision processes. On this basis, extra effort and resources should be devoted to the program, legal, and impact data classification structures.

Another aspect of the title II project which requires close and continuing attention is provision for making fiscal, budgetary, and program-related information available to Congress, when and as needed. What mechanisms and reporting procedures will ultimately have to be devised to assure congressional access can only be determined when the overall systems plan has been more fully developed. But systems developers in both branches should now be considering alternative methods. Meanwhile, as suggested by the following exchange in testimony during the hearings, Congress should direct the executive to inventory information sources presently available:

Chairman Brooks. OMB working papers state that virtually none of the agencies have what they call composite inventories of data available in their present systems, which suggests that we are perhaps working in the dark. Is there any reason why such an inventory cannot be made now, and made available to the Congress?

Mr. Staats. I think this is largely a question of staff. I don't believe that it's an infeasible operation. It hasn't been done. The act in a sense contemplates this when it refers to the requirement on the OMB to identify for Congress sources of information which may be available.

I think that this is a matter of importance.

I recall visiting with the chairman and ranking minority member of one of the important committees of Congress just recently, I might add, who jointly were making the point that they had no real index or repository even of annual reports being made by the agencies to the Congress and what were the principal things covered in those reports. The result was that annual reports that are presented to the committee were passed on either to the Library or to the round file simply because there was no adequate way of identifying the kind of information in those reports which they felt would be useful to that committee.

Accordingly, to facilitate congressional access as the necessary review of present executive reporting capabilities and practices, the OMB and Treasury Department—in cooperation with the Comptroller General—should be required to (1) develop, establish, and maintain an up-to-date inventory of sources of basic financial information on Federal, State and local governmental units; and (2) assist Congress in securing data from these sources and in analyzing such data. This inventory should include a synopsis of reports prepared in accordance with statutory requirements by each agency along with a listing of the agencies' major fiscal, budgetary, and program-related data files and a brief description of their content. As the agent of Congress, the Comptroller General should be directed to (1) review the inventory and related information services on a continuing basis to determine whether they are satisfying congressional needs and requirements; (2) recommend any changes in the inventory and services which may from time to time be necessary to improve their usefulness to Congress; and (3) provide, upon request, assistance to committees and Members of Congress in accessing the sources identified in the inventory and in appraising and analyzing information obtained from them.

Mr. METCALF. The joint committee found little evidence that the OMB—which assumed primary responsibility for implementation in the executive branch—intended to comply with the letter and spirit of the 1970 act. I ask unanimous consent that portions of the report describing the executive branch approach at this time be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### Implementation in the Executive Branch

Proper development of classification structures and procedures is a critically important first step in implementation of title II.

Standard *terminology* and *definitions* are necessary if information systems are to facilitate review of programs or activities which, while they have similar objectives, are operating in different agencies. Appropriate classification *structures* and *procedures* also must be devised and applied. And these will determine which kinds of data and information are acquired as well as how such information can be reported on demand from congressional and other users. If congressional committees are to be able to secure from *Federal information systems* tabulations of expenditures for all community development activities by geographical location or types of recipients, for example, then data must be identified (or classified) accordingly when they are originally prepared for storage within the system. The format and content of tabulations, the level of detail possible, the immediacy of the response to inquiries, the currentness and completeness of the data and information generated by information systems—all will be controlled by the classification standards and procedures eventually adopted and applied governmentwide.

Classification schemes and information systems presently in use have been established over the years in response to particular organizational needs—including those of the Congress—and to perform specific functions. Their design has both affected and been affected by changes in the budget process, most notably in the shift from appropriation budgeting toward program budgeting that began in 1949. Some of these classification and reporting requirements are fixed by statute or regulation. For example, the 1946 Legislative Reorganization Act authorizes and directs the Senate and House Committees on Appropriations, acting jointly, to develop a standard appropriation classification schedule "which will clearly define in concise and uniform accounts the subtotals of appropriations" requested by executive agencies. Further, this act requires that each agency's request be preceded by such a schedule in the printed hearings.

These classification schemes, reporting requirements, and capabilities for providing information are a part of the decision process. Each has its constituents, the users who, while they are perhaps not always satisfied with the product, at least are familiar with the existing system's operation. An abrupt or ill-considered change of any consequence would be highly disruptive to ongoing programs and governmental activities. Any major new reporting requirements or capabilities not clearly needed would lead to significant unnecessary costs.

This is why, as early as October 1971, the Joint Committee sought—unsuccessfully—for assurances from the OMB that it was planning for the permanent management unit and technical staff resources necessary to carry out a long-term project that will affect the information systems and reporting practices of every Federal agency. It is also why, at the same time, we questioned whether meaningful priorities could be assigned for development of classification standards and structures before completion of the congressional requirements study then being conducted by the Comptroller General. Then, as now, we were concerned that (1) implementation of title II be moved forward *as rapidly as is consistent with effective planning*, and (2) the needs of Congress for fiscal, budgetary, and program-related data and information be both considered and accommodated by the systems developers.

OMB's initial approach was not reassuring where either of these areas of concern was involved.

In a first annual report to the Congress, issued on September 1, 1971, the OMB and Treasury Department outlined what was being done or in prospect to satisfy title II requirements. Later said to be based on their interpretation of the act, "in the absence of any specific guidance from the Congress," this report described a number of executive information systems, in operation or being developed, and procedures for establishing classification standards.

Conceived prior to passage of the 1970 act, the systems were characterized variously as meeting "most of the basic requirements" of section 201 or providing—in the experience gained in their development—a "good foundation for moving ahead" on these requirements. Subsequent testimony and statements submitted in the Joint Committee's hearings indicated the purpose and status of these, as well as identifying related work underway in the executive, as follows:

*Budget Preparation System*—Supports preparation of the President's budget and is presently used in the latter stages of this process to verify data submitted by the agencies, comparing such data with official Treasury records, and to produce special tables for analysis of program and budget data. Computer based, this system produces 15 of the 19 economic, financial, social program, and specialized analyses presented in the "Special Analyses" budget document. It also produces the object classification schedules presented in the budget appendix. Four years in the development stage, this system has been in operation since 1968, has been "very helpful," according to an OMB witness, but "has had some problems with it."

*Rolling Budget System*—Intended to support Executive decision processes throughout the year by providing up-to-date budgetary figures, including current appropriation, allotment, and expenditure data. OMB views this as the next step in evolution of the Budget Preparation System. It is expected to permit updating of budgetary figures to reflect changes resulting from congressional action, Presidential direction, and agency decisions. Inclusion of Treasury data on actual expenditures will be possible through use of standard classifications. The concept was tested in fiscal 1973 budget preparation, when OMB applied it in conjunction with budgeting for the Agriculture and Commerce Departments. Now in an early development stage, a "very evolutionary approach" is being followed in extending its use. OMB estimates that it will be at least 2 years before it will be in operation on any substantial portion of the budget.

*Program Performance Measurement System*—Designed as an agency management tool. OMB has tested the performance measurement concept on a case-by-case basis with several programs (e.g., narcotics control, corrections, organized crime, etc.) as an approach to assessing effectiveness of program management in meeting specified goals. As described by an OMB witness, it is based on some "very simple and fundamental" principles; all "we are trying to do is get a very explicit statement of exactly what it is that [the program manager] plans to accomplish, the time schedule for attaining specified results, and then let him prepare his own report card on how well he is doing in working toward the specified results." Recordkeeping for this operation is performed manually; there are no plans for governmentwide implementation.

*Catalog of Federal Domestic Assistance*—Published every 2 years from 1965 to 1969, annually since then, with midyear supplements in 1970 and again 1971. The catalog serves as a guide to more than 1,000 Federal aid programs. A machine-readable tape, with much of the information it contains, was to be "available for public sale" in the near future. OMB has not developed a system for analyzing, updating on a continuing basis, or accessing the catalog data and related information. OMB statements indicate that such a system—including provision for current appropriation/expenditure data—is not presently being planned.

*Regional Information System*—Planned to provide automated information support for the various regional councils. Initial development plans for this are not yet complete.

*Grant Notification System*—Designed to provide each State with information about grants made to governmental units within its jurisdiction. State coordinators are notified whenever a grant is awarded. In operation since July 1969, this system issued about 40,000 notifications during fiscal 1971.

*Legislative Tracking System*—Developed to follow legislation deemed essential to the President's program. Information on each bill includes sponsor, title, subject matter, related bills, committee referral, hearing schedules, Government witnesses, Rules Committee action, House and Senate action, and financial information for authorization and appropriation legislation. OMB is "putting a very substantial" amount of effort into this system. Initiated in the 92d Congress, it was being used to track about 800 bills as of March 1, 1972.

*Treasury System*—Designed largely to produce financial reports that (1) satisfy constitutional and statutory requirements, and (2) provide accounting support for the President's budget. The Treasury Department has maintained a system of central accounts to record summary data on budget receipts and outlays and related assets and liabilities of the Government since enactment of the Budget and Accounting Procedures Act of 1950. The principal products of the system are: (1) The monthly Statement of Receipts and Expenditures, which is the official statement of actual budget results with receipts and expenditures classified by organization and by major categories in the President's budget (usually a group of appropriations); and (2) the Annual Combined Statement of Receipts, Expenditures, and Balances, which represent the accountability statement for congressionally authorized spending with receipts and expenditures classified by organization and by individual receipt, appropriation, and fund account. *"It should be noted,"* the Treasury Department witness stated, *"that input to the Treasury's central accounts has traditionally been limited to summary data produced by agency (or accountable officer) accounting systems. Data in the present system can be aggregated at certain program levels and at the budget functional level, but cannot be related to programs which cut across appropriation lines. The system can be expanded, however, to accommodate almost any reasonable need if agencies have the capability to provide the input."*

In the context of title II requirements, these systems represent, at best, a modest beginning. The major budget preparation and Treasury systems have been in operation for several years. Congress can and does rely on the summary level data and information they are presently capable of producing. But congressional users require much more detailed information on programs, projects, activities, and operations performed at lower levels within executive agencies. Substantial changes will be necessary, along the lines suggested in the Treasury Department witness' testimony, if these systems are to fulfill such requirements.

In July and August 1971, the OMB organized four interagency "task groups" to "analyze the need for new or improved" governmentwide classification standards and structures. Prior to their formation, however, the Director of the OMB and the Acting Secretary of the Treasury asked executive department heads to provide "a brief description of any inventories of data available * * * that could be used to meet" title II requirements. In July, the OMB reported that "virtually none of the agencies have composite inventories of data available within their systems." Initial OMB staff memoranda proposed a fifth task force group—to develop a method for identifying and acquiring inventories of available data for use in responding to congressional committees in accordance with section 203—but such a group was not formed.

Arguing that new classification requirements of section 202 should be built upon existing structures "to the extent possible," the OMB-Treasury systems developers, in their September 1 report, attached priorities to "assure that less important classifications do not become driving forces to overcomplicate or compromise the more basic and fundamental needs." Primary attention was to be given development of three basic classification structures to support "major executive branch decision processes" and needs, as follows:

Funding structures to identify the appropriations which provide resources necessary to carry out the programs.

Organizational structures to identify responsibility for execution of the programs and establish accountability for results achieved and resources consumed.

Program structures which relate Federal programs to objectives and purposes served by those programs.

Work on each of these was assigned to an individual task group. All other classification structures—including object, geographic, target group, and funding type—were arbitrarily given a lower, "secondary" priority for development. All were assigned to a single, "analytical structures" task group. The Joint Committee, in a letter from the chairman to the Director of the OMB, on October 1, 1971, questioned the criteria for the "more basic and fundamental needs" on which these priorities were based:

> Presumably, these needs include compatibility with resource allocation and accounting system requirements. How do such criteria relate to congressional interests in standard classification and related information systems? The issue here is whether certain data will be accumulated through the accounting and budgeting system or whether they will be derived statistically to support the needs of Members and committees for more adequate analysis of Federal programs and activities. On what basis have the Office of Management and Budget and the Department of the Treasury already determined that there is not sufficient need for other kinds of information to warrant their inclusion as a "primary" classification? How can such priorities be set before completion of the requirements studies now being conducted by the Comptroller General?

The Director, then Mr. George P. Shultz, replied on October 21 as follows [emphasis added]:

> In developing our concept and proposal for "primary" classifications, the highest priority was placed on classifications used for program, budget, and resource allocation decisionmaking *which we believe are fundamental to both the executive and legislative branches' needs.* The "secondary" classifications are designed to meet a wide diversity of other specialized needs. Since the task forces are still working on these classification structures, they are by no means "set." Also, we are contemplating the establishment of administrative procedures for continual review, updating, and refinement of both the "primary" and "secondary" classifications. We believe that such flexibility is necessary if the classifications are to remain viable and relevant to emerging needs.

The task groups began meeting in August 1971. Arrangements were made for GAO personnel to participate as observers. A steering group, with GAO represented, was set up to furnish policy guidance to the task groups and to review their progress. But this oversight group met only briefly and infrequently—on four or five occasions—during 1971.

In effect, the task groups were conceived as *ad hoc* study groups; their reports were to express the views of individuals rather than a coordinated agency position. An OMB witness explained this approach to the Joint Committee, as follows:

> Chairman BROOKS. What does a task force member, say from the OEO, do when he returns to his agency? Who does he report to? How much time does he devote to this particular effort?
>
> Mr. HAASE. Let me go back to the first question. The people who have been selected to work on the task forces have been selected principally because of their own knowledge and expertise. They are actually operating on the task groups as individual representatives rather than as a formal representative of the agency.
>
> In other words, the final report they put out will express their views, not necessarily a viewpoint that is completely coordinated within the agencies and departments. This means that once the task force reports come out they will still have to go through an agency coordination process to determine * * * the feasibility, practicality, and impact of implementing the recommendations.
>
> We felt it was important to get the best people and their ideas together as the first step.

Participation on the task groups was on a part-time basis for the agency personnel involved; all had other duties in their agencies. An initial OMB staff memorandum proposed completion dates for all of the task group reports by mid-December 1971. Not surprisingly, however, these deadlines were subsequently revised, with indefinite completion dates for the reports of the program and analytical structure groups—which were addressing the "more complex longer range standardization questions." And by May 22, when the Joint Committee's hearing record was closed, only the funding and organizational task group reports were ready for circulation to the agencies.

Throughout this period, technical staff and management support for the title II project within OMB were minimal. If OMB statements to the Joint Committee are accurate, the attention of the equivalent of two professional people working full time was devoted to this effort.

The Joint Committee's letter of October 1, 1971, while approving the ad hoc study approach as a temporary expedient, questioned its long-range effectiveness:

> Whether this arrangement will suffice for the future is another matter. We are aware, of course, that standardization cannot be achieved overnight. Yet, it is not consistent with the needs of the Congress to have this effort delayed interminably for lack of essential resources. What are your plans for the permanent management unit and staff necessary to carry out the intent of the act as quickly and efficiently as possible?

The OMB Director replied:

> The task force approach was adopted to obtain representative involvement of the many organizational elements that must ultimately operate the system or could be significantly impacted by the standardization effort. Since many key system requirements are still being defined, detailed long-range plans and permanent staff resource requirements cannot be specified at this time. However, I believe that if the system is to be effective it must be operated by the staff responsible for the functions to be served by the system and we do not anticipate the need for any new and separate organizational entity for this purpose.

Finally, midway in the Joint Committee's hearings, the OMB acknowledged that its initial planning was not broad enough to meet title II requirements. In statements submitted for the record on April 20 and May 24, 1972, OMB conceded that the "recently received GAO report * * * indicated that the scope of the system development effort as anticipated by the Congress is substantially greater than previously incorporated in our plans;" that the "limited part-time involvement of staff [as described within OMB] is grossly inadequate to proceed with the planning for a system of the magnitude envisioned;" and that priorities for development of classifications "have not been changed to date but could of course be affected by subsequent clarification of congressional needs."

Once congressional needs are clearly defined, it was added, "a detailed plan to meet the expanded requirements can be developed."

Mr. METCALF. Mr. President, as of mid-1972, work under way on information systems designed primarily for use in budget and program decision processes at the highest executive level was simply to be continued—and slowly. Only part-time technical staff and management support were made available. In fact, until mid-1973, if OMB statements to the joint committee and other sources available were accurate, the equivalent of only two professional people were working full time on the Legislative Reorganization Act requirements in the entire executive branch. Moreover, the joint committee also found that priorities for development of the all-important standards—which determine the form and content of information that can be produced by information systems—had been set without reference to congressional interests and information needs. And an inventory of existing executive branch information systems and data sources—which is a key element in facilitating congressional access to and use of information in such systems—was considered in OMB, then abandoned.

In short, as the Comptroller General concluded in his second annual report to Congress on implementation of these sections of the 1970 act:

> The system contemplated by the Executive Branch will not fulfill the information needs of the Congress.

Mr. President, I ask unanimous consent that the Comptroller General's report of February 7, 1973, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ATTACHMENT NO. 4

### COMMENTS ON THE SECOND ANNUAL REPORT TO CONGRESS ON PROGRESS IN DEVELOPING STANDARD CLASSIFICATIONS AND STANDARDIZED INFORMATION

(Report of the Treasury and Office of Management and Budget by the Comptroller General of the United States)

WASHINGTON, D.C.

B-115398.

To the President of the Senate and the Speaker of the House of Representatives.

This report contains the comments of the General Accounting Office on the Secretary of the Treasury's and the Director of the Office of Management and Budget's report entitled "Second Annual Report to Congress on the Budgetary and Fiscal Data Processing System and Budget Standard Classifications." (See app. I.) That report is required by section 202(b) of the Legislative Reorganization Act of 1970 (84 Stat. 1140), which also provides for comments by this Office.

The act requires that an information system to serve all branches of the Government be established and maintained by the Department of the Treasury and the Office of Management and Budget in cooperation with the Comptroller General. The legislative history of the act contemplates that the Comptroller General will insure that the interests and needs of the Congress are considered in establishing and operating the information system.

In their second annual report to the Congress, the Department of the Treasury and the Office of Management and Budget indicated that their current plans for providing information to Congress would fall far short of what the Congress has told us are its needs. Specific comments to this effect in their report were that:

They "are proceeding with most of the basic system improvement programs reported on September 1, 1971, which are required largely to meet urgent executive branch needs."

They recognize that substantial additional resources must be applied to satisfy the congressional information requirements identified in our report of February 17, 1972 (revised Nov. 10, 1972), and now being defined in depth.

They do not intend to apply resources to the task until detailed congressional information requirements are defined by the Congress and then it is "planned to be considered in the context of overall budgetary considerations."

We have determined the information needs of the Congress through a comprehensive survey of 258 persons representing 44 committees and 69 Members of Congress. We submitted a preliminary description of congressional needs to the Congress and the executive branch on February 17, 1972, for comment. The final results of the surveys, as revised to give effect to congressional comments, are described in our report on Budgetary and Fiscal Information Needs of the Congress (B-115398, Nov. 10, 1972). (See app. II.)

Since the initial survey we have continued to work with committee staffs to further define the details of the data required. The results of our current work will provide such specific requirements as those for standardization of budget and fiscal data which, when implemented, will facilitate tracking Federal programs from year to year and comparing similar programs and activities across agency lines.

Under the current plans of the executive branch, the information system will provide the Congress with data comparable to that currently being provided although possibly more rapidly by using automated techniques. The standard information will continue to be at a summary level on appropriations, functions, and subfunctions.

The system contemplated by the executive branch will not fulfill the information needs of the Congress. For example, the following information will not be readily obtainable:

Consolidated information on similar programs and activities across agency lines.

Information on program budgets and expenditures broken down by target group, rural and urban areas, other types of beneficiaries, and political subdivisions.

Except for explicit cash payments, the cost of Government subsidies, such as loaning money at lower than prevailing interest rates.

Also existing statistical data from the Bureau of Census, Internal Revenue, Bureau of Labor Statistics, and others will not be structured for use in evaluating the effects of Federal programs on the economy in various geographical areas and on various target groups.

The Department of the Treasury and the Office of Management and Budget have indicated that they plan to do nothing further until congressional needs for information are spelled out in minute detail. The executive branch, we believe, could profitably begin developing a complete system using the work we have done to date, which documents and reports the general budgetary and fiscal information needs of the Congress. The executive branch could:

Construct and follow a comprehensive plan for coordinated systems development for the entire project. Too many organizations are involved to be working without a plan and operating procedures for communication and coordination.

Establish a full-time technical staff in the executive branch to cordinate the work. If the executive branch does not have a plan and a technical staff to receive and act promptly on the requirements submitted to them, it will be many years before any significant progress can be made toward effectively satisfying the broad information needs of the Congress. Also, we believe that a full-time executive branch staff would make our work with the committees easier and faster.

Conduct a preliminary assessment of existing information systems' capabilities to respond to the congressional needs from the information needs we provided last year so that plans for improving their systems could be developed. We believe this preliminary work could be conducted in parallel with our detailed definition of information requirements, to preclude unnecessary delay of this important undertaking.

Our initial survey of the Congress identified the basic classifications needed to aggregate information for congressional use. These include Federal programs, political subdivisions, target groups or types of beneficiaries, and others. Task groups were formed to initiate work on these classifications in 1971 but met infrequently and, to date, have made no substantive progress. In our judgment, work on these classifications need not be deferred.

The development of Federal program classifications, a major undertaking, could be effectively coordinated with our current work. In assessing the information needs of the committees, we are focusing on the identification and classification of Federal programs for which basic financial information is needed.

We recognize that there are alternative approaches to providing this information to the Congress, and we feel that it would be very productive to have the technical staffs of the executive and legislative branches considering the feasibility of different approaches now.

Through participation in hearings of the Joint Committee on Congressional Operations and periodic reports to the Congress and the Joint Committee, we have been keeping the Congress advised of our plans and progress. We will continue to discuss the implementation of the act with the appropriate executive branch officials and the involved committees to establish a plan and to get the resource committees that would be more acceptable to the Congress.

We shall continue to report to you on the major activities and events concerning the implementation of title II of the act.

Copies of this report are being sent to the Director, Office of Management and Budget, and to the Secretary of the Treasury.

Sincerely yours,

ELMER B. STAATS,
*Comptroller General of the United States.*

Mr. METCALF. It was to get us off dead center on the development of information systems as intended under the 1970 act—and to create a congressional facility for acquiring and processing fiscal budgetary and program information—that I introduced S. 1215 on March 13, 1973. As revised in committee and incorporated in title VIII of S. 1541, the amendatory language provides for a process in which standardized systems and standard definitions and classifications are to be developed cooperatively by the legislative and executive branches, the systems—their design and operation—in the Federal agencies under the leadership of the executive, and the definitions and classifications under the leadership of the Comptroller General, acting as agent of Congress.

Let me summarize briefly the changes made in the 1970 act by title VIII.

The new section 201 is substantially unchanged: Development of standardized data processing and information systems, for use by all Federal agencies, is to be carried out by the Secretary of the Treasury and the Director of OMB, in cooperation with the Comptroller General, as is the case in the present language of this section. Such systems have been in operation for some years, and work on new systems and expansion or modification of existing systems is expected to continue in the various executive departments and agencies. However, new language has been added to make it clearer:

First, that what is required is the development, not of a single all-encompassing information system, but of systems—including automated systems—which are compatible, to the maximum extent feasible, and which can provide for the most effective, prompt, and efficient reporting of data and information to Congress, as well as in and among the various branches of Government;

And second, that Congress intends that program-related data and information, such as social and economic data, is within the scope of this section. The experience of the Government Operations Committee, the Joint Committee on Congressional Operations, and the Comptroller General—based on an extensive survey of congressional information needs—all strongly indicate the need for such information in dealing with Federal fiscal policy and program funding decisions.

Additionally, the new language recognized the urgent need for standardization of information systems at all levels of Government, in the interests of creative Federalism. Thus, the section includes a requirement that development of such systems be carried out so as to meet the needs, insofar as practicable, of governments at the State and local level.

The new section 202—and this is the heart of the matter—shifts primary responsibility for developing standard definitions and classifications from the executive to the Comptroller General, acting as agent for the Congress.

Further, it provides that such standards shall be used by Federal agencies in supplying information to the Congress. It establishes a date certain—June 30, 1975—for promulgation of the initial standards and provides for their modification to meet changing legislative and executive branch information needs.

Mr. President, the new provisions of section 202 have inspired active opposition from OMB—which, until recently, has been totally inactive on anything connected with this section's requirements—and from retiring Treasury Secretary Shultz as well. Because of the administration's opposition, and so Senators may clearly understand the nature of the issue and the stakes involved, I will quote extensively at this point excerpts from the Rules and Administration Committee's report on title VIII. Referring to the amendatory language of section 201, the report states:

> As reported by the Senate Committee on Rules and Administration, title VIII of S. 1541 provides for a process in which the Comptroller General—*in cooperation with the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Director of the Congressional Office of the Budget*—is directed to develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information. Moreover, this title provides that such standard terms, definitions, classifications and codes shall be used by all executive agencies in supplying to the Congress fiscal, budgetary and program-related data and information.
>
> In his testimony before the Subcommittee on January 15, 1974, Roy L. Ash, Director, Office of Management and Budget, questioned the propriety of "requiring * * * that the President develop his budget using terminology, definitions, classifications and codes developed by the Comptroller General of the United States." Citing section 201(a) of the Budget and Accounting Act of 1921, which states that the budget shall be presented "in such form and detail as the President may determine," the OMB Director said:
>
> "We believe that removal of this authority from the Executive raises serious questions about the proper roles of the Executive and Legislative Branches."
>
> The committee strongly agrees with the response of Senator Robert C. Byrd, Chairman of the Subcommittee:
>
> "Now, that language was not inserted by our forefathers at the Constitutional Convention. That was created by Congress. What Congress gives, it can take away.
>
> "Congress gave that authority in those words, 'in such form and detail as the President may determine.'
>
> "Congress may deem it, in the light of hindsight, to be advisable to do otherwise."
>
> The committee earnestly hopes and believes the President's discretion can be preserved. That is why this title provides for a process in which standardized information systems and standard definitions and classifications are to be developed cooperatively by the Legislative and Executive Branches, the systems in the Federal agencies—their design and operation—under the leadership of the executive, and the definitions and classifications under the leadership of the Comptroller General, acting as agent of the Congress. The purpose of establishing this cooperative arrangement is:
>
> (1) to facilitate the development, establishment, and maintenance of information systems, including automated systems, in the various branches of the Government;
>
> (2) to assure that such systems are compatible, to the maximum extent feasible; and
>
> (3) to provide for the most effective, prompt, and efficient reporting of data and information to Congress, as well as in and among the various branches of the Government.
>
> OMB Director Ash stated the purpose of the cooperative arrangement provided in title VIII succinctly in another portion of his testimony before the Subcommittee. "We feel strongly that the President should retain the authority to present the budget in a manner he desires," he said in prepared remarks "*so long as the information needed by the Congress is also provided.*" (Italic added.) The committee agrees that the President should be allowed to present budget information in the manner he desires as well as in the manner needed by the Congress. Thus, the committee does not recommend amending section 201(a) of the Budget and Accounting Act now.
>
> But the committee also recognizes that, even under ideal circumstances, difficulties may arise in meeting Congress' data needs that cannot be resolved through the best intentioned of cooperative efforts. And it should be noted that title II of the Legislative Reorganization Act of 1970, which this title amends, also provides, in section 206, that:
>
> "Nothing contained in this Act shall be construed as impairing any authority or responsibility of the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Comptroller General of the United States under the Budget and Accounting Act, 1921, as amended, and the Budget and Accounting Procedures Act of 1950, as amended, or any other statutes."
>
> Thus, if a congressional information need (even though overlapping) is not being met in the budget, for example, through a cooperative adjustment in definitions or classifications—and if agreement cannot be reached on any standards under provisions of this title—the Comptroller General is to report that fact to Congress and to *recommend such legislation* as may be necessary to satisfy the congressional information need. In short, the committee calls for cooperation in the interest of compatibility of systems—for purposes of economy and efficiency. But it does not intend that the needs of Congress, thereby, be frustrated. Under section 312(a) of the Budget and Accounting Act, the Comptroller General already has a similar mandate, to make "recommendations concerning the legislation he may deem necessary to facilitate the prompt and accurate rendition and settlement of accounts and concerning such other matters relating to the receipt, disbursement, and application of public funds as he may think advisable." (31 U.S.C. § 53)
>
> The committee believes that reporting requirements should remain as flexible as possible and should be placed in statutory language only when absolutely necessary. The committee believes that the cooperative arrangement provided in title VIII can result in steady progress toward standardization and can facilitate continuing revision and modifications as congressional information needs change over the years. But it also should be clear that, whenever cooperative efforts prove unsatisfactory, Congress may enact such legislation as is necessary to ensure that congressional reporting requirements are met.
>
> It should be pointed out in this context that Section 601 of S. 1541, as reported by the committee, amends section 201 of the Budget and Accounting Act to require the President to set forth separately in his budget the items enumerated in annual concurrent resolutions on the budget, on which both Houses must act. Among items specified for inclusion in these resolutions are estimated outlays and appropriate levels for new budget authority for the major functional budget categories, and—within these categories—for existing and proposed new programs.
>
> Congress will be debating national priorities based on these estimates, as they may be adjusted by the Committees on the Budget in each House.
>
> If such debate is to be meaningful, Congress, particularly the Budget Committees, must know how programs are defined and categorized. Congress must also be able to determine which programs should be aggregated under the various functional categories—and the cooperative arrangement provided in title VIII will ensure that Congress can do so if it wishes.
>
> As already indicated, the committee intends that the Comptroller General act as

> the Agent of Congress in carrying out his responsibilities under this title. Accordingly he is directed to give particular attention to the information needs of the Committees on the Budget and the Congressional Office of the Budget, and to monitor the various recurring reporting requirements of all other committees as well, advising the Congress as to those which are not being met.
>
> The committee intends that, wherever possible and suitable, these recurring requirements be accommodated in standard terms, definitions, classifications and codes, to facilitate the flow of data and information from executive information systems, in whatever form—documents, magnetic tape, microform, etc. But it must also be recognized that at any particular time—because of the limitations of technology and resources available—there will be some categories of fiscal, budgetary and program-related data and information, which it would be impractical to standardize.
>
> This amendatory language does not require each executive agency to establish a single, standardized data and information system capable of instantaneously responding to *all* Congressional user needs. Nor does it impose constraints on executive agencies from providing management information systems to meet their own needs, or to provide additional data, information and analysis to Members of Congress and its committees.

Now, let me turn to the new language of section 203, which deals with the congressional access to data and information in the executive agencies as well as our ability to process and apply such information. The most significant changes in this section are described in the report of the Government Operations Committee, and I will quote excerpts from it:

> The new section 203 expands the existing requirements of the act, to require executive agencies to furnish, upon request by congressional committees, the Comptroller General or COB, program evaluations conducted or commissioned by the agencies, and adds the following:
>
> (1) Requires the Comptroller General in cooperation with the Director of the Congressional Office of the Budget, the Secretary of the Treasury and the Director of the Office of Management and Budget, to develop and maintain an up-to-date inventory and directory of sources and information systems containing fiscal, budgetary, and program-related data and information, and a brief description of their content. Additionally, the above-named officials are required, upon request, to provide assistance to committees and Members in securing and analyzing information from the sources identified in the inventory.
>
> (2) Requires the Comptroller General and the Director of the Congressional Office of the Budget to develop and maintain, to the extent they deem necessary, central files of pertinent information, to meet recurring requirements of the Congress. Further, these files are to be available for use by the committees and other congressional agencies through modern data processing and communications techniques.
>
> The development of standards required under section 202 is a long-term project that will involve all Federal agencies. Meanwhile, to facilitate congressional use of information presently available in executive systems—and to support a thorough-going review of executive reporting capabilities—the Committee believes that an inventory should be compiled at the earliest possible time. This inventory initially should identify governmental sources of basic financial information on Federal programs and projects, fiscal policies, and financial actions affecting State and local governmental units. Eventually, however, it should also identify sources of pertinent data and information in private institutions and the requirements for making such information available to the Congress.
>
> It is the intention of the Committee to place responsibility for providing the data processing and analytic services necessary to support fiscal and budgetary decisionmaking in the Congressional agencies. It is not expected, however, that these agencies will duplicate the computer facilities or data files presently operating in the executive. In developing files for congressional use, the agencies can secure tapes from executive systems (e.g., OMB's budget preparation systems, the Federal Grant Management System, Treasury systems, etc.). These can be reformatted where necessary or supplemented by inclusion of new data, to create files capable of meeting some of the recurring requirements of the various committees and supporting the scorekeeping and analytical functions of COB.

As Senators may know, some work is already underway on an experimental basis in the development of budget data files for congressional use. I refer to a joint effort on the part of the GAO, Congressional Research Service, House Information Systems Office, and the House Appropriations Committee, to reformat and supplement budget tapes secured from OMB. I understand this experiment shows promise of providing the Congress capability for breaking down the budget data by function, subfunction, committee and subcommittee jurisdiction—the kind of independent capability the new Budget Committees must have.

Mr. President, as is the case with many other parts of S. 1541, provisions of title VIII cover matters of great technical complexity. They are not the stuff of which headlines are made. But they are of fundamental importance in the context of our new congressional budget procedures, and I will conclude with some plain truths about them.

Congress and its own agents must be in the driver's seat if congressional information needs are to be addressed, within the executive, other than on an ad hoc basis, in fits and starts.

Since early 1971, when the joint committee began monitoring the 1970 Legislative Reorganization Act's requirements, we have dealt with three different OMB directors and with innumerable different lower level administrators assigned briefly to this work. Without continuity of leadership at the policy level—and without authority in the hands of a congressional agency—the prospects for significant progress in this effort are remote, at best.

Unless Congress requires them to do so, not administration—Democratic or Republican—is going to give more than passing attention to congressional interests and requirements in the development of information systems, or to supply Congress information prepared to meet congressional needs and specifications.

Our experience under the 1970 act is illustrative. Whether by design, neglect, indifference, or incompetence—whatever the reasons—the OMB to date has accomplished little if anything intended under sections 201, 202, and 203. Indeed, until June of last year, theirs was an attitude of passive resistance, with semantic sawdust their weapon.

The problem, OMB argued, was that they could not begin to plan for addressing congressional needs until GAO described—in detail—precisely what those needs were. GAO, on the other hand, had reported results of a survey of congressional information needs as early as February 17, 1972. And GAO insisted that these findings were sufficient to begin planning for implementation.

Congress, weanwhile, was caught in the middle, even as we were beginning to struggle with the very difficult questions of reform of our own budgetary procedures. Our agent, the Comptroller General, was specifically required under the 1970 act only to cooperate. What he was to cooperate in doing remained entirely at the discretion of the executive agents. Obviously, if these agents did nothing but surround the act's requirements with words—and if the specifications developed by GAO were deemed by the executive to be insufficiently detailed or otherwise flawed—the Comptroller General's cooperation would have no result whatsoever.

Now, suddenly, on June 1, 1973, the picture changed. OMB announced establishment of a full-time team to look into congressional information needs and to develop a plan for addressing them.

Why, after more than 2 years of inaction—after rejecting GAO survey findings as a basis for planning—why the changed OMB posture? Let me suggest several possibilities.

In February of last year, the Senate Democratic Policy Committee adopted a resolution urging, first, executive compliance with the 1970 act; and second, consideration by the Government Operations Committee of any amendments or additional legislation necessary to insure full access to fiscal and budgetary data and information as needed by the Senate and Congress.

In April of last year, the Subcommittee on Budgeting, Management, and Expenditures began hearings on budgetary controls legislation—including S. 1215, the Federal Fiscal and Budgetary Information Act, which is the basis for the language of title VIII of S. 1541. And it was during these hearings, on April 12, 1973, that Senator Brock advised an OMB witness that there was extensive, bipartisan concern in the Senate for compliance with the 1970 act's requirements. Senator Brock informed the OMB witness that:

> I will give you a little advance notice. I have prepared a letter for signature by 30 to 40 Senators which we are going to send to Mr. Ash and Mr. Shultz in the next week or so, as soon as we have a meeting up here, asking for your expeditious compliance with the requirement of the 1970 Act.

In any event, last June OMB began showing signs of life. And 2 weeks ago—just as we were scheduling action on S. 1541—they circulated a plan for implementing the 1970 act's requirements. I am not going to attempt to assess that plan in any detail here. It is, however, vague as to much of the work to be done, the deadlines for performance, and the resources to be applied. Most importantly, the impasse on social and economic information remains. OMB insists that such information is not within the scope of the 1970 act. GAO insists—and the legislative history bears this out—that it is.

But, whatever the merits of the OMB plan, Congress must now be assured of access to adequate data and information in the form we need it, when we need it.

We appear at long last to have OMB's attention. How can we keep it?

Let there be no mistake on this: We will not be assured of the availability of such information without providing for congressional specification of congressional requirements. And that is the purpose of title VIII.

Mr. President, Treasury Secretary Shultz, citing the experience of more than 20 years ago, has raised the spector of a technical problem involving duplication and overlapping reporting requirements in the legislative and executive branches.

I can only respond that the times—and technology—have changed. Our circumstances are far different today than what they were then. Information systems now are being designed to meet multiple reporting requirements. There has been considerable progress in information systems, with the aid of computer technology, since 1950.

In S. 1541, we are concerned with the creation of an essentially new Federal budget process. Our concern is for the structures and procedures that will enable the Congress to exercise its responsibilities effectively in the 1970's and beyond.

We will be formulating and acting upon a legislative budget. Attempting to do so by simply reshuffling the figures given to us in present-day Presidential budget submissions would be an exercise in self-deception.

Certainly, the authority contained in title VIII reverses what has come to be regarded in the executive branch as the proper order of things, where informing the Congress is concerned. There will be cooperation, of course, to insure that executive information needs are fully served. But, it will no longer be tenable for the executive to supply Congress information the format, content, and level of detail of which are determined solely at Executive discretion.

Mr. President, it is our intent in S. 1541 to strengthen congressional control over the level and direction of Federal spending. Command of adequate information resources, as provided in title VIII, is essential if we are to realize that objective.

Mr. President, one of the most significant parts of this bill is title VIII. During the entire consideration of the proposed legislation, Senator Saxbe, who is now Attorney General, was the ranking member of the subcommittee. Senator Saxbe and I were very interested in title VIII.

It is my understanding that the Senator from Illinios (Mr. PERCY) has some technical amendments. I have looked at those amendments, and I concur with them completely. I understand that they have been reviewed by the Comptroller General and the OMB, and that the technical amendments will make title VIII more acceptable to the executive agencies while leaving the basic purposes of this title intact.

Mr. PERCY. I thank the distinguished Senator.

Mr. President, I send to the desk amendments on behalf of myself and the distinguished Senator from Maine (Mr. MUSKIE).

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

On page 174, line 11, immediately after "data", insert "processing".

On page 174, line 22, immediately after "Sec. 202. (a)", insert "(1)".

On page 175, line 7, beginning with "and" after "activities" strike out through "level" in line 10.

On page 175, line 12, strike out "executive" and insert in lieu thereof "Federal".

On page 175, between lines 14 and 15, insert the following:

"(2) The Comptroller General shall submit to the Congress, on or before June 30, 1975, a report containing the initial standard terminology, definitions, classifications, and codes referred to in paragraph (1), and shall recommend any legislation necessary to implement them. After June 30, 1975, the Comptroller General shall submit to the Congress additional reports as he may think advisable, including any recommendations for any legislation he may deem necessary to further the development, establishment, and maintenance, modification, and executive implementation of such standard terminology, definitions, classifications, and codes.

On page 175, beginning with line 20, strike out through line 8 on page 176 and insert in lieu thereof the following:

"(c) The Comptroller General of the United States shall conduct a continuing program to identify and specify the needs of the committees and Members of the Congress for fiscal, budgetary and program-related information to support the objectives of this part.

"(d) The Comptroller General shall assist committees in developing their information needs, including such needs expressed in legislative requirements, and shall monitor the various recurring reporting requirements of the Congress and committees and make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users and to eliminate duplicative or unneeded reporting.

"(e) On or before September 1, 1974, and each year thereafter, the Comptroller General shall report to the Congress on needs identified and specified under subsection (c); the relationship of these needs to the existing reporting requirements; the extent to which the executive branch reporting presently meets the identified needs; the specification of changes to standard classifications needed to meet Congressional needs; the activities, progress and results of his activities under subsection (d); and the progress that the executive branch has made during the past year.

"(f) On or before March 1 of 1975 and each year thereafter the Director of the Office of Management and Budget and the Secretary of the Treasury shall report to the Congress on their plans for addressing the needs identified and specified under subsection (c) including plans for implementing changes to classifications and codes to meet the information needs of the Congress as well as the status of prior year systems and classification implementations.

On page 176, line 24, immediately after "(2)", insert "to the extent practicable,".

On page 177, strike out lines 4 through 8 and insert in lieu thereof the following:

"(3) furnish to such committee or joint committee, the Comptroller General, or the Director of the Congressional Office of the Budget any program evaluations conducted or commissioned by any executive agency.

On page 177, lines 23 and 24, strike out "committees, joint committees, and" insert "committees and joint committees of Congress and, to the extent practicable, to".

On page 178, beginning with line 19, strike out through line 3 on page 179 and insert in lieu thereof the following:

"(d) The Director of the Office of Management and Budget, in cooperation with the Director of the Congressional Office of the Budget, the Comptroller General, and appropriate representatives of State and local governments, shall provide, to the extent practicable, State and local governments such fiscal, budgetary, and program-related data and information as may be necessary for the accurate and timely determination by these governments of the impact of Federal assistance upon their budgets."

On page 179, line 4, strike out "title II of".

Mr. PERCY. Mr. President, I offer these technical and correcting amendments to title VIII. The amendments have been worked out cooperatively with the Government Operations and Rules Committees, the Comptroller General, and representatives of the OMB.

The amendment establishes a clear set of reporting requirements for the Comptroller General as well as the Executive. These reports to the Congress are intended to identify who is to do what in implementing the provisions of this title. Within the cooperative arrangement we have set up, there will be times when OMB is dependent upon GAO before moving to the next task and vice versa.

We believe these technical amendments strengthen the title and make it more acceptable to the Office of Management and Budget, which properly expressed concern about GAO "dictating" to it the form of the Executive budget, which is, after all, a statutory responsibility given to the President.

We anticipate, however, that in practice no conflicts will arise. These are exceptionally detailed and technical matters that we fully expect will be worked out between GAO and OMB in a spirit of cooperation and harmony.

I know that the distinguished Senator from Montana has given reassurance to the other Members of the Senate that he has carefully reviewed these technical amendments and supports them, as the chairman of the Subcommittee on Government Operations that has dealt in greatest detail with the momentous piece of legislation before us.

The **PRESIDING OFFICER**. The question is on agreeing to the amendments.

The amendments were agreed to.

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## TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. **ROBERT C. BYRD**. Mr. President, if there is no further business in connection with this measure, I ask unanimous consent that there now be a period for the transaction of routine morning business of not to exceed 6 minutes, with statements therein limited to 3 minutes.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

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## UNITED STATES-WEST GERMANY OFFSET ARRANGEMENTS

Mr. **PERCY**. Mr. President, I wish to comment on a matter of great importance to the United States and our allies in Europe. The President of the United States made a very important statement in Chicago on Friday that caused some degree of consternation in Europe. He did comment at the time that we have been negotiating with our allies with respect to certain aspects of our relationship with them.

Mr. President, yesterday the United States and West German Governments agreed in principle on new offset arrangements to cover the balance-of-payments costs of U.S. troops stationed in West Germany as part of our NATO commitment. The agreement worked out is to cover the period from July 1, 1973, to July 1, 1975.

In theory, the new offset arrangement will offset fully the balance-of-payments costs of U.S. troops in West Germany. However, details are vague at the moment and the size of the offset and its composition are not yet known.

My main concern about the offset agreement is exactly what form the offset will take. I have contended for years that we should insist upon real offsets, and not offsets that merely defer U.S. balance-of-payments problems. By this I mean that offsets should be in the form of cash payments or purchases of equipment from the United States that offer a true "additionality." I do not find loans of any kind an acceptable offset. Loans merely defer the United States balance-of-payments problems. Obviously, loans someday have to be repaid, thus just putting off the balance-of-payments problem to another day. Thus I read with concern reports that some of the offset will be in the form of medium-term loans to the United States by West Germany. This is not a true offset.

Mr. President, I will be watching carefully as the details of the newly agreed upon offset agreement unfolds to see that the United States receives a real offset for our expenditures in West Germany and not an offset that merely postpones the problem.

Mr. President, I ask unanimous consent that articles from this morning's New York Times and Washington Post relating to the offset agreement be printed in the Record at this time.

**There being no objection, the articles were ordered to be printed in the Record, as follows:**

### United States and Bonn Set Basis of New Part on Cost of Troops

By David Binder

Washington, March 19.—The United States and West Germany reached agreement in principle today on a renewal of payments by Bonn to offset the cost of stationing American forces in Germany, the Treasury Department announced today.

The agreement by the Secretary of the Treasury, George P. Schultz, and the West Germany Finance Minister, Helmut Schmidt, who is here on a visit, ended seven months of difficult negotiations over payments of $2.2-billion to $3-billion. The lower figure was believed closer to the sum agreed on today.

It also appeared to put aside, at least one of the knotty issues—long a problem and particularly so recently—that are currently disturbing the United States relations with Western Europe.

Since last summer Congressional critics of the Nixon Administration's military policies have been demanding a sharp reduction in United States forces in Europe or, barring that, at least more substantial compensation from the Europeans for the maintenance of the troops.

#### "ECONOMIC CONFRONTATION"

Last Friday President Nixon declared that if Congress "gets the idea that we are going to be faced with economic confrontation and hostility" from Western Europe, "you will find it almost impossible to get Congressional support for continued American presence at present levels on the security front."

The new offset pact is bound to help the United States balance of payments as well, monetary specialists observed, even though the international currency market is dominated by floating rates. Last year the United States had a slight surplus, but this year it is expected to have a deficit because of the vast increase in oil prices.

Mr. Shultz and Mr. Schmidt sealed their agreement after almost two hours of talks. Earlier Mr. Schmidt conferred with Secretary of State Kissinger on current problems of the Atlantic alliance and remarked afterward, "What we have today is a minor stir."

He was the third senior Western European official to speak in conciliatory terms of relations with the United States since President Nixon accused the Europeans Friday of disrupting Atlantic ties.

When the negotiations on the offset agreement began last fall the United States was asking $3-billion to cover the cost of maintaining 225,000 men in West Germany from July, 1973 to July, 1975.

#### PREVIOUS AGREEMENT

The previous two-year pact provided $2.5-billion in West German payments, one part in the purchase of United States bonds and the rest in the form of arms purchases and renovation of American barracks and other facilities.

This time the United States asked that the bulk of the payments be in the form of arms purchases. The Germans were resistant on both the size and the form of the demands. The shape of the agreement could not immediately be learned; Mr. Schmidt indicated to newsmen that it was based on a fresh proposal he had brought from Bonn.

In the conciliatory response to Mr. Nixon in which Mr. Schmidt joined the French Foreign Minister, Michel Jobert commented in the same vein Sunday and today Britain's new Foreign Secretary James Callaghan, spoke vigorously in the House of Commons on the desirability of "intimate cooperation with the United States."

Asked by reporters to characterize the status of Atlantic affairs, Mr. Schmidt smiled broadly and recalled the struggle 12 years ago over United States-West German attempts to introduce multilateral forces in the North Atlantic Treaty Organization—a project defeated by France.

In view of that, he said, the current arguments over whether a lack of consultation is disturbing United States relations with Europe "should not be treated as too important."

Concerning the offset negotiations, which began last fall with the United States asking full compensation for the cost, estimated at $3-billion, of maintaining United States forces in 1974–75, Mr. Schmidt said he and Mr. Kissinger had "a nice, detailed conversation." He added: "We are very polite gentlemen—we didn't even mention one figure."

The Finance Minister and Secretary Shultz indicated later that there would be further negotiations before agreement could be concluded. West Germany paid $2.5-billion to the United States in the previous arrangement, covering the two years that ended last July.

#### DIALOGUE STILL DEADLOCKED

Despite the mollifying remarks by European officials, the deadlock in the "Atlantic dialogue" appeared to be much as it was last week when Mr. Nixon accused the Western Europeans of stalling on political and economic cooperation while moving along with the United States on defense policy.

Yesterday the French Ambassador, Jacques Kosciusko-Morizet, declared that "the ball is in the American court" as far as progress on political-economic cooperation with Western Europe is concerned. Today the State Department spokesman, George S. Vest, said, "it is now up to them," meaning the Europeans.

Mr. Vest explained that the United States regarded the nine-month effort to draft a joint declaration of principles on the relations between the nine European Economic Community members and the United States was incidental. "The declaration is a symbol, not a substance," he added.

The substance desired by the United States, he said, is close consultation. He said the United States "is waiting for an answer on consultations."

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### U.S., Bonn "Outline" Troop Pact

The Washington and Bonn governments agreed in principle yesterday on a financial formula for offsetting the outflow of dollars from this country caused by the stationing of American troops in West Germany.

The Treasury Department announced that the "outline" of an agreement had been worked out, after West German Finance Minister Helmut Schmidt and Treasury Secretary George P. Shultz conferred here for two hours and 45 minutes.

Treasury said that the details would be completed shortly on a new two-year agreement. The last such accord expired last June. Negotiators from the two countries had been trying to work out a new one for almost a year.

The timing of the announcement was significant, in that it came only four days after President Nixon made a tough demand in an appearance in Chicago that the European nations start cooperating with the United States or face American troop cutbacks. Settlement of the offset problem would remove a perennial source of Atlantic frictions and might reduce Senate demands for a troop reduction.

A strong bloc in the Senate, led by Majority Leader Mike Mansfield (D.-Mont.) favors a drastic cut in the 309,000 troops (229,000 of which are stationed in West Germany) in NATO.

Another Senate group, headed by Sen. Henry M. Jackson (D.-Wash.), has introduced an amendment that would force the President to reduce the size of the American military presence to the same degree that NATO allies fail to offset fully the American military balance of payments outflow.

Treasury officials said yesterday they were convinced that the new agreement would meet the offset requirements laid down by Sen. Jackson.

The United States estimates that stationing the troops in Germany will result in an outflow of some $3.3 billion in the fiscal years 1974 and 1975. Part of this outflow can be compensated for by the purchase of American military hardware, and by other deals involving cash.

In addition, officials said it was likely that some of the difference would be covered by medium-term loans by the German central bank to the U.S. Treasury.

The last agreement offset 80 per cent of the payments deficit in this way. Officials of both countries have made clear that a full cash offset in the new agreement is extremely unlikely. However, they believe that the congressional requirements for a full offset can be met by the balance of payments "flow back" resulting from the purchase of American products (such as razor blades) by servicemen abroad.

Mr. PERCY. Mr. President, in conclusion I simply would like to indicate that our very gifted, knowledgeable, and I might say determined, Secretary of Defense, Secretary Schlesinger, made a commitment to the Committee on Foreign Relations in response to a question I put to him many months ago that we would arrive at a day when we would have an agreement that would be satisfactory to Congress. I commend Secretary Schlesinger and his fine staff for the work they have done in this regard.

Here is an area where the Congress of the United States has cooperated and worked hand in hand with the executive branch. Many years ago in a meeting of the North Atlantic Alliance, where I went as the representative of the Senate and assumed the responsibility of chairman of the Subcommittee on the Balance of Payments of the Economic Committee, we began work in this problem at the time to point out the inequity of the present situation where not only is the United States expected to share some $14 billion of budgetary expense for our contribution and share of NATO, but also a balance-of-payments deficit that ranged between $1 billion and now up to about $1.75 billion a year.

This put tremendous pressure on the dollar and at a time when we could ill afford that. It came at a time when currency of many European countries was extraordinarily strong. We began at that time working with our allies in Europe to find ways that eventually we could work toward an agreement, where on an agreed upon basis no nation would benefit or lose, balance-of-payments wise, by their contribution to the common defense.

To the credit of all these countries, the resolution I introduced was accepted by all 15 or 16 countries in principle, that this should be the policy of NATO.

Now there is a wide gulf between implementation of principle and the integrating of specifics as to how to implement the principle. Everyone agrees in principle, yet all may have different specific ideas in mind. Dissatisfaction has been expressed by Congress through the years. An inter-Cabinet committee was established by this administration. To put higher emphasis on it the Secretary of the Treasury, the Secretary of State, and Secretary of Defense went to work on it with members of the National Security Council working, of course, with Members of Congress. We have reached a point with West Germany where I believe a more satisfactory arrangement is possible although I do not know the details, and I will wait until we have them for final judgment in this matter. But progress has been made and I express appreciation not only to members of this administration who made it possible but also for the attitude of the West Germany Government. Willy Brandt and Ambassadors from West Germany worked on this problem with us. I am pleased to see the reports that agreement has been reached that is acceptable to the executive branch. I hope it is equally acceptable to the legislative branch when we see the details.

## CONGRESSIONAL BUDGET ACT OF 1974

Mr. ROBERT C. BYRD. Mr. President, my earlier reference—during debate on the Chiles amendment—to "Watchdogs," had reference to special interest groups, lobbyists, and so forth, and I want the record to show that. I also meant no reflection upon those groups. Some of them do laudable work. But the point I really wanted to make was that the people of West Virginia will not be there at the markup sessions, the people of North Dakota will not be there, the people of Michigan will not be there, the people of Illinois will not be there, but it will be the lobbyists—and they are legislative architects, who often perform a valuable service—and it will be the pressure groups and the special interest groups.

Mr. GRIFFIN. Mr. President, will the Senator yield for an observation?

Mr. ROBERT C. BYRD. I yield.

Mr. GRIFFIN. Since one of the major purposes of this legislation is to try to bring spending and the budget under control, and if possible to reduce spending or at least keep a lid on it I wonder if very many of those groups will be down here seeking to cut the budget, or will most of them be here trying to increase the level of spending?

Mr. ROBERT C. BYRD. Most of them will be here furthering their own special interests, and in many instances those special interests may benefit a good many people; but those special interests are precisely what the term says. They are special interests. We are talking about opening the markup sessions. I do not think that people who read the RECORD ought to be left under any illusion. There will not be very many of the private citizens, the average taxpayers, at those meetings. They will not be there to be heard and to observe or to protect their interests.

It will be those individuals who have special axes to grind, for the most part. That is what I had reference to in using the term "self-appointed watchdogs."

Mr. GRIFFIN. I voted with the distinguished Senator from West Virginia. I agree with his reasoning. I regret that position did not prevail. I regret that, unfortunately, there is a special rule for one committee. I think whatever the rule is, it should apply to all committees.

Mr. ROBERT C. BYRD. I thank the Senator. I appreciate his support of the position I took. We tried. We lost. The majority will prevailed.

## PROGRAM

Mr. PERCY. Mr. President, as I understood the objective of Senator ERVIN, it was his hope that we could finish this bill by tomorrow. Is it felt necessary to have any time limitation on amendments or to reach a unanimous agreement with respect to a final vote?

Mr. ROBERT C. BYRD. Mr. President, I would object to any unanimous-consent request on this important bill today. I believe we ought to wait until such time as all Senators have been duly notified that a unanimous-consent request is being considered, so that any Senator may offer his objection. No one should be able later to charge that this bill was rammed through the Senate without adequate and full debate. I have a feeling that by coming in tomorrow at 10:30 and starting immediately upon the bill, following the recognition of the two leaders or their designees under the standing order, we will make considerable progress tomorrow. We could go until the hour of 5:30 tomorrow. There is an important Democratc function in town tomorrow evening. If we do not finish tomorrow, we may complete action on Friday.

Mr. PERCY. I do not want to interfere with that.

Mr. ROBERT C. BYRD. I would hope that the Senator would not press any unanimous-consent request at this time. Perhaps on tomorrow we can explore that possibility and make a decision at that time.

Mr. PERCY. Mr. President, I fully concur with the policy decision of the majority in this respect.

Once again, I should like to comment on the fact that every Member of the Senate has been given full time. There has been no time pressure of any kind. It would be hoped, however, that by coming in early tomorrow, Senators who do have amendments would advise the floor manager of the bill so that we could expeditiously utilize the time of the Senate.

I also would like to indicate that simply by offering an invitation to every Member of the Senate, Democrat and Republican, to join me in my office this morning at 11:45; we had a number of interested Senators at an informal session and we talked out many aspects of the bill and went over a book of charts which the Senator from North Carolina and I had placed on the desks of Senators. Should any Senator at any time tomorrow wish to informally go over the bill and see its impact and implication with any member of the Committee on Government Operations or the Committee on Rules and Administration, I feel confident we would all be available for that purpose. We are very anxious that every Senator understand every part of the bill because of the impact it will have on the discipline imposed on us as Senators and on this body. The time schedule laid down is something we should adhere to and by changing the rules of the Senate in this regard we emphasize the orderly procedure we expect with reference to our affairs.

Mr. ROBERT C. BYRD. Mr. President, the Senator is making a great contribution by having such meetings. I commend him for it.

## ADJOURNMENT TO 10:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate. I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10:30 a.m. tomorrow.

The motion was agreed to; and at 6:31 p.m. the Senate adjourned until tomorrow, Thursday, March 21, 1974, at 10:30 a.m.

## CONFIRMATIONS

Executive nominations confirmed by the Senate March 20, 1974:

### DEPARTMENT OF STATE

L. Douglas Heck, of the District of Columbia, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Niger.

Sumner Gerard, of New Jersey, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

(The above nominations were approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

# EXTENSIONS OF REMARKS

## REV. NEVIN KENDALL STRESSES LOSS OF PUBLIC CONFIDENCE IN GOVERNMENT—INTEGRITY, COMPETENCE AND DEDICATION OFTEN OVERLOOKED

### HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Wednesday, March 20, 1974*

Mr. RANDOLPH. Mr. President, the well-documented crisis of confidence in Government has impelled philosophers and poets to attach their minds to explanation, and perhaps absolution, of the failures of public servants. One such thinker-theologian is the Rev. Nevin E. Kendell, vice president for development at Davis and Elkins College, Elkins, W. Va. His paper, "Providence and Government," is based on apparently authentic Christian classical theology and is seemingly supported by Biblical texts. He outlines the reality of good and evil in human society and the necessity for Government to provide the stimulus for a more meaningful life for the many, to protect citizens against evil doers and to punish criminals.

In commenting on the manuscript, our Senate Chaplain, the Rev. Edward L. R. Elson, noted:

> Mr. Kendell's paper is timey and could well stimulate thoughtful Americans to pray and work for better politicians and better government. He recognizes quite properly a high degree of integrity, competence and dedication in politicians which is unsurpassed in any other segment of society, a thesis I would support based upon my personal acquaintance with those who serve in the National government. This is an appraisal based on more than 27 years of close observation of our Nation's political leaders.

A major contribution by Mr. Kendell is the reaffirmation of the distinct concept that God may be served while performing government service as truly as He may be served in the ministry of the Church. It is to emphasize this point that I ask that Mr. Kendell's provocative statement be printed in the Extensions of Remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### PROVIDENCE AND GOVERNMENT

(By Nevin E. Kendell)

In recent poll it was discovered that our institutions of government have suffered a drastic decline in public confidence. Most Americans now take a very dim view of their government.

Under these circumstances it would seem to be especially appropriate to consider certain passages of scripture that are conceived with the place of government in the life of man.

In the 13th chapter of Romans, Paul tells us that government is an institution that has been established and obtained by God, that those who govern are serving as ministers of God.

These words were written in a setting where government could only mean the government of Rome. If all we knew about that government is what we learn from the New Testament and from a smattering of church history, we might think of Rome in terms that are totally negative. We would associate this government with aggression, tyranny, persecution, and lions that eat Christians.

All of this is part of the picture, but Paul had good reason to honor and give thanks for the function and institution of government as he had experienced it. For one thing, even though Paul was a Jew he enjoyed the unusual privilege of Roman citizenship. There were times when Paul was threatened by an angry mob; and was saved only by the protection that he enjoyed as a citizen of Rome.

Beyond these personal considerations, Paul may also sensed that the progress of the Christian movement had only been possible because of the order and stability that had been achieved under Roman rule. Within the Roman empire, and by first century standards, there was good communication and convenient travel with a reasonable degree of security. In a very real sense the world to which the first Christian missionaries addressed themselves was a world that had been created and made accessible by the Roman government.

It is certainly not strange that Paul would admonish his fellow Christians to honor the governing authorities as having been instituted by God, and as instruments of his providence—and that he would do so even though he must have sensed the rising hostility and the increasing likelihood of oppression and persecution at the hands of a government that would eventually seek to destroy the church. We assume that Paul himself was ultimately put to death by the same kind of authorities that he has described as ministers of God.

I think it is significant and important that when Paul asks us to honor government as a gift of God, he is not speaking in the context of a government that was notably just or compassionate or free of corruption. In many respects it was a terrible government.

This is not very surprising because for most men, everywhere, in all of recorded history, government has been something of a mixed bag—a necessary evil. Very necessary and often very evil.

But despite the injustices and oppression and corruption that have been almost universal, Christians have generally felt themselves impelled to give thanks for government and to acknowledge the authorities as ministers of God—not because they chose or intend to be (they may not even believe in God) but only because God chooses to use them as his instruments in order to provide at least a measure of the order and protection that we need to live as human beings. When the alternative is anarchy, it may not be hard to honor and receive as a gift of God even a government that leaves much to be desired.

Imagine what it would be like if every generation had to start from scratch to devise and establish its own institutions of government; what it would be like if God did not use the accumulated experience of past centuries to provide for us—to have waiting for us, as it were—a system of law and structures of government that we do not have to create for ourselves.

We noted at the beginning that recent events have caused many of us to regard our own government and some of the people of government with a great deal of suspicion and even contempt. But I am also concerned with an attitude that is deeper and much more permanent. Long before we ever heard of Watergate there was a tendency among us to downgrade government and the people who serve in government.

Sometimes we talk as if government has a monopoly on bungling and ineptness and waste; as if these things are never to be found in churches and colleges and corporations.

Our rejection of government is also reflected in our attitude toward taxes. Most of us are not impressed when Paul admonishes:

"For the same reason you also pay taxes, for the authorities are ministers of God attending to this very thing. Pay all of them their due, taxes to whom taxes are due, revenue to whom revenue is due."

It would be foolish to cite these words of Paul without recognizing that there are tremendous differences between the Roman empire of the first century and the world in which we live. I certainly do not question our right and even our duty to object if we believe that taxes are excessive or unfair, or used for a purpose that is improper or unnecessary.

At the same time, I suggest that Paul's words should not be dismissed too lightly. When we object to taxes we may have good reasons, but I suspect there is also involved a failure to recognize how much the quality of life that we enjoy, and even our opportunities to earn money, are dependent upon the effective functioning of government. And I suspect there may also be an element of plain old-fashioned selfishness, a reluctance to let our money be used to help meet the needs of others who are less fortunate.

Our attitude toward government is also reflected in a widespread contempt—or at least a very low regard—for the politician. Religious people especially seem to get hung up on the fact that the work of the politician constantly involves compromise. It is a part of his job to draw together groups that represent conflicting interests or points of view, and through a process of give and take find some common ground, some consensus that may not be fully pleasing to anybody but which is acceptable to enough of us so that we will not be paralyzed but can move ahead in facing issues and dealing with problems. Without this function of the politician, life would simply grind to a halt and we would find ourselves standing apart in opposing groups, glaring at each other across the chasm of our differences, helpless to do anything except to fight and destroy each other. Thank God for the politician!

I doubt that very many people have been any more angered and disgusted than I have been by the cluster of events that we call Watergate. But I also feel that many of us have over-reacted. I do not mean that the crimes have been regarded too seriously, nor that the offenders have been condemned more severely than they deserve. I mean that we have allowed these events to shape and even warp our general attitude toward the institutions and people of government in ways that are totally unwarranted by the facts.

Even in the face of Watergate I continue to believe, and I have never felt more certain of this, that among the people who serve us in government at every level there is a degree of integrity, a degree of competence and a degree of dedication to the common good that is unsurpassed and possibly even unmatched in any other segment of our society.

I would also reaffirm my confidence in the structures and institutions of government that we have received as an inheritance from our forbearers and through them as a gift of God.

Watergate has demonstrated man's unlimited capacity for evil and his great lust for power. It has shown us once again that, in the words of Lord Acton, "Power tends to corrupt; absolute power corrupts absolutely." But Watergate has also demonstrated the tremendous vitality of our institutions.

This was the point of a recent editorial in the Wall Street Journal. The writer noted how amazing it is that such agencies as the FBI and the CIA and the Internal Revenue Service seem generally to have retained their integrity even in the face of tremendous pressures. He noted the effectiveness of the press in uncovering the wrong-doing, and the stubborn almost fearless independence of the courts. Even some of the resignations that were prompted by conscience must be regarded as signs of health and vitality. And in the meanwhile, Congress and other agencies have carried on the business of government with a minimum of disruption even as we pass through one of the greatest governmental crises in our history.

We Americans are fortunate indeed to have inherited a form of government and institutions through which men, with all of their limitations and with all of their capacity for evil, can nevertheless serve as ministers of God who are used by him to bestow upon us the unspeakable blessing of a relatively stable and effective government. It should not be hard for any of us to acknowledge government as a gift received from the hand of God for the blessing of his people.

However, it would not be right, and it could be dangerous, for us to think of Government only in terms of Romans 13, and to ignore the warning that we find in—as it happens—the corresponding chapter of Revelation.

This other passage was written about 40 years after Paul's letter to the Romans, after Rome had a new emperor and after the Christian Church had suffered terrible persecution at the hands of the Roman government.

This writer speaks of his government in terms of "a beast rising up out of the sea" . . . "a beast that receives its power and authority from the dragon" . . . "a beast that was given a month uttering haughty and blasphemous words" . . . and that "was allowed to make war on the saints."

It probably would serve no purpose to discuss the symbols which are employed by this writer except to say that the meaning would be perfectly clear to his readers. His message is that their government has become an agent of Satan—a force that is totally evil and that stands in absolute opposition to the purposes and will of God.

The writer is talking about an emperor who claims for himself some kind of divinity. The writer counters that claim by suggesting that the uniqueness of the emperor is derived, not from above but from below. It is the dragon, a symbol of the satantic powers of darkness, that has given to the emperor his power and authority.

In Romans 13 we were admonished to honor and give thanks even for a government that leaves much to be desired. But here we have a warning that government can become a force that is evil and demonic.

This is a lesson that the German church had failed to learn when Hitler came to power. The Christian church in Germany was a tremendous force. Church attendance was higher than anywhere else in the world. The Germans were recognized throughout the world for their leadership in theology and biblical studies.

But the German church was almost completely impotent in the face of the arrogance and blasphemy of their government. The church failed to meet the challenge because the church had been corrupted by a heresy which says that religion and politics must not mix; that the church should not meddle in politics; that God has established church and government as separate entities and that neither is to meddle in the business of the other.

Early in 1934 a national conference of Lutheran bishops spoke for a subdued and domesticated church when they declared:

"We German Protestant Christians accept the saving of our nation by our leader Adolph Hitler as a gift from the hand of God."

Only a tiny handful of German Christians recognized that they confronted a government that had become the beast of Revelation. Only these few dared to mix politics and religion. In the famous Barmen declaration they spoke as churchmen, and on the authority of scripture, when they denounced their own government, the duly constituted government of their nation, as demonic and blasphemous.

I assume it would be a rare event when men are required to make this kind of judgment and distinction. The main function of the teaching in Revelation 13 would be to warn us of the potential that is present in every government.

The function of government obviously requires that some men exercise power over the lives of other men. History teaches us that the exercise of such power tends to create in men an almost insatiable appetite for more power. It is through this drive for more and more power, even absolute power that government which is a gift of God becomes the beast of revelation.

In some societies the drive for power would be expressed through brute force. In our society the lust for power is more likely to be expressed in efforts to manipulate the people from whom the power of government is derived; to deceive us by lies or by the withholding of information; to mold our minds until we think what others have determined we ought to think; and to instill in us the kind of attitudes that would serve their purposes, and permit them to do whatever they want to do.

In the exercise of our citizenship, and in our relations with government, we need to be guided by the lessons that can be learned from all of scripture, but especially from the 13th chapters of Romans and Revelations.

Whether we like it or not, our destiny is to live out our lives in this kind of ambiguous situation where human life as we know it would be impossible without government, and where government that is powerful enough to govern effectively will always be a potential threat to our dignity and freedom.

It would be impossible for us to live with this kind of tension and uncertainty unless we could be assured, absolutely assured:

that the God of the Bible is also the Lord of history;

that even princes and rulers of the earth are finally subject to his sovereignty;

and that God is powerfully present and at work in all of life, working to achieve for us, and in us, the purposes of the kind of life that we know in Jesus Christ.

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## MEDICINE IN SOUTH AFRICA

## HON. CHARLES C. DIGGS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. DIGGS. Mr. Speaker, a constituent of mine, an adjunct associate professor of psychiatry at Wayne State University, has forwarded to me the following report on medicine in South Africa. This report was prepared for the Medical Association for the Prevention of War in England. I have been asked to make this report available to my colleagues in order to enlighten those concerned with the medical profession on the present trends in South African health services. My constituent urges that:

The content of this leaflet be circulated as widely as possible in the United States amongst health professionals, health workers and the citizenry. There are various ways in which this information could be used to censure the government of South Africa in the United States. One of these is that American Medical journals should not publish racially discriminatory advertisements for posts in South Africa. Another is American Medical institutions including State Universities should not accept visitors, house officers or staff members from South Africa unless, in fact, these people are refugees or immigrants.

The report mirrors deep concern that these health services are in violation of internationally accepted standards.

I would urge all of my colleagues to read this revealing report:

### MEDICINE IN SOUTH AFRICA

This document is written in support of those South African doctors who are disturbed by many of the present trends in their Health Services which are incompatible with internationally accepted medical ethics. It is also hoped that it will be a source of useful information to doctors both inside South Africa and throughout the world who are unaware of the situation.

Despite the difficulty of obtaining adequate statistics from South Africa—and this is in itself a reflection on a highly developed country [1]—there is now overwhelming evidence that the standard of health care offered to a large part of the population is at an unacceptably low level. On the following page some of these data are set out. No national Infant Mortality Rate is available for the African population, but the level for the Coloured population is among the highest in the world. Diseases such as tuberculosis, typhoid and diphtheria, which modern medicine is virtually able to eliminate, are still rife. The incidence of kwashiorkor, which has ceased to be notifiable since 1967 and which reflects so closely the relationship between poverty and disease, is extremely high.[8] There is no doubt that this last disease is closely related to the fact that many of the parents of these children with kwashiorkor are living below the Poverty Datum Line,[2] and some details of the earnings which reflect this are set out at the bottom of the page.

HEALTH AND INCOME STATISTICS

| | African | White | Colored | Asian |
|---|---|---|---|---|
| Population 1970 (in millions) (3): | | | | |
| White areas | 8.061 | 3.731 | 2.005 | 0.617 |
| African areas | 6.997 | .020 | .131 | .003 |
| Total | 15.058 | 3.751 | 2.136 | .620 |
| Infant mortality rate (I.M.R.) (per 1,000 live births): | | | | |
| 1969(4) | (1) | 21.2 | 132.0 | 36.5 |
| 1970(5) | [1] 200–250 | 21.1 | 136.2 | 37.1 |
| 1971(6) | (1) | 19.4 | 121.0 | 38.3 |
| Life expectancy, 1959–61(8): | | | | |
| Male | (1) | 64.73 | 49.62 | 57.70 |
| Female | (1) | 71.67 | 54.28 | 59.57 |
| Incidence of notifiable diseases: | | | | |
| Kwash orkor (last notifiable year 1967): Total number of cases reported (9) (1967) | 9.675 | 7 | 1,046 | 12 |
| Tuberculosis [2] per 100,000 population (1_): | | | | |
| 1966 | 446.5 | 35.6 | 484.9 | 203.8 |
| 1968 | 469.9 | 25.2 | 390.8 | 172.1 |
| Availability of health care to the various "ethnic" groups: | | | | |
| Doctor per population ratio 1972 (11) | 1/44,400 | 1/400 | 1/6,200 | 1/90_ |
| Number of doctors qualifying 1969/70 (12) | 8 | 364 | 12 | 36 |
| Practising registered nurses per population 1970 (13) | 1/1,581 | 1/256 | 1/1,202 | |
| Total number hospital beds per 1,000 population (14) | (5.0) | 10.2 | (5.0) | |
| Average earnings per month in Rands [3] (R1=£.58=$1.41) 1971 (17): | | | | |
| Mining and quarrying | 16.31 | 336.81 | 72.07 | 88.51 |
| Manufacturing | 50.15 | 293.79 | 70.79 | 74.96 |
| Construction | 48.21 | 306.33 | 106.19 | 137.46 |

[1] The South African Government does not publish certain national African health statistics such as I.M.R. or life expectancy. The 1970 figure shown is published by the U.N. (7) as a conservative estimate for national African I.M.R. based on previous reports.

[2] Data for many other diseases are freely available (10) and shows similar patterns and discrepancies between the ethnic groups.

[3] As a result of recent strikes and international publicity there has been a slight increase in black wages. Despite this many remain well below the P.D.L.

Note: Comparative levels of income and poverty: The poverty datum line (P.D.L.) has been described by Professor Batson as "A line below which health and decency cannot be maintained . . . it is not a 'human' standard of living . . . it does not in any sense describe even a minimum ideal." (15) P.D.L. per month for an African family of 5 in Soweto in 1971 was R.67.13 (£39) (16). This statistic has the advantage of relating income to local cost of living.

### MEDICAL ETHICS

The following are extracts from the Declaration of Geneva and the International Code of Medical Ethics, adopted by the General Assembly of the World Medical Association (of which South Africa is a member) in 1948 and 1949 respectively. The present framework of medical services in South Africa makes it extremely difficult for doctors to comply with these principles.

(1) I will not permit considerations of religion, nationality, race, party politics or social standing to intervene between my duty and my patient. (Declaration of Geneva.)

(2) My colleagues will be my brothers. (Declaration of Geneva.)

(3) The health of my patient will be my first consideration. (Declaration of Geneva.)

(4) A doctor owes to his patient complete loyalty and all the resources of his science. (International Code of Medical Ethics.)

(5) A doctor must give emergency care as a humanitarian duty unless he is assured that others are willing and able to give such care. (International Code of Medical Ethics.)

(6) The following practice is deemed unethical: Collaborating in any form of medical practice in which the doctor does not have professional independence. (International Code of Medical Ethics.)

(7) I will maintain by all the means in my power the honour and the noble traditions of the medical profession. (Declaration of Geneva.)

(8) I solemnly pledge myself to consecrate my life to the service of humanity. (Declaration of Geneva.)

### THE EFFECTS

Is the day by day practice of medicine affected by the present political, legal and social system of South Africa?

*Colour segregation in health care facilities*

(1) Ambulance services are strictly segregated. A 25 year old white man, Nicholas Swart, died in March 1973 following an accident. The ambulance which arrived to take him to hospital was for blacks only and therefore the white drivers had to refuse to take Mr. Swart. After some delay he had to be transported in a private car. The hospital doctor said "If he had been brought here earlier, we could have saved his life. He lost too much blood".[18]

An African collapsed outside the white South Rand Hospital in Johannesburg. Because of his colour he could neither be admitted or transported in the white ambulances at the hospital. He waited an hour for a black ambulance to collect him and take him to the black hospital six miles away.[19]

(2) In Oudtshoorn, a patient died after an emergency caesarian operation had had to be delayed for two hours. The doctor concerned was coloured, the theatre staff were white. The delay was due to the ruling that a white surgeon had to be summoned as a coloured could not operate with white staff. The coloured doctor said "The superintendent told me that the white hospital staff were not permitted to work with a non-white doctor, and that I could not even give instructions to an orderly if he were white".[20]

*The effect of the Group Areas Act (No. 36 1966) on health care and medical practice*

(1) Racial laws which control the home and working place of all dwellers in South Africa, including doctors, limit the area where people may live and work according to their colour (Group Areas Act). This means that, with a few exceptions, doctors may only work within their own ethnic group. In 1970, several Indian doctors who were practising in grossly underdoctored African areas were prosecuted for occupying consulting rooms illegally in an African region.[21] Doctors have been fined and expelled for serving humanity across these legally defined colour barriers.

(2) Black doctors and students working in white areas (i.e. all those at the black medical school in Durban) are liable to be arrested if found travelling late at night after the curfew hours which apply to blacks in these areas. To enable them to visit patients and the hospital they have to carry special curfew exemption passes or face prosecution.[22]

(3) In African townships (these are legally defined enclaves within white areas where migrant and other African workers live) African doctors are seldom permitted to establish consulting rooms as these are classed as white.[23] White doctors are not permitted to sleep in African townships which means that many townships (often numbering half a million people) have no residential medical care, at night or at weekends.[7]

(4) Despite the acute shortage of medical care in the African "homelands", only a few whites are allowed government permits to work in these areas. The mission hospitals, which are mainly run by a handful of white doctors, are now being taken over by the government.[24] Present trends suggest that in the future there will be more stringent "selection" and control of the whites who will be allowed to work in these areas.

*Factors affecting the training and practice of black doctors*

(1) Two of the five white medical schools train a few Asian and Coloured students. These students may not attend post-mortems on whites or see white patients. They are socially segregated from their white colleagues.[22]

(2) Africans may only train at the one black medical school in Durban.

(3) As black students have no access to white patients and their diseases, their clinical training is limited and is designed to fit them almost exclusively for treating their own colour segment of the community. Many of the common illnesses of the whites, e.g. coronary artery disease, are extreme rarities among the African population. In contrast, white students benefit from seeing the full spectrum of diseases in all ethnic groups as they are allowed to visit black hospitals.

(4) Once qualified, academic advancement in medicine is severely limited for most blacks as:

(a) blacks may not generally hold a senior post in a department in which there are whites, and they may not give instructions to the whites.[20]

(b) It appears that even at the black medical school and teaching hospital in Durban, senior medical and paramedical positions are given to whites in preference to blacks.[25] At present there are no black professors or heads of departments in these institutions. At least two black doctors trained at Durban are now professors outside South Africa.[26]

(5) White and black doctors occupying posts of the same seniority receive different salaries e.g. for government medical officers.

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Footnotes at end of article.

| | Percent white salary (27) | |
|---|---|---|
| | African | Colored and Asian |
| 1968 | 48 | 52 |
| 1969 | 69 | 79 |
| 1971 | 64 | 76 |

Note: In April 1973 white and black doctors were awarded pay raises of 15 percent and 17½ percent respectively. The real cash value of these increased wages shows that the whites received a greater pay raise than the blacks, e.g., calculated from Maximum Grade Government Medical Officers Salaries 1972.(28): White—15 percent of R,8100=R1,215; African—17½ percent of R6,000=R1,050. This salary discrimination remains despite very strong protests initiated by black Durban doctors in 1969. At the time of this salary dispute the president of the South African Medical and Dental Council, Prof. S. F. Oosthuizen, said, "The dispute over nonwhite doctors' pay is no business of the Council. . . . The matter is a part of state policy and we cannot interfere with state policy." Professor Gordon, then dean of the black medical school at Durban and member of the Council, said, ". . . the ruling has made it impossible for me to continue membership of the Medical Council. In medical ethics, it is unacceptable to me that there should be differentiation in the salaries of people who undergo the same training, write the same exams, perform the same duties—if not more—and shoulder the same responsibilities often in the same hospitals alongside colleagues of the more favored white population." (29)

(6) Black doctors have been barred from attending medical conferences at all levels because of the laws of racial segregation. In 1971 the South African Medical Association, worried about international boycott because of the social problems of visiting black doctors, held its annual congress on a liner which cruised outside South Africa's territorial limits, in international waters.[30] The Durban branch of the South African Medical Association refused to hold an annual dinner because its black members were not allowed to attend.[31]

Despite the great shortage of doctors to treat the black population, black doctors are being forced by lack of academic opoprtunity and the injustices of racial medicine, to leave South Africa.[32]

### *Professional independence and government suppression in South African medicine*

(1) In 1969 Dr. Mackenzie and his wife ran St. Michael's Hospital in Batlaharos Reserve, the only general black hospital in an area the size of Belgium. Immunisation is the responsibility of the State Department of Health in South Africa, but in 1969, when there was a local outbreak of diphtheria, Dr. Mackenzie immunised 700 people because as he said 'Nobody else was doing it.' For this he was taken before the Bantu Affairs official and told it was not his job.[33]

(2) In 1969 the Mackenzies gave a report of the appalling conditions of starvation and malnutrition which occurred in the Kuruman Northern Cape, where they worked. The report was fully quoted in the press. Following this a group of Government officials visited the hospital and tried to persuade Dr. Mackenzie to repudiate the report—'I said I could not possibly do that since three quarters of it came from my own annual report'. After this visit three Special Branch police arrived and followed Dr. Mackenzie. One of the Security Branch policeman told me he had information that the pictures of starving children had been taken in Biafra. I took him to the boy whose photograph had appeared in the newspaper and pulled the sheet back to expose the body'.[34]

(3) In 1969 during the dispute over the racial differences in doctors' salaries, the Minister of Health Dr. de Wet (now South African Ambassador to Britain) stated in the House of Assembly 'Let me say at once to the agitators and to every doctor in South Africa that the difference will remain, no matter who agitates for equal treatment. This is inherent in South Africa'.[35] During the pay dispute the black doctors at the Durban Medical School 'worked-to-rule' and finally black doctors at two hospitals in Natal handed in their resignations in protest.[36] Security police interviewed the protest leaders warning them that they might be refused passports if they persisted.[37] At the end of the dispute some of the seventeen leaders of the protest were not permitted to take up hospital posts again, and at least one of them had his work permit withdrawn so that he was forced to leave the province.

*The framework of health care within which medicine is practiced in South Africa is incompatible with the Geneva Declaration of Medical Ethics. This is a matter of concern both to doctors in South Africa and to national and international medical associations throughout the world.*

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## DON'T BLAME CAESAR

## HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

*Wednesday, March 20, 1974*

Mr. TALMADGE. Mr. President, the publication of the Retail Credit Co. of Atlanta carried in its spring edition an excellent article entitled "Don't Blame Caesar."

Mr. Hiles, executive vice president of the Georgia Savings and Loan League, eloquently and forcefully discussed the social and economic problems that confront our Nation today, taking as his thesis Cicero's admonition about the impending fall of the Roman Empire:

> Don't blame Caesar—he is but one man. Blame the people of Rome—they acquiesced in their loss of freedom.

I share the concern expressed by Mr. Hiles about many of the things that are happening in our great Nation, and I bring this article to the attention of the Senate, and ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### DON'T BLAME CAESAR

(By Ed W. Hiles)

Some years preceding the fall of the Roman Empire a young lawyer named Marcus Tullius Cicero pleaded with Emperor Sulla to reinstate some honesty and integrity in the Roman government. Sulla said, "Cicero, why do you let these things bother you so much when the people don't care?"

Cicero, however, continued his plea. When Caesar came to power Cicero turned to Brutus who was complaining about Caesar and said, "Brutus, don't blame Caesar—he is but one man. Blame the people of Rome—they acquiesced in their loss of freedom."

It's somewhat frightening to me to note some very close parallels between the events of the years preceding the fall of the Roman Empire and some of the things happening in the United States today.

You may have at some time come across a reference to the 200-year cycle of the major civilizations of the world:

From Bondage to Spiritual Faith.
From Spiritual Faith to Great Courage.

From Great Courage to Freedom.
From Freedom to Abundance.
From Abundance to Selfishness.
From Selfishness to Complacency.
From Complacency to Apathy.
From Apathy to Dependence.
And from Dependence back again into Bondage.

I'm sure it isn't necessary for me to remind you that in 1974 we will celebrate the 198th anniversary of the founding of this great nation of ours. It doesn't take a genius to find our position in the 200-year cycle today to be somewhere in that area between apathy and dependence.

For example, I recently looked into the history of presidential elections. I was shocked to find that in 13 of the last 14 presidential elections in this country the man who was elected president of the United States received fewer votes than the number of eligible voters who failed to go to the polls. To me this is serious, and significant, and is a matter which has a definite bearing on our present position in the 200-year cycle.

So, like Cicero, I'm concernd over some of the things that have been happening in America during the past few years. It is my genuine feeling that never before in our history have we approached a crossroads with so much of importance—the whole bag as far as I am concerned—resting on our decision about what direction we should take.

Our economic survival—certainly our position of leadership among all nations—may well depend on the extent of our willingness and our determination to turn away from preoccupation with decisionmaking responsibilities within the narrow confines of our respective areas of individual interest. We must instead divert part of our decision-making responsibilities toward the survival of our country as a free nation.

### WHAT'S BEEN HAPPENING

Let's look at some of the things we've seen happening in America during the past few years.

We've seen our nation's prestige in the eyes of the rest of the world reach an all-time low.

We've followed a monetary policy which has virtually dissipated our gold supply.

We've seen responsible confidence in the American dollar reach an all-time low.

We've heard our politicians tell us repeatedly that we have never had it so good, while our so-called affluent society staggers around under the burden of an astronomical public debt with no relief in sight.

We've permitted the development of a system in which wishes have become rights—a system in which the people get their rights from the government instead of the government getting its rights from the people. This is the very antithesis of the basic concept of our American system.

We've witnessed the advent of a philosophy in which the individual citizen sets himself up as the sole judge and jury as to the justice or injustice of our laws, and then proceeds to obey only those laws with which *he* agrees.

We haven't really changed our system of government in this country, but through acquiescence and apathy we have abdicated our individual responsibilities for maintaining it.

While our State Department officials were seeking a negotiated settlment with the Communists in Paris, we continued to be intimidated into surrender after surrender by the demands and threats of Communist-infiltrated mobs on our college campuses and in the streets of our cities.

We've seen the Supreme Court of the United States rule that freedom of choice is unconstitutional in this country.

We've seen the heavy boot of big government move across the threshold of our homes in an attempt to protect human rights by destroying property rights—when the property right is one of the most basic of all human rights, recognized twice in the Ten Commandments: the 8th, "Thou Shalt Not Steal," and the 10th, "Thou Shalt Not Covet."

And we've seen Watergate and the end of this is yet to be written.

Yet some ask, like Emperor Sulla, "Why are you so disturbed?"

It was Abraham Lincoln who said, "To sin by silence when they should protest makes cowards of men."

And George Champion, chairman of the Chase National Bank, New York, speaking at a convention said, "This is no time to be timid of tone or fearful of economic reprisals, because when businessmen become afraid to stand up to government, we have the strongest indictment of big government that can possibly be imagined. If that happens, economic freedom will be dead."

In the last election year campaign, both candidates advocated some form of guaranteed income to every family in this country, regardless of that family's contribution to economic productivity.

There seems to be an overwhelming belief among some government leaders that we can cure poverty with money. Now it may sound strange to you, but I'm taking my stand on the premise that we can't. The worst thing that could happen to us would be for everyone to wake up tomorrow morning and find a million dollars on his doorstep instead of a bottle of milk. Of course, and this is very important, there wouldn't be any milk there after that, and the bread man wouldn't be coming, and there would be no morning paper, etc.

No, we can't cure poverty with money. The only thing that will cure poverty is production, not some silly scheme of paying men for not producing.

During the past ten years the government has spent 25 times more money on welfare programs than they have spent in putting men on the moon. Yet we have succeeded in numerous instances in putting men on the moon while we haven't yet begun to scratch the surface insofar as eliminating poverty is concerned—the alleged target of the welfare programs. Actually, despite the massive giveaways, which have steadily increased, our welfare rolls have increased more rapidly. This leads me to believe that welfare is gradually becoming an acceptable way of life for more and more of our citizens.

This brings to mind the story about a member of a so-called disadvantaged minority who, although he thought the guaranteed income proposal was a great thing, said he had a better idea—we should take all the wealth in America, put it in a kitty, and divide it up equally.

"Let everyone start off on the same financial basis," he said.

Someone replied that this sounded great, but it just wouldn't work in America because in just a few months all that wealth would be back where it is now. Said the proponent, "No, sir, not if they divide it up every Saturday night."

Let's not kid ourselves—we apparently have some folks in Washington who think we should divide it up every Saturday night.

We're all greatly concerned about the drug problem which is rampant in our country today—and it is a serious one. However, in my book, it isn't the pot, the hash, the LSD or the heroin that rank as the most dangerous drugs we must contend with at this crucial time in our history—it's a "drug" which I call "SFN"—something for nothing. This "drug" is eating away at the cardinal virtues of self-reliance and self-respect and is leading to corrosion of the human spirit through subsidized idleness.

The advocates of this something-for-nothing philosophy are pitifully ignorant of the basic fundamentals of man's production and the exchange of goods and services. They are blind to the basic factual truth that whenever one man gets something without earning it, some other man has to earn something without getting it. That is morally wrong. Any nation espousing that kind of philosophy is headed for trouble, because the real irony here is that the man who pays nothing actually pays the highest price of all through the destruction of his character and self-respect.

Unfortunately, we have some would-be educators who, in my opinion, have been traitors to their calling by encouraging dissident students to put down the American system and rebell against the so-called "Establishment." Instead they should tell them the truth about the real contributions made by generations of parents and grandparents that made this nation the greatest on the face of the earth.

If today's generation is to make half as much progress in its lifetime, it will not be done through negative thinking or by tearing down or belittling the contributions of its predecessors—nor in the further development of a false and distorted sense of values such as some are tossing at them today from every direction.

For example, I read recently about a professor of business at one of our Southern universities who uses, as a required text in one of his classes, a book entitled, "The American Myth." The first two words of the first paragraph of the first chapter in the book are: "Capitalism stinks."

Many students today are being told that profit is a dirty word and should be replaced by something called "social responsibility." The truth is, however, that someone should point out to them that the business which manages to maintain earnings at a reasonable level is the one best able to fulfill its social responsibilities—by remaining in business and providing jobs and wages for qualified individuals.

Those who belittle the importance of the profit incentive are, in my opinion, leading the youth of America up a blind alley.

And so I'm great disturbed by attempts to redistribute wealth in America through passage of laws designed to prohibit winners from being winners in order to prevent losers from being losers.

We hear much today about equality in America. I have no argument with those who hold that each citizen should be entitled to equality of opportunity. I disagree vigorously with those who are attempting to make legal equality synonymous with economic equality, or equality of citizenship synonymous with equality of ownership. There will always be a vast difference between equality of opportunity and equality of achievement. Laws cannot change that.

Can there be any question that one of the primary factors that made the United States the greatest nation in the world was the inherent desire on the part of individuals to be "unequal"—to excel. Those who would seek to establish a one-class or "no-class" society in America are simply short-circuiting the dynamo of our economic power.

Nevertheless, in a noble effort to accomplish this impossible and dangerous objective, we are apparently entering upon an era in which it is going to be against the law to be poor. But, regardless of what name we choose to give this great undertaking, whether it be New Deal, Fair Deal, New Era, Great Society, War on Poverty, or "We shall Overcome," we must still recognize the truth of the fact that government does not have and cannot obtain the power to create wealth. It cannot give anyone anything that it doesn't first take away from someone else.

I am greatly disturbed when I see those who seem willing to exchange increasing amounts of their individual freedom for a partial return of the appropriated products of their own labor, in the form of so-called federal aid of one type of another. Surely we will one day realize the fact that we are not being granted more freedom when we are being fitted for an economic straitjacket.

I'm reminded of the little bird that one day traded a small feather for a worm. This seemed like a good thing because he didn't miss the feather at all and the worm was very tasty. Thereafter, at each opportunity, he would exchange a feather for a worm. Then, one day, when he traded a feather, he no longer could fly. He had traded his liberty for "security."

If we take a closer look at our programs of increased federal aid and increased federal controls, isn't it possible that we're trading feathers for worms?

### A DECLARATION OF POVERTIES

You may be sure that I am not opposed to any valid efforts to do away with poverty; but, I am not certain that we are firing our antipoverty weapons in the right direction. It seems to me we should be declaring war on poverty of the soul, poverty of integrity in government and business, poverty of education, poverty of character, and poverty of spiritual dedication, instead of on the poverty of material things. If we would overcome poverty in these areas, the problems which are getting all of the attention today would soon disappear.

Frankly, I'm disturbed when my country appears to be traveling on the theory that the Ten Commandments were intended for *men* but not for *governments*.

More than sixty years ago Lenin said, "We will find our most fertile field for infiltration of Marxism within the field of religion because religious people are gullible and will accept almost anything if it is couched in religious terminology."

We need look no further than to the controversial issues coming from many church organizations today to find evidence that Lenin was not just making conversation.

I believe one of the greatest services we can render youth today is to help them ferret out the *truth,* in a society in which *hypocrisy* has become the order of the day, from Washington on down. Even many of our religious sanctuaries, where socialistic doctrines are supplanting religious teaching, are guilty. In today's society, much of our news media appear to devote more time and space to influence and propaganda rather than to information and education.

Yes, *I am concerned,* for the future of a nation which proclaims to the world that it is offering the flower of its youth to protect the nation's honor in its commitments abroad, but which resorts to officially sanctioned falsifications to its citizens when caught with its hand in the cookie jar.

Arthur Sylvester, while serving as Assistant Secretary of Defense, was quoted as having said: "It is the inherent right of government to lie to save itself." I wonder if he was referring to saving itself from an enemy, or saving itself from the wrath of its own citizens?

Like the Roman Empire, we have witnessed a breakdown of law and order in this country during recent years. I am greatly disturbed for the future of our nation when I read in the newspapers about crimes of violence increasing faster than our population, while court opinions and decisions continue to make it increasingly difficult for local law enforcement authorities to fulfill their responsibilities to prevent crime and prosecute criminals.

I have about come to the personal conclusion that in the United States today, professional criminals have more legal protection in the pursuit of their chosen vocation than do professional policemen.

### THE FINGER OF BLAME

During this year's election campaign, we are bound to witness our political aspirants going about the country pointing the finger of blame at poverty, at the ghettos, at racism, at police brutality, at political aberrations. Surely we can look in many directions if we want to find a place to point the finger of blame for many of our problems.

We can point it at those public officials and organizations that encourage mob violence by advocating the philosophy of civil disobedience as a justifiable means for obtaining an objective.

We can point the finger of blame at a public official who would tell his police force to treat rioters and looters with compassion, while law-abiding tax-paying property owners stand defenseless and unprotected.

We can point the finger of blame at a national church organization which endorsed civil disobedience, thereby giving it an air of Christian endeavor. (It seems that too many of our church leaders today are trying to change our churches to fit society, instead of continuing the effort to mold society to the basic Judeo-Christian concepts that have proved workable for 2,000 years.)

Yes, there are many directions we can point the finger of blame. But if we are really serious, let me suggest that we quit playing ostrich, pull our heads out of the sand, and look into the mirror. Look at a society—you and me—who, through our apathy and acquiescence during the past two or three decades, have permitted the Constitution of the U.S. to be twisted and distorted by interpretation in order to make it conform to the ever-growing operations of a central government instead of insisting that the government operate within the limitations so wisely and deliberately written into that document by its drafters.

George Washington warned us about such a possibility when he said, "If the distribution of constitutional power be in any particular wrong, let it be changed in the way the Constitution provides, but let there be no change by usurpation; for while in one instance this may be an instrument of good, it is the customary weapon by which free governments are destroyed."

I'm certain that we share mutually our concern over the dreadful specter of a possible future nuclear war. But my concern now is directed at a war in which we are already engaged—a war for the control of men's minds. It is being fought aggressively and cunningly by some in our news media, our churches, our classrooms, on our college campuses—even in our federal courts. And personal freedom is coming out second best in too many of the skirmishes. If personal freedom is to be lost, I, for one, would rather that it be lost on the field of battle than to awaken one day and find that it had been stolen away while I slept.

### THE THINGS I CHERISH

My God and my country have been good to me. I cherish my little piece of America in Atlanta where my family begins and ends each day together. I cherish those youthful feet that track in the dirt and wear out the carpets.

I cherish those youthful hands that have a tendency to meddle sometimes and too often forget to put things back where they belong.

I cherish those youthful minds which are yet unable to comprehend the complex challenge of the life that lies ahead of them.

I cherish those youthful ears which respond so instantly and sometimes so violently to the "jungle rhythms" of today's so-called music, when I know in my heart that they have not yet fully experienced the *real* thrill of hearing the "Star Spangled Banner," "God Bless America," or "My Country 'Tis of Thee."

I cherish those youthful eyes which cannot help but see the ugliness as well as the fantastic beauty of the world around them—those eyes that look up at me at bedtime and say, "I'm counting on you, Dad—don't let me down."

I don't intend to.

Some of you must think I'm an extremist, a super-patriot, or even a random crackpot. My answer is, those things which have contributed so much to making the United States the greatest nation on the face of the earth are matters of documented record. We can ignore them, but we cannot deny them.

Written across the face of this record is instance after instance of the recognition and acceptance of individual responsibility.

### WHAT IF THEY HAD SAID

Where would we be today if Paul Revere had said: "Why pick on me—it's nearly midnight. I can't ride through every Middlesex village, and besides I'm not the only man in Boston with a horse."

Suppose Patrick Henry had said: "Sure, I'm for liberty, but let's be realistic." (How many times have you heard that phrase recently?) "This is a complex society we're living in."

Or suppose Patrick Henry had said: "Sure, I'm for freedom, but let's be realistic—the British are bigger than we are, and somebody's going to get hurt."

Yes, as Lincoln said, "To sin by silence when they should protest, makes cowards of men."

So, I protest!

I protest the gradual eroding away of the guarantees of individual liberty and limited government, so wisely and deliberately written into our Constitution by its drafters.

I am doing everything I can to instill in my children a will to defend their heritage of freedom in America. But I am concerned over whether I am doing everything I can and should be doing as one father and one citizen to make certain that my children will have a heritage of freedom *to defend.*

So, I offer you and all other Americans these challenges:

1. Accept fully and without reservation your individual responsibilities for preserving Constitutional government in the United States of America.

2. Eliminate the inconsistencies between what you believe and what you do. This is a personal and individual thing and consists simply of giving your conscience a bigger voice in the making of your decisions.

3. Stop letting the things you can't do keep you from doing the things you can do. No matter how insignificant an individual may think he or she is, he has a sphere of influence. It may be limited to his breakfast table, to his office, to his civic club or his Sunday school class—but he has a sphere of influence and it behooves him to use it to its fullest extent and to attempt to expand on it whenever possible.

4. Stop worrying about being called a "square" by your "friends" and associates. This may well prove to be the highest tribute you will ever be paid in your lifetime.

5. Stop treating politics as if it were a dirty word or a dirty game. To do this is to discourage men of integrity and ability from seeking public office, usually at a tremendous personal sacrifice. Ours is still a government of the people, with its basic ingredient being grass roots politics sprinkled with deep spiritual conviction. To turn our backs on these grass roots ingredients is to turn them on the finished product—the greatest system of government yet devised by man.

6. Sixth, and finally, let us take issue openly and vigorously with those who would tell the youth of today that God is dead.

Alexis De Toqueville, that perceptive Frenchman who visited our shores, in 1835, wrote: "I sought for the greatness and genius of America in her spacious harbors and her ample rivers, but it was not there—in her rich mines and her vast world commerce—but it was not there; it was not until I went into the churches of America and found her pulpits aflame with righteousness that I discovered the true source of America's greatness and genius. America is great because America has been good. If ever America ceases to be good, America will cease to be great."

Is it any wonder, then, that many of us are so genuinely concerned about the very real possibility that our churches may have become the primary targets of those who would seek to destroy us?

Former President Hoover appealed to his party at their 1956 convention with these words: "Your task is to generate a spirit which will rekindle in every American not only a love for this country, but a devotion to its true ideals. You are here to feed the reviving fires of spiritual fervor which once stirred Americans to live and die for human liberty—Americans who know no private interest, no personal ambition, no popular acclaim, no advantage of pride or place, which overshadows the burning love for the freedom of men."

If you are unwilling to accept this challenge—if you are unwilling to get disturbed enough to fulfill ALL of YOUR responsibilities as an individual citizen, and you awaken one morning to find your personal freedom has been stolen away from you while you slept, I would remind you of Cicero's admonishment to Brutus. . . "Don't Blame Caesar!"

## DRASTIC DECLINE IN DEFENSE-RELATED EMPLOYMENT IS NOT ACCOMPANIED BY A CORRESPONDING DECLINE IN IMPACT AID

### HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. HUBER. Mr. Speaker, next week the House will debate amendments to H.R. 69, the elementary and secondary education amendments, and at that time, consider my proposed amendment to Public Law 874 which I had printed in the RECORD, March 11, 1974. My interpretation of the intent of Congress in passing Public Law 874 is that impact aid payments are to be restricted to the compensation of local educational agencies for financial burdens imposed on them by Federal activities and that such payments should not exceed the federally created burdens on school districts. A summary of defense-related employment in 1968, 1970, and 1972, presented in the accompanying table shows a drastic decline during these years, a decline not reflected in impact aid ADA—average daily attendance—claims. The employment figures cited in this table, as evidenced by the documentation of sources, appear to be authoritative and I do accept them without reservation.

The table follows:

U.S.[1] DEFENSE-RELATED EMPLOYMENT AND IMPACT AID, 1968-72

[Absolute figures]

| Fiscal | Military personnel (1) | Federal civilian personnel (2) | Non-Federal civilian personnel (3) | Total civilian employment attributable to military expenditures (4) | Total military, Federal civilian, and non-Federal civilian employment attributable to military expenditures (5) | HEW/OE reported impact aid pupils in ADA (6) | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | "A" | "B" | Total "A" and "B" |
| 1968 | 2, 103, 000 | 1, 090, 645 | [2] 3, 254, 355 | 4, 345, 000 | [3] 6, 448, 000 | 348, 703 | 2, 222, 358 | 2, 571, 017 |
| 1970 | 1, 754, 545 | 1, 044, 652 | [2] 2, 642, 348 | 3, 687, 000 | [3] 5, 441, 545 | 372, 661 | 2, 211, 566 | 2, 584, 226 |
| 1972 | 1, 474, 631 | 988, 433 | [2] 2, 056, 567 | 3, 045, 000 | [3] 4, 519, 631 | 387, 114 | 1, 973, 892 | 2, 361, 001 |
| FIGURES FOR 1970 AND 1972 EXPRESSED IN PERCENT OF 1968 | | | | | | | | |
| 1968 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 1970 | 83.43 | 95.78 | 81.19 | 84.86 | 84.39 | 106.87 | 99.51 | 100.51 |
| 1972 | 70.12 | 90.63 | 63.19 | 70.08 | 70.09 | 111.02 | 88.82 | 91.83 |

[1] Excludes Personnel in foreign countries.
[2] Col. 4 minus col. 2.
[3] Col. 1 plus col. 4.

Sources: Col. 1—OASD/DOD (comptroller), Directorate for Information Operations, "Distribution of Personnel by State—by installation (as of June 30, 1968; June 30, 1970; and June 30, 1972)." Washington, D.C., DOD (mimeograph). Col. 2—OASD/DOD oP cit.; also U.S. Civil Service Commission, "Annual Report of Federal Civilian Employment by Geographic Area (as of Dec. 31, 1968; Dec. 31, 1970; and Dec. 31, 1971)." Washington, D.C., U.S. GPO. Col. 4—"Statistical Abstract of the United States—1973." Table 418; also Bureau of Labor Statistics figures for fiscal 1972. Col-6—HEW/OE, "Administration of Public Laws 81-874 and 81-815," 22d annual report of the Commissioner of Education, June 30, 1972. Washington, D.C., U.S. GPO, 1973. p. 10.

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## RECOGNITION OF DRUID CITY HOSPITAL

### HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. FLOWERS. Mr. Speaker, the National Fire Protection Association recently announced the winner of its 1973 fire prevention contest. I am pleased to report that Druid City Hospital of my hometown of Tuscaloosa captured the first place award in the "International Rating" of the group A government division. This is nothing new for Druid City, as they won in 1971 and achieved honorable mention in 1972. Mr. D. O. McClusky, administrator, Mr. Swann Gray, safety engineer, and the entire staff are to be congratulated for receiving this fine award.

Mr. Speaker, this contest is sponsored annually by the Fire Protection and Clean-Up Campaign Committee of the N.F.P.A. and is in its 47th year. The National Fire Protection Association, a nonprofit organization, is dedicated to the reduction of the loss of life and property by fire. There is considerable competition for the fire prevention contests, which focus attention on efforts for fire safety. Such contests are obviously beneficial to our communities and deserve our support.

Hospitals are a vital part of any community, and it is thus reassuring to the people of Tuscaloosa that such a fine institution serves the area. We, in Tuscaloosa, are justifiably proud of our hospital's record, and feel that recognition of Druid City's outstanding achievements are definitely in order.

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## CONGRESSIONAL COUNTDOWN ON CONTROLS

### HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. KUYKENDALL. Mr. Speaker, in joining my colleagues in this "Congressional Countdown on Controls", I would like to point out the feelings of the Eighth District of Tennessee. Most of the Members of Congress spent a great deal of time with constituents in the district during the recess; I used this time to get a feel of their views on the problems facing this Nation. I returned to this floor convinced that one of the greatest concerns is the rising cost of living. I share this concern.

The Consumer Price Index rate for the last 3 months ending in December 1973 was 9 percent—a glaring contrast to the 4.9 percent for the last quarter before the wage and price controls began.

In a recent article in my hometown newspaper, the Memphis Press-Scimitar, several homemakers were interviewed concerning the changes in their lifestyle. Memphis homemakers are concerned and have changed their lifestyles—by shopping cautiously and frugally. Mrs. Peter Yates said,

> Mostly, we eat hamburgers, hot dogs, and vegetables because of the high prices.

The lifestyle of industry has changed and is changing desperately. The independent plastic processing industry, for example, has been subject to cutoffs of the feedstocks necessary for their operations.

I urge serious consideration by my colleagues to reexamining the entire program of wage and price controls.

Let us return this Nation to a free economy.

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## THE PSRO SPECTER

## HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. SYMMS. Mr. Speaker, it seems that all too often apparently innocuous provisions of legislation come back, to haunt the Congress and the American people. Another addition has been made to this list of specters, and this one strikes with particular force the doctors of this country who are already overburdened with the paperwork occasioned by Government health programs. It is the provision of Public Law 92–603 which has established the Professional Standards Review Organizations. Not only will this law overtax the time and talent of doctors, but it will demolish the confidentiality of the doctor-patient relationship by making records available to outside scrutiny.

Congressman RARICK of Louisiana has remarked:

> The legislative history of PSRO reads like a description of a left end run that went all the way for a touchdown.

In this case, the touchdown does not mark a victory for those who believe in quality health care and the traditional doctor-patient relationship. The following article from the March 1974 issue of Private Practice outlines the PSRO specter:

### PRESCRIPTION: PSRO

(By Hon. JOHN R. RARICK)

A handful of informed medical professionals scattered around the country had some foreshadowing of the true nature of PSRO before it became law on October 30, 1972, with the President's signature. The great majority of the nation's 322,000 practicing physicians were unaware of the consequences that faced their private practice of medicine from the far-reaching legislation. Certainly, the more than 80 million Americans under treatment by Medicare, Medicaid and maternal and child health programs of the Federal government had no inkling of how this government-dominated system of diagnosis, care, and treatment would affect the quality of medicine they had been receiving.

But in fourteen months, between the time when it became law and the time that the Secretary of Health, Education and Welfare began implementing the scheme, Professional Standards Review Organizations became the hottest controversy facing private practitioners of medicine in recent years. It also became the object of a legal struggle to test its constitutionality and a Congressional drive to repeal the potentially destructive legislation.

Dr. Malcolm C. Todd, at the time president-elect of the American Medical Association, called Professional Standards Review Organizations: ". . . the greatest threat to the private practice of medicine of any piece of legislation ever passed by Congress." But he added that repeal of the law would be both "unattainable and politically naive." AMA's House of Delegates echoed his statements in its four-day business meeting held in early December in Anaheim, California.

A substantial number of physicians, increasingly concerned at the prospects of Federally subsidized and controlled peer review, declared: ". . . the best interest of the American people, our patients, would be served by the repeal of the present PSRO legislation." The delegates also suggested "that the local and state medical societies take all legal steps to resist the intrusion of any third party into the practice of medicine."

The doctors stopped short, however, of demanding an all-out effort to repeal the law. Instead, they placed their confidence in an information campaign directed at educating "the public and legislators as to the potential deleterious effects of this law on the quality, confidentiality, and costs of medical care . . ." They voiced hope that "Congress in their wisdom will respond by either repeals, modification, or interpretation of rules which will protect the public."

The president of the Association of American Physicians and Surgeons, Dr. Robert S. Jaggard, was even more outspoken:

"This is a vicious, punitive law which will force physicians to practice medicine by averages. The aged, poor, and disabled in America will suffer because they will be denied the best medical care their doctors can give them. It will force physicians to practice in a climate of fear—fear that they will be punished if they don't adhere to standards dictated by government, fear that if their medical judgement is overruled by government functionaries their patients will be hurt."

Dr. Jaggard's organization places its hope for rescinding the PSRO provisions of Public Law 92–603 in the courts. Last June, the AAPS filed suit in the U.S. District Court in Chicago, challenging the constitutionality of PSRO. The suit charges that PSRO violates the First, Fourth, Fifth, Seventh and Ninth Amendments to the United States Constitution. The right of privacy in the physician-patient relationship, secured by the Constitution, will be denied both patients and doctors, the complaint charges.

Another group of medical doctors, the American Council of Medical Staffs, is currently conducting an intensive nationwide educational campaign directed at the state medical societies. The thrust of their efforts to repeal PSRO began in February 1973 when it was adopted as national policy by the group. Largely through their urging, thirteen state and dozens of local medical societies have adopted resolutions calling on Congress to repeal the law. The Louisiana State Medical Society, one of the most active and efficient in the country, was the first one in the nation to ask repeal of PSRO.

It was after study of the facts presented by the House of Delegates of the Louisiana State Medical Society and a great deal of discussion with doctors in my state, that I introduced my bill H.R. 9375 on June 18, 1973, to repeal PSRO.

One thing is certain at this point: the medical profession, which was ignorant of PSRO a little over a year ago, has had its eyes opened in a short time. I have received correspondence from doctors all over the country. The prevailing theme is clear. Physicians and surgeons, who have realized the position that PSRO puts them and their patients in, are up in arms.

What is it about PSRO that has generated such heated controversy. impassioned denunciation by doctors and other health care professionals. legal suits, and the Congressional move to repeal the law? The answers go deep into the law itself.

The concept that led to the establishment of PSRO resulted from a realization by lawmakers that the costs of government-sponsored welfare medicine had gotten out of hand. Despite original estimates, actual costs for the various programs have swollen to gargantuan dimensions. HEW estimates that the Federal government spends $17 billion a year for Medicare and Medicaid programs. The overrun of projected costs for Medicare alone is expected to top $240 billion over a twenty-five-year period.

Many members of Congress felt that they, and the American public, had been defrauded by the rosy pronouncements of the architects of the programs at the beginning. They looked around for a method of curbing the ever-rising costs. Blame for the escalating prices was shoved off on the practicing physician.

Overlooked in this search for a scapegoat was the fact that medical costs have risen at the same rate as other services over the past twelve years, and that physician's fees for service have actually risen less than salaries of employees covered by Social Security in the same period. Rather than attacking the real problems, such as rampant inflation from runaway government spending, Congress and the bureaucrats took the easy way out. They aimed for the most visible target—the doctors.

Professional Standards Review Organiztions are the sad result of Congress looking for a patsy to bear the brunt of keeping the costs of Medicare and Medicaid down.

Few people will disagree that the government has a solemn responsibility to the taxpayer to control the costs of all Federal programs. But the costs that PSRO extracts in time, money, and the loss of individual rights of physicians, patients, and taxpayers, are too high a price to pay.

PSRO is a creature of the Senate Finance Committee and was introduced as an amendment to the massive Social Security Act of 1972 by committee member Senator Wallace F. Bennett, Republican of Utah. The Senator had originally introduced the idea as an amendment in committee in August 1970. Even though it won committee approval, it died in the waning hours of the legislative session because it never got to a conference of both houses.

With some modifications, the proposal was offered once more as an amendment in committee to the catchall bill H.R. 1, on January 25, 1972. PSRO, with support from the powerful Senate Finance Committee, came to the Senate floor carefully tucked away in the complex and lengthy 989-page Social Security Act of 1972, later P.L. 92–603. While other so-called welfare reform attracted the news coverage and public attention, PSRO moved quietly through the Senate debate without a single amendment being offered from the floor.

The House never considered or passed a PSRO provision when it voted on H.R. 1. It was the Senate's proposal that was adopted, with only three major modifications, by a House/Senate conference committee which ironed out the differences in the two versions of the bill. Both the House and the Senate approved Professional Standards Review Organizations with little fanfare on October 17, 1972.

It may shed some light on the political maneuvering that secured the passage of PSRO to note that while the Senate held public hearings on the scheme, the House never did. It was accepted by a handful of conferees, the only Representatives who actually had an opportunity to cast a vote on PSRO. When H.R. 1 was considered by the House in the last minute rush on the final day of the 92nd Congress, it was brought onto the floor for debate under a closed rule. This is a legislative procedure that does not allow a proposal to be amended during debate by the entire membership.

This is a political power play often used by proponents of an unpopular or controversial measure that might go down to defeat if all the facts were known and Congressmen were allowed to decide on the merits of its individual sections. In this case it worked. The representatives of the people had the option to vote for or against the "package deal." The favorable vote was 305 to one.

The legislative history of PSRO reads like a description of a left end run that went all the way for a touchdown.

In an effort to clear up "a great deal of confusion in the minds of physicians" about PSRO, the Assistant Secretary for Health, Dr. Charles C. Edwards, issued a ten-page pamphlet in December called "PSRO Questions and Answers." Dr. Edwards views the beginning of the PSRO program as:

"Embarking on a major new venture in the efforts of government and the health professions to improve the quality of health care one in which the major responsibility falls—as it must—on the physicians who seek to meet the health needs of their patients."

What can physicians, surgeons, and members of hospital staffs expect from this "major new venture"?

The law calls for the establishment of a pyramiding network of review boards that stretch from the local community to HEW offices in Washington. The local PSRO committees, at the present time made up of physician-sponsored organizations, are charged with evaluating the necessity and quality of medical care delivered under several government-funded medical programs. The local PSRO committees are responsible for reviewing the actions of doctors treating patients under these programs, to determine if they are: medically necessary, up to recognized standards, and delivered by the most economical institution or format of care. In fact, they have the authority to deny elective admissions to hospitals and to order a patient to be transferred to a nursing home or other health care facility. The entire scheme is deceptively simple.

In order to arrive at workable standards for diagnosis, treatment, and care of patients, PSRO committees are empowered to set up a Federal rulebook for treatment of all diseases. Some 50 million patients and 10 million hospital admissions are potentially subject to monitoring. Proposed "norms" of care and treatment will cover some 350 procedures. The HEW Secretary will have the final decision for approving these "norms" suggested by the local committees "based upon typical patterns of practice in its region." Such questions as whether some doctors over-prescribe or require unnecessary hospitalization will enter into the review and norm-setting process.

Medical records will become public records, since the law also empowers the government, through PSRO, to examine them in doctors' offices, not only those of Federally insured patients, but private patients as well. A doctor's business records as well as the traditionally privileged and confidential medical records of patients are also open to bureaucratic plundering. The law sets penalties for disclosure of such information. But one section of the Social Security Act of 1973 (section 1106, paragraph B), allows disclosure to be made in accordance with regulations established by the Secretary:

> Requests for information, disclosure of which is authorized by regulations prescribed pursuant to sub-section (a) of this section and requests for services, may, subject to such limitations as may be prescribed by the Secretary to avoid undue interference with his function under this act, be complied with *if the agency, person, or organization making the request agrees to pay for the information and services requested in such amounts*. [Emphasis added]

Perhaps the creators of PSRO expect the program to save taxpayers' money by selling confidential medical information extracted from doctors' files to those parties willing to pay. The right of privacy, in the past sacred in medical relationships, will be violated without benefit of a search warrant, court order, or authority of the patient.

The local PSRO will compile, and is expected to publish, up-to-date "profiles" on individual physicians. These computerized profiles will be used to identify doctors who fail to live up to their "obligations" of practice under the established norms of health care.

Those doctors who prefer to practice medicine from education and experience, rather than from a Federally directed computer printout of "norms," can expect stiff financial and professional sanctions. Practitioners who demonstrate "an unwillingness or lack of ability substantially to comply with the obligations" face fines of up to $5,000, suspension from participation in the Medicare/Medicaid programs, and criminal prosecution if fraud is involved.

While HEW comes down hard on transgressors, it is generous to those who go along with the program. One provision even grants immunity from prosecution to those doctors who practice medicine from HEW's guide book. PSRO has cloaked its political doctors in a security blanket of protection against malpractice suits by patients. The provision alone will probably entice some insecure doctors to forsake their own medical judgment for the collective practice of medicine by computer.

The Federation of American Scientists, a professional scientific organization, predicts in its December *Professional Bulletin* that medical and scientific innovation will suffer as a result of PSRO stifling:

> There is no question that it [PSRO] will limit research and innovation and may result in doctors' practicing "defensive medicine"—i.e. using only the most conventional treatments. A levelling off of health care seems likely. For example, the Mayo Clinic requires a complete physical for all patients. Will this go unreimbursed simply because other institutions in the area don't provide it? While PSRO should raise the level of poor quality institutions somewhat, it may also have a deflating effect on superior ones. The result could be another bureaucratically muscle-bound project which absorbs much more valuable time and energy better used elsewhere.

The PSRO law lengthens the shadow of big brother government in the doctors' offices and hospital operating rooms of the country, with no guarantee that it will actually save the taxpayers anything. HEW will provide funding to PSRO to cover all necessary expenses involved in carrying out its functions, including the reimbursement of physicians for time spent participating in review activities. The HEW Office of Professional Standards Review, which coordinates all PSRO efforts at the national level, estimates the cost of operating a single PSRO for one year as up to $500,000. It doesn't take a complicated HEW computer to realize that this cost multiplied by the 182 local PSROs proposed by the Secretary in the Federal Register on December 20 equals a whopping cost of $91,000,000 for one year's operation. The taxpayers are not told that they must shell out almost $100 million a year to accomplish the same thing that professional peer review committees in hospitals, state medical societies, and government agencies at other levels already do.

I have had many personal conversations with physicians all over the country, which usually begin, "Congressman, I applaud your stand for repeal of PSRO. It's a bad law, and we must nip it in the bud. But, honestly, do you think that PSRO can be repealed?"

My answer is a qualified "yes," PSRO can be repealed, but not without the solid backing of responsible medical professionals and an informed public. As knowledge of the ramifications of PSRO increases, there seems to develop a corresponding increase in opposition to it on the part of doctors, patients, and legislators. In June, when H.R. 9375 was first introduced, it had no cosponsors. There was little interest in it outside a small medical circle. At the time scant news coverage had been given PSRO in the press. The resolution passed by the AMA House of Delegates, however, focused national public attention on the law and the bill to repeal it. An open letter to the delegates was signed by 41 members of Congress in November urging passage of such a resolution. Since then, 14 other Congressmen have joined me as cosponsors of H.R. 9375, and two others have introduced identical legislation. Many of the Representatives who never had a chance to vote on it, have indicated to me that they feel PSRO deserves closer scrutiny before being forced on the American public.

Congress generally reflects the wishes and demands of the people it represents. Unless the voters and taxpayers make the desire for repeal of PSRO known, it will remain law and continue to eat its radical way deeper into our health care delivery system. Unless you as physicians can convince your patients of the danger they are up against and the need to communicate this to their legislator, PSRO will not be repealed.

In the December 10 editorial titled "No Time for Patients," the Wall Street Journal assessed the climate today:

"Medicare and Medicaid were a product of the mid-1960s and there is no denying the public support that then existed. But this is 1973 and Americans have seen quite a lot they don't like about Federal social programs. There is no certainty they are yet ready for a national health insurance and they certainly aren't ready for sneaky approaches to that end through innocent-looking riders to complex bills in Congress. It may well be that the public has a bigger stake in repeal than it realizes. At any rate, the issue deserves a better hearing than it got when PSROs were so nimbly written into law last year."

The political promise of improved health care at lower prices is an appealing idea to many Americans. But the question remains, Will physicians be allowed to continue to practice medicine for the benefit of their patients, or will politicians be allowed to manipulate doctors for the benefit of political expediency? The only answer will come from the American people.

In the meantime, take two aspirin and call your legislator.

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## WHY DOES YOUR SOCIAL SECURITY CLAIM TAKE SO LONG?

## HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the Record, I include my Washington report entitled "Why Does Your Social Security Claim Take So Long?":

### Why Does Your Social Security Claim Take So Long?

People often lack confidence in government because it is no longer plain, simple and intelligible as the Founding Fathers intended it to be. The vastness of government baffles, confuses and frustrates them. No one expects an institution that spends over $300 billion a year and employs over 2.7 million people to run as smoothly as the neighborhood grocery, but, even making allowances, they see too much delay, inertia and unresponsiveness.

The social security program illustrates the problem of making big government responsive and efficient. Few Congressmen can satisfactorily explain to a constituent with a social security problem why it takes at least a month, and often six months, to get a full report in response to an inquiry.

Sheer size is a large part of the problem. Each month the 55,000 employees of the Social Security Administration process 424,000 new claims, handle 3.3 million inquiries, establish 600,000 new social security numbers and distribute benefits to more than 33 million Americans. Social security outlays will increase by $11 billion to $79 billion this year, and the end is not in sight because the fundamental forces that escalate the cost of the system—population growth, public demand for better benefits, and expanding programs—are continuing; 100 million American workers, 9 out of every 10, are now covered by social security, and 1 of every 7 Americans receives a monthly check. In any organization so large—and the social security system is the largest retirement and disability insurance system in the world—the familiar bureaucratic rule often applies that if anything can go wrong, it will.

New programs like the black lung program are constantly being added, and existing programs like Medicare are constantly being changed. The black lung program added 450,000 persons to the social security caseload, and the 1972 change required a complete reprocessing of all claims previously denied. Over a million beneficiaries were added to the social security program when the new supplemental security income program was added this year. Disability claims have been increasing by 15% a year. The determination of disability is a complicated question often requiring close questions of judgment, and in these and other disputed cases, the process of hearings, awards, denials, reconsideration and appeals is cumbersome.

A few simple rules, if followed, will help speed a social security inquiry:

(1) Work closely with officials in your local social security office. They have received special training to help you and they are your most important source of advice and assistance for social security claims.

(2) In contacts with the Social Security Administration or my office, always use your social security number and the name and social security number of the wage earner on whose record your claim is filed (if not your own).

(3) In disability cases, be sure to obtain all the medical and other evidence you can to support your claim, since that evidence is crucial for a decision.

(4) Keep social security records safe and bring them with you when you go to the local social security office to apply.

(5) Notify promptly the Social Security Administration of a change of address and include your name, social security number and the names of any of your dependents also affected by the address change.

(6) Check occasionally with the Social Security Administration to insure that you are being credited for all of your contributions to the social security system.

(7) File early for benefits (perhaps three months before benefits are due) to allow time for documentation.

(8) If your claim is denied, submit your appeal as soon as possible, since action is taken on social security claims in the order they are submitted and appealed.

My office receives about 750 personal letters each week, roughly one-half of which are casework (personal problems with federal agencies) and a major portion of those involve social security problems. In addition, many personal contacts with me or members of my staff concern social security problems. My staff and I direct careful attention to these inquiries and seek for each constituent, not preferential treatment, but fair and full consideration of his inquiry, and a just determination.

That is no small task in the vast world of the government's social security program.

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## BINARY NERVE GAS

## HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. OWENS. Mr. Speaker, I would like the Members to know that the issue of the Army's proposals to begin production of the binary chemical warfare munition continues to get an increasing amount of reaction from the public media. As I have noted before, I consider the decision as to whether the United States should indeed embark upon a total restructuring of our chemical warfare stockpile to be one of those turning points in legislative history. We have the opportunity to make a crucial decision at this moment which can have a far-reaching impact on all of our arms control efforts to reduce world tension with regard to escalation of chemical weapons manufacture and production. This decision is so crucial that I and a number of cosponsors have introduced legislation asking for a review of our policies on chemical warfare so that we in the Congress may be absolutely certain that we understand the real implications of this proposal by the Army. I include in the RECORD the following article, published in the Saturday Review/World, as an example of the type of reaction which is appearing with regard to the issue of the production of binary weapons.

The article follows:

### NERVE GAS: RETURN OF THE NIGHTMARE

(By Richard A. Fineberg)

Isn't poison gas a thing of the past? Not at all: Today's military is pushing for major new nerve-gas systems.

Just when most Americans thought the gas-warfare program had been phased out, the U.S. military has come up with a "safe" instrument of death known as a binary nerve-gas weapon. Inevitably, a storm of controversy has already blown up around the weapon, and later this spring an influential House Foreign Affairs Committee subgroup will hold major hearings on the binary nerve-gas agents.

Undismayed by the growing criticism, the army is steadfastly gearing up for production of the weapon—which is known benignly as binary nerve gas because it consists of two components that are relatively harmless in themselves but are deadly when mixed together, just as the gas is launched at the enemy. Though the binary is no more deadly than its predecessors, the Pentagon is pushing the weapon because it is safer to handle and therefore less likely to arouse the public's latent nerve-gas phobia.

According to a recent army announcement, the nerve agent will be produced at the Pine Bluff (Arkansas) Arsenal. Technically, this lethal weapon is not a gas; it is a liquid dispersed in an aerosol cloud of tiny droplets. This deadly liquid may be carried by a variety of munitions, which include aircraft spray tanks, bombs, rockets, artillery shells, and land mines.

Like ordinary nerve agents, binaries work by inhibiting cholinesterase, a key body enzyme, thus causing uncontrollable muscle action: A pencil-dot of nerve gas on the skin is potent enough to reduce, in short order, an individual to a nauseated, defecating, spasmodically writhing animal. Untreated, exposure to nerve gas will cause death within minutes.

If it's no stronger than other gases, why does the Defense Department so urgently want this chemical weapon? It is ironic that the big selling point for the binary is its relative safety, not its potency. By manufacturing, shipping, and storing the agent in two separate components, military planners hope to reduce the possibility of accidents that might unleash an inadvertent cloud of death. This is an important consideration for the army: Since 1966 leaks of supertoxic nerve gas stored at Dugway Proving Grounds (Utah), Lexington-Bluegrass Army Depot (Kentucky), Rocky Mountain Arsenal (Colorado), Fort Greely (Alaska), and on the island of Okinawa have created serious threats to the environment, to military personnel, and to public health and safety. Proponents of the binary hope the weapons system will reduce these problems and will reduce public opposition to chemical weapons as well.

One binary component, a chemical that the army compares to organo-phosphate insecticides, will be manufactured and placed in projectiles at the Pine Bluff military plant. The other component, an alcohol reagent obtained commercially, will be shipped, stored, and handled in a separate canister that will be loaded into the munition just prior to firing.

Here's how a binary artillery shell works: When the projectile is launched, the firing force ruptures the walls separating the two canisters that hold the components. As the warhead spins on its way to the target, internal fins mix the components together to form a nerve agent. When the shell hits the target, some ten seconds after firing, a small explosive charge in the nose disseminates the nerve-gas cloud. Separated, neither component of the binary is extraordinarily dangerous by modern industrial standards; combined, they form a lethal neurotoxin similar to currently stockpiled agents.

For this innovation in chemical warfare, the army plans to spend an initial $400 million. About half this amount will go toward destruction of about 20,000 tons of nerve gas that the United States has stockpiled around the world, from Johnston Island in the Pacific all the way to West Germany. The rest will be spent on replacing the old gas with binaries. And this is only the first installment. The army's production-cost estimate, reluctantly divulged, covers only the first two binary weapons to reach advanced development—the 8-inch and 155-millimeter tactical artillery shells. Other binary weapons are slated to follow these early ones.

Cost and safety are important considerations, but they obscure much more significant long-term questions about the strategic and international implications of the binary weapons system. The Defense Department says the lethal chemical stockpile is needed as a deterrent-in-kind against a potential Soviet nerve-gas attack. But critics of the binary question this premise.

The military's case for a nerve-gas deterrent was summed up before a subcommittee of the House Armed Services Committee last October by Robert C. Hill, assistant secretary of defense for international security affairs. Hill trotted out the well-worn argument that "since World War I, highly toxic chemicals have been used only against nations that did not possess a capability to retaliate in kind and adequate defensive equipment and training." This argument does not stand up under close scrutiny. For one thing, highly toxic gases *were* used by both sides during World War I. Lethal chemicals have been used in two conflicts since World War I (Italy used mustard gas against Ethiopia in 1936, and Egypt reportedly used lethal chemicals during the early 1960s in the Yemeni civil war). But these two instances hardly constitute conclusive proof of the Defense Department's thesis. Moreover, this argument overlooks the fact that chemicals were not used in countless other conflicts, regardless of unequal preparations. One of the most important reasons for non-use of chemical weapons appears to be the nightmare memory of World War I. In that conflict the agony of extended trench war was compounded by vaporous clouds of blister and choking agents that left men gasping, strangling, and clawing for life, blistered cruelly under the armpits, on the back of the neck, or in the groin, or, in some instances, blinded. Chemicals were not used during World War II and are regarded with a special opprobrium that is surpassed only by the horror of germ and nuclear weapons.

In a recent interview with *The New York Times*, Dr. Fred C. Ikle, the director of the Arms Control and Disarmament Agency, went on the record with his belief that the threat of a nuclear response should in itself be enough to persuade the Soviet Union not to launch a nerve-gas attack. Dr. Ikle, whose unit provides technical backup for all arms negotiations, also says U.S. introduction of binaries may further complicate the bogged-down chemical-warfare negotiations at the U.N. Conference of the Committee on Disarmament. The conference has been working on a chemical-warfare ban since 1972.

Veteran arms specialist Herbert Scoville, Jr., doesn't buy the Defense Department's deterrence-in-kind premise, either. Scoville, a former high-ranking official in both the Defense Department and the CIA, as well as the Arms Control and Disarmament Agency, states flatly, "There is no requirement that every possible Soviet action or weapon needs to be deterred by a response in kind." Underscoring the fallacy of the deterrence-in-kind premise, Scoville notes that in most scenarios, the main purpose of the U.S. nuclear panoply in Europe is to deter a large-scale *conventional* attack by Soviet forces.

Advocates of the nerve-gas deterrent frequently maintain that chemicals reduce the likelihood of an all-out thermonuclear war by providing a non-nuclear alternative to conventional warfare. But arms-control experts such as Scoville suggest that the opposite may be the case. It is a tremendous jump, he observes, from conventional to nuclear war. By interjecting chemical weapons, Scoville says, "you are putting an intermediate step in the escalation of warfare to weapons of mass destruction." Thus, chemicals may serve as a stepping-stone, rather than as an alternative, to thermonuclear weapons.

Some observers fear that the thrust of recent U.S. efforts in chemical-warfare technology is to make the stuff easier to use, thereby increasing the possibility that these weapons may be used in future combat. Moreover, the advent of binary technology, which will reduce the expense and the hazards of standard nerve-gas weapons, may tempt smaller nations to acquire binary nerve gas as a "poor man's nuke." Apart from economic and safety factors, there's always the tendency for smaller nations to follow the lead of major powers in weapons development. Thus, rather than deterring the use of lethal chemicals in future wars, U.S. introduction of binaries may lead to a round of chemical-weapons proliferation and may increase the possibility that these weapons may be used. It is well known that multi-million-dollar projects tend to develop a quite unsubtle bureaucratic momentum as they progress.

One of the more frightening and less publicized aspects of the chemical-research program is the development of an oral vaccine that provides immunity to nerve-gas poisoning. At this moment troops operating in a possible chemical theater carry small cartridges filled with atropine, a belladonna extract. These handy cartridges are for immediate self-injection as a nerve-gas antidote. In case there is a nerve-gas attack, you have to don a cumbersome protective suit and gas mask immediately. Time is all-important. What if you are exposed? Military instructors describe the battlefront after a nerve-gas attack in this way:

"Don't ask questions. Jam that cartridge into your hip. . . . Your buddy is convulsing. He is defecating, salivating, urinating, sweating. He is a stinking mess because his muscles are all contracting. Take out his atropine injector and give him a shot. He has three of them. Use them all. . . . If more is necessary, reach over and take the injectors carried by the dead man lying nearby. Don't be sentimental: he won't bitch."

Doctors consider atropine a dangerous poison itself, and if the soldier (civilians would not be likely to have the antidote available) injects too much and finds that he has not been exposed, he is likely to poison himself with atropine. The new vaccine uses a small quantity of an organophosphate poison to develop, within the body, antigens that provide immunity to nerve agents. If the vaccine works, the atropine-poisoning problem will be solved.

The army holds that the oral vaccine is basically defensive because it will protect U.S. troops and cannot inflict harm on enemy forces. But it is not easy to draw a line between offense and defense in matters of military technology. Immunity to nerve-gas poisoning would make it easier for U.S. forces to use nerve gas, as well as to defend against it, and thus the oral vaccine would appear to have offensive implications. Dr. Richard Novick, a New York City microbiologist who reported last year to the Scientists Committee on Chemical and Biological Warfare on recent developments in this field, believes that the oral nerve-gas vaccine could have consequences even farther-reaching than the binary itself. Novick worries that if one side perfects the vaccine, the other side will follow. The resulting obsolescence of nerve agents, he fears, may lead to a new and more intense search for more effective lethal chemical agents.

Researchers at the Edgewood (Maryland) Arsenal have demonstrated the vaccine's effectiveness in protecting rabbits, which are often used to detect nerve gas leaks because of their sensitivity to the poison. The arsenal also recently requisitioned a batch of beagle puppies to test the new vaccine (beagles are used because their physiological responses are similar to those of human beings). The next logical step will be to challenge the vaccine by exposing people to small doses of nerve agents.

While the army plunges ahead with chemical-weapons development, efforts to establish international restraints on these weapons are standing still. President Nixon is busy assuring anyone who will listen that the United States plays "a leading role in discussion of chemical-weapons controls" at the U.N. Conference of the Committee on Disarmament. The United States, however, has consistently rejected all proposals for a chemical-arms agreement without setting forth any firm counterproposal. For this reason some experts, Scoville included, say that the U.S. role adds up to foot-dragging rather than leadership. Meanwhile, the United States remains the lone major power that has not acceded to the 1925 Geneva Protocol, which bans first use in combat of "asphyxiating, poisonous, or other gases and all analogous . . . devices."

The army usually conducts extensive field tests before purchasing a new item, but the "try before you buy" policy is something of a problem in the case of binary nerve gas. Open-air testing of lethal chemicals has been a sensitive issue since 1968, when an errant aerial nerve-gas test resulted in the deaths of 6,400 sheep scattered across the desert south of Salt Lake City. Beset by growing criticism in the wake of its unsuccessful attempt to cover up its involvement in this fiasco, the army suspended nerve-gas testing in 1969. Congress subsequently required that lethal chemicals should not be open-air tested or procured without specific approval of the secretary of defense and prior consultation with appropriate public-health authorities and elected officials (the key provisions of PL 91–121, however, may be waived by the President in the interest of national security).

Knowledgeable observers say the army has been ready to field-test live binary munitions since 1972, but there are indications that the Pentagon may be willing to go into production without an extensive round of open-air tests, in order to avoid controversy. But in spite of Defense Department efforts to circumvent it, the controversy is building. Democratic Congressman Wayne Owens of Utah, whose district includes Dugway, has introduced legislation to curb the chemical-warfare program, and his persistent effort has rounded up some fifty House co-sponsors. The influential National Security Policy and Scientific Developments Subcommittee of the House Foreign Affairs Committee is planning to take up the question in major hearings this spring. (Observers recall that President Nixon's 1969 policy proclamation on chemical and biological warfare was made in the midst of a thorough analysis of the subject by the same subcommittee, which is headed by Wisconsin Democrat Clement J. Zablocki.)

The debate over testing has been marked by a number of apparently conflicting Pentagon announcements. Although Gen. William Gribble, army chief of research and development, told the House Armed Services Committee in 1972 that "open-air testing will be requested to confirm weapon efficiency of the binary 155-millimeter projectile prior to procurement," Pine Bluff has been designated as the production site for military components—without testing.

Whatever the decision on testing the binary, the fundamental question remains: Is there a pressing need for still another nerve gas whose production is likely to increase, rather than decrease, the possibility that chemical weapons will be used in future conflicts?

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## MORE MILLIONS FOR SOUTH VIETNAM

### HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Ms. ABZUG. Mr. Speaker, yesterday the President sent to Congress a message asking another $54 million for Saigon. This is in addition to the $474 million included in the overall supplemental request. It is also in addition to the $250 million for economic aid which as you know, is often converted into military aid. This will bring the total to $525 million above what the Congress has already approved for the current fiscal year.

Mr. Speaker, we must reject this blatant attempt to overturn the will of Congress. Last fall when the Congress appropriated some $450 million for aid to Indochina, about $300 million of it was earmarked to support President Thieu's government. At that time some Members felt that we were obligated to continue assisting this dependent regime for what was cynically called "a decent interval." It was and is common knowledge, in and out of Congress, that without U.S. dollars this unpopular regime would quickly be thrown out.

As the war went on without sign of ceasing, as President Thieu openly proclaimed his disdain for and disregard of the Paris Peace Agreement, more and more Members and constituents have begun to question our continued and expanded involvement there.

Secretary of Defense William P. Clements told the House Armed Services Committee yesterday that:

> We're just running out of capabilities to run these programs . . . operations will be severely curtailed. They may have to stand down.

Well, there are lots of other things this country is running out of—like gas and heating oil and food and paper. Operations are being curtailed by every business, every private citizen. Why should we be propping up a regime from which we supposedly disengaged a year ago? and with more money than when our own troops were fighting there?

The question we must face squarely is whether it is in the best interest of the United States to continue our support at such cost. The worst alternative posed by military spokesmen is that Communist Vietnamese may gain control of the country. Does this really pose a serious threat to the United States? What vital national interests are involved there? Does the form of government of this tiny country, thousands of miles from our shores, threaten the ordinary citizen of America whose taxes support Thieu or does it threaten the big oil companies and contractors who have made fantastic profits from the war and do not want to end it?

A third alternative is never mentioned by the administration or the Pentagon. That is to insist that Thieu allow his non-Communist opponents to come out of the jails where he detains them, to meet and speak freely, to form a neutralist force and participate freely in elections. This he flatly refuses to do. In fact, President Thieu, President Nixon and the Pentagon deny that these people exist.

I know that they do, because I met and talked with many of their leaders in Saigon during the August recess. I brought back letters signed by Buddhists students, Catholics, women, ordinary citizens, detailing their arrest and torture. I was able to be of some help in getting one of their number, Mme. Ngo Ba Thanh, out of the jail she had been in for 2 years. I have also talked with many other Americans who have spent weeks or months in South Vietnam and have firsthand knowledge of conditions there. To deny the situation does not make it go away. Saigon houses a repressive dictatorship and our taxes keep it in business.

We must insist that the Congress take a closer look at what we support with these reckless millions. And then we must pass legislation which forbids the spending of any U.S. dollars to prop up Thieu until he ceases to violate the Paris agreements and releases his political opponents.

## WILLIAM J. CECKA, JR. PRESENTED NMA'S SILVER KNIGHT AWARD

## HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. JONES of Oklahoma. Mr. Speaker, I am extremely pleased to be able to report to the House of Representatives that William J. Cecka, Jr., president of Rockwell International's Tulsa Division, has been presented the National Management Association's Silver Knight Award for outstanding leadership in business and civic activities.

This is the highest honor that the NMA can bestow, and no individual could deserve it more than Bill Cecka.

This award might just as easily have come from the citizens of Tulsa, for Bill Cecka has been an outstanding civic and business leader ever since he and his family moved to Tulsa. The Silver Knight Award is one in which the entire city shares in giving.

Bill Cecka combines those outstanding qualities of being a gentleman, a superb businessman, a bright and imaginative aeronautical engineer, a dedicated family man, a loyal and patriotic American, and a kind and considerate human being.

Those who applaud Bill Cecka the loudest are the men and women employed by Rockwell International in Tulsa.

Because of my deep respect for Bill Cecka, and because of his strong leadership in our defense and space work, I would like to take this opportunity to include a brief biography of Bill in these remarks. It is imperative that each of us understand the high caliber of the individuals involved in our defense work, and that we recognize their devoted community contributions as well.

A native of Minneapolis, Bill received his degree in aeronautical engineering from the University of Minnesota. In September 1943, Bill joined Rockwell International in the Engineering Wing Group, working on the P-51, B-25, and P-82 aircrafts.

Entering the Air Force in 1944, Bill served in a special aeronautical engineering unit that was assembled to develop aircraft rocket launch systems. Bill's intelligence and creativity led him to design and flight test the first automatic rocket launcher to be installed inside an airplane. For this effort, Bill was awarded a service commendation.

Bill rejoined Rockwell in 1946, and advanced to manager of engineering tests in 1957. He is one of the engineering pioneers who contributed to the success of Rockwell's Atlas, Thor, Jupiter, Redstone, F-1, and J-2 engines. Bill's broad management background at Rockwell includes: manager applications engineering, manager central marketing, manager special processes, and assistant to the president of the Rocketdyne Division.

Bill was named president of the Tulsa Division of Rockwell International in January 1971, after having served as manager of Rockwell's Neosho Plant, assistant general manager of Rocketdyne's Solid Rocket Division, McGregor, Tex., and vice-president and general manager of the Tulsa Division.

The list of Bill's professional and community organizations would make anyone proud. He is an associate fellow of the American Institute of Aeronautics and Astronautics, a member of the National Management Association, Navy League, American Ordnance Association, American Society of Quality Control, and a registered professional engineer. He is also a member of the First National Bank & Trust Co. board of directors, the Metropolitan Tulsa Chamber of Commerce and the Oklahoma State Chamber of Commerce boards of directors. He serves on the boards of the Tulsa Community Chest, Goodwill Industries, Hillcrest Medical Center, North Tulsa Development Corp., American National Red Cross, and the Dean's Advisory Council for the College of Business Administration at the University of Tulsa.

Bill and his lovely wife Marge, have a son, William T., and a married daughter, Mrs. S. K. Schultheis.

The Tulsa Division of Rockwell International is presently doing work on the Space Shuttle, the B-1, and tooling for the A-10. I hope my colleagues in Congress will have an increased confidence in our defense and space efforts, knowing that a man like Bill Cecka is in charge.

My warm congratulations to Bill and his family for this wonderful tribute to his dedication, energy, and abilities.

## VICE PRESIDENT FORD HONORED

## HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MURPHY of New York. Mr. Speaker, I would like to share with my colleagues the remarks of Vice President GERALD R. FORD at the 66th Annual Award dinner at Bnai Zion on Sunday, February 24, 1974 in New York City. Vice President FORD received the 1974 Bnai Zion America-Israel Friendship Gold Medal Award in recognition of his outstanding contributions to the furtherance of America-Israel friendship. The Vice President's long friendship to Israel was recalled by our former colleague Congressman Abraham J. Multer in his presentation to Vice President FORD of the Friendship Gold Medal Award. The Vice President was greeted by the Mayor of New York City the Honorable Abraham Beame and the chairman of the dinner committee and toastmaster for this annual award dinner, Dr. Harris J. Levine.

The remarks follow:

### ADDRESS BY VICE PRESIDENT GERALD R. FORD

It is with deep appreciation that I thank you for the great honor you have bestowed upon me with the award of the 1974 America-Israel Friendship Gold Medal. I will treasure this medal as a cherished token of my commitment to the friendship of our nation with Israel. But, I trust I have your permission to symbolically share it with the Administration that I represent.

I have often heard that Zionism makes for better Americanism. Accordingly, let me offer American Zionists some of my thoughts on the evolving relationship between our own country and the State of Israel.

We meet at a historic moment. This is the eve of Secretary of State Kissinger's return to the Middle East. Dr. Kissinger is now seeking the disengagement of Israel and Syrian forces as a further step in the process of peacemaking ensuing from the agreement consummated between Israel and Egypt for separation of contending armies at the Suez Canal.

Dr. Kissinger judged very astutely the moment when Egypt and Israel were both ready to go from a state of permanent hostility to a state of possible accommodation. He converted that readiness into a formula that both countries could accept. We pray that this can now be done with regard to the confrontation on the Syrian-Israeli front.

I am pleased to note that American diplomats recently returned to Syria after more than six years of severed relations. This can, I think, encourage partisans of peace.

We are, of course, addressing ourselves to the issue of Israeli prisoners of war held by Syria. I recall all too vividly the torment of Americans over the unknown state of our POWs in North Vietnam. Humanitarian considerations indicate that Syria and Israel should exchange full lists of prisoners and that both sides permit Red Cross visits to POW camps.

Dr. Kissinger has already conveyed some initial Syrian ideas on disengagement to the government of Israel. The role of the United States in these negotiations is not to impose American ideas on the other parties, but rather to work with them to find solutions to the problems that block movement towards a lasting Middle East peace settlement.

We remain hopeful for the alleviating of the Arab oil embargo. Our conviction is that the free flow of commerce facilitates the economic stability of our countries and strengthens the cause of peace. The United States wants friendship with *every* nation in the Middle East. We harbor malice towards none.

This Administration is proud of the role it played in helping to bring about the cessation of hostilities in October, the 6-point agreement to consolidate the ceasefire in November, the convening of the Geneva Peace Conference in December, and the disengagement agreement in January. We are pleased that disengagement to lines specified in the Suez agreement took place according to schedule.

Dr. Kissinger's peacemaking is nourished by the new climate that exists in the world. This is the climate that ensued from the President's courageous initiative in visiting Peking and Moscow and from the understandings reached there and in subsequent exchanges. This is the climate that flows from the President's extrication of the United States from the war in Vietnam.

I am very proud that American diplomacy relieved the dangerous global pressure point at the Suez Canal. Egypt and Israel now have the opportunity to implement a scenario of peace step by step in such a manner as to build mutual confidence.

All the credit does not belong to American diplomacy. A large share accrues to the courage, goodwill and vision of leaders in both Egypt and Israel.

Dr. Kissinger's genius was in narrowing the distance between the parties without imposing a formula from the outside. He acted as a go-between for the two sides. This is far better than coercion or pressure. It enhances America's moral standing with both parties, increases our influence and decreases the chances of American military involvement.

President Nixon made a commitment to provide the necessary defense capability to Israel. He was mindful of the dangerous flow of Soviet weapons to Egypt and Syria. The President kept his word. There was no credibility gap in Israel when the United States Air Force ran transport after transport of arms to Tel Aviv during and after the October war. To finance the airlift and other assistance, the Administration sponsored a 2.2 billion dollar emergency aid bill.

This Administration remains committed to a military balance to preserve peace.

President Nixon pledged in 1968 that the United States would seek to impose neither arbitrary settlement nor unilateral concessions. He said that we would use our good offices only to assist the parties to the conflict to fashion their own settlement. He kept his word.

I cite the record of the President and the Secretary of State because I feel honored to be associated with an Administration that began making peace popular in an area where anxiety and death have stalked frontiers for over a quarter of a century. That is why an award for America-Israel achievement belongs more properly to others than to the new Vice President.

Let me say another word about President Nixon. Your organization is greatly concerned over the plight of Soviet Jewish citizens who want to emigrate to Israel. As he advanced the concept of detente with the Soviet Union, President Nixon interceded on behalf of Soviet Jewry. Some 35,000 Soviet Jews have found new homes in Israel.

There is now renewed interest in the fate of Soviet writers and poets—Jewish and non-Jewish—to voice dissent within the Soviet Union. The necessity for detente, as we can conceive it, does not reflect approval of the Soviet domestic structure. We look with sympathy and great appreciation upon freedom of thought and expression in all Societies.

I can tell you tonight that the United States is relieved that the distinguished writer, Alexander Solzhenitsyn, has found a haven outside the Soviet Union. It appears that his wife and children will be able to join him—bringing with them his valuable books and papers.

I have great admiration for Mr. Solzhenitsyn as a creative artist and share the sympathy of all Americans for his present situation. We stand for universal freedom of speech and thought. We regret limitations imposed on these freedoms anywhere.

Our foreign policy, however, is based on a recognition that the United States and the Soviet Union share a special responsibility because of their nuclear power. We have always made clear that our search for a stable peace does not mean approval of their domestic system. The quest for a secure peace must and will continue.

It is my hope that negotiations toward strategic arms limitations and mutual and balanced force reductions will be successful in preserving the present balance and in further reducing the threat of war. Meanwhile, the Administration has just presented to Congress the first defense budget in over ten years that need not provide for the support of American forces under fire.

To have peace, we must have strong enough defenses to deter aggression. A viable defense bolsters our diplomacy. The realistic defense budget submitted this month reinforces the credibility of American power.

We learned much from the tragic Middle East war last October. Specific material shortages were brought to light during the crisis. The new budget would increase our airlift capacity to deploy forces overseas in time of emergency.

Our forces structure is much smaller than it has been since the Korean war. It has been reduced by almost 40% from the 1968 Vietnam peak.

Meanwhile, the Soviet Union is placing new emphasis on seapower. Soviet Naval Forces are growing and are more and more directly deployed in areas of serious international concern.

Peace is our goal. Its achievement requires that we be strong enough to negotiate with confidence. We must insure that our goodwill is not misconstrued as *lack* of will.

An era of peace is within reach—for the super powers as well as the Middle Eastern countries. To reach that objective we have no alternative but to maintain a strong defense.

The real interests of Arabs and Israelis, of Russians and Americans, require peaceful co-existence.

Let there be peace for Israel, the land where the prophets dreamed that nation should not lift up sword against nation.

Let there be peace as well for the Arabs, whose poverty and frustration deserve better than missiles and jets.

Instead of the cradle of civilization becoming its grave, let the cradle of civilization give rise to two people, Arab and Jewish, each in their own lands, with commerce and travel flowing across peaceful borders and with a new sense of mutual respect in keeping with our dream of the brotherhood of man under the fatherhood of God.

I thank you.

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## CAUSES OF THE ENERGY CRISIS

## HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. SYMMS. Mr. Speaker, the Government, not the greedy profiteers caused the energy crisis. I would like the Members of the House and all Americans to read the best analysis and proposed solution to the energy crisis I have yet seen. It has been published by the Society for Individual Liberty, a national libertarian educational organization. The analysis shows a plentiful energy supply is completely consistent with personal and political liberty.

### CAUSES OF THE ENERGY CRISIS

Below is a list of ways in which the actions of the government and pressure from the oil companies have created the energy crisis. While you may not agree with every argument, the immense destructive effect of scores of controls and regulations should be clear.

#### PRICE CONTROLS

1. Set a ceiling on natural gas prices so that expansion of production is discouraged and exploration thwarted. Then maintain it for 20 years in spite inflation.

2. Prohibit the "discriminatory" price reduction of fuel to more efficient, large-scale users.

3. Keep the price of domestic oil at a ridiculously low level so that producers are discouraged from making more, and Americans must increasingly rely on foreign oil producers who may be hostile to us. Then make it nearly impossible to import this oil by blocking the construction of deep-water ports.

4. Once you have undermined the supply of natural gas and oil, greatly increase consumption by keeping prices artificially low.

5. After you unnaturally depress price at every level of production, compound the error by imposing a general price freeze.

6. Once significant shortages have begun to appear, allow gasoline dealers only the same number of dollars of profit, rather than the same per cent of profit, insuring that they will be unable to meet rising costs engendered by inflation and decreased sales.

### ENVIRONMENTAL CONTROLS

7. Make most of America's vast 500 year supply of coal unusable through unreasonable safety codes and drastic restrictions on strip mining.

8. Make shale oil development unfeasible through ecology codes and refusal to sell Federal land.

9. Over-restrict off-shore drilling.

10. Block construction of the Alaskan pipeline for years after every reasonable ecological objection has been provided for.

11. Place unreasonable restrictions on the development of atomic power and the operations of existing plants through capricious court rulings and licensing.

12. Ban the use of high sulfur coal and oil, even in remote regions where it will do no harm.

13. After fuel has been made scarce by the above restrctions, suddenly impose rigid emission control standards on cars, increasing fuel consumption 50%. Do not allow auto manufacturers the few years necessary to produce engines both nonpolluting and economical.

### SPECIAL INTEREST AND GENERAL REGULATIONS

14. Favor auto and truck traffic over other forms of transportation by building more and more new highways. At the same time, cripple mass transit and common carriers—such as the railroads—through burdensome taxes and ICC regulations.

15. Waste fuel by forcing airlines, buses and trains to run uneconomical routes.

16. Create legal monopolies in utilities which discourage competition.

17. Restrict oil imports through quotas to satisfy the major domestic oil companies special interest. Be sure and call it "patriotic" despite the fact that 99% of the American people are harmed by quotas which make oil more scarce.

### AND TO COMPOUND THE SHORTAGE

18. Mislead the public into believing that it was caused by Arabs, greedy oil companies or people driving too fast.

19. Give U.S. oil away to "underdeveloped" countries.

20. Begin a campaign to confiscate profits from oil companies ignoring the fact that profit percentages are still lower than they were in 1968 when gasoline was cheap.

21. Once a shortage is rampant, require domestic sellers of oil to charge a price based upon their average cost, thus making it impossible for them to purchase available foreign oil selling for more than that average, worsening the shortage.

22. Create a gas allocation plan based upon 1972 consumption figures which fail to take into account subsequent shifts in population and growth of large cities; creating endless lines at metropolitan service stations, even while many rural areas have more gas than they know what to do with.

23. Finally, set up an agency to control the energy producers, eventually socialize the industry, and make the shortages a permanent feature of American life.

24. Ignore any evidence that shows your policies to be in error, and intimidate anyone who dares question those policies by branding them "ignorant," "greedy" or "unpatriotic."

25. To condition Americans to accept continual shortages, borrow propaganda leaflets from Red China extolling the virtues of pain and hardship, and denouncing the bourgeois sin of luxury and freedom.

### Solution for the Energy Crisis

The basic solution for the energy crisis lies in eliminating the strangling regulations and special interest laws which created it in the first place. Rationing gas, passing an "excess profits" tax, or rolling back prices will only compound the problem.

Gas rationing is at best a temporary expedient. The most proponents of it claim that it will do is "distribute the hardships equally." The goal should be and can be to eliminate hardship entirely. At worst, gas rationing will make the problem of the energy crisis more severe. No bureaucrat can clearly distinguish between pleasure trips and business trips. Further rationing is likely to precipitate an economic depression by detroying the travel and vacation industries and by disrupting the entire lifestyle of suburban America.

An excess profits tax would take away money that the energy companies and utilities need for expansion of production.

Rolling back prices is the worst of all proposals because the artificial lowering of prices is one of the major factors which created the shortages to begin with. Low prices encourage consumption and waste, without providing the profit-incentive needed to increase production to meet demand.

Below are a list of specific actions which cumulatively will end the energy crisis:

1. Abolish all price controls on energy companies and utilities. Energy prices will then rise to levels which discourage waste.

2. De-control the profits of energy companies and utilities. High profits are a temporary phenomenon which serve the socially desirable function of attracting new capital to areas where demand is greatest. Artificially lowered prices mean eventual shortages.

3. Relax safety standards in mining. Miners can best determine for themselves what safety standards are reasonable. One standard should not be forced upon all miners in contradiction to their wishes.

4. Make more Federal land available for development by energy companies. Too much land has been withdrawn from production.

5. Permit off-shore drilling once reasonable safeguards are provided against spillage.

6. To provide incentive to develop cars both economical and non-polluting, eliminate or greatly reduce taxes for auto manufacturers who produce such cars.

7. De-regulate the railroads, buses and other common carriers. Stop forcing them to run uneconomical routes.

8. Eliminate restrictions on oil and natural gas imports, and duties on economical foreign cars.

9. Get rid of the Federal gas allocation plan. Left to their own oil companies will naturally send gas to areas where demand and sales are greatest.

10. Eliminate legal monopolies in the energy industry.

11. Encourage the development of alternative power sources, such as solar, geothermal and nuclear power, by making companies producing these forms of energy tax-exempt for a reasonable period of time.

12. Disband the Federal Energy Office.

## PERSONAL EXPLANATION

### HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, due to a long standing speaking engagement yesterday, I was unable to be in the Chamber for two record votes.

Had I been present, I would have voted "yea" on roll No. 95 and roll No. 96.

## HIJACKERS AND THE DEATH PENALTY

### HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Ms. ABZUG. Mr. Speaker, I cannot vote in favor of final passage of the Antihijacking Act (H.R. 3858) being considered by the House today. Obviously I am not in favor of hijacking. On the whole this bill is a much needed piece of legislation to protect air travellers from the whims of desperate or unbalanced persons. It contains commendable provisions to tighten domestic security standards and to bring sanctions against foreign countries which do not provide adequate security precautions. As long ago as the Munich Olympic Games tragedy, I called for U.S. action against nations which do not attempt to discourage hijacking and terrorism.

Despite these excellent provisions, however, I will not compromise human dignity by voting for a bill which mandates the death penalty. The act requires this ultimate penalty for hijackers when, as a result of the hijacking, a death occurs.

The inclusion of the death penalty does not serve the main purpose of the prevention of air piracy. It has never been shown conclusively that the death penalty acts as any kind of crime deterrent. The hijacker is already a desperate person upon boarding the airplane—a deranged personality, sometimes a political fanatic. The death penalty is unlikely to stop him from killing. Either he feels invincible or is convinced that he has nothing to lose. When a death occurs during the hijacking attempt, the hijacker may become even more desperate and reckless if he knows he faces a mandatory death penalty. He may cause more death in a wild escape attempt, or decide to bring the entire plane to destruction with him.

Capital punishment was to a major extent declared unconstitutional by the Supreme Court in 1972. I believe that, if we reinstitute the death penalty through this legislation, we are only reverting to the past. The trend of civilization has been to eliminate inhumane and brutal forms of punishment. The death penalty is, furthermore, inimical to the concept of rehabilitation. Instead of trying to refashion a criminal mentality, we discard a human life. The punishment is also irrevocable. Once the sentence has been discharged, no mistake in judgment or miscalculation is remediable.

The House Judiciary Committee may soon be reviewing the death penalty as part of either its inspection of the criminal code or its study of current legislation reinstituting the death penalty. I believe it is rash to include capital punishment in this legislation reported from the Interstate and Foreign Commerce Committee which has not the jurisdiction over penal matters, when a review of this most terrible of punishments by the Judiciary Committee may be upcoming. The House is being forced to vote on a much needed piece of legislation on hijacking without the opinion of the Judiciary Committee on the advisability or legality of a death penalty provision.

For these reasons I must vote against the entire Antihijacking Act. If it passes this body and the Senate and is signed by the President, I hope that the courts will strike from it the objectionable penalty of death, leaving the antihijacking measures standing. I look for continued advance in human thinking on capital punishment to the point where the Congress will approve legislation such as I have cosponsored (H.R. 5592) which will eliminate the repugnant idea of capital punishment from our laws altogether.

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## MASS TRANSIT PROBLEMS IN HAMMOND, IND.

### HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MADDEN. Mr. Speaker, traffic congestion in northwest Indiana is multiplied with 15 railroad lines and several hundred highways and streets temporarily blocked by freight and passenger trains.

Thousands of automobiles and trucks from adjacent Chicago and Western States and vice versa from the east going west create traffic hazards and congestion in Indiana's industrial Calumet region.

I include an editorial from March 13 Hammond Times on the great traffic problem in this area:

#### Bad Railroad Tracks Jeopardize the Public

Considering the poor condition of railroad tracks in Hammond, it's a wonder a derailment like the Penn Central's last week hasn't happened long ago.

Or that last week's smashup wasn't worse. Explosions and fires from inflammables aboard freights are fairly commonplace in derailments. Luckily, Hammond has escaped them.

Railroads generally have let their tracks deteriorate. Once tracks were silk smooth and very safe. That was years ago during the passenger trains' heyday.

Ever since the railroads ran the passenger trains out of business, there has been little need for really good tracks. So what if freight jounces and bounces. It can't complain to the conductor.

So what if freight is damaged in transit or lost by derailment. The loss is written off in various ways. It's harder to write-off the cost of human life or injury.

When derailments like the Penn's occur, people are jeopardized. One Penn Central car slithered into a house. Only a wall separated it from a man asleep inside.

Another car flattened a parked automobile.

Police and firemen at first weren't certain if other toppled cars might have crushed pedestrians near the Penn Central right-of-war.

Part of Amtrak's on-time troubles with its passenger trains arises from poor tracks. The ricketiness also prevents some Amtrak trains from running at speeds they're capable of going. And Amtrak pays the railroads to operate its trains.

Hammond is littered with railroads. They're a hazard to public safety because of their rundown tracks. One glance at most of them or at a train moving over them could set even a school child to wondering how the cars remain upright.

If the city can require the railroads to repair grade crossings or to observe blocked crossing regulations and speed limits, it ought to have the authority to require that tracks be maintained at genuinely safe standards.

Penn Central's wreck is a warning. The next accident may be far worse. If the city can legally prevent that, it should.

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## A SUPERB PERFORMANCE

### HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. KUYKENDALL. Mr. Speaker, an extraordinary occurrence involving an extraordinary young man in my district should be called to the attention of this body. I refer to a television newsman named Bill Anderson, who is more accustomed to reporting crimes of violence than to stopping them. Nevertheless, our own chief of Memphis Police, William Price, gives Bill Anderson full credit. His prompt action in ramming his television news car into a bank robber's vehicle "definitely saved the life of a Memphis police officer," Chief Price told my office.

An editorial in the Memphis Press-Scimitar, my hometown newspaper, describes the event and pays proper tribute to newsman Anderson. It is as follows:

[From the Memphis Press-Scimitar, Mar. 19, 1974]

#### A Superb Performance

Just hours after banks and law enforcement agencies announced a plan designed to combat the recent increase in bank robberies in Memphis, three gunmen held up the Union Planters National Bank in Poplar Plaza, grabbed hostages, and led officers on a dramatic chase that ended in disaster for the bandits.

The anti-robbery plan involves $1,000 rewards for information leading to the arrest and conviction of bank robbers. The case yesterday never reached that stage, however, as an alerk bank employe set off a silent alarm and police converged on the scene in force while the robbers were still gathering up the loot.

With three hostages in tow, the gunmen were allowed to drive away. Police and FBI agents, directed by a police helicopter overhead, gave chase. At one point, one of the hostages, the branch bank manager, was released with a message to officers to allow the robbers to escape under threat that the other hostages would be shot.

The officers continued to follow the getaway car, though, and it eventually turned into the parking lot at The Treasury, at Lamar and Prescott. After watching the robbers' car deliberately run into an on-foot policeman and turn to hit him again, a news cameraman for WHBQ-TV, William R. Anderson, gunned his car and rammed the getaway vehicle, bringing it to a halt. A patrolman was wounded during a brief flurry of gunfire, but not seriously.

Then, as the two remaining hostages sat horrified, one of the robbers, reported to be the leader, killed himself. The others surrendered. The money was recovered. The only injury to the hostages was a sprained ankle.

When one considers what might have happened, the community will regard yesterday's events as a superb operation from every angle. The alert bank employe who turned in the alarm . . . the restraint displayed by the officers in permitting the robbers to leave the bank . . . the skilled chase by the law enforcement agencies, close enough but not too close . . . the bravery of the TV cameraman . . . all are deserving of praise.

We are reminded in this episode of the tremendous risks faced by law enforcement officers as they fight crime, and also of the futility of crime.

Maybe the new approach to robberies being taken by the banks, police, FBI and sheriff's office will help stop the spiraling rate of stickups. If the rewards result in the arrest of those responsible for some of the recent robberies, it would certainly help.

There's nothing quite like throwing bank robbers in jail to discourage others contemplating such crimes.

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## BAN THE HANDGUN—XXXIV

### HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. BINGHAM. Mr. Speaker, irrational, terrifying, and all too common acts of handgun violence have turned our cities into perilous jungles. Reprinted herewith is one such instance reported in the March 14 edition of the New York Post. The easy availability of handguns must be ended on a national basis:

#### Killed by Girl on Eighth Avenue

A 21-year old Bronx man was shot to death today on a Manhattan street by an unidentified girl, police reported.

Police said David Tate, of 1 West Farms Square Plaza, was shot once in the chest shortly after 1 a.m. while standing in front of 2321 8th Av.

Two witnesses reported seeing a teenaged girl, described as being between 17 and 19 and heavy-set, shoot Tate and then flee on foot, police said.

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## THE OTHER SIDE OF THE STORY: AN INTERVIEW WITH AMBASSADOR WALTER H. HEITMANN OF CHILE

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. RARICK. Mr. Speaker, the legacy of destruction that Salvador Allende bequeathed to the citizens of Chile will continue to plague that beleaguered country for years to come. Three years of Marxist misrule had brought Chile's economy to the point of total collapse.

In the rush of the mass media to discredit the new military government, Americans have been given a distorted, largely inaccurate picture of the situation in Chile. No one wants military rule. Aside from a total Communist dictatorship, which was the direction that Allende was taking Chile, military rule is probably the least popular form of government to us Americans. The new

Chilean leaders obviously recognize this and are making attempts to return their country to civilian control as soon as possible.

In spite of our personal distaste for military rule, an accurate accounting of the activities, accomplishments and facts about Chile today should be expected from the U.S. news media. Unfortunately, this does not appear to be happening.

In order that our colleagues may have the benefits of "the other side" of the story in Chile, I ask that the interview of Ambassador Walter H. Heitmann, Ambassador of Chile, follow my remarks. The interview was conducted by Fulton Lewis, the highly respected radio commentator, on his syndicated program aired February 22 and 25 over the Mutual Broadcasting System.

The interview follows:

### AMBASSADOR HEITMANN OF CHILE WITH FULTON LEWIS, MUTUAL BROADCASTING SYSTEM, WASHINGTON, D.C., FEBRUARY 22 AND 25, 1974

LEWIS. Last September the Marxist regime of Pres. Salvador Allende—replaced temporarily by a military government whose Ambassador to the United States, Ambassador Walter Heitmann is my guest at this microphone now.

Mr. Ambassador, how long does the present Chilean government plan to hold the reins in Santiago?

HEITMANN. Well that's a very difficult question to answer really, it's the same as if you would ask a patient in the hospital when he's ready to go home. It depends on how strong the medicine is that we get to heal our sick body. The sooner the government can return to complete freedom in the country, the better. And everybody wishes that.

LEWIS. How much freedom is there now in Chile? The government now, of course, is predominantly military—but is it a military dictatorship as described by many of Chile's critics?

HEITMANN. It is not a military dictatorship, it is a military government, and I think there is a big difference and everybody knows what the difference is. The Constitution is in effect in Chile, only in accordance with the laws and with the Constitution some of the liberties are limited or restricted right now because that is necessary for the recovery of the country.

LEWIS. Such as—what kind of freedoms, what kind of liberties?

HEITMANN. Well, there is complete freedom of the press again. The control was lifted last week, so every paper can write what they want to write and of course, if they write things that are against the law (the same law that we always had), then they have to go to court or are closed for a certain period. That's in accordance with the regulations we have and it's the same in every country.

LEWIS. So the court system has not been suspended?

HEITMANN. No, it has never been suspended, the judiciary system is the same as before, we have the same judges, the same courts, the same courts of appeal and the Supreme Court. And that has always been in effect. That's why we say there is no dictatorship and complete freedom. With a free judiciary system, that means we have freedom.

LEWIS. What about the economy of Chile today? Of course this was one of the things that led to the downfall of Allende, the fact that the economy had fallen apart under his administration.

HEITMANN. Well, the economy as many of the audience may have already known is completely wrecking the country. A fiscal deficit of a thousand, two hundred million dollars and that we have to cover through loans, through increased production and all the ways and means we have. Allende, when he came into power we had a surplus of four hundred million dollars, close to it. And when he left we had a deficit of almost a billion dollars. And we expect to get loans from the international loan institutions like the World Bank and the Inter-American Development Bank.

LEWIS. So gradually Chile is recovering.

HEITMANN. Is returning, yes.

LEWIS. The previous government, the government of Salvador Allende, has been described as being anything from Marxist to Marxist/Leninist, and in different debates there is a difference. How do you describe it? Do you feel that Allende's regime was principally Communist, Marxist . . . ?

HEITMANN. Well, it was Marxist/Communism, that, I would say was the exact definition of it. People might not agree on the meaning or the definition of it but that's the way it is. And he said it, even before he became president, but once he was president he never recognized it, he never wanted to tell it. He liked to give the impression that he was working towards a socialist regime, and never said what kind of socialism, but we found out what kind of socialism he was taking the country to.

LEWIS. And the people he was affiliating with more and more were Fidel Castro, the Soviet Union. And as I understand it many of the arms that were used by Allende supporters were supplied by Fidel Castro.

HEITMANN. Yes, I would say that Fidel Castro was his advisor, his supervisor, he told him what to do and how to do things and that's the reason Fidel Castro spent almost a month in the country. And that's when we met him and got to know him and we disliked him. Fidel Castro is solely responsible, I would say of sending all these weapons to the country, with the knowledge of Allende, of course, and that is against the law, because in Chile there is a very old law by which every arm that is taken into the country or bought outside has to go through the customs and needs a special authorization. And they brought these arms, some of them, in boxes in the Cuban airline, and they were taken to Allende's house where later we found them.

LEWIS. So these arms have been recovered, pretty much.

HEITMANN. Most of them, we hope. There must be some hidden somewhere, but it's going to take a long time to find them all because many of the people who hid the arms, they left the country and we're never going to know where they are hidden really. But some day we're going to know the exact amount.

LEWIS. Chile stands out alone among Latin American nations as a country who has been wedded to democracy; a country that has rejected and resented foreign interference. What was the reaction of the Chilean people to this sudden injection, not only of Cuban arms and Cuban influence, but also Soviet influence in their country?

HEITMANN. Unfortunately all this information did not come to the knowledge of the people. It was handled secretly by the government and was very difficult to detect. We found the arms only after the military took control of the government. We never imagined how many arms we had in the country. We thought maybe a couple of hundred or a couple of dozen, we never realized that we had tens of thousands of arms in the country.

LEWIS. All of which were coming from Cuba?

HEITMANN. They were all coming from Cuba, yes.

LEWIS. Initially Mrs. Allende declared her husband had committed suicide and then when she arrived a few days after Allende's death she changed her story and said Allende had been murdered. What is the truth about how Salvador Allende died?

HEITMANN. Well, in the first place I would state very clearly that Mrs. Allende has not her own opinion. She is telling and she is saying what she is told to say. She is a machine of the international-propaganda now. So her statements and her words really have no meaning and have no value at all. And what really happened to Allende: he committed suicide. He was requested by the military to surrender and he was requested three times to surrender, and he thought he had control of the situation and that the popular militas would support him, and he would finally come out as the big winner. And when he finally found out that nobody was following him, that the imagined image he had of the guerrillas was artificially created by his followers, then he had no other recourse other than to commit suicide.

LEWIS. In a sense it was a very sad thing because Allende, I think, probably believed throughout the last month or two that he still had the support of the people.

HEITMANN. Yes, that happens most of the time with dictators; they never have the feeling of what the people think and feel about him, and it was the same with Allende.

He was told by some of his body-guards that he was very popular; that he had the support of the people and it was never true. He found it out too late, otherwise I think he would have quit the government before.

LEWIS. On another controversial issue we get varying reports—some people say that there were only a handful of casualties during the brief skirmish that resulted in the ouster of Salvador Allende. Other people say it was a massive bloodbath. What is the truth about the number of casualties?

HEITMANN. Well, there have been many figures in the papers and in the words of many people, but the official figures state around 2000 casualties, and not over it. Some people talk about 30 thousand, and if they realize that in the last war between Israel and the Arab countries the Israeli army lost (I think it was) 1800 soldiers, in a battle that lasted for a couple of days and with the most modern and effective weapons. So when people who talk about ten or twenty thousand casualties, they don't really know how many a thousand lives are. The figure is around 2000 and I think all the people who fled, who left the country and requested refuge in the embassies, they should know how many they killed.

LEWIS. There is another controversy about the number of people—of Allende's supporters—who were imprisoned . . . some people say that there were many murdered. How many were executed, what is the truth? How many were imprisoned and what legal rights do these people have?

HEITMANN. Well, I don't know exactly how many have been executed, everything is registered in the files in Chile, but I don't have the figure. But I can tell you that all the prisoners that we had in the country came to 8000. Four thousand, four hundred and forty-two requested refuge in the embassies and the others were taken into custody into different places. At this moment there are only 300 prisoners in the country awaiting trial by the courts.

LEWIS. So there have been trials, and as I understand it there are not just military trials but in some cases civilian trials when the offense is a civil offense.

HEITMANN. Yes, every citizen has the same rights he ever had in the country. He can choose his own defender and he goes to the court and has the regular time that everyone has to present his case with full rights available.

LEWIS. Ambassador Heitmann, many liberal members of the U.S. Congress have backed legislation that would allow, if it were passed, literally thousands of pro-Allende, Chilean Marxists to enter the United States. Now you've had experience with these people in Chile, were they to be allowed to come to the United States to live, what could we expect from them?

HEITMANN. Well, I hope that your domestic system and your democratic life here will absorb them and will convince them that they were wrong, otherwise you are going to see what they will do. I cannot predict it, but I hope you don't have the experience we had.

LEWIS. How militant were the Allende backers in Chile, during the period that Salvador Allende was president? Were they tolerant, were they understanding of people who disagreed with Allende or was there an attempt by them to suppress anti-Allende sentiment?

HEITMANN. Yes. I am sorry this is not a television station, otherwise I would show you some pictures of Chileans who opposed the government of Allende and were taken at night or at any hour of the day into the Civil Police for interrogation. And there they were beaten, they were tortured and there are many who never came back and some were crippled for the rest of their lives. So that is the tolerance they are preaching now!

LEWIS. The United States gave credit, financial credit to the Chilean government when Allende was president, and that credit has been cut off now . . .

HEITMANN. Well, I wouldn't say it has been cut off now. We have the same credit, and we hope we'll get more credit than Allende got because everybody, in official circles, they have to realize how critical the situation is in the country. And if we don't get credit, that means that the Chilean population won't have enough food to eat, and I think that would be a crime against human rights.

LEWIS. Ambassador Heitmann, what has been the Chilean government's response to requests by several international organizations for permission to inspect the prison facilities that have been set-up by the new government and to investigate the status of those supporters of the previous government who have been arrested?

HEITMANN. Yes, that is a situation of which it is very unpleasant to tell. During Allende regime they used Chile as a guinea pig—everybody looked and watched what was happening in Chile, and never did they try to help or avoid anything. And now everybody is going to Chile to see what the consequences were. But what they see they do not print and they do not tell. They only tell what has already been made up in their minds. Everybody is going to Chile to see what's happening. The United Nations Committee for Human Rights; the Red Cross and they all went to Chile and wrote their official reports—very favorable. These were never printed in the papers or mentioned in the medias. And there are many small groups of liberal tendency or other left-oriented groups which go to Chile just to create problems, and when they come back they never tell what they've seen, they only tell what they were told to tell before they went to Chile to tell.

LEWIS. But the International Red Cross Committee gave you a favorable rating?

HEITMANN. Yes, all official organizations who have sent groups to study the Chilean situation are all favorable, but you don't read it in any papers or any magazines.

LEWIS. One of the things that interests me is the economic experience that Chile has gone through, because socialism is not limited to Latin America, it's not limited to just Chile, the Socialists are trying to expand socialism throughout the entire world. When Salvador Allende took power he professed that he was going to have a government of the working people; it would preserve the Chilean economy and it would expand the economy and democracy. The record of Allende's government would suggest that it did just the opposite. I think the last year of Salvador Allende inflation went up between 300 and 400 per cent. And in his last days it was the working people themselves who took the lead in getting rid of Salvador Allende. What happened to Marxism in Chile? Is it a system, that in your view, is just bankrupt? It could never work? Or do you feel that the new government is going to "refine" socialism? Is socialism something that is just history now in Chile?

HEITMANN. Well, Chile was always a socialist country and we have more advanced reforms and conditions than many socialist countries, in freedom. And that's the difference. And what Allende wanted to do in Chile was not a free socialism, a democratic socialism. He wanted to institute a totalitarian socialism—and that, we did not accept. And so I wouldn't say the socialist economy is a failure. Many countries have socialist economies, and we have it right now, and we call it "liberal socialist economy"—it's a different system, and I wouldn't say that socialism is not good. It's good for some countries, since every country has its own way of living; every country has ways of deciding how it's going to be governed by their certain system, but what is very clear and definite is that there is no "democratic communism"—it is totalitarian by origin and structure.

LEWIS. Where does Chile go from here for the future, economically speaking?

HEITMANN. We hope to recover the potential we had in 1970—that's three years ago—we hope to recover that in two more years. So it's a loss of five years in Chile's economic life and from then on, we hope in three years we might reach a national net product of around $5 billion. Right now it's close to $1.5 billion.

LEWIS. What formula do you intend, or rather does the government intend to use in developing the economy? Will the government believe in private ownership of property?

HEITMANN. Yes, there is private ownership, and it has always been the same. The only thing we are going to increase now is the control of the State over the enterprises, over the organization and the industries. You see, we think the industries have a social meaning and content. The workers are not only money makers or machine tools for capital, but workers are human beings and they deserve the right to have participation in the earnings and the profits and also in the management of the organizations. And that is what they are doing now.

LEWIS. So it's a kind of regulated free enterprise . . .

HEITMANN. Yes it is.

LEWIS. Now, what about Chile politically? Now there is a military government there, the government leaders themselves have pointed out that they are old men, that if they were ambitious to be dictators they would have let young men take over the government. But they have declared that their intentions are to be in power temporarily. How long is temporarily, and what happens then?

HEITMANN. Well, there is one thing I want to make very clear. Chile has always been a democratic and free country, basically democratic. And it's going to be that way. The Constitution is re-written right now, because we have to make some changes in accordance with the past experience. What I think has to change in Chile is the organization of the political parties, because during Allende's regime and afterwards we found out that the Chilean population does not accept any totalitarian system. They like and they love freedom, and they're going to stay that way. And political parties now have to recognize that it is useless to talk about Communism and other things. All the parties now have to reprint their contents, their philosophical content. They have to consider the wishes of the Chilean population made known to the world after September 11th.

LEWIS. What about the Party structure itself. One of the ways Allende got in was the fact that there were many parties running—it was splintered. He only got 36% of the vote and there is reason to believe (many people have asserted) that if there were a two party system in Chile that he would have still got 36% or maybe 40% and he would not have won. Do you feel that having a multi-party system is good, or that the weakness is there that a minority candidate can get in because the opposition is split?

HEITMANN. Well, I think Allende became president because we had too many parties. That's the reason. If we had had only two parties he would never have been president.

LEWIS. Do you feel that Chile should move or will move toward more of a two party system than they have in the past?

HEITMANN. Well, I think, and I'm not a politician, but I think most politicians are agreed that the fewer parties you have in a country the easier and the more logical the government is. If you have too many parties it is very difficult to govern the country and to come to any conclusion, because then the political aspect prevails over the national necessities, I would say.

LEWIS. Ambassador Heitmann, I want to thank you for being my guest in these two past broadcasts, thank you very much sir. From the Mutual Studios in Washington, I'm Fulton Lewis and that's the top of the news as it looks from here.

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## SUPPORT FOR GUARD AND RESERVE

## HON. J. WILLIAM STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. J. WILLIAM STANTON. Mr. Speaker, it recently came to my attention that Mr. Harry E. Figgie, Jr., chairman and chief executive officer of A–T–O Inc. of Willoughby, Ohio, signed a statement of support for the Department of Defense National Guard and Reserve Forces. What this undertaking means is that a major diversified corporation with annual sales of approximately $435 million and with 15,000 employees of 40 companies in 18 States has pledged that its employees will be granted leaves of absence for military training as members of the Guard and Reserve units. The young men and women of A–T–O will not sacrifice vacation time because of this duty in serving our country. In announcing A–T–O's affirmation of support, Mr. Figgie stated:

> As far as A–T–O is concerned, we believe in the necessity of a strong military defensive organization and encourage the divisions of our company to actively support any young man or woman who conscientiously gives his time to the Reserve Forces of our country.

I think this pledge on the part of Mr. Figgie is a great mark of his patriotic feeling toward our country. This is not the first time that he has demonstrated a great love of country. As a young man he served in the U.S. Army during World War II. More recently, in a statement to shareholders, Mr. Figgie said:

> The Arsenal of Democracy remains a valid concept essential to the survival of this nation, and responsible citizens should be concerned with the rapid decline of our nation's defense manufacturing capabilities.

Because of his great concern for the national defense of the United States, it was no great surprise to me that Harry Figgie would lend support to his employees that are members of the National Guard and Reserve. As a tribute to him, I insert A–T–O's pledge in the Record following my remarks:

STATEMENT OF SUPPORT FOR THE GUARD AND RESERVE

We recognize the National Guard and Reserve as essential to the strength of our nation and the maintenance of world peace. They require and deserve the interest and support of the American business community, as well as every segment of our society.

In the highest American tradition, these Guard and Reserve forces are manned by civilians. Their voluntary service takes them from their homes, their families and their occupations. On weekends, and at other times, they train to prepare themselves to answer their country's call to active service in the United States armed forces.

If these volunteer forces are to continue to serve our nation, a broader public understanding is required of the total force concept of national security—and the essential role of the Guard and Reserve within it.

The Guard and Reserve need the patriotic cooperation of American employers in facilitating the participation of their eligible employees in Guard and Reserve programs, without impediment or penalty.

We therefore join members of the American business community in agreement that:

1. Our employees' job and career opportunities will not be limited or reduced because of their service in the Guard or Reserve;

2. Our employees will be granted leaves of absence for military training in the Guard or Reserve without sacrifice of vacation time; and

3. This agreement and the resultant policies will be made known throughout the organization and announced in publications and through other existing means of communication.

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## THE FINAL TAXPAYING IRONY

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. GAYDOS. Mr. Speaker, I have a constituent who objects to perhaps the least of the Government's trespasses upon his rights and his pocketbook. He brands as the "height of irony" the fact that he now must place a stamp costing 10 cents on the envelope carrying his tax payments to Washington.

In the past, he accepted without protest the 8-cent stamp charge and, in years previous to that, the lesser assessments of the postal service. But, it seems, the dime figure has set him off.

"It is a crime," he contends, "to make the people pay the costs of delivering their money to the spenders in Washington."

As we think about it, the man has a legitimate gripe. He makes out his return, or has someone do it for him, and they must buy the 10-cent stamp to have it posted. If he pays quarterly, it is another dime every 3 months for the rest of the year.

"It is not the amount," this man says, "but the principle of the thing. A total of 50 cents for the year's stamps is not much when we compare it with what the Government takes from us otherwise. But it is like putting a pinch of salt into a very bad wound."

What can be done about this? I, certainly, do not have any good answers. The postal service is bogged in the red already without loading upon it the immense burden of handling tax returns at no cost. An even greater deficit brought on by such free tax mailings would have to be made up by taxes and this, of course, would be no advantage to the burdened taxpayer.

I wonder, nevertheless, if something might be done in the way of setting up collection centers for envelopes containing tax returns at various points in our communities—at places such as supermarkets and drugstores which all of us visit on occasion. The returns might then be picked up in bulk and sent off to the process centers without the need of a dime stamp on each one of them.

Now, in this era of the 10-cent stamp, I call the matter to the attention of the Internal Revenue Service people. They may find even better ways to relieve the irony mentioned and thus make some friends among irate taxpayers such as the constituent of mine. I am sure there are thousands of them across the Nation, taking their stand on principle.

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## CONGRESSMAN ADAMS NEEDLES DEPARTMENT OF TRANSPORTATION ON POLICY LAG

## HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. ECKHARDT. Mr. Speaker, recently our colleague, Representative Brock Adams, testified before the Transportation Subcommittee of the Committee on Appropriations. In his testimony, Mr. Adams called for a comprehensive transportation policy for the Nation and suggested what such a policy should be. He also called for a unified transportation budget, a select or an ad hoc committee on transportation policy and a single transportation trust fund. His excellent testimony aroused widespread interest in the transportation industry. The perceptive testimony of Mr. Adams, an acknowledged expert on transportation matters, will also be of interest to my colleagues, and I include it in the Record at this time:

CONGRESSMAN NEEDLES DEPARTMENT OF TRANSPORTATION ON POLICY LAG—REPRESENTATIVE ADAMS CRITICAL OF INABILITY TO GET PRINCIPLES STATEMENT

(By Jesse H. Merrell)

A leading transportation legislator, expressing dismay at the repeated failure of the Department of Transportation to come to grips with ever-pressing transportation problems, last week unveiled his own four-point plan he said would provide a solid foundation for solving the immediate crisis and developing "a rational plan for the future" in this field.

HOUSE TESTIMONY

Rep. Brock Adams (D-Wash.) a ranking member of the House Commerce Committee, outlined his proposal in testimony before the Transportation Subcommittee of the House Appropriations Committee.

The influential congressman, regarded by many as developing into a key spokesman on transportation matters, was one of more than a dozen persons—some of them other congressmen—to testify as an aid to the subcommittee's efforts to develop a national transportation policy.

Rep. Adams' four-pronged approach calls for a unified transportation budget, a select committee on transportation (or a blue-ribbon commission on transportation policy), a single trust fund for transportation and a simplified statement of national transportation policy.

In simple and clear-out language that was later unanimously praised by committee members, Rep. Adams elaborated on his plan to attack short- and long-range transportation problems.

Criticizing past DOT statements on a national transportation policy as so many pages of near-nothing, Rep. Adams said DOT has merely given Congress "a plethora of paper and a paucity of progress."

For example, Rep. Adams said DOT's 1971 transportation policy statement contained 41 pages of "Problems," "Existing Policies," "Framing Objectives" and "The Status of Transportation in America."

The similar 1972 report, he said, was a "slight improvement" over the 1971 report because it was "only 25 pages long." Like its predecessor, Rep. Adams said, it was long on "outlooks," "overviews" and "status reports" and short on recommendations.

"I cannot understand," Rep. Adams emphasized, "why it takes 41 or 25 pages to attempt to state what this nation's transportation policy should be."

Rep. Adams said he hadn't seen DOT's 1973 transportation report, but that if it was anything like earlier ones, "I have not missed too much."

What he missed was a 51-page report—10 pages longer than the 1971 report and 26 pages longer than the 1972 version—Transportation Secretary Claude Brinegar had given before the committee the day before Rep. Adams testified.

CRITICAL OF DOT

Rep. Adams said the present transportation policy, or non-policy, under the auspices of DOT is comparable to the abominable snowman—it's supposed to be out there somewhere, but about all we ever see is tracks.

Declaring there had been enough talk, and that it was time for action, Rep. Adams proposed the following statement of policy toward the regulated interstate transportation industry:

"The nation's transportation policy should be directed toward creating and maintaining a privately owned and operated intermodal, interstate system regulated by the federal government in the public interest.

"The regulations should be uniform for all modes and the degree of regulation should vary with the degree of monopolizing existing at any particular point in the system.

"Government regulations should thus take into account the importance of both transportation and shipping units in a particular market, with competition allowed to set individual prices above cost where neither shippers nor the industry have power to control rates and quality of service. Otherwise the rates will all be set publicly by governmental regulation.

SPEAKS ON REGULATION

"The ICC should be given a period of time to demonstrate whether it can overcome its present regulatory lag; if not then the regulatory system should be restructured so as to produce prompt and fair regulation."

Urging Congress to act, Rep. Adams said it was "clear" to him that DOT "does not have the resources, the desire, or whatever it takes to develop—and to attempt to implement—a national transportation policy."

During questioning by committee members, Rep. Adams said he was "not sure" a transportation trust fund—such as the Highway Trust Fund—was necessary, that funding could be done by general appropriations.

He said he would not object to breaking the trust fund concept in the future, but conceded, it would be difficult to do at present because of the "constituency" each transportation mode has.

The Highway Trust Fund and highway construction were defended by another witness, Ray W. Burgess, president of the American Road Builders Assn., who labeled the Nixon Administration policy of cutting back highway building contrary to the expressed intent of Congress.

The administration-recommended highway obligations in fiscal year 1975 would be $4.8 billion, Mr. Burgess said, over $1.2 billion less than authorized by Congress—and an amount which "can adequately be financed out of the Highway Trust Fund."

At this slowed-down rate of obligation, Mr. Burgess continued, completion of the Interstate System "will be stretched out well into the mid-1980s. This obviously was not the intent of Congress when the program was initiated in 1956."

Likewise, Mr. Burgess said, primary, secondary, rural and urban highway projects are currently "way under-funded" in relationship to congressional authorizations and the ability of the Highway Trust Fund to "pay as we go."

Recent events have clearly demonstrated how much all Americans depend on our street and highway network for a variety of essential services and needs, Mr. Burgess said, adding that any national transportation policy "should recognize the predominant role of this mode of transportation."

Such recognition, the roadbuilding official said, "means we must continue to devote a substantial portion of our federal resources to our very vital highway trannsportation system."

In response to questioning by Rep. John McFall (D-Calif.), committee chairman, Mr. Burgess said the ARBA "feels very strongly" that there should be a "full obligation" of Highway Trust Fund revenues—instead of arbitrary holdbacks by the administration.

Chairman McFall invited Mr. Burgess to reply in writing to the comments made to the committee earlier by Transportation Secretary Claude Brinegar on DOT's role in developing a national transportation policy.

Some observers said the hearings last week—designed to help develop a national transportation policy—were unusual, in that transportation policy questions are generally handled by the Commerce Committee.

Rep. McFall, in remarks made on the House floor, said the federal role in developing a national transportation policy is well established, "but clearly, what we have seen from the Department of Transportation so far cannot be considered a national transportation policy."

The committee chairman noted that the original concept of DOT was to "pull together the fragmented transportation modes in order that they might function in a coordinated fashion," but that such coordination "will not come into being until an integrated transportation policy has been developed."

In his 51-page statement, Secretary Brinegar was less than specific in detailing DOT's role in a national transportation policy because, as he puts it, the very concept of such a policy is "inherently vague and elusive."

He did, however, list 10 general principles he said could be used as a guide for developing a national transportation policy. But these principles should be "regularly reviewed and updated," he said, leaving even the principles without much finality.

Some of the principles recommended by Mr. Brinegar seemed to raise more questions in the minds of some committee members than they provided answers for. But the DOT secretary, who has been on the job for a year now, said "future statements" would attempt to develop needed policies.

Mr. Brinegar managed to be specific, however, in making oft repeated administration thrusts against transportation regulation as administered by the Interstate Commerce Commission.

Economic regulation of common carrier trucking is "clearly in need of review and revision," Mr. Brinegar declared, referring to such "inefficiencies" as "excessive route circuitry 'gateway' restrictions, commodity and backhaul restrictions and the lack of close coordination with energy-efficient rail freight service."

Secretary Brinegar also laced his lengthy testimony with such old cliches as "reliance on free market competition," regulation limited to the minimum" and "a broader and more competition-oriented view of policy."

Such dangling phrases almost caught Mr. Brinegar meeting himself going at one point.

During questioning, Rep. Silvio Conte (R-Mass.) asked Mr. Brinegar if he would consider present transportation policy "an uneven fabric ill-suited to today's needs, an unbalanced enconomic regulatory structure applied by federal, state and local regulatory agencies, with imbalances in investment between the various segments of the industry."

Mr. Brinegar swallowed hard, paused momentarily, and with an uncertain smile said he hesitated to answer because he feared Rep. Conte might be quoting him from some past statement.

Laughter rocked the hearing room.

Rep. Conte didn't tell Mr. Erinegar whether he was quoting him or not, but a check revealed that Rep. Conte was paraphrasing a quote by Mr. Brinegar's predecessor, John Volpe, and a statement by a Republican task force on transportation.

Mr. Brinegar told Rep. Conte that he didn't think present transportation policy was quite that bad, and that he would not make such a statement—unless it was written out and handed to him to say.

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## AN IMPORTANT VIEW ON WAGE AND PRICE CONTROLS

## HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. BADILLO. Mr. Speaker, Mr. Leon J. Davis, president of the National Union of Hospital and Health Care Employees, approached me to request my assistance in averting the adverse consequences attendant upon a retention of the provisions of the economic stabilization act for the health industry. Mr. Davis argues that such a step, besides being ineffective in controlling health care costs, would cause extreme hardship for the technical, clerical, and maintenance workers in that industry who in most instances are receiving wages barely satisfying the requirements of the statutory $1.60 per hour. Furthermore, since a very large proportion of these workers are members of minority groups and fully 80 percent are female, perpetuation of the controls in this area would be used as an excuse by employers to make this already disadvantaged segment of the labor force bear the full burden of budgetary limitations.

I believe that Mr. Davis' testimony, given before the Senate Committee on Banking, Housing and Urban Affairs, is pertinent and of general interest. For this reason, I am inserting it here in the RECORD:

### Statement of Leon J. Davis, President National Union of Hospital and Health Care Employees, RWDSU, AFL–CIO

I am Leon J. Davis, President of the National Union of Hospital and Health Care Employees, RWDSU, AFL–CIO. I am here on behalf of the National Union representing 100,000 members in 15 states and the District of Columbia. Our membersip includes service and maintenance workers, clerical workers, technical workers, and certain professionals such as psychologists, social workers, licensed practical nurses, registered nurses, pharmacists and therapists. Our collective bargaining agreements, covering primarily voluntarily hospitals, nursing homes, also include community mental health centers and developmental centers.

Recently, Secretary of the Treasury George P. Shultz, and John T. Dunlop, Director of the Cost of Living Council, presented statements to the Senate Banking Committee in which they proposed that controls should be extended for the health industries and that controls for all other industries should be ended.

I am here to state our uneqivocal opposition to the extension of controls in the health industry at a time when controls in all other industries are being eliminated. Such controls have no logical basis.

By singling out the health industry for mandatory controls, the federal government's approach to the control of inflation is inherently unwise, unfair and unjust and places the major burden on those least able to afford it—the hospital workers.

### CONTROLS IN THE HEALTH INDUSTRY ARE UNWISE

Controls in the health industry are unwise because health workers will have to pay continually higher prices for the things they buy with wages which are being held down by controls. Mandatory controls were ineffective in controlling the prices in the economy. In the past year, prices have increased approximately 9%. The only success of the Economic Stabilization Act has been to keep down wages. This is understandable since the Program has had the active support of most employers in enforcing the wage standards but made only feeble attempts in enforcing the price standards, which by their nature are unenforceable.

It is foolhardly to believe that imposing controls on such a small segment of the economy as the health industry will have any appreciable effect on inflation. In fact, Dr. Dunlop stated last week that we do not know how to control inflation. (*New York Times*, February 14, 1974). This is a remarkable admission by the person principally charged with holding down inflation. The fact is that no control program can operate if every section of the economy, except one, is free of constraints.

No matter what the type of controls, there can be no effective means of controlling medical and hospital costs. Fees may be controlled to some extent but costs consist of the totality of fees. No government agency can tell a hospital that it cannot buy equipment, such as x-ray machines, which it considers essential for proper medical care. The purchase of needed medical equipment justifiably adds to hospital costs. Similarly, no government agency can tell a physician not to use diagnostic tests and various types of equipment which he believes are necessary for the proper treatment of his patients. These too add to costs. But who would argue that they are not justified? Anyone who believes that price limitations on medical services and hospital fees really hold down costs is practicing self-deception. On the surface it would appear that costs are being held in check. Faced with such limitations hospitals and physicians will reduce the services they provide with the result that there will be a deterioration of the type of medical care and services we have been striving so hard to improve over the years. Thus, the American public, the health care consumers, will be paying for it by getting inferior medical care.

Furthermore, the proposed control of the health industry will not control the prices of items which the industry purchases. Hospitals buy food, linen, medical equipment, drugs and a myriad of other items. These uncontrolled items will also increase hospital costs.

The Administration has estimated that the present control program has cost the government (or more properly the American taxpayer) $200 million in administration expenses. Private sources estimate that the cost of industry and labor in complying with the regulations has been $721 million to $2 billion. Considering the results it is highly questionable whether the enormous cost has been unwarranted. It is even more unwarranted to continue a bureaucracy solely for the purpose of controlling a very limited segment of the economy.

### CONTROLS IN THE HEALTH INDUSTRY ARE UNFAIR

The history of the present stabilization program has clearly shown that the government has been unable to control prices. The stated objective of limiting price increases to 2½% per year has never been accomplished. Prices, especially food, have been skyrocketing for more than a year and there is no end in sight. As a result, the effect of controls in the health industry will only be on wages.

Under the proposed legislation no other group of workers will be subject to wage controls. Such a proposal is completely inequitable and highly discriminatory because the greatest impact will be on low-income workers—many of whom are from minority groups and females—and will require of them a greater degree of sacrifice than all other workers.

### CONTROLS IN THE HEALTH INDUSTRY ARE UNJUST

Wage rates have been getting a large share of the blame for rising hospital costs in recent years because payrolls constitute about 60% of total costs. Hospital wages have been increasing, and wage increases are the costs most visible to the general public.

Total payrolls do constitute about 60% of total costs in hospitals. Where hospitals have union contracts the unionized wage cost is 25% or less of total cost. The largest part of hospital payrolls is attributable to the high salaries paid to executives and middle management professional and staff personnel. It should be also noted that employees under union contracts constitute only 8% of all hospital workers nationally.

I am not ashamed to say that our union has been responsible for raising the income of some of the lowest paid workers in the country. But it is time to deflate the myth that increases for low wage hospital workers have been the main cause of the rise in hospital costs.

Despite the increases our members have won, the average wages of hospital employees are still relatively low. Hospitals were exempt from minimum wage legislation until 1967, and took advantage of the exemption to pay wages well below the minimum. Even now, many hospitals pay large sections of their employees the minimum of $1.60 per hour.

The truth is that most hospital employees work at full time jobs at part time pay. For example, the last census reports average wages for service workers in hospitals as follows:

Male Food Service Worker, $4,000 a year. Female Food Service Worker, $3,000 a year. Male Cleaning Worker, $4,300 a year. Female Cleaning Worker, $3,200 a year.

The plain fact is that thousands of hospital workers are still compelled to seek supplementary assistance from welfare agencies.

It should be noted that in urban areas most hospital workers belong to minority groups. 80% of the employees in the industry are females.

The fact that hospital workers have been catching up in recent years is due mainly to efforts by unions like ours and is hardly to be regretted.

We are well aware that the current regulations permit the payment of a wage rate of up to $3.50 per hour without approval. However, the $3.50 wage rate is not compulsory. Most hospital workers are unaware of the $3.50 per hour low wage exception. As a result employers are still claiming that they are still limited by the 5.5% guideline.

Both industry and labor agree that the present stabilization program is a dismal failure. The government never achieved its goal of controlling inflation. In fact, the current rate of inflation is worse than it has been in anyone's memory. The removal of manadatory controls last year from all industries except food, health and construction was highly discriminatory. The proposal by Secretary Shultz and Dr. Dunlop to continue controls for the health industry alone is unconscionable.

Anticipating the passage of a national health insurance bill, with an effective date and provisions unknown, Dr. Dunlop was reported by the *New York Times* of February 14, 1974 as saying:

"To let the controls off now, with the prospect of them going back on again . . . would be almost open invitation to everybody to raise fees, charges and so forth before Congress comes back in with a health bill with a cost-constraint in it."

In effect Dr. Dunlop is holding low wage hospital workers hostage until the national health bill is passed at some indefinite time in the future.

Dr. Dunlop's Cost of Living Council has recently permitted hospitals to raise its fees. Hospitals also have the ability to increase revenues by increasing the use of ancillary services such as laboratories, x-rays, etc. The only source of income for low-paid hospital workers is the salary which they receive from their employers. To keep their salaries under control when salaries of no other group of employees are controlled and the prices of goods which they buy are uncontrolled is to ask these hospital workers to make a sacrifice which no other group of employees in the United States is being asked to make. A majority of our members are Black, Puerto Rican and are women and have suffered discrimination all their lives. To add the economic discrimination proposed by Mr. Shultz and Dr. Dunlop will institutionalize another form of discrimination by keeping their wages at their historical low levels.

I will be submitting a report on The Impact of Phase III Controls upon the Health Care Industry which was prepared for our union by Dr. Oscar Ornati, a full professor of Economics at the Graduate School of Business Administration at New York University. The information in his report is equally applicable to the Phase IV wage controls in the health industry and provides the underlying basis for the economic information in my statement.

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## BYELORUSSIAN INDEPENDENCE

### HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. PATTEN. Mr. Speaker, March 25, 1974, marks a day of significance for American citizens of Byelorussian origin. It is the 56th anniversary of the proclamation of independence of the Byelorussian Democratic Republic.

Unfortunately, while Americans and people of the free world commemorate this day, in the Soviet Union the people of Byelorussian descent are forced to "celebrate" the Bolshevik Revolution, which in fact represents the conquest and subordination of Byelorussia to the U.S.S.R.

The first All-Byelorussian Congress was dispersed by the Soviet Russian Army on December 17, 1917. Despite this action of suppression, the Council of the Byelorussian Democratic Republic proclaimed the independence of the Byelorussian State on March 25, 1918. To counter this, the Soviet Russian Government of Moscow created its own state, the Byelorussian Soviet Socialist Republic, and made it part of the U.S.S.R. The totalitarian Communist system was then forced on these people and their freedom was lost.

These courageous people have been fighting for their independence for several years at great risk to their lives. As we in this Nation know, freedom is a precious thing. It is even more necessary then, for the free peoples to recognize this day, not only so that, the Byelorussian people know that others still care, but also so that we do not take the idea of freedom for granted.

Until the day comes when the Byelorussians and other individuals residing in captive nations are free, we will commemorate this day so that those who are oppressed will know that they have not been forgotten.

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## REV. H. CARL McCALL

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. RANGEL. Mr. Speaker, one of the most active and creative leaders in the Harlem community is the Reverend H. Carl McCall. From communications to governmental reform, from the pulpit to the New York City agency offices, Carl McCall makes his voice and his ideas felt effectively. Issues as diverse as education, voting, social services, antipoverty and economic development are within his areas of expertise and concern.

I am pleased to share the following article on Reverend McCall with my colleagues in Congress:

### REV. CARL McCALL: SPOKESMAN FOR URBAN REVITALIZATION

(By Claire Paisner)

"We're a voice in the wilderness," said Rev. H. Carl McCall, president of Inner City Broadcasting Corporation, referring to the fact that Inner City's radio station, WLIB, is the only Black-owned station in New York City out of about 60.

"The community expects more of us than any other station, yet we have fewer resources than any other station," Rev. McCall stated, explaining that the station must cover the whole Black community, while operating in a situation of financial restraint. "A heavy mortgage is the only way Black people can get into business," he commented. He felt this was but one aspect of the generally discouraging economic situation of today, in which there is a "diminishing interest in Black economic development by financial institutions."

Rev. McCall described WLIB as a station that "listens" to people, in addition to being listened to. How has the programming changed under the new ownership. It has acquired an added "depth and quality," he thinks, with more emphasis on analyzing what's behind the news. He also cited an active policy of editorial comment, with responsibility shared by himself and the general manager. He feels WLIB devotes more time to editorializing than the White-owned stations that are Black-oriented. Mr. McCall, a Dartmouth graduate and minister at the Metropolitan Community Methodist Church in Harlem, is also chairman of the editorial board of the Amsterdam News newspaper.

### THE COST OF NEGLECT

The content of that "voice in the wilderness," as expressed in the cogently argued views of Mr. McCall, comes across as an unrelenting call to invest in the future of our cities.

"If you're going to improve services, someone is going to have to pay for it," he stated. He said that if we did a cost analysis, we would see that ultimately it's not going to be profitable to continue ignoring urban problems. "It's a matter of alternatives. Put it on a business basis: either we do it this way, or we pay the price that way." The "dehumanizing" system of welfare, he feels, "would not exist if we had invested earlier in education and training and providing jobs for people." Rev. McCall envisages approaching the development of the ghettos the way the Western world tackled the development of Europe through the Marshall plan after World War II.

The means toward financing urban revitalization, as he sees it, are two-fold. First, is the role of government, which must revise its tax structure so that we have a truly progressive and equitable tax system. "There are too many loopholes for the rich to avoid paying taxes. . . ." Then, a policy of "flexible and realistic grants and loans" should be the goal of government.

The second link in the renewal of our cities is lodged in the private area. "Government should force the private sector to be more flexible in its loan making policy. . . . Banks are chartered by the state, and assets are not being made available on an equal basis."

### IMPEACHMENT

Yet none of this, or any other solution, can be realistically expected without "a change in the leadership" at the federal and state level. Advocating the replacement of Richard Nixon, either by resignation or impeachment, Rev. McCall stated, "The criminal activity and the insensitivity to human need on the part of the President should convince everybody of his unfitness to continue in public office."

The former chairman of the Council Against Poverty and deputy administrator of the Human Resources Administration skipped with ease and familiarity from one topic to another as he fielded questions on such far-ranging topics as drug abuse, housing, decentralization and the Beame administration.

The former Governor's recent antidrug law he described as "oppressive measures that simply haven't worked." Stiffer penalties do nothing to attack the root of the problem, which he sees as "deprivation, lack of opportunity, outright racism . . ." He asks rhetorically, "Stay off drugs for what?"

Just as he condemns the "short-range," "piecemeal" approach shown by our leaders in regard to the drug problem, he faults our planning process in the housing field as being "short sighted" and "fragmented." In contrast, Rev. McCall points to certain large developments in Europe illustrating the way building programs can create "total communities." People need more than just the four walls of their residence, they need services too, he emphasizes.

### GOVERNING NEW YORK

Turning from issues and policy to administration, Mr. McCall stated that we are not getting enough minorities into civil service.

With respect to the new city government, he was "not generally impressed with the people" Mayor Abraham Beame has named to office so far, Concerning minority appointments, while noting there have been few of them up to this point, he felt it was too soon for final judgment. Saying he didn't know much about Deputy Mayor Paul Gibson, he felt he should be given "every opportunity."

In his belief that the movement toward decentralization should continue, not only in the schools but in other areas, Rev. McCall recommends making the various local districts coincide to eliminate the present overlapping of boundaries in administering health, planning, sanitation, educational, etc., services. Should local bodies remain advisory? "People aren't going to buy advisory situations. They want decision making powers . . . and they have the ability, the energy is there."

Mr. McCall's emphasis on community participation in the political system is reflected in his efforts towards increasing minority voter registration and education in his capacity as chairman of the Citizens Voter Education Campaign.

Rev. McCall, organizer, minister, writer, administrator, person in the media, combines activities which might well fill up many lives. How does he find the time? "You start with breakfast meetings and end up with midnight meetings." The void must somehow be filled, he says.

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## LEGISLATIVE REPORT

## HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. PATTEN. Mr. Speaker, periodically, I mail a newsletter to my constituents in order to keep them informed of my legislative activities.

My most recent newsletter deals with one of the most serious domestic problems facing the Nation—the energy crisis. Although the lifting of the oil embargo by most Middle East nations is extremely encouraging and will naturally help meet our requirements, I think it is important to remember that Federal Energy Office Administrator William E. Simon has warned that a shortage will still exist.

The contents of my latest newsletter follow:

### LEGISLATIVE REPORT

### THE FRUSTRATING ENERGY CRISIS

A recent survey showed that most American consider the energy crisis the nation's most serious domestic problem—a conclusion that shouldn't be a surprise to anyone. The crisis has not only affected every family, but has created more public indignation, confusion, and frustration than any domestic issue in recent congressional memory. And the public has every right to feel this way—for several reasons:

Because of the serious gasoline shortage, motorists have had to face long lines and cannot always get the amount of fuel they need. Although the congestion is not as bad as it used to be, tempers are short, with violence sometimes erupting. In one Middlesex County community, a motorist who was refused gasoline hit the station attendant with a shovel.

Despite "controls" on petroleum products, prices have increased tremendously. In March, 1973, for example, regular gasoline was selling at an average of 35 cents a gallon. A year later—with "controls" still on—the price has skyrocketed to a shocking 50 cents a gallon—a rise of 42%! And fuel oil bills are expected to increase by more than 25% this year after a disturbing rise in 1973.

Over 232,000 persons have lost their jobs in the Nation due to the energy crisis, with more than 14,000 workers in N.J. involved in energy-related layoffs since January. Especially hard hit are auto, chemical and plastic industries. Linden's General Motors plant closed down for several weeks in late February throwing 2,000 employees out of work, and the Delco-Remy plant in New Brunswick laid off workers. A chemical firm in Fords reported 6% of its employees absent each day because they cannot buy enough gasoline, and hospital officials said that patient care has been seriously threatened by "intolerably low" hospital staffing levels caused by the fuel shortage. When Labor Secretary Peter J. Brennan appeared before the Labor-HEW Subcommittee on Appropriations on which I serve, I expressed deep concern over high unemployment in Middlesex and Union counties and urged the Nixon Administration to follow the intent of Congress and implement the Comprehensive Employment and Training Act, which is supposed to help the unemployed through Federal grants. Unfortunately, the Nixon Administration is ignoring congressional intent by arbitrarily changing the district I represent thousands of jobs and employment. The revised method would cost the district I represent thousands of jobs and millions of dollars in U.S. grants.

### NEAR-RECORD VOLUME OF MAIL FROM AROUSED CONSTITUENTS

What started out to be a fairly serious problem when the Middle East embargo of oil took place, has turned into a real crisis. I've been in Congress for over 11 years and except for impeachment letters, I have never received more mail than correspondence on the gasoline shortage. Excerpts from a few of those letters reflect an almost desperate appeal for help. From a man in Woodbridge: "The gasoline situation is getting worse. I have to wait in long lines to buy a few gallons at outrageous prices. . . ." A woman from North Brunswick wrote: "The gas shortage has reached a disastrous point. Our visiting nurses are unable to purchase gasoline necessary to visit critically-ill patients. . . ." And from a man in Edison: "My work is suffering because I can't get enough gasoline. If things don't get any better, I won't have a job. . . ."

### BLAME FOR THE CRISIS SHOULD BE SHARED

It would be expedient to place all blame for the energy problems on one person or group, but that would be unfair and irresponsible. Some believe that Arab nations deserve the greatest condemnation because of their oil embargo. The embargo, of course, contributed to the severe shortage here. However, since the Middle East supplies the United States with only about 10% of its oil requirements, it certainly is not the main reason. Others should also share the blame.

Oil companies enjoyed fantastic profits at a time when some restraint should have been practiced. Many persons were astounded to hear Treasury Secretary George P. Shultz disclose that net profits of oil firms in 1973 averaged the highest in 11 years. The top five oil companies had almost unbelievable years in net profits: Exxon, the world's largest, showed a profit of $2.4 billion, an increase of 59% over 1972; the Royal Dutch/Shell Group, $1.7 billion, a leap of 153%; Texaco, $1.3 billion, a rise of 45%; Mobil, $842 million, up 47%; and Gulf made a net profit of $800 million—a gain of 79%! N.Y. Times reporter Leonard Silk expressed the feelings of millions of Americans when he wrote, "The oil crisis appears to be bad news for everybody—except the oil industry." Windfall profits would have been prohibited in a bill that was filibustered by the Senate in December after passing the House. I voted for a windfall profits ban in the bill, but it was deleted in the Energy Emergency Act passed by Congress in February. President Nixon's veto of the legislation was a great disappointment to me. It not only would have rolled back prices on domestic crude oil, but contained other provisions that would have helped in fighting the crisis.

The Nixon Administration should also be criticized for ignoring warnings for more than 2 years that crude oil supplies were inadequate to meet rising demands, and setting unrealistic petroleum import quotas. For instance, *Time* magazine reported that in 1969, when a Cabinet-level task force was about to recommend a plan to drop oil import quotas, Exxon's chairman arranged a private meeting with President Nixon, who eventually made the decision to keep the quotas. Unrealistic quotas are harmful to American consumers because they not only reduce the supply of oil in this country, but also have a tendency to keep prices higher—and they are obviously too high. The Executive Branch failed to exercise effective leadership, but I frankly believe that Congress could have taken swifter and more vigorous action, too. Speaking on the House Floor in late February, I told my colleagues that it was "incomprehensible" to me that Congress did not act sooner. "One does not deal with an emergency by considering legislation for three months," I told the House.

Neither is the Nation devoid of blame. With 6% of the world's population, the United States consumes 35% of the world's energy supply. We take energy supplies for granted as if they will last forever and sometimes use electricity, oil, natural gas, gasoline, and other energy sources unnecessarily. One program that will eventually help is legislation passed by Congress that calls for billions of dollars to be spent for developing shale deposits and extract oil and other energy sources. Unless more self-discipline is practiced by all of us, the energy shortages that plague us now will continue. In fact, it was disturbing to read that William E. Simon, administrator of the Federal Energy (FEO) said in late January that the Nation faces "severe energy shortages in the years ahead."

#### SOME PROGRESS IS BEING MADE

Governor Brendan T. Byrne, with whom my office has been working on energy problems, has shown strong leadership in dealing with the severe gasoline shortage in New Jersey. On Feb. 8th, Governor Byrne announced a mandatory state-wide gasoline rationing program, second in the Nation. The modified rationing system has cut lines at service stations, but it is not the solution to the infuriating gasoline shortage. What will help is a more equitable redistribution policy—something that was partly achieved when Governor Byrne and the New Jersey Congressional Delegation were able to obtain an additional 23 million gallons of gasoline in February for N.J. drivers, as well as an increase of 34 million gallons scheduled for March. Motorists, however, should not feel euphoric over this. The real solution is increased production of gasoline by oil firms. It's important for consumers to remember this. The lifting of the Arab oil embargo will ease the crisis, not end it.

In letters to President Nixon and FEO Administrator Simon, my N.J. colleagues and I also had urged that an investigation be made to determine why N.J. has not received its fair share of gasoline while other states have more than enough. I've also sent telegrams to major oil firms, requesting their complete cooperation with FEO in providing an adequate supply of gasoline for retailers and consumers. "The impact on N.J. is much greater than elsewhere and the need for an increased supply here is imperative," I wrote to the oil firms. In addition, I'm working with Rep. James J. Howard (Dem.-N.J.), Chairman of the House Subcommittee on Energy and the rest of the N.J. delegation to bring in more gasoline and find out why certain oil companies are not complying with the allocation regulations issued by the government. Furthermore, I'm working closely with two officers of the N.J. Gasoline Retailers' Association—Gerald Ferrara and Vincent Barone. They have pledged the cooperation of station owners in every practical way. Communities have also contacted me on problems and I'm doing all I can to help them.

#### PATTEN BILLS HELPING TO FIGHT ENERGY CRISIS

Because of the urgency that exists, I helped sponsor legislation to establish a House Committee on Energy, and one that would create a National Energy Information System and authorize the Interior Dept. to take an inventory of all U.S. energy resources on public lands. Under this bill, major energy firms would submit annual reports on their assets and operations. It is my conviction that firms do not always provide all the information they should. If it is signed into law, the information would help the government deal with the energy crisis by enabling it to know more about what oil reserves are, and where they are located.

Another measure I helped sponsor would authorize the Interstate and Foreign Commerce Commission to conduct an investigation and study of the importing, inventory and distribution of crude oil, residual fuel oil, and refined petroleum products. (See box above). Although most of the oil we use is produced in this country, we should know all the facts about oil that is imported by us.

Another energy-related measure I co-sponsored was the Solar Heating and Cooling Demonstration Act of 1974, which was passed by the House last month.

Since the Nation faces shortages in heating oil, I feel that it's important to develop new sources for heating homes and plants. One of the most promising is utilizing the world's greatest source of energy—the sun. Its vast potential should be developed—a potential cited by space expert Dr. Wernher Von Braun, who is very optimistic about future benefits of solar energy. My bill, of course, involves a long-term solution, but the program offers encouraging prospects. Hearings have been held by the Senate, where passage is also expected and I'm confident that the President will sign it.

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## MARCH OF DIMES FAMILY FOR 1973–74

## HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. KETCHUM. Mr. Speaker, I am honored today to call to the attention of the Congress the accomplishments on one of Kern County, Calif.'s most active and distinguished families, the Leonard Sturtevant family of Bakersfield. Len, Betty and sons Brian, Larry and Scott have served their community and Nation in countless ways with dedication and selflessness. On Friday, March 22, 1974, they are to be honored by their many friends for this service. I am proud to be able to participate in this way.

The Sturtevant family's lengthy list of activities includes scouting, service clubs, political activities, charitable work, fund raising, and youth programs. As volunteers, they have personally expended time and money at any cost to them to be of service to their fellow man. The Sturtevants can always be counted on to perform any task assigned, and to do it the best way possible. They are stalwarts of many organizations which have recognized their generosity, and made good use of it.

They have been named "March of Dimes Family of the Year for 1973–74" by the board of directors of the South San Joaquin Valley chapter of the National Foundation March of Dimes. For the past 7 years, Larry and Scott have been extremely active in teenage March of Dimes activities. Betty, who has served on the board for 2 years, has served as Mothers March chairman, block walker, Telerama Food Committee chairman, and also award dinner chairman for 2 years. Len Sturtevant has served as both chapter vice chairman, and chairman of the chapter's board of directors in South San Joaquin Valley.

Certainly such an honor is to be highly prized, and I have never met anyone more deserving of it than the Sturtevant family. I am proud to count each one of them as my friend. Indeed, everyone who has been privileged to know or work with the Len Sturtevant family knows well the enormous dimensions of their self-sacrificing compassion for others. It is a distinct pleasure to speak on their behalf today, and I am sure that my colleagues will join me in tribute to this fine American family.

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## TENT SAFETY

## HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. PEYSER. Mr. Speaker, fires are the source of much grief and tragedy in our society, but it is only recently we have become sharply aware of a fire danger which has been obscure to us. This is in the hidden hazard in canvas and similar type tents which are used by millions of Americans who go camping each year.

This tragedy was graphically illustrated recently in the first of three television reports by WNBC–TV, New York City. On March 4, 1974, the station telecast a special report which revealed that most of the tents in use can ignite easily and burn rapidly. Such accidents have produced death and severe injury.

The initial report, produced and written by Bernard Gavzer, WNBC–TV's investigative reporter, charged that the tent industry had failed even to produce clear labeling which would inform the public of the flammability danger. This report also stated that though the Boy Scouts of America had had an official fire-retardant tent for nearly 20 years, it failed to make any aggressive campaign for use of fire-retardant tents.

In a subsequent report, March 8, the Boy Scouts of America conceded this failure and amid it would press for Federal standards as well as undertake aggressive support of fire-retardant tents.

I am inserting this second excellent report by WNBC–TV into the Record at this time for the benefit of my colleagues in the House who may wish to pursue this subject further:

### Report on Flammable Tents

Jim Hartz. At the beginning of the week we had a special report alerting people to the risk of deaths and injury in tent fires. We said the tent industry had done poorly in letting consumers know about the dangers. And we said the Boy Scouts of America had fire-retardant tents, but failed to let Scouts really know about them. Today our report resulted in some action by the Boy Scouts of America.

Ken Alvord. The sign says "Not all scouting is done in the woods," and that is most assuredly true, particularly for an urban Scout Troop like this one, just beginning an overnight stay in what could be one of the highest camp grounds in America, the Observation Tower of the Empire State Building.

Like millions of other campers, these Scouts use tents. And therein lies a problem. This particular tent material does not support flame as you can see. But as we noted in a general WNBC/TV investigation report a few nights ago, that is the exception rather than the rule with most tents in America. It is the subject of increasing concern to organizations like the Boy Scouts of America, whose National Camping Director now says his group will become much more active in promoting the sale of flame-retardant tents.

Loody Christofero. In the past—'bout ten years, five boys that we know of, that we have records of, have been killed in tent fires. We don't know whether these tents were Scout tents or not. As you know, we have been making flame-retardant tents since the 1950's and have listed them in our catalogues. We—what we want to do, is to more aggressively advertise or make known that flame-retardant tents are in manufacture and are available.

## ANTIDEFICIENCY ACT

### HON. JOHN BRECKINRIDGE

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. BRECKINRIDGE. Mr. Speaker, today I introduced, with colleagues of the congressional rural caucus, a bill which would tighten the language of the Antideficiency Act with the intention of bringing to an end "impoundment" as a means of imposing priorities by the Executive on the legislative branch of Government. This action is necessitated by the administration's studied disregard of congressional authority and responsibility in the appropriations process.

During the past year the administration has impounded massive amounts of funds, variously estimated at between $8 to $18 billion. In so proceeding a basic constitutional question has been presented; that is, if we in the Congress are to retain the power of the purse, can we permit the exeutive branch of Government to determine which duly adopted programs are to be funded, and which are not?

Although past practice has encouraged the executive branch to spend the least amount of money possible without changing the intent of congressional programs, the incumbent administration has gone far beyond these permissible limits; it has, in an unprecedented manner, instituted what has come to be known for want of a better term as "policy impoundments." The primary purpose of these impoundments has been variously to slow down, curtail, emasculate or dismantle those programs which the administration opposes.

This past January Mr. Roy Ash, the director of OMB, in a New York Times interview stated that the "word impoundment could be taken out of the dictionary" because the administration would no longer impound funds except where they could effect savings. Were this the case, the administration would be operating in accordance with the intent of the Antideficiency Act, which states specifically that—

> In apportioning any appropriation, reserves may be established to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations or other developments subsequent to the date on which any appropriation was made available.

Unfortunately OMB policy has as yet to take shape as predicted by Mr. Ash. The administration is still impounding significant sums of money appropriated by Congress for fiscal year 1974; for example, the administration is impounding $85 million for the rural environmental assistance program, another $11,645,000 for the water bank program, and $140,304,000 of FHA rural water and waste disposal funds.

In a brazen effort to obtain passage of the Better Communities Act the administration is holding hostage $74,021,000 for Model Cities, $55,161,000 for open space land program, $401,734,000 for grants for basic water and sewer facilities, and $281,314,000 for urban renewal funds.

Every congressional district in the country is being affected by these impoundments. The administration's policy means that hundreds of towns shall remain without water and sewer systems, and that decaying cities shall not receive help in the form of Model Cities and urban renewal grants. Ultimately these impoundments constitute an unconstitutional denial by the executive branch of legislative intent; a second veto not accorded the President by the constitution.

Recently, OMB issued its latest impoundment report. The total figure contained in the report amounted to $11.8 billion for fiscal year 1974; however, this figure did not include $9 billion that the administration has withheld from the clean water program. This does not indicate, to me at least, an end to impoundment as "a policymaking device" as Mr. Ash implied in his New York Times interview.

The bill which my colleagues of the Congressional Rural Caucus and I are introducing today will not deny the executive branch the traditional right and duty to establish reserves to provide for contingencies, or to effect savings whenever savings are made possible, but it will delete from the 1950 amendment the "other development" clause which the current administration uses in effecting policymaking impoundments. It is, on the whole, a very modest proposal; it simply requires the officer-in-charge to notify the Comptroller General, at least 10 days in advance, of the reserve action and his reason and authority therefore. If the reserve action is in violation of the program as established by the Congress, the Comptroller General is then authorized through attorneys of his own choosing to initiate appropriate action in the U.S. District Court for the District of Columbia to enforce the provisions of the act.

Presently, actions taken against such administration actions have generally been brought by private citizens or organizations, or a State and entail a considerable expense and delay in the implementation of programs. With this bill Congress will be harnessing the good offices of the Comptroller General to take on such legal battles as may be necessitated by the impoundment policy of the executive branch.

I wish to once again emphasize that this bill is not meant to prevent impoundments of a routine nature, where savings are sought and no change of policy is involved. Only when the executive branch embarks on an impoundment policy defying the intent of Congress and ignoring the priorities set by it will this bill take effect. The changes which I propose to make in the Antideficiency Act are consistent with the legislative intent of the 1950 language as well as with recent decisions of the Federal courts. The enactment of this bill will be but a small step in our continuing effort to regain our rightful responsibility and control over the budget; it is, nonetheless, an essential and timely one.

## NEEDED: A WORKABLE CHECK ON THE PRESIDENCY

### HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. BINGHAM. Mr. Speaker, on June 5, 1973, I introduced House Joint Resolution 547 to amend the Constitution of the United States to give the Congress the power to call for a new Presidential election when it has determined that the President has lost the confidence of the people to so great an extent that he can no longer effectively perform the responsibilities of his great office. My distinguished colleague from Wisconsin, Congressman Henry Reuss, has introduced similar legislation, and other bills ordering new elections where the President has been found guilty of certain offenses have been introduced by Ms. Green, Mr. Obey, and Mr. Udall.

James L. Sundquist, a senior fellow at the Brookings Institution, has written an interesting and scholarly article on the need to reestablish equality between the executive and legislative branches of Government in a manner such as I have suggested. The article, which appeared in the fall 1973 edition of the Brookings Bulletin, follows:

### NEEDED: A WORKABLE CHECK ON THE PRESIDENCY

(By James L. Sundquist)

The Presidency puts too much power in one man. That proposition is heard increasingly these days, for a decade of war in Vietnam and now the Watergate affair have revealed a vast potential for abuse of the enormous power that is entrusted to a single human being. And the realization has come as something of a shock. After all, this was exactly what the Founding Fathers, reacting against the tyranny of George III, were supposedly striving to prevent. We were brought up to believe that the unique American contribution to the art of government was "checks and balances."

We were lulled into complacency because we thought the system of checks and balances was more pervasive than it is. The deadlocks we have so often witnessed occur in a particular process of government—the legislative process—and what applies to the legislative power does not necessarily apply to the executive power. Legislation is a shared responsibility; both the President and the Congress have a veto. But once a law is enacted, the power to carry it out is not shared between President and Congress, for the Constitution vests the executive power in the President alone.

The assignment of executive power to the President does not mean that the other branches of government do not exercise some checks. They do get involved in the execution of the laws, in half a dozen ways. But these checks, taken altogether, have always been severely limited in their practical effect.

The courts can check the President and often have, as when they ordered Harry Truman to return the seized steel plants to their owners. But this power is limited to cases of actual lawbreaking; the judicial process imposes no check on presidential actions that are merely unwise or improper. Moreover, in the broad area of national security and foreign affairs, it is difficult to find cases that can be taken into court.

Impeachment can be seen as an extreme form of judicial process; as such, it has at least as many limitations as court proceedings. "High crimes and misdemeanors" must be proved. In today's meanings of those words (which are the meanings the Congress acts on, though a case can be made that the phrase carried a looser meaning when it was written into the Constitution), a President who has simply lost his capacity to lead and govern because of bungling, betrayal by ill-chosen subordinates, or any of the other weaknesses that can lead to misuse of presidential power, cannot for that reason be relieved of power.

The Senate's power to confirm appointments is not an effective check, for the obvious reason that the Senate cannot know in advance which presidential appointees are going to abuse their power. When the names of John Mitchell and Maurice Stans were presented for confirmation, no one could have foreseen that they would be indicted four years later. If the Senate could *unconfirm* appointments, that would be a real check, but such power—for good reason—was not granted by the Constitution.

If the President does something the majority in Congress disapproves, it can amend the law to prevent the President from doing it again. But this possibility is more theory than fact. The President retains the power of veto, and if he wants to go on doing what the congressional majority objects to, a minority of one-third plus one of either house is sufficient to sustain his veto. Nor can an amendment usually be made retroactive to force a reversal of what the President has already done. Moreover, to curtail the executive power by law is liable to prevent the President from accomplishing ends that in the congressional view are still desirable.

Nor is the power of the purse an effective check. Since appropriation bills are only a form of legislation, attempts to control the President through the budget encounter the same difficulties as in attempting to control him through amending substantive law. He can veto bills carry unpalatable riders, and his vetoes will usually be sustained. To cut funds is no corrective for maladministration.

Lastly, in order to legislate and appropriate, the Congress through its committees may obtain information on how the laws are carried out, using subpoenas if necessary. Through this process, senators and congressmen can kibitz, entreat, heckle, and threaten, and these methods are often effective. But they cannot compel a determined President to change his course.

A common weakness of almost all these checks and balances is that they operate after the fact, often long after. The Congress has been able to exercise a review power in the case of both Vietnam and Watergate—and in the Watergate affair judicial checks have been operating too—but only long after the damage has been done. The one exception, Senate confirmation, operates only before the fact, sometimes long before. None of the checks and balances operate during or close to the fact, which is when the abuse of power needs to be prevented.

#### THE EXPANDING GOVERNMENT

These checks and balances, weak as they have been throughout our history, have been further weakened by several trends that for the most part are not reversible. While the federal government's budget has increased by 500 percent in a quarter century and the government has been thrust into a multiplicity of new activities, the capacity of the Congress to check executive operations has not increased on anything like the same scale. Nor can the Congress be expected to keep pace, no matter how much it improves itself through reorganizing, strengthening its staff, electing stronger leaders, or attending to its duties with greater diligence. No matter how it changes its practices, its checks and balances will still have to be exercised through difficult, demanding work by individual members, acting mainly in committees. As the size and scope of government expand, the attention of committees, subcommittees, and devoted individual members is inevitably spread thinner and thinner.

Partly because of the incapacity of the Congress to cope with an expanding government, the line separating executive from legislative power has been shifted in favor of the executive. In part, this shift has been made with congressional consent: the Congress has willingly and repeatedly delegated power to the executive. Thus it has recognized, in the case of price and wage controls, that measures to curb inflation must be left to executive discretion. Similarly, major decisions to cope with the energy crisis have been delegated. In other cases, the shift has occurred without express congressional consent but with its acquiescence. In foreign affairs, much of what used to be done through treaties, which require ratification by the Senate, is now done through executive agreements, which do not. Above all, the effective power to declare war, which was granted to the Congress by the Constitution in clearest terms, has passed to the President. Even after Vietnam the Congress has not seriously considered taking back the power to put the country into war; it has only required that after the President has done so, he submit his decision for approval.

The Congress has yet to accept any general principle that the President should be free to impound appropriated funds, but it has repeatedly let presidents do so without rebuke, providing the precedent and the encouragement for President Nixon to go further in this direction than any of his predecessors. Indeed, while congressmen have protested the President's impoundment of appropriated funds, in 1972 both houses voted to grant him broad authority to do exactly that. One day, it can confidently be predicted, the power to adjust tax rates within defined limits will also pass to the President so that fiscal policy can be "fine tuned" to cope with inflationary or recessionary trends.

Congressional checks also have been weakened by the trend toward secrecy, with claims of executive privilege and "national security" extending ever lower into the executive branch. The courts are now reviewing the scope of what can be withheld from Congress and from the courts themselves, and some retreat on the part of the President may be forced. But it is difficult to imagine that the long-term trend toward increasing secrecy will be decisively reversed.

Despite demands that the Congress "reassert" itself, there has been no action yet that would rectify the imbalance even to a slight degree. And it is difficult to see how the balance can be shifted much. The government is not going to become smaller or easier for the Congress to oversee. The speed with which domestic and foreign problems arise and grow is not going to slow down even to the pace of a Congress aroused and streamlined, should that ideal condition ever be attained. Diplomacy will continue to be carried on as every other country carries it on: by the executive in secret. The Congress cannot control inflation or cope with energy shortages or establish tariffs except through delegation of authority to the executive. The presidential rights of impoundment and executive privilege may be curtailed a little, but that is about all. Even with the fullest "reassertion" of its powers, the Congress cannot reassert authority it has never had: Its powers will remain those of a confirming body before the fact, and a reviewing body after the fact, with no means of preventing the abuse of executive power when it is taking place.

#### THE DECLINE OF THE CABINET

If presidential power has been suddenly aggrandized, it is not only because power has flowed laterally from the Congress but also because it has flowed upward from the Cabinet. The decline of the authority of cabinet members has been perhaps the most fundamental of all the forces affecting the power balance in the national government.

In the early days of the Republic, the Cabinet usually included the principal leaders of the President's party and covered the spectrum of the party's composition. Presidents often named to their cabinets men who had been their principal rivals for the party's nomination. Prominent members of the Senate were commonly appointed, along with political leaders from the states. Men like Clay and Calhoun, Webster and Seward, Sherman and Bryan sat in presidential cabinets because they had independent power bases that demanded, or deserved, recognition. And cabinets were used as consultative bodies. Presidents could still ignore or overrule them, of course. Lincoln could say, "Seven noes and one aye; the ayes have it." But at least he asked for his Cabinet's opinion, and he took a vote.

Now, all this has changed. Replacing the Cabinet as the President's consultative group has been a presidential-level staff composed of appointees who have no outside power bases and hence no independence. This staff formulates policy for the President, issues orders on his behalf, and supervises and coordinates their execution. It has enabled the President to assume *command* of the executive branch in a sense that is truly military. As in an army, so in the executive branch it is now the headquarters staff that decides; the cabinet officers, reduced to the status of field commanders, execute.

In the old days, the President had to rely on his Cabinet; its members were all he had to run the government with. Now, with his modern management apparatus, the President need no longer talk with them. Nor has he time. No President since Eisenhower has used the Cabinet even as a consultative body. It meets pro forma, if at all, as a convenient way for the President to give pep talks and issue instructions. With the Cabinet's decline in status has come an inevitable change in the character of its members. The nineteenth-century tradition that the President appoint strong political leaders with independent power bases has withered away—a trend that has reached a kind of culmination in the present administration.

The last thing an ambitious presidential staff wants is department heads with independent power bases. Such men have the strength to be defiant and cause trouble. What such a White House staff wants is, in the words of one former Nixon aide, men "who will, when the White House orders them to jump, only ask 'how high?'" To make doubly sure that department heads would be compliant, the White House has systematically placed in subcabinet positions, as under secretaries or in lesser posts, trusted political and White Houe aides.

But the flow of power from the departments to the presidency, like the shift in the congressional-presidential balance, has not been the product of pure willfulness. Here, too, the trend has had a basis in the realities of modern government. The executive branch does need central direction and coordination; it cannot be treated as a cluster of independent satrapies, each responsive only to its clientele. There must be a coordinated budget. Departments do have to respond to common policies established by officials responsible to the people through elective processes—and the only such official in the executive branch is the President. These needs, too, are affected by the greater complexity, the faster tempo, and the closer interrelationship among governmental activities. In domestic fields, as in war and diplomacy, the government must be able to marshal its resources and act decisively and consistently whether the battle is against inflation or pollution, a recession or an energy shortage.

The answer to the problem of misused presidential power is not to try to disperse the essential components of that power among semi-independent agencies within the executive branch. That would only reintroduce the problems of conflict and administrative weakness that compelled the centralization of power in the first place. Besides being unwise, such an approach would be essentially unenforceable. The Congress could probably find ways, through its appropriation power, to reduce somewhat the size of the White House and Executive Office staffs, but the Congress has shown no wish to interfere with a President's way of doing business to the point of trying to dismantle the presidential office. Short of such a step, there is no way to enforce a new set of President-Cabinet relations. A President can hardly be compelled to appoint strong and independent political figures to the Cabinet and to repose power in them if he prefers to rely on White House aides. The organization of the executive branch is, by its nature, an executive function.

### DID THE FOUNDING FATHERS ERR?

If the power of the presidency cannot be reduced very much—and if, in a fast-moving and complex world, it probably should not be—then how does one solve the basic problem of too much power in one man? I suggest that most current analysis of the problem has been misdirected because it concentrates on the first three words of that phrase: *too much power*. I submit that the solution is to be found by looking instead at the last three words: *in one man*.

An institutional principle applied almost universally in the English-speaking world is that major decisions should be made not by one man acting alone, but by a collective body of some kind. In the United States, legislatures are all plural bodies. So are juries, the higher courts, and the regulatory commissions. Corporations and voluntary service organizations, school systems and universities are run by plural boards of directors who select and supervise the managers. In political parties the ultimate authority lies in conventions and committees. The one great exception to this principle is the executive branch of the United States government (along with the executive branches of the state governments and some city governments that are patterned after it).

In other English-speaking countries, even such exceptions do not exist. Executive power rests in plural cabinets, as it does in most non-English-speaking democracies as well. Even in the nondemocracies, power is often lodged at least formally in plural bodies such as the Politburo in the Soviet Union.

This pattern is not accidental. Rather, it embodies a wisdom that has evolved over centuries of experience with human organization. Societies have learned again and again that to entrust power to one man is inherently dangerous. He may be erratic or impulsive or obsessive in his judgments, or arbitrary and unfair. He may be incompetent, a bungler. He may be lazy, negligent, or corrupt. He may pervert the ends of the organization for his own benefit, whether to gain money or punish enemies or reward friends, or simply to perpetuate himself and his followers in office. Hence, in almost every organization the restraint of collective decision-making is forced upon the leader. He is made subordinate to, or required to act as a member of, a plural body of some kind. It may be called by many names—commission, council, board, committee, senate, house, cabinet—but its members have a degree of independence of the leader.

Plural decision-making has its own drawbacks, obviously. It can cause delay, undue caution, and resistance to innovation. Those who seek spectacular progressivism are more likely to find it in presidents and governors than in congresses and legislatures, for the single leader can march without having to be in lockstep with anyone. But the experience of centuries has weighed the disadvantage against the merits and given its verdict—that the plural body, not the single leader, is better to be trusted. When a single executive is needed to dispatch the execution of a collective body's policy, he is made responsible to and is supervised by that body. Never is he left free to act unchecked, responsible only to the general membership of the organization and to himself.

If this be the folk wisdom, one must ponder how the Founding Fathers came to stray so far. They were sensitive to the danger of concentrating power in any institution, but in their day it was the prospect of too much power in the legislature that concerned them most. They feared that in a republic, the majority of the legislature would get out of hand and threaten the rights of the minority—and their fear seemed borne out by the experience of the states in the decade before the Constitutional Convention. As men of property, they feared the mob, the levelers. So the question was whether the President would be strong enough. Nevertheless, the vote for a one-man presidency was not unanimous. The Convention debated whether the head of the executive branch should be one man or three; seven states preferred the single executive, three states the plural. Had the Founders foreseen how the system of presidential election they designed would change—how the power of selection would pass from a judicious electoral college made up of leading citizens to a popular process resting largely on the vote of citizens in primary and general elections—one can wonder what the vote on a plural presidency would have been.

### A POSSIBLE SOLUTION

Could the presidency be pluralized? No proposal to scrap the institution and begin anew could be seriously considered. What is needed is a remedy that could be grafted onto the existing system with the least possible disruption of its basic structure.

The simplest device that might serve to introduce an element of collective judgment into the exercise of executive power may be the one by which the executive in a parliamentary system is controlled. That is the device of dismissal of a government through a parliamentary vote of "no confidence," which could be added to the American system by a simple constitutional amendment.

This provision would have both a direct and an indirect effect. The direct effect would be to make possible the removal of a President who, though not guilty of the provable "high crimes and misdemeanors" that are the basis for impeachment, has lost the capacity to lead and inspire and unify the country—in short, the capacity to govern. On more than one occasion in the past, a President whose effectiveness had been destroyed through incompetence, gross negligence, egregious errors in foreign or domestic policy, or crimes and misdemeanors committed by those who had intimately shared his confidence and acted in his name, has remained in office until the end of his allotted four years—and nothing could be done about it. No other democratic government leaves itself so vulnerable.

If the "no confidence" procedure were introduced into our Constitution, a President to keep his office would have to do more than keep himself free of indictable crime. He would have to satisfy the Congress—and therefore the people, for the Congress would hardy act in such a matter in defiance of the people—with his conduct of the government. And what could be more consistent with democratic theory than that?

The probability, of course, is that the power to vote "no confidence," like the power to impeach, would be rarely used. Consequently the indirect effect would be more important. Though by no means wholly predictable, the indirect effect would probably be to introduce some elements of plural decision-making at the presidential level.

A President who was forced, under the Constitution, to maintain the confidence of the country and of the Congress would find it necessary to consult with congressional leaders in the exercise of his executive powers. He would not dare to do otherwise: It would be dangerous to flout them and risky to keep secrets from them. To retain their confidence, he would have to take them into his.

What would happen at the other end of Pennsylvania Avenue, on Capitol Hill? The result, one may speculate hopefully, would be a rejuvenation of congressional leadership. The President obviously could not consult with the 535 members of Congress. He would have to share his confidences, and his power, with the leaders chosen by the Congress—the leaders of his own party if they were in the majority, the leaders of both parties if the opposition party controlled the Congress. If the electorate had chosen a President of one party and a Congress of the other, as seems to be its wont these days, there would have to be a degree of bipartisan collaboration. But that has its advantages as well as disadvantages; it has proved fruitful on many occasions in the past.

Working out the mechanics of the simple basic idea would not be easy. The first requirement would be to make sure that the remedy of a "no confidence" vote would be used sparingly. No one would want to introduce into this country a system like that of France's Third Republic or of Italy today under which governments can be toppled every few months for partisan or trivial reasons. Therefore, the proposed power to remove a President should be accompanied by a restraint also present in many parliamentary systems—the provision that the members of the legislature, if they vote "no confidence," can also be forced to face a new election. In other words, senators and congressmen would have to submit their action to the approval of the voters. New terms for everybody—the President and members of Congress (with senators' terms staggered for two, four, and six years)—would begin with the new election. In the meantime the Vice President would head a caretaker government.

The new election presumably should be held as soon as possible, and that would not be easy to square with our system of regular elections held on designated calendar dates. But there is no magic in regular elections beyond the convenience they offer the student in memorizing history in neat four-year blocks. Other countries have done very well with systems of elections that occur at odd times, in any month of the year, whenever a government loses confidence and a new government with a fresh mandate must be formed. When that occurs, those countries have found that it makes little sense to wait a year, or two, or three, as we do, until the calendar rolls around to an appointed month. Yet if the holding of elections in April, June, or even September would violate the criterion of "least possible disruption," the new election could be scheduled for the next November after the vacancy occurred, for new full terms or merely for unexpired terms.

In any case, the purpose would be served. The President would have to level with congressional leaders on matters like Vietnam and make certain they went along. If burglars were discovered in the headquarters of the opposition party, the President could hardly dismiss it as a "bizarre episode." The leaders of Congress would be in a position, on crucial matters, to make demands and say "or else." Major decisions would come to be taken in consultation. The executive power that the Founding Fathers reposed in the President alone would be on its way to being shared—checked and balanced, as it were. The fundamental danger of rash or corrupting decisions taken by a lone President would to that extent be reduced.

## MR. YUK AND THE PITTSBURGH POISON PREVENTION CENTER

## HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, this being National Poison Prevention Week, it is most appropriate that we discuss an ever present problem that affects young children, the accidental consumption of poisonous properties.

No matter how much children are informed about this problem, thousands yearly are rushed to hospitals, because they swallow substances which can cause serious illness or death.

The Pittsburgh Poison Center at Children's Hospital, in Pittsburgh, has worked assiduously on this dilemma.

Research by the institution showed that the traditional skull and cross bones symbol actually attracted preschool children and did not serve as a deterrent.

They have come up with an identifiable symbol that can be affixed to poisonous materials and will warn children that they should not play with or consume the matter.

Called "Mr. Yuk," the symbol is an animated face with a sour look and tongue sticking out as if it had just tasted something bitter.

Studies showed that children, when given a range of symbols and faces to chose, rejected most the Mr. Yuk symbol.

The center has printed Mr. Yuk symbols and are making them available to the general public.

A recent issue of the Journal, published by the National Association of Retail Druggists discusses in more detail the Mr. Yuk campaign of the Pittsburgh Poison Center and Children's Hospital.

I would like to put this article in the RECORD at this time:

### NATIONAL POISON PREVENTION WEEK, MARCH 17–23, 1974—THE STORY OF "MISTER YUK" AND THE PITTSBURGH POISON CENTER

(By Dr. R. W. Moriarty)

We, at the Pittsburgh Poison Center, believe that "Mr. Yuk" is the first poison symbol designed with children in mind. The idea came about through a series of studies that were conducted by the Pittsburgh Poison Center.

Our first study was a relatively simple one in which we asked a group of parents what they would do if they discovered that their child had gotten into some material accidentally. The vast majority said that they would consult the bottle or package for instructions. However, few manufacturers give any meaningful instructions on their products as far as accidental ingestion is concerned.

We felt that if we could devise a sticker that would have the telephone number of the Pittsburgh Poison Center on it and make the sticker available to parents to place on the more toxic items in their home; then, at least, they would have our number to call.

The next step in the evolution of "Mr. Yuk" was the idea of developing a symbol that could be taught to children to represent potential danger. In testing a variety of designs, we were amazed to see that the traditional skull-and-crossbone symbol appeared to be attractive to pre-school children. The face that eventually came to be called "Mr. Yuk" and his obnoxious green background appeared to be the symbol that turned the majority of youngsters "off" in our studies.

We then combined "Mister Yuk" with the telephone number of the center and are offering these labels to anyone who wishes them.

We must point out that in order for "Mr. Yuk" to be effective, children must be taught to understand that this symbol represents potential danger. It should be understood that "Mr. Yuk", himself, will not necessarily keep a child from ingesting a particular product.

However, we are convinced that through an educational process, conducted by the parent, children can learn to avoid materials that have a "Mr. Yuk" sticker on them.

The "Mr. Yuk" idea is really a small part of what we are doing at the Pittsburgh Poison Center. We are undergoing a total revision of the center and have added our own full-time staff of registered nurses to handle calls to the center.

We are involved in product research and compiling statistics on the cases of ingestions. We are keeping complete records of all calls which provides a statistical evaluation as well as a following-up of patients with the aid of our social service staff.

We have entered into a working relationship with a number of community hospitals that act as satellite centers for the evaluation and treatment of patients who have ingested materials.

We average approximately 10,000 calls a year. The vast majority of calls concern youngsters under the age of five, but we do deal with adult problems—suicides, drug abuse problems, etc.

The "Mr. Yuk" stickers have been copyrighted by the Children's Hospital of Pittsburgh and are available to everyone.

## THE TOLL OF SHORTAGES ON SMALL BUSINESS

## HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. THOMSON of Wisconsin. Mr. Speaker, there is not one Member of the House who can afford to be insensitive to the problems facing our small businessmen. Small businesses comprise 95 percent of the businesses in this country and employ nearly half the total workforce. Small businessmen face special problems, and they also face different facets of the problems facing every American business.

The energy crisis poses particular problems for small businessmen. Most struggling small businesses count on growing production or sales to repay capital start-up costs. With shortages at every corner, these businesses face a bleak future unless help can be provided.

This week's U.S. News & World Report details some of the problems confronting small operators during the present energy pinch. I commend it to my colleagues. I would especially direct the Members' attention to the results of a nationwide survey conducted by the National Federation of Independent Business showing the particular areas most affected.

The House has before it legislation to alleviate this negative impact. It is sponsored by the entire membership of the Select Committee on Small Business. We are recommending that the Small Business Administration be authorized to provide long-term loans to victims of the energy crisis to enable them to refinance their obligations and, thus, get over the worst of this immediate crisis. After reading the following article, I am sure that the Members will want to urge the Banking and Currency Committee to take speedy action to bring this bill to the floor:

### ENERGY PINCH: THE TOLL OF SHORTAGES ON SMALL BUSINESS

As if they didn't have enough problems already—

The country's small firms now have to cope with a whole batch of energy-related headaches.

For many thousands of the nation's 5.3 million small businessmen, the energy crunch is adding one more burden to an already top-heavy list of day-to-day problems.

Rising prices, shortages of materials, tight money, high interest rates and burdensome government regulations have combined to make things tough lately for small companies and individual entrepreneurs.

Now, lack of gasoline and fuel oil and petroleum-based supplies is compounding difficulties for these "little guys" of the business world.

"There's no question that the energy pinch is putting a lot of small concerns in double jeopardy," declares Thomas S. Kleppe, head of the Small Business Administration in Washington. "That means frustrations for untold millions of customers, because 95 per cent of all enterprises in this country fall into the 'small business' category."

#### FROM FAR AND WIDE

Examples of small firms' troubles show up in many directions.

A television repairman in a Virginia community tells a householder whose set is on the blink: "You'll have to bring it into the shop. I've run out of gas for my delivery truck."

The president of a small plastics-manufacturing concern in Cambridge, Ohio, says: "I've had to lay off half of my force of 200 workers because I can't get raw materials." His products are made from chemicals derived from scarce petroleum.

In Jasper, Ala., the owner of an auto firm says:

"The energy czar's allocations assure big-business buyers of gasoline in bulk all they need for their vehicles. But small businesses like ours get the leavings. It's unfair."

A maker of farm machinery in the Midwest complains that he has to order steel and other materials in quantities larger than he needs because "producers don't want to bother with small orders during the energy crisis." He adds:

"I have a choice of stockpiling the raw materials or turning out more machinery and pumps than I can sell in today's market. Either way, I'm tying up a lot of capital."

A plumber in Pennsylvania says that his trucks occasionally must wait an hour or more in gasoline lines. He grumbles:

"People already are screaming about the size of plumbing bills. How can I tell them I'm going to have to pass along the cost of a driver's waiting time at the gas pump?"

#### WE'RE RUNNING LOW

The owner of a dry-cleaning plant in a Massachusetts city comments:

"We're running low on solvents, metal hangers and plastic garment bags. The day isn't far off when I'm going to be sending customers out into the rain with freshly cleaned clothes over their arms for want of plastic bags. That's not going to be good for my trade, I assure you."

Complaints such as these are heard increasingly from every part of the U.S. as the energy vise tightens on small enterprises.

The protests are causing a stir in Congress, at the Small Business Administration, at the Federal Energy Office and at the headquarters of trade associations that represent small firms.

"Our mail volume has been unbelievable," says a secretary to a North Carolina Senator. "People are angry and bitter. They want gas."

"We're seriously concerned about layoffs and other disruptions caused by the energy situation," says E. Douglas Kenna, president of the National Association of Manufacturers, 80 per cent of whose members are small—businessmen.

"Many small towns are dependent for jobs on just one or two small companies," he adds. "When those firms shut down or furlough workers, the whole community suffers."

John English, executive director of the Organization of Plastic Processors, an association of independent producers of plastic products, declares:

"Five hundred manufacturers in our line already have been forced out of business because they've been cut off from supplies of petrochemicals. Unless we get more raw materials in the next six to eight weeks, we believe another 1,000 companies will go under."

Mr. English estimates that layoffs in the independent plastics industry tied to the energy pinch run as high as 100,000, counting manufacturers, distributors and other firms dependent on them.

A survey conducted among a sample of the 370,000 members of the National Federation of Independent Business reports that the energy crisis has had a sharp impact on small companies. High-lights are shown in the accompanying chart.

Among all companies checked, more than half are confronted with a shortage of materials and parts. In the construction and manufacturing fields, nearly three quarters of all firms surveyed are having that trouble.

Nearly one small company in every 10 has had to lay off workers or cut working hours, the Federation survey discloses.

Wilson S. Johnson, president of the Federation, with headquarters in San Mateo, Calif., noted that small companies in the food business are especially hard hit by lack of fuel.

#### A HEAD START

Some small businessmen have been able to keep a jump ahead of the energy crises by anticipating potential problems.

Consider the case of Byron Godbersen, owner of Midwest Industries, Inc., a manufacturer of boat trailers in Ida Grove, Ia. He was named "small businessman of the year" recently in a nationwide survey conducted by Zurich-American Insurance Companies. A year ago, before fuel problems became critical, Mr. Godbersen figured he might become the nation's largest supplier of boat trailers. Now, many of the 150 workers in his plant are converting to trailers for hauling highway freight on the expectation that fewer people will be using boats this year.

"Shortages have raised havoc with our quality control," he says. "That applies all down the line—from top to bottom of the supply line."

The owner of a small farm-supply warehouse in the Southeast says that, as shipping costs increase, he is under growing pressure from suppliers to order fertilizer and other items in larger quantities that in the past.

"Two other warehousemen and I take turns receiving these big shipments," he comments.

"We run back and forth picking up our share of the orders as we get storage space. But this can't go on forever. We're going to have to stop ordering some items until we're sold out. And then we'll have to restock at higher prices."

Small manufacturers of spare parts for autos; shoemakers using synthetic materials; machine shops, and service industries of one kind or another are among firms hardest hit by shortages and by soaring prices.

The owner of a chain of fish-and-chips stores in the Middle West writes his Congressman: "Our business will use more than 600,000 gallons of peanut oil this year; pure peanut oil is critical to our products.

"In the last 14 months, the price has risen from 9 to 45 cents a pound. I have read a lot about the overproduction of peanuts and the tremendous surplus which exists. On the other hand, the refiners tell me that the Government will not release peanuts to be crushed for oil, and that foreign buying without regard for price has driven the market upward. This situation is remediable by cutting back on exports."

In San Francisco, a paving-and-roofing contractor says he can get all the supplies he needs, but only at steadily climbing prices. So he must go to his bank for a line of credit.

"But with prices going up all the time," he explains, "I don't know what to tell the bank about my borrowing needs, and I run into the chance I'll be turned down as a poor credit risk."

A Florida businessman, after 30 years of successfully running other enterprises, is just putting the finishing touches on a motel in the area near Disney World. But, he worries, if tourism remains in a slump this summer, he may face bankruptcy on the enterprise before the year is out.

The Small Business Administration is concerned about the financial problems of small firms. The agency currently has guaranteed 90 percent backing on a total of about 4.6 billion dollars in loans to small firms. If any of them go under, the Federal Government will have to pay the banks that loaned the money 90 per cent of the losses.

#### BUREAUCRATIC BUGBEARS

In addition to the woes stemming from the energy pinch, materials shortages and inflation, small businessmen continue to battle against two long-time bugbears: paper work involved in federal forms and federal safety regulations.

The National Association of Manufacturers notes that the greatest number of complaints from its members centers on "too much federal paper work and the red tape that goes with it." The Government has been trying to ease the paper-work burden but with little success, NAM officials contend.

Says a retailer:

"Frankly, I gave up trying to cope with all the federal forms—employe records, taxes, inventory reports, you name it—and hired a CPA to do the job. It will cost me more money, but I just haven't the mind or the patience to cope with it all."

Federal rules covering health and safety standards for industry are drawing the ire of many small firms. Says a restaurant owner in Washington, D.C.

"Here it is the high point in the noon rush hour and one of my 'exit' lights just burned out. If a federal inspector should come in here now, as I read the rules, he could close me down. It's things like this that drive you nutty."

Federal safety rules require that an employe working in a location where something might fall on his head wear a hard hat. Labor officials point out that the rule is designed for factories, heavy-construction sites and the like, where the danger from falling objects is great.

But a shoe-store owner recently complained to his Congressman:

"I have shoes in the back room piled up 8 feet high. If I took that ruling seriously, my wife would have to put on a hard hat every time she went in the back room for a shoe box."

Thus small businessmen find themselves beset by a flock of problems—and not enough answers. As one of them declares, "It's only small solace to know there are so many of us in the same boat."

## CONGRESSIONAL INTERN WEEK IN WASHINGTON

### HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. GUNTER. Mr. Speaker, this week I have had the pleasure of hosting a delegation of 29 high school students for a week internship in Washington, D.C. The students, who are high school juniors, were chosen upon the recommendation of their school principals and faculties and represent each public high school in my congressional district.

The intern program was designed to offer students the opportunity to learn from personal experience how the business of Government operates on a day-to-day basis. I know they will benefit from the experience and will achieve a broader understanding of the values and processes that make our country work. All three branches of the Federal Government are being observed by the interns as they visit Congress and committee hearings in session, the Supreme Court, and briefings at executive agencies such as the Departments of State, Defense, and Commerce.

In addition to observing the governmental processes, the students are enjoying sight-seeing and social activities. They are visiting the Capital's monuments, Georgetown, the Kennedy Center for the Performing Arts, the Smithsonian Institution, Mount Vernon, and many other places of interest in Washington.

Last night my wife, Teresa, and I hosted a dinner at our home for the group, and today they were treated to a luncheon on Capitol Hill with the Florida Congressmen and Senators.

The internship program is being totally financed by private contributions which have totaled more than $10,000, and the generosity of the contributors has made it possible for the program to provide transportation, housing, food, and entertainment.

It has, indeed, been a great pleasure for me to arrange for this internship program and to offer students the opportunity to see their Government at work. I have enjoyed meeting and talking with them, and I hope they will go home at the week's end with a better understanding of the Federal Government.

Following is a list of the interns and the schools which they represent in the Fifth Congressional District of Florida. Also included in the list are the names of the chaperones:

LIST OF STUDENTS

Apopka H.S., Preston L. Schofield.
Edgewater H.S., Debbie Peele.
Evans H.S., Jim Martin, Jr.
Jones H.S., Bernell Hunter (M).
Lakeview (W. Gdn.), Dianne Tiddy.
Ocoee H.S., Tanya Miller.
Lyman H.S., Debra Jean van de Houten.
Oviedo H.S., James W. Stamps, Jr.
Seminole H.S., Charlotte Ringling.
Lake Brantley H.S., David Nelsen.
Wildwood H.S., Norma Cason.
So. Sumter H.S., Ricky Hayes.
Pasco Comp H.S., Clark M. Ghiselin, Jr.
Gulf Sr. H.S., George Kaub.
Hudson J.S., Aaron Isaacson.
Zephyrhills H.S., Kurt Malmquist.
Clermont H.S., Eric C. Heinrich.
Eustis H.S., Terry Thompson (F).
Groveland H.S., Cynthia Lynn Posey.
Leesburg H.S., Robert D. Manning.
Mt. Dora H.S., Beverly Harvey.
Tavares H.S., Valerie Morgan.
Citrus H.S., Glenn DiPaula.
Crystal River H.S., Frank Fucci.
Hernando H.S., Leslie Rider.
Clearwater H.S., Julie Pearson.
Dunedin H.S., Carol Belnap.
Tarpon Springs H.S., Nancy McLaughlin.
Bishop Moore H.S., Debra Bagrosky.

CHAPERONES

Mrs. Harriet Shoupe, with General Telephone in Tampa.

Don Christopher, past intern and graduating honor student at Harvard.

Jacob Stuart, from Mt. Dora with George Stuart, Inc., in Orlando.

Linda Odum, staff of Congressman GUNTER.

## THE PANAMA CANAL GIVEAWAY

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. ASHBROOK. Mr. Speaker, on February 7 Secretary of State Henry Kissinger and Panamanian officials signed a joint statement of principles which supposedly will be the basis for a new treaty involving the Panama Canal and the Canal Zone. These principles would surrender U.S. sovereign control over the U.S.-owned zone and canal.

I believe that the actions taken by Mr. Kissinger constitute a grave mistake. The Panama Canal is vitally important to the defense of the Western Hemisphere and to the national security of the United States. It also plays a key role in the American economy. Approximately 70 percent of the traffic through this waterway either originates or terminates in U.S. ports. American abandonment of the canal would invite the entry of Soviet power into this area, thereby endangering our national security and economic interests.

In addition to these risks, surrender of sovereign control would forfeit the sizeable investment which has been made in the Panama Isthmus by the American taxpayer. Between 1904 and June 30, 1971, the U.S. poured over $5.6 billion into the canal. This money never could be recovered in the event of American abandonment of the waterway.

A 1903 treaty between the Republic of Panama and the United States grants our Nation full sovereign rights in perpetuity for the construction, maintenance, operation, and protection of the canal. Since completing construction of this passageway, the United States has operated it efficiently and without interruption.

Rather than a curse, the canal has been a source of substantial economic benefit to Panama. Compensation and related benefits from the waterway comprise the major portion of the Panamanian economy and have given that nation the highest per capita income in all of Central America.

Despite these considerations, the State Department is apparently proceeding with a plan to terminate U.S. sovereignty over the canal. This move by the executive branch is a clear violation of article IV, section III, clause 2 of the U.S. Constitution, which provides that the power to dispose of territory or other property belonging to the United States is vested in Congress. It also flies directly in the face of House Concurrent Resolution 459, which was adopted on February 2, 1960, by a vote of 382 to 12. This resolution reaffirmed the sovereignty of the United States over the Canal Zone and demonstrated a firm commitment to the maintenance of American control.

To meet this challenge to congressional authority, I have introduced a bill (H. Res. 872) which would insure that the United States maintain its sovereign rights and jurisdiction over the Panama Canal and Zone. It prohibits any relinquishment or surrender of U.S.-controlled property, tangible or intangible, without prior authorization by Congress. Opposition to the proposed giveaway is coming from both Republican and Democrat Congressmen and Senators.

The unilateral actions taken thus far by the executive branch demonstrate the necessity for passage of this legislation. The Panama Canal is too important to give away.

## VEGETABLES AND INTERNATIONAL TRADE

### HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. UDALL. Mr. Speaker, as Congress wrestles with international trade reform, it is well for us to look at specifics which throw light on the intricacies and benefits of such trade.

Nogales, Ariz., in the congressional district I am fortunate to represent, is the leading entry point for winter vegetables from Mexico. That country is our fifth best customer for U.S. foreign sales—she buys more from us than we buy from her and these vegetable sales help her to buy our goods.

The growth of this winter vegetable industry, its relationship to our trade position with Mexico, the hidden cost factors of production in Mexico, these are some of the interesting facts recently set forth in a speech by A. B. (Al) Conard, secretary manager of the West Mexico Vegetable Distributors Association.

Here is Mr. Conard's discussion:

### CONARD VIEWS MEXICAN VEGETABLE SCENE

(By A. B. Conard)

(EDITOR'S NOTE.—The following is the text of a speech prepared by A. B. Conard. Because of its orderly presentation in logical sequence and Conard's intimate knowledge of his subject, The Packer has chosen to publish the speech in full. Conard comments, in detail, on the economic aspects of the Mexico vegetable export industry, adding his personal insight to the presentation.)

The winter vegetable export industry of the West Coast of Mexico is primarily located in irrigated areas of the states of Sonora and Sinaloa bordering the Gulf of California. This region, together with Florida, supplies almost the entire market for vegetables in the United States and Canada during the winter and spring. The main vegetable crops are tomatoes, cucumbers, squash, peppers, cantaloupes and watermelons.

The West Coast's economy is predominantly agricultural, and export oriented. There is a relative abundant supply of land, unskilled labor, electric power and transportation facilities. The limiting factors of production are capital, credit, skilled manpower and production technology.

Vegetables are the most valuable and profitable crop in the region; consequently these enterprises could easily bid away resources employed in alternative crops (primarily rice, cotton, sugar cane and wheat). The industry's supply is therefore considered to be quite elastic over any potential range of expansion.

Any expansion of the vegetable industry will affect favorably the economic development of the West Coast. The impact of this influence depends on the proportion of the region's resources employed by the industry, and on its connections with other industries or sectors of the economy.

Comparative advantage in the production of fresh winter vegetables has been demonstrated as certain areas of Mexico have rapidly expanded shipments to the U.S. and Canada. Fresh tomato exports expanded from 133 million pounds in 1950 to 611 million pounds in 1972. Over the same period large increases were observed in exports of cucumbers, peppers, squash, melons and other fresh vegetables.

Future expansion of such shipments would promote economic development in Mexico directly by increasing the demand for resources used in production, transportation and marketing of fresh winter vegetables. Such development would further tend to encourage an increased rate of capital accumulation, improve managerial and technical skills and raise incomes. Foreign exchange earnings would stimulate economic development indirectly by permitting the purchase of capital equipment.

#### PRODUCTION CHANGES

During the last 10 or 15 years several important changes have taken place in the production of vegetables. Large irrigation projects began operation in the area and better facilities for transportation over longer distances were developed, including especially the introduction of highway (truck) transportation (in contrast to the exclusive use of railroads 10 to 15 years ago). Most production has shifted south to where freezing temperatures are uncommon. The production of pole or staked tomatoes was introduced and there has been a tendency for the concentration of the production and distribution of the produce into fewer but larger enterprises.

With the great advances in agricultural production techniques in the United States after World War II, the region has had to keep pace with these changes to compete favorably with U.S. producers.

A better idea of the volume of winter vegetables can be obtained in the crossings through the port of entry at Nogales, Ariz. At the end of the 1971–1972 season which started in November and ran through June a total of over 28,000 truckloads of produce were imported or a total of over 30 million containers. During the months of February, March and April which are the heaviest months the total daily crossings through Nogales will average better than 250 loads per day.

The importation of vegetables from Mexico takes place between November and June, when the production of these commodities is most costly and risky in the United States. Some late production that ends in the beginning of November originates in California.

#### IRRIGATION

The present agricultural use of land in the West Coast area has been made possible only through the investment of great amounts of resources in irrigation systems. The investment in communications, water services, education and other services for the incoming population, will further stimulate the economy.

The smaller grower, although he usually tends to adjust his operations to his own funds, must appeal to private lenders. The only private lenders willing and with enough financial capacity to make these loans are the distributors of vegetables at Nogales, Ariz. The growers and the distributors make contracts in which the distributors supply the funds for the production of the vegetables in the way of a loan, and the grower in return promises to give his product to the distributor for sale in the United States and Canada.

In this agreement, in most cases, no interest rates are charged for the loan. The return on the loan is deducted from the dealers commission for the sale of the product. In some cases, besides the commission, the dealer also has some participation in the profits of the grower.

Although the vegetable industry is one of the most mechanized of the area, many of the agricultural operations in the production of the vegetables must be performed by labor. The larger and most efficient growers possess all the desired equipment, while the smaller growers can survive with a tractor and a truck and by paying for those operations that he cannot perform with this equipment, like land preparations, selection and packaging. The trend is, however, toward increasing the use of capital on smaller farms.

#### GOOD CUSTOMERS

Mexico is the fifth best customer the U.S. has: The balance of payments between the U.S. and Mexico is favorable to the United States, and it might appear that Mexico is deriving all of the benefit in exporting its winter vegetables to the U.S. and Canada, however, statistics undeniably prove that Mexico buys more from the U.S. than the U.S. buys from Mexico. As far as this industry goes, some of the expenditures on items purchased in the U.S. are quite impressive. Statistics of the annual report by the Department of Exterior Commerce in Mexico show that all of the seed imported from the U.S. to Mexico in 1971 including soybeans, cotton, wheat and others amounted to $13,634,720 and the amount on winter vegetable seed alone was $2,115,920. In addition the amount of fertilizer purchased in the U.S. amounted to $13,939,440 and on farm machinery and equipment $9,392,400. On these items alone the total was close to $37 million.

The U.S. Customs Nogales District collected over $18 million in import duties on produce from Mexico which represents 85 percent of the total duties collected in this district.

In addition to this, many others in the community of Nogales, the state of Arizona, the U.S. and Canada derive benefits. For instance, the railroads, and the trucking industry, receivers in the principal markets, buying brokers, market chains, retailers in general and many others in the allied industries.

It is considered of primary importance that with the only other producing area in the U.S. during the winter months being Florida, who is unable to begin to supply the entire country, and with Mexico filling the gap the American housewife can put fresh fruits and vegetables on her table without paying exorbitant prices, which would be the case were it not for the imports from Mexico. The total dollar value of the fresh fruits and vegetables imported from Mexico to the U.S. and Canada is estimated at $140 million.

#### AVOID TRADE GAP

As Mexico continues to buy United States goods it has to sell more of its products, otherwise there will be a trade gap. So the more produce we buy from Mexico the more money we will get in return. By buying produce which the U.S. cannot supply, we keep Mexico on the customer side. This point was strongly brought out last year in an interview by an Industry Trade Publication with Manuel Clouthier, Jr., president of the National Union of Growers in Culiacan, Mexico. The question asked was "What is your answer when someone says you (Mexican Growers) have no right to ship vegetables to the U.S., or that these shipments should be restricted?"

Clouthier's reply was, "I can only say what I recently told an American friend: when I get up in the morning to take a bath, I use Colgate soap. I brush my teeth with Crest toothpaste, go to the kitchen and take some food from my Westinghouse refrigerator, shave with my Gillette razor and drive my Ford automobile to work. At work my secretary uses a Remington typewriter. In my fields we use John Deere tractors and Shell chemicals. My point is, we think the fact that we buy all of these things from American companies gives us the right to sell vegetables to the U.S. If we don't sell our tomatoes, we can't buy these things. We can't sell airplanes or automobiles, because we don't have them to sell. We must sell fresh produce—that's what we have. Another very important fact is that the balance of trade between our two countries has been in the United States favor on an average of $420 million a year for the past five years."

#### ECONOMY OF MEXICO

Much is always being said about "cheap foreign labor" and as far as this industry is concerned this cheap labor in Mexico poses a threat to the growers in the U.S. It is true there is an abundance of unskilled labor in Mexico. While the comparative cost of this labor is cheap by U.S. standards, there are many other factors offsetting the low cost of labor and form an important part of the total cost of producing anything. Some of these things which are never mentioned will follow.

One of these is training costs for labor. One program run in conjunction with the experimental farm system is designed to produce skilled workers to handle increasingly complex farming methods. The growers through their associations maintain a special school and share costs (50-50) with the government at the experimental stations. Special six-month courses are provided to train foremen and field supervisors.

The growers association have also undertaken a basic farm housing plan. The vegetable exporters pay a special assessment on each box shipped and put aside a special parcel of land on their property. The land is used for housing and the fund pays half of the cost of construction; the worker pays the other half and owns his own home. These projects create a family type permanent labor force such as California shippers have been trying to establish with their individual housing programs. The adults—men and women alike—work in the fields through the growing season and then part of them move to the packing houses while the remainder handle the harvest.

### EDUCATION IS HIDDEN COST

Besides the actual cost of labor there is a cost for schools, not only for the training of labor but the cost of education for the children of the workers as well. The cost of building and maintaining these schools is borne by the growers with teachers furnished by the government. A large number of the labor force is paid on a yearly basis even though the season is of only six to eight months duration. During the peak of the season many of the workers are brought in each morning from as far away as 30–50 miles and returned to their homes each evening, which is expensive.

Some labor figures have been obtained from the National Growers Union in Culiacan, and represent figures reported for the current season, as follows:

*Labor employed in production, packing and shipping of produce*

| Product: | *People* | *Total Salaries In Dollars* |
|---|---|---|
| Melons | 25, 000 | $5, 562, 000 |
| Cucumbers | 43, 800 | 7, 037, 760 |
| Tomatoes | 145, 600 | 35, 992, 320 |
| Bell Peppers | 12, 900 | 3, 029, 440 |
| Strawberries | 32, 000 | 7, 910, 400 |
| Total | 259, 300 | 59, 531, 920 |

Another important cost factor to be considered is the cost of equipment required in the growing of a crop in Mexico. Equipment costs are exorbitantly high. This is one of the areas where the U.S. grower enjoys an advantage. The government program on machinery and auto imports puts purchase prices for tractors, trucks and parts 60 to 100 per cent higher than U.S. prices.

Packing materials is another factor where the American farmer has a distinct advantage and which is never taken into consideration. It is not possible in Mexico to buy this material as needed and to be billed at the end of the month for it. The grower has to purchase at least half or at times his entire requirements for the season even before the crop has been fully planted and pay for it. Having this large stock on hand involves storage facilities and costs to keep it until it is needed, all of which adds more on to the cost.

Of course one other important cost factor which the American farmer does not have are the import duties plus the export taxes and other assessments that must be paid by the Mexican grower.

### ADD FREIGHT COSTS

Freight costs for transportation to the U.S. border from the growing areas some 600 miles away also add to the cost whereas the U.S. farmer is closer to the large metropolitan markets which gives the American farmer an added advantage.

Those involved in the vegetable industry on the West Coast of Mexico firmly believe that the importation of high quality produce from Mexico at the time of year when domestic production in the U.S. falls short of supplying the needs of the American public should not be considered a threat but rather a blessing. The history of the winter vegetable industry in Mexico reveals that many U.S. farmers and investors have been lured by the prospects and claims of cheap labor only to find out the hard way that other cost factors have made it a losing proposition.

Mexico needs the U.S. and the U.S. needs Mexico. Mexico can't buy more from the U.S. unless Mexico sells more to the U.S. As Mexico continues to buy more U.S. goods, it must sell more. Otherwise the trade gap widens. Remember Mexico is the fifth best customer of the U.S. All businessmen know you must buy where you sell and sell where you buy. Dollars spent in Mexico return to the U.S. in the form of purchase orders—mostly for capital goods to maintain Mexico's continuous economic and social development. Mexico wants fair trade—not aid, and has always asked for the chance to help herself through the development of her own resources and through the opportunity to compete in the world marketplace. For Mexico, the Good Neighbor Policy and the Alliance for Progress are not mere political cliches but genuine expressions of friendship by the American people. We have an economically strong friendly neighbor to the south. If we don't keep it that way who wins? Nobody! Who loses? Everybody!

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## 11500 BANANAS ON PIKE'S PEAK

## HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. HOSMER. Mr. Speaker, when ardent environmentalists run wild with legislation the result is harm to the vast majority of citizens without compensating benefit. This is the case of H.R. 11500, the anticoal mining bill which, under the guise of regulating strip mining, so overweights the bill with unreasonable and unneeded overregulation as to make mining the Nation's full supply of coal costly and unlikely.

This is not the first time environmental extremists have damaged the average American in a significant way. In 1968 the Sierra Club and other environmental groups successfully blocked construction of a 5,000-megawatt smog-free hydroelectric powerplant at Canyon on the Colorado River.

The dam had an electricity potential of almost four times the capacity of Hoover Dam, would have saved 8 million barrels of oil a year, and served to relieve the energy shortage. Its negligible environmental cost would have been the unobtrusive extension of a lake a short distance into an inaccessible area of the Grand Canyon National Park.

In H.R. 11500 shortsighted environmentalists again single mindedly seek their personal goals in complete disregard of the critical needs of all citizens of our country for power. They ought not be let get away with it.

Cutting the Nation's energy supplies by enacting H.R. 11500 would make about as much sense as trying to grow bananas on Pike's Peak. Let us pigeonhole it.

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## REMARKS OF U.S. SENATOR HERMAN E. TALMADGE

## HON. WILBUR D. MILLS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MILLS. Mr. Speaker, the Committee on Ways and Means will soon be taking up the subject of tax reform, basing its work on the extensive hearings we conducted in the first session of this Congress.

One member of our counterpart committee in the Senate recently spent considerable time and effort in preparing and delivering before a Washington audience an excellent summary of some of the problems we all face in the area of the tax treatment of capital gains and estates.

The remarks of my esteemed friend from Georgia, Senator HERMAN TALMADGE, are worthy of study by all of us and I ask unanimous consent to include them in the RECORD at this point.

The remarks follow:

### REMARKS OF U.S. SENATOR HERMAN E. TALMADGE

It is a distinct honor and privilege for me to have this opportunity to appear before this distinguished group. I was very pleased to be able to accept an invitation to be with you at this time.

Today, I want to share with you some thoughts about our economy, our tax laws, the public interest, and the interplay of these items on a subject of prime interest to you, the formation of capital. For over a year numerous public opinion polls have found that better than 60 per cent of the American people rank inflation as our biggest problem. The runaway inflation we are experiencing is robbing workers of their hard-earned wages, the elderly of their savings, investors of their carefully projected returns, and is causing us to lay future indebtedness on the shoulders of generations yet to be born.

We have balanced the budget only six times in the past 43 years. Our national debt is fast approaching $500 billion—more than the indebtedness of all other nations of the world combined. We have seen the American dollar decline abroad, officially devalued twice, and unilaterally on several other occasions. I, for one, would like to see the American people get as excited about excessive federal spending as they do about the price of eggs or milk at the supermarket. People worry about paying car notes and house notes and complain about high food prices, and they ought to.

But I have yet to see the American people get excited enough to get to the heart of the matter and protest what brought this about in the first place—irresponsible federal fiscal policies. After years and years of reckless spending policies—of trying to be all things to all people, all over the world with American dollars—what we have now is a nation that has lost its preeminence in the world's economy. We must move to block any further downhill slippage. To halt this rampant inflation, we must swallow some strong medicine and attack the fundamental cause of our present inflation. The irresponsible fiscal and monetary policies pursued by this and previous administrations must be abandoned. We have to say, "The deficits stop here."

I am convinced this is a situation of such serious magnitude that I have proposed and introduced a Constitutional Amendment to bar further federal budget deficits. I would also hope efforts presently underway in the Congress to establish budget-making machinery which will be able to determine the proper magnitude of federal outlays will prove to be successful. To be sure, the first priority in ending the current inflation trauma is to establish a federal budget which is in balance with traditional concepts. The mythical full employment budget concept should be buried and allowed to rest in peace.

Not only do we suffer from rampant inflation, but we also face serious shortages of various commodities. In addition to our well-known shortage of petroleum products, we may face shortages of various agricultural products, fertilizers, beef, and some raw materials during this year.

In a statement filed with our Subcommittee on Financial Markets, your group has strongly urged adoption of tax policy to stimulate increased productivity for the purpose of battling inflation and shortages. Your statement particularly stresses the importance of the investment tax credit as a weapon in Congress' arsenal to control inflation and increase productivity.

The 7 per cent investment credit has indeed proven to be a real stimulus to investment. It is vitally important in the effort to improve productivity and hold down unit labor costs. However, it does tend to add to inflationary pressures during a boom period, which inevitably leads to a bust. Therefore, some flexibility in the size of this credit may be warranted.

Criteria could be developed under which the investment tax credit could remain at the 7 per cent level, or go even higher during periods of recession, but, when the economy is racing ahead, the tax credit could be lowered to a 3 to 5 per cent level. It also might be useful to allow a higher tax credit for investment in depressed areas or in critically short resources, such an energy. I feel the investment tax credit should remain a permanent part of our tax structure. But it should be tailored to counter cyclical pressures in our economy and not be a blunt instrument for breakaway growth and inflation.

Another feature of our tax system which plays a major role in stimulating increased productivity is the incentive provided for retention of corporate earnings. Corporate retention of these funds enables investment in added capacity to be made largely through internal financing. In this manner, further pressure on our limited sources of credit is avoided and the high level of interest rates is not further aggravated by expanded corporate demand. At some future point in time it might be appropriate for the Congress to review this procedure to determine whether it, in fact, results in the most efficient utilization of these funds. I do not foresee such an undertaking during this session of the Congress, however.

The role of the special tax treatment for capital gains and losses in our tax system is an issue which is currently under intense scrutiny. A brief review of the origin and history of the present treatment may be of interest to you.

The Revenue Act of 1921 contained the first provision for special treatment of capital gains and losses. Taxpayers were permitted to elect to pay a reduced rate of tax on net gains from the sale or exchange of capital assets held more than two years. The rationale for this provision was to stimulate profit-taking and to relieve taxpayers from the bunching of income which had accrued over a period of years. Net losses from sales of capital assets held more than two years were deductible on a limited basis.

Under this Act it was possible for certain taxpayers to offset this income from other sources with their capital losses. In the early 1930's the Pecora Senate Investigation Committee learned through testimony that J. P. Morgan and some of his associates had paid no federal income tax as a result of this provision in certain years. In response to this finding an entirely new formula for the treatment of capital gains and losses was adopted.

The Revenue Act of 1934 established a system under which varying amounts of capital gains, depending on the length of time the asset involved had been held, were taken into account in computing net income. Capital losses were made deductible from ordinary income up to a maximum of $2,000. These provisions remained in effect until the Revenue Act of 1938 when they were abandoned because it was felt that such a system caused taxpayers to retain their capital assets longer than they otherwise would, thus inhibiting mobility in capital markets. The 1938 Act adopted the basic system we use today, differentiating between short and long term gains and losses and including a provision subjecting gains to a maximum rate of tax set below that imposed on "ordinary income."

In the political campaign of 1972 attention was focused on the question of whether money made by money should be taxed as ordinary income under a reduced rate structure and a suitable averaging system. This idea is not novel. However, it raises a series of difficult questions. For instance, if all capital gains were to be treated as ordinary income, wouldn't it be logically necessary to allow all capital losses to be deducted from ordinary income? If this were done, wouldn't many taxpayers seek early realization and recognition of their losses, thereby reducing rather than increasing federal tax revenues.

Also, what about inflation? To what extent are capital gains reflective of merely the inflated rather than real value of certain assets? Can a system be devised to take into account only "real" increments in value? Would such a tax transfer excessive amounts of capital from the private sector and impair private expansion in "capacity?"

A number of economists who oppose the notion of subjecting gains from the disposition of capital assets to ordinary income tax treatment argue that income so realized is saved and used to finance the creation of capital facilities which will add to the flow of income in the future. They further note that the amount of money which would be taxed away by an increased federal levy would merely buy current satisfactions only. Unlike expanded capital facilities, current consumption would not bring about an increased stream of continuing production.

To insure that gains realized on the disposition of capital assets are reinvested rather than consumed, it may be appropriate to consider the adoption of incentives to encourage such reinvestment or in the alternative, disincentives to discourage consumption of the proceeds of such dispositions.

A number of proposals to alter the tax treatment of capital gains and losses have been put forward for Congressional consideration. As noted earlier, certain tax reformers would simply do away with the distinction between this type of income and other forms of income such as wages, dividends, interest and profits from the conduct of a business enterprise. While this might reduce the number of pages in the Internal Revenue Code necessary to spell out our income tax laws, such a change could have very serious and adverse economic consequences and could result in severe dislocations in our economy as investors altered their commitments to adjust to such a radical shift in federal tax policy.

An alternative proposal which would reduce the tax burden on realized capital gains has been discussed on several occasions by Ways and Means Committee Chairman Wilbur Mills. Two Senate bills, S. 2787 (Fannin) and S. 2842 (Bentsen) have formally proposed this Mills-suggested revision. These proposals would reintroduce the sliding scale of capital gains tax which was originally adopted in the Revenue Act of 1934 and subsequently repealed by the Revenue Act of 1938. Under this concept, the tax on gains from the sale of capital assets would be decreased, based on the length of time such an asset had been held. The advocates of this change argue that it is necessary to offset the effects of inflation which, in some cases, can be the sole reason for any taxable gain on the disposition of a particular capital asset. In other circumstances, inflation, it is said, may account for not all of the appreciation in value of an asset, but may still represent a significant portion of that increased value. It is also suggested that this change would permit investors to shift their funds to the most attractive and deserving investments without suffering substantial reductions in their investment capital merely as a result of switching from one investment to another. In this same vein it is noted that persons who have accumulated investment assets over a period of years who need to shift to income producing assets would be able to do so without having a substantial chunk of their retirement nest egg taxed away.

In addition to reducing the tax on capital gains, S. 2842 (Bentsen) would also liberalize the current deduction for capital losses by increasing the amount of loss deductible against ordinary income from $1,000 presently allowed to $4,000. A three-year carryback of capital losses is also proposed. In support of these changes it is pointed out that the deduction for capital losses hasn't been changed since 1942 while per capita disposable income has risen over 400 per cent since that date. Accordingly, it is urged that such a change merely brings current law up to date. The fundamental reason for such a change is said to be that it will encourage more risk investment, allow investors to take their losses quickly in the event of failure, and provide greater liquidity in our capital markets.

Numerous other proposals for change have been advanced, ranging from taxing capital gains at ordinary income tax rates, with a basis adjustment increase permitted to reflect inflationary gains, to the abolition of any tax on the proceeds realized from the disposition of capital assets. Before opting for any changes in existing law with respect to the taxation of capital gains and losses, Congress will have to carefully weigh three critical factors. Those factors are the equity, the economic consequences, and the administerability of any proposed changes.

We will undoubtedly find that what may be desirable from an equitable point of view may not be totally desirable from an economic standpoint. Similarly, considerations involving the administrative feasibility of another proposal may outweigh its equitable or economic desirability. As a result, what is most desirable on balance will have to be sought out before a final course of action is ultimately decided upon.

As you can well appreciate, we are being called upon to exercise Solomon-like wisdom and the economic foresight of Adam Smith and John Maynard Keynes to determine whether our present system, is, or selected changes will be, in the long range best interest of our nation. We must be certain our decisions are fair and equitable and are perceived to be by the majority of our electorate.

Nearly two hundred years ago Edmund Burke succinctly described the unhappy task of those who must write the tax laws:

"To tax and to please, no more than to love and to be wise, is not given to man."

## ARMIN R. BRUNS—KING OF THE SOYBEANS

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. BAKER. Mr. Speaker, as a member of the Oilseeds and Rice Subcommittee of the House Agriculture Committee, I have had the privilege of reading an interesting story about the man who was undoubtedly the first American farmer to grow soybeans as a commercial crop. It is also believed that he was the first major seller of soybean seed and during the time he was dealing in soybeans, he twice cornered the soybean market on the Chicago Board of Trade.

This pioneer in the development of the soybean as one of our major crops is Armin R. Bruns, a retired Iowa farmer and businessman, now residing in St. Petersburg, Fla.

The story of his accomplishments in bringing the soybean to the forefront recently appeared in the Davenport, Iowa, Times-Democrat. It is a story which many colleagues will be interested in reading, I am sure, and for that reason, I insert it in the Record. The article follows:

### Armin R. Bruns—King of the Soybeans

Armin R. Bruns does not look like a "king."

In fact, he looks like thousands of other retired Floridians with his open collar sport shirt and tanned face.

But this former Davenporter is a king.

Because, as nearly as can be determined, A.R. (which is what he's been called for most of his 81 years) was the first American farmer to grow soybeans as a commercial crop. Bruns himself has researched this fact, checking records both at the United States Department of Agriculture in Washington, D.C., and at the U.S. Agriculture Library in Beltsville, Md.

He was also the first major seller of soybean seed and even twice "cornered" the soybean market on the Chicago Board of Trade. In other words, A. R. Bruns could very likely claim the title of "soybean king" without fear of dispute.

Although now living in Florida, A. R. started his career in the seed business in Sigourney, Iowa. Leaving there, he settled in Davenport where he and his brother, Alfred, operated first the Bruns Seed Co., a retail and mail order business, and later the Davenport Seed Co., a wholesale and car lot business. In the 1940s, Davenport Seed Co. was one of the ten largest seed houses in the United States.

A. R. grew up on his father's farm near Sigourney. He says he quit high school after five months because "I couldn't, for the life of me, see what Latin had to do with what I was interested in, which was experimenting with everything from agricultural products to the automobiles which were then beginning to appear around the country."

It was those "experiments" that helped lead to what is today the multi-billion-dollar American soybean industry.

"In 1907, when I was 15, I got a catalog from a seed house in the east," he said. "Among the garden beans, they listed a new product called 'soya bean' which they said was imported from China. Soya beans were listed in one-fourth pound, one-half pound and one-pound quantities as they were being used only as edible garden beans. But I ordered 10 pounds. Up to that time, no one had planted them as a farm crop for livestock.

"I don't remember just why I ordered ten pounds of these beans at 60 cents per pound," he says. "Maybe they mentioned something about the soya bean being high in protein." Soybeans are, in fact, 40 per cent protein—the highest of all feed grains—and contain 20 per cent oil.

"I mixed the beans with the corn in the corn planter and let them grow up in a ten acre field near the farm buildings. That fall we turned the pigs and calves loose in the field and let them 'hog-down' the beans and corn," he remembered.

"In the winter of 1907 I ordered 30 more pounds of beans and the next spring I planted them in a field by themselves," he said. "That fall my brother and I 'tramped out' several bushels of the beans in a wagon box and I used these as seed for the following year's crop.

"Each spring we experimented with the various ways of planting the beans—either by broadcasting the seed, drilling them in rows with the corn planter so they could be cultivated or with a regular drill. We also tried different methods of harvesting them. We found that the threshing machine broke the beans, which made them useless as seed. Then the combine came out. It hadn't been designed with the soybean in mind, but we found that it did an excellent job of separating the beans from the pods," he said.

"In 1909 we began selling a few soybeans to local farmers at Sigourney. This, we believe, was the first commercial sale of soybeans as a cash crop in the United States. It took an awful lot of talking to the farmers to get them to try this new crop. No one knew anything about the beans then," he said, "but we persevered because we really believed that soybeans would become a major cash crop in this country."

This faith was justified. In 1973, 53 million acres were planted in soybeans in the United States with an expected production of 1.5 billion bushels at a cash value to the farmers of $6.5 billion. There are over 1,000 uses for the soybean and its derivatives and soybean meal has become one of the major basic ingredients in livestock feed. Over half of the American soybean harvest is exported. From a low of $2.53 per bushel in 1969, soybeans reached an all time high of $12.90 per bushel in the spring of 1973. Recently, soybean futures have been selling for $6 plus per bushel.

In 1916, A. R. and his father built a seed house on the farm and they were in business together. In 1917, A. R. says he decided that the seed business should go to town so that they would be close to the railroad tracks and they could order in car lots. He proposed to his father that they open a seed house in Sigourney. "My father told me that he wasn't interested in going to town but that he wouldn't stand in my way if I wanted to go," he said. A new seed house was built on two lots near the railroad tracks and Bruns Seed Co. moved to town. "It was about this time my brother, Al, joined me in the seed business," he said.

The seed business went into limbo for 12 months while A. R. went to France, Belgium and England during World War I and Al was in service in Arkansas, but when they returned in 1919, they incorporated the business and began again.

Having had so much interest in soybeans before he went into the service and so much experience in advertising and talking with farmers, A. R. took a chance and ordered a straight carload of Manchurian soybeans. "As far as I know, that was the first carload of imported beans ever sold in this country," he said.

In 1920, the Bruns Seed Co. had plants in Sigourney and Washington, Iowa, and acquired a retail seed business in Davenport. In 1923 the entire operation was moved to Davenport to a building in the 300 block on West 2nd Street—"The Farmers Block" he called it.

Several years later Davenport Seed Co. moved their office to a large warehouse at 317–321 East 2nd St. This building had a capacity for approximately 150 carloads "and we installed the most modern and up-to-date equipment for the handling, cleaning and grading of farm seeds," he says.

Newell Construction and Machinery Co. of Cedar Rapids had built the elevator adjoining the seed plant at Sigourney and in 1922 they received an order from two brothers in Decatur, Ill., to build a small soybean processing plant for them. "Knowing that I had had considerable experience with soybeans, Mr. Newell asked my advice on the installation of the processing machinery needed and I spent two days in Decatur with him," he said.

This was the same year that the A. E Staley Co. of Decatur also built a small processing plant. Each of these two plants could handle approximately 300 bushels per day, but up to that time there were so few beans in the country that they could operate for only about two-and-half months out of the year. These were the first processing plants in this country.

"In 1934 W. F. Hall Printing Co. of Chicago had the order for printing our seed catalogs. In January they called to notify us that they were ready to go to press as soon as someone would come in to proof read the pages," he said. "I went into Chicago for two or three days and when I returned to Davenport, the news had come out that the government would permit farmers to plant soybeans on part of their acreage instead of corn. At that time there was a great surplus of corn which the government had in storage in their farm program and this was the reason for the government allowing the farmer to plant the beans intsead of corn.

"So many farmers showed interest in farm programs that soybeans, which had been selling for 65 cents per bushel, shot up to $1.30 per bushel over night. The government, fearing overproduction of soybeans, then cancelled the program and beans dropped immediately to 85 cents per bushel," he said.

"In 1934 we had a big drought and also a heavy chinch bug infestation. As the drought continued and the damage from the chinch bugs increased, we realized what a tremendous grain acreage was being lost. We also realized that soybeans would be in great demand for replanting these acres because chinch bugs would not bother the beans.

"We had an early spring in 1934 and on

April 20 I told Al that I was going to travel through the soybean territories calling on farmers who had soybeans for sale. I would take about a half gallon sample in a paper bag and write the name of the farmer, his address and telephone number on it as well as the number of beans he had for sale and the variety. I would contact farmer after farmer for two days to get this information, then come back to the Davenport office for a day so Al and I could discuss things. I did this for four or five weeks and had samples for many thousands of bushels of beans," A. R. recalled.

"About every third day when I had come in from collecting samples from farmers, Al and I would go out to what we called 'our check points' which were in an area about ten miles north of Eldridge, west two miles then south into northwest Davenport. There were 12 stops which we made on each of these trips to determine the amount of damage the drought and chinch bugs had made since our previous check there. We could easily see the progress the chinch bugs were making. The greater the damage to the corn and grain crops, the more beans we continued to buy," he said.

"It seemed that the small dealers, and also the larger seed houses, just didn't realize that soybeans would be the only thing which could be planted and the chinch bugs wouldn't destroy. We decided to step up our buying of soybeans so we contacted the farmers from whom I had taken the samples and each day we had dozens of trucks hauling beans from the country to our seed plant.

"During this period we worked almost day and night trying to satisfy all of our customers," he said. "Consequently, by the middle of July, which ended the planting season for 1934, we figured that we had handled 140 carloads of soybeans. We wondered whether there was any other seed house that had handled five carloads.

"In 1935 we were back to normal. The drought was over and the chinch bugs were gone. That year as nearly as I can remember, we handled about 40 carloads of soybeans.

"In 1936 we decided we would try to do some checking to determine the total acreage of soybeans planted and growing at that time as the demand for soybeans was increasing. I told Al that to get this information I would travel through all of the territory where they were being grown and so I did this checking during July and August," he said.

"I traveled every highway east and west, north and south, counting the soybean fields beside the highways in a strip one-half mile out on each side. While driving along I would average these bean fields into 40-acre sizes. The highway map would show the mileage from town to town," he said. "I drove more than 9,000 miles gathering information. After all of the territory had been covered and the number of square miles calculated, we estimated that the soybean crop, based on an average yield of 24 bushels per acre, would be 20.5 million bushels of beans.

"A short time later the government came out with its first report of the crop which, as I remember, was 29.5 million bushels of beans. We felt that we had made the most accurate check and that our estimate was the nearest to being correct so we 'stayed by our guns.' When the beans were harvested and the final government report came out, the figures on the total crop were within one-half million bushels of the estimate we had made," Bruns said.

"On Nov. 1, 1936, soybeans were traded on the Chicago Board of Trade for the first time. I went into Chicago the day before the trading started and checked at the table of about a dozen grain merchants in the pit, who had samples of beans taken from cars on track, so that I could check the quality of the beans. The quality in 1936 was very good and the moisture content was so low that all of them could have been used for seed.

"On that first morning of trading, while I was down in the pit, I placed my first order for 5,000 bushels of May bean futures, at $1.29 per bushel as I remember, and this was the first 5,000 bushels of beans traded on the Board of Trade. Five thousand is considered as a round lot and I always traded in round lots. It took approximately 30 minutes for anyone to sell me 5,000 bushels. Just as soon as I had confirmation on my first order, I immediately placed another order to buy an additional 5,000 bushels and I lowered my price one-half cent per bushel. This time my order was filled in about 15 minutes. I continued to buy future May beans and during a period of approximately ten days the market was down to $1.20 per bushel and I had purchased a total of 135,000 bushels of future May beans," he recalled.

"Earlier, during the harvest season, we sent letters to approximately 100 country elevators offering them five cents per bushel more than the Chicago merchant would pay them F.O.B. their track. Our plans were to buy 100,000 bushels of beans while they were being harvested. The beans which we purchased from the country shippers and those which we bought direct from the growers actually totaled 85,000 bushels. Until some of the grain merchants told us, we didn't realize that, having purchased the 85,000 bushels of actual beans and the 135,000 bushels of May bean futures, we had cornered the market. We also cornered the bean market in the spring of 1937," he said.

"From 1907 when I planted the ten pounds of soya beans at Sigourney, to 1934, the drought and chinch bug year, there was a steady increase in the demand for soybeans. From our selling of the first car lot of imported Manchurian beans in 1920 to today, the sales of soybeans have grown tremendously and they will continue to do so in the future. I predict that our export business may increase as much as 10 per cent each year. Japan has been our largest customer for many years and it would be impossible for them to get along without our soybeans," A. R. said.

"Our farmers will have to increase their acreages and it will be necessary that we find methods for increasing our crop production. In earlier days the average yield of soybeans was about 24 bushels per acre, but over the years this has been increased significantly. If the average yield could be brought up to 50 bushels per acre, this would be a great achievement. The United States will always be the leading producer of soybeans.

"As the population increases throughout the world, the demand for food products always increases. Yet, millions of acres of productive land are being diverted from agricultural uses for new and bigger highways, for subdivisions and shopping centers, for mobile home parks, for factory sites and so on. In the not-too-distant future, there is a possibility that we will not have sufficient acreage to produce the food needed. Soybeans, with their high protein content, are therefore an important crop for the entire world."

A humble man, Bruns loves to talk about agriculture and his part in the growth of the soybean industry.

"I am proud and thankful that I have lived the 66 years since the time I planted the first 10 pounds of soybeans in this country and to witness the growth in the use of soybeans to the present time when they have truly come into their own," Bruns said.

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## HOPE CHAMBERLIN

## HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MOAKLEY. Mr. Speaker, today I would like to pay tribute to a woman who created a long overdue work on a special group of Members of Congress. Hope Chamberlin, author of "A Minority of Members: Women in the United States Congress" was the first person to document the history of American women elected to Congress. It is with great sadness that I rise to speak of Hope Chamberlin because of her untimely death.

Ms. Chamberlin had just begun a second book on women; this one dealing with the contribution of women to American business. This book would have been published in time for the Bicentennial celebration. We can only speculate that her second book would have been as unique as her first book. "A Minority of Members" has been nominated for a Pulitzer Prize and has received the medallion award of the Christophers. I commend the following article about this book which appeared in the Christian Science Monitor to your attention:

### A NEW STUDY OF THE WOMEN IN CONGRESS

(By Lucia Johnson Leith)

WASHINGTON.—"There is no question in this world that women make outstanding members of Congress," says author Hope Chamberlin. Her book, "A Minority of Members: Women in the U.S. Congress" (Praeger, $10), presents what she calls "word portraits" of each of the 80 women who have served the U.S. Congress, starting with Jeannette Rankin of Montana, who in 1917 became the first woman elected to Congress, through 1972. A brief postscript discusses the five women elected last November.

"One thing that surprised me was that for years the myth has persisted that women in Congress confine themselves to so-called social issues," she said in a recent interview here. "I made a list of some of their contributions," and she ticked off the following:

#### THE ACHIEVERS

Rep. Florence P. Kahn (R) of California in the 1930s drafted legislation strengthening the Federal Bureau of Investigation.

The landmark Fair Labor Standards Act of 1938, setting a minimum wage and limiting work hours, became law after Rep. Mary T. Norton (D) of New Jersey twice forced the bill out of a resistant House committee via discharge petition. This was the same method Rep. Martha W. Griffiths (D) of Michigan used in recent years to get the Equal Rights Amendment onto the House floor.

Rep. Edith Nourse Rogers (R) of Massachusetts, who served more years (35) in Congress than any other woman, was largely responsible for the GI Bill of Rights in 1944.

"These are the barest highlights," Miss Chamberlin said. "I was really surprised they had done so much and received so little credit."

It was one reason she wanted to do this carefully researched, readable book.

#### FEW REFERENCES

"I felt a great deal of credit was owed these women, yet nobody had had a chance to learn about them. I looked into books on Montana political history, for example, and if Jeannette Rankin was in them at all, it was as a one- or two-liner. So I wanted to set the record straight.

"Then I hoped that by setting forth the record, that it might inspire more women to run for Congress, after seeing all the obstacles that these women have endured and conquered."

Of the 85 women discussed in the book, 11 served in the Senate, 75 in the House. (Republican Margaret Chase Smith of Maine, who served in both the House and Senate, is counted twice.) The book includes eight pages of black-and-white photographs.

### BEYOND REPROACH

"The most revealing thing I found—and I was not surprised to find it—was how conscientious the women are," Hope Chamberlin said. "This is not to say that men aren't," she quickly added. "Of the 85 women who have served in Congress, not one of them has been implicated for doing anything illegal. Their high visibility has almost made it mandatory that they be beyond reproach."

Since the book was written, two women have been elected to Congress in special elections, Rep. Corinne (Lindy) Boggs (D) of Louisiana and Rep. Cardiss R. Collins (D) of Illinois.

"If the time should ever come when there are a great many more women in Congress—and I don't think it will ever reach half, not in this century—if there were more of them so their visibility were not so high, there might be women not so full of integrity as I found these 85 to be."

She also found that women incumbents are generally re-elected with a higher percentage of the votes than male incumbents.

### ROUTES DIFFER

Many women have been elected to Congress after their husbands passed on in office.

"Men have used women to fill unexpired terms to avoid facing a sticky situation, like internecine party strife, or to buy time. Yes, some widows in Congress were little more than seat-warmers," Miss Chamberlin admits.

"But what is overlooked in all this more or less derogatory pooh-poohing—oh, they were widows—is the number who went on to carve outstanding careers for themselves."

She points, for example, to Rep. Leonor K. Sullivan (D) of Missouri, former Representatives Kahn, Rogers, and Frances P. Bolton (R) of Ohio, and former Senators Smith and Maurine B. Neuberger (D) of Oregon.

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## CONSTITUTIONAL RESPONSIBILITY

## HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mrs. MINK. Mr. Speaker, I am submitting for the Record a copy of a letter I have received on the matter of our constitutional responsibility in this Watergate matter which I believe typifies the majority feeling in my district:

KOLOA, HAWAII,
*March 11, 1974.*

DEAR HOUSE OF REPRESENTATIVES: I love this country and what it stands for. It is too great for one man to negate. It has come through a period of intense threat to its very foundations with flying colors so far.

A black security guard, two dogged investigative reporters, a courageous woman publisher and her editor, a gutsy federal judge, a strong Senate Committee, a gutsy Attorney General and his assistant, and a long suffering public have been to date, the heroes in this ongoing high drama called Watergate.

The forces of history are now knocking at your door. I pray that you heed its call and rise to the same heights of non-partisan heroics which our people assuredly deserve. To fail to carry through with the constitutionally provided tool of impeachment proceedings could be an insult to all American citizens who cry out for facts and light and leadership in this difficult time.

When the time comes to face your conscience on the vital question, I pray that you will not shrink from this demand for courageous leadership. I think you will find that doing what is right in this matter will also prove to be politically sound.

Sincerely,

LEAL DE ROZA,
*(A longtime Republican turned Independent).*

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## ENERGY CONSERVATION

## HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. ROUSH. Mr. Speaker, recently I asked high school students in my district to express themselves on how we can each conserve fuel and what the Government should do about the fuel shortage. Some of the letters have been printed in the CONGRESSIONAL RECORD, and today I would like to share more of these ideas with my colleagues:

### HOW WE CAN EACH CONSERVE FUEL

(By Cindy Meyer, Huntington Catholic High School, Huntington, Ind.)

We all know by now that there is a fuel shortage and so we should be using the fuel we have now with caution. There is a lot of fuel burned up needlessly and now is when we should become aware of this and do what we can to conserve fuel.

Simple things like turning off unused lights, keeping the heat turned down, walking to close places instead of driving, and many other things that mean so little but could help so much. If only everyone would do their share instead of a few maybe we could lick this problem before it gets out of hand.

I think stores should all be closed on Sundays because they use a lot of unnecessary energy and that goes for gas stations too. It would not hurt anyone to go shopping a day later or earlier. Why not close the store for one day and conserve the fuel. If gas stations were closed a lot of Sunday driving would be cut out along with the electricity it takes to run it that extra day.

These days, anytime people want to go anywhere, even if it is just a few blocks away, they jump in their cars and take off. People are getting a lot fatter because they do not get enough exercise. By walking we could solve two problems. Cars should be used for long distances or only when necessary. Car pools should be formed whenever possible because this could cut out a lot of gas loss and maybe even accidents.

There are just as many little things that people could do without upsetting their routines and that could contribute so much toward the conservation of fuel if only they would. Everyone by now should be aware that there is a shortage and if they are not more should be done to alert them. If people would only stop thinking about themselves and start thinking about others we the people of the United States would overcome this problem.

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### WHEN THE LIGHTS GO OUT

(By Deborah Larson, Huntington Catholic High School)

Darkness descends and the lights go on. But, how soon will the illuminous street light be dimmed? Two years? One? Three months? These may be frightening, but true, statistics. Do you keep your thermostat down to sixty-eight degrees, and reach for a sweater rather than the thermostat? That four or five degree increase may give your fellow Americans more than cold feet. The trucker on the highway, protesting high fuel prices, shouts, "My tank is empty, your belly is empty!" showing the anger brought on by the energy crisis. The odds have always been against Americans, but today the odds may hurt us more than they have in preceding years. Watergate, food costs, and now, the energy crisis, have weakened American patriotism. But what can we do? This question can be answered with one word, cooperate. Cooperate not only with the federal government, but also with the local and state governments.

In 1776 we shouted, "Independence! Give us our own government! Let us make and follow our own laws! Elect and obey a President!" Now it is nearing 1976 and a bicentennial awaits us. Will we survive that long? "Of course!" some say, but behind every answer there is a lurking doubt. We can survive! But we must follow a set of rules which will help us continue along the road in this game of life, such as: (1) Support and obey the President and his energy policies.

We must not let Watergate stand in our way! It is not what the President has done in the past that matters now; it is what he can do here in the present. Keep those thermostats down to sixty-eight, go without Christmas lights, omit Sunday driving from your life, drive at fifty-five, join a carpool, vote in daylight savings time. Give the President complete cooperation. Most of all, do not be selfish. Do not say: "I will only live for ten or twenty more years anyhow." Look at your children. Don't they deserve a chance to live to thirty-five, too?

(2) Talk or write to your Congressional representative. How will he know what you want unless you inform him? In order to help pass or present a bill, he must be sure that the people in his district support his action, especially when this action might impose something on them. The energy crisis is putting more pressure on your congressional representative, because he will be imposing on you when he bans Sunday driving, lowers the speed to fifty-five, gives the OK to gas rationing, cuts off relations with the Arabs. Express your thoughts and views. Do not take this problem lying down.

(3) Start "Conserve energy" projects in your community organizations. Community organizations should take part in conserving energy by omitting such projects as Christmas lighting contests, and any other project which might cause unnecessary consumption of fuel. Leave the lighting to the city's main street mall, or square. Cut out "extras" such as all night New Years parties, etc.

(4) Conserve in your home. Replace that three-way light bulb with a sixty-watt light bulb, which should give just as much light if placed in the right spot. In fact, replace all the light bulbs in your house to save electricity, and lower your electric bill. If you have two lamps in your living room, put a sixty-watt light bulb in one, and a

forty-watt in the other. Then use one lamp with the lowest wattage for conversations or television viewing, and the other for reading. If you wish to save even more electricity, do not use any lights at all while watching television. It is a known fact that you will not damage your eyes if the picture is clear. Go to bed at ten o'clock instead of eleven or twelve. It will improve your health and make you feel better, because you are saving electricity, money and your life.

Do you live within four or five blocks of school or work? Then use your legs, not the car. How about buying a bike instead of that six-passenger car? A couple of nice, wool blankets instead of that electric blanket? Dish towels instead of a dishwasher?

We are proud of our technological advancements, but aren't we proud of our manpower, too? Why can't we do the work of the new dishwasher, the anti-pollution device in the new cars? The trash compactor? The mini-bike? This crisis was brought on by men, it can be solved by men.

The new word in 1973 is *conserve*—1974 has already made its appearance, but will 1975 follow? So please do your part, so the *lights* won't go out.

### HOW WE CAN EACH CONSERVE FUEL

(By Peggy Bauer, Huntington Catholic High School, Huntington, Ind.)

People are using up our most valuable resource, fuel oil. People are too lazy to realize that they are going to have to suffer more later if they do not cut down now.

Some of the ways people can cut down are very obvious. One way is to set your thermostat down a couple of degrees. If you have a warm blanket to wrap up in, it's really kind of fun. It makes everyone a little bit cozier. If you have empty bedrooms, do not heat them, shut the doors on them. Keep doors shut to an upstairs or a basement and you have cut down on more heating fuel.

Another obvious way people can help the fuel shortage is not drive so fast. I have taken notice that most highway speed limits still say, Speed Limit 65 M.P.H. If you would leave five minutes earlier than usual and drive at 50 M.P.H. then you could save twice as much fuel and still get there on time.

I think it is great to have school spirit and all that, but if a student could skip maybe two activities a month, I do not think this would be asking too much of him. The other times he comes into town, maybe he could get a ride with a classmate.

That brings another idea up. Anyone that works could form car-pools. This way you can meet new people and save gas at the same time.

We have heard most of these simple ideas on television and radio, yet if we are not always reminded of them we seem to forget. When we are cold in about two years, if not sooner, we will remember what we were too stubborn to do in the year 1973, and we will say, we are sorry, but we will stay at home, cold.

### THE FUTURE? OR THE END!

(By Monica Owens, Huntington Catholic High School)

First of all, is there really an energy crisis or is someone pulling something over our eyes? Yes, there is an Energy Crisis. It is the result of a shortage of all types of energy products.

Most major oil companies cannot supply their customers with all the gasoline they need. They are providing them with what is available. Black market is common since the gasoline is hard to get.

Well, what can the people of today do about the Fuel Conservation? We can cut down reasonably on public transportation, join car pools, and drive sensibly with the gas shortage in mind. Do not keep your electricity on unnecessarily, turn your heat down when you leave for the day, and turn the thermostat down at a reasonable temperature at night?

It seems to me most people do not realize the fuel shortage, especially the young people who drive every day to school when they have free public bus service to and from schools.

Also, if we would wait once a week or two weeks to grocery shop instead of running every other day for one thing and another for bread or milk, this would save gasoline. Every drop counts!

Little children needlessly leave lamps and radios on without any consciousness of leaving the electricity burning on and on. Children and adults waste water by not turning the faucet all the way or by leaving it run when getting a drink or just washing their hands. I think the parents should bear down and acquire some order and discipline for the aid of the Energy Crisis.

Think through before buying your purchases. Such as a dishwasher. It will use a much larger amount of water than washing them by hand. The same applies to a washing machine, wait till you have a full load before you wash your laundry.

Convenience food can use more electricity because you have to use a certain appliance such as a toaster to heat the convenience food up. Back in my grandma's day, the only heat you used to cook in was the oven.

Do not let the kids turn the television on until they are going to actually watch it. Most kids turn it on just for something to do.

Keep doors and ventilated areas insulated so the cold air does not sweep through the house. Carpeting helps absorb the cold air and keeps the floor warmer thus keeping the heat thermostat turned down.

The people today should take action in conserving these things. This country is everyone's, not just the politician's. You should be the ones to help, not just a couple of people, they can't do much anyway.

President Nixon did his best on the fuel conservation, such as slowing us down to 50 m.p.h. But this messed the truckers up. The trucks cannot run to a certain potential at a low speed, they have to keep up their r.p.m.'s up to a certain amount to run correctly.

Why can't we get fuel from the state of Colorado? Why are we in controversy over putting in a pipeline to Alaska rather than Colorado?

Why do we waste fuel on the space program when we could use it ourselves? We could convert our system to use rocket fuel since it is so plentiful. I can not see any accomplishments the space program has done for the country since it has started, an exception being the booming profit of the food industry for their Tang and Space Food Sticks.

To me, our country is on the band wagon and has to compete with Russia to see who is the first one on the moon. The country, the whole world should work together instead of conflicting against each other. We should all live in peace and good harmony, but I guess that is just a dream.

### THE FUEL SHORTAGE AND WHAT SHOULD BE DONE ABOUT IT

(By Patty Laughlin, Huntington Catholic High School)

As we all know there is supposedly a fuel shortage, and something has to be done about it. The only way we can solve this problem is for everyone, us as well as the government, to work together in order to come up with a solution.

What we can do is simply cut down on fuel, by organizing car pools, try to do as little driving around as possible, reduce speed, drive economy cars instead of big gas eaters, and cut down on the use of electric heaters and air conditioners. These things are all big sacrifices, but they are sacrifices that we must make. The government is trying to help us make some of these sacrifices by making them laws, such as lowering the speed limits on highways to fifty miles per hour, and closing gas stations on Sundays so that you are unable to take week-end trips. If nothing else works, they will have to resort to gas rationing, but I hope it does not come to this.

The things which we can do to conserve fuel will only help for a short time. In the long run it would help to change the government. One thing we have never had in our government is an energy policy which helps to determine how much fuel is needed and how much there is in reserve. I feel that a wise solution to some of the problems would be the impeachment of the President. Last year he predicted this crisis for around 1980. He did not even realize this crisis coming on and it is his job to have warned us in advance. He has done such things as taking a two million dollar bribe from an oil company.

I think Ralph Nader had a good suggestion. He thinks that they should stop taking oil from the earth and then in a few years the oil companies will be out of luck because they will run out of oil. So the companies, in order to survive, will make their men research in order to find nuclear or solar energy. Then the problem would be solved, and there would be plenty of energy for a considerably long time.

I feel that research on solar and nuclear energy would be a really worthwhile attempt toward a solution and probably about the only choice left. Right now, some people are already using solar power.

Until the decision is reached on what to do about the crisis in relation to the future, I think the oil should be removed from the oil companies. The government should be put in control of all the oil so that it will be socialized. The government would ration it out so that it would hold out longer. As long as the oil companies have possession of all the oil they will keep selling it just in order to make money. While the companies continue to sell oil for a profit, the rich folks will continue to buy a normal amount of fuel so they will be able to lead a normal life. They do not look ahead and plan for the future, and do not care about those who are without; as long as they are comfortable, they are happy. So the wisest thing to do as I mentioned would be put the government in control so that everyone would get a fair amount and so what is left will last for a longer period of time.

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## A TRIBUTE TO FRANCIS L. SUTTON

### HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MURTHA. Mr. Speaker, Francis L. Sutton is Scoutmaster of Troop 13 sponsored by Our Mother of Sorrows Church in Westmont, Pa. I have known him for years and learned to have the highest regard for this fine gentleman who holds the Silver Beaver Award and has long been involved in helping young people.

At this time when some people are

complaining about our young people and doing nothing else—we should take an object lesson from this dedicated man who has worked hard with the Boy Scouts in a constructive way.

But, let him tell us himself. I have a copy of some remarks Scoutmaster Sutton made at a Kiwanis Club luncheon in Johnstown on February 21. It is more than simply words made at a presentation ceremony; it represents the strong beliefs held by this outstanding man, beliefs that will sustain him and the boys he helps build into men.

The text of his remarks follows:

### REMARKS BY SCOUTMASTER FRANCIS L. SUTTON

I am a Scoutmaster with troop 13 sponsored by our Mother of Sorrows Church in Westmont. I have boys in my troop from some affluent families and from some not so affluent families. I have boys in my troop from many religious faiths. The Scouting program places rich boys and poor boys, black boys and white boys and Jewish and Christian boys into a common denominator—and that common denominator is "The Scout". If there ever was a movement that knocked down all the stupid prejudicial barriers that we have had in this great country of ours, it's the Scouting program. The Scout program has been knocking down these prejudicial walls for decades and not just recently since it's become more popular or more widespread to do so. This is just one of the reasons why I'm in Scouting today.

#### SCOUTING BUILDS GOOD CITIZENS

There is no doubt in my mind that Scouting builds good citizens. Scouting is the best program that we have available today to build a boy into a man. The Scouting slogan "Today's boy power is tomorrow's man power" has never been more accurate. Boy power does build tomorrow's man power.

I know that Scouting builds leaders because I've witnessed the results in my own Scout troop. I know that the product of 4 or 5 or 6 years of exposure to the Scouting environment will build a boy into a better man, a better citizen, a better neighbor, and finally a more effective leader.

Allow me to give you a few statistics to back up these claims:

342 Members of Congress were Scout or Scout leaders.

29 State governors had Scouting experience.

36 astronauts were Scouts and Neil Armstrong the first man on the moon was a Scout (an Eagle Scout).

64% of all Air Force Academy graduates were Scouts.

68% of all West Point graduates were Scouts.

70% of all Annapolis Naval Academy graduates were Scouts.

Someone also surveyed high schools and colleges and found:

85% of student council presidents were Scouts.

89% of senior class presidents were Scouts.

80% of junior class presidents were Scouts.

75% of football captains were Scouts.

Consider those statistics for a minute and ask yourself who is going to lead this great land of ours in the near future—gentlemen, they are right there at that table and if you have a son, or a grandson that's up and coming, I suggest to you that you get him into the Scouting program so that he too may be in on the receiving end of those favorable odds. In this manner you will insure that he will be one of the leaders of the future.

Where else in our society do young people learn the principles of duty to God and country, duty to others and duty to self? Where, else do kids learn to be self-sufficient, where else do young people learn to be leaders? Many of our schools don't teach that we are entitled to receive rather than to haul our share of the load. Perhaps the only group left that says "you've got to do your share" is the scout program.

The scout oath and scout law says it all . . . "on my honor I will do my best, to do my duty, to God and my country, to obey the scout law, to help other people at all times, to keep myself physically strong, mentally awake and morally straight". Those words are dynamite—not initially I admit, especially to the new scout because it's just something he has to memorize before next week's meeting—the point is recitation of the scout oath and the scout law, week after week, year after year, does have its effect on the boy, eventually he learns and knows what the words mean—I have just given you the scout oath; let me give you the 12 points of the scout law—trustworthy, loyal, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, brave, clean and reverent.

Now I believe you'll have to agree that that just about covers the basic ingredients to build a good foundation for a boy. Let me repeat that it's not just the one time recitation of the scout oath and the scout law that cause everything to happen but it's years of association with fellow scouts that puts it all together and, remember this, all happens in a healthy environment of camping, swimming, sports and merit badge learning. That's what makes the scouting program so great.

The two basic ingredients of the scouting program is built around these two basic ingredients and that's why scouts in our troop must recite these two fundamentals at each meeting as their opening ceremony.

I believe that my scout troop is typical of most in the Johnstown area. And I'd like to tell you of a few things the scouts have done during the last two years or so—not in any great detail—just a brief review so that you can get an idea of what a typical scout troop does during any given period. Notice that in my enumerating of things that the boys have done that I'll mix in some good with the bad because scouts are not angels but typical boys trying hard to become men.

Some of the things our boys did in 1972–1973—

Removed 300 desks from school rooms and replaced them with 300 new ones.

Washed down the first six feet of the walls in 18 classrooms.

Broke a stained glass window $16.00.

Planted 1,000 trees on a hillside above Minersville.

Convinced me that I should plan a 50 mile hike for them to the turnpike so they could get the 50 miler award.

Placed a ton of limestone along a highly acid creek feeding into the Johnstown Rod and Gun property that was endangering some fingerlings on that property.

Planted some ground cover on the same property to control a drainage problem.

Planted 1500 trees on the hillside above Frankstown Hill.

Got caught smoking (little cigars) at winter camp (32).

Re-catalogued 3000 books at a local library.

Painted over 1000 lineal feet of wrought iron fence and guard rail for local religious institution.

Slept on a foot of snow in 1973 winter camp and went to winter camp in 1974 and couldn't throw one snowball (a real lousy winter camp) absolutely no snow.

So you can see I've displayed the good with the bad and obviously the good outweighs the bad and, believe me, with scouts it's always that way.

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## FEDERAL CONTROLS THREATEN U.S. COPPER PRODUCTION

### HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. CONLAN. Mr. Speaker, as the end of legislative authority for Federal wage and price controls draws closer, several efforts are underfoot in the Congress to extend that authority beyond its April 30 expiration date.

I strongly hope these contradictory bureaucratic controls are not extended.

While they have not provided relief for consumers from inflation, controls have also interfered with production and marketing of goods and services, causing unnecessary shortages and unemployment. And they have stymied competitive forces that keep supplies of products and services in line with public demand, which prevent monopolies that allow high prices and excess profits.

A good example of how Government controls have been contradictory and harmful to production is found in the copper industry, which has 16 of its 25 largest copper-producing mines in Arizona. More than 53 percent of all copper produced in the United States is mined in Arizona.

The Cost of Living Council has frozen the price of domestically produced copper sold by private companies at 68 cents per pound. The current price of copper on the world market is around $1.13 per pound—45 cents above the fixed U.S. price.

By forcing domestic producers to sell newly mined copper at prices far below prevailing world prices, and even below prices charged for copper scrap, U.S. mining companies have been prevented from generating more investment capital necessary to increase production capacity required by soaring consumer demands for copper.

The Secretary of the Interior recently reported that the United States will be using 85 percent more newly mined copper by 1985 than we used 3 years ago. And about 25 years from now we will need 3½ times more newly mined copper than we needed then.

Unless domestic copper prices are unfrozen and allowed to reach their natural market level, investment capital to increase our own copper mining capacity will remain low. And according to the Interior Secretary, U.S. copper producers will then be able to supply only about 45 percent—less than half—of all newly mined copper we will be using by the year 2000.

This means that, like the situation we allowed to develop with oil, we will then have to rely on foreign sources for more than half of all copper needed throughout America.

Mr. Speaker, this impending copper crisis created by arbitrary Government price fixing is reason enough not to extend control authority beyond the April 30 expiration of the Economic Stabilization Act. But other contradictory Government actions are further serving to exaggerate growing problems in the copper industry.

The General Services Administration, ordered by Congress to reduce the Federal Government's 258,000-ton copper stockpile to 7,000 tons, has been unloading its quarter-million-ton surplus to competitive bidders at 90 cents or more a pound. GSA is not bound by Cost of Living Council price rules, and has been turning down all bids below 80 cents a pound.

*Adding* insult to injury, copper producers have been ordered to give priority to defense-related customers, at the 68-cents-per-pound price level, under the defense priorities system.

While there should be no disagreement with giving defense industries such preference, or with reducing the Federal Government's large copper stockpile at a profit to taxpayers, it seems inequitable and economically counter-productive to require private companies to sell copper at a low fixed price, for defense purposes first, while Government copper is sold to the highest bidder without regard for use priorities.

If Federal officials want to make sure that industries serving national defense interests get first crack at available copper supplies, they could at least require Government stockpiles to be used first for defense-rated orders.

Mr. Speaker, the hard experience of Arizona's copper industry under Federal wage and price controls is only one example among thousands of the contradictions and inequities of this huge, uncontrollable bureaucratic undertaking. The soundest economic decision Congress can make this year would be to end controls and free our private enterprise system to provide goods and services demanded by American citizens, at fair competitive prices they are willing to pay.

## DOUBLE STANDARD

### HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. LANDGREBE. Mr. Speaker, I wish to share with you and with my colleagues on both sides of the aisle this brief statement on double standards as reported in the Mineral County Independent-News, Hawthorne, Nev., on March 6, 1974, by Mr. Jack McCloskey, owner and publisher:

DOUBLE STANDARD

Still on this double-standard kick as exemplified by the news media, we were amused by a Jack Anderson column this past week. Anderson expressed great concern that some highly confidential files on the private lives of several presidents and their families had been removed from FBI offices following the death of long-time director J. Edgar Hoover.

Implication in the column was "they had no right to do that to us." What about the number of columns written by Anderson in which he gleefully boasted he had latched onto confidential documents, reports, etc., which no other reporter was smart enough to purloin?

In other words, it is sanctimonious revelation when a columnist or reporter pilfers government files, but unfair competition when a sharp government agent places classified and confidential material out of reach.

## HOW OIL COMPANIES AVOID PAYING TAXES

### HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. VANIK. Mr. Speaker, in the weeks ahead the rhetoric over excess profits in the oil industry will come to a boil once again. Undoubtedy, many elaborate plans will be proposed to tax unjustified windfall profits. The problem with these schemes is that they sacrifice the principles of tax equity and simplification while at the same time they propose only shaky solutions to the essential problem of excess profits.

The answer to this dilemma is simple—treat the oil companies like any other taxpayer and stop trying to carve out special rules, special exemptions, and special tax rates. The following article, which appeared in the Los Angeles Times, presents a clear and concise review of the special tax treatment that we now provide the oil companies. I recommend this article to my colleagues as it points to the tremendous benefits the oil companies now receive from their overseas investments. Under present law, the major oil companies are paying no U.S. income tax on their foreign source income. It is this income that has ballooned the major oil companies' profit figures. Exxon provides a representative example. Last year, Exxon's earnings in the Eastern Hemisphere grew 83 percent over 1972. At the same time, production earnings in the Western Hemisphere grew by 48 percent.

In the coming years this imbalance is likely to grow. Rapidly expanding markets, lower costs, higher prices, and the lure of tax-free holidays all provide strong attractions for foreign investments by the oil companies. Under our existing tax laws, the American taxpayer is subsidizing this expansion. We are paying subsidies for the production of foreign oil which we never see.

The matter of taxation of the oil companies requires the thoughtful consideration of every Member of the House. The Los Angeles Times article reprinted below provides a good perspective from which to view this issue:

HOW OIL FIRMS AVOID TAXES—LOOPHOLES LEAVE UNITED STATES SMALL CUT OF PROFITS

(By Paul E. Steiger)

WASHINGTON.—Contrary to what you may have heard, the big international oil companies do pay a lot of money in taxes.

The only trouble is, they pay very little of it to the United States.

In 1972, by one rough industry estimate, the 19 leading oil companies paid about $5.8 billion in income taxes around the world. But of that amount, only $700 million—less than one-eighth—found its way into Uncle Sam's Treasury, even though the companies earned up to half their income in the United States.

In 1970, the last year for which detailed figures are available, the big oil companies paid only 15% of their U.S. income in taxes, a study by two tax economists at the University of Massachusetts showed.

By contrast, the typical American manufacturing concern paid 46% of its domestic profits to the tax man last year.

Moreover, unlike companies in other industries, the international oil giants pay little or no U.S. taxes on the billions of dollars they earn overseas every year.

"We are basically dealing with a major United States industry that operates without payment of significant United States taxes," argues Stanford G. Ross, a prominent Washington tax lawyer.

How do they do it?

By now, everybody has heard of percentage depletion, the classic tax loophole through which have sashayed countless newly crowned millionaires from Texas, Oklahoma and California.

But for many an international oil company, depletion has already been eclipsed by another tax provision—the foreign tax credit—as the most important shielder of its profits from U.S. revenue agents.

Meanwhile, other tax benefits are moving rapidly to the fore. They involve Liberian and Panamanian tankers, dummy corporations in places like the Bahamas and Monaco, and the ability of the oil barons to govern the prices at which they buy and sell at all stages of the production chain.

The complex ways in which the oil companies lessen their tax burden create an awesome problem for those industry critics who contend the companies should be paying more.

The oil shortage and the dramatic increase in prices have created a strong climate for tax change.

But first the critics must agree on how much to curtail each of the industry's major tax benefits without so wounding the companies that their capacity to produce is impaired and the oil shortage becomes worse.

Then the critics have to steer a reform package through the tax-writing committees of Congress—Ways and Means in the House, Finance in the Senate—on each of which the oil interests are well represented.

Here are the leading industry tax benefits that the reformers are seeking to overturn:

The foreign tax credit has long been available to any U.S. firm—in any industry—that operates abroad.

Under this provision, the United States levies an income tax, at the regular 48% rate, on all profits earned abroad by a U.S. corporation. But it allows the American company to use any income tax that it pays the foreign country as a "credit" to reduce the company's U.S. tax.

Thus, if the company earns $100 abroard and it pays foreign taxes of $35 on that income, it need pay only $13 to th U.S. Treasury, instead of the $48 that otherwise would be required. If the foreign tax is $48 or more, the company need pay nothing to the United States.

Proponents of the foreign tax credit provision argue that it is necessary to prevent companies from being doubly taxed—once abroad and once at home—on the same income.

But proponents and opponents alike agree that the oil industry has used this provision in ways that its originators never imagined.

According to James C. Cox and Arthur W. Wright, the University of Massachusetts economists, various techniques enabled the 18 biggest oil companies to cut $1.2 billion from their U.S. income taxes in 1970. The techniques include:

THE "GOLDEN GIMMICK"

This involves the way the oil industry—and the U.S. Internal Revenue Service—now treat most of the money the companies pay to foreign governments for the privilege of extracting crude oil from their lands. It is the most important use of the foreign tax credit for the oil industry.

Before 1950, the companies usually paid just a royalty—a flat fee—for every barrel of oil they produced.

Since then, however, the oil-exporting nations have generally not increased their royalty charges. Instead, they have inaugurated and then enlarged a levy that they and the oil companies insist is an income tax.

The oil industry's critics say this is a sham. To them, the tax is nothing but a royalty in disguise.

The distinction is important.

Unlike taxes, royalties must be treated like any other cost when the companies calculate their U.S. tax liability. Like the cost of labor, equipment and expense-account lunches, they are deducted from the total revenue the companies obtain for selling the foreign crude oil.

Under this method, even the huge payments the companies now have to make for their crude oil would still leave billions of dollars in profits subject to U.S. income taxes.

But by calling the payments to the oil-exporting nations taxes, the companies are able to ring up more than enough foreign tax credits to wipe out any U.S. tax on their profits from selling foreign crude oil.

To Sen. William Proxmire (D-Wis.), who dubbed this device the "golden gimmick," treating these payments as taxes is an outrage and should be abolished. Even some industry executives believe it should be curtailed.

The present pro-industry treatment was approved by the Treasury and Internal Revenue Service—without any congressional review—first in private rulings in the early 1950s and then in a published decision in 1955.

Some sources say the Truman and Eisenhower administrations permitted the decision to go in the companies' favor as a way of discreetly funneling foreign aid to then-friendly Middle Eastern nations.

A confidential report on this subject, done for the Senate Finance Committee in 1958, has never been made public.

EXCESS CREDITS

Once a U.S. company pays foreign income taxes equal to 48% of the money it has earned in a foreign country, it is exempt from any U.S. taxes on the income. Foreign taxes above that rate create "excess" tax credits.

The soaring payments demanded by oil-producing nations are creating spectacular amounts of these excess credits in the oil industry—$4 billion this year, by one private government estimate.

Although these credits cannot be used to shelter from taxes any income earned in the United States, they can be very useful in other ways, reports Glenn Jenkins, a Harvard economist.

For one thing, the credits can be used to shield foreign earnings from U.S. taxes for up to five years after they are acquired.

For another, the excess foreign tax credits give the oil industry an opportunity to shift some of its profits from highly taxed jurisdictions—such as Europe—to the Middle East, and thereby reduce its overall tax burden.

This is done by increasing the price an oil company's Middle East subsidiary charges the European subsidiary for crude oil. Because common management controls both subsidiaries, the price change is easily accomplished.

Of course, under U.S. law, if the Internal Revenue Service can show that income has been artificially shifted to avoid tax, the agency is permitted to reallocate income from one subsidiary to another. But because the companies control so much of the pricing in the international oil market, such artificial shifting can be difficult to prove.

THE "OVERALL" METHOD

In the early 1960s, U.S. tax law was changed to permit American companies to use foreign tax credits accumulated in one country to shield from U.S. taxes profits earned in another country.

The result has been to give companies much greater opportunity to use their excess foreign tax credits.

For example, noted Thomas F. Field, a Washington public interest lawyer who for years was a tax attorney in the Justice Department, many oil companies now reap significant tax advantages through their tanker fleets.

By basing many of their tankers in such countries as Liberia and Panama, which levy almost no taxes on shipping, the companies can trim their tax bill on the tanker earnings down close to zero. The profits are exempted from U.S. tax by means of excess tax credits accumulated in the Persian Gulf.

Moreover, by charging artificially high shipping rates, the tankers subsidiaries can siphon away profits from other parts of the companies' operation and thereby shield them from tax.

Efforts of U.S. officials in investigating suspected instances of this practice can be difficult because many of the countries whose tax laws favor the shipping industry shield the records of maritime companies from subpoena by foreign governments.

DEDUCTING FOREIGN LOSSES

Despite the advantages of the overall method of calculating U.S. tax liability on income earned abroad, many oil companies continue to use the per country method.

One reason is that this allows them to employ another tax convenience; using the costs of drilling for oil in some foreign countries as a tax shield for profits earned in the United States.

Here is how it works. An oil company spends $50 million searching and drilling for oil in Eucador. It has not found any oil there yet, so it has no income from Ecuador. It has a $50 million loss. This loss, like any loss, can be deducted from profits elsewhere, saving the company 48 cents in tax for every dollar of deduction, or a total of $24 million.

Later, if the company finds oil in Ecuador, it will earn profits on it. But then it will be paying income tax on the profits to Ecuador, and the resulting tax credits will shield the income from U.S. tax.

As a result, the U.S. government pays 4% of the company's cost of finding oil, but then does not even get to recoup that amount in taxes on the profits when the oil is found.

Losses in exploring for oil abroad usually provide no tax gain to a company using the overall method of calculating U.S. tax on foreign income, because with the overall method the losses are mingled with profits earned in the countries where the company has found oil. Of course, the net profit may already be completely shielded from U.S. tax by the foreign tax credit.

While the foreign tax credit has emerged to challenge the depletion allowance as the oil industry's favorite tax benefit, percentage depletion is still of critical importance. In 1970, it saved the industry's 19 biggest companies $1.1 billion in U.S. taxes.

Under this provision, 22% of the revenue from sale of crude oil is deductible from profits before U.S. income tax is calculated.

But not even the industry's severest critics would deny it the right to some form of compensation for the cost of acquiring the crude oil it sells.

For example, if it costs a company $150,000 to find and drill a certain oil well, and the wells produce oil for 10 years, the company presumably should be setting aside $15,000 a year out of the income it gets from selling that oil. Otherwise, it will not have enough money to buy or drill a new well when the present one runs dry.

The money set aside in this fashion should be deductible from the company's income, because it is part of the cost of staying in business.

Percentage depletion, however, lets oil companies deduct an average of 16 times the original cost of acquiring new oil wells, according to an estimate in testimony last year before a congressional committee by economist J. Reid Hambrick.

This occurs because oil companies are allowed to deduct from their income every year 22% of the gross revenue from the sale of crude oil pumped by their wells—regardless of the original cost of the wells.

The only major limitation on using the deduction is that the amount deducted in any one year cannot exceed half the net profit from crude oil sales.

Percentage depletion is defended as an incentive both to find oil and, once found, to pump it as fast as possible. The more oil found and the more pumped and sold, the greater the total tax deduction.

Percentage depletion applies to wells U.S. oil companies drill abroad. Because the production from these wells is more often shipped to Europe or Japan than it is to the United States, President Nixon and some members of Congress have suggested recently that foreign depletion be eliminated.

Industry resistance to such a move has been mild, perhaps because, at present, foreign tax credits already shield from U.S. tax the income they get from pumping oil abroad.

If use of the foreign tax credit is curtailed, however, the foreign depletion benefit would regain its attractions.

In most industries, the money paid for designing and constructing a new factory or office building must be capitalized. That is, the company may deduct only a part of the cost each year, until the total cost has been deducted.

In the oil industry, however, comparable expenses—the cost of labor, materials, supplies and repairs needed to bring a well into production—are called "intangible" drilling expenses and can be deducted in full immediately.

By thus postponing taxes, the effect of this provision is to give oil companies an interest-free loan from the U.S. Treasury.

The immediate writeoff of intangible drilling expenses provided the 19 biggest oil companies with $162 million worth of such benefits in 1970.

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## PITTSBURGH'S NEIGHBORHOOD HOUSING SERVICE

## HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, building on a determined community effort, strong local leadership at the neighborhood level and in city hall, and a local financial industry willing to lend money in the central city, Neighborhood Housing Services of Pittsburgh has shown that Federal dollars are not a necessity in rehabilitating an older community.

This 5-year-old organization has turned a small grant from a local foundation into a revolving loan fund which makes low interest rehab loans to residents who cannot be served by traditional lending sources.

The Pittsburgh experience has attracted much attention because of its success.

For the information of my colleagues, I would like to introduce into the RECORD at this time an extract from the Federal Home Loan Bank Board Journal which discusses Pittsburgh Neighborhood Services.

In a recent speech to 1,200 mayors and city officials, I called their attention to the Pittsburgh program as evidence of what kinds of local efforts are possible while the Congress tries to write new national housing and community development legislation.

The extract follows:

### Neighborhood Housing Services

(By James A. McNeirney)

During 1972, the Center for Executive Development, created by the Board to stimulate the involvement of the savings and loan industry in urban areas, began assisting S&L leaders in several cities in establishing neighborhood housing service agencies.

The programs are not a theoretical or drawing board approach to urban lending. They are modeled on a successful effort begun in Pittsburgh, Pa., in 1968. The Pittsburgh program, aptly titled Neighborhood Housing Services, has demonstrated that private financial institutions can lend safely in inner city neighborhoods by using a careful reinvestment program.

The Pittsburgh program is unique. It was co-founded by a number of Pittsburgh-based financial institutions and a group of community residents of the central Northside section of that city.

Included on the board of directors of this hybrid organization are Harold L. Tweedy, chairman of the board of First Federal Savings and Loan of Pittsburgh; Francis B. Nimick, president of Dollar Savings Bank of the same city; and John D. Beswarick, vice president of Pittsburgh National Bank.

The specific objective of NHS is to arrest housing decline in the neighborhood by providing financing for home improvement efforts. This coalition of community residents and financial institution representatives has created a neighborhood environment in which conventional loans are now being made in which property values are rising and in which there is a growing sense of community pride and achievement.

Such was not the case 4 years ago. The real estate editor of one of the major Pittsburgh newspapers had this to say in a recent feature article on NHS: "This area is not a ghetto or a slum. Nor is it all Black or White. If anything, it is an area that is on its way back."

Recognizing the impact that this coalition of community residents and financial institutions has had in Pittsburgh, the Board's Center for Executive Development, working through the District Federal Home Loan Banks, has set out to duplicate this effort in other cities. NHS programs have now been established in Oakland, Calif.; Cincinnati; Plainfield; and Washington, D.C. Similar efforts are now underway in Dallas and Boston.

William A. Whiteside, Director of the Center for Executive Development, explains the role of the Center in creating the NHS programs.

"Our role," he says, "is to be the catalyst to bring all the parts of neighborhood housing services together.

"We studied Pittsburgh, with its successful 5-year track record, and we have tried to reproduce *all* the elements—neighborhood, industry and city support, foundation money, and a small, but effective, NHS staff—that have made it work. We don't have all the answers to inner city lending, but we know this one will succeed for one slice of the city's housing market."

Speaking recently to a Dallas group that was visiting in Pittsburgh to learn how to undertake an NHS program, Harold Tweedy presented another viewpoint.

"If you want to do something about housing deterioration," Mr. Tweedy said, "fixing up one house on this side of town and one on the other isn't going to do it. Sure, it helps, but you have more impact if you try to affect a certain area."

"Using the NHS approach provides the opportunity to make loans in the central city with the aid of some supporting elements. In this program, we have lenders involved, the city government involved, and the residents of the community involved. This is the way that our industry can make a greater contribution to the central city."

Based on the Center for Executive Development's achievements to date, many savings and loan associations agree with this basic philosophy, as do the governments of the respective cities and residents of the particular neighborhoods where the program is being initiated.

#### THE WORKSHOP APPROACH

More than 50 savings and loans have sent representatives to the Board's Urban Housing Workshops during the last few years and all are either engaged in putting together an NHS agency or backing a newly created one.

The group visiting Pittsburgh from Dallas was composed of members of the Federal Home Loan Bank of Little Rock's Urban Housing Workshop. The Workshop is the convening vehicle used by the Center in creating an NHS. Participants in the Workshop usually include savings and loan managing officers, or their official designees, examiners, Federal Home Loan Bank executives, and community representatives. Representatives of Federal, State, and local governments and of private agencies concerned with housing also have participated.

"The purpose of the Workshop is twofold," Mr. Whiteside explains. "First, everyone needs a common frame of reference. Second, for this program to work, the different groups represented have to learn to work together with trust and mutual respect."

During a typical Workshop, the NHS concept is presented. Thomas A. Jones, executive director of the Pittsburgh NHS who has served as a speaker in all the Workshops is modest about the success of his organization over the last 4 years.

"We have been able to achieve some measure of success because we have the necessary tools," Mr. Jones told the Dallas group. "We also have a group of dedicated people who believe in the program."

Mr. Jones stresses community involvement in the program, but he also is quick to point out that this is only a part of the entire NHS package.

"The involvement of the private financial community cannot be overstated," he adds. "This is essential if any program of this nature is to succeed. We have the high risk loan fund to deal with the residents who can't qualify at the regular financial institutions, but that can't begin to provide the kind of money that is needed for a total neighborhood housing rehabilitation effort."

#### THE DALLAS PROGRAM

The Dallas program that finally evolved from the recent meeting of Dallas citizens with Pittsburgh NHS leaders is different when it comes to financial institution participation. It is different not in size, commitment, or purpose, but in the makeup of the institutions involved. It is the first Workshop in which commercial banks, savings and loans, and the insurance industry have linked arms to create an NHS. In all previous Workshops, participation by lending institutions was limited to the savings and loan industry.

"It seemed appropriate to both the Board and James A. Coles, President of the Federal Home Loan Bank of Little Rock, that we initiate a joint effort in the Dallas program," Mr. Whiteside said. "In previous Workshops the S&L's involved have invited the commercial banks to join them after the initial Workshop.

"Philip E. Caldwell, president of the Federal Reserve Bank of Dallas, was open to the idea of bringing in the banks at the beginning and agreed to co-host the opening luncheon. He, of course, encouraged his institutions to participate and it has worked out very well."

This spirit of cooperation was particularly evident during the Pittsburgh visit of the Dallas representatives. For example, Sam Holmes, senior vice president of First National Bank, Dallas, who was selected as chairman of the group, could not be present for the second day in Pittsburgh. Cullen Rogers of Dallas Federal Savings and Loan took over and NHS of Dallas just kept rolling along. The incident was typical of the way the sessions proceeded.

Before their meeting, members of the Dallas Workshop group toured the Pittsburgh NHS neighborhood. They rode and they walked. On the bus—off the bus. They went up and down the narrow, hilly streets aghast at certain parts of the neighborhood and delighted at the rehabilitation efforts in others.

"If they can do it in this neighborhood, I'm sure we can do it in Dallas," said one visitor. "Why, Dallas was hardly even thought of when some of these homes were built."

James G. Cook, associate director of NHS, stressed the necessity of the city government's cooperation in the program. Pointing to recently paved streets, Mr. Cook told the Dallas group that this kind of work by the city was a great aid in revitalizing the community. The Dallas people replied that they had already received a strong commitment from the Dallas city government and had the participation of the director of the City Planning Department and the new Department of Housing and Urban Rehabilitation.

George Allen, Dallas City Councilman, the keynote speaker at the opening Workshop luncheon put it this way: "The city will support the program in any way possible."

#### GETTING STARTED IN PITTSBURGH

Mrs. Dorothy Richardson, president of Neighborhood Housing Services of Pittsburgh, who spearheaded the creation of NHS in that city, explains how the Pittsburgh program began 5 years ago.

"We didn't trust the bankers or the city when our program got started," she says, "but we did know one thing. We had to do something about the housing in our neighborhood and those two groups could help us."

The neighborhood was up for a federally assisted code enforcement program back in 1968. However, it was passed over for another neighborhood.

"They said it would be a few years before we would get any assistance in our area and we just couldn't wait," Mrs. Richardson explained.

Mrs. Richardson and her group didn't wait. They got together a proposal to the Sarah Mellon Scaife Foundation in that city and convinced the organization that the NHS idea had merit. The foundation responded initially with a $125,000 grant. Over a 4-year span the foundation has put up an additional $375,000 for the fund.

Mrs. Richardson's feelings about the bankers and the city seem to have changed somewhat over the years. She is now working for the city as supervisor of the city's housing clinic—the probation arm of the city's housing court. "We had a lot of problems communicating in the beginning," Mrs. Richardson said, "but we closed that communication gap by attacking the problem instead of each other."

"The most moving thing to me," Mrs. Richardson continued, "is that we have been able to sit down at the table and iron out our differences. That's quite a feat when you consider how far apart we were when we started."

John D. Beswarick of Pittsburgh National Bank agrees. Mr. Beswarick's office is located in the Northside neighborhood and he works closely with the NHS staff. He is highly enthusiastic about the NHS program, but he also is realistic. "To make this program work, you have to have people and financial institutions that sincerely believe in it," he says. "This program requires time and effort. If the institutions involved don't care, and I mean at the highest levels, then you may as well forget about it."

In Pittsburgh, 16 savings and loans, five commercial banks, and two savings banks support the program. Mr. Tweedy is adamant when he speaks about this aspect of the program.

"It's most important that everyone know that this program is supported by a large portion of the financial industry here in Pittsburgh," he says. "It's not just one or two. It's everyone who contributes to the costs of the program or takes loans generated by it. The support of all these institutions is important for without them there would be no NHS program."

Mrs. Billie Richards, the coordinator of the Dallas program, reported that financial institutions there have already committed the administrative budget and are in the process, along with other participants, of securing local philanthropic dollars for the high risk revolving loan fund.

Mrs. Richards is one of the three urban program coordinators who has assisted at the local level. The others are Mrs. Lary Lee Widener, Oakland, and Mrs. Carol Braddock, Cincinnati.

Mrs. Braddock, coordinator of the Cincinnati program, has already begun the research required for the same effort in other cities in that District. She recently joined the staff of the Federal Home Loan Bank of Cincinnati to coordinate this activity as a Bank function. The Cincinnati Bank is the first Federal Home Loan Bank to commit itself to developing other NHS programs.

"Our original idea was to create a model in several Bank Districts," says Director Whiteside. "Naturally, it multiplies our effectiveness when a Bank takes it on as a Bank function as Cincinnati has."

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## CONGRATULATIONS TO D.C. NATIONAL GUARD

### Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. MONTGOMERY. Mr. Speaker, on previous occasions I have risen to pay tribute to various National Guard units for their outstanding accomplishments. I am extremely proud today to be able to congratulate the District of Columbia National Guard for three recent awards it has received. The first is the George Washington Honor Medal from the Freedoms Foundation. I might note that this is the sixth consecutive year the D.C. Guard has won this award for its sponsorship of the D.C. Youth Leaders' Camp. They have also received the Gen. Keith L. Ware Award from the Department of the Army for first place in the special broadcast achievement category and the Thomas Jefferson Award from the Department of Defense for the same reason. The D.C. Guard is the first Reserve component unit to receive this latter award. I commend the officers and men of the D.C. Guard for their achievements and include in the RECORD an article in the First U.S. Army newspaper, "The Voice" which goes into greater detail on the accomplishments:

THE D.C. NATIONAL GUARD

A District of Columbia National Guard recruiting film has won first place in the Special Broadcast Achievement category of the Department of Defense's Thomas Jefferson and the Department of the Army's Keith L. Ware awards competition.

"Do Your Thing in the DC National Guard" is the title of the four minute, 20 second "mod" film which captured one of the top awards in the annual DOD and DA competition.

With its winning, the D.C. Guard, commanded by Maj. Gen. Charles L. Southward, becomes the first National Guard unit to capture a first place award in either competition. It was also the only First Army winner in this year's contest.

In the Army competition, the D.C. Guard competed against Active and Reserve Army units. In the DOD race, the Guard was the Army's representative in that particular phase of the competition against the Navy, Air Force and Marines.

Comin' down the street; Look at who you meet;
Look at what is all around you;
Open up your eyes; Time to realize;
You have a whole life to go through;
You've got a life no one has ever lived before;
Who knows what life will bring, what does it have in store.
Do your thing!

Both the awards are part of the DOD's and DA's annual competition for best newspapers, radio programs, journalistic achievement, television programs, photo features and radio spot announcements. The Special Broadcast Achievement Category is considered the toughest of all categories since there are many different entries considered in that competition.

CWO Richard L. Pratt, bandmaster of the D.C. Guard's 257th Army Band, was the prime contributor of the film which features shots of the Nation's Capitol, the D.C. Guard in earlier years and men of today's Guard at work, at play and on duty. Complementing the film is a song, "Do Your Thing," the score and lyrics written by the bandmaster. The shooting was done over an 18-day period last year by the Army Audio Visual Agency.

The idea for the film came to Pratt, a Bachelor of Arts magna cum laude graduate from American University in Washington, as he was walking down the halls of the Pentagon and spotted a similar film in progress at the Air Force Recruiting Office.

Borrowing the film, Pratt showed it to General Southward who was impressed and told him to "pursue it further."

Don't you cop out now; Let us show you how;
You can have the best of both ways;
You know the place to look; Our number's in your book;
We can help the rest of your days;
Don't waste the time you have now that you have found out;
You've seen the light and now you know what it's about;
Do your thing! Do your thing!

Pratt then contacted the Army Audio Visual Agency where officials there estimated that if such a film was to be made by commercially professional agencies, it would cost about $25,000. National Guard Bureau officials had estimated $50,000 to produce the film commercially.

However, with the use of Army cameramen filming it as a training assignment and Pratt working on it, both on and off-duty, the film was made at a cost much less than the estimates.

Music for the film was recorded during a two-day period by Pratt and the Army Band at Ft. Myer, Va. Twenty-five musicians and two recording engineers were involved. The vocalist is Frank Hooker of The Young Senators, a rock and roll group from the D.C. area, which backs up Soul Singer Eddie Kendricks.

Personnel of the Army Audio Visual Agency involved in the project were Col. Warren R. Colville, commander; Lt. Col. Herbert H. Ballinger, director of special photo and initiator; Maj. Peter K. Friend, director of technical operations; Capt. Dennis H. Reader, chief, pictorial division.

*If you will be free; Guide your destiny;*
*To be or not is still the question;*
*Let's define your quest; Out-work all the rest;*
*Do your thing and be the best one;*
*Bring out the best you have, give all you got to give;*
*Who cares what others have, you've just one life to live;*
*Do your thing! Do your thing! Do your thing!*

Ms. Edith S. Deveraux, editor; and SFC J. D. Devan, Staff Sgt. William B. Purdy, Sp5's Walter F. Deinzer and Robert F. Fromm, Sp4 Joseph G. Snyder, and PFC Gary M. Corrara, photographers.

The Guard intends to use the film for showing to large audiences, such as school assemblies or classes when recruiters schedule demonstrations; before private or small groups; in booths at fairs and shopping centers; and also make it available in 35mm prints for showing in D.C. movie theaters and drive-ins.

*Comin' down the street; Look at who you meet;*
*To be or not is still the question;*
*You know the place to look; Our number's in your book;*
*Do your thing and be the best one;*
*Don't waste the time you have now that you have found out;*
*You've seen the light and now you know what it's about;*
*Do your thing! Do your thing! Do your thing! Do your thing!*

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## HOPE CHAMBERLIN

### HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mrs. GRIFFITHS. Mr. Speaker, the death of Hope Chamberlin in Washington on March 11 was a loss to all persons who are interested in the history of women in America and the many contributions they have made to our Nation. In recent years, Ms. Chamberlin had used her talents to chronicle the achievements of American women. At the time of her death, she was engaged in research for a Business and Professional Women's Foundation project on women who had made significant contributions to the various professions.

At this time, I would like to extend my sympathy to her family and insert in the RECORD the obituary carried in the Washington Post describing Ms. Chamberlin's achievements as an author and journalist:

[From the Washington Post, Mar. 13, 1974]

M. HOPE CHAMBERLIN, 52, AUTHOR, FORMER INFORMATION SPECIALIST

M. Hope Chamberlin, 52, an author and former information specialist, died Monday of cancer at the Veterans Administration Hospital here.

Her book, "Minority of Members: Women in the U.S. Congress," published last year, has won a Christopher Award, presented annually by the Christophers, a cultural promotion organization.

At the time of her death, Miss Chamberlin was working on a new book on women in the professions for the National Business and Professional Women's Foundation.

Born in Portland, Ore., she was a graduate of Oregon State University and received a master's degree from Northwestern University.

She then worked for several years as a reporter-photographer for the Portland Oregonian and later became a member of the WACs.

After World War II, Miss Chamberlin served as information and editorial specialist with the U.S. military government in Germany and Austria.

For a number of years, she was director of information for Continental Classroom, an NBC–TV program originating in New York. She also taught English at Montclair College in New Jersey.

Miss Chamberlin came to Washington about 10 years ago and did free-lance writing for a number of periodicals. She worked last year for the Office of Economic Opportunity on the start of a history of the OEO. She lived at 1884 Columbia Rd. NW.

She was a member of the Overseas Press Club and Women in Communications and was an active worker in Republican party affairs at the precinct level.

She is survived by her mother, Mrs. W. J. Chamberlin, and a sister, M. Jo Tuttle, of San Diego, and two brothers, W. J. Chamberlin, of Tucson, and Roy M. Chamberlin, of Albany, *Ore*.

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## FAMILY LIFE TODAY

## HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. HELSTOSKI. Mr. Speaker, today we live in a society confronted by a vast number of complexities and dominated by change. As a result, raising children, as many of us know, can be a perplexing, frustrating experience. Though we all strive to be good parents and raise happy, well-adjusted children, such an achievement is often difficult.

Rabbi Gerald Lerer, of Temple Israel Community Center in Cliffside Park recently addressed himself to this problem, in a letter published in the Record, a Bergen County daily newspaper. Rabbi Lerer, one of the most well-respected members of the religious community of the 9th District, was kind enough to forward his remarks to me.

Because of the relevance of his remarks to those of us who have families, I would like to take this opportunity to share the text of Rabbi Lerer's letter with my colleagues. I am sure that they will agree that Rabbi Lerer raises some interesting points certainly worth considering. Mr. Speaker, his remarks follow:

A COSTLY ERROR ADMITTED

EDITOR, THE RECORD: In Redbook magazine (February issue), Dr. Benjamin Spock, world-renowned baby specialist, stated that parents are not firm enough with their children for fear of losing their love or incurring their resentment. He further blames teachers, psychologists, social workers, and physicians—including himself—for fostering loss of self-assurance on the part of parents in dealing with their children.

"Parents have been persuaded that only trained persons know how children should be reared, . . ." Dr. Spock said, "We didn't realize until it was too late how our [professional] know-it-all attitude was undermining the self-assurance of parents."

While I certainly respect and admire the courage of Dr. Spock to publicly admit that he and others in related professions have made a terrible mistake in their approach to child-rearing, even at this late date, I cannot help but be saddened by the irreparable harm that has been caused thus far precisely because of the overhwelming influence which the writings of people like Dr. Spock have exerted over millions of people throughout the world.

Who knows, and who can accurately estimate, how many crimes have been committed; how many lives have been ruined; how many families have been disrupted as a result of the permissive attitudes expressed by acknowledged authorities in the fields of child rearing and education? We may very well have lost at least two generations because of this type of thinking. We surely cannot afford to lose another generation.

If we are to reverse this very serious trend, we must restore the family unit to its original and traditional position of strength. Practically speaking, both the father and mother must, as in prior years, become the symbol of authority and respect in the home, while children must be given more meaningful responsibilities and obligations than they currently are, helping them avoid boredom, which usually leads youth to destructive paths.

We cannot help but conclude that the methods used by prior generations in the process of child training provided a much stronger and firmer foundation than the methods of today's family. This is probably why the family of bygone generations was able to cope with the many complex problems confronting it in the past.

Furthermore, if today's family unit is to be spared from destruction and disintegration, religious tradition must truly become the guiding force and factor in its daily relations. Our young people must be made aware of the fact that without ethical and moral values, as well as traditions, of religion, there can be no future for either the family or humanity as a whole. Let us, therefore, do everything we possibly can to restore religious discipline and training in our homes and families—assuring our survival in a free and democratic society.

RABBI GERALD LERER,
*Temple Israel Community Center.*

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## AMENDMENTS TO H.R. 69

## HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. PEYSER. Mr. Speaker, pursuant to the rule adopted for the consideration of H.R. 69, I am submitting three more amendments which I may offer when the House considers this bill:

AMENDMENT NO. 15 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot for such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the

United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Not withstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3) (A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 80 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

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### Amendment No. 16 to H.R. 69, as Reported, Offered by Mr. Peyser

Page 28, beginning with line 10, strike out everything down through line 11, p. 36, and insert in lieu thereof the following:

Sec. 102. Section 103 of Title I of the Act is amended to read as follows:

Sec. 103. (a) (1) (A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virginia Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B) and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 3(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 3(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(D) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (1) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

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### AMENDMENT NO. 17 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum, of the amount appropriated for such year for payments to States under section 134 (a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the

Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 13(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B) or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subseciton, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in pargaraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in pargaraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 40 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income of less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly.

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## MULTIMILLION-DOLLAR SCULPTURE GIFT TO CALIFORNIA MUSEUMS

### HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. REES. Mr. Speaker, last month, a very distinguished constituent of mine, Mr. B. Gerald Cantor, donated a magnificent collection of 29 sculptures by Auguste Rodin to the Los Angeles County Museum of Art and 88 Rodin sculptures to Stanford University. Mr. Cantor, a well-known investment banker in Beverly Hills, has the world's largest privately owned Rodin collection.

I would like to include in the RECORD an article from the Los Angeles Times by Art Critic Henry Seldis and also an editorial from the Palo Alto Times.

Californians have benefited greatly from Mr. Cantor's many civic activities, and we are extremely fortunate now that he has chosen to donate most of his Rodin collection to California museums.

The article and editorial follow:

[From the Palo Alto (Calif.) Times, Feb. 11, 1974]

RODIN COLLECTION DONATED TO STANFORD

Stanford University will receive a major portion of the world's largest privately owned collection of Rodin sculpture.

The majority of a multi-million dollar collection belonging to investment banker B. Gerald Cantor will be divided between Stanford, the Los Angeles County Museum of Art and the Museum of Modern Art in New York. Stanford will receive 88 Rodin pieces, Los Angeles, 29, and the Museum of Modern Art, 10.

Auguste Rodin, who worked most of his life in or near Paris, is considered by many to have been the foremost sculptor of his time. Rodin did not begin to seriously exhibit work under his own name until he was 37 and did not achieve financial success until after 50. When he died in 1917, he was the best known sculptor in the world.

According to Albert Elsen, Stanford art professor and internationally known Rodin scholar, "the Stanford donation must rank with the most valuable sculpture additions ever made to an American university art museum. It shows Mr. Cantor's confidence in what a university art museum can do with such an impressive quantity of works by one of the world's greatest sculptors."

Besides the sculptures, Cantor's gift to the university includes books, prints, preliminary studies for major projects, several portraits of Rodin by other artists and memorabilia. Also, through the B. G. Cantor Art Foundation, Rodin research will continue to be sponsored for the next 10 years at Stanford, according to Elsen.

Among the most notable works to be given to the university are "The Kiss," studies for the "Balzac" and "Burghers of Calais" projects, and the larger than life-size "Walking Man."

Cantor was born in New York, but now lives in Los Angeles where he is chairman and president of Cantor, Fitzgerald & Co. He is a member of the Business Committee for the Arts, a trustee of the Los Angeles County Museum and a benefactor of numerous museums. He collects in a variety of fields, but specializes in late 19th and early 20th century painting and sculpture.

He acquired his first Rodin sculpture in 1946, called "The Hand of God" or "The Beginning." Twenty years later his collection of Rodin works was termed "the largest and most important in private hands," by Madame Cecile Goldscheider, then director of the Rodin Museum in Paris.

Although it is difficult to put an exact value on Cantor's gift to the three institutions, experts agree that altogether it would be worth $3 million.

Cantor's gifts come from three sources—his private collection, his company, Cantor, Fitzgerald & Co., and the non-profit B. G. Cantor Art Foundation he established to display sculptures by Rodin and encourage research on him. About 90% of the works in the present gift come from the foundation, eliminating any tax advantages from the donation, Cantor said.

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[From the Los Angeles Times, Feb. 12, 1974]

FINANCIER GIVES SCULPTURES—ART MUSEUM TO RECEIVE 29 RODINS

(By Henry J. Seldis)

Next to Paris, Los Angeles will soon be able to display the largest number of outdoor Rodin sculptures anywhere, thanks to a large share of a gift of 127 Rodins by Beverly Hills financier B. Gerald Cantor.

Topped by Rodin's gigantic "Monument to Balzac," the county Museum of Art's share of the unprecedented gift includes 29 major works by Auguste Rodin (1840–1917), 10 sculptures by the German artist Georg Kolbe and one bronze by Antoine Bourdelle, entitled "Monument to Rodin."

Stanford University and New York's Museum of Modern Art are the other recipients of Cantor's multimillion-dollar Rodin gift as announced at a press conference at the county Museum of Art Monday.

With the violent fluctuations of the international money market and the sharp rise of art prices, expert estimates of the gift's worth range from $3 million to better than $5 million. There is little doubt that just the county Museum of Art's share of the gift exceeds $2 million.

"This gift is the most important gift of sculpture ever made to the museum," said its president, Dr. Franklin D. Murphy. "Not only are we happy to have these great pieces of sculpture, but—more importantly—it permits the museum to realize its long-standing dream of creating a beautiful sculpture garden."

The proposed sculpture garden which will replace the outdoor water areas, formerly surrounding the Hancock Park museum building, is slated for completion this fall. Along with other monumental examples of sculpture it will contain as many as 10 of the largest Rodins from the Cantor gift. But the museum plans to install the "Monument to Balzac" in the center of its lower plaza, dominating its main entrance facing Wilshire Boulevard.

"The B. G. Cantor gifts to Stanford University and the Los Angeles County Museum of Art, along with the Spreckles Rodin Collection at the Palace of the Legion of Honor in San Francisco, will make California the center for Rodin experience and study for the Western part of the United States," said county museum Director Kenneth Donahue.

Also participating in the press conference were Stanford University art history professor Albert R. Elsen, world famous Rodin authority; Stanford University Vice President Kenneth Cuthbertson; Dr. Lorenz Eitner, Stanford art department chairman; Dr. Peter Bing, Los Angeles philanthropist and Stanford trustee, and Supervisor Ernest E. Debs.

The gift of Rodin sculptures, together with many earlier works given to the museum by Cantor, comprise a total of 43 sculptures forming a collection representative of Rodin's entire productive life, according to curator Charles Millard.

Among the most famous works included in the gift are "The Shade" and "Eve," originally created for Rodin's famous "Gates of Hell"; the monumental figure of Jean D'Aire from the "Burghers of Calais"; the "Crouching Woman," and "Iris, Messenger of the Gods," along with the imposing Balzac monument.

Cantor, New York born president and board chairman of Cantor, Fitzgerald & Co., Inc., of Beverly Hills, is an active member of the Business Committee for the Arts. He has long demonstrated his commitment to corporate support of the arts through his company's programs of extensive loans and gifts to major museums throughout the United States.

As part of Cantor's art loan program coordinated by curator Vera Green, his collections of Rodin sculptures have been exhibited in 52 cities of 23 states and abroad in 17 cities in 11 countries. Prior to the gift just announced, 136 works of art have been donated by him to cultural institutions here and abroad.

All of his Rodin gifts will be reunited in 1977 when they, together with Rodins still in Cantor's private collection, will form a major exhibition which will open the new wing of the National Gallery of Art in Washington, D.C.

Cantor, 57, acquired his first small Rodin bronze in 1947, only a year and a half after he formed his own Wall Street firm in 1946 at the age of 29.

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## AMENDMENT TO H.R. 69

### HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. TREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following corrected amendment intended to be offered by me to H.R. 69:

AMENDMENT TO H.R. 69, AS REPORTED, TO BE OFFERED BY MR. TREEN OF LOUISIANA

On page 131, immediately after line 15, insert the following new section:

Amendment to title X of the Elementary and Secondary Education Act of 1965:

SEC. 906. Title X of the Act, as redesignated by section 201(a) of this Act, is amended by adding at the end thereof the following new section:

"CONTINUITY OF INSTRUCTION GUARANTEE"

SEC. 1010. No local educational agency shall receive funds under this Act or under Title I of the Elementary and Secondary Education Act except that it has received individual pledges from each of its classroom personnel against strikes, work stoppages, or slowdowns or, alternatively, such a provision is included in any contract it may make with any organization representing such personnel.

(1) As used in this section, "local educational agency" shall include any unit receiving such funds and employing teachers.

(2) Any local education agency which is prevented from complying with this section because of the application of State law shall

not be required to be in compliance with this section until 60 days following the close of the next regular session of the State legislature which commences after the effective date of this act.

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## CINCINNATI ENQUIRER OPPOSES PUBLIC FINANCING OF POLITICAL CAMPAIGNS

## HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. JAMES V. STANTON. Mr. Speaker, in a lengthy presentation to the House on February 27, as reported in the CONGRESSIONAL RECORD of that day, I outlined what I consider to be "The Case Against Public Financing of Political Campaigns." I am pleased to note that the Cincinnati Enquirer, one of this Nation's most thoughtful newspapers, shares the viewpoint held by me and a growing number of other Americans who, nonetheless, do favor reform of the political process in other ways. I would like to insert in the RECORD, Mr. Speaker, for the information of our colleagues, several editorials that have appeared in the Enquirer on this important topic. The editorials follow:

[From the Cincinnati Enquirer, Jan. 27, 1974]

### PUBLIC FINANCING: A CALAMITY TO AVOID

The 93d Congress is closer than any of its predecessors to taking a step from which there is apt to be no easy retreat—the public financing of political campaigns.

The allure to public financing is, perhaps, understandable. For like all other easy answers, public financing would seem to eliminate most, if not all, of what is wrong with American politics.

To consider the long-range consequences of using public funds to finance political campaigns, however, is to see that the perils far outweigh the advantages, that the inequities far outweigh the assets, that the potential abuses far outweigh the probable benefits.

It is ironic to find among the supporters of public funding a number of organizations and individuals who, in general, have advocated "opening up" the political process and making both government and the party structure more responsible to popular tastes and aspirations.

Public funding, it seems to us, would have precisely the opposite effect. The citizen, after all, has only two unfailing devices to influence the political process—his vote and his financial contribution. To deny him his right to contribute, to insulate the parties from the pressures of opinion, would not, in any accepted sense of the word, make American political parties more responsible. Indeed, it would invite them to become even less dependent on the people whose convictions and aspirations they were created to reflect.

There are, in addition, some grave questions about the constitutionality of outlawing individual financial contributions to the political parties. For is not the financial contribution, at bottom, simply an extension of the individual's right to freedom of speech, a right asserted in the First Amendment?

Quite apart from the philosophical and constitutional aspects, there are some significant practical questions that none of the sponsors of public funding has answered satisfactorily to date.

Certainly the most apparent is how to offset the inherent advantage of the incumbent in any political contest. Sen. Robert Taft Jr. has suggested that an incumbent congressman seeking re-election has, by the very fact of his incumbency, a $150,000 advantage over any possible challenger. He is saying, in short, that the incumbent's opponent would need to spend $150,000 simply to meet the incumbent on an equal footing. Some observers regard Senator Taft's estimate as conservative. The fact remains that an incumbent congressman, senator or President has an immense built-in advantage—the ability to shape events, the ability to command newspaper headlines and television and radio exposure, the ability to blanket his constituency with franked (free) mail. Any method of using tax revenue to finance political campaigns that fails to offset the incumbents' natural advantage is, by its very nature, legislation to help insure the re-election of incumbents.

Even more troublesome problems are posed by the allocation of funds between the two major parties. What should the yardstick be? If the answer is treating the two parties exactly alike, aren't voter preferences being ignored? If the answer is using the last election to establish a distribution formula, isn't there a danger of overlooking the possibility of significant shifts in popular preferences?

The fact of the matter is that the political pendulum in the United States has a habit of swinging far and frequently. The same Republican Party that mustered only 38.5% of the popular vote in 1964 went on to win the presidency narrowly with 43.4% of the vote in 1968 and to swamp its opposition with 61% of the vote in 1972. And the same Democratic Party that could muster only 40.8% of the vote in 1928 went on to win the White House with a 57.4% landslide four years later.

Clearly, any distribution formula that had been based on, say, the 1928 election or the 1964 election or the 1968 election would have been patently unfair—so unfair, in fact, as to run the risk of distorting or frustrating what popular preferences actually turned out to be.

Quite another problem is posed by the third party that makes an occasional intrusion into U.S. political life. What yardstick is there for determining its share of public funding? In 1968, Gov. George C. Wallace's American Independent Party, which hadn't even existed in the previous presidential election, garnered 13.63% of the popular vote. Four years later, what purported to be the same party saw its support dwindle to less than 1%. What distribution formula in 1968 could possibly have assured the American Independent Party the financial support to which it was entitled? And what distribution formula could have avoided overfinancing in 1972 a political movment that had manifestly run out of steam?

Supporters of public financing appear to assume that the two major parties that exist today will always exist. In fact, of course, there is the distinct possibility that one or the other may cease to exist—as the Whig Party ceased to exist in the 1850s. Public financing emerges, accordingly, as a means of freezing the present party structure for all times.

To point out the flaws of public financing of political campaigns is not, of course, to suggest that the existing system for financing the political process is ideal. Clearly, it is not.

The challenge to the nation, and in particular to Congress, is to find a series of remedies that will not prove more hurtful than the perpetuation of the existing system.

Certainly one crucial goal should be encouraging truly mass participation in the process by which political campaigns are financed.

Congress took one timid step in that direction through the checkoff plan introduced into last year's federal income-tax returns—a plan that allowed each taxpayer to earmark $1 of his tax payment for the party of his choice. In the tax returns for the year just ended, Congress took a regrettable step backward: the checkoff system is still possible, but the taxpayer is no longer able to designate the party to receive his $1; it goes instead into a common fund to be divided by one means or another between the two parties.

The fact is that neither party has ever undertaken a sustained effort to attract $2, $5, $10, $20 contributions from rank-and-file Americans—largely because it has never had to. Yet it is precisely this kind of giving that is most likely to insulate the parties against undue influence by favor-seekers.

There is a similar need for the full disclosure of political giving—a disclosure system that will permit the voters to judge a candidate as much by the kind of financial contributions he receives as by the other qualifications on which he bases his campaign.

The ability to attract financial contributions is closely akin to the ability to attract votes. To move, as many suggest we do, toward saying that a candidate or a party need not concern itself with attracting dollars, accordingly, is akin to saying that it need not concern itself with attracting votes. It is difficult to see how the cause of responsible, representative government is thereby served.

Americans do not want to see public office become the exclusive preserve of those personally wealthful enough to finance their own campaigns. Neither do they want to see candidates so beholden to narrow, special interests as to be unrepresentative of those they are sworn to serve.

But neither, we think, do they want to see the political contributor shrouded in suspicion. And neither do they want a political process that is immune from the public attitudes and pressures that have been the historic shapers of public policy in the United States.

[From the Cincinnati Enquirer, Feb. 1, 1974]

### THE LEAGUE AND POLITICAL REFORM

Not surprisingly, the 160,000-member League of Women Voters has chosen to make reformation of the U.S. political system its principal goal for 1974.

But the league's members across the country have chosen to part company with many reform-minded students of the American political scene: the league is opposed to "100% public financing" of political campaigns because it "would remove an important element of citizens involvement and have the effect of virtually automating a key part of the campaign process."

The league believes further that "the new foundations that will be built must . . . be geared toward expanding, not contracting, citizen participation."

It is far more important, the league believes, that campaign contributions and expenditures be reported in a full and timely fashion and that each candidate be required to designate one central committee to coordinate, control and report all financial transactions.

The league similarly favors limiting the size and type of political contributions, imposing stringent limits on the use of cash, restricting total expenditures in a fashion consistent with the fullest possible discussion of the issues and adequate exposure of the candidates, and creating an independent agency for monitoring and enforcing a new set of campaign-finance laws.

The league, finally, is supporting efforts to shorten the campaign period as a means of reducing the need for excessive expenditures, modifying the equal-time rules to facilitate debates and discussions of issues by major candidates, and equalizing the use of government services—such as franking—for challengers and incumbents.

The League of Women Voters has been remarkably perceptive, we think, in recognizing that a problem exists with respect to the officeholder seeking re-election and the non-incumbent challenging him. Legislation that would treat incumbent and challenger alike actually would wind up helping to insure the re-election of the incumbent. The league is similarly farsighted in recognizing that limits on campaign spending should not be allowed to restrict the full discussion of campaign issues and candidates.

The league, in short, has done its homework and discovered, in the process, that the problem of reforming the methods by which political campaigns are financed is fearfully complex—too complex for easy, unthinking answers.

We have suggested before in this space that the most appealing feature of proposals for the public financing of political campaigns is that they eliminate the necessity of thinking through all the problems. One simple answer, the public-financing proponents seem to be saying, will solve all—or nearly all—the problems.

The League of Women Voters is to be commended for reminding us that complex problems rarely have easy answers.

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[From the Cincinnati Enquirer, Feb. 6, 1974]

### STILL ANOTHER PITFALL

One of the politicial facts of life in the United States to which proponents of public financing of political campaigns have paid little or no attention is that, despite the hoopla, the biennial battle for control of the U.S. House of Representatives takes place in roughly 50 of the House districts—districts evenly enough divided to go either way. These 50 districts constitute 20% of the House. In the other 80% of the districts, congressional candidates are either not opposed at all or are opposed so feebly that no real contest is involved.

The advocates of using money from the federal Treasury to finance congressional, as well as presidential, elections seem not to have taken that circumstance into account. They would make federal funds available to challengers even in districts in which, in normal circumstance, the incumbent would be unopposed for re-election.

Most, but by no means all, of such districts are in the Deep South, where, for all practical purposes, Republican candidates for Congress rarely have a chance. Hence, in 1970, there were no Republican congressional candidates in seven of Louisiana's eight congressional districts, in two of Kentucky's seven, in three of Arkansas' four, in three of Florida's 12, in five of Georgia's 10, in three of Massachusetts' 12. In the same year, there were no Democratic candidates in one of Ohio's 24, in one of New York's 41, in one of Texas' 23.

Candidates run unopposed in such districts not as the result of some diabolic scheme, but because practical politicians have calculated, on the basis of long experience, that there is no chance of unseating the incumbent or that one party's registration is so much larger than the other that an election's outcome is foreordained.

Yet any of the various plans for financing political campaigns out of the public-revenue would make funding available to both parties on an equal basis.

It is difficult to see what principle of equity would thereby be served.

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[From the Cincinnati Enquirer, Feb. 14, 1974]

### THE HEADLONG RUSH

One of the ironies of Congress' consideration of campaign reform is the seeming unwillingness of key congressional leaders to wait until the facts are in. The abuses that campaign reform is aimed at correcting have been around, in one form or another, for at least a century. Yet the spirit in Congress appears to be one of demanding an instant answer—or what at least passes as an instant answer.

Only last week, as an illustration, the Senate Rules Committee gave its assent to a proposal for financing presidential and congressional campaigns out of the federal Treasury and to offer matching funds for candidates in primary campaigns. The Rules Committee's action, which puts the measure a long step closer to approval by the full Senate, came before the Senate Select Committee on Presidential Campaign Activities (the so-called Watergate committee) had even started to work assembling its final report. Yet campaign financing was one of three major areas in which the Senate asked the committee to delve. It needs to be remembered, of course, that the prolonged Watergate inquiry was undertaken in the first place for the purpose of recommending new legislation. But the Senate seems determined to act on a proposal to transform the face of political life in America without waiting for even a hint of the committee's recommendations.

Public financing of political campaigns is, in our judgment, a drastic, wholly unwarranted device to remedy what many have seen as the shortcomings of the status quo. Perhaps its appeal lies in its very simplicity. But therein also lies its principal failing.

No measure that would go so far to changing the system by which Americans elect their leaders should be undertaken without extensive, exhaustive inquiry. But it appears to be precisely that kind of inquiry that the Senate leadership appears determined to avoid.

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## SKYLAB MAY HELP FOOD INDUSTRY GROW

## HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. TEAGUE. Mr. Speaker, the Detroit News in a recent article by Mr. Leroy Pope, UPI business writer, outlines the number of contributions to the food industry derived from the Skylab program. Mr. Pope discusses hospital feeding, fortified foods, and a number of other significant discoveries that will find direct applications in our daily lives. I commend Mr. Pope's article to your reading. The article follows:

### SKYLAB MAY HELP FOOD INDUSTRY GROW

(By Leroy Pope)

NEW YORK.—Lessons learned in feeding astronauts aboard the various Apollo spacecraft and the Skylab may have significant applications in the food industry.

Hospital feeding is one area. Lessons learned in space eventually may be important in preparing foods for campers and vacationers, for boaters, for people engaged in scientific and other explorations in remote areas and to some extent the military.

This is the conclusion of Dr. Robert Pavey, a Cornell University-educated nutritionist who has had overall direction at Swift & Co., Oak Brook, Ill., of preparing foods and menus for the astronauts in the Apollo and Skylab ventures.

Whirlpool Corp. of Benton Harbor, Mich., was the prime contractor on both programs, and Swift obtained the subcontract to supply all the meat and meat-related foods and some vegetables and fruits.

"Companies that were drawn into the program," Dr. Pavey said, "include Pillsbury for bakery products; Oregon Freeze, dried products; General Foods, Kraft, special clinical nutritional foods."

It was a big jump from the pouched, liquefied foods sucked through straws by the astronauts on the early space trips to the varied stock of 70 virtually fresh foods enjoyed by the crew of Skylab. In the process, much was learned, Dr. Pavey said.

Not all that was learned concerned the food itself. For example, work with official of the National Aeronautics and Space Administration (NASA) helped Dr. Pavey develop a compact, insulated combination stove and table that can hold unmelted ice cream next to a steaming main course.

Another mechanical development was an improved warmer tray that could have a revolutionary effect on the preparation of meals for airliner passengers and in schools and other institutions.

Dr. Pavey said the program developed more variety in five kinds of foods that have special clinical nutritional applications. These are:

Formula foods—used for "nutrification" of patients and convalescents who refuse most regular foods. They can correct deficiencies quickly.

Fortified foods—adding potassium to orange juice for example or adding some other mineral or vitamin designed to combat a specific medical problem.

Bite size foods—prepared to enable very ill patients to feed themselves and thus lift their morale.

Adjustment foods—those with few or no calories.

Intermediate moisture foods—also used to tempt very ill patients to feed themselves.

Dr. Pavey developed the Skylab menu with a staff of about 20 in a laboratory at Oak Brook. The 70 items included such delicacies as filet mignon and lobster newburg.

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# HOUSE OF REPRESENTATIVES—*Thursday, March 21, 1974*

The House met at 12 o'clock noon.

The Reverend Joel W. Pugh, Episcopal Church, Falls Church, Va., offered the following prayer:

Most gracious God, we humbly beseech Thee, as for the people of these United States in general, so especially for their Representatives in Congress here assembled; that Thou wouldst be pleased to direct and prosper all their consultations to the safety, honor, and welfare of Thy people. Fill them with the love of truth and righteousness; and make them ever mindful of their calling to serve this people in Thy fear. Grant that all things may be so ordered and settled by their endeavors that peace, truth, and justice may be established among us for all generations; through Jesus Christ, our Lord. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 5236. An act to provide for the conveyance of certain mineral interests of the United States in property in Utah to the record owners of the surface of that property.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2747) entitled "An act to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to expand the coverage of the Act, and for other purposes," agrees to the conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WILLIAMS, Mr. RANDOLPH, Mr. PELL, Mr. NELSON, Mr. EAGLETON, Mr. HUGHES, Mr. HATHAWAY, Mr. JAVITS, Mr. SCHWEIKER, Mr. TAFT, and Mr. STAFFORD to be the conferees on the part of the Senate.

The message also announced that, pursuant to section 1126(c) of title 46, United States Code, the Vice President appointed Mr. JOHNSTON to the Board of Visitors to the U.S. Coast Guard Academy; and Mr. MAGNUSON, chairman of the Committee on Commerce, appointed Mr. PASTORE and Mr. COOK as members of the same Board of Visitors.

The message also announced that, pursuant to section 194(a) of title 14, United States Code, the Vice President appointed Mr. GRAVEL to the Board of Visitors to the U.S. Merchant Marine Academy; and Mr. MAGNUSON, chairman of the Committee on Commerce, appointed Mr. LONG and Mr. BEALL as members of the same Board of Visitors.

## THE REVEREND JOEL W. PUGH

(Mr. BENNETT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, the Reverend Joel Pugh offered the prayer this morning, and I want to pay high tribute to this fine man who is the minister in the church which I attend every Sunday, the Episcopal Church at Falls Church, Va. He was formerly the chaplain of the University of the South at Sewanee, Tenn.

In the gallery today are distinguished people with him, including his wife, Mrs. Caroline Pugh, and his father-in-law, Lord Redcliffe-Maud, an independent Member of the House of Lords and master of University College at Oxford.

With them is my wife, who is a vestryman of the Falls Church. This Episcopal church, which was built under the leadership of Augustine Washington, still stands on the outskirts of Washington today. The congregation dates back to 1732 and the present building is over 200 years of age. George Washington was a member of the vestry as well as his father, Augustine Washington. I am very proud of my beloved wife and the fact that she now serves on the vestry of this historic church.

Mr. Speaker, we indeed have a distinguished heritage represented in the minister who has offered our prayer today. I pay tribute to this fine man who has offered the prayer and to those who went before him in this historic church where he conducts his able ministry.

## EULOGIES TO THE LATE HONORABLE CHARLES M. TEAGUE OF CALIFORNIA

Mr. HAYS. Mr. Speaker, this announcement is to advise the membership that the closing date for printing the eulogies and encomiums to the late Representative Charles M. Teague of California, has been set for Friday, March 29, 1974. All copy for insertion must be submitted before this cutoff date so as to be included in the final publication of this compendium of eulogies.

## CALL OF THE HOUSE

Mr. HAYS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 103]

Ashley
Blatnik
Brasco
Broyhill, N.C.
Burke, Calif.
Burke, Fla.
Carey, N.Y.
Chappell
Chisholm
Clark
Conyers
Diggs
Dingell
Downing
Evans, Colo.
Fisher
Flynt
Forsythe
Fraser
Frelinghuysen
Froehlich
Gettys
Gibbons
Goldwater
Gray
Green, Oreg.
Gude
Hansen, Wash.
Harrington
Harsha
Hébert
Hogan
Holifield
Huber
Jarman
Jones, Tenn.
Kluczynski
McEwen
McSpadden
Martin, N.C.
Melcher
Metcalfe
Minshall, Ohio
Parris
Patman
Pritchard
Reid
Reuss
Rodino
Roncallo, N.Y.
Rooney, N.Y.
Rosenthal
Ruppe
Ryan
Teague
Yatron

The SPEAKER. On this rollcall 376 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## LEGISLATION REQUIRING CEILINGS ON CONTRIBUTIONS, CAMPAIGN SPENDING, AND PUBLICATION OF CONTRIBUTIONS

(Mr. HAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYS. Mr. Speaker, I could take the well of the House on a question of personal privilege on a full page ad that appeared this morning in the Washington Post, but I do not want to waste 59 minutes; 1 minute will be enough.

Mr. Speaker, John Dingell, Sr., who was a longtime Member of this House, had a saying which I think is very timely. He used to say: "Love those who seek the truth; distrust those who have found it." That certainly applies to John Gardner, the head of Common Cause. A more succinct saying we have in Ohio is "Beware of a man who keeps telling you how honest he is."

Every time Mr. Gardner comes into my office, I put my hand on my billfold.

Yes, the Democrats are having a fundraising dinner tonight, and the name of every contributor will be on a list open to the public. We cannot say as much for those who contribute to Common Cause. The people who send in contributions to Common Cause are misled into believing that they have something to say about the policies of this organization. The truth of the matter is that policies are made by two people: John Gardner and Fred Wertheimer.

Such an ad as was run in the Washington Post could not be run in my State of Ohio because it is a political ad, and political ads in Ohio are required to have the signature of some individual.

One of the delays in bringing a bill to the floor is in writing an amendment to force Common Cause and other lobbyists like it to make public their list of contributors. We will have a bill within a few weeks, maybe within a few days, which will have strict ceilings on contributions, reasonable limits on campaign spending, publication of all contributions. It will apply to all candidates of all parties, and we hope to be able to apply it as well to common crooks like John Gardner, the head of Common Cause.

That is all I have to say, Mr. Speaker. A strong letter to Mr. Gardner follows.

## MAKING IN ORDER CONSIDERATION OF HOUSE JOINT RESOLUTION 941, SUPPLEMENTAL APPROPRIATION FOR VETERANS' ADMINISTRATION

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on next Tuesday or any day thereafter during the week to bring up House Joint Resolution 941, a joint resolution making urgent supplemental appropriations for the Veterans' Administration for the fiscal year ending June 30, 1974, and for other purposes, as provided in legislation approved by the Congress last year.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## ELECTION AS MEMBERS OF COMMITTEE ON VETERANS' AFFAIRS

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 999) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 999

*Resolved*, That the following-named Members be, and are hereby elected members of the Committee on Veterans' Affairs: Carlos J. Moorhead of California, and Tennyson Guyer of Ohio.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## ELECTION AS MEMBER OF COMMITTEE ON FOREIGN AFFAIRS

Mr. RHODES. Mr. Speaker, I offer a privileged resolution (H. Res. 1000) and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 1000

*Resolved*, That the following-named Member be, and is hereby elected a member of the Committee on Foreign Affairs: Robert J. Lagomarsino of California.

*The resolution* was agreed to.

A motion to reconsider was laid on the table.

## APPOINTMENT OF CONFEREES ON H.R. 11793, FEDERAL ENERGY ACT

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from California? The Chair hears none, and appoints the following conferees: Messrs. HOLIFIELD, ROSENTHAL, ST GERMAIN, FUQUA, HORTON, ERLENBORN, and WYDLER.

## CHET HUNTLEY

(Mr. BOLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BOLAND. Mr. Speaker, it is with profound regret that this Nation learned the news that Chet Huntley, for 14 years a stalwart and dominating figure in news reporting, died early yesterday morning. His was a reporting style which, allied with that of his partner on the NBC nightly news, David Brinkley, brought to millions the qualities of trustworthiness and sympathy in the recounting of the news of the day. I first remember Chet Huntley from the Huntley-Brinkley coverage of the 1956 Democratic Convention when I was interviewed on the floor while working for a Kennedy Vice Presidential nomination. From that day until July 31, 1970, when Chet Huntley did his last television news broadcast, Chet Huntley displayed to me as to countless other Americans the kind of dispassionate, thoroughly honest reporting that made him the giant of his profession that he truly was. I am sure that the broadcasting audiences of those 14 years—and indeed of his 16 years in the profession that preceded the Huntley-Brinkley show—join with the members of the House in a profound sense of loss. Our heartfelt sympathies go out to his family on this sad occasion.

## BUREAU OF ENGRAVING AND PRINTING STILL PRINTING RATION COUPONS FOR GASOLINE

(Mr. ROUSH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSH. Mr. Speaker, I am glad we are not going to have gasoline rationing, but I wish someone would tell the Bureau of Engraving and Printing that so they could stop churning out those thousands of ration coupons.

The Federal Energy Office tried to deny Tuesday that the presses were still running, but finally conceded they would continue producing the coupons through the end of the week. I learned from a foreman at the Bureau, however, they are not scheduled to shut down the operation until the end of the month.

I am told the Bureau has already spent $12½ million on the coupons apparently without any authority. The Energy Office says it is cheaper to continue producing the coupons than to stop the presses.

Mr. Speaker, it is this kind of confusion and muddled thinking that has stretched the credibility of the administration beyond all limits.

If the President had read the energy bill we sent to him just a short time ago, he would have found in it such things he now says Congress is holding up. The provision for a special energy administration, authorization for mandatory energy conservation measures, protection for workers who lose their jobs because of energy shortages, and data reporting requirements are examples of the things the President says he wants and which were included in the energy bill passed by Congress.

I am sure not even the President could honestly expect Congress to act on some of his other proposals, such as relaxing controls on new nuclear energy plants and revising complex tax legislation, without proceeding very carefully.

Mr. Speaker, I believe the President should pay more attention to his own administration and let the Congress do its work.

## PERSONAL EXPLANATION

(Mr. DULSKI asked and was given permission to address the House for 1 minute.)

Mr. DULSKI. Mr. Speaker, on March 19, 1974, I was detained in my office, discussing with a delegation of Communications Workers a matter of great importance in our area of the Niagara Frontier, and so missed rollcall No. 97.

Had I been able to reach the floor to vote, I would have voted "yea."

## CHET HUNTLEY: A GIANT OF OUR TIMES

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, I join in mourning the untimely passing of Chet Huntley—truly a giant of our times.

With the late Edward R. Murrow and a handful of other network pioneers like Walter Cronkite and David Brinkley, Mr. Huntley was responsible for honing and perfecting television journalism until it evolved into perhaps the most pervasive medium of communication the world has ever known.

The fact that more Americans get their national news from television than any other source is in large measure due to the strength and character of Chet Huntley.

When Mr. Huntley joined NBC in the early fifties, the network's news operation was still in its infancy—a technological novelty not, at the time, taken too seriously by the general public.

By the time he returned to his beloved Montana in 1970, the nightly network news was depended on by tens of millions of our countrymen. I think this amazing growth in the influence and prestige of televised news occurred in part because people who watched him every evening simply believed in Mr. Huntley. All that exposure might have diminished a lesser man, but Mr. Huntley was at the peak of his influence when he stepped aside.

As a onetime news broadcaster of far less achievement, I applaud Mr. Huntley's career—and regret only that he did not have longer to enjoy his well-deserved semiretirement back home in Montana.

## INCREASING PERIOD OF BENEFITS UNDER TITLE XVI OF THE SOCIAL SECURITY ACT

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 13025) to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act, with Senate amendments thereto, and consider the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, after line 15, insert:

SEC. 2. (a) The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233) is amended by striking out "April" and inserting in lieu thereof "July".

(b) In the case of an advance or advances to the unemployment account of a State under title XII of the Social Security Act made before the date of enactment of this subsection, section 3302(c)(3) of the Internal Revenue Code of 1954 shall be applied as if the "second consecutive January 1" referred to in subparagraph (A)(i) of such section were January 1, 1975, or, if later, such second consecutive January 1 as determined under such subparagraph without regard to the provisions of this subsection.

Mr. MILLS (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the Senate amendments.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

### MOTION OFFERED BY MR. MILLS

Mr. MILLS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MILLS moves to concur in the Senate amendments to the text of the bill (H.R. 13025) with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendments to the text of the bill, insert the following:

SEC. 2. The last sentence of section 203(e) (2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233) is amended by striking out "April" and inserting in lieu thereof "July".

The SPEAKER. The Chair recognizes the gentleman from Arkansas (Mr. MILLS).

Mr. MILLS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this bill as it passed the House deals with a very urgent matter which should be settled without delay. The bill passed the House on March 5 under suspension of the rules. It is extremely important that final action be taken on the measure before the end of the month. The purpose of the bill as passed by the House is to prevent some 150,000 to 200,000 recipients of the supplemental security income program from going off the rolls at the end of March. These are the recipients who were added to State disability programs between June and December of 1973 who were affected by the rollback provision contained in Public Law 93-233 which requires that an individual determination of eligibility for supplemental security income benefits under the Federal standards of disability must be made.

Under the bill, payments to the individuals affected may continue to be made for any month in calendar year 1974 on the basis of presumed disability until an individual determination of eligibility is made with respect to each such individual.

This provision of the bill was agreed to by the Senate without any change.

The Senate added an amendment to the bill by adding two provisions which are completely unrelated to the subject matter of the House-passed bill. Both of the changes in the Senate amendment relate to the unemployment compensation program.

The first of these changes would extend the present temporary authority to certain States to pay extended unemployment compensation to workers who have exhausted regular unemployment compensation payments. This temporary authority is due to expire at the end of this month and would be extended for an additional 3 months until July 1 under the Senate change. The second change contained in the Senate amendment relates to the recapture provisions which are designed to assure that States that obtain advances from the Reed loan fund in the Federal unemployment trust fund repay those advances without unnecessary delay. I am urging that the House agree to the Senate amendment with an amendment under which the House would in effect agree to the first of these changes in the Senate amendment and disagree to the second change.

Let me explain each of the changes contained in the Senate amendment in more detail.

The first change made by the Senate amendment relates to the State "on" and "off" indicators which are used to trigger the Federal-State extended unemployment compensation program into and out of operation in individual States. A series of measures has been enacted during the past several years relating to this subject matter. These special laws have been required because the permanent law under which the extended benefits program is triggered in and out of operation has proven to be inadequate to deal with the type of unemployment that has existed in a number of States during the past 3 years. It is my hope that a permanent solution to this problem may be obtained in time to prevent future patchwork legislation such as has been adopted in the past and which the instant Senate amendment represents.

Under the Federal-State Extended Unemployment Compensation Act, up to 13 weeks of extended benefits may be paid to workers who exhaust their regular unemployment compensation payments. The benefits under the extended unemployment compensation program are financed 50-50 from Federal and State unemployment tax revenues. In order to have the program go into effect in an individual State, the insured unemployment rate in the State must be at least 4 percent and it must be at least 20 percent higher than it was in comparable periods in the prior 2 years.

A provision was enacted by Public Law 93-233 which permits States to pay extended benefits if their insured unemployment rate exceeds 4 percent without having to meet the requirement that insured unemployment must be 20-percent higher than it was in the prior 2 years.

This authority in Public Law 93-233 was limited to weeks of unemployment beginning after December 31, 1973, but before April 1, 1974. The change contained in the Senate amendment provides for a 3-month extension of this authority by changing the termination date from April 1, 1974, to July 1, 1974.

It is estimated that some 22 States would be affected by this part of the Senate amendment. Only six of these States, however, are now paying extended benefits under the authority provided for by Public Law 93-233. These States are Alaska, Massachusetts, New Jersey, New York, Rhode Island, and Washington. It is estimated that some 16 other States could participate in this authority but it is not expected that they will all do so.

Most of these States could now participate in the existing authority but they are not doing so. These States are Arkansas, California, Connecticut, Hawaii, Idaho, Minnesota, Montana, Nevada, New Mexico, North Dakota, Oregon, Pennsylvania, Puerto Rico, Utah, Vermont, and West Virginia.

It is estimated that the maximum total cost of carrying out this provision would be $161 million during the 3-month period for which it is effective. This estimate is based on the unrealistic assumption that all of the States that are eligible to participate in the extended benefits program by reason of the provision would elect to do so. This cost would be paid for from Federal and State unemployment tax revenues. The maximum Federal cost, therefore, would be approximately $81 million.

The second change contained in the Senate amendment, which would be rejected under the motion, relates to the repayment of advances to State unemployment accounts from the loan fund in the Federal unemployment trust fund. This change should be rejected because it would establish an extremely bad precedent. As a practical matter, it would affect only two States, which have outstanding advances from the loan fund at the present time.

Under present law, if a State has an unpaid balance of its advances from the loan fund on January 1 of 2 consecutive years and has not reduced its balance to zero before November 10 of the second consecutive year, then the unemployment tax rates are increased for all employers in the State for the following years until the advance that has been made to a State is repaid.

The provisions of law relating to this matter are quite complex but in effect they provide a penalty in the form of an increase in the net Federal unemployment taxes paid by employers in a State under which such taxes would increase from the basic rate of 0.5 percent of taxable payroll by an additional 0.3 percent of taxable payroll for each year in which these penalty provisions apply. Under these provisions, the net Federal tax would be increased from 0.5 to 0.8 percent in the first such year, to 1.1 percent in the second such year, and 1.4 percent in the third such year, and so on.

There are additional penalty provisions which would apply beginning with the third and fifth such succeeding years. These repayment provisions of the law are too technical and elaborate to discuss in detail at the present time, but their elaborateness demonstrates their importance. The law was intentionally written to assure that the States will not be derelict in their efforts to repay the advances they have received from the loan fund.

The second part of the Senate amendment would provide for a 1-year hiatus in the application of these repayment provisions. I do not believe there is justification for this action. If the law were amended to provide for such a grace period, it would be difficult not to continue to do so indefinitely in the future. This would completely undermine the effectiveness of the recapture procedures in the law.

Advances from the loan fund have been obtained by only a few States since the loan fund was established by legislation enacted in 1954. At the present time, advances are outstanding to the States of Connecticut and Washington. In addition, I am informed that the State of Vermont has a pending application for a loan. Loans were obtained earlier by only four States. These loans were made in the late 1950's or early 1960's to Alaska, Michigan, Pennsylvania, and Oregon. At that time, Oregon repaid its loan before the recapture provisions applied to it. Alaska, Michigan, and Pennsylvania, however, came under the recapture provisions.

At the time that Alaska, Michigan, and Pennsylvania were subject to the recapture provisions, however, the advances to those States and other States that had been made under the Temporary Unemployment Compensation Act of 1958 had not been repaid. For this reason Public Law 88-173 was enacted on November 7, 1963, which provided for a stretching out of the period in which repayment of advances from both the loan fund and the Temporary Unemployment Compensation Act had to be made.

That legislation, however, did not go as far as the Senate amendment would. It did not completely prevent the recapture provisions from coming into operaation. In addition, the situation facing the States affected by the legislation was more serious than the problems facing the States affected under the Senate amendment since the State accounts had been affected by two recent recessionary periods and there were two recapture procedures involved.

Mr. Speaker, I would like to stress once more the importance of moving this legislation through to enactment. It is important that the agencies operating the supplemental security income program and the unemployment insurance program in those States now paying extended benefits under Public Law 93-233 know what the law will provide with respect to their programs after April 1 since benefits they are now paying could not be paid after that time unless this legislation is enacted into law.

The SPEAKER. The time of the gentleman from Arkansas has expired.

Mr. MILLS. Mr. Speaker, I yield myself 6 additional minutes.

Mr. SCHNEEBELI. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. SCHNEEBELI. Mr. Speaker, we on our side are in complete agreement with the position just outlined by the chairman of our committee on H.R. 13025.

The measure must be enacted into law before April 1, otherwise supplemental security income payments to a substantial number of recipients will have to be stopped. The purpose of the bill was explained in detail when it was passed by the House 16 days ago, and the chairman has summarized it again today. Therefore, I will not belabor the point.

The other body has not altered the bill which we passed, but has added an amendment which would make significant changes in the unemployment compensation program. The chairman has moved that the House agree to the first of these changes and disagree to the rest of the amendment.

The part of the amendment, added by the other body, to which we would agree under the motion, would extend for an additional 90 days the provision of Public Law 93-233 which permits States to participate in the extended unemployment compensation program if their insured unemployment rate is 4 percent or more. They would not have to meet the additional requirement of permanent law that their insured unemployment rate be 20 percent higher than it was in the 2 preceding years.

Under present law, the States may disregard the 20-percent increase criterion through this month. Under the amendment added by the other body, this temporary authority would be extended through June.

It has been estimated that as many as 22 States could be affected by this part of the amendment, and that the maximum total cost would be $161 million, of which about $81 million would be borne by the Federal Government.

I agree with the chairman's motion, and I also hope, very strongly, that in the future we can seek and find permanent answers to unemployment compensation problems instead of taking a piecemeal approach. I certainly do not feel that it would be wise now to accept the other part of the amendment. Present law allows the States up to 2 years to pay back advances which the Federal Government may provide if needed for the payment of unemployment benefits. The other part of the amendment would give the States an additional year for repayment, and I believe the chairman is correct in stating that an extension of the grace period now would pave the way for further extensions, and that such action would undermine the effectiveness of the repayment provisions.

Therefore, Mr. Speaker, I urge that the House approve the motion made by the chairman of my committee.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. MILLS. Mr. Speaker, I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, is this measure the gentleman is presenting to us now similar to the bill we passed this fall in the extended benefits program?

Mr. MILLS. Yes, we passed a bill last year, as the gentleman from Texas rightly points out, to extend these special benefits under the extended unemployment compensation program to April 1 of 1974. The provision we are proposing to agree to here, would extend that for an additional 90 days, or to July 1, 1974.

Mr. PICKLE. Mr. Speaker, if I recall the colloquy we had this fall on the extended benefit program, there was a feeling that I had from the gentleman's committee that the committee would give the House more notice of this kind of legislation, and that we would not make automatic extensions.

It seems to me that what the gentleman is doing is, once more he is agreeing to the other body's desire to extend benefits for another 90 days, and possibly some 22 States will benefit and the other 28 States will be paying for the benefits of those States. This is a serious problem, and this is not to say anybody wants to be harsh in their attitude.

But this is another extension of the unemployment benefits. What will this program cost us eventually, this 3-month extension?

Mr. MILLS. Mr. Speaker, it could possibly cost, they tell me, as much as $161 million, the Federal and State combined, at the very most.

Mr. PICKLE. The Federal figure is $81 million, at the most, and $161 million is the combined figure?

Mr. MILLS. The combined State and Federal figure is $161 million; $81 million of the $161 million would be Federal money, at the very most. This is the maximum figure.

Mr. PICKLE. Whatever it is, $81 million or $161 million, that means employees in all these other States are going to be paying for the benefits of these individual States.

There is certainly a problem in this area, and either through this program, or other unemployment programs pending, we are going to try to give help to those who are unemployed, and we should.

However, I say to the gentleman that the time must come when the gentleman's committee ceases to come here on a conference report without any notice and slide through another benefit program that is not available to the other States.

Mr. Speaker, I do not want to protest the benefits, but I do think the gentleman's committee must give more consideration to the Members when such a measure as this is brought before us.

Mr. MILLS. Mr. Speaker, the bill has been pending at the Speaker's desk for some days. This is a matter that was called to my attention shortly after I returned during the first half of March. I did not bring it up immediately, but delayed so I could discuss it with members of the committee who were interested in the subject matter and also with people downtown. Everyone I have discussed it with has been very anxious to have this bill pasesd by the House.

This basic measure—to which these amendments were added—affects people in the gentleman's State as well. If we do not take this action, there will be many of these 150,000 or 200,000 people who are disabled who will not be eligible to continue to receive benefits under the Federal program that began on January 1 this year. That is what we are talking about. These people must continue to receive benefits until an individual determination of their eligibility can be made. In addition, Mr. Speaker, I want to accept the amendment which my friend, the gentleman from Texas (Mr. PICKLE) was discussing in order to get the pressure off the unemployment compensation issue, because if we do not do this, we are going to be faced with a request to do something that I am sure the gentleman would view as being much more far-reaching and perhaps more contrary to his own viewpoint than this amendment would be.

Certainly it would be described in that fashion in my own thinking.

What we want to do is gain time to give the Congress a chance to carefully review the situation, because I find there are some weaknesses which developed in what I thought was a sound piece of legislation when it passed the House nearly 5 years ago.

Mr. PICKLE. Mr. Speaker, I believe the program is a good program, I believe it is a good concept, and it works well, except I think that certainly the triggering figure is set a little bit low.

Mr. MILLS. That is true.

Mr. PICKLE. Would the gentleman

say that when the other amendment comes to the floor, this is the vehicle that we should use and not the other one?

There is a good chance we are going to get both.

Mr. MILLS. Mr. Speaker, I dislike, as much I am sure the gentleman from Texas does, the establishment of procedure in the other body of attaching amendments to legislation that are not even germane. If the gentleman feels that way, if I feel that way, and if the Congress feels that way, we could have changed the rules in handling these matters in relation to our deliberations in conference.

Mr. KAZEN. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Speaker, my understanding is that the State of Texas does not come under this extended coverage; is that correct?

Mr. MILLS. According to the latest estimates, it is not possible for the State of Texas to reach the point where it can trigger in its unemployment figure during this 90-day period.

Mr. KAZEN. It is very unfortunate, because in my own city there was a recent base closing, and we have a consistent unemployment rate, which has now reached the figure of 19.8 percent unemployment, and yet my people cannot take advantage of bills like this.

Mr. MILLS. No, it cannot, because the law itself looks at the unemployment rate within the State as a whole. We have never been able to break it down to areas less than that of the State as a whole. We have not been able to do it.

We are dealing now with a type of unemployment on occasion that causes us to wonder why it is not possible sometimes to do what the gentleman speaks about, because the gentleman knows and I know that unemployment that may be brought about through some lack of energy, for instance, could result from closings of some bases by the Government or some change in the governmental policy, which could affect one area of the State disastrously although it does not have uniform effect in the State as a whole.

This type of unemployment I think is sufficient to cause the committee to give consideration to the gentleman's idea.

Mr. KAZEN. I wish the chairman would give consideration to that situation. Our unemployment consistently stayed between 10 and 12 percent, but within the last 18 months it has gone up to 19.8 percent. Yet the President in his Houston message last week said that the national average was 5.2 percent. Well, you can imagine what my people feel like—5.2 percent is not bad, but, my gosh, 19.8 percent is disastrous.

Mr. MILLS. It is a lot worse. I agree with the gentleman.

Mr. ANDERSON of Illinois. Mr. Speaker, I rise in support of H.R. 12920, the Peace Corps authorization for fiscal 1975. This bill authorizes $82.3 million to finance the operations of the Peace Corps in fiscal 1975, plus an additional $1 million for increases in pay, salary, retirement, and other benefits which may be authorized in the coming fiscal year.

Mr. Speaker, the Peace Corps is now 13 years old and, in my opinion, remains one of the most successful bilateral foreign assistance programs ever conceived. To date, over 50,000 Americans have served overseas with the Peace Corps, assisting other countries with their development needs. At present there are 6,500 Peace Corps volunteers serving in over 60 countries, and, it is anticipated that in fiscal 1975 Peace Corps will be fielding 6,800 volunteers.

Mr. Speaker, just as the needs of the developing countries have changed over the last 13 years, so too has the character of the Peace Corps in order to meet those changing needs. The developing countries have been demanding more volunteers with special skills, and the Peace Corps has been responding to this need by providing more experienced personnel. The developing countries have been making a greater effort to integrate Peace Corps operations with their overall development programs, and the Peace Corps has responded by going to in-country training and greater host country involvement in the operation of the Peace Corps. This trend is consistent with the shift in our foreign policy from the paternalism of the sixties to partnership in the seventies. I support these new directions at Peace Corps and the plans contained under this authorization for continuing and expanding on these policies.

Finally, Mr. Speaker, it is my understanding that the gentleman from Massachusetts (Mr. Harrington) will be offering an amendment to increase the readjustment allowance for regular volunteers from $75 a month to $100 a month, and for volunteer leaders and heads of households from $125 a month to $175. These basic allowances, which are set aside for volunteers to be used during the transition period to new jobs when they return to the United States have been in effect since the very inception of the Peace Corps, even though the cost of living over that period has risen 56.4 percent. The proposed increases in the Harrington amendment are still below that cost-of-living increase, being 33 and 40 percent, respectively. I would therefore urge support for and adoption of the Harrington amendment which will have the effect of increasing the authorization by only $2 million.

Mr. TIERNAN. Mr. Speaker, today we must consider a measure of extreme urgency, H.R. 13025, which originally passed the House on March 5.

During Senate consideration of this measure an amendment was added that is of vital importance to those areas in our country suffering from excessive unemployment. This amendment would continue for an additional 3 months a provision under which States can elect to provide an additional 13 weeks of extended benefits under certain conditions. Present law will expire on March 31, however, passage of this amendment will extend this provision through June 30.

The unemployment rate in my own State, Rhode Island, has been severely affected by the closing of the Quonset and Newport Naval Bases. The extensive and growing caseload is putting a severe strain on the State's unemployment fund. Present law allows States up to 2 years in which to pay back advances which they may receive from the Federal Government if they need them to pay unemployment compensation benefits. This amendment would allow an additional year for repayment to States whose advances would otherwise be due for repayment this year.

I commend the Senate on these amendments and urge their unanimous adoption by the House this afternoon.

Mr. BIAGGI. Mr. Speaker, I rise in support of this motion to concur with the Senate amendment to extend unemployment compensation benefits for an additional 13 weeks. The plight of the over 5 million unemployed American men and women is an increasingly desperate one, and while this amendment will not solve all their probems, it will insure that many of them can avoid financial destitution in the coming months.

While I can readily support temporary legislative efforts such as this, it would be more appropriate to find solutions to the root causes of unemployment in this country. We must work to make the promotion rather than the elimination of jobs, the order of the day. We must convince the present administration to abandon their reckless and illconceived economic policies, policies which help the other peoples of the world, while abandoning the economic needs of millions here at home.

While it is true that millions of unemployed men and women will be grateful at our actions here today, the mere fact that they have been relegated to relying on public assistance is a bitter pill to swallow. Let us help these people stay afloat for now, but not ignore the real need, to find a job. Our foremost economic priority should be the assurance of employment for every able-bodied American. There is no matter more important to the future economic health and well being of this Nation.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The motion was agreed to.

The SPEAKER. The Clerk will report the Senate amendment to the title of the bill.

The Clerk read the Senate amendment to the title of the bill, as follows:

Amend the title so as to read: "An Act to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who receive aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that Act, and for other purposes.".

### MOTION OFFERED BY MR. MILLS

Mr. MILLS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Mills moves to concur in the Senate amendment to the title of the bill (H.R. 13025).

The SPEAKER. The question is on the motion offered by the gentleman from Arkansas.

The motion was agreed to.

The Senate amendments, as amended, were concurred in.

A motion to reconsider was laid on the table.

### GENERAL LEAVE

**Mr. MILLS.** Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their remarks at this point in the RECORD on this bill and that I may be permitted to extend my remarks and include certain extraneous matter in connection with my statement.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

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## SENATE AMENDMENTS TO S. 1745, SUDDEN INFANT DEATH SYNDROME

**Mr. STAGGERS.** Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 1745) to provide financial assistance for research activities for the study of sudden infant death syndrome and for other purposes, with a Senate amendment to the House amendment thereto, and concur in the Senate amendment to the House amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

In lieu of the matter proposed to be inserted by the House engrossed amendment insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Sudden Infant Death Syndrome Act of 1974".

SUDDEN INFANT DEATH SYNDROME RESEARCH

SEC. 2. (a) Section 441 of the Public Health Service Act is amended by striking out "an institute" and inserting in lieu thereof "the National Institute of Child Health and Human Development".

(b) (1) Such section 441 is further amended by inserting "(a)" after "SEC. 441." and by adding at the end thereof the following:

"(b) The Secretary shall carry out through the National Institute of Child Health and Human Development the purposes of section 301 with respect to the conduct and support of research which specifically relates to sudden infant death syndrome."

(2) Section 444 of such Act is amended (1) by striking out "The Surgeon General" each place it occurs and inserting in lieu thereof "The Secretary", and (2) by striking out "the Surgeon General shall, with the approval of the Secretary" in the first sentence and inserting in lieu thereof "the Secretary shall, in accordance with section 441(b),".

(c) (1) Within ninety days following the close of the fiscal year ending June 30, 1975, and the close of each of the next two fiscal years, the Secretary shall report to the Committees on Appropriations of the Senate and the House of Representatives and to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives the following information for such fiscal year:

(A) The (i) number of applications approved by the Secretary in the fiscal year reported on for grants and contracts under the Public Health Service Act for research which relates specifically to sudden infant death syndrome, (ii) total amount requested under such applications, (iii) number of such applications for which funds were provided in such fiscal year, and (iv) total amount of such funds.

(B) The (i) number of applications approved by the Secretary in such fiscal year for grants and contracts under the Public Health Service Act for research which relates generally to sudden infant death syndrome, (ii) total amount requested under such applications, (iii) number of such applications for which funds were provided in such fiscal year, and (iv) total amount of such funds. Each such report shall contain an estimate of the need for additional funds for grants or contracts under the Public Health Service Act for research which relates specifically to sudden infant death syndrome.

(2) Within five days after the Budget is transmitted by the President to the Congress for the fiscal year ending June 30, 1976, and for each of the next two fiscal years, the Secretary shall transmit to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Labor and Public Welfare of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives an estimate of the amount requested for the National Institutes of Health for research relating to sudden infant death syndrome and a comparison of that amount with the amount requested for the preceding fiscal year.

COUNSELING, INFORMATION, EDUCATIONAL AND STATISTICAL PROGRAMS

SEC. 3. (a) Title XI of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART C—SUDDEN INFANT DEATH SYNDROME

"SUDDEN INFANT DEATH SYNDROME COUNSELING, INFORMATION, EDUCATIONAL, AND STATISTICAL PROGRAMS

"SEC. 1121. (a) The Secretary, through the Assistant Secretary for Health, shall carry out a program to develop public information and professional educational materials relating to sudden infant death syndrome and to disseminate such information and materials to persons providing health care, to public safety officials, and to the public generally.

"(b) (1) The Secretary may make grants to public and nonprofit private entities, and enter into contracts with public and private entities, for projects which include both—

"(A) the collection, analysis, and furnishing of information (derived from post mortem examinations and other means) relating to the causes of sudden infant death syndrome; and

"(B) the provision of information and counseling to families affected by sudden infant death syndrome.

"(2) No grant may be made or contract entered into under this subsection unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribed. Each applicant shall—

"(A) provide that the project for which assistance under this subsection is sought will be administered by or under supervision of the applicant;

"(B) provide for appropriate community representation in the development and operation of such project;

"(C) set forth such fiscal controls and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this subsection; and

"(D) provide for making such reports in such form and containing such information as the Secretary may reasonably require.

"(3) Payments under grants under this subsection may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(4) Contracts under this subsection may be entered into without regard to sections 3648 through 3709 of the Revised Statutes (31 U.S.C. 529; 44 U.S.C. 5).

"(5) For the purpose of making payments pursuant to grants and contracts under this subsection, there are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1975, $3,000,000 for the fiscal year ending June 30, 1976, and $4,000,000 for the fiscal year ending June 30, 1977.

(e) The Secretary shall submit, not later than January 1, 1976, a comprehensive report to the Committee on Labor and Public Welfare of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives respecting the administration of this section and the results obtained from the programs authorized by it."

(b) The title of such title XI is amended by adding at the end thereof "AND SUDDEN INFANT DEATH SYNDROME".

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

**Mr. CARTER.** Mr. Speaker, I reserve the right to object.

**Mr. STAGGERS.** If the gentleman will yield.

Mr. Speaker, as the Members know, the House recently passed legislation designed to support study on the causes of sudden infant death syndrome. The House bill was an amendment to a similar bill passed by the Senate and at my direction a compromise has been worked out on the few minor differences between the bills. That compromise has passed the Senate and has been sent to us as an amendment to our bill.

It eliminates the few differences between the bills. The first of these was that the Senate bill provided $24 million in specific authorizations for research on the causes of sudden infant death syndrome, while the House amendment provided that research on SIDS be continued and expanded under existing authority.

The compromise eliminates the $24 million authorization but does provide for detailed oversight of the research and funding for SIDS.

The Senate bill also provided a $12 million authorization to fund regional centers conducting statistical, informational and counseling programs on sudden infant death syndrome. The House amendment did not call for these regional centers but did authorize $6 million for similar programs.

The compromise eliminates authority for regional centers, but does provide $9 million for support to informational, statistical, and counseling programs on SIDS. The Senate bill also provided grant and contract authority for educational and informational programs on SIDS, while the House amendment directed that these programs be conducted by HEW with existing funds. The compromise contains the House's provision on this matter.

The only other difference between the bills was on reporting progress made under the legislation and here again the compromise contains the House provision which we have already accepted. The differences between the bills were minor to start and have been resolved largely in favor of the House provisions so there seems to be no reason to not vote for this compromise.

**Mr. CARTER.** Mr. Speaker, I would like to ask a question of the chairman. I would like to ask the chairman if this matter was worked out in a conference between the House and the Senate or if this was done between the staffs of the majority of the House and the Senate.

Mr. STAGGERS. Let me say that with the agreement of the Senate, it is essentially the House bill, Dr. CARTER. It is essentially the same as the House bill.

Mr. CARTER. However, if we are to support this legislation, we should know fully how it was considered. The way in which the conclusions were arrived at was not according to the usual procedures and, therefore, subject to objection.

It was not done by a conference of the Members, but only by a meeting of the staff. I shall not object, Mr. Speaker, but I do reserve the right to object. I do want to point out to the distinguished gentleman from West Virginia (Mr. STAGGERS), the chairman of the committee, that this matter of concern has previously come up time after time where agreements have been arrived at by members of the staff on the majority side without appropriate consultation with the minority members. This is certainly not in accord with the promise I received from the gentleman that the minority will be considered in such actions.

Mr. Speaker, I would ask the gentleman from West Virginia if the minority was consulted at any time concerning this legislation?

Mr. STAGGERS. I did not think they needed to be, since we retained the House version.

Mr. CARTER. This was a compromise that was worked out by the staff, and not by a conference between the House and Senate Members. I am objecting to this procedure.

Mr. STAGGERS. If the gentleman will yield further——

Mr. CARTER. I yield further to the gentleman from West Virginia.

Mr. STAGGERS. The gentleman knows that the differences were small, and were infinitesimal, with the exception of the $24 million which the Senate agreed to knock out, and I did not think it was worthwhile to bother the gentleman from Kentucky on those small differences.

Mr. CARTER. Mr. Speaker, this is the way in which many serious errors result, because if we permit our staff to work out compromises between the House and Senate without consulting the minority, we violate the usual procedures. I am only asking that we appropriately observe these procedures.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I would ask the gentleman from West Virginia, is it true that this agreement was worked out and never submitted to the members of the conference, the managers on the part of the House, the majority as well as the minority; is this true?

Mr. STAGGERS. Let me say to the gentleman from Iowa that the Chair gave directions to the staff. There was no conference on this bill because it is a small bill and because the differences between the House and Senate bills were very small. I directed the staff to work out the small differences with the Senate, which they did generally by getting the Senate to agree to the House version. The Senate then amended the House bill with the compromise and we are now trying to agree to that amendment. This is appropriate parliamentary procedure, which allows us to avoid the trouble of a conference when faced with such small differences. If the minority does not feel it was appropriately consulted, I apologize for that.

Mr. GROSS. Mr. Speaker, I am sorry, but I cannot hear the gentleman.

Mr. STAGGERS. If the gentleman would wait 1 minute, there is not a staff member on my staff, whether Democrat or Republican, whom I did not hire them that way, and the gentleman from Kentucky (Mr. CARTER) knows that, and every staff member is picked in that way.

Mr. GROSS. Mr. Speaker, I submit that that is not the question.

Mr. STAGGERS. Well, what is the question?

Mr. GROSS. The question is: was the agreement reached in this matter by the staff without having been agreed to by the managers in the conference on the part of the House, by either the majority or the minority?

Mr. STAGGERS. That is not true, because I was consulted and gave directions to the staff as to what we could do.

Mr. GROSS. Is there a conference report signed by the Members of the House?

Mr. STAGGERS. There is not for the reasons I explained. I brought this up before our committee this morning.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

It was my understanding, when the gentleman from West Virginia spoke to me about calling this matter up, that this was a valid conference report. Apparently it is not. Is the gentleman going to object to further proceeding?

Mr. CARTER. This is a very worthwhile bill, and I hesitate to object. But since it has been brought up in a manner contrary to the usual procedures. I am constrained to object.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. CARTER. I yield to the distinguished gentleman from West Virginia.

Mr. STAGGERS. I thank the gentleman for yielding.

I will say to the gentleman that he should know it was brought up before the committee this morning. I stated then as to what I intended to do on the floor. There was no objection raised. I would say to him that I was the one who directed the staff to do what they did, and it is the House bill that came back to us. I see nothing wrong with it.

Does the gentleman wish to object to this today?

Mr. CARTER. I object because the minority was not notified and had no participation in the negotiations between the House and the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

Mr. CARTER. I object.

The SPEAKER. Objection is heard.

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## AUTHORIZING ADDITIONAL APPROPRIATIONS TO CARRY OUT THE PEACE CORPS ACT

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 994 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 994

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12920) to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Ohio (Mr. LATTA), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 994 provides for an open rule with 1 hour of general debate on H.R. 12920, a bill to authorize additional appropriations to carry out the Peace Corps Act.

H.R. 12920 authorizes the appropriation of $82,256,000 for the Peace Corps for fiscal year 1975. It also authorizes an additional appropriation of up to $1 million for increases in salary, pay, retirement and other employee benefits.

The bill also relieves disbursing and certifying officers of the Peace Corps and Action from liability from erroneous payments of readjustment allowances made to volunteers, except in cases of fraud.

Mr. Speaker, I urge the adoption of House Resolution 994 in order that we may discuss and debate H.R. 12920.

Mr. LATTA. Mr. Speaker, the rule providing for the consideration of H.R. 12920, the Peace Corps Authorization, is House Resolution 994. This is an open rule with 1 hour of general debate.

The primary purpose of H.R. 12920 is to authorize $82,256,000 for the Peace Corps for fiscal year 1975. With an authorization for 6,800 members, this means a cost of over $12,000.00 per Peace Corps member. However, the Peace Corps member will receive only $75 per month. In my opinion, this is far too much for administrative and other costs.

The bill also authorizes an additional $1,000,000 for increases in employee benefits. It also relieves disbursing and certifying officers of the Peace Corps and Action from liability for erroneous payments of readjustment allowances made to volunteers between March 1, 1961, and February 28, 1973, except in cases of fraud.

The committee report indicates that the total cost of the Peace Corps in fiscal year 1975 should not exceed $83,256,000.

Mr. Speaker, I urge the adoption of this rule.

Mr. Speaker, I have no requests for time, and I reserve the balance of my time.

Mr. PEPPER. Mr. Speaker, I have no requests for time.

I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BRINKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 380, nays 9, answered "present" 1, not voting 42, as follows:

[Roll No. 104]

YEAS—380

Abdnor
Abzug
Adams
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Badillo
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Biaggi
Biester
Bingham
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chisholm
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Diggs
Donohue
Dorn
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Forsythe
Fountain
Frenzel
Frey
Fulton
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Grasso
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
King
Koch
Kuykendall
Kyros
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McKay
McKinney
McSpadden
Macdonald
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Brien
O'Neill
Owens
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Regula
Rhodes
Riegle
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Ariz.
Steiger, Wis.
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, N.C.
Teague
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waggonner
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—9

Bevill
Brinkley
Gross
Hanrahan
Landgrebe
Passman
Rarick
Snyder
Taylor, Mo.

ANSWERED "PRESENT"—1

Thompson, N.J.

NOT VOTING—42

Anderson, Ill.
Blatnik
Brasco
Burke, Fla.
Carey, N.Y.
Chappell
Dingell
Fisher
Flynt
Ford
Fraser
Frelinghuysen
Froehlich
Gettys
Gibbons
Gray
Gude
Hansen, Wash.
Hogan
Huber
Jarman
Jones, Tenn.
Kluczynski
Lujan
Metcalfe
Minshall, Ohio
Nelsen
O'Hara
Parris
Patman
Rees
Reid
Reuss
Roncallo, N.Y.
Rooney, N.Y.
Ryan
Schroeder
Skubitz
Stephens
Tiernan
Treen
Yatron

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Kluczynski with Mr. Blatnik.
Mr. Rooney of New York with Mr. Gray.
Mr. Tiernan with Mrs. Hansen of Washington.
Mr. Yatron with Mr. Patman.
Mr. Carey of New York with Mr. Frelinghuysen.
Mr. Brasco with Mr. Skubitz.
Mr. Chappell with Mr. Huber.
Mr. Fraser with Mr. Anderson of Illinois.
Mr. Reid with Mr. Hogan.
Mr. Gettys with Mr. Nelsen.
Mr. O'Hara with Mr. Gude.
Mr. Metcalfe with Mr. Jones of Tennessee.
Mr. Stephens with Mr. Burke of Florida.
Mr. Dingell with Mr. Lujan.
Mr. Gibbons with Mr. Minshall of Ohio.
Mr. Jarman with Mr. Froehlich.
Mr. Reuss with Mr. Roncallo of New York.
Mr. Flynt with Mr. Parris.
Mr. Ryan with Mr. Treen.
Mr. Ford with Mr. Rees.
Mr. Fisher with Mrs. Schroeder.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12920) to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania (Mr. MORGAN).

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 12920) with Mr. PIKE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. MORGAN) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. BROOMFIELD) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. MORGAN).

Mr. MORGAN. Mr. Chairman, I yield myself such time as I may consume.

The bill which is being presented for your consideration today would grant a 1-year extension to an organization which, in my opinion, is one of America's best investments abroad—the Peace Corps.

For 13 years, the Peace Corps volunteers have been helping poor people in every part of the world to achieve a better life.

It also provides thousands of young Americans with an unequaled opportunity to gain an understanding of the complex problems which confront the less developed countries—problems which influence the larger issues of peace and economic progress for all nations.

Because of the experience gained in their service abroad, Peace Corps volunteers return home better equipped to help solve our own domestic problems as well as those problems which our country must face on the world scene.

### PURPOSE

Mr. Chairman, the bill H.R. 12920, authorizing appropriations to carry out the Peace Corps Act in fiscal year 1975, has three main purposes:

First, it authorizes $82,256,000 to finance Peace Corps operations during the coming fiscal year.

Second, it limits the amount which can

be appropriated to pay for possible employee salary and benefit increases to $1 million in fiscal year 1975.

Third, it will rectify a $315,000 imbalance in the Peace Corps readjustment allowance account which resulted from overpayments made to Peace Corps volunteers between March 1, 1961, and February 28, 1973.

### COMMITTEE ACTION

As demonstrated by the final vote of 22 to 2, H.R. 12920 was ordered reported from the committee with strong bipartisan support.

While the full executive branch request of $82,256,000 to finance Peace Corps was approved, the committee made one substantive amendment in the administration's proposal:

In place of an open-ended contingency authorization to pay for possible increases in employee salaries and benefits during fiscal year 1975, the committee placed a $1 million ceiling on funds authorized for this purpose.

Two amendments were voted down by large margins.

One of the defeated amendments would have increased the funding authorization to $115,700,000.

The other amendment rejected by the Committee would have doubled the readjustment allowance for volunteers. According to the Peace Corps Director, this issue is under study and if an increase in the allowance is found to be justified, a proposal will be included in the administration's fiscal year 1976 request.

### BUDGET BREAKDOWN

Mr. Chairman, I would now like to say a few words about the budget proposed in the bill before us.

The authorization in section I of the bill represents an increase of $5,255,000 over the authorization for fiscal year 1974.

The budget presented to the Committee by Action/Peace Corps officials shows that the authorization requested for fiscal year 1975 is divided primarily among three activities:

First, $46,369,000, an increase of $2,625,000, is budgeted to support the training of 4,800 volunteers, an increase of 100 over fiscal year 1974, and to finance 6,800 volunteer man-years in the field, an increase of 310 over the last fiscal year;

Second, $34,887,000, and increase of $2,391,000, will be used to finance support costs of Peace Corps programs and agencywide support costs; and

Third, $822,560, or 1 percent of the total authorization, will be devoted to upgrade the planning, program development, and evaluation capability of the Peace Corps.

The committee agreed that the modest increase in volunteers is justified due to the increasing demand for skilled, job-experienced volunteers by host countries.

In relation to their increasing demand for skilled volunteers, I would also like to point out that these countries are paying more out of their own pockets to support Peace Corps activities in their countries. It is expected that their contributions will increase by 20 percent this year alone.

### READJUSTMENT ALLOWANCE IMBALANCE

The readjustment allowance provisions were approved by the committee on the recommendation of the General Accounting Office. The GAO felt that this legislation is needed to clear up a shortfall that has been on the books for some time—and that it should be done in this way.

I would like to give a brief explanation of how that imbalance developed.

As you may know, the Peace Corps sets aside $75 a month for each regular volunteer. At the end of his service, the volunteer receives that money to help him readjust to life back in the United States.

In case of emergency, volunteers are permitted to draw from this account during their service abroad.

Due to an inadequate accounting system, the latter provision led to large numbers of small overpayments to some volunteers over a period of several years.

Some of these overpayments were recovered but credited to the wrong account in the Treasury. In other cases, emergency withdrawals were not reported to Washington before final payment of the readjustment allowances. In many cases, the names of the recipients of the overpayments are unknown.

The total imbalance in Peace Corps accounts amounts to less than $6 per volunteer.

This is not a large amount, but the General Accounting Office wants it cleared up.

### CONCLUSION

Mr. Chairman, in conclusion—I believe that the Peace Corps has been and continues to be one of America's best investments abroad.

The concept of volunteerism in our overseas programs is as relevant today as it was when President Kennedy launched the Peace Corps in 1961. For these reasons, I urge the approval of H.R. 12920.

Mr. GROSS. Mr. Chairman, will the distinguished gentleman yield,

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I would ask the gentleman if it is not true that the Peace Corps has had one of the highest administrative costs of any agency in terms of the amount of money expended?

Mr. MORGAN. Of course, those costs were high in the beginning, but I think over the 13-year period Peace Corps has done a better job in downgrading their administrative costs. As the gentleman knows, they were running a little over 30 percent years ago, but they reduce them to about 26 percent. Peace Corps wide salaries today average $10,736 in comparison with $13,834 for other Government agencies also. I am sure the gentleman from Iowa was present when it was developed in the hearings that Peace Corps has abolished some higher level jobs, and reduced others, especially some of those here in the District.

Mr. GROSS. Are not the administrative costs presently running about 27 percent?

Mr. MORGAN. I believe this year they run somewhere around 26 percent.

Mr. GROSS. Mr. Chairman, in the light of the tremendously high administrative costs, what excuse could there possibly be for these overpayments totaling $315,000?

Mr. MORGAN. Of course, as the gentleman knows, the Peace Crops is not solely responsible for this imbalance, because the Treasury Department is also involved here. Some of the money was returned, and evidently was credited to wrong accounts.

In other cases, the overpayments were small and would be costly to collect. But we are very fortunate the overpayments are small. As we all know, it is not unusual for many agencies to have some overpayments. They have different authorities, however, whereby they can balance off these overpayments. But the Peace Corps has nothing in their legislation whereby they can write off these overpayments.

In our social security system, if an individual can prove that he or she is in need, he or she can write off similar overpayments. But Peace Corps cannot. We must have this amendment to enable them to correct this situation.

Mr. BROOMFIELD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to express my strong support for H.R. 12920, which would authorize appropriations for the Peace Corps for fiscal year 1975.

Chairman MORGAN has already described the bill in detail so I will devote my comments to the progress of the Peace Corps under the ACTION agency.

I think it is important to point out that at a time when many of our foreign assistance programs are under fire here at home and overseas the Peace Corps has become the program with the most support among the American people.

A recent survey of American attitudes toward the problems of developing countries and programs designed to help them, which was conducted by the Overseas Development Council, showed that of those interviewed 88 percent rated the Peace Corps as being effective in providing aid to developing countries.

While this may be a surprise to some, it is not to me, Mr. Chairman, or to anyone who knows and understands the great job the Peace Corps volunteers are doing overseas.

Peace Corps works at the grassroots level in 68 countries where the help is most needed and where it can be disseminated most effectively.

The Peace Corps of today consists of people with skills. They speak the language of the countries in which they service, and they live at the same level as the people they serve. As a result, they are accepted by the people to whom they are teaching the skills necessary for their very survival.

Mr. Chairman, the Peace Corps is a people-to-people program, and therein lies its effectiveness and its continued success.

I urge my colleagues to support this bill.

Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. WHALEN).

Mr. WHALEN. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of H.R. 12920.

I believe that the Peace Corps is one of the best foreign assistance programs sponsored by our Government. A good example of the effectiveness of the Peace Corps is its involvement in the Sahelian drought relief efforts.

Since the early 1960's, Peace Corps has been one of the principal agencies providing development assistance to the Sahelian nations now suffering from the drought. The Peace Corps involvement in the area has not been limited to stopgap measures. On the contrary, Peace Corps volunteers have been working on medium and long-term projects such as irrigation, well construction, reforestation, health, and nutrition.

As we all know, the Peace Corps is basically a manpower program. In the past the absence of material support from donor agencies limited Peace Corps' effectiveness in the area; however, since the severity and magnitude of the problem was discovered last year, Peace Corps has been receiving strong support from donor agencies such as Aid, Oxfam, et cetera.

In the last year Peace Corps volunteers who speak the language, know the area, and have the confidence of the people, have been instrumental in helping these donor agencies to deliver effectively all kinds of assistance to the people of the Sahel. This example of Peace Corps involvement and effectiveness in the Sahel region is yet another proof of the tremendous job the Peace Corps is carrying out in the 69 countries it serves. It is an effort that commands our respect and admiration.

I urge my colleagues to support this bill.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana (Mr. HAMILTON).

Mr. HAMILTON. Mr. Chairman, the Peace Corps is doing well and even expanding in the Near East, north Africa and south Asia areas. Programs which began in the early 1960's continue in India, Afghanistan, Nepal, Tunisia, Morocco, and Iran, and some 700 volunteers are now in these countries. Since September 1973, the Peace Corps has expanded to some of the smaller states of the Persian Gulf—Bahrain, Oman and the Yemen Arab Republic. The Peace Corps can point with pride and satisfaction to its successes in all these states, many of which have poor populations and dire needs for basic technical and vocational skills.

As the Peace Corps comes of age in some of these countries, the willingness of the states to contribute more to the volunteers' operations has increased. The contributions of Iran and Tunisia are noteworthy, and Iran's contribution increased $60,000 this past year. Iran, with all its oil revenues, should be expected to contribute even more next year and the Peace Corps should actively seek greater Iranian financial participation.

### EMPHASIS ON PROGRAMS

While education programs at all levels, including teacher training and vocational training, continue to preoccupy most of the volunteers working in these regions, agricultural and rural development programs have become increasingly important in recent years and now they account for one-fourth of all the Peace Corps' activities. This change in focus reflects in part the increasing orientation of our bilateral aid programs with the poor and with the problems of remote and rural regions within countries. Mother and child health care, nutrition, nursing and TB control programs also receive substantial attention in some of these countries.

In Iran, Tunisia, and Morocco, the Peace Corps has supplied a large number of architects and urban planners who have over the years contributed an impressive number of building designs and town plans as well as training local citizens in the important art of urban planning. In recent years, one focus of these architects and planners has been low-cost housing.

Another important field in which the Peace Corps has provided essential skills and in which local talent is not yet fully trained is in the area of professional business services including public management and accounting. These skills, so necessary for the running of effective government at all levels, are often in short supply outside the main ministries in the capital, and sometimes, they are scarce even there. The Peace Corps has emphasized helping others acquire the technical training so that they can be more productive citizens.

### RECENT SUCCESSES

Mr. Chairman, last year during the floor debate on the Peace Corps authorization, several members of our committee, including myself, pointed to certain outstanding recent achievements of the Peace Corps. At that time, I mentioned the good work of volunteers in Iran over the years and the diversity of technical skills they were giving and teaching to Iranians. I also mention the role volunteers played in Afghanistan during Operation Help, an impressive disaster relief operation which helped save some 200,000 people from starvation.

Three quick examples might highlight some of the Peace Corps' many recent accomplishments in other countries. The involvement of the Peace Corps in urban affairs in Tunisia dates back to 1962, but in the last few years the accumulating results have become impressive. The volunteers have designed over 150 buildings in Tunisia's urban centers and they have restored some 50 monuments of historical, cultural, and religious importance. In addition, the volunteers have developed over 50 comprehensive town plans for various rural centers throughout the countryside. Today, some of these architectural service programs are shifting to teaching or rural town problems, including low cost housing. But the success of the Peace Corps in this area is serving a basic development need of a friendly country.

In Morocco, the Peace Corps has been developing an interesting program with an American university. The University of Minnesota agricultural intern program now gives prospective volunteers a special agricultural training course in the senior year prior to a summer Peace Corps training session and arrival in Morocco. The idea of a built-in Peace Corps program that utilizes existing academic institutions in a constructive, time- and money-saving approach offers a new direction to the Peace Corps for fulfilling its needs and those of the host country.

What the Peace Corps did in Afghanistan in 1972 during Operation Help it did in Nepal in 1973. A fire in the Singha Durbar Secretariat building in Kathmandu did substantial damage to eight key government ministries, but Peace Corps volunteers were on hand for some time to help restore vital government services and repair the damage. And in another part of that remote country, four diligent volunteers involved in a fisheries extension program increased the number of fingerlings distributed to fish farmers from 5,000 to 200,000 in a couple of years. These actions helped this poor country to tap important resources that otherwise might have remained undeveloped and underutilized.

In late 1973, the Peace Corps also began small programs in three countries of the Arabian Peninsula, Bahrain, Oman, and the Yemen Arab Republic. Some 50 volunteers will be stationed there soon and will be working on a variety of programs in health, education, central economic planning, and water supply.

Yemen and Oman are two of the least developed countries in the world, and Oman now has to spend a substantial portion of its budget on an internal insurrection. Both states need all the help we provide to train their citizens in basic bookkeeping, accounting, and management skills as well as trying to open up remote regions of the countries which may still be almost totally inaccessible. It is hoped that these two programs are able to establish themselves and help convince those states and some of their oil-rich neighbors that American technology and skills can make a significant contribution to the development of the entire Persian Gulf region.

Mr. Chairman, the Peace Corps continues to be an important instrument of American foreign policy. Volunteers carry an essential message to ordinary citizens around the world, a message that America does care about helping others help themselves. The technical and vocational skills we export through the Peace Corps are sent because others want and need those skills and because they are willing to help pay for them. As long as others desire such assistance on that basis, we must be willing to provide it as best we can.

I urge my colleagues to support the Peace Corps.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

Mr. BROOMFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Evidently a quorum is not present. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 105]

Addabbo
Anderson, Ill.
Ashley
Bingham
Blackburn
Blatnik
Brasco
Burke, Fla.
Carey, N.Y.
Carney, Ohio
Chappell
Clark
Conyers
Diggs
Erlenborn
Esch
Fisher
Flynt
Ford
Forsythe
Fraser
Frelinghuysen
Froehlich
Gettys
Gibbons
Gray
Gubser
Gude
Hanna
Hansen, Wash.
Hébert
Hogan
Holifield
Holtzman
Huber
Jarman
Jones, Tenn.
Kluczynski
Latta
Leggett
Madigan
Martin, Nebr.
Metcalfe
Minshall, Ohio
Murphy, N.Y.
O'Hara
Parris
Patman
Podell
Rees
Reid
Reuss
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Ryan
Schroeder
Smith, N.Y.
Steed
Stephens
Stuckey
Symington
Thompson, N.J.
Tiernan
Treen
Wiggins
Wilson, Charles H., Calif.
Yatron

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. PIKE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 12920, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 364 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the journal.

The Committee resumed its sitting.

The CHAIRMAN. When the Committee rose, the gentleman from Colorado (Mr. JOHNSON) had been recognized for 5 minutes.

The Chair recognizes the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, to speak against the Peace Corps is to speak against one of the "sacred cows" we have in this country. As the distinguished ranking Member pointed out, this is one of the most popular programs we have with respect to forign aid.

Of course, the Peace Corps was a noble concept, but in actual practice, as it has worked out, it has not lived up to the expectations or the claims that were made on its behalf.

I do not know how many Members have actually ever spoken with those returning Peace Corps volunteers, but I have, and almost inevitably they speak about the failures of the program. They are all severe critics of the program, from my experience.

Last year a lady returned to my district after a period of time in Morocco. She and her husband had been volunteers over there. When she got back, she was so disillusioned about this program and about its waste that she wrote this article, and I want to read the article to the membership, because to me it epitomizes what has happened in this particular program.

For those Members who still have open minds on this subject, I think they will find it a devastating article. The article follows:

Recently my husband and I returned from Morocco as Peace Corps volunteers and have a few things to tell the public about how tax money is being spent overseas.

Here's my story:

After three months of intensive language training we were sent to our stationed sites for our two years of diligent work.

My huband was scheduled for four hours of teaching a week. That was all. After much hollering to Peace Corps and the director of his school he was given an extra two hours.

Later he learned that another school just out of town needed a physical education teacher since theirs had not yet shown up so he asked permission from Peace Corps to go to the school and ask to teach.

The Director of P.C. (Peace Corps) flatly refused him permission and told him to relax, enjoy himself and not to make waves. He had a job and that was it.

My husband went anyway and the school put him to work. After a month of working at the two schools he was busy. Then the P.E. instructor came who was supposed to have the position. Back to six hours.

He formed volleyball and basketball teams but when students are in school from 8 a.m. to 6 p.m., there leaves little time for extra activities. Studying Arabic for two hours a day and mingling with the people kept him going—but barely.

The only thing that saved us was the fact that there are many Moslem holidays and school is out—so we traveled. During November, December and January we had five vacation periods and spent three and one-half weeks out of the three months at our site.

Here is my point: most people sign up to go to these countries for a challenge and to work but many times it just isn't possible.

Peace Corps spends millions of dollars in training, medicals, living allowances and transportation. And to what avail? So many, many volunteers aren't doing anything of any value for the countries they're in.

Peace Corps gives volunteers a generous living allowance allowing them to hire maids, rent nice apartments and Villas with nice furnishings, and all kinds of food that's available. * * * Vacation money is also allotted.

Would anyone be surprised to know that many volunteers stay only because of travel benefits. They spend time flying to Rome, Paris, Munich, the French Riviera and Spain.

We were the lucky ones who had jobs—many volunteers are unemployed. Jobs fall through, teachers are turned out by school directors because they look too young and many times are younger than 25 years old students. No cooperation with foreign governments and it goes on and on.

Peace Corps doesn't send you home because it's a black mark from Washington about job situations in that country. So volunteers stay—some of them—because they don't want to think they've failed.

You see we go through the training and the staff builds up with volunteers so full of idealistic thoughts on integrity and loyalty and so forth that you get the idea if you terminate it is your fault because you lack these qualities.

In countries like Afghanistan and India help is needed for their people. They work to survive famines and droughts. But in Morocco, Thailand, and Liberia, etc., the United States Government is doling out terrific amounts of money for volunteers to have a pleasant junket.

May I close with this—Morocco was a five-year project country. This past February Peace Corps Morocco threw a fantastic booze party celebrating their 10th anniversary in Morocco. It so happens that little Third World country has outgrown the Peace Corps, but it sure makes a nice five-year holiday playground for the staff members.

Some day I hope people will wake up and protest our Government funding.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

(By unanimous consent, Mr. JOHNSON of Colorado, at the request of Mr. BROOMFIELD, was allowed to proceed for 1 additional minute.)

Mr. BROOMFIELD. Will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman.

Mr. BROOMFIELD. I want to ask the gentleman if he would inform the Members as to what country this volunteer was in and for what period of time.

Mr. JOHNSON of Colorado. In Morocco, and she got back last year in May. Her name is Mary L. Johnson, and her husband's name is Allen.

The point I want to make is I have spoken with many, many returning Peace Corps volunteers. In my hometown, Fort Collins, Colo., we have had a number of them volunteer from Colorado State University. It is not unique. I have talked to people who returned from South American and Asian countries. It is the normal procedure, they tell us. This one just happened to write her story.

Mr. PRICE of Texas. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Colorado. I yield to the gentleman.

Mr. PRICE of Texas. I thank the gentleman for yielding.

I agree with him that for too long everybody has turned their back on this operation. Traveling in a number of these countries I have yet to see a great deal accomplished by the Peace Corps. It was a great thing for the liberals of this country who wanted to send people to various countries, but for them to come in here and ask for an additional $9 million over last year's budget, I think is completely beyond reason.

Mr. MORGAN. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. KOCH).

(By unanimous consent, Mr. KOCH was allowed to proceed out of order.)

### PRIVACY

Mr. KOCH. Mr. Chairman, the gentleman from California (Mr. GOLDWATER) and I will be having a special order on April 2 on the subject of the congressional commitment to privacy. Members of the House will be receiving letters from our colleagues Mr. HORTON, Mr. KEMP, Mr. EDWARDS, and Mr. MOORHEAD of Pennsylvania, inviting their participation in that debate. This is a bipartisan discussion because this is a bipartisan matter, and one deserving support without regard to party affiliation.

I yield to the gentleman from California.

Mr. GOLDWATER. I thank the gentleman for yielding and certainly join with in mentioning the fact that there will be a special order which will be sponsored by Mr. EDWARDS, Mr. MOORHEAD, Mr. HORTON, Mr. KEMP, and myself.

The concern over privacy seems to have come of age. There is a great deal of discussion about it. Currently, there are over 207 different pieces of legislation in the House and I think 62 in the Senate. This is an issue which we need to address ourselves to. I would urge every Member of the House to come and participate and shed light on this issue and point out some of the problems we have in the whole area of privacy.

So I congratulate the gentleman for making his announcement and join with him in sponsoring this special order.

Mr. Chairman, privacy is control over knowledge about oneself, requiring a sense of security and a justified, acknowledged power over aspects of one's environment. This is not just an absence of information about ourselves, it is the feeling of security in controlling information. The issue of information protection or data surveillance involves the Congress determining proper legal limits to information collection and use and granting appropriate controls to American citizens.

For a decade, Members of the House have been involved in investigating Federal information practices and those of the private sector. Familiar issues are these: the proposal to create a Federal Statistical Data Center, lengthy debate over enactment of the Fair Credit Reporting Act, controversial debate over 1970 decennial census plans, number, size, and pervasiveness of Federal data banks, extending Federal employees' right to privacy, and U.S. Army civilian surveillance practices. Most of these subjects are still current topics of conversation and debate.

The 93d Congress follows recent tradition in commitment to restoring and retaining rights of privacy of individuals. As of March 13, 1974, in the House there were 207 different sponsors and cosponsors of 102 bills and resolutions in the privacy field; there were also 62 Senators making or cosponsoring legislative proposals. The fact that a majority of the total House and Senate support such action is heartening. It is the lack of cohesion, the fragmented approach to congressional action which, in part, has slowed progress in enacting broad purpose legislation. Nevertheless, important legislative accomplishments are in the making, and the list of bills introduced is impressive.

Individuals would be apprised of the records held by Federal agencies and have certain rights of access and other protections; and a Federal Privacy Board would be created to regulate personal information practices in legislation before the Government Operations Committee. Two days of hearings have been held.

Legislation to amend the Freedom of Information Act to limit exemptions to disclose information was passed.

A code providing standards of fair information practices, patterned after an HEW Advisory Committee report is before the Judiciary Committee.

Bills governing financial disclosure by financial institutions are before the Banking and Currency Committee.

The practices of distributing, selling, or otherwise making available lists of names and addresses of individuals would be prohibited by several measures.

Bills to protect the political rights and privacy of individuals and organizations and to define the authority of the armed forces to collect, distribute, and store information about civilian political activity are pending.

Employees of the Federal Government would be protected against unwarranted government invasions of privacy if several bills are enacted. April hearings before the Post Office and Civil Service Committees are planned.

The use and dissemination of criminal arrest and other law enforcement records, particularly related to the National Criminal Identification Center's programs are now before the Judiciary Committee and a first day of hearings was held on July 26, 1973.

Resolutions are pending before the Rules Committee to create a Select Committee on the Right to Privacy. This would allow for greater House concentration of many facets of privacy protection.

Measures to prohibit the requirement that persons provide their social security number on any occasion not relating to their social security account are before the Ways and Means Committee.

Other legislation would restrict wiretapping, transfer of personal income tax records, limit mandatory decennial census questions, and prohibit unsolicited commercial telephone calls.

Mr. KOCH. I thank the gentleman.

Mr. ROSTENKOWSKI. Mr. Chairman, I rise in support of H.R. 12920 which would authorize additional funds for the Peace Corps.

H.R. 12920 would provide $82,256,000 for fiscal year 1975. This represents a $5.3 million increase over the 1974 appropriation, but still is less than the $88,027,999 million authorized in 1973.

The Peace Corps is an important national asset which represents a highly successful innovative idea in foreign policy.

Since its inception in 1961 under the resourceful leadership of R. Sargent Shriver, the Peace Corps has been an important means for sharing American know-how with others and helping less developed countries solve their own problems. By the living, working and sharing arrangement of the Peace Corps, its volunteers help promote world peace through a better understanding of our country.

There have been problems as there are in every successful program, but the training program and screening process have been altered to better serve the host countries. Today's volunteers are more mature and experienced in the skills requested by the underdeveloped countries.

Mechanics, farmers, specialists in watershed management and soil conservation are among the current volunteers in many technical areas of expertise. Other volunteers are specialists in rural development, education, health, urban problems, business, and public management.

Peace Corps volunteers with specialized knowledge are needed in the less developed countries for priority tasks. Curtailment of the Peace Corps operation would create serious problems in these countries which have grown to depend on the services of Peace Corps volunteers in their schools and on their farms.

The emphasis in the Peace Corps is on quality not quantity. This authorization will help train more volunteers raising the total to 4,800.

I urge the continued support of my colleagues for H.R. 12920. The Peace Corps is a program that benefits all its participants and we must provide for its future.

Mrs. MINK. Mr. Chairman, I rise in support of the amendment offered by my colleagues, which would raise the readjustment allowance for Peace Corps volunteers and would also provide the necessary authorization for additional appropriations to cover this increase.

The Peace Corps has lately recognized that the needs of developing host countries are greater and more complex than first thought and has begun emphasizing the recruitment of volunteers with special skills to meet this need. This program has succeeded to the point where it now has the involvement of older, highly educated and skilled volunteers. No doubt this has improved the caliber of the Peace Corps and contributed to its value and interest for the host nations.

However, we need more skilled volunteers and the low volunteer pay has made it difficult to recruit them. Skilled volunteers are generally older and if they have families, will probably have greater financial obligations. The original Peace Corps authorization set readjustment allowances in 1962 at $75 per month of service for individual volunteers and $125 per month of service for couples with a child. Today this is a paltry sum, considering that in the intervening 12 years the Peace Corps allowances have remained the same while the Consumer Price Index jumped nearly 50 percent.

The amendment seeks a modest increase in volunteer allowances to place them more in line with the current standard of living. It would raise the $75-per-month allowance to $100 per month, a 33-percent increase; and the $125-per-month allowance to $175 per month, a 40-percent increase; and provide for additional appropriations to accomplish this. I urge the adoption of this amendment.

Mr. BROOMFIELD. Mr. Chairman, I have no further requests for time.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first phrase of section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)), ending with a colon, is amended to read as follows: "There are authorized to be appropriated for fiscal year 1975 not to exceed $82,256,000 to carry out the purposes of this Act."

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, this bill represents the latest, sad chapter in financing what is undoubtedly one of the most overblown and unproductive organizations ever created in Washington, the so-called Peace Corps.

It not only authorizes the outrageous sum of $82,256,000—to be taken, of course out of the hides of the already staggering U.S. taxpayers—but it also perpetrates the rape of those taxpayers by granting an unprecedented amnesty to Peace Corps officials who were so careless, untrained, or worse, that they handed out $315,000 in erroneous "readjustment" allowances to Peace Corps employees.

This legislation should be rejected out of hand for that reason alone, for to now excuse those officials for errors of this magnitude only invites other bureaucrats to do likewise, knowing full well that there exists a comfortable precedent that will hold them harmless, no matter how excessive their errors may be.

It can be safely predicted that the ink will hardly be dry on this bill before Federal agency and department representatives will be lining up in the Halls of Congress, clamoring for equal immunity for their employees, and using this bill as their precedent and justification.

The "forgiveness" provisions firmly set the Government of the United States on the road to saying to its officials and employees, "You need have no fear, no fear whatever, of making mistakes with the taxpayers' money, because Uncle Sam will protect you from exposure to the citizens."

If the foregoing was not enough reason for the rejection of this bill—and it is—the state of the domestic economy would provide more than enough. This Nation has poured out its wealth around the globe for more than a quarter of a century in the most stupendous and continuous river of assistance ever seen or even known to mankind. The result is that the United States is busted. We are teetering on the brink of bankruptcy. Our debt is greater than the combined debts of all the other nations of the Earth, and yet here it is proposed to provide another walloping handout.

This money will disappear without a trace, just as did the hundreds of millions already poured out in this ill-conceived operation.

Here is the opportunity to save more than $82 million, and dedicate it to a desperately needed payment on the Federal debt.

Mr. Chairman, I urge the Members of the House to practice a little fiscal sanity here today, and reject this bill.

### COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, line 3, strike out "the first phrase" and insert in lieu thereof "so much".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, line 4, strike out ", ending with a colon," and insert in lieu thereof "as precedes the first proviso thereof".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 1, line 8, strike out "Act.'" and insert in lieu thereof "Act:'."

The committee amendment was agreed to.

### AMENDMENT OFFERED BY MR. HARRINGTON

Mr. HARRINGTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRINGTON: Page 1, line 7, strike out "$82,256,000" and insert "$115,700,000" in lieu thereof.

Mr. HARRINGTON. Mr. Chairman, I rise this afternoon not to seek a rollcall on this amendment, but perhaps because it is timely to comment on efforts made to negate the value of the Peace Corps experiment, on the basis of what the results have been in the cumulative record of congressional and administration support.

What I propose to try to do is to at least have this House momentarily be made aware of the state of the world, and the disarray that is collectively the lot of what passes for civilization—disarray that we have to contend with.

My argument today is not necessarily predicated on the narrow ground of what this amendment may present, perhaps, as a means of solving the problem of providing interim employment for young people, after receiving their formal education. Instead, it is to recognize, trite as it may seem, that we are a global community. The hemisphere that we share with Latin America, for example, will see that part of the world grow in 24 years to double its present size, in population. Another part of the world, Africa, will within 27 years double its size. In the withdrawal symptoms that I note day to day, whether one measures them by the vote of this body in dealing with the International Development Bank or in the disinclination toward further foreign aid, or the variety of other ways in which I see us turning inward, I think that the relative pittance of an expanded Peace Corps is worth the effort, especially in the ironic scope of a $304 million budget submitted by this administration, because the Peace Corps provides a generation of Americans a chance to come face to face with the problems that they are going to deal with, or perhaps we will all be trying to deal with if we are to survive in some fashion over our lifetime. Perhaps my amendment can be written off as naive. It can be written off, perhaps, as insensitive to the kinds of problems that have been cited by the gentleman from Iowa and the gentleman from Colorado. But I would prefer to see this country make some mistakes in that direction if the mistakes serve to bring the citizenry face to face with those realities faced by the rest of the world.

The facts I do not think are in dispute are as follows: We have seen a sharp increase in the last 3 years, from 19,000 applicants in 1970 to 33,000 applicants in 1974, in interest in Peace Corps positions. We have seen as recently as last year, a gap of more than 1,700 positions between the number of volunteers produced by the Peace Corps and the number actually sought by would-be host nations. We have seen a gradual chilling of interest, whether it be with malice aforethought or by inattentiveness on the part of this administration, in the whole Peace Corps concept, and we can see this in the budget, which has been reduced substantially over the course of the last 4 or 5 years, from 1968's high of $115.7 million to a low, in the 1972 request, of $71.2 million.

My point in suggesting today that we at least return to where we were in the 1968 and 1969 budgets is not to contend with the reality of the likelihood of getting the administration or the committee or the Congress to change its mind; it is just to point out what has been rather grimly pointed out by someone who I think is as well documented, Robert Heilbrower, in a recent essay, "The Human Prospect." This essay, which will be the subject of a lengthier work to be published this month, reflects on the healing prospects for mankind, and the kinds of problems we face in—demographics, in food supply, and in armaments growing without control—to name but a few. These are the kinds of things, it seems to me, which are going to seriously test the civilizations, which we have tried to keep together, over the course of the next century.

We can, and should, expose a part of the generation of Americans who are going to have the responsibility of wrestling with these problems to the magnitude of them. If we can make them advocates of a cause, which I hope will go away from the "nation-state" concept and the ills that has brought, to a recognition of the interdependence of those who share the same human condition, I think the effort will be well made.

My point in offering this amendment today is not to test what I think is basically a foregone conclusion. A disinterested administration, and certainly this House, are at this point not prepared, in view of what has happened over the course of the 93d Congress, to reverse the pattern of foreign aid in general. My point is just to suggest that if we are really to face our responsibilities beyond those of the moment, we unmistakably must conclude that the more young people we can enlist to the cause of our global responsibilities, the more we can challenge their idealism, the more likely we are to begin to deal with the problems we face as a nation, and, more importantly, as a world.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. HARRINGTON was allowed to proceed for 1 additional minute.)

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. HARRINGTON. I yield to the gentleman from Texas.

Mr. GONZALEZ. I thank the gentleman for yielding.

Mr. Chairman, I rise merely to add my voice to that of his very eloquent statement.

His position is one that is most forthright. I just wanted to praise the gentleman for taking this time to address the House and offer his amendment, and the sentiments which the gentleman has expressed I subscribe to 100 percent.

Mr. HARRINGTON. I appreciate the gentleman's patience in waiting for me to yield to him and also what the gentleman said with respect to my remarks.

Mr. BROOMFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the Committee on Foreign Affairs in their recommendation of $82 million is recommending the same amount as was requested by the administration.

I think it should be pointed out it would be very difficult for the Peace Corps to use during this fiscal year any or all of the increase recommended by the gentleman from Massachusetts. The Peace Corps programing cycle alone takes 18 months from the time a request is developed in the field to the time the volunteer is on the job. In order for the Peace Corps to field the additional volunteers, which presumably would be mandated by the increase, it would have to abandon its planning and its programing and its training process and revert to the old and unpopular way of fielding bodies without regard to whether or not they actually have a well-planned job in which to serve.

The committee and the Congress has opposed and discouraged this practice throughout the years, and now the Peace Corps is becoming what we all believe to be a very effective program. We do not think we should revert to the unsound practices of the past.

As we can see, there are only two options left to the Peace Corps if the amendment were to be approved. First, not using the additional funds, and second, recruiting and fielding volunteers without the necessary skills, without well-planned programs to work in and without adequate support. In my opinion both options speak for themselves in opposition to the amendment as proposed.

Mr. HARRINGTON. Mr. Chairman, I can sympathize with the factual concerns the gentleman suggested regarding the operations of the Peace Corps, but I would suggest that in an era of ascending unemployment, as demonstrated by statistical data, we may see an increase in interest on the part of this country's population in the Peace Corps service. We must also consider the fact that the Peace Corps has had a 25-percent shortfall in supplying or meeting the needs of the host countries. I would suggest that we in the House ought to be willing to serve as a prod to get the Peace Corps to be a little more responsive to those realities.

On a pragmatic basis, as a means of dealing with the realities a new crop of college graduates might find themselves facing, this proposal of $115 million should find acceptance as a way to meet this need and to meet the demands of the world as a whole. There is ample reason to try to suggest to the administration, via this amendment that they broaden rather than narrow the Peace Corps, and move in the direction of increasing the scope of program and participation.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

Mr. BROOMFIELD. I yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I do not really know very much about this subject but one of the discouraging things it seems to me about this body is that so often we debate important matters without really talking about the issues particularly at all. If I thought we could spend $115 million here and do all the good things my idealistic friend, the gentleman from Massachusetts, wants to do, I would spend it. On the other hand, if we are wasting the money sending people on junkets and doing nothing, as my friend, the gentleman from Colorado, suggests, then $82 million is entirely too much.

I would like to see a debate here in which the gentleman from Michigan and the chairman of the committee answered the gentleman from Colorado. If he is wrong, that has not been made clear.

I would like to see somebody stand up who would give us some idea that $115 million would really do the good things the gentleman from Massachusetts advocates, if there is anything to that. We just talk around here in a vacuum. And I do not know what the fellow in the middle is supposed to do except take a chance, and he might as well flip a coin. This is no reflection on this particular debate. It is just all too typical of what goes on.

Mr. BROOMFIELD. I would like to respond to the gentleman from Indiana and point out this is one of the great problems we had when the project started in 1961. It was then a crash program and, obviously, presented new problems that the volunteers had to work to resolve.

I would like to point out that we presently have about 6,500 in the Peace Corps. This bill provides for an increase of only 310 which I think is reasonable.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment was not adopted by the committee. The committee has very carefully reviewed the program. We allowed a very small increase, as the gentleman from Michigan stated, an increase of 310 volunteers for the fiscal year 1975. This is all the Peace Corps can use affectively.

Now, the gentleman who spoke before me stated that it takes 13 months to cycle a volunteer into a job. This period cannot be shortened without lowering the quality of the program. A $115 million authorization could result in a crash program and produce the very thing the gentleman from Colorado (Mr. JOHNSON) talked about. We would not want that to happen and so I have to oppose the increase in these funds.

Now, referring to the remarks of the gentleman from Colorado, the only thing I can conclude regarding the distinguished gentleman's constituents in Morocco, is that they must have had rich parents, because a Peace Corps volunteer in the field only receives on the average $140 a month for food, clothing, housing, and local transportation. He cannot have a very big time on that, especially overseas with today's value of the dollar.

I know many, many devoted Peace Corps volunteers, who really went out on their assignments with a missionary spirit, who gave of themselves and sacrificed many advantages. They were not all young people, some were older. Our average Peace Corps volunteer today is 28 years old. He is not a youngster fresh out of college. We are sending many skilled and trained volunteers over there. The Peace Corps, in my mind, has continued to be moved by the same kind of missionary spirit which has been a part of its tradition from the start.

I know some volunteers have come back disgusted; but that happens even to some Members of this body who come here for one term and go home feeling disillusioned because they have not found the Congress, the Government, and the world to their liking.

I do not know how anyone could go overseas and have a big junket in a foreign country living on less than $140 a month.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. I agree with the questioning whether or not these people are giving accurate stories. This is not the first time I have heard this. I have heard it many, many times.

Let me ask the gentleman this. How many hours were spent in committee hearings in preparation for this? How many people were interviewed? How many committee members ever talked to returning Peace Corps volunteers?

Mr. MORGAN. I have talked to many volunteers over a period of years. I remember in 1968 when we were in Chicago at a convention of my party that they were out there in large numbers. They were enthusiastic supporters of the Peace Corps, even though they may have differed with many older people about our domestic politics.

I have talked with some Members that have come back from overseas visits, and with many members of my committee who have been in foreign countries and have seen good Peace Corps projects, especially in Latin America, particularly the country of Colombia, very worthwhile projects; and in Africa, where the Peace Corps has had some worthwhile projects; and in other parts of the world.

Sometimes we come up with a bad apple in a barrel. Sometimes people are not satisfied with their assignments in a foreign country. Sometimes they do not fit their assignments. This can happen. I am sure some volunteers, including the couple in Morocco, had legitimate complaints. But we cannot judge the whole Peace Corps operation by the experience of two dissatisfied volunteers.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield further?

Mr. MORGAN. I yield to the gentleman.

Mr. JOHNSON of Colorado. I agree with the gentleman, we cannot judge the Peace Corps like that; but again and again we hear reports that there needs some kind of oversight and direction. We never get a report back to the Congress where the thing is succeeding and where it is failing. It seems to me that could be the function of this committee.

Mr. MORGAN. Well, our committee has visited many of these countries in which the Peace Corps has projects and, of course, we are examining the Peace Corps operations and budget every year.

Mr. JONES of North Carolina. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. Mr. Chairman, I yield to the gentleman from North Carolina.

Mr. JONES of North Carolina. Mr. Chairman, I thank the gentleman for yielding to me. My question, Mr. Chairman, is perhaps similar to the one that has just been discussed here. That is the amount of oversight which is being given in the training program.

I know that we all are the victims of rumors and protests from time to time from our constituents, but I would not dare repeat something which came to my office last week about a training program where one young man was abused almost beyond belief, sexually and otherwise. I just cannot think that we should continue to fund this program without some specific oversight, some direction and some course of corrections.

Some of the things that are going on, as well as some of the philosophies being taught and practiced, should be checked more thoroughly. As well as a more in-depth research into the character and reputation of the applicants.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. Morgan was allowed to proceed for 1 additional minute.)

Mr. MORGAN. Mr. Chairman, I just want to call to the attention of the gentleman from North Carolnia one report which reflect on how the committee does function with respect to its oversight responsibilities. Here is a report of a staff survey team which we sent out to the field in February, 1973. The report reviews carefully Peace Corps operations in the field, identifies problems and suggests remedies. I will make sure the gentleman gets a copy of this report for his reference.

Mr. JONES of North Carolina. I thank the Chairman.

Mr. ARMSTRONG. Mr. Chairman, I rise to strike the last word.

Mr. Chairman, I came to the Chamber expecting to vote for this bill, but it seems to me that my colleague from Colorado (Mr. Johnson) raised some serious questions which have not been satisfactorily answered at this time. I am wondering if the chairman of the committee would be willing to respond to these questions.

Could the chairman tell us exactly how much time was spent on hearings on workload factors, a specific line of questioning Mr. Johnson of Colorado has raised? It is a very serious matter if volunteers are being sent over there and are working 4 hours a week, cannot receive additional teaching assignments, cannot find an outlet for their idealism. The taxpayers are not getting their money's worth. If this is true the program ought not to be increased, but curtailed.

Mr. Chairman, I wonder how much time the committee spent on this.

Mr. MORGAN. Mr. Chairman, the committee spent 2 days in hearings on this bill. We heard all the witnesses who requested to be heard. We had no outside witnesses, no ex-Peace Corps volunteers or others requesting to be heard.

As I said earlier, the committee studies this program during the year, here and in the field, and through staff investigations. I am not saying that there are no dissatisfied volunteers. There are some. Chances are that a few Peace Corps volunteers are dissatisfied with their training and with their assignments. When we find such cases, we look into them and call them to the Agency's attention.

Mr. ARMSTRONG. Mr. Chairman, specifically, did the hearings elicit any information about the workload of Peace Corps volunteers sent to Morocco or other countries?

Mr. MORGAN. No, we did not break down program operations in individual countries during the hearings.

Mr. ARMSTRONG. The gentleman did not hold hearings? Would that not be an appropriate function of the committee?

Mr. MORGAN. This is the first complaint we have had about Peace Corps work assignments in Morocco where there are over 150 volunteers. If the gentleman from Colorado had called this complaint to my attention, I certainly would have developed it during the hearings. I would be glad to pursue it with the Peace Corps after passage of the bill if the gentleman has not done so already and wishes us to do so.

Mr. BEARD. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. Mr. Chairman, I yield to the gentleman from Tennessee.

Mr. BEARD. Mr. Chairman, the gentleman stated hearings had been held, in response to a question asked earlier, and held up a pamphlet saying that this was a staff committee survey.

The gentleman made mention of the fact that a study on oversight had been held, a staff committee survey was presented. What exactly is a staff committee survey?

Mr. MORGAN. Well, members of the staff of the Committee on Foreign Affairs are often sent on investigative assignments to view the operation of programs under our committee's jurisdiction.

Mr. BEARD. What exactly do they do? Do they go out in the field themselves?

Mr. MORGAN. They go out into the field on the instructions of the committee.

Mr. BEARD. They go to the other countries, and they visit with members of the Peace Corps?

Mr. MORGAN. The gentleman is correct.

Mr. BEARD. So how much direct contact do the members of the committee and those who are supposed to be legislating have with these people? Where do they come in?

How many actual minutes of hearings have the members held regarding complaints and problems?

Mr. Chairman, there have been problems and complaints regarding the Peace Corps ever since I have been up here, and I am amazed to find out that these are the first two complaints the committee has heard about.

Mr. MORGAN. Mr. Chairman, members of the committee travel on study missions abroad, they also attend subcommittee and committee briefings and hearings at which these programs are discussed. They also study reports prepared by committee staff and by the GAO. I may add that we investigate every complaint that is sent to the committee; we investigate each one. If the gentleman has a complaint and he sends it in tomorrow, we will investigate it.

Mr. BEARD. Who investigates it? Would the members be involved in it?

Mr. MORGAN. The members who have appropriate jurisdiction, the full committee and the staff of the full committee.

Staff investigations are going on all the time and the committee is apprised of the results, just as it was in 1973, after the field study of the Peace Corps operations in Asia.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ARMSTRONG. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I think this year the full committee had about an hour and a half hearing—perhaps it was 1 hour and 15 minutes—on the Peace Corps. That is about the extent of it.

Mr. MORGAN. Mr. Chairman, the gentleman is not correct. We had a 2-day hearing.

Mr. HUNT. Mr. Chairman, will the gentleman from Colorado (Mr. ARMSTRONG) yield.

Mr. ARMSTRONG. I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I have been listening to the dialog concerning this legislation. I had a meeting last week with some people, including an ambassador of one of the African countries, and he gave me a very fine report on what they had accomplished there.

The CHAIRMAN. The time of the gentleman from Colorado (Mr. ARMSTRONG) has expired.

(On request of Mr. HUNT, and by unanimous consent, Mr. ARMSTRONG was allowed to proceed for 1 additional minute.)

Mr. HUNT. Mr. Chairman, as I said, the reports were good. However, as to the caliber of the people who were now coming to them, he said they were older people with a little bit more actual knowledge of the job.

I am wondering, Mr. Chairman, in view of the discussion that has developed here, whether we could not in the legislation or in the review of the history here, develop something whereby a team of people could be appointed to look into various complaints, actually look into them. I do not mean to ask the Peace Corps or to ask the people who are there what happened, but we could have someone really look into it, just as in the instance of the country I asked about and got the very good report.

I think this might solve our problem, because it is becoming rather irritating in some of its facets.

Mr. MORGAN. Of course, as chairman of the Committee on Foreign Affairs, I am glad to assure any Member that if he has a complaint of any sort about matters under our jurisdiction, we will pursue it overseas or in Washington or wherever necessary. If there is a legitimate complaint, we will be glad to look into it.

I agree with the gentleman from New Jersey that there are some very good reports coming back about the Peace Corps, especially about the work of the more skilled volunteers who are being sent overseas.

Mr. HAYS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to take the floor in support of the gentleman from Pennsylvania, the chairman of the committee, Dr. MORGAN, in saying that complaints are investigated.

I happen to be chairman of the Subcommittee on State Department Personnel and Foreign Operations, which has jurisdiction over personnel in any field of foreign operations. Sometimes complaints come to my committee, and we look into each and every one of them. I will just given the Members one example.

I did not wait for this complaint to come. I read a story in the Washington Post about the Peace Corps Director in Thailand, who is a former astronaut by the name of Eisle.

The story said that the reporter went to interview him and asked him how much his salary was as country director, and he said, "That's none of your damn business," and there were a few more comments like that.

There was another report that he had a party on a yacht up there that cost $700 of Peace Corps funds.

So I called the Director of the Peace Corps and asked him to come to my office, and he did. I said, "Have you read this article?"

He said that he had.

I said, "How much of it is factual?"

He said, "Well, the part about the party is not true. He paid for it himself."

I said, "What is his salary?"

And I believe he said—I am speaking from memory—that it was about $34,000 a year, which is a pretty fancy salary.

Of course, all the astronauts who want to turn their achievements, whatever they may have been, into cash, want to get a pension when they quit.

Then they usually get to endorse some products, and this one got a job in the Peace Corps. "Well," I said, "what do you propose to do about this fellow?" He said, "We are going to replace him." I thought that was salutary, and I thought he ought to be replaced.

I went home the next week. I was making a speech in a county I have only had for about 4 years, and I told about this situation and pointed out that the matter had been brought to the attention of the Congress and that the proper committee had looked into it and that something was being done.

A lady came up afterward and said, "Do you know his first wife is from this county and is a constituent of yours?" I said no, I did not. She said, "Do you know this chap walked away from his four children and would not support them and his wife had to go to work to support them?" I said, "I do not know that, either, but I am glad that they are going to fire him and they should have fired him."

So we do look into these things. You know, in an organization as big as the State Department or the Peace Corps or any of the others you will have complaints some of which may be justified and some of which may not be justified. I did not look into whether or not Mr. Eisle had a psychiatrist 24 hours a day with him. I do know some former astronauts did and have. We have one running for the Senate in Ohio; his name is John Glenn. When I knew him, when he was first a candidate, he was out of the business of being an astronaut and into the business of being a candidate, but he had his psychiatrist who was still being paid by NASA. I said, "What is this psychiatrist for?" And he said, "Oh, we all have a psychiatrist with us 24 hours a day."

Now, obviously, in the case of Mr. Eisle, they did not send his psychiatrist with him to Thailand, so we had to bring him home from Thailand, or they are bringing him home, but the point I am trying to make is that the committee does exercise oversight. Just because you get a couple of foul balls in an organization, you cannot condemn the whole organization.

I support the chairman when he says each and every complaint brought to the committee is looked into, but I believe I should say not each and every complaint is justified; some are and some are not. However, the committee does exercise oversight.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I rise in opposition to the amendment.

I think it is strange, Mr. Chairman, that Peace Corps officials, with their highly paid administrative staff, did not know what this director in Thailand was doing. I do not know how much time elapsed before this was called to the attention of the gentleman from Ohio or how much time it took to get him by the nape of the neck and out of there, but does it not seem strange that most of these scandals are never discovered by the costly administrative staff in the Peace Corps, I would ask my friend from Ohio?

Mr. HAYS. Will the gentleman yield?

Mr. GROSS. Yes. I yield to the gentleman.

Mr. HAYS. All I can tell you is when I had the Director of the Peace Corps up in the office he told me that he had been to Thailand and had planned to remove the gentleman in question in any case but they were leaving him there until they got another director back in and out there. I told him if he was as bad as he appeared to be and bad enough to be released, they ought to remove him and leave them without a director until a new one got out there. He did not necessarily take my advice, but I decided I would not push it any further since he gave me his word he would be replaced.

Mr. GROSS. I would like to think, as a member of the Committee on Foreign Affairs, that the committee is riding herd on these as well as other activities under the foreign giveaway program, but it is not riding close herd on the activities of some of these people.

Mr. HAYS. Will the gentleman yield further?

Mr. GROSS. Yes. I yield.

Mr. HAYS. I agree with the gentleman that we are not giving them enough oversight. Perhaps during the week of the Easter recess the gentleman from Iowa could join me and we might go out and take a look at a couple of them.

Mr. GROSS. I have an idea that if you and I were to inspect the operations of the Peace Corps and the so-called technicians in the foreign giveaway program, that we could spend 6 months going around the world and never track down some of these misfits.

Mr. HAYS. Mr. Chairman, there is no doubt about it. But the gentleman from Iowa, I think, if the gentleman will yield further——

Mr. GROSS. I yield further to the gentleman from Ohio.

Mr. HAYS. I heard about the time that the gentleman from Ohio made a trip unannounced, without even letting the State Department know, to Colombia, and walked into the Ambassador's office the next morning, after I got there late the night before, and told him I wanted to look over the foreign aid situation. And I thought the Ambassador's teeth were going to fall out on the floor because they did not know I was any closer to Colombia than Washington.

I found out a lot of things which were straightened out subsequently.

So I just say to the gentleman from Iowa that we do not have enough time to do that more often, and I wish we could, and I will plead guilty to the fact that we do not give as much oversight as we ought to.

Mr. GROSS. The best way to cure the situation is to get rid of this outfit. Our foreign affairs around the world are in a shambles today, not necessarily because of the Peace Corps, perhaps despite the Peace Corps, but they are in a shambles. This organization is making no contribution to a better situation for the United States internationally except to spend $100 million, or close to it, every year, as it has been doing since 1961.

Let me say with respect to this amendment, and I include the Peace Corps as a whole, that there is an old saying that in the expenditure of public money, it appears to belong to nobody, and therefore it is easy to bestow it on somebody. That is the story here today.

Mr. HAYS. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Yes.

Mr. HAYS. Mr. Chairman, let me say to the gentleman from Iowa that I am inclined to agree with some of the things the gentleman says, because we do not give enough oversight because we do not have time to. But, let me just say this about that trip to Colombia, that I looked at the Peace Corps too, while I was there, and I found in that country, in my judgment for whatever it is worth, that the Peace Corps was doing a lot more good than the foreign aid program.

Mr. GROSS. Which, in view of some of the sorry foreign aid projects, could mean something or absolutely nothing as far as the Peace Corps is concerned.

Mr. DENNIS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just want to remark that when the gentleman from Ohio and others say that all complaints are looked into, I am a little bit reminded of the story about the investigation that Abraham Lincoln made one time when someone asked him for a credit rating when he was a practicing lawyer back in Springfield, Ill. He wrote them back a letter, and he said that this fellow was in a room with a table and two chairs, and that there is a large rathole in one corner, and Lincoln said, "The rathole will bear looking into."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. Harrington).

The amendment was rejected.

Mr. CONYERS. Mr. Chairman, I move to strike the last word.

(By unanimous consent, Mr. Conyers was allowed to speak out of order.)

### SPEAKER ASKED TO RESPOND TO NIXON MEDIA BLITZ

Mr. CONYERS. Mr. Chairman, I sent this letter to the Speaker of the House less than an hour ago, and I think it is of sufficient importance to read it to those Members who are in the Chamber at this time:

Dear Mr. Speaker: I am writing you today to urge in the strongest possible way that you promptly speak out in defense of the House of Representatives and its Judiciary Committee. During the past month the President has held two news conferences and has appeared in Chicago and Houston. Those appearances were televised in their entirety and they have been complemented by news briefings and appearances on talk shows by Presidential aides.

The President's media blitz is creating the impression that it is the House of Representatives and its Judiciary Committee that should be under impeachment investigation, not Richard Nixon. Operation Candor has been replaced by Operation Deception and unless it is answered in the same media which carry the wholly erroneous charges, the institution of our government which has elected you its Speaker may be fatally damaged. Therefore, I urge that you immediately contact the three major networks and demand the right to respond to blatant misstatements by the President. You would be doing so not as a Democrat, but as the Speaker of the House, and as a representative of the Congress itself, not the third district of Oklahoma. Should the networks refuse what would basically be a nonpartisan request under the Fairness Doctrine, which would surmount the problem seen by our distinguished colleague Torbert Macdonald when he announced hearings this morning to change the Equal Time Doctrine to allow response to the President's partisanship, I would then suggest you petition the Federal Communications Commission.

In my opinion, the constitutional role of the House through its chosen vehicle, the Judiciary Committee, has been violently misinterpreted by the President. I see at least six areas where serious errors must be corrected:

1. The idea that it is the President who determines what constitutes an impeachable offense, not the House of Representatives.

2. The idea that "bribery, treason and other high crimes and misdemeanors" relate soley to indictable crimes and not to crimes against the general welfare which cannot be incorporated in the criminal statutes because they are crimes only a President has the power to commit.

3. The suggestion that the Judiciary Committee intends "to pull a U-Haul trailer up to the doors of the White House and cart away documents to be pawed through on a fishing expedition", instead of the limited request already made for information and the responsible desire to know how White House files are catalogued so that a fishing expedition would, in point of fact, not be necessary.

4. The suggestion that Special Watergate Prosecutor Jaworski had gained "everything he needs" while, at this very moment, he is reported to be preparing additional subpoenas to be served on the White House to gain information which was requested as far back as August 1973.

5. The President's historical inaccuracy in claiming all Presidents had resisted congressional demands for documents when the same Presidents specifically said that such a necessity for confidentiality did not include impeachment inquiries.

6. The allegation that Richard Nixon is the Presidency itself, not just one President.

Should you feel that you yourself would not be the ideal spokesman in this matter, I believe it would be appropriate for you to designate whomever you may choose. But because of your position of absolute leadership within the house, you should initiate the request.

The President, after all, has had many hours of prime television time due to his position as leader of the Executive Branch, not as lender of the Republican Party. As I mentioned, he has predicated his defense against our impeachment inquiry on defending the presidency itself. Therefore it would be wholly appropriate for you to demand the right to clarify the President's misstatements because of your role in the Legislative Branch.

The truth is being blurred because of the domination of television and the airwaves by the President and his agents. If ever there were a time for the Speaker to speak, it is now.

Sincerely,

John Conyers,
*Member of Congress.*

The CHAIRMAN. The time of the gentleman has expired.

The Clerk will read.

The Clerk read as follows:

Sec. 2. Section 3 of the Peace Corps Act (22 U.S.C. 2502) is amended by adding at the end thereof the following new subsections:

"(c) In addition to the amounts authorized for fiscal year 1975, there are authorized to be appropriated for the Peace Corps for fiscal year 1975 such additional amount as may be necessary not in excess of $1,000,000 for increases in salary, pay, retirement, or other employee benefits authorized by law.

"(d) The Director of ACTION is authorized to transfer to the readjustment allowance, ACTION, account at the Treasury Department from any sums appropriated to carry out the purposes of this Act in fiscal year 1975 not to exceed $315,000 to rectify the imbalance in the Peace Corps readjustment allowance account for the period March 1, 1961, to February 28, 1973.

"(e) The Director of ACTION is authorized to waive claims resulting from erroneous payments of readjustment allowances to Peace Corps Volunteers who terminated their volunteer service between March 1, 1961, and February 28, 1973, notwithstanding the provisions of section 5584 of title 5, United States Code, and notwithstanding the fact that the names of the recipients of such overpayments may be unknown.

"(f) Disbursing and certifying officers of the Peace Corps and ACTION are relieved from liability for improper or incorrect payments of readjustment allowances made to volunteers between March 1, 1961, and February 28, 1973, other than any cases known to have resulted from fraud, notwithstanding the provisions of section 82a 2, c of title 31, United States Code.". the first section of the Act entiled 'An Act to provide permanent authority for the relief of certain disbursing officers, and for other purposes', approved August 11, 1955 (31 U.S.C. 82a-2), and of section 2 of the Act entitled 'An Act to fix the responsibilities of disbursing and certifying officers, and for other purposes', approved December 29, 1941 (33 U.S.C. 82c)."

Mr. MORGAN (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

### COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 2, beginning in line 3, strike out "such additional amounts as may be necessary" and insert in lieu thereof "not in excess of $1,000,000".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the last committee amendment.

The Clerk read as follows:

Committee amendment: On page 3, beginning in line 2 strike out "section 82a-2, c of title 31, United States Code.'." and insert in lieu thereof the following: "the first section of the Act entitled 'An Act to provide permanent authority for the relief of certain disbursing officers, and for other purposes', approved August 11, 1955 (31 U.S.C. 82a-2), and of section 2 of the Act entitled 'An Act to fix the responsibilities of disbursing and certifying officers, and for other purposes,' approved December 29, 1941 (33 U.S.C. 82c)."

### MODIFICATION TO COMMITTEE AMENDMENT

Mr. MORGAN. Mr. Chairman, I ask unanimous consent that the committee amendment which appears on page 3 of the reported bill be modified by striking out the figure "33" on page 3, line 9, and inserting in lieu thereof "31".

Mr. Chairman, this modification merely corrects a typographical error in the reported bill.

It inserts a reference to title 31 of the United State Code in lieu of the incorrect reference to title 33.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The modification to the committee amendment was agreed to.

The committee amendment, as modified, was agreed to.

### AMENDMENT OFFERED BY MR. WHALEN

Mr. WHALEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WHALEN: Page 3, after line 9, insert the following:

SEC. 3. (a) Section 5(c) of the Peace Corps Act (22 U.S.C. 2504(c)) is amended—

(1) by striking out "$75" and inserting "$100" in lieu thereof; and

(2) by striking out "$125" and inserting "$175" in lieu thereof.

(b) Section 6(1) of such Act (22 U.S.C. 2505(1)) is amended by striking out "$125" and inserting in lieu thereof "$175".

(c) The amendments made by this section shall only apply with respect to months of satisfactory service beginning after the date of enactment of this Act.

(d) In addition to amounts authorized for fiscal year 1975, there are authorized to be appropriated for the Peace Corps for fiscal year 1975 not in excess of $2,103,000 for increases in readjustment allowances authorized by this section.

Mr. WHALEN. Mr. Chairman, in discussing this amendment I would like to cover three points.

First a bit of background is in order. As I think all Members know, Peace Corps volunteers serve for a period of 2 years. During that period of time they receive no pay. Rather they receive a subsistence allowance. This means that during this very productive period of their life, they receive no income and, therefore, are unable to accumulate any savings. In recognition of this fact the Congress in passing the 1961 Peace Corps Act provided for a $75 a month readjustment allowance to volunteers and a $125 a month readjustment allowance for heads of families and for Peace Corps volunteer leaders. This money would accumulate to the credit of the volunteers, the heads of families, and the Peace Corps leaders and would be given to them at the end of their 2-year term.

As the title of this section suggests, this money would then be used by the returning Peace Corpsman in readjusting to domestic civilian life. He would, of course, require some funds during that period he was seeking work. It also would cover other costs of readjustment, such as outfitting himself or herself in a new wardrobe, replacing the car he or she sold prior to joining the Peace Corps, and providing funds for the Peace Corps volunteer to further his or her education.

Second, what does this amendment propose? The amendment proposes an increase of $25 a month, from $75 to $100 for volunteers and an increase from $125 to $175 a month for heads of families and for Peace Corps leaders. This represents, respectively, an increase of 33⅓ percent and 40 percent. The total cost of this amendment, if it were incorporated in this measure, would be $2,103,000. The amendment is so written that this in no way would affect the authorization of approximately $82 million. Rather it would represent an increase over the $82 million authorization figure.

Third, why should this amendment be adopted? In my opinion, the premise of this amendment is reflected in two words: Inflation and equity. Since the $75 and $125 figures were adopted in 1961, the Consumer Price Index has increased by 56.4 percent. Yet there has been absolutely no increase in the readjustment allowance to Peace Corpsmen. Thus inflation is an important consideration.

I also say equity, because the Federal Government has recognized the problem of inflation in other programs which it carries out.

Let me give three examples. Since 1961, maximum social security benefits have increased by 221 percent.

Since 1961, the salary of GS-7 and GS-11 employees to which the disability benefits of Peace Corpsmen are tied has increased by 73.6 percent and 73.9 percent, respectively.

Since 1966, educational benefits to GI's have increased by 120 percent.

If the bill recently adopted by the House of Representatives is approved by the Senate in the same form, this would be increased to 150 percent.

Mr. Chairman, this is a very modest proposal in my opinion. As I suggest, it will cost only an additional $2 million. It will not enable the returning Peace Corpsmen to meet the increased cost of living which has accrued since 1961, but I think certainly it represents a significant start in that direction.

I yield to the gentleman from Indiana.

Mr. HAMILTON. Mr. Chairman, I thank the gentleman for yielding and commend him on an excellent amendment. I support it very strongly.

Mr. Chairman, I support the amendment offered by my colleague, Mr. WHALEN, to raise the readjustment allowance for Peace Corps volunteers. Under the amendment, the allowance, which has not been raised since the Peace Corps began in 1961, would be raised from $75 a month to $100 a month for a volunteer and from $125 to $175 a month for a volunteer leader, who is often a family head. The authorization level in the bill is also increased to cover the costs of these raises.

It should be pointed out, Mr. Chairman, that Peace Corpsmen are not volunteers in the strict sense of the word. While they do not receive salaries for wages while overseas, they do receive living expenses as well as such housing, transportation, and equipment assistance as may be necessary for them to serve effectively. In addition, they do receive a readjustment allowance for each month of satisfactory service completed. This allowance is payable, except under special circumstances, on the return of the volunteer to the United States.

The readjustment allowance was intended to assist volunteers during the period of transition from their overseas assignments back to life at home in the United States. After 2 years of Peace Corps service, the volunteer returns to the United States faced with the necessity of finding a job, finding a place to live, often returning to school, and readjusting to life in this country after a considerable absence. He often has little or no money with which to accomplish his readjustment, because he has not received a salary for his 2 years' service. But because the readjustment allowances have not been increased for 13 years while living costs have skyrocketed. these allowances are not adequately fulfilling the function they were intended to. As one returned volunteer has told me, they are "grossly inadequate to meet our needs."

Why is this the case? A brief look at some economic statistics, Mr. Chairman, states the reasons very well for the gentleman's amendment.

First. While the allowances have remained stationary since 1961, the consumer price index has increased 56 percent from 1961 to January of this year.

Second. An extensive study of returned volunteers has indicated that almost two-thirds of them attend school following their service. There, they are faced with mounting expenses. In the decade 1961 to 1971 alone, public higher education costs went up 50 percent and private higher education costs increased 70 percent. These costs have continued to grow since 1971, as any Member with children approaching college age or in college is well aware.

Third. Although Peace Corps volunteers are not technically employees of the U.S. Government, for purposes of computing disability benefits they are considered to be at the civil service GS-7 level. This pay level has increased 74 percent since 1961, while the volunteers' remuneration has not budged.

Fourth. The readjustment allowances are comparable in purpose to veterans' education benefits. The VA benefit level, Mr. Chairman, has increased 120 percent since 1966 alone, while returned volunteers have had zero increase.

Adoption of this amendment would help to alleviate the stunning economic burden faced by these volunteers. After giving 2 years of their lives in public service, often under conditions of hardship, they should not have to face further hardship upon their return to the United States. They deserve better from their country.

I urge the adoption of this amendment.

Mr. WHALEN. Mr. Chairman, I yield to the gentleman from New Jersey.

Mr. HUNT. Mr. Chairman, I want to come back to the premise of the Peace Corps. Would the gentleman agree that the Peace Corps originally said it was going to be a matter of service whereby people could give of their skills to those others that needed the advantageous educational benefits talked about?

Mr. WHALEN. Mr. Chairman, yes, that is correct. If I may point out, as I suggested earlier, they are not paid for this service. They are provided with a subsistance allowance.

Mr. HUNT. I am not talking about that.

Mr. WHALEN. Congress also has recognized that when these volunteers return they will have certain costs in adjusting to civilian life. I pointed out some of these costs in my opening statement.

Mr. HUNT. What readjustment do they need when they come back to jobs they have selected for themselves, when it is a job they are going to come back to in the States that they have left? What is this readjustment allowance?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MELCHER. Mr. Chairman, I rise in support of this amendment.

Mr. Chairman, I am one of the Peace Corps parents in the Congress. My daughter, Terry, and my son-in-law, Gene Thompson, are in the Peace Corps as Peace Corps volunteers. They are stationed in Guatemala and work with the people of Guatemala. They are teaching students in a number of rural schools how to grow vegetables. Then they teach the parents of the children how to prepare the vegetables in their homes. Finally, they will train native Guatemalans to continue such instruction programs in other schools and communities to broaden out the program and carry on the program after my daughter and son-in-law have returned to this country.

Now, the need for better nutrition in Guatemala is apparent. There they are in a very fertile country where it is very easy to grow vegetables but few are grown. The capability for doing so is there and it is easy.

Yet, it is not done. But adequate nutrition levels are not being met either. So the program they are carrying out has obvious good potential. It is good work; it may be humble work, but it is very important work for families in Guatemala and those rural areas where they are performing their services.

But, here is what is involved with their decision, that is, the decision of my daughter and son-in-law and others like them when they volunteered for the Peace Corps: They are storing their furniture; they sold their Volkswagen; they terminated their jobs; they prepared themselves to live in Central America for a little over 2 years.

When they return, they have to readjust. They are going to have to see about new jobs. They are going to have to see about their clothing, which may not be adequate after spending 2 years in Central America. Also, I suppose they are going to look for another Volkswagen, or similar transportation. All of this is relocation cost, and for the Peace Corps volunteers at the level established in 1961 for relocation, allowance is far too low due to the inflation that has occurred since then. Mind you, inflation that is occurring during the present 2 years that these volunteers are working in foreign countries puts them farther back financially when they return.

Mr. Chairman, we have heard some criticism of the program. We have heard some obvious dissatisfaction with the Peace Corps from various Members of the House here this afternoon. But, I trust that the criticism is not leveled at the individual Peace Corps volunteers who are sincerely attempting to perform their service and who, on completion of their service, return to this country and want to again readjust themselves into productive life here in the United States.

I think in all fairness that we should recognize that the amendment proposed goes directly to serving, if I might use the term, the lower echelon of the troops in the Peace Corps, and give them the opportunity to come back after their service is performed and readjust themselves beneficially into their everyday life here in the United States.

I believe the amendment gives us an opportunity for performing the right function of this House to recognize that these volunteers should have somebody looking after them here in the House of Representatives, and treating them fairly. I think that is exactly what the amendment does.

Mr. JOHNSON of Colorado. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. Mr. Chairman, I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Chairman, I hope the gentleman did not misunderstand my remarks to be critical of those individuals who have given of their time overseas. I think I was trying to reflect their disillusionment with the whole process when they come home. Certainly, I mean no criticism of those individuals who have generously devoted themselves to what they thought was a worthwhile effort to begin with.

Mr. MELCHER. Mr. Chairman, I interpreted the remarks of the gentleman from Colorado in that light, and I hope in all fairness that he will support the amendment.

Mr. SYMMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I will not take the entire 5 minutes. I would just like to point out the difference between—in all due respect to my friend from Montana (Mr. MELCHER), who is the father of the Peace Corps volunteer—that my administrative assistant is the father of a Mormon missionary.

The way this works is that he has to pay the money out of his pocket personally to support his son on the mission who is not only trying to help the people with technical information and technical knowledge, but is also trying to help them spiritually.

When he comes back, his family will have the expense of getting him back on his feet. He has been working on summer work for the last 3 years, putting money away so that he could go overseas for 2 years as a representative of his church and to promote not only the best interests of his religion, but also the best interests of his country.

I think it is a great illustration of the difference between private efforts and Government.

The Government sends a young person overseas on a 2-year trip, and we somehow think that person should expect to be relocated at Government expense when he comes back. There is no such program provided for the relocation and adjustment of a Mormon missionary who goes out into the field; he gets no such benefit when he gets back.

I think for that reason, Mr. Chairman, I will vote against the amendment, and the bill, with all due respect to my colleague from Montana.

Mr. GROSS. Mr. Chairman, I move to strike the next-to-the-last word.

Mr. Chairman, I never cease to marvel at those Members of the House of Representatives who are so free with the taxpayers' dollars. This amendment would add another $2 million plus to this $84 million bill.

So what this means is that we would just reach out and add another $2½ million to a program that ought to have been abolished long ago.

This year as in previous years, the proponents cannot point to any substantial accomplishments as a result of the operation of the Peace Corps through all these years and the hundreds and millions of dollars that have been spent on it. And yet, with the greatest of ease, the proponents now offer an amendment to add another $2½ million to a boondoggle that never should have been started.

Mr. Chairman, the public cannot afford organizations of this kind roving around the world.

The gentleman from Ohio (Mr. WHALEN) talks about members of the Peace Corps returning to civilian life. I am not aware that they ever left civilian life. Perhaps I should ask the gentlemen from Ohio: Did they ever leave civilian life?

They do not wear uniforms, do they? They are not lieutenants, colonels, sergeants, or privates. When did they leave civilian life? Why do they have to be readjusted to civilian life? They go into the Peace Corps of their own volition; they are not compelled to do anything.

Mr. Chairman, this amendment ought to be defeated out of hand.

Mr. MORGAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this amendment is difficult to oppose. I am sure the ranking minority Member will take the same view of it as I am taking.

The committee considered two separate amendments which were offered to raise the readjustment allowance. They were not worked out in as much detail as is this amendment. I am almost certain that if this amendment had been offered in the committee, the committee would have looked upon it much more sympathetically than we did upon the other two amendments.

Nobody can say that there is no justification for increasing the readjustment allowance. The gentleman from Ohio (Mr. WHALEN) pointed out that the allowance was set at $75 per month in 1961, some 13 years ago. It has remained unchanged since that time. In the meantime, prices have gone up and inflation is becoming worse every day.

However, if the Peace Corps readjustment allowance is increased, something may have to be done with respect to the domestic volunteer programs which work under similar circumstances and come under the same ACTION agency.

I would think that if the executive branch has some more time to look at this thing, and if it comes back with a proposal to raise the readjustment allowances for Peace Corps volunteers and for domestic volunteers, there would likely be less friction within the ACTION agency.

I believe, of course, that the readjustment allowance raise is justified. I like the method and the approach of the amendment, because it provides for financing the raise. If the additional $2 million in authorization is granted, the program could move ahead as planned without any reductions.

Mr. BROOMFIELD. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Michigan.

Mr. BROOMFIELD. Mr. Chairman, I would like to express my agreement with the gentleman from Pennsylvania (Mr. MORGAN), the chairman of the committee, regarding this matter.

Also, I wish to commend the gentleman from Ohio (Mr. WHALEN) for his amendment. It not only would increase the readjustment allowance, but would provide the additional funds needed to pay for the increase.

I think it is worth pointing out, however, that the ACTION agency is reviewing the readjustment allowance problem, not only for the Peace Corps, but, as the chairman of our committee indicated, for the domestic programs as well.

This review is going on at the present time. We will be awaiting a report on the study and the agency's recommendations, which will be of great interest to the committee.

Mr. MORGAN. Mr. Chairman, if we could have some commitment from the gentleman from Ohio that he would offer a comparable amendment to the domestic volunteer program when it comes up here, I think we could give him some assurance that we would support that.

Mr. WHALEN. I certainly would offer that amendment when the domestic volunteer program comes up. I think it would be inappropriate to defer action on the Peace Corps, however, until we can get action on that program. The problem still persists.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. WHALEN).

The question was taken; and on a division (demanded by Mr. WHALEN) there were—ayes 28, noes 45.

Mr. WHALEN. Mr. Chairman, on that I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. If there are no further amendments, under the rule the committee rises.

Accordingly, the committee rose; and the Speaker having resumed the chair (Mr. PIKE), Chairman of the Committee of the Whole House on the State of the Union, reported that that committee having had under consideration the bill (H.R. 12920) to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes, pursuant to House Resolution 994, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 294, nays 103, not voting 35, as follows:

[Roll No. 106]

YEAS—294

Abdnor
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Badillo
Baker
Barrett
Bell
Bennett
Bergland
Biester
Bingham
Boggs
Boland
Bolling
Brademas
Bray
Breaux
Breckinridge
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burke, Calif.
Burke, Mass.
Burton
Butler
Byron
Carney, Ohio
Cederberg
Chamberlain
Chisholm
Clark
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Cronin
Culver
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Diggs
Dingell
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Foley
Ford
Forsythe
Fountain
Frenzel
Frey
Fulton
Fuqua
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Guyer
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Holifield
Holtzman
Horton
Hosmer
Howard
Hudnut
Hungate
Hunt
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Koch
Kyros
Leggett
Lehman
Lent
Litton
Long, La.
Long, Md.
Luken
McClory
McCloskey
McCormack
McDade
McFall
McKay
McKinney
Macdonald
Madden
Madigan
Mahon
Mallary
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Miller
Mills
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Nix
Obey
O'Hara
O'Neill
Owens
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Podell
Preyer
Price, Ill.
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Riegle
Rinaldo
Rodino
Roe
Rogers
Roncalio, Wyo.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
St Germain
Sandman
Sarasin
Sarbanes
Schneebeli
Schroeder
Sebelius
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Veysey
Vigorito
Waldie
Walsh
Wampler
Ware
Whalen
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young, Ga.
Young, Ill.
Young, Tex.
Zablocki
Zwach

NAYS—103

Alexander
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard
Bevill
Biaggi
Blackburn
Bowen
Brinkley
Broyhill, Va.
Burgener
Burleson, Tex.
Burlison, Mo.
Camp
Carter
Casey, Tex.
Clancy
Clawson, Del
Cochran
Collier
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Dennis
Devine
Dickinson
Duncan
Eshleman
Gaydos
Gettys
Goodling
Gross
Gunter
Haley
Hanrahan
Hébert
Henderson
Hinshaw
Holt
Hutchinson
Ichord
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lott
Lujan
McCollister
McEwen
McSpadden
Mann
Maraziti
Mathis, Ga.
Milford
Montgomery
Moorhead, Calif.
Myers
Nichols
Passman
Poage
Powell, Ohio
Price, Tex.
Rarick
Roberts
Robinson, Va.
Rose
Rousselot
Runnels
Ruth
Satterfield
Scherle
Seiberling
Shoup
Shuster
Sikes
Snyder
Spence
Steiger, Ariz.
Stuckey
Symms
Taylor, Mo.
Teague
Thornton
Towell, Nev.
Treen
Waggonner
Whitten
Wiggins
Young, Alaska
Young, Fla.
Young, S.C.
Zion

NOT VOTING—35

Andrews, N.C.
Blatnik
Brasco
Burke, Fla.
Carey, N.Y.
Chappell
Dorn
Fisher
Flowers
Flynt
Fraser
Frelinghuysen
Froehlich
Gibbons
Gude
Hogan
Huber
Jarman
Jones, Tenn.
Kluczynski
Metcalfe
Minshall, Ohio
O'Brien
Parris
Patman
Reid
Reuss
Robison, N.Y.
Roncallo, N.Y.
Rooney, N.Y.
Rooney, Pa.
Ryan
Smith, N.Y.
Wilson, Charles H., Calif.
Yatron

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rooney of Pennsylvania for, with Mr. Fisher against.

Mr. Gude for, with Mr. Huber against.

Until further notice:

Mr. Rooney of New York with Mr. Patman.

Mr. Yatron with Mr. Dorn.

Mr. Fraser with Mr. Flowers.

Mr. Brasco with Mr. Frelinghuysen.

Mr. Metcalfe with Mr. Reuss.

Mr. Carey of New York with Mr. Andrews of North Carolina.

Mr. Jarman with Mr. Roncallo of New York.

Mr. Ryan with Mr. O'Brien.

Mr. Reid with Mr. Robison of New York.

Mr. Chappell with Mr. Froehlich.

Mr. Blatnik with Mr. Flynt.

Mr. Gibbons with Mr. Minshall of Ohio.

Mr. Charles H. Wilson of California with Mr. Hogan.

Mr. Kluczynski with Mr. Burke of Florida.

Mr. Jones of Tennessee with Mr. Parris.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## PERMISSION FOR SELECT COMMITTEE ON COMMITTEES TO FILE A REPORT

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Select Committee on Committees of the House may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

## PERSONAL EXPLANATION

Mr. THOMPSON of New Jersey. Mr. Speaker, on rollcall No. 104, the rule on Peace Corps authorization bill, H.R. 12920, I inadvertently voted "present" thinking it was a quorum call. Later I was informed as to my error but it was too late to correct the vote. Had it been possible to register my vote I would have voted "aye."

## LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time in order to ask the distinguished majority leader if he is in a position to inform us of the program for the rest of the week, if any, and the schedule for next week.

Mr. O'NEILL. Mr. Speaker, if the distinguished minority leader will yield, I will be happy to respond to his inquiry.

Mr. RHODES. I yield to the distinguished majority leader, the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, there is no further legislative business for today and upon the announcement of the program for next week, I will ask unanimous consent to go over until Monday.

The program for the House of Representatives for the week of March 25, 1974, is as follows:

Monday is District day, with the following District bills:

H.R. 8747, repeal smallpox vaccination requirement for students;

H.R. 12832, District of Columbia Law Revision Commission; and

H.R. 12109, Advisory Neighborhood Councils referendum.

For Tuesday and the balance of the week the House will consider the following bills:

H.R. 69, Elementary and Secondary Education Act amendments, with votes on amendments and the bill;

House Joint Resolution 941, urgent supplement appropriations for veterans readjustment benefits;

H.R. 12412, Foreign Disaster Assistance Act, with an open rule, and 1 hour of debate;

S. 2770, pay structure for medical officers and other health professionals, subject to a rule being granted; and

H.R. 12565, Defense Department supplemental authorization for fiscal year 1974, subject to a rule being granted.

Conference reports may be brought up at any time and any further changes in the program will be announced later.

If the distinguished minority leader will continue to yield?

Mr. RHODES. I am happy to yield.

## ADJOURNMENT TO MONDAY, MARCH 25

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## FEEDING THE ELDERLY

(Mr. PODELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. PODELL. Mr. Speaker, I was most gratified to see that yesterday the House passed, by an overwhelming majority, H.R. 11105 to amend the Older Americans Act, to provide a nutrition program for older Americans.

Most of my constituents are senior citizens, or about to become so. It is my pleasure that so many of them are my personal friends. My parents—and my grandmother—are alive and vibrant and young, for all their years. For that I am truly honored.

And so I understand, I believe, the problems of my friends who have retired and who live on pensions. I know that, too often, those pensions are not enough to take care of the simple everyday needs of a retirement family. Some of these people receive financial assistance from their children. Some invested wisely when they were younger, and are now able to enjoy their retirement years in relative comfort. Would that it were so for every American aged 60 and over. But we know all too well that this is not the case.

Too many of the elderly must manage to get along on the pittance they receive from social security. Their existence is hand to mouth, hounded to find a way to get along on less and less and still retain some shreds of human dignity. These are proud people, Mr. Speaker, they have paid their dues. They worked hard all their lives believing that, when they stopped working, they could relax and enjoy life for the first time. But for all too many of them, their retirement has become a time of counting every penny and denying themselves even the small pleasure of a daily newspaper.

So much has been written on the difficulties of surviving these days on a fixed income, that I am sure we all know the litany by heart. And yet, we must not lose our awareness of just how hard it is for these people, some of whom must try to live on the minimum social security payment of $140 per month. I defy any of my colleagues to live on that sum, out of which must come payments for rent, food, a telephone, medication. You could not spend more than $2 a day for food, and in these days when a can of tuna fish costs nearly $1 and a quart of milk over 40 cents, you may well understand just how so many of our elderly have been condemned to the lingering torture of slow starvation.

Being old is often referred to as the "golden years," but for all too many Americans, these years are not golden but black with misery, loneliness, and hunger. Even those of the elderly who have retired on a decent pension have a hard time making ends meet when prices are rising at the rate of almost 10 percent a year. Just think of what this rate of inflation means to families whose incomes are not fixed, and then think of how much greater the burden is on those who must live on a pension.

The Older Americans Act is a valuable piece of legislation, because it acknowledges the debt that each of us owes to the elderly, our parents, grandparents, aunts, uncles. They were the ones who made this country which we have inherited. Our responsibility extends not only to those in our immediate families, but to all the elderly, for each and every one of them has added in some way to American society. We would not be meeting our responsibility if we were to let these people slowly starve to death in the loneliness of their apartments. By authorizing this money, we were providing the poorest of the elderly one decent meal a day, in a place where they can get out and meet other people, see that they are not alone in the world, learn that somebody does care about the quality of their lives. It is not too much money to spend to bring a little pleasure into lives that once seemed dreary and meaningless.

The dollars spent under this authorization are a small sum in comparison to the benefits that the elderly, and this Nation, will derive. I was proud to have cast my vote for H.R. 11105, and gratified to know that so many of my colleagues felt the same way. I hope that this legislation is only the beginning of a concerted action by this Congress to improve the quality of life for all of America's elderly.

## TRY IT IN HANOI, MISS FONDA

(Mr. BRAY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BRAY. Mr. Speaker, the recent use of office space in the House of Representatives for Miss Jane Fonda to hold a "seminar" on American imperialism is highly questionable, to say the least. Free speech—on the floor of the House or Senate, or by witnesses appearing before congressional committees—is one thing. But providing tax-supported facilities, which they certainly were in this case, to give Miss Fonda a platform for anti-American harangues, seems to be a little too much.

However, a question comes to mind, which I feel might be put to Miss Fonda, rather notorious for her support of North Vietnam during the Vietnam war, and her 1972 trip to Hanoi, where she made anti-American propaganda statements. These statements, I would like to point out, were used by the North Vietnamese—along with those of some Members of Congress, I am sorry to say—to "prove to American prisoners of war that their country has forgotten and deserted them. POW's testify to that fact; it is indisputable; some have also told me this sort of thing was the worst punishment they had to endure during their captivity.

To the best of my knowledge, Miss Fonda has never had anything good to say about her country, which has given her awards and praise and considerable financial return for her undisputed ability as an actress. But the question is this; I will put it in the form of a letter:

Miss Jane Fonda,
*Los Angeles, Calif.*

Dear Miss Fonda: You were recently given the privilege of using office space in the U.S. House of Representatives' office building to lecture a seminar on American imperialism, and tell your audience what a terrible thing it is. By implication, from this and other statements you have made, the American society is repressive, aggressive, and dictatorial, according to your interpretation. Also, from other statements you have made, one may assume you feel the North Vietnamese society and government is exactly the opposite.

Tell me, Miss Fonda, did you ever think what the reaction of the North Vietnamese would be if you asked permission to use official Government facilities to attack them? Isn't the fact that you had the freedom to say these things, in your own country (and I assume you still consider the United States your own country) proof positive that what you say is wrong? Could you conceive of doing anything like this in the Soviet Union? In Red China? Or, again, in North Vietnam?

Just where *is* this "freedom," Miss Fonda? If this country were one fraction as bad as you say it is, would you have been able to do this?

I think you owe your fellow citizens an explanation, and your reply to this letter will, I assure you, be inserted in the Congressional Record. After all, everyone, in this country, has the right to be heard.

Sincerely,

William G. Bray,
*Member of Congress.*

## STATE DEPARTMENT DECLASSIFIED DATA ON ARMS SHIPMENTS TO ARABS

(Mr. LONG of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LONG of Maryland. Mr. Speaker, the State Department, after 4 months of prodding, has finally declassified data on U.S. commercial arms shipments to Arab nations between 1966 and 1972.

I have previously reported to this body the little-appreciated fact that the total U.S. economic and military assistance to the Arabs between 1967 and 1973 was 2.4 times the total Russian assistance to the Arabs over the same period.

The data which I bring to public attention today are one more part of the puzzle surrounding the U.S. stance in the Middle East during the arms buildup that preceded the attack on Israel in October 1973. These data officially confirms the sale to Saudi Arabia of Hawk missiles, their support equipment, and revolvers; to Lebanon, armored cars; and to Saudi Arabia and Libya—after Colonel Qaddafi came to power—of C–130 air cargo planes. The dollar value of the sales just disclosed by the State Department, $47.6 million, is but a small part of the total U.S. economic and military assistance to the Arabs between the 1967 Mideast war and the Yom Kippur war—an astonishing $8.952 billion—which I revealed on February 19, 1974, in this body. The $8.952 billion in U.S. assistance to the Arabs compares with $3.807 billion in U.S. economic, military, and private assistance to Israel over the same period. The official disclosure by the State Department of previously classified sales of Hawk missiles and other implements of war to Arabs, which I am releasing today, is but one more illustration of the fact that the U.S. policy in the Middle East has been the opposite of what it has appeared to be—namely, to favor the Arab countries, not Israel.

Department of State,
*Washington, D.C., March 18, 1974.*

Hon. Clarence D. Long,
*House of Representatives,*
*Washington, D.C.*

Dear Mr. Long: In connection with the Hearings of the Sub-Committee on Foreign Operations with Related Agencies held on November 14, 1973, your office requested certain commercial export statistics concerning selected Arab countries.

On February 22, Mr. Gregory Rushford, Legislative Assistant in a meeting in your office asked if Messrs. Schnee, Trout and Bryant could arrange the declassification of the commercial exports of Significant Defense Articles mentioned in the Semi-Annual Reports (1968–1971) published by the Department of State for Egypt, Syria, Jordan, Iraq, Kuwait, Saudi Arabia, the Sudan, Libya, Tunisia, Algeria, Morocco and Lebanon.

I am pleased to inform you that we have been able to arrange the declassification of these statistics. This information is enclosed.

I trust that this information has been responsive to your inquiry. However, if you have any further questions please let us know.

Sincerely yours,

Linwood Holton,
*Assistant Secretary for Congressional Relations.*

COMMERCIAL EXPORTS TO SELECTED COUNTRIES OF SIGNIFICANT DEFENSE ARTICLES ON THE U.S. MUNITIONS LIST

| Time frame, country, and commodity | Quantity | Value (thousands) |
|---|---|---|
| January to June 1968, Saudi Arabia: | | |
| Hawk missiles and support equipment | 132 | $6,235 |
| Revolvers (.38 cal.) | 1,200 | 60 |
| July to December 1968, Saudi Arabia: | | |
| Aircraft cargo C–130E | 4 | 10,680 |
| Revolvers (.38 cal.) | 3,400 | 165 |
| Hawk missiles [1] | 159 | 5,544 |
| January to June 1969: None | | |
| July to December 1969, Lebanon: Commando V–100 armored cars | 6 | 279 |
| January to June 1970, Libya: Aircraft cargo C–130E | 3 | 10,650 |
| July to December 1970: | | |
| Libya—Aircraft cargo C–130E | 3 | 10,500 |
| Saudi Arabia—Aircraft cargo C–130H | 2 | 3,536 |
| January to June 1971: None | | |

[1] Exported previous 6 months.

## ERNIE PETINAUD: McCORMACK AWARD RECIPIENT, 1973

(Mr. MILLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER. Mr. Speaker, today the House of Representatives has honored one of its most distinguished employees, Ernie Petinaud. I am proud to have attended the ceremony this morning during which our friend Ernie was named the recipient of the John W. McCormack Annual Award of Excellence for 1973.

Ernie, who retired in December as headwaiter of the House Restaurant, was honored by the House leadership for his 40 years of service on Capitol Hill.

The John W. McCormack Annual

Award was established in 1970 as a commemoration to the distinguished and dedicated service of the former Speaker during his 45 years in Congress. Previous recipients of the award are: 1970, Lewis Deschler, House Parliamentarian; 1971, Turner N. Robertson, Chief Page; 1972, Robert M. Menaugh, Superintendent, Radio and Television Gallery.

On March 4, 1925, the day Calvin Coolidge was inaugurated President, Ernie began his career working for the House Restaurant until 1930 when he left to work in New York. He returned to the House Restaurant in 1938, and from that time forward he made lasting friendships with the Members of Congress and their wives and guests.

Long after leaving the Congress and the hustle and bustle of Washington, my wife, Helen, and I will remember the thoughtfulness of Ernie and his charming wife, Jeannette. More than the maitre d' of the Members' dining room, Ernie himself is an institution. He seemed to take the greatest pleasure in doing things for others.

His consideration for the Members of Congress, their families, our staffs, and the thousands of visitors to the Capitol Building is unmatched in sincerity and I know that I echo the sentiments of all who know Ernie well, or who have met him only once, in saying that we appreciate his hard work, his personality and his perseverance.

Mr. Speaker, I would like to include in the RECORD Ernie's remarks upon being presented the John McCormack Award this morning:

> To the Speaker, the Honorable Carl Albert, the House leadership, Members of the House and friends:
>
> To the awards committee which nominated me as a candidate and named me as recipient of this wonderful tribute, I offer my sincere and grateful appreciation and thanks.
>
> I have reaped the harvest of my labors and the compensations from my work have been very rewarding. In receiving this great citation, I assure you that I will cherish it more knowing that it is an award given in the name of someone to whom I owe a great deal for all the kindness and appreciation that he has always shown me, and others.
>
> I speak of none other than the Honorable John W. McCormack, one of God's noblemen and one of my best friends through the years.
>
> So, on behalf of my wife and myself, we wish everyone here God's blessings in health and happiness. Again, I say thanks.

## "UNIONS FIGHT HOUSE REORGANIZATION"

(Mr. BROWN of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. BROWN of California. Mr. Speaker, the excellent column of Mike Causey—the Federal Diary—appearing in the Washington Post for Wednesday, March 20, 1974, is headed "Unions Fight House Reorganization." Mr. Causey describes the efforts of Federal and postal unions to:

> . . . gut a pending reorganization of the House committee system, "because of their fear that the proposed abolition of the Post Office-Civil Service Committee . . ." could undercut their clout on Capitol Hill and delay future drives for improved civil service fringe benefits.

I have no doubt that Mr. Causey is correctly reporting this situation. However, I would like to take this opportunity to offer some unsolicited and friendly advice to those Federal and Postal Union lobbyists who are making this attempt to gut the proposed reorganization effort. I stress that this advice is intended to be friendly, and is based on my own sincere concern for the welfare of public employees and labor. If there is any doubt about this concern, it may be allayed by consulting my labor voting record and by noting my authorship in the California State legislature 14 years ago of the State's first law establishing the right of public employee unions to organize and be recognized.

Federal employees are lagging behind their counterparts in private industry, and in most large States, in their fringe benefits and in their rights to organize and bargain collectively, not because of an unfriendly Congress, or congressional committee, but because of an unfriendly executive branch, headed by an unfriendly President. Quite obviously public employees are moving strongly on almost every front toward comparability in all respects with their counterparts in private industry. For the Congress to recognize this by placing responsibility for all labor relations matters in one Committee on Labor with responsibility for both the public and private sectors, will aid this progress, not retard it. It would be extremely shortsighted for public employee unions, or labor in general, to oppose this reorganization of House committees merely because they fear change, or think that they might have to deal with less friendly committee members.

As a matter of fact, just the opposite would probably be true. I have tried to make an educated guess as to the composition of a new Labor Committee arising out of the proposed reorganization, and, in my opinion, this is how it might shape up: Chairman, JOHN DENT, with 18 years' seniority; subcommittee chairman, THADDEUS DULSKI, 16 years; DOMINICK DANIELS, 16 years; WILLIAM FORD, 10 years; JOSEPH GAYDOS, 8 years; BILL CLAY, 6 years; MARIO BIAGGI, 6 years. DULSKI, DANIELS, FORD, and CLAY are now on the Post Office and Civil Service Committee. DANIELS, FORD and CLAY are on both Post Office and Civil Service and the Education and Labor Committee—as well as BILL LEHMAN. JOHN DENT and JOSEPH GAYDOS are on Education and Labor but not Post Office and Civil Service.

On the Republican side, I would guess that the ranking members would be: ASHBROOK, ESHLEMAN, BILL STEIGER, LANDGREBE, and HANSEN, which would probably compare favorably with the existing Republican lineup on Post Office and Civil Service of GROSS, DERWINSKI, JOHNSON of Pennsylvania, HOGAN, ROUSSELOT, and so forth.

Because of what I expect will be a rather large turnover in the House this year, particularly on the Republican side, I anticipate that there will be a substantial number of new Members, mostly Democratic and mostly friendly to labor, who will be available to fill the lower ranking slots on this new Labor Committee. Under these circumstances, I cannot possibly conceive of how my friends in labor and within the Federal establishment can possibly be hurt. I anticipate that, instead, they will be considerably better off.

Beyond the rather parochial point of view concerning whether a committee is friendly or unfriendly, there is a much bigger issue. The effective functioning of the House is a matter of paramount importance to the whole Nation. The low repute of the Congress in the public eye can only be corrected if we place the public interest first in all we do. The proposed reorganization can be legitimately attacked only for failing to achieve its goal of a more effective Congress. To attack it because it inconveniences lobbyists, or causes the loss of a committee chairmanship, or creates committees of a temporarily different ideological complexion, or, worst of all, merely to resist change, does not serve the Nation's interest, or the interest of the vast majority of the Members of Congress who are interested in doing the best job they can for their constituents.

No reorganization is perfect. This one is not perfect. But it must be measured by different criteria than those evidenced in this article if we are to equip ourselves to solve the massive problems that face the Nation today.

Mr. Speaker, the full text of the article follows:

### REORGANIZATION OF THE HOUSE COMMITTEE SYSTEM

> Federal and postal unions and retiree groups are working frantically behind the scenes to gut a pending reorganization of the House committee system.
>
> The lobbyists fear that the abolition of the Post Office-Civil Service Committee, recommended by a special Committee on Committees, could undercut their clout on Capitol Hill and delay future drives for improved civil service fringe benefits.
>
> Under the shakeup proposal the 25-member committee, which is generally favorable to the welfare of the 3.8 million federal workers and retirees, would be disbanded. Portions of authority would be picked up by an expanded Labor Committee, and other vital functions would be transferred to a beefed-up Government Operations Committee.
>
> The changes would upset long-established (and generally successful) lobbying practices of the unions and the special understandings they have now with most members of the committee which deals exclusively with civil service and postal matters.
>
> The unions are counting on help from Rep. Wilbur Mills (D-Ark.), one of the most powerful members of Congress. The Ways and Means Committee, which Mills chairs, would lose jurisdiction under the reorganization for Social Security, unemployment compensation and foreign trade matters, which have made Mills a congressional kingpin.
>
> Union leaders—including the national AFL-CIO hierarchy—hope that Rep. Richard Bolling (D-Mo.) whose special committee has proposed the changes, can be persuaded by his colleagues not to push hard for the reforms. Bolling was mandated by the House to come up with a streamlining plan, but it has irritated many members who would lose the chairmanships of committees, subcommittees or senior roles in powerful programs.

Bolling's 10-member special committee decided to split the duties of the Post Office-Civil Service Committee (as well as abolishing the Internal Security Committee) partly on grounds that it has less to do these days. The Postal Serice has become a semi-independent corporation and federal pay fixing, once the major province of the committee, now is handled automatically.

Backers of the status quo argue that the committee, chaired by Rep. Thaddeus J. Dulski (D-N.Y.) has an even more important oversight responsibility now that the Postal Service is going its own way, and that a full-time committee is needed to keep track of skyrocketing federal fringe benefit costs.

Government unions and pressure groups hope to persuade the Democratic (and Republican) caucuses to delay reorganization approval, if they can't have it killed outright. They hope to whip up back-home opposition to the changes during the Easter recess and that the opposition will sway enough members' votes to kill the reorganization.

## WHEAT SHORTAGE A REALITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. Hogan) is recognized for 15 minutes.

Mr. HOGAN. Mr. Speaker, in August of 1973, it was predicted that the United States would find itself short of certain commodities, such as wheat, and that it would reach a point where we would either have to shortchange our own people or turn a cold shoulder to our hungry neighbors overseas. It now appears that the dire prediction regarding the wheat shortage is becoming a reality.

We are currently experiencing unconscionably high food costs and the possibility of severe shortages of certain commodities, particularly wheat and feed grains are expected to escalate this spiralling cost even further.

The American consumer must be assured adequate food at reasonable prices. At the same time our traditional customers overseas and those needy nations which depend on the United States for food assistance must not be ignored.

It is beyond dispute that the world supply of wheat is finite and close to exhaustion; that no one knows if we are already overcommitted; and that there is a clear and present danger that the United States will run out of wheat in the very immediate future.

Time is of the essence. Given the present threat of a serious wheat shortage, time is of the essence. I have urged the administration to begin negotiations now so that appropriate action can be taken promptly.

In a letter to Secretary of Agriculture, Earl Butz, I suggested that the U.S. Government, in recognition of the embargoes placed upon wheat by most exporting countries, the spiraling cost of wheat and its relationship to inflation in this country, and present danger of a dire crisis in wheat supply, consider the following recommendations:

First. An immediate temporary embargo on the exportation of wheat of all classes for the minimal period necessary be imposed.

Second. A requirement that the Department of Agriculture report back within a specific time as to—

The actual inventory of wheat on hand: Classes; quantities; and where located;

The crop yield: Classes, quantities, and amounts still to be harvested;

The domestic requirements for wheat: Classes, quantities, and the nature of use which explanation of factors which might change estimated quantities and the parameters of change; and

The foreign commitments for wheat: Classes, quantities, destination, prices, with explanation of factors which might change estimated quantities and the parameters of change.

Daily, the price of wheat continues to reach new highs on the commodities market despite predictions of a record crop in the United States. An unparalleled domestic scarcity of wheat, flour, and bread is evident.

The effect on the economy and welfare of our country cannot accurately be predicted at this time, but many experienced bakers foresee additional bread price increases of 10 to 20 cents per loaf or more; or no bread at all.

The high price of wheat and concomitant high price of flour, animal feed grains, other raw agricultural products and their derivatives has had repercussions throughout our economy. The ramifications go beyond the necessary passthrough of these costs to the housewife. They affect the ability of the millers to compete with foreign governments for badly needed supply.

We must face reality and recognize that a severe wheat shortage is apparent. Action must be taken to avert a calamitous crisis and to protect the American consumer.

## RAILSBACK COMMENDS WENDELL WYATT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Railsback) is recognized for 5 minutes.

Mr. RAILSBACK. Mr. Speaker, one of my best friends in Congress—Wendell Wyatt—has recently announced his retirement. While I know he will enjoy returning to Oregon, he will certainly be missed here. When I first came to Washington Wendell Wyatt gave me good counsel, and, over the years, I have come to regard him as one of the most competent lawmakers with whom I have had the privilege of serving.

His recent announcement on retiring not only explains his reasons for leaving Washington, but also contains a good number of points based on his experience as a U.S. Representative. Wendell points out the need for a thorough and objective investigation into matters relating to Watergate, the need for objective evaluations of public officials, and the problems of the ever-increasing size of the Government. In addition, he explains, as so many of us feel, what a truly rewarding and stimulating experience serving in Congress is.

Mr. Speaker, I ask unanimous consent that his remarks be inserted in the Record immediately following my comments:

### Speech of Congressman Wendell Wyatt

My report to my constituents indeed will be bi-partisan. Four months ago, I spoke to you of our problems processing the Federal Budget, concrete steps taken toward congressional reform, and the many frustrations which accompany membership in the House of Representatives.

I pointed to the increase in the size of each member's workload, an increase which seems to have grown faster than the proliferating dimensions of the federal government, itself.

At times, I may have sounded discouraged, but hopefully, I did not give you the impression that I was distraught. I concluded that talk, four months ago, by saying that I was not complaining about the job of a Congressman, but only seeking better understanding of its parameters. I mentioned that I welcomed the challenges in spite of the growing frustrations, and although the burdens of the office were sometimes awesome, it was nevertheless possible to achieve.

That was four months ago.

I was greeted on this return trip home with some speculation over my designs for the future, particularly in connection with the Governorship of our great state, a chief executive position of immense authority, having few of the drawbacks of the Congressional committee system.

Now is the time to clear up rumors. I shall not seek the Governor's job.

In addition, and to dispell other rumors, I have decided not to seek re-election to the office I now hold.

I do so for very innocent reasons. I promised myself long ago that I would never become a dotarding Claghorn in the halls of Congress. Commensurate with this, I have by-passed opportunities to serve in the Republican House Leadership, knowing in good faith that I would not remain long enough to adequately fill one of those positions. I would like to have more time with my wife, children, and grandchildren, time which this job does not allow. And I do not want to further jeopardize my health. And I think that it is time for someone else to shoulder the burdens of the office. Faye and I are looking forward to returning from our exile in Washington, and resuming life in Oregon, the state we both love.

Having said that, there are a few other things I'd like to say. For me, this announcement serves as sort of a catharsis.

When my term of office expires, I will have been in Congress for a little over ten years. Counting the special election which sent me to Washington, I will have had my name on the ballot six times. That is a lot of scrambling for a Republican who is elected from a District which has a substantial Democratic voter registration advantage. I have enjoyed victories at the polls averaging over 70% of the vote, meaning that at least half the Democrats in my District crossed party lines to keep me in office. I am deeply appreciative of this fact, and at the same time, no one ever had to show me their party affiliation credentials when they came to me with a problem, large or small.

But, living in a world of political reality during these ten years, I have not always been able to say precisely what I wanted to say. Today I can. There is no bitterness in my swan song. My time as the Representative from Oregon's First District has been tremendously exciting and an experience which few are able to enjoy.

But a few things bother me, and I'd like to share them with you as if we were having a quiet cup of coffee around a kitchen table. If some of my thoughts appear partisan or prejudiced, that is because they are. I am no different from any one of you.

For starters, let's talk about Watergate. It is deplorable—pure and simple. If our President had planned to mess up as badly, he could not have pieced together such a fumbling with 20 years of careful forethought and the assistance of the Rand Think Tank.

But does this necessarily mean that we should abandon all sense of perspective when we evaluate what has transpired? It shouldn't, but there is every indication that we have. My office has received well over 6,000 letters demanding that the President of the United States be hung tomorrow from the highest yardarm. Is this due process? Not hardly.

The Presidency is a man-killing job. Think back to how Harry Truman was vilified, as was the non-charismatic Lyndon Johnson, coming to office through the tragic demise of the charismatic John Kennedy.

Were those administrations blunder-free? I remember "national security" used then to justify such horrors as the Korean War, the Bay of Pigs, and the Vietnam War.

I have had on my desk for many years, a little placard with an inscription of an Indian Prayer which says, "Great Spirit, grant that I may not criticize my neighbor until I have walked a mile in his moccasins."

I have pondered that simple prayer and wondered about President Richard Nixon. I wonder how he feels about the over-night self-righteousness of Senators Ervin, Inouye, and Talmadge, who voted repeatedly not to investigate a former President's association with Bobby Baker, Billy Sol Estes, and others. Or how he feels about Egil Krogh, beginning his six months in prison and facing likely disbarment from legal practice, when Daniel Ellsberg walks free, and in some circles as a minor folk hero. And I can well imagine that the President has few doubts in his mind whether the report of the grand jury in Massachusetts would remain sealed if he, Richard Nixon, had been driving the car at Chappaquidick.

Maybe these sound like cheap shots, and maybe they are. But you don't have to go far for cheap shots these days. You don't have to go to *Parade Magazine*, or the *National Enquirer*, or even the gossip column. All you have to do is look at the front page of any newspaper. And then you need a stopwatch to determine how quickly the bloodthirsty segment of our population will rush to crucify another public official. A common cry these days is that the public has lost confidence in their elected officials. Please show me which elected official is in any way connected with Watergate, other than then proven accusations that have been leveled against the President. Aren't you a little tired of all the innuendos?

We, the most forgiving nation on earth, who afford the lowest, most despicable crimminal the benefit of our constitutional process; who feed, clothe and house the most irresponsible citizen from cradle to grave, and who send untold sums of money and manpower around the world to aid and assist the less fortunate, we will not afford the President of the United States the Presumption of Innocence.

I, for one, am going to afford the President procedural due process. The House Judiciary Committee is compiling for the first time, legally admissible evidence (something lacking in the Senate Watergate hearings) and if impeachable evidence is contained in their findings, then I will vote the dictates of my judgment when that time arises. But in the impeachment process, the House of Representatives acts as a Grand Jury, and in what other grand jury do its members announce a pre-determined verdict of guilt or innocence? None, of course, for they would be instantly removed. I am saddened by the number of my own colleagues who have disregarded this fundamental principle of the system they were elected to preserve. And I am simply appalled that so many people in the United States are so ignorant of this basic constitutional precept.

Enough of Watergate—I have some other things to say.

One is about citizen-action groups.

A member of Congress has always had traditional pressure and influence from four distinct sources: his Party, his Constituency, Labor and Business. He is under almost constant seige from two or more of these groups. A decent Representative acknowledges competing interests when they occur, and votes his conscience. No single one of these four, under any circumstances, is going to be "right" all the time, and most Representatives understand that.

Now comes the citizen-action group—ostensibly devoid of partisan interests, under the "holier-than-Thou" guise of sanitized public concern for better government.

Some of Ralph Nader's off-shoots, John Gardiner's Common Cause and other like organizations, at times have been very, very irresponsible, and they, of course, are instant experts on many subjects. They circulate among their members, positions which are determined generally in Washington by a small paid staff, interested in self-preservation, and generally of a rigid political persuasion. These positions are passed along to the membership, not in the form of argument pro and con, but usually with an attractive public relations label, and with only one side of a two-sided issue presented. This leads to emotional reaction among membership, and a complete lack of understanding and even tolerance in many cases, of any other point of view, and tends to destroy the reasoning process. These organizations exert as much, or more, influence as any other lobby groups, but because of the form of their organization, they are not treated the same as other lobbying organizations.

I have considerable trouble with the choice of issues which some of these groups make. There is not one I am aware of which has chosen to address some of the real major problems of the day, and attempted to present both sides of the issue, and press for some action. I am talking about the elimination of the electoral college, modernizing the method of choosing the Vice President, legislative budget reform to return a semblance of sanity to federal fiscal policies, reform of the impeachment process, and the list goes on.

I have a personal example of misuse of the label "citizen-action group," and it involves a Ralph Nader publication entitled, "Citizens Look at Congress." A profile was written on each Member, and mine was written by a young lady spending a summer in Washington. Theoretically, I think that these studies could have been of great value to the voting public, if they had, in fact, been non-partisan, written by competent, experienced individuals, and were focused upon relevant aspects of the job that was being done. But, aside from the many half-truths, untruths and misquotes which were contained in my profile, and which I had no opportunity to refute, the following insight was contained on page one of "A Citizen's Look at Wendell Wyatt:"

Wyatt with without striking verbal or behavioral mannerisms; he is physically nondescript, and is not a stylish dresser.

I guess I wasn't wearing my Levis that day. In any event, I caution you from touting "citizen-action groups" as anything other than certain citizens trying to get their way like the rest of us. I have many friends who are members of such groups, and I commend their interest in the legislative affairs of our country. However, it is the facts, and all the facts, that should be made available so each of us can make our own decision.

Another topic that I would like to mention is what I consider to be government's woeful marriage to the Eastern establishment. Now, I respect those individuals who posess the intelligence and opportunity to attend the Ivy League institutions. They undoubtedly, receive a very fine education. But I do think that too many in the federal government have equated this accomplishment with the attainment of divine knowledge, and this is quite wrong. You have no idea of the difficulty that I have had attempting to find positions for talented Westerners in our government, when that same position is being sought, or handed to, someone with Eastern credentials. Why the "powers-that-be" cannot simply look at what we have done *for* ourselves in the West, and what they have done *to* themselves in the East, I'll never know. Proof again, that you can't teach common sense in the classroom.

Of course, I am concerned with the ever-increasing size of the federal government, but that is not so much of a personal beef as it is a personal fear. It is simply impossible to solve every personal misery by a new federal law sloganized title. I wonder how much more federalism our system can tolerate, and particularly, the effect it will have on those American attitudes and ethics which brought the country to greatness. This is a terribly large topic which time does not permit pursuing, but I intend to maintain an active interest in this area as a "concerned citizen."

Although I may be without striking verbal or behavioral mannerisms, physically nondescript, and a poor dresser, I must admit that I was extremely proud of the fact that I was often referred to as a "doer" in the House of Representatives, and that people came to me when they wanted a job done. If I had possessed a strong desire to see my name in lights, there were ample opportunities to call a press conference and glean headlines by demagogically demanding that something be done immediately, something over which I had no control.

A real pleasant surprise to me on first arriving in Washington, was to learn that the vast majority of Members of Congress are extremely hard workers. Most Members that you read about concentrate their efforts on press relations. It is easy to play the demagogue and to live politically on press releases. But those Members who carry the heaviest burden seldom have time to also do the press-agentry work.

In retiring, I will have the satisfaction that I did the job to the best of my ability. My voting attendance record for ten years will have averaged over 90%. No constituent ever complained of not receiving a response to an inquiry or less than my full effort to resolve a particular problem. I will be returning less wealthy financially for having gone to Congress, but infinitely more enriched by satisfaction and experience than if I had stayed at home. One of the deep satisfactions is the strong support I have had from many faithful friends in all walks of life, and the kind treatment by the news media. My staff has been hard working and diligent and has made my job easier. My fellow barristers have also been of enormous assistance, and I shall always be grateful for the help that they have given me, that has made my years in Washington possible.

I will miss the excitement of Washington, the many friends and associations that I have made in ten years, and the privilege of representing Oregon in the Congress of the United States: the greatest country in the world during the greatest time of man.

Thank you for that privilege. It will be pleasure to return home.

## OIL EMBARGO AND RHODESIAN SANCTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, I would like to insert for the thoughtful attention of my colleagues a clipping from the Pittsburgh Press of February 23.

The paper reports a statement by Jack Sheehan, the United Steelworkers legislative director in support of the repeal of the Byrd amendment. Mr. Sheehan strongly disputed charges that the embargo has or will cost steelworkers their jobs. The text of the article is as follows:

### USW BACKS RHODESIAN CHROME BAN

The United Steel Workers Union (USW) has challenged a claim by some segments of the steel industry that a ban on Rhodesian chrome imports would cause a loss of jobs here.

Jack Sheehan, USW legislative director, said the union has called on the U.S. House to pass legislation adopted earlier by the Senate in support of a boycott adopted by the United Nations in 1968.

"The United Nations adopted the boycott to protest and put pressure on the all-white Rhodesian government that discriminates socially, politically and economically against a majority black population," the USW director said.

He "strongly disputed" charges that the embargo has or will cost steelworkers their jobs.

"What is at stake," Sheehan said, "is not a threatened loss of jobs but a moral commitment to a people in need, and a statement of support is one of the few bold steps taken by the world organization."

Black miners received $39 a month compared to $540 for their white counterparts in 1970, Sheehan noted.

In order that the record may be clear, I also wish to insert the text of the communique by the Security Council Sanctions Committee regarding U.S. imports from Southern Rhodesia. It should be noted that the Security Council Committee, after examining the report, expressed its concern about continued violation of sanctions by the United States.

The text of the communique is as follows:

### TEXT OF COMMUNIQUE BY SECURITY COUNCIL'S SANCTIONS COMMITTEE REGARDING UNITED STATES IMPORTS FROM SOUTHERN RHODESIA

The Security Council Committee established in pursuance of resolution 253 (1968) concerning the question of Southern Rhodesia today issued the following press communiqué:

By a report dated 25 January 1974 the Permanent Mission of the United States to the United Nations submitted to the Security Council Committee established in pursuance of resolution 253 (1968) concerning the question of Southern Rhodesia a list of shipments of chrome ore, nickel and other materials that were imported into the United States from Southern Rhodesia in the period 1 October 1973 to 31 December 1973.

After examining that report, the Security Council Committee at its 184th meeting expressed its concern about this continued violation of sanctions. It also decided to ask the Secretary-General to request the Governments of the countries of registration of the ships concerned to investigate the circumstances in which cargoes of Southern Rhodesia origin, the carriage of which is prohibited by Security Council resolution 253 (1968), were carried on their vessels.

The text of the United States report which include the quantities involved is reproduced below:

"In conformity with the statement made by the United States representative on 22 March 1972 at the Committee's 68th meeting, I am submitting for the information of the Committee a report on shipments of strategic materials that have been imported into the United States from Southern Rhodesia in the period 1 October 1973 to 31 December 1973. Attached please find a list of these imports."

PRESS RELEASE SC/3516, FEB. 7, 1974

| Vessel (country of registry) | Date of arrival | Port of importation | Port of embarkation | Commodity | Quantity (tons) |
|---|---|---|---|---|---|
| Morganstar (South Africa) | Dec. 24, 1973 | Baltimore, Md | Lourenco Marques | Nickel cathodes | 22 |
| Yellow Stone (United States) | Dec. 31, 1973 | Baton Rouge, La | Beira | Chrome ore | 16, 805 |
| Helenic Destiny (Greece) | Dec. 30, 1973 | Charleston, S.C., Boston, Mass | Lourenco Marques | Asbestos fiber, chrysotile asbestos fiber | 645<br>50 |
| Ocean Pegasus (Greece) | Nov. 9, 1972[1] | Baltimore, Md | do | Charge chrome (ferrochrome) | 556 |
| Venthisikimi (Greece) | Oct. 6, 1972[1] | Burnside, La | do | do | 1, 119 |
| Costos Frangos (Greece) | Feb. 11, 1973[1] | do | do | High carbon ferrochrome | 2, 239 |
| Adelfoi (Liberia) | Mar. 18, 1973[1] | do | do | do | 550 |
| Nortrans Unity (Greece) | Apr. 10, 1973[1] | do | do | do | 839 |
| Missouri (United States) | May 22, 1973[1] | do | do | do | 555 |
| Merrimac (United States) | July 9, 1973[1] | do | do | do | 1, 372 |
| Sun River (Norway) | Sept. 17, 1973[1] | do | do | do | 1, 488 |
| Safina E. Najam (Pakistan) | Dec. 1, 1973 | do | do | do | 778 |
| Wildenfels (West Germany) | Oct. 2, 1973 | do | do | do | 974 |
| Steinfels (West Germany) | Dec. 13, 1973 | do | do | do | 325 |

[1] Arrival report recently received, not previously reported.

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## LABOR—FAIR WEATHER FRIEND—XIV

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the thing that must be understood about the attack made on me by the so-called Labor Council for Latin American Advancement is that this is not an organization based in my district of San Antonio.

AFL-CIO union groups in San Antonio support me. I would like to include in the RECORD as an example of this support, a copy of the news release and resolution issued by the American Postal Workers Union, AFL-CIO, of San Antonio in respect to the attack made on me by the LCLAA.

### POSTAL WORKERS SUPPORT CONGRESSMAN

The San Antonio Local of the American Postal Workers Union, AFL-CIO overwhelmingly adopted a strongly worded resolution supporting Congressman Henry B. Gonzalez. The action came during the union's regular monthly meeting, Saturday, January 19th at the Labor Professional Center, 611 N. Flores here in San Antonio. The protest by the local postal workers stems from a December 19th Washington, D.C. news release by the newly formed, AFL-CIO backed, Labor Council for Latin American Advancement (LCLAA) who accused Congressman Gonzalez of such anti-labor activities as "union-busting" and ". . . on the side of big business and against the Farah strikers, . . ." The incident which caused the Washington, D.C. action involved a December 8th meeting Congressman Gonzalez had with the non-union workers who were thrown out of work by the closing of two San Antonio Farah plants.

Mr. Herbert Diaz, General President of the local postal union explained to the rank-and-file members that in a four hour legislative breakfast with Congressman Gonzalez at the St. Anthony Hotel on January 18th the facts and circumstances surrounding the controversy were discussed.

Also attending the breakfast from the APWU were H. C. Barrios, Chief Steward, Robert Mendoza, Director of Legislation, Hector Arzola, Shop Steward, and Don Gignac, Editor and Publicity Director.

The Congressman, according to Diaz, was embittered by this attack and particularly disappointed that no representative of the AFL-CIO either locally or nationally conferred with him regarding his actions before releasing the unfortunate public statement. He felt, as Congressman of the 20th District he had a duty to do what he could to get the plants re-opened. He reminded the union delegation of his unequaled record of legislative support for labor and working people since being a San Antonio City Councilman. He believes his records speaks for itself and certainly does not reflect union-busting or any other anti-union sentiments.

During the debate over this issue at the Saturday union meeting it was pointed out by Robert Mendoza, Legislative Director of the APWU, that the Washington, D.C. LCLAA leaders did not have the courtesy of coordinating with him before or after releasing their unwarranted statement. Ironically, Robert Mendoza is an elected member of the National Executive Board of the LCLAA and took part in its founding conference last November.

### RESOLUTION

Whereas, Congressman Henry B. Gonzalez of San Antonio, Texas has been a true and helpful friend of organized labor generally and of postal unions in particular; and

Whereas, Congressman Henry B. Gonzalez has consistently supported, defended, and championed the causes of true trade unionism at all levels of government for more than two decades; and

Whereas, the Washington, D.C. leaders of the newly formed Labor Council for Latin American Advancement (LCLAA) without prior coordination with San Antonio LCLAA National Executive Board members or other representatives of the San Antonio AFL-CIO Council published and released on December 19, 1973, an unfounded and unfair statement accusing our beloved Congressman of anti-union activities; now, therefore, be it

*Resolved*, that the San Antonio Local, American Postal Workers Union, AFL-CIO here assembled condemns the arbitrary actions of these Washington, D.C. union leaders; and be it further

*Resolved*, That the National President of the American Postal Workers Union, AFL-CIO convey our feelings to AFL-CIO National President George Meany asking that the LCLAA leaders responsible print, publish and release a retraction of their December 19, 1973, attack against the Honorable Henry B. Gonzalez, Member of Congress, 20th District.

## CONGRESSMAN DRINAN SPEAKS AGAINST DISMANTLING FEDERAL MACHINERY TO ATTACK EMPLOYMENT DISCRIMINATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. DRINAN) is recognized for 15 minutes.

Mr. DRINAN. Mr. Speaker, on March 24, 1974, the Employment Section of the Civil Rights Division at the Justice Department will lose its authority to initiate pattern or practice suits against private employers engaging in employment discrimination. While the overall record of the Justice Department in civil rights matters during the Nixon administration is far from adequate, the Employment Section has performed exceedingly well in meeting its responsibilities to enforce the Federal fair employment practices law, title VII of the Civil Rights Act of 1964. In my judgment, the loss of this authority will cause a marked diminution in the enforcement activities and effectiveness of the Federal Government in the vital field of equal employment opportunity.

In 1972, Congress amended title VII to give the Equal Employment Opportunity Commission—EEOC—the power to institute court actions. At that time EEOC was given concurrent authority with the Justice Department to initiate pattern or practice lawsuits. EEOC was not assigned exclusive jurisdiction because of the understandable administrative difficulties which would arise as EEOC geared up to implement its new powers. It was thought then that 2 years would be sufficient time to effect the transition.

The hopes of 1972 that EEOC would become a vigorous and efficient agency in the Federal efforts to eliminate employment discrimination have not been fully realized. In the period from March 24, 1972, to February 7, 1974, EEOC has not filed any pattern or practice suits.[1] Of the 154 complaints it has filed, 11 have been dismissed and 2 have come to trial. Twelve of these suits have terminated in consent decrees. These judgments, however, do not generally include hiring goals, which are essential to insuring that the effects of past discrimination are eliminated. Nor do they generally have reporting provisions which are important for monitoring compliance with the decrees. With respect to backpay and other monetary awards for women and minorities victimized by the illegal practices, the EEOC decrees have provided approximately $100,000.

In the same period of time, the Employment Section of the Civil Rights Division filed 36 pattern or practice suits, the only kind of suit it is authorized to bring. Fifteen of those actions resulted in judgments, either by consent decree or after trial. All included hiring goals which set specific timetables for increasing the number of women and minorities in jobs from which they were previously excluded. Concerning backpay and other monetary awards for the minority and female victims of discrimination, the Employment Section obtained over $5 million from the defendants. It should also be noted that the Employment Section recently secured the largest amount ever awarded in any contested civil rights case. On January 31, 1974, a Federal court in Atlanta ordered Georgia Power Co. to pay over $2 million to black victims of job discrimination.

There are other important differences in the operations of the EEOC and the Employment Section. The Justice Department is free to initiate investigations without first receiving a written complaint. It is not required to defer to State and local agencies, and it may file suits without first seeking voluntary compliance. On the other hand, EEOC is bound by a number of procedural obstacles which cause considerable delay in the enforcement of the statute: it can only upon a written charge, it must defer to State and local civil rights agencies, and it must attempt conciliation before instituting suit. It is no wonder that the backlog at the EEOC presently approaches 90,000 complaints—no one is quite sure as to the practice figure.

As best I can determine, a vast segment of opinion among civil rights organizations and private attorneys who litigate in the employment field believes that the Employment Section should retain its authority over private pattern or practice suits. I am aware, for example, that the Legal Defense Fund of the NAACP, the Lawyers' Committee for Civil Rights Under Law, and Americans for Democratic Action have all expressed the view that Justice should not lose that authority at this time. At a recent civil rights conference called to explore the Department's civil rights record, Burke Marshall and Stephen Pollak, former assistant attorneys general in charge of Civil Rights Division, concurred in that view.

In addition the Government agencies which have fair employment responsibilities appear to favor retention of jurisdiction for the Employment Section at least for a period of time. In its report of June 29, 1973, the Equal Employment Opportunity Coordinating Council stated:

> The members of the Council agreed that eliminating the "pattern or practice" authority of the Department of Justice at this time could result in a dilution of government authority and could be counterproductive.

The Council then directed the EEOC and the Justice Department to propose the best method of retaining the pattern or practice jurisdiction in the Department. That report was signed by William Brown, the then chairman of the EEOC, and representatives of the Justice Department, the Labor Department, the Civil Service Commission, and the Civil Rights Commission, which, in a separate letter to the Office of Management and Budget on October 30, 1973, supported again the retention of jurisdiction.

It is argued that if the Civil Rights Division is allowed to retain pattern or practice authority in the private sector, such action would be a retreat from the ultimate goal of locating all fair employment functions in one agency. To allay those fears, two observations should be made. First, institutional arrangements, however desirable in theory, should always be evaluated in practice. If a bifurcated enforcement structure is working, there should be no reluctance to retain it, unless a unified approach can be demonstrated, beyond peradventure, to result in fact in greater enforcement.

Second, the loss of authority to the Justice Department would not in fact achieve the goal of consolidation. The Civil Rights Division would retain exclusive authority to bring suits against State and local agencies—although the scope of that authority is subject to vastly different interpretations. I am advised that agencies which are presently defendants in Justice Department suits plan to move to dismiss those complaints after March 24.

Furthermore, after March 24, the Civil Service Commission would still retain its jurisdiction over Federal employment practices, and the Office of Contract Compliance in the Labor Department would keep its authority over contract compliance. The only thing that would be accomplished by giving EEOC exclusive authority over private pattern or practice suits would be a severe reduction in the effectiveness of Federal efforts to eliminate employment discrimination.

I should note, in all candor, that I am apprehensive about any recommendation that would allow the present Department of Justice to retain some of its jurisdiction, particularly in the civil rights field. On reflection and after a careful examination of the facts and all points of view, however, I have concluded that the elimination of the authority in question would be a mistake at this time.

The heart of the matter is this: the loss of jurisdiction to the Civil Rights Division will deprive the Federal Government of an important tool in eliminating employment discrimination without any concomitant gains. Dismantling an effective weapon in the fight against employment discrimination seems to me to be foolish. It is unfortunate that it will occur on March 24.

## RESURRECTION OF THE RIGHT OF PRIVACY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. ALEXANDER) is recognized for 10 minutes.

Mr. ALEXANDER. Mr. Speaker, revocation of the Executive orders, today previously authorizing the IRS to turn over farmers' tax returns to the Department of Agriculture is a significant step in repairing the damage done to the Constitution and restoring the right of privacy to the American people.

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[1] These statistics are based upon information furnished by the EEOC and the Justice Department. They exclude the settlement with AT&T, which was the product of joint action by EEOC, Justice, and the Labor Department.

Big Government has been far too insensitive to the right of personal privacy of our people. I hope that this Presidential act marks a permanent change of direction.

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## HIGH TIME FOR MEAT PRICE MESS TO BE INVESTIGATED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. MELCHER) is recognized for 5 minutes.

Mr. MELCHER. Mr. Speaker, when the President replied to questions on beef prices by the broadcasters Tuesday evening, I had hoped he would take the questions concerning beef prices asked by the broadcasters. I had hoped that he would establish a policy of this administration within the Department of Agriculture and other Federal agencies to find out why consumers have been paying high prices for beef in the stores while producers are taking drastically lower prices for their cattle. Last summer cattle prices touched $60 per hundred, broke sharply recently, and are near the $40 mark which is about a 30-percent drop.

Consumers should be benefiting from the lower prices while cattle feeders are sustaining huge losses of $100 per head, mostly because of higher feed and other operating costs.

The President's reply to one of the questions was that farmers are having it pretty good, but anybody in the cattle feeding business would vigorously dispute that statement. They know better and so should President Nixon. He should examine the information that is available in the Department of Agriculture's "Livestock and Meat Situation" for February of this year which indicates that the cost and expense of feeding a 1,050-pound steer comes to $556.88. To cover this cost it requires a sale price of $53.04 per hundredweight just to break even. Since the market is about $10 lower than that, that amounts to a loss of over $100 per head.

Feedlot operators are not having it good. No way. On the contrary, the losses are so substantial as to create a concern among many of us that many feedlot operators will either be forced out of business or put so low in the hole that they cannot restock their feedlots. That would mean less beef available in the last half of this year and the first quarter of 1975, and if consumers think prices are tough now, look out for a period of scarcity when there would be a real excuse to raise the price at the supermarket meat counters.

Consumers simply have not received the lower beef prices that they are entitled to considering the drop in cattle prices. In August when cattle were reaching close to the $60 figure, the retail price as reported by the Bureau of Labor Statistics read like this: Round steak, $1.88; hamburger, $1.03, and rump roast, $1.60. The latest comparable figures available from the Bureau of Labor Statistics are for February when we find round steak, $1.93; hamburger, $1.10, and rump roast, $1.87. Cattle are much cheaper than they were in August, yet the statistics show in February consumers not only did not get the break they should have in price reductions, but were actually paying more for the same items than they did last August.

So the cattle feeders are having it bad, not good, and the consumers are having it bad, too, despite the fact that there has been a 30-percent drop from the high point in cattle prices last summer.

The Subcommittee on Domestic Marketing and Consumer Relations will hold public hearings on April 2, 3, and 4 to investigate this paradox of low cattle prices with high retail prices and why.

Even the calling of these hearings may result in retail price drops. It is high time they do come down to reflect the lower cattle prices.

I am including table 9 from February USDA Livestock and Meat Situation that lists the cattle feeding expenditures:

TABLE 9.—CORN BELT CATTLE FEEDING, SELECTED EXPENSES AT CURRENT RATES[1]

[Dollars per head]

| Selected expenses | 1972 I | 1972 II | 1972 III | 1972 IV | 1973 I | 1973 II | 1973 III | 1973 IV | January 1974 |
|---|---|---|---|---|---|---|---|---|---|
| 00 pound feeder steer | 230.82 | 241.80 | 254.76 | 266.16 | 304.62 | 322.44 | 347.88 | 301.20 | 303.48 |
| Transportation to feedlot (400 miles) | 3.84 | 4.08 | 4.08 | 4.32 | 4.32 | 4.56 | 4.56 | 4.80 | 4.80 |
| Corn (45 bushels) | 48.15 | 50.40 | 52.20 | 55.80 | 60.75 | 76.05 | 104.85 | 100.80 | 117.00 |
| Silage (1.7 tons) | 15.56 | 15.71 | 15.79 | 16.90 | 18.70 | 21.39 | 26.59 | 26.23 | 31.08 |
| 30 percent protein supplement (270 pounds) | 14.90 | 15.26 | 15.74 | 17.50 | 21.11 | 24.25 | 24.65 | 23.63 | 24.84 |
| Hay (400 pounds) | 4.60 | 4.42 | 4.23 | 4.53 | 5.15 | 5.00 | 4.83 | 5.13 | 6.40 |
| Labor (6 hours) | 11.70 | 11.70 | 12.06 | 12.06 | 12.18 | 12.66 | 13.08 | 13.26 | 13.56 |
| Management[2] | 3.90 | 3.90 | 4.02 | 4.02 | 4.06 | 4.22 | 4.36 | 4.42 | 4.52 |
| Vet medicine[3] | 2.00 | 2.03 | 2.05 | 2.10 | 2.20 | 2.32 | 2.41 | 2.46 | 2.55 |
| Interest on purchase (9 months) | 13.41 | 14.05 | 14.80 | 15.46 | 19.42 | 20.56 | 22.18 | 20.78 | 23.33 |
| Power, equip, fuel, shelter, depreciation[3] | 9.25 | 9.40 | 9.51 | 9.73 | 10.19 | 10.72 | 11.15 | 11.37 | 11.79 |
| Death loss (1 percent of purchase) | 2.31 | 2.42 | 2.55 | 2.66 | 3.05 | 3.22 | 3.48 | 3.01 | 3.03 |
| Transportation and marketing expenses (100 miles) | 4.78 | 4.89 | 4.94 | 5.04 | 5.09 | 5.20 | 5.25 | 5.35 | 5.40 |
| *Miscellaneous and indirect costs*[3] | 4.00 | 4.07 | 4.12 | 4.21 | 4.41 | 4.64 | 4.83 | 4.92 | 5.10 |
| Total | 369.22 | 384.13 | 400.85 | 420.49 | 475.25 | 517.23 | 580.10 | 527.36 | 556.8 |
| Selling price per hundredweight required to cover feed and feeder costs (1,050 pounds) | 29.91 | 31.20 | 32.64 | 34.37 | 39.08 | 42.77 | 48.46 | 43.52 | 45.98 |
| Selling price per hundredweight required to cover all costs (1,050 pounds) | 35.16 | 36.58 | 38.19 | 40.05 | 45.26 | 49.26 | 55.25 | 50.22 | 53.04 |
| Feed costs per 100 pound gain | 18.49 | 19.06 | 19.55 | 21.05 | 23.49 | 28.15 | 35.76 | 34.62 | 39.85 |
| Prices: | | | | | | | | | |
| Feeder steer (600–700 Kansas City per hundredweight) | 38.47 | 40.30 | 42.46 | 44.36 | 50.77 | 53.74 | 57.98 | 50.20 | 50.58 |
| Corn per bushel[4] | 1.07 | 1.12 | 1.16 | 1.24 | 1.35 | 1.69 | 2.33 | 2.24 | 2.60 |
| Hay per ton[4] | 23.00 | 22.08 | 21.17 | 22.67 | 25.75 | 25.00 | 24.17 | 25.67 | 32.00 |
| Corn silage per ton[5] | 9.15 | 9.24 | 9.29 | 9.94 | 11.00 | 12.58 | 15.64 | 15.43 | 18.28 |
| 30 percent protein supplement per hundredweight[6] | 5.52 | 5.65 | 5.83 | 6.48 | 7.82 | 8.98 | 9.13 | 8.75 | 9.20 |
| Farm labor per hour[6] | 1.95 | 1.95 | 2.01 | 2.01 | 2.03 | 2.11 | 2.18 | 2.21 | 2.26 |
| Interest annual rate | 7.75 | 7.75 | 7.75 | 7.75 | 8.50 | 8.50 | 8.50 | 9.20 | 10.25 |
| Transportation rate (per hundredweight per 100 miles)[7] | .16 | .17 | .17 | .18 | .18 | .19 | .19 | .20 | .20 |
| Marketing expenses[8] | 3.10 | 3.10 | 3.15 | 3.15 | 3.20 | 3.20 | 3.25 | 3.25 | 3.30 |
| Index of prices paid by farmers (1910–14=100) | 422 | 429 | 434 | 444 | 465 | 489 | 509 | 519 | 538 |

[1] Represents only what expenses would be if all selected items were paid for during the period indicated. The feed ration and expense items do not necessarily coincide with experience of individual feeders. For individual use, adjust expenses and prices for management, production level, and locality of operation.

[2] Assumes 1 hour at twice the labor rate.

[3] Adjusted quarterly by the index of prices paid by farmers for commodities, services, interest, taxes, and wage rates.

[4] Average price received by farmers in Iowa and Illinois.

[5] Corn silage price derived from an equivalent price of 5 bushels corn and 330 pounds hay.

[6] Average price paid by farmers in Iowa and Illinois.

[7] Converted from cents per mile for a 44,000-pound haul.

[8] Yardage plus commission fees at a Midwest terminal market.

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## WAGE AND PRICE CONTROLS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DON H. CLAUSEN) is recognized for 30 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, I rise to comment on the forthcoming termination of the administration's authority to impose wage and price controls and to follow up my statement of last Monday when I commented in general terms on my view that we must return to a free economy.

Phase I was an across the board freeze. Phase II was the most successful, phase III was a disaster and phase IV has created great uncertainty. Some are suggesting a phase V but my suggestion is that we phase out.

Three years ago my constituents responded to a question in my annual legislative questionnaire indicating that 74 percent of them favored the imposition of wage and price controls. If they were filling out that questionnaire today, I would bet the percentages would be more reversed with the vast majority opposing any further economic controls.

Mr. and Mrs. Walter Peck, who head the legislative committee of the American Association of Retired Persons, in Petaluma, Calif., recently wrote me asking:

> What good did price controls do? Actually prices have gone up and up and are still going up.

Their views are the thoughts of the American people. The wage and price control attempts of the past two and a half years have given the Congress and the American people an effective lesson in classical economics—in the application of the law of supply and demand.

While it would be un-American not to be in favor of holding down prices, we have all learned that holding the price of hamburger to 69 cents a pound does not do much good if there is no hamburger available.

The same is true at the gasoline pump where we all know we would prefer having an adequate supply without waiting in line to the alternative of an artificially low price. It is no service to the consumer to hold down the price of an article if the low price causes the item to be in short supply.

For example, the Cost of Living Council thought it was doing the consumer a favor by requiring service station dealers to roll back their margin on gasoline. We rapidly found out, however, that the lack of conservation incentive on the automobile driver and the lack of entrepreneurial incentive on the service station owner combined with other factors for disastrous shortages.

When wage and price controls were imposed, the working man and woman felt that the controls could halt inflation in prices while their salaries caught up. If this occurred in any industry, I am not aware of it.

In fact, in most cases controls only worsened the situation and increased the gap.

In one case I am aware of, for example, a bargaining agreement between northern California carpenters and their employers was negotiated in the summer of 1971—before the beginning of the initial wage-price freeze. Even though that agreement reflected economic conditions at that time—a time when the rate of inflation was less than it is today—this agreement has not been permitted to take effect.

The frustration of the carpenters at not being able to take advantage of an agreement reached nearly 3 years ago is surely compounded when they face the shortages caused by the same rules which have reduced their pay checks from the amounts they anticipated.

The case of the carpenters is only one of many I could cite. The Petaluma Cooperative Creamery, in my district, was also adversely affected by the interference of the Cost of Living Council in what was a freely negotiated collective bargaining agreement. The end result in this instance was a decision that was both unfair and, in the long run, inflationary.

Of course, agricultural production and consumption has paid an unconscionably high price. Fruit producers and canners have been particularly affected through both price and quality controls and, as always, the ultimate loser is the consumer.

While collective bargaining agreements have been one of the obvious targets of wage and price controls, another similar target has been the health care industry. Even now that there is general agreement to end governmental control of the economy, some are still suggesting that controls be ended for every sector of the economy except medicine.

I suppose this is because increased medical costs are usually attributed directly to doctors since they are in direct, personal contact with the patient. Generally unseen, but more responsible for medical cost increases is the rapidly improving and increasingly sophisticated medical care technology, research, and equipment.

This equipment is becoming a growing part of medical practice and, though it is expensive, it must be paid for. If there exists no incentive to recover its cost, then it is clear there will be no investment in the equipment and a lower quality of medical care can be the only result.

This new technology is itself being constantly made obsolete and, though it is responsible for far better care, it is expensive both from the standpoint of requiring more extensive training of medical personnel and from the standpoint of the growing use of mechanization and space-age gadgetry.

The state of the medical art is far beyond anything that could have reasonably been predicted even 15 years ago. It is also very expensive.

The fact that it is expensive is not sufficient reason for the Congress to retain the health care profession under controls while removing them from the rest of the economy. A nurse—who is probably underpaid anyway—should not be asked to struggle along with her present financial situation when all of her costs could very well be rising.

Let us not forget, Mr. Speaker, that there are far more nurses and technicians who would be adversely affected by the continuation of controls than doctors who would be.

And, worse yet, the effect of controlling medicine would be devastating to the current trend toward greater utilization of paraprofessionals in medical practice. These people are being counted upon to free doctors from routine matters and, by doing so, increase the supply of health care and reduce its cost. If young people do not have a financial incentive to enter this field, they simply will not do so.

Thus, controls cannot be applied selectively and should be removed entirely.

In my judgment, one of the very worst examples of the impact of wage and price controls can be seen in the after effects of the so-called rent controls.

Ordinarily, rent adjustments can be made through the turnover of apartments or mobile home spaces. In this case, the vast majority of increases in rents are made at the time a person begins occupancy of an apartment or space. He can then choose a rent in his price range and be reasonably certain to be free of frequent price changes.

The rent control program promptly ended this practice, however, and the rental market in the United States has been in chaos ever since. Both landlords and tenants have suffered financially and, in many cases, mental anguish from this ill-advised program.

It does not take much insight to see what frequent increases in a basic expense such as rent can do to an individual living on a fixed income. This was made worse by the fact that the rent control program necessarily imposed its complicated formulas and calculations on a nationwide basis and no variation was allowed regardless of individual circumstances.

Fortunately, rent controls have been removed and I do not know of anyone in the administration or in the Congress who believes the Cost of Living Council should get back to rent control.

This means that the situation will eventually resolve itself and rents will eventually be handled again on an apartment-by-apartment basis so a tenant can expect and receive a degree of stability in his rent costs.

On the other hand, what about the renter who has faced several rent increases in a short period of time? I have heard from hundreds of renters in the Second Congressional District who have had as many as three rent increases in a single year.

These people are victims of a Federal program whose supporters said it would help. As is the case very often the Federal effort gave a short-term gain of minimal rent increases but had long-term results that have been appallingly harmful and not in any way equal to the temporary short-term improvements.

We can help in a small measure by controlling inflation more adequately so that the amount of money required for the basic housing expense might be saved from other areas of the family budget.

The worst of it is that only time can solve the problem. This means that those involved can expect no relief or assistance until the point of equilibrium is reached which is not much solace to those whose rents have been raised.

The situation is improving gradually and the improvement is reflected in the mail I receive from my constituents, but I still receive too many complaints.

With the problem with rents firmly in mind, Mr. Speaker, I want to speak briefly on the real solution to the economic problems we face. We hear a wide variety of proposals to deal with the problem of inflation, but we hear very little about the ways we can end inflation itself.

There is no substantial disagreement that a basic cause of inflation is the lack of control over the Federal budget. Since the budget represents about a quarter of the entire gross national product, the continuing large deficits we have seen in recent years weaken the dollar and keep the economy off kilter.

The relevant factor in the private sector is the development of a supply and demand situation that I referred to on Monday, but it is up to the Federal Government to provide the leadership for the private sector has neither the incentive nor the ability to pull its share of the load.

The first and most essential effort to control inflation must be control of Federal spending plans. This is made difficult by the fact that no one wants his own favorite programs cut, but it must be done. We cannot halt the inflationary spiral without it.

The second most important solution to the problem will come with making certain that Federal economic policies reflect economic realities. Wage and price controls did not reflect these realities and consequently failed to be of assistance and simultaneously compounded an already serious problem.

Promises are a prominent part of the national political picture. Achievements are not so prominent. Many times the Congress has approved legislation with wildly exaggerated claims, but the implementation of the law has often shown that too much attention was given to the promise and too little to performance and the relative costs and benefits.

I could list a number of examples of this problem, but they are not as important as the overriding need to make certain we do not attempt to repeal economic laws. It is simply not possible.

Thus, Mr. Speaker, I urge the House to reject proposals to extend wage and price controls wholly or partially. I think this is the best contribution we could make toward returning to a strong and stable economy.

## NAMING CIVILIAN CONSERVATION CORPS CENTER AND CROSS TIMBERS NATIONAL GRASSLANDS IN HONOR OF LATE PRESIDENT LYNDON B. JOHNSON

(Mr. POAGE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. POAGE. Mr. Speaker, I am introducing today a bill which would rename the first Civilian Conservation Corps Center and the Cross Timbers National Grasslands in honor of the late President Lyndon B. Johnson.

Such designations would constitute a most befitting tribute to one who had such a deep personal interest in youth and in the conservation of our Nation's natural resources.

The first CCC center, known as Arrowood, is located near Franklin, N.C. The Cross Timbers National Grasslands is located in Wise and Montague Counties in Texas.

It is with genuine appreciation and knowledge of the contribution that Lyndon B. Johnson made to youth and conservation that I sponsor this legislation. He was my friend and for many years a fellow colleague here in this Chamber. He had been serving as Texas State director of the National Youth Administration before winning a special election and taking his seat here in the House of Representatives only a few weeks after I had taken the oath of office for the first time. I can testify as to his intense interest in youth and conservation causes, not only while he served in this body but also after he went to the Senate and then to the White House.

Little could be said to add to the renown and high regard held by the public for the CCC, which helped countless thousands of young Americans grow in physical and moral strength while they improved the beauty and recreational aspects of our Nation's forest and mountains. Highly important, but much less known, is the National Grasslands located in Wise and Montague Counties in my State of Texas. These lands were worn out and run down until under national programs they were purchased and the process of their rehabilitation began. This area is demonstrating what can be done to reclaim land which heretofore we have thought could no longer be productive.

This proposal to designate these centers in honor of the late President has been discussed with Lady Bird Johnson and I understand that she has expressed a warm interest in it and supports this move to so honor her late husband. I hope the measure can be promptly enacted.

## ELIMINATING TRANSPORTATION BARRIERS FOR THE ELDERLY AND HANDICAPPED

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the energy crisis has emphasized the importance of mass transportation to every American. It has also revealed, on the whole, how neglected these systems are. For the commuter, it is to say the least a frustrating and uncomfortable experience. For the elderly and handicapped, using public transit services are sometimes humiliating, often impossible.

Over the last decade the Federal Government has become increasingly aware of the needs of the handicapped and the elderly. We have made remarkable gains in removing many of the barriers preventing these people from enjoying life to the fullest possible extent.

When President Johnson in 1968 called problems in the design of the Nation's buildings the greatest single obstacle to employment of the handicapped, he said that it should be a national goal to make all buildings, museums, stadia, and transportation facilities accessible to every American.

Congress responded to this very real need. Public Law 90–480 requires that all buildings constructed with Federal funds eliminate architectural barriers preventing use or posing unwarranted hindrances to all potential visitors. Despite this great step forward equal access to public buildings is not meaningful without equal access to transportation to these buildings.

The handicapped, who must spend an inordinately large portion of their income on special transportation services, are forced to do so in order to lead a normal life. The energy shortage and skyrocketing inflation have intensified these problems. The ability to use inexpensive transportation services has become imperative, but steep stairs, narrow doorways, and other barriers still prevent thousands of people from using buses and subways. Unfortunately, the administration has made no effort to rectify a terrible burden imposed on those least able to bear it. I hope that this legislation would provide the impetus to eliminate these barriers and thereby allow greater utilization of mass transit facilities by the handicapped and elderly rider.

The legislation I am today introducing would eliminate the gap in the Federal Aid Highway Act of 1973. While the METRO subway system under construction here in Washington would have to meet the needs of the handicapped commuter, there is no uniform requirement for such provisions nationwide. This legislation would amend the Urban Mass Transportation Act of 1964 to insure that transportation facilities built, and rolling stock purchased with Federal funds shall be designed and constructed so as to be readily accessible to the physically handicapped and elderly.

I believe this legislation is urgently needed in our effort to create mass transportation systems in the United States that are more responsive to the times and travel needs of its patrons. Transportation links the requirements of life together with their fulfillment—food, shelter, clothing, and health. It should not be so just for the more fortunate members of our society, but for all Americans. I urge the Congress to give immediate consideration to this proposal so that all of our people can enjoy the benefits of mass transit.

The text of the bill is reprinted herewith:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 16 of the Urban Mass Transportation Act of 1964 (49 U.S.C. 1612) is amended by redesignating subsections (c) and (d) as subsections (d) and (e), respectively, and by inserting after subsection (b) the following new subsection:

"(c) The Secretary shall require that any bus or other rolling stock used for mass transportation purposes and any station, terminal, or other passenger loading area, improved or constructed in whole or in part with Federal funds or under authority of

Federal law after June 30, 1974, be designed with features to allow utilization by elderly and handicapped persons."

## SURPLUS FOOD COMMODITY PROGRAM SHOULD BE CONTINUED

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the Department of Agriculture has proposed that as of June 30, 1974 the food commodity distribution program for institutions be terminated. This will have a severe impact on many poor people throughout the Nation.

Section 4(a) of Public Law 93–86 authorized the USDA to supply institutions with free food through June 30, 1974. The surplus foods involved are delegated to institutions such as camps for underprivileged children, child care centers, orphanages, senior citizen homes, and public schools participating in the school lunch program. The Department of Agriculture now provides $260 million worth of commodities to the Nation's schools, $20 million worth to charitable institutions, and $1 million worth to the Red Cross. In many cases, this food sustains the institutions, and they would be forced to shut down if this supply were cut off.

The New York City Bureau of School Lunches receives $3.5 million worth of Federal surplus food annually. This amount of commodities would cost the city approximately 25 percent more if purchased on the open market.

Assistant Secretary of Agriculture, Clayton Yeutter, in a memorandum to Secretary Butz, recommended a phase-out of this program. Traditionally, USDA has supplied the programs with surplus commodity items. Now no commodity items are in surplus. Assistant Secretary Yeutter has proposed that the participating institutions be given cash payments instead; but food bought individually by institutions will be more expensive than that purchased by the Department's combined buying power. Furthermore, there will be no assurance that future Department budgets will reflect increases in the cost of food. Legislation has been introduced both in the Senate and the House to extend authority of the USDA to continue purchasing and distributing commodities. I have cosponsored H.R. 13380, a bill to this effect, and urge my colleagues to follow suit.

The following is a letter I have written to Secretary of Agriculture Earl L. Butz, informing him of my strong feelings regarding this deplorable situation, and asking for his cooperation.

U.S. HOUSE OF REPRESENTATIVES,
*Washington, D.C., March 18, 1974.*

Secretary EARL L. BUTZ,
*Department of Agriculture,*
*Washington, D.C.*

DEAR MR. SECRETARY: I was greatly distressed to learn that the recommendation has been made to terminate the Food Commodity Distribution Program for institutions. The food involved has in many cases been the mainstay of many charitable institutions such as camps for the underprivileged, day care centers, and senior citizens homes. Without this supply, the very existence of many establishments will be threatened.

The phase out of the food program is due, according to USDA statements, to a lack of surplus farm commodities available for distribution.

Obviously, the need for food continues to exist, and the mechanism must be found to continue the program, even if it needs to be restructured so as not to encompass only surplus commodities.

I am co-sponsoring H.R. 13380, a bill which would extend section 4(a) of the Agriculture and Consumer Protection Act of 1973, P.L. 93–86, renewing authority of the Department of Agriculture to continue this much needed program. I urge you to do all in your power to see that this program is not discontinued.

Sincerely,

EDWARD I. KOCH.

## DREW PEARSON PRIZE LUNCHEON

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on December 13, 1973, at the National Press Club there was held the annual Drew Pearson prize luncheon at which Drew Pearson awards were made to those who had done exceptional and outstanding work in investigative reporting in the tradition of the great Drew Pearson.

This is always a most significant occasion in recognizing the contribution to our American way of life of freedom of the press and freedom of television and radio and particularly outstanding investigative reporting in these mediae of communication. This occasion always puts a much needed emphasis on what it means to our Republic and the freedom of our people to preserve the historic freedom of these mediae. Mr. Donald Larrabee, president of the National Press Club opened with an able statement pointing out the relationship between free media and a free society and preserving the integrity of Government officials in such a society by such officials being constantly exposed to the most searching inquiry of public media. Mrs. Drew Pearson, in her usual moving way, spoke of the long and warm friendship which Drew Pearson enjoyed with former Chief Justice Earl Warren, the speaker of the day. Mrs. Pearson then introduced the award winners for this year: first, Mr. Jerry Landauer of the Wall Street Journal for excellence in investigative reporting for exposing the activities of former Vice President, Spiro T. Agnew, which led to his indictment and resignation from the Vice Presidency. Mr. Landauer graciously responded.

Mrs. Pearson also introduced Mr. Ward Sinclair of the Louisville Courier Journal as the recipient of an honorable mention award for his investigative reporting on the affairs of the United Mine Workers, including the Boyle-Yablonsky feud and the murder of the Yablonsky family. Mr. Sinclair responded very appropriately.

Mrs. Pearson then introduced Mr. Edward Fooey and Mr. Robert Pierpoint of the Columbia Broadcasting System who also received an honorable mention award for their investigation of the circumstances surrounding the granting and denial of national bank charters in Key Biscayne, Fla. Mr. Pierpoint responded with some remarks which were very well received.

Mrs. Pearson also introduced Mr. Charles Mollenhoff of the Des Moines Register and Tribune for sustained and significant contribution to investigative reporting over the past quarter of a century. Mr. Mollenhoff responded in his usual refreshing way.

Then Jack Anderson, the successor of Drew Pearson who was his intimate associate for a long time in Drew's lifetime, responded in his own inimitable way emphasizing the wisdom of the forefathers in building into our Constitution the safeguards of freedom of the press and freedom of the media and how essential is the scrupulous preservation of those freedoms for the protection of the assured freedoms of the people of this country.

The principal address was made by the former great Chief Justice of the United States, Hon. Earl Warren, who paid high tribute to Drew Pearson whose friendship he long enjoyed; the warmth of Drew Pearson's heart, the breadth of his concern for people, not only in this country but everywhere and the almost innumerable contributions Drew Pearson made to a better way of life in our country and in the world. The former Chief Justice emphasized how essential it is that officials in high office be subject to the scrutiny of the public in the performance of their function and how imperative in the preservation of a free society that the people are kept informed of the conduct of their public officials.

Mr. Speaker, the Members of the Congress and the people of this country who read this RECORD will have a better understanding of what the media of this country mean to the preservation of our way of life when they read the addresses delivered on this occasion. Hence, Mr. Speaker, I ask that following my remarks all the addresses and remarks to which I have averted appear in the body of the RECORD.

### ADDRESS DELIVERED BY DONALD LARRABEE, PRESIDENT, NATIONAL PRESS CLUB

Looking back on this year of trauma and trial for America, I can think of no time when those of us who report from Washington have had it so good, in terms of having a story to tell and telling it reasonably well. The story of corruption in high places is not an easy one with which to deal. It is unpleasant. People really don't want to hear the worst about their president and vice president. And they tend to be suspicious of those who bring the bad news. But we have risen to the challenge and it has brought out the best in us. Our credibility has been somewhat restored. But we are not home free!

Lou Harris, in his poll commissioned for the Senate Government Operations Committee, reported last week that with just two exceptions, the amount of confidence Americans display in every institution has decreased since 1966. The two exceptions are the press—slightly up from its rating seven years ago—and television news which enjoys the confidence of 41 percent of the people today, compared with 25 percent in 1966. Public officials who were polled, I should, add, have far less confidence in the press and TV news. So what's new?

What's new, of course, is that we are identified with the documented discovery that high public officials engaged in some low political practices in 1972. One year ago, we knew about Watergate but we didn't know much. We did not know the severe test to which our system would be put in the year that is ending.

On this rostrum last December, we applauded the Washington Post and its two bright young reporters for relentless pursuit of the Watergate story. But we took little note of the fact that most of us were very poor followers on this story.

We were, if you recall, still worrying about our skins—and I don't mean the football team. We were pushing for bills to shield the press. We were asking for special privilege in law. But as the press began to find ready, confidential sources around every corner—as Drew Pearson and Jack Anderson always have done—we lost interest in special privilege. The mood changed. We stopped asking for a special privilege that could just as easily be taken away.

And now, unless I misread my colleagues, we are prepared for the most part to rely on the First Amendment which remains one of the great freedoms that any government has ever bestowed on its citizens.

The First Amendment looks good to those of us in public communications at this point in time—perhaps because we are on top in the power struggle. But I fear that we stand in serious danger of forfeiting what we have gained if we fail to make prudent use of the power we now seem to enjoy.

There is much of which we can be proud in our performance, to be sure. We have forced a senate investigation which will inevitably lead to reforms in campaign spending laws and hopefully eliminate the source of corruption—not only in presidential politics but in the entire system, too much tainted money and too many people buying favors. We have alerted the country to the fact that the presidency, right under our nose, has become larger than life in the past ten years—and larger than the law.

And as former Attorney General Elliot Richardson has noted so well, we have driven home the proposition that whatever a public figure's instinct might have been to cook up some secret scheme, he had best proceed on the assumption that it was going to get out. If, said Richardson, politicians read that lesson, that will have been a long-term, perhaps even a permanent contribution to the political process.

All of this is true and good. I would inject only this note of caution. In our zeal to demonstrate the misuse and abuse of power in the executive branch, let us not be so ravenous to expose, so hungry ourselves for power that we become irresponsible, that we disregard fundamental human rights.

My concern now is that we do not widen our credibility gap which, despite the good news in the Harris Poll, still exists. We have gained in public confidence since 1966. But can we take comfort in the fact that six out of ten people still do not believe what they hear and read? Have we done our job that well? Are we asking not only the tough questions but the right questions?

In the last analysis, our interest—the public interest—lies in improving the flow of information between government and the governed. We cannot expect the hostility and distrust of public officials to disappear overnight but new laws will never solve an old communications problem. In Watergate, there may be a lesson for both public officials and journalists. Officials should accept the fact that their conduct must be submitted to continual scrutiny. For our part, we must be willing to conduct that scrutiny with an eye to information, as much as sensation.

As newsmen, I think we ought to keep in mind the words of the immortal bard, George Reedy, who suffered as a press secretary to a president and who now preaches the word to students of history and journalism. Says George: The Congressional Record and the White House Record can be corrected, but not, at least at present, the record of the Fourth Estate.

And now to present the third annual Drew Pearson Foundation Awards for excellence in investigative reporting, I call on Mrs. Drew Pearson, Chairman of the Foundation. And I have just noted that this $5,000 first prize is the largest single award in American journalism today. It is almost the Nobel Prize of Journalism in America. Mrs. Pearson.

### Address Delivered by Mrs. Drew Pearson

Well, thank you very, very much President Larrabee. Your speech was wonderful. I think you've got a glorious turnout here and I want to thank all of you kind friends and members of the press and honored guests for being with us today. And I particularly want to thank my good friend and Drew's great friend Earl Warren for giving us his time at this busy time of year and I want to tell Jack that I enjoyed your column this morning because mine wasn't mixed up. I got the right one. And it did refresh my memory about how tough investigative reporting was and actually I think it was much tougher when Drew was doing it because at that point in time the publishers were hardly ever on Drew's side.

So now, I want to give these awards. The first prize of $5,000 for excellence in investigative reporting is awarded to Jerry Landauer of the Wall Street Journal. His articles exposing the corruption of the second highest official in the United States—once he began digging into the affairs of Spiro T. Agnew and the morass of campaign financing in Maryland, no cover-up was possible. His persistence in digging out the evidence was a prod to the prosecuting authorities. The Wall Street Journal and Mr. Landauer were undoubtedly aware of the personal risk of striking at a king. As a result of their courage the public and better government have been great beneficiaries.

LANDAUER: I am very deeply honored by this award and I would like to say a word or two just in thanks to various people—to Dennis ——— who edited the Agnew story. To Bill Kirby and Warren Phillips and the other folks at Dow Jones for running a newspaper that lets a reporter chase a story wherever it might lead, no matter how long it takes. Goodness knows some of mine have taken an awfully long time. To Joe Borkin who got me started in this business ten years ago by sharing with me the wealth of information that he had gathered about judicial ethics and to Mrs. Pearson and to all of you. Thank you very much.

The Directors of the Foundation have also voted an honorable mention award of $1,000 to Ward Sinclair of the Louisville Courier Journal for his investigating reporting on the affairs of the United Mine Workers, the Boyle-Yablonsky feud and the murder of the Yablonsky family. In addition his exposure of the inequities of the mine wealth, health and safety of '68 helped bring about the '72 amendment in the law broadening the scope, particularly with respect to the Black Lung problem.

SINCLAIR: I would like to say thank you to everyone who had a part in making my presence here possible. And I am very pleased not only for myself and my bank account but for the fact that the Foundation has recognized a body of newspaper work that has I think uniformly been on the side of the underdog and these happen to be some underdogs who have won and it has been especially pleasant to be a part of that. Thank you very much.

We have voted an honorable mention award of $1,000 to be shared by Edward Fooey and Robert Pierpoint of the Columbia Broadcasting System for their investigation of the circumstances surrounding the granting and denial of national bank charters in Key Biscayne, Florida. Despite the fact that the inquiry involved the close friend of the President, Charles Bebe Rebozo, Mr. Fooey and Pierpoint persisted in the investigation. In support of their efforts, CBS even involved the Freedom of Information Act to obtain documents indicating that Mr. Rebozo's friendship may have had a bearing on certain actions of the Federal government. The efforts of Mr. Fooey and Pierpoint are a credit to broadcast journalism and investigative reporting generally. The Foundation wants to commend the Columbia Broadcasting System for the backing it has given its reporters. None of us can be unmindful of the expressed threat of this administration to use every element of the Federal government including the Federal Communications Commission and the Internal Revenue System Service to punish its enemies.

PIERPOINT: Give a broadcaster a microphone and he'll take advantage of it. On behalf of Ed and myself we want to thank you Mrs. Pearson and the Foundation. I think this is a kind of a unique occasion because you have elevated us to a unique group. This is the first time that I am aware that a broadcast organization and broadcasters have received an award for investigative journalism and I sincerely believe that we have now achieved a pinnacle because the precedent set by Mr. Pearson and Mr. Anderson and the previous prize winners is something that we all would like to achieve and even having a part is a real honor. I have a feeling that the Committee looked on our efforts a little bit like Dr. Ben Johnson looked on the dog who walked on his hind legs—it wasn't that he did it so well, but that he did it at all. And the fact is that we in broadcasting are now doing it in investigative reporting and since it pays such fine rewards we will continue.

We have also voted to award for sustained and significant contribution to investigative reporting over the past quarter of a century a $1,000 special award to Clark Mollenhoff of the Des Moines Register and Tribune. His exposures read like a dictionary of government corruption and private malfeasance. They extend from the tax scandals of the Truman administration through Dixon Yates, James Hoffa, TFX and the firing and re-instatement of Ernest Fitzgerald. And most recently the scandals of the Commodity Exchange Authority. For his devotion to investigative journalism I have the pleasure of awarding a check of $1,000.

MOLLENHOFF. Mr. Chief Justice, Mrs. Pearson and ladies and gentlemen, these are changing times and it has made the prediction business kind of a snap. You have to assume the most preposterous, bizarre things possible, give yourself about six months and it will come true. Franky Sinatra is one of those having the biggest problem coping with this change. A year ago he bought a Georgetown house to ——— Spiro Agnew. He sold it recently I'm told. They say now he has gone back to associating with gangsters to improve his image. And speaking of change—this one page is all that is left of a twenty minute speech that I had. Mrs. Bagley—

she's my Rose Mary Woods got her foot stuck on a pedal, pressed on a record button and in five minutes wiped out eighteen minutes of my indiscreet commentary. It's true, believe me. I'm willing to say it under oath and I hope she is. Whatever I have done to or in Washington in the last 23 years, I owe it to Dick Wilson. As Bureau Chief and as my boss he was responsible for my freedom although there are a lot of people who would question his wisdom but spare Dick the blame for the most audacious confrontations—particularly in recent months. I can tell by his pained expression that he often doubted but suffered in silence. Now this award I accept on behalf of myself and two investigative reporters in our Bureau George ——— and Jim ——— because while I am Bureau chief it's only possible to continue active investigation in this field because I have such fine colleagues to work with. Now I must confess my biggest blunder—I was going to suggest going into one of Mr. Pearson's big blunders too—I can do that to. In 1947 Drew wrote that there was a Delaware chicken farmer who had been elected to the U.S. Senate and it was one of the biggest political accidents of the age. He predicted that John J. Williams would be lost in the Washington shuffle and would never be heard of again. Years later as Senator Williams emerged as a symbol of integrity in government, Drew acknowledged this error. And now my big blunder. My assessment of Richard Nixon as a man experienced enough to understand the wisdom that good politics can be good government—now I don't regret the experience of the White House, in fact it has given me a kind of an up in the Watergate hearings. I can tell Herb Erlichman from Halderman without a program. Thank you.

Mr. LARRABEE. I would like to call on Jack Anderson for just a moment.

### ADDRESS DELIVERED BY JACK ANDERSON

I would like to extend my personal congratulations to all the winners. I have reason to know how good a reporter Jerry Landauer was. Two years ago we were both checking into Spiro Agnew in Maryland and I was always two or three steps behind Jerry. I certainly do agree with what Don Larrabee has said and I think that this is a time when at least judging from my mail, the American people have been jolted by a series of news shocks. I think their faith has been shaken. They have believed in the presidency. They have had faith in the presidency. The President has been for the American people the father image, the embodiment of the nation, the only royalty that we have and there has been an American myth that whoever enters the Oval Office, no matter how dubious his past or how poor his qualities, that he sheds this and takes on a certain statesmanship that the eris something ennobling about the office. And uplifting about the office that changes ordinary men into statesmen.

And this is what the American people believed and this is what they no longer believe. I think that those of us who have been writing the story that had to be written—and there are—to a great extent this has been a nation of ostriches and a lot of people that preferred to keep their heads buried in the sand. I want to say to them in behalf of my colleagues, we have not enjoyed writing the story. We get no pleasure out of the Watergate revelations.

I suppose I also agree with Don that it is probably also our duty to keep things in perspective and to that end may I say as I go across the country and talk to people, I find young people, in particular, losing their faith in the system. They feel the system has gone sour, that society is sick, that democratic processes don't work—if our founding fathers had expected their presidents to be pure and noble and clean—if they had expected presidents never to abuse their power—if they had expected our presidents never to lie to the people or never to cheat—if that's what they had expected then the system has failed. But, you see, our founding fathers did not expect this. They expected quite the opposite. Our founding fathers, looking ahead, as Thomas Jefferson put it—he didn't know Richard Nixon's name but he saw him coming. He said of future presidents, we can have no confidence in the man. We must bind him down in chains. The chains of the Constitution. They wrote the Constitution to protect the people from the government—not to protect the President from the people. The words that you get out of the White House, words like presidential perquisites, executive privilege and inherent powers—these words are not found in the Constitution. The words we find there are liberty and freedom and justice and general welfare.

Let me close with just this one little incident that happened just a few weekends ago. I was visiting with a friend of mine, I'm not going to embarrass him by mentioning his country but he represents one of the great democracies.

And during the weekend we got talking about Watergate and finally he turned to me, looked at me very seriously and he said, "We used to look up to your country. We used to look to the United States for leadership. We no longer can do so. We have been disappointed in you." Well, I said to him, "Would you answer a couple of questions for me truthfully?" He promised that he would—that he'd try to and I said to him, "Has your President ever abused his powers? Has your President ever been guilty of corruption? Has he ever trespassed on the freedoms of the people? Has this ever happened in your country?" Well, he smiled and said, "If I must tell the truth I would have to say that it has happened many times in my country." Oh, I said, "If that's so, when it happened were there front page stories? Did the press expose it? Did the radio and TV lay the facts before your people?" Well, he smiled again and he said, "Well, I'm afraid in my country the press wouldn't dare." I said, "We have a judge, just one of 450 Federal judges in this country. One of 15 just in the Washington area. He's an obscure judge. Son of an Italian emigrant. His name is John Sirica.

"Now he stood up to the most powerful man in our country. He challenged the President of the United States. And let me tell you something, he's got the President nervous. Did you have such a judge?" Well, he smiled again and he said, "No, in our country the judges are controlled by the ruling party." I said, "We've got a Senator named Sam Ervin been carrying a copy of our Constitution around in his pocket for 30 years. And he was sick at heart over the abuses of that Constitution. And he did something about it. He called hearings. He laid the facts before the people. Did you have such a Senator?" And this friend of mine, he said, no. He said, "Our Congress is also controlled by the ruling party." I said, "My friend, I like our system better than yours." And he smiled and said, "Now that I think about it, maybe I like your system better than ours too." Thank you.

### ADDRESS DELIVERED BY HONORABLE EARL WARREN, CHIEF JUSTICE OF THE UNITED STATES, RETIRED

It has been a long time since I spoke from this rostrum, and I am happy that this Drew Pearson Awards Luncheon affords me the opportunity to renew my valued association with the members of the National Press Club, so many of whom I helped install as President of your Club during my active years on the Court. Those were happy experiences for me. I had all the fun of starting in motion and none of the worry involved in administering the affairs of an organization as individualistic as the National Press Club.

And I suppose in its long history there was no one more individualistic than the man for whom this Award is named. In fact, for a long time, I have thought that the young people probably had him in mind when they coined the phrase about a person "doing his own thing."

He was unabashedly provocative. Some people thought he was divisive. But I remember the first time I met him was after World War II. He conceived the idea and organized the Freedom Train to rekindle the flame of patriotism in all Americans, not by urging them to go to war, but through the exhibition of the founding documents of the Republic and explanation of their meaning to our free way of life in order to inspire confidence in our institutions and strengthen our resolve to preserve them for ourselves and for those who are to follow us.

I was Governor at the time, and when Drew brought the train through California, I rode with it the length of the State, giving such help as I could to the cause which it represented. It was a good cause, and I am sure it was helpful in generating pride in the goodness of our institutions and the necessity of preserving them as the sheet anchor of our freedom. There was no hyperbole, no exhortation, no jingoism in the undertaking. It was a gentle appeal to real patriotism and in every respect was unifying.

I do not recall seeing him again until I came to Washington in 1953 as Chief Justice. That was a time of complete change of life style for me in my relations with the news media. For over thirty years in California, I was in politics and, like most politicians, if the news media did not approach me I would approach them. Believing in the right of the people to know what their public officials are doing, and also believing that it would help me in their appraisal of my work, I held two open press conferences each week of my eleven years as Governor. It was a mutually satisfactory arrangement, and relieved the necessity for a lot of investigative reporting on my administration.

Having been in and about courts all my adult life, I realized my press relationship in political life was not a proper stance for a judicial officer.

Believing there was no partial way of changing my relationship, I decided, in coming to Washington, to make a complete one hundred and eighty degree change of approach, and decline to discuss any of the judicial aspects of the Court work with the media. I did it promptly, and after the amenities relating to my induction into office were concluded, I submerged myself in another world. It was not only a strange but a difficult way of life for me after thirty years of free-wheeling with the press. And although I have never told the story publicly before, I will say to you today that at the outset it triggered for me the most traumatic experience of my more than fifty years in public life.

When I came to Washington the first week in October 1953, there was in progress an election for Mayor of New York. There was brewing at the same time a prison scandal over the influence used to effect the release of a notorious racketeer from a New York penitentiary. The two became enmeshed, and the names of a number of high public officials became involved in the scandal.

Mr. Robert F. Wagner, the eventually successful candidate for Mayor, only a few days after my induction, held a press conference concerning the prison scandal and naming certain persons implicated in it.

In the course of it, he also stated that one of the highest legal authorities in Washington, whose word was sometimes taken for the law, was enmeshed in it. He declined to name the official, and you can imagine what probing that unleashed. Reporters insisted on talking to me about the matter, but I instructed my secretary to say I was not available.

They waited at the entrances to the Court Building, but I entered the basement by car, and declined to recognize or halt for reporters at the entrance. I cut off the telephone in my hotel room, ate, and remained there until morning each day. As the weeks passed, some of the reporters wrote or wired me asking for an interview and saying they wanted to be helpful.

My name was not mentioned in the press, and I relied on the fact that it would not be without evidence to connect me with it. On the other hand, I felt sure that if I gave anyone an interview, there would be a story to the effect that "Warren denies he is implicated in prison scandal," and that would be an excrutiating way to start off the proceedings on my confirmation as Chief Justice. So I sat tight and suffered in silence. My wife was not even with me, she having remained at Sacramento to move from the Governor's Mansion where we had lived for eleven years with our six children, and which I had left on four days' notice to open the 1953 Court Term in accordance with my interim appointment by President Eisenhower.

On the Saturday night before the election, I was in my hotel room alone having dinner, and turned on the television. It happened that Mr. Wagner was holding a press conference at the time, so I listened. During the course of it, one of the reporters said, "Mr. Wagner will you tell us if Chief Justice Warren is the man you referred to as being implicated in the prison scandal?" He replied, "Oh, no, I understand he is a fine man, and I am sure he would not be involved in anything like that." What a relief!

I did not know him or anyone in his organization at that time. In fact, my politics had always been in the opposite Party. I later met him as Mayor, and our trails occasionally crossed at public affairs. He was always friendly and spoke well of the Court.

I never heard another word about this nightmare, but I assure you it was a baptism of fire.

In keeping with my policy of not discussing the affairs of the Court with the media, I never saw or talked to Drew Pearson as a journalist, but, like most Washingtonians, I read his daily column in the Washington Post.

I did, however, come to know him a different way that culminated in a cherished friendship between Drew and Luvie and Nina and me. We were all blessed with the friendship of the late Agnes Meyer.

For several years, she would arrange a Summer cruise in some exotic part of the world—the Fjords of Norway; the Dalmatian Coast, the Greek Islands; the ancient cities of Asia Minor; the perimeter of the Black Sea; the Hawaiian Islands, etc. On these cruises, the Pearsons, the Bill Attwoods, Adlai Stevenson, Clayton Fritchey, always some members of the Meyer family, and Nina and I were included. They were wonderful experiences, and it was on these cruises that I came to know Drew Pearson.

Walking along a Hawaiian beach, a Norwegian Fjord, the ruins of Troy, the Carpathian Mountains, or in the Greek Islands afforded me an opportunity to learn his trend of mind. It was not there focussed on muck, but on understanding. I sat, and without participating, listened to him and Agnes Meyer discuss world affairs by the hour with personalities such as the King and Queen of Greece; Chairman Krushchev of Russia; President Gheorgiu Dej of Romania; President Tito of Yugoslavia; Mayor Ake of Istanbul, and others. He was searching for and probing for reportable material—not to aggravate or increase the tension of the Cold War, which was so dominant in the Joe McCarthy days, but to see if some measure of accommodation could be found to enable the nations of the West and the East to find a way to live and let live alongside of each other.

He was a Quaker, as you may know, and in keeping with his faith, immediately after World War I, he undertook a mission into little Montenegro which had been overrun and devastated by the central powers in the War. His mission there had been designed to build homes and restore family life in the devastated villages. On one of our cruises along the Dalmatian Coast from Athens to Venice, he decided to travel overland from the Yugoslavian port of Split to the interior of Mentenegro where he had performed his mission. I agreed to go with him. It was a unique experience, and one that warmed his heart because we not only found in use the homes he had built a half century before but also some of the people who had worked for him and who were still living in them. The trip over the "Black Mountains" in a small car for several days was, indeed, a rough one, but it was enlightening to see life only a few miles from the eastern border of Albania almost the same as it was in Biblical times.

At home, Drew, as you all know, was a ferret for conflict of interest in Government. I suppose he made more enemies than any journalist of his day in pursuing that objective. He not only fought corruption but also the secrecy in Government which makes corruption easier. I have often conjured how he would have thrived on the opportunities for investigative reporting in these almost unbelievable times. He would have dug deep and fought secrecy in governmental affairs with a venegeance.

It would be difficult to name a more efficient ally of corruption than secrecy. Corruption is never flaunted to the world. In Government, it is invariably practiced through secrecy. That secrecy is to be found in every level of Government from city halls to the White House and the Hill, and if anything is to be learned from our present difficulties, compendiously known as Watergate, it is that we must open our public affairs to public scrutiny on every level of Government.

Some will say that it is the duty of public authorities to ferret out and prosecute conflicts and defilement of the public interest. But this falls far short of the mark. Law enforcement officers are not equipped to follow the daily work of our public servants, and I doubt if we would want them to be constantly looking over the shoulders of our people in public life just to see if they are performing their duties honestly. It is not the American way, and the practice could eventually lead to a police state.

But we do have the right to compel our public officials to keep the avenues of information open so the public can know and evaluate the character of their work from day-to-day. Then it would be the responsibility of the news media to inform the public of both the accomplishments and the derelictions of their officials.

It is an enormous job to alert the public because there are 2,872,000 Federal civilian employees, 2,832,000 state employees, and 7,612,000 in local government, making a total of 13,316,000 in 1971. All of them perform some duties for the Government, and often some obscure public official unknowingly even will perform some act that, if disclosed, might change the course of history.

As an illustration, conjure for a moment what a nation shattering service the house policeman and the city policemen whom he summoned rendered in making public the Watergate burglary. Had they succumbed to the blandishments and importunities of the burglars, all of the subsequent disclosures of conduct debasing our institutions might have remained a secret forever.

A similar occurrence could come under the scrutiny of anyone of these millions of public employees and if not disclosed might deprive the American people of a much needed opportunity to cleanse some level of our Government.

But even such a failure of disclosure might not be the fault of the particular employee. It could well be a lax method of accounting for official conduct or even a strict policy of secrecy imposed by the policymaking authority.

Such policies, whether they stem from indolence or design, are cancerous to the body politic and must, if our Government is to remain "of, by and for the people," be curbed by adequate legal guidelines and then by scrutiny of the people for use in the electoral process. The fulfillment of the latter, however, depends on the preservation and stimulation of a free press, because the people cannot be adequately informed by the Public Relations Departments of the numerous agencies which justify their activities through news releases and subtle propaganda.

The Pentagon alone is asking for $25,023,000 this year for that purpose. The General Accounting Office, however, has objected to the amount before Congressional Committees on the ground that much more has been concealed for the purpose in other parts of the budget. That amount alone for public relations in the one Department, however, is over four times the total requested budget of the Supreme Court of the United States this year.

And with that amount of money, presumably to inform the public of the activities of the Pentagon, the Cambodian bombing was deliberately concealed from the American people until about two years after the fact.

There is but one protection against such deception, and that is the accessibility to inspection by the citizenry of public records on every level of Government, thus making them available for the news media.

We must realize that when we open up Government files and documents, we are not according the press any preference, but that we are making available to all citizens alike the opportunities to know what their Government is doing. It is then that the press becomes free through investigative reporting to inform the people of the actual state of affairs and put its interpretation on it. If it does the job well, the people are the beneficiaries.

The investigative reporting of the past year is entitled to high praise and the gratitude of every American. Without it, its disclosure of fraud, bribery, perjury, conflict of interest, obstruction of justice, etc., would probably have passed without official action.

So if we are to learn from the debacle we are in, we should first strike at secrecy in Government wherever it exists, because it is the incubator for corruption. One would think this should be an easy thing to accomplish, but as in most public questions there are many facets to it, and as the old hillbilly from Arkansas said, "No matter how thin you make a pancake, there are always two sides to it."

The Congress has labored at great length on the subject, and in 1966 enacted the Freedom of Information Act. That Act recently was accorded a somewhat restricted application by a sharply divided Supreme Court in the case of *EPA* v. *Mink*, 410 U.S. 73.

The dissenters wrote that the decision "wholly frustrates the objectivity of the Freedom of Information Act," and that "It is on its way to become a shambles." Fortunately, there was no decision of constitutional dimensions, the Court holding that the Act did not authorize the relief sought in the case. This would appear to leave the extent to which secrecy in Government might still be proscribed as one for legislative action.

In order to appreciate that a free press is a basic element of a free society, one need not subscribe to the aphorism of Thomas Jefferson that if it should become necessary to dispense with either government or a free press we could better afford to give up government.

Every thoughtful American knows that some of most cherished rights stem from the First Amendment—speech, the press, religion, assembly, and the right to petition the Government for a redress of grievances. To exercise these rights effectively, the people must know what the Government is doing. On the other hand, the increasingly complex world and nation in which we live undoubtedly call for some degree of confidentiality in the decision-making process, but to recognize that fact one need not subscribe to the bizarre contentions of the administation for boundless secrecy under the ensign of executive privilege and national security.

Nor need one believe that this should curtail the rights of the press to explore, probe and report to the public what its explorations reveal.

What I mean to emphasize is that whatever secrecy is to be permitted concerning governmental records in the highest as well as in the lower echelons should be fixed by law. As I have just reported, the law is now in a state of flux and more refinement is called for. The importance of the problem cannot be overstated. It must be obvious to all by this time that secrecy in high places spawned this great tragedy of our time, and that continued secrecy has prolonged the judicial inquiry into admittedly illegal conduct to a point which erodes the rule of law.

Only a rule of reason will solve the dilemma we find ourselves in. This is not an easy thing to evolve in these days when the solution of so many issues is polarized to the point of frustration. Yet the importance of this issue is so great that I would think there is sufficient acumen and patriotism in the elements of our society most intimately connected with the affairs of Government to solve it.

We are spending billions of dollars today to induce the Israelis and the Arabs to settle their ancient differences through reason. In recent years, we have spent upwards of 200 billions and lost 50 thousand of our young men to achieve what is denominated as "peace with honor" between two small countries on the other side of the world.

In light of these experiences, would it be reasonable to expect the professions of journalism, law and political science, together with their professional schools and representatives of federal and state government, all properly sanctioned, to be able jointly to study and define the essential areas of confidentiality in Government, leaving the rest open to public scrutiny so that "Even he who runs may read?"

I would think it should be and perhaps it might be the best way to avoid another Watergate which we can ill afford, and thus fulfill our Constitutional obligation to keep it possible for the people to govern themselves.

Finally, my congratulations to all of today's awardees. They have honored their profession by their investigative reporting, and in doing so have fulfilled in the finest sense the responsibility of a free press to the people it serves.

## JAMAICAN PROGRESS

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, at the recent meeting of hemisphere foreign ministers one of the most outspoken representatives was the very able foreign minister of Jamaica. He minced no words in his discussion of differences between his country and the United States, yet he always spoke as a friend. It is this spirit of friendship that marked the frank discussions in Mexico City which gives rise to my own conviction that for the first time in many years U.S. hemisphere policy is on the right track.

In the February issue of "Hemispherica," the monthy bulletin of the widely respected Inter-American Association for Democracy and Freedom, Dr. Jordan M. Young, professor of history at Pace University, has written a timely article on the new sense of purpose among the Jamaican people which was so evident at the Mexico City meeting.

I know that all of those in the House who have had the pleasure of visiting the beautiful island of Jamaica and all of those who share my concern for the importance of good relations with our Caribbean neighbors will be interested in Dr. Young's conclusions:

### JAMAICA OFFERS NEW LEADERSHIP

(By Jordan M. Young)

It seems almost unrealistic and romantic to visit a small island like Jamaica that is short in everything a society needs for the "good life" and to come away with the feeling that the Jamaicans will not only survive but will perhaps provide, for other third world countries, leadership and a balanced political and social program. Twelve-year-old Jamaica continues to surprise and inspire confidence not only in the Caribbean world but also on the African continent.

The source of this optimism is Prime Minister Michael Manley, whose People's National Party won control of Jamaica in February 1972. When the PNP won, the prophets of doom and despair were positive that any party that had been out of power for ten years would be in no condition to govern. They have been proved wrong, as Manley has offered an economic and political philosophy that is new and different, but that has not caused tension or a collapse of the political structure.

Michael Manley, son of Sir Norman Washington Manley (one of Jamaica's five national heroes), is superbly attuned to 20th century politics. The Prime Minister is effective on television and his personal appearances generally turn into euphoric revival meetings rather than political rallies.

Yet Manley is a stern schoolmaster, lecturing on the sacrifices that have to be made and the belt-tightening that must be done.

When social disorders broke out in December of 1973 he went on a nationwide broadcast and stated: "This country cannot survive if our people do not share a sense of recognition of each other's needs, as well as a sense of social obligation toward the needs of the whole society. It is in the absence of social obligation that the serious problem of social indiscipline occurs."

Full-page advertisements proclaim in bold type: "Your taxes are being used to provide skill training so that one day, men will be poor only by choice. Our society is plagued by unemployment and all its attendant miseries. Many jobs are unfilled and must remain unfilled until we create the skills we need." This is strong talk for a party that has been in power only two years.

It is difficult to pinpoint the changes that have taken place in the past few years. Economic conditions have not improved; what has been altered is the perception of what it means to be a Jamaican. There is now a conscious pride in the country and an attempt to sort out the significance of being an independent nation after more than 300 years of British Colonial rule.

One of the first steps was to change the educational system so that it would reflect the realities of a small tropical island with limited economic resources. England had invested very little in higher education. Junior and secondary schools were heavily weighted toward the classics. Florizel Glasspole, a member of the PNP with a long and distinguished record in the labor movement, served as Prime Minister Manley's first secretary of education, and instituted reforms which emphasized practical technical training in machine shop skills, woodworking and sewing skills. U.S. Peace Corps volunteers helped set up some of the new installations.

But Jamaica's biggest problems are of course economic. Throughout the raw materials producing countries the Arab oil embargo sent a shock of realization that they are perhaps not at the mercy of industrialized nations. The price of sugar has been skyrocketing and yet Jamaica is tied to obsolete per-ton cost accords within the British Commonwealth.

Prime Minister Manley in January 1974 flew to England to negotiate higher wages in the Caribbean. The island cannot meet sugar quotas and production will probably decline for 1973–1974. In 1970 Jamaica produced 370,000 tons; in 1971, 379,000 tons, and in 1972, 373,000 tons. Banana production has been falling, with only bauxite and aluminia maintaining high levels of exports.

Manley has consistently stressed that the time is long overdue for an effective Caribbean alliance that will accelerate economic development. "The world at large will spare a handout for the weak," he recently said, "But it reserves its respect for the strong. Much as we welcome aid we attach an ever greater significance to trade and above all to trade on just terms."

Although the Prime Minister has surrounded himself with many competent political professionals, it is Dudley Thompson who appears to do most of the leg work with Africa and Third World countries. In February 1974, Thompson returned from a trip to Cuba and in a press conference predicted that within two years the Cuban Republic would be among the top purchasers of Jamaican goods, while Cuba promised to aid Jamaica with supplies of sugar and rice which are in short supply.

The Jamaican government, with its offers of financial aid, has not made any attempt to hide its sympathy for African Liberation Movements. At the Non-aligned Summit Conference, held in Algeria in September 1973, Manley declared: "We are willing to offer to the Organization of African Unity, that whenever it feels that volunteers can be trained to assist successfully in the overthrow of the racist regimes of South Africa and Rhodesia and the colonial regimes of Angolan Mozambique and Guinea-Bassau, we will undertake to recruit volunteers and send them across the ocean to Africa."

Crossing the mountains, from the south to the north shore of Jamaica, or driving toward Maypen or Mandeville, one sees constant evidence of road and school construction, signs warning against unwanted pregnancies and billboards calling for more care in the handling of tropical fruits for export.

It is still easy to "live" in Jamaica and if the Prime Minister can convince people that they will be better off in agricultural jobs and still share the movement and excitement of the large cities, Jamaica may lead in finding a newer and simpler way of life with dignity and happiness for most of its people.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Charles H. Wilson of California (at the request of Mr. O'Neill) after 1:30 p.m. today, on account of family illness.

Mr. Parris (at the request of Mr. Rhodes), for today and March 25, 1974, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Koch (at the request of Mr. Thornton), for Tuesday, April 2, 1974, for 60 minutes, following the special order of the gentleman from California (Mr. Goldwater).

(The following Members (at the request of Mr. Armstrong) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 10 minutes, today.

Mr. Young of Illinois, for 15 minutes, today.

Mr. Hogan, for 15 minutes, today.

Mr. Railsback, for 5 minutes, today.

Mr. Don H. Clausen, for 30 minutes, today.

(The following Members (at the request of Mr. Thornton) and to revise and extend their remarks and include extraneous matter:)

Mr. Diggs, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Drinan, for 15 minutes, today.

Mr. Alexander, for 10 minutes, today.

Mr. Melcher, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Pepper and to include extraneous matter, notwithstanding the fact that it exceeds 3½ pages of the Congressional Record and is estimated by the Public Printer to cost $731.50.

(The following Members (at the request of Mr. Armstrong) and to include extraneous material:)

Mr. Hanrahan.
Mr. Collier in five instances.
Mr. Kemp in three instances.
Mr. Frey.
Mr. Arends.
Mr. Broyhill of Virginia.
Mr. Young of Illinois in two instances.
Mr. Cleveland in two instances.
Mr. Whitehurst.
Mr. Hosmer in two instances.
Mr. Bob Wilson in two instances.
Mr. Hogan.
Mr. Goldwater in two instances.
Mr. Steele.
Mr. Vander Jagt.
Mr. Railsback.
Mr. Robison of New York.
Mr. Regula in two instances.
Mr. Bray in three instances.
Mr. Gilman.
Mr. Findley.

(The following Members (at the request of Mr. Thornton) and to include extraneous matter:)

Mr. Drinan in five instances.
Mr. Dingell in 10 instances.
Mr. Rarick in three instances.
Mr. Gonzalez in three instances.
Mr. Rooney of Pennsylvania.
Mr. Waldie in three instances.
Mr. Seiberling in 10 instances.
Mr. Green of Pennsylvania in two instances.
Mr. O'Hara in two instances.
Mrs. Sullivan in six instances.
Ms. Jordan.
Ms. Schroeder in 10 instances.
Mr. Runnels in two instances.
Mr. Dellums in 10 instances.
Mr. Carey of New York in two instances.
Mrs. Chisholm.
Mr. Corman.
Mr. Badillo in two instances.
Mr. Roe in three instances.
Mr. Rooney of New York.
Mr. Nix.
Mr. Thompson of New Jersey in two instances.
Mr. Charles Wilson of Texas.
Mr. Danielson in two instances.
Mr. Meeds.

## ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5236. An act to provide for the conveyance of certain mineral interests of the United States in property in Utah to the record owners of the surface of that property.

## BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On March 20, 1974:

H.R. 2533. An act for the relief of Raphael Johnson.

On March 21, 1974:

H.R. 5236. An act to provide for the conveyance of certain mineral interests of the United States in property in Utah to the record owners of the surface of that property.

## ADJOURNMENT

Mr. THORNTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 32 minutes p.m.) under its previous order, the House adjourned until Monday, March 25, 1974, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2080. A letter from the Acting Assistant Secretary of the Interior, transmitting a report recommending the designation of the lower 237 miles of the Suwannee River and portions of its tributaries and their immediate environs as an addition to the National Wild and Scenic Rivers System, pursuant to 16 U.S.C. 1276(b) (H. Doc. No. 93–246); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

2081. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Railroad Safety Act of 1970 and other related acts to authorize additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

2082. A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to protect Federal mine inspectors in the performance of their official responsibilities; to the Committee on the Judiciary.

2083. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to conserve energy by providing temporary relief from restrictions on sizes and weights of motor vehicles using the Interstate System; to the Committee on Public Works.

2084. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during February 1974, pursuant to 31 U.S.C. 1174; to the Committee on Government Operations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOLLING: Select Committee on Committees. House Resolution 988. Resolution to re-form the structure, jurisdiction, and procedures of the committees of the House of Representatives by amending rules X and XI of the Rules of the House of Representative (Rept. No. 93–916) (pt. II). Referred to the House Calendar.

Mr. DULSKI: Committee on Post Office and Civil Service. Report on recruiting for high level positions in the Federal Government under the name request concept and examining functions of the Civil Service Commission (Rept. No. 93–925). Referred to the Committee of the Whole House on the State of the Union.

Mr. EILBERG: Committee on the Judiciary. H.R. 11321. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968, as amended, to provide benefits to survivors of certain public safety officers who die in the performance of duty; with amendment (Rept. No. 93–926). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABDNOR (for himself, Ms. Abzug, Mr. Andrews of North Dakota, Mr. Bafalis, Mr. Beard, Mr. Blackburn, Mr. Broyhill of North Carolina, Mr. Burgener, Mr. Cleveland, Mr. Cochran, Mr. Collins of Texas, Mr. Gilman, Mr. Johnson of Colorado, Mr. Kuykendall, Mr. McCollister, Mr. Matsunaga, Mr. Melcher, Mr. Mizell, Mr. Moakley, Mr. Nelsen, Mr. Riegle, Mr. Sebelius, Mr. Skubitz, Mr. Steelman, and Mr. Towell of Nevada):

H.R. 13654. A bill to provide for the compensation of innocent persons killed or injured or whose property was damaged in the course of the occupation of Wounded Knee, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ABDNOR (for himself, Mr. Winn, Mr. Young of Illinois, and Mr. Zwach):

H.R. 13655. A bill to provide for the compensation of innocent persons killed or injured or whose property was damaged in the course of the occupation of Wounded Knee, S. Dak., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ANDERSON of Illinois (for himself, Mr. Bauman, Mr. Burgener, Mr. Collier, Mr. Downing, Mr. Duncan, Mr. Frelinghuysen, Mr. Gunter, Mr. Hinshaw, Mr. Hunt, Mr. Ketchum, Mr. Michel, Mr. Nelsen, Mr. Parris, Mr. Rees, and Mr. Treen):

H.R. 13656. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

By Mr. ARCHER:

H.R. 13657. A bill to amend the Internal Revenue Code of 1954 to provide income tax incentives to improve the economics of recycling waste paper; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 13658. A bill to amend the Urban Mass Transportation Act of 1964 to insure that transportation facilities built and rolling stock purchased with Federal funds are designed and constructed to be accessible to the physically handicapped and the elderly; to the Committee on Banking and Currency.

By Mr. FISH:

H.R. 13659. A bill to amend the Export Administration Act of 1969, to provide a formula to control the exports of wheat, soybeans, and corn from the United States, and for other purposes; to the Committee on Banking and Currency.

By Mr. GILMAN:

H.R. 13660. A bill to establish a medal of honor to be awarded by the President to law enforcement officers for distinguished services above and beyond the call of duty; to the Committee on the Judiciary.

By Mr. GRAY:

H.R. 13661. A bill to repeal certain provisions of law relating to the Dwight D. Eisenhower Memorial Bicentennial Civic Center; to the Committee on Public Works.

By Mr. GUDE:

H.R. 13662. A bill to authorize and direct the Commissioner of the District of Columbia to maintain a motorcycle unit within the Metropolitan Police force, and for other purposes; to the Committee on the District of Columbia.

By Mr. JOHNSON of Pennsylvania:

H.R. 13663. A bill to require filling of domestic food price impact statement in connection with exports of U.S. commodities; to the Committee on Banking and Currency.

H.R. 13664. A bill to increase the monthly rates of dependency and indemnity compensation payable under the veterans' laws by 17 percent, and to increase the monthly rates of pension payable under such laws by 15 percent; to the Committee on Veterans' Affairs.

By Mr. KARTH:

H.R. 13665. A bill to provide that income from entertainment activities held in conjunction with a public fair conducted by an agricultural organization described in section 501(c)(5) of the Internal Revenue Code of 1954 shall not be unrelated trade or business income and shall not affect the tax exemption of the organization; to the Committee on Ways and Means.

By Mr. KOCH:

H.R. 13666. A bill to amend title 38 of the United States Code in order to allow veterans of the Vietnam era and thereafter to receive educational assistance benefits for a maximum of 48 months; to the Committee on Veterans' Affairs.

H.R. 13667. A bill to amend title 38 of the United States Code in order to eliminate the time limitation on the provision of educational assistance to veterans who served on active duty at any time during the Vietnam era or thereafter; to the Committee on Veterans' Affairs.

By Mr. LEGGETT:

H.R. 13668. A bill to amend title 38 of the United States Code to prohibit the Administrator of Veterans' Affairs from seeking deficiency judgments with respect to certain loan obligations held by him; to the Committee on Veterans' Affairs.

By Mr. LEHMAN:

H.R. 13669. A bill to amend the Internal Revenue Code of 1954 to provide that certain interest forfeited by reason of premature cancellation of certain savings deposits shall not be included in gross income and for other purposes; to the Committee on Ways and Means.

By Mr. LITTON:

H.R. 13670. A bill to provide for protection of franchised dealers in petroleum products; to the Committee on Interstate and Foreign Commerce.

By Mr. MATHIS of Georgia (for himself, Mr. Dickinson, and Mr. Downing):

H.R. 13671. A bill to prohibit the exportation of fertilizer from the United States until the Secretary of Agriculture determines that an adequate domestic supply of fertilizer exists; to the Committee on Banking and Currency.

By Mr. MOAKLEY:

H.R. 13672. A bill to amend the Civil Rights Act of 1964 with respect to school desegregation; to the Committee on the Judiciary.

By Mr. NICHOLS (for himself and Mr. Brinkley):

H.R. 13673. A bill to establish within the National Cemetery System the Fort Mitchell Regional Veterans' Cemetery in Russell County, Ala.; to the Committee on Veterans' Affairs.

By Mr. NIX:

H.R. 13674. A bill to amend the Small Business Act; to the Committee on Banking and Currency.

By Mr. OBEY (for himself, Mrs. Mink, Mr. Stokes, and Mr. Price of Illinois):

H.R. 13675. A bill to amend the Internal Revenue Code of 1954 to provide that interest shall be paid to individual taxpayers on the calendar-year basis who file their returns before March 1 if the refund check is not mailed out within 30 days after the return is filed, and to require the Internal Revenue Service to give certain information when making refunds; to the Committee on Ways and Means.

By Mr. PICKLE:

H.R. 13676. A bill to amend title XVIII of the Social Security Act to authorize payment under the supplementary medical insurance program for outpatient surgery; to the Committee on Ways and Means.

By Mr. RONCALIO of Wyoming (for himself, Mr. Ford, Ms. Schroeder, Mr. McKay, and Mr. Gunter):

H.R. 13677. A bill to amend the Mineral Lands Leasing Act to provide for a minimum royalties payment to the Federal Government for shale oil produced on Federal lands, to establish on oil shale area impact fund, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. THOMPSON of New Jersey (for himself and Mr. Ashbrook):

H.R. 13678. A bill to amend the National Labor Relations Act to extend its coverage and protection to employees of nonprofit hospitals, and for other purposes; to the Committee on Education and Labor.

By Mr. TIERNAN (for himself, Mr. Boland, Mr. Burke of Massachusetts, Mr. Dent, Mr. Ford, Mr. Fulton, Mrs. Heckler of Massachusetts, Mr. Moakley, Mr. Murtha, Mr. Rees, Mr. Roe, Mr. Rosenthal, Mr. St Germain, and Mr. Charles H. Wilson of California):

H.R. 13679. A bill to provide for wheat export marketing stamps to regulate the price of wheat in order to stabilize food prices and to establish the National Wheat Council; to the Committee on Agriculture.

By Mr. TIERNAN (for himself, Mr. Badillo, Mr. Bergland, Mr. Eilberg, and Mr. Yatron):

H.R. 13680. A bill to amend the Internal Revenue Code of 1954 to provide that the credit for foreign taxes shall not be allowed in the case of taxes paid to a foreign country with respect to the income derived from any oil or gas well located in a foreign country, and to eliminate the percentage depletion allowance in the case of any such well; to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 13681. A bill to amend title 17 of the United States Code to remove the expiration date provided in Public Law 92–140 which authorized the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recordings; to increase the criminal penalties for piracy and counterfeiting of sound recordings; and for other purposes; to the Committee on the Judiciary.

H.R. 13682. A bill to make it clear that the bonus value of food stamps is to be included in the hold harmless amount guaranteed to recipients of supplemental security income benefits under the Social Security Amendments of 1972, so as to assure that recipients in cash-out States do not suffer reductions in the benefits they actually receive; to the Committee on Ways and Means.

By Mr. WAMPLER:

H.R. 13683. A bill to repeal the Emergency Daylight Saving Time Energy Conservation Act of 1973; to the Committee on Interstate and Foreign Commerce.

H.R. 13684. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs; to the Committee on Ways and Means.

By Mr. POAGE:

H.R. 13685. A bill to rename the first Civilian Conservation Corps Center located near Franklin, N.C., and the Cross Timbers National Grasslands in Texas in honor of former President Lyndon B. Johnson; to the Committee on Agriculture.

By Mr. DOWNING:

H.J. Res. 946. Joint resolution to authorize and request the President to issue a proclamation designating May 13 of each year as "American Business Day"; to the Committee on the Judiciary.

By Mr. REGULA:

H.J. Res. 947. Joint resolution to proclaim

April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer; to the Committee on the Judiciary.

By Mr. COLLINS of Texas:

H. Res. 1001. Resolution expressing the sense of the House that the Economic Stabilization Act of 1970 should not be extended beyond its present expiration date of April 30, 1974; to the Committee on Banking and Currency.

## MEMORIALS

Under clause 4 of rule XXII,

392. The SPEAKER presented a memorial of the Legislature of the Territory of American Samoa, relative to lowering the retirement age under the social security program; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. RANGEL:

H.R. 13686. A bill for the relief of Eugenio Klein-Maldovan and his wife, Nidya Josefina Alonso-Vega, and their children, Koroly Alonso, Freide, and Ilanit; to the Committee on the Judiciary.

By Mr. TEAGUE:

H.R. 13687. A bill for the relief of William Alison Anders and Michael Collins; to the Committee on the Judiciary.

# SENATE—*Thursday, March 21, 1974*

The Senate met at 10:30 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, we lift our prayer to Thee in thanksgiving for another day in which to serve Thee. To all our natural powers, our human strength, and our instinctive drives add Thy divine strength and wisdom that we may serve this Nation according to Thy will and purpose. While we work today and plan for the tomorrows may the words of our mouths and the meditations of our hearts be acceptable in Thy sight. Bring us to the close of the day at peace with one another and with Thee, through Jesus Christ our Lord. Amen.

## APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
*Washington, D.C., March 21, 1974.*

*To the Senate:*

Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
*President pro tempore.*

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, March 20, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## THE FACTS ABOUT THE PRESIDENT'S 17 ENERGY PROPOSALS

Mr. MANSFIELD. Mr. President, the President of the United States, on Tuesday last, held a question-and-answer news conference in Houston, Tex. At that time he took the Congress to task for its lack of energy on not passing the 17 energy legislative proposals which he had recommended to the Congress.

I would point out that the initiative, insofar as the energy legislation is concerned, has been in the Senate, and was there long before the President sent up his first proposal. But let us look at the 17 proposals he lists in a letter to me, under date of March 14, 1974. The first initiative he mentions is the windfall profits tax. A copy of that letter is as follows:

THE WHITE HOUSE,
*Washington, March 14, 1974.*

Hon. MIKE MANSFIELD,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR MANSFIELD: As you know, I found it necessary to veto the Energy Emergency Act on March 6th. I can well understand and share the frustrations you must feel when legislation which has consumed great time and effort falls short of enactment, but for the reasons set forth in my message to the Senate on this subject, I felt that the act would hinder, not help, our efforts to solve this problem.

Now that the energy emergency bill is behind us, I would hope that everyone in the Executive and Legislative branches could join together in a spirit of constructive cooperation to pass the legislation that is still urgently needed for the future of our Nation.

I recognize that Members of the Congress have already made several proposals which merit attention and that others are likely to be forthcoming. This Administration will always welcome a healthy debate on these matters and seek to work with members of the House and Senate.

At the same time, I would hope that future energy bills passed by the Congress will be as direct and straightforward as possible without the burden of extraneous issues. Consistent with this approach, I have over the past thirteen months proposed a comprehensive package of seventeen legislative initiatives relating to energy. While some progress has been made toward enactment, a great deal remains to be done. I would therefore like to take this opportunity to summarize those initiatives for you:

Windfall Profits Tax—prevents oil producers from making undue profits as a result of the petroleum shortage by imposing a tax of up to 85 percent on that part of the selling price of domestic crude oil above its December 1, 1973 ceiling price.

Job Security Assistance Proposal—strengthens the unemployment insurance program that now exists by extending it to many workers not now covered and by providing additional benefits to those who lose jobs in areas where unemployment rates show that other jobs will be hard to find.

Special Energy Act of 1974—authorizes mandatory energy conservation measures and rationing (if it should become necessary) and grants to States to carry out energy emergency programs.

Natural Gas Supply Act—allows competitive pricing of newly developed gas supplies, thereby encouraging exploration and development of new wells. This bill should be of the highest priority.

Mandatory Reporting on Energy Information—requires all domestic energy companies to report energy inventories, production, cost, and reserves. Such information is needed to enable the Government to determine and carry out energy policies more effectively.

Naval Petroleum Reserves—allows limited production of oil from Elk Hills Naval Petroleum Reserve No. 1 and provides funds for further exploration and development of reserve No. 1 and exploration of reserve No. 4.

Mined Area Protection Act—establishes standards to govern surface effects of coal mining. This is needed to encourage the development of State programs which permit the mining of coal in a manner that is environmentally safe. The absence of clear legislation in this area is inhibiting the development of our coal reserves.

Deepwater Port Facilities Act—authorizes the Secretary of the Interior to grant permits for the construction, licensing and operation of ports beyond the three-mile limit. These facilities would permit the use of ships that are economically and environmentally sound for the importation of petroleum.

Mineral Leasing Act—places all mineral exploration and mining activities on Federal lands under a modernized leasing system. This proposal would assure that persons obtaining leases have an interest in early exploration for oil, gas and other minerals.

Drilling Investment Tax Credit—provides a tax credit similar to the investment tax credit for costs incurred for exploratory drilling for new oil and gas fields in the United States. Approval of this provision would provide an important incentive for new domestic oil and gas exploration.

Foreign Depletion Allowance—changes the present law to eliminate the 22 percent depletion deduction permitted in computing U.S. taxes on foreign production of oil and gas. This proposal would eliminate any incentive that percentage depletion provides for investment in foreign oil and gas development rather than U.S. energy resources.

Foreign Tax Credits—limits foreign tax credits available to U.S. oil and gas companies operating in foreign lands. Taxes paid to foreign oil producing countries by U.S. oil companies operating abroad have increased dramatically. It is no longer realistic to treat these payments to foreign governments entirely as income taxes creditable against the U.S. tax; it is proposed that the excessive portion of these payments be treated as an expense rather than as a tax credit.

Appliance and Motor Vehicle Energy Labeling Act—requires that major appliances and motor vehicles be labeled to show their energy use and efficiency so that consumers will have the information they need to make wise choices in purchasing.

Revision of Nuclear Licensing procedures—encourages standardization of nuclear plant designs and encourages early site review and approval so as to reduce the time required for getting nuclear plants on line from the current 9–10 years to 5–6 years, without compromising safety and environmental standards.

Federal Energy Administration—provides statutory responsibility to deal with the current energy problem through the allocation program and to carry out major new activities in encouraging the development of new energy supplies, collecting and analyzing energy information and supporting energy conservation.

Energy Research and Development Administration—provides a central agency for a series of $10 billion, five year energy research and development programs designed to develop new technologies for increasing energy supplies and for more efficient energy utilization. ERDA would include the research and development as well as production functions of the Atomic Energy Commission and selected energy R. & D. functions of the Department of the Interior, the National Science Foundation, and the Environmental Protection Agency.

Department of Energy and Natural Resources—provides a new Cabinet department for the comprehensive management of Federal energy and natural resource programs. DENR would incorporate most of the responsibilities of Interior, plus selected natural resource activities from the Departments of Agriculture, Commerce, Transportation and the Corps of Engineers. These responsibilities would form the basis of a modern department.

Our main concern now must be to work together to reconcile differing views so that important energy legislation can be brought to enactment as quickly as possible. I will personally guarantee the full cooperation of the executive branch in making this possible.

With warm personal regards,

Sincerely,

RICHARD NIXON.

Taking each of these proposals in order specified in the President's letter:

First, the windfall profits tax was part of the original energy emergency bill presented to Congress which was filibustered at the end of the first session of the 93d Congress with strong encouragement by the administration to those filibustering. As a matter of fact, there were open threats that if this windfall profits tax provision was in the bill, the bill would be vetoed by the President. As a result, the windfall profits tax was changed to a price rollback provision in the emergency bill. This proposal was part of the Emergency Act which was vetoed by the President on March 6, 1974.

Second, job security assistance proposal. This proposal, strengthening the unemployment insurance program by providing additional benefits for those who lose jobs because of the energy crisis, was part of the Emergency Energy Act which was vetoed by the President.

Third, Special Energy Act. This authorizes mandatory energy conservation measures and rationing. This also was a part of the Emergency Energy Act which was vetoed by the President. As a matter of fact, in this regard, the original energy conservation and rationing measure was introduced in the Congress October 18, 1973. At that time Governor Love and Secretary Morton, who were in charge then of energy matters for the administration, requested that the bill not be processed immediately in order to permit the proposals of the administration to be submitted. On October 24, 1973, they promised that they would be submitted within 48 hours. The administration bill was finally submitted in March of 1974. In any case, the provisions were included in the Emergency Energy Act which was vetoed by the President on March 6.

Fourth, deregulation of natural gas. This proposal is in the Commerce Committee presently.

Fifth, mandatory reporting of energy information. This feature was also part of the emergency energy bill which was vetoed on March 6 by the President There is a separate bill which is in the Interior Committee and executive sessions are scheduled on that specific bill.

Sixth, the naval petroleum reserves. This bill allows limited production from the Elk Hills Petroleum Reserve and has already passed the Senate and is being processed by the House.

Seventh, strip mining. This bill has already passed the Senate and is reaching final stages in the House.

Eighth, deep water port facilities. The Commerce, Public Works, and Interior Committees are processing this bill. Executive sessions to mark up this bill are planned very shortly. Until the recent embargo was lifted there was no sense of urgency for deep water ports because there were no large ships bringing in petroleum to this country.

Ninth, Mineral Leasing Act. Hearings are already scheduled on this bill. There is a strong viewpoint in the Congress to do away with the present bonus system on leases which favor only the large companies and put some form of royalty system based upon production so that the small independents will have an incentive also to compete with the large oil and gas companies.

Tenth, drilling investment tax credit, eleventh, foreign depletion allowance, and twelfth, foreign tax credit. All of these tax proposals are being considered by the House Ways and Means Committee and there will be an adjustment of significant nature to the treatment of these incentives when the bills reach fruition in the Senate.

Thirteenth, Appliance and Motor Vehicle Energy Labeling Act. This requires major appliance and motor vehicles to be labeled to show their energy use. This bill has already passed the Senate. It is very interesting that the measure has been fought and opposed by the administration from the very beginning.

Fourteenth, the revision of nuclear licensing procedures. These proposals are being considered by the Joint Committee on Atomic Energy and it seems that proper accommodation will be recommended by that committee which will accelerate the process and not ignore the environmental impact of these sitings and licensing procedures.

Fifteenth, Federal Energy Administration. This has passed both the House and the Senate and is reaching final enactment in conference.

Sixteenth, the Energy Research Development Administration and seventeenth, the Department of Energy and Natural Resources. The Senate has already passed a $20 billion, 10-year research program to accelerate research into new technologies. The format for the administration of the research program—whether Energy Research Development Administration will be separate or not from FEO and whether there will be a Department of Energy and Natural Resources—is really being held up by a total disagreement between Mr. Simon and Roy Ash. Both recommend the Department of Energy and Natural Resources but the former, Mr. Simon, recommends a combination of FEO and ERDA while the latter recommends an Energy Research Development Administration independent of FEO. It is really the conflict within the administration itself which is retarding the type of administration and bureaucracy which will be established to administer these programs. In any case, the Congress will resolve their disagreement soon.

I have noticed in recent days the President has seen fit to attack Congress, and to attack it vigorously. I wish to state for the RECORD, as I have many times before, that, as far as Congress is concerned—certainly as far as the Senate is concerned—we have made every effort to act responsibly and constructively. We are prepared to meet the President halfway and more, and we intend to follow that course regardless of what is said in question-and-answer press conferences.

## BIRTHDAY GREETINGS TO SENATOR MANSFIELD—THE PRESIDENT'S PRESS CONFERENCE

Mr. HUGH SCOTT. Mr. President, the modesty of our distinguished majority leader is such that he arranged to have his birthday anniversary this year fall on Saturday, and therefore we were not able to extend our birthday good wishes to him. If he would only have it on a working day, we would be delighted to take note of it at the time.

But we forgive him, as we always do, because we are so fond of him.

On another subject, Mr. President, the majority leader has referred to the President's comments about Congress. Of course, it is the duty of the Chief Executive to follow up the legislation he offers, and it is the duty and responsibility of Congress to legislate and send him the measures.

There was a disagreement on the energy bill. Many of the items in the bill represent requests from the President and will be signed by him, if signed by him, in separate legislation, if not in new legislation. The fact remains that objections were lodged by the President and supported by him, notwithstanding his faith in the Senate, and this has necessitated new legislation. The President feels that that legislation would have lengthened the gasoline lines and worsened the situation.

Aside from the different points of view which may hold up getting new legislation through, as the majority leader has pointed out, except for those items contained in the message, multiple items which he would sign in new legislation, absent the controversial items raised, all those measures have left Congress. Therefore, it is important that we do act, and it is important that the managers of the energy bills in this body and the other body act as quickly as possible.

I take great pride in the achievements of Congress, of course, as I am a man of Congress. Therefore, the majority leader is absolutely right in presenting the point of view which he has presented. At the same time, it is certainly my obligation to point out that essentially it is to get gasoline flowing, so that there will be no shortage, and for the legislature to expedite those means.

The majority leader and I really have no difference; as a matter of fact, we have no contest. It is expected that the President will adopt that legislation.

Again, to our majority leader, whom I respect, I want to wish him a happy birthday; and on that gentle note, I hope that he will forgive me for disagreeing with him in some degree.

Mr. MANSFIELD. Mr. President, if the Senator from Pennsylvania will yield, I have reached the stage in life when I try to be nowhere else on birthdays except at home, where I feel more secure.

But I took note of what the distinguished Republican leader had to say, and I am glad to note that he is a man of the Senate, because when the Senate or the House, or both, are being attacked, we are both being attacked, because we are all Members of Congress, which is a coequal branch of the Government. So I hope that every Member of the Senate will look upon himself as a man of the Senate.

Mr. HUGH SCOTT. I agree. I want to do the best I can to shine in the public eye, and I am sure that we all do.

## CONGRESSIONAL BUDGET ACT OF 1974

The ACTING PRESIDENT pro tempore. According to the previous order, the Chair lays before the Senate S. 1541, which will be stated.

The assistant legislative clerk read as follows:

> A bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

Mr. NUNN. Mr. President, I submit an amendment to S. 1541 and ask that it be stated.

The assistant legislation clerk read as follows:

> On page 129, lines 10, 11, and 12, strike the words: "or until June 1 preceding the beginning of such fiscal year, whichever first occurs.".

Mr. NUNN. Mr. President, this amendment deletes language from S. 1541 which permits action on spending, revenue, or debt measures as of June 1, even in the absence of a budget resolution.

In the original S. 1541, one of the major points that some of us talked about—at least, I think I did—was the fact that we should not have appropriation measures until such time as we had at least agreed to the first concurrent resolution. However, it is in the language in the bill as it now stands. Since the proposed bill does not establish ceilings on individual spending measures, the adoption of the initial budget resolution prior to consideration of spending bills is essential. As it now stands, the Senate would not have to agree to the first concurrent resolution. Such a resolution provides the recommended budget framework and is needed as a guide when taking action on spending legislation.

The prohibition of spending action until the adoption of such resolution is logical and essential. It provides the incentive to complete action on such a resolution. A waiver of the prohibition is available if necessary. Once we start appropriating money without a concurrent resolution, in my opinion, the concurrent resolution provision would be severely diluted.

Such a resolution as recommended in the budget framework is needed as a guide on the prohibition of spending action, and is logical and essential. We should not retain in the bill a provision which highlights and emphasizes the possibility that Congress will not adopt the initial budget resolution as called for.

I also point out—and I think this is important—that we already have a waiver provision, so that an appropriation bill, if it receives a majority vote, can receive consideration, if the waiver is pressed and comes to a vote in the Senate.

The heart of the budget process as embodied in S. 1541 is the initial budget resolution. We should not retain a provision in the bill which highlights and emphasizes the possibility that Congress will not adopt the additional budget resolution as called for.

In the event of need, the bill as drafted, as I have already mentioned, contains provision for waiving the requirement that a budget resolution must precede spending, revenue, or debt action. There is ample flexibility without in any way requiring the June 1 arbitrary date. Such waiver provides sufficient insurance that such legislation can be considered when needed, even absent a budget resolution. The further provision of the June 1 permissive date is unnecessary and carries counterproductive implications.

I believe that we must pass a concurrent resolution before we start appropriating money. I believe that if, for any reason, we do not, and June 1 comes, and then we start taking up appropriation bills one after another, absent a concurrent resolution, the whole process that so many of us have labored so hard to include in the appropriation budgetary process would be to a large degree lost.

I do not wish to make lengthy argument on the subject. I think the amendment is rather simple. If any Senator has any particular question, I shall be glad to answer it. Otherwise, I shall be glad to yield.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I should like to address myself to the pending amendment No. 1037 offered by a distinguished member of our Government Operations Committee, the Senator from Georgia (Mr. NUNN), who has worked diligently and hard over a period of many months on this legislation.

We discussed at great length in the Government Operations Committee the impact of such a provision, and I came to the very firm conclusion that we need to instill in the procedures that are adopted enough discipline so that we would not feel that these dates that are established in the timetable are something that can just be breached and overlooked in the rush of other matters. If we specifically provide that we cannot appropriate a single penny until we adopt the concurrent resolution, and that this must be done by June 1, I think it will help instill a sense of discipline in the Congress that is very much needed.

There is a great deal of logic to the view that we should not begin the appropriation process until we know where we are going. I mentioned just a few days ago that this bill should be compared to a group of people starting out on a journey. If you are going to get some place, you need to know where you are going first; and the problem is that we do not ever agree on the destination of the journey, therefore we meander around and do not end up at the same place. If we agree on where we are going, and agree that we will adopt that concurrent resolution and establish a spending limit before we begin the appropriation process, then we can evaluate the appropriation process with a much better perspective.

For that reason, I believe that the amendment offers a great deal of virtue and adds considerably to the strength of the bill, and I would hope it could be accepted by the Senate.

Mr. ROBERT C. BYRD. Mr. President, I think I have an understanding of the Senator's amendment. Would he briefly explain it once again?

Mr. NUNN. Yes, I shall be glad to.

As I understood the original bill as it was approved by the Government Operations Committee, it was the specific intention of our committee to be assured that the first concurrent resolution would be agreed to by Congress prior to the consideration of appropriation bills; but as this bill has emerged from the Rules Committee, it now provides that appropriations, debt, or revenue bills can be considered after June 1 or on the adoption of the concurrent resolution, whichever is the first to occur.

As I indicated in my little presentation on the amendment a few moments ago, there is already a waiver provision, so that we could, with a majority vote of the Senate, waive the requirement of having the concurrent resolution agreed to before the appropriation measures, or any specific one. But the June 1 date in there, which says, in effect, that we can start appropriating money after June 1 even absent the adoption of the concurrent resolution, to my mind creates a disincentive to adopting the concurrent resolution; so I would much prefer to rely on the waiver on an individual basis, which would keep, in my opinion, the spotlight in focus on the fact that we had not performed the essential business of the Senate and the country if we had not agreed to the concurrent resolution; and therefore my amendment, very simply, knocks out June 1 as an alternative triggering device to give us permission to go forward with the appropriation measures.

Mr. ROBERT C. BYRD. If the date of June 1 is reached, and the concurrent resolution has not yet been adopted, and if a number of appropriation bills are backed up ready for action on the Senate floor, would a single waiver open the door for more than one appropriation bill, or would a waiver be required as to each appropriation bill under those circumstances?

Mr. NUNN. The Senator from Georgia understands that under those conditions a waiver would be required for each appropriation bill. I would certainly hope that is the way it is. It is my understanding that we would have to address each appropriation bill on a request from whoever was handling that bill.

The point is not that we would be prevented from taking up the appropriation bills, but a majority of the Senate would have to reach that decision, and there would be a real emphasis on the fact that we needed to agree to the concurrent resolution.

I could be misinterpreting the statute, but it is my understanding that it would be necessary on each measure.

Mr. ROBERT C. BYRD. Mr. President, there is certainly something to be said on behalf of the Senator's proposal. The reason the Rules Committee wrote the provision as it appears, with the understanding and consent of staff people from other committees, was in view of the realities of the situation, recognizing the fact that it may be impossible, on occasion, for the Senate to reach an agreement on a concurrent resolution by June 1.

The built-in timetable is already a rather stiff one, and it was felt that appropriation bills should not be held up beyond June 1 in the event that they had already been reported and the Senate leadership was prepared to call them up by that date.

I understand that the waiver would relieve that situation in the event that the Senate found it impossible to agree to a continuing resolution, thus permitting the Senate to proceed with appropriation bills. I would like to have an opportunity to consult with the managers and staff people before I personally accept the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Georgia.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will please call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. METZENBAUM). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I have no objection to the amendment offered by the very distinguished junior Senator from Georgia (Mr. NUNN). I think there is a consensus among those of us here who have had some exposure to this measure prior to its debate on the floor, that in the event more than one appropriation bill has been cleared for action by the Senate, a single waiver—a single motion to waive the provision, with respect to each of an enumerated list of appropriation bills, would suffice; so that, indeed, a waiver in connection with each of the appropriation bills would not be required under those circumstances.

I repeat, if more than one appropriation bill were awaiting action and the waiver were directed toward all of those appropriation bills awaiting action, then the single waiver, approved by a majority vote of the Senate, would obviate the necessity for giving subsequent waivers for each of the appropriation bills.

Mr. NUNN. Mr. President, I would agree with the Senator's statement——

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate? I have a little difficulty expressing myself when there are other conversations in progress, and I also have some difficulty hearing others. We should have better order in the Senate.

The PRESIDING OFFICER. The Senate will be in order.

Mr. NUNN. Mr. President, I would agree with the assessment made by the distinguished Senator from West Virginia. I know that he is very knowledgeable not only of Senate rules in general but also of the particular rules in this case, and I have great respect for him and for his knowledge. I would think that the Committee on Appropriations which would be reporting all appropriations could decide the form of the waiver it wanted. If it wanted a waiver for the agriculture bill, the military appropriation bill, or whatever, the committee could do it as broadly or as narrowly as it wanted, based on the responsibility of the Appropriations Committee, which would depend on the situation. They would either decide to go the narrow way or they might want to go the broad way. At that time, Senators who felt that they needed to put the pressure on to have a concurrent resolution passed, would have the right to oppose the waiver with time limitations written into the bill, so that they could decide what method they wanted. So I would agree with the Senator from West Virginia.

Mr. ROBERT C. BYRD. One further question, if I may——

Mr. President, may we have order in the Senate? I do not see any necessity for clerks to be standing in the aisles while a Senator is speaking.

The PRESIDING OFFICER. The Senator's point is well taken. Attachés will not stand in the aisles when the Senator from West Virginia or any other Senator is addressing the Chair.

Mr. ROBERT C. BYRD. Mr. President, I certainly respect all the clerks of committees. I realize that they have a heavy responsibility. I frankly do not see how we can get along without them. They are the experts in many ways, but I wish they would keep in mind that this is the Senate Chamber. Of course, they have to await the pleasure of a Senator if he asks them for advice; but otherwise I would think it would preserve better order in the Senate if aides and clerks to Senators would be seated.

The PRESIDING OFFICER. The distinguished Senator's point is well taken. Attachés and aides will please retire to the rear of the Chamber unless their Senator requests a discussion with them. They will please remain in their seats while a Senator is addressing the Chair.

Mr. ROBERT C. BYRD. I thank the Chair very much.

Mr. President, now if I may ask a further question of the Senator from Georgia, if I understand the Senator's amendment correctly, the House of Representatives, where appropriation bills customarily originate—not by order of the Constitution, but customarily originate—would not be forced to await approval of the concurrent resolution by the Senate prior to initiating floor action in the House of Representatives on appropriation bills that may have accumulated there. Am I correct?

Mr. NUNN. I would think that is a correct assessment. I believe this applies only to the Senate.

Mr. ROBERT C. BYRD. So, the House, in the event it wished to waive the requirement for a continuing resolution in order to start the appropriation bill moving, could proceed to do so, regardless of the stage at which matters had developed in the Senate at that particular moment?

Mr. NUNN. The Senator from Georgia reads the bill so that the House of Representatives would not be precluded from getting their own waiver, but that this provision does apply to both the Senate and the House and that the House would have to do the same thing over there that we would have to do over here, in that they would have to await a waiver, unless a concurrent resolution is passed.

Mr. ROBERT C. BYRD. But neither House is forced to await the action of the other body in this respect before moving to waive the particular provision?

Mr. NUNN. I think the Senator is correct. Not only under the bill, but also, I believe, as a constitutional matter, there could be nothing which would prohibit the Senate from waiving one of its own rules.

Mr. ROBERT C. BYRD. I am not asking that. I just want to be sure that the House would not be forced—under the bill as amended by the Senator's proposed amendment—in connection with appropriation bills, to await the pleasure of the Senate, if the House is ready to act.

Mr. NUNN. I am not certain that I completely understand the Senator's question, but it is my impression of the bill that we provide for waivers in each House.

Each House could act independently to go ahead and proceed, if they waived the rule in that House. Does that answer the Senator's question?

Mr. ROBERT C. BYRD. Yes, that answers my question. In other words, if the Senate, at a given time, is debating the continuing resolution and has not waived the requirement, the House, on the other hand, may proceed, if it wishes to waive the provision. If the House has not at that point approved the continuing resolution, the House may proceed to waive that requirement and enact appropriations and get them moving over to the Senate. Am I correct?

Mr. NUNN. The Senator from Georgia agrees with the Senator from West Virginia as he has stated that basic premise.

Mr. ROBERT C. BYRD. Mr. President, I congratulate the Senator on his amendment. I think it is a salutary one and improves the bill, with the understanding we have had here.

Mr. NUNN. I thank the Senator from West Virginia.

As I have said in the past, I appreciate greatly the work that the Senator from West Virginia has done, because without him, I think it would have been impossible to reach the kind of broad concensus we have reached on this bill in order to obtain its passage.

Mr. ERVIN. Mr. President, the distinguished Senator from Georgia is a member of the Government Operations Committee and has done yeoman work in the formulation of the bill reported by the Government Operations Committee.

I concur in the view of the Senator from West Virginia that it would be wise for the Senate to adopt this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

### AMENDMENT NO. 1035

Mr. NUNN. Mr. President, I believe that at the desk is a printed amendment which is numbered 1035. I ask that this amendment be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. NUNN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 143, line 2, before "In", insert "(a) Action Before Beginning of Fiscal Year.—".

On page 143, line 2, before "In", insert "(a) Action the following:

"(2) not later than September 25 preceding the beginning of a fiscal year, the Congress shall complete action on a bill required to be reported under section 310(c).".

On page 143, after line 18, insert the following:

"(b) Required Provision in New Budget Authority Legislation.—Every bill or resolution providing new budget authority for a fiscal year (other than supplemental, deficiency, and continuing appropriations bills and resolutions) shall contain a provision that the new budget authority provided in such bill or resolution shall not become effective until a bill required to be reported under section 310(c) for such fiscal year has been enacted into law.

"(c) Legislation Failing To Comply Subject to Point of Order.—It shall not be in order in either House to consider any bill or resolution providing new budget authority (or any conference report on any such bill or resolution) which fails to comply with the provisions of subsection (b).".

On page 145, beginning with line 14, strike out all through line 11 on page 146, and insert the following:

"(c) Bill Required To Be Reported.—

"(1) Reconciliation bill.—If a concurrent resolution on the budget is agreed to in accordance with subsection (a) containing a direction that changes in laws be made, and—

"(A) only one committee is directed to determine and recommend changes, that committee shall promptly make such determination and recommendations and report a reconciliation bill to its House containing such recommendations; or

"(B) more than one committee is directed to determine and recommend changes, each such committee so directed shall promptly make such determination and recommend changes and submit such recommendations to the Committee on the Budget of its House, which upon receiving all such recommendations, shall report to its House a reconciliation bill containing, without substantive revision, all such recommendations.

A reconciliation bill reported under this paragraph shall contain a provision that the new budget authority provided for the fiscal year in bills and resolutions previously enacted (as changed by such reconciliation bill) shall become effective.

"(2) Bill to effectuate new budget authority.—If a concurrent resolution on the budget is agreed to in accordance with subsection (a) and such concurrent resolution does not contain any direction that changes in law be made, the Committee on the Budget of each House shall promptly report to its House a bill providing that the new budget authority provided for the fiscal year in bills and resolutions previously enacted shall become effective.

"(d) Completion of Action on Required Bill.—Congress shall complete action on a bill required to be reported under subsection (c) for a fiscal year not later than September 25 immediately preceding the beginning of such fiscal year.".

On page 146, lines 17 and 20, strike out "reconciliation".

On page 147, strike out lines 12 through 17, and insert the following: "unless the Congress has completed action on a bill required to be reported under subsection (c) for the fiscal year beginning on October 1 of such year.".

On page 147, line 24, beginning with "all", strike out all through "bill" on line 3, page 148, and insert "a bill required to be reported under section 310(c) for a fiscal year".

On page 119, in the matter preceding line 1, after "reconciliation bill implementing second required concurrent resolution" insert "or bill effectuating new budget authority".

On page 122, strike out lines 5 through 14.

On page 122, line 15, strike out "(2)" and insert "(1)".

On page 122, line 21, strike out "(3)" and insert "(2)".

On page 122, line 25, strike out "(4)" and insert "(3)".

Mr. NUNN. Mr. President, I think this is a very important amendment, and I would have to say at the outset that I am under no illusions as to the chances of this amendment receiving a majority vote at this point; but I do believe sincerely that the record should be made. The amendment, it should be pointed out, contains a very good device that was in the original Government Operations bill which was deleted in the Rules Committee.

However, I believe that in the future we may very well come back to it, either in conference committee or perhaps at a later date on recommendations of the budget committee.

Under the proposed version of S. 1541, all newly enacted budget authority becomes effective and available for obligation on October 1, the first day of the fiscal year. Substantial amounts of Federal funds will become committed beyond the possibility of rescission on that date. I think this is a very important point. No matter what we say in the bill, no matter what we say in any of the provisions of the bill, once October 1 rolls around and we do have the appropriation bills which are in effect, at that point it becomes very difficult—and in some cases, almost impossible—to really come up with the rescission bill or the reconciliation bill that is demanded by the second concurrent resolution.

A reconciliation bill containing rescission of any budget authority, therefore, must be enacted before October 1 if it is to be effective. After October 1, as a practical matter, it will be too late. Any Member or coalition thereof with any motive to avoid rescissions will have incentive to employ dilatory tactics to delay a reconciliation bill until after October 1, when all spending authority will have already become effective. Therefore, a small minority can easily, under some circumstances, accomplish this result.

Therefore, spending measures, in my opinion, should contain a clause delaying their effectiveness until enactment of a triggering bill which will be the final step in the budget process. Such a measure will insure that a majority of Congress must act on the entire spending profile at the end of the budget process and before any funds can be obligated beyond the possibility of rescission. This will prevent a small minority from locking in a spending pattern that a majority has decided it wants to change.

If the majority wishes to make no changes in the spending measures which have been enacted, it will simply enact a triggering bill effectuating all such spending and making no rescissions.

The House bill, H.R. 7130, the budget measure which has been passed by the House, contains provisions which have a similar effect. Although they are different provisions, they have a very similar effect to the triggering proposal I am making here.

There is some well-stated opposition to this particular provision, and I think the Rules Committee did a good job of laying out this opposition, although I take exception to each of the items they show as reasons for rejecting the triggering provision.

First, the opponents of the triggering bill argue its extreme sensitivity to Presidential veto, which would result, in their opinion, in throwing the entire budget process into chaos.

Mr. President, I respond to that argument by saying that the triggering measure, whether a part of the reconciliation bill or a separate bill, will be the wrap-up of the budget process, if my amendment is agreed to, which has worked itself out over the preceding 9 months. A triggering device would reflect final, up-to-the-minute adjustments in spending, revenues, and debt as appropriated just prior to the beginning of the budget year. It will be the embodiment of the responsible fiscal action by Congress and will result from painstaking effort and delicate compromise.

Veto of such a bill will likely be susceptible to being overriden by Congress; and, if not overridden, presumably adjustments could be made to satisfy the administration.

I think this is a very important point, because there are no provisions in this amendment or in any triggering device which inherently presents any problem that would not also be presented now under the provisions of S. 1541 by the veto of the President of the United States of the reconciliation bill, a danger which the present bill now has.

I submit that if we are really serious about the second concurrent resolution and if we are really serious about the reconciliation bill, which some of us hope will be coming if we have overspent, and if we have gone over the ceiling we originally imposed, based on what is in the best economic interests of this Nation—if we are serious about that process, then I think we must concede that that reconcilitation bill, if it is vetoed by the President, would be just as dangerous, would be just as disruptive, and would create just as much chaos as a triggering measure veto.

The second major argument that the opponents argue is that with the trigger neither Congress nor the President will know the exact amount of an appropriation with finality until well after its enactment and that this is too great a degree of ambiguity.

I say in response to that that the reconciliation bill creates exactly the same ambiguity, and is now a part of S. 1541. No greater degree of uncertainty would be added by a triggering device. Since the budget process is to be completed prior to the start of the fiscal year, with no spending until the fiscal year begins, this certainty as to the appropriation levels is not needed until the end of the process when adjustment can be made.

At the present time most of the appropriation bills are passed well after the fiscal year. I do not think that last year, in 1973, a single appropriation measure was passed prior to the beginning of the fiscal year. So we are dealing with a tremendous amount of uncertainty now.

While I agree that this bill and the provisions of this bill greatly will change the present situation, we all hope, I must say, that the reconciliation bill will carry with it the same degree of certainty as this provision which I recommend.

Another argument, the opponents claim, is that the existence of a triggering bill would produce incentive to "pad" appropriations and requests in the expectation that there will later be cuts.

Such incentive, if indeed there is any, is an unavoidable aspect of any process which allows for rescission of appropriations. It is a product of the reconciliation bill and the possibility of later decisions to decrease amounts provided earlier. The incentive to "pad" would not stem from the introduction of a triggering step in the process.

The final argument of opponents is the claim that since the effectiveness of all spending bills would depend on a trigger, any delay of the triggering measure beyond the start of the fiscal year will necessitate the use of continuing resolutions. This, in turn, would cause the new, supposedly efficient budget process to fall into disrepute.

I say in response, that there is, indeed, under the provision I propose a possibility of continuing resolutions. There would be in effect, however, not for 6 or 8 months as is now the case, but for only a few days or at most a few weeks while Congress worked out the compromises needed to allow passage of the triggering measure. This would be a situation in which continuing resolutions would be employed for a brief period to enable Congress to carry out its obligations and to put its fiscal house in order. Surely use of this device to allow sufficient time for completion of a highly complex and vitally needed process is justifiable and will not destroy the credibility of the budget process.

Mr. President, I urge the Senate not only to consider this amendment today, but also I hope the conference committee, in the event this fails today, would consider this in lieu of the House provision which requires all appropriation measures to remain at the desk. That is a very similar way of handling the dangers I pointed out, but it is not as good a way as the device the Committee on Government Operations had and which I submit as an amendment. So I hope this proposal is considered favorably today and that later the Budget Committee will give it favorable consideration because in my estimation when October 1 rolls by, if we have not passed the requisite reconciliation bill, it will be too late, and even though we have a provision saying Congress cannot adjourn until the reconciliation bill is passed, if it is carried by a second resolution, I submit after October 1 that will be no real disincentive because the bar on adjournment has been tried several other times and can be waived by simple majority. Then we have simple appropriation bills in effect, some of which can be constitutionally challenged. When October 1 comes around, much of the appropriation measure could not be rescinded even if a majority wanted to rescind.

Mr. ERVIN. Mr. President, if I considered only my views on this matter I would support the amendment of the distinguished Senator from Georgia. However, my long service in the Senate has taught me I have to be pragmatic, and I must support the measure that will be adopted by a majority in both houses, for otherwise we will have no legislation on this subject.

This amendment incorporates a provision that was in the bill when it came from the Committee on Government Operations, but it was eliminated by the Committee on Rules and Administration. The Committee on Rules and Administration was of the opinion, and strongly of the opinion, that this provision added another step in the appropriation process and made that process too rigid, and for that reason eliminated it.

I am constrained to the view that we should at this time follow the Committee on Rules and Administration and leave the provisions of this amendment out of the bill.

The Committee on Rules and Administration felt that the bill without this provision would operate effectively. I believe the better part of wisdom is to follow that view at this time and leave to the future the question of whether or not Congress will exercise enough self-discipline to make the bill, in its present form on this aspect, effective. If it should prove in the future that this conclusion is not sound, then Congress could add what I think is a wise provision to the bill at a subsequent time.

But we have to get a majority vote of the Senate to get any bill at all, and many members of the Committee on Rules and Administration, and many other Senators, are opposed to this proposition. As a pragmatic matter, I hope the Senate will at this time defeat the amendment, recognizing that perhaps at some future time it may be necessary to adopt it.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. NUNN. I am glad to yield to the Senator from Illinois.

Mr. PERCY. I wish to make a brief comment, and I am certain that the distinguished Senator from Georgia would want to rebut both sides of the aisle.

I have expressed deep appreciation to the members of the Committee on Rules and Administration of the Senate for their contribution and on balance they have done a remarkable job.

In consequence of that, although I highly commend the Senator from Georgia (Mr. NUNN) for the contribution he has made and his attempt to make this bill as tough a bill as possible, in the best sense of that word, I think on balance I stand with the chairman of the Committee on Government Operations and would regretfully vote "no" on this amendment. I do so saying to the distinguished Senator from Georgia that he is one up this morning and possibly one down, and his net contribution has been immense. Obviously it will be discussed in conference, but I regretfully will have to vote "no" on the amendment.

Mr. NUNN. Let me say I completely understand the position of the distinguished Senator from North Carolina, chairman of the Government Operations Committee, and the distinguished Senator from Illinois, the ranking minority member of the committee. Both of them not only have done an excellent job in getting the bill out of the Government Operations Committee and subcommittee, but also have done a remarkable job in working with the Rules Committee and the Senator from West Virginia in coming up with a version which, while not perfect, certainly goes a long way toward restructuring what is an archaic and outdated budgetary process.

So while I do not agree, I understand their opposition to this amendment. I appreciate their kind words in speaking on the amendment, on an individual basis. I know they will support a device which will go a long way toward assuring that not only the theoretical intent of the budgetary process is passed and implemented, but also, as a practical matter, that we in the U.S. Senate and we in the Congress really do mean what we say about budgetary reform and that we really do mean what we say about having a limit passed at the beginning of the process which we intend to live with unless we change it on the basis of economic reasons or on the basis of great changes that may occur.

I reiterate that I do not believe the bill as presently constituted, without my amendment, requires the accountability we are going to have to have if we are going to have real budgetary reform, if we are really going to do what the Senator from Virginia talked about so eloquently, if we are really going to balance the budget in years of inflation.

I am not one of those who believes we can balance the budget in periods of severe depression or war, but I believe we have demonstrated, and the Executive has joined us in that, that any time we have 4 straight years of accumulating a debt in the neighborhood of $100 billion, in a period of high inflation, we really have a long way to go in having an effective process.

I would like to ask the Senator from North Carolina his opinion. If this amendment today is not adopted, does the Senator from North Carolina anticipate this bill will be one of the possible grounds for discussion in conference committee in lieu of the present House provision, which may or may not be accepted by the Senate, the House provision being that appropriation measures shall remain at the desk until we pass a reconciliation bill? I simply ask the Senator from North Carolina if he believes this could be considered as a compromise.

Mr. ERVIN. I believe the rules of the House would not permit the consideration of anything not in the House-passed bill. For that reason, I do not believe that the conference could consider the provisions of this amendment, if the amendment should be rejected, which I hope under the circumstances it will be.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. NUNN. Mr. President, the Senator from Georgia is advised, in response, that the House bill provides appropriation measures will be at the desk, and it is encompassed simply as part of the House rules. I am sure we will study it and give some attention to it, but I believe it could come up in conference.

Mr. ERVIN. There may be a difference of opinion on that point. My own opinion is that the provision of the House bill to the effect the Senator mentioned is not sufficiently related to the provision of his amendment to put this matter in conference. I frankly do not believe the conferees would be permitted to consider this measure in conference if it should be rejected by the Senate.

Mr. NUNN. I thank the Senator.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from Georgia yield?

Mr. NUNN. I am glad to yield.

Mr. HARRY F. BYRD, JR. It seems to me the Senator from Georgia has raised a most important point, and unless the proposal of the Senator from Georgia is enacted, or something similar to it, it occurs to the Senator from Virginia that the legislation now before us will not be the effective instrument that it could be if the amendment of the Senator from Georgia were adopted.

Mr. NUNN. I thank the Senator from Virginia. I yield now to the Senator from West Virginia.

Mr. ROBERT C. BYRD. Mr. President, I shall be very brief.

I appreciate the motives of the distinguished Senator from Georgia. I know he is attempting to write into the measure additional disciplinary provisions that will aid in bringing about the objective of fiscal responsibility that we all seek, but I am afraid that it would have the effect of being impractical in that regard. I think it would also add an additional time-consuming step in the process of completing action on all appropriation bills.

Moreover—and I understand he has already addressed himself to this objection, but to me it is a formidable one—I fear that the adoption of this amendment would enable the President, by one single stroke of the pen, and by vetoing the triggering measure, to effectively veto every appropriation bill that had been enacted prior thereto.

This would mean that with one veto the President could veto 13 regular appropriation bills and any number of supplemental and emergency appropriation bills. I am just not going to go that far.

May I say also to the distinguished Senator, I certainly agree with the Senator from North Carolina's interpretation of the situation with which we will be confronted in conference. It is my understanding the House measure does not contain this triggering provision. Consequently, it would not be in conference if the Senate were to reject the amendment offered by the distinguished Senator from Georgia.

Mr. NUNN. I am certain the Senator from West Virginia has a better knowledge of the rules of conference than the Senator from Georgia, but there is a House provision that would prevent appropriation bills from going into effect prior to October 1. The motive of the House provision is the same as the motive of this provision. I guess it would be a matter for the conference to decide whether this would be appropriate.

Mr. ROBERT C. BYRD. I do not think so. I think a point of order would be raised against it, because the House language provides that the appropriation bills shall be held at the enrolling clerk's desk, whereas the Senate's amendment provides that bills, after they are passed through both House and Senate and go through conference, shall be held at the President's desk until such time as the triggering process is enacted. There is a great gulf between the two, so great that I think a conference could not legitimately consider the Senator's proposal.

Mr. NUNN. I would certainly defer to the Senator from West Virginia's judgment on that matter.

I would like to make one observation. I hope we are sincere about the reconciliation measure. I hope we do not believe we are not going to be rescinding the appropriating authority if we go above the ceiling. I would submit if the President decided to veto the reconciliation bill, he would have, in effect, done away with the appropriation process and the really responsible part of it, for that matter. Although the appropriation measures would be in effect, the entire budgetary process, with veto of the reconciliation bill, would be thrown into a complete state of disarray. The President, by vetoing, would be vetoing what had been enacted by the House and Senate. Although S. 1541 does have provisions which gives the President some authority in that respect, he would not do that.

I will also say that if the President decides to veto 14 appropriation bills, there would be some kind of disincentive for Congress to pass appropriation bills if the President were going to veto all 14. So I would have a hard time saying that the President would not veto a triggering bill.

I just have some difficulty believing that the President of the United States would veto every appropriation bill. That would be vetoing a year's work in Congress, unless he were ready to see the country close down. The Government employees' salaries could not be paid because they depend on appropriations. If the President vetoed the bills, he would be overridden more quickly than can be imagined.

Mr. ROBERT C. BYRD. Mr. President, I would not rule out that possibility, because I must say that I have seen many things happen of late that I would not have dreamed could have happened.

Mr. NUNN. I would agree with the Senator. I think that both old men's dreams and young men's visions would not have included some of the things I have seen in the last year.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. NUNN. Mr. President, I have another matter which I think will not take much time at all. I call up amendment No. 1036, which is a printed amendment and is at the desk. I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

On page 127, after line 8, insert the following:

(h) STUDY OF CERTAIN PROCEDURES.—The Committee on the Budget of each House shall conduct a study to determine the feasibility of adopting and implementing the procedures described in subsection (b), and shall report the results of such study to its House as soon as practicable, but not later than the first day of the first session of the Ninety-fourth Congress.

Mr. NUNN. Mr. President, this amendment, which deals generally with the same subject matter that I have just referred to, expresses my concern. I will not repeat the arguments I have made, but this amendment is a triggering device amendment.

The amendment simply provides that the committee on the budget of each House shall conduct study to determine the feasibility of adopting and implementing the procedures described in subsection (b) and shall report the results of such studies to its House as soon as practicable, but not later than the 1st day of the 1st session of the 94th Congress, which is January 2, 1975.

I think it is imperative that such an amendment as this be included in the bill. I would hope that the manager of the bill would accept the amendment. I would be receptive to a change in the date.

Mr. ROBERT C. BYRD. Mr. President, I certainly do not object to this amendment. I am willing to accept it. I think I can speak for my colleagues (Mr. ERVIN and Mr. PERCY) in saying that there is no objection to the amendment. I think, as a matter of fact, it would be good if such a study were conducted.

I am wondering, in view of the willingness of the Senator from Georgia to modify the amendment, whether he would agree to do so by striking the words "ninety-fourth" and inserting in lieu thereof "ninety-fifth".

Mr. NUNN. As I understand, if it were to be the 95th Congress, that would give the committee time to make a study and report, and would give us time to study and react to the report. I am willing to accept that modification.

The PRESIDING OFFICER. The amendment is so modified.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, the Senator from Georgia is batting 66⅔ today.

Mr. NUNN. That is not as good as I had hoped for, but better than I expected. I thank the Senator for accepting the amendment and getting to my amendments as fast as he has done. I congratulate him for getting to the consideration of the bill as fast as it was possible to do so.

Mr. ROBERT C. BYRD. I thank the Senator from Georgia for his valuable contributions.

The PRESIDING OFFICER. The bill is open to amendment.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. NUNN) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a Congressional Office of the Budget, and for other purposes.

Mr. HARRY F. BYRD, JR. Mr. President, I call up my amendment No. 1051, which is at the desk, and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> At the appropriate place in the bill add a new section as follows:
>
> SEC. . Notwithstanding any other provision of this or any other Act, beginning with the fiscal year 1976, the expenditures (budget outlays) of the Government of the United States during each fiscal year shall not exceed its revenues.

Mr. HARRY F. BYRD, JR. Mr. President, I first request that the Senate attaches have the printed amendment placed on every desk in the Senate. I do not find it on the desks.

The PRESIDING OFFICER. The Senate attaches are so instructed and will place a copy of the amendment on the desk of each Member of the Senate.

The Chair is advised that the amendment has just arrived from the printer and copies will be placed on the desks promptly.

Mr. HARRY F. BYRD, JR. I thank the Chair.

Mr. President, yesterday the Senator from Virginia presented an amendment, which would require, beginning with fiscal year 1976, that the President, in submitting his annual budget, submit a budget which was in balance—expenditures with revenues—for all nontrust fund matters. The Senate considered that amendment and rejected it. One reason given in opposition is that it was of doubtful constitutionality; that it was doubtful whether Congress could require the President to submit a balanced budget. The Senator from Virginia did not agree with that reasoning; nevertheless, for that and other reasons, the amendment offered yesterday was rejected.

The reason the Senator from Virginia presented that amendment was his belief that if we are going to get Federal spending under control, if we are going to get back to a balanced budget, if we are going to eliminate the tremendous deficits the Government has been running, then the first step is for the Chief Executive, whoever he may be, to submit to Congress a budget which is in balance. The current budget, for example, was submitted by the President out of balance to the extent of $18 billion. But, as I mentioned, that amendment was rejected.

The amendment I have called up today is an entirely different one. It is a very brief amendment, and reads as follows:

> Notwithstanding any other provision of this or any other Act, beginning with the fiscal year 1976, the expenditures (budget outlays) of the Government of the United States during each fiscal year shall not exceed its revenues.

If this amendment is adopted, it would achieve a balanced budget under the so-called unified concept, which is to say that the budget, taking into consideration the trust funds as well as the Federal funds, must then be in balance.

This is not as far as I personally would prefer to go. I think it is important to get the Federal funds budget into balance. But if we could achieve a balance in the total spending of the Government, including the trust funds, Congress would have taken a very long, firm, and desirable step toward controlling inflation and maintaining the value of the wage earner's dollar.

I do not believe the average American citizen is aware of just how seriously the Government's financial situation has deteriorated. In the last 20 years, the Federal funds budget has been balanced only three times. It has shown a deficit in 17 out of the last 20 years. The budget has not been balanced since 1960. But worse than that, the trend is in the wrong direction, because the deficits are far greater now than they have been in the past.

The deficit for fiscal year 1970 was $13.1 billion. The deficit for 1971 was $30 billion. The deficit for 1972 was $29.2 billion. The deficit for 1973 was $25 billion. The deficit for 1974 was $18.1 billion. The deficit for 1975 was $17.9 billion.

In that 6-year period, Mr. President, the accumulated Federal funds deficit has totaled $133.3 billion. In that short period of 6 years, the accumulated Federal funds deficit is $133 billion. Is it any wonder that the value of the dollar has deteriorated? Is it any wonder that when the housewife goes to the grocery market every week, the purchasing power of her dollar is less and less?

This Government cannot continue to sustain these smashing deficits without further erosion of the value of the dollar. We are considering a piece of legislation, an important piece of legislation, to attempt to reform the budgetary processes of the United States Congress. It is important, I think, that we do improve those processes, and the legislation before us, so ably handled by the able senior Senator from North Carolina on the majority side of the aisle and the able Senator from Illinois on the minority side of the aisle, provides many important, desirable, and necessary changes in procedures. It certainly is an important step in the direction that Congress needs to go. But the legislation itself, as it now stands, will not accomplish and will not require what I think is so important: that we get back to the "old time religion" of a balanced budget.

I recognize that my view is a minority one. I recognize that a majority of my colleagues do not agree with my fiscal beliefs. I recognize also that the easiest thing a legislator can do is vote for more and more spending. That is the easiest thing any of us can do as Members of Congress. And it is even easier when we adopt a practice which has been the practice of the Congress of the United States for a long time now, and has been the policy of the executive branch of the Government for a long time, of spending all the money you want to spend, to spend and spend and spend, but not worry about the revenues and not worry about additional taxation. No one has to say for it; all we need to do is add it to the debt.

Well, Mr. President, we are adding it to the debt. The debt at the end of the next fiscal year is projected at $505 billion. So we are adding it to the debt. But I submit that the people are paying for it, paying for this deficit financing, by an indirect hidden tax; namely, by inflation. The value of the dollar, according to the economist Dr. Heller, who testified before the Finance Committee yesterday, has deteriorated 20 percent in the 3-year period 1972, 1973—and he projects it to include 1974. So our people are paying for it through inflation. Inflation is a tax. It is a hidden tax. I submit, it is a cruel tax. It hits hardest at those in the lower and middle income brackets. It hits hardest at the elderly in our Nation who are living for the most part on fixed incomes. Inflation does not particularly hurt the very wealthy. It may even be helping them. I do not know. But what inflation is doing is eating into every wage earner's pay check and into every housewife's grocery dollar.

The major cause of inflation is the irresponsible and reckless spending policies of both the executive and legislative branches.

The purpose of the amendment which I have submitted today is directly to bring some responsibility to the handling of the financial affairs of the Government of the United States. It will not affect the 1975 budget which is already in the mill and is being processed. It will begin with the fiscal year 1976 with the next budget to be submitted by the President.

The amendment would require that outlays; namely, appropriations by Congress, not exceed the revenues to be taken in by the Government for that fiscal year.

Let us take an example. If the revenues are estimated to be $300 billion for fiscal year 1976 and Congress desires to spend $320 billion, then it must raise the additional revenue if it is to spend the additional amount over and above the revenues expected to be taken in during that fiscal year.

I recognize that there are many Members of Congress and, I would guess, perhaps even a majority of Congress, who do not want a balanced budget, who think that deficit spending is a good thing. They are entitled to that view. I recognize that—just as I am entitled to the contrary view.

I know that this deficit spending is a good thing from a political point of view for Members of Congress, because they can spend and spend and spend and spend and not have to raise the taxes to pay for it. They would let it be paid out of inflation which, I say again, is the cruelest tax of all because it hits the working man the hardest, those in the lower and middle-income brackets and those living on fixed incomes, the elderly of the Nation.

Let me read again the amendment:

> The expenditures of the Government of the United States during each fiscal year shall not exceed its revenues.

Now, Mr. President, that is a constitutional provision in the constitution of every State among the 50 States in the United States. It is the way every State handles its own budgetary affairs.

The only government which does not have a policy of expenditures not exceeding revenues is the Federal Government of the United States of America.

All of us know how strong the German mark is, the Japanese yen, the Swiss franc, and the Dutch guilder.

I had an interesting conversation at a luncheon with the Finance Minister of West Germany, which has one of the soundest currencies in the world and one of the strongest currencies in the world.

I asked him, "As a matter of curiosity, what is your debt in Germany and what would be your deficit for this fiscal year?"

He said, "Deficit? Deficit? We do not have deficits in Germany. The West German Government does not have deficits. Our Constitution prevents us from having deficits."

Well, the U.S. Constitution does not carry that provision and I do not know that it necessarily should. It might make it too rigid because one cannot quickly change the American Constitution. But there is nothing rigid, nothing unreasonable about the proposal which I have submitted to the Senate today which merely says that the expenditures of the Government of the United States during each fiscal year shall not exceed its revenues.

I think not only is it not unreasonable but it is essential, if we are going to get any degree of financial responsibility.

The charge may be made, suppose there is an emergency, what do we do then? The law can be changed very quickly, as everyone knows, in the event that there is an emergency required.

Then the charge may be made, well, one Congress cannot bind another Congress. Of course it cannot. The legislation we are considering today, the basic legislation before the Senate, can be repealed. If it is enacted next month, it can be repealed the next month after that, or next year. But if Congress is willing to adopt the amendment I have submitted, then Congress is saying that we are willing, not this year, but we are willing, beginning with fiscal year 1976, to hold Government expenditures within the framework of Government revenues. If it were just for several years that the Federal Government has been running deficits, I would not have the deep concern I have today. I say to my colleagues that it has not been several years. It has been a long period of years. We have had Government deficits in 17 of the last 20 years, and we have not had a balanced budget since 1960—15 fiscal years ago.

I would certainly hope that the Senate would be willing to give consideration to adopting legislation which would merely say that beginning with fiscal year 1976, the expenditures of the Government of the United States during each fiscal year shall not exceed its revenues.

Mr. ERVIN. Mr. President, much of what was said yesterday concerning the amendment offered by the distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) and the distinguished Senator from North Carolina (Mr. HELMS) is applicable to this amendment.

I agree with the Senator from Virginia that the people of the United States are asking Congress to give them bread in the form of financial restraint, but I do not see any use of Congress giving the people of the United States an unconstitutional stone instead of bread.

Article I, section 1, of the Constitution reads:

> All legislative Powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Section 8 of article I reads:

> The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States . . .

Clause 7 of section 9 reads:

> No money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law . . .

This amendment, in effect, says that Congress hereafter shall not exercise its legislative powers except in a certain way, and that Congress hereafter shall be required to raise taxes sufficient to meet the appropriations, and the appropriations will never exceed the amount of the taxes. It is totally ineffective. It is inconsistent with the Constitution, which each Member of the Senate has stated upon oath that he will support, and it is absolutely nugatory. Instead of giving the people of the United States bread in the form of a balanced budget, it gives them an unconstitutional stone.

We might as well recognize that we cannot tie the hands of future Congresses; we cannot nullify the powers of Congress under the Constitution by a simple statute.

As the distinguished Senator from Virginia has said, the next Congress can change any of the provisions in this bill, if it is enacted. That is true. But the provisions of this bill, without this amendment, will be constitutional and of binding effect until they are changed by a subsequent Congress, making the provisions of this bill totally unlike the amendment which the distinguished Senator offers.

Mr. HARRY F. BYRD, JR. If the Senator will yield, that is precisely what this proposal would do.

Mr. ERVIN. This proposal would do nothing. I would vote for it if it was constitutional.

The only way the Senator from Virginia and I can secure making it impossible for Congress to adopt an unbalanced budget is to amend the Constitution and take away from Congress the power it now has, given to it by the Constitution.

Frankly, I do not see the use of adopting an amendment which flies in the face of the Constitution and, as I say, gives the people an unconstitutional stone instead of bread.

I share the views of the Senator from Virginia on financial matters in large part, but we cannot get a balanced budget by writing an unconstitutional statute. The only way we are going to get a balanced budget is for the Members of the Senate and the Members of the House to have the manhood to stand up as they should and levy sufficient taxes to cover the appropriations or cut the appropriations so that they will not exceed the tax revenues available.

If I thought the amendment would have any effect at all and could be adopted by the Senate under its constitutional powers, I would vote for it. I know that it would have no effect, and I do not see any use in cluttering up a bill with provisions that are absolutely inconsistent with the Constitution.

**Mr. HARRY F. BYRD, JR.** Mr. President, I am astonished to hear the able and distinguished Senator from North Carolina say that it is unconstitutional for Congress to say we are not going to spend more money than we take in. I am utterly astonished at any such assertion.

**Mr. ERVIN.** I am not saying that. I am saying that it is unconstitutional for this Congress to say that this Congress or any succeeding Congress can do but one thing with respect to the budget, and that is to balance the budget. Congress cannot be stripped of its legislative powers by a legislative act.

**Mr. HARRY F. BYRD, JR.** Congress has the responsibility, in my judgment—not only the constitutional right but also the responsibility—to the people of the United States of America to bring some financial responsibility to the handling of public funds. To say that the Constitution does not permit Congress to pass legislation specifying that the Government shall live within its income, I find an absolutely astonishing assertion.

The Senator from Virginia may be the only Member of the Senate who is willing to vote to say that we must have a balanced budget. I do not mind being a minority. I do not like it. I am used to it. I know enough about politics; I have been in politics all my life. Politicians like to spend the public moneys, and they do not want to raise the taxes to pay for it. So what do we do? We create these tremendous deficits: 1970, a $13 billion deficit; 1971, a $30 billion deficit; 1972, a $29 billion deficit; 1973, a $25 billion deficit; 1974, an $18 billion deficit; 1975, an $18 billion deficit.

No wonder we have inflation; no wonder the wage earner is saying that it is difficult to make ends meet. I say we will not get inflation under control and we will not get the cost of living under control until we first get Government spending under control. We have to get away from these deficits and this is a procedure for getting away from these deficits.

It is for Congress to say, "Beginning in fiscal year 1976 we are not going to appropriate more money than comes into the Federal Treasury." Congress has control of the taxes. If enough revenue does not come in they can levy more taxes if that is what they want to do. But I submit the only responsible way to handle the fiscal affairs of this Government is to get back to a balanced budget and that is what this proposal would accomplish.

**Mr. ERVIN.** Mr. President, I believe that if a majority of the House and Senate or a majority of either body had voted as I have since I came to the Senate in June 1954, the national debt of the United States would not have increased one penny. Also if a majority of the Senate and a majority of the House had voted as I have since I came to the Senate in 1954, the debt limit of the United States would be exactly the same today as it was during the days of President Eisenhower.

**Mr. HARRY F. BYRD, JR.** Mr. President, I ask unanimous consent that the amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

> At the appropriate place in the bill add a new section as follows:
>
> SEC. . Notwithstanding any other provision of this or any other Act, beginning with the fiscal year 1976, the expenditures (budget outlays) of the Government of the United States during each fiscal year shall not exceed its revenues.

**Mr. HARRY F. BYRD, JR.** Mr. President, I ask unanimous consent that two tables I have prepared showing the deplorable financial condition of the Federal Government be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1956–75 INCLUSIVE

(Prepared by Senator Harry F. Byrd, Jr., of Virginia)

[In billions of dollars]

| | Receipts | Outlays | Surplus (+) or deficit (−) | Debt interest | | Receipts | Outlays | Surplus (+) or deficit (−) | Debt interest |
|---|---|---|---|---|---|---|---|---|---|
| 1956 | 65.4 | 63.8 | +1.6 | 6.8 | 1967 | 111.8 | 126.8 | −15.0 | 14.2 |
| 1957 | 68.8 | 67.1 | +1.7 | 7.3 | 1968 | 114.7 | 143.1 | −28.4 | 15.6 |
| 1958 | 66.6 | 69.7 | −3.1 | 7.8 | 1969 | 143.3 | 148.8 | −5.5 | 17.7 |
| 1959 | 65.8 | 77.0 | −11.2 | 7.8 | 1970 | 143.2 | 156.3 | −13.1 | 20.0 |
| 1960 | 75.7 | 74.9 | +.8 | 9.5 | 1971 | 133.7 | 163.7 | −30.0 | 21.6 |
| 1961 | 75.2 | 79.3 | −4.1 | 9.3 | 1972 | 148.8 | 178.0 | −29.2 | 22.5 |
| 1962 | 79.7 | 86.6 | −6.9 | 9.5 | 1973 | 161.4 | 186.4 | −25.0 | 24.2 |
| 1963 | 83.6 | 90.1 | −6.5 | 10.3 | 1974 [1] | 185.6 | 203.7 | −18.1 | 27.8 |
| 1964 | 87.2 | 95.8 | −8.6 | 11.0 | 1975 [1] | 202.8 | 220.6 | −17.9 | 29.1 |
| 1965 | 90.9 | 94.8 | −3.9 | 11.8 | | | | | |
| 1966 | 101.4 | 106.5 | −5.1 | 12.6 | 20-year total | 2,205.6 | 2,433.0 | −227.5 | 296.4 |

[1] Estimated figures.

Source: Office of Management and Budget and Treasury Department, Feb. 4, 1974.

RECEIPTS IN BILLIONS—FEBRUARY 1974

(Prepared by Senator Harry F. Byrd, Jr., of Virginia)

| | Fiscal year— | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 | [1] 1974 | [1] 1975 |
| Individual income taxes | $69 | $87 | $90 | $86 | $95 | $103 | $118 | $129 |
| Corporate income taxes | 29 | 37 | 33 | 27 | 32 | 36 | 43 | 48 |
| Total income taxes | 98 | 124 | 123 | 113 | 126 | 139 | 161 | 177 |
| Excise taxes (excluding highway) | 10 | 11 | 11 | 10 | 11 | 10 | 11 | 11 |
| Estate and gift | 3 | 3 | 4 | 4 | 5 | 5 | 5 | 6 |
| Customs | 2 | 2 | 2 | 3 | 3 | 3 | 4 | 4 |
| Miscellaneous | 3 | 3 | 3 | 4 | 4 | 4 | 5 | 5 |
| Total Federal fund receipts | 116 | 143 | 143 | 134 | 149 | 161 | 186 | 203 |
| Trust funds (Social Security and highway, less interfund transactions) | 38 | 44 | 51 | 54 | 60 | 71 | 84 | 92 |
| Total | 154 | 188 | 194 | 188 | 209 | 232 | 270 | 295 |

EXPENDITURES IN BILLIONS

| | Fiscal year— | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 | [1] 1974 | [1] 1975 |
| Federal funds | $143 | $149 | $156 | $164 | $178 | $186 | $204 | $221 |
| Trust funds (less interfund transactions) | 36 | 36 | 40 | 48 | 54 | 61 | 71 | 83 |
| Total | 179 | 185 | 196 | 212 | 232 | 247 | 275 | 304 |
| Unified budget, surplus (+) or deficit (−) | −25 | +3.1 | −2 | −24 | −23 | −15 | −5 | −9 |
| Federal funds deficit | 27 | 6.0 | 13 | 30 | 29 | 25 | 18 | 18 |

[1] Estimated figures.

Mr. ERVIN. I am as much concerned about the fiscal responsibility as the distinguished Senator from Virginia, for whom I entertain most profound affection and highest admiration, but this amendment states, in effect, that the 93d Congress would say to the 94th Congress, the 95th Congress, the 96th Congress, the 97th Congresses, and all future Congresses, "You cannot exercise the powers given you by the Constitution of the United States."

Since I have sworn to uphold that Constitution, I cannot vote for a measure which I consider to be null and void under that Constitution, notwithstanding the fact that I find myself in complete agreement with the objectives which caused the distinguished Senator from Virginia to offer it. I wish I could support it, but I just cannot say to the people of the United States, "When you ask me for constitutional bread, I am going to give you an unconstitutional stone." I cannot support the amendment, notwithstanding the fact that I wish we could achieve what the Senator from Virginia has in mind in offering it.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays on the amendment.

The VICE PRESIDENT. Is there a sufficient second? There is not a sufficient second.

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HARRY F. BYRD, JR. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Virginia (Mr. Harry F. Byrd, Jr.). The yeas and nays have been ordered, and clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Missouri (Mr. Eagleton), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), and the Senator from Louisiana (Mr. Long) are necessarily absent.

I further announce that the Senator from New Jersey (Mr. Williams) is absent on official business.

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Hatfield) and the Senator from North Dakota (Mr. Young) are absent on official business.

I also announce that the Senator from Vermont (Mr. Aiken) is absent because of illness in the family.

I further announce that the Senator from Colorado (Mr. Dominick), the Senator from Maryland (Mr. Mathias), and the Senator from South Carolina (Mr. Thurmond) are necessarily absent.

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from South Carolina (Mr. Thurmond). If present and voting, the Senator from Oregon would vote "nay" and the Senator from South Carolina would vote "yea."

The result was announced—yeas 35, nays 52, as follows:

[No. 79 Leg.]

YEAS—35

Allen
Baker
Bartlett
Bellmon
Biden
Brock
Buckley
Byrd,
  Harry F., Jr.
Church
Cook
Curtis
Dole
Domenici
Eastland
Fannin
Goldwater
Gurney
Hansen
Helms
Hollings
Hruska
Hughes
Johnston
McClellan
McClure
Nunn
Packwood
Pell
Ribicoff
Roth
Scott, Hugh
Scott,
  William L.
Stennis
Symington
Talmadge

NAYS—52

Abourezk
Bayh
Beall
Bennett
Bentsen
Bible
Brooke
Byrd, Robert C.
Cannon
Case
Clark
Cotton
Cranston
Ervin
Fong
Griffin
Hart
Hartke
Haskell
Hathaway
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Percy
Proxmire
Randolph
Schweiker
Sparkman
Stafford
Stevens
Stevenson
Taft
Tower
Tunney
Weicker

NOT VOTING—13

Aiken
Burdick
Chiles
Dominick
Eagleton
Fulbright
Gravel
Hatfield
Long
Mathias
Thurmond
Williams
Young

So the amendment (No. 1057) of Mr. Harry F. Byrd, Jr., was rejected.

Mr. BARTLETT. Mr. President, I ask unanimous consent that I be listed as a cosponsor of amendment No. 1051, which was just voted on.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I would like to address a question to the junior Senator from Tennessee with regard to title II of the Rules Committee version of the bill which establishes a Congressional Office of the Budget.

It is my understanding that the Senator from Tennessee has been intimately involved in the development of this legislation from its gestation in the Government Operations Committee to its present form and, in fact, is one of the floor managers of the bill.

Mr. BROCK. The Senator from Maine is correct. I have had considerable interest in this legislation and I am particularly interested in title II and in seeing that the Congressional Office of the Budget becomes a vital source of data to the Congress.

Mr. HATHAWAY. I would specifically like to direct the Senator's attention to section 202 of the bill which sets forth the duties and functions of the new office. I note that it is one of the responsibilities of the office to provide information to the Committees of the Budget—and members—which will assist in the discharge of the Budget Committee's responsibilities, with respect to the overall budget, appropriations bills, and other bills which authorize or provide authorization of tax expenditures. In addition, I note that the section requires the office to provide the Committees of the Budget such relevant information as these committees may request.

My question is whether, in your opinion, this language is broad enough to endow the Office with the authority to analyze the effectiveness both in fiscal terms and in substantive terms of the various Federal expenditure programs?

Mr. BROCK. It is certainly the intent of this bill to give Congress the capability of independently reviewing the effectiveness of Federal expenditure programs. The section directed explicitly at this problem is title VII which creates an Office of Program Review and Evaluation in the GAO which would assist committees and members in developing criteria and proper methods of evaluation. Of course, the GAO, under the Legislative Reorganization Act already has the authority for conducting program review and with this bill, would be able to upgrade their already fine work. And my understanding is that the GAO would call upon the information, data, and general assistance of COB as would be appropriate and that COB would cooperate fully with GAO in these efforts.

Mr. HATHAWAY. I thank the Senator for his forthright answers to my questions, and am hopeful that this new office can provide the Congress with the tools it needs for more effective discharge of its program analysis and oversight position.

Mr. TALMADGE. Mr. President, I take this opportunity to commend the distinguished chairman and members of the Committee on Government Operations and the distinguished chairman and members of the Committee on Rules and Administration for their diligence and dedication to the cause of congressional budget reform.

This is a very complex bill. It deals with a complex subject. On balance, I believe that this is a good and necessary bill. I commend those who have made contributions to its formulation.

Also, I take this opportunity to congratulate my distinguished colleague from the State of Georgia (Mr. NUNN) on his efforts in this regard. During his campaign for the U.S. Senate, he promised the people of our State that he would do something about reckless Federal spending and the absence of a sensible congressional framework for determining spending priorities. My distinguished colleague from Georgia came to the Senate, put his nose to the grindstone, did his homework, and has mastered the subject. The people of our State are grateful for his efforts, and I salute him on a job well done.

### AMENDMENT NO. 1028

Mr. KENNEDY. Mr. President, I call up amendment No. 1028, which I am offering jointly with the distinguished Senior Senator from Kansas (Mr. PEARSON). The cosponsors, the distinguished junior Senator from Kansas (Mr. DOLE) and the distinguished Senator from New Mexico (Mr. DOMINICI).

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 107, lines 16 and 17, strike out "Ninety-sixth Congress" and insert "Ninety-fifth Congress".

Mr. KENNEDY. Mr. President, before considering the amendment, I wish to join in commending the distinguished Senator from North Carolina (Mr. ERVIN), the distinguished Senator from Maine (Mr. MUSKIE), the distinguished Senator from West Virginia (Mr. ROBERT C. BYRD), the distinguished Senator from Illinois (Mr. PERCY), the distinguished Senator from Florida (Mr. CHILES), and the distinguished Senator from Montana (Mr. METCALF), who have, I think, performed an outstanding service to the Senate and the country in developing the proposed legislation. I also commend the staffs who have helped prepare this legislation, especially Mr. Bob Wallace, whom I have known for a number of years, and who served with distinction as Assistant Secretary for Economic Policy in the Department of the Treasury in the early 1960's, under both President Kennedy and President Johnson. He is a capable and able person. I think all of us are indebted to the committees, and staffs which developed this bill.

Mr. President, I have one amendment. I had a chance, along with my colleague the distinguished Senator from Kansas (Mr. PEARSON), to talk with the chairman of the committee and the ranking member. I understand that they will be agreeable to accepting the amendment.

The amendment is a simple one.

As reported by the Government Operations Committee and the Rules Committee, the proposed Congressional Budget Act will establish comprehensive, far-reaching and long-overdue reforms in the way Congress handles the Federal budget. The proposed act holds out the promise of a historic new era in congressional control and responsibility over Federal spending.

Surely, the new act will become a landmark achievement of the 93d Congress, and a centerpiece in the continuing efforts by the Senate and the House to assert their long-dormant fiscal responsibilities and prerogatives under the Constitution.

The amendment that Senator PEARSON and I are proposing is a modification of one aspect of the bill—the transition rule and grandfather clause accompanying the creation of the new Senate Budget Committee established under the act.

As it should, the new 15-member Budget Committee will join the ranks of major committees of the Senate—the "paragraph 2" committees listed in Senate Rule 25.2. As a result, the so-called "two-major-committee" limitation of Senate Rule 25.6(a) would ordinarily be applicable, under which Senators are not permitted to serve on more than two major Senate committees.

Therefore, under the usual Senate rule, a Senator who now holds two major committee assignments would be required to give up one of those committees in order to serve on the new Budget Committee.

In dealing with this issue, the bill reported by the Government Operations Committee provided for the immediate application of the two-major-committee rule, as soon as the Budget Committee was established. As reported by the Rules Committee, however, the bill now contains a provision exempting the members of the new Budget Committee from the two-major-committee limitation for nearly 5 years, until January 1979, when the 96th Congress convenes.

The Kennedy-Pearson amendment would make the limitation applicable in January 1977, when the 95th Congress convenes. The amendment would thus limit the exemption to one full Congress instead of two full Congresses, as now proposed in the bill before the Senate.

In general, the theory of the grandfather clause, exempting Senators from the immediate application of the limitation, is wise as applied to the present situation. The new Budget Committee will unquestionably be an important one, but the details of its role and its workload are so unpredictable at this time, that it would be unreasonable to require Senators to choose in advance to give up an existing major committee assignment in order to serve on the Budget Committee. Therefore, it is appropriate to waive the two-major-committee rule during the initial period of operation of the new Budget Committee under the new budget procedures.

Although the principle of the grandfather clause is thus sound, the difficulty with its application in the pending bill is that it stretches out the "get acquainted" period for too long.

The two-major-committee limitation serves an extremely useful purpose in guaranteeing that the important responsibilities of Senate committees are shared widely among the Members of the Senate. Too often, as we know, the seniority system works in Congress to the disadvantage of capable but junior Members, who frequently must wait many years to win the committee assignments of their choice. By limiting the service of any Senator to no more than 2 of the 13 present "major" committees, the Senate succeeds in large part in making the most important committee assignments available reasonably rapidly to new Members, to Members with special training or expertise in a particular committee's jurisdiction, or to others who wish to shift their assignments.

In principle, therefore, in light of the preeminent anticipated role of the Budget Committee, the two-major-committee limitation should be applied to the new committee at the earliest practicable opportunity.

Moreover, there is a strong additional argument for early application of the two-major-committee limitation to the Budget Committee. Applied early, the limitation will serve the important purpose of maximizing the effectiveness of the new committee, because it means that Senators serving on the committee during its early years will have fully committed themselves to the success of the new congressional budget procedure. By giving up an existing major committee, the Members will signal their firm decision to serve in earnest on the new committee without expectation of later withdrawal from its membership.

In terms of the Senate's assertion of its own neglected constitutional responsibilities, a great deal is riding on the success of the Budget Committee. In the long run, the vigor of the new committee and its approach to its vital responsibilities will be best served by filling it as soon as possible with Senators who have made the committee an unequivocal major interest, not a tentative new adventure.

Finally, according to the present schedule for phasing in the new budget procedures, it appears that by 1977, the Senate will have had ample opportunity to assess the work of the new Budget Committee. It is difficult to believe, therefore, that more than a marginal further benefit will accrue if the two-major-committee limitation is deferred beyond 1977 to 1979. At least three factors lead to this conclusion:

First, there is every expectation that the Budget Act will clear Congress and be signed into law by the President within the next few weeks. Certainly, no one expects it to be delayed beyond the end of this Congress. Thus, in all likelihood, the new Budget Committee and the new Congressional Office of the Budget will be established immediately, and they can begin staffing and assuming their budget responsibilities at once.

Second, as the bill requires, the transition to the new fiscal year proposed in the bill will take place relatively quickly. The bill extends the 1976 fiscal year from July 1, 1975, until September 30, 1976, at which time the new October 1–September 30 cycle for fiscal years will be in place.

Third, although the bill defers the activation of the concurrent resolution aspect of the new budget process until the fiscal year 1977, which begins on October 1, 1976, the bill also provides that under appropriate conditions, the resolution procedures may be advanced a year to fiscal 1976, which begins on July 1, 1975.

Thus, many of the new budget procedures will be in effect immediately upon enactment. And at the latest, essentially all of the new procedures will be in full effect in 1976 for the second session of the 94th Congress; they may well be in effect in 1975, for the first session of that Congress, if the launching of these new responsibilities goes smoothly.

Why, then, should there be 2 more years, 1977 and 1978, and another full Congress, the 95th Congress, before the two-major-committee limitation comes into effect? By January 1977, the Budget Committee will have had ample opportunity to develop its procedures and assess its workload, and by 1977, the regular Senate rules should apply.

On balance, the Kennedy-Pearson amendment represents a most desirable resolution of the various conflicting interests in the application of the two-major-committee rule. I urge the Senate to consider the amendment and to act favorably upon it.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. PEARSON. Mr. President, I am pleased to join in offering this amendment to S. 1541, the Congressional Budget Act, together with my colleagues, Senators KENNEDY, DOLE, and DOMENICI.

Mr. President, we have offered this amendment in the hope of refining a proposal which needs very little improvement. In general, I support passage of S. 1541 as a significant step forward in efforts to achieve a goal we all share. Improvement in our budgetary process is a high priority in Congress, and I commend those of my colleagues who have worked long and hard to bring a bill to the floor which is comprehensive, reasoned, and long needed. The bill which we consider today should, if adopted, return the power of the purse to Congress, where it rightfully belongs, and bring the legislative branch up to date in assuring that it is given the proper tools with which to determine future budget policy.

During consideration of this measure, there was almost unanimous support for the creation of a congressional unit which would be devoted solely to the consideration of budgetary matters. For this reason, S. 1541 creates a 15-member Budget Committee to be one of the so-called "major committees" in the Senate. Because the bill contemplates a wholly new system of legislating budget policy in Congress, it is desirable that special consideration be given to this committee in its formative stages. For this reason, the bill exempts the Budget Committee from the requirements of paragraph 6, rule XXV of the Standing Rules of the Senate, which states that a Senator can serve on only two so-called "major committees." This exception applies for the remainder of the 93d Congress, as well as the 94th and 95th Congresses.

Throughout consideration of budget reform legislation, I have been concerned that the creation of a powerful Budget Committee would overshadow the work of other Senate committees. I am pleased that much of this concern has been mitigated. But even though I understand the need to allow Senators experienced in budgetary matters to serve on the Budget Committee without losing membership on other committees, I am not convinced that as much as 5 years is needed to accomplish this purpose.

Senators who support the 5-year exemption have argued that this time is needed to insure that the new process is well established before returning to the two major committee membership rule. However, 5 years gives a Senator much time to consolidate his influence over the legislative process through his membership on three major committees, and this situation would, I believe, work to the disadvantage of other Senators and the legislative process.

The time between enactment of this bill and the commencing of the 95th Congress is sufficient for Senators desiring to serve temporarily on the Budget Committee to establish the groundrules and turn the reins over to Members who wish to serve on only one other major committee. Indeed, this amendment could provide added impetus to initiate fully the concurrent resolution process prior to the present target date of fiscal year 1977, a step the committee may take under the bill.

Mr. President, I hope the managers of this bill will accept this amendment, thereby insuring that the intent of the Senate rules in this regard are preserved as much as possible. We are on the verge of approving the most significant reform in our procedures in many years. Certainly, we should not abandon those elements of the present system which have served us well in the past and which need to be protected and supported. I urge the adoption of this amendment.

Mr. ERVIN. Mr. President, I think this is a desirable amendment. It shortens the grandfather clause, but at the same time it gives a Senator who happens to be assigned to the Committee on the Budget a reasonable opportunity to make the decision as to whether he wishes to remain on that committee and give up some other major committee or do the opposite. I think it is a desirable amendment, and I would certainly like to see the Senate agree to it.

Mr. PERCY. Mr. President, I ordinarily am concerned about grandfather clauses. I speak now as the grandfather of three children whose political affiliations are yet to be determined.

Mr. ERVIN. I take it the Senator is referring to his grandchildren, rather than his own children.

Mr. PERCY. The grandchildren, yes. But in this particular case, I find tremendous virtue in the grandfather clause. Together with the Senator from North Carolina, I was concerned about the way the bill came out of the Committee on Government Operations in this particular respect, in that we were concerned that if immediately, as was provided in the Government operations bill, a Member would have to determine whether to go on the new Budget Committee or give up one of his existing standing committees, we would fail to get enough senior Members on the committee, and obviously, as we know, the power of a committee many times is determined by the knowledge and experience of its membership.

Therefore, in this particular case, it was Senator ERVIN's and my opinion that the Committee on Rules and Administration had improved the bill substantially. I find no objection, however, to gaining that experience in one term of Congress rather than two. It would implement the measure faster. The decision could be made intelligently after that period of time, I believe, particularly knowing that, if this bill is enacted in the very near future, we will have a chance to set this committee up and not only have a chance for experience with it this year, but also one additional full term. So I agree with the modification of the grandfather clause in this particular case, and I find no objection on this side of the aisle.

Mr. KENNEDY. Mr. President, I yield the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

Mr. ROBERT C. BYRD. Mr. President, may I say, on behalf of the Rules Committee—the distinguished chairman is not in the Chamber at the moment—that there is no objection on the part of that committee. This would allow sufficient time for Members appointed to the Budget Committee to determine how the process works and make a decision as to whether or not they want to retain membership on that committee or shift back to the major committee from which they would otherwise move. So I have no objection, and am agreeable to accepting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

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## COMPREHENSIVE ALCOHOL ABUSE AND ALCOHOLISM PREVENTION, TREATMENT, AND REHABILITATION ACT AMENDMENTS OF 1974

Mr. HUGHES. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1125.

The PRESIDING OFFICER (Mr. Moss) laid before the Senate the amendments of the House of Representatives to the bill (S. 1125) to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act and other related acts to concentrate the resources of the Nation against the problem of alcohol abuse and alcoholism which were to strike out all after the enacting clause, and insert:

That this Act may be cited as the "Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974".

### TITLE I—FEDERAL ASSISTANCE FOR STATE AND LOCAL ALCOHOLISM AND ALCOHOL ABUSE PROGRAMS

### PART A—GRANTS TO STATES

SEC. 101. The heading for part A of title III of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by striking out "FORMULA GRANTS" and inserting in lieu thereof "GRANTS TO STATES."

SEC. 102. (a) Section 301 of such Act is amended by inserting immediately after "for each of the next two fiscal years" the following: ", $60,000,000 for the fiscal year ending June 30, 1975, and $62,000,000 for the fiscal year ending June 30, 1976,".

(b) The section heading for such section is amended to read as follows:

"AUTHORIZATION FOR FORMULA GRANTS"

SEC. 103. Section 302 of such Act is amended by adding at the end thereof the following new subsection:

"(d) On the request of any State, the Secretary is authorized to arrange for the assignment of officers and employees of the Department or provide equipment or supplies in lieu of a portion of the allotment to such State. The allotment may be reduced by the fair market value of any equipment or supplies furnished to such State and by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee to the State. The amount by which such payments are so reduced shall be available for payment of such costs (including the costs of such equipment and supplies) by the Secretary, but shall for purposes of determining the allotment under section 302(a), be deemed to have been paid to the State."

SEC. 104. Section 303(a) of such Act is amended—

(1) by striking out in paragraph (3) "or groups," immediately after "nongovernmental organizations" and inserting in lieu thereof ", of groups to be served with attention to assuring representation of minority and poverty groups";

(2) by striking out "and" at the end of paragraph (9);

(3) by redesignating paragraph (10) as paragraph (11); and

(4) by adding after paragraph (9) the following new paragraph:

"(10) set forth, in accordance with criteria to be set by the Secretary, standards (including enforcement procedures and penalties) for (A) construction and licensing of public and private treatment facilities, and (B) for other community services or resources available to assist individuals to meet problems resulting from alcohol abuse; and".

SEC. 105. Part A of title III of such Act is amended by adding at the end thereof the following new section:

"SPECIAL GRANTS

"SEC. 304. (a) To assist States which have adopted the basic provisions of the Uniform Alcoholism and Intoxication Treatment Act to utilize fully the protections of that Act in their efforts to approach alcohol abuse and alcoholism from a community care standpoint, the Secretary, acting through the Institute, may, during the period beginning July 1, 1973, and ending June 30, 1976, make grants to such States (other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands) for the implementation of the Uniform Alcoholism and Intoxication Treatment Act. A grant under this section to any State may only be made for that State's costs (as determined in accordances with regulations prescribed by the Secretary) in implementing such Act for a period which does not exceed one year from the first day of the first month for which the grant is made. No State may receive more than three grants under this section.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary may not approve an application of a State under this section unless he determines the following:

"(1) Under the laws of that State and of each of its political subdivisions no individual may be subject to criminal prosecution solely on the basis of his consumption of alcoholic beverages.

"(2) The laws of the State respecting acceptance of individuals into alcoholism and intoxication treatment programs are in accordance with the following standards of acceptance of individuals for such treatment (contained in section 10 of the Uniform Alcoholism and Intoxication Treatment Act):

"(A) A patient shall, if possible, be treated on a voluntary rather than an involuntary basis.

"(B) A patient shall be initially assigned or transferred to outpatient or intermediate treatment, unless he is found to require inpatient treatment.

"(C) A person shall not be denied treatment solely because he has withdrawn from treatment against medical advice on a prior occasion or because he has relapsed after earlier treatment.

"(D) An individualized treatment plan shall be prepared and maintained on a current basis for each patient.

"(E) Provision shall be made for a continuum of coordinated treatment services so that a person who leaves a facility or a form of treatment will have available and utilize other appropriate treatment.

"(3) The laws of the State respecting involuntary commitment of alcoholics are not inconsistent with section 14 of such Uniform Act.

"(4) The application of the State contains such assurances as the Secretary may require to carry out the purposes of this section.

"(c) The amount of any grant under this section to any State for any fiscal year may not exceed the sum of $100,000 and an amount equal to 10 per centum of the allotment of such State for such fiscal year under section 302 of this Act. Payments under grants under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(d) For the purpose of making payments under grants under this section, there are authorized to be appropriated $13,000,000 for the fiscal year ending June 30, 1974, and for each of the next two fiscal years."

### PART B—PROJECT GRANTS AND CONTRACTS

SEC. 111. Section 311 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

"GRANTS AND CONTRACTS FOR THE PREVENTION AND TREATMENT OF ALCOHOL ABUSE AND ALCOHOLISM

"SEC. 311. (a) The Secretary, acting through the Institute, may make grants to public and nonprofit private entities and may enter into contracts with public and private entities and with individuals—

"(1) to conduct demonstration, service, and evaluation projects,

"(2) to provide education and training,

"(3) to provide programs and services in cooperation with schools, courts, penal institutions, and other public agencies, and

"(4) to provide counseling and education activities on an individual or community basis,

for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics.

"(b) Projects and programs for which grants and contracts are made under this section shall (1) whenever possible, be community based, seek to insure care of good quality in general community care facilities and under health insurance plans, and be integrated with, and provide for the active participation of, a wide range of public and nongovernmental agencies, organizations, institutions, and individuals; and (2) where appropriate utilize existing community resources (including community mental health centers).

"(c)(1) In administering this section, the Secretary shall require coordination of all applications for projects and programs in a State.

"(2) Each applicant from within a State, upon filing its application with the Secretary for a grant or contract under this section, shall submit a copy of its application for review by the State agency designated under section 303 of this Act, if such agency exists. Such State agency shall be given not more than thirty days from the date of receipt of the application to submit to the Secretary, in writing, an evaluation of the project or program set forth in the application. Such evaluation shall include comments on the relationship of the project to other projects and programs pending and approved and to the State comprehensive plan for treatment and prevention of alcohol abuse and alcholism under section 303. The State shall furnish the applicant a copy of any such evaluation.

"(3) Approval of any application for a grant or contract by the Secretary, including the earmarking of financial assistance for a program or project, may be granted only if the application substantially meets a set of criteria established by the Secretary that—

"(A) provides that the projects and programs for which assistance under this section is sought will be substantially administered by or under the supervision of the applicant;

"(B) provides for such methods of administration as are necessary for the proper and efficient operation of such programs and projects;

"(C) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant; and

"(D) provides reasonable assurance that Federal funds made available under this section for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the projects and programs described in this section, and will in no event supplant such State, local, and other non-Federal funds.

"(d) To make payments under grants and contracts under this section, there are authorized to be appropriated $60,000,000 for the fiscal year ending June 30, 1975, and $75,000,000 for the fiscal year ending June 30, 1976."

### PART C—ADMISSION TO HOSPITALS; CONFIDENTIALITY OF RECORDS

SEC. 121. Section 321 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

### "ADMISSION OF ALCOHOL ABUSERS AND ALCOHOLICS TO PRIVATE AND PUBLIC HOSPITALS

"SEC. 321. (a) Alcohol abusers and alcoholics who are suffering from emergency medical conditions shall not be refused admission or treatment, solely because of their alcohol abuse or alcohol dependence, by any private or public general hospital which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

"(b) The Secretary is authorized to make regulations for the enforcement of the policy of subsection (a). Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital."

SEC. 122. Section 333 of such Act is amended to read as follows:

### "CONFIDENTIALITY OF RECORDS

"SEC. 333. (a) Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any program or activity relating to alcoholism or alcohol abuse education, training, treatment, rehabilitation, or research, which is conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall be confidential and may be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b) of this section.

"(b)(1) If the patient, with respect to whom any given record referred to in subsection (a) of this section is maintained, gives his written consent, the content of such record may be disclosed—

"(A) to medical personnel for the purpose of diagnosis or treatment of the patient, and

"(B) to governmental personnel for the purpose of obtaining benefits to which the patient is entitled.

"(2) Whether or not the patient, with respect to whom any given record referred to in subsection (a) of this section is maintained, gives his written consent, the content of such record may be disclosed as follows:

"(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

"(B) To qualified personnel for the purpose of conducting scientific research, management or financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

"(C) In the case of a patient whose diagnosis and treatment is being conducted as a condition of his release from confinement pending trial or as a condition of probation or parole, or while he is in confinement, reports of such diagnosis or treatment may be made to the court, probation or parole officers, or other appropriate officials.

"(D) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(c) Except as authorized by a court order granted under subsection (b)(2)(D) of this section, no record referred to in subsection (a) may be used to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient.

"(d) The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when he ceases to be a patient.

"(e) The Secretary shall prescribe regulations to carry out the purposes of this section. These regulations may contain such definitions, and may provide for such safeguards, procedures, and exceptions, as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

"(f) Except as authorized under subsection (b) of this section, any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined not more than $500 in the case of a first offense, and not more than $5,000 in the case of each subsequent offense."

## TITLE II—ADMINISTRATION AND COORDINATION OF THE NATIONAL INSTITUTE OF MENTAL HEALTH, THE NATIONAL INSTITUTE ON ALCOHOLISM AND ALCOHOL ABUSE, AND THE NATIONAL INSTITUTE ON DRUG ABUSE

### ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

SEC. 201. (a) The Secretary of Health, Education, and Welfare shall establish, in the Department of Health, Education, and Welfare, the Alcohol, Drug Abuse, and Mental Health Administration (hereinafter in this section referred to as the "Administration"). The Administration shall be headed by an Administrator appointed by the Secretary. The Administrator, with the approval of the Secretary, may appoint a Deputy Administrator and may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the activities to be carried out through the Administration.

(b) The Secretary, acting through the Administration, shall supervise the functions of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse to assure that (1) the programs carried out through each such Institute receive appropriate and equitable support, and (2) there is cooperation among the Institutes in the implementation of such programs.

(c) The Secretary of Health, Education, and Welfare shall establish a National Panel on Alcohol, Drug Abuse, and Mental Health (hereinafter in this subsection referred to as the "panel") to advise, consult with, and make recommendations to, the Secretary concerning the activities to be carried out through the Administration. The panel shall consist of three members appointed by the Secretary as follows: One member shall be appointed from the public members of the National Advisory Mental Health Council established under section 217(c) of the Public Health Service Act, one member shall be appointed from the public members of the National Advisory Council on Alcohol Abuse and Alcoholism established under subsection (d) of such section, and one member shall be appointed from the public members of the National Advisory Council on Drug Abuse established under subsection (e)(1) of such section.

### NATIONAL INSTITUTE OF MENTAL HEALTH

SEC. 202. Section 200 of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended to read as follows:

### "SHORT TITLE; NATIONAL INSTITUTE OF MENTAL HEALTH

"SEC. 200. (a) This title may be cited as the 'Community Mental Health Centers Act'.

"(b) There shall be a National Institute of Mental Health to administer the programs and authorities of the Secretary with respect to mental health functions. The Secretary, acting through the Institute, shall, in carrying out the purposes of this Act and sections 301 and 303 of the Public Health Service Act with respect to mental illness, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of mental illness and for the rehabilitation of the mentally ill. The Secretary shall carry out, as necessary, through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(c)(1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute.

"(d) The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines."

### NATIONAL INSTITUTE ON ALCOHOLISM AND ALCOHOL ABUSE

SEC. 203. (a) Section 101 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

### "ESTABLISHMENT OF THE INSTITUTE

"SEC. 101. (a) There is established the National Institute on Alcohol Abuse and Alcoholism (hereafter in this Act referred to as the 'Institute') to administer the programs and authorities assigned to the Secretary of Health, Education, and Welfare (hereafter in this Act referred to as the 'Secretary') by this Act and part C of the Community Mental Health Centers Act. The Secretary, acting through the Institute, shall, in carrying out the purposes of section 301 of the Public Health Service Act with respect to alcohol abuse and alcoholism, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics. The Secretary shall carry out, as necessary, through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(b)(1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs to be carried out through the Institute.

"(c) The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines."

(b) (1) Section 102(2) of such Act is amended by inserting "and every three years thereafter" after "Act".

(2) (A) Section 102 of such Act is amended by striking out "and" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting in lieu thereof "; and", and by adding after paragraph (4) the following new paragraph:

"(5) submit to Congress on or before the end of each calendar year a report on the extent to which other Federal programs and departments are supporting and dealing with the problems of alcohol abuse and alcoholism."

(B) The first report to be submitted by the Secretary of Health, Education, and Welfare under section 102(5) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 shall be submitted not later than December 31, 1974.

### NATIONAL INSTITUTE ON DRUG ABUSE

SEC. 204. Subsections (a) and (b) of section 501 of the Drug Abuse Office and Treatment Act of 1972 is amended to read as follows:

"(a) There is established the National Institute on Drug Abuse (hereinafter in this section referred to as the 'Institute') to administer the programs and authorities of the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the 'Secretary') with respect to drug abuse prevention functions. The Secretary, acting through the Institute, shall, in carrying out the purposes of section 301 of the Public Health Service Act with respect to drug abuse, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of drug abuse and for the rehabilitation of drug abusers. The Secretary shall carry out, as necessary, through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(b) (1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute."

### INTERAGENCY COMMITTEE ON FEDERAL ACTIVITIES FOR ALCOHOLISM AND ALCOHOL ABUSE

SEC. 205. (a) The Secretary shall establish an Interagency Committee on Federal Activities for Alcoholism and Alcohol Abuse. The Committee shall evaluate the adequacy and technical soundness of all Federal programs and activities which relate to alcoholism and alcohol abuse and provide for the communication and exchange of information necessary to maintain the coordination and effectiveness of such programs and activities.

(b) The Secretary or his designee shall serve as Chairman of the Committee, the membership of which shall include (1) appropriate scientific, medical, or technical representation from the Department of Transportation, the Department of Justice, the Department of Defense, the Veterans' Administration, and such other Federal agencies and offices (including appropriate agencies and offices of the Department of Health, Education, and Welfare), as the Secretary determines administer programs directly affecting alcoholism and alcohol abuse, and (2) five individuals from the general public appointed by the President from individuals who by virtue of their training or experience are particularly qualified to participate in the performance of the Committee's functions. The Committee shall meet at the call of the Chairman, but not less often than four times a year.

(c) Each appointed member of the Committee shall be appointed for a term of four years, except that—

(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

(2) of the members first appointed, two shall be appointed for a term of four years, two shall be appointed for a term of three years, and one shall be appointed for a term of one year, as designated by the President at the time of appointment.

Appointed members may serve after the expiration of their terms until their successors have taken office.

(d) Appointed members of the Committee shall receive for each day they are engaged in the performance of the functions of the Committee compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(e) The Secretary shall make available to the Committee such staff, information, and other assistance as it may require to carry out its activities effectively.

### TITLE III—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 301. Section 5108(c) of title 5, United States Code, is amended by striking out "and" at the end of paragraph (10), by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and", and by adding at the end thereof the following new paragraph:

"(12) the Secretary of Health, Education, and Welfare, subject to the standards and procedures prescribed by this chapter, may place a total of eleven positions in the National Institute on Alcohol Abuse and Alcoholism in GS–16, 17, and 18."

SEC. 302. Section 247 of the Community Mental Health Centers Act (42 U.S.C. 2688j–2) is repealed.

SEC. 303. (a) Subsection (a) of section 408 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1175 (a)) is amended by striking "authorized or assisted under any provision of this Act or any Act amended by this Act" and inserting in lieu thereof "conducted, regulated, or directly or indirectly assisted by any department or agency of the United States".

(b) Subsection (b) (2) of such section is amended (1) by striking "If the patient" and inserting in lieu thereof "Whether or not the patient", (2) by striking "does not give" and inserting in lieu thereof "gives", (3) by redesignating subparagraph (C) as (D), and (4) by inserting the following immediately after subparagraph (B):

"(C) In the case of a patient whose diagnosis and treatment is being conducted as a condition of his release from confinement pending trial or as a condition of probation or parole, or while he is in confinement, reports of such diagnosis or treatment may be made to the court, probation or parole officers, or other appropriate officials."

(c) Section 408(c) of such Act is amended by striking out "(C)" and inserting in lieu thereof "(D)."

(d) Such section is further amended by redesignating subsection (e) as subsection (f), and by inserting the following new subsection immediately after subsection (d):

"(e) The Director of the Special Action Office for Drug Abuse Prevention shall prescribe regulations to carry out the purposes of this section. These regulations may contain such definitions, and may provide for such safeguards, procedures, and exceptions, as in the judgment of the Director are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith."

(e) Section 408(f) of such Act is amended by striking "discloses the contents of any record referred to in subsection (a)" and inserting in lieu thereof "violates any provision of this section or any regulation issued pursuant to this section".

(f) Effective on the date specified in section 104 of the Drug Abuse Office and Treatment Act of 1972, the first sentence of section 408(e) of that Act is amended by striking "Director of the Special Action Office for Drug Abuse Prevention" and inserting in lieu thereof "Secretary of Health, Education, and Welfare", and the second sentence of such section is amended by striking "Director" and inserting "Secretary" in lieu thereof. Any regulation issued prior to that date by the Director of the Special Action Office for Drug Abuse Prevention with respect to such section (whether before or after the enactment of this Act) shall remain in effect until revoked or amended by the Director or the Secretary, as the case may be.

And amend the title so as to read: "An Act to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and other related Acts to concentrate the resources of the Nation against the problem of alcohol abuse and alcoholism; to coordinate the National Institute of Mental Health, and National Institute on Alcoholism and Alcohol Abuse, and the National Institute on Drug Abuse; and for other purposes."

Mr. HUGHES. Mr. President, if S. 1125 is passed by the Congress and approved by the President, as I hope it will be, it will be the last major bill directed at the problem of alcoholism that I will be privileged to sponsor and work for as a Member of the Senate.

I believe that the bill in its final form is a sound one. It reflects a fair compromise between the House and Senate versions—a compromise reached through long hours of effort on the part of committee members and staffs, and I want to take this opportunity to express my appreciation to the distinguished Senator from New York (Mr. JAVITS) who is the senior minority member of the Labor and Public Welfare Committee. He has stood beside me throughout this effort and contributed a full measure of the legislative skills for which he is so well known.

In working out the final compromise version of the bill, the distinguished chairman of the House Subcommittee on Public Health and Environment, Mr. ROGERS, has displayed the finest kind of leadership and cooperation.

Because the Federal fight against alcoholism necessarily involves a number of different agencies, the bill involved a few problems of jurisdiction. We were able to resolve these problems with the help of the Senator from Massachusetts (Mr. KENNEDY), who is chairman of the Subcommittee on Health of the Labor and Public Welfare Committee, and the Senator from California (Mr. CRANSTON), the chairman of the Subcommittee on Health and Hospitals of the Committee on Veterans' Affairs. I deeply appreciate their cooperation.

Mr. President, the basic purpose of S. 1125 is to improve and extend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. I believe that it accomplishes this purpose and that it will effectively carry forward the commitment to the fight against alcoholism expressed by the Congress in that year. We have made a good start in the creation of a National Institute on Alcohol Abuse and Alcoholism, in the support given to the creation of 50-State alcoholism agencies, in the thrust of research and the training of personnel, in the visible growth in public understanding of the problem of alcoholism, and most of all, in the help that has been given to thousands of victims of this disease.

I earnestly hope that these efforts and more will go forward long after I leave the Senate.

Indeed, I feel confident that the fight will go on in one way or another. The dedicated men and women in the Congress, in the executive branch, in State and local governments, and all those working in this field will not let it die.

Mr. President, since the Senate and House were able to resolve their differences without the necessity for a conference, there is no conference report on S. 1125. I ask unanimous consent that there be printed in the Record at this point a discussion of the major differences and their resolution and a section-by-section analysis of the bill.

There being no objection, the requested items were ordered to be printed in the Record, as follows:

### Resolution of Major Differences

1. Authorizations. The bill authorizes total expenditures of $374,000,000, compared to $499,000,000 in the Senate bill and $281,000,000 in the bill as approved by the House. The compromise amount is $125,000,000 below the Senate authorizations and $120,000,000 above the amounts approved by the House.

2. Organization. The Senate bill as originally introduced did not include provisions on the organization of agencies within the Department of Health, Education, and Welfare. The Administration itself decided during the summer of 1973 to organize the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health as three separate institutes within a new Alcohol, Drug Abuse, and Mental Health Administration (ADAMHA). The House bill was subsequently introduced with provisions establishing the Alcohol, Drug Abuse, and Mental Health Administration consisting of the three institutes.

Since the Department's authority to create ADAMHA in the absence of authorizing legislation was in doubt, and since legislative action would clarify the agency's status and the intention of Congress with respect to the functions and responsibilities of the three institutes, the Senate accepted the House title with amendments.

The provisions of Title II are intended to emphasize that each of the three institutes is to carry out under its own Director the responsibilities assigned to the Secretary in its area. The functions of the office of the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration are those of coordination and support. The three institutes will be responsible for substantive policy development and the administration of programs.

The Senate has also accepted with amendments a House provision creating an Interagency Committee on Federal Activities for Alcohol Abuse and Alcoholism.

3. Confidentiality. The House provisions on confidentiality of patient records have been accepted with amendments. No similar provisions were included in the Senate bill. These provisions, by amending section 408 of the Drug Abuse Office and Treatment Act of 1972, will, we believe, better protect the records of patients in drug abuse prevention and treatment programs and will at the same time make these records more readily accessible with the patient's consent for purposes that will serve his own interests in such goals as full rehabilitation and employment. The same substantive provisions are extended by the bill to the records of patients in alcoholism prevention and treatment programs.

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### Analysis of S. 1125 as Amended

### TITLE I

### *Part A*

Section 101—Short Title—the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974.

Section 102—Findings and Purpose, essentially as in Senate bill.

### *Part B—Grants to States*

Section 105—Formula grants of $80,000,000 in each of the Fiscal Years 1975 and 1976. These are the Senate amounts. The House had approved $60,000,000 each year.

Section 106—Amendments of the Formula Grant section of the Act of 1970 relating to the assignment of Departmental personnel with costs attributable to a State's formula grant, the expenditure of formula allotments, the representation of minority and poverty groups on State advisory councils, and standards for construction and licensing of facilities.

Section 107—Special grants to the States for carrying out the basic provisions of the Uniform Alcoholism and Intoxication Treatment Act. $13,000,000 authorized in each of the Fiscal Years 1975, 1976, and 1977. Grants covering costs up to a maximum per year of $100,000 plus 10% of its formula allotment may be made to each State complying with the section's requirements relating to the adoption and implementation of the Uniform Act. No State may receive more than one grant per year under the Special Grant program, and those States which have adopted the Uniform Act prior to passage of this Act are equally eligible for grants for its implementation. Regulations are to be promulgated by the Secretary of Health, Education, and Welfare not later than July 1, 1974.

Although the authorization of $13,000,000 per year is not stated in the Senate bill, which instead stated an authorization of such sums as may be necessary, the maximum under the formula in both bills is $13,000,000; therefore, the Senate accepted the House language, as well as the House limitation of grant amounts to actual costs of implementing the Uniform Act.

Section 108—Amendment of the title of part A of title III.

### *Part C—Project grants and contracts*

Section 111—Grants and Contracts for the prevention and treatment of alcohol abuse and alcoholism. $80,000,000 authorized for Fiscal 1975 and $95,000,000 authorized for Fiscal 1976. These amounts reflect and approximately balanced compromise for these fiscal years. The Senate had approved $100,000,000 and $110,000,000, and the House had approved $60,000,000 and $75,000,000.

The Senate bill's authorization of $90,000,000 for Fiscal 1974 was deleted since grants for that year were authorized in the one-year extension of the Community Mental Health Centers Act passed in June, 1973.

### *Part D—Admission to hospitals; confidentiality of records*

Section 121—Prohibits those general hospitals receiving funds from any federal source from discriminating in their admissions or treatment policies against any person solely on the basis of his alcohol abuse or alcoholism. Each House had included provisions on this subject. The House accepted the Senate's language.

With respect to the programs which he administers, the Secretary is authorized to make regulations for the enforcement of this policy.

The Administrator of Veterans Affairs, through the Chief Medical Director, is required, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, to make applicable the regulations issued by the Secretary. Within 60 days after the establishment of regulations by the Secretary, the Administrator is required to submit to appropriate Congressional Committees and immediately thereafter to publish in the Federal Register a full report on the exercise of his responsibilities under this subsection.

Section 122—Confidentiality of Records. The House provisions on the confidentiality of records of clients in alcoholism programs are accepted with amendments. The Senate bill contained no provisions on confidentiality.

Records of clients in any federally conducted, regulated, or assisted alcoholism program are to be confidential and may be disclosed only under the circumstances and for the purposes stated in this section. Under regulations authorized by the section, disclosure is permitted with the written consent of the patient. Disclosure without his consent is permitted only to medical personnel to the extent necessary in a bona fide medical emergency, to qualified personnel for research, management, and evaluation of programs with no disclosure of patients' identities in the resulting reports, and when authorized by an appropriate order of a court granted after application showing good cause and with the court's weighing of the public interest and need for disclosure against injury to the patient and the treatment services. The court must impose safeguards against unauthorized disclosure.

The prohibitions on disclosure do not apply to the interchange of records within the Armed Forces, within those components of the Veterans' Administration furnishing health care to veterans, or between those components and the Armed Forces.

Except as provided below, the Secretary shall prescribe regulations for carrying out the purposes of this section.

The Administrator of Veterans' Affairs, through the Chief Medical Director, is required to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, to make applicable the regulations issued by the Secretary. The Administrator is required to report on the exercise of his responsibilities under this section in the manner prescribed in section 121.

Authority for complete confidentiality of the records of patients in research programs is continued.

*Part E*—Interagency Committee on Federal Activities for Alcohol Abuse and Alcoholism. The Senate accepts the House provision with amendments. No similar provision was included in the Senate bill. The provision establishes an Interagency Committee for the purpose of evaluating the adequacy and technical soundness of Federal alcoholism programs and working for the coordination of other Federal agency programs dealing with problems of alcohol abuse and alcoholism. Membership of the Committee shall include appropriate representatives of the Departments of Transportation, Justice, Defense, and Health, Education, and Welfare, the Veterans' Administration, such other Federal agencies as the Secretary determines, and five members representing the general public who are qualified. Either the Secretary or the Director of the National Institute on Alcohol Abuse and Alcoholism, or the Director's designee shall serve as chairman.

### TITLE II—ADMINISTRATION AND COORDINATION OF THE NATIONAL INSTITUTE OF MENTAL HEALTH, THE NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM, AND THE NATIONAL INSTITUTE ON DRUG ABUSE

The Senate accepts with amendments Title II of the House bill establishing the Alcohol, Drug Abuse, and Mental Health Administration and the National Institute of Mental Health, the National Institute on Drug Abuse, and the National Institute on Alcohol Abuse and Alcoholism. No similar title was included in the Senate bill.

Section 201—The Secretary shall establish the Alcohol, Drug Abuse, and Mental Health Administration with an Administrator appointed by the President by and with the advice and consent of the Senate. The Administrator will be responsible for ensuring cooperation among the three Institutes and appropriate and equitable support for each Institute individually. A Secretary's advisory panel is created consisting of three members, one from each of the advisory councils of the individual Institutes, such councils having been established under section 217 of the Public Health Service Act.

Section 202—Amends Title IV of the Public Health Service Act to include as Part G the establishment of the National Institute of Mental Health.

Section 203—Amends section 101 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, which established the National Institute on Alcohol Abuse and Alcoholism.

Section 204—Amends subsections (a) and (b) of section 501 of the Drug Abuse Office and Treatment Act of 1972, which established the National Institute on Drug Abuse.

Note: The bill employs similar language in each of the above three sections establishing the Institutes. Each is to be headed by its own Director, and each Institute shall carry out the responsibilities assigned to the Secretary in its own field, including the administrative and financial management, policy development and planning, evaluation, and public information functions required for the implementation of programs and authorities.

### TITLE III—TECHNICAL AND CONFORMING AMENDMENTS

Section 301—Authorizes the Secretary to place 11 positions in the National Institute on Alcohol Abuse and Alcoholism in Grades 16, 17, and 18.

Section 302—Repeals section 247 of the Community Mental Health Centers Act. Section 247 contains the alcoholism project and contract authority which now becomes a part of this Act.

Section 303—Amends section 408 of the Drug Abuse Office and Treatment Act relating to the confidentiality of records of patients in drug abuse prevention programs. The same substantive requirements are provided as are described in section 122 above. Patients in most alcohol and drug treatment programs will thus be protected by the same statutory provisions.

The Director of the Special Action Office for Drug Abuse Prevention will retain regulatory authority under section 408 until the Special Action Office goes out of existence as provided in section 104 of the Drug Abuse Office and Treatment Act of 1972; that is, June 30, 1975. On that date regulatory authority is transferred to the Secretary of Health, Education, and Welfare. The Director, and subsequently the Secretary when he assumes regulatory authority, must consult with the Administrator of Veterans Affairs and the heads of other Federal departments and agencies substantially affected by the regulations.

Upon the assumption by the Secretary of responsibilities under this section, the Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, make applicable the regulations established by the Secretary under this section. The Administrator is required to report on the exercise of his responsibilities under this section in the manner described in section 121.

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### NOTE ON PROVISIONS AFFECTING THE VETERANS' ADMINISTRATION

Neither the Senate nor the House bills contained provisions specifically relating to the role of the Veterans' Administration in the administration of alcohol and drug abuse prevention and treatment programs. However, in response to concerns expressed by Members of the Veterans' Affairs Committees, we have agreed to include provisions clarifying the authority and responsibility of the Veterans' Administration for assuring that eligible veterans with alcohol problems who require hospitalization will be admitted to VA hospitals on a non-discriminatory basis, and for protecting the confidentiality of the records of patients.

The Committee on Veterans' Affairs of the House and Senate have participated and cooperated fully in the drafting of these provisions, and those clarifying the authority of the Veterans' Administration with respect to the confidentiality of alcohol and drug abuse treatment records, and we are assured that the provisions are acceptable to the Members of those Committees.

In the exercise of his regulatory authority with respect to the confidentiality of drug treatment records, the Secretary of Health, Education, and Welfare, or the Director of the Special Action Office for Drug Abuse Prevention, as the case may be, is directed to consult with the Administrator of Veterans Affairs and with other affected department and agencies prior to the issuance of regulations. We emphasize that there must be timely opportunity for a full and effective exchange of views, and at the same time that none of the participants should be permitted to delay their responses on regulatory matters under consideration for an unreasonable length of time.

With respect to the representation of veterans seeking benefits or presenting claims, the Congress intends that the Veterans Administration will continue to include veterans' organization personnel so authorized among the categories of persons who are permitted access to appropriate medical records required in order to assist the individual veteran.

Mr. HUGHES. Mr. President, I move that the Senate concur in the House amendment, with an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I urge the Senate to concur in the House amendment to the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974 (S. 1745) and I am pleased to express agreement with the remarks on this measure made by my distinguished colleague and friend from Iowa, Senator HUGHES, chairman of the Alcoholism and Narcotics Subcommittee of the Committee on Labor and Public Welfare of which I am ranking minority member.

Since 1967—when I first introduced with Senator Moss the Alcoholism Care and Control Act of 1967—Congress has taken a series of legislative steps toward the goal of substantially easing the plight of millions of Americans suffering from the effects of alcohol abuse. This bill with its authorization of $374 million over 2 years represents a major step forward in that direction—since the passage of the landmark alcoholism law, Public Law 92–554—by providing adequate, coordinated assistance for the unfortunate victims of the tragic disease of alcoholism.

The bill also directs the Secretary to establish within the Department of Health, Education, and Welfare the Alcohol, Drug Abuse and Mental Health Administration. Through such a functional administration, ADAMHA, established in law it will be possible to assure greater coordinated supervision of the functions of the National Institutes of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the soon-to-be-established National Institute on Drug Abuse, and that the programs carried out through each institute will receive equitable support and that there is appropriate cooperation among the quasi-independent institutes in the implementation of their programs.

I believe that by providing that the Administrator of ADAMHA will be appointed by the President, with the advice and consent of the Senate, is an extremely important feature. It recognizes that Congress is and must continue to be an equal partner in the process of determining the conduct of programs affecting the American people. That concept—of check and balance—is the genius of the American political system. Therefore, this advice and consent provision is essential in preserving congressional prerogatives in the appointment of the head of the administration responsible for fields of mental health, drug abuse, and alcoholism. At the same time senatorial advice and consent will further ensure that alcoholism and drugs are not treated as discrete diseases, but rather on an appropriate continuum of care.

I strongly support this bill because it represents a renewed commitment on the part of Congress for dealing with alcoholism as the major health problem it is. For too long now, too many have chosen to ignore the facts that point out the devastating consequences of alcoholism in America. Some of these facts are:

First. Nine million Americans—almost 10 percent of this Nation's work force—are alcohol abusers and alcoholics.

Second. These 9 million victims adversely affect the lives of 40 million Americans, many of whom are children.

Third. Intoxication plays a major role in half the highway fatalities in America, costing approximately 25,000 lives each year.

Fourth. Alcoholism is related to one-third of the suicides and one-half of the homicides in the United States.

Those are just a few of the tragic statistics but also clear, are the tragic consequences in terms of human suffering.

We must, therefore, seek to assure that the needs of alcoholics will be provided for in the same humane manner—without stigma or prejudice—that the needs of people afflicted by other diseases have been provided for.

This bill is designed to do just that. For not only does it approach alcohol abuse and alcoholism from a comprehensive community standpoint, but it also meets these problems through assistance to the States and through direct assistance to community-based programs diverting problem drinkers from criminal justice systems into prevention and treatment programs. Furthermore, better protection is provided for the confidentiality of patient records while at the same time making these records more readily accessible with the patient's consent for purposes that will serve his own and society's interests and goals.

Mr. President, the problems of alcohol abuse and alcoholism require our total commitment as a Nation and I urge that the "Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974" be enacted into law.

**Mr. KENNEDY.** Mr. President, I want to take this opportunity to compliment my friend and colleague, the chairman of the Subcommittee on Alcoholism and Narcotics, Harold Hughes. The amendment he is offering today is the culmination of a herculean effort on his part to extend and improve Federal legislation in this area. His leadership in the Congress respecting alcoholism is unparaleled.

I concur in the amendment which he has offered to the House-passed version of S. 1125.

I do want to take this opportunity to raise one issue respecting title II of the bill. The provisions of that title extend beyond the jurisdiction of Senator Hughes' subcommittee and cross the jurisdiction of the Senate Health Subcommittee, which I chair. Specifically, this has to do with the establishment of an Alcohol, Drug Abuse, and Mental Health Administration within HEW and with respect to the establishment of the National Institute of Mental Health as a new part G of title IV of the Public Health Service Act. Senator Hughes and I have worked closely on this legislation. And I want my colleagues in the Congress to know that I support these provisions. However, as Senator Hughes understands, the inclusion of these provisions within S. 1125 in no way affects the jurisdiction of our respective subcommittees.

**The PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Iowa.

**Mr. GRIFFIN.** Mr. President, I wonder if, for the purposes of the Record, the distinguished Senator from Iowa would indicate whether or not his motion has been checked with and agreed to by the ranking Republican member on the committee having jurisdiction.

**Mr. HUGHES.** Yes; the Senator from Iowa, as chairman of the subcommittee, has checked with and has obtained the approval of the distinguished Senator from New York (Mr. Javits) in relation to placing the bill, as amended, before the Senate.

**Mr. GRIFFIN.** I thank the Senator. It is also my understanding that there is no objection to the matter from our side.

**The PRESIDING OFFICER.** The question is on agreeing to the motion of the Senator from Iowa.

The motion was agreed to.

**Mr. HUGHES.** Mr. President, I ask unanimous consent that S. 1125 as now passed by the Senate be printed in the Record.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

## S. 1125

## TITLE I—FEDERAL ASSISTANCE FOR STATE AND LOCAL ALCOHOLISM AND ALCOHOL ABUSE PROGRAMS

### Part A—Short Title; Findings and Purpose

### SHORT TITLE

Sec. 101. This title may be cited as the "Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974".

### FINDINGS AND PURPOSE

Sec. 102. (a) The Comprehensive Alcohol Abuse and Alcoholism Prevention Treatment, and Rehabilitation Act of 1970 is amended by adding after section 1 the following new section:

"FINDINGS AND PURPOSE

"Sec. 2. (a) The Congress finds that—

"(1) alcohol is one of the most dangerous drugs and the drug most frequently abused in the United States;

"(2) of the Nation's estimated ninety-five million drinkers, at least nine million, or 7 per centum of the adult population, are alcohol abusers and alcoholics;

"(3) problem drinking costs the national economy at least $15,000,000,000 annually in lost working time, medical and public assistance expenditures, and police and court costs;

"(4) alcohol abuse is found with increasing frequency among persons who are multiple-drug abusers and among former heroin users who are being treated in methadone maintenance programs;

"(5) alcohol abuse is being discovered among growing numbers of youth; and

"(6) alcoholism is an illness requiring treatment and rehabilitation through the assistance of a broad range of community health and social services, and with the cooperation of law enforcement agencies.

"(b) It is the policy of the United States and the purpose of this Act to (1) approach alcohol abuse and alcoholism from a comprehensive community care standpoint, and (2) meet the problems of alcohol abuse and alcoholism not only through Federal assistance to the States but also through direct Federal assistance to community-based programs meeting the urgent needs of special populations and developing methods for diverting problem drinkers from criminal justice systems into prevention and treatment programs.".

(b) The Congress declares that, in addition to the programs under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, programs under other Federal laws which provide Federal or federally assisted research, prevention, treatment, or rehabilitation in the fields of health and social services should be appropriately utilized to help eradicate alcohol abuse and alcoholism as a major problem.

### Part B—Grants to States

### PROGRAM EXTENSION

Sec. 105. (a) Section 301 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by inserting immediately after "for each of the next two fiscal years" the following: ", $80,000,000 for the fiscal year ending June 30, 1975, and $80,000,000 for the fiscal year ending June 30, 1976,".

(b) The section heading for such section is amended to read as follows:

"AUTHORIZATION FOR FORMULA GRANTS"

### PROGRAM IMPROVEMENTS

Sec. 106. (a) (1) Section 302 of such Act is amended by adding at the end thereof the following new subsection:

"(d) On the request of any State, the Secretary is authorized to arrange for the assignment of officers and employees of the Department or provide equipment or supplies in lieu of a portion of the allotment of such State. The allotment may be reduced by the fair market value of any equipment or supplies furnished to such State and by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee to the State. The amount by which such payments are so reduced shall be available for payment of such costs (including the costs of such equipment and supplies) by the Secretary, but shall for purposes of determining the allotment under section 302(a), be deemed to have been paid to the State.".

(2) Section 302(b) of such Act is amended (A) by striking out in the first sentence "so allotted to a State" and inserting in lieu thereof "allotted to a State in a fiscal year"; and (B) by striking out in the second sentence "for a fiscal year" and inserting in lieu thereof "in a fiscal year".

(b) Section 303(a) of such Act is amended—

(1) by striking out in paragraph (3) "or groups" and inserting in lieu thereof ", of groups to be served with attention to assuring representation of minority and poverty groups";

(2) by striking out "and" at the end of paragraph (9);

(3) by redesignating paragraph (10) as paragraph (11); and

(4) by adding after paragraph (9) the following new paragraph:

"(10) set forth, in accordance with criteria to be set by the Secretary, standards (including enforcement procedures and penalties) for (A) construction and licensing of public and private treatment facilities, and (B) for other community services or resources available to assist individuals to meet problems resulting from alcohol abuse; and".

### UNIFORM ALCOHOLISM AND INTOXICATION TREATMENT ACT

Sec. 107. Part A of title III of such Act is amended by adding at the end thereof the following new section:

"SPECIAL GRANTS FOR IMPLEMENTATION OF THE UNIFORM ALCOHOLISM AND INTOXICATION TREATMENT ACT

"Sec. 304. (a) To assist States which have adopted the basic provisions of the Uniform Alcoholism and Intoxication Treatment Act (hereinafter in this section referred to as the 'Uniform Act') to utilize fully the protections of the Uniform Act in their efforts to approach alcohol abuse and alcoholism from a community care standpoint, the Secretary, acting through the Institute, shall, during the period beginning July 1, 1974, and ending June 30, 1977, make grants to such States for the implementation of the Uniform Act. A grant under this section to any State may only be made for that State's costs (as determined in accordance with regulations which the Secretary shall promulgate not later than July 1, 1974) in implementing the Uniform Act for a period which does not exceed one year from the first day of the first month for which the grant is made. No State may receive more than three grants under this section.

"(b) No grant may be made under this section unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary may not approve an application of a State under this section unless he determines the following:

"(1) The State and each of its political subdivisions are committed to the concept of care for alcoholism and alcohol abuse through community health and social service agencies, and, in accordance with the purposes of sections 1 and 19 of the Uniform Act, have repealed those portions of their criminal statutes and ordinances under which drunkenness is the gravamen of a petty criminal offense, such as loitering, vagrancy, or disturbing the peace.

"(2) The laws of the State respecting acceptance of individuals into alcoholism and intoxication treatment programs are in accordance with the following standards of acceptance of individuals for such treatment (contained in section 10 of the Uniform Act):

"(A) A patient shall, if possible, be treated on a voluntary rather than an involuntary basis.

"(B) A patient shall be initially assigned or transferred to outpatient or intermediate treatment, unless he is found to require inpatient treatment.

"(C) A person shall not be denied treatment solely because he has withdrawn from treatment against medical advice on a prior occasion or because he has relapsed after earlier treatment.

"(D) An individualized treatment plan shall be prepared and maintained on a current basis for each patient.

"(E) Provision shall be made for a continuum of coordinated treatment services so that a person who leaves a facility or a form of treatment will have available and utilize other appropriate treatment.

"(3) The laws of the State respecting involuntary commitment of alcoholics are consistent with the provisions of section 14 of the Uniform Act which protect individual rights.

"(4) The application of the State contains such assurances as the Secretary may require to carry out the purposes of this section.

For purposes of subsection (a), the term 'basic provisions of the Uniform Alcoholism and Intoxication Treatment Act shall not in the case of a State which has a State plan approved under section 303 include any provision of the Uniform Act respecting the organization of such State's treatment programs (as defined in the Uniform Act) which are inconsistent with the requirements of such State plan.

"(c) The amount of any grant under this section to any State for any fiscal year may not exceed the sum of $100,000 and an amount equal to 10 per centum of the allotment of such State for such fiscal year under section 302 of this Act. Payments under grants under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

"(d) For the purpose of making payments under grants under this section, there are authorized to be appropriated $13,000,000 for the fiscal year ending June 30, 1975, and for each of the next two fiscal years.".

### CONFORMING AMENDMENT

SEC. 108. The heading for part A of title III of such Act is amended by striking out "FORMULA GRANTS" and inserting in lieu thereof "GRANTS TO STATES".

### PART C—PROJECT GRANTS AND CONTRACTS

### GRANTS AND CONTRACTS FOR PREVENTION AND TREATMENT PROJECTS

SEC. 111. Section 311 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

"GRANTS AND CONTRACTS FOR THE PREVENTION AND TREATMENT OF ALCOHOL ABUSE AND ALCOHOLISM

"SEC. 311. (a) The Secretary, acting through the Institute, may make grants to public and nonprofit private entities and may enter into contracts with public and private entities and with individuals—

"(1) to conduct demonstration, service, and evaluation projects,

"(2) to provide education and training,

"(3) to provide programs and services in cooperation with schools, courts, penal institutions, and other public agencies, and

"(4) to provide counseling and education activities on an individual or community basis,

for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics.

"(b) Projects and programs for which grants and contracts are made under this section shall (1) whenever possible, be community based, seek to insure care of good quality in general community care facilities and under health insurance plans, and be integrated with, and provide for the active participation of, a wide range of public and nongovernmental agencies, organizations, institutions, and individuals; and (2) where appropriate utilize existing community resources (including community mental health centers).

"(c) (1) In administering this section, the Secretary shall require coordination of all applications for projects and programs in a State.

"(2) Each applicant from within a State, upon filing its application with the Secretary for a grant or contract under this section, shall submit a copy of its application for review by the State agency designated under section 303 of this Act, if such designation has been made. Such State agency shall be given not more than thirty days from the date of receipt of the application to submit to the Secretary, in writing, an evaluation of the project or program set forth in the application. Such evaluation shall include comments on the relationship of the project to other projects and programs pending and approved and to the State comprehensive plan for treatment and prevention of alcohol abuse and alcoholism under section 303. The State shall furnish the applicant a copy of any such evaluation.

"(3) Approval of any application for a grant or contract by the Secretary, including the earmarking of financial assistance for a program or project, may be granted only if the application substantially meets a set of criteria established by the Secretary that—

"(A) provides that the projects and programs for which assistance under this section is sought will be substantially administered by or under the supervision of the applicant;

"(B) provides for such methods of administration as are necessary for the proper and efficient operation of such programs and projects;

"(C) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant; and

"(D) provides reasonable assurance that Federal funds made available under this section for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the projects and programs described in this section, and will in no event supplant such State, local, and other non-Federal funds.

"(d) To make payments under grants and contracts under this section, there are authorized to be appropriated $80,000,000 for the fiscal year ending June 30, 1975, and $95,000,000 for the fiscal year ending June 30, 1976.".

### PART D—ADMISSION TO HOSPITALS; CONFIDENTIALITY OF RECORDS

### HOSPITAL ADMISSIONS

SEC. 121. (a) Section 321 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

"ADMISSION OF ALCOHOL ABUSERS AND ALCOHOLICS TO PRIVATE AND PUBLIC HOSPITALS

"SEC. 321. (a) Alcohol abusers and alcoholics who are suffering from medical conditions shall not be discriminated against in admission or treatment, solely because of their alcohol abuse or alcoholism, by any private or public general hospital which receives support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency.

"(b) (1) The Secretary is authorized to make regulations for the enforcement of the policy of subsection (a) with respect to the admission and treatment of alcohol abusers and alcoholics in hospitals which receive support of any kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital.

"(2) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) of this subsection to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from alcohol abuse or alcoholism. In prescribing and implementing regulations pursuant to this paragraph, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.".

(b) The Administrator of Veterans' Affairs shall submit to the appropriate committees of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 321(b)(2) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, (2) explaining the bases for any inconsistency between such regulations and regulations of the Secretary under section 321(b)(1) of such Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 321(b)(1), and shall timely publish such report in the Federal Register.

### CONFIDENTIALITY

SEC. 122. (a) Section 333 of such Act is amended to read as follows:

### "CONFIDENTIALITY OF RECORDS

"SEC. 333. (a) Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any program or activity relating to alcoholism or alcohol abuse education, training, treatment, rehabilitation, or research, which is conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall, except as provided in subsection (e), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b) of this section.

"(b)(1) The content of any record referred to in subsection (a) may be disclosed in accordance with the prior written consent of the patient with respect to whom such record is maintained, but only to such extent, under such circumstances, and for such purposes as may be allowed under regulations prescribed pursuant to subsection (g).

"(2) Whether or not the patient, with respect to whom any given record referred to in subsection (a) of this section is maintained, gives his written consent, the content of such record may be disclosed as follows:

"(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

"(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

"(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(c) Except as authorized by a court order granted under subsection (b)(2)(C) of this section, no record referred to in subsection (a) may be used to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient.

"(d) The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when he ceases to be a patient.

"(e) The prohibitions of this section do not apply to any interchange of records—

"(1) within the Armed Forces or within those components of the Veterans' Administration furnishing health care to veterans, or

"(2) between such components and the Armed Forces.

"(f) Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined not more than $500 in the case of a first offense, and not more than $5,000 in the case of each subsequent offense.

"(g) Except as provided in subsection (h) of this section, the Secretary shall prescribe regulations to carry out the purposes of this section. These regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b)(2)(C), as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

"(h) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations prescribed by the Secretary under subsection (g) of this section to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from alcohol abuse or alcoholism. In prescribing and implementing regulations pursuant to this subsection, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.".

(b) Section 303(a) of the Public Health Service Act (42 U.S.C. 242a(a)) is amended by striking out "the use and effect of drugs" and inserting in lieu thereof "mental health, including research on the use and effect of alcohol and other psychoactive drugs,".

(c) The Administrator of Veterans' Affairs shall submit to the appropriate committees of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 333(h) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, (2) explaining the basis for any inconsistency between such regultaions and regulations of the Secretary under section 333(g) of such Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 333(g), and shall timely publish such report in the Federal Register.

## PART E—INTERAGENCY COMMITTEE

### INTERAGENCY COMMITTEE

SEC. 131. Title I of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended by adding at the end the following:

### "INTERAGENCY COMMITTEE ON FEDERAL ACTIVITIES FOR ALCOHOL ABUSE AND ALCOHOLISM

"SEC. 103. (a) The Secretary shall establish an Interagency Committee on Federal Activities for Alcohol Abuse and Alcoholism (hereinafter in this section referred to as the 'Committee'). The Committee shall (1) evaluate the adequacy and technical soundness of all Federal programs and activities which relate to alcoholism and alcohol abuse and provide for the communication and exchange of information necessary to maintain the coordination and effectiveness of such programs and activities, and (2) seek to coordinate efforts undertaken to deal with alcohol abuse and alcoholism in carrying out Federal health, welfare, rehabilitation, highway safety, law enforcement, and economic opportunity laws.

"(b) The Secretary or the Director of the National Institute on Alcohol Abuse and Alcoholism (or the Director's designee) shall serve as Chairman of the Committee, the membership of which shall include (1) appropriate scientific, medical, or technical representation from the Department of Transportation, the Department of Justice, the Department of Defense, the Veterans' Administration, and such other Federal agencies and offices (including appropriate agencies and offices of the Department of Health, Education, and Welfare) as the Secretary determines administer programs directly affecting alcoholism and alcohol abuse, and (2) five individuals from the general public appointed by the Secretary from individuals who by virtue of their training or experience are particularly qualified to participate in the performance of the Committee's functions. The Committee shall meet at the call of the Chairman, but not less often than four times a year.

"(c) Each appointed member of the Committee shall be appointed for a term of four years, except that—

"(1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

"(2) of the members first appointed, two shall be appointed for a term of four years, two shall be appointed for a term of three years, and one shall be appointed for a term of one year, as designated by the Secretary at the time of appointment.

Appointed members may serve after the expiration of their terms until their successors have taken office.

"(d) Appointed members of the Committee shall receive for each day they are engaged in the performance of the functions of the Committee compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"(e) The Secretary shall make available to the Committee such staff, information, and other assistance as it may require to carry out its activities effectively.".

## TITLE II—ADMINISTRATION AND COORDINATION OF THE NATIONAL INSTITUTE OF MENTAL HEALTH, THE NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM, AND THE NATIONAL INSTITUTE ON DRUG ABUSE

### ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

SEC. 201. (a) The Secretary of Health, Education, and Welfare shall establish, in the Department of Health, Education, and Welfare, the Alcohol, Drug Abuse, and Mental Health Administration (hereinafter in this section referred to as the "Administration"). The Administration shall be headed by an Administrator appointed by the President, by and with the advice and consent of the Senate. The Administrator, with the approval of the Secretary, may appoint a Deputy Administrator and may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the activities to be carried out through the Administration.

(b) The Secretary, acting through the Administration, shall supervise the functions of the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse in order to assure that (1) the programs carried out through each such Institute receive appropriate and equitable support, and (2) there is cooperation among the Institutes in the implementation of such programs.

(c) The Secretary of Health, Education, and Welfare shall establish a National Panel on Alcohol, Drug Abuse, and Mental Health (hereinafter in this subsection referred to as the "panel") to advise, consult with, and make recommendations to the Secretary concerning the activities to be carried out through the Administration. The panel shall consist of three members appointed by the Secretary as follows: One member shall be appointed from the public members of the National Advisory Mental Health Council established under section 217 of the Public Health Service Act, one member shall be appointed from the public members of the National Advisory Council on Alcohol Abuse and Alcoholism established under such section, and one member shall be appointed from the public members of the National Advisory Council on Drug Abuse established under such section.

### NATIONAL INSTITUTE OF MENTAL HEALTH

SEC. 202. Title IV of the Public Health Service Act is amended by redesignating part G as part H, by redesignating section 454 as section 461, and by inserting after part F the following new part:

### "PART G—NATIONAL INSTITUTE OF MENTAL HEALTH

### "ESTABLISHMENT OF INSTITUTE

"SEC. 455. (a) There is established the National Institute of Mental Health (hereinafter in this part referred to as the 'Institute') to administer the programs and authorities of the Secretary with respect to mental health. The Secretary, acting through the Institute, shall, in carrying out the purposes of sections 301 and 303 of this Act and the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (other than part C of title II) with respect to mental illness, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of mental illness and for the rehabilitation of the mentally ill. The Secretary shall carry out through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(b) (1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute.

"(c) The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines."

### NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM

SEC. 203. (a) Section 101 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is amended to read as follows:

SEC. 101. (a) There is established the National Institute on Alcohol Abuse and Alcoholism (hereafter in this Act referred to as the 'Institute') to administer the programs and authorities assigned to the Secretary of Health, Education, and Welfare (hereafter in this Act referred to as the 'Secretary') by this Act and part C of the Community Mental Health Centers Act. The Secretary, acting through the Institute, shall, in carrying out the purposes of sections 301 and 303 of the Public Health Service Act with respect to alcohol abuse and alcoholism, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics. The Secretary shall carry out through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(b) (1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs to be carried out through the Institute.

"(c) The programs to be carried out through the Institute shall be administered so as to encourage the broadest possible participation of professionals and paraprofessionals in the fields of medicine, science, the social sciences, and other related disciplines."

(b) (1) Section 102(2) of such Act is amended by inserting "and every three years thereafter" after "Act".

(2) (A) Section 102 of such Act is amended by striking out "and" at the end of paragraph (3), by striking the period at the end of paragraph (4) and inserting in lieu thereof "; and", and by adding after paragraph (4) the following:

"(5) submit to Congress on or before the end of each calendar year a report on the extent to which other Federal programs and departments are concerned and dealing effectively with the problems of alcohol abuse and alcoholism.

Before submitting a report under paragraph (5), the Secretary shall give each department and agency of the Government which (or a program of which) is referred to in the report he proposes to submit under such paragraph an opportunity to comment on the proposed report; and the Secretary shall include in the report submitted to Congress under such paragraph the comments received by him from any such department or agency within 30 days from the date the proposed report was submitted to such department or agency.".

(B) The first report to be submitted by the Secretary of Health, Education, and Welfare under section 102(5) of the Comprehensive Alcohol Abuse and Alcoholism Prevention Treatment, and Rehabilitation Act of 1970 shall be submitted not later than December 31, 1974.

### NATIONAL INSTITUTE ON DRUG ABUSE

SEC. 204. Subsections (a) and (b) of section 501 of the Drug Abuse Office and Treatment Act of 1972 are amended to read as follows:

"(a) There is established the National Institute on Drug Abuse (hereinafter in this section referred to as the 'Institute') to administer the programs and authorities of the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the 'Secretary') with respect to drug abuse prevention functions. The Secretary, acting through the Institute, shall, in carrying out the purposes of sections 301, 302, and 303 of the Public Health Service Act with respect to drug abuse, develop and conduct comprehensive health, education, training, research, and planning programs for the prevention and treatment of drug abuse and for the rehabilitation of drug abusers. The Secretary shall carry out through the Institute the administrative and financial management, policy development and planning, evaluation, and public information functions which are required for the implementation of such programs and authorities.

"(b) (1) The Institute shall be under the direction of a Director who shall be appointed by the Secretary.

"(2) The Director, with the approval of the Secretary, may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the programs and authorities to be carried out through the Institute.".

### TITLE III—TECHNICAL AND CONFORMING AMENDMENTS

SEC. 301. Section 5108(c) of title 5, United States Code, is amended—

(1) by striking out the period at the end of paragraph (10) (B) and inserting in lieu thereof a semicolon;

(2) by redesignating the paragraph (10) relating to the Law Enforcement Assistance Administration as paragraph (11) and by striking out the period at the end of that paragraph and inserting in lieu thereof a semicolon;

(3) by redesignating the paragraph (10) relating to the Chief Judge of the United States Tax Court as paragraph (12) and by striking out "and" at the end of that paragraph;

(4) by redesignating the paragraph (11) relating to the Chairman of the Equal Employment Opportunity Commission as paragraph (13) and by striking out the period at the end of that paragraph and inserting in lieu thereof "; and"; and

(5) by adding at the end thereof the following new paragraph:

"(14) the Secretary of Health, Education, and Welfare, subject to the standards and procedures prescribed by this chapter, may place a total of eleven positions in the National Institute on Alcohol Abuse and Alcoholism in GS-16, 17, and 18.".

SEC. 302. Section 247 of the Community Mental Health Centers Act (42 U.S.C. 2688j-2) is repealed.

SEC. 303. (a) Section 408 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1175) is amended to read as follows:

"§ 408. Confidentiality of patient records

"(a) Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any drug abuse prevention function conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall, except as provided in subsection (e), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b) of this section.

"(b) (1) The content of any record referred to in subsection (a) may be disclosed in accordance with the prior written consent of the patient with respect to whom such record is maintained, but only to such extent, under such circumstances, and for such purposes as may be allowed under regulations prescribed pursuant to subsection (g).

"(2) Whether or not the patient, with respect to whom any given record referred to in subsection (a) of this section is maintained, gives his written consent, the content of such record may be disclosed as follows:

"(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

"(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

"(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefor. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

"(c) Except as authorized by a court order granted under subsection (b)(2)(C) of this section, no record referred to in subsection (a) may be used to initiate or substantiate any criminal charges against a patient or to conduct any investigation of a patient.

"(d) The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when he ceases to be a patient.

"(e) The prohibitions of this section do not apply to any interchange of records—

"(1) within the Armed Forces or within those components of the Veterans' Administation furnishing health care to veterans, or

"(2) between such components and the Armed Forces.

"(f) Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined not more than $500 in the case of a first offense, and not more than $5,000 in the case of each subsequent offense.

"(g) The Director of the Special Action Office for Drug Abuse Prevention, after consultation with the Administrator of Veterans' Affairs and the heads of other Federal departments and agencies substantially affected thereby, shall prescribe regulations to carry out the purposes of this section. These regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b)(2)(C), as in the judgment of the Director are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.".

(b)(1) Effective on the date specified in section 104 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1104), the first sentence of section 408(g) of that Act (21 U.S.C. 1175) is amended by striking "Director of the Special Action Office for Drug Abuse Prevention" and inserting in lieu thereof "Secretary of Health, Education, and Welfare", and the second sentence of such section is amended by striking "Director" and inserting "Secretary" in lieu thereof.

(2) Effective on the date specified in paragraph (1) of this subsection, section 408 of such Act is further amended by—

(A) striking out "The" and inserting in lieu thereof "Except as provided in subsection (h) of this section, the" in the first sentence of subsection (g) of such section; and

(B) adding at the end of such section the following new subsection:

"(h) The Administrator of Veterans' Affairs, through the Chief Medical Director, shall, to the maximum feasible extent consistent with their responsibilities under title 38, United States Code, prescribe regulations making applicable the regulations established by the Secretary under subsection (g) of this section to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from drug abuse. In prescribing and implementing regulations pursuant to this subsection, the Administrator shall, from time to time, consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.".

(c) The Administrator of Veterans' Affairs shall submit to the appropriate committees of the House of Representatives and the Senate a full report (1) on the regulations (including guidelines, policies, and procedures thereunder) he has prescribed pursuant to section 408(h) of the Drug Abuse Office and Treatment Act of 1972, (2) explaining the bases for any inconsistency between such regulations and the regulations of the Secretary of Health, Education, and Welfare under section 408(g) of that Act, (3) on the extent, substance, and results of his consultations with the Secretary respecting the prescribing and implementation of the Administrator's regulations, and (4) containing such recommendations for legislation and administrative actions as he determines are necessary and desirable. The Administrator shall submit such report not later than sixty days after the effective date of the regulations prescribed by the Secretary under such section 408(g), and shall timely publish such report in the Federal Register.

(d) Any regulation under or with respect to section 408 of the Drug Abuse Office and Treatment Act of 1972 (21 U.S.C. 1175) issued by the Director of the Special Action Office for Drug Abuse Prevention prior to the date specified in section 104 of that Act (21 U.S.C. 1104), whether before or after the enactment of this Act, shall remain in effect until revoked or amended by the Director or the Secretary of Health, Education, and Welfare, as the case may be.

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## ORDER FOR PRINTING OF A BILL

Mr. KENNEDY. Mr. President, on September 11 the Senate agreed to an amendment to H.R. 7724, the National Service Awards and Protection of Human Subjects Act. No copies were printed at the time. Because of the unusual interest in the amendment, I ask unanimous consent that H.R. 7724, as amended and passed by the Senate, be printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

### AMENDMENT NO. 473

Mr. HARTKE. Mr. President, I call up my amendment No. 473 and ask that it be read.

The PRESIDING OFFICER. There is not a copy of the amendment at the desk.

Mr. HARTKE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE's amendment (No. 473) is as follows:

### TITLE II. OFFICE OF COUNSEL GENERAL

### DECLARATION OF PURPOSE

SEC. 201. The Congress finds and declares that there is a need for a professional legal counsel to the Congress learned in the law, the Constitution, and the legislative process; that the Congress is a coequal branch of the United States Government with specific powers under article I of the United States Constitution; that the enacment of laws necessitates the continual review of such laws under the United States Constitution; that representation of the Congress in the coequal judiciary branch in all matters of law and fact is now a function of the coequal branch, the executive; that to insure the continued equality of the three branches of Government under the United States Constitution and to advise Members of the constitutionality of proposed legislation, it is hereby declared to be the intent of Congress to establish with the legislative branch an Office of the Counsel General which will carry out the purposes herein set forth.

### ESTABLISHMENT

SEC. 202. (a) There is established in the legislative branch of the Government the Office of Counsel General (hereinafter referred to as the "Office");

(b) There shall be in the Office a Counsel General (hereinafter referred to as the "Counsel") and a Deputy Counsel General (hereinafter referred to as the "Deputy Counsel"), each of whom shall be appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives and confirmed by a majority vote of each House;

(c) The Counsel and Deputy Counsel shall be chosen without regard to political affiliation and solely on the basis of fitness to perform the duties of the Office;

(d) The Office shall be under the control and supervision of the Counsel, and shall have a seal adopted by him. The Deputy Counsel shall perform such duties as may be assigned to him by the Counsel, not inconsistent with this Act, and during the absence or incapacity of the Counsel, or during a vacancy in that office, shall act as the Counsel;

(e) The annual compensation of the Counsel shall be the same as Members of Congress. The annual compensation of the Deputy Counsel shall be at the rate provided for level IV of the Executive Schedule in title 5 of the United States Code.

(f) No person may serve as Counsel or Deputy Counsel while a candidate for or holder of any elected office, whether local, State, or Federal, or while engaged in any other business, vocation, or employment;

(g) The terms of office of the Counsel and the Deputy Counsel first appointed shall expire on January 31, 1977. The term of office of Counsel and Deputy Counsel subsequently appointed shall expire on January 31 every four years thereafter. Except in the case of his removal under the provisions of subsection (h), a Counsel or Deputy Counsel may serve until his successor is appointed.

(h) The Counsel or Deputy Counsel may be removed at any time by a joint resolution of the Senate and House of Representatives, when, in the judgment of the Congress, either has become permanently incapacitated, or has been guilty of any felony, misconduct, or any other conduct involving moral turpitude.

### DUTIES OF THE COUNSEL GENERAL

SEC. 203. (a) It shall be the duty of the Counsel General, under such rules as the Committee on the Judiciary of the Senate and the House of Representatives may jointly prescribe from time to time, to:

(1) Render to committees, Members, and disbursing officers of the Congress, the Comptroller General, and other officers exclusively within the legislative branch, legal opinions upon questions arising under the Constitution and laws of the United States;

(2) Render to committee and Members advice with respect to the purpose and effect of provisions contained in Acts of the Congress, or to be inserted in proposed legislative measures;

(3) Perform such duties with respect to legislative review of executive actions as shall be prescribed by such rules;

(4) Appear as amicus curiae, upon the request, or with the approval, of the Committee on the Judiciary of the Senate or the House of Representatives, in any action pending in any court of the United States in which there is placed in issue the constitutional validity or interpretation of any Act of the Congress, or the validity of any official proceeding of or action taken by either House of Congress or by any committee, Member, officer, office, or agency of the Congress; and

(5) Represent, upon the request, or with the approval of the Committee on the Judiciary of the Senate or the House of Representatives, either House of Congress or any committee, Member, officer, office, or agency. of the Congress in any legal action pending in any court of the United States to which such House committee, Member, officer, office, or agency is a party and in which there is placed in issue the validity of any official proceeding of or action taken by such House, committee, Member, officer, office or agency.

(b) Upon receipt of written notice from the Counsel to the effect that he has undertaken pursuant to subsection (a) (5) of this section to perform any such specified representational service with respect to any designated action or proceeding pending or to be instituted in a court of the United States, the Attorney General shall be relieved of responsibility and shall have no authority to perform such service in such action or proceeding except at the request or with the approval of the Counsel General.

(c) The Counsel General shall seek the assistance and cooperation of a Member, committee, officer, office, or agency in all proceedings under this Act when such Member, committee, officer, office, or agency is a party to an action or has a present or future interest in the action.

### ADMINISTRATIVE PROVISIONS

SEC. 204. (a) In order to carry out the provisions of this Act, the Counsel General is authorized to—

(1) appoint and fix the compensation of such Assistant Counsels General, clerks, and other personnel as may be necessary to carry on the work of the Office. Assistant Counsels General shall be appointed without reference to political affiliations and solely on the basis of fitness to perform the duties of the Office;

(2) to make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the duties of the Office under this Act;:

(3) delegate authority for the performance of any such duty to any officer or employee of such Office;

(4) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(5) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 205. There are hereby authorized to be appropriated to the Office of the Counsel General such sums as may be required for the performance of the duties of the Counsel General under this Act. Amounts so appropriated shall be disbursed by the Secretary of the Senate on vouchers approved by the Counsel General.

Mr. HARTKE. Mr. President, this amendment provides for the establishment of the Office of Counsel General, or what my be called Congressional Counsel General.

This is not a new measure before the Senate; it is one which I have been proposing for a number of years. Our Constitution states that the Legislature is a coequal branch of the Government. However, at the present time, in regard to interpretation of the laws or other matters affecting the Legislature, the Congress has had to rely upon one of two procedures: either to depend on the Attorney General of the United States, as a part of the executive branch, to interpret and present congressional intent, or ask for the appointment of special committees, such as in the case of the Watergate Committee.

I have discussed the Office of Counsel General with the floor manager, the distinguished Senator from North Carolina, and he has indicated, on his own volition, that he intends to hold hearings on my proposition. However, I would like to have that stated for the RECORD as conclusive evidence that the matter will be given the attention it deserves.

Mr. ERVIN. Mr. President, the distinguished Senator from Indiana is correct. He has introduced a bill to establish an Office of Counsel General for Congress. I might state that, prior to the time the present measure was reported to the Senate, the Judiciary Subcommittee on Separation of Powers had made arrangements to conduct a hearing on such bills, I believe next week, and I invite the distinguished Senator from Indiana to appear as a witness at that hearing.

Mr. HARTKE. I thank the distinguished Senator from North Carolina for those assurances, and I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

### AMENDMENT NO. 468

Mr. HARTKE. Mr. President, I call up my amendment No. 468, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

Mr. HARTKE. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE's amendment (No. 468) is as follows:

## TITLE II—OFFICE OF CONSTITUENT ASSISTANCE

### DECLARATION OF PURPOSE

SEC. 201. The Congress finds and declares that there is a need for a more explicit and reasonable method of handling constituent inquiries to the various Members; and that the bureaucratic process in the Federal Government is such that the citizenry is unable to ascertain the appropriate remedy to pursue in cases of grievances; that the various issues which concern the citizenry are so numerous that an analysis of these issues will lead to an informed representation; and that the staffs of the various Members are unable to expertly assist their constituents. In order to meet the needs of the constituents of the Members and to establish a framework of national issue analysis within which the decisions of the Congress persons can be made in a consistent and considered manner, and to stimulate an informed awareness of the national priorities, it is hereby declared to be the intent of Congress to establish an office within the Congress which will carry out the purposes herein set forth.

### ESTABLISHMENT

SEC. 202. (a) There is established in the legislative branch of the Government the Office of Constituent Assistance (hereinafter referred to as the "Office").

(b) There shall be in the Office a Director of Constituent Assistance (hereinafter referred to as the "Director") and an Assistant Director of Constituent Assistance (hereinafter referred to as the "Assistant Director"), each of whom shall be appointed by the President pro tempore of the Senate and the Speaker of the House of Representatives and confirmed by a majority vote of each House.

(c) The Office shall be under the control and supervision of the Director, and shall have a seal adopted by him. The Assistant Director shall perform such duties as may be assigned to him by the Director, and during the absence or incapacity of the Director, or during a vacancy in that office, shall act as the Director.

(d) No person may serve as Director or Assistant Director while a candidate for or holder of any elected office, whether local, State, or Federal, or while engaged in any other business, vocation, or employment.

(e) The annual compensation of the Director shall be at the rate provided for level III of the Executive Schedule in title 5 of the United States Code. The annual compensation of the Assistant Director shall be at the rate provided for level IV of such Executive Schedule.

(f) The terms of office for the Director and the Assistant Director first appointed shall expire on January 31, 1977. The terms of office of Directors and Assistant Directors subsequently appointed shall expire on January 31 every four years thereafter. Except in the case of his removal under the provisions of subsection (g), a Director or Assistant Director may serve until his successor is appointed.

(g) The Director or Assistant Director may be removed at any time by a joint resolution of the Senate and House of Representatives, when, in the judgment of the Congress, either has become permanently incapacitated, or has been guilty of any felony, misconduct, or any other conduct involving moral turpitude.

(h) The professional staff members, including the Director and Assistant Director, shall be persons selected without regard to political affiliations who, as a result of training, experience, and attainments, are exceptionally qualified to execute the purpose of the Office.

### DUTIES OF THE DIRECTOR AND ASSISTANT DIRECTOR

SEC. 203. (a) Upon the request of any Member of either House of Congress, or the request of any standing committee, special committee, or select committee of the House of Representatives or of the Senate, or any joint committee of the Congress, the Director is authorized—

(1) to conduct or cause to be conducted, in such manner as he determines to be appropriate, an appropriate investigation of any administrative action not exempted under section 205, which might be—

(A) contrary to law or regulation;

(B) unreasonable, unfair, oppressive, or inconsistent with the general course of an administrative agency's functioning;

(C) mistaken in law or arbitrary in ascertainments of facts;

(D) improper in motivation or based on irrelevant considerations;

(E) unclear or inadequately explained when reasons should have been revealed;

(F) inefficiency performed; or

(G) otherwise objectionable;

(2) prepare a complete report on the results of the investigation, and furnish a copy of the report to the requesting Member or committee and furnish a copy of the report to the head of the agency concerned with a request for a reply, and whenever he determines not to investigate, inform the requesting Member or committee of his determination, with his reasons therefor; and

(3) prepare such interim reports to the Congress as he deems appropriate.

(b) The Director shall cause to be issued a questionnaire each week to each Member and committee which shall request information pertaining to a list of issues which each recipient shall promptly return to the Director indicating the number of constituent inquiries on each issue. The questionnaire shall—

(1) be without regard to political affiliation;

(2) contain available space for the addition of issues;

(3) contain space for comments peculiar to regional analysis; and

(4) reflect patterns peculiar to a single issue.

FUNCTIONS

SEC. 204. (a) The Office shall make such studies as it deems necessary to carry out the purposes of section 201. Primary emphasis shall be given to supplying such analysis as will be most useful to the Congress in voting on the measures which come before it, and on providing the framework and overview of priority considerations within which a meaningful consideration of individual measures can be undertaken.

(b) The Office shall submit to the Congress on the first Monday of each month, unless a legal holiday in which case the first working day thereafter, and annually on March 1 of each year, a report on constituent inquiries and copies of such reports shall be furnished to each committee and each Member of the Senate and the House of Representatives. The reports shall contain—

(1) an index of the issues and the total number of inquiries per each issue as furnished by the office of each Member and committee;

(2) issues under investigation by the Office, and the agency involved; and

(3) recommendations concerning priorities among Federal programs and courses of action, including the identification of those programs and courses of action which should be given greatest priority and those which could more properly be deferred as reflected by the constituent inquiries.

EXEMPTED MATTERS

SEC. 205. No complaint shall be subject to investigation by the Director under the provisions of this Act if such complaint involves—

(A) any administrative action concerning the appointment, removal, discipline, benefits, or other personnel matters with respect to—

(1) any member of the Armed Forces of the United States;

(2) any officer or employee of the Government of the United States;

(B) any administrative action, which occurred more than one year prior to the date on which the person complaining of such action had actual notice thereof, except in unusual circumstances, the Director may investigate a complaint of an administrative action that would otherwise be exempt under this paragraph;

(C) any administrative action based upon a complaint which the Director determines, at his discretion, to be trivial, frivolous, vexatious, or not made in good faith.

DEFINITIONS

SEC. 206. As used in this Act, the term—

(A) "administrative action" includes action, omission, decision, recommendation, practice, or procedure;

(B) "agency" means each authority of the Government of the United States, whether or not it is within or subject to review by another agency, and any officer, or member thereof acting or purporting to act in the exercise of his official duties, but does not include—

(1) the President;

(2) the Congress;

(3) the courts of the United States;

(4) the governments of the territories or possessions of the United States;

(5) the government of the District of Columbia;

(6) agencies composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them;

(7) courts-martial and military commissions; or

(8) military authority exercised in the field in time of war or national emergency.

ADMINISTRATIVE PROVISIONS

SEC. 207. (a) In order to carry out the provisions of this Act, the Director is authorized to—

(1) employ and fix the compensation of such attorneys, clerks, and other personnel as may be necessary to carry on the work of the Office, and such personnel shall be employed without reference to political affiliations and solely on the basis of fitness to perform the duties of the office;

(2) to make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the duties of the Office under this Act;

(3) delegate authority for the performance of any such duty to any officer or employee of such Office;

(4) request such information, data, and reports from any agency as the Director may from time to time require and as may be produced consistent with other law;

(5) hold private discussions or meetings with either the person complaining of an administrative action under investigation or officers or employees of the agency concerned, or both;

(6) prepare and submit annually to the President, to the Speaker of the House of Representatives and to the President pro tempore of the Senate a report on the activities of the Office during the previous year;

(7) obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code; and

(8) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(b) Upon request made by the Director each agency is authorized to make its information, data, and reports (including suggestions, estimates, and statistics) available to the greatest practical extent consistent with other laws to the Director in the performance of his functions.

(c) Section 2107 of title 5, United States Code, is amended by—

(1) striking out the "and" at the end of paragraph (7);

(2) striking the period at the end of paragraph (8) and inserting in lieu thereof a semicolon and the word "and"; and

(3) adding at the end thereof the following new paragraph:

"(9) the Director, Assistant Director, and employees of the Office of Constituent Assistance.".

EFFECT OF OTHER LAWS

SEC. 208. The provisions of this Act shall be in addition to the provisions of any other law or regulation under which any remedy or right of appeal is provided for any person, or any procedure is provided for the inquiry into or investigation of any matter, and nothing in this Act shall limit or affect any such remedy, right of appeal, or procedure. The powers conferred on the Director by this Act may be exercised by him notwithstanding any other provision of law to the effect that any administrative action or omission shall be final or that no appeal shall lie in respect thereof.

AUTHORIZATION OF APPROPRIATION

SEC. 209. There are hereby authorized to be appropriated to the Office of Constituent Assistance such sums as may be required for the performance of the duties of the Office under this Act. Amounts so appropriated shall be disbursed by the Secretary of the Senate on vouchers approved by the Office of Constituent Assistance.

Mr. HARTKE. Mr. President, this amendment also seeks congressional reforms similar to mine, and would establish the previous amendment, an Office of Constituent Assistance.

The purpose of my amendment is to find a more explicit and efficient method to deal with the work of the Congress. We have at present staff members spending a great deal of time doing casework. They are trying to assure that constituents receive proper attention from the massive governmental bureaucracy.

I have discussed this amendment with the chairman of the Subcommittee on the Separation of Powers with the acting floor manager, the distinguished Senator from North Carolina (Mr. ERVIN). He has assured me that hearings will be held on this proposal. I should like the assurance of the floor manager that such hearings will be held at a time convenient to the committee.

Mr. ERVIN. Mr. President, the Senator from Indiana has a bill to establish an Office of Constituent Assistance. The staff has had consultations with the distinguished Senator from Montana (Mr. METCALF), who is chairman of the Subcommittee on Budgeting, Management, and Expenditures, and he has agreed to held hearings on that concept as speedily as possible. I can assure the Senator from Indiana that if he does not press his amendment to S. 1541, the Subcommittee on Government Operations will conduct speedy hearings on the concept put forward in his amendment.

Mr. HARTKE. I want to thank the distinguished Senator from North Carolina. Hearings on both amendments which I have proposed are preferential to proceeding with them here on the floor at this time. With that assurance, I ask unanimous consent that amendment No. 468 be withdrawn.

The PRESIDING OFFICER (Mr. ABOUREZK). Before the yeas and nays are ordered, the Chair will state that the Senator has a right to withdraw his amendment without asking unanimous consent.

The amendment is withdrawn.

**Mr. HARTKE.** Mr. President, I ask unanimous consent that two statements concerning the two amendments I have just offered be printed in the RECORD.

**The PRESIDING OFFICER.** Without objection, it is so ordered.

### Statement by Senator Hartke

### A LEGAL COUNSEL FOR THE CONGRESS

The founding fathers of our nation provided that the powers of the United States government be distributed among the Legislative, Executive, and Judicial branches. By this separation of powers and a number of checks and balances, the writers of the Constitution hoped to avoid excessive concentration of power which would lead to abuse. This system has stood the test of time because it has allowed for flexibility and change in a world in which enormous changes have taken place. To meet the changes, major shifts of power from the States to the Federal Government and from the Legislative branch to the Executive branch have taken place. These shifts in power have to some extent been necessary to cope with the problems of our age. The Courts have kept in step with the times by challenging the encroachment of the Federal Government upon the rights and liberties of citizens. The Executive has grown to meet the demands of a modern society. However, the Legislative branch has not kept in step with these developments and has not acted to preserve its domain in a changing world. Consequently the doctrine of separation of powers and the doctrine of checks and balances are threatened by the fact that the Legislative branch has not developed the means of dealing with the vast amount of power in the Executive bureaucracy.

As the volume of business, size, and number of agencies and departments in the Executive branch has proliferated, Congress has been forced to allow the Executive branch to develop its own rules, regulations, and procedures, while at the same time relying more and more upon the Executive branch to supply it with the information needed to legislate on complex subjects. As the size of this Executive leviathan has grown to powerful proportions, Congress has done little to see that it remains responsive to Congressional oversight and thus to the people. Today the Legislative powers of Congress are in fact threatened by the vastness of the Executive complex.

There is an increasing need for Congress to expand its watchfulness not in order to interfere with the proper functioning of the Executive branch, but to insure its proper functioning by timely action to prevent abdication of its powers and abuse of powers delegated to the Executive agencies. When Congress has been specific in its delegations of power, the agencies concerned have tended to be more able to apply themselves to the tasks at hand. By the same token, agency performance should be improved if Congress has a means to indicate when the departments and agencies have lost sight of the direction Congress has set forth.

The conflicts between the interests of Congress and those of the Executive branch have increased with the proliferation of departments and agencies designed to serve special constituencies. These constituencies represent separate interests, which makes it increasingly necessary for Congress to have someone who can speak not for the constituencies which become involved in the daily administering of legislation, but for the Congress and the people who sought the legislation in the first place. Congress has always depended upon the Courts and litigation to control the Executive branch, and upon the Justice Department, which is simply another arm of the Executive, to represent the view of Congress before the Courts. However, in view of the vast changes which have taken place in recent years, the time has now come to equip Congress with the tools needed to challenge the growing supremacy of the Executive in this area.

There have been cases in which there has been a sufficient conflict of interest between Congress and the Executive, or sufficient special interest by Congress, to make it desirable for special counsel for the Congress' to be appointed to appear before the Courts as amicus curiae. It is the duty of Congress to enact legislation, and there is certainly enough work in this area to keep it busy, but Congress needs assistance in seeing that the legislation once passed actually becomes the law and remains the law. This is not to suggest that the enforcement of laws or the interpretation of laws is the proper domain of Congress, nor that the Courts have an obligation to read statutes the way Congress reads a statute. Indeed Congress does not always have one clear intention, nor has its intention always been expressed clearly in the law it enacts. However, in an age where executive powers have become so extensive, the Courts should be eager to seek the viewpoint of Congress on its laws in order to offset the growing power of the Executive, and it should be the practice for Congress to present its view before the Courts if it so chooses.

At present the Justice Department represents the "United States" in Court proceedings, and this is as it should be. However, the Courts, like the framers of the Constitution, have always been concerned about the absolute power of the man who not only enforces the law but can also make the law he will enforce. Thus, since the Justice Department acting as a party to a case often presents the view of the Executive branch that has made the regulations involved in the outcome of the case, it would seem to be only appropriate for the Courts to consult Congress which made the law as to whether those regulations were an appropriate exercise of its delegation of authority. A Counsel for the Congress would not be in the business of enforcing the law, but rather he would provide an authoritative interpretation of the laws on behalf of the institution of Congress rather than for the Courts to rely solely upon the Justice Department or another party to the case. The Court in the final analysis is to make the decision in the case as to which view of the law will be held valid, but it will be after listening to arguments, not only by the Executive branch, but by the Congress as well.

Thus, in some cases, a remedy to abuse of Executive powers may be found by the presentation of Congressional intent to the Court. However, there often is no real remedy to be obtained from a Court. In these cases which involve resolutions on foreign affairs or cases which are still at an earlier stage of executive rule making, if members and Committees of Congress could obtain the legal opinion of its Counsel upon matters in dispute, some restraining influence might be exerted upon the Executive branch.

To summarize, Congress needs a voice after legislation has been passed. This voice is that of a lawyer who will go before the Courts and represent the Congress just as a private lawyer does, but he will not, except in exceptional cases such as contempt of Congress, actually intervene or initiate a case. Like a private lawyer, he will have functions as an advisor to Congress and in the presentation of legal opinions to Committees or Members of Congress he will indicate whether the laws which Congress has adopted are being respected by the Executive branch of the government. I am today introducing legislation to establish a legal counsel for Congress.

The Counsel of Congress should be the finest legal counsel Congress can obtain. Although this proposal limits his term of office to four years, it is probable that he would remain in office even as the composition of Congress changes. That is not only because his appointment is to be made without regard to political affiliation, but also because Congress would hesitate to remove a man who conscientiously attempted to ascertain the meaning of legislation and represent the interest of Congress as an institution. Congress would hesitate to politically devalue an office which would be so valuable to it. It is not, however, inconceivable that Congress may decide that its Counsel has failed to maintain those high standards which it hopes. In such cases, it would be in Congressional interest to name a new man. Thus, the power of the Congressional Counsel would be directly proportional to his loyalty to ascertaining as accurately as possible the meaning and intent of legislation.

There are certain built-in checks on the Counsel General. First, he must have the authority of either the House or Senate Judiciary Committee to enter a Court as an amicus. Secondly, his position as an amicus is limited to presenting the viewpoint of Congress on the constitutionality of its laws and to representing Congress in assisting the Courts to ascertain the meaning of its legislation. To the extent that his views on the meaning of legislation are solidly based, he will become respected by the Courts. However, to the extent that he would come under control of some political faction, he would tend to be disregarded by the Courts.

There will be a great deal of restraint acting on any man who dares to present the legislative intent of Congress and act as the lawyer representing Congress. Like a private lawyer he must represent his own client, and also be persuasive to the Court. It is indeed the quality of the Counsel which would determine his success. Furthermore, there is essentially nothing new in his function since the Congress already has someone interpreting its intent in the form of the Attorney General. However, no matter how fine a lawyer he may be, the Attorney General is still a part of the Executive branch which the Congress is seeking to control and cannot escape representing the interests of the Executive branch. In an age where the volume of business has become so great that Congress cannot maintain a watchful eye over all the executive agencies, the idea that the Attorney General can present the view of Congressional intent is in effect to allow the administrative agencies of the government to have more and more opportunity to promulgate law at variance with the will of Congress. Much of the history of administrative law centers around the question of the delegation of authority of a growing and complex society. This delegation of authority has often been necessary. However, the Courts in their development of administrative law have laid down limitations on the powers of the legislative agencies to make their own law. The delegation doctrine may at times seem rather broad, but the idea remains that Congress must not abdicate its powers wholesale to the Executive branch. The Congressional Counsel General might be considered as an additional check against the Executive power in support of that doctrine.

The precedent for such an officer in the Legislative branch comes in part from the existence of the General Accounting Office which functions as an agency of Congress. The General Accounting Office under the Comptroller General makes independent examinations of the way that government agencies fulfill their financial responsibilities. The Comptroller General has access, with limited exceptions, to the papers of all departments. He also determines accounting procedures, settles accounts for disbursing and collecting officers, and renders decisions on the legality of expenditures of public funds. In many respects the Congressional Counsel General would be far more limited than the Comptroller General in that he will have no access to papers nor will he have any decision-making powers affecting the other branches of the government.

### *The functions of the congressional counsel general*

The Counsel for Congress under my amendment will perform functions at several stages of the legal process subject to "such rules as the Committees on the Judiciary of the Senate and House of Representatives may prescribe jointly from time to time."

First of all, the Congressional Counsel General would "perform such duties with respect to legislative review of executive actions as shall be prescribed by such rules." Congress often fails to take into account all the factors which later arise in the administration of legislation. In order to encourage the Administrative agencies and departments to respect Congressional legislation, Congress must do a far better job of legislative oversight. Thus, the Counsel of Congress could assist Congress in the initiation of new and corrective legislation. By reviewing the actions of Courts and administrative agencies, he will uncover areas of policy where there is no existing legislation, where the existing legislation is unclear, or where legislation is in effect being made by the Executive. Each year the Counsel could present to Congress an agenda of law revisions with recommendations and alternatives to be considered. This would greatly help Congress perform its oversight and legislative review function. Emphasis upon this particular role of the Counsel General may very well reduce the role he will have to play in subsequent Court proceedings.

Secondly, the Counsel of Congress would "render to committees and Members of Congress advice with respect to the purpose and effect of provisions contained in Acts of the Congress or to be inserted in proposed legislative measures." Thus, the Counsel would provide upon request confidential advisories on the effects and constitutionality of proposed legislation during the legislative process so that legislation will have more likelihood of having effect and being enforced.

Third, the Counsel of Congress would "render to committees, Members, and disbursing officers of the Congress, and to the Comptroller General, legal opinions upon questions arising under the Constitution and laws of the United States." The Congressional Counsel General, through the rendering of legal opinions upon the laws of Congress to committees of Congress, will provide a way for Members and committees of Congress to present an authoritative viewpoint to Executive departments and agencies upon the validity, but not the merit, of regulations such as the new antidumping regulations or various income tax regulations. In this capacity the Counsel will speak authoritatively in the sense of being the counsel representing Congress. However, he will have no dictatorial powers in as much as any department or agency will still be able to promulgate any rules it wishes and then test their validity in Court.

In this capacity the Counsel of Congress could maintain, with the co-ordination of the respective committees of Congress, the history, purpose, and intent of legislation so that after enactment of legislation there will be a complete and authoritative legislative history. This legislative history would become part of the material to be sent to the President with a bill and entered into the Federal Register or a similar publication. This will not only enable the Executive to perform its function better but also assist future Counsels of Congress in performing their functions of rendering legal opinions and representing Congress before the Courts on the meaning of its laws. It should be noted that the proposal does not seek to integrate the legal staffs of the Committees or Legislative Counsel. This is deliberate in order to maintain the pluralism of views within the Congress which the present system provides.

Fourth, the Counsel would "appear as amicus curiae, upon the request, or with the approval, of the Committee on the Judiciary of the Senate or House of Representatives, in any action pending in any court of the United States in which there is placed in issue the constitutional validity or interpretation of any Act of the Congress, or the validity of any official proceeding of or actions taken by either House of Congress or by any committee, Member, officer, office, or agency of the Congress." The Courts will still have the right to determine who may appear as amicus curiae, but this section will make it possible for the Courts to accept the Congressional Counsel General in the capacity of lawyer for Congress.

Fifth, the Counsel would "represent, upon the request, or with the approval of the Committee on the Judiciary of the Senate or House of Representatives, either House of Congress or any committee, Member, officer, office, or agency of the Congress in any legal action pending in any court of the United States to which such House committee, Member, office or agency is a party and in which there is placed in issue the validity of any official proceeding of or action taken by such House, committee, officer, office or agency." The Congressional Counsel General would be authorized to replace the Attorney General in this capacity. The reason for this stems from the peculiar interest of Congress in these cases, and the right of Congress to prosecute its own contempt cases. Although this authority has been in the past delegated to the Justice Department, the existence of a full-time Congressional Counsel would only make it appropriate that he be responsible for a case within the traditional powers of Congress.

The purpose of these provisions is to restore the authority of Congress to make valid law. Individual Congressmen or Committees could follow the course of a bill after its enactment, but Congress already has its hands full with current legislation. Furthermore, no one Congressman can speak with much authority, nor can a Committee co-ordinate these efforts without a large staff working in this area exclusively. On the other hand it has been suggested that the Justice Department could be made into an independent agency, but the question would then arise as to how to control it and make it responsible to the people. The Congressional Counsel General would be tied directly to the legislative branch.

In summary, the proposal to create a Congressional Counsel General is perhaps a novel one, but one which is necessitated by the growth of administrative bureaucracy. It is a means to assist Congress internally by assisting it in performing its oversight function, by review of executive and judicial acts as well as by assisting in improving its legislation. It is also a means to assist Congress externally by keeping the Administrative departments and agencies responsive to Congress from which their authority is derived. In both his internal and external functions the Congressional Counsel General will assist in making Congress a more effective branch of our government and thus strengthen the principle of separation of powers.

### AMENDMENT NO. 468 TO S. 1541

My amendment to establish an Office of Constituent Assistance is long overdue in the Congress. The quantity of mail we are receiving is at an all time high.

During the past fifty years, we have witnessed the growth of an ever-more-complex society. Problems of housing, employment, education, and health which hardly were imagined a half-century ago now beset us. Whether it is federalism under Alexander Hamilton, Franklin Roosevelt or Richard Nixon, the problem is the same, government of the people, by the people and for the people in Washington, D.C.

Today, there are few aspects of our daily lives that are not touched upon by the government. One need only look about in this, the Nation's Capital, to see the vastness of our government. Behind the walls of glass and stone sit people whose actions and decisions affect the lives of others who may be hundreds or thousands of miles away.

Inevitably, careless or senseless exercises of public authority occur. The bureaucratic process is prone to impersonality and "red tape." Caught up in confusing regulations, procedures, and policies, the individual citizen is often helpless. Nearly two hundred years ago our forefathers entered into a Declaration of Independence for the people claiming: "In every stage of those oppressions we have petitioned for redress in the most humble terms: Our repeated petitions have been answered only by repeated injury."

We, the elected representatives of the people, must establish a peaceful, efficient, productive, direct method for the people to petition their complex government for redress of their grievances.

The people who come to us in Congress in search of help, request an answer to a problem or a redress of a grievance. In short, they make use of us as their advocates. No function could be more appropriate, for we are here in Washington to represent their interests and look to their welfare.

So great have the needs of our constituents become that Members of Congress and their staffs spend from one-third to one-half of their time on what has come to be called "casework." Although constituents write to us about a multitude of problems, many letters concern a right or a benefit which has been denied or an administrative action which was undertaken arbitrarily.

In the face of an ever-increasing amount of casework, our staffs are finding it difficult to keep up with the mail. We must protect against the possibility that constituent requests for assistance receive only perfunctory treatment. The most diligent and efficient staff has a limit to the amount of casework which it can handle in depth.

Mr. President, because I join my colleagues in placing a high priority on case work, and because I am alarmed at the prospects for its rapid growth in the future, I am today offering legislation which would create an Office of Constituent Assistance as part of the legislative branch. This office will assist Members of Congress in handling some of their casework, and thus free their staffs to spend more time on legislative activities.

I believe that the ties between a Member of Congress and a constituent are vital to the democratic process. Nothing in my proposal would weaken those ties or intrude upon that important relationship. In fact, the office I propose would actually strengthen our relationship with constituents by making it possible for us to serve them better.

The Office of Constituent Assistance would investigate those cases which have been referred to it by a Member of Congress or by a congressional committee. The director of the office is empowered to investigate those cases involving administrative actions which might be: First, contrary to law or regulation; second, arbitrary or unfair; third, mistaken in law; fourth, unclear or inadequately explained when reasons should have been revealed; fifth, improper in motivation or based on irrelevant considerations; sixth, inefficiently performed; or seventh, otherwise objectionable.

Certain matters and governmental agencies are exempted from the investigative powers of the Office of Constituent Assistance. Any administrative action which relates to a personnel decision affected a member of the

Armed Forces or an officer or employee of the Government of the United States, or any administrative action based upon a complaint which the director of the office determines to be trivial or frivolous is exempted from investigation by the director. Similarly, the director's investigative powers do not extend to matters concerning the President, the Congress, the courts of the United States, or court-martial and military commissions. I raise these points because I wish to assure my colleagues that this legislation would not establish an all-powerful office of investigation. I merely propose to create a congressional office to help us in providing our constituents with assistance.

The office would also assist us in establishing a priority analysis of issues which are of the greatest concern to the people. Each congressperson and committee would send a weekly report to the office indicating the number of letters received on each issue. The office would make a monthly report of each congressperson of the inquiries and an analysis thereof.

The Director of the Office of Constituent Assistance would be an officer of Congress, appointed by the President pro tempore of the Senate and the Speaker of the House, upon the advice and consent of both Houses, for a term of four years. His findings and recommendations would be reported directly to the Member of Congress by whom the case was referred.

The paramount virtue of the Office of Constituent Assistance is that it would provide each of us with a central staff of caseworkers to assist our personal staffs. As is the case with the Office of Legislative Counsel and the Congressional Research Service, the Office of Constituent Assistance would make available a deep reservoir of expert talent to assist us in our work.

There is a second important advantage to be gained from establishing this office. At the present time, 535 different offices handle casework but many of the problems handled by one office are mirror images of the problems handled by others. One centralized office will make it possible to determine if there are any patterns and common elements to constituent problems and thus facilitate legislative efforts to correct the conditions which cause these problems.

The establishment of such an office does not mean that we are less interested in the needs of our constituents, nor will it mean that we are in any manner removed from our responsibilities as advocates for our constituents. The Office of Constituent Assistance will enable us to perform these functions more efficiently and more effectively than in the past.

In summary, I believe that the Office of Constituent Assistance would have these major advantages:

First, it would assist us in handling the ever-increasing volume of casework.

Second, it would enable us to give more detailed and expert attention to the problems of our constituents.

Third, it would enable our staffs to devote more time to legislative activities.

Fourth, it would enable each of us to handle the problems of our constituents with more efficiency.

Fifth, it would assist the Congress in correcting those administrative deficiencies which give rise to constituent complaints.

Mr. President, I have attempted to draft my proposal so that the delicate web of checks and balances and the layers of mutual respect and trust which exist among the various branches of Government are not injured. I am convinced that the caseworkers on our staffs are dedicated and highly competent professionals whose devotion to their work is proved every day of the year. In the final analysis, however, the amount of casework and our desire to do our best to meet the needs of constituents require us to seek help. That is why I am proposing that the Office of Constituent Assistance be established.

Mr. ERVIN. Mr. President, the bill of the Senator from Indiana (Mr. HARTKE) to create a Counsel General for Congress was originally referred to the Judiciary Subcommittee on Separation of Powers. However, the present version has been referred to the Committee on Rules and Administration. However, the Subcommittee on Separation of Powers is considering several bills in this field. In case we report out some other bill, our objective will be to offer the Senator's bill as an amendment to it. So the Senator from Indiana is assured of a speedy hearing by the Subcommittee on Separation of Powers, on the General Counsel bill as well as by the Government Operations Subcommittee on the Office of Constituent Assistance bill.

Mr. HARTKE. That is very favorable. I would like to have both proposals given full consideration. As the chairman knows, a special counsel had to be appointed for the so-called Watergate Committee, of which the distinguished Senator from North Carolina is the chairman. The special counsel could have been appointed by routine regulation provided by a very orderly procedure.

I want to thank the distinguished Senator from North Carolina very much for his cooperation and consideration.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ERVIN. Mr. President, I suggest the absence of a quorum and would ask the aides to inform Senators who have further amendments to call up that we are about to go to third reading.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk procedeed to call the roll.

Mr. MONDALE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, I send to the desk a joint amendment on behalf of myself and the Senator from California (Mr. TUNNEY) and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 124, beginning with line 14, strike out through the period in line 18, and insert in lieu thereof the following:

(e) **Hearings and Report.**—Before reporting the first concurrent resolution the Committee on the Budget of the Senate shall conduct hearings each year during which individual Members of Congress and public witnesses shall have an opportunity to testify on matters to be considered with respect to the first concurrent resolution on the budget referred to in subsection (a) for the fiscal year beginning on October 1 of each year. On or before May 1 of such year, the Committee on the Budget of each House shall report to its House such first concurrent resolution.

Mr. MONDALE. Mr. President, I send to the desk a joint amendment on behalf of myself and the distinguished Senator from California (Mr. TUNNEY).

First of all, I wish to congratulate the distinguished managers of the bill, the Senator from North Carolina (Mr. ERVIN), and the Senator from Maine (Mr. MUSKIE), together with the Senator from Montana (Mr. METCALF) for their magnificent work on the pending bill. I wish to thank as well the members of the Committee on Rules under the leadership of the Senator from Nevada (Mr. CANNON) and the distinguished majority whip (Mr. ROBERT C. BYRD) for their work in improving the bill.

But the original bill before the Metcalf subcommittee had many faults.

It proposed Budget Committees with majorities drawn in an unrepresentative manner.

It attempted to set binding ceilings in March of each year reaching down to Appropriations Subcommittees or even individual programs. This would be an impossible task, and it would virtually bind the Appropriations Committees—which do have the time and expertise to look at individual program needs—hand and foot.

It proposed complex procedures for floor amendments to budget resolutions—so-called rules of consistency—which would make floor amendments so difficult as to be nearly impossible.

The bill now before us is a remarkable improvement. In outline:

It provides for a budget committee with membership appointed in the regular manner, by party caucuses.

It provides for establishment of an overall, recommended target ceiling in May of each year, with subtargets by broad budget functions. This will permit the fiscal policy and priorities debate which we have always lacked.

It then permits the appropriations process to go forward unhindered.

It provides for a second concurrent resolution in August of each year, to reexamine decisions taken in the first resolution in light of subsequent economic changes and action on individual spending and revenue measures.

Finally, it provides for a reconciliation bill, incorporating revenue changes or appropriations recessions, to bring appropriations decisions into line with budget policies set in the second concurrent resolution. I believe that this process—while still complex—is far more flexible, workable, and representative than the original proposal.

I am particularly pleased that four approaches which I have long advocated appear in the pending bill.

First, that ceilings established in the first budget resolution are recommended targets, not binding on subsequent appropriations, and that these ceilings do not extend down to appropriations subcommittees or individual programs.

Second, that the bill provides for the option of pro rata reductions in appropriations for controllable expenditures if agreement cannot be reached on specific actions to meet the overall budget levels set in the second budget resolution.

Third, that the bill directs the Congressional Office of Budget to prepare a tax expenditure budget each year, so that the Congress can make tax decisions, like spending decisions, with a clear view of who benefits from each provision. Tax loopholes are a form of Government aid, and the pending bill recognizes that fact.

Fourth, that the bill specifically provides for review and evaluation, directly and by grant or contract, of Federal programs by congressional committees. I have long felt that we in Congress are forced to rely too much on evaluations prepared by or for executive agencies—and that these evaluations too often fail to address our real concerns, and often enough are heavily influenced by official positions taken by executive agencies.

And I am pleased that the pending bill contains other features found in amendment No. 601, the Congressional Budget Control and Reform Act of 1973, which I introduced last year with the distinguished Senator from New York (Mr. JAVITS) the ranking minority member of the Government Operations Committee. These include a change in the fiscal year from June 30 to October 1—(we had recommended a calendar year-fiscal year) to permit detailed examination of the President's budget before the fiscal year begins, and exemption of the Social Security Trust Fund and other similar open-ended Federal commitments from direct control.

The amendment which the Senator from California (Mr. TUNNEY) and I propose is a simple one. It states in the law that Budget Committees will hold public hearings, with testimony from individual members of Congress and other interested persons, before reporting the first budget resolution to the Senate.

This first resolution will provide the vehicle for the great debate over Federal fiscal policy—the level of Federal deficit or surplus—which has such tremendous influence over the health of our economy. And it will set initial targets for allocating Federal funds to broad purposes within the overall ceiling on expenditures.

Although the first resolution is not binding in a legal sense, the process set forth in the pending bill will work well only if the first budget resolution is an honest and thoughtful effort by the Budget Committees and the Congress to come to grips with these questions. And this requires that a broad range of views be spread on the public record.

The report of the Committee on Rules recognizes the importance of public testimony. The report states:

> . . . It is anticipated that the first budget resolution will be reported after hearings to take the testimony of Members of Congress and outside organizations.

However, the bill itself refers only to recommendations from congressional standing committees. Because this reference to participation by committees does appear in legislative language, and I believe testimony by individual Members of Congress and interested groups and persons to be of great importance, I am hopeful that the distinguished managers of the bill will accept this amendment.

Mr. President, this amendment was discussed with the acting floor manager, who is not now in the Chamber, the Senator from Maine (Mr. MUSKIE). The amendment would make it clear that the Budget Committee will hold public hearings, with testimony from individual Members of Congress and other interested persons, before reporting the first budget resolution to the Senate.

This is a modest amendment, that public hearings will be held prior to the time the Budget Committee reports, and I would hope that the distinguished floor manager of the bill, the Senator from North Carolina, would accept it.

Mr. ERVIN. Mr. President, will the Senator give me the number of his amendment?

Mr. MONDALE. It is an unprinted amendment which I discussed the other day with the acting manager of the bill, the Senator from Maine (Mr. MUSKIE). It simply would require that hearings would be held. I do not believe there is any controversy about it.

Mr. ERVIN. Mr. President, I see no objection to the amendment as contemplated. I do not think it is necessary to spell it out particularly in the bill because, pursuant to the practice of all committees considering legislation, it has been the purpose of those who introduced and have worked on this bill that the Committee on the Budget will conduct public hearings prior to reporting the first concurrent resolution. That is what the distinguished Senator from Minnesota has in mind.

Mr. MONDALE. The Senator is correct. There is a reference to public hearings in the committee report. I think it was contemplated that public hearings would be held. This amendment simply confirms that fact and requires it by law.

Mr. GRIFFIN. Mr. President, if the Senator will yield briefly for a question, I have briefly examined the amendment and since the resolution to be adopted by the committee would encompass all areas of Government activity and expenditure, it could be anticipated that a great many witnesses might request an opportunity to justify. So for the purposes of legislative history, does the Senator from Minnesota intend to mandate or compel the committee, because it has some public hearings, to listen to everyone who requests the opportunity to testify, no matter how large that number might be? That would be a matter of possible concern but I do not know whether I am anticipating problems or not.

Mr. MONDALE. The answer is "No." The committee is charged with conducting the hearings. We would not seek to restrict the committee's discretion to impose limits, because it would be almost impossible, particularly in controversial matters, to hear all those who would seek to be heard. The power to set limits would still remain exclusively within the purview of the committee.

This is a modest amendment, simply to provide that there shall be public hearings.

Mr. GRIFFIN. That may be a contribution to the legislative history, making it clear that there shall be public hearings and that witnesses will be heard. The statement by the Senator from Minnesota at least recognizes that it may be necessary from time to time for the committee to have representative witnesses of various points of view and it may not be able to listen to everyone who conceivably might want to come down to testify.

Mr. MONDALE. I agree with the Senator. There are occasions when it is impossible for the committee to complete its work unless it has some power to limit the scope of the number of witnesses.

Mr. GRIFFIN. I think this could become a problem, particularly since we are writing into law a definite timetable when a resolution has to be reported and has to be passed.

Mr. MONDALE. I agree with the Senator.

Mr. President, in conclusion I wish to say that the bill before us is a very hopeful development. It can enable the Congress to conduct a debate over Federal fiscal policy which we have never really been able to conduct before. It can help us to take a tough look at what our real priorities are—not only in the area of direct expenditures, but in the area of tax expenditures as well. It can for the first time allow us to respond in an independent way to the budget submitted by the executive branch. And it can help us to look, not just at proposed increases or decreases in spending, but at how effective individual programs are in carrying out their intended purposes and to see which ones may be obsolete.

It can do all these things. But I hope we will be mindful of the experience in 1948 when the Congress last embarked on a similar effort. I believe the lesson of 1948 is this: the burden is on the Congress to deal in a responsible and flexible way with this new process. The experience of 1948 should teach us that if we set targets which are attractive but impractical, we will destroy the budget process itself.

With the broad support which the pending bill has received, with the wide consultation which went into its development, and with the help of the distinguished leadership on both sides of the aisle, I am hopeful that the Congressional Budget Act of 1974 will mark a new era of full congressional participation in this country's financial affairs.

Mr. TUNNEY. Mr. President, I am most pleased to join with the senior Senator from Minnesota in sponsoring this amendment to the Congressional Budget Act of 1974.

The budget reform bill now before us represents a landmark in the effort to assert the responsible leadership role intended for Congress by the Founding Fathers. This bill is the fruit of many hours of hard labor on the part of the members and staff of the Joint Study Committee on Budget Control, and the Committee on Government Operations and Rules and Administration of the Senate. It is a significant accomplishment that will long enhance the reputation of the 93d Congress as one of the most fruitful and hardworking Congresses in our history.

Mr. President, last April I offered, for myself and Mr. BUCKLEY, a series of budget reform proposals in the form of a bill, S. 1516, the Legislative Priorities and Budget Reform Act of 1973. It gives me great pleasure to note that many of the key features of S. 1516 were incorporated in the bill before us today.

Last April I called for legislation to provide procedures through which Congress could systematically review major spending programs and establish explicit budgetary priorities. I called also for the creation of a fully equipped professional staff of program and budget analysts capable of functioning with the same precision and scope as its executive counterpart, the Office of Management and Budget. The Congressional Budget Act of 1974 that is before us now achieves these worthy objectives.

My statement of April 10, 1973, accompanying introduction of the Legislative Priorities and Budget Reform Act of 1973, pointed out that—

> The decisions of the Budget Committees, when approved by Congress, will be among the most important of all determinations made each session. They will determine the magnitude and direction of Federal economic impact for the indefinite future. They will set the tone for the entire Federal establishment.

The determinations of the Budget Committees as provided for in the pending legislation are no less significant. It is, therefore, imperative that all Members of Congress and representatives of the general public have an assured opportunity to present their views to the Budget Committees prior to time the committees report the first concurrent resolutions to their respective Houses. Individuals, Members of Congress and public interest groups from one end of the political spectrum to the other have important contributions to make to the debate on national priorities. We should provide that these views have assured access to the Budget Committees. The amendment we are offering today mandates and thus reinforces the intention of the Committee on Rules and Administration to provide for public hearings of the Senate Budget Committee on all matters related to the first concurrent resolution. Its acceptance by the Senate will be further proof of our strong determination to enact fair and responsible legislation to strengthen the role of the Congress in determining national priorities and in controlling Federal expenditures.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

### AMENDMENT NO. 1041

Mr. BEALL. Mr. President, I call up my amendment No. 1041.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

> On page 173, immediately below the matter between lines 15 and 16, insert the following:
>
> FEDERAL PROGRAM EVALUATION DIGEST
>
> SEC. 703. The Director of the Office of Management and Budget shall be responsible for preparing and making available each year a digest of all Federal programs, except any program that the President determines should not be included on the grounds of national security. With respect to each program, the digest shall—
>
> (1) state the name of the program, the statute authorizing the program, specify the Federal officials administering the program, and give a brief description of the program;
>
> (2) state the original purposes, goals, and objectives of the program, and any changes thereto;
>
> (3) include an evaluation by the head of the program on whether and how the purposes, goals, and objectives are being achieved;
>
> (4) include references to any study, conducted partially or completely with Federal funds, evaluating the program, and, to the maximum extent practicable, references to any study conducted completely with non-Federal funds, evaluating the program;
>
> (5) state the total administrative costs of the program paid out of Federal funds, the total costs of the program paid out of Federal funds, and the total of such administrative costs so paid as a percentage of such total costs so paid;
>
> (6) include the average cost to the program for each recipient; and
>
> (7) to the maximum extent practicable, include cross references to the program and matters related to the program which are included in the latest available catalog of Federal Domestic Assistance (including any supplements thereto).

Mr. BEALL. Mr. President, I ask unanimous consent that Joe Carter, my legislative assistant, may have the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair would request that the Senator use his microphone.

Mr. BEALL. Mr. President, I have three amendments that I had intended to propose for this bill. The one we are calling up now is No. 1041.

The amendment I am offering would require the preparation of a Federal program evaluation digest. Presently, there is published each year the Catalog of Federal Domestic Assistance. This catalog runs some 817 pages and lists about 1,200 programs. It has proved useful to our citizens and our communities in determining what Federal programs or benefits are available and how to apply for them.

I see the need in the Congress, and elsewhere, for a similar publication that, in effect, would be a handy reference guide for all Federal programs. The Federal Program Evaluation Digest would, to the extent feasible, be cross-referenced to the Catalog of Federal Domestic Assistance and contain the following information:

First, the name of the program, the statute authorizing the program, specify the Federal officials administering the program, and give a brief description of the program;

Second, the original purposes, goals, and objectives of the program, and any changes thereto;

Third, an evaluation by the head of the program on whether and how the purposes, goals, and objectives are being achieved;

Fourth, references to any study, conducted partially or completely with Federal funds, evaluating the program, and to the maximum extent practicable, references to any study conducted completed with non-Federal funds, evaluating the program;

Fifth, the total administrative costs of the program paid out of Federal funds, the total costs of the program paid out of Federal funds, and the total of such administrative costs so paid as a percentage of such total costs so paid;

Sixth, the average cost to the program for each recipient; and

Seventh, cross-references to the program and matters related to the program which are included in the latest available catalog of Federal Domestic Assistance—including any supplements thereto.

There is a major distinction, however, in that this digest, unlike the Catalog of Federal Domestic Assistance, would include all Federal programs, and not just domestic programs, except to the extent that national defense does not permit a program's listing.

How many of my colleagues, while on the Senate floor, have been confronted with an amendment increasing an appropriation for a program for which there was no ready source of information that the digest would contain?

I believe that such a digest would be a useful and valuable tool for improving our understanding of programs and our ability to determine priorities.

So I urge the adoption of this amendment in the hope that it will go a little way toward making us somewhat better informed than we are now as to the kinds of programs that are operated through Federal programs and what the consequences of our actions with regard to those programs might be, in view of the experience we have had with the programs.

Mr. ERVIN. Mr. President, I respectfully submit the amendment has no place in this bill. The pending bill is a bill to establish a congressional budget system. This amendment would impose certain obligations on the Office of Management and Budget.

I sincerely hope that the distinguished Senator from Maryland will withdraw the amendment, or, if he does not, that the Senate will defeat it. To have effective legislation in this field, we should stick to our purpose, which is to establish a congressional budgetary system, and not complicate it with amendments that relate to the Office of Management and Budget.

Mr. BEALL. I, of course, respect the opinion of the distinguished Senator from North Carolina, but I must hasten to say that I disagree with his analysis that this amendment does not treat the purposes of the bill. I think it is very much to the point of the bill.

As I understand the bill, it is to create machinery that will better equip and enable us in the Congress to carry out our primary constitutional responsibility, that being the responsibility to provide funds for the operation of the Federal

Government; and I laud the purposes of the bill. I have introduced legislation on this subject I believe the pending bill is a good measure, and I intend to vote for it. I hope it is enacted into law. But I think the proposal we are making here can be very helpful in carrying out the purposes of this legislation, because all we are asking for is to provide ourselves with information that we are going to have to have and should have if we are going to adequately consider the matters contained in the Federal budget and the consequences of the actions we might take with respect to the various programs being offered by the Federal Government.

I am sure we are all aware of the beneficial effects of the Catalog of Federal Domestic Assistance. This is a move now to further equip us with tools to carry out our responsibility. I believe it belongs in the bill. I think it will enhance the bill and will enable us to do the job. I suggest that an evaluation digest would be of assistance not only to the committee but to the new congressional office being established.

Mr. PERCY. Mr. President, will the Senator yield for just a few questions?

Mr. BEALL. Certainly.

Mr. PERCY. Could my distinguished colleague concisely state to what extent such a digest would duplicate or overlap the Catalog of Federal Domestic Assistance, for which our colleague the Senator from Delaware (Mr. ROTH) has worked so hard and unceasingly?

Mr. BEALL. The Catalog of Federal Domestic Assistance is really just that—a catalog listing programs. It is of use, of course, but it is primarily of use to local and State officials who have to leaf through the Government bureaucracy to see what they are entitled to. This evaluation would be for our purposes. It is an evaluation of the program and it is broader in its contents because it would include all Federal programs except those which would be excluded for reasons of national security.

Mr. PERCY. Does not the President's budget, which comes to us in four huge volumes, constitute in itself a digest of all Federal programs?

Mr. BEALL. It presents the President's budget it is not an evaluation of the programs. That is what I am looking to here—an evaluation—and that does not list any evaluation.

Mr. PERCY. Third, since one of the principles we are trying to achieve is to price out every bill and every amendment and have the Congressional Office of the Budget tell us what it would cost, may I ask how much it would cost to produce such a voluminous digest? How many man-hours would be involved by the executive branch of the Government in producing such a digest?

Mr. BEALL. I cannot answer that question. It is a legitimate question, and we should all be concerned about the cost of all programs, but I should not think it would cost any more than the present Catalog of Federal Domestic Assistance. Whatever amount spent on it, I believe would be money well spent, because it is only through evaluation that we save money and the avoidance of the extension or duplication of programs that should not be extended or duplicated.

I would say that any money we spend to equip ourselves will end up in savings to the taxpayers.

Mr. PERCY. Titles VII and VIII of this bill have requirements for program evaluation and submission of fiscal data, with GAO participating in this process. To what extent would that effort and those titles be duplicated by this particular amendment?

Mr. BEALL. This amendment does not duplicate that effort. With regard to that subsection of the law, I have another amendment, somewhat similar to the one the Senator from Minnesota has, although ours is more specific. I do not think we are duplicating that. Again, it is a supplement rather than a duplication.

Mr. PERCY. I would find, on that record, that I would have to oppose the amendment. But I do thank the Senator from Maryland very much, indeed, for his explanation of the amendment. Many of the objectives he has worked for, I would agree with. But I must, in my own mind, know how much it should cost and how much work would be involved. I would like to see an analysis from the Office of Management and Budget.

We did not have such an amendment before us in committee. I am not sure that a part of the objective is not already provided for in the bill. It is with regret that I must state my opposition, but I thank the Senator from Maryland very much for his amendment.

Mr. ERVIN. I would like to emphasize what the distinguished Senator from Illinois has just said. The Government Operations Committee worked on the bill for 8 months, and the Committee on Rules for 2 months. They had no such proposal as this before them.

I submit that the distinguished Senator from Maryland, if he wants this proposal, should put it in the form of a separate bill and let it be processed as new legislative ideas are. The bill ought to be considered by the Office of Management and Budget, for it would give the Office of Management and Budget an awful lot of work to do. I am advised that the Office is opposed to the bill.

I hope the Senator from Maryland will withdraw his amendment, instead of trying to legislate on new matter at this late hour in the consideration of the bill. Let him put his proposal in a separate bill, and let it be processed in a separate manner, rather than by piggybacking it on this bill.

Mr. BEALL. I appreciate the Senator's remarks about separate legislation. I point out that in February 1973 I introduced a bill, S. 758, on the whole subject of budget reform and improved oversight This provision was included as a part of that legislation.

I testified before the Budget Committee on that subject, and submitted testimony to the Government Operations Committee. So it is not something that has come fresh today. It is a matter that has been in the legislative mill for a little over a year. It is a proposal that has gone through at least two committees of the Senate.

I can see why the OMB would be opposed to the proposal. I can see why they do not want to have the additional responsibility of listing all evaluating of programs. They already are doing some of this, but this would require that OMB do it for us, so that we would have a ready source of information and listing of evaluations of programs. I do not believe, the fact that the OMB is opposed, mandates opposition on our part.

It is something that is necessary and helpful, it is perfectly within our rights to charge the OMB with doing the job. They and the program directors with the administration have the material available that is called for in the amendment. I just cannot change my mind because they do not want to do it. I think it is a job that deserves to be done. I think they ought to provide us the kind of information we need in order to carry out our constitutional responsibility to provide and appropriate money to operate the Federal Government.

Mr. PERCY. Would the Senator from Maryland be receptive to the possibility of developing an amendment to his own amendment that might provide for a study, so that we could at least carry this proposal forward? It is certainly not the desire of the Senator from Illinois to stand in the way of program evaluation. We need evaluations. We have frequently commented on that. The Government Operations Committee bill had a strong program evaluation title in its version of this bill.

The objective is worthy. But some of the unanswered questions are such that I could not support the amendment in the form of a directive to the Office of Management and Budget. But certainly there would be a basis, sufficient and logical, behind a proposal for a study, so that we would know more about it. It would enable the Committee on Government Operations, with such a study, to report a separate piece of legislation, if the Senator would have such a bill that we could consider—and I believe he has.

Mr. BEALL. I appreciate the suggestion of the Senator from Illinois. I do not know that a study is necessary. I think it is a matter that the Committee on Government Operations could consider, without an independent committee study of itself, and get some action that is agreeable, as far as I am concerned.

Mr. PERCY. I should like to ask the chairman of the committee, in view of the fact that we do have a piece of legislation before us, whether we could not make our own study. We have a competent staff. We could draw on the OMB staff. The Senator from Maryland is correct when he says that we could make our own study in committee.

Mr. ERVIN. The Brock-Metcalf amendment would direct the Budget Committee to study methods of improving the analytical system and an evaluation of the existing program. As I understand that amendment, the Budget Committee would be authorized to study the matters set forth in the amendment of the Senator from Maryland. I can assure him, on behalf of the Committee on Government Operations, that if, instead of allowing it to be considered by the Budget Committee under the Brock-Metcalf amendment, it were to be considered as a separate bill, we would consider it as a separate matter in the Committee on Government Operations.

Mr. BEALL. I appreciate the suggestion of the chairman of the committee. With that kind of assurance, there is every indication that this proposal will get consideration, and the result would be that we would have the kind of digest to provide us the information that would be very useful when we consider budgetary programs.

Mr. President, with that assurance, I will withdraw the amendment and see that it is introduced in cleaner form as a separate piece of legislation.

Mr. PERCY. I think this a very wise action. So that the Senator from Illinois may be clear, then, the legislative history will indicate the strong desire, on both sides, to have authority granted to the Budget Committee. This bill, if finally passed, would undertake to provide the very kind of evaluation that the Senator from Maryland has proposed. Certainly it would expedite the work of the staff of the Government Operations Committee, which will certainly lend its support to the study. If the Senator from Illinois serves on the Budget Committee, he would carry out the obligation to see to it that we carry such a study forward at an early date.

Mr. BEALL. I appreciate the cooperation of the Senator from Illinois. We are suggesting the publication of a document that would be useful to members of the Committee on the Budget and to Senators generally.

Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. BEALL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I offer an amendment as follows: That wherever, in the bill—or any amendment thereto that may already have been agreed to—the word "highly" appears immediately preceding the word "privileged", the word "highly" be stricken.

I offer this amendment because the word "highly is meaningless, it is surplusage, and I do not know how it got there. I thought that in our Rules Committee meetings with staff people, we had stricken that word wherever we saw it.

There is no such thing as a "highly" privileged motion or resolution. A motion or resolution is either privileged or not privileged. There are no degrees of privilege.

Apparently that language was kept in as boilerplate language from somewhere, and I think it is bad for the Senate to continue to legislate using such terminology when it is absolutely superfluous, meaningless, and nothing but deadwood.

I ask the Chair, so that all Senators may have the Chair's reaction to this question, to determine, upon consultation with the Parliamentarian, whether the Parliamentarian agrees with my statement.

The PRESIDING OFFICER. The Parliamentarian advises the Chair he agrees totally with the statement of the Senator from West Virginia.

Mr. ROBERT C. BYRD. I offer that amendment.

The amendment is as follows:

Wherever the word "highly" appears before the word "privileges" delete same in the language as reported and amendments thereto.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I assume that the clerk, when the bill is finally enacted, will remove that word, in accordance with the amendment.

Mr. ERVIN. Mr. President, I suggest, as the Senator from Illinois has suggested, that the word "totally" also be deleted with reference to the statement of the Parliamentarian's concurrence.

I see no objection to the amendment; I think it is a desirable amendment.

Mr. PERCY. I see no objection either, Mr. President.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Helms). Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, on behalf of the distinguished Senator from Nevada (Mr. Cannon), I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 164, line 14, strike out "March 20" and insert in lieu thereof "March 29".

Mr. ROBERT C. BYRD. Mr. President, this amendment has been discussed with the two able managers of the bill, Senators Ervin and Percy, and they have agreed to accept it.

I shall read a letter addressed to Senator Cannon from Senator Proxmire which is self explanatory and which in itself explains the purport of the amendment.

The letter reads as follows:

March 15, 1974.

Hon. Howard W. Cannon,
*Chairman, Rules and Administration Committee, U.S. Senate.*

Dear Howard: I would like to request that a small technical amendment be appended to S. 1541, as reported by your committee on February 21, 1974. The bill requires the Joint Economic Committee to make its Annual Report on the President's Economic Report "not later than March 20th of each year" (page 164, line 14). In the same bill the Joint Economic Committee is required to report to the Budget Committee on April 1 of each year. In order to better coordinate these two reports, and also to give the Committee some additional time to prepare our Annual Report, we would like to have the deadline for the Joint Economic Committee's Annual Report to Congress changed from March 20 to March 29 of each year.

Thank you very much for your consideration.

Sincerely,

William Proxmire,
*Vice Chairman.*

Mr. President, the amendment will do precisely that, that is, change the deadline for the Joint Economic Committee's annual report from March 20, as presently provided in the bill, to March 29 of each year.

Mr. PERCY. Mr. President, I should like to address myself to this amendment both as a longtime member of the Joint Economic Committee and as a cosponsor of the pending legislation. I think it will, to all intents and purposes, bring about the finest possible analysis we can obtain. We will depend on the Joint Economic Committee to give us as accurate an assessment as it can as to the state of the economy and the impact the Federal budget should have on that economy. The additional 9 days will be valuable time, well spent by the committee. I fully support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from West Virginia (Mr. Robert C. Byrd), on behalf of the Senator from Nevada (Mr. Cannon).

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

## UNANIMOUS-CONSENT AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I have cleared the following requests with the Republican leadership and with the two distinguished managers of the pending bill, Senators Ervin and Percy. All Senators have been notified by the hot line in their respective cloakrooms that a unanimous-consent request for an agreement would be propounded on the pending bill at approximately this hour.

Mr. President, I ask unanimous consent that there be a time limitation of not to exceed 6 hours for general debate on the pending bill and that that debate be controlled by and equally divided between Senators Percy and Ervin; provided further, that the time for limitation on debate begin running immediately upon the agreement to the unanimous-consent proposals I am now making; provided further, that time on any amendment to the bill be limited to 1 hour, to be equally divided and controlled in the usual form; provided further, that time on any amendment to an amendment, debatable motion or appeal be limited to 30 minutes, to be equally divided and controlled in the usual form; provided also that the agreement itself be in the usual form, with the final vote to occur on passage of the bill at 2 p.m. on tomorrow—paragraph 3 of rule XII being waived therefor; with the additional proviso that an amendment to be proposed by the distinguished Senator from Mississippi (Mr. Stennis) and which is not likely to be considered germane to the bill be, nevertheless, in order.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia?

Mr. PERCY. Mr. President, reserving the right to object—and I do not intend to object—for purposes of clarification my understanding is that no nongermane amendment would be in order except for the Stennis amendment; is that not correct?

Mr. ROBERT C. BYRD. That is correct. May I say, in further response to the able Senator, that I know of an amendment which will be proposed by Senators Mondale and Nelson. I believe that amendment is germane. I know of two amendments that will be offered by the Senator from Delaware (Mr. Roth). There is also an amendment which I understand will be offered by the Senator from Florida (Mr. Chiles). I anticipate that that amendment will be germane.

But, in any event, for the protection of all the aforementioned Senators, I would include in my unanimous-consent request that those amendments be in order regardless of their germaneness. I do not think there is any problem.

Mr. PERCY. Further to indicate the protection that has been provided to Senators on this side of the aisle, I have conferred with the assistant minority leader, the Senator from Michigan (Mr. Griffin), and he has checked to the best of his ability as to whether Senators who have amendments need more time, or more time for debate and discussion; and, to the best of his knowledge, there are no Senators who have made any such requests. All have been notified on the audio system, and their offices have been notified. As a matter of fact, the floor manager of the bill, the chairman of the Government Operations Committee, the Senator from North Carolina (Mr. Ervin), and the Senator from Illinois, have indicated several times that it would be their hope, that we could actually finish by this evening; but we have all agreed that every Senator should have all the time necessary because of the tremendous importance of this bill to the Senate, to the Congress, and to the procedures under which we operate.

I have had a request from the distinguished Senator from Nebraska (Mr. Curtis) that he have time to speak on the bill. The distinguished Senator from New York (Mr. Javits) wishes to do so also, and he will do so at the time he offers his amendment.

So far as I know, the rights of all Senators have been protected by this. I feel it is now appropriate that we move forward to a time certain for a vote on the bill.

I would merely like to indicate the importance attached to this bill by everyone with whom we have been in touch. I think every Senator who has participated with us, particularly the leadership, which has leaned over backwards to make certain that we have given as thorough an analysis as possible and move forward as expeditiously as possible, should be commended.

The PRESIDING OFFICER. Is there objection?

Mr. ROBERT C. BYRD. Mr. President, before the Chair propounds the request, it occurs to me that Senator Proxmire had indicated to me that he may or may not have an amendment which he would wish to offer. I cannot recall precisely the nature of that amendment at this time, but I would venture to say that it would be germane. In any event, I think he ought to be protected, and we ought to have that understanding likewise in accepting this request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia?

The Chair hears none, and it is so ordered.

The text of the unanimous-consent agreement is as follows:

*Ordered,* That during the further consideration of S. 1541, the so-called "Federal Act to Control Expenditures and Establish National Priorities", debate on any amendment shall be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any amendment in the second degree, debatable motion or appeal shall be limited to ½ hour, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided,* That to the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or his designee: *Provided further,* That no amendment that is not germane to the provisions of the said bill (except two amendments to be offered by the Senator from Delaware (Mr. Roth), and one amendment each to be offered by the Senator from Mississippi (Mr. Stennis), the Senator from Wisconsin (Mr. Proxmire), the Senator from Florida (Mr. Chiles), and the Senator from Wisconsin (Mr. Nelson) shall be received.

*Ordered further,* That on the question of the final passage of the said bill, debate shall not exceed 6 hours, to be equally divided and controlled, respectively, by the Senator from North Carolina (Mr. Ervin) and the Senator from Illinois (Mr. Percy): *Provided,* That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

*Ordered further,* That the vote on final passage of the said bill shall occur at 2:00 p.m., on Friday, March 22, 1974.

## ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR CONSIDERATION OF THE UNFINISHED BUSINESS, S. 1541, TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately folowing the recognition of the two leaders or their designees under the standing order tomorrow, the Senate resume consideration of the unfinished business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR THE NELSON-MONDALE AMENDMENT TO BE LAID BEFORE THE SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the amendment to be offered by Mr. Nelson and Mr. Mondale be laid before the Senate at the close of business today and made the pending question on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATOR ROTH TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I would certainly want to protect Senator Roth, who I understand wanted to call up his amendment tomorrow. He has two amendments, one of which he will call up today, and one tomorrow. I ask unanimous consent that Mr. Roth be recognized upon the disposition of the Nelson-Mondale amendment tomorrow, to call up his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARRY F. BYRD, JR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator from North Carolina yield me 3 minutes?

Mr. ERVIN. I am delighted to yield 3 minutes to the Senator from Virginia.

Mr. HARRY F. BYRD, JR. I thank the Senator from North Carolina.

## "NATIONAL SECURITY" TAPS

Mr. HARRY F. BYRD, JR. Mr. President, the Washington Post today published an excellent article written by the distinguished Senator from Wisconsin (Mr. Nelson). The article deals in some detail with the question of wiretapping and the need to protect the citizenry of our Nation against unwarranted invasion of privacy.

Obviously, Senator Nelson's article involves a great deal of research. It is handled with great care, and it explores this very important subject in a comprehensive manner.

I commend the able Senator from Wisconsin (Mr. Nelson) on this article. I am not necessarily in agreement with every detail, but I support the general concept that he enunciates, and I am in general agreement with the views he expressed.

I ask unanimous consent that the article by Senator Nelson, published in today's Washington Post, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### "NATIONAL SECURITY" TAPS

(By Gaylord Nelson)

Civil rights leader Martin Luther King, Jr., newspaper columnist Joseph Kraft, former Nixon presidential aides William Safire and John Sears, former National Security Council staff members Morton Halperin and Anthony Lake, former congressional aide Dunn Gifford, and boxer Muhammed Ali—these citizens have something in common. Their telephone conversations have been wiretapped by the federal government for so-called "national security" reasons. And they are merely a handful among thousands.

In each case the government acted without obtaining a judicial warrant approving of the "tap." The government therefore did not explain to a court the justification for the surveillances. Nor did the government voluntarily inform any of the individuals involved that their telephone conversations had been secretly intercepted. Most of those tapped never learn about it.

Despite the righteous indignation of congressional representatives, lawyers, and the public, warrantless wiretapping continues. Last January the Justice Department reported that in one week it had authorized three warrantless wiretaps in national security cases—an average week's quota according to the department. The department did not indicate whether the taps included surveillances of American citizens. Nor did the department indicate the basis for believing the taps necessary. And that is precisely the problem.

Warrantless wiretaps give the government an unreviewed and unchecked power to invade a citizen's privacy. The government alone determines whom it should tap and when it should tap. Neither a court, nor the Congress, nor the individual involved has an opportunity to demonstrate that there is no justification for the tap.

Because they escape scrutiny by anyone outside government, warrantless wiretaps are a dangerous and fundamental assault on the individual's right to privacy and other civil liberties. They pose a threat to the freedom of every citizen, regardless of his or her station in life. In a 1928 surveillance case Supreme Court Justice Oliver Wendell Holmes called warrantless wiretaps "dirty business." In 1931, J. Edgar Hoover—who by then had been FBI director for seven years—called them "unethical" (his position softened in later years).

Warrantless taps also are, in my view, unconstitutional. The Fourth Amendment explicitly provides that every citizen should be free from government searches and seizures that are not authorized by a judicial warrant. There is no exception for "national security" cases. The basic notion underlying the amendment is that a neutral court—not a government blinded by its lawful investigatory responsibilities—should decide whether any search contemplated by the government is reasonable.

In the 1967 *Katz* and *Berger* decisions, the Supreme Court held that the Fourth Amendment's protections apply to government wiretapping. The Court also held in the 1972 *Keith* case that the government could not wiretap American citizens without a judicial warrant even when the citizen's activities threaten "domestic security." The Court reserved judgment, however, for those cases in which American citizens have a "significant connection" with foreign powers and their agents.

Because the Court has not yet decided this latter question, the present administration maintains that the government can, without a warrant, tap American citizens and others whose activities involve foreign affairs. It was on this basis that the Justice Department authorized three warrantless wiretaps last January.

Congress should not tolerate the continued use of these warrantless wiretaps for so-called "national security" purposes. It is indeed ironic for the government to invoke "national security" to violate those constitutional rights and liberties which the government is obligated to defend. And remedial legislation should include at least four basic elements.

First, before the government could wiretap American citizens for national security purposes, it should have to obtain a judicial warrant based on probable cause that a crime had been or was about to be committed. This provision would simply recognize the rights guaranteed to every citizen by the Fourth Amendment.

Second, before the government could wiretap foreign powers (i.e., embassies) or their agents, it should have to obtain a judicial warrant based on a belief that the surveillance is necessary to protect national security. The warrant standards for foreign power taps should thus be less rigorous than those applied to American citizens.

The justification for this second provision is plain. The government's desire to wiretap should be reviewed by a court. There should be no exceptions. Otherwise the exceptions could be stretched to sanction an unreasonable invasion of an American citizen's privacy. This second warrant requirement would in no way undermine the government's ability to protect against foreign attack or subversion; the government would be able to wiretap foreign powers and their agents any time there is a real need.

Third, every American citizen wiretapped should be informed of the surveillance within 30 days after the last authorized interception. This would afford the individual an opportunity to protect against violations of his constitutional rights. The disclosure of the wiretap should be postponed, however, if the government satisfies the court that the person wiretapped is engaged in a continuing criminal enterprise or that disclosure would endanger national security interests.

Fourth, there should be continuing congressional oversight of wiretaps and other surveillance activities engaged in by the government. At least once a year, representatives of the government should testify, under oath, before a joint congressional committee about their surveillance activities, in this way, Congress can determine whether the government is complying fully with the laws and whether additional legislation is needed to protect individual privacy.

A number of Senators have joined me in introducing two bills (S. 2820 and S. 2738) which incorporate these basic elements. Other bills might be able to improve on these measures. But in any event, the need for congressional action is clear. A citizen's constitutional right to privacy should not exist at the sufferance of some government official's definition of "national security."

The PRESIDING OFFICER. Who yields time?

Mr. HARRY F. BYRD, JR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HARRY F. BYRD, JR. The time to be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ERVIN. I yield 2 minutes to the distinguished majority leader.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed a bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments, in which it requested the concurrence of the Senate.

## ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 5236) to provide for the conveyance of certain mineral interests of the United States in property in Utah to the record owners of the surface of that property.

The VICE PRESIDENT subsequently signed the enrolled bill.

## HOUSE BILL REFERRED

The bill (H.R. 11929) to amend section 15d of the Tennessee Valley Authority Act of 1933 to provide that expenditures for pollution control facilities will be credited against required power investment return payments and repayments, was read twice by its title and referred to the Committee on Public Works.

## DEATH OF CHET HUNTLEY

Mr. MANSFIELD. Mr. President, it is with a sense of deep personal regret that I note the passing yesterday morning of an old friend and a man well known to all of us, Chet Huntley, who passed away in Bozeman, Mont.

Chet Huntley was born in Montana. He lived in Saco, along the highline, in Cardwell, in the Jefferson County. His folks had a ranch in that area and one later at Reedpoint, in the eastern part of the State. His mother, of course, lives in Billings.

About 4 years ago, Chet Huntley left a well-paying position as the other half of the Huntley-Brinkley team to return home to Montana, and there he was the driving force behind the Big Sky recreational facility. It is sad to note that the formal dedication of Big Sky was to take place this coming weekend.

Chet had a great love for Montana, and Montana had great affection for him. There is not much that one can say about a friend who is so well known. I can only say that, while I did not expect him to last too long after cancer was found 2 months ago, I certainly did not expect him to pass away from this Earth so soon.

Chet made many contributions because of his frankness and candor, not only on a nationwide scale but I think in the field of international affairs as well. Certainly, he had a great effect upon his native State. His was a most productive and fulfilling life and he left his mark indelibly in the pursuits he chose; chiefly, as a newscaster, analyzer and interpreter of prominent significance. It is for these reasons that we mourn the passing of this distinguished American, this Montanan of the first rank, this man who was a good friend, and this man who contributed so much to his State and to the Nation.

At this time, on behalf of Mrs. Mansfield and myself, I wish to extend deepest condolences to his wife, Tippy, to his two daughters, and to his mother, who, as I said earlier, lives in Billings, Mont.

May his soul rest in peace.

Mr. President, I ask unanimous consent that the obituary in today's New York Times be printed in the Record.

There being no objection, the obituary was ordered to be printed in the Record, as follows:

### Chet Huntley, 62, Is Dead; Gave the News to Millions—Half of Huntley-Brinkley Team on NBC TV Almost 15 Years

(By Michael T. Kaufman)

Chet Huntley, the former television newscaster, died of cancer yesterday in Bozeman, Mont., where he was preparing for the dedication this Saturday of a $25-million recreational complex called Big Sky, which he had organized. He was 62 years old and had undergone surgery two months ago for abdominal cancer.

Until almost four years ago, Mr. Huntley appeared nightly on the National Broadcasting Company's "Huntley-Brinkley Report." A consumer-research company found in 1965 that he and David Brinkley, his news partner, were recognized by more adult Americans than Cary Grant, James Stewart, the Beatles and John Wayne.

Not all of these adult Americans were sure which of the two was which, but most recognized that the tall, rangy one with the low-timbered voice was Chet Huntley. Mr. Brinkley, who is still on the air, is more boyish and slight.

They appeared together almost 15 years, describing wars, assassinations, strikes, elections, floods. They also reported on long hair, roller-skating postmen and lesser events of the day. With dashes of humor spicing an essentially serious, authoritative delivery, they created one of television's most consistently successful programs.

#### "GOOD NIGHT, DAVID"

The program's coda, "Good night, David"—"Good night, Chet," was heard each night by many millions. It was parodied each day by thousands and like Jimmy Durante's "Good night Mrs. Calabash, wherever you are," and Edward R. Murrow's "Good night and good luck," the sign-off became part of the language.

Last night the "N.B.C. Nightly News," Mr. Brinkley spoke of the years the two men worked together.

"Most pleasant to think about," Mr. Brinkley said, "was that wherever we traveled around this country we both ran into younger people, college age and older, who said: 'You know I grew up with you guys. You were part of my youth, part of my education and part of my life.' He certainly was touched and moved and affected by that. He had that to think about and the knowledge that he always told them the truth as far as he knew it. . . .

"I guess we and television grew up together. Now, that part of it is over, and I believe Chet had every right to think he had left the American people something useful, honest and of permanent value."

Mr. Huntley's last good night as his partner came in July of 1970. The first was in 1956, when he and Mr. Brinkley were the staff correspondents chosen by N.B.C. as anchor men for news coverage of the Democratic and Republican National Conventions.

Originally, the intention had been that they would alternate. But without previous design, the two stayed on camera together, interweaving their commentary.

#### REPLACEMENT FOR SWAYZE

At that time network executives were searching for someone to take the place of John Cameron Swayze on the nightly news. They had wanted John Hersey, the author, but he had turned them down. Others sought Henry Cabot Lodge Jr., who preferred to stay on as United States representative at the United Nations. Mr. Huntley and Mr. Brinkley were the third choice. They did their first show Oct. 20, 1956.

From the start the two complemented each other. Mr. Brinkley was the sophisticated easterner, with a dry understated irony and a puckish smile. Mr. Huntley was more serious, even somber. He was the rangy Westerner, who with a naive doggedness questioned what seemed to him unusual or strange. Sometimes the commentary consisted of nothing more than an expressive raised eyebrow.

Mr. Huntley's ties to the West and the frontier were very strong. The furnishings of his modern office at Rockefeller Center included the rolltop desk his father had used as a railroad telegrapher in Bozeman, a brass spittoon and an 1870 Winchester rifle.

His experiences growing up on his grandfather's sheep ranch near the Canadian border formed the heart of his 1968 book, "The Generous Years: Remembrances of a Frontier Boyhood."

In it, he wrote of a high school English teacher named Callie Allison, who taught him grammar and instilled in him a respect for the language. With her encouragement he won a scholarship in a national debating contest.

He went to the University of Washington, and in his last year worked at KPCB, a small radio station in Seattle.

"I did everything from sweeping out the joint to spinning records, writing advertising copy, dreaming up new programs and running the transmitter when the engineer went out for coffee," Mr. Huntley recalled.

Jobs at a number of local stations followed and stints as an announcer at danceband contests. In 1937, he joined the N.B.C. affiliate in Los Angeles. For the next 20 years he worked mostly on the West Coast for each of the three major networks. He won national awards for a radio series on discrimination against Mexican Americans and for his reporting on the wartime relocation of Japanese Americans.

He gained a reputation as a hard-working reporter who was not afraid to interject commentary. In the early nineteen-fifties he was attacked by anti-Communist vigilantes angered by his outspoken criticism of Senator Joseph R. McCarthy. At one point, Mr. Huntley went to court and won a $10,000 slander judgment against a woman who had denounced him as a Communist.

#### CROSSED PICKET LINE

Perhaps his most controversial move came on March 29, 1967, when he crossed picket lines set up by striking members of the American Federation of Television and Radio Artists. His partner, Mr. Brinkley, honored the strike. Mr. Huntley, who was then believed to be earning about $200,000, said he didn't think newsmen belonged in a union with singers and dancers.

Shortly after that, Mr. Huntley had to sell his New Jersey cattle farm because of vandalism and sniping attacks on his herd.

In 1968, the Federal Communications Commission rebuked N.B.C. for allowing Mr. Huntley to deliver attacks on Federal meat-inspection requirements while having interests in a cattle-feeding concern. More recently, he was attacked for the Big Sky project by conservationists who said the scheme defaced wilderness area. Characteristically, Mr. Huntley fought back, calling his critics "so-called conservationists."

Mr. Huntley's first marriage, to Ingrid Rolin, ended in divorce in 1959.

He is survived by his widow, the former Tipton Stringer, who was a television weather broadcaster; two daughters of his first marriage, Mrs. Sharon Arensmeier and Mrs. Leanne Khajazi; his mother and three sisters.

Mr. METCALF. Mr. President, the Nation and his home State of Montana mourn today the passing of a distinguished American, Chet Huntley. One of the truly great newsmen of this country, he will be missed by all who knew him.

Pioneer in television journalism, winner of nearly every major award, employee of all three national networks but best remembered for his long association with David Brinkley on NBC, Chet was known to millions of Americans. His death at 62 to lung cancer was not totally unexpected, but that does not ease our loss.

Chet was born and raised in Montana and received most of his undergraduate college education at Montana State University in Bozeman. When he retired from broadcasting in mid-1970, he returned to the beautiful Gallatin Valley. There he died yesterday, within a few miles of Bozeman.

Chet Huntley has always occupied a special place in the hearts of Montanans. We were proud of his national accomplishments, pleased that he returned to us after retirement, and terribly saddened at the news of his death. We will miss him very much.

Mr. President, Mrs. Metcalf and I extend to Tippy and to the other members of the Huntley family our deepest condolences on the death of Chet. He was a fine person and a great American.

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## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on

Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time be charged equally against both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ERVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. I yield 5 minutes on the bill to the Senator from Alabama for such use as he may see fit to make of it.

Mr. ALLEN. I thank the distinguished Senator from North Carolina.

## PUBLIC FINANCING OF FEDERAL ELECTIONS

Mr. ALLEN. Mr. President, I understand from the leadership that after the present bill has been disposed of, S. 3044, the public financing of Federal elections bill, will be laid before the Senate and made the pending business.

I would like to outline several amendments that I plan to offer to this bill. I have one amendment I wish to send to the desk at the conclusion of my remarks for printing and to lie on the desk.

Mr. President, the first amendment that I will offer is an amendment that would provide that the so-called checkoff, which is being doubled under the bill, require affirmative action by the taxpayer. The bill as reported by the Committee on Rules and Administration provides that if the taxpayer does not object to the checkoff then it will be presumed that he wants the checkoff to apply.

The amendment would be an amendment that was offered last year and adopted, I believe, by a voice vote in the Senate. It was offered by the distinguished Senator from Louisiana and it would require affirmative action by the taxpayer to implement the checkoff.

Under the bill coming out of committee the effect of that would be that if the taxpayer did not check off the $2 or $4, as provided by the bill, then it will be presumed that he intended that it be checked off, which is just the opposite of what his action would indicate he wanted done. That would require that it be affirmative.

Another amendment would strike title I in its entirety, which provides for the public financing of Federal elections. There is a lot of good in the bill and if we could prune out the public financing feature then certain other features of the bill would be good. So an effort will be made to strike title I.

Then, another amendment will be offered which would cut the amount of the permissible contributions from the $3,000 per person per election down to the amount which the bill provides can be matched with Federal funds, that amount being $100 in congressional elections, congressional meaning House and Senate races both, and then $250 in campaigns for the Presidential nominations of the major parties. So an effort will be made to cut the amount of the maximum contribution from the $3,000 provided in the bill, which is a deduction, of course, under the present law, down to $250 in Presidential nomination campaigns and down to $100 for congressional races, the theory being that those amounts are the only ones that can have equal matching from the public treasury, and what is the use of permitting excess contributions which could not be matched.

So, Mr. President, another amendment will be offered to strike title V in its entirety. That is the one that doubles the checkoff and the amount.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ERVIN. I yield to the distinguished Senator 3 additional minutes on the bill.

The PRESIDING OFFICER. The Senator is recognized.

Mr. ALLEN. The other feature is a doubling of the credit amount or the deduction amount or the deduction amount by a taxpayer contributing to political races.

Another amendment would be to add a new section providing for the elimination of honoraria to Members of Congress. That amendment reads:

> No Member of Congress shall accept or receive any honorarium, fee, payment, or expense allowance other than for actual out-of-pocket traveling and lodging expenses from any source whatsoever for any speech, article, writing, discussion, message, or appearance other than in payment of his official salary and for official reimbursements or allowances from the U.S. Treasury.

The theory behind this amendment would be that inasmuch as the Senate has acted and has vetoed, in effect, the President's recommendation for a salary increase for Members of Congress, this would prevent Members of Congress from receiving honorariums and it is closely allied to the matter of contributions. It was with that thought in mind it is being offered.

Mr. President, I send the last amendment to which I made reference to the desk and ask that it lie on the table and be printed, to be called up at a later date.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. A quorum call is in progress.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I call up an amendment which I have at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ROTH. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH's amendment is as follows:

> On page 184, line 5, strike all of Title X and insert, in its place, Title X—Impoundment Control Procedures.
>
> SEC. 1001. Transmission of Special Messages by President.
>
> (a) In general.—Whenever the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any officer or employee of the United States impounds any budget authority authorized or made available for a specific purpose or project, or orders, permits, or approves the impounding of any such budget authority by any other officer or employee of the United States, the President shall, within ten days thereafter, transmit to the House of Representatives and the Senate a special message specifying—
>
> (1) the amount of the budget authority impounded;
>
> (2) the date on which the budget authority was ordered to be impounded;
>
> (3) the date the budget authority was impounded;
>
> (4) any account, department, or establishment of the Government to which such impounded budget authority would have been available for obligation except for such impoundment, and the specific projects or governmental functions involved;
>
> (5) the period of time during which the budget authority is to be impounded;
>
> (6) the reasons for the impoundment, including any legal authority invoked by him to justify the impoundment;
>
> (7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment; and
>
> (8) all facts, circumstances, and considerations relating to or bearing upon the impoundment and the decision to effect the impoundment, including an analysis of such facts, circumstances, and considerations in terms of their application to any legal authority and specific elements of legal authority invoked by him to justify such impoundment, and to the maximum extent practicable, the estimated effect of such impoundment upon the objects, purposes, and programs for which the budget authority was provided.

(b) Delivery to House and Senate.—Each special message submitted pursuant to subsection (a) shall be transmitted to the House of Representatives and the Senate on the same day, and shall be delivered to the Clerk of the House of Representatives if the House is not in session, and to the Secretary of the Senate if the Senate is not in session. Each special message so transmitted shall be referred to the Committee on Appropriations of the House of Representatives and to the Committee on Appropriations of the Senate; and each such message shall be printed as a document for each House.

(c) Transmission to Comptroller General.—A copy of each special message submitted pursuant to subsection (a) shall be transmitted to the Comptroller General of the United States on the same day it is transmitted to the House of Representatives and the Senate. In order to assist the Congress in the exercise of its functions under sections 1002 and 1004 the Comptroller General shall review each such message and inform the House of Representatives and the Senate as promptly as possible with respect to (1) the facts surrounding the impoundment set forth in such message (including the probable effects thereof) and (a) whether or not (or to what extent), in his judgment, such impoundment was in accordance with existing statutory authority, provided, however, that the authority hereby conferred shall not be used for the purpose of eliminating a program the creation or continuation of which has been authorized by Congress.

(d) Transmission of supplementary messages.—If any information contained in a special message submitted pursuant to subsection (a) is subsequently revised, the President shall within ten days transmit to the Congress and the Comptroller General a supplementary message stating and explaining such revision. Any such supplementary message shall be delivered, referred, and printed as provided in subsection (b); and the Comptroller General shall promptly notify the House of Representatives and the Senate of any changes in the information submitted by him under subsection (c) which may be necessitated by such revision.

(e) Printing.—Any special or supplementary message transmitted pursuant to this section shall be printed in the first issue of the Federal Register published after such transmittal.

(f) Publication of impoundments.—The President shall publish in the Federal Register, each month a list of any budget authority impounded as of the first calendar day of that month. Each such list shall be published no later than the tenth calendar day of the month and shall contain the information required to be submitted by special message pursuant to subsection (a).

### SEC. 1002. Disapproval of impoundments by House or Senate.

Any impoundment of budget authority set forth in a special message transmitted pursuant to section 1001 shall cease if within sixty calendar days of continuous session after the date on which the message is received by the Congress the specific impoundment shall have been disapproved by either House of Congress by passage of a resolution in accordance with the procedure set out in section 1004. The effect of such disapproval shall be to require an immediate end to the impoundment.

### SEC. 1003. Definition of Impoundment.

For purposes of this title, the impounding of budget authority includes—

(1) withholding or delaying the expenditure or obligation of budget authority (whether by establishing reserves or otherwise) appropriated for projects or activities, and the termination of authorized projects or activities for which appropriations have been made, and

(2) any other type of Executive action or inaction which effectively precludes the obligation or expenditure of authorized budget authority or the creation of obligations by contract in advance of appropriations as specifically authorized by law.

### SEC. 1004. Congressional Procedures.

(a) Definition of resolution; Continuity of session.—

(1) For purposes of this section and section 1002 the term "resolution" means only a resolution of the House of Representatives or the Senate which expresses its disapproval of an impoundment of budget authority set forth in a special message transmitted by the President under section 1001, and which is introduced and acted upon by the House of Representatives or the Senate (as the case may be) before the end of the first period of sixty calendar days of continuous session of the Congress after the date on which the President's message is received by the Congress.

(2) For purposes of this section, and section 1002, the continuity of a session shall be considered as broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the sixty-day period referred to in paragraph (1) of this subsection (and in section 1002) and the thirty-day period referred to in subsection (c)(1). If a special message is transmitted under section 1001 during any Congress and the last session of such Congress adjourns sine die before the expiration of sixty calendar days of continuous session (or a special message is so transmitted after the last session of the Congress adjourns sine die), the message shall be deemed to have been retransmitted on the first day of the succeeding Congress and the sixty-day period referred to in paragraph (1) of this subsection and in section 1002 (with respect to such message) shall commence on such first day.

(b) Referral.—Any resolution introduced with respect to a special message shall be referred to the Committee on Appropriations of the House of Representatives or the Senate, as the case may be.

(c) Discharge of Committee.—

(1) If the committee to which a resolution with respect to a special message has been referred has not reported it at the end of thirty calendar days of continuous session after its introduction, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution with respect to the same message which has been referred to the committee.

(2) A motion to discharge may be made only by an individual favoring the resolution, may be made only if supported by one-fifth of the Members of the House involved (a quorum being present), and is highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same special message); and debate thereon shall be limited to not more than one hour, to be directed equally between those favoring and those opposing the resolution. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same special message.

(d) Floor consideration.—

(1) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to a special message, it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate on the resolution shall be limited to not more than two hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(e) Motions.—Motions to postpone, made with respect to the consideration of a resolution with respect to a special message, and motions to proceed to the consideration of other business, shall be decided without debate.

(f) Appeals.—All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to any resolution referred to in this section shall be decided without debate.

### SEC. 1005. Reports of Impoundments by Comptroller General.

If the Comptroller General finds that the President, the Director of the Office of Management and Budget, the head of any department or agency of the United States, or any other officer or employee of the United States has impounded any budget authority authorized or made available for a specific purpose or project or has ordered, permitted, or approved the impounding of any such budget authority by any other officer or employee of the United States, and the President fails to transmit a special message with respect to such impoundment as required by this title, the Comptroller General shall report such impoundment and any available information concerning it to both Houses of Congress; and the provisions of this title shall apply with respect to such impoundment in the same manner and with the same effect as if such report of the Comptroller General were a special message submitted by the President under section 1001, with the sixty-day period provided in section 1002 being deemed to have commenced at the time at which the Comptroller General makes the report. As used in section 1004, the term "special message" includes a report made by the Comptroller General under this section.

### SEC. 1006. Suits by Comptroller General to enforce controls.

The Comptroller General is hereby expressly empowered as the representative of the Congress through attorneys of his own selection, with the approval of the Congress in any particular case, to sue any department, agency, officer, or employee of the United States in a civil action in the United States District Court for the District of Columbia to enforce the provisions of this title, and such court is hereby expressly empowered to enter in such civil action any decree, judgment, or order which may be necessary or appropriate to secure compliance with the provisions of this title by such department, agency, officer, or employee. Within the purview of this section, the Office of Management and Budget shall be construed to be an agency of the United States, and the officers and employees of the Office of Management and Budget shall be construed to be officers or employees of the United States.

SEC. 1007. Repeal of existing impoundment reporting provision.

Section 203 of the Budget and Accounting Procedures Act of 1950 is repealed.

SEC. 1008. Disclaimer.

Nothing contained in this title shall be construed as—

(1) asserting or conceding the constitutional powers or limitations of either the Congress or the President;

(2) ratifying any impoundment heretofore or hereafter executed or approved by the President or any other Federal officer or employee, except insofar as pursuant to statutory authorization then in effect; or

(3) affecting in any way the claims or defenses of any party to litigation concerning any impoundment ordered or executed before the date of the enactment of this Act.

**Mr. ROTH.** Mr. President, this is an argument I have made before in this Chamber, so I will try to keep my remarks brief. The amendment follows very closely the language of the House-passed bill H.R. 7130 in which the issue of impoundments was thoroughly debated and upheld by a vote of 295 to 108. I have introduced this House title as a substitute for the existing title X of S. 1541, but I want to point out to my colleagues that I have added one important feature.

Under the language in H.R. 7130, the Comptroller General is required to rule on his interpretation of the legality of any impoundment, to act, in a sense, as the Congress agent, so that every reservation of funds need not necessarily be presented for a vote of affirmation or rejection. This is only sensible, since I feel that many of us agree that the Executive should have certain limited authority to save public money when this is done in the spirit of prudent administrative and managerial responsibility. But I have added the following clause, to insure that the Comptroller has the ability to challenge wholesale impoundments that might distort or even negate the intent of Congress.

That language is that—

> The authority hereby conferred shall not be used for the purpose of eliminating a program, the creation or continuation of which has been authorized by Congress.

### THE IMPORTANCE OF BALANCE

Mr. President, earlier in this debate over the budget reform bill, I made an earnest plea to have Congress put some teeth back into the legislation, to have us construct a system, a mechanism under which the budget resolution would become a meaningful step in the annual cycle of budget decisions. I feel most strongly that a resolution, easily breached, is no resolution at all. Instead, it is a device to allow Congress the luxury of touting reform without being constrained by any real discipline.

As I see the legislation at this point, I feel that the President must have some latitude to recommend program reservation, provided that he cannot use this authority to totally subvert the will of Congress.

Specifically, this language seeks to change the thrust of the language in title X. My amendment would provide that impoundments made by the President will stand unless Congress overrules him. I think this makes only good sense. Let me point out why. Congress adopts, from time to time, a debt ceiling. The President, under the Constitution, has the responsibility and the obligation to abide by that debt ceiling.

He cannot spend in a manner that would exceed that ceiling, so long as there is no further action by Congress.

Yet if we passed this legislation as submitted, next year we could be putting the President in an inflexible position unless Congress chooses to act.

Last fall, Congress adopted a debt ceiling that is consistent with $250 billion in spending during the current fiscal year. Any spending beyond that amount would exceed the debt ceiling and violate it. So if the President is withholding for that purpose, he is merely trying to abide by the ceiling adopted by Congress, and that only makes sense to me.

But what we are saying under the present title is that the President could not use any Executive discretion at all. Unless Congress saw to it that all of its actions were truly consistent, we could possibly be in the ambiguous position of not complying with the debt ceiling, and that could raise all kinds of ramifications.

Let me stress that Congress has the opportunity to disprove any Presidential impoundment action by a simple majority vote, in either House. That is hardly an overwhelming task for us. We approve and disapprove hundreds of motions every year.

Second, we will not be bombarded with referrals to the floor. The Comptroller General will act as a filter, picking out those actions he feels have been taken without proper statutory authority. His expertise and counsel should help us to deal with this problem more expeditiously.

The existing title X, based on a bill submitted recently by Senator ERVIN, would ban all but the most tightly defined impoundments, and give the Comptroller General the right to sue, in our behalf, to have an action overruled in court. But should this be a matter we delegate to the courts? Are we saying that Congress, which most closely represents the interests of the program recipients, should wash its hands of the matter, delegating it to the GAO and the courts?

I, for one, feel we would be abdicating our authority and responsibility, if we did. Why under the system I propose, our House of Congress could settle the issue in a day, in a matter of hours, if it took such umbrage with a Presidential impoundment referred through the Comptroller. All that would be required under expediting rules is a simple resolution of disapproval from the Appropriations Committee and a simple majority vote of one house. With a minimal quorum present, as few as 26 Senators could overrule the President under my proposal.

Mr. President, I would like to make a couple of observations. I think most of the principal points have already been covered.

First, I should like to reemphasize that at one time, the distinguished principal sponsor of this title proposed the use of congressional disapproval.

Second, the chairman of the House Appropriations Committee apparently feels that this is an appropriate method of bringing about some control, as does a firm majority of the entire House. So it is hardly a partisan fight. We are all faced with the real, and ever present problem of gaining effective control over our actions.

But I think the most important point to make is that Congress will not be fulfilling its responsibility merely by the impoundment proposal now contained in S. 1541. We would be making it impossible, really, to bring the budget within control. The House and the Senate do not—I would like to emphasize do not—consider each appropriation in the context of the whole budget. And under the mechanism the Senate has approved, I suspect we will not depart too far from our present-day patterns of behavior.

If we really are going to be fiscally responsible, we ought to adopt a legislative budget, break it down by priorities, and set the limits of each of those categories. We are not doing that. But here we are saying to the President, "You cannot impound unless the courts get around to approving your action." We could get by, doing nothing, just sitting on our hands. We would not be required to indicate our vote.

I think it should be our obligation, when impoundments are reported, that we stand up and be counted.

At the present time, the President does not have a very effective voice in the final enactment of spending bills. We have 13 regular appropriations, each including many items. They come late in the year. Normally it is impossible for the President to veto them.

I feel that this bill in its present form will only continue the fragmented budgetary process; and by passing this measure, we are going to make it more difficult to bring control into the picture.

The President is impounding now because Congress has not been willing to live within a budget and establish difficult priorities. He is acting because there is a vacuum. I think it is our responsibility to adopt both a comprehensive procedure which will insure that Congress has to "face the music," and failing that, at least has to be counted on the occasion of any impoundment which the Comptroller feels has been made outside the legitimate territory of statutory guidelines.

**Mr. MUSKIE.** Mr. President, may I say first that title X as a way to deal with the impoundment issue was developed as a way to cut through the impasse between the House and Senate versions of the impoundment legislation.

The version enacted by the Senate, three times in the Congress, provides very precisely that impoundment shall not take effect unless approved by Congress.

The House version provides that impoundment shall take effect unless disapproved by Congress.

Clearly, the difference between the two is that with the House version, the burden is placed on Congress to act. With respect to the Senate version, the appropriation initially approved by Congress stands until Congress itself agrees to the modification.

What we are talking about in impoundment legislation is to strengthen the hand of Congress in a situation where power has shifted toward the President because of his excessive use of authority under the Antideficiency Act. Those two pieces of legislation enacted in two Houses, so diametrically opposed to each other, have left us in an impasse for several months. Neither side was interested in going to conference because there was no way of compromising those two fundamentally contrary theories.

It is for that reason that Senator ERVIN and I introduced legislation, which is now incorporated in title X of the bill, which seeks to cut through the impasse. We seek to do it by a simple amendment of the Antideficiency Act.

It might be useful if I explain the technique.

The purpose of title X is to define and clarify the authority of the President and other officers and employees of the executive branch to place appropriated funds in reserve. The Antideficiency Act, as amended in 1950 (31 U.S.C. 665), permitted executive officers to establish reserves "to provide for contingencies, or to effect savings whenever savings are made possible by or through changes in requirements, greater efficiency of operations, or other developments subsequent to the date on which such appropriation was made available." The language of section 1001 in the pending measure retains the authority to establish reserves for contingencies, or to effect savings whenever savings are made possible by changes in requirements or greater efficiency of operations. That language in the Antideficiency Act is retained. Indeed, it is essential in terms of sensible administration of programs authorized by Congress. But the "other developments" clause would be deleted by this bill because it has been treated by some officials of the executive branch as a justification for establishing reserves because of economic or other developments. Clearly that use was never intended by the Congress. It is that use which has provoked this controversy over impoundments.

Section 1001 further defines the boundaries of the Antideficiency Act by prohibiting the use of reserves for fiscal policy purposes or to achieve less than the full objectives and scope of programs enacted and funded by Congress. The apportionment process is to be used only for routine administrative purposes such as to avoid deficiencies in executive branch accounts, not for the making of policy or the setting of priorities.

The committee's amendments to the Antideficiency Act are fully consistent with the legislative intent and history of the 1950 amendment. The 1950 language was anticipated in a June 5, 1947 joint report by the Bureau of the Budget and the General Accounting Office. The Senate Committee on Appropriations had asked the two agencies to recommend ways of improving the Antideficiency Act. The resulting report, which recommended clarified authority for setting aside reserves for contingencies and savings, stated that the authority "must be exercised with considerable care in order to avoid usurping the powers of Congress." In reporting the antideficiency language in 1950, the House Committee on Appropriations explained that the technique of setting aside reserves was not to be used to thwart the will of Congress: "It is perfectly justifiable and proper for all possible economies to be effected and savings to be made. But there is no warrant or justification for the thwarting of a major policy of Congress by the impounding of funds." H. Rept. No. 1797, 81st Cong., 2d Sess., p. 311. Moreover, nothing in the language or legislative history of the Antideficiency Act suggests in any way that Congress intended the executive branch to place funds in reserve as part of economic policy.

That the committee's amendments to the Antideficiency Act are also consistent with recent decisions by Federal courts is demonstrated with regard to withholding funds for fiscal policy purposes. Judge Oliver Gasch of the U.S. District Court for the District of Columbia disagreed with the administration that the executive branch could withhold funds simply because it—

> Desires to control overall federal spending or to give priority to other programs which it believes are more laudable. Control of federal spending is an entirely laudable objective, but there is no authority either in Article II of the Constitution or in the case law, for the defendants' position that they may achieve this by refusing to comply with the terms of a statute.

*Massachusetts* v. *Weinberger* (Civ. Action No. 1303–73, D.D.C.) and *District of Columbia* v. *Weinberger* (Civ. Action No. 1322–73, D.D.C.). Reprinted at 119 CONGRESSIONAL RECORD, pp. 2656–71 (July 30, 1973).

So, Mr. President, title X is designed to correct the problem that was generated by improper interpretation of the Antideficiency Act by the executive, to use it for purposes it was never designed to serve. So, in order to break the impasse between the House and the Senate, which has left us in a stalemate on this issue for the past several months, this technique was developed by Senator ERVIN and myself. I think it makes a great deal of sense. It makes a great deal of sense that it be included in a piece of legislation dealing with congressional procedures dealing with the budget, procedures designed to develop budgetary and fiscal discipline in the ways in which Congress manages its fiscal affairs.

It is our belief, those of us who have participated in the development of this legislation, that it will have that effect. If it will not, then this is all a hopeless exercise. If it will not, Congress will find other ways to be spendthrift, I am sure. But if budget reform legislation achieves its objective of fiscal discipline in the Congress and in the executive, there will be no need in the future for the kind of confrontation between the executive branch and the Congress which has been represented by this impoundment issue.

May I make the point that the impoundment issue has reached several of the district courts. It has been decided by one circuit court and in nearly every case where there has been a judicial decision, the result has been favorable to the congressional position on impoundment, justifying—at least, from the point of view of this Senator—my interpretation of the legislative history behind the Antideficiency Act.

So I think that the technique in this bill devised by Senator ERVIN and myself is right on point. It deals with the problem in a precise way. It simply extends the Antideficiency Act in accordance with its initial philosophy.

For that reason, in order to settle this issue, and in order to get it resolved, in order to get impoundment legislation adopted, I would oppose the amendment of the distinguished Senator from Delaware, who has contributed much to the development of this budget reform legislation, but who I believe is eminently wrong on this issue.

Mr. ROTH. Mr. President, I agree with the distinguished Senator from Maine that the question of impoundment should be resolved. I believe very strongly that the President should not use the power of impoundment to kill or basically eliminate any program that has been authorized by Congress. As I mentioned earlier, it was for that reason that I did add a proviso to the House version that would make that perfectly clear in the legislation.

What concerns me is the cure. It seems to me that Congress, itself, and not the courts should be the one to decide whether or not an impoundment should be put into effect. I believe that is the responsibility of Congress. There has been much talk in recent months and in recent days not only about the President improperly using the impoundment, but likewise, about Congress not living up to its full responsibility.

All I am proposing is that the enforcement procedures be put in Congress rather than in the courts. I should like to point out that what I have proposed is not a partisan matter. As a matter of fact, it has been adopted by the U.S. House of Representatives, of which the Democratic Party is the majority. So what we are arguing about today is not, as I said, partisan in nature.

Second, it seems to me that what we are saying here is that Congress does have a responsibility to look at each proposed impoundment of the President. My proposal would give greater authority to Congress, as we could kill any impoundment, whether or not it was within the antideficiency legislation.

For that reason, I urge the adoption of my amendment, on the grounds that, in my judgment, it would bring a greater voice in governmental affairs to Congress and greater responsibility to its Members.

Mr. President, I intend to ask for the yeas and nays at the appropriate time.

Mr. MUSKIE. Mr. President, the distinguished Senator and I are interested in resolving this impoundment issue. He would prefer to see it resolved in Congress rather than in the courts.

May I say, in commenting on that, that the only progress toward resolving it has been made in the courts, and no progress has been made in Congress. On that record, I do not think we should adopt a procedure which excludes the judicial process from a resolution of the issue.

I repeat that all title X does is to incorporate the original intention of the Antideficiency Act, so that it will clearly not support the abuse of the impoundment authority which the courts have documented, the abuse of the impoundment authority as exercised by this administration.

So if the Antideficiency Act was originally sound—and I believe it was—as originally intended, all title X does is to reestablish it on its original base. I do not see how there can be serious quarrel with that objective.

**Mr. PERCY.** Mr. President, I have agreed to many of the efforts of the distinguished Senator from Delaware and what he has tried to accomplish. Ever since he became a Member of the Senate, he has been the voice and the conscience of the taxpayer. He has been the watchdog over the Treasury, and has served with distinction on both the Joint Study Committee on Budget Control and the Government Operations Committee working on this bill. As I said the other day, he has become a worthy successor to another great Senator from Delaware, Senator WILLIAMS.

In this case, I think we have agreement in philosophy, but a difference in how we implement our philosophy.

I was interested when Arthur Burns, in talking of the budget reform legislation, made this comment with respect to impoundment of funds:

> Once those procedures are modified to enable Congress to regain control over total outlays and to determine priorities among competing programs, there should be no occasion for broadscale impounding of funds by the President.

That, of course, is the hope all of us have.

I have the feeling that sometimes when we have been able to shift responsibility, we have not always taken the action we would take or the position we would assume if our action were final and had to stand.

I have no hesitancy in saying that I have heard Members of this body vote on issues, and then when they have been asked, "How can you justify such a large spending figure?" they have said to me, "Oh, the House is going to cut it, anyway." That was a recognition that what we did was vote for too much, but what we were actually doing was voting a bargaining position. We did not believe—in fact, we hoped—that the House would not accept the figure because the figure we put in would be an irresponsible one.

I presume that in years past, as Presidents have impounded funds, Congress, as a whole, has in a sense said, "Well, we will send it downtown. Let them take the rap down there for not spending the money. After all, it will be their decision. We added money to the program. We provided the funds; and if the President wants to take the rap for cutting them back, then let him do it."

I have seen President Johnson have to step up and stop the construction, in the middle of a building boom in Chicago, of a second big Federal building, because he felt it would simply add to inflation, that it would be a misuse of funds at that particular time. Why not build certain of our Federal buildings—those that are not urgently needed—at a time when we need a stimulant to the economy, rather than when they would add to inflation? We have seen the same in the spending of highway trust funds, and so forth.

I believe that the whole philosophy of what we are trying to accomplish in this bill is now to have Congress take back the responsibility that the Constitution gives us and to have us say to ourselves that once we put these figures in and commit spending at these levels, we have to count on the fact that they are going to be spent. Now we have had district courts support the fact that their interpretation of the situation is such that the President cannot impound these funds, and in effect they must be spent.

Therefore, I feel that we should now put Congress in the position where it has to bite the bullet; it has to take the final responsibility; and it cannot pass the buck to the executive branch of the Government and say, "We are going to pass all these bills and then if it is improper if it should not be done, if it is going to have an adverse effect on the economy, whatever it may be, you take the rap for impounding them." We are going to have to take the rap. I want us to take the rap; because if we have that final responsibility, we may not authorize that much money in the first instance and we may once again become what the Constitution expected us to be—the watchdog of the Treasury—by keeping that responsibility right here in Congress, where it belongs.

We are doing so now, with the provisions of this bill, providing for ourselves adequate staff, adequate research, and adequate backup for these positions.

For that reason, I would tend to oppose—in fact, I will have to vote against—the amendment offered by the distinguished Senator, though I respect very much his overall efforts, with a great portion of which I have found myself in agreement.

**Mr. ROTH.** Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

**Mr. ROTH.** Mr. President, I should like to answer the distinguished Senator from Illinois. There is not a great deal of need to continue the discussion further, as this matter has been much debated.

What I am saying to him is that the legislation in title X, in its present form, simply means that Congress is passing the buck. It is passing the buck to the courts. What I am asking is that we take that power back here, that Congress should determine whether or not an impoundment should go into effect.

I point out, further, that under my amendment—which, as I noted earlier, has been adopted by the House—only a simple majority of either House is required to veto an impoundment of the President. I think that has great advantages. First of all, it does provide some flexibility in Federal spending. I believe that the average citizen in this country feels that this Government spends too much unwisely, and will heartily endorse any efforts we make to cut back on Federal spending.

Second, I agree with those who say that the President should not preempt a program by impoundment. He will not be able to do that under my amendment. We are merely giving the Congress the effective voice to say yes or no to any proposal of the President.

Mr. President, I urge adoption of my amendment in order to bring more power back to Congress rather than passing the buck to the Federal courts.

**The PRESIDING OFFICER.** Do Senators yield back their time?

**Mr. ROTH.** I yield back my time.

**The PRESIDING OFFICER.** Does the Senator from Illinois yield back the remainder of his time?

**Mr. PERCY.** Mr. President, as far as I know there are no Senators who wish to speak on this matter.

I yield back our time.

**The PRESIDING OFFICER.** All time is yielded back. The question is on agreeing to the amendment of the Senator from Delaware. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

**Mr. ROBERT C. BYRD.** I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from West Virginia (Mr. RANDOLPH) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. RANDOLPH) would vote "nay."

**Mr. GRIFFIN.** I announce that the Senator from Oregon (Mr. HATFIELD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Colorado (Mr. DOMINICK), the Senator from Nebraska (Mr. HRUSKA), and the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from South Carolina (Mr. THURMOND).

If present and voting, the Senator from Oregon would vote "nay" and the Senator from South Carolina would vote "yea."

The result was announced—yeas 28, nays 60, as follows:

[No. 80 Leg.]

YEAS—28

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Brock
Buckley
Byrd,
Harry F., Jr.
Cook
Cotton
Curtis
Dole
Eastland
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Helms
McClure
Roth
Stennis
Stevens
Taft
Tower
Weicker

NAYS—60

Abourezk
Bayh
Bentsen
Bible
Biden
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Domenici
Ervin
Gravel
Hart
Hartke
Haskell
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Mondale
Montoya
Moss
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Ribicoff
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevenson
Symington
Talmadge
Tunney
Williams

NOT VOTING—12

Aiken
Dominick
Eagleton
Fulbright
Hatfield
Hruska
Kennedy
Long
McClellan
Randolph
Thurmond
Young

So Mr. ROTH's amendment was rejected.

Mr. MUSKIE. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. PERCY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 11793) to reorganize and consolidate certain functions of the Federal Government in a new Federal Energy Administration in order to promote more efficient management of such functions; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. HOLIFIELD, Mr. ROSENTHAL, Mr. ST GERMAIN, Mr. FUQUA, Mr. HORTON, Mr. ERLENBORN, and Mr. WYDLER were appointed managers on the part of the House at the conference.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

Mr. SCHWEIKER. Mr. President, some people seem to think Federal spending is about like death and taxes; nobody likes it, but not much can be done about it.

I reject that. Not only can we do something about Federal spending, but if we are going to preserve the economic vitality of the United States, we must do something about it. Federal spending sets the pace for the rest of our economy—and as long as Federal spending is out of control, our galloping inflation is going to continue out of control. We simply cannot afford this any longer.

During the first session of the 93d Congress, I introduced S. 1213, the Federal Spending Control Act of 1973. I am pleased that the legislation before us today, S. 1541, has adopted the basic features of my bill: A strict Federal spending ceiling, tight controls on backdoor spending, and creation of a congressional budget committee to impose businesslike discipline over the entire Federal spending process.

Back in 1972, I joined a majority of my colleagues in both houses in fighting for a $250 billion budget ceiling—and such a ceiling finally passed both Houses of Congress after a bitter fight. But it was never enacted into law, because the President and the Congress could not agree on where the cuts would be made. Last year, when I introduced S. 1213, I favored a spending ceiling substantially less than the President's proposed budget request for that year. So the issue is not between the spenders in Congress and the savers in the executive branch. Mr. President, the issue is a battle of priorities, a debate over how the same amount of our tax dollars should be spent. I believe our constitutional form of Government requires that the representatives of the people, in the House and the Senate, make these crucial decisions. S. 1541 will finally give us the machinery to do that, and I strongly support this measure.

In closing, let me stress that S. 1541 is only a first step. Reform of the Federal spending process must be coupled with reform of the Federal taxing process. It is high time we end the special interest tax breaks, the "golden gimmick" which has encouraged the major oil companies to raise world oil prices by giving them a dollar for dollar tax credit against U.S. income tax for foreign royalties paid, and the regressive taxes imposed on our poor and elderly. S. 1541 is a strong first step, but I intend to continue fighting for comprehensive tax reform, this session.

Mr. RIBICOFF. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment ordered to be printed in the RECORD is as follows:

On page 129, line 16, strike out "401(c)" and insert in lieu thereof "401(c)(2) (A) and (B)".

On page 129, strike out lines 17 through 19 and insert in lieu thereof the following:

"(2) with respect to any matter referred to in section 401(d);".

On page 149, beginning with line 19, strike out all through line 5 on page 151, and insert the following:

(2) Report by Appropriations Committees.—Whenever any bill or resolution which provides new advanced spending authority described in subsection (c)(2)(C) is reported by any committee of the Senate or the House of Representatives, the Committee on Appropriations of that House may, within 10 calendar days (not counting any day on which that House is not in session) beginning with the day following the day on which it is so reported, submit a report to its House setting forth its recommendations with respect to the level of new advance spending authority provided by such bill or resolution, such report to be issued as a separate report by the Committee on Appropriations or to be included in the report of the committee reporting such bill or resolution. It shall not be in order in that House to consider such bill or resolution until the Committee on Appropriations of that House has submitted the report required by this paragraph or, if such Committee fails to submit such report, until the expiration of such 10-day period.

On page 158, strike out lines 16 through 20, and insert the following:

"4. As provided in section 401(b)(2) of the Congressional Budget Act of 1974, reports on new advance spending authority described in section 401(c)(2)(C) of that Act."

On page 159, strike out lines 7 through 11, and insert the following:

"(d) As provided in section 401(b)(2) of the Congressional Budget Act of 1974, reports on new advance spending authority described in section 401(c)(2)(C) of that Act."

Mr. RIBICOFF. Mr. President, this amendment is a modified version of my printed amendment No. 1044. My amendment in no way affects the discipline imposed by the bill. It relates only to the jurisdictional question affecting certain specific types of legislation.

Mr. President, S. 1541 is designed to promote fiscal responsibility by reforming the budget process so as to make it reflect congressional priorities. It will establish a framework, reflecting Congressional priorities, which will provide a discipline under which all congressional action affecting the budget can be seen in an overall context.

I strongly support S. 1541 for the discipline it creates and for the central role it gives congressional decisionmaking.

As I have said, my amendment in no way affects the discipline imposed by the bill. It relates only to a jurisdictional question affecting certain specific types of legislation. The amendment would delete the requirement that legislation affecting certain programs be referred to the Appropriations Committee, but instead offers that committee an opportunity to report on this legislation before the Senate acts on it.

Under S. 1541, legislation creating a new entitlement to payments or increasing existing entitlements must be referred to the Appropriations Committee for a period of 10 days after it is reported by a substantive committee. This requirement of referral to the Appropriations Committee would not affect existing trust fund programs but it would apply to such programs as veterans' compensation, veterans' pensions, veterans' educational benefits, payments to needy, aged, blind, and disabled persons, medical assistance to the needy, and food stamps.

This additional referral to the Appropriations Committee was not requested by that committee and it will occur at a time when the Appropriations Committee will be fully occupied in attempting to process all appropriations legislation.

Mr. President, it has been my experience that entitlement programs handled by the Finance Committee often involve complex legislation. Usually, this legislation does not merely add dollar costs to a program but instead reflects many complicated changes in the law. The value of our committee system in the Senate is that it permits each committee to develop expertise in the area it handles. For example, major legislation enacted in recent years has made dozens of modifications in the programs of aid to the aged and in medicaid, and these changes have not merely represented payment increases.

Furthermore, the rereferral in S. 1541 is required even when the substantive committee reports legislation whose budgetary impact has been fully provided for in the congressional budget. Since the bill creates a discipline for the Congress, there is no need for an additional step which adds nothing to that discipline.

The Senate is, I am sure, aware of my interest in our programs for veterans. I have always been concerned that when we increase social security benefits, we assure that veterans do not suffer a loss in pension benefits. It has been the pattern of the Congress to meet this problem by rewriting the veterans' pension provisions in the law. This is a matter requiring careful work, and is not simply a matter of adding additional funds to the veterans' pension program.

My printed amendment in its original form would have deleted the process of referring certain legislation to the Appropriations Committee. In its modified form now pending, worked out with the staff of the Senator from Maine, my amendment will provide the Appropriations Committee an opportunity to report on the legislation before it is considered by the full Senate.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. HUMPHREY. I rise only to extend my support to this very worthy amendment. Many of us have been deeply concerned about this subject matter, particularly when we get to the matter of social security increases and what has been the effect on some of the other pension rights our citizens are entitled to. We always depend on the Senator from Connecticut to help us out on these matters, and I extend my full support to his amendment.

Mr. RIBICOFF. I thank the Senator.

Mr. President, among the cosponsors of this amendment are the distinguished chairman of the Committee on Finance (Mr. Long), the distinguished chairman of the Committee on Labor and Public Welfare (Mr. Williams), the distinguished chairman of the Committee on Veterans' Affairs (Mr. Hartke), and the distinguished chairman of the Committee on Public Works (Mr. Randolph), who all feel that this is a most important amendment and should be adopted.

I ask unanimous consent that communications in support of this proposal from the National Association of Concerned Veterans, the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars, and the AMVETS be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

National Association of
Concerned Veterans,
*Washington, D.C., March 20, 1974.*

Hon. Abraham A. Ribicoff,
*U.S. Senate,*
*Washington, D.C.*

Dear Senator Ribicoff: The Congressional Budget Act of 1974, S. 1541, provides many sensible and much needed budget reforms. However, the National Association of Concerned Veterans strongly opposes section 401 of this measure.

Section 401 details a provision requiring a number of veterans' entitlement programs to be re-referred to the Appropriations Committee for possible imposition of spending limits—before reaching the Senate floor. Certain non-veterans' entitlement programs are to be exempted from this re-referral provision.

Aside from objecting to the obvious discriminatory nature of section 401, NACV believes this re-referral provision to be unnecessary. Other provisions of S. 1541 establish effective controls over veterans entitlement programs.

The NACV, formerly the National Association of Collegiate Veterans, consists mainly of young veterans currently training under the GI Bill, and many who receive disability compensation.

The NACV fully endorses your amendment to S. 1541 which would eliminate this referral process. We thank you for taking such action, and urge Senate adoption of your amendment.

Respectfully yours,
James M. Mayer, *President.*

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Washington, D.C.

Senator Abraham Ribicoff,
*U.S. Senate,*
*Washington, D.C.*

The American Legion supports your proposed amendment to exempt veterans benefits legislation from the re-referral provisions of section 401 of S. 1501, the budget reform bill now under consideration by the Senate. We oppose that provision which would permit the Appropriations Committee to limit spending authority of any veterans entitlement legislation referred to it. As you know, veterans benefits including compensation, pensions, educational assistance and medical and hospital treatment represents only 4.4 percent of the total Federal budget not withstanding a 21-percent increase in the Nations veterans population in recent years.

The American Legion believes that the cost of veterans benefits is a delayed cost of war, To subject the veterans entitlement program to the re-referral provision of section 401 would not control back door spending and would vest partial jurisdiction over veterans legislation in another committee. To single out the veterans benefit program for re-referral is unnecessary and discriminatory and would impede the progress of needed legislation.

Your continued interest in protecting the rights of veterans is deeply appreciated.

Herald Stringer,
*National Legislative Director, the American Legion.*

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Disabled American Veterans,
*March 21, 1974.*

Hon. Abraham A. Ribicoff,
*Russell Senate Office Building,*
*Washington, D.C.*

Dear Senator Ribicoff: The Disabled American Veterans is greatly concerned over the adverse affect that the re-referral provisions of Section 401 of the Congressional Budget Act (S. 1541) could have upon the nation's programs of veterans' benefits and services.

We firmly believe that referral of veterans' entitlement legislation to the Committee on Appropriations is unwarranted, and we strongly support the amendment that you will offer to delete this discriminatory section from the bill.

Sincerely yours,
Charles L. Huber,
*National Director of Legislation.*

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Veterans of Foreign Wars
of the United States,
*Washington, D.C., March 21, 1974.*

Hon. Abraham Ribicoff,
*U.S. Senate,*
*Washington, D.C.*

Dear Senator Ribicoff: The Veterans of Foreign Wars is extremely pleased that you propose to offer an amendment on Thursday, March 21, to S. 1541, the Congressional Budget Act of 1974, which, if approved, will delete a highly discriminatory provision regarding veterans statutory and entitlement programs.

I am referring to the re-referral provision for veterans entitlement legislation in S. 1541. A thorough analysis of this provision leads to the conclusion that it is unwarranted and unnecessary and discriminates against veterans programs.

Because it is most important to the Veterans of Foreign Wars, our Commander-in-Chief Ray Soden is sending a letter to each of your 99 colleagues urging them to vote in favor of your amendment to delete the re-referral provision as it relates to veterans programs.

You have the highest commendation for your initiative and leadership in bringing this matter to the attention of your Senate colleagues and Senate acceptance of your amendment will be deeply appreciated by the more than 1.8 million members of the Veterans of Foreign Wars.

A copy of Commander-in-Chief Soden's letter is enclosed.

With kind personal regards, I am
Sincerely,
Francis W. Stover,
*National Legislative Service.*

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Washington, D.C.

Senator Vance Hartke,
*Capitol Hill, Washington, D.C.:*

Amvets urges the adoption of Senator Ribicoff amendment to Senate bill S1541 as it pertains to excluding veterans programs from fixed budgetary allocation.

Commander Berge Avadanian,
*National Commander Amvets.*

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Mr. MUSKIE. Mr. President, the proposed amendment of the distinguished Senator from Connecticut has not yet been cleared with all Senators who are interested in the issue at this time, so I wonder if it might not be helpful if I took a few moments to explain why this provision is in the bill, and what purpose we hope the revised amendment of the distinguished Senator from Connecticut would serve. It is a complex issue to understand. This statement is not intended as a direct thrust at the Senator's amendment, but at the overall problem of entitlement legislation.

### REASONS WHY ENTITLEMENTS MUST BE REPORTED TO APPROPRIATIONS COMMITTEE

Entitlements are easy to give but virtually impossible to take away. They are the least controllable portion of the Federal budget and the portion most in need of reform. Unless Congress establishes a procedure to bring them under effective control, the objective of budget reform will be seriously compromised.

Entitlement authority exists when Congress vests a person or Government with certain benefits. An obligation to pay the benefits is thus established in advance of or without appropriation. Often such entitlements are open-ended with the actual amount of expenditure determined by outside forces—such as the size of the beneficiary population. In these instances, the budget merely contains an estimate of the amount that will be required in the fiscal year to pay the obligations. In recent years, the budget has tended to underestimate the benefits that will have to be paid with the result that actual expenditures have exceeded the budgeted amounts.

Many entitlements are in the form of permanent appropriations; that is, the money becomes available without any current action by Congress. Even when an entitlement is funded through appropriations, Congress has no genuine control over the matter, for a legal or moral obligation already exists.

Well over $100 billion in the 1975 budget takes the form of mandatory entitlements which are uncontrollable under current law. These entitlements are the fastest growing portion of the budget and they account in good part for the mandatory year-to-year rise in Federal spending. Of the $30 billion escalation in the 1975 budget, at least half of the increase occurs in entitlement programs. This means that even before the President or Congress makes a single decision on 1975 programs and priorities, they are faced with approximately $20 billion more in spending than in the previous year.

The only point at which entitlements can be controlled—the only point at which Congress can make meaningful decisions—is before the entitlement is established. Afterwards it is too late, not only for this year but for future years as well. This is the reason why S. 1541 establishes a special procedure for the consideration of entitlement legislation. Under section 401, entitlement legislation would have to be referred to the Appropriations Committee—under a 10-day limit—from the committee of original jurisdiction. Thus, when the matter comes to the floor for determination, Members would have the legislation as reported by the authorizing committee as well as any amendments offered by the Appropriations Committee. At this point, the Senate would be in a position to determine the extent to which it wishes to establish an entitlement.

This procedure does not restrict in any way, the ability of Congress to establish new or expanded entitlements. Its sole intent is to relate entitlements to the appropriations process and thereby to give Congress additional information on the possible costs of the proposed program as well as the opportunity to consider any alternatives which may be put forward by the Appropriations Committee. But once Congress has acted to establish an entitlement, the program would function in precisely the same manner as it now does. The only change, therefore, would be to give Congress more information and more alternatives.

It bears mentioning that this procedure stops short of the two-step procedure which is required of most programs. Most programs must go through both an authorizations process and an appropriation in order for funding to be made available. Under S. 1541, entitlement programs would only go through the authorizations process, but the Appropriations Committee would have an opportunity to consider the legislation prior to floor action.

Certain entitlement programs such as veterans benefits and public assistance go through the appropriations process each year. But at this stage, the appropriation is a completely perfunctory action for Congress must provide whatever funds are required for the obligation. In fact, if the appropriation does not suffice to cover the obligation, Federal law authorizes agencies to spend at a rate which would compel a deficiency appropriation. Consequently, the appropriation of funds after an entitlement has been established offers no opportunity for spending control.

The argument has been made that Congress does not require the new procedures for entitlements because they would be effectively controlled by the concurrent resolution on the budget. That is, funds to be spent pursuant to entitlements would be allocated in the budget resolution in the same manner as all other Federal programs. Therefore, why not place entitlements under the discipline of the new congressional budget process.

The trouble with this argument is that it does not reckon with the character of the budget process or with the peculiar problem of entitlements. The budget resolution in its present form functions as a target—not as a limitation on expenditures. Whatever virtue a target has for regular expenditures, it is not apt to be as effective for backdoor entitlements. The reason is that the congressional resolution on the budget will address spending for the ensuing fiscal year whereas an entitlement relates to future fiscal years, not only to the one covered by the budget. It is an appealing practice for Congress to establish entitlements in a way that imposes no additional cost on the current budget but mandates higher costs in future years. If this were done, the entitlement legislation might be within the target set in the budget resolution, but it would create an uncontrollable expense for future years. When the future year to which the entitlement applies comes, it would take effect automatically without any action by Congress and allocations would have to be made for it in the budget resolution.

In sum, the budget resolution relates only to the next fiscal year, while entitlements impose costs for many future years and often impose them permanently. It is erroneous therefore to look to the budget resolution for additional control over entitlements. As I have indicated, control can be achieved only before the fact in a manner that gives Congress full discretion and full information. For this purpose, the referral procedure spelled out in S. 1541 is both a balanced and equitable way of weighing the costs and benefits of entitlement legislation.

Let me say something about that provision and then I will comment on the Senator's modified amendment.

The rereferral process provided in the pending legislation is designed to do just what I have described. It does not create new substantive jurisdiction with respect to entitlement legislation in the Appropriations Committee. It does not deprive present committees of any of their entitlement authorization. All it does is to provide that any entitlement legislation shall be referred to the Appropriations Committee for 10 days and only for the purpose of making whatever recommendations in the form of amendments or otherwise the Appropriation Committee believes is consistent with the overall budget objectives of Congress and the Government. The Appropriations Committee cannot change the legislation. The Appropriations Committee amendments will be sent to the floor for separate consideration as amendments to the legislation. The entitlement legislation will go to the floor in the form which it took reported from the authorization committee. So the purpose of this provision in the bill is to provide to the Senate and to the House additional information as to the impact on the budget of the entitlement authorization on the overall appropriations so that the Senate can take it into account before establishing the entitlement.

I think that that is the full extent of the committee provision. I think that the modified amendment presented by the distinguished Senator from Connecticut (Mr. RIBICOFF) achieves the same objective or is designed to achieve the same objective. It is designed to make available to the Senate the same information that would be made available under the referral process established in the committee bill. It would be designed to give the Appropriations Committee the same opportunity, 10 days, to develop recommendations with respect to that entitlement legislation either in the form of amendments or purely in the form of information and recommendations.

So I think that both versions would serve those two purposes. The difference between the two is the fact that under the committee provision, the Appropriations Committee would consider the bill in a form of referral, for whatever difference that makes.

So far as I am concerned, the principal impact of that change is to deprive the proponents of a change in the argument that somehow the committee bill changes the jurisdiction of the authorization committee and the jurisdiction of the Appropirations Committee. I do not believe it does. I do not believe it was intended to do so. So I can go along with the modified Ribicoff amendment to that extent.

May I say to the Senator that all interested Senators have not yet had a full opportunity to consider the amendment. The distinguished manager of the bill on the Republican side is one. I do not know what he is going to say about the amendment, but I think, at this point, it is appropriate that he have an opportunity to state what is on his mind.

Mr. PERCY. Mr. President, I thank my distinguished colleague. I only wish I had been able to give him an instant reaction, but the amendment is such a profound one, and there were several forms. I commend the distinguished Senator from Connecticut for modifying it from the form in which we originally saw it, to bring it a little closer in line, but I am still troubled with it.

The principal reason I am troubled with it is that it may run counter to the representations the Senator from Illinois made to members of the Appropriations Committee. I can well recall the colloquy in which I engaged with my beloved colleague from the State of Washington (Mr. MAGNUSON). He took a position one night on the floor of the Senate that there is a possibility the budget reform bill could detract from or undercut the power, influence, and ability of the Appropriations Committee to control expenditures. They have exercised as best they could the power they had to restrain Federal spending and keep us a responsible body and not participate in what we have been seeing for the past 5 years, regrettably, I must say, of $100 billion being added to the Federal debt. Yet the Appropriations Committee, in a sense, has been powerless because, as the little series of charts placed on every Senator's desk shows, chart 3, for instance, shows signals of trouble in the present system.

The first point I wanted to make very clear is that 75 percent of the budget is relatively uncontrollable.

Why, Mr. President, you tell that to businessmen, you tell that to the lobbyists around here who think they know a great deal about the Government, and they are absolutely astounded. Yet, those are the facts.

When I came to the Senate in 1967, I was flabbergasted to find that we really did not have a control. At that time, it was 63 percent that was uncontrollable. The trend has been steadily upwards. I imagine that we will get to the point, if we keep going as we are, when we will be as pure as Ivory soap, 99 and 44/100ths percent pure—uncontrollable; and we will have the remainder coming down here debating about it. But that is not the way to run our fiscal affairs.

The second problem is that only 44 percent of the budget is subject to the appropriations process. 56 percent bypasses the Appropriations Committee. I said that night on the floor, because I was thinking in terms of the way we had been carrying on our deliberations, that this bill would strengthen the Appropriations Committee because what it would mean is that a great deal of all this backdoor spending, particularly the entitlements, would now be referred to the Appropriations Committee.

The amendment does give some additional authority and control to the Appropriations Committee than otherwise because what it does say is that we shall have a period of 10 days to stop, look, and listen, and before that entitlement bill can come to the floor, or before action can be taken. The Appropriations Committee would be given 10 days to look at it and then issue a report.

That might sound very good except all of us know how we operate. There is a vast difference—a subtle difference—but a vast difference between being able to issue a report, either a separate report or language in the report of another committee, and being able to offer a committee amendment. Under the bill, the Appropriations Committee would have the legislation before it for 10 days and would then send it to the floor with an amendment that says, "We cannot see how, once this spending limit has been established, this entitlement program can go forward and you can stay consistent. We recommend, therefore, that it be cut back 20 percent, 10 percent, 5 percent, 1 percent—or 50 percent." That then gives the Appropriations Committee a chance really to deal with the legislation, write a report of its own, attach it to the legislation, rather than having it incorporated.

There are certain programs that the Senator from Illinois very much favors. I must recognize the fact that when we tighten the procedures to make it more difficult, it may be that a bill the Senator from Illinois is most interested in seeing kind of slip through a little easier is the one that will be cut. But I really believe that we need a discipline. We must give to the Appropriations Committee the authority necessary to make its imprint on this, and remind us of where we are going.

I have not made a definitive decision because, as I have told the distinguished Senator from Maine, I have just barely read the modified amendment, but my tendency is to oppose it, although I certainly wish to keep my mind open until I have heard all the possbile arguments in its favor. But my tendency right now would be to oppose the amendment.

Mr. NUNN. Mr. President, will the Senator from Illinois yield for a question?

Mr. PERCY. I yield.

Mr. NUNN. As the Senator from Georgia understands the present proposal, it would really, in effect, remove from the Appropriations Committee the review, with the power to amend and to make a report. Is that the understanding of the Senator from Illinois on this amendment?

Mr. PERCY. That is correct.

Mr. NUNN. Does the amendment further provide that the action on any entitlement which follows a concurrent resolution, which we feel would take place somewhere around June the 1st, that the entitlement legislation under the proposed Ribicoff amendment would take place during the sumer months of June, July, and August, when all the other appropriations bills are being considered? Is that the Senator's understanding of the Ribicoff amendment?

Mr. PERCY. The Senator from Georgia is correct.

Mr. NUNN. Mr. President, a further question. Is it the Senator's understanding of the present legislation, S. 1541 as it emerged, that entitlement legislation could begin to be considered before June 1, if the Appropriations Committee had the 10 days and did the review, thereby not compacting all the entitlement legislation and the appropriation legislation in a brief period of 3 months?

Mr. PERCY. The Senator from Georgia has once again demonstrated his profound knowledge and understanding of the legislation. That is correct.

Mr. NUNN. It is not likely that what is going to happen, as we will have such a logjam in June, July, and August that there will be tremendous pressure to remove only the little teeny-weeny restraint left on entitlement legislation, and further that there would be tremendous pressure to remove the constraint that it has to follow the concurrent resolution, and that thereby there will be tremendous pressure to go back to where the entitlement legislation has no control?

Mr. PERCY. That is generally correct, because we would have to consider all spending bills and entitlements.

Mr. NUNN. And it would be virtually impossible, given the practicality to consider all the appropriation measures in June, July, and August, and at the same time have all the entitlement legislation. We are proposing a practical impossibility for the Senate to perform if we accept this amendment.

Mr. PERCY. I suppose it could not be said that it would be absolutely impossible. Anything is possible. But it is highly improbable and extraordinarily difficult.

Mr. NUNN. I will amend my "possibility" to say that it is highly unlikely, as the Senator has said.

I thank the Senator.

Mr. MAGNUSON. Mr. President, will the Senator yield for a question?

Mr. PERCY. I yield.

Mr. MAGNUSON. When the Senator speaks of 10 days, is he speaking of legislative days?

Mr. PERCY. Yes; that is correct.

Mr. McCLELLAN. When the Senate is in session.

Mr. MAGNUSON. It might be at a time when the Appropriations Committee is not there.

Mr. PERCY. The distinguished Senator from Connecticut has provided for 10 legislative working days.

The PRESIDING OFFICER. Who yields time?

Mr. RIBICOFF. I yield to the distinguished Senator from California.

Mr. CRANSTON. Mr. President, in regard to this amendment, I first want to thank the many people on all sides of this matter for their efforts to try to work something out that could be accepted by all concerned. We have made progress in that direction, whether or not it is entirely ironed out and agreed to yet.

Great work has been done by the two committees and by others in working out the proposed legislation and by all the many, many staff members who did magnificent work when they were working with Senator BYRD on this matter.

If there is a problem—as has been indicated by the Senator from Georgia (Mr. NUNN)—about the logjam between June 1 and when the next step comes in early August, under this new budget process, I think that really has more to do with the calendar setup in the reported bill as it applies to all legislation. We all want to see effective controls brought to bear on spending by this budget act. The question here is on a discriminatory and unnecessary aspect of one item in the bill.

In regard to the workload question, 27 bills that relate to so-called back door spending have been considered during the past 2 years. Eleven were trust fund bills exempted here; 16 were new entitlement bills of the sort we are now discussing.

In regard to the figures given by the distinguished Senator from Illinois, who was concerned about uncontrollable expenditures amounting to 75 percent of the total budget, the actual point in regard to this amendment is that we are only talking about $5 billion in the few entitlements covered at present levels of spending. The other—so-called uncontrollables of huge amounts—are not affected by this amendment, and they are not brought under the controls that we are talking about here.

Mr. President, I also want to thank Senator Ribicoff for assuming leadership on this matter and the other Senators with whom I personally discussed the need for a modification in the provision, as reported from the Rules Committee, requiring that certain new entitlement authorization legislation be rereferred to the Appropriations Committee for 10 days. I refer to the distinguished committee chairmen of the Committee on Finance (Mr. Long), the Committee on Public Works (Mr. Randolph), the Committee on Labor and Public Welfare (Mr. Williams), and the Committee on Veterans' Affairs (Mr. Hartke), the Senators Stafford, Taft, McGovern, and Mondale.

Mr. President, S. 1541, the Congressional Budget Act of 1974, is designed to provide the mechanism and procedures for Congress to establish its own annual Federal budget and to consider, spending revenue sharing, and debt limit legislation in the context of the budget. The bill, as reported from the Rules Committee, required that a special—and in our view unnecessary and discriminatory—burden be imposed upon certain entitlement legislation, principally veterans' benefits legislation—compensation, veterans' survivors benefits, GI bill benefits, pensions, housing grants, and burial benefits, supplemental security income to the aged, blind, and disabled, medical and family assistance to the needy, black lung benefits, and food stamps.

This additional impediment would not be imposed on 75 percent of the expenditures arising from so-called entitlement laws since all trust funds—including approximately $86.5 billion in social security and unemployment compensation expenditures—revenue sharing, and advance contract authority are not covered by the rereferral process in the reported bill.

Mr. President, despite the fact that under the reported bill all Federal expenditures will be considered in the context of the overall budgetary process—both initially with the adoption of the first concurrent resolution and finally with the adoption of the second concurrent resolution to reconcile all prior congressional legislative and appropriations actions—S. 1541 singles out those types of legislation I discussed above for special and, we believe, discriminatory treatment by requiring their re-referral to the Appropriations Committee for 10 days after being reported by the substantive committee, and by giving the Appropriations Committee authority to amend the bill by placing overall spending limits on it. The bill also requires that any floor amendment approved by the Senate regarding an entitlement matter not considered in the bill as reported must again be referred to the Appropriations Committee for 10 more days, but not, I should add, to the authorizing committee.

Our original amendment would delete entirely this duplicative procedure under which the authorizing committee would have had the burden of overturning an Appropriations Committee spending limit amendment if it disagreed with it. We believe that the authorizing committees are the most conversant with and, therefore, the most competent to understand the many complex principles involved in the entitlement legislation involved here.

In a cursory 10-day period—especially before the principles and policies to be imposed by the first concurrent resolution have been established—the Appropriations Committee could hardly have time to carefully analyze the impact or all the bill's provisions and thus might act precipitously in a manner which might upset the balance that the authorizing committee had worked long and hard to achieve.

Moreover, Mr. President, this duplicative and discriminatory rereferral procedure would apply to such legislation even when the authorizing committee reported legislation of which the budgetary impact had been fully provided for in the congressional budget contained in the first concurrent resolution.

Again, I want to stress that those of us who support this amendment in no way intend to remove any entitlement legislation from the full purview of the new budgetary process which the reported bill would establish. Rather, we have confidence in that process and believe it should be applied evenhandedly to all types of legislation.

Finally, the rereferral provision could create problems in restricting the Senate's ability to act in a crucial situation, particularly in some areas under the jurisdiction of the Finance Committee where the Senate may act to amend a House-passed bill, very often on a tight deadline. Requiring a 10-day rereferral for certain floor amendments affecting entitlement programs, as proposed in the reported bill, might also have the unfortunate effect of restricting the rights of Senators to offer floor amendments.

In sum, anyone who would characterize our amendment as somehow weakening the budgetary process proposed in the bill is in reality saying that they have little confidence in that process under which, before any new entitlement legislation would be permitted to become effective, action would be required on six separate occasions combined in the House and Senate without any rereferral process.

Our original amendment No. 1044 would simply have eliminated this unnecessary rereferral process and provided that floor action on these entitlement measures could not take place until after the first concurrent resolution is adopted on June 1 each year. Let me stress that this step is actually a tightening of the budget control process as to these entitlement programs although preserving the jurisdiction of the Veterans' Affairs Committee, the Labor and Public Welfare Committee, the Finance Committee, and other authorizing committees.

In regard to the amendment before us, let me say, first, that I am delighted that this bill provides for control over uncontrollables through the Budget Committee, through the budget process, that we do not have presently. We need that control over so-called uncontrollables, but we do not need the additional, dilatory review process that is proposed in the bill, where the Appropriations Committee would enter the act by the referral process.

The amendment as we have modified it does provide full opportunity for the Appropriations Committee, with its great weight, to make a recommendation in a report, before action will ensue on the sort of legislation that at the moment is presently not controlled. Under our revised amendment, there would be a full opportunity for the Appropriations Committee to render a report if it wished to move over under our amendment as modified, we would retain our program of not permitting entitlement bills to be taken up on the floor until after the concurrent resolution has been adopted. Finally, it would eliminate the ridiculous provision to refer floor amendments on entitlements back to the Appropriations Committee.

The amendment would remove a restriction on the Senate's ability to act with swiftness.

In regard to the veterans aspect of this matter, I point out that the historical record reveals that the veterans' benefits have not been a traditional budgetary problem. In recent years, 6 million Vietnam era veterans have joined our country's veteran population. We have had added expenses occasioned by that war. These include compensation payments for 385,000 men wounded in Vietnam and survivor benefits for some 49,000 widows of men who have died of service-connected causes.

Almost 3 million Vietnam era servicemen have received educational assistance benefits.

Yet, despite the cost of these programs and a 21-percent increase in the Nation's veteran population, the veterans' portion of the budget—let me stress this—is no greater today than it was 4 years ago; and despite Vietnam, it is less than it was 10 years ago. It seems to be quite obvious that veterans' benefits are not the source of our budgetary problems and should not be singled out for unnecessary controls which are considered discriminatory in the present way they are in the bill by veterans, older citizens, disabled persons, and their spokesmen.

The following veterans organizations strongly support this amendment: the American Legion, the Veterans of Foreign Wars, the Disabled Veterans, Amvets, and the National Association of Concerned Veterans.

Rather plainly, we are considering a cost of war that must be paid.

Let me stress again that there is already an adequate review through the new budget process that is a new restraint on this form of so-called back door spending.

For these reasons, I believe the amendment is very important, and I urge its support.

I congratulate the Senator from Connecticut (Mr. RIBICOFF) for the able way he has handled the matter and has presented it.

Mr. NUNN. Mr. President, will the Senator yield for a question?

Mr. CRANSTON. I am delighted to yield.

Mr. NUNN. First, the Senator from Georgia would like to say that he completely agrees with and endorses everything the Senator from California has said about veterans, and if they were in fact singled out here, we would have a different question.

Is the Senator aware that the projections in the 1975 budget of the President show that between 1975 and 1979, the so-called entitlement outlays, if they continue along this trend, will increase by $58 billion and reach a total of $227 billion; that by 1979, the so-called entitlement legislation will be 58 percent of the total outlays of this country?

Mr. CRANSTON. I am well aware of those figures, but those are not the figures we are talking about here.

The Senator includes social security benefits, which are not covered; revenue sharing contract matters, numerous exempted trust funds, retirement benefits, and other matters not covered by the provision for referral to the Committee on Appropriations that we have under discussion here. In the bill as reported, the only entitlements subjected to this process are veterans benefits, SSI benefits that relate to senior and disabled citizens and health care for the poor and other benefits totaling last year only $5 billion out of the $13 billion in uncontrollables.

The Senator from Illinois is correct when he said that 75 percent of the budget is uncontrollable, but we are not talking about that. We are talking about $5 billion and that is only 38 percent of the uncontrollables added last year.

Mr. NUNN. According to all projections, the growth trend will take place between 1975 and 1979. Is the Senator aware that under this bill exempting social security it includes black lung, school lunches, disaster relief, air traffic controller requirements, CSC retirement, food stamp programs, Federal employees pay raises, school lunch amendments, unemployment benefits, Federal health employee insurance, welfare-medicaid amendments—all of that is included?

Mr. CRANSTON. No, all of that is not included. The Senator is reading a number of trust funds, retirement funds and many other programs that are self-financing.

Mr. NUNN. I have another amendment on trust funds. The Senator identified the largest loophole in the bill. The Senator from Georgia is going to identify that area.

Mr. CRANSTON. Will the Senator do that and talk to that issue, then, when it is relevant?

Mr. NUNN. It is relevant to this discussion because these are two loopholes that can render ineffective a lot of action that has taken place in the last year and a half in budget reform. This amendment plugs the loophole already in the bill which says that the trust fund is exempted if 30 percent is self-financing, and is relevant to this discussion because we have exempted from this bill 70 percent funding out of the general fund for any program that comes along, in the form of an extension on a trust fund which is already in existence, of which there are about 75.

I think the two loopholes should be discussed as one because they are interrelated.

If the so-called trust fund exemption remains like it is, it is going to continue to cause a lot of problems. To some extent if the trust fund exemption is left like it is, the amendment of the Senator from California will make the loophole larger.

Mr. CRANSTON. It may be somewhat relevant to our general discussion, but not to this amendment. The railroad retirement and other programs will not be affected by the decision made by the Senate on this amendment. The Social Security Act and all those other acts come under the budget process, and if the committee recommends more than the Senate wants to approve, in the course of the new full budget process it can make reductions. That is a new step and a good step. That process should be applied to all the entitlements uniformly.

But if we do not think the procedures in the Congressional Budget Act are effective, we should admit it.

I am amazed that some of the chief sponsors of S. 1541 have so little faith in the process they set forth in this committee report that they believe it necessary to add an additional step to a small $5 billion portion of the so-called uncontrollables. If they think one step is so important why have they not applied it to all uncontrollables?

Mr. PERCY. My comments may have been somewhat ambiguous before but I would like to clarify the fact that I shall vote "nay" on this amendment. I do so because I feel there is adequate provision in the bill; if Congress wishes to act it can act. The Committee on Appropriations sends this legislation back to the floor with an indication that there should be a 10-percent cut because it exceeds the spending limit provided for in the concurrent resolution. Congress by majority vote can override that, but it does so with the clear understanding that the Committee on Appropriations felt it would exceed those spending limits and if we continue to do that on this entitlement or another one, we are going to bust the spending limit that has been established and we would not be accomplishing our overall purpose.

So there is no way Congress is going to be acting in such a way it cannot and will not be able to express its will, should it desire to do so.

Also, of course, as has been made very clear in the committee report, and I refer to pages 56 and 57, it is clearly indicated that:

> The Appropriations Committees are given jurisdiction to report any bill or resolution providing entitlement authority which has been referred to such committees (as described above) with an amendment which limits the total amount of entitlement authority contained therein. The Appropriations Committees would not be authorized under this procedure to report amendments in any way dealing with the substance of the legislation, even if some substantive change would clearly be needed to meet the spending limitation on the program which the Appropriations Committees amendment provides.

The Rules Committee, which I believe wrote this section, recognized that entitlement legislation is complex and is not amenable to control through the appropriation process. Under the terms of the legislation:

> Actual outlays in any given year can not be known with certainty in advance. Should Congress decide, for budgetary reasons, to limit the potential obligation under new entitlement legislation to a figure less than the legislation as reported would provide, it will express that decision by adopting a limiting amendment at the time of consideration of the basic legislation. Such limitation may be at the level provided in the limiting amendment reported by the Appropriations Committee, if any, or at any other level Congress may select.

I wish to make just one or two other points. Removing entitlements from Appropriations Committee oversight would result in discriminatory treatment for entitlements as opposed to backdoors like contract authority and borrowing authority. Under the bill, new contract authority, new borrowing authority, and new trust funds which have a contribution from general revenues greater than 10 percent, must come under Appropriations Committee oversight.

Obviously, I am fearful if this amendment is adopted, there may be offered between now and 2 o'clock tomorrow certain other amendments for further exemptions.

In the Rules Committee, the treatment for entitlements was changed to take account of the special nature of entitlement programs. The rereferral provision of the present bill already provides special treatment for entitlements. Only entitlements have the special provision for only a 10-day rereferral to appropriations, and a specific proviso that appropriations can only make recommendations about the total of funding that would result from the bill.

In actual practice, the Appropriations Committee could send the legislation, if it exceeded the limit, to the floor with a suggestion or request that it be cut by a certain percentage. More probably, it would send it back to the original committee with that recommendation and let the committee itself work its will in whatever way it could to come under the ceiling, or develop its argument for a new concurrent resolution or new spending limit if its members felt that the compulsion was so great that they would have to exceed that spending limit.

> Finally, control of backdoors through Appropriations Committee review has been one of the central principles of budget reform called for by budget experts including especially the Joint Study Committee on Budget Control.

If we exclude this particular feature from the bill and say, "Well, we are going to try to control spending, all except entitlements," then we are going to have direct authority over spending eroded before we get started. We are going to have an erosion of the very principle we have been trying to work for.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. MAGNUSON. Entitlements in past laws have provided that moneys shall be paid to certain people if they become entitled under the law. There are many cases where there are estimates, but the Appropriations Committee has to handle that. Estimates are made as to how many people might be eligible. Appropriations usually go along with the estimates. Sometimes they are way off.

Certain laws, such as the veterans' laws, make it absolutely mandatory that payment be made.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. Mr. President, I yield myself 10 minutes on the bill itself.

Mr. MAGNUSON. The estimate as to veterans benefits is pretty close to what it should be. It has never been very far off. I have never known the Appropriations Committee not to appropriate the money.

I want to make an observation. I am not critical, but no one who is involved in this bill is serving on the Appropriations Committee that I can see. I am going to vote for the bill, but we have to achieve a balance. When we get to yearly appropriations for entitlements, which must be paid, they are nearly impossible to move up and down, any way the committee wants. I just wanted to point out that it is not possible for the Appropriations Committee to adjust appropriations for entitlements after they are law.

I hope the Senator will excuse me. I just wanted to make that observation.

Mr. PERCY. Of course, I would like to make a small technical correction. The Senator from Arkansas (Mr. McCLELLAN), obviously, is on the Government Operations Committee and has worked on this legislation and serves as chairman of the Appropriations Committee and served on the joint study committee, as did a considerable number of distinguished members of the Appropriations Committee who made these very recommendations to us.

Of course, the Senator from Washington would not forget the fact that the Senator from Illinois served on his own appropriations subcommittee while the Senator from Illinois served on the Appropriations Committee, and it was during that period of service that the Senator from Illinois became disturbed and concerned at the amount of expenditures that were going on that were not really under the control of the Appropriations Committee.

I would say the comments the Senator from Washington has made relating to entitlements have helped in the colloquy and helped in a better understanding of the situation. There are programs relating to public assistance, veterans' benefits and others—very often the most highly complex and time-consuming legislation—that involve entitlements.

Just looking at the last 2 years, Congress has considered 27 measures of the entitlement variety, 16 in 1972 and 11 in 1973.

The logjam the Senator from Georgia referred to makes it increasingly obvious that legislation would be required to come on the floor between the period June 1 and the first weekend in August.

I would just like to close my comments with a quotation from the President's budget, on page 38, where it says that if we are concerned about the trend now or what is happening now and the lack of control, just take a look into the future and see where we are actually going.

Mr. MAGNUSON. Perhaps we ought to do what we did on revenue sharing. We passed the bill and appropriated the money at the same time. Nobody had anything more to do with it. The lobbyists for revenue sharing were in the galleries applauding.

Mr. PERCY. Against the Senate rules.

Mr. MAGNUSON. There was a time when the legislative committees of the Congress authorized and appropriated at the same time. Maybe we can simplify this whole matter by going back to that system—I do not know—but we did it for revenue sharing.

Mr. PERCY. But there is not any question that local officials from the mayor of Cairo, Ill., to Mayor Daley, of Chicago, Ill. would want revenue sharing to be continued in the same manner, if it came up for a vote today.

Mr. MAGNUSON. We may have to go back to that.

Mr. PERCY. As I indicated, I should like to close my colloquy with a quotation from the President's budget looking ahead as to the effects of Federal spending:

> Federal spending has shifted markedly in the past twenty years—and with particular abruptness in the last five years—away from direct Federal purchases of goods and services, for such programs as defense and space, and toward direct Federal payments to individuals and aid to state and local governments. From 1959 to 1973, payments to individuals and aid to state and local governments have almost doubled as a percentage of total outlays, and increased five-fold in dollar terms.
>
> The present outlook indicates that (such payments) under existing programs will grow to about 58% of total outlays by 1979. Between 1975 and 1979 these outlays will increase by $58 billion and reach a total of $227 billion.

It is very difficult to say that we are the captain of our own ship and that we are going to manage our own affairs, when much of the money that passes through Congress, passes without going through the Appropriations Committe. It passes without that committee having a chance to take a look at it and at least report the legislation to the floor of the Senate with good, firm recommendations. Therefore, I would be greatly concerned if this amendment were adopted. I think it is of such importance that we should have the yeas and nays.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MUSKIE. Mr. President, will the Senator from Connecticut yield?

Mr. RIBICOFF. I am pleased to yield to the distinguished Senator from Maine.

Mr. MUSKIE. I should like to put a question to the distinguished Senator from Connecticut; but before doing so, I should like to make one or two observations.

First of all, neither the committee provision nor the amendment of the Senator from Connecticut is going to meet the problem described by the Senator from Illinois.

Mr. RIBICOFF. The Senator is correct.

Mr. MUSKIE. So it is not a choice between the amendment offered by the Senator from Connecticut and some type of overall measure. What we are considering here is a choice between the provision in the bill and the amendment of the Senator from Connecticut. It is to that that I think we should focus our attention. It is to this, too, that I should like to put a question to the Senator from Connecicut.

Mr. RIBICOFF. I shall be pleased to try to answer the Senator's question.

Mr. MUSKIE. First of all, the rereferral provision of the bill would place the bill in the physical possession of the Appropriations Committee.

Mr. RIBICOFF. That is correct.

Mr. MUSKIE. As I understand the amendment of the Senator from Connecticut, the Appropriations Committee would also have physical possession of the entitlement provision for the same purpose.

Mr. RIBICOFF. Under the bill, the Appropriations Committee could amend the bill. Under my amendment, they could not amend the bill but could report back to the Senate, and could offer an amendment on the floor of the Senate to be considered by the entire Senate.

Mr. MUSKIE. The Senator from Connecticut and I disagree on the effects of sending the bill back. The Appropriations Committee could not amend the bill.

Mr. RIBICOFF. That is correct; but they could have 10 days to make their recommendations.

Mr. MUSKIE. I am trying to identify the similarities, if we can identify them. I may say to the Senator that, as I understand the committee bill, it is rereferred to the committee.

Mr. RIBICOFF. It is rereferred to the Committee on Appropriatitons; that is correct.

Mr. MUSKIE. The committee can recommend amendments, make any other recommendations, or submit a report to the Senate.

Mr. RIBICOFF. That is correct.

Mr. MUSKIE. Under the Senator's amendment again, the Appropriations Committee could take possession of the bill, consider amendments, recommend them to the floor of the Senate, and make such other recommendations as it may wish.

Mr. RIBICOFF. It is not actually physically sent to the Appropriations Committee, but they are assured 10 days in which to report.

Mr. MUSKIE. The point I am making is that, like any other Senator who is not a member of the Appropriations Committee, members of the Appropriations Committee could get copies of the bill, consider it, and make amendments. We are construing situations that do not exist.

Mr. RIBICOFF. I think the Senator is making the point very well.

Mr. MUSKIE. The whole argument relates to the word "rereferral," because there are those who are concerned about veterans legislation and the jurisdiction of the Veterans' Affairs Committee, who say that the word "rereferral" means that the bill gives the Appropriations Committee substantive jurisdiction over a bill which is now considered in the Veterans' Affairs Committee. I did not believe that when we supported that provision, and I do not believe it now. I do not believe the committee version changes jurisdiction with respect to veterans legislation one iota. If I thought it did, I would not have supported the rereferral provision in the first instance.

The only effect of the committee provision is to give the Appropriations Committee 10 days to look at the bill and make such recommendations as it may choose to make to the Senate. That is all that is involved in the committee bill; that is all that is involved in the Senator's modified amendment. So if those provisions provide 10 days, then the Appropriations Committee can get the bill, develop whatever recommendations it chooses, and submit them to the Senate. I think that to describe either thing in different terms would be a disservice to an understanding of what this amendment provides.

So all we are debating is the word "rereferral," and making an argument about the conditions which have been woven around the word "rereferral." I think it is a distinction without a difference.

So far as I am concerned, that is a rereferral, and I can disabuse those who have an interest in the legislation. I am all for striking the word "rereferral."

I think all we have done is to clothe the word "rereferral." We have retained the right of the Appropriations Committee to look at any entitlement provision, retained the right of the Appropriations Committee to look at any amendment, retained the right of the Appropriations Committee to report an amendment to the floor of the Senate.

The elimination of the word "rereferral" may be the kind of subtle change that the Senator from Illinois projects, but I do not see that fearful result. I think the difference between the two, as I have stated, is a distinction without a difference.

Mr. NUNN. Mr. President, I should like to ask the Senator a question on this particular point.

Mr. MUSKIE. May I get from the Senator from Connecticut a response to the question which took me a little time to develop?

Mr. RIBICOFF. I think the Senator is correct, but the word "rereferral" becomes very important so far as the veterans of the country are concerned. The difficulty that arose was when the committee exempted the trust funds, the social security funds, from the procedure. The veterans became horrified, thinking that their compensation from pensions and other benefits would be placed in a different category and treated differently than social security. I think we will all find that, historically, we have tried to keep veterans benefits in tandem with changes in the social security law.

The Veterans' Affairs Committee has always worked with the other committees to make sure that there was not an imbalance. Suddenly the veterans see in this bill a danger they will face. They want to place the veterans benefits on the same basis as social security benefits.

Am I stating the situation accurately?

Mr. CRANSTON. The Senator from Connecticut is stating exactly what is involved in this matter. I am delighted that the distinguished Senator from Maine has taken part in the discussion, and made the point about what we are talking about and what we are not talking about with this amendment.

The Senator has gotten us right down to the meat of the matter.

I would like to stress one other point while I have the floor. I would like to make the point that this amendment actually tightens the controls, rather than reducing controls over these entitlements. I believe the amendment in its present form—and I thank the Senator for narrowing down the discussion to what we are really talking about and excluding what we are not talking about—actually provides for more control than we would have without amendment. The amendment provides that we can only consider these entitlements after June 1, when we know what the total budget picture—expenditures and revenues proposed—will be.

Otherwise we could have had a situation where the Appropriations Committee would have considered the matter, the Budget Committee would have considered the matter, the Senate and the House of Representatives would have passed the bill, and it would have been enacted into law before we knew what the total budgetary picture was under the first concurrent resolution, and we might thereafter have found we had made a mistake, when it would have been, in practical fact, too late.

Under this amendment, when we cannot consider the entitlements until after June 1, the Appropriations Committee will have is voice, the Budget Committee will know all the factors, and Congress will know all the factors. We will then have an opportunity for better control under this timetable than under the original bill.

Mr. MUSKIE. The Senator is correct. I doubt that many Senators have had a chance to read this amendment, so on this point, let me read the provision of the amendment.

In the first place, I emphasize the point that entitlement legislation cannot be brought to the floor until after the first concurrent resolution is adopted. Under the committee bill, entitlement legislation could come up before that time, and the only recourse then would be under the rereferral process under the bill.

Mr. CRANSTON. The Senator is correct.

Mr. MUSKIE. Secondly, the amendment says this:

> The Committee on Appropriations of that House—

meaning whichever House is involved——

> may, within 10 calendar days—

That is, legislative days——

> beginning with the day following the day on which it is so reported, submit a report to its House setting forth its recommendations with respect to the level of the new advance, spending authority provided by such bill or resolution.

Then there is this sentence:

> It shall not be in order in that House to consider such bill or resolution until the Committee on Appropriations of that House has submitted the report required by this paragraph or, if such Committee fails to submit such report, until the expiration of such 10-day period.

I think there is ample safeguard here of the prerogatives of the Appropriations Committee. I think there is ample safeguard in the language for the right of the Senate to have all information and all alternatives before it, before it votes on new entitlement legislation.

Mr. RIBICOFF. That is correct.

Mr. MUSKIE. And that is precisely the objective of the provision in the committee bill.

Mr. NUNN. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Connecticut has the floor.

Mr. NUNN. Will the Senator yield for a question?

Mr. RIBICOFF. I yield.

Mr. NUNN. The Senator from Georgia is under the impression that this amendment, although I am sure that the author is aiming it toward the veteran——

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired. All time on the amendment has expired.

Mr. NUNN. Will the Senator yield time on the bill for one question?

Mr. MUSKIE. How much time would the Senator like?

Mr. NUNN. I think about 4 minutes would be enough.

Mr. MUSKIE. I yield the Senator 5 minutes.

Mr. NUNN. The Senator from Georgia is in sympathy with the case which the Senator from Connecticut has made regarding veterans and social security. I wonder if the Senator would modify his amendment to apply only to veterans, thus avoiding a loophole here that the Senator from Georgia believes would apply to nonexempt trusts. I am under the impression that nonexempt trusts in most cases, in fact in 95 percent of the cases, are entitlements, and if that is so, we have at least 60 or 70, or perhaps 100 nonexempt trusts which will come under this amendment.

If the Senator would confine his amendment to veterans, which is obviously the Senator's main wish, I believe we could reach some agreement here.

Mr. RIBICOFF. May I say to the Senator from Georgia that he is also talking about payments to needy aged, blind, and disabled persons. I do not feel personally that I want to exclude that category of people, nor medical assistance for the needy and food stamps. We are talking, really, of the most needy segments of our population, and I believe it is important to place them in a situation where their needs are taken care of and placed in the same category of social security recipients.

Mr. NUNN. Suppose we included all those groups, but confined it to those groups, instead of having broad entitlements. I am in sympathy with that. Suppose we take in them, as well as veterans, and try to restrict it to that.

The Senator from California and the Senator from Connecticut have been talking about veterans, veterans, veterans. The Senator from Georgia agrees with them on that. But what the Senator has done, as I read his amendment, is make a loophole that is large enough for all bills in the future which will in any way be debated, or when their author thinks they will be hard to pass, he will seek to put them under the term entitlement legislation or under the term of an exempt trust, and we can see, as I said a while ago, that we could have 70 percent of the general funds going into trusts that will still be exempt, and that would come under the term entitlement legislation if they are not exempt. So I am asking if the Senator will confine his legislation to the specific categories the Senator from California and the Senator from Connecticut aim to help.

Mr. RIBICOFF. Mr. President, may I say that the programs I listed in my earlier statement—veterans' pensions, veterans' compensation, veterans' educational payments, medical assistance to the needy, aid to the aged, the blind, the disabled, and food stamps—those are the categories I have in mind. There may be others, but they do not come to mind right at this moment.

Mr. NUNN. There are a good many others. I do not think it is fair to present this amendment as one to assist veterans only, when it includes other broad categories.

Mr. RIBICOFF. May I say that in my opening statement I named the other categories besides veterans. I do not want this body, however, to receive the impression that this applies only to veterans. Veterans are perhaps the largest category, but there are the additional categories I have named.

Mr. NUNN. Is the Senator willing to limit his amendment in any way, then, or does he want to include all entitlements, including nonexempt trusts, of which I am informed there are many?

Mr. RIBICOFF. May I ask the Senator, if I limited the entitlements to those I have named, would the distinguished Senator then support my amendment?

Mr. NUNN. I would join in supporting it, if the Senator from Connecticut would limit it so that we would not be creating a loophole of unknown dimensions here, such that no one would know what we are talking about. I would join with the distinguished Senator in urging the adoption of his amendment.

Mr. RIBICOFF. How would the Senator from Maine feel about that?

The PRESIDING OFFICER. The 5 minutes of the Senator from Georgia has expired. Who yields time?

Mr. PERCY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time? The Chair inquires of the Senator from Illinois, on whose time?

Mr. PERCY. Can the time be equally divided?

The PRESIDING OFFICER. By unanimous consent.

Mr. RIBICOFF. May I say to the distinguished Senator from Georgia that I stand on the amendment as it is.

Mr. PERCY. Mr. President, I withdraw my request for the quorum.

Mr. NUNN. How can we vote on an amendment when no one knows how broad it is?

The PRESIDING OFFICER. Who yields time?

Mr. ERVIN. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 5 minutes.

Mr. ERVIN. Mr. President, I wonder whether there is any difference between the original bill and the amendment. I invite the attention of the Senate to page 149, which reads:

> Whenever any bill or resolution which provides new advance spending authority described in subsection (c)(2)(C) is reported by any committee of the Senate or the House of Representatives, such bill or resolution shall then be referred to the Committee on Appropriations of that House with instructions to report it, with the committee's recommendations, within ten calendar days (not counting any day on which that House is not in session) beginning with the day following the day on which it is so referred.

There is a line in that provision on which I stated yesterday in response to a question put to me by the distinguished Senator from Mississippi (Mr. STENNIS), that I was of the opinion the original bill did not give the Senate Appropriations Committee any authority to make changes in the substantive provisions of the bill as it was reported by the committee having the jurisdiction.

On the bottom of page 150 of the bill, and the top of the page 151, it reads as follows:

> The Committee on Appropriations of each House shall have jurisdiction to report any bill or resolution referred to it under paragraph (2) with an amendment which limits the total amount of new advance spending authority provided in such bill or resolution.

My interpretation of the provisions of the bill was that the only amendment the Senate Appropriations Committee could make or suggest was one limiting the total amount as contradicting changing any specific provision as to who was entitled to the benefits of the bill.

So I wonder whether there is any substantial difference between the original bill and the amendment of the Senator from Connecticut.

Mr. RIBICOFF. This is what the Senator from Maine and I, in our colloquy, felt we had arrived at in order to clarify the matter in trying to work this out. We believe that we had come to a compromise that did not really wrench the basic purpose of the Government Operations and the Rules Committees in formulating this legislation.

Mr. MUSKIE. That is correct, I say to the Senator, and this approach was one that I suggested this morning.

Mr. ERVIN. The next question goes to the question of rereferral.

Mr. RIBICOFF. That is another case of a possible interpretation that the Appropriations Committee, under these circumstances, could actually amend the bill. What the Senator from Maine and I were trying to work out is the result that the distinguished chairman of the committee believes is in the bill. There was a question of ambiguity. I believe that this is what the Senator from Maine and I tried to work out in the amendment to my amendment.

Mr. ERVIN. In other words, the Senator from Connecticut feels that the amendment is necessary to remove the ambiguity.

Mr. RIBICOFF. That is correct.

Mr. ERVIN. That it might be susceptible to interpretation different from the specific provision that has nothing to do with this one.

Mr. RIBICOFF. I believe that is so. That is what we attempted to work out with the Senator from Maine as a compromise.

Mr. ERVIN. Under the amendment, the Appropriations Committee, or the referral of the bill to it, would have retained authority to make recommendations as to changes in the substantive provisions as to who is entitled to the benefits of this particular bill as set forth in the original bill. The amendment of the Senator from Connecticut would remove any ambiguity on that point.

Mr. RIBICOFF. That is correct. They could not actually amend the bill, but they could make recommendations in their report.

Mr. NUNN. Mr. President, will the Senator from North Carolina yield for a question?

Mr. ERVIN. I yield.

Mr. NUNN. Does not the Senator from North Carolina realize that under the proposed amendment, the Appropriations Committee would not have to make a report, that there is simply permissive language saying that they may make a report; yet the bill itself makes it mandatory that the Appropriations Committee make a report on the issues. So that we have gone from mandatory to permissive.

Mr. ERVIN. That does not make much change because they can recommend that no changes be made. We would not disable any individual Senator who disagreed with the bill as reported by the committee having jurisdiction from proposing any amendments.

Mr. NUNN. What if a Senator had a report but did not know what the entitlement would do?

Mr. ERVIN. He would be in the same fix if you have a mandatory provision saying they shall make recommendations, as the recommendation that there should be no change.

Mr. NUNN. Except they would have to have a report.

Mr. CRANSTON. Mr. President, if I may interject there, under the bill, if the Appropriations Committee did not report in 10 days, it would be discharged. There is no requirement that it report.

Mr. PERCY. Mr. President, I yield myself 3 minutes, one of which I would be happy to yield to the proponents. I think I can summarize quickly my firm conviction that the amendment should be rejected.

First, if there is no substantial difference between the committee language and the amendment, I see no real reason, then, to change the language that has carefully been reviewed by the Government Operations and the Rules Committees. The more the proponents of the amendment talk about the narrow differences, the more I realize that there is no real reason to change at all.

Second, the Senator from Maine used the word "rereferral." I find no mention of rereferral as it relates to the action provided for in this amendment.

On page 159 of the bill, at the bottom, it simply indicates that the bill shall be referred to the Committee on Appropriations. Well, it may not have been there ever. So, it is not rereferred.

On page 151, at the top of the page, the bill provides that the Appropriations Committee can only make or offer an amendment which limits the total amount of new advance spending authority described in subsection (c)(2) (A) or (B) or any amendment which provides such new advance spending authority.

So I very vigorously oppose the amendment as I would oppose any amendment that would compound the problem faced by Congress at the end of the session after we have passed a second concurrent resolution or a third or a fourth and then we come down to the end of the line and have a reconciliation bill which puts us up against the situation where we have to roll back many of the expenditures already authorized and approved.

I feel that we should face the issue earlier and give the Appropriations Committee a chance to study the bill, send the bill back to the floor of the Senate, or send the bill to the authorizing committee, showing the impact that that bill and the entitlements provided would have on the spending limits we have already agreed to, and do this as we go along, rather than pass them all over and face the music when the reconciliation bill comes through and handle it like supplemental appropriations and throw up our hands at the last minute, and raise the ceiling, and have to study the effect on the spending limits each and every time we break through some targeted point.

For all these reasons, I oppose the amendment.

The PRESIDING OFFICER (Mr. HATHAWAY). The question is on agreeing to the amendment of the Senator from Connecticut.

On this question the yeas and nays have been ordered and the clerk will call the roll.

Mr. MUSKIE. Mr. President, let me take some time on the bill. May I say the Senator from Arkansas (Mr. MCCLELLAN), asked earlier this afternoon for an opportunity to engage in colloquy. So I would hope that we could do that at this time.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. MUSKIE. Whatever time the Senator from Arkansas desires.

Mr. McCLELLAN. I am very sorry that I had to leave the Chamber a while ago and have not been able to hear all the colloquy and discussion on this subject. What I was trying to find out was the difference between the bill and the amendment of the Senator from Connecticut.

Maybe this will clarify it. The bill as I understand it would refer backdoor spending bills, contract authority loans, and entitlement bills such as veterans pensions, black lung, and so forth, to the Appropriations Committee, and the committee would have 10 days to report back its recommendations and/or with an amendment to limit such spending. Is that a correct interpretation of the bill?

Mr. MUSKIE. It is correct only as to entitlements. There is a different provision with respect to contract authority and borrowing which would also come to the Appropriations Committee, but not under the provision to which the Senator is referring.

Mr. McCLELLAN. Tell me the difference between the amendment and the bill, in a succinct manner. What is the difference? We have the amendment to vote on.

Mr. MUSKIE. The provision in the bill would provide—just as the Senator has described it—that the entitlement legislation, whether it occurred prior to June 1 or after—June 1 being the day when the first concurrent resolution must be enacted—would be referred to the Appropriations Committee for 10 days for amendment or such recommendations as the committee may recommend for the purpose of limiting the spending which would be mandated by the entitlement authority.

Under the amendment of the Senator from Connecticut, the bill as it comes out of the authorizing committee cannot go to the floor until the Appropriations Committee has had 10 days to consider it and to make recommendations to the floor with respect to it.

Mr. McCLELLAN. What is the difference between making recommendations and offering an amendment?

Mr. MUSKIE. The difference is the elimination of the formal rereferral process.

Mr. McCLELLAN. How would it be before the Appropriations Committee if it was not referred to the committee?

Mr. MUSKIE. It would have been reported out of the authorization committee. The Appropriations Committee would be required, under this proposal, to take cognizance of it and to consider it in any way it wished. I have argued all afternoon that all we have been arguing about is a semantic difference.

The rereferral provision has raised questions on the part of many people, Senators as well as others, that what the bill does is change the jurisdiction of the authorizing committee and the Appropriations Committee with respect to such entitlement legislation, that it creates an ambiguity that is a threat to programs in which they are interested. Because I believe that the bill before the Senate is designed only to give the Appropriations Committee a chance to look at it and to evaluate its implications, I was willing to go along with the amendment. I do not think that the referral language of the bill was intended in any way to change jurisdiction.

All the amendment does is to eliminate that doubt. The responsibilities in the Appropriations Committee would be the same under either proposal. That is my view.

Mr. McCLELLAN. I think I understand. There is not enough difference; it is only a matter of semantics.

Let me ask another question: Does anyone believe that the Appropriations Committee can act responsibly within 10 days on a bill that proposes multibillon-dollar spending?

Mr. MUSKIE. I think that is a legitimate question, but the 10-day period appiels to both proposals.

Mr. McCLELLAN. I understand. I ask this: Does anyone think that the Appropriations Committee can act responsibly—do the evaluation and make a report in 10 days on a big spending bill that is reported by a committee?

In the first place, the committee is not yet staffed to do it. Second, it would have to have a staff of expert—a limited staff, at least—for this purpose.

I am just pointing out that it seems to me there is going to be an overall budget committee; and if any committee is going to be staffed to do it under this bill, it would be that budget committee and the committee that is being set up in the bill, the Congressional Office of the Budget.

A responsibility is being placed on the Appropriations Committee which it is not capable of performing under the present circumstances. It makes no difference to me whether this is done one way or the other. The consequences are going to be the same. It is a burden, an impossible task in that limited time, with the staff the committee now has. The committee is not equipped to do it.

Mr. MUSKIE. The Senator, as chairman of the Appropriations Committee, knows a great deal more about the capability of the Appropriations Committee than I do. But let me make a couple of observations.

Mr. McCLELLAN. We can make a guess in 10 days.

Mr. MUSKIE. In the first place, I have made it clear that the committees did not intended to change the jurisdiction with respect to the substance of entitlement legislation. The referral to the Appropriations Committee was simply to get the Appropriations Committee's judgment on the budget impact, not on the details, the substantive details, of the legislation.

The second point I would make is that the Congressional Office of the Budget would be available to the Appropriations Committee in the same way that it would be to the budget committees, to make those kinds of analyses and to present to the budget committee the figures.

Mr. McCLELLAN. Who would have jurisdiction of this?

Mr. MUSKIE. This would give the Appropriations Committee an opportunity, and indeed a duty under this bill, to give the Senate the benefit of its judgment as to the budget impact.

Mr. McCLELLAN. But we do not have jurisdiction over the budget staff that is being set up. We have no jurisdiction over it.

Mr. MUSKIE. The language of the bill makes the Congressional Office of the Budget available to every committee.

Mr. McCLELLAN. It is available. We can call on them, yes. But we cannot direct them to get on to this and do it. In other words, we can direct our staff to get on something and give it immediate attention.

Mr. MUSKIE. Obviously, the Appropriations Committee and the Finance Committee, which are also given responsibilities under this legislation, should have sufficient authority to utilize the COB.

Mr. McCLELLAN. I say this to the Senator, and I say this now so that we may be on notice as to what we are doing: If the Appropriations Committee is charged with this responsibility, it should have under its immediate control some staff that is competent in this field. It cannot be said that "you have to do it." All we can do under the circumstances, in my judgment, under the proposed legislation, is that when it is sent to us, we will send it back.

Mr. MUSKIE. I agree with the Senator.

Mr. McCLELLAN. I want to make clear that there would be a responsibility on the Appropriations Committee that is impossible for it to perform at present.

Mr. MUSKIE. I say to the Senator that is not the intent of the proposed legislation. If we have not implemented that adequately in the bill, we will do so before we finish work on the bill.

I cannot agree more with the Senator that those kinds of frustrations should not be imposed on the committee.

Mr. PERCY. Mr. President, I yield myself 2 minutes in order to comment on the remarks of the distinguished chairman of the Appropriations Committee.

I refer the Senator from Arkansas to page 68 of the bill, which covers the provision as reported by the Government Operations Committee. This obviously would have provided more time for the Appropriations Committee to have operated and did not contain the 10-day limitation. That was placed on it as a result of revisions that were incorporated in the bill by the Committee on Rules and Administration.

The reason why the Senator from Illinois opposes the amendment is that there is indeed a difference between the Appropriations Committee simply being asked to make a report and literally having the legislation before it and being able to send the legislation back to the authorizing committee, or sending it to the floor with an amendment. There is a distinct difference. The difference has been minimized on the floor. I think there is a difference, and for that reason I prefer staying with the committee version.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. PERCY. I am happy to yield.

Mr. McCLELLAN. Without it being referred to the committee, the committee has no official jurisdiction over it. On this theory, any bill that comes out here that provides for spending, we would automatically have to take judicial notice and try to act on it.

Mr. PERCY. I think the Senator has put his finger right on the point. That is a big difference.

Mr. MUSKIE. I would like to comment on that. Talking about minimizing a difference, there is such a thing as maximizing a difference.

I wish to read from the Ribicoff amendment. It states:

> The Committee on Appropriations of that House may within 10 calendar days (not counting any day on which the House is not in session) beginning with the day following the day on which it is so reported, submit a report to its House setting forth its recommendations.

This amendment confers jurisdiction and responsibility upon the Committee on Appropriations. The language is really to maximize a difference. The language speaks for itself.

Mr. McCLELLAN. It states "may."

Mr. MUSKIE. It states "may." The Senator just said he is not sure he has the staff resources.

Mr. McCLELLAN. I do not think I have.

Mr. MUSKIE. The "may" is to be exercised by the Senator.

Mr. McCLELLAN. As pointed out, all we can do is send it back to you.

Mr. MUSKIE. On the question of whether this language imposes a responsibility on the Appropriations Committee. It is the intention of this bill to make the Congressional Offices of the Budget available to every committee, and especially those committees which are subject to the procedure requirements of the bill, and that includes the Appropriations Committee. If there is any doubt about the provisions of the bill in that regard, we will certainly clarify it.

So I say to the Senator whatever maximization of differences we get, this amendment, if adopted, imposes a responsibility on the Appropriations Committee. More than that, this bill intends to provide the staff of the Appropriations Committee sufficient to meet this and all other responsibilities, just as it does to the Finance Committee and the Budget Committee.

Mr. NUNN. Mr. President, will the Senator yield briefly so that I may make an observation for the Senator from Arkansas?

Mr. MUSKIE. I yield.

Mr. NUNN. I think the Senator from Arkansas was not here when we pointed out in colloquy one certain difference that is important for the Senator's judgment. The bill as written would allow entitlement legislation to be considered at any point in the year provided it complied with the sending of the entitlement legislation to the Appropriations Committee. The amendment would require it be done after June 1. The significance is that entitlement legislation will have to be considered by the Appropriations Committee and the Senate during the same 3-months period when all appropriation bills have been considered. I made the point that the result may well be that entitlement legislation will bring sufficient pressure that it will be removed from all restraints and we will be right back at this point.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. BROCK. I wish to follow up on the point of the Senator from Georgia. It is important to note to the Senator from Georgia that the Committee on Government Operations reported this bill virtually unanimously with a section which gave jurisdiction over entitlement legislation to the Appropriations Committee. There was no referral or any question about it. Jurisdiction was placed in the Appropriations Committee because this section of our budget is the one segment that is totally out of control. We are talking about 58 percent of the total budget by 1979. Somebody has to watch it, somebody in whom this body reposes confidence and trust. We placed that responsibility with the Appropriations Committee. That was stricken by the Committee on Rules and Administration.

Then, it was simply referred for 10 days and the Committee on Appropriations was given the staff with the direction to bring in the figure as it affects the budget, but they were allowed to offer amendments so far as the total funding level. Now, we have even stricken that opportunity for oversight and review from the authority of the Committee on Appropriations.

It may very well be you have been given a label without any substance to it and you are being put in a position of being criticized for not doing something you would not be able to do. I think that is the effect of the amendment, whether we overmaximize it or not. The fact is when we get back to the end of the year and all of these entitlements have been increased over the concurrent resolution passed in June the Appropriations Committee is going to bet hit with a situation where Congress has passed entitlements that violate the ceiling, unless we cut back on specific programs; and the Appropriations Committee is going to be burdened with having to cut back on the legislative programs to encompass the increase over which it had no jurisdiction. That is what is wrong with the amendment.

Mr. CRANSTON. Mr. President, will the Senator from Maine yield?

Mr. MUSKIE. I yield.

Mr. CRANSTON. The Senator from Tennessee speaks of 58 percent. We are talking principally about two entitlements: veterans and certain of their entitlements, and senior citizens and disabled persons, for a total of $5 billion. We are not talking about all or even most entitlements. Most, and by far most of the dollars, are not affected by this amendment.

Mr. BROCK. The Senator from Georgia asked the Senator from Connecticut to list them and he said he would limit it to those two.

Mr. NUNN. The Senator from Georgia has already accepted those two.

Mr. ERVIN. Mr. President——

Several Senators addressed the Chair.

Mr. PASTORE. Mr. President, may we have order? The Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order. The Senator's time has expired.

Mr. PERCY. Mr. President, I yield myself 2 minutes. I am happy to yield 1 minute to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. Mr. President, the other point I wish to make is for those Senators who have come to the Chamber. A new and better control is proposed by this amendment because it requires that entitlements cannot be acted on by the Senate or House until June 1; until that time the Budget Committee, the Appropriations Committee, and the entire Congress cannot know the entire situation on overall revenues and expenditures. Prior to that time, you deal with it only in a fragmentary way in the Appropriations Committee and the Budget Committee, without those committees or the Congress knowing the total picture.

This is a far better situation, and this amendment would add a responsibility to the Appropriations Committee which it does not have now. Now, the Appropriations Committee has no voice at all in entitlements of any sort.

Mr. PERCY. Mr. President, in the remaining moment I wish to respond to the Senator from Arkansas with respect to the inadequacy of the staff of the Committee on Appropriations to deal in such a short time frame with these problems.

This point was brought up by the Senator from West Virginia (Mr. ROBERT C. BYRD). I would like to ask him if it is his intention to offer an amendment which will change the duties and functions under section 202 of the bill so that there will be a dual relationship and responsibility between the Director of the Congressional Office of the Budget and the Committee on Appropriations, as well as the Committee on the Budget, so that whenever a load is imposed on the Committee on Appropriations the Staff would be available to help analyze, appraise, and provide sufficient information so that a decision could be made within the time frame.

Mr. ROBERT C. BYRD. Such language has been prepared.

Mr. PERCY. The Senator from Illinois would be most supportive of it.

Mr. President, service on the Committee on Appropriations has convinced me that many times the staff is inadequite for the job and the responsibilities we have, and this would place at the disposal of every committee and every Senator a group of professional people comparable in stature and quality to the Office of Management and Budget, which the Congress now lacks.

Mr. McCLELLAN. Mr. President, will the Senator yield for just a brief observation?

Mr. PERCY. I am happy to.

Mr. McCLELLAN. We have a marvelous Appropriations Committee staff, but it is a housekeeping staff; it is not a professional staff that would normally be prepared to immediately make an analysis and report back intelligently to the Senate on an issue like this.

Mr. ERVIN. Mr. President, I would like to have about 2 minutes.

Mr. MUSKIE. Mr. President, I yield 2 minutes to the Senator from North Carolina.

Mr. ERVIN. I would like to say that I agree with the Senator from Tennessee. There was no reason why entitlement legislation should not be subjected to two committees, just as we do now generally with the authorizing committee and the Appropriations Committee. That is why, I believe, the bill reported unanimously from the Government Operations Committee provided for that on page 68. Under that provision, the Appropriations Committee could make amendments. It seems to me we are arguing here the difference between tweedledum and tweedledee, as to whether one should support the bill as it was revised by the Committee on Rules and Administration or the Government Operations Committee version. I think it comes to the same thing. I do not know which way I am going to vote when it comes to a vote, but personally I would like to go back to the Government Operations Committee version on this and have two committees look at the matter before we saddle the American people with billions of dollars of additional obligations; but neither the amendment nor the bill pending before us will accomplish that purpose.

I thank the Senator for yielding.

The PRESIDING OFFICER. All time on the amendment having expired, the question is on agreeing to the amendment of the Senator from Connecticut (Mr. RIBICOFF). The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Louisiana (Mr. LONG), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Indiana (Mr. HARTKE), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Ohio (Mr. METZENBAUM), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

On this vote, the Senator from West Virginia (Mr. RANDOLPH) is paired with the Senator from Ohio (Mr. METZENBAUM).

If present and voting, the Senator from West Virginia would vote "yea" and the Senator from Ohio would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. HATFIELD), the Senator from North Dakota (Mr. YOUNG), are absent on official business.

I also announce that the Senator from Vermont (Mr. AIKEN), is absent because of illness in the family.

I further announce that the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from South Carolina (Mr. THURMOND) are necessarily absent.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from South Carolina (Mr. THURMOND).

If present and voting, the Senator from Oregon would vote "nay," and the Senator from South Carolina would vote "yea."

The result was announced—yeas 31, nays 55, as follows:

[No. 81 Leg.]

YEAS—31

Abourezk
Bayh
Bentsen
Bible
Brooke
Case
Church
Clark
Cranston
Ervin
Gravel
Hart
Hathaway
Huddleston
Hughes
Humphrey
Jackson
Javits
Magnuson
McGovern
Mondale
Moss
Muskie
Nelson
Pell
Ribicoff
Sparkman
Stafford
Taft
Weicker
Williams

NAYS—55

Allen
Baker
Bartlett
Beall
Bellmon
Bennett
Biden
Brock
Buckley
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Cannon
Chiles
Cook
Cotton
Curtis
Dole
Domenici
Eastland
Fannin
Fong
Griffin
Gurney
Hansen
Haskell
Helms
Hollings
Hruska
Inouye
Johnston
Mansfield
Mathias
McClellan
McClure
McGee
McIntyre
Metcalf
Montoya
Nunn
Packwood
Pastore
Pearson
Percy
Proxmire
Roth
Schweiker
Scott, Hugh
Scott,
William L.
Stennis
Stevens
Stevenson
Talmadge
Tower
Tunney

NOT VOTING—14

Aiken
Dominick
Eagleton
Fulbright
Goldwater
Hartke
Hatfield
Kennedy
Long
Metzenbaum
Randolph
Symington
Thurmond
Young

So Mr. RIBICOFF's amendment was rejected.

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. PERCY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, will the Senator from Illinois yield me 5 minutes on the bill?

Mr. PERCY. Mr. President, I yield 5 minutes to the Senator from New York.

Mr. JAVITS. Mr. President, I hope not to take 5 minutes.

First, I should like to invite the attention of the managers of the bill. I ask unanimous consent that when whatever other amendments on which unanimous consent has been granted have been completed—I understand the last amendment is by the Senator from Ohio (Mr. TAFT)—I may be recognized to submit an amendment for myself, the Senator from Minnesota (Mr. HUMPHREY), the Senator from Florida (Mr. CHILES), the Senator from Maine (Mr. MUSKIE), the Senator from Louisiana (Mr. JOHNSTON), the Senator from Utah (Mr. MOSS), and the Senator from Minnesota (Mr. MONDALE) which is a slight variance from amendment No. 1047, about which I have already conferred with the floor managers of the bill.

Mr. ROBERT C. BYRD. Mr. President, reserving the right to object, I should like to ask the Senator from Illinois if I may proceed with a request which will place in sequence the amendments that have not yet been called up.

Mr. PERCY. I yield.

Mr. JAVITS. Of course.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the disposition of the amendment by Mr. ROTH, the Senator from Mississippi (Mr. STENNIS) be recognized to call up his amendment; that on the disposition of his amendment, the Senator from Ohio (Mr. TAFT) be recognized to call up his amendment; that upon the disposition of his amendment, the Senator from New York (Mr. JAVITS) be recognized to call up an amendment; that upon the disposition of his amendment, Mr. NUNN be recognized to call up his amendment.

Mr. HUMPHREY. Mr. President, the Senator from Minnesota has three amendments at the desk.

Mr. ROBERT C. BYRD. This is one of them.

Mr. HUMPHREY. I do not want to waste any time. I have spoken with members of the committee. I shall call up one of the amendments for the purpose of discussion, because I think the three amendments are relevant, but I shall not ask for a vote on all of them. I may on one. In fact, I would suggest a maximum time of 10 minutes to a side on my amendments.

Mr. ROBERT C. BYRD. Mr. President, will the Chair rule on my request?

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia?

Mr. CRANSTON. Mr. President, will the Senator yield? I simply wish to have an amendment of mine added to the end of the list.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, following the disposition of the amendment by the Senator from Georgia (Mr. NUNN), the amendments the Senator from Minnesota has requested——

Mr. HUMPHREY. I will call them up and dispose of them as quickly as possible.

Mr. ROBERT C. BYRD. Be considered, and, following the amendments of the Senator from Minnesota, the amendment of the Senator from Florida, who had asked previously, and then that the Senator from California (Mr. CRANSTON) be recognized to offer an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. PERCY. Mr. President, reserving the right to object, has the acting majority leader made a reconciliation of all these amendments, and reconciled them with the unanimous-consent agreement to have final passage by 2 p.m.? Is that possible, or should we come in at an earlier hour?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Is there objection?

Mr. BAYH. Mr. President, reserving the right to object——

The PRESIDING OFFICER. To which unanimous consent does the Senator reserve the right to object? There are two pending.

Mr. BAYH. Addressing myself to the last unanimous-consent request, I reserve the right to object.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia with reference to the list of Senator from West Virginia with reference to the list of Senators offering amendments. The Chair hears none, and it is so ordered.

With respect to the request to convene tomorrow morning at 9 o'clock——

Mr. BAYH. Can the Senator from West Virginia tell me, when would the first vote occur under that procedure?

Mr. ROBERT C. BYRD. If the full hour is taken with respect to the amendment of the Senator from Wisconsin (Mr. NELSON) and the Senator from Minnesota (Mr. MONDALE), the first vote would occur at 10 o'clock.

Mr. BAYH. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. It may be necessary to shorten the time on amendments tomorrow.

Mr. JAVITS. That would be agreeable to me.

Mr. PERCY. I think that would be a good idea.

Mr. ROBERT C. BYRD. Perhaps we ought to attempt to do that now.

Mr. CHILES. The Senator from Florida certainly would not object to that. It may be that the Senator from Wisconsin (Mr. NELSON) should be consulted if we are going to surrender any of his time, but I have no objection concerning the time on my amendment.

Mr. ROBERT C. BYRD. Mr. President, may I propound a question to the distinguished assistant Republican leader? Does he believe that the Senator from Delaware would object to shortening the time on his amendment?

Mr. GRIFFIN. This is a problem. I suppose, without getting his consent, we would have to reserve an hour for his amendment. He did want an hour and a half. We were able to talk him into reducing that to an hour. But other than that one, I know of no reason why we could not have a half hour on amendments.

I would also respectfully suggest that after the first rollcall vote, all rollcalls be limited to 10 minutes tomorrow.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment by the Senator from Florida (Mr. CHILES) there be a time limitation of 20 minutes, to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr JAVITS. I will take 20 minutes for mine, because we have so many cosponsors. But as to the other side, if the Senator says 20 and 10, I think they will take it.

Mr. ROBERT C. BYRD. Very well. Twenty minutes on the proponents' side, and 10 minutes on the manager's side, on the amendment of the Senator from New York (Mr. JAVITS).

I hesitate to shorten the time on the amendments of Senators NELSON, TAFT, and STENNIS, but in the morning we will attempt to do that.

Mr. JAVITS. Does not the Senator think he ought to provide 5 minutes on any amendment to an amendment? That is always stultifying.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on amendments to the amendments that have been enumerated, on which the time limitation has been lessened, there be a time limitation of 10 minutes, to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, one further problem we may have in our plan for tomorrow is that there are 4½ hours remaining on the bill. This side has only had a request from the Senator from Nebraska (Mr. CURTIS) for 15 minutes, and obviously we will honor that request. I would think it possible to restrict our time to, say, 1 hour, which then could be yielded back in advance, but if Senators would like the remaining time, we could dole it out very judiciously tomorrow, if necessary, particularly to someone who may feel he has been cut back without adequate notice on an amendment.

Mr. ROBERT C. BYRD. The time for debate poses no problem, because there will be a final vote at 2 o'clock, and if there is any time remaining at all, of course, Senators may yield it back.

I ask unanimous consent, in accordance with the suggestion of the distinguished Republican whip, that after the first rollcall vote tomorrow, all other rollcall votes consume 10 minutes each, with the warning bells to sound after the first 2½ minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, may I have 3 additional minutes on the bill to make my speech?

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, I am very much for this bill. It has been very thoroughly and, I think, very well worked out with the cooperation of many Senators. I believe it presents us with a package which will—and this is very close to my heart—represent the acceptance by Congress of the responsibility which it must accept if it wishes to exercise equal authority with the President in budget making.

Mr. President, few issues have impacted with greater force upon the American public in recent years than that relating to the integrity and responsiveness of government. Watergate has indeed focused and intensified that issue.

But we have heard again and again, quite apart from Watergate, that our people have become disillusioned and cynical about the institutional capability and willingness of Congress to cope with the increasingly complex questions of modern government

As we are all aware, the United States has increasingly faced the most serious budget problems brought about by the fact that we in the Congress have been voting to spend money at a rate faster than our ability to generate revenues at full employment. No reasonable person could deny that one of the chief contributing factors to this deplorable situation has been the absence of any way to inform and guide the Congress about the hard facts of priorities planning and budget reconciliation.

No existing office or committee has the authority or the wherewithal to provide the kind of overview which is necessary. This arises simply from the fact that most committees are specialists in and advocates for a certain slice of the Federal dollar. It is assumed that when a bill is considered by the Senate or the House on the floor that an overview will be provided. But, as we are all aware, Congress as a whole proceeds piecemeal—as do the committees—without overview.

The legislation we debate today is critically important. It represents the careful and comprehensive work of my own Government Operations Committee and the Committee on Rules and Administration. It represents a major stride toward reassertion by the Congress of its constitutional control over the Federal budget.

It tracks very closely the decisive action of the Congress last year in passing the landmark War Powers Act and in dealing with the issues of executive impoundment and executive privilege.

The Federal Act to Control Expenditures and Establish National Priorities which is before us today is, as I have already stated, the result of an extraordinary effort of many Senators. I particularly wish to commend four of a much larger number: our distinguished chairman, Senator Ervin, our ranking minority member, Senator Percy, Senator Muskie, and also Senator Robert Byrd.

S. 1541 will modernize the organization of Congress to deal with the entire budget process. It will establish a Senate Budget Committee consisting of 15 members to oversee congressional budget matters. In addition, it will create a Congressional Office of the Budget—COB—to provide both Houses of Congress with staff resources they do not now have in order to analyze the budget recommendations of the President and test the assumptions upon which they are based.

In submitting estimates to the COB, the executive departments and agencies will be required to identify both the cost of existing programs, activities and services; and second the cost of proposed new and expanded programs, activities and services. It will be able to recommend alternative levels of revenues and outlays based on its own estimates, including the amount of revenue loss attributable to tax benefits and related matters. The COB will establish a permanent, institutional capability to provide sophisticated expertise to the Members and committees of Congress on budget making. I think it is important to emphasize that all standing committees have access to the COB. By utilizing this new capability and obtaining new sources of information from the executive departments and the White House as provided for in S. 1541, the Congress will have more tools than ever before to consider the budget overall and in detail in an intelligent way.

By changing the fiscal year to October 1, the Congress will have more time following the submission of the President's budget message to accomplish this.

Most importantly, S. 1541 will bring about fundamental reform of the mechanism by which the Congress processes the annual Federal budget. The process includes two budget resolutions and a final reconciliation bill in a logical and orderly procedure which allows the Congress to reassess and revise its spending and revenue decisions in the second budget resolution and the reconciliation bill. This process mandates the informed input of the Appropriations Committee, the Finance Committee, the Joint Economic Committee and the authorizing committees of the Senate. Most Members of the Senate have in the past voiced concern that all spending bills should be passed early in the fiscal year. The bill requires all such measures to be completed by early August. This is a most important reform.

Mr. President, for some years I have advanced a proposal for an Office of Goals and Priorities Analysis—in effect, a budget bureau responsible to the Congress—so that we might be able to make rational choices among items with the same analytical capability as the executive branch when drafting its own budget proposals. The most recent version of my proposal was contained in title II of S. 5 which was reintroduced in 1973, after having passed the Senate the previous year. Senator Mondale joined with me on both occasions in proposing S. 5 and urging its enactment.

In view of the consideration of S. 1541 by the Government Operations Committee, we moved to have title II of S. 5 referred to Government Operations in order that it might be considered in the light of the proposal to create a Congressional Office of the Budget. Senator Chiles joins with Senator Mondale and I to offer an amendment to S. 1541 to require the Director of the COB to prepare a report on national goals and priorities on or before June 1 of each year.

Mr. President, The Committee on Government Operations reported this measure dealing with national goals and priorities, in a separate bill sponsored by the Senator from Florida (Mr. Chiles). That bill, S. 1414, which I strongly support and cosponsored would provide the Congress with critically important budget information which it does not now get in a timely and useful manner.

So the amendment which I shall call up tomorrow I send to the desk for printing under the rules, on behalf of myself and Senators Chiles, Humphrey, Mondale, Muskie, Johnson and Moss—carries out that idea. I submit it to the managers; I hope they will consider it favorably.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table, and without objection it will be printed in the Record.

Amendment No. 1057

On page 116, after line 25, insert the following:

REPORT ON NATIONAL GOALS AND PRIORITIES

Sec. 203. (a) Annual Report.—The Director shall submit to the Congress on or before May 1 of each year (beginning with 1978) a national goals and priorities report, which shall include, but not be limited to, a description and discussion of—

(1) the President's recommendations on national priorities reflected in the proposed allocation of budget authority and budget outlays for each major national need as set forth in the budget submitted by the President for the fiscal year beginning on October 1 of each year;

(2) the goals, or objectives, associated with each major national need and the goals, or objectives, being sought by all Federal programs directed at meeting such national need and a balanced national growth;

(3) an assessment of the adequacy of the resources allocated to each national need in view of the goals or objectives being sought; and

(4) an assessment of the probable effect of such proposed budget outlays and budget authority and of such allocation of resources, upon the balanced growth and development of the nation, such assessment to be drawn from information, data, reports and analyses which shall be furnished to the Director upon his request by such Federal departments, agencies and bureaus as he may determine and as may have such requested subject matter within their official jurisdiction.

(b) Assistance to Committees and Members.—At the request of any committee or Member of the Senate or the House of Representatives or any joint committee of the Congress, the Office shall provide to such committee, Member, or joint committee further information, data, or analysis relevant to the subject matter of subparagraph (a).

Mr. JAVITS. Mr. President, item 4 in this amendment was suggested by Senator Humphrey, who proposed, in the judgment of all of us who are cosponsors, a most important idea tying into the development of the national goals and priorities report, an assessment of the potential for balanced growth and economic development of the Nation and what it requires in the larger context of budget planning.

The work of the Senator from Florida (Mr. Chiles) on this and related amendments in committee was extremely important and helpful. I assure these gentlemen that though I may have been in a way an early proponent of the idea, several years ago, their contributions are fully equal to mine, and I express my gratitude to all of them.

Mr. President, S. 1541 also deals with the subject of tax expenditures. During the 1969 Tax Reform Act debate I introduced an amendment which would have required the Secretary of the Treasury in his annual report to the Congress to include estimates of indirect expenditures through the application of the tax law or "tax expenditures." That amendment was not passed and consequently in 1971 I offered an amendment to the Revenue Act of 1971 which would have required the President's budget or the special analysis presented with the budget to contain estimates of losses in revenue from provisions of the tax laws and also estimates of indirect expenditures through operation of the tax laws.

This amendment passed the Senate but was modified in conference to have the estimates of tax expenditures made by the Treasury Department submitted annually to the Committee on Ways and Means of the House, the Committee on Finance of the Senate, and the Joint Committee on Internal Revenue Taxation. These reports of tax expenditures have been submitted as required and I ask unanimous consent that the report dated June 1, 1973, be included in the Record at this point.

There being no objection, the reports were ordered to be printed in the Record, as follows:

### Federal Tax Expenditures

In the Senate version of the Revenue Act of 1971, a provision added on the floor would have required the inclusion in the budget of estimates of losses in revenue from provisions of the Federal income tax laws and also estimates of indirect "expenditures" through the operation of the Federal tax laws. Data of this type have commonly become known as "tax expenditures." The statement made by the conferees in this respect is as follows:

"The conferees concluded that it would be more appropriate to have such estimates of tax expenditures made by the Treasury Department and to have the estimates submitted annually to the Committee on Ways and Means of the House, the Committee on Finance of the Senate, and the Joint Committee on Internal Revenue Taxation. It is expected that these tax expenditure reports to the tax committees will initially be modeled after similar reports previously made and included in the annual reports of the Secretary of the Treasury in 1968 and 1970. Modifications may, of course, be made from time to time in consultation with the tax committees. In addition to making these reports to the tax committees on an annual basis, the Treasury Department may desire to include these data on tax expenditures in the annual report of the Secretary of the Treasury. The Treasury Department has indicated its willingness to submit information to the tax committees in the manner indicated above and as a result the amendment no longer appears necessary."

The Staffs of the Treasury Department and Joint Committee did cooperate in the preparation of such a report last year. This pamphlet, which is a continuation of this cooperative effort, presents data for 1972 and reproduces the data for calendar years 1967 through 1971 which were contained in the reports issued on October 4, 1972.

In general terms "tax expenditure" items are intended to represent the amount of tax reductions which occur because of the allowance of an exclusion, deduction, preferential rate of tax, or deferral of tax liability. There are differences in points of view as to the "tax expenditure" concept,[1] including differences as to the items which should be included in, and excluded from, such a listing. Questions have also been raised as to whether there should also be included in such an analysis those items which are taxed more heavily than income generally (such as corporate income) or deductions which are subjected to special limitations (such as capital losses). In this report the staffs have not attempted to consider any changes in the items listed as "tax expenditures." Instead, the items included in this report are those which have previously been included in any of the earlier reported versions of tax expenditure estimates made by the Treasury Department prior to the Revenue Act of 1971 plus items in the Revenue Act of 1971 which are of similar character. Among items not included as tax expenditures are the personal exemptions and the minimum standard deductions.

This report includes two tables. Table 1 shows estimated Federal income tax expenditures for the calendar years 1967 through 1972. The 1971 and 1972 tabulations are broken down into effects on corporate income tax liability and effects on individual income tax liability. Only the 1972 data represent a new tabulation. The data shown in this table are broken down into categories which are comparable to those in the functional classification of budget expenditures. The report also includes a table (Table 2) showing the estimated distribution, by adjusted gross income class, of the decrease in individual income tax liability estimated to result from tax expenditure items affecting such liability.

The purpose of these tax expenditure data is to provide information as to the economic benefits provided by the tax laws to the various sectors of the economy. To aid in the analysis, the cost and beneficiaries (in terms of areas of activity) are shown by the same functional categories as outlays in the Federal budget. The listing of any of these provisions involves no direct, or indirect, presumption about the desirability of any of them in terms of public policy. These tables, however, are intended as a tool which may be helpful to the tax committees of Congress in reviewing various provisions of the tax laws.

The estimates of tax expenditures are difficult to determine and are subject to important limitations. It is believed, however, that despite these limitations, the order of magnitude of the amounts involved may be helpful to the tax committees.

The major limitations with respect to the estimates of tax expenditures are:

1. The estimate of each tax expenditure item is made independently of any other tax expenditure item. As a result, if two or more items were to be eliminated, the result of the combination of changes being made at the same time might produce a lesser or greater revenue effect than the sum of the amounts shown for each item individually. This, of course, also means that the addition of the various tax expenditure items is of quite limited usefulness. This is why totals are not shown for table 1, except in a footnote.

2. In the case of many of the items, especially those for which information is not available on tax returns, the lack of data makes estimates quite tenuous. Where information is not available on tax returns, it has been necessary to obtain information from whatever sources are available, and, when sources are limited, to make assumptions on which to base the estimates.

3. The estimates for the various tax expenditure items do not take into account any effects that the removal of one or more of the items might have on investment patterns, consumption, or other aspects of economic activity. In other words, the estimates shown do not take into account the induced effects of changing the provisions. Repeal of a provision, therefore, would not necessarily raise the revenue associated with removal of that provision.

4. Often, tax expenditure items which have been added in recent years do not become fully effective until the lapse of several years. As a result, the eventual annual cost of some items added in recent years is not fully reflected in the year 1972. Conversely, if various items now in the law were to be eliminated, it is unlikely, in many cases, that the full revenue effects shown would be realized until an extended period of years has passed.

5. In some cases, if a tax expenditure item were to be eliminated, it is probable that Congress would, at least to some extent, desire to deal with the underlying problem by a direct expenditure program. The effect of any such program is not taken into account in the estimates shown. In addition, if some of these provisions were removed from the tax laws, this removal might be accompanied by revisions in tax rates, personal exemptions or the minimum standard deduction, as has happened in the past. This has not been taken into account in the estimates.

6. There are features of the law which are not taken into account in the estimates shown. For example, personal exemptions, the minimum standard deduction, the foreign tax credit, and the effect of income splitting and head-of-household treatment, as well as the graduation in the rate structure of the individual income tax, are not taken into account in these tables. Also, the effect of estate and gift taxes is not shown nor is the interrelationship of these provisions with some of the tax expenditure items taken into account.

7. Differences in personal income levels and corporate profits can also account for differences in the cost of tax expenditure items from year to year. Also, some tax expenditure items themselves may be larger or smaller from year to year, wholly independent of tax considerations.

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[1] See, e.g., the criticism in Bittker, "Accounting for Federal Tax Subsidies in the National Budget," XXII *National Tax Journal* 244 and the reply in Surrey and Hellmuth, "The Tax Expenditure Budget—Response to Professor Bittker," XXII *National Tax Journal* 528.

### TABLE 1.—ESTIMATED FEDERAL INCOME TAX EXPENDITURES,[1] CALENDAR YEARS 1967-72[2]

[In millions of dollars]

| Item | 1967 | 1968 | 1969 | 1970 | 1971 | | | 1972 | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Corporations | Individuals | Total | Corporations | Individuals | Total |
| NATIONAL DEFENSE | | | | | | | | | | |
| Exclusion of benefits and allowances to Armed Forces personnel | 500 | 550 | 550 | 500 | ---------- | 650 | 650 | ---------- | 700 | 700 |
| INTERNATIONAL AFFAIRS | | | | | | | | | | |
| Exemption for certain income earned abroad by U.S. citizens | 40 | 45 | 45 | 40 | ---------- | 50 | 50 | ---------- | 50 | 50 |
| Exclusion of income earned by individuals in U.S. possessions | 10 | 10 | 10 | 10 | ---------- | 10 | 10 | ---------- | 10 | 10 |
| Western Hemisphere trade corporations | 50 | 55 | 55 | 50 | 75 | ---------- | 75 | 50 | ---------- | 50 |
| Exclusion of gross-up on dividends of less-developed country corporations | 50 | 55 | 55 | 55 | 55 | ---------- | 55 | 60 | ---------- | 60 |
| Deferral of income of controlled foreign corporations | 150 | 165 | 170 | 165 | 165 | ---------- | 165 | 300 | 25 | [3] 325 |
| Exclusion of income earned by corporations in U.S. possessions | 70 | 80 | 85 | 80 | 80 | ---------- | 80 | 80 | ---------- | 80 |
| Deferral of income of domestic international sales corporations | | | | | | | | 100 | ---------- | 100 |
| AGRICULTURE | | | | | | | | | | |
| Farming: Expensing and capital gain treatment | 800 | 860 | 880 | 820 | 50 | 790 | 840 | 50 | 850 | 900 |
| Timber: Capital gain treatment for certain income | 130 | 140 | 140 | 130 | 125 | 50 | 175 | 125 | 50 | 175 |
| NATURAL RESOURCES | | | | | | | | | | |
| Expensing of exploration and development costs | 300 | 330 | 340 | 325 | 260 | 65 | 325 | 580 | 70 | [3] [4] 650 |
| Excess of percentage over cost depletion | 1,300 | 1,430 | 1,470 | 980 | 785 | 200 | 985 | 1,400 | 300 | [3] 1,700 |
| Capital gain treatment of royalties on coal and iron ore | 5 | 5 | 5 | 5 | 5 | ---------- | 5 | 5 | ---------- | 5 |
| COMMERCE AND TRANSPORTATION | | | | | | | | | | |
| Investment credit | 2,300 | 3,000 | 2,630 | 910 | 1,495 | 305 | 1,800 | 3,050 | 750 | 3,800 |
| Depreciation on buildings (other than rental housing) in excess of straight-line | 500 | 550 | 550 | 500 | 320 | 160 | 480 | 330 | 170 | 500 |
| Asset depreciation range | | | | | 600 | 100 | 700 | 850 | 10 | [3] 860 |
| Dividend exclusion | 225 | 260 | 290 | 280 | ---------- | 300 | 300 | ---------- | 300 | 300 |
| Capital gains: Corporation (other than farming and timber)[5] | 500 | 525 | 525 | 425 | 380 | ---------- | 380 | 400 | ---------- | 400 |
| Capital gains: Individuals (other than farming and timber)[5] | (6) | (6) | (6) | (6) | ---------- | 5,600 | 5,600 | ---------- | 7,000 | 7,000 |
| Bad debt reserves of financial institutions in excess of actual | 600 | 660 | 680 | 380 | 400 | ---------- | 400 | 400 | ---------- | [7] 400 |
| Exemption of credit unions | 40 | 45 | 45 | 40 | 40 | ---------- | 40 | 90 | ---------- | [3] 90 |
| Deductibility of interest on consumer credit | 1,300 | 1,600 | 1,700 | 1,700 | ---------- | 1,800 | 1,800 | ---------- | 1,100 | [3] 1,100 |
| Expensing of research and development expenditures | 500 | 550 | 565 | 540 | 545 | ---------- | 545 | 570 | ---------- | 570 |
| $25,000 surtax exemption | 1,800 | 2,000 | 2,300 | 2,000 | 2,300 | ---------- | 2,300 | 2,500 | ---------- | 2,500 |
| Deferral of tax on shipping companies | 10 | 10 | 10 | 10 | 10 | ---------- | 10 | 30 | ---------- | 30 |
| Rail freight car amortization | | | | 105 | 45 | ---------- | 45 | 80 | ---------- | [3] [8] 80 |
| HOUSING AND COMMUNITY DEVELOPMENT | | | | | | | | | | |
| Deductibility of interest on mortgages on owner-occupied homes | 1,900 | 2,200 | 2,600 | 2,800 | ---------- | 2,400 | 2,400 | ---------- | 3,500 | 3,500 |
| Deductibility of property taxes on owner-occupied homes | 1,800 | 2,350 | 2,800 | 2,900 | ---------- | 2,700 | 2,700 | ---------- | 3,250 | 3,250 |
| Depreciation on rental housing in excess of straight-line | 250 | 250 | 275 | 255 | 300 | 200 | 500 | 350 | 250 | 600 |
| Housing rehabilitation | | | | | 10 | 15 | 25 | 15 | 25 | 40 |
| HEALTH, LABOR, AND WELFARE | | | | | | | | | | |
| Disability insurance benefits | (6) | 100 | 120 | 130 | ---------- | 155 | 155 | ---------- | 175 | 175 |
| Provisions relating to aged, blind, and disabled: | | | | | | | | | | |
| Combined cost for additional exemption, retirement income credit, and exclusion of OASDHI for aged | 2,300 | 2,700 | 2,800 | 2,950 | ---------- | 3,250 | 3,250 | ---------- | 3,550 | 3,550 |
| Additional exemption for blind | 10 | 10 | 10 | 10 | ---------- | 10 | 10 | ---------- | 10 | 10 |
| Sick pay exclusion | 85 | 95 | 105 | 105 | ---------- | 120 | 120 | ---------- | 225 | [3] 225 |
| Exclusion of unemployment insurance benefits | 300 | 325 | 350 | 400 | ---------- | 800 | 800 | ---------- | 700 | 700 |
| Exclusion of workmen's compensation benefits | 150 | 180 | 210 | 210 | ---------- | 320 | 320 | ---------- | 375 | 375 |
| Exclusion of public assistance benefits | 50 | 50 | 50 | 50 | ---------- | 65 | 65 | ---------- | 65 | 65 |
| Net exclusion of pension contributions and earnings: | | | | | | | | | | |
| Plans for employees | 3,000 | 4,000 | 3,150 | 3,075 | ---------- | 3,650 | 3,050 | ---------- | 4,000 | 4,000 |
| Plans for self-employed persons | 60 | 135 | 160 | 175 | ---------- | 250 | 250 | ---------- | 200 | 200 |
| Exclusion of other employee benefits: | | | | | | | | | | |
| Premiums on group term life insurance | 400 | 400 | 440 | 440 | ---------- | 500 | 500 | ---------- | 550 | 550 |
| Deductibility of accident and accidental death premiums | 25 | 25 | 25 | 25 | ---------- | 30 | 30 | ---------- | 35 | 35 |
| Medical insurance premiums and medical care | 1,100 | 1,400 | 1,450 | 1,450 | ---------- | 2,000 | 2,000 | ---------- | 2,500 | 2,500 |
| Privately financed supplementary unemployment benefits | 25 | 15 | 15 | 20 | ---------- | 5 | 5 | ---------- | 5 | 5 |
| Meals and lodging | 150 | 165 | 170 | 170 | ---------- | 170 | 170 | ---------- | 170 | 170 |
| Exclusion of interest on life insurance savings | 900 | 1,000 | 1,050 | 1,050 | ---------- | 1,100 | 1,100 | ---------- | 1,200 | 1,200 |
| Deductibility of charitable contributions (other than education) | 2,200 | 3,000 | 3,450 | 3,550 | ---------- | 3,200 | 3,200 | ---------- | 3,100 | 3,100 |
| Deductibility of medical expenses | 1,500 | 1,600 | 1,700 | 1,700 | ---------- | 1,900 | 1,900 | ---------- | 1,900 | 1,900 |
| Deductibility of child and dependent care expenses | 25 | 25 | 25 | 25 | ---------- | 30 | 30 | ---------- | 180 | 180 |
| Deductibility of casualty losses | 70 | 80 | 80 | 80 | ---------- | 165 | 165 | ---------- | 150 | [3] 150 |
| Excess of percentage standard deduction over minimum standard deduction | [9] 3,200 | [9] 3,600 | 3,800 | 3,000 | ---------- | 700 | 700 | ---------- | 1,040 | 1,040 |
| Pollution control amortization | | | 15 | 15 | 15 | ---------- | 15 | 25 | ---------- | 25 |
| Credit for employing public assistance recipients under WIN program | | | | | | | | 5 | ---------- | 5 |
| 5-year amortization of child care facilities | | | | | | | | 5 | ---------- | 5 |
| EDUCATION | | | | | | | | | | |
| Parental personal exemption for student age 19 or over | 500 | 500 | 525 | 500 | ---------- | 550 | 550 | ---------- | 640 | 640 |
| Deductibility of contributions to educational institutions | 170 | 200 | 200 | 200 | ---------- | 275 | 275 | ---------- | 275 | 275 |
| Exclusion of scholarships and fellowships | 50 | 60 | 60 | 60 | ---------- | 110 | 110 | ---------- | 125 | 125 |
| VETERANS BENEFITS AND SERVICES | | | | | | | | | | |
| Exclusion of certain veterans' benefits | 550 | 600 | 600 | 650 | ---------- | 700 | 700 | ---------- | 480 | [3] 480 |
| GENERAL GOVERNMENT | | | | | | | | | | |
| Political contributions | | | | | | | | | 100 | 100 |
| AID TO STATE AND LOCAL FINANCING | | | | | | | | | | |
| Exemption of interest on State and local debt | 1,800 | 2,000 | 2,200 | 2,300 | 1,800 | 800 | 2,600 | 1,900 | 1,000 | [3] 2,900 |
| Deductibility of nonbusiness State and local taxes (other than on owner-occupied homes) | 2,800 | 4,150 | 5,100 | 5,600 | ---------- | 5,600 | 5,600 | ---------- | 5,300 | 5,300 |
| Total | (10) | (10) | (10) | (10) | (10) | (10) | (10) | (10) | (10) | (10) |

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[1] Estimates are prepared on an individual basis for each item on the assumption that the item would be eliminated from the law without any other changes in the law with respect to the other items. If two or more changes in the law are made, the aggregate revenue effect will frequently not equal the sum of the revenue effects of the individual changes. Accordingly, the costs of the items are not additive.

[2] Roughly reflect fiscal years 1968 through 1973.

[3] Changes in the 1972 figures as compared to 1971 which are due wholly or in part to revised data and/or new sources of data and/or improved estimating methods.

[4] The estimate for 1972 considers this tax expenditure in isolation rather than in conjunction with percentage depletion as has been done for the years 1967–71.

[5] Assumes present restriction on capital losses is retained.

[6] Not available.

[7] This will decline over time as present law becomes fully effective.

[8] This item is being superseded by use of the investment credit.

[9] Standard deduction.

[10] As explained more fully in the text and in footnote 1, these totals are of limited significance and utility. However, as a matter of convenience the mathematical sums of the respective 10 columns are given here: $36,550,000,000; $44,140,000,000; $46,635,000,000; $43,945,000,000; $9,860,000,000; $41,850,000,000; $51,710,000,000; $13,350,000,000; $46,460,000,000; and $59,810,000,000. Much of the increase in the total figures given for 1971 and 1972 over that for 1970 is due to the fact that the 1970 figure does not include any estimate for capital gains of individuals while the 1971 and 1972 totals include $5,600,000,000 and $7,000,000,000, respectively.

Note: Changes in the figures from year to year not only reflect changes in the tax laws, in utilization of the items and in personal income and profit levels but also, in some instances, reflect revised and/or new sources of data and/or improved estimating methods.

TABLE 2.—ESTIMATED DISTRIBUTION OF SELECTED ITEMS OF TAX PREFERENCES OF INDIVIDUALS BY ADJUSTED GROSS INCOME CLASS, CALENDAR YEAR 1972

[In millions of dollars]

| Adjusted gross income class | Exclusion of benefits and allowances to Armed Forces personnel | Exemption for certain income earned abroad by U.S. citizens | Exclusion of income earned by individuals in U.S. possessions | Deferral of income of foreign controlled subsidiaries | Farming: Expensing and capital gain treatment | Timber: Capital gain treatment for certain income | Expensing of exploration and development costs | Excess of percentage over cost depletion | Investment credit | Depreciation on buildings (other than rental housing) in excess of straight-line | Asset depreciation range | Dividend exclusion |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0 to $3,000 | 15 | (1) | (1) | (1) | 15 | (1) | (1) | 1 | (1) | 1 | (1) | 2 |
| $3,000 to $5,000 | 150 | 1 | (1) | (1) | 50 | 2 | 1 | 5 | 45 | 3 | (1) | 10 |
| $5,000 to $7,000 | 180 | 3 | 1 | (1) | 90 | 2 | 1 | 4 | 55 | 5 | (1) | 18 |
| $7,000 to $10,000 | 130 | 5 | 1 | (1) | 130 | 3 | 2 | 11 | 95 | 10 | 1 | 27 |
| $10,000 to $15,000 | 115 | 7 | 2 | 1 | 170 | 4 | 9 | 18 | 125 | 19 | 1 | 56 |
| $15,000 to $20,000 | 55 | 16 | 3 | 1 | 100 | 3 | 7 | 20 | 90 | 17 | 1 | 55 |
| $20,000 to $50,000 | 50 | 17 | 3 | 6 | 185 | 9 | 17 | 75 | 185 | 58 | 4 | 109 |
| $50,000 to $100,000 | 4 | 1 | (1) | 6 | 60 | 8 | 11 | 61 | 80 | 36 | 2 | 20 |
| $100,000 and over | 1 | (1) | (1) | 11 | 50 | 19 | 22 | 105 | 75 | 21 | 1 | 3 |
| Total | 700 | 50 | 10 | 25 | 850 | 50 | 70 | 300 | 750 | 170 | 10 | 300 |

[1] Less than $500,000.

| Adjusted gross income class | Deductibility of interest on consumer credit | Deductibility of interest on mortgages on owner-occupied homes | Deductibility of property taxes on owner occupied homes | Depreciation on rental housing in excess of straight-line | Housing rehabilitation | Disability insurance benefits | Provisions relating to aged, blind, and disabled |  | Sick pay exclusion | Exclusion of unemployment insurance benefits | Exclusion of workmen's compensation benefits | Exclusion of public assistance benefits |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
|  |  |  |  |  |  |  | Combined cost for additional exemption, retirement income credit, and exclusion of OASDHI for aged | Additional exemption for blind |  |  |  |  |
| 0 to $3,000 | (1) | (1) | 5 | 1 | (1) | 30 | 880 | 1 | 8 | 60 | 12 | 25 |
| $3,000 to $5,000 | 10 | 15 | 25 | 4 | (1) | 45 | 820 | 2 | 16 | 95 | 26 | 20 |
| $5,000 to $7,000 | 40 | 85 | 95 | 7 | (1) | 35 | 460 | 2 | 18 | 95 | 41 | 15 |
| $7,000 to $10,000 | 145 | 310 | 240 | 14 | (1) | 35 | 640 | 2 | 34 | 160 | 66 | 5 |
| $10,000 to $15,000 | 275 | 845 | 590 | 28 | 1 | 12 | 265 | 1 | 62 | 200 | 96 | (1) |
| $15,000 to $20,000 | 235 | 835 | 640 | 25 | 1 | 7 | 135 | 1 | 55 | 60 | 63 | (1) |
| $20,000 to $50,000 | 285 | 1,160 | 1,135 | 86 | 3 | 7 | 235 | 1 | 27 | 25 | 65 | (1) |
| $50,000 to $100,000 | 60 | 195 | 340 | 53 | 8 | 3 | 75 | (1) | 4 | 5 | 5 | (1) |
| $100,000 and over | 50 | 55 | 180 | 32 | 12 | 1 | 40 | (1) | 1 | (1) | 1 | (1) |
| Total | 1,100 | 3,500 | 3,250 | 250 | 25 | 175 | 3,550 | 10 | 225 | 700 | 375 | 65 |

[1] Less than $500,000.

| Adjusted gross income class | Net exclusion of pension contributions and earnings |  | Exclusion of other employee benefits |  |  |  | Meals and lodging | Exclusion of interest on life insurance savings | Deductibility of charitable contributions (other than education) | Deductibility of medical expenses | Deductibility of child and dependent care expense | Deductibility of casualty losses |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
|  | Plans for employees | Plans for self-employed | Premiums on term group life insurance | Deductibility of accident and accidental death premiums | Medical insurance of premiums and medical care | Privately financed supplementary unemployment benefits |  |  |  |  |  |  |
| 0 to $3,000 | 45 | (1) | 10 | (1) | 45 | (1) | 3 | 10 | 5 | 5 | 1 | (1) |
| $3,000 to $5,000 | 150 | (1) | 40 | 2 | 180 | (1) | 13 | 35 | 20 | 60 | 12 | 5 |
| $5,000 to $7,000 | 240 | 1 | 50 | 3 | 225 | 1 | 22 | 65 | 80 | 155 | 21 | 5 |
| $7,000 to $10,000 | 580 | 2 | 95 | 6 | 430 | 1 | 33 | 105 | 195 | 300 | 36 | 10 |
| $10,000 to $15,000 | 1,080 | 5 | 150 | 10 | 675 | 2 | 37 | 175 | 410 | 460 | 42 | 25 |
| $15,000 to $20,000 | 740 | 9 | 90 | 5 | 400 | 1 | 27 | 160 | 380 | 320 | 43 | 30 |
| $20,000 to $50,000 | 885 | 93 | 95 | 6 | 420 | (1) | 28 | 400 | 820 | 435 | 25 | 40 |
| $50,000 to $100,000 | 195 | 76 | 15 | 2 | 85 | (1) | 5 | 130 | 450 | 115 | ------------- | 15 |
| $100,000 and over | 85 | 14 | 5 | 1 | 40 | (1) | 2 | 120 | 740 | 50 | ------------- | 20 |
| Total | 4,000 | 200 | 550 | 35 | 2,500 | 5 | 170 | 1,200 | 3,100 | 1,900 | 180 | 150 |

[1] Less than $500,000.

| Adjusted gross income class | Excess of percentage standard deduction over minimum standard deduction | Capital gains: individuals | Parental personal exemption for student age 19 or over | Deductibility of contributions to educational institutions | Exclusion of scholarships and fellowships | Exclusion of certain veterans' benefits | Tax credit or deduction for political contributions | Exemption of interest on State and local debt | Deductibility of nonbusiness State and local taxes (other than on owner occupied homes |
|---|---|---|---|---|---|---|---|---|---|
| 0 to $3,000 | 0 | 20 | (1) | (1) | 4 | 20 | (1) | 5 | (1) |
| $3,000 to $5,000 | 1 | 70 | 8 | 3 | 26 | 45 | 1 | (1) | 30 |
| $5,000 to $7,000 | 12 | 120 | 39 | 7 | 32 | 50 | 2 | (1) | 110 |
| $7,000 to $10,000 | 63 | 190 | 102 | 20 | 26 | 110 | 7 | 5 | 335 |
| $10,000 to $15,000 | 609 | 340 | 207 | 58 | 19 | 140 | 21 | 10 | 785 |
| $15,000 to $20,000 | 254 | 340 | 122 | 70 | 12 | 60 | 17 | 25 | 835 |
| $20,000 to $50,000 | 98 | 1,260 | 69 | 90 | 6 | 45 | 37 | 125 | 1,770 |
| $50,000 to $100,000 | 2 | 1,080 | 72 | 20 | (1) | 9 | 11 | 375 | 770 |
| $100,000 and over | 1 | 3,580 | 21 | 7 | (1) | 1 | 4 | 455 | 665 |
| Total | 1,040 | 7,000 | 640 | 275 | 125 | 480 | 100 | 1,000 | 5,300 |

[1] Less than $500,000.

Mr. JAVITS. As the report shows, tax expenditures amounted to approximately $60 billion for the covered period and it indicates that a substantial amount of Government subsidies are granted through the tax system rather than through the budget of the United States. These "tax expenditures" involve among other things exclusion of items from income and consequent reduction in tax liability from the exclusion. Examples are social security retirement benefits being excluded from earnings, exclusion of earnings from pension plans and the exclusion of interest on State or local government obligations.

By discussing these exclusions from income, I am not in any way indicating that there is necessarily anything wrong with any particular benefit. In fact, most provisions in the tax law represent the considered judgment of the government to grant a particular subsidy to a particular class of individuals or corporations who avail themselves of the benefit. However, there has never been any real connection made between the tax expenditures and direct budget outlays. The eminent legal scholar Prof. Stanley Surrey of the Harvard Law School has been much concerned with this subject and testified in detail on the matter before the Select Committee on Committees of the House of Representatives. I ask unanimous consent that his testimony be included in the RECORD at this point.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

STATEMENT OF STANLEY SURREY, PROFESSOR, HARVARD LAW SCHOOL

Mr. SURREY. Thank you, Mr. Chairman. I am pleased to be here, but I am not at all sure I should be here.

I really do not claim any expertise with respect to the budgetary process as a process, nor do I claim any mastery of the details of the various proposals that have been presented to various groups in the Congress with respect to improvement of congressional control over the budget.

I do want to say that I strongly endorse the efforts and goals of the Joint Study Committee on Budget Control. I think it is quite clear that the Congress must revise its institutional procedures and its rules to obtain an integrated control over the budget, over the spending process, and over revenue receipts. It has to have some integrated control over these matters and their interrelationships if it is really to have the impact on the economy that the Congress of the United States should have.

Consequently, I am all in favor of the goals and efforts along those lines. I can understand there are differences in detail and differences as to the methods of proceeding because, really, we are talking about some rather fundamental changes involving the relationships among the committees of Congress and relationships between the Congress as a whole and the various committees. When you are talking about such fundamental matters, there obviously are going to be differences as to details. But the goals, I think, are clear. I also think that the Joint Study Committee report indicates that some very hard problems must be faced, and that there must be, if there is to be integrated control, rules and procedures that have force and bite to them and that do work and do enforce a discipline on all of the units that constitute the Congress of the United States.

It is against that background that I wish to discuss the subject of tax expenditures.

As I say in my statement, the report of the Joint Study Committee on Budget Control is a fine start, but it leaves out controls over about $60 billion of expenditures, and an omission of $60 billion is rather a large omission. The omission is serious both on its quantitative side because $60 billion is about equal to one-quarter of the budget, and it is also serious from the qualitative standpoint. It is these two aspects that I wish to dwell on today.

The omitted $60 billion relates to what has come to be called tax expenditures. That is a relatively new term and not fully understood by many people. Essentially, it relates to those Government expenditures that are made through the tax system of the United States, primarily through the income tax. You can think of the income tax as a vehicle to raise money for the United States, to defray the expenditures of the United States. In essence, that is what it is. To have an income tax, you have to have a set of provisions that define what is a person's income and a set of provisions that define what are the appropriate deductions that a person should take in determining his net income, and then you apply personal exemptions and rates of tax. Essentially, that gives you an income tax on net income. Pretty much every country that has an income tax will go about it much the same way. But in the United States, we have grafted onto the income tax structure a whole series of special provisions which are in the large designed to give financial assistance to groups and activities because of the social purposes or objectives involved.

I am not here today in any way criticizing the social objectives or the priorities that lie behind the granting of this Government financial assistance in the tax system. I am here only to point out that this financial assistance is given through the tax system and is the equivalent of financial assistance given through the ordinary spending processes of the Federal Government.

You can take any number of illustrations. For example, take the matter of the exemption of interest on State and local securities. The exemption of interest on State and local securities is not necessary to the construction of an income tax. It is designed and defended as a method of assisting States and local governments with respect to the interest rate on their obligations. As such, it constitutes financial assistance granted to State and local governments through the tax system of the United States. It involves an expenditure of about $3 billion a year.

You can look at the investment credit, which is a credit of 7 percent any business person gets who buys machinery and equipment. He credits 7 percent of the cost of the machinery and equipment against his Federal income tax bill. That credit is not necessary to a definition of net income or to having an income tax in the United States. It is rather a decision to give financial assistance to those businessmen who purchase machinery and equipment.

The reason given, of course, is to increase the economic growth of the United States. But at the same time it involves an expenditure of about $3 billion of Federal funds made through the tax system. You can go on this way through a whole variety of special tax provisions. They add up collectively to about $60 billion, and are contained in a pamphlet that is published by the House Ways and Means Committee entitled, "Estimates of Federal Tax Expenditures."

This particular list was issued June 1, 1973. In this list, the Committee on Ways and Means indicates which are the items under the various budget categories which involve financial assistance granted through the tax system of the United States. The list—and I have included a table in my statement—comes to about $60 billion.

In certain budget categories, the tax expenditures listed in this document are in excess of direct expenditures listed in the regular budget. For example, if you look at the budget outlays under Commerce and Transportation, the total in the budget—the regular budget—of the United States is $12 billion. If you look at the tax expenditure list under Commerce and Transportation, the total amount of financial assistance given through special provisions under the tax system is $17.5 billion, in excess of the amount in the total budget.

If you look at the expenditures under Housing in the regular budget, they come to about $4 billion. If you look at the tax expenditures under Housing, they come to $7 billion.

So, in certain categories of the budget, we are spending, as a Government, more through the tax system than we are spending through the regular budget of the United States.

The Joint Economic Committee is engaged in a very detailed study of subsidies—Government subsidies, Government grants and other assistance, which they define as subsidies. This study indicates that the subsidies—the financial assistance—granted through the direct budget of the United States. In other words, if you go through the direct budget of the United States and total the subsidies therein—and that includes cash subsidies, interest subsidies and the like—the total of all of those is less than the financial assistance, the tax subsidies, given through the tax system.

So quantitatively we are talking about a very large item in relation to the items you have been discussing all along in this committee when you are considering what shall Congress do to maintain control over Federal spending and over the items in the Federal budget. You have been talking about a figure which omits $60 billion on the quantitative side.

Qualitatively, these tax expenditures are of the same character, essentially, as the items in the direct budget. Any procedures adopted to maintain integrated control over direct budget items would therefore fail to do the job if they did not cover these tax expenditures because they are qualitatively the same.

If the Federal Government decides to give financial assistance to a group or to an activity in the United States, then technicians either can work out a direct grant of assistance or they can work out a special tax provision which will do the same thing. Any group of competent technicians can work out that financial assistance either through the direct budget or through the tax system, just depending on what they are asked and ordered to do under the circumstances.

Suppose, for example, and this is just an example, it is desired to give elderly persons in the United States relief from local property taxes. Let's assume that decision is made, simply to give financial assistance to elderly persons. You can, if you want, devise a direct grant system to such elderly persons to be administered by one of the agencies of Government, and it will show up in the direct budget of the United States. Or, if you want, you can devise a tax expenditure. You can say that elderly persons shall receive a credit against their income taxes for a certain amount of property taxes paid. The end result will be the same for these elderly persons and the amounts of money will be the same except that it will not show up in the budget of the United States. It will only show up in a document published by the House

Ways and Means Committee, and that is about the only place you will find it.

Now let's suppose it is desired to encourage exploratory drilling for oil in the United States. You want to encourage exploratory drilling for oil and you can, of course, give grants of money to oil companies to drill for oil. That will show up as a direct grant in the budget of the United States. Or, if you want, you can say, "We will give oil companies a credit against their income taxes of 7 percent of the amount they spend on drilling" and that will show up not in the budget of the United States, but only in the tax expenditure budget published by the Ways and Means Committee. But the amounts will be the same and the benefits will be the same.

I happen to pick these two illustrations because the Treasury has recently recommended these two new tax expenditures. I am not here discussing the goals of these expenditures, whether it is wise or unwise to give financial assistance in these particular instances.

What I am pointing out is that the decision to give financial assistance in the present recommendations of the Treasury is a decision to give that assistance through a special provision in the tax system and will not, therefore, show up in the budget of the United States. In fact, it would show up nowhere unless the Ways and Means Committee continues to publish this document called "Estimates of Federal Tax Expenditures."

Given the qualitative similarity of the two methods of financial assistance, it seems to me very clear that both have to be covered if you want integrated control over spending in the United States. Essentially, the whole mechanism of tax expenditures illustrates that the tax committees, when they adopt a tax expenditure, are functioning both as a legislative or authorizing committee and as an appropriations committee. The tax committees adopt the program of "Let us give assistance to elderly persons; let us give assistance to oil companies that drill," and that is the legislative activity or the authorizing activity. Since such a program operates through the tax system and reduces revenue it also automatically becomes an appropriation. So the tax committees in dealing with these special provisions are combining both the function of a legislative committee and an appropriations committee.

Consequently, that being the case, any rules which are devised to impose controls over appropriations must apply to the tax expenditure process if those rules and if the controls are going to be complete.

You have been discussing in these hearings up to now, backdoor spending in a variety of ways. And yet if you stop to reflect on the matter, this tax expenditure process is simply one other illustration of a method of appropriating funds which does not go through the normal appropriations process of the United States and, therefore, escapes attention.

The Joint Study Committee on the Budget, I think through oversight, really, neglected to include these tax expenditures. I am not criticizing that joint committee. I think it was an oversight. I think they were focusing so hard on the mechanics of control that they happened to omit these tax expenditures and if they reflected on the matter I think they would have to be included.

I have included in my statement a quotation from a statement by Chairman Mills, and I will conclude with this, Mr. Chairman. Back in 1967 he issued some very prophetic words when he said that, "If we decide that certain programs, however worthy their purpose, cannot be financed at this time by increased spending because other needs have priority, we should not then turn around and sanction some form of indirect subsidy in the form of special tax relief for these programs. I want to point out that the grant of these tax credits has precisely the same effect on the budget as an outright expenditure. The grant of the additional tax credit"—these tax expenditures—"increases the size of the budget deficit just as surely as additional expenditures. That is why I refer to these tax credits—or tax expenditures—as backdoor spending. That is why it would do us no good to have expenditure control if the advocates of spending programs need only to run around to the back door of the tax committees to achieve much the same result by tax credits.

"As we look ahead"—and this was written in 1967—"to discover ways in which we can keep the budget within reasonable limits, we must not fail to direct a critical eye to the proposals which would give tax credits to those who would make certain expenditures."

I think these words of Chairman Mills are fully applicable today and they lead to the conclusion that if the Congress desires to have integrated control over the spending processes of the United States, then it must include within, whatever controls are devised, these items of tax expenditures.

Chairman Bolling. Thank you very much, Mr. Surrey.

(Mr. Surrey's prepared statement follows:)

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### Prepared Statement of Stanley S. Surrey, Professor of Law, Harvard Law School

I appreciate the opportunity to appear in this Panel Discussion on the Budgetary Process. My role is to discuss the relationship of "tax expenditures" to the budgetary process and to the current efforts to improve Congressional control over the budgetary outlay and receipt totals.

At the outset I wish to state that I strongly endorse these efforts and the goals of the Report of the Joint Study Committee on Budget Control (Report of April 18, 1973). As an institutional matter the Congress must adopt devices and procedures that will enable it to integrate its control over the spending process. This integrated control is necessary to permit Congress to obtain a rational view of budget outlays, the relationship of those outlays to revenue receipts, and in turn the effect of the totals and their interrelationships on the level and direction of the economic position of the United States. Further, it is clear that obtaining the needed integrated control over the spending process will require a number of changes in the handling of appropriations, in the relationship among the committees involved, and in the relationships between the Congress as a whole and the committee structure.

Without claiming any expertise in the matter and any mastery of the details, I have the impression that the Report of the Joint Study Committee on Budget Control properly points to the steps that must be taken to secure this integrated control. Undoubtedly, once such an introductory report is submitted, there will be improvements suggested and differences over some of the recommendations and details. But the Report does indicate clearly the kinds of measures required if integrated control is to be maintained throughout the course of each Congressional Budget and to the decisions that must be faced if that control is to be realistic. As a consequence, I will proceed on the basis of that Report as forming the background of my further views.

The Report of the Joint Study Committee on Budget Control is a fine start. But it does leave out controls over about $60 billion of expenditures—an amount equal to one-fourth of the Budget total. This omission is serious, both in its quantitative and qualitative aspects, and leaves a major aspect of Congressional spending outside of the controls recommended in that Report. Hence it is necessary to see just what is involved in this $60 billion of expenditures that is not covered.

The omitted $60 billion are the "tax expenditures" made through special provisions in our income tax laws. These special provisions, for example, involve exclusions of certain items from income where the exclusions are not parts of a normal income tax structure, but represent instead a decision to give financial assistance to the activities or persons involved. The reduction in tax liability resulting from the special exclusion constitutes the financial assistance. Examples, randomly chosen, are the exclusion of Social Security retirement benefits, the exclusion of earnings of employer pension plans, and the exclusion of interest on state and local government obligations. Other special provisions involve deductions granted to provide similar financial assistance. These special deductions are not required to determine a taxpayer's net income in the sense of allowing all of the expenses incurred in earning that income, or in determining the net profits of a business concern. Indeed, financial accounting does not include these special deductions when net profits are being reported to shareholders. Instead these special deductions and their consequent reduction in a person's income tax liability are simply a method whereby financial assistance is provided by the Government. Examples, again randomly chosen, are deductions for excess depreciation for buildings and for machinery and equipment, for percentage depletion for oil wells and mineral activity, for interest on residential mortgages, and for political contributions. There are other types of special tax provisions, such as credits against tax for certain expenditures—for example, the 7 percent investment credit for machinery and equipment or the credit allowed business employers who hire welfare persons who have been in training programs. There are special rates of tax, such as the 30 percent rate on corporate capital gains. There are special deferrals of income—which are really equivalent in effect to partial or full exclusion—such as the deferral of income derived from exports.

These special provisions have collectively come to be known as "tax expenditures." They are in effect tax incentives or tax subsidies granted ostensibly to induce certain action on the part of individuals or corporations or to relieve certain hardships. The Congress has already taken recognition of these "tax expenditures." In the Conference Report on the Revenue Act of 1971 it was stated that the Treasury should make annual estimates of these expenditures and report them to the Tax Committees and the Joint Economic Committee. Pursuant to this statement, the House Ways and Means Committee has published, on October 4, 1972 and again on June 1, 1973, a document entitled "Estimates of Federal Tax Expenditures." The document states:

"The purpose of these tax expenditure dates is to provide information as to the economic benefits provided by the tax laws to the various sectors of the economy. To aid in the analysis, the cost and beneficiaries (in terms of areas of activity) are shown by the same functional categories as outlays in the Federal Budget." The listing of any of these provisions involves no direct, or indirect, presumption about the desirability of any of them in terms of public policy (page 2).

I am including at this point, to make my discussion concrete, a table taken from the document that lists these tax expenditures and the amounts involved for calendar year 1972 (roughly fiscal year 1973). (I am also attaching a copy of the entire document to my statement.)

TABLE 1.—ESTIMATED FEDERAL INCOME TAX EXPENDITURES,[1] CALENDAR YEAR 1972[2]

[In millions of dollars]

| Item | 1972 Corporations | 1972 Individuals | 1972 Total |
|---|---|---|---|
| National defense: Exclusion of benefits and allowances to Armed Forces personnel | | 700 | [3] 700 |
| International affairs: | | | |
| Exemption for certain income earned abroad by U.S. citizens | | 50 | 50 |
| Exclusion of income earned by individuals in U.S. possessions | | 10 | 10 |
| Western Hemisphere trade corporations | 50 | | 50 |
| Exclusion of gross-up on dividends of less-developed country corporations | 60 | | 60 |
| Deferral of income of controlled foreign corporations | 300 | 25 | [3] 325 |
| Exclusion of income earned by corporations in U.S. possessions | 80 | | 80 |
| Deferral of income of domestic international sales corporations | 100 | | 100 |
| Agriculture: | | | |
| Farming: Expensing and capital gain treatment | 50 | 850 | 900 |
| Timber: Capital gain treatment for certain income | 125 | 50 | 175 |
| Natural resources: | | | |
| Expensing of exploration and development costs | 580 | 70 | [3] [4] 650 |
| Excess of percentage over cost depletion | 1,400 | 300 | [2] 1,700 |
| Capital gain treatment of royalties on coal and iron ore | 5 | | 5 |
| Commerce and transportation: | | | |
| Investment credit | 3,050 | 750 | 3,800 |
| Depreciation on buildings (other than rental housing) in excess of straight-line | 330 | 170 | 500 |
| Asset depreciation range | 850 | 10 | [3] 860 |
| Dividend exclusion | | 300 | 300 |
| Capital gains: Corporation (other than farming and timber)[5] | 400 | | 400 |
| Capital gains: Individuals (other than farming and timber)[5] | | 7,000 | 7,000 |
| Bad debt reserves of financial institutions in excess of actual | 400 | | [7] 400 |
| Exemption of credit unions | 90 | | [3] 90 |
| Deductibility of interest on consumer credit | | 1,100 | [3] 1,100 |
| Expensing of research and development expenditures | 570 | | 570 |
| $25,000 surtax exemption | 2,500 | | 2,500 |
| Deferral on tax on shipping companies | 30 | | 30 |
| Rail freight car amortization | 80 | | [3] [8] 80 |
| Housing and community development: | | | |
| Deductibility of interest on mortgages on owner-occupied homes | | 3,500 | 3,500 |
| Deductibility of property taxes on owner-occupied homes | | 3,250 | 3,250 |
| Depreciation on rental housing in excess of straight-line | 350 | 250 | 600 |
| Housing rehabilitation | 15 | 25 | 40 |
| Health, labor, and welfare: | | | |
| Disability insurance benefits | | 175 | 175 |
| Provisions relating to aged, blind, and disabled: | | | |
| Combined cost for additional exemption, retirement income credit, and exclusion of OASDHI for aged | | 3,550 | 3,550 |
| Additional exemption for blind | | 10 | 10 |
| Sick pay exclusion | | 225 | [3] 225 |
| Exclusion of unemployment insurance benefits | | 700 | 700 |
| Exclusion of workmen's compensation benefits | | 375 | 375 |
| Exclusion of public assistance benefits | | 65 | 65 |
| Net exclusion of pension contributions and earnings: | | | |
| Plans for employees | | 4,000 | 4,000 |
| Plans for self-employed persons | | 200 | 200 |
| Exclusion of other employee benefits: | | | |
| Premiums on group life insurance | | 550 | 550 |
| Deductibility of accident and accidental death premiums | | 35 | 35 |
| Medical insurance premiums and medical care | | 2,500 | 2,500 |
| Privately financed supplementary unemployment benefits | | 5 | 5 |
| Meals and lodging | | 170 | 170 |
| Exclusion of interest on life insurance savings | | 1,200 | 1,200 |
| Deductibility of charitable contributions (other than education) | | 3,100 | 3,100 |
| Deductibility of medical expenses | | 1,900 | 1,900 |
| Deductibility of child and dependent care expenses | | 180 | 180 |
| Deductibility of casualty losses | | 150 | [3] 150 |
| Excess of percentage standard deduction over minimum standard deduction | | 1,040 | 1,040 |
| Pollution control amoritization | 25 | | 25 |
| Credit for employing public assistance recipients under WIN program | 5 | | 5 |
| 5-year amortization of child care facilities | 5 | | 5 |
| Education: | | | |
| Parental personal exemption for student age 19 or over | | 640 | 640 |
| Deductibility of contributions to educational institutions | | 275 | 275 |
| Exclusion of scholarships and fellowships | | 125 | 125 |
| Veterans' benefits and services: Exclusion of certain veterans' benefits | | 480 | [3] 480 |
| General government: Political contributions | | 100 | 100 |
| Aid to State and local financing: | | | |
| Exemption of interest on State and local debt | 1,900 | 1,000 | [3] 2,900 |
| Deductibility of nonbusiness State and local taxes (other than on owner-occupied homes) | | 5,300 | 5,300 |
| Total | 13,350 | 46,460 | 59,810 |

[1] Estimates are prepared on an individual basis for each item on the assumption that the item would be eliminated from the law without any other changes in the law with respect to the other items. If two or more changes in the law are made, the aggregate revenue effect will frequently not equal the sum of the revenue effects of the individual changes. Accordingly, the costs of the items are not additive.

[2] Roughly reflect fiscal year 1973.

[3] Changes in the 1972 figures as compared to 1971 which are due wholly or in part to revised data and/or new sources of data and/or improved estimating methods.

[4] The estimate for 1972 considers this tax expenditure in isolation rather than in conjunction with percentage depletion as has been done for the years 1967–71.

[5] Assumes present restriction on capital losses is retained.

[6] Not available.

[7] This will decline over time as present law becomes fully effective.

[8] This item is being superseded by use of the investment credit.

[9] Standard deduction.

The overall total of these tax expenditures is about $60 billion. Moreover, for certain Budget categories the tax expenditures are in excess of the outlays in the regular Budget—for example, Commerce and Transportation, where the tax expenditure total is $17.6 billion and the Budget total is $12 billion; or Community Development and Housing, where the tax expenditure total is over $7 billion and the Budget total is $4 billion. Moreover, these tax expenditures, considered as subsidies, are larger than the total of all other federal subsidies combined, including cash payments, loan credits and benefits in kind. The Joint Economic Committee, through its study on the Economics of Federal Subsidy Programs, has pointed this out. Using fiscal year 1970 figures, and data which understated the tax subsidies, it showed a tax subsidy total of nearly $40 billion compared with a total of $12 billion for cash payments, $9 billion for benefits in kind and $4 billion for credits. (Joint Economic Committee, 1972 Joint Economic Report, S. Rept. No. 708, 92d Cong., 2d Sess. 43 (1972)).

It is thus clear that these tax expenditures, from a *quantitative* standpoint, are so large that they cannot remain outside any rational system of Congressional control over government spending. These tax expenditures do constitute government spending and do involve large amounts of expenditures.

It is also clear that *quantitatively* these tax expenditures likewise cannot remain outside the procedures adopted by the Congress to integrate its control over government spending. A decision to provide government financial assistance to a particular group or activity can be implemented either by a direct expenditure program or by a tax expenditure program. Examples are everywhere at hand. Suppose it is desired to grant elderly persons relief from local property taxes. The appropriate legislative Committee can devise a program of direct assistance or the tax committees can devise a credit against income tax, and both the end result and money spent could be the same. Suppose it is desired to encourage exploratory drilling for oil. If so, a direct grant system can be devised or the tax committees can devise a system of credits against tax—in either case the amount spent could be the same. (The Treasury has recently recommended these two new tax expenditures.) And so it goes for all spending programs. Competent technicians in the Treasury or the Congress can produce a tax program to match any suggested spending program. This is equally so the other way around—competent technicians can devise direct grants or other government direct expenditure programs to replace tax expenditure programs, present or future. The direct budget or the tax expenditure budget are simple alternate ways of spending government funds. There is thus no rationality in adopting controls and procedures for government outlays that exclude tax expenditures from their scope.

(I do not here propose to consider the comparative merits of using a direct program or a tax expenditure program to achieve a desired government goal. There are important differences. Elsewhere I have stated that the most direct way to achieve tax reform, and also to improve government efficiency and economy in spending, is to reexamine the existing tax expenditures. I also believe that most tax expenditure programs are inefficient when compared with direct programs. See, for example, my Statement in the Panel on Objectives and Approaches to Tax Reform and Simplification, Panel No. 1, in Panel Discussions on General Tax Reform before the House Ways and Means Committee, 93d Cong., 1st Sess. 9 (1973). But the present question is not the merits of tax expenditures but rather their obvious relationship to direct expenditures and the need to cover both types of expenditures in any system of budget control.)

It is apparent when we consider the tax expenditure process that the tax committees are simultaneously functioning as a legislative committee and as an appropriations committee. The tax committee both adopt the substantive program—that is, decide to whom and for what purpose financial assistance will be given—and then appropriate the necessary funds through the reduction in revenue receipts. This being so, the proper course is to apply in effect to the tax committees the rules that are ultimately adopted, as respects controls over budgetary outlays, for legislative committees and appropriations committees. Thus, rules governing increases in appropriations should apply also to increases in tax expenditures. I cannot see any technical difficulties in so including tax expenditures within the new system. The determination of what is a tax expenditure and the classification of tax expenditures by budget categories can be made in the light of the precedents underlying the present reports of the Ways and Means Committee on tax expenditures and appropriate developing experience in this field.

I am not being critical of the Joint Study Committee on Budget Control. Nor do I think there is any basic disagreement on its part or its technical staff with what I am recommending. Rather, I believe the focus of that Committee was so fixed on the problems involved in establishing a structure to control budgetary outlays that through understandable oversight it omitted the consideration and inclusion of tax expenditures.

Once the tax expenditure process is understood as an alternate method of spending government funds, then I believe the conclusions recommended above automatically follow. The Congress has already recognized that the tax expenditure process is such an alternative method, as the document of the Ways and Means Committee illustrates. But this is no new enlightenment. Years ago Chairman Mills recognized that these tax expenditures were expenditures and stated that they must be kept under control if government spending is to be controlled. In a speech on December 13, 1967, entitled "Back-Door Spending," he underscored the connection between these special tax provisions and total government spending. The following quotation illustrates, directly and prophetically, what I have been saying:

"Mr. Speaker, this fall in connection with the Ways and Means Committee consideration of the proposed tax surcharge and elsewhere I have on several occasions expressed my views on the need for expenditure controls. I have urged expenditure controls. I have urged expenditure cuts for fiscal 1968. I have urged limiting controllable expenditures in 1969 to current levels. I have urged longer run expenditure control through appointment of a Government Program Evaluation Commission to examine the effectiveness of both present and proposed programs in terms of their costs and benefits and in this manner to aid us in establishing relative priorities among different Federal activities.

"But it is not my purpose at this time to express again my views on the need for these direct expenditure controls. I have spoken at length on this subject in recent weeks. Instead I want to speak briefly on another type of spending which usually is not thought of as spending at all. I am referring to what I call backdoor spending. What I would like to emphasize is that the expenditures we turn away from the front door we must not allow to enter through the back door. If we decide that certain programs, however worthy their purpose, cannot be financed at this time by increased spending, because other needs have priority, we should not then turn around an sanction some form of indirect subsidy—in the form of special tax relief—for these programs. . . .

"I have no quarrel with the good intentions of those who propose tax credits for one type of expenditure or another. I know they feel very strongly that the programs for which they would provide the credits should be undertaken now even though, for one reason or another, they do not choose to seek expenditure programs for these purposes. I want to point out, however, that the grant of these tax credits has precisely the same effect on the budget as an outright expenditure. The grant of the additional tax credits increases the size of the budget deficit just as surely as an additional expenditure. That is why I refer to the tax credits as backdoor spending. That is why it would do us no good to have expenditure control if the advocates of spending programs need only to run around to the back door to achieve much the same result by tax credits.

"Additional tax credits would also have the same impact on the economy as additional expenditures. Since expenditures on the part of private persons would be necessary to earn the credits, demands on available resources would be increased and inflationary pressures increased. Those who advocate these credits should well note the fact that a tax credit which reduces budget receipts is just as likely to force a general tax increase as appropriations for direct expenditure. . . .

"As we look ahead to discover ways in which we can keep the budget within reasonable limits, we must not fail to direct a critical eye to the proposals which would give tax credits to those who make certain expenditures. . . . (113 Cong. Rec. 36, 404 (1967))"

These are indeed prophetic words. They are fully applicable today. The lesson they teach leads to the suggestions I am making that these tax expenditures be brought full within the institutional procedures and rules being developed to enable the Congress to integrate its control over the spending process and government expenditures. Unless tax expenditures are included within any such new procedures and rules, that integration will be seriously incomplete and the control seriously impaired. Since there is no real difficulty in covering these tax expenditures, the appropriate course therefore is to include them under the new system.

Mr. JAVITS. Because of my continuing interest and concern in the matter of indirect spending by way of tax expenditures I proposed amendments to S. 1541 in the Government Operations Committee that sought to include the concept of tax expenditures in the budget process as specified by that bill. My amendments were accepted by the committee and have been only slightly modified by the Rules Committee in the existing version of the bill.

The purpose of the tax expenditure language in the present bill is to provide that tax expenditures shall be considered at each step of the budget process to measure their impact on budget authority and outlays, their effects on revenue and their general operations in the budget process. If this information is placed clearly before the Congress, spending decisions will be made on a more informed basis than they have been in the past.

It is essential that any contemplated changes in revenues through tax expenditures should be brought to the attention of the Congress during the debate on the congressional budget. Therefore, the report accompanying the concurrent resolution shall contain a list of the estimated levels of tax expenditures by major functional categories. Most importantly in the case of legislation proposing new or increased tax expenditures the revenue committees of each House are charged with the duty of maintaining the appropriate levels of revenues and tax expenditures as set forth in the report accompanying the budget resolution or these committees must justify any deviation from those levels.

While new or increased tax expenditures are not prohibited, the revenue committees will have the burden of justifying any changes and this should lead to a closer examination and more thorough debate of tax expenditures. The provisions of the pending bill, S. 1541, regarding tax expenditures are practically identical with the provisions of the Government Operations Committee version of the bill with the major change being that the list of tax expenditures is now in the report accompanying the concurrent resolution rather than being in the resolution itself.

For purposes clearly of spelling out what is meant by the tax expenditure provisions in the bill, I ask unanimous consent that the appropriate parts of the report of the Committee on Government Operations accompanying S. 1541 be printed at this point in the Record.

There being no objection, the excerpts from the report (No. 93–579) were ordered to be printed in the Record, as follows:

The bill provides that tax expenditures shall be considered at each step of the budget process to measure their impact on budget authority and outlays, their effects on revenue and their general operation in the budget process. If this information is placed clearly before the Congress, spending decisions will be made on a much more informed basis in each particular area than they have been in the past.

The committee feels that any contemplated changes in Federal revenues through tax expenditures should be brought to the attention of the Congress when they are debating the Congressional budget. Therefore, the concurrent resolution will reflect any anticipated decreases in Federal revenues attributable to new or expanded tax expenditures contemplated by the tax writing committees for the fiscal year in question. The budget resolution will reflect the considered best judgment of the Congress in regard to appropriate levels of revenues and outlays.

In the case of legislation proposing new or increased tax expenditures, the revenue committees of each House are charged with the duty of maintaining the appropriate levels of revenues and tax expenditures as set forth in each concurrent resolution or of justifying any deviation from those levels.

* * * * *

The Budget Committee shall review and consider existing tax expenditures. This will ensure that any decision or direct spending priorities will be made after consideration of present indirect spending through tax expenditures. The Budget Committee will also determine appropriate changes in the level of revenues including any decrease contemplated from new tax expenditures to be enacted in the fiscal year in question. The Committee shall also determine the existing levels of tax expenditures and consider their effects on Federal revenues and their relationship to other matters within the Committee's jurisdiction. Finally, the Committee shall make continuing studies of tax expenditures and methods of coordinating tax expenditure programs and direct budget outlays.

### ASSISTANCE TO BUDGET COMMITTEES

Section 202(a) provides that it shall be the duty and function of COB to provide the Budget Committees of both Houses with information with respect to the budget, appropriation bills, other bills authorizing or providing budget authority or tax expenditures, revenues, receipts, estimated future revenues and receipts, changing revenue conditions, and such other information as the committees may request. It further provides that at the request of the Budget Committees, personnel of COB shall be assigned, on a temporary basis, to assist each such committee.

* * * * *

### PROJECTION OF REVENUES AND BUDGET OUTLAYS

Section 202(e) requires that the Director develop for the Congress information as to the effect of existing revenue laws, including tax expenditures, and existing authorizations and budget authority on expenditures during the current fiscal year and for the ensuing 4 fiscal years. This is in keeping with the emphasis on long-range program evaluation and planning required in other sections of the Act. (See titles VI through VIII.)

* * * * *

### Sec. 307(d). Reports on Legislation Providing New Tax Expenditures

Committees reporting legislation containing new or increased tax expenditures shall include details of how the legislation will affect existing levels of tax expenditures as contained in the budget resolution and why such action is necessary. The revenue committees of each House are charged with the responsibility of fully explaining any new or increased tax expenditures and their effect or impact and have the task of justifying any deviation from the level set forth in the most recent Concurrent Resolution. This is to insure that any new or increased tax expenditure will be approved by the Congress only after a thorough consideration of all relevant factors. The report will project resulting tax expenditures for each of the budget year and the four following years, and indicate the impact, if any, on state and local government.

Mr. JAVITS. The report will accurately detail the operation of the tax expenditure concept except as I previously indicated for the inclusion of tax expenditures in the concurrent resolution.

It should also be pointed out that in the discussion of estimated revenues and their sources it is also appropriate to discuss tax expenditures as they bear directly on revenues raised through the tax system and any changes therein may have the result of increasing or decreasing estimated revenues.

Finally I would like to reiterate that it is extremely important to consider indirect outlays by way of tax expenditures in the general debate on the budget and also at such times as the Congress is considering tax legislation. If we do this, decisions made in this area will be on a more informed basis than ever before and will be coordinated to a much greater degree with our direct spending through the budget process.

Mr. President, this legislation provides a workable way for Congress to undertake its examination of the needs and program alternatives, and the allocation of revenues to diverse human and national needs. It will establish a means for more responsible and disciplined execution by Congress to its responsibilities in the budget-policymaking fields.

It will allow Congress to acquire the means for the gathering of interpretive and analytical data on spending and related programs. Most importantly, it will facilitate the use of objective expenditures analyses to help it form independent judgments on appropriations matters. There are no simple solutions or panaceas for this problem. I trust that some of the solutions which will begin to resolve these problems may be found in this bill.

Mr. HUMPHREY. Mr. President, I want to express my thanks to the Senator from New York. The amendment he has is very much needed. It will add a great deal to the bill and to the Congressional Office of the Budget, to the whole process of budgeting and what it means to the economy of the country. I am honored to be a cosponsor and commend him for his early leadership. I am glad to be a soldier in the ranks.

Mr. JAVITS. I thank my colleague very much.

Mr. PERCY. Mr. President, while the Senator from Minnesota is on the floor, I would simply like to indicate that he expressed in great detail his enthusiasm for the concept of establishing goals, but I felt that the amendment offered by the Senator from Minnesota was too demanding and required too much of the Congressional Office of the Budget.

The Senator from New York in his present amendment has offered something that can add greatly to the body of understanding and knowledge as to where we are going and what our national goals are, but has done so in a way that can be manageable and can be, I think, properly handled.

The Senator from Illinois would be honored indeed to be added as a cosponsor.

Mr. JAVITS. I shall do that, and I thank my colleague.

Mr. BAYH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. Hathaway). The Senator from Indiana will state it.

Mr. BAYH. Is it appropriate to discuss for 3 or 4 minutes a nongermane subject at this time?

Mr. ROBERT C. BYRD. Mr. President, if the Senator from Indiana will yield, I would ask unanimous consent that no further time be charged against the pending bill today and that the Senator from Indiana (Mr. Bayh) may speak out of order on any matter, which he can without this request and certainly without having time yielded to him.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on the amendment of the Senator from Ohio (Mr. Taft) tomorrow, there be a time limitation of 30 minutes to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I ask unanimous consent that a memorandum prepared by the U.S. Senate Republican Policy Committee under the chairmanship of the distinguished Senator from Texas (Mr. Tower) and prepared by the able staff be printed in the Record. I believe that this represents an exceptionally fine analysis of the Congressional Budget Act of 1974. If by this time any Member of the Senate has not read every single page or every single line of the 185-page bill, S. 1541, this quick summary is available. We Republicans are happy to share it with our colleagues on the other side of the aisle. It is a quick, thumbnail summary of this complex piece of legislation which will have a profound impact on the way the Senate and House conduct their business and the way we shall carry out our fiscal responsibilities.

Mr. President, I should like to commend the staff of the Republican Policy Committee, under Edward Beach, for the very fine analysis they have made of this piece of legislation.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

### S. 1541: Congressional Budget Act of 1974

Reported: February 21, 1974, Rules (Sen. Rept. 93–688). (Originally reported from Gov. Ops., Nov. 20, 1973, Sen. Rept. 93–579, referred to Rules, Nov. 30, 1973.)

Purpose: Create Congressional budgeting system assuring most effective use of revenues as well as control over budgetary process.

Title I: Establishes new 15-member Committee on the Budget, appointed by party caucuses, presumably including some members of Finance and Appropriations Committees; would be a Category A standing committee with its own staff; application of two major committee limitation rules deferred until 96th Congress. (House would determine composition of its Budget Committee and all other matters affecting House rules and procedures.)

All concurrent resolutions on budget, etc., hereinafter described, to be reported out by this committee: would provide information and recommendations to help Congress determine overall fiscal policy; would oversee activities of Congressional Office of the Budget.

Title II: Establishes nonpartisan Congressional Office of the Budget (COB) Director, Deputy Director appointed by Speaker and President Pro Tem, after consultation with Budget Committees, with House and Senate approval; six-year term, renewable, same compensation as Comptroller General; removed by resolution of either House. Director appoints and fixes compensation of Office personnel.

COB to assist Budget Committees, provide tabulations on effect of revenues, authorization and appropriation bills, tax expenditures (revenues lost through exemptions, deductions and loopholes), and projections pertaining thereto for five fiscal years. Personnel and functions of Joint Committee of Reduction of Federal Expenditures transferred to COB, Joint Committee abolished.

Title III: Provides for following budget process and timetable: (Fiscal year beginning July 1, 1975, modified to run to Sept. 30, 1976; beginning October 1, 1976, fiscal year would begin on October 1 of each year and end on Sept. 30 of following year. New budget process to go into effect for FY 1977, beginning Oct. 1, 1976—Title V, Sec. 501.)

By Nov. 15—President submits current services budget, presenting program and funding levels for year just past, giving Congress line-item information for budget analysis for upcoming fiscal year.

By Feb. 15—President submits budget for next fiscal year.

**Budget Committees begin hearings with respect to economic conditions, national priorities; Appropriations Committees begin hearings with respect to program levels.**

By April 1—Reports from all committees, including proposed authorization or spending levels from standing committees, recommendations as to fiscal policy from Joint Economic Committee, and revenue estimates from Joint Committee on Internal Revenue Taxation, submitted to Budget Committees in each House.

By April 15—COB submits report to Congress (described in Title II, Sec. 202(d)) as to alternative levels for next fiscal year of total revenues and outlays, resulting surpluses or deficits and tax expenditures, indicating differences in economic projections and budget levels as submitted by President.

By May 1—Each Budget Committee reports a concurrent resolution (First Mandatory Budget Resolution) to its House, containing recommended levels and amounts for next fiscal year of:

1. Total budget outlays, total new budget authority, estimated revenue receipts, estimated deficit or surplus, any recommended change in Federal revenues, public debt level and recommended change in statutory debt limit, if any; and 2. Estimate of budget outlays and new budget authority by major functional categories, e.g., as exemplified in President's budget: national defense; international affairs and finance; space research and technology; agricultural and rural development; natural resources and environment; commerce and transportation; community development and housing; education and manpower; health; income security; veterans benefits and services; interest, general government; general revenue sharing; contingencies; and undistributed intragovernmental transactions.

Within each functional category, a division of totals for existing and proposed programs; within existing programs, a division between permanent and current appropriations; within current appropriations, a division between controllable and other amounts. (See pp. 14–16 of Report for example.)

Resolution *may* include control provisions such as when new budget authority contained in individual authorization or spending bills can go into effect.

Budget Committee also to provide report with supporting data for all proposed levels in budget resolution, comparisons between President's and Committee's budget levels, and underlying economic assumptions supporting such levels; projections for next five fiscal years of outlays, revenues, deficits or surpluses, and tax expenditures; explanation of significant changes in levels of Federal assistance to State-local governments; allocations of appropriate levels of total budget outlays and new budget authority among each Senate and House committee having jurisdiction over new budget authority. Allocation to Appropriations Committees further subdivided among their subcommittees. An explanation must be made of Budget Committee actions taken with reference to recommendations submitted earlier by Joint Economic Committee and all standing committees.

Debate begins in each House on First Mandatory Budget Resolution. In Senate, debate limited to 50 hours.

By May 15—Standing committees report bills authorizing new budget authority.

By May 20—Each House completes action on first concurrent budget resolution for next fiscal year, except for action on conference report on resolution. In Senate, conference report debate limited to 10 hours. If conference committee unable to agree within 7 days, then conferees submit to respective Houses report recommending amounts agreed upon, and midpoint in amounts disagreed upon between original House and Senate amount. Conference report on First Mandatory Budget Resolution not required before May 25.

By June 1—Congress *shall complete action* on First Mandatory Concurrent Budget Resolution for next fiscal year. (Bill requires two such Resolutions; Congress may enact more.)

Thereafter, Budget Committees shall make allocations (based on foregoing Resolution) of total budget outlay and new budget authority to each standing committee; allocation to Appropriations Committee subdivided among their subcommittees, and each subdivision divided between controllable and all other amounts.

Neither House nor Senate can consider any bill providing for new budget authority, or change in revenues or public debt during fiscal year, until concurrent resolution for such year has been agreed to or until June 1, preceding fiscal year, whichever comes first.

*Exceptions* to above: If bill provides new advance spending money, e.g., Social Security trust fund; or new budget authority or revenue change to take place after fiscal year to which resolution applies. In Senate, if committee requests waiver through Budget Committee, which has 10 days to recommend pro or con, and if Senate approves.

Reports accompanying all bills or resolutions from committees providing new budget authority must contain, after consultation with COB, comparison with most recently agreed to concurrent resolution; projection, if practicable for five fiscal years, of budget outlays resulting from bill; impact of bill on State-local governments.

COB to supply up-to-date comparison of new budget authority, changes in revenues, etc., in bills enacted by Congress, with outlays set forth in most recently adopted budget resolution.

As soon as practicable, after start of new fiscal year, COB to issue report giving projections for each of next five years of total new budget authority, total budget outlays, revenues by source, and surplus or deficit.

With each bill providing new budget authority for uncontrollable outlays, Appropriations Committees in each House shall estimate total uncontrollable outlays under new and previous budget authority.

By August 1—Budget Committees estimate total outlay during next fiscal year under budget authority not provided in Appropriations acts.

Not later than 5 days before August recess, or by August 7—All bills providing new budget authority (other than supplemental, deficiency, or continuing appropriations), or new tax expenditures, for next fiscal year shall be enacted into law.

Not later than 3 days before August recess, or by August 15—Budget Committees shall report Second Mandatory Concurrent Budget Resolution for next fiscal year, which reaffirms concurrent resolution most recently agreed to or revises it in terms of subsequent congressional action and latest budget and economic developments.

Not later than 3 days after end of August recess (recess to be cut to 23 days) or not later than 4 days after Labor Day—Congress shall complete all action on Second Mandatory Budget Resolution.

By September 25—Reconciliation Bill shall be completed by Congress containing changes in laws made necessary by revisions under Second Mandatory Resolution.

After completion of above, neither House nor Senate can consider any bill, amendment thereto, or conference report thereon, which would cause total new budget authority or total outlays in most recent concurrent budget resolution for fiscal year to be exceeded.

Title IV: Controls on outlays, backdoor spending and deadline on authorizing legislation.

Sec. 401 (a) Neither House not Senate can consider bill or amendment providing new contract or borrowing authority (defined in subsec. (c) (2) (A) or (B)) unless such authority is to be effective for any fiscal year only to extent provided in Appropriations Acts.

(b) Neither House nor Senate can consider bill providing new mandatory entitlement authority (defined in subsec. (c) (2) (C)) which becomes effective before first day of fiscal year which begins during calendar year in which such bill is reported. Any such bill reported by Senate or House committee shall be referred to Appropriations Committee, which must report with recommendations within 10 days. Same referral for any such amendment agreed to in House or Senate. Appropriations Committee in each House can report bill referred to it with amendment which limits total of new entitlement authority.

(c) Defines new advance spending authority; advance spending authority, including contract or borrowing authority, and entitlement authority. Does not include loan guarantees.

(d) Exceptions:

(1) Subsections (a) and (b) do not apply to new advance spending authority if budget authority for outlays resulting from new advance spending is derived from Social Security Trust fund or any other trust fund established before enactment of Budget Act, which gets a substantial portion of receipts by separate taxes, e.g., Highway Trust fund, or any similar trust fund established by law after enactment of Budget Act which acquires 90 percent or more of receipts by separate taxes.

(2) Shall not apply to new advance spending authority which amends or extends State and Local Fiscal Assistance Act of 1972.

(3) Shall not apply to new advance spending authority where outlays are made by mixed ownership or wholly owned Government corporation specifically exempted by law from compliance with provisions of the Act.

Sec. 404 (a) Expands jurisdiction of Senate Appropriations Committee to include all proposed legislation relating to rescissions of appropriations contained in appropriations acts enacted at any time; amount of new contract or borrowing authority which is to be effective for any fiscal year; referral of all new or increased entitlement authority in bills reported out of other committees for possible limitation of new amount.

Title V: Refers to Change of Fiscal Year, and transition legislation necessary therefor.

Title VI: Refers to President's Budget, Amendment of Budget and Accounting Act, 1921. President shall enumerate estimates and recommendations as to six basic items contained in Congressional concurrent budget resolution of this Act; existing levels of tax expenditures; comparison of total estimated outlays for uncontrollables, and revenues for last completed fiscal year as made in his budget and actual outlays made and revenues received, and explanation for difference between two sets of figures.

President's budget must make allowance for additional estimated expenditures and unanticipated additional uncontrollable outlays for next fiscal year.

Following agencies and funds no longer excluded from inclusion in Budget of the United States:

Environmental Financing Authority; Export-Import Bank; Federal Financing Bank; Rural Electrification and Telephone Revolving Fund; Rural Telephone Bank; and United States Railway Association.

Title VII: Program Review and Evaluation by standing committees, and by Comptroller General. One form of evaluation may be by pilot testing.

Title VIII: Fiscal and Budgetary Information and Controls.

Proposes that Comptroller General, in cooperation with Secretary of the Treasury, OMB Director, and COB Director, develop standard terminology, etc., for Federal fiscal, budgetary, and program-related data and information; such terminology to be used by all executive agencies in supplying Congress such information.

Title IX: Miscellaneous Provisions; Effective Dates.

Title X: Appropriations Reserves—Amendment to Antideficiency Act of 1950. Retains authority to establish reserves for contingencies, or to effect savings whenever made possible by changes in requirements or greater efficiency of operations. Prohibits use of reserves ("impoundments") for fiscal policy purposes or to achieve less than full objective and scope of programs enacted and funded by Congress.

Amendment No. 1017: Chiles-Roth. Provides for open hearings and meetings of the Committee or any subcommittee thereof except when matters dealing with national defense secrets are being discussed or when matters before the committee would hurt an individual if made public, disclose the name of an informer or law enforcement agent, deal with purely internal staff matters, etc. Record vote of majority present required to close meetings.

Amendment No. 1023: Brock-Metcalf. To call upon the Budget Committees of both Houses to conduct continuing study of proposals for improving budgeting procedures, and to report its findings and recommendations to the Congress. To facilitate effort, Budget Committees are authorized to create task forces of experts drawn from congressional and executive agencies.

Amendment No. 1024: Chiles-Javits et al. Provides for an annual report on national goals and priorities from the Director and requires much more detailed information from both the President and each individual agency to support budget requests.

Amendment No. 1028: Kennedy-Pearson. The new Budget Committee set up by the bill will be a major Senate committee. Under Senate rules, Senators are limited to serving on only two such committees. The reported bill contains a provision exempting members of the new Budget Committee from this major-committee limitation until 96th Congress convenes (January 1979), avoiding forcing initial members to give up one of their present two major-committee assignments. This amendment would limit the "grandfather" clause to the 95th instead of 96th Congress, thus allowing exemption for one full Congress rather than two as provided by the bill.

Mr. TOWER. Mr. President, I support passage of S. 1541, the Congressional Budget Act of 1974.

Among legislative bodies in this world, the American Congress is a rare species. It actually initiates legislation; it actually works its will on money bills for the executive agencies.

We tend to take this for granted. Unfortunately, so do many Americans, no matter what their background in terms of education, familiarity with Government, or political views.

We have but to look abroad and note how feeble—comparatively speaking—most so-called legislatures are. They may indulge in fierce and even elegant debate. But they have little self-generating legislative power. For the most part, all legislative initiative—and particularly with respect to budget matters—rests with the Cabinet or whatever other term is used to describe executive-administrative authority.

And here I am speaking of the democracies, with true representative political institutions—not the rubberstamp travesties that posture as legislative assemblies in totalitarian countries.

So we must guard and treasure our genuine legislature. Yet, it is generally conceded we have allowed our power of the purse to dribble away during the many years of crisis government, while executive and administrative agencies have grown to such proportions.

Congress has ducked the question of regaining control too long. In fact, the argument may well be made that it was President Nixon's attempts to control expenditures last year by impounding funds—and I am not addressing myself to the question of constitutionality or even propriety at this point—which finally forced us to bite the bullet.

This Budget Act represents a conscious effort to restore the rightful power of Congress—to revitalize it—to adapt it to the world we live in today.

An enormous amount of work went into its drafting. This has been a hasty, patchwork affair. The Joint Committee on the Budget made its contribution by restating the problem and suggesting needed changes. The Government Operations Committee reported out the first version of an actual bill. Finally, a special staff assembled by the Rules Committee revised that bill into its present form.

I think this unprecedentedly lengthy and careful deliberation indicates how seriously we all took this question of budget reform.

I would comment, parenthetically, that the Republican Policy Committee and Conference had proposed several reforms in more general terms over the past few years. We had particularly stated our desire that the authorization process be speeded up. Delay on authorization bills was causing an inordinate slowdown of the appropriations process. It has become routine that appropriations for our most vital and costly programs are not finally approved until the fiscal year to which they apply is well advanced. In some cases it is already half over.

On February 5, 1974, I read into the record a Republican Policy Committee statement endorsing the concept of S. 1541.

I also introduced a Sense of the Senate Resolution unanimously approved by the Republican Policy Committee, Senate Resolution 275, proposing that authorization measures must be reported out not later than 1 month prior to the beginning of the fiscal year to which they apply.

I am delighted, therefore, that the act sets May 15 prior to the new fiscal year as the cutoff date for reporting authorizations.

All of us recognize that despite the heroic work done, the act itself is imperfect, and will have to be revised as experience demonstrates the need.

But it is a sign of the new vigor with which Congress views its power and responsibilities. It does attempt to put "backdoor" spending once more within the purview of our regular appropriations process. It does attempt to restore the power of the purse. For that reason alone, the act deserves support and passage.

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed at this point in the Record a letter signed by Senators Tower, Proxmire and me, together with the letter from the Secretary of the Treasury, in support of the amendment proposed by us, amendment No. 1050.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Dear Colleague: We expect today to call up an amendment to S. 1541, the Budget Control Act, which would retain the present exemption from the budget for the Federal Financing Bank.

We support the efforts of the bill's sponsors to structure the budget in a manner which more realistically reflects Federal expenditures for the purpose of promoting better budget control. We believe, however, that inclusion in the budget of the Federal Financing Bank would be counterproductive to that goal.

Rather than a program agency, the Federal Financing Bank is basically a conduit at the Treasury Department through which various agencies could market program obligations which they would otherwise market themselves. The Treasury Department believes that due to more efficient marketing and better marketability of Treasury obligations than program obligations, the government could save ½% or more interest on agency borrowings if the Bank is used. In many cases, benefits are passed on directly to program participants.

About 85% of these obligations are federally guaranteed and would continue to be financed outside the budget under S. 1541. However, if the Federal Financing Bank is included in the budget, such obligations also would be included if the Federal Financing Bank purchased them in order to substitute its more efficient obligations in the securities market.

Inclusion of these sums would not reflect government expenditures, because the Bank's outlays would be financed directly by borrowing from the public rather than tax receipts. Yet, so much money is involved that the agencies making the decisions virtually would be forced to continue their present inefficient forms of marketing rather than using the Bank and thus increasing budget totals.

The result is not likely to be greater budget control, but instead more expensive programs to meet agricultural, rural and urban housing, education, small business, health, transportation, and other pressing needs.

We will furnish a letter from Treasury Secretary Shultz which supports this position.

Sincerely,

John Tower.
John Sparkman.
Robert Taft, Jr.
William Proxmire.

SECRETARY OF THE TREASURY,
*Washington, D.C., March 14, 1974.*
Hon. SAM J. ERVIN, JR.
*Chairman, Government Operations Committee, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: In our further review of S. 1541, we find one provision concerning the Federal Financing Bank, created by the Congress on December 29, 1973 (P.L. 93-224), which would effectively negate the purpose of that recent legislation.

Specifically, Section 606 of S. 1541, as reported by the Senate Committee on Rules and Administration on February 21, 1974, would repeal a number of provisions of law which exclude certain programs and agencies, including the Federal Financing Bank, from the Federal Budget totals and limitations. Inclusion of the Federal Financing Bank in that provision misconstrues the nature and purpose of the Bank, which conducts no substantive program and is designed solely to coordinate and make more efficient borrowing by other Government agencies that will take place in any event. The decision on appropriate budgeting treatment should be made with respect to the substantive agencies, not with respect to the Federal Financing Bank.

I sympathize with the objective of Section 606 to provide for better budget control. If the Congress determines that certain substantive Federal credit programs be included in the Budget, this can and would be assured by including those programs in the Budget. This objective would *not* be achieved by including the Federal Financing Bank in the Budget. The Bank is simply an optional financing vehicle to consolidate and to lower the costs of market borrowing activities for other Federal agencies. The Bank is authorized to issue its own securities and to use the proceeds to purchase any obligation issued, sold, or guaranteed by a Federal agency. Such purchases by the Bank would not affect the budget treatment of the agency operations. That is, those agencies which are in the Budget would not be removed from the Budget by using the Financing Bank. Nor would agencies outside the Budget be brought into the Budget simply because their obligations were financed by the Bank. Thus the Federal Financing Bank itself would have, and should have, no effect on the Federal Budget outlay and receipt totals or surplus or deficit except, of course, that budget savings would be realized over time by the reduction in agency financing costs made possible by the Bank.

The need for the Federal Financing Bank arose from the fact that over the years Congress provided many Federal credit agencies with authority to conduct their financing activities independently. The result has been a proliferation of inefficient Government-backed obligations in the market in the form of agency issues, sales, or guarantees of securities.

To a considerable extent, such agency financing is today in the form of guaranteed securities. This form of financing is outside the Budget today, and under the terms of S. 1541 would remain outside the Budget. Much of the savings made possible by the Bank would arise from financing such guaranteed obligations through the Bank. In many cases, such as guaranteed Farmers Home notes, public housing bonds, and GSA certificates, the Government itself would directly realize the savings in interest costs since these programs involve direct Federal interest payments. In other guarantee programs, such as Merchant Marine bonds, Amtrak issues, and Washington Metropolitan Transit Authority bonds, the interest savings would benefit the guaranteed borrowers but should in the end also lead to a reduction in Federal construction or operating subsidies for these programs.

If the Federal Financing Bank were to be included in the Budget while the substantive guarantee programs themselves remain excluded, those Federal agencies could not find it practicable to use the Bank to finance guaranteed securities. The net effect would be that most agency financing activities would continue to be conducted directly in the market in less efficient forms and at substantial additional costs to the programs being financed and to the Federal taxpayers.

In sum, the decision as to appropriate budgeting treatment should be made with respect to the credit programs themselves, and not on the basis of whether they choose to use the Federal Financing Bank as a financing vehicle. It is not my intention here to suggest which Federal credit programs should be in the Budget. I merely wish to point out the overlapping, and therefore self-defeating, nature of including the Federal Financing Bank in Section 606.

Sincerely yours,

GEORGE P. SHULTZ.

## ANNOUNCEMENT OF POSITION ON VOTE

Mr. BIDEN. Mr. President, on March 20, the Senate voted to approve amendment No. 1017 to S. 1541, the congressional budgetary reform bill. I was unavoidably unable to be present at the rollcall on this amendment, which I was a cosponsor of and which was approved 55 to 26. Had I been present, of course, Mr. President, I would have voted "yea."

## EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. HATHAWAY). The nominations on the Executive Calendar will be stated.

## DEPARTMENT OF JUSTICE

The second assistant legislative clerk read the nominations in the Department of Justice as follows:

William J. Mulligan, of Wisconsin, to be U.S. attorney for the eastern district of Wisconsin.

John L. Buck, of Pennsylvania, to be U.S. marshal for the middle district of Pennsylvania.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

## COMMISSION ON CIVIL RIGHTS

The second assistant legislative clerk read the nomination of Arthur S. Flemming, of Virginia, to be a member of the Commission on Civil Rights.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

## DEPARTMENT OF LABOR

The second assistant legislative clerk read the nomination of Abraham Weiss, of Maryland, to be an Assistant Secretary of Labor.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

## SURELY, MR. PETERSEN, YOU HAVE BETTER THINGS TO DO

Mr. METCALF. Mr. President, the erosion of congressional power and the accompanying imbalance in what was designed to be a Federal Government of coordinate and coequal branches did not begin with the Nixon administration—with the impoundment of appropriated funds, the dismantlement of programs of Federal assistance, the design for a mini-super-Cabinet or the frightening near-success of a determined effort to undermine—if not destroy—the constitutional checks and balances that have sustained democratic government in this land for almost 200 years.

The eating away at the capacity of the Congress to effectively represent the people has, for the most part, been as silent, as long-lived and as constant—and, taken in each instance, as seemingly insignificant—as the carrying away of a few grains of sand in a single wave in the infinite wash of wave after wave receding from a shoreline.

And, so long as the attention of the Congress and its reactions to incursions into jurisdiction are manifested in momentary, piecemeal and unrelated responses, we will have no more success in checking the erosion of congressional power than if we sought to save that shoreline with a shovelful of sand.

Anti-impoundment legislation, for example, and the enforcement of congressional subpenas for information, while appropriate—again, in each instance—to meet two recent challenges to congressional authority, could not go far to restore the balance of powers lost over the years.

It is past time for the Congress to put its coequal branches on notice that we have found our voice again and that we object to either the courts or the executive assuming it is better able to make a legislative decision than are we. It is time to halt the unfortunate trend that finds powers—constitutionally committed to the legislature—being exercised in the chambers of our courts and the conference rooms of Federal agencies.

Whether the decision is to commit this Nation to a war in some remote corner of the world or to terminate a commitment to cleaner water or better housing here at home, that determination properly rests with the elected representatives of the people—the Congress of the United States—to whom the Constitution grants the power to legislate a decision, in the name and on behalf of the people.

To regain and maintain the independence, power and integrity of legislative action, the Congress must, first, recognize the destructive cumulative impact of isolated acts of the executive and judicial branches which threaten that independence, power and integrity. Second, we must act—as a body—to respond to any exercise of our jurisdiction by another with sufficient forcefulness to gain, not only the attention, but the respect and accommodation, as well, of those who would challenge the rightful role of the Congress.

I am prompted to make these remarks by a matter which has come to my attention in my capacity as chairman of the Joint Committee on Congressional Operations—the committee chartered by the Congress—

> To make a continuing study—of the Congress—with a view toward strengthening Congress, . . . improving its relationships with other branches of the United States Government, and enabling it better to meet its responsibilities under the Constitution.

For the past 3 years, the Joint Committee has monitored and studied the access to and use of the courts as a mechanism for the implementation and enforcement—and the restriction—of congressional powers and prerogatives. At the present time, there are more than 50 cases pending in the Federal court system which involve Members of Congress as parties or which involve issues of particular interest and import to the Congress. There are, in addition, more than 60 cases pending involving the impoundment issue and in a number of these cases Members are acting as parties-plaintiffs.

In connection with one of these impoundment cases, the Assistant Attorney General in charge of the Criminal Division, Henry Petersen, recently informed a Member of the other body that a criminal investigation had been initiated to determine whether a member of his staff had violated the provisions of section 205 of the criminal code, title 18, United States Code. The pertinent language of that section makes it a crime, punishable by a maximum fine of $10,000 and prison term of 2 years, for "an employee of the United States in the legislative branch" to act "as agent or attorney for prosecuting any claim against the United States."

The staff person, who is the subject of Mr. Petersen's investigation, is an attorney, fully qualified and registered to practice in the District of Columbia. He is the legislative assistant of the Member, who, along with five townships in his congressional district, is plaintiff in the impoundment lawsuit. The legislative assistant is the attorney of record in the case.

I am told that the suit alleges that the actions of the defendants—Housing Secretary Lynn and OMB Director Ash—nullified the Member's vote and substantially affected his ability to represent his constituents and that the court action was initiated by the staff assisant at the specific direction of the Member-employer as one of his staff duties. The mandamus action seeks only to compel the defendants to comply with Federal law by implementing a Federal program authorized by the Congress and disbursing funds specifically appropriated for that program by the Congress.

The statutory language excludes from the ambit of section 205 acts which are "in the proper discharge . . . of the employee's . . . official duties. Thus, it appears that the Justice Department, at least initially, all of the opinion that the "official duties" of a congressional staff assistant do not encompass the duties undertaken by this young attorney on behalf of his congressional employer—even though such duties were assigned to him solely because of his position as a member of the staff and no additional compensation was given him because of the additional task.

As Members of Congress, we each receive funds for the hiring of staff to assist us in the representation of our constituencies. The staff does not operate within the framework of bureaucratized "job descriptions," but performs assignments and tasks for their employers in accordance with the Senator's or Representative's directions, which are based on a determination of how best to apportion available manpower and funds to respond to the needs of the people of the State or district represented.

I, for one, do not need the Justice Department to tell me what the "official duties" of any member of my staff should or must be. I do not have any "plumbers" on my staff; they are all engaged in the business of the Congress. If there is a need for definitions of congressional staff positions—and no such need has ever been shown to my knowledge—neither the Executive nor the courts need worry about writing them. The Congress would have the responsibility and the only capability to do so.

It is equally true, that the Congress does not need the Justice Department to interpret for it the legislative intent of a law, for which a detailed legislative history is recorded in the official documents of the Congress.

The bill from which section 205 was taken was the product of more than 3 years of study by a House Judiciary Subcommittee chaired by the chairman of the full committee, former Representative Celler. One main thrust of that bill was described to be "to strengthen, revise, and simplify existing Federal conflict-of-interest laws," some of which dated back to the early 1870's.

In accord with that "conflicts" purpose, section 205 sought only to preclude an employee's "peddling" of actual or supposed influence, gained from his position of employment, in the private representation of others in claims against the Government.

No one of these elements is present in the instant situation.

Is it a felony—for that would be the charge against this staff assistant—for a congressional staff assistant, acting in his or her official capacity, to assist the Member of Congress employing the assistant in a matter which is within the Member's representative responsibilities to the constituency he is elected to serve?

It seems apparent that in the present situation there is no unofficial or private representation, there is no private gain, there is no "influence peddling" and there is no conflict of interest. This Member, with the assistance of a staff attorney, is merely asking the court to require compliance by the executive branch with the constitutional duty placed upon that branch to see that the laws are faithfully executed. If anything, there is a mutuality of interest amongst all the parties involved, be they plaintiffs or defendants or the general public. Is it now to be a felony to ask, in this administration, for compliance with the Constitution by those charged with implementing the laws passed by the Congress? It would seem to require a complete prostitution of the language and the intent of the statute to find it applicable to such a situation.

If the incipient action of Mr. Petersen does not rise to the level of intimidation, it smells sourly of harassment and reeks to high heaven of poor judgment.

It must be remembered that there is no "House counsel" for the Congress, no Attorney General for the legislative branch. If a Member of Congress, a committee or any representative of congressional interests wants to enforce or protect those interests in the courts—if we are to follow the interpretation of this conflicts-of-interest statute urged upon us by Mr. Petersen—legal counsel would have to be obtained from outside the Congress. Obviously, the Justice Department is not going to represent the Congress in an impoundment action against officers of the executive. So, too, few Members of the Congress can afford the fees for counsel that would result from such involved and protracted litigation, nor should they be asked to personally fund such suits brought in the public interest.

The alternatives—such as asking a law firm to accept the Congress as a "pro bono" client or having a congressional party join with a public interest lawyer in a lawsuit, when both may also be engaged in "lobbying" activities before the Congress—have the potential for raising very real questions of conflicts of interest.

Unless and until the Congress determines that it is appropriate to consider the establishment of some form of counsel for the Congress, a Member, committee or officer must be able to turn to the resources of legal expertise on the congressional payroll. Would it make any sense—especially to the taxpayers being asked to underwrite the expenses—to require, for example, the Ervin committee to retain outside counsel to enforce its subpenas for information relating to Watergate, when its staff attorneys are among the ablest lawyers available and are certainly the most knowledgeable about the issues involved in that legal action?

If the langauge of this statutory provision is subject to the interpretation being suggested by the Justice Department—which I do not accept—then the Congress should and must act to correct it. If this is no more than an unwise and politically motivated gambit by the Justice Department, then the Congress should and must let the Executive know who is in charge of the legislative branch of this Government. We should put them on notice that the erosion of congressional power has stopped. If they are picking a fight, then—so long as the congressional parties involved are willing—they should be advised that they have got one.

As a reasonable man, however, I would first suggest to Mr. Petersen and his lawyers in the criminal division, "Surely, you have better things to do."

## ROUTINE MORNING BUSINESS

The routine morning business transacted during the day is printed here by unanimous consent.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following letters, which were referred as indicated:

### Report on National Forests Reforestation Needs

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on National forests reforestation needs, as of the end of fiscal year 1973 (with an accompanying report). Referred to the Committee on Agriculture and Forestry.

### Reports of Department of Defense

A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, a report on independent research and development and bid proposal costs for fiscal year 1973 (with an accompanying report). Referred to the Committee on Armed Services.

A letter from the Assistant Secretary of Defense, Installations and Logistics, transmitting, pursuant to law, a report of independent research and development and bid and proposal costs incurred by major defense contractors in the years 1972 and 1973 (with an accompanying report). Referred to the Committee on Armed Services.

### Proposed Legislation by General Services Administration

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the provisions of title III of the Federal Civil Defense Act of 1950, as amended (with an accompanying paper). Referred to the Committee on Armed Services.

### Report of Export-Import Bank of United States

A letter from the First Vice President and Vice Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a report of the actions taken by the Bank during the quarter ended December 31, 1973 (with an accompanying report). Referred to the Committee on Banking, Housing and Urban Affairs.

### Report of Interstate Commerce Commission

A letter from the Chairman, Interstate Commerce Commission, transmitting, pursuant to law, a report dealing with the operations of the National Rail Passenger Corporation dated March 15, 1974 (with an accompanying report). Referred to the Committee on Commerce.

### Reports of Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of financial statements of the Bureau of Engraving and Printing Fund for fiscal years 1972 and 1973, dated March 19, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the examination of financial statements of the Federal Prison Industries, Inc., fiscal year 1973, Department of Justice, dated March 19, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

### Report of Federal Trade Commission

A letter from the Chairman, Federal Trade Commission, transmitting, pursuant to law, a report on an evaluation of the mandatory petroleum allocation program, January 15–February 28, 1974, dated March 15, 1974 (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

### Wild and Scenic Rivers

A letter from the Secretary of the Interior, transmitting, pursuant to law, a study of the segment of the Allegheny River from its mouth to the town of East Brady, Pennsylvania, for potential addition to the National Wild and Scenic Rivers System. Referred to the Committee on Interior and Insular Affairs.

### Proposed Amendment to Concession Contract

A letter from the Acting Assistant Secretary of the Interior, transmitting a copy of a proposed amendment to a concession contract of the Acadia Corp. in the Acadia National Park, Maine (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

### Rules of Bankruptcy Procedure

A letter from the Chief Justice of the United States, transmitting, pursuant to law, Rules of Bankruptcy Procedure (with accompanying papers). Referred to the Committee on the Judiciary.

### Report on Third Preference and Sixth Preference Classification for Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports on third preference and sixth preference classification for certain aliens (with accompanying papers). Referred to the Committee on the Judiciary.

### Proposed Legislation of Administrative Office of U.S. Courts

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to authorize two additional judgeships for the U.S. Court of Appeals for the Ninth Circuit (with an accompanying paper). Referred to the Committee on the Judiciary.

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend the Jury Selection and Service Act of 1968, as amended, by revising the section on fees of jurors (with accompanying papers). Referred to the Committee on the Judiciary.

A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to provide an additional permanent district judgeship in Puerto Rico (with an accompanying paper). Referred to the Committee on the Judiciary.

### Proposed Legislation of the Department of Health, Education, and Welfare

A letter from the Acting Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Elementary and Secondary Education Act of 1965 to provide for a research, development, and evaluation program to be known as "Follow Through" for the purpose of developing and testing various approaches to the education of children from low-income families in kindergarten and early elementary grades who were previously enrolled in Headstart of similar preschool programs (with accompanying papers). Referred to the Committee on Labor and Public Welfare.

### Prospectus for Proposed Lease

A letter from the Administrator, General Services Administration, transmitting a prospectus which proposes the acquisition of space, under a lease agreement in a building to be constructed in Columbia, S.C. (with accompanying papers). Referred to the Committee on Public Works.

### Proposed Legislation of Veterans' Administration

A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation to amend title 38 of the United States Code to modify the pension program for veterans of the Mexican border period, World War I, World War II, the Korean conflict or the Vietnam era, and their widows and children (with accompanying papers). Referred to the Committee on Veterans' Affairs.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. ALLEN):

A resolution of the General Assembly of the State of Georgia. Referred to the Committee on Labor and Public Welfare:

[General Assembly of the State of Georgia]

### A Resolution

Requesting the President and the Congress to participate in the fight against diseases of the eye; and for other purposes.

Whereas, countless citizens of this State and of the United States are afflicted in each year by diseases of the eye, and especially the disease Toxoplasmosis; and

Whereas, the causes of almost all diseases of the eye are unknown to science, causing incorrect diagnoses and leading toward a lack of proper treatment which in turn may facilitate blindness and even mental retardation; and

Whereas, it is more feasible to appropriate money for research to prevent blindness than to appropriate money to provide for the blind whose sight might have been saved through research; and

Whereas, even when funds are appropriated by the Congress for this vital research into the causes and cures of eye diseases they are often impounded or vetoed by the President for reasons which are not related to the crying need for eye research; and

Whereas, it is absolutely imperative that research into diseases of the eyes be continued and expanded in the most rapid and most thorough fashion possible.

Now, therefore, be it resolved by the General Assembly of Georgia that this body respectfully requests the President and the Congress to immediately act for the support and expansion of research into the causes and cures of eye diseases, and particularly of the eye disease Toxoplasmosis.

Be it further resolved that the Congress is urgently requested to appropriate funds to the National Eye Institute to enable such research to be conducted.

Be it further resolved that the Secretary of State is authorized and directed to transmit an appropriate copy of this Resolution to the President of the United States; the President of the Senate and Speaker of the House of Representatives of the United States; to the Governors of the states of North Carolina, South Carolina, Florida, Alabama, Tennessee, Mississippi, Louisiana and Texas; to the Director of the National Eye Institute; to Secretary of the Army, Howard "Bo" Callaway; to Undersecretary of Agriculture, Phil Campbell; and to the members of the Georgia Congressional Delegation.

Be it further resolved that Senator Herman Talmadge and Congressman Bo Ginn are respectfully requested to read this Resolution to their respective Houses and, thereafter, to insert this Resolution into the Congressional Record.

Be it further resolved that the Governors and Legislators of our sister states are urged to join with us in our urgent request for action to find the causes and cures of diseases of the eye.

In Senate read and adopted February 11, 1974.

In House read and adopted February 8, 1974.

Resolutions of the General Court of the Commonwealth of Massachusetts. Referred to the Committee on the Judiciary:

### Resolutions Memorializing the Congress of the United States To Call a Constitutional Convention for the Purpose of Proposing an Amendment to the Constitution of the United States Relating to the Use of Public Funds for Secular Education

Whereas, The General Court of the Commonwealth of Massachusetts believes that an amendment to the Constitution of the United States will permit the several states to use more direct methods of financing secular education of children in nonpublic elementary and secondary schools and that Legislatures of the several states will pass resolutions applying to the Congress to call a convention for the purposes of proposing an amendment to the Constitution of the United States regarding financing secular education of children; and

Whereas, Article V of the Constitution of the United States grants to the states the right to initiate constitutional change by applications from the Legislatures of two thirds of the several states to the Congress, calling for a Constitutional Convention; and

Whereas, The General Court of the Commonwealth of Massachusetts believes it to be in the best interests of the people of the United States that such an amendment be adopted; now, therefore, be it

Resolved, That the General Court of the Commonwealth of Massachusetts respectfully applies to the Congress of the United States to call a Constitutional Convention for the sole and exclusive purpose of proposing the following amendment to the Constitution of the United States:

#### ARTICLE

Section 1. Nothing in this Constitution shall prohibit the United States or any state or any political subdivision of any state from the expenditure of public funds for the support of secular education of children in nonpublic elementary and secondary schools. Provided, however, no such expenditure of public funds shall be made for such purpose where the nonpublic elementary or secondary school discriminates in its admission policies on the basis of race, creed, color or place of national origin or in the conduct of its instruction on the basis of race, color or place of national origin.

Section 2. This Article shall be imperative unless it shall have been ratified as an amendment to the Constitution by the Legislatures of three fourths of the several states within seven years from the date of its submission to the states."; and be it further

Resolved, That if the Congress shall have proposed an amendment to the Constitution identical with that contained in these resolutions prior to June the first, nineteen hundred and seventy-four, this application for a convention shall no longer be of any force or effect; and be it further

Resolved, That this application shall constitute a continuing application for such convention pursuant to Article V until the Legislatures of two thirds of the states shall have made like applications and such convention shall have been called by the Congress of the United States unless previously rescinded by the General Court of the Commonwealth of Massachusetts; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the Senate and the Speaker of the House of Representatives of the United States.

House of Representatives, adopted, February 26, 1974.

Senate, adopted in concurrence, March 4, 1974.

A resolution of the Senate of the State of Montana. Referred to the Committee on Banking, Housing and Urban Affairs:

[Montana State Senate]

### A Resolution of the Senate of the State of Montana Requesting Housing and Related Care Facilities for the Elderly

Whereas, we have carefully studied the President's housing message of September 19, 1973, and

Whereas, our dedication to the purposes of this organization requires that we formulate and communicate our views and positions vis-a-vis Federal housing policies and programs as they relate to the housing and related needs of the low-moderate income elderly.

Now, therefore, be it resolved by the Senate of the State of Montana:

That the Senate of the State of Montana representing housing and related care facilities for the elderly, makes known its views and urges actions as follows:

1. The proposal for direct housing assistance payments to lower income individuals and families has merit and we particularly approve the President's stated intention of initially implementing this program to assist the lower income elderly. However, we support fully funding and implementation of the direct housing assistance payment plan for the elderly immediately rather than delaying it until 1975.

2. We join with all other knowledgeabe authorities in giving stated recognition to the fact that the housing and related needs of the elderly are complex and manifold and, therefore, no single program can meet the needs of all of the low-moderate income elderly . . . since there are various groups of the elderly, each of which has specific and unique needs. For example, an elderly couple in their early-to-mid sixties who enjoy good health and moderate income obviously do not have the same needs as single and widowed females in their late seventies and who often have incomes barely at subsistence level. Stated more simply, the most needful group of the elderly need not only housing but the security, companionship and independence that can only be provided by specialized housing and related care facilities.

3. These specialized facilities represented are effectively responding to the special housing and related needs of that segment of our elderly population for whom a direct housing assistance payment would not solve their needs and desires for physical, emotional and financial security combined with the need and desire for companionship, social recreational and constructive activity in a non-institutional atmosphere which enhances dignity and independence.

4. By far the most successful and economical Federal housing assistance program for the elderly was the Section 202 senior housing loan program.

5. The benefits of 202 type housing to a community have had profound impact in upgrading neighborhoods and in providing a ready talent pool to staff volunteer community programs.

6. We strongly recommend re-institution of the 202 type approach as a primary vehicle for housing the elderly. Furthermore, we heartily recommend that a re-instituted 202 type program be made even more flexible than the old program, in the sense of allowing for a broad spectrum of devices for meeting the total needs—housing, health, social, recreational, nutritional—of our aging people.

Be it further resolved, that copies of this resolution be transmitted by the Secretary of the Senate of the State of Montana to the Honorable Richard M. Nixon, President of the United States, Honorable Gerald Ford, Vice President of the United States, Honorable Mike Mansfield, Majority Floor Leader of the United States Senate, Honorable Lee Metcalf, United States Senate, Congressman Richard S. Shoup, House of Representatives, Congressman John W. Melcher, House of Representatives.

Signed this 1st day of March, 1974.

A joint memorial of the Legislature of the State of New Mexico. Referred to the Committee on the Judiciary:

[State of New Mexico]

### A Joint Memorial Requesting the President of the United States To Appoint and the Senate To Confirm the Appointment of Ernest L. Lovato to the Commission on Civil Rights

Whereas, the Commission on Civil Rights was created in the executive branch of the United States government to investigate complaints alleging that citizens are being deprived of their right to vote by reason of their race, color, religion or national origin, or by reason of fraudulent practices; to appraise federal laws and policies with respect to equal protection of the laws and to serve as a national clearinghouse for information in respect to denials of equal protection of the laws; and

Whereas, no member has ever been appointed to the commission representing the interests of the American Indian, and a vacancy in the membership exists; and

Whereas, Ernest L. Lovato is a member of the Santo Domingo Indian Pueblo and is the secretary and executive director of communications for the All Indian Pueblo Council and has experience with and an understanding of Indian problems;

Now, therefore, be it resolved by the Legislature of the State of New Mexico that the President of the United States is requested to appoint Ernest L. Lovato as a member of the United States Commission on Civil Rights and the United States Senate is requested to confirm such appointment; and

Be it further resolved that copies of this memorial be transmitted to the President of the United States and to each member of the United States Senate.

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### House Joint Memorial

Introduced by All Members of the House of Representatives Unanimously passed by House, and was passed by the entire Senate (HJM#2).

Requesting President Richard M. Nixon to appoint Mr. Ernest L. Lovato, to the U.S. Commission on Civil Rights membership (immediate action).

There is an urgent and a definite need to have First American Indian Representation on the U.S. Presidents Commission on Civil Rights.

The U.S. Commission on Civil Rights was established by Congress under the Civil Rights Act of 1957 as part of the executive branch, it is an independent, bipartisan, fact finding agency, authorized to submit reports of its activities, findings and recommendations to the President and the Congress.

Presently there are (6 members) of the Commission: 4 Anglos, 1 Black, 1 Spanish-American and no First American Indian.

Since the establishment of this Civil Rights Commission, there has never been any Indian represented, and yet, the problems, issues, affecting the National Indians are very serious and important.

There has been one previous vacancy in the Commission as a result of resignation of Reverend Father Theodore Hesburgh, and presently there existed another vacancy, which Mr. Maurice Mitchell resigned recently.

Therefore, the President and the entire Congressmen and Senators need to encourage, support and recommend Mr. Ernest L. Lovato, Full-Blooded American Indian, a Pueblo Indian from Santo Domingo Pueblo, New Mexico be appointed to the United States Commission on Civil Rights.

Mr. Ernest L. Lovato received strong endorsements from the entire New Mexico Congressional delegations, the Senator James Abourezk, Chairman, Senate Subcommittee on Indian Affairs, the NCAI-National Congress of American Indians, the all Indian Pueblo Council, Inc., State of New Mexico, the Northwest Coast Tribes, State of Washington, the Navajo Nation, Chairman Peter McDonald, the Human Rights Commission, the Chairman, NTCA-Robert Lewis, National Tribal Chairman's Association, Mr. Marvin Franklin, Former Assistant Secretary of the Interior for Indian Affairs, plus many interested National organizations, individual Indians and Non-Indians alike. All passed letters of endorsements were sent to the White House Office of the President, the Administrative aides to the President, John Vickerman, Jerry Jones and others.

A resolution adopted by the Protestant Episcopal Church in the Diocese of Tennessee, opposing the removal of the tax deductible status of contributions to churches. Referred to the Committee on Finance.

A resolution adopted by the Veterans of Foreign Wars, George E. Smith Post 7142, San Clemente, Calif., relating to the Canal Zone. Referred to the Committee on Foreign Relations.

A resolution adopted by the Lithuanian American Council, Rochester, N.Y., relating to the seizure of Lithuania by the Soviet Union. Referred to the Committee on Foreign Relations.

A resolution adopted by the Council of the County of Maui, Hawaii, praying for the enactment of legislation providing for the establishment of the Kalaupapa National Historic Site, Island of Molokai, Hawaii. Referred to the Committee on Interior and Insular Affairs.

A resolution adopted by the Committee on Industry and Business, 43d Legislative Assembly, State of North Dakota, praying for the preservation of workmen's compensation systems of the States. Referred to the Committee on Labor and Public Welfare.

## ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, March 21, 1974, he presented to the President of the United States the following enrolled bills:

S. 1615. An act for the relief of August F. Walz;

S. 1673. An act for the relief of Mrs. Zosima Telebanco Van Zanten;

S. 1852. An act for the relief of Georgina Henrietta Harris;

S. 1922. An act for the relief of Robert J. Martin; and

S. 2315. An act to amend the minimum limits of compensation of Senate committee employees and to amend the indicia requirements on franked mail, and for other purposes.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 240. A bill for the relief of Mrs. Wanda Martens (Rept. No. 93–739); and

S. 2362. A bill granting the consent and approval of Congress to the Cumbres and Toltec Scenic Railroad Compact (Rept. No. 93–740).

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, Mr. SPARKMAN, from the Committee on Foreign Relations, submitted reported, without reservation, Executive U, 93d Congress, first session, a Treaty on Extradition between the United States of America and the Kingdom of Denmark, signed at Copenhagen on June 22, 1972, and submitted a report thereon (Ex. Rept. No. 93–28), which was ordered to be printed.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. KENNEDY:

S. 3206. A bill to expand Federal programs for relief from the effects of unemployment, and to provide special assistance to alleviate the problems resultant from the energy crisis. Referred to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. BROOKE, Mr. CASE, Mr. CRANSTON, Mr. HART, Mr. JACKSON, Mr. JAVITS, Mr. METCALF, Mr. MONDALE, Mr. STEVENSON, Mr. TUNNEY, Mr. CLARK, and Mr. BAYH):

S. 3207. A bill to amend the Sugar Act of 1948 to terminate the quota for South Africa. Referred to the Committee on Finance.

By Mr. HART:

S. 3208. A bill for the relief of Ates Tanin. Referred to the Committee on the Judiciary.

By Mr. NELSON (for himself and Mr. RIBICOFF):

S. 3209. A bill to establish a National Resource Information System, and for other purposes. Referred to the Committee on Government Operations.

By Mr. GURNEY:

S. 3210. A bill to amend the Emergency Petroleum Allocation Act. Referred to the Committee on Interior and Insular Affairs.

By Mr. GURNEY:

S. 3211. A bill to amend the Emergency Petroleum Allocation Act of 1973, relating to adjustments in the allocation of gasoline. Referred to the Committee on Interior and Insular Affairs.

By Mr. GURNEY:

S. 3212. A bill to amend the Emergency Petroleum Allocation Act of 1973, relating to the mandatory allocation of gasoline. Referred to the Committee on Interior and Insular Affairs.

By Mr. BROCK (for himself and Mr. STEVENS):

S. 3213. A bill to establish an independent Foreign Economic Policy Board to assist the Congress in the development of policies affecting U.S. international finance, trade, investment, and aid; and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. BELLMON:

S. 3214. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs. Referred to the Committee on Finance.

By Mr. BROCK:

S. 3215. A bill to authorize the Secretary of Commerce to enhance and validate certain export expansion activities. Referred to the Committee on Commerce.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY:

S. 3206. A bill to expand Federal programs for relief from the effects of unemployment, and to provide special assistance to alleviate the problems resultant from the energy crisis. Referred to the Committee on Finance.

Mr. KENNEDY. Mr. President, there are some who question the reality of the energy crisis and the motives of those who seem to benefit from it. But for the more than 230,000 workers who have lost their jobs because of the energy crisis, the crisis is all too real.

With nearly 5 million Americans out of work and the unemployment rate at least at the level of 5.2 percent, the need for immediate action to assist both individuals and communities is apparent.

Much of the current energy crisis results from Federal policies and activities and the responsibility for assisting with the consequences of those policies clearly rests with the Federal Government.

In similar circumstances in the past, for example, when Federal decisions in 1971 produced large-scale unemployment in the space and defense industries, Congress responded with the Emergency Unemployment Compensation Act of 1971. That legislation, sponsored by Senator MAGNUSON, provided vital assistance to the unemployed in some 19 States and also helped maintain the viability of State unemployment insurance funds.

Already, the Congress has indicated its view that the current economic decline resulting from the energy crisis demands Federal action. In the emergency energy bill which passed both the Senate and the House, provisions were incorporated establishing a special federally funded unemployment insurance program.

Unfortunately that legislation was vetoed by the President and was not overridden by the Congress.

For that reason, there is no special assistance provided to workers across the country adversely affected by the energy crisis.

Therefore, I am introducing today legislation to establish a yearlong federally funded unemployment insurance program for workers unemployed during this period of crisis.

In my own State of Massachusetts, some 7.7 percent of the work force are currently unemployed and the latest unemployment compensation claims reported indicate that the level is on the rise. I have developed this measure in coordination with the Governor of Massachusetts and I am hopeful that it will be viewed as a bipartisan response to a national problem.

A glance at the trend of unemployment in Massachusetts and in our major labor market areas shows substantial increases in virtually every area since January 1973 and even just in the month between December 1973 and January 1974.

MASSACHUSETTS UNEMPLOYMENT SITUATION

| | January 1973 | | December 1973 | | January 1974 | |
|---|---|---|---|---|---|---|
| | Amount | Percent | Amount | Percent | Amount | Percent |
| Statewide | 160,800 | 6.5 | 183,000 | 7.0 | 197,700 | 7.7 |
| Seasonal adjustment | | 6.3 | | 7.4 | | 7.5 |
| Boston | 18,400 | 6.8 | 81,600 | 6.5 | 88,700 | 7.2 |
| Brockton | 4,700 | 6.3 | 6,100 | 7.2 | 6,800 | 8.1 |
| Fall River | 3,900 | 6.0 | 4,900 | 7.3 | 4,800 | 8.8 |
| Lawrence-Haverhill | 6,700 | 6.9 | 8,500 | 8.4 | 9,100 | 9.1 |
| Lowell | 5,700 | 6.6 | 6,200 | 7.0 | 6,800 | 7.7 |
| New Bedford | 4,700 | 7.2 | 5,000 | 7.4 | 5,600 | 6.4 |
| Springfield-Chicopee-Holyoke | 13,200 | 6.1 | 15,300 | 6.8 | 17,100 | 7.7 |
| Worcester | 8,300 | 5.7 | 8,700 | 5.7 | 9,200 | 6.1 |

Note: Statistics from the Massachusetts Department of Employment.

Across the country, reports of auto industry layoffs again this month follow sharp layoffs already experienced. Airlines, aircraft manufacturers, tourist industry employees, and the paper, plastics and rubber industries are all suffering or expected to suffer major reductions in employment.

Not only does this level of unemployment create massive personal dislocations for hundreds of thousands of individuals but it severely threatens the viability of State unemployment benefit funds.

The determination of when the Federal Government would assume the costs of the extended unemployment benefits and the extra costs resulting from energy-related unemployment would be made on a month-to-month basis during the period of the bill which would extend through June 30, 1976. Whenever the average of insured unemployed increased beyond the average monthly unemployment during the previous 3 years, the program would go into effect.

Individuals therefore would have their benefits increased from the regular 26-week period to a full 52-week period during this period, and the State funds would be reimbursed from the Federal General Treasury to pay for that increased cost.

I believe this program would provide immediate and vital assistance to those areas of the country which suffer the major burdens of energy-related unemployment. There is a clear precedent for Federal action in the Emergency Unemployment Compensation Act of 1971, and I am hopeful that this measure will receive urgent and speedy consideration by the Congress.

I ask unanimous consent that the bill be printed in the RECORD at this time.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3206

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Energy Crisis Unemployed Compensation Act of 1974".

TITLE I—FINDINGS AND DECLARATIONS

SEC. 101. (a) The Congress hereby finds and declares that—

(1) the direct and indirect effects of the energy crisis threaten very high levels of unemployment throughout the Nation;

(2) this will occasion excessively heavy drains on the unemployment compensation reserve funds accumulated by the States;

(3) the duration of benefits payable under existing law will be inadequate for the needs of many of the unemployed;

(4) the consequent charges on the experience rating records of many employers will be far in excess of their normal ability to absorb, and will adversely affect their contribution rates for years to come; and

(5) it will be impossible to measure the precise impact of the energy crisis in terms of unemployment on an individual basis, since the indirect effects will be so extensive, and the causal relationship often obscure.

(b) It is the purpose of the Congress, by this Act, to provide substantial assistance whereby—

(1) additional unemployment compensation benefits will be available to the unemployed for whom existing provisions are inadequate;

(2) such benefits will be logically related to, and administered through, the existing structure of State agencies;

(3) adequate funds will be provided for necessary administrative expense; and

(4) a proportionate share of the added benefit costs will be federally reimbursed, to help maintain the solvency of the States' unemployment trust funds.

TITLE II—FEDERAL-STATE AGREEMENTS

SEC. 201. (a) Any State, the State unemployment compensation law of which is approved by the Secretary of Labor (hereinafter referred to as the "Secretary"), under section 3304 of the Internal Revenue Code of 1954, which desire to do so, may enter into and participate in an agreement with the Secretary under this title for the payment of Energy Crisis Unemployment Compensation. Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) Any such agreement shall provide that the unemployment compensation agency of the State will make payments of Energy Crisis Unemployment Compensation—

(1) to individuals who—

(A) (i) have exhausted all rights to regular compensation under the State law;

(ii) have exhausted all rights to extended compensation, or are not entitled thereto, because of the ending of their eligibility period for extended compensation in such State;

(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law; and

(C) are not receiving compensation with respect to such week under the unemployment compensation law of the Virgin Islands or Canada; and

(2) for any week of unemployment which begins in—

(A) the Energy Crisis benefit period (as defined in subsection (c)(3)(A)); and

(B) the individual's period of eligibility (as defined in subsection (c)(3)(B)).

(c)(1) For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted his rights to regular compensation under a State law when—

(A) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period; or

(B) his rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(2) For purposes of subsection (b)(1)(B), an individual shall be deemed to have exhausted his rights to extended compensation under a State law when no payments of extended compensation under a State law can be made under such law because such individual has received all the extended compensation available to him from his extended compensation account (as established under State law in accordance with section 202(b)(1) of the Federal-State Extended Unemployment Compensation Act of 1970).

(3)(A) For purposes of subsection (b)(2)(A), the "Energy Crisis benefit period"—

(i) shall begin on February 1, 1974, and

(ii) shall end on June 30, 1976.

(B) For purposes of subsection (b)(2)(B), the individual's period of eligibility means the weeks in his benefit year which begin in the Energy Crisis benefit period, and, if his benefit year ends within the Energy Crisis benefit period, any weeks thereafter which begin in such period.

(C) For purposes of any agreement under this title—

(i) the amount of the Energy Crisis unemployment compensation which shall be payable to any individual for any week of total or partial unemployment shall be computed under the same provisions applicable to regular unemployment compensation under the State law; and

(ii) the terms and conditions of the State law which apply to regular unemployment compensation shall (except where inconsistent with the provisions of this title or regulations of the Secretary promulgated to carry out this title) apply to claims for Energy Crisis unemployment compensation and the payment thereof.

(d)(1) Any agreement under this title with a State shall provide that the State will establish, for each eligible individual who files an application for Energy Crisis unemployment compensation, a separate compensation account.

(2) The amount established in such account for any individual shall be 100 per centum of the total amount of regular compensation payable to him, except that—

(A) in no case shall the total amount of regular compensation, plus extended benefits, plus benefits under this Act, exceed fifty-two times the weekly benefit amount of regular compensation during an individual's benefit year and the immediately succeeding weeks of his eligibility period; and

(B) if the State law provides for dependency allowances in addition to regular compensation, comparable allowances will also be payable under this title in addition to the total amount provided under subsection (A).

### TITLE III—PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF ENERGY CRISIS UNEMPLOYMENT COMPENSATION

SEC. 301. (a) (1) There shall be paid to each State which has entered into an agreement under this title an amount equal to 100 per centum of the Energy Crisis unemployment compensation paid to individuals by the State pursuant to such agreement.

(2) There shall be paid to each State for each month in the Energy Crisis benefit period an amount which is the product of the total amount of regular compensation paid in that month, multiplied by the excess cost factor (as defined in section 501(b)).

(3) There shall be paid to each State for costs of administration under the agreement an amount computed on the basis of the cost model standards for unemployment insurance activities which have been developed by the States and the Manpower Administration of the Department of Labor.

(b) No payment shall be made to any State under this section in respect to compensation for which the State is entitled to reimbursement under the provisions of any Federal law other than this title.

(c) Sums payable to any State by reason of such State's having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary) in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

### TITLE IV—FINANCING PROVISIONS

SEC. 401. (a) (1) For the purpose of carrying out this Act, there are hereby authorized to be appropriated such amounts as may be necessary for the fiscal year ending June 30, 1974, and for each year thereafter.

(2) The Secretary from time to time shall certify to the Secretary of the Treasury for payment to each State the sums payable to each State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers to the account of such State in the Unemployment Trust Fund.

### TITLE V—DEFINITIONS

SEC. 501. For purposes of this title—

(a) the terms "compensation", "regular compensation", "extended compensation", "base period", "benefit year", "State", "State agency", "State law", and "week" shall have the meanings assigned to them under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970; and

(b) the term "excess cost factor" means, for each month in the Energy Crisis benefit period, the result of the following computation:

(1) the State's rate of insured unemployment for that month shall be obtained from Table 2 of Unemployment Insurance Statistics, a monthly report of the United States Department of Labor.

(2) The rate of insured unemployment for each of the corresponding months in 1971, 1972, and 1973 shall be similarly obtained from Unemployment Insurance Statistics, and the average of these rates calculated to the third decimal place.

(3) The average rate obtained under paragraph (2) shall be subtracted from the rate obtained under paragraph (1), and the difference shall be divided by the rate obtained under paragraph (1), with the quotient calculated to the third decimal place. This quotient is the excess cost factor for purposes of section 301(a) (2).

### TITLE VI—REPORT BY SECRETARY OF LABOR

SEC. 601. (a) The Secretary of Labor shall conduct a comprehensive study and review of the program established by this Act, with a view to submitting to the Congress the report required to be submitted under subsection (b). Such study and review shall be conducted with particular regard to (1) the benefit payments made under such program, (2) projections of benefit payments which will be payable under such program after the period covered by such report, (3) the desirability of continuing such program after the period prescribed in section 201(c) (3) (A), and (4) the funding of the benefits payable under such program should be continued after the period prescribed in section 201(c) (3) (A).

(b) On or before November 1, 1974, the Secretary of Labor shall submit to the Congress a full and complete report on the study and review provided for in subsection (a). Such report shall cover the period ending June 30, 1974, and shall contain the recommendations of the Secretary of Labor with respect to such program, including but not limited to, the operation and funding of such program, and the desirability of extending such program after the period prescribed in section 201(c) (3) (A).

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By Mr. KENNEDY (for himself, Mr. BROOKE, Mr. CASE, Mr. CRANSTON, Mr. HART, Mr. JACKSON, Mr. JAVITS, Mr. METCALF, Mr. MONDALE, Mr. STEVENSON, Mr. TUNNEY, Mr. CLARK, and Mr. BAYH):

S. 3207. A bill to amend the Sugar Act of 1948 to terminate the quota for South Africa. Referred to the Committee on Finance.

Mr. KENNEDY. Mr. President, with the bipartisan support of 12 Senators, I am introducing for appropriate reference, legislation to remove the sugar quota for the Republic of South Africa. The Sugar Act of 1948 authorizes domestic sugar production to be augmented on an equitable basis by imports from various sugar producing countries from around the world. It is my understanding that the 1971 amendments to the act grant 1.42 percent of America's sugar imports to be supplied by South African growers. The measure I am introducing today will remove the quota that our Government allots to sugar producers in the Republic of South Africa.

The reasons for terminating the sugar quota at this time remain unchanged from those we confronted 5 years ago when I first offered legislation to end South Africa's sugar quota.

Morally, the case against South Africa is clear and well known to all of us in the Senate. No one in that Republic is free from the savagery of degradation and submission if he is black. South Africa has enslaved its citizens in a system that dehumanizes blacks and distorts the true meaning of life for whites.

Withdrawal of the multimillion dollar sugar subsidy to a nation whose GNP exceeds $18 billion can not significantly alter that country's economy. Yet, the continuation of the subsidy can have no visible justification when we in this country insist that South Africa's official policies and laws violate all tenets of decency. Indeed, it is precisely the size and vitality of the South African economy that make our continued subsidy appear gratuitous to that nation and insensitive to all the nations of black Africa.

Moral arguments often lack the force of persuasion found in coldly calculated decisions prompted by profit or self-interest. But the demand to end South Africa's sugar quota is founded upon clearly stated doctrines established by this Congress.

The chairman of the House Committee on Agriculture explained to nations applying for a sugar quota that quotas will be allotted only to those nations exercising friendly relations with the United States.

We know, however, that there is discrimination against U.S. citizens in South Africa. Congressman CHARLES DIGGS' request for a visa to visit South Africa was not honored on three occasions before that Government finally consented to grant permission for the chairman of the House Subcommittee on Africa to enter Johannesburg in 1971. But, last November, the South African Government again thwarted the chairman's effort to visit the country.

South African tourist agencies spend enormous sums enticing Americans to spend their vacations in South Africa. Meanwhile pending court actions challenge that country's insistence in urging Americans to visit South Africa when black Americans are still denied equitable treatment over there simply because of their skin color.

Friendly nation status cannot be bestowed upon any nation where U.S. warships must turn down port privileges, because the crew is not welcomed ashore by the local government. But in 1967, all the crew members of the aircraft carrier *Franklin D. Roosevelt,* remained aboard ship, by order of the Secretary of Defense, because there were no activities in South Africa free from the repressive regulations imposed by apartheid.

During the past 12 years, South Africa has received over $125 million in special subsidies under the sugar act. And since 1971, the subsidy has amounted to more than $31 million. For a nation that spends over $18 billion each year for its goods and services, there is simply no way to claim that such a payment is deserved to enable the country to escape deprivation, because it is underdeveloped. For that reason alone, the sugar quota is wholly undeserved.

The sugar quota has as one of its principal purposes the offer of assistance to underdeveloped countries. South Africa knows it is not a developing country. The rest of the world knows South Africa is not a developing country. Why then, should the U.S. Government look upon that nation as underdeveloped when we determine which nations ought to receive the benefits of a sugar allocation? Further, why should our government specify that quotas must be allotted to underdeveloped nations and defy that provision by awarding a bonanza to a country with such a reprehensible system as apartheid?

Finally, the quota is not only designated to assist underdeveloped countries but to also improve economic conditions for the farmers and workers who produce the sugar shipped to the United States.

In South Africa, national laws prohibit black workers from obtaining the opportunities enabling them to receive incomes comparable to their white neighbors. Thus, sugar plantation workers, and all other black South Africans, are doomed to perpetual poverty and substantial wage deprivations by the force of national law. How then can the U.S. Government establish an important criteria for assigning quotas and then tolerate this meretricious violation?

Nearly 5.5 million tons of sugar produced abroad, are permitted to enter U.S. ports under the 1971 amendments to the Sugar Act. It makes sense to equitably distribute that amount to those nations that depend heavily upon sugar for its exports. South African agricultural exports account for about 10 percent of its export shipments, and sugar exports amount to about a third of that figure. No reasonable calculations can be construed to allege that such a nation is worthy of the benefits or the protection accorded by the quota.

Mr. President, I first introduced legislation to withdraw South Africa's sugar quota in April 1969. Again, in January and in June 1971, I introduced similar legislation. After debate on my amendment in July 1971, 45 Senators voted to delete the quota for South Africa. That measure was defeated by the narrow margin of two votes. The arguments and the issues since that time have remained unchanged.

I am offering a measure to abolish the sugar quota for South Africa at this time because I believe a majority of Senators will express their commitment to establish the United States in its rightful position regarding the criteria for awarding sugar allotments. Withdrawing the sugar quota from South Africa is an essential first step that this Nation must make to comply with our own policies.

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By Mr. NELSON (for himself and Mr. RIBICOFF):

S. 3209. A bill to establish a National Resource Information System, and for other purposes. Referred to the Committee on Government Operations.

### SHORTAGES: MINERALS, FOOD, INFORMATION

Mr. NELSON. Mr. President, the energy crisis presents a classic case of blissful ignorance combined with mismanagement and lack of planning on the part of Government and industry, abetted by the American belief in endless abundance and technological magic.

Energy, its sources, its availability, its uses, is an enormously complicated matter.

Nevertheless, for a quarter century resource experts have warned about the coming energy crunch. And even long before that many others have discussed the limit of these natural resources on the planet. The problem is that resource experts read what resource experts write, but decisionmakers do not.

If the Government had established a central data collection agency with the responsibility for collecting statistics on energy resources, projecting consumption rates, reporting refining capacity, evaluating current technology, and making annual reports to the Congress, the President and the public, we could have made plans to meet this crisis 15 or 20 years ago. Certainly, we would have passed an energy resource and development act 15 years ago instead of 3 months ago. By now we would have explored new energy sources, developed efficient methods of coal gasification, coal liquefaction, shale oil extraction, and instituted long-range energy conservation plans.

Our failure was not lack of availability of the critical statistics. They were available to be collected and used. It was, rather, a failure to establish a mechanism to forcefully thrust this important issue upon the attention of the President, the Congress, and the country. If that had been done we would have acted years ago instead of waiting until a crisis forced the issue to our attention. The Energy Information Act which is pending before the Interior Committee will provide us with the tools we need to guide us in future decisionmaking on energy matters.

However, this should be only a first step in the critically important process of establishing a comprehensive program of evaluating the status, availability and use of all-important resources.

The energy crisis is only symptomatic of a much broader and far more serious phenomenon. That phenomenon, in fact, encompasses a series of approaching crises involving many resources vital to all nations, developed or developing.

Twenty-five years ago Aldous Huxley was predicting a worldwide shortage. "World resources," he said in 1949, "are inadequate to world production."

In the early 1950's, mineral shortage authorities began predicting shortages in metals. Then, in 1969, a U.S. Interior Department study concluded that the United States had become dependent on other countries for more than 63 percent of 30 minerals and metals designated as critical to national security. Fred Bergsten of the Brookings Institution has pointed out that the United States today depends on imports for over half of its supply of 6 of 13 basic raw materials—chromium, nickel, rubber, aluminum, tin, and zinc. And Interior Department projections suggest the number will rise to nine by 1983.

Data from the Department of the Interior, Geological Survey, indicates that the United States is presently moderately to heavily dependent on foreign sources for the following minerals:

1. Aluminum and Bauxite (mainly Jamaica, Surinam, Australia and Guinea).
2. Antimony (South Africa, Mexico and Bolivia).
3. Chromium (U.S.S.R., South Africa, Rhodesia and Turkey).
4. Copper (Chile, Peru, Zambia and Zaire).
5. Fluorine (Mexico, Spain and Italy).
6. Gold (South Africa).
7. Manganese (Brazil, Gabon, South Africa, Zaire and Ghana).
8. Nickel (Canada).
9. Oil and Gas (Canada, Saudi Arabia, Iran, Persian Gulf States, Venezuela, and Nigeria).
10. Tin (Malaysia, Thailand, Bolivia, Brazil and Zaire).
11. Titanium (Australia).
12. Tungsten (Canada, Australia, Bolivia, Peru, Portugal and South Korea).
13. Zinc (Canada, Peru, Mexico and Australia).

A Library of Congress study on resource supply and demand conducted at my request, reports that—

> U.S. population will probably increase by approximately 50% by the year 2000, and world population may double. Per capita consumption (of materials) is also increasing dramatically, with U.S. per capita consumption demand possibly doubling by the year 2000. . . . Total U.S. materials consumption may double or triple by the year 2000 with similar trends in the rest of the world . . . what is certain (from all of this) is that there will be constraints upon the world supply of materials throughout the remainder of the 20th century. There will probably be periodic materials shortages, and materials costs are likely to rise.

Complicating the whole issue is the possibility of a handful of raw material-exporting nations banding together in an Arab oil producers OPEC arrangement to withhold resources from the rest of the world. The possibility is not so farfetched. Guinea, Australia, Guyana, Jamaica, and Surinam, the principal producers of bauxite, a basic ingredient in aluminum, recently discussed such an arrangement. Zaire and Zambia, suppliers of 70 percent of the world's tin exports could also make a similar arrangement. And the pattern could be repeated by the four countries controlling more than 80 percent of the world supply of copper and the four controlling half the supply of natural rubber.

### FOOD SHORTAGE

Mineral shortage is only a part of our scarcity problem. On the agricultural side, the prestigious journal "Foreign Policy" recently said that a combination of factors "suggest that the world food economy is undergoing a fundamental transformation, and that food scarcity is becoming chronic."

Protein supplies are overburdened, and most arable cropland already is being farmed. The ocean, viewed historically as an inexhaustible source of protein in fish and algae, also is being depleted—a condition few expected until 5 years ago. And climate experts led by Dr. Reed Bryson, of the University of Wisconsin, predict long-range worsening weather conditions that could spell famine for tens of millions of people.

Changing weather, Bryson points out, is a major contributing factor to starvation conditions in the Sahel in Africa and in northern India. The world is experiencing a disastrous food crunch—all the rosy public relations announcements about the Green Revolution notwithstanding. Agriculture development expert William Paddock has stated that—

> The truth is that, while the new wheat and rice varieties are excellent, high yielders under certain specialized conditions (controlled irrigation, high fertilization), they have done little to overcome the biological limits of the average farm.

Population growth has exceeded increases in food production in those areas of the world where the Malthusian food production squeeze has always been the most acute. Andrew J. Mair, of the Office of Food for Peace of the AID, has recently stated that agricultural production, on a per capita basis, had actually fallen 2 percent in the underdeveloped countries over the 10-year period 1963–72.

He concluded:

> Without an eventual reduction in the rate of growth of world population, there can be no long-run solutions to the world food problem.

Food expert Lester Brown seconds that conclusion:

> At the global level, population growth still generates most of the additional demand (for food). Expanding at about 2% per year, world population will double in little more than a generation. If growth does not slow dramatically, merely maintaining current per capita consumption levels will require a doubling of food production over the next generation.

Increasing demand for food is also generated by growing affluence and new tastes for meat in some developing nations. The average person in a poor country, where the diet is predominantly cereal, eats 400 pounds of grain a year. But in the United States and Canada, per capita grain use is approaching a ton a year. Of this total, only about 150 pounds are consumed directly in bread, cake, or breakfast cereal. The rest is consumed indirectly in the form of meat, milk, and eggs, which inefficiently convert grain to protein.

We in the United States are experiencing shortages in the form of spiraling food prices. 1973 was the year of the biggest jump in grocery prices in more than 25 years. However, the London Economist's index of world commodity prices shows that while food prices were up last year by 20 percent in this country, food prices were up an average of 50 percent worldwide. Prices for fibers have risen 93 percent and metals 76 percent.

Whereas the American consumer will have to pay more for his food, millions of human beings in this world cannot afford any food at all. For individuals living on marginal incomes—the vast majority of the world population—the fact that food prices are up less than other prices is no comfort. When one spends about 80 percent of one's income on food, as a large portion of mankind does, any price rise—and indeed a price hike of 50 percent—"drive(s) a subsistence diet below the subsistence or survival level," according to Lester Brown.

### INFORMATION SHORTAGE

Shortages of basic minerals and proteins is matched by the equally serious shortage of knowledge about U.S. and world reserves of essential materials and foodstuffs. For a quarter of a century resource experts have been writing, speaking, and pleading for the preservation of our resources, but few at the political level bothered to listen. Similarly, for a quarter of a century the United States has ignored warnings of an information shortage.

The last four Presidents and the Congress consistently failed to recognize that our knowledge is insufficient for wise policy choices concerning the world's resources. Twenty-two years ago the Paley Commission, the familiar title for the President's Materials Policy Commission, concluded in its report, "Resources for Freedom" dated June 1952:

> There must be, somewhere, a mechanism for looking at the problem as a whole, for keeping track of changing situations and the interrelation of policies and programs. This task must be performed by a Federal agency near the top of the administrative structure. . . . Such an agency . . . should maintain, on a continuing basis, the kind of forward audit which has been this Commission's one time function, but more detailed than has been possible here; collect and collate the facts and analyses of various agencies; and recommend appropriate action for the guidance of the President, the Congress, and the Executive agencies.
>
> No single organization is today discharging these overall functions. In this Commission's opinion, this lack must be made good. . . . The forward audit of the proposed organization should be directed at least 10 years ahead of current activity and look as far ahead as 25 years. . . .
>
> The organization proposed would be concerned with such subjects as the total pattern of activities in their materials and energy field, the relationships of individual programs to each other; the scope and dimensions of foreign production materials programs and their relationship to domestic programs; the probable effects of current production programs on the long-term materials position; the selection and development of current programs in the light of long-term requirements; programs for both scientific and technological research on materials, and their interrelations; and the relationship of materials policies to manpower, and to fiscal and foreign policies which may in various measure bear on materials. . . .
>
> Such an organization should issue periodic reports so that Government, business, and the general public could be kept informed of leading developments in all the related materials field. It would hold a watching brief for the entire field of materials policy.

Since the Paley Commission filed its report 22 years ago, nothing yet has been done to implement its recommendations. Then in June 1973, history repeated itself with the National Commission on Materials Policy proposal that "a comprehensive Cabinet-level agency be established for materials, energy, and the environment."

The Library of Congress study conducted at my request, echoed the conclusion that—

> The most pressing management requirement in the field of materials policy is increased information about the basic parameters of materials supply and demand. . . .

Resources experts throughout history have become a chorus of Cassandras. They have the blessed gift of being able to predict the future and the curse of no one believing them. But unless we act, the entire world will suffer the consequences of Cassandra's predicament.

The time is long past due for adjusting the Government apparatus to the problems of resource scarcity. In fact, there are many agencies in the Government charged with the task of monitoring the status of the Nation's major commodities. But therein lies the problem: an overabundance of agencies with a paucity of coordinated information Monitoring and forecasting capability is fragmented and scattered in the Departments of Agriculture, Commerce, Interior, State, and even the CIA. A November 1968, Library of Congress report counted 58 U.S. governmental agencies with, in the words of the report, "a materials function."

Mr. President, I ask unanimous consent to have the chart of responsible agencies entered in the Record at the conclusion of my remarks.

The Department of Agriculture has 500 Ph. D.'s concerned with agriculture commodities. There are 50 people looking at cotton alone. In the Department of Commerce, there are 160 people in the Office of Business Research and Analysis, 20 to 30 of whom are concerned with industrial commodities; two of them are Ph. D.'s. The State Department has six people involved in commodity questions. And the Department of the Interior has a vast staff of resource experts, geologists, et cetera.

And yet—all these experts notwithstanding—the United States has been plagued by shortages in every sector of the economy. The problem is poor coordination of would-be valuable information. For example, we and the rest of the world face serious fertilizer shortages. In this period of grave world food shortages, fertilizer is all the more essential a factor. Fertilizer depends on natural gas for energy and phosphates and nitrogen as basic raw materials; the availability of these items, therefore, involves the Departments of the Interior and Commerce. Moreover, the Agriculture Department is also concerned with fertilizer for the Nation's crop production. Plus the State Department is no doubt involved in jawboning foreign demand on fertilizer.

Furthermore, official information often suffers from the fact that agencies address client audiences more than the general public. For example, the chemical experts at the Commerce Department seem to be reporting to the chemical industry. The cotton people at the Department of Agriculture serve as a reporting network for the cotton industry.

The disastrous consequences of limiting distribution of agency information was demonstrated in the Russian wheat deal. Starting in June 1972, one half of America's wheat crop was sold to the Russians without the appropriate U.S. Government authorities even knowing. According to GAO investigators, as late as September 1972, Agriculture officials "told us [they] were still unaware of the magnitude of the sales made by the trade." There is evidence, however, that some individuals in the Government were knowledgeable but that their information was not properly channeled to the public or even the upper echelons of the Government, including the office of Henry Kissinger.

The grain deal disaster was followed by the June 1973 soybean embargo. Had the Government been properly monitoring supply and demand on soybeans and soybean-related products, the drastic measure of export controls perhaps would have been unnecessary. There again was a problem of information scarcity complicating market scarcity of a vital resource.

The Government does not have a clearcut statement of procedure or systematic requirements for reporting. There is no model building or systems analysis to deal with forecasting per se.

Reporting is purely crisis-oriented. For example, in the Commerce Department, experts are spread thin and jump from commodity to commodity depending upon how many inquiries and complaints they receive from industry, Congress, et cetera.

Decisions—when they are made—are based on inadequate information gathered unsystematically and in an ill-coordinated fashion. Simply stated, there is no coordinated reporting and forecasting system in the U.S. Government.

Mr. President, the legislation I am introducing today establishes a National Resource Information System.

It will give one agency monitoring responsibility for collecting all data in the Government on supply and demand of major raw materials and foodstuffs.

It will make an annual report to Congress and the public on critical resources.

It will make regular projections of future demand and supply for major resources based on such factors as per capita consumption rates and population growth for, for example, the next 5, 10, 15 years.

It will have authority to contract for research in academic institutions to augment agency work.

It will have the authority to subpena industrial information necessary for maintaining accurate and adequate national resource inventories.

It will provide for guarding confidentiality of company information of a competitive nature.

Mr. President, I ask unanimous consent to have the digest of the National Resource Information Act, together with the Library of Congress study, "Natural Resources, Consumption, and the Future: Management Requirements," the Library of Congress chart of "U.S. Governmental Agencies With Materials Functions," articles by Julian Huxley, Aldous Huxley, and Tom Alexander, and a recent Business Week article on Government economic data gathering entered in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

### DIGEST OF S. 3209, THE "NATIONAL RESOURCE INFORMATION ACT"

National Resource Information Act—States purposes to provide for improved resource information within a National Resource Information System, for inventories of natural resources in the public lands, for regular reporting of information by significant corporations in natural resource industries, and to provide information that will aid in improved policy making, conservation, science, environmental protection, competition and regulation. Defines terms.

#### TITLE I: BUREAU OF RESOURCE INFORMATION

Establishes a Bureau of Resource Information ("the Bureau") within the Department of Commerce, headed by a Director of Resource Information ("the Director") appointed by the President by and with the advice and consent of the Senate. The Bureau is to build, operate, maintain and improve the National Resource Information System. The Bureau is to establish consultation, coordination and exchange arrangements with other departments and agencies of government, and private institutions, which have libraries of natural resource information. The Bureau is also to conduct extensive studies and reviews of the state of information on such subjects as the institutional structure of the resource supply system, consumption patterns, statistical and accounting methods and problems in natural resource information, price and cost factors affecting energy, technological and environmental factors, and capital requirements of public and private institutions responsible for natural resources. The Bureau is also to report monthly, quarterly and annually on specified classes of natural resource information.

#### TITLE II: NATIONAL RESOURCE INFORMATION SYSTEM

Establishes a National Resource Information System ("the System") to be operated and maintained by the Bureau. Establishes the System in three components: a public library, a confidential library, and a secret library. Provides that the System shall use other available libraries of resource information, use modern, including microform and electronic, methods; have its information on natural resource industries organized by establishments, companies, Standard Industrial Classifications, geographical locations and other referents; and have capacity to receive and answer questions of fact concerning, and compare sources of, natural resource information. Provides for unlimited public use of the public library of the System, at fees generally sufficient to cover costs of such use; but provides for waiver or reduction of fees in certain cases of public-interest use. Provides for access to the confidential library by Federal Government officials, for official use only. Establishes the secret library as repository for information that may be used only for statistical purposes in anonymous aggregates. Establishes priorities for entry of information into the System. Establishes standards for placement of natural resource information in the public, the confidential, or the secret library. Defines and limits national security and reasonable competitive equities as reasons for placement of information in the confidential or secret library. Provides for removal of information more than 25 years old from the confidential or secret library to the public library. Provides for hearings in cases of dispute on placement of information in a particular library of the System, and for placement of information in question in the secret library pending resolution of the dispute. Provides penalties for unauthorized disclosures and thefts of information from the System, and for failure to provide required information for the System. Authorizes Secretary of Commerce or the Director to obtain from an affiliate of a company, or an organization of which it is a member, any information which they are empowered by this Act to obtain directly from the company, provided the company is notified. Gives Secretary of Commerce and Director power to inspect records and subpoena documents in certain cases. Confers jurisdiction on U.S. District Courts to enforce such subpoenas.

#### TITLE III: NATURAL RESOURCES INVENTORIES AND INSPECTIONS BY THE DEPARTMENT OF THE INTERIOR

Directs Secretary of the Interior to compile and maintain, on annual basis, an inventory of natural resources in public lands of the U.S., including the Outer Continental Shelf. Provides that the inventories may be based on estimates, supplemented as feasible by onsite geological and engineering inspections by departmental personnel. Provides that the first inventory is to be completed within 18 months and reported to Congress within 20 months of effective date of this title. Provides that copies of all such annual reports and inventories shall be given to the Director for the System's public library. Provides that, on request of the Director, the Secretary of the Interior shall make onsite physical inspections of mineral reserves and resources reported in private lands. Contains directions for the contents of reports by the Secretary of the Interior.

#### TITLE IV: INFORMATION ON NATURAL RESOURCES

Provides that substantial natural resource companies are to file verified annual reports with the Director on the mineral reserves and natural resources they control. Contains directions on the contents of such reports. Provides for promulgation by the Director of forms for the making of such reports and also of the reports required by title V of this Act.

Provides for clearance of such forms by Office of Management and Budget within seven months after the effective date of this title. Provides that such forms shall be mailed by the Director to reporting companies within 11 months of effective date of this title and be returned by companies to the Director within 60 days after receipt. Provides for single rather than dual reports by companies which are both substantial natural resource companies and major natural resource companies, as defined in Act. Provides that information obtained by Director on report forms required by this title and title V shall be placed in the public, confidential, or secret library of the System, as provided elsewhere in this Act.

### TITLE V: INFORMATION ON NATURAL RESOURCE INDUSTRIES

Requires major companies in commerce to file verified annual reports, on an establishment basis, on their operations worldwide. Provides for the making of such reports in two parts, one being for the public library of the System and the other for the confidential or secret library. Contains directions for the contents of such reports, including information on shipments by Standard Industrial Classification, total business receipts, and in certain cases profit information. Authorizes the Director to require such reports more often than annually in certain cases, and to require from major natural resource companies lists describing all mandatory and voluntary reports they file elsewhere, containing natural resource information.

### TITLE VI: GENERAL ACCOUNTING OFFICE OVERSIGHT

Provides that Comptroller General of the U.S., upon his own initiative or by direction of Congress, shall review and evaluate procedures of the Bureau. Review may include issues arising under claims that certain natural resource information required by the Bureau under this Act is proprietary or involves the national security and therefore is entitled to be kept secret. Directs Comptroller General to report to Congress at least annually on such reviews of the Bureau; but provides that such report may be by endorsement of or addendum to the Bureau's own annual report.

### TITLE VII: CONFORMANCE OF AND WITH OTHER STATUTES

Provides that the Director may excuse a company from providing natural resource information required by this Act, if the company waives confidential status of the same information as previously provided by it to the Census Bureau and protected by the Census Code, 13 U.S.C. 9. Amends the "Freedom of Information Act," 5 U.S.C. 552, to provide that clauses (4) and (9) of subsection (b), pertaining to corporate and geological information, shall be construed consistently with policy of this National Resource Information Act. Amends Federal Reports Act of 1942, 44 U.S.C. 3504, 3506, 3508 and 3509, to make it consistent with policy and purposes of this Act.

### TITLE VIII: MISCELLANEOUS

Contains usual separability section and blanket authorization of appropriations. Establishes effective date as date of enactment, except titles IV and V, which are made effective on first day of third full calendar month after date of enactment.

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## INFORMATION ON NATURAL RESOURCES, POPULATION, PER CAPITA MATERIALS CONSUMPTION, AND MANAGEMENT PROBLEMS RELATED TO MATERIALS RESOURCE DEVELOPMENT

### I. INTRODUCTION AND SUMMARY

The subject of this paper is the impact of the Nation's population and level of per capita consumption on its stock of natural resources, through the year 2000, and the related management requirements suggested by existing and anticipated problems.

This is a complex subject which involves interrelationships between total natural resources and known materials reserves, population and population growth, and consumption—both U.S. and world—and the impact of technology, economic profitability, and national and international policies on resource availability.

The relationship between resources, population, consumption, and the application of human technique has been put into a convenient equation by McKelvey:[1]

$L = R \times E \times I / P$ where

$L$=society's average level of living measured by its useful consumption of goods and services;

$R$=society's useful consumption of all kinds of raw materials, including metals, nonmetals, water, soil minerals, biological produce, and so on;

$E$=society's useful consumption of all forms of energy;

$I$=society's useful consumption of all forms of ingenuity, including political, socioeconomic, and technological ingenuity; and

$P$=people who share in the total product.

This equation is a useful illustration that per capita standard of living depends upon the availability of both natural resources and human ingenuity. Since ingenuity is essentially unquantifiable, the equation's predictive value is limited to qualitative estimates. However, the equation puts the basic relationship between resources and ingenuity into proper perspective and serves as a concise introduction to this paper.

#### *Summary*

1. There is a very important distinction between the world's stock of potentially recoverable resources, which is estimated to be very large in relation to anticipated world demand, and reserves, which are known natural resources which are economically recoverable with existing technology. Reserves generally represent only a small fraction of total resources and, for many materials, are smaller than anticipated world demand in the year 2000. However, reserves of most materials have increased continually over time, because of exploration and new technology, and are expected to continue to increase. When shortages develop and resource prices increase, previously known but uneconomical resources become economical to develop at the higher prices. Reserves (known and economically recoverable resources) are thereby increased.

2. U.S. population will probably increase by approximately 50 percent by the year 2000, and world population may double. Per capita consumption is also increasing dramatically, with U.S. per capita consumption demand possibly doubling by the year 2000. Per capita consumption in the rest of the world is also increasing significantly. Increases in population and per capita consumption contribute approximately equally to the expected several-fold increase in total world consumption demand for materials in the year 2000 and beyond. Total U.S. materials consumption may double or triple by the year 2000 with similar trends in the rest of the world.

3. Perhaps the single most important factor in meeting the expected problems associated with limited materials availabilities throughout the rest of this country and beyond is human ingenuity. Many persons believe that technological ingenuity will ultimately solve or ameliorate the probems of providing sufficient amounts of economically recoverable materials. If so, this is a long-term solution. In the short term, the ingenuity of national political leaders will be increasingly tested as developed nations, like the United States, begin to rely more heavily on foreign reserves of materials. Increased international trade in materials, possible materials boycotts and cartels, and balance of payments considerations appear to be likely short-range problems with which the Congress and the Executive branch will be faced. "Third world" countries, many of which have large reserves of necessary materials, will also increase their materials demands and may also demand a more equitable share of world resources than they have received in the past.

4. The above factors suggest that national and international materials management is a useful concept for the world community to undertake. The most immediate requirement for materials management at the national political level would seem to be (1) increased knowledge about the world's stock of potentially recoverable materials, reserves, and materials consumption, (2) increased support for materials science and technology, and (3) the development of policies aimed at conserving, and perhaps developing buffer stocks of, materials which are scarce, potentially scarce, or which are imported from politically uncertain supply sources.

### II. NATURAL RESOURCES AND RESERVES

This section discusses the distinction between total natural resources and known reserves, with the exception of agricultural resources. Estimates of U.S. and world resources and reserves are also presented.

Schematic Relationship of Reserves to Total Resources. Reserves are identified or known natural resources which are economically recoverable with existing technology. Conditional resources are known resources which are uneconomical to recover with existing technology. Undiscovered resources of varying degrees of certainty of existence make up the remainder of total resources. Although the terminology used in the literature of resources use is not uniform, the above terminology is both adequate and representative.

An important fact in evaluating both reserves and resources is that both reserves and useful resources have increased steadily over time. Reserves are identified and economically recoverable resources. The amount of known and economically recoverable iron ore, for example, has increased dramatically since the beginning of the iron age. It is anticipated that more economically recoverable iron will be found in the future. Thus, reserves of iron have increased and are likely to continue to increase for some time, but for how long is unknown.

The total amount of iron ore and other elements and minerals in the earth is fixed, of course. However, of that total fixed amount (or total resources), useful resources have also increased over time. For example, before technology was used to reduce bauxite (aluminum oxide) to the metal aluminum, bauxite was a relatively useless resource and, until about 1860, petroleum was a relatively useless resource. Materials science and technology are likely to continue to increase the amounts of useful resources available to mankind in the future.

In brief, it is important to distinguish between:

Total natural resources;

Useful natural resources; and

Reserves (known and economically recoverable natural resources). It is also important to realize that reserves account for only part of known resources. Many known resources are not economically recoverable with existing technology and are not considered to be reserves. As commodity prices increase and it becomes economically feasible to use previously uneconomical resources, reserves increase. The same is true when improved technology contributes to economic feasibility.

Another factor bearing on knowledge about reserves is that the private resource companies which prospect for and develop resources may find it in their best commercial interests to understate or be less than diligent in recording reserves under their control for reasons of competitive advantage and tax benefits.

With these caveats in mind, the following paragraphs of this section set forth estimates of U.S. and world resources and reserves.

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Footnotes at end of article.

The total mass of the earth is about 6.5 x $10^{21}$ tons. In terms of foreseeable mineral recovery, only the crust, oceans, and atmosphere are likely to be sources of materials. The earth's average crustal depth is about ten miles and has about 24,000 quadrillion (24,000 x $10^{15}$) tons of materials while the oceans account for about 56 quadrillion (56 x $10^{15}$) tons of dissolved minerals (56 percent sodium, 31 percent chlorine, 6.5 percent magnesium, 2.5 percent sulfur, 4 percent other) and the atmosphere accounts for about 5.6 quadrillion (5.6 x $10^{15}$) tons of air (78 percent nitrogen, 21 percent oxygen, 1 percent argon). The crust is the earth's largest storehouse of potentially recoverable resources. Of the total abundance of resources in the crust (25,000 quadrillion tons), perhaps about 40 trillion (40 x $10^{12}$) tons, or approximately one millionth of total crustal abundance, is potentially recoverable at current levels of knowledge and technology.[2] And about 75 percent of this amount is oxygen, silicon, and their compounds.

The approximate percentages of the major elements of the earth's crust are shown in Table 1.

Assuming that 10 trillion (10 x $10^{12}$) tons approximates the total recoverable resource potential of the earth's crust at current levels of knowledge and technology, excluding oxygen, silicon, and their compounds which account for about 30 trillion tons, Table 2 suggests relationships between U.S. and world reserves and the currently estimated recoverable potential of some resources.

In summarizing the discussion of resources and reserves, it is very important to keep three facts in mind:

Reserves (known economically recoverable resources) represent only a small fraction (generally minuscule) of potentially recoverable resources (see Table 2);

The estimated figure for total potentially recoverable crustal resources (at current levels of knowledge and technology) represents only about one millionth of estimated total crustal abundance; and

Current knowledge of the amounts of both reserves and total resources is quite limited.

TABLE 1.—*Percent Abundance of Major Crustal Elements*

(In percent)

| | |
|---|---|
| Oxygen | 46.60 |
| Silicon | 27.72 |
| Aluminum | 8.13 |
| Iron | 5.00 |
| Calcium | 3.63 |
| Sodium | 2.83 |
| Potassium | 2.59 |
| Magnesium | 2.09 |
| Subtotal | 98.59 |
| Titanium | .44 |
| Hydrogen | .14 |
| Phosphorus | .12 |
| Manganese | .10 |
| Subtotal | 99.39 |
| Sulfur | .05 |
| Carbon | .03 |
| Clorine | .03 |
| Rubidium | .03 |
| Fluorine | .03 |
| Strontium | .03 |
| Barium | 0.03 |
| Zirconium | .02 |
| Chromium | .02 |
| Vanadium | .02 |
| Zinc | .01 |
| Nickel | .01 |
| Copper | .01 |
| Tungsten | .01 |
| Lithium | .01 |
| Total | 99.73 |

NOTE.—The remaining 61 naturally occurring elements account for about .25 percent of the earth's crust.

Source: Derived from Weast, Robert C. ed. Handbook of Chemistry and Physics, Forty-Eighth Edition. Cleveland, The Chemical Rubber Company, 1967: F-135.

TABLE 2.—UNITED STATES AND WORLD RECOVERABLE RESOURCE POTENTIAL AND RESERVES

[In billions of tons]

| | World | | United States | |
|---|---|---|---|---|
| | Recoverable resource potential | Reserves | Recoverable resource potential | Reserves |
| Aluminum | 3,519 | 1.160 | 203 | 0.008 |
| Iron | 2,035 | 87 | 118 | 1.800 |
| Titanium | 225 | .117 | 13 | .025 |
| Phosphorus | 51 | 15 | 2.94 | .931 |
| Manganese | 42 | .630 | 2.45 | .001 |
| Fluorine | 20 | .035 | 1.15 | .005 |
| Barium | 17 | .076 | .98 | .031 |
| Chromium | 3 | .696 | .189 | .002 |
| Vanadium | 5 | .010 | .294 | .0001 |

Source: Erickson, Ralph L. Crustal abundance of elements, and mineral reserves and resources. In Brobst, Donald A. and Walden P. Pratt, eds. U.S. Mineral Resources: Geological Survey Professional Paper 820. Washington, U.S. Government Printing Office, 1973: 42–23.

What these facts imply in regard to the availability of resources for the future is that (1) human ingenuity is perhaps the most important aspect of resource recovery and (2) knowledge about resources and reserves should be greatly increased.

### III. RESOURCE CONSUMPTION

This section discusses total and per capita resource consumption and consumption demand in the United States and the world through the year 2000 and beyond.

Resource consumption is a function of total population and consumption per capita. U.S. population is currently about 210 million. It will probably increase to about 300 million by the year 2000. This growth represents a one percent per year population increase.

World population is currently about 3.6 billion. Many sources estimate that world population will be about seven billion by the year 2000.[3] This represents about a two percent population growth rate for the earth as a whole. Some parts of the world, particularly the developing nations, are increasing at even faster rates.

In terms of resource consumption per capita, the United States leads the world. With only about six percent of the world's population, the United States uses about 33 percent of the world's mineral resources[4] and about 35 percent of the world's energy.[5] During the last 30 years, the United States has used more minerals and mineral fuels than have all the people of the world previously.[6]

Although the rate of increase may slow down somewhat, per capita consumption probably will continue to increase through the end of this century and beyond, perhaps doubling the 1973 level by the year 2000, assuming the continued economic availability of most materials. Per capita materials consumption in the rest of the developed world also probably will increase several fold. In the developing nations of South America, Africa, and Asia, with about two-thirds of the world's population, significant increases in per capita resource consumption are probable. The U.S. share of the world's materials consumption will probably continue to decrease from, for example, 50 percent of the world's mineral output in about 1952 and 33 percent currently[7] to an even lower percentage in the years ahead.

Zero population growth has been suggested as a partial solution to increasing world demands for natural resources. However, it is likely to take decades before zero population growth, as a comprehensive world program, could be implemented through mass education and the use of widespread contraceptive techniques. Many moral, religious, cultural, and governmental issues also would have to be addressed before population control becomes feasible on a large scale. Consequently, many sources indicate that world population will probably double by the year 2000 (to about seven billion) and could double again (to about 15 billion) by 2100 before a stable world population is attained.

Thus, the world is faced with the possibility of a four-fold increase in population by about 2100 and rapidly increasing per capita materials consumption, particularly in the developing nations.

A few simple and rough calculations indicate possible relative materials consumption levels in the United States at the end of the Century.

U.S. population increase from 1973 to 2000, about 1.5 times

U.S. per capita consumption increase from 1973 to 2000, about 2 times

Total U.S. consumption increase from 1973 to 2000, 2×1.5=about 3 times

In the rest of the developed world, a similar three-fold increase in consumption demand could be expected by the year 2000. In the developing two-thirds of the world, there will probably be a two-fold increase in consumption demand just due to population increase. Any increase in per capita consumption which the developing nations could manage would increase their total consumption demand that much more.

Both population and per capita consumption are exponentially increasing quantities in the world today. In the United States and other developed nations, per capita resource consumption appears to be increasing at a greater rate than population, while in the developing nations, the reverse may be true. However, both the growth in population and in per capita consumption demand appear to be problems of approximately equal magnitude, that is, they contribute approximately equally (on an order-of-magnitude basis) to the world's demand for natural resources. In short, population and per capita consumption demand appear to be the two sides of the same coin of increasing total consumption.

Of the two major factors of population and per capita consumption demand, population would appear to be the more critical factor in ensuring long-term resource availability. Theoretically, population could continue to increase until agricultural resources failed to keep up, while per capita consumption is likely to ultimately level off since human beings have a limted capacity to use material resources, even though the limit may be at a relatively high level. It has been estimated that world agricultural production using known technology theoretically could be increased from four to eight times over the present level.[8] However, it is likely that population control on a global scale would be instituted before the agricultural limits of population growth are reached. This control would probably occur because of generally decreasing food availabilities on a per capita basis and increasing food costs, regional famines, national aggressions caused by the internal pressures of overpopulation, decaying urban areas and

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Footnotes at end of article.

decreasing quality of life due to overpopulation, and so on.

Thus, irrespective of the potential quantities of the earth's material resources, population is likely to stabilize at some small multiple (possibly three times) of the present population of the earth, perhaps based upon the ultimate agricultural production capacity of the earth.

Although world per capita consumption of materials is also likely to level off, world per capita consumption, or at least world per capita consumption demand, can also be expected to increase several-fold (perhaps two to three times) during the remainder of the 20th century and into the 21st century.

In general, total world resource consumption will increase significantly to the year 2000 and beyond. With current knowledge, it is impossible to know with any degree of confidence just what the levels of total and per capita materials consumption are likely to be, or to know what total world reserves (known and economically recoverable resources) will be at that time. Because of the vast store of potentially recoverable resources, however, it appears that in the year 2000 there would be total reserves sufficient to meet total consumption demand, although perhaps, at considerably higher real costs.

For the United States, the Final Report of the National Commission on Materials Policy contains probable cumulative primary mineral demand figures from 1971 to 2000 (as estimated by the U.S. Bureau of Mines in 1973) and estimated reserves at 1971 prices. These statistics are reproduced in Table 3 on the following two pages. Although the table is useful, neither "probable cumulative primary mineral demand 1971–2000," "reserves at 1971 prices," "identified resources," nor "hypothetical resources" should be considered to be firm data. Demand and resources are estimates, and reserves are likely to continue to increase due to changes in economic factors and technology and because new resources will be identified.

A comparison of Table 3 data with Table 2 data (see page 11) provides some interesting insights. If it is assumed that U.S. "probable cumulative primary mineral demand in 1971–2000" (Table 3) will account for approximately 25 percent of world demand over that period, it can be seen that for the materials listed in Table 2, such world demand would represent only very small percentages of "recoverable resource potential," generally less than one percent, with chromium being the highest of those listed at about 2.5 percent. While data analysis of this type is intriguing, data of materials resources, reserves, and probably consumption probably are not adequate at this time for deriving sound conclusions about the current and future status of U.S. and world stocks of materials and probable materials demand.

TABLE 3.—U.S. RESERVES AND RESOURCES OF SELECTED MINERAL COMMODITIES

| Commodity and units | Probable cumulative primary mineral demand 1971–2000[1] | Reserves at 1971 prices[1] | Identified resources[2] | Hypothetical resources[3] |
|---|---|---|---|---|
| Aluminum (million short ton) | 370 | 13 | Very large | KDI. |
| Antimony (thousand short ton) | 822 | 100 | Small | Small |
| Arsenic (do) | 800 | 700 | ------ | |
| Asbestos (million short ton) | 43 | 9 | Small | Insignificant. |
| Barium (million short ton) | 31 | 45 | Very large | Very large. |
| Beryllium (thousand short ton) | 28 | 28 | do | Huge. |
| Bismuth (million pounds) | 81 | 10 | ------ | |
| Boron (million short ton) | 5 | 40 | Very large | Huge. |
| Bromine (billion pounds) | 12 | 17 | Huge | Do. |
| Calcium (billion short ton) | 5 | Adequate | Very large | Do. |
| Cadmium (million pounds) | 560 | 264 | ------ | |
| Cesium (thousand pound) | 350 | ------ | ------ | |
| Chlorine (million short ton) | 645 | Adequate | Huge | Huge. |
| Chromium (million short ton) | 19 | ------ | Insignificant | Insignificant. |
| Clay (billion short ton) | 3 | Adequate | Large | Very large. |
| Coal (billion short ton) | 21 | Adequate | Huge | Huge. |
| Cobalt (million pounds) | 540 | 56 | ------ | |
| Columbium (million pounds) | 288 | ------ | ------ | |
| Construction stone: | | | | |
| Crushed (billion short ton) | 41 | Adequate | Large | KDI. |
| Dimension (million short ton) | 79 | Adequate | do | Do. |
| Dimension (million short ton). | 79 | Adequate | do | Do. |
| Copper (million short ton) | 93 | 81 | do | Large. |
| Diatomite (million short ton) | 29 | 40 | Huge | KDI. |
| Feldspar (million long ton) | 38 | 500 | do | Huge. |
| Fluorine (million short ton) | 39 | 6 | Small | Small. |
| Gallium (thousand kilograms) | 281 | Adequate | ------ | |
| Germanium (thousand pounds) | 1,600 | 900 | ------ | |
| Gold (million troy ounces) | 293 | 82 | Large | KDI. |
| Graphite (million short ton) | 2 | ------ | Very large | Do. |
| Gypsum (million short ton) | 726 | 350 | Huge | Huge. |
| Hafnium (short ton) | 1,280 | Adequate | ------ | |
| Indium (million troy ounces) | 19 | 11 | ------ | |
| Iodine (million pounds) | 269 | 225 | Very large | Huge. |
| Iron (billion short ton) | 3 | 2 | do | Do. |
| Kyanite (million short ton) | 9 | 15 | Huge | Huge. |
| Lead (million short ton) | 34 | 17 | Large | Moderate. |
| Limestone and dolomite | ------ | ------ | do | KDI. |
| Lithium (thousand short ton) | 183 | 2,767 | Huge | Huge. |
| Magnesium (million short ton) | 52 | Adequate | do | Do. |
| Manganese (million short ton) | 50 | ------ | Large | KDI. |
| Mercury (thousand flasks)[4] | 1,730 | 75 | Small | Do. |
| Mica, sheet (million pounds) | 62 | ------ | Insignificant | Very large. |
| Mica, scrap and flakes (million short ton). | 7 | 250 | Huge | Huge. |
| Molybdenum (billion pounds) | 3 | 6 | do | Do. |
| Natural gas (trillion cubic feet) | 1,098 | 279 | Moderate | Large. |
| Mickel (billion pounds) | 14 | (5) | Large | KDI. |
| Nitrogen (million short ton) | 1,018 | Adequate | Huge | Huge. |
| Peat (million short ton) | 43 | Adequate | do | KDI. |
| Petroleum (billion barrels) | 276 | 38 | Large | Large. |
| Phosphorus (million short ton) | 208 | 39 | Very large | Huge. |
| Planinum (million troy ounces) | 16 | 1 | Moderate | Large. |
| Potassium (million short ton) | 216 | 50 | Very large | Huge. |
| Pumice (million short ton) | 208 | 200 | ------ | |
| Rare earths (thousand short ton) | 452 | 5,045 | Huge | KDI. |
| Rhenium (thousand pounds) | 360 | 400 | ------ | |
| Sodium (million short ton) | 1,160 | Adequate | Huge | Huge. |
| Sand & gravel (billion short ton) | 54 | Adequate | Large | KDI. |
| Scandium (kilograms) | 544 | Adequate | ------ | |
| Silver (million troy ounces) | 4,400 | 1,300 | Moderate | Large. |
| Strontium (thousand short ton) | 771 | ------ | Huge | Huge. |
| Sulfur (million long ton) | 514 | 75 | do | Do. |
| Talc (million short ton) | 52 | 150 | Very large | Do. |
| Thorium (thousand short ton) | 21 | 2 | do | KDI. |
| Titanium (million short ton) | 32 | 33 | do | Very large. |
| Tungsten (million pounds) | 1,000 | 175 | Moderate | Moderate. |
| Uranium (thousand short ton) | 1,240 | 130 | Large | Large. |
| Vanadium (thousand short ton) | 471 | 115 | Very large | KDI. |
| Zinc (million short ton) | 62 | 30 | do | Very large. |
| Zirconium (million short ton) | 4 | 4 | Large | KDI. |

[1] As estimated by U.S. Bureau of Mines, 1973.

[2] Identified resources are defined as including reserves and materials other than reserves which are essentially well known as to location, extent, and grade and which may be exploitable in the future under more favorable economic conditions or with improvements in technology.

[3] Hypothetical resources are undiscovered, but geologically predictable, deposits of materials similar to identified resources.

[4] 76 lb flasks.

[5] Less than 1 unit.

Note: Resource appraisal terms: Huge—Domestic resources (of the category shown) are greater than 10 times the minimum anticipated cumulative demand (MACD) between the years 1971 and 2000. Very large—Domestic resources are 2 to 10 times the MACD. Large—Domestic resources are approximately 75 percent to twice the MACD. Moderate—Domestic resources are approximately 35 to 75 percent of the MACD. Small—Domestic resources are approximately 10 to 35 percent of the MACD. Insignificant—Domestic resources are less than 10 percent of the MACD. KDI (known data insufficient)—Resources not estimated because of insufficient geological knowledge of surface or subsurface area. Dashes indicate data not available.

Source: Materials Needs and the Environment Today and Tomorrow: Final Report of the National Commission on Materials Policy, Washington, U.S. Government Printing Office, June 1973: 4B-8 and 4B-9.

### *Summary*

The state of the knowledge concerning resources, reserves, and consumption demand is that estimates of these factors can be made and are useful, but total resources are unknown; reserves have continually increased and are likely to continue to do so because of increasing knowledge, economic factors, and new technology; and consumption demand is extremely difficult to predict except to the extent that through the end of the 20th century and probably well into the 21st century at least, both world per capita and total consumption demand for resources is likely to increase several fold.

Considering the earth as a total resource system, it appears that most world resources will be adequate even for a many-fold increase in consumption demand. However, increased demand will undoubtedly mean temporary and localized shortages in some commodities until new sources of supply are developed or until abundant materials are developed as substitutes for scarce commodities. In addition, resources in general may increase significantly in cost, although historical trends to date indicate rather constant resource costs over a long period. For example, Figure 4 on the following page shows graphically the close relationship between total materials costs and population in the United States from 1900 to 1970. The rapidly increasing gross national product since about 1940 indicates the transformation of the United States from a goods producing and consuming nation to a services-oriented nation. However, the danger in projecting future relationships from past trends is that the underlying realities change. The period covered in Figure 4 was a period of generally plentiful and relatively cheap resources in the United States. Recent and impending shortages in materials may significantly increase material costs over the short term. For example, rapidly increasing costs for petroleum may continue for many years until major new reserves of petroleum are found, if there are any, or until substitutes for petroleum (like shale oil and coal liquefaction) are commercially developed.

### IV. TECHNOLOGY, ECONOMICS, AND NATIONAL AND INTERNATIONAL POLICIES

A brief review of the preceding two sections of this paper indicates that although the world's potentially recoverable resources are estimated to be very large, known economically recoverable reserve of some materials are small in relation to existing or anticipated consumption demand. The United States is turning increasing to foreign, rather than domestic, reserves to meet its domestic requirements for many materials. The Attachments to this paper gives some indication of the United States' current dependence on imported materials.

What this situation means for the United States is that increasingly the Nation will have to rely upon technology and national and international policies to provide it with materials at economically acceptable costs. Even so, the costs of some, perhaps many, materials can be expected to increase over time. When costs of commodities become high enough, previously uneconomical known resources will be tapped and substitute materials will be developed. In short, the era of generally cheap and exploitable materials seems to be at an end in the United States and the world. The developing two-thirds of the world will increasingly compete for, rather than merely supply, many of the materials that the United States will require. Being the world's richest country, the United States will no doubt be able to afford higher costs for materials and, as in many things, it will be the poorer countries that are likely to suffer disproportionately from increased materials costs.

Technology is looked upon by many persons as being the means for providing adequate supplies of materials to meet the world's increasing requirements. There is evidence that technology is an exponentially increasing function in developed and technology-intensive societies.[9] If this is true, technology can be expected to provide the techniques necessary to keep up with the world's increasing demand for materials, perhaps through that time when both world population and per capita consumption could be expected to stabilize at some (from now) relatively high level. In the field of energy, the ability of technology to provide rapidly increasing supplies is already manifest. It is anticipated that nuclear fusion of hydrogen from sea water will be possible in the 21st century, possibly by 2030. If fusion is actually developed as a safe energy source, it will provide an almost unlimited source of energy for the world.

It can be anticipated that the application of technology to materials problems will result in similar benefits in the future, but between now and then, the world will have to make do with recovering materials with existing technology.

To buy time for technology to provide adequate amounts of materials at reasonable costs to meet the expected several-fold increase in world demand for materials, there is likely to be greater pressures on national legislatures and executives to develop workable national and international materials and materials-related policies. For example, to offset or ameliorate possible near-term national shortages in many materials, the Congress will probably be faced with major materials policy considerations in areas like:

International trade;

International assistance in materials development;

Developing buffer stocks of potentially scarce materials;

Incentives for the exploration and development of materials by commercial interests;

Government-supported materials research and development;

Materials effectiveness. like recycling, reuse, improved engineering design, and materials conservation;

Rationing; and

National and international environmental aspects of materials recovery, use, and disposal.

All of these policy considerations deal with securing adequate sources for the rapidly increasing U.S. demand for materials. Because the United States has been the greatest, and sometimes profligate, user of the world's resources during the 20th century, there may be increasing international pressures, especially from the developing "third world," for assistance in developing world resources and for sharing them more equitably than in the past.

The factors discussed in this section suggest that human "ingenuity" may be the most important ingredient in developing U.S. and world material resources. In the long-term, technological ingenuity may provide the major solutions to the materials supply problem. Although this is possible, and even probable, the technological solution is not completely certain and is probably a long way off. Until then, national and international policymakers must use their ingenuity in facing the many intricate problems associated with making the wisest use of the earth's limited supply of currently known resources.

What is certain is that there will be constraints upon the world supply of materials throughout the remainder of the 20th century. There will probably be periodic materials shortages, and materials costs are likely to rise. New reserves will be found and substitutes will be developed. Hopefully, materials science and technology will be supported to the extent required to provide a continual supply of materials for world development, through (1) the discovery of new reserves or entirely new uses of existing reserves of abundant materials and (2) the conservation and reuse of existing materials. To the extent that scientific and technological ingenuity is not used to solve the materials supply problem, it is safe to predict that the political ingenuity of national legislatures and executives will be called upon to develop policies on a wide range of materials-related issues for getting the most use out of the world's economically recoverable resources.

### V. MANAGEMENT PROBLEMS

There is a wide range of problems related to the rational development of the natural resources of the United States and the world. These problems can be classified as international, economic, technological, political, and so on. This section will deal with problems that can be classified as management problems, that is, problems which involve the application of high-level decisionmaking, in this case specifically decisionmaking at the national political level.

Among the primary requirements of national decisionmakers concerned with materials policy is increasing knowledge about many aspects of the earth's natural resources, like:

Increased knowledge concerning the earth's store of natural resources;

Increased knowledge concerning probable per capita consumption trends in the United States and the world;

The development of early warning systems to predict short-term materials shortages;

Increased materials research and development efforts; and

Research into possible alternative uses of the Nation's and the world's limited reserves to conserve scarce materials.

In short, the most pressing management requirement in the field of materials policy is increased information about the basic parameters of materials supply and demand and additional research on resource discovery and recovery and materials effectiveness. Only when more is known about materials resources and use, can adequate long-range decisions be made on the national and international levels. In the meantime, management problems will probably include the resolution of short-term crises like materials shortages and imbalances in international trade. To offset recurring shortages and imbalances in materials production and supply, a system of national and international buffer stocks could be developed for those materials which are, or are expected to be, in short supply, or which are imported from politically uncertain supply sources. Buffer stocks could provide a cushion against physical shortages of materials, against price fluctuations and against supply disruptions caused by international political situations.

Through technology and intelligent management of the earth's resources, the earth may ultimately provide sufficient materials for a high quality of life for most of its inhabitants. However, political decisionmakers cannot assume that this is the case. Perhaps a preferable working hypothesis would be that materials usage will outpace materials production if intelligent national and international materials management is not vigorously pursued. It appears that the most important aspects of improved materials management are (1) a significant increase in knowledge about the earth's store of potentially and economically recoverable resources, (2) increased support for materials science and technology, and (3) the development of policies aimed at conserving, and perhaps developing buffer stocks of, materials which are scarce, potentially scarce, or which are imported from politically uncertain supply sources.

FOOTNOTES

[1] V. E. McKelvey. Mineral Resource Estimates and Public Policy. *In* Brobst, Donald A. and Walden P. Pratt, eds. United States Mineral Resources: Geological Survey Professional Paper 820. Washington, U.S. Govt. Off., 1973: 9.

[2] The figure of 40 trillion tons to represent the earth's total potentially recoverable resources is an estimate based upon the table of abundances, reserves, and resources found in Erickson, Ralph L. Crustal Abundance of

Elements, and Mineral Reserves and Resources. *In* Brobst, Donald A. and Walden P. Pratt, eds. United States Mineral Resources: Geological Survey Professional Paper 820. Washington, U.S. Govt. Print. Off., 1973: 22–23. It is important to note that most of the quantitative data used in this paper and elsewhere in the literature on resources and reserves generally represent only approximations and should not be considered to be precise.

[3] See, for example, Frejka, Tomas. The Prospects for a Stationary World Population, Scientific American, v. 228, March 1973: 15–23.

[4] Hayes, Earl T. U.S. Minerals Supply, Outlook, and Trends. *In* U.S. Congress, Senate. Committee on Public Works. Problems and Issues of a National Materials Policy. 91st Congress, 2d Session. December 1970. Washington, U.S. Govt. Print. Off., 1970: 50.

[5] U.S. Congress. Joint Economic Committee. The Energy Outlook for the 1980's. 93d Congress, 1st Session. December 17, 1973. Washington, U.S. Govt. Print. Off., 1973: 8.

[6] McKelvey, p. 11.

[7] Hayes, p. 50.

[8] How Far Can Man Push Nature in Search of Food? Conservation Foundation Letter, November 1973: 6. Also See U.S. Congress. House. Committee on Foreign Affairs. Subcommittee on National Security Policy and Scientific Developments. Beyond Malthus: The Food/People Equation. 92d Congress, 1st Session. October 1971. Washington, U.S. Govt. Print. Off., 1971. 96 p.

[9] Starr, Chauncey and Richard Rudman. Parameters of Technological Growth. Science, v. 182, October 26, 1973: 358–364.

### I. MATERIALS ARRANGED ACCORDING TO THE PRESENT COST OF IMPORTS (COL. 2)

### U.S. DEPENDENCE ON IMPORTED MATERIALS

| Commodity | Present cost of imports (billions) | Percent dependence | Major import sources [2] (percent) | |
|---|---|---|---|---|
| 1. Petroleum, including natural gas liquids. | $7.5 | 29-32 | Canada | 42 |
| | | | Venezuela | 17 |
| | | | Indonesia | 7 |
| | | | Nigeria | 7 |
| | | | Saudi Arabia | 6 |
| | | | Others | 21 |
| | | | Total | 100 |
| 2. Iron and steel | 3.4 | 20 | Europe | 45 |
| | | | Japan | 40 |
| | | | Canada | 9 |
| | | | Others | 6 |
| | | | Total | 100 |
| Iron ore | .5 | 28 | Canada | 50 |
| | 3.9 | | Venezuela | 31 |
| | | | Liberia | 6 |
| | | | Others | 13 |
| | | | Total | 100 |
| 3. Aluminum metal | .3 | 10 | Canada | 76 |
| | | | Others | 24 |
| | | | Total | 100 |
| Bauxite | .4 | 90-96 | Jamaica | 54 |
| | .7 | | Surinam | 23 |
| | | | Guyana | 7 |
| | | | Others | 16 |
| | | | Total | 100 |
| 4. Gold | .7 | 61-80 | Canada | 51 |
| | | | Switzerland | 24 |
| | | | Burma | 9 |
| | | | United Kingdom | 3 |
| | | | Others | 13 |
| | | | Total | 100 |
| 5. Nickel | .5 | 74-90 | Canada | 82 |
| | | | Norway | 8 |
| | | | Others | 10 |
| | | | Total | 100 |
| 6. Zinc | .5 | 52-68 | Canada | 68 |
| | | | Mexico | 24 |
| | | | Peru | 8 |
| | | | Total | 100 |
| 7. Copper | | 15.18 | Canada | 31 |
| | | | Peru | 27 |
| | | | Chile | 22 |
| | | | Republic of South Africa | 6 |
| | | | Others | 14 |
| | | | Total | 100 |
| 8. Natural gas | .4 | 4-9 | Canada | 97 |
| | | | Mexico | 3 |
| | | | Total | 100 |
| 9. Silver | .3 | 44-70 | Canada | 58 |
| | | | Peru | 20 |
| | | | Mexico | 8 |
| | | | Others | 14 |
| | | | Total | 100 |
| 10. Tin | .3 | 77-100 | Malaysia | 64 |
| | | | Thailand | 27 |
| | | | Others | 9 |
| | | | Total | 100 |

| Commodity | Present cost of imports (billions) | Percent dependence [1] | Major import sources [2] (percent) | |
|---|---|---|---|---|
| 11. Chromium | $0.1 | 100 | U.S.S.R. | 32 |
| | | | Republic of South Africa | 30 |
| | | | Turkey | 18 |
| | | | Philippines | 14 |
| | | | Others | 6 |
| | | | Total | 100 |
| 12. Cobalt | .1 | 98-100 | Zaire | 45 |
| | | | Belgium and Luxembourg | 29 |
| | | | Norway | 8 |
| | | | Canada | 6 |
| | | | Others | 12 |
| | | | Total | 100 |
| 13. Fluorine | .1 | 77-87 | Mexico | 77 |
| | | | Spain | 12 |
| | | | Italy | 6 |
| | | | Others | 5 |
| | | | Total | 100 |
| 14. Lead | .1 | 26-36 | Canada | 29 |
| | | | Peru | 21 |
| | | | Australia | 21 |
| | | | Mexico | 12 |
| | | | Others | 17 |
| | | | Total | 100 |
| 15. Manganese | .1 | 95-98 | Gabon | 35 |
| | | | Brazil | 33 |
| | | | Republic of South Africa | 7 |
| | | | Zaire | 7 |
| | | | Others | 18 |
| | | | Total | 100 |
| 16. Platinum | .1 | 99-100 | United Kingdom | 39 |
| | | | U.S.S.R | 32 |
| | | | Republic of South Africa | 12 |
| | | | Others | 17 |
| | | | Total | 100 |

### II. MATERIALS WHOSE PRESENT COSTS OF IMPORTS ARE LESS THAN $0.1 BILLION, ARRANGED ACCORDING TO PERCENT DEPENDENCE (COL. 3)

| Commodity | Present cost of imports (billions) | Percent dependence [1] | Major import sources [2] (percent) | |
|---|---|---|---|---|
| 17. Cesium | (3) | 100 | Pollucite: Canada and Africa | (4) |
| | | | Cesium compounds: | |
| | | | West Germany | 87 |
| | | | Netherlands | 8 |
| | | | Others | 5 |
| | | | Total | 100 |
| 18. Columbium | (3) | 67-100 | Brazil | 62 |
| | | | Canada | 16 |
| | | | Nigeria | 14 |
| | | | Others | 8 |
| | | | Total | 100 |
| 19. Hafnium | (3) | 100 | France | 65 |
| | | | Japan | 8 |
| | | | Others | 27 |
| | | | Total | 100 |
| 20. Indium | (3) | 100 | Canada | 44 |
| | | | U.S.S.R | 14 |
| | | | Others | 42 |
| | | | Total | 100 |

I. MATERIALS ARRANGED ACCORDING TO THE PRESENT COST OF IMPORTS (COL. 2)

| Commodity | Present cost of imports (billions) | Percent dependence[1] | Major import sources[2] (percent) | |
|---|---|---|---|---|
| 21. Rhodium | (3) | 100 | United Kingdom<br>U.S.S.R.<br>Others<br>Total | 59<br>15<br>26<br>100 |
| 22. Rubidium | (3) | 100 | Negligible imports. | |
| 23. Scandium | (3) | 100 | Australia<br>Canada<br>Others<br>Total | 55<br>40<br>5<br>100 |
| 24. Strontium | (3) | 100 | Mexico<br>United Kingdom<br>Spain<br>Total | 81<br>12<br>7<br>100 |
| 25. Tantalum | (3) | 97–100 | Canada<br>Brazil<br>Zaire<br>Others<br>Total | 30<br>22<br>14<br>34<br>100 |
| 26. Titanium (rutile) | (3) | 86–100 | Australia<br>Sierra Leone<br>Total | 92<br>8<br>100 |
| 27. Zirconium metal | (3) | 100 | Australia<br>Others<br>Total | 96<br>4<br>100 |
| 28. Corundum | (3) | 100 | Kenya | 100 |
| 29. Mica sheet | (3) | 100 | India<br>Brazil<br>Malagasy Republic<br>Others<br>Total | 79<br>14<br>3<br>4<br>100 |
| 30. Palladium | (3) | 98 | U.S.S.R<br>United Kingdom<br>Republic of South Africa<br>Others<br>Total | 51<br>32<br>6<br>11<br>100 |
| 31. Graphite | (3) | 97 | Mexico<br>Malagasy Republic<br>Norway<br>Sri Lanka<br>Others<br>Total | 76<br>9<br>6<br>5<br>4<br>100 |
| 32. Antimony | (3) | 65-95 | Ore:<br>Republic of South Africa<br>Mexico<br>Others<br>Total<br>Metal:<br>Mexico<br>Peoples Republic of China<br>Others<br>Total | <br>51<br>20<br>29<br>100<br><br>18<br>16<br>66<br>100 |
| 33. Arsenic | (3) | 90 | Sweden<br>Mexico<br>France<br>Others<br>Total | 43<br>40<br>15<br>2<br>100 |
| 34. Iodine | (3) | 86 | Japan<br>Chile<br>Total | 72<br>28<br>100 |
| 35. Asbestos | (3) | 84-85 | Canada<br>Republic of South Africa<br>Others<br>Total | 96<br>3<br>1<br>100 |
| 36. Mercury | (3) | 58-83 | Canada<br>Mexico<br>Spain<br>Italy<br>Others<br>Total | 59<br>17<br>8<br>5<br>11<br>100 |
| 37. Yttrium | (3) | 73 | Australia<br>Malaysia<br>Others<br>Total | 53<br>44<br>3<br>100 |
| 38. Gallium | (3) | 64 | Switzerland<br>United Kingdom<br>West Germany<br>Others<br>Total | 72<br>4<br>4<br>20<br>100 |
| 39. Bismuth | (3) | 62–75 | Peru<br>Mexico<br>Japan<br>Canada<br>Others<br>Total | 34<br>29<br>11<br>9<br>17<br>100 |
| 40. Cadmium | (3) | 25-62 | Japan<br>Canada<br>Australia<br>Peru<br>Others<br>Total | 23<br>22<br>15<br>12<br>28<br>100 |
| 41. Thorium | (3) | 60 | Australia<br>Malaysia<br>Others<br>Total | 53<br>44<br>3<br>100 |
| 42. Beryllium ore | (3) | 53 | Brazil<br>Republic of South Africa<br>Argentina<br>Others<br>Total | 64<br>13<br>7<br>16<br>100 |
| 43. Potassium | (3) | 45-60 | Canada<br>Israel<br>Others<br>Total | 94<br>2<br>4<br>100 |

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[1] Published figures for "percent dependence" vary according to whether U.S. imports are measured against U.S. primary (new) production of materials or against primary production plus scrap, and perhaps for other reasons. Consequently, the figures of col. 3 are sometimes given as a range, like "29–32" percent dependence for petroleum.

[2] Based on 1969–72 average data.

[3] Less than $0.1 billion.

[4] Most.

Source: Department of the Interior, Bureau of Mines information as of Feb. 1, 1974; and Materials Needs and the Environment Today and Tomorrow: Final Report of the National Commission on Materials Policy. Washington, U.S. Government Printing Office, June 1973: 2-25.

## APPENDIX L—U.S. GOVERNMENT AGENCIES WITH MATERIALS FUNCTIONS

(By Science Policy Research Division, Legislative Reference Service, the Library of Congress)

### EXPLANATORY NOTE

The accompanying chart of "U.S. Government Agencies with Materials Functions" was prepared in the Science Policy Research Division, Legislative Reference Service, Library of Congress, as a first cut at the problem. It is accordingly to be regarded as preliminary and illustrative. It is not intended to be complete. It does serve the purpose of demonstrating the wide range of different agency interests in materials and the need for a considerable extent of coordination.

The methodology employed in assembling the chart was to go through the U.S. Government manual for clues, with an effort to apply in-house expertise to their interpretation and expansion.

Not included in the chart are the National Academy of Sciences and the National Academy of Engineering, because they are not Government agencies, although chartered by Congress. These Academies, and their operating arm, the National Resources Council, provide an important deliberative, advisory, and focusing functions in the field of materials, mainly through their National Materials Advisory Board, and also deal with related issues through a number of other boards and committees.

## U.S. GOVERNMENT AGENCIES WITH MATERIALS FUNCTIONS (PRELIMINARY, NOV. 12, 1968)

| | Department of Defense | | | | Department of the Interior | | | | | | | | | Department of Agriculture | | | | | | | Department of Commerce | | | | Department of State | | | Department of Justice | | Department of H.E.W. | | Department of Transportation | | | | Independent offices | | | | | | Executive Office of the President | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Army | Navy | Air Force | ARPA | Bureau of Mines | Geological Survey | Office of Minerals and Solid Fuels | Office of Oil and Gas | Oil Import Administration | Office of Coal Research | Office of Water Resources Research | Federal Water Pollution Control Administration | Office of Saline Water | Commodity Credit Corporation | Agricultural Stabilization and Conservation Services | Forest Service | Marketing and Consumer Services | Economic Research Service | Agricultural Research Service | National Agricultural Library | Business and Defense Services Administration | Bureau of the Census | Economic Development Administration | National Bureau of Standards | Bureau of Intelligence and Research | Agency for International Development | Bureau of the Mint, Department of the Treasury | Antitrust Division | Bureau of Narcotics and Dangerous Drugs | Public Health Service | Food and Drug Administration | Federal Highway Administration | Bureau of Railroad Safety | Office of Hazardous Materials | Office of Urban Technology and Research, Department of Housing and Urban Development | Atomic Energy Commission | General Services Administration | National Aeronautics and Space Administration | National Science Foundation | U.S. Tariff Commission | Interstate Commerce Commission | Office of Science and Technology | Federal Council for Science and Technology | President's Science Advisory Committee | Water Resources Council | MCMRED (Marine Council) | Office of Emergency Planning |
| Basic research: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| In mineral occurrence | | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| In mineral formation | | | | | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | |
| In materials properties | ● | ● | ● | ● | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | ● | | | ● | | | | | | | | |
| In materials extractions | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Applied research: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| In materials properties | ● | ● | ● | ● | ● | | | | | ● | ● | ● | ● | | | ● | | | ● | | | | | ● | | | ● | | | ● | | ● | | | ● | ● | | ● | ● | | | | | | | | |
| In minerals extraction | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| In ore treatment | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| In development of new materials | ● | ● | ● | | ● | | | | | ● | | | ● | | | ● | | | ● | | | | | | | | | | | ● | | ● | | | ● | ● | | ● | | | | | | | | | |
| In development of composite materials | ● | ● | ● | | | | | | | | | | | | | ● | | | ● | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | |
| In new uses for materials | | | | | ● | | | | | ● | | | | | | ● | | | ● | | | | | | | | | | | | | | | | | ● | | ● | | | | | | | | | |
| Experimental development: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Prospecting instrumentation | | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | |
| Materials processing | ● | ● | ● | | ● | | | | | ● | | | | | | ● | | | ● | | | | | | | | ● | | ● | | | ● | | | | ● | | ● | | | | | | | | | |
| Recovery and salvage | | | | | ● | | | | | | | ● | | | | ● | | | ● | | | | | | | | | | ● | | | | | | | ● | | | | | | | | | | | |
| Effluent treatment | | | | | ● | | | | | | | ● | | | | | | | ● | | | | | | | | | | ● | | | | | | ● | ● | | | | | | | | | | | |
| Shapes of new materials | ● | ● | ● | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | |
| Composite geometrics | ● | ● | ● | | | | | | | | | | | | | ● | | | ● | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | |
| Fabrication technology | ● | ● | ● | | | | | | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | |
| Long-range policy planning: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Military mobilization | ● | ● | ● | | | | ● | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | ● |
| National mobilization | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | ● | ● |
| Research and development | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | ● | ● | | | |
| National needs and supply | | | | | ● | | | | ● | | | | | | ● | | | ● | | | ● | | | | | | | | | | | | | | | ● | | | | | | | | | | | ● |
| Long-range admustment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Materials data management: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Supply (general) | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | | | ● | | | | | | | ● |
| Requirements (general) | ● | ● | ● | | ● | | ● | ● | ● | | | | | | ● | | | | | | ● | | | | | | | | | | | | | | | ● | | | | ● | | | | | ● | | ● |
| Materials flow | | | | | ● | | | | | | | | | | | | | | | | ● | | | | | | | ● | | | | | | | | | | | | | ● | | | | | | |
| Mineral | | | | | ● | ● | ● | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | ● | | | | | | | ● |
| Agricultural | | | | | | | | | | | | | | ● | ● | | ● | ● | | ● | | | | | | | | | | | | | | | | | | | | ● | | | | | | | ● |
| Silvan | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Waste and pollution management: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Solid wastes | | | | | ● | | | | | | | ● | | | | | | | ● | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | |
| Water pollution | | | | | ● | ● | | | | | | ● | | | | | | | ● | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | |
| Air pollution | | | | | ● | | | | | ● | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | |
| Health standards | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | ● | | | | | | | | | | | | | | | | | |
| Materials standards: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Test samples | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | |
| Procurement standards | ● | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | ● | ● | | | | | | | | | |
| International materials trade: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Import statistics | | | | | ● | | | | ● | | | | | | ● | | | ● | | ● | | ● | | | ● | | | | | | | | | | | | | | | ● | | | | | | | ● |
| Export statistics | | | | | ● | | | | | | | | | | ● | | | ● | | | | ● | | | ● | | | | | | | | | | | | | | | ● | | | | | | | ● |
| Stockpile procurement | | | | | | | ● | | | | | | | ● | | | | | | | | | | | | ● | | | | ● | | | | | | | ● | | | | | | | | | | ● |
| Materials special problems: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Currency | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | | | | |
| Narcotics | ● | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | ● | ● | ● | | | | | | | | | | | | | | | | |
| Drugs | ● | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | ● | ● | ● | | | | | | | | | | | | | | | | |
| Helium | | | ● | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | |
| Aerospace materials | ● | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | |
| Petroleum | | | | | ● | ● | | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | |
| Coal | | | | | ● | | | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | |
| Uranium | | | | | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | |
| Radioactive materials | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | ● | | | | | | | | | | | |
| Electronic materials | ● | ● | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | |
| Marine materials development | | ● | | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | |
| Marine materials exploitation | | | | | ● | ● | | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | |
| Housing construction materials | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | |
| Highway construction materials | ● | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | |
| Toxic materials regulation | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | ● | ● | | | | | | | | | | | | | |
| Transport of dangerous materials | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | ● | | | | | | | | | | | | | |
| Environmentali mpingement | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | ● | | | | | | | | | | | | | | | | | |

[From Playboy, January 1967, vol. 14, No. 1]

## The Crisis in Man's Destiny

(By Sir Julian Huxley)

The most bewildering characteristic of the present moment of history is that things are happening faster and faster. The pace of change in human affairs, originally so slow as to be unnoticed, has steadily accelerated, until today we can no longer measure it in terms of generations: Major changes now take place every few years, and human individuals have to make several drastic adjustments in the course of their working lives. Where are these breathless changes taking us? Is change synonymous with progress, as many technologists and developers would like us to believe? Is there any main direction to be discerned in present-day human life and affairs? The answer at the moment is no. Change today is disruptive; its trends are diverging in various directions. What is more, many of them are self-limiting or even self-destructive—think of the trend to explosive population increase, to overgrown cities, to traffic congestion, to reckless exploitation of resources, to the widening gap between developed and underdeveloped countries, to the destruction of wild life and natural beauty, to cutthroat competition in economic growth, to Galbraith's private affluence and public squalor, to overspecialization and imbalance in science and technology, to monotony, boredom and conformity, and to the proliferation of increasingly expensive armaments.

What is to be done? Before attempting an answer, we must look at the problem in a long perspective—indeed in the longest perspective of all, the perspective of evolution. The process of evolution on this planet has been going on for five billion years or so. First of all, it was only physical and chemical—the formation of the continents and oceans and the production of increasingly complex chemical compounds. Then, nearly three billion years ago, this purely physicochemical phase of evolution was superseded by the biological phase—the evolution of living matter, or "life." The threshold to this was crossed when one of the numerous organic chemical compounds built up by ultraviolet radiation in the world's warm, soupy seas became capable of reproducing itself. This compound is a kind of nucleic acid, called DNA for short; its complex molecule is built in the form of a double helix, like a spirally twisted ladder whose complementary halves are joined by special chemical rungs. In favorable conditions, the two halves sooner or later break apart, and both build themselves into new wholes by incorporating organic compounds from the surrounding medium. DNA also has the capacity to build up special enzymes and many other proteins out of its chemical surroundings, with the final result of producing a primitive cell with DNA as its core.

DNA is thus self-reproducing and self-multiplying matter. It is also self-varying, since now and again it undergoes a small change in part of its structure as a result of radiation or some chemical agency (or sometimes spontaneously), and then reproduces itself in this changed form. In modern terms, it mutates, and the mutation is hereditary. And very soon, the sexual process multiplies the variation manyfold by recombining mutations in every possible way.

As a result of these two properties of self-multiplication and self-variation, there results a "struggle for existence" between the different variants, and this in turn results in what Darwin called *natural selection*—a shorthand phrase for the results of the differential death, survival and reproduction of variants.

Crossing the threshold must have been a relatively slow business, taking perhaps 10,000,000 years or more; but once it was crossed, the whole process of evolution was enormously speeded up, major changes taking place at intervals to be measured in hundred-million-year instead of billion-year units. And, as Darwin pointed out over a century ago, and as has become clearer ever since, major change was inevitably progressive, headed in the direction of improvement—improving the organization of plants and animals in relation to their environment, enabling them to surmount more of its dangers and make better use of its resources.

Each major change in biological evolution involved the step-by-step crossing of a critical threshold, leading to the formation of a new dominant type. This is followed by a rapid flowering of the new type and its further improvement along many divergent lines, usually at the expense of its parent and predecessor type. Sooner or later, the process reveals itself as self-limiting: The type as a whole comes up against a limit, and further progress can only be realized by one or two lines slowly achieving a new and improved pattern of organization, and stepping across the threshold barrier to give rise to quite new dominant types.

Thus the amphibians broke through the barrier from water to land, though they still had to live in water as tadpoles or larvae in the early stages of their development; but after about 100,000,000 years, they were succeeded by a new and fully terrestrial dominant type, with shelled eggs containing private ponds to develop in—the reptiles, which, as everyone knows, produced an astonishing variety of specialized lines—crocodiles and tortoises, marine ichthyosaurs and plesiosaurs, aerial pterosaurs and the splendid array of terrestrial dinosaurs.

But after nearly 150,000,000 years, they too reached their limit. A new type of organization was produced, involving hair, warm blood, milk and prolonged development within the mother, and broke through to dominance in the shape of the placental mammals, while most reptilian lines became extinct. This new type again radiated out, to produce all the familiar mammal groups—carnivores and ungulates, rats and bats, whales and primates. Once more, after 50,000,000 years or so, their evolution seems to have reached its limits and got stuck. Only one line among the primates took all the steps—to erect posture, tool- and weapon-making, increased brain size, and capacity for true speech—that led, a mere 100,000 or so years back, to the emergence of man as the new dominant type, and took life across the threshold from the biological to the psychosocial phase of evolution.

This works by cumulative tradition rather than by genetic variation, and is manifested in cultural and mental rather than in bodily and physical transformation. Yet evolving human life progresses in the same sort of way as animal life—by a succession of improved dominant types of organization. However, these are not organizations of flesh and blood and bodily structure but of ideas and institutions, of mental and social structure—systems of thought and knowledge, feeling and belief, with their social, economic and political accompaniments: We may call them psychosocial systems. With the emergence of each new system, man radically changes his ideas about his place, his role and his job in nature—how to utilize natural resources, how to organize his societies, how to understand and pursue his destiny.

Up to the present there have been five such dominant psychosocial systems, five major progressive stages, involving four crossings of a difficult threshold to a new way of thinking about nature and coping with existence. First the crossing from the stage of food gathering by small groups to that of organized hunting and tribal organization. Then the step, first taken some 10,000 years ago, across to the neolithic stage, based on the idea of growing crops and domesticating animals, associated with fertility rites and priest-kings, and leading to food storage and settled life in villages and small towns. Third, nearly 6000 years ago, the radical step to civilization, with organized cities and trading systems, castes and professionals, including a learned priesthood, with writing or other means of nonvocal communication, and leading to large and powerful societies (and eventually to empires), always with a religious basis. And fourth, less than 500 years ago, the even more decisive step, marked by the Renaissance, the Reformation and the beginnings of organized objective inquiry, over the threshold to the stage of exploration—geographical, historical, religious and, above all, scientific: in a word, the stage of science. This was associated with increasingly secular representative government, with the idea of progress based on ever-increasing knowledge and wealth, and led to a profit-based economic system, industrialization and competitive nationalism.

What, you may ask, has all this to do with our present troubles? The answer is that they portend a new threshold to be crossed to a new dominant system and a new stage of human advance. During each previous dominant stage, mankind differentiated into competing groups, with divergent trends of thought and action. These were in the long run self-limiting, self-defeating, disruptive or just hampering. But they contained seeds of self-correction: As their unhelpful nature became obvious, this provoked new thinking and new action to reduce their harmful effects, and eventually to make clear the need to attempt the difficult passage into a new stage based on a radically new system. To take but one case, abuses of ecclesiastical power provoked the Reformation, backward-looking and hairsplitting scholasticism helped on the new birth of the Renaissance and of modern science, and the reaction against the Church's ban on "usury" or charging interest on a loan, coupled with the urgent need for large-scale trade ventures, stimulated the birth of the capitalist system.

The same sort of thing is at work today. The population explosion is stimulating birth control, monolithic overplanning in the U.S.S.R.—and its satellites—is producing liberalizing reactions, while the doctrinaire freedom of enterprise and expression of the U.S.A. and its acolytes is forcing the acceptance of some degree of discipline and planning; the gap between rich and poor nations is stimulating increased aid and assistance; while racial injustice is stimulating campaigns for integration. The inadequacy of our educational systems has called forth efforts for their expansion and reform; the reckless exploitation and careless destruction of the world's varied resources is leading to a multitude of separate attempts to conserve them; traffic congestion and the other frustrations of city life are leading to transportation planning and schemes of urban renewal; in reaction against the conformity and boredom of modern mechanized existence, a whole crop of new outlets for life is sprouting, in sport and art, in adventure and dedicated projects; while to fill the vacuum caused by the enfeeblement of traditional religious belief and expression, new adventures of spiritual and mental exploration are being undertaken. And the giant wars of this most destructive of centuries have provoked a reaction against war itself and generated a general desire for peace and a crop of projects for preserving and fostering it.

But all this is not enough—all these are negative attempts, actions *against* something, instead of positive efforts *for* something. What is needed is a new over-all pattern of thinking and willing that will give us a new vision and a constructive purpose, providing meaning for our lives and incentives for our actions. Only this can bring together the separate reactions against the divergent threats that beset us, and harness them (and all our reserves of suppressed good will) in a single-minded team.

A new vision has been revealed by post-Darwinian science and learning. It gives us a new and an assured view of ourselves. Man is a highly peculiar organism. He is a single joint body-mind, not a body plus a separate mind or soul, but with mind on top, no longer subordinate to body, as in animals. By virtue of this, he has become the latest dominant type in the solar system, with three billion years of evolution behind him and (if he doesn't destroy himself) a comparably long period of evolution before him. Certainly no other organism could oust him from his position: He would quickly become aware of any challenge, whether from rat, termite or ape, and would be able to nip it in the bud. His role, whether he wants it or not, is to be the leader of the evolutionary process on earth, and his job is to guide and direct it in the general direction of improvement.

To do this, he must redefine his aims. In the past, most human groups and most human individuals have aimed at wealth or pleasure or pride of power, though with a sizable minority seeking salvation in a future life, and a smaller minority seeking spiritual satisfactions or creative outlets in this life. During the long march of prehuman evolution, dominant types have split into a multitude of separate biological organizations termed species. Dominant man has also split, but into separate psychosocial and often competing organizations that Konrad Lorenz calls pseudospecies—tribes and nations, empires and religions (though this tendency toward diversity and disunity has been partially offset by an increasing tendency toward convergence and unity).

Clearly, our first aim must be to demote these pseudospecies and recognize the unity of the real species *Homo sapiens*—in other words, the oneness of mankind. And, *pari passu* with that, to construct more effective organs of his unity, in the shape of really effective international (or preferably supranational) institutions, to think, plan and act on behalf of the human species as a whole. A supporting aim must be to increase man's understanding of this new vision of himself, of his destiny and responsibility, of the limitless possibilities of improvement. And to convert understanding into action, he must improve his instruments for actually getting on with the job—new knowledge and new skills, new technological achievements, new social and political mechanisms.

But his most important instrument is his mind; accordingly, one of his most urgent tasks is to improve his own mental and psychological organization. As anthropologist Loren Eiseley has said, ancestral man entered his own head; ever since, he has been trying to adapt to what he found there. What he found there, of course, was a lot of myths and mumbo jumbo, witchcraft and wish fulfillment, the results of primitive thinking trying to cope with his own profound ignorance, with the civil war of conflicting passions inside and with the constricting forces of nature outside.

Man's primitive or fantasy thinking is always projecting his own ideas, his own guilt and his own secret wishes, onto someone or something else; its unconscious cunning is always inventing justifications for his own passions—supernatural justification like shifting the blame for his actions onto God, moral justifications like ascribing wickedness to his enemies or proclaiming his own group as divinely inspired or chosen.

In the natural sciences, man has learned the technique of "reality thinking"—of accepting the facts and phenomena of external nature and trying to understand them objectively, without bias. But he still has to tackle the more difficult task of abandoning primitive for reality thinking in dealing with the facts of his own nature and his own psychosocial creations, like religions and arts, laws and customs, social organizations and political institutions, and all the myths and rationalizations concerning them. In a word, man must improve his mechanisms for thinking about himself.

An obvious aim is to find out further how best to avoid conflict by transcending or transforming it, both internally, within our heads, and externally, in the physical and social world. Another is to ensure that the new pattern of thought and belief (and therefore of potential action) shall not be self-destructive but capable of constructive growth, not self-limiting but open-ended. And the aim of aims must be to provide truly satisfying goals for human beings everywhere, so as to energize our species, to stimulate it to move and to ensure that it moves in the right direction. This involves planning for greater fulfillment for human individuals and greater achievement by human societies, and for fuller realization cf man's varied possibilities, both personal and collective. It means aiming at quality rather than quantity—quality of life and personality instead of quantity of people, wealth and material goods. The time is ripe for a new approach to destiny, a new look at human life through the telescope of comprehensive vision of wholes instead of the microscope of analysis into separate parts.

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Now I want to take another brief look at some of the unpleasant and threatening trends I spoke of at the outset, to see how the countermeasures we obviously must take against them may help us in planning the practical steps needed to achieve these new integrated ends.

First, population. The world's population is increasing by over 60,000,000 a year—the equivalent of a good-sized town every day of the year, and of nearly 12 baseball teams (with coach) every minute of the day. Its compound interest rate of increase has also increased, from under ½ percent per annum to over 1¾ percent today, and is still increasing a good deal. This applies just as much to Western countries like Britain or Sweden with a slow increase rate or the U.S.A. with a medium rate as to Asian or Latin-American countries with a high rate.

Whatever we do, the world's population will double by the turn of the century. If we do nothng now, life for our grandchildren and great-grandchildren will be much more unpleasant than it is for us, which is saying a good deal. If we go on doing nothing, man will lose his chance of being the beneficent guide of evolution, and will become the cancer of the planet, ruining it and himself with it.

A prerequisite for further human progress is immediate and universal birth control as an instrument of national and international policy, with the immediate aim of reducing man's rate of increase to manageable proportions, well below one percent a year, and the ultimate aim of reducing the total number of human beings in the world.

This means publicizing the need for birth control, incorporating family planning in national health services, adjusting family allowances and taxation systems to discourage overlarge families, and providing birth-control appliances and trained personnel to fit them, in all programs of aid and technical assistance. This means rethinking the whole problem of population, in terms of higher quality of life instead of increasing quantity of people. It also means rethinking the problem of resources, in terms of long-term conservation based on scientific ecology instead of quick exploitation based on mechanized technology.

Next there is the problem of cities. In the last half century, more and more metropolitan areas have grown to monstrous size, up to 12,000,000, 14,000,000, even 16,000,000 in Tokyo, Greater London or Greater New York. If you take as your yardstick the city proper, the central area without its suburban tentacles, the number of cities with over a million inhabitants has grown from 30 at the end of World War Two to over 80 today, only 21 years later. And meanwhile, the population of automobiles is growing twice as fast as that of people. As a result, cities are suffering from traffic thrombosis and their inhabitants from severe vital frustration. We know from experiment that overcrowding in animals leads to distorted, neurotic and downright pathological behavior. We can be sure that the same is true in principle for people. City life today is definitely leading to mass mental disease, to growing vandalism and possible eruptions of mass violence.

Existence in cities must be made not merely tolerable but life-enhancing, as it has so often been in the past. To do this, we must forcibly restrict any further expansion of overbig cities, while undertaking planned and limited expansion of smaller ones; we must create new towns in strategic locations (as is already being done in Britain) to accommodate the overspill of the nation's population; and we must rigorously prevent the horrible unplanned spread of what is neither city nor suburb nor country town, but "slurb"—a compound of slum, suburbia and urban sprawl, which has already blighted Southern California and much of the Atlantic seaboard.

And we must be ready to devote a great deal of money and a great deal of skilled effort to something much bigger and more constructive than what often passes for urban renewal—the conversion of cities from being victims of their own size, ugly or infinitely dreary monuments of profiteering development and general unplanning, or even parasites of the automobile like Los Angeles, into what they should be by definition: organs for civilized existence; places in which their inhabitants enjoy living, instead of being turned into neurosis fodder; generators of fulfillment instead of frustration.

Science is exploding even more violently than population. Scientists (including technologists) are multiplying over three times as fast as ordinary people. The 1,000,000 or so scientists now at work constitute over 90 percent of all the scientists who have ever lived, and their numbers may well go up to 20,000,000 or even 30,000,000 by A.D. 1999. The number of scientific journals has increased from one in 1665—*The Philosophical Translations of the Royal Society*—to about 1000 in 1865, to over 50,000 in 1965, in which nearly 5,000,000 separate articles are published each year; and the rate of increase is itself increasing. If nothing is done about it, science itself runs the risk of drowning in this torrent of paper; specialization will make scientists in one field more ignorant of work in other fields; and man's advance will be stifled in the mounting mass of unassimilable knowledge that he himself has accumulated.

The situation is made worse by the gross lack of balance between different fields of research. Billions of dollars are spent every year on outer-space research—much of it merely for the sake of prestige, in an effort to get to the moon of Mars before somebody else—as against a few millions on exploring the "inner space" of the human mind; billions on weapons research as against a few millions on the sociology of peace; hundreds of millions on "death control" through medical science as against four or five millions on birth control and reproduction. Biological research has given us the tools for real eugenic improvement, in the shape of artificial insemination with the deep-frozen sperm of outstanding male donors, even after their death, and the speedy prospect of grafting ova from admired female donors—but nothing (except words) has been spent on any such project.

The situation is also made worse by the

lack of balance between scientific progress in different countries and regions. There is a big scientific and technological "brain drain" from Britain and Europe to the U.S.A and Canada, and this is producing an equally big one to Britain and Europe from underdeveloped countries like those of Southeast Asia, the Middle East and Africa. In consequence, the gap between rich and poor nations is widening scientifically as well as economically.

What is to be done? The torrential flow of scientific printed matter could be reduced if the scientific reputation of a man or a department did not depend so much on the number of scientific papers published. This leads, among other things, to postgraduate students being pushed to undertake researches where publishable results rather than scientific importance are the prime consideration. (This holds with even greater force in the humanities, which too often pretend to be "scientific," flooding the learned market with Ph.D. theses crammed with unimportant literary or historical details.)

But what is mainly necessary is a change in approach. Instead of all the separate sciences, like inorganic chemistry or astronomy or systematic botany, pushing on and on along their own divergent lines, and individual scientists competitively striving for new discoveries (or just for publishable facts), more and more scientific man power should be mobilized to converge on problems that can only be solved by cooperative teamwork between different branches of natural and human science—problems of land use and city planning, of resource use and conservation, of human behavior and health, of communication and education. Beyond all, we need a science of human possibilities, with professorships in the exploration of the future.

Tentative beginnings on a world basis are being made along these lines, like the very successful I. G. Y., or International Geophysical Year, and now the International Biological Program, or I. B. P.; and I am sure that they will increase and multiply in regional, national and professional affairs as well. At the same time we must do our best to get rid of the present imbalance between different branches of science and integrate them in a framework of common effort. This is a necessary step toward a greater goal—the integration of science with all other branches of learning into a single comprehensive and open-ended system of knowledge, ideas and values relevant to man's destiny. This might even lure professional philosophers out of their linguistic burrows and metaphysical towers to take part in rebuilding a genuine philosophy of existence. But before this can happen, we must repudiate our modern idolatry of science and technology, and dethrone them from the exaggerated pedestals on which we have set them. After all, "science" is only the name for a particular system of knowledge, awareness and understanding acquired by particular methods; it must come to terms with other systems acquired by other methods—aesthetic and historical, intuitive and subconscious, imaginative and visionary. A prerequisite for this is the creation of a real science of psychology in place of the array of conflicting heresies at present occupying the field. I venture to prophesy that this will find its root in ethology, the science dealing with the analysis and evolution of animal mind and behavior.

One of technology's most exciting but also alarming achievements is the computer, which is pushing technologically advanced countries like America into an era of computerized automation. I say *alarming* because computerized automation coupled with population increase must tend to split a country into two nations, to use Disraeli's phrase about mid-Victorian Britain. In late 20th Century America, the two nations will not be the rich and the poor but the employed and the nonemployed, the minority with assured jobs and high incomes, the majority with no jobs and only unemployment pay. Even though automation can ensure increased production of all kinds of goods, this would be a socially disastrous and politically intolerable situation. Somehow or other, the technologically advanced countries will have to rethink the whole concept of work and jobs. One kind of work that will certainly expand is teaching; another is learning—teaching and learning how to live.

The problems of adjustment will be formidable, and the methods for achieving it will need not only hard thinking but time to work out. Meanwhile, we may be driven to providing everyone, even if they have no job in the customary sense, with a really adequate income to tide them over the period of adjustment.

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In regions of dense population and rapid industrial growth, science and technology are producing an alarming increase in pollution and ecological degradation. The volume of solid matter discharged annually into the world's waters amounts to over 65 cubic miles—equivalent to a mountain with 20,000-foot vertical sides and a flat top of over 16 square miles. This includes so much sewage that bathing in many lakes including even the Lake of Geneva, and on numerous sea beaches has become either disgusting, dangerous to heal, or both. Our vaunted Affluent Society is rapidly turning into an Effluent Society. Meanwhile, rubbish dumps and used automobiles are polluting the land, automobile exhausts, domestic smoke and industrial fumes are polluting the air, and pesticides and herbicides are killing off our birds, our wild flowers and our butterflies. The net result is that nature is being wounded, man's environment desecrated, and the world's resources of enjoyment and interest demolished or destroyed.

Here is an obvious case where quality of life and living must take precedence over quantity of production and profit. Compulsory measures against pollution, whatever they may cost, are as necessary as are compulsory vaccination or compulsory quarantine against disease. Meanwhile, science can be set to find better methods of pest control, and technology put to work to reduce effluents, to render them innocuous (or even beneficial, as are some forms of sewage treatment) and to recover any valuable components for future use. Both science and technology must also be called in to reduce the really shocking gap in standards of living and quality of existence between rich and poor countries. If this goes on widening, it will split the world economically into two hostile halves. It will inevitably stir up "envy, hatred, malice, and all uncharitableness," as The Litany puts it, in the poor countries, all too probably combined with racial animosity and with a threat of violence lurking under the surface.

It is all too clear that our present methods of aid and assistance are pitifully inadequate to reduce the gap to below the danger point, let alone close it. To take a single example: The losses inflicted on the countries of Latin America by the falling prices of their primary export products during the Fifties were greater than all the aid they received in the same period. During the present so-called Development Decade, they may well become less instead of more developed.

We have to rethink the whole system. The very idea of aid and assistance, with its implications of charity, of a man satisfying his conscience by giving a beggar half a dollar, must be dropped; for it we must substitute the idea of cooperation in world development, with rich and poor in active though complementary partnership.

This will involve large changes, both in attitude and in practice. First, we must take into account the raw fact that an underdeveloped country cannot be industrialized if its rate of population increase is too high: Too much of the capital and skills required is used up in feeding, housing, educating and generally taking care of the excess crop of human infants; it goes down the drain—the baby drain. Thus expert inquiry has made it clear that unless the Indian birthrate is halved within a generation, it will be impossible for India to break through to modernized economy. Accordingly, all plans for aid must take account of what may be called the recipient country's demographic credit worthiness; if this is too low, some of the aid must go to help the country control its rate of increase, by providing contraceptives and training personnel in their use, and by sending expert advisors.

Secondly, we must somehow transform our international economic system—trade and barter, loans and grants and technical assistance—from the outdated shackles of "free" enterprise and competitive profitability. It is not for a noneconomist to suggest remedies, beyond obvious ones like making loan terms as easy as possible and stabilizing commodity prices. But clearly the job is urgent, and demands a high degree of economic and political statesmanship, in nations, foundations and international bodies.

Both science and automation link up with education. Dorothy Parker once acidly remarked that education consisted in casting sham pearls before real swine. Omitting all questions of the swinishness of its recipients or victims, we must admit that many of its pearls *are* false, flawed or misshapen and, to change the metaphor, that it often involves the forcible feeding of its pupils on unsuitable, unhealthy or even poisonous diets. Just as education in Hitler's Germany was based on stuffing children's brains with National Socialist dogma and anti-Jewish indoctrination, in many Roman Catholic countries, it is based on Catholic dogma and anti-Communist and antihumanist indoctrination; and in China, the U.S.S.R. and its satellites, it is based on Communist dogma and anticapitalist and antireligious indoctrination. Meanwhile, educational systems in the Western world, and I regret to say in India and most emergent nations in Africa and Southeast Asia, are suffering from the complaint that has been called *examinotosis*—cramming pupils with facts and ideas that are to be regurgitated at appropriate intervals, in subjects that can be marked or graded by the examination process, with the ultimate idea of awarding certificates, diplomas and degrees that will help the examinees in obtaining jobs.

In addition, the world's poor countries suffer grievously from undereducation at all levels. One result of this is that adult illiteracy is actually increasing. A Unesco survey has shown that between 1952 and 1962, 35,000,000 adults were added to the over one billion of the world's illiterates, and the figure is growing yearly. In many countries, only 25, 15, or even 10 percent of the male population is literate, and the illiteracy of women is considerably higher. Meanwhile, surveys have demonstrated that literacy is an indispensable basis for vigorous national life in the world of today, and that 40 percent literacy is the minimum needed for achieving appreciable economic, technological or cultural success. The Shah of Iran has suggested that all nations should contribute one percent of their annual military budgets to a world campaign against illiteracy, and there are numerous other projects for promoting literacy.

Many efforts are also being made to free the examination-ridden educational systems of developed countries from their restrictive practices and liberate them for their true goals—of transmitting human culture in all its aspects and enabling the new generation to lead fuller and more rewarding lives.

The first thing is to reform the curriculum so that, instead of separate "subjects" to be "taken" piecemeal, growing minds are offered a nutritious core of human knowledge, ideas, techniques and achievements, covering science and history as well as the arts and manual skills. The key subject must be ecology, both biological and human—the science of balanced interaction between organisms and their environment (which of course includes other organisms)—together with its practical applications in the conservation of the world's resources, animal, vegetable and mineral, and human. Education must prepare growing human beings for the future, not only their own future but that of their children, their nation and their planet. For this, it must aim at varied excellence (including the training of professional cities and at the fullest realization of human possibilities.

This links up with the rethinking of religion—a vital task, but one I can only touch on in summary fashion. It is clear that the era of mutually exclusive and dogmatic religions, each claiming to be the sole repository of absolute and eternal truth, is rapidly ending. If mankind is to evolve as a whole, it must have a single set of beliefs in common; and if it is to progress, these beliefs must not be self-limiting but open-ended, not rigid barriers but flexible guidelines channeling men in the general direction of improvement and perfection. Already an effort is being made to find common ground between the world's various religions and churches, and we can be sure that necessity will drive them further in this direction. But this is not enough. In the light of our new and comprehensive vision, we must redefine religion itself. Religions are not necessarily concerned with the worship of a supernatural God or gods, or even with the supernatural at all; they are not mere superstition nor just self-seeking organizations exploiting the public's superstitions and its belief in the magical powers of priests and witch doctors.

The ultimate task will be to melt down the gods, and magic, and all supernatural entities, into their elements of transcendence and sacred power; and then, with the aid of our new knowledge, build up these raw materials into a new religious system that will help man to achieve the destiny that our new evolutionary vision has revealed. Meanwhile, we must encourage all constructive attempts at reformulating and rebuilding religion. My personal favorite is Evolutionary Humanism, but there are many others tending in the same general direction, like Yoga and Zen, ethical and meditative systems, and the cults of release through psychedelic drugs or bodily rituals.

How does this all add up? It adds up to a meaningful whole, something greater than the sum of its parts. We need no longer be afflicted with a sense of our own insignificance and helplessness, or of the world's nonsignificance and meaninglessness. A purpose has been revealed to us—to steer the evolution of our planet toward improvement; and an encouragement has been given us, in the knowledge that steady evolutionary improvement has actually occurred in the past, and the assurance that it can continue into the future.

It is especially encouraging to know that biological improvement has been born of struggle, and that conflict has often been disinfected of open violence and sometimes even converted into cooperative bonding; and it is especially significant that the most vital of all improvements has been the improvement of mind—awareness, knowledge and understanding—coupled with ability to learn and profit from experience. What is more, improvements in the human lot, in man's ways of coping with the problems of existence, have always depended on improvements in his awareness, knowledge and understanding; and today the explosive increase of knowledge has given us a wholly new understanding of our role in the universe and wholly new hopes of human improvement. We are still imprisoned in a mental cage, whose walls are made of the forces of nature as we have experienced them, whose bars are the constructions of our own primitive thinking—about destiny and salvation, enjoyment and ethics, guilt and propitiation, peace and war.

Today the individual man or woman need not feel himself a meaningless insect in the vast spaces of the cosmos, nor an insignificant cog in a huge, impersonal social machine. For one thing, the individual human is the highest and most wonderful organization we know of. In developing his own personality, he is making his own unique contribution to the evolution of the universe.

Secondly, he is a unit of mankind; and mankind is the highest type in the solar system, the only organism we know of in whom mind has broken through to dominate existence. Mankind is not only a product of past evolution but an active agent in its future course: The human individual can help mankind shoulder this responsibility.

Our first objective is to clarify the new vision of our evolution. The next is to define the tasks required to carry out our responsibilities. Our over-all aim is improvement. Our immediate tasks are to achieve the peaceful unity and cooperative development of mankind, to encourage varied excellence and greater achievement, to think in terms of ecology and to practice conservation, and to build a fulfillment society underpinned by some new system of beliefs. The final aim will be the eugenic transformation of man's genetic nature, coupled with the cultural transformation of his social environment. Meanwhile, all can help in understanding and spreading the new revelation of human destiny.

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## The Double Crisis

(By Aldous Huxley)

### 1. THE PROBLEM STATED

The human race is passing through a time of crisis, and that crisis exists, so to speak, on two levels—an upper level of political and economic crisis and a lower-level crisis in population and world resources. That which is discussed at international conferences and in the newspapers is the upper-level crisis—the crisis whose immediate causes are the economic breakdown due to the War and the struggle for power between national groups possessing, or about to possess, the means of mass extermination. Of the low-level crisis, the crisis in population and world resources, hardly anything is heard in the Press, on the radio or at the more important international conferences.

Yet the low-level crisis is at least as serious as the crisis in the political and economic field. Moreover, the problems on the upper-level cannot be solved without reference to the problems that are taking shape in the cosmic and biological basement. If it is ignored the low-level crisis is bound to sharpen the crisis on the political and economic levels. At the same time, a concentration of attention and energy on power politics and power economics will make a solution of the low-level problems not merely difficult but impossible. In what follows I propose to discuss certain aspects of the low-level crisis and to point out how the obscure happenings in the basement have affected and are likely to go on affecting the lives of private individuals, the policies of statesmen and the conduct of nations.

It has been fashionable for some time past to talk about "poverty in the midst of plenty." The phrase implies that the planet possesses abundant resources to feed, clothe, house and provide amenities for its existing population and for any immediately foreseeable increase in that population, and that the present miseries of the human race are due entirely to faulty methods of production and, above all, of distribution. Given currency reform, socialism, communism, unrestricted capitalism, distributism, or whatever the favourite remedy may be, humanity, like the prince and princess in the fairy stories, will be able to live happily ever after. Want and hunger will be transformed into abundance and the whole earth will become one vast Land of Cockayne.

Such are the miracles to be achieved by political and economic planning. But when we pass from these high-level considerations to a study of what is going on at the biological and ecological levels, our optimism is apt to seem a little premature, to say the least of it. Instead of poverty in the midst of plenty, we then find that there is poverty in the midst of poverty. World resources are inadequate to world population. At the present time our planet supports a little less than two and a quarter thousand millions of human beings, and the area of food-producing land is in the neighbourhood of four thousand million acres. It has been calculated that two and a half acres of land are needed to provide a human being with a diet which nutritionists would regard as adequate. (This may be an idealistic estimate, but I shall take it as the basis of what I have to say.)

### *More and more people*

Thus, even if all the available productive land were good—and much of it is of very poor quality—the existing population could not be assured of an adequate diet. Actually, in order to bring all the people in the world who are at a very low nutritional level up to even an adequate standard within the next 25 years the pre-war food supply would have to be doubled. But this cannot be accomplished overnight. In the words of Dr. Thomas Parran, the former U.S. Surgeon-General, "the greatest possible increase in food production will not for decades be enough to meet the minimum adequate diet." And world population will continue to rise. It is rising at the rate of about two hundred million every ten years.

Moreover, while population goes up, the fertility of the soil declines, "Modern man," writes Ward Shepard in his recently published book, *Food or Famine*, "has perfected two devices, either of which could annihilate civilization. One is atomic war, the other is world soil-erosion. Of the two, soil-erosion is the more insidiously destructive. War disrupts or destroys the social environment, which is the matrix of civilization. Soil-erosion destroys the natural environment, which is its foundation." In other words, atomic warfare can destroy one particular civilization; soil-erosion can put an end to the very possibility of any civilization.

Favourable weather has prevailed in North America for the last ten years and, in consequence, we hear much less of erosion than was heard during that succession of dry seasons which called the Dust Bowl into existence. Nevertheless, in spite of considerable improvement in agricultural practices, soil-erosion still goes on and is likely, as soon as the North American continent's weather takes another turn for the worse, to assume the same disastrous proportions as it did in the thirties.

Already enormous areas have been partially or completely sterilized, and millions of acres more are destined to suffer the same fate. But within the next twenty-five years the population of the United States will rise (if nothing untoward happens in the interval) by about thirty millions. There will be more mouths to feed from a diminishing area of productive land.

What is happening in North America is

happening also in other parts of the world. Erosion is rampant all over Africa, where a rapidly increasing native population clings tenaciously to its old habit of measuring social status in terms of cattle. There are more people, therefore more cows, therefore more over-grazing, therefore more erosion. In Asia, too, the same irreparable damage is being done to the very foundations of any possible civilization. Human poverty exists in the midst of a steadily increasing natural poverty.

Sound practices have combined with a climate that is without extremes to provide Western Europe with a tolerably stable agriculture. Its farmers produce good crops without, in the process, destroying the soil. But however good these crops may be, they are insufficient to provide the present population of Western Europe with even its minimum food requirements. In relation to the local food-supply Western Europe is over-populated. Since 1800 Western Europe has trebled its population. This increase was made possible by the exploitation of the empty and agriculturally virgin territories of the New World.

Today the New World has a large and rapidly increasing population of its own, and its soil, after more than a century of abuse is losing its fertility. There is still a very large exportable surplus of food; but as numbers go up, and fertility goes down, there will be less and less to spare for the hungry in other parts of the world. Moreover, the manufactured articles which Western Europe exchanged for food and raw materials have tended to become less acceptable in proportion as the nations of the New World have developed their own industries. Europe will find it more and more difficult to pay for supplies which, as the population pressure on the New World's eroded soil increases, are bound to diminish. And this will happen at a time when a newly industrialized Asia will be in a position to compete for whatever surpluses of food the New World can still make available to the Old.

Food is a renewable commodity. If the soil is not abused, this year's harvest will be succeeded by next year's. But the vein of tin or copper which produced this year's output of ore will not be renewed in years to come. When the lode has been worked out the miner must move on to another deposit of the mineral. And if he can find no other deposits—well, that is just too bad. Industrialism is the systematic exploitation of wasting assets. The thing we call progress is, in many cases, simply acceleration in the rate of that exploitation. And such prosperity as we have known up to the present is the consequence of rapidly spending the planet's irreplaceable capital.

How long can the accelerating dissipation of capital go on? How long will the wasting assets of the world be exhausted? All we know for certain is that the supplies of many hitherto essential commodities are limited and that, in many places, very rich and easily available deposits of those commodities have been, or are in process of being, worked out. Thus, in the United States high-grade iron ore is running low; so are zinc, copper, lead; so is petroleum. And this is happening at a time when a rising population is calling for ever-increasing quantities of consumer goods—in other words, is making ever heavier demands on the limited reserves of our planetary capital.

### *Further complications*

Up to this point I have dealt with world population as a single undifferentiated whole. The problem thus posed is that of increasing pressure upon diminishing resources. But this basic problem of our time is deepened and complicated by the fact that rates of increase are not uniform throughout the world's population. Different birth-rates as between the various people of the earth, and as between classes within a people, are rapidly engendering a host of new problems.

In Western Europe and North America the overall birth-rate has sharply declined in the course of the last fifty or sixty years. Because of the lowered death-rate and the relatively large numbers of persons within the reproductive age-groups, this decline in the birth-rate has not yet manifested itself in a net decline of population. But the onset of such a decline is close at hand. For example, by 1970 the population of France and Great Britain will have declined by about 4 millions apiece, and the number of persons over sixty-five will be approximately equal to the number of those under fifteen. Similar declines are due, at a slightly later date, in the other countries of Western Europe and in the New World (except South America). Meanwhile, in spite of much higher death-rates, the population of Eastern Europe and of Asia is destined to go on increasing. By the end of the present century Asia alone will have a population of about two thousand millions. And in 1979 when Western Europe will have some nine million fewer inhabitants than it possesses today, Russia wil have gained upwards of seventy-five millions.

In the preceding paragraphs I have indicated, in baldest outline, the nature of the lower-level crisis through which humanity is now passing—a crisis which, so far as we can see, will grow more acute with every year that passes. We have now to consider how these untoward events on the biological level have affected, and are likely in the future to affect, behaviour on the levels of international and domestic politics and how the more dangerous symptoms might be palliated during the long period required for removing the underlying causes.

### 2. FOOD, PEOPLE, AND POLITICS

An unfavorable relationship between population and natural resources create a permanent menace to peace and permanent menace to political and personal liberty. In our days, whether there is a threat to peace depends upon whether such an overpopulated country possesses an industrial plant capable of producing armaments. There can be no aggression without the means to aggression. Lacking these means, the people of an over-populated country are confronted with only two alternatives. They can either stop breeding and so reduce the population; or else they can go on breeding until famine, disease, political unrest and civil war combine to raise the death-rate to the point where a decreased population can re-establish a favorable relationship with natural resources. But some over-populated countries are also industrialized; and for these, there is a third alternative: to enslave or exterminate their neighbors, and so acquire more land, food, raw materials and markets.

Remembering that "God is on the side of the big battalions," the military leaders of industrialized countries with high birth-rates will feel confident of winning any war they care to wage against the countries with low brith-rates. And, remembering that David killed Goliath with a stone from his sling, the military leaders of the countries with low birth-rates will come to believe that their only chance of survival consists in using, before it is too late, their technical superiority in atomic and biological weapons, in order to off-set the effect of the big battalions. So long as it remains axiomatic that nations exist for the purpose of damaging or destroying one another, the unequal increase of world population is no less dangerous, politically speaking, than the over-all increase of population pressure on resources.

The world's underlying population crisis can only be relieved through the adoption, by all the nations, of a world policy, aiming at the stabilization of population at a figure at which the relationship between numbers and resources, between numbers and the amenities of life, shall be most favourable. As things are at present no political foresight is possible, since the rapid changes in the absolute and relative numbers of human beings create a constantly varying social, economic and political environment. A rational control of human destiny depends on the existence of a stable world population with a low death-rate. It doesn't make sense to talk about Human Dignity and the Four Freedoms in relation to some Far Eastern countries where, say, almost half of the inhabitants die before they are ten years old; where two-thirds die before they are thirty; and where, none the less, the total population rises by tens of millions every decade. The "giant misery of the world" cannot be mitigated by inspirational twaddle, but only by an intelligent attack upon the causes of the misery.

It is, of course, a great deal easier to talk about a world population policy than it is to get such a policy accepted by the various national governments; and it will be easier to get the policy accepted than to get it implemented. Moreover, even if it should, by some miracle, come to be accepted and implemented immediately, the beneficent results could not, in the nature of things, be apparent for several generations. Let us elaborate a little on this depressing theme.

So long as idolatrous nationalism remains the effective religion of mankind, and so long as it is taken for granted that war is right, proper and inevitable, no government of a country with a high birth-rate will pledge itself to the reduction of that rate; and no government of a country with a low birth-rate will forgo in advance the privilege of trying to increase that rate with a view to increasing the size of its armed forces.

Assuming now, for the sake of argument, that in spite of nationalism and militarism a world population policy should be agreed upon, how easy would it be to get that policy implemented? The answer is that in the countries where its immediate implementation would be most desirable it would be exceedingly difficult, indeed, almost impossible, to do so. For a variety of reasons, material and psychological, birth control is not practised by persons whose standard of living falls below a certain level, and this level, for the great majority of Asiatics and even of Eastern Europeans, is unattainably high. To obtain any conscious or deliberate reduction of the high birth-rates prevailing in the East would be a task requiring many years of education and technological advance.

Finally, even if a substantial cut in the present high birth-rates of the world were to take place tomorrow, the number of persons in the reproductive age-groups is at present so large that, despite the reduced birth-rate, overall population would continue to increase until at least the end of the present century. In the most favourable circumstances we can reasonably imagine, world population is bound to rise to at least 3,000 millions before it starts to decline. This means that, whatever happens, the next half-century will be a time of the gravest political and economic danger. If a world population policy should be agreed upon and implemented in the near future this danger may be expected to grow less acute after about the year 2000. If no such policy is adopted the crisis is likely, unless something startlingly good or something startlingly bad should happen in the interval, to persist for many years thereafter. The adoption of a population policy is a goal at which we should certainly aim; but while we are waiting for it first to be agreed upon and then to take effect, we must do what we can to minimize the dangers to peace and liberty which are inseparable from over-population.

The problem requires simultaneous attack on several fronts—the ideological front, the organizational front and the scientific-technological front. On the ideological front the formidable enemy to peace is nationalism; for it is in the context of nationalistic thinking that over-population becomes most dangerous. The depth and sincerity of religious belief are measured by the sacrifices which the believer is prepared to make for it. At the present time there are probably a thousand men and women prepared to undergo martyrdom for the local national idol, to every one who would willingly die for his or her belief in God. Of all the motives for mass action, nationalism is, at present, by far the most potent.

The idea that war between nations is right, proper and inevitable, remains a kind of axiom and, as it were, a necessity of thought. The appalling experiences of the last thirty years have taught collective humanity precisely nothing. The nations of the world continue to think and feel and act in the same old ways—the ways that are positively guaranteed to lead to catastrophe. If social aggregates fail to learn by even the bitterest kind of experience, how is the indispensable lesson to be imparted?

### *The contribution of science*

From the ideological and organizational approach to the problem of war we pass to the scientific and technological. Workers in the fields of pure and applied science are in a position to make two important contributions to the cause of peace. They can refuse to take part in the current preparations for the mass extermination of civilians; and supplementing negative by positive actions, they can work for the palliation of those consequences of over-population, which are among the basic causes of war. Of the first course of action I need say no more than that the question of taking it or not taking it is for the individual to decide. Some scientific workers regard it as a matter of duty to place their knowledge at the service of the State; others regard it as a duty to refuse to participate in research whose avowed purpose is the discovery of improved methods of slaughter. It is a matter of conscience.

In regard to the morality of positive scientific action there can be no difference of opinion; nor, I think, can there be serious disagreement about the basic objectives to be aimed at. The facts are only too obvious. We have, as a species, a rapidly rising population which cannot, under present conditions, be adequately fed. Over large areas of the earth, soil-erosion is gnawing at the foundations of any possible civilization. Moreover, the dominant civilization of our time—Western industrialism—is based upon the ever more efficient exploitation of wasting assets. While waiting for a world population policy to take effect we can and we should use the resources of applied science to increase the food supply to check erosion, to conserve the rapidly disappearing basis of industrial prosperity and, at the same time, to see what can be done to shift our civilization on to a less precarious foundation.

### *A world food policy?*

The world's supply of food can be increased in the following ways: by improving existing methods of production, conservation and distribution; by opening up hitherto unexploited areas of land and sea; and by developing techniques for transforming easily available materials into nourishment, either directly for man or indirectly for his domesticated animals, insects and fungi.

The Food and Agriculture Organization of the United Nations exists for the purpose of considering, and making recommendations about these ways of increasing the world's food supply. The Organization possesses no authority, and one of its most ambitious schemes—the Orr Plan for a World Food Board empowered to buy and distribute surpluses, to stabilize prices and preserve an "ever-normal granary"—has been rejected by a majority of the governments concerned. But there are other ways of getting results; the delegates to the F.A.O. are extremely competent, and we can certainly count on them, in the years ahead, to do as good a job as the various national governments to which they are responsible will permit.

We come now to the second method of increasing the food supply. When one looks at the map of the world on page 8, shaded according to the density of population, one sees that large areas are almost uninhabited. Most are uninhabited because, under present conditions, they are uninhabitable. In some places the expenditure of more or less considerable quantities of human labour and capital might change the conditions and make the land productive. As world population rises, and the demand for food yet further outstrips the supply, it will become increasingly worth while to spend time, work and money on tasks which, in present circumstances, are economically unjustifiable. And if atomic power can be harnessed without too much danger, and made available at a very cheap rate, many projects at present quite unjustifiable would become matters of practical policy. Meanwhile, it has been reported that the Russians have succeeded in thawing out the Siberian tundra and converting it into fields of rye and wheat. Much hitherto barren land in sub-Arctic Asia and America might become productive if this can be done.

Any increase in the world's total food supply is desirable. But it should always be remembered that, from a political point of view, the most desirable kind of increase is one which does not involve a natural monopoly by any one nation. The ideal to be aimed at is a method for increasing the food supply that shall be equally available to all nations, regardless of their size, population density and geographical position. A step in this direction would be taken if new methods could be devised for getting a greater amount of food from the sea. At the present time most of the seas in the immediate neighbourhood of densely populated areas are being overfished. More effort has to be put forth to obtain a smaller catch—and this at a time when the rising population demands more food. It has been found, however, that in landlocked bays and inlets the supply of fish can be increased by dropping suitable fertilizers into the water. The overgrazing and consequent erosion of pasture lands will soon compel us to turn more and more to the seas as our prime source of animal protein. The sooner we set about discovering the basic laws of marine stock-raising the better.

Some countries are far from the sea and some seas are by nature less productive than others. Even in salt water there is a natural monopoly. To break the politically dangerous monopolies in fertile territories and in access to the sea, chemists and biologists should be enlisted to collaborate on a series of Manhattan Projects,[1] not of destruction but of creation. Thus, the Germans are said to have used a method of converting organic waste products, such as sawdust, into a sugar solution for the culture of edible yeasts. Such a technique, if suitably developed, might provide much-needed proteins for those millions who, at present, have to subsist on an unbalanced diet of cereals. And the goal of another of these projects would be the synthesis of chlorophyll, the substance which permits the growing plant to use the sun's energy to convert air and water into carbohydrates.

Up to the present the rulers of the world have been ready to lavish time, energy, money and brains upon the development of atomic and biological weapons; it seems hardly even to have occurred to them that it might be a good thing to use the resources of applied science for the relief of the world's hunger and the removal of one of the principal causes of war.

Natural monopolies in raw materials are even more politically dangerous than natural monopolies in food. When located in the territory of a strong nation deposits of minerals necessary to industry are a standing temptation to the abuse of military and economic power; when located in that of a weak nation they are a standing temptation to aggression from abroad. Research should be deliberately organized for the purpose of discovering universally available substitutes for these relatively rare and most unevenly distributed minerals. If successful, such research would have two beneficial results; it would break the natural monopolies which are so politically dangerous; and it would help our industrial civilization to shift from its precarious basis in the exploitation of rapidly wasting assets to a more secure, a more nearly permanent foundation.

### 3. THE THREAT TO WORLD PEACE

We now come to the problem of atomic energy. Though we would like to assume (and it would be a pretty large assumption) that henceforward atomic energy will be used exclusively to provide power for peacetime industry and agriculture, all the time the temptation to use the new source of energy for political purposes, in war or evolution, would beckon every ambitious adventurer, every fanatic and idealist. "Lead us not," we pray, "into temptation"—for the good reason that, whenever temptation is strong enough and persistent enough, we almost invariably succumb to it.

Industrial civilization is based upon the exploitation of wasting assets by means of manpower and the power generated by coal, oil, gas and falling water. If successfully harnessed, atomic energy will increase the available power to an enormous event. From this two results may be anticipated, one unfavourable, the other favourable. To begin with, we may expect that increased power will lead to the more effective exploitation and, consequently, to the more rapid exhaustion of the more easily available supplies of such indispensable minerals as iron, tin, copper, zinc and the like. Atomic energy will permit us to enjoy the prosperity of the spendthrift who lives gloriously for a few years on inherited capital. If this were all that could be expected the discovery of atomic energy would be wholly disastrous. But, fortunately, this is not the whole story. Given an indefinite amount of cheap power it will become economically possible to exploit deposits whose low concentration of desirable minerals renders them, under present conditions, practically worthless.

In other words, the harnessing of atomic power is likely to accelerate the dissipation of what may be called our high-grade capital; but it should postpone the final onset of bankruptcy by making available to industry the low-grade capital which it now costs us too much to spend. In combination with a reasonable population policy, a reasonable policy for the use of atomic energy might permit some better version of our industrial civilization to achieve stability and a certain permanence.

Applied science can indeed be used in the fight for liberty, no less effectively than in the fight for peace. Let us assume, for example, that a means will be discovered for substantially increasing the supply of food. This would have the same kind of result as the discovery of a second New World. It would make life easier for the inhabitants of overcrowded countries and, by doing so, it would remove the necessity for some of the centralized and peremptory social controls which must always be imposed when the pressure of population upon resources becomes excessive.

Meanwhile, every day brings its quota

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[1] The U.S. wartime project to develop the atomic bomb, which had top priority.

of some fifty-five thousand new human beings to a planet which, in the same period of time, has lost through erosion almost the same number of acres of productive land and goodness knows how many tons of irreplaceable minerals. Whatever may be happening to the superficial crisis, to the crisis on the political, or industrial or financial levels, that which underlies it persists and deepens. The current almost explosive growth in world population began about, two centuries ago and will continue, in all probability, for at least another hundred years. So far as we know, nothing quite like it has ever happened before. We are faced by a problem which has no earlier precedent. To discover and having discovered, to apply the remedial measures is going to be exceedingly difficult. And the longer we delay the greater the difficulty will be.

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[From Fortune magazine, Feb. 1974]

## OMINOUS CHANGES IN THE WORLD'S WEATHER

(By Tom Alexander)

For several years now, odd and unpleasant things have been happening to weather around the world. The droughts south of the Sahara, where unknown thousands of persons have died of famine and its associated diseases and millions more have been kept alive only by emergency food shipments, have been well publicized. It is not so well known that the African drought belt is part of a much larger dry-weather pattern extending all the way through the Middle East to India, South Asia, and North China. Drought has struck Central America as well. While these regions were drying up, places as widely scattered as the midwestern U.S., the Philippines, and Italy were submerged in some of their severest floods in centuries. And while low-temperature records were being broken in some northern regions, Siberia for example, others such as European Russia and the northeastern U.S. were enjoying unprecedentedly warm winters.

Not too long ago, if anyone asked whether something was going wrong with the climate, weather scientists answered with a slightly superior, "No." The eminent British meteorologist Hubert Lamb, who heads Europe's only climatic research organization, at the University of East Anglia, says it has always been assumed that climatic change of any significance was something that belonged to the geological past. "It was denied that there was anything other than random fluctuations from year to year or from one little group of years to another." Climatology, the study of long-term weather conditions, was regarded, says Lamb, as "the dullest branch of meteorology."

### ARMADILLOS IN RETREAT

In the last decade, however, a number of scientists from several disciplines have concluded that some fairly drastic climate change is going on. Their message is that for nearly half of the current century mankind was apparently blessed with the most benign climate of any period in at least a thousand years. During this kindly era the human population more than doubled. But now there's good reason to believe that the world's climate is reverting rapidly to its less beneficient norm.

The changes, which are charted on the facing page, began with a pronounced warming trend after about 1890. Mean temperatures peaked in 1945 and have been dropping sharply ever since. The total drop since the Forties—about 2.7° F.—hardly seems dramatic, but the effects have been substantial. Icelandic fishing fleets that learned to range northward during the warm period have now had to return to traditional waters to the south. For the first time in this century, ships making for Iceland's ports have found navigation impeded by drifting ice. Since the late Fifties, Iceland's per-acre yield of hay has dropped 25 percent.

In North America, the armadillo extended its range as far north as Nebraska during the warming trend, and now is beating a retreat southward again. In England, the average growing season is two weeks shorter than it was prior to 1950. As Lamb puts it, "Global temperatures since 1945 constitute, we believe, the longest unbroken trend downward in hundreds of years."

### GRANDPA WASN'T KIDDING

A fair rule of thumb is that *any* climate change is bad; not only armadillos but man and his institutions are adjusted to precisely the weather that prevails. As for the present cooling trend, a number of leading climatologists have concluded that it is very bad news indeed. They say that it is the root cause of a lot of that unpleasant weather around the world and they warn that it carries the potential for human disasters of unprecedented magnitude. The most telling effect of the falling temperatures is to alter the vast, integrated system of winds that sweep about the planet. And the most grievous result of the new wind pattern has been the blocking of vital monsoon rains upon which large sections of Africa, Asia, and Central America depend. Elsewhere in the world, there seems to be a return to the more extreme and variable weather conditions—including floods, droughts, and great winter blizzards—that were typical of the nineteenth century. "When Grandpa said the weather was different in his day, he wasn't kidding," remarks one climatologist.

Long-range climate forecasting is still pretty much beyond the grip of science, but in recent months highly respected climatologists have been risking their reputations to predict that things will get worse. Japan's Meteorological Agency has warned its government to expect long-term increasing coldness in the north and drought in western Japan.

In the U.S., the most outspoken perceiver of climatological danger signals is Reid Bryson, director of the Institute for Environmental Studies at the University of Wisconsin. "There is very important climate change going on right now," he says. "And it's not merely something of academic interest. It is something that, if it continues, will affect the whole human occupation of the earth—like a billion people starving. The effects are already showing up in rather drastic ways."

### "THE MOST ABNORMAL PERIOD"

Bryson draws upon a broad variety of research performed by himself and others, but his conclusions are molded by his own unusual combination of interests. Originally, he wanted to become an archaeologist. During World War II, however, he was trained in meteorology by the Army Air Corps and became persuaded that this field might provide a unique perspective into the study of man. After the war, he received the thirtieth Ph.D. degree in meteorology ever handed out in the U.S. and went on to found the meteorology department at the University of Wisconsin, now the largest in the country. He has spent much of his scientific career in remote parts of the world gathering hints as to what past climates were like and what might have caused them to change. At the same time, his archaeological interest has kept him unusually conscious of the effects of climate upon man—and vice versa.

From this long-range perspective, Bryson finds it wildly inappropriate that it is the modern era, with its beneficent climate, that meteorologists, by international agreement, define as normal. "It's perfectly obvious," Bryson says, "that this has been the most abnormal period in at least a thousand years." He points, for example, to the fact that from 1918 to 1960 India experienced far fewer droughts than would have been expected from the prior record (see the chart at lower left). The comparative absence of famine in this period, he contends, has played a large role, along with improved medical care, in causing the population of such regions as India to more than double in this century.

Bryson believes that the period from about 1890 to 1945 amounted merely to a brief respite from the "little ice age" that has held the world in its grip ever since the sixteenth century.

### THE WHITENING OF GREENLAND

Before the little ice age, grapes were widely cultivated in England, and the French complained of English wine makers dumping their wares in European markets. As early as the tenth century, the Vikings had established prosperous colonies in Greenland, having named the island for its verdant pastures. By the early fifteenth century, however, these colonies were wiped out by cold and hunger and now four-fifths of Greenland lies buried under hundreds of feet of ice cap.

From the evidence found in such things as sea-floor sediments, peat bogs, and tree rings, the earth's long-term climatological history has been as full of rallies and plunges as the stock market. Even the little ice age is really only a minor squiggle in such longer-term oscillations between warm periods and true ice ages. In terms of these cycles, there's fair agreement among researchers that the earth is now heading very slowly into another major ice age such as the one that brought the glaciers deep into North America before it retreated some 10,000 years ago.

One of climatology's more surprising recent conclusions, derived from investigations of sea-floor sediments, is that for at least the past 700,000 years, global mean temperatures have been as high as they are now only about 5 percent of the time. Says Cesare Emiliani, who has been plotting the long-term cycles at the University of Miami, "We used to think intervals as warm as the present lasted 100,000 years or so. Instead, they appear to be short, infrequent episodes." Another surprising finding is that sometimes transitions from one major temperature regime to another have taken place with astounding rapidity, often within a century or so.

What makes the temperature fluctuate at all is a matter of intense debate. Many believe that the long-term cycles have astronomical causes. The earth has a slightly elliptical orbit that brings it closer to the sun at certain times of the year than at others. In addition, the axis upon which the earth spins is tilted. Finally, the earth wobbles slightly upon this axis, like a top. The combination of all these circumstances can, for example, lead to a series of very cool summers during which an unusual proportion of each winter's snow fails to melt in the northern latitudes.

It is known that the world's climate is a delicated balanced system, full of sensitive feedback mechanisms that serve either to amplify or to counter changes that occur. It is also known that the climate depends primarily upon the amount of solar radiation that gets absorbed by the earth and atmosphere. This is determined by the planet's overall "albedo," the measure of its reflectivity. The greater the albedo, the colder the earth. Since white things are highly reflective, clouds are major contributors to the albedo, as are snow and ice.

### VOLCANOES THAT DIMMED THE SUN

Clouds can serve to moderate whatever climate trend is under way: if the earth's surface temperature climbs for whatever reason, more water evaporates and may rise to form more cloud cover. This increases the albedo and lowers the rate of heating. Ice and snow, on the other hand, provide positive feedback: if the average year-round temperature decreases, the extent of ice and snow coverage increases and reflects more of the incoming sunlight back to space. The result is to lower the rate of heating still more, particularly in the regions closest to the poles.

There's yet another contributor to the planet's albedo—airborne particles, particularly the extremely fine dust particles that have been carried too high in the atmospehre to be washed out by precipitation. Many of these particles remain aloft for months or years. It's Reid Bryson's thesis that dust of various kinds initiates short-term cooling trends with characteristic time spans of decades or centuries.

Past cool epochs, he believes, were triggered by increases in volcanic eruptions, which spewed huge quantities of dust into the stratosphere. Historical writings are full of accounts of the dimming of sunlight and the brilliant sunsets that prevailed throughout the world for several years after major eruptions. Scientists who have drilled through many layers of the Greenland and Antarctic ice sheets report evidence of lower temperatures in the same layers in which a lot of volcanic dust is deposited. And most climatologists agree that a diminution of the sunlight as small as 1 percent would suffice to initiate a cool period and perhaps even major glaciation.

During the early parts of the century, when the climate began warming, volcanoes were unusually quiescent. They've been acting up again since 1955, and monitoring stations in places as scattered as the Caucasus Mountains, Mongolia, and Greenland have recorded measurable increases in dust fall, as well as decreases in the transparency of the atmosphere, and in the amount of direct sunlight reaching the earth.

### THE HUMAN IMPACT

Bryson calculates, however, that neither volcanic activity nor the lack of it seems sufficient to account for the temperature ups and downs of this century. He is convinced that man's activities have been playing an increasingly significant part.

In agreement with other climatologists, he believes that a substantial increase in carbon dioxide from the burning of fossil fuels contributed to the earlier warming trend, through what's called the "greenhouse effect." Carbon dioxide happens to be quite transparent to light of short, visible wavelengths, which include most of the energy we receive from the sun. After this light penetrates the atmosphere, however, it is converted into heat by the earth and reradiated at the longer infrared wavelengths. Carbon dioxide molecules are not very transparent to infrared wavelengths, so this energy is trapped and reinforces the solar heating effect.

Bryson contends that sometime after 1930, the cooling effect of more dust in the atmosphere began to overpower the warming effect of carbon dioxide. Part of the dust blanket, no doubt, is due to industrial pollution. But Bryson suspects that windblown dust from mechanized agricultural operations and overgrazed arid land, plus smoke from the primitive slash-and-burn land-clearing methods widely practiced in the tropics, may have contributed even more. While all the man-made particles together are probably still outweighed by contributions from nature—volcanic dust, salt particles from evaporated ocean spray, and organic compounds emitted by vegetation—the human contribution is the only part over which man has any control.

Whatever its source, dust has a more pronounced cooling effect on the polar regions than on the tropics. For one thing, sunlight reaching the poles must travel obliquely through the dust layers, and therefore more of it is reflected. Also, there seems to be much less dust over the equator than in middle and higher latitudes.

### NATURE'S EFFORT TO EQUALIZE

What makes this variation important is that the large-scale circulation of the atmosphere is largely induced by the temperature difference between the equator and the poles. The wind system, which is illustrated on pages 92–93, can be viewed as nature's effort to equalize temperatures around the globe.

One mechanism is the heating and ensuing rise of warm, moist air from the equatorial oceans. In rising, the air sheds much of its moisture on equatorial rainy belts and then, like air above a radiator that spreads along the ceiling to the cooler walls, it travels toward either pole. It reaches only about a third of the way to the poles before it descends again to create the high-pressure belts where most of the world's major deserts are found.

Some of the descended air circulates back toward the equator in the form of the trade winds, while the rest continues on toward the poles. As it does so, it still carries with it much of the speed induced by the earth's east-to-west spin. At the equator, this amounts to about 1,100 mph, while precisely at the poles, of course, the rotational speed is zero. So as the air moves poleward, it blows more and more strongly from the west—the prevailing westerlies at lower altitudes and the jet streams on high.

Eventually the poleward-trending air runs into a barrier of sorts in the form of great caps of heavy, cold air extending outward from either pole. Together the westerly winds and the polar air mass make up what meteorologists call the "circumpolar vortex." It resembles a great skirt whirling around the poles. The lower hem of this skirt is full of waves and turbulence, particularly in the Northern Hemisphere, where there are numerous mountain ranges to perturb the flow of the wind.

Waves along the boundary come in several sizes. The very largest—of which there are normally only from two to six stretching end to end around the earth's temperate zones—tend to remain semistationary. Their location is determined partly by terrain and partly by temperature differences between various parts of the earth's surface.

### RAIN ON THE PLAINS

The vagaries of the circumpolar vortex account for most of the weather patterns in the temperate zones. The westerly winds, following the wavy profile, serve to bring warm southern air to northern regions or cold northern air southward. The greater the temperature contrast between the equator and the poles, the deeper and more numerous are the waves in the vortex, as though nature were trying harder to equalize the temperatures.

Long-range meteorologist Jerome Namias of the Scripps Institution of Oceanography says that the peculiarly cold winters in the western U.S. and the warmish winters in the East over the last few years are due to a southward projection of one of these waves, which has now situated itself over the central U.S. Cold air flows down its western boundary, and the return flow warms the East.

Such large waves also establish which places get rain and which don't. Several of Bryson's colleagues at Wisconsin, who detect emerging patterns like those that prevailed during the nineteenth century, predict that one consequence will be a return of heavier rainfall in the western plains and Rocky Mountain states. Many of the forty-niners who made the trek to California recounted that a hazard of crossing the plains was losing sight of the main party amid * * * unusually far south. In turn, the great desert-forming belts of descending air have been pushed farther south into heavily populated regions. The outward rush of air from these high-pressure zones has prevented the moisture-laden summer monsoon winds from penetrating into grazing lands that are dry the rest of the year. So the blocked monsoons ended up dropping their precious rainfall into the oceans or into regions that already have too much rain anyway.

### IF DESERTS MOVE SOUTH

Winstanley also noted that some areas to the north, on the Mediterranean coast, had been getting unusually heavy rainfall, while farther north still, in the British Isles, for example, rains had been generally scanty in recent years. He concluded that all these weather peculiarities derived from the same general circumstances: namely, the expanding size and the increasing waviness of the circumpolar vortex. If these weather patterns persist, they will shift entire deserts such as the Sahara southward, and all mankind's efforts to halt such climatological encroachment by, for example, planting windbreaks, or irrigation, will be futile.

By now, many experts agree that the circumpolar vortex is behaving in the peculiar way Winstanley described. Reid Bryson ties this behavior mostly to the global cooling trend and the widening temperature gap between the poles and the equator. In effect, the circumpolar vortex is acting a little as though it were winter all year round, refusing to contract poleward and smooth itself out.

Even though man's increasing production of carbon dioxide has helped to moderate the cooling trend and should continue to do so, Bryson contends that the greenhouse effect may actually be contributing to the troubles in the monsoon belt. Carbon dioxide in the atmosphere warms the earth's surface more than it does the upper air. The effect of a greater ground-to-air temperature differential is to increase the force of the upward movement of air at the equator and therefore the downward rush of air over the deserts.

Some climatologists remain unconvinced by Bryson's theories about the cause of the present cooling trend and the likelihood of its persistence. One of the most prominent of them is J. Murray Mitchell Jr., of the National Oceanic and Atmospheric Administration, who says, "I'm an agnostic. We observe these trends in the Northern Hemisphere, and we've seen they're real. But we can't find the central tendency of the trends or know how long they will last." Mitchell emphasizes that it's impossible to predict volcanic activity, and that climatic change appears to be a random matter. He suspects, though, that the present cooling trend will reverse itself for natural reasons, aided, perhaps, by the greenhouse effect. This would ease the blockage of the monsoons.

Other doubters include astronomer Walter Orr Roberts and M.I.T. meteorologist Hurd Willett, who suspect that climatic change is influenced by variations in the sun itself. They are among a number of meteorologists who have long puzzled over an apparent—though disputed—relationship between weather patterns and the eleven-year sunspot cycle. So far, though, no one has much in the way of an acceptable theory as to just how sunspots, which seem to cause only very small changes in solar energy, could exert any observable effect upon the climate.

### BAD ODDS FOR OPTIMISTS

Others emphasize that climatological theory as a whole is still far too primitive to predict what the future holds. One of these is Stephen Schneider, who is attempting to construct a mathematical model of climatological change at the National Center for Atmospheric research in Boulder, Colorado. Schneider believes that there's just as much in the way of physical evidence favoring a future warming trend as there is for continued cooling. Nevertheless, Schneider acknowledges that past experience can at least help to educate guesses about what the future holds: "If you were a gambler looking over the record and saw a temperature peak such as the one we've just been through, you wouldn't gamble that we're going to go back to *that* again. So Bryson has got his fingers on what is potentially a very serious problem."

A surprising number of respected figures in the field are willing to go along with Bryson's grim scenario—or at least regard it as a plausible outcome, based on present knowledge. Britain's Hubert Lamb, together with colleagues, is completing a study of last year's drought conditions in Africa, Trinidad, and the northern part of South America. Like Bryson and Winstanley, Lamb's group is coming to conclude that the droughts are associated with the cooling trend and particularly with the cooling of the Arctic. "Bryson and I have got an almost identical view of this," says Lamb, "but one must remember that there are quite important fluctuations in a rather short time scale going on all the time, superimposed on this long-term trend, so to speak. Probably 1973 was a particularly bad year."

### BANKING FOOD FOR EMERGENCIES

A fervent convert to Bryson's position is Kenneth Hare, of the University of Toronto, former president of Britain's Royal Meteorological Society, and now director general of research on the environment for the Canadian government. "Bryson is the most important figure in climatology today," Hare declares. "I'm naturally a lot more conservative than he is, but I take what he says very seriously indeed." Hare is interested in persuading governments to establish food banks to meet the climatic emergencies that he thinks may come to pass. "I don't believe the world's present population is sustainable if there were more than three years like 1972 in a row," he says.

No one has much idea as to how long the new climatic regime will last or how far it will proceed. At best, though, there's considerable inertia in the climate-generating system in the form of vast depths of ocean water that, once cooled, would take decades, at least, to warm back up again. Lamb's investigations reveal that past cool periods usually lasted for about a century, the minimum being about forty years.

Bryson believes that monsoons will probably not return regularly to regions such as northern India during the remainder of this century. If he is correct, there would seem to be scant prospect that even the present populations of the monsoon belts can be maintained, even if all the arable land in the rest of the world were placed in full production of this purpose.

### WHY EMPIRES FELL

Recently, some archaeologists and historians have been revising old theories about the fall of numerous elaborate and powerful civilizations of the past, such as the Indus, the Hittite, the Mycenaean, and the Mali empire in Africa. There is considerable evidence that they may have been undone not by barbarian invaders but by climatic change. Bryn Mawr archaeologist Rhys Carpenter has tied several of these declines to specific global cool periods, major and minor, that affected the global atmospheric circulation and brought wave upon wave of drought to formerly rich agricultural lands.

Refugees from those collapsing civilizations were often able to migrate to better lands. And Bryson speculates that a new rainfall pattern might actually revive agriculture in some once-flourishing regions such as the northern Sahara and the Iranian plateau where Darius's armies fed. But this will be of little comfort to people afflicted by the southward encroachment of the Sahara. The world is too densely inhabited and politically divided now to accommodate mass migrations.

McQuigg at Missouri and several researchers in a food-climate research project under way at Wisconsin's Institute for Environmental Studies are also concerned about the impact of climate change upon the highly specialized crop strains developed in the vaunted green revolution. They suspect that the price that has been paid for the high productivity may be lack of adaptability. The grains have been optimized for the narrow spectrum of temperature and rainfall that has prevailed in recent decades. There's reason to assume, say these researchers, that even though the older strains yield less under optimum conditions, they are more tolerant and likely to yield more under the multiple stresses of climatic change.

Climatologists worry, too, that powerful nations may try to overrule nature through ill-considered engineering projects. In the U.S.S.R., for example, a third of the grain crop comes from the drought-prone virgin lands of Siberia, and there has been talk of diverting some of the great Siberian rivers into vast irrigation projects. These rivers empty into the Arctic Ocean, where the light, fresh water spreads out atop the salt water and permits the arctic seas to freeze over. According to some experiments by a Russian scientist, O. A. Drozdov, and by British meteorologist R. L. Newson, who constructed a mathematical model of winds in the Northern Hemisphere, the paradoxical consequence of preventing the freezing of the Arctic Ocean is likely to be that winters would become colder and drier over many continental areas in middle latitudes. Even some prominent Soviet meteorologists have spoken out against the proposal. But if disastrous, prolonged droughts were to overtake the Siberian wheatlands, Soviet authorities might conclude that there is little to lose in going ahead with the projects.

### PLENTY OF MARGIN FOR ERROR

From the anthill perspective of a human lifetime, it is easy to perceive the sand-grain texture of weather but hard to comprehend the rolling topography of climate. Perhaps the most crucial insight to be gained from what the climatologists are learning is not some exact forecast of future climate, but rather that climate is, for calculational purposes, not a constant factor. Rather, it appears to be a wildly fluctuating variable—and a more important problem than others that we know a lot more about. In writing the equations for mankind's survival, we'd better allow plenty of margin for error.

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[From the Business Week, Mar. 9, 1974]

## Regulators: Wringing Data Out of Business

Confusion over the energy crisis and the course of the economy in 1974 has ignited a movement to reform the government's data gathering procedures. The aim is to compel business generally—not just oil companies—to give Washington more timely and extensive information on prices, inventories, and production—data that companies now provide largely on a voluntary basis.

What bothers lawmakers and Administration officials is that much of the information the government gets is almost useless. Says Cost of Living Council Director John T. Dunlop: "Most government statistics are great for professors to analyze after the fact but are of little value in making operating decisions. Business learned long ago that it needed a continuous flow of information to make decisions, and government needs the same capability."

Three proposals for reforming statistical reporting have been getting the most attention:

Julius Shiskin, commissioner of the Bureau of Labor Statistics, recently told the Joint Economic Committee that reporting for as many as 10 BLS surveys on prices, wages, and employment should be made mandatory.

Senator Gaylord Nelson (D-Wis.) plans to introduce a natural resources information bill that would establish an agency similar to the Census Bureau to centralize and expand federal data collection for all industrial and agricultural commodities.

Dunlop asked Congress to give the CLC continuing authority to require reports from industry on prices, wages, imports, and exports after the Economic Stabilization Act expires Apr. 30.

The central theme of almost all reform proposals is to make reporting by companies mandatory. At present, almost all quarterly and monthly surveys by nonregulatory government agencies are voluntary. Only some annual surveys, such as those made by the Census Bureau, are required. Thus, the government must rely on the cooperation of companies and households for information in such critical areas as prices, wages, and employment. Says Shiskin: "Cooperation from companies and households is quite good in some areas, but in others it is spotty."

Nelson's sweeping bill is intended to help fill the many information gaps that have led to recent inaccurate forecasts of commodity supplies, especially by the Agriculture Dept. The legislation would set up a monitoring system for all agricultural and industrial commodities that would gather information on prices, reserves, inventories, and production. The new agency would have authority to make reports mandatory and would issue regular reports and forecasts on commodities. "The problem is that information on critical materials is scattered all over the government, and there are gaping holes in the coverage because of inadequate reporting," explains Paula Stern, a legislative aide to Nelson.

### GETTING THE DATA

The Administration itself has moved to improve the government's economic data gathering. It is asking Congress to increase spending on statistical programs by 16% to $220 million in fiscal 1975. The money will be spent to develop a general wage index, to revise the consumer price index, to reweigh the wholesale price and industry sector price indexes, to study the timing and impact of government fiscal actions, and to initiate an annual survey of productive capacity.

Says Gary L. Seevers, a member of the Council of Economic Advisers and chairman of an interagency committee on economic statistics. "In my assessment, we are not overinvesting in economic information. In fact, we may well be underinvesting." He points out that the quality of economic statistics is not as high as it should be in some cases. "The CPI is based on a 1961–62 survey of consumer spending patterns," he says. "I think there is a need for an annual review of the CPI."

Proposals for improving government economic statistics are receiving a welcome on Capitol Hill because of the concern and admitted confusion over where the economy is headed. Says Representative Henry S. Reuss (D-Wis.): "There is more interest now in changing the government's data gathering because the problems with the economy have shown how fragile our statistical base is." He believes that Shiskin's proposal for mandatory reporting could help improve policymaking.

### PRIVATE OR PUBLIC

Efforts to make reporting mandatory are certain to cause controversy because of a natural corporate reluctance to reveal sensitive information. Says Wayne H. Smithy, director of national affairs for Ford Motor Co.: "Before the government requests mandatory reporting authority, it should demonstrate a clear need for the information, and it should provide protection against duplication of demands from agencies and against public disclosure."

In addition, the companies themselves will have to foot the bill to provide more data. "If agencies are given mandatory authority, the tendency will be to increase the amount of information requested, and this will increase the cost of answering them," says Smithy.

So far the Administration has asked for mandatory reporting only by the oil industry. Says Roye L. Lowry, an officer with the statistical policy division of the Office of Management & Budget, which must clear department requests for legislation: "So far as I know, no one has proposed initiating legislation to make reporting mandatory, and the OMB has not discussed the subject as policy."

Business fears about protecting the confidentiality of information given to the government were heightened this week when the Temporary Court of Appeals for Economic Stabilization ruled that the CLC must make public data submitted to it by business and labor. Most statisticians in and out of government believe that the only way to assuage business fears is to pass legislation guaranteeing confidentiality.

In addition, most economists and statisticians believe that not enough has been done to analyze systematically the costs and benefits of government information collecting. Explains Kenneth Boulding, an economist at the University of Colorado, "The problem is that it is easy to calculate the costs, but very difficult to identify the benefits."

There is also the larger question of whether more information will result in better policymaking. Says one government economist: "You can have all the data in the world and still fall in a hole."

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By Mr. GURNEY:

S. 3210. A bill to amend the Emergency Petroleum Allocation Act. Referred to the Committee on Interior and Insular Affairs.

Mr. GURNEY. Mr. President, today I am introducing a bill which would amend the Emergency Allocation Act to enable supplies of motor gasoline to make approvals of requests made by wholesale purchasers who submit an FEO 17 form for an adjustment of their allocation of motor gasoline of any amount up to a 40-percent increase.

Mr. President, presently the law requires that those wholesale purchasers wishing to have an adjustment of their motor gasoline allocation submit an FEO 17 form to their supplier. The supplier, if the request by the wholesale purchaser does not entail an adjustment of 20 percent or more, can approve such a request and make the appropriate adjustment.

However, those requests by the wholesale purchaser that entail a 20 percent or more increase, must first be submitted to the supplier whereupon after a supplier decides whether it can or cannot fulfill that request, then must forward on to the regional office of the Federal Energy Office this request for a final decision.

On February 22, 1974, I met personally with representatives of Florida's petroleum marketers and dealers. At the meeting, it was their unanimous opinion that this process had created mounds of paperwork for the Federal Energy Office at the regional level and resulted in unreasonable delays—sometimes as long as 5 weeks just for a 20-percent adjustment.

It was also the contention of these petroleum marketers and dealers that the oil industry and suppliers are totally familiar with the marketing conditions and demands of each area they service and that Federal Energy Office approval on a request for a 20-percent increase oftentimes results in an unfair and poorly thought-out decision.

Mr. President, the main thrust of this legislation is to free up the gasoline market which is bogged down by the FEO's 17 form. This measure, if enacted, would further decrease Government intervention as it applies to motor gasoline allocations, allowing suppliers to adjust by their own means without going through governmental red tape.

At the same time, I realize the reasons for passing the Emergency Allocation Act and it is for that reason, the Federal Energy Office would still retain the authority to review these adjustments, so as to assure that these allocations would be done on an equitable basis and that no favoritism would be given to a major brand of gasoline station over an independent gasoline station.

Mr. President, I have been informed that the Federal Energy Office is presently considering revision of the regulations governing allocation adjustments, and that the measure I am proposing today is one which is under discussion. Each and every one of us here today realizes that the Federal Energy Office has done an outstanding job in trying to solve the immediate problems of the energy crisis. It is only after this program has been in effect that adjustments to the program, such as the one which I am suggesting today, can be seriously considered. I hope my colleagues will join with me in urging immediate consideration of this proposal and I ask that the text of the bill I am introducing at this time be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3210

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4(c)(4) of the Emergency Petroleum Allocation Act of 1973 is amended by inserting immediately before the period at the end thereof the following: "In any case involving an adjustment in the allocation of gasoline, any form, application or other request submitted in accordance with the provisions of this Act or regulation issued pursuant thereto for such an adjustment involving less than a 40 per centum increase shall be submitted to the supplier and shall be acted upon by him within seven days following the receipt by him of such form, application, or other request and, in the case of any such form, application, or other request for such an adjustment involving a 40 per centum or more increase, such form, application, or other request shall be submitted to the Administrator of the Federal Energy Office and shall be acted upon by him within seven days following the receipt by him of such form, application, or other request.".

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By Mr. GURNEY:

S. 3211. A bill to amend the Emergency Petroleum Allocation Act of 1973, relating to adjustments in the allocation of gasoline. Referred to the Committee on Interior and Insular Affairs.

Mr. GURNEY. Mr. President, today I am introducing an amendment to section 4(c)(4) of the Emergency Petroleum Act of 1973. Basically, my amendment would require that when the Federal Energy Office is making adjustments in the allocation of gasoline established under the regulations, such adjustments will be made for a period of not less than 180 days.

Mr. President, on March 8, Deputy Administrator John Sawhill attended a meeting in my office with members of the Florida petroleum marketers and dealers. During the course of this meeting, several aspects of the mandatory allocation program were discussed, among which was the problem encountered by gasoline owners and operators as it related to their uncertainty of present allotments past a few months period.

In speaking of the posture of concern, I find that in the application of the act in its present state, it has a two-fold effect for which I am certain it was not intended. The current ability of the Federal Energy Office to only grant increased adjustments in the allocation of gasoline for a period of 60 days simply does not provide the individual dealer, coping with all of the other problems attendant to the energy crisis, with a sufficient adjustment upon which to base any reasonable business or operational projection.

I have been advised that Federal Energy Office is not attempting to make adjustments for a 12-month period. However, I have been informed, this is only an experiment which may be scrapped not because the program is unworkable or infeasible, but due to a lack of manpower to operate this program.

Another factor I would like to point out as to the urgency of such an amendment is that in filing of an FEO 17 form, the attendant processing of these applications simply requires so many days of transit and action time that it clearly makes the current 60-day period of the authorized increased allocation adjustment impractical and unrealistic.

Therefore, I submit this amendment as a more practical, urgently needed method of assisting and modifying the basic regulating authority to better serve the needs of the American people Mr. President, I ask unanimous consent that at the conclusion of my remarks the bill I am introducing today be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3211

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4(c)(4) of the Emergency Petroleum Allocation Act of 1973 is amended by inserting immediately before the period at the end thereof the following: "Increased adjustments in the allocation of gasoline established under such regulation shall be effective for a period of not less than one hundred and eighty days.".

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By Mr. GURNEY:

S. 3212. A bill to amend the Emergency Petroleum Allocation Act of 1973, relating to the mandatory allocation of gasoline. Referred to the Committee on Interior and Insular Affairs.

Mr. GURNEY. Mr. President, today I am introducing legislation which would establish a new formula for the distribution of motor gasoline.

The formula I propose will require the

President in directing the administrator to allocate motor gasoline to use a State's 1972 population census; the gasoline sales tax receipts of each State; the gasoline consumption increases within each State on a quarterly basis; and the 1937 motor vehicle license tag registration within each State, in determining an equitable gasoline allocation.

Mr. President, I do not have to tell my colleagues here in the Senate the problems that their States have been encountering with regard to the gasoline shortage, they hear it every day from their constituents and see the gasoline lines and closed gasoline stations. However, some States experience greater difficulties than others which clearly points out the inadequacies in the allocation program.

An example of the inadequacies of the present allocation formula used by the Federal Energy Office appeared in the March 8 edition of the Washington Post. In an article entitled "State Given Too Much Gas" the State of Connecticut energy officials said that the State's March gasoline allocation was much too high and fuel would be "flowing in the streets." I ask unanimous consent to have this article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### State Given Too Much Gas

Hartford, March 8.—Connecticut energy officials today said the state's March gasoline allocation is much too high and fuel will be "flowing in the streets" if the Federal Energy Office fails to correct the error.

The FEO quickly admitted the state was right.

In the midst of bitter complaints from other state officials that their states were shortchanged, Connecticut found it was allocated 21 million gallons over its deserved share.

The FEO announced Thursday that Connecticut would get a March allocation of 128.2 million gallons. Today, FEO officials checked and found that Connecticut should get 107 million gallons—about what state officials calculated was right.

State energy official Kenneth Woods said the apparent error was due to the FEO's computing Connecticut's non-taxable gallonage into the federal allocation formula.

Mr. GURNEY. Using my home State of Florida as an example, the State during the month of February 1972, consumed 323.8 million gallons of gasoline. In the month of February 1973, this had increased to 343.8 million gallons of gasoline, slightly lower than predictions had called for but easily explainable due to the 15-percent decline in tourism which was caused directly by the energy crisis.

According to the Federal Energy Office's estimations, Florida, to meet 85 percent of the State's requirements for the month of February 1974, would need 332 million gallons of gasoline. The allocation given to Florida was only 280 million gallons. I protested this allocation on the grounds that Florida is the fastest-growing largest State in the Nation and that her economy, relies heavily on the tourist industry which I might point out is Florida's number one industry pulling in some $5.5 billion in revenue alone.

Thus, the Federal Energy Office's allocation formula, which is based solely upon a percentage adjustment of gasoline consumption in 1972, and State motor vehicle growth, left Florida short some 63.9 million gallons based on February 1973 consumption.

Realizing the inadequacy of their formula, Administrator Simon, acting under directions by the President, on three separate occasions in February, ordered extra gasoline emergency allocations to some 26 States to provide relief to those areas most affected by the current shortage. These three additional emergency allocations amounted to 28.9 million gallons to Florida.

However, I would like to point out that this was still 35 million gallons short of what was needed just to meet February 1973 consumption, and as of this date some of that 28.9 million gallons of emergency allocation has still not reached Florida.

Mr. President, putting this on a yearly gasoline consumption basis, the State of Florida for fiscal year 1970–71, consumed over 3.3 billion gallons of gasoline; fiscal year 1971–72, over 3.6 billion gallons of gasoline, and during fiscal year 1972–73, some 4 billion gallons of gasoline. It is clearly evident that Florida's demands will be even greater—using a figure of 10 percent demand increase—than the predicted 4.3 billion gallons of gasoline during fiscal year 1973–74. However, using the Federal Energy Office's allocation formula, it will put Florida below its fiscal 1971–72 consumption level.

Mr. President, I fully realize that we must all be willing to tighten our belts during this energy crisis and Floridians are willing to make this sacrifice. However, they do not wish to be the victim of an unfair allocation formula.

We are all hopeful that the recent lifting of the oil embargo will be permanent. However, each one of us here in Congress realizes that this action could be reversed and result in a new embargo and perhaps a longer delay in solving our Nation's energy problems.

It is my intention by offering this new allocation formula to meet this crisis on an equitable basis, one which every State will gladly live with.

Mr. President, I ask unanimous consent that at the conclusion of my remarks, the bill I am introducing today be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 3212

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4 of the Emergency Petroleum Allocation Act of 1973 is amended by adding at the end thereof the following:

"(h) Notwithstanding any other provision of this Act, the President, in providing for the mandatory allocation of gasoline under this Act, shall take such action as may be necessary in order to assure that such allocation shall be determined on the basis of criteria reflecting the 1972 population census of each State, the gasoline sales tax receipts of each State, the gasoline consumption increases within each State on a quarterly basis, and the 1973 motor vehicle license registrations within each State."

By Mr. BROCK (for himself and Mr. Stevens):

S. 3213. A bill to establish an independent Foreign Economic Policy Board to assist the Congress in the development of policies affecting United States international finance, trade, investment, and aid; and for other purposes. Referred to the Committee on Foreign Relations.

Mr. BROCK. Mr. President, there is no denying that despite the latest upturn in the U.S. balance-of-payments picture, this country is still facing a long-term international financial problem.

In reviewing what has happened since August 1971, we see that the dollar floated for approximately 4 months until the Smithsonian agreement in December of 1971, which devalued the dollar against gold by 7.89 percent. However, the agreement proved not to be durable, and by the summer of 1972, the international monetary system was again in turmoil.

The dollar's weakness led to another devaluation by 10 percent—against gold—in February 1973. In March, the new schedule of exchange rates from February proved just as unstable as the previous one. The remaining major currencies holding fixed relationships with the dollar were then set into a joint float, and the "model" monetary system commenced on a new period of general flexibility.

The Smithsonian agreement and the February devaluation were hailed as successes but neither proved too stabilizing, and they were unable to deal with the root problems. While there has been recently a strengthening of the dollar abroad, the U.S. Government—most notably the Congress—still does not have the necessary organizational structure to deal with the long-term analysis of problems relating to U.S. international economic affairs—affairs upon which we are asked to legislate with authorizations and appropriations.

Even though the Executive now has, by statute, a Council on International Economic Policy, there is an internal struggle going on between that Council and the Office of the Special Representative for Trade Negotiations. Certainly this Congress and the Government need expert, independent aid in looking at the long-term economic issues involved in U.S. Government policies vis-a-vis the outside world. Only with the establishment of a "Council of Experts" to act as an early warning system for long-range problems will the United States Congress be able to maintain the strength of the dollar by taking actions today that will ensure tomorrow's financial stability. It is significant that two of our most distinguished economists, Dr. Her Bert Stein before the American Economic Association and Dr. Wassily Leontieff in the 14th March issue of the New York Times expressed quite similar views.

To maintain the strength of the dollar, to improve our economic structure, and to provide the Congress with authoritative advice on matters affecting the U.S. balance of payments, I am introducing today the International Economic Policy Act of 1973.

Section 1 of this act gives the short title.

Section 2 states that the purpose is to assist in the better coordination and long-range development of all governmental actions and policies affecting the balance of payments, trade, investment, and aid. It provides the Congress with the needed long-term analysis and expert advice in areas relating to the U.S. balance of payments.

Section 3 creates a Foreign Economic Policy Board and dictates that it shall be independent of the Executive Departments, under the control and the direction of a chairman, and responsible to the Congress. It also indicates that the Board shall be composed of five members appointed by the President by and with the advice and consent of the Senate. The Board members must be individuals of professional excellence appointed for 7-year terms with no more than three from the same political party. This would assure the vital elements of continuity and bipartisanship. These experts will be under the direction of the Chairman of the Board, and the Board will be responsible, in the final analysis, to the Congress of the United States.

Section 4 establishes the terms of Board members for 7 years and deals with the removal of Board members as well as the overall operations. A Board member may be removed only by the Congress of the United States by impeachment. The Board is directed in this section to submit its operating budget directly to the Congress of the United States and, as determined by the Chairman, the employees and Board members shall be subject to the Civil Service Retirement Act, with respect to pensions, annuities, and survivorship benefits.

The Chairman of the Board shall receive compensation at the rate prescribed by section 5313 of title 5, United States Code, for positions at level II of the Executive Schedule. Each other member of the Board shall receive compensation at the rate prescribed by section 5314 of such title for positions at level III of the Executive Schedule. This would insure that the highest caliber individuals could be retained as members of the Board.

Section 5 governs the employment of personnel and the specific administrative authority of the Board. It allows the Board to make expenditures for rent and contracts and authorizes the Board to hold public hearings on issues under study. Subsection (7) of this section authorizes the Board to establish advisory committees for consultations on international economic issues. Because some of the international economic issues that the U.S. Government is involved in are of a sensitive nature, this bill would exempt the advisory committees from the requirements related to open meetings, public notice, public participation, and public availability of documents contained in the Federal Advisory Committee Act (Public Law 92-463). For the orderly review of all international economic policies in which the U.S. Government is engaged, it is vitally necessary to have the ability to hold meetings in confidence. However, the Board is required to record and retain minutes of all closed meetings, and make them available to the several committees of the Congress at the official request of a committee.

Section 6 authorizes the Board to assist and advise the Congress in matters dealing with international economic issues. In addition, the Board is authorized to appraise the various programs and activities of the Federal Government with regard to the international economic position of the United States and to recommend to the Congress international economic policies which will foster and promote U.S. international trade and investment. Finally, the Board is authorized to accept assignments from the President if staff and funds permit.

Section 7 requires the Board to file an annual report with the Congress each year concerning its activities during the preceding year. Such a report is required by February 20 of each year. It also requires that any report or study undertaken by the Board must contain administrative and/or legislative recommendations deemed necessary to effectuate the conclusions of the report. This assures that the Congress will receive reports of substance rather than long disclosures on philosophical issues.

Section 7 furthermore requires that reports done by the Board be transmitted to the Congress and referred to the Banking and Currency Committee of the House of Representatives and the Banking, Housing and Urban Affairs Committee of the Senate.

Section 8 concerns the consultation with other groups and agencies and the utilization of Government services, private research agencies, and general access to information. The Board is urged to use all the services, facilities and information, including statistical information, of other Government agencies, in order to eliminate the duplication of effort. The Board is requested to consult with agencies of the Federal Government, including the National Security Council, the Council of Economic Advisers, the Federal Reserve Board, and the Council on International Economic Policy. This will assure a continuing input from these Federal agencies with regard to issues that the Board has under study. The Board is given access to all information of the Federal Government relating in any way to U.S. international economic dealings, including the use of foreign exchange, gold, gold guarantees, or the expenditure of any dollars abroad. Just as is the case with the General Accounting Office, no Federal department or agency may deny the Board access to U.S. international economic information, and if such access is denied, the Board is authorized to request the Comptroller General of the United States to use his powers to obtain any information that is denied. This assures that the bipartisan Board will have the cooperation of the various Executive Departments to study the various background documents and issues with regard to international economic problems on which the Congress may have to legislate.

Section 10 is an open authorization of funds for the Board as well as the authority for the Board to obtain printing services outside of the normal Government machinery. The Board will be able, therefore, to have its reports and studies printed either by the Government Printing Office or by an outside contractor, whichever is deemed to be more efficient and more timely. In addition, the funds appropriated under the act are authorized to be made available for 2 fiscal years with regard to section 601(5) which deals with detailed studies the Board may undertake by contract to outside groups or agencies. This will enable the Board to contract out long-term research projects through universities or other organizations over a time period of more than 1 year, and facilitate the payment of that contract out of the funds for the fiscal year in which the contract was granted.

The purpose of this bill is to move the complicated international economic policy structure of the U.S. Government out of the political arena. The Congress needs an expert, analytical discussion of the problems facing the United States. The Board is established as an arm of the Congress because in these troubled times, the Congress is lacking the machinery necessary to analyze the long-term issues in the international financial arena and to develop legislative remedies where possible.

The bill does authorize the Board to accept assignments from the President when staffing and funding permit. This assures that the President of the United States and/or the executive departments may also benefit and receive the advice and counsel of the Board on long-term policy issues without that advice being tainted with partisan politics.

Mr. President, the idea of having an independent "Council of Experts" to analyze long-range economic problems and suggest solutions is not new to governments. The Federal Republic of Germany has just such a Council of Experts for the Evaluation of the General Economic Development. I am told that the German Council is considered a "think tank" without any political influence. Originally, the Council concerned itself only with the German economy but more recently it has directed its attention to the European community as a whole. The German Council proposes fiscal and monetary policies that should be adopted for the long-range benefit of Germany as well as studying balance-of-payments issues.

Mr. President, you will recall that on August 2, 1971, I introduced similar legislation that would have set up a Foreign Economic Policy Board as an adjunct to the Executive Office of the President. What I said in August of 1971 applies today. That is, that after World War II, we applied the lessons of the past to the challenges of the future by unifying—more or less—our Armed Forces and creating a National Security Council. The bill I am introducing is intended to apply the implications of the future to the organizations of today. Those implications add up to the preponderance of economic issues on the scales of national survival—and indeed, of the survival of the free world. We must adapt our congressional structure to reflect the reality of today. Mr. President, we cannot write off our responsibilities to the American public for developing a sound, long-range international economic policy because we do not have the expertise to involve ourselves. This bill acts as a natural companion to Senator Humphrey's bill introduced on October 30, 1973, and would enable the temporary Joint Committee that that bill establishes to have expert and bipartisan advice.

I ask unanimous consent that the bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 3213

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "International Economic Policy Act of 1973".

### STATEMENT OF PURPOSES

Sec. 2. (a) The purposes of this Act are to—

(1) assist the Congress in the development of long-range actions and policies affecting United States international finance, trade, investment, and aid;

(2) assist the Congress in the establishment of priorities in the expenditure of United States foreign exchange or dollars abroad for all purposes; and

(3) provide the Congress with an orderly, long-term analysis and development, on the basis of independent, expert advice, of all Federal policies related to the international economic position of the United States, including, but not limited to, policies relating to finance, trade, foreign aid, United States direct investment abroad, the balance of payments, monetary policy, foreign tax treaties, international tourism and aviation, and international agreements affecting any such policy.

(b) The objectives of such policies should include, but not be limited to—

(1) strengthening the competitive position of the United States in world trade;

(2) balancing the international payment accounts;

(3) increasing exports of goods and services;

(4) protecting and improving the earnings of foreign investments;

(5) achieving the free movement of people, goods, capital, information, and technology on a reciprocal and worldwide basis; and

(6) providing for access at fair prices to essential raw materials and other supplies from foreign sources on a most favored nation basis.

### FOREIGN ECONOMIC POLICY BOARD

Sec. 3. (a) There is established a Foreign Economic Policy Board (hereafter in this Act referred to as the "Board"), which shall be independent of the Executive departments and agencies and shall be responsible to the Congress.

(b) The Board shall be composed of five members who shall be appointed by the President, by and with the advice and consent of the Senate, each of whom shall be a person who, as a result of his training, experience, and attainments, is exceptionally qualified to analyze and interpret international economic developments, to appraise programs and activities of the Federal Government related to foreign economic policy, and to formulate and recommend foreign economic policy and long-range planning to strengthen the international financial and economic position of the United States with respect to those purposes enumerated in section 2(a) of this Act. Not more than three members of the Board shall be from the same political party. The President shall designate one of the members to be Chairman of the Board, who, subject to section 4(e), shall serve as Chairman for the duration of his term, and shall designate one of the members to be Vice Chairman of the Board to act in the absence of the Chairman.

### REMOVAL OF BOARD MEMBERS; TERMS OF MEMBERS; BOARD OPERATION

Sec. 4. (a) Any Board member may be removed at any time by joint resolution of the Congress after notice and hearing, when, in the judgment of the Congress, such member has become permanently incapacitated or has been inefficient or guilty of neglect of duty, or of malfeasance in office, or of and felony or conduct involving moral turpitude, and for no other cause and in no other manner except by impeachment.

(b) The members of the Board first appointed under section 3 shall be appointed for terms as follows:

(1) one for a term of two years;
(2) one for a term of three years;
(3) one for a term of four years;
(4) one for a term of six years; and
(5) one for a term of seven years.

Each member thereafter appointed shall be appointed for a term of seven years commencing on the day after the expiration of the preceding term, except that a member appointed to an unexpired term shall be appointed for the remainder of that term.

(c) The Board shall meet at the call and under the direction of the Chairman.

(d) A quorum of the Board shall consist of three members. A vacancy shall not affect the power of the Board and shall be filled in the manner provided by section 3.

(e) The Chairman of the Board may resign his chairmanship without jeopardy to his position as a member of the Board. When any Chairman so resigns, the President shall designate another member of the Board as Chairman, who shall serve as Chairman for the duration of his term, subject to the provision of this subsection.

(f) The Chairman of the Board shall receive compensation at the rate prescribed by section 5313 of title 5, United States Code, for positions at level II of the Executive Schedule. Each other member of the Board shall receive compensation at the rate prescribed by section 5314 of such title for positions at level III of the Executive. Schedule.

(g) The Board shall not be subject to the provisions of chapter 35 of title 44, United States Code (relating to coordination of Federal reporting services).

(h) The Board shall submit its requests for appropriations directly to the Congress and shall not be subject to, or under the control of, the Office of Management and Budget or any successor agency.

(i) Any report or study issued by the Board under section 6 shall be approved by a majority vote. Dissenting views may be appended to any such report or study by those members taking a minority position.

### POWERS

Sec. 5. The Board is authorized—

(1) to appoint, remove, and fix the compensation of such specialists and other experts as may be necessary to assist the Board in carrying out its functions under this Act, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapters III and VI of chapter 53 of such title relating to classification and General Schedule pay rates, except that no rate of compensation may exceed the rate of basic pay received by an individual paid under level IV of the Executive Schedule contained in section 5315 of such title;

(2) to appoint, remove, and fix the compensation of such other personnel, including attorneys, as may be necessary to assist the Board in carrying out its functions under this Act, subject to title 5 of the United States Code governing appointments in the competitive service;

(3) to make expenditures for rent, printing, and binding (without regard to chapter 5 of title 44, United States Code), telegrams, telephone service, law books, economic books and studies, books of reference, periodicals, stationery, furniture, office equipment, other supplies, and necessary expenses of the board including travel for its operation, within the appropriations made therefor;

(4) to enter into contracts for research and study of international economic issues and other contracts necessary for the Board to carry out its function as set forth in this Act, including sole source contracts. The rules and regulations under which all contracts are to be awarded shall be established with the consultation and approval of the Comptroller General of the United States;

(5) to hold public hearings on issues before the Board and to pay the necessary expenses of such hearings. A transcript shall be made of all such hearings; and

(6) to establish advisory committees for consultations on international economic issues pending before the Board.

The provisions of subsections (a) and (b) of sction 10 of the Federal Advisory Committee Act (P.L. 92-463, relating to open meetings, public notice, public participation, and public availability of documents) shall not apply to meetings of advisory committees established under paragraph (6) whenever, and to the extent, determined by the Chairman that such meetings will be concerned with matters the disclosure of which would seriously compromise the Government's international economic relations. Minutes of all such meetings shall be made and retained, and shall be available to the committees of the Congress at the official request of any such committee and subject to the safeguard of confidential and secret information.

### DUTIES AND FUNCTIONS

Sec. 6. It shall be the duty and function of the Board—

(1) to assist and advise the Congress in matters dealing with international economic issues;

(2) to gather timely and authoritative infomation concerning international economic developments and international economic trends, both current and prospective; to analyze and interpret such information for the purpose of determining whether such developments and trends are interfering, or are likely to interfere, with the United States foreign trade, travel, and investments, and other policies and objectives enumerated in section 2 of this Act; and to compile and submit to the President and the Congress studies relating to such developments and trends;

(3) to establish priorities on the use of United States foreign exchange earnings consistent with a policy to maintain the strength of the dollar by increasing such earnings through recommended actions, and to assess the balance of payments impact of present and future United States natural resource requirements;

(4) to appraise the various programs and activities of the Federal Government for the purpose of determining the extent to which such programs and activities are contributing, and the extent to which they are not contributing, to the achievement of the objectives set forth in section 2(b) of this Act, and to make recommendations (including legislative recommendations) to the Congress with respect thereto;

(5) to develop and recommend to the Congress international economic policies to fos-

ter and promote United States international trade and investment; to further the purposes of the International Travel Act of 1961; to maintain the strength of the dollar through positive actions which will increase the United States foreign exchange earnings; and to further the objectives set forth in section 2(b) of this Act; and

(6) to make and furnish such studies, reports, and recommendations with respect to matters of Federal international economic policy and legislation as the President or the Congress may request consistent with the availability of staff and funds.

### ANNUAL REPORT

SEC. 7. (a) The Board shall make an annual report to the Congress by February 20 of each year concerning its activities during the preceding year.

(b) Each annual report submitted under subsection (a), and each report and study issued under section 6, shall contain recommendations for legislation or administrative action, or both, deemed necessary by the Board to effectuate the conclusions set forth in the report or study.

(c) Each annual report submitted under subsection (a), and each report made to the Congress under section 6, shall be referred to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Banking and Currency of the House of Representatives. Each committee may, at its discretion, file a report with its House on the action recommended (legislative or otherwise) in any report so referred to it.

### CONSULTATION WITH OTHER GROUPS AND AGENCIES; UTILIZATION OF GOVERNMENT SERVICES, PRIVATE RESEARCH AGENCIES; ACCESS TO INFORMATION

SEC. 8. (a) In addition to consultations with advisory committees established under section 5 (6), the Board may consult with such representatives of industry, agriculture, labor, consumers, associations, State and local governments, and other groups, as it deems advisable.

(b) The Board shall, to the fullest extent possible, utilize the services, facilities, and information (including statistical information) of other Government agencies as well as of private research agencies, in order that duplication of effort and expense may be avoided.

(c) The Board shall have access to all information of the Federal agencies related to United States foreign trade and investment and national employment related thereto, and to all information relating to the expenditure of foreign exchange or expenditure abroad of dollars by the Federal Government including defense expenditures defense expenditures abroad.

(d) The Board shall consult with all agencies of the Federal Government and any other individual or organization it deems necessary in the consideration of its recommendations.

(e) The Board shall consult regularly with the National Security Council, the Council of Economic Advisers, the Federal Reserve Board, and the Council on International Economic Policy.

(f) The Board shall have access to all information of the Federal Government relating to the international monetary position of the United States including actions of the exchange stabilization fund and any information relating to any obligations of the Federal Government which involves guarantees or repayments in gold, foreign exchange, or the expenditure of dollars abroad.

(g) No Government department or agency may deny the Board access to United States international economic information when officially requested by the Chairman. At the written request of the Chairman, the Comptroller General of the United States is authorized to use any powers available to him to obtain for the Board any information denied to the Chairman.

### SAFEGUARDING OFFICIAL INFORMATION

SEC. 9. The Board shall take all appropriate steps to safeguard confidential information as outlined in Executive Order 10501 (Nov. 5, 1953, 18 F.R. 7049), as amended, or as may from time to time be provided by the President, when such information is obtained from or supplied by any Government department or agency.

### AUTHORIZATION OF FUNDS

SEC. 10. To enable the Board to exercise its powers and functions under this Act, there are hereby authorized to be appropriated such sums as may be necessary. Funds appropriated under this section for contracts authorized by section 5(4) are authorized to be made available for two fiscal years.

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By Mr. BELLMON:

S. 3214. A bill to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organizations to review services covered under the medicare and medicaid programs. Referred to the Committee on Finance.

Mr. BELLMON. Mr. President, today I am introducing legislation which would repeal section 249(f) of Public Law 92–603, enacted by Congress on October 30, 1972.

The Senate is familiar with the legislative history of the Social Security Amendments of 1972. During Senate deliberations on H.R. 1, section 249(f) creating a "Professional Standards Review Organization" was added to the bill. This section required the establishment of PSRO to review the utilization of medical services provided under the medicare and medicaid programs. The legislative intent of section 249(f) was to guarantee that Federal payments would be made only when medically necessary and to insure that medicare and medicaid payments were made in the most economically appropriate manner. Although the stated objective of this legislation is sound, for numerous reasons the implementation of section 249(f) by the Secretary of HEW will in my judgment greatly impede the efficient operation and delivery of medical and surgical care. When one examines carefully the provisions establishing PSRO, one logically concludes it will have a severe impact on the practice of high quality medicine. The American Medical Association reported on January 24, 1974, the following:

> The considered opinion of this House of Delegates is that the best interests of the America people, our patients, will be served by the repeal of the present PSRO legislation.

Mr. President, repeal of section 249(f) is absolutely essential if we are to preserve the high quality patient care which presently exists in this country. Many objections have been registered by the medical community to this legislation. Let us examine these objections carefully to determine the urgency of repealing this section of Public Law 92–603.

The first objection to PSRO is the establishment of medical "norms" to guide the doctor's conduct when treating medicare and medicaid patients. PSRO's are required to apply norms of care, diagnosis, and treatment based upon typical patterns of practice in their respective regions. The precise nature of the "norms" to be established by this legislation is ambiguous and subject to varied interpretations. This will, in the judgment of Dr. Riley Strong, president of the Oklahoma Medical Association, result in "cookbook medicine." In his opinion, these federally designed "standards of care" will predictably drive up the utilization of health care services. He argues that laboratory and many other diagnostic tests may be listed as necessary to high quality care. The physician would then be put in a defensive position and would be required to order the recommended necessary tests even though he feels such tests are not essential to the patient's welfare. In this manner, the judgment of the individual practitioner may eventually be replaced by the "norms" established by the PSRO in his area. The reason for this result is simple to understand. To deviate from these "norms" could invite investigation by PSRO and may even expose a physician to civil liability. Mr. President, I ask unanimous consent that the letter from Dr. Strong be made part of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE OKLAHOMA STATE
MEDICAL ASSOCIATION,
OKLAHOMA CITY, OKLA., *March 15, 1974.*
Hon. HENRY BELLMON,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR BELLMON: I am writing to express the concern of all Oklahoma physicians about the federalized medical peer review program mandated by Section 249F of Public Law 92–603 (known as "PSRO"—Professional Standards Review Organizations) and to seek your counsel on the prospective repeal of a program which seems designed for failure.

The PSRO law would require that all Medicare and Medicaid claims would have to be screened prior to payment by a PSRO group of physicians working under federal contract; each and every claim would have to be manually and computer checked against federally approved standards to determine: (1) The medical necessity of the services rendered; (2) The quality of the health services provided; and (3) The propriety of the situs of care (most economical . . . office, nursing home or hospital). Physicans serving in positions of PSRO authority in the various jurisdictions would be required to report their colleagues for various forms of punishment, including admonishment or censure, fines up to $5,000, and disenfranchisement from participation in these federally funded programs (including public disclosure of the names of physicians dropped from the program).

PSRO is an aborted version of sophisticated peer review programs invented by physicians and operated by them on a voluntary basis in various parts of the country. The twisted application of this concept has apparently been borrowed by the Senate Finance Committee—and placed into law through an amendment to H.R. 1 for the purpose of restricting benefits to Medicare and Medicaid beneficiaries. It is also anticipated that the initial phase of this program (Medicare and Medicaid) will be a proving ground for cost containment under some form of National Health Insurance.

The Oklahoma State Medical Association is in favor of the concept of peer review. We have operated a peer review program voluntarily, without compensation, since

1965. While our program has not been perfect, due to lack of financial assistance from either the government or private insurance companies, it has been reasonably effective. At least half of our hospitals in the state have voluntarily established effective utilization review programs to assure optimum use of hospital care, and most other smaller hospitals (and the physicians working in them) have judiciously protected public and private health programs from abuse. Peer review was not invented by the Senate Finance Committee . . . it has been an important part of medical practice for at least twenty years.

In our opinion, the Congressional effort at cost containment embodied in PSRO is misdirected. In the following paragraphs, I will detail some of our concerns:

1. PSRO will cost more than it will save. Nationally, it is estimated to cost $500,000,000 initially (inpatient care only) and one or two billion dollars when all phases have been started (outpatient services will be reviewed eventually). In Oklahoma, start-up costs will be at least $300,000, and first-year operating costs will be $2,000,000 (this will be at least doubled when outpatient services are added to the review process). There is simply no way that cost savings can offset administrative expenses of this magnitude!

2. PSRO provides that all M.D.'s and D.O.'s will participate in PSRO administrative activities on a rotational basis. This will greatly compound our doctor supply problems . . . countless thousands of man-hours will be diverted from patient care to paper work!

3. Federally designed "standards of care" will predictably drive up the utilization of health services. Laboratory and other diagnostic tests will be listed as "necessary" to high quality of care. Physicians will be in a defensive position . . . they will order the recommended "necessary" tests even though they feel such tests are unnecessary. "Cookbook" medicine will be substituted for seasoned clinical judgment, and costs will rise accordingly. To deviate from the federal "standards" would invite investigation by PSRO and could well expose a physician to civil liability (plaintiff's attorneys have already recognized PSRO as a malpractice windfall).

4. PSRO is also misdirected because its alleged cost-saving concept is aimed at shortening the length-of-stay in the hospital. Actually, since Medicare and Medicaid were started in 1965, the average length-of-stay has been a stable or decreasing factor. Inflation has hit the daily cost of hospital care very heavily, however, so the real problem of costs (the unit costs of services which have risen sharply as a result of inflation) will not be affected by PSRO (except to increase inflation).

5. PSRO will compromise the privacy of the traditional privileged relationship between the physician and his patient. Patient records will be subject to various inspections under the terms of the law. In December, the Los Angeles Times editorialized against PSRO from the viewpoint that the last vestige of privacy remaining in America was soon to be lost.

6. PSRO would close many of the small hospitals in Oklahoma . . . those with marginal occupancy rates. The aim of PSRO is to cut the hospitalization of Medicare and Medicaid patients by 20% . . . a figure sufficient to force bankruptcy in at least 20% of our hospitals.

Physicians recognize, of course, that the government can rightfully expect some reasonable cost controls in any purchase of goods or services. However, sick humans are not the same as Jeeps or airplanes or atomic missiles. The same disease manifests itself in a unique way in each individual. Social factors govern the length-of-stay and the ability to recover from illness just as much or more than adequacy of professional care.

PSRO is an attempt to standardize patient care as one would a manufactured product. While there is a legitimate concern of government over the costs involved, we must be on guard that a rigid, heavily bureaucratic formula for cost containment does not result in a deterioration in the quality of the care of sick Americans who have been promised health benefits by the U.S. Congress.

PSRO will cost more than it will save . . . PSRO will violate privileged information . . . PSRO will foster "Cookbook" medicine . . . PSRO will stifle innovations in treatment . . . PSRO will discourage bright young people from choosing medicine as a career . . . PSRO will amount to federal licensure of physicians and hospitals . . . PSRO will diminish the already-strained supply of physicians by diverting too much of their time away from patient care.

In short, the PSRO law should be repealed in favor of developing a more reasonable concept with the assistance of practicing physicians and hospital administrators. We could probably support a low-budget financial assistance program whereby state medical associations could afford to improve existing peer review programs. Perhaps funds could be allocated on the basis of the Medicare and Medicaid populations in each state . . . objectives could be stated . . . and general accounting procedures could be defined. Medical associations would act responsibly, and we believe that much could be done at relatively small cost to improve the existing systems to effect optimum cost containment and promote quality of care . . . all without creating another gigantic federal bureaucracy and expecting physicians to become a part of it.

We have not been totally negative with respect to PSRO. In fact our "Oklahoma Foundation for Peer Review", created expressly for PSRO a year before it became law, is presently investigating a sophisticated peer review concept for the state. We have invested $5,000 in this study to date.

However, our association's House of Delegates will meet on April 6th to formulate policy as to our future involvement in PSRO . . . very likely our association will seek repeal of the existing law for the reasons mentioned above . . . while our Foundation will continue to work on the contingency that some form of improved peer review system can and should be developed.

Regarding the viability of repeal of the existink law, we would appreciate your completion and return of the enclosed questionnaire by April 4th in order that we may have a complete report for our House of Delegates on April 6th.

Cordially,

C. RILEY STRONG, M.D.,
*President.*

Mr. BELLMON. PSRO represents in my judgment an arbitrary and unwarranted interference by the Federal Government in the private practice of medicine. Private physicians could easily be made dependent on federally approved guidelines which in the long run could replace the medical judgment of a private practitioner

There is the additional problem that the "norms" could open the floodgates to malpractice suits. When considered outside of the context of PSRO legislation, as for example, evidence in malpractice litigation, they could be most misleading and harmful. Judges and juries unfamiliar with the Social Security Act might consider a "course of care" consistent with the norms to be a "due care" course of treatment. Accordingly, through a practical necessity to meet the norms, length of stay, and other PSRO requirements could eventually be extended as the norms became the minimum. Inversely, a "course of care" which was delivered without negligence but did not exhaust the PSRO norms might mistakenly be deemed to subject the physician to a charge of negligent conduct.

Many physicians who initially opposed medicare and medicaid programs argued that such programs could eventually result in Government control over the practice of medicine. In my opinion, the establishment of PSRO to monitor medicare and medicaid payments may represent the first step toward this control. Beginning shortly, a new Federal bureaucracy will be established with one basic goal: to control the medical care of all who receive Federal funds. The average citizen receiving medicare or medicaid payments would much rather be treated by a physician exercising his own discretion and independent judgment rather than following the arbitrary criteria and norms approved by the Federal Government.

In a society that has developed the most sophisticated medical practice known to man, the Federal Government now wishes to supplant the decision of an individual physician with the whims of a Federal bureaucracy. Local PSRO's will have the responsibility to see that doctors practice according to norms which, although formulated by local groups, will be subject to the National Council. This Council will include representatives of consumer groups and other nonphysicians unfamilar with the practice of medicine. A PSRO examiner, who may not be a medical doctor, will be able to challenge a doctor's professional judgment. The net result will be that a doctor may be penalized for making what the examiner considers to be unnecessary treatment by denying payment for the services rendered. The PSRO will in effect have the power to order the doctor who is treating a medicare or medicaid patient not to perform an operation that he feels is necessary, not to hospitalize a particular patient; or to change any medicines he has prescribed. If the doctor fails to abide or deviates substantially from the statistical norms, stiff penalties will be imposed. Willadean Vance, writing in the National Health Federation Bulletin, made the following observation:

> The PSRO provides for the standardization of treatment of every disease. One of the responsibilities of each regional PSRO is to prepare a schedule of "norms" covering the care, diagnosis, and treatment based upon typical patterns of practice in its region, including typical length of stays for institutional care by age and diagnosis. For example, if you were suffering from a cold, you may be permitted to see the doctor only once or perhaps twice. The drugs he may use must be selected from the approved list. The doctor possibly will not be permitted to X-ray your chest unless he is prepared to furnish justifiable evidence of why he suspects you may be developing a complication such as bronchial pneumonia; and a schedule of norms may limit your professional care to a period not to exceed five days.

Opposition to the implementation of PSRO is gaining momentum. Dr. John P. Hurd, Decatur, Ga., and president of the county medical society, urges the repeal of PSRO legislation. He states:

> First it is bad law by anyone's standards. . . . The truth about PSRO is becoming known. Our patients, even the few unhappy ones, do not want bureaucrats, even M.D. bureaucrats, telling their doctor when his patients can enter a hospital, how they will be treated, and when they must go home. Nor do they want to be taxed for having him told. Ask them—I have—and my patients are astonished to learn that such a law has been passed.

In addition, C. Riley Strong, M.D., president of the Oklahoma Medical Association, on March 14, 1974, stated the following:

> PSRO costs more than it will save. PSRO will violate privileged information. PSRO will foster cookbook medicine. PSRO will stifle innovations in treatment. PSRO will discourage bright young people from choosing medicine as a career. PSRO will amount to federal licensure of patients in hospitals. PSRO will diminish the already strained supply of physicians by diverting too much of their time for patient care. In short, the PSRO should be repealed in favor of developing a more reasonable concept.

The Association of American Physicians and Surgeons has stated:

> PSRO will destroy the freedom of physicians to exercise independent judgement in caring for medicare and medicaid patients by forcing them to conform to government-imposed norms of diagnosis and treatment.

Unquestionably, the best interests of the American people would be served by repeal of this law. In discussing the PSRO program, columnist James J. Kilpatrick noted the following on January 2, 1974, in the Washington Star News:

> These organizations, for all practical purposes, are to be agencies of the Federal bureaucracy—they will be funded by Federal funds and they will be staffed by Federal civil servants.

Mr. Kilpatrick concludes:

> My own observation persuades me that the PSRO plan is a wasting disease, insidious and destructive, demeaning and degrading. And sad to say, the bureaucratic disease is easy enough to diagnose, but almost impossible to cure.

Additional arguments against the PSRO program can be made. It has been argued that the doctor who gets involved with PSRO will find himself bogged down in paperwork. As the Wall Street Journal has observed:

> The doctor who submits to this smothering regulation will have little time left for his patients. The temptation, in any doubtful case, will be to abide by the omnipresent 'norm', to steer clear of innovation, to go strictly by the books.

Countless thousands of man-hours will be diverted from patient care to paperwork. With the national shortage of doctors, the implementation of PSRO would only work to compound this problem. Although PSRO was enacted to eliminate waste in the medicare and medicaid programs, it has been estimated by the president of the Oklahoma Medical Association that to implement PSRO for inpatient care solely will result in a cost of $500 million. In Oklahoma it is estimated that the startup cost will be at least $300,000 and that first year operating costs will be $2 million. Once outpatient services are added to the program, the costs will go even higher. Will the cost savings through these additional peer review groups offset the administrative costs involved? Since medicare and medicaid were established in 1965, the average length of stay for hospital treatment has been either stabilized or has decreased. The problem of medical costs has been the result of real inflation, which will not be affected or halted by the implementation of PSRO.

Medical associations have pointed out that by establishing PSRO, the confidentiality of the doctor-patient relationship may be seriously jeopardized. The doctor will be frequently forced to reveal his records to PSRO inspectors. If the physician is to receive payment for the services provided medicare and medicaid patients, he will have to abide by HEW guidelines. Even patients who will not receive Federal funds for medical services will be subject to having their records examined in order to establish the "norms" of medical care for that region. The net effect will be drastic weakening of the doctor-patient relationship.

Doctors may be terminated or suspended from participation in the medicare and medicaid program for failing in a substantial number of cases to comply with "norms" established by the law. The Secretary of Health, Education, and Welfare may impose a reimbursement obligation in the nature of a financial penalty for the value of services provided found to be improper or unnecessary up to $5,000. Each PSRO determination that a doctor has violated obligations specified in the law relating to necessity, quality, and appropriateness of care is required to be reported by the PSRO to the statewide council, which in turn must forward the report to the Secretary. This approach would, in the opinion of the American Medical Association "discourage or penalize valid innovation." This threat of suspension from practice and fines up to $5,000 has caused the medical community great alarm. Many doctors will refuse to be subjected to this type of treatment, because they feel they can no longer practice good medicine and give the patients the type of care that they deserve when the Government even indirectly dictates the type of treatment to be rendered, the laboratory procedures which must be done and the length of hospital stays. Few doctors will desire to practice their profession with a PSRO bureaucrat looking over their shoulders at every medical decision.

There is no need for this legislation. Most hospitals presently provide for one or more voluntary peer review committees. Peer review committees on a voluntary basis, whether within the individual hospitals or within a local medical society, have served well and have undoubtedly enhanced the quality of medical care available. The major distinction between these peer review committees and PSRO is that they are voluntary and private and have been developed within the profession. In my opinion, a more reasonable alternative to PSRO can and must be developed. Greater reliance should be placed upon the medical community.

According to Dr. Strong, president of the Oklahoma Medical Association:

> In short, the PSRO should be repealed in favor of developing a more reasonable concept with the assistance of practicing physicians and hospital administrators. We could probably support a low-budget financial assistance program, whereby state medical associations could afford to improve existing peer review programs. Perhaps funds could be allocated on the basis of the Medicare and Medicaid populations in each state. Objectives could be stated, and general accounting procedures could be defined. Medical associations would act responsibly, and we believe that much could be done at relatively small cost, to improve the existing systems to effect optimum cost containment and promote quality of care . . . all without creating another gigantic federal bureaucracy and expecting physicians to become a part of it.

I call upon the Senate to reexamine its position; to repeal section 249–F of Public Law 92–603 and to enact a new provision which would place full reliance upon State medical societies to develop their own systems of peer review through voluntary compliance.

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By Mr. BROCK:

S. 3215. A bill to authorize the Secretary of Commerce to enhance and validate certain export expansion activities. Referred to the Committee on Commerce.

Mr. BROCK. Mr. President, in earlier years diplomacy was our most potent action force in international affairs. During the first half of this century, with changing power patterns, ideologies, and technology, the emphasis shifted to the use of military force. More recently without realizing it, we have been thrust into a complex and unfriendly international economic conflict. One of the many intriguing aspects of this new and strange development is that many of our military allies have become our economic competitors. Another phenomenon is that the foes we conquered militarily, and who were quick to rebuild economically, most with U.S. help, are now among our leading economic adversaries.

The similarities with earlier conflicts can be extended: In this era of economic struggles—as before in war—we are almost totally unprepared and unmobilized. While our economic adversaries are relentless and aggressive, there is yet no sense of national commitment to cope with the threat to U.S. industry. This is because the threat is ill defined in the minds of the average American and the impact on the domestic economy is diverse and unevenly felt in selected industries and various regions throughout the country.

But with all of their diversity, the effects are real and several target areas have been seriously affected. These include the textile industry in the South; the shoe industry in the Northeast and South, the consumer electronic manufacturing industry throughout the country, the automobile industry, the steel industry, the fur industry, the flat glass industry, china earthenware, pianos, marble, and others. Even our giants in the high technology industries like computers and aircraft have felt the impact of foreign economic aggression.

All of this has had a hard impact on our balance of payments, by way of an adverse balance of trade, a significant economic barometer of domestic economic success. In 1971, for the first time since 1893, our trade surplus disappeared and we wound up $2 billion in the red. In 1972 the trade deficit was $6.9 billion. The active trade balance of $0.8 billion in 1973 unfortunately cannot be interpreted as an indicator of continued recovery. The oil crisis teaches us otherwise.

The Federal Government, recognizing the need for a concentrated and unified export expansion program has stepped up its efforts to promote the export activities of American firms. That there is ample room for improvement can be seen from the fact that only 6 percent of the 300,000 U.S. manufacturing firms do any exporting at all and only about 200 firms do more than half of what is done.

Federal export promotion is primarily the responsibility of the Department of Commerce whose 43 field offices are generally doing a commendable job, but they are hampered by a number of administrative and logistical obstacles which my bill is trying to remove. First, the area of responsibility of the field offices should be rearranged to coincide with State boundaries so that parallel efforts of State agencies and private institutions can be dovetailed with those of the Federal Government. Second, the small staffs of the field offices should enlist the support of experienced export executives to be "borrowed" from private industry. Third—and most important—the outdated export reporting system of the U.S. Bureau of Census should be brought up to today's requirements. It is not possible to expect effective export promotion if the most recent available export data are at best 3 years old. My bill, if enacted, would enable the U.S. Bureau of the Census, with little additional expense, to provide up-to-date monthly export data to the field offices of the Department of Commerce.

In view of our dire predicaments in the area of foreign trade I am hoping for an early enactment of this bill.

## ADDITIONAL COSPONSORS OF BILLS

### S. 1541

At the request of Mr. ERVIN, the Senator from Oregon (Mr. PACKWOOD) was added as a cosponsor of S. 1541, to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget; and for other purposes.

At the request of Mr. MUSKIE, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of Senate bill 1541, supra.

### S. 2510

Mr. CHILES. Mr. President, due to the rapid progress made by S. 2510, to create an Office of Federal Procurement Policy, in being passed by the Senate on March 1, a Senator who wished to support the legislation did not have the opportunity to be added as a cosponsor.

I ask unanimous consent that the Seantor from Kentucky (Mr. COOK) be added as a cosponsor of S. 2510, a bill to create an Office of Federal Procurement Policy in the Executive Office of the President, and for other purposes, and that the permanent record be corrected to add this name at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

### S. 2868

At the request of Mr. CHURCH, the Senators from Arkansas (Mr. FULBRIGHT), Missouri (Mr. EAGLETON), North Dakota (Mr. BURDICK), Ohio (Mr. METZENBAUM), California (Mr. CRANSTON), Utah (Mr. MOSS), Washington (Mr. JACKSON), Wisconsin (Mr. NELSON), Washington (Mr. MAGNUSON), Pennsylvania (Mr. HUGH SCOTT), New Jersey (Mr. CASE), Indiana (Mr. HARTKE), Massachusetts (Mr. BROOKE), Kentucky (Mr. HUDDLESTON), Vermont (Mr. STAFFORD), South Carolina (Mr. HOLLINGS), and New York (Mr. JAVITS), and Pennsylvania (Mr. SCHWEIKER) be added as cosponsors of S. 2868, a bill to provide for tax counseling to the elderly in the preparation of their Federal income tax returns.

### S. 3036

At the request of Mr. ABOUREZK, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of S. 3036, to protect the public health and welfare by providing for the inspection of imported dairy products and by requiring that such products comply with certain minimum standards for quality and wholesomeness and that the dairy farms on which milk is produced and the plants in which products are produced meet certain minimum standards of sanitation.

### S. 3064

At the request of Mr. ABOUREZK, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Hawaii (Mr. INOUYE), and the Senator from Kentucky (Mr. COOK) were added as cosponsors of S. 3064; a bill to amend section 111 of title 38, United States Code, pertaining to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities.

### S. 3163

At the request of Mr. MCGOVERN, the Senator from Delaware (Mr. BIDEN), the Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from Wyoming (Mr. HANSEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Rhode Island (Mr. PASTORE) be added as cosponsors of S. 3163, to amend the General Education Act.

### S. 3167, S. 3168, S. 3169, AND S. 3170

At the request of Mr. TOWER, the Senator from Pennsylvania (Mr. SCOTT), the Senator from Kansas (Mr. DOLE), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 3167, to amend title II of the Social Security Act to eliminate the special dependency requirements for entitlement to husband's and widower's insurance benefits, so that benefits for husbands and widowers will be payable on the same basis as benefits for wives and widows; S. 3168, to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record; S. 3169, to amend title II of the Social Security Act to provide that an insured individual otherwise qualified may retire and receive full old-age insurance benefits, at any time after attaining age 60, if he has been forced to retire at that age by a Federal law, regulation or order; and S. 3170, to amend title II of the Social Security Act to provide that any individual who has 40 quarters of coverage, whenever acquired, will be insured for disability benefits thereunder.

## ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTIONS

### SENATE CONCURRENT RESOLUTION 74

At the request of Mr. MCGOVERN, the Senator from Delaware (Mr. BIDEN), the Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from Wyoming (Mr. HANSEN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Rhode Island (Mr. PASTORE) were added as cosponors of Senate Concurrent Resolution 74, to express the sense of the Congress that advance funding of educational programs should be implemented.

### SENATE CONCURRENT RESOLUTION 76

At the request of Mr. KENNEDY, the Senator from South Dakota (Mr. MCGOVERN) was added as a cosponsor of Senate Concurrent Resolution 76, expressing the sense of Congress that negotiations be sought with the Union of Soviet Socialist Republics relative to naval and military strength in the Indian Ocean and littoral states.

## ADDITIONAL COSPONSORS OF RESOLUTION

### SENATE RESOLUTION 257

At the request of Mr. PASTORE, the Senator from Tennessee (Mr. BROCK), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of Senate Resolution 257, to amend the Standing Rules of the Senate to establish a procedure for requiring amendments to bills and resolutions to be germane.

## AMENDMENT OF FEDERAL ELECTION CAMPAIGN ACT OF 1971—AMENDMENT

### AMENDMENT NO. 1052

(Ordered to be printed, and to lie on the table.)

**Mr. ALLEN** submitted an amendment, intended to be proposed by him, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provision of law relating to the financing and conduct of such campaigns.

## REGULATION AND PROTECTION OF CONSUMERS FROM ADULTERATED FOOD—AMENDMENT

### AMENDMENT NO. 1053

(Ordered to be printed, and referred to the Committee on Commerce.)

**Mr. HOLLINGS** submitted an amendment, intended to be proposed by him, to the bill (S. 2373) to regulate and protect consumers from adulterated food by requiring the establishment of surveillance regulations for the detection and prevention of adulterated food, and for other purposes.

## PARTICIPATION BY THE UNITED STATES IN THE INTERNATIONAL DEVELOPMENT ASSOCIATION (S. 2653)—AMENDMENT

### AMENDMENT NO. 1054

(Ordered to be printed, and referred to the Committee on Foreign Relations.)

**Mr. JAVITS.** Mr. President, this morning the Foreign Relations Committee held the first of 2 days of hearings on the International Development Association, the arm of the World Bank designed to aid the world's poorest countries. Secretary Shultz testified on the essentiality of continued U.S. support for a multilateral effort to assist economic development around the globe. Secretary Shultz stressed particularly the interrelationship between the U.S. commitment to IDA and our international economic policies in trade, investment, and access to resources, in which the United States has the keenest interest. He also stressed continued U.S. support as a means of persuading the wealthy oil producing countries to fulfill their responsibilities toward the poorest developing countries.

In connection with U.S. participation in the fourth IDA replenishment, I wish to submit an amendment for greater precision. It is submitted on behalf of myself and Senators HUMPHREY, MCGEE, and PERCY. The amendment clarifies the nature of the U.S. contribution, which permits the United States to spread its payments over a 4-year period instead of the 3-year period traditionally agreed to by the other developed country contributors to IDA, and also should assure our colleagues that the U.S. contribution will not exceed $375,000,000 per year. I understand that this is fully consistent with the agreements reached in Nairobi last year. Mr. President, I ask unanimous consent that the text of the amendment be printed in the RECORD along with an explanation of IDA and the fourth replenishment.

There being no objection, the amendment and explanation were ordered to be printed in the RECORD, as follows:

### AMENDMENT NO. 1054

On page 1, line 8, strike out "$1,500,000,000" and insert in lieu thereof "four annual installments of $375,000,000 each"; and

On page 2, line 3, strike out "$1,500,000,000" and insert in lieu thereof "four annual installments of $375,000,000 each".

### INTERNATIONAL DEVELOPMENT ASSOCIATION (IDA) FOURTH REPLENISHMENT OF RESOURCES

Twenty-four member nations and Switzerland have recommended a $4.5 billion increase in the resources of the World Bank affiliate, the International Development Association (IDA).

Subject to Congressional approval, the United States has agreed to provide $1.5 billion to this 4th Replenishment. Twice that amount will be supplied by other donors, including 20 Part I countries (high-income) and three Part II countries (low income)—Israel, Spain and Yugoslavia.

While the U.S. share will decrease from 40% to 33% when compared with the $2.4 billion Third Replenishment, substantial increases are expected from Japan (5.9% to 11%) and the Federal Republic of Germany (9.6% to 11.4%). Among other major contributors are Great Britain, France and Canada.

#### ORIGIN

In the late 1950s it was generally recognized that a number of developing countries had approached the limit of their capacity to service "hard debt" and that others—particularly the newer ones in Africa—needed outright grants or interest-free loans to help get their economies going and to provide an acceptable minimum standard of living for their people.

Largely as a result of an initiative taken in the United States Congress, the World Bank drew up the Articles of Agreement of an institution, to be known as the International Development Association, that could provide development finance and technical assistance on terms more lenient and bearing less heavily on the balance of payments of developing countries than the Bank's own loans. IDA came into being as an affiliate of the Bank in September 1960, and by June 30, 1973 its membership totaled 112 countries.

#### MEMBERSHIP AND SUBSCRIPTION

IDA's membership is divided into two categories: "Part I" countries—the relatively developed or high income members—and "Part II" countries, comprising the poorer or less developed members.

Each Part I country pays its entire subscription in convertible currency, all of which may be used by IDA for its lending. Each Part II country pays only one-tenth of its initial subscription in convertible funds; the remainder of its contributions are paid in the members' own currency. To date, over $84 million has been contributed by Part II countries in subscriptions and replenishment contributions. Almost $20 million is expected this time.

#### TERMS OF IDA CREDITS

IDA's development credits are for a term of 50 years and bear no interest. After a 10-year period of grace, 1% of the credit is repaid annually for 10 years, while in the remaining 30 years 3% is repaid annually. IDA makes an annual service charge of ¾ of 1% on the disbursed portion of each credit, to cover its administrative costs.

#### OPERATIONS

IDA has the same staff and operating methods as the World Bank. IDA reimburses the Bank through a management fee for administrative expenses incurred on its behalf. The fee was established at $30.8 million by the Board of Directors for the fiscal year ending June 30, 1973.

Bank and IDA projects are identified, appraised and supervised in the same way. IDA projects have to satisfy the same strict economic criteria and the same high technical and managerial standards traditionally required of projects financed by the Bank.

A country's economic status determines the kind of money that will be made available to it, assuming that the project and the country's policies are considered sound. Thus some developing countries qualify only for Bank loans. Others qualify only for IDA funds. A few are eligible for a blend of the two, which has the effect of reducing their burden of interest payments when compared to Bank lending.

Up to June 30, 1973, IDA had lent a total of $5.7 billion to 66 developing countries for a wide range of projects in the fields of agriculture, education, industry, electric power, telecommunications, transportation, water supply, tourism and general development. More than half IDA lending of recent years has been for agriculture and education. IDA's portfolio of projects thus increasingly reflects the prioritiess and constraints in the poorer countries.

#### RESOURCES

IDA's funds for loans have been obtained from five sources: members' initial subscriptions; periodic replenishments provided by its richer members; special contributions made by some members; transfers of funds from the World Bank's net earnings; and IDA's own accumulated net income.

#### REPLENISHMENTS

Initial capital subscriptions were never envisaged as the sole sources of IDA's lending funds. From the beginning it was expected that IDA would have to obtain further funds from governments at various intervals, to enable it to continue operations. In 1964, agreement was reached on the first general replenishment by Part I countries of IDA's resources. This totaled the equivalent of about $750 million paid in over a three-year period.

A second replenishment came into effect in 1969, under which about $1,200 million was added to IDA's resources by the Part I countries and Switzerland, which is not a member.

Agreement was reached in 1971 for a third replenishment. This provides for contributions totaling somewhat over $800 million annually for three years. Three Part II countries—Ireland, Spain and Yugoslavia—took part in this replenishment, together with Part I countries and two non-members, Switzerland and New Zealand.

The United States agreed to contribute $960 million to the Third Replenishment. This sum was authorized by Congress in 1972. Congress is currently considering appropriating a second installment of $320 million, one year behind the original schedule.

#### WORLD BANK CONTRIBUTIONS

Funds contributed to IDA by the World Bank between fiscal years 1964–1972 have amounted to $705 million. In September 1973, the Board of Governors approved an additional $110 million transferral from the Bank's 1973 net income.

#### NEED FOR MORE FUNDS

By June 30, 1973, funds available for IDA's operations from all sources, subscriptions, special contributions, three replenishments, Bank transferrals and its own net earnings had amounted to $7.3 billion.

It is expected that this will be fully committed by June 30, 1974. Therefore, if IDA's lending program is to continue, approval of a Fourth Replenishment is essential.

*IDA credits by regions through fiscal year 1973*

[U.S. dollars in millions]

| | |
|---|---|
| Eastern Africa | $726.1 |
| Western Africa | 381.7 |
| Asia | 3,899.3 |
| Europe, Middle East, and North Africa | 520.7 |
| Latin America and the Caribbean | 235.6 |
| Total | 5,763.4 |

*IDA credits by purpose through fiscal year 1973*

[U.S. dollars in millions]

| | |
|---|---|
| Agriculture, forestry, and fishing | $1,612.9 |
| Education | 380.3 |
| Industry | 280.7 |
| Industrial imports | 1,000.0 |
| Population | 39.2 |
| Power | 481.6 |
| Technical assistance | 14.0 |
| Telecommunications | 320.4 |
| Tourism | 14.2 |
| Transportation | 1,428.3 |
| Urbanization | 30.3 |
| Water supply and sewerage | 161.5 |
| Total | 5,763.4 |

COMPARATIVE INDICATORS FOR IDA CONTRIBUTING COUNTRIES

[Dollar amount in millions of U.S. dollars equivalent]

| Donor nations | 4th replenishment contribution | | 3d replenishment contribution | | Percent of combined GNP of contributing countries | Official development assistance as percent GNP in 1972 | Population (millions) |
|---|---|---|---|---|---|---|---|
| | Amount | Percent of total | Amount | Percent of total | | | |
| Pt. I countries: | | | | | | | |
| Australia | $90.0 | 2.0 | $48.0 | 2.0 | 1.72 | 0.61 | 12.3 |
| Austria | 30.6 | 0.7 | 16.3 | .7 | .77 | .09 | 7.4 |
| Belgium | 76.5 | 1.7 | 40.8 | 1.7 | 1.34 | .55 | 9.6 |
| Canada | 274.5 | 6.1 | 150.0 | 6.1 | 3.93 | .47 | 21.1 |
| Denmark | 54.0 | 1.2 | 26.4 | 1.1 | .78 | .45 | 4.9 |
| Finland | 25.2 | .5 | 12.2 | .5 | .49 | (1) | 4.7 |
| France | 253.5 | 5.6 | 150.0 | 6.1 | 7.51 | .67 | 50.3 |
| Germany | 514.5 | 11.4 | 234.0 | 9.6 | 9.77 | .31 | 60.8 |
| Iceland | 1.3 | .03 | | | .03 | (1) | (2) |
| Ireland | 7.5 | .2 | 3.9 | .2 | .20 | (1) | 2.7 |
| Italy | 181.3 | 4.0 | 96.7 | 4.0 | 4.37 | .09 | 53.2 |
| Japan | 495.0 | 11.0 | 144.0 | 5.9 | 11.27 | .21 | 102.3 |
| Kuwait | 27.0 | .6 | 10.8 | .4 | .13 | (1) | 0.6 |
| Luxembourg | 2.2 | .05 | 1.2 | .05 | .05 | (1) | 0.3 |
| Netherlands | 132.7 | 2.9 | 67.5 | 2.8 | 1.71 | .67 | 12.9 |
| New Zealand | 11.7 | .26 | 3.3 | [3] .25 | .31 | (1) | 2.8 |
| Norway | 49.5 | 1.1 | 24.0 | 1.0 | .58 | .41 | 3.9 |
| South Africa | 9.0 | .2 | 3.0 | .1 | .72 | (1) | 20.2 |
| Sweden | 180.0 | 4.0 | 102.0 | 4.2 | 1.52 | .48 | 8.0 |
| United Kingdom | 499.5 | 11.1 | 311.0 | 12.7 | 5.75 | .40 | 55.5 |
| United States | 1,500.0 | 33.3 | 960.0 | 40.0 | 43.36 | .29 | 203.2 |
| Pt. II Countries: | | | | | | | |
| Israel | 1.0 | .02 | | | .26 | (1) | 2.9 |
| Spain | 13.3 | .30 | 2.5 | .1 | 1.73 | (1) | 22.5 |
| Yugoslavia | 5.0 | .11 | 4.0 | .2 | .58 | (1) | 20.5 |
| Switzerland (nonmember) | 66.1 | 1.50 | 30.0 | 1.2 | 1.14 | .21 | 6.2 |
| Total | 4,500.0 | 100.00 | 2,442.0 | 100.0 | | | |

[1] Not members of the Development Assistance Committee (DAC).

[2] Less than 1,000,000.

[3] Nonmember for 3d replenishment.

## CONGRESSIONAL BUDGET ACT OF 1974—AMENDMENTS

### AMENDMENT NO. 1055

(Ordered to be printed, and to lie on the table.)

Mr. ROTH (for himself, Mr. BARTLETT, and Mr. DOMENICI) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a Congessional Office of the Budget, and for other purposes.

### AMENDMENT NO. 1056

(Ordered to be printed, and to lie on the table.)

Mr. CHILES (for himself, Mr. JAVITS, Mr. MUSKIE, Mr. JOHNSTON, and Mr. Moss) submitted amendments, intended to be proposed by them, jointly, to Senate bill 1541, supra.

### AMENDMENT NO. 1057

(Ordered to be printed, and to lie on the table.)

Mr. JAVITS (for himself, Mr. HUMPHREY, Mr. CHILES, Mr. MUSKIE, Mr. MONDALE, Mr. JOHNSTON, Mr. MOSS, and Mr. PERCY) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 1541, supra.

## ADDITIONAL COSPONSOR OF AMENDMENT

### AMENDMENT NO. 1051

At the request of Mr. BARTLETT, his name was added as a cosponsor of amendment No. 1051, to the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a Congressional Office of the Budget, and for other purposes.

## NOTICE OF HEARINGS ON THE COMPREHENSIVE DRUG ABUSE PREVENTION AND CONTROL ACT OF 1970 AND ITS RELATIONSHIP TO THE PHARMACIST

Mr. BAYH. Mr. President, the problems of drug related crime, drug traffic and drug abuse, especially that involving young people, are among the most serious issues confronting the Nation. In 1969, after conducting extensive hearings on the adequacy of Federal drug control legislation, the Subcommittee to Investigate Juvenile Delinquency developed legislation which is an amended form became the Comprehensive Drug Abuse Prevention and Control Act of 1970 (Public Law 91-513).

Since 1970, the subcommittee has conducted extensive hearings on the implementation of the 1970 act and sought vigorously to assure that the Federal agencies responsible for enforcing the law acted consistent with congressional intent. In order to assess these accomplishments as well as the act's shortcomings, and to develop necessary clarification and improvements in the law to meet the ever-changing and increasingly complex patterns of drug traffic and abuse, the Subcommittee has scheduled several days of hearings this spring.

Mr. President, I wish to announce that the subcommittee will hold the first in this series of oversight hearings on March 28, 1974, at 10:30 a.m., in room 4232, Dirksen Senate Office Building. This hearing will focus on the Federal drug control legislation and its relationship to the pharmacist. Representatives from organizations who played a vital role in developing the 1970 act, such as the American Pharmaceutical Association; the American Association of Colleges of Pharmacy, the National Association of Chain Drug Stores, Inc., the National Association of Boards of Pharmacy, the National Association of Retail Druggists and the National Retired Teachers Association-American Association of Retired Persons, have been invited to testify.

Any person wishing to submit a statement for the record should notify John M. Rector, staff director and chief counsel of the subcommittee at 225–2951 or 302 Senate Annex, Washington, D.C. 20510.

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## NOTICE OF HEARINGS ON S. 2070 AND S. 3202

Mr. NELSON. Mr. President, I wish to announce that the Subcommittee on Employment, Poverty, and Migratory Labor of the Labor and Public Welfare Committee will hold hearings in Washington, April 8 and April 9, 1974, on my bills S. 2070 and S. 3202 to amend the Federal Farm Labor Contractor Registration Act of 1963. I ask unanimous consent that bill S. 3202 be printed in its entirety in today's Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 3202

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That

(a) this Act may be cited as the "Farm Labor Contractor Registration Act Amendments of 1974".

(b) Unless the context otherwise requires, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision the reference shall be considered to be made to a section or other provision of the Farm Labor Contractor Registration Act of 1963.

Sec. 2. The second sentence of section 3(b) is amended to read as follows: "Such term shall not include—

"(1) any charitable, educational institution, or any full-time or regular employee thereof, or any State or political subdivision to the extent that the activity is within the definition of farm labor contractor and is within the scope of duties set forth in Section 6(b) of this Act, and occurs between such State or political subdivision thereof and another State or political subdivision thereof, except that in a case where a State or political subdivision thereof directly recruits, hires, or transports 10 or more migrant workers from another State, territory or foreign nation at any one time in any calendar year the exception provided herein shall not apply;

"(2) any farmer, processor, canner, ginner, packing shed operator or nursery man (A) who personally engages in any such activity for the purpose of supplying migrant workers solely for his own operation or (B) who indirectly engages in any such activity through an agent or by contract, where he first observes in the immediate possession of the person so engaged a certificate from the Secretary that is in full force and effect at the time he contracts with such persons so engaged;

"(3) any person who engages in any such activity for the purpose of obtaining migrant workers of any foreign nation for employment in the United States if the employment is subject to—

"(A) an agreement between the United States and such foreign nation, or

"(B) an arrangement with the government of any foreign nation under which written contracts for the employment of such workers are provided for and the enforcement thereof is provided for through the United States by an instrumentality of such foreign nation; or

"(4) any full-time or regular employee of any person holding a certificate of registration under this Act."

Sec. 3. Section 3(d) of the Act is amended to read as follows:

"(d) The term 'interstate agricultural employment' means employment in any service or activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938 (29 U.S.C. § 203(f)), or section 3121 (g) of the Internal Revenue Code of 1954 (26 U.S.C. § 3121(g))."

Sec. 4. Section 5(a) is amended by—

(1) striking the word "and" after paragraph (2),

(2) striking the period at the end thereof and inserting in lieu thereof a semicolon, and

(3) adding the following new paragraphs:

"(4) has posted a bond with the Secretary in such manner and in such amount (but not less than the sum of $5,000), as the Secretary may from time to time prescribe, which bond shall provide security against liability in such farm labor contractor to any third person, including any employer, employee, or person recruited, solicited, or transported by him while engaging in activities as a farm labor contractor;

"(5) has filed, under such terms as the Secretary may prescribe, a statement identifying each vehicle to be used by the applicant for the transportation of migrant workers, and all real property to be used by the applicant for the housing of migrant workers, during the period for which registration is sought, along with proof that every such vehicle and all such housing currently conform to all applicable Federal and State safety standards; and

"(6) has consented to designation of the Secretary as the agent available to accept service of summons in any action against such farm labor contractor at any and all times during which such farm labor contractor has departed from the jurisdiction in which such action is commenced or otherwise has become unavailable to accept service, under such terms and conditions as are set by the Court in which such action has been commenced."

Sec. 5. (a) Section 5(a) (2) is amended by striking out "$5,000" each time it appears and inserting in lieu thereof "$50,000".

(b) Section 5(a) (2) is further amended by striking out "$20,000" and inserting in lieu thereof "$750,000".

Sec. 6. Section 5(b) is amended by—

(1) striking "or" at the end of paragraph (9);

(2) striking the period at the end of paragraph (10) and inserting in lieu thereof "; or"; and

(3) adding after paragraph (10) the following new paragraph:

"(11) is not in fact the real party in interest in any such application or certificate of registration and that the real party in interest is a person, firm, partnership, association, or corporation who previously has been denied a certificate, or has had a certificate revoked or suspended."

Sec. 7. Section 5 is amended by adding at the end thereof the folowing new subsection:

"(d) Persons issued a certificate of registration under this section shall provide to the Secretary a notice of each and every address change within 10 days after such change. The Secretary shall maintain a public central registry of all persons issued certificates of registration under this section."

Sec. 8. Section 6(a) is amended by inserting immediately before the semicolon at the end thereof the following: "and shall be denied the facilities and services authorized by the Act of June 6, 1933 (29 U.S.C. 49), upon refusal or failure to exhibit the same."

Sec. 9. (a) Section 6(b) is amended by inserting the words "in writing" immediately after the word "disclose", by striking the word "and" before clause (5), and by inserting before the semicolon at the end thereof the following: ", and the minimum period of employment;"

(b) Section 6(b) is further amended by inserting after clause (2) the following: "(3) the existence of a strike or other concerted stoppage, slowdown, or interruption of operations by employees at a place of employment which he knows or would discover in the exercise of reasonable diligence, or which has been so certified by an authorized agency of Federal or State government, (4) the existence of any arrangements with any owner, proprietor, or agent of any commercial or retail establishment in the area of employment under which he is to receive a commission or any other benefit resulting from any sales provided to such commercial or retail establishment from the migrant workers whom he recruits."

(c) Clauses (3), (4), and (5) of such section are redesignated as clauses (5), (6), and (7), respectively.

Sec. 10. Section 6 is amended by—

(1) striking "and" after paragraph (d),

(2) striking the period at the end of paragraph (e) and inserting in lieu thereof a semicolon, and,

(3) adding at the end thereof the following new paragraphs:

"(f) refrain from recruiting, employing, or utilizing the services of any person whom he knows or should know to be in violation of the provisions of the Immigration and Nationality laws of the United States; and

"(g) refrain from recruitment of workers for employment which is the subject of a strike, slowdown or labor-management dispute where the effect of such recruitment is to interfere with such strike, slowdown or labor-management dispute on behalf of the employer."

Sec. 11. Section 7 is amended by adding at the end thereof the following: "The Secretary or his delegate may issue subpenas requiring the attendance and testimony of witnesses or the production of any evidence in connection with such investigations. The Secretary, or his delegate, may administer oaths and affirmations, examine witnesses, and receive evidence. In case of contumacy or refusal to obey a subpena, any district court of the United States within the jurisdiction of which the inquiry is carried on or within the jurisdiction of which said person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Secretary or his delegate, shall have jurisdiction to issue to such person an order requiring such person to appear before the Secretary or his delegate, to produce evidence if so ordered, to give testimony touching the matter under investigation or in question, any failure to obey such order of the court may be punished as a contempt. The Secretary shall conduct investigations in a manner which protects the confidentiality of any complainant or other party who provides information to the Secretary with respect to which the Secretary commences an investigation. The Secretary shall continually monitor and investigate activities of farm labor contractors in such manner as is necessary to enforce the provisions of this Act."

Sec. 12. Section 9 of the Act is amended by inserting the letter "(a)" at the beginning thereof and by adding at the end thereof the following: ", sentenced to a prison term not to exceed one year, or both, and upon conviction for each subsequent violation of this chapter, shall be punishable by a fine not to exceed $10,000 or a prison term not to exceed three years, or both. Every violation of any provision of any section of the chapter shall be considered a subsequent offense for the purposes of this section if the person convicted shall previously have been convicted of a violation of any provision of any section of this chapter. Prosecution for the violation of any section of this Act shall not bar prosecution for a violation of any other section of this Act, or of any law, statute, or ordinance proceeding from any action of the offender."

"(b) any farmer, processor, canner, ginner, packing shed operator, or nursery man who indirectly engages in activity as a farm labor contractor either through an agent or by contract, who fails to satisfy the requirements of section 3(b)(2)(B) of this Act shall be liable for any damages arising from the acts or omissions of anyone engaging on his behalf in activities as a farmer labor contractor without a certificate of registration as required herein, in any action brought under the Act, regardless of whether the farm labor contractor is an independent contractor or an agent of such person;

"(c) If, upon inspection or investigation, the Secretary or his authorized representative believes that a person has violated a requirement of this chapter or of any rule or regulation prescribed pursuant to this chapter, he shall issue a citation to the violator or refer all evidence of such violation to the United States Department of Justice. Each citation so issued shall be in writing and shall describe with particularity the nature of the violation, including a reference to the provision of the chapter, rule or regulation alleged to have been violated. Such citation shall be deemed to charge an offense triable before a United States Magistrate, or otherwise, as defined in title 18 U.S.C. §§ 1(3) and 3401; and

"(d) Where the Secretary or his authorized representative be in possession of prima facie evidence of a violation of subsections (b)(1) through (b)(6) of section 5 or subsections (e), (f), or (g) of section 6 of this Act, or of any rule or regulation promulgated pursuant to said subsections, the Secretary shall take such action as is reasonably necessary to carry out the enforcement of this Act which, at a minimum, shall include the suspension of the registration of the farm labor contractor against whom such evidence is discovered."

SEC. 13. (a) The Farm Labor Contractor Registration Act of 1963 is amended by inserting after section 11 the following:

"CIVIL RELIEF

"SEC. 12. (a) Any person claiming to be aggrieved by the violation of any provision of this Act or any regulation prescribed hereunder may file suit in any district court of the United States having jurisdiction of the parties without respect to the amount in controversy or without regard to the citizenship of the parties.

"(b) Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the action without the payment of fees, costs, or security. If the court finds that the respondent has violated any provision of this Act or any regulation prescribed hereunder, it may award damages up to and including $500 for each and every violation. The court, in its discretion, may allow the prevailing party a reasonable attorney's fee as part of the costs. Any civil action brought under this section shall be subject to appeal as provided in sections 1291 and 1292 of Title 28, United States Code.

"(c) The Secretary, or his delegate, may petition any district court of the United States within which violations of this Act are alleged to have occurred for appropriate temporary or permanent injunctive relief.

"PROHIBITED ACTIONS

"SEC. 13. (a) It shall be unlawful for any person to terminate, suspend, demote, transfer or take adverse action against any employee in retaliation for the exercise, by such employee, of any rights secured under this Act.

"(b) A presumption that an action is retaliatory shall arise from any action described in subsection (a) of this section which occurs within a period of 180 days following an action by an employee which constitutes an exercise of a right secured to such employee under this Act.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 14. There are authorized to be appropriated to carry out the purposes of this Act $5,000,000 for the fiscal year ending June 30, 1975, and a like amount for each fiscal year thereafter."

(b) Sections 12, 13, 14, and 15, are redesignated as sections 15, 16, 17, and 18 respectively.

SEC. 14. The Act is amended by addition at the end thereof the following new section:

"NONWAIVER PROVISIONS

"SEC. 19. Any agreement by an employee purporting to waive or to modify his rights hereunder shall be void as contrary to public policy, except a waiver or modification of rights or obligations hereunder in favor of the Secretary or his duly authorized agent shall be valid for purposes of enforcement of the provisions of the Act.

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## ANNOUNCEMENT OF MARKUP OF S. 2744

Mr. RIBICOFF. Mr. President, I wish to announce that the Subcommittee on Reorganization, Research, and International Organizations, having completed 7 days of hearings on S. 2744, a bill to establish an Energy Research and Development Administration, ERDA, and a Nuclear Energy Commission, NEC, will begin marking up the bill on April 9. It is my hope that the bill will be reported to the full Government Operations Committee before the start of the Easter recess.

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## ADDITIONAL STATEMENTS

## INAUGURAL ADDRESS BY VENEZUELAN PRESIDENT

Mr. KENNEDY. Mr. President, I placed in the RECORD yesterday news articles commenting on the inaugural address of Venezuelan President Carlos Andres Perez.

I stated then that the new Venezuelan leader had spoken not only to his countrymen but to all nations in the Western Hemisphere. It was an eloquent affirmation of democratic principles and a firm statement of the hopes of the new President.

Therefore, today, I ask unanimous consent that the full text of the inaugural address by Venezuelan President Carlos Andres Perez be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### PRESIDENT CARLOS ANDRES PEREZ' INAUGURAL ADDRESS

Mr. President of the Congress of the republic, Mr. Vice President of the Congress, Mr. President of the Supreme Court of Justice, Your Eminence Jose Humberto Cardinal Quinteo, the archbishop of Caracas, Mr. President of the Supreme Electoral Council, Mr. President of the Judiciary Council, former constitutional President Romulo Betancourt, former president of the governing junta Edgard Sanabria, citizen members of the Executive Cabinet, most excellent gentlemen, heads of special missions, messrs comptroller and attorney general of the republic, gentlemen members of the high military command, presidents of the municipal councils of the federal and sucre districts, messrs rector, vice rector and secretary of the Central University of Venezuela, auxiliary bishops of Caracas, messrs presidents and other members of the political parties, special guests, ladies, gentlemen, senators, deputies:

The Venezuelan nation shares this moment with me. For the fourth time since 13 February 1959 in a democratic transfer of the command of the republic, the president elected by the sovereign will of the people swears his oath in this very place to begin a new constitutional period. Democracy is irrevocably [words indistinct] the future of Venezuela. [words indistinct] This is the historic moment to say so, with the strengthening of the system in the minds of the people, the period in which I will lead as chief of state should be the beginning of an age of genuine popular achievements that will make possible a social and economic democracy as an expression of the most cherished hope of the men and women of Venezuela.

I have the wholehearted support of the people, and I can count on the strong backing of the armed forces, which are capable and well disposed toward the defense of sovereignty and the maintenance of internal order and are fully willing to contribute to all toward all the national tasks of development and to make my government strong in promoting the cause of the weak and those excluded from social progress.

We have gathered the necessary strength for this enterprise, which requires the creative energy of all the inhabitants of our country. The nation's historic foundations are firm and this endeavour can be achieved. I see that I am surrounded by the expectations of the nation, and I will live up to them. We will open new horizons in the land of Venezuela.

The great speed with which the world moves and which effects drastic changes in every aspect of life, obliges us to take great strides. Now, for the first time in our developing world, there is a marshalling of forces that enables the hopes born in the dreams that fired the vision of our liberators to be fulfilled.

We are experiencing a process of Latin American maturity. Our geopolitical location in the universe is the Third World. All the people who are exploited through their raw materials and are underpaid for their labor, and whose economic sovereignty is abused desire a peace that is not a prize of the privileged, but coexistence in wellbeing so that international economic development will not be limited to the growth of the large nations.

This promising picture of the world realities, of affirmation of the Latin American conscious and nationalism will be a touchstone in our efforts at outlining a new scheme for development that will not deepen further—and to the contrary, will reduce—the economic inequalities between the different sectors of the nation's population.

I utter these words and pledge the actions of my administration in this year of 1974, the 150th anniversary of the Battle of Ayacucho, which sealed the independence of South America, and also the 150th anniversary of the calling of the Amphictyonic Congress of Panama.

On 7 December 1824, the liberator foresaw an end to the American wars of political independence, which were decided 2 days afterward by Venezuelan Marshall Antonio Jose de Sucre on the Peruvian fields of Ayacucho, and went ahead to call the congress of the previously Spanish republics which were in fact already confederated in the Isthmus of Panama.

His genius prevailed and therein lies the destiny of greatness of Latin America. If the other republics do not decide immediately, I foresee delays and immense losses at a time when everything in the world is accelerating rapidly and could also be accelerating to our disadvantage. [President Perez is apparently quoting Simon Bolivar here]

[These are] prophetic words . . . here 150 years later we find ourselves on the threshold of this road. Fortunately, we are ready to walk down it with determination and without hesitation, with Peru, with Panama, with Colombia, Ecuador and Bolivia, and with all 150th anniversary of the Panama congress and the battle of Ayacucho as an affirmation of the Latin American community. We will reach out for firm bonds which will contribute to Latin American integration, the starting point of the new Ayacucho, which is the economic liberation of Latin America.

In 9 months we will commemorate these great events. All the heroes of Latin American independence believed in the unity and solidarity of their people. The doors of history are wide open for the continuing and crowning of the endeavour. As Andres Bello would have said, the fate of this Latin American republic will depend upon our determination. Our future, the kind of nation we are going to build, depends on us and our actions.

This decade of the 1970's will be one of great achievement for Venezuela and Latin America. Here, in this congress hall the flame of our just demands concerning petroleum was lit in 1970. We recovered control of the prices of our main resource. Venezuela now has the opportunity to offer Latin America, through petroleum, effective cooperation to carry forward the common struggle for independent development, fair prices for raw materials, a just participation of the economic balance in world trade.

The world political order that came after World War II is showing itself to be insufficient in the face of the new reality and for this reason different ideologies have taken on new meanings. The bipolar world has given way to the multipolar world. The monetary system is adrift, lacking a wheel to guide it in accordance with the new truths of the new world. The energy crisis caught the confident big nations by surprise. Many confrontations have taken place, and it is yet too soon to have definite solutions regarding the institutional arrangements which must be based on the recognition of the economic rights of the developing nations.

Not until that time will the new monetary balances be agreed upon. This is a moment of great change and dynamism. However, it is possible to reach some conclusions.

One conclusion is the desire for integrating countries, markets, regions and subregions. Venezuela is part of an integration process in the Latin American area which not only will be fruitful because of the need for economic and political agreements, but because, as we have said already, it is also a mandate of our history.

My government will work fulltime so that the agreements reached will be consolidated and perfected in practice, and will also seek [word indistinct] every point of possible understanding with Latin American nations. This attitude will always be extended to the other nations that suffer together with us the injustice of the present international division of labor, but will not stop us from simultaneously approaching other areas of world exchange. We hope to develop fruitful relations with all nations regardless of their political, social and economic systems. We want our voice to be heard and the words accompanying our action to be respected, because we do not want to be a dependent, subordinate or subjected nation but fully and proudly sovereign. [applause]

Different facts limit the independence of modern nations. One of these is technology. I state with full conviction that without technological development and without developing the intelligence and aptitudes of the human resources of the nation, no nationalism is viable. Our nationalism will have to be wise enough to know that it must be carried out within the framework of multinational interdependence, but without losing its own image and its vote for the interest and sovereignty of the nation.

Other circumstances have arisen which interfere with our independent development. These are personified by the corporations which have their own interests, but are at the same time the means of spreading technology. I refer to the multinational enterprises. The Venezuelan state should seek practical ways of acting. The state's interests will rarely coincide with that of these enterprises, but it will be intelligent and convenient for both these and us to seek agreements and areas of understanding. Today's nationalism is not a matter of rhetoric, but a manner in which to obtain and to realize a policy for the nation and the Venezuelans within the common context of Latin American interests.

We are going to realize our people's old aspiration for oil to be Venezuelan. [applause] Various legal instruments exist that guarantee the reversion of oil. However, today we can see the advantage of speeding up this process to immediately establish a new national and nationalist oil policy. We must discuss and approve this before the country, and the national Congress will have the final word. But it will not be by the simple exercise of sovereignty or by a congressional majority [that this will be accomplished], but in the name of and by the decision of the entire nation. More than a new law, we need agreement between Venezuelans on what we can and should do to fulfill this unique mandate which history has given us.

No dogmatism will bind the oil policy of the government which begins today. I realize, that the nationalization of oil is not an exercise in rhetoric, but a plan of action. The clearer the tone of the words we use, the better we will be able to hear and understand ourselves. If we scream, we will run the risk of giving our words a different sound, which may cause us to deviate from, or confuse, the goals we seek.

I am going to appoint a commission of individuals representative of the nation to advise the government in its study of the alternatives we are going to consider and submit to Congress.

Thus, I would like to obtain the participation of all Venezuelans in the search for the greatest possible national consensus for the important decisions we will have to make. It is most urgent to determine the nation's energy policy. Within the framework of this policy we will be able to plan for the nation's use of energy, hydroelectric, petroleum and gas resources and we will be able to set aside reserves of conventional petroleum and gas for national development, and define—in accordance with the objectives of this long-range oil policy—our treatment of the new petroleum reserves and the national conditions and requirements for the future exploitation and exploration of the Orinoco strip.

Our destiny as an oil producing country is linked to a basic action; if we want oil to be ours it is not enough to nationalize it. The achievement is closely tied to the training of enough Venezuelan personnel to insure future development. We will have to develop, from school days forward, a solid awareness not only of the value, but also of the use of oil resources. The administration of oil is part of a broader concept of the disposition and utilization of resources for the benefit of all Venezuelans and not just a privileged circle.

The price of oil has provided a productive source of monetary resources, which are not the product of Venezuelan effort. We have both a powerful [treasury] bolivar and a productive but devalued bolivar shriveled like a nut in a shell. As president, I propose to assess this matter clearly. Fiscal affluence may continue to lead us—even more forcefully—toward excessive spending, and this will in turn lead to the loss of the bolivar's domestic value.

I have stated that during my administration I will do everything necessary to balance the purchasing power of the bolivar. We will not let ourselves be influenced by the illusion of easy money policies that consent to import squandering in line with our mining country mentality, nor by apparent solutions to the imbalances caused by world inflation in the import prices of our raw materials and foodstuffs. We will [develop] our monetary policy with the knowledge that we can trust in our creative capacity and our capability to prepare a new development scheme that will give our currency internal strength and enable us to export the products of our nationally produced wealth.

Fiscal affluence compels us to be prudent. A surplus of assets will have a harmful effect on the economic system as a whole. We will have to carefully manage our investments so that the wealth which has so suddenly dropped into our hands will not be spent unproductively. A special diversified investment fund within and without Venezuela will consume the major portion of the new income and direct it toward solid, specific goals, as far removed as possible from greedy, fleeting consumption.

I would like to refer especially to the severe threat of inflation which is already a Venezuelan reality and has a serious impact on all the cities of the nation. The dramatic price increases of raw materials, manufactured goods and basic foodstuffs have not been caused by world inflation alone. Basically, our development scheme is also to blame—the lack of foresight and the improvised methods with which we have traditionally run the country. It would be illusory to believe that we are going to resolve the supply crisis in a short time without any serious difficulties.

A governing principle will guide our policies against scarcity and inflation and in defense of the consumers' purchasing power. This principle will protect the less-favored sectors. The government will soon announce the specific steps it is going to take, among them a salary increase under conditions which will be established in due time.

Prosperity is not the cold facts of financial statements. Neither is it reflected in a trend toward growth in the material production of goods and services. Prosperity is social wellbeing. It is the quality of the lives of all Venezuelans. The most obvious conclusion from this interpretation of development is that it would be inexplicable and illogical to have high levels of real and financial wealth without adequate income distribution.

The social and economic democracy to which my government will be committed requires constant vigilance so that the nation's riches may be extended to all social levels. Income from petroleum concentrated in the hands of a few would be opulence without democracy. We are obliged therefore to choose a new scheme of development. The historic era now beginning requires adjustments and rectifications. This is not the time to discuss the successes or failures of the past, but rather a time to make current decisions on what must be done from now on. [applause]

A long-term social and economic plan must be created that is more equitable than the current one. The physical equipping and organization of the territory must be thought of as one of the strategies to be formed in order to reach the prospective model within a reasonable time. In this regard the realization of public works is not an objective in itself, but rather a means toward the ultimate achievement of man's welfare.

Reorientation of that policy must also take into account the following criteria: analysis of the needs that have been satisfied in former constitutional periods; and consideration of the equilibrium produced among the different sectors and regions of the country, in which the gap between rural and urban environments is emphasized.

Because restructuring of agriculture and strengthening of the agrarian reform—without the hindrances of corruption and errors—is one of the government's primary objectives, special importance will be given to completing projects in these fields: to increase production and productivity and to facilitate the distribution and marketing of agricultural produce. With this in mind, very ambitious projects are being planned for water exploitation and rural highways. Special emphasis will be given to projects to improve agricultural lands that are subject to flooding and have poor drainage systems, all of this in accordance with the stipulation of the national plan for the exploitation of hydraulic resources.

In addition to the decisive role which agriculture will play within national development, projects in this field will serve to ease the exaggerated process of urbanization and will try to equalize the standard of living of Venezuelans in rural and urban areas, thus producing effects that will influence future urban development and housing programs, that will produce more favorable living conditions in rural areas, and that will also create very important social and economic benefits for the urban population by stimulating the expansion of craftmanship, of small and medium industry, while also guaranteeing better quality foods at prices within the reach of the people.

Urbanization in the more developed countries is a manifestation of progress because it is due to accelerated expansion of employment in cities which have become industrialized and to the simultaneous increase in agricultural productivity, which requires that more be produced. In countries like Venezuela, this phenomenon does not occur, and a large percentage of those who have deserted the countryside in order to achieve a higher standard of living have ended up merely existing on the fringes of the city.

The policy of fiscal and credit incentives, agricultural regionalization and [word indistinct], technical assistance, the supply of fertilizers, the guarantee of rural property and security, trade and transportation—all will be instruments to effect this transformation. And we will not hesitate to apply a rational policy of subsidies for the modernization of agriculture that is directed toward increased productivity. It is also necessary to begin with firmness and boldness to improve agricultural credits.

The agricultural debt, which is strangling the entire Venezuelan agricultural economy with strong and long tentacles, is the most negative and regressive circumstances in that sector. It is hindering—and will become even stronger—the modernization of national agriculture.

The new Venezuelan development plan will be based on the premise that agriculture is the starting point for other types of development and that any industry which is not rationally nurtured by it will be left in a vacuum and exposed to very severe risks.

The model of development will inspire my government is closely linked with the policy of full employment. The intensive use of capital and technology will be directed toward areas in which high productivity is required in order to enter enthusiastically the field of exporting nontraditional products. It will be up to the state, the businessman and the union organizations in cooperation to draw up a new employment policy that will adjust industrial techniques to the mechanization required if we are to use the unemployed labor force.

Siderurgical and petrochemical development are two great challenges facing Venezuela. The siderurgical and petrochemical industry, the industralization processes for petroleum and iron offer very important and obvious prospects. Intelligent and practical nationalistic criteria, which are flexible and versatile, must direct the decisions we make in this field.

Many joint plans and new ways of doing things may be combined in industrial negotiations, so that Venezuela can sell less petroleum and more products which use it as a raw material or as an industrial element of energy production and not export (raw materials), but rather steel, manufactured goods and machinery. Venezuela will not be able to comply with the minimum requirements of the challenge it faces without reforming the state and the administration. It can be said without exaggeration that the structure of the state is sometimes inefficient, and sometimes distorted or frankly anachronistic and useless.

The levels of efficiency in public administration are frankly unacceptable. There is a great gap between the state and the citizen, who is unable to get public services or reach administration officials for an answer or a proper solution to his demands. In a modern country, public officials should be responsible for the services they render to the state. A public post is not a privilege, it is a service. Therefore, paternalism, arrogance and irresponsibility are unacceptable. Legislation on this administrative problem is urgent and is an essential instrument for the functioning of a legal state.

The state must be under democratic control. I believe we have new opportunities. As president, I will always be happy when the branch institutionalizes the means of control fundamental to the balance of power.

The Venezuelan state cannot sponsor any particular interests of sectors or influential groups. Neither can it stand by with indifference while a few get rich on the wealth of the people. I want to be president of all Venezuelans! [applause]

Antimonopoly laws and laws to protect the consumer should be rapidly approved by the legislative branch. We will submit bills and we hope that they will be discussed calmly and that their objectives will be understood fully. For the past 13 years our legal and political system has been regulated by the 1961 Constitution. This shows the stability of our political regime. It had been customary to have constant, capricious changes of constitutions. Only the one from 1830 has managed to [words indistinct] the spirit of the last constitution was to have a stability so that this nation, which has had so many constitutions, would not succumb to the temptation of making amendments or revisions simply for transitory or circumstantial reasons.

I think the time has come to present some ideas in connection with this important matter. In a special message to Congress I will suggest amendments to the constitution, since it is Congress' and the legislative assemblies' exclusive privilege to take the initiative on this matter. We have discovered through experience and the force of political activities that all provisions of the 1961 Constitution are not adaptable to Venezuelan realities and needs today. Our political changes have been continuous, and I do not exaggerate when I say we have accumulated valuable experiences. I am not overlooking the fact that a constitutional amendment or revision requires a significant national consensus so that the provisions adopted are not considered accidental or transitory, but rather the result of urgent demands.

I want to ask the political parties and the various ideological sectors and groups to think about this. The state's structural reform is part of a modernization policy which affects the entire political, economic and social system. I want the people to think about this. I am inviting all sectors to give their opinion so that we can make a clear, quick and effective decision.

I want to insist on the everyday effort to get the most out of public administration. State inefficiency is a discredit to democratic systems, and there is no reason to think that a regime of freedom is incompatible with the most demanding targets such as the administration's social deficiencies. As promised, I plan to make an evaluation of all state institutions, a national audit of the autonomous institutions and state's enterprises. We must make a clear and objective report on the state of public assets as handed over to us, so that when we end our mandate we can report on the real accomplishments of our administration. [applause]

I will also conduct a serious, all-encompassing and complete administrative reform regarding structural, functional, selective, personnel wage and management control. I will appoint a committee composed of capable persons, most of whom are not part of this administration, but with proven experience and knowledge in public and private areas, to carry out this urgent requirement.

An analysis of what is causing administrative inefficiency and of modern solutions to overcome it can hardly be carried out successfully by persons who have full-time jobs with the administration. This requires constant external pressure to overcome the natural inertia in every bureaucratic body. The national Congress should actively participate in the study. It is the legislative branch that will have to approve the necessary changes in the law and other needed areas for a reformed administration. I personally will ask the committee to exchange views regularly with the respective congressional committees so that the bills submitted to Congress are the efforts of a sincere partnership.

Public services are precarious in Venezuela. This is proof of a nation run inefficiently. One service which is in a deplorable state is mandatory social security, the structure and operation of which will be subjected to a profound revision.

A list of administrative deficiencies in Venezuela would be unending. I want only to make general reference to a subject that affects most citizens: a citizen is a consumer of services. A democratic country should have all its services up to date, effective and efficient. [Applause]

Special attention should be given to health. I regret to say that in the health field, the level generally used to appraise the state of public health; are stagnant and, in some respects, there has been a definite decline. This situation coincides with the deterioration, which already has become a public complant, in the institutions that run these services. For these reasons, special emphasis will be given to developing needed human resources. Great attention will be given to training personnel locally and abroad. Incentives will be established to encourage them to give them all. Measures will be taken to promote that spirit which used to characterize health workers. Legal foundations will be established to effect changes in the administrative organization and make them more functional in areas of sanitary control as required by the present state of health in Venezuela. They will be directed to create a national health service. Right now there is only agreement about its need and about what it should be called, but its establishment cannot be hastened.

It is quite evident that the country is facing serious difficulties in mental health. The frequent riots over trivia, the large number of brawls and homicides, the alarming number of traffic accidents without apparent reason—all are a clear demonstration of the aggressiveness or irresponsibility of certain sectors of our population.

In welfare we have an expensive, awkward situation created by the proliferation of medical services and of organized employees by the various ministries, autonomous institutions and state enterprises. I estimate that we are investing over 300 million bolivars a year in these services and yet they render incomplete, often deficient service. We will proceed to unify them so as to provide full ambulatory and hospital medical care not just for public employees, but for their families as well.

The deterioration of facilities and of medical equipment is alarming and has already created a critical situation which must be solved soon. It will be up to the health sector to take the lead in a decisive program of family planning which should take into consideration those sociocultural factors causing the problem. The program must be based on educational activities to orient families.

The Health and Social Assistance Ministry, traditionally directed by doctors, despite its great experience has neglected its responsibility for the second half of its title, that is, social assistance. Needed programs such as welfare, development and social assistance have been neglected. For this reason we will proceed as soon as possible to carry out studies to evaluate how to improve those sectors and perhaps unify them with social security in one organization.

The mother and her child will come under the state's protection and attention. Responsible fatherhood, defense of the rights of women workers, pediatric services and free milk for babies among the immense legion of castoffs are other measures and urgent duties the national constitution demands of the state.

We have reached a satisfactory level in political democracy. It is time to organize the system of participation. Participation is not improved simply because the citizen votes for his leaders. To participate in the political destiny of the state and of society is a broader, more dynamic process. There must be permanent communication between the citizen and the state. Through the institution of local and municipal action and also regional organizations a profound message should be carried to the government as the result of a confluence and continuous adjustment of ideas, feelings, thoughts and interests.

My government will know how to listen. I will make every effort to listen to the anguished voices of those who, having hidden in their hovels with anxiety and distrust, through my election campaign have regained the confidence that they will be listened to in the street and in the village. [applause]

The battle against poverty will be one of my administration's main concerns. Poverty is incompatible with democracy growing and taking root. Development is not merely the accumulation of impersonal statistics on economic graphs. Wealth must be social wealth or it will never be productive.

In our cities, as in other nations of Latin America and of the so-called Third World, urbanization has been characterized by its reasonableness. Unemployment—largely eliminated by the farming crisis—has had an influence in the formation of a mass of difficulties and barriers to the creation of an acceptable degree of well-being and happiness. The poverty-fighting programs run the risk of being reduced to mere rhetoric unless the instruments of action are implemented. The policy of full employment, the revamping of agriculture, the programs of small and medium industry, of reforestation and of training of human resources will be essential mechanisms in the crusade against poverty.

Greater political participation goes hand-in-hand with greater participation in enjoying the benefits of society. When I was declared president-elect, I also announced the interest my government will have in cooperating with other Latin American countries in continental plans against poverty. The shaping of men calls for an overall revision of the educational system. We must educate in order to produce, to grow and to live harmoniously in equilibrium with life and with nature. The educational system must be linked more directly to production plans so that we may have the human material necessary for modern farming, for efficient industry, and for rendering services. I emphasized my concern over these things. In my travels through the nation, especially during my last tour as president-elect, I became aware of the enormous deficiencies of the educational system, which is not only related to the demands on the economic and social systems, but also to the dynamic population growth.

I am in a position to declare that an agreement with the educational sector and with the youth in order to plan the future destiny of human resources will be a vital and sacred commitment for my government. I have faith in Venezuelan youth; I know it well. I will be proud to fulfill its ambitions. We will make it more understanding, uniting it with the society of which it is a part, putting adequate education within its reach so that it will not feel deceived and will heighten its awareness of a certain and sure destiny. Therefore, we will create the youth ministry according to the bill we will soon submit to Congress. [applause]

My willingness to understand the nation as a whole and as a coordination point of a variety of productive activities leads me to the special consideration of science, culture, art and technology.

I understand that intelligence is the basic infrastructure of development and that national culture is the basic infrastructure of nationalism. The intellectual, the artist, the scientist, the professional and the technician must feel protected, respected, heard and considered by the national community. My government offers the intellectual, scientific or artistic creator the deepest respect—regardless of his political position, his manner of thought or feeling—because in a pluralist and democratic society, dissidence is also a part of the nation's collective destiny. [applause]

Democratic planning is fundamental, not only in the development but in the very functioning of a pluralist community. The government should try to develop as many areas of agreement and understanding as possible. Plannnig is an instrument of pluralist agreement and that is why the National Planning Council will be a specific factor in reaching that goal.

The nation's plan will be an essential document for the state and for society. It is necessary to recall that not all the tasks the nation has ahead will be the work of the government. Private industry will have my confidence and support for its plans and activities. But by the same token, I ask for its cooperation with the goals of the government so that its contribution will be increasingly dynamic, effective and without collusion or confusion with regard to the areas of action of the public private sectors.

Democratic planning will lead us to a policy on public expenditures based on austerity and rationality. Venezuela cannot become engaged in uncontrolled consumption and the squandering of energy or resources. Democratic planning must also fix public expenditures within limits so that investment will grow beyond occasional or temporary levels.

Democratic regimes are identified with a state of legality, and the latter always has at hand the possibilities of renewal, of change and of adjusting to new realities. Democratic renewal is a building process without end, because it is the result of improvement, of days and of years. Many institutions are about to be modified and require immediate changes. Numerous bills are pending, waiting to be drafted or awaiting debate or approval. The constitutional system cannot be developed unless there are laws and regulations to complement it.

The legislative chambers which are beginning their activities must tackle essential tasks and responsibilities. I offer my most complete cooperation in this regard. [applause]

The cooperation among government branches and the interaction of their functions is not only a modern principle of constitutional science, but an unavoidable necessity. Just as a legislative effort is necessary, it will also be necessary to provide the judicial branch and all activities flowing from the administration of justice with resources and regulations to protect its action. We will provide the judicial branch with appropriate quarters which befit the state magistracy and with salaries commensurate with their mission and position. The system of selection of judges must be revised. Justice is not only a principle of state and a goal of society, but a service demanded by the citizenry. Its efficiency and proper functioning are indispensable for the atmosphere of trust in which our social and political life must unfold. We will relentlessly fight wrongdoing and crime. We will guarantee the security of individuals and property rights. [applause]

It is important not to confuse the repression of crime with actions against dissenting social behavior. I request the cooperation of political parties, of economic and labor organizations, social and cultural institutions, youth, student and feminine sectors—in a nutshell, of all Venezuelan society—so that government action in this field will be as effective as possible. Specific plans will be developed immediately as part of a systematic, permanent, continuous and forceful campaign against crime and criminals. Democracy and development must be backed by a policy of security for citizens, which is an obligation of the state and a principle consecrated in constitutional, democratic order.

My government will pay attention to all public and private institutions. I will concern myself with strengthening ties and relations with them. The Catholic Church, as well as other religious organizations, will receive my consideration and respect. Freedom of religion is a historical fact and a constitutional principle which stems from freedom of conscience.

The development of trade unionism is a solid conquest of Venezuelan democracry. The strength of labor unions enhances social and political stability and is a balancing element within the regime of pluralist democracy. We must strengthen unions by providing them with adequate legislation to defend their interests as well as by revamping the official institutions which supervise collective contracts and insure compliance with constitutional provisions to promote workers rights.

The Venezuelan people will help out—during my 5-year mandate—in this extraordinary commitment with history. We will gather in our hands all the necessary instruments to decide our future. This will depend on our determination. It will be the grandeur destiny has in store for us. The coming generation will make us accountable for today's actions. If we succeed, we will have a place of honor in history.

The task ahead is not only to effect an earlier reversion of oil concessions, which we will carry out as an inevitable responsibility which cannot be deferred, but we must also learn how to manage our science, industry and agriculture to incorporate the country into a modern economy to allow us to insure democratic development and to achieve real liberation from dependence and servitude. We must become mature society in order to face this challenge. I believe we Venezuelans are prepared to implement the promise of uniting around these great objectives which involve no ideology. Let us not look at partial realities, or ameliorate or diminish risks or sacrifices. I will endeavor to make the country face its realities. In our era, the state, the government, administration and development are the result of impersonal rationalization and scientific and strict planning of strategies. When I express my confidence in the possibility of achieving our hopes, I have in mind the fact that our task is not that of creating a magic idea of power. I am trying to offer a good administration based on the collective will and not an unattainable miracle or the actions of a single man, a single party, or of the government alone.

It is imperative to eliminate the old metropolitan concept of the country as well as the remnants of paternalism, which have accumulated through a process influenced by thinking habits and patterns of behavior of the old, rural country. The patriarchal state is incompatible with the objectives of modernization and social justice which we are proposing to the country.

We have plentiful material resources, but we are in a backward state because of our human deficiencies. This is the crisis we must face.

We see around us millions of men plagued by poverty and ignorance who seek to better themselves, yet they lay in waste. We also see those tasks which these lives and hands demand that we successfully complete.

Fiscal wealth does not make Venezuela richer or more balanced. It alone will not solve the country's problems. We will face difficulties, recognizing them and pointing them out, as I am doing now before my fellow citizens. Confronting and overcoming them with decisiveness and energy is a commitment I undertake before my fellow citizens. Hard years lie ahead of us. The country faces a crisis in education and justice. We must look within ourselves in order to solve them. Let each one search his conscience. Fiscal wealth, if we follow the current development plan, will remain important [words indistinct].

The abundant government resources have been an illusion and have helped to deceive us regarding the reality of Venezuelan society. This is why I repeat: My government will administer this abundance as if a shortage existed, that is, efficiently, equitably and with just distribution.

The optimism with which Venzuelans view my inauguration is a force and an instrument to promote the task we have outlined. It is a moral asset that I will not waste, but we must all understand that our problems can be solved only with work, with constant dedication and with daily efforts. We will conclude what has been left unfinished and will keep and maintain what has been achieved. We will not reject any positive achievements and unhesitatingly advance toward the future.

I am not promising an easy or unhampered administration. We shall find many problems that are difficult to solve. We will have to make sacrifices. In order to be equal to our task, I need the cooperation of our people to fulfill the commitment of energetic democracy, which is today a mandate for my government.

The easily obtained wealth and the psychology of an oil-producing country is a temptation for preferring material goods to dignity and man spiritual well-being. The temptation of wealth might increasingly promote administrative corruption or bring to the core of government vice in its different phases, some of which are not provided for in current law.

I believe that the government, the political parties and society as a whole have the fundamental responsibility to uplift national ethics. Let the conquest of illegal wealth—through influence peddling and other forms of aggression against state ethics—not be a certificate of glory, triumph or personal achievement. This is, of course, a government responsibility which I assume: adequate legislation [applause] adequate legislature, and control and vigilance so that the administration can achieve a high degree of efficiency and honesty. Nevertheless, corruption is not a closed circle which affects only the government. The growth of a society is also associated with the expansion of its morality and bonds of solidarity.

There is also a development ethic. Public and private institutions and the private sector of the economy are also directly responsible for the creation of a collective morality. Corruption in government is not necessarily an isolated case; it often feeds on negative values in society. A continuous, solid and decisive effort will have to be made to achieve—together with economic development and political and social progress—an increasingly high level of morality and high spiritual decorum. A nation's moral diginity is an essential part of its destiny.

Citizens senators, citizen deputies, in my first message to the nation, I sincerely wish to send to the friendly nations, through the chiefs of missions accredited to the inauguration and present here, as well as to their countrymen who reside in Venezuela, solidarity and cordial greetings, and the assurance that my government will try its best to develop the broadest international cooperation. I want all the nations of the world, even those not represented here, to know that our doors are open to communication and understanding. We do not want any nation to live in isolation.

If Venezuela cannot be a friend to all countries, at least it does not want to have enemies. That will be the irrevocable position of my government's international policy. [applause]

I express the most sincere national feelings when I say this great Venezuelan nation wants peace among men and nations. Venezuela has never waged war out of hatred or ambition. Its sword has been unsheathed only for America's freedom.

The unresolved border disputes with our neighbors and the problem of maritime sovereignty will receive from my government only a friendly and direct dialog until a formula is found that will allow a satisfactory forthright solution. I will dedicate my energy, patriotism and devotion to the attainment of this goal.

We are commited to Latin America. Today its offer for a dialog with the United States has received optimistic attention. A few days before the Mexico meeting the United States showed signs of a new Latin American policy favorable to prospects opened with regard to the Panama Canal, which is a problem not of a single country but of all free nations of the world. It would be a great tribute to the leaders of Latin American independence if this expected revendication were to take place on 7 December, when the Panamanian Congress celebrates its 150th anniversary.

Latin America is our fatherhood, and our oil too must contribute to the drafting of a Latin American international policy, to the economy of the sister nations and to our common efforts for the progress and welfare of our peoples. From our excess oil resources we will create in the Inter-American Development Bank [IDP] a trust fund without humiliating vetoes, the only condition being that the loan will be used to promote those economic activities that cannot find institutional financing today, because they fall within the spheres of interest of the multinational companies, which use their influence to paralyze the lines of credit to Latin America. [applause]

We will consult with the countries of the region regarding a conference on raw materials—without concern for criteria and policies—and with the developing countries of other continents, especially with the OPEC countries. It will be a great world debate and it will be linked with the great Latin American movements that have been crushed by the economic totalitarianism of the developed nations.

I warmly greet the new sister nations: the new Caribbean nations with which we are united geographically and historically. Today we have the obligation of good neighbors to contribute to their strengthening as free countries, to the development of their economies and the welfare of their peoples and to mutual commercial exchanges through treaties and agreements we may sign for our common progress.

Citizen senators, citizen deputies, let us create a great and feasible Venezuela. To achieve this we must reorganize institutions, modify plans, reorient anachronistic thought and behavior patterns, and be willing to develop the country and its rejuvenating forces. The Venezuelan nature has been abused for many years and we must adopt a different stand toward abuse. We must give priority to the struggle against air pollution, conservation policies for oceans, rivers, lakes, the environment, the savannahs, the forest, the river basins and the watersheds. Throughout most of our history we have forgotten that our country is located near the sea and that that proximity produces an ecological relationship.

Air, land and man exist in a systematic relationship and we canot adopt a policy for man without simultaneously adopting a strategy toward nature. I have just said that Venezuela is near the sea, but we have lived with our backs to the sea, wasting its numerous resources and the world trade routes that its countless paths open to our national flag.

We will develop a bold maritime policy. Fishing will become a source of wealth for the coastal regions, for the poor and exploited fishermen, and will be a cheap source of protein for the Venezuelan people. Shipyards located in the center, eastern and western parts of the country will build our own fleet. The study of our resources, their evaluation and their equilibrium demand new methods. We have a limited time for all the tasks and commitments that the present generations have ahead. This means that action is needed; the work must be done now without delay.

I have offered a broad-minded government that will seek consensus. I will use everyone who might be useful, and there will be no old quarrels separating me from the rest of the Venezuelan people. [applause] I urge us to work for the future and not to live in the past. And I say to the women and the young men of Venezuela that, as president of the republic, I will favor dialogs between the generations, and that I will not close my mind to what they want to say, but will receive their contribution to the integral Venezuelan effort. I shall continue the program of the outgoing government which today with clean hands is turned over to us by that illustrious Venezuelan Rafael Caldera. [applause]

No egotism or narrowmindedness will prevent the continuation of all that can be useful and necessary. All Venezuelans, regardless of their way of thinking or feeling, will have the consideration and respect of the government.

I feel that our Venezuelan woman will be present in this endeavor; I shall incorporate her into the great national effort. We shall soon appoint a women's commission to advise the presidency and to insure equal opportunities for women in national life. I hope to be the chief of state of a country whose citizens are proud of their political system and of their socioeconomic well-being.

I call for vigorous yet happy, hopeful activity that will affirm Venezuelan's destiny!

Citizen senators, citizen deputies, Venezuelan men and women, I have sworn before God and my countrymen the oath to fulfill my duties as chief of state. I want to add to this sacred promise that I shall dedicate my life to the purposes of this oath. A great Venezeula is a feasible reality it awaits us and we are going to attain it! Let's get to work! [applause]

### NEW CABINET TAKES OATH OF OFFICE
### 12 MARCH

Caracas, 12 Mar—The ministers who will form part of new Venezuelan President Carlos Andres Perez' cabinet will take the oath of office at 1330 (1730 GMT) today in a ceremony at the Miraflores Palace. The list of confirmed members is as follows:

Interior, Luis Pinerua Ordaz.

Foreign Affairs, Efrain Schacht Aristeguieta.

Finance, Hector Hurtado.

National Defense, Gen Homero Leal Torres.

Public Works, Arnoldo Gabaldon, Jr.

Information, Simon Alberto Consalvi.

Development, Carmelo Lauria.

Education, Luis Manuel Penalver.

Health & social assistance, Blas Bruni Celli.

Agriculture and livestock, Froilan Alvarez Yepez.

Labor, Antonio Leidenz.

Communications, Armando Sanchez Bueno.

Justice, Otto Marin Gomez.

## GREEK INDEPENDENCE DAY

**Mr. PERCY.** Mr. President, when Theodore Kolokotronis, Petrompes Mavromichalis, and other Greek patriots captured the town of Kalames and began the Greek revolution 153 years ago, on March 25, 1821, they won the minds and hearts of leading Americans of that time.

The greatest American statesmen of the day—Thomas Jefferson, James Monroe, John Quincy Adams, and Daniel Webster—spoke on behalf of Greek independence and used their considerable influence to enlist the support of the European powers for the Greek cause. In an effort unprecedented at that time, U.S. citizens provided the Greek patriots with nearly $100,000 for military and humanitarian supplies. Finally, many Americans gave their lives for this cause of liberty and justice.

Let us remember that day in 1821, when a group of proud and courageous Greeks began the struggle to restore to Athens the type of democratic government which their predecessors had introduced to the world more than 2,000 years ago. We in the United States, whose forefathers fought for a similar cause nearly 200 years ago, should once again express our support for the ideals which have long motivated both Greeks and Americans, and extend our congratulations to the distinguished and patriotic Greek community of the United States on the anniversary of Greek independence.

## S. 821, THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974—SUMMARY

**Mr. BAYH.** Mr. President, the Juvenile Justice and Delinquency Prevention Act is the product of a 3-year, bipartisan effort to improve the quality of juvenile justice in the United States and to provide a comprehensive expanded Federal approach to the problems of juvenile delinquency.

I was joined by my distinguished colleague from Kentucky, Senator MARLOW W. COOK, the ranking minority member of the subcommittee in introducing S. 821 on February 8, 1973. S. 821, as reported unanimously by the Senate Subcommittee To Investigate Juvenile Delinquency is substantially similar to the bill we introduced. We are gratified by the cosponsorship of this bill by 23 distinguished colleagues: Senators ABOUREZK, BIBLE, BROCK, BURDICK, CASE, CHURCH, CRANSTON, GRAVEL, HART, HUMPHREY, INOUYE, KENNEDY, MATHIAS, MCGEE, MCGOVERN, MONDALE, MONTOYA, MOSS, PASTORE, RANDOLPH, RIBICOFF, TUNNEY, and WILLIAMS.

The subcommittee held 10 days of hearings and heard 80 witnesses on S. 821 and S. 3148, a similar bill which I introduced in the 92d Congress. These hearings demonstrated the need for a comprehensive overhaul of Federal juvenile delinquency programs combined with assistance to States and local governments, and private agencies to prevent delinquency and to provide community-based alternatives to juvenile detention and correctional facilities. The bill has been endorsed by the National Council on Crime and Delinquency, the National Council of Juvenile Court Judges, the American Parents Committee, the Boys Clubs of America, the Girls Clubs of America, the American Federation of State, County and Municipal Employees, the National Congress of Parents and Teachers, the National Executive Committee of the American Legion, the National Legal Aid and Defender Association, the National Council of Jewish Women, the National Association of State Juvenile Delinquency Program Administrators, the National Association of Social Workers, the Family Service Association of America, the National Governors Conference, the National League of Cities and U.S. Conference of Mayors, and many other concerned organizations.

The Juvenile Justice and Delinquency Prevention Act represents a commitment to our Nation's future. I urge my colleagues in the Congress to support the bill and hope that they will act expeditiously to provide the Federal leadership and resources so desperately needed to deal with juvenile delinquency. By enacting S. 821 we will contribute significantly to the safety and well-being of all our citizens, particularly our youth.

Mr. President, I ask unanimous consent that a summary of S. 821 as presented be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

### SUMMARY—S. 821, AS AMENDED

### TITLE I—FINDINGS, DECLARATION, AND DEFINITIONS

This title summarizes the adverse impact of juvenile delinquency on our society and the need for a comprehensive, expanded Federal approach to the problems of juvenile delinquency.

The objectives of the Act include: establishment of a new Juvenile Justice and Delinquency Prevention Administration in the Department of Health, Education and Welfare to provide direction, coordination and review of Federally assisted juvenile delinquency programs; authorization of additional resources increasing the capacity of state and local governments and public and private agencies to develop and implement effective programs to prevent delinquency, divert juveniles from the juvenile justice system and create community-based alternatives to traditional juvenile correctional facilities; creation of centralized research, information clearinghouse, training, technical assistance, and evaluation activities; development of national guidelines for the administration of juvenile justice, including conditions of confinement; and finally, adoption of basic procedural protections for juveniles under Federal jurisdiction.

### TITLE II—AMENDMENTS TO THE FEDERAL JUVENILE DELINQUENCY ACT

This title sets forth a series of specific amendments to the Federal Juvenile Delinquency Act (Secs. 5031–5037 of Title 18) designed to modernize procedures for handling juveniles under the jurisdiction of the Federal court and to grant juveniles substantially the same rights as adults.

In cases involving juveniles, Federal courts would be required to defer to state courts unless the Attorney General certified that the state does not have jurisdiction or does not have available adequate rehabilitative programs for juveniles. This provision recognizes that the Federal courts and the Federal correctional system have never been properly equipped to handle juveniles with the result that Federal juvenile delinquency are frequently transferred away from their home communities for treatment.

If Federal cases, a juvenile alleged to have committed a crime shall be proceeded against as a juvenile delinquent unless he or she is 16 years or older. Where a juvenile, age 16 and older, alleged to have committed a serious felonious act could be prosecuted either as a juvenile or as an adult, a Federal District judge would be required to conduct a hearing and find that "there are no reasonable prospects for rehabilitation" before a juvenile could be prosecuted as an adult criminal. Under the present law, the Attorney General has sole discretion to make this determination.

This title also provides that no juvenile under Federal jurisdiction may be detained or confined with adults. It also specifically provides that whenever possible, the juvenile must be confined in a foster home or community-based facility located in or near his or her home community.

### TITLE III—JUVENILE JUSTICE AND DELINQUENCY PREVENTION ADMINISTRATION

This title establishes a Juvenile Justice and Delinquency Prevention Administration in the Department of HEW, headed by a Director, who will be an Assistant Secretary appointed by the President with the advice and consent of the Senate.

This bill recognizes that there is a need for a centralized Federal response to the spiralling rate of juvenile crime. There needs to be one place in the Federal government where citizens can find solutions to the problems raised at the state and local level by juvenile delinquency.

The Administration will provide overall planning and policy and establish objectives and priorities for all Federal juvenile delinquency programs and activities relating to prevention, diversion, training, treatment, rehabilitation, evaluation, research and programs to improve the juvenile justice system. The Secretary would have broad supervisory review over the operation of programs in other agencies, and would be responsible for reporting on their effectiveness and for making budgetary and programmatic recommendations to the President.

*Interdepartmental Council:* This title establishes the Interdepartmental Council on Juvenile Delinquency, composed of the Attorney General, the Secretary of HEW, the Secretary of Labor, the Director of the Special Action Office for Drug Abuse Prevention, the Secretary of Housing and Urban Development, or their respective designees, and such representatives of other agencies as the President designates. The Council is to coordinate all Federal juvenile delinquency programs and to meet six times a year. The Secretary shall serve as Chairman of the Council, and appoint such staff as are necessary.

*National Advisory Council:* A National Advisory Council for Juvenile Delinquency Prevention of 21 members and members of the Interdepartmental Council ex officio will advise the Director with respect to the planning, operations and management of Federal juvenile delinquency programs. A subcommittee of five members will serve as an Advisory Committee on the overall policy and operations of the National Institute of Juvenile Justice. Another subcommittee of five members will serve as an Advisory Committee on Standards for the Administration of Juvenile Justice.

The National Advisory Council will bring citizen participation and cooperation to the work of the Administration. The bill recognizes that we will only be able to do something meaningful about juvenile delinquency with the help and support of the public.

### TITLE IV—FEDERAL ASSISTANCE FOR STATE AND LOCAL PROGRAMS

In addition to exercising supervisory power over existing Federal efforts, the Secretary is authorized to make grants and enter into contracts to carry out the purposes of the Act.

*State and Local Formula Grants:* Funds appropriated under this part will be allocated for grants to states, based on relative population under 18, which develop a plan containing the following fundamental requirements:

(a) designate a single state agency supervised by a Board appointed by a Governor consisting of persons, a majority of whom are not governmental employees including youth and former delinquency and who are representatives of local government, juvenile, justice agencies, social service agencies, and who are representatives of private agencies concerned with delinquency prevention, neglect, juvenile justice, education or social services, volunteers and employees organizations;

(b) provide for expenditure of at least 50 percent of the state's funds through local government programs;

(c) provide that the chief executive officer of the local government shall assign responsibility for the administration of the local government's part of the state plan to a single local agency supervised by a Board similar to the State Board;

(d) provide for expenditure of three-quarters of the funds a state receives on the development and use of advanced techniques designed to prevent juvenile delinquency, to divert juveniles from the juvenile justice system, to established probation subsidy programs, and to provide community-based alternatives to traditional detention and correctional institutions. The advanced techniques include community-based prevention, diversion and rehabilitation efforts through development of foster-care and shelter care facilities, group homes, halfway houses, and youth service bureaus; expanding use of probation; funding of probation subsidy programs; training of probation personnel, other professionals and paraprofessionals to work with youth; and comprehensive drug abuse prevention and education programs and treatment and rehabilitation programs for drug addicted and dependent youth. Such techniques also include community-based services to work with parents to retain the juvenile at home and educational or supportive services designed to keep the juvenile in school or alternative learning situations and to provide work and recreational opportunities for delinquents or youth in danger of becoming delinquent;

(e) provide for consultation with local governments and private agencies in the development of the plan and provide for maximum coordination and utilization of existing juvenile delinquency programs within the state;

(f) provide that, within two years after the submission of the plan, juveniles who are not charged with or have not committed substantive, criminal offenses shall not be placed in juvenile correctional facilities, but must be placed in shelter facilities;

(g) provide that juveniles will not be kept in any institution in which they have regular contact with adult criminals or alleged criminals;

(h) provide assurances that assistance will be available on an equitable basis to deal with all disadvantaged youth and that procedures will be established to assure the rights of recipients of services;

(i) provide that fair and equitable arrangements are made to protect the interests of employees affected by assistance under this Act; and,

(j) provide for prudent fiscal control and accounting procedures.

In the event that a state fails to submit a plan or have one approved after notice and hearing, the Secretary shall make the state's allotment available to public and private agencies in that state for special emphasis prevention and treatment programs.

*Special Emphasis Prevention and Treatment Programs:* Funds under this part will be used for direct Federal grants or contracts with public or private agencies and individuals to develop and implement new juvenile delinquency programs; to develop and maintain community-based alternatives to the institutionalization; to develop and implement means of diverting juveniles from the traditional juvenile justice and correctional system; to improve the capability of public and private agencies to provide services for delinquents and youth in danger of becoming delinquent; and to facilitate the adoption of recommendations of the Advisory Committee on Standards for Juvenile Justice.

This direct funding authority will provide additional overall resources particularly to utilize the experience and capability of private agencies on how to handle youth in trouble and maintain the funding flexibility required to develop innovative approaches to the problems of delinquency.

### TITLE V—NATIONAL INSTITUTE FOR JUVENILE JUSTICE

This title establishes a National Institute for Juvenile Justice which will be the research, training and information arm of the Administration under the direction of an Assistant Director of the Administration. The Institute is expected to be closely tied to the operation of the Administration. This title also provides that records of the identity of juveniles which were gathered for research purposes may not be disclosed to any public or private individual or agency.

The Institute will serve as an information clearinghouse, collecting data related to juvenile delinquency, including statistics, research results and availability of resources and disseminating it throughout the country.

Research, demonstration and evaluation will be central functions of the Institute, conducted by Institute personnel and by outside agencies, institutions, or individuals. The Institute is expected to provide for the evaluation of full programs funded under this Act and any other delinquency programs at the request of the Secretary. Those which prove effective can then be adapted for use on a broad scale in various parts of the country.

The Institute is also responsible for conducting training programs (directly or by contract) throughout the country for persons working in the juvenile justice and delinquency field including professional, paraprofessional and volunteer personnel who work with young people to prevent and treat juvenile delinquency.

*Standards for Juvenile Justice:* The Institute, under the supervision of the Advisory Committee on Standards for Juvenile Justice, is also responsible for reviewing existing studies and independently studying, if necessary, all aspects of the juvenile justice system in the United States. Not later than one year after the passage of the Act, the Committee will submit to the President and Congress a final report which—based on recommended standards for the administration of juvenile justice at the Federal, state and local level—(1) recommends Federal administrative budgetary and legislative action to facilitate the adoption of the standards; and (2) recommends state and local action to facilitate the adoption of these standards at the state and local level.

### TITLE VI—AUTHORIZATION OF APPROPRIATION

This title authorizes the following appropriations: $100 million for fiscal year 1974; $200 million for fiscal year 1975; $300 million for fiscal year 1976; and $400 million for fiscal year 1977.

## SENATE CONCURRENT RESOLUTION 76—RELATING TO ARMS CONTROL IN THE INDIAN OCEAN

Mr. KENNEDY. Mr. President, yesterday, I introduced Senate Concurrent Resolution 76, calling for direct negotiations between the United States and the Soviet Union to try preventing an arms race in the Indian Ocean. The distinguished Senator from Rhode Island (Mr. Pell) joined me here in introducing that concurrent resolution.

I would like to announce that this concurrent resolution is also being cosponsored by the distinguished Senators from Idaho (Mr. Church), Iowa (Mr. Clark), California (Mr. Cranston), Minnesota (Mr. Humphrey), South Dakota (Mr. McGovern), Illinois (Mr. Stevenson), and California (Mr. Tunney). Senator Pell and I both welcome their support.

## DEPARTMENT OF DEFENSE AND THE MILITARY BUDGET

Mr. STAFFORD. Mr. President, I am very pleased to ask unanimous consent that a speech delivered by Senator William V. Roth, Jr., before the Milford Chamber of Commerce on March 18 be printed in the Record.

Senator Roth's speech deals with some of the major problems involving the Department of Defense and the military budget. I place his speech in the Record because I believe that his penetrating analysis of our problems in this field will be of marked assistance to our colleagues in the Senate.

Mr. President, I ask unanimous consent that the speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### Statement of William V. Roth, Jr., U.S.S.

Ladies and gentlemen of the Chamber of Commerce, it is a great pleasure for me to be here in Milford. I am not sure how many of you may have heard me when I was at the Rotary Club in early February, but those of you who did may recall that on that occasion I discussed the energy crisis. Our State and Nation's energy problems, of course, are still very much with us and continue to occupy the majority of my time in Washington. Many of us believe that we would not be in such bad straits today if we had exercised more foresight a few years ago. I recall that in 1970 a number of experts testified in Congressional hearings that our country could be faced with very serious energy shortages in a few years. In response to this testimony, I had introduced a bill to establish a Commission on Fuels and Energy to provide a complete assessment of the problem and make recommendations on how an energy crisis should be avoided. Unfortunately, as so often happens, no action was taken until the crisis was already upon us.

I mention this incident because I believe it illustrates the importance of taking a long range view of our problems and seeking intelligent approaches before they become crises. Today I want to apply the lesson that we should have learned from the energy crisis by discussing another area of public policy where I believe a critical and careful examination of the future is vitally needed. This is the area of our national defense. I have no doubt that we will recover from the energy crisis, but America cannot afford to have a "security crisis" a few years down the road.

Defense, of course, is already one of the country's most controversial subjects. It disturbs me, however, that much of the current debate is cast in very superficial terms. On one hand, there are those who contend that our defense effort should be greatly reduced because of the detente policy with the Soviet Union or because of other budgetary priorities. On the other hand, there are those who argue that Congress should approve all new military spending programs.

What is too often lost in the loose talk about too much defense or too little defense is that a sound defense policy, like most other major public policies, involves a careful and delicate balancing of competing considerations. Internationally, we must find a proper balance between the need for an effective free world defense on the one side and the risk on the other side that if we build up too much we might give new impetus to a costly and dangerous arms race. Domestically, we must have a strong defense, but we must also guard against prodigal defense and other Federal spending that is one of the root causes of inflation.

Let us look first at the international context of our defense policies. There is a substantial element in the country today who believe that the United States can retreat without harm from its commitments in Europe and Japan. This argument is often buttressed by one or the other of two premises—that the Soviet Union has so reformed that it would not attempt to exploit an American withdrawal to pursue its own interests around the world or that even if she did, it would not harm America's vital national interests. I believe both premises are fallacious.

The nature of the communist ideology, the nature of the Soviet domestic system, and the evidence of recent Soviet behavior—both in Czechoslovakia and in the Middle East—demonstrate that the USSR is neither ready to give up its sphere of domination in Eastern Europe nor willing to abandon its policy of attempting to fill the vacuums of power that may develop around its borders. We must remember that while there are now many competing centers of political influence in the world, there are still only two military superpowers. If the United States retreats prior to having established a sound basis of relations with the Soviet Union, vacuums will be created that only the Soviet Union can fill.

We cannot, however, relax our efforts to achieve a sound basis of relations with the Soviet Union. I strongly support a continued search for common areas of interest in limiting arms. Arms limitations agreements must provide equal benefits for both sides; they must be verifiable so that we can be sure that the other side is living up to its bargain; and, they must be subject to Congressional approval and continued Congressional oversight. Even with these safeguards, arms limitations agreements may entail an element of risk. We do not live in a world free from risk.

It is necessary to take some risks for peace because there are much greater risks in unchecked arms races. Unabated arms races may result in more defense, but they mean less security. I hope that both countries will recognize their common interests—both political and economic—in arms limitations.

This brings me to the domestic context of our defense policy. While we need a strong defense, we must also practice economy in the defense area. As an advocate of a balanced budget and fiscal responsibility and a foe of inflation, I deplore the attitude of some in the military who think that the normal strictures against waste and careless use of the taxpayers' money does not apply to them. No one should believe that the mere invocation of the words "national security" guarantee free and unlimited access to the United States Treasury. Defense is not an end in itself; it is a burden forced upon us by the nature of the world we live in. It is a burden we must bear, but there is no point in making it heavier than it has to be. To guard against inflation, all government programs—including defense programs—must be carefully examined and strictly justified according to need.

Let's take a careful look at the defense budget. It is true, of course, that defense spending has gone up. But, it is also a fact that the defense budget has gone up less than most sectors of the budget. During the past decade, total Federal outlays have increased by 157%. Defense spending during this same period increased 84%, about half as much. As a proportion of the Federal budget, defense now takes 27¢ of your tax dollar, whereas in 1964—the year before our military involvement in Vietnam began—it took 42¢, or nearly half. As a percentage of our budget and gross National product, defense is now lower than at any time since before the Korean War.

The gross figures, however, tell only a very minor part of the story. Within the defense budget, we are spending much greater amounts on operations and maintenance, on per unit manpower costs, and retirement costs. Our spending for procurement and research and development are becoming a smaller and smaller part of the budget.

Inflation and the increasing sophistication of weapons has meant that the average defense dollar buys a good deal less than it used to. The money that is required to build a thousand of the latest F-14 fighters today would have bought more than a hundred thousand fighter aircraft in World War II. A nuclear submarine cost $81 million in 1964; today one costs $181 million; a jeep which cost $3,300 in 1964 today costs $4,200.

At the same time procurement costs have been doubling, our expenditure on procurement has increased only about 25%, from $15 billion in 1964 to $18.7 billion in fiscal year 1974. Accounting for inflation we are spending less today on procurement than we were ten years ago. We are buying less and our overall defense capability is weakened.

The story in the research and development budget is very similar. Ten years ago we spent $7 billion on research and development; this year we are spending $8 billion. Again, if we account for inflation, we are spending about $2 billion less in terms of buying power than we did in 1964. We are not sure what the Soviet Union is spending because such budget figures are a deep, dark secret there, but the estimates start at $10 billion and go up to $20 billion.

In the contemporary world, research and development is a very key aspect of the overall strategic balance. A technological breakthrough by one side may be converted into a permanent military and political advantage. It may very well be necessary in the near future to devote a greater proportion of our defense budget to research and development in order to prevent the Soviet Union from achieving a technological advantage over the United States.

If we are going to have to spend more in the areas of procurement and research and development, we will need to look for more effective ways of saving money in other areas of the defense budget. The largest increases, in recent years, have come in military salaries and retirement pay. Twenty years ago manpower costs were about a third of the defense budget. With pay increases and the advent of the volunteer army, manpower costs have risen to take 56 cents of each defense dollar. Despite large reductions in personnel, manpower remains an extremely expensive defense item.

Last year Congress established a Defense Manpower Commission to examine manpower issues. Certainly, imaginative solutions are in order if we are going to prevent salaries from pricing us out of a good defense.

One approach to the manpower problem may be to place more emphasis on National Guard and reserve units. One unfortunate by-product of recent Pentagon doctrine has been to emphasize use of the active forces for all military missions and to require the Guard and Reserves to bear the brunt of budget cuts. Yet, according to some specialists, there are a number of lower priority missions which Guardsmen and Reservists could perform at a fraction of the cost of using active-duty personnel. One such mission is the defense of the continental United States against bomber attack. This has a low priority status because the Soviets have never concentrated on developing long-range bomber forces and the likelihood of a bomber attack is generally believed to be pretty remote. The surest way to increase the likelihood, however, would be to relax our guard. Here then is a necessary mission which could probably be handled as effectively, but with less expense, by our Guard and Reserves.

I would hope that the Defense Manpower Commission and the appropriate military authorities would give this suggestion careful consideration and would try to identify other opportunities to save active-duty manpower by better use of the National Guard and Reserves.

At the same time, there are a host of other problems that require urgent consideration. The United States has the world's highest ratio of support to combat personnel. There is too much staffing at headquarters. One of the worst examples is the Southern Command in the Panama Canal Zone which has little more than 10,000 military personnel, but also has 10 generals, 2 admirals, and 4 headquarters. Incidentally, the naval "fleet" assigned to the Southern Command consists of two 45-foot fishing boats which are used by the brass.

We have a huge one million man civilian payroll—there are almost half as many civilians in our military establishment as there are active military personnel. There is the problem of grade creep—the tendency of the armed services to have higher and higher proportions of top-ranking officers, further compounding manpower costs. Finally, we have a very serious problem of escalating costs of retirement.

Underlying each of these problems is the need for a new basic orientation in the way the Pentagon views manpower. It used to be that manpower was seen as relatively inexpensive. Now manpower is in short-supply; it is expensive; and the military will have to make the very best use of each man.

I have covered only some of the problems that we are going to have to resolve if we are going to have a strong national defense. Adequate research and development funds, careful procurement policies, and the wise use of manpower, however, are not in themselves a guarantee of a strong national defense. It also requires careful and continued cultivation of the best traditions of the American military—thorough training, attention to duty, discipline, and subordination to civilian authority.

I emphasize particularly the last—subordination to civilian authority—because while our civilian leadership is democratically controlled through the electoral process, the military is and must be autocratic. If the military is not controlled by the civilian authorities then we will not have a strong national defense because the military itself could be a threat to those very freedoms and rights we seek to defend. For this reason, whenever there has been a question of civilian control—as in the famous McArthur case or more recently in the case of General Lavelle—the dictates of our civilian leadership—the President—must prevail, because he and he alone, is accountable to the electorate for the actions of the military.

I am sure that you remember that two years ago it came to light that one of our Air Force generals, General Lavelle, had reinterpreted the rules of engagement to intensify bombing of North Vietnam without submitting the matter to higher authorities. In doing so, he violated two traditions of the American military—submission to civilian authority and obedience to military supervisors.

Recently, the Air Force asked that two of General Lavelle's subordinates, Brig. Gen. Charles A. Gabriel and Major General Alton D. Slay, be promoted, and these promotions are currently before the Senate Armed Services Committee. Both men testified before the Committee almost two years ago that they knew of the unauthorized bombing raids and of the falsification of reports in order to keep them secret. Neither questioned the propriety of what was happening although both had served more than twenty years in the military.

Because of the importance of the principles of civilian control and military discipline, I very much doubt that either general should be rewarded with promotion. I am not a member of the Armed Services Committee, but I will be very interested in the vote the Committee will take on these promotions. Should the matter be referred to the full Senate for action on the Floor, there would have to be very persuasive evidence presented in favor of promotion before I could support it.

Let me close by saying a word about America's role in the world. I think we can be justly proud of our place in contemporary international history. The United States has lived side by side in peace with its much smaller neighbors on this continent for more than a century. We acted in a manner entirely new to world history at the end of the last world war when, although we had the military and economic power to dominate the world, we chose instead to pursue the path of peace. We made special sacrifices over the past quarter century to maintain stability in the world and to restore war torn regions to prosperity. We took on the awful burdens of limited war in Korea and Vietnam, and historians may long debate, just as we have debated, whether we were wrong or whether we were right. But, I am confident that history will applaud our overall efforts in the difficult postwar period.

Now we have arrived at a juncture when a real measure of international detente and peace seems within our reach. We also show signs of weariness from the past frustrations of reaching this goal. It is not the time to give up. I think we all—in Milford and around this country—should recognize that we still live in very difficult and complex times and that our country still has an important and active role to play in the world around us. I hope that we will approach our problems with maturity, recognizing that our role imposes on us certain sacrifices. The way to peace requires a strong defense for America and her allies; it requires an involved America: and it requires that we have a generous spirit, ready to defend our own vital interests, but alert to new opportunities to promote international peace.

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## THE DEFENSE OF THE UNITED STATES

Mr. BUCKLEY. Mr. President, the discussion of the fiscal year 1975 defense budget has renewed the discussion of the appropriate strategy for the defense of the United States. Any strategy necessarily represents the results of policy preferences, the state of available technology, and the character of the threat to be met. The analysis of the details supporting a particular strategic choice is often forbiddingly complex for the layman. I was therefore pleased to receive a letter from Dr. Donald R. Westervelt, a specialist in military technology at the Los Alamos Scientific Laboratory in Los Alamos, N. Mex.

Dr. Westervelt has provided a very useful characterization of the recent history of U.S. strategy with respect to nuclear weapons, and a rationale for the need to change to a strategy along the lines suggested by Secretary of Defense Schlesinger.

I ask unanimous consent that Dr. Westervelt's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 4, 1974.

DEAR SENATOR BUCKLEY: In his January 27 *New York Times* editorial "Is Another Variety of Missile War Desirable?" Mr. John Finney fails to recognize the real significance of Defense Secretary Schlesinger's announcement of a change in strategic doctrine. It is not the "birth of the counterforce strategy" that has major implications for future national security, but rather the demise of countervalue strategy as the single option available to the President.

While it is clear that countervalue force application remains an option available to both the U.S. and the Soviet Union, there exist overwhelming disincentives for its use; a massive urban/industrial exchange would eliminate both sides and much of the northern hemisphere as viable 20th century societies. But since the mid-60s the doctrine of "mutual assured destruction" has been the cornerstone of announced U.S. strategic policy. It has been assumed that the threat of massive population destruction was adequate to deter all threats of war, and that to deter war was to prevent it.

It has not always been so; Mr. Finney himself observed that counterforce targeting has been around for some time. It will, of course, be remembered that in 1962 Secretary McNamara announced a concept of force application not unlike that implied by the present Secretary of Defense: military targets were to be struck first in the event of war and cities avoided; with a reserve withheld for urban-industrial (U/I) targets should the Soviets initiate attacks against similar targets in this country.

This concept was possible for two reasons: the Soviet military target system was soft, therefore our weapons could effectively attack it; and our forces were large enough so that no conceivable Soviet action could deny us the ability to bring the U/I reserve to bear if required. But it was no longer considered essential, as assumed under the earlier "massive retaliation" doctrine, to destroy populations at the outset of any nuclear exchange except as a collateral effect of counterforce actions.

This strategic policy lasted only a few years, simply because the Soviet military target system became hardened so that significant portions of it no longer could be attacked effectively by our forces. Specifically, we lacked the capability to attack the most important of such targets, the missiles in silos that were aimed at targets in the U.S. Since we had no option of attacking the forces potentially most damaging to us, the only alternative was to threaten an attack against the Soviet populace.

Thus was born "assured destruction", but even so most of our weapons must have continued in a counterforce role; in 1967 Mr. McNamara made it clear that only ten percent of our forces delivered on Soviet cities was sufficient to execute the assured destruction mission. It was the fraction of the force structure devoted to countervalue targeting, however, that became the principal deterrent.

What, then, has changed to suggest reversion to a policy based on the hope of avoiding massive city attacks? The most obvious change is the vast increase in Soviet force levels, which assures that we would suffer no less than they in any countervalue exchange. But it also is implied by Dr. Schlesinger's remarks that evolutionary changes in our forces, particularly the land-based ICBMs, are bridging the gap between target hardness and missile capabilities, this in spite of the Senate's defeat of Senator Buckley's amendments relating to development of "silo killers". In addition, both sides now have sufficient forces invulnerable to preemptive attack to assure, as was possible in the early 60s, that reserves for countervalue attack will remain under any conditions. That is why Secretary Schlesinger can argue that a first-strike capability is impossible on both sides; that also is why limited counterforce capability—limited in the sense that only a fraction of the forces on either side can be placed in jeopardy—is not inherently destablizing. It is, on the contrary, clearly stabilizing, because it makes credible a limited response to a limited attack and thus broadens deterrence. If one believes that the Soviet Union maintains forces for their political value as well as for assured destruction, it is entirely possible to imagine attempts at coercion based on a threat of limited attack; such attempts cannot be effectively deterred if the only possible response is an attack against cities which in turn places our own in jeopardy.

Mr. Finney concludes his editorial with two questions: why a nation would think it could conduct a counterforce strike and not have its cities destroyed in retaliation, and whether the past strategy of mutual destruction does not continue to make any form of nuclear war unthinkable. He answers the first himself: "The President might (sic) be reluctant to retaliate against Soviet cities, knowing that the Soviet Union still had sufficient weapons to destroy all American cities." The second is more complex; I believe that the best brief answer is that the past strategy of mutual destruction alone is less effective in making nuclear war unthinkable than a balanced strategy based on significant counterforce as well as countervalue capability. Moreover, forces limited to attack on countervalue targets—the kind of forces supported by those who defeated the Buckley amendments—are inherently escalatory and guarantee the most disastrous possible outcome if war occurs, while at the same time providing a totally inadequate assurance that it will not.

Finally, it is a cheap shot to accuse the military analysts of "casting about for a rationale that would make nuclear war thinkable and in the process find a mission for surplus nuclear weapons". Critics of the assured destruction doctrine invariably are described by its supporters as critics of deterrence, but nothing could be farther from the truth. Their goal is to make nuclear war—at all levels—less thinkable by extending deterrence, but they recognize that deterrence does not make war impossible and that plans for force application in war should admit its possibility. It is clear that conventional wisdom, as reflected in Mr. Finney's remarks, is no longer adequate. In 1968 the Senate held hearings on the States of U.S. Strategic Power. Perhaps the time has come for those hearings to be repeated.

DONALD R. WESTERVELT.

## GOVERNMENT PAY STRUCTURE

**Mr. McGEE.** Mr. President, again I ask my colleagues to heed the views of a senior career civil servant, a GS–18 employee, regarding the present state of the Government's pay system for career executives and political appointees alike.

The letter I call to the attention of the Senate was written a month ago and is addressed to a resolution disapproving the President's pay proposal then pending in the House of Representatives. As events transpired, of course, it was the Senate which acted to deny the pay raises due, after 5 long years, not just to Members of Congress, but to many others in positions of high trust and responsibility including career civil servants whose salaries are frozen by the law.

Mr. President, I have edited my correspondent's letter so as to remove from it information which would identify him. I would point out, however, that he is a man of high competence whose ability has been steadily recognized by his climb through the merit service to his present position. I ask unanimous consent that the letter to which I have referred be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD. as follows:

FEBRUARY 20, 1974.

GENTLEMEN: I have written many letters to the Congress and to congressmen in my official capacity. This is the first in an unofficial capacity and it is prompted by the news reports that I have read regarding Congressman Gross' bill which would reject the proposed 7½ percent increase in salaries for the members of Congress, judges and Federal executives.

I would not presume to pass judgment on the salaries of members of Congress; but, as a citizen, I would willingly grant to a congressman a salary that would (1) provide a comfortable standard of living; and (2) avoid the need for undue reliance on outside sources of income which either place inordinate demands on his time or create interests incompatible with the proper discharge of his public duty.

My real concern, however, is much more personal.

Since 1970, my real income has, of course, decreased at an annual rate of 5–7 percent because of inflation. Consequently, I find that, after seven years of hard work in the Department (I regularly spend 11–12 hours per day in the office), I am earning the same salary as a senior GS–15 and rapidly working my way down to what will become a GS–14 salary.

I am not a unique career executive in any sense of the word. The senior officials in this Department, whether career employees or political appointees, are working long hours and giving their best efforts in attempting to solve some very difficult problems. I know that many of the political appointees took substantial reductions in salaries when they accepted an offer of Government service. For that group, an annual erosion of 5–7 percent is probably not terribly significant. There are, however, many other political appointees who accepted Government service at salaries equivalent to the salaries they were earning in private industry. For that group, as for the career executives, the erosion in their standard of living is of great concern.

It is the stated policy of the Congress that, in fixing the pay of Federal employees, "there be equal pay for substantially equal work". (5 U.S.C. 5301) It is fair to say that this policy has been ignored by the Congress insofar as supergrade and executive level positions are concerned. In choosing to ignore the policy, the Congress is also choosing to ignore the considerations that underlie the policy which are, essentially, considerations of equity and incentive.

Like "beauty", I suppose "equity" is in the eyes of the beholder; however, you may be assured that most of several thousand top executives in the Federal Government are seriously concerned with a salary inequity that should be apparent to the most myopic beholder. In the short run, this inequity simply creates a sense of quiet rage in the executive who is spending a great deal of time supervising the work, and sharing the problems, of subordinates who are receiving as much compensation as he is.

In the long run, this inequity is going to be reflected in a lack of incentive and drive out all of those executives who are, in fact, worth more than their subordinates. It will also drive out the most able of the middle managers who, in spite of a dedication to public service, must consider their own long-run economic welfare.

If the Congress chooses to depart from the wage policy set forth in 5 U.S.C. 5301, it ought at least debate openly the consequences. In simple fairness, it ought also to revise the policy to conform with the practice it actually intends to follow. Present and would-be Federal executives would then be put on clear notice and could make reasoned decisions whether to accept short-term political appointments or, in the case of careerists, whether to continue in the Civil Service.

In short, there is more at stake in Congressman Gross' bill than how much salary a congressman needs or can risk voting for. The Congress is responsible for establishing a salary system for the Federal Government. That "system" is in a pretty sorry state today. Even with a 7½ percent increase at the top, it will continue to be grossly distorted. If the Congress really believes that the executive level salary scale established in 1969 is still appropriate, it ought to be logically consistent and roll back all Federal salaries to the 1969 level. At the very least, the Congress has an obligation to do more than duck a tough issue.

Sincerely,

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## THE EXPORT PRIORITIES ACT

**Mr. JAVITS.** Mr. President, last September I introduced the Export Priorities Act, which would help stabilize the price of food products for the American consumer by providing an orderly export licensing system to govern the export sale of U.S. raw agricultural commodities. Clearly, a crucial element in the highly inflationary cost of food has been the rising foreign demand for our agricultural products, which has forced the American consumer into world-wide competition for his food. The effect of this competition, the most obivous example being the Russian wheat deal, has been the diminution of America's food surpluses, which have long guaranteed the privileged position of the United States in regard to agricultural output and low food prices.

Douglas Kneeland of the New York Times wrote an excellent article that appeared on March 11, 1974, detailing the impact of rising world demand on the U.S. consumer. This article provides a strong factual background for the legislation I have proposed.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### CONSUMERS IN THE UNITED STATES FACE COMPETITION FOR NATION'S FOOD—AGRICULTURAL EXPORT VALUE RISES 150 PERCENT IN 2 YEARS TO MEET WORLD DEMAND

(By Douglas E. Kneeland)

When Americans push shopping carts through their supermarkets, not many of them are aware that they are now competing for much of the food they buy with people in Japan, Western Europe, the Soviet Union, China and most of the rest of the world. But they are.

Agricultural and economics experts agreed in interviews over the last three weeks that a major reason for some of the sharp increases in food prices in recent years had been the sudden and vast expansion of agricultural exports from the United States.

In the fiscal year ending June 30, 1972, the total value of American agricultural exports was $8-billion. For the year ending this June 30, the Government is estimating total agricultural sales abroad of $20-billion, 2½ times as much.

"We had a hellish big increase in quantity, but a lot of it was in price," said Kennard O. Stephens, deputy assistant sales manager in the Department of Agriculture's foreign agriculture service. "Maybe 50 per cent of this was price."

#### END NOT IN SIGHT

That is what happens when a lot of people are bidding for the existing products on an international market.

Discussions across the country with representatives of the food industry, officials of the Department of Agriculture, exporters, consulting agricultural economists and farmers themselves provided a consensus that the end of the expansion in foreign agricultural trade is not in sight.

Most Americans are familiar with the Soviet purchases of 350 million bushels of wheat in the late summer of 1972. That marked the beginning of the end of the huge surpluses that had occurred for decades in the United States. But most of those interviewed during the last few weeks agreed that the Soviet grain deal was only the tip of the iceberg.

#### RISING EXPECTATIONS

The law of supply and demand is at work, they emphasize, but it is no longer limited to the domestic level. It is the demand of a hungry world, whose ever-increasing population has rising expectations and somewhat more affluence, for food supplies that are having trouble keeping up.

For most of their lifetimes, Americans have been accustomed to relatively cheap basic foodstuffs made possible by an agriculture that regularly produced vast surpluses. The government, in turn, has spent billions to buy and store the leftovers and to pay farmers to hold acreages out of production.

Now, the upsurge in American exports has produced a whole new set of influences on the domestic market.

For instance, Japan has an insatiable appetite for soybeans, of which the United States is the world's biggest exporter. The demand may keep the price at a level that, in a side effect, adds considerably to the expense of feeding soybean products to poultry in this county and eventually to the cost of chickens to consumers. Likewise, a developing desire for more meat abroad may lead to a drastic increase in exports of American corn and other feed grains, pushing up their prices in making the cost of beef and pork much higher in the United States.

### ANCHOVIES AND SALESMANSHIP

The change was spurred by a number of things, such as the easing of restrictions on trade with Communist countries, disappointing grain crops in many parts of the world, a poor catch of anchovies (used for protein in feed) off Peru two years ago, rising world demand for wheat and meat, rice crop failures in Asia and aggressive salesmanship over the last few years by many American growers' associations and export companies.

But it has come about so fast, rapidly draining off the traditional surpluses in this country, that it has caught many by surprise.

Little public notice was paid to the shifting situation until the American Bakers Association recently began badgering the Department of Agriculture to slow the record exports of wheat. The bakers sought the imposition of some sort of licensing controls, in effect, an embargo on new sales, lest the United States run out of wheat by the June 30 end of the crop year.

The bakers have insisted that the country could run so low on wheat that prices would soar and a family-size loaf of bread might cost $1.

The department, which has welcomed and encouraged an upward trend in sales, has resisted any type of embargo. The United States ended the last calendar year $9.3-billion ahead in agricultural exports over imports and $1.7-billion in the black in total balance of payments.

Secretary of Agriculture Earl L. Butz and his assistants are convinced that the credibility of the United States as a world trading partner was severely damaged in the summer of 1973 by a temporary embargo on soybean exports.

They insist that despite the bakers' predictions, the country will have a carryover of about 150 million bushels of wheat on July 1.

### PUBLIC UNPREPARED

Most of those questioned were convinced that the bakers—like much of the American public—had become so used to prices dictated by surpluses that they were unprepared when wheat broke the historic $3-a-bushel barrier and rose to as much as $6 a bushel.

But the philosophy of Dr. Butz and many in the grain industry is that if Americans are to trade in a free world market they must pay the going price for products, even those that are raised in great surplus at home. In the case of wheat, the United States consumes only about a third of its annual crop there are some obvious political risks in telling the people at home in a time of rising prices that they must bid against the rest of the world for their own grain.

Ray Davis, president of the National Association of Wheat Growers, does not believe the country is going to run out of wheat, but he enthusiastically embraces the new philosophy that American consumers are going to have to pay the world price if they want their share.

Cargill, Inc., in Minneapolis, is generally acknowledged as one of the largest, if not the leading, processor and handler of United States farm products. Men like Walter B. Saunders, vice president for the company's marketing and transportation group, and Melvin H. Middents, vice president for the commodity marketing division, are dealing with the new world situation with relish. It's their business and it's booming.

### IN 38 COUNTRIES

Cargill, which has annual sales in the billions, buys and sells grain (it accounts for more than 22 per cent of United States wheat exports). It also processes soybeans and other Minnetonka, "is to get grain from surplus products, produces feeds and raises poultry, leases a fleet of 1,500 hopper cars, owns barges, towboats and ships, makes chemical products and operates salt mines and fishing fleets. It has more than 300 plants and offices in 38 countries.

But Mr. Saunders and Mr. Middents, dressed in conservative gray suits and rep ties, make it all sound simpler than that.

"Our economic function, really two functions," Mr. Saunders said in company headquarters in a secluded brick chalet at Lake areas to deficit areas. That can be from Kansas City to Buffalo or to the U.S.S.R. The other is to take grain when it is in surplus and then distribute it when it is no longer in surplus. That's the grain business."

Mr. Saunders, slender, with dark wavy hair and horn-rimmed glasses, paused to smile across the table at Mr. Middents, a broad-faced friendly man.

"We store grain for other people," he went on. "Since World War II our biggest customer has been Uncle Sam, but we don't do much of that any more."

Both agreed that the world grain stocks were tight, but insisted that the United States would not run out of wheat.

"It's really been a shock to us," Mr. Saunders said. "Mel and I have been with Cargill a number of years and nobody paid any attention to our business. Now we've been on radio and television and people complain to us at cocktail parties, 'You're the guys who sold all that wheat to the Russians.' "

"That Russian grain deal is the most misunderstood thing," said Mr. Middents, "but it was just the timing more than anything. Nobody predicted the dramatic turnaround."

"We thought it would happen," Mr. Saunders interjected, "but we thought it would be gradual. Nobody expected the explosive nature of it."

"One of the things, as with energy," Mr. Middents said, "I think we'll still have reasonably priced food. But we can't take either energy or food for granted as something we'll have extremely cheaply."

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## NUTRITION FOR THE ELDERLY

Mr. KENNEDY. Mr. President, I want to express my appreciation at the House approval Tuesday by an overwhelming vote of a 3-year extension of nutrition for the elderly programs, title VII of the Older Americans Act, which I originally sponsored in the Senate.

The action by the House, led once more by Congressmen CLAUDE PEPPER and JOHN BRADEMAS, represents a recognition of the vital need of elderly Americans for adequate nutrition and particularly for the other services provided under this legislation.

Although the implementation of the title VII program was delayed by vetoes of appropriation measures, the response of the various States has been overwhelmingly enthusiastic since funds have been made available.

The extension of this program, which otherwise would expire on June 30, is not only vital to provide for a full evaluation, but to provide sorely needed assistance to the Nation's elderly at a time when inflation is seriously affecting their economic security.

Hearings have been scheduled on this matter in the Senate, and I am hopeful that the bill, S. 2488, which I introduced with Senator PERCY and which is the companion bill to the House measure, will be adopted shortly. The bill now has 26 cosponsors. I am hopeful that appropriations equivalent to the House measure of $150 million for fiscal year 1975, $200 million for fiscal year 1976, and $250 million for fiscal year 1977, will be approved.

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## STRIP MINING

Mr. FANNIN. Mr. President, the end of the Arab oil boycott does not mean the end of the energy crisis. Our basic problem remains: How shall we meet the growing and vital need of the United States for energy? We have during the past 6 months seen the elimination of one possible answer to this question. We obviously cannot depend upon foreign sources to meet this need.

The most abundant natural resource currently available to meet our energy need is coal. It is unfortunate that in attempting to obtain the laudable goals of a cleaner environment and safer working conditions for miners, the Congress has managed to hamstring the coal industry. We have erected barriers which prevent us from putting this resource quickly to work for the good of the Nation. Equally serious is the fact that the attitude of Congress and agencies created by Congress have resulted in confusion and uncertainty that inhibits development of our coal reserves.

Mr. President, one of Washington's outstanding journalists, Shirley Scheibla, has written a very informative two-part article for Barron's on the situation in the coal industry. At this time when we still are in the process of working on important legislation in this area, I believe it would be advisable for everyone in the Congress to consider what she has written, and I therefore ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### CURTAINS FOR STRIPPERS? PENDING LEGISLATION COULD DO IN SURFACE COAL MINES

(By Shirley Scheibla)

WASHINGTON.—Low-sulfur Western coal reserves today loom as one of the nation's best hopes for providing an adequate domestic supply of environmentally acceptable fuel. Yet 85% of the reserves, an estimated 37.5 billion tons, is owned by the federal government, which has leased none for over three years. The Interior Department has held up such leasing because of indecision over what to do about strip mining.

Congress is suffering from similar uncertainty. Although the Senate passed a strict bill last October, pre-oil crisis, the House Interior Committee expects a donny-brook later this month when it is scheduled to weigh strip-mining legislation. Its difficulties partly reflect the energy shortage, partly the persistent inability of politicians and so-called experts to agree on what kind of reclamation is acceptable and how much strip mining should be allowed.

### WHO FOOTS THE BILL?

Should all scarred areas be reclaimed, or only those stripped from now on? Should the land be restored to its original contour? What about arid and semi-arid Western lands? What will various types of restrictions cost? Who will foot the bill? How will restrictions affect overall coal production? How should federal standards be enforced?

These are a few of the major issues involved in the legislation now before Congress. Answers are important, because strip mining provides half of the nation's supply of much needed coal and 60% of the fuel for utilities. From an extraction standpoint, stripping is a much more efficient method, capable of obtaining 90% of deposits, compared with 50% through underground mining. It's also quicker and cheaper.

Yet measures passed by the Senate—and reported by two subcommittees of the House Interior Committee—would severely curtail, if not eliminate, stripping and impose multibillion-dollar additional costs on coal mining. Hence Sidney L. McFarland, House Interior Committee Staff Director, expects a flood of amendments. "The energy crisis has slowed down action on the bill. It is not beyond the realm of possibility for it to be tabled in committee," he declared. Rep. Craig Hosmer (R., Calif.), ranking minority member of the Committee, told Barron's that he detects a growing realization within the House that HR 11500 won't dig the necessary coal. He plans to introduce a much less stringent bill.

### MORE THAN ONE VOICE

Like Congress, the Administration fails to speak with one voice. In particular, the Environmental Protection Agency is seeking stricter controls than the Federal Energy Office. Meanwhile, the coal industry is being called upon to make long-term investments in new production without knowing what the future rules will be. If Congress makes strip mining significantly more costly, it could drastically affect the future of coal gasification.

Basically, the House and Senate bills follow the precedent of the Clean Air Act, the constitutionality of which has not yet been put to the test. In what some consider a violation of states' rights, the strip-mining bills call for states to come up with their own regulatory programs. But if Washington doesn't like them, it can impose its own.

The Senate and House bills also require the states to have systems for designating areas unsuitable for surface mining, and both are broad enough to prevent all such mining. According to Senator Paul J. Fannin (R., Ariz.), S. 425 allows such a designation for "areas of critical environmental concern," whatever that means, and thus could preclude strip mining even if the area could be reclaimed. To Senator Byrd of Virginia, it is tantamount to federal zoning on state land.

### CLOSE TO SURFACE

The Mansfield amendment to S. 425 would end all indecision concerning what to do about federally-owned coal lands by simply banning strip mining on them where the surface is privately owned. At the turn of the century, there were so many protests over mineral rights on homesteads that the federal government decided it would retain such rights.

Much coal, particularly in the West, lies so close to the surface that underground mining is not feasible. The Interior Department estimates that roughly 14.2 billion tons of coal would be sealed off by the Mansfield amendment; the National Coal Association says 37.5 billion. An analysis by Douglas L. McCullough, coal expert for the Federal Energy Office, concludes that the Coal Association estimate "may be closer to the correct figure and could even be conservative."

In any event, he points out that Interior's estimate is equivalent to 1¼ times current proven U.S. reserves of natural gas, or 30 years' production of about 5.4 million barrels of crude oil per day, about equal to current imports. The Coal Association's estimate is equivalent to total present U.S. oil consumption of about 17 million barrels per day. Mr. McCullough concluded that S. 425 "would undermine the current emergency efforts to substitute low sulfur coal for oil and gas and further aggravate the energy crisis by requiring a greater reliance on oil and gas."

### BASIC THRUST

Interior points out that Western coal costs only half of the national average for deep-mined coal. "The amendment will seriously alter the economics of coal gasification, adding about 17 cents per million British thermal units for synthetic natural gas and increasing plant investment for a 250 million standard cubic feet plant by over $20 million. Many of the potential coal gasification sites would be affected."

The basic thrust of both the House and Senate bills is to discourage strip mining. For several years, Rep. Ken Hechler (D., W. Va.) has been pushing for an outright ban on all stripping. He contends that underground mines closed in favor of stripping can be reopened to meet the energy crisis.

There is considerable debate regarding the amount of coal which can be obtained solely by surface methods. Russel Train, administrator of the Environmental Protection Agency, says strippable reserves constitute only 3% of the total. However, Carl E. Bagge, head of the National Coal Association, says Mr. Train miscalculated by dividing the 1.5 trillion tons of all coal known to exist by an estimated 45 billion tons of coal economically strippable at 1970 prices. Mr. Bagge argues that Mr. Train should have compared the total of strippable coal at any price, 141 billion tons, with the 413 billion tons of total reserves mineable by present technology.

While underground mining can produce plenty of coal, costs would be heavy. The Federal Energy Office already has asked 19 utilities to convert 26 power plants from oil to coal and plans to ask more to do so. According to William E. Simon, head of FEO, "an additional mining cost for coal at this time would run counter to this effort." Mr. Bagge says that replacing present strip mining with underground mining would require 276 new deep mines of one million tons' annual capability each, at a total capital cost of $3–$5 billion.

### SHORTAGE OF SKILLED WORKERS

Senator Jennings Randolph (D., W.Va.) explains that the coal industry already is short of skilled workers to operate underground. He's also concerned over the high death rate underground. Last year 99 men were killed in underground coal mines, compared with 17 in strip and auger mines.

During the debate on S. 425, Senator Clifford Hansen (R., Wyo.) told the Senate that more underground mining would "mean training a whole new army of men who, first of all, must be willing to work underground. That brings up the question of black lung and other diseases. . . . I cheered and applauded when we could get them (the miners) above ground so they could see the sunrise and the sunset and they could feel the differences in temperatures when spring, summer, autumn and winter arrived, an experience they did not have . . . underground."

Nevertheless, EPA Administrator Train has declared, "The sooner we can make underground (mining) more economically attractive, more technologically feasible and more socially acceptable as a way of life, way of employment, the better off we're going to be."

Last November, Mr. Bagge told the annual meeting of the Geological Society of America: "The theory behind the Mansfield amendment is that the strippable coal it freezes in place could be replaced by coal from underground mines . . . (but) 85% of the federal government and most of the leases granted are for strippable coal. To acquire deep coal reserves would entail new leases. . . . Even if the freeze on leasing were ended today, and supposing that a coal company had some geological geniuses who could locate suitable reserves of deep coal by tomorrow morning, it takes three or four years to develop a deep mine. That would still leave some power plants waiting a long time for coal to arrive."

Meantime, little Western mining can be done because of a checkerboard pattern of ownership divided among private, state and federal, which makes it difficult to mine one property without the others.

Even if it decides what to do about strip mining, however, Interior won't be able to resume leasing until completion of an environmental impact statement, which it doesn't expect to complete until the end of the summer.

### MORE RED TAPE

Ironically, Congress inspired much of the increase in strip mining by passage of the Federal Coal Mine Health & Safety Act in 1968. Then only 38% of the coal mined was obtained by stripping, compared with 50% today. According to Senator Howard Baker (R., Tenn.), "The measure, while it was certainly directed at a laudable goal, seriously exacerbated the competitive disadvantage of deep mining by vastly increasing red tape, by setting arbitrary safety standards, by requiring excessive monitoring and by setting excessive and unnecessarily expensive equipment standards."

The most controversial part of the House bill is the amendment by Rep. John Seiberling (D., Ohio) calling for a reclamation fee of $2.50 a ton for all stripmined coal. This would be used to help restore land scarred in the past and to help equalize strip and underground mining costs. Earlier this month, however, Under-Secretary of the Interior, John C. Whitaker wrote House Interior Committee Chairman James A. Haley (D., Fla.) that the amendment "will unreasonably raise current coal costs and penalize current coal consumers for damages caused by other operations." Mr. Whitaker also urged reappraisal of the legislation in the light of current fuel shortages. He said that the mining and reclamation criteria are too rigid and could result in substantial losses in coal production.

Howard C. Elmore, chairman of the Western Systems Coordinating Council, painted a grim picture in his testimony before the two House subcommittees. "The WSCC utilities may raise over half a billion dollars in the money market for a coal-fired generating station and related facilities which are dependent upon coal fuel from a single surface mining operation. The utility and the investment community rely on the ability of the facility to operate and utilize its fuel source in order to pay off the investment. The House bills permit a regulatory authority to impose unknown terms and conditions on the permit periodically that could have the effect of reducing, terminating or curtailing a portion of the fuel supply. This jeopardizes the utilities' ability to finance their facilities."

### INTERPRETATIONS

Mr. Elmore also testified that over 90% of the coal required by WSCC systems for the next decade must be strip-mined. Curtailment or termination of such mining "would be catastrophic and the damage to the consuming public would be difficult to imagine. At best, planned rationing of electricity on a rotating basis would be required."

Even the most avid opponents of the pending bills are ready to agree to mandatory reclamation. But interpretation of what reclamation is acceptable vary as much as the land itself. Both House and Senate bills call for the restoration of stripped land to its approximate original contour. But the National Coal Association finds the House bill "so inflexible that it would prevent operations in many instances from meeting other regulations of the bill—such as the control of erosion, siltation, water runoff and drainage and stabilization of mined land."

Edwin R. Phelps, president of Peabody Coal Co., voiced similar reservations regarding the Senate measure. "The key factors—erosion, sedimentation, landslides, toxic drainage, soil stabilization and revegetation can all be handled, oftentimes more effectively, without return to the original contour."

The amount of reclamation mandated ultimately may depend upon costs. Estimates, however, are as numerous as scandals in Washington. Rep. Hechler told the Senate Interior Committee about European experiences in reclamation: "The extensive study, Surface Mining & Land Reclamation in Germany, by E. A. Nephew of the Oak Ridge National Laboratory, indicated that costs of reclamation in Germany amount to between $3,000 and $4,500 per acre, while in Great Britain they run as high as $7,479 per acre but average out close to $4,000 an acre. The cost per ton ranged from 63 cents to $4.24/ton and averaged $1.35/ton."

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## CONVERSION PREMIUM—UTILITIES FIND COAL EXPENSIVE AND SCARCE

(By Shirley Scheibla)

WASHINGTON.—Coal to Newcastle—the United States—will start arriving this year. Specifically, Southern Co. expects to receive 500,000 tons from South Africa, and it now is in negotiation for two-three million tons from Australia. New England Electric System has firm commitments for 240,000 tons of coal from Poland and options on another 600,000.

Under pressure to use coal because of the oil shortage, many Eastern utilities have made the unpleasant discovery that because coal production can't be changed as fast as government directives, this country's only plentiful fuel is turning out to be scarce. There's a limit to how much operating mines can step up production. Launching new ones requires time, as well as some degree of certainty regarding federal intentions.

### MASSIVE CONVERSION TO OIL

During the environmental pressures of the late 'Sixties, enough utilities converted to oil to burn an estimated 228 million additional barrels in 1972, about 55% of all the oil burned by electric utilities. In the fall of 1973, the Office of Emergency Preparedness (now abolished) and the Federal Power Commission estimated that, in an emergency, enough utilities, providing they could obtain the necessary coal, could reconvert to coal in three weeks to mean savings of 258,000 barrels of oil a day.

Indicating that such an emergency exists, Federal Energy Office Administrator William E. Simon, on December 6, urged immediate reconversion by 26 plants to save 250,000 barrels a day. He asked an additional 60 plants to weigh similar action. Over three months later, however, there had been only enough reconversion to save 65,000 barrels. Last week, the Senate sustained President Nixon's veto of the Emergency Energy Bill. Now, as part of a substitute measure, the Administration wants Congress to authorize power plants to convert to coal for relatively long periods to provide incentive for the necessary capital investment.

Stephen G. Young, president of the West Virginia Coal Association, says flatly that an Environmental Protection Agency (EPA) panel is responsible for the poor results. On January 22, a panel headed by EPA Deputy Administrator John R. Quarles Jr. ruled that electric utilities must make immediate commitments to install flue gas desulfurization systems (scrubbers) to meet the July 1975 deadline of the Clean Air Act. (A final decision is up to EPA Administrator Russell Train, who has not indicated when it will be forthcoming.) Following the panel's report, Mr. Quarles told a press conference that criminal proceedings are possible against electric utilities that don't make good faith efforts to install the desulfurization systems where needed.

### UTILITIES PROTEST

The panel's decision came in the face of protests by utilities that the scrubbers would cause as many problems as they would solve. The recommendation suggests, nevertheless, that companies can't count on extensions of variances to burn plentiful high sulfur coal. As noted in the first article in this series, the government has tied up much of the low sulfur reserves.

At a recent press conference in Tokyo, Ian McGregor, chairman of American Metal Climax Inc., said electric utilities are anxious to buy Western (low sulfur) coal but that large new orders cannot be accepted until the U.S. government makes additional land available for lease.

Such difficulties mean the signing of few long-term contracts for new coal production. Without them, however, the major coal companies can't obtain the financing for opening large new underground mines at costs running around $30-$40 million each. Meanwhile, the price of spot coal has been run up to $32 a ton from $8–$10 in the scramble for supplies. In the end King Coal is bound to regain his throne because there's ho alternative (Barron's, December 24, 1973). Meantime, there's trouble aplenty.

A good deal of spot coal comes from small mines, which are also having regulatory problems. Douglas L. McCullough, coal expert for the Federal Energy Office (FEO), says that as many as 500 mines may have to shut down by the end of this month because of requirements of the Federal Coal Mines Health and Safety Act. These pits produce 25 million tons a year, 4% of the U.S. total. After surveying mines in West Virginia, Tennesse and Kentucky, FEO found that the managements of most considered the installation of required equipment uneconomic.

According to Mr. McCullough, "Several members of Congress are talking about holding hearings quickly to see if these mines could be given extensions of some sort because of the energy crisis. The mines do have a couple things in their favor. They are nongaseous, and methane doesn't occur. Also, their safety records are excellent. Some of them have suggested using a methane detection device which would cost about one-tenth as much as shielding equipment. It's not clear if the Secretary of the Interior could permit the substitute or if it would require legislation.

"FEO is hoping to increase coal production 10% this year. If we lose 4% because of this problem, we would have to increase production 16% to meet our goal."

At press time, a strike by 20,000–21,000 West Virginia coal miners triggered by gasoline shortages had caused production losses estimated at one million tons by the National Coal Association. The walkout involved chiefly metallurgical coal. As it went into its second week, Mr. McCullough noted that steel mills were cutting output 25%. "That's a prelude to what could happen with a nationwide strike when the United Mine Workers' contract expires November 12," he said.

Though the supply side of the equation now has several unknowns, utilities are still faced with need to reconvert to coal at vast expense after having spent millions switching to oil. Most, like New England Electric System, feel they have no choice. It laid out $8 million to go the oil route, and a changeover to coal will cost another $5 million. But the alternative, says spokesman Peter Bugbee, is a possible shutdown of service.

Mr. Bugbee won't give precise prices for the coal the System is importing from Poland, except that it is "in the range of $30 to $35 a ton." While utilities normally like to have a 60–90 day supply, the System's stocks recently were down to 10–20 days. After contacting nearly 100 producers, it has lined up four million tons of coal which, in combination with oil, is deemed to be enough to meet requirements for the year. It means, however, that the system will maintain dual capability for coal and oil.

While New England has paid a top price of $32 a ton for spot coal, John Stevens of the System says, "That is the equivalent of $8 a barrel for oil, and that's cheap oil today."

Unlike New England, Southern Co. never converted to oil during the wave of environmental fervor. William G. Lalor, senior vice president, explains, "We studied conversion to oil and decided against it because we were afraid of relying on imported oil." Ironically, now it's importing coal.

### OUT OF SPOT MARKET

Mr. Lalor says the South African coal will be low sulfur and will cost $20 a ton delivered to Gulf Power. He adds, "We got out of the spot market two months ago. We said that was a lot of nonsense. We got our long-term suppliers to increase production somewhat. . . . We'll burn close to 30 million tons of coal this year, and we'll get an extra million tons of this from our regular suppliers."

Virginia Electric Power Co. did convert to oil at a cost of several million dollars. John Adams, Vepco's general counsel, says that right after Mr. Simon asked the Eastern utilities to reconvert to coal, Vepco sent invitations to bid to 42 producers. Only 25 replied—all in the negative. Mr. Adams says Vepco considers itself fortunate that 25% of its facilities are nuclear-powered, since it can't obtain what it needs for oil-to-coal reconversions.

The Morgantown, Md., generating station of Potomac Electric Power Co. has the unique capability of burning either oil or coal, yet it currently is burning only 25% coal because it can't find more. Since mid-December, Pepco has contacted 100 coal companies in a vain attempt to buy more coal for Morgantown.

### RENEGING ON CONTRACTS

With 94% of its generating capacity coal-fired, American Electric Power Co. burns more coal than any investor-owned utility in the U.S. Thus it doesn't have the problem of reconversion. Nevertheless it has others. Donald C. Cook, chairman of the board, told Barron's that federal policies have driven the price of coal so high that all producers under contract with AEP have asked for increases, and some are reneging on their long-term contracts with AEP companies.

As a partial solution, he said the AEP is rapidly increasing its own mining capability. "Last year we mined a little over six million tons. In 1974 we expect to mine over 11.5 million tons. By 1980 we will be burning 50 million tons a year and mining 25 million tons ourselves. We'll use high sulfur for blending with low sulfur."

Strange as it may seem, AEP expects to transport coal to two plants located at the mouths of Consolidation Coal Co. mines in West Virginia, because their coal won't meet the proposed state regulations under the Clean Air Act.

While all present usable steam coal of Consolidation (owned by Continental Oil) is high sulfur, it has six to eight billion tons of low-sulfur reserves in the West. Consolidation President John Corcoran says, however, that most of these reserves are under state or railroad leases which lie in a checkerboard pattern with federally-owned coal rights. This makes mining impossible since the Interior Department is not issuing coal leases.

### HIGH SULFUR RESERVES

Similarly, Edwin R. Phelps, president of Peabody Coal Co. (owned by Kennecott), says all Peabody's reserves in Ohio, Kentucky, Indiana, Missouri, Oklahoma and Arkansas are high sulfur. "No utilities are now asking us to open new mines unless they are low sulfur. But they'll sign short-term contracts for high sulfur with a force majeur clause stating if the government says they can't burn the coal, they can cancel the contract. As a result we haven't signed any contracts for high sulfur coal since EPA said not to burn it after July 1975," he told Barron's.

### CLARIFICATION NEEDED

Mr. Phelps added that within the past two years, two utilities have put up the money for new mines, will take the risk and simply use Peabody's coal management expertise. He declared: "This is the only way to do business until we get some clarification from Washington. People won't finance an agreement that could be illegal in two years. The utilities figure some relief in two years, but the banks don't figure that way. I think the law has got to be amended. Without relief some electric utility power production will come to a halt."

Otis Bennett, Jr., head of North American Coal Corp., says that 90% of his customers are utilities and that all the coal for them is high sulfur. Shutting off high sulfur coal for utilities would leave North American only one million tons to sell a year out of annual production of 12.5 million tons.

"Extending the permissible use of high sulfur coal for two years beyond 1975 under the Clean Air Act, or for three or four years doesn't mean a thing because we need 15- to 30-year contracts to open new mines," says Bennett. "No lender will finance a mine when maybe we can't use the coal. The whole thing has caused a moratorium on production in the East."

## RESUMPTION OF RELATIONS WITH SWEDEN

Mr. PELL. Mr. President, I warmly welcome the White House announcement of a thaw in our relations with Sweden. It is appropriate to the season but long overdue.

I hope that today's announcement of the exchange of Ambassadors between our two countries, which I have been urging for months, will quickly restore the close and cordial relations that have traditionally existed between them.

Frankly, I have found it appalling that for over 2 years our relations have been on ice with a people that I believe are more like us in their way of life and standard of living than any other people. A hearty "Skål" to Sweden.

## INCOME TAX DEDUCTIONS FOR OLDER AMERICANS

Mr. BUCKLEY. Mr. President, the time is fast approaching when income tax returns must be filed. Form 1040 is complex for many Americans. This is especially true for older Americans, many having changed their tax status from full-time wage earners to retirement or semiretirement status. Many are unaware of available tax deductions in these years and cannot afford to employ tax consultants. The Senate Special Committee on Aging has prepared, for the use of older Americans, a description of items to aid in the preparation of Form 1040. I applaud the members of the committee for their efforts to put together this useful summary. Mr. President, I ask unanimous consent that excerpts from this bulletin be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

### Checklist of Itemized Deductions for Schedule A (Form 1040)

#### MEDICAL AND DENTAL EXPENSES

Medical and dental expenses are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

#### INSURANCE PREMIUMS

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

#### DRUGS AND MEDICINES

Included in medical expenses (subject to 3% rule) but only to extent exceeding 1% of adjusted gross income (line 15, Form 1040).

#### OTHER MEDICAL EXPENSES

Other allowable medical and dental expense (subject to 3% limitation):

Abdominal supports, ambulance hire, Anthetist, arch supports, artificial limbs and teeth, back supports, and braces.

Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.

Cardiographs, chiropodist, chiropractor, christian science practitioner, authorized; convalescent home (for medical treatment only), crutches, dental services (e.g., cleaning teeth, X-rays, filling teeth); dentures, dermatologist, eyeglasses, and gynecologist.

Hearing aids and batteries, hospital expenses, insulin treatment, invalid chair, lab tests, lip reading lessons (designed to overcome a handicap); neurologist, nursing services (for medical care); opthalmologist, optician, optometrist, oral surgery, osteopath, licensed; pediatrician, physical examinations, physician, physiotherapist, podiatrist, psychiatrist, psychoanalyst, psychologist, and psychotherapy.

Radium therapy, sacroiliac belt, seeing-eye dog and maintenance, and splints.

Supplementary medical insurance (Part B) under medicare.

Surgeon.

Transportation expenses for medical purposes (6 cents per mile plus parking and tolls or actual fares for taxi, buses, etc.).

Vaccines.

Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).

Wheelchairs.

Whirlpool baths for medical purposes.

X-rays.

#### TAXES

Real estate, State and local gasoline, general sales, State and local income, and personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security or Railroad Retirement annuities).

#### CONTRIBUTIONS

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20 percent of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value of property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 6¢ per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g., scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

#### INTEREST

Home mortgage.

Auto loan.

Installment purchases (television, washer, dryer, etc.)

Bank credit card—can deduct the finance charge as interest if no part is for service charges or loan fees, credit investigation reports. If classified as service charge, may still deduct 6 percent of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) limited to the portion of the total fee or service charge allocable to the year.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institutions (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

#### CASUALTY OR THEFT LOSSES

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

#### CHILD AND DISABLED DEPENDENT CARE EXENSES

The deduction for child dependent care expenses for employment related purposes has been expanded substantially. Now a taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for 2 children, and $400 per month for 3 or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, his deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

### MISCELLANEOUS

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Campaign contributions (up to $100 for joint returns and $50 for single persons).

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box for income producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees for securing employment.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

*Political Campaign Contributions.*—Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 52, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $50 ($100 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $12.50 ceiling ($25 for couples filing jointly).

*Presidential Election Campaign Fund.*—Additionally, taxpayers may voluntarily earmark $1 of their taxes ($2 on joint returns) to help defray the costs of the 1976 presidential election campaign. If you failed to earmark $1 of your 1972 taxes ($2 on joint returns) to help defray the cost of the 1976 presidential election campaign, you may do so in the space provided above the signature line on your 1973 tax return.

For any questions concerning any of these items, contact your local IRS office. You may also obtain helpful publications and additional forms by contacting your local IRS office.

### OTHER TAX RELIEF MEASURES FOR OLDER AMERICANS

| *Filing status* | *Required to file a tax return if gross income is at least—* |
|---|---|
| Single (under age 65) | $2,050 |
| Single (age 65 or older) | 2,800 |
| Married couple (both spouses under 65) filing jointly | 2,800 |
| Married couple (1 spouse 65 or older) filing jointly | 3,550 |
| Married couple (both spouses 65 or older) filing jointly | 4,300 |
| Married filing separately | 750 |

*Additional Personal Exemption for Age.*—In addition to the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age. You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1974, you will be entitled to the additional $750 personal exemption because of age for your 1973 Federal income tax return.

*Multiple Support Agreements.*—In general, a person may be claimed as a dependent of another taxpayer, provided five tests are met: (1) Support, (2) gross income, (3) member of household or relationship, (4) citizenship, and (5) separate return. But in some cases, two or more individuals provide support for an individual, and no one has contributed more than half the person's support. However, it still may be possible for one of the individuals to be entitled to a $750 dependency deduction if the following requirements are met for multiple support:

1. Two or more persons—any one of whom could claim the person as a dependent if it were not for the support test—together contribute more than half of the dependent's support.

2. Any one of those who individually contribute more than 10 percent of the mutual dependent's support, *but only one of them,* may claim the dependency deduction.

3. Each of the others must file a written statement that he will not claim the dependency deduction for that year. The statement must be filed with the income tax return of the person who claims the dependency deduction. Form 2120 (Multiple Support Declaration) may be used for this purpose.

*Sale of Personal Residence by Elderly Taxpayers.*—A taxpayer may elect to exclude from gross income part, or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 1 year before or 1 year after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

*Retirement Income Credit.*—To qualify for the retirement income credit, you must (a) be a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1973, and (c) have certain types of qualifying "retirement income". Five types of income—pensions, annuities, interest, and dividends included on line 15, Form 1040, and gross rents from Schedule E, Part II, column (b)—qualify for the retirement income credit.

The credit is 15 percent of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62, he must reduce the $1,524 figure by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700, plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax and he answers the questions for Columns A and B and completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

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## A BOOM YEAR FOR PROFITS

**Mr. HUMPHREY.** Mr. President, last year American industry experienced the sharpest increase in profits since the post-Korean war boom year of 1955. According to a comprehensive survey conducted by Business Week, profits in 1973 were 27 percent over 1972. The industries which had the highest increase in profits include aerospace, paper, steel, metals, and oil. Earnings for each of these industries were up by more than 50 percent over 1972.

Although many industries shared in the profits boom, some suffered the effects of the energy crisis and worsening economic conditions, especially tight money. Fourth-quarter profits for the airline and automotive industries fell sharply in the fourth quarter. Savings and loans were also hard hit as commercial interest rates soared and attracted funds out of small lending institutions.

Mr. President, as Business Week points

out, the sharp slowdown in economic activity which we are now experiencing will mean a vastly different profits picture for 1974. However, I think it useful that Congress have these profits numbers available as it prepares to debate changes in the economic stabilization program. All too often, the changes in the Consumer Price Index and increases in wages and salaries are the only statistics mentioned in discussions of price stability and incomes policy. The fact is that 1973 was a year to remember for industry, but for the wage and salary worker it was a year he fervently hopes never to see again. The average worker suffered a decline in his real spendable earnings of more than 3 percent, as inflation ate away at his relatively small wage gains.

Mr. President, I ask unanimous consent that a summary of the Business Week survey on industry profits for 1973 be printed in the RECORD following my remarks.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

[From Business Week, Mar. 9, 1974]

### 1973 PROFITS: A YEAR TO REMEMBER

Rapidly rising costs, price controls, materials shortages, and the initial impact of the energy crisis combined to dampen corporate profits during the final quarter of 1973. But that was not enough to cool the spectacular profit performance for the year as a whole. When all the counting is done, U.S. corporations will have made more than $70-billion after taxes during 1973, 27% more than the $55.4-billion recorded in 1972. That was the biggest percentage increase since the post-Korean War boom days of 1955 and the biggest dollar increase in U.S. business history.

For this survey of fourth quarter and full year 1973 financial results, BUSINESS WEEK is including 1,200 companies, 50% more than are polled for regular quarterly performance reports. Four new industry categories appear on the list: food and lodging, real estate and housing, oil service and supply, with retailing now broken into separate food and nonfood categories. Finally, this survey includes not only composite figures for all the companies in an industry, but, for the first time, an all-industry composite covering all 1,200 companies.

All the data was compiled by Denver-based Investors Management Sciences, Inc., a subsidiary of Standard & Poor's Corp., and includes nearly all U.S. industrial corporations with fourth-quarter sales of $18-million or more, utilities with quarterly revenues greater than $50-million, and banks with deposits of at least $1-billion. Companies whose most recent fiscal quarter ended before Nov. 1 were left out unless their sales for the three months topped $100-million.

Together, these 1,200 companies had combined sales of $261.5-billion in the fourth quarter, up 22% from the same quarter a year earlier. Their profits totaled $15.3-billion, up 23%. For full year 1973, these same 1,200 companies racked up sales of $955.1-billion, 19% higher than for all of 1972. And they recorded annual profits of $55.9-billion, an increase of 25% from 1972, the previous record earnings year.

The one visible sign of trouble came in fourth-quarter profit margins. Margins for these companies were the same in both the final quarters of 1972 and 1973—5.8%. Margins had run nicely ahead of year-ago levels in the first three quarters of 1973.

The five industries that turned in the best fourth-quarter profit performance also led the pack for the whole year. But their order of finish, as well as the magnitude of their earnings increases, was considerably different. The paper industry was the big profit winner for 1973 with earnings up by 67%. It was closely followed by steel, up 66% for the year; aerospace, up 64%; metals, up 64%; metals, up 62%; and oil, up 55%. But two of those industries did not hit their stride until the fourth quarter. Spurred by new defense spending, aerospace profits rocketed ahead by 313% during the final quarter of 1973. And profits for the oil industry grew by 80%, fueled by rapidly rising prices for energy. The paper industry, after six quarters of extremely high profit increases, found its fourth-quarter gains cooling a bit to 57%.

Fourth-quarter profits took a nosedive in the automotive and airlines industries, hard-hit by the energy crisis and rising costs. Savings and loan associations were hard hit by stiff competition for the savings dollar at a time when money market rates seesawed. But these industries did considerably better for the entire year, although they were still among 1973's poorer performers. Airlines profits were off by 8% for the year, while S&Ls showed only a 2% gain and autos produced a subpar 13% increase. The big loser in 1973 was the leisure-time industry, where profits skidded by 15%.

If the big oil companies made big profits during 1973, their smaller brethren did even better. Earnings for the year were up 996% at Commonwealth Oil, 432% at Amerada Hess and 305% at Occidental Petroleum.

Steel industry earnings were led by annual boosts of 258% at McLouth, 101% at Republic, and 108% at U.S. Steel. Wheeling-Pittsburgh nailed down a 199% profits increase in the fourth quarter. Paper industry leaders were Hammermill, up 274% for 1973, and Westvaco, up 232%.

Reflecting a bad year on Wall Street, annual profits fell by 66% at Dean Witter, 56% at Reynolds Securities, and 55% at E. F. Hutton. In the airlines industry, Eastern, Pan Am, and American all racked up big losses for the year, but profits were up 151% at UAL and 194% at Northwest.

Metals companies made a particularly strong showing during 1973's final quarter. Profits at Reynolds Metals were up by 987%, followed by Revere Copper & Brass (up 738%) and Kaiser Aluminum (up 372%). And earnings at Martin Marietta Aluminum grew by 583% during 1973.

#### THE BEST PERFORMERS

Of the 1,200 companies surveyed by Business Week, the glamour stocks continued to command the highest price/earnings ratios during 1973. Leading the pace was the drug industry, with a p/e of 23, followed by oil service and supply with a p/e of 21. Personal care products, office equipment, beverages, and instruments again commanded high multiples, with p/e ratios ranging from 14 to 20. Industries with the lowest current p/e's include aerospace, steel, conglomerates, automotive, textiles, S&Ls, and containers—all with p/e ratios from 5 to 7.

Many of the highly touted glamour industries also continued to give their common shareholders the best return on equity during 1973. Long an institutional favorite, the personal-care products industry led the list with a return on common equity of 20.7%. But the trucking industry also provided common shareholders with a 20.7% return, even though it was among the poorer performers when it came to profit increases.

Other industries with high returns on common equity included drugs, 20%; instruments and office equipment, both 17%; and radio and TV broadcasting, 16.8%—all members of the glamour set. Industries with the poorest annual return for shareholders were airlines, with 5.2%; railroads, 6.3%; and steel, 9.1%; followed by food retailers (9.6%) and textiles and apparel (10.8%).

The key question, of course, amid all the talk of record profits is just how "real" these spectacular gains actually are. A big chunk of the hefty 1973 earnings increases can be attributed to inventory profits—profits generated by the increase in the value of inventories between the time of purchase or production and the time of sale.

Last year, U.S. corporations earned a huge $127-billion before taxes, 30% above the handsome $98-billion earned in 1972. But the Commerce Dept. estimates that $17.3-billion of total 1973 earnings came from inventory profits, compared with inventory profits of only $6.9-billion in 1972. If the data for both years is adjusted, the "real" increase in pretax profits for 1973 was only 19.9%.

Inventory profits, of course, still count as solid profits on the bottom line. But the investor should be aware that inventories may have to be replaced during 1974 at much higher prices, and that could be a drag on corporate results if the prices that the company is able to charge do not keep pace. And if the prices of raw materials and other commodities should tumble later in the year, these corporations may experience still another drag on earnings as they use up relatively higher priced inventories. Companies that use first in-first out (FIFO) accounting, and whose inventories are rather slow to turn over, are particularly vulnerable.

For this reason, the Securities & Exchange Commission recently suggested that companies break out their inventory profits, if they are significant, in their financial reports for 1973. But few, if any, corporations are likely to make such disclosure. Inventories are only one item in the financial statements that are affected by inflation. To only show the effect on inventories would be "potentially misleading," they argue.

Breaking out inventory profits is only "a piecemeal, patchwork solution," says Donald H. Chapin, partner at Arthur Young & Co., one of the nation's Big Eight CPA firms. Most corporate managers are waiting until the new Financial Accounting Standards Board can put its stamp of approval on some kind of price-level adjustments for the entire income statement and balance sheet. That kind of "inflation accounting," which now is being tried in Great Britain, lets investors compare the present financial results based on historical costs with a new set of figures expressed in constant dollars. The FASB has scheduled a public hearing on the issue late next month.

In its preliminary profits report, Bethlehem Steel's chairman, Stewart S. Cort, did take note of the inflation factor in discussing his company's 1973 earnings, which rose from $134.6-million to $206.6-million. He noted that Bethlehem's net income was only about 8% higher than it was in 1957—the company's previous record earnings year—although it shipped 3-million more tons last year than in 1957. "In fact," Cort summed up, "our 1973 earnings were about 30% lower than 1957's in constant dollars—that is, adjusting the figures to compensate for the effects of inflation."

#### REFIGURING OVERSEAS INVESTMENTS

Economists estimate that the over-all impact of currency realignments of 1973 profit was neligible—amounting to no more than 1% or 2% of total U.S. corporate earnings. But for multinational corporations, the impact was considerably greater. Those companies also now have a wide range of accounting alternatives, and can choose how and when they want to take some of the gains.

BankAmerica Corp. says that its revaluation of overseas investments during 1973 produced $9.7-million in after-tax profits. But the bank will put aside $5.5-million of this amount into a special reserve to offset possible future losses if the dollar continues to strengthen against other currencies during 1974. And Eastman Kodak Co. says that $13.8-million of its $653.5-million 1973 earnings came from foreign currency exchange gains. But the company set aside another $19-million in a special reserve to help offset inventory losses caused by the decline of "certain European currencies in early 1974."

Many economists are predicting almost no growth in corporate profits for 1974. But businessmen, more optimistic, expect industry to show respectable earnings gains. Part of the gap may be explained by the "inventory profits" issue. But how corporate profits rank at this time next year will depend on the depth of any economic slowdown, the rate of inflation, the effect of any remaining price controls, and the severity of the energy crisis.

Uncertainties about the direction that oil company profits will take—or will be allowed to take—are enough to throw a monkey wrench into the best of predictions.

THE 1973 LEADERS IN RETURN ON COMMON EQUITY AND IMPROVED PROFIT MARGINS

[In percent]

| Industries | 12 mos ending Dec. 31, 1973 | Industries | 4th quarter 1973 | 4th quarter 1972 | Change |
|---|---|---|---|---|---|
| 1. Personal care products | 20.7 | 1. Aerospace | 2.4 | 0.7 | +243 |
| Trucking | 20.7 | 2. Metals and mining | 8.3 | 5.6 | +48 |
| 3. Drugs | 20.0 | 3. Paper | 6.5 | 5.0 | +30 |
| 4. Instruments | 17.2 | 4. Oil | 9.0 | 7.0 | +29 |
| 5. Office equipment, computers | 17.1 | 5. Steel | 4.9 | 3.9 | +26 |

| Individual companies | Industry | 12 mo ending Dec. 31, 1973 | Individual companies | Industry | 4th quarter 1973 | 4th quarter 1972 | Change |
|---|---|---|---|---|---|---|---|
| 1. Valmac Industries | Food processing | 86.9 | 1. Kaiser Steel | Steel | 22.4 | 0.2 | +11,100 |
| 2. Bowmar Instrument | Electrical, electronics | 69.6 | 2. Wean United | General machinery | 2.7 | .1 | +2,600 |
| 3. Cook Industries | Food processing | 65.6 | 3. Natomas | Oil | 21.5 | 1.8 | +1,094 |
| 4. Sierra Pacific Industries | Building materials | 49.9 | 4. Bibb | Textiles, apparel | 1.9 | .2 | +850 |
| 5. National Semiconductor | Electrical, electronics | 42.3 | 5. Reynolds Metals | Metals and mining | 7.0 | .9 | +678 |
| 6. American Beef Packers | Food processing | 41.8 | 6. Revere Copper & Brass | Metals and mining | 2.2 | .3 | +633 |
| 7. Tampax | Personal care products | 41.6 | 7. PVO International | Service industries | 1.3 | .2 | +550 |
| 8. Bandag | Tire and rubber | 41.5 | 8. Libby, McNeill & Libby | Food processing | 1.7 | .3 | +467 |
| 9. K-Tel International | Leisure time | 41.0 | 9. Commercial Solvents | Chemicals | 4.6 | .9 | +411 |
| 10. Edgington Oil | Oil | 40.7 | 10. Northwest Airlines | Airlines | 9.0 | 1.8 | +400 |
| All-industry composite | | 14.0 | All-industry composite | | 5.8 | 5.8 | +0 |

Data: Investors Management Sciences, Inc.

SURVEY OF CORPORATE PERFORMANCE: 4TH QUARTER 1973

| | Sales | | | | Profits | | | | Margins | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Industry | 4th qtr. 1973 (millions) | Chg. from 1972 (percent) | 12 mo 1973 (millions) | Chg. from 1972 (percent) | 4th qtr. 1973 (millions) | Chg. from 1972 (percent) | 12 mo 1973 (millions) | Chg. from 1972 (percent) | 4th qtr. 1973 (percent) | 4th qtr. 1972 (percent) | Return com. eqy. 12 mo ending Dec. 31 | P-E Feb. 22 | 12 mo earnings per share |
| Aerospace: Airframes, general aircraft, and parts | $5,258.7 | 23 | $19,205.8 | 20 | $125.8 | 313 | $509.4 | 64 | 2.4 | 0.7 | 11.4 | 5 | 3.17 |
| Airlines | 2,949.2 | 8 | 12,090.7 | 11 | 8.2 | −73 | 227.4 | −8 | .3 | 1.1 | 5.2 | 12 | .84 |
| Appliances | 1,695.8 | 12 | 6,206.5 | 15 | 79.1 | −5 | 279.6 | 8 | 4.7 | 5.5 | 15.4 | 8 | 2.60 |
| Automotive: Autos, trucks, equipment and parts | 24,533.7 | 9 | 95,174.4 | 18 | 887.1 | −28 | 4,513.9 | 13 | 3.6 | 5.4 | 16.1 | 6 | 6.01 |
| Banks and bank holding companies | 9,392.6 | 68 | 30,883.5 | 51 | 735.5 | 13 | 2,612.0 | 13 | 7.8 | 11.5 | 13.0 | 10 | 3.36 |
| Beverages: Brewers, distillers, soft drinks | 2,187.0 | 17 | 7,811.8 | 17 | 93.4 | 4 | 388.0 | 8 | 4.3 | 4.8 | 14.5 | 15 | 1.64 |
| Building materials: Cement, wood, paint, heating and plumbing, roofing, etc | 7,339.0 | 20 | 28,437.3 | 21 | 386.3 | 32 | 1,660.2 | 50 | 5.3 | 4.8 | 15.1 | 8 | 2.54 |
| Chemicals | 9,329.7 | 21 | 35,501.4 | 19 | 658.2 | 38 | 2,656.8 | 41 | 7.0 | 6.3 | 14.8 | 11 | 3.57 |
| Conglomerates | 7,858.6 | 28 | 29,230.2 | 17 | 309.6 | 9 | 1,146.9 | 24 | 3.9 | 4.5 | 11.3 | 6 | 2.54 |
| Containers | 2,626.4 | 20 | 10,070.3 | 14 | 95.2 | 19 | 403.7 | 18 | 3.6 | 3.7 | 11.6 | 7 | 3.05 |
| Drugs: Ethical, proprietary, medical, and hospital supplies | 4,867.1 | 19 | 18,466.6 | 15 | 461.9 | 15 | 1,805.4 | 17 | 9.5 | 9.7 | 20.0 | 23 | 1.82 |
| Electrical, electronics: Heavy equipment, components, radio and TV sets, etc | 11,019.8 | 16 | 39,959.3 | 16 | 512.9 | 6 | 1,835.9 | 16 | 4.7 | 5.1 | 15.1 | 11 | 2.34 |
| Food processing: Baked goods, canned and packaged foods, dairy products, meat, condiments, etc | 16,603.1 | 24 | 60,350.3 | 20 | 513.7 | 21 | 1,803.7 | 17 | 3.1 | 3.2 | 13.6 | 9 | 2.23 |
| Food and lodging | 1,106.5 | 19 | 4,281.5 | 18 | 43.6 | 5 | 180.5 | 9 | 3.9 | 4.4 | 13.6 | 11 | 1.17 |
| General machinery: Machine tools, industrial machinery, metal fabricators, etc | 4,034.4 | 27 | 14,080.0 | 21 | 174.0 | 33 | 615.7 | 33 | 4.3 | 4.1 | 12.4 | 11 | 2.34 |
| Instruments: Controls, measuring devices, photo and optical | 2,979.7 | 18 | 9,932.9 | 17 | 280.7 | 6 | 957.6 | 20 | 9.4 | 10.4 | 17.2 | 14 | 2.90 |
| Leisure time industries | 1,695.0 | 8 | 6,302.0 | 10 | 86.9 | −3 | 234.7 | −15 | 5.1 | 5.8 | 11.3 | 13 | .89 |
| Metals and mining: Nonferrous metals, coal, iron ore, etc | 4,215.5 | 35 | 15,310.0 | 27 | 348.4 | 79 | 1,077.3 | 62 | 8.3 | 5.6 | 11.0 | 12 | 3.25 |
| Miscellaneous manfuacturing | 5,856.1 | 21 | 21,725.8 | 20 | 318.8 | 20 | 1,190.7 | 25 | 5.4 | 5.4 | 14.4 | 9 | 2.43 |
| Nonbank financial | 3,128.7 | 15 | 11,934.2 | 12 | 208.6 | 8 | 728.9 | −3 | 6.7 | 7.2 | 10.9 | 10 | 2.98 |
| Office equipment, computers | 6,742.4 | 25 | 23,140.4 | 18 | 717.0 | 56 | 2,310.1 | 30 | 10.6 | 8.5 | 17.1 | 17 | 5.84 |
| Oil: Crude, integrated domestic and international | 35,182.0 | 40 | 117,910.5 | 27 | 3,184.7 | 80 | 9,669.8 | 55 | 9.0 | 7.0 | 15.1 | 11 | 5.38 |
| Oil service and supply | 1,587.3 | 13 | 5,862.7 | 24 | 85.4 | 18 | 277.5 | 16 | 5.4 | 5.2 | 12.1 | 21 | 2.45 |
| Paper | 3,341.9 | 22 | 12,420.6 | 18 | 218.1 | 57 | 773.5 | 67 | 6.5 | 5.0 | 13.6 | 10 | 3.00 |
| Personal care products: Cosmetics, soap, etc | 2,877.4 | 23 | 10,416.6 | 19 | 210.3 | 10 | 744.5 | 9 | 7.3 | 6.6 | 20.7 | 20 | 2.63 |
| Publishing: Periodicals, books, newspapers | 1,320.1 | 10 | 4,805.0 | 10 | 99.8 | 12 | 327.2 | 21 | 7.6 | 7.5 | 14.4 | 9 | 1.78 |
| Radio and TV broadcasting | 905.2 | 3 | 3,080.0 | 8 | 62.2 | 1 | 199.1 | 13 | 6.9 | 7.1 | 16.8 | 8 | 2.61 |
| Railroads | 2,849.7 | 10 | 10,000.7 | 10 | 230.7 | 22 | 688.0 | 8 | 8.7 | 7.9 | 6.3 | 10 | 4.61 |
| Real estate and housing | 890.0 | 21 | 3,163.6 | 16 | 59.9 | 26 | 189.6 | 13 | 6.7 | 5.8 | 12.6 | 10 | 1.44 |
| Retailing (food) | 11,383.1 | 12 | 41,941.2 | 13 | 109.8 | 26 | 354.7 | 32 | 1.0 | .9 | 9.6 | 9 | 1.59 |
| Retailing (nonfood) | 16,200.9 | 12 | 58,851.9 | 15 | 457.5 | 5 | 1,868.2 | 14 | 2.8 | 3.0 | 13.3 | 9 | 2.44 |
| Savings and loan | 374.2 | 13 | 1,441.7 | 15 | 32.4 | −30 | 174.1 | 2 | 8.6 | 13.9 | 11.9 | 7 | 1.98 |
| Service industries: Leasing, vending machines, wholesaling, etc | 8,085.3 | 22 | 28,745.4 | 21 | 213.4 | 13 | 714.2 | 21 | 2.6 | 2.9 | 14.1 | 10 | 1.58 |
| Special machinery: Farm, construction, materials handling | 2,782.4 | 24 | 10,574.3 | 23 | 153.9 | 20 | 621.8 | 30 | 5.5 | 5.7 | 15.9 | 10 | 3.67 |
| Steel | 7,552.7 | 26 | 28,587.3 | 28 | 372.2 | 60 | 1,230.6 | 66 | 4.9 | 3.9 | 9.1 | 6 | 4.39 |
| Textiles and apparel | 4,506.4 | 12 | 16,912.4 | 14 | 153.5 | 9 | 555.0 | 22 | 3.4 | 3.5 | 10.8 | 7 | 2.29 |
| Tire and rubber | 3,847.3 | 15 | 14,245.8 | 16 | 176.2 | 13 | 594.1 | 10 | 4.6 | 4.7 | 11.6 | 8 | 2.59 |
| Tobacco: Cigars, cigaretts | 2,741.1 | 14 | 10,342.0 | 9 | 161.0 | 6 | 647.8 | 9 | 5.9 | 6.2 | 16.7 | 10 | 5.00 |
| Trucking | 1,031.9 | 20 | 3,707.4 | 20 | 41.4 | −2 | 146.2 | 7 | 4.0 | 4.9 | 20.7 | 9 | 1.85 |
| Utilities: Telephone, electric, gas | 18,802.2 | 10 | 71,959.6 | 12 | 2,220.7 | 7 | 8,873.6 | 14 | 11.8 | 12.1 | 11.9 | 9 | 2.91 |
| Composite Composite | 261,460.1 | 22 | 955,052.2 | 19 | 15,266.0 | 23 | 55,943.7 | 25 | 5.8 | 5.8 | 14.0 | 11 | 30.9 |

## MILITARY AID TO SOUTH VIETNAM

Mr. KENNEDY. Mr. President, I had the privilege yesterday to testify before the Armed Services Committee in support of the amendment—No. 1000—to S. 2999, which I introduced several weeks ago along with the distinguished Senator from Kansas (Mr. PEARSON), to eliminate the supplemental military appropriation for South Vietnam.

The purpose of our amendment is to halt the back-door financing of more military supplies to the South Vietnamese Army this fiscal year. Last year the Congress acted to cut the administration's massive $1.6 billion request, limiting the authorization to $1.1 billion and appropriating only $900 million in new money.

Now, if the Defense Department has its way, that wise decision of Congress will be circumvented by authorizing the transfer of $474 million, bringing the total military aid this year to South Vietnam back to the $1.6 billion.

I commend the Armed Services Committee for the important and thorough review it has taken on this supplemental appropriation request, and I commend the distinguished senior Senator from Missouri (Mr. SYMINGTON) for chairing open hearings yesterday. I am hopeful the committee will favorably consider the Kennedy-Pearson amendment.

Mr. President, I would like to share with my colleagues my assessment of the Department of Defense request for more military aid to South Vietnam, and I ask unanimous consent that my statement before the Armed Services Committee be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### SENATOR KENNEDY'S STATEMENT ON MILITARY AID TO SOUTH VIETNAM BEFORE THE SENATE ARMED SERVICES COMMITTEE

Mr. Chairman, members of the Committee, I very much appreciate this opportunity to speak briefly to the amendment which I introduced, along with Senator Pearson, to eliminate the transfer authority for new military assistance to South Vietnam from S. 2999, the Department of Defense supplemental appropriation authorization for 1974.

Mr. Chairman, I think the first point that should be made, is that the Department's request for some $474 million in new military assistance for South Vietnam, is not an issue of national defense—and hardly one of national security. But it does raise the question of our continuing and future involvement in South Vietnam and Indochina. And this is a question that must be answered within the context of the ceasefire agreement, and the new opportunities that agreement provides our country to change the character and level of our involvement in that area of the world.

If the Paris agreement and protocols are worth the paper they are written on, our country's relationship and involvement in South Vietnam must today be different from what it was before—not only from what it was two years ago or ten years ago, but different from what it was even last year. And the question to be asked today is whether this supplemental request for military aid to South Vietnam is consistent with the new realities of South East Asia and peace with honor—or whether it perpetuates an old relationship and reflects policies that have not really changed.

The ceasefire agreements for Vietnam and Laos—and the persistent hope for a similar agreement for Cambodia—are benchmarks of immense historical proportions in the evolution of our policy and involvement in the countries of Indochina. And even though conditions are mixed in the field, and many difficult problems continue for all parties involved—the fact remains that for the first time in many years, we have real opportunities to embark on new policies—to change our involvement, to reorder our priorities, and to finally practice some lessons from the failures and frustrations of the past.

We can finally end the master-client relationships between Washington and the capitols of Indochina. We can finally disengage from our direct and manipulative involvement in the remaining political and military confrontations of the area. We can finally chart a new beginning—in cooperation with the international community and the governments of Indochina—to help repair the damage of conflict and heal the wounds of war. We can finally shift our focus from fueling death and destruction, to really building the peace.

This is what the return of our servicemen and prisoners of war have meant to most Americans. And this is the promise of a peace with honor—and the hope of the ceasefire agreements which have extricated our country from the Indochina war.

But this promise and this hope is apparently not shared by this Administration—which still seeks to maximize American presence and influence in the area, with the old tools of war instead of a new diplomacy for peace and reconciliation. And the dichotomy between the opportunities for change implicit in the ceasefire agreements, and the tired patterns of the past implicit in the character of the Administration's continuing budget requests for Indochina, is a crucial issue for the Congress—and for all Americans.

I am opposed to the supplemental request for South Vietnam, because it simply continues, unchanged, our previous military assistance policies, although circumstances have changed and America's responsibilities have changed with them.

It is argued that this request for more military aid is necessary because of inflation—to which I can only say that inflation begins at home. And the housewife in Massachusetts must wonder at our government's worry over the effects of inflation in Saigon, when the cost of bread and milk in Boston is climbing every day.

Some say that the South Vietnamese army needs additional military aid because of North Vietnamese violations of the ceasefire. But the question remains as to whether the shipment of more arms to South Vietnam will help strengthen the ceasefire agreement. And what about the use of American-supplied ammunition by the South Vietnamese army? According to an unclassified cable of March 6, from Ambassador Graham Martin in Saigon, it was only after "United States-imposed constraints and better South Vietnamese management controls," that the use of American supplied ammunition dropped at a rate of 20 to 50 percent. Ambassador Martin confirms what many have observed during last year, that without some constraints on our supply of ammunition, the South Vietnamese military would continue to fire their howitzers just as they have before, as if nothing has changed.

And, regrettably, Mr. Chairman, if the Congress approves this supplemental request, nothing will have changed. In fact, the Department of Defense will have successfully nullified Congressional action last year to reduce the level of American military support in South Vietnam, and to cut-back on our funding of the South Vietnamese army. As we all know, it was after considerable review by this Committee, by the Appropriations Committee, and after extensive debate on the floor, that the Congress acted to cut the Administration's massive $1.6 billion request for military aid to South Vietnam for the current fiscal year—reducing it to a $900 million appropriation and a $1.1 billion authorization. Now, if the Department of Defense is to have its way, the decision of Congress to cut-back will be circumvented by back-door financing. For if the Congress approves the transfer of $474 million, the Department of Defense—with a very flimsy justification—will have exactly what it asked for, and not what the Congress voted for. Furthermore, this supplemental comes only weeks before we are to consider the Administration's disturbing request for some $1.6 billion in fiscal year 1975.

Mr. Chairman, I believe the Congress acted responsibly last year in limiting our funding of military supplies to the South Vietnamese army. That wise decision should not now be reversed through a supplemental. Rather, we should properly consider any further American military support of South Vietnam in the context of the budget request for the next fiscal year.

Frankly, I believe the American taxpayer would be shocked to learn that one year after the cease-fire we still are pouring into South Vietnam and Indochina well over $2 billion each year. In light of our other important commitments abroad, and our pressing domestic needs here at home, this massive expenditure borders on fiscal irresponsibility.

Finally, Mr. Chairman, let me say that I strongly believe that America's true remaining obligation in Indochina is less with governments and armies, than with people—the millions of war victims and others disadvantaged by war who now cry out for our help in relief and rehabilitation. Yet, the Administration's priorities in Indochina remain more with funding the arms of war, than with assistance to heal the wounds of war.

In the absence of any new or meaningful initiatives by the Administration—which has failed to recognize the new beginnings our country must make in that tortured area of the world—the Congress has acted to chart some new directions. For one thing, in contrast to the President's proposal last year, the Congress acted responsibly in giving top priority to humanitarian assistance in the allocation of economic aid to the governments of Indochina. The Congress also reduced the Administration's request for military aid. It ordered a halt to the bombing, and it banned military advisors in order to end our direct military involvement.

In short, the Congress and the American people have been sending the Administration a message—a message which it apparently has failed to understand, and which is still not reflected in its budget requests for Indochina. The message is very simple. The American people are tired of funding war. They want to help bring peace and relief to Indochina.

New efforts are needed on the diplomatic front. The lingering and bloody war in Cambodia deserves better of our diplomacy. The breakdown in the ceasefire agreement in Vietnam demands more than just a threat of new bombing or the provision of more arms. The fragile peace in Laos requires our support, as well as a change in the character of our presence in Vientiane. And the deadlock in our relations with Hanoi must be broken. These are diplomatic initiatives which are on the back-burners at the Department of State.

To clarify what our government's policy is towards Indochina, last week I wrote to Secretary of State Kissinger to inquire about the character and objectives of our policy in Indochina, and over the kinds and levels of our continuing involvement in the area. I would like, Mr. Chairman, to submit my letter for the record, for I believe these questions are pertinent to this Committee's review of proposals for military assistance to South Vietnam.

Again, Mr. Chairman, I appreciated this opportunity to testify, and I commend you for holding these open hearings. I hope this Committee will act favorably upon the amendment introduced by myself and Senator Pearson, and continue the process of finally changing the level of America's military involvement in South Vietnam.

## THE CORPORATION AND THE DINOSAUR

Mr. BROCK. Mr. President, Irving Kristol has written an interesting column for the Wall Street Journal in which he suggests that the large corporation in our country is moving itself toward extinction. While I disagree with the inevitability of this conclusion, Mr. Kristol does point out some warning signals that bear repeating. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE CORPORATION AND THE DINOSAUR

(By Irving Kristol)

Every day, in every way, the large corporation looks more and more like a species of dinosaur on its lumbering way to extinction. The cultural and political environment becomes ever more hostile; natural adaptation becomes ever more difficult; possible modes of survival seem to be beyond its imaginative capacity.

That the cultural environment is hostile, is obvious enough. Today, businessmen, and especially corporate executives, are just about the only class of people which a television drama will feel free to cast as pure villains. Jews and Blacks and teachers and journalists and social workers and politicians and trade union leaders and policemen—and just about everyone else—are given protective coloration on the television screen. Where one of them goes bad, there is sure to be a good one nearby, lest the viewers get the impression that it is proper to have a low opinion of the class as a whole. The business executive gets no such dramatic compensation. He is the only unadulterated bad guy. And since these programs are for the most part sponsored by large corporations, which regard them as suitable vehicles for advertising their products, the public is all the more encouraged to believe what it sees.

Among politicians, too, the businessman—and especially the corporate executive—has become the target of opportunity. True, there have always been politicians hostile to business, but they used to constitute a minority. Now, it takes a brave politician not to be hostile to business. If any United States Senator has publicly denounced the scandalous way in which the oil companies have been made the whipping boys for the oil crisis, it has escaped my notice. And every attorney-general, in every city and state, knows that his political future will be much enhanced if he announces an investigation into supposed "illegal practices" of large corporations. Most such investigations quietly peter out; but the headlines they engendered endure, and help shape popular opinion.

### PAINFUL ADAPTATION

Just why the climate has turned so hostile to business is a long and complicated story—about as long and complicated as the story of how the dinosaur's environment turned unfavorable to him. It suffices to say that though it takes time for an institution to experience an environmental crisis, it takes only time. Yesterday it was the university; today it is the large corporation; tomorrow it will doubtless be the mammoth trade union. (In Great Britain, that tomorrow is today.) The question is not how to avoid such crises—they are inevitable—but how to cope with them. And coping means adaptation, painful adaptation. If it's not painful, that's a sure sign it's not adaptation.

But, even given an authentic willingness to adapt, one also has to have a sense of the nature of the crisis—otherwise one doesn't know how to adapt. And it is fairly clear that the American corporation today really doesn't understand what has happened to it in these past decades. It doesn't understand that, whereas the American democratic environment used to perceive it as being a merely economic institution, it now sees it as being to an equal degree a sociological and political institution, and demands that it behave as such. As is usual, in retrospect that change has an air of inevitability about it. A democracy is not likely to permit huge and powerful institutions, with multiple "spillover" effects on large sections of the population, to define their interests in a limited way or to go about pursuing them in a single-minded way. It insists that such institutions show a proper attentiveness to what is conceived to be, at any moment, "the public interest." Nor is it any kind of answer to say that, in the long run, the institution's single-mindedness will be for the good of all. In a democracy, large and powerful institutions, if they seek legitimacy in public opinion, must be visibly and currently attentive to the public interest.

In short, the large corporation used to be a single-purpose institution: an economic institution directed toward economic growth. It was very good at this job, would still be good at this job—but its very size and importance have resulted in its job assignment being changed. Small business can still be singleminded in its pursuit of profitability, just as small colleges can still be single-minded in their pursuit of education in the traditional way. But the large corporation, like the large university, impinges on too many people in too drastic a way. And so the executives of the large corporation, like the administrators of the large university, have to learn to govern, not simply to execute or administer. And to govern is to think politically, as well as economically or educationally. That is the price of bigness and power.

It will be asked: won't this have negative consequences for economic growth? Probably—and the corporations should say so. But if a democratic people prefer to sacrifice economic growth in favor of institutions which reassure them as to the reality of popular sovereignty, that is their prerogative. It is a dangerous illusion for the corporation to think that it is predestined by its nature to be an advocate of, and necessarily a propagandist for, economic growth and dynamic change at all costs. True, most corporate executives have an extraordinary aptitude for managing dynamic growth. But in the "natural" environment of today, that aptitude could lead to extinction of the species.

The difference between "thinking economically" and "thinking politically" is enormous. "Thinking economically" means trying to discern the opportunity that every problem gives rise to. "Thinking politically" means trying to discern the problem that every opportunity gives rise to. The transition from the one to the other is bound to be difficult.

Thus, one wonders what happened in the boardrooms of the major oil companies when those lovely fourth-quarter profits began to roll in. These profits, after all, were directly connected with the hardship, inconvenience, and discomfort then being experienced by the American people. Did the directors and top executives sit around gloomily, muttering: "O Lord, we've got a terrible problem on our hands. What on earth can we do?" This may have been the case with one or two companies, but it obviously did not happen in the main, since nothing was done to cope with the problem. Nothing, that is, except for the preparation of a few press releases containing specious and self-serving arguments.

One such specious argument was to the effect that this new profitability merely brought the return on capital for the oil companies up to the average of all manufacturing companies. This is true—but what kind of argument is it? For all corporations to claim a "right" to an average return on capital is rather like all Americans claiming a "right" to the average family income, or all employees of oil companies claiming a "right" to the average wage for the industry. There is no such "right" and only a fanatical egalitarian would imagine it. Corporate executives are not ordinarily such egalitarians—but apparently they are capable of thinking that way, given sufficient temptation.

Another specious argument was to the effect that most of these swollen profits would be reinvested in the search for oil, the construction of new refineries, etc. Once again, this argument is true—but, once again, what kind of argument is it? One needn't be a leftwing economist to perceive that such a reinvestment of capital would ultimately result in enriching the company (and its stockholders, and its stock-holding executives) by increasing its assets. And yet, in their publicity, the oil companies point to this intention as evidence of their public-spiritedness, pure and simple.

### SOME SUGGESTIONS

Had the oil companies been "thinking politically," there were many things they could have done—some small, some big, all reassuring to the public. For instance, why didn't it occur to one of the companies to announce that, despite these profits, it would declare no increase in dividends or in executive salaries this year? It might not have helped much, but it could have helped a little. In a bolder vein, why shouldn't the oil companies have simply decided that they couldn't *afford* such large profits, in these circumstances? They then could have set the price of oil at a level which would have produced a 15% or 20% increase in profits, instead of the more spectacular percentages that made the headlines. This would not really have helped the consumer much—not more than a few pennies, one is told—but it would have helped the oil companies a great deal.

The reason, presumably, that the oil companies did not do this was because they wanted to raise the capital necessary to do "their job." But no large corporation today is free to define its "job" as it sees fit. Had the oil companies been "thinking politically," they would have realized that they had another and more responsible task—securing the trust and confidence and good will of the public. And this second mission, since it is the precondition of survival, must have priority over the first. As it is, the price for "thinking economically" is now being paid. The oil companies will, in the end, surrender a large portion of their profits while shouldering a full portion of public obloquy. Meanwhile *all* American corporations have lost some of their credit with the public.

## STATUS REPORT ON THE BASIC EDUCATIONAL OPPORTUNITY GRANT PROGRAM

Mr. PELL. Mr. President, on March 10, 1974, the New York Times published an article which forecast that millions of dollars appropriated for the basic educational opportunity grant program would go unused by the expiration of this fiscal year. As the author of this program, I must express my serious concern that students entitled to grant assistance to enable them to attend institutions of postsecondary education are not receiving such assistance.

The appropriation for the academic year 1973–74 for the basic grant program was only $122 million, far below the level estimated for full funding. For this reason, awards were limited to first-time, full-time students, in order to assure that the amounts granted would be of meaningful size. Yet now, even with that limitation, it appears that all the funds appropriated will not be spent.

I have asked the Office of Education for a status report on the basic grant program, with especial attention to the question of obligating all appropriated funds for student grants. I would like to insert in the RECORD the reply I received on March 14 from Dr. John R. Ottina, Commissioner of Education. It is my understanding from this report that more current figures will become available within the next 2 to 3 weeks, so that we will have a better picture of the amounts of money expected to be paid to students during this academic year. I intend to keep in close contact with Commissioner Ottina to assure that the maximum possible figure is expended for basic grants.

I realize that launching a new program is always difficult. The lateness of the dissemination effort meant that many eligible high school seniors might not have heard of their eligibility for basic grants. The newness of the entitlement approach may have led to reluctance on the part of student aid officers to give wide publicity to the program. Estimation of a payment schedule for the first year, without any benchmarks to go by, was a difficult exercise at best. All of these factors may account for some of the disappointing response to the basic grant program.

Commissioner Ottina proposes as a solution legislation authorizing the Office of Education to carry over unexpended funds from one fiscal year to the next.

I am reluctant to consider such a suggestion at this time, since it is my strong feeling that funds should go to students entitled to them. I do not want to give the Commissioner blanket carryover authority which results in reduced student grants and in camouflaged impoundment of funds.

I continue to maintain a strong interest in the success of the basic grant program, and will continue to be one of its strongest supporters. It is my hope that, working with the Office of Education, we will be able to assure that every student receives the assistance to which he is entitled, so that he may pursue a postsecondary education.

Mr. President, I ask unanimous consent to have printed in the RECORD the reply I received from Dr. Ottina.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
*Washington, D.C., March 14, 1974.*

Hon. CLAIBORNE PELL,
*Chairman, Subcommittee on Education, Senate Committee on Labor and Public Welfare, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: In response to a recent inquiry from Ms. Jean Frohlicher of your staff, we have prepared a brief status report on the Basic Educational Opportunity Grant Program. This report reflects both our status for the current academic year (1973–74) as well as our efforts for the 1974–75 academic year.

We will, of course, be very happy to discuss any of these items with you or your staff at your convenience.

Sincerely,

JOHN OTTINA,
*U.S. Commissioner of Education.*

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### STATUS REPORT ON THE BASIC EDUCATIONAL OPPORTUNITY GRANT PROGRAM

#### 1973–74

1. To date we have received about 500,000 Applications for the Determination of Expected Family Contribution for the Basic Grant Program. Since November of 1973 the rate of applications has been around 10,000 per week, and this rate has remained constant to date. We are aware that some of these applications are from students who will not enroll until the 1974–75 academic year and are not valid. However, we feel that this number is relatively small and that our intensified efforts to notify students is paying off. The deadline for submitting applications has been extended from February 1 to April 1 and we expect to receive a significant number of additional applications.

2. The number of applicants who are qualified is increasing to almost sixty percent of the applications received during the last three months. The average qualified applicants is now about fifty-five percent. In addition, based on the expected family contribution calculated for the qualified applicants, it appears that the average award is between $280 to $290 rather than the $260 originally estimated.

3. As of February 4, 1974, the adjusted institutional authorizations totaled $60 million of the $110 million available. Most of these adjustments were based on the institutional Progress Reports on all activity as of October 31, 1973. The next Progress Report will reflect activity as of February 28, 1974. We expect to make considerable adjustments at that time as a result of the following factors:

1. The extension of the application deadline date.

2. The determination that all students who were eligible for a Basic Grant may receive a retroactive payment for the entire year if they submit their "Family Contribution Analysis Report" to their school by May 31 or prior to the end of their academic year (whichever is earlier).

3. The increasing awareness of students and institutions of the availability of Basic Grant assistance as a result of our intensified information dissemination efforts.

The February Reports are due by March 15 and we expect to have a much better picture of the status of our funds by early April.

4. Of the over 5,000 institutions of postsecondary education eligible for the Basic Grant Program, almost 4,000 have signed the Agreement to disburse funds to their students. Only 44 have decided not to participate and students attending these schools are being paid directly by the Office of Education under our Alternate Disbursement System. The remaining schools (approximately 1,000) have not responded either way. We have contacted these institutions twice and are making a third effort to either have them sign an Agreement or provide their students with the information and materials necessary to apply for a direct payment.

5. To date, approximately 350 students have been paid through the Alternate Disbursement System. Because of the entitlement nature of the Basic Grant Program, it is essential that a school's decision to participate or not participate should not have any effect on a student's ability to receive Basic Grant assistance. However, for a number of reasons we are actively encouraging schools to participate. If the disbursement of funds is handled through the schools themselves, the chances of abuses occurring are minimized. For instance, Basic Grant recipients who withdraw and receive refunds will have a portion of that refund to the Basic Grant account at their school if the institution acts as a disbursing agency. Under the direct payment system, it is up to the Office of Education to collect any portion of a refund which should be returned to the Basic Grant fund. Since it is likely that this amount will be relatively small, the administrative costs entailed in such an effort can be substantial.

As a result of the lateness of the implementation of the program for the 1973-74 academic year, a number of problems were encountered which limited the effectiveness of our efforts. Most of these problems will be overcome this year as a result of the following action:

1. The Family Contribution Schedules for the 1974-75 academic year were approved by the Congress on December 20, 1973. As a result, we were able to finalize the 1974-75 application forms and submit them for printing during the middle of January. The Government Printing Office indicated that printing and distribution of the forms would be completed by the end of March.

A great deal of work went into the careful review of the 1973-74 application in order to improve the 1974-75 form as much as possible. The new form we feel is as simple as possible while still collecting the information necessary to calculate a student's expected family contribution. The instructions have been made as clear as possible in order to be sure that the information collected is accurate.

The forms this year will be distributed to all eligible institutions of postsecondary education, high schools, TRIO projects, and public libraries.

2. The contract for processing the applications for the 1974-75 academic year has been awarded to the American College Testing Program in Iowa City, Iowa. We anticipate that the contractor will begin processing by early April.

3. The payment schedule which establishes the level of awards for the 1974-75 academic year is currently being finalized. We expect to distribute the schedule to all institutions by mid-April.

4. A contract for the conducting of an intensive, wide-scale training effort for high school counselors, institutional financial aid, admissions, and busines officer, and other interested parties has been awarded to a consortium of the National Institute of Financial Aid Administrators, the American Personnel and Guidance Association, and the National Association of College and University Business Officers. This training program will be conducted throughout the country beginning in late March or early April and will continue through June.

#### PROBLEM AREAS

1. The most immediate problem to be dealt with is in regard to the provision in the legislation which requires a redistribution of unexpended funds. This problem was discussed in detail with the House Subcommittee on Education when we testified on the

Family Contribution Schedules on November 30. The problem, basically, is that unless the Payment Schedule *exactly* reflects the number of students who will apply for Basic Grants, the expected family contribution of each student, and the cost of attendance for each student, we will always have either a surplus or a deficit of funds in a given year.

It might be noted that as program experience is gained, the amount of any surplus or deficit is expected to be relatively small. Under the current legislation, a deficit can only be handled by requesting a Supplemental Appropriation. A surplus of funds requires the Office of Education to increase each student's award in an amount proportionate to the amount of the refund also on an after-the-fact basis.

Any after-the-fact adjustments (especially for a surplus in funds) are almost impossible to make for the following reasons:

1. We would have to wait until after the academic year ends (June 30) before we could make a final determination of exactly how much of a surplus or a deficit exists. (This is less critical in cases of a deficit). Since exact expenditure data cannot be ascertained until the institutions' final reports are processed, it is estimated that we would not know this amount until September.

2. Once the amount of any surplus is known, we would have to determine how many students actually received a Basic Grant during the preceding academic year (also obtained from the final report) and make a redistribution of the available funds. This will determine the new level of awards based on additional funds available.

3. Assuming that this process could be accomplished in an additional month, in October or November we would be ready to prepare approximately 400,000 Federal checks in what is likely very small amounts.

4. Again assuming that the preparation of these checks can be accomplished in a one-month period, in December we would begin the distribution of checks. The next major hurdle is locating all of these students. It is important to remember that at this point the mailing addresses we have for these students are about 18 months old. Those students who are still enrolled in school and have applied for a Basic Grant during the current academic year can be traced by using their social security numbers. However, there will be a significant number who either terminated their education, did not apply again for a Basic Grant, or were enrolled in a short-term course of study. These students will be extremely difficult to locate. At this point, we are making awards to students for an academic year which has been over for almost a year and who may not even be in school anymore.

The amendment Dr. Ottina proposed would allow us to carry over any unexpended funds to be added to the appropriation for the subsequent academic year. By the same token, any deficit can be drawn down from the subsequent year's appropriation immediately and save the postsecondary education community from being in a holding pattern while waiting for an emergency supplemental appropriation. Of course, a supplemental would be considered to cover any of these funds drawn down to cover the preceding year's awards.

Some decision regarding this proposed amendment must be reached very soon, however, since the payment schedule for 1974–75 is being developed now. We share the concerns of the postsecondary community that once the payment schedule is issued that it be honored for the full academic year. Therefore, it is essential that this question be resolved quickly.

2. A second area of concern is the timing of the Congressional review process for the Family Contribution Schedules. As we have indicated before, the time-frame proposed in H.R. 9196 (OE submits the FCS by July 1, and Congress reacts by November 1) is, we feel, satisfactory to meeting the needs of the Congress, the Office of Education, and most particularly those of all aspects of the postsecondary education community.

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## THE ENERGY CRISIS

Mr. PACKWOOD. Mr. President, it is encouraging to me to note the results of a recent poll taken by the National Bank of Commerce of Seattle, showing that, contrary to what might be commonly thought, U.S. citizens are not focusing blame for our energy difficulties on environmentalists, but rather lay the bulk of their blame on overconsumption, Government policies, and the oil industry. I agree that during this period of chronic fuel shortages, we cannot and should not lose sight of our environmental achievements and gains we have realized to date. As EPA Administrator Russ Train stated:

> We will never come to grips with either our energy or our environmental ills until we understand that they stem, essentially, from the same source; from patterns of growth and development that waste our energy resources just as surely as they waste our natural environment. If the energy crisis succeeds in making us all at least aware of this simple truth, then in the long run the crisis may turn out to have been of real national benefit.

Mr. President, I ask unanimous consent that the National Bank of Commerce survey and accompanying letter from Mr. Dale Jones, Northwest representative, Friends of the Earth, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FRIENDS OF THE EARTH,
*Seattle, Wash., March 6, 1974.*

Hon. ROBERT PACKWOOD,
*New Senate Office Building,*
*Washington, D.C.*

DEAR BOB: Washington's National Bank of Commerce, one of the state's largest, recently completed an "energy crisis survey" with figures reflecting the public's commitment to conservation and its rejection of a "blame the environmentalists" attitude.

Data was collected from 1000 people between January 16 and 26, after the Northwest's confrontation with dwindling local hydroelectric resources due to the unseasonably dry summer. It appears the resulting local push for conservation carried over to the nation-wide energy issue. Seventy-four percent surveyed believe the current crisis will be beneficial, mainly with respect to conservation and public awareness. Only three percent blamed environmentalists while forty percent hold the government accountable; thirty-eight percent, the oil companies; and twenty-nine percent, overconsumption.

The influence of an educated, aware public is reflected in the minimal five percent polled who opted for nuclear power development as a solution to energy problems.

Sincerely,

DALE JONES.

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### COMMERCE MAINSTREAM

A report on the quarterly public attitude survey of the National Bank of Commerce, March 1, 1974

The sample of 1,000 residents of Washington State queried in NBofC's Commerce Mainstream volunteered information regarding the energy crisis and how it was affecting them personally, and how they felt it was affecting the economy. Frequently, several answers were given by individual respondents.

1. Who do you blame for the crisis?
40%—Government.
38%—Oil companies.
29%—Overconsumption.
15%—Don't know too complex
3%—Environmentalists.

2. How do you perceive the state's 1974 economy compared to the rest of the nation?
62%—Washington better off.
20%—Same.
6%—Worse.

3. How about your own economic picture in 1974, compared to 1973?
44%—Same.
35%—Worse.
13%—Better.

4. How are you saving energy?
56%—Using less heat.
51%—Using less electricity.
42%—Driving less.
4%—Carpool.

5. Economic effects of the crisis:
45%—Higher prices.
26%—Unemployment.
21%—Recession.
20%—Shortages.

6. Those noting personal effects of the crisis:
63%—Yes.
35%—No.

7. Those seeing benefits to be gained from the crisis:
74%—Yes.
22%—No.

8. Benefits from energy crisis:
39%—Conservation; people are conserving as they should.
37%—Awareness; a warning.
18%—Will produce change, improved technology; will become self-sufficient.
14%—Cohesions; families, nation more together.
7%—Economic, saving money.

9. What does the energy crisis mean to you personally?
40%—Saving gas and deprivation.
31%—Not relevant to self.
25%—Saving heat.
17%—A hoax, not real.
17%—Saving electricity and deprivation.
7%—High costs.
3%—Means effects on job.

10. Conservation:
60%—Have more ways in mind to conserve additionally, if they had to.
21%—Hardship to conserve more; will not do so.
18%—Don't know *how* to conserve more.

11. What should be done about the energy crisis?
26%—Government should act.
24%—Consumer should conserve; we should all tighten our belts and pull together.
22%—Become self-sufficient; develop oil resources, alternate energy sources; research.
21%—Investigations; oil companies; determine nature and extent of shortage.
21%—Don't know what to do.
11%—Need new leadership.
6%—Government should not act.
5%—Develop nuclear power.
4%—Rationing.
2%—No solution needed, because there is no crisis.

12. Why will your personal economic situation be worse in 1974? (Only 13% said that their economic situation would be better in 1974.)
52%—Higher prices (non-energy).
26%—Fixed income (social security, pensions, no salary increases).
18%—Less hours on job, unemployment.
13%—Both energy and other prices.

9%—Higher energy prices; gas, fuel, electricity.

1%—Taxes.

## "NATIONAL SECURITY" TAPS

Mr. PROXMIRE. Mr. President, in the last few years there has been an alarming increase in the use of wiretaps by the executive branch. Many of them have been conducted in the name of "national security," without judicial or congressional review. The implications of such unchecked power are frightening. Unfortunately, this issue has received little attention from the mass media.

On the editorial page of this morning's Washington Post a very thoughtful article on this subject appeared, written by my distinguished colleague, Senator NELSON. In his excellent review of the subject, Senator NELSON examines the constitutional implications of warrantless wiretaps and presents a series of concrete steps that Congress should take to remedy the situation.

Mr. President, Senator NELSON's comments deserve our close consideration. I ask unanimous consent that the entire text of his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### "NATIONAL SECURITY" TAPS

(By Gaylord Nelson)

Civil rights leader Martin Luther King, Jr., newspaper columnist Joseph Kraft, former Nixon presidential aides William Safire and John Sears, former National Security Council staff members Morton Halperin and Anthony Lake, former congressional aide Dunn Gifford, and boxer Muhammad Ali—these citizens have something in common. Their telephone conversations have been wiretapped by the federal government for so-called "national security" reasons. And they are merely a handful among thousands.

In each case the government acted without obtaining a judicial warrant approving of the "tap." The government therefore did not explain to a court the justification for the surveillances. Nor did the government voluntarily inform any of the individuals involved that their telephone conversations had been secretly intercepted. Most of those tapped never learn about it.

Despite the righteous indignation of congressional representatives, lawyers, and the public, warrantless wiretapping continues. Last January the Justice Department reported that in one week it had authorized three warrantless wiretaps in national security cases—an average week's quota according to the department. The department did not indicate whether the taps included surveillances of American citizens. Nor did the department indicate the basis for believing the taps necessary. And that is precisely the problem.

Warrantless wiretaps give the government an unreviewed and unchecked power to invade a citizen's privacy. The government alone determines whom it should tap and when it should tap. Neither a court, nor the Congress, nor the individual involved has an opportunity to demonstrate that there is no justification for the tap.

Because they escape scrutiny by anyone outside government, warrantless wiretaps are a dangerous and fundamental assault on the individual's right to privacy and other civil liberties. They pose a threat to the freedom of every citizen, regardless of his or her station in life. In a 1928 surveillance case Supreme Court Justice Oliver Wendell Holmes called warrantless wiretaps "dirty business." In 1931, J. Edgar Hoover—who by then had been FBI director for seven years—called them "unethical" (his position softened in later years).

Warrantless taps also are, in my view, unconstitutional. The Fourth Amendment explicitly provides that every citizen should be free from government searches and seizures that are not authorized by a judicial warrant. There is no exception for "national security" cases. The basic notion underlying the amendment is that a neutral court—not a government blinded by its lawful investigatory responsibilities—should decide whether any search contemplated by the government is reasonable.

In the 1967 *Katz* and *Berger* decisions, the Supreme Court held that the Fourth Amendment's protections apply to government wiretapping. The Court also held in the 1972 *Keith* case that the government could not wiretap American citizens without a judicial warrant even when the citizen's activities threaten "domestic security." The Court reserved judgment, however, for those cases in which American citizens have a "significant connection" with foreign powers and their agents.

Because the Court has not yet decided this latter question, the present administration maintains that the government can, without a warrant, tap American citizens and others whose activities involve foreign affairs. It was on this basis that the Justice Department authorized three warrantless wiretaps last January.

Congress should not tolerate the continued use of these warrantless wiretaps for so-called "national security" purposes. It is indeed ironic for the government to invoke "national security" to violate those constitutional rights and liberties which the government is obligated to defend. Any remedial legislation should include at least four basic elements.

First, before the government could wiretap American citizens for national security purposes, it should have to obtain a judicial warrant based on probable cause that a crime had been or was about to be committed. This provision would simply recognize the rights guaranteed to every citizen by the Fourth Amendment.

Second, before the government could wiretap foreign powers (i.e., embassies) or their agents, it should have to obtain a judicial warrant based on a belief that the surveillance is necessary to protect national security. The warrant standards for foreign power taps should thus be less rigorous than those applied to American citizens.

The justification for this second provision is plain. The government's desire to wiretap should be reviewed by a court. There should be no exceptions. Otherwise the exceptions could be stretched to sanction an unreasonable invasion of an American citizen's privacy. This second warrant requirement would in no way undermine the government's ability to protect against foreign attack or subversion; the government would be able to wiretap foreign powers and their agents any time there is a real need.

Third, every American citizen wiretapped should be informed of the surveillance within 30 days after the last authorized interception. This would afford the individual an opportunity to protect against violations of his constitutional rights. The disclosure of the wiretap should be postponed, however, if the government satisfies the court that the person wiretapped is engaged in a continuing criminal enterprise or that disclosure would endanger national security interests.

Fourth, there should be continuing congressional oversight of wiretaps and other surveillance activities engaged in by the government. At least once a year, representatives of the government should testify, under oath, before a joint congressional committee about their surveillance activities. In this way, Congress can determine whether the government is complying fully with the laws and whether additional legislation is needed to protect individual privacy.

A number of Senators have joined me in introducing two bills (S. 2820 and S. 2738) which incorporate these basic elements. Other bills might be able to improve on these measures. But in any event, the need for congressional action is clear. A citizen's constitutional right to privacy should not exist at the sufferance of some government official's definition of "national security."

## THE PROBLEM OF FUEL WASTE

Mr. BROCK. Mr. President, at a time when my office, like those of all Senators, I am sure, is receiving a vast amount of constituent mail from businessmen, farmers, and consumers who are suffering economic dislocation, and sometimes severe economic hardship, due to the gasoline shortage, I find it incredible that we do not undertake a major reappraisal of a policy that wastes hundreds of millions of gallons of gasoline and diesel fuel a year. I am referring of course to the Interstate Commerce Commission's regulations regarding "gateway" and carrying authority for trucks.

Few of the general public realize, I am sure, that ICC regulations in many cases forbid a freight carrying truck from following the most direct route to its destination. Instead, they must travel through prescribed points which may take them literally hundreds of miles out of their way. To give an example, a regulated truck, registered in Arkansas, to travel from Jackson, Tenn. to New England must move via any point in the State of Arkansas. This forces them to run an additional 120 miles, or approximately 11 percent of their journey. Of course, much worse examples abound—such as San Francisco to Salt Lake City, Utah via Oregon—an extra 800 miles. These are all wasted miles, with wasted fuel on top of the extra unnecessary wear and tear to the roads, the trucks, the driver and the environment. This "gateway" system is costing between 400 and 500 million gallons of fuel per year according to the ICC itself, and even it has belatedly recognized it. Full of concern for the Nation's scarce resources, the ICC is going to amend its regulations. However, the change will only apply to truck routes which can save less than 20 percent of the mileage. Any truck operator who could save more than 20 percent is to be unaffected by the new ruling. Thus enormously inefficient actions are left untouched.

The second source of waste is ICC regulations which forbid a truck from returning with a full load to its point of origin unless its authority covers that load. Thus a trucker could move a particular product out of a State, but often moves back empty part or all the way.

because although loads may be available, he may not be allowed to carry them.

Thus to the spectacle of trucks driving hundreds of miles to places they do not want to go, we can add the fact that at any given moment thousands of them are empty. We have then a policy of trucks going nowhere for no one carrying nothing—but burning up fuel all the time. If our economic problems were not so serious, one would almost be inclined to laugh at this comic-opera situation. However, to farmers without enough fuel, to businessmen without gasoline, it is no laughing matter at all, and it is my belief that the time has come to totally reexamine our entire freight regulatory setup. The myriad of rules and regulations of which these are a part were all developed 40 years ago in a totally different set of economic conditions. Now they are illogical, absurd, and totally unjustifiable.

## NUCLEAR SAFETY AND SAFEGUARDS

**Mr. RIBICOFF.** Mr. President, last week the Subcommittee on Reorganization, Research and International Organizations, which I chair, held 2 days of hearings on the present role of the Atomic Energy Commission—AEC—in insuring the safety of experimental and commercial reactors and in safeguarding fissionable materials against theft and sabotage.

These hearings were a part of the subcommittee's consideration of S. 2744, which would establish a massive Federal energy research and development effort through a new Energy Research and Development Administration—ERDA. The backbone of ERDA would be the developmental arm of the AEC, which comprises most of AEC's employees and all of its national laboratories and which would be transferred to the new agency. Under the bill, the regulatory arm of the AEC would become a new independent Nuclear Energy Commission—NEC.

The purpose of last week's hearings was to determine how the NEC should be structured to insure that nuclear safety and safeguard considerations will keep pace with the planned rapid expansion of nuclear power technology between now and the year 2000, when the Nation's dependence on atomic reactors for its electricity is expected to grow from 5 to 60 percent.

I ask unanimous consent that my opening remarks at these hearings, as well as a recent editorial from the Hartford Courant discussing the importance of the issues raised in them, be inserted in the RECORD at the conclusion of my remarks.

One of the witnesses, Dr. Theodore B. Taylor, a distinguished physicist and a former designer of atomic bombs at Los Alamos, raised disturbing questions on the adequacy of the AEC's present system of safeguarding weapons-grade nuclear fuel from theft, internal diversion and sabotage. He asserted that the new NEC must have a far greater capability to protect these materials for two basic reasons: First, they can be transformed into crude bombs and dispersal devices with relatively little technical know-how if any madman or terrorist group can manage to lay their hands on them, and second, the amounts of these materials being routinely produced and transported will grow rapidly by the end of this decade as new reactors come on line, and especially as the new "fast breeder" reactor—which produces more plutonium than it consumes—reaches commercial development.

Because it is essential that Congress and the general public be kept well informed on all aspects of nuclear power—its problems as well as its promises—I ask unanimous consent that Dr. Taylor's testimony be inserted in the RECORD. I also ask unanimous consent that the testimony of two AEC officials, L. M. Muntzing, director of regulation, and E. B. Giller, assistant general manager for national security, dealing with the issues raised by Dr. Taylor, also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### OPENING STATEMENT OF SENATOR ABE RIBICOFF

We resume these hearings on organizing a massive Federal energy research and development effort at a time when we are in the depths of an oil crisis and on the threshold of a new technology that promises us limitless nuclear fuel to meet our burgeoning energy needs.

It is appropriate, therefore, that we devote these next two days of hearings to the nuclear aspect of energy R & D—specifically the proposed establishment of a Nuclear Energy Commission. Under S. 2744, the new NEC would be formed out of the existing regulatory arm of the Atomic Energy Commission. The AEC's developmental side, comprising most of its employees and all of its national laboratories, would be transferred to the new Energy Research and Development Administration (ERDA) to comprise the backbone of a major R & D effort involving all energy technologies, including nuclear.

In approaching the suitability of the NEC portion of the ERDA bill, we are all painfully aware of what happens when we become dependent on a single type of fuel to meet our basic energy needs. The present oil crisis has taught us that such a commitment must be accompanied by adequate Federal organization and planning to ensure evolution of a national policy that is broad enough to consider risks as well as benefits—problems as well as panaceas.

Nuclear is no exception. It is contended that the dangers inherent in the nuclear technology make it imperative that we know exactly *where* we are headed and *why* we are headed there.

As the Nation's dependence on nuclear power grows, the safety of the new technology becomes an increasingly important issue. An unanticipated defect in the design of the system could cause an accident of such nightmarish proportions that Americans would be faced with the untenable choice of risking further death by the thousands or shutting their local reactors down and most of their electricity off.

Reactor safety, therefore, is as much an energy issue as it is a health and environmental issue.

Furthermore, if the new breeder reactor technology—with its promise of producing more plutonium than it consumes—should prove unworkable, or less productive than promised, we could well find ourselves by the year 2010 as dependent on foreign sources for the next best nuclear fuel—enriched uranium—as we are today on foreign sources for oil.

Thus, these hearings must explore several issues which are vital to the Nation's future energy needs, as well as to the health and safety of the people:

1. Is the present process for the siting and licensing of nuclear power reactors adequately designed to fully inform the public on the crucial cost-benefit, benefit-risk questions? Are there ample procedural and substantive safeguards to ensure adequate public participation in the process without unduly slowing the process down?

2. Is the present generation of light-water reactors safe? Are all aspects of the safety question, including the health impact of radioactive emissions from normal reactor operations, being fairly represented by the AEC?

3. Is the AEC adequately safeguarding the materials and wastes being generated by the current nuclear power technology? Is there adequate planning for the proliferation of these dangerous substances—including the threat of terrorist acts and sabotage—that the breeder technology will bring?

4. How should the new NEC be organized to ensure that it will have sufficient autonomy, authority and funding so as never to be dependent on ERDA or the nuclear industry for its effective operation or continued existence?

5. What should be the specific relationship between NEC and ERDA to ensure that safety and safeguards will always be taken into consideration in the development and promotion of nuclear power?

We should design an NEC that serves the basic needs of the American people and not just the nuclear industry.

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[From the Hartford (Conn.) Courant,
Mar. 15, 1974]

### ATOMIC SAFETY MEANS US

Nuclear safety was the topic of continued hearings this week before Senator Abraham A. Ribicoff's subcommittee on Reorganization, Research and International Organizations considering bills to break up the Atomic Energy Commission into two separate agencies.

During the hearings there were strong arguments presented on both sides of the safety issue, with opponents saying the nation's nuclear facilities are a serious threat to life, and the proponents, including the U. S. Atomic Energy Commission officials, saying atomic power is not only safe, but it is one of the larger answers to the energy crisis.

That is the way the atomic safety arguments have gone on for some time. Both sides of the safety issue are able to produce highly qualified scientists and other experts who can produce reams of statistics on the probabilities of a major nuclear accident happening at any one of the 43 nuclear power plants now in operation in the United States. Those plants, 13 more than a year ago, produce 5.6 per cent of all the electricity generated in the nation.

Even when there are statistics provided, there is debate not only on how the statistics were compiled, but on the degree of danger the statistics imply even if they are to be believed.

For example, AEC Chairman Dixy Lee Ray recently said that "with a chance of one in a million per year of a core melt accident in each nuclear plant (AEC estimates), we can project that for the approximately 100 reactors that are expected to be operating in the next few years, the chance of such an accident for all reactors will be about one in ten thousand per year."

Dr. Ray, who is one of those who thinks nuclear plants are a good and safe energy source, has frightened some of her critics with her statistical assurances. The critics fear that the one chance in ten thousand could happen tomorrow just as easily as years from now.

Whatever statistics on atomic safety are now reliable, if any of them are reliable, will change geometrically as the United States increases its nuclear plants. With 43 plants now operating, there are expected to be 218 operating by the early 1980's.

In addition, the United States is exporting atomic power plants, whether safe or dangerous, along with its knowledge of nuclear facilities and safety measures. Early this month, for example, the AEC and the West German Ministry for Research and Technology signed a cooperative arrangement providing for the exchange of information on nuclear reactor safety research and development. And recently, when a nuclear plant manufactured in this country was being installed in Japan, a defect discovered there was corrected and as a result the same correction was made in a Connecticut nuclear plant of the same manufacture.

And so the nuclear plants are spreading, and they were recently given a big boost by President Nixon who hailed them as the answer to the energy crisis.

But what of the safety issue? If for no other reason than the fact that leading scientists are divided on the question, we suspect that perhaps no one really knows whether the plants are safe or not—and they won't know unless and until there is a major nuclear accident.

Senator Ribicoff's committee is continuing the work of gathering information on atomic safety, along with how federal agencies can most effectively monitor atomic facilities and their safety programs.

The Ribicoff committee, which ended its hearings this week, has done a commendable job of gathering the facts and arguments from divergent sources.

But the Congress should continue its investigations. The atomic safety debate continues without resolution, and the building of atomic plants goes on and on and on.

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### Statement by Theodore B. Taylor

Mr. Chairman and Members of the Subcommittee: I appreciate the opportunity to testify at these hearings on S. 2744. I strongly favor the provisions of this bill to establish a Federal focal point for energy research and development in an Energy Research and Development Administration (ERDA), and to establish a separate entity, the Nuclear Energy Commission (NEC) to perform federal licensing and regulatory functions applicable to nuclear technology. I understand that this Subcommittee is especially interested in considering, in these hearings, the structure of the NEC portion of the bill, and of ways to provide this most effective relationship between NEC and ERDA. In my prepared statement I would like to focus on two regulatory areas in which the NEC would be directly involved, and about which I am particularly concerned: safeguards against theft of nuclear materials that could be used for highly destructive purposes, and safeguards against acts of sabotage at nuclear facilities that might cause sufficient releases of radioactive materials to pose a major threat to the public.

In emphasiizng these particular concerns, I do not want to imply that issues related to the environmental impact of routine operations involving nuclear energy, or to the prevention of non-purposeful accidents that could lead to damaging releases of radioactive materials are unimportant. These kinds of issues have received considerable attention by the AEC, the nuclear industry, and the public for many years, and are subjects for discussion in some detail by other witnesses at these hearings. Possible risks associated with malfunctioning *people*, rather than *equipment*, however, have, in my view, received insufficient attention. It is for this reason that I want to concentrate on risks of nuclear theft and sabotage, and on what can be done to reduce these risks.

#### RISKS OF NUCLEAR THEFT (CIVILIAN NUCLEAR TECHNOLOGY)

Considerable concern has been publicly expressed about the possibility that nuclear materials stolen from components of civilian nuclear technology might be used by groups of people, or, conceivably, even a single individual, to make nuclear explosives, or other devices for dispersing dangerous amounts of radioactivity, that could subsequently be used to threaten society.*

I first want to summarize the findings of a study performed by Professor Mason Willrich and myself, for the Ford Foundation's Energy Policy Project, of the risks of theft of nuclear materials from the nuclear industry.

Nuclear weapons are relatively easy to make, assuming the required nuclear materials are available. All the information, non-nuclear materials, and equipment required for designing and building a variety of types of fission explosives are readily available throughout the world. The technical skills and resources required would depend on the desired efficiency, predictability, total weight, and yield of the explosives. Under conceivable circumstances a few persons, perhaps even one person working alone, who possessed about ten kilograms of plutonium or uranium-233 oxide or two dozen kilograms of highly enriched uranium oxide and a substantial amount of high explosive could, within several weeks, safely design and build a crude, transportable fission bomb. By a "crude, transportable fission bomb" I mean one that would be very likely to explode with a yield equivalent to at least 100 tons of high explosive, and that could be carried in an automobile. This could be done using materials and equipment that could be purchased at a hardware store and from commercial suppliers of scientific equipment and materials for student laboratories. All types of plutonium, highly enriched uranium, or uranium-233 now used or contemplated for use by the nuclear industry could be used for this purpose, as long as they are not diluted with large amounts of non-fissionable materials or mixed with dangerous quantities of gamma-ray emitting radioisotopes, such as fission products. The explosion of such a device could, under many circumstances, kill at least tens of thousands of people and destroy hundreds of millions or more dollars worth of property.

Smaller quantities of plutonium or uranium-233 than are required for fission explosives could also be used for relatively simple dispersal devices for contaminating very large volumes of air with lethal concentrations of suspended, small particles of these substances that are exceedingly toxic if they are breathed. Air dispersal of a few grams of the type of plutonium now being produced in power reactors could kill most of the occupants of a large office building or enclosed industrial facility.

The use of nuclear energy to generate electric power at rates now projected by the AEC would result in very large domestic and foreign flows of materials that can be used to make nuclear weapons. The annual rate of extraction of plutonium for reprocessed nuclear fuels from light water reactors in the United States would be about 30,000 kilograms in 1980. By the year 2000, light water reactors and fast breeder reactors in the U.S. would produce more than 300,000 kilograms annually. Worldwide, annual plutonium production would be more than 60,000 kilograms in 1980, rising to roughly a million kilograms in the year 2000. In addition, worldwide flows of highly enriched uranium and uranium-233 associated with high temperature gas-cooled reactors or other types of reactors that use the $U^{233}$ thorium cycle may reach several hundred thousand kilograms or more by the end of the century.

There are important differences between reactor systems, and between different parts of the fuel cycle supporting a particular type of reactor, in the extent to which the nuclear fuel materials they contain are inherently vulnerable to theft or would require chemical or physical conversion to be suitable for direct use in a nuclear explosive. In general, irradiated fuels elements are largely self protecting before they are reprocessed, since gamma-rays from the fission products they contain would deliver lethal doses of radiation in minutes or less to anyone trying to handle them without massive shielding. This type of self protecting feature disappears when plutonium or uranium-233 have been separated from fission products at a reprocessing plant. Highly enriched uranium hexafluoride or oxide, used as feed material for making fuel for high temperature gas cooled reactors and most types of research reactors, are also safe to handle without shielding. Once these materials enter the process streams at fuel fabrication plants, they are generally diluted, to varying degrees, as they are incorporated into fresh fuel. As this happens, the total weight of objects that would have to be stolen to acquire sufficient fissionable material, when separated from the dilutants, to make a fission explosive generally increases, but by different amounts for different types of reactor fuels. For example, the total weights of several types of fuel assembly materials that would have to be picked up to provide thieves with enough contained fissionable material for a crude fission bomb are roughly as follows: high temperature gas cooled reactor (HTGR) fuel, 10,000 lb.; light water reactor fuel, 2,000 lb.; fast breeder reactors (LMFBR or GCFR), 50–75 lb. I offer these examples to illustrate that, in designing and assessing nuclear material security measures at different points in fuel cycles, more should be considered than simply the types of fissionable materials involved.

Important changes affecting opportunities for nuclear theft can occur as the nuclear industry develops. It happens, for example, that flows of fission product-free plutonium and highly enriched uranium for civilian power plants are now practically at a standstill, and are not expected to reach large inter-facility flow rates for at least several years. Since mid-1972, when the Nuclear Fuel

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* See, for example:

(1) Taylor, T.B., "International Safeguards of Nonmilitary Nuclear Technology," *IR&T Nuclear Journal*, Vol. 1, Numbers 1, 2, and 3. International Research and Technology Corporation. Washington, D.C.: 1969.

(2) Leachman, Robert B., and Althoff, Phillip, ed., *Preventing Nuclear Theft: Guidelines for Industry and Government*, Praeger Publishers, New York: 1972.

(3) Willrich, Mason, ed., *International Safeguards and Nuclear Industry*, Johns Hopkins University Press, Baltimore: 1973.

(4) Comptroller General of the United States, "Improvements Needed in the Program for the Protection of Special Nuclear Materials," Report to the Congress by the General Accounting Office, Washington: November 1973.

(5) McPhee, John, "The Curve of Binding Energy," *New Yorker Magazine*, Dec. 3, 10, and 17, 1973. To be published in book form by Farrar, Straus, and Giroux, New York: May, 1974.

(6) Willrich, Mason, and Taylor, Theodore B., "Nuclear Theft: Risks and Safeguard." report of a study for the Ford Foundation's Energy Policy Project, to be published by Ballinger Publishing Company, Cambridge, Mass., in April, 1974.

Services fuel reprocessing plant shut down for expansion and renovation, no plutonium has been extracted at commercial reprocessing plants in the United States. The General Electric reprocessing plant at Morris, Illinois has not yet reprocessed any irradiated fuel, but is expected to start doing so within the next few months. The amount of previously separated commercial plutonium now at the New York State Atomic and Space Development Authority's (ASDA) plutonium storage facility is, I understand, less than ten percent of its storage capacity of 2,000 kilograms of plutonium. This situation will change rapidly, however, if the G.E. plant soon starts reprocessing the large and growing backlog of irradiated fuel from light water reactors. Until plutonium recycle starts on a more or less routine basis, which may not happen until about 1980, most separated plutonium is likely to go into long term storage or be used primarily for R&D programs. After plutonium recycle starts, however, tens of thousands of kilograms of plutonium per year can be expected to flow from storage to fuel fabrication plants and on to something like a hundred power plants. I also understand that all of the highly enriched uranium required to refuel the Fort St. Vrain HTGR reactor for the next few years is already mixed with thorium at the General Atomic Company's HTGR fuel fabrication facility. Startup fuel for the new HTGR's now on order will not be fabricated until the late 1970's. In short, there appears to be a relative hiatus in the flow of concentrated commercial plutonium and highly enriched uranium in the United States that will probably last for several years, to be followed by a rather sudden increase in the flows. This situation, roughly speaking, appears to hold for nuclear fuel cycles in other countries. I should point out, however, that flows of fission product-free plutonium for R&D purposes are, and will continue to be significant. In fiscal year 1973, for example, there were about forty shipments of more than two kilograms of plutonium by licensees in the United States. The total amount shipped was more than 600 kilograms.

Without effective safeguards to prevent nuclear theft, the development of nuclear power on the scale now in prospect will create substantial risks to the American people and people generally. Individuals or groups may attempt to steal nuclear weapon materials for money or to engage in political blackmail. It would be relatively easy for a small group possessing nuclear weapon materials to use them in any number of ways to threaten other groups within society, governments, or entire communities. The frequency and character of nuclear theft attempts in the future is likely to be influenced greatly not only by the nature of physical safeguards against theft, but also by the general political climate and by prevailing attitudes toward violent behavior within societies where opportunities exist for such theft.

The U.S. system of nuclear material safeguards is incomplete at this time. Although recent regulatory actions have strengthened requirements substantially, some basic issues pertaining to physical protection and materials accountability measures have not been resolved. In a preamble to new regulations concerning nuclear material in transit, and published for comment in the Federal Register in February, 1973, the AEC stated that the measures were intended to protect the materials from any attempted theft "short of a significant armed attack." Are transportation safeguards expected to deal only with *insignificant* armed attacks, or significant *unarmed* attacks? Does this same guiding principle apply, by implication, to fixed sites? If so, then, I submit, licensees are not being asked to protect these materials even as well as many financial institutions protect their money. If the AEC's real intention is to have licensees go significantly further than this in protecting their materials, then its objectives must be clearly spelled out. Otherwise, the adversary nature of negotiations between the AEC regulatory staff and licensees is likely to continue to drag out the negotiations and cause further delays in the licensing procedure. I am now not optimistic about representatives of the nuclear industry offering to go substantially beyond satisfying the letter of present AEC regulations and guides in cases where the direct or indirect costs of doing so are likely to be substantial.

This leads me to another important unresolved issue concerning safeguards against theft. Who should pay the added costs of new safeguards measures, and by what mechanism? Present contributions to the overall cost of nuclear electric power are much higher at some points in the fuel cycle than at others. The costs of transportation of concentrated plutonium or highly enriched uranium, for example, are much lower than the costs of capital depreciation and operations at nuclear power plants. But the costs of effective safeguards to prevent theft of materials in transit may be much higher than their costs at nuclear power plants. Thus a plutonium shipper may see his costs rising sharply, perhaps even by more than 100%, as a result of new safeguard regulations, while a utility company may see a practically insignificant rise in cost per kilowatt hour of delivered electricity as a result of the same action. If the plutonium shipper absorbs the costs of a really good physical protection system, he may have to price himself above his competitors and go out of business. So we have this question: How can the added costs of highly effective safeguards be equitably distributed across the entire fuel cycle, so that they are finally borne by the consumers of nuclear electric power? I shall return to this briefly later in my statement.

Finally, we have concluded that a system of safeguards can be developed that will keep the risks of theft of nuclear weapon materials from the nuclear power industry at very low levels, without interfering significantly with the continued rapid development of nuclear power. We have suggested a guiding principle, called the "Principle of Containment" for use in designing such a system. According to this principle, the overall objective of a safeguards system would be to detect attempts at theft of nuclear materials from authorized channels as early as possible, and to place sufficient impediments in the way of people attempting a theft to assure that whatever reserve forces are required can be brought to the scene in time to control any credible theft operation. Measures that could be used for applying this principle fall into five broad categories:

1. Containment of nuclear materials at fixed sites within physical barriers designed to prevent unauthorized penetration long enough to allow on-site or reserve guard forces capable of dealing with *any credible type* of attempted theft to arrive at the scene before the theft is completed.

2. Shipment of nuclear materials in massive containers and vehicles designed to resist penetration, transfer of the shipment to another vehicle, or commandering of the vehicle itself long enough for accompanying or reserve guard forces to be able to deal effectively with any credible theft attempt.

3. Provision of automatic alarms that will immediately detect attempts to remove materials from authorized channels and sound alarms at several specified control points.

4. Provision of on-site and in-transit guard forces for the purpose of denying access of unauthorized people to places where nuclear materials exist.

5. Provision of on-call law enforcement forces that can be brought to the scene of an attempted theft before a theft can be completed, along with secure communications between the control points where the alarms are sounded and the off-site forces.

The present AEC approach to safeguards is, in fact, along these general lines but simply does not go anywhere near far enough to prevent thefts by groups of people with at least the skills and resources that have been used for major thefts of other valuables in the past. I am convinced that a safeguards system that would accomplish this objective could be designed and implemented in the United States *before* the relative hiatus in the flow of commercial fissionable materials comes to an end in late 1970's or early 1980's. But this will not happen, in my view, unless both the federal entity responsible for regulation and the nuclear industry, and the industry itself, considerably increase the intersity of present efforts to bring this problem under control.

The nuclear industry has many options for designing highly effective nuclear safeguards into its systems, and both the federal government and the industry should devise and implement practicable ways to respond to these opportunities.

I would like to mention a few possible examples. These, along with other alternatives, should obviously be thoroughly assessed before they are implemented.

Some particularly vulnerable transportation links could be removed if nuclear fuel cycle facilities were located at the same sites. Shipments of concentrated plutonium oxide or plutonium nitrate could be avoided if fuel reprocessing facilities and fuel fabrication plants that use their output were next to each other. Facilities for intermediate conversion of plutonium or highly enriched uranium, which are often now located by themselves, could be integral parts of fuel reprocessing or fabrication facilities. As an extreme, but possibly generally attractive option, all fuel cycle components that handle fissionable materials, including very high capacity power reactors, could be located at the same site. This would not only remove the need for transportation of fissionable materials over large distances, but would also reduce, through economies of scale, the overall costs of safeguards for a complete fuel cycle.

As another example, it now appears likely that rather massive gammaray and, in some cases, neutron shielding will be required to insure insignificant radiation exposure to workers at all points in the fuel cycle for systems that use recycled plutonium or uranium-233. This would mean that, for reasons not connected with safeguards, heavy containers and barriers will have to be used in the storage, transport, and fabrication of nuclear fuels from the time they are separated at a reprocessing plant to the time they are placed in reactors for refueling. These barriers and containers will make theft much more difficult.

Another possibility is the establishment of a federally operated nuclear materials accounting system that contains electronically reported, accurate data from all licensees concerning the quantities, physical and chemical forms, and locations of all safeguarded nuclear materials in their possession. Present materials accounting requirements by the AEC call for periodic reporting of licensee nuclear material balance accounts and input-output material balance accuracies for special nuclear materials that are between 0.5% and 1%, depending on the types of materials and facilities. These uncertainties could amount to several dozen kilograms or more of plutonium per year at a large fuel reprocessing or fuel fabrication plant, enough material for at least several nuclear explosives. One way to improve these accuracies considerably would be to monitor all points of access to a facility that contains special nuclear material with instruments designed to detect the removal of very small quantities of special nuclear material through channels (such as personnel exits) that are *not* authorized channels for the flow of these materials. Instruments that can detect the presence of one gram or less of unshielded plutonium, at a distance of a few feet, and in about a second, are now commercially available, for example. Use of such devices, along with as accurate as possible measurements of the flows and inventories of nuclear materials in *authorized* channels, could provide a high assurance that even very small quantities of materials have not been surreptitiously removed from nuclear facilities. Any recorded significant changes in the amounts or forms of nuclear materials used by licensees could be immediately reported, by direct communication links, to a central, federal data storage and processing system.

Finally, I want to mention a possibility for providing expert protective security services to the nuclear industry in a way that would assure the greatest practicable security along with an equitable way to pay the added costs. If this service—including the required professional personnel, equipment, communications systems, and so on—were provided, where and as needed, by the federal government, the industry would not have to deal with the problems of arming its own employees or depending on private protective services whose effectiveness may vary considerably from place to place. If, further, the costs of such a service were paid for out of a federal fund raised by taxes on the utilities that were proportional to their annual production of nuclear power, and these taxes were included in the utilities' pricing structure, the costs of the required protective services would be equitably passed on to the consumers of nuclear electric power. I should emphasize that this is only one of a number of possibilities that I believe should be thoroughly assessed.

### RISKS OF NUCLEAR THEFT (MILITARY NUCLEAR TECHNOLOGY)

It is also conceivable that nuclear materials, or even complete nuclear weapons, might be stolen, for subsequent destructive use or for threats of violence, from facilities or transport systems associated with the fabrication and deployment of military nuclear reactors or nuclear weapons. Considerations of such possibilities should be of interest to this Subcommittee, since, as proposed in S-2744, ERDA would include the present activities of the AEC related to the development, production and transfer to the Department of Defense of nuclear weapons and naval reactor fuels.

At present the authority and responsibility for establishing and enforcing regulations related to the safeguarding of nuclear weapons and nuclear materials for military purposes before they are formally transferred to the Department of Defense generally reside in General Manager's side of the AEC, although, I understand, some licensee operations, under the regulatory authority of the AEC's regulatory staff, are involved in the production of naval reactor fuel. The General Manager, therefore, currently has responsibilities for both the development and fabrication of nuclear weapons and military reactor fuels, and for providing for security against theft of nuclear weapons or, with some exceptions, nuclear materials to be used for military purposes. He also is responsible for the security of special nuclear materials used by AEC contractors (not licensees) for non-military purposes.

I am not sufficiently familiar with current AEC measures for physical protection of nuclear weapons and nuclear materials under the authority of the General Manager to be able to express an opinion about whether they are adequate. I understand that they are subject to considerably more stringent security precautions than special nuclear materials possessed by commercial licensees The details concerning some of the specific security measures are classified. I can only say that I know of no convincing evidence that opportunities may not exist for successful theft of substantial amounts of these materials, or of nuclear weapons, by determined groups of armed, professional criminals with skills and resources comparable to those used for major robberies of other valuables (such as the Brinks or Great Train Robberies) in the past. Security measures applied to nuclear weapons in the custody of the AEC or the Department of Defense several years ago, when I was aware of what they were in some detail, were often evidently insufficient to protect them against thefts on such a scale. More stringent security precautions have apparently adapted since that time by both the AEC and the Department of Defense. The nature of AEC precautions are periodically reviewed by the Defense Department, and vice-versa, and both are also reviewed by the General Accounting Office.

### RISKS OF SABOTAGE OF NUCLEAR FACILITIES AND OPERATIONS

I am not aware of any systematic examinations of the possible motives and opportunities for, and effects of acts of sabotage at all present and planned components of U.S. civilian and military nuclear technology where there could be sufficient quantities of radioactive materials to present a serious hazard to the public or to many facility employees if the materials were released to the environment. Parts of nuclear energy systems where carefully planned sabotage might have very serious consequences include nuclear power plants; storage sites for irradiated nuclear fuel or concentrated radioactive wastes; storage, or processing or fabrication facilities that contain plutonium or uranium-233; shipments of irradiated nuclear fuel, plutonium, uranium-233, or radioactive wastes; facilities or transport vehicles that contain significant amounts of tritium; and any facilities or transport vehicles that contain potentially dangerous quantities of radioactive materials used for research, industrial, or medical applications.

The possibility of such acts of sabotage has been widely recognized for some time, and is part of the reasoning presented by the AEC in connection with the more stringent security measures called for in the new regulations and regulatory guides that are applicable to AEC licensees. There has been at least one study, in 1968, of the likely effectiveness of nuclear power plant safety features in countering the effects of sabotage, and further AEC sponsored studies of some aspects of the risks of sabotage at other types of nuclear facilities are underway. Nevertheless, I have a strong impression that much remains to be done to provide the AEC's regulatory staff (or the NEC, if it should be formed) with the information it needs for developing a highly effective regulatory framework for reducing these risks to an acceptable level. The subject is extremely complex—considerably more so, I would say, than the subject of nuclear power plant safety with respect to equipment malfunctions, since it is concerned with a much wider class of types of facilities and with abnormal human behavior.

I can illustrate the complexity of this subject, and the need for further data collection, analysis and experimental efforts in this area with just one of many possible examples.

It has been suggested that the hijacking of a shipment of irradiated nuclear reactor fuel assemblies, and the subsequent detonation of a large quantity of high explosive next to a shipping cask in a densely populated area might be an event of catastrophic proportions. I know of no detailed analysis of such possibilities, however, that consider different possible types of nuclear fuel assemblies and types of sabotage, and from which any firm conclusions can be drawn concerning the effects of such an event. The *potential* for catastrophe on a large scale may be there, in principle, simply because of the large quantities of radioactive materials that are typically contained in such a shipment. The actual damage, however, would depend on the detailed nature of the fuel, the time it has been kept in storage before shipment, the shipping casks, the quantities and types of explosives used, the knowledge and skills of the saboteurs, the detailed nature of the environment of the explosion, and a number of other factors. Similar factors would have to be taken into account in assessing possible threats of similar types of sabotage of shipments that contain plutonium or uranium-233, both of which are so toxic, if inhaled in the form of very small particles, that a kilogram or less of dispersed material might seriously contaminate many square miles.

Analysis of such threats in sufficient detail to allow firm conclusions to be drawn concerning the relative costs and effectiveness of different strategies for dealing with them will require extensive involvement of professionals in a wide variety of disciplines, including nuclear engineering and physics, radiobiology, meteorology, criminology, and others, as well as sizeable experimental and engineering test programs.

In concluding this section of my testimony, I would like to point out that many of the present and possible future measures to reduce the risks of nuclear sabotage will also be effective in reducing the risks of nuclear theft. It is partly for this reason that I strongly recommend that the regulatory authority related to both types of risks be assigned to the same federal agency.

### NEED FOR CONTINGENCY PLANS FOR RESPONSE TO NONMILITARY NUCLEAR THREATS

Whatever measures exist or may be adopted to reduce the risks of nuclear sabotage or threats involving stolen nuclear materials, there is likely to remain some risk of nuclear violence that is not the result of national military action. I believe that our society must be prepared to deal with threats of such violence, including situations where a threat initially appears to be credible, but later turns out to have been a hoax. At least one such threat has already taken place. In 1970, the mayor of Orlando, Florida, received a written threat to destroy the city with a nuclear explosive if demands for $1 million and safe passage abroad were not met. An accompanying diagram of a nuclear explosive, along with other circumstances connected with the threat, caused the local officials to take the threat very seriously until the perpetrator, a local high-school boy, was apprehended and the threat was found to be a hoax.

In 1972, some of my colleagues and I at International Research and Technology Corporation completed a study entitled "Response to Non-Conventional Nuclear Threats" for the Defense Department's Advanced Research Projects Agency. In that study we considered a wide variety of conceivable types of threats of nonmilitary nuclear violence, and of possible responses to such threats at local, state, and federal levels of government. One of the conclusions of this study was that there was a need for a clearly defined federal capability to coordinate the essential interagency activities that might be called for to assist local, state, or federal officials in assessing the credibility of a particular threat, and to respond effectively. We also made recommendations for detailed assessment of a number of possible actions that could be taken in advance of any nuclear threats to help assure more effective responses by all relevant levels of government. I do not know whether any of these or any similar actions have been thoroughly assessed or implemented. If not, I strongly recommend that efforts along these lines be undertaken with a high sense of urgency, perhaps under the overall auspices of the National Security Council. Consideration of possible contingency plans should involve some representatives of all levels of government since, in the case of a particular threat, primary response responsibility could be at the local, state, or federal level.

Having presented an overview of some of the risks of violence associated with the development of nuclear technology, and of possible action to deal effectively with those risks, I now want to discuss, very briefly some of the related issues that I believe should be considered in connection with the reorganization preposed in S. 2744.

### MAINTAINANCE WITHIN ERDA OF PRESENT AEC ACTIVITIES RELATED TO MILITARY NUCLEAR TECHNOLOGY

There are advantages and disadvantages in maintaining these activities within ERDA, as opposed, for example, to transferring them to the Department of Defense or to some new federal agency.

It would minimize the possible disruption of some important present AEC activities, by not requiring any formal administrative or physical separation of personnel or facilities from activities that are now serving overlapping functions related to both military and civilian nuclear technology. A specific example of such an activity is the work on development of so-called "laser fusion" devices for controlled release of nuclear energy from extremely small thermonuclear explosions. Such devices, if successfully developed, could be used for effective simulation of the effects of large nuclear explosions on military equipment and, conceivably, for a new class of nuclear weapons. It may also be possible, on the other hand, to use such devices either for commercial production of nuclear electric power, or as relatively low cost neutron sources for producing plutonium or uranium-233 from natural uranium or thorium, for use as fuel in fission power reactors. Another example is work on the development of improved ship propulsion reactors and special purpose nuclear power supplies (such as for space power applications) that could benefit both the military and civilian applications of nuclear energy. Separating the facilities and people involved in such work into a "civilians" entity and a "military" entity would be likely to cause unnecessary duplications of effort and remove the technical benefits of day-to-day collaboration on closely related projects with different overall goals. In short, research and development, especially at early stages, frequently is simultaneously concerned with potential major advances in both civilian and military technology, and it is often impossible to foresee which will be most important.

The above arguments are much weaker, however, when applied to the present ATC activities concerned only with the production of nuclear materials for military uses, and with fabrication and assembly of nuclear weapons for transfer to the Department of Defense. One could argue that such activities are not primarilly in the area of research and development, and therefore do not belong in ERDA. Such an argument may be little more than a semantic quibble, however. The substantive question, in my mind, is whether a transfer of the AEC's military production activities to the Department of Defense or to some other agency would serve a sufficiently important purpose to make up for the inevitable, though not necessarily major, disruptive effects of such a transfer. I am not aware of any such purpose.

I want to call the Subcommittee's attention to a problem that now exists in the AEC, and that is likely to persist under the new organization proposal—the problem of how to deal with information that is highly classified, but is directly relevant to R&D related to non-military applications of nuclear energy. This problem can be illustrated by referring again to the laser fusion program. This concept involves the rapid implosion of very small pellets or droplets of thermonuclear fuels, such as deuterium and tritium, by exposing their exteriors to high intensity pulses of radiation from lasers. Extremely rapid evaporation from the surface drives a strong pressure wave into the pellet, increasing its density and temperature to ignite the fuel and cause a small explosion that releases more energy than is consumed by the lasers. Related information that was formerly highly classified has been recently declassified. Pressures to declassify still more information, to be used in research motivated primarily by prospective non-military applications, are strong. I presume that most people would agree that there is a limit to how much information that relates to national security concerns should be made public. But, in cases like the one I have cited, it is often extremely difficult for people to agree where that limit is. The criterion of utility of the information to people working on non-military applications of the information is generally not very useful. I find it very difficult to think of any important classified information concerning the design of nuclear explosives that would not be very useful to people engaged in non-military research. It seems reasonable to me to expect more classified information to be declassified if people in ERDA working on civilian energy technology are more or less side by side with those working on nuclear weapons, than if nuclear weapon R & D were performed in another, clearly militarily oriented agency. But I am not at all certain that this would not be in the best overall interests of the nation. The only point about this subject that I can make with any strong conviction is that those responsible for deciding whether to declassify some specific information be guided by more than a consideration of whether current major nuclear powers that may pose a military threat to the United States are likely to have the information. They should also ask whether other nations, or, conceivably, non-national organizations, would be likely to use the information for making destructive devices that could pose further threats to our society.

### REGULATORY AUTHORITY AND OTHER RESPONSIBILITIES OF THE NEC

As I understand it, S. 2744 proposes that the licensing and regulatory authority of the NEC would be restricted to licensees and to ERDA facilities that include the following: LMFBR demonstration reactors when part of an electric utility system; other demonstration reactors operated as part of an electric utility system and not now in existence, under construction, or authorized or appropriated for by Congress; and facilities primarily for storage of high level radioactive wastes resulting from new (not yet in existence, under construction, or authorized or appropriated for by Congress) activities. It therefore excludes any regulatory authority over ERDA activities just mentioned *and* ERDA's proposed activities related to all other military and non-military programs not carried out for ERDA by licensees. It also excludes any NEC regulatory authority over Defense Department nuclear activities not carried out by licensees, e.g. operating naval reactors or any components of nuclear weapon systems. Thus, with the exceptions cited, ERDA would, as the General Manager's side of the AEC now is (with respect to all except the few activities carried out for it by licensees), continue to be largely self-regulating (especially with respect to safeguards against nuclear theft and sabotage), as would the Department of Defense. Both are, however, subject to certain environmental protection standards of the Environmental Protection Agency, regulations of the Department of Transportation, inspections by the General Accounting Office, and regulations of other federal regulatory bodies.

It may be argued that the NEC's regulatory authority should be extended to cover *all* ERDA activities, or that only ERDA's activities related directly to military applications should be subject to the NEC's regulatory authority. Arguments for any of these positions could be based on the general premise that federal agencies responsible simultaneously for nuclear development and utilization, as well as for regulating such activities, are continually faced with a conflict of interest, and that available resources tend to be expended disproportionately on development and use of nuclear energy, as opposed to assuring the lowest practicable risks to the public resulting from those activities.

I find these issues extremely complex and difficult to take a position on with any conviction. One deep conviction I do have about them, however, is that they should be subject to careful public scrutiny, to the extent that is possible without compromising information that is clearly in the best * * *

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### Testimony of L. M. Muntzing

Mr. Chairman and members of the Committee:

I appreciate this opportunity to discuss the AEC Regulatory organization's programs for materials and plant protection. Public attention is being increasingly focused on the potential hazard resulting from sabotage of nuclear plants and the theft or diversion of certain nuclear materials. Our purpose today is to define for you the parameters of the problem as we see it and to outline the steps AEC has taken to minimize the risk.

The national security and public safety problems created by a rapid expansion of nuclear power plants and the accompanying fuel cycle are real; yet when placed in perspective they are manageable.

The nuclear industry's vulnerability to sabotage and theft or diversion is limited to only a few points. The vast majority of the power reactors today are light-water plants. The enriched material produced as fuel for these plants usually contains 5 percent or less uranium-235. A nuclear explosive device cannot be made with this material without the use of complex enrichment technology.

Fuel for the gas-cooled power reactors, a number of which are now on order, is of greater significance since highly enriched uranium-235 dispersed in a thorium matrix is used for the initial fuel loading. Because of chemical characteristics, uranium-235 can be easily separated from thorium. As a consequence, the fabrication of fuel for the gas cooled reactors and the shipment of such fuel from the fabrication plant to the power reactor represent potentially vulnerable points of the fuel cycle which are addressed by the regulations I will describe later.

Once fuel elements are inserted into a reactor, vulnerability is greatly reduced. Since loading and unloading of fuel routinely takes days and even weeks to complete, surreptitious removal is unlikely and overt theft would require a considerable force, trained, knowledgeable and properly equipped.

When it is discharged from a reactor for shipment to a reprocessing plant, nuclear material is in the form of pencil thick rods about 12 feet long clustered in assemblies of as many as 200 or more rods. Such material represents a radiation hazard and must, therefore, be shipped in large, heavily shielded casks. The hijack of such shipments by weapon-oriented thieves is not likely because they would require the use of a complicated, remote processing and heavily shielded chemical plant to extract the plutonium from the rods.

At this time spent reactor fuel is essentially inaccessible. In the relatively near future it is planned to begin recovering the plutonium from the spent fuel and concentrating it in nitrate form. While plutonium is, of course, a weapon material, very complicated technology is required to make a weapon from plutonium nitrate. Plutonium in forms from which weapons can more readily be made is not found in the commercial nuclear power cycle.

Some hazard exists while highly enriched uranium and plutonium are in transit to and from fuel fabrication plants. There are currently about 400 shipments of highly enriched uranium and about 40 shipments of plutonium per year in quantities which require protection. Most of the highly enriched uranium involved in these shipments is for the naval reactor program.

In addition to the vulnerability of the fuel material to theft or diversion, the possibility of sabotage of plants cannot be dismissed. The plants where sabotage would represent the greatest threat to public safety are the plutonium fabrication and chemical reprocessing plants. Nuclear power plants are unattractive targets for sabotage. They are massive physical structures which are not easy to damage seriously. Even if one were seriously damaged, the consequences to public safety would probably be minimal because of the extremely conservative safety precautions taken to protect the plants against untoward events of all kinds, including acts of nature and malfunctions.

Recognizing the potential vulnerability of portions of the nuclear fuel cycle to sabotage and theft or diversion, the AEC requires materials accountability practices and physical protection, both at licensed facilities and in transportation, for strategic quantities of plutonium and of highly enriched uranium used in naval reactors and in gas-cooled reactors. It is to be noted that most measures designed to protect against sabotage also protect aaginst theft of material, and vice versa. We attempt to prescribe a degree of protection for different materials and situations commensurate with their potential hazards.

Since 1967, we have required that each application for a license to operate a nuclear facility must include a plan for protecting that facility from acts of industrial sabotage. A Regulatory Guide issued by the AEC indicates that such plans should include lighted physical barriers, armed guards, controlling access of personnel and vehicles to the plant, liaison with law enforcement authorities and protecting vulnerable areas with locks, barriers, and alarms.

In 1970 the AEC issued regulations for the protection of strategic nuclear materials at facility sites and in transit. These requirements were adequate for the protection of the relatively small quantities in the fuel cycle at that time. Early in 1972 we started issuing strengthened license conditions for protection of fuel cycle facilities authorized to possess strategic quantities of material, defined as two kilograms of plutonium or uranium-233 or 5 kilograms of highly enriched uranium. In November 1973 we incorporated these license conditions into our regulations. These require licensees possessing such quantities to put into effect tight access controls and to assure fast responses by security forces. For example, no personal vehicles are permitted within the protected area, and no worker is permitted access to special nuclear material unless he is accompanied or kept under observation. Visitors entering the protected area are registered and must be escorted at all times. Packages entering an area where special nuclear material is handled are searched for devices that could aid in a theft. The boundary of the secure area must be well lighted, kept free of obstruction to vision, and inspected several times a day at random intervals. Persons, packages, and vehicles leaving an area where special nuclear material is used or stored must be checked for concealed material and the area must be equipped with intrusion alarms that are tested regularly. The security force must be specially trained and equipped, and capable of a quick response to any intrusion alarm. The capability of the security force must be augmented by liaison with local law enforcement agencies. A capability for communication with such agencies must be maintained by two independent communication links.

The regulations also strengthened protection of strategic quantities of material in transit. Truck shipments must be escorted by another vehicle carrying armed guards unless the truck is of special design having features resistant to penetration and enabling immobilization of the vehicle in the case of an attempted theft. Trucks must be equipped with a radio telephone and drivers are required to communicate periodically with predesignated contact ponts. Rail shipments must be escorted by armed guards who are required to report periodically on the safe transport of the shipment. Air shipments must be guarded by an armed individual at all scheduled stops to protect the shipments and assure against misrouting.

In addition to physical protection, a comprehensive system of internal material control and accounting is utilized in the protection of nuclear materials, including not only strategic materials but also uranium of lower enrichment. This program is designed to deter the theft or diversion of these materials and to detect any such event if it occurs so that timely recovery action can be taken.

The classical accounting and internal control procedures of a financial operation form the basic elements of the system. These include debit-credit accounting records, the recording of material transfers, periodic inventories, and system audits. Plutonium and highly enriched uranium must be inventoried at least every two months and specific requirements are set forth to assure that the inventories are of high quality.

We think that, properly implemented, the regulations which we now have in place are appropriate for today's needs. We will need to upgrade these requirements continually in the future as the industry expands. We will base that upgrading on our experience with the present regulations, on the results of research and development programs, on future decisions regarding the relative usage of alternative fissionable materials, and on future political and sociological trends that might bear on the likelihood of terrorist attacks. A separate regulatory agency such as a Nuclear Energy Commission must have the continuing responsibility for maintaining an effective safeguards effort.

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### STATEMENT OF E. B. GILLER

Mr. Chairman and members of the Committee: It is a pleasure for me to be able to discuss the Commission's safeguards program for the Government-owned, contractor-operated sector of the nuclear industry. Since the earliest days of the atomic age safeguards requirements have been imposed on the nuclear materials which were the basis of important strategic programs. With the passage of time, the peaceful uses of nuclear energy expanded and in 1954, the Atomic Energy Act authorized the Commission to license certain activities in the private sector. Mr. Muntzing has described the AEC's program of licensing and regulation as it has been developed for the nuclear power industry.

The safeguards requirements applicable to Government and contractor activities have been changed through the years to reflect changing circumstances. An early development was the increase in the quantity of unclassified nuclear material in Government facilities as a result of the advanced research being conducted by the AEC in unclassified areas. This has resulted in the development of additional requirements for the physical protection of significant types and quantities of unclassified nuclear material.

In 1966–67, the increase of terrorist and politically militant acts was recognized as a factor requiring explicit attention in the development of nuclear material safeguards. This resulted in a greater emphasis on safeguards research and development and in the development of an office with AEC-wide responsibility for safeguards policy and program development. The Director of Regulation assumed this responsibility for the licensed sector on August 2, 1971.

More recently, the Divisions of Military Application, International Security Affairs, Classification, Security, and Nuclear Materials Security were brought together under my office, thus providing even greater opportunity for program coordination and integration in safeguards. Our present focus, and one we have emphasized for several years, is on the *prevention* of nuclear theft or diversion. Closely associated with this is a strengthened capability for protecting AEC facilities against sabotage or other terrorist acts that could result in a release of radiologically dangerous materials. Other aspects of the system provide for assurances that the preventive safeguards have worked by control and accounting measures aimed at detecting any loss or diversion of special nuclear material.

#### CURRENT REQUIREMENTS

Our current requirements are directed at protecting against unauthorized persons gaining access to special nuclear material or nuclear facilities and protecting against theft or sabotage by persons having authorized access. An important element in the panoply of protective requirements directed at these ends is the specific provision that anyone in a position to divert or conceal diversion of special nuclear material shall possess an AEC security clearance or a security clearance granted by another Federal agency. No one is granted access to special nuclear material in AEC or contractor facilities unless he has the required clearance or is escorted by a person with such clearance.

The other requirements for the physical protection of nuclear material include perimeter barriers, alarms, vaults, guards, and other control measures which must meet criteria established by the AEC. The overall security system of a contractor is subject to review and approval by the AEC and to AEC inspection to ensure continued effectiveness.

For many years the AEC weapons program has utilized every advancement in the field of physical protection to establish and set standards which have served as a model for safeguards in other nuclear programs. Some of these special safeguards are the use of the "two man rule" for access, the requirement for trained, equipped and qualified armed guards and couriers, the use of special, secure transportation equipment, and the monitoring of movement and location by sophisticated communication systems.

Many of the details of the AEC security system are classified since to disclose such details can negate the value of the system. For the same reason, the detailed materials and plant protection systems at licensed facilities are protected from public disclosure by 10 CFR Part 2.

The detailed safeguards requirements for non-weapons facilities in the AEC programs are consistent with, but not identical to, the safeguards requirements in the licensed sector. Safeguards research and development for the Director of Regulation and for the General Manager are closely coordinated. In fact, most of the research carried on by the Director of Regulation is funded by and carried on as part of the program of General

Manager's Division of Nuclear Material Security. This includes the development of safeguards techniques appropriate for the advanced fuel cycles under development within the program divisions of the AEC. The development of reactor systems using highly strategic special nuclear material and requiring novel processing techniques (e.g., HTGR, LMFBR) will require new safeguards technology and an effective systems approach to the problems that will arise.

At present, all but a small fraction of the high strategic value material is in the weapon and other Government programs. The fuel for present commercial power reactors is low enriched uranium. While plutonium is produced as a result of power reactor operation, plutonium in significant quantities will not routinely be part of the commercial fuel cycles until 1980. Sometime after that the amount of plutonium in the private sector will exceed that in the Government sector, including weapons.

Reports required by the AEC concerning the location nad quantity of nuclear material in both sectors are used as input to our national centralized nuclear materials accountability system. It consists of computerized reporting, recording and analysis systems at every level of operation in the nuclear material program. Built into the system are capabilities for receiving into the computerized accountability records all material types and quantities, changes in form, location, and use of the materials as well as all processing, recycle, processing losses, scrap generation, effluent and waste streams. Also transfers between plant projects (production as well as research and development) are reported to the central system. Consequently, analysis of shipper-receiver differences, use patterns, material balance calculations and possible losses can be analyzed and corrective action directed.

The continued development of the overall safeguards information system includes the identification of the safeguards responsibilities at the AEC Headquarters and field office levels, and at the plant level, and the associated information needs. In most instances, this will represent a formalization of the existing system, but in some instances, there will be recommended modification of the current system. In conjunction with this effort, procedures are being developed for sounding alarms at all levels of operation beginning at the worker-operator level, progressing through the plant management, field office and finally, the AEC Headquarters level, so that any anomaly can be dealt with at the earliest time. Inter-computer linkage is being expanded to bring the transmission of nuclear materials data nearer to a real-time basis. We are in the process of activating equipment which permits commercial nuclear materials operations to communicate with the central system through an unclassified safe-secure terminal.

### DEVELOPMENT PROGRAM

To guide its development program, the AEC has identified the following threats which its safeguards program should countermeasure:

1. Terrorist-type attacks and sabotage at facilities or during transit;

2. Thefts by knowledgeable employees or knowledgeable groups having legitimate access to material, or persons having no authorized access.

Assuming that national and international acts of terrorism will continue, the AEC has just begun a comprehensive threat analysis study to identify motivations and capabilities of personnel or groups who could post threats to nuclear plants and nuclear fuel cycle to a spectrum of possible acts of sabotage or diversion, and the consequences of such acts. A current such study will closely interface with an analysis and evaluation of alternative guard force structures which may be best capable of dealing with possible acts of violence in a growing nuclear industry.

The AEC has completed in-depth studies to upgrade plant and materials protection at major AEC facilities. These studies were based on, and used to refine, safeguards criteria set forth in a working document titled, "Conceptual Design of the Domestic Safeguards System," that serves as a benchmark for our development program.

For future facilities, general construction design criteria are being developed which will permit adequate safeguards and form the basis for AEC review prior to operations.

We are testing and installing alarm systems for fences and buildings which will incorporate two or three types of detection equipment such as infrared or microwave beams and buried seismic detectors. More use of TV camera systems to supplement guard forces is underway.

Techniques have been developed for prevention of the unauthorized removal of special nuclear material by screening individuals, with equipment, such as doorway monitors capable of detecting the presence of gram quantities of concealed special nuclear material. Techniques for screening packages and vehicles are also being developed.

Shipments by truck can be safeguarded against hijacking by using a truck designed to resist hijackers until protective reaction forces respond. This approach, currently in use in the weapons program, is under development for expanded use in other programs. The concept under development includes such things as armored cabs and a nationwide radio system which will enable acts of sabotage or diversion, and the consequences of such acts. A current such study will closely interface with an analysis and evaluation of alternative guard force structures which may be best capable of dealing with possible acts of violence in a growing nuclear industry.

The AEC has completed in-depth studies to upgrade plant and materials protection at major AEC facilities. These studies were based on, and used to refine, safeguards criteria set forth in a working document titled, "Conceptual Design of the Domestic Safeguards System," that serves as a benchmark for our development program.

For future facilities, general construction design criteria are being developed which will permit adequate safeguards and form the basis for AEC review prior to operations.

We are testing and installing alarm systems for fences and buildings which will incorporate two or three types of detection equipment such as infrared or microwave beams and buried seismic detectors. More use of TV camera systems to supplement guard forces is underway.

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The AEC is tightening up the requirements for control and accounting of SNM. Improved inventory practices and increased inventory frequencies are designed to improve capabilities for detecting possible theft of special nuclear material. Development continues on new nondestructive and automated chemical assay techniques for accountability assurance that diversion of these materials has not occurred. Application at fuel fabrication facilities will include nondestructive assay techniques for HTGR and FFTF fuel. These techniques will permit complete, rapid and accurate measurements of material flows and balances in all U.S. nuclear materials operations.

### RESPONSE PROCEDURES

The AEC has procedures for response to threats involving nuclear material. If the threat arises outside nuclear facilities, the AEC information could come from various sources, such as local law enforcement agencies or concerned citizens. Nuclear facility operators, both Government and private are required to inform the AEC promptly, and will normally also notify local law enforcement agencies, in the event of a suspected or actual theft of nuclear material or a threat of sabotage.

Upon being informed of any of these circumstances, the AEC would promptly notify the FBI, which has statutory responsibility for investigating all alleged or suspected criminal violations of the Atomic Energy Act. The AEC would support the FBI with specialized technical assistance particularly in connection with the recovery of material. In addition, if a potential hazard of nuclear explosion or radiological danger exists, the AEC would activate or alert the Emergency Action and Coordinating Team (EACT) and the various elements responsible for implementing the established Radiological Assistance Plan (RAP). This plan provides for advice and assistance to local authorities in the areas of emergency evacuation and rescue, radiation monitoring, decontamination, and specialized emergency medical services where personnel are exposed to radiation. EACT is established to coordinate AEC Headquarters response to any major emergency having AEC-wide, national or international implications. Theft of a nuclear weapon, weapon components, or strategic quantities of nuclear material, and terrorist threats to sabotage a nuclear facility or to use destructively, a nuclear weapon or nuclear materials, are specifically identified as examples of major emergencies in the AEC Plan for Response. The various AEC elements that could respond to such incidents include the Headquarters Radiological Incident Center, the Aerial Radiological Measuring System and various AEC Field Offices. The AEC together with DOD operates the Joint Nuclear Accident Coordinating Center which serves as a communication point for the notification of organizational elements within AEC and DOD equipped to respond to major emergencies involving nuclear material.

I will be happy to discuss in further detail any aspects of the AEC safeguards program. There are present members of the AEC staff who can deal with such specific subjects as the Committee may desire.

## THE GENOCIDE CONVENTION

**Mr. PROXMIRE.** Mr. President, Prof. Raphael Lemkin coined the word genocide in a report to the Fifth International Conference for the Unification of Penal Law in 1933. Lemkin maintained that this crime against humanity actually involved two separate acts. The first was barbarity, which involved attacks against the lives or economic existence of individuals of a racial, religious or social group. The second was vandalism, which involved the destruction of a group's social values.

The scholarly work of Professor Lemkin and others, coupled with the painful memory of Hitler's destruction of the Jewish community in Germany, prompted the United Nations to act. Their first human rights treaty was the International Convention on the Prevention and Punishment of the Crime of Genocide.

This treaty was an attempt to give the force of international law to sanctions against genocide. It recognized that genocide was a crime which crossed national boundaries and was of concern to the entire international community.

That treaty, drafted with United States guidance I might add, was first submitted to the Senate in 1949. It has had the support of successive administrations and considerable support across the country. It deserves our support. We must not wait any longer to act.

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## A NEED FOR INCREASING THE MONEY SUPPLY

**Mr. BROCK.** Mr. President, on March 4, 1974, I introduced S. 3101, a bill to prescribe a standard for increasing the money supply. The 1973 annual report of the Federal Reserve Bank of New York, just issued, now provides new evidence on the need for such legislation. I quote from that report—on page 8:

> At the outset of the year, the Federal Open Market Committee (FOMC) sought money market conditions and supplies of bank reserves conducive to slower growth in the money aggregates than had occurred in the later half of 1972.

Then on page 10:

> Growth in $M_1$ [the traditional measure of money] slowed sharply in the first quarter of the year but then accelerated dramatically in the April-June period despite the marked rise in short-term interest rates. The reason for the second quarter upsurge in the money stock are not at all clear.

Apparently, the Federal Reserve System was at least partially unsuccessful in its policies, but did not understand just why. It seems that they expected a rise in interest rates to precede or accompany a slower growth in $M_1$. Now it has been the contention of the St. Louis Federal Reserve, as well as many private economists, that no such relation should be expected.

These same economists have explained the essential role of the open market operations and reserve requirements in determining $M_1$, and that it is $M_1$ in turn which influences other economic variables. If we are to have overall economic stability we must first stabilize the growth of $M_1$ or some monetary aggregate. That is what S. 3101 specifies.

Of course, this is an issue about which there is much controversy. But it is such a vital issue, affecting as it does—inflation, unemployment, the international balance of payments—that it must receive our prompt and careful attention. We must at least examine the evidence.

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## IMPACT OF THE COMPREHENSIVE HEALTH INSURANCE ACT ON THE ELDERLY

**Mr. PACKWOOD.** Mr. President, one of the most frequently asked questions concerning the Comprehensive Health Insurance Act (CHIA), which I introduced on February 6 on behalf of the administration, concerns the impact of this program on our elderly citizens.

How would the Comprehensive Health Insurance Act affect medicare? Would CHIA provide greater or fewer benefits? Would CHIA foster an unequal system of health care for our senior citizens, or help to eliminate existing discrimination against those on medicare who are also low income? Would CHIA deter or improve access to needed health care services for the elderly? Would CHIA remedy the current practice of providers imposing additional charges above and beyond the medicare reimbursement rate?

As we approach consideration of national health insurance, these and many other questions concerning the impact of CHIA on existing health benefit programs are on the minds of millions of our senior citizens. HEW Secretary Caspar Weinberger, in recent testimony before the Senate Special Committee on Aging, provided the answers to these and other pertinent questions, and because of its relevance to the current debate, I ask unanimous consent that Secretary Weinberger's statement be printed in full in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF CASPAR W. WEINBERGER

Mr. Chairman and Members of the Committee: I am pleased to be here in response to your request to testify before this Committee today regarding the modifications which would occur in the Medicare and Medicaid programs under this Administration's proposed Comprehensive Health Insurance Act, S. 2970.

This subject is of crucial significance for the 23 million Medicare and 4.5 million aged Medicaid beneficiaries as well as for all of us who are involved in planning, legislating, and administering health financing programs for this population. It was the undisputed health needs of the elderly which prompted Congress to enact Medicare in 1965—the nation's first major health financing program which was not an income-related program.

We find ourselves now at a similar historic juncture. However, the issue extends beyond the question of the health care for the aged—it concerns the right to health care of every American, regardless of age, health status, employment status, marital status or income. And it is significant that in this debate we can benefit from the experience of administering Medicare and Medicaid, particularly with respect to the need for cost controls. In the nearly eight years of these programs' operations, we have gained a wealth of experience in the many areas which bear on health care financing—provider participation, utilization and medical review, cost-sharing, use of intermediaries and carriers in administration of the programs, the economic effects of health care financing, cost-control measures, regulation of insurors and providers, standard-setting, etc.

Most of the national health insurance proposals currently pending before Congress, including the Administration's proposal, seek to establish health care financing or care for all Americans. The Medicare and Medicaid programs as they exist today will under many of these proposals be altered to conform to the larger health care or health financing systems established by these proposals. This is true of the Administration's proposal.

The proposed modifications in Medicare and Medicaid which would occur under the Administration's proposal have already received extensive press coverage. Unfortunately, much of this coverage has given the impression that the Medicaid and Medicare programs will be cut back and that current beneficiaries will be worse off than they are now. I hope that our discussions today will make clear that, contrary to such reports and even to your opening statement yesterday, Mr. Chairman, health insurange coverage for the aged under our proposal will be far superior to that which is presently available under Medicare and Medicaid because it expands benefits and provides improved protection. We will be spending $1.8 billion more under CHIP for the aged than we are currently spending under Medicare.

Before turning to a discussion of the specific changes which our proposal will make in the Medicare and Medicaid programs, I would like briefly to discuss with you the broad outlines of the Administration's Comprehensive Health Insurance proposal to provide the overall picture in which any changes for present Medicare and Medicaid beneficiaries must be viewed.

#### OVERVIEW OF CHIP

Under our proposal for comprehensive health insurance, every U.S. citizen could be covered under one of three programs: the Employee Health Insurance Plan (EHIP), the Assisted Health Insurance Plan (AHIP), or Medicare.

Medicare will cover virtually all persons 65 and over, EHIP will cover most full-time workers and their families under 65, and AHIP will cover all those of any age who are either ineligible for Medicare or who find it economically advantageous to enroll in AHIP. Persons with low incomes, early retirees, high-risk persons and some self-employed are among the groups which could be covered under AHIP.

All three programs will cover the same services, including: unlimited inpatient hospital care, unlimited physicians' services, unlimited outpatent prescription drugs, mental health services, special and preventive services for children and mothers, home health services, post-hospital extended care services in skilled nursing facilities, blood and blood products, and other medical services currently covered under Medicare, including prosthetic devices, dialysis equipment and supplies, x-rays, laboratory tests, and ambulance services.

In designing this comprehensive benefit package we made a conscious decision to cover basically the same broad range of services under all three programs. This decision was based on the conviction that one of the principal goals of an insurance program should be protection against major medical expenses. The services that would not be covered largely represents the more routine medical services which can be budgeted for (or left to State and local general assistance) and should not be covered under a health insurance program which primarily seeks to provide financial protection.

The cost-sharing schedules established for CHIP vary according to plan, but are based on ability to pay, so that the full-time employee group pays more than the low-income group or the aged. We recognize that some may disagree with the actual cost-sharing rates in our proposal; however, we believe the concept of cost-sharing is an important and essential feature of any national health insurance program. Through cost-sharing we are able to reduce total premium costs, expand the beneficiary group and relate an individual's contributions to his or her utilization of health services. Cost-sharing also instills cost-consciousness on the part of the enrollee and thus reduces unnecessary or inappropriate utilization of health services. This is essential to prevent the health system from being overwhelmed by persons who do not need services while persons who do need services are unable to obtain them.

In terms of total benefits, the vast majority of aged persons are going to be better off under CHIP then they are under the current Medicare program. Under CHIP the value of the benefit package for the aged will rise from $565 to $620—or put another way, the Federal Government will be spending $55 more for every aged person under CHIP than is now being spent under Medicare. The total increase in Federal spending for the aged will be approximately $1.8 billion.

All enrolees under the three programs will be able to charge the cost of covered medical care on a Healthcard account. They may then pay the charges not covered by insurance on an installment basis if need be. The deferred payment approach will enable all enrollees to obtain needed medical care even if they do not have the cash on hand currently to pay for their deductible and cost-sharing charges. Maximum limits will be established on interest charges for unpaid balances on Healthcard accounts.

Requirements for professional review of medical care will be provided under CHIP to assure that care provided is of high quality and medically necessary. There will also be provisions for strong regulation by the States of insurance carriers participating under the plan.

### MEDICARE UNDER CHIP

A major objective of Medicare has been to remove those financial barriers that prevent the elderly from obtaining necessary medical services of high quality. The it has done to a considerable degree. Our proposed changes in the Medicare program will build on the existing program to make it more responsive to the health needs of the aged. Our proposed changes are in four basic areas: eligibility, benefits, cost-sharing and physician reimbursement.

### *A. Eligibility*

Although Medicare currently covers most of the elderly population, it does not cover all persons 65 and over. Those who are ineligible for Part A benefits are largely federal, State and local employees and others without the necessary periods of employment covered under Social Security. Ninety-eight percent of the 21.5 million aged persons in this country have Part A coverage, while 96 percent have Part B coverage. Since eligibility for Part B is not related to insured status under Social Security, persons ineligible for Part A may nevertheless elect to enroll in Part B. Under a special provision most of these individuals may also purchase Part A at cost: currently $33 a month.

Under CHIP, Medicare coverage will generally be available to persons 65 years of age and older. Conversely, no person under 65 will be eligible for Medicare. Dependents of Medicare beneficiaries below age 65 would be eligible to enroll in AHIP or EHIP.

Federal, State and local government employers and employees will participate in the Medicare system and be subject to the Medicare payroll tax. We believe that the same responsibilities and benefits conferred on private employers and their employees should apply to government employers and employees as well.

Like the current Medicare, the new program would cover persons who are insured under the Social Security program. Under temporary transitional provisions, which are similar to those established when the original Medicare law was enacted, every citizen (or permanent alien resident) who has reached age 65 in the first year of the program would automatically be covered under the plan. In following years, eligibility would be extended to additional persons who have specified credits under Social Security, but not enough to meet regular Medicare requirements. These temporary transitional provisions would "wash out" when the requirements for Social Security credits became the same as the regular requirements for insured status under Social Security.

Medicare beneficiaries 65 and older who are low-income will not have to pay the same premium and cost-sharing charges as other beneficiaries. The income testing and income definitions for this group would be tied to those used in the Supplemental Security Income Program administered by the Social Security Administration, which will also continue to administer Medicare.

Disabled persons under 65 and persons under 65 needing dialysis or kidney transplantation because of chronic renal disease who are currently eligible for Medicare would ordinarily be eligible for AHIP (or EHIP if a family member is employed) instead of Medicare. These two groups were included in Medicare only very recently, at a time when there was no national health insurance program to meet their special need for protection against unusually high health care costs. Now that a truly comprehensive national health insurance program is being planned, there is no longer any need to keep these younger people under the Medicare program. Also, as a group, they receive better benefits because most of them are low-income.

### *B. Benefits*

The lack of catastrophic coverage for inpatient services under the present Medicare program means that a beneficiary who experiences catastrophic illness or disability is unprotected against further health care costs after his or her Medicare benefits are exhausted. In effect, current beneficiaries lose benefits when they are most needed. In this sense, the high cost-sharing for lengthy hospitalization under the current Medicare program is just the opposite of desirable protection. When these benefits are exhausted, the only alternatives, if the individual is without private supplementary insurance, are (1) to pay for needed care out of savings, or (2) if no other financial resources are available, the beneficiary may receive care under Medicaid if his or her income and financial resources are diminished to a point low enough for Medicaid eligibility.

The Medicare benefit package under our proposed Comprehensive Health Insurance Act has been expanded to provide unlimited coverage for hospital and outpatient care. Drug benefits would also be broadened to include outpatient prescription drugs, which is one of the major gaps in the present Medicare program. In addition, a wide range of mental health services would be covered. We believe that the CHIP benefit package is one which is clearly superior to the present Medicare benefit package. It covers virtually all the services currently covered under Medicare and extends the present coverage which Medicare provides.

### C. COST-SHARING

In developing the cost-sharing schedules for CHIP, we ought to eliminate two major problems which characterize most insurance policies, including Medicare: the financial incentives to use hospitalization rather than outpatient care and the open-ended liability for all costs above the limits of coverage. Under the present program for inpatient hospital care for the first 60 days of a benefit period, all covered services are paid for after an $84 deductible has been met. For the next 30 days of the benefit period there is a $21/day copayment charge, and for each of the 60 lifetime reserve days there is a $42/day copayment charge. Of course, after the 150th day of inpatient hospital care the beneficiary must pay 100 percent of charges, unless he or she has supplementary private insurance or is eligible for assistance under Medicaid or another public program. Similarly, for post-hospital skilled nursing facility care there is no deductible for the first 20 days and a $10.50/day copayment for the 21st–100th days.

Under Part B, there is, in addition to the premium, a deductible of $60/year on covered medical expenses and a 20 percent coinsurance charge without any upper limit.

The amount of cost-sharing paid by long-term care patient is inordinately high. For example, the patient pays 50 percent of the first day's deductible amount for each day of hospitalization during the 60-day lifetime reserve period. This amounts to around two-thirds of actual hospital charges and in many cases exceeds the actual bill.

Under CHIP, Medicare beneficiaries would continue to pay premiums, which will be similar in amount to what they are currently paying under Part B. Medicare beneficiaries would have an annual per-person deductible of $100 on all covered services except for outpatient drugs for which there would be a separate $50 per-person deductible. Beneficiaries would pay 20 percent coinsurance on expenses above the deductible. However, unlike the current program, a beneficiary would have to face a maximum annual cost-sharing liability of only $750 per person and most would spend considerably less since $750 in cost-sharing would occur only after $3,350 in covered medical expenses. In addition, under CHIP the uniform cost-sharing charges will not bias an individual's decision to use inpatient or outpatient services and the coinsurance schedule will tie the Medicare beneficiary's cost-sharing to actual services rendered and their actual price.

As I indicated earlier, Medicare beneficiaries who are low-income would be eligible for reduced cost-sharing charges. For example, aged persons with incomes below $1,500 would pay no premium or deductible charges, and would pay only a 10 percent coinsurance rate up to a maximum annual liability of 6 percent of income, or $105. Similarly, persons with incomes between $1,750 and $3,500 would pay no premium charges, and would pay reduced deductibles of $25 and $50 for drugs and other services, respectively, with a 15 percent coinsurance rate, up to a maximum liability of $315 per year.

We believe the concept of true catastrophic coverage and the maximum annual liability feature of our proposal, which provides protection against lengthy illness and a guarantee against catastrophic medical care costs, are not only a significant improvement over the present Medicare program's benefit package but a feature which has become an absolute necessity in any comprehensive health care financing system. We believe it will be a feature on which the elderly in particular will place a high value.

It is true that at a given time some Medicare beneficiaries under our proposed Medicare program could be faced with higher cost-sharing charges than they currently pay. This is due to the 20 percent coinsurance on all covered services under the revised Medicare program and is more than offset by broader benefit coverage and the maximum annual liability feature. Whereas the present Medicare inpatient coverage tends toward first-dollar coverage with limited benefits and open-ended cost-sharing, the proposed Medicare program emphasizes uniform cost-sharing on all types of benefits until a maximum annual liability is reached beyond which the beneficiary pays nothing more for covered services. The federal cost of this increase in benefits for the aged will be $1.8 billion. Thus, our proposed program provides somewhat smaller payments at the beginning of an illness, when expenses are budgetable, in exchange for expanded benefits and catastrophic protection when it is most needed. We consider this trade-off to be not only desirable but essential for the guarantee of true protection against catastrophic illness.

I have several examples which will illustrate how the CHIP cost-sharing schedule would work. These examples do not take into account the out-of-pocket expenses elderly persons would experience if their physicians do not accept assignment of Medicare claims and are thus free to charge fees higher than those allowed by the carrier. I should note that currently more than 50 percent of the Medicare beneficiaries are subject to these higher charges; moreover, the number of elderly persons in this situation is increasing. In addition, these examples also do not indicate eligibility for or assistance from Medicaid, which would absorb most (or all) of the cost for aged persons in Income Class I.

### EXAMPLES OF ELDERLY PERSONS UNDER FEDERAL HEALTH CARE INSURANCE AND MEDICARE

#### *1. Catastrophic Expense Example*

An elderly person who is hospitalized at $110/day for 100 days, with $1500 in physician expenses and $300 in outpatient drugs, and a total bill of $12,800, would have the following expenses under the present and proposed Medicare programs in FY 1975:

| | Current medicare[1] | CHIP income class | | |
|---|---|---|---|---|
| | | I[2] | II[3] | III[4] |
| Total expenses | $12,800 | $12,800 | $12,800 | $12,800 |
| Paid by insurance | 11,018 | 12,710 | 12,530 | 12,200 |
| Out-of-pocket[5] | 1,782 | 90 | 270 | 600 |

[1] These examples do not indicate eligibility for or assistance available from medicaid, which would absorb most (or all) of the cost for aged persons in income class I.

[2] Income of $1,500.

[3] Income of $3,000.

[4] Income of $5,000.

[5] This may not be total out-of-pocket expenses because most providers participating in medicare do not accept assignment

#### *2. Chronic condition requiring drugs and physician visit example*

An elderly person with a chronic condition requiring $10 of drugs per week ($520/year) and a monthly physician visit at $15/visit ($180/year) with a total bill of $700 would pay the following amounts under CHIP and Medicare.

| | Current Medicare[1] | CHIP income class | | |
|---|---|---|---|---|
| | | I[2] | II[3] | III[4] |
| Total expenses | $700 | $700 | $700 | $700 |
| Paid by insurance | 96 | 630 | 531 | 440 |
| Out-of-pocket[5] | 604 | 70 | 169 | 260 |

[1] These examples do not indicate eligibility for or assistance available from Medicaid, which would absorb most (or all) of the cost for aged persons in income class I.

[2] Income of $1,500.

[3] Income of $3,000.

[4] Income of $5,000.

[5] This may not be total out-of-pocket expenses because most providers participating in Medicare do not accept assignment.

#### *3. Short-term hospitalization example*

An elderly person who is hospitalized for 10 days for a hernia repair at $120/day with a physician bill of $450 and a total bill of $1650 would pay in FY 1975:

| | Current Medicare[1] | CHIP income class | | |
|---|---|---|---|---|
| | | I[2] | II[3] | III[4] |
| Total expenses | $1,650 | $1,650 | $1,650 | $1,650 |
| Paid by insurance | 1,428 | 1,560 | 1,380 | 1,240 |
| Out-of-pocket[5] | 222 | 90 | 270 | 410 |

[1] These examples do not indicate eligibility for or assistance available from Medicaid, which would absorb most (or all) of the cost for aged persons in income class I.

[2] Income of $1,500.

[3] Income of $3,000.

[4] Income of $5,000.

[5] This may not be total out-of-pocket expenses because most providers participating in Medicare do not accept assignment.

#### *4. Not exceeding deductible example*

An elderly person with 3 physician visits at $15/visit, and total bill of $45 would pay in FY 1975:

| | Current medicare[1] | CHIP income class | | |
|---|---|---|---|---|
| | | I[2] | II[3] | III[4] |
| Total expenses | $45 | $45.00 | $45 | $45 |
| Paid by insurance | 0 | 40.50 | 0 | 0 |
| Out of pocket[5] | 45 | 4.50 | 45 | 45 |

[1] These examples do not indicate eligibility for or assistance available from medicaid, which would absorb most (or all) of the cost for aged persons in income class 1.

[2] Income of $1,500.

[3] Income of $3,000.

[4] Income of $5,000.

[5] This may not be total out-of-pocket expenses because most providers participating in medicare do not accept assignment.

### *D. Physician reimbursement*

Another aspect of the present Medicare program which is related to cost-sharing is that of reimbursement to physicians. Under the present program a physician who does not accept an assignment of Medicare benefits is not required to accept the reasonable charge determination of reimbursement from the carrier as full reimbursement for services provided. The physician may bill the Medicare beneficiary an additional charge. This practice has resulted in Medicare beneficiaries paying higher out-of-pocket costs than they would have had to pay if the physician had accepted assignment. Medicare beneficiaries are, on the average, currently paying 15 percent more out-of-pocket for medical care when the physician refuses to accept assignment. The percentage of physicians who will accept assignment now averages below 50 percent and is even below 30 percent in some States.

Our proposed Medicare program would remedy this situation by requiring all physicians who participate in the Medicare program to accept as full reimbursement for services provided to Medicare beneficiaries the amounts determined by each State as reasonable for the service rendered. The rates established by the States will be the basis for reimbursing providers; these rates would be based on amounts determined after consultation with providers and other interested parties. They will be based on reasonable cost and thus will not deter providers from participating in the program.

Secondly, an innovation of our proposal which we expect to be favorably received by both beneficiary and provider is the Healthcard. Beneficiaries will use the Healthcard to charge services, including deductible and coinsurance charges which they may repay to the carrier on an installment basis. Providers will be reimbursed directly by the carriers and all other bookkeeping will be handled through the carrier. This will sharply reduce billing and bad debt costs to providers and create an incentive for their participation as full participating providers.

### IMPACT OF CHIP ON MEDICAID

I would now like to turn to a discussion of how our comprehensive health insurance proposal will impact on Medicaid.

In spite of its achievements in providing health care financing to over 4.5 million aged, we are all familiar with the shortcomings of the current Medicaid program.

One of the problems with the current Medicaid program is that it is available only to certain categories of persons and it can cover such persons even when they have reasonably high incomes; Medicaid is not available to persons with greater needs who are not in these arbitrary categories. A second problem is that eligibility and benefits vary greatly between States. This too is unfair and inequitable.

In designing CHIP we have looked at the totality of the low-income population's need for health care financing. We have attempted to get away from these concepts of categorical eligibility in our new program to achieve universality in coverage of the low-income.

We believe that the loss of some benefits by some current Medicaid eligible is inevitable in the process of removing the inequities and establishing uniform national entitlement and benefits. If we insisted on adopting a plan which assured that no current recipient was worse off and under CHIP, we would build greater inequities, severe notches and other deficiencies into the new plan, and make it expensive beyond reason or need. I would not like to discuss the impact of CHIP on Medicaid in more detail.

#### A. ELIGIBILITY

The Medicaid program's primary weakness is that it simply does not provide medical assistance to all those who need it. Because Medicaid eligibility standards are, within statutory limits, determined by each State, Medicaid eligibility varies considerably from State to State. We are all familiar with the wide variations in income levels which States establish as eligibility factors. An aged person with only $2,000 in income would be eligible for Medicaid in some States but not in others. Although 33 States have spend-down provisions under their Medicaid programs which enable any aged persons to become Medicaid-eligible only after his or her medical care expenses have brought his or her income and resources down to the level established by the State for Medicaid eligibility, in the other States, an aged person with income only slightly above the Medicaid eligibility level is ineligible for Medicaid no matter how great were his or her medical expenses; this phenomenon is one we are all familiar with as "the Medicaid notch." Most State plans also include assets tests which can force aged persons to sell most of their possessions in order to qualify for Medicaid.

Under CHIP, Medicaid as a health financing program for all but the long term care needs of the poor will be terminated. Medicaid beneficiaries over 65 will generally receive basic coverage under the new Medicare program as will most other elderly citizens. Most important, there will be uniform nationwide income standards which will provide equitable treatment of low-income aged persons. Thus, aged persons with similar incomes will receive identical benefits regardless of State of residence.

#### B. BENEFITS

In addition to the wide variations in eligibility, and the fact that many of the elderly poor in all States remain ineligible, substantial inequities result from the differences among States in the types and scope of services covered. Seven broad areas of coverage are required by law to be provided: inpatient hospital, outpatient hospital, other lab and x-ray, skilled nursing home, home health, and physician services (in addition to screening services for children and family planning services which do not affect the aged). However, States may exercise broad discretion in establishing the limits of coverage. Federal regulation requires that covered services "must be sufficient in amount, duration, and scope" to achieve the purpose of the program. Consequently, some States cover all necessary hospitalization while others severely limit coverage. For example, a State may have a limit of 10 days of hospital coverage per admission and as few as 12 physician visits per year.

CHIP is designed to provide to all enrollees the same benefits. For current Medicaid beneficiaries this will result in gains of benefits in some areas and losses in others. Services which will be gained will include primarily the unlimited hospital care and physician's services.

### C. COST-SHARING

While the current Medicaid program has little formal cost-sharing, significant real cost-sharing can exist for many Medicaid eligibles because they in effect pay 100 percent coinsurance for medical care which is not covered by the State's Medicaid program. Under CHIP, Medicaid eligibles will be required to pay cost-sharing; however, they will generally be eligible for the reduced cost-sharing which is available to all low-income persons. We consider the cost-sharing schedules to be reasonable and not beyond the ability of low-income persons to pay. After all, when we refer to the cost-sharing charges for aged persons in the $1,750 income bracket we are talking about a 10 percent coinsurance share. If the charge for a physician's visit is $15, then we are in effect placing a $1.50 charge on the patient. We believe this is a reasonable and not excessive charge. In addition, we believe that the payment of cost-sharing charges as part of a reimbursement system based on reasonable cost will broaden access to health services by the poor.

Second, the purpose of the cost-sharing provisions is to remove first-dollar coverage and thereby create cost-consciousness on the part of the patient. Without the disincentives which cost-sharing provides for utilization of medical care, a person may tend to overutilize health care services. If cost-sharing is limited to outpatient services the provider may tend to institutionalize the patient.

I would also like to stress at this point that the use of the Healthcard will permit all persons to obtain needed medical care even if they are short of cash-on-hand at the time the service is needed.

Another point I would stress at this time is that the maximum annual liability limits established under our proposal will benefit the Medicaid population no less than the Medicare population. No longer will a person have to spend virtually all of his income and resources on medical care to become eligible for Medicaid. Under our proposal the maximum amount an aged person will have to spend on covered services in any one year is $750. This amount is much less if a person has a low income ($105 or less if income is below $1,750). This provision will provide much needed relief to the poor who are now in many States paying much more than this amount for needed medical care. In addition, the maximum liability feature will eliminate the Medicaid notch effect whereby in many States a person with $10 too much in income is ineligible for Medicaid no matter how much he has spent on medical care.

### D. PROVIDER REIMBURSEMENT

Another area in which the CHIP proposal is better than Medicaid is in assuring access to needed medical care. Medicaid programs frequently set low physician reimbursement schedules, thereby denying Medicaid eligibles financial access to needed medical care on the same basis as middle income persons. In addition, States impose administrative barriers which can severely limit physician participation in the program. These include poor administrative practices which result in late payment of bills, and in requirements for pre-authorization for specified services. These reimbursement schedules and administrative barriers result in a situation where in many areas too few doctors accept Medicaid patients and others keep the Medicaid portion of their practice within strict limits. This often results in Medicaid eligibles having non-coverage or second-class medical care.

Under CHIP, the problem of depressed fee schedules will no longer exist inasmuch as the State reimbursement rates established for Medicare, AHIP and EHIP will be identical. These rates will be based on a reasonable level of reimbursement, so that the current situation where a State can pay as little as 50 percent (or less) of the usual and customary charges under its Medicaid program will cease. We expect in this manner to broaden access to services through an increase in the number of providers who participate in the program. Thus, more "real" services would be available under CHIP to persons who were Medicaid eligibles than are available under the current program.

### LONG TERM CARE

Because of the nature of long term care and its impact on and close relation to a person's income, we are studying this need in relation to our efforts in welfare reform. We do not believe that a national health insurance program is the appropriate vehicle to finance long-term institutional care. As we all know, long-term institutional care necessarily includes a high proportion of social services and income support. Loading this type of care onto any national health insurance program would greatly increase the costs of that program. In addition, determining the appropriate utilization of long-term care services is more difficult than for other services. For these reasons and because our comprehensive health insurance program is intended to provide active treatment in addition to protection against acute and catastrophic health expenses, we have not included more than the 100 days of skilled nursing facility care currently available under Medicare in our CHIP benefit package.

Pending resolution of this problem long term care will be provided by a residual Medicaid program. This will operate under the same statutory provisions as govern the current Medicaid program. States would have the prerogative of determining eligibility standards, amount of benefits provided, and reimbursement to providers. The residual Medicaid program would provide the following services: (1) services in a skilled nursing facility; (2) care in mental institutions for persons under age 21 and over age 65; (e) services in an intermediate care facility; and (4) home health services. All of these services would continue to be eligible for Federal matching funds at the current rate.

We realize that a continuation of the present Medicaid program on even a limited, residual basis is not an ideal solution to the needs of the aged for long-term institutional care. Nor do we see it as a permanent solution. We have initiated a thorough analysis of alternative approaches to assisting low-income persons requiring long-term institutional care. Following the completion of this analysis and discussion we intend to develop any desirable legislative proposals on this subject to submit to Congress.

Mr. Chairman, this concludes my remarks. I hope that this discussion has been helpful and I will be pleased to now answer any questions you may have.

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## RELIABILITY OF NEW YORK TIMES QUESTIONED CONCERNING U.S. AID TO SOUTH VIETNAM

Mr. HELMS. Mr. President, as one who has spent most of my adult life in the news business, I have been constantly appalled at the number of distortions and inaccuracies appearing in the news reports of the major news media of America.

The conclusion is inescapable that such obvious irresponsibility could not be accidental. Indeed, it so often seems carefully calculated. Many of the major media appear to be determined to make and shape the news instead of reporting the news as it is. They seem to care not whose reputations they trample, or how badly they distort or misrepresent the truth.

This has played a large role, I believe, in the cynicism of the American people. Not only do vast numbers of Americans distrust their institutions and leaders, they also distruct the major news media of America.

In these difficult times, it is especially important that the people be told the entire truth.

That is why today I bring to the attention of my colleagues what I consider to be a specific instance of obvious misrepresentation of the facts. I refer to an article which appeared in the New York Times of February 25, 1974; the article is entitled "Vast Aid From United States Backs Saigon in Continuing War."

I base these feelings on the statements made in a telegram from U.S. Ambassador to South Vietnam, the Honorable Graham A. Martin, to Secretary of State Kissinger.

In the telegram, Ambassador Martin analyzes the New York Times article paragraph by paragraph and comes to the conclusion that the article "was obviously not written to inform the New York Times readers, but to give a slanted impression that the U.S. Government and the Government of the Republic of Vietnam are grossly violating the cease-fire agreement and preventing any kind of peaceful political accommodation with the Communists."

Ambassador Martin goes on to say that the article "contains numerous inaccuracies and half-truths. It deliberately omits, or treats skeptically, the flagrant Communist violations of the Paris accords, all of which, the Ambassador points out, "have been repeatedly pointed out to Shipler and the New York Times Saigon Bureau by the U.S. Government and Government of the Republic of Vietnam officials."

Mr. President, Ambassador Martin's telegram points out numerous facts, a sequence of events, which may have bearing on the New York Times' reporting of the so-called facts. I refer to the following facts set out by the Ambassador:

> As a preliminary to a detailed discussion of Shipler New York Times article datelined Saigon, February 16, it is necessary to record that Embassy has long been aware of decision taken last Fall in Hanoi to mount all-out campaign this Winter and Spring to persuade the Congress to drastically reduce the magnitude of both economic and military aid to the government of Vietnam.
>
> The Stockholm Conference was to be used as the main coordinating mechanism, and the Provisional Revolutionary Government delegation in Paris was to be the principal channel, using remnants of the American "Peace Movement" to bring influence to bear on selective susceptible, but influential, elements of the American communications media, and, particularly, on susceptible Congressional staffers. The timing preferred was to begin with insertion of as much material as possible in the Congressional Record, hopefully to secure the condemnation of the Government of the Republic of Vietnam in formal reports of Congressional subcommittees, which could be followed up and given wide circulation by "investigative reporting" which would tend to confirm and if possible to expand on the distortions they had been able to have inserted in the Congressional subcommittee formal reports.

Mr. President, this in itself is an amazing analysis of how propaganda is effectively disseminated by the Hanoi Government. On reading this disturbing analysis by Ambassador Martin, I realized even further that our decisions regarding the situation in South Vietnam well could be based on inaccurate—even false—information.

In light of Ambassador Martin's concern that the whole truth be told regarding the matters contained in the New York Times article on U.S. aid to Vietnam, and more importantly, in light of the fact that the question of the continuation of that aid is a matter soon to be considered by the Senate, I feel that my colleagues in the Congress should have the benefit of Ambassador Martin's analysis of the New York Times article. This analysis is all the more important, Mr. President, because many of us in this body have not gotten all of the facts we need to make a decision on this important matter—which well may determine whether freedom will survive in South Vietnam.

I noticed in the Washington Post yesterday morning that nine of my colleagues have expressed concern about continued U.S. involvement in Southeast Asia and indicated that they oppose new aid to Saigon. I urge them to read the Times article and Ambassador Martin's rebuttal to and analysis of it. To facilitate their reading of these two documents, I have arranged a chart, a side-by-side layout of the two so that they may be read and compared with ease. Mr. President, at this time I ask unanimous consent that this layout, comparing the New York Times article with the comments on it by Ambassador Martin, be printed in the RECORD at the conclusion of my remarks.

Mr. President, on comparing these two documents, I believe that our colleagues will feel, as I do, that they have not been getting the accurate information they need to make an informed and reasoned decision on this vital matter.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

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### ANALYSIS OF NEW YORK TIMES ARTICLE ON U.S. AID TO VIETNAM BY U.S. AMBASSADOR GRAHAM A. MARTIN

| [New York Times article]<br>VAST AID FROM UNITED STATES BACKS SAIGON IN CONTINUING WAR<br>(By David K. Shipler) | AMBASSADOR MARTIN'S REBUTTAL |
|---|---|
| SAIGON, SOUTH VIETNAM, February 16.—Ray Harris of Ponca City, Okla., has come back to Vietnam. This time he is not behind the machine gun of an Army helicopter but behind a workbench at the Bien Hoa air base, sitting next to South Vietnamese Air Force men and repairing jet fighter engines.<br>Mr. Harris is a civilian now, safer and better paid. But his role in the continuing Vietnam war has scarcely diminished his importance, for as a 27-year-old jet-engine mechanic he remains as vital to the South Vietnamese military as he was in 1966 as a 19-year-old gunner. | Paragraphs 1–3—Ray Harris is a General Electric employee at Bien Hoa Air Base. His job is classified as a cleaner of parts and equipment. Shipler's figure of 2,800 DAO civilian contractors is essentially correct. The current count is 2,762, a figure provided by DAO. Shipler does not bother to record at this point that the number has been reduced within the past year from some 5,000. He does, however, mention a reduction in paragraph 37 of his article, saying inacurately that 2,200 have left since July. He does not record fact available to him that Harris is part of a group of contract employees whose function is to teach the South Vietnamese how to service properly military equipment turned over to the GVN as well as maintain it until the training process is completed. Nor does Shipler record the fact known to him that contract personnel are continuously withdrawn when training is finished. The "program of military aid "does not "set the course of the war," as Shipler put it. The course is set by the continuous and continuing Communist buildup and efforts of the RVNAF to protect the population, land and resources under GVN control at time of the cease fire from actual military attacks mounted by the other side, which is not mentioned in the article. |
| He is among 2,800 American civilians without whose skills South Vietnam's most sophisticated weapons would fall into disrepair. Employed by private companies under contract to the United States Defense Department, these men constitute one facet of a vast program of American military aid that continues to set the course of the war more than a year after the signing of the Paris peace agreements and the final withdrawal of American troops. | |
| Whether the United States is breaking the letter of the agreements could probably be argued either way. But certainly the aid directly supports South Vietnamese violations and so breaks the spirit of the accords. | Paragraph 4—This is a classic. Shipler categorically postulates "South Vietnamese violations" without presenting a shred of evidence, and alleges American military aid "directly supports" such violations which thereby "breaks the spirit of the accords." He does reluctantly concede that "whether the United States is breaking the letter of the agreement could probably be argued either way." It is quite true that to Hanoi "the spirit of the accords" was that the Americans would deliver South Vietnam bound hand and foot into their hands. Fortunately, only a handful of Americans would agree with that interpretation of the "spirit of the accords." |
| The United States, far from phasing out its military involvement in South Vietnam, has descended from a peak of warfare to a high plateau of substantial support, dispatching not only huge quantities of weapons and ammunition but also large numbers of American citizens who have become integral parts of the South Vietnamese supply, transport and intelligence systems.<br>These include not just the Vietnam-based mechanics and technicians but also the Pentagon-based generals who tour airfields to ascertain the needs of the South Vietnamese Air Force, the "liaison men" who reportedly give military advice from time to time, the civilian Defense Department employes who make two-to-three-week visits to provide highly specialized technical help, and the Central Intelligence Agency officials who continue to advise South Vietnam's national police on intelligence matters. | Paragraphs 5 and 6—no Americans, contractors or government employees, are "integral parts" of the RVNAF military system. They provide limited and temporary technical assistance only to help the Vietnamese become self-sufficient. To describe "Pentagon-based generals who tour airfields" and "integral parts of the South Vietnamese supply, transport and intelligence systems" obviously distorts the meaning of the word "integral" to the breaking point. American generals visit not only Vietnam but other friendly nations throughout Southeast Asia. They also observe the use being made of military aid. (Eno-use inspection by us personnel is required by the Security Assistance Act.) The term "liaison men" presumably refers to DAO's regional liaison officers. It is simply untrue that they give "advice," as Shipler reports, again without producing the slightest scrap of evidence. Even if permissible, none of the RLOs is qualified. They are civilians who, if they had previous military experience were enlisted men or junior officers with little or no battle management training. It is unlikely that ARVN officers would heed their advice even if they offered it. And it is simply a falsehood that the CIA gives any "advice" to the national police. |

### ANALYSIS OF NEW YORK TIMES ARTICLE ON U.S. AID TO VIETNAM BY U.S. AMBASSADOR GRAHAM A. MARTIN—Continued

The total budgeted cost of military aid to South Vietnam is $813-million in this fiscal year, and the Pentagon has asked Congress for $1.45-billion next year, with most of the increase probably going for ammunition, which the South Vietnamese forces have expended at a high rate.

TRUE COST EVEN HIGHER

The true costs of the military support probably rise considerably above the official figures. Some of the aid, for example, comes in through economic programs that dump millions in cash into the Saigon Government's defense budget. And other costs—salaries of Pentagon technicians who make special visits, for example—are hidden in the vast budgets of the United States Air Force, Army and Navy and are not labeled "Vietnam."

These valuable military goods and services have a sharp political impact. They are indispensable to the South Vietnamese Government's policy of resistance to any accommodation with the Communists. Militarily, the extensive aid has enabled President Nguyen Van Thieu to take the offensive at times, launching intensive attacks with artillery and jet fighters against Vietcong-held territory.

Furthermore, the American-financed military shield has provided Mr. Thieu with the muscle to forestall a political settlement. He has rejected the Paris agreements' provision for general elections, in which the Communists would be given access to the press, permission to run candidates and freedom to rally support openly and without interference from the police.

VIETCONG MAINTAIN PRESSURE

Mr. Thieu has offered elections, but without the freedoms. The Vietcong, refusing to participate unless the fredoms are guaranteed, have maintained military pressure throughout the country, mostly with artillery and rocket attacks on Government outposts and, from time to time, with devastating ground assaults against Government-held positions.

United States intelligence officials contend that continuing American aerial reconnaissance, as well as prisoner interrogation and radio monitoring, shows that the North Vietnamese have sent thousands of troops and hundreds of tanks and artillery pieces south in violation of the Paris agreements. They have also refurbished a dozen captured airfields and built a large network of roads that threatened to cut South Vietnam in two.

Yet in battle the Communists appear more frugal with ammunition than the Government troops, who have been seen recently by Western correspondents, spraying artillery across wide areas under Vietcong control as if there was no end to the supply of

Paragraphs 7 and 8—Total budget cost of military aid to the GVN in FY-74 is 1059.2 million. Of the proposed 390.8 million increase, it is understood that about one-third is attributable to ammunition. Ammunition is expended at a rate of 20 to 50 percent less than during the last year of the war, due to US-imposed constraints and RVNAF self-imposed management controls. The US does not "dump millions in cash into the Saigon Government's defense budget." The US puts goods into the economy which are sold for piasters and then assigned FMR support of mutually agreed programs.

Paragraph 9—this paragraph is another classic example of disguising propaganda under the protective rubric of "investigative reporting." Shipler now alleges that U.S. military aid is indispensable to what is categorically described as "the South Vietnamese Government's policy of resistance to any accommodation with the communists." The implication is glaringly obvious, although unstated, that the GVN should do so. Beyond doubt, that is Hanoi's position. In the next sentence, Shipler states that "militarily, the extensive aid has enabled President Nguyen Van Thieu to take the offensive at times, launching intensive attacks with artillery and jet fighters against Viet Cong held territory." Shipler does not think it important to inform the readers of his paper that the "at times" in the above sentence were retaliatory strikes such as the ones made after the communists shelled the Bien Hoa Air Base and later destroyed the NHA be petroleum storage tanks, and that the GVN has a publicly announced policy of taking retaliatory action wheneven the NVA/VC forces so attack GVN installations. Since there is no mention of the thousands of NVA/VC violations of the cease fire, the only logical assumption is that Shipler considers it a violation of the Paris Agreement only when the GVN responds to these attacks.

Paragraphs 10 and 11—In these paragraphs, the bias of the article becomes grossly obvious. Shipler contends that American aid permits President Thieu "to forestall a political settlement," stating that he has "rejected the Paris Agreement's provision for general elections, in which the Communists would be given access to the press, permission to run candidates and freedom to rally support openly and without interference from the police. Mr. Thieu has offered the elections, but without the freedoms." This statement is a complete reversal of the facts. The Paris Agreement called for a cease fire. Then was to come the delineation of the areas of control, the formation of the National Council or Reconciliation and Concord which would prepare for elections under internationally supervised control. The last thing the NVA/VC forces would ever accept is the holding of elections, for under true, impartial international controls they could not possibly receive more than ten percent of the vote. So they have never observed the cease fire. They have never permitted the beginning of even discussion of the delineation of the "areas of control", both of which are necessary preliminaries to formation of the National Council of Reconciliation and Concord, which was to prepare for the elections. Their tactic has been to insist on the items enumerated by Shipler—particularly access to the press. President Thieu has never "rejected the Paris Agreement's provision for general elections". He has, on the contrary, repeatedly proposed definite dates for elections. If the NVA/VC forces will accept definitively a specific date and international supervision, electronics could be agreed upon immediately with all the freedoms covered in the Paris Agreement. Although these are the facts, Shipler implies that it is the reverse of these facts which excuse the NVA/VC attacks throughout the country "mostly with artillery and rocket attacks." Shipler does not think the readers of the New York Times would be interested in the fact that these NVA/VC artillery and rocket attacks often have the populace—children and unarmed civilians—as their main targets.

Paragraph 12—Shipler implies skepticism when he reports that "U.S. intelligence officials contend that . . . the North Vietnamese have sent thousands of tanks and artillery pieces south in violation of Paris agreements." Best intelligence estimates indicate that since the ceasefire, North Vietnam has sent into South Vietnam at least 450 tanks and about 265 122 mm guns, according to DAO figures. (The GVN often charges that North Vietnam has sent 600 tanks and armored vehicles south since the cease fire.) Shipler's use of the word "thousands" gives the intended impression that the U.S. has exaggerated the infiltration of NVA weaponry. Shipler follows use of the word "contends" with a further attack on creditility of the extent of military buildup by powerful NVA/VC forces by pointing out that "communists appear more frugal in battle with ammunition. . . ."

Paragraph 13—Military experts believe that any restraint on NVA ammunition expenditure is a matter of tactics rather than real or expected shortages. The fact remains that the NVA has enough ammo in the south to support a country-wide offensive at the

### ANALYSIS OF NEW YORK TIMES ARTICLE ON U.S. AID TO VIETNAM BY U.S. AMBASSADOR GRAHAM A. MARTIN—Continued

shells. This difference has bolstered the view of some diplomats that China and the Soviet Union, unwilling to support an all-out offensive now, have placed limits on the rate of resupply to Hanoi.

Amid the political stalemate then, the inconclusive war continues.

#### KEEPING JETS IN THE AIR

Ray Harris is at his workbench in the huge engine shop at the Bien Hoa air base just north of Saigon. He works for General Electric, which manufactures the jet engine that drives the Northrup F–5 fighter, the mainstay of Saigon's air force.

He hunches over a circular fuser assembly, the last part of the engine before the afterburner. The assembly is invisibly cracked, and Mr. Harris is using a machine about the size of a dentist's drill to grind down the metal so the crack can be welded.

There are Americans everywhere in the shop, which is devoted to repairing and overhauling fighter and helicopter engines. There is virtually no workroom or machine or assembly line where Americans are anything less than essential parts of the process. Although a few are training Vietnamese to take over the work eventually, most are simply doing the work, especially the highly technical jobs, themselves.

The line where rebuilt jet engines are finally assembled, for example, looks more like a factory somewhere in the United States than a shop belonging to the Vietnamese Air Force. Eight or 10 Americans work in several engines, and not a Vietnamese is in sight.

There are 25 Vietnamese assigned here, a technician says with a shrug, but he adds, "I never see them."

#### OUTPUT IS KEPT HIGH

Ken Martin of G.E. is crouching with another American beside a jet engine that he has just assembled himself in four 12-hour days. Without the American technicians, he says the shop could produce no more than 40 per cent of what it does. Another American asked what would happen if he and his colleagues pulled out, replied, "This would turn into a big Honda repair shop."

As self-serving and exaggerated as these assessments seem, they underscore the long-term military role that American civilians will have to play if the South Vietnamese are to have continued use of their complex weapons.

Without long training, mechanics in any modern air force probably could not match the skills of the American technicians, most of whom are not young Vietnam war veterans like Mr. Harris but seasoned experts who have been building and rebuilding engines for years on bases here and in the United States.

"Most of our people—this is the only work they've ever done," said Glenn Miller, the 47-year-old G.E. supervisor at the shop. Mr. Miller has 22 years' experience with the company, all on jet engines.

His men are so vital that they—and those working on helicopters for Lycoming Aircraft—were all placed on 12-hour shifts last month during the week before Tet, the Lunar New Year holiday. Their objective was to get as many aircraft flying as possible, Mr. Miller explained, to be ready for any Communist offensive:

#### $1,000 IN A LONG WEEK

Mr. Miller figures that with overtime and other bonuses, some of the men made $1,000 apiece that week.

High pay is cited by many of the civilians as the main reason for their choice of Vietnam as a place of work. After a year on the job G.E. employes get double their base salaries, bringing the average pay to $20,000 or more, plus $16 a day for food and lodging—an annual total in excess of $25,000.

Since living costs are low by American standards, and since the employes do not have to pay any Federal income tax on $20,000 a year if they are off American soil for at least 18 months, many say they save a good deal of money. Some add that the money has become a silent source of resentment among the Vietnamese Air Force men, who earn only $10 to $35 a month.

This, plus profound war-weariness, has made many Vietnamese men difficult to teach, the contratcors say. "They are only kids, all of them—they don't want to be in the military to begin with," said Elmer Adams, a former United States Air Force man who works for Lycoming supervising helicopter repairs.

"It's a lack of desire," said a technician for Cessna Aircraft working at the Da Nang air base. "They've been under so much pressure for so long they just want peace. They're peace-minded."

#### CRITICISM OF AMERICANS

It was said sympathetically, and the Cessna man went on: "All they know is that Americans came over here and tore up their country, uprooted their villages and now they're looking for food."

1972 level for at least one year. Another factor which Shipler conveniently ignores is that ARVN positions are fixed to defend bases and populated areas. Their location is known to the enemy. Therefore, few rounds are needed for effective fire. The enemy still hits and runs. His permanent bases are outside ARVN artillery range and ARVN gunners must search for targets, register and then fire for effect, all of which requires more ammunition.

Paragraphs 14–16—The F–5A is not the "mainstay of the VNAF. South Vietnam's work horses are the A–1 and A–37. General Electric, which is mentioned in these paragraphs, provides technicians who assist the VNAF with repair and maintenance of GE-built jet engines. This is normal practice; GE provides the same service to the USAF. Some jet components are of such complexity that only the manufacturer has the expertise to repair them, the G–E contract is not typical of DAO contracts. It is true that is mainly an American work-situation with less emphasis on Vietnamese training. Nonetheless, considerable training programs are conducted by G–E at Bien Hoa. The shop which Shipler visited has a normal complement of 302 Vietnamese and about 50 Americans.

Paragraphs 17–19—The implication in these paragraphs is that the Vietnamese are not serious about learning or are incapable of learning. Neither implication is true, according to the American manager, approximately 200 Vietnamese were normally assigned for duty on the day Shipler visited the shop. It should be noted that Shipler arrived there the afternoon before Tet, January 21, the most important Vietnamese holiday, which was also a Vietnamese Army payday. It is likely that many Vietnamese had taken time off, but according to the shop manager, it is preposterous to state that not a Vietnamese was in sight.

Paragraphs 20–30—Shipler quotes American contract employee as saying the maintenance shop where he works "would turn into a big Honda repair shop" without the Americans. Even Shipler recognizes such a statement to be self-serving and exaggerated, which it was, but implies that an Ameircan presence will have to continue indefinitely "if the South Vietnamese are to have continued use of their complex weapons." Expert opinion holds a precisely opposite view—that within a very short time frame—American instructors can and will be wholly withdrawn. It is Hanoi's purpose to have them withdrawn immediately, before the American logistical training program can bring the South Vietnamese to the same standards of proficiency as the Soviet and Chinese training teams, which started years ago, gave to their proteges in the north with infinitely more complex systems, such as SAM missiles. It is of course true, as the "Cessna Aircraft" technician is quoted as saying in Danang that the South Vietnamese are "peace minded" but not the peace of the grave or total dictatorship which they know is all the other side has to offer.

ANALYSIS OF NEW YORK TIMES ARTICLE ON U.S. AID TO VIETNAM BY U.S. AMBASSADOR GRAHAM A. MARTIN—Continued

Gilbert Walker, another technician, who asked that his company not be identified, observed: "The people I talk to in town care very little about the form of government they have. I guess I don't feel much difference. I don't feel too much admiration for the present Government."

In that case, he was asked, why is he helping the South Vietnamese carry on the war? "I work for my company and I try to keep the aircraft flying," he replied. "I'm working on helicopters, that's all I know. Sometimes I sit back and think. What's it all for, what's the good of it all? It seems like an exercise in futility, what I'm doing."

Paragraphs 31–32—Shipler quotes the personal opinions of contractor personnel on Vietnamese attitudes. This is not difficult for a reporter to do when searching for quotes to help him slant an article. It is comparatively easy to find an uninformed American who will observe that the Vietnamese don't care what kind of government they have. Current history does not support this attitude. The fact remains that the vast majority of South Vietnamese prefer the protection of the GVN to economic and political conditions under the PRG. The PRG has been singularly unsuccessful in luring Vietnamese into VC areas, where only three to five percent of South Vietnam's current population now lives. According to the Kennedy committee, 10-million have voted with their feet, preferring to accept refugee status rather than live under NVA/VC control. Shipler seems oblivious to the confirmation of the nonmilitary logistic training mission in which the American civilians are engaged when he quotes a technician as saying "I work for May Company and I try to keep the aircraft flying. I'm working on helicopters, that's all I know." Whereupon Shipler draws him out on the higher meaning of it all and gets the obvious response.

Futile or not, the Americans' work has carried some of them to positions of considerable authority in the South Vietnamese military supply system. The South Vietnamese still call many of them "co van," which means "advisers," and the American office at the Da Nang base has a big sign over the door that reads, "Co Van."

The Americans often come to identify closely with their jobs, perhaps taking more responsibility than their contracts call for. In a revealing slip of the tongue, Mr. Adams of Lycoming looked around the Bien Hoa engine shop and remarked, "We're in the process—they're in the process, rather—of reorganizing the shop."

Paragraphs 33–35—Shipler states that the Americans' work has carried some to positions of considerable authority in the South Vietnamese supply system. Use of the term "in" is questionable; contractor personnel are instructed to work "with" and not "in" RVNAF units. No American has any authority in the RVNAF system. It is true, but of no significance, that the RVNAF continue to use the term "co van" which is translated as "advisor". But this does not mean that Americans to whom Vietnamese apply the title are doing the same jobs as earlier Americans who were called "co van". After nearly 20 years of working alongside U.S. military personnel, the Vietnamese are accustomed to using the term "co van" for Americans with whom they work closely. The Vietnamese are making the decisions, however, and not the Americans. Shipler quotes Adams, a contractor employee, as saying "we" when referring to reorganizing the shop at Bien Hoa. Shipler calls this a "revealing slip of the tongue." It is natural to become so identified with your job that you say "we" even when referring to management decisions outside your authority. Any US mission employee might well say "we" when speaking of a decision made by the Department or the Pentagon. Shipler quotes an unnamed Defense Department official as saying "we Vietnamized the fighting. But we never Vietnamized logistics." That is a correct statement although the inferences subsequently drawn by Shipler are totally unfounded. He states in paragraph 38 of his article that "there is evidence that the contacts occasionally cross into areas of relationship prohibited by the Paris Agreement."—Contacts between American and Vietnamese. Shipler says there is evidence but presents none of it. He quotes two provisions of the Paris Agreement, both of which have been and are being fully observed.

The fact is that supply and transportation have remained an American operation. "We Vietnamized the fighting, but we never Vietnamized logistics," said a Defense Department official based in Saigon.

That is reportedly the principal reason the United States Defense Attaché's Office—originally scheduled to be dismantled early this year—still contains about 1,150 people, of whom 50 are military men, according to official figures.

In addition, the reduction in the number of Americans working for private defense contractors has halted, allowing the figure to level off at approximately 2,800, down 2,200 since July, according to a spokesman for the Defense Attaché's office.

Paragraphs 36–38—Shipler's statement that the DAO was originally scheduled to be dismantled early this year is an exaggeration or possibly a misunderstanding on his part. When the DAO was established. The U.S. mission hoped that the ceasefire would bring total cessation of hostilities in South Vietnam. Had that happened, it was generally felt the DAO could complete most of its mission within approximately a year and have its residual functions absorbed by embassy or performed outside the country. At no time was this a positive commitment, although some embassy officers may have mentioned the possibility to newsmen in the early days of the ceasefire. As of January 1, 1974, there were 1,015 DOD civilians in DAO, a fact made available to Shipler by the Embassy. There are now 907 actually in South Vietnam, slightly fewer than the authorized number of slots. The number of DAO contractor employees on January 31, 1974, was 2,762. On July 1, 1973, the number was 3,502, which represents a drop of 740 instead of the 2,200 reported by Shipler. He has apparently confused the July figure with the original total of DAO contractor personnel in March 1973, which was 5,237. The U.S. has no military advisors in South Vietnam; no advice is given the Vietnamese in contravention of the Paris agreements, contrary to Shipler's undocumented personal opinion.

The logistics effort—provision of maintenance, ammunition, weapons, trucks, fuel, electronics parts and the like—is now the basis for the Americans' most pervasive and intimate contacts with the South Vietnamese military. Depending on how such terms as "military" and "advisers" are defined, there is evidence that the contacts occasionally cross into areas of relationship prohibited by the Paris agreements.

(These paragraphs not covered.)

### ANALYSIS OF NEW YORK TIMES ARTICLE ON U.S. AID TO VIETNAM BY U.S. AMBASSADOR GRAHAM A. MARTIN—Continued

**"The United States will not continue its military involvement or intervene in the internal affairs of South Vietnam," Article 4 of the cease-fire agreement declares.**

"TOTAL WITHDRAWAL"

Article 5 says: "Within 60 days of the signing of this agreement, there will be a total withdrawal from South Vietnam of troops, military advisers and military personnel, including technical military personnel and military personnel associated with the pacification program, armaments, munitions and war material of the United States and those of the other foreign countries mentioned in Article 3(a). Advisers from the above-mentioned countries to all para-military organizations and the police force will also be withdrawn within the same period of time."

According to both American and South Vietnamese officials, the American civilians—both employes of private companies and those of the Defense Department—who help with supply activities not only see that the South Vietnamese get the equipment and ammunition they ask for but also advise them on what to ask for.

Some of these activities came to light as a result of the capture by the Chinese last month of a former United States Army Special Forces captain, Gerald E. Kosh, who was aboard a South Vietnamese naval vessel during a two-day battle with Chinese forces in the Paracel Islands, in the South China Sea.

Mr. Kosh, who was taken prisoner and later released, was described by a spokesman for the United States Embassy as a "liaison officer" with the South Vietnamese military whose job was to observe the efficiency of various army, navy and air force units and report to the Pentagon.

American officials steadfastly refused to provide further details of Mr. Kosh's job. They would not say exactly what he was supposed to observe or whether his reports were ultimately shared with the South Vietnamese. They did say that there were 12 such liaison men based in various parts of Vietnam.

EXTENT OF ROLE UNCLEAR

What is not clear is whether they confine their observations to such matters as the condition of equipment and the rate of ammunition expenditure, or whether they evaluate military tactics and strategies and go so far as to suggest alternatives.

What is fairly certain is that their reports end up in the hands of the South Vietnamese, perhaps providing indirect advice of one sort or another.

A South Vietnamese officer in a position to know said recently that normal procedure called for an American and a South Vietnamese to make an inspection or auditing tour of a military unit together. Then they write up their reports, sometimes separately, sometimes together. The reports, he said, are forwarded up the chain of command in the United States Defense Attaché's Office, which then relays copies of them to Lieut. Gen. Dong Van Khuyen, head of the Logistic Command for the South Vietnamese Joint General Staff.

More direct, overt advice is sometimes given by zealous Americans who are still stationed in every province. An embassy official reported recently that an American based in one province boasted to him about a successful military operation: "I told them to clear the Communists out of there."

Actually, South Vietnameses military men do not seem anxious for such guidance, noting with some pain that their country has suffered for years under American advice. What they want from the United States is military aid.

SIX GENERALS PAY A VISIT

Clearly, the Pentagon continues to attach high priority to the success of the South Vietnamese military. Last fall a group of six Air Force generals based in the Pentagon visited the Da Nang air base to find out what equipment and aid were needed, according to the base commander, Lieut. Col. Nguyen Tan Dingh. He said they were scheduled to come again this month.

A few weeks ago two civilian employes of the Air Force—one based in Hawaii and the other in Texas—were flown to Vietnam for a short stay so they could give advice on the repair and upkeep of plants that manufacture oxygen for jet fighters. One said he had been in and out of Vietnam frequently on similar missions since 1964, the other since 1968.

Paragraph 41—This paragraph is wholly misleading. Regardless of what unidentified American and Vietnamese officials and U.S. civilians may have told Shipler, the DAO does not perfunctorily "see that the South Vietnamese get the equipment and ammunition they ask for." It is self-evident that the U.S. has not given the GVN carte blanche, but if the point needs explanation, specifics can be cited. For example, more than 200 aircraft to which South Vietnam is entitled under one-for-one replacement program have not been provided by the U.S. Since much of the defense materials provided the RVNAF comes from U.S. sources, both as required by law and in the absence of a South Vietnamese industrial base, the DAO assists the Vietnamese to relate their needs to U.S. supply sources. This is a far cry from advising them on what to ask for, as Shipler glibly suggests.

Paragraph 42–47—The case of Gerald Kosh, the Regional Liaison Officer who was captured in the Paracels and later released by the Chinese, has been written about by several journalists. His duties were described by the DOD press spokesman at the time of his capture and explained to Shipler by the Embassy press officer, who also told him there were 12 regional liaison officers in the country. Shipler was told that an RLO does not act as an advisor, engage in covert or clandestine operations or participate in combat. Shipler was skeptical and insisted that there must be more behind the work of the RLOs than the USG was willing to diclose. He was assured there was not, that an RLO was basically employed to conduct overt liaison with the RVNAF and report on RVNAF efficiency and use of military equipment and supplies. The RLO only collects and transmits information he is given by the RVNAF, so it is pointless to suggest that his "reports end up in the hands of the South Vietnamese, perhaps providing indirect advice of one sort or another." It should be noted that in some cases, U.S. law requires that audits and end-use inspections be conducted by joint U.S./Vietnamese teams. It is not uncommon for an American and South Vietnamese to make an inspection or auditing tour of a military unit together, it is often required procedure.

Paragraphs 48–49—Shipler is wrong when he reports that Americans are still stationed in every province. There are for consulates general in Vietnam in addition to the embassy in Saigon. While there are some vice consul and development officers in the provinces, many of them cover two or more provinces. Only a few DAO civilians and no military personel are stationed outside the greater Saigon area, aside from a few U.S. Marine guards at the consulates general.

Paragraphs 50–51—It is true that six Air Force generals visited South Vietnam last fall; another group came recently, they came at the request of the American Ambassador who wished to be assured that our military material aid was adequate, but frugal; that it was appropriate to the scale of attacks being mounted by the NVA/VC forces at the direction of Hanoi; that, as required by law, we should be able to report accurately and precisely to the Congress, the generals were very helpful and the Ambassador hopes they can return at approximately the same interval in the future.

ANALYSIS OF NEW YORK TIMES ARTICLE ON U.S. AID TO VIETNAM BY U.S. AMBASSADOR GRAHAM A. MARTIN—Continued

Although the Paris agreements explicitly rule out advisers to the police force, the South Vietnamese National Police continue to receive regular advice from Americans.

In a recent conversation with this correspondent, two high-ranking officers said they and their staffs met frequently with the Saigon station chief of the C.I.A. and his staff. Sometimes, they said, the C.I.A. chief asks the police to gather intelligence for him, and often they meet to help each other analyze the data collected.

A police official confirmed that in some provinces "American liaison men" who work with the police remain on the job. "There are still some, but not so many," he said.

EPISODE IN POLICE STATION

Local policemen still refer to "American police advisers," according to James M. Markham, Saigon bureau chief of The New York Times, who was detained by the police late in January after a visit to a Vietcong-held area.

Mr. Markham said that in both Qui Nhon, where he was held overnight, and Phan Thiet, where he was detained briefly while being transferred to Saigon, policemen, talking among themselves, referred to the "police adviser." In Phan Thiet, he reported, a policeman was overheard saying, "Let's get the American police adviser over here."

In the last six weeks The New York Times has made repeated attempts to interview officials in the United States Agency for International Development who are responsible for American aid to the police. Although the officials appeared ready to discuss the subject, they were ordered by the United States Ambassador, Graham A. Martin, to say nothing.

In the absence of official United States figures, the best information on police aid comes from Senator Edward M. Kennedy, who calculated that as of last June 30 the Agency for International Development and the Defense Department has spent $131.7-million over the years for police and prisons in South Vietnam. Despite a Congressional ban on such assistance enacted last December, such support has continued, according to American officials, but they say that no decision has yet been made on how to phase out the programs.

Section 112 of the new foreign aid bill reads: "None of the funds appropriated or made available pursuant to this act and no local currencies generated as a result of assistance furnished under this act may be used for the support of police or prison construction and administration within South Vietnam, for training, including computer training, of South Vietnamese with respect to police, criminal or prison matters, or for computers, or computer parts for use for South Vietnam with respect to police, criminal or prison matters."

TRAINING IN WASHINGTON

South Vietnamese policemen are reportedly still being trained at the International Police Academy in Washington, and technical contracts with private companies that provide computer services and communication equipment have not been terminated.

Senator Kennedy reported that the Nixon Administration had requested $869,000 for the current fiscal year for police computer training, $256,000 for direct training of policemen, $1.5-million for police communications and $8.8-million for police equipment, presumably weapons and ammunition, from the Defense Department.

Although these figures are not normally included in the totals for military aid, the police here have military functions, and engage in infiltration, arrest, interrogation and torture of Communists and political dissidents.

This activity violates the cease-fire agreement, which states in Article 11: "Immediately after the cease-fire, the two South Vietnamese parties will . . . prohibit all acts of reprisal and discrimination against individuals or organizations that have collaborated with one side or the other, insure . . . freedom of organization, freedom of political activities, freedom of belief."

INTERVIEWS ARE REFUSED

Not only has Ambassador Martin ordered American officials to remain silent on the subjects of military and police aid; both he and the Defense Attaché, Maj. Gen. John E. Murray, refused requests by The New York Times for interviews. Furthermore, the

Paragraphs 52–56—We will not simply say Shipler's statement that "Although the Paris Agreements explicitly rule out advisers to the police force the South Vietnamese National Police continue to receive regular advice from Americans" is inaccurate, it is utterly false and known to be so by the writer. Certainly, it is true that CIA officers connected with the Embassy meet routinely with police officials. It is hoped that this practice is followed at every Embassy in the world in a continuing effort to keep senior officials of the U.S. as well informed and as currently informed as possible. That Americans in the provinces maintaining contact with local police officials may, out of habit, still be called "advisers" does not in any way change the fact that there are no American advisers, formal or informal, or under any device or cover.

Paragraph 57—It is correct that the Ambassador issued instructions to USAID officials in Saigon not to discuss these matters with Shipler. He worked on the New York Times article for more than three weeks—in Saigon, Bien Hoa and Danang. It became obvious to U.S. mission officers from Shipler's line of questioning that he had no intention of writing a reasonably balanced story, but rather, a biased indictment of the U.S. role in Vietnam and the GVN's unreasonable obstruction of Communist objectives. Shipler, therefore, was not given the kind of cooperation the Embassy normally extends to responsible reporters, since it is simply not possible to cooperate and thereby give a platform and inferred credibility to deliberate and gross distortions calculated to deceive the American Congress and the American people. DAO contractors, incidentally, were not told to refuse to talk with Shipler, as he asserts.

Paragraphs 58–63—Here we begin to see the link forecast in Hanoi planning last fall. The figures given in the Kennedy report for overall assistance to police programs may well be accurate. We simply cannot confirm from here. It is important to record that the provisions of the Foreign Assistance Act of last December are being scrupulously complied with and at a more rapid pace than actually called for in the law itself. But the American people should be told why Hanoi is so determined to utilize every pressure at its command to destroy the police program. The answer is simple. No guerrilla subversion can exist in a closed society. It is no problem in North Vietnam or in the Soviet Union or the PRC for that matter. The guerrilla type of subversion and terror can only exist in a free and open society. In a free and open society, even one with warts, as both ours and the South Vietnamese have, the most effective deterrent again[illegible] terror and subversion is an effective police force. Therefore, [illegible]y effort is made by the Communists to enlist all propaganda [illegible]es against it, including the unwitting. Charges of repressio[illegible]or, brutality and corruption must be reiterated over an[illegible]ntil it finally becomes imbedded in the conventional w[illegible]e culmination of this process in Shipler's statemen[illegible] here have military functions and engage in inf[illegible] interrogation and torture of Communists and polit[illegible]" The juxtaposition should be carefully noted. Certainly, the [illegible] engage in "infiltration arrest." How else can any free society anywhere defend itself? They engage in "interrogation." Any police system anywhere in the world does the same. And now follows innocently the word "torture." No evidence is presented, just the charge. Who is interrogated?—"Communists" and now, innocently again, "political dissidents," with no evidence presented. Then follows the flat statement, does not point out that the ICCS has no supervision whatever of instance, there is simply no creditable proof of the police actions alleged. Nor is there the slightest reference by Shipler to there being any possibility that there has been any violation on the so called PRG side.

Paragraphs 64 and 65—Shipler accurately records that the Ambassador and Major General Murray refused requests by The New York Times for interviews. The reason is obvious. To do so would permit their own reputations for integrity to be used as a plat-

**embassy told at least two private companies—Lear-Siegler, which employs a large force of aircraft mechanics here, and Computer Science Corporation, which works on military and police computer systems—to say nothing publicly about their work, according to company executives.**

**The official nervousness is attributed by an embassy employe to the Nixon Administration's apprehension about the inclination of Congress to cut aid to South Vietnam. The Ambassador has reportedly told several non-Government visitors recently that South Vietnam is in a crucial period and that he sees his role as unyielding support to build up and preserve a non-Communist regime.**

**He is reported to have pressed Washington to provide new weapons for Saigon to counteract the infiltration of troops, tanks, and artillery from North Vietnam since the ceasefire. For example, plans have been made for the delivery of F-5E fighter planes to replace the slower, less maneuverable and less heavily armed F-5's, many of which were rushed to South Vietnam in the weeks before the cease-fire.**

### VIOLATION IS CHARGED

**Privately, officers in the International Commission of Control and Supervision scoff at the American contention that supply of the planes does not violate the Paris agreements, which permit only one-for-one replacement of weapons "of the same characteristics and properties." A high-ranking official of one of the non-Communist delegations, asked recently if he thought the United States was faithfully observing the one-for-one rule, replied, "Of course not."**

**There is nothing the commission can do about it without permission from both the South Vietnamese Government and the Vietcong to investigate, and permission is unlikely to be forthcoming from the Saigon side. Similarly, the commission has been unable to audit other incoming weapons and ammunition for both sides. During the first year after the cease-fire, the United States provided South Vietnam with $5.4-million worth of ammunition a week, apparently unaccompanied by pressure to restrain military activities.**

**Several weeks ago Elbridge Durbrow, who was Ambassador to South Vietnam from 1957 to 1961, came to Saigon and met with Ambassador Martin and General Murray. Mr. Durbrow, who denounced the Paris agreements and who declares, "I am a domino-theory man," was asked by newsmen whether the American officials had indicated that they were trying to keep South Vietnam from violating the cease-fire.**

**"Not from anybody did we hear that," he replied. Then, referring to General Murray, he said: "He's not that kind of man at all—just the opposite. If you are not going to defend yourself you might as well give up and let Hanoi take over."**

form for promoting a campaign to grossly deceive the American Congress and the American people. Neither will permit this, although they quite freely see most reputable journalists who request interviews. As stated earlier, no instructions were issued to contractors to shun newsmen who apparently, on their own, also do not wish to be used in a campaign to deceive the American people. The comments attributed to the Ambassador, from a second hand source, are also without foundation.

Paragraph 66—The USG has never made a secret of the fact that it intends to replace some F-5A jet aircraft with faster, more maneuverable F-5Es. In the DOD press briefing of January 8, 1974, Lt. Gen. James said that this was no new information. "We have said all along," he told reporters, "that we had supplied the South Vietnamese with the F-5 Tiger One, which was the earliest F-5, and that considerable improvements had been made on subsequent models that we had contracted to provide them, and these old aircraft would be replaced on a one-for-one basis. This will be done in time. . . ." The USG does not regard replacement of some F-5A aircraft with the later F-5E as a violation of the Paris agreements. The F-5E is simply a newer version of the F-5A, which is no longer available.

Paragraphs 67 and 68—Shipler states that a high-ranking official of "one of the non-Communist delegations, asked recently if he thought the U.S. was faithfully observing the one-for-one rule," replied, "of course not." The ICCS official was quite right, but not in the way Shipler implies. As a matter of fact, the USG unfortunately has not been able in one single category to provide one-for-one replacements of all the material lost by the GVN while defending itself from continuing NVA/VC aggression since the cease-fire. Article VII of the Paris agreement specifies that the two South Vietnamese parties shall not accept introduction of troops, military advisers and military personnel including armaments, munitions and war material into South Vietnam. Both parties, however, are permitted to make periodic replacements of armaments, munitions and war material which have been destroyed, damaged, worn out or used up after the cease-fire on the basis of piece-for-piece, of the same characteristics and properties, under supervision of the Joint Military Commission (TPJMC) and of the ICCS. Article 18(c) gives the ICCS specific responsibilities regarding prohibition under article VIL. The ICCS protocol specified the designation of ICCS teams at points of entry, some of which are listed in paragraph B of article 4, and some are to be designated by the two South Vietnamese parties. These pertinent sections of the Paris agreement and of the ICCS protocol have not been implemented. Designated points of entry are the "modalities" of the control and supervision of military shipments. The record shows there has been considerable unwillingness on the part of the so-called PRG to help the ICCS deploy to sites in territory controlled by the Vietcong. While the GVN has designated the additional points of entry, as required, the PRG has refused to do so. The PRG, as a matter of fact, has tried to prevent deployment of ICCS teams. For example, an ICCS helicopter taking a team in April 1973 to the entry point of Lao Bao in PRG territory was shot down claiming the lives of several ICCS members and the American crew. It is unjust for Shipler to say that the Saigon side is unlikely to grant permission to supervise replacement of weaponry for South Vietnam. The GVN has indicated its willingness, time and time again, to cooperate with implementation of the agreement and protocols provided the other side displays a similar cooperative attitude. Thus, the activities of the point of entry teams have been frustrated. At the beginning, on a unilateral basis, the Canadian and Indonesian delegations joined in involving themselves in supervision and control of military shipments and the GVN did not object to this. Shipler does not point out that the ICCS has no supervision whatever of military shipments coming into South Vietnam from the north. Nor does he mention anywhere in his article the infiltration of combat troops from North Vietnam since the cease-fire, a fact well known to him.

Paragraphs 69-70—The Shipler quotation of Ambassador Durbrow ends the article consistently on another distortion. According to other sources, Durbrow was making the point that no one could expect the South Vietnamese unilaterally to observe the cease fire if the other side ignores it completely. Most Americans, we expect, would agree.

## THE NOISE CONTROL ACT OF 1972

Mr. TUNNEY. Mr. President, under the Noise Control Act of 1972, passed by the Congress in October 1972, we instructed the Environmental Protection Agency to investigate, and publicly answer, a straightforward scientific question; namely, What noise levels are requisite in defined areas under various conditions to protect the public health and welfare with an adequate margin of safety?

Under section 5 of the Noise Control Act, we required EPA to publish this "Levels Document" by October 27, 1973. This date came and went with no document. One February 1, the Environmental Defense Fund sued the Administrator of EPA to require him to publish the document.

Last week, through discovery procedures in this suit, the Environmental Defense Fund succeeded in obtaining a copy of this document in the form in which it was approved by EPA on February 27, and sent to the Office of Management and Budget for that agency's prepublication review.

I regret to say that the levels document seems to be mired in further delay at this stage—even though it has been fully approved by the agency whose research and findings we asked for.

The delay may derive from continued confusion about the purpose of this document. The purpose ought to be clear: The document was to provide scientific information to States and cities to aid their efforts "in determining the degree to which noise in the environment needs to be reduced." It was not intended by the Congress that the levels in the document be considered as Federal standards.

As EPA correctly states on page 9 of its introduction to the draft document:

> Neither Congress nor the Environmental Protection Agency has reached the conclusion that these identified levels should be adopted by states and localities. This is a decision which the Noise Control Act clearly leaves to the states and localities themselves.

EPA further states—also correctly—on page 11, that—

> The general purpose of this document is to discuss environmental noise levels requisite for the protection of public health and welfare, without consideration of those elements necessary to an actual rule-making so that state and local governments as well as the Federal Government and the private sector will have an informational point of departure for the purpose of decision-making.

I ask unanimous consent to have printed in the RECORD part of the introduction to the levels document as it was approved by EPA, which contains a summary of that Agency's findings and conclusions. I would like further, to call upon those who now have custody of this vitally important document to permit its prompt publication.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### I. INTRODUCTION

The Noise Control Act of 1972 established by statutory mandate a national policy "to promote an environment for all Americans free from noise that jeopardizes their public health and welfare". The Act provides for a division of powers between the Federal and state and local governments, in which the primary Federal responsibility is for noise source emission control, with the states and other political subdivisions retaining rights and authorities for primary responsibility to control the use of noise sources and the levels of noise to be permitted in their environment.

In order to provide adequately for the Federal emission control requirement and to insure Federal assistance and guidance to the states and localities, the Congress has established two separate but related requirements with regard to scientific information about health and welfare effects of noise. First, the Environmental Protection Agency was called upon to publish descriptive data on the effect of noise which might be expected from various levels and exposure situations. Such "criteria" statements are typical of other environmental regulatory schemes. Secondly, the Agency is required to publish "information" as to the levels of noise "requisite to protect the public health and welfare with an adequate margin of safety".

### *A. Summary*

The first requirement was completed in July, 1973, when the document "Public Health and Welfare Criteria for Noise" was published. The present document represents the second step. Much of the scientific material on which this document is based was drawn from the earlier "Criteria Document", while additional material was gathered from scientific publications and other sources, both from the U.S. and abroad. In addition, two review meetings were held which were attended by representatives of the Federal agencies as well as distinguished members of the professional community and representatives from industrial and environmental associations. The reviewers' suggestions, both oral and written, have received thoughtful attention, and their comments incorporated to the extent feasible and appropriate.

After a great deal of analysis and deliberation, levels were identified to protect public health and welfare for a large number of situations. They are summarized in Table 1 according to the public health and welfare effect to be protected against, the requisite sound level, and the areas which are appropriate for such protection.

In order to identify these levels, a number of considerations and hypotheses were necessary, which are listed below with reference to the appropriate appendices where they are discussed in detail.

1. In order to describe the effects of environmental noise in a simple, uniform and appropriate way, the best descriptors are the long-term equivalent A-weighted sound level (Leq) and a variation with a nighttime weighting, the day-night sound level (Ldn), (see appendix B).

2. To protect against hearing impairment, (see Appendix D):

a. The human ear, when damaged by noise, is first affected at the 4000 Hz frequency.

b. Changes in hearing level of less than 5 dB are generally not considered noticeable or significant.

c. One cannot be damaged by sounds one cannot hear.

d. Protecting the population up to a critical percentile (ranked according to decreasing ability to hear) will also protect those above that percentile, thereby protecting virtually the entire population.

3. To correct for intermittency and duration in identifying the appropriate level to protect against hearing loss, (also, see Appendix D):

a. The Equal Energy Hypothesis

b. The TTS Hypothesis

4. To identify levels requisite to protect against activity interference, (see Appendix E):

a. Annoyance, as measured by community surveys, is the consequence of activity interference.

b. Of the various kinds of activity interference, speech interference is the one that is most readily quantifiable.

TABLE 1.—SUMMARY OF MAXIMUM NOISE LEVELS IDENTIFIED REQUISITE TO PROTECT PUBLIC HEALTH AND WELFARE

| Effect | Level | Area |
|---|---|---|
| Hearing loss | $L_{eq}(24)\leq 70$ dB. | All areas. |
| Outdoor activity interference and annoyance. | $L_{dn}\leq 55$ dB. | Outdoors in residential areas and farms and other outdoor areas where people spend widely varying amounts of time and other places in which quiet is a basis for use. |
|  | $L_{eq}(8)\leq 55$ dB. | Outdoor areas where people spend limited amounts of time, such as schoolyards, playgrounds, etc. |
| Indoor activity interference and annoyance. | $L_{dn}\leq 45$ dB. | Indoor residential areas. |
|  | $L_{eq}(24)\leq 45$ dB. | Other indoor areas with human activities such as schools, etc. |

Explanation of table 1:

1. Detailed discussions of the terms $L_{dn}$, $L_{eq(8)}$ and $L_{eq(24)}$ appear later in the document. Briefly, $L_{eq(8)}$ represents the sound energy averaged over an 8-hour period while $L_{eq(24)}$ energy averages over a 24-hour period. $L_{dn}$ represents the $L_{eq}$ with a 10 dB nighttime weighting.

2. The levels identified here represent long-term annual averages of the daily level. (These are energy averages, not to be confused with arithmetic averages.)

3. Relationship of an $L_{eq(24)}$ of 70 dB to higher exposure levels.

EPA has determined that for purposes of hearing conservation alone, a level which is protective of that segment of the population at or below the 96th percentile will protect virtually the entire population. This level has been calculated to be an $L_{eq}$ of 70 dB over a 24-hour day.

Given this quantity, it is possible to calculate levels which, when averaged over given durations, shorter than 24 hours, result in equivalent amounts of energy. For example, the energy contained in an 8-hour exposure to 75 dB is equivalent to the energy contained in a 24-hour exposure to 70 dB. For practical purposes, the former exposure is only equivalent to the latter when the average level of the remaining 16 hours per day is negligible (i.e., no more than about 60 dB* for this case).

An $L_{eq(8)}$ of 75 is considered an appropriate level for this particular duration because 8 hours is the typical daily work period. In addition, the 24-hour exposure level was derived from data on 8-hour daily exposures over a 40-year working life. In planning community noise abatement activities, local governments should bear in mind the special needs of those residents who experience levels higher than $L_{eq(8)}$ at 70 on their jobs.

These levels are not to be construed as standards as they do not take into account cost or feasibility. Nor should they be thought of as discrete numbers, since they are described in terms of energy equivalents.

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* This is not to imply that 60 dB is a negligible exposure level in terms of health and welfare considerations, but rather that levels of 60 dB make a negligible contribution to the energy average of $L_{eq}=70$ dB when an 8-hour exposure of 75 dB is included.

As specified in this document, it is EPA's judgment that the maintenance of levels of environmental noise in the areas defined above, are requisite to protect the public from adverse health and welfare effects. Thus, as an individual moves from a relatively quiet home, through the transportation cycle, to a somewhat noisier occupational situation, and then back home again, his hearing will not be impaired if the daily equivalent of sound energy in his environment is no more than 70 decibels. Likewise, undue interference with activity and annoyance will not occur if outdoor levels are maintained at an energy equivalent of 55 dB and indoor levels at 45 dB. However, it is always assumed throughout that environmental levels will fluctuate even though the identified energy equivalent is not exceeded. Likewise, human exposure to noise will vary during the day, even though the daily "dose" may correspond well to the identified levels.

Before progressing further, it would be helpful to differentiate between the terms "levels," "exposure" and "dose". As used in this document, the word "level" refers to the magnitude of sound in its physical dimension, whether or not there are humans present to hear it. "Exposure" is used to mean those *sound levels* which are transmitted to the human ear, and "dose" is the summed exposure over a period of time.

## TRADE UNIONS

Mr. JAVITS. Mr. President, Mr. William F. Driver, a retired high school teacher of New York City, recently wrote to me enclosing some material he had prepared back in 1942 about trade unions. The material prepared by Mr. Driver was remarkably prescient. I seek unanimous consent that Mr. Driver's material on trade unions prepared for his class in 1942 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### TRADE UNIONS

#### MOTIVATION

Unions are basically American, practicing the method and means by which our country became a world leader—United States. In union there is strength, united we stand, divided we fall. Unions are similar to our democratic governmental structure, in organization and function. Every union member should have five major objectives and abide by them honestly. This is the workers Code of Ethics.

1—Privileges
2—Responsibilities
3—Obligations
4—Rights
5—Benefits

#### PARTICIPATION

*Privileges*

1—To be an American citizen
2—Free to organize
3—Practice democratic procedures
4—Vote to elect representatives
5—Freedom of expression
6—To be active member

*Responsibilities*

1—Individual responsibility for Union
2—Attend all Union meetings
3—Take advantage of privilege to vote
4—Elect responsible officers
5—Combat un-American activities
6—Prevent control by cliques
7—Report for work on time
8—Use employer's facilities as you would your own

*Obligations*

1—To be active member
2—Abide by Constitution
3—Vote for representation
4—Prevent subversive leadership
5—Be satisified with agreed wage
6—Produce a day's work
7—Consider employer's investment
8—Fair dealing with employer
9—Consider problems of fellow employee
10—Take an interest in your work

*Rights*

1—To organize
2—To assembly
3—To work
4—To have voice in union affairs
5—Fair competition for employment
6—Grievance committee
7—Right to appeal decisions

*Benefits*

1—Choice of representative
2—Exchange of ideas
3—Lessens discrimination
4—Collective bargaining
5—Closer employer-employee relationship
6—Less labor difficulty
7—Family health insurance
8—Pensions
9—Cost of living-scale adjustment
10—Life insurance
11—Set wage scale
12—Eliminates cut-throat competition
13—Grouping skills
14—Central agency for employment
15—Experience in parliamentary procedure
16—Limited regulated hours
17—Additional leisure time
18—Paid vacations
19—Paid holidays

#### SUMMARY

Union membership may no longer be considered just employee representation, for in many fields it has taken the initiative in business. For example—the unions control and operate, from union funds many banks, hospitals, insurance companies, house projects, homes for the aged, investments in Government Bonds and many other enterprises, running into millions of dollars. In many business ventures union officials seem to have been more realistic in their dealings as well may be the case of the auto workers union, which inaugurated the cost of living scale, adjusting wages to conform with fluctuating prices.

The union membership has grown so large that now under a political action committee its leadership has become a major political factor to be considered in any election.

## ENERGY PRICING POLICIES AND CONSERVATION

Mr. McINTYRE. Mr. President, in the past few months we have seen the price of gasoline rise 50 percent. We have seen the Federal Energy Office actively encouraging producers to go out to find new oil supplies by allowing them to raise the price of one barrel of oil they now produce for each barrel of oil they find. We have seen unilateral price increases made by the FEO with little basis in fact. Mr. President, fortunately for us, there are still some members of the staff at the Federal Energy Office who raise their voices in opposition to these pricing policies. I should like to insert in the RECORD the following piece by Morton Mintz of the Washington Post that outlines some of that opposition.

I should also like to insert in the RECORD two other pieces from the Post that tell us we must continue to conserve energy in these difficult times. We are increasing our own, secure, domestic energy base, but at the same time it will not be enough to insure us the fuels we need. While we work to increase our secure energy sources, building new refineries, developing new supplies, and working with nations outside this hemisphere to maintain the world economy, we must diligently develop a conservation ethic. Energy is a scarce commodity. We must use it wisely.

Mr. President, I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### OFFICIAL OPPOSES OIL POLICY

(By Morton Mintz)

A key Federal Energy Office official has gone on record as opposing Nixon administration price control policies on crude oil and natural gas.

His basic argument was that the policies cannot achieve what they are intended to do—increase supplies by stimulating development of new sources of oil and gas.

The dissent came in a memo last Sept. 25 by Philip L. Essley Jr., deputy assistant FEO administrator for policy analysis.

Neither Essley nor the FEO would comment on the memo, a copy of which was obtained by The Washington Post.

Since it was written, the administration has already taken one action apparently inconsistent with Essley's position—by allowing the controlled price of most domestic crude oil to rise by $1 a barrel to $5.25.

And President Nixon himself has repeatedly urged Congress—most recently on Tuesday night—to enact another change opposed by Essley, the end of price controls on natural gas.

The result of abrupt removal of price controls on either natural gas or crude oil would be "prices higher than are required to encourage the industry to expand at its maximum efficient rate," Essley said in his memo.

"This would lead to increased costs to the U.S. consumer with no related increases in energy security."

The FEO's public position on prices of petroleum products is that increases are needed in order to stimulate exploration for and development of new supplies. Until Essley's memo surfaced, the agency had spoken with a single voice on the issue.

Essley is a petroleum engineer who worked for three oil companies before joining the government in 1971. He addressed the 3½-page, single-spaced memo to his boss, William A. Johnson, but sent copies to other key officials, including energy director William E. Simon and deputy director John Sawhill.

Essley said that he favors decontrol of prices for petroleum prices but only gradually and over a long period of time.

He said there is a shortage of drilling rigs, a limit on the speed with which new ones can be built, and "an even more severe limitation on obtaining and training rig personnel," Essley said, largely because of "atrophy in the industry over the past decade."

As a result, he said, continued oil and gas price increases may not lead to further exploration and development. "If they won't," he asked, "can further increases be justified?"

Part of Essley's memo concerns the system of controlling prices on crude oil.

At the time he wrote it, the government was holding the price of most "old" crude oil—that which is already flowing or readily available—to $4.25 a barrel. The price of "new" crude, from newly discovered wells, was and is uncontrolled.

Under FEO regulations, however, a producer is entitled to exempt one barrel of "new" crude he sells. The system is supposed to provide another incentive to explore for new sources of oil, but it also means that less and less "old" oil is under price controls as this happens.

Even in September, Essley said in the memo, "we do not have effective controls on crude prices. New oil prices are exempt from control and have increased rapidly . . . Further, we have heard of situations where exorbitant prices are paid for new oil in order to increase the average price of all oil. (One report alleges that a price of $10,000 for one barrel of oil has recently been negotiated by a producer)."

Essley warned that without a change in the two-tier price system the price of crude will continue to go up.

He urged control of prices for new as well as old oil, "with gradual increases and decontrol of both over time to prevent prices from rising faster than needed for full rig utilization and drilling industry expansion at an efficient rate."

This would minimize price increases for consumers, he said.

On Dec. 1, about nine weeks after Essley wrote the memo, the FEO increased the price of "old" oil from $4.25 to $5.25. The agency has defended the $1-a-barrel increase on the ground that it will lead to increase production by inducing producers to employ secondary and tertiary productions methods that would be unprofitable at lower prices.

But at a hearing of a House Select Small Business subcommittee on Jan. 18, the FEO's Sawhill and an aide admitted they lack data either to justify the specific amount of the increase—$1—or to show whether the resulting higher profits are being plowed back to increase production.

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### PAVLOVIAN POLITICS AND ARAB OIL

President Nixon was evidently caught between two opposite impulses at his Houston press conference when he talked about the end of the Arab oil embargo. There was the strong temptation to play up the good news and tell the country that its oil troubles are over. But Mr. Nixon knew, of course, that our oil troubles are anything but over; the Arabs mean to keep the shipments lower than this country had expected. As it turned out, Mr. Nixon chose his words skillfully and managed to harvest several rounds of applause from his audience without giving away any substantial part of his position. He announced, for example, that he was rescinding his "order" to close gas stations on Sundays. But the order was never anything more than a request for voluntary compliance, and it was being increasingly ignored. The important parts of the oil conservation program all stay in place—the allocations, the low speed limits, the mandatory savings in industry. Prices will continue to rise, the strongest force of all for conservation. It is unpleasant but absolutely necessary to hold down oil consumption. In view of the Arabs' public statements, this country has no reason whatever to rely on the continuity of their future oil shipments to us.

The Arab oil producers now say that they are going to end their embargo against the United States temporarily, depending upon our good behavior. Dr. Pavlov rings the bell, and the dog salivates. In order to keep the dog salivating on signal, it is necessary to give him a morsel from time to time. In the same orderly and scientific spirit, the Arabs evidently intend to train us to identify our interests with their purposes. When we are obedient, the oil will flow. When we are refractory, the oil will stop. But if the oil is stopped too long, there is a danger—from the Arabs' point of view—that Americans will learn to live without the embargoed oil. It follows that the canny Arabs do not intend to leave the oil turned off indefinitely, even though progress toward a firm peace in the Mideast continues to be very slow. But to underline their intention, the ministers mean to meet again on June 1, less than three months from now, to "review" the decision on the embargo.

The Pavlovian politics of oil requires not only continuous uncertainty regarding the embargo but, much more important, a lower flow of oil than the world was expecting. Saudi Arabia has said that it will ship 1 million barrels a day to the United States, an amount not quite sufficient to bring our oil imports back up to the level of last fall. Until last fall, American oil policy assumed relatively low prices and a massive increase in oil consumption. Most of that increase was to come from abroad and, specifically, from Saudi Arabia. The Arab exporters are now offering us the opportunity to end our present discomfort by re-establishing our dependence on them.

Everything comes down to Saudi Arabia and its position. The Saudis command vastly the largest and most accessible oil reserves in the world. It is not really a matter of a cartel, because very little depends on what the other Arab producers choose to do. Saudi Arabia is by itself a large enough element in world oil trade that when it holds down production there is a worldwide shortage, and if it pumps to capacity there will be a worldwide glut. A lot of oil exporting countries are going to be pressing the Saudis to restrict shipments in order to keep up the prices for everybody else. More dangerous, every setback in the Arabs' negotiations with Israel will immediately bring an outcry from other Arab governments and political movements to invoke the oil weapon again. With every rise in their level of frustration, and with every rebuff to the Palestinian cause, the more militant and radical Arabs will begin to lean on the Saudis to turn off the oil. Saudi Arabia, a small country in terms of population and military strength, is in no position to stand up to unlimited pressure from its neighbors. That truth needs to be kept very much in mind by Americans as they consider the stability of our future oil supplies.

Now that the Saudis are going to ship to us again, for the time being, what ought we do? First of all, we need to keep the present conservation rules in force. If we drop these precautions, after having been plainly warned that the Arab oil ministers are taking up the embargo question again in June, we are foolish to the point of negligence. Next, we ought to store at least some proportion of the new imports. Building oil storage capacity is expensive, but it is not as expensive as the anxieties and uncertainties of recent months.

The oil weapon has been a great success in terms of raising prices, dismaying consumers and disrupting economies in the industrial countries. But it has had no visible effect on the pace or direction of the peace negotiations between Israel and its Arab neighbors. The United States is trying earnestly to assist the negotiations and speed both sides toward a stable peace agreement. But it has been slow work, and it will continue to be slow work. The oil weapon has been effective for everything except the one purpose for which it was evoked. The United States can readily agree to continue to deal with both sides in good faith, but it cannot promise rapid or dramatic results. We must assume that the oil embargo may flicker on and off over the months to come. If it catches us unprepared a second time, we shall have no one to blame but ourselves.

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### THE OIL CRISIS WILL CONTINUE

(By Hobart Rowen)

The Arab oil weapon has temporarily been laid on the shelf, within easy reach by the managers of the exporters' cartel. It has not been abandoned, and it would be a mistake for the American public to delude itself into thinking that the Vienna announcement of the lifted embargo has more than marginal meaning.

So long as prices for oil remain sky-high—triple what they were prior to the embargo—and so long as production levels are carefully controlled by the oil-producing states, the oil crisis will continue.

Of course, it will be difficult to sustain public concern about the oil crisis if gasoline becomes somewhat more readily available—albeit at prices nudging 70 cents a gallon in the East.

But the most difficult problem created by high oil prices—the potential for economic recession in the industrialized world—remains unsolved.

As much as $50 billion to $60 billion must be transferred from the oil-consuming nations to the oil cartel this year to pay for the increased costs of oil—a sum which threatens vast disclocations here and abroad.

No one has yet figured out how the consuming nations will pay the bill—or how the exporting nations will use or invest the vast sums they receive—once they're paid over.

But the terms of the lifted embargo, as made public in Vienna, carefully eschew any guarantee of increased production which would tend to assure a softening in price. Iran and Algeria, to the contrary, have been arguing loudly for yet another increase in price.

The remaining potency of the oil weapon, moreover, should be seen from the Arab statement which warns that "Israel alone" will bear the responsibility for "more severe oil measures, in addition to the other various resources which the Arab world can master in order to join the battle of destiny."

Plainly, this is a threat to use not only oil itself, but oil money, as it piles up, as a bludgeon over the West. By moving large blocks of capital in and out of money markets, for example, a concerted drive by the oil cartel countries could shake Western currency markets. Demand for payment in gold, from those who have limited supplies of gold, could also weaken the financial underpinnings of the West. And large-scale industrial and commercial investments in industrialized countries could provide the Arab nations with a degree of leverage over economic prospects and job opportunities.

It is not at all far-fetched to visualize a scenario in which the embargo might be threatened again unless the industrialized countries step up their aid programs for the hard-pressed African countries who have given the Arabs political support.

Faced with the Arab nations' clearcut success in the initial round of the oil war, it is disconcerting to see the potential for joint action by the consuming nations fade away in a welter of acrimonious debate between President Nixon and Europe.

Europe—dominated by France—seems determined to pursue bilateral deals with the Arab nations. If the United States were to sacrifice principle to be assured of a steady flow of Arab oil, it could elbow the French and British or anyone else out of the way, especially with Iran and Saudi Arabia, offering them as much money and technology and certainly more security than any combination of European nations.

Because it has not succumbed to blackmail, the United States has so far not chosen this course. Hopefully, the Nixon administration will not be panicked by the new harsh language in the cartel's Vienna announcement, or by a political need for some new diplomatic "success" to offset Watergate troubles.

We can anticipate a flood of fairly optimistic assessments from the major banks and the big oil companies who are heavily engaged with the producing countries in oil and money matters. It isn't reasonable to look to bankers or oil presidents for a restatement of the need for independence from Arab oil.

But if that crucial drive gets lost in a misplaced euphoria over a slight jiggle in the use of the Arab oil weapon, it will be a shame. They have the ability to turn the oil supply valves on and off at will. They make no pretense of their willingness to use their oil and new found wealth as political blackmail. A policy that doesn't recognize this as a fact is suicidal.

We hardly needed to be told that the embargo will be "reviewed" June 1. Only a year ago, Saudi Arabian Minister Zaki Yamani was saying that oil would never be used as a political weapon. Now, we know (or should know) that no assurance from the Mideast exporting countries means anything.

The oil cartel has created a vast uncertainty over a vital supply, with the combination of oil and money forged into a devastating weapon. So far, the Western World has evolved no effective response.

## SEVENTH CIRCUIT COURT DECISION IN KING AGAINST UNITED STATES

Mr. PERCY. Mr. President, the Seventh Circuit Court of Appeals issued its decision in the case of Charles Joseph King, Jr. against the United States on March 13 of this year. Because the court decided that section 555(e) of the Administrative Procedure Act does "apply to parole release hearings and requires 'a brief statement of the grounds for denial,' " the implications of this decision are important and far reaching.

Mr. President, I ask unanimous consent that the opinion be printed in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

[In the U.S. Court of Appeals for the Seventh Circuit, September term, 1973 to January session, 1974, No. 73-1387]

CHARLES JOSEPH KING, JR., PLAINTIFF-APPELLANT, v. UNITED STATES OF AMERICA, ET AL., DEFENDANTS-APPELLEES.

(Appeal from the United States District Court for the Southern District of Indiana, Terre Haute Division. No. TH 72-C-126 James E. Noland, Judge.)

Argued January 25, 1974—Decided March 13, 1974.

Before Pell, Stevens and Sprecher, Circuit Judges.

*Sprecher*, Circuit Judge. This appeal seeks the answer to the single narrow question: Does due process or statute require that reasons be given for the refusal of the United States Board of Parole to grant parole?

### I

The plaintiff, Charles Joseph King, Jr., filed action on July 21, 1972 for declaratory judgment in the District Court for the District of Columbia against the United States, the Attorney General, the director of the Bureau of Prisons and the chairman of the United States Board of Parole. The District of Columbia court granted the defendants' motion to transfer the action to the Southern District of Indiana inasmuch as plaintiff was confirmed as a prisoner in the United States Penitentiary at Terre Haute, Indiana. 28 U.S.C. § 1404(a); *Young* v. *United States Bureau of Prisons*, 367 F.2d 331 (D.C. Cir. 1966).

In his *pro se* complaint, plaintiff alleged that he was sentenced to 15 years in the custody of the Attorney General on November 7, 1969; that he "appeared before the U.S. Board of Parole and was sent off for 2 years without cause or reason"; and prayed that the court "issue a show cause order to the U.S. Board of Parole to show why at this time" he cannot be released on parole and otherwise to declare his rights. He added:

"One cannot improve or correct the reason for denial if he is not aware of that reason. What sureness is here, that one year or one month from this time he will be any different. Why he was denied, there is all the cause in the world for him to become bitter when one is being denied justice."

The defendants filed a motion to dismiss for failure to state a claim upon which relief could be granted.[1] The district court dismissed the complaint, noting that the plaintiff "seeks a mandate from this Court ordering the respondents to show cause why petitioner was denied a parole" and concluding that "this Court will not review the decision of the Parole Board, nor will it repass on the credibility of reports and information received by the Board in making its determination."

In his complaint and in his response to the defendants' motion to dismiss in the district court, the plaintiff stressed that his claim was based on failure of the Parole Board to give reasons for its denial of his application for parole. He cited the due process clause of the Fifth Amendment and the Administrative Procedure Act as giving him a right to have reasons expressed. A reasonably creditable but discursive brief was filed as plaintiff's *pro se* brief in this court.

We subsequently granted leave to Professor Patrick L. Baude of Indiana University Law School as *amicus curiae* to file a brief and present oral argument on behalf of the plaintiff. Professor Baude has argued that (1) the Fifth Amendment forbids denial of parole without a stated reason and (2) the Administrative Procedure Act requires the Parole Board to state its reasons for denying parole.

### II

The district court relied upon *Brest* v. *Ciccone*, 371 F.2d 981, 983 (8th Cir. 1967) where the conclusion was that "[t]he courts have no jurisdiction and no power to . . . review or control the discretion of the Board of Parole in the exercise of its duties under § 4203." [2]

Two public bodies have taken diverse views on the question of the reviewability of the Parole Board's discretion. The Task Force on Corrections for the President's Commission on Law Enforcement and Administration of Justice recommended that reasons for the board's decision be given so that meaningful judicial review could be undertaken.[3]

On the other hand, the Proposed New Federal Criminal Code of the National Commission on Reform of Federal Criminal Laws sets forth that "discretionary action of the Board of Parole is an administrative decision not subject to judicial review on its merits." Section 3406 of the proposed code reads: [4]

"The federal courts shall not have jurisdiction to review or set aside, *except for the denial of constitutional rights or procedural rights conferred by statute, regulation or rule*, the discretionary action of the Board of Parole regarding but not limited to the release or deferment of release of a prisoner whose maximum term has not expired, the imposition or modification of conditions of a first or subsequent parole, and the reimprisonment of parolee for violation of parole conditions during the parole period." (Emphasis added).

We need not directly confront the problems of discretion or its abuse because the plaintiff has carefully limited his quest for reasons to the exceptions noted in the proposed code of "denial of constitutional rights or procedural rights conferred by statute."

Even if we agree that the district court has no jurisdiction to review the Parole Board's discretion under § 4203, it does have jurisdiction to consider at least the plaintiff's statutory claim that the Board has disobeyed a nondiscretionary command that it provide reasons for its determination after exercising its discretion. *Christian* v. *New York State Dept. of Labor*, 42 U.S.L.W. 4181, 4182, n.3 (January 21, 1974).

28 U.S.C. § 1361 provides that:

"The district courts shall have original jurisdiction of any action in the nature of mandamus to compel an officer or employee of the United States or any agency thereof to perform a duty owed to the plaintiff."

Whether the district court has jurisdiction to consider the plaintiff's constitutional claim in view of plaintiff's argument that the requisite amount in controversy (28 U.S.C. § 1331) is established by the possibility of his gaining earlier freedom, need not be addressed by us in view of our disposition of plaintiff's constitutional claim (Part IV hereof).[5]

Before considering plaintiff's constitutional and statutory claims, it may be helpful to review some recent administrative developments.

### III

The Administrative Conference of the United States, created by the Administrative Procedure Act (5 U.S.C. § 573), consisting in part of all of the heads of independent regulatory agencies, executive departments and other administrative agencies (§ 573(b)) and empowered to "adopt such recommendations as it considers appropriate for approving administrative procedure" (§ 575(a)(1)), adopted the following recommendation on June 9, 1972: [6]

"A statement of reasons for the deferral or denial of parole should in all instances be given the prisoner. In some cases the Board can simply adopt as its own decision the examiner's recommendation.[7] The cases where this is not appropriate may well be so voluminous [8] as to require the use of a checklist form, such as that with which the Board is now experimenting,[9] but there should in each such case be added at least a sentence or two of individualized explanation."

The Conference further recommended that the Parole Board "should develop a body of fully reasoned decisions—whether granting, denying or deferring parole—in typical or recurrent fact situations" in order to "serve as time-saving precedents and as the raw material for the subsequent formulation of standards." Finally, in this area, the Conference recommended that the Board's decision should be public inspection.[10]

In the preparation leading up to the Conference's recommendations, it developed the advantages inherent in giving reasons,[11] as well as the "pitfalls to be avoided." [12]

The Parole Board has taken the position that it will experiment with giving reasons on a limited basis if doing so does not cause "extensive delays in the delivery of parole decisions to inmates, resulting in rehabilitative damage outweighing any advantages." [13] The Board has published a list of 27 unweighted factors which guide its decision whether to grant or deny parole,[14] but the Administrative Conference believes that "a more specific formulation of the standards of decision should be possible after the development of a body of reasoned decisions." [15]

The Administrative Conference recommendations relating to the giving of reasons are the culmination of a long period of dissatisfaction with Parole Board procedure in this regard. Professor Kenneth Culp Davis has said: [16]

"Because no one ever knows the reason for any decision of the board, no prisoner is ever told why the board has denied parole . . . Even the most flagrant abuse of discretion is likely to go uncorrected . . . Withholding reasons is likely to harm the rehabilitation process."

Several states have instituted judicially or legislatively inspired requirements of reasons for the denial of parole.[17]

The administrative trend is toward greater procedural safeguards in the parole release hearing, including the stating of reasons for denial, but the plaintiff can succeed only if such statement is constitutionally or statutorily mandated.

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Footnotes at end of article.

### IV

It is no longer necessary to draw a hard and fast line between affording the full panoply of procedural due process or giving none. Categorization of "rights" as opposed to privileges or acts of grace or clemency has ceased being a touchstone.

Full procedural due process is required during a criminal prosecution; some but not full due process must be accorded thereafter during parole revocation proceedings. Parole release proceedings have not been as clearly identified.

*Morrissey* v. *Brewer*, 408 U.S. 471, 480–482 (1972) has established the benchmarks for parole revocation:

". . . [T]he revocation of parole is not part of a criminal prosecution and thus the full panoply of rights due a defendant in such a proceeding does not apply to parole revocations. . . . Revocation deprives an individual, not of the absolute liberty to which every citizen is entitled, but only to the conditional liberty property dependent on observance of special parole restrictions.

". . . [D]ue process is flexible and calls for such procedural protections as the particular situation demands. . . .

* * * * *

"We see, therefore, that the liberty of a parolee, although indeterminate, includes many of the core values of unqualified liberty and its termination inflicts a 'grievous loss' on the parolee and often on others."

The Court then determined the minimum requirements of due process, which included "a written statement by the factfinders as to the evidence relied on and the reasons for revoking parole." 408 U.S. at 489. Subsequently, the Court held that parole revocation hearings could be conducted without the participation of counsel. *Gagnon* v. *Scarpelli*, 411 U.S. 778 (1973).[18]

The district court and circuit courts are now entering the area of what, if any, due process is required in parole release hearings.[19] The Second Circuit Court of Appeals held in the pre-*Morrissey* case of *Menechino* v. *Oswald*, 430 F.2d 403, 404, 412 (2nd Cir. 1970) that a parole release interview "represents an aspect of state prison discipline, not an adjudication of rights in an adversary proceeding," and does not entitle a prisoner to notice, hearing or "specification of the grounds and underlying facts upon which the determination was based."

A panel of the Fifth Circuit also in a pre-*Morrissey* decision in *Scarpa* v. *United States Board of Parole*, 468 F.2d 31 (5th Cir. 1972) held in effect that the interest of the prisoner is the same in a release hearing as in a revocation hearing. The panel decision was overturned by the court *en banc* which held that "[i]f the Board refuses to grant parole, Scarpa has suffered no deprivations." 477 F.2d 278, 282 (5th Cir. 1973).[20] The *Scarpa* judgment was vacated by the Supreme Court and remanded for consideration of mootness. 414 U.S. 809 (1973).

A district court has held that due process requires the Board of Parole to disclose to the prisoner the grounds on which parole is denied. *United States ex rel. Johnson* v. *Chairman of New York State Board of Parole*, 363 F. Supp. 416 (E.D. N.Y. 1973).

We have held that in-prison disciplinary proceedings leading to the revocation of good-time credits require some "written statement of the disposition of the charge." *United States ex rel. Miller* v. *Twomey*, 479 F.2d 701, 716 (7th Cir 1973). On the other hand, in *Farries* v. *United States Board of Parole*, 484 F.2d 948, 949 (7th Cir. 1973), we cited *Menechino* v. *Oswald, supra*, for the proposition that "a prisoner need not be accorded a hearing on his application [for parole] or provided with a statement of reasons."[21] Petitioner argues that *Menechino* is no longer acceptable authority because it was decided before *Morrissey*.

Although a substantial argument can be made that some modicum of due process should attend the denial of the expectation of conditional freedom on parole inasmuch as its termination after having been granted inflicts a "grievous loss" of a "valuable liberty" (*Morrissey* v. *Brewer*, 308 U.S. 471, 482 (1972)), we need not meet the constitutional challenge in view of the construction we place upon the Administrative Procedure Act in Part V hereof.

### V

The Administrative Procedure Act (APA) applies to each "agency" which means "each authority of the Government of the United States." 5 U.S.C. § 551(1). Congress created the United States Parole Board in the Department of Justice, consisting of eight members to be appointed by the President by and with the consent of the Senate. 18 U.S.C § 4201. There is no language in the APA exempting the Parole Board from its application.[22]

In *Hyser* v. *Reed*, 318 F.2d 225, 236–37 (D.C. Cir. 1963) Mr. Chief Justice (then Judge) Burger wrote the *en banc* opinion holding that § 554 of the APA did not apply to parole revocation proceedings inasmuch as that section applies by its terms "in every case of adjudication required by statute to be determined on the record after opportunity for an agency hearing." 5 U.S.C. § 554(a). The court said:

"These words limit coverage of the Administrative Procedure Act to agencies which are required by their own statute of creation to *adjudicate*, after *hearing*. Our conception of the functions of the Board, discussed in this opinion, leads us to the conclusion that the Board does not adjudicate, nor is it required to hold hearings, in the sense that those words are employed in the Administrative Procedure Act." (Emphasis in original).

The *Hyser* court did not consider § 555(e) which provides as follows:

"Prompt notice shall be given of the denial in whole or in part of a written application, petition, or other request of an interested person made in connection with any agency proceeding. Except in affirming a prior denial or when the denial is self-explanatory, the notice shall be accompanied by a brief statement of the grounds for denial."

Section 555 applies "according to the provisions thereof" and the provisions of § 555(e) apply to a "written application, petition, or other request of an interested person made in connection with any agency proceeding." To be considered for parole a prisoner must make a written application.[23]

The term "agency proceeding" is far broader than the "adjudication after hearing" considered in *Hyser*. Agency proceeding is defined to include rule-making, licensing and adjudication. Adjudication is defined as "agency process for the formulation of an order." 5 U.S.C. § 551(5) (7) (9) (12).[24]

A parole release hearing or interview is an "agency proceeding" with the Congressional intent:[25]

"This subsection affords the parties in any agency proceeding, *whether or not formal or upon hearing*, the right to prompt action upon their requests, immediate notice of such action, and a statement of the actual grounds therefore. The latter should in any case be sufficient to apprise the party of the basis of the denial." (Emphasis supplied).[26]

The application of § 555(e) to parole release hearings has not been squarely adjudicated. The few opinions dealing with the applicability of the APA in addition to *Hyser* have either denied the application to parole release hearings of the judicial review sections (5 U.S.C. §§ 701–706), *Hiatt* v. *Compagna*, 178 F.2d 42, 45 (5th Cir. 1949), *aff'd by equally divided court*, 340 U.S. 880 (1950), or have approved such application, *Hurley* v. *Reed*, 288 F.2d 844, 845–846 (D.C. Cir. 1961); *Sobel* v. *Reed*, 327 F. Supp. 1294, 1301–1302 (S.D. N.Y. 1971).

We hold that § 555(e) does apply to parole release hearings and requires "a brief statement of the grounds for denial."

We reverse the district court's order of dismissal and remand this cause to determine whether in fact the plaintiff's application was in writing and if so to take further proceedings consistent with this opinion.[27]

REVERSED AND REMANDED.

#### FOOTNOTES

[1] One of defendants' grounds for dismissal was that under 18 U.S.C. § 4202 plaintiff would not become eligible for parole until he had served one-third, or five years, of his 15 year sentence. In plaintiff's response, however, he stated that he had been sentenced under § 4208 and was eligible for parole prior to serving one-third of the sentence.

[2] 18 U.S.C. § 4203(a) provides in part: "If it appears to the Board of Parole from a report by the proper institutional officers or upon application by a prisoner eligible for release on parole, that there is a reasonable probability that such prisoner will live and remain at liberty without violating the laws, and if in the opinion of the Board such release is not incompatible with the welfare of society, the Board may in its discretion authorize the release of such prisoner on parole."

[3] TASK FORCE REPORT: CORRECTIONS 86 (1967): "Some record of the proceedings and the reasons for the board's decision should be made so that, where a denial of parole is challenged in court, meaningful review is possible. Courts would presumably be concerned primarily with the adequacy of parole board procedures; experience with appellate review of sentencing decisions indicates that even if courts assumed the power to review parole decisions on the merits, reversals on the ground of an abuse of discretion would be rare."

[4] FINAL REPORT OF THE NATIONAL COMMISSION ON REFORM OF FEDERAL CRIMINAL LAWS: PROPOSED NEW FEDERAL CRIMINAL CODE § 3406 and Comment, at 303–304 (1971).

[5] *Cf.* 28 U.S.C. § 2255, providing for the exercise of federal jurisdiction over motions in the nature of habeas corpus by "[a] prisoner in custody under sentence of a court established by Act of Congress claiming the right to be released upon the ground that *the sentence was imposed* in violation of the Constitution or laws of the United States. . . ." with *Preiser* v. *Rodriguez*, 411 U.S. 475, 500 (1973), where the Supreme Court held that "when *a state prisoner* is challenging the very fact of duration of his physical imprisonment and the relief he seeks is a determination that he is entitled to immediate or speedier release from that imprisonment, his sole federal remedy is a writ of habeas corpus." (All emphasis added).

[6] Administrative Conference Recommendation 72-3: Procedures of the United States Board of Parole (adopted June 9, 1972), 25 AD. L. REV. 531, 534 (Fall, 1973).

[7] A report on "Federal Parole Procedures" submitted to the Administrative Conference on January 1, 1972, included an appendix detailing a study of Parole Board files which indicated that each file submitted to the Board includes a summary prepared by the Board member or examiner who conducts the parole interview or hearing. The document summarizes the contents of the file and the impressions of the interview and concludes with a recommendation as to parole, stating reasons for or against. 25 AD. L. REV. 459, 512 (Fall, 1973).

[8] The U.S. Board of Parole consists of eight members and employs a staff of eight examiners. It conducts about 17,000 proceedings a year relating to the grant or denial of parole, involving about 12,000 prison interviews. . . ." 25 AD. L. REV. 531 (Fall, 1973).

[9] In discussing with the Informal Action

Committee of the Administrative Conference the recommendation which was later adopted by the Conference, the Chairman of the Parole Board advised the Committee that the Board was experimenting with a check-list form "for giving reasons, through the caseworker, to inmates denied parole." The checklist contained prepared reasons, both in the generic terms of the statutory criteria as well as in more specific terms, and a category headed "Other" for different or special reasons, 25 Ad. L. Rev. 517, 525 (Fall, 1973).

[10] 25 Ad. L. Rev. 531, 534 (Fall, 1973). The recommendation also provided that the prisoner's name could be deleted "to avoid a clearly unwarranted invasion of privacy."

[11] "Giving reasons for denying parole is desirable for both rehabilitational and legal reasons. A prisoner may feel less resentful of a negative decision if he knows the reasons for it, and in planning his activities in the institution he ought to understand clearly what will help him to obtain an early parole. When the nature of his crime is such that early parole is not likely in any event, he should be protected from unrealistic hopes that can only lead to disappointment and bitterness. All this is the job of a prison counselor in any case, but the Parole Board can make that job much easier by formally stating its reasons.

"From the legal standpoint, requiring a statement of reasons makes it possible to check abuse or error. There is no way to discover if the Board is denying parole for an unconstitutional or improper reason if the Board never gives reasons for its decisions. It is not to impugn the good faith or competence of the Board to suggest the possibility that in some cases it might rely on reasons for denying parole that the courts would feel were improper or unconstitutional if they knew of them." Johnson, "Federal Parole Procedures," report submitted to the Administrative Conference of the United States on January 1, 1972, 25 Ad. L. Rev. 459, 484–85 (Fall, 1973).

[12] "There are three pitfalls to be avoided in the giving of reasons. First, it would be disastrous to introduce any further delay into parole decision-making. One of the most frequent criticisms of the Board today is that it keeps prisoners in suspense for too long. It would be better not to give reasons at all than to give them and spend weeks or months drafting them. Second, it is vital that the reasons be written to give the prisoner a fair and candid statement of why he is not being paroled, and not merely to satisfy the courts. Nothing would be gained by giving reasons if the Board retained a legal staff to draft them with an eye to justifying the decision in the event of litigation. The Board must state why it is denying parole, and not necessarily how it feels the denial might be most persuasively justified in court. Third, the reasons must be reasonably specific. It does no good to tell a prisoner he is being denied parole because he is a danger to society unless he is told why he is so regarded, and whether there is anything he can do to convince the Board otherwise." 25 Ad. L. Rev. 459, 485 (Fall, 1973).

[13] Memorandum dated February 16, 1972 by the Chairman of the Parole Board, 25 Ad. L. Rev. 517, 525 (Fall, 1973). Senator Percy has suggested that giving reasons would not delay the delivery of a decision if the decision were required within a short time and detailed reasons were required within a longer period of time. Percy, "Blueprint for a Criminal Justice System," 119 Cong. Rec. No. 47 (March 27, 1973).

Rules of the United States Board of Parole (1971) pp. 14–16; 25 Ad. L. Rev. 496–97 (Fall, 1973):

"The following factors are considered by the Board in its decision making.

"A. Sentence Data.

"1. Type of sentence.

"2. Length of sentence.

"3. Recommendations of Judge, U.S. Attorney and other responsible officials.

"B. Facts and Circumstances of the Offense.

"1. Mitigating and aggravating factors.

"2. Activities following arrest and prior to confinement, including adjustment on bond or probation, if any.

"C. Prior Criminal Record.

"1. Nature and pattern of offenses.

"2. Adjustment to previous probation, parole and confinement.

"3. Detainers.

"D. Changes in Motivation and Behavior.

"1. Change in attitude toward self and others.

"2. Reasons underlying changes.

"3. Personal goals and description of personal strengths or resources available to maintain motivation for law-abiding behavior.

"E. Personal and Social History.

"1. Family and marital.

"2. Intelligence and education.

"3. Employment and military experience.

"4. Leisure time.

"5. Religion.

"6. Physical and emotional health.

"F. Institutional Experience.

"1. Program goals and accomplishments in areas:

"(a) Academic.

"(b) Vocational education, training or work assignments.

"(c) Recreation and leisure time use.

"(d) Religion.

"(e) Therapy.

"2. General adjustment:

"(a) Inter-personal relationships with staff and inmates.

"(b) Behavior, including misconduct.

"3. Physical and emotional health, and treatment.

"G. Community Resources, Including Release Plans.

"1. Residence; live alone, with family, or others.

"2. Employment, training, or academic education.

"3. Special needs and resources to meet them.

"H. Use of Scientific Data and Tools.

"1. Psychological and psychiatric evaluations.

"2. Pertinent data from the uniform parole reporting system.

"3. Other statistical data.

"4. Standardized tests".

[15] Administrative Conference Recommendation 72–3: Procedures of the United States Board of Parole (adopted June 9, 1972), 25 Ad. L. Rev. 531 (Fall, 1973).

[16] Davis, Discretionary Justice: A Preliminary Inquiry 128, 131 (1969). See also, Gaylin, *No Exit*, Harper's Magazine 86 (November, 1971), wherein the author claims knowledge of routine parole being granted to Jehovah's Witnesses between 1967–1970 and denied to other war resisters because the Witnesses were considered to be "True Cos."

[17] New Jersey: *Monks* v. *New Jersey State Parole Board*, 58 N.J. 238, 249, 277 A. 2d 193, 199 (1971). Michigan and Wisconsin: Dawson, The Decision to Grant or Deny Parole: A Study of Parole Criteria Law and Practice, 1966 Wash. U. L. Q. 243, 302. Illinois: Ill. Rev. Stats. 1973, c. 38, § 1003–3–5(f) (Commentary: "This section requires the Board to state the basis of its decision in its own records and in its notice to the applicant.")

[18] We have applied the same conclusion to parole release hearings. *Ganz* v. *Bensinger*, 480 F.2d 88 (7th Cir. 1973).

[19] The 12,000 annual parole interviews are commonly called "hearings" although they average only 10–15 minutes each and the only persons present are the member or examiner, a stenographer, the inmate and his institutional counselor. 25 Ad. L. Rev. 459, 468 (Fall, 1973).

[20] The majority of the *en banc* court also held that the full panoply of due process protections does not attach "every time the government takes some action which confers a new status on the individual or denies a request for a different status." 477 F.2d 278, 282. This does not take account of the *Morrissey* standard that some if not all procedural requirements may be available to the prisoner.

[21] In that case we reversed the summary dismissal of a *pro se* petition for mandamus where a federal prisoner claimed that his parole was denied because of religious discrimination.

[22] "Exemptions from the . . . Administrative Procedure Act are not lightly to be presumed." *Marcello* v. *Bonds*, 349 U.S. 302, 310 (1955); *Brownell* v. *Tom We Shung*, 352 U.S. 180, 185, (1956). See also *Renegotiation Board* v. *Bannercraft Clothing Co., Inc.*, 42 U.S.L.W. 4203, 4208 (February 19, 1974).

[23] Report submitted to the Administrative Conference of the United States on January 1, 1972, "Federal Parole Procedures," 25 Ad. L. Rev. 459, 480 (Fall, 1973).

[24] The holding in *Hyser* that an order denying parole is not an "adjudication required by statute to be determined on the record" within the meaning of § 554(a) did not purport to consider whether such an order is an "adjudication" as defined in § 551(7). If, as we hold, the Board is an "agency" as defined in § 551(1), we think the statutory definitions of "adjudication" and "order" lead inescapably to the conclusion that a parole release hearing is an agency proceeding.

[25] S. Doc. No. 248, 79th Cong., 2d Sess. 206, 265 (1946).

[26] In *Washington* v. *Hogan*, 287 F. 2d 332, 334 (3rd Cir. 1960), the court in holding that a parolee was not entitled to counsel at a parole revocation hearing simply said "Nor can we believe that the Administrative Procedure Act, 5 U.S.C. § 1005 [now § 555], was ever intended to cover this kind of a case." The right to counsel appears, however, not in § 555(e), but in § 555(b). Professor Davis has taken the position that § 555(b) applies to Parole Board release hearings (Davis, Administrative Law Treatise 376 (1970 Supp.) and that § 555(e) also does (Davis, Discretionary Justice: A Preliminary Inquiry 129 (1969)).

[27] If the district court finds that the plaintiff's application was in writing and that 5 U.S.C. § 555(e) therefore applies, the district court may seek to determine the matter of its timing in order to insure that this requirement will not delay the delivery of parole hearing decisions.

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## 1974: THE YEAR OF DOUBLE NUMBER INFLATION

Mr. HUMPHREY. Mr. President, the Consumer Price Index released this morning confirms what the housewife and the consumer have been telling us for the last several months—that the rate of inflation is accelerating. In November, the Consumer Price Index rose 0.8 percent; in December 0.5 percent; in January, 1.0 percent and in February 1.3 percent. At a compound annual rate, the rise in the CPI for February amounted to 16.8 percent.

The largest price increases occurred in the food component of the CPI. The price of food purchased for home consumption rose by almost 3 percent in February alone. I believe that retail food price increases bear some examination. First, in the last month, both cattlemen and egg producers have complained that although the price of their products has fallen sharply at the wholesale level, there has been almost no evidence of this drop in the grocery store. In fact, some cattlemen have claimed that consumer resistance to high beef prices is so strong that if retail stores do not lower their beef prices soon, many of them will have to go out of business. In hearings before my Subcommittee on Consumer Economics in the next couple of months I intend to investigate the reasons for the relatively wide farm-retail price spread.

Another discrepancy which bears investigation was pointed out to us by Leonard Woodcock, president of the United Automobile, Aerospace, and Agricultural Implement Workers of America—UAW.

Mr. Woodcock presented data showing that in the past year the price of food staples has risen very sharply while the price of what could be called luxury foods has been much more stable. The following table, presented to the Joint Economic Committee by Mr. Woodcock last month, shows that prices for flour, potatoes, dried beans and eggs have risen at rates of 30 to 50 percent while the prices for steak, veal cutlets and lamb chops have risen less than 20 percent.

RETAIL PRICE OF SELECTED FOOD ITEMS

*Percentage change from October 1972 to October 1973*

| | |
|---|---|
| Porterhouse steak | 17.3 |
| Veal cutlets | 17.6 |
| Rib roast | 18.3 |
| Lamb chops | 10.7 |
| Butter | 21.4 |
| Layer cake | 14.3 |
| Lettuce | 0.0 |
| Frankfurters | 42.3 |
| Bologna sausage | 37.5 |
| Eggs | 56.6 |
| Dried beans | 37.6 |
| Margarine | 35.0 |
| Flour | 56.2 |
| Potatoes | 31.1 |

Source: U.S. Bureau of Labor Statistics.

A staff study conducted for the Subcommittee on Consumer Economics, concluded that in 1973 the poor suffered one-fourth more inflation than the relatively well-to-do. The statistics presented by Leonard Woodcock confirm our conclusions. During food hearings which I mentioned earlier, I also intend to pursue the question of differential increases in prices for staple commodities, which account for the largest part of the food budgets of the poor, and for luxury items, consumed largely by the well off.

Mr. President, the working men and women of America are seeing the value of their paychecks erode from day to day. While wages increased only modestly in the last year, the price of all the goods which they must purchase jumped sharply. The real earnings statistics released this morning showed that in February, real spendable earnings were 4.5 percent below last February. I realize that part of the inflation is inevitable, because of crop conditions and worldwide demand for food and raw commodities. But what I do not believe to be inevitable is the large and widening margins between the farm and retail level, and the apparent differential price increases that push the price for food for the poor up more rapidly than the food of the rich. As chairman of the Subcommittee on Consumer Economics, I intend to pursue these serious issues.

## ENERGY CONSERVATION IN CONSTRUCTION

Mr. JAVITS. Mr. President, Dr. Oscar E. Lanford, general manager of the New York State University Construction Fund, recently addressed the School of Architecture and Planning at Howard University discussing the activities of the New York State University Construction Fund and the need for energy conservation in construction. I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### ADDRESS BY DR. OSCAR E. LANFORD

I very much appreciate the invitation to be here with you today for it is both a privilege and an opportunity for me. It is a privilege because of the long record of very effective service in higher education which Howard University has rendered for a century and this is my first invitation to visit your campus. It is an opportunity because my visit enables me to tell you some of my thoughts about the education of architects and engineers and something about the State University of New York and its capital development program.

I trust you realize that I appear before you as a layman—not an architect. During my many years in university teaching, research, and more recently, administration, it has been my lot to work with many architects and also to ponder the consequences, both good and bad, of many design decisions made by countless architects and planners. Consequently, I have become something of an amateur critic of academic architecture whose only portfolio is an experience of over three decades spent in university academic work.

Winston Churchill once remarked, "We shape our buildings and thereafter they shape us". If one accepts this statement—and surely there is much truth in it—one is impressed with the great responsibility placed upon the architect and those who contribute to his professional education. Perhaps, if Churchill had lived two decades longer than he did, he might have developed his theme in terms of the relationship between energy conservation and the practice of architecture. How many architects have considered this problem at all? My own experiences lead me to suspect that few architects have given serious consideration to energy conservation in any building they have designed until very recently. And even after the energy crisis hit the nation, most practicing architects were proceeding with a "business as usual" attitude in their profession. Perhaps, too, Mr. Churchill would have had some pithy statement about the genuineness of the current energy shortage. For in America today, almost everyone has already made up his or her mind about that matter—surely everyone in this nation's capitol from whence comes almost all of our news today has done so.

However, irrespective of whether we individually belong to the "yes, there is a legitimate energy shortage" group or to the "no, it's all contrived" group, there is one point on which I think we could all agree, namely, we, as a nation, must stop wasting energy; we must reduce our energy consumption per capita; and we must develop sources of energy other than those upon which we are primarily dependent today.

We are told that approximately 40% of our national energy consumption is used in industry—25% in transportation and 35% is consumed in residential and commercial buildings. Thus, in my view, the energy crisis places the architectural and engineering professions squarely in the midst of the energy problem.

Indeed, if we have learned anything during the few months in which we have been experiencing an energy shortage—whether real or contrived—it is that the architect will no longer be able to design buildings as he once did; that he will have to design buildings that use much less energy than those we have today.

The New York State University Construction Fund is now designing a prototype low energy building to be constructed at the Agricultural and Technical College at Farmingdale, New York. And the United States General Services Administration has two similarly conceived structures underway in New Hampshire and in Michigan. To the best of my knowledge, these are the only three low energy projects underway in the United States, but I'm sure many more will be coming along soon. The low energy building at Farmingdale, which the Fund is planning, will not require any energy for heating, as such, when it is illuminated and fully occupied in the winter. At the present time, this building, which is still in the design stage, is such that the energy requirement for air conditioning in summer operation will still be substantial, but it will be possible to occupy the building without the operation of the air conditioning if the nation's power supply becomes critically low.

These considerations remind me that the energy crisis—which is causing so many hardships—is, in some respects at least, a blessing in disguise in that it is providing a challenge to architecture unlike any in the recent history of the profession. It is making it necessary for architects to rethink the problems of design from the standpoint of energy consumption, as well as the energy required to produce the materials of which the building is constructed. It is making it necessary for architects to join forces with mechanical engineers to solve energy problems by translating thermo-dynamic theories into viable heating and cooling systems for contemporary society's needs.

To be sure, gearing new buildings to the use of energy derived from the fossil fuels is necessary today to achieve our short-range goal of coping with the oil crisis. However, we must look beyond that.

Within the next decade, given the proper leadership on the federal governmental level, we could become totally self-sufficient in energy. This will not happen by Presidential edict. It will happen only if our government provides the necessary economic stimulus for scientists and architects to explore the utilization of other energy sources—oil shales, off-shore oil, our vast coal reserves, solar and wind, as well as power from fusion and fission. I believe that we can beat the energy crisis in half of that time if government ascribed to it the same high priority that was given to the Manhatton Project during World War II or more recently, to putting a man on the Moon.

Learning to live with fossil fuel shortages and designing our buildings accordingly is not beating the energy crisis. If this is all we are to do, we can expect recurring crises every time an Arab state decides to indulge in oil diplomacy. Beating the energy crisis requires that we eliminate waste and discover alternative energy sources that can be harnessed, economically, to meet the needs of people. And this can be done.

Implicit in all this is the realization that the mechanical systems in large buildings we are now using in the United States will, in one way or another, become obsolete once such discoveries are made. In some cases, it will be possible to rehabilitate them to achieve lower energy requirements; in other instances it will be necessary to replace them with new systems or perhaps structures.

Thus, within the next few decades, the United States may well be in for major changes in thrust of the architectural profession. To accomplish these things, more architects and engineers will be needed, of every race, color, creed or national origin. I am told the American Institute of Architects says that only some 15 percent of the buildings in the United States were designed by architects. Architects agree that this is not an unreasonable estimate. Well, thanks to the energy crisis there are bound to be some changes made unless we want to continue to live at the mercy of oil-producing countries.

Prices of gas and oil are skyrocketing and we are told that the oil companies are reaping enormous profits. I can understand that if one has to pay more for fuel, one is going to use less, and perhaps some price increases are necessary to curb usage, but I fail to see the morality in permitting oil companies to pile up profit upon profit as a result of the current crisis. If it is necessary for the people to pay more for fuel, they should receive a return on their purchases in the form of future protection against recurring fuel crisis.

Therefore, I suggest that the Federal Government impose, promptly, an excess profits tax on all the oil companes, and that the revenue from these taxes be used to establish an Energy Research and Development Fund that will support scientific efforts to develop energy substitutes for oil.

I would also urge the Federal Government to make funds available to schools of architecture and engineering to train students, and to provide refresher courses for professional architects and engineers, in the design of low energy buildings. This will require an inter-disciplinary approach, involving the use of much more of the basic sceience than architects normally study, I suspect. I do not believe that it can be done otherwise. Nor do I believe that architects and engineers can continue to work so nearly independently of one another as many have been doing up to now.

Thus, as we begin to realize that it will take an all-out effort, an inter-disciplinary effort, to ensure that we will never again be faced with the kind of energy crisis with which we are wrestling today, the oil crisis may well change the character of architecture and engineering as professions as these involve building design.

We have recognized this at the State University Construction Fund, where we are spending a great deal of time and effort now to determine the most effective means of coping with the energy crisis in existing facilities and in those facilities that are still in the design stage. We are finding that the energy consumption of some existing buildings can be reduced as much as 30% by changing the mode of operation of the building and that energy saving of 50% are possible in a building where low energy is a major goal of the design process.

Let me tell you about the State University Construction Fund, which while well known in New York State, is perhaps not so well known in Washington. I really can't tell you why it is called a Fund, since in fact, it is a corporation employing some 170 persons, charged with the design, construction and financing of all capital projects for State University of New York. Some of you may know that we are responsible for construction of the largest state university system in the world.

State University of New York consists of 35 separate campuses, controlled by a single Board of Trustees, headed by a Chief Executive Officer. The University includes four comprehensive university centers, thirteen colleges of arts and science, five agricultural and technical colleges, and a variety of professional schools, including the College of Environmental Science and Forestry at Syracuse, two free-standing medical schools, etc., etc., etc.

These facilities constructed by the "Fund" have made possible not only the great expansion of the enrollment and academic programs which has occurred in the last ten years, but also have enabled the University to attract renowned educators in various disciplines.

The Construction Fund came into being in 1962, when Governor Rockefeller recommended and the State Legislature authorized the creation, "within the State University" of the State University Construction Fund as "a corporate governmental agency constituting a public benefit corporation".

This action stemmed from a 1960 report entitled, "Meeting the Increasing Demand for Higher Education in New York State," known as the Heald Report, after the chairman of a special committee established by the Legislature, Dr. Henry Heald, which asserted that "Within a relatively few years . . . higher education in America has been propelled into a distinctly new era by a combination of powerful world-wide forces. There has been an accelerated pace of human events, an explosion of knowledge, a surge of population, an almost unbelievable breakthrough in science and technology . . . "These developments made it imperative for the State University to meet the unprecedented need of extending opportunities for public higher education to "the burgeoning numbers of our youth."

Against this background, the Fund's objectives were clear. Its responsibilities, as outlined by the Legislature, were "to provide academic buildings, dormitories, and other facilities for the state-operated institutions, so that the university can double its enrollment in the next ten years".

In fact, during the period in question (1962–1972) State University of New York much more than doubled its enrollment from 66, 137 students in 1962 to 167,074 students in 1972.

Shortly after its establishment, to fulfill its role with effectiveness, the Fund adopted three major criteria which were to apply to every one of its buildings:

TIMING—facilities had to be read for use on time as programed by the University—that is the time schedule was determined by SUNY long range academic plan.

QUALITY—excellence in architecture and construction had to be achieved on every campus.

COST—facilities were to be constructed within predetermined budgets, commensurate with the type of project programed.

The Fund's experience over almost twelve years gives evidence not only of the validity but of the effectiveness of these criteria.

From its very inception, the Fund has been committed to encouraging the kind of creativity that yields academically functional, architecturally sound, and aesthetically pleasing facilities by utilizing the resources of professionals in private practice. In the implementation of its very large design and construction program, it has employed many of America's leading planners, achitects and engineers to undertake the planning and design, and supervise the construction of its various projects. The professional staff of the Fund, drawn from the best available talent, has been charged with expediting the complex decision-making process inherent in so unprecedented an undertaking.

Since its establishment, the Fund has supervised the completion of 1,240 separate projects, valued at $1.5 billion. As of the end of 1973 another 164 projects, valued at $364 million, were under construction; 15 projects, valued at $55 million, were in process of award; and 107 projects, valued at $216 million were under design.

The Fund is committed to developing designs that are realistic and workable. Its comprehensive campus plans for each campus have three vital characteristics:

1. They contain Action Programs which articulate and schedule all actions and elements required for the physical expansion of campuses to satisfy the academic plans of the State University.

2. They identify a design vocabulary for the environment of each campus, suited to site and academic purpose of the State University.

3. They provide the basis for evaluation of the economic and functional feasibility of campus design proposals.

The Fund's master plans are more than locational guides for facilities on the campuses. They define the quality of the campus environment and provide aesthetic continuity. The Fund's comprehensive plans for campus development identify and keep current scope, costs and scheduling of all planning, construction and acquisition as well as community-related projects (i.e., utilities) necessary to satisfy academic goals. They provide perspective for testing the fiscal impact of decisions and elements in campus development.

The Fund is convinced that the quality of architecture is not solely dependent on the amount of money available for construction. Thus, we establish a budget for a project and present that budget to the architect as a design objective. In the early years, many were not convinced that the Fund could succeed in demanding, by contract, that an architect design to meet budget specifications or he would have to redesign at his own expense. The profession simply did not work that way. However, through the efforts of the Fund, many architects have come to recognize the discipline implied in such an approach as an opportunity for the general enhancement of their profession. And they have come to recognize a realistic budget limitation as an additional parameter that increases the challenge and heightens the sense of creative resolution.

The Fund—representing the owner—provides the necessary client input: program, budget, performance criteria. At the same time, it creates a climate that allows the professional to practice responsibility and effectiveness. Thereafter, the Fund maintains supervisory contact with the professional to ensure that the University academic requirements, as well as the Fund's budget, schedule and design criteria are met.

A word about funding—after all that's our name—! Surprising as it may seem, the entire $2 billion worth of buildings which we have finished, or are in process, are paid for without resort to State tax revenues. Actually, the financing process is complex. In principle, it works as follows: As soon as a building is completed, bonds are sold publicly to get the money to pay for the building. The bonds are for thirty years and are paid off with revenues from University income—i.e., mainly tuition, hospitals and other lesser sources. The bond holder's security is that all moneys received by the University are reserved first for debt service on the bonds. Reserves left over each year, after each year's debt services are used towards University operating costs. At the end of thirty years, SUNY owns the buildings free and clear.

It seems to me SUNY's Construction Fund illustrates dramatically what a government agency can do when it is determined to do something—when the people really want something to happen.

Now, there is another area in which the Fund, and the State of New York through the Fund, is pioneering. It is the area of providing equal employment opportunity.

Last summer, as some of you may know, the Fund conducted a Summer Intern Program for Minority Student Architects and Engineers. This was a pilot project in which a group of you participated. Some members of the group worked in our Albany office and some were on the site of the new Health Sciences Center being built at the Stony Brook campus.

This summer program resulted not only

from the Fund's need for temporary manpower, but also from a recognition of the severe shortage of minority persons among professional architects and engineers in the State of New York—a shortage, I am told, which extends throughout the United States.

Through this program, we sought to provide the students with an experience that would be beneficial to them and to the Fund. We hoped this experience would intensify their own commitments to the highest professional standards in Architecture and Engineering. And it was our hope too that the Fund's Intern Program would constitute a significant contribution to advancing opportunities for minority architects and engineers.

I am delighted to be able to tell you—on the basis of our experience to date—that the program was an eminent success. Not only did the students perform excellently in doing the kind of work the Fund needed to have done; they also showed professional zeal and devotion to this work.

We hope the students' own professional commitments were increased and their horizons widened by this kind of summer experience.

At this time—subject to the availability of funds—we expect to conduct another Summer Intern Program this year, for another group of architectural and engineering students.

You may ask whether we can provide additional opportunities for the students who participated in the 1973 program. Our present plans call for us to try to place them—over the summer months—with architectural and engineering firms engaged on Fund projects.

Thus, we hope to be assisting two groups of students—those who already completed one program with us, and those who will be going into the 1974 program. They in turn will be assisting the staff of the Fund and hopefully of private architectural and engineering firms.

Again, subject to the availability of funds, we hope to continue on this basis in the years ahead. I think you can well appreciate the cumulative effect on this approach.

So far as I know, the New York State University Construction Fund is the first and only government agency anywhere in the country to embark on this kind of program. We are doing this because we want to achieve something—because we believe that government has a responsibility to utilize its own facilities in providing equal employment opportunity—because we believe that this is an important means by which we can help advance not only the individuals concerned but the professions of architecture and engineering.

But being the first agency to do something like this is not a very comfortable feeling. I would like to see many other governmental agencies—on the Federal, State and Municipal levels—embark upon similar programs. I see no reason why this program would not be applicable in principle to students in any professional program. Other types of governmental agencies can do it if they want to do it. All have appropriate projects that can be executed by temporary summer employees to the benefit of the agency.

It is one thing for government to pass laws compelling people to comply with equal employment opportunity laws and regulations. It is another thing for government to move ahead itself—with vision and determination—to implement EEO programs in its various agencies.

I do not need to say that government has an obligation to the people—all the people—to embark upon such undertakings. And it is my hope that before long, the Fund will no longer be the only agency to conduct a Summer Intern Program for minority professionals, but that a wide range of other governmental agencies will have joined in this much-needed effort in a variety of professions, trades and crafts.

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## ENCOURAGING SIGNS IN EURO-PEAN-AMERICAN RELATIONS

Mr. HUMPHREY. Mr. President, in the past few days there have been some encouraging signs that Europeans and Americans have recognized the urgent need of working together on problems of mutual concern. The transatlantic feuding and the flared tempers have finally ceased and it seems that real progress is being made in resolving differences in the economic, political, and military fields. I do not believe that signs of greater European-American cooperation are a result of the often acrimonious and divisive public debate of the past few weeks. But the recent pronouncements from London and Bonn in addition to the President's remarks in Houston indicate a new willingness for allies to deal with their differences in an atmosphere of cooperation rather than conflict.

I can point to three specific signs of encouragement—three signs which indicate that steady diplomacy is perhaps replacing public outburst.

The first is the announcement by the United States and West Germany that they have reached agreement in the very difficult negotiations provided for in the Jackson-Nunn amendment to the Military Procurement and Authorization Act concerning the offset costs of maintaining American troops in Europe. It is clear that both Secretary Shultz and German Finance Minister Helmut Schmidt have concluded an agreement which will fulfill the intent of the Congress that the Federal Republic assume a greater share in offsetting the cost of American troops stationed in Germany. I supported this amendment because I believe it was an acceptable alternative to unilateral cuts in our European forces proposed by the distinguished Senator from Montana, Senator MANSFIELD.

The second encouraging sign this week was the very frank and forthright speech of Mr. James Callaghan, the newly appointed British Foreign Secretary. In his first major policy statement, Mr. Callaghan stated flatly:

> We repudiate the view that Europe will emerge only after a process of struggle against America.

He went on to say that he was sure that the European Community would not want their dialog with the Arabs to hamper Secretary Kissinger's Middle East negotiations.

These remarks not only indicate a willingness on the part of the British to calm the atmosphere, but also a desire that the often-stated European doctrine of endless struggle with the United States in order to secure a European identity be abandoned. It is clear to Mr. Callaghan and others that European self-esteem and economic prowess need not be built on a foundation of hostility to American diplomatic initiatives and interests. Mr. Callaghan is not a man to gloss over the differences between the United States and members of the European Community. But he wants to resolve these differences in a framework of consultation and negotiation, instead of confrontation.

The most recent indication of a renewed atmosphere on both sides of the Atlantic is an announcement that Chancellor Brandt's government has proposed to the eight other members of the European Community that the EEC's Political Consultation Group meet with American officials in advance of sending formal policy proposals to the ministers of the nine. This far-reaching proposal touches on a major issue which has troubled both the United States and European nations: the lack of prior consultation before important policy decisions are made.

Although this proposal is not entirely new, its acceptance by other members of the Community would go a long way to meeting this need for prior consultation. If accepted by all sides, the German proposal would certainly require a response from our Government for a similar consultation arrangement on this side of the Atlantic.

I am pleased that Secretary Kissinger will stop in Bonn on his way to Moscow. This is not only a symbolic gesture, it will provide him with an opportunity to explain American positions on the Middle East and other areas directly to Mr. Scheel and Chancellor Brandt. This stopover signals American intention to substitute quiet diplomacy for some of the public statements made here which did little to promote a European-American dialog. I would urge the Secretary that on his return from Moscow he stop over in London and Paris before returning home. Both Britain and France, as well as West Germany, are anxious to be kept informed of Soviet-American relations as well as other matters affecting the alliance.

Mr. President, I ask unanimous consent that three news articles appearing recently in the New York Times, discussing the three events I have mentioned in my remarks, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 20, 1974]

### UNITED STATES AND BONN SET BASIS OF NEW PACT ON COST OF TROOPS

(By David Binder)

WASHINGTON, March 19.—The United States and West Germany reached agreement in principle today on a renewal of payments by Bonn to offset the cost of stationing American forces in Germany, the Treasury Department announced today.

The agreement by the Secretary of the Treasury, George P. Shultz, and the West German Finance Minister, Helmut Schmidt, who is here on a visit, ended seven months of difficult negotiations over payments of $2.2-billion to $3-billion. The lower figure was believed closer to the sum agreed on today.

It also appeared to put aside, at least one of the knotty issues—long a problem and particularly so recently—that are currently disturbing the United States relations with Western Europe.

Since last summer Congressional critics of the Nixon Administration's military policies have been demanding a sharp reduction in United States forces in Europe or, barring that, at least more substantial compensation from the Europeans for the maintenance of the troops.

### ECONOMIC CONFRONTATION

Last Friday President Nixon declared that if Congress "gets the idea that we are going to be faced with economic confrontation and hostility" from Western Europe, "you will find it almost impossible to get Congressional support for continued American presence at present levels of the security front."

The new offset pact is bound to help the United States balance of payments as well, monetary specialists observed, even though the international currency market is dominated by floating rates. Last year the United States had a slight surplus, but this year it is expected to have a deficit because of the vast increase in oil prices.

Mr. Shultz and Mr. Schmidt sealed their agreement after almost two hours of talks. Earlier Mr. Schmidt conferred with Secretary of State Kissinger on current problems of the Atlantic alliance and remarked afterward, "What we have today is a minor stir."

He was the third senior Western European official to speak in conciliatory terms of relations with the United States since President Nixon accused the Europeans Friday of disrupting Atlantic ties.

When the negotiations on the offset agreement began last fall the United States was asking $3-billion to cover the cost of maintaining 225,000 men in West Germany from July, 1973 to July, 1975.

### PREVIOUS AGREEMENT

The previous two-year pact provided $2.5-billion in West German payments, one part in the purchase of United States bonds and the rest in the form of arms purchases and renovation of American barracks and other facilities.

This time the United States asked that the bulk of the payments be in the form of arms purchases. The Germans were resistant on both the size and the form of the demands. The shape of the agreement could not immediately be learned; Mr. Schmidt indicated to newsmen that it was based on a fresh proposal he had brought from Bonn.

In the conciliatory response to Mr. Nixon in which Mr. Schmidt joined the French Foreign Minister, Michel Jobert commented in the same vein Sunday and today Britain's new Foreign Secretary, James Callaghan, spoke vigorously in the House of Commons on the desirability of "intimate cooperation with the United States."

Asked by reporters to characterize the status of Atlantic affairs, Mr. Schmidt smiled broadly and recalled the struggle 12 years ago over United States-West German attempts to introduce multilateral forces in the North Atlantic Treaty Organization—a project defeated by France.

In view of that, he said, the current arguments over whether a lack of consultation is disturbing United States relations with Europe "should not be treated as too important."

Concerning the offset negotiations, which began last fall with the United States asking full compensation for the cost, estimated at $3-billion, of maintaining United States forces in 1974–75, Mr. Schmidt said he and Mr. Kissinger had "a nice, detailed conversation." He added: "We are very polite gentlemen—we didn't even mention one figure."

The Finance Minister and Secretary Shultz indicated later that there would be further negotiations before agreement could be concluded. West Germany paid $2.5-billion to the United States in the previous arrangement, covering the two years that ended last July.

### DIALOGUE STILL DEADLOCKED

Despite the mollifying remarks by European officials, the deadlock in the "Atlantic dialogue" appeared to be much as it was last week when Mr. Nixon accused the Western Europeans of stalling on political and economic cooperation while moving along with the United States on defense policy.

Yesterday the French Ambassador, Jacques Kosciusko-Morizet, declared that "the ball is in the American court" as far as progress on political-economic cooperation with Western Europe is concerned. Today the State Department spokesman, George S. Vest, said. "It is now up to them," meaning the Europeans.

Mr. Vest explained that the United States regarded the nine-month effort to draft a joint declaration of principles on the relations between the nine European Economic Community members and the United States was incidental. "The declaration is a symbol, not a substance," he added.

The substance desired by the United States, he said, "is close consultation. He said the United States is waiting for an answer on consultations."

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[From the New York Times, Mar. 20, 1974]

## New Government in Britain Urges Closer U.S. Ties

(By Alvin Shuster)

London, March 19—The new Labor party Government, in its first major statement on foreign policy, today adopted a conciliatory approach to relations with the United States and said that Europe should engage in the "fullest and most intimate" cooperation with Washington.

James Callaghan, the Foreign Secretary, also said in the House of Commons that President Nixon's recent criticisms of the Common Market countries had had the "effect of inducing a greater sense of realism" in Europe. He cautioned against "anti-American tinge" in European political statements.

"We repudiate the view that Europe will emerge only after a process of struggle against America," Mr. Callaghan declared.

In a wide-ranging speech, he also said that Britain would not try to wreck the European Economic Community in pursuing Labor party pledges for a "fundamental renegotiation" of Britain's membership in the Common Market. Britain will move for improved terms without seeking confrontation or even changes in the basic market treaty, he said.

### REASSURANCE FOR PARTNERS

He thus cleared up at least one question bedeviling Britain's partners, who have wondered whether the Labor party would rush into the Common Market and begin demanding changes in the basic accords. Many officials in Europe had said that an effort to reopen the basic terms of Britain's entry would raise formidable legal issues and would not be possible.

According to Mr. Callaghan's explanation, Britain will try patiently to change the market within existing rules to obtain such goals as a reduction in contributions to the community's budget and to avoid price rises under its farm policy. Only if that approach fails, he said, will Britain raise the question of amending the basic treaty.

"We shall be willing to take adequate time for our important discussions and negotiations, although they cannot be dragged out indefinitely," the Foreign Secretary said.

In short, he suggested that Britain would be taking her time in the talks. The effect, however, will be further to delay movement toward unity in Europe because, as Mr. Callaghan noted, Britain will not "carry forward further processes of integration" pending the outcome of most of the negotiations.

Discussing Europe's relations with the United States, Mr. Callaghan had some words of caution for Britain's partners on their decision earlier this month to make an independent approach to the Arab countries with an offer of long-term economic and technical cooperation.

American officials, including Secretary of State Kissinger, complained bitterly about a lack of consultation before that move and argued that it could undermine delicate negotiations for peace in the Middle East.

In phrases soothing to American ears, the Foreign Secretary said Europe should avoid actions that would hamper Mr. Kissinger's efforts in the Middle East. He said that Britain welcomed a dialogue between the Economic Community and the Arabs but added that the nine-nation community "should explore the problem further with the United States so that we may finally dispose of the misunderstandings that have unfortunately arisen."

Britain did not endorse the offer to the Arabs because of the absence of a government here in the period following the general election. The implication in Mr. Callaghan's remarks was that the approach should proceed but only after more discussion with Washington about its scope and timing.

"I assume that neither the community nor the Arab states themselves would want their dialogue to hamper Dr. Kissinger's efforts to secure a measure of peace in the Middle East," he said.

The Labor spokesman's tone today was in sharp contrast to what American officials had recently been hearing from Edward Heath, the former Conservative Prime Minister, who took Britain into the market. While he often stressed the need for good British-American relations, Mr. Heath complained that the United States lacked understanding of Europe's problems, and he often supported Paris at the expense of relations with Washington.

Mr. Callaghan seemed to be endorsing a Washington view that Mr. Heath repeatedly rejected—that the United States should be given concessions on trade and monetary issues in exchange for providing much of Europe's defense. Sir Alec Douglas-Home, the foreign Secretary in the Tory Government, again denounced this position in the debate today.

In his speech Mr. Callaghan said that it was not possible to sustain a close defense alliance with the United States "without parallel cooperation on matters of trade, money and energy."

Despite the conciliatory words, there are potential trouble spots in British-American relations. The Labor party, for example, has talked of asking the United States to withdraw its nuclear submarines from their base in Holy Loch, in Western Scotland.

Moreover, it has pledged to cut military spending, a move that would be opposed by the United States, which is trying to prod Europe into spending more for its own defense. Some nationalization projects, including laws dealing with offshore oil, could involve American companies and stir trans-Atlantic tensions.

Mr. Callaghan noted some of the difficulties ahead. He said his remarks should not be interpreted as meaning that "Europe should become a satellite of the United States."

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[From the New York Times, Mar. 21, 1974]

## Bonn Bids Europe Give U.S. Access to Policymaking

(By Craig R. Whitney)

Bonn, March 20.—West Germany is discussing with its eight Common Market partners a proposal to answer American complaints that Europe does not consult Washington adequately before making important decisions.

Government officials here say that the German proposal, broached to the French in Paris today and to be discussed with the British tomorrow and Friday, will be put to high American officials in Bonn this weekend, if all goes well.

[In Washington, the State Department announced that Secretary of State Kissinger would stop over in Bonn for talks Sunday on his way to Moscow.]

The German proposal is that the Common Market's Political Consultation Group, which prepares the important decision papers for the ministers, should invite American officials to meet with it on obviously far-reaching matters before these are given to the ministers for final decision.

### HITCHES FORESEEN

According to diplomats here, however, there are some hitches. "The proposal has been made before, within the Common Market, but the French have always vetoed it," one said today. Foreign Minister Walter Scheel sent one of his section heads, Günther van Well, to Paris today to discuss this with the French.

The German proposal goes to the heart of the charges by Secretary of State Kissinger and President Nixon that the Common Market has ignored Washington's economic and political interests in important initiatives.

The most spectacular American criticisms followed the European decision March 4 to make a long-term offer of economic and technical cooperation to the Arab countries. Mr. Kissinger and Mr. Nixon complained that the United States had not had a chance to influence the decision.

The Germans say that their proposal would give the Americans a chance to do what Mr. Kissinger says they have been frustrated in doing: to have a say in European decisions affecting American interests before they become final.

### COMPLAINTS BAFFLED BONN

The Germans have been particularly hurt and baffled by the recent American complaints because, since Jan. 1, West Germany has held the chairmanship of the Common Market Council. The French take it over in July.

The American reaction to the German plan is uncertain, since the proposal would leave the decision on what is an important matter involving American interests to the Europeans. "If it were formally made as a proposal, we'd consider it," one American expert said.

The Germans consider that support for this and other proposals from the new British Government is certain. The Foreign Secretary, James Callaghan, who is due in Bonn tomorrow, said in London yesterday that Europe should engage in the "fullest and most intimate" cooperation with Washington. Britain did not give her assent with the others because she was between governments at the time.

The French originated the proposal, which cannot even get underway until the British endorse it, and this gives the Americans a certain leverage on Paris through London.

Bonn's compromise initiative is thought to have little to do with yesterday's agreement in principle between West Germany and the United States on offsetting the costs of American troops stationed here. As long ago as late January, Chancellor Willy Brandt said he expected such an agreement by this month.

### TARGET: THE FRENCH

American officials have made it clear the main target of the recent blasts from Washington is not the Germans but the French. "Everyone knows what the problem really is," one Western diplomat said here today. "It's the French veto over actions the other eight partners would be only too happy to take, and their weakness in not standing up more to the French."

German diplomats here have plaintively been telling local and foreign journalists ever since the crisis in Atlantic relations blew up after Mr. Kissinger's last visit March 3 and 4 that Bonn is caught in a painful squeeze between Paris and Washington.

To the French, they say, Germans go too far in even informing Washington of coming European decisions—as Bonn says it did, over a period of many weeks, in the case of the Arab initiative. To the Americans, on the other hand, consultation means not just being told about what is coming, but being given a chance to make suggestions. "In between is the poor Federal Republic," a German diplomat said of his country's position.

The West German Foreign Office view is that the American-European relationship would improve if Mr. Kissinger made more use of existing traditional diplomatic channels, like the American embassies in Europe.

And there is widespread bafflement in Bonn about why Mr. Kissinger and President Nixon have taken such a harsh tone recently in commenting on Atlantic relations, although Mr. Nixon seemed to moderate his tone at a news conference last night in Houston. "In politics, tactics are a necessary instrument, but a dangerous one," one German diplomat said. "One must keep tactics within limits."

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### Kissinger To Visit Bonn

Washington, March 20.—Secretary of State Kissinger plans to resume United States contacts with the nine-member European Economic Community Sunday at a meeting in Bonn with Foreign Minister Walter Scheel of West Germany.

The contacts, which started 11 months ago after Mr. Kissinger's efforts had been stalled on the issues of consultations and "partnership," both of which, the Nixon Administration contends, have been lacking.

The announcement of Mr. Kissinger's meeting with Mr. Scheel, who now holds the rotating chairmanship of the Common Market Council, was made by the State Department this evening.

Mr. Kissinger will stop in Bonn on his flight to Moscow, where he is scheduled to spend three days discussing strategic arms, the Middle East and trade.

The State Department spokesman, George S. Vest, said that Mr. Kissinger and Mr. Scheel would devote most of their meeting to relations between Europe and the United States and East-West questions. Last night, President Nixon said he expected that the stalled discussions with the European nine would resume again and that the two sides would "work out the differences that we have in the economic and political field."

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## WHY NOW?

Mr. BIDEN. Mr. President, the taken-for-granted nature of citizenship and the vagaries of human nature often react, in the catalyzing presence of national crises, to cause a wide range of feelings about one's country. A case in point are the present turbulent days, which find the name "American" invoked as a shield or a rallying cry, a blessing or an epithet. Yet for all the diversity of response in the face of trouble, from "carping self-flagellation," which tendency the Secretary of Defense recently criticized, to patriotic bullheadedness, which he himself occasionally manifests, the vested interest of the native-born in the progress of their homeland reflects a common presumptuousness. There is a certain blindness which occludes the perception and appreciation of birthrights, be they inherited wealth or the coparceny of citizenship.

To compensate for that built-in distortion in perspective that afflicts all native sons, in these times, I recommend to my colleagues a recent article from the Boston Globe by Joy Gerville-Reache for an uplifting reading experience. In it the author, an editorial writer for the Christian Science Monitor, recounts the recent occurence of an oath-taking ceremony at the John McCormack Federal Building in Boston, in which 59 foreign nationals, herself included, became naturalized citizens of the United States.

All 59 of us stood with right hand raised, while the oath of allegiance was administered. The oath-taking strengthened the desire to belong by making me feel wanted. Then the judge spoke, and what he said was warm and moving. He told us that his grandparents were Italian immigrants.

"The great strength of this country," Judge Tauro began, "is caused by occasions such as this, when men and women such as yourselves, filled with hope, high expectation and determination, join hands in voluntary association with native Americans in an oath of allegiance to the United States of America."

Two aspects of being an American in particular—the duties of democracy and the privilege of prosperity—are often clearly known by an immigrant population while the indigenous people often lack the detachment necessary to put the role of allegiance to the Nation in the proper focus. The constant renewal of conscious commitment to the American experiment is perhaps the singlemost important infusion which America receives from its immigrant citizens. As Joy Gerville-Reache explains it.

It's a matter of feeling rather than cold reasoning. Some of my American friends have asked: "Why do you want to join us, particularly now?"

It's hard to say in cut and dried terms.

It's a sense of the time being right. Seven years ago, when I came here from Europe, I couldn't have done it. Even two years ago I couldn't.

But now, whatever the turmoil besetting the United States, I want to belong. I don't want to go on living, working and paying taxes here as an outsider. I don't love my country of origin any less because of this. Instead of criticizing America, as I once did, I want to do my part to help, however small my contribution might be.

The verbalization of her aspirations is, to my taste, a contribution of grand proportions; and by passing along Joy Gerville-Reache's words to my Senate colleagues, perhaps I might contribute a measure of sunshine to brighten the dark feelings of the Nation which overcast our deliberations so often of late.

Mr. President, I ask unanimous consent to have "Becoming an American, 1974" from the February 22 Boston Globe printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Boston Globe, Feb. 22, 1974]

### Becoming an American, 1974

(By Joy Gerville-Reache)

I'm one of 59 immigrants just sworn in as American citizens here in Boston.

Some of my American friends have asked: Why do you want to join us, particularly now?

It's hard to say, in cut and dried terms. It's a sense of the time being right. Seven years ago, when I came here from Europe, I couldn't have done it. Even two years ago I couldn't.

But now whatever the turmoil besetting the United States, I want to belong. I want to participate, to vote. I don't want to go on living, working and paying taxes here as an outsider.

I don't love my country of origin any less because of this, but my affections have broadened. Instead of criticizing America, as I once did, I want to do my part to help, however small my contribution might be. Deep inside I know that this is the thing to do. It's a matter of feeling rather than cold reasoning.

The oath-taking ceremony has strengthened the desire to belong by making me feel wanted.

I had expected a dingy courtroom and a hustle of officialdom, but it wasn't like that. Under a fresh coat of paint District Courtroom No. 2 at Boston's John W. McCormack Building was light and dignified. This was the first sitting in it since the redecorating.

One by one the new citizens filed in: all ages and many different ethnic origins. The youngest was a smiling Asian girl, 7 or 8 years old, who was accompanied by her adopted American mother.

Two officials of the Justice Department greeted each of us with patient, gentle courtesy. Sitting on my right was a beautiful Asian woman, next to her an Irishman. A woman behind me patted me on the shoulder: "You British, too?" On my left was a Portuguese girl from the Azores.

Half an hour before the sitting was due to start we signed our citizenship papers on a table in the center of the room. After the signing two women wearing the peaked caps of the American Legion handed each of us a tiny Stars and Stripes.

There was a last-minute arrival—a girl in her 20s with long, dark hair falling over her shoulders. She might have been Italian or Portuguese. The clerks, who had helped with the signing had left, but the girl wasn't scolded for being late. As patiently as before the two officials reopened their briefcases and found the documents for her to sign.

Promptly at 10 a.m. the judge was ushered in. He noticed the huddle of friends of the new citizens pressed against the door and invited them to move up the room to a space still awaiting chairs after the recent redecorating. A friend of mine found a seat in the witness box.

All 59 of us stood with right hand raised while the oath of allegiance was administered.

Then the judge spoke, and what he said was warm and moving. He told us that his grandparents were Italian immigrants. I learned afterwards that he was Judge Joseph L. Tauro, whose father is Chief Justice of the Massachusetts Supreme Judicial Court. His grandfather was a shoemaker by trade.

"The great strength of this country," Judge Tauro began, "is caused by occasions such as this when men and women such as yourselves, filled with hope, high expectation and determination, join hands in voluntary association with native Americans in an oath of allegiance to the United States of America."

His grandparents, he said, came to the U.S. with no funds. "But nonetheless they had great wealth: that of health, courage, determination, faith in the American dream and faith in the virtue of hard work and in the satisfaction of doing a job well, both as a matter of personal pride and as a means for elevating the living standard of their family. I remember them well, with great love and, as I get older, increasing respect.

"But occasions such as this," the judge continued, "bring home the point that there really wasn't anything unusual about my grandparents. They were typical of hundreds of thousands of foreign-born men and women who left their home in search of something better and in the process so greatly enriched the quality of life in America.

"They were typical of you, ladies and gentlemen, all of differing backgrounds, different training and different traditions, but, nonetheless, sharing a common purpose: a dedication to the principles and ideals of this great country and a determination to preserve and enhance those principles and ideals for generations to come."

"My fellow Americans, I welcome you," he concluded.

Thank you, Judge Tauro, for making us feel wanted.

Thank you, America.

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## FIFTIETH ANNIVERSARY OF WOODROW WILSON'S DEATH OBSERVED BY WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

Mr. HUMPHREY. Mr. President, on February 3 the 50th anniversary of Woodrow Wilson's death was observed by guests of the Woodrow Wilson International Center for Scholars in the Great Hall of the Smithsonian.

The International Center for Scholars, established by the Woodrow Wilson Memorial Act of 1968, is a "living memorial" to President Wilson. In the 3 years it has been in existence, the Center has sponsored research by 100 fellows from 24 countries. In the coming year, the Center will bring historians from abroad to work on the American Revolution as a world event and will bring people from State and local governments from every major region of the country and from abroad to write a series of studies on the problems of the future of the American federal system.

The International Center was only one of the many living memorials to President Wilson represented at this anniversary observance. People from the Woodrow Wilson Foundation, the Woodrow Wilson House, the Woodrow Wilson National Fellowship Foundation, and the Woodrow Wilson Birthplace Foundation, joined in this celebration of the timeless contribution Woodrow Wilson made to the life of this Nation and the world. The two main speakers, Ambassadors Daniel P. Moynihan and George F. Kennan, uphold the traditions of dedication to public office, personal integrity, and the pursuit of international understanding and responsible participation in world affairs that President Wilson has personified for so many.

In his speech, Ambassador Moynihan asked the haunting question:

> What will be more wondrous in two years time: that the Republic has survived two centuries, or that in a mere two centuries it has wholly lost the power to celebrate that survival?

Yet I believe that this evening of commemoration, the many living memorials to Woodrow Wilson represented, and the evidence of the continuing inspiration of his life and ideas in the statements made, indicate that we have not lost the power to celebrate the survival of the best traditions of the Republic.

At a time when the integrity of public officials is being called into question, Americans met to celebrate, in Ambassador Kennan's words:

> The image of the man himself . . . the stern sense of duty, the high concept of public office; the total personal integrity; the dedication to public interest.

The words of Woodrow Wilson himself were recalled:

> If there be one principle clearer than another it is this: that in any business whether of government or merchandising, somebody must be trusted . . . The best rulers are always those to whom great power is entrusted in such a manner as to make them feel that they will surely be abundantly honored and recompensed for a just and patriotic use of it, and to make them know that nothing can shield them from full retribution for every abuse of it.

At a time when we are being reminded by daily events that leaders everywhere ignore at their peril the problems of the vast majorities of their people, Woodrow Wilson's sense of responsibility to the people should be reasserted as an urgent message.

Ambassador Moynihan pointed out:

> Woodrow Wilson once began an address to an occasion such as this by saying that when he thought of mankind he did not think of men in dinner jackets . . . One would like to know . . . just what, if not men in dinner jackets, Wilson did think of when he thought of mankind. It is clear that once he entered politics he came more and more to think of the working masses whose party he was soon to lead . . . He came to think, surely, of mankind as inclusive of persons who spoke other than English . . .

At a time when we have come to realize that arms limitation and negotiated settlement of conflicts are not just the dreams of idealists, but necessities, Woodrow Wilson's dedication to a peaceful world order is given a new relevance. As Ambassador Kennan stated:

> I could, of course, point to specific insights in Woodrow Wilson's philosophy that seem to me to have been of great importance not just for the people of his time but even more for us. These would be in particular the insights relating to the uses of war, in its modern aspect, as a weapon of policy—his very proper distrust of the value of total military victory—his skepticism of the reality and permanence of a victor's peace, imposed on other people by the force of arms; and his immensely penetrating and significant recognition that modern war is not just an instrument with which you do ghastly things to other people, but an instrument which, however successful in the military sense, does ghastly things to you as well: to the texture of your own civilization, to the integrity of your own ideals, to the humanity of your youth, to your image of your own society.

We are reminded by both Ambassador Moynihan and Ambassador Kennan that Woodrow Wilson's was a life of tragedy and failure as well as of immense accomplishments. Such a recognition is appropriate in commemorating a man who took his ideals into the international and domestic political arenas.

Only if we realize that the struggles for international peace, for truly representative government responsive to the needs of the people, and for a compassionate and responsible role in world affairs are continuous and filled with disappointments can we fully appreciate the continuing inspiration of Woodrow Wilson. Only if we dedicate ourselves to continuing these struggles, to the hard work of realizing the principles on which this country was founded, can we find the power to celebrate 200 years of survival as a republic.

Mr. President, I ask unanimous consent that the introductory remarks by Dr. James H. Billington, director of the Woodrow Wilson International Center for Scholars, the address by Ambassador

Moynihan and the address by Ambassador Kennan be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

## Introductory Remarks by Dr. James H. Billington

### INTRODUCTION OF AMBASSADOR DANIEL P. MOYNIHAN

It is perhaps unusual to commemorate the anniversary of a death. But the image of life out of death was not foreign to Wilson. The American Congress in the Woodrow Wilson Memorial Act of 1968 determined that the 28th president should be officially remembered with an new kind of living memorial. It may thus be appropriate that a man who died with faith 50 years ago is commemorated by a gathering of some of us who live with hope today.

Though we all wish that many others who are not here tonight could be with us, it is not, I think, presumptuous to speak of you who are here as something of a composite human commemoration of Wilson's rich and varied legacy.

There are, first of all, Dean and Mrs. Sayre and the other descendants of this devoted family man; there are President and Mrs. William Bowen of Princeton, and other distinguished representatives from the several universities at which this great educator studied, taught, and administered; there are representatives of many academic disciplines to remind us that Wilson was president of two learned societies. There is a galaxy of figures from both the legislative and executive branches of our government to honor his political legacy—and a wealth of distinguished ambassadors to commemorate his international outreach.

There is Mrs. Allen Dulles, whose husband was with Wilson at Versailles; three Grayson brothers, whose father was at Wilson's side when the cheering stopped and the end came; and—appropriately to the vision of those last years—the highest U.S. official in the United Nations, Undersecretary General Bradford Morse.

Of course, the commemoration of Wilson did not begin with the creation of this official national memorial; and it is a pleasure to welcome here tonight leading executives from those institutions that have so long and well honored his name: the Woodrow Wilson Foundation; the Woodrow Wilson House, the Woodrow Wilson National Fellowship Foundation, the Woodrow Wilson Birthplace Foundation, and the Woodrow Wilson International Center.

Mr. Pendleton Herring, current chairman of the Woodrow Wilson Foundation, discovered and donated to the Center the bronze bust of Wilson in academic garb. Arthur Link, the editor of that foundation's great project, the publication of the papers of Woodrow Wilson, has provided us all not only with the written record of an eloquent president, but with an impeccable model of historical scholarship.

Finally, though I do not wish to speak here tonight about the programs and purposes of our Center rather than the man it commemorates, I would like to hail the fellows and staff who are with us tonight and are in a very real sense the bricks and mortar out of which our "living memorial" to Wilson is shaped. We are continuously grateful to the Congress which created and continues to support this enterprise—as well as to private and corporate donors and supporters. We are indebted to the Chairman of our Board, William J. Baroody for constant encouragement and support—as well as to other members of the Board of Trustees. I would like to recognize those who are with us tonight: Mr. William Batten, Dr. Ronald Berman, Mr. Robert Bork, Mrs. Donald Lethbridge (for the Librarian of Congress), Mr. John Richardson (for the Secretary of State), Dr. Paul McCracken, Mr. Harry McPherson, Jr. I would also like to recognize and thank the Chairman of our Advisory Council, Mr. David Packard.

This Center owes a special debt to the first Chairman of the Board, Senator Hubert Humphrey, an indefatigable founding father with a continuing interest in all we do; to our past board members, and especially to the first director Ben Read and his wife Nan, who brought the Center into being—as well as to Jean and Al Meisel, who served as his deputy and acting director.

Another very special founding father is Ambassador Daniel Patrick Moynihan, Vice-Chairman of the Board of Trustees and our first speaker tonight. Just in from New Delhi, he is the clear winner of any reunion-type prize that might be awarded to the alumnus returning from the longest distance.

Ambassador Moynihan does not entirely fit such familiar descriptions of Wilson as "a southerner of Scottish stock, stern Presbyterian, raised in villages in the South . . . " But the company of Wilsonian admirers has always been rich and varied; and if one looks beyond the passing peculiarities of time and place to things that matter and endure, there is a special appropriateness to Mr. Moynihan's appearance here tonight.

For America remembers Wilson largely as a governor and president; and Mr. Moynihan has been an advisor to both governors and presidents. The world remembers Wilson as the statesman who saw beyond his time that democracy and national dignity were inseparable goals—for all people; and Mr. Moynihan comes to us tonight as the man who honorably and officially represents the world's second largest democracy to the world's largest on the other side of the world.

## Address by Daniel P. Moynihan

Dr. Billington—

Woodrow Wilson once began an address to an occasion such as this by saying that when he thought of mankind he did not think of men in dinner jackets. This is not precisely so recorded by Arthur Link, but I was taught it by Ruhl Bartlett, and so much more of the same as to qualify as a third generation Wilsonian, studious of texts, but accepting as equally of apocrypha that evoke the spirit and the mystery of the man, as the literal and undemanding facts. I will speak, as it were, from a mixture of both, for there is a Wilson who to any such as I still summons one to belief and disbelief and to a search for understanding of things necessary if not possible to know.

One would like to know, for it would matter, just what, if not men in dinner jackets, Wilson did think of when he thought of mankind. It is clear that once he entered politics he came more and more to think of the working masses whose party he was soon to lead. (I have argued elsewhere that the role of the International Labor Organization in his view of the League system was larger than generally appreciated, as was also the role of the ILO in the defeat of the Covenant.) He came to think, surely, of mankind as inclusive of persons who spoke other than English, and on his great Western tour in quest of the Covenant, would say so with a candor now quite lost to American public life.

Do you know where Azerbaijan is? (He asked his audience speaking of the Peace Conference in San Francisco on September 18, 1919). Well, one day there came in a very dignified and interesting group of gentlemen from Azerbaijan. I did not have time until they were gone to find where they came from, but I did find this out immediately, that I was talking to men who talked the same language that I did in respect of ideas, in respect of conceptions of liberty, in respect of conceptions of right and justice. . . .

It is at such points, of course, that one inclines to quarrel with Wilson: How can he ask us to believe that he believed such things? Worse: What if indeed he did? And for a new generation influenced at most by what I should suppose is now an attenuated Wilsonianism there are vastly greater difficulties of his concluding assertion: and I did find this out, that the Azerbaijanis were, with all the other delegations that came to see me, metaphorically speaking, holding their hands out to America and saying, "You are the disciples and leaders of the free world; can't you come and help use?"

I suppose there are among us those who would be willing to advise the Azerbaijanis on the correct pricing policies for crude oil, but for the rest. . . . no, we fall back in disbelief. Even such as I do, who were taught, if anything, to move forward in acceptance.

What then does it matter what he thought of mankind? It matters because therein resides the essence of his quest for legitimacy in the world order, a quest which still eludes us, and which, if I am not altogether wrong, honesty requires that we acknowledge cannot any longer be successfully pursued in Wilsonian terms.

There is no mystery here. Wilson's was a profoundly optimistic, Christian view of man's condition. His vision of a world order was a religious vision: of the natural goodness of man prevailing through the Holy Ghost of reason. That it were Calvinist I will not contest; the distinctions are small, given the gulf between belief and disbelief, and it was neither reformed nor unreformed in its fundamentally Christian conviction that such visions are not in fact attained on earth. Or at very least, in its susceptibility to such conviction.

We gather on the anniversary of his death in Washington in 1924, but of course he died in the public sense on his way back from Pueblo, Colorado, on the night of September 25th, 1919. He was only once ever again to speak in public, on Armistice Day in 1923, a few weeks before the final end. The Pueblo speech is to be reread: the last of that Western tour. It is surely a premonition, an evocation almost of death. A speech from the Cross. A speech to be sure by a Presbyterian St. Jerome, contesting texts to the very end, but a Passion withal. It is a premonition of his own death, and a prophecy, I suppose, of the death of the Western civilization that would not be saved, excepting always that those who believed would be saved, the City would not be saved: the City would be lost now to war and rumors of war.

The Biblican iambic, the New Testament ecstacy in that extempore speech are as moving as anything in the language of the American presidency.

"Again and again, my fellow citizens, mothers who lost their sons in France have come to me and, taking my hand, have shed tears upon it not only, but they have added, 'God bless you, Mr. President!' Why, my fellow citizens, should they pray God to bless me? I advised the Congress of the United States to create the situation that led to the death of their sons. I ordered their sons oversea. I consented to their sons being put in the most difficult parts of the battle line, where death was certain, as in the impenetrable difficulties of the forest of Argonne. Why should they weep upon my hand and call down the blessings of God upon me? Because they believe that their boys died for something that vastly transcends any of the immediate and palpable objects of the war. They believe, and they rightly believe, that their sons saved the liberty of the world. They believe that wrapped up with the liberty of the world is the continuous protection of that liberty by the concerted powers of all civilized people. They believe that this sacrifice was made in order that other sons should not be called upon for a similar gift—the gift of life, the gift of all that died—and if we did not see this thing through, if we fulfilled the dearest present wish of Germany and now dissociated ourselves from those alongside whom we fought in the war, would not something of the halo go away from the gun over the mantelpiece, or the sword? Would not the old uniform lose something of its significance? These men were crusaders. They were not going forth to prove the might of the United States. They were going forth to prove the might of justice and right, and all the world accepted them as crusaders, and their transcedent achievement has made all the world believe in America as it believes in no other nation organized in the modern world. There seems to me to stand between us and the rejection or qualification of this treaty the serried ranks of those boys in khaki, not only these boys who came home, but those dear ghosts that still deploy upon the fields of France.

He tells of visiting a cemetery in France where French women tended American graves.

"France was free and the world was free because America had come! I wish some men in public life who are now opposing the settlement for which these men died could visit such a spot as that. I wish that the thought that comes out of those graves could penetrate their consciousness. I wish that they could feel the moral obligation that rests upon us not to go back on those boys, but to see the thing through, to see it through to the end and make good their redemption of the world. For nothing less depends upon this decision, nothing less than the liberation and salvation of the world."

What is one to make of this? Was he right? We have almost given off asking such questions, much less answering. But this, surely, is clear. It was very late in the history of the West to put any large public question in such terms. Carl J. Friederich and Charles Blitzer are correct, surely, that with the religious revival of the 17th Century, and the wars of that Century, "Once again, and for the last time, Life was seen as meaningful in religious, even theological, terms. . ." For the last time. A half century from Wilson, *official* belief is trivialized to the point of contempt and contemptibility. What will be more wondrous in two years time: that the Republic has survived two centuries, or that in a mere two centuries it has wholly lost the power to celebrate that survival. But one is not to pity the Bicentennial Commissioners, if there are any left, for their fumblings mirror our general fate. Nor for that matter lament the loss of the halo round the gun over the mantlepiece. A world without God, Woodrow Wilson's or whosoever's, is necessarily a world without pity. Senitment is not the same, and its origin is in fear not faith.

The world does not share his faith, much as individually we might wish otherwise; and we do not share his optimism. But we *can* share his sense of personal and national honor, his ethic of effort, his nerve of failure, his attention to the large capacities of the American people. It is the hope of our Center—his Center—to do that.

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### Introductory Remarks by Dr. James H. Billington

### INTRODUCTION OF AMBASSADOR GEORGE F. KENNAN

Woodrow Wilson reminded Americans at the beginning of this century that there was a moral grain to the universe and that democratic institutions had to be shaped—and could only be reshaped—by cutting with and not against that grain. Whereas earlier historians and politicians were inclined to deprecate the Wilsonian approach as impractical idealism, there is a new tendency following Arthur Link to speak of it as a higher form of realism.

No man has done more to lift American thinking about international affairs since World War II to this "higher realism" than our second and last speaker tonight, George F. Kennan.

He introduced a new generation of Americans to an honest acknowledgement of national interest that would become more moral in substance as it became less moralistic in rhetoric. He argued early and hard—working with architects of our post-war foreign policy like Governor Harriman (who is with us here tonight) and in his own famous "Mr. X" article—for a tougher view of Stalin's Russia than the euphoria of the times then favored.

As one who shared Wilson's Calvinism and was educated by Wilsonian teachers and curricula, George Kennan was perhaps uniquely equipped to urge Americans after a second world war to avoid that deformation of Wilsonianism which he characterized as the "moralistic-legalistic" approach, without descending into amoral cynicism.

George Kennan is an outstanding example of the Wilsonian link between the world of ideas and the world of affairs.

Joining the foreign service in the mid-twenties when much of America seemed to be repudiating Wilsonian internationalism, Mr. Kennan went on to fill a host of distinguished posts, including those of ambassador to the USSR and Yugoslavia Yet he was always a scholar not just of Russia and its relations with America, but particularly in the inter-war period also of Germany and (specially recently) also of France.

He proved in the late 60's a particularly eloquent and insistent defender of scholarly values against the tendency of many to follow the fads of youth and so use hallowed educational institutions for either political or psychotherapeutic purposes. For George Kennan the historical pursuit of truth has never been derailed by the hysterical pursuit of relevance. Precisely for that reason, he always brings something new—and usually stubbornly original—to any exchange of ideas.

Among American writers and intellectuals today, he is that rarest of all phenomena: a seminal thinker who has the style of an artist and the depth of a theologian. It is a pleasure and privilege to present a Wilsonian for all seasons, an extraordinary ambassador to the universal republic of letters; the honorable George F. Kennan.

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### Address by George F. Kennan

### SALUTATION

It comes as a rather unexpected jolt—one feels one's self, in fact, somewhat taken aback—to be turning once more, amid all the passions and preoccupations of our own time, to the once familiar but now, for many people, somewhat obscured figure of Woodrow Wilson,—now this extraordinary man who once clothed—or was clothed by—the highest office of this land. It is not that it was really so long ago. His presidency occurred during what I might call the politically-conscious lifetime of many of us who are still around. And it certainly could not be said that the period of his presidency was a dull or uneventful one in the life of the nation. On the contrary, it coincided with what I personally believe to have been the most crucial and in a sense the most fateful years in the history of modern Western civilization; and he was obliged to shape American policy in the face of the greatest single catastrophe—namely, the First World War—that this civilization has ever faced. No American statesman, unless it be Lincoln, had ever faced a heavier responsibility.

But so stormy has been the development of our world environment and of our country itself, in the fifty years that have passed since Wilson's death—so traumatic have been the happenings of this period—so many have been the curtains raised by intervening events between our present concerns and our historical memory—and so great, finally, is our present bewilderment, so poorly do we understand what has happened to us over these past five decades, where we have come from, and where we are going—that it is not easy to establish, when suddenly called upon to do so, the relationship between Wilson's experience—his aspirations, his achievements, his failures—and the various predicaments that mark our situation today.

It is not hard, of course, to recall to memory the main circumstances of that experience, and the personality by which it was borne. There is something unforgettable, in fact, about the figure itself; the fine, strong, lively face, with the grey eyes and the prominent, determined, chin; the impeccable, elegant attire; the impressive public presence, in which vigor and cheerfulness and affability were combined, as few others could combine them, with a perfect courtesy and dignity, and, finally, the firm oratorical competence: the intellectual ascendency, the lucidity and polish and grace of public utterance. No man, in modern time, to my mind, ever better looked, or acted, the part of an American president.

We even see, now, in the light of the excellent historical literature that has recently become available to us, something of the immensely complex composition of the inner man: the richness of contradiction that marked his personality—the mixture of the cold and the warm, the practical and the visionary, the wise and the naive, the ambitious and the selfless. And we see the comparable contradictions in his political style: the elaborate deference and attention to the Congress, on the one hand, (Wilson showed a greater punctiliousness in this respect, I believe, than had any president for a hundred years before him), and yet, on the other hand, at times, a deep distrust of the whole legislative and political establishment, national and international, and a persistent tendency to go over the heads of that esablishment and to appeal to the masses of the people with a view to making them his allies against all these intervening powers and principalities.

We see, too, a man whose intuitive judgments on points of principle were very often, in the light of history, extremely perceptive and accurate—a man who was at his best when he was putting these judgments forward and moving to establish them in the public mind, and who was by no means unreasonable or impractical or unconstructive in working out with others the application of these determinations of principle, once they had been accepted, but a man who, at the same time, was easily put off and made uncertain and caused to flounder if his declarations of principle were challenged and frustrated, if he was forced to compromise what he thought was, on principle, sound and right.

And we see, finally, the great loneliness of this man as a statesman—a loneliness which to some extent, perhaps, was inseparable from the high office he occupied but which, for personal reasons, seems to me to have been particularly acute in his case. He described that loneliness himself, consciously or subconsciously, in the beautiful tribute to Abraham Lincoln which he delivered, at the latter's birthplace, in 1916. It was a very lonely spirit, he said then, speaking of Lincoln,

". . . that looked out from underneath those shaggy brows and comprehended men without fully communing with them, as if, in spite of all its genial efforts at comradeship, it dwelt apart, saw its visions of duty where no man looked on. There is a very holy and very terrible isolation for the conscience of every man who seeks to read the destiny in affairs for others as well as for himself, for a nation as well as for individuals. That privacy no man can intrude upon."

All this, as I say, we see in the man. And it is also not difficult to recall the salient features of the experience that flowed from the interaction of this personality with the challenges and events of his time. One remembers the excellent contributions to the internal development of American society that marked the initial years of his presidency, the many perceptive and forward-looking reforms with respect to finance and business and labor and agriculture. One remembers, too, the long struggle, during the first years of the World War, to persuade the Congress to improve the defenses of the country for the event that it should be dragged, by the force of circumstances, into a war it did not desire. These seem to me to have been among his finest, certainly his most successful, efforts.

Wilson did his utmost to keep the country out of that First World War. He saw, up to 1917, no clear American interest in the things that the warring parties professed to be fighting for. With the causes of the war, he said, less than a year before our entry into it, "we are not concerned. The obscure fountains from which its stupendous flood has burst forth we are not interested to search for or explore." But there were forces that threatened now to sweep the country into the war: our commitment to the principles of neutrality; the pro-Entente sympathies of much of the Eastern establishment; the heavy-handed stupidities of the German High Command: these were forces outside his control. He saw them coming, and struggled against them. He struggled against them, above all, by trying desperately to bring the war to an end at the time when it should have ended—in 1916, before we could be dragged into it, and before old Europe could complete the destruction of the cream of its youth, and complete the tearing of itself to pieces. We see how hard he worked to get the warring Powers to accept the idea of a compromise peace, how little responsive they proved to be, intoxicated as they were with their military fixations and extra-vagant war aims, and how little real loyalty and support he received at this moment from some of those in his entourage to whom he looked for just these things. And one sees him swept, then, by these forces which were too much for him—which would have been too much for anybody—into the maelstrom of war—compelled, against his will, to lead the country into a vast conflagration the causes of which he did not fully understand or respect and in the outcome of which he had only a dimmed and doubtful confidence—compelled to associate himself and his people with allies now partially blind with the passions of war, their vision distorted by bitterness, hatred, fear, and in some instances cupidity, confronting adversaries similarly motivated and similarly committed.

And now, he was faced with the task of finding an adequate rational for a war effort we had not been able to avoid. The ostensible reasons for our involvement were, when closely examined, ironic and absurd. It was a curious procedure, on the face of it, to vindicate one's neutral rights by abandoning all neutrality. What sense did it make, one could ask, to sacrifice the totality of one's neutrality in the name of protecting a portion of it? Of couse, the defense of neutral rights was not the only reason for our entry. But precisely because the real reasons were ones outside of our own control, prcisely *because* the country was brought to war by forces over which it was not the conscious master, and because this helplessness was too great to be confessed—because the recognition of it could never have provided an adequate basis for war moral in a great democratic nation—Wilson had not choice but to cast about for a better, more plausible and more inspiring concept of what we were fighting for, even if it had to be somewhat forced and not fully consistent with his previous positions.

He did his best. He proceeded to formulate and enunciate (and no one could have done it more eloquently) a concept of war aims and hopes for the postwar future that could justify not only *our* war sacrifices and losses but the much greater ones of our allies and associates as well. The result of this effort was the famous vision with which we are all familiar; the great vision of a world without war, of an international society based on law and liberal justice, and organized for their support, a society where force would be ruled out as the arbiter of events, and where the strong would accept a benevolent responsibility for the weak.

He had entertained this concept even earlier, before we were obliged to enter the war. He had hoped, at that time, to make this country the instrument of its realization precisely by keeping us aloof from the war—by preserving the vigor of our economy, by preserving our freshness, our fidelity to our own ideals, our innocence, if you will, as the great reserve of strength and hope for the creation of a new world. Now he was forced to alter this image and to persuade people that we could successfully pursue this same vision not by keeping out of the war but precisely by getting into it. And he was also forced, as the war approached its end, to try to enlist behind this vision the assent and enthusiasm of embittered, over-wrought allies, still consumed by the passions of the struggle and the dreams of revenge.

All this was of course too much. No man could have accomplished it. Fifty years later, a great many people would come to understanding, in the light of the development of nuclear weaponry that the vision he put forward might be not just the dream of an idealist but was the price for the survival of civilization. In 1918, few could see this—few, particularly, who sat in the seats of power. The vision had no greater commendation than his own faith—his own persuasiveness. And you all know the outcome—that endlessly tragic outcome: the rebuff in Paris at the hands of the Allied leaders; the desperate effort to save the concept of the League of Nations even if it had to be at the cost of acceptance of a German peace treaty that accorded neither with his hopes nor with what he conceived himself to have promised the Germans in his Fourteen Points speech; then the crushing, to him almost inconceivable and unendurable, blow of the emergent opposition to the League itself in the American Senate; finally, his desperate effort to take his case to the country, to enlist the support of common people across the country—of those popular masses in whose enlightenment and idealism and confidence in himself he had always so touchingly believed—to enlist this support against the obstruction of the legislators; and then, of course, the breakdown of his health in the midst of this western speaking tour, the final rejection of the Treaty, and the sad last years: a man broken in body and spirit, the greatest work of a lifetime seemingly destroyed, possibilities for usefulness, which only a short time before had seemed of transcendent and universal importance, now suddenly and irrecoverably lost.

My friends: I have never been an admirer of all of Woodrow Wilson's political philosophy. Insofar as it continued to affect the minds of people down to our own age, I have felt obliged to take issue, more than once, with elements of it from the academic lecture platform. But I can think of no career in our public life more tragic than this—tragic in the classical Greek sense of man as the victim of his own contradictions—the plaything of forces within himself, yet beyond his control.

* * * * *

Well, then, where does this leave us? How do we relate this figure, this experience, to our own time? Tragedy, it would seem, yields no specific, concrete answers to anything, particularly not the passing problems of a later age. Tragedy sits there, sphinxlike and enigmatic, brooding over its human victims, hugging its secret to itself.

I could, of course, point to specific insights in Woodrow Wilson's philosophy that seem to me to have been of great importance not just for the people of his time but even more for us. These would be in particular the insights relating to the uses of war, in its modern aspect, as a weapon of policy: —his very proper distrust of the value of total military victory—his skepticism of the reality and permanence of a victor's peace, imposed on other people by the force of arms; and his immensely penetrating and significant recognition that modern war is not just an instrument with which you do ghastly things to other people, but an instrument which, however successful in the strict military sense, does ghastly things to you, as well; to the texture of your own civilization, to the integrity of your own ideals, to the humanity of your youth, to your image of your own society.

I could, as I say, talk about these things. They deserve attention. But from the standpoint of our inquiry tonight, as we look back over this fifty-year interval that separates us from the moment of Wilson's death, there is something more central and more important: and that is the image of the man himself, as he stood there in the midst of all his strivings. For in that image there were elements—the stern sense of duty, the high concept of public office; the total personal integrity; the dedication to public interest; and above all, the persistent, never-flagging effort to formulate an elevated concept of the purposes of this nation and of its function in the pattern of world history, to articulate this concept before the people at large and bring them to share it; in short, to encourage Americans to take a higher and more inspiring view of themselves as a people—all of these were elements in the Wilsonian image applicable today not just to those in high office but to all of us who take any part at all in the public affairs of the country, —elements timeless in their value, as applicable to any one age in the life of a democratic society as to any others, —elements which only at their peril will people of our time stamp as old-fashioned or outdated.

It is not for us to harbor certainties about what really constituted success or failure in the work of an earlier statesman. We understand too poorly the stuff of our own time to be the perfect judges of the relationships between cause and effect in another one. What stands out in Woodrow Wilson—that we can respect, and hold in memory, and draw wisdom from, was primarily the texture of the effort, in itself. It was an effort more important in its intrinsic quality, and in its eloquence as an example, than in its tangible and visible results.

It can be said of Woodrow Wilson that he gave to the interests of the country, and of the world, as he perceived them, everything that God had given him in the way of natural endowment: his intelligence, his physical strength, his idealism, his belief in the national community of which he was a part, and his capacity for faith in something higher than any national community at all.

What more could anyone ask?

Let the man who is conscious of no failures in his own life reproach Woodrow Wilson for the ones attributed to him. Let the man who thinks he has made a finer effort than this look condescendingly, if it pleases him, on the gallant and tragic figure that has occupied our thoughts this evening.

## DEATH OF CHET HUNTLEY

Mr. BAYH. Mr. President, yesterday our country and, indeed, mankind lost a great son in the passing of Chet Huntley.

I have heard and read the various tributes that have been made about Mr. Huntley. Most appropriately, I have asked myself, after hearing and reading all these thoughtful expressions, how one really describes a departed friend. How do we picture a man who one feels was a giant of a human being.

Certainly it is impossible to do so by weighing the volumes of words and prose. It is difficult to get a true picture of such an imposing and wonderful person as was Chet Huntley. It requires the broad brush of a landscape artist combined with the talents of a technician looking into the infinite detail of the heart through his microscope.

Mr. President, I thought perhaps a few personal notes might be appropriate, not that the thoughts of any one of us can truly describe the loss we have suffered collectively and, indeed, truly to describe the feelings that any one of us might have had with reference to the man who is no longer with us.

But, Mr. President, Chet Huntley was known to millions of Americans. For 14 years, he was an integral part of their lives, a frequent visitor in the living rooms of America, through the medium of television, sharing moments of joy, moments of sorrow, moments of triumph, and moments of defeat.

Mr. President, I consider myself fortunate to have known Chet Huntley personally and to count him as my friend. My wife Marvella and I have shared many a joy-filled moment, many a time of thoughtfulness and pleasure with Chet and his beautiful and vivacious and loving wife Tippy who, more than anyone else, feels his loss.

I feel a very personal sense of loss in the news of Chet's death yesterday at his home outside of Bozeman, Mont. I am sure that all Members of the Senate will want to join in expressing their deep sympathy to Tippy and the other members of the family.

Those of us who knew Chet personally, which includes many millions of TV viewers, saw in him the finest qualities of this great Nation.

He was honest, courageous, warm, hardworking, decent, and patriotic. Few men in public life have ever had a greater impact on our people and the times in which they lived and worked. It is to Chet Huntley's great credit that he reported on the issues, events, and personalities of his time in a forthright and unbiased manner, looking at all sides of every question.

It is to Chet Huntley's eternal credit that despite the immense power to mold public opinion that was his each night, he remained a humble man.

He once explained what he was attempting to accomplish in these words:

> Perhaps the best I might hope is that by some accident of voice, tone, or arrangement of words, I did, on a few occasions, excite, exhort, annoy or provoke a few of my fellow beings to think—and to think with their heads, not their viscera.

Chet Huntley did not shrink from controversy. He did not attempt to sugar coat the bitter pill of bad news, nor did he despair when things looked grim. He had enormous faith in the basic goodness, the toughness in the face of adversity and the resiliency of this great country.

This faith was eloquently expressed at the close of his final television newscast for NBC on July 31, 1970. Speaking to all Americans, he said:

> You have bolstered my conviction that this land contains an incredible quality and quantity of good common sense and it's in no danger of being led down the primrose path by a journalist. At the risk of sounding presumptuous, I would say to all of you: be patient and have courage for there will be better and happier news one day if we work on it.

Chet Huntley was a shining example of that quality which he attributed to his beloved country, for he was a man with an incredible quality and quantity of commonsense. America is better because Chet Huntley worked and lived among us.

## ADJOURNMENT TO 9 A.M. TOMORROW

Mr. BAYH. Mr. President, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow.

The motion was agreed to; and at 6:11 p.m. the Senate adjourned until tomorrow, Friday, March 22, 1974, at 9 a.m.

## NOMINATIONS

Executive nominations received by the Senate March 21, 1974:

### THE JUDICIARY

Murray M. Schwartz, of Delaware, to be U.S. district judge for the district of Delaware vice Caleb M. Wright, retired.

### DEPARTMENT OF JUSTICE

John L. Briggs, of Florida, to be U.S. attorney for the middle district of Florida for the term of 4 years. (Reappointment.)

S. John Cottone, of Pennsylvania, to be U.S. attorney for the middle district of Pennsylvania for the term of 4 years. (Reappointment)

Nathan G. Graham, of Oklahoma, to be U.S. attorney for the northern district of Oklahoma for the term of 4 years. (Reappointment)

Laurence C. Beard, of Oklahoma, to be U.S. marshal for the eastern district of Oklahoma for the term of 4 years. (Reappointment)

Ollie L. Canion, of Louisiana, to be U.S. marshal for the eastern district of Louisiana for the term of 4 years. (Reappointment)

Clinton T. Peoples, of Texas, to be U.S. mashal for the northern district of Texas for the term of 4 years vice William C. Black, resigned.

### NATIONAL CREDIT UNION BOARD

James W. Jamieson, of California, to be a Member of the National Credit Union Board for a term expiring December 31, 1979, vice William E. Young, term expired.

### NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

*To be lieutenant commander*

Warren K. Taguchi
Lowell R. Goodman
Abram Y. Bryson, Jr.
Robert D. Hopkins
David J. Goehler

*To be lieutenant*

David W. Yeager
Thomas W. Ruszala
Kenneth H. Underwood
James A. Watkins
Craig S. Nelson
Gerald W. Stanley
Allan F. Divis

*To be lieutenant (junior grade)*

Joseph J. Kapler
Roger W. Mercer
Donald D. Winter
Anthony A. Armstrong
Gregory V. Segur

*To be ensign*

David J. Tennesen.
Susan R. Ellis.
Michael A. Gzym.

### IN THE AIR FORCE

The following officer for temporary appointment to the grade of brigadier general in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

*To be brigadier general*

Col. Edward B. Burdett, [redacted]FR, Regular Air Force.

### IN THE NAVY

The following-named officers of the United States Navy for permanent promotion to the grade of lieutenant (junior grade) in the line and staff corps, as indicated, subject to qualification thereof as provided by law:

LINE

Adams, Adrian J.
Adams, Robin L.
Alderman, John P.
Allen, David M.
Allen, Michael N.
Almquist, Thomas V.
Anderson, Kenneth G.
Anderson, Richard A.
Arnold, Kenneth B.
Atkinson, John S., Jr.
Ayers, Carleton R., II
Ayres, Kermit A.
Battle, Frank J.
Bauer, Robert W.
Beardsley, Wayne L.
Beck, George H.
Beckers, Thomas M.
Belcher, Robert D.
Benedict, William L.
Bennett, Robert W., Jr.
Berkowitz, Ann L.
Botton, Kenneth V.
Bowles, Ira L., III
Boyd, William L.
Boyle, John E., III
Brandt, Charles R.
Brattain, Herbert Keith
Brigde, Frederic L.
Brooks, Ross Newton, Jr.
Bruckman, David E.
Bruninghaus, Ronald P.
Buchanan, Herbert L., III
Buchspics, Kenneth L., Jr.
Buckner, John O.
Buzzel, Brian V.
Byerley, Stephen C.
Caldwell, Warren L., Jr.
Campbell, Gary L.
Campbell, Richard L., Jr.

Canfield, Stephen R.
Carmody, Michael J.
Carroll, Edward B., Jr.
Carter, Leslie R.
Catarella, Philip D., II
Carveny, Alvin E.
Chappel, Leroy W.
Christianson, Donald T.
Church, Harry F., III
Clark, Ray W.
Clark, Ronald
Columbia, Timothy F.
Connelly, Joseph B.
Coppotelli, Lawrence J.
Cottrel, William R.
Cross, Charles D.
Cuzzocrea, John L.
Daly, John F., Jr.
Damar, Leroy C.
Daugherty, Edward B., III
Davis, Douglas N.
Day, Edward W., Jr.
Degruise, Jerome J.
Dejaegher, Richard H.
Derusso, Michael P.
Devlin, David P.
Dickinson, Nancy L.
Digeorge, Frank P., III
Dimambro, Ronald E.
Dimmette, Joel Powell, Jr.
Dinkins, James E.
Disy, Edward G., Jr.
Dolan, Robert D.
Dougherty, James B.
Driscoll, Edmund F.
Dryden, Richard A.
Eissler, William R.
Elkins, James E.
Ellerman, Dean William, Jr.
Elles, Christopher J.
Ersek, David A.
Fagan, John M.
Farley, David L.
Feallock, William J., III
Federico, Philip J.
Feldman, Brian D.
Ferguson, Margaret A.
Foster, John I., Jr.
Freeland, Thomas L.
Frump, David A.
Gammage, Patrick Odell
Garifalos, James E., II
Gebel, Michael W.
Geel, Richard A.
Glantzmann, Christopher F.
Glassberg, Arnold M.
Glatzmaier, Gary A.
Gogolin, James H.
Goldman, Michael J.
Goldstein, Abraham J.
Gomez, Daniel S.
Goodnight, Lyman Evans, III
Grabiel, Marolee
Graham, David Joseph
Greeves, Mary Lou
Gregory, Troy Richard
Groff, Lawrence L.
Gustafson, David L.
Guthrie, Robert H.
Gutridge, Wallace Glen
Guzman, Thomas A.
Gyles, Leon L.
Haddock, James M.
Hamilton, James A.
Hamm, Thomas R.
Hammond, John T.
Hampton, Bruce N.
Harding, Richard W.
Harding, Robert O.
Hare, Sidney W.
Harrison, John N.
Haskins, Michael L.
Hatcher, Russell L., Jr.
Hedden, Charles R.
Hesser, John B., Jr.
Hicks, Leonard L.
Hill, Steven C.
Hobgood, Gordon B., Jr.
Hodges, Tedd W.

Hogg, Edward L.
Holdredge, Robert L.
Holeva, Carl
Hollingsworth, Arnold G.
Hopkins, Hubert D., Jr.
Horn, Robert G.
Horne, Richard A.
Hubbard, Allen L.
Hudson, William A.
Hugill, Joseph R.
Humphries, Wofford F., III
Hyland, Joel T.
Interholzinger, Jared F.
Israel, John E.
Jacobs, Jan C.
Janis, Henry J., Jr.
Jankura, Edwin S., Jr.
Jaroncyk, William, Jr.
Jarrell, Carolyn Elaine
Jody, Phillip L.
Johnson, Herman R.
Johnson, William F.
Johnston, Phillip L.
Jolls, John D.
Jones, Glenn E.
Jones, James A.
Justice, William K.
Kapinos, James M.
Kaucher, James E., Jr.
Kazmer, Vincent P.
Keller, William B.
Kelley, Richard G., Jr.
Kelly, Patrick W.
Ketron, Michael G.
King, John P.
Kluever, Patrick R.
Koehler, Kohn A., III
Kooker, Frederick M.
Koski, Carlos I.
Kraemer, Francis X., Jr.
Krug, William G.
Kryske, Lawrence M.
Kutcher, Robert J.
Labrecque, Lester Ray
Lambert, Robert B.
Lamkin, Harry B., III
Lanier, Richard J.
Lautares, Peter G., II
Lawhon, James C.
Lawrence, Russell G.
Lazarowitz, Morris E.
Leake, Beverly F.
Leard, Ernest L.
Lewis, Stephen L.
Lichwala, Stanley J.
Lindquist, Robert F., Jr.
Lippincott, William R.
Lipscomb, Gary Edwin
Logan, Johnnie M.
Long, Robert H.
Luigs, Robert W.
Lulu, Michael J.
Lunning, Robert M.
Lyons, Joseph F., Jr.
Maak, John E.
Mac Bean, Thomas P.
MacDonald, Thomas L.
Mackin, Thomas G.
MacLeod, David J.
Magee, Terry Edward
Magnino, John D.
Maloney, Robert S., III
Marco, Phillip Carmen
Marecic, Terrence J.
Marosek, Conrad F.
Martin, Ronald R.
Mathis, Michael G.
May, Robert M.
Mayberry, Jack B.
McCarty, Gordon L.
McClellan, Patrick M.
McCormick, Margaret Ellen
McGalliard, Gene R.
McGilvrary, Paul E.
McKeever, David V.
McKelvey, Edward L.
McKennan, David J.
Michell, William R.
Middleton, James M., Jr.

Miller, Craig S.
Miller, Peter, Jr.
Miskelly, Elizabeth T.
Mitchell, David E.
Mitchell, Joseph A., II
Mocock, William R.
Montemarano, Anthony S.
Montgomery, Henry E., Jr.
Moody, Richard A.
Moon, William S.
Moore, Richard E., II
Moseley, James R.
Moulton, David Wales
Murphy, Brian F.
Murphy, Peter J.
Murray, George M.
Naff, Peter B.
Neely, Judith Anne
Nelson, Victor P.
Nibbs, Alan M., Jr.
Niemczyk, Robert R.
Noland, James T., Jr.
Nolen, Ulysses L.
Oatley, Eugene T.
Oberg, David A.
O'Brien, William S.
Offerle, Robert A.
O'Hara, Timothy L.
Olde, Frederick G., III
Owen, John E. J., II
Pachuta, Mark T.
Page, Elton T., III
Pales, Michael F.
Palm, Jerry J.
Pampe, Robert A.
Pappas, Gregory W.
Parker, David J.
Parker, Jay P.
Patterson, Ricky L.
Patton, James W.
Paulus, Richard A.
Penix, Larry E.
Penn, Michael Gene
Peterman, Ronald R.
Peterson, Neil G.
Peterson, William J., Jr.
Phillips, David E.
Pieper, Charles P., Jr.
Pine, John S.
Poorman, Kenneth A.
Porter, Thomas P.
Prather, David W.
Prendergast, Timothy E.
Purcell, Colleen Ann
Puryear, Eric P.
Quadri, Anton Stefan
Quigley, Thomas K.
Renner, Ronald M.
Renton, Irvine A., III
Rhodes, Thomas W., Jr.
Rice, Elijah E.
Richards, Charles C.
Richardson, James D.
Richardson, William R.
Richmond, Donald R.
Ricksecker, William Grant
Ridgway, Donald C.
Roach, David G.
Robart, Gregory P.
Robinson, Alan Russell
Roehrs, Stephen L.
Roshelli, Ronald J.
Ross, Robert J.
Rutan, Andrew C.
Sackett, Craig P.
Sakre, Larry L.
Schaffer, Jack T.
Schalk, John E.
Scheerhorn, Ned A.
Schmidt, Jonathan B.
Schoonover, Robert A.
Schoonmaker, Catherine D.
Schultz, George W.
Schultz, Ronald H.
Schwiering, David A.
Scott, Roderick G.
Seabrooks, John R.
Sharp, Larry R.
Shavereric, Bruce
Shemanski, Clem J., Jr.

Shirkey, Jack M.
Sherk, Glenn E.
Shumlas, John A.
Silvers, Richard A.
Skewis, Ronald J.
Smith, Gary W.
Smith, Linda Mae
Smith, Richard T.
Smith, Stephen W.
Smith, Steven M.
Snell, Stephen F.
Snigg, Steven W.
Snow, Richard M.
Sonntag, Steven J.
Sontheimer, Richard F.
Sowers, James R.
Spencer, Charles H., Jr.
Steinert, Charles S.
Stites, Lloyd, T., Jr.
Stockton, Steven L.
Stovall, Robert M.
Stratman, Robert A.
Stribling, Thomas C.
Stuckert, Bruce T.
Stuetzer, F. John
Sturz, Frederick C.
Sumner, Robert L.
Sumners, Robert M.
Taylor, Christopher J.
Taylor, Milton D.
Taylor, Paul E.
Tennison, Thomas E.
Thies, Denzil D.
Thomas, Ronald M.
Thompson, Charles R.
Thomson, William J.
Todd, David K.
Trabona, Robert J.
Travis, Cecil L., Jr.
Turnbull, Steven Scott
Tynan, Edward P.
Vanderslice, John A., III
Vaneaton, Harley J., Jr.
Visage, Samuel J., Jr.
Voss, James W.
Wadington, Clair A.
Waddell, Ray K.
Wahl, Harry A.
Wallin, Jeffrey E.
Warr, Paul M.
Watson, Samuel R.
Watt, Alexander Y., Jr.
Weatherly, James M.
Westmoreland, William Donald
Westover, Steven B.
White, Grover Lee, III
Wiechert, Annette M.
Wilant, Mark L.
Williams, Scott K.
Wilson, Michael E. N.
Wingo, Theodore O.
Wold, John S.
Wood, David R.
Wood, Marcelle E., Jr.
Wright, Wilbur G.
Yourth, Ronald D.
Zmuda, Raymond A., Jr.

### SUPPLY CORPS

Archer, Marvin D.
Bailey, Everett A.
Balint, David L.
Ball, Edgar S., Jr.
Barrs, Jack C.
Bellairs, Jacques T.
Benson, Edwin R., III
Bonafede, James M.
Connolly, John J.
Corack, Edward W.
Duffey, Thomas O.
Dura, John J.
Eastlund, Lon E.
Edwin, James R.
Flohr, Larry E.
Forman, James M.
Gilbert, Jack A.
Grant, Charles W.
Griggs, Joe L.
Hall, Stephen C.
Hartman, Larry D.
Hatfield, Franz
Henke, Louis, III
Hinkel, Shelby, Jr.
Hoffman, Lee D.
Howard, John
Joslin, Richard M.
Kern, Thomas M.
Kidd, John W.
Lafley, Alan G.
Lankenau, Gary W.
Lewis, Monty G.
Lorenc, Edward L.
Maas, Robert D.
Marczynski, Alfons C.
Martin, Graham H.
Martinec, Dennis P.
Mayo, Thomas J.
Mitchell, Kent R.
Reeve, Robert E.
Reily, James D., Jr.
Rorex, Thomas A.
Royer, Frank E.
Schwartz, Allen B.
Shelton, Betty J.
Smitherman, William T.
Tarleton, George L.
Taylor, Richard S.
Thomes, James K.
Vinson, Charles M.
Walters, James S.
Ward, James M.
Ward, John D.
Weidemann, James L.
Wolf, David S.
Wong, Frederick G.
Wong, Lincoln, M. H.
Yahres, James M.
Yates, David S.
Yount, Mark L.

### CIVIL ENGINEER CORPS

Boothe, Thomas M.
Chamberlin, Paul D.
Clark, James W.
Harrison, Daniel J.
Kleven, Courtney C.
Redmonjones, David M.
Seltzer, George H., III

### MEDICAL SERVICE CORPS

Barina, Fred G., Jr.
Breton, Robert W.
Carroll, Robbert M.
Finke, Ronnie Lee
Hummel, James R.
Kolesar, Joseph Thomas
Lane, John C.
Love, Douglas, Jr.
McCaig, Joe M.
Peters, Anthony J., III
Ryan, Alan B.
Santore, Orlando J.
Siddle, David L.

### NURSE CORPS

Bird, Meredith S.
Broad, John R.
Cornelius, Mary G.
Eversole, Donna R.
Fiddler, Iris Elaine
Foley, Barbara A.
Fortier, Elaine S.
Graham, Alfred E.
Hadley, Donna K.
Haley, Kathleen A.
Hamer, Terry L.
Hodges, Gail L.
Honeywell, Joseph L.
King, Susan G.
Korns, Barbara J.
Lancaster, Donna M.
Leifeld, Deanna R.
Loftus, Maragret M.
Loveridge, Lois E.
Mack, Sharon
Mitchell, Henry, Jr.
Norrick, Albert J.
O'Connell, Linda G.
Peterson, Janet L.
Roy, Terry D.
Sample, Priscilla
Schemmer, Carol L.
Spangler, Catherine E.
Sullivan, Peggy J.
Wilkins, Karen L.
Williams, Edward I.

The following named officers of the United States Navy for temporary promotion to the grade of lieutenant commander in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

Edwards, Buford Ray
Newton, David Lee
Wang, You Lue

### CHAPLAIN CORPS

Rupp, Lloyd Gary

### DENTAL CORPS

Barco, Martin T.
Budnikas, Peter K.
Cecil, James C., III
Jones, Harold L.
Kurtz, Glenn A.
McLaughlin, John M.
Meharra, Ernest W.
Neuner, Robert F.
Ponsler, James R.
Tytell, Mark P.

### MEDICAL SERVICE CORPS

Kendrick, Billy W.

### NURSE CORPS

Hooker, Florentina B.

The following named officers of the United States Navy for temporary promotion to the grade of lieutenant in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

Buzzell, Brian B.
Cordes, Donald Larry
Cutler, Michael J.
Duignan, Michael J.
Ege, Robert Frederick
Ekl, John C.
Elleson, Stephen D.
Gragg, Charles H.
Hamilton, Thomas D.
Jones, Bryce Edward
Klinker, John Wayne
Lakser, Lawrence J.
Riley, Michael A.
Rogerson, Edward S.
Ryan Michael Kevin
Siedschlag, Daniel D.
Starnes, Charles N.
Stultz, Philip Edward
Weyrick, Philip F.
Wort, Jonathan Palmer

### SUPPLY CORPS

Kennington, James H.
Robertson, Jimmy W.

### MEDICAL SERVICE CORPS

Davis, Richard W.
Eckstein, Michael D.
Hand, Brian Chandler
Humphrey, Charles R.
Kirkpatrick, John C.
Longacre, Don Thomas

### NURSE CORPS

Puchle, Eugene W.
Thorr, Faye Ann

James C. Baker, U.S. Naval Reserve, for temporary promotion to the grade of commander in the Medical Corps subject to qualification therefor as provided by law:

James Allen Mittag for temporary appointment in the grade of commander in the Medical Corps of the Reserve of the United States Navy subject to qualification therefor as provided by law.

Daniel D. McConnell, United States Navy, for transfer to and appointment in the Judge Advocate General's Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant.

The following named officers of the United States Navy for transfer to and appointment in the Supply Corps in the permanent grade of lieutenant (junior grade):

Carroll, Joseph D.
Delappa, John E.
Kosar, Peter G.
Rowland, Curtis A.

Charles S. Rivers, Jr., United States Navy, for transfer to and appointment in the Supply Corps in the permanent grade of lieutenant (junior grade) and temporary grade of lieutenant.

The following named officers of the United States Navy for transfer to and appointment in the Supply Corps in the permanent grade of ensign:

Cafaro, Patrick R.
Russell, George L.

## CONFIRMATIONS

Executive nominations confirmed by the Senate March 21, 1974.

### DEPARTMENT OF JUSTICE

William J. Mulligan, of Wisconsin, to U.S. attorney for the eastern district of Wisconsin for the term of 4 years.

John L. Buck, of Pennsylvania, to be U.S. marshal for the middle district of Pennsylvania for the term of 4 years.

### COMMISSION ON CIVIL RIGHTS

Arthur S. Flemming, of Virginia, to be a member of the Commission on Civil Rights.

### DEPARTMENT OF LABOR

Abraham Weiss, of Maryland, to be an Assistant Secretary of Labor.

(The above nominations were approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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# EXTENSIONS OF REMARKS

## SUMMER PAINTING TRIPS IN WEST VIRGINIA ATTRACT BROAD CROSS-SECTION OF ASPIRING ARTISTS

### HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Thursday, March 21, 1974*

Mr. RANDOLPH. Mr. President, people are aware that vacations call for a change of scene and relaxation. Curbed by the energy crisis, many persons are looking close to home for an opportunity to participate in simple pleasures and unhurried pastimes. This summer, the West Virginia Department of Natural Resources will sponsor a season of painting trips to remote and scenic areas of the Mountain State. An article by the talented instructor for these outings, William Gerhold, appears in the April issue of its colorful magazine, "Wild, Wonderful West Virginia."

Mr. Gerhold is a West Virginia artist whose paintings reflect the mood of the mountains and the feelings associated with the land of America and its people. He is an artist-teacher. For the past 12 years he has taught at Marietta College, where he is chairman of the Art Department. Mr. Gerhold's paintings have been selected as the Best West Virginia Landscape in the 1971, 1972, and 1973 Forest Festivals; in the latter 2 years, he also won Best of Show Awards. Among other honors, he has received awards in two Central Ohio Watercolor Society exhibitions during 1973, and three awards in the 1973 Appalachian Arts and Crafts Festival.

Artist-Teacher-Author William Gerhold, in his article on the summer painting excursions, has caught the tang and flavor of the great outdoors. I ask unanimous consent that the article be printed in the Extensions of Remarks so that many persons—artists and outdoorsmen alike—can share the promise of the creative and comforting experiences he describes.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PAINTING ON LOCATION IN THE WILD, WONDERFUL WEST VIRGINIA MOUNTAINS

(By William Gerhold)

How would you like to take a trip with a group of mostly strangers, get up early in the morning, paint all day long by a beaver pond, a waterfall or on a mountain top, fix supper for 24 people, have your day's work criticized by those 24 people and then do this all over again for fourteen consecutive days? This past summer sixty individuals representing thirteen states did just this during three separate two-week summer painting classes that were based in the new Canaan Valley State Park near Davis, West Virginia. These classes were the result of the joint efforts of the author and the Division of Parks and Recreation of the West Virginia Department of Natural Resources.

The response to these on location painting classes was such that an additional class, for a total of four, will be offered during the summer of 1974.

The idea behind these classes is to create, as inexpensively as possible, an ideal group learning situation in which an individual can intensely concentrate on creative efforts without distraction in a setting of unique natural beauty. Consequently, the classes were designed to share shopping, cooking, and dish washing chores as well as the deluxe cabins which accommodate the classes. Last summer's results included a gratifying "Spirit de corps", a sense of mutual accomplishment, new friends and, most significantly, tremendous progress in artistic skills. The economic value of this approach can be understood by the fact that each individual ate for two weeks for a mere $15.00 (the husband of one class member suggested that the instructor write an article titled, "What Inflation?"). Before the reader assumes that the diet was spartan, dreary and otherwise undistinguished, it should be understood that when people in a group take turns having menu responsibilities, and when many of these people are housewives in addition to creative and competitive spirits, good and sometimes gourmet things happen at the dinner table. In short, not only was the food cheap but it was most tasty.

The Canaan Valley area is one of extremely rare beauty. The Canaan Valley itself is a freak of nature. Geophysically it should be 800 miles north in Canada. There are no poisonous snakes, no poison ivy, few stinging insects, abundant wildlife, much clean air and miles and miles of unoccupied wilderness. This Potomac Highland area includes such well known attractions as the Dolly Sods Wilderness Area, The Monongahela National Forest, Blackwater Falls State Park, The Canaan Valley Ski Area, Cathedral State Park (with virgin hardwood forests), Seneca Rocks, the Allegheny Front and it is within 30 miles of Spruce Knob, the highest point in West Virginia.

The painting activities of the classes may encompass some or all of these locations during a two-week period. Where one paints on any given day, is largely up to the individual. On many mornings there will be as many directions taken as there are vehicles. For example, the "June Commune", the self-invented nickname of the 1973 June class, painted above and below Blackwater Falls, on Dolly Sods, on several farms in the Canaan Valley, along both the Blackwater River and Red Creek (outstandingly clear trout streams) and various other locations. Subject matter included beaver ponds, abandoned farms, majestic rock formations, wind sculptured pine trees, tumbling mountain rapids, waterfalls, canyons, eagles, hawks, geese, deer, a 19th Century mill, country stores and several citizens of this Allegheny mountain country. This pattern is typical for each of the classes.

If one prefers to paint in almost complete isolation, it is possible. The author once painted for thirteen consecutive days on an abandoned farm deep in the Canaan Valley and it was on the thirteenth day that a fellow human was encountered. He happened to be a member of the Washington, D.C. Ski Club who was re-exploring the area in which he had hunted for twenty years.

Although this Pontomac Highland region is remote and sparsely settled it is easily accessible. For example, Washington, D.C. is 180 miles to the east, the Roanoke or Lynchburg area is approximately 175 miles to the south, Columbus, Ohio, is 280 miles west and Pittsburgh is 140 miles north. Two members of last summer's August class flew into Elkins, West Virginia from Chicago via commercial airlines, were met at the airport and chauffeured the last 35 miles by a fellow class member. They left Chicago at 8:50 A.M. and joined the group in the Canaan Valley State Park less than six hours later.

The typical day's schedule starts "about" 7:00 A.M. If a group breakfast has been agreed upon (frequently, the group preference has been for each individual to fix whatever he or she wants) the cooks will "arise" a bit earlier. During the breakfast hour, "fixings" are placed on a table and each person "constructs" their own lunch. The noon meal normally consists of various kinds of sandwiches and fruit. Departure for the day's painting is "about" 8:00 A.M. Usually, class members have decided the evening before with whom and where they are going. Every-cal mountain weather. The trick is to be one quickly learns how to dress for the typi-warm enough at the outset and be able to peel layers as the day warms. Desirable equipment for this kind of "on location" painting would include: 1. an easily portable painting kit which might contain, in addition to specific painting materials, a knife, insect repellant, sun tan lotion, and a piece of plastic (perhaps two, for sitting and/or covering things in case of a shower); 2. a drawing board with a rope or strap attached for carrying over one's shoulder. (Each morning the author will have freshly stretched watercolor paper covered with cardboard on both sides of the drawing board); 3. a canteen (for drinking as well as painting); and 4. a light, telescoping easel. Additionally, this painter carries in a foot locker in the rear of his Chevy Blazer (4-wheel drive vehicle), reserve paint, staple tacker, pads and blocks of paper, plastic sheets, a blanket, binoculars, a 35mm camera with high speed black and white and color film, a polaroid camera, hatchet and miscellaneous support items. It is most important to have a wide brimmed hat and good, tough shoes. A lack on either "end" can make the day miserable.

The group reconvenes about 5:30–6:00 P.M., shortly thereafter a sitdown meal is served. The dinners are usually prepared by two persons. The cooking responsibilities are shared and rotated, as are the dishwashing chores. After supper the group will meet for the daily Critique Session. At this time the work of each class member is examined and discussed (this includes the instructor's work also). Experience to date has indicated that these Critique Sessions are immenesly valuable and highly appreciated. The judgements, commentary, suggestions and collective experience of the group is directed to each individual in regard to their day's work. When one considers the fact that each group is composed of highly motivated, extremely sincere and diversely experienced individuals, the learning potential in these classes becomes evident.

Questions that frequently are asked concerning the classes are: 1. Can a beginner enroll? Yes, of course, there have been, and will be, beginners in every group; 2. Do you demonstrate? Yes, every day, all day long. We do not waste class time by doing "entertainment" demonstrations. It is the belief of the instructor that demonstrations which are conducted "out-of-context" are of dubious value. When the total group can benefit from a particular demonstration in regard to a shared, mutual problem then demonstrations take place. Otherwise, the instructor's demonstrations occur between 8:00 A.M. and 5:30 P.M., "on location", daily; 3. What are the living and sleeping quarters like? The cabins are solid, electrically heated, equipped with a complete kitchen, large living room and dining area, wood burning fire place, showers and bedrooms which open off of a common hallway. This year two people will be assigned to each bedroom (previously, there were three in most rooms). For a class of 24 persons there will be three cabins (two with 4 bedrooms and one with three); 4. Will I need to have a car? No, not necessarily. There will be enough vehicles to more than comfortably serve everyone's transportation needs during the class period; 5. Can I get college credit? Yes, 3 semester hours of credit from Marietta College is possible. Both undergraduate and graduate credit recognition were accepted on a transfer basis by various institutions last summer. The cost for the academic credit option is $60.00; 6. Will a materials list be furnished? Yes, a recommended materials list and discussion is mailed to each class member. This letter also contains travel directions, class roster with addresses (making car pools possible) and general instructions; 7. Can I purchase materials after I get to class? Yes, basic materials will be available (paint, brushes, and assorted watercolor paper). These will be in limited supply. A student should plan to be fully equipped on arrival. There are no art supply stores in the area. 8. Is there an Apprenticeship Program available? Yes, the West Virginia Artists and Craftsmen Guild have granted a limited number of Apprentice Scholarships in conjunction with the Mountain State Arts and Crafts Fair. It is expected that other Apprentice Scholarships will be available; 9. How does one get application forms and specific information regarding the classes? By writing to: Paint West Virginia Program, 510 Caroline Avenue, Williamstown, West Virginia. 10. Dates, etc., listed. 11. What are the ages of class members? It varies. One of the very nice things about the group is that there is a wide age range in the "young-in-heart" people who meet in the mountains. Last summer the ages ranged from 17 to 75. The class rosters included retired teachers, high school, undergraduate and graduate students, a public school superintendent, art teachers, housewives, career girls, a Federal Aviation Agency Air Traffic Controller, mothers, fathers, grandmothers, grandfathers, amateur artists, professional artists, a commercial artist, a professional pilot, a florist, a nurse, a retired minister and one sewing expert, a former sewing machine store owner, who organized the most outstanding "snipe hunt" the West Virginia hills had witnessed in many a year.

If you are interested in painting, would like beautiful, unspoiled, unique mountain wilderness studio where you will work hard, make new friends and have a chance to smile—you may want to investigate the possibility of painting "on location" in the wild, wonderful West Virginia mountains this summer.

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## PROTECTION OF ARTISTS

## HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. WALDIE. Mr. Speaker, art is mankind's way of participating in the very creativity of God. The artist reveals through his works his inner being, his basic self. The artist externalizes for others what his very soul has discovered and experienced.

Art is sacred. It should be protected from piracy. And the better works of musical artists will be subject to widespread piracy if Congress does not make provision for copyright protection for sound recordings issued after January 1, 1975.

Since the current law protecting sound recordings from unauthorized duplication (Public Law 92–140) expires at the end of this year, I wish today to introduce legislation that will protect artists next year.

I enclose a copy of my bill at this point in the Record:

A bill to amend title 17 of the United States Code to remove the expiration date provided in Public Law 92–140 which authorized the creation of a limited copyright in sound recordings for the purpose of protecting against unauthorized duplication and piracy of sound recordings; to increase the criminal penalties for piracy and counterfeiting of sound recordings; and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3 of Public Law 92–140, which amended title 17 of the United States Code, is amended by striking the words "and before January 1, 1975" from the second sentence of section 3 of such law so that such sentence will read in part as follows:

"Sec. 3. * * * The provisions of title 17, United States Code, as amended by section 1 of this Act, shall apply only to sound recordings fixed, published, and copyrighted on and after the effective date of this Act, and nothing in title 17, United States Code, as amended by section 1 of this Act, shall be applied retroactively or be construed as affecting in any way any rights with respect to sound recordings fixed before the effective date of this Act.".

Sec. 2. Section 104 of title 17 of the United States Code is amended by adding the following provision: *"Provided,* That any person who willfully and for profit shall infringe and copyright provided by subsections 1(f) of title 17 of the United States Code as amended, or who should knowingly and willfully aid or abet such infringement, shall be fined not more than $25,000 or imprisoned for not more than three years, or both, for the first offense and shall be fined not more than $50,000 or imprisoned not more than seven years, or both, for any subsequent offense.".

Sec. 3. The provisions of section 2318 of title 18 of the United States Code is amended to read as follows:

"§ 2318. Transportation, sale, or receipt of phonograph records bearing forged or counterfeit labels

"Whoever knowingly and with fraudulent intent, transports, causes to be transported, receives, sells, or offers for sale in interstate or foreign commerce any phonograph record, disk, wire, tape, film, or other article on which sounds are recorded, to which or upon which is stamped, pasted, or affixed any forged or counterfeited label, knowing the label to have been falsely made, forged, or counterfeited shall be fined not more than $25,000 or imprisoned for not more than three years, or both, for the first such offense and shall be fined not more than $50,000 or imprisoned not more than seven years, or both, for any subsequent offense.".

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## ANTHROPOLOGY IN LEGISLATION

## HON. FRANK E. MOSS

OF UTAH

IN THE SENATE OF THE UNITED STATES

*Thursday, March 21, 1974*

Mr. MOSS. Mr. President, I ask unanimous consent that the text of a speech which I delivered before the Anthropological Society of Washington on March 19, 1974, be printed in the Extensions of Remarks.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### Anthropology in Legislation

(By Senator Frank E. Moss)

I am flattered to be asked to speak here this evening—flattered and somewhat surprised. One of the subjects I know the least about is anthropology.

When you ask me to speak on the subject of "Anthropology and Legislation," I am on a little more familiar ground, because I do hold myself, after fifteen years in the United States Senate, as passably knowledgeable about legislation.

My invitation to speak here tonight was extended, I am sure, mainly because I have been the chief sponsor in the United States Senate for the past several years of the so-called "archeology protection bill"—a bill to provide for the protection and recovery of scientific, prehistorical, historical and archeological data which might be affected by Federal construction programs before excavation or construction alters the terrain.

I became chief sponsor, not because of any great knowledge of archeology, but because I was then an active member of the Senate Interior Committee who was getting quite a few interior bills through the Congress. The American Society of Archeology sought me out and asked me to introduce the bill which the society had developed, and I was glad to do so. In the process, I learned a lot more about archeology than I knew in the beginning, which I consider a great plus. I have enjoyed my contacts with some of the Nation's archeologists—who are among the finest men I have ever met.

In the last three years the Senate has twice passed what has come to be known as the Moss Archelogy Bill, and the House of Representatives is about to pass the House version of the bill, introduced by Congress, the finest men I have ever met.

We legislators have leaned heavily on professional archeologists for all scientific aspects of the bill, and as a result the bill which will go to the President for signature will probably approach the ultimate in legislative achievement—a measure which is satisfactory to almost everyone.

It is indeed a good bill. It amends the 1960 law under which the Secretary of the

Interior, through the National Park Service, conducts archeological salvage programs at reservoir construction sites.

Under the 1960 law, Federal agencies responsible for dam construction or for issuing licenses for dams are requested to notify the Secretary of the Interior, before starting construction or issuing the license. Upon receiving such notice, the Secretary is directed to survey the area involved to determine whether historical and archeological data exist and should be preserved. In this respect he is advised by trained archeologists. If such data exist, the Secretary is then directed to preserve those data.

The Moss bill, as passed by the Senate, would simply amend existing law to include all Federal or federally assisted or authorized construction projects, such as major airports, roads and public housing projects, or any other construction which would alter the terrain. The House bill has changed the Senate language to provide more specific terminology—substituting the words "Federal construction project" for "federally assisted project," and it has also provided clear and specific provision for action under Federal grant and loan programs. I haven't had time to study these proposed changes in detail yet, but they seem reasonable and wise.

Under the first part of the program—the Federal construction program provisions—funds for archeological salvage work would come from an allocation of not more than one percent of the appropriated funds for the project. This means that there would be no separate costs to the Federal Government for the archeological work—the money for it would come out of funds already appropriated.

Under the loan and grant program, special funds would have to be appropriated. I am sure you will agree that they would be highly justified. The salvage work in every instance would be done by professional archeologists.

I can predict with as much certainty as can be done on any legislation, that final action will be taken on the archeology protection bill in this Congress, and that the President will sign the bill. This action will come not one moment too soon.

The Nation faces what can rightfully be called an archeological resource crisis. Our land is being altered and our archeological data are being destroyed at an alarming rate. We must assure that enough of the past is preserved to enable archeologists of the future to make adequate interpretations. In this respect, the bill is a conservation measure—and I add one of the most important conservation measures before the Congress.

The professional archeologists with whom I have worked on this bill are a most dedicated group. Representatives of the Society for American Archeology and the Committee for the Recovery of Archeological remains have come often to Washington, and they have stayed for long periods of time. They have been indefatigible.

Dr. Carl H. Chapman, director of the Archeological Research Activities at the University of Missouri first came to launch the bill, and then returned a number of times. On one occasion he brought a number of his students, who fanned out all over Capitol Hill to visit Members of the House of Representatives of the Senate to tell them about the bill and ask them to cosponsor. As a result, the Senate bill had 46 co-sponsors—almost half of the Senate—and the House bill has over a hundred co-sponsors.

Dr. Charles R. McGimsey III, director of the Arkansas Archeology Survey Coordinating Office, has come many times literally to follow the bill step by step through Congress. He has been assisted by many other devoted men—among them Dr. Robert Stephenson of South Carolina, Utah's Dr. Jesse Jennings, and others. Their visits, and the skill with which they have operated, have helped produce a success story which other professional groups might well emulate.

I am sorry I cannot come up with a comparable legislative success story on bills relating to other aspects of anthropology. Perhaps this is because anthropology as a whole is a less specific discipline than archeology. Or perhaps it is because anthropology is really interdisciplinary, with wide ranging implications.

Since I am participating here in a lecture series on "the role of anthropology in society," and since Congress is, I hope, a very important part of society, I would like, therefore, to discuss some of the areas in which I feel the views and expertise of anthropologists could be used more widely than they are now in the legislative process.

According to the report of the Behavioral and Social Sciences Survey Committee (called BASS) which was convened jointly by the National Academy of Sciences and the Social Science Research Council, one of the principal objectives of anthropology is "to search for the common denominator of human existence and the forces that condition persistence of change in customs or whole cultures."

If you will accept this statement, I then can say that there are many coincidences between your objectives and some of the legislative activities of the Congress.

The correspondence between our mutual interests becomes even clearer, in my opinion, after a quick look at specific subfields of anthropology, and the objectives of their various thrusts of inquiry. BASS divides the subfields into four.

First, social and cultural anthropology, or ethnology, which endeavors to provide better understanding of changes and customs and values of social groups.

Second, linguistic anthropology, which deals with the dynamics of language and other communications and their implications on human behavior and culture.

Third, physical anthropology—that is the relative influence of heredity and the environment, on man's physical and psychological behavoir, and;

Fourth, archeology, which generates the basic information and explanation about the evolution of cultures.

Using these criteria as my base, I can suggest a number of specific public policy issues whose resolution would profit from the thinking of professional anthropologists. They range over a broad spectrum, and include, for instance, the changing role of women in society, juvenile delinquency, and training programs for youth, ethical problems involved in foreign policy. Family planning, housing, anti-poverty programs, including ACTION and VISTA, the status of the American Indian, the dynamics of aging, crime, access to expert information, and of course, anthropological research by various Government departments.

Let me consider access to information first. Congress is diligently seeking to improve both our access to information and the quality of information we use in the legislative process.

For example, in 1972, we established the Office of Technology Assessment in the Congress. This office is providing us with information and analyses to help us anticipate the costs and benefits of the application of new technologies, both hard and soft.

Both Houses of Congress are also now seeking better legislative oversight of the budget. In so doing, we are seeking information generated by the Nation's educators, scientists, and technologists—in all disciplines.

We are also anxious to insure adequate levels and priorities in the support of science. We would like to know that decisions to allocate Federal expenditures for anthropological research coincide with the mustual needs of both scientists and the public.

Federal expenditures for basis and applied anthropological research have more than doubled, in terms of current dollars, from 1965 to 1974. Actual obligations totalling $8,121,000 in 1965 rose to estimated expenditures in 1974 of $17,399,000.

There is a distinct trend by the Government toward the support of applied anthropology. Seven percent of total Federal obligations for anthropology research in 1965 went to the applied aspects of your field. About 30 percent of funds allocated for anthropological research in 1974 will be for applied anthropology.

Of all Federal agencies, the Department of Health, Education and Welfare devotes most support to this field—about $5 million estimated in 1974. HEW is followed by the National Science Foundation and the Smithsonian Institution, which each will allocate about $4 million to anthropology in 1974. The Departments of the Interior and the Army each support about $1 million worth of research in your discipline.

We in Congress are eager to hear how scientists feel about the allocation of public funds for the support of their specific interest areas. Many channels are open. In the past we have benefited considerably from the testimony of anthropologists' investigations on Federal support and policies for social sciences.

For example, anthropologists appeared at hearings in 1966 on "Federal Support of International Science and Behaviorial Research" held by the Subcommittee on Government Research within the Senate Committee on Government Operations, and they testified at hearings held in 1966 and 1967 on a proposal to establish a National Foundation for the Social Sciences.

But recent hearing records covering investigations of this nature show a blank so far of testimony from anthropologists is concerned.

No anthropologist was heard at the Senate Committees on Government Operations and on Labor and Public Welfare on the proposal to establish a social accounting system and a council of social advisors.

No anthropologist was heard in the most recent authorization, appropriations and oversight hearings for agencies which support anthropological research.

No anthropologist was heard at the hearings by the Committee on Education and Labor in August 1972 to establish an Asian studies institute, or at hearings held by the Senate Special Subcommittee on the Arts and Humanities to authorize additional appropriations to the Smithsonian Institution for expanded museum services throughout the Nation. All of these inquiries might have profited, it seems to me, by your insight and wisdom.

The Office of Child Development in HEW will obligate about $5 million to applied anthropology research in 1974. This research will generate information and understanding on the patterns of child development in relation to the dynamics of aging and changes in the family structure. The Alcohol, Drug Abuse, and Mental Health Administration of the HEW will devote about $2.3 million to anthropology research. I am glad to be able to tell you that the Subcommittee on Children and Youth of the Senate Committee on Labor and Public Welfare benefited from the testimony of your distinguished colleague, Dr. Margaret Mead, at hearings held last September on the influences of governmental policies and programs on changes in the structure of American families.

But at several other 1973 hearings on HEW research programs, including employment and work study programs for the young, establishment of a research institute on aging, and programs for older Americans, no anthropologists were present.

Among Department of the Interior anthropological research program are programs in the National Park Service, and the Office of Water Resources Research, and, of course, those studying the impact of governmental programs and policies on American Indians. Anthropologists testified at only two hearings of 33 held during 1973 which focused on varied aspects of these programs.

Representatives of your profession were present at hearings inquiring into the repeal of Federal supervision over the property and members of the Menominee Indian tribe and the restoration to the tribe of Federal services. There were no anthropologists in attendance at hearings dealing with educational and economic development services, alcohol abuse, and mining, mineral, public works and land use policies impacting upon Indians.

Another area in which we in the Congress would probably benefit from the knowledge and understanding generated by anthropology would be in inquiries into the effects of foreign assistance and technical assistance programs, including such undertakings as the Peace Corps.

Now I realize that most anthropologists do not have the time to come regularly to Capitol Hill to testify on various measures, no matter how interested they may be or how much they may feel they have something to contribute. You all have classes to teach at universities or colleges, or studies or research work in which you are deeply involved. Time shackles all of us.

Also, I am sure you sometimes wonder if it is worth while—there are often so many people seeking to testify on an issue, and you question whether in the welter of that testimony your few words will be heard or seen, or have any impact.

Let me assure you that if you ask to be heard, you will be heard, or at the very least your statement will be filed as part of the record. And let me assure you furthermore that if what you say is valid—is relevant—and is backed by expertise and knowledge, it will be given attention.

The problems this country is facing are enormous—I don't need to tell you that—and if the past can give us any leads for the present, let us hear them.

Anthropologists and anthropological thinking and advice seems to be one of our current shortages on many levels. When my office called the Library of Congress recently to ask for some research material that I needed for the preparation of this speech, we were told there was not a single anthropologist in residence in the entire congressional research service.

There had been one, but she had left to have a baby. Dr. Maday and Dr. Philleo Nash helped us out, and to them I extend my thanks.

So in conclusion, let me emphasize again that Congress is in the market for expertise and anthropologists should not be backward. Don't hide your light under a bushel. We can use you to a far greater degree than we do now in identifying and helping us understand some of the complex and almost terrifying problems for which we are seeking solutions.

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## STATEMENT OF REED HAMILTON

## HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. REGULA. Mr. Speaker, on December 3, 1973, I introduced a bill to amend the National Trails System Act to authorize a feasibility study for the establishment of a national system of bicycle trails. Since that time I have received a great deal of enthusiastic support from interested groups and individuals. My hope is that the three national trails I have proposed will become part of a much larger national system to which State bicycle trails could be connected.

The Rail Reorganization Act of 1973 presents affected States with a chance to acquire many miles of recreation trail rights-of-way. Miles of track may be abandoned. They may become linear wastelands unless the States act to see that they are converted to a useful purpose.

Reed Hamilton of the American Bikeways Foundation recently testified before the Interstate Commerce Committee proposing that these abandoned rights-of-way be converted to recreational trails. I ask unanimous consent that the text of his proposal be inserted in the RECORD at this point for all to read:

### STATEMENT OF REED HAMILTON

Gentlemen, I am pleased to make a presentation of views on behalf of The American Bikeways Foundation, and on behalf of America's 80,000,000 recreational bicyclists.

Subparagraph (c) (5) of Section 303 of the Regional Rail Reorganization Act of 1973 mandates that the "final system plan" for the reorganized rail system *designate* those rail properties proposed to be abandoned that will be suitable for public use.

The American Bikeways Foundation is interested in uneconomic rail properties because they are ideally suitable for conversion into public recreation trails and linear parks. Unfortunately, the Report on the second stage of the planning process fails to designate which, if any, of the proposed rail abandonments are considered to be suitable for public recreation use. Unless a proposed abandonment is designated as a potential recreation trail, and the designation is called to the public's attention, it is doubtful that many citizen recreation groups, or even state and local park and recreation authorities, are going to show up at these hearings. We ourselves learned of them only by chance, although we thought we had been put on the appropriate list long ago.

We are disheartened to observe the apparent lack of participation by the Bureau of Outdoor Recreation in the Rail Reorganization Planning Process. The Bureau of Outdoor Recreation has been charged by Congress with the implementation of the National Outdoor Recreation Plan, a major element of which is the development of a national "interstate network," of scenic and recreational trails. We regard the effective use of abandoned rail properties as an essential component in the economical development of a national recreation trail system. Therefore, we view it as a costly oversight by those who drafted the Railroad Reorganization Act because of their failure to give the Bureau of Outdoor Recreation a planning role. There should also be a legal provision enabling the Secretary of Interior to step in and acquire abandoned properties that are suitable for recreation trails when state and local authorities fail to express an interest, or to act. In fact, it is our view that the Land and Water Conservation Fund administered by the Department of Interior should be given a first option on the right of acquisition of abandoned rail property for national recreation trail system needs. Also, it would have made financial sense to have allocated to the Land and Water Conservation Fund a goodly portion of the approximately $700,000,000 appropriated by Congress for railroad modernization. The funds allotted for conservation when used for the purchase of abandoned rail properties by B.O.R. would then be funneled or transferred, for ultimate use for the rehabilitation and modernization of the remaining rail properties of the bankrupt railroads. The significant advantage flowing from such a round-a-bout allotment of funds would be that the people of the United States would get something extra in exchange for their tax dollars.

Abandoned railbeds make ideal routes for bicycling and hiking trails. Most of the tentatively proposed abandonments traverse rural and scenic countryside. Other segments penetrate deep into urban cores. In all, they offer a recreation boon worth several times the anticipated cost of acquisition and conversion. Rail lines have easy turns that prevent surprise encounters. Railroads also pass over or under well traveled motor roads, so if trestles and bridges are left in place, there will be a minimum of conflict between motorists and trail users. Lastly, grades on railroads are moderate and, thus, less tiring to cyclists. They are also much less dangerous when wet or icy than is a typical road surface.

The number of Americans turning to recreational bicycling and hiking is expanding at a phenomenal rate. This fact alone should sound a call for expedited action by both the Department of Transportation and the Department of the Interior. A real effort is both urgent and necessary to correct the present disgraceful situation where there are only an insignificant number of miles of safe recreation trails available for tens of millions of family hikers and touring bicyclists. The Department of Transportation has publicly acknowledged that the number of accidents involving bicycles and motor vehicles will tend to increase dramatically. Principles of morality and safety, as well as considerations of physical fitness and health, call for prompt action. We cannot fail to take advantage of the once-in-a-lifetime opportunity offered by the thousands of miles of rail abandonments ordained by the Rail Reorganization Act. The proposed abandonments should be converted into linear parks and recreation trails with "all deliberate speed."

In view of the critical fuel situation, the continued exponential growth in the use of the family automobile for recreational travel has been overdone. By converting abandoned rail properties and fitting them into the national recreation trail system, true recreation travel, both physically and emotionally satisfying, can be made more readily accessible to the American people. The family motor car can then revert back to its proper role as a transportation mode rather than substitute as an inept and high cost form of vicarious recreation.

In summary we offer two criticisms:

(1) Proposed rail abandonments that are in fact suitable for recreation trail use should be so designated.

(2) The Bureau of Outdoor Recreation should be given a significant role in the planning process, particularly as it relates to the use of abandoned rail properties.

We recommend that the I.C.C. prepare an amendment to the Rail Reorganization Act for early submittal to Congress. The amendment should provide for funneling some funds for railroad upgrading through the Land and Water Conservation Fund. It should also provide an active role for the Bureau of Outdoor Recreation in the rail abandonment phases of the planning process. The outdoor recreation needs of the American people will not be adequately dealt with until they are adequately considered.

The American Bikeways Foundation will be pleased to cooperate with all concerned in the search for tidy solutions to our nation's intermeshed transportation and recreation problems.

Thank you.

## THE ATLANTA STORY

## HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

*Thursday, March 21, 1974*

Mr. TALMADGE. Mr. President, there was recently brought to my attention an article recounting the work of Mrs. Morton Giniger, a member of B'nai B'rith Women of Atlanta, and a school teacher, with Jewish prisoners at the Federal Penitentiary in Atlanta.

Mrs. Giniger, who is certainly to be commended for her humanitarianism and compassion, has provided a fascinating and moving story.

I bring it to the attention of the Senate and ask unanimous consent that it be printed in the Extensions of Remarks.

There being no objection, the story was ordered to be printed in the RECORD, as follows:

### THE ATLANTA STORY

(By Adrienne Abramson Mandel)

(The story of one dedicated woman's work with Jewish prisoners at the Federal Penitentiary at Atlanta.)

The congregants, clad in usual attire, come together for Sabbath services. They resemble any group of men, at a lodge meeting or parent teacher fathers' night program. Among them, though sits a lone, lovely blond woman. Her participation is not prohibited; no orthodox assemblage is this. No separation of the sexes here exists. Yet, although not visible, the spirit of a certain barrier permeates all, separating these men from their brethren beyond—beyond the steel bars and stone walls of Temple Yaacov, Inmate Congregation, United States Penitentiary, Atlanta, Georgia.

This recounts the remarkable efforts of one dedicated woman who set out to bring a touch of happiness and a connection with Jewish life to the Jewish prisoners at the Federal Penitentiary at Atlanta, Georgia.

Mrs. Morton (Connie) Giniger, a member of B'nai B'rith Women of Atlanta, and a school teacher, began her work with one visit last year. The amazing results of what she has been able to accomplish since then led her to be described as "a Jewish saint who has made this her personal contribution to society."

Quite unexpectedly, one Saturday morning at eight, Connie Giniger cast herself as supporting star in a continuing drama, unfolding from within these prison gates.

Petite and bouncy, this lithe lady's voice clearly conveys enthusiasm, concern and dedication to her unique role. She becomes animated, punctuating her story both with verbal and physical exhuberance.

"A mere member, a volunteer, I didn't imagine what marvelous things could be done. I can't believe what has happened to me in just six months! I'm so excited! Her sparkling eyes, expressive hands, invoke the desired image as she exhorts, "there's so much to do; they've had practically no one! They need our help desperately!"

From a chance conversation in Washington, D.C. with the Director of B'nai B'rith Commission on Community and Veterans Services, Mrs. Morton Giniger would embark on a hitherto unchartered venture. The amazing events emerged from her positive response to a casual request.

"A young man, a former member of B'nai B'rith Youth Organization, is incarcerated in the Federal prison in Atlanta," the Director explained.

"Larry [1] wrote inquiring whether we could send him some prayer books. 'Would you please look into the details of this for us, Connie?' he asked."

Back home in Atlanta, Connie met with Rabbi Alvin M. Sugarman of The Temple in Atlanta who serves as part time Chaplain for the Jewish prisoners at the penitentiary. With trepidation, Mrs. Giniger sat down with the Rabbi to find out the details. In the two hour conversation that followed, Rabbi Sugarman covered the services, the psychological help available, his hopes for a one to one relationship with someone on the outside, the need to be in touch with other chaplains and the men themselves and their human and religious needs.

Rabbi Sugarman then arranged for Connie as a special representative of the B'nai B'rith to obtain clearance to attend her first Sabbath service at the Atlanta Federal Penitentiary.

In spite of an ice storm that immobilized Atlanta, Connie arrived at the prison at 7:45 a.m., apprehensive, not knowing what to expect. "The sound of the clanging metal engulfed me; my fears surfaced! Could one EVER be prepared for this alarming reality of life behind bars?"

"The Rabbi said that fifteen to twenty men usually came to services. He had told Larry that I would be there, and, guess what? They had to open the folding doors! Over forty men showed up that morning and I was a little nervous," Connie reveals. "But, somehow, the uneasy feeling left me. Services were short and after Rabbi Sugarman introduced me, well, we all just talked, easily, comfortably."

Meeting Larry for the first time she found him to be a perceptive and extremely bright young man. Apparently, he was both horrified with his surroundings and yet intrigued by his gradual understanding and mastery of its challenges. Mrs. Giniger was struck by his warmth, sincerity and almost brilliant ability to express himself.

Intensely, Larry conveyed to Connie the tone of general ferment that is affecting much of the criminal justice system. Recently, prisoners have begun to assert that they have the right to practice their religion while they are in prison. He expressed the yearnings and hunger of the inmates for some link with their religious and cultural heritage.

"Look into it," Connie muses. So clarion was the cry for help that immediately Connie Giniger was swept up by it. She committed herself to a cause that she had not, a few hours earlier, even realized existed. Chief Justice of the Supreme Court Warren Burger's words about prisoners rang clear. He wrote, that "We are free to do something about HIM; HE is not."

For openers, Connie responded by offering to have her B'nai B'rith Woman's Chapter provide holiday greeting cards for the men to send to their families. She understood that small things, which we "on the outside" take for granted and see as commonplace, are luxury items to the prisoners.

After receiving the cards one of the men wrote:

"It is a most valued thing to a man in prison, as often times the one remaining tenderness felt . . . is his link to his family. The ability to express this tenderness is beyond the men and the cards fill a desperate need."

As a surprise, Mrs. Giniger had her fourth graders create original cards which they mailed to each of the 45 Jewish inmates. In uneven child's script, one said simply, "We know where you are and we care about you!

A prisoner later told Connie privately that one of the men, hardened by years in this different setting, read these words and he wept, unashamedly.

Before leaving that initial Sabbath service the inmates were assured by Connie that she would try to develop a constructive program that would begin to meet the Jewish needs of Jewish prisoners in their current situation. She was determined to establish a flow of outside human contact for them. The continued impetus for changes in prisoners' rights would have to come from the "outside."

Connie came away from Temple Yaacov, with mixed emotions, "so happy, so sad." She heard the message that, most of all, the inmates want people to be aware of their plight and to care. Dr. Karl Menninger, in his recent book on corrections, The Crime of Punishment, states that "the crimes committed by society against prisoners in the name of corrections are sometimes greater than the crimes these prisoners had committed against society."

In order to initiate additional projects Connie decided to try to visit the Atlanta Federal Penitentiary again. She asked Rabbi Sugarman to explore the possibility of her attending Sabbath services at Temple Yaacov, more regularly. Clearance to participate regularly in the morning services was granted to Mrs. Morton Giniger.

Today, as she speaks to family, friends, the community, Connie Giniger is less critical of their automatic presumptions, their fears, their prejudices than she would have been if she had not "been there" too. Many, who otherwise might be most enthusiastic about community service projects were quick to shy away from involving themselves in "criminal rehabilitation" work. These attitudes do not deter her.

"Perhaps one of the interesting things about my activity," she indicates, "is people's reaction to it. Often there is no comment of any kind. They are too shocked to say anything or too polite to be honest." Too few people are aware.

But with Connie's persistence substantial help was soon forthcoming for the Jewish prisoners here, from the community, the synagogues and their youth groups, local, district and national B'nai B'rith. From embryonic efforts of providing greeting cards, records and books grew a Jewish hour rap session, one night each week.

The men are not afraid to say what they feel and they look forward to these meetings. They provide a strong core of reality contact and interaction for the prisoners with educators, doctors, media people and lawyers. "It's a significant step," Connie stresses. Previously, the prison walls served a dual purpose—to keep the outside out."

Because the very nature and effect of incarceration is spiritual, as well as physical, the prison experience tends to be a brutalizing, dehumanizing one which feeds antisocial feelings and attitudes. What a challenge and how rewarding it is for Connie Giniger to attempt to reverse this process. Not surprisingly, she has had to shed traditional concepts, accept frustrations and acquire an impenetrable shield of optimism.

"These men are my friends," Connie continues. "They ask if their fiances, wives and children can call me. They are very sensitive and they feel with me my joy about what I am doing."

"I spend much time getting dressed to go to the penitentiary," Connie mentions. "The men compliment me. My visits are always emotionally charged experiences and yet the prisoners know what areas are beyond our purview. Legal action regarding their parole, pardon or appeal status are NOT legitimate expressions of the type of service we can properly undertake."

In a very large measure, Connie Giniger's accomplishments are reflected by incidents such as the following which happened at a meeting with the prison warden, the chaplains and other staff.

She indicated that the room the men worship in was not too conducive to prayer. "It was cold and bare." After the group trekked to the area, they verified her observations and she was assured that efforts to refurbish it would get underway immediately. And it was! There was a fresh paint job and new curtains and the men noticed the difference.

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[1] All names of prisoners in this article are fictionalized.

"Culminating months of effort the Rabbi and I were consulted about New Year High Holy Days Services for the men. Best of all, our Temple youth groups musical participation in the services was approved," Connie declared.

"Ten young people entered the Federal Penitentiary to help the Jewish inmates celebrate the New Year. The kids at the prison was probably an experience that will have trouble leaving my mind and my heart. The men were happy—doesn't that seem incredible—happy even for just those few precious hours. The kids with their music and their youthful idealism and love bridged a gap that was a miracle to see."

"It's been good, really good to be reaching out and caring and being wrapped up in the feelings and results. That's it, alright!" Connie indicates that the men are aware that B'nai B'rith and the Jewish community have taken an interest in their welfare. It is difficult for them to show it, but they know."

Eloquently, Larry, as spokesman for The Inmate Congregation, describes the feelings of the men when they received some books:

"The ordinary person, secure in his job, supported by the affection of his family and friends . . . (has) a choice of recreation . . . opportunity for social intercourse with a wide range of persons . . . his self esteem, his sense of his own identity and even his mental health depends upon his nexus of personal and social relationships which he takes for granted. The prisoner . . . is completely deprived of all these props which really had sustained him.

"The man survives only if he is able to cross the span of time, using his mind as a vehicle. The books are the catalyst for this intellectual contemplation . . . we live either in the past or the future; for us there is no present."

For Mrs. Morton Giniger there IS present and future. The scope of her endeavors should now reach beyond the Atlanta community. B'nai B'rith's Community and Veterans Services Commission has received requests for service from Jewish prisoners at the Raiford and the Belle Glade, Florida State Prisons; from the Federal Correctional Institution at Leavenworth, as well as the one at Fort Worth, Texas.

Connie insists that the communities must respond to the needs of these inmates. Yet, she knows full well that this form of helping is *not* for everyone. "It is only for those who are open people, who can recognize and accept the weaknesses of others." Mrs. Giniger has prepared a program to acquaint participants with the project. A pamphlet she wrote, "All Men Are Responsible for One Another," Talmud suggests "things to do."

"The men who are incarcerated," she admonishes, "Do get out. They are released and return to our communities. It is our duty as people, citizens and Jews to help a public offender become a private citizen. This begins in the institution." She pleads for interested people to "seize the opportunity to help another person, even if it is nothing more than sending a note or a card."

In August, 1973, the President's Advisory Commission on Criminal Justice Standards and Goals, after a two year study, recommended a "drastic overhaul of the American criminal justice system." The old "slave of the state" approach to one legally consigned to prison must be abandoned for the newer approach—"that a prisoner carries with him to prison all of his personal rights, losing only those necessary to effectuate his imprisonment."

Converting the words of the Advisory Committee's report into reality is one of the most compelling, highest priority items of the concerned community encouraged and motivated by the model of Atlanta's Connie Giniger.

This is the conclusion to a story, but actually it is a beginning: a beginning for those who are incarcerated, for those who "reach out and touch" and for those who care.

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## INFLATION

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. HARRINGTON. Mr. Speaker, a grave dilemma faces the Nation's economy today: unemployment, we are told, must increase in order to control inflation. It seems to me, however, that we need not sacrifice employment to insure a halt in inflation. Instead, we must establish economic policies which work to monitor unemployment, while at the same time, holding prices down. We must recognize that these new policies and programs can only be effective on a long-term basis, because the process of stabilizing our economy will necessarily be a lengthy and involved one. Nevertheless, we must act now in order to achieve a strong economic future as soon as we can.

A February 10 editorial in the Boston Globe clearly depicts the circumstances surrounding the present economic dilemma. The editorial also outlines the essential programs Congress, together with the President, must enact to control the situation we face. I would like to insert the Globe editorial in the Record at this time for the attention of my colleagues, and hope that it serves to point out the urgent need for economic reform:

### The Inflation Dragon

This year threatens to burden the country with two very heavy loads—an inflation that could mean an 8 percent rise in consumer prices and a recession that might drive unemployment beyond 6 percent by next January.

The situation is frightening because we do not as a country have an encouraging record of meeting our objectives. The Administration has repeatedly been disappointed after making optimistic predictions about better performances on the job and price fronts, and this disappointment has been paralleled by real privation among many consumers. "Real" wages have fallen over the past year as price increases more than stripped away gains made at the bargaining table. Food and fuel have led the pack but there has been no solace either from clothes, housing, utilities or any other sector.

The situation is cruel because the historic solutions for each of the two problems of inflation and unemployment have always been at odds. Curb inflation by dampening the economy, which means more unemployment. In periods of slack it is possible to pump up employment without too much inflation because there is plenty of idle plant and unused labor force—but right now our economy is plagued by tightness not only of petroleum but of chemicals, some steel products, aluminum, fertilizers, small cars.

Despite the dilemma, we think the Administration must propose and Congress must enact programs which will emphasize sensible economic growth even though we may for a while pay with a slower reduction in the rate of inflation. The $304.5 billion budget proposal goes only a short way down the path.

At the same time, there are steps available for getting inflation into the cage and preventing its trampling of innocent bystanders. We think that much of the inflation in recent years has not been the result of too many ordinary consumers trying to buy all they wanted from an inadequate supply of cars or cabbages or milk, although that may be the case with something like steak.

Nor do we think wages are a primary culprit—especially in the wake of their 1973 performance against inflation.

We do think there has been significant pushing up of prices as costs of basic commodities have risen in furious competitve bidding around the world by holders of currency resources who then pass the higher price along to final consumers.

The President has made too modest a start in tackling the problems in his State of the Union message and in his budget proposals, which have already started to unfold in detail.

We think the situation demands more and that it demands steps which we don't want, the public doesn't yearn for, and the business community opposes at least partly on ideological grounds. The responses to this inflation are perhaps unpalatable but they are necessary, and Mr. Nixon might tell us that if he were not so cramped by Watergate into a position of having to put a pleasant face on every situation.

While it is clear that much of our inflation problem is the result of shortages in some key areas, very little thought has gone into developing managed solutions. The Administration—and here we are talking not about the President, but about the men who formulate his economic policies—is the captive of its convictions that the marketplace will allocate resources by making them too expensive for some of their potential users to acquire. It doesn't want price controls and has asked Congress to let them expire next April 30, except in the case of health care—thereby surrendering even the moral suasion implicit in a system run by people like Treasury Secretary George Shultz and Cost of Living Council Chairman John Dunlop, who are openly hostile to controls.

And the Administration does not want supervised allocation of materials in short supply or rationing of gasoline.

We don't want any of these things, either, but we think circumstances are forcing some or all of them on us as being, in spite of their shortcomings, better than the disorder and possible chaos that threaten if a series of long-term shortages prevails in basic industrial and agricultural commodities.

For those who are worried about the philosophical implications of controls and allocations in a market economy, we would just point out that we already have enormous allocation of resources through public policy. Directly or indirectly Congress, state and local governments use tax collections and incentives to capture human and physical resources for education, transportation, mineral development, housing, food—very fundamental areas of our society.

We don't claim that the creation of allocation procedures will be painless or that errors won't be made in trying. But we think it is a mistake for Federal leadership to show so few initiatives in studying and inviting public debate about ways to set rational standards for managing our competing claims for limited supplies, standards that might help curtail the wild bidding up of prices that has seen such basic items as crude oil and grains triple in just a few months. If the President cannot or will not take the lead in this process, Congress must.

## STEPHEN P. MUGAR RECEIVES GOLDEN DOOR AWARD FOR CONTRIBUTIONS TO AMERICAN LIFE

### HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. DANIELSON. Mr. Speaker, I am sure that my colleagues will be interested in learning about the good fortunes of a man who immigrated to the United States from Armenia in 1906. This man, Stephen P. Mugar, was recently the recipient of the Golden Door Award, which honors Americans of foreign birth who have made distinguished contributions to American life and culture. The award was presented by the International Institute of Boston, a center of information, service, education, and fellowship for newcomers to America. Among the other Americans who have been honored by the Golden Door Award are Arthur Fielder, director of the Boston Pops Orchestra, I. M. Pei, the outstanding architect whose designs include the beautiful addition to the National Gallery of Art, and Samuel Goldwyn, who played such a vital role in the development of the American motion picture industry.

Mr. Mugar has obviously come a long way since his arrival in Boston in 1906. He recalls how difficult it was to be in a country where he did not know the language, where clothes and customs and everything else were different from what he had known before. He can remember vividly when, at the age of 12, he would get up at 6 in the morning to join long lines of jobseekers to help secure employment for an immigrant friend who could not speak English.

Now, Stephen Mugar is the successful owner of Star Markets, a large supermarket chain in the Boston area. But he has not forgotten, like some people do, how he got where he is, that it was the American system that enabled him to be a success. As he says in his acceptance speech for the Golden Door Award:

> I know the difference between what we had and the opportunities that this country offers. Yes, some people can take a lot for granted, but we as immigrants can never do this.

To express his gratitude, Mr. Mugar chose to contribute money to seven colleges in New England. He felt that his resources should go back where they came from—"to the wonderful people of New England who patronized our stores and made all this possible." In addition to his money, he has donated buildings or libraries to Brandeis, Tufts, Suffolk, Boston, and Northeastern Universities, and Colby College, N.H. He is also a trustee of Colby, Suffolk, and Northeastern, an honorary trustee of Boston University, and a fellow of Brandeis.

Stephen Mugar represents the kind of American we have not thought about in a while. He is an immigrant who came to America, the land of opportunity, to seek a better way of life. He feels that this quest for a better life, which is what brought most of our ancestors here, is one of America's greatest strengths. It is this strength on which our Nation was founded.

Today, when our Government, our priorities, our morals, our habits, when virtually all of our institutions are being questioned, Stephen Mugar believes that "challenge will make us stronger, for we will have to think and act with renewed vigor. We must never surrender our idealism or our faith in America's future." This attitude of faith and loyalty toward his country can be an inspiration for us all, a reminder of what America stands for, of what America is all about.

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## THE FUEL ALLOCATION FIASCO

### HON. HAROLD RUNNELS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. RUNNELS. Mr. Speaker, I hereby insert in the RECORD the following article which appeared in the Wall Street Journal on February 20, 1974. It is worthy of consideration by each and every one of my colleagues.

THE FUEL ALLOCATION FIASCO

Imagine a food allocation system that limited the Jones family to 80% of its caloric intake of February 1972, with a prohibition against the members sharing their individual allotments.

Pop had been on a pizza binge two years ago, so now he's entitled to 80% of 4,000 calories a day. Mom was on a crash diet so she gets only 80% of 800 calories. Junior has grown six inches but still gets only 80% of 1972's 1,800 calories. Baby was born last April. Tsk, tsk. She gets nothing. And Grandma died in August; her 1,600 calories are returned to the federal government.

Put it that way and it sounds absurd. But this is precisely the way the Federal Energy Office is allocating fuel to the nation's communities, with the same result. Many areas have all the gasoline they need. Others have been starved to panic point. And there is no way to equalize the distress because the price mechanism of the marketplace is inoperative. With profits held uniform by decree across the country, and distribution maintained by fiat, there's no way to even out the suffering.

In the emergency allocation it announced yesterday, FEO essentially ignored these problems. Instead of trying to juggle supplies from one area to another, it simply ordered refiners to draw down inventories by 2 million barrels by the end of the month, distributing that amount in 20 states where the lines have been the longest.

In areas that are suffering the worst, the public naturally believes their community or state is being purposely shortchanged by the oil companies. But gasoline is being allocated against a two-year-old base period. A lot has happened to the market's demand patterns in those two years. As in the Jones' family's food consumption, there are dozens of variables. When most of the variables are in a positive direction, the town or state does all right. When most of them are negative, there is a tightening that is followed by panic.

The easiest variable to spot is population growth. The National Observer notes that Gaithersburg, Md., had a 50% population increase in the last two years but is getting only 80% of what it got before the growth; the true impact is a 47% forced fuel saving.

Abnormal weather in the base period or cases where an oil company has withdrawn from a marketing area or made some other distribution change since the base period also complicate the calculations.

There are the effects of the conservation measures themselves. Five million autos in Southern California save a lot of gasoline by driving at 55 m.p.h. instead of at 70 or 75. In the New York area, including New Jersey and Connecticut, only a tiny percentage of the gas consumed two years ago was consumed at speeds above 55, so there is little realized saving on this count relative to most of the nation. The same is true to a degree in all the large central cities.

Another variable makes conditions worse in New York City than in most other cities. Two years ago, it was neither a major transit nor terminal point for long-distance motor tourism, the type of driving that has been most sharply curtailed by the crisis. Thus, the amount of gas it now retains by not having to sell to transients is small, overwhelmed by the increased demands local residents put on the allocated supply by not driving out of the region as they did in 1972.

The Federal Energy Office supposedly has its computers working to figure all this out, so it could order supplies around regardless of base periods. But no computer can keep up with this mass of rolling variables, for each decree of energy czar William Simon introduces new variables. New computers will always have to be employed to address the distortions and panics created by the old ones. And while a computer might be able to find out where there is "extra" fuel and where there are panics, it can't easily manage either the politics or logistics of getting gasoline from here to there.

Mr. Simon may have suspected that allocating gasoline is an impossible, thankless task, where one wrong decision out of 20 will throw the system into chaos. But his office continues to pursue the illusion that it can set things right with another round of decrees, when all these do is bring the nation closer to rationing.

For what? To keep the price from going up, which is another impossible task. The price mechanism is the only instrument the government can employ that can handle a billion variables an hour, that will enable New York to buy a little gas from California, for Miami to buy it from Jacksonville, for Chicago to get it from Springfield, and to reverse the process when the direction of the variables change. Decontrol of petroleum prices is the only solution and it will be the ultimate one, after Washington has tried and produced fiascos with every other scheme its imagination leads it to.

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## NORTHEAST CATHOLIC HIGH SCHOOL WINS NATIONAL AWARD

### HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. GREEN of Pennsylvania. Mr. Speaker, Northeast Catholic High School in Philadelphia recently won first place in a national high school debate held at Georgetown University. The 23-member team was among 2,000 students from 300 high schools from all over the United States, Canada, Mexico, Puerto Rico, and Western Europe.

The debate took the form of a mock United Nations session with the participating schools representing the interests of the various member nations. Northeast Catholic's team represented Burundi in Central Africa; Uganda in East Africa; and Maldive Islands in the Indian Ocean; and the United States.

Faculty members and graduate students from Georgetown University's foreign service school were the judges who decided which students did the best job of portraying their government's policies. The criteria used by the judges included how well pupils spoke, the caucusing ability of the group, and their knowledge of parliamentary procedure.

Northeast Catholic High School bested Miramonte High School from Orinda, Calif. for first place. The first prize was presented to the team by Mr. W. Tapley Bennett, deputy ambassador for the United States to the United Nations.

Northeast Catholic's team was composed of 11 seniors, 11 juniors and 1 sophomore. The school has participated in the Georgetown debates for 4 years, finishing third 2 years ago and second last year.

I congratulate each and every member of the debate team for the great national honor they have brought to their school, to the city of Philadelphia and the Third Congressional District.

## THE NEED FOR NATIONAL HEALTH INSURANCE

### HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. NIX. Mr. Speaker, I am pleased that the administration has introduced its Comprehensive Health Insurance Act. Although that plan is defective in many ways, its introduction has the effect of focusing public debate on the question of what kind of national health insurance we should have, rather than whether we should have it or not.

I hope the introduction of this bill means that the administration is serious about working for passage of national health insurance. If they do plan to work seriously for legislation, I believe that a bill that meets the needs of the American people can be passed.

I am a sponsor of the Health Security Act, which I believe offers a comprehensive solution to the problem of health care costs. I find it to be superior to the administration plan in a number of respects. Above all, it establishes top quality medical care as the equal right of all Americans, without distinction.

The administration plan has a number of faults. It would siphon off a huge amount of health care dollars to the profit of private insurance companies. It would retain heavy deductibles, copayments, and premiums that would fall hardest on those of moderate income. And it would establish no incentives for improving the efficiency of health care delivery.

Finally, I hope that as the debate over national health insurance continues, the administration will be more candid concerning the relative costs of various proposals. To say that their plan will cost very little is totally misleading. The health security plan would be supported by the equitable means of payroll and general taxes. The administration plan would be paid for largely by premiums to private insurance companies and by out-of-pocket expenses by the consumer.

## SMOKEY THE BEAR OF CAPITAN, N. MEX.

### HON. HAROLD RUNNELS

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. RUNNELS. Mr. Speaker, nearly 28 years ago firefighters combating a forest fire in the Capitan Mountains of New Mexico found a motherless cub with badly burned paws hiding in a tree. A picture of this little bear was carried in newspapers from coast to coast. The frightened cub quickly captured the hearts of millions of Americans.

Thus began the story of "Smokey the Bear" who was to become world famous as the fire prevention symbol of the U.S. Forest Service.

Smokey has lived in the National Zoo since the day he was flown to Washington from New Mexico to become the famous firefighting bear. During the years, he has been the subject of many stories, movies, songs and has been the favorite of millions of children as they are warned of the dangers of forest fires.

Smokey, at 28 years of age, is elderly in the terms of a bear's life. The citizens of Capitan, N. Mex., which is located some 10 miles from the area where Smokey was found, have a sincere desire in seeing that this bear, is returned to his birthplace at the time of his call to that great honey tree in the sky.

To quote Harlan Everett, a writer for the Ruidoso News:

> Though Smokey belongs to everyone in the United States, the people of Capitan love him just a little more.

Therefore, Mr. Speaker, I have introduced legislation that would express the sense of the Congress that Smokey be returned to New Mexico where a permanent memorial will be established at the Smokey the Bear Museum and Park.

Capitan Mayor J. T. Johnson, representing the citizens of this small community located in the center of the Lincoln National Forest, has expressed the desire of the community to finance this memorial. The community is not requesting any funds from Congress; it only requests that Smokey be returned to New Mexico for proper burial.

Mr. Speaker, as the Representative in the House for the people of Capitan, N. Mex., I would ask my colleagues in the Congress to consider this request favorably by directing that Smokey be returned to the mountains of New Mexico where his famous career of educating the public on the dangers of forest fires began.

## DECLARATION OF WAR ON INDIVIDUAL RIGHTS AND FREE ENTERPRISE

### HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. GOLDWATER. Mr. Speaker, I would like to bring to the attention of my colleagues the Special Energy Act submitted by the administration to the Congress.

This proposal, announced in a seemingly innocuous press release put out by the Federal Energy Office recently, is nothing less than a declaration of war on individual rights and free enterprise. It is yet another attempt to shackle free enterprise, and remove the individual's right to choose.

The bill, as described by the Federal Energy Office, would provide for end-use rationing if necessary, and various mandatory conservation actions by the President. This bill would allow the President to limit energy consumption by imposing selective controls on public and private energy use; it would give him additional authority to ration gasoline; and it would authorize him to give State and local governments tax funds to carry out such a program.

In other words, this bill would give the executive branch complete domination over the course of our energy problems. The President could decide how and when to ration gasoline; how much electricity and natural gas the individual may use; and cleverly make accomplices of State and local governments by providing them with tax funds to run the programs dictated from Washington.

I maintain the President does not need such additional authority, as he already has it in the form of the Emergency Petroleum Allocation Act, the Defense Production Act of 1950, and the Economic Stabilization Act of 1970. If the Congress fails to kill this latest request, the course of individual rights and free enterprise in this Nation will be irrevocably changed for the worse. I submit the text of the FEO announcement for my colleague's consideration:

[Federal Energy Office, Public Affairs]

SPECIAL ENERGY ACT SUBMITTED TO CONGRESS

The Administration has submitted to the Congress a new energy bill, called the Special Energy Act, which would provide for two specific authorities: end-use rationing, if it becomes necessary; and various mandatory conservation actions. Both standby authorities were also contained in the Energy Emergency Act, which was vetoed by the President February 26. Submission of the bill does not signify any change in the administration's determination to avoid rationing.

Under the authorities granted in the bill, the President would be empowered to limit energy consumption through such actions as selective controls on public and private energy use.

In addition, the President would be authorized to ration petroleum products—including gasoline—among classes of end-users, who would be allowed to appeal any rationing determination.

Since state and local governments would

share the responsibility to develop and enforce appropriate energy measures, the President would be authorized to make grants to them, to provide assistance in managing energy problems.

### Fact Sheet—Special Energy Act

#### BACKGROUND

On November 7, 1973, the President indicated that additional authority was needed for such measures as rationing and mandatory energy conservation programs to meet the energy emergency.

The Emergency Energy Act which was passed by the Congress on February 26 would have provided the necessary authority, but the bill was encumbered by a number of extraneous and undesirable provisions resulting in a necessity for the President to veto the bill.

During the President's veto message he announced that he would seek those authorities necessary to deal expeditiously with energy problems.

The President is now asking the Congress to enact a bill the "Special Energy Act."

#### THE PROBLEM TO BE SOLVED

Statutory authority available to the Executive Branch is not adequate to permit implementation of rationing should it be necessary.

Statutory authority is not sufficient to institute conservation actions.

Statutory authority is needed to provide grants to states and local governments to meet the energy challenge.

#### WHAT THE BILL WOULD DO

Amend the Emergency Petroleum Allocation Act to provide the authority for the establishment of a program for the rationing and ordering of priorities among classes of end-users if the President finds that all other methods to limit energy demand are inadequate.

Permit dissatisfied consumers to petition for review and reclassification or modification of any determination made under this Act.

Authorize the President to take appropriate actions designed to result in a reduction of energy consumption to a level consistent with available energy resources. Such actions may include:

—Transportation controls (including reduction of speed limits);

—Limitations on energy consumption.

Authorize the President to make grants to the states to carry out any programs which they shall establish in managing the energy problem.

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## FAMILY FIGHTS CANCER FOR THE THIRD TIME

## HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. FREY. Mr. Speaker, a brave 13-year-old boy from my State of Florida is undergoing a lonely and grim battle this week in an Ohio hospital.

The boy, Stephen Southerland, faces amputation of his left leg to treat the cancer which has spread through it.

Stephen is the third son of Mr. and Mrs. Raymond Southerland to suffer from cancer. One son died.

I talked with Mr. Southerland on the telephone last night and he said Stephen is facing up to his battle in good spirits.

I am sure the prayers of all of us go with this young lad and his family.

Edna Buchanan, a reporter from the Miami Herald, wrote about Stephen and his plight in the following story which appeared in the Miami Herald:

### Family Fights Cancer for the Third Time

(By Edna Buchanan)

A Dade County policeman and his wife await news of their son at a Cincinnati hospital today in an agonizing repetition that doctors call a grim first.

The news can't be good. Doctors are deciding whether to amputate Stephen Southerland's left leg or to treat the cancer that has crept through it.

Stephen, 13, is the oldest of the three sons of Metro Deputy Raymond Southerland and his wife, Sarah—and the third to develop cancer.

The same kinds of tumors have occurred, very rarely, in several members of the same family in the past, cancer specialists say.

But the malignancies of the Southerland children are rare and apparently unrelated.

"This is the first time that this particular group of cancer has occured in the same family in the United States," said Dr. Alvin Mauer, medical director of St. Jude's Hospital in Memphis, Tenn. which specializes in childhood cancers. The hospital treated the Southerland's other surviving son and conferred with Stephen's surgeon Friday night.

"It could be lightning striking not once, but three times," Dr. Mauer said. "It's terribly important to find if there is some common thread, some common denominator. It could help us to better understand cancer and its causes."

Stephen, an athletic youth who's a Dolphins fan, saw one younger brother die of leukemia and the other survive cancer surgery and cobalt treatments. Just before Stephen became ill, the orthodontist put braces on his teeth.

"Dad," Stephen asked last week. "Will they bury me in braces?"

"I broke down," his father says. "I told him we're not going to worry about that now. We're just worrying about that leg."

"This one kills me," Southerland said Saturday, his voice trembling.

"If ever one boy deserved not to have cancer, it's him. He's a little boy who goes to Sunday school. Nobody has to tell him to go. I don't understand it. It's so unreal."

"The chances of three children in the same family all developing different, completely unrelated types of cancer are very remote," one pediatrician, Leo Grossman of Miami Beach, said Saturday.

"The odds are astronomical," said Miami's Dr. Harry Kaufman, who specializes in childhood diseases. "An amazing streak of unbelievably bad luck."

When Stephen was 8, his brother, Jeffrey, 4, died of lymphatic leukmia after an 18-month battle.

The day before Jeffrey died, a malignant schwannonma, one of the rarest forms of cancer, was diagnosed in the nerve lining of his brother Michael's spine.

Michael was 3.

"The doctor didn't want to tell us," Southerland recalls. "He felt it couldn't happen that way."

Three days after Jeffrey's funeral the couple, who lived in Indiana then, took Michael to the Children's Research Center in Cincinnati on their doctor's advice.

The tumor was removed. In a second operation, Dr. Lester Martin removed muscle and three bony structures from the top of the youngster's spine.

"Then they gave him a lot of cobalt," Southerland, 35, said.

Michael was given a 30 per cent chance to survive.

He finished the treatments at age 5. He's 9 now and there's been no recurrence. His left arm, once paralyzed has improved with physical therapy. The loss of mobility that the doctors feared was overcome.

"He runs and plays like any other child," his father says.

Southerland, a former Marine who was graduated from college at 28, quit his job as a Vigo County, Ind., Sheriff's Department detective lieutenant two years ago to move the family to Miami and work for the Public Safety Department.

Assigned to the community services division, he works with youngsters as a school liaison officer.

"We went for two years and things looked bright, real good for everybody," he says. Working together, the couple, reduced $28,000 in outstanding medical bills to $400.

The family, now living in the Kendall area, was nearly back on its feet.

"Then this hit us like a ton of lead," Southerland says.

A few weeks ago Stephen complained of pain in his left leg. His parents thought he pulled a muscle playing football.

The pain grew worse. A doctor x-rayed the leg. The news was bad.

"When they told me he had cancer, it just seemed unreal," Southerland says.

"All of them were perfect children. But Steve's something special. He helped us get through all the other crisis times. Anything you would ask, he'd say, "Dad, I'll take care of that."

"He took care of Mike during Jeffie's illness. He was always stable, with a lot of common sense. He wants to be a lawyer."

The day after they got the news, Southerland drove his wife and son to Cincinnati.

"It seems like a nightmare being back here," he said Saturday from the hospital. "It brings back all the bad memories that were with us the first time."

Doctors removed a section of bone Saturday to determine the type of cancer Stephen has. If it is Ewing's tumor, as they suspect, he will be returned to Florida for radiation and chemotherapy treatments by University of Miami specialists. If it is osteogenic (another form of cancer) the leg will be amputated there and therapy will follow.

The best that doctors can predict is a 30 per cent chance of complete recovery. Results of the test won't be known for several days.

"It's enough to give us hope," Southerland said. "If we have hope we have everything going for us. My wife has gone through so much. I don't believe many women could ever do it.

"She and I have sat down and talked and studied. One thing we can't do is run away from it. Where are you going to run to?

"We live day by day now. We give our boys all the love we can given them that day. Whenever we have problems we group together. We have close ties."

They haven't thought of waiting."

"He's one in a million," his mother said. "We're lucky to have him."

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## STRACKBEIN LETTER

## HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. FISHER. Mr. Speaker, recently I inserted in the Record—March 6—a copy of a letter from O. R. Strackbein to James Reston, vice president of the New York Times, who writes a column for the same newspaper.

I have now received an echo from a reader of the RECORD. It comes from a clergyman in Montana. He writes that the points Mr. Strackbein made in his letter to Mr. Reston "are both revealing and sobering. I feel they need to be shouted from the housetops all over the nation."

Mr. Strackbein has written to another New York Times columnist—Mr. Anthony Lewis—who devotes much of his output to President Nixon. I believe that the comments Mr. Strackbein makes in this letter are as cogent, though different, as those contained in his letter to Mr. Reston. I, therefore, insert them as as a part of my remarks. The letter follows:

NOVEMBER 28, 1973.

Mr. ANTHONY LEWIS,
*The New York Times,*
*New York, N.Y.*

DEAR MR. LEWIS: Your column of November 26, 1973, entitled "Living with Illusion" says that "Mr. Nixon feels no real regret at the official lawlessness".

Much of what you say is interpretative and subjective, and, of course, lends itself to no objective measure.

Nevertheless, since commentators are much given to speculation, part of it adding to reader interest in seeking to understand the meaning of events, I will accept your thesis for my own comment.

You mention Mr. Nixon's failure to express regret over Mr. Agnew, who was "exposed as a petty grafter"; Mr. Nixon's bombing of a neutral country under an elaborate cover-up; his "promulgation of a secret plan for Federal agents to use burglary, wire-tapping and other illegal methods;" etc., etc., as evidence. Then you say that "Mr. Nixon feels no real regret at the official lawlessness of the last five years?"

In saying these things your reader must gather that you have a special insight into Mr. Nixon's soul. Do you suppose that generals feel no "real" regrets when they deplore the death of the men who are sent to battle on their orders? You would probably say that some do and some do not; but I wonder how you would go about separating the sheep from the goats. Would you be able to judge the generals by their outer appearances? By their utterances on the subject, or by their silence? Or by the tone of their voice? How?

Then you express the fear that Mr. Nixon may get away with it all, although you are more optimistic than the pessimist whom you quote who thinks that Mr. Nixon will succeed in his efforts by treating his legal problems as public relations problems. The pessimist thinks that Congress will not care about the rule of law. You yourself think rather higher of Congress. Are these expressions not mere matter of personal opinion?

I do not call into question the observations you offer. They may be well-founded; and the practices about which you complain may be deplored, regretted and condemned.

My principal question is why everyone seems suddenly to be so surprised over our political corruption. Lincoln Steffens and Ida Tarbell were appalled by it over fifty years ago. In the first place, corruption is not only prevalent in our politics but has been present since the founding of our republic. It then becomes a matter of degree; but to some extent also a matter of kind.

There are those, for example, who say that the current corruption is worse than the corruption that springs from greed such as Teapot Dome, involving bribery, for example, because it goes to the very foundation of our democratic system of government. I agree that the Watergate part of it does indicate that what was done was not done for personal pecuniary gain. Those who engaged in it did so in some instances because they simply took orders. It was not theirs to reason why. This country is thickly populated by people who take orders, and for this we may be thankful. Some regarded themselves as patriotic and as engaging in a good cause, according to their own accounts.

The overriding question is how the President, even if he did not know the details of what was happening, could preside over it all and allow a climate to be created in which the direct participants felt comfortable. The former Attorney General, Mr. Mitchell, after learning about the activities did not wish to tell the President because he feared Mr. Nixon's reaction and the possible loss of the presidential campaign. His belief in the President overrode his misgivings about the means of warding off the election of the other candidate.

My interest is in the ensemble, i.e., in the "climate" that permitted the departure from earlier practices—not only in point of degree; for degree does make a difference; but also in kind.

There are those who blame Mr. Nixon's choice of aides. The former President, Lyndon Johnson, reportedly observed that these relatively young men would get Mr. Nixon into trouble because they lacked political experience—an observation that is not noted for its moral content. It could be interpreted as indicating that experienced politicians would have been too smart to let themselves get caught, or would have known other means of achieving the same end.

To me the whole phenomenon is the natural fruit of the changing philosophy, psychology and moral values of our times.

We had until the more recent times believed in absolutes in the field of morals. Right was right and wrong was wrong. The upbringing of children was "stricter" than later. Home teaching dwelt more in the moral virtues than in recent years. Even our school copybooks were designed to imbue youngsters with moral values that might act as guides in future confrontations involving moral questions.

Thanks to modern psychology this method of inculcation has been laughed out of the schools, or condemned as sources of neuroses.

The absolute values, moreover, were upset by the ideas of relativism. Anthropologists demonstrated that morality is affected by circumstances and conditions. What was immoral in one society could be regarded as wholly acceptable behavior in other societies. Relativity was also given a mysterious boost through Einstein's theory. Physical indeterminacy helped soften our underfoot. We were not moving in a medium that was actually what it seemed to be. Certainty was something of an illusion. Other great physicists. Heisenberg notably, helped cut the ground out from under the certainty we all seek. Vaihinger held forth with his philosophy of "As If"—as an explanation of behavior. The Behaviorists did their part.

The great liberator, however, so far as morality was concerned, came from pragmatism, so lucidly expounded by Professor William James of Harvard and from Sigmund Freud who for good or evil or both turned our conventional sex teachings upside down.

Add to this breakown of the old solid footing, the great technological revolution of the past generation, such as radio, television, aircraft, nuclear energy, biological discoveries, going hand-in-hand with the exaltation of children and the denigration of parenthood and authority: altogether a liberation of and license, for our impulses, appetites and ambitions, a freeing from discipline and restraint while substituting little or nothing for the discarded guidelines: Thus has man been converted into the cleverest animal that inhabits the earth.

As for Mr. Nixon, he hired standard young Americans, really well above the average cut, products of our finest colleges and universities, and examplars. I am sure, in most instances, in their private lives—imbued with the modern outlook, wherein God is dead or dying but in any case obsolescent, wherein truth is determined by what works or pays (See William James on Pragmatism), and wherein individualism runs to the extreme of everyone's seeking self-expression (e.g., doing one's thing) without regard to impingement on fellow members of the human family; yes, Mr. Nixon failed to taking unto himself the bright products of our unhinged civilization, that having been cut loose from the moorings of the past, from folk wisdom, tradition and authority, has not yet found a new footing.

Pragmatism, relativity in morality, the modern psychology (permissiveness), banishment of extra-mundane authority (decay of religion), team together to affirm the proposition that the end justifies the means, and ultimately, that might makes right.

Without an external referee man becomes self-sufficient and self-fulfilling. His wisdom and his folly then determine our destiny. Who then will judge but the tribe? And who among them but the most clever or the most powerful?

To the extent that a residue of our former moral considerations and references still persists, the climate is most conducive to hypocrisy. This is to say we will continue for a season or two to render homage to the past while de facto doing what comes naturally and whatever it may be that we can get away with under the cloak of conformity. We find it easier to identify what we wish to do with what "has to be done". We become a law unto ourselves; and a new order of survival of the fittest in terms of cleverness is set before us as our new abode.

Now, Mr. Lewis, if you wish to condemn Mr. Nixon for having succumbed to the world of pragmatism, moral relativism, and the liberation of original sin (the animal heritage in us) I think you will accomplish very little unless you attend to these other underlying causes of the climatic change that has at least for the time being both confused us and corrupted us. Innately I believe man prefers right over wrong, but if he has lost his compass it may take him a while to find a new way, such as a generation or two.

In the premises I question the useful function of vehemence, intemperance and hatred. If it works out that Congress will not impeach the President and that he also will not resign, then by the pragmatic measure, your quest is false. It will not have worked; i.e., you are not sufficiently powerful or influential.

Or would you rather have recourse to some absolutes? If so, where would you begin, with the cause or the effect? Quite a bit of unwinding will be necessary since moral absolutism is quite far gone. If man is master of his own destiny and the sole referee you must trust in man.

If you wish to go with this new order you should take your medicine; and fight from within, which is probably what you are doing; but don't forget, you cannot call on an outside referee; you must simply be more clever and more powerful than those you would put down. You pass then into the Nietzschean world. I doubt that you would find that very much to your liking.

Is it possible that Mr. Nixon, having a foot in both worlds finds himself in a dichotomous discomfiture from which extrication is not very easy; and that also the American people are in a distressing dilemma, in which those remaining in the support of the President have resort to pragmatism as the source of their justification, while those who condemn him have recourse to the very principle of discipline, moral and philosophical, which they have forsaken as old-fashioned and therefore inoperative?

The irony of it is then the uncovering of human frailty: The Nixon supporters are driven to defend what they do not wish to defend while his detractors would be phenomenally complacent over the wrongdoing if it had been committed by their own favorite. Political history through its long years spills over with such human inconsistency. That is why history should not be written by contemporaries.

Sincerely,

O. R. Strackbein.

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## LOWER INCOME TAX WITHHOLDING RATES

## HON. BARBARA JORDAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Ms. JORDAN. Mr. Speaker, I recently introduced, along with 29 cosponsors, legislation which would reduce the current personal income tax withholding rates by 8 percent. Last Tuesday the administration, in testimony before the Senate Finance Committee by Secretary of the Treasury George Shultz, endorsed this concept and urged its enactment. I am pleased to have the support of the administration behind a bill which would stimulate the economy and increase take-home pay for millions of working Americans.

When the Congress enacted new withholding schedules in 1971 most workers found their paychecks reduced due to overwithholding. This legislation would lower the withholding rates by 8 percent—and thereby provide additional take-home pay to workers amounting to $10 billion annually. The effect, economically, would be that of a temporary tax cut, while the budgetary effect would be nil. If the bill were to be enacted in the near future, 1974 taxes would appear to be lower, reflecting the lower withholding rates. Since taxpayers would have more income in 1974, they would presumably spend more. The economy would then expand to meet this demand; the gross national product would rise and more jobs would be created.

The list of cosponsors and article from the New York Times of March 20, 1974, follows:

Cosponsors of Legislation Reducing Income Tax Withholding Rates (H.R. 12788, H.R. 12992, H.R. 13141, H.R. 13438)

Ms. Barbara Jordan, Texas
Ms. Bella Abzug, New York
Mr. Herman Badillo, New York
Mr. Jonathan Bingham, New York
Ms. Corinne Boggs, Louisiana
Mr. George Brown, California
Ms. Yvonne Burke, California
Ms. Shirley Chisholm, New York
Mr. John Conyers, Michigan
Mr. Ronald Dellums, California
Mr. Bob Eckhardt, Texas
Mr. Don Edwards, California
Mr. Joshua Eilberg, Pennsylvania
Mr. James Hastings, New York
Mr. Ken Hechler, West Virginia
Ms. Elizabeth Holtzman, New York
Mr. Robert Huber, Michigan
Mr. Manuel Lujan, New Mexico
Mr. Parren Mitchell, Maryland
Mr. John Moakley, Massachusetts
Mr. John Moss, California
Mr. Robert Nix, Pennsylvania
Mr. Wayne Owens, Utah
Mr. Richardson Preyer, North Carolina
Mr. Melvin Price, Illinois
Mr. Donald Riegle, Michigan
Mr. Paul Sarbanes, Maryland
Mr. John Seiberling, Ohio
Mr. Louis Stokes, Ohio
Mr. Antonio Won Pat, Guam

[From the New York Times, Mar. 20, 1974]

Shultz Urges Lower Withholding Rates in Bid To Stop Tax-Cut Drive by Congress

Washington.—Hoping to head off a congressional tax-cut drive, the Nixon administration urged instead that lawmakers tinker with tax-withholding tables to produce more take-home pay for millions of workers.

Treasury Secretary George Shultz told Congress that the economy isn't so weak as to need the antirecession tax cut that many lawmakers want to pass. But recognizing the election-year appeal of some move to ease the inflationary pinch on consumers, he proposed a change in the law that would reduce overwithholding of federal income taxes from many wage earners' paychecks.

Backing up his chief economic adviser, President Nixon said last night in his televised appearance before the National Association of Broadcasters in Houston that the economy will pull out of its present "difficult period" during the latter half of the year. At that time, he predicted, "unemployment will go down, the price level will abate, and by then the American people will be convinced they aren't in a recession."

On inflation, Mr. Nixon reiterated that "we will continue to have a difficult time" with consumer-price increases into the third quarter of the year. After that, he said, the rise in consumer prices "will begin to abate." He acknowledged, however, that a potential shortage of beef this fall could keep pressure on meat prices.

Mr. Shultz indicated his proposal, made in testimony before the Senate Finance Committee, would reduce overwithholding by about $6 billion a year. Though Treasury officials earlier had disclosed they were studying such a plan, the Secretary's testimony was the first formal proposal of the idea by the administration.

The administration's chief economic spokesman told the committee that the White House opposes an outright tax cut because it would overstimulate the economy, worsen inflation and erode federal revenue growth needed to cover rising spending. But he said a revision of withholding tables, which wouldn't reduce government tax receipts but would affect the timing of their collection, wouldn't have those "disadvantages" of an actual tax cut.

The main beneficiaries of the proposed change in tax-withholding schedules would be family heads without working spouses. These sole breadwinners currently are subject to substantial overwithholding, Mr. Shultz noted, due to a 1971 change in the law that based withholding tables on a dual wage-earner assumption that's appropriate to households where both husband and wife are employed. The 1971 law allowed sole breadwinners to claim an extra exemption to offset this assumption, but "many millions of people" eligible for the offset haven't used it, Mr. Shultz said.

He urged lawmakers to revise withholding schedules for sole breadwinners to "remove his unintended overwithholding." A Shultz aide said Treasury tax specialists would meet with congressional tax-writers to draft a specific formula for the reduced withholding.

The reduction in withholding, Mr. Shultz testified, "would have an immediate onetime impact on spendable incomes and would produce moderate acceleration of demand" to stimulate the currently soft economy.

While some Republican and Southern Democratic panel members seemed favorably inclined toward the Shultz proposal, liberal Democrats pressed their case for an actual tax cut to stimulate the economy. The hearing, which was called to consider various Democratic proposals for tax credits, increased personal exemptions or other devices to lower individual's tax bills, heard pleas by Sens. Walter Mondale (D., Minn.) and Edward Kennedy (D., Mass.) for the antirecession tax cut they've sponsored.

But the Treasury chief argued that the current economic slowdown isn't "severe enough or widespread enough to call for additional fiscal stimulus," such as a tax cut. The slump is "concentrated in a handful of industries," such as auto manufacturing and travel, which have been hurt by fuel shortages, Mr. Shultz said.

The economic problems in energy-related areas aren't having a "falling-domino effect on other parts of the economy," Mr. Shultz contended. Thus, he argued, a general stimulative measure such as a tax cut would only worsen inflation by overheating the economy.

The second half of 1974 "will be a crossroads for the future of inflation in America," he said. If the economy rebounds too fast, he warned, "we could get a step-up in the inflation rate from which it will be hard ever to retreat." A high inflation rate could be built into the economy "in a way that would take a severe economic bust to dislodge," Mr. Shultz said.

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## PROPOSED AMENDMENT TO H.R. 69

## HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. MEEDS. Mr. Speaker, under leave to extend my remarks in the Record, I include the following amendment intended to be offered by me to H.R. 69:

Amendment Proposed by Mr. Meeds to H.R. 69

(3) Amend H. R. 69 on page 87 by striking out all the language beginning on line 13 and extending down through line 20 and substituting in lieu thereof the following:

"(3) Notwithstanding paragraph (2) of this subsection, to the extent that a State aid equalization formula in providing State funds to a local educational agency takes into account the total assessed property valuation available to the local educational agency such State aid formula may also take into account as local property taxation assessment such amount as would be required at the local property tax rate for such local educational agency to produce an amount equal to the amount provided to the local educational agency by this title or to the extent that a State aid formula takes into account by other comparable means the ability of a local educational agency to raise revenue for public elementary and secondary education such State aid formula may take into account funds received by a local educational agency under this title to the same extent. The Commissioner shall implement the provisions of this paragraph by appropriate regulation.

## RETIREMENT OF WILLIAM J. HASSAN, COMMONWEALTH ATTORNEY, ARLINGTON, VA.

## HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BROYHILL of Virginia. Mr. Speaker, I am pleased, proud, and honored to pay tribute to an outstanding citizen and public servant, Mr. William J. Hassan, the recently retired commonwealth attorney of Arlington County, Va. For 22 years this man, whom I highly respect as a man of proven rectitude, trustworthiness, and competence, served his community and State in such fashion and manner, between the period of 1952 to 1974, as to be elected to six consecutive 4-year terms. I think it can be safely said that had not the gods designed otherwise, in that poor health overtook him, Bill Hassan could have been Arlington County's commonwealth attorney for as long as he chose to serve.

Born and raised in the environs of Boston, Mr. Hassan went to college at Wabash in Crawfordsville, Ind. There, in the heart of Hoosierland, that place from whence come the smartest people in the world, as George Ade so often and aptly put it, Bill determined to be a lawyer, and we are all the better off for that decision. He completed law school after a World War II tour as an officer in the Coast Guard, serving afloat and ashore. He entered private law practice across the river in Arlington in 1949. The rest is history. He ran for commonwealth attorney in 1951 and there began a career unparalleled in Virginia political history. He will be honored by a reception on the 23d of March, a salute he richly deserves.

William J. Hassan and others like him stand out and apart in the legal profession. The full measure of this man cannot be fully told without the listing of the many times his fellowmen have placed him in a leadership position. He has served as:

President of the Association of Commonwealth's Attorneys of Virginia.

President, Arlington Democratic Club.

President, Arlington Democratic Council; member of the Arlington Democratic Executive Committee.

President, Friendly Sons of St. Patrick.

Grand knight and district deputy of Knights of Columbus.

Department senior vice-commander, Veterans of Foreign Wars, Washington, D.C.

Member, American Legion; member, board of directors of Arlington Cancer Society; member, executive board of the National Capital Area Council, Boy Scouts of America.

Member, Arlington County Recreation Council, and past chairman of same.

President, Arlington County Bar Association.

Member, Virginia State Bar Association; member, American Bar Association.

Member, National District Attorneys' Association.

Member, Virginia Advisory Legislative Committee on Eminent Domain, 1959–61.

Delegate to the 1956 Chicago Convention.

Democratic Presidential Elector for the 10th District of Virginia, 1960.

Member, Mental Health Association of Virginia.

Member, Arlington County Drug Abuse Task Force.

Member, Northern Virginia Law Enforcement Commission.

Director, United Savings and Loan Association.

Member, board of governors, criminal law section, Virginia State Bar.

Mr. Speaker, I can only say in conclusion that William J. Hassan has stood tall, straight and true, and he will be sorely missed.

## 11500 BANANAS ON PIKES PEAK

## HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. HOSMER. Mr. Speaker, H.R. 11500, the bill to break the back of surface coal mining prohibits any mining or reclamation within 100 feet of a lake, river, stream or creek.

Roadbuilders routinely change the course of streams whenever they need to. Up to now surface mine operators routinely divert small streams, et cetera, to recover the coal beneath and restore them in the reclamation process without damage.

This foolish provision of H.R. 11500 would constrict the surface mining industry by banning mining in a 200-foot band downhill from every spring that seeps, let alone all the countless rivers and lakes in this country. Surface mining would become a practical impossibility. That is apparently what the authors of the bill want. They would impose it dictatorially despite the fact that this Nation needs all the coal it can get from mines above and below the surface both. And, with proper reclamation practices it can be gotten without undue detriment to the environment.

H.R. 11500's total environmentalist bias is dangerously one-sided. The things it dictates are as crazy as trying to raise bananas on Pikes Peak. Let us dump H.R. 11500 and get a bill the country can live with.

## MOUNT WASHINGTON DEVELOPMENT CO. AND CALVIN PERKINS COOPERATE FOR CONSERVATION

## HON. JAMES C. CLEVELAND

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. CLEVELAND. Mr. Speaker, I would like to bring to the attention of the House an outstanding article on the work of the Soil Conservation Service, so ably led by Administrator Kent Grant, who served many years in New Hampshire.

A new ski development was started a little over 2 years ago on Rosebrook Mountain, which is in New Hampshire's White Mountains. The Mount Washington Development Co., the builders of the new ski area, showed their concern for the area by seeking technical advice on the environmental impact of the project from the SCS.

The SCS was able to give effective advice on the planning of the ski development in regard to soil conservation. They provided soil survey data imperative to the proper construction of ski trails, ski lifts, underground snowmaking equipment, maintenance buildings, lodges, condominiums, access roads, parking lots, and other facilities. Due to the SCS's help and direction, major construction has been completed with minimal impact on the environment.

Calvin Perkins of Lancaster, N.H., district conservationist for the SCS, deserves a great deal of credit for this conservation work at the grass roots level. Too often we tend to think of conservation in terms of far-reaching Federal projects. This is an example of conservation at the local level.

Other recreational people all over America should take note of Calvin Perkins' efforts. The recreational needs of America must be met. As in this case we see that properly planned construction will provide for these needs and not result in any harmful environmental effects.

The article follows:

### NO SCARS ON THE LANDSCAPE

(By Calvin J. Perkins)

Two winters ago I was driving east on U.S. Route 302 near Carroll, New Hampshire, and saw trees on the steep slopes of Rosebrook Mountain being cut and large piles of brush being burned. Work had started on the area's new ski development.

My thoughts quickly turned to beautiful snow-covered Mount Washington to my left and the ice-laden Ammonoosuc River that flows peacefully along the base of Rosebrook Mountain to my right. Was this to be a haphazard development that would interrupt the picturesque views of the White Mountains and contaminate the clean water of this mountain stream?

No. It wasn't. Early into those winter months a representative of the Mount Washington Development Company contacted leaders of the North County Resource Conservation and Development Project. He was looking for technical assistance in planning and applying conservation practices in the ski development area to reduce erosion and sediment and protect the natural environment.

That contact resulted in a meeting of SCS people with planners, engineers, contractors, and others associated with the new ski complex. And it was the beginning of a successful effort to incorporate conservation concepts into the ski development.

The Soil Conservation Service, through the Coos County and Grafton County Conservation Districts, provided soil survey data on 2,500 acres. Soil data are basic to planning, and these data were used in planning the ski development, including 100 acres of cleared ski trails and sites of lift lines, underground snowmaking equipment, maintenance buildings, a lodge, condominiums, access roads, parking lots, and other related facilities.

The soil information included interpretative maps depicting various land use limitations.

Construction was halted late in winter because of the heavy snow accumulation. Fortunately, snowmelt the next spring did not cause excessive erosion. As soon as the land was dry enough for construction activity, the work was renewed.

SCS suggested improved methods of erosion control during construction. These were quickly adopted. They included two large sediment basins at the base of the mountain to settle out loose sediment and prevent it from entering the Ammonoosuc River. All of the small streams and surface water channels within the construction area were directed into two major drainageways that flowed into and through these sediment basins.

Culverts up to 6 feet in diameter were used to conduct water safely under access roads and across critical points on the ski slopes. Each culvert had stone headwalls at each end to prevent erosion and to provide a rustic appearance in keeping with the setting.

Temporary diversions were roughed in across the ski slopes after stumps and boulders were removed and were kept free of debris at all times. These were spaced about 50 feet apart on slopes greater than 35 percent and not more than 200 feet apart on slopes of less than 35 percent.

These diversions broke long slopes into short ones, reduced the potential for erosion, and took the excess water off the area in an orderly manner.

During the final grading, which began at the top of the slopes, workers seeded, fertilized, and mulched as they moved downslope, never leaving more than 500 feet without proper cover or exposed to erosion.

Permanent diversions were installed where necessary on a grade of 1 percent or less. Each of these diversions was constructed to outlet into wooded space between trails and lift lines where a natural surface water channel carried the water safely downhill without erosion and into the sediment basins.

As access roads were constructed, surface-water ditches were also constructed; all cut and fill slopes were seeded and mulched immediately after construction.

With all of this construction activity, one could almost visualize a scarred landscape. But there is none. Engineers designed the ski trails so that they are not visible from the highway from either direction of approach until the viewer is directly opposite the ski development.

The Mount Washington Development Company has demonstrated that when conservation practices are included in development plans, the adverse effects on the area and its environment are minimal.

The White Mountains have retained their magnificent splendor, and the Ammonoosuc River continues along its path unaware of man's activity nearby.

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## WALL STREET JOURNAL REPORTS ON NOTRE DAME

### HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BRADEMAS. Mr. Speaker, I insert in the RECORD the text of a most informative article published in the Wall Street Journal of March 11, 1974 concerning the University of Notre Dame, which is located in the congressional district I have the honor to represent.

The article follows:

CRACKING THE BOOKS—FOOTBALL-SCHOOL IMAGE DOESN'T REFLECT FACTS AT NOTRE DAME TODAY

(By David M. Elsner, Staff Reporter of the Wall Street Journal)

NOTRE DAME, IND.—Father Theodore M. Hesburgh, president of the University of Notre Dame, once visited the chancellor of England's Oxford University. He found him relaxing in his office, quietly reading Plato in Greek. How, Father Hesburgh asked, did the chancellor find time for leisure and still keep the university running?

"Tradition," the chancellor said.

"Sometimes," replied Father Hesburgh, "I think tradition is my biggest problem."

Indeed, it has been. Notre Dame's dual heritages of football and Catholicism (a faculty member once correlated 50 years of football scores with communion attendance) are regarded with suspicion in academic circles. Both are viewed as "anti-intellectual" and have led outsiders to conclude that the development of an open university, free to question and debate, was unlikely.

But Notre Dame, a 1,000-acre wooded retreat of neo-Gothic buildings surrounded by Indiana cornfields, is changing. In the late 1960s it became the nation's first Catholic institution of higher learning to transfer control from its founding order of priests to a board composed primarily of laymen. A little more than a year ago, the university abandoned its monastic stance and admitted women.

A GRAIN OF SALT

And now many scholars are saying that Notre Dame (pronounced "Noter Daym" according to a university ruling once made to aid sportscasters) not only has become a fine Catholic university, but also appears on the verge of becoming a fine university, period. Special centers for biological research, medieval studies and civil rights are leaders in their fields. The general undergraduate program is regarded as one of the nation's best, and a recent opinion survey by the American Council of Education placed the quality of Notre Dame's graduate departments among the top 30 private universities in the country.

It might be even better than that. "Those polls should be taken with a grain of salt," says Lewis Mayhew, a professor of education at Stanford University who has closely studied the course of higher education in the U.S. "A school that's going downhill will hang onto an undeserved high rating for years afterward, and a school on the way up, like Notre Dame, might never get the recognition it deserves."

Evidence exists, however, that the school's reputation is spreading to the non-Catholic world. Author Norman Mailer, who is Jewish, says that if his son (now 10) were ready for college, he might try to talk him into going to Notre Dame. "It's a great college," he says. "What you get from the students is a lively Catholicism plus a lively agnosticism. I can use the word 'soul' there and they don't snicker."

Adds Harvard sociologist David Riesman: "The main difference between their student and ours is that ours is more self-confident. The Notre Dame student underestimates himself; certainly the intellectual difference isn't that great. I can't think of any reason, except snobbery and prejudice, why a non-Catholic shouldn't go there."

CONFISCATED TICKETS

It used to be easy to recite a litany of reasons. Students formerly led a cloistered life and complained of the school's West Point-like disciplinary code. Dormitory lights were turned off at 11 p.m.; permission was needed to travel to nearby South Bend; Mass was compulsory, and bed checks were frequent. Students were encouraged to pray for guidance before going out on dates with girls from neighboring St. Mary's College, who are known locally as the "belles of St. Mary's."

Today's regulations are more lenient, although four students who held a noisy dormitory party last semester did have their football tickets confiscated. Rules forbid "overdrinking" and sex in dormitories but are often ignored, students say. Nor can anyone remember the last time he prayed before a date.

A major problem, though, was the faculty, which before World War II was dominated by priests of the Order of the Holy Cross. (A French Holy Cross priest, Edward Sorin, founded the school in 1842.) Father Leo R. Ward, who taught philosophy for 40 years, says that unqualified priests often were sent to teach in departments that didn't want them. Many also saw their pastoral duties as more important than their academic ones, he says. Indeed, the theology department at one time was so dogmatic that some Catholic students claimed they weren't Catholic to avoid the requirement. The environment also dictated that any conflict between academics and religious doctrine was settled in favor of the latter, according to some faculty members.

"PUBLISH OR PARISH"

Today, however, priests make up less than 10% of the 745-member faculty. They are subject to the same tenure and publishing requirements as lay faculty. ("We used to say it was publish or parish," says one department chairman.) The theology department is populated now by more liberal priests who frequently discuss church reform and existentialism, and occasionally express doubts about the Immaculate Conception, students say.

Still Father Hesburgh says Notre Dame will retain its Catholic commitment and its "vital core" of Catholic teachers, who still outnumber members of other religions on the faculty by more than two-to-one. "A Catholic university emphasizes moral leadership, commitment to justice, integrity and honor," he says. "If ever we needed education that was sensitive to higher values, it's today. Everyone in Watergate was a product of the universities, some of the best, yet they showed a monumental lack of perception of values."

Yet Catholicism seems decidedly secondary when it comes to hiring. "I told them I was an agnostic," says a philosophy professor whom Notre Dame tried to lure from a prestigious Midwestern university. "They said it didn't matter." He adds: "I also discovered that I knew more Aquinas than anyone in their department."

Attracting "name" scholars for senior posts has proved difficult. This year, however, benefiting financially from a moratorium on a costly building program, Notre Dame began a long-term campaign to endow three or four faculty chairs a year at a cost of about $800,000 apiece. "We'll be looking for the best people in the country, people from places like Harvard, Yale and Stanford," says Father Hesburgh. "We can afford them now."

Until now, Notre Dame had sought to build its faculty mainly by hiring bright young Ph. D.s directly out of college. "In philosophy, for instance, we obtained dossiers on every new Ph. D. in the country," says Father James T. Burtchaell, the university's chancellor. "We had four openings and got the top four people." The program has worked so well that other schools, including some in the Ivy League, have begun to raid Notre Dame for talent. In the last several years, its faculty members have gone on to full professorships or endowed chairs at the universities of Chicago, Cornell, North Carolina, Virginia, Munich in Germany and Fribourg in Switzerland.

Of course, many of the changes at Notre Dame haven't set well with some alumni who feel that the school is abandoning its religious absolutes. A recent birth control conference on campus drew particular ire. "Isn't it time that the university had enough confidence in itself . . . to indeed take stands on Catholic issues . . . and weather the attacks that it is suppressing academic freedom," wrote one graduate of the class of '67: "Other universities have the courage to be secular. Why doesn't Notre Dame have the courage to be Catholic?"

### STEADFAST ALUMNI

Father Hesburgh's answer: "I don't want this place to be a ghetto or a backwash. We should discuss all issues. This doesn't mean we agree with them, but we can't hide." In a way, however, he agrees that Notre Dame isn't as Catholic as it used to be. "One makes less and less differentiation between Catholic and Christian now," he says.

Despite the criticism, alumni loyalties have remained steadfast. Contributions from alumni year in and out rank among the top 10 in the nation, despite the school's relatively small size (6,000 undergraduates and 1,750 graduate students). Last year's alumni contributions of $3.5 million will go toward raiding other schools for senior faculty.

Notre Dame's powerful football teams have played a large part in keeping alumni loyal while the university has undergone unsettling changes. It also has made a monetary contribution. During fiscal 1973, Notre Dame cleared about $280,000 on intercollegiate athletics which went into the school's general fund. This year, with a lucrative post-season Sugar Bowl appearance, profits undoubtedly will be higher.

Notre Dame's football players aren't dumb jocks either, the university says. It maintains that more than 95% of its players in the past 10 years have graduated in the regular four-year period. Collegiate athletic officials estimate the graduation rate for players at other major football universities at about 40%. "And we don't have a physical-education major either," boasts Ed "Moose" Krause, Notre Dame's athletic director.

Notre Dame football is as popular as ever. It is the only college or university whose games are carried weekly over a national radio network (Mutual). "It's hard to explain the phenomenon," says Prof. Richard Sullivan, who has written a history of the university. "For a long period, however, Catholics were out of the mainstream of American culture and Notre Dame gave them something to cheer about. We also had an image of a poor boy's school and became popular in a David and Goliath way. The tradition just grew."

### HAVING A GOAL

Catholics, of course, no longer are out of the mainstream. Nor is Notre Dame a poor boy's school; tuition is a hefty $2,616 a year. Yet even today Notre Dame appears to attract a student who is more oriented toward business and the professions than the norm.

Kevin Britt, for example, is a neatly dressed, 18-year-old freshman from Kettering, Ohio, who addresses his elders as "sir" or "ma'am." His father went to Notre Dame, too. His views aren't untypical.

"I'm flattered to be in this group," he says. "Most people here seem to have a goal and know what they want to do. Friends I have at other schools seem to be squandering their time."

Kevin says he doesn't mind the university' rules. "I feel they really care about me and that it's for my own good," he explains.

He adds that he intends to go into business after graduation. "People tell me I'm a lot like my Dad (an advertising executive)," he says. "That's the highest compliment anyone can pay me. Notre Dame made him a success. I want it to do the same for me."

### BUSY LIBRARY

Senior Joe Abell, managing editor of the student newspaper, The Observer, notes that students are slow to arouse to the same student politics that dominate other campuses. "This is a real grade-point factory," he says. "On any given night you'll find three-quarters of the student body in the library."

Notre Dame had little of the turmoil that upset other universities during the Vietnam war. A student sit-in against recruiters from Dow Chemical and the Central Intelligence Agency in 1969 prompted Father Hesburgh to proclaim that in the future demonstrators would be given "15 minutes of meditation to cease and desist"; those who wouldn't were to be suspended or arrested. The edict was widely criticized at Notre Dame and elsewhere ("If we had taken that stand, the place probably would have burned down," said a California college administrator at the time), but students never challenged it. Notre Dame remains one of only several private universities with four active ROTC branches on campus.

Yet that atmosphere has bred some solid scholarship, especially in the sciences, where Notre Dame is ranked high.

The chemistry department first gained prominence in the early 1920s when Rev. Julius A. Nieuwland, a Holy Cross priest, discovered the basic formula for synthetic rubber. The patents were sold to Du Pont, and Notre Dame collected royalties of $2 million by the time they expired before World War II.

The bacteriology laboratory pioneered the technique for raising germ-free mice and guinea pigs for experimental research, and a descendent of a Notre Dame-bred mouse went on the first moon trip. The university is also a major international center for radiation chemistry and parasitology. In addition, scientists at its Vector Laboratory are leading the fight to eliminate the Aedes aegypti, a mosquito that is the prime carrier of yellow fever, still a major killer in Africa.

### CIVIL RIGHTS AND LOGIC

Notable contributions are being made in the humanities and law as well. A civil rights center, backed by the Ford Foundation, opened recently and is expected to become one of the nation's principal libraries for the use of legislators and historians studying civil rights issues. Among other things, the center houses Father Hesburgh's papers from his 15-year tenure on the U.S. Commission on Civil Rights. (He was fired by President Nixon after publicly criticizing the administration's stance on civil rights.)

In 1959, the university began publishing the Notre Dame Journal of Formal Logic, which symbolic logicians now consider to be one of their two most important publications. "At the beginning I had to send out letters to colleagues to solicit articles," recalls Boleslsaw Sobocinski, professor emeritus of philosophy and editor of the journal. "Now I have 150 articles waiting for publication, and we come out only four times a year."

And the university's Mediaeval Institute, unique in the country, has nearly completed its 15-year task of microfilming the Ambrosiana, a 17-Century Milanese library that is one of the world's major repositories of medieval manuscripts and documents. "At first they wouldn't allow us to touch a thing," says Prof. Astrik L. Gabriel, director of the institute and a noted medieval authority. "We had to get Cardinal Montini (now Pope Paul VI) to intercede for us.

"Somehow," he adds, "I don't think Yale would have gotten the same cooperation."

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## ANIMAL SURVIVAL CENTERS

## HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. WHITEHURST. Mr. Speaker, the number of animal species which are endangered and facing extinction is continuing to grow. In some cases swift action must be taken by authorities to retain those living representatives that can continue and extend the species. Animals, birds, and marine mammals are suffering disastrous depletion of their numbers and must be protected from man if they are to recover. Many of these species are represented in zoos across the Nation. But the reproductory requirements of some are exacting. They will not reproduce while confined in cages or otherwise removed from their natural environment.

One of the salutary activities of some major zoos is encouragement of programs to increase the number of endangered and captive animals. In the past, zoos were a major drain on the number of endangered species remaining in the wild. A program of reproduction would be of benefit to both animal and man. The animal benefits because one more source of its reduction is eliminated, and man benefits because he comes to better understand the animal's needs and behavior.

While this is a program worthy of support, Congress has not yet met the need. Zoos and aquariums across the country face nearly the same problems, the financial inability to improve and expand their facilities. There is a bill in the House and Senate which addresses itself to this problem. There is one difference between the two which I would like to bring to your attention. The House bill, H.R. 12047, authorizes and creates support for facilities established to breed, care, and perpetuate endangered species. These "survival centers" can be the breakthrough in the battle to reverse the steadily increasing numbers of species becoming extinct.

I support the Senate bill introduced by Senator MARK O. HATFIELD, Republican of Oregon, but I wish to point out that the House bill I introduced last December 19 contains the provision for these survival centers.

Zoos and aquariums across the Nation need to be upgraded. I have often made remarks to this body on that subject. Congress now has the enlarged opportunity to do more than just improve conditions for those animals already in captivity. There was comment made by Senator HATFIELD and myself regarding the subject of Federal responsibility for zoos and aquariums and I include at this point in the RECORD a letter to the editor of the Washington Post printed in the March 15 edition:

### FEDERAL RESPONSIBILITY FOR ZOOS AND AQUARIUMS

Recently, a column critical of our efforts to aid zoological parks and aquariums appeared in The Washington Post and was syndicated through its wire service. The column, authored by Bernard Fensterwald, essentially took the point of view that zoos were inherently inhumane places to house animals, that we would be better off if zoos were closed down, and that Senate Bill 2774, represented an expensive federal transfusion in aid of an archaic institution. While we appreciate Mr. Fensterwald's input, we must strongly disagree with his conclusions.

To many persons in our increasingly urbanized society, the zoo serves as the only source of contact they may have with the animal kingdom. For the person who will study and relate to the animals, there is much to be learned. No picture, no written description can so well express what these other inhabitants of our globe are really like.

Though zoos have traditionally been and should remain largely a local concern, we would contend that the federal government has both a necessary and legitimate role in making zoos more humane and in increasing their utility as an educational instrument. In our view, and in the view of many persons acquainted with the serious financial problems zoos and aquariums have encountered, S. 2774 provides the mechanism by which these dual concerns might be successfully addressed.

Unlike a number of federal matching grant programs, in which local money acts as a catalyst for federal dollars, the intent behind this legislation is that federal dollars act as a stimulus to hold an imaginative zoo development on the local level.

Many persons who have looked at the state of American zoos are coming to grips with the fact that zoos in general are antiquated and decrepit. These obsolete physical plants tend to create three principal problems: First, exhibiting animals in such a traditional and confined manner sharply diminishes the enormous educational potential which zoos hold for our people. As our friends at the Portland Zoological Society have correctly noted, you cannot run a zoo like a menagerie and expect it to achieve its maximal educational impact. In the traditional zoo setting, it is quite easy to miss at least half the picture. When an animal is caged, you can only guess at what he might really be like. If no activity is provided, if no effort is necessary, if the animal can easily survive doing nothing, then that is precisely what he will learn to do: nothing.

The modern zoo must be not only a museum, but a living museum, a place not just to exhibit animals, but an integral part of our educational and cultural heritage, and a reminder to our commitment to the sanctity of life.

Second, an unfortunate, but seemingly inherent, consequence of archaic facilities at zoos is the inadequate treatment of animals. The Humane Society of the United States is on public record as stating that these facilities may amount to nothing more than "concentration camps of cages." In most instances, these conditions exist not because people approve of them, but are instead attributable to an increasing tension between stagnant budgets and rising costs.

Third, taking animals out of their natural habitat and placing them in the kind of zoo facilities that now exist in many places has had a demonstrably bad effect on animal breeding. We think Paul Maxwell, a zoologist at the San Francisco Zoo said it best:

"You can't take an animal from a rain forest and stick him on a cement slab, and expect him to reproduce."

As a consequences of our breeding problems, we have had to continue to milk vanishing wildlife resources to obtain zoo exhibits. Our goal instead should be to replace the concrete slab with exhibits that resemble the animal's natural habitat, to change zoos that weren't built for breeding into places where breeding is both possible and abundant.

We would submit that Mr. Fensterwald's objectives and ours are quite similar and so must conclude that his criticisms of S. 2774, though well-intentioned, represent a misunderstanding of the propositions for which it stands.

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## NATIONAL DAY OF HUMILIATION, FASTING, AND PRAYER

## HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. REGULA. Mr. Speaker, I am introducing a resolution modeled after one adopted in 1863 and written by Abraham Lincoln. The resolution proposes that April 30 of this year be set aside as a national day of humiliation, fasting, and prayer.

In 1863, the Nation had been torn apart by civil war. The country was struggling to find a national purpose. Today, though we are not at war, there is similar despair.

We who hold positions of leadership and to whom the people we represent look for leadership must confront erosion of faith and trust in our Government. We must take time to contemplate and reevaluate our purpose and I feel that the people whom we represent need to do the same—"For here the people rule" and from the people we derive our authority. Without this confidence and trust we cannot lead and without our God's guidance, our leadership surely will miss the lofty goals we have set.

A similar resolution has passed the Senate. Two similar resolutions have been introduced in the House.

The text of my bill is as follows:

Joint resolution to proclaim April 30, 1974, as a National Day for Humiliation, Fasting, and Prayer

Whereas it is the duty of nations, as well as of men, to owe their dependence upon the overruling power of God, to confess their sins and transgressions, in humble sorrow, yet with assured hope that genuine repentance will lead to mercy and pardon, and to recognize the sublime truth, announced in the Holy Scriptures and proven by all history, that those nations are blessed whose God is the Lord; and

Whereas we know that we have been the recipients of the choicest bounties of Heaven; we have been preserved these many years in peace and prosperity; we have grown in numbers, wealth, and power as no other nation has ever grown; but we have forgotten God; and

Whereas we have forgotten the gracious hand which preserved us in peace and multiplied and enriched us; and we have vainly imagined, in the deceitfulness of our hearts, that all these blessings were produced by some superior wisdom and virtue of our own; and

Whereas, intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us; and

Whereas we have made such an idol out of our pursuit of "national security" that we have forgotten that only God can be the ultimate guardian of our true livelihood and safety; and

Whereas we have failed to respond, personally and collectively, with sacrifice and uncompromised commitment to the unmet needs of our fellow man, both at home and abroad; as a people, we have become so absorbed with the selfish pursuits of pleasure and profit that we have blinded ourselves to God's standard of justice and righteousness for this society; and

Whereas it therefore behooves us to humble ourselves before Almighty God, to confess our national sins, and to pray for clemency and forgiveness: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress hereby proclaims that April 30, 1974, be a National Day of Humiliation, Fasting, and Prayer; and calls upon the people of our Nation to humble ourselves as we see fit, before our Creator to acknowledge our final dependence upon Him and to repent of our national sins.

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## ANGLES IN THE NEWS

## HON. LESLIE C. ARENDS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ARENDS. Mr. Speaker, I have the pleasure of regularly reading the Editor's Report sent to me by William Randolph Hearst, Jr., editor-in-chief of the Hearst newspapers. Mrs. Arends and I always find these reports most interesting and to the point.

Under leave to extend my remarks in the RECORD, I wish to include the Editor's Report for March 17, 1974, entitled, "Angles in the News." Mr. Hearst very pointedly calls attention to a very important statement attributed to our colleague in the Senate, Senator SAM ERVIN, Jr., to the effect that the Watergate investigation did not indicate to him that President Nixon had committed an impeachable offense. This normally would be front page news across the country but went virtually unreported.

Mr. Hearst has drawn some interesting conclusions from this incident. His report follows:

### ANGLES IN THE NEWS

(By William Randolph Hearst, Jr.)

NEW YORK.—There were two unconnected, non-headlined stories this week which struck me as commentable (if that's a word) here today. One involves that now well-known Washington character Sen. Sam Ervin, while the other concerns the faceless masters of Marxism in the Kremlin who are supposed to be cooperating with us in the spirit of detente.

Both stories are noteworthy for what they reveal, but the first one has the added attraction of being something of a mystery story. It started, for me, when I was looking through a copy of the New York Daily News of last Tuesday. There, on page 6, was a picture of Big Sam and another man. The caption below it said:

"Sen. Sam Ervin Jr. and Sen. Howard M. Metzenbaum leave Severance Hall, Cleveland, on Sunday after speech by Ervin. Ervin said the Watergate investigation did not indicate to him that President Nixon had committed an impeachable offense."

To me that was pretty startling news. Big Sam, after all, is the Bible-quoting sage from North Carolina who presided over the Senate Watergate hearings and delighted anti-Nixonites with his pointed sermonettes on the evils of sin and power in high places. And here he was declaring in summation that impeachment is unwarranted.

*Real* front page stuff, right

A real break for the President in his desperate battle against political enemies determined to topple him, right?

Certainly as important as the headline stories when Rep. Wilbur Mills predicted that Mr. Nixon would be forced to resign over undisclosed tax trouble, right?

Wrong, almost a thousand per cent wrong. No New York newspaper carried the Ervin bombshell on the front page. A careful search of editions for several days, in fact, disclosed no stories at all in any other New York paper—unless they had been buried some place in want-ad size and thus defied detection.

To a life-long newspaperman, the absence of attention to the Ervin declaration was all but incredible. A check with United Press International and the Associated Press showed both had covered the extemporaneous speech. Here, for the record, is the UPI night lead on the story, sent on Monday, March 11:

"CLEVELAND.—No evidence was produced in the Senate Watergate hearings to support impeachment of President Nixon, Watergate Committee Chairman Sen. Sam Ervin, D-N.C., said Sunday.

"'I think this is one section of the Constitution on which Dick Nixon and I agree,' he said."

So the mystery of the all-lost-story remains. You can't charge that there was any kind of deliberate plot to kill it. It could have been lost in the shuffle, as many extemporaneous Sunday night speeches are. Remember that the picture in the Daily News *didn't* appear until Tuesday.

On the other hand it certainly is no secret that many members of the press and electronic media, including editors, have it in for Dick Nixon. He is quite right in charging that their hostility has produced a widespread overplaying of anything unfavorable to him, and vice versa.

You will have to draw your own conclusions as to what happened to the Ervin story and why it was so generally ignored.

I have done so—and on the evidence before me must cast my vote for impeachment of the news **media.**

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## RARICK REPORTS TO HIS PEOPLE: INCOME TAX INEQUITIES

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. RARICK. Mr. Speaker, I recently reported to my constituents on inequities in the income tax laws which discriminate against working, producing Americans. I include the text of that television broadcast in the RECORD, as follows:

### INCOME TAX INEQUITIES

If you're an average American worker, you'll work two hours and 38 minutes out of an eight-hour working day to pay your Federal, state and local taxes. That's one minute a day longer than it took last year to pay the same taxes. The fact is that it will take all the money you make from January 1st through May 1st to pay your taxes for 1974.

It's not a pleasant thought. But then again, taxes are not a very pleasant subject.

No American under the age of 61 has lived in a time when there was no income tax in the United States. Most younger Americans are surprised to learn that there was a time when the United States government operated efficiently without imposing a personal income tax on its citizens. But it did.

For 137 years, our country managed to function, pay the bills and carry out the business of government without resorting to income taxation of American working people. From the American Revolution to the Civil War, except in time of war, our citizens were free of all Federal taxes except the tariff on imports. From the Civil War to the enactment of the Federal Income Tax Act in 1913, government revenue was raised by taxes on liquor and tobacco, from import tariffs and the sale of public lands. During this long period of American history, the country prospered because our people were not drained of financial incentives through excessive taxes. The emphasis was on less government and more individual responsibility. And American enterprise prospered mainly because of the great individual freedom the people enjoyed.

I think that a part of the reason for this long history without income taxes was that the people remembered that the nation was born out of a revolution against excessive taxation. We have come a long way since 1776, when the rallying cry of American patriots was "No taxation without representation." Taxation today falls most heavily on the middle-income working and producing American. Upper-income groups avoid paying their share of the tax bills through tax loopholes, tax shelters and other preferential treatment provided for them.

It's a national disgrace that most Washington politicians pay more attention to the tax-free foundations, which pay nothing to support government, than they do to the average taxpaying citizen who carries the financial burden of the nation. This uneven tax distribution is nothing more than a form of discrimination against American working people.

From the little 30-word statement amending the Constitution, the Internal Revenue Code has developed into an enormous collection of regulations that reach into the private lives of us all. It is the most far-reaching group of documents ever placed as a stumbling block to individual initiative and liberty. It has led our government into the most inflationary element in the economic system—deficit spending.

With the taxpayers footing the bill, the Federal government has taken this country on the wildest spending spree in world history. If you applied the same principles used by government economists to the management of your own finances, you'd quickly be forced into bankruptcy and headed for the poor house.

The simple fact is that our government's out-go exceeds its income, according to the President's new budget, by a whooping $9.4 billion—up 103 percent over the previous budget. Our national debt has swollen to nearly half a trillion dollars. This deficit spending is the cornerstone of our skyrocketing inflation rate. This debt will have to continue to rise, as long as the Treasury spends more than it takes in in taxes.

The interest alone on the national debt is appalling. The $495.2 billion debt will cost the American worker and taxpayer $30.5 billion in interest payments during the next fiscal year. That's about triple what it was just ten years ago. The interest paid for the last two years is actually more than the entire national budget for 1941.

A sizable number of the tax dollars that you and I pay into the U.S. Treasury will go directly to line the pockets of foreigners. According to the most recent figures available, foreign banks, governments and wealthy individuals are paid interest on $55 billion of our national debt.

It is unjust that the American worker, farmer, small businessman and other middle-income people carry the greatest financial burden of this country. People with middle income pay upwards to 80 percent of the personal income taxes. They also pay the great bulk of use, sales, excise, property and other taxes. While corporation income taxes supplies only 27.5 percent of the combined total, the average citizen keeps getting his every April 15th.

There's a growing resentment of inequities in the tax laws by middle income taxpayers. And a glance at headlines from around the country indicates that people are fed up with taxes, taxes, taxes. They've had it with the complexities of the tax laws which allow the rich and the super rich to pay little or no money to support the system that enabled them to make their money—and even worse, those who live abroad and make profit from Americans who labor.

There are any number of cases where million dollar corporations pay little or no income taxes on the money they make. There's the celebrated case, a billionaire in this country whose tax, when computed by the method the middle-income taxpayer uses, would be $75 million a year. Yet he pays only a few thousand dollars, because of loopholes and tax shelters.

The American taxpayer has every right to be up in arms over the inequities in the tax system. When the Internal Revenue Service began collecting personal income taxes in 1913 it imposed a minimum rate of one percent on incomes over $3,000 and a maximum of seven percent upon incomes in excess of $500,000. If you look at the tax schedule today, you'll see that a citizen who makes only $1,000 must pay 14 percent and the scale goes up to 70 percent on earnings in excess of $200,000.

So far in this session of Congress, I have introduced 28 bills aimed at providing tax benefits for the average workingman, elderly and retired people and small businessmen. Many of my bills have received a great deal of Congressional support.

Early in this session of Congress, I introduced a bill that would allow retired individuals having a gross income of $10,000 or less not to have to file income tax returns. These people who have worked all their lives should be entitled to enjoy a moderate income free of taxation in their retirement years. In the same general area of tax assistance to the elderly, one bill I have introduced would allow any individual who has reached the age of 65 and continues to work to elect to treat services performed by him as noncovered (and exempt from tax) for Social Security purposes. After all, these people have already paid their share of Social Security during the time before they reached age 65.

Another of my tax-relief bills that has gained much recognition and support from a wide spectrum of Congress would allow a tax deduction for certain expenses incurred in the adoption of a child. Fifty-five legislators have joined me in this bill so far. Existing tax laws allow for a tax deduction for certain expenses resulting from the birth of a child, and similar consideration should be shown to those people who seek to provide a home for children through legal adoption. Another bill to aid the workingman is to allow an itemized deduction for automobile insurance premiums.

More and more legislation is being introduced to provide tax relief for working people, the elderly, veterans, teachers, and others who have been forced to carry the tax burden of the country. But to correct the inequities of the tax benefits to middle income people, I have reintroduced bills that would remove the tax-exempt status from foundations engaged in propaganda and politics, and force them to show each source of income, including the money they receive from governmental sources.

The Federal government can continue to operate without enslaving the American people to a personal income tax—it worked for 137 years without it. Elimination of unconstitutional Federal programs alone would make up the difference. Government can do nothing for people they cannot do better for themselves and that includes spending their money.

Every time government takes a dollar from its people in taxes, it denies the citizen the freedom to use as he sees fit the earnings of his labor.

## IN MEMORIAM: TO THE HONORABLE CHARLES BENSON, OF POMPTON LAKES, N.J., OUTSTANDING FOOTBALL COACH, ESTEEMED EDUCATOR, AND GREAT AMERICAN

### HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ROE. Mr. Speaker, the people of my Eighth Congressional District and the State of New Jersey deeply mourn the passing of one of our finest citizens, exemplary neighbor and good friend, the Honorable Charles Benson, who passed away at the age of 67 in Knud Hansen Memorial Hospital, St. Thomas, Virgin Islands, where he was vacationing after a brief illness. I know you will want to join me in extending our most sincere condolences and profound sympathy to his wife, the former Elizabeth Edeburn; his daughter, Mrs. Joyce Cogan of South Orange; and his grandchildren.

Charles Benson is a native of Dayton, Ohio, and graduate of the University of Illinois, class of 1928. During the past 42 years he has been a resident of the Borough of Pompton Lakes, N.J., and has achieved the highest standards of excellence as a nationally prominent football coach. In June 1973, he retired as director of athletics and physical education of Clifton High School in my district, and has been the superintendent of parks and recreation of the Borough of Pompton Lakes since the inception of this borough program.

There are many, many commendations that could be cited on behalf of Charles Benson's lifetime of achievements in service to his fellow man and he will always be remembered for the warmth of his friendship and the quality of his leadership in guiding and building the character of our youth in recreation, and particularly as the "Dean of Coaches" in the sports world of football. With your permission I would like to insert at this point in the RECORD an excerpt from his obituary that appeared in one of New Jersey's most prestigious newspapers, the Paterson News, which eloquently translates some of his victories in his career pursuits that will always endear him to all of us as an inspiring leader of our young people and a great American. The News excerpt is as follows:

CHARLES BENSON, RETIRED FOOTBALL COACH

During his 31 years of tutoring Pompton Lakes High School football teams, Benson compiled a record of 159 victories, 71 defeats and 13 ties. One of the deadlocks was in his final game as a Cardinal coach against arch rival Butler.

"He left a remarkable record," said Paul Kelley, currently the Pompton Lakes High School athletic director. "He was a standout coach and man."

Benson came to Pompton Lakes in 1932 when Thiel College, Pa., where he had been coaching, dropped football. He was a coach without a squad that year as he prepared a hand-picked group, drilled them in single wing fundamentals and introduced the military-styled huddle break.

When the newly-constructed Pompton Lakes High School opened in 1933, Benson was at the helm of the football squad he had nicknamed the "Cardinals."

SCORED WINNING STREAK

After beating only Netcong during its first four games of the inaugural season, Pompton Lakes then hit its stride. The Benson-coached squad won 34 of its next 35 games, during which it compiled a 24-game winning streak.

The streak was registered against some of the best scholastic teams in the East as Benson booked numerous intersectional contests. He also introduced night football to the area, and the crowds were so large that Pompton Lakes had to vacate its little Lakeside Oval for the 12,000 seater at Hinchliffe Stadium in Paterson.

A man who played end as a junior the year that teammate Harold (Red) Grange became the "Galloping Ghost" at the University of Illinois, Benson directed the Pompton teams which won state football championships in 1934, '35, '36, '37, '40, '42, '43, '45, '54, and '60.

PIONEER OF "T" FORMATION

Benson was an advocate of the single wing, but long before Stanford University brought the "T" formation to prominence with Frankie Albert, he used the "T".

It was under Benson that Pompton Lakes played the first intersectional football game in New Jersey in 1937, when it defeated Clearwater, Fla., 13-6, at Hinchliffe Stadium. Benson also hosted the first intersectional scholastic basketball game in 1938, when his Lakers defeated Marblehead, Mass.

During his 31-year tenure as a football, baseball and basketball coach, as well as the school's athletic director, Benson led Pompton Lakes to victory over 1,000 times.

His football disciples are almost as legendary as their former coach. Foremost is Fred Keil, the highly successful De-Paul Diocesan High School mentor.

Following the 1963 football season, at the end of which he was named The Paterson News Area's first "Coach of The Year," Benson was named athletic director at Clifton High School.

When he first arrived at Clifton, the school fielded six boys' athletic teams. Today it numbers 22, including 14 boys' sports and sports for eight girl's teams.

Benson was a member of the National Retired Teachers Association; the New Jersey Education Association; the New Jersey State Directors of Athletics Association; the University of Illinois Alumni Association; the American Football Coaches Association and the retired Teachers Association.

Mr. Speaker, the passing of Charles Benson is a great loss to all of us for he, indeed, has truly contributed to the educational and cultural enrichment of our community, State, and Nation. I know that you and our colleagues here in the Congress will want to join with me in a moment of silent prayer to his memory and extend our heartfelt sympathy to his wife and family. I trust that they will soon find abiding comfort in the faith that God has given them and in the knowledge that our beloved Charles Benson is now under His eternal care. May he rest in peace.

## BILL TO CORRECT MISTAKE IN PUBLIC LAW 93-66

### HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. WALDIE. Mr. Speaker, the intent of Public Law 93-66 was to help rather than hinder the needy. But a technical error has brought hardship to many Californians. At a time when the cost of living is soaring at a faster-than-ever pace, welfare recipients are receiving less than in the past. And they can ill afford any reduction in benefits received.

So I introduce today a bill that will correct this mistake and resolve this injustice. I enclose a copy of the bill and request that it be printed in the RECORD:

H.R. 13682

A bill to make it clear that the bonus value of food stamps is to be included in the "hold harmless" amount guaranteed to recipients of supplemental security income benefits under the Social Security Amendments of 1972, so as to assure that recipients in cash-out States do not suffer reductions in the benefits they actually receive

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 212(a)(3)(B)(i) of Public Law 93-66 is amended by striking out "and" after "June 1973," and inserting in lieu thereof the following: "together with the bonus value of food stamps in such State for January 1972, as defined in section 401(b)(3) of Public Law 92–603, for which such individual was eligible, or would have been eligible had he applied, in December 1973 if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act, and (II) the level of which has been found by the Secretary of Health, Education, and Welfare to have been specifically increased so as to include the bonus value of food stamps, and".

Sec. 2. (a) The amendment made by the first section of this Act shall take effect on January 1, 1974.

(b) The Secretary of Health, Education, and Welfare is authorized to prescribe regulations for the adjustment of an individual's monthly supplemental security income payment in accordance with any increase to which such individual may be entitled under the amendment made by the first section of this Act: *Provided*, That such adjustment in monthly payment, together with the remittance of any prior unpaid increments to which such individual may be entitled under such amendment, shall be made no later than the first day of the first month beginning more than sixty days after the date of the enactment of this Act.

## WOMEN IN SERVICE ACADEMIES

## HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 18, 1974*

Ms. ABZUG. Mr. Speaker, I am compelled to object to the manner in which S. 2771, providing pay bonuses for the armed forces, was passed by the House. I have three objections.

First, the bill was brought up under suspension of the rules without the customary 3-day lay-over and without proper notification. Second, consideration by the House Armed Services Committee was cursory and treatment of the bill's opponents, shabby. The Senate had approved an amendment permitting women to enter the military training academies, which the House Committee voted to delete by a count of 18 to 16. A gentleman who came in late was then allowed to vote, which made the talley 18 to 17. Ms. Schroeder then came in and asked to record her vote. She was refused permission. Another Member states that in his 14 years of service on the Armed Services Committee, this was the first time he had ever heard a Member denied the right to be recorded on a vote.

It seems obvious that as one Member said, "This is a man/woman battle put on the Suspension Calendar." It is indicative of the mind-set that blocks full equality for women. The House is now deprived of the opportunity to vote on this amendment. This is my third reason for opposing the bill.

Surely the time has come when discrimination against women must be eliminated in military academies as in every other area. However traditional it may be, such discrimination is obviously wrong. Women who wish to make careers in the armed forces should be as free as men to do so. Women already serve as commissioned officers in the WACs, WAVEs, and WAFs, and should have the benefit of officers' training.

The very thought appears to shock some old-line military men, who cite the need of changing physical facilities—which I assume means installing "ladies' rooms"—and even changing the curriculum—I am not at all sure what that means.

A basic fear seems to be that women will be required to go into combat. In this attitude there is paternalism as well as gallantry. The new generation of women demanding complete equality do not exempt themselves from combat. Most of them say that no one, male or female, should ever again have to engage in war. Many would like to see the military academies abolished as obsolete and undemocratic relics. But so long as war and preparation for war exists, they feel the responsibility should be evenly divided. They do not merely want men to help with unpleasant household chores; they want to share with men the unpleasant realities of national defense. They should be allowed—as women in many other countries are allowed—to train for participation in every phase, as commanders as well as privates. In any case this bill deals with bonuses to encourage those who can fill critical and shortage skill requirements in the new voluntary army. To hold back the participation of women who can add numbers needed is contrary to the purposes of this bill.

I hope the chairman of the Armed Services Committee will adhere to his promise to hold hearings on this topic soon, and to bring out and support the passage of the bill.

## SPIRIT OF '76 ESSAY CONTEST

## HON. SAMUEL H. YOUNG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. YOUNG of Illinois. Mr. Speaker, on the 4th of July, 1776, the Declaration of Independence was signed. The 200th anniversary of this historic day is a time for reflection on the past and for contemplation of the future.

The bicentennial is an event which has great importance to Americans, but it also has tremendous implications for all of the people of the world. It is not too soon to start planning to properly celebrate this event. The American Revolution Bicentennial Commission welcomes suggestions to enrich our celebration of the historic Declaration of Independence.

It is in this spirit that I have chosen to sponsor a "Spirit of '76" essay contest which will be open to all of the high school students in the 10th Illinois Congressional District.

I have requested participants to write an essay describing the role the United States should play in the world through the year 2000. Essays may focus on one or several aspects of this country and may describe the leadership that this country should provide politically, socially, and morally to Americans and to the rest of the world.

Two winning essays will be selected from each high school, and these essays will then be judged by a panel of prominent citizens who will select the final two winning essays and the authors will be specially honored. Copies of the final two winning essays will be printed in the Congressional Record and will be delivered to the National Committee on Critical Choices appointed by the President and chaired by Governor Nelson Rockefeller. The two winning authors will be provided with an expense-paid trip to Washington, D.C.

To encourage participation in this contest, I have prepared contest rules, letters, and posters announcing the contest. I hope that the contest will stimulate the high school youth of the 10th District to review their heritage, to develop pride in their country, and to develop high aspirations for the future of the United States of America.

I invite any of my colleagues who believe that this program has merit to use any of these materials for similar essay contests in other congressional districts.

## THE MAN AND THE MYTH: ALLENDE AND CHILEAN DEMOCRACY

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ASHBROOK. Mr. Speaker, this past week the House Internal Security Committee, of which I am the ranking minority member, held hearings dealing with the "Theory and Practice of Communism." In particular the committee examined the recent history of Chile and the efforts of the former President Salvador Allende Gossens to impose his Marxist views upon the country over the objections of the majority of the people and the rulings of the Chilean Supreme Court. An apparently well-coordinated effort has been underway among many people to martyrize Allende since his ouster from power. As was pointed out in the hearings, much of the recent discussion of Chile under Allende has become increasingly divergent from the reality of his rule. In particular, the massive smuggling of armaments and revolutionaries into Chile from Communist nations has been conspicuously ignored by the critics of the new military government.

A careful examination of Chile under Allende belies much of the current mythology about the activities of revolutionary parties and organizations. Among the witnesses before the committee, an American documentary journalist, Mr. Tom Sullivan, testified about his own experiences in Chile and the rule of Allende. His testimony, as well as that of other witnesses should be carefully examined when published by the committee. At this time I would like to include with my remarks several columns written earlier this year by Sullivan which deal with events leading up to the military coup.

The material follows:

### ALLENDE: A PROMISING START

(By Tom Sullivan)

SANTIAGO, CHILE.—Based on his background in public service and his training as a physician, Dr. Salvador Allende Gossens should have been the best president ever to hold office in Chile or any other Latin American country.

Indeed, as minister of health in the late 1930s and early 1940s he introduced health care programs that brought the nation a light year ahead of its neighbors, and later as senator he sponsored excellent legislation in health, education and the protection of ocean resources.

Yet when he became president in 1970, the national infant mortality rate was 86 per 1,000 births, and by the day he died in 1973, the level was up to 130 per 1,000, boosted because health care was moribund and malnutrition commonplace.

His earlier legislation protecting the resources of Chile's 3,000-mile shoreline went by the board when he became president as he allowed Russian trawlers to fish indiscriminately, endangering some species.

#### VIOLENCE-RIDDEN PRELUDE

In the 55-day leading up to the coup, strikes, demonstrations and violence brought industry and commerce to a standstill. An estimated 90,000 persons remained at work out of a population of 10 million.

The Medical College of Chile that Allende helped to establish in his senatorial years, like the rest of the nation's colleges and universities, was the battleground and closed, for much of 1973. On lower school levels, parents often kept children home for fear of violence, so that the academic year was a total loss.

Allende took office in 1970 with only 36.5 per cent of the vote and even that figure was cast in doubt by the suspicion of large-scale electoral frauds. Virtually every day he spent in the presidency was embattled.

Having waged unsuccessful campaigns for the presidency in 1952, 1958 and 1964, Allende and his coterie had plenty of time to think about what they could do if power ever fell to them, and despite some highsounding promises when he was eventually sworn in, there is evidence some abuses of office started almost immediately.

Loopholes were sought in the nation's 17,000 statutes and Allende operated by what he termed "decrees of insistence" to bypass the constitution and the machinery of parliament and the courts.

#### OTHER BRANCHES BRISTLE

In keeping with Chile's long tradition of government stability under law, those agencies tried for almost three years to halt Allende's abuse of office but with no success. On May 26, 1973, the Supreme Court advised him formally his government was operating outside the law and on Aug. 22, 1973, the Chamber of Deputies, equivalent to our Congress, passed a resolution declaring the government unconstitutional.

This meant that a legal ouster, an impeachment, was imminent, but as later evidence was to prove Allende was running a grim race against time to seize absolute power in a bloody massacre of all who stood in his way. Plan Z was the means and Sept. 19 was the day.

The evidence appears clear that Allende had his plan for a coup in mind from the start and he systematically drew upon the public treasury to finance it.

Until he took office, all Chilean presidents lived in their own homes, governing from La Casa Moneda and doing official and large-scale entertainment there. Allende used public money to buy a luxurious villa on Tomas Moro Street as an official residence. Later, more funds were diverted to buy a sumptuous country estate in the foothills of the Andes, supposedly so that the president could have privacy on weekends.

#### COMMAND HEADQUARTERS

Each place became an arsenal, filled with clandestinely imported armament from the Soviet bloc, and the country estate, Canaveral, was expanded with dormitories to sleep 150, kitchens to feed 200, classrooms and an obstacle course for guerrilla training. A projection room with a 20-foot screen was added and a vast collection of pornographic movies reposed there.

Guns, ammunition, materials to make bombs, bazookas and other antitank weapons came in under diplomatic cover. Fidel Castro sent instructors and the private army of Allende came into being.

During my stay in Chile I spent considerable time at Tomas Moro and Canaveral, verifying the nature of their uses. The Chilean army was always equipped with U.S. arms, yet I was able to inspect thousands of weapons from the Communist bloc and photographs and documents taken from Allende's safes after his death verified the horror of Plan Z.

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### PLAN Z BUILDS METHODICALLY TO DEFEAT

(By Tom Sullivan)

SANTIAGO, CHILE.—Allende took office as president of Chile on November 3, 1970. At the end of his first year the first signs of his paramilitary activities became evident, though no one suspected their full meaning.

On December 17, 1971, while luggage was being rearranged in the hold of a Lan Chile 727 at Tocumen Airport in Panama, a box destined for Santiago was found to contain a machine gun with ammunition, including tracer cartridges. It was handed over to local police and retained by them.

Three days later at Madrid Airport in Spain, a bomb scare on an Iberian jetliner prompted police to search other jets parked nearby. On Lan Chile Flight 171, soon to take off for Santiago, police found a box containing 15 new Spanish-made Llama pistols that had been purchased by Lan Chile officials with company money.

They never reached their destination, either.

#### CUBA A SUPPLIER

Evidence suggested that other such shipments had reached Chile without being processed through customs channels. Responsible authorities reported the illicit traffic in weapons to the president. The report never saw the light of day until Allende's safe was cut open after his death.

Another shipment, this time from Cuba, flown in aboard the Empresa Cubana de Aviacion of Cuban Airlines, more than a ton packed in 13 crates, bypassed customs and was delivered to Apartment 213, Tower 18, Remodelacion San Borja, occupied by Allende confidant Eduardo "Coco" Paredes, former chief of the Chilean Bureau of Investigations.

Machine pistols with ammunition, flame throwers, submachine guns, some Russian-made pistols, an assortment of Colt and Smith and Wesson revolvers and automatics, thousands of rounds of ammunition and ancillary equipment were found when unaligned lawmen discovered the cache.

Allende's office denied the report, but the full list of contents was made public.

Other members of the GAP (Allende's Personal Guards), who were housed and trained at Tomas Moro, were implicated from time to time in raids on military arsenals and, as was subsequently discovered when Tomas Moro, Canaveral and Allende's private wing of La Casa Moneda were cleaned out after the coup, thousands of weapons from pistols to antitank guns, and hundreds of thousands of rounds of ammunition had been brought in to Chile clandestinely and his guerrilla army was trained to use them.

#### TERRORISTS ADMITTED

Between 13,000 and 15,000 terrorists from all over the world, Tupamaros who were on the run from rigorous military action in Uruguay; outlaws from Brazil, Peru, Equador and Argentina—even Algerian and North Korean paramilitary experts—were admitted to Chile by Allende, some properly documented, thousands not.

One of the coordinators was Allende's son-in-law, Luis Fernandez Ona, chief of Fidel Castro's secret police in Havana, who was sent with specific instructions from the Cuban dictator.

It was all part of Plan Z, a meticulously drawn up operation that would employ the trainees from the guerrilla schools and the imported terrorists to seize power in Santiago and other major cities.

I personally handled hundreds of the Communist Bloc weapons, saw original photographs of the guerrilla operations taken from Tomas Moro and the Moneda, and—have copies of the documents reportedly taken from the safes of Allende and his colleagues after Sept. 11.

#### "PLAN" DISCONTINUED

The plan was so complex and so well notched together with a wealth of other material that was accumulated in chronological order over a period of years that the possibility of its fabrication by representatives of the government now in power is not credible.

Some Chileans expressed concern to me that Plan Z might be a fabrication post facto to justify the coup, citing the refusal of the military government to publish the list of 200 names on the so-called massacre list.

That list included military, political, union and professional leaders and, in many cases, their wives and children. Most of them would have been gathered under a single roof on Sept. 19 at a banquet where the massacre was to take place.

#### HAZARD CITED

"We cannot publish those names," a representative of the military government told me, "for it would be advertising to any demented follower of Allende who was on the death list, and might result in some deaths."

In a "Dear Salvador" letter handwritten by Castro in Havana on July 29, the Cuban dictator said "Under the pretext, of discussing with you questions concerning the meeting of non-aligned countries, Carlos and Pineiro have gone to see you. The real purpose is to discuss with you your willingness to cooperate in the face of the difficulties and dangers which hinder and threaten the process."

The visitors were Carlos Rafael Rodriguez and Manuel "Redbeard" Pineiro, the new chief of the Cuban secret police. It has been fairly well established they were in Santiago to put the finishing touches on the coup, and that, among other instances of intervention, would account for the severing of diplomatic relations with Cuba by the junta within hours of the shootout on Sept. 11.

All the while Allende attacked his political opponents in the press and on television, accusing them of preparing for civil war.

### SEPTEMBER 11: RENDEZVOUS WITH RETRIBUTION

(By Tom Sullivan)

SANTIAGO, CHILE.—When Salvador Allende was elected to the presidency in 1970, it was with 36.5 per cent of the vote. In the municipal elections of April, 1971, his Unidad Popular received 49.23 per cent of the vote, and the parliamentary elections of March, 1973, 43.98 per cent.

At no time did he ever attain a majority, and a committee of faculty members from the Catholic University's Institute of Political Sciences, under the chairmanship of its dean, Jaime De Valle, reported in March last year, after a comprehensive study, that in each election large-scale frauds were perpetrated to create the Unidad Popular margins.

They searched ballot records and discovered thousands of votes were cast from cemeteries because deceased persons' names had not been taken from electoral rolls. There was widespread double registration of Allende supporters as literate and illiterate voters, and many supporters voted in more than one district, they charged.

In a radio broadcast on July 17, 1973, Del Valle said the evidence in possession of the committee established more than 200,000 fraudulent votes had been cast in the March elections.

#### PARLIAMENT'S CENSURE

Following those revelations, the Chamber of Deputies, the Chilean parliament, launched its own investigation and amassed sufficient evidence to warrant passage of a resolution on Aug. 22, 1973, declaring that the Allende government had placed itself completely outside the law.

This action followed in essence the condemnation issued by the Chilean Supreme Court on May 26 that the Allende government had placed itself not only outside the law, but outside the constitution.

With the stage set for Allende's ouster by parliamentary means, he and his colleagues pressed ahead with plans for a seizure of total power through violence, according to spokesmen for the military government, who offered as evidence an array of documents reportedly taken from Allende's safes after Sept. 11.

Typical was a general order distributed to members of the Chilean Communist party on June 30, specifying that every militant was to get a firearm to take home, ingredients for making firebombs and a list of necessities to stockpile to assure "survival of militants."

The "Dear Salvador" letter from Fidel Castro on July 29 stated: "Your determination to defend the process strongly and with the greatest honor possible, even if it means risking your own life, will draw to your side all the forces able to fight and all the worthwhile men and women in Chile. Your courage, your serenity, and your daring in this historic moment of your country and, above all, your strong resolve and heroic leadership, hold the key to the situation."

#### PLOT UNCOVERED

Allende's documents, shown me by the military government, put Sept. 19 as the day for the start of the seizure of power. But through its own intelligence-gathering system the highly professional but hitherto politically aloof military uncovered the plot.

On Sept. 11 they informed Allende at the Moneda that a military jet was standing by to take him, his family and any of his supporters who wished to go, to any destination that would receive them.

Believing himself secure in the old palace, with a heavy arsenal of weapons and many supporters trained in their use, Allende did not respond.

The military then broadcast a warning at 11 a.m. that all should leave the Moneda or face attack by noon. Some left, many did not. Before the deadline, firing broke out from the inside.

At 11:55 a jet swooped in and laced the beautiful old building with rockets. By then a pitched battle was in progress and fire had broken out in the wooden interior.

As the only newsman permitted to photograph inside the ruins, I was able to record the exact moment that Allende's ill-fated experiment in revolution came to an end. I found the burned-out time clock with its scorched card racks. The hands were stopped at 11:57.

#### RELEASE IS REFUSED

Later in the day Allende phoned the defense ministry, according to my military liasion men. They said he was intoxicated, but announced that he wished to leave the Moneda. He was told that was not possible since there was heavy gunfire from in and out of the palace.

In her interview with the international press the next day, his widow said Allende called her after that conversation and told her he would not allow himself to be taken but would use the automatic weapon given him by Fidel Castro to take his own life.

I saw the office where his death occurred. Later Mrs. Allende changed her story, saying he was killed by the military, but he is said to have been dead some time before the troops were able to enter the Moneda.

Gen. Augusto Pinochet, commander in chief of the army, was named president of the junta de gobierno, as he, Adm. Jose Toribo Merino, Air Force Gen. Gustavo Leigh and Director General of The Carabineros, Gen. Cesar Mendoza, assumed power.

Interestingly, of the Allende power axis, only the leader died. His fellow architects for the Marxist government, Louis Corvalan, Pedro Vuskovic and Daniel "Barney" Vergara, are all alive, most in custody, though Vuskovic is in sanctuary in a foreign embassy. Another, Carlos Altamitano, found his way to Cuba where he has issued bellicose statements.

The military insists that fewer than one-tenth of the number of deaths reported after the coup actually occurred and they involved persons in possession of weapons and responsible for direct violence against the new government.

Certainly the reality of Chile today belies most published reports, and if any tears are being shed for Allende, I was unable to see them.

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## GOV. MILTON SHAPP'S RESPONSE TO PRESIDENT NIXON'S SPEECH ON THE TRUCKERS

## HON. FRED B. ROONEY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ROONEY of Pennsylvania. Mr. Speaker, on February 16, Pennsylvania's Governor, Milton Shapp, delivered his response to President Nixon's February 9 speech regarding the truckers. At this time I would like to insert in the RECORD a text of the Governor's remarks delivered over the CBS radio network:

### TEXT OF STATEMENT DELIVERED BY GOV. MILTON J. SHAPP, ON CBS RADIO NETWORK

Last Saturday, in a radio address to the Nation, President Nixon spoke about the independent truckers' strike.

I know something about that situation because, for five days and nights last week I was in Washington doing what I could to shape an agreement to end the strike and its serious economic consequences. And for eight weeks before that I had been meeting with truckers from all sectors of the Nation in my office and at truck stops discussing their problems.

It was apparent to me that the truckers' strike would not merely make the public aware of the truckers' grievances, although their grievances were legitimate.

What concerned me greatly was the fact that a truck strike could indeed tie up the country economically by blocking the shipment of essential goods, produce and industrial commodities.

The end result would have affected the food on our tables, the jobs in our factories and the safety on our highways.

And equally important, I saw the truckers' grievances as typical of the problems faced by all Americans—steelworkers, autoworkers, small businessmen, clerks, farmers and housewives—all caught in the squeeze of the energy shortage, rising prices, mounting unemployment, economic uncertainty and, above all, becoming angrier with each passing day because of a national government unresponsive to their needs.

On Thursday, of last week, after 'round-the-clock meetings for four days, I announced the terms of an agreement reached between federal officials and representatives of the independent truckers. On Friday, I visited a number of truckstops in Pennsylvania, urging independent truckers to accept the agreement and go back to work. I spoke to other trucker groups via telephone urging their acceptance of the agreement as the best that could be obtained at this time to help alleviate their problems.

Today, most truckers are back on the road.

Essential consumer and industrial goods are moving again.

Factories are rehiring workers laid off during the strike.

Incidents of violence have virtually disappeared.

But this is no time to be complacent.

As I have stated—the terms agreed to last week were the best we could get under the circumstances.

But their continued acceptance by the independent truckers will depend upon two factors:

First, solid determination by the federal government to honor its commitments, and

Second, the willingness of the federal government and Congress to pursue other legitimate needs of the independent truckers quickly, within the next few weeks.

Follow through in both of these areas will take continued vigilance by the truckers' representatives, by myself and by other state and local officials because I have found, much to my regret, that you just can't depend upon the Nixon administration to deliver for the people without constant vigilance and unrelenting pressure.

I do not say this lightly.

Consider an example from the President's speech itself.

In his address last Saturday, President Nixon said that his administration would take every possible step so that the truckers' fuel supplies "will be equal to 100 percent of their needs."

Five days later, many truckers and the head of the national truck stop operators called my office to tell me that neither the oil companies nor the federal government were complying with the agreement.

Immediately, I requested of appropriate officials in Washington that they deliver on this promise made by the President himself.

Finally, just last Thursday, February 14th—one full week after the agreement was reached, Mr. William Simon, the federal Energy Czar, at my insistence, sent out telegrams to the oil companies advising them of the truckers' agreement and requested that the oil companies take steps to deliver sufficient fuel to supply their dealers.

The terms of the present agreement are not our only concern.

Washington must do much more to cure the evils of the present system before the President's claim of "redressing the truckers' legitimate concerns" can be considered valid.

1. Congress can—and must—enact uniform national length and weight standards for trucks on our interstate highways.

2. A single license plate and permit can—and should—be made valid on trucks in all states, just as one tag and permit are valid for passenger cars. The added cost, confusion and harrassment of the present system is a cause of numerous unnecessary problems and higher costs for the truckers.

3. The U.S. Department of Transportation, should by executive order, rule that, except in cases already covered by tariff regulations, loading and unloading costs must be borne by the shipper or receiver, and not by the truckers.

These—and other additional steps—must be taken and quickly.

In short, last week's agreement has bought time. But the time we now have must be utilized to provide a better opportunity for the independent trucker to overcome his losses and make a living.

Now, I would like to comment on two statements made by the President in his radio address last week because they point up very clearly the basic problems that our people face in trying to get action from the federal government.

The president said that last week's agreement demonstrates that "the federal government will act promptly" when any segment of the economy has serious problems.

Let me state emphatically that not once prior to the strike or during my stay in Washington was it apparent to me that either the President or his top aides were fully aware of the true dimensions of the truckers' strike.

Nor was it apparent that they were willing to take bold action needed to bring the strike to an end.

As the days went on, second level Nixon administration officials began to see that this was a really serious problem, and, fortunately, they eventually prevailed at the White House and an agreement was reached. Further, as I indicated before, even after the agreement was reached, the Nixon administration dragged its feet on implementing one of the key provisions—that of providing an adequate supply of diesel fuel.

Also, in his speech, the President referred to the truckers as a "handful of desperadoes."

Let me say at this point that no state in the Nation acted more promptly to prevent violence than Pennsylvania. As early as Friday, February 1st, I signed a Declaration of Emergency, placed the State Police on full alert and called out the National Guard. Repeatedly, I said that we would not tolerate violence or disorder from any source.

Frankly, I don't think it serves the public interest for the President to describe the strikers as "desperadoes."

Desperate they were—but if the President had taken the time to talk to them, he would have found that they were only desperate to earn a decent living for themselves and their families.

For months, they sought relief from Washington to help meet rising fuel costs and many other economic problems which beset them. They got only empty promises and doubletalk from administration officials. Finally, they stopped driving and actually as witnessed by the fire bombing of the Pittsburgh headquarters of the steelhaulers, the truckers themselves were victims of some of the violence.

Their desperation was really no different from the desperation felt by the many other Americans from all walks of life caught in today's squeeze created by the inability of the Nixon administration to deal with various economic crises that are causing the rampant inflation now sweeping the nation.

The way to handle these problems is not to withdraw further into the isolation of the White House. Nor is it in the public interest to persist in policies which consistently seem to favor the big oil interests over the consumer.

The only way to handle these problems is for the President and his aides to get out and listen to the people, to find out what is on their minds and to take positive action to alleviate their problems.

After all, isn't that what government's all about—doing things for people?

And how can the federal government do things for people unless it listens to the voice of the people in the factories, on the farms and in the streets of our big cities?

My father often advised me, "Milt, you have two ears and one mouth. Use them in the same proportion and you'll go a lot further in life."

Listening is what is missing today in Washington as is action based upon listening to people.

Yes, we've fallen back a long way from the open, people oriented government which was sparked in the early sixties by John F. Kennedy to the closed, isolated and suspicious environment of Richard Nixon's White House.

I was there in the administration of John Kennedy.

I saw its openness with my own eyes. As a consultant to the Secretary of Commerce, I had access to top aides of the President, Cabinet officials and was even able to talk to the President, as were others in similar capacities during the Kennedy administration.

But last week as Governor of the third largest state in the Nation, who went to Washington to help solve a national crisis, I saw the exact opposite—isolation, inaccessibility and an unwillingness on the part of the President to even seek pertinent information.

I implore the President to change this atmosphere, this spirit and to adopt goals for his administration now that will avert future domestic crises.

Yes, what is needed in our national life today is an open door, a receptive mind, a concern for people and a willingness to take bold action on behalf of the people at the highest levels of our national government.

I hope that the lesson of the truckers' strike will be seen and understood at the White House so that it will never again be necessary for the Governor of one state to go to Washington in an attempt to solve a problem which cries out for national leadership.

And I hope that action will be taken in Washington soon enough to avert another truckers' strike in the near future. We barely averted martial law in this nation last week. Let's hope that by Presidential negligence we do not place our nation too close to the fire again.

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## INDEPENDENT SERVICE STATIONS CALL FOR HELP

### HON. GEORGE E. DANIELSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. DANIELSON. Mr. Speaker, a recent meeting of the Serve Yourself and Multiple Pump Association, Inc., in Los Angeles, indicated that the independent gasoline station owners do not feel that they are being treated fairly. A resolution adopted unanimously by the association on March 12, 1974, is printed below:

RESOLUTION

(Adopted unanimously by the Members and the attending Board of Directors of the Serve Yourself & Multiple Pump Assn. at an extraordinary meeting on March 12, 1974 in Los Angeles, Calif.)

Whereas the independent branded and unbranded service stations are the only true examples of our cherished free enterprise system, and hereafter we shall refer to them as True Independents.

Whereas these stations are the only real competitive force in gasoline marketing; and;

Whereas their very existence is predicated on fair and equal sharing of available product at fair, equitable wholesale prices, and;

Whereas, presently, governmental bungling and the Major Oil Companies' unbelievable political and material influence in a corruption ridden administration, and;

Whereas the true Independent Refiners can supply less than 10% of our needs and the majors traditionally supplied 90% or more of the product we need to keep competition alive, and;

Whereas, the independents are now forced to pay 6¢ to 18¢ per gallon higher wholesale prices than the major Oil Companies' dealers and Company Operated Stations, and;

Whereas, if this continues, despite the spirit and fortitude of the True Independent, they will be crushed and put out of business, and;

Whereas, the Major Oil Companies, with their illegal and secret contributions to political candidates, would like nothing better than to put the True Independent out of business, thus removing the last and only obstacles in their accomplishment of complete cartelization of the Oil Industry.

Now, therefore; be it resolved, that the governmental agencies that are still fighting for the survival of this endangered species of True Independents . . . such agencies as the Anti-Trust Dept. of the Justice Dept.; the Federal Trade Commission; and the courageous, but frustrated FEO under William Simon, be accorded the unqualified support of the members of both houses of Congress, without any respect to their political affiliation, in order that they may be enabled to insure that the True Independents can purchase their *fair* allocations of product at fair and equitable prices.

JAMES L. BEEBE,
*President.*
PAUL T. ERDOS,
*Executive Secretary.*

## ADDRESS BY GEN. ROBERT E. L. EATON, NATIONAL COMMANDER OF THE AMERICAN LEGION

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### HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. DORN. Mr. Speaker, General Eaton has rendered outstanding service as National Commander of the American Legion, and I commend his timely remarks to my colleagues and the American people:

ADDRESS BY GEN. ROBERT E. L. EATON BEFORE THE ROA NATIONAL COUNCIL, WASHINGTON, D. C., FEBRUARY 22, 1974

Members of the Reserve Officers Association, Distinguished Guests, I am delighted to be with you this morning.

The American Legion which I am privileged to represent shares with the ROA a number of common views and concerns. One is the continuing need for a strong national defense. Another is that our Reserve Forces should figure prominently in our defense structure. It is to these points that I shall address myself today.

The American Legion holds that there is substantial room for improvement in the general area of defense manpower utilization.

Specifically, we feel that the Department of Defense is not adequately exploiting its Reserve potential.

We feel that increased reliance on Reserve Forces offer the greatest promise for maximum security within the limits of our resources.

We feel that certain parochial attitudes on the part of the active establishment are restricting the development of that promise.

We intend to press vigorously our contention that the interests of national defense are best served by elevating, rather than depressing, the status of our Reserve components.

Today it is more than customarily difficult to convince the American public of the need for continued maintenance of a strong deterrent posture.

One reason is the fact that we have recently ended our involvement in a war. It seems to be an American tradition—a regrettable one—that a war's end inevitably brings a clamor for dismantling the force structure so laboriously and so expensively constructed. As a nation we seem incapable of absorbing the often-repeated lessons of previous experience.

Once again there is a demand for "reordering priorities." To some Americans that phrase suggests that we could finance increases in social programs by paring the defense budget beyond the limit of sanity. Certainly we should do everything within our power to improve the quality of life for all who are part of this nation. But when considering priorities, we should remember that defense is itself a social service, the most important one because it guarantees our freedom and our very existence.

Advocates of reduced defense expenditures point to a degree of thaw in our relationships with the Soviet Union and the Chinese Communists as evidence of a diminishing need for military strength.

That is a wishful approach. It accepts the promise of lasting peace as if it were already fact. It is not. The attitudes of the Soviets and the Chinese appear to augur some hope for the future. But, speaking for The American Legion, we remain unconvinced that these adversaries have totally abdicated their plans for military superiority and conquest.

Another reason why there is some resistance to maintaining a strong deterrent force is the ever-rising cost of defense. The fiscal 1975 budget now before the Congress contemplates defense outlays some $6 billion greater than those of the current fiscal year. That makes the defense budget a prime target for sniper fire.

However, the increase is illusory. Anyone who has bought a steak or a gallon of gasoline recently is aware of the eroding effect of inflation on defense purchasing power as well as personal purchasing power. There are additional factors compounding the problem of defense costs. There is the essential demand for greater performance in each new generation of weapon systems; this means greater complexity, hence higher costs. There are also the dramatic funding increases associated with the zero-draft, all-volunteer defense force.

Viewed in proper perspective, the proposed defense budget is anything but munificent. It amounts to a smaller percentage of the gross national product than in any year since 1950. It represents 29 percent of the total federal budget, where six years ago it was 44 percent. The American Legion supports the Administration's defense budget, with this qualification: It provides only the minimum level required for American preparedness, dollar increases notwithstanding.

Clearly, rising costs dictate a greater-than-ever quest for efficiencies in utilizing our defense resources. The alternative is further reduction in force, which is not tolerable in today's unsettled international climate.

In the search for new efficiencies, defense manpower appears a particularly promising area for focus of attention. In fiscal 1975, the average per capita pay of military personnel will reach $11,000, approximately double the figure for 1968. Despite large-scale reductions in personnel strength, manpower costs in 1975 will be up almost 50 percent above the 1968 level.

Manpower is now the largest major component of the defense budget. It takes a larger bite of the total budget than the combined sum of operations, procurement, construction, research and development. In both the current fiscal year and the coming year, manpower outlays amount to 55 percent of the defense budget.

How can we improve efficiency in manpower utilization? By *really* implementing the total force concept, the complete integration of U.S. Reserve Forces into the combat-ready force in being. I stress the word *really*. Although the total force concept has been a matter of Department of Defense policy since 1970, its implementation has been something less than vigorous.

Inherent to the total force concept are these tenets:

First, the difference in combat effectiveness between Regular and Reserve Forces is insignificant, as has been demonstrated by studies, tests and actual combat experience;

Second, Reserve units can be organized, manned, equipped, trained and operated at costs dramatically lower than the costs for similar Regular Force units. For example, a combat infantry battalion can be maintained in the Reserve Forces for about 20 percent of the cost of maintaining an active army infantry battalion.

The essence of the total force policy is that necessary reductions in active defense strength can be offset by greater reliance on Reserve capabilities. Toward that end some Reserve Forces—particularly the National Guard—have been assigned high-priority missions once considered the sole province of active forces.

I submit that there is an opportunity for greater cost effectiveness in manpower utilization through further steps in this direction. The Department of Defense should give full consideration to a substantial shift in emphasis, roles, missions and resources from the Regular Forces to the Reserve Forces.

There is, of course, a requirement for a hard core of Regular Forces. This hard core must include, among other things, an adequate rotational base for the maintenance of overseas units. The balance of the total defense requirement could be met by strong, well-equipped, combat-ready Reserve components.

Such a shift involves nothing more than full acceptance of the total force policy already established. It could prove immensely advantageous to the nation.

If the mandate is maintenance of a given level of force, it could be accomplished at far lower cost.

If the determining factor is cost ceiling, we can obtain a higher level of force within the monetary limitation.

Will the total force policy work in practice? There is ample evidence that it will. Witness, for example, the rapid response and effective deployment of the Israeli Reserves in the most recent Middle East conflagration. Our own Reserves have on several occasions provided similar testimony. The National Guard has already demonstrated its ability to meet the challenge of total force by attaining the highest level of combat-readiness in its history.

However, if the total force policy is to work it must be *fully* implemented. Full implementation means this:

The force has to be manned;

The force has to be equipped; and

The force has to be trained.

Full implementation of the total force policy will require a commitment greater than we have yet witnessed on the part of the active establishment. If we are to get that commitment, we must first effect a radical change in Department of Defense thinking concerning the role of the Reserves. Despite lip service to the concept of total force and the advantages it offers, there are still many in important positions who regard the Reserves as a "mobilization" force, something to be called up in the late innings of a war rather than a component of the force-in-being.

That word "mobilization" is one I would like to remove from the dictionary, at least insofar as it pertains to Reserve Forces.

It is true that the Reserves were conceived as a mobilization force in the Defense Act of 1916, before our entry into World War I. The legislators of that day envisioned the mobilization force as one that could be activated at the start of an emergency but equipped and trained over long months—or even years—thereafter. It was a military second string for use in a long-term war.

But that was six decades ago. The leisurely-mobilized Reserve Force of 1916 would be useless in today's—and tomorrow's—environment. We will never again experience an emergency in which long-term mobilization is possible. Thus, today's Reserve Force cannot be a mobilization force. It must be a ready force, complementary but not inferior to the active force. Where there are deficiencies in readiness level or equipment, the Department of Defense should bend every effort to bring the deficient units to an appropriate level of capability.

Because of the parochial views I mentioned, the Department of Defense is not moving toward full implementation of the total force policy. In fact, and perhaps for the same reason, it is moving in the opposite direction. There was a recent decision to deactivate a number of air national units. There are indications of further cuts in the Reserve components. Such reductions are completely inconsistent with the objective of getting the most defense for the dollar outlaid.

It is difficult to understand the rationale of defense management with regard to Reserve Force reductions, actual and contemplated.

The keystone tenet of the total force policy is this: When considerations of the national economy dictate reductions in active strength, the impact must be counterbalanced by improvement in Reserve capability. Yet look at what is happening.

Over the past 3 years, the Soviet Union has increased its active forces from 3 million to 3.8 million men. The USSR has *not* reduced the size of its reserve establishment.

The United States, on the other hand, has been in a steady decline with respect to active personnel strength. In 1968, the peak year of the Vietnam conflict, there were 3.5 million military personnel on active duty. In the coming fiscal year, that figure will drop to 2.2 million.

Thus, at a time when our active forces are at the lowest level in more than 20 years, there are moves afoot to cut the Reserve Forces as well. This is a rejection of the basic principle of the total force concept.

It is also a foolish way to achieve economy. We of The American Legion deplore any reductions in defense strength at a time of uncertain international atmosphere. But if there absolutely must be reductions it is upside-down philosophy to cut the Reserve Forces rather than the active establishment.

Look at it this way. If it became absolutely imperative to cut your family budget, how would you go about it? Would you turn out all the lights in your home to save a few dollars a month? Or would you give up your country club membership to realize a much more significant reduction with less real hardship?

Defense management is turning off the lights, so to speak. Because the Reserve unit is far less costly to operate, its elimination saves relatively few dollars. To put it another way, we lose more defense capability by cutting the Reserves than we do by reducing the Regular Forces.

There is one other aspect of Defense management's attitude toward the Reserves.

Recently I wrote the Secretary of Defense protesting Reserve reductions. I received a reply from the Assistant Secretary of Defense for Manpower and Reserve Affairs. There was nothing in the reply which in any way changed the views I have enunciated today. There was, however, one paragraph which merits public airing: I quote:

"It is essential that units, Active and Reserve, that provide little effectiveness because they are performing marginal mission or because they are manned and equipped in a manner that is an inefficient use of defense dollars be eliminated."

This is another attitude to which I take exception. It constitutes a lack of understanding of the Reserve role. It ignores the fact that a Reserve unit—however outmoded—is a valuable defense asset. Elimination of a Reserve unit is a waste of the time, funding, recruiting and training that brought it into being.

Is it not more logical to convert the outmodes unit to new capability? If it is performing a marginal mission, give it a new one. If it is under-equipped, equip it properly. It takes but a stroke of the pen to dissolve an active duty unit or to reactivate it. But a Reserve unit, once broken up, takes years to rebuild.

Until now, I have presented the case for proper utilization of the Reserve Forces in strictly pragmatic terms. I have outlined the cost effectiveness and other gains that can accrue from real implementation of the total force policy.

There is another side to the subject—the philosophical side.

From the earliest days of the Republic, Americans have embraced the fundamental doctrine that the cornerstone of defense is the citizen army. The first article of the Constitution empowered Congress to "call forth the militia to execute the laws of the Union, suppress insurrection and repel invasions."

Since its formation, The American Legion has espoused that doctrine. At the Legion's second national convention in 1920, the Military Affairs Committee stated a policy for insuring the readiness of our citizen soldiery. I quote:

"We recognize the Constitutional principle that a well-trained and disciplined citizen soldiery is essential to the peace and safety of both state and nation. In conformity with the spirit of our organization, we pledge our efforts in aid of the constituted authorities of the United States, and of each of the several states, in the formation, recruiting and maintenance of the National Guard of the United States at that standard of strength and dependability required by the adopted military policy of our government and the welfare of our national and state institutions.

"We believe that national safety with freedom from militarism is best asured by a national citizen army based on the democratic and American principles of the equality of obligation and opportunity for all. The National Guard and organized Reserves, which should and must be the chief reliance of The United States in time of war, should be officered in peace and in war as far as practical by men from their own ranks."

That statement was advanced in the wake of World War One. The thinking of that day envisioned the slow mobilization of forces and, as I have said, long term mobilization is no longer appropriate. However, the concept of citizen soldiery remains as valid today as in 1920 and at the founding of the Republic.

Today, however, it is national policy to build toward an all-volunteer, professional armed force. Without participation by the citizens in selective service, we are moving away from the concept of citizen soldiery.

The American Legion supports the personnel of our armed forces. We are convinced that they represent the highest type of individuals who serve our nation. But we are not convinced that the professional armed force is in keeping with the American idea of free government.

Nor are we convinced that it is an effective way to fight our nation's wars. There is a belief—in which I concur—that the principle cause of the Southeast Asia disaster was the professional army approach. There were draftees in the armed forces, but the army fighting the war was primarily professional. The Reserves were never called into action and for that reason the nation never realized the full participation of its people.

I believe that a military effort which lacks the full support of the American people is foredoomed to failure.

The total force policy provides an opportunity for active participation of our citizenry. But if it is to be a viable program, it must be fully and intelligently implemented. We must have a commitment to man the force, to equip the force and to train the force. The American Legion, The Reserve Officers Association and others who share our convictions must carry the fight to insure that commitment.

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## OUTSTANDING AMERICAN AND COMMUNITY LEADER

## HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. GOLDWATER. Mr. Speaker, I would like to take this opportunity to congratulate an outstanding American and community leader on receiving yet another commendation for excellence in retailing and community service.

Bert Boeckmann, owner-president of Galpin Ford Square in Sepulveda, Calif., has recently won a national Time Magazine Quality Dealer Award for 1974. This award program annually honors outstanding new car dealers for "exceptional performance combined with distinguished community service." As an example of his selfless nature, when accepting the award, Mr. Boeckmann stated:

> I feel the honor is a tribute to my entire organization for its business and civic-minded efforts.

Under Boeckmann's direction Galpin Square has grown from its original 1-acre facility to a 13-acre compound employing over 200 people. His idea for "Galpinized" vehicles have been widely imitated, and he is recognized as the developer of the Surf Van, Pinto with Targa Bar and specially designed vinyl roofs. In addition to the Quality Dealer Award of 1974, Boeckmann was the recipient of the Brand Names Foundation National Automotive Retailer of the Year Award in 1969. This is one of the most prestigious industry honors in the country.

For his active role in community service, Boeckmann has won the San Fernando Valley Conquistador Award, presented annually to the businessman with the most outstanding performance in business, civic and community affairs. He is a trustee of the West Valley Community Hospital; advisory board member of the North Valley YMCA; director of the Valley Business and Professional Association, and a member of the U.S. Chamber of Commerce. Community tributes to Boeckmann also include citations of merit for business ethics and civic affairs from Gov. Ronald Reagon, the California State Senate, the County of Los Angeles, and former Mayor Sam Yorty on behalf of the city of Los Angeles.

Bert Boeckmann is an individual who combines the best of what is right with the American free enterprise system, with the willingness to contribute his energies to his community. I commend him to my colleagues' attention.

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## PROPOSED AMENDMENT TO H.R. 69

## HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. CAREY of New York. Mr. Speaker, under leave to extend my remarks in the Record, I include the following amendment intended to be offered by me to H.R. 69:

Amendment to H.R. 69, as Reported Offered by Mr. Carey of New York

Page 28, beginning with line 5, strike out everything down through line 18 on page 58, and insert in lieu thereof the following:

Sec. 101. Section 102 of title I of the Elementary and Secondary Education Act of 1965 (hereinafter referred to as the "Act") is amended by striking out "1973" and inserting in lieu thereof "1974".

Page 26, strike out the items relating to sections 102 through 113, inclusive.

## SELECT COMMITTEE ON COMMITTEES DECISIONS REGARDING HOUSE JURISDICTION OVER PANAMA AND INTEROCEANIC CANALS

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### HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mrs. SULLIVAN. Mr. Speaker, as you know, I have been concerned over the recommendations of the Select Committee on Committees concerning the various jurisdictions of the Committee on Merchant Marine and Fisheries. Originally, the select committee recommended abolition of the Merchant Marine and Fisheries Committee. In its resolution of March 19, 1974, the Merchant Marine and Fisheries Committee was retained with merchant marine, Coast Guard, and fisheries jurisdictions. The committee's existing jurisdictions over the environment, oceanography, Panama Canal, and wildlife have been stripped away. This relegation of the committee to a minor status and the elimination of a substantial portion of its jurisdiction is a matter of great concern to the members of the Merchant Marine and Fisheries Committee and is, we feel, an incorrect decision.

In view of my great concern over this matter, I will insert in the RECORD over the next week or so several statements which I think point up erroneous decisions made by the select committee with respect to the proposed shifting of existing Merchant Marine and Fisheries Committee jurisdictions, and which among other things, compel me to oppose the select committee's resolution.

In its deliberations and resolution, Mr. Speaker, the Select Committee on Committees transferred the jurisdiction of interoceanic canals—including the Panama Canal—and the administration and government of the Canal Zone, from the Merchant Marine and Fisheries Committee to the Foreign Affairs Committee. This transfer by the Select Committee was done, according to the record, at the suggestion of some of the members of the Foreign Affairs Committee—page 270 of the record of the Select Committee markup session of February 20, 1974, reference was made to a letter. There does not appear to be other rationale or reasoning in support of such a transfer.

In fact, the House Committee on Merchant Marine and Fisheries has had jurisdiction over the Panama Canal, the Canal Zone, and interoceanic canals in general since 1935 when it moved from Interstate and Foreign Commerce to Merchant Marine and Fisheries and our jurisdiction was again ratified in the Reorganization Act of 1946 when it was stated that the Merchant Marine and Fisheries Committee shall have jurisdiction over "the Panama Canal and the maintenance and operation of the Panama Canal, including the administration, sanitation and government of the Canal Zone, and interocean canals generally." This Panama Canal jurisdiction just mentioned is a domestic matter and not a foreign affairs matter.

In all these years, the overwhelming work in connection with the Panama Canal and the Canal Zone has been with the maintenance and operation of the Panama Canal and the administration of the Canal Zone. In all these years there has been comparatively minimal activity with respect to the foreign affairs aspect of the canal and the zone. There was an attempt to modify the existing 1903 treaty in the period of 1964 and 1967, and there is currently an attempt under way to write a new treaty to supersede the 1903 treaty. However with the exception of treaty discussions and hearings, all of the work that has been done in the canal area has been by the Merchant Marine and Fisheries Committee, with respect to its jurisdictional responsibilities.

Set out at the end of the article for the Members' information will be a list of just some of the more recent U.S. domestic laws which apply to the Canal Zone and the inhabitants of the Canal Zone. This list covers everything from the National Environmental Policy Act of 1969 and the Occupational Safety and Health Act of 1970 to the minimum wage laws. Clearly, the operation and maintenance of the canal and the Canal Zone is primarily a domestic and maritime matter. Unfortunately, the Select Committee apparently failed to recognize the relationship of the canal and the Canal Zone to domestic law and maritime commerce, and to recognize that the essence of congressional activity, with respect to the canal and the Canal Zone, is not a foreign affairs problem but is and always has been involved primarily with the operation and maintenance of the canal and the administration of the zone.

This, and other examples of questionable judgment by the Select Committee, compel me to vote against the Select Committee resolution.

Information follows:

GENERAL LAWS OF THE UNITED STATES HAVING EFFECT IN THE CANAL ZONE—AS OF DECEMBER 31, 1973

1973 ENACTMENTS

1. Emergency Petroleum Allocation Act of 1973: P.L. 93-159, 87 Stat. 627.
2. Rehabilitation Act of 1973: P.L. 93-112: 87 Stat. 355 (Fed. agencies only).

1972 ENACTMENTS

1. Noise Control Act of 1972: P.L. 92-574: 86 Stat. 1234 (applies to Fed. agencies only).
2. Consumer Product Safety Act: P.L. 92-373; 86 Stat. 1207.
3. Marine Protection, Research, and Sanctuaries Act of 1972: P.L. 92-532; 86 Stat. 1052.
4. Marine Mammal Protection Act of 1972: P.L. 92-522; 86 Stat. 1027.
5. Motor Vehicle Information and Cost Savings Act: P.L. 92-513; 86 Stat. 947.
6. Federal Water Pollution Control Act Amendments: P.L. 92-500; 86 Stat. 862, 875 (expanded certain oil pollution provisions to C.Z.).
7. Automobile Information Disclosure Act of 1972: P.L. 92-359; 86 Stat. 502.
8. Equal Employment Opportunity Act of 1972: P.L. 92-261; 86 Stat. 103 (extends Civil Rights Act of 1964 to fed. employees).
9. Drug Abuse Office and Treatment Act of 1972: P.L. 92-255; 86 Stat. 65.

1971 ENACTMENT

1. P.L. 92-187; 85 Stat. 644—equal treatment for married women federal employees.

1970 ENACTMENTS

1. Lead-Based Paint Poisoning Prevention Act: P.L. 91-695, 84 Stat. 2078.
2. Economic Stabilization Act of 1970: P.L. 91-379; 84 Stat. 796.
3. Intergovernmental Personnel Act of 1970: P.L. 91-648; 84 Stat. 1909.
4. Comprehensive Alcohol Abuse and Alcoholism Treatment Act of 1970, as amended, P.L. 91-616; 84 Stat. 1848.
5. Occupational Safety and Health Act of 1970: P.L. 91-596; 84 Stat. 1590.
6. Comprehensive Drug Abuse Prevention and Control Act of 1970: P.L. 91-513; 84 Stat. 1236.

1969 ENACTMENTS

1. National Environmental Policy Act of 1969: P.L. 91-190; 83 Stat. 832.
2. Amendment of Contract Work Hours Act: P.L. 91-54.

1968 ENACTMENTS

1. Gun Control Act of 1968: P.L. 90-618; 82 Stat. 1213.
2. P.L. 90-616; 82 Stat. 1212 (waiver of collection of overpayments of Federal pay under certain circumstances).
3. Intergovernmental Cooperation Act of 1968: P.L. 90-577; 82 Stat. 1098.
5. Consumer Credit Protection Act: P.L. 90-321; 82 Stat. 146

50 U.S.C. App. 469 (Selective Service System).

50 U.S.C. App. 2021-2032 (Export controls).

Public Law 89-267, October 19, 1965, 79 Stat. 990 (Transfer of certain Canal Zone prisoners to custody of Attorney General).

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UNITED STATES CODE PROVISIONS APPLICABLE TO THE CANAL ZONE—AS OF JANUARY 1966

5 U.S.C. 2211 (Compensation of Governor of Canal Zone).

7 U.S.C. 608a (Sugar Quotas).

8 U.S.C. 1101(9) and 1201, 1202 (issuance of visas to C.Z. residents by "consular officers" as designated by Governor).

8 U.S.C. 1185 (providing for authority for imposing restrictions on departure of aliens from the United States, defined to include the Canal Zone (See 22 CFR 46.6 vesting such authority in Governor of C.Z.)

8 U.S.C. 1403 (confers citizenship on persons born in C.Z. or R.P. one of whose parents is a U.S. citizen).

8 U.S.C. 1452 (Certificates of citizenship of persons claiming citizenship under 8 U.S.C. 1503).

10 U.S.C. 312 (Exemption of executive officers of Canal Zone from militia duty).

10 U.S.C. 4342(8) (Appointments to Military Academy).

10 U.S.C. 6954(8) (Appointments to Naval Academy).

10 U.S.C. 9842(8) (Appointments to Air Force Academy).

12 U.S.C. all (Foreign banking corporations in "Panama and the Panama Canal Zone or other insular possessions" as depositaries of public monies).

12 U.S.C. 1748-1748i (Armed Forces Housing Mortgage Insurance).

12 U.S.C. 1751-1775 (Federal Credit Unions).

14 U.S.C. 91 (Control of movements of vessels in Canal Zone waters to safeguard Naval vessels).

1967 ENACTMENT

1. Flammable Fabrics Act Amendments: P.L. 90-189; 81 Stat. 566.

1966 ENACTMENTS

1. P.L. 89-710; 80 Stat. 1104—to authorize the issuance of certificates of citizenship in the C.Z.

2. National Traffic and Motor Vehicle Safety Act of 1966: P.L. 89-563; 80 Stat. 718.

3. Federal Claims Collection Act of 1966: P.L. 89-508; 80 Stat. 308.

## RECORDING INDUSTRY ASSOCIATION OF AMERICA PRESENTS ANNUAL CULTURAL AWARD TO REPRESENTATIVE FRANK THOMPSON, JR.

### HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. HANSEN of Idaho. Mr. Speaker, it is with a great deal of pride that I note that our distinguished colleague, the gentleman from New Jersey (Mr. THOMPSON) is the recipient of the Annual Cultural Award recently presented by the Recording Industry Association of America. No one is more deserving of the recognition this award brings.

Congressman FRANK THOMPSON, Jr., has long been one of the Nation's most effective champions of cultural and artistic endeavors. He is the architect of much of the landmark legislation that has marked the steady growth of Federal support and encouragement of the arts and humanities.

I want to congratulate the RIAA for presenting this year's award to FRANK THOMPSON, Jr. The association has chosen well. And, I want to congratulate and pay tribute to an able colleague whose leadership and exceptional skills as a lawmaker have contributed so much to the advancement of the arts and humanities and to the enrichment of the cultural life of our Nation.

Mr. Speaker, I include as a part of my remarks the citation by the RIAA on the occasion of the presentation of the award at its annual awards dinner in Washington March 13, 1974. And, I also include Congressman THOMPSON's eloquent and timely remarks on receiving the award:

CITATION—THE SIXTH ANNUAL RIAA CULTURAL AWARD IS PROUDLY PRESENTED BY THE RECORDING INDUSTRY ASSOCIATION OF AMERICA TO REPRESENTATIVE FRANK THOMPSON, JR.

In recognition and deep appreciation of his continuing legislative leadership in behalf of the arts and culture in the United States. Since becoming a member of the House of Representatives in 1955, his has been a voice that has consistently urged the Congress toward greater involvement in furthering the arts and education. He not only authored the legislation which established the National Cultural Center, but authored the bill to have it designated as John F. Kennedy Center for the Performing Arts. He sponsored bills that created the National Council on the Arts and the National Foundation on the Arts and Humanities. He authored the bill that preserved from demolition the historic Patent Office Building, now the repository for the National Collection of Fine Arts. He was the principal sponsor of the Elementary and Secondary Educational Act and of the Higher Education Act, and was the author of the VISTA program. Today he is the principal sponsor of legislation to create within the Library of Congress the American Folklife Center to collect, preserve and propagate the ethnic songs, dances and folklore that are part of our nation's heritage. Because he has recognized the responsibility of Government to encourage and support a flourishing program of art and culture in this country, and because he has succeeded in spreading this interest and involvement among others, the Recording Industry Association of America is proud and delighted to present him with its Sixth Annual Cultural Award.

REMARKS BY REPRESENTATIVE FRANK THOMPSON, JR. ON ACCEPTING RECORDING INDUSTRY ASSOCIATION AWARD, MARCH 13, 1974

Ladies and Gentlemen:

Anyone in political life would be deeply honored, as I assuredly am, to receive the award you have presented me tonight. It is a prize I shall always treasure—a lovely memento of many years of happy and fruitful association with leaders of America's cultural community.

But your generous award has very particular significance to me just now, in the midst of a historic crisis in our country over the nature of our constitutional system and the role which that system assigns to the politician and public servant. In a very real sense, it is a crisis of confidence—confidence in our institutions, in our traditional national purposes, in our political leadership, and ultimately in ourselves—over our ability to deal with the great challenges facing our Nation.

Obviously, the illusion-shattering experiences of Watergate are partly to blame. But as shocking and disturbing as that affair has been, our national loss of confidence goes much deeper, down to a dark wellspring of despair over our evident failure as a nation to cope with the steady depletion of our natural resources, the wanton desecration of our human environment, the awful decay and poverty in the hearts of our cities, the loss of purpose in our daily work, the inferior quality and aesthetic ugliness of our industrial output, the shallowness of our education, the crassness, the crowding, the crime—the list seems to have no end.

In a long thought-provoking article which recently appeared in the New York Review of Books, Robert Heilbroner posed the question, "Is there hope for mankind?" In the sense that these problems cannot be solved except at the most fearful human cost, Heilbroner's answer was simply, "No, there is not."

Is it any wonder, therefore, that lesser mortals such as Congressmen, who are supposed to come up with the practical solutions, are assaulted by despair and a loss of confidence in themselves? Is it any surprise, either, that growing numbers are withdrawing from politics this year, complaining that they have lost their zest for lawmaking, that the frustrations are too great, the achievements too small, and their constituents too demanding?

Yet here—tonight—you have provided testimony that the system has not outlived its usefulness; and you have reminded me how much remains to be done, through our combined efforts, in behalf of our Nation's cultural development.

Let me cite just a few areas that are high on my own list—and, while I'm at it, put in a plug for your support:

AMERICAN FOLKLIFE PRESERVATION ACT

Perhaps my favorite is an idea aimed at preserving and supporting American "folklife"—the whole gamut of songs, crafts, and lore which groups of Americans have handed down from one generation to another. I am a sponsor and ardent supporter of a bill which would create within the Library of Congress a Folklife Center with two exciting and complementary functions: One, to preserve these folk arts by collecting, documenting, and publishing characteristic examples; the other, to make these same arts available in living form to the public by sponsoring performances, exhibits, and festivals of local folk art around the country.

What opportunities such a Center would open up for both imaginative scholarship and creative expression.

RAILROAD DEPOT CULTURAL CENTERS

Another example close to my heart responds to two areas of particular concern to me: historical preservation and community development. I have long had a love affair with the old passenger train depot, that once-bustling center of human activity which now stands sadly idle in hundreds of blighted downtown areas across the country. My idea is to make these unused depots available to the disadvantaged communities around them, for use as cultural centers and for all sorts of community get-togethers.

What better way to help solve our crying need for such facilities than to put these marvelous old buildings back to work?

A HOME FOR THE NATIONAL ENDOWMENT

One last example: the National Endowment for the Arts, with over $60 million in funds this year and a staff of almost one hundred, still has no permanent home of its own here in Washington. I'm encouraging a plan which would rescue a familiar old Washington landmark from the wrecker's ball, turn it into a home for the Endowment, and also provide a colorful, vibrant center for Washington's own lively arts and crafts. The building I mean is the mock-fierce old Romanesque Post Office Building on Pennsylvania Avenue with its distinctive clock tower, its marvelous interior galleries, and its spacious, sky-lighted central courtyard—an ideal festival setting.

What better way to revitalize our Avenue of the Presidents for the Nation's bicentennial?

Before I end, let me turn once more to Heilbroner, who draws some interesting conclusions from the dismal outlook he describes for mankind. *The greatest single threat to survival,* he asserts, *is man's own angry frustration*—that after so much effort, so little has been accomplished; and that before such vast challenges, so little is apt to be done.

Heilbroner's lesson is pertinent to our political crisis of confidence: however bleak the outlook for managing the multiple challenges which tomorrow holds, there is no excuse for copping out today—no justification for doing nothing. The politician isn't obsolete yet, not if he enjoys the cooperation and support of public-spirited groups like the Recording Industry.

I thank you deeply for your award. I shall honor it as a tribute to the mutual trust and confidence which have grown up, through years of labor on both sides, between the Congress and the cultural community. And I pledge to you my continuing concern for the well-being of the performing arts in America.

## CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 12

### HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. HARRINGTON. Mr. Speaker, within the next several months, the Supreme Court will consider the case of United States against the State of Maine. At stake is the question of authority over the petroleum-rich lands off the coast of the eastern seaboard States. Presently, the individual States retain jurisdiction over the first 3 miles offshore, while the Federal Government controls the Outer Continental Shelf area beyond that initial area. However, the 13 Atlantic coastal States are now contending, on the basis of charters granted them while they were still colonies under English rule, that they should have sovereignty over the entire extent of the coastal shelf.

The Court's decision has tremendous implications for the development of our natural resources on the OCS and the control over the revenues generated from these resources. The U.S. Geological Survey estimates that modern drilling techniques could recover nearly 200 billion barrels of oil and 850 trillion cubic feet of natural gas from the American Outer Continental Shelf.

In my own mind, there are major environmental and economic questions to be considered before any decision to commence OCS development can responsibly be reached. But if these questions are to be explored, the issue of relative State and Federal rights and responsibilities has to be resolved first.

Regardless of the Court's final decision, the proposed Federal Oil and Gas Corporation has been conceived so that it could function under either jurisdiction. The bill states that—

> The Corporation shall have the power to explore for natural gas and oil on Federal, State, foreign, or private lands; *Provided*, That exploration on State lands shall be in accord with leasing or other State land disposition or utilization programs.

Whichever way United States against Maine is decided, Mr. Speaker, the units of government which end up with authority over petroleum reserves on the Shelf will find that the Oil and Gas Corporation has the flexibility to operate under its authority.

## 101ST ANNIVERSARY OF PUERTO RICO'S EMANCIPATION

### HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ROONEY of New York. Mr. Speaker, tomorrow marks the 101st anniversary of Puerto Rico's existence without that most heinous of all crimes—slavery. Until March 22, 1873, the repugnant and horrifying practice of buying and selling human beings was rampant on that most tranquil and beautiful of islands. The protection for this odious commerce came from the representatives of Imperial Spain who fostered this trade for personal aggrandizement and profit with no concern or feeling for those poor and indigent persons who were the chattel of this commerce.

In Puerto Rico, as elsewhere in the world, there are those who when they see a wrong being perpetrated commit themselves totally and irrevocably toward the eradication of that wrong. Those men in Puerto Rico who fought fiercely and successfully were a small group in number but they had as great an impact on Puerto Rican history as any group. Their names are hallowed in the hearts of the people of Puerto Rico: Roman Baldorioty de Castro, Jose Julian Acosta. Ramon Emetario Batances, Segrundo Ruiz Belvis, Julio L. de Vizcarondo. These patriots were a few of the men who championed the cause of anti-slavery and through their untiring and unselfish efforts set the stage for freedom in Puerto Rico.

Using the conscience of the world as their most potent weapon, these freedom fighters argued, petitioned, and propagandized until they forced the entrenched bureaucracy of the government of Spain to grant to the slaves of Puerto Rico the freedom that should have been theirs since birth.

With the final eradication of slavery in Puerto Rico, free men everywhere who had long held such human bondage to be the most abominable of crimes rejoiced equally with those who were newly freed.

Mr. Speaker, it is with a great sense of satisfaction that we hail the occasion of Puerto Rican Emancipation Day, for as free men in a free society we know the value and the merits of liberty and dread the cause of slavery and oppression.

Freed from the devastating effects of slavery, the people of Puerto Rico have pulled together, as descendants of both free men and slave did their share, to establish their island as a leader in the ranks of all democratic states.

Their love of liberty is unsurpassed, their democratic spirit inextinguishable as they stand today, a credit to the great traditions of freedom in the Western World.

## PROPOSED AMENDMENT TO TITLE I OF H.R. 69

### HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BADILLO. Mr. Speaker, in accordance with the requirements of House Resolution 963, I include here the text of an amendment which I may propose to title I of H.R. 69, the Elementary and Secondary Education Amendments of 1974.

This amendment simply raises the ceiling of the State entitlement in the title I allocation formula from 120 percent of the national average per pupil expenditure to 150 percent. The lower committee ceiling penalizes States which are displaying leadership in expenditures for the schooling of their children and rewards States making minimal effort. The 150 percent ceiling will simply allow States to be reimbursed under title I at levels reflecting actual spending and should be a spur to those States still not making a maximum effort to provide quality schooling.

AMENDMENT TO H.R. 69, AS REPORTED OFFERED BY MR. BADILLO

Page 30, line 4, strike out "120 per centum" and insert in lieu thereof "150 per centum".

Page 30, line 5, strike out "120 per centum" and insert in lieu thereof "150 per centum".

Page 31, lines 21 and 22, strike out "120 per centum" and insert in lieu thereof "150 per centum".

Page 31, line 23, strike out "120 per centum" and insert in lieu thereof "150 per centum".

## WE NEED A NATIONAL RESEARCH DATA BANK

### HON. HAROLD B. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. COLLIER. Mr. Speaker, during fiscal 1975, which will begin in a little over 3 months, the Federal Government will provide almost $20 billion for research programs. This will be a billion dollars in excess of the amount appropriated for the current fiscal year.

Some of my colleagues feel that a substantial sum could be saved if research spending were judiciously curtailed, while others believe that a great deal more ought to be made avilable for their favorite programs. Regardless of whether they want more or less to be earmarked for research, I am sure they would like to have access to a National Research Data Bank which would be established if a bill that I have introduced becomes law.

Such a facility ought to be available not only to Congressmen and their staffs, but to the executive branch and State and local governments as well. Business and industry, labor, agriculture, and private individuals ought to have access to all information and data developed by governmental research except for that which ought not to be disseminated to the general public for reasons of national security.

A research data bank would become a reality if a bill that I introduced more than a year ago were enacted into law. H.R. 145, the National Research Coordination Act of 1973, which I put in the hopper on the opening day of the 93d Congress, provides for the development, establishment, and maintenance of a National Research Data Bank by the Comptroller General of the United States.

My bill provides that, for each research program being conducted with Federal assistance, the Data Bank shall identify the program, including the name of the program, the authorizing statute, the specific administering office, and a brief description of the program and its objectives; describe the program structure, including the method of research being utilized, and the expenditure patterns; provide additional financial information, including current authorizations and appropriations of funds, the obligations incurred for past years, the current amount of unobligated balances, other non-Federal sources of assistance including amounts, and other pertinent financial information; identify the appropriate officials who are administering the program; identify any closely related programs; and provide any other information which the Comptroller General may feel is necessary to a complete understanding of the scope and purpose of the research program.

An annual catalog, containing a summary of all except classified matter, would be published by the Comptroller General after the Data Bank had been in operation for 12 months.

Every year Congress is asked to approve new research activities, even though its members have no idea of how many similar programs already exist. Before we embark upon any more ventures in research we ought to set up a systematic method of coordinating and evaluating the mountain of data that has previously been collected at Federal expense.

A tabulation that I have prepared shows the amounts that were obligated for research in the fiscal years 1973 and 1974 and the sums that will be obligated for fiscal 1975, broken down by departments and agencies.

Mr. Speaker, I urge the Committee on Government Operations, to which my bill was referred, to schedule hearings on H.R. 145 at an early date. The National Research Data Bank is a necessity if we are to be able to appropriate wisely for research and if the research is to be readily available to those whom it is intended to benefit.

The tabulation follows:

[In millions of dollars]

| | 1973 actual | 1974 estimate | 1975 estimate |
|---|---|---|---|
| DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS | | | |
| Conduct of research and development: | | | |
| Research, development, test, and evaluation: | | | |
| Military sciences | 457 | 426 | 431 |
| Aircraft and related equipment | 1,881 | 1,658 | 1,832 |
| Missiles and related equipment | 2,141 | 2,112 | 2,340 |
| Military astronautics and related equipment | 421 | 594 | 525 |
| Ships, small craft, and related equipment | 634 | 633 | 726 |
| Ordnance, combat vehicles, and related equipment | 381 | 460 | 512 |
| Other equipment | 1,548 | 1,687 | 2,090 |
| Programwide management and support | 525 | 592 | 712 |
| Other appropriations | 394 | 411 | 413 |
| Research and development facilities | 146 | 201 | 189 |
| Total obligations | 8,528 | 8,774 | 9,770 |
| NATIONAL AERONAUTICS AND SPACE ADMINISTRATION | | | |
| Conduct of research and development: | | | |
| Manned space flight | 1,136 | 1,056 | 1,125 |
| Space sciences | 662 | 588 | 540 |
| Space applications | 205 | 175 | 184 |
| Space and nuclear research and technology | 82 | 69 | 75 |
| Aeronautical research and technology | 151 | 168 | 166 |
| Supporting activities | 252 | 149 | 256 |
| Research and program management | 722 | 745 | 750 |
| Research and development facilities | 79 | 101 | 151 |
| Total budget plan | 3,289 | 3,151 | 3,247 |
| Total obligations | 3,154 | 3,442 | 3,278 |
| DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE | | | |
| Conduct of research and development: | | | |
| National Institutes of Health | 1,338 | 1,745 | 1,662 |
| Alcohol, Drug Abuse, and Mental Health Administration | 122 | 157 | 129 |
| National Institute of Education | 107 | 101 | 130 |
| Health Resources Administration | 53 | 61 | 71 |
| Office of Education | 58 | 55 | [1] 15 |
| Social and Rehabilitation Service | 53 | 50 | [2] 33 |
| Food and Drug Administration | 30 | 35 | 38 |
| Center for Disease Control | 33 | 38 | 34 |
| Social Security Administration | 18 | 25 | 27 |
| Office of the Secretary | | 21 | [2] 34 |
| Assistant Secretary for Human Development | 12 | 15 | [2] 24 |
| Health Services Administration | 12 | 12 | 12 |
| Assistant Secretary for Health | 8 | 16 | 18 |
| Research and development facilities | 43 | 71 | 33 |
| Total obligations | 1,887 | 2,403 | 2,261 |
| ATOMIC ENERGY COMMISSION | | | |
| Conduct of research and development: | | | |
| National security: | | | |
| Weapons research | 61 | 58 | 59 |
| Weapons development and testing | 394 | 383 | 393 |
| Naval reactor development | 149 | 154 | 162 |
| Waste management | 6 | 12 | 17 |
| Energy: | | | |
| Reactor research and development | 256 | 290 | 350 |
| Controlled thermonuclear research | 37 | 53 | 82 |
| Nuclear materials (production) | 33 | 40 | 44 |
| Applied energy technology | 10 | 15 | 12 |
| Other programs | 9 | 9 | 12 |
| Reactor safety research | 34 | 41 | 48 |
| Physical research | 241 | 250 | 268 |
| Biomedical and environmental research | 93 | 98 | 112 |
| Space nuclear systems | 39 | 26 | 27 |
| Research and development facilities | 348 | 387 | 411 |
| Total obligations | 1,710 | 1,816 | 1,997 |
| NATIONAL SCIENCE FOUNDATION | | | |
| Conduct of research and development | 480 | 530 | 549 |
| Research and development facilities | 57 | 39 | 49 |
| Total obligations | 537 | 569 | 598 |
| DEPARTMENT OF TRANSPORTATION | | | |
| Conduct of research and development | 311 | 358 | 396 |
| Research and development facilities | 38 | 32 | 20 |
| Total obligations | 349 | 390 | 417 |
| DEPARTMENT OF AGRICULTURE | | | |
| Conduct of research and development | 371 | 393 | 412 |
| Research and development facilities | 3 | 11 | 8 |
| Total obligations | 374 | 404 | 420 |
| DEPARTMENT OF THE INTERIOR | | | |
| Conduct of research and development | 254 | 287 | 345 |
| Research and development facilities | 26 | 88 | 55 |
| Total obligations | 280 | 375 | 400 |
| DEPARTMENT OF COMMERCE | | | |
| Conduct of research and development | 191 | 210 | 266 |
| Research and development facilities | 8 | 12 | 11 |
| Total obligations | 199 | 222 | 277 |
| ENVIRONMENTAL PROTECTION AGENCY | | | |
| Conduct of research and development | 181 | 174 | 150 |
| Research and development facilities | 23 | 13 | |
| Total obligations | 204 | 187 | 150 |
| Conduct of research and development: | | | |
| Veterans' Administration | 74 | 85 | 94 |
| Department of Housing and Urban Development | 58 | 65 | 70 |
| Department of Justice | 35 | 52 | 56 |
| All other | 176 | 132 | 128 |
| Research and development facilities—All other | 15 | 24 | 25 |
| Total obligations | 358 | 358 | 373 |
| Grand total obligations | 17,578 | 18,940 | 19,942 |

[1] Reflects the transfer of certain research functions to revenue sharing accounts.

[2] Reflects the transfer of certain research functions from the Social and Rehabilitation Service to the Assistant Secretary for Human Development and the Office of the Secretary.

Note: Details may not add to totals due to rounding.

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## CONSUMERS REPORTS ENDORSES PURE FISH BILL

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BINGHAM. Mr. Speaker, I was delighted to learn that the editors of Consumer Reports have endorsed H.R. 10150, the Pure Fish and Fishery Products Act of 1973, which I introduced last year.

They correctly point out that the need for this legislation is no less important than that which led to the establishment of the U.S. Department of Agriculture's meat inspection program.

I include herewith Consumer Reports' statement on H.R. 10150, and a related article about frozen shrimp which, I believe, indicates the need for this legislation. I commend the following, which appeared in the March issue of Consumers Reports, to those of my colleagues and other readers of the RECORD who appreciate the bounty the sea has to offer:

WHY FISHERY INSPECTION BILLS FOUNDER

Bills calling for mandatory sanitary inspection of fishery vessels and plants usually surface in Congress every year, often in both houses. Without fail, they sink without a trace by the session's end. There is mandatory continuous Federal inspection of meat and poultry—why not of seafood?

The industry lobbies violently against such regulation. Its arguments have been successful, apparently, for two reasons:

1. Because the whole processing-distribution system, from boat to wharf to plant to wholesale storage to retail sale, is unwieldy, and the Federal Government seems reluctant to implement so widespread a regulatory administration.

2. Because, in contrast to the large national production of meat and poultry, imported fish and shellfish almost double the domestic catch, and much of the foreign production could not be regulated.

But just because much of the seafood comes from other countries is no excuse for us not to impose quality controls on what is sold here. Only one arm of Federal enforcement, the Food and Drug Administration, now has any real power to supervise the quality of seafood sold in interstate commerce or imported from foreign countries. Once in a while, FDA inspectors may examine foreign shipments unloading in U.S. ports. Once in a while is not enough to check out shrimp caught, for example, in India, shipped to Mexico for processing, and distributed here as a Mexican product. Once in a great while, the FDA has recalled a bad batch of shrimp shipped interstate.

Last fall, another bill was introduced in the House by Representative Jonathan B. Bingham (D., N.Y.) aimed at giving the FDA broad authority to regulate the harvesting, processing, and retailing of fish and shellfish. CU strongly endorses the bill (H.R. 10150). In essence, it would:

Prohibit the sale of fishery products beyond a specified expiration date and require this date to show on the label.

Require retailers to store fish products at proper temperatures and prohibit the sale of refrozen fish products.

Call for the grading of all fish products.

Convert the voluntary program of the National Shellfish Sanitation Program into a mandatory program under which both harvester and processor must operate.

Authorize the FDA to establish standards at which waters should be placed off-limits to harvesters, these standards to include metallic contaminants and coliform bacteria levels.

Provide for mandatory surveillance over all phases of fish production by giving the FDA the authority to inspect fishing vessels, processing establishments, and sales outlets.

As long as there is greater demand for shrimp than there is supply, voluntary self-regulation will not encourage industry to improve product quality. Immediate passage of H.R. 10150, or a similar bill, would be a long-overdue step toward that end.

### WHO WILL MEND THE FROZEN-FOOD DISTRIBUTION CHAIN?

That's a poser. Give some credit to a group of Federal, state, and local health officials without legal clout—the Association of Food and Drug Officials of the U.S. (AFDOUS). Back in 1961, AFDOUS adopted a frozen-food code that requires frozen foods to be maintained, with small tolerances, at 0° F from packager to consumer. Applaud also the few states that have made the AFDOUS code law.

But debit severely the Federal Government for failing to adopt and legally enforce any proposal that could guarantee citizens wholesome frozen foods. As CU has pointed out over and over, voluntary self-regulation by industry just doesn't work. (CU is preparing a petition to the FDA urging adoption of the AFDOUS standards, with some modifications, as Good Manufacturing Practices for the frozen-food industry.)

The AFDOUS code needs legal teeth beyond the bite of a few states. The food industry's appeals for Good Manufacturing Practices apparently fall on their own deaf ears. One of those voluntary proposals, issued by the Frozen Food Coordinating Committee, is a statement of purpose to the effect that "industry's goal is to maintain reasonably uniform frozen food product temperatures of zero degrees F or lower and to insure their proper care, from packer to consumer." Sounds familiar.

The American Frozen Food Institute (a member of the Frozen Food Coordinating Committee) has inaugurated a consciousness-raising program, a "Mark of Zero" sticker campaign. Packers can buy "Mark of Zero" stickers at cost and put them on cartons of frozen-food products to remind handlers to keep the temperature at zero. The National Fisheries Institute also industry-based, helps promote the "Mark of Zero" campaign and, more significantly, supports legislation for mandatory periodic inspection of fishery products.

If industry really wants to safeguard frozen foods in transit and storage, there are low-cost devices that will do a far more effective job: little temperature indicators to be attached to each package before it's frozen. Freezing, usually at −30°F, turns one type of indicator yellow, for example. If the temperature of the package ever goes above 0° F. or any preset temperature, the indicator turns red—and remains red—warning handlers, retailers, and consumers that the contents have suffered a quality loss.

Why haven't you seen those simple temperature monitors on the frozen foods you bring home? Not just because it might cost the manufacturer a few cents per package, surely little enough to pay for the assurance of good quality on a high-cost item like shrimp. But because you obviously wouldn't buy red-flagged packages, nor would the retailer accept delivery of them. Someone has to absorb the cost of the damaged packages, and no one's ready to do it. The best hope is that the Food and Drug Administration will police the distribution chain, as outlined in a proposed Fishery Inspection bill, which follows:

### FROZEN SHRIMP

The less that happens to a shrimp—from the time it hits the trawler's deck to the moment you thaw it in your kitchen—the better it's likely to taste. It's just common sense: Once a shrimp is taken out of its natural habitat, its quality as a food deteriorates rapidly. To retain as much natural flavor and texture as possible, shrimp must be handled as little as possible, frozen quickly, and kept at a constant low temperature during distribution. So at every step along the way—harvesting, processing, distributing—time and temperature control are of the essence.

This judgment is borne out by CU's test results. The only shrimp tested that earned respectable Ratings judgments were *shell-on shrimp*—four out of the five brands were rated Good to Very Good or better. Their processing time is the shortest, devoted only to freezing and packaging. Judged far inferior as a group were 17 brands of *raw-peeled shrimp;* their production takes an extra step or two. *Cooked-peeled shrimp* spend even more time being processed and are also more susceptible to storage changes, which presumably accounts for the wretched showing of the six brands tested.

It did not seem to make a great deal of difference whether the shrimp came from U.S. waters or were imported, though the labeling often did not state the country of origin, so we could not be sure. The U.S. produces about 55 per cent of the shrimp sold here annually, harvested mainly from the continental shelves of the Atlantic and Pacific Oceans and from the Gulf of Mexico. Imports come from many sources—mainly Mexico, Central and South America, and India. But the distance a shrimp travels is apparently far less crucial in determining quality than the care with which it is handled in harvesting, processing, and distribution.

Why is processed shrimp—the seafood industry's most valuable product—so uniformly disappointing? If we take a close look at the shrimp's sea-to-supper journey, it will be clear—perfectly clear, unfortunately.

### HARVESTING

Harvesting methods vary according to the distance from port, the trawler's facilities, and the size of the trawler's hold. Generally, the catch is emptied on the deck, where the shrimp are separated from trash fish and other undesirables. In southern waters, where the air and deck temperatures can get extremely hot, the shrimp are beheaded immediately, washed by the basketfull in sea water, and layered in ice in the trawler's hold.

If the shrimp boats are so small that they return to port each night, the day's catch may not be iced this way—it is sold immediately at dockside to processors' agents. Many larger vessels carry sufficient crushed ice to permit them to stay on the fishing grounds for a week or more. Even more modern are trawlers with refrigerated holds. The shrimp they deliver aren't awash in ice water.

Though these harvesting procedures vary, it is obvious that once the delicate shrimp are swept out of the sea, they are prey to mishandling. Exposed to air too long on the deck, they can develop black spot, a discoloration of the shell that mottles the flesh unpleasantly and is a signal to wholesale buyers that the shrimp may be partially spoiled. Later, down in the holding pens, other defects may develop to impair part or all of a catch's overall quality and wholesomeness: off-flavors and off-odors specified by the terms "bilgy," "fishy," and "putrid."

Bilginess results from bacterial enzymatic action encouraged by packing shrimp so tightly in the holding pen that the cold air can't circulate. But even when there is enough oxygen present, aerobic bacteria in the shrimp may promote an objectionable fishy odor and flavor. Still other bacteria are responsible for a putrid flavor.

Again, time and temperature are the crucial factors; defects are most likely to develop when the shrimp are refrigerated for a long time or held for a shorter time but at higher temperatures. Since a trawler's total catch over a number of days is often processed at one time, all the harvesting defects are not likely to come together in a single box or bag. You may simply get a shrimp or two that lay at the edge of the pen, poorly iced, or a few bilgy shrimp deprived of air at the bottom of the heap.

### PROCESSING AND DISTRIBUTION

When shrimp arrive at a processing plant, they're washed free of ice and put on a conveyor for plant inspectors to look over (they remove broken, discolored, and decomposed shrimp, as well as any extraneous matter). On the same ride, mechanical graders separate the shrimp, generally into four size categories: jumbo, large, medium, and small. From here, the shell-on shrimp are simply beheaded (if the heads aren't already off), packed in waxed paperboard cartons, weighed, and frozen. After freezing, the shrimp are usually given an extra spray of water to lock them into a block of ice designed to keep them from drying out.

Peeled shrimp go through additional steps—shelling and deveining, procedures usually performed by machines. (Cooked shrimp may be peeled and deveined either before or after the cooking.) Prior to freezing, they're soaked in a phosphate solution, commonly sodium tripolyphosphate, to prevent dehydration during storage. Most peeled shrimp, whether raw or cooked, are frozen individually on metal trays and are packaged in plastic bags.

At least, that's how the processing is supposed to go. But there are many obvious opportunities for foul-ups. Casual inspection of the about-to-be-processed shrimp may not weed out those with evident harvesting defects. Again, careless handling of shrimp that have been peeled and deveined may allow damaged shrimp, pieces of shell, bits of vein, even whole legs or heads to wind up in the final packaged product.

Should the shrimp get too long a bath of sodium tripolyphosphate, their cooked texture will be undesirable. And if imported frozen shell-on shrimp are thawed for peeling and deveining and then refrozen, they suffer an additional quality loss.

Another weak link in the processing chain is the indifferent way in which many batches of shrimp are graded for size. Unless the mechanical grader is strictly supervised, a package of shrimp labeled large, for example, may yield some large, some small, and some minuscule. There are instances, also of packaging that fails to seal the frozen shrimp from dehydration.

Once the shrimp leave the processing plant they have to be stored—first in refrigerated warehouses, then in transit in refrigerated trucks, and finally in the retailer's freezer cabinets. At every stage of this distribution cycle it's essential that the storage temperature be held below 0° F.

Under good conditions, even carefully processed frozen shrimp deteriorate with time. Under haphazard storage conditions, with fluctuating or above-zero temperatures, wholesomeness and quality fall off rapidly: protein breakdown turns the flesh tough, fibrous, and rubbery; fat oxidation produces salt-fish or rancid flavors as well as strong odors; a change of color, known as yellowing, shows up after cooking as the shrimp take on a jaundiced look.

### BUT WHO CARES?

There is no mandatory inspection by the U.S. of the sanitary conditions on fishing vessels or in processing plants; nor is there any mandatory grade labeling at the plant. There is no Federally enforced method of ensuring proper storage temperatures throughout the wholesale and retail chain. There is not even a simple legal requirement that every package leaving the plant bear a clearly visible processing date.

What is there, then? A voluntary grade standard established by the U.S. Department of Commerce for frozen shell-on shrimp and and a voluntary plant-inspection program. "Voluntary" means just that. If a processor wishes to have his plant inspected and his shell-on shrimp graded for quality, he invites—and pays—an official of the Natonal Marine Fisheries Service of the USDC's National Oceanic and Atmospheric Administration to do it. Naturally, few packers will issue such an invitation so long as they can sell all the shrimp they can get their hands on.

### WHAT WE FOUND

CU shoppers bought 28 brands that our market survey of 20 cities throughout the country indicated are most widely available shell-on, raw-peeled, and cooked-and-peeled. Immediately after purchase, the samples were packed with dry ice in insulated hampers and air-shipped to CU's food laboratory. On arrival, they were promptly transferred to freezers set below 0°F for the time needed to code each sample for testing by CU's consultants.

Evaluating 11 or 12 samples of each brand, CU's seafood consultants checked out and scored their physical defects when frozen, when thawed, and when cooked. Then came the all-important sensory tests; and odor and flavor must be the chief criteria for judging shrimp quality. It was possible, in these sensory tests, to pinpoint the odor and taste defects and trace their origin. Thus, if the Ratings downgrade certain brands for bilginess, fishiness, or for putrid off-flavors and odors, blame poor harvesting procedures. Damaged and broken shrimp are processing defects. Rancidity and fishy flavor and odor can result from improper storage.

By the time we finished compiling the physical and sensory defects, there was very little good to be said for any of the shrimp tested, except the shell-on type. The Ratings tell the sorry story.

### TESTS FOR WHOLESOMENESS

Two samples of each shrimp brand rated were given a microbiological examination. The tests included a total plate count of all the bacteria present (to assess the product's overall sanitary quality) and tests for streptococci, coliforms, and *Excherichia coli* (more specific indicators of fecal contamination). We also ran tests for staphylococci, generally associated with food poisoning.

Coliform bacteria usually do not survive in the frozen state; fecal streptococci are far hardier. Thus, while the *E. coli* and coliform counts were negligible (and the staphylococci too), the Ratings note where both samples of a shrimp brand turned out to have total plate counts and fecal streptococci contamination higher than we believe should occur in wholesome food products.

Many of our bacteriological findings were corroborated by sensory judgments. Off-flavors, off-odors, and quality deterioration are the natural result of bacteriological activity.

There's been concern recently over the presence of heavy metals—mercury, arsenic, lead, and cadmium—in seafood. The FDA has already set a tolerance of 0.5 parts per million for mercury in fish. In the chemical analyses, every sample of shrimp scored well below the FDA mercury limit, and although there are not as yet official limits of arsenic, lead, and cadmium for fish and shellfish, all our shrimp had low and probably tolerable levels of those.

### WHAT LITTLE YOU CAN COUNT ON

Since processors generally package their shell-on shrimp in cartons, you have no way of knowing what you're getting unless the carton or its wrapper spells out the number of shrimp and their size. Even then, if the inconsistent sizing that we encountered is typical, you may not get just exactly what you want.

A voluntary grade standard for raw, shell-on shrimp specifies the number of shrimp per pound in eleven size designations. For example, jumbo shrimp should mean 21 to 25 shrimp to the pound; large, 31 to 35; medium, 43 to 50; and small, 51 to 60. Only two of our boxed, shell-on shrimp brands described the shrimp size, but neither gave the count. In the Ratings, we list the range of shrimp per pound for every brand tested.

Peeled shrimp, both raw and cooked, came in printed plastic bags, so you can look them over before you buy. But some of the bags reveal less than we think they should. We'd like to see all such shrimp packaged so at least half of one side is clear, see-through plastic. Often what you don't see is a lot of odd-sized shrimp.

While looking through the foggy bag, note whether the shrimp are separate or in a clump. Most shrimp are individually frozen. Such shrimp should be clearly separate. A clump of shrimp sticking together suggests thawing, then refreezing. Avoid such packages. (The Ratings note which of our shrimp claimed to be individually frozen.)

### SHRIMP AND NUTRITION

Shrimp is a good source of easily digested protein and, because of its low fat content, is a dieter's friend. A four-ounce serving, which contains about 100 calories, should provide an adult male with nearly one-third of his Recommended Daily Allowance for protein. He also gets phosphorus (25 per cent of his RDA), iron (18 per cent), calcium (nearly 10 percent), and niacin (21 per cent). Unfortunately for those who have to limit their intake of cholesterol, shrimp is loaded with it—about 140 milligrams in four ounces. (Four ounces of red meat, by comparison, provides about 80 mg. of cholesterol. The American Heart Association suggests limiting the intake of shellfish to not more than four ounces twice a week.)

### THE CLOUDED PRICE PICTURE

In the months since we bought our shrimp, the food-price picture has gone completely out of focus, and so has the general availability of shrimp itself. Though the world's yearly shrimp catch has not diminished in quantity, less is reaching the U.S. retail market, and prices are higher than those we paid last year.

Shortly before this issue went to press, we surveyed the Metropolitan New York area and found that prices for raw, peeled shrimp ranged from 18 to 53 per cent higher than those we paid for the same shrimp earlier in 1973. Price hikes for cooked-and-peeled shrimp ranged from 13 to 30 per cent. (We weren't able to price any of the raw, shell-on shrimp brands because we couldn't find similar package sizes.) Thus, we cannot provide realistic prices in the Ratings. One thing is clear, though: there is no relationship between cost and quality or between cost and shrimp size.

The Ratings show that you get many more cooked-peeled shrimp per pound (154 to 462) than you do of the other types we tested. They are obviously much smaller shrimp. This is typical of cooked shrimp and comes about because (1) the smaller sizes are more easily peeled *after* cooking, (2) they end with a cooked texture more uniform than the larger sizes, and (3) the larger sizes would become too expensive when processed this way.

### RECOMMENDATIONS

If you buy shell-on frozen shrimp, you're likely to get reasonably good quality, though you take a chance on the size and number you'll find in a given package. True, you have to go through the nuisance of shelling and deveining. But that should be worth the trouble if you really like shrimp. Shrimp frozen with the shell on is as close as you'll come to the flavor and texture of fresh-caught shrimp. With frozen peeled shrimp, whether cooked or raw, you won't get anything near the real thing, judging by our samples.

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## KHJ-TV EDITORIAL ON VETERANS CEMETERIES

## HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. CORMAN. Mr. Speaker, today I would like to share with my colleagues an editorial which recently appeared on KHJ-TV in Los Angeles concerning the burial of our veterans. I believe that the situation described merits our earliest attention.

The editorial follows:

> We find that the number of veterans of America's wars who are by law entitled to burial in places like Arlington National Cemetery or a Sawtelle in West Los Angeles now goes into the millions. Of course, there is an even greater problem: there is no more room in those national cemeteries. We at KHJ-TV believe it is a national disgrace that no action is being taken to meet this urgent need. Many believe that the greatness of a nation can be observed in the way it either honors or fails to honor its war dead. In a land where the Federal Government owns vast areas of unused land we can see no excuse for not providing appropriate facilities for a final resting place for those men and women who so often at great cost have served our country. It is

the least we can do, and we urge our viewers who agree to call upon their elected Representatives to support those measures now before the Congress to do something about it.

## AFFIRMATIVE ACTION PROGRAMS: A WAY TO END RACISM IN EDUCATION

## HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. CONYERS. Mr. Speaker, perhaps all of my colleagues will examine the William Raspberry article appearing in the March 15 issue of the Washington Post which emphasizes an attack not just on present racism, but on the effects of historical racism:

### FIGHTING CAMPUS DISCRIMINATION

(By William Raspberry)

It may be awkward to talk about blacks and Jews having been civil rights allies for so long, but it has to be said: The fight against "affirmative action" programs designed to help blacks and other minorities into the American mainstream is being led by Jews.

It first became noticeable in 1972 when the American Jewish Committee launched its attack on "quotas," and it has reached something of a peak with the DeFunis law school "reverse discrimination" case now pending before the U.S. Supreme Court.

Not only is DeFunis himself reportedly a Sephardic Jew, but pro-DeFunis *amicus curiae* briefs have been filed by the Anti-Defamation League of B'Nai B'rith and the Jewish Rights Council. In addition, there has been less formal support by a number of other Jewish organizations and individuals.

On the other side are arrayed the NAACP Legal Defense Fund, the National Conference of Black Lawyers, the NOW Legal Defense Fund and the American Indian Lawyers Association.

Why the rift between these groups and the Jewish community, long considered their "natural" ally? Perhaps the "why" is easier to divine if attention is paid to the "when." The Jewish-led assaults on quotas and other "affirmative action" efforts reached their current intensity when the equal-rights fight moved from the hiring halls and government offices to the halls of academe.

For a number of reasons, some cultural and some, no doubt, stemming indirectly from anti-Semitism, Jews are on America's compuses—as students and as faculty—out of all proportion to their numbers in the general society.

And it may be that attempts at making the campuses more representative of the country are seen by Jews as attacks upon their special preserve. The AJC's antiquota campaign, for instance, coincided with what was seen as a HEW push to get more blacks on university faculties. The DeFunis complaint is that he was passed over for law school admission in favor of blacks and Chicanos who scored less than he on the entrance tests.

Jews and Jewish groups were among the supporters of "affirmative action" when it meant opening up jobs and promotions for nonwhites. (It is well to remember that even in the early days, "affirmative action" meant more than mere colorblind nondiscrimination.)

But when "affirmative action" went to college, it suddenly dawned on Jews that it is not possible to cure one group's underrepresentation without affecting another's overrepresentation. And that, we are told, is "reverse discrimination."

Fortunately, the debate is not simply between blacks and Jews; increasingly it is coming through that Jews themselves are not of a single mind on the question of "affirmative action."

Joseph Rauh Jr., protesting what he sees as a "slow but perceptible swing to the right" among his fellow Jews, has taken a strong stand in favor of "affirmative action." So, too, have the Union of American Hebrew Congregations and the National Council of Jewish Women.

Listen to the latter two groups on the DeFunis case: "In our opinion, the Marco DeFunis case against the University of Washington represents neither a case of discrimination on the part of the university nor a quota case against Jews . . .

"We believe that the risks of discretionary preferences—though real—are not so large as the risks of endangering all necessary affirmative action programs to bring disadvantaged and minority groups into the mainstream of educational life.

"As Jews we must continue to fight for all of our rights and causes. However, our long history for social justice demands that we not turn our backs on other minority groups seeking the same advantages so long withheld from them . . .

"Eliminating the blot of national racism in our country requires sacrifice and accommodation by all Americans so that future generations will be free of this bitter horror. We do not believe that Jewish groups should seek to undermine legitimate affirmative action programs by equating them with 'quotas' and 'reverse discrimination' where such charges are not warranted by the facts."

That is a strong, gutsy statement. It may, with luck, help to refocus the debate on the real issue: the necessity of attacking not just present racism but the effects of historical racism.

Some people may conclude that nothing can be done about the past. But if they do, let them say so straight out and not play semantical games about the differences between "quotas" and "affirmative action" and "reverse discrimination."

## THE INDEPENDENT BUSINESS—AN ENDANGERED SPECIES

## HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. HANNA. Mr. Speaker, among the many problems which directly or indirectly stem from the current petroleum shortfall is the shortage of petrochemical feedstocks and the resulting crisis in the plastics industry. I know that the members of the California delegation have been receiving numerous pleas for help from plastic fabricators. Since last fall thousands of our constituents have lost jobs in this industry only because the raw materials were not available to their employers. Many of us have consulted the Cost of Living Council, the Commerce Department, and the Federal Energy Office to determine what could be done about the shortage of petrochemicals. The results of the inquiries have been confusing and frustrating. Data supplied by these agencies on a national scale indicate something quite different than the reality of layoffs experienced in our communities. We naturally wonder, if the national supply of petrochemicals is adequate and if there has been no dramatic increase in exports, why are the companies we hear from not able to get supplies?

The answer to this question came to my office in the past few days and is, I feel, an important indicator of the kind of economic failing that will be experienced by other sectors in the future. What is happening in the plastics industry is that the independent fabricators are being denied supplies by the large chemical companies who turn petrochemical feedstocks into petrochemicals. These companies continue to produce petrochemicals but supply them to their own fabricating plants first. They either undersupply or in some cases refuse any supplies to independent fabricators. As a result, whatever extent of petrochemical feedstock shortage exists, the independent plastics manufacturer bears the entire brunt of that shortage while the larger chemical company continues to fully supply its affiliates.

If we look at the production cycle one step back we find the same phenomenon. Petrochemical feedstocks are produced by the major oil companies as part of the overall crude oil refining process. The major oil companies not only own the crude, own the refineries and its products, but in many cases own chemical plants which produce petrochemicals. They make sure that their plants receive feedstocks, at the expense, in many cases, of independent chemical companies. These chemical companies in turn discriminate against independent fabricators in preference to their own.

What we see here is horizontal integration where one large corporation is in a commanding position in each of the several stages of the economic process of turning crude oil into usable consumer products.

At each stage in this process we find independent operators bearing the entire weight of shortages and going out of business. This obviously reduces competition to an unhealthy degree. I submit to my colleagues that this phenomenon we see today throughout the petroleum cycle will be seen over and over in the years to come as other basic raw materials come into short supply.

I have had the opportunity to raise this general problem with Mr. Simon at a recent meeting of the California delegation. Mr. Simon's response was, while not altogether positive, at least instructive. As far as the refining is concerned and the gasoline retailing, FEO regulations are intended to protect the independent operator by requiring the majors to supply them at prescribed allocation levels. The delegation tried to make clear to the Director that regulations and performance are two different things and that the facts indicate that independents are going out of business every day for lack of supply. It is obvious that FEO lacks the police force to effectively administer and enforce its will on the major oil companies. Given the diversity of the petroleum industries, especially when you get to the plastic fabricating level, the situation may defy policing in the normal sense of the term.

Mr. Speaker, it occurs to me that there are two directions in which the Congress needs to move in order to remedy this problem. First of all, we must look at the existing petroleum allocation authority. Mr. Simon, Director of the Federal Energy Office maintains that FEO authority ends with the refining of the petrochemical feedstock. He says that his mission extends only to energy-related petroleum products and that the feedstocks are not energy-related. If this interpretation is valid, then the Congress is guilty of an oversight. We can correct that oversight by revision of the petroleum allocation authority to encompass all petroleum by-products.

Beyond that, Mr. Speaker, I would urge that the House Committee on the Judiciary and the Committee on Interstate and Foreign Commerce take a very careful look at this phenomenon in light of an existing antitrust statute. We still hold out the goal of maintaining a competitive marketplace as the best protection for consumers. We may very well find that we are entering a period analogous to that of a century ago when natural economic forces were found to be contrary to the public interest. Surely we can all agree that the Congress should not allow independent operators in any of the petroleum-related activities to be leveraged out of business by larger competitors who dominate the entire production cycle.

## RUINING OUR YOUTH FOR A PROFIT

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. GAYDOS. Mr. Speaker, the prime purpose of growing opium-poppies in Turkey has been in recent years the addiction and ruination of the lives of young Americans for a profit.

There has been no question about this. Both the Government of Turkey and our own have admitted it and commendably, have tried since 1971 to do something to correct it.

The task has not been easy, because the drug-producing poppies long constituted an easy and highly enriching cash crop for Turkish farmers. The pods were reaped and then sold to middlemen who sent them moving through the nefarious narcotics system to turn up as heroin in the dark streets and back alleys of our country.

Facing this problem, we, in customary fashion, tried to use tax money to recruit the assistance of the Turkish Government in diverting the efforts of poppy growers to other crops. Some $35.7 million was pledged to compensate the Government for lost revenues and to make up losses to the farmers.

But now, Mr. Speaker, we learn that this program is heading for collapse. The Turkish farmer appears far less interested today in what happens to certain of our youth than he does his own pocketbook. He has put political pressure on the newly elected Prime Minister Bulet Ecevit and he, in turn, is ready to get the opium-poppy production under way again.

According to a Scripps-Howard report, word of this has been given our officials by Turkey's ambassador, Melith Esenbel, who is quoted as saying that Prime Minister Ecevit intends to honor his campaign pledge to the Turkish farm voters to resume poppy growing.

Ambassador Esenbel, a true diplomat, added some gloss to the picture, however. He explained, the Scripps-Howard story said, that the Prime Minister's intention is to limit the matter to a strictly supervised seed production on Government farms. But no one here needs to be fooled for a moment. Who will get these seeds? They will go to the poppy growers and will be sown in due time and the problem for us will be back where it was before the 1971 deal was made.

What can we do about it? We have no right, certainly, to interfere except by persuasion in the affairs of another sovereign state and, if Turkish politics dictates a revival of poppy growing for the U.S. drug market, then that can be considered Turkey's business. But, fortunately, there is something we can do beyond protesting. We can stop playing sucker to this nation which shows so little concern for us.

Government reports show we gave Turkey in 1971, the year the antipoppy program started, a total of $171 million in outright foreign aid, largely gifts and grants for which no repayment was expected. This figure, so I am told, has been increased annually since then, because of Turkey's supposed cooperation with us. In addition, Turkey has been getting $60 to $70 million a year from us in direct military assistance as a so-called NATO ally. Right now, according to Scripps-Howard, the country is seeking $170 million in credits here for the purchase of two squadrons of U.S.-built F4 Phantom jets.

Thus it is clear that we Americans do have more than an appeal on humane grounds to make to Prime Minister Ecevit and his Government on the poppy issue. We can stop our handouts on the proper assessment that any country which has so little regard for us as to seek to profit from one of our most critical problems has no right to on free U.S. dollar. We have helped Turkey in the past in the belief that her friendship had value to us and to the free world generally. But this all seems hollow now. What good is a supposed friend who would help destroy thousands of our youngsters?

I call upon our aid people to shut off the giveaways to Turkey the very moment we have evidence of a new Turkish opium-poppy crop being planted.

## MAIL HANDLING NEEDS COMPETITION

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. CRANE. Mr. Speaker, Americans are becoming increasingly accustomed to higher postal rates and a steadily deteriorating Postal Service. Under a Government monopoly in the area of first-class mail delivery we have been subjected to the typical results of bureaucratic management: inefficiency.

At one time all postal boxes received collections after 5 p.m. Today, only 50 percent of them are collected after 5 p.m. Saturday mail deliveries may now be curtailed in downtown city areas. When CARE, the international relief organization, tried to rush into the mail a postcard appeal for funds to aid victims of Nicaragua's Christmas earthquake the result was that eight carloads of mail were mislaid for 9 days. By the time they were located, the earthquake was no longer big news and the response indicated this. The U.S. Postal Service is still trying to find out what happened. Stories such as this, unfortunately, are legion.

Postal Service, with respect to first-class mail, remains a Government monopoly. Discussing this fact John L. Ryan, former chairman of the U.S. Postal Rate Commission, testified before the House Subcommittee on Postal Service that—

> The business of the Postal Service is part monopoly and part competitive. There is competition . . . for most fourth and third class mail; second class will become competitive as increases bring prices to the threshold which will permit a profit. Letter mail, for our purposes first-class, is protected by a statutory monopoly and has no direct competition.

The first-class postal monopoly means, in simple terms, that Americans pay more for less service. Mr. Ryan noted that—

> When Postal Service costs increase . . . they petition the Rate Commission for price increases to redress the imbalance. From a practical point of view, the price level of the competitive services has been set by the market. If competitors' costs have also gone up there may be some leeway, but experience has indicated it will be small. Any income requirement that cannot be produced by these competitive services falls on first-class. Since the Postal Service was organized, its costs seem to have increased faster than its competitors.

Mr. Ryan urges an end to the Government monopoly with respect to the delivery of first-class mail. He points out that—

> Open competition has always been the condition which best serves the customer, short of compelling theoretical or practical evidence to the contrary. Such evidence has not been produced concerning mail service.

In any case, it is not properly up to the proponents of competition to prove their case. It is up to the monopolists to prove the case for monopoly, and I don't believe that they can do so.

The time has come to end this unfortunate Government monopoly. To this end, I have introduced H.R. 433 which would serve this important purpose.

At this time I wish to share with my colleagues these excerpts from the testimony of John L. Ryan, former Chairman of the U.S. Postal Rate Commission, before the House Subcommittee on Postal Service on January 24, 1974:

### MAIL HANDLING NEEDS COMPETITION

(By John L. Ryan)

(The following is excerpted from testimony given before the House Subcommittee on Posal Service on Jan. 24, 1974, by Mr. Ryan, former chairman of the United States Postal Rate Commission.)

It appears to be the impression of many people that, by the application of skill, knowledge and hard work, the Postal Rate Commission can somehow hold down postal rates and improve service; it cannot. It cannot even apply much independent judgment as to what individual rates should be and, in my opinion, should not have such powers beyond the current extent. It can, and I believe has already, made some imaginative contributions in the matter of mail classifications, but in the matter of rates and services, it is limited by real circumstances it can't and should not be able to control.

The business of the Postal Service is part monopoly and part competitive. There is competition, both direct and indirect, for most fourth and third-class mail; second-class will become competitive as increases bring prices to the threshhold which will permit a profit. Letter mail, for our purposes first-class, is protected by a statutory monopoly and has no direct competition. The variable costs of many of the large volume classes are intermixed and cannot be definitively separated.

When Postal Service costs increase to the extent that expense will significantly exceed income, they petition the Rate Commission for price increases to redress the imbalance. From a practical point of view, the price level of the competitive services has been set by the market. If competitors' costs have also gone up there may be some leeway, but experience has indicated it will be small. Any income requirement that cannot be produced by these competitive services falls on first-class. Since the Postal Service was organized its costs seem to have increased faster than its competitors.

#### SPECIAL RATES

The situation is further complicated by all kinds of special rates, the nature of the Postal Service's costs, the condition and accuracy of their record and date collection, their interpretation of cost attribution. But these are simply decorations on the regulatory cake.

The Commission cannot set rates above competition without pricing the Service out of that particular market. This would reduce volume, the costs of which are mixed with other classes and cannot be reduced proportionately, producing higher costs for the other services. Higher costs would then require higher prices, forcing one service after another out of existence, until only the monopoly service was left.

The Commission can alternatively hold competitive prices at market levels and absorb the balance of increased expense in the monopoly service. But that is a fairly simple procedure requiring limited judgment. And I see no way to really wiggle out from this dilemma with a satisfactory solution under current conditions.

It seems to me there are only four choices: (1) Abandon the break-even concept of the Postal Reorganization Act which will throw much of any increase in expense on the backs of the taxpayers; (2) Continue as we are going, which will increasingly load a larger burden on the first-class mailers; (3) Put all of the Postal Service's product lines under statutory monopoly protection; (4) Remove the monopoly protection from letter mail and allow competition across the board, at the same time freeing the Postal Service itself from monopoly requirements.

If there are proponents of 1, 2, 3, they can argue their own case. To me the last choice is so persuasive that it is really the only one. It will reduce mailing costs to the general mailer and improve service to everyone.

Official comments by legislators, letters to the editor, a wide variety of public sources indicate mail service is unsatisfactory. In addition to paving the way to the solution of the rate dilemma described above, I am convinced that real progress in mail service can only come when the law is revised in such a way as to permit private persons to compete with the Postal Service in the collection and delivery of letter mail. (It is my understanding that H.R. 433, introduced in January 1973, by Rep. Philip Crane, R.-Ill., if passed into law, would produce this result.)

I believe that under all but very unusual market conditions free competition provides better customer service at a lower price than monopoly and regulation. In fact, public utility regulation came into existence as a proxy for market forces in those unusual conditions economists and legislators came to recognize as producing a natural monopoly, a market condition whereby the lowest cost and best service result from the existence of a single producer.

I do not believe there is any substantive evidence that letter mail service has any of the economic characteristics of a natural monopoly. In fact, there is some historical indication in the statutory monopoly franchise was given the government in the first place to protect the U.S. mails from private competition.

Even if I am wrong and the Postal Service is a natural monopoly with respect to letter mail, no harm will be done by repeal of the private express statutes. In this circumstance, private enterprise will simply fail to compete effectively.

On the other hand, if the processing of letter mail is not a natural monopoly, the existence of competition to the Postal Service will bring to mailers all the advantages of a free market, lower prices, better and more specialized services, choice of patronage, progressive application of innovation and technology.

And further, this situation will improve the lot not only of the mailers, but of the Postal Service itself. There has been demonstrated in our proceedings no conclusive evidence that under current or anticipated capacity rates the Postal Service displays economies of scale, that is decreasing unit costs with increasing volume. It is quite possible that a decrease in volume in letter mail would decrease unit costs, inasmuch as poor customer service strongly suggests that major portions of the letter mail system are operating in excess of optimum capacity. In any case a lower volume would permit more orderly processing regardless of effect on unit cost.

Competition in some utility services in which broad areas of the public have an interest has produced a concept which has been given the pejorative title of "cream skimming," the concentration of service effort to lower-cost areas, to the supposed neglect of higher-cost areas. To the extent that this is thought of as a disadvantage to customers, it can be so only under monopoly. Under open market conditions so-called cream skimming is the very essence of the division of labor which provides customers with the opportunity to select what is for them the optimum quality at the lowest price, thereby assuring the absence of undue discrimination.

#### FREEDOM OF CHOICE

An example in the postal service area of the value of competition and concommitant division of labor is apparent in the movement of small packages. Here, as you know, the Postal Service does not have a statutory monopoly and competes rather directly with United Parcel Service and a variety of other local and regional common and contract carriers. As a result, the shipper in many areas has a choice of services with different characteristics and can select that most suited for his requirements.

It is also interesting to note that one of the major specific expenditures of the Postal Service toward improvement in service and costs in directed in large part toward parcel shipment, where there is direct competition, and, in balance, toward bulk mail, another class of service in which competition exists. I do not say this in criticism. It is a perfectly proper and beneficial response to competition.

There is no way for me or anyone else to forecast the shape of a market for postal services open across the board to private business and the incentive of competition. I can confidently forecast that in such circumstances in a few years time mail service to the citizens in this country will dramatically improve and in a few more years there will be startling new technology in the way mail is handled. And there will be lower real costs and hence prices for everyone.

Open competition has always been the condition which best serves the customer, short of compelling theoretical or practical evidence to the contrary. Such evidence has not been produced concerning mail service. In any case, it is not properly up to the proponents of competition to prove their case. It is up to the monopolists to prove the case for monopoly, and I don't believe that they can do so.

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## EXTENSION OF FACILITIES ON THE ISLAND OF DIEGO GARCIA

## HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mrs. SCHROEDER. Mr. Speaker, the Defense Department supplemental budget request for fiscal year 1974 (H.R. 12565) contains a provision to build up facilities on the remote United States-United Kingdom island base at Diego Garcia in the Indian Ocean. The Honorable LEE HAMILTON's Foreign Affairs Subcommittee on the Near East and South Asia was sufficiently concerned about this proposal to hold 5 days of hearings on it. My own Armed Services Committee voted approval of this project and the entire supplemental budget after barely more than 5 hours of hearings.

I believe that the testimony of Earl C. Ravenal before Mr. HAMILTON's subcommittee clearly sets forth the important questions and, as this statement will probably not be published before H.R. 12565 is ramrodded through the House, I would like to take this opportunity to bring it to the attention of my colleagues. Mr. Ravenal puts it well:

The ultimate question, of which Diego Garcia is only an early test, is whether we must have a zero-sum world, a symmetrical set of military establishments, an uptight balance of power, a policy that is not subject to our control but is mortgaged to the moves of other nations. If this is not the direction in which the United States ought to go at this juncture of history—and I think it is not—then we do not need this enlarged facility at Diego Garcia.

No one should be under any illusion at all that the Armed Services Committee has taken time to consider this question.

Mr. Ravenal's full statement follows:

### AMERICAN STRATEGY IN THE INDIAN OCEAN: THE PROPOSED BASE ON DIEGO GARCIA

(Statement by Earl C. Ravenal)

Mr. Chairman, there has been enough expert testimony so far on the proposed base on Diego Garcia to establish the essential *facts* within a reasonable range. The United States now operates a modest communications installation on this leased British island, with limited supporting facilities, such as an 8,000 foot airstrip and housing for a small number of personnel. Now the administration proposes to enlarge the base to accommodate additional functions and provide for additional contingencies in the region: It wishes to lengthen the runway to 12,000 feet, deepen the harbor, build additional barracks, and construct oil storage facilities. The administration presents this request as (1) a military convenience, and (2) a geopolitical necessity, to increase our presence and reach in this area, to match expected increases in the Soviet presence as a consequence of the opening of the Suez canal.

Mr. Chairman, the action of this Committee on this administration proposal will not depend on any additional details of fact. Nor should the action of Congress be limited to a debate about this or that particular feature of the proposed military base. Nor is the issue primarily procedural. You have admirably moved to lift the veil of secrecy in which this action has been shrouded by the Pentagon and by the entire Executive Branch for seven years.

And you have rightly insisted that this action be subjected to thorough scrutiny by Congress, and that Congress be fully informed by the Executive, so that it may exercise its responsibility. But, if Congress is satisfied with the formal niceties of information and consultation, then nothing much will have been done. The issue should be considered on its merits, in the light of Congress' conception of the strategic needs of the United States and its conception of the proper role of the United States in the world.

In other words, I think Congress should do two things about this administration request: First, it should be cautious and skeptical about it; that means being wary about estimated costs and about rationales. These are inflatable, unstable, fickle. But caution and skepticism are not enough. Though it is legitimate for Congress to probe a request of this kind and to insist on information, this could easily lead to the abundant provision of information by the Executive Branch, and then to almost inevitable approval by Congress. So, second, Congress should examine this proposal in all its implications for the security position of the United States; and this should mean, I think, rejecting it.

First, I want to talk about the rationale and the cost of this base. I have had some experience with this. The proposal to build a base on Diego Garcia first emerged in the Defense Department in summer 1967. At that time, I was Director of the Asian Division in Systems Analysis, in the Office of the Secretary of Defense. The proposal came to my department for analysis and recommendation to the Secretary of Defense. Though the proposal was accompanied by a complete survey by the Joint Chiefs of Staff of the possible contingencies that could occur around the arc of the Indian Ocean, and though it mentioned investing this island with a panoply of military facilities, the main thrust was to create an oiling station for carrier task forces transiting from Norfolk, Virginia to battle stations off Vietnam.

We succeeded in demonstrating to the satisfaction of the Secretary of Defense that it would cost more, and take more time, to refuel at Diego Garcia than out of the Persian Gulf, as we were then doing—and of course we all hoped that this requirement would not last forever. The cost of this proposed facility was about $26 million. We all thought that, if ever started, the base would eventually cost over $100 million (and I think we might have been pretty good prophets). In our study we also rebutted the notion that any of the two dozen contingencies mentioned by the Joint Chiefs of Staff would require or respond to the use of Diego Garcia. In some cases it was reasonable to assume that a country that had been attacked would offer us ports, airfields, and staging places if it wanted or deserved our help.

In other cases Diego Garcia, being more than a thousand miles from the *tip* of India, would be too remote to be of any direct use at all. In still other cases military intervention, from any base, could not control certain kinds of trouble, such as slowly developing political instability. We also pointed out that an American initiative at that time would promote an American-Soviet arms race in yet another geographic area that had, up to this time, been spared that infliction.

Having lost the first round, unexpectedly, the Navy and the Joint Chiefs of Staff decided, the next spring, 1968, to revive the proposal for building a base on Diego Garcia. Meanwhile, over the winter of 1967–68, the Navy had been studying the "Southern Hemisphere" as a new growth area, and urgently wanted to nail down Southern Hemisphere bases, or base rights, principally at Singapore and Diego Garcia. This time the rationale and the bureaucratic setting were different: The proposal to build the $26 million base was presented as a sort of "Option B," sandwiched between a minimum option—doing nothing—and a maximum option—the whole list of functions originally conceived by the Joint Chiefs of Staff: oil storage, communications, air staging and operations, staging of ground forces, forward basing of submarines and other vessels—at a cost of about $55 million. The rationale for Option B was two-fold: an "austere" naval communications facility, and a forward base for nuclear submarine deployments. The proposal of the heavy Option C was designed to make Option B, the original request at $26 million, look good—in fact, look like the obvious statesmanlike and prudent compromise.

Again, my department undertook to hold up our end of the debate. We did another study, once again concluding that no base was necesssary; that communications would soon be provided by satellite and other technological innovations; that all the political liabilities remained; that the base would still stimulate a competitive naval build-up in the Indian Ocean; that contingencies, if even amenable to American intervention, could be handled at lower cost by *ad hoc* and temporary deployments of small contingents from our Pacific Fleet. But this time a new Pentagon administration approved Option B, the so-called "austere communications facility." Later there was yet another round of challenge by us, in connection with the inclusion of the installments of the $26 million in the defense budget; but essentially the issue of the base itself had been determined.

By now, well over $40 million must have been spent on this "austere" facility. Now, in the wake of the Mid-East war, we are presented with an expanion proposal, involving another $29 million, and going a long way toward making Diego Garcia the large multipurpose base envisioned in the original Joint Chiefs of Staff proposal of 1967. And we are confronted with yet another rationale: Now we have the prospect of Soviet ships steaming through the Suez Canal. Of course, no one is asserting any direct military threat to the United States in any of this, even if the Soviets were to be able to triple their current Indian Ocean deployment of twenty ships to sixty (roughly what they keep in the Mediterranean). It is simply a question of maintaining our presence and our influence.

So the rationale game is something like a shell game. Or, in another image, it is something like giving a fresh news lead to an old story that comes out of the newspaper morgue. This curious progression of trendy and newsy rationales, for persistent projects and initiatives, does not necessarily mean, of course, that there is no validity in any of these rationales. But it gives us cause for healthy skepticism.

As for the cost game: first of all, it should be conceded that this request is not, in itself, exorbitant, at least by today's inflated standards of defense values. Another $29 million is, after all, only half the cost of one B-1 bomber; or twice the cost of an F-14; or less than a half day's expense for the Vietnam war at its peak; or less than 3% of the cost of a nuclear-powered aircraft carrier, and less than ⅓ of 1% of the full cost of deploying that carrier forward. If this base will do half the things that its ardent advocates from the Defense and State Departments say it will do for us, in military and geopolitical terms, then one could call it an astounding bargain.

But in spite of this, Congress has seen fit to question this request. So, obviously, the cost must not be the point. Congress perceives that something much more important, some matter of posture or principle, is at stake here. And Congress is right. The question that must be addressed squarely is whether we want a continuous presence in the Indian Ocean at all; whether we discern a pressing national interest in maintaining a tutelage over regions literally on the other side of the globe; whether we would be ready to look with equanimity on Soviet deployments, even increased deployments, in this area; whether we would allow the eventual exercise of naval responsibilities by some of the large littoral states, such as India, Indonesia, Pakistan, or Australia; and generally whether we would be willing to let events take their course around the rim of the Indian Ocean. We would not, of course, allow ourselves to be excluded from normal commercial, and even occasional military, access to this ocean; we would simply continue to assert the doctrine of freedom of navigation on the high seas. But we would abjure influence and *control* over political-military events in this region.

So I would put the essential issue involved here in these fundamental and broad terms, and not, ultimately, on the plane of cost accounting or sorting out official and kaleidoscopically shifting Pentagon and State Department rationales. On that plane, answers are subject to expert, privileged, narrow, and technical testimony and information, and Congress and the public are at the mercy of the Executive Branch. The real point is that the decisions *should* turn on questions that are accessible to all concerned citizens, and certainly to Congress. No one, no matter what his expertise, has a monopoly on questions of *national* strategy—that is, the larger goals the United States should set for itself in the world. Congress need not abdicate these determinations to the Executive or the military on any grounds of expertise, private information, or prerogative.

I am not one of those who would depreciate the capacity or the determination of the Soviets to extend the global reach of their navy, or their propensity to impress and occasionally intimidate nations that they can reach with this military arm. But let us even assume that the Soviets will increase the number of ship days in the Indian Ocean; that they will continue to show their flag in the ports of the littoral states; that there will be occasional political disturbances and insurgencies; that factions will sometimes come to power that are less than pleasing to Americans and less than favorable to American interests; and, finally, that these possibilities are somehow related to each other.

The question is still: do we, even then, want to introduce a permanent U.S. naval presence into the Indian Ocean, build a large, gold-plated base on Diego Garcia, and eventually form a separate Indian Ocean navy? Must we continue to track and match Soviet moves wherever they make them, anywhere in the world—base for base, ship-day for ship-day? Despite the Nixon Doctrine, the diplomatic opening to China, and the thickening of relations with the Soviet Union—all the things for which this administration has taken lavish credit—is this still a "zero-sum" world? Is a Soviet gain automatically our loss? I submit that such an attitude would be completely open-ended and without profit for us.

Rather, I would count on indigenous nations to do what they themselves can to withstand political pressures and even military threats. And I would strongly imply that it should not be the continuing business of the United States to divert its resources and its attention to countering Soviet moves wherever in the world they might make them; or to defending any friendly country against pressures by all other countries; or to preventing any discontinuous political change even if it is promoted by the infusion of outside arms.

I would have thought that this was the course that proved so disastrous in Vietnam, the course that we had, as a nation, decided to give up; the course that virtually every American politician and statesman, publicist and analyst rejected when they denied that we would continue to be "the policeman of the world." What has happened to this almost universal lesson of the past decade? I have heard of collective memory; this seems to be collective amnesia.

The ultimate question, of which Diego Garcia is only an early test, is whether we must have a zero-sum world, a symmetrical set of military establishments, an uptight balance of power, a policy that is not subject to our control but is mortgaged to the moves of other nations. If this is *not* the direction in which the United States ought to go at this juncture of history—and I think it is not—then we do *not* need this expanded presence in the Indian Ocean; we do *not* need this enlarged facility at Diego Garcia.

I would urge Congress to take this issue, involving a tiny atoll a thousand miles out in a distant ocean, as the occasion to begin to set an altered course for our foreign policy.

## PROPOSED AMENDMENT TO H.R. 69

### HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. MEEDS. Mr. Speaker, under leave to extend my remarks in the Record, I include the following amendment intended to be offered by me to H.R. 69:

AMENDMENT TO H.R. 69, AS REPORTED OFFERED BY MR. MEEDS

Page 28, line 15, strike out "1" and insert in lieu thereof "2".

Page 29, beginning with line 1, strike out everything after the period down through the period in line 8, and insert in lieu thereof the following:

"The Commissioner shall allot (A) 50 per centum of the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for grants under this part, and (B) 50 per centum of such amount so appropriated to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to subsection (d)(1), and (ii) to make payments pursuant to subsection (d)(2)".

## THE GREAT PROTEIN ROBBERY: NO. 19: THE STUDDS-MAGNUSON 200-MILE BILL

### HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. STUDDS. Mr. Speaker, on May 19 of this year the schooner *Roseway* will leave Gloucester, Mass., for a sail to Washington, D.C., to dramatize the plight of our domestic fishermen. This 48-year-old schooner is the last active pilot schooner under sail in the United States and last summer fished commercially for swordfish off the Georges Banks. I am proud to say I am a sponsor of this trip.

This ship is being sent to Washington to show that our domestic fishermen are concerned over the loss of our valuable marine resources to the larger, more modern foreign fishing fleets which quite literally are sweeping the oceans clean of all marine life. These men, whose very livelihood is being threatened by this foreign overfishing, support the prompt passage of the Studds/Magnuson 200-mile fish conservation zone bill. They want passage of this bill now while we still have fish left to protect. I would like to enter in the Record at this time an article from the first issue of the Massachusetts Spy, a newspaper devoted to news of the American Revolution Bicentennial celebration:

SEA MARCH ON WASHINGTON

BOSTON.—The Schooner, Roseway, Boston Pilot boat, has been dubbed a revolutionary, but not by the British. This revolutionary has been chosen to lead a "sea march" on Washington in May to dramatize the plight of the American fisherman.

The Schooner Roseway, which served the city's harbor from 1941 to 1971, will lead a trip to Washington to push for support of the 200-mile limit bill introduced by Rep. Gerry Studds, (D-Mass.) and Sen. Warren Magnuson (D-Washington). Passage of the legislation would prevent foreign vessels, from fishing within 200 miles of the American coastline.

The Roseway is the last active pilot schooner undersail in the United States, and according to Boston Harbor veterans, she "performed this job with unforgettable finesse."

The Schooner Roseway's trip to Washington will be the second of its type in the history books. It was not too long ago in 1933, The Gertrude Thibold graced the waters of the Potomac to meet with President Roosevelt about a very similar matter, federal assistance regarding tariffs and wages.

This trip however, will carry a lot more political "muscle," having as its supporters Cong. Studds, Rep. Richard Silva, Gloucester (whose uncle lead the trip on the Thibold), Sen. Magnuson, and many other governmental officials to include Massachusetts Governor Francis Sargeant.

According to Roseway Skipper and Part Owner John D. Mahoney, of Cohasset, the trip will be approximately four days each way and with a week spent in Washington an estimated round trip time of two weeks.

ROSEWAY

It was on July 19, 1973 that the Roseway breezed into Boston Harbor with an escort provided by fireboats of the City of Boston and The Massachusetts Port Authority. The 130-foot lady, under full sail, proudly cut the waters and commanded the harbor's attention, as if she were something special, and she was.

To those who sailed on her, like Capt. Matthew J. Hughes, The Roseway was a lady who braved northeast gales and seas to meet ships entering the harbor; a job he recalls, that pilot boats aren't able to do anymore.

The Roseway, built in 1926, in Essex, Mass., by Harold F. Hathaway, who was an attorney for the Boston Street Railway Company in the 30's, is owned and operated by a group of young sea buffs known as the Schooner Restoration and Sailing Society, who operate out of Long Wharf in Boston.

This past summer the Roseway spent her days doing commercial swordfishing off Georges Banks, averaging two weeks at sea per trip. But that was not to be her single claim to fame either, as she has been mentioned to retrace the trade routes to the Orient acting as a goodwill ship during the Bicentennial years.

But for the present, the Roseway is resting in Gloucester where she is being refitted and overhauled to prepare for a spring of windjamming and her trip to Washington. It looks like the Roseway will capture the spirit of '76 in the spring of '74.

## ENERGY FROM ABOVE

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. TEAGUE. Mr. Speaker, last night's Washington Star-News reprinted a letter to the editor from the Honorable Mike McCormack, a distinguished Representative from the State of Washington. The subject was solar energy and the letter referred to a recent editorial carried in the paper.

Mr. McCormack's clarification of the topic is most important and I recommend the article to my fellow Members of Congress and the general public.

I would also like to point out that Congressman McCormack is chairman of the Subcommittee on Energy of the Science and Astronautics Committee. He is a scientist and an expert in his own right on all forms of energy, especially solar, and nuclear energy.

The article follows:

[From the Washington Star-News, Mar. 20, 1974]

LETTERS TO THE EDITOR

ENERGY FROM ABOVE

SIR: Your recent editorial, "Energy From Above," calling attention to the fact that solar energy may become an economically attractive source of heat and electricity, made several points which I believe require clarification.

May I first commend the *Star-News*, however, for emphasizing that, as our era of cheap fossil fuels comes to an end, government programs can do much to help assure development and demonstration of solar energy technologies, and help provide incentives to industry and our citizens to encourage the use of solar power.

There are a number of ways in which solar energy can be used, but all suffer from the handicap that solar energy is diffuse energy. In the United States, an average of seventeen watts of solar energy strike each square foot of exposed surface. Therefore, it must be collected from a large area.

In order to obtain the high temperatures and large amounts of heat required to generate electricity from solar energy, huge "solar farms" have been proposed for the desert areas of the Southwest. However, even the most enthusiastic advocates of such a project point out that a solar power plant would be far more expensive than a conventional plant using coal or nuclear energy. For these reasons, and the remoteness of the location, such plants are not economically competitive today.

It is also technically possible to convert solar energy directly to electricity, as NASA has been doing with silicon solar cells to power its satellites. The problem with this approach is again economics—the cost of manufacturing such cells must be reduced by a factor of about 100 in order for them to be economically feasible for commercial production of electricity.

### USE IT WHERE COLLECTED

One attractive and economic way of using solar energy is to use it as heat where it is collected. That is, rather than trying to convert solar energy into electricity, use it for heating buildings and water. Technology for this use is presently in hand, and air-conditioning with solar energy will probably take only about two years of research and development.

The market for such solar heating and cooling is huge. Twenty-five percent of this nation's present consumption of energy is used for heating and cooling buildings and water—as much as we use to produce all of our electricity.

It was this use of solar energy—the heating of buildings and water and for air-conditioning—that was the subject of solar energy bill passed last month by the House and referred to in your editorial. As the author of this bill—"The Solar Heating and Cooling Demonstration Act of 1974"—and chairman of the subcommittee on energy which prepared it, I have pointed out a number of times that this is not a comprehensive solar energy research and development bill. It authorizes $50 million over the next five years, providing only for a specific demonstration of the hardware needed for solar heating and cooling. It utilizes technology which is presently available, or soon will be.

This bill—H.R. 11864—which passed the House by a vote of 253 to 2, and the similar S. 2658, do not compete with the $50-million, administration solar energy program to which you referred.

The President's budget assigns $50 million for long range research and development in solar energy to the National Science Foundation for fiscal 1975. The foundation has an excellent record of accomplishment in basic and applied research, but it does not have the authority to carry out the demonstration program called for in H.R. 11864. Thus, we designated the National Aeronautics and Space Administration, with its outstanding record of developing, integrating, and procuring complex hardware systems with rigorous schedules to administer the manufacture of the many solar heating and cooling demonstration units required. The Department of Housing and Urban Development will then administer the installation of these 4,000 units in each region of the country, and will evaluate their performance over a five-year period.

### MUST HAVE RD&D PROGRAM

If we are to employ solar energy in this country, we must have a carefully planned research, development and demonstration program which will examine the limitations and opportunities it offers, and which will make the hard technical and economic judgments which will determine if it is really a practical source of energy to use.

We will also need tax and mortgage incentives to encourage the widespread use of solar energy for heating and cooling. This legislation is being drafted, and the complex legal regulatory problems that may arise are being studied.

I believe solar energy is ready to be used. It cannot possibly have a really significant impact on our total national energy consumption for several decades, but we need to get started. We need to demonstrate its technological and economic feasibility as soon as possible. Solar energy is secure energy. Our imports of sunshine cannot be cut off, nor do they add to our trade deficit. I believe that we will demonstrate that solar energy can be employed for heating and air-conditioning, and that it will be economically feasible.

MIKE McCORMACK,
*Member of Congress.*

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## AMERICA'S HERITAGE

## HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BRAY. Mr. Speaker, the following speech, America's Heritage, was delivered recently in Indianapolis by Mrs. Mattie Coney, head of Citizens Forum, to the members of Freedoms Foundation Auxiliary. Mrs. Coney is known nationwide for her civic work and leadership, and her words, timeless in their meaning, have a message and guide for us all. I enclose the speech as it was reprinted in Civic Communique, for February 1974, an Indianapolis publication distributed free to churches and civic organizations in the Indianapolis area.

The speech follows:

### AMERICA'S HERITAGE

The following is a copy of a wonderful speech delivered by Mrs. Mattie Coney to members of Freedoms Foundation Auxiliary members in Indianapolis. I wish that citizens everywhere could read and retain the spirit of her message.

Mrs. Coney is nationally known for her many civic endeavors.

PHIL HUNT, *Editor.*

Today's ever-echoing cry is freedom. We hear it so often and called for so loosely that the question is prompted: do we know what freedom really is? Much is going on under the banner of freedom, but freedom is not found in resentment or lust or hatred. By its very nature freedom is incompatible with such attitudes and actions.

In America we pride ourselves in a heritage of freedom that is unknown in many parts of the world. The opportunity for individual achievement and the level of achievement have been magnets that have drawn people from many parts of the world to our shores. But if our understanding of freedom does not rise above the desire for personal gain at the loss of others, there is grave danger that the freedom we now enjoy will not long endure.

In the last several years I have traveled to many cities and in a national meeting held at Valley Forge, Pennsylvania, under the auspices of freedoms foundation, I met with representatives of most of the major cities of these United States and these are some of the findings at that meeting that are typical of conditions all over America. There are congested and over-crowded housing, an increase in crime, both adult and juvenile. Penal institutions over-flowing and asking for new money for more buildings. Crumbling and broken streets, and sidewalks. Street after street of shabby and unpainted houses. Old store rooms empty and deserted that once housed thriving businesses.

A closed factory building that once employed a thousand men; dirty and rat-infested alleys with scores of children using same for their playgrounds. A fine old church building now operated as a business college, another great and imposing church building used as a poverty center. Hospital after hospital over-crowded and with long waiting lists of patients in need of medical care. Too few and over-worked doctors and nurses.

One of many of the little old side streets in our cities; the corner laundromat used for washing dirty linens in public and also used as a hangout for young children and loud and boisterous adults, another empty and boarded up place of business; then a tavern with its almost shuttered window and lights turned low—reeking with stale and foul odors of beer, wine and whiskey.

A few doors down the street, another dilapidated store building with sleeping rooms above, a den of prostitution, a place for marijuana and even LSD; further down the street, "Sign carrying" pickets (protestors against work) trying to close up and cause to fail, a small machine shop.

Further down the street you will find a busy and bustling church. People smiling and laughing making ready to board the big cruiser buses and into their shiny new cars ready for a poor peoples march, to seek jobs and food—many of them left their jobs and will bypass many more jobs and opportunity on their way to Washington. Now add to this poverty and riches, greed and apathy, despair and irresponsibility compounded by illiteracy and you have a pretty sad picture. Multiply this by two or three hundred and you have the sordid and decaying side of the American cities as of this minute.

Not only do these conditions sadden me but they also leave me with a degree of anger. When I think that these are the same cities that our fathers and grandfathers built and paid for in cash money, hard work, honesty and integrity, yes, they were your fathers and mine.

The real anger arouses in me when I realize that these are the cities in our America that those of us in our generation have allowed to decay and become corrupt. We have not only placed a mortgage in the physical properties of our cities, we have mortgaged our very safety of living by allowing the breaking of law and the permissiveness of courts.

We have mortgaged our common sense and good judgment in order to have sophistry in our high courts.

We have mortgaged the very foundation of representative government by failing in our responsibility to send Christian men, with common sense and mature judgment, into our offices of government.

We have mortgaged our self-reliance and willingness to work, just for a quick trip for quick handouts.

We have mortgaged our children's discipline by substituting play and recreation for work and chores. We have mortgaged "Hope for respect" from our children in failing to set the proper examples in good manners and courtesy.

When you get right down to the "core" we have just about mortgaged away our freedoms for expediency and easy living.

The next time someone tells you that we have an affluent society, you can tell them that our affluency is mortgaged and that it is not going to be paid for.

Now, some of you may say, well, these problems are the problems of the big cities, or you may say they are the problems of government. No my friends, they are the problems of Americans. They are your problems, problems of the church and as an American citizen, they are my problems. I accept my responsibility and I'll say it is a challenge to stand up and take your stand for freedom and what is right in the sight of God, but that is why I am here—to tell you I am an American—I am here to tell you I am a believer—yes, a believer in the sound and high principles laid down by our forefathers—the principles of free enterprise and the profit system.

I am a believer in this America that has had the strength and the productive power to render aid and assistance to more than ninety percent of the world's nations. Can you think of another such nation?

Now comes a time when America needs to take stock, make an appraisal of her stock, size up the theorists and weigh them against the practical and the basic. Square off at the sophisticate and so-called intellectual and stand him up beside a true and honest patriot.

Quit kidding ourselves about American affluency and count how many things and characterists we have mortgaged to the hilt.

America needs now a new growth in leadership and civic responsibility. Every man, woman and child has a place in community responsibility. Every civic club and every member of a civic club has proclaimed himself as being willing to lead and share his part of responsibility. It is your responsibility to imbue your entire community with a sense of involvement in citizenship and Americanism.

Freedom is a two-sided coin involving two concepts: liberty and equality. And the real foundation for this freedom is law. Freedom has always come through establishment of law. Indeed, there is no liberty nor equality in anything without law.

A young man may wish to become a great athlete but with that success comes the mastery of a great many rules . . . A disciplined learning process; practicing no legislative act can decree a man a good athlete. He must earn this right by facing up to the requirements.

Today, rights and privileges are demanded on the basis of justice, and genuine freedom includes justice, this we can't deny. But some rights and privileges can't be ordered. Again, they must be earned.

Freedom will never be found through lawlessness, since the very basis of liberty is law.

Today's disorder and chaos, resulting from extremists activities, retards rather than advances freedom. In the cry for freedom, the chains of requirements have been discarded, thus in place of a free-for-all policy we have a free-for-all.

To expect the privileges of freedom without the responsibilities is folly, because responsible freedom is the Only kind that can endure.

I think that freedom is slipping from our grasp because too many people are ignorant of our times. They have been ostriches and have buried their heads in the sand of self pity and selfish pursuits so long that they are not aware of the fact that something is happening that will change the course of our nation, our lives, and the lives of those to come.

We are fighting a war without preparation. Too many do not know the enemy. . . . This one is different.

We have been thinking communism has its heart in Russia and China and Socalism is tearing at England, so why be concerned?

The barrage of communistic and socialistic ideas which are impinging upon us are causing some Americans to be dazed, others dismal, a few defeated (better red than dead) and many perplexed.

Their ideological warfare is taking its toll among us. Beachheads have been established because we haven't been willing to prepare ourselves by becoming knowledgeable. We have been drifting.

Freedom is slipping from our grasp because we have been unwilling to live like free men—bearing responsibilities.

The men and women in early years faced the forest with axe in hand, ready to carve out a place to call home. They were free men and women making their own way. They did not ask the government to fill their tin cups in order for them to rest in ease.

We are wavering in our stand for freedom because of our complacent attitude. We have had the audacity to think that what happened in other countries could not happen in the United States of America.

Twenty years ago we would never have thought that there would be clubs on our college and universities campuses who are giving of themselves in an effort to overthrow our way of life.

In your balmiest period you could never have believed that dedicated teachers would leave our elementary schools because they could not stand the profanity, vulgarity, disrespect and frequently physical abuse that some of our teachers have to endure.

It is an established fact that most of our teachers are bargaining and imploring for placements in the primary grades. They are fearful of what they have to face in grades 4 through high school in many schools throughout America.

Would you ever believe that the parent groups have diminished in attendance that in order to have an appreciable audience for a parent-teacher program that you have to have fifth, sixth and seventh grade children to fill up the seats in an Auditorium?

About the only way to get a President for a parent group the principal has to coerce a young parent of a beginning pupil because she is so unaware of the lack of interest that most parents have in their children that she will be unable to carry out a successful program.

This country swarms with people, native born, who are not, cannot be and ought not try to be Americans.

They are those who . . . will not try to be Americans.

They are those who will not trouble to vote. No doubt these people have value of a sort, but not political value . . . as far as running the country is concerned, they count not at all. There is no point in talking to them about Americanism, for they are incapable of being effective citizens of any country.

The time has come when direction must be established. We have the sacred trust of liberty to bear.

Are we capable of bearing such a trust . . . or is our character so sleezy that we shall step from beneath the load and bow in submission to bureaucratic slavery?

History is repeating itself. The call is for patriots, men and women of courage, honesty, tolerance, energy and steadfastness.

We must rise to the challenge of our times if America is to stand . . . we cannot do otherwise. It is we in this room and others like us who must awaken others to the perils that menace liberty.

Perhaps you are thinking, what can we do? We are so few. When our country was so young in 1776 it was established that only about one-third of the population was for independence, but they were enough.

We can start by reforming ourselves. The reformation for liberty has to begin with us. As we become aware of the times and the dangers which confront us, we must spend some time in introspection. Ask yourself questions about anything that is presented of national importance—How will it effect others as well as myself?

Is it really the best thing for our country? If it is not for the best, what can I do about it?

We must be doers not merely dreamers and listeners.

If we can understand of what freedom really is, then we can work together for the development of the sharing of both responsibilities and privileges that accompany it.

Arise as one who knows God in personal encounter and serves him, realizing that in his service one helps to lift his country from the mundane toward the heights.

## PROPOSED AMENDMENTS TO H.R. 69

## HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. TREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following proposed amendments to H.R. 69:

### Amendment to H.R. 69, as Reported, Offered by Mr. Treen

Page 28, line 9, strike out "1977" and insert in lieu thereof "1975".

Page 50, line 25, insert "(1)" immediately after "(d)".

Page 51, immediately after line 2, insert the following new paragraph:

(2) Section 144(a)(1) (as redesignated by section 109 of this Act) of title I of the Act is amended by adding at the end therof the following new sentence: "There is authorized to be appropriated to carry out this title, not to exceed $500,000,000 for the fiscal year ending June 30, 1975."

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## NATIONS DEPENDENT ON EACH OTHER

### HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. OBEY. Mr. Speaker, if there is one bright spot which has emerged from the energy crisis it is that people here and abroad are more and more aware of the fact that nations are dependent, to one degree or another, on each other, and that none of us can isolate ourselves from the problems of the others.

As has become very obvious, many nations are absolutely dependent on others for fuel to keep their economies alive. Some are dependent on others for basic foodstuffs or technical assistance. Even here in the United States we are highly dependent on far less prosperous and developed nations—such as Gabon, Peru and Bolivia and Malaysia—for basic raw materials such as tin, aluminum, and mercury. In 1972 our trade deficit in minerals was $6 billion, and that could rise to $20 billion by 1985.

In the New York Times yesterday James Reston wrote an article reflecting on this international interdependence and the possibility of future worldwide shortages of food, fuel, and raw materials. The article was sobering because it pointed to a number of authorities who believe that unless nations work together—avoiding such things as rigid trade controls and totally self-serving monetary policies—even world peace could be jeopardized.

Mr. Speaker, Mr. Reston's article does not paint a rosy picture of the future, but it is one we should all read carefully. The article follows:

### McNamara Looks Ahead

(By James Reston)

Washington, March 19.—One of the charges made against officials and press alike during the oil crisis was that they did not alert their peoples in time to the magnitude of the problem. They saw the trend but not the stupendous dangers ahead, so now they are looking forward to even more serious world economic crises.

Here for example is Robert McNamara, president of the World Bank, asserting with almost missionary zeal that the rich nations have not yet calculated the economic and human consequences of quadrupled oil prices or even begun to grapple realistically with the food and fertilizer shortages he sees ahead.

A few years ago he protested publicly when C. P. Snow, the British scientist, predicted at Fulton, Mo., that before long the world would be watching "millions" of human beings on television dying of starvation. Now, he says, he is not so sure Lord Snow was overly pessimistic. One or two more seasons of bad weather, he observes, and the human family will be enduring unimaginable disasters.

Helmut Schmidt, Minister of Finance of the Federal Republic of Germany, is almost as gloomy about the divisions among the advanced nations at a time when the world economy, despite rent boom conditions, is entering a phase of extraordinary instability.

Writing in Foreign Affairs for April, he sees a struggle for the distribution of essential raw materials developing in the world, with most nations looking to their own selfish interests and avoiding cooperative planning necessary to meet their common problems.

"It is a struggle for the distribution and use of the national product, a struggle for the world product . . ." Mr. Schmidt says. "The struggle over oil prices may be followed tomorrow by a similar struggle over the prices of other import raw materials. And since what is at stake is not just pawns on a chessboard, but the peaceful evolution of the world economy and the prosperity of the nations of the world, we need a politically sound philosophy if we are to win this dangerous fight."

Mr. McNamara's experts at the World Bank estimate that India alone will have to find an additional $1 billion a year just to pay the increased cost of oil at present prices. In addition, the hundred poorest countries of the world, where two billion people exist, 40 per cent of them in semi-starvation, the rise in fertilizer prices will cost them an additional $1 billion, which of course they do not have.

This year, he notes, the advanced nations of the world will have to pay $5.3 billion more for the same amount of oil products they consumed in 1973. The increase for all the poor nations will be $10 billion. Meanwhile, the increased revenues to the oil producing states this year will be on the order of $63 billion, about half of this going to Saudi Arabia, Kuwait, Qatar, Abu Dhabi and Libya.

"Were no other changes to affect international trade," McNamara says, "the 1973 current account surplus of the developed nations would turn into a deficit of $41 billion and the 1973 current account deficit of the developing nations would double to $23 billion.

"Such deficits," he concludes, "threaten the stability of the economies of the oil-consuming nations throughout the world. Individual nations may seek to finance the details by unilateral, beggar-my-neighbor policies of drastic exchange rate adjustments and severe trade restrictions. But such efforts to expand exports and restrict imports, if pursued by many nations, can only lead to a worldwide deflationary spiral. . . ."

These anxieties are shared by Secretary of State Kissinger and the departing Secretary of the Treasury, George Shultz, yet while U.S. official development assistance to the world amounted to 2.79 per cent of the U.S. G.N.P. in 1949, it is now only .22 per cent, and the House of Representatives rejected last Jan. 23 U.S. participation in the replenishment of the International Development Association funds for the poorest nations.

Mr. McNamara called this at the time "an unmitigated disaster" and ever since he has been running around the world trying to persuade the rich nations to calculate the consequences of the coming world disorder. He got some promise of help from Iran ($200 million at 8 per cent interest and $150 million a year for soft long-term loans at 2 per cent) but he will have to get many more advance commitments to keep the international development assistance program going after July 1.

This is the somber prospect that helps explain Washington's irritation with the current squabbles among the allies over the procedures rather than the substance of the world economic crisis. Mr. Kissinger is alarmed by the disarray he sees in the world and exasperated with the slowness of coming to grips with it—sometimes exasperated at his own exasperation.

Mr. McNamara notes the fact that the most fighting has taken place in the poorest regions of the world and equates political stability with economic stability. Helmut Schmidt comes closer to the bone.

"In the short run," he says, "there is at least a point beyond which economic stability would be in jeopardy. And that point is reached whenever the industrialized countries are confronted with intolerable adaption and reorganization problems incapable of being solved at short notice and are thus driven into employment crises or toward an even higher rate of inflation. I do not wish even to contemplate a point—at least theoretically conceivable—beyond which the irrational use of force might ensue . . ."

## MY RESPONSIBILITY AS A CITIZEN

### HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. HOGAN. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its Ladies Auxiliary conducts a Voice of Democracy contest. This year nearly 500,000 secondary school students participated in the contest competing for the national scholarships which are awarded as the top prizes. I am very pleased that the winning contestant from the State of Maryland is a resident of my congressional district. She is Susan Lynn Kraus, and she lives in Adelphi, Md. Susan's speech exemplifies the patriotism and American spirit that is still thriving in our youth of today. It is with great pleasure that I offer Susan's presentation "My Responsibility as a Citizen" for the Record.

### My Responsibility as a Citizen

(By Susan Kraus)

"These are the times that try men's souls." These words, though spoken by Thomas Paine nearly two-hundred years ago, are still relevant today.

Politically, we have found our leaders to be men with feet of clay rather than heroes to be emulated. Economically, our dollar is more unstable than it has been for four decades. Environmentally and ecologically, there are shortages in fields essential to life's maintenance.

Though I am troubled by these trying times, I am not discouraged. Rather, I am more aware of my country's need for responsible citizens. I, personally, will strive to meet this need with the view that "I am not everyone, but I am one; and though I cannot do everything, I can do something."

In order to make a purposeful contribution, I must first know of my country's past—its hardships in order to strengthen my faith, its traditions in order to strengthen my loyalty, and its progress in order to strength my pride.

In studying my country's past, I can gain insight into my citizenship responsibilities by comparing the development of America to the construction of cloth. All cloth begins with threads—threads which have no form but yield to the desire of the weaver. Our country, too, began with the discovery of new land—land without formation or usefulness. But soon, it yielded to the desires of men—men who were to occupy it and weave it into a pattern of progress.

Some of our early weavers placed their lives upon the loom of time to start the pattern of freedom. Other daring and hard-working weavers added quantity to the fabric of America through the discovery of new territory—thus opening new opportunities for all free citizens. These weavers have shown me that I must give of myself for my country as did my forefathers who were faced with the hardships of the Revolutionary War. Also, the frontiersmen have shown me that I, too, must open new opportunities for my fellow citizens. I cannot do this by adding quantity to America's cloth, but I can do this by adding quality, such as sharing my love with someone who reaches out for me, sharing my praise with someone who looks up to me, and sharing my time with someone who needs me.

Further insight into my citizenship responsibilities can be gained by examining the fibers of the threads that have kept our fabric intact. Two necessary fibers—Education and Religion—have always been sources of built-in strength. From these fibers, I have become aware of my responsibility to pray, such as in times of distress, as did George Washington at Valley Forge; my responsibility to exhibit virtue, honesty, and truth as in the days when the greater part of our citizens could proudly say, "My word is as good as my bond;" and my responsibility to be a dedicated student as was Abraham Lincoln.

Though it is important that a weaver—as well as a citizen—know of his fabric's strengths, it is also important that he know of its limitations. Among the past limitations of America's fibers were internal stresses which caused the Civil War and almost ruined our fabric with tears; the isolationism which brought on World War I; and the preoccupation with an economic depression which precipitated World War II.

From an understanding of my country's past limitations, I have become even more aware of my responsibilities as a citizen. I must share in the responsibility of keeping our threads free from tangles in order to allow the pattern of progress to proceed smoothly. This program will lead to more growth—whether we are weaving a bolt of cloth, a citizen, or a nation.

As a citizen, I must always strive to make a purposeful contribution to my country's growth. To insure this, I must practice the fundamentals that have been woven into my life by skillful weavers: faith, pride, benevolence, God-consciousness, loyalty, and patriotism. Only then will I be prepared to pass to others these basics—unsoiled by mistreatment and unspoiled by weak threads. For I am adding another thread from the shuttle of my life to the still growing fabric of America.

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## FEDERAL STANDARDS FOR YOUTH CAMP SAFETY

## HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. STEELE. Mr. Speaker, as a sponsor of legislation to develop and implement Federal standards for youth camp safety, I wish to call the attention of my colleagues to the leadership of the State of Connecticut in securing the safety of children at camps throughout the State by initiating required, systematic reporting.

Dr. Harold S. Barrett, deputy commissioner in the office of public health, has completed a report of Connecticut youth camp fatalities and hospital admissions. This report, which appeared in the Connecticut Health Bulletin, follows:

### REPORT OF CONNECTICUT YOUTH CAMP FATALITIES AND HOSPITAL ADMISSIONS

(Harold S. Barrett, M.D., M.P.H.)

#### INTRODUCTION AND BACKGROUND

The Youth Camp Licensure Act was passed by the 1969 Session of the General Assembly to become effective in the 1970 calendar year. Regulations were adopted quite promptly but were not approved until early June 1970. These regulations did not require any reporting of morbidity or mortality specifically in camps other than was regularly required by law.

As the result of the experiences in the 1970 season and also because of legislation pending before Congress a careful search of the literature was made for statistics regarding morbidity and mortality in camps. Information was obtained from the National Safety Council, the American Camping Association, and the National Council, Boy Scouts of America. Testimony presented in Congressional Hearings was checked and reviewed. Three pertinent articles in the medical literature were identified and careful surveillance of papers for identification of reportable morbidity (communicable disease, food poisoning) was conducted.

Since there were no guidelines available from any source it was decided to set up regulations requiring reporting of fatalities, and also to require reporting of any illness or accident requiring hospital admission. The latter was a pioneering effort in this field. It was concluded that there were no fatalities during the 1971 season, there were no morbidity incidents, but one serious accident (loss of sight of an eye) did occur. This accidental eye injury was not reported until a lawsuit was started, and could not satisfactorily be checked.

#### REPORTING OF FATALITIES

During the 1970 camp season two fatalities by drowning came to staff attention. One was a first year camper in an agency residential camp. An investigation disclosed trained staff, adequate facilities and practices, and problems with obtaining information from the family regarding physical and mental problems and medications. The other drowning was that of a staff member in an agency day camp—which was unlicensed and would not have been allowed to operate in the fashion in which it was being conducted had it been subject to inspection and licensing.

During the 1972 season these regulations were first given special attention. It is felt that no fatalities occurred, but that there were still probably a number of hospital admissions which were not reported. Most of the cases which were reported had incomplete data and were reported late. Therefore no great significance is to be attached to the 1972 information, although it is presented for comparison purposes.

Starting in 1973 a concerted effort was made to focus attention on preventable accidents and reporting. The camp inspectors from the state health department called attention to this regulation, and the letters transmitting licenses stressed the requirement. During that year there was a noticeable improvement in reporting, although the method was not that required in the regulation, and the information was incomplete. However, because of the timing, decision could be made to investigate promptly, and therefore better detail was obtained on cases of concern under the camp Licensure Act.

*Summary of fatalities at youth camps, Connecticut, 1970–1973*

1970—2—Drowning, 1 camper, 1 staff, both fully investigated.

1971—0.

1972—0.

1973—1—Drowning, camper, fully investigated; 1—Cardiac trauma, aspiration of vomitus, staff, not fully investigated, out-of-state trip.

Of the fatalities, all were male, and two have occurred since reporting was required. One happened in a Boy Scouts of America camp involving a mentally retarded registered scout, and was the only drowning incident of this nature, (that is, during supervised activity) reported nationally by the Boy Scouts of America during the first 3 quarters of 1973. The other involved a YMCA day camp staff person on an out-of-state trip and it has not yet been possible to get all information needed to complete the investigation.

#### ACCIDENTS LEADING TO HOSPITALIZATION

Accidents and illnesses that required hospitalization for campers and staff for 1972 and 1973 included six fractures and five cases of appendicitis. All incidents reported were from residential camps. Combined totals of registered campers and staff for day camps and residential camps were an estimated 79,922 in the 1972 season and 74,595 in 1973. Hospitalizations reported were about the same for 1972 and 1973, with 11 and 10 respectively, as shown in the following table. Site investigations are shown in parentheses:

YOUTH CAMP ACCIDENTS AND ILLNESSES, REQUIRING HOSPITALIZATION, CONNECTICUT, 1972, 1973

| Cause | 1972 | 1973 (to Oct. 15, 1973) |
|---|---|---|
| Appendicitis | 2 | 3. |
| Fractures: Arms 4 (2). Leg 1 | (2) 5 | 1. Arm 1 (reports not received). |
| Uncontrolled seizures—C.P. | 2 | |
| Perineal hematoma | 1 | |
| Bladder infection | 1 | |
| Drowning | | 1 (1). |
| Sickle cell disease | | 1 (1). |
| Tonsillitis and bronchitis | | 1. |
| Pneumonia and pleurisy | | 1. |
| ? Appendicitis | | 1 (reports not received). |
| Hepatitis | | 1 (1) (not camp related). |

#### TYPES OF CAMP REPORTING INCIDENTS

The total number of applications for license made in 1972 and 1973 is shown in the following table for comparison purposes:

RESIDENTIAL AND DAY YOUTH CAMPS BY TYPE OF SPONSORSHIP, CONNECTICUT, 1972, 1973

| Type | 1972 | | 1973 | |
|---|---|---|---|---|
| | Day | Residential | Day | Residential |
| YMCA | 28 | 6 | 27 | 7 |
| BSA | 2 | 17 | 3 | 13 |
| GSA | 23 | 10 | 18 | 9 |
| 4-H | 0 | 4 | 0 | 4 |
| School | 12 | 5 | 13 | 6 |
| Grange | 0 | 1 | 0 | 1 |
| Newspaper | 1 | 1 | 1 | 1 |
| Cerebral Palsy Association | 0 | 1 | 0 | 1 |
| Sports | 3 | 14 | 6 | 13 |
| Retarded | 11 | 1 | 9 | 3 |
| Blind | 0 | 1 | 0 | 1 |
| National ethnic groups | 4 | 3 | 5 | 2 |
| Nonprofit—Not otherwise stated | 25 | 13 | 29 | 8 |
| Private independent camps | 30 | 21 | 25 | 23 |
| Church | 17 | 20 | 12 | 17 |
| Total | 156 | 108 | 148 | 109 |

In 1972, 4 reported incidents occurred in private independent camps, and 7 in agency camps (2 Young Men's Christian Association, 3 Society for Crippled Children & Adults, 1 Girl Scout of America, 1 Boy Scout of America. The incidents in handicapped children were entirely related to the crippling condition, and therefore are of no significance to the purpose of the Camp Licensure Law. The distribution of incidents among camps licensed by category in 1973 was all in nonprofit camps, sponsored as follows: 2 Y.M.C.A., 2 4-H, 1 School, 1 Newspaper, 1 Grange, 1 Church (2 hospitalizations), 1 Cerebral Palsy Association (handicapped campers).

## WHY ESEA NEEDS AMENDING

### HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. LANDGREBE. Mr. Speaker, since introducing H.R. 10639, the Freer Schools Act last October, my office has been deluged with mail on this bill. At last count, I had received more than 1,200 letters in support, 4 against. The vast majority of the letters come from parents who are very concerned over the innovative programs funded until titles I and III of the Elementary and Secondary Act—ESEA: programs in humanism, behavior modification, sensitivity training. In short, programs designed to change a student's values and attitudes, to modify his or her behavior to conform to the norms prescribed by a psychology/education elite.

Are such programs beneficial or harmful? Should our public schools be attempting to change and mold student's attitudes and values? Or should schools be emphasizing basic education in the cognitive skills such as reading and mathematics?

Since this is a major issue that will face the House of Representatives when the provisions of H.R. 10639 are offered as amendments to H.R. 69 next week, I thought my colleagues would be interested in the following letter from Mrs. Jane Rachner of St. Paul, Minn. Mrs. Rachner holds a Ph. D., with a major in history and philosophy of education and a minor in psychology. She has taught in elementary school and has lectured at various colleges on general psychology, child development, and reading theory.

The letter follows:

AN OPEN LETTER TO LIBERALS ABOUT THE NEED TO AMEND E.S.E.A.

(By Jane Rachner)

What gives a conservative the right to address a letter to liberals? Being brought up in the humanistic tradition of the Unitarian church, being a member of A.D.A. from 1949 to 1973, being taught by some of the most successful promoters of behaviorism gave me an understanding of the liberal viewpoint. How then could I have become a conservative in education? The answer is simple. Science tells us to believe what we observe, and I have seen year after year of so-called "innovative programs" in education sponsored by government money do more harm than good to the children they purport to serve.

Some of the most enthusiastic support for Representative Earl F. Landgrebe's "Freer Schools Act," H.R. 10639, comes from opponents of humanism and behaviorism and other conservatives but all of us should be applauding Rep. Landgrebe's bill. It attempts to put government money behind the kind of basic education which will give future generations power to read and reason instead of behind the attitude-molding instruction which E.S.E.A. now rewards through many of the Title I and Title III grants.

It is not just religious and/or political conservatives who see the need of reforming government spending in education so as to encourage a renewed emphasis on developing children's power in the basic skills of reading and arithmetic. An ever-enlarging group of liberals is beginning to realize that in education wasted money means wasted lives.

Attitude-teaching has been insidiously on the increase for the past twenty-five to fifty years at the expense of other more important training. Giving children equal minimum essentials for competence in the fundamental symbol systems out of which our civilization is constructed is an absolute necessity if each child is to have an opportunity for socio-economic mobility equal to every other.

Inexperienced or mentally lazy teachers may like the emphasis on attitude-teaching which E.S.E.A. supports with government money and which it will continue to support if H.R. 69 passes. Such teachers may welcome it because it is such an easy thing to teach. Only an exceptionally obtuse school child could fail to get an A on an attitude test if he wanted an A. However, the most experienced and dedicated teachers want the satisfaction of giving children tools with which they can garner knowledge. They wish to enable children to either control their environment or escape from it in the delightfully vicarious or otherwise constructive ways which reading and thinking power make possible.

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## PROTECTION OF VETERANS' PENSIONS

### HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. YOUNG of Florida. Mr. Speaker, I am today introducing legislation to insure that recipients of veterans' pensions and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits.

This bill is the culmination of my long series of legislative efforts to aid those veterans and dependents who suffered cuts or losses in their pensions because of the 1972 social security increases. In the 93d Congress alone, I have already sponsored three different bills aimed at alleviating the distress of these individuals: H.R. 1305, exempting all social security benefits from the determination of annual income of World War I veterans; H.R. 1306, providing that one-half of any social security increase be disregarded in the determination of annual income of all veterans; and H.R. 2686, raising the annual income limitation for veterans by $600.

Last December, a Senate amendment to H.R. 9474, increasing non-service-connected veterans' pension benefits, would have increased the annual income limit by $400 and thereby provided relief to most of those who had been stricken from the rolls or had their pensions reduced because of social security increases. But the Senate amendment was deleted upon the solemn assurances to the Members of both Chambers that the situation would be remedied in pension reform hearings early this year.

Mr. Speaker, it is now the end of March. Next month, and again in July, social security benefits will be increased. But the promised reforms have not materialized, and the cost of living continues to increase at a staggering rate.

Last June, I testified before the House Veterans' Affairs Committee on behalf of the three bills previously mentioned, to protect veterans' pensions. During that testimony, I quoted from two of the hundreds of letters I had received since the VA reduced pension and disability benefits on January 1, 1973. I would like to call the attention of my colleagues to these quotes once again:

I am almost 75 years of age and a diabetic. My wife is in poor health and has been for over seven years. Our *only* income is social security plus the Vets pension. I received notice yesterday my pension has been cut from $97.98 to $85.26 per month. True, this is only $12.72 per month cut, but let me tell you it hurts us an awful lot, as our health problems require so much extra cash. Living costs have *not* gone down. . . . .

I am a veteran 80 years of age, of WWI. Last year my VA pension was $67.76 per month. I received notice today that beginning January 1, 1973 my pension would be reduced to $42.86 per month due to a 20 percent increase in my social security, which amounted to $35.00 per month. The 20 percent increase was for everybody but the veteran. This cut in pension reduces my SS increase to $10 per month instead of $35.00.

Since those letters are written to me, the cost of living has increased another 10 percent; the cost of food alone has risen more than 22 percent. And yet these same individuals will have a scant 8 months to utilize the 11-percent social security increase before the boom falls on them once again and their pensions are further reduced. By this time, the cost of living and the price of food and health care will have risen even further. We are in an inflationary cycle which is literally starving to death our older Americans and veterans who are trying to live on fixed incomes.

Mr. Speaker, I am introducing my bill as a matter of simple justice. A blanket exemption of all social security benefits from the annual income determination is the least that we can do to aid our veterans in these circumstances. Next January cannot see yet another period of such agony for millions of Americans who have served their country in the Armed Forces, and contributed to social security as hard-working citizens. These people have earned both benefits in full, honorably and fully, and I urge my colleagues to support this legislation which will permit our veterans to receive social security without penalty to their veterans' benefits.

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## LOS ANGELES LITHUANIANS SPEAK OUT

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ANDERSON of California. Mr. Speaker, the Lithuanian Americans of Greater Los Angeles experienced on February 17 another bittersweet celebration commemorating the 56th anniversary of the independence of the Republic of Lithuania.

On that occasion, these courageous people adopted a resolution stating their determination that the Soviet domination over Lithuania should be terminated.

It is a credit to our Government that

**the United States has not, and will not, recognize this subjugation by the Soviet Union.**

**Mr. Speaker, I would like at this time to submit this resolution by the Lithuanian American Council of Los Angeles, Calif.:**

### RESOLUTION

We, the Lithuanian Americans of Greater Los Angeles area, assembled on this 17th day of February, 1974 at Marshall High School, Los Angeles, in order to commemorate the Lithuanians Independence Day hereby state the following:

Whereas on February 16, 1918 the ancient Lithuanian nation after a long struggle proclaimed itself as a free democratic Republic of Lithuania and was recognized as such by all the nations and was installed as a full member of the League of Nations;

Whereas the Soviet Union after forming mutual assistance pact with Hitler and on June 15, 1940 broke all her agreements and treaties and forcibly occupied Lithuania, and even now this Stalin-Hitler pact is still in force and Lithuania, Latvia and Estonia are occupied by Russian Communist government;

Whereas the Soviet Union through a program of mass deportations, labor camps, resettlement of the peoples and importation of new settlers form Russia continues to change the population and its ethnic character and commits the genocide of this small but ancient nation;

Whereas these occupants after more than 30 years of persecutions and constant acts of terrorism were still unable to suppress the religion and aspirations of these peoples to be free as shown by the fact of the 17,000 Lithuanian Catholics under threat of severe punishment had the courage to sign a petition to the Secretary General of the United Nations charging Soviets with the religious persecutions;

And whereas there is still no free communication between Lithuania and other countries including United States. Only 5 days visits by special permits are allowed in one city in the assigned hotel which is under surveillance as not to permit to visit the country and relatives in their places of living. Furthermore, the gift packages to Lithuania are charged prohibitively high duty as to the most unfavored country and so to exploit this sad situation.

Therefore be it resolved that the American of Lithuanian heritage demand that the Soviet-Hitler pact at last be terminated, permitting the Lithuanian people to exercise their sovereign rights. We also deplore the fact that this occupation and terrorism was permitted to exist for more than 30 years and thousands upon thousands of lives were lost.

That knowing the methods and modes led by Moscow, we consider the cultural exhanges in present form as one way exchange, benefiting the red propaganda in the entire United States with failure to represent the American way of life there.

We believe that human consideration between the nations and people must take precedence over trade benefits or political concessions.

We are watching with utmost gratitude all the endeavor of President R. M. Nixon and of the members of both Houses to stop red aggression and bring peace.

We also trust that the President will recognize these facts and will take a firm stand during pending negotiations and also instruct his representatives in Security Conference at Geneva to do the same.

As we approach the end of the 20th Century we are ashamed that our civilization is able to tolerate conditions where police states with their slave camps and "hospitals" are allowed to exist.

We beg all the freedom loving peoples to unite and use their means to repeal the brutality rule over peoples and nations.

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## OIL INDUSTRY ADVERTISING

### HON. BILL GUNTER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. GUNTER. Mr. Speaker, the oil industry has spent millions of dollars on an advertising campaign to carry its side of the energy crisis to the American people. Television commercials and newspaper advertising reach millions of citizens. The moneys spent on these multimillion dollar advertising campaigns can be used as a tax deduction by the oil industry—a special tax favor that gives the oil industry percentage rate of tax on income which allows these companies to pay a lower percentage of tax on income than does the average citizen.

A vicious cycle results. The oil industry spends millions on advertising—which they get tax favors on. The average American cannot wage such an advertising campaign for obvious reasons. Therefore, except for what we glean from news broadcasts, the oil industry can defend their high profits, and proclaim their innocence against charges that they have caused or could have prevented the energy crisis.

A recent article in Environmental Action, "Brainwashing at Public Cost," discusses this issue and I would like to insert it in the RECORD at this time for my colleagues own information:

### OIL ADVERTISING: BRAINWASHING AT PUBLIC COST

(By Lee Stephenson)

The oil industry has bombarded the Amercan public with a multimillion dollar advertising campaign in recent months carrying its side of the energy crisis. Prime-time television has frequently carried colorful messages, and major newspapers and magazines have had dozens of full-page advertisements with huge bold headlines—all to proclaim the companies' innocence of any wrongdoing.

But the one thing the companies haven't said in their multimillion dollar campaign is that they are getting the public to pay for most of it.

The cost of nearly all of the advertising—all but that which advocates specific changes in legislation—can be deducted from taxable income as a "legitimate business expense" by the oil companies, according to the Internal Revenue Service (IRS). Thus the companies have an indirect public subsidy in their campaign to defend their high profits and proclaim their innocence against charges that they have caused, or at least could have prevented, the current energy crunch.

Although all American industries can use the same deduction, this provision in connection with other special tax favors gives the oil industry a percentage rate of tax on income far lower than the average for U.S. industry. In fact, the companies pay a lower percentage of tax on income than does the average citizen.

The deduction includes all of the costs of advertising, including fees to advertising agencies, preparation and the purchase of expensive print media space or electronic media time. For instance, a 60-second commercial carried coast-to-coast on the NBC evening news program costs $27,000 and a full-page advertisement in the *Washington Post* on weekdays costs about $4670.

Such a television commercial reaches millions of homes (the 60-second spot during the NBC news program reaches about 9.5 million) and full-page newspaper advertisements may reach hundreds of thousands. Most of the energy-crisis-related newspaper ads have appeared in limited markets, such as New York City and Washington, D.C., to reach "decision-makers." However, some companies have taken their ads to wider markets. One full-page newspaper ad in late January by Mobil Oil, which reprinted four earlier messages under the headline "Don't read these ads if you've made up your mind about oil profits," was placed in nine large newspapers with a total circulation of approximately six million. A single ad in late January by Exxon headlined "Exxon plans to spend nearly $16 billion over the next four years to help get more energy to you," was run in newspapers in the top 50 advertising markets in the country with a combined circulation of over 30 million.

Electrical utilities have also jumped on the energy advertising bandwagon in recent months, and these companies have a special public subsidy the oil companies do not have. Investor-owned public utilities, which are regulated by state public utility commissions, often have their customers pay for company energy crisis advertising by including the costs in the rates consumers pay. Although some public utility commissions have begun to restrict the inclusion of consumption promotion and controversial issue advertising in the utilities' rate base, in most cases customers still pay for advertisements suggesting steps to meet the energy crisis, criticizing environmental controls, promoting nuclear power, and advocating rate increases and the suspension of clean air regulations.

The energy company advertisements have also been criticized for misrepresentation and deception. Calling the recent oil company and utility advertisements a "multimillion-dollar propaganda blitz," six members of Congress petitioned the Federal Trade Commission (FTC) in January to require proof of claims made by companies on energy and environmental issues. In 1971 the FTC started a program to investigate product claims made by companies, but non-product or so-called institutional advertising has never been monitored by the FTC.

The six petitioners include Senators Birch Bayh (D-Ind.), Thomas McIntyre (D-N.H.) and Frank Moss (D-Utah), and Representatives Les Aspin (D-Wis.), Benjamin Rosenthal (D-N.Y.) and Andrew Young (D-Ga.). The companies cited in the complaint include Shell Oil, Tenneco, Champion International, Mobil Oil, Exxon, Pacific Power and Light, Wheelabrator-Frye, General Electric, Amoco Oil, and the Investor-Owned Power and Light Companies.

A second official complaint to the FTC was filed in January by Environmental Protection Agency Administrator Russell Train in response to a Chevrolet advertisement advocating the removal of automobile emission control equipment. The ad's claim that an increase in gasoline mileage of up to 25 percent could be achieved by removing the equipment is "grossly inflated and misleading," according to Train, who asked the FTC to investigate the advertisement and to "prevent such misleading advertisements from occurring in the future."

Richard Herzog, the FTC's assistant director for national advertising, said the Commission has also had an "unusual number" of other letters complaining about the companies' advertisements. But although Herzog acknowledged that he was heading the Commission's review of the complaints, he refused to characterize the work as an investigation and would not speculate as to when or what type of response the FTC would make. Other Commission sources have said a large investigation of energy advertising is underway and have predicted the FTC would take some action to control non-product energy advertising.

FTC Chairman Lewis Engman has said he favors some curb on image advertising intended to enhance the companies' commercial well-being. However, Engman and FTC investigators have had a difficult time defining the purposes of institutional advertising and do not think that all forms should be controlled under any circumstances. The FTC is very reluctant to tamper with political ads which advocate a legislative position on a controversial issue. The right to express such an opinion—no matter how obnoxious—is guaranteed by the First Amendment. However, when false or misleading information is used to justify such a position, or when an institutional advertisement is clearly intended to improve a company's product appeal or stock marketability, the FTC is considering action.

The only other federal agency that exercises control over company advertising is the Federal Communications Commission (FCC) under its Fairness Doctrine. That set of regulations requires television and radio stations which present one side of a controversial issue to also allow "reasonable opportunity" for the presentation of contrasting viewpoints.

The initial determination of the fairness issues is left up to the local broadcasters, and most stations claim to meet this requirement with their news and public affairs programming. However, the stations are ultimately responsible to the FCC for the balance they present in these controversial matters, and complaints received by the Commission are supposedly taken into account when the local broadcaster's license comes up for renewal every three years.

The content of advertising presented by a station is also subject to the Fairness Doctrine, and if the opposing viewpoint to an oil industry advertisement is not given a "reasonable opportunity," individuals or groups can file a complaint with the FCC. Few complaints are filed and even fewer decided in favor of the complainants, although there are some instances of success.

In 1973 a citizen's electric utility monitoring group, the Georgia Power Project, and two other local organizations complained to the FCC about a series of Georgia Power Company advertisements in support of a pending rate increase. One broadcaster in Atlanta and a second in Augusta had refused to allow the groups to respond to the company's messages. The FCC ruled in favor of the groups in December of 1973, requiring the stations to allow response times to the groups and setting an important Fairness Doctrine precedent.

The other potential area under FCC regulations for a different viewpoint from advertisements is the public service announcements (PSAs) that local television and radio stations carry. There is no requirement for any specific quantity or subject matter of such announcements, but it is understood the licensee will carry some messages of public interest free of charge.

PSAs most often take the form of broadcasting notices of community meetings or using messages supplied by the Advertising Council. The Council is a non-profit, public service corporation which conceives and pays for the production of advertising messages on a variety of public issues. The ads are then supplied free of charge to radio and television stations to use as PSAs.

The Council's work has been widely praised, but the organization has met some criticism for conflict of interest due to its industry- and business-dominated board of directors. For instance, the Council prepared a campaign for Keep America Beautiful Inc. (an organization composed mainly of container and beverage manufacturers) suggesting that "People start pollution, people can stop it." The Advertising Council has thus helped to lend credence to the beverage industry's contention that consumers are more responsible for litter and pollution than the industries which create millions of tons of throwaway containers yearly.

The board of directors of the Advertising Council is composed entirely of manufacturing, retail, utility, insurance, advertising, publishing and broadcasting corporations. Moral: Don't expect the Advertising Council to produce any public service announcements countering energy company claims.

Of course, the FCC has no control over print advertising, which is why company newspaper and magazine messages are more prone to heavy advocacy. Most television advertisements by the oil companies present a low-key message to minimize Fairness Doctrine problems. But, as newspaper advertising executives readily point out, the public owns the air waves and thus has a right to regulate their use; industrials or companies own the press. Again, a constitutional issue is involved.

The *Washington Post's* Vice President for Advertising, Joseph Lynch, told *Environmental Action* there is no limit on the amount of advertising space a company or group of companies can buy and said there shouldn't be. Lynch did say the *Post* regularly screens such advertising for libel, obscenity or factual problems, and said that several oil company ads had recently been questioned and two sent back to the companies for different statistics. But he admitted the newspaper is not in a position to investigate the statistics or alleged facts used and "unless we know for sure that it isn't true" the ad is likely to run.

The *Post's* ombudsman, Robert Maynard, said he had received no complaints about the volume of energy company advertising in the newspaper, but added that he thinks the volume of such advertising presents a problem. Maynard said contrasting viewpoints probably could not be adequately presented by the use of the letters-to-the-editor column, guest columns, or even editorials, and said "I don't know what could countervail that [the volume of ads] short of having the same amount of money" to buy advertising space. Maynard also said that although the news columns of the newspaper had devoted considerable space to energy problems and some of the company claims, the volume of company advertising seemed to outweigh the exposure of alternate viewpoints.

*Environmental Action* could not find a single advertisement in a major newspaper or magazine which attempted to counter the energy company line. Groups contacted that have charged the companies with misrepresentation or falsehoods said they simply did not have the money to answer the company claims through advertisements.

A San Francisco-based non-profit communications firm, Public Interest Communications Inc., has asked the *San Francisco Examiner* for regular full-page advertisements free of charge to respond to the oil companies. But there is apparently no precedent for a major newspaper to give free advertising space to an individual or group to balance or respond to advertising campaigns. The *Examiner* has not announced a decision on the request.

The outlook for opposing viewpoints on the air waves is equally complicated. A Washington public interest group, the Media Access Project, is preparing a Fairness Doctrine campaign to force television networks to air counter-industry ads. However, the group says its chance of success is limited because the FCC is likely to rule that the ads are adequately balanced by network news programs.

In an attempt to give citizens the materials to launch a counter-industry energy advertising campaign, Public Interest Communications has prepared a full set of newspaper, magazine, radio and television advertisements. The group is offering the materials at cost to individuals and groups to either purchase or solicit free advertising time from the media. But a spokesman for Public Interest Communications said the group thinks people should not try to buy time because the public has a right to free access to the media.

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## INFLATION AND THE BUDGET

## HON. SAMUEL H. YOUNG

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. YOUNG of Illinois. Mr. Speaker, approximately 1 year ago, I took the floor of this House to review the fiscal policies of the Federal Government and to point my legislative finger at "big spending, big taxing, and big inflation." In all of my meetings with the citizens of the 10th Illinois Congressional District, I find that the No. 1 problem of 1974 is inflation.

From July of 1971 to December of 1973, the Consumer Price Index rose at the average rate of 5.5 percent per year, despite the fact that we had wage-price controls. Our biggest price rises have been in the food and fuel areas of our economy.

Congress must develop a policy of restraint in spending if we are to successfully stop inflation.

The House of Representatives has approved a policy of setting a ceiling on Federal spending by its approval of the Budget and Impoundment Control Act of 1973. In keeping with the provisions of that legislation, I have introduced a concurrent resolution limiting appropriations for fiscal year 1975 to $295 billion, which is the projected income of the Federal Government during the same period.

Congress and only Congress is responsible for the determination of the Federal budget. The President can only suggest and recommend. It is Congress that legislates and acts to determine the budget.

Arthur Burns, Chairman of the FRB, urged Congress to trim the President's proposed fiscal 1975 budget of $304.4 billion with a projected deficit of $9 billion.

I agree with Arthur Burns that Congress can take the President's budget and cut it. However, I also know that this will not be done unless Congress sets a spending ceiling. A projected inflationary rate of 8 to 9 percent per year should be unacceptable to the American people. Unless the voters make their views known to the Congress, deficit spending will continue and an unacceptable inflationary rate will continue.

Let me again review big spending, big deficits, and big inflation.

### BIG SPENDING

In 1960, the United States spent approximately $92 billion on a unified budget basis. In 1965, spending was $118 billion. In 1970, it was $196 billion. In

1975, proposed spending amounts to $304.4 billion.

### BIG DEFICITS

In the last 10 years, we had deficits in the Federal budget in every year but one, and the total financing of spending by deficit borrowing exceeds $130 billion.

### BIG DEBT

In 1960, the Federal debt was $290 billion. In 1965, the Federal debt had risen to $323 billion. In 1970, it had climbed to $382 billion. At the end of 1975, it is projected to exceed $500 billion. The interest on the Federal debt will amount to approximately $29 billion in fiscal year 1975.

### BIG INFLATION

What is the answer to inflation? Since 1971, we have had four phases of wage and price controls. Price controls have never been effective over a long period of time. Instead, they create shortages and scarcity. The usefulness of wage and price controls has come to an end, and I do not believe that Congress will extend the Economic Stabilization Act, nor do I think that it will provide selective standby controls. This probably will prompt some additional price rises; but if we will stop deficit spending, the economy will adjust to increase the supply of products and decrease prices.

The challenge is squarely presented to Congress to stop inflation by providing a balanced budget and create confidence in the people of the United States and in the world that the Government of the United States is fiscally responsible.

It is time for Members of Congress to think of the next generation and not the next election.

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## A GIANT IN THE FOOD INDUSTRY

## HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. VANDER JAGT. Mr. Speaker, last Sunday the city of Fremont, Mich., and the Nation lost a giant of the food industry with the passing of Mr. Daniel F. Gerber.

A business which began from the most mundane circumstances, the need to strain a few peas and carrots for his own child, and which he developed into the largest manufacturer of baby food in the world, will always bear his imprint.

But even more, he was one of the finest gentlemen we have ever met. His reputation for integrity in business and his personal life are rarely matched. The Nation has lost one of its truly great citizens in the passing of Daniel Gerber.

The following article, which appeared in the New York Times on March 18 catalogs the life history of this outstanding resident of my district in Michigan:

### DANIEL F. GERBER IS DEAD AT 75; BROUGHT BABY FOODS TO MILLIONS

FREMONT, MICH., March 17.—Daniel F. Gerber, who introduced strained baby foods to millions of Americans, died last night after a brief illness. He was 75 years old.

His company, the Gerber Products Company, is the largest baby-food manufacturer in the world and sold $278-million in baby foodstuffs last year. It accounts for 60 per cent of all baby foods sold in the United States, and also manufacturers its products overseas.

Mr. Gerber, a native of this small town in west Michigan, joined his father in 1912, in what then was called the Fremont Canning Company, a small, local food processor.

In 1927, when Mr. Gerber's daughter, Sally, was ill, the family doctor suggested that the Gerbers strain some peas for her to eat. At that time, strained baby foods were available only in some areas of the country, and were sold only in scriptions.

### ACROSS THE NATION

In 1929, Mr. Gerber put baby foods on grocery store shelves across the nation. Other manufacturers soon followed. The company name was changed to the Gerber Products Company in 1943, and Mr. Gerber became its president two years later. He held that post until 1964, when he became chairman of the board.

Three years ago, the manufacturer gave up the chairmanship at his own request, but he remained as a director and chairman of the company's executive committee. Mr. Gerber was also chairman of the Old State Bank of Fremont at his death.

### MORE ITEMS INTRODUCED

As Mr. Gerber's line of baby foods increased, he introduced related items such as powder, plastic pants and dishware for babies.

The manufacturer was active in trade, professional, church and civic organizations. The city's Gerber Memorial Hospital was built chiefly with family funds, and Mr. Gerber helped to establish a civic center for Fremont.

He was graduated from St. John's Military Academy in Delafield, Wis., and the Babson Institute of Business Administration. Babson Park, Mass., and maintained an active interest in both schools throughout his life.

Mr. Gerber was also a member of the First Church of Christ, Scientist, and served on the boards of such organizations as the Nutrition Foundation of New York and the United Negro College Fund.

Survivors include his widow, Dorothy, 5 children and 18 grandchildren.

A private family service was scheduled for tomorrow, with a community memorial service Wednesday at Fremont High School.

### CULTIVATED NEW MARKET

Like an earlier Michigan manufacturer named Henry Ford, Mr. Gerber was not so much an inventor as an imaginative pioneer in cultivating an unsuspected mass market for a relatively simple basic product.

His first kitchen experiment convinced him that putting cooked peas through a strainer by hand took too much time and energy out of a mother's life. A market study suggested that women who did not want to spend 35 cents at a drug store for strained baby food would buy it in quantity if it sold at regular grocery stores for 15 cents. Late in 1928, he began advertising in Child Life magazine, offering six cans by mail for a dollar and a coupon that included the address of the customer's regular grocer.

This gave the Gerber salesmen a foot in the grocery door. Soon they were driving cars with horns that sounded the tune of "Rock-a-Bye Baby." Sales rose sharply from 590,000 cans in the first year, to 1 million a week in 1941 and 2 million a day in 1948.

From the start, Mr. Gerber was careful to get the approval of a physician for his product. When he brought some of his first cans of strained peas, carrots and spinach to a Grand Rapids pediatrician, he was told: "You don't realize what you have there. I never knew Henry Ford, and I always wanted to meet a multimillionaire."

Mr. Gerber served as an Army sergeant in Frence in World War I and was awarded the Croix de Guerre.

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## NO TAXES ON UNRECEIVED INTEREST

## HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. LEHMAN. Mr. Speaker, there is a new problem now besetting our senior citizens. It has particular impact on senior citizens having low incomes of such size that it is not feasible for them to itemize deductions on their income tax.

In 1973, the banks were permitted to raise their interest rates as high as 7½ percent on certificates of deposit. Many senior citizens had long-term certificates paying only 5¾ percent and were, of course, anxious to convert them to the higher interest-bearing certificates.

When an individual cashes his old certificate of deposit to convert it to the new higher interest certificate, the banks assess a penalty comprised of the loss of the interest for one quarter and a recomputation of the interest rate from the 5¾ percent certificate of deposit down to the passbook rate of 4½ percent. This loss of interest and the recomputation result in the forfeiture of a certain amount of interest. However, banks are reporting to the Internal Revenue Service the full amount of interest, including the amount of forfeiture, as gross income.

The inequity is in the payment of taxes on the total amount of interest reported. If an individual itemizes his deductions, the amount of the forfeiture may be deducted. Persons of low income who have relatively little in the way of itemized deductions and who, therefore, use the standard deduction must pay taxes on the gross amount of interest. They pay taxes not only on the amount of interest received, but also on the amount of interest which they forfeited and never received.

The solution is to have banks report and have individuals pay taxes only on the net amount of interest an individual receives in a given year. The amount of forfeited interest would be subtracted from the gross amount of interest before taxes are assessed.

To remedy this situation, I have introduced H.R. 13669, a bill to amend the Internal Revenue Code to insure that forfeited interest is not included in an individual's gross income. No one should have to pay taxes on income he never receives.

The text of the bill follows:

### H.R. 13669

A bill to amend the Internal Revenue Code of 1954 to provide that certain interest forfeited by reason of premature cancellation of certain savings deposits shall not be included in gross income and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* SECTION 1. Treatment of certain interest income.

(a) IN GENERAL.—Part II of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically included in gross income) is amended by adding after section 83 the following new section:

"SEC. 83. INTEREST ON CERTAIN TIME SAVINGS DEPOSITS.

"Gross income includes interest paid or accrued during the taxable year on any time deposit savings account with any person or institution described in subparagraph (B) or (C) of section 6049(b)(1) but only to the extent not forfeited during such taxable year by reason of the premature cancellation or withdrawal by the taxpayer of all or part of such account."

(b) CONFORMING AMENDMENT.—The table of sections for such part II is amended by adding at the end thereof the following new item:

"Sec. 84. Interest on certain time savings deposits."

SEC. 2. RETURNS REGARDING PAYMENTS OF INTEREST.—Section 6049(b)(2) of the Internal Revenue Code of 1954 (relating to returns regarding payments of interest) is amended by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively, and by inserting after subparagraph (A) the following new subparagraph:

"(B) any interest forfeited during the taxpayer's taxable year which is not includible in gross income under section 83 (relating to interest on certain time savings deposits);".

SEC. 3. EFFECTIVE DATE.—The amendments made by this Act shall apply to interest paid or accrued after December 31, 1973, in taxable years ending after such date.

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## LUCKIEST MOTHER IN THE WORLD

## HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BRAY. Mr. Speaker, it is a pleasure to insert into the CONGRESSIONAL RECORD the following article by Mr. Thomas Keating, of the Indianapolis, Ind., News, which appeared in that paper on March 20, 1974.

It is a brief but inspiring account of courage, determination, and faith, on the part of Mrs. Nellie Albrecht, of Indianapolis, who, in the face of family tragedy, rose to the challenge. The article follows:

### LUCKIEST MOTHER IN THE WORLD

(By Thomas R. Keating)

Out in a small, white stone house on Milhouse Road between Camby and Valley Mills, a family of five managed what well may be an unprecedented achievement in Indianapolis, in Indiana and quite possibly in the nation.

The driving force behind this success story is a modest, 58-year-old woman who walks with a limp, speaks always in soft tones and commands a huge amount of respect.

Her name is Nellie Albrecht and when it comes to bringing up children, Dr. Spock is a minor leaguer.

Back in the mid 1950s, Nellie's husband, Carroll Albrecht, a tool and die inspector at Allison's, suffered a fatal heart attack.

He hadn't been sick and his unexpected death left Nellie with four children to rear by herself, a frightening prospect for any woman.

Then, to add to her worries that she would not be able to do the job properly, Nellie became seriously ill one day and was taken to the hospital.

After extensive examination, it was determined she had multiple sclerosis, a disease that has left her with a permanent limp and a weakened condition that requires her to rest periodically each day.

When she received this news, Nellie worried about herself and her illness, of course, but most of all she worried about how she could provide discipline and leadership for her two sons and two daughters and how she could be both father and mother with only half her energy and health.

Then, too, there was the problem of money. All she had were modest Social Security benefits and what she would be able to earn at a job, which would have to be part-time because of her condition.

So she got a part-time job as a receptionist for a doctor at the Indiana University Medical Center and a second job typing at her home, a chore she could do between rest periods in the evening.

She vowed to do the best she could for her children and pray a lot that they would turn out to be good and responsible people.

In 1956, the first of Nellie's children, James, was a senior at Decatur Central High School. Not only was he a basketball and track star, but much to his mother's pride, he was valedictorian of his graduating class.

James went on to be graduated from Purdue University and is now a veterinarian at Carmel.

In 1959, Nellie's second child, Judy, was graduated from Decatur Central, and defying all odds, she, too, was class valedictorian.

Judy later was graduated from the Indiana University School of Nursing and is now married to a doctor and the mother of six children at Winter Park, Fla.

It was 10 years later, in 1969, before Nellie's third child, John, was a senior at Decatur Central. Young people were supposed to have changed a great deal during this decade and rearing a youngster was said to be far more difficult.

But in Nellie Albrecht's family, nothing had changed.

John, also was No. 1 in a class of 220, to make it three in a row. He is now in his first year at I.U. Medical School.

The last of Nellie's children, Jeanne, is a senior this year at Decatur Central and—what else—last week she was informed she is No. 1 in a class of 222 and will be the fourth valedictorian in four tries for the Albrecht clan.

There quite possibly may not be a family anywhere that can match that record.

"We've never had much money," Nellie said, "but we've been blessed in many other ways. All of the children have paid their own way through college by getting scholarships and earning money during the summer.

"I was never as 'A' student or anything special," she concluded, "so, I'm sure I must be the luckiest mother in the world."

Her four children just laugh at that. They have no doubt who the lucky ones have been.

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## THE ROOTS OF THE HOUSING PROBLEM

## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. RANGEL. Mr. Speaker, four decades ago, Franklin Delano Roosevelt pointed out in sorrow that one-third of all Americans were ill-housed. The Depression has long passed. The United States has the highest standard of living in the world. However, there are still 13.1 million families in this country who are "housing deprived."

The Joint Center for Urban Studies at Harvard University and MIT reports that its estimate of the inadequately housed is conservative and that the actual figures might be higher. But 13.1 million families represents 21 percent of the Nation's households, a major proportion when weighed against our national wealth and resources. The statistics are even higher in certain geographic areas, reaching 25 percent in the Newark metropolitan area and 28 percent in and around New York City.

With new housing starts far below what is needed to even keep our heads above water, the implications for progress in the near future are clear. Over one-fifth of our population live in physically inadequate housing or overcrowded conditions or pay excessive rent. Vernon E. Jordan, Jr., executive director of the National Urban League, has estimated that new housing starts are running at only 75 percent of the number needed just to keep even. To make a significant impact on the housing shortage will require a degree of commitment from both Government and private industry which we have yet to see.

The White House has blundered badly over the past 5 years in the housing area. The most recent actions such as the ill-timed, ill-advised moratorium on Federal housing subsidy programs and the proposed housing allowances would be counterproductive, discouraging new construction and renovation. At the same time, the administration's mismanagement of the economy has resulted in an increase in interest rates, putting mortgage money out of the reach of low- and middle-income families who seek to build or buy homes.

In New York City, rent decontrol has led to a spiraling of rents to the maximum levels allowed by law. In major cities across the country, the abandonment of sound housing by landlords continues. Once abandoned, the cities are unable to properly maintain them and they soon become refuges for addicts who strip the buildings of materials they can sell for its junk value.

True, some cities like Wilmington, Del., and Philadelphia have started urban homesteading programs. Other local governments are planning such programs as well. The potential for a significant improvement in the housing shortage through the renovation of abandoned buildings is limited, however, and only a relatively few of the 13.1 million families who are "housing deprived" will benefit directly from this approach.

A major financial commitment by the Federal Government, working in cooperation with private builders with technological know-how, is required if we are to build the number of units of new housing which we need. The present situation will only get worse as interest rates continue to rise, building materials remain in short supply and rents increase even more as landlords pass on higher fuel costs to their tenants.

Franklin Delano Roosevelt wasn't wrong in his vision of decent housing for all Americans. It is just taking a lot longer than he could have imagined.

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## U.S. CONFERENCE OF MAYORS—TRANSPORTATION POLICY

### HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ROSTENKOWSKI. Mr. Speaker, at their mid-winter meeting held on February 1, 1974, the Executive Committee of the U.S. Conference of Mayors adopted a series of policy statements dealing with our country's transportation needs.

Chicago's Mayor Richard J. Daley, cochairman of the Transportation Committee of the U.S. Conference of Mayors presented his committee's views to the Executive Committee of the conference at this recent meeting. Since the conference's position on this matter calls for a balanced, flexible approach to solving the needs of our urban areas, both large and small, I know that my colleagues will find these proposals of considerable interest. I would therefore, like to insert them in the RECORD at this point:

TRANSPORTATION—FEBRUARY 1, 1974

The U.S. Conference of Mayors Transportation Commitee urges adoption of a new national program for improving and expanding public transportation—The U.S. Conference of Mayors National Transit Legislative Program for 1974. It should include, at a minimum—

1. $3 billion a year for five years for the Urban Mass Transportation Administration's capital grant program;
2. $600 million a year in Federal financial assistance for transit operating costs;
3. $400 million in 1974 to help expand transit operating fleets;
4. *Ultimate* creation of a single Transportation Trust Fund;
5. Elimination of impediments to the contract authority procedure;
6. Immediate action on developing a National Urban Transit Plan and Policy; and
7. Elimination of any impoundment of transportation appropriations by the Office of Management and Budget. (A copy of the National Transit Legislative Program for 1974 is attached.)

In addition, the Transportation Committee urges—

1. that the Congress and the Administration immediately amend the charter bus provision in the Federal-Aid Highway Act to enable public bodies and operators to engage in charter operations;
2. continued funding for rail and commuter rail projects;
3. that the Highway guidelines and regulations assure that decisions are made at the local level, that elected local officials play a key role, that state control over planning and project selection is minimized, and that comprehensive transportation planning is performed by an agency agreed upon and responsive to elected local officials;
4. DOT and UMTA policy and programs that encourage and provide incentives to expand bus production and to promote bus R&D; and
5. Congress, AMTRAK, DOT, and UMTA carefully examine the feasibility of encouragaing the use of existing rail lines for commuter service.

NATIONAL TRANSIT LEGISLATIVE PROGRAM FOR 1974

A massive positive national program for improving and expanding public transportation facilities and operations in our urban regions, as well as in smaller communities, is now mandated by a combination of critical factors. Besides the sheer necessity of providing greater mobility for people as a prime public service, these critical factors also include the pressing necessity to utilize efficiently—and conserve—our sources of energy and the real threat that life itself, as we know it in our urban areas particularly, could become grievously injured if drastic measures are not taken to protect the environment.

Our new national program for improving and expanding public transportation must have a thrust comparable to the all-out effort and support that we have given to space exploration. Furthermore, this new thrust for public transportation must be elevated to the crash-program level comparable to space exploration, free from the time-consuming restraints of red tape that so often hampers the legislative and administrative process.

With such a thrust as the over-riding objective, the following program is proposed for action in 1974:

A combined effort by Congress and the Administration to increase to at least $3 billion a year the capital grant program of the Urban Mass Transportation Administration. This program should be assured for a minimum of $15 billion for the next five years, with full realization that this outlay may have to be increased as time goes by because of inflationary pressures and the identification of new needs.

A combined effort by Congress and the Administration to provide, for the first time at the federal level, an adequately funded program of financial assistance in the operation of public transportation systems. State and local governments no longer can bear the responsibility of providing financial assistance for transit operations alone. The time for federal government help is long overdue. As a beginning, the federal government should provide $600 million a year in financial assistance for transit operating costs.

The adoption by the federal government—again through a combined effort by Congress and the Administration—of an emergency program calling for an outlay of at least $400 million in 1974 to help expanding transit operating fleets as quickly as possible. For the most part, such an emergency program would be directed toward placing more buses on the streets. It also would require the cooperation of the automobile manufacturing industry in tooling up to produce the buses we need. In this respect, we must think in terms of crash-efforts that were successful in providing aircraft in times of war.

An immediate refinement of the Federal Highway Act, which, as adopted in 1973, gave public transportation, for the first time, a share of the assured source of funds of the Highway Trust Fund. Such refinement of the Federal Highway Act should be directed not only toward placing public transportation on a par with consideration given highway improvements, but also toward national and region-wide planning on the basis of total transportation needs. The ultimate goal should be the creation of a single Transportation Trust Fund.

The elimination without any further delay of all impediments which thus far have made ineffective the highly desirable procedure to providing federal aid for transit improvements through the so-called contract authority procedure. This procedure, already incorporated in federal legislation, is designed to assure the necessary funding over a period of years—such as a span of five to ten years—so that public transportation systems can carry out the large projects which cannot be accomplished overnight or in a single year. This contract authority procedure is an excellent idea, but it must be made to work.

In taking this immediate action, we must, of course, keep in mind long range goals—such goals as developing a National Urban Transit Plan and Policy. Such a national plan and policy should be developed as quickly as possible.

It has been suggested that a National Urban Transit Plan and Policy should be developed by the Department of Transportation and Congress by 1977. There is, however, a real danger in setting such a deadline four years from now. It could lead to procrastination providing we do not set earlier deadlines for planning. While longer range planning may be an ideal objective for many reasons, we also should not lose sight that planning is also an immediate and continuing process. Immediate and continuing planning must go hand in hand with long range planning.

Most important of all is the mandate for immediate action at the federal level.

Coupled with the need for immediate action is another extremely important factor.

A massive program with increased funding for public transportation will have little chance of success if Congress and the Administration do not provide the assurance that large appropriations of funds will actually be provided for public transportation systems.

There must be the immediate elimination of the impediment that has stalled many transportation improvements in recent years.

That impediment and barrier has been the impounding of transit appropriations by the Office of Management and Budget.

To appropriate funds for public transportation but then to impound the funds is a practice that no longer can be tolerated.

Such was not the case for space exploration. Such cannot be the case if we are to meet the pressing needs for improved and expanded transportation on earth.

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## THE SOUR FRUITS OF DÉTENTE

### HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. DRINAN. Mr. Speaker, in the February issue of Bridge, the Boston College magazine, there appeared two articles under the heading of "The Sour Fruits of Détente" by Dr. Yuri Glazov. Dr. Glazov, presently senior lecturer in Slavic and Eastern languages at Boston College and a constituent of mine, was a professor in the field of linguistics at the University of Moscow and held a research post in the Soviet Academy of Sciences. He was dismissed from both positions following the publication of the first collective letter of protest sent abroad from the Soviet Union, which he cosigned.

In March 1972, a letter signed by Glazov and four other intellectuals appeared in the London Times. Within a week he received a visa to leave Russia.

Mr. Speaker, in these articles Dr. Glazov critically examines the trend of current Soviet-American relations and détente in light of the treatment of Soviet dissidents. In the past, I have spoken out many times in support of Soviet Jewry and against widespread Soviet domestic repression. I strongly urge my

**colleagues to take note of the following perceptive and insightful articles bearing on the future course of our foreign policy:**

### THE SOUR FRUITS OF DÉTENTE

(By Yuri Glazov)

I lived in Russia for forty-two years and I am now beginning my second year in America. While in Moscow, I was in love with America. Now that I am here in Boston, I frequently pray for Russia.

When Stalin died twenty years ago, I understood that evil could come to an end, but John Kennedy's assasination ten years ago made me realize that evil's hired men had come alive again and had to be opposed. I felt my turn had come to speak out in Russia though a consoling death was still the reward for too many truth-seekers. For saying just a few words of truth, I paid the price of losing my teching and research positions, and, for the next four years, the authorities experimented to see whether a man who had been deprived of his livelihood could survive. Many of my friends who had been engaged in human rights activities were finally graciously permitted to leave the country and I was among them. It was the contacts with the West that made the Kremlin leaders release those who in other times would have died unnoticed in the prison camps of Siberia. That is why "detente" between Russia and America touches thoughtful Russians so deeply.

Yet many of my friends are still tortured in the cave of the Kremlin Cyclops who keeps on babbling about socialism. But few believe that balderdash. Most people sense that General Secretary Leonid Brezhnev wants to preserve the status-quo and the luxurious life style enjoyed by the ruling elite. While Brezhnev may be thinking "apres nous le deluge", the day he openly would utter these words would be the day of his downfall. Among his many problems the worst is that he is locked into the system created by his predecessors. Brezhnev's best defense is to take the offense.

Common Russian people respected Stalin, made fun of Kruschev and ignore Brezhnev. But to remain in power even Brezhnev needs the people's support. He promised them foreign sweaters, Italian cars and as usual a lot of food. He restored quite a few features of traditional Russian life. The Orthodox Church is no longer openly abused, provided the priests cooperate with the State Secret Police and supply the relevant facts about religious trouble-makers. Unlike the thirties and forties, millions of people are no longer sent to prison camps. But to live safely, one should keep one rule: not to speak aloud what one is thinking. Starting in 1965, Brezhnev cleverly began to stifle Russian intellectuals who sought to defend their human rights.

The Soviet rulers have their friends and foes: their main enemies being "American imperialists", Chinese communists and Russian intellectuals. Americans rebuke the Kremlin leaders for still being communists. The Chinese attack them for being bad communists. The intellectuals inside the country assail them for being double-faced bureaucrats.

As far as America is concerned, the Kremlin gamblers assumed that the ambitious and short-sighted Richard Nixon would continue to play into their hands. Until recently, they forbade their party-controlled press to criticize the President of the main "imperialist" country. As for Henry Kissinger, the Kremlin leaders looked on him as a real treasure. For a while, they made the White House believe they were ready to play its Neo-Metternich game.

Richard Nixon saw in Leonid Brezhnev his friend in need. They resemble each other. Both are masters of party intrigue; both exposed a conservative line, chasing liberals and intellectuals as their personal enemies. Both think that only victories outside the country can save their reputation at home. Both exploited the fact that the Russian and American people want peace and "detente."

But Richard Nixon overlooked the fact that his partner in "detente" was more experienced in international gambling. Brezhnev's highly qualified brain-trust advised the General Secretary to play a smart trick on the White House, just at the point when the Watergate crisis reached its nadir.

Russia was in a strong position. The war in Vietnam was officially over and Soviet leaders were rejoicing for they had feared that only China would benefit from that devastating war. As a result of supporting India in the Indo-Pakistan War in 1972, Russia was enjoying a certain moral prestige.

The time was ripe to do something about the Middle East. The Soviet Leaders' goals were obvious. Fired by an animal-like antisemitism, they sought to create a bloodbath in Israel and to undermine the country financially. Thus, they thought to break the enthusiasm of the Russian Jews (that source of intellectual non-conformism), letting would-be emigres, old and young, know that in Israel they might perish under Soviet made bombs.

It was high time to satisfy the Arabs' angry demands for a war with Israel; to test Soviet arms against American weapons in the battlefield. The Soviet leaders saw an opportunity to take a good sum of money out of the pockets of rich Arab rulers in return for supplying them with arms and last, but not least, they saw the perfect opportunity to blackmail Europe and America with an energy crisis.

Why not use Mr. Kissinger's wish to achieve "detente" at any price? the Soviet leaders mused. Why not create a fuel shortage in the U.S. and further stimulate the inflation already resulting from the grain deal? Why not provoke the angry feelings of American taxpayers who would resent being milked for the airlifting of weapons to Israel? Why not, while the White House was in chaos, test America's ability to withstand a sudden menace from Soviet paratroopers in the Middle East? If America should make any drastic moves, why not then withdraw, proclaiming astonishment at the President's over-reaction?

Initially, Moscow blocked all attempts to arrange a cease-fire in the Middle East, blaming Israelis as murderers in the Yom Kippur War. But when it became clear that Israel would defeat the Arabs, Brezhnev invited the obedient Kissinger to Moscow to arrange peace in the Middle East.

When, after all these events, Dr. Kissinger stated that Russia had not transgressed the boundaries of its responsibilities, he exposed the depth of his wisdom. After such open support of the militant Arabs, it is now Mr. Brezhnev who appears as the peacemaker.

Mr. Nixon has thus been exploited by Brezhnev. The Soviet Press's unprecedented reserve over Watergate having served its purpose, it is now being encouraged to join the Western media in attacking the American President.

The Middle East triumph has given Moscow greater confidence in dealing with the Chinese dogmatists. While there is not hope that the Chinese will want to establish friendly relations with Moscow in the foreseeable future, Brezhnev is patient and will wait.

Where Brezhnev's patience has been exhausted is in his relationships with his own critics among the intellectuals. Brilliant minds like physicist Andrei Sakharov, biologist Zhores Medvedev and author Andrei Sinyavsky (the list is long) can no longer be endured. Maybe they and all the others should be ejected abroad where they will be very poorly understood. If they do not wish to leave the country—and in the case of Russian authors and poets, emigration is anything but a joy—they, like Aleksandre Solzhenitsyn, will be threatened with exile to Siberia, or, like author Vladimir Maksimov, with confinement to a mental hospital.

America which some people still look to with hope should not confuse her enemies with her friends. To trust Brezhnev and to ignore the well-known warnings of Sakharov, Solzhenitsyn and dozen other top Russian intellectuals may turn out to be a fatal miscalculation.

No one can understand what is now happening in Russia who does not see her two faces. These two faces, official and non-official, have existed throughout the whole history of Russia. The official Russian face looks to serve the state, while the non-official face reflects thoughtful concern for human beings.

Since Stalin's death, the thoughtful, non-official Russia sought to find a place side by side with the official, red tape Russia. Many great Russians in the past have done their best to change the society which has made men of integrity and intelligence suffer so much pain. But before going to their last home, most of these great men came to the gloomy conclusion that their life-long activities were futile. Russian society has proven to be a stable one. Its official ideology has not lost its roots and thoughtful individuals in Russia have had to acknowledge themselves to be caryatids on which the gigantic state-oriented society stands.

Current comments that Stalinism has now been restored in Russia are pure nonesense. The two recent decades have buried Stalin and his mass repressions, hopefully, forever. Buried with him are the militant Marxist ideology, the cult of a people's leader who is as omnipotent as God, and the constant fear of every citizen for his physical survival. During Stalin's life, those individuals who dared to think even a little and to exchange their ideas with friends lived, from day to day, waiting to be arrested. Soviet authorities, now-a-days, permit their citizens, somewhat graciously, to say whatever they wish in non-official settings, especially when nobody seems to be listening. But, from time to time, they remind their citizens that to speak or write publicly, one has to get permission from the higher levels. Even though the "great" Stalin is dead, even though Stalinism exists no longer, individuals in Russia are still deprived of their right as human beings to openly express their opinions, to enjoy the spiritual freedom granted by God.

In 1956 Nikita Khrushchev had the honor of burying the late Stalin. For a short time thoughtful men were nourished by the illusion that they could now speak publicly of what they saw happening around them. In 1957, Boris Pasternak published his "Doctor Zhivago" abroad. He died in 1960 and his martyrdom put an end to that illusion. (Is there any need to mention the lesson learned in the Hungarian revolt of 1956?) Later, in the fall of 1962, the then unknown Alexandre Solzhenitsyn published in Moscow, with Khrushchev's personal approval, the masterpiece. "One Day in the Life of Ivan Denisovitch". The story showed people in Russia how their country suffered from a serious disease that could be treated only by unified efforts.

But Stalin's heirs had no wish to leave their high-paid posts. In 1964, they dismissed Khrushchev and launched an increasingly intensive campaign to silence those intellectuals who for more than a decade had enjoyed relative freedom in their reading and self-expression. In 1966, they put Andrei Sinyavsky on trial. Sinyavsky had committed the crime of publishing some of his prose abroad. This action of the authorities had as its goal, to warn the intelligentsia they would be better off keeping silent. In 1966–1968, more than one thousand intellectuals: scholars, scientists, writers, painters, students and educated workers sent their government a number of open petitions. In these they expressed their indignation over the unjustified actions of the Soviet authorities in silencing thoughtful individuals by sending them to prisons, mental hospitals, or into exile in remote provinces, not to mention dismissing them from their jobs. In the spring of 1968, Leonid Brezhnev gave orders to silence the Soviet intelligentsia. In August of the same year, he ordered his troops to occupy Czechoslovakia and "normalize" the situation there. That action meant the Kremlin authorities would not be stopped by any moral consideration when they saw a serious threat to their present power.

But many Russian intellectuals refused to keep silent. Academician Andrei Sakharov, General-Mayor Peter Grigorenko, physicist Pavel Litvinov, historian Andrei Amalrik, and dozens of others, publicly expressed their anxieties about the future of their country. Step by step, the authorities began to stifle these voices and to methodically destroy the cultural milieu.

At first, the authorities tried to starve dissidents into silence. When they saw this strategy fail, they changed their tactic. Brezhnev did not view dissident intellectuals as the salt of the Russian earth, which they are, but as the salt in Russia's wounds. He preferred to see them out of the country, not in. Thus, in 1971, the authorities began to grant visas encouraging prominent intellectuals to leave. The State Secret Police has made it difficult and often impossible for these intellectuals to continue to work, even to make a living, so that a number have seen no alternative but to take the visas and leave Russia. The tension created by the police has been so great that some individuals could not face even the alternative. On October 20th, Ilya Gaby committed suicide. He jumped from the tenth floor of his house, leaving his wife a widow and his two small children fatherless.

Recently a famous Soviet mathematician, Yuri Shikhanovitch was declared incompetent to stand trial, was tried *in absentia*, and was sent to a mental hospital. Boris Shragin, a philosopher, who has recently applied for an exit visa was summoned on Tuesday, November 27 by the K.G.B. The wife of the foremost Russian physicist, Andrei Sakharov is being interrogated and threatened by the K.G.B. every three days. And Sakharov now feels he has no alternative but to accept an offer from Princeton University, even though it may cost him his citizenship.

It has become fashionable for Western scholars to rebuke Russian intellectuals for being cut off from common people. But, Western scholars should remember that the common people have allowed themselves to be used for centuries. And when, after decades of silence they finally revolt one day, and only once in a century, they create the bloodiest revolution and hang the guilty and the innocent from the same gallows.

However much the authorities try to hide the "social truth", most of the people are smart enough to reject the official fables about the nearing completion of the communist society. But with living standards as much as five times lower than that of American workers, the "toiling masses" are encouraged to spend their days earning their livelihood and wasting what little leisure time they have, drinking quantities of that traditional Russian spirits: vodka. The average Russian hasn't the slightest idea what is going on in his own country or abroad. However, he is very pleased that his Russia is keeping her position in the world as a strong power. For that aim, he is ready to sacrifice certain advantages in his everyday life.

Thus the average man could and did toast the Soviet invasion of Czechoslovakia. With a glass in his hand, this innocent man exclaimed in "sancta simplicitas" "in 1945, we shed our blood to liberate them! Why, in hell, do they now want to be free of Russia?" It is hardly surprising that the common people of Russia have trouble understanding their own sons who want Russians to become, once again, responsible human beings.

As for the West, it obviously has its own difficulties to worry about. Many Russians once believed that a day would come when the West would liberate them from the smallpox of communism. This, after all was the propaganda they heard on foreign radio broadcasts. But the events of recent years have made most Russians lose hope. Now, only a few uninformed thinkers share this belief.

Richard Nixon is now praising himself for his success in establishing the detente with Leonid Brezhnev. What detente has brought Americans, they know from last summer's food inflation, last month's Middle East Crisis and the winter's fuel shortage. But America, it seems, must live a little longer, before the average American understands that the detente is like a vast smoke screen behind which thoughtful people in both countries are living a repressive reality that is painfully reminiscent of sad experiences in the recent past, not the least of which was the brilliant campaign of the late Sen. Joseph McCarthy.

For the past 6 months Professor Glazov has maintained an exchange of ideas and facts between the intellectuals of the United States and the Soviet Union through weekly telephone calls to his friend and former colleague, Andrei Sakharov.

The telephone calls are supported financially by grants from the Committee for Soviet Jewry of Sudbury, Mass., headed by Robert Gordon and William Edelson.

On Thursday, January 10, Dr. Glazov placed a call to academican and physicist Dr. Andrei Sakharov in Leningrad, U.S.S.R.

The following are two statements made by Dr. Sakharov during this phone call. They are translated here by Dr. Glazov:

Today, the Secretariat of the Moscow Section expelled Lidia Korneyevna Chukovskaya from the Union of Writers of the U.S.S.R., as in the past they expelled Akhmatova, Zoschenko and Pasternak, and most recently, Solzhenitsyn, Galitch and Maksimov. The reason given for her dismissal was that "she has rolled over and fallen into the anti-Soviet swamp." This I quote from Lidia Chukovskaya's article "The People's Wrath". She wrote this article at a time when the Soviet papers were full of stories branding me a slanderer and an enemy of detente. Among those who spoke in my defense was the strong and pure-hearted voice of Lidia Chukovskaya. Her activity as a publicist is in keeping with one of the best and most humanistic traditions in Russia. She never makes accusations; hers is always a defense. "Not calling for executions, but expressing a thought; speaking out." In the same way as her mentors, the great publicists Herzen and Korolenko she is able and daring enough to say what others who hide behind their titles and honors, dare not.

The President of the Academy of Sciences of the U.S.S.R. stated in "Literaturnaya Gazeta", the main edition of the Union of Writers of the U.S.S.R., that nothing was threatening me. Why then is the mere act of speaking out in my defense punished by expulsion from the Union of Authors. Does the President really believe that when my friend has received such a blow, I can live in peace, that "not a single hair will fall from my head?" I am proud of my friendship with Lidia Korenyevna Chukovskaya. I bow down before her fearless sincerity and kind-hearted bravery.

A French newsman called me and proposed a number of questions, saying that he would call back later. But then later, we were disconnected and I have decided to make public these questions and answers.

*Question: Is it true that you and Solzhenitsyn, as George Marchais in France has stated, represent only a solitary group of separate dissidents cut off from the people?*

Answer: In my opinion, Solzhenitsyn as well as myself, does not express the outlook of any group of dissidents. He expresses his own personal position, his understanding of the people's history and situation. He bases his book *Gulag Archipelago* on his personal experience, stories of witnesses, archival materials and he speaks on behalf of those who have never returned from the islands of this Archipelago. Do many people share his position? Who can answer that, in our country, where Solzhenitsyn's works are not published where they withdraw from the libraries all those small pieces that have been published, where just for reading his book, persons are sentenced to imprisonment and where no sociological research has been done on the extent to which Solzhenitsyn's works are read in Samizdat. But what is more important is this. Is what he is writing about slander or truth? All those, with whom I have ever spoken about Solzhenitsyn, are convinced that he depicts truth.

*Question: In your opinion, how would the Soviet people and the majority of the laborers react, if they had a chance to read Solzhenitsyn's book?*

Answer: I am convinced, that the interest in this book on the part of all the reading population of the country would be great even if the attitude varied towards its content. The majority of the Soviet people at all levels of the population know about the crimes and horrors depicted in Solzhenitsyn's book. Some people drive away all thoughts about that. Others are unable to condemn their own past activities, but there are also other people who will see in the book the fate of their fathers, the fate of two generations who disappeared and of whom it is known only that they were "not allowed to correspond." In any case, the moral importance of this book is enormous namely for the people of our country.

*Question: You and Solzhenitsyn are accused by many of being enemies of socialism. Solzhenitsyn is even called fascist. Is it true?*

Answer: The first part of your question is not serious, since nobody knows what is the socialism that is supposed to be. Solzhenitsyn and I, we both love the country in which we live. But we love it, not for the reason that the regime is called by one name or another. With unprecendented bravery and talent, Solzhenitsyn fulfills his duty as a writer appealing to our memory not in order to condemn anybody or to execute them, but in order that we may be remembered as human beings. Only that man can call him a fascist who does not want to remember what fascism really means.

*Question: The crimes about which Solzhenitsyn writes—these are the crimes of the system or of one man?*

Answer: I think that the deep rooted cause of these crimes does not lie in Stalin's personality. Beginning with first days of the revolution when Stalin was not yet in power, fanaticism, the preaching of class hatred, wickedness, the breaking of the law, had already begun to take their toll. And this was not accidental.

*Question: What is Solzhenitsyn's health and moral state?*

Answer: I think Solzhenitsyn's moral state is the state of a man who has fulfilled his duty and that always helps the health. Of course under our conditions, they may do with him, whatever they like. Only people here and in the West, only publicity, only wide and open support can defend him.

## FRIGHTENING SILENCE ON THE HILL

## HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. UDALL. Mr. Speaker, on March 14, ABC News Commentator Edward P. Morgan had hard counsel for us here in Congress, but I believe his words were right on target.

Mr. Morgan says we should demand that President Nixon stop delaying and stop hiding behind the doctrine of "executive privilege" and turn over to the Judiciary Committee the tapes and other information it needs to determine whether he should be impeached.

What is really ironic, as Mr. Morgan points out, is that for months now President Nixon has been saying that it is important that all the facts be known. And yet it is Mr. Nixon who is preventing these facts from coming out.

Following are Mr. Morgan's remarks. I commend them to my colleagues:

### FRIGHTENING SILENCE ON THE HILL

This is Edward P. Morgan with a look at a frightening silence on the Hill.

What we're waiting for is for House Judiciary Committee Chairman Rodino or his Republican Vice Chairman Hutchinson, or better yet both jointly, to address the Honorable Richard M. Nixon, publicly, politely but pointedly and with force, something along the following lines:

"Mr. President, you yourself have repeatedly declared that it is vital to get all the relevant evidence out, so those guilty in the multiple Watergate scandals can be brought to justice with dispatch, and those innocent cleared.

"Yet at almost every turn, the White House has put stubborn obstacles in the path of such proceedings, until it reached a point where the House commanded this committee to examine the mechanics of preparing for your possible impeachment as provided under the Constitution.

"Now it is our turn to be frustrated by your lawyer and by your own actions and public statements. This we cannot further tolerate. It is an affront to Congress and the country.

"You have not, of course, been accused of any crime. So you are not a defendant. But grim circumstances make you, inescapably, a suspect. Now an impeachment, or indictment, and the subsequent Senate trial are not court proceedings. They are a unique political process, used only once in the two centuries of our nation's history.

"But there are similarities with a criminal trial. A defendant in a criminal case cannot dictate how the prosecutor proceeds or what evidence he may have access to. Yet your attorney not only proclaims a most narrow definition of impeachable offenses, as if that itself were law, but turns around and asks a definition from the Judiciary Committee and demands a bill of indictable offenses while refusing to yield tapes and other evidence without which we cannot make a judgment on the impeachability, as it were, of you, Mr. President. How can you possibly justify such a position?

"Ah, we know your reasoning all too well. Your answer is that you are protecting the sanctity of the presidency, that unless you hold a hard line of excutive privilege around it it should be dangerously eroded for future occupants of the Oval Office.

"In our considered judgment, that, if you'll pardon the expression, is hogwash. We respect the tradition of executive privilege but we submit the record shows you have been using it not to protect the presidency but to protect yourself—but making exception to precedent when public pressure forced you to do so. How for example, can you otherwise explain your refusal to yield the tapes Special Prosecutor Cox requested until in the furor over his firing you suddenly changed your mind?

"Opinion polls increasingly show that the presidency has already been demeaned if not disgraced by the felonies committed under the canopy of Watergate. You are the only one who can clear its escutcheon. We are waiting. What are you waiting for?"

Sadly, disturbingly, no such appeal has been made by anybody in Congress.

If there ever was a time for Congress to be righteously indignant over White House intransigence, it is now.

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## CONGRESSIONAL OVERSIGHT AND BUREAUCRATIC ACCOUNTABILITY

## HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. DELLUMS. Mr. Speaker, last spring I introduced the Bureaucratic Accountability Act. The aim of this bill was to give the citizen the necessary tools to see that the bureaucracy followed the law and the congressional intent was followed.

Congress itself has an interest in making sure that the legislation it passes actually has an effect on what the bureaucracy does. This is the indispensable first step in reestablishing the constitutional role of Congress. Not only the citizen but also Congress needs new tools in relation to the Federal bureaucracy. For this reason, I am introducing a set of three bills designed to extend the powers of congressional oversight: this objective is to be pursued by strengthening the investigatory powers of the GAO, by defining the situations in which the President may properly withhold information from the Congress, and by circumscribing the capability of the CIA to escape congressional scrutiny.

The first bill is the Continuing Congressional Oversight Act. As the name suggests, its purpose is to regularize congressional investigation of Government agencies by providing for continuing evaluation of agencies by the GAO. The act provides that the GAO will make evaluations on the basis of the usual criteria used in the past and of one added consideration: whether the expenditure of Government funds conforms to congressional intent. In order to regularize GAO evaluations, which are now carried out only at congressional request, the act directs the Comptroller General to report periodically on each department and establishment of the Government, with an eye to both efficiency and conformity to congressional intent. Because of the magnitude of such a task, the bill directs that such evaluations be made once every 4 years for each department or establishment. The findings are to be made public.

In cases where the head of the department or establishment considers that investigation by the GAO will jeopardize the national interest, he or she may, according to the provisions of the act, so notify the Comptroller General and the appropriate congressional committees, and investigation may then be carried out by those committees. The bill thus arrives at a balance between the interests of congressional oversight and those of national security.

The second bill is the Congressional Access to Information Act. The act requires any head of a department or establishment to "appear and give complete testimony, or to provide complete information pertinent to matters of legislative concern * * *" within 30 days of a subpena or request for such information by any House or committee of Congress, and to certify the completeness of such testimony and information. A failure, substantive or procedural, to comply with these requirements, would cause the Comptroller General to take all measures necessary to cut off operational funds for the department or establishment in question. Under the act, the President, and only the President may direct a refusal of the information requested when such information concerns advice or policy recommendations to the President from members of the White House staff. Such a refusal, according to the provisions of the act, is to be made by the President in a signed written deposition specifying the areas concerning which information is to be denied. The act further assigns to any House or committee of Congress, as appropriate, standing to bring suit in the district court of the District of Columbia for the purpose of compelling disclosure of the contested information when the House or committee involved feels that it cannot accept the refusal of the information in question. The act thus defines the situations in which the President may refuse to provide requested information to Congress, and sets up a procedure by which contested claims can be judicially resolved.

The third bill is the Central Intelligence Agency Disclosure Act. In amending different sections of the United States Code which relate to the disclosure of information by the CIA, the act calls for the provision to the appropriate congressional committees of kinds of information which may now be denied to the Congress on the ground of national security. The intent of the act is to prevent the public disclosure of sensitive information while assuring its accessibility to the appropriate congressional committees.

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## BARRON'S NOT "WITH IT" ON FUTURES BILL

## HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. FINDLEY. Mr. Speaker, on March 4, Barron's newspaper editorialized on the "Futures Shock" of H.R. 13113, the bill to establish a Government commission with authority over all futures trading on commodities markets, leaving the impression that it is a monster sure to cripple the functioning and growth of markets.

The authors of this commentary are simply not "with it." The views expressed are not shared by any responsible official in either public or private life with whom I have talked. And because I am a cosponsor of the bill and a member of the House Agriculture Committee where it was formulated, my discussions have been extensive. Every person without exception has said privately that, on balance, he finds the committee product acceptable, if not excellent. Only in a few instances do private comments differ from public.

Over the years I have seldom found occasion to do other than applaud Barron's editorial commentaries. They usually champion the private marketprice system.

Nevertheless, public confidence in futures trading is so vital and the prestige of Barron's so substantial in molding public opinion that I feel compelled to balance the record.

Futures trading is one of the most hopeful tools of agribusiness growth and stability. Volume has skyrocketed, but it still is only a fraction of what it should be in order to serve adequately the needs of producers and users.

Although regulated markets have been remarkably free of scandals and shady practices, the opportunities for such are immense and ever present. Government regulation is no cure-all, but it helps.

In practical terms, the furor arising from market gyrations a year ago has maintained such intensity that changes in Government regulation of markets is a certainty. The only question is the form it will take. The bill reported by the committee is the product of diligent study by a group of Congressmen sympathetic to the private merchandising system, and especially the interests of producers. The last thing they would wish is to hurt an institution like futures trading which is vital to farmers.

Those who want to see futures trading growth and stability should, I feel, rejoice rather than shed tears over the committee's product. It still faces hurdles. It may be attacked on the House floor by those who, in their zeal, will try to write into the law paralyzing restrictions. Barron's powerful editorial voice would be used to better purpose in defending the bill from such attacks, rather than calling for the bill's defeat.

The March 4 commentary was all the more regrettable, because it left several erroneous impressions concerning provisions and effects of the bill.

In order, here are my comments on the editorial.

First. Barron's:

> The self-policing commodities trade during its one hundred odd years of existence has suffered no major scandals—surely nothing remotely resembling such disastrous frauds as Equity Funding and Four Season Nursing Homes, both of which the SEC has failed to prevent.

Response: A major recent failure in the commodities market occurred when a nonregulated commodity options firm in California, Goldstein and Samuelson, collapsed. According to the CEA, customer losses exceeded $71 million as a result of trading in commodity options which were written "naked." If the firm were regulated under the committee bill, this would not have happened since customer accounts would have been segregated and option trading itself, if allowed, would be strictly regulated by the Commission. Equity Funding and Four Season Nursing Homes were, like all securities and futures, an element of risk for the investor. However, in Goldstein and Samuelson it was not merely the option itself that proved risky, but the actual institution's handling of the investment. This is a risk that no investor, large or small, should be required to assume.

Second. Barron's: Multiple delivery points:

> For openers, the Commission is to be given authority to determine the location and number of commodities delivery points. This is an immensely complex task, best left to the exchanges. 'Wheat delivered in Chicago is more valuable than wheat delivered in Des Moines,' notes Representative Symms. Thus, in cases where multiple delivery points are specified, there are also provisions for discounts to offset transportation differentials and the like. An inexperienced commission could easily gum up the works. However, with every member of the House Committee on Agriculture bucking for delivery points in his constituency, the issue has irresistible political appeal.

Response: The Committee on Agriculture well recognizes the danger in allowing the Commission to set delivery points in a cavalier fashion. H.R. 13113 provides the Commission can set delivery points only after the contract market itself has failed to respond positively to a request made after investigation of the Commission. Furthermore, there is no evidence whatsoever that "every member of the House Committee on Agriculture—is—bucking for delivery points in his constituency," as the article charges. I certainly was not. If that were so, the committee would have done more to assure that the regulation of the commodity futures trading would have remained in the political sphere; that is, with the Secretary of Agriculture who probably would have been more receptive to individual committee members' desires than the bipartisan independent Commission proposed in H.R. 13113. Additionally, the committee twice rejected amendments to allow congressional approval of such points.

Third. Barron's: Broker trading:

> The presumption, along the Potomac at any rate, is that commission merchants are robbing the public blind by executing orders to their own advantage rather than the clients. Since all orders for customers and futures commission merchants are dated and time-stamped, it's a simple matter to monitor such activities. In addition, any hobbling of floor brokers would inevitably reduce market liquidity—as investors in securities have learned the hard way. Floor men's in-and-out trades are an important prop. Without them, trading would be dominated by commercial hedgers—with consequently wider price swings.

Response: There is no existing procedure in any regulated exchange that guarantees the accuracy of the time of transaction. Time-stamping of some—not all—orders is accomplished when first received on the floor and subsequently when the order is returned to the desk where the order was first taken. In a hectic market there is no timing or posting the execution of each and every transaction. Rather, observers above the pit attempt, as best as possible, to identify those prices which appear significant to transmit to the wire.

Four. Barron's:

> The CFTC also is to be granted sweeping injunctive powers, permitting it to close down anyone who 'has engaged, is engaging, or is about to engage' in any act that would violate the law. Injunctions could be issued whenever a market or an individual was in a position 'to effectuate a squeeze or corner or otherwise restrain trading.' Thus, the mere capacity to do 'wrong' would be enough to bring on the feds—a provision which on the face of it strikes us as unconstitutional.

Response: "About to engage" is statutory language which has stood the test of time. It is identical to powers presently possessed by the SEC. Unlike the SEC, however, the committee provided an additional safeguard to limit the use of the injunctive authority to those situations in which no realistic alternative was available. Therefore, the Commission is required to go through the Justice Department to obtain the injunction. The section also provides, in another break with the authority provided other Federal commissions, a prohibition against ex parte proceedings where there is no opportunity for the defendant to appear and contest the issuance of an injunction by the court.

The bill sets up a procedure wherein there will be at least three separate determinations to obtain an injunction: the CFTC must first decide to seek such an injunction; the Justice Department must implement such a decision; and the court iself, subject to appeal, must make its own separate determination that the injunction was warranted in view of all facts and circumstances surrounding the issuance of the injunction.

Five. Barron's:

> Another dismaying provision is that all futures markets would have to be licensed.

Response: The majority of all domestic futures markets at present are "licensed"; that is, designated under the Commodity Exchange Act. In addition, some State governments have authority over contract markets. In California, for example, the State government has reportedly just acted against the West Coast Commodities Exchange.

Six. Barron's:

> This proviso gives the proposed commission immediate justification to control the commodity futures industy. It could, for example, extend the expiration date of contracts, limit trading, alter delivery dates, and even suspend trading.

Response: Both the CEA and attorneys for at least one major board of trade feel that this authority is presently in the law. If not, then new authority is necessary in order to avoid a situation, such as last summer, when the Chicago Board of Trade responded to a request from the CEA that it take action with respect to closing month soybean contracts and was immediately sued for $200 million by private plaintiffs for its action. The basis for the suit reportedly was that the board had no authority for its action.

Seven. Barron's:

> There are, for example, no compelling reasons for continuing the ban on commodities options trading or extending bureaucracy's reach to such previously unregulated international commodities as cocoa, coffee, copper, silver and sugar. But proposals that go for the jugular of a viable free market are potentially more disruptive."
>
> (a) There are . . . no compelling reasons for continuing the ban on commodities options trading. . . .

Response: Documentation supplied to the committee indicated several compelling reasons to consider continuation of the ban on commodity options trading in some circumstances. At least one prominent futures economist, Roger W. Gray of Stanford University, takes the position that options serve no economic purpose and they should be flatly prohibited. Testimony was received by the committee that options trading should be allowed in the present "nonregulated" commodity futures but no responsible witnesses, even those who advocated such trading, stated that the options trading should be allowed without strong governmental supervision since to do so would appear to be giving the green light to "naked" options trading. It should also be remembered that commodity options were first regulated by State law in 1874 when the State of Illinois passed a statute prohibiting the trading in "privileges" as they were called then:

> (b) ". . . extending bureaucracy's reach to such previously unregulated international commodities as cocoa, coffee, copper, silver, and sugar."

Response: Out of the 60 or more witnesses appearing before the committee or submitting testimony in the 7 months it was studying the futures industry, only one group consistently opposed any regulation of "international" commodities—the international exchanges themselves. The same arguments were made against making grain futures subject to Federal regulation in 1921 and 1922 when Congress first addressed these proposals with legislation. At that time it was stated that such regulation would put the exchanges out of business. Futures trading has prospered continually since then with an ever-expanding market participating in regulated commodities.

Eight. Barron's:

> To illustrate, by buying a wheat contract, a baker can guard against a sudden jump in his raw materials costs. Likewise, by selling a contract specifying future delivery of wheat at an agreed-upon price, a farmer can assure himself of a profit even if the cash market declines when he harvests his crop.

Response: While a baker can buy a wheat contract under present law, a baker cannot exceed the specified speculative limits as an anticipatory hedger for wheat. As far as wheat futures go, very few small town bankers will loan a farmer money to maintain margin for such a contract, and there is no contract for flour.

The bill, of course, is the product of compromise. Given a free hand, I would change several provisions. But these issues are minor. On the big ones, the bill is sound: it brings all futures trading under Government regulation; it establishes a quasi-independent commission to establish and carry out the regulation; it gives the commission enough flexibility to make adjustments in the light of experience.

As one who has occasionally criticized Committee Chairman W. R. Poage, I seize this opportunity to congratulate him, other committee members and the committee lawyers, John O'Neal, John Rainbolt, and Hyde Murray on a splendid and unique product. Unlike most legislation, this bill was truly developed in committee, not in the executive branch. It is the result of long and diligent research and evaluation. All hearings and business sessions of the committee were open to the public.

My forecast is that a decade from now—assuming the bill clears remaining hurdles and becomes law—Barron's will find occasion to salute it as a worthy landmark in legislative efforts to strengthen futures trading as a servant of the public interest.

Text of Barron's article follows:

### FUTURES SHOCK—A LEGISLATIVE THREAT LOOMS TO COMMODITIES TRADING

Commodities markets have long served the economic needs of farmers, processors and consumers without the dubious benefit of close government supervision. But Washington has chosen futures trading as an all-purpose scapegoat for soaring food prices. And within the next few days, the powerful House Committee on Agriculture will report out H.R. 11955, a measure that would impose full-scale federal regulation.

With a few honorable exceptions, industry spokesmen testifying against the bill made a deplorably weak case—while objecting to this or that provision, most were willing to accept it in principle as something they could "live with" (shades of Wall Street!). As it happens, the most forceful and effective opponent to emerge is Congressman Steven D. Symms (R., Idaho), who warned flatly: "Unless the industry exerts enormous pressure to halt this legislation, the freedom that made the futures system the remarkable success it is will soon be lost."

By contrast, advocates of H.R. 11955 have mobilized some Senatorial big guns—George McGovern (D., S.D.), Hubert Humphrey (D., Minn.), and Philip Hart (D., Mich.), among others. These worthies admit they have no real evidence of hanky-panky. For example, when Senator McGovern introduced a bill calling for stricter controls on futures trading, he alleged food price increases "were caused at least in part by manipulation and speculation." Subsequently, he backed off, saying: "I've had to eat crow on that one."

Senator Humphrey is equally ambivalent and determined. "I'm not saying there has been any nefarious activity," he says. "Don't get me wrong about that. I'm just saying the market as it is today isn't structured to prevent wrongdoings. It's like a time bomb."

Such "reasoning," if one may call it that, rests on the premise that regulation is an infallible cure-all for the presumed ills of the market. Indeed, some influential legislators are urging establishment of an organization like the Securities & Exchange Commission. The logic of this position is hard to grasp, inasmuch as the self-policing commodities trade during its 100-odd years of existence has suffered no major scandals—surely nothing remotely resembling such disastrous frauds as Equity Funding and Four Season Nursing Homes, both of which the SEC has failed to prevent.

Nonetheless, H.R. 11955 calls for the formation of a five-man Commodity Futures Trading Commission (CFTC), which would be granted sweeping policy and police powers under the aegis of the Department of Agriculture. For openers, the commission is to be given authority to determine the location and number of commodities delivery points. This is an immensely complex task, best left to the exchanges. "Wheat delivered in Chicago is more valuable than wheat delivered in Des Moines," notes Rep. Symms. Thus, in cases where multiple delivery points are specified, there are also provisions for discounts to offset transportation differentials and the like. An inexperienced commission could easily gum up the works. However, with every member of the House Committee on Agriculture bucking for delivery points in his constituency, the issue has irresistible political appeal.

The question of how much daily trading a floor broker can undertake for his own and a customer's account is also being turned over to the FCTC. The presumption, along the Potomac at any rate, is that commission merchants are robbing the public blind by executing orders to their own advantage rather than the clients. A look at the record, however, discloses extremely few documented instances of such abuse. Moreover, those in the pits are already under strict control by the exchanges. Since all orders for customers and futures commission merchants are dated and time-stamped, it's a simple matter to monitor such activities. In addition, any hobbling floor brokers would inevitably reduce market liquidity—as investors in securities have learned the hard way. Floor men's in-and-out trades are an important prop. Without them, trading would be dominated by commercial hedgers—with consequently wider price swings.

The CFTC also is to be granted sweeping injunctive powers, permitting it to close down anyone who "has engaged, is engaging, or is about to engage" in any act that would violate the law. Injunctions could be issued whenever a market or an individual was in a position "to effectuate a squeeze or corner or otherwise restrain trading." Thus, the mere capacity to do "wrong" would be enough to bring on the feds—a provision which on the face of it strikes us as unconstitutional.

Another dismaying provision is that all futures markets would have to be licensed, a key requirement being to demonstrate that specific contracts serve an economic purpose. Obviously (though perhaps not to lawmakers) the best test is success or failure in the marketplace. To illustrate, advances in refrigeration have greatly increased the trading roster of commodities once considered perishable, whereas an attempt to launch a market in turkey futures a few years back was a dismal flop.

More alarming, H.R. 11955 has a section describing circumstances in which the proposed commission could seize control of the futures industry. To wit: "Whenever it has reason to believe that the amount of deliverable supplies, the number of open contracts, the relative size of individual traders' positions, the amount and direction of price movements in cash and futures markets, the impact of government edicts and regulations . . . or any other such market factor that creates a condition which threatens orderly trading."

In other words, the commission itself, rather than free market forces, would decide when the number of open contracts is correct, when traders' positions are balanced, whether cash and/or futures prices are moving in the right direction. There are, of course, no objective yardsticks for determining these conditions, and the CFTC would have to make subjective judgments as to when it had the right and duty to intervene in trading.

Such a body could also direct markets in so-called "market emergencies." These are defined as: ". . . Significant intervention of foreign governments in the futures market, war or other national emergency, price controls, export embargoes, or any other significant disruption of normal commercial processes which can reasonably be deemed to affect future transactions."

This proviso gives the proposed commission immediate justification to control the commodity futures industry. It could, for example, extend the expiration date of contracts, limit trading, alter delivery dates and even suspend trading.

Other features of H.R. 11955 are equally disturbing; there are, for example, no compelling reasons for continuing the ban on commodities options trading or extending bureaucracy's reach to such previously unregulated international commodities as cocoa, coffee, copper, silver and sugar. But proposals that go for the jugular of a visable free market are potentially more disruptive.

Commodities producers, processors and purchasers need to protect their interests in what is rapidly becoming a shortage economy. To illustrate, by buying a wheat contract, a baker can guard against a sudden jump in his raw materials costs. Likewise, by selling a contract specifying future delivery of wheat at an agreed-upon price, a farmer can assure himself of a profit even if the cash market declines when he harvests his crop.

Farm commodities traditionally have dominated futures markets. But virtually anything subject to volatile price swings can become a candidate for trading. No contract would be viable, however, without participation of individuals whose willingness to speculate on future price trends gives commodities markets liquidity.

On the whole, participants get a far fairer shake than in securities markets. Inside information is rare. Most projections on supply and demand are issued by federal agencies, and all players have access to the same scoreboards.

It is tempting for harried Congressmen to subscribe to the theory that sinister forces are engaged in widespread manipulation. The fact is, however, the price gyrations of last summer and beyond were largely attributable to shortages caused by ill-conceived government programs.

The very size of the business has made it an inviting target. In the fiscal year ended last June 30, some 47 million contracts, worth $399 billion, were bought and sold on the *nation's 13* exchanges. Five years earlier, the totals were 20 million contracts worth $81 billion.

Clearly, the public has considerable confidence in the integrity of the current system, which was subject to self-policing 50 years before the Commodity Exchange Authority came into existence. Rep. Symms says it's possible the proposed measure will turn out to be one the industry can live with. But he has doubts. "If this bill is passed," he warns, "we will have yet another example of Congress throwing reason out the window, along with the liberty and economic survival of the American people."

## SEPARATION PROGRAM DESIGNATOR

### HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ASPIN. Mr. Speaker, my distinguished colleague from New York, Mr. KOCH, and I have recently received from the Department of Defense a breakdown of the more than 35,000 GI's discharged under honorable conditions in fiscal 1973 who were branded with a separation program designator—SPD or SPN—for unsuitability. The list shows the reasons for unsuitability that were entered in coded form on discharge papers without hearing and frequently without the explanation of possible consequences to the individuals concerned. But while the 35,000 enlisted men and women may have been unaware of what their SPD means, employers have known all along and have denied jobs to many of them.

SPD's are clearly lifelong nonjudicial punishment imposed by the Defense Department on thousands of yong men and women who have served their Nation with honor, but who fell short of the military's standards. In no case were they guilty of an offense under civil or military law, but they received an SPD with punitive consequences nevertheless.

Although the list shows but 35,000 with the good discharge/bad SPD combination, in the past 5 years alone more than 180,000 were similarly punished.

NUMBER OF HONORABLE AND GENERAL (UNDER HONORABLE CONDITIONS) DISCHARGES FOR UNSUITABILITY, FISCAL YEAR 1973

| Reason for unsuitability | Number of honorable discharges | Number of general discharges | Total |
|---|---|---|---|
| Alcoholism | 34 | 192 | 226 |
| Apathy, defective attitude | 3, 092 | 6, 921 | 10, 103 |
| Character and behavior disorders | 10, 909 | 10, 330 | 21, 239 |
| Enuresis | 291 | 41 | 332 |
| Financial irresponsibility | 94 | 96 | 190 |
| Homosexual tendencies | 263 | 109 | 372 |
| Other aberrant tendencies | 28 | 9 | 37 |
| Inaptitude | 2, 391 | 542 | 2, 933 |
| Multiple reasons (USAF only) | 94 | 204 | 298 |
| Total | 17, 196 | 18, 444 | 35, 640 |

Source: Department of Defense.

## PROABORTION RULING "BAD LAW"

### HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. O'BRIEN. Mr. Speaker, in discussing landmark decisions of the U.S. Supreme Court, lawyers often quote the old saw "hard cases make bad law."

That maxim, in my opinion, applies to the Supreme Court's ruling in favor of legalized abortions.

As Mr. Justice White noted in his powerful dissent, the court's judgment was "an improvident and extravagant exercise of the power of judicial review that the Constitution extend to this court."

The abortion issue, in Mr. Justice White's view, "should be left with the people and to the political processes the people have devised to govern their affairs."

In furtherance of this philosophy, several of my colleagues and I have proposed various constitutional amendments that would have the effect of overturning the Court's decision. These amendments were introduced soon after the Supreme Court's proabortion decision of January 22, 1973. Now, 14 months later, we are still waiting for the Judiciary Committee to accede to our request for hearings.

The other body has been somewhat more responsive. The Senate Judiciary Subcommittee on Constitutional Amendments began hearings on the various antiabortion amendments on March 6, 1974. I submitted the following statement in support of my proposals:

TESTIMONY OF THE HONORABLE GEORGE M. O'BRIEN

Mr. Chairman, we are here today to, hopefully, commence serious Congressional consideration of amendments to the Constitution which are urgently needed to nullify the January 22, 1973 U.S. Supreme Court abortion decisions in *Roe* v. *Wade*, 410 U.S. 113 and *Doe* v. *Bolton*, 410 U.S. 179. I have stated on prior occasions, and repeat here, that these decisions, which strip the states of the power to prohibit abortions in approximately the first six months of pregnancy, are bad law. The decisions have been variously denounced by legal scholars as "unfortunate",[1] "replete with error and fraught with dangerous implications",[2] lacking "constitutional foundation",[3] and lacking "colorable support in the constitutional text, history, or any other appropriate source of constitutional doctrine."[4] On reading the decisions, one is struck by the Court's reliance on decisions concerning the right to receive contraceptives as justification for sustaining an abortion right, the fundamental distinction being the difference between prevention of conception and the destruction of human life; by the Court's utter disregard for numerous lower court decisions clearly establishing the legal personhood of the unborn in various areas of the law; by the Court's disinclination to factually determine when human life begins, yet its willingness to read the unborn out of the protection afforded by the Fourteenth Amendment, without so much as a reference to the intent of the Framers; and by the Court's arbitrary selection of fetal viability as the time in pregnancy at and after which states may conditionally prohibit abortions.

As a result of such faulty legal analysis, the seven majority justices in *Wade* and *Bolton* have visited on 210 million Americans a legal system that permits hundreds of thousands of legal abortions a year. That the Law, in all its Majesty, stoops to permit such behavior wounds me as a lawyer and as a human being.

The Congress must take the lead in ensuring that human life, at all stages of development, receives the protection of the laws of this country. While it is true that *Wade* and *Bolton* allow the states certain regulatory authority over abortions, both decisions make clear that such regulation must not unduly inhibit the exercise of the abortion right. Simply put, the states are now helpless to stem the pro-abortion tide. Clearly, Congress must assume the leadership role. It is to this end, hopefully, that we are gathered here today.

A Constitutional amendment is needed to restore the right to life to the unborn. This conclusion is compelled from the fact that, as a result of the *Wade* decision, the Fourteenth Amendment to the Constitution must now be read to (1) insulate the abortion decision with a right of privacy that precludes the prohibition of abortions in the early months of pregnancy and (2) deny to the unborn the protections of that Amendment.

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[1] Loewy, *Abortive Reasons and Obscene Standards: A Comment on the Abortion and Obscenity Cases*, 52 N.C.L. Rev. 223 (1973)

[2] Byrn, *An American Tragedy: The Supreme Court on Abortion*, 41 Fordham L. Rev. 807, 809 (1973)

[3] *Supreme Court Review 1973—Abortion*, 64 Jour.Crim.L. and Criminology, 393, 399 (1973)

[4] Ely, *The Wages of Crying Wolf: A Comment on Roe v. Wade*, 82 Yale L.J. 920, 943 (1973)

This Committee has before it two proposed Constitutional amendments, S.J. Res. 119, the so-called "Buckley Amendment" and S.J. Res. 130, introduced by Senator Helms, either of which would correct the immoral and legally illogical *Wade* and *Bolton* decisions and ensure constitutional protection for the unborn. I personally favor S.J. Res. 130 which is identical to H.J. Res. 631, a proposed Constitutional Amendment which I have introduced in the House. S.J. Res. 119, unfortunately, embodies an exception to the general prohibition on abortion; an exception which I fear may be subsequently interpreted in the courts in such a manner as to render the general prohibition meaningless. I urge this Committee, however to give its prompt attention to weighing the virtues and vices of both measures so that action may be completed at the earliest possible date.

Before closing, I would assert that it is possible that Congress would be reluctant to vote for a Constitutional amendment which would effect a nation-wide abortion ban. In addition to proposed amendments such as S.J. Res. 119 and S.J. Res. 130, which would have such an effect, I therefore urge alternative consideration of an amendment which would, at least, return to the states the plenary power to regulate or limit abortion practices. I have co-sponsored such a measure, H.J. Res. 537, in the House. The substantive language of this amendment reads:

"Nothing in this Constitution shall bar any State, or the Congress with regard to any area over which it is granted the power to exercise exclusive legislation, from enacting laws respecting the life of an unborn child from the time of conception."

Rather than prohibit abortions in every state, an amendment such as H.J. Res. 537 would empower *each* state to regulate abortion as it saw fit. Such an amendment would restore that notion of Federalism which was destroyed in *Wade*. As Mr. Justice White noted in dissent, the result of *Wade* is that "the people and the legislatures of the 50 states are constitutionally disentitled" to decide the abortion question. White continued:

"As an exercise of raw judicial power, the Court perhaps has the authority to do what it does today; but in my view its judgment is an improvident and extravagant exercise of the power of judicial review that the Constitution extends to this Court.

"[The abortion] issue, for the most part, should be left with the people and to the political processes the people have devised to govern their affairs."

Indeed, given the opportunity to offer direct expression on the quetsion of abortion, voters in two referenda, one in North Dakota and one in Michigan, on November 7, 1972, resoundly defeated efforts to liberalize the availability of abortions in those states. However, the Supreme Court—or rather seven Justices—has decreed that states may no longer decide for themselves; that abortions must be available in all the states. This usurpation of a traditional state power is another shocking result of the *Wade* decision. The Court of Appeals for Kentucky, the highest appellate court in that state, recently invalidated the Kentucky abortion statute, under the constitutional compulsion of the principles enunciated in *Wade*. Mr. Justice Osborne of that court, in concurring in the decision, remarked on the usurpation of state power effected by *Wade*:

"I concur in the actions of the court in this matter simply because I feel I have no alternative. By doing so I do not want it to be interpreted that I agree to any part of the United States Supreme Court's decision in *Roe* v. *Wade*. . . . I believe that court, in this instance and in many others, has and is usurping the rights of the several states in this Union to determine for themselves what constitutes a crime and to enforce their own criminal laws. This inference has now reached the point of the ridiculous. The citizens of the several states are forced, more and more, to look to the seat of our National Government for guidance, regulation and control and when they look they are perceiving more and more of nothing but confusion and incompetence.

"The federalist government which our ancestors established in this land has, at this time and point, been obliterated. This has been accomplished by all three branches of our Federal Government with no reason or purpose but to seize for themselves power. Now that they have seized the power, it daily becomes apparent that they totally lack the qualifications to properly exercise it.

"If the court's decision in *Roe* v. *Wade* is a barometer of what is about to befall we should all turn our heads to heaven for mercy for there is nothing left."

To conclude, Mr. Chairman, this Committee must act immediately on measures to ensure the right to life to the unborn. Congress must present to the states such a measure at the earliest possible occasion. At the very minimum, we must permit the individual states to decide the abortion question for themselves. And we must never lose sight of our purpose—to preserve the sanctity of human life. My personal views, and I would hope the views of most people here today, find expression in the eloquence of the distinguished French philosopher, Francois Mauriac, when he wrote:

"I believe as I did as a child, that life has meaning, a direction, a value; that no suffering is lost, that every tear counts, and each drop of blood, and the secret of living in today's troubled world is found in the simple phrase of St. John, "Deus caritas est'."

## POLITICAL PRISONERS IN SOUTH VIETNAM

### HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Ms. ABZUG. Mr. Speaker, most Members are aware of the organization, Amnesty International, which has won worldwide respect for its impartial work on behalf of all "prisoners of conscience" in jails throughout the world.

This week, officers of the organization find themselves outraged by denials of the existence of political prisoners in South Vietnam. As more and more facts on the situation come to light, the Nixon-Thieu forces combine to denounce criticism and discredit critics.

It may be difficult, however, for administration spokesmen to dismiss such questions as those raised by James Harrison of Amnesty International. I insert in the Record his letter which appeared in the New York Times on March 19:

Saigon: Dollars for Jails

To the Editor:

If there are "only 35,139 prisoners of all types" in South Vietnam, as reported by former U.S. Ambassador to Saigon Elbridge Durbrow and others after their recent tour, why does the U.S. still find it necessary to budget an estimated $20 million a year for Saigon's police system, four times the amount it gives for hospitals in South Vietnam? And why are there some 120,000 security personnel and over 600 detention centers in a country the size of an average U.S. state?

As for the "ulterior motives" and "foreign" connections of those who allege that up to 200,000 political prisoners have been detained in the South—which the Ambassador's group, the American Security Council, suggested should be investigated—they are "foreign" only to the kind of thinking which believes it rational to contribute to the decimation of the population, the maiming of millions, the arrest of countless thousands for trying to improve the situation, the uprooting of one third of the population and the destruction of much of the landscape for up to a century, all lest a relatively small country become Communist at exactly the same time that our country is making basic compromises to get along with Communist Russia and China.

Amnesty International, with its headquarters in London, is proud to be "foreign" in that sense. Together with many other organizations with reliable sources in Vietnam, we believe that many tens of thosuands will remain in jail even if the latest efforts to exchange a few thousand civilian detainees as called for over a year ago are completed, an insurmountable obstacle to real peace and a mockery of American policy in Vietnam.

Meanwhile, the State Department replies to letters of inquiry about specific cases among some 2,500 individual "prisoners of conscience" worked for by Amnesty International with the statement, "It would not be appropriate for the U.S. Government to interject itself into individual prisoner cases involving either Vietnamese side."

If so, we must also end with a question: Why has the United States spent well over $100 billion in the name of protecting "free choice" in Vietnam, when Saigon arrests anyone who tries to assert basic freedoms?

## FOURTH DISTRICT CENTURY CLUB

### HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. CONLAN. Mr. Speaker, it is my custom to make public financial matters involving my congressional office which may be of consequence to my constituency. Accordingly, I am submitting a brief report on the activities of the Congressman Conlan's Century Club, an organization founded last year.

The club is nonpolitical in nature. Its main function is to facilitate dissemination of information to residents of my congressional district and create direct communication between the membership and myself at periodic breakfasts, luncheons or dinners.

Membership dues are $100 a year. The funds thus collected are used to defray expenses incurred in the production of newsletters and other informational costs such as travel expenses of my mobile office. The trustees of the club and its funds, over which I have no personal control, are businessman H. G. Miller and CPA William Thrall, former deputy auditor general of the State of Arizona.

In 1973 the club collected $1,300 from friends in my district, all of which was expended for the purposes mentioned above. In addition, I received $1,292.50 in donations from 93 constituents to assist in publication costs of my periodic newsletter.

## IRAN'S PROPOSALS FOR THE WORLD ECONOMY

### HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BOB WILSON. Mr. Speaker, the announcement by the Shah of Iran in late February that his nation was willing to make a tangible contribution toward easing the severe worldwide effect of skyrocketing oil prices was a welcome idea to oil hungry nations around the globe.

Although the details are still quite flexible, I understand that our Government looks with favor upon the Shah's initiative and feel that his three-point program is a responsible action on the part of one of the world's oil giants to ease the severe economic hardships resulting from the international energy crisis.

The following editorial which appeared in the March 1, Washington Post, is a thoughtful analysis of the Shah's overtures, and I include this editorial at the conclusion of my remarks:

IRAN'S PROPOSALS FOR THE WORLD ECONOMY

Iran has made a far-reaching proposal to cope with some of the acute dislocations caused in the world economy by the oil cartel's quadrupling of prices two months ago. To help poor countries hit by the increases to maintain the momentum of development, Iran would have 12 oil exporters and 12 industrialized countries put up $150 million each a year (a total of $3 billion) in a new soft-loan fund, to be run by donors and recipients on "non-political" lines and to be serviced by the World Bank and the International Monetary Fund. To help oil importers absorb the severe balance-of-payments impact of the new prices, Iran will lend perhaps $700 million (at commercial rates) to the IMF, to be recycled to importers. Iran also will buy (at commercial rates) some $200 million in ordinary World Bank bonds. The Shah has committed his country to put up $1 billion for these three uses this year. He hopes his initiative will be joined and supported by other states.

The Shah's proposal is, first, a major political move reflecting an Iranian bid for global political stature. It goes well beyond the bilateral oil arrangements which the Shah is quietly and simultaneously making with countries of his region. It makes Iran the first member of OPEC, the oil cartel, to offer a comprehensive adjustment plan for the world economy. It puts Iran in the prestigious position of using the great international financial institutions, the World Bank and IMF, as instruments of Iranian policy to a considerable extent. Indeed, these institutions, by accepting the Shah's initiative, have in effect endorsed his grand strategy of reshaping the world economy to pay the new high prices of the oil cartel; it is the American grand strategy, of course, to lower the prices. And no matter what comes of the proposed new soft-loan fund, the Shah will make a good return on funds invested in the IMF and the World Bank's hard-loan branch.

The soft-loan fund idea is especially interesting because of the poor countries' desperation. The oil exporters have sound moral and political reason to come to the aid of their price-stricken third-world brothers. To be candid, however, $150 million a year per donor is not much; for Iran, it's only one per cent of the *increment* of its oil revenues. Then, there are differences between Iran's aid proposal and the evident aid proclivities of OPEC's Arab members. Iran and Saudi Arabia are political rivals; whether the Saudis will wish to support an Iranian proposal, one which they were not invited to help shape, remains to be seen. Iran wants aid to be nonpolitical but the Arabs avowedly want to use oil as a political weapon. The Arabs may not be as ready as Iran to use the services of the World Bank and IMF. So far only Venezuela, another non-Arab OPEC member, has indicated support for the Iranian proposal. There is always the prospect, however, that if the Arabs do not choose to join Iran on this fund, they will create their own separate and larger one. The need is there.

The $700 million which Iran plans to loan to the IMF will help it serve better the swollen liquity requirements of the oil-importing nations. There is no particular political reason why the Arabs in OPEC should not follow suit, and there is good economic reason why they should: the IMF is a good safe place to invest some of their surplus funds. Recycling oil revenues to consumers should quiet their nerves, at least in the short run. Just how consumers are to earn the money to pay back the IMF, and their other creditors, is necessarily a longer-term problem running beyond the writ of the IMF.

Needless to say, the Shah's initiative is not the last word, or perhaps even his last word. But he has put into circulation serious proposals to deal with some of the basic new conditions of the world economy. Moreover, he is treating the world economy as the integrated interdependent entity which it is. If there is a tight strand of Iranian self-interest in what the Shah of Iran suggests, then the rest of us should not be put off. We should test his ideas to see which of them may work.

## JAMES BRIAN RAYMOND RECEIVING A CERTIFICATE OF MERITORIOUS SERVICE

### HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. KUYKENDALL. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the fact that James Brian Raymond, of 4220 Burgundy Road in Memphis, Tenn., will today be receiving a certificate of meritorious service as an international volunteer for the International Red Cross. The accomplishments of this young man should serve as a excellent example for the youth of this country.

Jim was a member of the Friendship Africa team of 1973. This was a team of 12 youths and one leader who served as international student volunteers during the summer of 1973 in a work-service program conducted jointly by the American National Red Cross and Red Cross National Societies in Liberia and Malawi.

While in Africa, Jim taught first aid, health, and safety in the schools of Liberia. He developed a course in basic health relevant to Liberia, using materials from Homemaking Handbook, published by USAID; a guide to Health and Good Food for the Family, Cornelia Van Schelvan, Malawi; and the American Red Cross Home Nursing Manual. This course is now being taught in the public schools in Liberia.

Also while in Liberia, Jim saved two boys—8 and 10 years old—from drowning.

For these meritorious activities, Jim is to receive a certificate and pin as an international volunteer presented by the American National Red Cross and signed by George Elsey, national president of the American Red Cross. Jim has also been given a citation and awarded the certificate of merit for life saving by the National Red Cross.

## MR. NIXON IS THE ISSUE—NOT THE PRESIDENCY

### HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. THOMPSON of New Jersey. Mr. Speaker, during his question-and-answer session in Houston last Tuesday, President Nixon suggested that the House Judiciary Committee's request for additional documentary information to carry out its impeachment investigation amounted to "dragging out Watergate" and thus "dragging down America." The President asserted that the committee already had all the information it needed for its investigation, thanks to magnanimous generosity on his own part in turning over materials which had already been given to the Special Prosecutor. By cooperating, he said, he had already seriously compromised the Office of the Presidency—and he warned that he would tolerate no further assaults on that Office.

Mr. Speaker, the President does not seem to understand: It is not the Office of the Presidency which is under investigation. It is rather the current incumbent of that Office—the manner in which Mr. Nixon has or has not exercised the responsibilities of that Office under the Constitution. The Constitution does, indeed, insure separation between the executive and legislative branches of our Government, just as Mr. Nixon says, but it also provides a safeguard to protect the Nation from abuses of power by the incumbent in the Presidential Office.

The constitutional safeguard, Mr. Speaker, is the impeachment responsibility which it assigns to the Congress. In its present effort to carry out that burdensome responsibility, the Congress is not presuming to breach the constitutional separation of powers nor attack the Office of the Presidency. And, as the following editorial from the Philadelphia Evening Bulletin so eloquently demonstrates, Mr. Nixon has no right to hide behind his Presidential seal in order to avoid cooperating with the constitutional process of impeachment. The editorial reads as follows:

[From the Philadelphia Evening Bulletin, Mar. 20, 1974]

PRESIDENT NIXON AND THE PRESIDENCY

Throughout his question-and-answer session with the National Association of Broadcasters last night President Nixon appeared determined not only to limit the scope of the House Judiciary Committee's impeachment inquiry, but also to impede the inquiry.

Mr. Nixon acted as though it were not he, but the office he holds—the Presidency—that is under searching and critical scrutiny by a committee of the House of Representatives acting under a direct mandate by an overwhelming and bipartisan majority of that chamber. It is this stance on the part of President Nixon, and not the House committee's determination to do the job assigned to it, that could "drag out Watergate" and possibly "drag down America."

As he has in his recent and frequent public appearances, President Nixon seemed to be appealing directly to the American people to weaken what has been the obvious determination of the Judiciary Committee to assert its constitutional rights and demand from the White House all of the information it deems relevant to its inquiry. For the committee to yield to public or any kind of pressure now would be to give way to intimidation and a very apparent effort by the White House to cloud the entire issue in even greater confusion.

Mr. Nixon acts as though the House Judiciary Committee is engaged upon some massive, political fishing expedition with the sinister intention of driving him from office and weakening all future presidents. The facts simply do not support such a charge.

The process of impeachment is designed to preserve the Presidency from abuse by an incumbent. And in seeking to determine whether or not President Nixon should be impeached—that is, subjected to trial by the United States Senate—the House Judiciary Committee is also fulfilling its constitutional mandate to preserve the Presidency.

It is not the Presidency that is the subject of the committee's inquiry, it is President Nixon. Yet, President Nixon's whole effort is designed to convince the public that this is not so. The committee's reasoned requests for tape recordings and for documents beyond those given the Watergate grand jury are treated as conspiratorial incursions against the office itself. Yet, even the senior Republican member of the Judiciary Committee has termed the committee's requests "reasonable."

President Nixon has, of course, every right to use whatever legal means are available to buttress the position he now takes. But the House of Representatives, acting as it is as a grand jury for the American people, also has the right and the duty to press for the information it regards as vital to its inquiry.

It would be far better for the White House to cooperate fully with the House committee instead of trying to scatter legal dust in the eyes of the public. The committee has given no indication at all that it wants to "paw" over or "haul" material from the White House. It is unfair and unfitting of the Presidency to suggest that it has.

President Nixon said last night that he is trying to find a way to cooperate with the House Judiciary Committee. Only the President can do this, and he can do it by providing the material that has been requested. Such cooperation with the House committee in its awesome task would be precisely the kind of strong and right decision that President Nixon said last night is essential to preserving the Presidency.

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## MRS. DOROTHY BUSSARD

## HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BYRON. Mr. Speaker, last week it was my pleasure to meet with Dorothy Bussard, affectionately nicknamed Mrs. "Middletown America." Mrs. Bussard is national president of AMVETS Auxiliary and is a resident of Middletown, Md., in my congressional district.

I met with Mrs. Bussard after she attended a hearing of the Veterans Legislative Committee to support the testimony being given by Berge Avadanian, national commander of AMVETS, the veterans' organization born out of World War II and continuing its concern with membership of Korean and Vietnam veterans.

Mrs. "Middletown America" Bussard represents the average woman in America today—a woman who devotes herself to service to mankind while fulfilling her role as a member of the working force, an outstanding mother and wife of a veteran who unselfishly fought for our country.

I salute all Mrs. "Middletown Americas" through the personification of Dorothy Bussard.

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## BENIGN NEGLECT WOULD BE EASIER ON EVERYBODY'S NERVES

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. HARRINGTON. Mr. Speaker, the Los Angeles Times published an article by Don Cook on February 24 entitled, "Nixon's Foreign Policy: How Foreigners React," which may be of interest to my colleagues. It covers the subject of Nixon-Kissinger foreign policy primarily as that policy has affected our relations with the Western European countries.

We are all familiar with the President's statement proclaiming this the year of Europe wherein the efforts of the United States will be directed toward a redefinition of the U.S.-European relationship, and supposedly a more mutually satisfying alliance. As the article points out, however, the results of efforts in this direction so far have been less than encouraging, and to our European allies they have begun to appear mildly threatening. "Détente" with the Soviet Union has caused considerable uneasiness about the future of our defensive alliance with Western Europe, and the Washington oil conference, which took place just a few weeks ago may have caused more diplomatic problems than it was convened to solve.

It seems to me that despite the initial successes of the highly personalized style of diplomacy displayed by Mr. Kissinger, there are serious drawbacks casting doubt on the efficacy of such a style when applied to more routine relations between traditional allies. The style was perhaps appropriate for the tough negotiating required to get us out of our full-scale military involvement in Vietnam. It also appears to have been useful in establishing new contacts with China, and improving those with the Soviet Union. The Arabs have expressed their admiration for the ability of our Secretary of State to bring the belligerents together on efforts toward an agreement in the Middle East. However, the Latin American nations, traditionally among our closest allies, have found Mr. Kissinger's approach less than adequate, as have the Europeans.

The tactics used seem to be a major problem. When approaching the Foreign Ministers' conference in Mexico City, in a series of brilliant diplomatic moves, Mr. Kissinger managed to take the wind out of expected criticism of United States-Panama and United States-Peru relations by concluding a new agreement with the Panamanians on the controversial Canal Zone, and by reaching a decision with the Peruvians on the longstanding dispute over compensation of several large corporations expropriated in 1968 and subsequent years. These moves, however, were intended to stifle Latin American complaints about their client relationship with the United States, of which Panama and Peru provided two examples. The Foreign Ministers then became publicly irritated when Kissinger stressed the advantages of a hemisphere "community" which to them amounted to a reassertion of U.S. dominance.

Similarly, the tactics used by Kissinger on approaching the European nations have aroused criticism, particularly from France. In preparing for the Washington oil conference, the Secretary had agreed to a French proposal to include oil producing nations in the dialog to be conducted in Washington, as well as oil consuming nations. In the end, however, he reverted to his original intention of including only the oil consumers and, in fact, even failed to invite some of them, leaving out four of the Common Market countries. His tactics in Europe have led to diplomatic difficulties, as have his tactics in Latin America.

The article I insert below explains further the origins of the problems we are now having with Europe, problems that have received considerable news coverage of late, focusing primarily on the statements of one of our most vocal critics, French Foreign Minister Michel Jobert. In my opinion, the article is of significant value in that it contains an excellent analysis of the "why" of European criticism, and I hope it will be read by each of my colleagues.

The text follows:

### NIXON'S FOREIGN POLICY: HOW FOREIGNERS REACT; EUROPEANS SOURED BY U.S. PROPOSALS, TACTICS

(By Don Cook)

PARIS.—The Nixon-Kissinger foreign policy probably has been least successful in Europe, where America's ties are older and deeper than elsewhere and where U.S. security is most directly involved.

This is all the more depressing, if not alarming, because President Nixon and Secretary of State Henry A. Kissinger have generally moved toward Europe with what they believe to be generous motives and the best of goodwill—only to be rebuffed by the Europeans.

Europe and America now seem increasingly to be getting on each other's nerves. Kissinger blows off steam in private about the craven, weak-kneed unreliability of his NATO allies, and the Europeans in turn grumble about some Bismarckian power-complex with which Kissinger tries to order the world.

"I wonder," a British ambassador mused

recently, "if there isn't some subliminal resentment in Kissinger against Europeans—you know, the emigrant who left Europe behind and then made it to the top in the world's most competitive intellectual society, now making decisions which affect our lives."

The breakdown of communication and lack of understanding are apparent in European reaction to three major Nixon-Kissinger initiatives toward Europe in the past year:

The Year-of-Europe speech of April, 1973; Nobody in Europe was advised or consulted in advance. Kissinger, calling for a new Atlantic declaration, did not specify or had not thought through where, how and by whom this was to be drafted. Ireland is a member of the Common Market but not of NATO; vice versa for Norway, Greece, Turkey and Portugal.

Kissinger asked that Japan be linked in new global arrangements without asking either the Europeans or the Japanese if they would go along.

And he asserted that this whole operation "should not be left to experts," but should be dealt with at the top level by a small number of senior personal advisers to presidents and heads of state like himself. But this totally ignored how European governments operate—both in cabinet responsibility and the fact that no government in Europe would dream of bypassing its foreign minister the way Kissinger, in his White House days, bypassed the State Department. Thus, on technical, strategic and tactical grounds the Year-of-Europe speech drew a skeptical if not openly sour European reaction from which it has never fully recovered.

The Brezhnev-Nixon San Clemente declaration of June, 1973: Without any prior consultation or warning to the NATO allies, President Nixon and Kissinger produced an agreement with the Russians on political cooperation and avoidance of nuclear war. This raised questions in Europe about which comes first with Kissinger and Mr. Nixon—the NATO Treaty or their new coziness with the Soviet Union.

Moreover, it was a declaration which, at least by implication, minimized the nuclear deterrence on which NATO security ultimately has to rest.

The Washington oil conference: Kissinger hastily tried this on with the British, French, Dutch and West Germans when he went to Europe for the December NATO meeting, and then produced his proposal in a London dinner speech. At French insistence, he included oil producers as well as consumers in his plan for an energy action group. But when he got back to Washington he made two mistakes. He reverted to "consumers only" for the initial conference, and he invited only five of the nine Common Market countries. Instantly he was up to his neck in diplomatic problems with the French and the Common Market.

Moreover, instead of high-level consultations, the invitees simply received an American proposed agenda only 10 days before the Washington meeting.

The point in each of these major foreign policy moves is not that Kissinger was wrong and the Europeans were right—but rather that Kissinger's tactics have been self-defeating and have caused more resentment than understanding.

He could have launched the Year-of-Europe idea with some careful exploratory talks in NATO and in various capitals, looking toward NATO's 25th birthday in April. President Nixon could have listened to Brezhnev's ideas about a declaration of cooperation and told him to wait until their next meeting while he thought it over and consulted his allies. The oil conference could have been convened under the framework of the Organization for Economic Cooperation and Development (OECD) in Paris, a larger and more clumsy gathering but one to which the French could not have objected.

Kissinger's irritation with the slower processes of diplomacy is well known, and probably is reinforced by his spectacular successes when unemcumbered by the Europeans he has dealt bilaterally with the Egyptians, Israelis, Chinese, North Vietnamese or Russians.

Two self-inflicted handicaps also hamper U.S. diplomacy. The first is the decline of U.S. embassies in Europe. Manned at the top by mediocre Nixon political appointees, bypassed and ignored by Washington, and now increasingly drained of able senior career men who have quit in frustration, the American embassies abroad have simply dried up as functioning instruments of Kissinger-Nixon foreign policy.

The second handicap is Watergate. Suspicion that a major motivation of Nixon-Kissinger foreign policy is to offset Watergate is reinforced by the urgency and haste with which Kissinger acts. He has seemed to be on a frenetic search for successful results. There is the danger that Kissinger and Mr. Nixon, frustrated by Europe's sour response, may turn to Moscow for success, and buy it at a price that mortgages everybody's future.

"I wish that Kissinger would simply do nothing about Europe for a long while now—let's just have a long fallow period in which we allow realities to focus and ideas and common interests to converge," said a senior, pro-American foreign ministry official. "Often in diplomacy it takes as much courage to wait as it does to act, certainly as much wisdom. But I am afraid that Henry is an activist and Nixon wants action and results."

What this diplomat advocates in essence—benign neglect—would be easier on everybody's nerves.

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## IN SUPPORT OF THE HOUSE COMMITTEE ON INTERNAL SECURITY

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ASHBROOK. Mr. Speaker, over the years the various veterans organizations have solidly backed law enforcement agencies, especially the FBI, and the work of the congressional investigative committees. It was no surprise, then, the American Legion and the Veterans of Foreign Wars of the United States oppose the abolition of the House Committee on Internal Security and the transferral of its function to the House Committee on Government Operations.

The Chicago Tribune of March 4, ran an article by Ronald Koziol, one of the Trib's veteran investigative reporters, calling to public attention the report on the Symbionese Liberation Army just recently released. The SLA, of course, is the group which kidnapped Patricia Hearst, whose whereabouts are still unknown. Copies of the report can be obtained from the committee, free for the asking, while the supply lasts.

The SLA report of the committee is but one of the many reports and hearings made available for public use over the years by HCIS. It makes sense then for responsible and concerned organizations like the Legion and VFW to support efforts directed at keeping American citizens informed on issues of high priority.

I insert at this point the Chicago Tribune article, "Kidnapers Well-Funded, U.S. Reports" by Mr. Koziol, along with the two national resolutions of the American Legion and the VFW which are still in force and which speak for several million veterans in their support of the work of the House Committee on Internal Security:

[From the Chicago Tribune, Mar. 4, 1974]

### KIDNAPERS WELL-FUNDED, UNITED STATES REPORTS

(By Ronald Koziol)

The Symbionese Liberation Army, which claims responsibility for the kidnaping of Patricia Hearst, 20-year-old publishing heiress, is well-funded and capable of improvising under pressure, a Congressional investigation has discovered.

The findings are contained in a special report compiled on the S.L.A. by investigators for the House Internal Security Committee on orders of its chairman, U.S. Rep. Richard H. Ichord [D., Mo.].

Altho little was known of the S.L.A. and its activities before the Feb. 4 kidnaping of Miss Hearst in California, the committee was able to piece together a series of incidents indicating that the revolutionary group had no financial problems.

One such incident attesting to this fact was the rent payments made by members of the S.L.A. on a home in Concord, 20 miles northeast of Oakland. The home was described by police as the headquarters of the terrorist group.

Investigators discovered the house was rented by Nancy Ling Perry, a fugitive and an admitted S.L.A. member. Miss Perry paid a security deposit of $100 and a month's rent of $500 when the house was first rented last August.

In paying the initial rent, Miss Perry used money orders drawn on a New York City bank. Subsequent rental payments were made up to Jan. 2, either by money orders or cash.

Other evidence found indicated that the S.L.A. was planning to finance itself thru a series of well-organized burglaries. Investigators believe several burglaries of homes of wealthy San Francisco Bay residents were committed by the group.

Miss Perry's financial independence also was evident on the last known job she had. She was employed as a waitress at the Fruity Rudy juice stand in Berkeley from February to August, 1973. The operator of the stand told investigators that Miss Perry earned $140 a week and gave $130 of it to prison inmates at California's Vacaville prison during her weekly visits there.

One other source, not connected with the House committee, has told The Tribune that it is believed one of the 10 known members of the S.L.A. inherited a large sum of money last year. The time period of the inheritance coincides with purchases of expensive walkie-talkies, guns and ammunition by the group.

The committee report suggests that the S.L.A. is a small, close-knit group of at least six, with a probable maximum under 10 persons.

"From the associates of the S.L.A., it must be presumed that some members and former members of the Venceremos Organization know the S.L.A. and are willing to support its terrorist acts," the report notes.

The Venceremos Organization was considered one of the most violent revolutionary groups operating in the United States from 1971 until its almost complete disintegration last August. Here again, investigators believe the split in the Venceremos group led to the birth of the S.L.A. and the renting of the Concord home was an initial step.

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### RESOLUTION NO. 405 OF THE AMERICAN LEGION

### SUPPORT THE HOUSE COMMITTEE ON INTERNAL SECURITY AND THE SENATE INTERNAL SECURITY SUBCOMMITTEE

Whereas, The House Committee on Internal Security and the Senate Internal Security Subcommittee have clearly proved their worth to the Nation and its security by exposing, through their investigations, the working of the Communist conspiracy within the United States; and

Whereas, The current expansion of activities on the part of the Communist Party, USA, recent revelations by the Director of the FBI, and the decisions of the Supreme Court, which emasculated the internal security legislation of the United States, have made even more clear the necessity for continued action on the part of these Congressional Committees; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Chicago, Illinois, August 22, 23, 24, 1972, that The American Legion again express its confidence in the work of the House Committee on Internal Security and the Senate Internal Security Subcommittee as important instruments for the exposure and eradication of the Communist menace within our borders; and, be it further

Resolved, That this organization does urge the said committees to continue vigorously in the work which they have so well undertaken in the years past; and, be it further

Resolved, That The American Legion petition the Congress to appropriate sufficient funds to enable these committees to extend and expand their activities.

### RESOLUTION NO. 102 OF THE VETERANS OF FOREIGN WARS

#### THE DOMESTIC THREAT

Whereas, there exists in these United States multiple groups of either a permanent or *ad hoc* character ranging from the Communist Party, USA (CPUSA), with the clear and avowed mission of overthrowing our free institutions, to groupings of a more fleeting, single-issue-oriented nature which seek to embarrass and discredit the United States; and

Whereas, far too many persons in the communications media have failed to report violent dissidence and treason "as it is," but have extended inordinately respectful coverage to those who have consistently displayed hatred and contempt for our country, our flag and institutions; and

Whereas, eternal vigilance is the price of liberty; now, therefore be it

Resolved, by the 74th National Convention of the Veterans of foreign Wars of the United States, that

(a) The Federal Bureau of Investigation continue and intensify its program of surveillance and reporting upon parties, groups, and individuals whose actions are inimicable to the domsetic tranquility of the United States; and

(b) Since the Subversive Activities Control Board (SACB) was not fully used by the Attorney General and has been permitted to decay and perish, full support must now be extended to H.R. 6241 (Constitutional Oath Support Act) which revises and strengthens America's Federal Civilian Employee Loyalty-Security Program; and

(c) Subversive elements attacking the Armed Forces from within or without be identified and prosecuted with energy and dedication; and

(d) All of those so-called groups and peace activists who by their actions undermined our war effort in Southeast Asia and contributed to their deterioration of the peace agreements which were established with the communists, be publicly spotlighted for what they are and subjected to vigorous legal prosecution as they seek to disappear into the wide American Society in the post-Vietnam era; and

(e) Our Commander-in-Chief commends the painstaking efforts of the great majority of the House Committee on Internal Security (the Ichord Committee) for its fair-minded and comprehensive efforts to enhance our internal security without any valid "witch hunting" charges being brought against them.

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# SENATE—*Friday, March 22, 1974*

The Senate met at 9 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Lord God of this new day, as the dawn has grown into the fullness of the morning, so let Thy light banish all doubt and fear that we may find and follow Thy purpose throughout this day. Help us to use its precious hours in a manner Thou canst bless and hallow with Thy presence. May we be strong to do things worth doing and strong in turning away from the unworthy, the base, and the trivial. In these times requiring greatness, may our dedication to Thee be complete. And, finally, in our work give us the joy of those who are workers together with Thee for a world redeemed and made ready for Thy coming kingdom.

In the Redeemer's name. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, March 21, 1974, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## CONGRESSIONAL BUDGET ACT OF 1974

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume the consideration of the unfinished business S. 1541, which the clerk will state.

The legislative clerk read as follows:

S. 1541, to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The Senate resumed consideration of the bill.

The ACTING PRESIDENT pro tempore. The pending question is on agreeing to the Nelson-Mondale amendment No. 1046 which the clerk will state.

The second assistant legislative clerk read as follows:

On page 107, on line 6, beginning with the word "The", strike everything through the word "completed." on line 19, and insert the following: "Rule XXV of the Standing Rules of the Senate is amended by adding at the end thereof the following new paragraph:

"8. (a) The Committee on the Budget shall consist of fifteen members.

"(b) For purposes of paragraph 6, service of a Senator as a member of the Committee on the Budget shall not be taken into account.

"(c)(1) Membership on the Committee on the Budget shall be divided into three classes with five seats in each class. The members first elected to the committee shall, by lot, determine the class to which their seats are assigned. Thereafter, members elected to the committee shall be elected to a seat in one of the three classes.

"(2) A member serving on the committee in a seat of the first class during the Ninety-fifth Congress, or during any third Congress following the Ninety-fifth Congress, shall not be eligible to serve on the committee during the Congress following such Ninety-fifth Congress or following any such third Congress, as the case may be.

"(3) A member serving on the committee in a seat of the second class during the Ninety-sixth Congress, or during any third Congress following the Ninety-sixth Congress, shall not be eligible to serve on the committee during the Congress following such Ninety-sixth Congress or following any such third Congress, as the case may be.

"(4) A member serving on the committee in a seat of the third class during the Ninety-seventh Congress, or during any third Congress following the Ninety-seventh Congress, shall not be eligible to serve on the committee during the Congress following such Ninety-seventh Congress or following any such third Congress, as the case may be.".

## ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, separate and apart from the unanimous-consent agreement, there be a brief period for the transaction of routine morning business, with statements therein limited to 3 minutes each.

The ACTING PRESIDENT pro tempore. For how long a period?

Mr. MANSFIELD. I said a brief period. Fifteen minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Is there any morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT UNTIL MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon on Monday next.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

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## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following letters, which were referred as indicated:

### Reports of Comptroller General of the United States

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports of the General Accounting Office issued or released in February (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on complications incurred because of delays in transferring patients to the VA spinal cord injury treatment centers, Veterans' Administration, dated March 20, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on problems affecting mail service and improvements being taken, U.S. Postal Service (with an accompanying report). Referred to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the difficulties of assessing results of law enforcement assistance administration projects to reduce crime, Department of Justice, dated March 19, 1974 (with an accompanying report). Referred to the Committee on Government Operations.

### Proposed Legislation From Pennsylvania Avenue Development Corporation

A letter from the Chairman, Pennsylvania Avenue Development Corporation, Washington, D.C., transmitting a draft of proposed legislation to amend the act of October 27, 1972 (Public Law 92–578) (with an accompanying paper). Referred to the Committee on Interior and Insular Affairs.

### Proposed Legislation by Administrative Office of the United States Courts

A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to amend the Federal Employees' Compensation Acts, as amended, title 5, United States Code, by adding a new section providing for work injury coverage of Federal petit and grand jurors in the performance of their duties (with an additional paper). Referred to the Committee on Labor and Public Welfare.

### Financial Statements for Uranium Enrichment Activity

A letter from the Assistant General Manager, Controller, Atomic Energy Commission, transmitting, for the information of the Senate, copies of the 1973 Financial Statements for the Uranium Enrichment Activity (with accompanying papers). Referred to the Joint Committee on Atomic Energy.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the ACTING PRESIDENT pro tempore (Mr. METCALF):

A joint resolution of the Legislature of the State of California. Referred to the Committee on Foreign Relations:

"Assembly Joint Resolution No. 67

"Urges the President and Congress of the United States and the Secretary General of the United Nations to expand the international fishing treaty to include all nations and encourage recalcitrant nations to sign the treaty

"Encourage the Federal Maritime Administration to prevent the transfer of registration to other sovereign nations by American vessels.

"Whereas, The tuna industry is vitally important to the economic well-being of San Diego and San Pedro, as well as the State of California; and

"Whereas, A treaty between the United States and other countries exists which attempts to limit the fishing in certain areas in order to protect and insure the future of tuna fish; and

"Whereas, The practice of overfishing and out-of-season fishing will do irreparable harm to the environment, the tuna industry, and the economy of the State of California; and

"Whereas, Some nations are not enforcing the provisions of the treaty which limits overfishing and out-of-season fishing; and

Whereas, Some countries have not agreed to the treaty and thus encourage change of registration of the fishing boats in order to circumvent the requirements of the treaty; now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California respectfully memorializes the President and Congress of the United States to expand the treaty to include all nations taking fish from this area; and be it further

"*Resolved,* That the Federal Maritime Administration, which is part of the Department of Commerce, should also be encouraged to prevent the transfer of registration to other sovereign nations by American vessels; and be it further

"*Resolved,* That the United Nations should encourage recalcitrant nations to sign the treaty; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to the Secretary General of the United Nations."

A joint resolution of the Legislature of the State of California. Referred to the Committee on Veterans' Affairs:

"Assembly Joint Resolution No. 40

"Petitions of the President and Congress to increase educational benefits for Vietnam veterans.

"Whereas, After World War II, the veterans of the United States military were eligible for educational benefits of $75 monthly allowance and an additional $500 a year for tuition and books; and

"Whereas, Currently, veterans are allowed only $220 total per month with which to pursue their education; now, therefore, be it

"*Resolved by the Assembly and the Senate of the State of California, jointly,* That the Legislature of the State of California respectfully petitions the President and the Congress of the United States to increase educational benefits for Vietnam veterans; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint memorial and a concurrent resolution of the Legislature of the State of Washington. Referred to the Committee on Foreign Relations:

"Senate Joint Memorial No. 131

"To the Honorable Richard M. Nixon, President of the United States, and to the President of the Senate and the Speaker of the House of Representatives and to the Senate and House of Representatives of the United States, in Congress assembled, and to the International Joint Commission

"We, your Memorialists, the Senate and House of Representatives of the state of Washington, in legislative session assembled, respectfully represent and petition as follows:

"Whereas, The International Joint Commission, established by the treaty of 1909 between the United States and Great Britain to adjust disputes involving the use, obstruction, or division of the boundary waters between the United States and Canada and to adjust other disputes arising along the boundary between the United States and Canada, has been conducting a study of the Point Roberts area, a portion of the state of Washington contiguous to the Province of British Columbia, through a body it has created known as the International Point Roberts Board; and

"Whereas, The Washington state legislature commends the attention of the United States Government to Senate Joint Memorial 69–7 transmitted to the President and Congress in April 1969 requesting formation of a commission to discuss the problems of Point Roberts; however, the specific concerns expressed in that memorial have not been addressed, nor has the continuing participation of all affected and interested parties been realized; and

"Whereas, The Washington state legislature has not been formally invited to participate in the International Point Roberts Board study; and

"Whereas, No political subdivision of the state of Washington or local government thereof has been formally invited to participate in said study, and

"Whereas, The Washington state legislature is now engaged in a formal study of the Point Roberts area, as evidenced by the attached Senate Concurrent Resolution; and

"Whereas, The Washington state legislature is concerned whether the International Joint Commission is acting properly within the scope of its treaty powers by considering a proposal to create an International Park of three thousand square miles which will significantly affect the people of the state of Washington;

"Now, therefore, Your Memorialists respectfully ask that the International Joint Commission discontinue its study of the future of Point Roberts until the authorized county and state agencies complete the land use plan actions now in process and the Washington State legislature submits any recommendations that may then be deemed appropriate.

"Be it resolved, That copies of this Memorial and its attached Senate Concurrent Resolution be immediately transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of

United States, to each member of Congress from the state of Washington and to each member of the International Joint Commission.

"And be it further resolved, That copies of this Memorial and Concurrent Resolution be transmitted to the Prime Minister of Canada and the Canadian Federal Parliament, and to the Premier and the Provincial Parliament of British Columbia."

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"SENATE CONCURRENT RESOLUTION NO. 144

"Whereas, The International Joint Commission, established by treaty to handle affairs between the United States and Canada, has been conducting a study of the Point Roberts area, a portion of the state of Washington; and

"Whereas, The Washington state legislature was not formally included in the International Joint Commission study; and

"Whereas, Many counties, disrtcts, and communities were not formally contacted at the consideration stage of the Point Roberts study; and

"Whereas, The advisory board to the International Joint Commission recommended an international recreational area of three thousand square miles, including Point Roberts, and designating Point Roberts as the administrative headquarters; and

"Whereas, Problems of dual governmental administration should be carefully considered; and

"Whereas, There may be many interjurisdictional problems, such as the limitations on governmental health insurance with regard to Canadian citizens living in Point Roberts; and

"Whereas, Various agencies are currently considering plans for private development of the Point Roberts area which may not be compatible with the International Point Roberts Board plan; and

"Whereas, There is the possibility that the International Joint Commission's proposals might impede private development in the Point Roberts area; and

"Whereas, A proposed private development in the Point Roberts area to create a community of twenty thousand people would mean an increased amount of traffic to the Point; and

"Whereas, At the present time the only land access to Point Roberts is by way of two lane road through British Columbia; and

"Whereas, There exists a problem with transportation of goods through Canada enroute to Point Roberts; and

"Whereas, The Province of British Columbia has indicated that it is not in favor of increased traffic by Americans to Point Roberts on Canadian roads; and

"Whereas, Free movement of tradesmen, their tools, and their supplies through Canada may be questioned; and

"Whereas, There exist problems with the supply of electrical power, telephone lines, sewage, and other necessities to the Point; and

"Whereas, There exists a problem with regard to law enforcement in Point Roberts; and

"Whereas, Air traffic patterns on two naval air bases on Whidbey Island have not been taken into consideration in the International Joint Commission's plan; and

"Whereas, The commission report has not directed itself to the problems of the Lummi Indian Tribe; and

"Whereas, The existing rights of the fishermen may be adversely affected and are not guaranteed under the proposal;

"Now, therefore, be it resolved, By the Senate, the House of Representatives concurring, that the Washington state legislature establish a select committee to develop suggested policies which would be in the best interest of the state of Washington, relating to the future of the Point Roberts area; and

"Be it further resolved, That the select committee shall be composed of eight members, four appointed by the Lieutenant Governor and four by the Speaker of the House of Representatives, two to be from the respective majority caucuses and two from the respective minority caucuses.

"Be it further resolved, That the select committee shall incorporate in the suggested policies the findings, data, and opinions developed from adequate participation by all affected state and local agencies and citizen groups and to this end may hold such hearings as may be necessary; and

"Be it further resolved, That the Office of the Attorney General is requested to provide such legal assistance as may be required to examine the state, local, and international legal implications of the suggested policies; and

"Be it further resolved, That such suggested policies shall be presented not later than January 1, 1975, to the Washington state legislature for the purpose of considering the proposals for formal recommendation to the International Joint Commission."

A resolution adopted by the Sacramento (California) City Council relating to passenger service to the City of Sacramento. Referred to the Committee on Commerce.

A resolution adopted by the Utah State Bar, Ogden, Utah, praying for a repeal of the "grandfather" clause of Section 3, Public Law 85-593. Referred to the Committee on the Judiciary.

Resolutions adopted by the Association of the Bar of the City of New York, New York, N.Y., praying for the enactment of legislation to increase the compensation of judges of the Federal courts. Referred to the Committee on Post Office and Civil Service.

## PRESENTATION OF A PETITION

By Mr. PASTORE (for himself and Mr. PELL):

A resolution of the House of the State of Rhode Island and Providence Plantations. Referred to the Committee on Interior and Insular Affairs:

HOUSE RESOLUTION 74-H 7401

Memorializing Congress to Ration Oil and Gas Among the States on a Per Capita Basis

Resolved, That the house of representatives of Rhode Island and Providence Plantations memorializes congress to ration oil and gas among the states on a per capita basis; and be it further

Resolved, That the secretary of state be and he hereby is authorized and directed to transmit a duly certified copy of this resolution to the Rhode Island delegation in congress.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, without amendment:

S. 2446. A bill for the relief of Charles William Thomas (Rept. No. 93-741).

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 3052. A bill to amend the act of October 13, 1972 (Rept. No. 93-742);

H.R. 6274. An act to grant relief to payees and special indorsees of fraudulently negotiated checks drawn on designated depositaries of the United States by extending the availability of the check forgery insurance funds, and for other purposes (Rept. No. 93-743).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 2844. A bill to amend the Land and Water Conservation Fund Act, as amended, to provide for collection of special recreation use fees at additional campgrounds, and for other purposes (Rept. No. 93-745).

By Mr. CHURCH, from the Committee on Interior and Insular Affairs, with amendments:

S. 939. A bill to amend the Admission Act for the State of Idaho to permit that State to exchange public lands and to use the proceeds derived from public lands for maintenance of those lands (Rept. No. 93-744).

By Mr. CANNON, from the Committee on Rules and Administration, without amendment:

S. Res. 296. Resolution authorizing the printing of additional copies of the committee print entitled "The Federal Mine Safety and Health Amendments of 1973 (S. 2117)" (Rept. No. 93-746);

S. Con. Res. 73. Concurrent resolution authorizing the printing of additional copies of a committee print of the Senate Select Committee on Nutrition and Human Needs (Rept. No. 748);

H. Con. Res. 78. Concurrent resolution to authorize the printing of a Veterans' Benefits Calculator (Rept. No. 93-749); and

H. Con. Res. 397. Concurrent resolution providing for the printing of additional copies of hearings before the Subcommittee on Foreign Economic Policy entitled "Foreign Policy Implications of the Energy Crisis" (Rept. No. 93-750).

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. SPARKMAN, from the Committee on Banking, Housing and Urban Affairs:

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board.

(The above nomination was reported with the recommendation that the nomination be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

By Mr. NUNN, from the Committee on Armed Services:

Col. Edward B. Burdett, Regular Air Force, to be brigadier general.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. HRUSKA:

S. 3216. A bill to make Level IV of the Executive Schedule applicable to the U.S. attorney for the central district of California and to the U.S. attorney for the northern district of Illinois. Referred to the Committee on Post Office and Civil Service.

By Mr. NELSON (for himself, Mr. HART, Mr. HATHAWAY, and Mr. MONDALE):

S. 3217. A bill to amend the Small Business Act to provide assistance to small business concerns adversely affected by shortages of energy and energy-related and other raw materials and shortages. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. GOLDWATER:

S. 3218. A bill for the relief of Linda Thomas Bannon. Referred to the Committee on the Judiciary.

By Mr. STEVENSON:

S. 3219. A bill to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes. Referred to the Committee on Finance.

By Mr. HARTKE:

S. 3220. A bill to establish a Joint Committee on National Growth and Development Policy. Referred to the Committee on Government Operations.

By Mr. JACKSON (for himself and Mr. METCALF):

S. 3221. A bill to increase the supply of energy in the United States from the Outer Continental Shelf; to amend the Outer Continental Shelf Lands Act; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. GRAVEL:

S. 3222. A bill to authorize the Secretary of the Interior to convey certain lands in the State of Alaska. Referred to the Committee on Interior and Insular Affairs.

By Mr. McGEE (for himself and Mr. HANSEN):

S. 3223. A bill to expand the Glendo unit of the Pick-Sloan Missouri Basin program to provide for the rehabilitation of a road relocated by the Bureau of Reclamation in the vincinity of Glendo Dam and Reservoir, Platte County, Wyo. Referred to the Committee on Interior and Insular Affairs.

By Mr. PROXMIRE:

S. 3224. A bill to provide for the chartering of Federal stock savings and loan associations, and for other purposes. Referred to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GURNEY:

S. 3225. A bill to amend the Export Administration Act of 1969 to curtail exports of petrochemical feedstocks. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. McINTYRE:

S. 3226. A bill to authorize the payment of travel expenses of the widow, children, and parents of certain deceased members of the Armed Forces whose remains are returned to the United States after March 1, 1974, so as to permit such persons to attend the burial services of such deceased members. Referred to the Committee on Armed Services.

By Mr. MONDALE (for himself, Mr. BROOKE, Mr. EAGLETON, Mr. STAFFORD, Mr. McGEE, Mr. HART, Mr. GRAVEL, and Mr. MATHIAS):

S. 3227. A bill to provide assistance to encourage States and localities to undertake comprehensive criminal justice reform in order to strengthen police protection, improve the prosecution of offenders, expedite overcrowded court criminal calendars, and strengthen correctional systems, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. DOLE (for himself, Mr. STENNIS, Mr. TOWER, Mr. MATHIAS, Mr. GRIFFIN, and Mr. DOMENICI):

S. 3228. A bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes. Considered and passed.

By Mr. SCHWEIKER:

S. 3229. A bill to prohibit Soviet energy investments. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. MONTOYA (for himself Mr. DOMENICI, and Mr. MOSS):

S. 3230. A bill to provide for the efficient development of the natural resources of the Navajo and Hopi Reservations for the benefit of its residents to assist the members of the Navajo and Hopi Tribes in becoming economically fully self-supporting, to resolve a land dispute between the Navajo and Hopi Tribes, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. GOLDWATER:

S.J. Res. 197. Joint resolution to authorize the designation of the 7-day period beginning June 17, 1974, and ending June 23, 1974, as National Amateur Radio Week. Referred to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HRUSKA:

S. 3216. A bill to make level IV of the Executive Schedule applicable to the U.S. attorney for the Central District of California and to the U.S. attorney for the Northern District of Illinois. Referred to the Committee on Post Office and Civil Service.

Mr. HRUSKA. Mr. President, I am today introducing a bill, at the request of the Department of Justice, to raise the pay levels of the U.S. attorneys for the Central Division of California—which includes Los Angeles—and the Northern District of Illinois—which includes Chicago.

Both of these positions are now at a level V in the Executive Schedule. This bill would place these positions at level IV, the level now applicable to the U.S. attorneys for the Southern District of New York and the District of Columbia. The workloads of the four U.S. attorneys' offices is comparable, and the pay level applicable to them should also be comparable. In fiscal 1973, there were 3,766 cases filed in the Central District of California, 2,216 in the Northern District of California, and 2,612 in the Southern District of New York. Attorneys in the U.S. attorney's office in the Central District of California spent 17,536 man-hours in court, while attorneys in the U.S. attorney's office in the Northern District of Illinois spent 16,742 man-hours in court and those in the Southern District of New York spent 19,565 hours in court. Statistics from the District of Columbia cannot usefully be compared to those for other districts because of the role which the U.S. attorney for the District of Columbia plays as local district attorney as well as U.S. attorney.

Because the Central District of California and the Northern District of Illinois consist of two of the great metropolitan centers of the United States, the workload of the U.S. attorneys' offices is not only heavy but also often involves extremely complex cases.

The facts indicate that both the size of the workload and the complexity of the cases handled by the two U.S. Attorney's offices is comparable to those of the offices of the two U.S. attorneys to whom level IV of the Executive Schedule now applies. Accordingly, I introduce this bill to provide a vehicle for congressional discussion and consideration of the equalization of the pay levels applicable to these U.S. Attorneys.

Mr. President, I ask unanimous consent that a table outlining the workloads of the pertinent U.S. attorneys' offices, together with a copy of the bill and the Attorney General's letter of transmittal be printed in the RECORD at this point.

There being no objection, the table, letter and bill were ordered to be printed in the RECORD, as follows:

WORKLOAD OF SELECTED U.S. ATTORNEYS' OFFICES

| | California central | Illinois northern | New York southern |
|---|---|---|---|
| Cases filed | 3,766 | 2,216 | 2,612 |
| Cases terminated | 3,523 | 2,162 | 2,302 |
| Cases pending | 2,764 | 1,858 | 3,871 |
| Grand Jury proceedings | 1,611 | 711 | 1,056 |
| Matters received | 10,048 | 7,427 | 5,266 |
| Size of workforce | 178 | 145 | 220 |
| Manhours in court | 17,536 | 16,742 | 19,565 |

OFFICE OF THE ATTORNEY GENERAL,
*Washington, D.C.*

The VICE PRESIDENT,
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. VICE PRESIDENT: There is attached for your consideration and appropriate reference a draft bill "To make Level IV of the Executive Schedule applicable to the United States Attorney for the Central District of California and to the United States Attorney for the Northern District of Illinois."

The Department of Justice believes that the present pay levels for the two positions affected by this legislation are lower than is warranted by the level of responsibility of the jobs. Both positions are now Level V positions. Level IV applies under existing law to two United States Attorneys, the one for the Southern District of New York and the one for the District of Columbia.

However, the workload of the United States Attorney for the Central District of California and of the United States Attorney for the Northern District of Illinois is approximately the same as that of the United States Attorney for the Southern District of New York. In the Southern District of New York, there were 1,748 criminal filings and 897 civil filings during fiscal 1972, while there were 2,545 criminal filings and 1,227 civil filings in the Central District of California in the same period and 1,041 criminal filings and 1,098 civil filings in the Northern District of Illinois during that time. Attorneys in the United States Attorney's office in the Southern District of New York spent 20,252 man hours in court during that time, while attorneys in the United States Attorney's office in the Central District of California spent 12,908 man hours in court and attorneys in the United States Attorney's office in the Northern District of Illinois spent 19,254 man hours in court. Each of the offices also has a high number of Assistant United States Attorneys. The average number during fiscal 1972 in the Central District of California was 66.7, in the Northern District of Illinois 53.7, and in the Southern District of New York 86.0.

Accordingly, The Department of Justice recommends that Level IV of the Executive Schedule be made applicable to the United States Attorney for the Central District of California and to the United States Attorney for the Northern District of Illinois, just as that level is now applicable to the United States Attorney for the Southern District of New York.

I urge early and favorable consideration of this legislation by the Congress.

The Office of Management and Budget has advised that there is no objection to the submission of this proposal to the Congress.

Sincerely,

——— ———,
*Attorney General.*

S. 3216

A bill to make Level IV of the Executive Schedule applicable to the United States

Attorney for the Central District of California and to the United States Attorney for the Northern District of Illinois

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That title 5 of the United States Code is amended:

(a) by adding at the end of section 5315 the following new subsections:

"(95) United States Attorney for the Central District of California.

"(96) United States Attorney for the Northern District of Illinois.";

and

(b) by repealing subsections (115) and (116) of section 5316.

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By Mr. NELSON (for himself, Mr. HART, Mr. HATHAWAY, and Mr. MONDALE):

S. 3217. A bill to amend the Small Business Act to provide assistance to small business concerns adversely affected by shortages of energy and energy-related and other raw materials and shortages. Referred to the Committee on Banking, Housing and Urban Affairs.

### SMALL BUSINESS ASSISTANCE ACT OF 1974

Mr. NELSON. Mr. President, the small businessman is caught today in an ever-tightening economic vise squeezed on one side by unfair competition from monopolistic corporations and on the other side by bureaucratic redtape and regulations by the Federal Government.

This squeeze has become especially severe for many small businessmen as a result of a long winter of crisis, marked on the one hand by shortages of oil and other key resources; marked on the other by grave economic uncertainties brought on by truck strikes, massive layoffs in many communities by large corporations, tight money, questionable foreign trade policies and unfairly administered wage and price controls. No one seems to think of the independent businessman or the self-employed entrepreneur in times like this, even though 97½ percent of the 12 million enterprises in the United States could be defined as "small business," a figure that includes almost 3 million family farms and 1 million independent professions. The Internal Revenue Service tells us that there are about 9.2 million sole proprietorships, nearly 1 million partnerships, and 1.7 million corporations. Every year, some 50,000 new businesses are launched, of which half can be expected to survive beyond the first 2 years.

But despite the large number of American businesses, true economic power, and the resultant influence on governmental policies, seems to lie with a tiny handful of corporate giants. Just 200 large manufacturing corporations share well over three-fifths of the total manufacturing assets in America. And in 1970 the top 102 corporations—the billion dollar asset corporations—controlled nearly half of all U.S. manufacturing assets—48 percent—and took more than half of all manufacturing profits—53 percent.

Yet, concentrated as the power of big business is, Government leaders today forget only at their peril that the small business community accounts for nearly 44 percent of total employment in the economy and 37 percent of the entire gross national product.

If we are to keep the American economy healthy, therefore, it is clear we must insure that the current crisis does not drag the small businessman into ruin.

To that end, I have today introduced the Small Business Assistance Act of 1974, which amends the Small Business Act to authorize emergency loans, or emergency relief from outstanding loans, to small businessmen who have been adversely affected by the energy crisis. This amendment will be aimed not only at protecting the economic stability of small businessmen, whose failure could insure a long, bitter recession for this country, but of safeguarding the job security of their employees as well. My bill would require the Small Business Administration to give special consideration for these loans to small businesses located in areas of high unemployment or in areas in which the effects of the crisis would be especially severe, such as areas in which small businesses rely heavily on tourism for their economic well-being. Among other things, the provisions of this bill would:

First, authorize the Small Business Administration to add $100 million to the $4.3 billion disaster loan fund to provide loans to assist small businesses "to adjust to adverse economic effects that are determined by the administration to be the direct or indirect result of national or regional shortages of energy, energy related raw materials, or other raw materials or resources" if substantial economic injury to the small business has or is likely to occur without such assistance;

Second, authorize the Small Business Administration to give special consideration for these loans to small businesses in areas in which unemployment is significantly higher or shortages or the effects of those shortages on small businesses are more severe than in the country as a whole; and

Third, require the Small Business Administration to transmit to Congress within 90 days "a comprehensive report on the direct and indirect effects on small business concerns of current and future shortages of energy, energy-related raw materials or other raw materials or resources."

I ask unanimous consent to have the bill printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3217

A bill to amend the Small Business Act to provide assistance to small business concerns adversely affected by shortages of energy and energy-related and other raw materials and shortages.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Small Business Assistance Act of 1974".

SECTION 1. Section 7 of the Small Business Act is amended by inserting at the end of section 7(g) the following new section:

"(h)(1) The Administration is also empowered to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to assist, or refinance the existing indebtedness of, any small business concern to permit such concern to adjust to adverse economic effects that are determined by the Administration to be the direct or indirect result of national or regional shortages of energy, energy-related raw materials, or other raw materials or resources, if the Administration determines that such concern has experienced or is likely to experience substantial economic injury in the absence of such assistance.

"(2) For purposes of this subsection, the Administration shall give special consideration to concerns doing a majority of their business or intending to locate or relocate in areas in which—

"(A) the level of unemployment meets the definition of 'persistent unemployment' promulgated by the Secretary of Labor;

"(B) a significant increase in the level of unemployment or a significant decrease in the patronage of small businesses has occurred or can be expected to occur as a direct or indirect result of the shortages described under paragraph (1) of this subsection;

"(C) a shortage in any specific type of energy, material, or resource is substantially greater than in the country as a whole; or

"(D) the incidence of failure among small businesses as a result of the shortages described under paragraph (1) of this subsection is subtantially higher than in the country as a whole.

"(3)(A) No loan made pursuant to the provisions of this subsection, including renewals and extension therefore, may be made for a period or periods exceeding 30 years;

"(B) the interest rate on the Administration's share of any loan made under this subsection shall not exceed 3 percent per annum;

"(C) the Administration may defer repayment of the principal of any loan made pursuant to this subsection for a period not to exceed 2 years after the date of the loan if he determines that such action is necessary to avoid severe financial hardships.

"(4) There is authorized to be appropriated to the disaster loan fund established pursuant to section 4(c) of this title not to exceed $100,000,000 solely for the purpose of carrying out this subsection."

SEC. 2. (a) Clause (A) of paragraph (1) of Section 4(c) of the Small Business Act is amended by striking the word "and" from between "7 (c)(2)," and "7 (g)" and inserting ", and 7(h)" immediately following "7 (g)".

(b) Clause (A) of paragraph (2) of Section 4(c) of the Small Business Act is amended by striking the word "and" from between "7 (b)(7)," and "7 (c)(2)" and inserting ", and 7(h)" immediately following "7(g)".

(c) Clause (A) of paragraph (4) of section 4(c) of the Small Business Act is amended by inserting "7(h)," immediately following "7(g),".

SEC. 3. The Small Business Act is further amended by adding immediately after subsection (e) of section 8 the following new subsection:

"(f) Within ninety days after the enactment of this subsection, the Administration shall transmit to the Congress a comprehensive report on the direct and indirect effects on small business concerns of current and future shortages of energy, energy-related raw materials, or other raw materials or resources."

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By Mr. STEVENSON:

S. 3219. A bill to correct an anomaly in the rate of duty applicable to crude feathers and downs, and for other purposes. Referred to the Committee on Finance.

Mr. STEVENSON. Mr. President, I am today introducing legislation to amend the tariff schedules to suspend the current duty on feathers and downs.

The purpose of this legislation is to suspend to zero the duty on feathers and downs used primarily in the manufacture of finished products, such as sleeping bags, parkas, and ski jackets. About 72 percent of the U.S. demand for feathers and downs is met by imports.

The traditional principle in establishing tariff schedules has been to assess a higher rate of duty on finished articles than on the raw materials used in their production. Under the current tariff schedules, however, imported feathers and downs are subject to a 15 percent ad valorem rate duty, while finished goods made primarily of feathers are subject to only a 7-percent rate of duty. This 8-percent difference has created a tariff disparity which has made foreign production of articles like sleeping bags and parkas more competitive in the U.S. market. As a result, foreign imports of these finished articles have increased their share of the U.S. market from 2 percent in 1970 to 18 percent in 1973. Eliminating this anomaly will permit our domestic industry to compete more fairly and effectively with imports that are currently subject to a duty rate that is less than half the rate domestic users must pay on crude feathers and downs.

In commenting on this legislation, the relevant executive agencies unanimously agreed that there was sufficient economic justification to remove the duty on crude feathers and downs at this time. The Special Trade Representative's endorsement of this bill pointed out that it would in no way jeopardize any U.S. negotiating position in the upcoming trade talks since the proposed legislation would preserve U.S. bargaining power on this particular tariff item.

Finally, duty-free treatment of imported feathers and downs would not adversely affect domestic producers of waterfowl feathers and downs. According to the Department of Commerce, such growers do not expect the elimination of duty to reduce sales since the demand for down-filled sleeping bags and garments is strong and expanding rapidly.

I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3219

*Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled,* That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately before item 903.90 the following new items:

"Feathers and downs, whether or not on the skin, crude, sorted (including feathers simply strung for convenience in handling or transportation), treated, or both sorted and treated, but not otherwise processed (provided for in item 186.15, part 15D, schedule 1):

| | | | | |
|---|---|---|---|---|
| "903.70 | Not cleaned for manufacture. | Free | Free | On or before Dec. 31, 1979. |
| 903.80 | Cleaned for manufacture. | Free | No change. | On or before Dec. 31, 1979." |

Sec. 2. (a) The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the 180th day after the date of the enactment of this Act.

(b) For purposes of any authority that may be delegated to the President to proclaim such continuance of existing duty-free treatment as he determines to be required or appropriate to carry out a trade agreement with foreign countries or instrumentalities thereof, the duty-free treatment provided by items 903.70 and 903.80 of the Appendix to the Tariff Schedules of the United States shall be considered as existing duty-free treatment.

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By Mr. HARTKE:

S. 3220. A bill to establish a Joint Committee on National Growth and Development Policy. Referred to the Committee on Government Operations.

### JOINT COMMITTEE ON NATIONAL GROWTH AND DEVELOPMENT

Mr. HARTKE. Mr. President, today I introduce a proposal to form a Joint Committee in Congress on National Growth and Development Policy.

One of the liabilities of the American political system is our inability to follow the progress of Federal programs. Every 4 or 8 years, a new executive enters the White House. Every 2 years, new Members of the Congress are elected. Only in the appointment of Federal judges and certain independent agency appointments is there the continuity of leadership that provides the opportunity for understanding the long-term consequences of governmental actions.

Today, as progress and events move faster than our ability to comprehend them, there is a need for an entity within our National Government which can evaluate the spectrum of events that shape our lives and plan for our future on a rational basis.

The distinguished majority leader (Mr. Mansfield) seemed to say so himself in his recent remarks before the Democratic Conference:

> It would be my hope, therefore, that we will go beyond the energy crisis in the coming session of Congress. The need is to take a careful look not only at the immediate flashing of this or that danger signal but at the whole integrated switchboard of our national existence. It may be that it is time to consider setting up some organization for coordinating our thinking as to what is more important and what is less important to the nation and its future, for delineating the durable needs of a decent national survival.

There is a need to give direction to the Nation's domestic policy, to plan for future long-term energy needs, long-term land use needs and, indeed, for all long-term needs of the American people. At the present time, there is no such mechanism to guide the Nation's plans for future growth.

In the 92d Congress, I introduced the National Growth Policy Planning Act, S. 3600. In the 93d Congress, I introduced a more comprehensive growth policy measure, S. 1286. During that same session I also introduced legislation to insure that the priorities of any effort to control domestic growth would include a full-employment and land banking program (S. 1857).

The proposal I introduce today is another step in my efforts to develop a National Growth Policy. The creation of a Joint Committee on National Growth and Development Policy will enable Congress to regain its role in formulating domestic policy. Similar efforts have been offered by Congressman Thomas Ashley of Ohio as an amendment to land use legislation and by the distinguished Senator from Minnesota (Mr. Humphrey) as part of his proposal on national growth and development. My bill combines and refines these two proposals.

A Joint Committee on National Growth and Development Policy would help Congress guide and coordinate the Nation's domestic program and give us the means to develop domestic policy alternatives. I am, of course, aware of current proposals to increase congressional responsibility over the budget on a year-to-year or 3-year basis. But the proposal I make today would go beyond budget planning: to develop social policy, to provide long-range planning, to coordinate congressional initiatives and to place an emphasis on those aspects of our domestic problems which cannot be solved by money alone. Such a committee would also provide an interdisciplinary approach not feasible under present congressional committee jurisdictions.

My bill would place three major responsibilities in the proposed joint committee. First, the committee would file with the House of Representatives and the Senate, beginning with the second year of its existence, an annual report containing its findings and recommendations with respect to the actions of executive agencies, States and local governments that will have a significant impact on national growth and development. Second, the committee will provide broad oversight for all major, federally financed programs having a significant effect on national growth and development. To assist this oversight, the Council on Environmental Quality will report to the joint committee each year on the extent to which executive policy and actions have been harmonized toward the development of policies for future national growth. The joint committee could call other witnesses from executive agencies and from the general public as it deems appropriate to obtain the information it requires for its report to the Congress. Third, the committee will undertake special studies to assist the standing committees of Congress in determining means for improving and harmonizing national policies and programs to achieve more desirable patterns and practices of national growth and development.

Mr. President, I ask unanimous consent that the text of my bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

### S. 3220

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Joint Committee on National Growth and Development Act".

Sec. 2. (a) There is established a Joint Committee on National Growth and Development Policy (hereinafter referred to as the "Joint Committee").

(b) The Joint Committee shall be composed of twenty-two members appointed as follows:

(1) eleven members of the Senate appointed by the President pro tempore of the Senate; and

(2) eleven members of the House of Representatives appointed by the Speaker of the House.

Of the members appointed by the President pro tempore of the Senate, seven shall be appointed from among the members of the majority party in the Senate and four shall be appointed from among the members of the minority party of the Senate. Of the members appointed by the Speaker of the House of Representatives, seven shall be appointed from among the members of the majority party in the House and four shall be appointed from among the members of the minority party in the House.

(b)(1) The Joint Committee shall select a chairman and a vice chairman from among its members at the beginning of each Congress in accordance with paragraph (2). The vice chairman shall act as chairman in the absence of the chairman.

(2) The chairman of the Joint Committee during each odd numbered Congress shall be selected by the members of the House of Representatives on the Joint Committee from among their number and the chairman be selected by the members of the Senate on the Joint Committee from among their number. The vice chairman during each Congress shall be chosen in the same manner from that House of Congress other than the House of Congress of which the chairman is a member.

(c) A majority of the members of the Joint Committee shall constitute a quorum for the transaction of business, except that the Joint Committee may fix a lesser number as a quorum for the purpose of taking testimony. Vacancies in the membership of the Joint Committee shall not affect the authority of the remaining members to execute the functions of the Joint Committee and shall be filled in the same manner as the original selection.

(d) The Committee may formulate and refer to the appropriate legislative committees of the Congress for their consideration such proposals or recommendations as will promote the purposes this Act.

(e) No legislative measure shall be referred to the Joint Committee, and it shall have no authority to report any such measure to the Senate or the House.

(f) Each committee of the Congress to which the Joint Committee refers a proposal or recommendation shall endeavor to assure that such proposal or recommendation receives prompt consideration.

#### DUTIES

Sec. 3. (a) It shall be the duty of the Joint Committee—

(1) to make a continuing study of matters relating to the biennial report on uses of land and current and emerging problems of land use required under section 404 of the Land Use Policy Planning Act and the biennial report on urban growth as required by section 103(a) of the Urban Growth and New Community Development Act of 1970 (42 U.S.C. 4501);

(2) to study means of coordinating programs in order to further the policy of this Act and part A of the Urban Growth and New Community Development Act (42 U.S.C. 4502);

(3) to act as a guide to the several committees of the Congress dealing with legislation affecting land use, national development and growth, and the conservation of our natural resources, by submitting not later than April 30, 1975, and each year thereafter, a report to the Senate and the House of Representatives containing the findings and recommendations of the Joint Committee with respect to policies, programs, and actions of the Federal executive agencies, States, regional, and local governments that have had and will have a significant impact on land use, national development and growth, and the conservation of our natural resources;

(4) to provide continuing oversight on behalf of the Congress for all Federal and federally financed programs which have significant impact on land use and national development and growth, and the conservation of our natural resources; and

(5) to conduct special studies to assist the standing committees of the Congress in developing means for improving the coordination and harmonizing of national policies and programs to achieve improved land use planning, to secure the proper allocation of natural resources, to provide for the protection and enhancement of the environment and to assure the achievement of sound, desirable and balanced patterns of national growth and development, consistent with the Nation's economic and social objectives.

(b) To assist the Joint Committee in exercising its oversight responsibilities, the Council on Environmental Quality, and that unit of the Domestic Council or such other office designated by the President as responsible for the development of the biennial report on urban growth shall, either separately or jointly, report to the Joint Committee each year on the extent to which the policies, programs, and actions of the executive departments, independent agencies, and commissions have been coordinated and harmonized toward the development of a comprehensive policy to guide land use, national development and growth, and the conservation of our national resources.

#### ADMINISTRATIVE POWERS

Sec. 4. (a)(1) The Joint Committee, or any subcommittee thereof, is authorized, in its discretion (A) to make expenditures, (B) to employ personnel, (C) to adopt rules respecting its organization and procedures, (D) to hold hearings, (E) to sit and act at any time or place, (F) to subpoena witnesses and documents, (G) with the prior consent of the Federal department or agency concerned, to use on a reimbursable basis the services of personnel, information, and facilities of any such department or agency, (H) to procure printing and binding, (I) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, and to provide assistance for the training of its professional staff, in the same manner and under the same conditions as a standing committee of the Senate may procure such services and provide such assistance under subsections (i) and (j), respectively, of section 202 of the Legislative Reorganization Act of 1946, and (J) to take depositions and other testimony.

(2) Subpoenas may be issued over the signature of the chairman of the Joint Committee or by any member designated by him or the Joint Committee, and may be served by such person as may be designated by such chairman or member. The chairman of the Joint Committee or any member thereof may administer oaths to witnesses. The provisions of sections 102–104 of the Revised Statutes (2 U.S.C. 192–194) shall apply in the case of any failure of any witness to comply with a subpena or to testify when summoned under auhority of this subsection.

(b) With the consent of any standing, select, or special committee of the Senate or the House of Representatives, or any subcommittee thereof, the Joint Committee may utilize the services of any staff member of such House or Senate committee or subcommittee whenever the chairman of the Joint Committee determines that such services are necessary and appropriate.

(c) The expenses of the Joint Committee shall be paid from the contingent fund of the Senate from funds appropriated for the Joint Committee, upon vouchers signed by the chairman of the Joint Committee or by any member of the Joint Committee authorized by the chairman.

(d) Members of the Joint Committee, and its personnel, experts, and consultants, while traveling on official business for the Joint Committee within or outside the United States, may receive either the per diem allowance authorized to be paid to Members of the Congress or its employees, or their actual and necessary expenses if an itemized statement of such expenses is attached to the voucher.

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By Mr. JACKSON (for himself and Mr. Metcalf):

S. 3221. A bill to increase the supply of energy in the United States from the Outer Continental Shelf; to amend the Outer Continental Shelf Lands Act; and for other purposes. Referred to the Committee on Interior and Insular Affairs.

#### ENERGY SUPPLY ACT OF 1974

Mr. JACKSON. Mr. President, it is clear that the United States can no longer afford to rely on foreign sources of energy. The Senate acted to help relieve dependence on foreign resources when it passed the National Energy Research and Development Policy Act (S. 1283) last December. In that act we established as a national objective, "development within 10 years of the option and the capability for the United States to become energy self-sufficient through the use of domestic energy resources by socially and environmentally acceptable means." The research and development program authorized by S. 1283 is designed to help meet that goal in the long run. However, in the shorter term, we must develop our domestic energy resources, particularly fossil fuels, more rapidly. Fortunately, the United States is blessed with vast energy resources, many of which are in the Outer Continental Shelf.

#### CRITICAL ROLE OF OUTER CONTINENTAL SHELF

During the next decade, development of conventional oil and gas from the U.S. Outer Continental Shelf can be expected to provide the largest single source of increased domestic energy; to supply this energy at a lower average cost to the U.S. economy than any alternative; and to supply it with substantially less harm to the environment than almost any other source.

In 1971 the Interior Department estimated that the economic cost—cost exclusive of land acquisition charges and royalties, but including a normal return on capital—for future OCS production would average $1.61 per barrel.

The environmental risks of OCS production are substantial but the probable impact per barrel of oil or MCF of gas produced is certainly orders of magnitude less than that of coal or oil shale mining, conversion and combustion, or operation of onshore stripper wells.

OCS oil and gas and the policy issues associated with them have been relatively neglected during the recent crisis in favor of much less promising concerns such as price incentives for stripper wells and other marginal onshore production—whose aggregate potential contribution to increased output is quite small—or research and development for coal and oil shale conversion—which are high cost sources, have long payout times, and pose very serious environmental problems. Our effort to improve the short- and medium-term supply of domestic primary fuels should be directed first of all toward increasing the rate of exploration and development on the OCS.

The major policy issues concerning the OCS are the rate and location of leasing, environmental safeguards, impacts on coastal States and the bidding system.

### OCS OIL AND GAS RESERVES

The U.S. Geological Survey estimates that there are proved reserves of 2.2 billion barrels of oil and 2.0 trillion cubic feet of gas in the OCS off southern California, and 3.5 billion barrels of oil and 36.8 trillion cubic feet of gas in the OCS in the Gulf of Mexico off Louisiana and Texas. This is a total of 5.7 billion barrels of oil and 38.8 trillion cubic feet of gas.

In addition to the proved, discovered reserves known to exist on the OCS, the continental margin of the United States is believed to contain very large amounts of undiscovered oil and gas resources. The presence of these resources has not actually been demonstrated, nor can it be determined what portion may prove to be economically recoverable even if they are discovered. The figures given represent those arrived at by geological inference from indirect evidence. The distinction between potential resources and proved reserves is an important one, because many billions of dollars of investment and much effort separate the one from the other.

Subject to the caveat just given, the U.S. Geological Survey estimates that the potential recoverable petroleum resources remaining on the OCS of the United States out to a water depth of 200 meters are 200 billion barrels of crude oil and natural gas liquids and about 850 trillion cubic feet of natural gas. For purposes of comparison, the United States consumed 6 billion barrels of oil and 23 trillion cubic feet of gas in 1973.

### WHY UPDATE THE OCS ACT?

Because the OSC represents such a large and promising area for oil and gas exploration, it is becoming increasingly clear that the Congress must review the OCS Act of 1953—which has never been amended—to determine if it provides adequate authority and guidelines for the kind of development activity that probably will take place in the next few years.

Despite Santa Barbara and the intense and justified concern of many people over the potential damage to the environment from oil and gas development on the OCS, there is an increasing feeling that OCS development may well be more acceptable environmentally than other potential domestic energy resources such as massive strip mining for coal and oil shale.

There are a variety of obstacles to OSC oil and gas development today. These include technological, economic, environmental, legal, and administrative problems.

I believe that increasing recognition of the need for rapid and responsible—as opposed to quick and dirty—development of the OCS requires revision of the Outer Continental Shelf Lands Act of 1953.

The National Fuels and Energy Policy Study already has an excellent hearing record and valuable documentation on these issues in Outer Continental Shelf Policy Issues (92–27, parts I–III); Federal Leasing and Disposal Issues (92–32); and Trends in Oil and Gas Exploration (92–33, parts I and II).

### BRIEF DESCRIPTION OF ENERGY SUPPLY ACT

There are two basic thrusts to my bill. First, it reasserts Congress' special constitutional responsibility to "make all needful rules and regulations respecting the territory or other property belonging to the United States." (U.S. Const. art. IV sec. 3 cl. 2). The 1953 act is essentially a carte blanche delegation of authority to the Secretary of the Interior. The increased importance of OCS resources, the increased consideration of environmental impacts and emphasis on comprehensive planning, require Congress to put some "flesh on the bones" in the form of standards and criteria for the Secretary to follow in the exercise of his authority.

Second, the bill gives the Secretary new authority needed to manage the programs anticipated in the last third of the 20th century.

### SIGNIFICANT PROVISIONS

The following is a brief summary of the more significant changes which the Energy Supply Act would make in the OCS Act.

### 1. POLICY

The act declares that the OCS is a vital national resource reserve held in trust for all the people, which should be made available for orderly development subject to environmental safeguards, when necessary to meet national needs.

### 2. LEASING PROGRAM

The Secretary is directed to prepare a comprehensive leasing program designed to carry out the objective of making available for leasing by 1985 all OCS lands geologically favorable for oil and gas development without environmental damage. This program would indicate the size, timing, and location of leasing activity which the Secretary believes would meet national energy needs over the next 10 years. The leasing program must be consistent with the following principles:

First, management of the Outer Continental Shelf in a manner which considers all its resource values and the potential impact of oil and gas development on other resource values and the marine environment;

Second, timing and location of leasing so as to distribute and decentralize exploration, development, and production of oil and gas among various areas of the Outer Continental Shelf considering: Existing information concerning their geographical, geological, and ecological characteristics; their location with respect to, and relative needs, of regional energy markets; interest by potential oil and gas producers in exploration and development as indicated by tract nominations and other representations; an equitable sharing of developmental benefits and environmental risks among various regions of the United States; and

Third, receipt of fair market value for public resources.

The program would include estimates of appropriations and staffing required to prepare the necessary environmental impact statements, obtain resource data and any other information needed to decide whether to issue any lease and to supervise operations under every lease in the manner necessary to assure compliance with the requirements of the law, the regulations, and the lease.

The environmental impact statement on the leasing program would include an assessment by the Secretary of the relative significance of the OCS energy resources toward meeting national demands, the capability of industry to develop those resources, and the relative environmental hazard of each area proposed to be leased.

There are provisions for public participation in the development of the program and coordination with the States which may be impacted by leasing and with management programs established pursuant to the Coastal Zone Management Act of 1972.

The leasing program would have to be revised and reapproved periodically. Once the program has been approved, no leases would be issued unless they are for areas included in the program. The Secretary would be authorized to obtain from private sources any data and reports which he needed to prepare the program.

### 3. FEDERAL OIL AND GAS SURVEY PROGRAM

The Secretary would be directed to conduct a survey of oil and gas resources of the OCS. This program would be designed to provide information about the probable location, extent and characteristics of these resources. It would provide a basis for development and revision of the leasing program and more informed decisions about fair market value of resources. As part of this program the Secretary would be authorized to purchase data and conduct drilling on the OCS. The Secretary would prepare and publish maps and reports on the OCS.

### 4. RESEARCH AND DEVELOPMENT

To improve technology used in OCS development, the Secretary would be directed to carry out a research and development program. This would include consideration of first, downhole safety devices; second, methods for reestablishing control of blowing out or burning wells; third, methods for containing and cleaning up oil spills; fourth, improved drilling bits; fifth, improved flaw detection systems for undersea pipelines; sixth, new or improved methods of development in water depths over 600 meters; and seventh, subsea production systems.

### 5. ENFORCEMENT OF SAFETY REGULATIONS

To assure that increased OCS development proceeds in as safe a manner as possible, the Secretary would be directed to conduct regular inspections and strictly enforce safety regulations. The inspections must take place at every stage of operations which means that Congress must provide funding and manpower needed. Penalties for violation of the regulations would be increased and lessees would be required to give the Secretary any information he needs to assure a safe operation.

### 6. LIABILITY FOR OIL SPILLS

Strict liability for damage from oil spills would be imposed on all lessees.

### 7. ASSISTANCE TO THE COASTAL STATES

Since the coastal States are the ones directly impacted by OCS development, a portion of the revenues from the OCS would be made available for grants to those states to assist them in meeting the environmental, economic, and social impacts of OCS development.

### 8. DEVELOPMENT AND PRODUCTION REQUIREMENTS

The Secretary would be directed to include a development plan in each lease which would spell out the work to be performed and a time schedule for performance. These plans could, of course, be revised in light of changed circumstances. Unitization or other agreements would be encouraged to achieve full development and maximum production from leases.

### 9. REVISED BIDDING SYSTEMS

There has been considerable public discussion and debate about the need for revised bidding systems for OCS leases. The Department of Interior has announced that it intends to experiment with royalty bidding. Others have advocated work program bidding such as has been used in the North Sea. My bill would substitute net profit sharing of 55 percent for the Federal royalty of not less than 12½ percent. Royalty bidding would not be permitted.

Cash bonus bidding is in most cases the best system of—placing acreage in the hands of responsible, capable and diligent operators—encouraging early exploration and development of OCS leases—maximizing ultimate recovery—assuring fair market value for the Government.

Royalty bidding—now permitted under the law as an alternative to bonus bidding, but never used—will result in very high bids because an operator risks little with such a bid. At high royalty rates only the lowest cost oil and gas will be developed and produced. With a cash bonus and the present OCS royalty rate of 16⅔ percent, an operator would develop any property for which the cost of production less royalty was less than 83⅓ percent of the wellhead price. With a royalty rate of 75 percent, no oil that cost more than 25 percent of the wellhead price would be developed. Perhaps only half as much oil and gas would be produced under royalty bidding as under the present system.

Net profit sharing is a preferable alternative and should be tried on an experimental basis.

In addition to changes to the OCS Act, the Energy Supply Act contains a number of miscellaneous provisions dealing with a variety of subjects related to more rapid development of domestic energy supply.

Mr. President, I intend to hold hearings on the Energy Supply Act of 1974 and other bills dealing with the OCS in the very near future. These include S. 2672, introduced by Senator Chiles, S. 2858, introduced by Senator Tunney, S. 2922, introduced by Senator Hathaway, and S. 2389, introduced by Senator Stevens.

In order to make the text of my bill available to Senators and other interested parties, I ask unanimous consent that a brief summary of the bill and its full text be printed in the Record following my remarks.

There being no objection, the bill and description were ordered to be printed in the Record, as follows:

### Section-by-Section Description of Energy Supply Act of 1974

Section 1 contains the short title and table of contents.

### TITLE I. FINDINGS AND PURPOSES

Section 101 sets out a number of findings about the current and future energy supply situation, and the potential role of the oil and gas resources of the Outer Continental Shelf (OCS).

Section 102 states the purposes of the Act. These include increasing production of oil and gas from the Outer Continental Shelf in a manner which assures orderly resource development, protection of the environment, and receipt of fair market value for public resources and encouraging development of new technology to increase human safety and eliminate or reduce environmental damage.

### TITLE II. INCREASED PRODUCTION OF OUTER CONTINENTAL SHELF ENERGY RESOURCES

This title contains a series of amendments to the Outer Continental Shelf Lands Act of 1953 (43 U.S.C. 1331–43) (OCS Act).

Section 201 amends Section 3 of the OCS Act to add a policy statement that OCS is held in trust for all the people, and its resources should be made available for orderly development.

Section 202 adds 11 new sections to the OCS Act. These are:

(1) Sec. 18 establishes a policy of making available for leasing by 1985 all OCS lands determined to be both geologically favorable for oil and gas and capable of supporting development without undue environmental hazard. It also directs the Secretary to prepare a 10-year leasing program. It sets out policies to be followed in preparing the program including orderly development of energy resources, environmental protection, receipt of fair market value, public participation, and intergovernmental coordination. All leasing activity must follow the program after January 1, 1976.

(2) Sec. 19 directs the Secretary to conduct a survey of the oil and gas resources of the OCS. This will be done by the Geological Survey. It requires publication of topographic, geological and geophysical maps of and reports about the OCS.

(3) Sec. 20 mandates a research and development program for improved technology for production, safety, and environmental protection.

(4) Sec. 21 imposes more stringent requirements for environmental protection in regulations and inspections of OCS operations.

(5) Sec. 22 establishes unlimited strict liability for damages from oil spills.

(6) Sec. 23 directs negotiation of interim agreements with coastal states to permit oil and gas development pending resolution of jurisdictional disputes.

(7) Sec. 24 directs the President to establish procedures to settle boundary disputes with the States, Mexico and Canada.

(8) Sec. 25 establishes a Coastal States Fund to assist the coastal states to ameliorate the adverse impacts of OCS oil and gas development. The Secretary would make grants to coastal states for planning, construction of public facilities and provision of public services. The Fund would come from OCS revenues.

(9) Sec. 26 authorizes citizen suits to enforce the OCS Act.

(10) Sec. 27 directs the Secretary of the Interior to recommend ways of promoting competition and maximize production and revenues from the OCS.

(11) Sec. 28 establishes criminal and civil penalties for violations of the Act.

Section 203 amends Section 8 of the OCS Act to provide for competitive leasing on basis of cash bonus and fixed royalty (present system) or cash bonus with payment of 55% of net profits to the United States. Royalty bidding, permitted but never tried under existing law, would be prohibited.

Section 204 amends Section 8 of the OCS Act to require competitive sale of all Federal royalty oil from future leases.

Section 205 amends Section 15 of the OCS Act to require a more comprehensive annual report of OCS activity.

Section 206 amends Section 5 of the OCS Act by adding limitations on extension of non-producing leases, requirements for development plans which must be adhered to, and a prohibition against flaring of gas from wells on the OCS.

Section 207 amends Section 11 of the OCS Act to require permits for geological or geophysical exploration on the OCS.

Section 208 amends Section 5 of the OCS Act to delete provisions made unnecessary by the new enforcement provisions.

### TITLE III. MISCELLANEOUS PROVISIONS

Section 301 directs the Secretary of Transportation to review appropriations and staffing needed to monitor adequately pipelines to assure that they meet safety standards and to identify needs for new legislation. It also directs the Interstate Commerce Commission and the Secretary of Transportation to report on the adequacy for transportation facilities for OCS oil and gas.

Section 302 authorizes the Federal Energy Administration to allocate materials necessary for exploration, development, production, or transportation of OCS oil and gas resources.

Section 303 directs the Secretary of Commerce to study the need for and availability of capital to finance exploration, development, production, and transportation of domestic energy resources. The study will assess the need for Federal loans, loan guarantees, or other forms of assistance.

Section 304 directs a study of water reservoir projects to identify additional hydropower capability and a study of the need for a national power grid.

Section 305 directs a study of means to maximize resource recovery and minimize environmental impact in development of energy resources.

Section 306 requests the President to negotiate with foreign countries which have limited exports of energy development equipment to the United States.

Section 307 calls for identification of potential sites for energy production (refinery, generating plants) and transmission on Federal lands.

Section 308 directs the Secretary to study methods for expediting Federal energy-related actions.

Section 309 is a standard severability clause.

Section 310 defines certain terms used in the Act.

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*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Energy Supply Act of 1974".

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## TITLE I—FINDINGS AND PURPOSES

### FINDINGS

SEC. 101. The Congress finds and declares that—

(1) the demand for energy in the United States is increasing and will continue to increase for the foreseeable future;

(2) domestic production of oil and gas has declined in recent years;

(3) the United States has become increasingly dependent upon imports of oil from foreign nations to meet domestic energy demand;

(4) increasing reliance on imported oil is not inevitable, but is rather subject to significant reduction by wise choices in policy;

(5) consumption of natural gas in the United States has greatly exceeded additions to domestic reserves in recent years, so that currently available supplies are less than demand;

(6) technology is or can be made available which will allow sufficient production and consumption of domestic energy supply to meet demands consistent with national environmental policies;

(7) the Outer Continental Shelf contains significant quantities of petroleum and natural gas, which are a vital national reserve that must be carefully managed in the public interest; and

(8) there presently exists a variety of technological, economic, environmental, administrative, and legal problems which tend to retard the development of the oil and natural gas resources of the Outer Continental Shelf.

### PURPOSES

SEC. 102. The purposes of this Act are to—

(1) increase domestic production of oil and natural gas in order to assure material prosperity and national security, reduce dependence on unreliable foreign sources, and assist in maintaining a favorable balance of payments;

(2) make oil and natural gas resources in the Outer Continental Shelf available as rapidly as possible consistent with the need for orderly resource development, protection of the environment, and receipt by the Government of fair market value for private use of public resources.

(3) assist in development of other energy resources; and

(4) encourage development of new and improved technology for energy resource production that will increase human safety and eliminate or reduce risk of damage to the environment.

## TITLE II—INCREASED PRODUCTION OF OUTER CONTINENTAL SHELF ENERGY RESOURCES

### NATIONAL POLICY FOR OUTER CONTINENTAL SHELF

SEC. 201. Section 3 of the Outer Continental Shelf Lands Act is revised by adding the following new subsection (c):

"(c) It is hereby declared that the Outer Continental Shelf is a vital national resource reserve held in trust by the Federal Government for all the people, which should be made available for orderly development, subject to environmental safeguards, consistent with and when necessary to meet national needs.".

### NEW SECTIONS OF OUTER CONTINENTAL SHELF LANDS ACT

SEC. 202. The Outer Continental Shelf Lands Act is hereby amended by adding the following new sections:

### "DEVELOPMENT OF OUTER CONTINENTAL SHELF LEASING PROGRAM

"SEC. 18. (a) Congress declares that it is the policy of the United States that prior to 1985 all Outer Continental Shelf lands determined to be both geologically favorable for the accumulation of oil and gas and capable of supporting oil and gas development without undue environmental hazard or damage should be made available for leasing as soon as practicable after that determination is made.

"(b) The Secretary is authorized and directed to prepare and maintain a leasing program to implement the policy set forth in subsection (a). The leasing program shall indicate the size, timing, and location of leasing activity that will best meet national energy needs for the ten-year period following its approval or reapproval in a manner consistent with subsection (a) above and with the following principles:

"(1) management of the Outer Continental Shelf in a manner which considers all its resource values and the potential impact of oil and gas exploration and development on other resource values of the Outer Continental Shelf and the marine environment;

"(2) timing and location of leasing so as to distribute and decentralize exploration, development, and production of oil and gas among various areas of the Outer Continental Shelf, considering:

"(A) existing information concerning their geographical, geological, and ecological characteristics;

"(B) their location with respect to, and relative needs of, regional energy markets;

"(C) interest by potential oil and gas producers in exploration and development as indicated by tract nominations and other representations;

"(D) an equitable sharing of developmental benefits and environmental risks among various regions of the United States; and

"(3) receipt of fair market value for public resources.

"(c) The program shall include estimates of the appropriations and staffing required to prepare the necessary environmental impact statements, obtain resource data and any other information needed to decide the order in which areas are to be scheduled for lease, to make the analyses required prior to offering tracts for lease, and to supervise operations under every lease in the manner necessary to assure compliance with the requirements of the law, the regulations, and the lease.

"(d) The environmental impact statement on the leasing program prepared in accordance with section 102(2)(C) of the National Environmental Policy Act of 1969, shall include, but shall not be limited to, an assessment by the Secretary of the relative significance of the probable oil and gas resources of each area proposed to be offered for lease in meeting national demands, the most likely rate of exploration and development that is expected to occur if the areas are leased, and the relative environmental hazard of each area. Such environmental impact statement shall be based on consideration of the following factors, without being limited thereto: geological and geophysical conditions, biological data on existing animal, marine, and plant life, and commercial and recreational uses of nearby land and water areas.

"(e) The Secretary shall, by regulation, establish procedures for receipt and consideration of nominations for areas to be offered for lease or to be excluded from leasing, for public notice of and participation in development of the leasing program, for review by State and local governments which may be impacted by the proposed leasing, and for coordination of the program with management programs established pursuant to the Coastal Zone Management Act of 1972. These procedures will be applicable to any revision or reapproval of the leasing program.

"(f) The Secretary shall publish a proposed leasing program in the Federal Register and submit it to the Congress within one year after enactment of this section.

"(g) After the leasing program has been approved by the Secretary or after January 1, 1976, whichever comes first, no leases under this Act may be issued unless they are for areas included in the approved leasing program.

"(h) The Secretary may revise and reapprove the leasing program at any time and he must review and reapprove the leasing program at least once each year.

"(i) The Secretary is authorized to obtain from public or private sources, any surveys, data, reports, or other information (including, but not limited to, data about the location of potential oil and gas reserves) which may be necessary to assist him in preparing environment impact statements and making other evaluations required by this Act.

"(j) The heads of all Federal departments or agencies are authorized and directed to provide the Secretary with any information he requests to assist him in preparing the leasing program.

### "FEDERAL OUTER CONTINENTAL SHELF OIL AND GAS SURVEY PROGRAM

"SEC. 19. (a) The Secretary is authorized and directed to conduct a survey program regarding oil and gas resources of the Outer

Continental Shelf. This program shall be designed to provide information about the probable location, extent, and characteristics of such resources in order to provide a basis for (1) development and revision of the leasing program required by section 18 of this Act, (2) greater and better informed competitive interest by potential producers in the oil and gas resources of the Outer Continental Shelf, (3) more informed decisions regarding the value of public resources and revenues to be expected from leasing them, and (4) the mapping program required by subsection (c) of this section.

"(b) The Secretary is authorized to conduct, contract for, or purchase the results of seismic, geomagnetic, gravitational, geophysical, or geochemical investigations or drilling, needed to implement the provisions of this section.

"(c) The Secretary is directed to prepare and publish and keep current a series of detailed topographic, geological, and geophysical maps of and reports about the Outer Continental Shelf which shall include, but not necessarily be limited to, the results of seismic, gravitational, and magnetic surveys on a grid spacing no greater than two kilometers. Such maps shall be prepared and published—

"(1) no later than July 1, 1976, for any areas of the Outer Continental Shelf under oil and gas lease on the date of enactment of this section or scheduled for lease on or before June 30, 1977;

"(2) no later than six months prior to the last day for submission of bids for any areas of the Outer Continental Shelf scheduled for least on or after July 1, 1977; and

"(3) in no case later than ten years after the date of enactment of this section.

"(d) Within six months after enactment of this section, the Secretary shall develop and submit to Congress a plan for conducting the survey and mapping programs required by this section. This plan shall include an identification of the areas to be surveyed and mapped during the first five years of the programs and estimates of the appropriations and staffing required to implement them.

"(e) On or before the expiration of the twenty-month period following the effective date of this title, the Secretary shall submit a report to the Congress concerning the carrying out of his duties under this section, together with a summary of the initial data compiled, and shall thereafter, on not less than an annual basis, submit a report to the Congress concerning the carrying out of such duties and shall include as a part of each such report a summary of the current data for the period covered by the report.

"(f) No action taken to implement this section except the drilling of exploratory wells for oil and gas shall be considered a major Federal action for the purposes of section 102(2)(C) of the National Environmental Policy Act of 1969.

"(g) There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this section during fiscal years 1975 and 1976.

"(h) The Secretary shall, by regulation, require that any person holding a lease or permit for oil or gas exploration or development on the Outer Continental Shelf shall provide the Secretary with any data or information about the oil or gas resources in the area subject to the lease or permit.

### "RESEARCH AND DEVELOPMENT

"SEC. 20. (a) The Secretary is authorized and directed to carry out a research and development program designed to improve technology related to development of the oil and gas resources of the Outer Continental Shelf including but not limited to—

"(1) downhole safety devices,

"(2) methods for reestablishing control of blowing out or burning wells,

"(3) methods for containing and cleaning up oil spills,

"(4) improved drilling bits,

"(5) improved flaw detection systems for undersea pipelines,

"(6) new or improved methods of development in water depths over six hundred meters, and

"(7) subsea production systems.

"(b) The Secretary is authorized and directed, after review and comment by the Administrator of the Environmental Protection Agency, to establish safety and environmental standards for all pieces of equipment used in exploration, development, and production of oil and gas from the Outer Continental Shelf.

"(c) The Secretary shall establish equipment and performance standards for oil spill cleanup plans and operations. Such standards shall be coordinated with the National Oil and Hazardous Substances Pollution Contingency Plan, and reviewed by the Administrator of the Environmental Protection Agency, the Administrator of the National Oceanic and Atmospheric Administration, and the Commandant of the Coast Guard.

"(d) The Secretary, in cooperation with the Secretary of the Navy and the Director of the National Institutes of Health, shall conduct studies of underwater diving techniques and equipment suitable for protection of human safety at depths greater than those where such diving now takes place.

### "ENFORCEMENT OF SAFETY REGULATIONS; INSPECTIONS

"SEC. 21. (a) (1) The Secretary shall regularly inspect all operations authorized pursuant to this Act and strictly enforce safety regulations promulgated pursuant to this Act and other applicable laws and regulations relating to public health, safety, and environmental protection. All holders of leases under this Act shall allow promptly access at the site of any operations subject to safety regulations to any inspector, and provide such documents and records as the Secretary or his designee may request.

"(2) The Secretary shall promulgate regulations within ninety days of the enactment of this section to provide for—

"(A) physical observation by an inspector of the installation and testing at least once each year of all safety equipment designed to prevent or ameliorate blowouts, fires, spillages, or other major accidents; and

"(B) onsite inspection to assure compliance with safety regulations for at least some period of time during each important phase of operations, including but not limited to—

"(i) exploratory drilling;

"(ii) production drilling;

"(iii) well completion and normal production of oil and gas;

"(iv) capping or plugging of wells;

"(v) major servicing or repairs of equipment; and

"(vi) laying of pipelines or installation of storage facilities.

"(3) The Secretary shall make an investigation and public report on all fires and major oil spillages occurring as a result of operations pursuant to this Act. For the purposes of this subsection, a major oil spillage is any spillage in one instance of more than two hundred barrels of oil over a period of thirty days: *Provided*, That the Secretary may, in his discretion, make an investigation and report of lesser oil spillages. All holders of leases under this Act shall cooperate with the Secretary in the course of such investigations.

"(4) For the purposes of carrying out his responsibilities under this section, the Secretary may by agreement utilize with or without reimbursement the services, personnel, or facilities of any Federal agency.

"(b) The Secretary shall make a report to the Congress within thirty days of the end of each fiscal year detailing enforcement activities under this Act for the previous year, and giving any recommendations for increasing safety of operations in the Outer Continental Shelf or increasing the effectiveness of enforcement of safety regulations. Such report shall state the number of violations of safety regulations found, the names of the violators, and the action taken thereon.

"(c) The issuance and continuation in effect of any lease, or of any extension, renewal, or replacement of any lease under the provision of this Act, shall be conditioned upon compliance with the safety regulations issued under this Act.

"(d) The Secretary shall consider any petition from any person alleging the existence of a violation of any safety regulations issued under this Act. The Secretary shall answer such petition no later than ninety days after receipt thereof, stating whether or not such alleged violations exist and, if so, what action has been taken.

### "LIABILITY FOR OIL SPILLS

"SEC. 22. (a) Any person in charge of any operations or facilities in the Outer Continental Shelf, as soon as he has knowledge of a discharge or spillage of oil from an operation, shall immediately notify the appropriate agency of the United States Government of such discharge.

"(b) (1) Except when the holder of a lease issued or maintained under this Act can prove the damages in connection with or resulting from the discharge or spillage of oil from an operation in the Outer Continental Shelf, were caused by an act of war, or the damaged party, such holder shall be strictly liable to all damaged parties, public or private, without regard to fault for such damages, and without regard to ownership of any affected lands, structures, fish, wildlife, or biotic or other natural resources relied upon by any damaged party for subsistence or economic purposes.

"(2) In any case where liability without fault is imposed pursuant to this subsection and the damages involved were caused by the negligence of a third party, the rules of subrogation shall apply in accordance with the law of the jurisdiction where the damage occurred.

"(c) If any area within or without a lease granted or maintained under this Act is polluted by any discharge or spillage of oil from operations conducted by or on behalf of the holder of such lease, and such pollution damages or threatens to damage aquatic life, wildlife, or public or private property, the control and total removal of the pollutant shall be at the expense of such holder, including administrative and other costs incurred by the Secretary or any other Federal officer or agency. Upon failure of such holder to adequately control and remove such pollutant, the Secretary in cooperation with other Federal, State, or local agencies, or in cooperation with such holder, or both, shall have the right to accomplish the control and removal at the expense of the holder.

"(d) The Secretary shall establish requirements that all holders of leases issued or maintained under this Act shall carry insurance in an amount sufficient to provide for cleanup of and adequate compensation for damages which may result from any discharge or spillage of oil resulting from operations in the Outer Continental Shelf.

"(e) The provisions of this section shall not be interpreted to supersede section 311 of the Federal Water Pollution Control Act Amendments of 1972 or preempt the field of strict liability or to preclude any State from imposing additional requirements.

### "NEGOTIATIONS WITH STATES

"SEC. 23. The Secretary is authorized and directed to negotiate with those coastal States which are asserting jurisdiction over the Outer Continental Shelf with a view to developing interim agreements which will allow energy resource development prior to final judicial resolution of the dispute.

### "DETERMINATION OF BOUNDARIES

"SEC. 24. Within one year following the date of enactment of this section, the President shall establish procedures for settling any outstanding boundary disputes, including international boundaries between the United States and Canada and between the United States and Mexico, and establish boundaries between adjacent States, as directed in section 4 of this Act.

### "COASTAL STATE FUND

"SEC. 25. (a) There is hereby established in the Treasury of the United States the Coastal States Fund (hereinafter referred to as the 'fund'). The Secretary is authorized to make grants from the fund to the coastal States to assist them to ameliorate adverse environmental effects and control secondary social and economic impacts associated with the development of Federal energy resources in, or on the Outer Continental Shelf adjacent to the submerged lands of, such States. Such grants may be used for planning, construction of public facilities, and provision of public services, and such other activities as the Secretary may prescribe by regulations. Such regulations shall, at a minimum, (1) provide that such activities be directly related to such environmental effects and social and economic impacts; and (2) require each coastal State, as a requirement of eligibility for grants from the fund, to establish pollution containment and cleanup systems for pollution from energy resource development activities on the submerged lands, and the Outer Continental Shelf adjacent to such lands, of each such State.

"(b) The Secretary, in accordance with the provisions of subsection (a), shall, by regulation, establish requirements for grant eligibility: *Provided,* That no grant shall be for more than 90 per centum of the activity or activities to be conducted under such grant. The Secretary shall coordinate all grants with management programs established pursuant to the Coastal Zone Management Act of 1972.

"(c) Notwithstanding any other provision of law, 5 per centum of the Federal revenues from the Outer Continental Shelf Lands Act, as amended by this Act, shall be paid into the fund: *Provided,* That the total amount paid into the fund shall not exceed $200,000,000 per year.

"(d) For the purpose of this section, 'coastal State' means a State of the United States in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, or Long Island Sound.

### "CITIZEN SUITS

"SEC. 26. (a) Except as provided in subsection (b) of this section, any person having an interest which is or may be adversely affected may commence a civil action on his own behalf—

"(1) against any person including—

"(A) the United States, and

"(B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution who is alleged to be in violation of the provisions of this Act or the regulation promulgated thereunder, or any permit or lease issued by the Secretary; or

"(2) against the Secretary where there is alleged a failure of the Secretary to perform any act or duty under this Act which is not discretionary with the Secretary.

"(b) No action may be commenced—

"(1) under subsection (a)(1) of this section—

"(A) prior to sixty days after the plaintiff has given notice in writing under oath of the violation (i) to the Secretary, and (ii) to any alleged violator of the provisions of this Act or any regulations promulgated thereunder, or any permit or lease issued thereunder;

"(B) if the Secretary has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with the provisions of this Act or the regulations thereunder, or the lease, but in any such action in a court of the United States any person may intervene as a matter of right; or

"(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice in writing under oath of such action to the Secretary, in such manner as the Secretary shall by regulation prescribe, except that such action may be brought immediately after such notification in the case where the violation complained of, constitutes an imminent threat to the health or safety of the plaintiff or would immediately affect a legal interest of the plaintiff.

"(c) In any action under this section, the Secretary if not a party, may intervene as a matter of right.

"(d) The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation to any party, whenever the court determines such award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filling of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

"(e) Nothing in this section shall restrict any right which any person (or class of persons) may have under this or any statute or common law to seek enforcement of any of the provisions of this Act and the regulations thereunder, or to seek any other relief, including relief against the Secretary.

### "PROMOTION OF COMPETITION

"SEC. 27. Within one year after the date of enactment of this section, the Secretary shall prepare and publish a report with recommendations for promoting competition and maximizing production and revenues from the leasing of Outer Continental Shelf lands, and shall include a plan for implementing recommended administrative changes and drafts of any proposed legislation. Such report shall include consideration of the following—

"(1) other competitive bidding systems permitted under present law as compared to the bonus bidding system;

"(2) evaluation of alternative bidding systems not permitted under present law;

"(3) measures to ease entry of new competitors; and

"(4) measures to increase supply to independent refiners and distributors.

### "ENFORCEMENT AND PENALTIES

"SEC. 28. (a) At the request of the Secretary, the Attorney General may institute a civil action in the district court of the United States for the district in which the affected operation is located for a restraining order or injunction or other appropriate remedy to enforce any provision of this Act or any regulation or order issued under the authority of this Act.

"(b) If any person shall fail to comply with any provision of this Act, or any regulation or order issued under the authority of this Act, after notice of such failure and expiration of any period allowed for corrective action, such person shall be liable for a civil penalty of not more than $5,000 for each and every day of the continuance of such failure. The Secretary or the Administrator may assess and collect any such penalty.

"(c) Any person who knowingly and willfully violates any provision of this Act, or any regulation or order issued under the authority of this Act, or makes any false statement, representation, or certification in any application, record, report, plan or other document filed or required to be maintained under this Act or who knowingly and willfully falsifies, tampers with, or knowingly and willfully renders inaccurate any monitoring device or method or record required to be maintained under this Act, shall, upon conviction, be punished by a fine of not more than $100,000, or by imprisonment for not more than one year, or both. Each day that a violation continues shall constitute a separate offense.

"(d) Whenever a corporation or other entity violates any provision of this Act, or any regulation or order issued under the authority of this Act, any director, officer, or agent of such corporation or entity who authorized, ordered, or carried out such violation shall be subject to the same fines or imprisonment as provided for under subsection (c) of this section.

"(e) The remedies prescribed in this section shall be concurrent and cumulative and the exercise of one does not preclude the exercise of the others. Further, the remedies prescribed in this section shall be in addition to any other remedies afforded by any law or regulation.".

### REVISION OF LEASE TERMS

SEC. 203. Section 8 of the Outer Continental Shelf Lands Act is amended by revising subsections (a) and (b) to read as follows:

"(a) The Secretary is authorized to grant to the highest responsible qualified bidder by competitive bidding under regulations promulgated in advance, oil and leases on submerged lands of the Outer Continental Shelf which are not covered by leases meeting the requirements of subsection (a) of section 6 of this Act. The bidding shall be (1) by sealed bids, and (2) at the discretion of the Secretary on the basis of a cash bonus with a royalty fixed by the Secretary at not less than 12½ per centum in amount or value of the production saved, removed, or sold, or on the basis of a cash bonus with a 55 per centum share of the net profits derived from operation of the tract reserved to the United States. The United States' net profit share shall be calculated on the basis of the value of the production saved, removed, or sold, less those capital and operating costs directly assignable to the development and operation of all oil and gas leases issued under this Act to the lessee under a net profitsharing arrangement. No capital or operating charges for materials or labor services not actually used on an area leased for oil or gas under this Act under a net profitsharing arrangement, or allocation of income taxes shall be permitted as a deduction in the calculation of net income. The Secretary shall by regulation establish accounting procedures and standards to govern the calculation of net profits. In the event of any dispute between the United States and a lessee concerning the calculation of the net profits the burden of proof shall be on the lessee.

"(b) An oil and gas lease issued by the Secretary pursuant to this section shall (1) cover a compact area not exceeding five thousand seven hundred and sixty acres, as the Secretary may determine, (2) be for a period of five years and as long thereafter as oil or gas may be produced from the area in paying quantities, or drilling or well reworking operations as approved by the Secretary are conducted thereon, and (3) contain such rental provisions and such other terms and provisions as the Secretary may prescribe at the time of offering the area for lease."

### DISPOSITION OF FEDERAL ROYALTY OIL

SEC. 204. Section 8 of the Outer Continental Shelf Lands Act as amended by this Act is further amended by adding a new subsection (k) to read as follows:

"(k) Upon commencement of production of oil and gas from any lease, issued after the effective date of this subsection, the Secretary shall offer to the public and sell by competitive bidding for not less than its value, in such amounts and for such terms as he determines, that proportion of the oil and gas produced from said lease which is due to the United States as royalty. The lessee shall take any such royalty oil or gas for which no acceptable bids are received and shall pay to the United States a cash royalty equal to its value, but in no less than the highest bid.".

### ANNUAL REPORT

SEC. 205. Section 15 of the Outer Continental Shelf Lands Act is amended to read as follows:

### "ANNUAL REPORT BY SECRETARY TO CONGRESS

"SEC. 15. Within six months after the end of each fiscal year, the Secretary shall submit to the President of the Senate and the Speaker of the House of Representatives a report on the leasing and production program in the Outer Continental Shelf during such fiscal year, including a detailing of all moneys received and expended, and of all leasing, development, and production activities; a summary of management, supervision, and enforcement activities; and recommendations to the Congress for improvements in management, safety and amount of production in leasing and operations in the Outer Continental Shelf and for resolution of jurisdictional conflicts or ambiguities.".

### INSURING MAXIMUM PRODUCTION FROM OIL AND GAS LEASES

SEC. 206. Section 5 of the Outer Continental Shelf Lands Act is amended by adding the following new subsections:

### "Insuring Maximum Production From Oil and Gas Leases

"(d) The Secretary shall not extend any outstanding oil and gas lease or grant a waiver or extension of any development requirements of such lease unless the Secretary determines that such extension or waiver is reasonably certain to result in production of oil or gas within the period of the extension and until sixty days (not counting days on which the House of Representatives or the Senate has adjourned for more than three days) after notice that such action is proposed has been published in the Federal Register and submitted to the Congress.

"(e) Within twelve months after enactment of this section, the Comptroller General shall audit all shut-in wells on the Outer Continental Shelf and report his findings to the Congress. His report shall indicate why each well is shut in.

"(f) Within six months after enactment of this section the Secretary shall review all outstanding oil and gas leases issued pursuant to this Act and require such unitization or cooperative or pooling agreements as he determines are necessary to achieve full development of and maximum production from such leases.

"(g) (1) After enactment of this section no oil and gas lease may be issued pursuant to this Act unless the lease requires that development be carried out in accordance with a development plan which has been approved by the Secretary, and provides that failure to comply with such development plan will terminate the lease.

"(2) The development plan will set forth, in the degree of detail established in regulations issued by the Secretary, specific work to be performed, environmental protection and health and safety standards to be met, and a time schedule for performance.

"(3) With respect to permits and leases outstanding on the date of enactment of this section, a proposed development plan must be submitted to the Secretary within six months after the date of enactment of this section. Failure to submit a development plan or to comply with an approved development plan shall terminate the permit or lease.

"(4) The Secretary may approve revisions of development plans if he determines that revision will lead to greater recovery of the oil and gas, improve the efficiency of the recovery operation, or is the only means available to avoid severe economic hardship on the lessee or permittee.

"(h) After the date of enactment of this section, holders of oil and gas leases issued pursuant to this Act shall not be permitted to flare natural gas from any well unless the Secretary finds that the only practicable way to prevent flaring would be to shut-in the well."

### GEOLOGICAL AND GEOPHYSICAL EXPLORATION

SEC. 207. Section 11 of the Outer Continental Shelf Lands Act is hereby amended to read as follows:

"SEC. 11. No person shall conduct any type of geological or geophysical explorations in the Outer Continental Shelf without a permit issued by the Secretary. Each such permit shall contain terms and conditions designed to (1) prevent interference with actual operations under any lease maintained or granted pursuant to this Act; (2) prevent or minimize environmental damage; and (3) require the permittee to furnish the Secretary with copies of all data (including geological, geophysical, and geochemical data, well logs, and drill cores) obtained during such exploration.".

### ENFORCEMENT

SEC. 208. Subsection 5(a)(2) of the Outer Continental Shelf Lands Act is hereby amended by deleting the first sentence.

## TITLE III—MISCELLANEOUS PROVISIONS

### PIPELINE SAFETY AND OPERATION

SEC. 301. (a) The Secretary of Transportation, in cooperation with the Secretary, is authorized and directed to report to the Congress within sixty days after enactment of this Act on appropriations and staffing needed to monitor pipelines on Federal lands and the Outer Continental Shelf so as to assure that they meet all applicable standards for construction, operation, and maintenance.

(b) The Secretary of Transportation, in cooperation with the Secretary, is authorized and directed to review all laws and regulations relating to the construction, operation, and maintenance of pipelines on Federal lands and the Outer Continental Shelf and report to Congress within six months after enactment of this Act on administrative changes needed and recommendations for new legislation.

(c) One year after the date of enactment of this Act, the Interstate Commerce Commission and the Secretary of Transportation shall submit to the President and the Congress a report on the adequacy of existing transport facilities and regulations to facilitate distribution of oil and gas resources of the Outer Continental Shelf. The report shall include recommendations for changes in existing legislation or regulations to facilitate such distribution.

### MATERIALS ALLOCATION

SEC. 302. The Administrator of the Federal Energy Office shall, within sixty days after the date of enactment of this Act, propose and promulgate a contingency plan, including appropriate regulations, for allocation of supplies of materials and equipment necessary for exploration, development, production, and required transportation of oil and gas resources of the Outer Continental Shelf.

### STUDY OF NEED FOR ENERGY DEVELOPMENT FINANCING

SEC. 303. (a) The Secretary of Commerce is authorized and directed to conduct a study of the need for and availability of capital to finance exploration, development, production, and transportation of energy resources in the United States. This study shall include, but need not be limited to, an assessment of the desirability of Federal loans, loan guarantees, or other forms of Federal assistance in obtaining investment capital.

(b) The study required by subsection (a) of this section shall be submitted to the President and the Congress no later than one year after the date of enactment of this Act.

(c) There are hereby authorized to be appropriated for the purposes of this section $500,000.

### FULL UTILIZATION OF HYDROPOWER CAPABILITY

SEC. 304. (a) The Secretary, in cooperation with the Federal Power Commission, the Secretary of the Army, and any other Federal or State officials, is authorized and directed to review all existing water reservoir projects and identify any additional hydropower capability. The Secretary shall identify potential additional capability of each reservoir, the estimated costs of modifications needed to utilize that capability, and the effect of any additional capability on future water allocations to various reservoir project purposes, and on the environment.

(b) The Federal Power Commission, in cooperation with the Secretary, shall study the need for establishment of a national power grid, consisting of large electric power generating facilities, and a system of very high voltage transmission lines which, to the extent practicable, shall interconnect generating facilities and transmission systems in the various regions of the United States.

(c) The Secretary and the Federal Power Commission shall submit reports of the results of their studies to the Congress within two years after the enactment of the Act.

(d) There are hereby authorized to be appropriated $2,000,000 for the purposes of subsection (a) and $1,000,000 for the purposes of subsection (b) of this section.

### A STUDY OF MEANS TO MAXIMIZE RESOURCE RECOVERY AND MINIMIZE ENVIRONMENTAL IMPACTS IN DEVELOPMENT OF ENERGY RESOURCES

SEC. 305. (a) The Secretary is directed to contract with the National Academy of Sciences-National Academy of Engineering for an in-depth study of technologies for increasing the availability of energy resources through improved efficiencies in exploration, development, production, and recycling of such resources in order to reduce the adverse economic, social and environmental impacts of resource utilization.

(b) The study shall, at a minimum—

(1) examine improved exploration, development, and production techniques including the development of new techniques, new applications of known techniques, and the differential impacts of these techniques when practiced in different climates and terrains, when used to recover different types of minerals, and in the context of a range of adjacent and subsequent planned land uses;

(2) in each instance, describe the duration and reversibility of the anticipated adverse impacts, and discuss ways in which exploration, development, and production techniques can be adjusted during and after extraction to minimize the adverse impacts described; or where alternatives to these techniques can be used;

(3) identify alternative geographic sources and exploration, development, and production technologies for various specific energy resources, which make possible resource recovery, with the minimum adverse economic, social, and environmental impacts. The study shall also describe the costs and benefits associated with shifting an industry's supply to such sources or technologies; and

(4) describe the specific measures necessary to fully integrate exploration, development, and production activities, both in the short and long term, with land use manage-

ment plans and programs on the State and Federal levels.

(c) After studying the technologies and impacts set forth in subsection (b) above, the study shall also examine and research the development of new exploration, development, and production technologies, or other technological means of increasing substantially the efficacy of exploration, development, production, and reclamation. This study shall also include the best estimate of the authors as to the earliest date expected for industrial application of each new technique discussed and the net costs and benefits of implementation compared to present practices.

(d) The study shall examine, for major commodity classes, a range of alternatives to primary resource extraction, including the potential for recycling, salvage, reprocessing, byproduct recovery, material substitution, the potential for Federal policy actions to encourage such actions, and the impact such practices would have on the need for primary extraction and the reduction of consequent environmental impacts.

(e) For all of the above, the study will assess the likely impact of altering present exploration, development, and production practices on the supply and demand of various energy resources, on labor and capital requirements for the various energy exploration, production, and transportation industries, and for various classes of producers within those industries.

(f) The study, together with specific recommendations for Federal and State policy needs and for action by the energy industries, shall be submitted to the President and to Congress no later than three years from the date of enactment of this Act. Interim reports shall be submitted at the end of the first and second years.

(g) There are hereby authorized to be appropriated for the purposes of this section, $5,000,000.

### RELAXATION OF IMPORT CONTROLS ON CERTAIN STEEL DRILLING AND MINING EQUIPMENT

SEC. 306. The President is requested to enter into negotiations with those foreign countries which have voluntarily limited the quantity of steel products which may be exported to the United States so as to permit the importation of increased quantities of steel pipe, drilling equipment, casing, and other steel products which the Secretary certifies are in short supply in the United States and are used in the extraction, production, or transportation of energy resources.

### ENERGY FACILITIES ON FEDERAL LANDS

SEC. 307. (a) The Secretary, in cooperation with other Federal agencies, is authorized and directed to identify potential sites and corridors on Federal lands for energy production and transmission facilities, including petroleum refineries, and electric generating plants (including nuclear generating plants).

(b) No later than eighteen months after the enactment of this Act, the Secretary shall report his findings to Congress together with recommendations as to whether and under what conditions any such sites or corridors should be made available for such facilities.

### EXPEDITING FEDERAL ENERGY-RELATED ACTIONS

SEC. 308. (a) The Secretary is authorized and directed to study methods of expediting action by the Federal Government on matters, including applications for Federal energy resource permits or leases, relating to increasing the domestic supply of energy.

(b) No later than six months after the date of enactment of this Act, the Secretary shall report to the Congress the results of his study together with administrative action taken to expedite such actions and recommendations for legislation.

### SEVERABILITY

SEC. 309. If any provision of this Act, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

### DEFINITIONS

SEC. 310. As used in this Act the term—

(a) "Federal lands" means any lands owned by the United States, including mineral deposits owned by the United States in lands the surface of which is in other ownership, except (1) lands in the national park system which on the date of enactment of this Act are not open to mineral leasing, (2) lands held by the United States for the use of Indians or Indian tribes, (3) lands on the Outer Continental Shelf, and (4) lands in the national wilderness preservation system except as otherwise provided in the Wilderness Act; and

(b) "Federal energy resource" means oil, gas, coal, oil shale, uranium, and geothermal energy on Federal lands or the Outer Continental Shelf subject to permit or lease under applicable Federal law.

(c) "Secretary" means the Secretary of the Interior.

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### By Mr. PROXMIRE:

S. 3224. A bill to provide for the chartering of Federal stock savings and loan associations, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

### CONVERSION OF SAVINGS AND LOAN ASSOCIATIONS

Mr. PROXMIRE. Mr. President, I am offering a bill to provide for the orderly conversion of mutual savings and loan associations into stock associations. This bill is introduced as an alternative to S. 3132 which was recommended by the Federal Home Loan Bank Board. Both my bill and the Bank Board's bill would authorize de novo stock charters for Federal savings and loan associations and would permit existing mutual associations to convert to stock associations.

The main difference between my bill and the Bank Board's bill is over what happens to the proceeds of any stock sale made by a converting association. Under the Bank Board's bill, all proceeds would be deposited directly in the converting association. Under my bill, proceeds equal to the net worth of the association would be deposited in a special trust fund under the control of the Federal Home Loan Bank Board. Moneys in the trust fund would ultimately be used to further our national housing goals for low- and moderate-income families as outlined in the 1968 Housing Act.

The Bank Board would be required to report its recommendations to Congress as to precisely how these funds can be used to improve housing conditions for low- and moderate-income families. This report would be due within 1 year. In the meantime, any funds in the trust fund would be invested in obligations of the U.S. Government.

Under my bill, depositors in the association would still be entitled to their proportionate share of the association's net worth as of the date the conversion plan was announced should the association be liquidated at a later date. Any such claims would be reduced proportionately to the extent a depositor reduced the amount of funds he had on deposit as of the cutoff date.

In order to protect the interests of stockholders in the converted association, my bill also provides that any association would be reimbursed from the trust fund for any payments it might make to depositors upon liquidation.

The effect of my proposal is to eliminate any possibility of windfall gain accruing to the stockholders of a converted association. Under the Bank Board's proposal, the benefits of a converting association's existing equity would accrue to the buyers of the newly issued stock. While it may be theoretically possible to price the new stock high enough to eliminate any windfalls, in practice it would be exceedingly difficult for the Board to arrive at a fair value. Under my proposal, there would be no guesswork. The new stockholders would simply agree to replace the existing equity in an association by depositing an equivalent amount into the Housing Trust Fund.

By eliminating the possibility of windfall gain, my proposal will remove any artificial incentive for mutuals to convert into stock associations simply in order to recapture a portion of the association's equity. It also minimizes the possibility of speculative deposit flows between stock associations and mutual associations in anticipation of a conversion. Since any windfall profit element is taken out of the conversion process, there would be no reason for depositors to shift their money from stock associations into mutual associations. Under the Bank Board's proposal, the entire structure of the savings and loan industry could be radically transformed through speculative conversions.

While the windfall element of conversions is eliminated by my proposal, the bill I have introduced still makes it possible for mutual associations to convert into stock associations whenever the management of the association feels the long-term benefits of the stock form of organization outweigh the advantages of the mutual form of organization. These benefits include the ability to raise more capital, and the ability to offer stock options to employees as an incentive for attracting better management.

In addition to eliminating the windfall element of S. & L. conversions, my proposal will also provide a source of funds for low- and moderate-income housing. Thus, instead of windfall profits accruing to private investors, such profits would be diverted to serving a public purpose.

Mr. President, the Subcommittee on Financial Institutions of the Senate Committee on Banking, Housing and Urban Affairs is holding hearings on the conversion issue on April 8, 9, and 10. I look forward to these hearings and to a full discussion of all the alternatives facing the Congress and the Bank Board with respect to S. & L. conversions. It may be that there are some difficulties with the proposal I have introduced. Nonetheless, I believe it is an interesting alternative to the Board's proposal and that it warrants full discussion by those who are interested in the conversion problem.

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By Mr. GURNEY:

S. 3225. A bill to amend the Export Act of 1969 to curtail exports of petrochemical feedstocks. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. GURNEY. Mr. President, today I am introducing legislation which would require the President under section 204 of the Export Administration Act of 1969, to establish rules and regulations to limit the exportation of petrochemical feedstocks to an amount which equals an average of the amount of such materials that was exported during 1970 and 1971.

On December 18, 1973, I sponsored an amendment to S. 2776, the Federal Energy Administration Act, which requires the Adminstrator of the FEA, in cooperation with other appropriate agencies, to within 30 days after its enactment inform the Congress as to exactly what economic fate the administration is predicting for our Nation's vital petrochemical industry and how that industry is affected by the rules and regulations established by the FEA. At this point, I request that my remarks at the introduction of this amendment be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

### STATEMENT BY SENATOR EDWARD J. GURNEY: AN AMENDMENT TO S. 2776, THE FEDERAL ENERGY ADMINISTRATION ACT

Mr. President, I am introducing an amendment to S. 2776, the Federal Energy Administration Act, which requires the Administrator of the FEA, in cooperation with other appropriate agencies, to rapidly inform the Congress as to exactly what economic fate the administration is predicting for our Nation's vital petrochemical industry under which the rules and regulations of our current energy crisis.

There is one point on which all of us can agree—no one put the right information together fast enough to permit our Nation to avoid our energy crisis. And I will add that action, when it has come at all, has been too little, too late. The amendment I introduce today will make sure that Congress itself will be able to make some assessment of where the administration is leading the petrochemical industry with price controls, surging exports, and shrinking imports.

Here is what my amendment will do. It requires the Administrator of the FEA, with the assistance of the Cost of Living Council, the Department of Commerce, and the U.S. Tariff Commission, to tell Congress, in 15 days, the following information about the petrochemical industry today and in 1974:

1. The effects of price ceilings on export levels.
2. The effects of those export levels on domestic supplies.
3. What imports contribute to domestic supplies.
4. Taking everything into consideration, what the economic effects of expected levels of supply will be on the petrochemical industry.

Furthermore, I ask for a detailed accounting of data available to the Government on the petrochemical industry. I think Congress should know how the administration arrives at its conclusions about this industry.

Mr. President, the plastics industry feedstocks make up less than one and a half percent of the total domestic oil and natural gas usage. The entire petrochemical industry consumes between five and six percent of the U.S. supply of natural gas and petroleum products. But the sales of the petrochemical industry, which are almost as large as those of the petroleum refining industry, are vitally dependent upon these petroleum and natural gas raw materials.

Petrochemical industry sales have increased at an average annual growth rate of 7.3%. This growth which is more rapid than that of the entire chemical industry, contributes to the extension of the U.S. natural resources base in the production of synthetic plastics, fibers and rubbers. These products make major reductions in our dependence on foreign sources of natural products other than petroleum and natural gas.

Mr. President, as pleased as I am that we are finally going to have centralized Federal decision-making during our energy crisis, I feel that as of today, too little attention is being given to the economic consequences of the petroleum shortage. Most of the attention seems to be focused upon fuel needs. I am fearful that in the rush to make major shifts in refinery output, we may unintentionally cut short raw material supplies to the petrochemical industry. Many of our nation's businesses, small and large, seem to be being made victims of a classic case of the Government's right hand not knowing what the left hand is doing.

For instance, price controls have been imposed upon the petrochemical industry since August 15, 1971. Meanwhile, with worldwide shortages and rising demand, the world prices for petrochemicals have soared. Domestic producers understandably have moved to export markets.

Comparing January through August of 1972 with the same time period for 1973, exports of polyester resins increased from 27,881,471 pounds to 34,939,857 pounds; and exports of polypropylene resins (except for protective coatings) increased from 102,572,734 pounds to 196,356,789 pounds. Toluene exports increased from 14,402,878 pounds to 50,151,441 pounds.

On December 13, Secretary of Commerce, Frederick Dent, moved to curb petroleum exports by requiring exporters, starting the next day, to get licenses to ship oil and other petroleum products out of the country. But the products included do not impact significantly upon petrochemical exports.

On the other hand, the price controls on domestic petrochemical sales remain in effect. Do we really know what is going to happen to domestic supplies? If we impose export controls, what will happen then—will producers start hoarding, will black markets develop? How will the government make sure that supplies will be available to meet the new mandatory allocations for petrochemicals, which are now suggested as 120% of 1972 supplies? Exactly what do those in control of our economy during this energy crisis expect is going to happen? Based on the record to date, I think Congress itself should have the answer to that question as quickly as possible.

Mr. President, I am talking about an industry which is vital on its own terms as well as for the economy as a whole. It is an industry which faces a double threat from the petroleum shortage because it uses petroleum and natural gas hydrocarbons both as a fuel and as the primary raw material or feedstock for its plants. It includes such major areas as automobile parts, packaging, textiles, organic chemicals, furniture, construction, pharmaceuticals, agriculture, phonograph records, toys, plumbing fixtures and materials and sail and power boats, just to name a few. And if the petrochemical industry is defined to include just the production of basic and intermediate organic chemicals and the plants which produce synthetic fibers, synthetic rubbers and plastic resins, and to exclude all downstream fabricating steps, the industry represents sales of more than $20 billion, and employment of some 320,000 people in 1900 plants in the United States.

One industry expert recently testifying before the Senate Joint Economic Committee, a Mr. George B. Hegeman of Arthur D. Little, Inc., concluded that the petrochemical industry is so closely related to the economy as a whole, that a sustained 15% reduction in the output of the organic chemicals industry could result in a loss of 1.6 to 1.8 million jobs in consuming industries and a loss of domestic production value of $65–$70 billion annually.

Mr. President, with experts making predictions like that, Congress should immediately ask the administration for its best estimate of the fate of petrochemical industry.

I ask unanimous consent that my proposed amendment be inserted in the CONGRESSIONAL RECORD following these remarks.

Mr. GURNEY. As I pointed out in December, the petrochemical industry is vital to the total economy of this Nation. Shortages in petrochemical feedstocks do not only adversely affect the petrochemical producers but also such major industries as textiles, construction, pharmaceuticals, automobile parts—and the list continues. Unfortunately, the petrochemical situation in this country has not improved since December. Neither placing petrochemical feedstocks under mandatory allocation nor removing the price controls from them has resulted in the hope for increases in feedstock supplies. Instead, supplies are still short, resulting in an external industry cutback, continuing "black market" trading in feedstocks and increased unemployment in "downstream" industries which are dependent upon petrochemicals for production of their products.

Mr. President, as these shortages continue it is apparent that mandatory allocation of petrochemicals is not enough to solve the problem. In looking deeper into this problem of petrochemical feedstocks, we see the phenomenon of increased exports of these vital materials from the country at a time when hundreds of small businesses are closing because of the lack of this material being supplied to them.

Mr. President, an example of this is an industry in Fort Lauderdale, Fla., which relies upon resins to produce a plastic which resembles glass. These products are used in homes and industries largely because of their safety features.

This company, up until last week, employed 293 persons. Because of the prices and the lack of supplies of this commodity, they have had to cut their overhead by 50 percent. The president of this company has informed me that he can possibly hold out 1 month more, but not much longer, and that he must be able to find somebody that will be able to give him some kind of answers to his problems or at least be able to go to an agency that can help keep his doors open. Mr. President, this is a sad situation for a small businessman to be facing and it is one which we cannot allow to continue.

Therefore, I feel that it is necessary for the passage of this legislation to give the President the authority to reduce exports of petrochemical feedstocks in order to increase the domestic supply of these materials to our small businesses. This bill hopefully will roll back the export of petrochemical feedstocks to a reasonable level—one that will redirect necessary feedstocks back into our small businesses and at the same time allow the exporters to maintain a profitable exporting business.

Mr. President, I believe that the legislation I am proposing today, in conjunction with the legislation which has recently been offered to mandatorily allocate plastic feedstocks, will enable the petrochemical processors to resume full production and thereby alleviate the current shortage.

Mr. President, at the conclusion of my remarks, I request that this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3225

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 204 of the Export Administration Act of 1969 is amended by adding at the end thereof the following:

"(f) Notwithstanding any other provision of this Act, the President shall prescribe such rules and regulations as may be necessary to prohibit the exportation from the United States, its territories, or its possessions of an amount of petrochemical feedstocks during the twelve-month period which begins on the first day of the first month beginning after the date of enactment of this subsection, and during each succeeding twelve-month period, which exceeds the average annual amount of such materials which was exported during calendar years 1970 and 1971."

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By Mr. McINTYRE:

S. 3226. A bill to authorize the payment of travel expenses of the widow, children, and parents of certain deceased members of the Armed Forces whose remains are returned to the United States after March 1, 1974, so as to permit such persons to attend the burial services of such deceased members. Referred to the Committee on Armed Services.

Mr. McINTYRE. Mr. President, an article in today's Washington Post brings to light another tragic facet of the aftermath of the Vietnam War.

In the last 2 weeks, the North Vietnamese have released the remains of 23 American POW's who died while imprisoned. Under existing law, the Government will pay funeral benefits to the next-of-kin, or provide burial without charge in military cemeteries. However, there is no provision for transportation of the immediate family to the burial site.

This may seem a small matter, but consider the plight of Cecile Abbott, widow of Navy Capt. John Abbott. Her husband's body will be interred in Arlington Cemetery. Since she lives in Sacramento, Calif., she will have to pay a considerable sum for transportation for herself and her son to the funeral.

Transportation expenses have not been provided to families of deceased servicemen in the past, but this is not the usual situation. Many of these POW families spent years of uncertainty and mental agony, not knowing whether their loved one was dead or alive. Mrs. Abbott, for example, had no word of her husband's fate from 1966, when she received notification he had been shot down, until 1973, when the Paris peace accords were signed. Under circumstances like this, we should do everything in our power to lessen the suffering of these families.

According to the Post article, negotiations are still being conducted for the release of the bodies of 32 other American servicemen who had been imprisoned in South Vietnam.

Mr. President, at a small cost to the taxpayer, we can take a giant step toward honoring the memories of those brave men who made the supreme sacrifice. Further, we will honor the courage and strength of the families who exhibited such emotional stamina during a most difficult period. It is the least we can do for them.

Therefore, I am introducing for appropriate reference legislation to correct the existing situation and provide for payment of transportation for the widows, children, and parents of these POW's to attend their funerals. I hope and expect that we can get wide support and prompt consideration of this measure.

Mr. President, I ask unanimous consent that the bill, and the article, entitled "Widow Must Pay Way to POW Burial", by Ron Shaffer, in the March 22, 1974, Washington Post, be printed in the RECORD at this point.

There being no objection, the bill and article were ordered to be printed in the RECORD, as follows:

S. 3226

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) the Secretary of Defense is authorized and directed to pay, in the case of the widow and children and parents of any deceased member of the Armed Forces of the United States who died in Southeast Asia during the Vietnam era and whose remains are returned to the United States after March 1, 1974, the reasonable transportation expenses incident to attending the burial services for such deceased member.

(b) Travel expenses authorized under this Act shall include travel to and return from the place where the remains of the deceased member are to be buried. The Secretary of Defense is authorized to furnish Government transportation service in lieu of travel expenses if he determines such action to be in the best interests of the United States.

(c) In carrying out the provisions of this Act, the Secretary of Defense is authorized to use any funds available to the Department of Defense for the payment of travel expenses.

(d) As used in this Act the term "Vietnam era" shall have the same meaning as prescribed in section 101 (29) of title 38, United States Code.

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### WIDOW MUST PAY WAY TO POW BURIAL

(By Ron Shaffer)

If Cecile Abbott of Sacramento, Calif. and her 12-year-old son make it to the Arlington Cemetery graveside for the burial of her POW husband, U.S. Navy Capt. John Abbott, whose body was recently released by North Vietnam, it will only be because she paid the cost of getting there.

Mrs. Abbott thinks that's unfair, since the government spent so much money 14 months ago to bring relatives of 556 returning live POWs to stateside hospitals for reunions. And later the government spent more to bring over 500 POWs and relatives to the White House for a Presidential reception.

"I got to thinking about it," Mrs. Abbott said yesterday, "and it seemed inequitable that President Nixon could fly POWs and their wives to Washington for a big wingding at the White House, but someone at the top could not provide travel for 23 families of (dead) men returning from Vietnam."

Capt. Abbott died in captivity in North Vietnam, and in the last two weeks Hanoi released his remains along with those of 22 other imprisoned American servicemen who died there.

"Just because men come home in a coffin does not make them any less heroes than the ones who came back alive," said Mrs. Abbott.

A Navy spokesman who refused to be identified because of what he termed the sensitive nature of the problem, explained that the law does not allow the military to provide transportation for the families of men who died while in the service. "The law didn't allow us to do it for 55,000 men who died in Vietnam and we can't do it now."

The spokesman said he sympathized with the relatives of these 23 families—"I know what they're faced with and we would like to make it as easy as possible for them, but we're kind of tied down in this."

Mrs. Abbott, he said, would have been accorded the same treatment as the other families if her husband had come back alive.

Although the law is specific about what can be provided for relatives of men who die in the service, no one should begrudge the special treatment accorded to the POWs who returned safely, the Navy spokesman said. "After all," he said, "those POWs were something special to all of us."

Mrs. Abbott, 43, had just celebrated her 10th wedding anniversary when she received word that her husband had been shot down while flying his A-4 jet attack aircraft over North Vietnam. The military told her that a parachute had been sighted, but that a search and rescue team sent to the area reported no signs of the pilot.

That was April, 1966.

She heard nothing more until Jan. 27, 1973, the day the peace accord was signed in Paris. Then the North Vietnamese informed her that her husband had died after seven days in captivity.

Last week she received word from the military that the North Vietnamese said they were releasing the remains of her husband. There have been no other details about his death.

Capt. Abbott had enlisted in the Navy just before the end of World War II, Mrs. Abbott said. "He was a test pilot at one point, and he flew in Korea, and he had a chestful of medals."

Now, she says, with the latest message about her husband it's as if she is going through his death for the third time. "But I'm greatly relieved that finally we can bury his body on home soil."

The remains of the 23, all officers, according to the Pentagon, were taken to an American base in Thailand for identification after Hanoi released 12 bodies on March 6 and 11 on March 13. Negotiations are still under way for the 32 other Americans who Hanoi said died in captivity in South Vietnam.

The remains of six of the 23 released this month arrived at Travis Air Base in California yesterday. A Defense Department spokesman said their identities could not be divulged pending final identification work at the Oakland Army Terminal mortuary.

No timetable has been set for burial of any of the 23, or the return of the other 17 bodies from Thailand, according to a Defense Department spokesman.

Relatives of deceased servicemen are entitled to government transportation of the remains to a burial site selected by the next of kin, and up to $625 for interment costs in a private ceremony, depending on the type of funeral. A military ceremony is provided without charge upon request.

The next of kin of all men who die during military service receive a death gratuity of from $800 to $3,000, depending upon rank. This money can be used any way the family sees fit, including for funeral travel expenses, according to a Pentagon spokesman.

A serviceman's government-sponsored insurance provides $15,000 to beneficiaries, and the next of kin of men killed in action continue to receive full medical, commissary and exchange privileges unless the widow remarries. The children continue to receive those benefits until they are 21, unless they are adopted.

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By Mr. MONDALE (for himself, Mr. Brooke, Mr. Eagleton, Mr. Stafford, Mr. McGee, Mr. Hart, Mr. Gravel, and Mr. Mathias):

S. 3227. A bill to provide assistance to encourage States and localities to undertake comprehensive criminal justice reform in order to strengthen police protection, improve the prosecution of offenders, expedite overcrowded court criminal calendars, and strengthen correctional systems, and for other purposes. Referred to the Committee on the Judiciary.

Mr. MONDALE. Mr. President, on behalf of myself, the Senator from Massachusetts (Mr. Brooke), the Senator from Missouri (Mr. Eagleton), the Senator from Vermont (Mr. Stafford), the Senator from Wyoming (Mr. McGee), the Senator from Michigan (Mr. Hart), the Senator from Alaska (Mr. Gravel), and the Senator from Maryland (Mr. Mathias), I am pleased to introduce the Model Criminal Justice Reform Act of 1974.

It is clear that Americans regard street crime as one of the most pressing issues facing our country. It is an issue which keeps tens of million of Americans in daily fear for their lives and property. It is an issue which results in billions of dollars a year in property loss, and in tragic—though not similarly quantifiable—losses in human freedom and dignity.

Early in 1973, a Gallup poll revealed that more than one in every five people across the country had been victimized by crime in 1972. And over half of those questioned said they felt that there was more crime in their area than there had been a year ago.

In 1968, 31 percent of respondents to a Gallup poll said they were afraid to walk in their own neighborhood at night. By the end of 1972, the figure had risen to 42 percent. By 1972, Gallup found that one person in six did not feel safe in his own home at night.

The trend of public opinion is unmistakable.

And in our large cities, the public's concern is even clearer. A Gallup survey taken in early 1973 indicated that among residents of cities over 500,000 population, crime was regarded as far and away the top concern. Crime was named as their city's worst problem by 22 percent of those surveyed, twice the percentage of the next most important problem—transportation and traffic. This was a startling change from a similar survey of large cities in 1947, which showed that only 4 percent regarded crime as their city's worst problem.

In short, the fear of crime in the public mind is growing steadily. And the overwhelming probability is that it will continue to grow unless there is real evidence that State and local governments, where primary responsibility for fighting crime undoubtedly lies, mount more effective efforts against street crime. To do this, they will need more Federal help. And without a different type of Federal help—focusing more on the need for total criminal justice system reform—the likelihood of reducing crime, and the public fear of ever-increasing crime, is virtually nonexistent.

The public's belief in the increasing danger which crime poses to the average citizen is, unfortunately, very well founded. The long-term trend in the number of crimes reported to the police is on the rise, with no peak yet in sight. From 1960 to 1971, the rate of violent crimes rose by an astounding 168 percent. Robberies were up by almost 260 percent, rape by 146 percent, murder by over 95 percent, and aggravated assault by 139 percent.

In 1972, the FBI reported the first decrease—of 2 percent—in serious crime in 17 years and the administration hoped that the worst of the crime rise had been seen. In the first 6 months of 1973, however, the jump upward began again, with the violent crime rate up 4 percent in the first 6 months of the year, and with murder up by 9 percent. Significantly, the rates of increase for murder and rape were highest not in the large cities, but in cities under 10,000 and in rural areas. And in other areas of crime as well, a trend which seems to have been emerging within the past 2 years once again proved true, as crime increased more rapidly overall in suburban and rural areas than in the major urban centers of our Nation.

In short, the crime problem which millions of Americans once thought was primarily a problem of the central city, has truly become national, threatening the health and security of every American.

And significantly, studies sponsored by the Law Enforcement Assistance Administration reveal that even the astronomical rates of reported crimes, as published by the FBI's Uniform Crime Reports, may reveal only the tip of the iceberg. This preliminary study, undertaken to gage the true measure of crime in America, indicates that the number of crimes actually committed could run as high as five times the number officially reported by victims. For rapes and robberies, the number actually experienced was approximately twice the number reported, and for aggravated assaults the ratio of crimes committed to crimes reported was 5 to 1. This type of study, which will become a regular quarterly report in the near future, provides us with the first glimpse behind the facade of official statistics and into the real world of crime's impact on the citizen. It reveals that even the more than 3 million violent crimes and burglaries reported to the police in 1971 vastly underestimates the seriousness of the problem confronting us.

In this area, the Federal response must match the severity of the problem. The principle must remain that criminal justice is primarily the responsibility of State and local governments; but the Federal Government can play a vital role in encouraging and financing reform.

The need for a new attack on crime is clear.

In 1967, the President's Commission on Law Enforcement and Administration of justice made this gloomy assessment of crime in America:

> There is much crime in America, more than ever is reported, far more than ever is solved, far too much for the health of the Nation. Every American knows that. Every American is, in a sense, a victim of crime. Violence and theft have not only injured, often irreparably, hundreds of thousands of citizens, but have directly affected everyone. Some people have been impelled to uproot themselves and find new homes. Some have been made afraid to use public streets and parks. Some have come to doubt the worth of a society in which so many people behave so badly. Some have become distrustful of the Government's ability, or even desire, to protect them.

The situation is no better today. Each year, crime in America takes its toll in lives, injury, and tension. It has been estimated that crime costs our country between $50 and $100 billion every year.

We have been aware of these frightening facts and statistics for some time. But despite our knowledge, the crime rate continues to spiral.

There are no quick and easy solutions. The causes of crime are complex, and no single proposal will eliminate crime.

Most authorities do agree, however, that crime could be substantially reduced with more well-trained and better-paid police, speedy and efficient disposition of criminal cases, and corrections programs which rehabilitate offenders. In short, fundamental improvements in the entire criminal justice system of our States and localities would have a direct and dramatic impact on the crime rate in this country.

But the failures and inadequacies of the criminal justice system in most States have been well documented.

The report of the President's Commission on Law Enforcement and Administration of Justice noted this failure:

> The increasing volume of crime in America establishes conclusively that many of the old ways are not good enough. Innovation and experimentation in all parts of the criminal justice system are clearly imperative. They are imperative with respect both to entire agencies and to specific procedures. Court systems need reorganization and case-docketing methods need improvement; police-community relations program are needed and so are ways of relieving detectives from the duty of typing their own reports; community-based correctional programs must be organized and the pay of prison guards must be raised. Recruitment and training organization and management research and development all require re-examination and reform.

A 1969 staff report to the National Commission on the Cause and Prevention of Violence contains the following critical—but I believe accurate—portrayal of the criminal justice process in many States:

> A system implies some unity of purpose and organized interrelationship among component parts. In the typical American city and state and under federal jurisdiction as well, no such relationship exists. There is instead, a reasonably well-defined criminal process, a continuum through which each accused offender may pass from the hands of the police, to the jurisdiction of the courts, behind the walls of a prison, then back into the street. The inefficiency, fallout, and failure of purpose during this process is notorious . . .

If any one part of the criminal justice system functions badly, the entire system will be adversely affected. An excellent police force is hampered in preventing crime if there are long delays in bringing a defendant to trial; speedy disposition of criminal cases will not prove effective if a convicted defendant is sent to a prison which is only a breeding place for more crime.

As a former State law enforcement official, I realize that most of the crime plaguing this country falls within the jurisdiction of State and local governments—and that the responsibility for law enforcement and the maintenance of an effective criminal justice system begins and ends with those State and local governments. I am firmly committed to the principle that law enforcement must remain a State and local responsibility.

It is difficult to carry out this responsibility, however, without adequate funds, and it is clear that most States and cities simply do not have the resources for meeting the increasingly complex demands being placed on them—from preventing crime to eliminating pollution. Consequently, Federal financial assistance to States and their cities is essential in combating crime. This principle was recognized with the passage of title I of the Omnibus Crime Control and Safe Streets Act of 1968.

Unfortunately, title I of the Safe Streets Act was not designed to remedy the basic defects of the criminal justice system as it exists in most States. The fractionalization and the strong tendencies to resist comprehensive reform have not been significantly aided by LEAA, largely stemming from the mandate and administrative structure which it was given.

Today, we are spending almost $10 billion on crime prevention at all levels of government. The Federal Government alone is spending almost $1 billion per year through LEAA as its share in this effort. Attempts have been made to improve the functioning of LEAA, and in certain areas improvements have already taken hold. But the present legislative directive to LEAA means that it will probably continue to be a relatively minor force in providing leadership and direction toward truly comprehensive criminal justice system reform.

Unless new legislation is enacted, which provides the type of focused and directed Federal incentives needed to break the hold of the present system, it is unlikely that true reform will occur. Without this type of incentive, basic reforms which most experts agree are essential may not be implemented in most States.

As the President's Crime Commission observed:

> Many of the criminal justice system's difficulties stem from its reluctance to change old ways, or to put the same proposition in reverse, its reluctance to try new ones.

It is my belief that with a sufficient financial incentive for undertaking these reforms, some States and their localities would be willing and eager to overhaul their criminal justice system. That is why I have introduced this legislation.

The aim of this legislation is to establish model and experimental programs in more than six States to determine the effect of full-scale and comprehensive reform of the criminal justice system on the crime rate in those States. The program is, of course, completely voluntary and no State will be affected by this legislation if it does not choose to enter the program.

### THE LEGISLATION

Central to the concept of improving the crime situation in America is the concept of total reform of the criminal justice system—attempting to relate each aspect of the system to the others and to arrive at a sound overall system which will aid the safety of the individual and improve the functioning of the criminal justice process.

The National Advisory Commission on Criminal Justice Standards and Goals, in its final report in 1973, noted the importance in its plan of a unified, systems-oriented approach to improving the criminal justice system.

The plan also emphasizes the need for all elements of the criminal justice system to plan and work together as a system and to plan and work together with the social service delivery system. The plan emphasizes the need for greater community support of the police and for the police patrolman to strengthen his ties to the community and to be given greater responsibility and authority for preventing and reducing crime in the community. The plan emphasizes the need for the prosecutor, defender, and judiciary to work toward insuring speedier trials while still protecting fundamental rights. The plan also emphasizes the need for corrections to develop effective programs and procedures for reintegrating offenders into the community as soon as possible consistent with the protection of the community.

The legislation I am introducing today attempts to bring this type of total system approach to the area of criminal justice reform. It uses the recommendations of the President's Commission on Law Enforcement and the Administration of Justice, the National Advisory Commission on Criminal Justice Standards and Goals, and a variety of other commissions and agencies as the basis for the comprehensive standards which form the heart of the bill.

These standards, of course, may not prove to be the total answer. But they represent the considered thinking and judgment of two separate commissions under two different national administrations. They encompass a wide variety of standards and goals which individual States and localities would be able to implement.

These standards are very broadly drawn—in such a way that the specifics of implementation must be left to the States. And different States can qualify under the bill's standards by implementing entirely different reforms—suited to the particular problems in those States.

For example, the standard for speedy disposition of criminal cases simply establishes a 60-day limit in which a trial must be commenced. To meet this standard some States may hire court administrators to make their court system more efficient; others might find it necessary in their plan to call for additional judges and court personnel. But whatever the actual reforms, they will be chosen by the State and they will be uniquely designed to solve that State's problems.

In short, most of these standards are goal-oriented and can be accomplished by individual States and localities in a variety of ways. But taken together, they represent the comprehensive approach without which real reform can probably not be achieved.

Under this legislation, a new program of grants and technical assistance to states and localities would be initiated for a period of 7 fiscal years, beginning with July 1, 1974.

A State or locality would be eligible to receive assistance under the act only if the Administrator of LEAA approves a comprehensive criminal justice system reform plan submitted to him pursuant to the act. In order to gain approval, this plan would have to establish the reasonable likelihood of substantial and fundamental change in the criminal justice system of a State or locality within 4 years after the enactment of the act.

In order to foster the goals and standards which two Presidential commissions have recommended over the past 7 years, the Administrator would be required to give priority consideration in approving plans to those States which, in submitting their comprehensive State plans, included a variety of provisions relating to every major element of the criminal justice system.

### LAW ENFORCEMENT

In the law enforcement area, these provisions would set uniform standards throughout each State seeking to participate in the program. The need for such uniform standards was endorsed by the task force on the police of the President's Commission on Law Enforcement and Administration of Justice:

> Many (police) departments provide little or no training, use ineffectual selection and screening techniques, and have no organized recruiting programs. This results in substantial variation in the quality of police service, not only in different areas of the country, but within the same State.

The bill also calls for appropriate educational requirements for advancement which are uniform throughout each State. Linking education with promotion will simultaneously encourage police officers to pursue advanced education and improve the quality of the upper ranks of the police service. The President's Commission on Law Enforcement and Administration of Justice recommended this approach to improving the quality of law enforcement personnel.

Another important standard would provide for beginning compensation and increases in compensation which are appropriate for a professional—considering the size of the community for law enforcement personnel and the cost of living in the community in which such individuals serve.

Other standards in the area of police and law enforcement personnel include a uniform, statewide retirement and pension system; to the extent possible, uniform promotional policies and standard operational procedures throughout the State; lateral entry between law enforcement agencies within the State and between Federal, State, and local law enforcement agencies located within the State; facilities offering short-term mandatory training for all police personnel; programs to increased use of civilian personnel; volunteer neighborhood security programs, where feasible, and community crime prevention units; and policing programs to insure stability of assignment in given geographic areas for individual patrol officers.

For most of these standards, significant changes will be needed in the police practices and standards now in place in most jurisdictions within the country. This is the intent of this legislation—to act as a Federal incentive to undertake the type of systemic changes which will help bring about more effective law enforcement in the States participating in the demonstration program established by this legislation.

### DISPOSITION OF CRIMINAL CASES

The bill contains one basic standard designed to accomplish the speedy disposition of criminal cases in those States participating in the program. This standard calls on a State—and its localities—to implement whatever reforms necessary to insure that the trial of all criminal cases will be commenced no later than 60 days from the date of a defendant's arrest or the initiation of prosecution whichever occurs first. Failure to meet this standard will result in dismissal with prejudice of the charges against the defendant.

The administrator of this program will specify those periods of delay to be excluded in computing the time for commencement of a trial. For example, delays due to the absence or unavailability of a defendant or hearings on defense motions would probably be excluded from this 60-day limitation.

Underlying this basic standard is the need for States and localities to reform their judicial system in whatever way they deem appropriate to meet the 60-day deadline. Some States might have to increase the number of judges and clerks, and build more courthouses; other States might be able to reach this goal by streamlining their judicial system through the use of professional court administrators and more efficient court procedures. Increasing personnel engaged in prosecuting criminal cases and defending indigents may be another means of reaching this goal.

In any event, the administrator of this act would simply determine whether a State's reform proposals were adequate to insure a speedy trial; the Federal Government would not be dictating a particular scheme for reform.

The speedy disposition of criminal cases is one of the most vital reforms in this bill.

A speedy trial eliminates the unfairness inherent in the lengthy pretrial detention of a defendant—presumed innocent under our system—who cannot raise bail or who is denied bail. Pretrial detention often hampers a defendant in adequately preparing his defense, and while awaiting trial he will usually be confined in an overcrowded institution.

But far more than unfairness to individual defendants results from long delays in disposing of criminal cases. It is clear that such delays are a major cause of our increasing crime rate.

Long delays in bringing a defendant to trial often make it more difficult for the Government to obtain a conviction. Witnesses tend to be less reliable after such delays, and some witnesses are no longer available. And it is the repeat criminal offender who is usually aware of the advantages of a long delay between arrest and trial.

Studies have shown that the longer it takes to bring to trial a defendant out on bail, the more likely it is he will commit a crime while awaiting trial. The pressure for some form of preventive detention would be reduced by more speedy trials.

Finally, it is a truism of criminology that the surest deterrent to crime is the knowledge that its commission will be followed by swift and appropriate punishment. The delays in most judicial systems have obviously negated the impact of this important type of deterrence.

Chief Justice Burger, recognizing the link between increasing crime and court delays, has also recommended a 60-day limit for the commencement of all criminal trials.

> I cannot think of any judicial factor more important than delay and uncertainty. It's always difficult to assign priorities in this sort of thing, but I know of none I can think of more important than the absence of the sure knowledge that a criminal act will be followed by a speedy trial and punishment. And that's why I have said that if we could have every criminal trial ready to be presented within 60 days after the arrest or the charge, I think you'd see a very, very sharp drop in the crime rate. It would surely put an end to the large number of crimes committed by men out on bail waiting six months to 18 months to be brought to trial.

As the Chief Justice pointed out:

> We cannot blindly cling to methods and forms designed for the 17th and 18th centuries.

Also in the area of disposition of criminal cases, the bill recommends the establishment of family courts with jurisdiction over all legal matters related to family life. This recommendation of the National Advisory Commission on Criminal Justice Standards and Goals would help integrate the entire system of justice as it relates to the family, so that the juvenile court does not continue to be a distinct entity which largely ignores the many close relationships between delinquency and other family problems. This concept, as now used in New York, the District of Columbia, and Hawaii, would be a valuable addition in aiding the courts to deal with problems of the family unit effectively.

Finally, the bill recommends the implementation of standards leading to the reduction of plea negotiations between defendants and prosecutors, on an experimental basis, to determine the impact of such reductions on the criminal justice system and the goal of reducing the time between arrest and trial.

The National Advisory Commission on Criminal Justice Standards and Goals has recommended that plea negotiations be abolished by no later than 1978. The Commission felt strongly that plea negotiations, in the manner in which they are presently being carried out—especially in large metropolitan areas—posed a major threat to the public and the defendant. The public is threatened because of the increased use of light, plea-negotiated sentences, and defendants' rights may be threatened because of the tendency of some defense attorneys to engage in plea negotiations primarily to expedite the movement of cases.

Clearly, the goal of reducing the time between arrest and trial—which is the principal aim of this section of the bill—may be at odds with the elimination of plea bargaining. In fact, the widespread growth of plea bargaining is largely the result of burgeoning caseloads and inadequate personnel to handle them. Nevertheless, the legislation seeks to encourage States and localities to try—on an experimental basis—a reduction in plea bargaining, in an attempt to learn more both about the effects of such a reduction on the criminal justice system and on the goal of speedy trials.

By not requiring a specified reduction or the elimination of plea bargaining, it is my hope to prod the States and localities participating in this act to undertake as much of a reduction as is possible consistent with the goals of the act, in a concerted attempt to insure the public that criminals are not routinely given light, plea-bargained sentences merely because of the lack of adequate personnel, and to insure criminal defendants that their rights to trial will be fully protected.

### CORRECTIONS

As the President's Commission on Law Enforcement and Administration of Justice observed:

> For a great many offenders . . . corrections does not correct. Indeed, experts are increasingly coming to feel that the conditions under which many offenders are handled, particularly in institutions, are often a positive detriment to rehabilitation.

But in corrections, just as in other aspects of the criminal justice system the recognition of major defects does not automatically lead to meaningful reform.

The President's Crime Commission and other experts have called for the development of a far broader range of alternatives for dealing with offenders. As the Commission points out:

> While there are some who must be completely segregated from society, there are

> many instances in which segregation does more harm than good.

For the incorrigible offender who poses a clear danger to society, maximum security prisons are necessary. But it makes no sense to build an entire prison system designed to serve only the most hardened criminals, thereby forcing all other classes of inmates to adapt to such an institution.

The importance of properly classifying offenders was underlined by the disturbing finding of the President's Crime Commission:

> That approximately one-fourth of the 400,000 children detained in 1965—for a variety of causes but including truancy, smoking, and running away from home—were held in adult jails and lockups, often with hardened criminals.

As the President's Commission and others have emphasized, a variety of penal institutions and programs are required to meet the special needs of various types of offenders. In particular the development of community-based correctional facilities—designed to avoid the use of far-removed and isolated institutions—is considered an extremely valuable rehabilitation tool.

But regardless of how an inmate is classified, it is important that institutions be adequately equipped and staffed to treat the inmates assigned there.

Therefore, the bill stresses the development of facilities and programs to match the type of corrections treatment to the age, abilities, and particular problems of the inmate. The bill's standards also stress the need for improving the working conditions of and establishing minimum standards for parole and probation officers, and for facilitating the improvement of employment opportunities for ex-offenders.

Specifically, the standards in the area of corrections would call on the States to:

Establish a system for classifying persons charged with or convicted of, criminal offenses so as to permit individualized treatment and security standards appropriate to the individual;

Establish a range of correctional facilities that are adequately equipped and staffed to treat the particular classifications of inmates assigned there;

Provide comprehensive vocational and educational programs designed for the special needs of rehabilitating each class of persons charged with or convicted of criminal offenses;

Provide separate detention facilities for juveniles, including shelter facilities outside the correctional system for abandoned, neglected, or runaway children;

Establish standards applicable throughout the State for local jails and misdemeanant institutions to be enforced by the appropriate State corrections agency;

Provide parole and probation services for felons, for juveniles, for adult misdemeanants who need or can profit from community treatment, and supervisory services for offenders who are released from correctional institutions without parole;

Establish caseload standards for parole and probation officers that vary in size and in type and intensity of treatment according to the needs and problems of the offender;

Establish statewide job qualifications and compensation schedules for correctional officers, including probation and parole officers, along with a mandatory system of in-service training;

Develop and operate programs of treatment and rehabilitation for persons suffering from alcoholism and drug abuse, available both to inmates and as an alternative to incarceration;

Facilitate the improvement of employment opportunities for ex-offenders, including the repeal of all mandatory provisions in law or civil service regulations that deprive such ex-offenders of opportunities for employment; and

Unify within the executive branch all non-Federal correctional functions and programs for adults and juveniles.

### OTHER PROVISIONS

In the area of administration, the bill calls on the State applying for assistance under the bill to study the consolidation of law enforcement agencies within the State and to report its findings to the Administrator of LEAA within 2 years.

In addition, the State would study the application of the criminal laws and the propriety of the application of such laws, to a variety of "victimless" crimes, including alcoholism and drunkenness; gambling; vagrancy; disorderly conduct; and other appropriate areas. And, narcotics addiction and drug abuse would be similarly studied, with the results of all these studies to be reported to the Administrator within 2 years.

Finally, the State would be called on to create a permanent criminal law review commission to review legislative proposals bearing criminal penalties, and to propose suitable legislation to correct functional gaps in the statutes of the State as they relate to criminal law enforcement.

### FEDERAL FUNDING

In order to provide strong incentives for States and localities to undertake the type of comprehensive criminal justice system reform envisioned in the bill, the Federal share of funding needed to undertake these reforms would range from 50 to 90 percent, depending on the particular nature of the program involved. For those standards set forth in the bill which are part of an approved State plan and which do not require the enactment of new legislation or ordinances, the Federal share would be 75 percent. For those standards which require such legislation, the Federal share would increase to 90 percent. And, for those elements of an approved State plan which are not enumerated in the standards of the bill, the Federal share would be 50 percent.

These funding levels are specifically set in order to encourage States and localities to undertake the most thorough and comprehensive criminal justice system reform possible. By placing priority in Federal funding on those longer-term proposals which require new legislation, it is my hope that we can encourage the States to begin quickly the type of revision in State law which will be needed in order to reduce crime and improve the quality of service by the criminal justice system to both the public and those involved in the system.

Since much of this bill seeks to use a comprehensive, demonstration project approach to the total criminal problem, funding would be made available for a maximum of six States. The legislation would direct the Administrator of LEAA to disburse the recipient States geographically, to the maximum extent feasible, although the principal criterion for approval would remain the extent to which the individual State included in its plan the reforms specifically designated in the bill.

In addition, the bill provides for Federal payments of 50 percent of the cost of preparing State plans for submission to the LEAA Administrator, and contains strong safeguards to insure that moneys expended under the legislation are properly used, and are employed to supplement—rather than supplant—existing Federal efforts in the area of the criminal justice system.

Mr. President, we must recognize that State and local governments have and should continue to have the primary responsibility in dealing with the problems of crime. But we must also recognize the general feeling of public dissatisfaction with the overall crime-fighting effort at every level of Government. We must avoid turning all law enforcement into the responsibility of the Federal Government. But if this is to be avoided, it is imperative that State and local governments begin the job of reforming their outmoded criminal justice systems.

This bill, then, is not an effort to make the Federal Government responsible for all law enforcement. Instead, it is based on the assumption that the States and localities—with substantial Federal assistance—can sharply reduce their crime rate by comprehensive criminal justice reforms.

Justice Felix Frankfurter reminded us some years ago that—

> There is no inevitability in history except as men make it.

And yet, for too long, Government has acted as if an increasing rate of crime was inevitable and beyond its reach. We have been overwhelmed by the apparent complexity of the problem, ignoring the obvious relationship between rising crime, on the one hand, and low police salaries, long court delays, and disgraceful prisons on the other.

Many of the reforms which this bill seeks to encourage are relatively easy to implement; others will take time and require the investment of money and other resources.

But we clearly have the means to carry through all of these reforms and to make them work.

Rising crime need not be a fact of life during the next decade. Only our inaction and inertia will make it so.

Mr. President, I ask unanimous consent that the text of this legislation and a section-by-section analysis appear in the RECORD at the conclusion of my remarks.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 3227

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Model Criminal Justice Reform Act of 1974".

DECLARATION OF POLICY

SEC. 2. The Congress hereby finds that—

(1) the ever-increasing number of serious crimes committed in the United States, the backlog of criminal cases in the courts, and the overcrowded and inadequate conditions of correctional institutions require that only comprehensive reform can achieve a truly adequate system of criminal justice in the United States;

(2) effective control and prevention of crime can best be attained if States and localities adopt comprehensive criminal justice reforms, including reforms in recruiting, training, compensating, and supervising police and other law enforcement personnel, expediting and improving criminal court procedures, and strengthening correctional systems;

(3) the recommendations of the President's Commission on Law Enforcement and the Administration of Justice, and the National Advisory Commission on Criminal Justice Standards and Goals, together with the planning and recommendations of a number of State planning agencies and commissions and other agencies, provide an excellent basis for the adoption of such reforms;

(4) the responsibility for law enforcement and the administration of criminal justice is essentially the responsibility of State and local governments, but the Federal Government has a responsibility and a unique opportunity to provide financial and technical assistance to encourage demonstration projects leading to comprehensive criminal justice reform; and

(5) adoption of a demonstration approach to such comprehensive reform will prove useful in establishing the most effective means to implement fundamental change in the criminal justice system.

DEFINITIONS

SEC. 3. As used in this Act—

(1) "Administration" means the Law Enforcement Assistance Administration;

(2) "Administrator" means the Administrator of Law Enforcement Assistance Administration;

(3) "criminal offense" includes juvenile offenses, except as otherwise specified;

(4) "locality" means any city or other municipality (or two or more municipalities acting jointly) or any county or other political subdivision or State (or two or more acting jointly) having general governmental powers;

(5) "Federal agency" means any department, agency, or independent establishment in the executive branch of the Government, including any wholly owned Government corporation; and

(6) "State" means each of the several States of the Union, and the District of Columbia.

PROGRAM AUTHORIZED

SEC. 4. The Administrator is authorized to make grants and provide technical assistance to States and localities for demonstration projects in accordance with the provisions of this Act, beginning July 1, 1974, and ending June 30, 1981.

ELIGIBILITY FOR ASSISTANCE

SEC. 5. (a) A State or locality is eligible for assistance under this Act only if the Administrator determines, pursuant to regulations established by him under section 8, that a plan for comprehensive criminal justice system reform submitted to him pursuant to this Act establishes the reasonable likelihood of substantial and fundamental change in the criminal justice system of such State or locality within four years after the enactment of this act.

(b) In approving State plans for comprehensive criminal justice system reform pursuant to this Act, the Administrator shall give priority consideration to those States which, in submitting such plans, include the following provisions:

(1) The State (and, where appropriate, any locality within such State eligible to receive assistance under this Act) will establish, with respect to police and other similar law enforcement personnel—

(A) standards for recruitment which are uniform throughout the State;

(B) appropriate educational requirements for advancement which are uniform through the State;

(C) beginning compensation and increases in compensation which are appropriate for a professional, considering the size of the community and the lost of living in the community in which such personnel serve;

(D) a retirement system that is uniform throughout the State, and a statewide pension plan for such personnel;

(E) to the extent possible, uniform promotional policies for such personnel throughout the State;

(F) to the extent appropriate, standard operational procedures for such personnel throughout the State;

(G) lateral entry between law enforcement agencies of each locality within the State and between Federal, State, and local law enforcement agencies located within the State, with appropriate conditions on the period of initial service for such personnel; and

(H) facilities offering short-term mandatory training for all such personnel within the State;

(I) programs to increase use of civilian personnel in all police tasks suitable for performance by such personnel;

(J) volunteer neighborhood security programs, where feasible, and crime prevention units to work with the community in reducing criminal opportunities; and

(K) policing programs to insure stability of assignment in a given geographic area for individual patrol officers who are operationally deployed.

(2) The State and any locality within such State having jurisdiction over the trial of criminal offenses will implement such necessary reforms as will insure that (A) the trial of all such offenses (excluding juvenile offenses) will be commenced no later than sixty days from and date on which the defendant was arrested or from the date on which the defendant was charged by the authorities with such offense, whichever occurs first, and (B) the charges will be dismissed with prejudice for failure to comply with the requirements of this paragraph, except that the Administrator shall, by regulation, provide for the exclusion from such sixty-day period of any periods of delay that he designates as may reasonably be necessitated in the interest of justice; and reforms under this paragraph may include, without limitation—

(i) increasing the number of judges trying criminal offenses;

(ii) improving the efficiency of criminal court procedures;

(iii) appointing professional court administrators;

(iv) increasing personnel engaged in prosecuting and defending criminal cases;

(v) diverting, in appropriate circumstances, of offenders into noncriminal programs before formal trial or conviction;

(vi) implementation of standards leading to the reduction of plea negotiations between defendants and prosecutors, on an experimental basis, to determine the impact of such reductions on the criminal justice system and the goals of this paragraph; and

(vii) establishment of family courts with jurisdiction over all legal matters related to family life.

(3) The State and, where appropriate, each such locality within such State eligible to receive assistance under this Act—

(A) will establish a system for classifying persons charged with, or convicted of, criminal offenses so as to permit individualized treatment and security standards appropriate to the individual;

(B) will establish a range of correctional facilities that are adequately equipped and staffed to treat the particular classifications if inmates assigned there, including small-unit, community based correctional institutions;

(C) will provide comprehensive vocational and educational programs designed for the special needs of rehabilitating each class of persons charged with or convicted of criminal offenders;

(D) will provide separate detention facilities for juveniles, including shelter facilities outside the correctional system for abandoned, neglected or runaway children;

(E) will establish standards applicable throughout the State for local jails and misdemeanant institutions to be enforced by the appropriate State corrections agency;

(F) will provide parole and probation services for felons, for juveniles, for adult misdemeanants who need or can profit from community treatment, and supervisory services for offenders who are released from correctional institutions without parole;

(G) will establish caseload standards for parole and probation officers that vary in size and in type and intensity of treatment according to the needs and problems of the offender;

(H) will establish statewide job qualifications and compensation schedules for correctional officers, including probation and parole officers, along with a mandatory system of in-service training;

(I) will develop and operate programs of treatment and rehabilitation for persons suffering from alcoholism and drug abuse, available both to inmates and as an alternative to incarceration;

(J) will facilitate the improvement of employment opportunities for ex-offenders, including the repeal of all mandatory provisions in law or civil service regulations that deprive such ex-offenders of opportunities for employment; and

(K) will unify within the executive branch all non-Federal correctional functions and programs for adults and juveniles.

(4) The State will study, through an appropriate and responsible group, the consolidation of law enforcement agencies within such State, as best suited to the particular needs of that State; and will report to the Administrator on its findings not later than two years following the approval of its State plan under this Act.

(5) The State (and each locality eligible to receive assistance under this Act) will study through, an appropriate and responsible group, the application of the criminal laws, as well as the propriety of the application of such laws, to—

(A) alcoholism and drunkeness;

(B) narcotics addiction and drug abuse;

(C) gambling;

(D) vagrancy and disorderly conduct; and

(E) such other related areas which the State deems appropriate

and will report to the Administrator on its findings with respect to such matters not later than two years after the approval of its State plan.

(6) The State will create a permanent criminal law review commission to review legislative proposals bearing criminal penalties, and to propose suitable legislation to correct functional gaps in statutes of that State as they relate to criminal law enforcement.

(c) Pursuant to regulations which he shall promulgate, the Administrator shall classify the provisions of subsection (b) of this section in the following manner—

(1) phase one-All provisions (A) which the State can meet without the enactment of legislation of general applicability for such State or the enactment of ordinances by the governing body of the appropriate locality within such State, or (B) which the Administrator determines can be met within a relatively short period of time; and

(2) phase two-All provisions (A) which will require the enactment of legislation of general applicability for such State or by the enactment of ordinances by the governing body of the appropriate locality within such State, or (B) which the Administrator determines will require more time than is specified under paragraph (1) of this subsection.

### STATE PLANS

SEC. 6. (a) Any State desiring to receive assistance under this Act shall submit a State plan consistent with such regulations as the Administrator may establish under section 8. Each such plan shall—

(1) provide for the administration of such plan by the chief executive of such State or by a public agency which is designated, established, or created for the purposes of this Act in accordance with State law;

(2) set forth a comprehensive statewide criminal justice reform program which incorporates, to the maximum extent feasible, the provisions set forth in section 5, including such assurances as may be necessary for the Administrator to determine the Federal share of the cost of any portion of such program;

(3) with respect to any State project, service, or activity which is substantially similar to any such project, service, or activity for which a locality within such State is eligible under this Act, set forth provisions identical to the provisions of the application required under section 7;

(4) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement, and to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the State for the purposes for which the State plan is submitted, and in no case supplant such funds;

(5) provide that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State, including funds paid to localities by such State under this Act;

(6) provide that no application by a locality will be denied without first affording the agency submitting such an application reasonable notice and opportunity for a hearing; and

(7) provide that the State will make to the Administrator—

(A) periodic reports evaluating the effectiveness of payments received under this Act in carrying out the objectives of this Act; and

(B) such other reports as may be reasonably necessary to enable the Administrator to perform his functions under this Act, including such reports as he may require to determine the amounts which localities of that State are eligible to receive for any fiscal year, and assurances that such State will keep such records and afford such access thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) The Administrator shall, initially and annually thereafter (subject to limitations contained in section 11 of this Act), approve a plan which meets the requirements specified in subsection (a) of this section and he shall not finally disapprove a plan except after reasonable notice and opportunity for a hearing to such State.

### APPROVAL OF PROJECT APPLICATIONS

SEC. 7. (a) A grant under this Act pursuant to an approved State plan for criminal justice reform may be made, upon application, to the appropriate State at such time or times, in such manner, and containing or accompanied by such information as the Administrator deems necessary. Such application shall—

(1) provide that the activities and services for which assistance under this Act is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for criminal justice reform which is consistent, to the maximum extent feasible, with the provisions set forth in section 5 with respect to the applicant;

(3) set forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in the application and in no case supplant such funds;

(4) provide, in the case of an application for assistance under this Act which includes a project for the construction, remodeling, or renovation of necessary facilities, satisfactory assurance that—

(A) upon completion of the construction, title to the facilities will be in a State or local public or private nonprofit agency;

(B) in developing plans for such facilities due consideration will be given to excellence of architecture and design, and efficiency of energy usage;

(C) the requirements of section 15 will be complied with;

(5) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this Act; and

(6) provide for making an annual report and such other reports, in such form and containing such information, as the Administrator may reasonably require to carry out his functions under this Act and to determine the extent to which funds provided under this Act have been effective in carrying out the policy of this Act, and for keeping such records and for affording such access thereto as the Administrator may find necessary to assure the correctness and verification of such reports.

(b) An application by a locality for a grant under this Act may be approved by a State only if it is consistent with the applicable provisions of this Act, and

(1) meets the requirements set forth in subsection (a); and

(2) such State has on file a State criminal justice reform plan approved by the Administrator.

(c) Any locality denied approval under subsection (b) of this section, may within ten days file a written appeal with the Administrator. Upon a determination that the denial was unreasonable or not consistent with terms of the applicable State criminal justice reform plan, the Administrator shall negotiate a resolution of the differences between such State and locality on which the denial of such application was based.

(d) Amendments of applications shall, except as the Administrator may otherwise provide, be subject to approval in the same manner as original applications.

### REGULATIONS

SEC. 8. As soon as practicable after the enactment of this Act, the Administrator shall issue such regulations as may be necessary to implemnt sections 5, 6, and 7. In establishing regulations under this section the Administrator shall consider the recommendations of each of the States and the purposes of this Act.

### FINANCIAL ASSISTANCE FOR PLANNING COMPREHENSIVE CRIMINAL JUSTICE REFORM PLANS

SEC. 9. (a) The Administrator is authorized to make grants to, and to contract with, States and localities to pay 50 per centum of the costs of planning and developing State plans and project applications under this Act.

(b) Financial assistance will be provided under this section only if—

(1) the application for such assistance has been approved by the chief executive of the State, and

(2) the Administrator has determined that there exists administrative machinery through which coordination of all related planning activities of localities can be achieved.

### TECHNICAL ASSISTANCE

SEC. 10. The Administrator is authorized to undertake such activities as he determines are necessary to provide, either directly or by way of grants, contracts, or other arrangements, technical assistance to States and localities in the planning, developing, and administering of comprehensive criminal justice reform programs for which assistance is provided under this Act.

### PAYMENTS

SEC. 11. (a) The Administrator shall pay in any fiscal year to each State which has a plan approved pursuant to this Act for that fiscal year that Federal share of the cost of such plan as determined by him, provided that such plans shall be approved for no more than 6 States, and that in approving such plans, the Administrator shall attempt, to the maximum extent feasible, to provide for representation of different geographical regions of the United States.

(b) The Federal share of programs and projects covered by the State plan which are in phase one under the provisions of section 5(c) of this Act shall be 75 per centum for any fiscal year. The Federal share for programs and projects covered by the State plan which are in phase two shall be 90 per centum for each fiscal year. The Federal share of programs or projects covered by the State plan which are not enumerated in section 5(b) of this Act shall be 50 per centum for any fiscal year.

(c) The Administrator shall pay to each applicant which has an application approved pursuant to section 10, 75 per centum of the cost of such application.

(d) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(e) Grants made under this section, pursuant to a State plan, for programs and projects in any one State shall not exceed in the aggregate 25 per centum of the aggregate amount of funds authorized to be appropriated under section 17.

### WITHHOLDING OF PAYMENTS

SEC. 12. Whenever the Administrator, after reasonable notice and opportunity for a hearing to any State, finds—

(1) that there has been a failure to comply substantially with any requirement set forth in the plan of that State approved under section 6; or

(2) that there has been a failure to comply substantially with any requirement set forth in the application of a locality approved pursuant to section 7; or

(3) that in the operation of any program or project assisted under this Act there is a failure to comply substantially with any applicable provision of this Act;

the Administrator shall notify such State of his findings and that no further payments may be made to such State under this Act (or, in his discretion, that the State shall not make further payments under this Act to specified localities affected by the failure) until he is satisfied that there is no longer any such failure to comply, or the noncompliance will be promptly corrected. The Administrator may authorize the continuance of payments with respect to any program or project assisted under this Act which is being carried out pursuant to such State plan and which is not involved in the noncompliance.

### RECOVERY OF PAYMENTS

SEC. 13. If within twenty years after completion of any construction for which Federal funds have been paid under this Act—

(a) the owner of the facility shall cease to be a State or local public agency; or

(b) the facility shall cease to be used for the purposes for which it was constructed, unless the Administrator determines there is good cause for releasing the applicant or other owner from the obligation to do so;

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

### REVIEW AND AUDIT

SEC. 14. The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of a grant recipient that are pertinent to the grant received.

### LABOR STANDARDS

SEC. 15. All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 27a–276a–5). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

### SAVINGS PROVISION

SEC. 16. Nothing contained in this Act shall be construed to prevent or impair the administration or the enforcement of any other provision of Federal law.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 17. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

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### SECTION-BY-SECTION ANALYSIS: MODEL CRIMINAL JUSTICE REFORM ACT OF 1974

Section 2. Declaration of policy.

Section 3. Definitions.

Section 4. Authorization of program.

The Administrator of the Law Enforcement Assistance Administration is authorized to make grants and provide technical assistance to states and localities for demonstration projects in accordance with terms of the Act over a seven-year period beginning July 1, 1974 and ending June 30, 1981.

Section 5. Eligibility for assistance.

(a) States are eligible for assistance if the Administrator determines that a plan for comprehensive criminal justice system reform submitted to him under the Act establishes the reasonable likelihood of substantial and fundamental change in the criminal justice system of the state and its localities within four years after the date of enactment.

(b) In approving state plans for comprehensive criminal justice system reform, the Administrator must give priority consideration to states which include the following provisions in their applications.

(1) With respect to police, that the state will establish:

1. uniform recruit standards throughout the state;

2. appropriate educational requirements uniform throughout the state;

3. beginning compensation and increases in compensation appropriate for a professional, considering the size of the community and the cost of living in the relevant community;

4. uniform statewide retirement systems and pension plans;

5. to the extent possible, uniform promotional and operational procedures;

6. lateral entry between local law enforcement agencies within the state and between Federal, state and local law enforcement agencies located within the state;

7. facilities offering short-term mandatory training for all such personnel within the state;

8. programs to increase use of civilian personnel in all police tasks suitable for performance by such personnel;

9. volunteer neighborhood security programs, where feasible, and crime prevention units to work with the community in reducing criminal opportunities; and

10. policing programs to insure stability of assignment in a given geographic area for individual patrol officers who are operationally deployed.

(2) With respect to the courts, that the state will establish whatever reforms are necessary, including increases in court personnel, to insure that trials of all criminal offenses (excluding juvenile offenses) are commenced within 60 days from the date of arrest or charge, whichever comes first. Provision must be made to insure that failure to commence trial, in the absence of exceptions spelled out initially by the Administrator, will result in a dismissal of the case with prejudice.

States may also implement standards leading to the reduction of plea negotiations between defendants and prosecutors on an experimental basis, to determine the impact of such reductions on the criminal justice system and the goals of the bill.

(3) With respect to the corrections system, that the state will establish

1. a system for classifying persons charged with or convicted of criminal offenses;

2. a range of adequately equipped and staffed correctional facilities to treat the various classifications of inmates assigned there, including community-based correctional centers;

3. a comprehensive vocational and educational program designed to accommodate the needs of each class of criminal offenders;

4. separate detention facilities for juveniles including shelter facilities outside the correctional system for abandoned, neglected, or run-away children;

5. standards applicable (statewide) for local jails and misdemeanant institutions to be enforced by the appropriate state corrections agency;

6. parole and probation services for felons, juveniles and adult misdemeanants who need or can profit from community treatment;

7. caseload standards for parole and probation officers based on the needs and problems of the offenders;

8. statewide job qualifications and compensation schedules for correctional officers and probation and parole officers, along with a mandatory system of in-service training;

9. treatment and rehabilitation programs for persons suffering from alcoholism and drug abuse. These programs must be available both to inmates and as an alternative to incarceration;

10. means to facilitate the improvement of employment opportunities for ex-offenders, including the repeal of all mandatory provisions in law or civil service regulations that deprive such ex-offenders of opportunities for employment; and

11. methods to unify within the Executive branch all non-federal correctional functions and programs for adults and juveniles.

(4) That the state will study the consolidation of low enforcement agencies within the state, as best suited to the particular needs of the state, and report to the Administrator on its finding within two years.

(5) That the state will study the application of the criminal law—and the propriety of such application—to alcoholism and drunkeness; narcotics addiction and drug abuse; gambling; vagrancy and disorderly conduct; and other areas the state deems appropriate. The state must report to the Administrator on its findings within two years.

(6) That the State will create a permanent criminal law review commission to review legislative proposals bearing criminal penalties, and to propose suitable legislation to correct functional gaps in statutes of that state as they relate to criminal law enforcement.

(c) The Administrator must classify the specific reform elements of subsection (b) in the following manner:

(1) phase one—all provisions which the state can reasonably assure will be met without the enactment of legislation (ordinances where appropriate) or those which the Administrator determines can be met in a relatively short period of time.

(2) phase two—all provisions which will require the enactment of legislation (ordinances where appropriate) or those which the Administrator determines will require more time than is specified for phase one.

Section 6. State plans.

(a) A state desiring assistance under the Act must submit a state plan consistent with appropriate regulations issued by the Administrator. Each plan must

1. provide for the administration of such plans by the chief executive of such State or by a public agency designated, established or created for the purposes of this act;

2. set forth a comprehensive program which incorporates to the maximum extent feasible, the provisions set forth in section 5, including the assurances enabling the Administrator to determine the federal share for the cost of any portion of such program;

3. with respect to any State project, service, or activity which is substantially similar to any such project, service, or activity for which a locality within such State is eligible under this Act, set forth provisions identical to the provisions of the application required under section 7.

4. set forth policies and procedures which assure that the federal funds will be used to pay the cost of reform beyond those funds that, in the absence of federal funds, would be made available by the state for the purposes for which the state plan is submitted;

5. provide for the appropriate fiscal control and fund accounting procedures;

6. provide reasonable notice and an opportunity for a hearing to localities before an application is denied; and

7. provide that the state will make periodic reports to the Administrator evaluating the effectiveness of the payments received and to enable the Administrator to perform his functions under the Act. A state must also assure that it will keep records that are made accessible to the Administrator for the purpose of verifying such report.

(b) The Administrator shall approve a plan, initially and annually thereafter, which meets the requirements of subsection (a) of this section. He cannot disapprove a plan except after reasonable notice and an opportunity for a hearing to such State.

Section 7. Approval of project applications.

(a) Grants may be made pursuant to an

approved state plan and upon application by the state. The application must

1. contain assurances that the applicant will supervise the administration of the activities and services for which assistance under this Act is sought.

2. set forth a program consistent, to the maximum extent feasible, with the provisions of section 5.

3. set forth policies and procedures that will insure that federal money will only be spent on the cost of reform.

4. provide that, in the case of construction projects,

(A) title will be in a state or local public agency;

(B) consideration will be given to excellence of architectural design;

(C) the requirements of section 15 will be complied with;

5. provide for appropriate fiscal control and fund accounting procedures,

6. provide for making an annual report and such other reports containing sufficient information to enable the Administrator to evaluate the effectiveness of the Act.

(b) An application by a locality may be approved by a state only if it is consistent with this Act and;

1. they meet the requirements of subsection (a); and

2. such state has on file a state criminal justice reform plan approved by the Administrator.

(c) If approval is denied to a locality under subsection (b), the locality may file a written appeal within 10 days with the Administrator. If it is determined that the denial was unreasonable or inconsistent with that state's criminal justice reform plan, the Administrator shall negotiate a resolution of the differences between such state and locality on which the denial was based.

(d) Amendments of applications shall, except as the Administrator may otherwise provide, be subject to approval in the same manner as original applications.

Section 8. Regulations.

The Administrator is required to issue the appropriate regulations. Under this section the Administrator shall consider the recommendations of each of the states and the purposes of this Act.

Section 9. Financial assistance for planning comprehensive criminal justice reform plans.

(a) The administrator is authorized to pay 50% of the costs of planning and developing state plans and project applications under this Act.

(b) Financial assistance will be provided under this section only if—

(1) the chief executive of this state has approved such application, and

(2) the Administrator has determined that sufficient administrative machinery exists through which the coordination of all related planning activities of localities can be achieved.

Section 10. Technical assistance.

The Administrator is authorized to make arrangements, financial and otherwise, for technical assistance to states and localities in the planning, developing and administering of their programs.

Section 11. Payments.

(a) The Administrator must pay to each state with an approved plan the federal share of the cost of such plan as determined by him. Such state plans may be approved for no more than six states, and in approving such plans, the Administrator must attempt, to the maximum extent feasible, to provide for representation of different geographical regions of the country.

(b) The federal share of programs and projects covered by the state plan which are determined to be in phase one as outlined in section 5(c) shall be 75% for any fiscal year. The federal share for programs and projects covered by the state plan which are in phase two shall be 90%. The federal share of programs and projects which are included in an approved state plan, but which are not listed in section 5(b), shall be 50%.

(c) The Administrator shall pay 75 percent of the technical assistance applications that have been approved under section 10.

(d) Payments under this section may be made in installments, in advance or by way of reimbursements, with necessary adjustments on accounts of overpayments or underpayments.

(e) Grants made under this section pursuant to a state plan shall not exceed 25% of the aggregate amount of funds authorized to be appropriated under section 17.

Section 12. Withholding of payments.

The Administrator may withhold grants for so long as, after reasonable opportunity for a hearing, he finds

(1) Failure to comply with any part of the state plan, or

(2) Failure to comply with any requirement set forth in the application of a locality, or

(3) Failure to comply with any applicable provision of the Act.

Section 13. Recovery of payments.

Federal recovery of payments used for construction of facilities for the purpose of the Act shall be permitted within 20 years where the facility is no longer being used in accordance with the Act.

Section 14. Review and audit.

The Administrator and U.S. Comptroller General shall have power to review and audit any records of grant recipients.

Section 15. Labor standards.

Fair labor standards shall be met in the construction of facilities under the Act.

Section 16. Savings provision.

Nothing in the Act shall be construed to prevent the administration of any other provision of Federal law.

Section 17. Authorization of appropriations.

Such sums as may be necessary to carry out the Act are authorized to be appropriated.

Mr. EAGLETON. Mr. President, I am pleased to join with Senators Mondale, Brooke, and Stafford in sponsoring, once again, the "Model Criminal Justice Reform Act."

This bill originated 3 years ago when it was first introduced by Senators Mondale, Brooke, Saxbe, and myself, each of us having formerly been the attorney general of his home State. Senator Saxbe, of course, is now U.S. Attorney General Saxbe and I am very gratified that he recently restated his support for the concept embodied in this bill; that is, the establishment of a series of goals for all elements of the criminal justice system and the provision of Federal financial support, on a demonstration basis, to aid States in achieving these goals.

We are indeed fortunate to have the distinguished Senator from Vermont (Mr. Stafford), also formerly the attorney general of his home State, join in place of former Senator Saxbe, thus maintaining the bipartisan sponsorship.

I am also pleased that each of the sponsors is joining today in cosponsoring of my bill, S. 1114, the Criminal Justice Reform Act, which I introduced on March 6, 1973. S. 1114 is itself modeled on the bill we are offering today except for a revision of the State plan requirements. It is in many respects the twin of this bill and I am confident that the bipartisan support for these bills will ultimately be manifested in the enactment into law of the concept contained in them.

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By MR. MONTOYA (for himself Mr. Domenici and Mr. Moss):

S. 3230. A bill to provide for the efficient development of the natural resources of the Navajo and Hopi Reservations for the benefit of its residents, to assist the members of the Navajo and Hopi Tribes in becoming economically fully self-supporting, to resolve a land dispute between the Navajo and Hopi Tribes, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. MONTOYA. Mr. President, I am pleased to submit today, on behalf of my fellow Senator from New Mexico (Mr. Domenici) our neighbor and colleague to the northwest (Mr. Moss) and myself, a bill offering a solution to the Navajo-Hopi land dispute, and providing, at the same time, for the economic development of the Navajo and Hopi Reservations.

The Navajo-Hopi land dispute has been before committees of the Congress with increasing frequency since 1958. Previous attempts to reconcile conflicting claims have failed, but now the Congress seems determined to provide a final solution to the problem. In the coming weeks, I will be inserting into the Record background material on the dispute as well as on the need for economic development of the region. Today, however, my comments will be relatively brief.

For years now the time which members of the congressional Interior Committees have devoted to a consideration of the problems of the Navajos and Hopis has largely been allocated to one subject: The land dispute between the Navajos and Hopis. Yet, in spite of allegations to the contrary, the people of the two tribes have been, aside from occasional unrelated altercations, at peace with each other. The "dispute" has been raging in the Congress and in congressional hearings.

One reason why the people themselves have not been "disputing" is that they are preoccupied with the hard task of eking out a meager living under very difficult circumstances. For, as distinct from the manmade argument over real estate, there are serious problems which nature poses to the people who want to live on the Navajo and Hopi Reservations. These are the problems with which the inhabitants of the area must deal on a day-by-day basis. They are problems which can be solved. The area can be made economically viable and its residents self-supporting. But to accomplish these goals requires foresight, imagination and—congressional assistance.

If we strip away from the present legislative controversy over Hopi-Navajo affairs the legalisms, the preoccupation with real estate titles, the reliving of 19th century ethnic disputes, if our focus of attention were to shift from official spokesmen to just plain people, Navajo and Hopi herdsmen and farmers, we would see the following: Thousands of men and women, working hard to support themselves on what is now a totally inadequate economic base. For the shortage in this area is not a shortage of living space. There would be plenty of room for tens of thousands additional Hopis and Navajos. The shortage is a shortage of blades of grass.

This shortage is not limited to the area in controversy between the Hopis and Navajos on which congressional attention has focused. It extends to the entire reservation area. To be sure, it has been pointed out over the years that Hopis engage in good conservation practices and that Navajos tend to overgraze. The finger has been pointed at the Navajos time and again for following a pattern of land utilization which will increasingly turn their reservation into a desert.

But the people at whom the finger is thus pointed are not affluent ranchers, who are being called upon to reduce the profit margin of their interprise. They are families living on a bare subsistence level. What they are doing, as they increase their herds, is to provide sustenance for their families in the only way they know.

For the reservation population is increasing at an accelerated rate. The one Government program which has unquestionably been effective in the Indian country has been the health program. Infant mortality has dropped sharply, tuberculosis has been all but stamped out, and the incidence of mortality from infections diseases has been substantially reduced. Yet, the birth rate has not as yet adjusted to these new conditions and the population curve is now shooting upward.

But available opportunities to earn a livelihood have not increased proportionately. The agricultural base, which was able to sustain a much smaller population, is shrinking and the various programs to provide alternative modes of employment have fallen far short of closing the gap. Relocation of the surplus population of Indian reservations to urban centers was once advocated and encouraged by Government programs. Yet, the overcrowding of our metropolitan areas has caused the Government to abandon this approach, which, at any rate, had never been popular with the Indian people.

Thus, on this reservation area, which stretches from New Mexico to Arizona and Utah, the Indian population continues to increase at a rapid rate while the available supportive resources lag further and further behind. Government and tribal service programs, the ploughing back into the economy of mineral income, make a situation which would otherwise be desperate just barely tolerable.

There has, to be sure, been a great deal of conversation about economic development. The concept has enthusiastic verbal support in all interested circles. But when one tries to determine to what extent words have been translated into reality, one discovers that only a pitifully small start has been made to build a healthy economic base for these Indian reservations. A vast rural slum for over 100,000 people is in the making.

It is the problems of poverty, of a rapidly expanding population on a shrinking economic base which are the true problems of this area. These are the problems which should take the time and attention of the Congress.

As yet the situation is not as bleak as it could become. The traditional social fabric still exists. Family ties are strong. We do not encounter here the symptoms of total social disorganization so prevalent in some of the other areas of economic deprivation. People's spirits have not as yet been broken. Chronic dependency has not yet been created. A vigorous economic development effort could succeed here better and faster than it might in many other places.

But this effort should be undertaken without further delay. The totally disorganized and haphazard expenditure of funds on Federal programs and federally financed tribal programs—dependent as they are not on what the tribe believes it needs but what the Federal Government is prepared to fund—should be replaced by a deliberate, purposeful effort to build a self-supporting economic structure, to turn an economic liability of the Southwest into an economic asset.

The last decade has taught us that not all social problems are amenable to solution "by throwing money at them." But that does not mean that sound economic planning cannot serve to reduce unemployment and dependence and thus help avoid the creation of serious social problems. A comprehensive, unified effort to improve the economic base on the Navajo and Hopi Reservations could have a multitude of benefits for the people directly affected, for the States in which they live, and for the country as a whole.

But any attempt to improve the economic base of the Navajo Reservation and the lives of its residents would be hindered significantly by an approach to the Navajo-Hopi land dispute which woud uproot upward of 6,500 Navajos and cause their opportunity to earn a livelihood to be totally destroyed. The results of this upheaval are not only going to affect the people who would be moved, but also those reservation communities which will have to take the expellees in and will have to provide for them.

The bill which we are introducing today provides for a resolution to the land dispute based both on human compassion and a concern for the taxpayer's dollar. It is also a solution which is in keeping with precedents set by Congress over and over again in similar situations.

What we find here is a situation in which certain land has for generations been used and occupied by Hopis while other land has been used and occupied by Navajos. We say that the Hopis should be given a clear interest in all the land which they have used and occupied and are now using and occupying and that the Navajos should be granted the same right in the land which they have been using and occupying. We also say that each tribe should be granted easements on the land of the other tribe for any ceremonial or other traditional uses they may have made of that land.

Under our solution, the Navajos would be authorized to buy out the Hopis' vested interest in the surface of some of the land on which these Navajos have lived for generations. That vested interest was created by an act of Congress passed as recently as 1958.

If private land were involved here, the Navajos would long ago have acquired it under adverse possession. If they were non-Indians having a long-term residence or making long-term use of Indian land, we would provide for a buyout, as we did in passing such laws as the Pueblo Lands Act of 1924, the Ute Jurisdictional Act of 1938, the Indian Claims Commission Act of 1946, and the Alaska Native Claims Settlement Act of 1971. We suggest that the same policy be applied here, that we do not discriminate against the Navajos by applying a different policy to them from that which we would apply if they were non-Indian settlers who had lived on a tract of Indian land for a century.

To sum up, a permanent solution to the problem confronting the Navajo and Hopi Reservations must be based on two equally important components. The approach must be one which leads to a condition of economic self-support for the two reservations. But it must also be an approach which permits the resolution of the Navajo-Hopi land dispute in a manner which recognizes and respects human needs, and which does not visit upon thousands of Navajos the devastating economic and social dislocation that inevitably will result from a program of massive removal and relocation.

Mr. DOMENICI. Mr President, I am extremely pleased to join today with the distinguished senior Senator from New Mexico (Mr. MONTOYA) in introducing legislation designed to finally put to rest the problem of land use and occupancy which exists between the Navajo and Hopi tribes.

The history of this problem is one of which no one can be proud, especially the U.S. Government and the Congress of the United States. The problem has its roots in Government actions and it owes its longevity to continued Government failure to establish and follow policies to equitably settle the resultant dispute.

I will say no more about the history of this problem since it is well recorded in congressional documents and well known by many Members of the Congress. I feel it is sufficient to say that the time is well past due for resolution of a problem which had its origin in 1882.

My distinguished colleague from New Mexico has addressed himself eloquently to the broader aspects of the relations between the Navajo and Hopi tribes and to some of the problems which plague both tribes—problems this bill attempts to address through the creation and operation of the Navajo-Hopi Development Commission. Among the major functions of that Commission would be those which would contribute toward making the entire area economically viable and self-supporting. I associate myself with those remarks and I hope the concept and programs proposed in titles I and II will receive full examination and consideration as part of the legislative process.

My remarks, Mr. President, are directed primarily at the proposals in this bill designed to finally settle the land interests of the Navajo and Hopi people. For reasons I will outline, I feel this bill would provide a fairer solution than any other settlement proposal I am aware of.

On the reservation in question it is an established fact that land use and occupancy of long duration are at conflict with asserted legal interests of questionable validity. It, therefore, becomes the duty of those who have the power to do so, to provide an equitable means to resolve for all time the conflicting interests. The power and the obligation to develop and institute that resolution is in the Congress.

This bill breaks the land area involved down into three major categories, all three of which are definite, identifiable geographic areas within the larger Navajo Reservation One area is that which is for the exclusive use of the Hopi Tribe and this bill confirms that separate, exclusive use by the Hopis.

The second area is one designated in the bill as "the joint use area" because in that area it is recognized that the Navajo people and the Hopi people have a joint, equal and undivided one-half interest. This bill would settle the conflicting claims of Navajos and Hopis by having the Commission referred to prevously identify and dispose of three subcategories of land, depending on land use as of July 27, 1958. This date is proposed since it is the date of the Navajo-Hopi Jurisdictional Act which represents the last statutory attempt to settle conflicting claims of land interest between the two tribes. The three subcategories of land and the disposition of each category would be as follows:

First. Land which on July 22, 1958, was used by Hopi Indians for residential or agricultural purposes—to be held in trust for the Hopi Indian Tribe.

Second. Land which on July 22, 1958, was used by Navajo Indians for residential or agricultural purposes—to be held in trust for the Navajo Tribe of Indians.

Third. Lands identified under the second subcategory in the joint use area which on July 22, 1958, were used by Hopi Indians for certain specific purposes, including ceremonial and hunting purposes—to be subject to easements in favor of the United States in trust for the Hopi Indian Tribe according to the specific uses made on or about July 22, 1958.

It is anticipated that the value of the surface interests which would be identified in subcategory 1 to be held in trust for the Hopis, would be less than one-half the value of the surface interests of the total area of joint use. This bill provides that the Navajos would pay the Hopis from a Government loan the difference between one-half the total surface interest and the total surface value of lands to be held in trust for the Hopis. This would compensate the Hopi people for having received in actual land less than one-half of the area of present joint use and would require very little, if any, dislocation of Indian families.

This method would also be the less expensive to the taxpayer since relocation allowances would be held to a minimum and since the Navajo Tribe would repay the Government loan from proceeds it will receive from its part of funds derived from the sale of minerals.

It should be noted that all these provisions in the joint use extend only to surface rights and maintain equal rights of the two tribes to all minerals in the joint use area.

The third category of land interests recognized by this bill covers the area related to the act of 1934. In this area, known as the Moencopi Area, the bill would authorize a judicial determination of the interests of the two tribes. The bill provides for addition to the Navajo Reservation of all land which the court determines Navajos have exclusive interest in and addition to the Hopi Reservation all land where the Hopis have exclusive interest.

For that land which the court determines that there is a joint or undivided interest, this bill provides for judicial partitioning in accordance with the principles of fairness and equity. The two tribes would be authorized to exchange lands which are part of their respective reservations.

In conclusion, Mr. President, I state with firm conviction that this bill provides reasonable means to finally determine the land interests of the Navajo Tribe and the Hopi Tribe.

In addition to being logical and reasonable, it is fair and honest and recognizes all legitimate interests whether predicated on law or usage. I, therefore, urge its swift enactment into law.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 1114

At the request of Mr. Mondale, for Mr. Eagleton, the Senator from Minnesota (Mr. Mondale), the Senator from Massachusetts (Mr. Brooke), and the Senator from Vermont (Mr. Stafford) were added as cosponsors of S. 1114, to authorize assistance for demonstration projects designed to develop reforms in the criminal justice system in the United States.

### S. 3136

At the request of Mr. Domenici, the Senator from Utah (Mr. Moss) was added as a cosponsor of S. 3136, the American Arts and Handcrafts Act.

### S. 3043

At the request of Mr. Nelson, the Senator from Minnesota (Mr. Mondale) and the Senator from South Dakota (Mr. McGovern) were added as cosponsors of S. 3043, the Federal Citizens Appeal Act of 1974.

### S. 3056

At the request of Mr. Haskell, the Senator from Wyoming (Mr. McGee) was added as a cosponsor of S. 3056, to authorize the Secretary of Agriculture to amend retroactively regulations of the Department of Agriculture pertaining to the computation of price support payments under the National Wool Act of 1954 in order to insure the equitable treatment of ranchers and farmers.

### S. 3064

At the request of Mr. Abourezk, the Senator from Florida (Mr. Gurney) was added as a cosponsor to S. 3064, to amend section 111 of title 38, in the United States Code, relating to the payment of travel expenses for persons traveling to and from Veterans' Administration facilities.

### S. 3095

At the request of Mr. Haskell, the Senator from New Jersey (Mr. Case), the Senator from New Hampshire (Mr. McIntyre), the Senator from California (Mr. Cranston), the Senator from Illinois (Mr. Stevenson), the Senator from Nevada (Mr. Cannon), and the Senator from California (Mr. Tunney) were added as cosponsors to S. 3095, to deny treatment as a foreign tax payment, under the Internal Revenue Code, to any royalty payment made in connection with the extraction of oil or gas from a foreign country.

### S. 3123

At the request of Mr. Humphrey, the Senator from Illinois (Mr. Stevenson) was added as a cosponsor of S. 3123, to establish a universal school food service for children.

### S. 3134

At the request of Mr. Haskell, the Senator from New Hampshire (Mr. McIntyre) was added as a cosponsor of S. 3134, to impose an excess profits tax on the excess petroleum profits income of certain domestic corporations engaged in multinational operations.

### S. 3168, S. 3169, AND S. 3170

At the request of Mr. Tower, the Senator from Alaska (Mr. Stevens) was added as a cosponsor of S. 3168, to amend title II of the Social Security Act to permit the payment of benefits to a married couple on their combined earnings record; S. 3169, to amend title II of the Social Security Act to provide that an insured individual otherwise qualified may retire and receive full old-age insurance benefits, at any time after attaining age 60, if he has been forced to retire at that age by a Federal law, regulation or order; and S. 3170, to amend title II of the Social Security Act to provide that any individual who has 40 quarters of coverage whenever acquired, will be insured for disability benefits thereunder.

### SENATE JOINT RESOLUTION 196

At the request of Mr. Nelson, the Senator from Iowa (Mr. Hughes) and the Senator from Delaware (Mr. Roth) were added as cosponsors of Senate Joint Resolution 196, designating the week of April 21-28, 1974 as Earth Week 1974.

## SENATE RESOLUTION 298—SUBMISSION OF A RESOLUTION EXPRESSING THE SORROW OF THE SENATE IN RESPECT TO THE DEATH OF FORMER SENATOR B. EVERETT JORDAN

(Considered and agreed to.)

Mr. ERVIN (for Mr. Cannon) (for himself, Mr. Pell, Mr. Robert C. Byrd, Mr. Allen, Mr. Williams, Mr. Cook, Mr. Hugh Scott, Mr. Griffin, Mr. Hatfield, Mr. Ervin, and Mr. Helms) submitted a resolution expressing the sorrow of the

Senate in respect to the death of former Senator B. Everett Jordan.

(The resolution is printed in full later in the Record, when it was adopted.)

## SENATE RESOLUTION 299—ORIGINAL RESOLUTION REPORTED RELATING TO THE PURCHASE OF CALENDARS (S. REPT. NO. 747)

(Placed on the calendar.)

Mr. CANNON, from the Committee on Rules and Administration, reported the following original resolution:

### S. RES. 299

*Resolved*, That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $12,875 for the purchase of twenty-five thousand seven hundred and fifty calendars. The calendars shall be distributed as prescribed by the committee.

## AMENDMENT OF FEDERAL ELECTION CAMPAIGN ACT OF 1971—AMENDMENTS

### AMENDMENTS NOS. 1058 THROUGH 1065

(Ordered to be printed, and to lie on the table.)

Mr. ALLEN submitted eight amendments, intended to be proposed by him, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

### AMENDMENT NO. 1066

(Ordered to be printed, and to lie on the table.)

Mr. HATHAWAY submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

## NOTICE CONCERNING A NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

William S. Schloth, of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years (reappointment).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Friday, March 29, 1974, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

## ADDITIONAL STATEMENTS

### MR. PETERSEN REPLIES

Mr. METCALF. Mr. President, yesterday I spoke in the Senate about the pending investigation by the Department of Justice into an alleged violation of section 205, title 18 of the United States Criminal Code. The investigation relates to suits brought against the Federal Government on behalf of a Member of Congress by a member of his staff who is an attorney admitted to practice in the District of Columbia. Those remarks appear in the Congressional Record for March 20, 1974, at page S4117.

I provided Mr. Petersen, Assistant Attorney General in charge of the Criminal Division, with a copy of my remarks on yesterday. Late yesterday Mr. Petersen responded with a letter which I ask be printed in the Congressional Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Justice,
*Washington, D.C., March 21, 1974.*

Hon. Lee Metcalf,
*U.S. Senate,*
*Washington, D.C.*

Dear Senator: I have your letter of March 21, 1974 enclosing a copy of a speech which you have by this time made on the Senate Floor and entered in the Congressional Record. I want to thank you for your courtesy and thoughtfulness in giving me an advance copy of your remarks.

I should say, however, that in my judgment your indignation, if indignation it be, is premature. The facts may be as you assume them to be. Unfortunately for me I cannot assume the facts. All that we have taken upon ourselves to do is the minimum that can be expected of those who are charged with enforcing the law. To be explicit we have taken two facts that were brought to our attention by the Civil Division of this Department which suggest the *possibility* that an individual employed by the Congress *may* be in violation of the law. No determination has been made—no determination will be made until the facts are developed by the preliminary investigation requested. To suggest intimidation does a disservice not only to the Department of Justice but to the lawyers employed here. I trust that we will arrive at a fair and reasonable conclusion. In accordance with the request made by Mr. Kovac's counsel, a full opportunity will be given to him through his counsel to advance his point of view in the event we reach a conclusion that would be adverse to Mr. Kovac's interest. More than that I cannot do—more than that it would be wrong to do. I trust you will accord us in the Justice Department the same courtesy that I have observed all members of Congress accord to each other, that is, without evidence, not to question our motives.

Sincerely,

Henry E. Petersen,
*Assistant Attorney General.*

## FACT-FINDING MISSION TO SOUTH VIETNAM

Mr. GOLDWATER. Mr. President, an independent factfinding mission to South Vietnam, cosponsored by the American Security Council and the Vietnam Council on Foreign Relations, was completed on January 22, 1974. Although the report is rather voluminous, I think it is of such interest that Members of Congress should read it because we are now beginning to hear strange tales of lament as the opposition forms to oppose any help to our allies, the South Vietnamese.

I think Ambassador-at-Large Bunker summed the whole thing up in his opening remarks serving as a preface to this work when he said:

> But I believe history will determine that it has not been in vain.

I ask unanimous consent that this report be printed at this point in my remarks.

There being no objection, the report was ordered to be printed in the Record, as follows:

### VIETNAM REPORT: "NOT IN VAIN"

"The costs of the struggle, in which we were joined, have been huge—in lives, in treasure, in the destruction of homes, people uprooted, in the divisions in our own country.

"But I believe history will determine that it has been not in vain. One small country has gained a chance at self-determination. Other nations nearby have gained the time to create a more stable Asia. The U.S. has demonstrated to other nations that it had the will to accept the responsibilities of power and to assure the credibility of its commitments.

"And the great powers of the world have, through this war, evolved a way to replace confrontation with diplomacy."—Ambassador-at-Large Ellsworth Bunker.

### I. VIETNAM MISSION: THE OBJECTIVES

More than 50,000 Americans died in defense of South Vietnam. More than 130 billion dollars were spent in support of that objective.

Has the pursuit of that objective been in vain? The facts indicate quite the opposite. Today, more than one year after the Paris peace agreement and the final withdrawal of all American forces, South Vietnam remains a free society, even though massive problems persist.

Due to the sacrifices of the seven million Americans who served there, the 18 million people of South Vietnam have gained a fair chance to preserve their independence. The South Vietnamese have been trained and equipped and encouraged to defend themselves—to "go it alone."

That they are now trying to do. From all indications, South Vietnam today stands on the threshold of viability, of being able truly to "go-it-alone." Its armed forces appear to be holding their own, or better, against continued Communist aggression. Morale is up, desertions, though still a problem, are down. For the first time, there are signs that a nation is emerging, with a unity of purpose and of leadership and with an increasing degree of popular participation.

South Vietnam's survival, however, is still in question. The withdrawal of U.S. forces left a vacuum and the economy is suffering. World-wide inflation, and energy shortages, have left their mark; prices went up 64 percent last year, and are still rising. An acute shortage of fertilizer threatens the nation's life-sustaining crop, rice. As elsewhere, oil is in critical short supply.

The South Vietnamese are tightening their belts and learning to live with less, a great deal less. To survive, they need continued help, just as the nations of Western Europe needed help to recover from the ravages of World War 2 and to rebuild their defenses against the threat of Communist aggression.

The next two years will be crucial years. If the South Vietnamese can be helped to fill the vacuum left by the departure of more than half a million American troops and to strengthen their defenses and economy and political and social life, they will have a better than even chance to endure and to prosper in the years to come.

It can be assumed that a great majority of Americans support these objectives. It is not in the American character to abandon a struggle within reach of success, or to desert a friend in need.

Yet, this is what a small minority of critics of American policy in Vietnam would have us do. Not content with the total withdrawal of U.S. forces, and Congress' denial of further direct active military support for the embattled free nations of Indochina, these critics now demand a total cut-off of all U.S. military and economic support.

They would, in effect, snatch failure from the jaws of success, and deliver South Vietnam and its 18 million people to the Communists by default.

Since South Vietnam stands steady on the battle front, its enemies have mounted new attacks on another front—Washington.

The government of South Vietnam, and its elected leader, President Nguyen Van Thieu, are portrayed far and wide as corrupt and oppressive and thereby unworthy of continued U.S. support.

These verbal assaults have reached a crescendo unparalleled since the days of the Vietnam "moratorium" and the march on the Pentagon. Familiar voices that once demanded U.S. withdrawal from Vietnam now denounce any and all U.S. aid to Saigon.

Jane Fonda and Tom Hayden set up shop in Congress and openly lobby for the abandonment of South Vietnam. A three-week anti-Vietnam seminar is organized in a committee hearing room of the U.S. House of Representatives. Remnants of the "Vietnam Veterans Against the War" invade and briefly seize the information offices of the South Vietnamese Embassy in Washington.

"Study groups," composed of articulate and well-known propagandists against U.S. policy in Indochina, visit Vietnam and return with shocking new tales of torture and imprisonment of tens of thousands of innocent "political prisoners." Their views and expressions are afforded prominence before committees of Congress and in the news media with scant attention to their credentials or credibility.

Volumes of testimony and statistics recite a long litany of alleged savagery and wrongdoing by "General Thieu and his henchmen." By sheer weight of words, the professional Vietnam critics seek to confuse, confound and wear down their opposition.

Taken alone, such organized efforts to influence U.S. foreign policy could be dismissed as so much propaganda. But in an America weary of war and preoccupied with newer problems of inflation, energy and Watergate, the critics of Vietnam have gone largely unchallenged and their allegations mostly unanswered.

Without rebuttal, there is a danger that the views of these critics in time could gain acceptance, through repetition if for no other reason.

To afford Congress and the American people an opportunity to hear from *both* sides and to reach reasoned judgements based on *all* the facts, the American Security Council in cooperation with the South Vietnamese Council on Foreign Relations sponsored a private, non-partisan fact-finding visit to South Vietnam.

The mission was headed by Ambassador John Moore Allison (Ret.), former Assistant Secretary of State for Far Eastern Affairs, whose distinguished diplomatic career included Ambassadorships in Japan, Indonesia and Czechoslovakia.

Other members included:

Congressman Philip M. Crane (R-Ill.), member of House Committees on Banking and Currency and House Administration. A former history professor at Indiana and Bradley Universities, Congressman Crane has visited Indochina on several occasions and conducted a special investigation of prison conditions on Con Son Island for a report to Congress.

Richard W. Smith, Chairman, National Federation of Young Republicans, who also serves as Administrative Assistant to the Minority Leader of the Florida State Senate.

Dr. Anthony Kubek, Research Professor, University of Dallas, author, lecturer and former visiting professor at three Chinese universities. He has traveled extensively in Asia and presently serves as consultant to the Senate Internal Security Subcommittee.

Ambassador Elbridge Durbrow (Ret.), Director of Freedom Studies Center, Boston, Virginia, and former Ambassador to South Vietnam (1957–61), whose 38-year diplomatic career included extended tours of duty in Moscow, Warsaw, Bucharest, Rome, Singapore, Lisbon and with the NATO Council in Paris.

Charles A. Stewart, Director of Communications, Institute for American Strategy, and Director of Broadcast Communications, American Security Council.

Philip C. Clarke, correspondent and commentator, Mutual Broadcasting System, and Capitol Editor of the American Security Council's Washington Report. Clarke, a journalist for 35 years, served as an AP foreign correspondent and Newsweek General Editor.

Accompanying the group as an observer was veteran correspondent James Cary, Washington Bureau Chief, Copley Press. (Texts of Cary's published dispatches from Vietnam are included in this report's appendix.)

The group traveled by plane, helicopter and jeep from Saigon to Quang Tri in the far North, and from the Mekong Delta to Con Son Island off the southeast coast of South Vietnam. It witnessed soldiers guarding the ceasefire lines, peasants harvesting rice, village schools in session, government officials at work, and a host of other activities that comprise a nation striving to survive in the twilight of an undeclared war thrust upon it by an aggressor that still aims at total conquest.

There were lengthy private meetings with President Nguyen Van Thieu in the Presidential Palace in Saigon; Hoang Duc Nha, Minister of Information; with Foreign Minister Vuong Van Bac; Pham Kim Ngoc, the former National Commissioner for Planning; Nguyen Duc Cuong, Minister of Trade and Industry; Ton That Trinh, Minister of Agriculture; Pho Ba Quan, Special Assistant to the Minister of Finance; and with the Commander of the National Police, Brig. Gen. Nguyen Khac Binh.

There were meetings also with leading members of the South Vietnamese National Assembly, with private business and professional men, and with students, shopkeepers, and workers. In the countryside, there were briefings by Corps Commanders in Military Regions 1 and 4, and inspection trips of defense lines. Provincial representatives afforded visits to community centers, banks, and irrigation projects.

U.S. Ambassador to Saigon, Graham Martin, conducted an extensive personal briefing, along with members of his staff, and there was a detailed review from Maj. Gen. John E. Murray, who heads the U.S. Defense Attache mission in South Vietnam.

While the fact-finding group claims no "instant expertise" or easy answers to the many complex problems of Vietnam, it did reach a number of conclusions based on first-hand observations.

### II.—"POLICE STATE": WHAT THE FACTS SHOW

Charges that South Vietnam, with U.S. financial and technical support, has become a "police state" are not supported by the facts. South Vietnam's 122,000-man national police force has the function of preserving law and order in both the cities and the countryside; it is a vital element in the government's efforts to provide greater safety and security against terrorist attack, kidnapping, assassination, and sabotage. Since its reorganization in 1971, it has become an increasingly efficient force in securing areas that before were easy prey to guerrilla raids, infiltration and intimidation. By its nature, this fight against subversion is almost certain to lead to some abuses. But there is a definite effort to improve procedures and safeguard individual rights.

As in the U.S., the police operate under the law and arrests are made only for violations of the law. Rather than serving only to protect the government and suppress political opposition, as alleged by critics, the national police are welcomed by most South Vietnamese as a protector. In hundreds of remote hamlets, the gray-uniformed policeman is the lone symbol of authority and, as such, often a prime target of communist assassination squads. The courage and heroism of the policeman is legendary in many rural areas, as it is in the refugee-created cities.

Much of the progress made by the national police is due to the advice and training provided at modest cost by U.S. experts under the Office of Public Safety (OPS), a branch of the State Department's AID program of assistance to foreign governments at their request. Although this aid-and-training program was ended in South Vietnam under terms of the Paris peace agreement, a handful of U.S. civilian technicians continue to provide advice in the operation of a newly-installed computer system which keeps tabs on more than 10 million South Vietnamese. Far from being a secret police device to oppress the populace, as charged by critics, the new computer system is used primarily to curb crime and enforce the law, just as in most advanced countries, including the U.S. And through frequent checking of I.D. cards, the South Vietnamese police are able to spot lawbreakers as well as enemy agents, thereby preventing large-scale infiltration of highly-trained saboteurs, sappers and spies into the cities such as occurred during the '68 Tet offensive.

Despite such achievements, OPS itself is now a favorite object of attack by opponents of U.S. foreign assistance who charge that it promotes "oppressive police states." The record shows quite the opposite is true. In South Vietnam, it seems that leftist propaganda attacks against the police are increased in almost direct proportion to the improvement of police efficiency and effectiveness.

### III.—"POLITICAL PRISONERS": FACT VS. FICTION

Charges that the South Vietnamese government has jailed tens, even hundreds, of thousands of "political prisoners" are in variance with the facts.

Following recent allegations that the Thieu government was holding up to 202,000 political opponents in barbarous captivity, the U.S. Embassy in Saigon undertook what it described as "an exhaustive and painstaking analysis utilizing all available sources, including the personal knowledge of U.S. police advisers who had been on the scene until early 1973. The results of this official U.S. Embassy survey, comprising 15 closely typewritten pages, covers every penal institution in South Vietnam, from the four national prisons and 35 provincial jails to local police lockups where suspected criminals are held for up to five days before disposition of their cases.

The Embassy survey reached "the firm conclusion that the total prisoner and detention population in South Vietnam in the July-August, 1973, period (when the check was conducted) was 35,139. This figure comprises civilian prisoners of all types, not just 'political prisoners,' however defined."

The U.S. Embassy placed the *total capacity* of South Vietnam's prison and detention system at 51,941 as of December 31, 1972. The total prison occupancy on that date was 43,717, and less since then.

The Embassy said that its survey "conclusively refutes the widely-spread charge that South Vietnam government jails harbor '200,000 political prisoners.' " And it found no evidence whatsoever that large numbers of persons had been jailed solely for their political opposition to the present government.

The allegation that the Saigon government harbors "202,000 political prisoners" was found to have originated with a well-known government opponent, Father Chan Tin, a Paris-educated Redemptorist priest who seems to put the human suffering he encounters among his parishioners in class struggle terms. He also heads an organization he calls "Committee To Investigate Mistreatment of Political Prisoners"—which he defines, very broadly, to include arrested communist cadre.

In his latest statement, Father Tin lists prisons that allegedly contain many thousands more prisoners than possibly could be physically accommodated.

Yet, apparently without checking into Father Tin's background or supposed sources, a member of Congress recently inserted Tin's "202,000 political prisoner" figure in the Congressional Record.

Interestingly, Father Tin still puts out his story and continues to attack the government without interference from the authorities—a fact that seems to disprove the familiar charge that Saigon jails all its opponents.

A study group composed of five Vietnam critics who were also briefed on the Embassy "political prisoners" survey, recently returned from Saigon, claiming on TV and in press conferences that "the jails of South Vietnam are full of political prisoners."

As U.S. Ambassador Graham Martin concedes: "(Our) report will not convince those who believe only what they wish to believe. It will, I think, be convincing to those reasonable and objective persons who are still concerned with the truth—and fortunately, the majority of the citizens of the United States still come within this category."

### IV.—"TIGER CAGES": A MYTH DEMOLISHED

Charges of widespread torture and mistreatment of "political prisoners" by the South Vietnamese government lack substatiation and appear to be false or grossly exaggerated.

While it would be virtually impossible for any one private investigative group to personally inspect all the prison facilities in South Vietnam, U.S. Public Safety Advisers who did work closely with the South Vietnamese over the past several years report no proof of any systematic ill-treatment of inmates. Obviously, given the enmity aroused by a quarter of a century and more of conflict and strife, there undoubtedly have been isolated instances of cruelty and ill-treatment. But nowhere is there any evidence of the obvious and systematic brutality practiced against Americans and South Vietnamese prisoners of war by their North Vietnamees and Vietcong captors.

One of the highlights of the fact-finding mission was a day-long visit to Con Son Island where the group was allowed to visit the entire prison facility and to talk freely with both officials and with Vietcong prisoners. More than an hour was spent inspecting the so-called "tiger cages," no longer in use but still employed by propagandists to belabor the South Vietnamese as cruel and oppressive.

Actually, as the fact-finding group determined, these prison cells, built by the French in 1941 as punishment cells for unruly prisoners, were a good deal larger and airier than had been depicted in the famous July 17, 1970 *Life* Magazine "expose."

The *Life* story was based on a report by photographer Tom Harkin, a Congressional staff aide, and Don Luce, then an executive secretary for the World Council of Churches and a leading peace activist. Luce was brought along to Con Son Island by Harkin who was accompanying two congressmen—William R. Anderson of Tennessee and Augustus F. Hawkins of California.

The story claimed that the so-called "tiger cages" were hidden away in a secret area of the island (The ASC fact-finders found it clearly out in the open behind high white walls), and implied that the cells were underground (they were, in fact, above ground with open grates at the top and with a roof some 15 feet above the cells to protect them from sun and rain and individual doors leading to an open courtyard). The Harkin-Luce story also told of prisoners "crouched" in the cells. The cells were, in fact, 10 feet from ceiling to the top grate and 6'3'' wide and 10'6'' deep—far larger than comparable isolation "punishment cells" in most standard U.S. prisons).

Contrary to the *Life* story, which has been endlessly repeated and enlarged upon by anti-Vietnam critics in the nearly four years since publication, the ASC group found no hard evidence of systematic mistreatment of prisoners on Con Son Island. And there was no indication that any of the prisoners in the cells, (the *Life* photos show from two to four inmates in each cell) had been shackled. Indeed, it would have been physically impossible to "suspend" any of the inmates from the top grate, as has been charged.

Of the 5,739 prisoners now on Con Son Island, a majority have accepted the standing offer of the authorities to work daily on one of the vegetable farms, or in the pig farm, brick factory, machine shop or woodworking shop. These "trustees," numbering some 3,000, were under minimal guard and showed no evidence of strain or hardship. Of the 500 VC's who refused to cooperate and who remained in the large (50 inmates each) barred compounds, there was no visual indication of malnutrition, disease, or mistreatment, despite the complaints of some of the VC. (An interview with an English-speaking spokesman for one hard-core VC group is included in the appendix that follows.)

As just one example of prisoner treatment on Con Son Island, the hard-core "uncooperatives" receive 570 grams of rice a day—more than can be spared for war refugees in many resettlement camps on the mainland. And as an example of how U.S. prison training-and-aid has helped, the per capita death rate among inmates is now .36 per 1,000, compared to 1.56 per 1,000 before the aid program began.

There were, of course, many other impressions of South Vietnam and its people, gained through hours of observation and conversation and close study.

Militarily, the South Vietnamese were cautiously optimistic about their ability to withstand any new North Vietnamese offensive, despite the fact that the Paris Agreements did not require the 100,000-odd North Vietnamese forces in the South to go North and despite the continued infiltration of Hanoi's troops (130,000 by conservative estimate), tanks (some 600), long-range artillery and rockets, and anti-aircraft batteries plus the installation of twelve airfields, a new highway complex and a major oil pipeline—all within the South Vietnamese border.

The South Vietnamese thus far have been able to beat back fierce probing attacks, some supported by Soviet-made tanks, in vulnerable border areas in the Central Highlands and along the approaches to Saigon. And as yet the North Vietnamese and Vietcong have failed to conquer a single provincial capital or significant population center.

If anyone doubts still the courage and fighting ability of the South Vietnamese *binh si*, or GI, he should walk through what remains of Quang Tri the northernmost provincial capital, as did members of the fact-finding mission. Not a structure remains. Yet, amid the jagged shards of concrete and twisted steel, soldiers of the ARVN 1st Division and crack Marine and Ranger units hold foxholes and gunposts and fly their red-and-yellow flag above what once was the Citadel, recaptured in 1972 as the North Vietnamese "Eastern Offensive" was bloodily repulsed.

It does come as a jolt to helicopter over wide areas of northern "Eye Corps" and gaze down at now abandoned fire-bases—Camp Nancy, Camp Carroll, "Bastogne," and others. Only piles of used shell casings and scattered bomb craters mark the barren, clay-yellow plains where U.S. Marines once fought and died to hold off human-wave attacks from the jungled mountains to the north and west.

The ARVN defenders, sparser in men, guns and ammunition, have devised new tactics. Batteries of 105's are wheeled into gullies and crevices ready to fire and move. Rather than expending men and materiel to defend fixed positions, the ARVN strategy is to bend and stretch but not break. So far, it seems to be working and such population centers as Hue and Danang appear relatively secure.

In recent weeks, South Vietnam's fledgling air force (more than half of its pilots are still in training, most in the U.S.) has carried out bomb-and-strafe attacks against North Vietnamese infiltration routes and troop movements. As President Thieu explains: "We are trying to prevent the enemy from building up for a new all-out offensive and a new war that could last ten years."

Ironically, the river border at Quang Tri is the only place along the ceasefire line that is not being subjected to intermittent Communist artillery and mortar fire. The reason is clear: In a small clearing in the rubble of Quang Tri camps a unit of the otherwise impotent ICCS—International Commission of Control and Supervision.

Economically, there is deep strain. The treasury is down to 120 million dollars in cash reserves, inflation is rampant (64 percent last year) and the cost of scarce imports such as oil and fertilizer are skyrocketing. Yet, there is solid hope for the future; exports have risen from $13 million in 1971 to a projected $85–100 million in 1974. In June, the first test drilling for oil will take place in an offshore area believed to contain large reserves of this precious commodity. There also is the possibility of oil being discovered in the Delta.

Land reform has advanced more rapidly than even the most optimistic observers had hoped: More than 1,300,000 hectares distributed to 800,000 formerly landless tillers of the soil. And at least 200,000 more are expected soon to receive titles to tracts ranging from 1 to 3 hectares.

Saigon and other large cities are still severely overcrowded, and thousands of refugees remain to be resettled. But there are few signs of hunger, as in such chronically over-populated places as India. And here and there in the capital, Saigon, handsome new skyscrapers have shot up—monuments to the confidence of at least some businessmen.

In the Delta, the rice harvest was full and the peasants and villagers appeared content and well-fed. Groups of young children played barefoot in the dusty roads. Among them here and there, were a few half-American youngsters, obviously accepted by the others.

Much of South Vietnam's natural resources remain to be developed. The country has vast stores of valuable timber and there are indications that tin and other minerals may abound. The fishing industry, second after lumber, easily could flourish. (South Vietnam's third largest export: Scrap metal, left from the war.)

Even tourism could be developed. What GI doesn't recall the wide, golden beaches at Vung Tau and Nha Trang, or the cool, green highlands of Dalat, Vietnam's "Shangri-La?"

Yet, for reasons not clear, OPIC—Overseas Private Investment Corporation—does not insure private U.S. investments in South Vietnam, insurance it readily grants investors in the Philippines, Chile and dozens of other less developed nations. And this despite South Vietnam's newly-adopted tax and profit concessions which are among the most generous in the world.

Politically, South Vietnam is not yet a model of American-style democracy. Nor is it ever likely to be—given age-old Vietnamese family, village and ethnic social structures. In this, Vietnam does not differ from other countries of Southeast Asia, including the Philippines where the U.S. spent fifty years trying to instill the fundamentals of American-type democracy. But it is grossly incorrect to regard South Vietnam as an oppressive dictatorship.

Indeed, there can be little doubt that the 18 million people of South Vietnam, despite wartime conditions, today enjoy far more personal freedom and political participation than most developing nations in Southeast Asia and elsewhere around the world. Not only Father Chan Tin, but such rivals for power as Marshal Ky and "Big Minh" live freely and well while continuing freely to criticize Thieu.

While President Thieu is reviled by enemies of his government as a corrupt dictator, he moves almost daily among the people with only a minimum of personal protection. The son of a humble fisherman from the central coast, he talks the language of the people and is accepted by them. Thieu scoffs at the notion he covets power, saying: "If the people or the army would want me to go, I would go." So far, there is no other leader in South Vietnam who comes anywhere close to Thieu in popularity—and that popularity appears to be solid, despite the severe economic hardships brought on by the U.S. withdrawal.

Thieu is determined to continue the struggle to preserve his country's independence and freedom from Communist takeover "until," as he says, "the last bullet." It is this staunch anti-Communist attitude that has rendered Thieu anathema to the Communists and their backers, in Hanoi and elsewhere.

"The American people and Congress should realize that the Vietnamization task has been successful," says the President. "You may report back to the United States that we have done everything we can here to continue to survive on our own and to defend our freedom. The most important thing we need is guaranteed peace."

Supporters of Thieu have succeeded in amending the Constitution to enable him to run in 1975 for a third term. Aside from some angry anti-Thieu speeches in parliament, and a few critical editorials in some of Saigon's 16 daily newspapers, the fact-finding group witnessed no popular protests. And if Thieu decides to run for re-election next year, he is almost certain to win big, even if the Vietcong should end its boycott of elections and vote.

Corruption is still a problem, as it is in most Asian and many other countries. But Thieu has replaced several of his military leaders and provincial chiefs who were caught grafting or stealing, and he is cracking down hard on others.

The ASC's fact-finding group was particularly impressed by the youth, intelligence and apparent dedication of government cabinet ministers and department experts. The average age of Thieu's cabinet is under 50; in Hanoi, the average age of the Politburo members is 66.

Impressive also was the concern shown by military leaders in the provinces for the welfare of the communities under their protection, especially for war victims living in resettlement centers. Strenuous efforts are continuing to return peasants to the land and to give them security against terrorist attack.

When conditions permit, plans call for soldiers to spend one-third of their time working the land, helping with the crops.

Ambassador Allison, who once served as U.S. Ambassador in Communist Czechoslovakia, observed: "People in the cities and in the countryside give no evidence of serious repression or of living in a police state, particularly in comparison to the people of Eastern Europe."

One fact alone provides clear proof that President Thieu and his government have the support of an overwhelming majority of the South Vietnamese people. In addition to the regular national military forces, numbering more than 500,000, the government has armed the Regional and Popular Forces—assigned to defend their own regions and numbering more than 549,000—with M-16 rifles and M79 grenade launchers and other weapons. What is perhaps even more significant is that President Thieu has distributed World War II type weapons to the local part time militia (People's Self-Defense Forces) to defend their villages and families against communist attacks. In other words, the number of weapons now in the hands of the ordinary South Vietnamese people, apart from the national regular forces, is well over 1 million. Dictators don't do this. Thus, if the people preferred the Vietcong to the present government, all they would have to do would be to turn their weapons "the wrong way" for a few hours. This, of course, has not happened, nor is it likely to happen. It is also significant that despite the war weariness of the South Vietnamese, thousands of young men are drafted into the armed forces each year and continue to fight and die to prevent a communist takeover. This, too, should refute the "police state" allegations of anti-Vietnam critics.

And whenever there is fighting, the refugees still flee South, never North.

### V.—CONCLUSIONS

South Vietnam has proven itself to be a reliable ally and a sound investment in the cause of freedom in Southeast Asia. Given peace and continued stability, it could in time become a model of Asian-style democracy, vigorous, prosperous and above all, free.

It would be a mistake of historic proportions should Congress accept now the argument of critics who contend that the U.S. participation in the defense of South Vietnam was all wrong and that the U.S. should cut its losses and abandon the South Vietnamese as a hopeless cause.

Congress should give close scrutiny to the latest outpouring of propaganda, charging the Saigon government with harboring "political prisoners" by the hundreds of thousands. It should look closely also at the familiar purveyors of such bias to determine (1) their ulterior motives, if any, and (2) their financial support and whether, as some members of Congress believe, they should register as agents of foreign governments.

Not only members of Congress, but all thoughtful Americans, should examine the facts—all the facts—before making up their minds. Americans have a natural aversion to being "sold a bill of goods." Yet, today, it is clear that many of our citizens are being deceived by organized propagandists who seek elimination of all U.S. support for South Vietnam, thus enabling the North Vietnamese and their Vietcong allies to do what they cannot do on the fighting front—take over.

The critics complain that the U.S. is now spending over 2 billion dollars a year to support South Vietnam. Actually, funds appropriated for U.S. aid for the fiscal year 1974 amount to $813 million for the military and $525 million for economic purposes including AID and PL 480.

The achievements of a multitude of American assistance programs, though largely unnoticed by the news media, have brought about truly revolutionary changes in Vietnam.

In education, for example, U.S. aid has helped the South Vietnamese government develop necessary facilities and staff so that college enrollment has increased by fifty percent, secondary school enrollment by nearly 100 percent in the past five years. And more than 90 percent of the approximately three million children age six to twelve are now in school.

Thanks largely to the U.S. sponsored introduction of advanced "miracle rice" varieties, rice production has increased forty percent since 1968.

Important and enduring institutions, such as the National Center of Plastics and Reconstructive Surgery and the National Institute of Administration, have been launched with U.S. help and are making significant contributions to healing the wounds of war and building foundations for further progress.

Such development has taken place despite the disruptions of war and such immediate problems as the caring for and resettlement of some one million refugees created by the Communists' 1972 Easter Offensive.

Members of the American Security Council-South Vietnamese Council on Foreign Relations fact-finding group strongly believe that U.S. aid should be continued in the amount necessary to provide South Vietnam with the weapons and economic support needed for survival, and that private U.S. investments should be encouraged. Our mission also supports efforts being made to grant Overseas Private Investment Corporation insurance to private U.S. investments in South Vietnam. We endorse Ambassador Graham Martin's carefully considered request for supplemental aid to provide additional economic help and military replacements needed to counter Hanoi's infiltration of long-range artillery and other sophisticated new weaponry. The mission applauds President Nixon's advice to Congress in his "State of the Union" message which urges that funds be provided "to maintain strong, self-reliance defense forces" in South Vietnam.

To do less would be to dishonor the 50,000 Americans who died in the Vietnam War and to discredit the United States in the eyes of the world. To abandon our commitments to that embattled nation—after having supplied it with the means and encouragement to fight for its freedom—would be to desert America's principles of liberty and human rights.

Rather than complaining only about the alleged wrongdoings of the South Vietnamese, would it not be more appropriate for the critics to call attention to the many open violations of the Paris peace accords by Hanoi and the Vietcong, to their continued aggression against the civilian population and to their systematic murder of innocent men, women and children?

Why, we ask, were there no expressions of outrage when Communist gunners recently ambushed an unarmed U.S.-South Vietnamese helicopter crew, on a clearly authorized mission to search for the remains of Americans killed in a wartime crash? An American officer, hands raised, was cold-bloodedly shot and killed by the Communist ambushers.

And why do not the critics complain at still another Communist violation of the Paris peace agreement: refusal to allow international search teams to determine the fate of more than 1,300 Americans still listed as MIA—Missing in Action—so that the long and torturous doubts and anxieties of their loved ones could at last be put to rest?

Nor do we hear the critics protest the ruthless terror shelling of Pnom Penh, the capital of neighboring Cambodia, by Hanoi-backed communist insurgent forces.

There is reason for concern that the Congress, preoccupied with problems closer to home, might succumb to the pressures of the anti-Vietnam propagandists. Recently, the U.S. Senate, in a shocking retreat from responsibility, voted 60 to 33 to cut off military shipments of oil to South Vietnam. This despite the fact none of South Vietnam's oil came from domestic U.S. stocks, and would in any case represent only two-tenths of 1 percent of U.S. domestic requirements.

Had the action later not been modified, it possibly could have meant the end of freedom in South Vietnam within a matter of a few weeks.

Other actions taken or pending would cut deeply into other U.S. aid programs for South Vietnam and seriously affect its ability to withstand continued pressure from Hanoi, amply supplied with arms and economic muscle by an ever-generous Moscow and Peking.

It is, in summation, the conviction of the fact-finding group that the struggle for South Vietnam ultimately may be decided not on the battlefield but by the false facts and wrong impressions given to Congress and the American public by anti-Vietnam propagandists.

As Ambassador Allison stated on conclusion of the mission: "The South Vietnamese, both civilian and military, are confident they can stand up to the Communists—*provided* the U.S. continues to give them the economic aid and military equipment they need."

Congressman Crane put it this way: "There is this concern that the United States, at this eleventh hour, might be guilty of turning its back on a commitment that we made quite a number of years ago that came to represent literally billions and billions of dollars, not to mention the blood that we sacrificed, on behalf of trying to help a people who want to remain free from Communist domination.

It would be a great tragedy—a personal tragedy to the United States and also perhaps to the entire Free World—if we did not go that last five yards and give them (the South Vietnamese) the economic and military assistance they need now to absolutely assure their independence."

Some non-Americans are asking why they are given such a totally negative picture of the situation in South Vietnam. Excerpts from an article dated September 8, 1973, sent by a Danish correspondent to his paper in Copenhagen, is included in this report's appendix. It quotes the observations of a Polish member of the International Commission for Control and Supervision (ICCS) and it differs sharply from the views of anti-Vietnam critics in the U.S.

Similar observations are found in the final report of Canada's delegation, issued after it withdrew from the ICCS in disillusionment and frustration. (A summary of the Canadian report is included in the appendix.)

Perhaps the most eloquent appeal to reason came from a deeply concerned American observer with 27 years of service abroad, the past two in Vietnam. Speaking from experience and knowledge, he told the visiting Americans:

"After a quarter of a century of terrible suffering and sacrifice and by the extraordinary courage and resilience of the Vietnamese people, we have finally come to the point where this is a united nation built on concepts of individual and national freedom and having the ability to defend itself against an aggressor who has been truly barbaric.

"We have come to the time when this country can build a happy and prosperous future for itself and make a significant contribution to peace and well-being in the area.

"Now we find some leaders of opinion and some in influential positions in our Government prepared to walk away.

"They cower before the Don Luces and Jane Fondas of this world and let stand unchallenged the gross lies spread by Hanoi to discredit South Vietnam and to undermine the support of responsible friends which Vietnam deserves and which we ought to give in our own interests."

It is to challenge these untruths that the foregoing report is issued.

Our report seeks to promote no special interest other than of our nation and the cause of freedom in Vietnam.

It tries not to bedazzle with impressive-sounding statistics or to persuade with unsupported allegations from questionable sources.

It depends, rather, on the reasoned advice of trained government specialists with long "in-country" experience, and on honest judgments honestly arrived at from personal observation on the scene.

In the end, we have faith that the truth will prevail.

Ambassador John M. Allison, (Ret.), Honolulu, Hawaii.

Congressman Philip M. Crane, Illinois.

Philip C. Clarke, Washington, D.C.

Dr. Anthony Kubek, Dallas, Texas.

Amb. Elbridge Durbrow, (Ret.), Washington, D.C.

Richard W. Smith, Fort Lauderdale, Florida.

Charles A. Stewart, Washington, D.C.

February 26, 1974.

## WE BELIEVE

Mr. HARTKE. Mr. President, the working man and woman have been the backbone of this country since its first days. It has been their faith in our social and political and economic systems which has made it possible for the dreams of the Founding Fathers to be pursued.

Mr. President, recently there appeared in Time magazine an advertisement which reaffirms the basic belief in America held by the labor movement. I ask unanimous consent that the text of that advertisement sponsored by the Communications Workers of America be printed in the RECORD.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

[Advertisement]

### WE BELIEVE

The Communications Workers of America believes the American system, in spite of its defects—political, economic and social—can be the fairest ever devised by man.

We speak from experience. We are more than 575,000 members who live in 10,000 communities across this land. We're a big union. Although we're among the youngest, we are one of the most important and progressive unions in the American labor movement.

We are men and women of all races, ages and beliefs. We perform all kinds of jobs—public and private—in all types of institutions, large and small. We are the people who make it possible to transmit an idea from one person to another by whatever means.

In everything from higher wages to safer working conditions, to better retirement benefits, we realize our system of government can be made to serve the interests of all people while preserving and expanding those individual freedoms which make this nation unique.

Our form of government is certainly not perfect. These days, with our economy in chaos, an energy crisis, and corruption from the White House to the soap box derby, our faith is tested.

We believe that just as the problems confronting us are the result of the human condition, so are the solutions within the grasp of the human spirit . . . if we believe.

CWA will continue its commitment to help solve our country's problems. We will work for good laws to insure a more just life for all Americans.

We will work to see that this country gets and keeps the best leadership . . . in government, labor and business. We reject the notion that all politicians are alike. There are some good, and some bad.

We promise to work for political solutions, for economic solutions, but most of all for basic human solutions to the problems that beset us.

We do it because unions are people, concerned with human values. We measure progress by how much we improve the quality of life for all Americans. That's what CWA is all about.

And when new problems arise, we'll work to solve them too. Because we believe in continuing and advancing the 'great experiment' that began almost 200 years ago.

A NATIONAL UNION IN THE NATIONAL INTEREST—COMMUNICATIONS WORKERS OF AMERICA, AFL–CIO

JOSEPH A. BEIRNE, *President.*
GLENN E. WATTS, *Secretary-Treasurer.*

## THE 56TH ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF BYELORUSSIA

Mr. TAFT. Mr. President, 56 years ago, the Byelorussian people proclaimed their national independence and regained their freedom which was lost to czarist Russia at the end of the 18th century. However, the newly created Byelorussion Democratic Republic soon became one of the first victims of Bolshevik expansionism. Today, Byelorussia is administered by Moscow as a puppet state, the Byelorussian Soviet Socialist Republic.

For more than a half century, the colonialist Soviet regime has tried to erode Byelorussian traditions and culture and has exploited the Byelorussian people. In spite of Soviet harassment, the Byelorussian people, being of strong character and principle, have managed to bravely keep alive their hope of freedom and eventual restoration of their land.

On March 25, 1974, Americans of Byelorussian descent will be observing the 56th anniversary of the proclamation of independence of the Byelorussian Democratic Republic. Today, March 25 is a symbol of a dynamic spiritual force for Byelorussian independence which unites all Byelorussians wherever they may be. Let us take this occasion to salute and support the cause of this captive nation.

## RAIL SERVICE IN THE NORTHEAST

Mr. PELL. Mr. President, this month we witnessed the beginning of important undertakings leading to a restructured railroad system in the Northeast and Midwest of our Nation.

In accord with provisions contained in the historic legislation we approved in December at the conclusion of the first session of the 93d Congress, the Regional Rail Reorganization Act of 1973, hearings have been held in a number of centers, including Boston, Mass.

The Honorable Philip W. Noel, Governor of Rhode Island, testified at these hearings on behalf of his State and mine and as cochairman of the New England Regional Commission.

In his statement before the Rail Services Planning Office of the Interstate Commerce Commission, Governor Noel stressed the need for preserving and maintaining rail lines in Rhode Island which formerly served our naval installations. These installations were, in my judgment, heartlessly and misguidedly closed down by this administration. That is a most unfortunate chapter of past history. Now these installations are being considered for other uses advantageous to our State and our economy. I believe rail service to be an essential element in any conversion of these facilities. Certainly, at this time, we should keep every option open.

For many years I have believed in the validity and effectiveness of improved rail service, and since the start of my first term as a Senator from Rhode Island I have worked to achieve this goal.

As I have stated previously to the Senate, I am delighted that the legislation we passed last December contained important new provisions for improved high speed rail passenger service in the Northeast Corridor—a concept which has long been of particular concern to me.

Freight service is also of great importance to Rhode Island, as we seek to bolster our economy so damaged by the closing of the naval bases at my home city of Newport and at Quonset.

Proper freight service is needed throughout the State. To suggest—as has the Department of Transportation—that freight service in the westerly area, for example, be curtailed is shortsighted and without logic. We should be looking toward the needs of tomorrow, toward a growing economy, toward a revitalized railroad system which today and for the future has a special relevance to both ecological considerations and to fuel conservation, and the most economic use of energy.

Highway vehicles emit up to 27 times more pollutants than railroads on a comparable basis and consume up to 5 times more fuel.

Thus any so-called final system plan, as called for by this legislation, should be most carefully determined, with future projections of need clearly set forth. A final system plan without these criteria should be viewed as obsolete by the Congress when we consider its ultimate adoption or rejection more than a year from now.

Mr. President, because it is so well expressed and germane to these remarks of mine, I ask unanimous consent that the statement of Governor Noel, to which I have referred, be printed in full in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows.

### STATEMENT OF THE HONORABLE PHILIP W. NOEL, GOVERNOR OF RHODE ISLAND

I am pleased to have the opportunity to come before the Rail Services Planning Office of the Interstate Commerce Commission to comment on the February 1, 1974, report by the Secretary of Transportation on rail service in the midwest and northeast region which was required by the Regional Rail Reorganization Act of 1973 (P.L. 93-236).

I am appearing before you as the Governor of Rhode Island and as state cochairman of the New England Regional Commission. The New England Regional Commission was formed under title V of the Public Works and Economic Development Act of 1965. The membership of the commission consists of the governors of the states of Connecticut, Maine, Massachusetts, New Hampshire, Vermont, Rhode Island and a federal cochairman appointed by the President.

The purpose of the commission is to foster regional economic development. The governors have determined that a vital element of this effort is transportation. The commission, accordingly, has devoted substantial effort and resources to transportation projects.

Thus, I bring to you both an individual state's and the New England Region's perspectives on the secretary's report and related matters.

A modern, efficient rail transportation system is essential to the continued economic health and growth of the individual States and the New England region.

The interdependence of the region's rail transportation system with the balance of the nation's rail network is clearly evident. This fact demands nothing less than the active leadership of the Federal Government called for by PL 93-236 in revitalizing and insuring the growth of this seriously troubled industry.

We, in New England, are especially pleased with the law's requirement that the long-delayed Northeast corridor high speed rail passenger service project move forward. We support the Department of Transportation in the start of the detailed engineering studies which are prerequisites to actual construction of the corridor improvements.

I look forward to riding the inaugural train long before 1978.

The commitment of the region's governors to sound rail service in New England is described in detail in the commission resolutions which I am submitting as a part of my prepared testimony. They should leave no doubt that New England governors intend to do whatever may be necessary to insure that our region has a rail system which meets our future needs.

The Commission's New England regional railroad project confirms that this region will not simply react to the recommendation of others regarding our essential transportation needs. We intend to take the initiative—although we would prefer that the process of design and analysis be a joint effort of all who have responsibility for the development of a sound rail system, rather than an adversary process.

I know that the secretary's report is a first "cut" in the much longer and more detailed system design process. It did cause a good deal of unnecessary but perhaps unavoidable concern. This has been reduced considerably by the recent announcements of the Department of Transportation correcting obvious errors.

Experience to date leads me to caution against falling into the trap of having this preliminary exercise in analysis of the problem become a convenient excuse for inaction by the system planners.

There is a very substantial job to be done if the mandate of Congress and the vital needs of the northeast are to be met.

I am frankly concerned that, with the act almost two months old and the final system plan to be submitted to the Congress approximately one year from now, the United States Railway Association is not a going concern. As far as I know, the association, which is an essential element of the planning process, has little more than three out of eleven directors and a very meager staff.

Things must begin to move more quickly. The planning effort must reflect not only the complexity of the task to be performed by the association—it must also reflect the potential for profoundly impacting our region's total transportation system.

The minimization of adverse economic impacts which would result from the loss of rail service is one of the eight specified goals to be achieved in the design of the northeast rail system. It demands serious consideration.

As a specific example—I am deeply concerned by the designation, as potentially excess, of rail lines in Rhode Island (and Massachusetts) serving military bases which are presently in the process of being converted to other uses. Conversion strategies for these facilities have been developed, and implementation will take place as soon as possible in order to mitigate the severe economic consequences of the closure decision.

The potential of these facilities is great. Rail service, as an element of the overall system, is a must. I believe that our conversion efforts will produce sufficient traffic on these lines to qualify them as economically viable, and I urge that these lines be removed from the excess category.

Another example concerns the secretary's recommendation of competitive East-West rail freight service. This will constitute an essential part of the region's rail system. Competition would be assured, however, by having two main East-West lines, instead of a single, jointly used line as suggested by the secretary.

The Providence and Worcester Railroad is directly affected by this decision because it provides a link between the East-West links and the State of Rhode Island.

Environmental impacts of the rail system as part of the overall transportation system are another area of concern. This element is difficult to measure, however I urge that every consideration be given to it, specifically relating to rail system planning in densely populated areas. In addition, I urge that the energy efficiency of rail be considered in the design of the plan.

Through the mechanism of the New England Regional Commission, we have developed a methodology for measuring the viability of rail lines in the region. Our experience in a recent comprehensive study of the Boston and Maine railroad indicates that the viability of rail lines can be assessed on a system-wide basis.

A rigorous, analytic examination of the total Northeast system is clearly required in order to identify a truly viable system and a system which comes close to meeting our needs. We have recently undertaken such an analysis at the regional level of the portion of the system within the six States in order to provide each member State with the data and information necessary for their participation in the restructuring process.

The information will also provide a basis for the development of regional policy positions. I urge that this approach be used at the Federal level as well.

As a final point, it is my view that, during the restructuring process, emphasis should be placed on holding a system together than dismantling one. Proposed abandonments should be evaluated in the context of their economic and environmental impacts as well as their relationship to the overall rail system. In addition, consideration should be given to the impacts of using alternative modes of transportation, and the effects this would have on other transportation facilities.

The restructuring process, if properly carried out, can yield an economically viable and effective rail system. Constructive and continuing State and regional input is most important to the realization of this goal.

I would apppreciate your permission to submit additional and more detailed statements on behalf of the New England Regional Commission and the State of Rhode Island for the record.

## TRUE PUBLIC SERVICE

Mr. MATHIAS. Mr. President, too often, "public service" is thought of as a job performed by "public officials." It is good, therefore, to learn that private citizens who have contributed their time and talents to better their communities have been honored for their magnanimity.

Recently, in Hagerstown, Md., a testimonial of appreciation was given to mark the 40 years of dedicated service that Mr. Thomas Benton Cushwa has rendered to the Washington County Free Library. An article in the Hagerstown Herald of March 12, 1974, recounts this event and the achievements of this outstanding American, not the least of which is the esteem and friendship with which so many Marylanders regard him.

I ask unanimous consent that this article be printed at this point in the RECORD to show that the service of private citizens does not go unrewarded.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### Library Honors Trustee for 40 Years of Service

(By Ora Ann Ernst)

A testimonial of appreciation for 40 years of dedicated service to the Washington County Free Library was given recently to honor Thomas Benton Cushwa, a member of the Board of Trustees of that institution.

Mr. Cushwa, prominent citizen of Hagerstown, has served as a trustee since February 26, 1934 and as treasurer of the board for the same period of time.

A reception planned by the Board of Trustees and the Staff Association was held in the Western Maryland Room of the Washington County Free Library on South Potomac Street. In attendance were political and civic dignitaries of the community as well as family and close friends of the honoree.

Tea was served from the beautifully appointed massive memorial table in the room that stores historical records and information. Pouring were Catherine O'Connell, head of the library's adult services; Mrs. Albertus Healey, extension librarian; Mrs. Theron Rinehart, trustee; Mrs. Richard Grumbacher, Mrs. Atlee Kepler and Mrs. Irvine Rutledge, wives of members of the board.

#### PRESENTED PLAQUE

Mr. Cushwa was presented an engraved and framed silver plaque testifying to his "dedicated service to the Washington County Free Library, 1934–1974." In addition he was given a copy of the original "swearing-in" declaration which he signed in 1934 and a present-day certificate of qualification prepared by Vaughn J. Baker, clerk of the county circuit court.

The presentations were made by Edward Cooey, president of the library's board of trustees, who emphasized that the recognition celebration is not of a "retirement" nature but an expression of appreciation at a fitting time to a "very wonderful person who has been very faithful in attendance and service."

As treasurer for 40 years, Mr. Cushwa has served as chairman of the budget and finance committee and has handled mechanics of investments. He has also served more than 12 years as a member of the Board of Trustees of Washington County Hospital, including a three-year term as president.

#### FAMILY BUSINESS

Now 82 years of age and retired, he is the former president of Victor Cushwa & Sons, a coal, plaster, cement and brick business founded in the 1800s by his grandfather and continued by his father, Victor Monroe, and uncle, David K.

Thomas B., as the oldest of the nine children of Victor Monroe and Mary Susan Fechtig Cushwa, early assumed family business responsibilities that precluded a college education. But it can be said that he graduated from high school twice, first in 1908 from the old Hagerstown Academy and then in 1910 from Surrey Boys High School where he had enrolled for commercial training. At Surrey he played on the football team that was captained by William Preston Lane who later became governor of Maryland. "T. B." has received his primary education from the Catholic "Sisters' School."

He joined the U.S. Army during World War I as a motorcycle dispatch driver but, because of his business qualifications, was transferred in France to the office of the division adjutant.

He was affiliated with the family corporation for 58 years, retiring in 1968. Since that time he has been kept busy answering various civic demands for his ability and experience.

Surprised by the recognition given him by the leaders of the library he said that he always felt his rewards were greater than his services and that he is proud to be affiliated with a library that he considers one of the finest in the country.

## POLITICS OF JUSTICE

Mr. HART. Mr. President, last month, I had the privilege of hosting a 3-day conference on the "Politics of Justice," convened by the Committee for Public Justice.

The conference was chaired by our former colleague from New York, Charles Goodell. Participants included eminent law professors, political scientists and past Justice Department officials, including Attorney General Ramsey Clark.

The Committee on Public Justice has already contributed enormously to our understanding of some problems in this area with previous conferences on the FBI, and on national security classification and secrecy.

The politics of justice conference was wide-ranging. It covered such diverse areas as antitrust enforcement, civil rights, national security law, and political surveillance. Many proposals for improving the delivery of impartial justice were made, including congressional oversight on a systematic basis and a permanent Office of Special Independent Prosecutor. Transcripts of these proceedings eventually will be available to congressional committees and individual members. In the meantime, the organizers of the conference have prepared an interesting summary of the proceedings and recommendations. I ask unanimous consent that this summary report be printed in the RECORD at the conclusion of my remarks.

Some of the conference's conclusions will find wide acceptance. Others will be sharply debated. But they provide provocative ideas for new paths to improve the appearance and the reality of justice.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

### The Politics of Justice: An Inquiry Into the Justice Department

A Conference Sponsored by the Committee for Public Justice. A major inquiry into the functioning of the Department of Justice concluded that important changes in the structure and operations of this key governmental office were necessary. The scholarly three-day conference on "the Politics of Justice" sponsored by the Committee for Public Justice and held in Senate Hearing Rooms in Washington, D.C. on February 7, 8, and 9th, 1974, suggested that:

1. A permanent special prosecutor office should be created with authority to investigate and prosecute violations of election law and violations of law by federal officers including violations of the civil rights law.

2. Continued and thorough oversight was required by a permanent staff either from a joint House-Senate Committee or a special non-partisan agency such as the GAO.

3. An ongoing citizens review board was necessary to alert the public as to overreachings by the Justice Department.

Ten sessions were held with the participation of constitutional specialists, former Department officials, experienced government personnel, adversary attorneys and other experts.

Chairman of the Conference was former Senator Charles Goodell. Moderators included Telford Taylor, Professor of Law and former U.S. Chief Prosecutor at the Nuremburg Trials; Charles Goodell and Norman Dorsen, author of many books and Professor of Law at New York University Law School.

The basic papers were presented by John T. Elliff, William Taylor, Philip Hirschcop, Monroe Freedman, Victor Navasky, Frank Donner, Mark Green, Daniel Freed, Walter Pincus and Lloyd Cutler. Panelists included Armand Derfner, Burke Marshall, Congressman Robert Drinan, Ralph Temple, Kenneth Tapmen, Duane Lockard, Jack Levine, William Bender, Doris Peterson, Morton Stavis, Leonard Weinglass, Rhonda Schoenbrod, Morton Halperin and Victor Kramer.

Subjects studied and discussed were: Improper Justice Department Activities since 1918; The Justice Department and Race, The Justice Department and the Anti-War movement; The Justice Department and the Ethical Problems of the Prosecutor; The Justice Department and the FBI after Hoover; Internal Security; The Justice Department and Big Business; The Criminal Justice System—LEAA; The Justice Department and Watergate, and Structural Changes in the Justice Department.

Due to limitations of time, only specific subject areas of the many aspects in the history and contemporary operations of the Department of Justice were explored in what was, historically speaking, the very first sustained inquiry into the Department in the 103 years of its existence.

Host for the conference was Senator Philip A. Hart, and encouragement for the Committee for Public Justice which planned and sponsored the studies, came from Senator Edward M. Kennedy (who also participated in the session on "The Justice Department and Civil Rights") and from various members of Congress, including Congressman John Conyers, Jr.

Congressional aides and observers for several federal agencies were present and observer-participants from a number of interested national organizations indicated that they would attend including: The National Urban League, The United Auto Workers, The United Mine Workers and others.

The complete transcript of the proceedings will be available for use by the members and committees of the House and Senate, according to Charles E. Goodell, Chairman of the Committee for Public Justice, who also stated that it will be made public as a book. The Committee for Public Justice has also agreed to cooperate with any Congressional hearings by testifying.

Organized several years ago, the Committee for Public Justice is made up of over 150 members who include constitutional authorities, historians, research scholars, lawyers, scientists, authors and others prominent in many sections of public life including education, religion, business and labor.

In an effort to develop a broad first study, the Conference invited representatives of the United States Department of Justice to participate officially in every panel and also offered the Department a major place in the proceedings by inviting a top-ranking official to present a paper that would provide the Department's basic clarification of its functioning in the area of Internal Security. Attorney General William B. Saxbe gave encouragement of such participation in a letter to Chairman Charles Goodell, dated January 2, 1974, in which he stated: "It is my hope and expectation that the members of the Justice Department to whom you have issued invitations will respond and participate to the extent that their time and schedules permit." Also, he wrote, "I will look forward to reviewing the conclusion that the Committee for Public Justice draws at the completion of the hearings." One Assistant Attorney-General, one Deputy Attorney-General and the head of an important office accepted and were scheduled. However, to the Conference's disappointment, not one participated.

The need for this inquiry has been underscored by the appointment of a special "independent" prosecutor in the Watergate investigation, in addition, substantial segments of the public have lost confidence in the integrity of the Justice Department and its capacity to enforce the law thoroughly and impartially. The appointment and dismissal of Special Prosecutor Archibald Cox, the resignation of Attorney General Elliot Richardson and his deputy William Ruckelshaus, and the difficulties in appointing a new special prosecutor have all emphasized the problem of separating politics from the rule of law. The Watergate investigations suggest that some officials of the Justice Department were improperly influenced by political operatives at the White House.

The conference reached the following conclusions about the functions, activities and abuses of this key department of the federal government:

1. In recent years we have not had a Justice Department which can be considered a house of law.

2. We have not had a Justice Department which can be considered politically neutral in crucial decisions that it has made.

3. We have not had a Justice Department which has inspired confidence in the integrity of its operations or in its capacity to enforce the law thoroughly and impartially.

Of course, there have been Attorneys-General in the past who have compromised the rule of law through personal ambition, partisan favoritism, submission to political pressure or outright corruption.

A. Mitchell Palmer may have been motivated to initiate the Red Scare raids because of his hopes for the Presidential nomination. Herbert Brownell's accusation against Harry Dexter White was a dramatic example of partisanship. Francis Biddle has described how he was pressured by Franklin Roosevelt into bringing sedition indictments against a group of right-wing fanatics and Tom Clark's Smith Act cases may have been inspired by a political strategy determined by Clark Clifford. And some high Justice Department figures such as Harry Dougherty and T. Lamar Caudle were indicted for criminal activity.

There may also be a compromise of the rule of law through the misapplication of resources, that is, by marshalling manpower within the Department to secure indictments against particular people rather than picking cases that need to be prosecuted. The Hoffa case may be an example.

On the other hand, it is important to distinguish politics from policy. Particular administrations may have sought to advance certain interests and benefit certain groups as a matter of policy which we may now question. But that is different from permitting partisan factors to dictate key decisions in the Department.

Recent events in the Justice Department illustrate these themes. The Watergate events are different in quality from the compromises of previous administrations but they had their roots in the problems of the past. In Watergate we had a Justice Department which refused to recognize or consider that its superiors in the Executive Department may have been guilty of criminal behavior. It reported the result of its investigations of wrong-doing to those who may have planned and participated in the crimes and in this way contributed to the obstruction of justice.

But there have been other questionable actions and non-actions by the Department in recent years. In the field of civil rights, the Justice Department has gone beyond merely implementing a new policy of the administration, but it has effectively nullified Congressional enactments in some areas through tactics of non-enforcement. While its recent actions on voting rights and employment may have been vigorous, (although it opposed extension of the Voting Rights Act in 1970), its nonactivity in education and housing are in violation of Congressional requirements. It has also shown its disregard of Constitutional requirements by a conscious policy of restricting the rights of demonstrators in the Nation's Capital.

A more fundamental problem arises in the misuse of the concept of national security. Of course the problem has been present in the FBI for over thirty years. A substantial argument can be made that the FBI has usurped the power to engage in domestic intelligence since 1939. While its power to investigate crimes is clear, the Presidential directives on which the Bureau has relied to check into "subversive activities" do not appear to grant the power it has claimed. Nor do any statutes grant it such intelligence authority. Its extraordinary intelligence activities, its extensive files, its direct avenues to Congress has rendered it impregnable over the years. And it has used this power for direct political purposes. It has tried to convince the public that movements for change were inspired by subversives or were the product of agitators, or that the nation should not move for reform of basic institutions because the Soviets would rejoice. It created and expanded its jurisdiction to implement the political ideology which Hoover endorsed.

The problem of the recent Justice Department has been that it has been infected by the FBI abuses of the Hoover years. The Justice Department has found a new and more effective device to gather intelligence from those it considered its enemies—namely, the grand jury. It has taken over the FBI's concept of national security and foreign intelligence and used them to justify wiretaps, infiltration, and surveillance of political dissidents. Its conspiracy indictments have embraced the cold war terminology and ideology of Hoover. Obviously, it has done nothing to check into the FBI's expansion of power. The experience of the FBI and the Justice Department in recent years has been that illegality breeds deception and deception breeds illegality.

These problems transcend most of the recent concerns about partisan infuence in the Justice Department. Obviously there are serious inroads into the rule of law when partisan political input is the crucial factor in prosecutorial decisions. Anti-trust enforcement, for example, has been compromised for decades because powerful interests have been able to exert pressure on both Democratic and Republican administrations to influence anti-trust decisions. One would hope that it would be possible to minimize this problem by requiring disclosures of all contacts between the decision-maker in the Department and all outsiders who ask about particular cases—including legislators, White House figures or the parties themselves. But the line between economic policy and partisan politics may blur in this area and the best safeguard is to appoint people of integrity to positions of responsibility.

To the extent that one views the problem as that of Watergate or of partisan political pressure the answer may not require significant structural changes in the Justice Department. Ramsey Clark told us that prosecution is, and should be an executive function. Basic policy decisions reached through the political process should find their way into law enforcement. But there should be men of law in the Department. Persons involved in the political process as candidates or managers should not be appointed to high positions in the Department for two years. They should not speak for political candidates or collect funds for political campaigns. It might be desirable to have persons of the opposite party appointed to a certain number of positions in the Department, including the criminal division.

In addition, no one, not even the President, should interfere with individual cases. If he doesn't like what his Attorney General is doing, he should fire him. In England it is clear that the Attorney General has the final word on all prosecutorial decisions.

Above all, there must be people of integrity in the Department who believe in the rule of law.

However, the way to deal with the misuse of power in the national security area is to take steps to eliminate the practice directly, not through structural changes in the Department. Mail drops, Pen registeres, wiretaps must be eliminated or greatly curtailed except where necessary to uncover the commission of a crime. Other abuses connected with the collection or dissemination of data must be dealt with by specific legislation.

There has been an almost total vacuum of oversight over the Justice Department and the FBI in terms of who is indicted, what techniques have been used, and what illegal actions have been perpetrated by government agents. The courts have not been helpful in checking the Department. Congress has abdicated its oversight function. A citizens panel that can explore these kinds of over-reaching on a continuous basis is absolutely necessary.

In addition, a permanent special prosecutor's office is desirable. Lloyd Cutler outlined the main features of that plan:

1. A special prosecutor would be appointed for a six-year term with the advice and consent of the Senate.

2. A deputy might also be appointed who would be of the opposite political party of the special prosecutor.

3. Removal would be possible only for incapacity or misconduct.

4. The special prosecutor would have jurisdiction over all (a) election law crimes, (b) violations of federal criminal law by present or former government officials, or national political party figures, (c) lobbying offenses.

5. The special prosecutor would be able to use all the investigative resources of the FBI and could prosecute all cases within his jurisdiction.

The plan has the value of providing a check on over-reachings by government officials, particularly Justice Department figures and FBI agents when they interfere with the civil rights of citizens by illegal surveillance, wiretapping and similar crimes.

Pro and con views were expressed in virtually all panels and yet the sense of the sessions clearly indicated agreement that in recent years whatever roots of impropriety had existed in the past, have been transformed into a new dangerous quality by the sheer massive and pervasive use of power for partisan executive programs, and that it is now urgent for the Congress and the people to inquire into the entire matter in order to create secure safeguards for Constitutional law and the Bill of Rights.

It was felt that areas of Congressional inquiry very properly include certain fields of Senate oversight interests and most cogently the concerns of the House Judiciary Committees Nos. 3, 4, 5 and 6, which deal with the administration of justice, civil liberties and justice; civil rights oversights, Constitutional rights; crime; and monopolies.

Indeed it was viewed that an inquiry by the House Judiciary Committee itself should be considered and certainly if this is not feasible at present, that steps be taken by the said sub-committees as soon as possible.

The Conference views also showed a determination to develop more wide-spread public education on the problems dealt with and the findings, and to take part in helping to create or support an ongoing citizens review board for the Department of Justice and the Federal Bureau of Investigation.

The Conference is merely a first step in providing information to the Congress and the public on the operations of the Justice Department. It is hoped that similar conferences and further public education will take place in the future on other phases of the Justice Department.

## CONGRESSIONAL COMMITTEE HEARINGS

Mr. TOWER. Mr. President, on February 5, 1974, Senator GOLDWATER spoke to the board of directors of the American Iron and Steel Institute. In his speech he pointed out, in connection with congressional committee hearings, that—

> Too many of the business spokesmen that I see testify that members of Congress know little or nothing at all about the subject at hand.

This may, in all probability, be true, but what they overlook is that the questions put to them will be questions prepared by young staff members who mistrust or totally disbelieve the attributes of the free enterprise system.

> It almost seems as though many business heads do not understand that the news media contains some people who do not understand nor trust the free enterprise system and delight in presenting business testimony in an embarrassing testimony in an embarrassing or detrimental light.

I wish to take this opportunity to demonstrate the perception of Senator GOLDWATER's statement. Specifically, I will demonstrate how, apart from legitimate staff activities such as the preparation of cross-examination, certain committee staff members have abused their positions by pursuing a course of apparently deliberate withholding of information from Members and providing Members with false information. Such abuses can only lead to unjust and inequitable action on the part of the Congress.

The first example is the telegram inviting representatives of the major oil companies to testify before the Senate Permanent Subcommittee on Investigations. The telegram requested representatives authorized to speak on supply and transportation aspects of those companies' business, and that is the type of witness that a number of companies sent. However, at the hearing those witnesses were expected to make policy statements on matters ranging far afield from supply and transportation. These questions were, of course, prepared by staff, and, when several witnesses were unable to answer complex questions of corporate financial policy, for example, they were subjected to ridicule and scorn.

The second example is considerably more serious, for it involves the villification of a specific individual. I refer now to the personal attack on Federal Power Commissioner Rush M. Moody, Jr., at oversight hearings conducted before the Senate Commerce Committee in February, 1974.

Commissioner Moody was challenged, based on Commerce Committee staff briefings, for his participation in an FPC decision because one of the parties had been represented by Commissioner Moody while in private practice on a matter unrelated to the FPC. This attack was, in my view, wholly unjustified.

The claim was made that Moody had presented to the committee that he would disqualify himself in any case that involved former clients or former law firms. That claim was absolutely unjustified, as Moody clearly stated in written questions and answers addressed to the distinguished chairman of the Commerce Committee on July 30, 1971, during hearings on his nomination, that he would automatically rescue himself in any case in which he had participated or in any case in which his former law firms had been employed while he was a member of, or associated with, either such firm. This information was readily available to the Commerce Committee staff from committee files.

It should be noted that Moody's position in that record was required by no Federal law, but that it was clearly within both the letter and the spirit of canon 2 of the Canons of Judicial Ethics. It is also notable that, although Chairman Joseph Swidler of the New York Public Service Commission is a frequent and welcome witness before many congressional committees, he is never challenged about his membership in a law firm that represented Consolidated Edison after he was Chairman of the FPC and before he became chairman of the State commission that regulates Con Ed.

Although Commissioner Moody's letter of July 30, 1971, was in the possession of members of the Commerce Committee staff, it was somehow not included in the hearing record on Moody's nomination. It is to correct the RECORD that I request that letter, Moody's letter of February 22, 1974, and an article from the Washington Post on February 23, 1974, by Morton Mintz, be reprinted in the CONGRESSIONAL RECORD. This last item is offered to demonstrate, when compared to Moody's position—of which Mintz had full knowledge—the extreme bias of that writer and his willingness to undertake unjustifiable personal attacks on those with whom he disagrees.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 30, 1971.

Hon. WARREN G. MAGNUSON,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR MAGNUSON: Pursuant to instructions to me at the Committee's hearings concerning my nomination as Commissioner of the Federal Power Commission on July 29, 1971, I respectfully respond to the written questions propounded to me by you:

Question: Chairman Nassikas in recent testimony before the House Small Business Subcommittee investigating concentration in the raw fuel industries indicated that the Federal Power Commission does not presently have facts essential for making a full consideration of an anti-competitive effects of inter-fuel acquisitions in the energy industry since the Commission has no regulatory role in several key areas of the energy industry.

Would you feel that the Congress should assign such responsibility to the Federal Power Commission?

Answer: I have not reviewed what Chairman Nassikas said in recent testimony before the House Small Business Subcommittee, and it is difficult to respond to this question without knowing the alternatives. However, with regard to any competitive effects of inter-fuel acquisitions in the energy industries, it would seem to me that the antitrust division of the Department of Justice and the Federal Trade Commission all ready are assigned these responsibilities. With regard to whether the Federal Power Commission should have a regulatory role in several key areas of the energy industry, and whether the Congress should assign these responsibilities to the Federal Power Commission, I regard this as a decision for the Congress. If these responsibilities are assigned to the Federal Power Commission by the Congress, I will execute these new responsibilities.

Question: Some economists have indicated that one of the principle reasons that environmental considerations do not get full play in energy determinations is the energy pricing structure. At present, the large user of energy frequently receives his energy at a reduced rate per unit. Would you favor a pricing structure which would provide the lowest rates for individuals (the amount necessary for a family unit), and an increased rate for high volume? Thereby providing funding for the increased facilities necessary to produce large volumes of energy by allocating to them the cost of capital development.

Answer: The Commission, as I understand it, only sets wholesale rates, and thus would not structure rates for individuals. As I understand it, the State Commissions have their responsibility. However, with regard to rates at the wholesale level, I further understand that rate design is an issue which must be resolved on the record in individual cases, and thus I do not believe that I can prejudge this issue. I can state that I have no preconceived notion as to the merits of any rate design theory.

Question: Section 14b of the Natural Gas Act provides that "[t]he Commission may after hearings, determine the adequacy or inadequacy of gas reserves held or controlled by any natural gas company or anyone on its behalf."

The adequacy or inadequacy of gas reserves is a very important aspect of determination of rates. Recently the American Public Gas Association and the Consumer Federation of America appeared before the House Select Committee on Small Business and complained that the procedures used by the Federal Power Commission in determining the adequacy of reserves did not provide for a full record review. In the past the Federal Power Commission has relied upon the AGA intra-industry committee report on gas reserves and the Commission has indicated that due to the confidential nature of reserve data it was unwilling to determine the adequacy of reserves by the hearing process. However the AGA committee is composed of the principal competitors in the gas business. The only persons not privy to the "confidential data" are the public who must therefore pay the prices based upon the adequacy or inadequacy of gas reserves. Would you be inclined to favor increased public participation in a determination of all factors involved in setting rates including full access to all industry reserve data?

Answer: I cannot comment on the preamble to this question, since I have not reviewed the referenced Congressional Hearing materials. I do support full public participation in a determination of all factors involved in setting rates, including full access to all relevant industry reserve data not privileged by law.

Question: I note that Mr. Gordon Gooch, General Counsel of the Federal Power Commission has provided the Committee with a letter stating that he has reviewed your financial statement. That review indicated that you own directly and indirectly both securities and land interests which fall within the conflicts of interest prohibitions of the FPC regulations. However, Mr. Gooch notes that your statement indicates you intend to divest yourself of all securities and land interests which involve the oil and gas industry.

Your statement actually says "upon confirmation, I intend to dispose, either by gift or sale, all of my holdings which would create conflict of interest problems." Since the regulations of the Commission would prohibit the ownership of these securities by any member of your immediate family, I would appreciate knowing to whom you intend to transfer these holdings by gift. Would these gifts be revokable in any way?

Answer: I will sell all such properties.

Question: I also note that you make a disclosure of your holdings in your financial statement, but no mention is made of the holdings of your wife or other members of your family. Does your wife have any holdings in firms which are subject to regulation by the Commission, or in real property which involves mineral interests?

Are your children the owners, directly or indirectly of any such interests?

Do any other members of your immediate family have such holdings?

Answer: No.

Question: I note that you have provided us with a listing of the cases involving gas and oil interests which you have closed and billed in the last several years in your law firm. Would you provide us with a similar list of the clients in the gas and oil industry for whom you are now working and whose cases have not yet been closed?

Do any of these open cases involve matters which may come before the Commission? If so what action do you intend to take?

If any members of your present law firm or your former firm, Baker, Botts appear before the Commission do you intend to participate in the decision of the Commission in those cases, or do you intend to disqualify yourself.

Answer: The pending cases which I am handling which include oil and gas law, or in which I represent clients with substantial oil and gas interests are as follows:

1. Forest Oil Corp.—Haby vs; suit filed to declare lease terminated for failure to produce.

2. Skelly Oil Co.—Stewart vs; suit for damage to land based on a claim of improper salt water disposal.

3. Phillips Petroleum Co., *et al.*—Martin vs; suit for damage to land based on a claim of improper salt water disposal.

4. American Petrofina vs Bryan Bros. Oil Co.; suit for debt and forecolseure of liens.

5. Monsanto Oil—Couch vs; suit to declare an oil and gas lease terminated for failure to develop.

6. Texaco Inc.—Baxter vs; suit for damages to oil and gas lease allegedly caused by Texaco Water flood operation.

7. Permian Corp., *et al.*—Coffee vs; suit for damages for violation of Federal Securities Act.

8. D. A. and S. Well Service Inc.—suit by ex-employee for damages allegedly caused by "black-listing" conspiracy in violation of the employee's civil rights.

9. J. C. Barnes Oil Co.—Walker vs; suit for damages to land based on a claim of improper salt water disposal.

10. Major, Giebel and Forster—Boren vs; suit for damages based on breach of contract for sale of producing properties.

11. Atlantic- Richfield—Cobra Oil vs; suit to declare validity of mineral awards from the State of Texas.

12. Phillips Petroleum Co.—Hardin vs; suit for damages resulting from pipeline explosion.

13. Tidewater Oil Co. vs Hart *et al.*; suit for imposition of constructive trust on oil and gas lease.

14. Ford Chapman—Wright Well Service vs; suit for debt and foreclosure of liens.

None of these cases involve matters which may come before the Federal Power Commission.

I would not feel disqualified in cases in which Baker, Botts appears before the Commission. I have had no connection with this firm for better than ten years. If, of course, a case involved any matter with which I dealt while with Baker, Botts, I would disqualify myself.

I feel I should disqualify myself from participating in Commission action in cases in which Stubbeman, McRae, Sealy, Laughlin & Browder appears before the Commission in which the firm was employed in 1960 through 1971. Additionally, I would, of course feel disqualified in any case handled by this firm which involved any matter I dealt with while with the firm. In any other matter handled before the Commission by the Midland firm, I would need to examine the particular issues and circumstances to determine if a need for disqualification was presented.

Question: In your statement you indicate that you have had several clients each year in the gas and oil industry. What type of matters have you handled for these clients? Have you ever handled any matters before any state or federal regulatory agency on their behalf? If so would you please furnish the Committee with a list of the clients, the agency and the date the decision was filed in the matter?

Answer. My personal statement outlines in some detail the nature of the litigation I have handled during the years 1968–1971 that relate to oil and gas matters. During prior years the types of cases handled by me were (1) actions for debt, plaintiff and defendant; (2) actions to secure access rights to mineral properties; (3) suits to clear title, plaintiff and defendant; (4) suits for cancellation of oil and gas leases and mineral deeds; (6) suits for breach of contract; (7) suit for damages and injunction because of geophysical trespass; and (8) an action to enjoin construction of a gas gathering line.

I have not handled any matters before state or federal regulatory agencies, except as noted on pages 6–7 of my personal statement.

Question: Your statement indicates that you are a partner in your present law firm and that the firm has both holdings and substantial accounts receivable in and from companies in the gas and oil industry. How do you intend to dissolve your relationship with your present law firm?

Do I understand that your compensation will be independent of any future earnings of the firm, and that your relationship with the firm will be completely and irrevocably terminated?

Answer: I will withdraw as a partner from the firm. Our partnership agreement provides for certain sums to be paid in cash upon withdrawal, but after withdrawal I will have no further interest in the firm, its assets or receivables.

My relationship with the firm will be completely and irrevocably terminated, and other than payments made at the time of withdrawal, I will receive no compensation from the firm, and I will have no interest in the firm's future earnings.

Question: In your preliminary financial statement furnished to the staff last week you indicated that you had holdings in the Lone Star Gas Company, but no mention is made of that firm in your list of assets in your final statement. When and to whom did you dispose of these interests?

Answer: I owned 500 shares of Lone Star Gas Co. common stock which I sold at the market price to Charles L. Tigh of Midland, Texas, on July 26, 1971.

Question: Are you now, or have you ever been, an officer or director of any corporation? If so, would you please furnish for the record a list of the firms, the positions held, the dates of office?

Answer: I have never been an officer or director of any corporation, except St. Michaels Episcopal Church Foundation, Inc., a non-profit corporation.

Question: What is the significance of the royalty deed appended to your financial statement?

Answer: The royalty deed was appended to my financial statement to provide a specific description of the fractional mineral interest which I own through a Stubbeman, McRae, Sealy, Laughlin & Browder joint venture; this interest, like all others which I now own, will be sold outright upon confirmation.

Question: In schedules of your financial statement you indicate that your interest in the securities listed is a proportional share of the total value.

On what basis was your interest calculated—acquisition value or market value?

Answer: Market.

I appreciate the opportunity to respond to your questions.

Very truly yours,

RUSH MOODY, Jr.

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FEDERAL POWER COMMISSION,
*Washington, D.C., February 22, 1974.*

Hon. WARREN G. MAGNUSON,
*U.S. Senate*
*Washington, D.C.*

DEAR SENATOR MAGNUSON: At the oversight hearing chaired by Senator Pastore on February 19 and 20, 1974, concerning Federal Power Commission policies and procedures, certain questions were asked of me by Senators Pastore and Stevenson which reflected, I believe, a misunderstanding of the record made during my confirmation hearings before the Commerce Committee in July of 1971.

It is important that this misunderstanding be straightened out promptly, and to this end, I am taking the liberty of offering this letter to you and to each member of the Committee who was in attendance at the oversight hearings.

At the oral hearings on my confirmation held on July 29, 1971, the following questions were asked and answered:

"Senator HARTKE. You have also submitted a listing of the cases involving the oil and gas industry which you have closed and billed in the last several years in your law firm, which is rather detailed.

"I wonder, do any of these open cases involve matters which in your opinion would come before the Commission?

"Mr. MOODY. No, sir. None of them do. I have engaged in no regulatory work and none of the matters which I am handling at this time involve matters which would fall within FPC jurisdiction.

"Senator HARTKE. Do any members of the present law firm of which you are a member, or your former firm, intend to participate in any decisions of the cases pending at the present time or which might come before the Commission?

"Mr. MOODY. I am unaware of anything with one possible exception. Our firm has represented the Permian Basin Petroleum Association in a Permian Basin area rate matter which is still pending before the Federal Power Commission.

"Senator COTTON. Will you draw that microphone a little closer to you?

"Mr. MOODY. Yes, sir.

"Senator COTTON. Thank you.

"Mr. MOODY. That is one matter that is still pending that would involve—

"Senator HARTKE. This is what type of case?

"Mr. MOODY. Permian Basin area rate case, I believe it is called. It is an area rate proceeding.

"Senator HARTKE. Do you intend to participate in any decision made? How would you handle it?

"Mr. MOODY. I believe because of my firm's participation I would be disqualified from participating as a member of the Federal Power Commission.

"Senator COTTON. Would you voluntarily disqualify yourself?

"Mr. MOODY. Yes, sir.

"Senator COTTON. On any matter that was participated in by your former associates?

"Mr. MOODY. Yes, sir."

At the conclusion of the hearing, Senator Hartke, who was presiding stated:

"Mr. Moody, there are also some questions which were in a statement by Senator McIntyre, which I am going to submit to you and ask that you return to the committee. When your response has been received they will be distributed to the rest of the members and included in the committee record.

"There are also some questions submitted by the chairman, Senator Magnuson, and by a member of this committee, Senator Hart, and in like fashion these will be submitted to you."

On July 29, 1971, I was furnished with certain questions propounded by Senators Magnuson, Cotton, Hart and McIntyre. On July 30, 1971, I forwarded my response to those questions to Mr. Frederick J. Lordan, Staff Director of the Committee, by letter of transmittal, a copy of which is attached.

In my July 30, 1971, responses to Senator Magnuson was a statement of my position of areas of disqualification which might affect my work as a Commissioner. The questions asked and answered were as follows:

Question: I note that you have provided us with a listing of the cases involving gas and oil interests which you have closed and billed in the last several years in your law firm. Would you provide us with a similar list of the clients in the gas and oil industry for whom you are now working and whose cases have not yet been closed?

Do any of these open cases involve matters which may come before the Commission? If so what action do you intend to take?

If any members of your present law firm or your former firm, Baker, Botts appear before the Commission do you intend to participate in the decision of the [sic] Commission in those cases, or do you intend to disqualify yourself.

Answer: The pending cases which I am handling which include oil and gas law, or in which I represent clients with substantial oil and gas interests are as follows:

1. Forest Oil Corporation.—Haby vs; suit filed to declare lease terminated for failure to produce.

2. Skelly Oil Co.—Stewart vs; suit for damage to land based on a claim of improper salt water disposal.

3. Phillips Petroleum Co., *et al.*—Martin vs; suit for damage to land based on a claim of improper salt water disposal.

4. American Petrofina vs Bryan Bros. Oil Co.; suit for debt and foreclosure of liens.

5. Monsanto Oil—Couch vs; suit to declare an oil and gas lease terminated for failure to develop.

6. Texaco Inc.—Baxter vs; suit for damages to oil and gas lease allegedly caused by Texaco Water flood operation.

7. Permian Corp., *et al.*—Coffee vs; suit for damages for violation of Federal Securities Act.

8. D. A. and S. Well Service Inc.—suit by ex-employee for damages allegedly caused by "blacklisting" conspiracy in violation of the employee's civil rights.

9. J. C. Barnes Oil Co.—Walker vs; suit for damages to land based on a claim of improper salt water disposal.

10. Major, Giebel and Forster—Boren vs; suit for damages based on breach of contract for sale of producing properties.

11. Atlantic-Richfield—Cobra Oil vs; suit to declare validity of mineral awards from the State of Texas.

12. Phillips Petroleum Co.—Harding vs; suit for damages resulting from pipeline explosion.

13. Tidewater Oil Co. vs Hart *et al.*; suit for imposition of constructive trust on oil and gas lease.

14. Ford Chapman-Wright Well Service vs; suit for debt and foreclosure of liens.

None of these cases involve matters which may come before the Federal Power Commission.

I would not feel disqualified in cases in which Baker, Botts appears before the Commission. I have had no connection with this firm for better than ten years. If, of course, a case involved any matter with which I dealt with with Baker, Botts, I would disqualify myself.

I feel I should disqualify myself from participating in Commission action in cases in which Stubbeman, McRae, Sealy, Laughlin & Browder appears before the Commission in which the firm was employed in 1960, through 1971. Additionally, I would, of course, feel disqualified in any case handled by this firm which involved any matter I dealt with while with the firm. In any other matter handled before the Commission by the Midland firm, I would need to examine the particular issues and circumstances to determine if a need for disqualification was presented.

I believe that this response clearly indicated my understanding, that disqualification was not anticipated as a matter of course in cases filed with the Commission after the date of my assuming office, unless (1) the case involved matters concerning which I had prior personal knowledge or (2) the case was one in which my former Midland law partners appeared and for which that firm was employed prior to the time of my dissolution of the partnership. I believe it also clear that as to other new matters, such as cases involving matters about which I had no personal knowledge, I did not feel that general disqualification was necessary or appropriate.

This was also my understanding of Senator Cotton's inquiry at the July 29 hearing, which was, I thought, asked in the context of matters coming before the Commission after I assumed office which were begun while I was still a member of the Midland firm.

I would not, under any circumstance, choose to be cast in the role of violating a pledge made during the course of my confirmation hearing, and certainly I do not perceive that I have done so. I trust that review of the entire confirmation record, and particularly my July 30, 1971, letter to Senator Magnuson, would support this belief.

The confirmation hearings dealt only with questions of disqualification arising in Commission cases where my former partners and associates were participating; my answers were given in this context. This does not mean, of course, that disqualification might not be necessary in other circumstances. In any matter coming before me, I would personally feel disqualified if either (a) I had any financial interest, direct or indirect, present or future in the outcome, or (b) I felt a personal relationship with one party—whether by friendship or prior representation—which precluded equal treatment of that party, or (c) a familial relationship existed, or (d) I felt, for any reason, that I could not be objective about the case.

I trust and believe that these are fully acceptable standards, and I hope, after a full review of the confirmation record, you will agree.

Very truly yours,

RUSH MOODY, Jr.

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[From the Washington Post, Feb. 23, 1974]

### FPC AIDE UNDER FIRE

(By Morton Mintz)

A Federal Power Commissioner's vote to give a record price for natural gas to a company he once represented has set off an angry dispute with the congressional committee that had confirmed him for the regulatory post.

The commissioner, Rush Moody Jr., defended Mallard Petroleum Co. in a 1966 court case. At that time he was a partner in a law firm in Midland, Tex.

Two weeks ago, Moody voted to let Mallard, Exxon and five other companies in a joint venture sell gas from a new Alabama field at 55 cents per 1,000 cubic feet—the highest price for interstate gas in FPC history. The decision is expected to be the forerunner of multi-billion-dollar price increases for 40 million consumers.

President Nixon nominated Moody to the FPC in 1971. At the time, the law firm was representing a party in an FPC proceeding. If confirmed, Moody pledged, he would take no part in the proceeding. He also pledged to—and did—sell his partnership on being confirmed.

"Would you voluntarily disqualify yourself?" Sen. Norris Cotton (R-N.H.) asked at the confirmation hearing.

"Yes, sir," Moody replied.

"On any matter that was participated in by your former associates?" Cotton asked.

"Yes, sir," Moody replied.

This framed the issue for a Commerce Committee hearing Wednesday: Did "any matter" include Mallard?

Last year, Mallard Exploration, as it now called, and its associates asked the FPC to approve the 55-cent price—more than twice that in other Alabama fields.

The commission staff recommended 35 cents, saying that would yield a just and reasonable return of 15 per cent. FPC Chairman John N. Nassikas and Commissioner William L. Springer recommended 41 cents. An administrative law judge recommended 50 cents.

As of Jan. 31, Moody now has disclosed, two commissioners—apparently himself and Albert B. Brooke Jr.—favored giving Mallard what it asked. The fifth member Don S. Smith, was on the fence.

That day at 2:18 p.m. each commissioner got a telegram that Sen. John O. Pastore (D-R.I.) has termed "a threat."

The telegram was sent by Southern Natural Gas Co., the pipeline seeking approval to buy gas from the Mallard group for sale in Southern states. The commission did not disclose the telegram at the time.

Asserting that some members of the Mallard group had canceled contracts to sell it gas, Southern Natural warned the commissioners that unless they act "either today or tomorrow . . . we have every reason to believe we will lose this supply . . . and this project will abort."

Chairman Nassikas then set a special, closed meeting for the next day, Feb. 1. Moody came armed with an opinion, prepared well in advance, approving the 55-cent price. Brooke joined him. Smith provided the swing vote.

"You may not be guilty of a crime," Sen. Adlai E. Stevenson III (D-Ill.) told Moody at a Commerce Committee hearing called by Pastore "but you are guilty of extremely bad judgment."

And Pastore, who had conducted the 1971 hearing, told Moody that as Mallard's former attorney he was at least as obligated to disqualify himself as he was in the case where his firm was involved. Moreover, Pastore protested, the law firm—Stubbeman, McRae, Sealy, Laughlin and Browder—also had represented Mallard Exploration's co-venturer Exxon.

Moody insisted that "a fair reading" of the confirmation hearing transcript would show he had offered to disqualify himself only in the FPC proceeding.

He followed up yesterday with a letter to the committee intended to prevent "a misunderstanding" of what he had meant by "any matter" when he replied to Cotton's question in 1971.

## MILITARY AID TO SOUTH VIETNAM

Mr. HARTKE. Mr. President, the administration has requested an additional $474 million authorization for military aid to South Vietnam during the current fiscal year. On March 19, I appeared before the Senate Armed Services Committee to oppose this new authorization, and ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF SENATOR VANCE HARTKE

I am here today to oppose the request of the Department of Defense for an increase of $474 million on the ceiling level for money which it may grant to South Vietnam's Armed Forces. This request is morally wrong and flies in the face of Congressional intent, since Congress cut just such an amount from the Department's 1974 budget request.

We have seen what more than one year of "peace" in Southeast Asia can bring. We can all be grateful that American soldiers are no longer being killed; but we can take no pride in the fact that this country is fueling a war which continues to kill others.

The commitment which was made by both the United States and South Vietnam in the Paris Accord was a commitment to establish peace. During the past year, more than fifty thousand Vietnamese were killed and over eight hundred thousand became refugees in South Vietnam alone.

After a year, there should have been progress in bringing this conflict from the battlefields to the conference table, but there has been no such progress. There should have been progress toward ending dictatorship in South Vietnam, but political prisoners have not been released and no national elections have been held.

For ten years, I spoke out against American military involvement in Indochina; but it was not until Congress made the decision to cut off funds that the Administration brought that direct involvement to an end. Now the Thieu regime is in the same position. They will not move toward peace so long as they think that the United States will continue to support their efforts to achieve a military conquest. We are the main source of support for that corrupt government—not the people of South Vietnam—but the Government of a country thousands of miles away which is bent upon ignoring the lessons of the past decade and perpetrating the killing and the maiming and the destruction of other people. This country is subsidizing death and political oppression.

Nineteen seventy-six is only two years away. More and more, the American people will be called upon to remember their past and to strive to extend in the future the democratic principles upon which this country was built. How can we justify our involvement in Southeast Asia with our historic love of peace and our belief in individual freedom? The answer is that there is no way to rationalize that discrepancy.

Congress acted to force an end to the taking of American lives in Vietnam; we must act now to end all American military involvement in that country once and for all. Clearly, the American people want no part of that war; yet the Administration has proposed major increases in military aid to both South Vietnam and Cambodia. Once before, it required a decade of slaughter before Congress was compelled to act. We cannot afford to wait another decade before Congress acts again.

I, therefore, urge this committee to recommend that the Defense Department's request for supplemental funds for military assistance to South Vietnam be denied in its entirety.

## PITCH IN WITH THE POLICE

Mr. MATHIAS. Mr. President, the Menorah Lodge of B'nai B'rith in Baltimore, Md., annually sponsors an "Operation Friendship" project to emphasize that all faiths can live harmoniously and peacefully side by side.

As part of its 1973 "Operation Friendship," the lodge conducted an essay contest revolving around the theme "Pitch in With the Police for People Protection." The wining essay was written by O. Dean Cook, of 3502 Fourth Street, Baltimore, and I believe his brief essay should be of interest to my colleagues.

I ask unanimous consent, therefore, that it be printed at this point in the RECORD.

There being no objection, the essay was ordered to be printed in the RECORD, as folows:

### TEXT OF ESSAY BY A. DEAN COOK

I'm sure a public opinion poll would prove that most people take their freedom for granted. If each of us would stop and think, we'd realize how much of our ability to act stems from the fact that we are protected by a seen or unseen Police Force. This group is composed of dedicated men whose round-the-clock vigil shields us from daily intimidation and injury, and whose care allows us to pattern our lives, for the most part, to travel an unblocked road .

All of us are called on to perform various roles in our lifetime . . . to wear many hats, while a policeman wears only one . . . that of "our protector."

Let's toss our hat in the ring. All of us can help him in so many small ways, if not by physical assistance, at least by moral support.

Be proud of your policeman (he's really a friend of the first order). Don't "badger" the badge . . . brag about. Each one of us should adopt the motto . . . "Help your police force . . . help yourself!"

Your police force is the best friend your family ever had. Think about it . . . and do something about it. Treat them like a friend.

Pitch in with the Police for People Protection . . . you're only helping yourself!

## PAUL H. NITZE

Mr. MUSKIE. Mr. President, this morning's New York Times carries an article about the possible nomination of Mr. Paul H. Nitze to the position of Assistant Secretary of Defense for International Security Affairs. According to this article, Secretary Schlesinger has recommended the nomination to the White House, but some of the President's advisers are deeply troubled by Senator GOLDWATER's announced opposition to Mr. Nitze. The allegation is made that these advisers are concerned primarily that to push through the Nitze nomination might so alienate Senator GOLDWATER and possibly other conservative Senators that it would affect their judgment on the issue of the President's removal from office.

Mr. President, I have known Senator GOLDWATER for a long time, and it is unthinkable that he would ever allow his judgment on an issue of such import—the President's possible removal from office—to be influenced by his personal disagreement on any policy issue or proposed nomination. If Senators are ever called upon to vote an impeachment trial, they will have to make the most judicious and thorough explanation of that vote. They will have to consider not only the evidence of Presidential misconduct, but also the difficult question of the proper grounds for impeachment. I know of no Senator who would ever consider that a proposed nomination—however adamantly he may oppose that nomination—is an appropriate reason for removing the President from office.

If members of the White House staff believe the President's defense can be conducted by a purely political strategy in the Congress, they are badly underestimating the quality of the Members of Congress and the deep sense of constitutional responsibility which all of us will feel when and if we are called upon to vote on impeachment or conviction.

Mr. President, I would also like to add a word about the particular issue of Mr. Nitze's nomination. Paul Nitze, during a long and distinguished career of Government service, has had the unusual distinction of arousing criticism and opposition from both the left and the right. In his most recent position as the representative of the Secretary of Defense on the SALT delegation, he has been criticized by many liberal observers for his advocacy of the "bargaining chip" approach to the negotiations, and his reputation as an especially tough and unyielding negotiator with scant faith in Soviet assurances of their peaceful intentions.

I have had occasion during the SALT talks to be briefed by Mr. Nitze and other members of the delegation in the Arms Control Subcommittee of the Foreign Relations Committee, which I chair. I have had my disagreements with Mr. Nitze on matters of negotiating strategy, and I would not be surprised to find some of my liberal colleagues joining Senator Goldwater in opposition to the Nitze nomination should it come before the Senate.

For my part, I would support this nomination, and I hope the President will forward it to the Senate for our consideration. I would support Mr. Nitze for this post not because I agree with his stand on particular issues for foreign policy and defense, but rather because he is among the most distinguished, experienced, and able individuals who have served in this administration. At a time when there is great uncertainty at home and abroad about the strength, stability, and integrity of our political leadership, it is essential to have men of the caliber of Secretary of State Kissinger and Secretary of Defense Schlesinger advising the President on our Nation's foreign policy and defense. Paul Nitze is a needed addition to our foreign policy and defense leadership today, and I hope the White House will have the courage to allow this nomination to come to the Senate.

Mr. President, I ask unanimous consent that the article appearing in this morning's New York Times be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Impeachment Politics May Cost Nitze Pentagon Post

(By John W. Finney)

Washington, March 21.—Six weeks ago it appeared all but certain that Paul H. Nitze, a former Deputy Secretary of Defense, would be appointed to a high Pentagon post. Now it appears that Mr. Nitze has become a casualty of impeachment politics.

Defense Secretary James R. Schlesinger's personal recommendation that Mr. Nitze be made Assistant Secretary of Defense for International Security Affairs was submitted to the White House in late January. Thus far, the White House has not sent the nomination to the Senate, and there is growing doubt in Pentagon circles that it will.

The White House delay on the nomination does not stem from any personal objections to Mr. Nitze, whom the Nixon Administration has previously endorsed by making him a senior member of the United States delegation to the strategic arms talks with the Soviet Union. Rather, the delay, according to officials, grows out of a White House concern to preserve a one-third minority in the Senate that could block the conviction of President Nixon if he is impeached by the House.

#### GESTURE TO GOLDWATER

Maintaining that blocking minority depends upon keeping the Senate conservatives in line behind the President. One of the key conservatives, particularly now that Senator James L. Buckley, Conservative-Republican of New York, has jumped the traces and demanded the resignation of Mr. Nixon, is Senator Barry Goldwater, Republican of Arizona.

The first indication that the Nitze nomination was running onto the shoals of impeachment politics came about three weeks ago when Senator Goldwater issued a statement saying he was "unalterably opposed" to Mr. Nitze, whom he identified with "a group interested in bringing about our unilateral disarmament."

In retrospect, Defense officials acknowledged that Mr. Schlesinger probably miscalculated in not first checking out the Nitze nomination with Senator Goldwater, but they also point out that impeachment politics was far removed from the Defense Secretary's mind when he proposed that Mr. Nitze be head of what is known as the Pentagon's "little State Department."

But after the Goldwater statement, according to officials, the implications of the Nitze nomination on the impeachment proceedings were raised by the White House, in particular by Bryce N. Harlow, a Presidential counselor who is coordinating the White House's Congressional strategy during the Watergate affairs.

As a member of the Senate Armed Services Committee Senator Goldwater probably does not command the votes to block the Nitze nomination. If the White House wanted, therefore, it could probably push the nomination through.

But, according to officials, the White House calculates that the political price it would have to pay would be the potential alienation of Senator Goldwater and some of his conservative colleagues on the impeachment issue. As analyzed by White House officials, Senator Goldwater is so strongly opposed to Mr. Nitze that he could well switch on the impeachment issue if the White House insisted on proceeding with the nomination.

The difficulties with the Nitze nomination are cited by some high-ranking officials as an example of how the Watergate affair has circumscribed the Administration's political latitude on Capitol Hill and, in turn, enhanced the bargaining power of the conservatives.

Mr. Schlesinger, for example, finds himself caught in this political bind as he attempts to defend his defense budget in Congress.

Mr. Schlesinger, according to associates, still wants Mr. Nitze, who he feels would revitalize the Pentagon's "little State Department" and take some of the burden of international policy issues off his shoulders.

But Mr. Schlesinger has his own problems defending his budget and, according to associates, does not want to expend too much political capital on the Nitze nomination, particularly if it means alienating the conservatives who form the hard core of support for the Pentagon.

At the same time, the conservatives have found that they can increase their demands on the Pentagon. One political straw in the wind was the way Senator Goldwater hinted this week that he might oppose an increase in military aid to South Vietnam, which the Pentagon has insisted is urgently needed.

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## BAN ON RUSSIAN ENERGY DEAL

**Mr. SCHWEIKER.** Mr. President, I have asked the U.S. Attorney General to support the recent ruling of the Comptroller General declaring that Export-Import Bank transactions with the Soviet Union have been contrary to law.

I have been fighting the Eximbank on this issue because of my opposition to two Russian energy deals: a pending $49.5 million loan application for natural gas exploration in the Yakutsk field in eastern Siberia, and credits at 6 percent interest to help finance the $7.6 billion North Star gas development project in western Siberia.

If our taxpayers are going to subsidize energy development, the improvement should be made here, not in Siberia, so that we reap the benefits of the investment, and so we do not subject ourselves to future risks of being cut off from foreign energy supplies.

I am also concerned with this being yet another example of usurpation of congressional power by an agency of the executive branch. The GAO ruling is quite clear on the language and original intent of the law requiring the President to make a determination that each Export-Import Bank transaction with a Communist nation is in the national interest.

Recently, two newspaper editorials have endorsed these specific points with respect to the Russian energy deals.

The Washington Post this morning said, about the Eximbank transactions:

> For this bank to furnish credits, which are after all a form of subsidy, for energy development projects in the Soviet Union is quite another matter. Such investments would only be secured by Soviet good faith which these days is, unfortunately, in short supply.

Similarly, the Los Angeles Times, on March 13, said:

> When Radio Moscow as recently as this week urged the Arabs to continue their oil embargo against the United States, one has to wonder whether Soviet gas supplies may also be cut off at times of political tension.

I ask unanimous consent that my letter to Attorney General Saxbe, the Washington Post editorial, "Investing in Soviet Gas," and the Los Angeles Times editorial, "Loans for the Red Bloc," be printed at this point in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

March 19, 1974.

Hon. William B. Saxbe,
*Attorney General, Department of Justice,*
*Washington, D.C.*

Dear Mr. Attorney General: I understand that your office is being asked to consider the legal questions arising from the Comptroller General's determination that Export-Import Bank lending procedures to the Soviet Union violate existing law.

I strongly urge you to support the Comptroller General's ruling, and recommend Executive Branch compliance with the Eximbank law.

I am unable to understand the bewilderment and confusion of the Eximbank in connection with this ruling. The law could not be more explicit. Compliance with the law simply requires the President to advise the Congress that any transaction proposed with a Communist country is in the national interest. I was shocked by the statement of an Eximbank representative, quoted in the press, that compliance with the law would be a "burdensome and time-consuming" bureaucratic procedure.

In view of our present energy situation, certainly no responsible government official can find it "burdensome and time-consuming" to receive the President's determination that any proposed American subsidy of energy exploration in Siberia is in the national interest as required by law.

I have enclosed for your background a copy of the Comptroller General's ruling, together with a statement of my position on this issue. If I can be of further assistance, please let me know.

Sincerely,
Richard S. Schweiker,
*U.S. Senator.*

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### Investing in Soviet Gas

In the afterglow of the first Soviet-American summit, it was easy to imagine vast multi-billion-dollar natural gas and oil deals with the Soviet Union, but Soviet conduct since then has made it increasingly hard to justify any American investment at all in Soviet energy resources. The Kremlin and, more lamely, the administration are still trying to cultivate an atmosphere in which such deals can be considered. And it is no doubt wise to keep the door open, if only as an incentive of sorts for a more responsible Soviet policy in the Mideast. But no one should be sanguine.

The key economic consideration is the worldwide rise in the price of oil and gas since last October. The price is now high enough to make feasible high cost production within the United States. The Russians sell oil and gas abroad at world prices, even though costs in their own insulated economy are considerably lower. The Russians have profited greatly from the oil cartels price increases, as locked-in Soviet consumers in Europe know all too well. Energy investments made within the United States, furthermore, create jobs for Americans.

The key political consideration is the grave doubts which the Russians have created since October about their own reliability as energy suppliers. Hardly a day has passed since the last Mideast war when they have not urged the Arabs to use the "oil weapon" against the United States. Currently, they are exhorting Arabs not to lift the embargo simply because a Mideast disengagement process is under way. This attitude on the part of the Soviet government is hostile to the point of malice. Quiet American protests against it seem to have been entirely ignored. For the Russians to ask others to cut off oil to the United States for political reasons, while expecting Americans to believe they themselves would be reliable suppliers, is farcical. The special nature of energy investments, moreover, accentuates the risk: *all* the investment goes in before *any* of the return (the gas or oil being produced) comes out.

At the moment the Export-Import Bank is not processing any new applications for loans and credit guarantees in the Soviet Union, Poland, Yugoslavia and Romania. This is the result of a technicality: the Comptroller General found the President was not complying with a provision of the law requring him to certify that *each* Ex-Im Bank deal with the countries cited was in the "national interest." Among the deals being held up is the first stage of what would be the first big American investment in Soviet natural gas—the so-called North Star project in Siberia.

Presumably, the technical requirements of the law can be satisfied. All normal business transactions should then be promptly resumed with Yugoslavia and Romania—these countries are not controlled by Moscow. Normal Ex-Im Bank services supporting American exports to all four affected countries should also be resumed. But for this bank to furnish credits, which are, after all, a form of subsidy, for energy development projects in the Soviet Union is quite another matter. Such investments would only be secured by Soviet good faith which these days is, unfortunately, in short supply.

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### Loans for the Red Bloc

The U.S. Export-Import Bank has one overriding purpose: to facilitate the foreign purchase of U.S. goods through the extension of credits competitive with those offered by other export-minded countries. Besides providing jobs and profits for workers and companies that get the export business, such loans frequently are intended to serve the ends of U.S. foreign policy.

The current controversy over the bank's credits for the Soviet Union is awkward for the Administration, which sees expanded trade between the two great powers as important in its efforts to build a lasting detente. The controversy serves a useful purpose, however—focusing attention on questions that should be examined carefully before any large-scale loans are made.

The General Accounting Office has ruled that the bank's extension of credits to the Soviet Union thus far has been illegal because President Nixon submitted only a blanket declaration to Congress that such loans were in the national interest. The law, according to the GAO, requires a separate declaration for each specific project.

In response, the bank has suspended action on loan applications for Poland, Yugoslavia and Romania, as well as the Soviet Union.

Once it finishes pouting, the Administration will surely comply with the ruling. Any other course would invite lawsuits and indefinite suspension of credits to Communist countries, And wholesale suspensions of that sort would not be in the national interest.

The GAO ruling was requested by Sen. Richard S. Schweiker (R-Pa.), who stands opposed to credits by the bank to assist two huge natural gas developments in Siberia. The senator argues that the money should be applied instead to the costly quest for new energy sources in the United States.

The national energy policy question is certainly important. There is an obvious need to develop energy sources within the United States. But we do not think this need deter American participation in energy development abroad. The Soviet proposal, in general terms, has a double attraction: It would provide needed gas to the United States while the Soviet Union would be spending the gas revenues in the United States for the purchase of equipment and technology.

There are other troubling questions, however. The Soviet gas reportedly will be expensive, much more so than domestic American gas. There is a question about reliability of the Soviet gas supply. The Russians have not provided the detailed data on the Siberian gas reserves that the Export-Import Bank normally requires in determining economic feasibility of a project. And, when Radio Moscow as recently as this week urges the Arabs to continue their oil embargo against the United States, one has to wonder whether Soviet gas supplies may also be cut off at times of political tension.

These questions are not arguments against loans and credits for Communist nations. But they illustrate the importance of knowing all the facts, and weighing the economic and foreign policy implications, before making a decision. Clearer answers may be encouraged by the strict enforcement of the law now required by the GAO finding.

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## TWENTY-FIFTH ANNIVERSARY OF THE LEADERSHIP CONFERENCE OF CIVIL RIGHTS

Mr. HART. Mr. President, this year marks the 25th anniversary of the Leadership Conference on Civil Rights. That probably makes the conference the oldest coalition of its kind in this country. It has coordinated the efforts of its participating organizations—which now number 135—in support of every major civil rights bill and most of the major social welfare bills that Congress has enacted during the quarter of a century of its existence. Roy Wilkins, national director of the NAACP, is chairman of the conference. Clarence Mitchell, director of the Washington office of the NAACP, and one of the most eminently respected lobbyists on Capitol Hill, serves as chairman of its legislative committee. These men, together with men and women representing most of the major civil rights, labor, religious, women's, and civic organizations in the country have played a major role in the ongoing fight to win equal rights for all.

I took the occasion of the conference's 25th anniversary to express my admiration for this unique organization, saying:

> For two decades, the Leadership Conference on Civil Rights has guided us in the pursuit of justice for all Americans. Its voice is patient but persistent—in times of progress and in times of danger to our common goals. Its role has been crucial in the enactment of every piece of recent civil rights legislation.
>
> Yet the Conference is far more than a uniquely effective lobby. It is, in truth, the voice of conscience in the nation's Capital. On its twenty-fifth anniversary, the Conference deserves the gratitude of all Americans."

Many others who have worked with the conference, Members of Congress, and present and former Government officials also extend their best wishes.

I ask unanimous consent to have printed in the Record the letters of congratulation that the conference has received:

There being no objection, the letters were ordered to be printed in the Record, as follows:

Dear Mr. Mitchell: I join other Americans in offering congratulations to the Leadership Conference on Civil Rights as it marks its 25th Anniversary.

During this important period of transition in our country, the Conference has helped lead the way and has been a bulwark of strength for the American minorities who seek equality, respect and dignity.

The untiring efforts of the Conference and its members have begun to bear fruit. Although we still have a long way to go, freedom and justice and equal opportunity for all men, women and children of all races and of all backgrounds are beginning to become realities. This, in itself, is a tribute to the fine work that the Conference has done.

I express my gratitude to the Conference for the achievements it has made in bringing about a better life for all of us.

Sincerely,

Walter E. Washington,
*Mayor-Commissioner.*

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Dear Mr. Mitchell: It is no coincidence that the Leadership Conference on Civil Rights illustrious 25-year history spans the greatest period in American history for advancing the civil rights of all Americans. The Conference's strong commitment has greatly influenced the passage of every recent civil rights law and has augmented government efforts to secure full and equitable implementation of those laws.

By unifying the combined effort of more than 120 national organizations the Leadership Conference on Civil Rights has provided strong, effective, and responsible leadership, always emphasizing constructive, peaceful action. I salute the able leaders of the Conference upon their outstanding dedication and leadership and wish the Conference continued success in the months and years ahead.

Sincerely,

Carl Albert,
*The Speaker.*

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Dear Clarence: Congratulations on the 25th anniversary of the Conference.

What a pair Clarence Mitchell and Joe Rauh have proven to be in the quest for equal justice! The Leadership Conference on Civil Rights has been the single most effective organization in this noblest of modern American dreams. They have been its principal agents.

Even in this hour of anguish over the force of our national moral purpose we know the dream can and must be fulfilled. To abandon the effort for equality is to abandon America.

Sincerely,

Ramsey.

Dear Clarence: Congratulations on the Twenty-fifth Anniversary of the Leadership Conference on Civil Rights.

For twenty-five years the Conference has been in the vanguard of the fight for progress in America. No organization has been more consistently effective in the struggle for equal rights for all Americans. Again and again the Leadership Conference on Civil Rights has been instrumental in overcoming seemingly insurmountable odds to insure justice.

With warm personal regards,
Sincerely,
Birch Bayh,
*U.S. Senator.*

As a Commissioner of the United States Commission on Civil Rights, now entering my tenth year of service with the Commission, I can testify to the support this government agency has always enjoyed from the Leadership Conference on Civil Rights. The Leadership Conference has always been in the forefront on five different occasions to support the extension of the life of the Civil Rights Commission, and the Conference has given assistance to our efforts to bring to the attention of the President, the Congress and the American public the massive distance that still exists between the American promise and its practices.

When the Leadership Conference on Civil Rights was organized in 1949 not one of the Civil Rights Act now on the books had been passed by the Congress of the United States. The organizations that came together in 1949—far fewer than the more than 135 now participating in the Leadership Conference—formed the phalanx that accelerated the movement toward a more equitable society for America's minorities.

There is not today, nor has there ever been in American history, an organization as broad in its membership, regardless of its mission, as is the Leadership Conference. The Leadership Conference remains today the only organization on the American scene whose participating organizations cover such a broad spectrum of the American people. With representatives from Labor, Religion, fraternities, sororities, blacks, Chicanos, Asian Americans, white ethnics, Jews, gentiles and Catholics, men's and women's organizations, groups representing youth and senior citizens, farm workers to steel workers, doctors, dentists and newspaper employees, bartenders and postal workers, from B'nai B'rith Women to the National Coalition of American Nuns—the Leadership Conference has them all!

The Conference has used its influence well during its existence. It has not only been the national watchdog, ever vigilant against legislative acts and executive policies inimical to the best interests of minorities and women, but it has also played the important role of promoting positive and significant movement on the part of the legislative, executive and judicial branches of government.

On the occasion of its 25th Anniversary, I humbly salute our partners in the continuing struggle to make America free.
Frankie Muse Freeman,
*Commissioner.*

Dear Clarence: It has come to my attention that on the coming January the Leadership Conference on Civil Rights will be a quarter of a century old. During that span of time I have served as a principal officer of several national Civil Rights organizations, directed a principle domestic program for the state of New York and the United States government, and written in the fields of social problems and human rights. This experience has permitted me to observe first hand the work of the Leadership Conference. I think its record has been superb under your enlightened chairmanship. The Committee has identified basic issues, organized and galvanized those concerned with equality of opportunity and Civil Rights, and made itself felt on the Hill and in the executive departments of the Federal Government. I know from personal experience that without the Leadership Conference on Civil Rights many of the significant elements of the Great Society's legislative programs could not have been enacted. Congratulations to you as Chairman of the Legislative Committee, to Roy Wilkins as Chairman of the Leadership Conference on Civil Rights, and to your capable and dedicated associates.

Sincerely yours,
Robert C. Weaver.

Dear Clarence: For twenty-five years, the Leadership Conference on Civil Rights has been on the forefront of the battle to secure justice and equality for all Americans. It has brought together a diverse group of organizations to strive for an America faithful to the principles upon which this Country was founded. I salute the Conference for its many momentous accomplishments and I wish it God-speed on the road we have yet to travel before we become land with liberty and justice for all.

All best wishes.
Cordially yours,
(Rev.) Theodore M. Hesburgh, C.S.C.,
*President.*

Dear Clarence: We all know the paramount role that the Leadership Conference has played in the long struggle for the enactment of the Civil Rights Act and for the protection of civil liberties during the quarter century of its history. Although it may be impossible to properly detail that contribution in a few words, one can nevertheless say that the Leadership Conference was uniquely successful in coalescing the moral conscience of the nation in an effort which brought the nation closer to an understanding of its purpose, and revitalized millions of individual lives. This work serves as a landmark to the value of coperative action in the quest for human dignity and personal development. It will also serve for generations to come as a beacon and guide to those who must continue the task of guarding and enlarging our basic freedoms.

Very sincerely,
Hobart Taylor, Jr.

The work of the Leadership Conference on Civil Rights was the single most important factor in the passage of every civil rights act of modern times. Its ability to coordinate and orchestrate the efforts of sympathetic organizations and individuals transformed good intentions into effective legislative and political action. Its leaders' single minded devotion to the great cause gave constant and essential encouragement to those who fought on the actual legislative and political fields of battle.

Representative Richard Bolling.

Dear Clarence: Over the years, your organization has accomplished a great deal in the enactment of civil rights legislation and the expansion of protection and freedom for all minority groups throughout the country. Your Leadership Conference on Civil Rights has been in the forefront of the difficult task of educating millions of people throughout the country to the necessity for recognition of all our citizens and their rights under the Constitution which our nation adopted almost two centuries ago.

In January, 1938, when I took over the County Treasurer's office in Lake County, and three Treasurers' offices in Gary, Hammond, and East Chicago, Indiana, I appointed Linkie Jacobs, a Tuskegee graduate, as Assistant Cashier in the Gary Treasurer's office. This was the first appointment in the history of the State of Indiana of a black person to a so-called "white collar" position in any public office throughout the state, by either Democrats or Republicans.

I remember the letters, telephone calls, and other criticism I received from some of the bigots of those days, including remnants of the old Ku Klux Klan. Two years later a Republican Mayor of Gary was elected and he appointed the second minority jobholder, in the City Comptroller's office across the hall from the Treasurer's office. Today, we have black officials elected to public office, both state, county, and municipal, throughout the State of Indiana which had the unfortunate reputation of being the home of the now defunct Ku Klux Klan.

Thanks to organizations such as yours, we have risen out of those dark days of bigotry and ignorance and look forward to great expansion of the freedom of our citizens.

With kindest personal regards, I am
Sincerely yours,
Ray J. Madden, M.C.

Dear Clarence: The Leadership Conference on Civil Rights is truly unique, not just in its composition but also in its durability. It has nurtured an enduring fellowship to which I am happy to belong.

With warm regards,
Sincerely,
Clifford P. Case,
*U.S. Senator.*

Senator Edward M. Kennedy

The accomplishments of the Leadership Conference on Civil Rights are the accomplishments of all Americans. In the past 25 years, the Conference has done more to extend the ideals of all of us who work for an integrated, democratic society—a society in which every individual may participate on an equal level, independent of race, religion, ethnic origin or sex.

Acting as an umbrella organization for over 130 groups, the Leadership Conference has been a liaison among all its members, a speakers bureau, a clearinghouse for information and research assistance, and has kept its member groups aware of the legislative situation in Congress as well as suggesting areas in which various constituencies can be of assistance to its efforts.

I want to congratulate the Leadership Conference on this historic milestone. The Conference has made many contributions of which it can be proud, and I know that the next 25 years will be equally successful.

Dear Clarence: No single organization in America could have had the enormous impact the Leadership Conference on Civil Rights has had on legislation for over two decades. The Congressional Black Caucus has benefited greatly from the support of its legislative initiatives by the Conference. The commitment of the Conference to equal rights, equal opportunities and equal justice has resulted in significant legislative achievements affecting millions of Americans.

Louis Stokes,
*Chairman Congressional Black Caucus.*
Sincerely,
Louis Stokes,
*Member of Congress.*

Senator Hubert Humphrey

I have always regarded the Leadership Conference on Civil Rights as the driving force behind landmark legislative achievements by Congress in the protection of the civil rights of all Americans and in promoting the social and economic welfare of millions of our citizens who would otherwise be without an advocate before their government.

It has been my privilege over the years to work closely with Roy Wilkins and Clarence Mitchell and other members of the Leadership Conference staff toward the accomplishment of these legislative objectives, in a spirit of mutual respect and firm friendship. As Senate floor manager on the Civil Rights Act of 1964, I felt the supportive efforts of the L.C.C.R. were absolutely essential to the successful enactment of this historic legislation. Again, through the provision of dependable statistical, factual, and legal information, the mobilization of citizen groups across America to contact their elected representatives in Washington, and a sustained lobbying campaign in the halls of Congress, the Leadership Conference was a primary force toward securing passage of vital legislation on fair housing, on the protection of voting rights, and on measures to advance equal educational opportunities for all our children. And, its membership took a major part in stimulating administrative and legal measures for the enforcement of these laws.

On the occasion of the 25th anniversary of the Leadership Conference on Civil Rights, I welcome the opportunity to applaud its major contributions to making ours a better Nation for all, and its firm commitment to continue in the cause of full equality.

**SENATOR JACOB JAVITS**

The Leadership Conference on Civil Rights has been a working conscience in the power center of America.

*I commend* the many groups who have worked together for so long on so many vital questions.

You are an example of how an aroused public opinion can make our system work.

**DEAR MR. MITCHELL**: For 25 years the Leadership Conference on Civil Rights has been a respected, effective voice in Congress. It has been the leader in the fight to enact major civil rights legislation and is continuing in this great effort.

I salute the Conference as it begins its second quarter-century of dedicated service on behalf of human equality and civil liberty.

Very truly yours,

**PATSY T. MINK,**
*Member of Congress.*

**REPRESENTATIVE PETER RODINO**

I share in a special way in this landmark 25th Anniversary of the Leadership Conference on Civil Rights, for its founding in 1949 coincides with my first year of service in Congress. In 1950 I became a member of the House Judiciary Committee, and from that time on my association with the Leadership Conference has been a close and most rewarding one. The Leadership Conference has been a consistent source of strength and an effective and inspiring partner to those of us who have sought, during the last two turbulent decades, the enactment of meaningful civil rights legislation. And now, beyond enforcement of the laws, we must struggle to develop the economic and social conditions that will make the goal of equality for all a reality. I look forward to continue working closely with the Leadership Conference in our mutual commitment to this cause.

**DEAR CLARENCE**: The Leadership Conference on Civil Rights has done a monumental job in advancing the rights of Blacks and other minorities through its twenty-five years of continuous efforts.

We of OIC, the Opportunities Industrialization Centers of America, salute the Leadership Conference on Civil Rights and wish you well in all your future undertakings, as you strive to make America truly America for everyone.

Sincerely,

**LEON H. SULLLIVAN,**
*Chairman, Opportunities Industrialization Centers of America.*

**DEAR CLARENCE**: For Twenty-Five years the Leadership Conference on Civil Rights has served as an ever-present conscience in the struggle for a truly equal America.

I pray that your contributions to equal rights legislation in all fields will continue unabated.

I look forward to working closely with you in these efforts.

With best wishes, I am

Sincerely,

**EDWARD W. BROOKE.**

**DEAR CLARENCE**: When one looks over the record of accomplishment of the Leadership Conference on Civil Rights, it is amazing to discover that the organization is only 25 years old. Its accomplishments are enough to have satisfied many organizations for a full century. The dedication and the effort and the leadership invested in and by this organization should be an inspiration to all Americans.

It is one of the ironies of our history that a nation that grew out of the great principles enunciated in the Declaration of Independence and the Bill of Rights should have had need at all for the Leadership Conference on Civil Rights. The ideas of the Leadership Conference are simply the ideals of this nation. The great contribution you and the Leadership Conference have made has simply stimulated the United States of America to reach up to its own principles and be worthy of its own greatness.

Best wishes to you always.

Sincerely,

**CARL D. PERKINS, M.C.**

The Leadership Conference on Civil Rights has become an institution in the United States. Through its twenty-five years of existence, it has served to make this nation and this nation's governmental leadership not only aware of changing times, but has served so often as the stimulus prompting that leadership to act.

I am indeed proud to have had the opportunity to work with the conference over many of these years, and extend best wishes for many more fruitful years to come.

**SHIRLEY CHISHOLM,**
*U.S. Congresswoman.*

**DEAR CLARENCE**: It is indeed an honor during this quarter century anniversary for me to salute the Leadership Conference on Civil Rights. Over the past 25 years I have had the opportunity to work with virtually every organization that composes this distinguished coalition. I am delighted to add my applause to a group that has worked so diligently to accomplish so much.

The Conference's dedicated efforts and constant pursuit of equality in America have been rewarded a hundredfold through legislation and changing public opinion.

It is personally gratifying to see the progress of this "great human experiment" which has brought dignity to so many Americans. When I first started fighting inequity in Philadelphia over thirty years ago, I had only the faintest hope that a dream could become reality. It has. I am proud to have worked with the LCCD in promoting every piece of civil rights legislation since I have been in Congress.

Numerous battles have been won, but the war is not over. Our battle against hunger, poverty and disregard has many sweet victories ahead. You can always count on my active support. We shall overcome.

I am confident that if your past achievements are any indication, I can anticipate continued progress in the fight for human equality throughout America.

With best wishes for a joyous celebration,

Sincerely,

**HUGH SCOTT,**
*Minority Leader, U.S. Senate.*

**DEAR CLARENCE**: Please accept my congratulations as the Leadership Conference on Civil Rights celebrates its 25th birthday. Over these 2½ decades, the Conference has been a strategic force behind the coordinated campaign to make civil rights a reality for all Americans.

Its contributions in the legislative arena have been widely known and appreciated. But for me, a truly outstanding characteristic of the Conference—and one not always fully appreciated—is its quiet display of technical competence in the pursuit of substantial legislative goals. While many organizations can—and do—march and demonstrate, the Conference has always realized that the critical test of leadership is the mastery of the technical underpinning on which new laws and new programs must necessarily rest. The Conference has also realized that once a program is launched, its performance has to be monitored continuously.

As we look ahead, the Leadership Conference will be needed as much as it ever was. I look forward to the opportunity to continue to work with you.

Sincerely yours,

**ANDY.**

**REPRESENTATIVE PARREN J. MITCHELL**

A Nations' greatness is inextricably linked to the citizens who are committed and involved in preserving and strengthening the moral fibre of the Nation. For twenty-five years the Leadership Conference on Civil Rights has fought an unrelenting, successful battle against racism, prejudice, segregation and discrimination in America. America, despite the present stress, is stronger in every respect than it was twenty-five years ago because the citizens who make up the Conference have an unyielding allegiance to the cause of a common humanity.

**SENATOR WALTER F. MONDALE**

Throughout its 25 year history, the Leadership Conference on Civil Rights had led the struggle in Washington to achieve equal justice and a decent chance in life for those who bear the unfair burdens of poverty and discrimination.

I know that in its next 25 years this remarkable coalition will continue to serve as the voice of the American conscience.

**SENATOR PHILIP A. HART**

For two decades, the Leadership Conference on Civil Rights has guided us in the pursuit of justice for all Americans. Its voice is patient but persistent—in times of progress and in times of danger to our common goals. Its role has been crucial in the enactment of every piece of recent civil rights legislation.

Yet the Conference is far more than a uniquely effective lobby. It is, in truth, the voice of conscience in the nation's Capital. On its twenty-fifth anniversary, the Conference deserves the gratitude of all Americans."

**DEAR MR. CAPLAN**: As the nation approaches its 200th birthday we still have people who have not accepted the Constitution. All citizens are indebted to the Leadership Conference on Civil Rights for its vigilance and efforts.

Sincerely,

**BOB ECKHARDT.**

## HISTORIC HOTEL PRESERVED

Mr. McGEE. Mr. President, those of us who are citizens of Wyoming take tremendous pride in our heritage as a State. Therefore, we are particularly gratified when people from outside our State share in their concern over our heritage.

In the March 17 edition of the Washington Star-News, there appeared an article written by Bob Wiedrich, a Chicago Tribune correspondent on the historic Sheridan Inn, built in 1893. As the writer noted, Mrs. Neltje Kings saved the inn from extinction when she purchased the building for renovation in 1967. Mrs. Kings, who hails from Long Island, N.Y., is now a resident of Sheridan.

We appreciate very much her interest and concern for the many things we cherish in our State, and welcome her decision to reside in Sheridan. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Historic Hotel Preserved: A Home Where Buffalo Bill Roamed

(By Bob Wiedrich)

Sheridan, Wyo.—If you'd like a hamburger steeped in history, try the Sheridan Inn dining room here.

It was Buffalo Bill who led the grand march to open the hostelry in 1893 and Presidents Teddy Roosevelt, William Howard Taft, and Calvin Coolidge left their imprints on goosedown mattresses while just plain folks like Calamity Jane, Will Rogers and Ernest Hemingway whooped it up at the bar.

In its heyday, a Great Plains gourmet could wrestle with the likes of a haunch of venison, fox squirrel, mountain sheep or opossum at the Sheridan Inn.

And if those Western delicacies did not please his palate, there were gobs of meadow lark in timbals, wild goose, quail on toast, or civit of grouse, all to be washed down with a Wyoming Slug, a dulcet blending of champagne and wild, wild whiskey, as wild as Col. William F. Cody, who got his name from the herds of buffalo he slaughtered for the railroad construction crews.

Once in a while, a cowpoke would get stiff and ride his horse onto the front porch and into the bar. Or, there'd be some shooting and everybody would duck beneath the heavy oak tables in the dining room.

But generally, the Sheridan Inn was noted as a gracious place and the finest hotel between Chicago and San Francisco soon after its presence brought the finest bathtubs end electric lighting to the town settled in the early 1880s by pioneer drop outs from the Bozeman Trial.

In 1974, some 81 years later, the Sheridan Inn is a national historical landmark owned and presided over by Mrs. Neltje Doubleday Sargent Kings, a $10 million publishing fortune heiress from Long Island who eight years ago gave up the jet set life for something more durable.

Mrs. Kings maintains a handsome menu in the dining room, although she has deserted much of the continental cooking she sought to return to this community once she purchased the inn in 1967 and reopened it a year later.

She kept Crepes Lorraine on the bill of fare for six months with no takers, but that changed once she changed the label to chicken in a pouch. The same goes for Eggs a la Russe, which became an overnight favorite as an Annie Oakley Salad.

And she finally has mastered the Bavarian Cream Salad made with 184 eggs for 150 banquet guests, an effort that flopped in her then inexperienced hands after the chef got drunk and she and five ranch field hands took over the kitchen.

However, these have been the agony and the ecstacy of the well heeled lady who previously never had to wash a dish. And the hotel purchase and renovation have been a rewarding exercise for both herself and the Sheridan County Historical Society, which so desperately had sought to save the hotel from being razed for a gasoline station.

Mrs. Kings first moved here as a permanent resident in 1966. The following year, just as the June 19, 1967, deadline for saving or demolishing the Inn approached, she telephoned her decision to buy the inn while on vacation in Hawaii. At the time, she had never set foot in the place.

But she already had written a letter to a local editor declaring the Sheridan Inn was a symbol of the heritage of the American West and that the best of the past must be preserved for the present.

So Mrs. Kings put her money where her heart was—about $135,000 of it—and then invested some several hundred thousand dollars more in a historic renovation. For six months, her anonymity as purchaser was preserved.

When local residents discovered a fancy dude from down East had bought the place, they were both amazed and gratified. Neltje Kings became an instant citizen of Sheridan.

Measured by today's standards, the 64 tiny bedrooms under the 69 gables of the three-story frame hotel would hardly qualify even as a flophouse. But in their prime they were the best in the West. And the 200 electric lights, powered by a discarded steam threshing machine, were a wondrous sight in a land still peopled by Indians.

Built for about $25,000 at a time when a buck went a long way, the Sheridan Inn featured three native cobblestone fireplaces, 40-foot hand hewn, unsupported ceiling beams, and separate staircases for male and female guests to the two upper floors.

These remain to this day. But the upstairs rooms have been gutted and no decision made on their future. Eighty-one years ago a ticket for 21 meals cost $7 and room and board was $2.25 a day. A coach hauled folks to town a mile away. And the Burlington Railroad brought you right to the door.

In 1965, the Sheridan Inn closed its doors, not to reopen until millionairess Neltje Kings came riding out of the East astride a jet plane.

## STATEMENT OF SENATOR JOHN V. TUNNEY, BEFORE THE SUBCOMMITTEE ON INDIAN AFFAIRS

Mr. ABOUREZK. Mr. President, last summer the subcommittee on Indian Affairs held field hearings in California. Senator Tunney was one of the witnesses and I would like to insert his excellent statement in the Record. To me, it indicates not only a great deal of knowledge of where the wrongs and errors have been committed, but a great deal of compassion and understanding of what needs to be done to correct those errors.

Mr. President, I ask unanimous consent that the statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement of Hon. John V. Tunney, a U.S. Senator From the State of California

Senator Tunney. Thank you very much, Mr. Chairman. Let me say, speaking for myself and for many friends of mine who are Indians in California, that I and we deeply appreciate the energy you have shown since you have taken over as Chairman of the Indian Affairs Subcommittee. I cannot remember if the Senate Indian Affairs Subcommittee has ever held a field hearing in California. If it has held such a hearing it has been a long, long time ago and I think that the dedication and the zeal which you have shown since you have taken over the Chairmanship is something that has been desperately needed by the Indian people of our country, and these few hearings which you are holding during the recess, where you could have been vacationing, are demonstrative of your very sincere and compassionate interest in the problems of the Indian people and I want to thank you very much for giving me the opportunity to share a thought with you today.

Mr. Chairman, I would like to begin my remarks by saying that I think that not only have you demonstrated leadership in bringing the hearings out to the field, giving the Indian people an opportunity to testify, but I also am strongly supportive of two pieces of legislation which you have introduced. One is the Resolution to create a study commission to study Indian problems for two years and then make recommendations to the Congress as to what ought to be done. It has been many years since such a study has been achieved by the Congress and I think one is desperately needed.

I think that what is needed with this study is one which represents the input of the Indian people rather than a study by bureaucrats in which bureaucrats talk to bureaucrats and decide among themselves what would be good for the Indian people. I recognize many problems in our country have been studied and restudied and restudied with no action being taken. But I think a study in this particular case is necessary so that we know where we are going.

I think with the kind of leadership you are going to provide in the Senate that out of this study we will be able to fashion legislation which will be truly meaningful for the Indian people.

I sat for 6 years on the Indian Affairs Subcommittee in the House of Representatives and the thing that bothered me was when decisions were being made for Indians at the Bureau of Indian Affairs and the Interior Department, and they were developing a program for the Indians, the Indians were always the last to be consulted. A blueprint would be made up and the Indians would be called back to Washington and they would be asked to ratify the proposal. I always felt that was a ridiculous way of proceeding.

Senator Abourezk. I agree with exactly what you say, Senator Tunney. The Resolution you speak of, the Study Commission, is not one intended to delay the problem as a great many studies are. It is an honest effort on the part of this committee to try to find legislative solutions. I frankly don't know the answers. I would be the first to admit that. I want the smartest Indian consultants in the country. We want them to say what is wrong. For too long that kind of input has been lacking.

Senator Tunney. Well, I want to thank you for your interruption because I think it is indicative of the problem that Indians feel isolated and left out and thereby frustrated.

Secondly, the bill that you introduced to require the Bureau of Indian Affairs and Indian Health Service to receive their authorization for 2 years rather than having an open ended authorization. I don't see how we are going to develop any kind of meaningful oversight control over these two agencies unless we have this kind of review that would occur every other year. I am appreciative of the fact that it is a little bit more effort for the Congressional committees to have this kind of oversight review, but this is a function of individuals that serve on the committees and not of the system itself.

The system should work if the members of the committee are prepared to truly take those responsibilities seriously. I must say that with you serving as the Chairman of the Indian Affairs Subcommittee I think that the Indians are incredibly lucky to have had the good fortune to have such leadership at this time because I happen to know the kind of person you are, the kind of diligence with which you pursue your work and I think a 2 year authorization in that kind of a review is desperately needed. I think it is about time the Bureau of Indian Affairs justified their existence before a Congressional Committee every 2 years with some really hard-hitting questions. Hard-hitting questions prepared by the committee trying to dig into the activities of the Bureau of Indian Affairs, demonstrating what it is they are doing for the Indian people rather than demonstrating what they are doing for themselves to maintain themselves as a bureaucracy. That is what we have had too much of in Washington recently. Too many people on the Federal payroll think their only justification for going to work in the morning is to receive the paycheck rather than to represent the people in the country they are paid to represent.

Well, I would like to get on with my testimony, Mr. Chairman.

Harland James said, "I'd like to get out of this dump—mainly because of it being, it isn't our land where we're living."

Andy Garrison said, "All the houses all our people live in now are not a house—a shack. Our houses are so small that large families sleep out in summertime and in winter we move in and are close like sardines. We can feel each other breathe."

Kenneth Kizer said: "When the wind blows it goes right through the house."

Elmer Dick said, "We're drinking ditch water—there might be dead cows, or something bathing in it—"

And Wesley Dick said, "A ditch, mind you, which is so dern polluted that no white man would survive or even drink this water. The way we have been neglected is something the Government should be ashamed of."

These people are not characters from a cheap dust bowl novel, but native Americans living in Coleville, Calif.

Mr. Chairman, Wesley Dick is right. The Government should be ashamed.

The rights of native Americans steadily have been eroded by illegal treaties, disease, war, manifest destiny and down-right deception. The sanctimonious expressions of shame by the Government demonstrate no more than gross national hypocrisy. It is time to quit entertaining the romantic museum-oriented concept of the Indian and start responding to native American rights.

The Snyder Act of 1921 is the legal base on which the Bureau of Indian Affairs predicates most of its services to Native Americans. It is important to take special note of the wording of that act. It states quite clearly that the Bureau is to "benefit, care for and assist Indians throughout the United States."

But the Bureau has ignored that mandate. The reason—on paper, at least, is money. The Federal Government benefits most, it believes, when it provides the fewest services. Hence, the smaller the client group, the lower the cost. That's a pretty simple formula. But by that formula, Indians simply disappear. That is why there are urban Indians and state Indians and terminated Indians and landless Indians.

Whatever convenient adjective is used, the Native American is the ultimate loser.

Harland James and Andy Garrison and Kenneth Kizer and Elmer Dick and Wesley Dick are among those losers. Their words, which I used at the beginning of my statement describe what happens when the Federal Government abdicates its trust responsibility to the Indian people.

I have been trying since April of this year to persuade the Bureau of Indian Affairs to apply for and hold in trust 38 units of Federal surplus housing—and I underline the words "surplus housing"—for this small group of Paiutes near Coleville. These houses could significantly improve their standard of living. In addition, I have requested that the Forest Service relinquish the land they own which surrounds the houses.

Both have refused. BIA states it is not authorized to act on behalf of 38 landless Indians. Once again the Government applied its simple formula of declassifying Native Americans to a conveniently ineligible category. I might say that housing is sitting right there. It is abandoned by the military services. It is standing there. Indians need a place to live but they are not going to live there apparently unless we can get some action by the Congress to make this possible.

The Government seems to have forgotten that the only reason Native Americans are landless is because the Federal Government cheated them out of their land base. From 1851 to 1858 the Government negotiated 18 treaties with California Indians. These treaties were never ratified; therefore, the Indians could not stay where they were, nor go back to their homes.

The landless Ione Miwaks share this problem. They were scattered throughout Amador County and moved to their present location because BIA promised a Rancheria. A mortgage on the land, and the subsequent bankruptcy of the owner proved to be more than BIA could cope with, so title and reservation status never materialized. So the Iones continued as squatters with three houses, a trailer and land that was promised to them in 1915.

Fifty-seven years later, with the help of California Indian Legal Services and the California Land Project, the Iones obtained title and a new promise from the Secretary of the Interior for reservation status. So far, nothing.

The Jamul Dieguenos are not so fortunate as the Iones. They are squatting on a piece of land with few houses, a totally inadequate water supply system, poor sanitation facilities and no job opportunities. Here, title might serve to make things worse. Although they lack the basic necessities of life, the Jamul Dieguenos have managed to maintain a strong traditional culture and sense of community. I believe it is the only community where Diegueno is the first language spoken. In this case, recognition would mean facing the inevitable problems of taxes, speculators, used car dealers—all of which might tend to threaten the culture and break up the community.

The so-called "urban Indians" suffer a similar plight. In most cities there is an overt attempt to proceed as though Indians do not exist. Programs for hiring and training Native Americans in the inner cities are virtually non-existent. One of the primary needs of urban Native Americans is more participation at the federal and state levels—and not as tokens.

Mr. Chairman, the quintessential importance of Indian-owned natural resources—land, water and minerals—in the struggle for economic development has been documented so thoroughly elsewhere that I need not reiterate it here. It is enough to say that, without these resources, most Indian reservations in the Western United States are uninhabitable, simply enonomically incapable of supporting life. The Government of the United States for 100 years has been engaged in a conscious and effective scheme to usurp the natural resources which Native Americans need to survive.

The plight of the Pyramid Lake Tribe of Paiute Indians is well known. The tribe owns Pyramid Lake, and it is not only their most valuable resource, it is indeed the very means of livelihood for this fisherman-tribe. Yet the Bureau of Reclamation, acting in the name of the United States, has for 70 years diverted huge quantities of water from the Truckee River, which feeds into Pyramid Lake. At times the diversions have completely stopped all inflow into this huge lake, and they have consistently run as high as 50–60 percent of the total flow of the river. The diverted water is transported in a primitive and wasteful canal to support the Newlands Reclamation Project in central Nevada, which has been cited as the most wasteful, economically inefficient reclamation project in the entire United States.

So Pyramid Lake is dying, and with it the hopes of the Tribe for economic development and prosperity. This beautiful desert lake has declined a foot every year, over 70 feet since the project was built in 1906, because there is no longer enough water feeding into it to support it. A study by the Bureau of Outdoor Recreation several years ago found that Pyramid Lake is the single greatest remaining undeveloped recreational resource in Northern California and Nevada. Potentially, if properly developed, the lake could provide millions of dollars in income to the Tribe, and boundless recreational opportunities to millions of people in the San Francisco, Sacramento and Northern Nevada metropolitan areas.

Instead, the lake gradually but inexorably declines. It is an alkaline lake, and so the increasing salinity levels caused by the reduced inflow of fresh water has drastically reduced the productivity of a once bountiful fishery, the present and traditional means of livelihood for the Tribe.

Now, granted the reclamation project, duly authorized by Congress, deserves some water. But hydrological studies suggest that the overall efficiency of the transport and irrigation system is less than 40 percent. More than 60 percent of this precious desert water is wasted. This is a violation of the Western common law doctrine of beneficial use of water. It is a violation of the clear terms of the so-called Orr Water Ditch Co. decree and the olpine decree. It is a violation of which the Commissioner of Reclamation and the Secretary of the Interior are aware, and yet which they continue to countenance.

Last year the Pyramid Lake Tribe won an injunction in the Federal District Court for the District of Columbia, directing the Secretary of the Interior to improve the efficiency of the Newlands Project and increase the inflow into Pyramid Lake. But it is an indication of the Interior Department's posture that the Pyramid Lake Tribe had to go to court to sue the Secretary of the Interior, their supposed trustee, in order to slow down the theft of their water.

Other equally egregious examples abound in California, Mr. Chairman. For example, the Quechan Tribe of Indians on the Fort Yuma Reservation in Yuma and Imperial Counties, provides a tragic case study for the Committee to consider.

In 1893 a fraudulent, forged and altogether unconscionable "arrangement" was forced upon the Quechans by the Colorado River Irrigation Company, with the connivance of the Department of the Interior, for construction of an irrigation canal and diversion of Colorado River waters. At the time the Quechan negotiators could neither read nor write nor understand English. Yet, this "agreement" which purports to authorize the robbery of their water and the use of Indian land has been solemnly enforced and upheld by the Secretary of the Interior.

The Pechanga and Cahuilla Bands of Mission Indians also in San Diego County, provide another bizarre case of bureaucratic injustice.

The Indians on the Reservations share water rights in the Santa Margarita River and the underlying groundwater basin with a huge residential development of the Aetna Corporation, Ranch California. There has been extensive litigation and there are detailed court decrees governing rights to the use of water by the Pechangas and Rancho California. Yet the decrees have been wholly ignored by the Department of the Interior. Rancho California has far exceeded its decreed rights in diverting water from the Santa Margarita River to irrigate their well-kept golf course, supply their man-made lake, and generally maintain their 100,000 acre development. Rancho California has also pumped water out of the groundwater basin, to the point where a spring which was the reservation's sole source of water, went dry. Consider the irony of this. The Pechangas, who have court-decreed rights to use of the water, now have to haul water in bottles in order to sustain life on the reservation. They have been robbed of their water and the Department of Interior has consistently refused to exercise its right to prevent unreasonable extractions from the groundwater basin, or to protect Indian interests. Even worse, the Department now proposes to construct the Santa Margarita Project, a vast reclamation project, which will further exploit that scarce water, to enrich private individuals at the expense of the Pechangas and Cahuillas.

These stories could go on for the rest of the week—a litany of shameful indifference and illegality in which the Bureau of Indian Affairs, Department of Interior and Department of Justice have been historic actors.

Under the circumstances, Mr. Chairman, I think it would be disingenuous to hold out the hope that these agencies of government will suddenly experience a re-awakening of conscience. The bureaucratic recalcitrance is so deeply ingrained that we would do well to regard the BIA and Interior Department simply as adverse parties and establish Indian policies accordingly.

A number of general policy proposals have been advanced, with which I am in complete accord, including the immediate creation of an independent Indian Trust Council Authority, an independent Indian Affairs Office operating out of the Executive Office of the President, independent Indian lawyers, solicitors, hydrologists and technical staff, and so on. In addition, there are numerous specific proposals that will help individual tribes: Congressional opposition to the proposed California-Nevada Interstate Compact, which would freeze into law the inequities which are now destroying Pyramid Lake; withdrawal of Congressional authorization for the Santa Margarita Project, unless there is full Indian participation in the benefits of that project; and many others. However, I would like to devote the balance of my prepared statement to briefly outlining two proposals which I think would greatly help the landless, executive-order and treaty-reservation Indians to establish their rights and protect their interests.

First, the Congress should focus immediate and critical attention on the voluminous report of the National Water Commission, and reject those proposals which are destructive of Indian interests and inconsistent with federal trust responsibilities. To take just one example, Recommendation 14–6 of that Report, at page 482, suggests that the United States should compensate non-Indian users of water which by treaty and right belongs to Indian tribes. The objective is laudable: to ameliorate the conflict between potential Indian uses of water and present non-Indian uses. The problem is that this is no solution at all.

In the first place, there simply is no alternative source of unclaimed water; the streams are over-appropriated already. In the second place, the compensation of non-Indian users for the impairment of their present water use—to which they have no legal right—would place impossible demands on the Federal treasury. The problem, Mr. Chairman, is simply that there are not enough resources, fiscal and water, to satisfy everyone.

When such problems of scarcity arise, our society traditionally resorts to strict rules of law to protect citizens' rights and provide certainty, and Western water law is no exception. The Water Commission recognizes candidly that many non-Indian water resource projects rely on supplies in which Indians have water rights with earlier priorities. Those water rights must be honored; non-Indian users with junior, inferior or defective water rights are simply going to have to make other arrangements or else pay the Indians to establish new water rights. It is in this light that the rest of the Commission's report ought to be evaluated, with a constant view towards its impact on Native Americans' interests.

Second, the Congress should address itself seriously to the long-neglected problem of the so-called "unrecognized" Indian reservations. The problem is that the Supreme Court, in *Hynes v. Grimes Packing Co.*, 327 U.S. 86, 69 S. Ct. 968 (1949), *Tee-Hit-Ton Indians v. U.S.*, 348 U.S. 272, 75 S. Ct. 313 (1954), and subsequent decisions, has declared that the land, water and mineral resources of Indian reservations created by Executive Order rather than by a specific Act of Congress—a category that constitutes a substantial portion of all reservations in the West—actually belong to the United States, not to the Indians. In the words of the Court in *Tee-Hit-Ton*, original Indian title—

"Means mere possession not specifically recognized as ownership by Congress . . . This is not a property right but amounts to a right of occupancy which the sovereign grants and protects against intrusion by third parties but which right of occupancy may be terminated and such lands fully disposed of by the sovereign itself without any legally enforceable obligation to compensate the Indians." 348 U.S. 272 at 279, 75 S. Ct. 313 at 317.

This problem is shared by the Indian tribes in California who live on reservations under treaties which were never actually ratified by the Congress. Resource rights on reservations officially established by an Act of Congress, on the other hand, are vested in the Indian tribes themselves, to manage as they see fit, with the Departments of Justice and Interior acting as trustees in a purely legal, administrative sense.

The distinction, Mr. Chairman, resides solely in the fact that some resource property rights have been recognized as belonging to the Indians—recognized in the form of a Congressionally-ratified treaty—while others which were merely established by Executive order or by a treaty which was never ratified, have not been so recognized. It seems like a petty, legalistic distinction, but the ramifications of the recognition question are profound.

First, of course, is the fear of termination which still lingers in the minds of many Indians; in light of these Court rulings, termination could mean a loss of not only trustee-ward and reservation status, but actual reposession of the unrecognized reservation lands.

A more serious potential legal problem arises when Indians on Executive order or unratified-treaty reservations attempt to qualify for BIA programs or to defend their interests, and especially their property rights, in court. In the so-called *Eagle River* decision in 1971, *U.S. v. District Court for the County of Eagle*, 401 U.S. 520, the Supreme Court held that all federally owned rights to water are subject to general adjudication in state courts, under state law, by virtue of the so-called McCarran Amendment, 43 U.S.C. 666. What this means is that, so long as the Justice Department, and the Supreme Court regard Indian water rights as property which actually belongs to the United States, the Indians—at least those on unrecognized reservations—are vulnerable to a multiplicity of legal assaults by competing water users, in every county superior court in the Western United States. I need not elaborate on what often happens to Indians who are taken to court on water rights suits, with the Justice Department defending their interests. The fact that such litigation would not be extended into the state courts, operating under state law, only compounds the problem.

To solve the problem of the unrecognized reservations, I propose that Congress enact general legislation to recognize, confirm and legitimize to the extent necessary, all Indian reservations and the attendant property rights, regardless of the means by which the reservation was originally established. As the Court said in *Tee-Hit-Ton:*

"There is no particular form for congressional recognition of Indian right of permanent occupancy. It may be established in a variety of ways but there must be the definite intention by congressional action or authority to accord legal rights, not merely permissive occupation." 348 U.S. 272 at 278, 75 S. Ct. 313 at 317. One such means is to use the language recommended by the Court itself in *Tee-Hit-Ton*, which can be found in the Pueblo Land Claims Act, 11 Stat. 374.

Another such means is to employ the language proposed as Resolution No. 3, adopted by the Conference of Western Reservations on Indian Water Rights and Resources, convened in Denver, Colorado, on July 22, 1972. A copy of that resolution is provided for the Committee's consideration.

Legislation in this regard is both timely and necessary for the reasons I have indicated, Mr. Chairman. This is merely some legal clean-up work, clarifying language to make official the intention and spirit of legislation imperfectly expressed.

Mr. Chairman, we are all aware of the growing demand in America for equal rights. People want equal opportunities for themselves and their children and legal protection for their homes and property.

Well, Native Americans want their rights and property protected too. They say that better health care would mean that the average Indian would live six more years and more newborn would survive infancy. They say that better housing would mean less than six people to a room and running water for the 24 percent now doing without. They say that better schools would mean that the average unemployment might drop below 40 percent. And they say that stealing land and water is really no different from stealing cars or bicycles or color television sets.

Unquestionably, they are correct. Laws protecting civil rights and property should be equally enforced. In view of countless examples of the calculated suppression of Native American rights through malfeasance and nonfeasance by Federal officials, this is not too much to ask—and it is something this country must do.

Mr. Chairman, in conclusion I only add that there are countless other examples of the calculated suppression of Native rights by the Federal officials.

I have no doubt that subsequent witnesses will bring out once more in clear terms the Federal Government's abdication of its responsibilities to the American people.

Thank you, Mr. Chairman.

## LOUIS I. KAHN

Mr. SCHWEIKER. Mr. President, Louis I. Kahn, one of Pennsylvania's most distinguished citizens, is dead at the age of 73. Professor of architecture at the University of Pennsylvania, Louis Kahn was universally recognized as one of the world's greatest architects. He was considered by many to be a worthy successor to the late Frank Lloyd Wright. Louis Kahn will be sorely missed, but the beauty and majesty of his art will live for generations to come.

Mr. President, I ask unanimous consent that three newspaper articles chronicling the life and work of Louis I. Kahn be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### LOUIS I. KAHN IS FOUND DEAD

(By Thomas Hine)

Louis I. Kahn, one of the world's leading architects, died of a heart attack in New York City Sunday night as he was returning to his *Philadelphia* home from a business trip overseas. He was 73.

Mr. Kahn's body was discovered in a rest room at Pennsylvania Station in New York and was brought that night to the city's morgue, where he was found to have died of an occlusive coronary arteriosclerosis.

But, in a bizarre sequence of events, the notification that the New York Police Department said it sent to Mr. Kahn's wife in Philadelphia never arrived.

As a result, Mr. Kahn's family and his architectural office did not learn of his death until Tuesday afternoon, when a Philadelphia detective asked by Mr. Kahn's office to search for the architect discovered the death with the help of the New York Police Department's missing persons bureau.

Mr. Kahn was returning from a one-week trip to India, where he had been working on one of his projects, the Indian Institute of Management in Ahmedabad. He had arrived in New York on an Air India flight earlier Sunday.

"The sun never knew how great it was until it struck the side of a building," Louis Kahn once wrote.

Louis Kahn's experiments with sunlight in such buildings as the Kimball Museum in Fort Worth, Tex., the capitol buildings nor Bangladesh and the Mellon Gallery at Yale, showed architects new things about the sun's rays and brought him recognition as the greatest American architect of his time.

Fame was late in coming to the Estonian-born Kahn. Not until the Richards Medical Building and Biology Laboratory at the University of Pennsylvania was built about 15 years ago, when Mr. Kahn was in his 60s, did he achieve worldwide recognition.

Even so, Mr. Kahn never seemed to attain real recognition in Philadelphia, where he spent most of his childhood and adult years. One of his early buildings, the AFL–CIO Medical Center on Vine St., was torn down only a few months ago.

But Mr. Kahn was a force on the Philadelphia scene. He was chief of design for the Sesquicentennial Exposition in 1926, and he did many plans, none of them adopted, for Penn Center and Market Street East. He also was very influential as a teacher at Yale, the Massachusetts Institute of Technology, and since 1957 at the University of Pennsylvania, where he held the Paul Cret chair in architecture.

Mr. Kahn's fame came after he rejected the dominant steel and glass aesthetic of the 1950s and began to explore the relationships between massive forms of brick and concrete, and sunlight.

Mr. Kahn confused and scared many potential clients with his poetic speaking style, his refusal to follow architectural conventions, and his tendency to go over his budget when he felt the building "needed" to do so.

"Bare needs coming from the known and supplying only what is lacking can bring no lasting joy," Mr. Kahn had said. "Did the world need the Fifth Symphony? Did Beethoven need it? He desired it; now the world needs it."

But Mr. Kahn did not fit the stereotype of the architect as petulant prima donna, imposing his design over the wishes and against the needs of his client. Typically, he approached a project with some simple shape in mind, say a square or a series of arches, and then let the needs of the project dictate the actual design.

Thus, the Richards Laboratories were shaped by his feeling that scientists should be in contact with one another, that their laboratories are studies in which they work and that the air to breathe should be separated from air that is thrown away (through the exhaust system).

In the Kimbell Museum, Mr. Kahn devised a system to allow the paintings to be lighted naturally without harming the paintings. This was done with indirect skylights mounted atop arches that in addition defined the shape of the building as a whole.

"Louis does what an architect should do," said Romaldo Giurgola, dean of architecture at Columbia University shortly before Mr. Kahn's death. "He awakened a sense of pride in one's actions. He is a master in the old fashion. There are very few masters nowadays."

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### ONE OF THE WORLD'S GREATS—PHILADELPHIA'S LOUIS KAHN, 73, FAMED ARCHITECT, DIES

(By Nessa Forman and William A. Lovejoy)

Louis I. Kahn, considered by many of his contemporaries to be one of the world's greatest architects, died Sunday night while waiting for a train at Pennsylvania Station in New York City.

Mr. Kahn died of an apparent heart attack, according to the New York Medical Examiner's office. He was 73 and lived at 921 Clinton St., Philadelphia.

He had returned from a week-long trip to India where he was doing architectural work.

#### HELICOPTER FLIGHT

He arrived at John F. Kennedy Airport in New York and was supposed to take a helicopter flight to Newark, N.J., before returning home, a spokeswoman for the Kahn family said last night. For some reason, he didn't take the copter and apparently intended to return to Philadelphia by train.

Mr. Kahn's wife, the former Esther Israeli, wasn't notified of her husband's death until yesterday afternoon because of a mix-up in the New York Police Department.

New York police told Philadelphia police of his death Sunday, but only had Mr. Kahn's business address. Yesterday morning, Mrs. Kahn notified Mayor Rizzo's office that her husband was missing.

#### POLICE PRAISED

Within hours, the spokeswoman said, a police captain here told Mrs. Kahn of her husband's death. The spokeswoman said, "The police were very good, prompt and professional about the investigation."

She said the Indian architect called Mrs. Kahn to tell her Mr. Kahn was "very happy" and "full of good spirits" when he left India. Mr. Kahn was described by colleagues as a very active man who appeared to be in good health.

Mr. Kahn always called Mrs. Kahn when he returned from a trip, the spokeswoman said. She said he didn't call Sunday so the family doesn't know why he changed his mind and went to the railroad station to take a train home.

#### PHILADELPHIA AWARD

In 1971, Mr. Kahn won the 50th Philadelphia Award. The award, gold medal and $15,000, is given each year to a Philadelphia person who has served "to advance the best and largest interests of the community of which Philadelphia is the center." It was established by the late Edward W. Bok, editor of the Ladies Home Journal.

Mr. Kahn often was called a prophet without honor in his own city.

He was 50 years old before he achieved recognition within his own profession. Thereafter, his fame as an architect and a creative thinker spread all over the world.

In his later years, admirers hailed him as America's top architect and a worthy successor to the late Frank Lloyd Wright.

Mr. Kahn was a short, wiry man with pale blue eyes and a reddish face, offset by a shock of white hair.

His biographer, Vincent Scully, has credited Mr. Kahn with redirecting and remaking the mainstream of modern architecture—making it more personal, more human, by not being afraid of the unfamiliar, the untried.

#### GIVES HIS PHILOSOPHY

Summing up his philosophy, he once told an interviewer:

"Nature does not make art. She works by circumstance and law. Only man makes art. Because man chooses. He invents. He can make doors smaller than people and skies black in the daytime if he wants to. He assembles. He can bring together the mountain, the serpent and the child."

On another occasion he noted that modern architecture, of which he had been a leading exponent, was still in a primitive stage.

"When architects first discovered the great miracles of huge sheets of steel and glass," he said, "their reaction was natural—but revolutionary and exaggerated. Now we—all of us, not just architects—must consider this passion to express these engineering feats and make modern architecture more personal, more human."

#### LOW-INCOME PROJECTS

Mr. Kahn's work here ranged from low-income housing—the Mill Creek public-housing project in West Philadelphia and a wartime housing project in the Northeast—to the internationally known Richards Medical Research Building at the University of Pennsylvania.

He also designed the University of Pennsylvania Biology Building and the new dormitories at Bryn Mawr College.

His other works included the First Unitarian Church of Rochester, N.Y.; the Tribune Review Publishing Co. building at Greensburg, Pa., the Design Laboratory-Yale Art Gallery at Yale University; and the Salk Institute for Biological Studies at La Jolla, Calif.

In 1968, Mr. Kahn was engaged as the architect to design a new Hurva Synagog to be built near the Wailing Wall in Jerusalem on the site of a synagog destroyed by the Jordanians.

#### SCARRED FOR LIFE

In 1969, the tourist bureau of Venice asked Mr. Kahn to assist with plans to rebuild the decaying eastern portion of that city. He also designed buildings in Pakistan and India.

In 1969 he completed the Olivetti Underwood factory and office building in Harrisburg. In 1971 he added the library and dining hall for Phillips Exeter Academy to his credits and the next year, the highly acclaimed Kimbell Art Museum, Fort Worth, Tex., and the Fort Wayne Theater.

For 1977, the Philadelphia Museum of Art, has planned the first major Philadelphia exhibition of Mr. Kahn's works.

Mr. Kahn was born on the island of Osel, in Estonia, now part of the Soviet Union, Feb. 20, 1901, into an Orthodox Jewish family. When he was three years old he suffered facial burns while playing with hot coals at the family fireside. The resulting scars were permanent.

"I looked so horrible," Mr. Kahn once said, "that my father wasn't sure he wanted to keep me. But mother thought it was a sign that I would amount to something."

Two years later, Mr. Kahn came to the United States with his family, which settled in Philadelphia. His father worked in stained glass and his mother was a harpist. Mr. Kahn aimed for a career in art.

He grew up in Philadelphia and once said: "A city is a place where a small boy, as he walks through it, may see something that will tell him what he wants to do his whole life."

While he was a senior at Central High School in 1922, he heard a lecture on Greek and Roman architecture by Professor William Gray. Then he knew what he wanted to do his whole life.

Although he was offered scholarships at the Pennsylvania Academy of the Fine Arts, he chose to study architecture at the University of Pennsylvania, where he was graduated in 1924.

Following his graduation he became the chief designer for Philadelphia's Sesquicentennial Exposition. When that job was done he went to Europe for further study.

He was a fellow of the World Academy of Arts and Science, and a member of the National Institute of Arts and Letters.

He served as professor of architecture at Yale University between 1947 and 1957, and was a resident architect at the American Academy in Rome between 1951 and 1952. In 1957 he became professor of architecture at the University of Pennsylvania.

It was during the '60's, with Kahn as the focal point, that Penn's architecture school shot to fame.

Besides his wife, Mr. Kahn is survived by a daughter, Mrs. Sue Saltzman, and a sister.

Services will be at 10 A.M. Friday at Oliver H. Bair's, 1820 Chestnut st.

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### ARCHITECTS HAIL KAHN'S TALENT AND PHILOSOPHY

Fellow architects mourned the passing of Louis I. Kahn today, calling him "the conscience of our profession" and "probably the most talented, gifted and dedicated architect of our time."

"On an international level, he was about the most talented, gifted and dedicated architect of our time," said architect Vincent G. Kling.

"He was a great philosopher of architecture He had an unequaled ability to talk about the theory of architecture. As a teacher he was outstanding.

"But I admired him most for his tenacity. He believed in his philosophy right down to the end. He would never compromise it. He was one of the greatest architectural designers of all time."

#### ATTENTION TO DETAIL

Carlos Vallhourat, for several years the principal assistant in Kahn's architectural firm agreed.

"He had a tremendous power of conviction, so everybody in his office worked very hard. We were constantly inspired by him.

"He insisted on perfection in our drawings. His own drawings could stand alone as artistic achievement.

"He used to tell us, "if you strive for perfection in each drawing, even the builder will be inspired to strive for perfection.'

"Lou was a great teacher. Students from all over the world came to Philadelphia to study under him, including me.

"The school at Penn became known as the very best school of architecture in the world, in large measure because of his presence."

#### LONG INFLUENCE

Edmund N. Bacon, one of Kahn's colleagues at the University of Pennsylvania and executive director of the City Planning Commission when Kahn was a member, said Kahn was more than a teacher.

"He went beyond the normal definition of teacher in that he provided great inspiration and aspiration to his students.

"His ability to spark the imagination of young people was unexcelled.

"His teaching will affect the direction of architecture for generations to come."

## INTERNATIONAL DEVELOPMENT ASSOCIATION

Mr. McGEE. Mr. President, it is anticipated that the Senate could very well be voting on the fourth replenishment to the International Development Association by late spring at the earliest.

Therefore, I think it is vitally important for Members of this body to understand the importance of this arm of the World Bank and the necessity of the Senate not to repeat the mistake made by the House in January of this year.

IDA is an international agency created in 1960 for the purpose of providing development financing at highly concessionary terms (low interest and long repayment) to the very poorest nations of the world. It was conceived as an instrument for making development more possible for these nations within the framework of the world market system. It supplements the operations of the World Bank which makes loans for development projects on conventional terms to countries which are able to service such loans.

The need for IDA, recognized at the time of its founding, continues and, in fact, has become of even more critical importance. The simple fact of the matter is that the poorest-of-the-poor nations simply cannot afford to borrow money on conventional terms. These countries cannot generate sufficient foreign exchange to pay for imported capital goods which they need for their development, and they cannot afford to borrow at conventional rates.

Sixty-six countries in Asia, Africa, and Latin America have borrowed money from IDA. IDA credits are generally provided only to those nations whose annual per capita income is less than $375. Yet, more than three-quarters of all IDA credits are disbursed to countries whose per capita incomes range from between $60 and $130—or between 16 and 35 cents a day. These countries number 28 and their populations total more than 1 billion. These are the people the House voted against when they denied funding for the fourth replenishment of IDA.

#### WHERE DOES IDA'S MONEY COME FROM?

Most of the funds for IDA come as contributions from the association's richer member countries. In addition, nonmember Switzerland contributes to the development fund. The World Bank has, in the past 10 years, transferred an additional $809 million to IDA from its net income, making it the second largest contributor—next to the United States—of IDA money.

#### IDA AND INTEREST RATES

IDA credits are called credits to distinguish them from World Bank loans. They bear no interest, although there is a three-quarters of 1 percent annual service charge on the disbursed portion of each credit to cover administrative costs. Repayment is normally scheduled over a 50-year period.

IDA funds are generally loaned to governments. The main purpose of the concessionary financing provided by IDA is to enable governments to pursue their development plans without being thwarted by balance-of-payments constraints.

IDA's recipient governments often relend IDA moneys to other entities (such as agricultural development banks and transportation authorities). Under this situation, the money is loaned at prevailing local commercial rates. IDA generally accepts, for relending, the established pattern of interest rates and amortization terms which have been fixed by the governments concerned for all internal loans to autonomous entities and enterprises. Thus, the financial discipline in the use of capital provided by local rates of interest remains imposed.

The purpose of an IDA credit destined for an agricultural development bank, for instance, is to provide the bank with funds, and especially foreign exchange, to meet the needs of its clients. The purpose of the credit is not to subsidize the ultimate borrower, though some subsidy may be involved as the ultimate borrower might no longer depend on village money lenders charging exceeding high rates of interest.

The small holder farmer who goes to his bank for an agricultural credit made available by an IDA credit will borrow only if he has reason to believe that the increase in his productivity—made possible by the credit from the local bank—will exceed the interest rate of the money he has borrowed. And, in the long run, the government can also look forward to the time when repayment to IDA of the money it has borrowed can be made without any additional burden on its meager foreign exchange resources—thanks to the increased output of its farmers for whom the money was (in this case) ultimately intended.

#### TESTS FOR PROJECT FINANCING: IDA AND THE BANK

Before a project is ever brought before IDA's Board of Directors—a Board of 20 members representing 112 countries—certain basic questions must have been resolved by Bank staff members responsible for the project.

Is the project of high priority for the economic development of the country? Are there alternate sources of finance available, thus perhaps obviating the need for IDA funds?

Does the project's analysis lead to the conclusion that the economic rate of return will be sufficiently high? Have technological alternatives been adequately considered, and have correct technical solutions been found for the project in question? Is there enough market demand for the output of the project? Are the project's procurement procedures such that the borrower will get the best value for his money? Will the projects be able to meet its financial obligations when it is in operation?

These are only some of the questions asked by IDA when appraising a project for which financing has been requested.

Studies made by IDA indicate that the average economic rate of return for IDA projects is about 15 to 20 percent and sometimes as high as 25 to 30 percent.

#### WHAT HAS IDA DONE?

There are one and a quarter billion very poor people in IDA's world of about 70 poor nations.

They include the more than 8,000 unemployed farmers in Mauritius, who will gain both temporary and permanent productive employment through civil works projects on that island republic ($4 million credit for rural development—July 5, 1973);

They include the 4,000 ranchers in Botswana whose incomes will be raised through their increased exports of beef $3.3 million credit for a livestock development program—July 5, 1972);

Many work in the 180,000 acres of northwest Bangladesh which, because of IDA, will be irrigated for the first time ($14 million credit for tubewell irrigation—November 6, 1972);

They include the 10,000 secondary schoolchildren in Paraguay who will receive an education that will be responsive to their nation's manpower needs ($5.1 million credit for secondary education—December 14, 1972);

They include the 18,000 people who will find employment in Morocco as a result of an IDA credit for citrus, vegetable and livestock development on about 4,000 farms ($10 million credit, together with a $24 million Bank loan for agriculture—October 10, 1972);

They include 3,000,000 Egyptian farmers who in the future need not fear the scourge of bilharzia, an endemic, debilitating disease carried by snails ($36 million credit for a drainage project and bilharzia control program—June 12, 1973);

They include the 6,400 low to middle-income families in earthquake-shattered Managua who will have adequate and safe housing ($20 million credit to Nicaragua for a reconstruction program—May 10, 1973);

They include 40,000 Thai rice famers who will be able to double their output through an irrigation improvement project in the northern Chao Phya plain ($5.5 million credit for the Chao Phya irigation improvement project—April 5, 1973);

And among them are the millions in the six Sahelian countries of western Africa who will be helped to reestablish their self-sufficiency through redevelopment and improvement of their farms and herds by a $14 million credit for drought relief November 1973.

An area the size of the State of Tennessee (or the Central American country of Honduras) is being brought under cultivation or is being improved for agricultural purposes by IDA; roads which, if laid end to end, will almost girdle the world, are being improved and constructed through IDA credits; ship berths have been constructed and thousands of railway freight cars are being purchased, water supply systems for more than 16 million people are being improved, millions of kilowatts of electric generating equipment are being installed—all from IDA credits. And all this has been done in less than 14 years.

The cost may have been high—over $6 billion to date (more than four-fifths of IDA commitments have been earmarked to cover foreign exchange costs only)—but that $6 billion has come from those few countries of the world favored by history and geographical accident. An amount one and one-half times as large will come from the IDA recipients themselves, as IDA credits have historically supplied only 40 percent of the total costs of the projects they have financed.

### IDA COMMITMENTS: WHAT THEY ARE FOR

Almost $1½ billion for agriculture, more than a billion and a half dollars for transportation, almost a billion dollars fairly equally divided between education, telecommunications and industry, and almost a half billion dollars for power. Population projects, water supply and sewerage, funds for tourism, urban development. Technical Assistance. These are the what of IDA:

*Purposes*

(In US$ millions as of June 30, 1973)

| | *IDA Credits* |
|---|---|
| Agriculture | 1,612.9 |
| Education | 380.3 |
| Industry | 280.7 |
| Non-project * | 1,000.0 |
| Population | 39.2 |
| Electric power | 481.6 |
| Technical assistance | 14.0 |
| Telecommunications | 320.4 |
| Tourism | 14.2 |
| Transportation | 1,428.3 |
| Urbanization | 30.3 |
| Water supply and sewerage | 161.5 |
| Total | 5,763.4 |

*Includes industrial imports, reconstruction and rehabilitation.

### IDA COMMITMENTS: WHERE THEY GO?

Almost $4 billion to nations in Asia; three-quarters of a billion dollars (almost) to countries in East Africa; more than a half billion to developing nations in North Africa and the Middle East and Europe; somewhat less to West Africa, and less still—but almost a quarter of a billion dollars—to the poorest countries of Latin America. This is the where of IDA.

DISTRIBUTION BY REGION, AS OF JUNE 30, 1973

[In U.S. dollar millions]

| Area | Number of credits | Amount |
|---|---|---|
| Africa | 172 | $1,107.8 |
| Asia | 176 | 3,899.3 |
| Europe, Middle East, North Africa | 55 | 520.7 |
| Latin America and the Caribbean | 36 | 235.6 |
| Total | 439 | 5,763.4 |

### IDA COMMITMENTS: FOR WHOM ARE THEY INTENDED?

The who include almost 1 billion persons who today live in a condition of life so degraded by disease, illiteracy, malnutrition, and squalor as to deny its victims basic human necessities.

The degraded condition of life in which they—for the want of a better word—"live", is one that holds out little hope and fewer chances. IDA is one hope, one chance; a hope and a chance large compared to others that may exist, but small compared to the need. IDA funds cannot, and do not, make the rain fall on the parched Sahel region of western Africa, nor do they repair the human and material damages visited upon Bangladesh. They can, however, provide the difference between total disaster and tolerable conditions and they can provide the push permitting the poor the chance to join the family of nations as an equal in deed as well as word.

### THE INCREASING NEED FOR IDA

IDA funds are becoming increasingly an important factor in providing the development finance needed by the poor nations for their development. Without concessionary finance, development in many IDA-eligible countries would be drastically curtailed, so burdened are they with rising debt service demands. A cutback in IDA commitments would severely damage the development plans of many of the world's poorer countries. Many nations cannot afford to borrow money at conventional rates at all, and are, therefore, dependent entirely on concessional development financing. IDA is the world's most important source for development finance on concessionary terms. Without IDA, the development of countries both small and large—Upper Volta as well as India, Tanzania as well as Bangladesh—would be grievously curtailed.

Nor can much hope be pinned to any increase in the current flow of bilateral financial aid on concessional terms by the rich nations to the poor nations. Indeed, the total level of assistance by the developed world is but half the target—0.7 percent of gross national product (GNP)—set for 1975 by the United Nations Strategy for the Second Development Decade. Though net IDA disbursements by the 16 member countries of the Development Assistance Committee (DAC) increased by 32 percent in the period 1967–72, the significance of these increases was reduced greatly through the effects of inflation and by variations in exchange rates. During that same period, the GNP of the 16 DAC nations rose 63 percent, while concessional financing, expressed as a proportion of GNP fell from 0.42 percent to 0.34 percent.

During the last 2 years for which statistics are available (1971, 1972), net official development assistance (ODA) rose by 12 percent in 1972 to $8.6 billion; inflation and exchange rate variations, however, cut the rise to a real increase of about only 1 percent.

### IDA: THE FOURTH REPLENISHMENT

A fourth replenishment of IDA's resources totals $4.5 billion over 3 years, starting June 30, 1974, the amount to be divided up among two dozen of the Bank's richer member nations (16 countries of Europe, plus Canada, Australia, New Zealand, Japan, Kuwait, Israel, South Africa, and the United States) and nonmember Switzerland. Or: About $2.40 per person per year in the United States; $2.75 per person per year in Germany; about $3 a year per person in the United Kingdom; more than $30 a year from each Kuwaiti.

### IDA AND THE FOURTH REPLENISHMENT: THE ROLE OF THE UNITED STATES

The role of the United States in the replenishment of IDA's resources is a crucial one. It was the United States that made the first formal proposal—in 1958—for the establishment of IDA when Senator **MIKE MONRONEY** introduced a resolution to that effect in the U.S. Senate. In late 1959, the Board of Governors of the World Bank adopted a resolution proposed by the U.S. Governor, Secretary of the Treasury Anderson, requesting that the Bank's Executive Directors formulate articles of agreement for IDA.

The United States provided the political and legislative leadership that resulted in IDA. For the first replenishment (1964), the U.S. share came to 42 percent of the total; in the second replenishment (1968), the share dropped to 40 percent, a figure matched in the third replenishment (1970). For the fourth replenishment, however, the U.S. share comes to but 33 percent of the total $4.5 billion figure.

The U.S. share is still the largest among contributing countries, and remains three times as large as that of either Germany, the United Kingdom, or Japan—the next three countries by size of contribution. This should not be considered to be surprising, however, since in 1972 the gross national product (GNP) of the United States was about four times as large as that of Japan which among the contributing countries had the next largest GNP, about four and a half times as large as that of Germany, and seven and a half times as large as that of the United Kingdom. Also, a country's share in the combined GNP of contributing countries is regarded as a good indicator of its economic strength and hence of its ability to provide development assistance. In 1972, the United States share of the combined GNP of contributing countries was 43 percent and was thus significantly higher than its 33-percent share of the fourth replenishment.

As in the past, the agreement reached by the donors specifically states that no contribution shall become payable until 80 percent of the contributions have been pledged. This, in effect, means that since the U.S. share comes to 33 percent of the total, any IDA replenishment is effectively stalled until legislative approval for IDA funds is reached in the United States. And, any lessening of America's pledge would unravel the "Nairobi Agreement" on the terms of IDA's fourth replenishment, painstakingly reached among the 25 donor countries last September after almost a year of negotiations.

With all that is at stake, I hope the Senate reverses the action taken by the House earlier this year. It is critical that we act in a responsible manner.

## STATEMENT OF SENATOR EDWARD W. BROOKE ON THE PROPOSED CONSTITUTIONAL AMENDMENTS REGARDING ABORTION

Mr. BROOKE. Mr. President, last year, in perhaps its most controversial decision of the past decade the U.S. Supreme Court ruled that a woman has a constitutional right to terminate her pregnancy under certain circumstances.

The decision, instead of resolving the abortion issue, has precipitated an intensification of an already heated debate. Opponents and proponents of the decision have flooded Capitol Hill with hundreds of thousands of letters. This attention has focused primarily on the various proposed amendments to the Constitution, designed to overturn the Supreme Court decision.

Because I have many reservations concerning these amendments, I cannot in good conscience support the efforts to enact them.

In order to discuss the constitutional amendments, it is first necessary to understand precisely what the Supreme Court decided. In the companion cases, Roe against Wade, and Doe against Bolton, the Supreme Court held: First, that during the first trimester—usually meaning the first 13 weeks of gestation—the decision to have an abortion must be left solely to the woman and her doctor; second, that during the second trimester, Government regulations "reasonably related to maternal health," such as licensing of the facility and its personnel, are permissible; and third, that after the 26th or 27th week of pregnancy—when the fetus is potentially capable of life outside the mother's womb—antiabortion laws may be passed to protect the State's "interest in the potentiality of human life," but that abortion prohibitions must make exception for the preservation of the woman's life and health.

Regrettably, confusion still exists as to what the Supreme Court actually allowed. For example, some contend that the decision authorizes "abortion on demand". This is not so. The Court held that based on her right to privacy, a woman has a qualified right to have an abortion. But, this right, as outlined above in the summary of the Court's holdings, is dependent on a number of factors.

Second, the Supreme Court decision does not force anyone to do anything that would be inconsistent with one's religious or personal beliefs. In fact, the essence of the Supreme Court decision is freedom of choice. The Government assumes a neutral position. It forces no one to have an abortion, nor does it compel anyone to perform an abortion.

On the other hand, I fear that the proposed constitutional amendments might preclude individuals from acting in accordance with the dictates of their consciences. In these amendments the Federal Government assumes an affirmative role. It can be argued that the religious or personal beliefs of some would be imposed upon others. If so, I believe that these amendments might endanger a central Judeo-Christian tenet—freedom of conscience. Such a result might also be violative of the spirit of the first amendment's freedom of religion clause. I am apprehensive about endorsing any measure that might threaten one of our most precious heritages.

In considering whether one should support one of the proposed amendments, it is also important to ask a practical, realistic question: Will this amendment stop abortions? Available evidence suggests that passage of an amendment would merely restore the practice of millions of illegal abortions—many under back-alley conditions—that have prevailed until recently. This would mean a return to high maternal death rates, unequal treatment of poor women, and an increase in abandoned, abused and unwanted children. In addition, severe laws would again be permitted with criminal penalties for women who feel they must prevent childbirth. We must ask ourselves whether approval of such a constitutional amendment would create greater problems than it would solve.

Another consideration is my reluctance to use the constitutional amendment process to solve the social problems that beset our country. In recent times there seems to be a disturbing trend to resort to a constitutional amendment as a panacea. In addition to threatening the independence of the judiciary, I believe that this tendency distorts the concept of our Constitution. It was not meant to be the repository of every proposed solution to every social ill.

In addition to the aforementioned factors, one other major reason contributes to my disinclination to endorse a constitutional amendment. Too many important and relevant questions remain unresolved. As the recent abortion hearings before the Senate Subcommittee on Constitutional Amendments amply demonstrated, many issues deserve to be thoroughly studied. Included would be consideration of the legal status of the unborn child, the intention of the framers of the 14th amendment regarding the meaning of a "person," the origins and limitations of the "right to privacy," the rights of the father of the unborn child, the medical and psychological consequences of abortion, et cetera. If the subject of abortion is to be fully and fairly treated, all these issues must be comprehensively examined.

The cumulative effect of all these reservations is to make me quite dubious about the merits of these constitutional amendments. The available evidence appears to indicate that passage of such an amendment would only exacerbate an already difficult situation.

The abortion question is truly agonizing. I am fully sympathetic to the views expressed by individuals on both sides of the issue. I do hope that all involved in the debate will remain tolerant of one another's beliefs. Unfortunately, on occasion, the debate has been marked by uncommon bitterness.

Although we may believe our causes to be right and just, we must still respect differences of opinion—especially on an issue that embodies so many legal, moral, medical, religious, and sociological factors.

## DÉTENTE

Mr. MONDALE. Mr. President, the Secretary of State soon will be leaving for Moscow to prepare for another United States-Soviet summit meeting. Naturally, we wish him well in his efforts to further détente, to control strategic nuclear arms, and to bring a more lasting peace to the Middle East.

However, there is another issue of great importance which I believe that Secretary Kissinger should raise directly with the Soviet leadership. That is the issue of limiting a naval arms race in the Indian Ocean.

With the opening of the Suez Canal, the prospect has been greatly increased of a significant competition in this area of the world. Indeed, the Defense Department is requesting $29 million in its supplemental appropriation to expand U.S. naval facilities on the British-owned island of Diego Garcia.

This $29 million must be viewed as only a first step. And a step which will inevitably be matched by the Soviet Union. As the military analyst, Victor Zorza, has stated:

> In both countries—

Meaning the United States and Soviet Union—

> the naval lobbies have been using the Indian Ocean because of the proximity to the Persian Gulf oil routes, as the bogey with which to push politicians into crossing a new strategic threshold.

Secretary Schlesinger has been perfectly clear about U.S. intentions in regard to Diego Garcia. He stated on February 5 to the Senate Armed Services Committee that his—

> Purpose in regard to Diego Garcia is to provide us for the first time with a base in the Indian Ocean—so that if it were necessary for us to move in that area and station forces that we would have a facility.

Mr. President, I believe that before trying to provoke a naval arms race in the Indian Ocean this administration should seek to limit naval deployments in that area. General-Secretary Brezhnev in June of 1971 called for negotiations with the United States on the mutual limitation of naval deployments. He specifically cited the Indian Ocean as a region of interest. There has never been a public U.S. response to this initiative.

A few days ago, a resolution was introduced into the Senate calling for naval limitations in the Indian Ocean. I support the objectives of that resolution. But with Secretary Kissinger's imminent negotiations in Moscow, I am afraid that the resolution may be too little and too late.

The time for action on the part of the administration is now. The Secretary of State spoke yesterday about a conceptual breakthrough in SALT. I wish him well in getting such a breakthrough. But we also need a conceptual breakthrough in the field of conventional arms. And seeking a Soviet agreement in principle to limit the naval presence of the United States and the Soviet Union in the Indian Ocean is precisely the kind of conceptual breakthrough we need in order to avoid a 20th century version of the 19th century game of gunboat diplomacy and balance-of-power politics in remote regions of the world.

I do not believe that the Senate or the Congress can favorably act on the administration's request for Diego Garcia unless the administration can demonstrate good faith in having seriously attempted to stop a naval arms race in the Indian Ocean before it begins.

## THE UNITED STATES STILL OVER THE OIL BARREL

Mr. DOMENICI. Mr. President, I am extremely glad that the Arab oil boycott has been lifted. The conditions of the "lifting," however, are not encouraging. On March 6 I expressed my hopes for a reduction in oil prices. The prospects for this decrease do not now appear very bright. In today's Washington Post Hobart Rowen illustrates how we are still "over the barrel." I ask unanimous consent that Mr. Rowen's article "The Oil Crisis Will Continue" be printed in the Record for consideration by the distinguished Members of this body.

There being no objection, the article was ordered to be printed in the Record, as follows:

### The Oil Crisis Will Continue

(By Hobart Rowen)

The Arab oil weapon has temporarily been laid on the shelf, within easy reach by the managers of the exporters' cartel. It has not been abandoned, and it would be a mistake for the American public to delude itself into thinking that the Vienna announcement of the lifted embargo has more than marginal meaning.

So long as prices for oil remain skyhigh—triple what they were prior to the embargo—and so long as production levels are carefully controlled by the oil-producing states, the oil crisis will continue.

Of course it will be difficult to sustain public concern about the oil crisis if gasoline becomes somewhat more readily available—albeit at prices nudging 70 cents a gallon in the East.

But the most difficult problem created by high oil prices—the potential for economic recession in the industrialized world—remains unsolved.

As much as $50 billion to $60 billion must be transferred from the oil-consuming nations to the oil cartel this year to pay for increased costs of oil—a sum which threatens vast dislocations here and abroad.

No one has yet figured out how the consuming nations will pay the bill—or how the exporting nations will use or invest the vast sums they receive—once they're paid over.

But the terms of the lifted embargo, as made public in Vienna, carefully eschew any guarantee of increased production which would tend to assure a softening in prices, Iran and Algeria, to the countrary, have been arguing loudly for yet another increase in price.

The remaining potency of the oil weapon, moreover, should be seen from the Arab statement which warns that "Israel alone" will bear the responsibility for "more severe oil measures, in addition to the other various resources which the Arab world can master in order to join the battle of destiny."

Plainly, this is a threat to use not only oil itself, but oil money, as it piles up, as a bludgeon over the West. By moving large blocks of capital in and out of money markets, for example, a concerted drive by the oil cartel countries could shake Western currency markets. Demand for payment in gold, from those who have limited supplies of gold, could also weaken the financial underpinnings of the West. And large-scale industrial and commercial investments in industrialized countries could provide the Arab nations with a degree of leverage over economic prospects and job opportunities.

It is not at all far-fetched to visualize a scenario in which the embargo might be threatened again unless the industrialized countries step up their aid programs for the hard-pressed African countries who have given the Arabs political support.

Faced with the Arab nations' clearcut success in the initial round of the oil war, it is disconcerting to see the potential for joint action by the consuming nations fade away in a welter of acrimonious debate between President Nixon and Europe.

Europe—dominated by France—seems determined to pursue bilateral deals with the Arab nations. If the United States were to sacrifice principle to be assured of a steady flow of Arab oil, it could elbow the French and British or anyone else out of the way, especially with Iran and Saudi Arabia, offering them as much money and technology and certainly more security than any combination of European nations.

Because it has not succumbed to blackmail, the United States has so far not chosen this course. Hopefully, the Nixon administration will not be panicked by the new harsh language in the cartel's Vienna announcement, or by a political need for some new diplomatic "success" to offset Watergate troubles.

We can anticipate a flood of fairly optimistic assessments from the major banks and the big oil companies who are heavily engaged with the producing countries in oil and money matters. It isn't reasonable to look to bankers or oil presidents for a re-statement of the need for independence from Arab oil.

But if that crucial drive gets lost in a misplaced euphoria over a slight jiggle in the use of the Arab oil weapon, it will be a shame. They have the ability to turn the oil supply valves on and off at will. They make no pretense of their willingness to use their oil and new found wealth as political blackmail. A policy that doesn't recognize this as a fact is suicidal.

We hardly needed to be told that the embargo will be "reviewed" June 1. Only a year ago, Saudi Arabian Minister Zaki Yamani was saying that oil would never be used as a political weapon. Now, we know (or should know) that no assurance from the Mideast exporting countries means anything.

The oil cartel has created a vast uncertainty over a vital supply, with the combination of oil and money forged into a devastating weapon. So far, the Western World has evolved no effective response.

## THE TWIN CITY EXPERIMENT

Mr. MONDALE. Mr. President, an article in yesterday's Wall Street Journal was notable for its candid and incisive analysis of one of the Nation's most ambitious experiments in urban government—the metropolitan council, in the Minneapolis-St. Paul area.

Created in 1967, the council has attempted to bring a new sense of coherence and planning to the many problems which beset large metropolitan areas all over the Nation. This experiment, as the article notes, has not been without problems, but it has begun to effectively address the types of concerns which must be solved if our urban areas are to improve the quality of life for their millions of inhabitants.

Mr. President, I commend this article to my colleagues, and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### The Twin City Experiment

(By Dennis Farney)

St. Paul, Minn.—A friend calls John Boland "a tactician of politics" and the description fits. A visit to the Boland command post finds a gregarious man of 36, enjoying a cigar and heavily engaged in the stratagems of an ongoing battle of sorts.

It is a political battle to regain the momentum for one of the nation's most innovative experiments in urban government.

For Mr. Boland is the chairman of a seven-year-old institution called the Metropolitan Council. The council may well be the best way yet invented to run a metropolitan area—rational, cannily tailored to political realities and already paying off in a more liveable region. Delegations of urbanologists have studied it and at least one other city, Atlanta, has copied elements of it. But for all its successes, the council has run into some political trouble.

Some members of the Minnesota legislature, which created the council, now mutter that it has grown too big for its britches. Some other units of area government with which the council must deal now charge it with high-handedness. Meanwhile, even council supporters agree that it remains rather remote to the lives of the 1.9 million people it is trying to serve. All of which explains why Gov. Wendell Anderson, a strong council supporter, handpicked Mr. Boland, a savvy state legislator with a politician's knack for persuasion and public visibility, to turn things around.

Today and tomorrow could tell whether he's succeeded or not. For the Minnesota legislature is moving toward adjournment and final action on a series of measures that would give the council new powers it badly needs. The 1971 and 1973 legislatures have balked at granting just such powers, and the issue now is still in doubt.

"We're very close to breaking through to beyond anything anywhere else in the country," says Ted Kolderie, the thoughtful executive director of the nonpartisan Citizens League, which helped lead the effort to create the council in the first place. "But it's still possible the legislation we need could fail. A hell of a lot is at stake here."

What is at stake, ultimately, is just how far a subtle and sophisticated supergovernment is going to be allowed to go beyond "planning" to "governing." That has been the underlying question ever since the legislature created the council and gave it its staggering assignment: Pull together a seven-county region that includes two major cities, 134 municipalities, a jungle of special-purpose agencies, half the population of the state and more than one-half its wealth.

### THE NATIONAL SIGNIFICANCE

The national significance of the council lies in the way it was structured politically to give it real power without the bitter opposition that "metropolitan government" typically arouses.

The legislature deliberately barred the council from such purely local matters as some suburb's parking regulations or the color of its police cars. But in a few limited areas where metropolitan-wide decisions are truly necessary—areas that together determine the pace and the nature of future area development—it gave the council the authority to take action and the power to make it stick.

The council's prime power is the power to veto. It reviews the applications of other units of government in the region for federal money, and an unfavorable council comment can doom an application. More important, it reviews the development plans of such other area-wide agencies as the sewer board, the transit commission and the airport commission.

Projects by such agencies, of course, can determine the future location of everything from subdivisions to heavy industry. So if the council finds a project inconsistent with its own ideas of where those subdivisions and industries ought to go, it can simply veto it and ask the operating agency to come back with a better idea. (The agencies may appeal to the legislature however.) One bill now before the legislature would empower the council to review and at least delay any project of "metropolitan significance," be that project either public or private.

Since 1967 the council has used its power aggressively. It has solved the problem that prompted its creation—metropolitan growth had outrun the sewer system—though a major expansion of the system. It has twice blocked the Metropolitan Airport Commission from building a new jetport in an ecologically unfavorable area. It compelled a reluctant suburb to accept subsidized housing. It has barred any more freeways through Minneapolis or St. Paul. It is moving toward a land-use policy that will minimize urban sprawl. And it is into everything from cable TV to criminal justice.

But while it was making all those decisions, it seems, the council neglected the business of cultivating grassroots support. "You know, it's hard to appreciate the beautiful symmetry of a metropolitan sewer system," says one council-watcher. "The council has yet to be seen by the man in the street as a problem-solving agency that's doing good for him."

And without enthusiastic grassroots support, the council lost ground in the legislature as the inevitable complaints came in from agencies and officials it had thwarted. To be sure, the council is in no danger of being abolished or even of being scaled back. But consecutive legislative sessions have balked at bills that would make council members elective (they're appointed by the governor now), tighten its control over semi-independent entities like the transit commission, and give the council the tools for such things as preserving open space and attacking area housing needs.

What really counts is "the power to say what is going to happen," says Mr. Kolderie. "And that's what's now at issue here—whether these decisions of what to build, and when and where, shall be made by the council" or somebody else.

Dramatizing this fundamental issue has been a noisy debate over the kind of mass transit system this region should have. In late 1972 the semi-independent area transit commission was moving toward a commitment to a rail system. But the council members seem to have reasoned that, just as wars are too important to be left to the generals, the transit decision was too important to be left to the transit experts. It was all bound up with larger considerations. So the council cut the transit men off at the pass.

Before the transit people could make their final recommendation, the council recommended an expanded bus system instead. The infuriated transit people appealed to the legislature. And the legislature, in turn, decided it had better get into the act itself.

Now the legislature is about to vote on a measure that would strengthen the council's authority to determine regional transportation policy, which the transit board would then carry out. But at the same time the legislature has made it clear that it expects to have a voice in that policymaking—and that it is going to keep an eye on future council assertions of power.

### THE LESSON

Gov. Anderson thinks there is a lesson for the council in all this. The lesson is to not take the legislature for granted.

"I think what the legislature has been saying to the council is 'look, you're our creature. We created you.'" he says. "Jealousy is probably too strong a word for it. But the legislature wants to remind the council who it's working for."

This lesson isn't lost on John Boland, the governor's appointee. "The legislature likes the council, likes its innovativeness," he says. "But at the same time there is a nagging doubt about just how far the council ought to go." Mr. Boland has been trying to ease those doubts in low-key talks with his former legislative colleagues. At the same time, he's working hard to rebuild local support.

In the first few months of his chairmanship he visited more than 100 of the 134 municipalities in the region. He also dispatched sometimes grumbling council members to local meetings and began setting up advisory committees of local officials. "If things ever get head-to-head with the local communities, we're going to lose," he says. "Because legislators listen to local officials."

Another element of the Boland strategy is to rein in his planners, who have sometimes antagonized local officials with a brusque approach to things. "Planners, many of them anyway, are not politically sensitive," Mr. Boland says. "They get up and talk in plannerese, and you're in trouble."

The next few days may only partly suggest how well the Boland strategy has worked. It may even be, as Ted Kolderle suggests, that another seven years will be required before the council evolves into its final form. But it's worth noting that while a single council misstep in some states might have brought forth legions of legislators ready to do the council in, nothing of the kind has happened here. This is merely additional testimony to a pattern that numerous social commentators have observed in Minnesota—a rare openness to change, an uncommon commitment to common sense solutions to problems that might ensnarl other states in unproductive controversy.

And in the end the problems here—as in most metropolitan areas—do boil down to common sense answers to a few basic questions. Which are local problems and which are regional ones. Who makes the tough decisions? Who, really, is in charge of things? The Twin Cities area has clearly sorted things out and come up with a system that works.

That system has taken root for the long haul. But there remains a very real question of how much power the Metropolitan Council is going to be allowed to acquire. That is going to depend on the legislature, the governor and the persuasiveness of a "tactician of politics" named John Boland.

## THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, if someone were to ask me if Americans say what they believe, I would answer yes they do. If someone were to ask me if Americans are a genocidal people, I would just as quickly answer no we are not. And then if someone were to ask me why the United States is not a member of the Genocide Convention, outlawing the hideous destruction of a racial, ethnic, religious, or national group by any person or other group, I would not be able to answer so quickly.

Indeed, Mr. President, I do not understand myself why it has taken so long to ratify the treaty which was first sent to this body in 1949. It has had the support of every administration in the past 25 years. It was unanimously accepted by the United Nations General Assembly. And yet it cannot seem to pass through this body.

If we Americans truly do say what we believe, and if we believe that the destruction of one people by another is to be punished and deplored, then we must advise and consent to the treaty.

If we do not take this action in the very near future, Mr. President, it will be as if we, all of us in these United States, condone the practice of genocide.

It should be clear enough to every American that we must ratify the treaty.

## MILWAUKEE JOURNAL SERIES ON FOOD

Mr. HUMPHREY. Mr. President, the Milwaukee Journal recently published a four-part series on food which I commend to the attention of this body.

The first of the articles, "Security Seen in Proposed Food Reserves," deals with whether we need a system of grain reserves. I believe that we should develop ways to insulate agriculture from the effects of weather and offset severe production swings. Other positions are also discussed including that of Secretary Butz as being opposed in principle to a Government-held reserve system and that of a group of private economists who believe that the issue of an international grain reserve should be tied to attempts to improve agricultural trade by gradually lowering tariff barriers.

The second article, "High Protein Oats Did Well in State", describes research work which has been going on at the University of Wisconsin to develop a high protein oat variety.

"Food Scientists Concentrate on Proteins of the Future," the third article in the series, describes research being conducted to increase the available supply of protein in the world's diet. Work is ongoing on fish protein concentrate, leaf protein concentrate, and single cell protein. Researchers are particularly optimistic that low-cost edible leaf protein concentrate can be produced from alfalfa.

In the single cell protein field, efforts are underway to extract protein from whey, the byproduct from cheesemaking. Single cell proteins are described as having as much promise as any.

The final article, "Experts Foresee No Decline in Nation's Meat Choices," indicates that meat will continue to be a mainstay of the diet through this century even though there may be problems in the future such as bacteria which are resistant to antibiotics.

Mr. President, these articles describe exciting and important work, and I believe we need to do our best to stay informed. Toward this end, I ask unanimous consent that these articles be included in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[Series from the Milwaukee Journal]

(Part I)

### SECURITY SEEN IN PROPOSED FOOD RESERVES

The world food situation of the past year signals the need for international strategic food reserves, according to Sen. Hubert H. Humphrey (D-Minn.), chairman of the Senate Subcommittee on Foreign Agricultural Policy.

"Unless we can find ways to insulate agricultural production from the effects of weather or unless the world develops a system which insures the availability of reserves large enough to offset the production swings, consequences for the farmers and consumers of the world will become increasingly disastrous," Humphrey said in the foreword to a report titled "World Food Security."

The Food and Agriculture Organization of the United Nations pointed out in its food security proposal, which is reproduced in Humphrey's report, that "for the first time since 1952, the new (crop) season has opened with cereal stocks in exporting and importing countries at levels which give no assurance of adequate supplies . . . in the event of large scale crop failures."

#### SHARED COSTS

The FAO's proposal, like the others, calls for individual nations to adopt domestic stockpiling policies which would allow a combined international security level.

Another proposal, by a group of private economists, calls for additional international sharing of costs of a creating and storing strategic food stocks earmarked for developing nations in time of famine.

The report, which was prepared by the Congressional Research Service, pointed out that historically the wealthier nations were opposed to the "concept of an international food basket", fearing that such an ideal would threaten markets.

#### BUTZ OPPOSED

US Agriculture Secretary Earl Butz' reaction to the FAO proposal had been called complacent and callous by proponents of a world reserve.

Butz claims that if a "fixed pattern of supply commitments and a centrally controlled inventory system (such as would be created under a reserve system) has been in effect in the past year, the US farmers would not have performed as well in supplying world needs.

"Still," he said, "there is unquestionably a need to have some system of guiding and encouraging countries to rebuild stocks and carry them forward to cover world requirements in years of scarcity."

He added later in a talk at an FAO conference in Rome that "there is no reason that grain producing countries should carry commercial reserves for all the world's potential paying customers."

#### PREFERS EMERGENCY AID

But he stated US willingness to participate in food relief in crises. He pointed out that since the enactment of Public Law (PL) 480 in 1954, the United States had provided more than $25 billion in food aid under the program created by the law.

"We believe . . . that this is a good time to consider arrangements that would spread the responsibility and opportunity for food aid and relief more broadly among nations," Butz said.

The report pointed out that under the Food Aid Convention of the International Wheat Agreement the US has pledged 1.9 million metric tons of food grains annually to needy countries—slightly less than half of the total pledges. The US pledges are made under PL 480.

#### LINK TO TRADE WANTED

A group of private economists sponsored by the Brookings Institution believes that the question of an international grain reserve should be tied to attempts to improve agricultural trade by gradually lowering protective barriers "so as to make more effective use of the world's agricultural resources."

Such discussions should be part of the General Agreement on Tariffs and Trade (GATT) negotiations this year, they think.

The economists pointed out that during the postwar period, the barriers to industrial trade "have been progressively whittled away, while restrictions on imports of farm products . . . have persisted and been tightened, with a necessarily divisive impact on the comity or friendliness of nations."

"To make a significant start on reversing this trend would be a contribution not only to efficiency in using scarce resources, but also to reducing measurably the area of international discord," according to the economists.

#### CO-OPERATION OR CRISES

The alternative to international co-operation on a food security reserve, the economists said, was a possible recurrence in a few years of crop surpluses with attendant spreading protectionism, competitive dumping, retaliation against subsidized exports and the large scale use of food grains for animal feed.

And, should a major producing nation have a crop failure, the reserves to cope with it would be available only by accident, they claimed.

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### HIGHER PROTEIN OATS DID WELL IN STATE

(Part II)

MADISON, WIS.—H. L. Shands, University of Wisconsin agronomist, says that Dal, the high protein oat variety released by the university of 1972, performed well in the state last year, a prerequisite to its eventual use by consumers.

In report from 68 growers, Dal averaged 56.4 bushels per acre compared with 48.3 bushels for the next best variety.

Shands said that reports from the UW's nursery show that Dal also is maintaining its 2 percentage point spread in higher protein content—about 19% in the groat (hull-less kernel), compared with 17% or less with other varieties.

Shands explained that results of this type are fast making the variety commercially acceptable among farmers. And that, he added, is necessary to make the high protein trait useful.

#### BRED FOR RUST RESISTANCE

Dal, a variety on which Shands has been working during much of his 44 year UW career, was not bred for added protein content. But when interest in nutritional content sharpened in 1967, Dal was among the varieties Shands tested. He found it to be tops in protein.

The goal in breeding Dal was crown rust resistance, a trait that aided its yield advantage over other varieties this year because it turned out to be a bad year for rust, Shands explained. (Crown rust is a plant disease caused by fungi.)

#### ONE SEARCH LED TO TWO

It was this search for crown rust resistance that gave impetus to the search for high protein in oats, Shands explained.

The U.S. Agriculture Department imported a variety from Israel noted for rust resistance. A nutritional analysis performed on the variety—avenis sterilis—showed that it contained 26% to 30% protein. "They just about went wild, but the next question was: 'How do we harness it?' " Shands said.

That question remains unanswered.

Shands explained that the sterilis variety had "bad habits" such as shattering—dropping its seeds before maturity. Also, yields were low.

Shands still is working cautiously on incorporating the Israeli oat variety in cross breeding programs in an attempt to capture that high protein without losing other needed oat traits.

Shands said that when he started this research he had to scratch around for money to get his samples analyzed for protein. Then three years ago, USDA located its National Oat Quality Laboratory on the UW campus.

Vernon Youngs, director of the lab, said that oat breeders from 15 states sent more than 26,000 samples from the 1972 crop to the lab for protein analysis.

#### SEARCH FOR SUPPLEMENT

Besides basic studies of the functions of the oat plant related to protein, scientists are working on techniques to economically remove the protein from oat groats to form a high protein concentrate for use as a food supplement, Youngs said.

The two varieties of high protein oats already released—Dal and Otee developed at the University of Illinois—show practically no loss in amino acid balance, a measure of protein quality, Youngs said.

Shands said that oats contain a higher percentage of lysine—4% of total protein content—than any of the cereal grains.

### YIELD VALUED MORE

Youngs pointed out that in the past, oat breeders were concerned with developing oat varieties that were high yielding, had large, plump kernels and were disease resistant. They were successful, he said, but they also created a lower protein concentration in the oat kernels.

Shands explained that this slippage in protein content had worried the oat processing companies such as Quaker Oats Co. Quaker has been a consistent sponsor of his work, he said.

Shands believes that "we will be able to lift the protein percent of oats even higher than Dal. The plant type that goes with it (the higher protein) is going to be a little lower in yield, though."

Whoever uses it will have to pay more for the oats because farmers will not grow lower yielding varieties without a premium, Shands explained.

So far in feeding tests, chickens have gained more efficiently on Dal, compared with normal oats. "We haven't tested on humans, but there is no reason to expect different results," Shands said.

### BETTER BREAKFAST AHEAD

Besides advantages as an animal feed, the high protein oats could be used to bolster the protein in breakfast foods or other prepared foods, Shands said. Or, through a selective milling procedure, oat protein could be used to enrich wheat flour. But it has got to be economically feasible, he said.

The oats fit either one—direct feeding to humans or conversion into livestock products, Shands said.

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## Food Scientists Concentrate on Proteins of the Future

(Part III)

(By David M. Skoloda)

MADISON, WIS.—FPC, LPC and SCP all spell "protein" in the language of the food scientist.

They stand, respectively, for fish protein concentrate, leaf protein concentrate and single cell protein—all possible additions to the world's diet provided they can be provided economically and in forms that people will accept, according to C. H. Amundson, a University of Wisconsin food scientist who has performed research in each of the three areas.

### WORK ON ALFALFA

In research on leaf protein concentrate, Amundson is part of a UW team developing a process by which alfalfa is dewatered and the juice reduced to a protein concentrate powder.

His first contribution to the group, he said, was to modify the drying method to produce a concentrate that would remain in dispersion in a liquid so it could be fed to calves.

The process is designed to permit farmers to harvest their alfalfa at its peak nutritional quality regardless of weather. The residue after the dewatering retains sufficient nutrients to be adequate feed.

The 40 to 55% protein concentrate obtained from the juice and used as a ruminant animal feed supplement has proved effective in feeding trials, according to Neal Jorgensen, UW dairy science professor who is in charge of the research team.

### FOR PEOPLE NEXT

Amundson is now working with another product from the alfalfa juice, 80% protein concentrate. With some refinements, it could be used as a human food supplement.

John Garver and Mark Stahmann, both UW biochemistry professors also are working on the purification problem. Stahmann's research laid the groundwork for the project.

Amundson explained that the problems did not appear to be insoluble and that eventually when economic and processing problems were solved the alfalfa protein could take the place of a protein like that provided by the soybean.

### WASTE USABLE, TOO?

Soybean protein has the advantage, though, of having the protein concentrated in the seed along with another usable product—oil.

In the UW's alfalfa process the wheylike residue after the protein is removed must be treated as a disposal problem, Amundson explained. But the team is investigating the use of the waste as a media to grow yeast and harvest the yeast as a protein source.

### NOT ECONOMICAL YET

An economic problem that must be solved, Amundson explained, is that the harvest period for alfalfa in Wisconsin is concentrated in a short period in the summer, and plant facilities capable of processing the alfalfa would stand idle most of the rest of the year.

"If this ever is to be practical there has to be some other use for that facility," he added. He cited as a possibility the processing of protein from the alewife, a Great Lakes rough fish.

Jorgensen said that it might also be feasible to process cannery byproducts vines to remove their protein content that now is wasted.

### INTEREST IN MACHINERY

H. D. Bruhn, the UW agricultural engineer who is a member of the research team, is seeking a dewatering press for the farm that could be made for about the same cost as a hay baler.

He reports intense interest by manufacturers and predicts that the project may move faster than some other machinery developments because of foreign interest "and the interest of some of our federal agencies in providing more protein in the diets of developing countries.

"The juice protein concentrate process opens up a whole new group of plants to human consumption that are now not available because of high fiber content," said Bruhn.

A report from the Western Regional Research Laboratory of the U.S. Agriculture Department, where similar alfalfa research is underway, points out that of the 20 major crops, alfalfa produces the highest yield per acre of the essential amino acids. "From a nutritional standpoint it has been shown that the amino acids of alfalfa are well balanced and at least equivalent to those of soy protein."

Researchers at the laboratory are confident that low cost edible leaf protein concentrate can be produced from alfalfa that will "be competitive with other sources of food protein," according to the report.

### WORLDWIDE PROMISE

Alfalfa and other forage plants are among the world's largest renewable supplies of protein, they say.

With the proper use of alfalfa protein, they claim, there need be no protein deficit in the world. "Considering the world population as 3.2 billion and an average need for 35 grams of protein per person per day . . . it has been calculated that enough protein to meet the needs of the entire world population could be produced on an area approximately the size of Texas," the report states.

In the single cell protein field, Amundson and his associates in food science have been working on a process for extracting protein from whey, the by-product from cheesemaking. The carbohydrates remaining after processing are converted into single cell protein.

The process is in commercial application in a large plant in California producing 40% protein concentrate for animal feed and 60% concentrate for human food. The plant's human food products is used primarily in bakery products. Amundson said. It includes both the whey protein and the single cell protein—in this case a yeast produced in the medium left through processing.

"Here we are harvesting a food grade material of which at least 50% is being wasted as far as human food is concerned," he said.

Single cell proteins include a wide variety of yeasts, bacteria, fungi and algae using such elements as crude oils, methane and carbohydrates as a growth medium.

Amundson said that the single cell protein "probably has as much promise as any." They would find primary use as food fortifiers, he said.

The United Nations' Protein Advisory Group Bulletin cited other examples of SCP production:

In France the British Petroleum Co. produces yeast from gas oil.

The Finnish Pulp and Paper Research Institute has a process for using pulp mill wastes in the production of microfungi which provide a nutritious animal protein supplement.

The Lord Rank Research Center in England is developing process to provide textured protein foods directly from a filamentous microfungus grown on cheap carbohydrates.

### FISH PROGRESS SLOW

In the field of fish protein concentrate (FPC) production, Amundson noted that although this protein source had been available for many years, "it still hasn't found a market."

Amundson said he and his associates have developed a process that improves the functional properties of fish protein, but he expects more resistance to acceptance because of the reputation of the product.

Amundson pointed out that the higher the prices of meat and other protein sources go, "the more attractive these (FPC, LPC and SCP) look, I don't doubt that at some time in the future we will be using even more exotic protein sources than alfalfa."

Use of these products may be limited for at least two reasons, he explained.

While sources of protein are adequate, there are economic or cultural reasons why adequate protein is not available to many of the world's people.

The ruminant animal (mainly cattle) remains an effective means for converting materials into high quality protein. It may not yield as much per acre as a single cell protein, but for now "most of us would rather eat a steak than a slice of bread" (or some other product that could be fortified with SCP).

"I really don't see that you will ever take livestock completely out of the picture," Amundson said.

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## Experts Foresee No Decline in Nation's Meat Choices

(Part IV)

(By David M. Skoloda)

MADISON, WIS.—While some idealists are wishing that the well marbled steak would follow the gas gobbling luxury car into extinction, food scientists here believe that won't happen.

"It is my own personal feeling that in our lifetime we won't depart from traditional foods. By the year 2000, we still will be on a meat economy, possibly with extenders," according to Harold Calbert, Chairman of the

University of Wisconsin Food Science Department.

Other scientists interviewed in connection with this series share Calbert's belief. The reason: Consumer preference for animal protein products and the supposition that the world food situation will not become so critical that new food technology must be pressed into service.

That doesn't necessarily mean that everybody will have as much as he wants, as shown by the per capita decline in red meat consumption in 1973 of 11 pounds from 188.9 in 1972 to 177.9 in 1973.

The shortage of meats and resulting higher prices last year could be traced at least in part to the short supplies of feed grains internationally. While crop situation is expected to be improved this year, the increased affluence in the world and consequent increased demand for animal protein is expected to keep pressure on supplies.

### POSSIBLE PITFALL

That is one of the possible production pitfalls that face producers of animal protein in the U.S. Others will be discussed in this article. Accompanying articles describe procedures and research seeking to expand production of animal protein and thus offset the effects of recent adverse developments.

The international competition for feedgrains and the resulting higher prices for farmers' crops has these effects: If the farmer is buying the grains to feed his cattle, the price of meat must return enough for him to meet the increased costs.

If consumer resistance (such as the organized boycotts last year or individual decisions to use less meat) or government controls limit his returns, he eventually must cease producing. For the farmer who raises his own feed, the grain market provides an attractive alternative to feeding it to animals, so less meat and milk is produced.

Export controls that would reserve more grains for domestic use could change this picture, but such controls are deemed unlikely considering the importance of agricultural exports in the U.S. balance of payments.

### THREE YEAR PERIOD

Farmers believe that it would help if consumers understood that the signals they send to farmers through their buying patterns affect the supplies of beef far in the future.

In beef, for example, consumer resistance and government policy could affect production more than three years from now. That is the length of time from when the farmer decides to breed or not to breed additional beef cows to the time that the offspring of those breedings are ready for the supermarket meat counter. The farmer must try to decide that far in advance whether conditions will be favorable for him to make a profit.

Other government policy decisions that livestock and poultry producers are warily awaiting are requirements for pollution control that will add to the costs of animal protein production.

Some farmers are going ahead on their own at costs as high as $10,000 or more for pollution control on some Wisconsin farms. Others are holding off, but stricter regulations are in the making that will force increased investment in this area.

Such requirements could decrease production because the investments discourage some farmers from continuing livestock production and cause a switch to more crop farming. But agriculturists point out that there is much land that is unsuited for cash crop production and best suited for ruminant livestock that can convert to food the forages for which the land is suited.

Livestock producers claim greater production efficiency from the use of such feed additives as antibiotics, but the use of such additives is under examination as being possibly harmful to both animal and human health. Producers would be displeased but not greatly surprised to see even stricter regulation in their use in the US.

The use of diethylstilbestrol (DES), a growth stimulant, was banned last year with a consequent loss of 10% in beef production efficiency, according to agricultural spokesmen.

In the case of antibiotics in feed, a major advance leading to increased meat production, the Food and Drug Administration's concern is that of transferable antibiotic resistance, according to Robert W. Bray, associate dean of the University of Wisconsin College of Agricultural and Life Sciences.

Bray pointed out FDA's major concerns:

Antibiotics will create a population of resistant bacteria in the animal which will make it impossible to treat sick animals with the same or other antibiotics.

A population of resistant bacteria might be transmitted from animal to man, and this might lead to a disease that cannot be treated.

Bray said that the cost-benefit ratio must be the deciding factor in whether such production devices are used but that it was not considered in banning of DES. "The Delaney Amendment was the culprit," Bray said.

The Delaney Amendment is a federal law that means, as it applies to livestock feeding, that there will be no residues in meat of carcinogenic (cancer causing) substances fed to livestock. DES was found in minute amounts in the liver of animals fed DES, Bray explained.

### EFFECT OF SHORTAGE

The potential effect of fuel and fertilizer shortages also could have its effects on livestock and poultry production. All of agriculture is heavily dependent on power from petroleum. As State Agriculture Secretary Donald E. Wilkinson put it: "Fuel in the tractor means food on the table." Also, much of the nation's fertilizers are made from natural gas.

The ultimate limitation on production capabilities is the amount of land available for agriculture.

"They ain't making anymore" is a popular expression in explaining the need to preserve and protect this finite world resource for food production.

Land use controls to protect land from development plus measures to insure proper soil conservation practices are in the offing in this important area.

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## SENATOR MONTOYA'S ADDRESS TO BILINGUAL EDUCATION CONFERENCE

**Mr. MONDALE.** Mr. President, I recently had the great honor to join the distinguished Senator from New Mexico (Mr. Montoya) in addressing the Conference on Mexican American Education held by the U.S. Civil Rights Commission in San Antonio, Tex.

No Member of the Senate has devoted more time and energy to the cause of bilingual, bicultural education than Senator Montoya. And I thought that his remarks on the role that State and local governments must play in this effort were very well taken.

Mr. President, I ask unanimous consent that the memorable remarks delivered by Senator Montoya at the Conference on Mexican-American education be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### U.S. COMMISSION ON CIVIL RIGHTS CONFERENCE ON EQUAL EDUCATIONAL OPPORTUNITY

(By Senator Joseph M. Montoya)

In 1954 the Supreme Court said that a black child had the right to an equal education in the United States of America. Amazingly, in this country, in this century, it was necessary for a court to point out that the color of a child's skin had nothing at all to do with his rights to equality under the Constitution.

That decision by the Court created a social and educational revolution in America. Today we find it hard to remember that there was a recent time when black children were separated from other children as a matter of public policy, and thousands of extra dollars were spent by states and districts to build two schools where only one was needed—all in the name of a prejudice we were ashamed to admit.

A few weeks ago the Supreme Court handed down another such decision—a decision which this audience can easily accept as correct and appropriate, but a decision which will cause just as great an upheaval in education at the local level as the 1954 decision did. This time it was not skin color which was eliminated as a barrier to equal opportunity, but language and culture. This time the Court said that a child whose language was different from that of the majority was still entitled to equal educational opportunity under our laws.

It is amazing that these decisions had to be made at all in a nation which began with a declaration that "all men are created equal" and a written Constitution which speaks of securing the "blessings of liberty" to our posterity, our children and their children.

Our great pride has always been that people from many nations came here to find freedom in a land which welcomed their rich contributions and offered equality of opportunity to every citizen. America has stood in the world as a leader in man's historic struggle to define and uphold the rights of the individual.

Why should a nation have to wait for a court decision to provide equality of opportunity to its children?

There is no rational answer to that question, of course. Those of us who have struggled to convince our neighbors that minority-language children have a right to education in their own language, as well as in the dominant language, have used every argument, every idea, every statistic. But we have not succeeded in convincing them and that is obvious when we look at the history of bilingual education legislation at either the federal or the state level. We have still only been able to provide bilingual and bicultural education for a tiny fraction of the millions of children who are in need—children who have apparently been invisible to the vast majority of educators, school boards, PTA's, state boards of education and legislators.

Now a Court decision has made these children a focus of attention—the Chinese, the French, the Indian, the Mexican-American—all the special kinds of children who are part of cultures and language groups which have refused to melt into pale imitations of something they are not.

The struggle of "other language" children in America is clearest in the struggle of the Spanish-speaking children of the Southwest—and that struggle is now a matter of record in the report of the Civil Rights Commission study on Mexican-American education in five states: California, Colorado, Arizona, New Mexico, and Texas.

We have a special problem here in the Southwest now that the Court has directed us to act for minority-language children by providing them an equal chance to learn when they go to school. Seventy percent of all Mexican-American children live in these states and one child in every five is a Spanish-surnamed child. When we combine the record painted by the Civil Rights Commission Report with the mandate we have been given by the Court, it is clear that we are going to be in the middle of another educational revolution. Are we ready?

Nowhere in the Southwest is *any* state prepared to give those children the equal opportunity which the Court says they must have—not yet.

Nowhere are there enough teachers ready—teachers who can speak to a child in his own language and understand him in relation to his own culture. The National Education Association estimates that we will need 84,500 Spanish-speaking teachers to bring the ratio even close to the number of Spanish-speaking students. Yet there were only 223,000 Spanish-origin college students in the *whole nation* as of October of 1972. Almost none of those have been taught bilingually, and only a tiny fraction of them are being prepared to teach bilingual-bicultural classes. We would have to increase Mexican-American college enrollment by 190% to even bring it up to equal representation with other Americans.

Nowhere in our five Southwestern states are there textbooks ready with the real story of the Spanish-speaking people or the Indian people of the Southwest. The real history of Texas and California and New Mexico was begun by the forefathers of many of the children who still live in those states—but that history has never been a part of the history lesson in our schools. The textbooks will have to be rewritten to remove inaccurate and insulting material—and to include the truth.

Nowhere in those five states are there education laws or state education budgets which are ready to handle the massive changes in education programs which our new awareness will demand. New Mexico, California, and Texas have new bilingual education laws—but none has sufficient funding to do more than provide token answers.

In no single one of those five states are there enough Mexican-Americans at *any* level of the education hierarchy—not enough on school boards, in state boards of education, in school administration, on teacher-training faculties, in professional associations, in legislatures—not even in local PTA's!

Not a single one of those states has a law *requiring* bilingual/bicultural classes in schools where there are more than twenty "other language" children. No matter how *high* the percentage of Spanish-speaking children in any district, no one of these five states has yet required that teachers and counselors and administrators be certified as qualified to teach or work with language-minority children.

The primary responsibility of a teacher and a school is to understand and educate children—yet in no one of those five states have provisions been made to train or certify teachers who can do that job for the Mexican-American child!

No program or certification requirement or training has yet been prepared so that counselors who work with Mexican-American children are trained in the history or language of the children they must help. Yet those children can be stamped for life as "trouble makers" or "mentally retarded" by school records.

No state demands that its teachers be prepared to teach the millions of youngsters who will come into their classrooms from Mexican-American homes, speaking Spanish, and bringing with them all the promise of cultural richness—and all the problems of language barriers!

When we consiser the statistics in the Mexican-American Education Study report—and I am not going to go over those statistics again, because you all know them by heart—the astounding thing is that we had to wait for this kind of a study to show us what was happening.

These are *our* children. They do not live in Africa or China or Southeast Asia. They live right here in Texas, or in my own state of New Mexico, or in one of the other Southwestern states. These children go to *our* schools—and their parents pay taxes to *our* government, at both the state and federal level.

Every one of us has seen them. A teacher sees them every day, hears them speaking Spanish, watches them struggling to understand, gives them grades based on tests they have taken in English.

They have been falling behind in school right in front of our eyes—why have we never noticed?

Why has no state legislature ever asked—especially in Texas and California where the record is the worst—why twice as many Spanish-surnamed students are in classes for the mentally retarded? Shouldn't we have *known* that kind of imbalance would result from being tested in a language you don't understand and juged by a counselor or a psychologist who doesn't understand you?

How many of *us* would be willing to have our mental competence judged that way, and our future decided on that kind of analysis?

Why have none of these five states ever considered the terrible tax loss when such large numbers of children are kept back or drop out of school? The lifetime income of a high school graduate is $100,000 more than that of an eighth grade drop-out—and the taxes on $100,000 would surely have paid for more than the cost of providing decent and equal education to that child in order to keep him in school, wouldn't it? Neglecting these children has been economic idiocy—why haven't we ever seen that?

When twenty percent—more than forty percent in New Mexico—of the people of a state are Mexican-Americans, why haven't college administrators demanded an explanation for the tiny fractions of Mexican-Americans who were in college classrooms—only 6 percent in Arizona, 5.9 percent in California, 7.5 percent in Texas?

Why is it necessary for us to wait for direction from the Supreme Court or a law from the federal government? Education should begin at the local level and be demanded at the local level, and so should equality of opportunity. Why have Mexican-American parents been willing to wait so long?

The answers to all these questions are not easy to make, or accept. But we must make them, because the solution to our impending education crisis depends on our doing some hard thinking about ourselves, our communities, and our own commitment to equality and education.

The changes we must make are changes we should have made long ago—at every level of education, and at every level of government. They are changes which will be easier to make if we give honest answers to the questions I have raised today. They are changes which have been outlined clearly by the recommendations of the Civil Rights Commission Report, curriculum, texts, testing, certification, funding, teacher training, new budgets, new state and local laws.

So what are our answers to those questions about our own local communities, or our own states? Our answer has to be that as adults we have failed those children—and we will continue to fail them unless we can really change our educational systems radically.

First, we must decide that education in this case will have to begin with adults—because before we can change *anything* we will have to change the attitudes of the *other* four-fifths of our populations.

Second, I think we must agree that it is time for Mexican-American families to *insist* on participating in the decision making about their own children—and that too will require education of adults. Those of us who are concerned will have to go into Mexican-American communities to teach these lessons.

Third, I think educators must accept the responsibility of educating other educators—with the Civil Rights Commission report, they should surely be the easiest group to convince.

I have not talked today about the role of the Federal Government, or how a Senator like me can provide assistance. I am sure you all know that Senator Cranston and Senator Kennedy and I have proposed amendments to the Federal bilingual education act to provide more money and more teacher training and a much greater share of assistance to the states for these children. *I* believe—and I know that other members of Congress must agree with me—that the federal role is an important one, and must be increased.

However, we have been fighting a holding action in the Congress for five years, and it is still necessary for us to fight daily battles just to retain the little we have gained.

Within the Office of Education itself, under the Administration, there is a strong feeling that bilingual education is a temporary and remedial program. A memorandum written by one of the officers for planning, budget and evaluation in the Office of Education says it clearly: "The goal of federally supported bilingual education programs is to enable children whose dominant language is one other than English to develop competitive proficiency in English. The success of the program must be judged by how well and how quickly these children learn English."

Those of you who are educators know how foolish that statement is. Those of you who are Mexican-Americans know how insulting that statement is. Those of you who live in the five Southwestern states know how useless *that* kind of thinking is if we want to succeeding in doing better than we have in the past.

But it is important for every one of us to realize that that kind of thinking exists—and it is going to be our greatest barrier to action. We will find it at the local level, just as we find it in the White House and in other places in Washington. That is why we are going to have to make the extra effort to educate *adults* before we can begin educating our children.

Schools are at the local level. Change must begin there. Our local and state institutions should be the opening wedge in a program to expand the horizon for all Americans—first adults, and then children.

*This* is the place to take the first difficult steps.

*This* is the place to start looking at the children around us—and to make sure our neighbors look too.

*This* is the place to watch—so that no individual child is injured by his school or by his school district or by his state educational system without our knowing about it.

*This* is the place to make sure that *every* parent is concerned enough to be involved—in the school, in the district, in the state—and in the nation.

You and I know that we aren't really ready for the change the Court has mandated—we are not ready in Washington and you are not ready in the schools or in the state houses.

But I am ready to begin, and I know you are too.

Let us work together to convince our neighbors that we *must* do now what we have wanted to do for years: create equal educational opportunity for every individual child in this nation.

## B-1 BOMBER COSTS SOAR OUT OF SIGHT

Mr. PROXMIRE. Mr. President, current projections of the price of the B-1 bomber have been raised from a program unit cost of $29.2 million in 1970 to an estimated "then year" dollar level of $61.5 million. The B-1 is the first U.S. aircraft to double in anticipated costs.

The 1969 planning estimate for the total program cost of the B-1 program was *$8.8 billion* which did not include logistic support and additional procurement costs or inflation. Inflation somehow was overlooked. By 1970 the total program costs rose to $9.4 billion with a unit cost of $29.2 million.

The June 30, 1972 Selected Acquisition Report stated that the program costs were $11.36 billion.

The September 30, 1973, Selected Acquisition Report showed an increase to a program cost of $13.67 billion in "then year" dollars and a program unit cost of $56 million per plane.

The current estimate in "then year" dollars is $15 billion for the entire program with a resulting unit program cost of $61.5 million per plane.

Mr. President, during a debate on the B-1 in 1970, it was pointed out that Secretary of Defense Melvin Laird projected a unit range of between $25 and $30 million for the B-1. It was also suggested that the unit costs of the aircraft could go as high as being doubled. The Air Force rejected this contention. But now the truth has a way of coming back on us.

Mr. President, I think I can again make a prediction about the B-1. Before, I said the cost could double from the 1970 figures and that has come to be. The B-1 will now cost over $61.5 million each in "then year" dollars. But since the "then year" dollars are calculated with an inflation rate of 3.3 percent through fiscal year 1985, it should be clear to all concerned that the actual "then year" dollars will be much higher. I cannot believe that anyone in the country today would believe that inflation will average 3.3 percent over the next 10 years. Therefore, I can confidently predict that the B-1 program unit costs in "then year" dollars will approach and probably exceed $70 million per plane.

Mr. President, I ask unanimous consent that several recent articles and letters to the editor be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### B-1 BOMBER ESTIMATE RAISED $1.3 BILLION

The estimated cost of the B-1 bomber program has risen $1.3 billion because of a recent program change and a greater allowance for inflation, informed Defense Department sources said yesterday.

The huge projected increase for the bomber being developed in California by Rockwell International followed a revelation by sources last week of a similar rise in the Air Force's other major new aircraft program—a $1.4 billion increase for the F-15 fighter being built by McDonnell Douglas in Missouri.

The sources said the cost of the 244-plane bomber program is now estimated at $15 billion, compared to the former estimate of $13.7 billion.

Each of the B-1 bombers would now cost the Air Force an estimated $61.5 million, compared to the previous $56 million, Defense Department officials said.

They said the new estimates, contained in a letter sent to Congress last Friday, resulted from a decision to build more research and development prototypes and allow for an annual inflation rate of 3.3 per cent instead of the previous 2.57 per cent.

The officials acknowledged that even the higher inflation allowance might be considered unrealistic in light of the recent rate of inflation, which has been running at more than 6 per cent annually.

The sources said the Defense Department last fall decided to build four or five prototypes of the B-1 bomber instead of three in order to ease the transition of the complicated aircraft from development to production.

Last week, Pentagon officials also estimated that the program cost of the 729-plane F-15 fighter program will increase from $7.835 billion to $9.284 billion because of a production slowdown ordered last fall after problems in the development of a new engine.

The estimated cost of each supersonic fighter would rise nearly $2 million to about $12.4 million because of the two-year stretch-out of production to 1980, the sources said.

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### B-1 BOMBER: THE $75-BILLION TOY

To the EDITOR: As a former Navy pilot now employed by a major airline, I view with dismay the current military program to build and deploy the B-1 bomber as a replacement for the B-52 series now operational. The aircraft is to be supersonic, have a variable geometry wing similar to the now deployed FB-111 and will have both a conventional and nuclear capability.

The question is: Does the United States in the age of I.C.B.M.'s and détente need a new manned bomber? The evidence says no in either the conventional or nuclear role. By 1980, the fully operational target date for the B-1, the military will possess enough land and sea missiles (and the still operational B-52's) to destroy over 75 per cent of both Russia and China three times over. Four rounds of I.C.B.M.'s could be launched, destroy their targets and be answered by four salvos from the other side before a supersonic bomber could even reach its target. There wouldn't be a target left to defend or destroy.

Virtually every conflict in which the United States has been involved since World War II has been fought or decided in small, developing nations, usually with great devastation to the country and no benefit to our own, except, of course, the companies that supply our war machine. We have seen that this country does not need or want more Vietnams, Cambodias or Koreas, so why build a new bomber for that purpose? For our own defense, studies have shown that the B-52 fleet would be adequate into the nineteen-nineties.

Finally, there is the cost of the B-1 project. Each aircraft is now estimated to cost about $56 million. The total 10-year cost would be in the range of $50 billion, including procurement, operation and a new tanker fleet for servicing.

As in almost all recent military contracts, the costs are steadily increasing with no end in sight. One Princeton study put the total cost at $75-billion and characterized that estimate as conservative.

Food for the hungry, housing for the cold, hospitals for the sick, schools for the young and old alike—yes. But for another military toy which is obsolete before it is even built—no.

KIRK GISSING.

COCONUT GROVE, FLA., *March 16, 1974.*

## NIE SEX DISCRIMINATION RESEARCH

Mr. PERCY. Mr. President, as the women's movement for equality grows in size, complexity, and importance, it becomes increasingly difficult for individuals and organizations interested or involved in the movement to accurately determine what is happening in the many areas that concern and affect them. In the absence of a clearinghouse of information for women's concerns, I hope to provide from time to time information that may be relevant to the movement's activities and interests.

One such piece of information is a letter which I received yesterday from Thomas K. Glennan, Jr., Director of the National Institute of Education—NIE—in response to my inquiry concerning the Institute's research activities related to women's concerns. The inquiry was prompted by my work in the Women's Equal Educational Opportunity Act, S. 2959. The dearth of research materials pertaining to sex discrimination—a search by the Education Resources Information Center, the computer information retrieval system for research and reports on education, found only 12 relevant items, none containing any empirical results—struck me as quite unreasonable. I am, therefore, somewhat encouraged by Mr. Glennan's response and commend it to interested parties for their review. It is particularly important to note that NIE issued a request for proposal—RFP-NE-R-74-0014—on March 20, 1974 for the development of conceptual models with related empirical test designs, for understanding the processes involved in sex discrimination in educational systems—see paragraph three of letter. Proposals are due May 16, 1974.

NIE's efforts offer a good beginning—but only a beginning—in tapping the potential of research for valuable insights and tools to tackle one of education's most serious inequities—discrimination against women.

I ask unanimous consent to have the letter and attached statement printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
*Washington, D.C., March 21, 1974.*

Hon. CHARLES H. PERCY,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR PERCY: I understand you are interested in the research activities that the National Institute of Education (NIE) has undertaken related to women's concerns and I am pleased to have the opportunity to describe our current plans to you.

At present NIE is supporting from our Fiscal Year 1973 appropriation several projects related to women's concerns at a funding level of about $2 million. NIE plans to initiate several additional studies related to women's rights including a study of sex discrimination in education. (See Attachment)

We intend to obligate $300,000 from our current Fiscal Year 1974 appropriation for a study on sex roles and sex discrimination in education. That study is designed to (a) provide a conceptual basis for understanding the processes involved in sex discrimination in our educational system; (b) develop some models to explain those processes; and (c) work out the empirical designs for testing those models.

NIE has not yet received its Fiscal Year 1975 appropriation from the Congress. However, I have committed the Institute to obligate $500,000 from whatever level of funds we receive for additional research and development projects on women. The studies are designed to make school administrators and planners sensitive to the special educational needs of women and to make them aware of materials and practices which foster sex discrimination. Specifically, these include:

The continuation of the FY 1974 project described above with funds being used to test several of the empirical designs.

A study of sex discrimination and education based on existing data and hopefully done in a thoughtful way that will provide insights into such fundamental issues as the role of educational institutions in limiting or fostering the full development of women, the extent and causes of discrimination against female school administrators, etc.;

A sex role learning study which would attempt to determine empirically the dynamics involved in this process for normal children;

A set of interdisciplinary comparative research conferences on women's issues which would serve to relate research to social policy formulation and implementation;

Several research projects on topics such as vicarious achievement orientation in females/males from preschool to mid-life;

The impact of the women's movement on educational and occupational aspirations of married women;

A conceptual framework for understanding role de-differentiation as a system response to crisis, with particular reference to women's roles;

Correlation of women's educational and occupational aspiration.

I hope these proposed activities adequately meet your concerns. We will be glad to provide additional information if that would be helpful.

Sincerely,

THOMAS K. GLENNAN, Jr., *Director.*

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### FISCAL YEAR 1973 FUNDING BY NIE OF WOMEN'S PROGRAMS: 12 PROJECTS—TOTAL FUNDING: $2,002,966

#### THE CAREER EDUCATION PROGRAM (FIELD INITIATED STUDIES)

(1) "The Role of Women in American Society" $54,646.50 Educational Development Center, Newton, Massachusetts.

To develop a film and related teaching materials on alternative life choices available to women.

(2) "Sex as a Factor Influencing Career Recommendations of Public School Guidance Counselors" $9,691.31, Virginia Polytechnic Institute and State University, Blacksburg, Virginia.

To study whether a student's sex alters the career recommendations of a counselor and other aspects of student-counselor relationships.

(3) "The Impact of Colleges and Universities on Educational and Occupational Aspirations of Women" $9,976.00, University of California, Santa Barbara, Santa Barbara, California.

The study compares the differential effects of attending college or university upon the educational and occupational aspirations of men and women.

(4) "The Impact of Educational Attainment on Fertility and Female Labor Force Behavior" $92,021.00, University of Minnesota, Minneapolis, Minnesota.

To estimate the structural aspects of the labor market to answer the questions:

(a) What are the costs and benefits of education in economic terms?

(b) If women not currently working enter the labor market would they receive benefits similar to those presently working?

(c) What is the economic cost to women of bearing children?

(5) *"Study of Sex Bias and Sex Fairness in Career Guidance Materials"* $35,000 (in-house study) NIE hopes to continue this study in FY 74.

The project has three objectives:

(a) to determine operational criteria for sex bias and sex fairness in career guidance materials inventories

(b) to issue a request for proposals to have the operational criteria applied to published inventories and placed in a consumer's manual

(c) to identify further research needs and secondary analyses

As this study is large in scope, it has a senior consultant and an outside Planning Group to help identify issues to be addressed. A workshop is planned by the end of February in which counselor educators, test constructors, and publishers, psychologists, and others interested in women and counseling will be invited to react to the tentative operational criteria for sex bias and sex fairness.

(6) *"Educational Development Project"* $1,636,000. (NIE hopes to continue this program in FY 74). Educational Development Corporation, Providence, Rhode Island.

This project is designed to appeal mainly to women interested in reentering the labor force, although it does not confine itself solely to women. The program is developing techniques for telephone counseling and guidance, surveying local educational resources, collating information about careers, and updating information and procedures to train and supervise paraprofessional telephone counselors.

The EDC counseling effort is directed at persons who are non-college educated and home-based. Its focus is on career-decision making and career information rather than on job placement.

#### OFFICE OF RESEARCH GRANTS

(7) *"The Effect of Interest in Material on Sex Differences in Children's Reading Comprehension"* $9,977.00, Illinois University, Urbana, Illinois.

To explore the effect of interest on comprehension by supplying boys then girls high versus low interest reading materials.

(8) *"A Study of Women as Graduate Students"* $44,743, Virginia Polytechnic Institute, Blacksburg, Virginia.

To determine whether or not discrimination against women as graduate students exists, and how it is shown, e.g. male-female differences in admission rates, financial support, treatment as students, types of institutions, and fields of study.

(9) "Modification of Female Leaderhip Behavior in the Presence of Males" $22,000, Educational Testing Service, Princeton, New Jersey.

The three objectives of this study are to:

(a) investigate whether task-oriented leadership behaviors of females differ from those of males.

(b) determine experimentally whether leadership behaviors of females are modified in the presence of males.

(c) validate a novel technique for assessing interpersonal interaction.

(10) "Massachusetts Law, Women and Vocational Education" $69,110, Organization for Social and Technical Innovation, Newton, Massachusetts.

To examine the interaction between a State law and an educational system to learn more about the dynamics of their relationship to each other. The law which is the subject of this study is one which enlarges educational opportunities for girls attending public schools in Massachusetts. The educational system studied is vocational education.

(11) "The Effect of Prenatally Administered Progestins on IQ Achievement, Personality Development and Gender Role Behavior in Children" $9,998, Teachers College, Columbia University, New York, New York.

To examine the effect of such progestins in children in controlled research groups.

(12) "Classroom Interactions and the Impact of Evaluation Feedback: Sex Differences in Learned Helplessness" $9,804, Illinois University, Champaign, Illinois.

The study addresses the problem of children's maladaptive responses to failure on school-related achievement tasks.

### FISCAL YEAR 1974 NIE PROPOSED PROJECTS—AWAITING FINAL POLICY DECISIONS BY THE NATIONAL COUNCIL ON EDUCATION RESEARCH

Because of our undecided Fiscal Year 1974 funding, the Council has not yet made firm policy decisions covering new initiatives for the Institute.

#### CAREER EDUCATION PROGRAM

(1) Continuation of the "Study of Sex Bias and Sex Fairness in Career Guidance Materials" $165,000.

(See the description under FY 73 funding project #5).

(2) Continuation of the "Educational Development Project" $500,000.

(See the description under FY 73 funding, project #6).

(3) "Career Education Needs of Minority Women" $60,000.

The focus of this program is the employment problems minority women face when entering the labor force.

(4) "Study of Linkages for Women between Education and Labor Market with Specific Emphasis on Role of Counseling" $10,000.

To review and synthesize existing literature and evaluate existing programs as they relate to:

(a) the problems women face prior to entering the labor force

(b) a survey of the existing guidance programs for women in high schools and colleges with an emphasis on special counseling programs which are primarily concerned with women

(c) a review of the theoretical and empirical investigations which handle special problems which relate to guidance and counseling for women (achievement conflicts, sex role stereotyping, etc).

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## GOVERNMENT SALARIES

Mr. McGEE. Mr. President, Mr. George H. Heilmeier, of Alexandria, Va., in a letter printed in Friday's Washington Post, observed that—

> Good management and strong executives are as much of a bargain for the Congress and the nation as they are for large corporations whose stockholders demand positive results and a fair return on investment.

With that statement, Mr. Heilmeier concluded what I believe is a useful contribution to the continuing debate over the question of pay for the Government's top officers. His letter obviously is based on personal experience, for he writes of coming to Government service from industry to find himself impressed with the dedication of his associates who regularly work a 55- to 60-hour week.

Mr. President, there is no question but that Mr. Heilmeier is correct about the sagging morale of Federal supergrade employees and their superiors, too, in the executive salary schedule. It is not 4 years since they last had a raise, but 5. I ask unanimous consent that his observations which appeared in the morning newspaper be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

### SUPERGRADE SALARIES AND CIVIL SERVICE PAY RAISES

It is not clear to me just how the nation can expect to attract and retain the very best managerial talent at the highest levels of government in the face of the recent congressional action which thwarted attempts to bring salaries for top government officials in line with responsibility and industrial norms. Many supergrade executives have not had a raise for four years and they lack the opportunities to supplement their income which are available to the members of Congress. I now find that my income is below that of many university professors and my last three job offers were $10,000 more than the civil service limit.

Government service can be personally rewarding and stimulating. It offers unparalleled challenges and opportunities to contribute. As a person from industry who accepted these challenges, I have been impressed and inspired by the dedication of my associates who regularly work a 55 to 60 hour week. Recently I have watched their morale sag as a result of the congressional action. They will not starve on $36,000 per year, but many of the very best cannot be retained at this level which is at least 25 per cent below comparable positions in industry.

When are we going to recognize how essential these people are if large programs are to be managed efficiently to meet the needs of a nation with rising expectations? When are we going to learn that we cannot simply legislate successful programs no matter how great the need or how just the cause? It is a fact of life that legislators are not judged by their constituents on the basis of the legislation which they pass; they are judged by the quality of the execution of that legislation. This takes sound management by the best available talent.

Good management and strong executives are as much of a bargain for the Congress and the nation as they are for large corporations whose stockholders demand positive results and a fair return on investment.

GEORGE H. HEILMEIER.

ALEXANDRIA.

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## AMBASSADOR TRAN KIM PHUONG CALLS FOR FULL IMPLEMENTATION OF THE PARIS PEACE AGREEMENT CONCERNING VIETNAM

**Mr. HELMS.** Mr. President, so that Senators may have a clearer understanding of the many issues involved in any congressional determination as to the size and amount of United States aid to the Republic of South Vietnam, I yesterday placed in the RECORD a news article concerning the alleged use of U.S. aid in Vietnam which appeared in the New York Times, along with a side-by-side analysis of that article by U.S. Ambassador to South Vietnam, the Honorable Graham A. Martin.

Today, I call to the attention of my colleagues another exchange of views on this vital subject. On February 4 of this year, there appeared on the editorial pages of the Washington Post an editorial entitled "What Are We Underwriting in Vietnam?" Basically, the Post editorial calls on the Congress and the public once more to focus their attention on Vietnam, this time to determine whether U.S. aid to that country is not, in fact, a principal factor in delaying the holding of free elections in Vietnam; and further, whether such aid is, indeed, prolonging military action there.

An answer to the Post inquiries is supplied by the Honorable Tran Kim Phuong, Ambassador from the Republic of Vietnam to the United States. In a letter to the Post, printed in the letters-to-the-editor column on February 26, Ambassador Phuong points out that the Paris peace agreement not only set up a cease-fire in South Vietnam, but also it set up a specific framework for the restoration of peace in that wartorn country through the holding of general elections. He further points out that the communists have rejected three attempts to hold such elections, the last rejection coming only 2 months ago.

Mr. President, Ambassador Phuong's letter clearly shows that it is not continued U.S. aid to South Vietnam which is delaying the holding of free elections in that country, but rather the intransigence of the Hanoi backed PRG which is the cause of this delay.

Further, Ambassador Phuong suggests that a withdrawal of U.S. aid to South Vietnam will only serve to destroy further the hope of holding such elections in the future. He says that—

> A weakened South Vietnam can create only temptations for Hanoi and would prolong the war rather than shorten it.

Finally, Mr. President, it is not U.S. aid which is prolonging military action in this country, Ambassador Phuong points out, but rather aid to the PRG and Hanoi from other Communist bloc nations. If anything, U.S. aid is hastening peace in a wartorn Vietnam by helping the Government of South Vietnam maintain stability in the face of continuing attempts by Hanoi imperialists and their PRG minions to force their will upon the people of Vietnam without free elections.

Mr. President, because these two articles shed additional light on the many issues involved in our consideration of the question of further U.S. aid to the Republic of Vietnam, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### EDITORIAL: WHAT ARE WE UNDERWRITING IN VIETNAM?

In the first year after the signing of the celebrated Vietnam cease-fire agreement of January 1973, there was good reason for Congress and most of the rest of us to hail America's disengagement from combat, to cheer the return of the POWs, to accept routinely the high cost of continuing military and economic aid to the Thieu government, and more or less to turn a blind eye to the fact that there was in fact no cease-fire and no perceptible progress toward a permanent peace. Soothingly, we were told that you couldn't expect the shooting to stop overnight, but that the foundations of a "structure for peace" were in place, and that the business of building upon this structure to produce elections and a division of territory and a sharing of political power was only a matter of time. With a year's experience, however, it is now clear that it hasn't worked out that way. (Well over 50,000 Vietnamese have reportedly been killed in combat during this "cease-fire" so far.) Worse, there is precious little prospect that it will. So it is not only appropriate but urgent for the Congress and the public to force their attention back to Vietnam. And the new budget, with its provision for continuing heavy military and economic aid for the Saigon government, offers a powerful argument as well as an opportunity for doing so.

In his State of the Union address, the President spoke witheringly of those who would abandon the South Vietnamese by abruptly shutting off all our aid—as if the issue was as simple as that. Of course, it is not. Most people, we suspect, are fully aware of this country's obligation to continue helping Saigon defend itself against flagrant violations of the cease-fire by the North Vietnamese; larger American policy interests over at least a decade and a half, after all, had a lot to do with creating Saigon's heavy dependence on our continuing patronage. But the real issue is much more complex, for it has to do with who is really responsible for the breakdown of the cease-fire. It has also to do with whether our aid, in conjunction with our diplomacy, is working to improve the chances of real peace in Indochina, or whether it is in fact working toward perpetuation of a vicious, costly war by discouraging the kinds of concessions on both sides that might bring about a genuine settlement.

We do not profess to have the answers—and that is just the point. Nobody in Washington seems to have the answers—or even particularly to care. For the past year, the general tendency has been to blame both sides for the myriad violations if not to ignore them; to cancel off these violations against each other; and to conclude somewhat cynically that this is the natural or inevitable or *Vietnamese* way of resolving conflicts. There is, moreover, the formidable difficulty of finding the facts. With their supreme interests at stake, both Vietnamese sides have had powerful incentives to highlight their own observances of the agreement and to hide their own violations. Field conditions limit the capacity of objective observers, such as journalists, to judge for themselves.

All this gives no reason, however, to avoid trying to get at the facts. For it should be understood that avoiding the question of which side is chiefly responsible for the collapse of the agreement is answering the question to the benefit of President Thieu. Time and again, administration figures have drawn public attention to the alleged violations of Hanoi and the Provisional Revolutionary Government (Vietcong). The imminence of a big Communist offensive has been built up as a special bugaboo, while the open threats of some sort of pre-emptive strike by the South, as well as the plain evidence of provocations by the Saigon government, have been presented to us as no more than legitimate acts of self-defense. To this have been added regular and wholly unrealistic suggestions of American re-entry into the war, including the possibility of renewed bombing of the North.

We have been down this road before and we should know by now where it leads—to blind and unquestioning support of a Saigon government lulled into a false sense of security by our aid, with no real capability to defend itself, by itself, and with no incentive to yield up anything for the sake of a compromise settlement. From this, one can safely project an open-ended conflict between the two Vietnams. True, it is largely their war now, which is a lot better than it being largely our war, as it was for seven agonizing years. But we are nonetheless subsidizing a substantial part of it. Thus, it seems only reasonable for the two sets of armed services and foreign relations committees in both houses of Congress to conduct a searching inquiry into the administration's current Vietnam policy. For this country has a moral as well as a political commitment to the objective of a cease-fire and an ultimate Vietnamese settlement which the administration so proudly proclaimed to be very nearly accomplished facts a year ago. And the American public has a right to know whether, and how, this objective is being served by our continuing aid to South Vietnam. We would not argue that the answer turns entirely on what this country does or doesn't do for President Thieu. Part of the answer obviously must come from Hanoi. Part of it also depends on the efficacy and validity of that larger "structure for peace," reaching from Moscow and Peking to Washington, of which the President had made so much. But a big part of the answer, nonethless, depends upon Saigon. So we think that before Congress approves more billions for President Thieu, it ought to try to find out whether the easy availability of this subsidy may not be prolonging an intensified Vietnam war by consolidating a militant, recalcitrant and repressive regime in Saigon. For there is at least some reason to believe that a more selective and judicious application—or denial—of this money could make it work to far better effect as an integral part of a wider diplomatic effort to bring about something more nearly resembling a Vietnam peace.

### Letters to the Editor: "What Are We Underwriting in Vietnam"

Your editorial entitled "What Are We Underwriting in Vietnam" (Feb. 4) rightly assessed that one year after the Paris Agreement there was no cease-fire and no perceptible progress toward a permanent settlement in Vietnam. However in many other respects, I believe that your editorial ignored certain vital facts which need to be put in perspective.

The Paris Agreement is not only a cease-fire agreement. It also set up a framework and determined a process to restore peace in Vietnam by way of general elections. Therefore the agreement should be considered as a package and general elections as the ultimate step to settle the basic political issue.

It is obvious to everyone that the Communists do not want to fully implement the Paris Agreement to its final provisions. Given the kind of support they have in Vietnam, they have many reasons to fear that general elections would bring them only disastrous results. The records of last year's negotiations at La Celle St. Cloud shows clearly that the Communists steadfastly refused to discuss any proposal by the Republic of Vietnam for internationally supervised elections whether for the presidency, the national assembly or for a constituent. As recently as January of this year, the Communists rejected our third offer, with detailed time table, for general elections to take place on July 20, 1974. Only last week, North Vietnam rejected our new proposal to meet on the foreign minister level, publicly or secretly, to discuss the normalization of relations between North and South Vietnam.

The plain truth is that full implementation of the Paris Agreement would not only bring disaster to the Communists but also perpetuate the coexistence of the two Vietnams which Hanoi leaders have not yet resigned themselves to accept. They are still obsessed by their determination to conquer South Vietnam by armed might.

The illegal heavy infiltration in manpower and offensive weapons from North Vietnam, the complete disregard of the Demarcation Line, the refusal to let the International Commission operate in Communist-held areas and the non-withdrawal of Communist troops from Cambodia and Laos are clearly indicative of Hanoi's intention to continue the war in South Vietnam. The offensive may not seem to be imminent to the American people some thousands of miles away, but in Vietnam Hanoi has brought South Vietnamese population and cities within the range of their heavy artillery

Obviously, during the past year the Communists were seeking only the implementation of the provisions which are advantageous to them and useful for their next military attempts.

For our part we are not interested in only partial implementation of the Paris Agreement. We strive for its full implementation, to its final step which is general elections, the only way for a peaceful political settlement.

As long as Hanoi continues to be helped by Communist countries in its military design, we have the right to seek and hope to receive adequate assistance from friends to defend ourselves and our way of life. Despite all the restrictions imposed by the presently difficult circumstances, our way of life is definitely much better than the Communist way of life and to the many millions of South Vietnamese it is worth defending even at the risk of their lives.

We fervently hope that the "structure for peace" as reportedly arranged by the superpowers will effectively work. But in case it does not work, we have to be ready. A weakened South Vietnam can create only temptations for Hanoi and would prolong the war rather than shorten it. It has to be remembered that the basic issue in Vietnam is still between Hanoi and Saigon and not between the Republic of Vietnam and the so-called Provisional Revolutionary Government. Full responsibility for war or peace lies squarely with Hanoi.

TRAN KIM PHUONG,
*Ambassador, Vietnam.*

WASHINGTON.

## BYELORUSSIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, 56 years ago, on March 25, the Byelorussian people proclaimed their national independence. Throughout a long history, against heavy odds, they have merited the admiration of the world for maintaining their spirit of national integrity and for continung to make important cultural contributions.

On March 25, 1918, it seemed that Byelorussian aspirations for a free and independent life might at last be fulfilled. A provisional constitution was adopted by the newly proclaimed Republic which provided for elections by direct and secret ballot, and for freedom of speech, press, and assembly. Byelorussians were not, however, to enjoy this newly won freedom, as their Republic was soon forced to become a part of the Soviet Union.

March 25 continues, nevertheless, to be a symbol of independence, and we take this occasion each year to join with Byelorussians everywhere in recognizing Byelorussia's legitimate aspirations.

## GRAIN RESERVE HEARINGS

Mr. HUMPHREY. Mr. President, yesterday the Subcommittee on Agricultural Production, Marketing and Stabilization of Prices, of the Agriculture and Forestry Committee, commenced hearings on S. 2005, as amended and S. 2831 which propose the establishment of a program of reserves of certain agricultural commodities. The hearing included a variety of statements and very informative testimony.

Mr. President, just as we recently discovered that the world faced a fuel shortage, so also we are now likely to have a world food shortage in the near future if we do not now take the right steps.

We need to have a national food policy which will help avert food shortages here and abroad. My bill, S. 2005 as amended is designed to assure that we have adequate and reliable supplies of food and fiber for American consumers as well as for export markets.

When we speak of consumers, we are thinking only of the housewife in the supermarket. The producers of cattle, hogs, poultry, and dairy products are major consumers of feed grains. They need an assurance of supply. To permit shortages of feed grains would result in great hardship on these farmers as well as the city consumer.

We need to take steps to make certain that we continue to remain a reliable supplier of exports. Exports are extremely important to American farmers and our economy. We need to remain reliable exporters and encourage foreign buyers to become steady buyers. The reserve bill would provide this assured supply.

My bill is designed to prevent the wild price fluctuations that are so harmful to consumers and producers alike. We need a national food policy and we need leadership on this front which the administration is unwilling to provide.

The Government is now asking farmers to step up production and take great risks in terms of possible losses. It is only fair that the Government share in the risks involved.

Mr. President, we cannot wait until disaster is upon us, and it is quite evident what will happen if we wait on the administration to provide leadership. We could have some wild fluctuations in both production and price this year depending on weather, yields and the export market, but we are unprepared in terms of having the necessary tools on hand.

Mr. President, the subject of establishing a system of strategic reserves of food and fiber is certainly not new. The "ever-normal granary" concept goes as far back as the Biblical story of Joseph storing grain against famine, to Confucians in ancient China, to the Mormons of Utah and to 1912 when Henry Wallace first urged upon the United States a similar storage plan.

I have long been an advocate of such a plan. I was one of only four Senators on our Senate Agriculture Committee in 1972 who voted for reporting out H.R. 1163, a House-passed reserve bill which was defeated in our committee at the personal urging of Secretary Butz. I offered the original version of S. 2005 as an amendment to the farm bill last year, only for it to be defeated—mainly in my judgment, because so many of my Senate colleagues at that time did not sufficiently appreciate the relationship that exists between such a reserve policy and supply-price protection for farmers and consumers. Hopefully, many of them by now have improved their understanding of the subject.

The amended version of S. 2005 embodies two of the three major elements I believe we must have to insure an adequate and stable supply of food and fiber in the future, while at the same time, insure our Nation's farm producers that their Government will continue to assume an appropriate share of the financial risk involved in producing those supplies.

Those two elements are: First, establishment of a national system of reserves of wheat, feed grains, soybeans, and cotton; and, second, establishment of market stabilizing mechanisms which become operative only when supplies of these commodities are expected to fall below the reserve levels specified in my bill—or in other words, only in times of short supply.

The third element, which is not now in S. 2005, but which I now propose be added, is an upward adjustment in 1974 crop target price and loan levels, plus application of the new escalator clause beginning with the 1975 crops.

I believe enactment of these three elements into law will provide American grain, soybean, and cotton farmers; American livestock, poultry and dairy producers; American consumers; and regular foreign buyers of U.S. farm products, with stable and reasonable price, income and supply protection.

As to the reserve features of my proposal, I should like to point out that the Government stock levels called for are modest: 200 million bushels of wheat; 15 million tons of feedgrains; 50 million bushels of soybeans and 1.5 million bales of cotton. And I should like to call particular attention to its stock acquisition and resale provisions. Government stock acquisitions would be made only in times of excess production, employing higher loan levels so as to both reduce Government payment liabilities and to provide the taxpayer with something extra for his money; namely, stocks for later use in times of shortage. Once desired reserve levels are reached, loan levels would be reduced to their lower discretionary levels to discourage any further Government takeover of stocks.

Sale of Government-owned stocks would only occur in times of short supply. This is guaranteed by a minimum release price for domestic use of 135 percent of the target price—not 115 percent of the loan level which is all current law now provides.

As for the market stabilizing mechanisms now contained in S. 2005, they include: First, imposition of a 100 percent export licensing requirement for any commodity covered by the bill when total carryover stocks of any such commodity is projected to fall below the levels specified in the bill, which are: 600 million bushels of wheat; 40 million tons of feedgrains; 150 million bushels of soybeans and 5 million bales of cotton; and second, a requirement that whenever a foreign country's purchases of a particular commodity once reach 120 percent of its previous year's purchases of that commodity, prior approval by USDA must be obtained before any subsequent purchases of that particular commodity can be made by that country for the balance of that particular marketing year. However, again this requirement would only become operative whenever the carryover of the particular commodity involved is projected to fall below the total reserve level specified in my bill. Also, this requirement would in no way tie USDA's hands in evaluating or approving such subsequent sales. It merely would require that somebody in Government make a value judgment as to whether and how much such additional sales would be in the best interest of our Nation's combined responsibility to both U.S. consumers and other foreign buyers. In short, such a provision both provides some degree of protection against unexpected raids on U.S. supplies (like the 1972 Russian grain deal) while at the same time providing an incentive for foreign buyers to establish themselves in our marketplace on stable and regular basis. While it is very important for the United States to maintain its integrity as a reliable supplier of farm products in world markets, it is just as important in my judgment, that foreign buyers become equally reliable as regular purchasers in our market.

Now let me turn for a moment to the third element that I indicated must now be added to S. 2005; namely, the upward adjustments in 1974 target prices and loan levels.

Given the tremendous increases that have occurred in farm production costs since passage of the 1973 Agriculture and Consumer Protection Act, adjustments in 1974 crop target prices and loan levels are essential if farmers and their Government are going to continue to equitably share the risk that was contemplated when the 1973 act was enacted. What I propose is that the current 1974 levels be changed effective the first day of the 1974–75 marketing year for each crop involved, following the same general formula that was followed in the 1973 farm bill. This would reset the 1974 target price for wheat at about $3 per bushel; for corn at about $2 per bushel; and for cotton at about 50 cents per pound. Loan rates would be adjusted upward reflecting about the same spread as currently is the case between loan and target price levels.

We are now entering a period which could turn out to be ironically either a period of even greater shortages, or a period of production far in excess of demand. To comprehend such a seemingly contradictory statement, one must remember that a simple political decision by the Russians or by the People's Republic of China today could move us from one end of such a supply spectrum to the other, very abruptly.

This marketing year these two countries are expected to purchase over 500 million bushels of grains from the United States. Communist China has now become this Nation's No. 1 foreign buyer of cotton. Any dent in the so-called détente between the United States and either of these countries could result in an abrupt end to such purchases. Or should either of these countries harvest bumper crops of these commodities, what is to insure that they will continue any level of purchases in our market following such eventuality? None.

On the other hand, should the purchase of these countries continue, at current or higher levels, and additional buying pressure develop against world grain and cotton markets later this year and next due to either fertilizer shortages and other conditions adversely affecting crop production here or elsewhere in the more heavily populated countries of the world, such as India, we can expect a continuation of the current tight supply situation relating to these commodities. Of course, in such an environment, no stocks would likely be acquired under the provisions of my bill, but the market stabilizing mechanisms provided in the bill would become operative, which, in my judgment, would be needed.

A number of noted experts and responsible groups have joined the call for establishing some form of national and international system of food reserves this past year. Let me just name a few: The British-North American Committee (77 noted businessmen and scholars); the Agricultural Committee of the National Planning Association; the Food and Agricultural Organization of the United Nations; 14 experts from the European Community, Japan and North America assembled by the Brookings Institution; and several major U.S. farm and consumer organizations. Also, earlier this year, even the President, in his economic message to the Congress, indicated that such a proposal deserved a closer look.

Former Secretary of Agriculture Orville L. Freeman proposed to the Congress the establishment of such a reserve system several times while serving as Secretary. And, as I mentioned earlier, the U.S. House of Representatives actually adopted a reserve bill (H.R. 1163) in 1972, only for it to be killed here in the Senate.

So the support for enactment of such a proposal has grown in recent years. But being a realist, I know pushing such a proposal through the Senate side will be an uphill battle. But I want to serve notice here and now that I do intend to push—and this year—for full Senate consideration of my proposal. I want every Senator of the 93d Congress to be given one more opportunity to vote upon a food and fiber reserve.

Last year, when a similar proposal of mine was being considered as an amendment to the 1973 farm bill, many Senators were persuaded that the storage costs in connection with the establishment of such a reserve system might be prohibitive. While the true cost of such a program is actually much less than what they were led to believe at the time, I should now like to point out to them the higher food costs incurred both by American consumers and by the Federal Government in increased expenditures for family feeding and child nutrition programs these past 2 years. Combined, I would estimate that an additional $5 or $6 billion were expended these past 2 years for private and Government food due to the lack of such a reserve program. Given the price level that the Government would acquire reserve stocks under my bill and the higher resale price levels, handling and storage costs for these stocks would be quite minimal in comparison.

In closing, let me say there are some other ideas and proposals bouncing around these days which also may have some merit, but which in my judgment, should not be considered as substitutes for the type of tripartite proposal I have just made. These proposals include such things as the possible establishment of a marketing board similar to the Canadian Wheat Board; development of long-term multiyear contracts; predetermination at the beginning of each marketing year of what will be retained for domestic sales with the balance being made available for export; and, extension of futures contract market periods for grains and soybeans from the present 1-year period to 2 or 3 years—a proposal I favor and have encouraged.

Or we can continue with our current system of total reliance upon the open marketplace, where private U.S. buyers must compete against foreign government buyers, with the ever present threat of export embargoes being imposed every time supplies get a little tight.

Benjamin Franklin once said to be hurt was to instruct. And by those standards, both the American farmer and consumer should by now have received sufficient instruction to avoid being hurt again by returning to the "boom or bust" of the marketplace.

Mr. President, in the statement I submitted for the hearing record of the Agriculture Subcommittee, on legislation on agricultural commodities reserves, I describe in greater detail some of the implications of my bill and the need for it as a vehicle to deal with possible Soviet and Chinese decisions to buy or not to buy, thereby creating great fluctuations in our price structure and commodity availabilities.

Mr. President, I ask unanimous consent that my statement be included at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement by Senator Hubert H. Humphrey

Mr. Chairman, I want to express my appreciation to you for calling these hearings so promptly on S. 2005 and S. 2831, both of which authorize the establishment of urgently needed reserves of storable farm commodities.

It is true that there is a world shortage of food just now, and we cannot acquire reserves immediately without creating even greater shortages in the markets. But this situation should change according to official USDA estimates, when the 1974 crops are harvested. Therefore, enabling legislation is needed before the 1974 harvest if we are to make the best use of the record crops now in prospect for this fall.

Mr. Chairman, on the basis of the fall seedings of winter wheat and farmers' intentions to plant spring crops, record production of both wheat and feed grains is expected this year, according to USDA. Farmers throughout the world also are responding to current high prices by expanding their 1974 production plans. Unless the weather is unfavorable over large areas or fertilizer shortages are severe, world-wide 1974 harvests will set new records. Some rebuilding of stocks should be possible.

Analysts in the Department of Agriculture project increases in United States stocks at the close of the 1974–75 marketing year of 200 to 400 million bushels of wheat and 15 to 20 million tons of feed grains.

Mr. Chairman, I hope the analysts are correct. I hope we have crops large enough this year to permit some rebuilding of stocks both here and elsewhere in the world. Under existing administration policies, however, if 1974 crops are as large as hoped for prices are likely to fall sharply and the extra supplies may be dissipated at these lower prices rather than held as reserves.

Not only will the extra 1974 supplies be dissipated, but farmers will be discouraged from continuing to strive for maximum production next year. Secretary Butz has pointed with pride to his ability to sell off all government-held stocks. In his view the private grain trade will carry all needed stocks in the future. I, too, am in favor of the private grain trade holding substantial stocks. But I have had more experience with the private grain trade than has Secretary Butz. In light of my experience, if the private grain trade holds a substantial volume of stocks, prices will be so low as to discourage further production.

We face the real possibility of this happening in the next year or two. This Administration has urged farmers to expand production as much as possible this year. But it has refused to raise government non-recourse loan rates for wheat and corn above the ridiculously low levels of $1.37 a bushel for wheat and $1.10 a bushel for corn, the minimums specified in the 1973 Agriculture and Consumer Protection Act. This Administration tried to prevent the Congress from including an escalator clause which would increase the target prices for wheat, feedgrains, and cotton as the index of prices paid for production supplies increased. After hours of argument a compromise was reached. The escalator clause would be applied in 1976 and 1977, but not in 1974 or 1975.

Mr. Chairman, in my view economic events since the Agriculture and Consumer Act of 1973 was approved last August make it imperative that we amend it as promptly as possible. It needs amendment to give both producers and consumers additional economic protection in view of the sharply rising costs and world shortages of food. For instance, in my judgment, both the target prices and loan rates for wheat, corn and cotton should be increased for the 1974 crops. The same should be done for the 1974 loan rate for soybeans. As to what level target prices should be set, I suggest that we go back to the original Senate formula in the 1973 Senate Act. In addition, I believe it is essential that the escalator clause be applied beginning with the 1975 crops, instead of the 1976 crops.

Such a move would likely result in target prices for 1974 crops being set at about $3.00 for wheat, $2.00 for corn and about 50 cents a pound for cotton, with loan rates also being adjusted upward to reflect about the same spread as now exists between target prices and loan levels. The amendment I propose does not change the character of the Act. Rather it reinforces it. My amendment, S. 2005, makes it mandatory for the Secretary to take specific actions, which are now discretionary, to reduce the economic uncertainties facing farmers and consumers.

S. 2005, as amended by my amendment No. 963, introduced on February 19, 1973, provides that if projected carry-over stocks at the end of a marketing year go below 600 million bushels of wheat, 40 million tons of feedgrains, 5 million bales of cotton and 150 million bushels of soybeans, the Secretary of Agriculture is directed to make available loans and purchases on the succeeding crop, at not less than 100 percent of the established or target price for 1974 and 90 percent of the target price for 1975 through 1977.

Projected carry-over stocks at the close of the 1973–74 marketing year of wheat, feedgrains and cotton are below these minimum reserve levels. If this amendment No. 963 were adopted, the government non-recourse loans levels for the 1974 crops would be increased to the target price level as follows:

Wheat from $1.37 to $2.05 a bushel.

Corn from $1.10 to $1.38 a bushel (and other feedgrains in proportion).

Cotton from $.25 to $.38 a pound.

If target prices were revised to the higher level I suggested earlier in this statement, loan levels for 1974 crops would thereby be increased as follows:

Wheat from $1.37 to $3.00 a bushel.

Corn from $1.10 to $2.00 a bushel, and

Cotton from $.25 to $.50 a pound.

This amendment raises the price floor for these commodities very substantially, thus reducing farmers' economic risks as they pay record prices for production supplies this season.

This provision is likely to be even more important next year. It is probable that we will be able to rebuild stocks by a modest amount this year without market prices falling to government loan levels. We will continue to need as much production as possible in 1975 but the economic risks to producers will be very great indeed. If the type of legislation I am recommending is approved, and the stocks are projected to be below minimum desirable levels at the end of the 1974–75 marketing year, as now seems probable, farmers will be assured of government loans at not less than 90 percent of the target prices on their 1975 crops.

At this point I want to emphasize that in my amendment No. 963, I simplified the reserve features of the amendment as much as possible. I left out some features that had been in the original S. 2005 in the interests of submitting a bill which could be passed in this session of Congress. It is my hope that controversial amendments will not be offered which might delay getting a minimum reserve bill approved. In view of the sharp escalation in producers' costs, however, I believe it would be entirely in order to amend S. 2005 to increase 1974 target prices and loan levels and to make the escalator clause applicable to the 1975 crops of wheat, feedgrains and cotton rather than waiting until 1976 for the escalator clause to take effect. If this were done and stocks did not exceed the levels specified, producers would be assured of price floors for their 1974 and 1975 crops at almost twice current levels.

In my view this would be desirable from the point of view of both consumers and producers, for I believe we will need to produce as much as possible again in 1975. And, we should use any supplies not needed in the commercial markets at the higher target prices for rebuilding reserve stocks, to be released when world production again falls below current requirements as it did in 1972.

Opposition to reserve stock programs in the past have been based on two issues—the possibility of excessive government costs and a fear that they would depress producers' prices. S. 2005 was drafted with both issues in mind. It does not authorize the government purchase and segregation of specific reserve stocks. It only provides for their accumulation at times when market supplies are so large that prices otherwise would fall below target price levels.

S. 2005 will not encourage the accumulation of excessive stocks because the discretionary non-recourse government loan guidelines specified in the 1973 Act take effect again just as soon as carry-over stocks reach the desired minimum levels. That is to say, once reserve levels are reached, loan levels would automatically be dropped to their lower discretionary levels.

S. 2005 prevents the stocks accumulated at the higher floor prices from depressing producer prices. It requires higher minimum Commodity Credit Corporation resale prices when stocks reach or fall below the minimum desirable levels specified. Whenever the Secretary determines that any government sale of wheat, feedgrains, cotton or soybeans will (1) cause the total estimated carryover of such commodity at the end of the marketing year to fall below 600 million bushels of wheat, 40 million tons of feedgrains, 5 million bales of cotton, or 150 million bushels in the case of soybeans, or (2) reduce the stocks of the Commodity Credit Corporation below 200 million bushels of wheat, 15 million tons of feedgrains, 1.5 million bales of cotton or 50 million bushels in the case of soybeans, the CCC may not sell any of its stocks of these commodities for less than 135 percentum of the target prices or 150 percentum of the loan rate in the case of soybeans where no target price is specified. Whenever the total estimated carryover of any of these commodities is in excess of the amount specified in S. 2005, however, the Commodity Credit Corporation may again sell any stocks it may own at not less than 115 percent of the loan level, as authorized in the 1973 Act.

In other words, S. 2005, amended to reflect the additional changes I am recommending here today, would provide both higher market price supports and higher minimum CCC resale prices when stocks are below minimum desirable levels, but authorizes a return to the original provisions of the Act of 1973 when stocks exceed the levels specified. Producers are assured of higher market prices and will be encouraged to maximize production when stocks are low. Consumers are assured stocks will be rebuilt rather than allowing extra production to disappear in the market at low prices when yields exceed market requirements at the target prices.

Mr. Chairman, there is substantial merit in other bills which have been introduced to provide for the accumulation and management of reserve stocks of storable farm commodities. S. 2005 has the merit, however, of simplicity, of requiring the fewest changes in existing policies under the Agriculture and Consumer Protection Act of 1973, yet it does provide positive economic incentives for acquiring and holding minimum reserve stocks of food and feedgrains in a manner which stabilizes prices for producers and increases the stability of both supplies and prices for consumers, livestock producers and foreign buyers.

Let me turn now to another feature of S. 2005, as amended, which is designed to assure domestic consumers and livestock producers their fair share of short supplies when world production fails to meet market requirements, and large exports threaten to exhaust current supplies before the new crop is harvested. S. 2005, as amended, provides procedures which would prevent the recurrence of the situation which developed last year in the case of soybeans and a recurrence of the current wheat supply situation which is causing so much controversy today. And it does this without resorting to export embargoes.

Paragraph (c) of S. 2005 as amended provides that for the commodities listed, whenever the Secretary of Agriculture finds that the combined domestic requirement and export sales at the close of the marketing year would cause the carryover stocks to fall below the desirable minimum levels specified, he shall designate such commodity as a "critical" commodity. Each exporter of a critical commodity is required to obtain a license and report daily all bonafide export sales. Also when projected stocks reach the minimum levels specified, prior approval by the Secretary is required for all sales to a country which would result in total export sales to that country in excess of 120 percent of its previous year's purchases.

Export sales of government stocks of critical commodities are restricted by requiring that, except for dispositions made to friendly countries under the Agriculture Trade Development and Assistance Act of 1954, as amended, the Commodity Credit Corporation may not sell any of its stocks of critical commodities for less than 120 percent of the previous week's cash market price.

Mr. Chairman, in drafting S. 2005, as amended, we at all times kept in mind the following goals:

(1) Providing for increased stability of supplies for domestic consumers and users of our farm commodities.

(2) Reducing the economic risk for producers of farm commodities, thus increasing their incentives for full production and providing increased assurance that reserve stocks will not be permitted to depress market prices.

(3) Authorizing some restraint and control of exports of farm commodities in short supply without interfering with our role as a reliable source of supply to our regular foreign buyers.

I have used my time thus far to explain the provisions of S. 2005 rather than dwelling on the need for such legislation at this time. Let me now mention a few facts indicating the urgent need for this bill.

It now appears that farmers' production costs in 1974 will be fully 50 percent higher than in 1972 and that they will be still higher in 1975.

Minimum non-recourse loan rates specified in the 1973 Act, $1.37 a bushel for wheat and $1.10 a bushel for corn, are less than ⅓ and ½ respectively of the current market prices of these commodities, and far below their production costs.

The entrance of the Soviet Union and the Peoples Republic of China in the commercial export markets for farm commodities is a major unstabilizing factor. The Soviet Union usually produces more wheat than the combined production of the major exporters, United States, Canada, Argentina and Australia, yet its yields are highly variable. If it continues to make up its shortfall in production when yields are unfavorable as it did in 1972, the future export demand for United States grains will be far more unstable in the years prior to 1972.

The extent to which the purchases of the Soviet Union and Peoples Republic of China are contributing to the recent unusually strong export demand for agricultural products is evident from the following facts:

In fiscal 1973, 30.8 million metric tons of wheat were exported as compared to 15.7 a year earlier. Sixty-three percent of the increased exports were shipped to the Soviet Union.

Preliminary estimates indicate that 32.7 million metric tons of wheat will be exported in the fiscal year ending June 30, 1974. Before adjustments in shipping dates because of scarcity of supplies, 89 percent of the increase in the exports this year as compared with fiscal year 1972 exports, were scheduled for the Soviet Union and the Peoples Republic of China.

Feedgrain exports also have increased from approximately 21 million metric tons in fiscal 1972 to 35 million in 1973 and are estimated at 36 million in fiscal 1974. Increased shipments to the Soviet accounted for 11 percent of the increase in 1973 and shipments to the Soviet Union and the Peoples Republic of China will account for 26 percent of the increase in fiscal 1974 over fiscal 1972 exports.

Soybean exports increased from 11.7 million metric tons in fiscal 1972 to 13.8 million tons in 1973 and are expected to increase to approximately 15 million metric tons in fiscal 1974. Forty-four percent of the increased exports in fiscal 1973 over 1972 were sent to the Soviet Union. Approximately a third of the increase in soybean exports in fiscal 1974 over fiscal 1972 will be shipped to the Soviet Union and the Peoples Republic of China.

We cannot be sure at this time that these countries will continue to make large purchases in future years. But I am confident we have the productive capacity in this country to provide ample food supplies for domestic consumers, and meet future commercial export demands, and contribute our fair share of food aid to countries unable to buy needed foods in the commercial markets.

Our farmers and our agribusiness firms are anxious to do this. S. 2005 as amended will provide the legislative authorization for adapting our marketing institutions to these new world requirements. Combining the provisions of Amendment No. 963 to S. 2005 with upward adjustments in loan and target prices and application of the escalation clause beginning with 1974 crops, will give both farmers and consumers the type of income and supply protection to which they both are rightfully entitled.

Mr. HUMPHREY. Mr. President, Secretary Butz appeared as a witness in support of reserves which would be held totally by private interests rather than by the Government, private traders and farmers as my bill provides. His testimony also played down the fluctuations likely to result in our market from an in-again out-again purchase policy on the part of the U.S.S.R. and the Peoples' Republic of China.

His testimony was strongly disputed by former Secretary of Agriculture Orville Freeman, whose main theme was that it is now a new ball game. The real fact of life is that we are now in a period of scarcity and should acquire some reserves, if we can, for future needs.

Mr. President, I ask unanimous consent that the very informative statement of former Secretary Freeman be placed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### FOOD SCARCITY: TEMPORARY OR CHRONIC?

(By Orville L. Freeman)

The past year has been a remarkable period for world agriculture. Prices for food products have soared to historic highs as have farm income and farm exports. Principal suppliers of major commodities have relied on export restrictions to an unprecedented degree. Rationing of some foods has been necessary in three of the world's most populous nations—China, India and the Soviet Union. In the fourth, the United States, consumers resorted to boycotts in an effort to fight rising food prices.

The crucial question the world now faces is whether the past year represents a temporary aberration or whether global food scarcity is likely to be a chronic problem. My own conclusion is that the recent scarcities reflect important long-term trends in addition to the temporary phenomenon of drought in the Soviet Union and parts of Asia and Africa. We are experiencing a fundamental shift from an era of large commercial surpluses to an era of tight supplies of essential food commodities. And I do not see a worldwide depression that would throttle demand, or a major technological breakthrough that would significantly accelerate supply.

Despite this fundamental trend, there may be years in which supplies in some commodities will exceed demand. It therefore remains necessary to keep intact a sound American agricultural policy that will protect farmers from the unsettling effects of sudden price drops. But basic changes in the structure of world demand for food and several important constraints on the expansion of supplies will prevent the emergence of the persistently troublesome surpluses with which we have had to cope over the last two decades. In the future, the world will grapple with scarcity, not surplus.

### POPULATION AND AFFLUENCE

During the 1960s, the world food situation was perceived as a food: population problem, centered on the developing countries—a race between food and people. Now it has become clear that, despite the technological breakthroughs that produced the "Green Revolution" in the sixties, two major growth factors remain in world demand for food that will result in overall shortages for the foreseeable future.

On the global level, population growth is still the dominant source of continuously expanding demand for food. With the world's population expanding at nearly 2% per year, merely maintaining current per capita consumption levels will require a doubling of food production in little more than a generation.

In the poor countries, population growth alone accounts for most of the year-to-year increase in the demand for food. In the affluent nations, rising incomes lead to accelerating food consumption.

Cereals, which dominate the world food economy, illustrate the situation. In the poor countries, annual availability of grain per person averages about 400 pounds per year. Nearly all of this, roughly a pound a day, must be consumed directly to meet minimum energy needs. Little can be spared for conversion into animal protein. Even so, consumption climbs over one billion bushels a year.

In the US and Canada, prototype affluent nations, per capita grain utilization is currently approaching 2,000 pounds per year. Of this total, only about 150 pounds are consumed directly in the form of bread, pastries and breakfast cereals. The remainder is consumed indirectly in the form of meat, milk and eggs. All told, the basic agricultural resources—land, water, fertilizer—required to support an average North American are nealry *five times* those of the average Indian, Nigerian, or Colombian.

In the northern tier of industrial countries, stretching from the United Kingdom and continental Europe through the Soviet Union to Japan, dietary habits now more or less approximate those of the US in 1940. As incomes continue to rise in this group of countries, which total some two thirds of a billion people, a sizable share of the additional income will be converted into demand for livestock products, particularly beef. This has already resulted in an explosive increase of imports by these countries of the feedgrains and soybeans needed to expand livestock production.

### FOUR KEY RESOURCES: LAND, WATER, ENERGY, FERTILIZER

As the world demand for food accelerates, constraints on efforts to expand food production become increasingly apparent.

The primary means available for expanding supplies fall into two categories: (1) enlarging the amount of land under cultivation; (2) raising yields on existing cropland through intensified use of water, fertilizers and energy. There are problems in both categories.

The traditional approach to increasing production, i.e. expanding the area under cultivation, has only limited scope for the future. Indeed some parts of the world face a net reduction in available agricultural land because of competing uses such as industrial development, recreation, transportation, and residential development, which makes demands on previously agricultural land.

Few countries have well-defined land use policies that protect agricultural land from other uses. In the United States, farmland has been used indiscriminately for other purposes with little thought devoted to the possible long-term consequences. More densely populated industrial countries, such as Japan and several Western European countries, have been experiencing a reduction in the land used for crop production for the past few decades. Other parts of the world including particularly the Indian subcontinent, the Middle East, North and Sub-Saharan Africa, the Caribbean, Central America, and the Andean countries, are losing disturbingly large acreages of cropland each year to severe erosion.

Perhaps even more important in the future than land itself is the availability of water for agricultural purposes. In many regions of the world, fertile agricultural land would be available if water could be found to make the land produce. But most of the rivers that lend themselves to damming and irrigation have already been developed. Expansion of the world's irrigated area is likely to fall into the familiar S-shaped curve as we run out of easy opportunities to expand. Future efforts to obtain fresh water supplies for agricultural purposes will increasingly focus on such difficult and expensive techniques as the diversion of rivers (as in the Soviet Union), desalting sea water, and the manipulation of rainfall patterns.

The other basic method of increasing food supplies—intensification of agricultural production on existing cultivated land—requires a several-fold increase in energy supplies. With world energy prices rising rapidly, the costs of intensifying food production will rise commensurately. In countries already engaged in high energy agriculture, such as the United States, high energy prices and the possibility of fuel rationing will tend to hold down production. The poor countries will simply not be able to afford the increased energy cost.

In addition to arable land, fresh water and energy, the fourth required ingredient for increased production, fertilizer, is also now in short supply and the outlook is for higher prices. The manufacture of nitrogen fertilizer, the most widely used chemical fertilizer, commonly utilizes natural gas as a raw material, and the manufacturing process consumes large amounts of energy. Fertilizer requirements over the remaining years of this century will soar to phenomenal levels, and their costs will spiral.

### CONSTRAINTS ON PROTEIN PRODUCTION

In addition to the problems facing food supply overall, there is reason for particular concern about the difficulties of expanding world protein supply.

In the case of beef, a major protein provider, two major constraints are operative. Agricultural scientists have not been able to devise any commercially viable means of getting more than one calf per cow per year. For every animal that goes into the beef production process, one adult must be fed and otherwise maintained for a full year. There is no prospect of an imminent breakthrough on this front.

The other constraint on beef production is that the grazing capacity of much of the world's pastureland is now almost fully utilized. This is true, for example, in most of the U.S. Great Plains area, in East Africa, and in parts of Australia.

A second constraint on efforts to expand supplies of high-quality protein is the inability of scientists to date to achieve a breakthrough in the per acre yield of soybeans. Soybeans are a major source of high-quality protein for livestock and poultry throughout much of the world and are consumed directly as food by more than a billion people in densely populated East Asia. The economic importance of soybeans as a source of protein in the world food economy is indicated by the fact that the crop has become the leading export product of the United States, surpassing export sales of wheat, corn, and such high-technology items as computers and aircraft.

In the United States, which now produces two thirds of the world's soybean crop and supplies about 90% of all soybeans entering the world market, yields per acre have increased by about 1% per year since 1950, while corn yields, for example, have increased by nearly 4% per year. One reason why soybean yields have not climbed more rapidly is that the soybean, a legume with a built-in nitrogen supply, is not very responsive to nitrogen fertilizer.

The way the United States produces more soybeans is by planting more acreage. Close to 85% of the dramatic four-fold increase in the US soybean crop since 1950 has come from expanding the area devoted to it. As long as there was ample idle cropland available, this did not pose a problem, but if the cropland reserve continues to diminish or disappears entirely a serious global supply problem will result. The US Department of Agriculture has already projected a declining rate of increase in the 1974 soybean crop.

The oceans are our third major source of protein. From 1950 to 1968 the world's fish catch reached a new record each year, tripling from 21 million to 63 million tons. The average annual increase in the catch of nearly 5%, which far exceeded the annual rate of world population growth, greatly enhanced the average supply of marine protein per person. In 1969, the long period of sustained growth in the world fish catch was interrupted by a sudden decline. Since then the catch has been fluctuating, while the amount of time and money expended to bring it in rises each year. Many marine biologists now feel that the global catch of table-grade fish is at or near the maximum sustainable level.

In sum, it now seems likely that the supply of animal protein will lag behind demand for some time to come.

### DEPLETED GLOBAL RESERVES

Until very recently, the period since World War II was characterized by excess commercial capacity in world agriculture, much of it concentrated in the United States. It now turns out that the world was fortunate to have had, in effect, two major food reserves One was in the form of grain reserves in the principal exporting countries; the other in the form of reserve cropland, virtually all of which was land lying fallow under farm programs in the United States.

In recent years, the need to draw down grain reserves and utilize idle cropland has become increasingly apparent. This first happened during the food crisis years of 1966 and 1967 when world grain reserves dropped to a dangerously low level and the United States brought back into production a small portion of its 50 million idle acres. It happened again in 1971, as a result of the corn blight in the United States. In 1973, in response to growing food scarcities, world grain reserves declined once more, and the United States again resorted to cultivating its fallow cropland, to a much greater degree than on either of the two previous occasions. The grim fact is that world grain reserves have now fallen to their lowest level in two decades, while the world's population has increased by half. The world is down to a 28-day food supply.

On the price front, from the end of World War II until quite recently, world prices for the principal temperate zone farm commodities such as wheat, feedgrains and soybeans have been remarkably stable. In part, this happened because for much of this period world prices rested on the commodity support level in the United States. Now that world food reserves have become chronically low and the US has no cropland in reserve, world prices for important commodities will be very unstable.

The extent of global vulnerability to food supply is underlined by examining the degree of dependence by the rest of the world on North America. Before World War II both Latin America (importantly Argentina) and North America (United States and Canada) were major exporters of grain. During the late thirties net grain exports from Latin America were substantially above those of North America. Since then, however, the combination of the population explosion and the slowness of most Latin American countries to reform and modernize agriculture has eliminated the net export surplus in the southern part of the Western Hemisphere. With few exceptions, Latin American countries are now food importers.

In contrast, North America, particularly the US, which accounts for three fourths of the continent's grain exports, has over the past three decades emerged as the world's breadbasket, exporting 85 million tons of grain a year, up from five million tons in 1934. Exports of Australia, the only other net exporter of importance, are only a fraction of North America's.

The extreme dependence resulting from this situation leaves the world in a very dangerous position in the event of adverse crop years in North America. Both the U.S. and Canada are affected by the same climactic cycles. As matters now stand, a prolonged drought in North America of the kind we have experienced historically about every 20 years, most recently in the early 1950's, would mean widespread famine in many parts of the world.

### THE THREE-PRONGED SOLUTION

#### *I. A global reserve system*

The global food outlook clearly calls for an internationally managed world food reserve of some kind. Such a world reserve could be built up in good crop years and drawn down in times of scarcity. In addition to preventing starvation on a mass scale, this would also help to hold down price increases to the consumer during times of scarcity and hold up prices to the producers when production exceeds immediate world demand. In effect, the cushion and stability that surplus American agricultural capacity provided for a generation after World War II would be provided at least partially by a world food reserve system.

#### *II. Using the potential of the poor countries*

The greatest opportunities to sharply increase food production now lie in the developing countries.

In developing countries that have the appropriate economic incentives, fertilizer, water and other required agricultural inputs and supporting institutions, the introduction of new wheat and rice varieties has paid off in large production increases. However, the big jump that took place in per acre yields in these developing countries, the famous "Green Revolution," appears dramatic largely because their traditional yields were so low. Today, rice yields per acre in India and Nigeria still average only one third those of Japan; corn yields in Thailand and Brazil are less than one third those of the United States. In these nations, large increases in food supply are still possible at far less cost than in agriculturally advanced nations if farmers are given the necessary economic incentives and access to the requisite inputs. I have myself seen test plots in Asia, Africa and Latin America where production exceeds by four and five times the best yield from the fertile heartland of the U.S. which is not blessed by year-long sunshine these countries enjoy. A convincing case can be made for strengthened support of agricultural development in such populous, food-short countries as Bangladesh, India, Indonesia, and Nigeria. An almost equally convincing case can be made that in encouraging such development, particular attention should be paid to involving small farmers in the production effort. There is evidence that small farmers, when they have effective access to agricultural inputs as well as health and education services, engage in labor-intensive agriculture and generally average considerably higher yields per acre than large farmers. A bipartisan legislative proposal introduced in the U.S. Congress in 1973 to restructure the U.S. Agency for International Development and to increase by at least 50% the support it provides for agricultural and rural development in the years immediately ahead, is a timely and important initiative. It could significantly increase the world's food supply.

Concentrating efforts on expanding food production in the poor tropical countries makes sense. It would reduce upward pressure on world food prices; create additional employment in countries where continuously rising unemployment poses a serious threat to political stability; raise income; and improve nutrition for the poorest portion of humanity—those living in the rural areas of the developing nations.

#### *III. Slowing population growth*

The prospect of a chronic global food scarcity resulting from growing pressures on available food resources underlines the need to stabilize and eventually halt population growth in as short a period of time as possible. One can conceive of this occurring in the industrial countries fairly soon given recent demographic trends, particularly if national governments put their minds to it.

In the poor countries, however, it will be much more difficult to achieve population stability within an acceptable time frame, at least as things are going now. For one, the historical record indicates that birth rates do not usually decline unless certain basic social needs are satisfied. A reasonable standard of living, an assured food supply, a reduced infant mortality rate, literacy, and health services seem to provide the basic motivation for smaller families. It is, therefore, vital to the poor nations, and very much in the self-interest of affluent societies such as the United States, to launch a major additional effort directed at helping developing countries to step up food produtcion and generally accelerate the development of rural areas.

Population-induced pressures on the global food supply will continue to increase if substantial economic and social progress is not made. A greatly expanded program to make family planning services available to all who desire them, in rich and poor nations, will be necessary but not enough in itself to break the dismal cycle of ten millenia in which increased food production has been consumed by an ever-expanding number of mouths to feed, leaving much of mankind hungry. The three-pronged solution outlined above might finally do it.

INDEX OF WORLD FOOD SECURITY

| | Million metric tons— | | | Reserves as share of annual grain consumption (percent) | Reserves as days of consumption |
|---|---|---|---|---|---|
| Year | Reserve stocks of grain | Grain equivalent of idled U.S. cropland | Total reserves | | |
| 1961 | 154 | 68 | 222 | 26 | 94 |
| 1962 | 131 | 81 | 212 | 24 | 88 |
| 1963 | 125 | 70 | 195 | 21 | 77 |
| 1964 | 128 | 70 | 198 | 21 | 77 |
| 1965 | 113 | 71 | 184 | 19 | 69 |
| 1966 | 99 | 79 | 178 | 18 | 66 |
| 1967 | 100 | 51 | 151 | 15 | 55 |
| 1968 | 116 | 61 | 177 | 17 | 62 |
| 1969 | 136 | 73 | 209 | 19 | 69 |
| 1970 | 146 | 71 | 217 | 19 | 69 |
| 1971 | 120 | 41 | 161 | 14 | 51 |
| 1972 | 131 | 78 | 209 | 18 | 66 |
| 1973 | 105 | 20 | 125 | 10 | 37 |
| 1974 (proj.) | 89 | 0 | 89 | 7 | 27 |

Mr. HUMPHREY. Mr. President, another very forthright witness in support of legislation to establish a modest program of publicly owned grain reserves was Mr. Charles L. Frazier representing the National Farmers Organization.

He also supported my recommendation that the target price and the loan rate for 1974 be increased to take account of the fact that farm production costs have sharply escalated in the past year.

Mr. President, I ask unanimous consent that Mr. Frazier's statement be included in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF CHARLES L. FRAZIER BEFORE SUBCOMMITTEE ON AGRICULTURAL PRODUCTION, MARKETING AND STABILIZATION OF PRICES, COMMITTEE ON AGRICULTURE AND FORESTRY, U.S. SENATE, MARCH 21, 1974

#### GRAIN RESERVES LEGISLATION—S. 2005 AND S. 2831

Mr. Chairman and Members of the Subcommittee, I appreciate this opportunity to express an opinion on behalf of the membership of the National Farmers Organization on the proposed legislation. These bills would establish a food bank or reserve of the principal grains and soybeans, and in one case cotton, to protect the overall interests of both producers and consumers.

In our National Convention at Louisville in December, 1973, our delegates resolved to "support a national strategic reserve of grains and cotton provided that producers have an opportunity to store a substantial part of such reserves and its availability for release in the market be tightly controlled by the law to prohibit sales at prices less than cost of production plus a reasonable margin of profit."

#### S. 2831

This Bill, introduced by Senator Clark in December, contains provisions that have been thoughtfully designed to require the Secretary of Agriculture to accumulate reserves of wheat, feed grains and soybeans when prices decline to about the target price level. Since we are currently receiving respectable prices for grains and target prices are unreasonably low, the purchases would occur under the provisions of the proposed bill only after there is a substantial break in prices.

Use of the previous five-year average or the target price, whichever is greater, as the maximum purchase price rather neatly calls for action at a time when producers might well deserve protection against further price declines and consumers undoubtedly would be benefiting from lower price levels than those currently prevailing in the market.

Features in Section 7 of S. 2831 are unique in comparison with similar provisions of other reserve legislation introduced in recent years. The language contemplates that CCC owned stocks first be designated as a part of the reserve and that additional quantities called for to establish reasonable reserve levels, would be purchased through the farmer committee system responsible for the administration of the farm program. That feature, combined with the pricing provisions for release of the stocks in times of need, assures the users of these grains that the reserve may be obtained at a reasonable cost when needed. Such stocks would be held largely in the area of production and then will be made available to the market to prevent unreasonably high prices in the event of a short crop or exceptionally large export activity.

The provision in Section 8 limiting the purchase by any single buyer or trade entity to no more than 10% of the reserve stocks in any particular marketing year is highly desirable and should be retained in any bill moved forward by this Committee.

### S. 2005

This bill, as introduced in the form of a substitute on February 19 by Senators Humphrey, Aiken and others, is more comprehensive legislation. This bill deals with actions to be taken when the estimated total carryover the major grains, cotton and soybeans, falls below certain critical levels.

The critical supply levels are defined as 600 million bushels of wheat, 40 million tons of feed grains, 5 million bales of cotton and 150 million bushels of soybeans. So it is presumed that those features designed to increase loan rates and impose a system of export licenses to be administered by the Secretary of Agriculture under such circumstances would be immediately tested by practical application.

These provisions would operate in tandem to assure producers of reasonable safeguards in the event of rapidly falling markets and at the same time, serve notice on foreign purchasers that we would not stand idly by and see all of our stocks exported to the detriment of the American consumer.

Although the 'critical commodity levels' established in the bill are higher than the carryover levels considered most practicable only a few years ago, they might now be acceptable to American producers in view of the exceptionally high export sales made in 1972 and 1973. The provision increasing loan rates to target price level when the carryover is below the critical level is well justified.

Success in establishing reasonable supplies and prices would depend heavily upon the attitude and sincerity with which any new legislation is administered in the Department of Agriculture. It should be especially noted that the contemplated change in loan rates would reduce the liability of the Federal government to make payments if and when production far surpasses our needs and prices fall to a lower level.

### GENERAL

I have not undertaken to comment on each of the provisions of the bills before you. Various proposals to establish and isolate a reserve of these major commodities from the market for the overall benefit of the American consumer have been up for discussion a number of times. Certain viewpoints seem to have changed, however.

When grower representatives wanted to establish a reserve with safeguards against dumping in the market to break producers' prices, several industry groups steadfastly opposed the legislation.

I think it safe to say that they were all for open competition and free enterprise so long as the Government held CCC stocks to assure them of adequate supplies. They were permitted to carry only minimal reserves of their own from month to month to meet their needs.

Some of these industry segments are now reported to be in support of the reserve concept. This points up the absolute necessity of safeguarding any reserves to be established by new legislation against dumping in the market by the Secretary of Agriculture or any other political officer of the Government. We cannot support legislation that does not have clear cut provisions on prices at which the reserves would be released.

We may logically expect the consuming industries to protect themselves by more forward buying and to carry larger inventories as a matter of good business practice. I am certain, however, that we cannot expect them to take a substantial surplus out of the market in times of overproduction nor can we expect them to carry a sufficient reserve to protect the buying public against runaway prices in times of temporary shortage. It may be a new ball game but the profit motive is still properly a part of the rules.

We believe it important to consider the number of producers who are definitely shifting from dairy and livestock to a cash grain type of operation. Milk production in 1973 was off 3½% from 1972. Although milk prices have improved in recent months and the rate of decline may have slackened, many observers believe there will be continuing loss of production in 1974.

Numbers of cattle on feed, March 1st, in the seven big feeder states were down 4% from a year earlier. Hogs were quoted this week at $32.40 and choice steers at $41.75, both prices being well under a year ago. These are not profitable levels by any means.

Legislation that will establish reserves of grain at a time when prices are off from present levels would give some reassurance to dairymen, poultry producers, and livestockmen who need to be encouraged to stay in the business. If it is considered to be in the best interests of all our people to have such a reserve, I suggest to you that the action should be accompanied by an increase in target price levels and loan rates.

We need action on the total feed grain allotment, as contemplated in a recent hearing before your Subcommittee, and a change in legislation to update the distribution of grain allotments among states, counties and grain producers under the new target price concept.

A positive decision by your Subcommittee on these related provisions of the program would be a strong signal to both grain and livestock producers that programs would be used to stabilize these markets at profitable levels in the future. In the absence of some concrete action of this nature, we will continue to have uncertainty and skepticism at the producer level.

I will be happy to work with you or members of your staff if it is your decision to move on this whole package of legislation.

Mr. HUMPHREY. Mr. President, another very forceful witness, and a supporter of the proposal to have a modest government owned food reserve, was Mr. L. C. Carpenter, vice president, Midcontinent Farmers Association and member, board of directors, National Corn Growers Association.

Mr. Carpenter also agreed on the need to raise the target price and the loan level, building on the 1973 Agriculture Act.

Mr. President, I ask unanimous consent that Mr. Carpenter's statement be included in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF L. C. "CLELL" CARPENTER IN GENERAL SUPPORT OF THE PROVISIONS OF AMENDMENT 963 TO SENATE BILL 2005 AND SENATE BILL 2831 RELATING TO GRAIN AND COTTON RESERVES

Mr. Chairman and Members of the Committee:

My name is L. C. "Clell" Carpenter, Vice President of Midcontinent Farmers Association, with headquarters in Columbia, Missouri. Our membership approximates 152,000 in Missouri and adjacent states. I am also appearing as a board member of the National Corn Growers Association and have been asked by that association to express their approval of the general provisions of these reserve bills you are hearing today.

For a number of years the MFA, the National Corn Growers, and many other members of the National Farm Coalition have been urging the Congress to enact enabling legislation to provide for agricultural commodity reserves. With your permission. Mr. Chairman, may I just review some of this testimony briefly.

In 1971 MFA President Fred Heinkel testified before this committee on November 10 as follows: "The Midcontinent Farmers Association, along with other farm organizations, have on previous occasions strongly advocated the enactment of a strategic reserve bill to permit orderly and effective administration of supply management and price support programs in agriculture."

Mr. Heinkel proceeded in part as follows: ". . . It would have allowed a realistic appraisal of the possible blight threat. The reserve stocks on hand would have provided the "insurance" needed. There should have been no need to trigger with the feed grains program . . ." As you will recall, on this date, November 10, 1971, we were struggling with the corn blight problem in the United States and its effect upon the feed supply. And, as you no doubt, further recall farmers were encouraged to increase acreage substantially in 1972 which resulted in a huge crop with price depressing effects.

Again, referring to past testimony, Mr. Heinkel presented to the Senate Committee on Agriculture and Forestry on March 8, 1973, on behalf of the National Farm Coalition the following statement on this subject which states in part as follows:

". . . Establish a strategic reserve of all feed grains, wheat, soybeans, and cotton which will protect consumers and producers alike. This is probably the most effective device whereby consumers can be assured of an adequate supply at a rather consistent price level from year to year. And farmers can be protected against production goals that are too high and may result in huge surpluses and price collapse . . ."

I have before me numerous other testimony and statements that both Mr. Heinkel and I have made in support of such legislation as we are considering here today.

With your permission, Mr. Chairman, I would like to quote one section from our Report of the Resolutions Committee adopted at our MFA Convention of August 6, 1973. This quotation is found on page 3 which states in part as follows: ". . . Left unresolved is the question of need for a national reserve of storable farm commodities. We strongly urge Congress to establish a farm and consumer commodity reserve which would be isolated from the market. Such action would complement and strengthen present programs. It would make it possible to adjust annual farm production more closely to expected national domestic and export needs while providing asurance of adequate supplies to meet emergencies. A commodity reserve would prevent recurrence of the serious situation facing us now due to the temporary short supply of grains and animal protein."

Mr. Chairman, I apologize for taking the commitee's time to review some of the past occurrences, but I am doing this to leave no question in anybody's mind that the establishment of a strategic reserve is not a new idea, but one that has been advocated strongly by a great number of organizations over the past many years. The two bills being considered here today authored by the distinguished senators from Minnesota and Iowa are seeking basically to attain the same objective but through substantially different approaches.

Mr. Heinkel and I have discussed at some length the various approaches and have decided that with the facts and figures that are available and the expertise that exists in both the Senate Agriculture Committee and in the Department of Agriculture it would be best that you folks make the determination as to the amount of the reserve that will work most satisfactory and also to determine the price level and under what conditions these reserves may be used.

*I think* everyone who has ever studied the reserve proposals realizes that the major problem will be our ability to devise legislation and procedures that will completely isolate this reserve from the market and prohibit same from being a price depressent. Conditions today are entirely different from those at the time we offered our previous testimony.

Grain supplies of both the United States and the world are the lowest they have been for 20 years. This is a result of an increased world demand and a short-term reduction in world production. Fortunately, however, the shortage of grain supplies comes at a time when the actual production of the United States farms have the capacity to produce at the highest level ever.

Declining supplies of grain, support loans, gyrating feed prices, and of course, higher food prices have caused much concern and have led to the furthering of the movement to establish a national grain reserve program. Yes, concern for prevention of starvation in developing countries has caused concern for establishment of an international grain reserve. Until recently, the United States had two basic reserves, or realistically they might be called surpluses. One has been the supply of grains owned by the U.S. Government; the other reserve has been the potential capacity provided by idle farmland.

Millers, commercial grain traders and foreign countries have relied upon these surplus reserves. At times, these surplus reserves have been managed in such a manner as to, in effect, put a ceiling on farm prices. We insist that one of the provisions of this bill will assure that any reserve program be so developed and administered as not to depress farm prices.

There is now being advanced an idea favoring a national strategic reserve. With the expanding world demand for food and with the need to *stabilize* the dollar by offsetting nonfarm imports with farm exports, it is essential reserves be established to permit the United States to meet export demands on a consistent and continuing basis. The dependability and the reliability of the United States as a major supplier cannot otherwise be established.

Secondly, it is essential to establish a national grain reserve in order to prevent wild fluctuating prices such as those experienced the past two years. The United States had really not treated the government supplies as a reserve but rather as a surplus. When these surpluses no longer were available, prices jumped up and down as buyers were competing for the available grain supply. Our unfortunate experience last spring and summer with soybeans wherein the government found it necessary to place an embargo upon the sales was not a desirable experience, and should make everyone involved more aware of the need for a domestic grain and cotton reserve. These fluctuating prices are not to the best interest of the producer or the general public.

It is also essential to establish a national grain reserve in order to meet the emergency needs of this country such as drought, blizzards and flood. The flood conditions in the Midwest last year were disastrous. Climatologists are predicting the cycle of weather is now right for a major drought. Such a calamity in 1974 would indeed be a disaster.

We further recommend the establishment of a national grain reserve which can assist in many international situations. This may include helping developing nations who encounter adverse climatic or other conditions. We may wish to use our food as a diplomatic tool to improve our relations.

We would hope a substantial portion of such a reserve as we are discussing here might be held in the hands of farmers. An international grain reserve supported by all nations and established to provide for world emergency needs is also a desirable goal. Many of the developing countries have come to rely on U.S. Government aid programs in emergencies. The United States in the past has always been willing to do its fair share. However, it would seem no more than right for other nations to assume like responsibility.

It is interesting to note that some farmers and farm groups who have previously supported this proposal are now taking a second look and appear to have receded in their position. However, we are convinced this is a short sighted view and largely the desire of those persons to "have their cake and eat it too". Nobody's been able to accomplish this feat as yet. It is, however, also interesting to note that a great number of persons and organizations who previously opposed strategic reserves are now proponents. Some grain exchanges are advocating such a program. Many consumer organizations are strong advocates. Only last week I was visiting with Don Paarlberg, chief economist of the USDA here in Washington, who stated that the Department of Agriculture was taking a favorable view, particularly as it applied to international reserves.

Mr. Chairman, I will not belabor this subject further. I sincerely hope that we have made our position clear—that we strongly support enabling legislation to provide for strategic reserves and possibly some accounting at least of our major exports of strategic commodities.

Again, may I say that we are probably not as helpful to you as we should be in suggesting a reserve level, how the reserves would specifically be acquired and more definitive as to how they should be released. We have full confidence in the ability of this subcommittee, the entire United States Senate Agriculture and Forestry Committee and your capable staff members to arrive at these decisions which will be in the best interest of not only producers and consumers, but the world in its entirety. Thank you very much for the privilege of appearing here today.

Mr. HUMPHREY. Mr. President, another witness speaking in support of my bill and in opposition to the position of Secretary Butz was Mr. Lauren K. Soth, representing the National Planning Association.

Mr. Soth brought a useful historical perspective to the hearings in recalling how reserves had been useful in the past in meeting emergency requirements such as World Wars I and II, the Korean War and the drought in India.

Mr. President, I ask unanimous consent that Mr. Soth's statement also be included in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement of Mr. Lauren Soth

### A NATIONAL POLICY ON GRAIN RESERVES

The Committee has copies of the National Planning Association pamphlet entitled "Feast or Famine: The Uncertain World of Food and Agriculture and Its Policy Implications for the United States." This report was prepared by Dr. Willard W. Cochrane, professor of agricultural economics at the University of Minnesota. The pamphlet includes a policy statement by the Agriculture Committee of the National Planning Association. Dr. Cochrane was unable to attend this hearing, because he is out of the country.

The National Planning Association is an independent, private, nonprofit, nonpolitical organization. It engages in economic and social research, aimed at making the best possible use of resources to achieve the material and cultural goals of Americans. NPA was founded in 1934. It is financed by contributions and by grants for research projects from foundations, government agencies and international organizations.

National grain reserve policy is not a new subject for the Agriculture Committee of NPA. In all our policy statements concerning United States agricultural policy for the last 25 years or so, we have given consideration to the accumulation of grain reserves and their disposition onto domestic and foreign markets.

In recent times, with very large gyrations in export markets, the use of food as aid for under-developed countries and the continuing hazards of weather affecting crops the world around, the committee has concluded that grain reserve policy is more important than ever. I know I speak for the committee as a whole when I say we are very glad to see this Senate Committee considering a definite program of maintaining reasonable reserves of wheat, feed grains, and soybeans.

In a statement on farm and food policy that the NPA Agriculture Committee issued last year, we urged that the nation should explicitly affirm a policy of maintaining reserve stocks and of using them to stabilize markets. The pamphlet and statement I just referred to reassert the committee's belief that a national policy for grain reserves is needed.

The committee asked Dr. Cochrane to prepare the basic document which you have before you. I consider it one of the best analyses of this subject now in existence, and I recommend it highly to the Senate Committee. I might point out that of 31 members of the NPA Agriculture Committee, all but one member signed the statement accompanying the Cochrane report. This is a very unusual indication of support for the general idea in this publication.

Only one member of the committee signing the statement disagreed with the general thrust of the argument in the committee statement. The NPA Agriculture Committee is made up of farmers, representatives of agribusiness including farmer cooperatives, representatives of the leading farm organizations, agricultural economists and even a couple of newspaper editors. I think we represent a broad cross-section of knowledge and interest in American agriculture.

Mr. Chairman, if I may, I should like to say a few words of my own about the importance of establishing a clearly defined grain storage and supply stabilization policy.

First, the experience of this country in the last 40 years indicates to me that we have had a fairly effective grain stabilization policy at critical times, but it has been done by accident and not by plan.

In the 1930s, you will remember, under the crop loan programs following the severe drought years of 1934 and 1936, there was a considerable accumulation of grain. These so-called "surpluses" were viewed with great apprehension by those who thought the government should not intervene in the marketplace.

Actually, the accumulation of supplies under government loans and government ownership was not large by any reasonable standard of protection against shortage. But the stocks seemed large, because they were so much larger than the private trade had ever carried. For example, in the fall of 1939, we had about 600 million bushels of corn as a carryover prior to harvest of the new crop. In 1940, this carryover had gone up to nearly 700 million bushels.

In the late 1920s, and up to 1933, by comparison, corn reserves under private warehousing never got above 280 million bushels.

I am using figures for corn only, for simplicity's sake, but they reflect the entire grain storage situation, although the peak storage of wheat was reached later, in 1942. Corn, of course, as you know, is the most important grain in this country in volume of production and use.

This great "surplus" of corn in 1940, overhanging the market, as was said at the time, proved to be a resource of very great value to this country when World War II broke out and the demand for food rose sharply among the allied nations. Reserves of corn and other grains were depleted rapidly to fill war needs.

Reserves of grain also accumulated in the years following the war, reaching a high point in the case of corn in the fall of 1950 at around 850 million bushels. This reserve also proved to be a valuable asset when the Korean War increased the demand for food. In spite of increasing harvests of corn in the next couple of years, the reserves were reduced.

In the late 1950s, grain reserves piled up to the highest level ever, under the farm program then in operation under the management of Agriculture Secretary Ezra Benson.

Price supports and loan values of grain were kept at a high level, but there was no crop acreage control. The result was that corn reserves accumulated to the extent of 2 billion bushels by Oct. 1, 1961. These reserves were lowered during the next few years by stimulation of large exports and by crop acreage controls limiting production. Even so, we still had a reserve of corn on Oct. 1, 1964, of 1.5 billion bushels.

Here again, a "burdensome" surplus turned out to be a very useful reserve when grain production fell off drastically in South Asia in 1965 and 1966. In those years, in fact, the three largest grain producing countries in the world—China, Russia and India—all suffered drought conditions.

The United States, fortunately, had a big supply of grain on hand, including 1.2 billion bushels of wheat in July, 1963, and was able to meet the needs of South Asia, while Canada and Australia were selling wheat to China and Russia.

The fourth example I should like to mention is the short crop in Russia in 1972 and the entry of the Soviet Union into the world market on an unprecedented scale to buy wheat. Here again, the United States had large reserves and was able to sell 400 million bushels to Russia.

I won't go into the question of how this sale was handled and how it was allowed to distort American markets and result in skyrocketing food prices. My only point here is that the U.S. *did* have a big supply of grain on hand, and this supply turned out to be useful in a time of world shortage.

In all these cases, but particularly in the last one, a well-understood policy of government management of stocks would have improved the situation. In 1971 and 1972, for example, Agriculture Secretary Earl Butz seemed to view our reserves as a horrible surplus, something to get rid of by any means whatsoever and as quickly as possible. Dr. Butz is a child of the era of surplus psychology in American agriculture, like many of the rest of us. He also is a doctrinaire believer in free markets and keeping the government out of them. A person with this philosophy is not the right person to deal with the handling of grain surpluses and shortages, because his heart is not in the job.

If we had had a clear policy of retaining a minimum reserve stock of grain in this country, Secretary Butz could not have dumped it overseas to the Russians at cut-rate prices the way he did. He would have had to think of a balancing operation, not just getting the government out of the grain business.

Many people feel that the private grain trade is able to handle the balancing function of holding grain reserves in time of plenty and disseminating them in time of shortage. The 1972 case is a good one to examine from this point of view. Several of the big grain companies were operating individually, in secret, making deals with the Russians. Presumably, no one firm or agency, not even the Department of Agriculture, knew exactly what was going on.

There is no reason why private grain companies and farmers cannot handle a good deal of the grain storage function. However, a central planning agency, the Department of Agriculture, must overview the whole situation and decide what is the reasonable reserve to be carried under the circumstances and to see that it is carried. Someone also must decide, on the basis of understood rules of pricing and in-storage targets, when grain is to be moved out of storage. That cannot be left to private business. Individual business firms cannot be expected to undertake, on their own, to provide a reserve for market stabilization.

The sensible operation of a national grain reserve or ever-normal granary policy can minimize the need for acreage adjustments. As far back as 1935 and 1936, Henry Wallace was saying that grain reserves could help stabilize prices and reduce the need for changes in acreage. However, the nation never has adopted such a policy consciously.

Many people think that we will never have agricultural surpluses again and that food will be scarce from now on. If this is so, all the more reason, from the consumer viewpoint, why adequate reserves must be built, because some years are going to be shorter than others, and we will still need a balancing supply for emergencies. In my own view, we could have surpluses again, and not far in the future, either.

Russia had a big crop in 1973. If Russia has another big crop this year, and if North America harvests more grain than ever before, as seems likely, world grain prices could tumble very sharply. At such a time, grain reserves should be built up, on farms and in elevators in terminal distribution points. We should know by now that such stocks of grain will come in handy sometime ahead because of drought or unusual export demand.

During the accumulation of such stocks, of course, prices will be supported, protecting and stabilizing the income of farmers. Farmers need to recognize, however, that when grain reserves are disseminated during a time of shortage, their prices will be reduced. The overall advantages of stabilization to them are great.

Opposition to this legislation is being aroused among farmers on the usual argument that market "overhang" is injurious to farmers, making them subject to capricious action by the government to wreck their markets. The answer to such fears is to establish specific rules for acquiring and letting go the stocks, including price standards for releasing grain. I think farmers are wise enough to see that they suffer from wild ups and downs in prices, the same as consumers do.

The improvements in farming technology in the last few decades, including the improvement of varieties of wheat and rice for South Asia (the "green revolution"), take some of the hazards out of grain production. The development of more new lands for wheat in the Soviet Union, announced by Chairman Leonid Brezhnev the other day, also adds to the grain production potential of the world and reduces the risk of famine.

However, I should like to stress that weather is still the biggest factor in the variability of food production. Unless the major grain producing and consuming nations can develop adequate reserve carrying policies, the world will again face, periodically, severe deficits in supplies, with soaring prices and hunger.

Both the U.S. and Russia should develop better reserve policies. Adding new land will not solve the Russian problem, and taking off the acreage controls here does not solve ours.

The legislation proposed by Senator Humphrey and others is certainly the right direction to take. My own hunch is that the target figures for reserves are too low—600 million bushels of wheat and about 1.5 billion bushels of feed grains are small figures by comparison with the stocks accumulated in past years from price support programs. I believe larger stockpiles will prove advantageous in the future.

Mr. HUMPHREY. Mr. President, very useful and important testimony was also provided by James McCracken, representing Church World Service, and Sandra DeMent and Robert Eisenberg, representing the National Consumers Congress.

Mr. President, I remain hopeful that both the subcommittee and the full committee will take favorable action on this legislation.

In my view, the proposed bill addresses important needs for both farmers and consumers in the United States and our export customers abroad. We need to establish a program which effectively meets those responsibilities.

## CONCLUSION OF MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, has morning business been closed?

The ACTING PRESIDENT pro tempore. Morning business has not been closed.

Is there further morning business? If not, morning business is closed.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending business is the Mondale-Nelson amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that that amendment be temporarily laid aside for not to exceed 3 minutes and that I be permitted to offer an amendment, and I ask that the clerk state it.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 114, line 2, strike out "BUDGET" and insert in lieu thereof "CERTAIN".

On page 114, line 12, immediately after "Committees on", insert "Appropriations, Finance (or Ways and Means) or".

On page 114, line 12, immediately after "Committee on", insert "Appropriations, Finance (or Ways and Means) or".

On page 114, line 14, immediately after "Committee on", insert "Appropriations, Finance (or Ways and Means) or".

Mr. ROBERT C. BYRD. Mr. President, this amendment has been discussed with Mr. Ervin, Mr. Percy, and Mr. Muskie, the managers of the bill.

The amendment would provide that it shall be the duty and the function of the Congressional Office of the Budget to furnish three kinds of assistance to the three committees—the Appropriations Committee, the Finance Committee, and the Budget Committee.

The Congressional Office of the Budget would have to provide to these three committees information with respect to the budget, appropriations bills, other bills authorizing or providing budget authority or tax expenditures, and with respect to revenues, receipts, estimated future revenues and receipts, and changing revenue conditions. It would also have to provide such other related information as the committees may request. Finally, the office would be directed, at the request of the committees, to assign personnel to assist the committees on a temporary basis.

The amendment would help to assure that the Congressional Office of the Budget will be responsive to the needs of the three committees most directly involved in revenue and spending matters. At the same time, pursuant to other provisions of the bill, the office will be able to assist other committees and Members, as well.

I hope that the managers of the bill will accept the amendment.

Mr. ERVIN. Mr. President, I favor the amendment, and I hope the Senate will adopt it. I think it improves the bill and makes the Congressional Office of the Budget more helpful in achieving a practical budgetary system.

Mr. PERCY. Mr. President, by the very nature of the bill, the responsibilities of the Committee on Finance and the Committee on Appropriations would be increased tremendously. They would be given certain directions and duties and obligations as a result of this change in procedure. It is only right and proper, therefore, that they should have a professional staff available to them for that purpose. On this side of the aisle, we certainly support the amendment.

Mr. ROBERT C. BYRD. I thank the distinguished Senator.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

The ACTING PRESIDENT pro tempore. The question recurs on the amendment of the Senator from Minnesota and the Senator from Wisconsin. Who yields time?

Mr. NELSON. Mr. President, apparently the Senator from Minnesota (Mr. Mondale) was not notified of the change in the hour. He is a cosponsor of the amendment. I ask unanimous consent that there be a quorum call not to be charged against the time on the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the pending business be set aside, and I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The amendment will be stated.

The legislative clerk read as follows:

On page 142, line 7, after the word "new", insert the following: "or increased".

On page 143, line 13, after the word "new" insert the following: "or increased".

Mr. MUSKIE. Mr. President, this is a technical amendment dealing with that provision of the bill which provides for information on tax expenditures. The purpose of the amendment is to make clear that what is involved is not only new tax expenditures, in other words, new tax loopholes, as they are referred to, but increases in current tax expenditures. This is a technical amendment that has the approval of both sides, and I move the adoption of the amendment.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MUSKIE. Mr. President, I suggest the absence of a quorum on the same basis.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Wisconsin (Mr. Proxmire) be recognized for not to exceed 15 minutes.

### ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, after the recognition of the Senator from Wisconsin (Mr. Proxmire), there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 5 minutes each.

Mr. ERVIN. Mr. President, when I stated at the outset of the discussion on the bill the names of those who had been of assistance in bringing the bill to its present state, I failed to note that Nick Bizony, a former member of the staff of the Committee on Government Operations, had been of most material assistance in the development of the bill. He has been a tireless worker for me in connection with the bill, so I wish to have this statement appear in connection with the statement I made concerning others whose assistance has been so great.

### AMENDMENT NO. 1046

Mr. NELSON. Mr. President, I call up amendment No. 1046, which has been proposed by the Senator from Minnesota (Mr. Mondale), the Senator from Kansas (Mr. Dole), the Senator from Delaware (Mr. Biden), and myself.

The ACTING PRESIDENT pro tempore. That amendment is the pending question. It has already been laid before the Senate as the pending question.

Mr. NELSON. I thank the Chair.

The amendment proposes to have the Budget Committee established on a rotation basis. It provides that of the 15 Senators to be appointed, 5 shall serve for 2 years, 5 shall serve for 4 years, and 5 shall serve for 6 years; and that thereafter all the members of the committee shall serve for 6 years, and at the end of their 6 years they must leave the committee, but would be eligible to return to the committee at the expiration of another 2 years.

Under this amendment, two-thirds of the committee at all times would be experienced members of the committee with from 2 to 4 years of service. Furthermore, under the amendment, members of the committee would not have to give up membership on any one of the other categories of committees. I think we are going to run into trouble in getting experienced Senators to serve on the Budget Committee if it is going to require that they give up membership on one of their two major committees. In fact, I have asked nine Senators, two on the Republican side and seven on the Democratic side, and all of them responded that they would not give up either one of their major committees—category A committees—to serve on the Budget Committee. If that is any indication, we are going to have great difficulty in getting any experienced Senators to serve on the Budget Committee. That, I think, would be unfortunate.

Furthermore, I think it would be a mistake to establish a Budget Committee with permanent membership, with no rotation, for two reasons. One of them is that the Budget Committee is going to make determinations respecting the budgets of all the authorizing committees. It seems to me that that responsibility ought to be spread as broadly as possible, and that by rotating membership on the committee with five new members every 2 years, that responsibility will be more broadly assumed by more Senators, as it should be, because budget questions and budget problems are the responsibility of every Senator.

Second, if a Budget Committee is appointed, and the caucus of either body is not satisfied with the performance of the committee, there is very little that the caucus can do about it; whereas, if there is a rotation every 2 years, with five new members on the committee every 2 years, the respective Senators in each caucus could have some voice in the nature and philosophy of the membership of the Budget Committee. So the caucuses can have some input in making a change, which they are likely to desire from time to time.

So I think it would be a much more effective and sound procedure to establish a committee in which the members are rotated and are not required to give up membership on either one of the category A committees.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. NELSON. Mr. President, how much time do the proponents of the amendment have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin has 21 minutes remaining.

Mr. NELSON. I yield whatever time he desires to the distinguished Senator from Kansas.

Mr. DOLE. Mr. President, I am pleased to join in offering the amendment to provide the Senate Budget Committee with a rotating membership.

The idea of having new members joining the committee at the start of every new Congress is a very healthy and refreshing concept. It means that this very important committee would not become an exclusive, rigidly structured bastion of entrenched ideas or dominated by the laws of survival in the seniority system. Rather, it would be a committee where Senators could serve long enough—6 years—to become knowledgeable in budget matters but not so long that they would become stale as the years go on. The provisions permits a Senator to return to the committee after a 2-year absence, and thus would allow those with a special interest and unique qualifications to give longer service if they chose to do so.

Because the amendment also allows a Senator to retain his other major committee assignments while serving on the Budget Committee, it will encourage senior as well as junior Senators to serve on it.

The practical effect of the amendment—when combined with retirements and the results of the electoral process—would be to turn over at least one-third of the Budget Committee's membership at the beginning of each new Congress. I believe such a flow of new faces, ideas, and outlooks would be highly beneficial, and might prove to be a pattern which would bear extension to the full committee system as we gain experience with it.

Since the establishment of the Budget Committee will mark a new departure in congressional operations, it would be entirely appropriate for the Senate to try out a new concept of membership at the same time. Being new, the committee has no carryover membership or traditions, no established patterns of privilege, or individual kingdoms. We can undertake this experiment without stepping on anyone's toes or divesting anyone of his rights gained through seniority.

I believe the rotating membership would benefit the entire committee system as more and more Senators gain budget experience which they can apply to their work on other committee assignments. As this experience becomes more widespread it cannot help contributing to smoother and more effective functioning of the entire Senate committee system.

I believe this rotating membership amendment is highly appropriate and fully in keeping with the spirit of reform which is behind the budget bill. I am pleased to join in submitting it and I urge its adoption by the Senate.

I yield back the remainder of my time.

Mr. NELSON. Mr. President, I yield the Senator from Minnesota whatever time he may require.

Mr. MONDALE. Mr. President, I rise in support of the amendment offered by distinguished colleague from Wisconsin (Mr. Nelson) to the pending bill.

Under the pending bill, membership on the Budget Committee would be determined—as with other standing committees of the Senate—by majority vote of party caucuses.

Our amendment would modify this procedure to provide for rotating membership on this crucial committee—with service limited to 6 years.

If the budget control procedures in the pending bill are to be successful, this committee will be among the most important in the Senate. It will have a major influence over our decisions regarding the appropriate levels of Federal expenditures and Federal revenues. It will have a strong influence over the priorities attached to the expenditure of Federal dollars.

The committee membership provision of the pending bill represents a major improvement over the original proposal of the Joint Committee on Budget Control. The committee's recommendations would have restricted two-thirds of the Budget Committee's membership to members of only two committees—Appropriations and Finance.

And these members would be selected by their respective committees. The pending bill opens membership freely to all Members of the Senate, and provides for determining membership in the regular way through vote of the party caucuses.

But this will be a powerful committee. It will have tremendous influence over the work of every other committee in the Senate. It will have a major influence over the work of every Senator and committee. And therefore I believe the system of rotating membership which we are proposing has at least three important advantages.

First, it will allow participation by a larger number of Senators over the years in this very crucial work—and it will give every Senator who has served a perspective which I believe will make him more effective in his work on other Senate committees.

I think it is fair to say that the work of this Budget Committee will be effective to the extent that it has the respect of the Senate, and to the extent that it does not the committee will be ineffective. For that reason, I believe that a committee which is broadly drawn from the Senate and then constantly renewed by new membership and strengthened by the knowledge of those who have served on it for the requisite 6 years will be a committee which, by its very nature, will be more responsive to all Members of the Senate than one which is drawn up and whose membership sits on the committee according to the traditional rules of committee membership.

Second, it will assure a flow of fresh ideas into the Budget Committee, which I believe is found to assist it in its complicated work. Third, since all the members of the committee will be temporary, it will help to assure that the Budget Committee continues to view itself as representative of the Senate and its committees as a whole.

And fourth, changing membership on the committee will help assure that all the views are represented fairly on the committee, as opinions and viewpoints change in the Senate itself and its committees as a whole.

I believe the notion of rotating membership is uniquely applicable to the Budget Committee, because it is essentially a body designed to reconcile the competing goals and priorities established by the substantive bodies of the Senate. It is in many ways a procedural committee, not designed so much to take up work now being performed by other committees, as to see that the Senate as a whole faces the fact that actions we take on individual measures from individual committees are interrelated in ways which we have too often failed to recognize before. That is the whole idea of this committee, and the degree to which it is able to do its job depends entirely upon the respect that it enjoys in the Senate.

Since this is a procedural committee—and such an influential one—I think it is appropriate to assure that its membership will be open to as many as possible, and will continue over the years to be as representative as possible of the broad range of views that make up the Senate at any time.

Mr. President, the concepts in the pending amendment were introduced as part of amendment No. 601 to S. 1541 last October by myself and the distinguished Senator from New York (Mr. Javits). I believe they would represent a constructive addition to the pending bill, and I urge adoption of the amendment proposed by the distinguished Senator from Wisconsin (Mr. Nelson). I believe they are a very valuable and important contribution to the workings of this committee.

**Mr. NELSON.** Mr. President, I reserve the remainder of my time.

**Mr. ERVIN.** Mr. President, if rotating the members of the committees had been desirable, it would have been done sometime between the time the first Congress met in 1789 and the present date. However, we have had this uniform experience all during that time, and this proposal is totally out of line with that experience and with the Senate rules concerning the membership of committees.

I think that all of the rules governing membership on committees should be uniform, and not be varied for any particular committee. If this committee has rotating membership, my friends may call it a major committee, but it is going to be the most minor committee in the Senate. That is because most persons who come to the Senate go on a committee and stay on that committee. They have the aspiration of sometime being its chairman, or the chairman of an important subcommittee of that committee. If one got to be chairman of the Budget Committee, he would rotate off after 6 years. Even if he got to be chairman of a subcommittee, he would rotate off after 6 years. As a result, the committee would have virtually no prestige. This is a certain way to make it a minor committee.

Down in my county a man used to have to pay $3 for a marriage license. A certain man went into the court house, paid his $3, and got a marriage license to marry a woman by the name of Mary. Before he got around to using the license, he met another old flame and changed his mind. So he came back and said, "I have changed my mind. I want to marry Martha instead of Mary. Just strike out Mary's name in this license, and write Martha there."

The register of deeds, who issued the license, said, "I cannot do that; you have to get another license if you want to marry Martha."

The man asked, "Do I have to pay another $3?"

The register of deeds said, "Yes."

The man said, "Well, I will just go ahead and marry Mary, then, because there is not $3 difference between the two girls."

If we are going to allow a Senator to be a member of the Budget Committee for only 6 years but retain membership on other committees, I think he is going to say there is not $3 difference between them.

The Budget Committee will be a minor committee if a man can stay on another committee and become its chairman or chairman of a subcommittee, and acquire great prestige and great experience on it, but not be allowed to remain on the Budget Committee for more than 6 years.

Now, some years ago, I heard Dr. Gallup make a speech in which he said we would have better government in this country if we did not allow a Senator or a Representative to be elected more than one time. He said that we would get new ideas and new blood into the picture. Someone in the audience noticed I was there and said, "I see one of our Senators here. I should like to know what he thinks about your proposal."

I said that I disagreed with Dr. Gallup, that Dr. Gallup was a great prognosticator, but if I did not allow Dr. Gallup to prognosticate for more than 6 years, he would not be much of a prognosticator. I further said that I believed experience was the most efficient teacher of all things, even prognosticating and legislating.

I believe that applies with equal force to serving on a committee. This is a committee that demands a strong chairman, strong chairmen of subcommittees, and strong members—experienced men. Why throw away a man's experience after 6 years? Why take away the incentive to serve on this committee? If there is any committee of Congress that needs experience it will be the Budget Committee, because these men will be the men on whom the fiscal responsibility of this Nation will rest. Hence, for that reason, I respectfully submit that this amendment should be rejected.

It should be rejected in the first place because it is out of harmony with the uniform rules applying to all other committees. It should be rejected because it is out of line with the experience of Congress in the field of committee work. It should be rejected because it would convert this committee, which should be one of the major committees of the Senate like the Finance Committee and the Appropriations Committee, into a minor committee. It should be rejected because it takes and does away with the practice which has been recognized as being valid all the time the Senate has been in existence; that is, that experience is the most efficient teacher of all things. That is particularly true with respect to such important matters as setting the Federal financial house in order.

Mr. President, I now yield to the Senator from Illinois (Mr. PERCY) whatever time he may require.

**Mr. PERCY.** Mr. President, I find myself in complete agreement with the distinguished chairman of the Government Operations Committee, the Senator from North Carolina (Mr. ERVIN). Possibly it is because we have gone through this process now on three or four different occasions, considering amendments which have been offered in committee for the membership of the committee itself. We started out with recommendations by the joint study committee on budget control, it was the feeling that there should be a fixed number from the Finance Committee and from the Appropriations Committee. Only one-third of the committee was to be chosen at large. After a good deal of debate, we finally rejected that thought.

I would pay great tribute to the distinguished Senator from Minnesota and the distinguished Senator from Wisconsin whose thoughts were transmitted to us at that time, that this committee should be open to all and should not be the special province of any standing committee. So it was in response to that thinking that we looked around for another formula.

The Senator from Minnesota was articulate in presenting his viewpoints. The Government Operations Committee arrived at one formula. The formula was further improved in the Committee on Rules and Administration so that there would not have to be a decision at the outset by any Member of the Senate as to whether they would give up some other standing committee and take membership on a committee whose operation and importance remained to be seen.

We have now determined, as a result of all that deliberation, that there would be this grace period so that experience could be gained; but that the committee is to be made up, like all committees of the Senate, by a vote of the caucuses of the two parties.

After all that deliberation, and for all those reasons, given on many occasions during the deliberations, regretfully, I shall vote against the pending amendment and urge that it be rejected.

Certainly I would vote against it because it would tend to make service on the committee a transitory experience. It would tend, possibly, to be looked upon as a good place for someone to get training, and this committee is no place to get on-the-job training.

As the distinguished chairman of the committee has said, we need the most experienced men because we are dealing in this particular fiscal year, 1975, with a $304.4 billion budget. We would be weighing the priorities of where that money should go and making recommendations to the Senate for an overall spending limit as well as the targeted amounts to establish for each of the functional breakdowns.

This is where we need the great experience of Senators to be brought to bear on this problem. We would certainly not want to have the feeling, in relationships between the Senate Members and the staffs, that the men rotate out and they are going to be there only to gain the kind of experience they would gain on other committees. We may end up that this committee would be too much dominated by the permanent staff because of the rotating nature of the membership; also my concern that the committee members, knowing they would only be there for a limited period of time, would give the committee less attention. They may not really pour themselves into the job as a member of the Budget Committee the way they would on another committee, where they would know that they would probably be spending to good portion of their Senate careers on that committee. That would be a tragedy because every committee in a sense is fighting for priority in the time of every Member of the Senate. Naturally we gravitate toward that committee where we feel a greater sense of responsibility, duty, and obligation. I have noticed, through the period of 7 or 8 years now, that it is generally the chairman and the ranking member that is in the Chair at a hearing and they have a sense of obligation and duty, and that sense of duty and obligation might simply not be there with the rotating nature of the membership.

We want this committee to have the same devotion, the same sense of responsibility that other standing committees have. I think that during the whole course of this dialog we have tried to indicate, with one exception, that the committee should be considered like all other committees.

For that reason, with all due respect to the authors of the amendment who, of themselves, have already contributed and had a great input into the final decision made by the Government Operations and Rules Committees, I should hope they would feel that input was sufficient and that this additional element of rotating membership would not contribute to it.

So I would have to vote against the amendment. Again, I thank the authors of this amendment for the contributions they have already made, a large part of which has already been accepted and incorporated into the provisions of the bill from their basic thinking.

Mr. NELSON. Mr. President, how much time remains?

The PRESIDING OFFICER (Mr. BURDICK). The proponents have 15 minutes remaining.

Mr. NELSON. Mr. President, there is no question that there is substantial merit to the position taken by the committee which was just spelled out in some detail by the Senator from Illinois and the Senator from North Carolina. There are good arguments on both sides.

As a matter of fact, there are Members who believe that, in fact, we ought to have only one committee assignment, one major committee, and proposals will be made to that effect. But I think that at least we ought to be clear about the nature of this committee.

I do not think it is valid to compare this committee with another committee of the Senate, such as Finance or Appropriations or Labor and Public Welfare or Commerce or Foreign Relations or Armed Services, because it is not the same. This is, in fact, a supercommittee. It will be dealing with appropriations that have been authorized by every authorizing committee of the Senate, and it will be establishing policy of great consequence, determined by what it decides to do respecting the authorizations and appropriations of all the authorizing committees. So it is quite a different kind of animal.

If this committee should become totally unrepresentative of the Senate, as from time to time committees of the Senate have, then we would have a committee which would be dealing with all authorizing committees, and it would have a much greater significance than if a single committee of the Senate should become unrepresentative.

I believe most people would say that as of a few years back—not very far back, either—if one counted the votes in the Senate versus the votes in, say, the Finance Committee, the Finance Committee was much more conservative than the Senate as a whole. But it would be quite another matter if this supercommittee were to be unrepresentative of the viewpoints of the Senate as a whole.

We may have to revise the statute, based upon experience. If, by rotating and allowing the members of the Budget Committee to retain their major committee assignments, we found that it did not work, we would nave to modify it. But I think that is the place we ought to start.

As I mentioned earlier, of nine Members, by my recollection—I said two of them on the Republican side, but it was three on the Republican side, and six on the Democratic side—not one would give up a major committee to serve on the Budget Committee. If we start out this way, we may have a very serious situation. Not all of the nine were senior Members. Some had been here 4 or 5 years, some 10 years, and some 15, 16, or 18 years. So I think we ought to spread this responsibility around and be sure that we have a mix of representation of the Senate, that represents the general view of the Senate, with an opportunity to change that representation by one-third every 2 years, in any event.

One more point: The distinguished Senator from North Carolina made the point that if this were a committee with a rotating membership, because of the transitory nature of service on the committee, it would not have prestige. I submit that neither this committee nor any other office gets its prestige from the length of time an individual serves in it. Prestige to an office or prestige to a committee comes from two sources: the authority, or power, of the office, the authority, or power, of the committee, and the manner in which the members of the committee or the holders of the office exercise that power.

Surely, nobody would suggest that the office of the President of the United States is a weak office because it is transitory and the President cannot serve more than 8 years. That is not what makes the office significant. What makes it powerful is the constitutional authority that office has. It will have prestige in accordance with the authority of the office and the manner in which the holder exercises that authority. So the fact that the term of the holder of the office is temporarily extended to not more than 6 years does not determine the prestige or the authority of that office.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 7 minutes and a small plus.

Mr. NELSON. I reserve the remainder of my time.

Mr. ROBERT C. BYRD. Mr. President, I should like to propound a unanimous-consent request.

I ask unanimous consent that after the distinguished Senator from Maine (Mr. MUSKIE) and the distinguished Senator from Montana (Mr. METCALF) have had an opportunity to discuss the pending measure for 5 minutes, which will be yielded out of the time of the opponents of the amendment, the pending amendment then be set aside until 11 a.m. today; that we then proceed, when this amendment is set aside, to a discussion of the amendment by Mr. Roth; that we stay on that amendment until 11 o'clock, at which time we go back to the Nelson-Mondale amendment, with whatever time remains on that amendment, so that Senators who come into the Chamber for the vote will be apprised of the nature of the Nelson amendment; that we then vote on that amendment, following which the Senate resume consideration of the amendment by Mr. Roth.

Mr. ERVIN. Mr. President, I have no objection, except that I have consulted with the distinguished Senator from Illinois, and we may call up a little technical amendment after the colloquy.

Mr. NELSON. Do I understand correctly that the vote on the pending amendment would occur—at what time?

Mr. ROBERT C. BYRD. Following the consumption of the remaining time, which again will begin running at 11 a.m.—the remaining time after the Senator from Montana and the Senator from Maine have consumed their 5 minutes.

Mr. NELSON. How much time does each side have remaining?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time I have consumed not be charged against either side.

The PRESIDING OFFICER. Is there objection?

Mr. NELSON. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 7 minutes.

Mr. NELSON. How much time remains on the other side?

The PRESIDING OFFICER. On the amendment, 17 minutes remain on the other side.

Mr. NELSON. I have no objection.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. I yield.

Mr. DOLE. I ask for the yeas and nays on the Nelson amendment.

The yeas and nays were ordered.

Mr. ROTH. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. I yield.

Mr. ROTH. When we return to my amendment at 11 o'clock, at the completion of the vote, would the time that remains on my amendment, which is an hour under the unanimous-consent agreement, continue from that point?

Mr. ROBERT C. BYRD. It would still remain.

After the colloquy between Mr. METCALF and Mr. MUSKIE, we would then go to the amendment of the Senator from Delaware. We would stay on that amendment until 11 a.m., at which time we would resume the debate on the Nelson-Mondale amendment. They would have 7 minutes remaining. Mr. PERCY and Mr. ERVIN would have 12 minutes remaining, after the 5 minutes used in the colloquy. At the conclusion of that time, the Senate would then vote on the Nelson-Mondale amendment. After the vote, the Senate would resume debat on Mr. ROTH's amendment, with the remaining time still under his control and the control of his opponents.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. METCALF. Mr. President, I believe that under the agreement, I am recognized for 5 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. METCALF. Mr. President, I have asked for this time to enter into a colloquy with the Senator from Maine.

If I may, let me give just a little background. The Senator from Illinois has described how this amendment for limited terms was considered both in subcommittee and in full committee. I recall when the Senator from Minnesota came over and testified on this proposal very persuasively, very eloquently. It was so persuasive that the Senator from Maine offered the proposal in subcommittee and I offered it in full committee—or one very similar to it.

However, subsequently I testified before the Committee on Rules and Administration and suggested that the most important thing in this bill was to be sure that this committee was a prestigious committee of the highest category.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an excerpt from my testimony before the Committee on Rules and Administration.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

> Equally critical—if we are to significantly improve our handling of budgetary decisions—is the method of selection and composition of the Committee on the Budget. No other aspect of this budgetary control legislation received more careful committee review. I am sure we considered every realistic alternative—including the possibility of having no such committee—before deciding on the provisions for this important new committee that are contained in S. 1541.
>
> For example, we considered and rejected language limiting Budget Committee members to 6 years' service, a limitation I favored, to insure that the committee—which has responsibilities affecting all other committees—would remain representative, reflecting the diversity of interests, geographical areas, and seniority groups in the Senate.
>
> As you know, H.R. 7130, the House bill, includes such a provision limiting service on the House Budget Committee to two Congresses in any 10-year period.
>
> The House measure also allots 10 seats on the 23-member Budget Committee to the Appropriations and Ways and Means Committees, with these financial committee representatives to be selected, also by the caucuses, "at large," and 2 seats will go to members of the majority and minority party leadership.
>
> Provision in S. 1541 for a 15-member Senate Budget Committee, selected in the usual manner—and classified as a "major" but not "exclusive" committee—is a compromise approach. As was the case where proposals for limiting terms of service were concerned, we considered and rejected various formulas for allotment of seats to the financial committees. However, it was—and is—our expectation that, in the normal course of events, the respective party caucuses will select Senators whose experience on these committees equips them to contribute the kind of expertise that the Budget Committee must have if it is to function properly.
>
> Let me emphasize this point: Classification of the Budget Committee with the major standing committees in paragraph 2 of rule 25 of the Standing Rules of the Senate is essential.
>
> I strongly support retention of this status for the Budget Committee, with full applicability of paragraph 6 of rule 25.
>
> In accordance with the rule, Senators selected to serve on the Budget Committee can serve on only one other of the "major" committees named in paragraph 2. This does not preclude Appropriations and Finance Committee members from serving on the Budget Committee. However, it does mean that a member of either committee, if he desired to continue on Appropriations or Finance, would have to relinquish any other paragraph 2 committee he might be on in order to serve on the Budget Committee. The same principle applies where other paragraph 2 committees are concerned.
>
> Mr. Chairman, any amendment that would permanently waive application of paragraph 6 to the Budget Committee—and I am almost certain that there will be some sentiment for such an amendment—will seriously diminish the effectiveness of this committee.
>
> Surely, the time of most Senators is too heavily committed now. Simply adding on another committee responsibility would spread the time and attention of the Senators selected to serve even more thinly.
>
> The problem of meeting conflicts—and the already grave difficulty of getting members together for a quorum on some committees—would be exacerbated.
>
> The unique character and functions of the Budget Committee cannot help but demand the continuing attention and interest of individual Senators serving on it. Will Senators already discharging important responsibilities—holding subcommittee chairmanships, for example—on two other major committees have the time or energy to devote to a new "add-on" Budget Committee? In most instances, the answer is "No"—and, whatever the skill and dedication of its staff, the prospects for effective performance by this committee would suffer accordingly.
>
> I recognize the difficulties in applying paragraph 6; adjustments will be required in the size of some standing committees, because 15 Senators going on the Budget Committee will be leaving one of their major committee assignments. And for the Senator presently serving on two major committees in which he has an important State interest or in which he has attained considerable seniority, the choice could well be a painful one to make.
>
> Nevertheless, there are compelling reasons for forcing such hard choices. Surely, as the time and other pressures continue to increase for the individual Senator, we ought to be distributing the workload—and important responsibility—more widely throughout the Senate.
>
> We must insure that the Budget Committee includes the less senior Senators who are not now fully preoccupied with myriad other committee duties and who can therefore devote the necessary attention to its important functions. I believe that application of paragraph 6 will contribute toward this objective.

Mr. METCALF. After its deliberations, the Rules and Administration Committee provided for a temporary suspension of paragraph 6, and it was my feeling that this was a better solution than anything that had been developed in the Committee on Government Operations.

Then, yesterday the amendment of the Senator from Massachusetts (Mr. KENNEDY) modified the Rules and Administration Committee's language so that the suspension of paragraph 6 will only last until January 1977. I certainly approve that modification and I feel that was a service to the bill.

But to make sure the provisions of the Legislative Reorganization Act are carried out after January 1977, I have asked for this time to discuss with the Senator from Maine what happens as a result of the Kennedy amendment and the action of the Rules Committee.

I expect that the temporary suspension of paragraph 6 of rule 25 is to provide for an orderly transition so that Senators initially serving on the Budget Committee will have until January 1977 to decide whether they will relinquish one of their other Class A standing committees or remain on the Budget Committee. Is that correct?

Mr. MUSKIE. The Senator is correct.

Mr. METCALF. It is clearly the intent of this temporary suspension that those serving on the Budget Committee will have to choose at the beginning of the 95th Congress. Do we have any assurance that suspension of paragraph 6 will not be extended at that time?

Mr. MUSKIE. Of course, the Senate at any time could change the rule. That is the prerogative of the Senate. But I expect that once this formula is approved by the Senate as a whole, it will hold.

Mr. METCALF. But is it the contemplation of the floor managers, after agreeing to the amendment of the Senator from Massachuetts, that there will be an extension after 1977?

Mr. MUSKIE. Not at all. May I add a few observations at this point?

Mr. METCALF. I will appreciate any remarks that the Senator may make, to make certain the record is clear on this point.

Mr. MUSKIE. The Senator from Montana and I have both at separate times supported the concept of the Nelson amendment. I think our support of that amendment sprang from the original proposal of the joint study committee.

The joint study committee provided for a budget committee for each house with a percentage of members required to be drawn from the appropriations and tax-writing committees. In addition, there were special rules as to the chairmanship.

We felt that such limitations as to composition of members and chairmanship could result in an imbalance of representation of Congressional views as to the budget and as to spending priorities, and that what we were doing was establishing a committee which in some ways would impinge upon the jurisdiction and prerogatives of each committee, and the authorization committee as well.

So, we concluded that every Member of the Senate should be eligible for membership on the Budget Committee. It was for that reason that the proposal now advanced by the Senator from Wisconsin had the support of the Senator from Maine in subcommittee and the Senator from Montana in full committee.

One drawback of that proposal from the beginning seemed to me to be a constant changing of the membership of the Budget Committee, a constantly changing membership of the committee so that members of the committee would not develop the kind of background, experience, and expertise that members of standing committees customarily develop in connection with their responsibilities.

So with the changes that have been made, I expect, with the Senator from

Montana, that the 1977 date will hold. At that point those who are members of the Budget Committee would make the decision whether or not to stay on that committee and give up another class A committee or the alternative.

Mr. METCALF. I thank the Senator from Maine. I think that makes clear the point I was trying to nail down: That it was not contemplated by this temporary suspension that we set aside the provisions of the Legislative Reorganization Act of 1970, nor curtail the prestigious nature of this committee by making it a third committee or a committee with less stature than the other class A standing committees.

Mr. MUSKIE. That is right. It is our purpose that the eligibility for service on this committee be extended to all Members of the Senate, and by making it a class A committee we insure that those Senators who already have established positions do not simply accumulate this new responsibility in addition. That may be one of the purposes of the Nelson amendment, and I think it is well served by the present status of the bill.

Mr. METCALF. I thank the Senator from Maine for the contribution he has made.

Mr. CRANSTON. I would like to ask the distinguished Senator from Maine (Mr. Muskie) about a provision of the committee report on page 7 where it states that the party caucuses shall select the membership of this Budget Committee in a similar manner to their roles for general selection of committees. Is it the intention of the managers of this proposal to give the party caucuses more than a passive role in determining the membership of this important committee?

Mr. MUSKIE. As the distinguished Senator knows, the Senate rules provide no specific authority for party caucuses, but in effect the majority and minority members of committees are determined by the respective caucuses and comity is provided so as not to disturb the recommendations of the respective caucuses.

The committee report on this bill recognizes the role of the caucus in an explicit way. The party caucus represents in each new Congress the current and prevailing attitude of each party toward the many issues to come before the Senate. The membership of each committee should reflect as closely as possible the prevailing view of the respective caucus. Only in that way can the Members of the Senate as a whole—the committee of the Senate—have their recommendations consistent with the prevailing attitudes of the Senate.

The committee report encourages the practice that has existed with respect to the caucus in the committee selection and indeed encourages a more active role on the part of each caucus. By explicitly mentioning a role for each caucus, there need be no hesitancy for each caucus to play an active role in these determinations. The efficiency and effectiveness of the Senate committee, and the Senate, as a whole, will be enhanced with this added dimension of each party caucus.

Mr. ERVIN. Mr. President, the distinguished Senator from Delaware (Mr. Roth) has kindly consented that I might present a very minor amendment at this time, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. Without objection, the amendment is in order.

The amendment will be stated.

The assistant legislative clerk read as follows:

On page 184, lines 22 and 23, strike the words "as a Representative of Congress".

Mr. ERVIN. Mr. President, on Tuesday I presented a number of technical amendments which had been prepared by legislative counsel, and this amendment was the last of those amendments. But in some way the Xerox machine did not copy this amendment, and the Record does not show that it was a part of the amendment adopted. This is just to clear up that inadvertence.

This amendment merely strikes out words that the Comptroller General shall sue under the act "as a Representative of Congress." It was thought that these words should be deleted for two reasons. In the first place, they could be interpreted to imply that Congressmen might not have authority to bring suit as individual Congressmen. This bill is not intended to deny anybody the right to bring suit except the Comptroller General. In the second place, it was thought that they might be construed to exclude express authority for the Comptroller General to sue in his own right for the purposes of title X of this act. The sole purpose of the amendment is to clarify the intent of title X.

The PRESIDING OFFICER. Do both sides yield back their time?

Mr. ERVIN. I yield back my time.

Mr. PERCY. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ROTH. Mr. President, I rise today to call up my amendment No. 1055 to the pending bill, S. 1541.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 119, in the matter preceding line 1, strike out "September 25" and insert "September 22" and before the line beginning "October 1" insert the following:

"September 25____Congress completes action
on bill to effectuate new
budget authority."

On page 122, strike out lines 5 through 14.

On page 122, line 15, strike out "(2)" and insert "(1)".

On page 122, line 21, strike out "(3)" and insert "(2)".

On page 122, line 25, strike out "(4)" and insert "(3)".

On page 131, line 20, before "At" insert "(a) Permissible Revisions.—".

On page 131, after line 25, insert the following:

"(b) Two-Thirds Vote Required in Certain Cases.—If, at the time a vote is taken in either the Senate or the House of Representatives on agreeing to a concurrent resolution on the budget which revises or reaffirms the concurrent resolution on the budget most recently agreed to (including a concurrent resolution on the budget required to be reported under section 310(a)), the appropriate level of new total budget authority or total budget outlays contained in such concurrent resolution is higher than the appropriate level of total new budget authority or total budget outlays set forth in the most recently adopted concurrent resolution on the budget for such fiscal year, then such concurrent resolution may be agreed to in that House only by a vote of two-thirds of the Members voting, a quorum being present.".

On page 143, line 2, before "In" insert "(a) Action Before Beginning of Fiscal Year.—".

On page 143, line 14, strike out "and".

On page 143, line 18, strike out "25" and insert "22", and strike out the period and insert "; and".

On page 143, after line 18, insert the following:

"(3) not later than September 25 preceding the beginning of a fiscal year, the Congress shall complete action on a bill required to be reported under section 310(e).

"(b) Required Provision in New Budget Authority Legislation.—Every bill or resolution providing new budget authority for a fiscal year (other than supplemental, deficiency, and continuing appropriations bills and resolutions) shall contain a provision that the new budget authority provided in such bill or resolution shall not become effective until a bill required to be reported under section 310(e) for such fiscal year has been enacted into law.

"(c) Legislation Failing To Comply Subject to Point of Order.—It shall not be in order in either House to consider any bill or resolution providing new budget authority (or any conference report on any such bill or resolution) which fails to comply with the provisions of subsection (b).".

On page 146, line 10, strike out "25" and insert "22".

On page 146, after line 11, insert the following:

"(e) Bill To Effective New Budget Authority.—

"(1) Required reporting of bill.—The Committee on the Budget of each House shall, after a concurrent resolution on the budget for a fiscal year reported under subsection (a) has been agreed to, and, if a reconciliation for such fiscal year is required to be reported under subsection (c), the Congress has completed action on such bill, immediately report to its House a bill providing that the new budget authority for such fiscal year in bills and resolutions previously enacted (as changed by such reconsideration bill) shall become effective.

"(2) Action required by September 25.—Congress shall complete action on a bill required to be reported under paragraph (1) not later than September 25 immediately preceding the beginning of the fiscal year commencing October 1.

"(3) Two-thirds vote required in certain cases.—If—

"(A) a reconciliation bill is required to be reported under subsection (c) for a fiscal year, and

"(B) the total budget outlays for such fiscal year under available budget authority (as changed by such reconciliation bill), reduced by the amount of increase in revenues for such fiscal year provided by such reconciliation bill, is greater than the appropriate level of total budget outlays set forth in the concurrent resolution on the budget agreed to pursuant to this section,

the bill required to be reported in each House under paragraph (1) may be agreed to by that House only by a vote of two-thirds of the Members voting, a quorum being present.".

On page 146, line 12, strike out "(e)" and insert "(f)".

On page 146, line 19, before the period insert "and to the consideration of bills reported under subsection (e) and conference reports thereon".

On page 146, line 20, strike out "reconciliation".

On page 146, line 21, after "(e)" insert "or (e)".

On page 147, line 3, strike out "(f)" and insert "(g)".

On page 147, strike out lines 12 through 17, and insert the following: "unless the Congress has completed action on a bill required to be reported under subsection (e) for the fiscal year beginning on October 1 of such year.".

On page 147, line 18, strike out "(g)" and insert "(h)".

On page 147, line 24, beginning with "all", strike out all through "bill" on line 3, page 148, and insert "a bill required to be reported under section 310(e) for a fiscal year".

On page 181, strike out lines 10 through 13.

On page 181, line 14, strike out "(c)" and insert "(b)".

**Mr. ROTH.** Mr. President, this amendment is a straightforward attempt to put some teeth back into this legislation, after a long and hotly debated path through several congressional committees, amounting to literally thousands of man- and woman-hours of work.

In short, it would require Congress to make some deliberately difficult choices should it want to exceed the spending levels approved in the first budget resolution. It makes firm the spending limits in the first concurrent resolution unless the Congress determines at a later date to increase it by a two-thirds majority. This two-thirds requirement will make the debate more meaningful than the original concurrent resolution. My amendment reintroduces the mechanism of a spending trigger, adopted by the full Government Operations Committee. But, it stipulates that if Congress has exceeded the spending limits set in the most recent concurrent resolution, it cannot adopt the necessary trigger bill unless two-thirds of the Members agree. If Congress had heeded their earlier resolution or if the Congress had provided for additional revenues to offset the added expenditures then the trigger bill could pass on a simple majority. My amendment would permit the House or Senate to resolve their differences over the upcoming year's budget by forcing a meaningful debate over the total impact of our decisions.

It uses the present version of the bill as a foundation, sticking to the principles of new committee structures, a congressional budget office, revised fiscal year and a set timetable for the Congress to move through its annual consideration of bills. It permits Congress to express its feelings several times, if necessary, but it holds new spending in escrow. And, it permits Congress to adjust individual spending bills—up or down—and to call for tax increases should the debate over annual surpluses or deficits conclude that Congress would prefer to trim back its prior decisions or fund spending through additional taxes.

It is not an easy approach to the problem. It is not meant to be. It would put Congress' feet squarely in the fire, but I am one Member who feels that we, as an institution, need this somewhat painful discipline, or we will never really achieve the goal this legislation seeks.

### JOINT STUDY COMMITTEE

I must begin my argument today by reminding my Senate colleagues that it has been a little more than a year since the Joint Study Committee submitted its preliminary ideas to Congress on the need for a more disciplined system of budgetary controls. In a sense, that charge was really a misnomer, for what Congress needs first is a system—we cannot improve what we do not possess.

I was deeply privileged to be asked to serve on that Joint Committee, for I felt I could help represent a growing faction in the Congress which has nearly given up faith in our ability to take a more business-like approach to the taxpayers' revenues. During our first meetings we heard from several expert witnesses who brought us the same critique, despite their obviously divergent political and professional backgrounds. That message was abundantly clear—if Congress truly wanted major structural and procedural reform, it would have to suffer some initial growing pains as it became accustomed to the new regimen.

The Joint Committee, by its very nature, could hardly be dubbed a partisan panel. It was led by two highly respected members of the majority party—Representatives ULLMAN and WHITTEN—and was composed largely of the most knowledgeable and experienced Members who write our tax bills and pass on annual appropriations. With this wide representation, it is most significant that the committee's April 1973 report received the unanimous endorsement of those present to vote it out. It was a welcome and somewhat miraculous demonstration of congressional unity, given the substance and sweep of the Joint Committee's recommendations. The announcement hit the press and suddenly the financial and political communities began to have an inkling that Congress really did intend to mend its ways.

The essence of that proposal was a new budget resolution to be introduced and debated in each House, and when reconciled, would become the working blueprint for Congress during the following months. The legislation further called for a rule of consistency which, in simple terms, would require that each vote on a spending bill would have to be reconciled with previous actions. So, for example, if Congress was serious about curtailing military expenditures, it could not fund new programs without cutting back existing appropriations for other, less essential, activities. The arithmetic looked to be a bit cumbersome but the message was all too clear—if reform was to come, Congress could not continue up the blind alley to fiscal catastrophe. Where economic, social, or political events demanded new Federal approaches to problem solving, the outmoded methods of yesterday, and their budget dollars, would have to give way to superceding rather than duplicating programs.

Let me stress here that members of that panel were fully aware of the organizational prerogatives and seniority benefits which they sought to change. Who could know better the advantages of tenure than men whose congressional service has elevated them to positions of committee chairmen and ranking minority? This was no effort by freshmen to change the system for their benefit. It was a panel of mostly senior Senators and Congressmen who recognized that the status quo could only nurture further imbalances in the annual budget. So, despite their positions as influential architects of Federal programs, they were willing to accept the need for some individual sacrifice in order to achieve a collective benefit, not only for the Congress, but much more importantly, for the country as a whole.

To summarize the committee's major point, let me quote from its report:

> There should be a mechanism for Congress to (a) determine the proper level of expenditures for the coming fiscal year after full consideration of the fiscal, economic, monetary, and other facts involved,
>
> (b) provide an overall ceiling on expenditures and budget authority for each year, and
>
> (c) determine the aggregate revenue and debt levels which appropriately should be associated with the expenditure and budget authority limits.
>
> *But,* the limitations referred to above should be provided *only* if Congress also makes provision for a system whereby it can make the decisions on budget priorities that will guide it as to where reductions are to be made in the event that this becomes necessary.

### THE QUESTION OF PRIORITIES

Mr. President, that language from the Joint Study Committee's report really spotlights what is at issue in the controversy over a reform which may become more cosmetic than comprehensive. The real question we must ask ourselves is whether or not Congress is capable of making choices between competing programs.

It is no secret that our system of government helps prompt the Congress toward making promises that may be socially desirable in the abstract, but that are financially impossible when measured against all the other claims on the Federal Treasury.

The late Senator Harry Byrd, Sr., who served with great distinction for many years in this body, once propounded that—

> In politics, one tries to please everybody, and votes can be lost by courage. Our Senate and House of Representatives hold some men who never in their legislative lives have cast one vote for economy. They have built public careers on spending and more spending. To displease a group by cutting an appropriation is to these men a torture like being dragged through a keyhole.[1]

That profound observation holds more truth today than it did 25 years ago when the public debt was $252 billion, a little more than half its present level, and the deficit was a scant $1.8 billion. The institution then suffered from the same conflict between the congressional desire to spend and the simultaneous reluctance to tax.

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[1] "Is Bankruptcy Our Goal?" *Country Gentlemen,* Sept. 1949, p. 91.

Mr. President, let me call to my colleague's attention the grim facts of our past spending excesses. The red ink is spread all over table 1 of the Budget in Brief, for fiscal year 1975. For those who may have it on their desks, this chart appears on page 46.

I ask unanimous consent at this time to have a copy of that chart included in the Record at this point.

There being no objection, the chart was ordered to be printed in the Record, as follows:

TABLE 1.—BUDGET RECEIPTS, OUTLAYS, FINANCING, AND DEBT, 1965-75

[In billions of dollars]

| Description | Actual | | | | | | | | | Estimate | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | 1972 | 1973 | 1974 | 1975 |
| Receipts and outlays: | | | | | | | | | | | |
| Receipts: | | | | | | | | | | | |
| Federal funds | 90.9 | 101.4 | 111.8 | 114.7 | 143.3 | 143.2 | 133.8 | 148.8 | 161.4 | 185.6 | 202.8 |
| Trust funds | 29.2 | 33.0 | 42.9 | 44.7 | 52.0 | 59.4 | 66.2 | 73.0 | 92.2 | 105.5 | 115.8 |
| Interfund transactions | −3.3 | −3.6 | −5.2 | −5.8 | −7.5 | −8.8 | −11.6 | −13.2 | −21.3 | −21.1 | −23.6 |
| Total budget receipts | 116.8 | 130.9 | 149.6 | 153.7 | 187.8 | 193.7 | 188.4 | 208.6 | 232.2 | 270.0 | 295.0 |
| Outlays: | | | | | | | | | | | |
| Federal funds | 94.8 | 106.5 | 126.8 | 143.1 | 148.8 | 156.3 | 163.7 | 178.0 | 186.4 | 203.7 | 220.6 |
| Trust funds | 27.0 | 31.7 | 36.7 | 41.5 | 43.3 | 49.1 | 59.4 | 67.1 | 18.4 | 92.1 | 107.4 |
| Interfund transactions | −3.3 | −3.6 | −5.2 | −5.8 | −7.5 | −8.8 | −11.6 | −13.2 | −21.3 | −21.1 | −23.6 |
| Total budget outlays | 118.4 | 134.7 | 158.3 | 178.8 | 184.5 | 196.6 | 211.4 | 231.9 | 246.5 | 274.7 | 304.4 |
| Surplus or deficit (−): | | | | | | | | | | | |
| Federal funds | −3.9 | −5.1 | −14.9 | −28.4 | −5.5 | −13.1 | −29.9 | −29.1 | −25.0 | −18.1 | −17.9 |
| Trust funds | 2.3 | 1.3 | 6.2 | 3.2 | 8.7 | 10.3 | 6.8 | 5.9 | 10.7 | 13.5 | 8.4 |
| Total surplus or deficit | −1.6 | −3.8 | −8.7 | −25.2 | 3.2 | −2.8 | −23.0 | −23.2 | −14.3 | −4.7 | −9.4 |
| Budget financing: | | | | | | | | | | | |
| Net borrowing from the public or repayment of borrowing (−) | 4.1 | 3.1 | 2.8 | 23.1 | −1.0 | 3.8 | 19.4 | 19.4 | 19.3 | 3.5 | 12.5 |
| Other means of financing | −2.5 | .7 | 5.9 | 2.1 | −2.2 | −1.0 | 3.6 | 3.8 | −5.0 | 1.2 | −3.1 |
| Total means of financing | 1.6 | 3.8 | 8.7 | 25.2 | −3.2 | 2.8 | 23.0 | 23.2 | 14.3 | 4.7 | 9.4 |
| Outstanding debt, end of year: | | | | | | | | | | | |
| Gross Federal debt | 323.2 | 329.5 | 341.3 | 369.8 | 367.1 | 282.6 | 409.5 | 437.3 | 468.4 | 486.4 | 508.0 |
| Held by: | | | | | | | | | | | |
| Government agencies | 61.5 | 64.8 | 73.8 | 79.1 | 87.7 | 97.7 | 105.1 | 113.6 | 125.4 | 139.8 | 148.9 |
| The public | 261.6 | 264.7 | 267.5 | 290.6 | 279.5 | 284.9 | 304.3 | 323.8 | 343.0 | 346.5 | 359.0 |
| Federal Reserve System | 39.1 | 42.2 | 46.7 | 52.2 | 54.1 | 57.7 | 65.5 | 71.4 | 75.2 | | |
| Others | 222.5 | 222.5 | 220.8 | 238.4 | 225.4 | 227.2 | 238.8 | 252.3 | 267.9 | | |

Mr. ROTH. Gentlemen, look at the havoc we have wrought. In every one of the last 10 years, we have run this burgeoning Federal machine at a deficit. One hundred and seventy-three billion dollars' worth, and we are headed for at least $18 billion this coming year. Now I challenge my colleagues here to defend the notion that we have been in an economic slump every year since 1965. Even the most liberal economic interpretations of our National income accounts recognizes that good times, and bad, have been sandwiched into the last decade. And yet, our legislative response has been consistently to spend more. We are like a needle stuck in the wrong groove. The message is constantly the same.

That evidence bespeaks my incredulity. Those deficits, that have helped fuel the inflation that has eroded the purchasing power of the dollar 43 percent in the past 10 years; that lack of fiscal commonsense; that institutional willingness to forget about economic reality; that is the very reason I stand here today, berating a Congress which simply has not faced the difficulty of saying no to continued demands for funds, as appealing and politically comfortable as motherhood and apple pie.

I am convinced that the American people have factored these devastating economic scorecards into their perceptions and prejudices about the Congress. At a time when the Presidency of this country has been heavily battered as a result of the Watergate scandals, the American people have still given the institution of Congress a vote of confidence equal to only 21 percent. This is less than the Executive, and to my knowledge, the Senate or House has not been accused of criminal acts. But, we are patently guilty of helping to bring about severe economic hardship, as the result of our indolence. We have become the wastrels rather than the watchdogs. We have both acquiesced to Presidential spending initiatives and added our own fuel to the economic fire.

Mr. President, few Members of this body would be apt to turn their heads away from a genuine economic crisis if it developed. Congressmen and Senators keep a weather eye on the unemployment figures, and we would be quick to respond to emergency needs if they developed. I do not stand here today calling for a balanced budget every year, regardless of the state of the Nation's economic health. In a genuine recession, I recognize that tax cuts and/or a quickened pace of spending can help pull a sluggish economy out of the doldrums. And, I would not hamstring the Congress from reacting to such a situation, should it develop after the year's spending program has begun.

But, the clear facts are in front of me here. Congress and the Executive have not been willing to adjust their spending habits to the peaks and valleys of the country's economic cycle. In the past decade, we have spent more every single year and have posted some of the worst deficits in times when industrial activity, employment, and the entire private business sector have been operating at or near capacity.

We have been unwilling to provide surpluses, or even budget balances in fat years, and now, we are paying the price for those excesses. We will pay three times the amount of interest this year on our borrowings as we did in 1965. Each budget season, we must reach deeper and deeper into our operating income to provide a payout on the tremendous debt we have incurred.

But, Mr. President, a new system which provides only spending targets does not truly speak to Congress past appetite and future desires. It gives us the mistaken inner comfort that we have forsaken earlier ways and gives our constituents news of a totally revamped system, promises of reform which will be more cosmetic than comprehensive unless we take the bit in our teeth and amend this bill. Without a provision such as this, Congress will be like the leopard that has deluded itself, and its spectators, into believing it has actually changed its spots.

The mechanism envisioned earlier by the Joint Study Committee began with a formalized study of our entire fiscal posture and a subsequent debate in both Houses over the totals of income and outgo. It was to be a full-scale investigation of our existing programs and a decision whether or not to continue them unamended or to make changes to allow for new initiatives.

I might remind my colleagues that the national goals and priorities bill, sponsored jointly by Senators Javits and Mondale, has twice come before this body. It has been passed once and is waiting floor consideration in this Congress after referral through two committees. That bill seeks to establish an office reporting to the Congress on the status of our Nation's progress toward achieving far-reaching social and economic goals. That very analysis, and subsequent debate, would have been an integral part of the budget reform had this bill not been watered down in the course of its hearings and markups.

Several excellent studies recently have proved beyond doubt that each year, the President and Congress face a dwindling fiscal dividend as old promises devour more revenue each year. Our ability to work within the country's tax base has become steadily eroded by the nature and magnitude of entitlement programs, numerous program guarantees, and the absolutely staggering slice that interest takes out of the divisible pie. If we want to begin to reorder our priorities, let us face the economic and political necessity of keeping these payouts at a level we can manage, and perhaps revising some that no longer serve the people's needs as best they might.

We have become like a business enterprise that is topheavy with financial overhead. Our options become diminished as we become locked in, to the detriment of the taxpayer and to the dismay of conservatives and liberals alike, who find no room for their new initiatives because the system does not permit them.

Those who seek to change the distribution of Federal spending can only do so *responsibly* if Congress has a meaningful budget within which it is forced to work each year. Further, the vigor and sincerity of any budget debate will surely wane unless every Member knows that a resolution adopted today cannot be easily changed tomorrow. We should recognize that the way to streamline our assistance efforts, and to replace outmoded programs with new innovations, is to clamp down the lid on the till and force Congress to decide just how politically and economically valuable many programs really are.

### A LESSON OF HISTORY

For the incredulous listener, it might be useful to look at a close fiscal analogy, the public debt ceiling. Though the original act in 1917 was designed to help facilitate the mechanical process of the Government's borrowings, the later Public Debt Act in 1941 introduced some debate over the impact of a debt ceiling as a fiscal tool.

At the time of its passage, then President Roosevelt acknowledged the value of a debt limit as a "fiscal monitor," and Members from the minority argued that the debt ceiling should be used cautiously, since, in their words, "an unnecessarily large increase in the National debt limit would doubtless give rise to an unfortunate inflationary psychology, and would be conducive to further extravagance."

The point, Mr. President, is that those words have not been heeded. In the 33 years since the act was passed in 1941, the debt limit has been changed 40 times, last November being the most recent occurrence. In only 6 of those 40 occasions has the Congress actually reduced the ceiling, and even then for only short periods of time except the span between 1946 and 1954. Those who were interested in the ceiling because they believed it could be used as a fiscal brake were genuinely disappointed.

As everyone here knows, we routinely acquiesce to the financial realities when the Treasury and OMB arrive here to give us the news it is time for another increase in the ceiling. We, who are ultimately responsible for the pace and level of spending, are presented with a fait accompli. There is no use in even pretending that a simple majority will vote to keep spending in line with earlier targets if we use the debt ceiling bill as a model.

For those who would argue that Congress will respect their first budget resolution, I am prompted to quote my good friend and most distinguished colleague, the senior Senator from Utah, Mr. BENNETT. On several occasions I have shared his frustration over the sad evidence of Federal deficits. When presented with the debt ceiling facts, he has sometimes argued that debating the issue is like locking the barn door after the horses have been stolen. He tells the story of the bartender who calls to the innkeeper to ask if WALLACE BENNETT is good for a drink. The innkeeper asks if he has already had it, and the bartender answers "Yes." "Then, he is good for it," comes the answer.

### THE WORTH OF DISCIPLINE

The example, it seems to me is abundantly clear. A resolution that can be changed at any time by only a simple majority in each body will have no more significance for our fiscal posture than the debt ceiling which changes so fast that the Library of Congress is kept busy updating its historical series.

Just imagine an election year when Congress resolves a target budget ceiling by June 1. As the pressure to please constituents mounts, appropriations and other spending bills are amended on the House and Senate floor, reconciled in conference, and sent to the White House. If they are signed, under this latest Senate version, they will not be allowed to go into effect until a second resolution—and possible reconciliation bill—have cleared both Houses.

Here is the crucial decision point. Will a majority in the House and Senate vote to undo what they have already done, maybe 3 or 4 months before? For purposes of illustration, will a Member who has voted for $6 billion in education, food stamps, or pork barrel funds reverse himself to lower any one of them to $5 billion when the final accounts are tallied? Can any of us here expect either body to retrench when constituents' hopes have been pumped up for several months, in anticipation of new or additional funds for favorite projects? Will election eve stands for special programs not produce the same kind of last minute push for extra spending we see now? In short, cannot we all look forward to the House and Senate rubberstamping their previous actions by simply refusing to rescind and adopting a new resolution consistent with the sum of their previous, separate, appropriating decisions?

If this becomes the case, what credence will Members and the American people place in that first debate over the budget resolution? If everyone knows that their vote in May or June need only be a token gesture for economy, why not vote for a responsible spending lid? The Congress will be able to have its cake and eat it. Sacrifices will be apparent, only until the push for additional programs, considered too essential to postpone for another year. And, when the "push comes to shove" Congress will look the other way and accept the larger deficit.

Those who feel this present system contains the necessary element of discipline argue strongly for the worth of additional information provided by the Congressional Office on the Budget. New scorekeeping procedures will give the Congress an up-to-date analysis of their spending actions. But even the most elaborate and accurate scoreboard can not curtail the age-old political desire to please the voters. In the wake of last-minute efforts to grab up the budget and/or get home to politics, sound economic arguments will offer little opposition to the wave of enthusiasm for expanded Federal participation.

Mr. President, I strongly believe that the most pressing need is for Congress to gain control over total spending and to require that its many separate spending decisions be in accord with its own ceiling. If the June 1, concurrent resolution is really only a target, it will quickly become a base from which various interests will campaign for still higher spending. It will lack effect and Members of both parties be on notice that Congress is not serious about reforming its budgetary procedures.

A ceiling which is the real focal point for congressional debate must be taken seriously. This legislation, now in its 11th formal draft, has never once strayed from the notion that we need a new concept, a new methodology, if we are going to get our hands back on the steering wheel. Unless we make the budget resolution create a pitched battle over this Nation's spending needs, we will not have done this past 15 months of work real justice. If the process is only going to assuage some guilty consciences, it is not worth the trouble or the cost.

Mr. President, I want to make it quite clear that I consider much of this legislation to be an enormous step forward. I have followed this bill through every step of its gestation, and have been pleased and privileged to have contributed to its development and learned a great deal about the complexities of our budget machinery. Earlier versions, which would have severely limited floor debate and the opportunity for Members to be heard, have given way to a series of wrap-up or reconcilation measures, designed to make earlier congressional actions consistent with the overall budget resolution.

But, as I have argued, a resolution easily changed is no resolution at all. That is why I offer this amendment today.

It would allow all spending bills to move through Congress as they do today, but would not permit them to go into effect until a triggering bill was voted upon. Congress would have to accept the total of this spending by showing itself willing to stand behind the economic necessity for its programs. If spending conforms to the last concurrent resolution, this trigger should prove no hardship. It could pass on a simple majority. But, if the sum of congressional actions exceeds the ceiling in the first resolution and the excess is not offset by additional revenues Congress must then show the American people that the urgency is truly there by mandating the excess with a two-thirds vote.

If Congress is unable to reach such an accord, the spending will not go into effect. The reconciliation bill prescribed in this version would then become the vehicle for cuts in planned spending, additional tax increases, or both. What my language would do is simple. It would allow a majority of Congress to make the first budget resolution a meaningful and revealing debate.

It would permit Members to challenge any spending excesses above this ceiling and to force Congress to deal with their opposition. It would have the effect of making a majority of the Members pay attention to the so-called targets as they worked their way through various spending bills during the summer.

Mr. President, those who have championed a liberalized version of this new bill contend that the process, as they see it, can work. I, for one, say that legislative control over the budget must work if it is to be worth its salt. I would prefer that we get right to it, by adopting this amendment and making the language effective this year, rather than waiting for several years. If Congress is so anxious to prove itself, why not show it with actions, rather than words.

I can not in good conscience endorse this as meaningful budget reform unless it is strengthened with these provisions. Without some real constraint, Congress will have created new committees, a new staff office, and new rules of procedure, but it would not have changed the fundamental imbalance between the political pressure to spend and the economic consequences of deficit financing. If we are really serious about putting the Nation's economy back on an even track of healthy growth without serious inflation, we must be able to assure the American public, and the world, that Congress is doing its part by being a responsible leader in fiscal affairs.

Mr. PERCY. Mr. President, I yield myself such time as I may require.

In response to the distinguished Senator from Delaware, I should first like to say that his contributions to the budget legislation have been invaluable. He has participated with the distinguished chairman of the Committee on Government Operations (Mr. ERVIN) and the distinguished Senator from Tennessee (Mr. BROCK) in continuing to resist every attempt to weaken the present legislation. I trust that both of those distinguished Senators will be appointed to the conference committee, so that we may stand together to continue to get a strong budget reform bill.

I think, second, the contribution that has been made this morning in the speech we have just heard will stand us in good stead over a period of time, because the whole process will be an evolutionary one. We are going to learn from experience.

Our concern is that we might build in provisions that would be so rigid at the outset that we might find that we had defeated our purpose by such rigidity.

I address myself, first, to that particular provision in the pending amendment which would require a two-thirds vote to raise the spending limit in the reconciliation bill, and which also requires a two-thirds vote to raise the spending limit in subsequent concurrent resolutions. The U.S. Senate has invoked the cloture rule, which requires a two-thirds vote, 16 times since the adoption of the rule in 1917. No one knows better than does the distinguished chairman of the Committee on Government Operations (Mr. ERVIN) the power of the filibuster, the power of continuity, the ability of a Senator to continue to argue, persuade, and hope to almost exhaust the opposition and wear them down.

In this regard, I think it would be unfortunate to build in such rigidity that, with changing circumstances and conditions, we could not be flexible. For example, there could be a war that the majority of the Senate felt was necessary to protect the security of this country, and yet there could be a coalition of Senators that would just be against that war or virtually any war, and they could prevent the will of the Senate from being exercised in increasing appropriations and expenditures to defend the country.

I hope that is an absurd example, because I do not like to feel that we would ever have, in a time of national need, a third of the Senate that would not wish to respond to that national need, but we have to take into account conditions that could exist.

Or, in another matter that would be of deep concern to a number of Senators, if, say, we moved into a recession or a depression, or a situation such as the energy crisis, where revenue came down sharply and precipitously and we needed to adjust, I could envision that there would be a certain number of Senators who would simply say that under no conditions that they could visualize should we ever exceed that ceiling or have a budget that was not in balance, and a minority could be put together that could again frustrate the will of the majority in that particular case.

So I feel that the two-thirds requirement is very rigid, and the rigidity of it is certainly demonstrated by the fact that in all of the pieces of legislation over which we have had controversy over the years, only 16 times have we ever invoked cloture by requiring that a two-thirds vote on a particular measure be necessary to have the arguments prevail.

With respect to the triggering mechanism, as the distinguished Senator from Delaware knows, the Government Operations Committee provided for this in our measure. We felt that it was a desirable feature, and I must say that at this moment I am most influenced by the amount of give and take which we have experienced as we worked very closely indeed with the members of the Committee on Rules and Administration and the members of the staffs of not only that committee, but of all other committees that participated for a period of an exhaustive month in trying to reconcile our differences; and, though I generally do like to cling to our original ideas and find fault with anyone who would seek to persuade us otherwise, I did become almost persuaded that the provisions that we had made in the Government operations bill could be modified and were improved by the Committee on Rules and Administration in this regard.

The Committee eliminated from S. 1541 the provision that appropriation bills must contain a clause that the new budget authority would not become effective until Congress has enacted a ceiling enforcement bill shortly before the start of the fiscal year.

As the report clearly indicates, as S. 1541 was referred to the Committee on Rules and Administration, it provided that no appropriation could become available until it was "triggered" by a later enforcement bill. The result would have been to hold the various appropriation bills hostage to Presidential action on the enforcement measure.

If the President vetoed the enforcement bill, all appropriations for the new year would be held in limbo until Congress accommodated itself to the Presidential action. In effect, a year's effort on appropriations would have hinged on a single set of determinations made in the crucial last days of the budget cycle. When Congress voted on an individual appropriation, it would not know how much money really would be available, nor would the President know this when the bill was sent to him. Everything would ride on the single enforcement measure and the likelihood of deadlock and confusion would be multiplied. Moreover, there would be an invitation to "pad" appropriations in the expectation that they would be cut in the later reconciliation, so that rather than producing fiscal discipline, the new process could weaken congressional responsibility.

The committee very wisely, however, indicated its recognition that as Congress gains experience with its new budget process, it may consider it desirable to supplement the procedures established in S. 1541 with additional enforcement methods. The substitute bill provides that the first budget resolution may require—for the fiscal year to which it applies—additional procedures such as an omnibus appropriation bill, a triggering clause in appropriation bills, or holding appropriation and spending bills at the enrolling desk until Congress has approved the second budget resolution and any required reconciliation measure. Thus, the substitute bill allows for the evolutionary development of the congressional budget process, rather than an all-at-once implementation.

So I would hope, as we gain experience, that we would see that here, on balance, we have a bill now that is strong enough so that we can resist those forces that are going to try to move the expenditure limit up above the limitation established in the first concurrent resolution, despite the fact that no evidence would cause us to believe we should change the original economic forecasts and the assumptions that we had made; and we will have to resist those efforts. But I would be very concerned about now building in a rigidity which would cause, if it were so built in, a situation where we might even lose the support, concurrence, and enthusiasm that we now have gained through this process of education and evolution as the bill has developed among the Members of the Senate.

So, for that reason, I regretfully oppose the amendment; but once again I commend my distinguished colleague from Delaware for the outstanding contribution he has made to the bill and the outstanding contribution he continues to make by even offering this amendment and pointing out that certainly we should not by any means weaken this bill, and if anything we should continue to move in the direction of strengthening it as we gain experience with the provisions that have been outlined in S. 1541 as it now stands.

The PRESIDING OFFICER. Who yields time?

Mr. ERVIN. Mr. President, I just want to say that the Senator from Illinois has made such a fine argument against this amendment that I do not feel I can add anything to it.

I would also like to say, as he did, that the distinguished Senator from Delaware has been one of the most diligent members of the Government Operations Committee, and it would be impossible for me to overmagnify the many contributions which he has made to the work of the committee, both in respect to this particular bill and in respect to the other legislation which has come before the committee during this session of Congress.

I feel that I ought to express those thoughts because it would be impossible for any committee to have a more faithful and more diligent member than the Government Operations Committee has had in the person of the distinguished Senator from Delaware.

Mr. ROTH. Mr. President, I shall yield time in a moment to the Senator from Georgia, but I would just like to thank the distinguished chairman of the Committee on Government Operations. It has been a great pleasure to work on this legislation. As in many other areas, he has certainly provided great leadership to the committee, and I thank him for his generous remarks.

I yield the Senator from Georgia such time as he may require.

The PRESIDING OFFICER (Mr. CLARK). The Chair would remind Senators that under the previous order, at 11 o'clock the Senate will return to the consideration of the Nelson-Mondale amendment, and that is about 1 minute from now.

Mr. NUNN. Mr. President, I think I can finish my remarks in 1 minute.

I join the Senator from Illinois and the Senator from North Carolina in commending the Senator from Delaware. He and I have spent many hours in this work on the Senate Budget, Management, and Expenditures Subcommittee measure.

In working on this legislation, although it is not as tough or as disciplined as he would like or I would like, without his presence, without his great effort, we would have a much looser bill than we have now. I commend him and I also commend him on his amendment.

I agree with some of the criticisms which have been made but I, for one, will vote for the amendment, because its virtues certainly overwhelm its disadvantages. The Senator from Delaware has made a magnificent contribution toward making this legislation meaningful and capable of providing real discipline for the first time in the budgetary process.

The PRESIDING OFFICER (Mr. CLARK). Under the previous order, the Senate will now resume consideration of amendment No. 1046.

Who yields time?

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HUGH SCOTT. I ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I regret to have to oppose the amendment offered by the distinguished Senator from Minnesota (Mr. MONDALE) and the distinguished Senator from Wisconsin (Mr. NELSON), but I am opposed to it. It would limit a member from serving for more than 6 years on the new budget committee. It would prevent members from gaining the same kind of experience over a longer period of time in the areas of the committee's jurisdiction. Members would not be able to become as expert as, say, the members of the Finance and Appropriations Committees would. For instance, they would only serve for 6 years. Additionally, if they can only serve on the committee for a brief period of time and would then retain ad infinitum their membership on two other major standing committees, obviously the time of the Budget Committee members would be badly fragmented and split and they would not be able to give the budget committee the kind of time and attention, the energy and the talent, the dedication and the service that they would otherwise give if they served only on that major committee and one other major committee, as is presently the rule in the Senate.

Second, by so doing, by having a rotating committee, the stature of that committee would be greatly reduced. This legislation, once it becomes law, will be difficult to implement. So while I believe it can possibly be a workable act, it remains to be seen whether it will work. A great deal will depend on the human element in both Houses.

If this committee is looked on as just a temporary committee on which one may serve and get a little exposure and a little experience, and then shift back to another committee, it will reduce the stature of that committee. This committee needs stature. The Appropriations and the Finance Committees already have stature. We have a new committee here and it will be a vitally important committee which will need equal stature with that of the Appropriations and Finance Committees and other committees.

It will detract from the stature of that committee if it becomes a sort of rolling stone committee on which members will rotate. It would be just another committee assignment for a member—just another chore, another burden—and not one of his most important committee assignments.

Third, the amendment would preclude the development of long-term personal relations with members of the new committee and the other standing committees whose legislative work would have to be coordinated with the new budget committee.

The Finance Committee has a long history, and the Appropriations Committee has a history which goes back deep into the roots of this institution. They both have great stature. The members of these committees, because of their seniority on such committees, generally, not only have great stature within the committee structure but also within the Senate. If we are going to set up a committee now that rotates its membership, its members will be deprived of the opportunity to gain valuable experience and would not be as dedicated in their service to that committee, because of that fact, nor be able to accumulate the expertise in their field, which all members of other committees are able to gain with long and continuous service.

I am afraid that they will not then have the prestige that will enable them to act with the kind of comity that will be needed between the budget committee and the Appropriations and Finance Committees, if we are going to make this legislation work.

The members of the Appropriations and Finance and other committees may otherwise view those who will be working on the Budget Committee as just messing into the business of the Appropriations and Finance and other committees. It will damage chances of favorable implementation of this act, once it becomes law.

Finally, I do not believe we should veer away from the normal procedure governing the service on standing committees in this body.

If this is really going to be a major standing committee, then it should stand on an equal basis with all other such standing committees, and its members should understand that.

Mr. President, I trust, for these various reasons, that the Senate will not agree to the amendment of the distinguished Senators from Wisconsin and Minnesota, Mr. NELSON and Mr. MONDALE.

Mr. HUGH SCOTT. Mr. President, I should like to say that I agree with the distinguished Senator from West Virginia.

Mr. ROBERT C. BYRD. I thank the distinguished Republican leader.

Mr. ERVIN. Mr. President, if we have

any time left on our side, we yield it back.

Mr. NELSON. Mr. President, how much time remains?

The PRESIDING OFFICER. Six minutes remain.

Mr. NELSON. Mr. President, unless someone else wishes to speak on behalf of the amendment, I am prepared to yield back our time.

Mr. ROTH. Mr. President, I ask unanimous consent that my aide Bruce Thompson be allowed the privilege of the floor during the vote on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time on this amendment has now been yielded back.

The question is on agreeeing to the amendment—No. 1046—of Senators Nelson and Mondale.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. Eagleton), the Senator from Arkansas (Mr. Fulbright), the Senator from Louisiana (Mr. Johnston), the Senator from Massachusetts (Mr. Kennedy), the Senator from Lousiana (Mr. Long), the Senator from Ohio (Mr. Metzenbaum), the Senator from Utah (Mr. Moss), the Senator from West Virginia (Mr. Randolph), the Senator from Connecticut (Mr. Ribicoff), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from West Virginia (Mr. Randolph), and the Senator from Ohio (Mr. Metzenbaum) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Kentucky (Mr. Cook), the Senator from Colorado (Mr. Dominick), the Senator from Idaho (Mr. McClure), the Senator from South Carolina (Mr. Thurmond), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I also announce that the Senator from Vermont (Mr. Aiken) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. Hatfield), the Senator from Vermont (Mr. Stafford), and Senator from North Dakota (Mr. Young) are absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. Thurmond) would vote "nay."

The result was announced—yeas 24, nays 56, as follows:

[No. 82 Leg.]

YEAS—24

Abourezk
Bayh
Biden
Brooke
Case
Chiles
Church
Clark
Dole
Hart
Hughes
Humphrey
Javits
Mansfield
McGovern
Mondale
Nelson
Packwood
Pastore
Pell
Stevens
Stevenson
Tunney
Williams

NAYS—56

Allen
Baker
Bartlett
Beall
Bennett
Bentsen
Bible
Brock
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Cotton
Cranston
Curtis
Domenici
Eastland
Ervin
Fannin
Fong
Goldwater
Gravel
Griffin
Gurney
Hansen
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Jackson
Magnuson
Mathias
McClellan
McGee
McIntyre
Metcalf
Montoya
Muskie
Nunn
Pearson
Percy
Proxmire
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Taft
Talmadge
Tower

NOT VOTING—20

Aiken
Bellmon
Cook
Dominick
Eagleton
Fulbright
Hatfield
Johnston
Kennedy
Long
McClure
Metzenbaum
Moss
Randolph
Ribicoff
Stafford
Symington
Thurmond
Weicker
Young

So the Nelson-Mondale amendment was rejected.

Mr. CURTIS addressed the Chair.

The PRESIDING OFFICER. Under the previous order the Senate will now return to the consideration of amendment No. 1055.

Who yields time?

Mr. CURTIS. Mr. President, it was my understanding that time was reserved for me to speak on the bill.

Mr. MANSFIELD. How much time does the Senator desire?

Mr. ROBERT C. BYRD. Mr. President, I think there was an understanding yesterday that the distinguished Senator from Nebraska (Mr. Curtis) would be assured of, I believe, 15 minutes on the bill. But at this moment, operating under the unanimous consent request, the Senator from Delaware (Mr. Roth) has an amendment before the Senate and is under controlled time. Perhaps the managers of the amendment would agree to yield some time now to the Senator from Nebraska.

Mr. CURTIS. No. I am willing to let the amendment proceed. I do wish to speak on the bill.

Mr. ROBERT C. BYRD. Yes. We have an understanding that the Senator will have 15 minutes.

Mr. CURTIS. Will that be before or after the vote?

Mr. ROBERT C. BYRD. Before the vote.

[Laughter.]

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. ROBERT C. BYRD. I yield.

Mr. STENNIS. As I understand the situation now, the amendment I shall offer will follow the Roth amendment. Is that correct?

Mr. ROBERT C. BYRD. The Senator is correct.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Delaware has nine minutes remaining. The Senator from North Carolina has 18 minutes remaining.

Mr. ROTH. Mr. President, I do not intend to use all that time, but I do want to summarize why I think my amendment is so important.

I wish to remind my fellow Senators that the reason the Joint Study Committee on Budget Control was established over a year ago was due to the problem we were having with deficit spending. I wish to read the recommendations of the joint committee on which served many distinguished Members of this body, as well as Members of the House of Representatives.

In that study it was concluded that the Joint Study Committee believed that the Congress' failure to arrive at congressional budgetary decisions on an overall basis has been a contributing factor to the size of these deficits.

As a result of our not considering spending together, it pointed out, we were not determining the relative priorities of the various spending programs.

The PRESIDING OFFICER. The Senator will suspend. The Senate will be in order.

The Senator may proceed.

Mr. ROTH. My concern with the legislation in its present form is that it will not bring about meaningful debate on the overall budget. But just as in the case of the debt ceiling, the debate on the overall budget both at the beginning and at the end of the year will become an exercise in futility because people will know it can be easily overturned.

I say again, that if the Congress votes for increased spending in June, July, or August, it is not going to vote to cut back those programs in October, particularly in an election year.

Our most pressing need is the control of inflation and its cause, deficit spending. My amendment would control excess Federal spending. What I propose is a two-thirds requirement to increase Federal spending after—and I emphasize the word "after"—we establish the original concurrent resolution budget.

Under the legislation, Congress, by a majority vote, must create a Federal budget by June 1. What I propose is that if we want to increase that budget, it ought to take a two-thirds majority; otherwise we are not going to pay much attention to the original budget.

It has been said that this method is inflexible; that a one-third plus one majority could hobble the intent of Congress.

No. 1, I am not a man of such little faith that I do not believe Congress is going to do what is necessary in the event of a major catastrophe, whether it be war or depresssion. I think we would live, under those circumstances, up to our responsibilities. But I would also point out that if that did happen, it takes only a majority to change the rules of the Congress. So we would not be locked into a situation that cannot be changed.

What I am asking is this: That the original budget be adopted by simple majority; any future increase would have to be adopted by a two-thirds vote. I do not think it is too much to ask this Congress to stand by a decision it made on June 1 for the next 4 months. It seems to be only commonsense.

Finally, the triggering mechanism, much like that contained in the Government Operations version of the bill, can also be adopted by simple majority if it does not exceed the original budget or if it adds increased revenues through increased taxes.

These are tough measures, but they are necessary. If they are going to control inflation or if we are going to reestablish confidence in the American dollar, this Congress has to make hard decisions.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. ERVIN. Mr. President, I yield such time as he may require to the distinguished Senator from Tennessee (Mr. BROCK).

Mr. BROCK. Mr. President, the Senator from Delaware is second to none in this body in his dedication to fiscal responsibility and to the economic soundness of this Nation. He carries the respect of all of us in that regard. His continuing effort with reference to this particular bill has been unique in its contribution. He is one of ability and honesty, and he is, in my opinion, usually right.

In this particular instance I support that section of the amendment which deals with the trigger clause that was in our bill, and I wish we could restore it, but there is another part of the amendment which I find it difficult to accept, and that is that section which relates to a two-thirds vote on a continuing resolution.

Mr. President, when I started to work on this legislation something over 2 years ago, one of the things we first did was to study the actions of the Congress in 1946, 1947, 1948, when a similar effort was made and a similar bill was passed only to have it fall of its own weight because that bill was so drawn as to be unacceptable or unworkable to the Members of either body.

I kept that example well before me, because I do not want to see this legislation fail again. It is too important to the people of this country. There is no way to calculate the burden on the American taxpayer of a $304 billion budget. It is too much to bear.

It is long past time that we addressed our national priorities in a more responsible way. It is not for lack of integrity that we have not done it; it is for a lack of a structure in which to do it. This is just the first step. I think we ought to recognize that this is just the first step. The process is going to have to continue for years, but it is a revolutionary first step, and I am deeply concerned that the acceptance of this amendment would so burden the bill, the implementation of the bill, that it would follow the example of Congress in 1948 and fall of its own weight. The Members of Congress simply did not abide by it because they could not abide the restrictions imposed on them.

This Congress operates by majority vote, and if a majority of the House or Senate decided they were going to take a certain course of action, nothing in the world would defer or change them from doing just exactly that. That is the way the system works. There is nothing wrong with that. There may be something wrong with the decision or judgment of the individual Members, but there is nothing wrong with the majority vote.

And that is the question we have before us: Are we going to inhibit that opportunity for change? Are we going to so burden the process of prioritizing our national needs in limiting our national expenditures, to establish criteria for honest budget reform, that it will not work? That is the particular concern I have at this particular moment, and despite my enormous sense of respect and admiration for the Senator from Delaware and my sharing of his objective, I hope the amendment is not accepted in this particular case.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I am opposed to the amendment.

The two principal features of the amendment are: First, to require that a trigger provision be included in all spending bills, and second, to require a two-third vote to increase any spending figures agreed to in the first concurrent resolution on the budget, or to approve an increase in the debt, as set in the first resolution.

The trigger proposal was embodied in an amendment by Senator NUNN. It was not agreed to because it would create a situation in which the President could, with a single veto, wipe out the whole session's work on spending bills.

A delay in completing action on a reconciliation bill would force the Congress to rely on continuing resolutions to keep the Government going, thus negating the advantage in changing to an October 1 fiscal year.

It might increase the likelihood of legislative-executive stalemate, because so much importance would be attached to a single measure, whose approval would be essential to the orderly functioning of the Government.

The required two-thirds vote to increase the spending figures set in the first resolution fails to take account of the gross inaccuracies which are characteristic of budget forecasting. As noted in the Rules Committee report—page 13—the average level of supplemental appropriations enacted over the past decade has been almost $10 billion per year. In addition the report also indicated—on page 21—that underestimates of expenditures for nonappropriated programs—such as interest on the debt and social measure trusts—have equalled almost $3 billion per year, over the past 5 years.

Thus, the facts of life are that we will have incomplete or inaccurate information when we adopt the first concurrent resolution. To permit one-third of the Senate to insist on the spending limits set in that resolution would deny a majority the right to "work its will." It could cause very serious disruptions in established programs, by forcing drastic reduction in so-called controllable programs when expenditures in other programs rise unexpectedly. It would subject the Congress to rigid set of procedures which are incompatible with its operating methods and with the prerogatives of a majority of the Senate.

I hope the amendment will be rejected.

Mr. ROTH. Mr. President, I will take only just one or two further moments.

I recall back in 1969 when the then senior Senator from Delaware, Mr. Williams, introduced a spending limitation accompanied by an increase in taxes. I also recall very vividly how time after time that ceiling was violated as this Congress added more spending to it.

A great deal has been said that what I am proposing is inflexible. I point out that there is nothing to prevent this Congress from adopting as large a budget as it desires. All I am saying is that when we make that decision by June 1, we ought to be willing to live by it for the next 4 months; otherwise we have gone through an exercise that history shows will have very little or no impact.

Much has been said about the evolutionary development of budgetary reform, and I hope that those who anticipate major reform prove to be correct. But to me it is a tragedy that this Congress is not willing to take strong reform steps right now. This morning we see news to the effect that inflation increased this past month by more than 1 percent. I do not think any leading economist would deny that deficit spending has been a major factor in that inflation.

In any event, what I am asking is for this Congress to not only have meaningful debates on the overall budget but to know that, having adopted the national priorities, they will have to live within that budget for the following year.

Mr. President, I am willing to yield back the remainder of my time.

Mr. ERVIN. Mr. President, I am prepared to yield back the remainder of my time.

Mr. ROTH. I yield back the rest of my time.

The PRESIDING OFFICER. All time has been yielded back. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) and the Senator from West Virginia (Mr. RANDOLPH) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from Colorado (Mr. DOMINICK), the Senator from Idaho (Mr. McCLURE), the Senator from South Carolina (Mr. THURMOND), the Senator from Connecticut (Mr. WEICKER), and the Senator from New Hampshire (Mr. COTTON) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from South Carolina (Mr. THURMOND) would each vote "nay."

The result was announced—yeas 23, nays 57, as follows:

[No. 83 Leg.]

YEAS—23

Baker
Bartlett
Beall
Bennett
Biden
Buckley
Byrd, Harry F., Jr.
Curtis
Dole
Domenici
Fannin
Griffin
Gurney
Hansen
Helms
Hruska
McClellan
Nunn
Proxmire
Roth
Scott, William L.
Taft
Tower

NAYS—57

Abourezk
Allen
Bayh
Bentsen
Bible
Brock
Brooke
Burdick
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Eastland
Ervin
Fong
Goldwater
Gravel
Hart
Hartke
Haskell
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Magnuson
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Schweiker
Scott, Hugh
Sparkman
Stennis
Stevens
Stevenson
Talmadge
Tunney
Williams

NOT VOTING—20

Aiken
Bellmon
Cook
Cotton
Dominick
Eagleton
Fulbright
Hatfield
Kennedy
Long
McClure
Metzenbaum
Moss
Randolph
Ribicoff
Stafford
Symington
Thurmond
Weicker
Young

So Mr. ROTH's amendment (No. 1055) was rejected.

Mr. MAGNUSON. Mr. President, I wish to express my support for the efforts of the senior Senator from North Carolina in his efforts to draft legislation designed to reaffirm congressional intent in the whole area that has come to be known as "impoundments."

I understand that title X of the Budget Reform Act of 1974 is intended to reaffirm and reassert the congressional intent that the President shall be prohibited from impoundments or any such activities involving the refusal to obligate to the full extent, or any action with similar effect, the appropriations provided by the Congress. This is my understanding of title X. Does the Senator believe and intend that title X should resolve this impoundment problem?

Mr. ERVIN. The Senator from Washington is correct in his statement that title X is intended to reach the problem of impoundment, reserves, and apportionments in all its forms.

The purpose of title X is to define, clarify, and thereby limit the authority under which the President and any other officer or employee of the executive branch may take any action which places appropriated funds in reserve, or has that effect for any period of time.

I would like to emphasize the intent of the committee that the word "reserve" is to be interpreted in its broadest sense. As the Senator from Washington knows, the President and his officers have become increasingly resourceful at making new interpretations of the intent of the Antideficiency Act as well as the appropriations acts insofar as they concern administration arguments which would allow the President to legally impound funds. Fortunately, the Federal courts have recognized consistently that Congress has intended that appropriations be obligated and expended and have not allowed semantic arguments of the executive branch to frustrate such congressional intent.

In this respect, the committee intends the provisions of title X to reach all the past and future mechanisms which this President or any other Executive has devised or will devise.

We intend the language in title X to mean any action by the executive branch which would have the effect of establishing a reserve, or otherwise delaying or making unavailable for obligation or expenditure appropriations made by the Congress in a manner inconsistent with achieving the full scope, intent, and objectives of Congress in enacting that appropriation.

Mr. MAGNUSON. I fully agree and support the statement of the Senator from North Carolina, and I wish to insure that the record clearly reflects that the interpretation and purpose of the committee is the same as the entire Senate, if and when title X becomes the law of the land.

I am particularly concerned that the President or any other member of the executive branch not be allowed to adopt a narrow interpretation of the word "reserves" as it appears in title X. Is it the intent of the committee that "reserves" be interpreted to mean any action which has the effect of establishing a budgetary reserve? This would include, for example, the delaying of the obligation of appropriated funds by the impoundment of positions, which is a new variation of the impoundment theme now being proposed and contemplated in the executive branch.

One way this works is to fire or transfer the staff so as to so disorganize the grant-processing organization of a department or agency as to make it impossible to award the grants and obligate the funds before the close of the fiscal year. The net effect is the same—impoundment.

Another variation of impoundment that is being proposed by some executive agencies is called forward funding or multiple-year grant periods. One way this works is for an agency to obligate the funds in a way that spreads the expenditure over a period of years instead of the usual practice of awarding funding for 12-month grants. The net effect is that the level of funding is lowered—another devious method of impoundment.

So, I ask the distinguished Senator, is it the intent of the committee that "reserves" be interpreted to mean any action which has the same effect as establishing a budgetary reserve?

Mr. ERVIN. Yes. The phrase "In apportioning any appropriation, reserves" clearly encompasses any effort or action by the executive branch which has the effect of delaying the appropriation, obligation, or expenditure of funds, or which has the effect of reducing the program level below the level contemplated by the Congress in the enactment of an appropriations bill or budget authority. Any such delay in expenditure of appropriations is, in effect, the creation of a "reserve" within the meaning of title X of the bill.

As the Senator knows, the administration proposed rescission of $328.8 million in funds in the fiscal 1974 budget that had been appropriated by Congress for the Department of Health, Education, and Welfare and the Department of Labor. The administration apportioned the funds to the agencies, with instructions not to obligate or spend the money until Congress acted on the rescission proposals.

Since the funds were apportioned, and thus not in a "budgetary reserve," the Office of Management and Budget did not include those funds in its report on "impoundments." But the proposed rescissions were functionally identical to the withholding of funds so reported, thus delaying by many months the implementation of progams enacted and funded by Congress. The committee does not countenance such practices. The apportionment, obligation, contracting, or personnel practices of the executive branch cannot be used as a method of withholding funds. All such actions are properly characterized as having the effect of establishment of a "reserve" and fall within the mandate and directives of title X.

Mr. MAGNUSON. I thank the Senator from North Carolina for his comments. It is reassuring to know that the clear congressional intent in the word "reserve" as used in title X is to include any action by any executive branch officer which has the same effect as the establishment of a budgetary reserve of appropriated funds.

Is it correct to say that under title X, the executive branch may not take any action to delay or withhold appropriations or budget authority, whatever the method or semantic description of the method?

Mr. ERVIN. That is correct.

### REFORMING THE WAY CONGRESS HANDLES THE FEDERAL BUDGET

Mr. MATHIAS. Mr. President, it is my hope and my expectation that the Senate will pass overwhelmingly today a comprehensive bill to reform the haphazard manner in which we have, for far too long, dealt with the Federal budget. I shall vote for it with both enthusiasm and conviction. This is certainly one of the most important pieces of legislation of this Congress, and may well be of more permanent significance than anything done here for a decade.

For many years I have urged this reform. Over 16 months ago, I chaired an ad hoc series of congressional hearings on the need for this reform. Last year I introduced, together with Senator STEVENSON, a bill which contained the principal provisions of this legislation. I have spoken about this measure to groups throughout my State of Maryland and have been encouraged by the widespread support which this action has received.

There are many serious problems facing the Congress at this time, but three of the most pressing are: First, the need for a more orderly and wiser expenditure of public moneys, and the related need for a means of considering our national priorities; second, the requirement that fiscal responsibility be maintained; and third, the question of the division of power between the executive branch and Congress.

These three problems come together in the consideration of the procedures Congress employs in passing the Federal budget. The procedure we have followed in the past may only be described as chaotic. Appropriations bills are considered seratim, as if they were unrelated to available revenues and unrelated to the total amount of expenditures. The size of the Federal budget and the amount, or even the existence, of a surplus or deficit are almost mystical events; we find out about them only at the end of a session by totaling up the amounts we have appropriated and comparing this total to estimated revenues. As far as the Congress is concerned, the budget is not planned. Instead, like topsy, it just grows. And without planning there can be no rational congressional consideration of competing national priorities. The final budget will be fiscally sound under the present practice by good fortune rather than by good judgment. Nor can there be the reasoned balance of powers between the executive and legislative branches of our Government which was envisioned by our Founding Fathers when they entrusted the power of the purse to the Congress.

If America could in the past afford a Congress which held the purse strings taut or slack with little rhyme or reason, it clearly can do so no longer. Today the Federal budget exceeds $300 billion. The projected budget deficit is approximately $10 billion. Inflation is soaring at a rate of almost 10 percent a year. Unemployment is increasing. And international confidence in fundamental economic traditions is questioned.

The bill before us gives us the tools we need to meet these challenges—to bring prices down, to end budget deficits, to increase employment, to restore confidence. In short, this bill permits us to know what we are doing, and to anticipate the consequences of our acts. It will remain for us, of course, to demonstrate that we have the will to wisely use these tools.

Dr. Arthur Burns, Chairman of the Board of Governors of the Federal Reserve Board, has told me that in his opinion this bill will do more to control inflation than any other single action that Congress could take. Economists, businessmen, consumer representatives, and international diplomats and financiers have expressed similar views. This bill will be a large deposit in the bank of confidence in America and in our political and economic institutions.

The bill before us is long and complex. In brief, however, it will accomplish the following:

First. Create a new committee on the budget to oversee general congressional budgetary matters.

Second. Establish a congressional office of the budget to provide the Congress, its committees, and its Members with the information, expertise, and resources to understand and control the budget.

Third. Require the Congress to establish firm ceilings on all expenditures, and to respect those ceilings throughout the entire session of the Congress, accounting for every penny of receipts and expenditures at the end of the Congress.

Fourth. Establish a new timetable of congressional and executive action which would insure that appropriation bills would be passed before the new fiscal year begins; too often now, agencies do not receive a new budget until the budget year is more than half over.

Fifth. Increases the oversight role of the Appropriations Committee. As a member of the Appropriations Committee, I have been pleased that we were able to reduce the appropriations requested by the executive branch by a net total of more than $3 billion last year; this bill will help us continue such fiscal commonsense.

These are the highlights of a complex and lengthy bill—a bill of extreme importance. I congratulate the committee members and staff who have labored so hard to refine each provision of the bill. I believe Americans will be pleased with the results of their effort. I am thankful that this long overdue reform is about to be taken. I believe that we are taking a giant step toward restoring the Congress to the coequal status the Founding Fathers intended for it, permitting us to again fully meet the responsibilities imposed on us by the Constitution and to merit the full faith of the American people in the legislative branch and in their Nation's economic well-being.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the text of the bill (H.R. 13025) to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act, with an amendment, in which it requested the concurrence of the Senate; and that the House had agreed to the amendment of the Senate to the title of the bill.

The message also announced that the House had passed a bill (H.R. 12920) to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes, in which it requested the concurrence of the Senate.

## HOUSE BILL REFERRED

The bill (H.R. 12920) to authorize additional appropriations to carry out the Peace Corps Act, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

## CONGRESSIONAL BUDGET ACT OF 1974

The Senate continued with the consideration of the bill (S. 1541) to provide for the reform of congressional procedures with respect to the enactment of fiscal measures; to provide ceilings on Federal expenditures and the national debt; to create a budget committee in each House; to create a congressional office of the budget, and for other purposes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Mississippi.

Mr. STENNIS. Mr. President, I call up an amendment which I have at the desk.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will please take their seats.

The amendment will be stated.

The assistant legislative clerk read as follows:

Viz: On page 184, between lines 4 and 5, insert the following:

### PAY RATES OF CERTAIN SENATE EMPLOYEES

SEC. 906. (a) The Secretary of the Senate, the Sergeant at Arms of the Senate, and the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $39,615. The Secretary for the Majority (other than the incumbent holding office on March 15, 1974) and the Secretary for the Minority shall each be paid at an annual rate of compensation of $39,330. The four Senior Counsel in the Office of the Legislative Counsel of the Senate shall each be paid at an annual rate of compensation of $38,475.

(b) The Secretary for the Majority (as long as that position is occupied by such incumbent) may be paid at a maximum annual rate of compensation not to exceed $39,330. The Assistant Secretary of the Senate, the Parliamentarian, the Financial Clerk and the Chief Reporter of Debates of the Senate may each be paid at a maximum annual rate of compensation not to exceed $38,475. The Administrative Assistant in the Office of the Majority Leader and the Administrative Assistant in the Office of the Minority Leader may each be paid at a maximum annual rate of compensation not to exceed $37,905. The Administrative Assistant in the Office of the Majority Whip and the Administrative Assistant in the Office of the Minority Whip may each be paid at a maximum annual rate not to exceed $36,765.

(c) An individual occupying a position on a committee of the Senate to which the highest rate of annual compensation may be paid under section 105(e) of the Legislative Branch Appropriation Act, 1968, as amended and modified, may be paid at an annual rate not to exceed $37,905.

(d) An individual occupying a position in a Senator's office to which the highest rate of annual compensation may be paid under the second sentence of section 105(d)(2) of such Act may be paid at an annual rate not to exceed $37,905.

(e) Section 105 of such Act is amended—

(1) by striking out of subsection (d)(2)(ii) "the salary of one employee may be fixed at a rate" and inserting in lieu thereof "the salaries of two employees may be fixed at rates";

(2) by striking out of subsection (e)(3)(A) "two such employees" and inserting in lieu thereof "four such employees"; and

(3) by striking out of subsection (e)(3)

(B) "three such employees" and inserting in lieu thereof "four such employees".

(f) The provisions of this section do not supersede (1) any provision of an order of the President pro tempore of the Senate authorizing a higher rate of compensation, and (2) any authority of the President pro tempore to adjust rates of compensation referred to in this section under section 4 of the Federal Pay Comparability Act of 1970.

**Mr. STENNIS.** Mr. President, I yield to the Senator from West Virginia.

**Mr. ROBERT C. BYRD.** Mr. President, in the interests of carrying out our unanimous-consent agreement which requires a final vote on this bill 2 hours and 7 minutes from this point, and realizing that Mr. Humphrey has three amendments, Mr. Chiles has an amendment, Mr. Taft has an amendment, and Mr. Javits has an amendment, I ask unanimous consent—and this has been cleared with the offeror of the amendment—that the time on this amendment be limited to 30 minutes instead of 1 hour, and that the agreement be in the usual form.

**The PRESIDING OFFICER.** Is there objection?

**Mr. GRIFFIN.** Mr. President, reserving the right to object, is the agreement the same with respect to amendments to amendments?

**Mr. ROBERT C. BYRD.** Yes.

**The PRESIDING OFFICER.** Is there objection to the request of the Senator from West Virginia?

**Mr. STENNIS.** Reserving the right to object, Mr. President, I do not expect to take long, and I do not know of more than one or two Senators who wish to speak, so I am willing to agree to a limitation of 15 minutes on each side, beginning now.

**The PRESIDING OFFICER.** Is there objection? The Chair hears none, and it is so ordered.

**Mr. STENNIS.** Mr. President, this amendment, I think, is of interest to every Member of this body, because it goes right into the bosom of his own office. The amendment will not increase the amount of the allowance—I have to ask my friends again, Mr. President, to let us have their attention or be quiet so that those who wish may listen.

**The PRESIDING OFFICER.** The Senate will be in order.

**Mr. STENNIS.** It does not increase the amount to any Senator for clerk hire, but it is a sad fact of life that the salaries of our top men, our leaders in our offices, have been frozen now for 4½ years, or virtually so, with the exception of little increases of a few hundred dollars, because they have had this $36,000 ceiling. And where all others on the staffs have been receiving these periodic increases, the ones that we put the chief responsibility upon have not received anything. I have the figures here to show that, and I shall come back to it.

In the committees, this amendment would remove the same ceiling for the two top men, and I shall increase that to four on the major committees. This is all a discretionary matter; Senators still have control of what the salaries will be as to the top men, or all of them, and it is likewise true with the committees that Senators will still have control of setting the salaries. But the way this amendment operates—as I say, it goes into the very bosom of everyone's staff—these automatic periodic increases occur, and everyone receives them except the top person.

I have a record here where I have figured out that since January 1, 1971, we have had three cost-of-living salary increases, but because of this restriction that I have mentioned, our administrative assistants have not participated fully. By the first increase paid to them a year later, they would have received $1,934 if they had been comparably increased with the rest of the staff, but as it is, they actually received then only $564. A year later, if their increase had been comparable to that of the other members of the staff, they would have received $1,907, but as it was, they received $163. Then in October 1973, when there was another automatic increase, they would have received an additional $1,861, but as a matter of fact, they received $5. Five dollars—think of that. A $5 increase.

The same thing applies in the committees. I say that on a comparability basis, we have waited too long already to remedy this situation, and that is what prompts me, and it is the only thing that prompts me, in moving for this amendment at this time.

Of course, we have officers of the Senate, and we have our senatorial employees, and the amendment is written in such a way as to make it applicable to them as well, in the same sense of fairness. There is no criticism of the House of Representatives, but all their major committees have 12 staff members that they can put at this top level, whereas our committees have 2 and only 2 that we can put at the top level. So when we develop a man over here, and he shows an aptitude and a familiarity and becomes really learned in the subject matter of the committee, they can offer him these much higher salaries over in the House of Representatives, and they do it.

I have had that experience here within the past few weeks—on the Armed Services Committee, I mean. So I think that we should lean out ourselves, not to make any comparisons as to what a Senator is worth compared to an administrative assistant, although a great deal of the time I believe that my administrative is worth, to my State and to the Nation, more than I am. But that is not the test. The question is whether we can continue on the basis of fairness and comparibility. These top men we rely on so strongly. Put it on no other program but that of self-defense for Senators, the Senate, and its committees, we should make a modest reduction of this situation. It is a modest reduction. The increase is only $2,000. Someone said something about a sense of fairness for the minority on committees. The Rules Committee has set all of that. We know this does not disturb them one bit. I cannot speak for any other chairman, of course, but it would be in a spirit of fairness to the minority. It is required, in effect, by the spirit of the rules, so that there should be a sense of fairness prevailing. I am sure that would not be a stumbling block or an argument against the amendment.

Now, Mr. President, I would be glad to answer any questions I could. Time is short.

**Mr. PERCY.** Mr. President, as I understand it, there would be no increase in allowances for the committees. This would not cost the taxpayers 1 penny. This just gives us some discretion to make an increase and every committee can decide in its own discretion whether to take money out of somewhere else and move it up to the top people.

**Mr. STENNIS.** The Senator is correct. That is, no new money will be allowed. No new money is given the Senator, but it will cost some more money, if he puts two at the top level, as that will spend more of his allowance.

**Mr. PERCY.** But his allowance is not raised.

**Mr. STENNIS.** No, but, for instance, a man who turns back some of his allowance, there will be less coming back to the Treasury. Many of us represent States which are not so populous as others. I have turned back money every year since I came to the Senate.

**Mr. PERCY.** Second, with respect to equal treatment in accordance with the Reorganization Act, I concur fully with this. It is not being implemented in some of the committees, but it should be. We should move toward that. Having talked with the minority leader and the assistant minority leader, we would be anxious to see, as the number of jobs are increased from two to four, that they do not all go to the majority. The minority has an equal responsibility to maintain a high professional level. I agree these are underpaid positions so that we cannot expect to get the caliber of men and women we would like to have.

Would the Senator entertain a modification, as to such employees, that two such employees shall be employees appointed at the request of the minority members of the subcommittee, the committee, or ranking minority members?

**Mr. STENNIS.** On a personal basis I would not object, but that gets into the field of legislation and that is a matter primarily to be passed on by the Rules Committee. We are foreign to that. This is all within the limits of the present law, except for changing the ceiling. I think every committee is given some latitude in those rules. There is a minimum. We in the Armed Services Committee have tried to avoid the idea of a minority or a majority staff member. But this is a sense of fairness, and if it is adopted, it will be on that basis and that is far enough to go and I believe that will meet the situation.

**Mr. PERCY.** Would the Senator feel, however, that it would be unfair for the Senate to approve this and then have all four positions taken by the majority?

**Mr. STENNIS.** It would. I do not say I advocate that a minority member, an unseasoned member and not especially prepared should be given the top salary to start with just because he is nominated by the minority. He must work his way up like the rest.

**Mr. PERCY.** Yes, he has to be proven. All minority members have to be approved by the committee. They have to be professionals. They have to demonstrate they are worthy of that.

Mr. STENNIS. I wanted to make that point.

Mr. PERCY. That is a worthy and a good point.

I thank the Senator from Mississippi.

Mr. CANNON. If the Senator from Mississippi will allow me to interject here, the Senator has made an erroneous statement and I wanted to correct the record——

Mr. STENNIS. I wanted to yield first to the Senator from Hawaii (Mr. FONG)——

Mr. PERCY. If the Senator from Nevada wishes to correct an error I may have made, I yield to him for that purpose.

Mr. CANNON. If the record is left as it is now, it would show that there would be no increase in cost to the taxpayer. That is simply not correct. There might be no increase in cost in the sense of Senators or their individual budgets, which are at a fixed figure, but the first move that would occur would be for them to go before the Appropriations Committee to try to get that amount lifted. That has been done several times over the past few years. Second, on the committee staffs, there would be an increase in the cost to the taxpayers now, without any action taken by the Appropriations Committee, because the staffs are fixed in number and pay structure, and to pay them at a higher level would be of immediate cost to the taxpayers.

Mr. STENNIS. In response, I said that it could cost additional money, not an additional allowance, but additional money out of whatever money a Senator or committee decided to put these increases on, at whatever level.

Mr. FONG. Mr. President, I commend the distinguished Senator from Mississippi for this amendment. As one who fought hard to implement the President's recommendations for executive, legislative, and judicial salary increases the Senator is following along the lines of those recommendations for the employees represented in his amendment. I hope, however, after passage of this amendment that we will look to the passage of an amendment to take care of GS grades 15, 16, 17, and 18, now at the levels of $36,000. They have not had an increase for the past 5 years whereas the cost of living has increased almost 30 percent over the past 4 years. According to the Commission on Executive, Legislative, and Judicial Salaries, at this rate that would mean an erosion of another 20 percent in another 4 years for a total of 54 percent when these salaries will next be reviewed. That time the pay level for GS–14, 15, 16, 17, and 18 employees would be the same, $36,000. So I commend the Senator from Mississippi for this amendment. I shall support it, and after the amendment passes, I hope we will reconsider what we did on the President's recommendations.

Mr. STENNIS. The Senator from Hawaii has made a powerful statement on this subject. If this keeps going on the way it is now, we will be in worse trouble every year. I want to make it clear that I am not fighting the committees or trying to get a free ride on the bill or anything like that. This is just to meet a situation as I have fully discussed it.

Mr. President, how much time do I have left?

The PRESIDING OFFICER (Mr. HASKELL). The Senator has 2 minutes remaining.

Mr. STENNIS. I will yield 1 minute to anyone that wants it.

Mr. FONG. Mr. President, let me say that the regular Government employees have received an increase of approximately 40 percent in the past 5 years. Military personnel have received an increase of approximately 80 percent over the past 5 years. The increase in salaries within the private structure has been around 30 percent during the past 5 years, yet these employees have not received a single dollar increase within the past 5 years.

Mr. STENNIS. Mr. President, may I hold back 1 minute? I yield the floor. I hope that we may have a quick vote.

Mr. ERVIN. Mr. President, there is no Member of the Senate for whom I entertain a deeper affection or higher admiration than the distinguished junior Senator from Mississippi (Mr. STENNIS).

But I cannot vote for this amendment for two reasons: The first is that this matter falls within the jurisdiction of the Post Office and Civil Service Committee. This proposal should be incorporated in the form of a separate bill, and the committee which has the jurisdiction should pass on the matter.

In the second place, I am not impressed by claims of great financial distress among the top employees of the Federal Government, the executive branch, or those on Capitol Hill. As a matter of absolute truth, the top employees in both categories are in a better fix than U.S. Senators, because their net earnings are more, as compared with the earnings of Senators.

Also, we are giving these people salaries higher than the salaries of the Governors of many States, higher than the salaries of supreme court justices of many States, and higher than the salaries of many other State officials.

I hear a lot about comparability. I do not know about the earnings of civilians generally, but my impression and my conviction are that Federal salaries are all out of line, being highly in excess of those which people are receiving for working in non-Government employment and industrial employment.

I just cannot conscientiously vote for this amendment, for those reasons.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. ERVIN. I was going to yield to the Senator from Nevada.

Mr. CANNON. I defer to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I join in everything that the manager of the bill has said.

Apart from the fact of jurisdiction, that this matter belongs to the Committee on Post Office and Civil Service, I think it would be a travesty for us to do this in a piecemeal manner. Senators are paid $42,500 a year. That is a lot of money. In anybody's country, that is a lot of money. But when you realize that a Senator has to maintain two homes, that he has to contribute to about every church bazaar in his State, that he has to make contributions that other individuals are not being called upon to make, you realize that if we raise these top staff members within a range of $3,000 or $4,000, we are doing an injustice.

This entire matter has to be studied, and the Senator from Wyoming (Mr. MCGEE) has already promised that a study will be conducted by his committee. I do not think now is the time, nor is this the place, for us to be discussing this matter. I am for doing what is right. On the other hand, I do not see these people resigning or quitting in droves. I do not see any Senators retiring from the Senate simply because of the salary.

I think we have to take a long view, a very in-depth study, of this matter, and at the proper time and proper place we ought to consider all the elements that are involved. But at this time to say to a Senator that he is worth only about $2,000 or $3,000 more than somebody who works for him is an insult to the Senator.

Mr. ERVIN. Mr. President, I yield the remaining time to the distinguished Senator from Nevada.

Mr. CANNON. Mr. President, I agree completely with the distinguished Senator from North Carolina and the distinguished Senator from Rhode Island.

I point out one additional fact that has not been mentioned: We have other people on the Senate staff who are top level now, who are not even covered by this amendment. In addition, we are leaving out the civil service people, who are bunched together—as the distinguished Senator from Hawaii mentioned—the grades 15 through 18, who cannot get raises because of the structure at the top level.

Furthermore, if we do this, we are doing nothing for the members of the judiciary, who are already fixed and who were very hopeful of getting a raise, and we are simply moving the top level staff people up closer to the amount the judiciary gets.

So far as it costing the taxpayers is concerned, let no one make a mistake that this is not going to cost the taxpayers, and cost very substantially—both on our individual staffs and on the committee staffs. It will do so without any further action on the committee staffs. So far as our personal staffs are concerned it will do so, because at the first legislative appropriations hearing, there will be people in to testify that they need an additional money allowance to pay for these raises to the staff.

Mr. President, I would prefer to see this matter treated in an orderly fashion, to go to the committee having jurisdiction, to be considered, and then let them come back with a report. Absent that, if the matter is to be pressed, I may say, in all frankness, that as soon as the time has expired on this amendment, I would propose to offer an amendment to it to include in this category the journal clerk of the Senate, the legislative clerk of the Senate, and the Assistant Parliamentarian of the Senate, all of whom are at the top level and who are not covered in the proposed amendment.

I would also propose—and am going to propose at the proper time, if this amendment is really considered—that the GS grades 15 through 18 shall be included, so that their pay rate shall not exceed the sum of $39,615, which is top level permitted in this amendment.

I simply point out to my colleagues the type of situation we are getting into by trying to legislate on something that is completely nongermane to a most important bill on the floor of the Senate.

I hope the Senator will see fit not to press this amendment; but if it is pressed, I have already given my colleagues notice of what I intend to do by way of an amendment.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, if the Senator will yield, I hope he will not offer his amendment. I hope that we will defeat the pending amendment. If necessary, I am going to move to lay it on the table. I think this is not the time to be discussing this matter. If there is no further colloquy——

Mr. PERCY. Mr. President, I ask this question of the distinguished Senator from Mississippi: He has clearly indicated that the intent of his amendment is to fairly treat the minority, but the definition of it is subject to a great deal of discussion.

I would think that no one could argue with the fact that out of four such employees, at least one would be assigned to the minority. So at least that indication would be that the minority would be dealt with fairly.

I feel very strongly that we are treating these top staff members very poorly, and we are treating ourselves poorly, because we have lost any number of men and women who have simply been forced out by the fact that the salaries have been frozen.

I certainly appreciate the fact that this is not a germane amendment to this bill; but it makes one wonder when we are going to get around to straightening out this situation, which is grossly inequitable, and we all know that.

I ask the Senator whether he would accept the following amendment: Following the words "in lieu thereof for such employment," add "at least one of which shall be employees appointed at the request of other minority members of that committee."

Mr. STENNIS. Let me respond to the Senator this way: Under the present rules of the Senate——

Mr. ERVIN. Mr. President, is this time being charged against the opposition?

The PRESIDING OFFICER. This time is being taken out of the time of the Senator from North Carolina.

Mr. ROBERT C. BYRD. On the bill or on the amendment?

The PRESIDING OFFICER. On the amendment.

Mr. PERCY. Mr. President, I ask for 3 minutes on the bill.

Mr. STENNIS. Mr President, I refer to the Legislative Reorganization Act, which provides for six professional staff members It does not set the salary. Two of such professional staff members may be selected for appointment by majority vote of the minority members. So they have that right now, as a matter of hard law, for a third. I do not know whether the Senator's committee is getting it or not, but it is written into the law. In the Committee on Armed Services, we follow that rigidly.

Mr. PERCY. The slots are provided to the minority, two out of six, but not the pay. Here, specifically, the Senator is providing for jobs at a pay level. If by legislative history we can make it certain enough that at least one person would be assigned to the minority the Senator from Illinois would be satisfied.

Mr. STENNIS. I beg the Senator's pardon. This does not set the salary; it provides it may be set at the top level.

I do not want to be fussy about this matter. I would agree that one be nominated by the minority at such salary as the committee may set. That is the way it happens now. That would take care of the situation.

Mr. ROBERT C. BYRD. Mr. President, I intend to vote for the amendment of the Senator from Mississippi. If this other aspect is brought in, which I think is a matter for the Committee on Rules and Administration to decide, I shall vote against it. I think it should go to the Committee on Rules and Administration.

The PRESIDING OFFICER. Who yields time?

Mr. ROBERT C. BYRD. Mr. President, I hope we will vote one way or another because we are going to get into a terrible crunch at 2 o'clock. We have seven amendments pending.

Mr. ERVIN. Mr. President, I yield back my time in opposition to the amendment.

Mr. HUGHES. Regular order.

The PRESIDING OFFICER. The Senator from Mississippi has 1 minute remaining.

Mr. STENNIS. Mr. President, just by way of review for those who have come to the Chamber, this proposal is merely to meet a situation of comparability, of fairness, whatever it may be called, within the Senator's own staff where we have let a situation develop by putting a ceiling on the man who is presumably in the most responsible position in the office and at the same time we have passed laws to give automatic increases to all others on his staff. It is not fair, it is not right, it is not compatible, and already it is leading us to very serious trouble. The same thing applies within the committees, with some difference of application. I feel certain that the minority will be treated fairly in this matter.

The PRESIDING OFFICER. All time is expired.

Mr. PASTORE. I move to table the amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment.

Mr. HUGHES. The yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. PASTORE. Who asked for the yeas and nays? I did not ask for the yeas and nays.

The PRESIDING OFFICER. The Chair understood the Senator from Iowa to ask for the yeas and nays.

Mr. HUGHES. I withdraw the request.

Mr. STENNIS. Mr. President, I ask for the yeas and nays on the motion to table.

Mr. PASTORE. The yeas and nays, Mr. President.

The PRESIDING OFFICER. The yeas and nays are ordered. The question is on agreeing to the motion of the Senator from Rhode Island. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BEALL (after having voted in the affirmative). On this vote I have a pair with the Senator from New Hampshire (Mr. COTTON). If he were present and voting he would vote "nay." I have already voted "yea." I withdraw my vote.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from West Virginia (Mr. RANDOLPH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Alabama (Mr. SPARKMAN), are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM), and the Senator from West Virginia (Mr. RANDOLPH), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN), is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG), are absent on official business.

I further announce that, if present and voting, the Senator from South Carolina (Mr. THURMOND), would vote "nay."

The result was announced—yeas 48, nays 29, as follows:

[No. 84 Leg.]

YEAS—48

Abourezk
Bartlett
Bayh
Bible
Biden
Brock
Buckley
Burdick
Byrd,
  Harry F., Jr.
Cannon
Case
Chiles
Church
Clark
Cranston
Curtis
Dole
Ervin
Fannin
Gravel
Gurney
Hansen
Hartke
Hathaway
Hollings
Huddleston
Hughes
Humphrey
Jackson
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Proxmire
Schweiker
Scott,
  William L.
Taft
Talmadge
Tower
Williams

NAYS—29

Allen
Baker
Bennett
Bentsen
Brooke
Byrd, Robert C.
Domenici
Eastland
Fong
Griffin
Hart
Haskell
Helms
Hruska
Inouye
Javits
Johnston
McIntyre
Metcalf
Mondale
Pearson
Pell
Percy
Roth
Scott, Hugh
Stennis
Stevens
Stevenson
Tunney

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Beall, for

NOT VOTING—22

Aiken
Bellmon
Cook
Cotton
Dominick
Eagleton
Fulbright
Goldwater
Hatfield
Kennedy
Long
McClure
Metzenbaum
Moss
Randolph
Ribicoff
Sparkman
Stafford
Symington
Thurmond
Weicker
Young

So Mr. Pastore's motion to lay on the table Mr. Stennis' amendment was agreed to.

Mr. TAFT. Mr. President, I call up my amendment No. 1050, on behalf of myself, the senior Senator from Alabama (Mr. Sparkman), the senior Senator from Wisconsin (Mr. Proxmire), and the senior Senator from Texas (Mr. Tower).

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read the amendment as follows:

On page 170, line 23, delete "(3) Federal Financing Bank;" and renumber the items which follow accordingly.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. ROBERT C. BYRD. Mr. President, the distinguished Senator from New York (Mr. Javits) has indicated a willingness to reduce his time on his amendment from 20 minutes to 10 minutes. I ask unanimous consent to do that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, I ask unanimous consent that the senior Senator from Utah (Mr. Bennett) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TAFT. Mr. President, this amendment to S. 1541, which I explained on page 7398 of yesterday's Record, would delete reference in section 606 to the Federal Financing Bank, and thus keep the Bank out of the budget.

Section 606 would repeal a number of provisions of law which have exempted from the budget certain Federal programs and agencies, including the Federal Financing Bank.

Including the outlays of the Federal Financing Bank in the budget totals, as would be required by section 606, would mean that each time the Federal Financing Bank purchased an obligation guaranteed by another Federal agency a new budget outlay would occur. Thus the Federal budget and the Federal deficit would be increased by the amount of Federal Financing Bank purchases of guaranteed securities.

There has been a great deal of misunderstanding about the effect of section 606 on the Federal Financing Bank. I agree that when the Bank purchases an obligation issued by a Federal budget agency, such as TVA, there would be no net effect on Federal budget totals; this would simply be an intragovernmental transaction. I also recognize that obligations guaranteed by Federal agencies would not be directly affected by S. 1541, and they could continue to be financed outside of the budget.

The problem created by S. 1541 is simply that guaranteed obligations could not be financed by the Federal Financing Bank except by increasing budget outlays. Thus, since guaranteed borrowers could not count on the ready availability of Federal budget funds, the Financing Bank would not be the assured source of financing that the Congress intended it to be.

The total amount of securities issued or guaranteed which would be eligible for purchase by the Federal Financing Bank in the fiscal year 1975 is estimated at $20 billion, of which guarantees account for $17 billion. Consequently, the Federal budget deficit of $9.4 billion estimated for fiscal 1975 would be increased by $17 billion if the Bank purchased these securities, and the deficit would be $26.4 billion. I do not think it is realistic to expect that this would occur.

Rather, many guaranteed borrowers who are eligible to borrow from the Federal Financing Bank would generally feel obliged to continue their own market borrowing operations so as to avoid the uncertainties of relying on sufficient funding when they need it from the Financing Bank. Thus, these guaranteed borrowers would continue to pay more on their borrowings, and the intent of the Congress in the Federal Financing Bank Act of 1973 would not be achieved.

The additional interest cost incurred in financing guaranteed securities outside of the Federal Financing Bank will in many cases be a direct cost to the Federal Government and thus to the taxpayer, since many guaranteed obligations, such as in the subsidized housing programs, involve direct Federal interest payments.

Who else will pay the cost of including the Federal Financing Bank in the budget?

The rural electric cooperatives, whose bond issues will be guaranteed by REA under the new program enacted by the Congress in May of last year, would be required to pay more by borrowing in the market rather than through the Federal Financing Bank.

A higher interest rate would also be required on the Farmers Home Administration guaranteed obligations to finance farmers, rural housing and a variety of other rural development purposes.

The new Student Loan Marketing Association established by the Congress to lower the costs of financing the student loan program would also have to pay more on its borrowings.

The residents of Maryland, Virginia, and the District of Columbia would bear a higher cost for the new subway because the Washington Metropolitan Area Transit Authority would pay more on its borrowings which are guaranteed by the Secretary of Transportation.

The cost of financing would also be higher for small business investment companies, health maintenance organizations, hospital facilities, new communities and a variety of other housing, education, and transportation obligations which are guaranteed by Federal agencies and which are eligible for Federal Financing Bank purchase.

Only if the Congress wishes to place these guaranteed securities themselves in the budget, which would not be done by S. 1541, would it make sense to require that budget outlays be incurred each time one of these securities is financed by the Financing Bank.

Thus, the inclusion of the Federal Financing Bank in the budget would serve only to continue the disorderly conditions in the market for Government-backed securities and raise the cost of borrowing for programs which were enacted by the Congress for the express purpose of lowering their borrowing costs. I do not think that any Member of the Senate wishes to see this happen. Thus I urge that you support my amendment, which would assure that the intent of Congress in the Federal Financing Bank Act of 1973 would be fulfilled.

I ask unanimous consent that a letter from Secretary Shultz of the Treasury, supporting the amendment, be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Secretary of the Treasury,
*Washington, D.C., Mar. 14, 1974.*

Hon. Sam J. Ervin, Jr.,
*Chairman, Government Operations Committee, U.S. Senate, Washington, D.C.*

Dear Mr. Chairman: In our further review of S. 1541, we find one provision concerning the Federal Financing Bank, created by the Congress on December 29, 1973 (P.L. 93–224), which would effectively negate the purpose of that recent legislation.

Specifically, Section 606 of S. 1541, as reported by the Senate Committee on Rules and Administration on February 21, 1974, would repeal a number of provisions of law which exclude certain programs and agencies, including the Federal Financing Bank, from the Federal Budget totals and limitations. Inclusion of the Federal Financing Bank in that provision misconstrues the nature and purpose of the Bank, which conducts no substantive program and is designed solely to coordinate and make more efficient borrowing by other Government agencies that will take place in any event. The decision on appropriate budgeting treatment should be made with respect to the substantive agencies, not with respect to the Federal Financing Bank.

I sympathize with the objective of Section 606 to provide for better budget control. If the Congress determines that certain substantive Federal credit programs be included in the Budget, this can and would be assured by including those programs in the Budget. This objective would *not* be achieved by including the Federal Financing Bank in the Budget. The Bank is simply an optional financing vehicle to consolidate and to lower the costs of market borrowing activities for other Federal agencies. The Bank is authorized to issue its own securities and to use the proceeds to purchase any obligation issued, sold, or guaranteed by a Federal agency. Such purchases by the Bank would not affect the budget treatment of the agency operations. That is, those agencies which are in the Budget would not be removed from the Budget by using the Financing Bank. Nor would agencies outside the Budget be brought into the Budget simply because their obligations were financed by the Bank. Thus the Federal Financing Bank itself would have, and should have, no effect on the Federal Budget outlay and receipt totals or surplus or deficit except, of course, that budget savings would be realized over time by the reduction in agency financing costs made possible by the Bank.

The need for the Federal Financing Bank arose from the fact that over the years Congress provided many Federal credit agencies with authority to conduct their financing activities independently. The result has been a proliferation of inefficient Government-backed obligations in the market in the form of agency issues, sales, or guarantees of securities.

To a considerable extent, such agency financing is today in the form of guaranteed securities. This form of financing is outside the Budget today, and under the terms of S. 1541 would remain outside the Budget. Much of the savings made possible by the Bank would arise from financing such guaranteed obligations through the Bank. In many cases, such as guaranteed Farmers Home notes, public housing bonds, and GSA certificates, the Government itself would directly realize the savings in interest costs since these programs involve direct Federal interest payments. In other guarantee programs, such as Merchant Marine bonds, Amtrak issues, and Washington Metropolitan Transit Authority bonds, the interest savings would benefit the guaranteed borrowers but should in the end also lead to a reduction in Federal construction or operating subsidies for these programs.

If the Federal Financing Bank were to be included in the Budget while the substantive guarantee programs themselves remain excluded, those Federal agencies could not find it practicable to use the Bank to finance guaranteed securities. The net effect would be that most agency financing activities would continue to be conducted directly in the market in less efficient forms and at substantial additional costs to the programs being financed and to the Federal taxpayers.

In sum, the decision as to appropriate budgeting treatment should be made with respect to the credit programs themselves, and not on the basis of whether they choose to use the Federal Financing Bank as a financing vehicle. It is not my intention here to suggest which Federal credit programs should be in the Budget. I merely wish to point out the overlapping, and therefore self-defeating, nature of including the Federal Financing Bank in Section 606.

Sincerely yours,

GEORGE P. SHULTZ.

Mr. TAFT. Mr. President, let me cite an example to indicate what this provision would do to a particular program.

For fiscal 1975, the President's budget estimates that almost $2.5 billion would be disbursed under rural housing and miscellaneous agriculture programs. Yet, the figure in the budget for these programs is negative $368 million. The negative figure is made possible not by repayments of outstanding Farmers' Home Administration loans, but rather because the Farmers' Home Administration packages the housing loans and markets them like agency obligations. These "asset sales", as they are called, result in a substantial negative budget figure.

The Federal Financing Bank provides the opportunity for the Government to save interest costs on these obligations.

Under this procedure, the Bank would technically purchase the packaged farmers' home loans and substitute its own obligations to obtain a more favorable interest rate. Exactly the same amount of borrowing from the private market would be done. Yet, because the Bank is an intermediary, the cost of purchasing these obligations would show up in the budget even though this cost is being financed through borrowing from the public and not tax money.

The result is that a large portion of the $2.5 billion in disbursements would become "budget outlays". Rather than increase the budget by this much money, Farmers' Home Administration would be quite likely to avoid the budget by continuing its financing in the present inefficient manner, at considerable cost to the taxpayers.

In the case of the guarantee programs, which constitute a much greater volume of obligations, the only significant difference would be that the Government agency would arrange for the Bank to acquire the obligations rather than acquiring them and reselling them to the Bank. The budget principles would be the same.

I reserve the remainder of my time.

Mr. ERVIN. Mr. President, I wish to assure the Senator from Ohio that we will be glad to take this matter to conference.

Mr. TAFT. I thank the Senator from North Carolina for taking that position. While there has been objection expressed in a letter from the General Accounting Office, I must say that its objection shook my confidence a good deal in the General Accounting Office's understanding of the matter. But since this is a technical matter, and having received assurance from the chairman that the matter will be considered thoroughly for conference, and with the realization that the House bill does not contain what is in this proposal, I shall be gald to withdraw the amendment.

Mr. PERCY. Mr. President, I ask unanimous consent that two letters, one dated March 18, 1974, the other dated March 19, 1974, from the Comptroller General and the Assistant Comptroller General, respectively, be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
*Washington, D.C., March 18, 1974.*

Hon. CHARLES H. PERCY,
*U.S. Senate, Washington, D.C.*

DEAR SENATOR PERCY: You have requested the comments of the General Accounting Office on the provisions of Section 606 of S. 1541, as reported by the Committee on Rules and Administration. These provisions concern the Federal Financing Bank. Essentially, these provisions would require that the Federal Financing Bank and several other agencies now excluded from the budget totals be included therein.

We believe it appropriate that the activities of the Federal Financing Bank, like those of all other Government agencies, be included in the budget totals, and we therefore favor these provisions of Section 606 of S. 1541.

As we understand it, among the arguments of those opposing the legislation are contentions that the Federal Financing Bank is unique; that it is not a program agency; that its activities will create neither expenditures nor borrowings that will not otherwise occur; and that its activities are in effect a consolidation of the financing activities of other Federal programs. It is also argued that exclusion from the budget is necessary to assure neutrality with respect to the budget status of programs the Bank would be dealing with.

We disagree fundamentally with the "budget neutrality" argument. Rather, we agree with the President's Budget Concepts Commission of 1967 that all agencies and programs should be subjected to the test of inclusion in the budget totals and the consequent priority evaluations and judgments.

Further, it is not clear to us that the other cited arguments are valid. To the extent that Federal Financing Bank activities simply mirror or duplicate the activities of other agencies or programs, these activities can and should be netted out of budget totals as is done in many other areas of the budget. It appears likely, however, that some activities of the Bank will not be duplicative of amounts otherwise included in the budget for a given year. These activities should be reflected in the budget and included in budget totals.

We do not read the language of Section 606 as requiring the inclusion of the total amounts of guarantees of non-Federal obligations in budget totals nor do we believe this should be required. If this is a concern, we believe it could be removed by report language or legislative history clarifying the intent of the bill to exclude such guarantees except for a reasonable contingency amount.

Sincerely yours,

ELMER B. STAATS,
*Comptroller General of the United States.*

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ASSISTANT COMPTROLLER GENERAL
OF THE UNITED STATES,
*Washington, D.C., March 19, 1974.*

Hon. CHARLES H. PERCY,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR PERCY: This letter will summarize a discussion on this date with Mr. Vastine of your staff regarding the reasoning behind our conclusion that the Federal Financing Bank should be "in budget."

1. When the Federal Financing Bank acquires the obligations of agencies, the transactions are not simply guarantees of the agencies' securities, but are outright purchases of those securities. Therefore, they are direct outlays of Federal funds whether or not the securities of the agencies were "in budget."

2. This being the case, the outlays should be included in the budget totals and should be subjected to the same priority and cost benefit tests as other Federal outlays.

3. Subjecting the Bank's outlays to these tests should not eliminate the use of the Federal Financing Bank since the interest and other advantages of obligations issued by the Federal Financing Bank would remain. Rather, it would assure that Bank outlays were appropriately weighed against alternative choices and priorities.

I hope this additional explanation clarifies our position and reasoning. If we can be of further help, let us know.

Sincerely,

PHILLIP S. HUGHES,
*Assitant Comptroller General.*

Mr. PERCY. Mr. President, I fully agree with the Senator from North Carolina, and will give due consideration to the proposal.

Mr. BROCK. Mr. President, I serve on the Committee on Banking, Housing and Urban Affairs. We have spent a great deal of time on the subject of the Federal Financing Bank. I am completely in sympathy with the Senator's objectives. I do not think the Committee on Government Operations had any intention whatsoever to limit its access, availability, or effectiveness.

Let me assure the Senator from Ohio that if he withdraws his amendment the committee will make every effort to see that his concerns are dealt with. We simply want to be certain that the things that ought to be covered, are covered. I think the Senator from Ohio has raised a completely valid point. I assure him of my efforts to secure modified language, so as to make sure that we do not take any action that would be deleterious to the Federal Financing Bank.

Mr. TAFT. I thank the Senator.

Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. JAVITS. Mr. President, I offer my amendment No. 1057 and ask that it be read. I call attention to the fact that the year 1978 in line 4, page 1, is in error. The year should be 1975.

The PRESIDING OFFICER. Without objection the amendment is so modified. The clerk will state the amendment.

The assistant legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that the further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

On page 116, after line 25, insert the following:

### REPORT ON NATIONAL GOALS AND PRIORITIES

SEC. 203. (a) ANNUAL REPORT.—The Director shall submit to the Congress on or before May 1 of each year (beginning with 1975) a national goals and priorities report, which shall include, but not be limited to, a description and discussion of—

(1) the President's recommendations on national priorities reflected in the proposed allocation of budget authority and budget outlays for each major national need as set forth in the budget submitted by the President for the fiscal year beginning on October 1 of such year.

(2) the goals, or objectives, associated with each major national need and the goals, or objectives, being sought by all Federal programs directed at meeting such national need and a balanced national growth;

(3) an assessment of the adequacy of the resources allocated to each national need in view of the goals or objectives being sought; and

(4) an assessment of the probable effect of such proposed budget outlays and budget authority and of such allocation of resources, upon the balanced growth and development of the Nation, such assessment to be drawn from information, data, reports, and analyses which shall be furnished to the Director upon his request by such Federal departments, agencies, and bureaus as he may determine and as may have such requested subject matter within their official jurisdiction.

(b) ASSISTANCE TO COMMITTEES AND MEMBERS.—At the request of any committee or Member of the Senate or the House of Representatives or any joint committee of the Congress, the Office shall provide to such committee, Member, or joint committee further information, data, or analysis relevant to the subject matter of subparagraph (a).

Mr. ROBERT C. BYRD. Mr. President, we are confronted with the following situation: After disposing of the amendment offered by the Senator from New York (Mr. JAVITS), six amendments remain to be disposed of. An understanding was reached whereby the distinguished Senator from Nebraska (Mr. CURTIS) would be permitted to speak on the bill for not to exceed 15 minutes. The distinguished Senator from Arkansas (Mr. MCCLELLAN) was to be allowed to speak for at least 5 minutes, if he deems it necessary. Senators can thus see for themselves what the situation is, because we have agreed to vote on final passage at 2 o'clock p.m. today. That puts the managers of the bill in a most difficult position, so I ask unanimous consent that they limit their statements on the remaining amendments, with the possible exception of the amendment by the Senator from Georgia (Mr. NUNN), to 3 minutes.

Mr. NUNN. Mr. President, reserving the right to object——

Mr. ROBERT C. BYRD. The Senator's rights are protected.

Mr. NUNN. I have no objection.

Mr. JAVITS. Mr. President, I am very hopeful I can complete what I have to say within five minutes or less, because this matter has been fully discussed. I wish to make it clear that this language, which seeks only a report on national goals and priorities, results from a previous history in the Senate and the collaboration of a number of Senators.

The Senator from Florida (Mr. CHILES) raised some question in an amendment that had other aspects; the Senator from Minnesota (Mr. HUMPHREY) raised some question in another amendment that had other aspects.

The Senate, on two previous occasions, has passed this particular matter as a bill—as a matter of fact, established by a bill in 1971 an office of national goals and priorities equivalent to the Comptroller General's Office.

The Government Operations Committee, which has dealt with this matter too, in considering this bill, reported it as a separate bill, with another matter that the Senator from Florida (Mr. CHILES) had dealt with. That matter having been dealt with in another amendment, and not having got into the bill, all of us decided—that is, from collaboration among the Senator from Florida (Mr. CHILES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Maine (Mr. MUSKIE), the Senator from Illinois (Mr. PERCY), and myself—that the best that could be done—and it was very desirable that it be done—was to provide in the year 1975 for some overview of national goals and priorities from an agency of our own, to wit, the budget committee, because this would be very useful. Many corporations, such as American Telephone & Telegraph Co., United States Steel Corp., and others, have a 5- to 10-year projection.

I think we have done a remarkable job on the bill with respect to the annual budgeting process, but I think we should still have a projection forward as to where we are heading, and what the budget is supposed to inform us to do. That is the purpose of the amendment. We have trimmed it down considerably so that there will not be an onerous burden on the director of the committee.

A second very important point was made by the Senator from Florida (Mr. CHILES): That information which should be available to every Senator, which was something he worked very hard on, should be limited to what the director is required to do anyhow in respect to the report, so that he cannot be given brand-new jobs which he can carry out with separate committees.

I am very hopeful, Mr. President, on behalf of us all, because the amendment is simply a mosaic of the work of Senator CHILES, Senator HUMPHREY, Senator MUSKIE, and myself as it relates to this particular matter and nothing beyond it, that the committee may see fit to accept the amendment.

Mr. BROCK. Mr. President, as a cosponsor of the amendment, I am delighted to accept it.

The Senator, in his modified version, requires a report by 1975. I believe it is quite possible that, under the new legislation, the Director of the Budget might not be confirmed until early in the following year, and I wonder if it would be possible for them to meet the Senator's timetable in the next year.

Mr. JAVITS. I was going to make this suggestion: If, when we finally get to conference—and I suppose perhaps I shall be a conferee, too—we see the time is too short, we will change it. Second, as we have done here time and time again, if we get in a jam we can handle the matter by a consent bill.

Mr. BROCK. I am personally perfectly willing for the date to remain as it is, but I simply raise the point.

Mr. President, I am delighted to have the amendment accepted.

Mr. HUMPHREY. Mr. President, I offered an amendment for discussion yesterday, proposing the inclusion in the budget-making process of a guarantee that the Nation's balanced growth and development would be considered with the seriousness it deserves.

Some of my colleagues suggested at the time that while they agreed with what I was saying in principle, they were unwilling to support the specific means by which I proposed to achieve it.

We have before us now another amendment, this one proposing to include national goals and priorities and growth and development among the considerations weighed during the budget-making process.

Under the provisions of the amendment, the Office of the Budget would report each year to the Congress on the impact of the President's proposed budget, upon the Nation's goals, priorities and balanced growth and development. The information would come in part from the President, in part from the various existing Federal departments and agencies, for preparing this report.

I believe this is the least we can provide, Mr. President. This is a bare minimal assurance that our budget deliberations and decisions will be enlightened by a knowledge of the impact of what we do upon the future growth and development, goals and priorities of the Nation.

The amendment calls for an assessment of the likely impact of the President's budget proposals on the Nation's balanced growth and development.

While it is not spelled out specifically in the amendment, but left to the discretion of the Director of the Office, I would like to suggest some of the subject matter that should be considered in this assessment.

These items might include population distribution within and among the States, employment, environmental qualify, land-use, transportation, communications, fuels and energy, food and fiber production and consumption, housing, health-care facilities and services, education, manpower training, recreational and cultural facilities, the advancement of technology.

These need not be spelled out in the amendment itself. The amendment gives the Director the discretion to request information from the existing Federal agencies and programs, and I have confidence that between them they could and would produce the kind of information intended in the amendment.

The main objective is to state clearly in the legislation that the Congress recognizes national growth and development, goals and priorities to be directly related to and affected by the national budget, and to declare a desire for information about that inter-relationship each year as the budget-making process begins.

Mr. ERVIN. Mr. President, we will take this amendment to conference.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. HASKELL). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BROCK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CRANSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. NUNN. Provided I do not lose my right to the floor.

Mr. CRANSTON. Mr. President, I ask unanimous consent to have 2 minutes to bring up an amendment of my own which is acceptable to the management and would not take any time away from our schedule.

Mr. NUNN. Reserving the right to object, as the Senator from Georgia understands, this time does not come out of my time.

The PRESIDING OFFICER. The Senator is correct.

Mr. CRANSTON. My amendment is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CRANSTON. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON'S amendment is as follows:

On page 121, lines 4 and 5, strike out "Estimated revenue receipts;" and insert in lieu thereof "Total estimated revenue receipts and the major sources of such receipts, with such total being allocated among such sources;".

On page 121, line 16, immediately before the semicolon, insert a comma and the following: "and may include the major sources from which such revenues are to be received, with such appropriate level being allocated among such sources".

Mr. CRANSTON. Mr. President, this amendment has been discussed with the leadership. All it does is request that when the Finance Committee comes in with its estimates of revenues, it indicate what revenues are expected to produce how much, so that we will have a better indication of how much we will receive from the income tax and how much from other taxes.

It also states that when there is a desire to either increase or reduce taxes, for whatever reason, the Senate may recommend which taxes be reduced or increased in general. That is simply to provide more flexibility, and match the revenue aspects of the budget control bill with the appropriation and operational aspects more clearly.

This amendment will strengthen the new congressional budget process, through which all spending decisions will be related to each other and to revenues, by providing that the first concurrent resolution shall state not only the total estimated revenue receipts but the major sources from which such receipts are anticipated. In addition, the amendment provides that the recommended level of aggregate Federal revenues also may include recommendations for the major sources from which such revenues are to be derived with appropriate levels being allocated among such sources.

The committee reports before us have emphasized the need for Congress to give greater attention to the revenue side of the budget.

Spending by Congress has been blamed for the deficits and the fiscal crisis which threatens us with an overwhelming inflation. The Rules Committee report, however, wisely and correctly points out that on closer inspection we find that large and unexpected additions to the debt have resulted largely from the revenue side of the balance sheet, and not necessarily from higher spending. The report points out that in the years from 1970 to 1972 the differences between budget estimates and actual receipts for those 3 years represented 65 percent of the difference between estimated and actual deficits.

S. 1541 offers the Congress, for the first time, an opportunity to decide what kind of fiscal policy the country will have. The budget process developed by the Government Operations and Rules Committees, I believe, establishes a rigorous procedure for controlling spending. I believe, however, that Congress should give equal attention to the revenue side of the budget.

As the Rules Committee report states:

> It is clear that a sound Congressional budget policy cannot be based on the assumption that control of spending levels is sufficient to achieve desirable economic results.

The bill already directs the Budget Committee to state the appropriate aggregate level of Federal revenues but it does not go further to state where additional revenues should come from, or where cuts should be made.

The bill does provide that in the second concurrent resolution the Budget Committee would have the option of directing the House Ways and Means and Senate Finance Committees to report legislation adjusting revenues or the public debt limit.

Rather than rely solely on adjusting revenues after the fact in the second concurrent resolution, I believe that we should look at our revenue requirements with greater specificity at the start of the annual congressional budget process.

My amendment makes possible an opportunity to bring the revenue side of the budget into the congressional budget process at an early opportunity—when Congress first acts on the first concurrent resolution.

I believe this aspect of the debate envisioned for the First Concurrent Resolution will add a much needed dimension and will focus additional congressional attention on the revenue side of the budget.

The PRESIDING OFFICER (Mr. HASKELL). The question is on agreeing to the amendment of the Senator from California.

Mr. BROCK. Mr. President, I have no objection at all. I am willing to accept the amendment.

Mr. CRANSTON. I thank the Senator very much. I understand that is also the position of the Senator from North Carolina.

Mr. ERVIN. Mr. President, we are willing to take this amendment to conference. It seems to be a good amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. NUNN. Mr. President, I am going to try to be as brief as possible, but brevity does not indicate——

Mr. ROBERT C. BYRD. Mr. President, has the Senator's amendment been stated?

Mr. NUNN. The amendment is at the desk. I ask that it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. NUNN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN'S amendment is as follows:

On page 152, line 25, strike the words "substantial portion" and insert in lieu thereof: "ninety percent".

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, after having heard the statement of the author of the amendment, that the time on the amendment be reduced to 20 minutes.

Mr. NUNN. Mr. President, reserving the right to object, I am probably going to have to have a rollcall vote on this amendment. The time for the rollcall would not have anything to do with time on my amendment; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. NUNN. Mr. President, as I say, I am going to try to be as brief as possible, but brevity does not indicate anything with regard to the seriousness of this amendment.

The bill as reported by the Committee on Government Operations did not provide for exempting extension of trust funds from backdoor controls. We provided exemptions for the trust funds themselves, but not for extension of trust funds.

Under the bill as now pending, any extension of the trust funds, of which there are many, would be exempt unless more than 70 percent of general fund revenues were used to finance it. That is to say, if as much as 30 percent of the trust fund, after the accretion was added, were self-sustaining, it would be completely exempt from any Appropriations Committee review.

Mr. President, this is to me a very large loophole, and I am sure that Senators would like to read, at least those who are present, the preparation we have made on this, of which every Senator has a copy on his desk.

The concept underlying the exemption of trust funds from backdoor spending controls is that they are self-funding, and thus present no problem from a budget point of view. The bill now exempts from backdoor control any legislation extending any existing trust fund program as long as that program is 30 percent self-funding. For example, there will be no backdoor control on legislation to create or extend a program that is funded 70 percent from general revenues and only 30 percent from earmarked or user-paid taxes.

Thus there will be an incentive to structure legislation in terms of extension of the roughly 100 trust funds, many of which are worded very broadly in terms of what they do, now in effect, and I think this creates a massive potential loophole.

In order to eliminate this possibility, my amendment suggests that the phrase "substantial portion" on page 152, line 25, should be amended to read "90 percent." This would insure that any legislation which draws from general revenues in excess of 10 percent of its funding, and that is now not subject to the appropriations process, will be subject to the same backdoor controls which apply to all non-trust-fund items.

This will make the bill consistent all the way through, because the bill does provide that new trust funds which are created will be under the so-called backdoor controls if they are funded more than 10 percent from general revenue funds. So it is a consistent amendment with the overall legislation.

I would like to make one other point, and this is an important point, but it is difficult to grasp: Even the 90 percent that I am proposing, and the 30 percent to a greater degree, will allow that an extension itself could be 100 percent financed out of general revenues as long as the landing point or final result of that extension does not make the overall trust fund go below the 30 percent self-sustaining level. So we are talking about a very significant loophole in this particular bill.

I have just done a little rough computation on it. If we exclude the social security trust fund, right now there is a total of $49 billion in revenue coming in from other trust funds. This bill as drafted would allow, in effect, new programs to be attached as extensions to existing trust funds, and result in additional outlays from general revenues of as much as $121 billion without going through any appropriations process whatsoever.

One other very important point: If the trust fund extension is stretched so that it does not take effect until the fiscal year following the budget year, not only will it have no sanction or review by the Appropriations Committee, but also, and perhaps even more important, it would not even be in the concurrent resolution for the upcoming fiscal year.

So we can have a trust fund extension that comes in and draws all its money out of the general fund, beginning one fiscal year removed, that is not only exempt from the appropriation process and Appropriation Committee review, but is also exempt from even being included in the concurrent resolution until the following year; and, in the case of many trust funds which are entitlement in nature, they would then be beyond the power of Congress to do anything about. I certainly hope this body will consider this matter and consider it very strongly, because I think it is very important.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. NUNN. I yield.

Mr. CHURCH. Does the Senator's amendment exempt the social security trust fund?

Mr. NUNN. Yes. There is matter making it clear that the social security trust fund is not affected by the present bill or the amendment.

Mr. CHURCH. I thank the Senator. The amendment is meritorious.

Mr. BROCK. Mr. President, I would like very much to support the amendment. The Senator from Georgia has put his finger on the enormous potential problem. It was not the intent of the committee to leave this kind of loophole. I doubt that anyone thought about the possibility of adding a new program under the section to which the Senator has addressed himself. This amendment is extremely valid, important and pertinent. Personally, I certainly hope that it will be agreed to. It is possible we may need some refinement in the language but this can be dealt with in the conference. Let us be honest. The bill today is immeasurably weaker in its approach to backdoor spending than that which came out of the Government Operations Committee. The Senator has addressed himself to the problem of regaining discipline correctly and wisely.

Mr. NUNN. Mr. President, I thank the Senator from Tennessee for those comments. I agree with everything he has said. I emphasize that this does not affect existing trust funds but only the extension of existing trust funds. Extensions should be, in my opinion, given treatment equivalent to that given a new trust fund. That is exactly the point.

Mr. PERCY. The distinguished Senator from Georgia has once again demonstrated it is far better for us now, at this stage, to plug up every loophole and be clear about what we are trying to accomplish. I would not want to provide an incentive to structure new programs in terms of an extension of the trust fund program we have now, which would create a huge loophole and would certainly circumvent the purpose of what we are trying to accomplish. To the extent that loophole is plugged in advance, it is a great service. I favor the amendment and feel that its objective is worthy and noble.

Mr. NUNN. I thank the Senator from Illinois. I observe that the Senator from Illinois, the Senator from Tennessee, and the Senator from North Carolina and I have done what we could, through this proposal, starting a year ago, to prevent loopholes and to provide some discipline. This amendment would do exactly that, as the Senator has said.

Mr. ERVIN. Mr. President, I am constrained to oppose the amendment because this matter was worked out by the Rules Committee. While I am in hearty accord with the objectives of the Senator from Georgia, I feel compelled, under the operating circumstances, to oppose the amendment.

Mr. NUNN. Mr. President, since the amendment is not acceptable to the distinguished Senator from North Carolina, I would ask for the yeas and nays.

There was not a sufficient second.

Mr. NUNN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BIDEN). The clerk will call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the yeas and nays be ordered on the pending amendment.

The PRESIDING OFFICER. Without objection, the yeas and nays are ordered.

Mr. NUNN. Mr. President, unless someone else wishes to speak in favor of the amendment, I am prepared to yield back the remainder of my time.

Mr. CRANSTON. Mr. President, I would like to say that I support the amendment. I think it is a very sound one. It represents a way to increase the amount of so-called backdoor spending which is brought under budget control.

In the debate yesterday on this bill, there was concern expressed—wisely in my view—about the growing portion of Federal outlays which escape congressional scrutiny. This amendment will assure that a sizable loophole in the budget reform bill is not created which would allow a good deal of new backdoor spending to escape the budget control mechanism.

The PRESIDING OFFICER. All time

on this amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Georgia (Mr. NUNN).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting, the Senator from Oregon (Mr. HATFIELD) and the Senator from South Carolina (Mr. THURMOND) would each vote "yea."

The result was announced—yeas 80, nays 0, as follows:

[No. 85 Leg.]

YEAS—80

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Curtis
Dole
Domenici
Eastland
Ervin
Fannin
Fong
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Taft
Talmadge
Tower
Tunney
Williams

NAYS—0

NOT VOTING—20

Aiken
Bellmon
Cook
Cotton
Dominick
Eagleton
Fulbright
Goldwater
Hatfield
Kennedy
Long
McClure
Metzenbaum
Moss
Ribicoff
Stafford
Symington
Thurmond
Weicker
Young

So Mr. NUNN's amendment was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HATHAWAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ERVIN. Mr. President, as I stated earlier, I was opposed to the amendment simply because I thought it impinged upon the agreement we had had with the Rules Committee, but it appears that it does not. I opposed the amendment in remarks earlier, and my remarks did not convince me. Therefore, I voted yea, which is proof that I am wiser at this moment than I was earlier.

Mr. HUMPHREY. Mr. President, I call up my amendment, No. 1032.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate. We have 37 minutes remaining. We have three amendments and have promised the Senator from Arkansas 5 minutes and the Senator from Nebraska 15 minutes. How we can get it out of the remaining 37 minutes, I do not know.

The PRESIDING OFFICER. The Senate will be in order.

The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

On page 107, after line 19, insert the following:

STUDY OF SENATE COMMITTEE JURISDICTION

SEC. 102. (a) It is the sense of the Congress that—

(1) there is a demonstrated need for the Senate, as one House of the Congress, to assert its policymaking and oversight functions;

(2) the committee structure of the Senate is so organized as to frustrate the examination, analysis, and the oversight of Government policy, program operations, and expenditures; and

(3) the enactment of this Act will place an even heavier burden upon the committees of the Senate to conduct such examination, analysis, and oversight.

(b) It is further the sense of Congress that the Joint Committee on Congressional Operations should immediately begin an in-depth analysis of the committee jurisdictions of the United States Senate, taking into account the need to reduce fragmentation of policy and program oversight, the necessity for alining committee jurisdiction according to the functional purposes of governmental programs, the potential for the application of new technologies to the operations of committee of the Senate, and the requirement that staff resources be effectively and efficiently allocated among committees of the Congress of the United States. The Joint Committee on Congressional Operations shall make periodic reports to the Senate during the course of conducting the study herein ordered, and shall make a final report containing recommendations for reform and improvement of the committee structure and operations of the Senate no later than one calendar year after the enactment of this Act.

(c) The expenses incurred by the Joint Committee on Congressional Operations in carrying out this section shall be paid from the contingency fund of the Senate upon vouchers approved by the chairman of the Joint Committee on Congressional Operations.

Mr. HUMPHREY. Mr. President, the amendment I have called up calls for a study of Senate committee jurisdiction. I want to say now I will not call for a vote on the amendment. I do wish to make a brief statement. I have conversed with some of our colleagues in respect to the matter I have directed attention to in the amendment.

Mr. President, reform of the budget-making practices and procedures of Congress is certainly among the most significant issues likely to confront us during this session. If we succeed in passing a bill that significantly improves the methods we employ in dealing with this Nation's fiscal and budgetary needs, we will have taken a giant step toward showing the public that this is a Congress deserving of popular respect and esteem.

I sincerely hope we make this achievement. But I also hope fervently that we do not let such an accomplishment turn us smug and self-satisfied before the full job is done. While our budgetmaking machinery has long been in need of an overhaul, there are other components of this great mechanism we call Congress that also need to be improved.

I offer a brief amendment that I hope will win the approval of my colleagues, and will become a declaration of the next priority in our agenda for reform.

I speak of the committee structure of the Senate.

Mr. President, we all know that the times have long since outpaced the organizational lines by which we parcel out the work to our committees. We have no single committee to deal with energy and environmental matters. Instead, we have spread these issues in bits and pieces among nearly every committee of the Senate. I only cite this as one example of the fragmentation of responsibility over major issues.

We also have a committee structure that bears little resemblance to the organization of the agencies in the executive branch. While it may not necessarily be desirable to pattern our own structure entirely after that of the executive branch, we could certainly do a better job of arranging our committees to deal with programs and activities in the other branch in a more logical and orderly fashion.

Mr. President, the budget reform bill we are now considering would itself change our existing committee structure, by adding a Committee on the Budget in the Senate, as well as in the House of Representatives. The bill also would establish strict timetables for considering and acting upon budget matters.

I welcome the changes that have been proposed. They will substantially improve our budgetary and fiscal deliberations. But they would work much better if the committees that must coordinate their activities with the new budget committee were structured in a more efficient and logical fashion.

I do not have the blueprint for reconstructing our committee system to make it more efficient and logical. I doubt any of us in this Chamber feels he has such a blueprint, though each of us probably has some ideas on the subject.

The best way to assemble those ideas and arrive at a workable blueprint for Senate committee reform, it seems to me, is to undertake a detailed examination of the problem in depth.

Mr. President, I have proposed such a study several times in the past. I feel it is made more urgent today, as we contemplate the strong likelihood of major revisions in our budgetmaking practices.

My amendment would order a 1-year study of our committee structure in the Senate, by the Joint Committee on Congressional Operations. I urge adoption of this amendment, to carry forward the spirit of reform that is represented by the bill before us today.

After having proposed the amendment in talking with the Senator from Montana (Mr. METCALF) I find that there would be some problem on this in the joint committee because House Members serve on that committee.

Mr. METCALF. Mr. President will the Senator yield?

Mr. HUMPHREY. I am happy to yield.

Mr. METCALF. A similar study with the Joint Committee conducting it was proposed in the House. In spite of the rules over there, at the time Vice President FORD was minority leader, they listed the names of Senators on the Joint Committee and asked, "Do you want them to be determining House committee jurisdictions and rules."

I think the same sort of thing would apply where Senators are concerned.

However, the Senator from Tennessee (Mr. BROCK)—who is seeking recognition—and I have appeared before the Committee on Rules and Administration and have pointed out that this is the most urgent and the most necessary reform that we need in the Senate. The problems of Committee jurisdiction and of committee structure are acute.

I compliment the Senator from Minnesota for continuing to press this matter and for bringing it forcefully to the attention of the Senate. I continue to urge that we begin now to review and make the necessary changes in Senate committee jurisdiction, structure, and operation.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BROCK. Mr. President, may I join the Senator from Montana in congratulations of the Senator from Minnesota. As one who believes in the intent and need for this amendment, I cannot support it as it is written, and I think the Senator from Minnesota can understand why. The Senator from Illinois and I have joined in urging, and the Senator from Montana has supported the effort, the Senate bring forth a special committee to make a study of this matter, but the Senator from Minnesota has brought a focus to this terrible problem. We simply cannot pass a budget reform bill without taking the next step in studying the entire committee structure and in reviewing prerogatives and responsibilities.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired.

Mr. HUMPHREY. Mr. President, I withdraw my amendment, and urge the creation of the select committee that has been suggested, and also commend the Senator from Illinois (Mr. STEVENSON) for his leadership.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. HUMPHREY. Mr. President, I call up my next amendmnet, No. 1031.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

The amendment is as follows:

At the end of the bill, insert the following:

### TITLE XI—CITIZENS' COMMITTEE TO STUDY CONGRESS

SEC. 1101. (a) There is established a committee to be known as the Citizens' Committee To Study Congress (hereafter referred to in this title as the "Committee") to make a complete study relating to the functions, powers, duties, and operation of the Congress.

(b) The members of the Committee shall be chosen by a selection committee composed of three members, one of whom shall be appointed by the President of the United States, one by the President pro tempore of the Senate, and one by the Speaker of the House of Representatives. Any member of the selection committee not otherwise employed by the United States Government shall receive $100 for each day (including traveltime) that he is performing duties as a member of the selection committee. Each member of the selection committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the selection committee.

(c) The selection committee shall choose, not later than thirty days after the last member of the selection committee has been appointed, fifteen members to serve on the Committee. Not more than two of the members shall be Members of the House of Representatives; not more than two of the members shall be Members of the Senate; and not more than one of the members shall be an officer or employee of the executive branch of the United States Government. The selection committee shall designate one of the members as Chairman of the Committee.

(d) Eight members of the Committee shall constitute a quorum. Any vacancy shall be filled by the selection committee within thirty days after the vacancy occurs.

(e) Any member of the Committee not otherwise employed by the United States Government shall receive $100 for each day (including traveltime) that he is performing duties as a member of the Committee. Each member of the Committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties as a member of the Committee.

SEC. 1102. (a) In conducting its study, the Committee shall—

(1) consider the role of the Congress in establishing policy for the operation of the United States Government;

(2) determine how the Congress may best exercise its function of reviewing and evaluating programs and activities of the United States Government; with emphasis on ways by which these programs and activities affect the balanced growth and development and the goals and priorities of the Nation;

(3) examine the operation of the Congress itself (including but not limited to its powers, priorities, privileges, traditions, the means by which the Congress makes decisions, its committee system, its staffs) and how existing structures might best be modified to carry out the intent of this Act;

(4) examine and consider such other matters as the Committee may deem appropriate to provide an understanding of how the Congress has operated and how the Congress should operate in the future, with particular but not exclusive attention to the role of the Congress in contributing to the achievement of a balanced national growth and development policy through Congressional fiscal, budgetary, and related procedures and practices.

(b) (1) Not later than two years after the date of enactment of this Act, the Committee shall submit a final, comprehensive report to the Senate and the House of Representatives with respect to its study. The Committee shall also make such reports, from time to time, to the Senate and House of Representatives as the Committee deems necessary. Any report of the Committee shall contain such findings, statements, and recommendations as the Committee considers appropriate.

(2) Any report of the Committee shall be printed as a public document and made available for sale to the public.

(3) Thirty days after the Committee submits its final, comprehensive report, the Committee shall cease to exist.

SEC. 1103. (a) The Committee or, on the authorization of the Committee, any subcommittee thereof, may, for the purpose of carrying out the provisions of this title, hold hearings, administer oaths for the purpose of taking evidence in any such hearings, take testimony, and receive documents and other writings. Any member authorized by the Committee may administer oaths or affirmations to witnesses appearing before the Committee, or any subcommittee thereof.

(b) In order to carry out the provisions of this title, the Committee is authorized—

(1) to appoint and fix the compensation of an Executive Director and such additional personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates;

(2) to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code;

(3) to appoint such advisory committees as it deems necessary;

(4) to promulgate rules and regulations governing the operation of the Committee and its organization and personnel;

(5) to procure supplies and services;

(6) to enter into contracts; and

(7) to take such other action as may be necessary to carry out this title.

(c) Each department, agency, and independent agency of the executive branch of the United States Government is authorized and requested to furnish to the Committee, upon request made by the Chairman, such data, reports, and other information as the Committee deems necessary to carry out its functions under this title.

SEC. 1104. There are authorized to be appropriated such sums as are necessary to carry out the provisions of this title.

Mr. HUMPHREY. Mr. President, I want to take a very brief moment on this amendment. The purpose of the amendment was to follow through on what I think is essential machinery to have the Congress of the United States perform efficiently. I want to state candidly that we have to put our house in order. As we look at the public opinion polls, we see that Congress, regrettably, does not fare at all well. I am sure that it is not due to any lack of work and dedication on the part of Members of Congress, but, too often, it is due to the fact that people just do not understand the structure. We have that difficulty ourselves sometimes. It is my judgment that we need to be updated and modernized, not only in terms of the committee structure, but the facilities.

One simple thing we ought to have is closed-circuit television in this body, so any Senator can, for example, press a button and find out what is going on in any committee or on the Senate floor, so he can be acquainted with the work of this complex body and its large responsibilities.

Therefore, my amendment—and I am not going to press for a vote on it, but I use this opportunity to focus attention on the problem—would create a Citizens Committee to Study Congress. It would give a blue ribbon citizen's committee an opportunity to take a look at our operations and give them an opportunity to make proposals for a better congressional management and organization structure.

Mr. President, this amendment would create a citizen's committee to study Congress. The committee would be given 2 years to perform its studies, make a report and then go out of existence. Its charge would be to study the role of Congress in U.S. Government policymaking and in reviewing and evaluating U.S. Government programs and activities, and to study the operations of Congress itself. One emphasis of this study would be to improve congressional operations and activities as they relate to the Nation's long-range growth and development, goals, and priorities.

The committee members would include not more than two Senators, two Members of the House of Representatives, one representative of the executive branch, and at least 10 private citizens.

They would be selected by a committee of three members, including one chosen by the President pro tempore of the Senate, one by the Speaker of the House and one by the President of the United States.

The committee's search for ways Congress could improve its consideration and establishment of long-range national growth and development policy, goals and priorities, would be accompanied by study of a full range of other congressional procedures and practices, past and present, with the goal of recommending such reforms as the committee finds necessary.

The amendment directly connects the search for better long-range policymaking methods to the fiscal, budgetary, and related activities of Congress.

I withdraw the amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. HUMPHREY. Mr. President, now I call up my amendments No. 1033.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk proceeded to read the amendment.

Amendments No. 1033 are as follows:

On page 171, line 5, after "SEC. 701.", insert "(a)".

After line 14, insert the following:

"(b) To carry out such required analysis, appraisal, and evaluation, such committees of the Senate shall each establish a subcommittee on legislative review, which shall have the duty to conduct for the committee the responsibilities assigned to the committees by this section, and to report to the committee to which each such subcommittee is responsible the results of the analysis, appraisal, and evaluation conducted under this section, together with such recommendations as the subcommittee deems appropriate.

"(c) Subsection (b) of this section is enacted as an exercise of the rulemaking power of the Senate, subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time in its exercise of its constitutional right to determine the rules of its proceedings. Nothing in this section shall be construed, however, as precluding any legislative review subcommittee of the Senate from conducting hearings and engaging in other deliberations jointly with such committees or subcommittees of the House of Representatives which the House may designate to conduct the analyses, appraisals, and reviews required under this title.".

Mr. HUMPHREY. Mr. President, this amendment should be adopted. I know that there is resistance to it, and I understand the reason for it, by the leadership that is handling this bill. After all, the Committee on Government Operations and the Committee on Rules and Administration have done an extraordinarily good job in bringing before us the proposed budget reform legislation.

I can understand why they think nothing should be tacked on this bill, but if there is any one need, it is that we have legislative oversight and legislative monitoring of everything that this Congress authorizes in law.

Let me give an example. We have a Foreign Aid Act that many around here do not like. It is very difficult to get it through Congress. But not a single committee I know of has any legislative oversight over the Foreign Aid Act. We wait until something appears in the New York Times or in the Washington Post which states that someone says someone has been stealing money or that the money has been poorly used, that it was not well planned, and then we call in the General Accounting Office in a sort of post mortem. It is like calling in the county coroner to examine the corpse. I am not interested in the corpse; I am more interested in the live body. This body is not kept completely informed on all aspects of such legislation.

Let me give my colleagues another example. We had the occupational safety legislation, one of the most difficult pieces of legislation that we ever passed. What is going on under that legislation? The State governments are being asked by the Department of Labor to administer that act. The State governments say, "Oh, no, we do not want to do that. It is too complicated. You administer it." The State of Ohio has both the State and the Federal Governments administering it, and Congress does not know what is going on, except when a small farmer or a small businessman or someone else comes into a Senator's office and says, "My goodness, if you apply this to me, we will go out of business."

That is not the way to legislate. Some of these complaints are very highly justified.

We ought to have legislative oversight. It is said that we can do it now. Maybe we can, but we do not. Maybe some committees do.

Referring to the foreign aid program—and my good friend from Idaho (Mr. CHURCH) and our colleague from New Jersey (Mr. CASE), and many others of our colleagues have taken great interest in it—we have never, except for individual Senators having their own staffs do the work, had consistent oversight on this matter. This is wrong.

I should point out, this is not just my amendment. I apologize, because the Senator from Maryland (Mr. BEALL) is now a cosponsor of the amendment.

We have in mind basically a three-step operation. The amendment as originally proposed was not quite that good. The Senator from Maryland made significant improvements in it.

Mr. President, the amendment is designed to strengthen the provisions already included in the bill, to add to the ability of Congress to carry out its program review and oversight responsibilities.

The bill gives the standing committees the power to hire outside contractors or to rely on Government agencies to conduct review and evaluation of Government. It also authorizes the standing committees to employ such modern techniques as pilot-testing, cost-benefit analyses and trial-period evaluation.

The bill further enlarges the authority of the Comptroller General to assist and advise Congress in ways of better carrying out its program review and evaluation responsibilities.

These are excellent proposals, and I commend the drafters of this bill for their wisdom in including these provisions.

However, I believe the committees' mandate to carry out these review and evaluation duties can and should be strengthened. There should be a mechanism to assure that these duties are carried out once the Comptroller General has provided the added advice and information authorized under section 702. And we should assure that committees do, in fact, make effective use of the information and other services which they are authorized, but not required, to request under this section of the bill.

The amendment I propose would go the one step further that is needed, I believe, to fulfill the intent of the authors of this bill.

I have long advocated the establishment, in each standing committee of the Senate, of a legislative review subcommittee, to do the parent committee's program review, evaluation and oversight work.

By such a mechanism, I am convinced, we would be assured of performing the too often neglected task of keeping track of legislation after we have passed it and it has been placed in the hands of the executive branch bureaus and agencies to administer.

Numerous examples can be given of well-written laws being rewritten by the executive branch, through the administrative rules and regulations that govern the ways laws are carried out.

We can no longer be superficial in our fulfillment of our legislative oversight responsibilities. We must build into our system better guarantees that laws we pass are administered as we intended, not according to the whim of some anonymous bureaucrat's interpretation.

We must also improve our score in searching out laws that remain in effect after they have grown obsolete, so that we may either repeal or amend them to meet the needs of new times.

The historic budget reform bill we consider today recognizes these needs, by including a separate title dealing with program review and evaluation.

My amendment would guarantee that this obligation of Congress is carried out, with respect to every Federal program, at least once in every 5 years, and hopefully more often in many cases.

Mr. President, I am grateful to my distinguished colleague from Maryland, Senator BEALL, for some refinements he has suggested to my original proposal, amendment No. 1033. I have modified that amendment, which was printed in the RECORD of Tuesday's Senate proceedings, to incorporate the refinements suggested by Senator BEALL.

As modified, the amendment provides for three possible means of accomplishing the legislative review and evaluation required under title VII of the bill.

The first method, and one which we hope would be used most often, would be for the subcommittee having jurisdiction over a program to conduct the review and evaluation, with the assistance of the legislative review subcommittee established under my amendment.

If the subcommittee of jurisdiction fails, however, to review a program for which it is responsible, after 3 years the responsibility would automatically revert to the Subcommittee on Legislative Review.

And if after the fourth year, that subcommittee also fails to meet its responsibility, the General Accounting Office would be required to review and report upon the program within 1 year.

In essence, this means that every program would be reviewed once in every 3 to 5 years, a requirement which I believe to be reasonable and workable.

We would be derelict in our responsibility if we did not review programs for which we authorize and appropriate at least once in every 3 to 5 years.

There would be an intensive in-house review going on at the same time. It is my judgment that only through establishing such legislative oversight subcommittees would Senators be assured a means of meeting their oversight responsibilities to the standing committees, the Senate, and the Congress of the United States.

I yield to the distinguished Senator from Maryland.

Mr. BEALL. Mr. President, I thank the Senator from Minnesota for yielding. I shall try not to repeat what he has said, but he has made a point very well that perhaps the most important thing we should do is seek to achieve legislative oversight.

The subject of what the Senator from Minnesota has said about his amendment and my amendment No. 1040 tries to accomplish the same thing. The Senator from Minnesota, as I understand, is going to substitute a modification.

Mr. HUMPHREY. That is correct. I shall send a modified amendment to the desk, and as a further modification, I wish to submit it on behalf of myself, the Senator from Maryland (Mr. BEALL), and the Senator from Delaware (Mr. BIDEN).

Mr. ERVIN. I have no objection to the modification.

Mr. HUMPHREY. I send it to the desk. It is already so modified, according to the amendment.

The modified amendment is as follows:

On page 171, between lines 14 and 15, insert the following:

"(b) Section 136 of such Act is amended by adding at the end thereof the following new subsections:

"(d) To carry out such required analysis, appraisal and evaluation, such committees of the Senate shall each establish a Subcommittee on Legislative Review, which shall have the duty to conduct for the committee the responsibilities assigned to the committees by this section, and to report to the committee to which each such subcommittee is responsible the results of the analysis, appraisal and evaluation conducted under this section, together with such recommendations as the subcommittee deems appropriate. In the case of a committee having one or more subcommittees to which the committee has given responsibility for considering and making recommendations with respect to subject matters within the subject jurisdiction of the committee, the Subcommittee on Legislative Review of that committee shall assist that subcommittee in reviewing and studying the application, administration, and execution of those laws, or parts of laws, which are within such responsibility. Any such subcommittee shall make a report on the results of its review and study at least once every three years. In the event the subcommittee has not made a report within a three-year period, the Subcommittee on Legislative Review of the committee shall make such review and study, and submit a report thereon to the committee, not later than one year after the subcommittee having such responsibility was to have made such report. In the case of any subject matter not within the responsibility of any particular subcommittee of the committee, the Subcommittee on Legislative Review of that committee shall make such review and study with respect to such subject matter and submit a report thereon to the committee not less than once every third year.

"(e) In any case in which the Subcommittee on Legislative Review has not submitted a report to be prepared by it under subsection (a) of this section, within the period of time provided in that subsection, the Comptroller General shall, within one year after the last day on which the subcommittee report was to have been submitted, make such study and report the subcommittee was to have made, and submit a report thereon to the committee.

"(f) The provisions of this section do not apply to the Committee on Appropriations of the Senate.

"(g) Subsections (d) and (f) of this section are enacted as an exercise of the rulemaking power of the Senate, subject to and with full recognition of the power of the Senate to enact or change any rule of the Senate at any time, in its exercise of its Constitutional right to determine the rules of its proceedings. Nothing in this section shall be construed, however, as precluding any Legislative Review Subcommittee of the Senate from conducting hearings and engaging in other deliberations jointly with such committees or subcommittees of the House of Representatives which the House may designate to conduct the analyses, appraisals, and reviews required under this title."

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MAGNUSON. The purpose of my objection to the amendment is that we already have authority to do what it proposes. As a matter of fact, the Committee on Government Operations was created for this purpose in the beginning.

I think the needed reform is to look at committee jurisdiction. Any bill that is introduced could, technically, go to the Government Operations Committee, if we want to stretch it a little bit. But I think that if committees would do their job, it would not be necessary to do what is proposed. They are supposed to follow through and conduct oversight. When they do not follow through, there can be a good deal of delay.

I suppose that if I wanted to, I could stretch the jurisdiction if the Committee on Interstate Commerce to include everything. Everything is in interstate commerce nowadays, is it not?

Mr. HUMPHREY. Just about.

Mr. MAGNUSON. We could claim jurisdiction if a bill affected the environment. The Committee on the Judiciary could take a bill relating to interstate commerce which included a fine for a violation. The Judiciary Committee would say, "Oh, we have to take a look at that."

I think the most pertinent reform we must have—and maybe a special committee should do this—is to reform the jurisdiction of the regular committees.

The PRESIDING OFFICER. The Senator from Maryland has the floor.

Mr. BEALL. Mr. President, it is my pleasure to serve on the Commerce Committee under the leadership of the distinguished Senator from Washington. I know that the committee is doing an excellent job on oversight, but I submit that there is a difference between having hearings and submitting a report on progress.

I certainly believe that it is imperative that we improve legislative oversight. However, I do not believe any of us are pleased with the results under the Legislative Reorganization Act.

The bill reported by the Government Operations Committee, as I understand it, would have adopted the zero budget concept. Under this concept, all programs would expire at the end of a 3-year period and reexamination and reevaluation would be forced.

The reported bill by the Rules Committee eliminated this provision because they felt that although the provision was laudable, "a uniform 3-year limit could disrupt the operations of Federal agencies and impose a large workload on congressional committees." The bill I introduced on the budget, S. 758, the Congressional Budget Control and Oversight Improvement Act, contains a provision which, I believe, would represent a middle ground, yet assure that the evaluation and oversight functions are, in fact, met.

The reported bill, like the 1970 Reorganization Act, is also laudable and certainly contemplates additional review. However, I do not believe that the bill provides the mechanism for achieving that goal. Therefore, the amendment I offer now would guarantee that the vital oversight function of the Congress would be accomplished.

It is aimed at assuring that an adequate, not a cursory review is made by the legislative committees in the Congress. It would do this by requiring each standing committee of the House and the Senate to establish a Subcommittee on Legislative Review. When a committee already has a subcommittee, with the responsibility with respect to a subject matter, that subcommittee, assisted by the Legislative Review Subcommittee, may evaluate the program or legislation.

However, if the subcommittee having jurisdiction failed to evaluate and make a report of its review and study at least once every 3 years, the Subcommittee on Legislative Review would then be mandated to conduct a review.

To make it absolutely certain that a review would be forthcoming, in any event, once every 5 years, the General Accounting Office would be required to make a study and report to the appropriate committee and the Congress if the review had not been done by either the appropriate subcommittee or the new Legislative Review Subcommittee, by the end of the fourth year.

I urge the adoption of this this amendment.

The PRESIDING OFFICER. The time of the Senator from Maryland has expired.

The Senator from North Carolina (Mr. ERVIN) has 3 minutes on the amendment.

Mr. ERVIN. Mr. President, I ask the Senate to reject the amendment simply because it has nothing whatsoever to do with this bill, which seeks to legislate. This amendment would amend the Senate rules. It ought to be in the form of a resolution. Let the Committee on Rules and Administration study it, for the amendment would change the rules of every Senate committee.

I hope that the Senate will not let it ride piggyback on this piece of legislation.

Mr. BROCK. Mr. President, I support the idea presented by the Senator from Minnesota. The intent of S. 1541, as reported by Government Operations was to require recurrent evaluation. Title VIII in that bill required that major outlay programs not funded at least in part by user taxes would be subject to a 3-year limitation on authorization. Reauthorization of a program would have followed only after a thorough evaluation of its effectiveness. Since social security, unemployment compensation, highway, airport and other trust fund financed programs were excepted, about two-thirds of the total budget would have been subject to this limitation.

The purpose of title VIII was to build the concept of "zero-based budgeting" into the congressional budgetary process. New legislative initiatives should be considered on an equal footing with established program. At present, there is an automatic bias operating on behalf of continued funding of programs even if they have failed to achieve their objectives or if priorities have changed. This bias can be overcome by subjecting ongoing programs to periodic evaluation and analysis in order to determine whether it is achieving its purposes in an effective manner. Such an analysis would allow for explicit comparison of established program with alternatives. Thus, zero-based budgeting is an essential element of the budgetary process. Legislative review subcommittees could carry out such an important function.

The call for regular program evaluation is certainly essential to the fulfillment of the Congress' oversight responsibility. Program administrators must be called upon to justify their programs on a continuing basis.

The creation of review subcommittees would encourage the authorizing committees to exercise greater control over continuing programs. Greater control in this instance should increase the powers of these committees to expand successful programs and end unsuccessful programs or those programs that have fulfilled their objectives. Authorization limits would also have aided in this attempt.

The new subcommittees would insure that new and innovative programs would be much more common. As old programs are ended—which is rarely the case, today—new programs can begin. Subcommittees would be able to make the consideration which do not tend to be made today when no one is responsible and programs are protected by unlimited or long-term authorizations.

Mr. President, I ask unanimous consent that the Library of Congress study by Joseph E. Cantor, entitled "Examples of Major Federal Programs Affected by Title VIII of S. 1541, the Senate Budget Reform Bill," be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

### EXAMPLES OF MAJOR FEDERAL PROGRAMS AFFECTED BY TITLE VIII OF S. 1541, THE SENATE BUDGET REFORM BILL AS REPORTED BY THE SENATE GOVERNMENT OPERATIONS COMMITTEE ON NOVEMBER 20, 1973

(Research by Joseph E. Cantor)

(From Government and General Research Division, Kenneth E. Gray, Division Chief)

In accord with your instructions, we have prepared the attached report which indicates how Senate committees and the programs and agencies under their jurisdiction might be affected by Title VIII of S. 1541, as reported from the Senate Government Operations Committee on November 20, 1973. The list of programs by authorizing committee, along with other pertinent information, can probably be better understood by an explanation of our research procedure.

Title VIII provides for a three-year limit on authorization of all major Federal programs. We agree that the Congressional Research Service would provide examples of major Federal programs which would be affected by the three-year limit, listed under the authorizing committees which have jurisdiction over them. The listing we have prepared goes beyond this to provide a fairly complete list of the status of all authorizations, including those which are for three years or less and therefore would not be directly affected by Title VIII.

While "major" is clearly defined in the legislation as involving the expenditure of $100,000,000 or more in a three year period, "program" is not defined either in the bill or the committee print. Consequently there is room for disagreement over what actually constitutes Federal programs; activities, agencies, or other budgetary categories. As a general rule, the funds for most agencies (ordinarily for the salaries and operating expenses of the agency) are permanently authorized by the legislation which created them. In some cases, we distinguished between an agency, the funds for which are permanently authorized, and some of its programs, which have limited terms of authorization.

In classfying major programs, we relied primarily on the 1974 Federal Budget. We defined as "major" all Budget Accounts with "budget authority" proposed for fiscal year 1974 in amounts of approximately $33 million or more (thereby producing an estimate of $100 million over three years). We dealt only with Federal funds, and excluded trust funds such as the Highway and Social Security Funds.

In some cases we combined several entries under a category or subcategory of an agency to reflect a $33 million-plus program; in others we employed the most detailed entry (provided it met the $33 million minimum) if it alone seemed to constitute a program apart from the other entries in the category. In each case the purpose was to have a reasonably consistent definition of programs.

Assigning major programs to the Senate Committees with jurisdiction over them also presented some difficulties. When questions arose over a program's slot, we checked with the Senate Parliamentarian's Office or with committee staff members. We should caution, however, that some programs matched with a given committee may also contain funds for subprograms within the scope of another committee.

To determine the length of authorization of program, we contacted committee staff or budget or information offices in the agencies. While this approach was dependent on human judgment, it afforded us the possibility to cover the greatest amount of ground in a relatively short period of time. Only in cases of serious questions or incongruous information did we check the actual statutes.

Considerable difficulty was encountered in determining what constitutes an authorization and its duration. One reason is that authorizations come in many forms and that in some of the forms there may not be a clearcut distinction between the authorization and appropriation stages. A second problem occurs when the authorization is permanent but its effective operation is dependent upon the availability of funds. Thus the authorization may be without limitation of time, but when there is a money limit the permanence may have little effect. A third problem is that certain programs and their specifications may be intertwined with one another so that the operation of one program is contingent upon meeting conditions set in some other program.

We hope that the information set forth will be of value to you. Should you desire further investigation or clarification of any aspect of this work, please do not hesitate to contact us.

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### COMMITTEE ON AERONAUTICAL AND SPACE SCIENCES

#### ACCOUNT AND AUTHORIZATION

National Aeronautics and Space Administration:

Research and Development, 1 year.

Construction of facilities, 1 year.

Research and program management, 1 year.

### Committee on Agriculture and Forestry

#### ACCOUNTS AND AUTHORIZATION

Agriculture Departmental Management, permanent.

Agriculture Research Service, permanent.

Animal and Plant Health Inspection Service, permanent.

Cooperative State Research Service, permanent.

Extension Service, permanent.

Agricultural Economics, permanent.

Foreign Agricultural Service, permanent.

Foreign Assistance and Special Export Programs, 4 years.

Agricultural Stabilization and Conservation Service, permanent.

Commodity Credit Corporation. Price Support—Reimbursement for Net Realized Losses most (i.e.—wheat, feed grain programs) are 4 years authorizations; some are permanent however, primarily 4 years.

National Wool Act, 4 years.

Rural Electrification Administration, permanent.

Farmer's Home Administration:

Salaries and Expenses, permanent.

Agriculture Credit Insurance Fund, permanent.

Rural Development Insurance Fund, permanent.

Soil Conservation Service, permanent.

Agriculture Marketing Service, permanent.

Forest Service, permanent.

Child Nutrition Programs:

School lunch, permanent.

Free and reduced-price lunch, permanent.

School breakfast, 2 years.

Special food service, 2 years.

Food Stamp Program, 4 years.

### Committee on Armed Services

#### ACCOUNT AND AUTHORIZATION

Military Personnel, permanent.

Retired Pay, Defense, permanent.

Operations and Maintenance, permanent.

Procurement, 1 year.

Research and Development, 1 year.

Military Construction, 1 year.

Family Housing, 1 year.

Civil Defense, permanent.

Allowances, permanent.

Canal Zone Government—operating expenses, permanent.

Selective Service, permanent.

### Committee on Banking, Housing and Urban Affairs

#### ACCOUNTS AND AUTHORIZATION

Housing and Urban Development, Department Management, permanent.

Research and Technology, permanent.

Securities and Exchange Commission, permanent.

Homeownership Assistance—Section 235, permanent.

Rental Housing Assistance—Section 236, permanent.

Rent Supplemental Program, permanent.

Low-rent Public Housing, permanent.

Comprehensive Planning Grants, permanent.[1]

Urban Renewal Fund, permanent.

Federal Housing Administration Fund, 1 year.

Small Business Administration:

Loan and Investment Fund, permanent.

Disaster loan fund, permanent.

### Committee on Commerce

#### ACCOUNT AND AUTHORIZATION

General Administration (Commerce Dept.), permanent.

Domestic and International Business Administration (Salaries), permanent.

Patent Office, National Bureau of Standards, National Technical Information Service, Office of Telecommunications, permanent.

Maritime Administration:

Ship Construction, 1 year.

Operating—Differential Subsidies, 1 year.

Operations and Training, 1 year.

Office of the Secretary (Transportation Dept.), permanent.

Coast Guard, 1 year.

Federal Aviation Administration, permanent.

Civil Aeronautics Board, permanent.

Consumer Product Safety Commission, permanent.

Corporation for Public Broadcasting, 1 year.

Federal Communications Commission (salaries and expenses), permanent.

Federal Trade Commission, permanent.

Interstate Commerce Commission, permanent.

Federal Power Commission, permanent.

### Committee on District of Columbia

#### ACCOUNT AND AUTHORIZATION

Federal Payment to D.C., permanent.[1]

Loans to D.C. for capital outlay, permanent.

Repayable Advances to D.C. general fund—Permanent, indefinite, permanent.

Washington Metropolitan Area Transit Authority, permanent.

### Committee on Finance

#### ACCOUNT AND AUTHORIZATION

Bureau of Customs, permanent.

Bureau of the Public Debt, permanent.

Internal Revenue Service, permanent.

Interest on the Public Debt, permanent.

General Revenue Sharing, 5 years.

Sugar Act Program, permanent.

Treasury Department:

Office of the Secretary, permanent.

Bureau of Accounts, permanent.

Bureau of Alcohol, Tobacco, and Firearms, permanent.

Secret Service, permanent.

Social and Rehabilitation Services. Grants to States for public assistance: Public Assistance (Aid to Families with Dependent Children), permanent.

Grants to States for public assistance: Providing or financing medical services (Medicaid), permanent.

Grants to States for public assistance: Social and individual services, permanent.

Work Incentives, permanent.

Social Security Administration. Payments to S.S. Trust Funds: Providing or financing medical services, permanent.

Payments to S.S. Trust Funds: Retirement and Social Insurance, permanent.

Supplemental security income program, permanent.

### Committee on Foreign Relations

#### ACCOUNT AND AUTHORIZATION

International Security Assistance:

Military Credit Sales to Israel, 1 year.

Military Assistance, 1 year.

Foreign Military Credit Sales, 1 year.

Security Supporting Assistance, 1 year.

Multilateral Assistance:

International Financial Institutions, 1 year.

International Organizations and Programs, 1 year.

Bilateral Assistance:

Grants and other programs, 2 years.

Alliance for Progress (Development loans), 2 years.

Development loans (Revolving fund), 2 years.

Overseas Private Investment Corporation, permanent.

President's Foreign Assistance Contingency Fund, 2 years.

State Department Administration, 1 year.

International organizations and conferences, 1 year.

Educational Exchange, 1 year.

Peace Corps. ACTION international programs, 1 year.

U.S. Information Agency, 1 year.

International Radio Broadcasting activities, 1 year.

### Committee on Government Operations

#### ACCOUNT AND AUTHORIZATION

General Services Administration, permanent.

General Accounting Office, permanent.

### Committee on Interior and Insular Affairs

#### ACCOUNT AND AUTHORIZATION

Bureau of Land Management:

Management of lands and resources, permanent.

Payments to counties, Oregon and California land grants, permanent.

Payments to States from receipts under Mineral Leasing Act, permanent.

Bureau of Indian Affairs:

Educational Assistance, facilities and services, permanent.

Welfare and guidance services, permanent.

Employment assistance, permanent.

Resources management, permanent.

Construction, permanent.

Road construction: permanent contract authority (under Highway Act), 2 years.

Alaska Native Claims, 11 years.

Bureau of Outdoor Recreation:

Land and water conservation: assistance to States, 25 years.

Land and water conservation: Federal programs, 25 years.

Trust Territory of the Pacific Islands, 2 years.

Geologic Survey. Topographic surveys and mapping, permanent.

Geological and mineral resource surveys and mapping, permanent.

Water resources investigations, permanent.

Bureau of Mines: Mineral Resources Development, permanent.

Office of Coal Research, permanent.

Bureau of Sport Fisheries and Wildlife:

Wildlife resources (Resource management), permanent.

Federal aid in Wildlife restoration, permanent.

National Park Service: Park management, permanent.

Bureau of Reclamation:

Central Valley project, California, permanent.

Pick-Sloan Missouri Basin program, permanent.

Bonneville Power Administration:

Construction, permanent.

Operations and maintenance, permanent.

Office of the Secretary (Interior Dept.), permanent.

### Committee on Judiciary

#### ACCOUNT AND AUTHORIZATION

Federal Judiciary, permanent.

Legal Activities and General Administration (Justice Dept.), permanent.

Federal Bureau of Investigation, permanent.

Immigration and Naturalization Service, permanent.

Federal prison system, permanent.

Law Enforcement Assistance Administration, 3 years.

### Committee on Labor and Public Welfare

#### ACCOUNT AND AUTHORIZATION

Office of the Secretary—Health, Education and Welfare, permanent.

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[1] Although this program has permanent authorization, there is a dollar-limit and an additional authorization is required if the payment is to exceed that limit.

Food and Drug Administration, permanent.

Health Services and Mental Health Administration:[1]

Mental Health:

General Mental Health, 1 year.

Drug Abuse, primarily 1 year.

Alcoholism, primarily 1 year.

Health Services Planning and Development:

Health Services Research and Development, 1 year.

Comprehensive Health Planning, 1 year.

Medical Facilities Construction, 1 year.

Health Services Delivery:

Comprehensive Health Services, 1 year.

Maternal and Child Health, 1 year.

Family Planning, 1 year.

Patient Care and Special Health Services, 1 year.

Indian Health Services—Patient Care, permanent.

Indian Health Facilities, permanent.

National Institutes of Health (exceptions are National Cancer Institute and National Heart and Lung Institute), largely permanent.

Public Health Service Hospitals, permanent.

National Institute of Education, 4 years.

Office of Education:

Elementary and Secondary Education, 3 years.

Emergency School Assistance, 3 years.

School Assistance in Federally Affected Areas:

Part A Impact Aid, permanent.

Others, 3 years.

Education for the Handicapped, 3 years.

Vocational and Adult Education, 4 years.

Higher Education (Land Grant Colleges—permanent), 4 years.

Student Loan Insurance Fund, 4 years.

Howard University, permanent.

Manpower Revenue-sharing, 3½ years (currently).

Federal unemployment benefits and allowances, permanent.

Federal grants to states for employment services, permanent.

Employment Standards Administration:

Salaries and Expenses, permanent.

Federal Civilian Employees' benefits, permanent.

Occupational Safety and Health Administration, permanent.

Bureau of Labor Statistics, permanent.

Department of Labor-Management, permanent.

Action—operating expenses, domestic Programs, 3 years.

Equal Employment Opportunity Commission, permanent.

National Labor Relations Board, permanent.

National Endowment for the Arts and Humanities, 3 years.

National Science Foundation, 1 year.

### COMMITTEE ON POST OFFICE AND CIVIL SERVICE

#### ACCOUNT AND AUTHORIZATION

Records Activities—National Archives, permanent.

Civil Service Commission:

Salaries and Expenses, permanent.

Government payment for annuitants, employee health benefits, permanent.

Payment to civil service retirement and disability fund, permanent.

Payment to Postal Service Fund, 2 years.

### COMMITTEE ON PUBLIC WORKS

#### ACCOUNT AND AUTHORIZATION

Disaster Relief Fund (now under Federal Disaster Assistance Administration), permanent.

Environmental Protection Agency (Clean Air Act, Encouraging development of low emission vehicles, and other programs have 3 year authorizations), permanent.

Public Buildings Service, permanent.

Appalachian Regional Development Programs (except for highway programs which are 5 years), 4 years.

### COMMITTEE ON RULES AND ADMINISTRATION

#### ACCOUNT AND AUTHORIZATION

Senate, permanent.

Legislative Branch—joint items, permanent.

Library of Congress, permanent.

Government Printing Office, permanent.

Smithsonian Institutions, permanent.

### COMMITTEE ON VETERAN' AFFAIRS

#### ACCOUNT AND AUTHORIZATION

Veterans' Administration:

Veterans' service-connected compensation, permanent.

Veterans' non-service-connected pension, permanent.

Other veterans' income security programs, permanent.

Readjustment benefits, permanent.

Medical care, permanent.

Medical and prosthetic research, permanent.

Medical administration and miscellaneous operating expenses, permanent.

General operating expenses, permanent.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were not ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I dislike to object to the amendment offered by the distinguished Senator, but I do agree with the distinguished Senator from North Carolina that the amendment would change the standing rules of the Senate. The Senator may have already submitted a resolution on this subject before.

As chairman of the subcommittee which has jurisdiction, I will hold hearings. I shall be glad to hold hearings on the resolution and let him know when that will be, so that he can notify those who wish to support such a resolution. If we are going to change the standing rules, I should like to see the Committee on Rules and Administration at least have a chance to consider the matter. If we start doing it on the floor of the Senate we are going to get ourselves into bad shape. I would hope that the Senator from Minnesota would not propose this amendment in the Senate.

Mr. HUMPHREY. May I ask my associate on the amendment, the Senator from Maryland, what his view is?

Mr. BEALL. I think it is a reasonable request. This is a specific commitment to get the job done in a specific period of time.

Mr. HUMPHREY. I have always found the distinguished Senator from West Virginia to be a man of his word; not only that, a man of action. I do not want to delay matters. There is some truth in the fact that the amendment proposes a change in the rules. I assure the Senator from West Virginia that I will introduce a resolution, with cosponsors. Therefore, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Under the previous order, the Senator from Florida is recognized.

#### AMENDMENTS NO. 1056

Mr. CHILES. Mr. President, I call up my amendments No. 1056, for myself, the Senator from New York (Mr. JAVITS), the Senator from Maine (Mr. MUSKIE), the Senator from Louisiana (Mr. JOHNSTON), and the Senator from Utah (Mr. MOSS).

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk proceeded to read the amendments.

Mr. CHILES. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with and that the amendments be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments, ordered to be printed in the RECORD, are as follows:

On page 168, line 3, strike out the closing quotation marks, and between lines 3 and 4, insert the following:

"(i) The Budget transmitted pursuant to subsection (a) for each fiscal year, beginning with the fiscal year ending September 30, 1979, shall contain a presentation of budget authority, proposed budget authority, outlays, proposed outlays, and descriptive information in terms of—

"(1) a detailed structure of national needs which shall be used to reference all agency missions and programs;

"(2) agency missions; and

"(3) a summary of agency programs with a description of basic program steps to be provided directly by the agencies to the appropriate committees of Congress to the extent applicable to agency activities.

"(j) To assist the President in carrying out the provisions of subsection (i), and to the extent practicable—

"(1) each agency shall furnish information in support of its budget requests in accordance with its assigned missions in terms of Federal functions and subfunctions, including mission responsibilities of component organizations; and

"(2) each agency shall relate all programs to agency missions and shall furnish information to describe the program step being executed and for which budget authority is being requested or outlays made to the extent applicable to agency activities.

"(k) For purposes of subsections (i) and (j)—

"(1) The term 'national needs' means those Federal functions and subfunctions which are, at a given time, being performed by the Government in order to provide for the well-being of the Nation. National needs (functions and subfunctions) describe the purposes being served by budget authority and outlays without regard to the means that may be chosen to meet those purposes.

"(2) The term 'agency missions' means those responsibilities for meeting national needs which may be variously assigned to the agencies of the executive branch. Agency missions can be expressed in terms of those functions or subfunctions which may be, at a given time, the responsibility of that agency and its component organizations.

"(3) The term 'program' means, to the extent applicable to agency activities, that organized set of activities and actions which may be undertaken by an executive agency in order to solve a particular problem, meet a particular objective, and achieve a particular set of goals directly related to fulfilling that agency's mission responsibilities and which, over the course of the program, entails significant expenditures of resources.

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[1] Although most programs under this agency are currently extended for one year their usual length of authorization is multi-year.

"(4) The following are four of the basic steps in the process by which new programs, or major modifications to existing programs, are formulated and executed:

"(A) 'Establishing needs and goals' means defining the particular problem to be solved and the objective measures of the end results, or goals, to be sought and attained as a consequence of the program. Goals describe the level of mission capability the agency is seeking, when it is to be made available, and the total cost within which that capability is to be provided without regard to the means used to achieve those results.

"(B) 'Exploring alternatives' means the creation, definition, and evolution of competing means to solve a particular problem, drawing on the base of technology in order to identify and evolve those approaches that are promising, to eliminate those that are not promising, and to supply information on the expected costs and benefits of each approach.

"(C) 'Choosing the preferred program approach' means the evaluation and choice of the preferred program approach from among remaining alternatives. The evaluation will determine which approach will best meet the updated goals of the program and the costs and benefits accruing to each alternative in meeting the agency's mission.

"(D) 'Implementation' means putting the preferred program approach into operation and monitoring its effectiveness, including final development preparation of the chosen approach, operational support and maintenance, and modification based on review of program effectiveness."

On page 182, line 14, before the period insert "and section 201 (i), (j), and (k) of such Act (as added by section 601) shall apply with respect to the fiscal year beginning on October 1, 1978, and succeeding fiscal years".

Mr. CHILES. Mr. President, the detailed justification for these amendments was included in my floor statement on Wednesday, March 20. Since that time, we have worked out additional language modifications to further improve the amendments so that they would be acceptable to all concerned parties.

I would like to reiterate the importance of the amendments.

They are designed to strengthen congressional control over the budget, national priorities, and—in particular—Federal programs by providing a framework of budget information that builds on end-purpose—or functional—categories; ties in agency programs; and exposes key steps in program evolution.

The amendments would require, beginning in fiscal year 1979, budget information to:

First. Clearly identify the separate public needs that warrant major Federal expenditures; to have proposed expenditures in the Federal budget related to these public needs and to permit the Congress to adjust the proposed expenditures in accordance with its own view of national priorities;

Second. Provide a bridge in the Federal budget between public needs and the various agency programs intended to satisfy those needs; and

Third. To institute for such programs a framework of program step information to improve congressional oversight, a framework to permit the Congress to participate more effectively in the policy decisions that initiate new programs and to ask questions about the conduct of such programs which will influence their decision, performance, and ultimate costs.

Let me briefly summarize the support for the amendments.

First. The amendments program control framework was recommended by the Congressional Procurement Commission after 2½-year study. Commissioners included Senators JACKSON, GURNEY, and myself, as well as Congressmen HOLIFIELD and HORTON, and the Comptroller General.

Second. The amendments incorporate substantial changes in response to OMB, GAO, and congressional suggestions for improvement.

Third. Secretary Schlesinger has supported this mission planning framework in testimony this year and is moving to implement it already in the Defense Department.

Fourth. The program framework was endorsed by the Interagency Steering Group, including representatives from Department of Defense, National Aeronautics and Space Administration, Atomic Energy Commission, Department of Transportation, and National Science Foundation.

Fifth. The Comptroller General has supported this approach and said it was consistent with the work being performed by the General Accounting Office under the Legislative Reorganization Act of 1970.

Sixth. A comparable planning framework was endorsed by Elliot Richardson to reform Department of Health, Education, and Welfare planning and programs in 1972.

Seventh. The need for this kind of information has been confirmed by staff of Senate Appropriations and Commerce; House Government Operations, Education, and Labor; and other Committees in a General Accounting Office survey.

Eighth. Finally, the amendments would encourage business competition and the application of new technology to meet public needs by regularly questioning how alternatives were being explored in Federal programs.

In summary, the amendments—build upon the functional and subfunctional categories that are already included in the President's budget; ask for a bridge to agency programs related to the functions; and ask for information on what stage each program is at.

Information in the last two areas is not now furnished to the Congress or its committees in a regular, consistent fashion. To relieve Office of Management and Budget of the burden of consolidating program information, the amendments were revised to permit the individual agencies to submit it directly to their counterpart committees.

The prime intent of these amendments is to provide a simplified framework for all the fragmented information Congress now gets, a simplified tabulation of functions—the purpose for which we are spending the taxpayer's money—identification of related agencies' programs; and which basic step was being performed, with description of how the step was proceeding going to the concerned committees. This is hardly voluminous and, most important, would make the rest of the data more meaningful and manageable.

The four basic steps naturally evolve on any program but occur only once and frequently years apart. Certainly our committees have the ability and time to track four crucial turning points in any program.

I want to thank the distinguished Senators from North Carolina (ERVIN), Montana (METCALF), Illinois (PERCY), Maine (MUSKIE), New York (JAVITS), Louisiana (JOHNSTON), and Utah (MOSS) for their cooperation and support in developing these amendments. Their insight and suggestions have been invaluable.

Mr. ERVIN. Mr. President, we are perfectly willing to take the amendments to conference.

I yield back the remainder of my time.

Mr. CHILES. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendments.

The amendments were agreed to.

Mr. ROBERT C. BYRD. Mr. President, I believe there are no more amendments. I ask that the Chair proceed to third reading and then recognize the distinguished Senator from—I am sorry; I am aware now of another amendment.

Mr. CURTIS. Mr. President, is there another amendment to be considered?

Mr. ROBERT C. BYRD. Yes.

Mr. CURTIS. Mr. President, in light of the fact that there is another amendment pending, I shall take only 2 or 3 minutes, and then yield back the remainder of my time. I am aware of our time schedule, and I am happy to do it.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. CURTIS. I yield.

Mr. ROBERT C. BYRD. I ask unanimous consent, due to the fact that there is a comparable House bill on the calendar, and that after third reading is reached unanimous consent will be requested to proceed to the consideration of the House bill and substitute the Senate language, that the vote that was heretofore ordered on the Senate bill be transferred to make it a vote on the House bill instead of the Senate bill.

The PRESIDING OFFICER. At 2 o'clock?

Mr. ROBERT C. BYRD. Yes, under the same order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. CURTIS. Mr. President, this bill and all of the effort that has gone into it has some very fine aspects in focusing the attention of Congress on the budget. It contains procedural changes that I think are advisable, in that we look at the whole budget at once, and for that reason I commend those Senators who have worked so diligently on this measure.

I wish to point out, however, that to most of us budget reform means a balanced budget, living within our means.

The disciplines to bring that about are not in this measure.

And, Mr. President, that cannot be done by statute. We cannot bind another Congress. They could not only repeal what is about to be enacted, but they could totally ignore it. I call attention to the fact that we have a statute that says Congress shall adjourn on a certain date. We do not adjourn. Any time after this measure becomes law, at any stage in the proceedings, an individual Member can offer anything he wants to, and if it is enacted it is a statute; it is on the same level as this law, and the last act prevails.

Therefore, Mr. President, the only way we can ever have budget reform in the nature of a balanced budget is to write such a procedure into the Constitution, and I have such a proposal. I shall not offer it today, but here is what it provides: It provides that if we spend more than we take in, an automatic surtax is imposed. If we spend 3 percent more than we take in, a 3-percent surtax, 10 percent more, a 10-percent surtax, and so on. It would compel a balanced budget.

I realize that there are times when, in grave national emergency or upon a declaration of war, we must use the credit of the United States. So this proposal provides that Congress, by a three-fourths vote, can set aside such a proposal for a year at a time, and then do it again.

Mr. President, that will bring about a balanced budget. I realize that there are many people who favor more Government than I do. I respect them in that position, but I also suggest that we pay for it. There is no reason why we should charge the current cost of Government to our children and grandchildren any more than we should charge our groceries or other expenses of living to them. We should pay for our Government as we go along.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point Senate Joint Resolution 142, which has been introduced by myself, Mr. HRUSKA, Mr. FANNIN, Mr. GOLDWATER, Mr. HELMS, and Mr. WILLIAM L. SCOTT.

There being no objection, the joint resolution (S.J. Res. 142) was ordered to be printed in the RECORD, as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years after its submission to the States for ratification:

"ARTICLE —

"SECTION 1. On or before the fifteenth day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth separately—

"(1) his estimate of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing;

"(2) his recommendations with respect to outlays to be made from funds other than trust funds during such ensuing fiscal year; and

"(3) if such recommendations exceeds such estimate, a surtax rate which the President determines to be necessary to be applied with respect to the income tax of taxpayers to those portions of taxable years of taxpayers occurring during such fiscal year, so that such receipts will equal such outlays.

Such surtax shall be effective and so applied to such fiscal year except as otherwise provided in section 2 of this article.

"SEC. 2. During the first quarter of each fiscal year, and during the third quarter of each fiscal yaer, the Speaker of the House of Representatives shall—

"(1) estimate the receipts of the Government, other than trust funds, during such fiscal year;

"(2) estimate outlays to be made from funds other than trust funds during such fiscal year; and

"(3) (A) if such estimate of outlays exceeds such estimate of receipts, determine a surtax rate which the Speaker considers necessary to be applied, with respect to the income tax of taxpayers, to those portions of taxable years of taxpayers remaining in such fiscal year, so that such receipts will equal such outlays; or

"(B) if such estimate of outlays equals such estimate of receipts, determine that no surtax rate is necessary to be applied.

Any such determination shall be effective, and so applied, with respect to the remainder of such fiscal year commencing on the first day of the first month commencing at least thirty days after such determination by the Speaker. The surtax rate determined by the President under section 1 of this article shall not thereafter be applied commencing with such effective date.

"SEC. 3. During the last month of each fiscal year, the President shall review whether the receipts of the Government, other than trust funds, for such year will be less than the outlays other than trust funds for that fiscal year. If he finds that such receipts are going to be less than such outlays, he shall determine a surtax rate which he considers necessary to be applied with respect to the income tax of taxpayers, so that taxes received by the Government from such surtax, when added to other receipts of the Government, will equal such outlays. Such surtax shall be effective, and so applied, as determined by the President only during the next succeeding fiscal year. The surtax effective and applied under this section is in addition to any other surtax that may be effective and applied under this article and may not be superseded or modified under section 1 or 2 of this article.

"SEC. 4. The provisions of sections 1, 2, and 3 of this article may be suspended in the case of a grave national emergency declared by Congress (including a state of war formally declared by Congress) by a concurrent resolution, agreed to by a rollcall vote of three-fourths of all the Members of each House of Congress, with each such resolution providing the period of time (not exceeding one year) during which those provisions are to be suspended.

"SEC. 5. This article shall take effect on the first day of the calendar year next following the ratification of this article.

"SEC. 6. The Congress shall have power to enforce this article by appropriate legislation.".

Mr. CURTIS. Mr. President, I hope that the Senate will give serious consideration to a budget reform that will work, that will bind the Congress. There will be another day. I shall have more to say about it then.

I yield back the remainder of my time.

Mr. GRIFFIN. Mr. President, on behalf of the Senator from West Virginia, the distinguished majority whip (Mr. ROBERT C. BYRD), and myself, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 109, beginning in line 13, after the words "The Director shall receive the same compensation as" strike the remainder of the paragraph thru line 17, and insert "The Secretary of the Senate. The Deputy Director shall receive the same compensation as the highest salary that can be paid to the Administrative Assistant of a U.S. Senator."

Mr. GRIFFIN. Mr. President, I regret, in a way, that this amendment has to be offered, but the Senate having voted down the amendment of the Senator from Mississippi (Mr. STENNIS) which would have adjusted the salaries of officers of the Senate and allowed salaries of such people as the Secretary of the Senate, and so forth, to be increased somewhat, the question that we have before us is really two-fold: Do we want to pay the Director of this new office that would be set up under this bill the same salary as a U.S. Senator? Because that is the way it is provided in the bill: $42,500.

I do not think that any employee working for the U.S. Senate should receive the same salary as a Senator. The question, then, is how much less should he receive?

There is a strong feeling that he should not receive any more than the highest paid official of the Senate staff at the present time, and that is the Secretary of the Senate. Unfortunately, the Secretary of the Senate is now paid only $36,000.

If we are only going to pay him $36,000, then we should only pay, in my opinion, the director of this budget office, whatever it is, that same salary. In the future, when we adjust the salaries of Senators, Representatives, and these others, obviously we ought to adjust the salary of the budget director, and I shall be one of the first to join in the effort to do that.

Mr. BROCK. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. BROCK. Mr. President, I could not more vehemently disagree with the Senator from Michigan. I understand his logic, but the Director of the Congressional Office of the Budget will not be an employee of the Senate. The Congressional Office of the Budget as a new agency will be subject to the entire Congress. We simply must get the best talent we can find. It is an important and crucial job, not only to the Congress but to the country, and we must pay an adequate wage to attract the kind of individual we want to attract.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. MANSFIELD. Mr. President, I would point out that the Secretary of the Senate has approximately 500 people under his responsibility. I do not think anyone brought in under any new office of this sort should be paid any more than the people who have worked here faithfully and efficiently, and who are experienced, and I would hope we would not denigrate those who have worked for us and for the committees of the Senate by bringing in someone else who will receive $42,500. I do not think it is fair and I do not think it is right, unless we want to raise all the others to that figure, who are just as good as any man who can be brought in.

Mr. PERCY. Mr. President, I respectfully disagree with the majority leader and with the assistant minority leader. I think we must judge these issues on their own merits.

I think Senators and Representatives are underpaid, and I have consistently voted to get our pay up to the appropriate levels. But here we are establishing no new precedent; we are simply providing another office created by Congress, responsible to the House of Representatives and the Senate, like that of the Comptroller General.

The Comptroller General of the United States is paid $42,500. This is exactly the same amount. I think it would be a reversal of everything we have tried to accomplish in this bill if we also paid the Director of the Budget of the Congressional Office of the Budget less than we already provide for the Director of OMB. We are trying to place them on a comparable basis. We are trying to see that we are a coequal branch of the Government. We are trying in every way to attract the quality of man or woman that would be attracted by the executive branch. They want that professional experience. Representatives and Senators have a lot of other benefits not included in their pay. They get the honor and they get the glory. We have plenty of people applying for the jobs no matter what the pay would be. But it is not true when we are asking a man to give up a professional career and take a professional position working for the House and Senate. The precedent is here and we have thought it through carefully. I am extremely concerned at this last moment, with 1 minute to go, that we bring forward a matter which has been under consideration for months by both committees and approved by the two committees of the Senate—and certainly the House is not going to disagree with us. I hope that we defeat it and certainly I would ask for a rollcall vote.

Mr. GRIFFIN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MANSFIELD. I want to say that I think our professionals here are just as good as anywhere else.

Mr. PERCY. I have no disagreement with the fact that they are underpaid. It is about time we say so.

Mr. ERVIN. Mr. President, this man is not an employee of the Senate. He is an employee of Congress, and he should be paid on the same basis as another employee of Congress; namely, the Comptroller General.

The PRESIDING OFFICER (Mr. HELMS). The question is on agreeing to Michigan (Mr. GRIFFIN).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. EAGLETON), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Louisiana (Mr. LONG), the Senator from Ohio (Mr. METZENBAUM), the Senator from Utah (Mr. MOSS), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Missouri (Mr. SYMINGTON), and the Senator from Louisiana (Mr. JOHNSTON) are necessarily absent.

I further announce that, if present and voting, the Senator from Ohio (Mr. METZENBAUM) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Idaho (Mr. MCCLURE), the Senator from South Carolina (Mr. THURMOND), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

I also announce that the Senator from Vermont (Mr. AIKEN) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. HATFIELD), the Senator from Vermont (Mr. STAFFORD), and the Senator from North Dakota (Mr. YOUNG) are absent on official business.

I further announce that, if present and voting the Senator from South Carolina (Mr. THURMOND) and the Senator from Oregon (Mr. HATFIELD) would each vote "yea."

The result was announced—yeas 43, nays 36, as follows:

[No. 86 Leg.]

YEAS—43

Baker
Bartlett
Beall
Bennett
Biden
Brooke
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Curtis
Dole
Domenici
Fannin
Fong
Gravel
Griffin
Gurney
Hansen
Hartke
Helms
Hruska
Huddleston
Hughes
Javits
Magnuson
Mansfield
McClellan
Montoya
Nelson
Packwood
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Pearson
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Scott, Hugh
Scott, William L.
Stevens
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Abourezk
Allen
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Bentsen
Bible
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Church
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Eastland
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Hart
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Hathaway
Hollings
Humphrey
Inouye
Jackson
Mathias
McGee
McGovern
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Bellmon
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Cotton
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Fulbright
Goldwater
Hatfield
Johnston
Kennedy
Long
McClure
Metzenbaum
Moss
Ribicoff
Stafford
Symington
Thurmond
Weicker
Young

So Mr. GRIFFIN'S amendment was agreed to.

Mr. McCLELLAN. Mr. President, I shall vote for the pending bill, because I strongly favor the attainment of its general objectives.

However, I vote for it most reluctantly, because I am convinced that this bill in its present form will fall far short of the goals it professes to achieve.

I am under no illusions about the results of this measure's implementation. I do not see in this bill, under its present provisions, any definite assurance or even a strong prospect that this measure will greatly improve the budgetary process or materially strengthen congressional control over public spending.

Of course, this bill will go to conference. There, some desirable changes may be made. But, I do not foresee that the conferees can, or will, rewrite this bill so as to make marked improvement in it. Possibly the greatest virtue of this particular legislation is that it may serve as a vehicle for trial and error. Experimentation with it for a year or two may demonstrate the serious flaws that it embraces and may indicate how the deficiencies and weaknesses that it contains can be eliminated.

We can only hope for the best—that some good will come out of the serious and dedicated effort that has been made by the proponents of this measure to do something practical and effective toward reform of the budgetary process.

Mr. President, this bill, I believe, is so fraught with complexities and so confusing and cumbersome that it will be most difficult, if not impossible, for the Congress, as a practical matter, to comply with its provisions and meet its requirements. It may be destined to simply fail and fall of its own weight. I am apprehensive that, as now written, this measure places such a burden on the legislative and appropriation processes that it is impractical and maybe impossible for Congress to comply with its terms and conform to its directives.

I sincerely hope my conclusions are wrong, but I doubt it. Only time will tell.

Mr. President, if this measure should prove to be inadequate or unworkable, we must try again. The need for effective budget reform and better control of public spending is urgent. This problem will not go away. It must be solved if we are to preserve national solvency.

Mr. HELMS. Mr. President, I shall vote, reluctantly, for this bill, but I hope that my doing so will not leave the impression that I consider this to be adequate legislation.

I have heard some of its proponents acknowledge that it is "half a loaf" in terms of true budget reform. Even that assessment, in my judgment, is extravagant.

True budget reform will come only when Members of Congress make up their minds that they, as individuals, will reform themselves in terms of dangerous fiscal practices. To put it bluntly, Mr. President, if this Nation is to survive in stability, we have got to return to economic integrity.

There is nothing partisan about my view, Mr. President. Both parties are to blame, and all administrations for a generation. This business of spending billions upon billions of dollars each year in excess of revenue has created a Federal debt nearing a half trillion dollars. And that is only a part of the story.

We can go back home, and make political speeches all we like, but there is not a Member of this Senate who does not know that it is the Congress that has permitted this enormous Federal debt to accumulate—the interest alone on which is costing the American taxpayers $30 billion a year.

The distinguished Senator from Virginia (Mr. HARRY F. BYRD, JR.) and I tried twice during this debate to persuade this Senate to include a requirement for a return to the balanced budget concept. Twice we were defeated.

This makes five times, Mr. President—five times—that Senator BYRD and I have been rebuffed in our efforts in less than 12 months when we have pleaded for a return to the balanced budget.

I mean to disparage no Senator, Mr. President. But I do say that, as we pass this bill, we ought to be honest with ourselves, and with the American people, and acknowledge that there is little prospect of any early remedy to the Nation's economic travail to be found in this bill. Maybe it is "half a loaf," or a "step in the right direction"; or some other cliche. But the hard fact of life is that we are doing little, if anything, here today that will be meaningful in reducing Federal spending, or taxation, or inflation.

I shall vote for the bill, Mr. President, but only on the condition that it be fully understood that I have misgivings about the practical results. I do hope that no one will pretend to the American people that we have fashioned a cure for what ails the Nation.

Mr. STEVENSON. Mr. President, the Federal Government spends too much of the taxpayer's money on programs which are wasteful or of low priority. The reasons for excessive spending are as numerous as Federal programs themselves, but the two most fundamental reasons are political and informational.

Too often a budget request is submitted by the executive branch and approved by the Congress because doing so is regarded as more advantageous politically than saying "no" to a powerful interest group in the bureaucracy or the private sector. The most promising way to attack that problem is not through reform of the budget review process, but rather through changes in the electoral process which make it more difficult for the special interests to buy influence. For that reason, it is especially appropriate that the Senate consider campaign financing legislation on the heels of budget reform.

The informational problem is more acute in the Congress, but is present in the executive branch as well. Congress lacks the staff needed to analyze information accompanying executive branch budget requests, and it lacks an orderly process within which competing priorities can be weighed one against the other. This bill does much to lessen those barriers. I would hope that the steps taken in this bill will soon be followed by firmer restraints on excessive spending, such as an omnibus appropriations bill. I will continue my support for such restraints.

More staff and a more efficient structure will put the Congress in a better position to fight waste, but they are no substitute for will. By enacting this bill, we give ourselves some tools we badly need. Unless we summon up the strength and courage to use those tools, our power of the purse—the core of this institution—will become more shadow than substance.

Mr. MUSKIE. Mr. President, after more than 12 months of hard and often difficult work, the Senate is about to pass a bill to reform the way Congress makes spending and revenue decisions.

The Congressional Budget Act of 1974 is perhaps the most important bill Congress will consider this session, and it has not received the attention it deserves.

The details of this legislation are complicated. But the bill is designed to give Congress the information and staff necessary to determine each year how much money the Government has, how much it should take in, and how much it should spend, before determining what to buy with the taxpayers' dollars.

Until now, various committees of Congress have been unable to determine how their spending decisions will affect the budget as a whole. Under the procedures this bill will change, it is not until after individual decisions are made that Congress knows how much it has spent. This is no way to run a household, and it is no way to run a government.

With my colleagues on the two committees which drafted this bill, I have recognized that Congress has seen its control over the Federal purse strings ebb away over the past 50 years because of its inability to get a grip on the overall budget, while the Office of Management and Budget in the executive branch has increased its power and influence.

And since the budget—up to this point—has been the single most important tool for shaping Government policy, the executive branch has increased its control over policy decisions as well.

As this power has gradually shifted to the executive, the people have come to see Congress as an increasingly ineffective, uncreative institution which has difficulty responding effectively to our problems, and is reluctant to reform itself.

Budget reform will not change the people's feelings about Congress overnight. But it will demonstrate that the Congress sees the need for reform and is willing to try new procedures. And it is an important step toward restoring the balance of power between the branches of Government, and between Government and the people.

Budget reform will mean a greater representative voice for the taxpayers in spending decisions, and it will provide the kind of overall control over spending decisions that the taxpayers have a right to expect.

Mr. President, in the past several months we have come a long way toward meaningful and workable budget reform. This legislation, upon its enactment, will not provide a panacea for all the ills that now afflict the process by which Congress considers the budget.

But this legislation proves that Members of the Senate can work together to change their ways. It would not have been possible without the cooperation of both the Committee on Government Operations and the Rules and Administration Committee, which worked together to draft it. I am proud to have been part of the bipartisan effort in the Government Operations Committee that this legislation represents. Special thanks, however, must go to the distinguished chairman of the Government Operations Committee, Senator ERVIN, and the chairman of the Budget and Accounting Subcommittee, Senator METCALF. Also, I want to commend the distinguished chairman of the Rules Committee, Senator CANNON, and the majority whip, Senator BYRD, for their time and diligence in reviewing and perfecting this legislation in the Rules Committee.

Finally, let me say that the process for considering the budget included in this bill can work with the cooperation of the entire Senate. Our job now is to implement it.

Mr. BUCKLEY. Mr. President, I rise in support of the Congressional Budget Act and heartily endorse the idea of returning to the Congress the responsibility for making the difficult fiscal decisions which it seeks to accomplish. This bill is the result of intensive investigation and hard work by many Members of the Senate and their staffs.

While it has some major weaknesses, S. 1541 is a long first step in the direction in which we should be moving and a step which must be taken. For all too long the Congress has dissipated its budgetary initiatives, prerogatives, and responsibilities to the point that it now can do little more than endorse—or at best modify slightly—those fiscal decisions reached within the administration. Even this it must do with limited staff assistance and with only such detailed information as an administration sees fit to provide.

More than that, because the Congress does not currently have a mechanism to force itself to consider the fiscal implication of appropriations that are often so casually voted, the Congress has condemned the country to endless inflationary deficits. I speak in particular of the practice in recent years of appropriating substantial amounts through the device of floor amendments, amendments that in the aggregate add tens of billions of dollars of Federal expenditures. Thus the Congress has been feeding the forces of inflation and, in my judgment, making it necessary for the Executive to resort to impoundment and vetoes so as to keep some sort of check on the budget. The bill now under debate represents an important, though inadequate, effort to restore fiscal responsibility to the Congress.

It is eminently desirable, I believe, to establish an orderly sequence of actions the Congress must take, and to enforce a rigid time schedule for those actions. This will force us into more careful consideration and a more logical decisionmaking process as we deal with what is probably our primary responsibility—providing for an adequate expenditure of public funds for the total public good.

Mr. President, I do not know that it is possible to set down a "perfect" time schedule for these decisions which must be met, but it does concern me that as the bill now stands, the hardest decisions—and those obviously with the deepest political implications—will be being made during the early fall of the year, the precise time when politicizing generally is at an unusually high pitch. How much better it would be if the decisions made in the first budget resolution could be final decisions—to be "reconciled" only in most extraordinary cases.

I believe one of the principle weaknesses of the bill, and I hope it will not prove a fatal one, is that it contains no effective teeth to force some degree of restraint. The rules written into it can be waived by a simple majority vote, which means that any measure that proves politically attractive although involving a breach of budgetary limits, will more likely than not be adopted through the simple expedient of a waiver of the machinery so carefully constructed in S. 1541. I hope that a two-thirds rule will be invoked by the time this legislation emerges from conference.

I do not so suffer from delusion that I believe reform of the magnitude here at hand can be accomplished perfectly and overnight, for we have been more than 50 years in bringing ourselves to our present point. I sincerely hope that as the years pass we will be able to define in detail what we are now agreeing on in principle; and it is in that spirit that I shall vote in favor of this bill.

Mr. ROTH. Mr. President, there is no problem today concerning more Americans than that of inflation. The fact that the cost of living today is increasing at a rate of almost 16 percent annually should be a matter of most serious concern to all the Members of Congress. Earlier I had hoped that the action we took today could have been claimed as a giant step toward fiscal responsibility. At best it is but a weak small step in that direction. What so many have heralded as the greatest reform in the last 20 years has proven mainly to be mere rhetoric. We have gone through the gestation period of an elephant and merely given birth to a mouse.

Budget reform has been a matter of great personal concern to me. The Joint Committee on Budget Control was formed as a consequence of my efforts to establish a spending ceiling in 1972. I was privileged to serve as a member of that committee and would like to read into the RECORD why that committee concluded that major reform was necessary:

> The Joint Study Committee believes that the failure to arrive at congressional budgetary decisions on an overall basis has been a contributory factor in the size of these deficits. The present institutional arrangements in many cases appear to make it impossible to decide between competing priorities with the result that spending is made available for many programs where the preference, if expressed, might have been to choose alternatives and also to make spending reductions.
>
> The fact that no legislative committee has the responsibility to decide whether total outlays are appropriate in view of the current situation appears to be responsible for much of the problem. Perhaps components of the budget among several different congressional committees. As a result, each spending bill tends to be considered by Congress as a separate entity, and any assessment of relative priorities among spending programs for the most part is made solely within the context of the bill then before Congress.

Similarly, the report of Senator METCALF's Subcommittee of the Government Operations Committee developed what I considered to be an acceptable budget reform bill. From that step on, however, there was a continual erosion of the tough reforms recommended by the joint committee. Today we are coming out with a watered down form of the bill that provides us with a few bricks instead of the foundation upon which we should be building fiscal responsibility.

Although under this legislation we are considering the budget as a whole, we continue to act on appropriations individually just as we have in the past. Unfortunately, under this proposal, there are no restraints such as the rule of consistency of the joint committee. Even though there is a proscription against appropriating funds before the first concurrent resolution is adopted, if spending decisions have been made throughout the summer, will Congress realistically rescind part of them later in the fall?

I am deeply dismayed that we are failing to make the budget meaningful in ensuing deliberations of Congress. As I pointed out in my opening statement, we have created a rubbery ceiling that will merely reflect increased spending. By our actions we also have eliminated our major restraint on spending and I am speaking of impoundment by the President. In saying this I want to make it clear, however, that I am very much opposed to the misuse of this power when programs mandated by congressional action are eliminated. But the power to restore these programs should be put in the hands of the Congress—not the courts.

Unfortunately, every effort to amend this legislation in order to enforce responsible fiscal planning has been overwhelmingly turned down. What it means is that we will continue our inflationary ways of deficit spending unless of course the press begins to put the revealing spotlight of publicitly upon our spendthrift habits. Much has been said about how this legislation will strengthen the American dollar in the international market, but any international expert who has watched these proceedings has not gained any confidence that Congress will take the difficult steps necessary to strengthen the dollar.

Frankly, I am dismayed at the over-optimistic claims being made as to the import of this legislation. Let us be realistic. This bill is no cureall. It is, in my humble judgment, such over-optimistic claims made for this and other such legislation that leads to a lack of credibility on the part of the public and the faith in and respect for Government will continue to go down as long as they are being made.

Long range, I am hopeful and I shall continue to fight for meaningful budget reform legislation, and I hope that this will be but the first step in forcing Congress to come to grips with this very important problem. I hasten to add, however, if we do not take additional steps to strengthen the process the public will not stand idly by as we contribute to the high costs of the goods and services they purchase by our inflationary spending practices. We will, of course, ultimately all be held accountable.

Mr. DOMENICI. Mr. President, the Congress and the people of the United States have become painfully aware, that our present budgetary process is archaic, and incapable of providing the type of fiscal responsibility required for economic stability and growth. This point has been made time and again by many Members, myself included.

I have, on several occasions, attempted to outline some of the deficiencies in our present system, as I see them, and have been an active supporter of initiatives which would correct these shortcomings. I feel sure that S. 1541, the Congressional Budget Act of 1974, is such an initiative, a major effort that deserves our full support.

In illustration of my belief that S. 1541 is a major step in the right direction, I would like to list briefly the points with which I have been most concerned under our present-day budgetary process, and then present the answers which I think this bill offers to these problems.

First, Congress has no overview of the appropriations process, by which it may consider expected revenues so that expenditures may be limited to a reasonable amount. In other words, it has no real system for preparing and keeping to budget systems. In S. 1541, however, the Budget Committees would be responsible for generating an initial budget resolution and allocating this specified funding level out among the various committees addressed in this resolution. These committees would, in turn, allocate funds to their subcommittees, but at every stage of this process, comparisons between levels of funding and expenditures would be made.

Furthermore, a second concurrent resolution on the budget would follow in which funding levels in the first budget resolution could be revised to conform with, or guide, economic trends. In any event, the funding level authorized in the second budget resolution would not exceed limitations set by the current level of revenues. Besides providing Congress with an important tool for controlling inflation, this type of organization will also mitigate against the problems inherent in having a totally fragmented appropriations process. That is, no longer will 13 different appropriations bills be considered and produced which have no relation to each other or to total appropriations.

Second, there is never sufficient information on which to judge spending priorities, although priorities must obviously be set. This informational deficiency makes it virtually impossible to choose responsibly between competing expenditure programs.

S. 1541 would create the Congressional Office of the Budget which would provide all committees and Members not only with basic budgetary and fiscal information, but also with projections of what impact current budgetary decisions will have on future budgets, and with information on alternatives to any given funded program.

And third, it is obvious that a heavy burden and much responsibility is placed almost exclusively on the shoulders of chairman and senior members of those committees and subcommittees which are concerned with appropriations.

Under S. 1541, however, no Member would be allowed to serve on more than one other standing, special, select, or joint committees in addition to service on a Budget Committee. This provision would, then, allow members of the Budget Committee to devote a greater proportion of their time and energy to management of the appropriations process.

In summation, Mr. President, I feel that this bill is a pragmatic and well thought-out approach toward the evolution of sound fiscal policy tools which the Congress badly needs. Although this should not be viewed as the panacea for all our budgetary ills, it represents the type of reform needed to bring congressional budgetary practices into the 20th century.

### TREATMENT OF TAX EXPENDITURES IN THE CONGRESSIONAL BUDGET ACT OF 1974

**Mr. MUSKIE.** Mr. President, the Congressional Budget Act of 1974 would substantially improve information about and congressional control over tax expenditures—those provisions of tax law which provide for reductions in tax revenue for special purposes.

By allowing special exclusions, exemptions, deductions, credits, tax rates, or deferrals, tax expenditures each year cost the Federal Treasury billions of dollars in tax revenues that would otherwise be collected under our normal tax structure. The revenue loss under each direct tax expenditure is quite similar to a budget outlay, since each one is justified as serving nontax policy purposes. Some tax expenditures, such as the $3.4 billion of lost revenue in calendar year 1972 resulting from charitable contribution income tax deductions, serve goals on which there is broad agreement. Other tax expenditures, such as the $1.7 billion revenue lost in 1972, because of percentage depletion provisions, serve as goals on which there is disagreement, and without proven effectiveness. But currently, none of these tax expenditures—and the sum of their costs was, at least, an estimated $59.8 billion in 1972—are scrutinized as part of a rational congressional decision about the entire Federal budget.

The definition of tax expenditures in section 3(a) (3) of the bill is:

> Those revenue losses attributable to provisions of the Federal tax laws which allow a special exclusion, exemption, or deduction from gross income or which provide a special credit, a preferential rate of tax, or a deferral of tax liability representing a deviation from the normal tax structure for individuals and corporations.

This definition includes a variety of tax expenditures, including items which are not excluded by a provision of the tax law but affirmatively as a result of Internal Revenue Service interpretation and practice.

The use of the words "income tax" in the definition should not preclude consideration of tax expenditures in the gift and estate tax systems. Generation skipping under the estate tax, for instance, has an estimated cost of well over $250 million annually, and the charitable deduction under the estate tax, including deductions for family foundations, has a much larger annual cost, well over $1 billion annually.

The bill also includes a definition of the tax expenditure budget as a complete enumeration of such expenditures. This enumeration should include at least all the items in tax expenditure materials prepared to date by the Treasury and the relevant committees of Congress.

The Committee on the Budget will have the duty to institute studies concerning tax expenditures, to devise methods of coordinating tax expenditures with direct budget outlays, and to report on this work. Their work should include study of converting tax expenditures into direct budget outlays—section 101(a).

The Congressional Budget Act would integrate consideration of tax expenditures into the congressional budget-making process. The Congressional Office of the Budget, for instance, would be required to develop information about tax expenditures, and would report to Congress before April 15 an estimate of tax expenditure levels for the succeeding fiscal year. The President would also be required to include estimates of tax expenditure levels in his proposed budget—section 601.

While tax expenditures would not be included in that text of concurrent resolutions on the budget, levels of tax expenditures by major functional budget categories would be included in the report of the Budget Committees accompanying concurrent resolutions—section 301(e). The information in Budget Committee reports, together with the estimated tax expenditures in the President's budget, would constitute background information for judging revenue levels in the concurrent resolution.

In addition, bills proposing new or increased tax expenditures would be subject to two of the requirements imposed on bills providing new budget authority. The report accompanying any such bill or resolution would include a comparison of the proposed tax expenditure level with the level specified in the report on the concurrent resolution, together with a projection of the tax expenditures resulting from the proposed legislation for future fiscal years—section 308(e). Such bills and resolutions would also be enacted into law prior to the August adjournment, as would be the case for new budget authority bills—section 309.

S. 1541 requires the establishment of a standardized information system for Federal fiscal, budget, and program data—section 801(a). This system will include complete tax expenditure information. Tax expenditure budget data will be aggregated in the same functional program categories as direct budget outlays, and will be fully integrated with functional aggregations of direct budget outlays so as always to present a complete picture of total Federal effort in any one functional area.

The provisions of S. 1541 relating to tax expenditures are an essential part of the increased budgetary control the bill provides. They would insure that congressional control of the budget extends to all of our expenditures for public purposes.

### RESPONSIBILITY AND SPENDING IN CONGRESS

**Mr. DOLE.** Mr. President, I believe the state of our economy is the most critical responsibility facing Congress today. A stable, expanding, and sound economic structure is a vital requirement for the domestic and international strength of our Nation. And it is absolutely essential to the well-being of the American people whose earnings, savings, pensions, and investments serve as the foundation for our entire social and economic structure.

### DIFFICULT ERA

We have entered a most welcome era but, admittedly, a difficult one. America is at peace throughout the world. We are not engaged in hostilities with any other nation, and none of our young men are being drafted to feed the machines of war. But peace has not come without a price. And while the guns are silent, our economy does not have the stimulus of a war to provide jobs, absorb excess industrial capacity and fuel business expansion.

This means that we have a system which is vulnerable to many hazards which do not affect a wartime economy. And because the tremendous impact of a war's demand for goods and services is not present, there is less flexibility, less margin for error and fewer alternatives for making adjustments in economic policy.

Energy, food, raw materials—all these matters and many more take on even greater importance, because we must deal with them within a narrower range of limits and with greater risks of harm from any mistakes, oversights, or faulty policies.

### CAUSE FOR ALARM

As I said, Congress bears great responsibility for the health of the economy.

The decisions made by Congress on everything from public works projects, to military weapons, to energy research, to tax rates have a profound effect on the American economy and thereby on the life of every citizen.

But in this critical period, I believe the citizens of this country have every reason to be, not only concerned, but alarmed at the way Congress goes about its business.

### POOR COMPARISON

The disorganized, fragmented, and entirely haphazard system of passing laws to authorize projects and programs, appropriate funding and raise tax revenues is a sad commentary on congressional leadership, responsibility and ability in the economic field. The situation is cast in still more unfavorable light when a comparison is drawn with the approach of the executive branch.

After months and countless man hours of effort the President presents a coherent, organized, and rational plan of Government operations in the form of his annual budget. Many find reason to disagree with it, criticize its features or suggest changes. But the budget is one document, a plan, a product of organized and disciplined labor. It stands for something and provides a focal point for planning and decisionmaking.

### NO COORDINATION OR DISCIPLINE

But what happens when the budget goes to Congress? It is somewhat as if a big birthday cake had been set down on an anthill. It is swarmed over by dozens of committees, several hundred subcommittees, and 535 Congressmen and Senators. Everybody grabs a chunk of it and runs off in every possible direction. And over the next 6 to 12 months a whole string of independent and uncoordinated measures wind their way through hearings, markups, floor debates, and conferences and are ultimately dumped on the President's desk. By this process innumerable programs are set in motion for years to come; money is spent on every conceivable sort of project; and in every—direct, backdoor, reprogramed, trust-funded—way imaginable to the minds of legislators. In the same process taxes are levied on almost every possible activity or enterprise which the public chooses to undertake. All of this process takes place without any master plan, no overall guidelines, and apart from any disciplined organization whatsoever.

### NO ONE ELSE COULD SURVIVE

If a family, a business or probably any other form of government—State, city, county, or township—tried to operate on this basis the results would be bankruptcy for the family or business and certain voter outrage directed toward a statehouse, city hall, or county seat. The wonder is that Congress has been able to get away with it for so long—or at all.

### EASY POLITICS

Of course, politics must be considered. And one of the oldest political shell games is to vote massive spending increases for every special interest program that comes along and then raise the roof when a President vetoes some overloaded bill or "fails to control spending." It is easy for some to have it both ways, and the election results show that this is a successful gambit for those who care more about votes than responsibility in government.

By this I do not mean that individual Congressmen and Senators bear the full responsibility. They must survive, and the rules of the game are set to an important degree by the leadership of Congress. The record is there, and it speaks for itself, so the public should judge where this power has been in Congress, who has wielded it and how the current system has survived unchallenged for these many decades.

The need for change, for spending responsibility by Congress, has been obvious for years. But with today's critical and delicate economic conditions, the need has become an absolute necessity.

### ONLY A FIRST STEP

Reform in congressional budgetary matters is important, and I support S. 1541, the Congressional Budget Act of 1974, which is before the Senate today. But we should not deceive ourselves or the people that this bill, by itself, will inject a genuine and lasting degree of responsibility into the House and Senate. As a first step toward that responsibility it can accomplish something. Without further reform it will be meaningless.

We can establish timetables and deadlines and fancy-sounding procedures until the Moon turns to green cheese, but without other fundamental changes on Capitol Hill, we will not have one bit of improvement. These changes are obvious, but enthusiasm for them at this point does not appear to be overwhelming.

### RESTRUCTURE COMMITTEES

First, the committee system must be restructured. Overlaps, jealously guarded but senseless duplications, petty power structures must be eliminated, and committee and subcommittee jurisdictions must be rationalized. The fact that 32 standing and joint committees spent some 600 hearing-days—not to mention hours of floor debate—on energy questions during the last three sessions of Congress should be ample indication that something is haywire in the organizational structure. And if there is no improvement in the flow of legislation through the committee system and if fragmentation of jurisdiction is not eliminated, the schedules, dates for action and resolutions provided for in S. 1541 will be as meaningless as any other exercise in hypocrisy.

### CONGRESSIONAL STAFF

In addition to restructuring the committee system the men and women who serve on them should be provided adequate staff resources. Currently a junior member of a committee, particularly if he belongs to the minority party, is little more than an invited visitor to his committees' hearings.

With the majority having the overwhelming bulk of most committee staffs, a junior member on the opposite side of the table is seriously shortchanged.

I would point out that as a Senator who has achieved some seniority in the past 5 years and who serves on one committee that makes no distinctions on staff service, this is not so much a personal lament as one of principle. But I believe it is unfortunate that newcomers—especially here in the Senate on the minority side—are denied the valuable committee staff assistance that the majority and more senior minority Members enjoy. These people have a great contribution in terms of energy, fresh viewpoints, and enthusiasm to make in their committees and in the Senate. And to the extent that they are not utilized and harnessed to the job of doing the Senate's business, the Senate will retard its own abilities to change and bring about meaningful reforms in its operations.

### OTHER AREAS FOR REFORM

There are many other areas that require reform, including modernization of our information and data systems, scheduling the working sessions of the House and Senate and better ways for dealing with the concerns and interests of our constituents in our States and districts.

I point to these matters, because I believe it is important that we recognize that budget reform is not the magic answer to making Congress more effective and more responsible in its handling of the Nation's affairs. Budget reform is important and it is a good first step, but much more remains to be done.

### IMPACT ON FINANCE COMMITTEE

The jurisdiction of the Committee on Finance touches some of the most important and sensitive areas of our system. As a member of this committee, I have been particularly interested in the budget reform bill's impact. Taxes, the national debt, medicare, medicaid, social security, and welfare all fall within the committee's responsibility, so improvements which could help the committee in the exercise of its heavy workload would be most welcome and appropriate.

I was most interested, therefore, in the analysis of the budget bill prepared by the Finance Committee staff, and I ask unanimous consent that it be printed in the RECORD at this point, because it also contains a good overview of the bill's major features and provisions.

### REASONED BUDGET CONTROL IS NECESSARY—SENATE ACTS TO MEET ITS RESPONSIBILITY WITH PASSAGE OF S. 1541

Mr. RANDOLPH. Mr. President, I know Members of the Senate share my disquiet over the recent findings of public opinion polls that the Congress is held in low esteem by the American people. At a time when public confidence in the executive branch has been shaken the Congress should be able to provide leadership in these troubled times.

Unfortunately, the Congress is considered to be so bound by personal interest and tradition that it is incapable of adjusting itself to the requirements of a modern society.

Mr. President, the bill before the Senate, S. 1541, dispels the notion that the Congress is failing to meet its responsibilities. The area of fiscal control is central to the operation of our Government. We know that the adoption of Federal programs without regard to their financial impact on total Government spending is irresponsible. The Congress, however, has traditionally been without the means for viewing Government spending as a total entity.

This legislation to create a Senate committee on the budget and to revamp legislative procedures in this body is extremely important. It has the twin benefits of enabling us to examine and control the impact of our actions on Government fiscal policy and of reasserting congressional prerogatives as a coequal branch of the Government.

The Constitution of the United States, in sections 8 and 9 of article I, gives to the Congress the specific and sole responsibility for appropriating funds. The budget process is simply the execution of this responsibility.

The provisions of S. 1541 are as unique as they are far reaching. As presently before us, the bill represents months of work and imput by many Members of this body. After being reported from the Committee on Government Operations last November 28, it was rereferred to the Committee on Rules and Administration.

Under the leadership of my able and distinguished colleague from West Virginia, Senator Robert C. Byrd, the Subcommittee on Standing Rules conducted further inquiries on the implications of this legislation.

Because of its effect on the work of the authorizing committees, Senator Byrd invited chairmen of those committees to become involved in consideration of S. 1541. Several of us took advantage of this opportunity to relate our work to the requirements of the budget control bill. I am particularly appreciative of the interest in this matter of fundamental Senate policy shown by Senators Jackson, Magnuson, Hartke, and Moss for involving the committees they chair in the refinement process. This work could not have been carried out, of course, without the support of Senator Cannon as chairman of the Committee on Rules and Administration.

Substantial contributions to this legislation have been made by the comanagers of the bill, Senators Sam Ervin and Edmund S. Muskie, both of whom are intimately acquainted with the need for authorizing committees to perform a part in budget control.

Mr. President, the procedures provided in S. 1541 are concerned with much more than fiscal management. The allocation of funds to carry out Government programs really reflects our assessments as to priorities and national goals.

This bill authorizes the establishment of a committee on the budget, but it also increases the responsibilities of the authorizing committees. The new budget committee must receive substantial input from the authorizing committees, for they have first-hand knowledge of program requirements.

This is a responsibility that the Committee on Public Works willingly accepts. Furthermore, it is consistent in some degree with our present informal practice. Senator Muskie's Subcommittee on Environmental Pollution, for instance, conducts hearings on the budget request for the Environmental Protection Agency. In this way we are equipped to advise the Appropriations Committee on the Agency's funding needs as compared with both the budget request and our assessment of program requirements.

The restrictions of S. 1541 on long-term authorizations are consistent with the operation of the Committee on Public Works. It has been our practice not to include open-ended authorizations or those that extend over a number of years for the programs under our jurisdiction.

The Congress, Mr. President, is an institution that moves deliberately. There are those who may find this quality personally frustrating, but it was purposely designed this way. The validity of the approach chosen by our Founding Fathers has, time and time again, been proven correct.

Our actions have such widespread and profound impact that I believe we should act in no other way. The legislative process in a democratic society is by nature one of accommodating varying viewpoints. We should not, and should not be expected to, rush into decisions. Our actions should be well-founded and well-reasoned. The budget control process contained in S. 1541 will help us to make such judgments.

In the development of this bill before it was reported from the Rules Committee, there were extensive meetings of staff members from the other committees concerned. I call particular attention to the significant contributions made by Karl Braithwaite who represented the Committee on Public Works in these meetings. Mr. Braithwaite is a political scientist by profession who brought both his training and his experience as a professional Senate staff member to this task. His grasp of the issues and his quiet approach to drafting responsible legislation was of great assistance to our committee.

Mr. President, this bill will equip the Senate to better respond to the total needs of the American nation and I urge its adoption.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ERVIN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 584, H.R. 7130, the bill on this subject that was passed by the House.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. ERVIN. Mr. President, I move to strike all after the enacting clause and substitute in lieu thereof the text of S. 1541, as amended.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to.

Mr. ERVIN. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H.R. 7130) was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Missouri (Mr. Eagleton), the Senator from Arkansas (Mr. Fulbright), the Senator from Massachusetts (Mr. Kennedy), the Senator from Louisiana (Mr. Long), the Senator from Ohio (Mr. Metzenbaum), the Senator from Utah (Mr. Moss), the Senator from Connecticut (Mr. Ribicoff), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana (Mr. Long), the Senator from Ohio (Mr. Metzenbaum), the Senator from Utah (Mr. Moss), the Senator from Connecticut (Mr. Ribicoff), the Senator from Missouri (Mr. Eagleton), the Senator from Arkansas (Mr. Fulbright), and the Senator from Missouri (Mr. Symington) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Idaho (Mr. McClure), the Senator from South Carolina (Mr. Thurmond), and the Senator from Connecticut (Mr. Weicker) are necessarily absent.

I also announce that the Senator from Vermont (Mr. Aiken) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. Hatfield), the Senator from Vermont (Mr. Stafford), and the Senator from North Dakota (Mr. Young) are absent on official business.

I further announce that, if present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Colorado (Mr. Dominick), the Senator from Oregon (Mr. Hatfield), the Senator from Idaho (Mr. McClure), the Senator from Vermont (Mr. Stafford), the Senator from South Carolina (Mr. Thurmond), and the Senator from North Dakota (Mr. Young) would each vote "yea."

The result was announced—yeas 80, nays 0, as follows:

[No. 87 Leg.]

YEAS—80

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd,
  Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Curtis
Dole
Domenici
Eastland
Ervin
Fannin
Fong
Gravel
Griffin
Gurney
Hansen
Hart
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern

McIntyre
Metcalf
Mondale
Montoya
Muskie
Nelson
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stennis
Stevens
Stevenson
Taft
Talmadge
Tower
Tunney
Williams

NAYS—0

NOT VOTING—20

Aiken
Bellmon
Cook
Cotton
Dominick
Eagleton
Fulbright
Goldwater
Hatfield
Kennedy
Long
McClure
Metzenbaum
Moss
Ribicoff
Stafford
Symington
Thurmond
Weicker
Young

So the bill (H.R. 7130) was passed.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which H.R. 7130, as amended, was passed.

Mr. MUSKIE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The title was amended so as to read:

> A bill to establish a new congressional budget process; to establish Committees on the Budget in each House; to establish a Congressional Office of the Budget; and for other purposes.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 651, S. 1414, and Calendar No. 664, S. 1541, be placed on the calendar on page 14 under Subjects on the Table.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of the Senate amendments to H.R. 7130 and that the bill be printed as it was passed by the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, I move that the Senate insist on its amendments to H.R. 7130, and request a conference with the House of Representatives on the disagreeing votes thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Ervin, Mr. Muskie, Mr. Ribicoff, Mr. Metcalf, Mr. Cannon, Mr. Pell, Mr. Robert C. Byrd, Mr. Allen, Mr. Percy, Mr. Roth, Mr. Brock, Mr. Cook, Mr. Hugh Scott, and Mr. Griffin conferees on the part of the Senate.

## TRIBUTE TO SENATORS ERVIN, METCALF, CANNON, ROBERT C. BYRD, AND OTHER SENATORS ON PASSAGE OF BUDGET REFORM

Mr. MANSFIELD. Mr. President, budget reform was set forth as one of the Senate's high priority items for the 93d Congress. The Senate has approved unanimously the Congressional Budget Reform proposal, and this outstanding success was achieved through the efforts of many Members of this institution.

I rise now to pay tribute to those Members most responsible. First, to the distinguished chairman of the Government Operations Committee, Senator Ervin, goes our deepest gratitude for his outstanding leadership in this effort. His contributions and those of his committee have gone far to make the Legislative Branch of our Government more responsive and more responsible, more able and better equipped to deal with the most complex fiscal matters that are required to support the Nation and all national goals. We are indebted to Senator Ervin for his unstinting devotion to the resolution of a matter that often in the past has placed the legislative branch at a disadvantage concerning the retrieval, the assimilation and the understanding information regarding the Nation's more difficult budgetary question.

We therefore, extend our deepest gratitude to Senator Ervin and to his committee.

Managing this all-important measure on the floor as well were the very able and skillful Senators from Maine (Mr. Muskie) and Montana (Mr. Metcalf). They exhibited once again their deep wisdom and immense capacity for understanding in recognizing the problems faced by Congress as it attempts to control the expenditures of the Government and to establish national priorities in applying and allocating resources. Senator Muskie and Senator Metcalf have compiled records unsurpassed in the application of diligence and competence in the areas covered by S. 1541. Throughout this week we have been fortunate to have their invaluable assistance and guidance.

Our gratitude should be extended as well to the Rules Committee and particularly to Senator Robert Byrd and Senator Cannon. Their work in behalf of the proposal and that of the Committee on Rules as a whole were based upon many thoughtful and sincere views which contributed enormously to the discussion and ultimately to the overwhelming success of the measure. They are legislators whose effectiveness and leadership are unsurpassed.

I would like also to pay tribute to the distinguished Senators from Illinois (Mr. Percy) and from Tennessee (Mr. Brock) for their efforts on behalf of a better informed, more efficient and better equipped Congress. The cooperative manner in which they joined to support the proposal contributed indispensably to the expeditious handling and final passage of the bill. They deserve the highest praise for their work.

Joining also to assure a full and fair discussion on the floor of all of the matters involved were the Senator from Florida (Mr. Chiles) and the Senator from Delaware (Mr. Roth). I wish to commend them particularly for their participation and contributions. The Senate profited enormously from their expressions concerning the issues involved.

There were many other Senators who joined as well. The record reflects the broad spectrum of those concerned, those whose support and views have made this measure one of the most significant building blocks in the reform of governmental institutions. In fact, without the cooperation of each Senator this week, the Senate would not have been able to accomplish the task with such efficient and successful dispatch. I wish to thank the entire Senate for this achievement. It is a tribute to each and every Member.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. Haskell) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate Committee on Armed Services.

(The nominations received today are printed at the end of Senate proceedings.)

## PROGRAM

Mr. GRIFFIN. Mr. President, while the distinguished majority leader is in the Chamber, I wonder if I might ask him if he can enlighten us as to the program for the rest of the day and possibly next week.

Mr. MANSFIELD. I will be delighted to respond to the question raised by the distinguished acting Republican leader.

## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 665, S. 3044, a bill to amend the Federal Election Campaign Act of 1971 be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The bill was stated by title as follows:

> A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

## PROGRAM

Mr. MANSFIELD. Mr. President, no action will be taken on the bill today. There will be no further votes today, to the best of my knowledge. When the Senate reconvenes on Monday, S. 3044 will be the pending business. When that is disposed of, and that will take a couple of days, to be optimistic, it will be followed by S. 354, the so-called no-fault automobile insurance bill.

This afternoon I intend to yield to the distinguished Senator from Georgia (Mr. Nunn), the distinguished Senator from Georgia (Mr. Talmadge), and the distinguished Senator from Kansas (Mr. Dole) for matters of importance which already have been cleared and about which the distinguished acting Republican leader knows.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. GRIFFIN. I have been asked to inquire about Calendar 710, S 2893, a bill to amend the Public Health Service Act.

Mr. MANSFIELD. Pardon me. I forgot to mention that. It is anticipated we will bring it up on Tuesday, setting aside the pending business briefly.

Mr. GRIFFIN. I thank the Senator for that notice.

## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. CANNON. Mr. President, title I of the bill affords an equal and fair opportunity to candidates of major, minor, or other parties, to obtain a certain amount of public financing from the Treasury of the United States if they can demonstrate a reasonable amount of support from the electorate in any geographic area in which an election is held and in which they intend to run for nomination for election or for election to Federal office. Any candidate who has a bona fide following who will make contributions to him or his authorized political committees sufficient to meet the base amounts set by the title, is entitled to receive matching payments from the government. Further, those contributions, under the bill, are eligible for matching payments only up to certain limits.

Any candidate who participates in, or who qualifies under State law to participate in, a Presidential preference primary and who desires to receive public financing from the Federal Government, must raise a threshold or "earnest money" fund before becoming eligible for the receipt of any public assistance.

The threshold amount is $250,000. While contributions may be received up to $3,000—which is the limit allowed by S. 372 on contributions by individuals or others—only the first $250 of any such contribution would be counted toward the base or threshold fund required.

The threshold fund would be required to be raised by a Presidential candidate only once—the first primary entered.

While the use of loans in the campaign process is accepted, in accordance with the provisions of existing law, including the disclosure of any loans made to or on behalf of any candidate, the committee believes that no loan should be counted in determining whether a candidate has raised his threshold amount.

To demonstrate a genuine appeal to the electorate, the candidate must raise his threshold from committed gifts, instead of mere loans which would be repaid from public funds after the threshold is raised. If the threshold could be raised from loans, in whole or in part, the spirit of the law would be violated.

Loans have their place and may be used for any other purpose during the entire period of election campaigning except for the raising of the "seed money" or threshold fund required to be raised by each candidate who desires to receive matching Federal funds in primary elections for Federal office.

Once having met the required threshold, the candidate would be eligible to receive an equal or matching amount from the Treasury. And, thereafter, each dollar contribution up to $250 would qualify the candidate to receive equal matching funds from the Government until he reaches the limit set for the amount he may spend in any primary election. That limit, as provided by the bill S. 372, and incorporated in this bill, is 10 cents multiplied by the voting age population of the geographic area in which an election is to be held, except, that in the case of Presidential primary elections, the limit is doubled for any given State. That is, the Presidential preference primary candidate may spend for any primary election in a particular State twice the amount that a candidate running for nomination to the Senate in that State may spend.

The reason for allowing Presidential preference primary candidates to exceed the limit set for any particular State, in contrast to the limit set for candidates for the Senate nomination or Representative at large nomination, is to give an unknown individual the opportunity to compete with one who enjoys a national identity or who is well known in a particular area of the Nation.

However, the bill S. 372 set an aggregate or overall limit on the amount which could be spent for the entire nominating process by a candidate seeking nomination to the office of President of the United States, and that overall limit is retained for that purpose in this bill; that is, 10 cents times the voting age population of the United States for the entire nomination period.

In calculating and auditing expenditures made from contributions received from private donors, every contribution up to and including $3,000 would be counted for the purpose of determining the total spending limitation. But, for the purpose of determining eligibility to receive public financing, only those private contributions up to $250 would be counted.

Any candidate who qualifies, under the law of the State in which he seeks nomination, to seek nomination for election to the office of U.S. Senator, Delegate, Resident Commissioner, or Representative from a State having only one Representative, must also raise a threshold or earnest-money base fund in order to be eligible to receive Federal matching funds.

Such a candidate would be required to raise an amount equal to the lesser of 20 percent of the maximum amount he may spend in his primary election, or $125,000. S. 372 set the limitation upon the amount which a candidate for nomination for election to the Senate may spend. It is the amount to be obtained by multiplying 10 cents times the voting age population for the geographic area—the State—but not less than $125,000. The $125,000 base was established as a reasonable minimum for expenditures by candidates of those States having small populations.

Therefore, the 20 percent threshold amount would begin with the $125,000 base and rise to the maximum, but for those States having very large populations; that is, California, New York, et cetera, the maximum threshold figure would be $125,000. So, a candidate for nomination to the Senate would be required to raise an amount not less than 20 percent of the base—$125,000—or $25,000, but not more than the maximum for eligibility, or $125,000.

For the Senate, as for the House of Representatives, only those individual contributions not in excess of $100 would qualify for public matching funds.

Once having met the threshold, all additional dollar contributions not in excess of $100 would qualify for matching Federal payments up to the limitation which a candidate for nomination to the Senate may spend in any States.

A candidate for nomination for election to the House of Representatives must raise a threshold amount of $10,000. The threshold is the same for all candidates seeking nomination for election to the House, except for those running in the States having only one Representative, or in the District of Columbia. The $100 limit on contributions eligible for matching payments applies as it does for the Senate.

Where separate runoff elections must be held to determine nominees for the Senate or the House of Representatives, the same provisions shall apply.

All candidates seeking nomination for election to the offices of President, Senator, or Representative, have the option of soliciting all private contributions up to the limitation on spending if they so choose, or seeking both private and public matching funds. Total public financing of primary elections is not provided.

Candidates participating in general election campaigns are treated differently, depending upon whether they are the nominees of major or of minor parties having no previous voting records.

A major party is defined as one whose candidates for President and Vice President in the preceding election received at least 25 percent of the total number of popular votes cast in the United States for all candidates for such offices.

A candidate nominated by a major party would be eligible to receive full public funding in his campaign for election up to the limit set by the bill S. 372—15 cents times the voting age population of the geographic area in which the election is to be held—as carried over into this public financing bill.

A minor party is defined to mean any political party whose candidates for President and Vice President in the preceding election received at least 5 percent but less than 25 percent of the total number of popular votes cast in the United States for all candidates for such offices.

A candidate nominated by a minor party would be eligible for public funding up to an amount which is in the same ratio as the average number of popular votes cast for all the candidates of the major party bears to the total number of popular votes cast for the candidate of the minor party.

Where only one political party qualifies as a major party, then that party whose candidate for election to a particular office at the preceding general election received the next greatest number of votes—but not less than 15 percent of the total number of votes cast—shall be treated as a major party and entitled to receive full public funding as such for the current election. There are States in which one political party or the candidates of a political party is so popular or dominant as to render, in fact, all other parties minor parties, whether Democratic or Republican. Therefore, this provision will help to insure the equal entitlement of the Democratic and Republican parties, except in very rare instances where one of those parties would rank third.

The bill also takes into consideration the candidate who ran at the preceding election as a Democrat or Republican and received more than 25 percent of the votes cast and who then runs at the following election as an independent. When such a candidate switches from one party to another he does not carry with him the "track record"; that is, votes cast at the last general election, when he runs under another party label. He would be entitled to payments as an independent only if he receives at least 5 percent of the votes at the current election and his payments would be in reimbursements after the election, not before.

If that candidate runs again as an independent at the succeeding general election, and if he received more than 25 percent of the vote as an independent at the preceding general election, then he would be eligible for full public funding.

If a candidate of a minor party whose candidate for election to a given Federal office at the preceding general election received at least 5 percent of the votes cast, then he will be entitled to office, he will be entitled to receive public funds on a pro rata basis, and if at the current election that candidate receives more than 5 percent of the total votes cast, then he will be entitled to receive additional payments, as reimbursements to reflect the additional voter support.

In the general election, candidates may choose to receive all private contributions and no public funding, a blend of private and public funding within the limitations on expenditures for general elections as set forth in the bill, or, in the case of major party candidates, exclusively public funding.

Postelection payments are available to candidates in two situations.

First, if a minor party candidate or an independent candidate who is entitled to payments before the election in an amount which is less than the amount payable to the candidate of a major party before the election receives a greater percentage of the votes than the candidate of his party received in the last election—when compared to the average percentage received by a major party candidate in that election—he is entitled to receive an additional amount after the election. For example, if the average percentage of the votes received by a major party candidate in the preceding election was 30 percent and the minor party candidate received 15 percent of the votes in that election, the candidate of the minor party in the current election is entitled to a pre-election payment of half the amount to which a major party candidate is entitled. If the minor party candidate in the current election receives 40 percent of the vote and the average percentage received by the major party candidates is still 30 percent, the minor party candidate is entitled to a postelection payment equal to the amount of the preelection payment to which the major party candidates were each entitled, reduced by the amount of any payments he received before the election and the amount of any contributions he received for use in his campaign. If his preelection payment and his contributions, added together, equal the spending limitation for that race the amount of his postelection payment is zero. If the sum of his preelection payment and the contributions equals 90 percent of the spending limitation, his postelection payment is 10 percent of the spending limitation.

Second, a candidate who is not the nominee of a major or minor party and who did not receive more than 5 percent of the votes in the most recent general election for the same office, is not entitled to receive any preelection payments. If he takes the same steps before the election to become eligible for payments that other candidates must take in order to receive preelection payments, then, if he receives 5 percent or more of the votes in the current election he is entitled to a payment after the election which bears the same ratio to the maximum payment—equal to the spending limitation—as the number of votes he receives bears to the average number of votes a major party candidate receives. The postelection payment is reduced by the amount of contributions he receives for use in his campaign.

The rules under which the postelection payment may be used are basically these:

First. The candidate cannot incur campaign expenditures in excess of the amount of his limitation under proposed section 504. The limitation there is the same as the limitation that would apply if he were receiving preelection public financing of his campaign.

Second. The postelection payment may be used only to pay outstanding campaign debts.

Third. The candidate is regarded as having no outstanding campaign debts until he has spent all the amounts he received as contributions.

Fourth. Any part of the postelection payment which is left after paying his campaign debts must be returned to the Treasury for deposit back into the fund.

Appropriations may be made by the Congress based on the amounts taxpayers have designated for the fund under the checkoff system. Authority is provided for the appropriation of additional amounts if necessary.

The Internal Revenue Code of 1954 is amended to provide for the automatic designation of $2 of income tax liability of every individual whose income tax liability s $2 or more for the taxable year to the Federal election campaign fund, unless the individual elects not to make such a designation. In the case of a joint return of a husband and wife having an income tax liability of $4 or more, each spouse is considered to have designated that $2 shall be paid over to the fund unless he elects not to make such a designation.

If the taxpayer designations of $2 per individual of tax liability result in a sufficient total fund to meet the requirements of all candidates entitled to receive public financing, then the Congress may appropriate that amount for distribution by the Secretaary of the Treasury. If the amounts of designated tax payments to the fund do not result in a sufficient total amount to fulfill the entitlements of all qualified candidates, then the Congress may appropriate such additional sums as may be necessary to make up any deficit.

In the event that insufficient funds are available to meet the entitlements of candidates, and the Congress had not acted to appropriate amounts necessary to meet the entitlements of candidates, then such candidates may receive private contributions.

Any private contribution received would be limited to the ceilings established by the bill upon contributions from individuals or political committees and subject further to the amount of public financing, if any, that the candidate is entitled or elects to receive.

The Internal Revenue Code would be amended so as to allow an individual who has made a political contribution to a candidate or political committee or political party during a calendar year to claim in his tax return for that year a tax credit or a tax deduction.

The tax credit is limited to one half of the amount of the contribution made and to $25 per individual, or $50 on a joint return.

The tax deduction is limited to $100 per individual.

Thus these tax incentives would double the provisions set forth in the existing law as they were enacted in the Revenue Act of 1971.

Emphasis in this bill is placed upon candidates. But, to preserve the place of political parties in the elective process the bill provides that the national committee of a political party may spend for political purposes an amount not in excess of the amount to be obtained by multiplying 2 cents by the voting age population of the United States.

A State committee of a political party may spend an amount to be obtained by multiplying 2 cents by the voting age population of the State in which it functions.

Title II of the bill contains in part the text of S. 372—the Federal Election Campaign Act of 1973—which was passed by the Senate on July 30, 1973.

The committee amendments to S. 372 do not affect any of the substantive provisions relating to limitations upon contributions or limitations upon expenditures in primary or general elections. The amendments, instead, are intended to remove from the text only those matters which were considered nonessential or which duplicated other provisions of the bill, or which were changed by subsequent action of the Congress. For example, the section prohibiting mass mailing of newsletters, and so forth, within 60 days prior to the date of any election, was made unnecessary by the enactment of Public Law 93-191, December 18, 1973, regulating the use of the frank.

Title II, in general contains provisions—relating to political broadcasting, and revising title III of the Federal Election Campaign Act of 1971—relating to reporting and disclosure.

The bill includes also the provisions of S. 372 which repeal the Campaign Communications Act, imposing limitations on amounts spent by candidates for Federal office for the use of broadcast and printed media in their campaigns. It also amends the Communications Act of 1934—

First, to remove Federal candidates from the equal time requirements of section 315 of that act;

Second, to require broadcasters to demand a certification by any Federal candidate, before charging him for broadcast time, indicating that the payment of charges for that time will not exceed his expenditure limit under title 18, United States Code, and to apply this provision to State and local candidates wherever similar limits are imposed on them by State law; and

Third, to require broadcasters to make certain announcements and keep certain records in connection with political broadcasts.

Title II of the bill is concerned with a general revision of title III of the Federal Election Campaign Act of 1971—relating to the disclosure of Federal campaign funds.

The bill establishes an independent Federal Election Commission within the executive branch to enforce the reporting and disclosure requirements of the 1971 act and to enforce certain provisions of chapter 29 of title 18, United States Code—relating to crimes related to political activity The Commission is given broad powers of enforcement, including the power to make presentations to Federal grand juries and to prosecute criminal cases.

In addition to a number of changes in the details of the reporting and disclosure requirements of the 1971 Act, title II—

First, requires a candidate for Federal office to designate a central campaign committee to serve as his central reporting and disclosure agent, and to designate campaign depositories into which all contributions and any public financing payments must be deposited and out of which all campaign expenditures—other than petty cash—must be made;

Second, increases penalties for violations of reporting and disclosure requirements to a maximum of $100,000 and 5 years' imprisonment for a knowing violation;

Third, requires that no expenditure in excess of $1,000 can be made in connection with a Presidential campaign unless that expenditure has been approved by the Chairman of the national committee of the political party or his delegate; and

Fourth, provides that excess campaign contributions may be used by a person elected to Federal office to defray expenses incurred in connection with that office or as a contribution to a charity.

Title III of the bill covers crimes relating to elections and political activities. It carries over the limitations on contributions by individuals and by political committees set by S. 372.

No individual may give to any candidate personally, or to any agents or committees authorized to function on behalf of the candidate more than $3,000 for each election in which the candidate participates.

No individual may give to all candidates and all political committees during any calendar year a total aggregate in excess of $25,000.

No political committee may contribute to any candidate or to his authorized agent or committee more than $3,000 for each election in which the candidate participates, but political committees are not bound by the $25,000 overall limit imposed upon individuals.

This title also requires that contributions and expenditures in excess of $100 be in the form of a written instrument.

Title IV of the bill requires annual reports by all candidates for Federal elective office, and all elected Federal officers, and other officers and employees of the Federal Government who are compensated at the rate of $25,000, or more, per annum. Reports would include all sources of income, gifts in excess of $100, the identity of assets valued at $1,000 or over, transactions in securities and commodities, and the purchase and sale of real property except the personal residence of the filer.

Mr. President, in this opening statement I have emphasized those provisions which are of utmost importance and which are the most current of the amendments to the Federal Election Campaign Act of 1971 as amended. Those latest features are related to the public financing procedures of the bill; that is, the manner in which a candidate becomes qualified for the receipt of matching Federal payments in a primary election, and the eligibility requirements for the receipt of public funds in a general election.

It is reasonable to assume that the Members of the Senate are familiar with the provisions of the existing law enacted on April 7, 1972, as amended by the bill S. 372 which passed the Senate on July 31, 1973, but which has not yet been acted upon by the House of Representatives.

Mr. President, I hope that the Senate will move with reasonable dispatch to consider the important provisions of this bill and to demonstrate to the Nation that this body is making every effort to enact a Federal election reform measure which will serve to restore public confidence in the elective process.

Mr. President, as a final comment I would refer again to my statement on March 20, 1974, when I compared the provisions of this bill. S. 3044, with the recommendations included in the President's March 8 message on election reform.

My statement appears on page S. 3968 of Wednesday's Record and I ask that the statement be reprinted at this point in my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

### Statement by Senator Howard W. Cannon in Response to the Presidential Message of March 8, 1974, on Election Reform

Mr. CANNON. Mr. President, on March 8, 1974, the President sent to the Congress a message on campaign reform. The message contained a number of recommendations, nearly all of which have already been enacted into law or have been passed by the Senate and are awaiting further action by the House.

In order to study and compare the White House proposals side by side with existing law and Senate-passed bills and pending bills, I have been awaiting the arrival of legislative proposals from the executive branch, but to date nothing has been submitted.

It is unfortunate, because the omnibus Senate bill, S. 3044, has been on the calendar since February 21—a month ago—and will soon be debated here in the Senate Chamber.

On Friday, March 15, 1974, the distinguished and very articulate senior Senator from Rhode Island, John O. Pastore, delivered a nationwide radio address—a congressional response to the President's message. Senator Pastore's comments were printed in the Congressional Record of March 19, 1974, on pages 7081 and 7082, and I urge all of my colleagues to read them.

What Senator Pastore said, in part, is that the Senate has been moving consistently toward the adoption of better and stronger election laws. The Federal Election Campaign Act of 1971 became law on April 7, 1972. That act requires timely, detailed disclosure of all receipts and expenditures by all candidates for Federal office and by all political committees raising or spending more than $1,000 in a calendar year.

The act covers all Federal elections—primary, runoff primary, special and general, and applies to caucuses and conventions.

In his message, the President stressed the need for such added reforms as:

First. A single authorized political committee for each candidate;

Second. Complete disclosure of identities of donors and recipients of campaign contributions;

Third. Limitations on contributions by a single contributor to Presidential and congressional candidates;

Fourth. Prohibitions against the use of cash, loans, and other gifts; and

Fifth. Creation of an independent Federal Election Commission.

Mr. President, I do not know where the advisers to the President have been in the past year or so, or what public information has been available to the President, but I thought it was perfectly clear that the Senate passed a bill, S. 372, last July 30, 1973, by a vote of 82 to 8, which incorporated the following provisions and more:

First. Limitations on contributions by individuals and political committees—not more than $3,000 to any candidate or political committee;

Second. Limitations on expenditures in primary and general elections—10 cents times voting age population in primaries and 15 cents for general elections;

Third. Prohibitions against the use of cash excess of $100 for contributions or expenditures;

Fourth. Requirement for a single central campaign committee for each candidate for election to Senate and House and not more than one such committee in each State for Presidential candidates;

Fifth. A campaign depository for each candidate where all deposits and withdrawals shall be recorded; and

Sixth. An independent Federal Election Commission to oversee the law and with primary civil and criminal and prosecutorial power.

It is obvious that Senate action is months ahead of Presidential recommendations and should be given public credit.

This year, the bill I reported to the Senate on February 21, 1974, S. 3044, again incorporates the provisions of existing law and of the bill, S. 372. Further, S. 3044 recommends public financing of all Federal elections in order to allow any candidate to run for office without relying upon wealthy contributors or special interests.

The Senate, in both S. 372 and S. 3044, would repeal the equal time provisions of section 315 of the Communications Act of 1934; provide for modest tax credits or deductions for political contributions; and use the existing law dollar checkoff as a basic for financing Federal campaigns.

Except for a few suggestions to curb "dirty tricks" or to change the term of office for Federal elective offices—which would be a constitutional amendment—there is no significant point in the Presidential message which has not been considered and rejected by the Senate or incorporated into the existing law or the Senate-passed bill, S. 372.

In short, Mr. President, while the Congress and, to a greater degree, the Senate, has been fulfilling the need to provide meaningful needed election reform the executive again has demonstrated a practice of arriving with too little, too late.

## INTERPARLIAMENTARY UNION MEETING IN BUCHAREST, RUMANIA—APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER (Mr. HELMS). The Chair, on behalf of the Vice President, in accordance with Public Law 85–474, appoints the following Senators to attend the Interparliamentary Union Meeting, to be held in Bucharest, Rumania, April 15–20, 1974; the Senator from Alabama (Mr. SPARKMAN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Vermont (Mr. STAFFORD), the Senator from Delaware (Mr. ROTH), and the Senator from Virginia (Mr. WILLIAM L. SCOTT).

## CONGRESSIONAL BUDGET ACT OF 1974

Mr. ERVIN. Mr. President, I wish to express my deep gratitude to the distinguished Senator from Maine (Mr. MUSKIE) and the distinguished Senator from Illinois (Mr. PERCY) for the magnificent assistance they have given in comanaging the bill.

I wish to express my gratitude to all members of the staff and particularly to Robert Bland Smith, Jr. and Bill Goodwin of the staff of the Committee on Government Operations for the assistance they have given me on the floor, and I wish to acknowledge my great obligation to Robert A. Wallace, consultant to the committee, and to Herbert Jasper for the assistance they have given me. I think as a result of the labors of these gentlemen and the two committees involved and the staffs of both committees, the Senate has adopted a bill which makes a long stride toward the effort to set up machinery by which Congress can do its part to put the Federal financial house in order.

Mr. PERCY. Mr. President, my comments will be very brief. I know that all of us are very encouraged by the 80 to 0 vote on the budget reform bill. All of us would recognize that it is not a perfect piece of legislation, but it is a good piece of legislation as could be put together now, and it will have to evolve to meet the situation in the future.

Congress is all too commonly accused of inaction coupled with ineptness. We are accused of inordinate delay, verging on irresponsibility. I think my colleagues will appreciate the significance of the fact that we began this great effort of reform only 17 months ago, in October 1972, when the Senate adopted the Debt Ceiling Act of 1972 and thereby created the Joint Study Committee on Budget Control. We have acted with all the speed adequate deliberations would allow. And, I believe we have produced an extremely significant reform that over time will prove to be of revolutionary importance.

Senator ERVIN, our distinguished chairman, has observed that this bill is one of the finest examples of the legislative process in his experience. I wholly concur. In it we have accommodated the diverse views of all committees and Senators. Yet we have retained a strong reform bill. We have chosen responsibility, not irresponsibility. We have chosen a new course of concern for the people's money, rather than continued unconcern. We have chosen to regain control of our own processes, rather than to let our control continue to erode. We have chosen to strengthen our institutions, rather than to continue to let them weaken.

For me, passage of this bill today represents the culmination of 17 months of work toward reform. On October 13, 1972, I introduced an amendment to H.R. 16810, the 1972 debt ceiling bill, to provide for a Committee on the Budget and the setting of an annual spending ceiling that would govern all spending. Later, in February, 1973, I introduced a bill, along with my distinguished colleagues Senator HARRY BYRD and Senator ALAN CRANSTON, to provide for a new congressional budget process. In our Committee on Government Operations we created a new Subcommittee on Budgeting, Management and Expenditures. One of its major purposes was to develop legislation to implement the work of the Joint Study Committee on Budget Control by producing workable budget reform legislation. On April 11, 1973, I introduced with Senator ERVIN the bill we have just passed, S. 1541. I feel a deep sense of personal fulfillment and satisfaction that the product we have wrought has been so overwhelmingly adopted.

I wish particularly to commend the distinguished Senator from North Carolina for his leadership of our committee during a year in which his time has been full of so many other important duties on behalf of the Senate and the Nation. Next I think we should all acknowledge our debt to Senator METCALF for his determined and impartial chairmanship of the Subcommittee on Budgeting, Management and Expenditures. The senior Senator from Maine (Mr. MUSKIE) has brought to bear his deep knowledge of congressional processes in order to fashion a more workable bill. Senator JAVITS is responsible for the bill's new emphasis on social goals and on public information about revenue losses due to special tax provisions. Senator ROTH and Senator NUNN have made a substantial contribution through their determination to enact a really meaningful reform. Senator BROCK has been one of the earliest advocates of reform and has contributed in many important ways to the advancement of the bill.

Finally, I wish again to call attention to the very distinguished Senator from West Virginia, the assistant majority leader (Mr. ROBERT C. BYRD) for his invaluable efforts directed at all times toward achieving a better bill.

Mr. WILLIAM L. SCOTT. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. WILLIAM L. SCOTT. I appreciate the Senator's yielding, and I would certainly add my commendation to him and the floor leader, the Senator from North Carolina (Mr. ERVIN), for the work they have put into this bill, as well as their committee. I certainly hope it proves to be an effective measure that the Senate has unanimously adopted. I have reservations as to whether it will prove to be the cure-all that we hope will be accomplished. I doubt that we are going to find that the Senate is going to live by the dates that have been set. I hope it will. I heard the distinguished Senator from Arkansas (Mr. MCCLELLAN) make his comments some hours ago on this point, and I share his views and comments.

Frankly, I introduced a bill that would transfer the whole Office of Management and Budget from the executive branch to the legislative branch. In the event this bill does not pass, I hope serious consideration will be given to stronger measures, either the bill I introduced, cosponsored by the minority leader (Mr. HUGH SCOTT), or the measure which the Senator from Nebraska (Mr. CURTIS) has introduced.

The thrust of my remarks is that I hope this works. I have doubt that it will.

I appreciate the Senator's yielding.

Mr. PERCY. Mr. President, the concern expressed by the Senator from Virginia is well-founded. I know that the Senator from Maine (Mr. MUSKIE) and I worked hard on this bill for many, many months, and we had some sharp differences of opinion on approaches. While we had our differences on approaches, we never veered from the goal. I am glad to say that, after listening to the arguments of the distinguished Senator from Maine, I sometimes admitted that the opinions I had previously held and had been clinging to, receded.

But we are all concerned over the fact that in the last 5 years we have added $88 billion to the public debt, and if we include the off-budget items such as Ex-Im Bank and other Government-sponsored agencies such as the Federal National Mortgage Association, the total deficit in the budget in the past 5 years is $109 billion, all in a period of high economic activity. I trust that, now that we have this legislation, when we bring it out of conference in final form and send it to the President for signature, we will really look at the question in the spirit of what we are trying to achieve. What we are trying to stop is inflation, which is on the verge of being ruinous for the people of this country, particularly the low-income people.

I recently took note of what Dr. Arthur Burns, Chairman of the Board of the Federal Reserve System, said in a statement before the Committee on Appropriations of the House on February 21:

> We have had deficits far too often over the years, and this pattern has raised serious doubts about our government's ability to exercise rational control over its tax and expenditure policies.
>
> Since 1950, we have had deficits in four years out of five, and the size and frequency of those deficits has tended to increase over the years.
>
> Numerous measures will be needed to restore general price stability. Among these, none is more important in my judgment than reform of the Federal budget.

We will have a marked impact on inflation if we have the will to restrain our expenditures and bring them more in line with our income; if we try to work together to accomplish this objective. We now have an orderly procedure in which to do that. This measure was passed in the great tradition of bipartisan action by Congress. No ideology was involved in it. We recognize that we must find ways of putting Congress in order, and that we must spend the people's money more prudently. The procedure is here established so we can do that.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. MUSKIE. I would like especially to pay tribute to the distinguished chairman of the Government Operations Committee (Mr. ERVIN). Many of us undertook to make a contribution and an input into this legislation, but if he had not stepped in to assume leadership and to bring together potentially disagreeing elements in the Government Operations Committee, this effort might well have failed. He did so at a time when he was enormously occupied with the Watergate matter. This bill took a lot of time. He came in at the last moment, when he had not had the benefit of the background of the committee discussion that the rest of us had.

I would like to pay tribute to him and also to the distinguished Senator from Illinois (Mr. PERCY), the distinguished Senator from Tennessee (Mr. BROCK), and other members of the committee.

I would like to make this one comment with respect to the observations of the distinguished Senator from Virginia (Mr. WILLIAM L. SCOTT). What we undertook to do in this bill was to achieve a balance between imposing the discipline of established procedures without imposing strictures that would make the Senate restive and with which the Senate would refuse to live. That is not an easy balance to achieve. We might have erred on the side of looseness; we might have erred on the side of firmness; but the objective was to strike a balance because, in the last analysis, neither this bill nor any other bill that might have been conceived will work unless individual Senators in the aggregate want to make it work.

There is a framework here that I think is workable. I think it can be done. It represents a compromise, but I think the essential structure of what was established several months ago in the Government Operations Committee can be retained. Those of us who had a part in dealing with it to be sufficiently familiar with it believe it is workable. But it will not work unless Senators are willing to change their style of living in this body. That includes me, and I will not undertake to lecture anybody else. However, it is going to mean that we are going to have to keep our noses to the grindstone on a 10-month basis each year in following the deadlines to which the Senator from Virginia made reference. It is going to require that our entire office staffs are attuned to what is happening in the budget process for many weeks in a row.

That is not going to be easy to do, but I think it can be done. I think that with some 35 or 40 Senators, all told, now having had some responsibility for the bill in committee, and other Senators having had exposure to it for several days on the floor of the Senate, this vote represents an indication of a determination on the part of the Senate to make this process work.

So I move on to the next step with cautious optimism, I may say to the distinguished Senator from Virginia.

Mr. PERCY. Mr. President, I should like to say to our beloved majority leader that although we had a difference of opinion, I do not think we have a difference of opinion when I say that we are undertaking to ask our own Senate staffs to serve at levels of pay that are insufficient. The House has raised the salaries of its officers. I would hope that we could bring the salaries of our own Senate staffs up to a standard of living that is commensurate with their contribution and to the rising cost of living. We cannot ask families of our own staffs to bear this burden when for 5 years we have not raised their salaries.

Mr. ERVIN. Mr. President, this bill would never have reached the present stage had it not been for the diligent efforts of the distinguished Senator from Montana (Mr. METCALF), chairman of the Subcommittee on Budgeting, Management and Expenditures of the Committee on Government Operations. He conducted the original hearings, and in the development of the bill he manifested an earnest dedication to devising a workable piece of legislation. It is impossible for me to pay too high a tribute to Senator Metcalf for the great work and the ideas he brought to this legislation.

I would also like to say that other members of the committee, such as the distinguished Senator from Georgia (Mr. NUNN), did tremendous work on the bill. They all deserve the thanks of the Senate.

Mr. MANSFIELD. Mr. President, I yield to the distinguished Senator from Georgia (Mr. NUNN).

## EXECUTIVE SESSION

Mr. NUNN. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering a nomination.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of executive business.

Mr. NUNN. Mr. President, I call up the nomination of Col. Edward B. Burdett, U.S. Air Force, to be a brigadier general, which was reported earlier today.

The PRESIDING OFFICER. The nomination will be stated.

The assistant legislative clerk read the nomination of Col. Edward B. Burdett, U.S. Air Force, to be a brigadier general, U.S. Air Force.

Mr. NUNN. Mr. President, Colonel Burdett was shot down over North Vietnam in 1967 and died while a prisoner of war. His remains are purported to be among those recently returned to the United States by the North Vietnamese.

Colonel Burdett was an outstanding officer who served the United States exceptionally well. Among his decorations are the Silver Star, Legion of Merit, Distinguished Flying Cross as well as many others.

He was to have been promoted to brigadier general in 1968, however, his nomination was withheld in order to protect him as he was known to be a POW.

It is only fitting that we recognize his exceptional service and sacrifice to his country by confirming his promotion.

Mr. TALMADGE. Mr. President, the President of the United States has nominated a Georgian to receive posthumously the rank of brigadier general in the Air Force.

Col. Ed Burdett of Macon was shot down, captured, and imprisoned by the North Vietnamese while flying a mission over Southeast Asia in 1967. Soon after, he became eligible for the rank of brigadier general, but his promotion was withheld for fear that it might cause him abuse at the hands of the enemy.

It is a tragedy that Colonel Burdett cannot receive this regard in person, having died in captivity. His remains have recently been released by the North Vietnamese, and his burial is imminent. He leaves a widow and a mother in Macon.

For that reason, I ask the Senate for a speedy confirmation of his nomination. There can be no higher sacrifice than a man's life for his country. Without the bravery and dedication such as Colonel Burdett's our country could never have become what it is today. Because men like him have died for our freedom, we are able to honor them for their acts of heroism. But no honor we bestow can fully voice our gratitude.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. NUNN. Mr. President, I ask that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be so notified.

## LEGISLATIVE SESSION

Mr. NUNN. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## DEATH OF FORMER SENATOR B. EVERETT JORDAN, OF NORTH CAROLINA—SENATE RESOLUTION 298

Mr. ERVIN. Mr. President, at the request of the distinguished Senator from Nevada (Mr. CANNON), chairman of the Committee on Rules and Administration, and with the cosponsorship of other members of the Committee on Rules and Administration, and the cosponsorship of my distinguished colleague from North Carolina (Mr. HELMS), I submit a resolution (S. Res. 298) and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read as follows:

> *Resolved*, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable B. Everett Jordan, a Senator from the State of North Carolina from April 19, 1958, to January 2, 1973, and a former Chairman of the Committee on Rules and Administration for ten years.
>
> *Resolved*, That the Secretary of the Senate communicate this resolution to the family of the deceased.
>
> *Resolved*, That, when the Senate adjourns today, it adjourn as a further mark of respect to the memory of the deceased Senator.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the immediate consideration of the resolution.

Without objection, the resolution is agreed to.

Mr. CANNON. Mr. President, it was with profound sorrow that we learned last Friday, March 15, during the adjournment of the Senate, of the death that morning of our friend and former colleague, the Honorable B. Everett Jordan, who from April 19, 1958, until January 2, 1973, served with great distinction as the junior Senator from the State of North Carolina.

During most of that time it was my privilege to sit with him as a fellow member of the Committee on Rules and Administration, of which he was chairman during his last 10 years in the Senate, the longest period any Senator has ever held that position.

He was an effective leader whose hallmarks were unfailing integrity, friendliness, understanding, courtesy, humor, patience, kindliness, and a genuine interest in the problems of his fellow human beings.

He won for himself the respect and affection of his fellow Senators and the officers and employees of the Senate who came to know him through the years he was here, and many hundreds did know him as their friend.

At the end of his last term he held more chairmanships of committees, joint committees, and subcommittees than any other Member of either House of the Congress, and he was a hard-working, diligent man—but he was never too busy to exchange a friendly greeting with anyone he met in the corridors in the Capitol or to listen with concern to any problem of a Senator or a staff member or a constituent from his beloved North Carolina.

He drew on half a century of experience as a successful manufacturer of textile yarn, as a businessman and church, civic, and political leader deeply concerned with his community, State, and Nation, and as an unusually effective legislator ably representing the best interests of his country and his State in the Senate.

He and his lovely wife Katherine were devoted to each other and to their legion of friends here as well as in North Carolina. Our hearts go out to her and to their fine family in their time of sorrow.

Mr. ERVIN. Mr. President, I am sure that no Member of the Senate, since the Senate first convened in 1789, has ever had a kinder colleague than I had in the person of Senator Jordan. I think it is impossible to overmagnify his service to North Carolina and to the Nation, and the service he rendered as chairman of the Committee on Rules and Administration, and to his fellow citizens.

## ORDER FOR ADJOURNMENT UNTIL 11 A.M. ON TUESDAY, MARCH 26

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it stand in adjournment until 11 a.m. on Tuesday next.

## BENEFITS PAID UNDER TITLE XVI OF SOCIAL SECURITY ACT

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 13025.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate to the text of the bill (H.R. 13025) to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act which was in lieu of the matter proposed to be inserted by the said amendment, insert:

> SEC. 2. The last sentence of section 203(e)(2) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by section 20 of Public Law 93-233) is amended by striking out "April" and inserting in lieu thereof "July".

Mr. TALMADGE. Mr. President, as it originally came over from the House, H.R. 13025 permitted payments under the new supplemental security income program to be made for up to 12 months to certain disabled individuals. The purpose of this was to give the Social Security Administration 12 months to complete its determination of whether these individuals meet the new Federal definition of disability.

This provision was approved without change by the Senate. However, the Senate added an amendment to the bill. Both parts of the Senate amendment deal with unemployment compensation.

Under the first part of the Senate amendment, extended unemployment benefits would continue to be paid for an additional 3 months in States whose insured unemployment rate is at least 4 percent. The House has accepted this part of the Senate amendment.

Present law allows States up to 2 years in which to pay back advances which they may receive from the Federal Government if they need them in order to pay unemployment compensation benefits. The second part of the Senate amendment would allow an additional year for repayment by States whose advances would otherwise be due for repayment this year.

It is this second part of the Senate amendment that the House has rejected in its action on the Senate-passed version of H.R. 13025. I have discussed this matter with the distinguished chairman of the Finance Committee, Senator LONG, and with the distinguished ranking minority member, Senator BENNETT We are all agreed that the Senate should send the bill forward to the President without delay to assure that neither disabled persons nor unemployed persons have their benefits cut off. However, we will have an opportunity to consider again the provision that the House rejected.

On this basis, Mr. President, I urge that the Senate send the bill on to the President as agreed to by the House.

Mr. President, I move that the Senate concur in the House amendment to the Senate amendment.

Mr. BENNETT. Mr. President, the Senator from Georgia, speaking for the chairman of the committee, also speaks for the ranking minority member, and I am happy to confirm the fact that we in the minority support the proposition that the bill go forward in the form suggested, and I urge the Senate to agree to the motion.

The PRESIDING OFFICER. (Mr. GRIFFIN). The question is on agreeing to the motion of the Senator from Georgia.

The motion was agreed to.

## S. 3228—A BILL TO PROVIDE FUNERAL TRANSPORTATION AND LIVING EXPENSE BENEFITS TO THE FAMILIES OF DECEASED PRISONERS OF WAR, AND FOR OTHER PURPOSES

Mr. DOLE. Mr. President, I introduce a bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes, and ask unanimous consent for its immediate consideration

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

There being no objection, the bill (S. 3228) was read the first time by title and the second time at length; and the Senate proceeded to consider the bill.

**Mr. DOLE.** Mr. President, the morning paper carried a most compelling story of the family of an American prisoner of war who died in captivity in North Vietnam. His remains—along with those of 22 other deceased POW's—have been released by Hanoi for burial in the United States.

However, it appears that his family faces the prospect of bearing the entire cost of traveling to Washington from Sacramento, Calif., to attend the funeral ceremonies in Arlington National Cemetery.

This, naturally, will entail a considerable expense for the family of this man—Navy Capt. John Abbott—as well as for the families of the 22 other servicemen whose remains were released in the last 2 weeks. And another 32 Americans identified by North Vietnam as having died in captivity but not yet released.

As most Americans recall, our Government made a gracious and generous effort to accommodate the families of the 556 POW's who were released by Hanoi in 1973. When these men were returned, at last, to the continental United States their families were brought in from distant cities for the joyous reunions which the entire Nation so memorably witnessed on television. In addition these men and their wives, mothers, or sweethearts were brought to Washington last summer as the guests of the President and the entire country for a day of recognition and honor which culminated in a state dinner at the White House.

Of course, these were entirely appropriate and fitting courtesies for these brave men and their equally courageous families. However, it now appears that standard military regulations and requirements may work an unfortunate hardship on the POW families who were not among those whose joy we shared last year. There is no authority to provide other than the standard military death benefits to the families of prisoners who died while in captivity.

Therefore, I am introducing the Funeral Transportation and Living Expense Benefits Act of 1974 to, in some small way, accord appropriate courtesies to the families of our prisoners who died in captivity and whose remains will be returned in accordance with the Paris Peace Agreements of 1973 for burial in American soil.

I ask unanimous consent that the story from this morning's Washington Post be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Mar. 22, 1974]

### Widow Must Pay Way to POW Burial

(By Ron Shaffer)

If Cecile Abbott of Sacramento, Calif. and her 12-year-old son make it to the Arlington Cemetery graveside for the burial of her POW husband, U.S. Capt. John Abbott, whose body was recently released by North Vietnam, it will only be because she paid the cost of getting there.

Mrs. Abbott thinks that's unfair, since the government spent so much money 14 months ago to bring relatives of 556 returning live POWs to stateside hospitals for reunions. And later the government spent more to bring over 500 POWs and relatives to the White House for a Presidential reception.

"I got to thinking about it," Mrs. Abbott said yesterday, "and it seemed inequitable that President Nixon could fly POWs and their wives to Washington for a big wingding at the White House, but someone at the top could not provide travel for 23 families of (dead) men returning from Vietnam."

Capt. Abbott died in captivity in North Vietnam, and in the last two weeks Hanoi released his remains along with those of 22 other imprisoned American servicemen who died there.

"Just because men come home in a coffin does not make them any less heroes than the ones who came back alive," said Mrs. Abbott.

A Navy spokesman who refused to be identified because of what he termed the sensitive nature of the problem, explained that the law does not allow the military to provide transportation for the families of men who died while in the service. "The law didn't allow us to do it for 55,000 men who died in Vietnam and we can't do it now."

The spokesman said he sympathized with the relatives of these 23 families—"I know what they're faced with and we would like to make it as easy as possible for them, but we're kind of tied down in this."

Mrs. Abbott, he said, would have been accorded the same treatment as the other families if her husband had come back alive.

Although the law is specific about what can be provided for relatives of men who die in the service, no one should begrudge the special treatment accorded to the POWs who returned safely, the Navy spokesman said. "After all," he said, "those POWs were something special to all of us."

Mrs. Abbott, 43, had just celebrated her 10th wedding anniversary when she received word that her husband had been shot down while flying his A-4 jet attack aircraft over North Vietnam. The military told her that a parachute had been sighted, but that a search and rescue team sent to the area reported no signs of the pilot.

That was April, 1966.

She heard nothing more until Jan. 27, 1973, the day the peace accord was signed in Paris. Then the North Vietnamese informed her that her husband had died after seven days in captivity.

Last week she received word from the military that the North Vietnamese said they were releasing the remains of her husband. There have been no other details about his death.

Capt. Abbott had enlisted in the Navy just before the end of World War II, Mrs. Abbott said. "He was a test pilot at one point, and he flew in Korea, and he had a chestful of medals."

Now, she says, with the latest message about her husband it's as if she is going through his death for the third time. "But I'm greatly relieved that finally we can bury his body on home soil."

The remains of the 23, all officers, according to the Pentagon, were taken to an American base in Thailand for identification after Hanoi released 12 bodies on March 6, and 11 on March 13. Negotiations are still under way for the 32 other Americans who Hanoi said died in captivity in South Vietnam.

The remains of six of the 23 released this month arrived at Travis Air Base in California yesterday. A Defense Department spokesman said their identities could not be divulged pending final identification work at the Oakland Army Terminal mortuary.

No timetable has been set for burial of any of the 23, or the return of the other 17 bodies from Thailand, according to a Defense Department spokesman.

Relatives of deceased servicemen are entitled to government transportation of the remains to a burial site selected by the next of kin, and up to $625 for interment costs in a private ceremony, depending on the type of funeral. A military ceremony is provided without charge upon request.

The next of kin of all men who die during military service receive a death gratituity of from $800 to $3,000, depending upon rank. This money can be used any way the family sees fit, including for funeral travel expenses, according to a Pentagon spokesman.

A serviceman's government-sponsored insurance provides $15,000 to beneficiaries, and the next of kin of men killed in action continue to receive full medical, commissary, and exchange privileges unless the widow remarries. The children continue in receiving those benefits until they are 21, unless they are adopted.

**Mr. DOLE.** Mr. President, I also ask unanimous consent that the Defense Department's March 7 and March 13 repatriation listings be printed in the Record at this point.

There being no objection, the materials were ordered to be printed in the Record, as follows:

### March 7, 1974

The DRV has stated that remains of the following personnel, previously reported as having died in captivity, are those repatriated on March 6. Dates of capture and dates of death are those reported by the DRV. The remains are being examined at the Central Identification Laboratory in Thailand in order to confirm these identifications. All next of kin have been notified. Biographical data will not be released until identification is confirmed.

DATE OF CAPTURE AND DATE OF DEATH

Burdett, Edward B., Col, USAF: 18 Nov 1967; 18 Nov 1967.

Cameron, Kenneth B., Capt, USN: 18 May 1967; 4 Oct 1970.

Cobeil, Earl G., LtCol, USAF: 5 Nov 1967; 5 Nov 1970.

Connell, James J., LtCdr, USN: 15 July 1966; 14 Jan 1971.

Dennison, Terry A., Cdr, USN: 19 July 1966; 21 July 1966.

Diehl, William C., Jr., LtCol, USAF: 7 Nov 1967; 8 Nov 1967.

Hartman, Richard D., Cdr, USN: 21 July 1967; 22 July 1967.

Newsom, Benjamin B., Col, USAF: 23 July 1966; 26 July 1966.

Pemberton, Gene T., Col, USAF: 23 July 1966; 24 July 1966.

*Schmidt, Norman, Col, USAF: 1 Sep 1966; 31 Aug 1967.

*Storz, Ronald E., LtCol, USAF: 28 Apr 1965; 23 Apr 1970.

**Previously declared dead—no release per Apr 1967; 25 Apr 1967.

### March 13, 1974

The DRV has stated that remains of the following personnel, previously reported as having died in captivity, are those repatriated on March 13. Dates of capture and dates of death are those reported by the DRV. The remains are being examined at the Central Identification Laboratory in Thailand in order to confirm these identifications. All next of kin have been notified. Biographical data will not be released until identification is confirmed and the next of kin advised.

DATE OF CAPTURE AND DATE OF DEATH

Abbott, John, Capt, USN; 20 Apr 66; 27 Apr 66.

Atterberry, Edwin L., LtCol, USAF; 12 Aug 67; 18 May 69.

Dodge, Ward K., Col, USAF; 5 Jul 67; 12 Jul 67.

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*Previously declared dead.

**Weskamp, Robert L., Capt, USAF: 25 NOK request.

Frederick, John W., Jr., CWO4, USMC; 27 Feb 67; 19 Jul 72.

Griffin, James L., Cdr, USN; 19 May 67; 21 May 67.

Grubb, Wilmer N., LtCol, USAF; 26 Jan 66; 4 Feb 66.

Heggen, Keith R., LtCol, USAF; 21 Dec 72; 26 Dec 72.

Sijan, Lance P., Capt, USAF; 12 Jan 68; 22 Jan 68.

Smith, Homer L., Capt, USN; 20 May 67; 21 May 67.

Stamm, Earnest A., Cdr, USN; 25 Nov 68; 16 Jan 69.

Walters, Jack, LtCdr. USN; 19 May 67; 20 May 67.

Mr. MATHIAS. Mr. President, will the Senator yield?

Mr. DOLE. I yield.

Mr. MATHIAS. I applaud the Senator from Kansas for responding in a very human and sensitive way to what is, I think, an obligation, certainly a moral obligation, on the part of the Government, and I hope he will permit me to become a cosponsor of the bill.

Mr. DOLE. I ask unanimous consent that the Senator from Maryland be made a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. I have cleared this measure with the Senator from Texas (Mr. TOWER), the chairman of the committee, the Senator from Mississippi (Mr. STENNIS), and the Republican and Democratic leadership. It occurs to me, as one who has followed very closely the actions of our POW's and MIA's, their families, and the Government in this area that we are doing something that should be done.

I also ask unanimous consent that the names of the Senator from Michigan (Mr. GRIFFIN) and the Senator from New Mexico (Mr. DOMENICI) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3228) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3228

A bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.—This Act may be cited as the "Funeral Transportation and Living Expense Benefits Act of 1974."

SEC. 2. FINDINGS.—(a) The United States did in 1973 provide transportation and other amenities to families of 556 returned prisoners of war for reunions upon these men's arrival in the continental United States after release from imprisonment by the Government of the Democratic Republic of Vietnam and did in 1973 also provide transportation and other amenities to these returned prisoners of war and their families to attend ceremonies in their honor in Washington, District of Columbia.

(b) The remains of other prisoners of war, having died in captivity in Southeast Asia, are now being returned to the United States for burial.

(c) The United States owes no lesser degree of respect, honor, or solicitude to the memories of the men who died in captivity and their families than in the cases of those who survived and returned alive to the United States.

(d) It is fitting and proper, therefore, as a mark of respect to those men who died in captivity while serving in the Armed Forces of the United States, that comparable courtesies and amenities be extended to the families of these deceased military personnel.

SECTION 3. BENEFITS.—The Secretary of Defense is authorized to provide funeral transportation and living expenses benefits for the family of any deceased member of the Armed Forces who shall have died while classified as a prisoner of war or as missing in action during the Vietnam conflict and whose remains shall have been returned to the United States after January 27, 1973.

(b) Such benefits shall include transportation round trip from such family members' places of residence to the place of burial for such deceased member of the Armed Forces, living expenses, and other such allowances as the Secretary shall deem appropriate.

(c) Eligible family members shall include the deceased's widow, children, stepchildren, mother, father, stepfather, and stepmother, or if none of these shall desire to be granted such benefits, the deceased's brothers, sisters, half brothers and half sisters.

## THE ETHICS COMMITTEE SELECTS A NEW CHAIRMAN

Mr. STENNIS. Mr. President, under the terms of the resolution that created the Senate Ethics Committee, that committee selects its own chairman.

We have always been and we still are a nonpartisan committee, with three members from the minority and three from the majority. We have thought, though, that it is better that the chairman be selected from the majority with reference to matters that might have to be presented on the Senate floor, and that the procedures would fit in better.

At a meeting of this committee yesterday afternoon, the Chairman—I have been chairman now for some years—talked with the Senator from Georgia (Mr. TALMADGE), who was the next ranking member of the majority party, about the matter. Mr. TALMADGE thought that he was already greatly burdened with work and could not carry on as chairman; I therefore nominated for chairman the Senator from Nevada (Mr. CANNON).

Mr. President, the vote for his selection as chairman was not a close vote; it was unanimous. He is a man of fine ability and high integrity.

I continue, Mr. President, as a member of the committee. The other members are the Senator from Utah (Mr. BENNETT), the Senator from Nebraska (Mr. CURTIS), the Senator from Massachusetts (Mr. BROOKE), and I have already mentioned the Senator from Georgia and the Senator from Nevada.

As I say, I am not leaving the committee, Mr. President, but the Senator from Utah (Mr. BENNETT) and I have been on this committee since its inception. It has been a privilege to serve with all of them, but I wanted to pay special tribute to him. We have been in some tight places and up against some hard rocks, and he never varies in the least from principles of highest integrity. I have found that true also of the other members of the committee, but I wanted to pay special tribute to the Senator from Utah.

Mr. President, I yield the floor.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 711, 712, 713, and 714, in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ARTHUR RIKE

The bill (S. 404) for the relief of Arthur Rike was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding any statute of limitations, or lapse of time, or bars of laches or any proceeding heretofore had in the United States District Court for the District of North Dakota, jurisdiction is hereby conferred upon the United States District Court for the District of North Dakota to hear, determine, and render judgment upon any claim filed by Arthur Rike against the United States for compensation for personal injury, medical expenses, and property damage sustained by him arising out of an accident which occurred on December 24, 1964, allegedly as a result of negligent operation of a motor vehicle by an employee of the United States while acting within the scope of his Federal employment.

SEC. 2. Suit upon any such claim may be instituted at any time within one year after the date of the enactment of this Act, and any judgment rendered as a result of such suit shall not exceed the sum of $10,000.

SEC. 3. Nothing in this Act shall be construed as an inference of liability on the part of the United States. Except as otherwise provided herein, proceedings for the determination of such claim, and review and payment of any judgment or judgments thereon, shall be had in the same manner as in the case of claims over which such court has jurisdiction under section 1346(b) of title 28, United States Code.

## CHATTOOGA RIVER, NORTH CAROLINA, SOUTH CAROLINA, AND GEORGIA

The Senate proceeded to consider the bill (H.R. 9492) to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia, as a component of the National Wild and Scenic Rivers System, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That the Wild and Scenic Rivers Act (82 Stat. 906; 16 U.S.C. 1274 et seq.), as amended, is further amended as follows:

(a) In section 3(a) after paragraph (9) insert the following new paragraph:

"(10) CHATTOOGA, NORTH CAROLINA, SOUTH CAROLINA, GEORGIA.—The Segment from 0.8 mile below Cashiers Lake in North Carolina to Tugaloo Reservoir, and the West Fork Chattooga River from its junction with Chattooga upstream 7.3 miles, as generally depicted on the boundary map entitled 'Proposed Wild and Scenic Chattooga River and Corridor Boundary', dated August 1973; to be administered by the Secretary of Agriculture: *Provided,* That the Secretary of Agriculture shall take such action as is provided for under subsection (b) of this section within one year from the date of enactment of this paragraph (10): *Provided further*, That for the purposes of this river, there are authorized to be appropriated not more than $2,000,000 for the acquisition of lands and interests in lands and not more than $809,000 for development.".

(b) In section 7(b)(i) delete "five-year" and insert in lieu thereof "ten-year".

(c) In section 16 delete "$17,000,000" and insert in lieu thereof "$37,600,000".

(d)(1) In section 4 delete subsection (a) and insert in lieu thereof the following:

"Sec. 4. (a) The Secretary of the Interior or, where national forest lands are involved, the Secretary of Agriculture or, in appropriate cases, the two Secretaries jointly shall study and submit to the President reports on the suitability or nonsuitability for addition to the national wild and scenic rivers system of rivers which are designated herein or hereafter by the Congress as potential additions to such system. The President shall report to the Congress his recommendations and proposals with respect to the designation of each such river or section thereof under this Act. Such studies shall be completed and such reports shall be made to the Congress with respect to all rivers named in subparagraphs 5(a) (1) through (27) of this Act within three complete fiscal years after the date of enactment of this amendment: *Provided, however*, That with respect to the Suwanee River, Georgia and Florida, and the Upper Iowa River, Iowa, such study shall be completed and reports made thereon to the Congress prior to October 2, 1970. With respect to any river designated for potential addition to the national wild and scenic rivers system by Act of Congress subsequent to this Act, the study of such river shall be completed and reports made thereon by the President to the Congress within three complete fiscal years from the date of enactment of such Act. In conducting these studies the Secretary of the Interior and the Secretary of Agriculture shall give priority to those rivers with respect to which there is the greatest likelihood of developments which, if undertaken, would render the rivers unsuitable for inclusion in the national wild and scenic rivers system. Every such study and plan shall be coordinated with any water resources planning involving the same river which is being conducted pursuant to the Water Resources Planning Act (79 Stat. 244; 42 U.S.S. 1962 et seq.).

"Each report, including maps and illustrations, shall show among other things the area included within the report; the characteristics which do or do not make the area a worthy addition to the system; the current status of land ownership and use in the area; the reasonably foreseeable potential uses of the land and water which would be enhanced, foreclosed, or curtailed if the area were included in the national wild and scenic rivers system; the Federal agency (which in the case of a river which is wholly or substantially within a national forest, shall be the Department of Agriculture) by which it is proposed the area, should it be added to the system, be administered; the extent to which it is proposed that such administration, including the costs thereof, be shared by State and local agencies; and the estimated cost to the United States of acquiring necessary lands and interests in land and of administering the area, should it be added to the system. Each such report shall be printed as a Senate or House document."

(2) In section 5 delete subsection (b) and reletter subsections (c) and (d) as (b) and (c), respectively.

(3) In section 7(b)i) delete all after "Act" and insert in lieu thereof "or the three complete fiscal year period following any Act of Congress designating any river for potential addition to the national wild and scenic river system, whichever is later, and".

(4) In section 7(b)(ii) delete "which is recommended", insert in lieu thereof "the report for which is submitted", and delete "for inclusion in the national wild and scenic rivers system".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

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## MRS. WANDA MARTENS

The bill (S. 240) for the relief of Mrs. Wanda Martens was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 240

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, in the administration of the Federal Employees' Compensation Act, as amended, Mrs. Wanda Martens of Havre, Montana, widow of Jesse Otha Martens, shall be deemed to be entitled to receive payments of benefits and compensation under such Act, from and after the date of the death of the said Jesse Otha Martens, in like manner as if the Secretary of Labor had found that the death of the said Jesse Otha Martens on July 9, 1960, resulted from an injury sustained by him while in the performance of his duties as an Immigrant Inspector, Immigration and Naturalization Service, Department of Justice.

Sec. 2. Any amounts payable by reason of the enactment of this Act with respect to any period prior to the date of such enactment (including funeral and burial expenses) shall be paid in a lump sum within sixty days after the date of enactment of this Act.

Sec. 3. The provisions of section 23 of the Federal Employees' Compensation Act, as amended, shall be applicable with respect to any claim for legal services or for any other services rendered in respect to any claim for benefits or compensation by the said Mrs. Wanda Martens covered by the preceding sections of this Act.

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## CUMBRES AND TOLTEC SCENIC RAILROAD COMPACT

The bill (S. 2362) granting the consent and approval of Congress to the Cumbres and Toltec Scenic Railroad Compact was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2362

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the consent and approval of Congress is hereby given to the Cumbres and Toltec Railroad Compact as agreed to by the States of Colorado and New Mexico, which compact is as follows:

"CUMBRES AND TOLTEC SCENIC RAILROAD COMPACT

"The State of New Mexico and the State of Colorado, desiring to provide for the joint acquisition, ownership, and control of an interstate narrow gauge scenic railroad, known as the Cumbres and Toltec Scenic Railroad, within Rio Arriba County in New Mexico and Archuleta and Conejos Counties in Colorado, to promote the public welfare by encouraging and facilitating recreation and by preserving, as a living museum for future generations, a mode of transportation that helped in the development and promotion of the territories and States, and to remove all causes of present and future controversy between them with respect thereto, and being moved by considerations of interstate comity, have agreed upon the following articles:

"Article I

"The States of New Mexico and Colorado agree jointly to acquire, own and make provision for the operation of the Cumbres and Toltec Scenic Railroad.

"Article II

"The States of New Mexico and Colorado hereby ratify and affirm the agreement of July 1, 1970, entered between the railroad authorities of the States.

"Article III

"The States of New Mexico and Colorado agree to make such amendments to the July 1, 1970, agreement and such other contracts, leases, franchises, concessions, or other agreements as may hereafter appear to both States to be necessary and proper for the control, operation, or disposition of the said railroad.

"Article IV

"The States of New Mexico and Colorado agree to the consideration of the enactment of such laws or constitutional amendments exempting the said railroad or its operations from various laws of both States as both States shall hereafter mutually find necessary and proper.

"Article V

"Nothing contained herein shall be construed so as to limit, abridge, or affect the jurisdiction or authority, if any, of the Interstate Commerce Commission over the said railroad, or the applicability, if any, of the tax laws of the United States to the said railroad or its operation.".

Sec. 2. The right to alter, amend, or repeal this Act is expressly reserved.

The PRESIDING OFFICER (Mr. Bennett). The Senator from New Mexico (Mr. Domenici) is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. DOMENICI. I yield.

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## ORDER FOR RECOGNITION OF SENATORS PROXMIRE AND PASTORE ON TUESDAY NEXT; AUTHORITY FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS, AND FOR FURTHER CONSIDERATION OF THE UNFINISHED BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Tuesday next, after the two leaders or their designees have been recognized under the standing order, the Senator from Wisconsin (Mr. Proxmire) be recognized for not to exceed 15 minutes, after which the Senator from Rhode Island (Mr. Pastore) be recognized for not to exceed 15 minutes, after which there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate resume the consideration of the unfinished business, the campaign financing bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## DIPLOMATIC RELATIONS WITH EUROPEAN COUNTRIES

Mr. DOMENICI. Mr. President, I rise today to address this body on a matter of deep concern to me, and to those New Mexicans, those Americans that I have had the time to visit with on my recent trip to my home State. I have had a look at the recent exchange between representatives of our Government and representatives of the European nations from the view point of the average American, the American far from the supersophisticated syllogisms and high-blown bureaucratic mechinations of Washington.

Let me put it bluntly, Mr. President. My friends in New Mexico are more than a little perplexed by the recent statements by leaders of the European alliance. When Michel Jobert of France says that "the presence of U.S. Forces in Europe is not fundamental;" when a British official says that Secretary Henry Kissingers' call for cooperation among oil consuming nations of the West is "naive;" when the Japanese officials claim that "our need for oil makes our position very delicate and very vulnerable;" when these things are said in light of the past, my friends, who pay their taxes, who went to war in Europe, and whose children are stationed in Europe, stand confused.

Let me put it more bluntly. When Monsier Jobert fought in the south of France, and in Italy, in 1944 and 1945, with the aid of millions of dollars of American materiel, and with blood of American fighting men flowing next to him, did he think that we in this country were saying, "The presence of the Nazis in France is not of fundamental importance?" When our British friend found American troops staggering into Normandy did he believe we were "politically naive?" And when we spent millions of dollars to reconstruct Japan after the World War, did some high government official in this Nation counsel caution? We all know the answers to those questions: We did none of those. We did our duty as both reality and morality dictated it. We may have been naive, we may have mistaken fundamental things for superficial things upon occasion, we may not have been as cautious as our hindsight counsels us. But our errors were errors of compassion. We have heeded self-interest certainly, but we have listened most often to the needs of our allies. Figures lie, one sage says, and they do not lie, another tells us. Be that as it may, I will remind my fellow Senators of the magnitude of the sacrifice of this Nation for the cause of Europe during the past five and one-half decades.

This Nation has more than 300,000 troops stationed in Europe. Our NATO commitment exceeds $16 billion annually. France itself still owes this Nation, in principal and interest due, but unpaid, more than $8.8 billion from World War I alone. During World War II, America contributed more than $48.7 billion through lend lease—and then we turned around and only asked for repayment of $2 billion of that. In other words, this Nation gave to the European community in its time of greatest danger more money than our Federal Government spends annually to feed our poor, to heal our elderly, or to educate our young. When France found itself in dire straits in Vietnam in the early 1950's, who did it turn to for assistance? And we responded with arms and money, much to our eventual sorrow. In the post-World War II period, America gave foreign grants and credits exceeding $148 billion. I could mention that $10 billion in liberty loans of World War I; the $13 billion under the Marshall plan; or the fact that no nation except Finland is current in its repayment of World War I debts to this Nation.

We, then, have not been reluctant to shoulder our part of the burden of protecting freedom in this world. We have not been "cautious" when it comes to helping our friends. Sometimes our aid has been in our own best interests—as certainly our involvement in World War II was. But our aid has always been tinged with genuine concern for our friends in Europe. We have troops there now because we believe the security of Western Europe is important, but also because we believe we have to make a stand there for freedom.

If we had spent that $13 billion in the Marshall plan on petroleum and energy research and development in this Nation, instead of giving it to Europe, we probably would not have a petroleum/energy shortage in this Nation right now. If we had spent $49 billion in this Nation on rural development and economic expansion, we would not have the terrible problems of the cities and the impoverished we are battling now.

Can you imagine, Mr. President, the status of our drive to clean up the air and water of this Nation if we had spent $5.3 billion to protect the environment instead of offering it to our allies in the form of civilian supplies?

Where would rural development and improved secondary highway programs be in this Nation if we had spent $5.4 billion on them instead of spending that amount on economic development loans overseas?

I am not talking about military expenditures now. I am talking about nonmilitary, humanitarian aid for the poor, for the ravaged, for the destitute. I am talking about more than $45 billion in AID and predecessor agencies for the period 1946–67 alone. I am talking about $15 billion in the food for freedom program; $10 billion through the Export-Import Bank; and, while I do not wish to seem unfriendly to Monsieur Jobert, I am talking about more than $3 billion in AID and predecessor programs, $20 million in food for freedom grants, and a total of more than $5 billion in overall economic aid to France alone.

So it saddens me when I read that after our Energy Conference, held despite the stern objections of Monsieur Jobert, and the agreements we reached there with 12 of our friends, the Common Market nations on March 4 joined with France in authorizing independent economic and technical cooperation with 20 Arab nations.

I understand why President Nixon and Secretary Kissinger were upset by the lack of consultation. We thought we had a mutual understanding. It turned out, apparently, that only we held that understanding, that the agreement was a one-way street.

I have cautioned this body before about detente, explaining that reducing tensions is a noble goal, but that we must insist that detente be a two-way street. I am glad that President Nixon has told the Europeans that cooperation between longtime friends is also a two-way street. We can survive the energy shortage, because we have the economic strength and the technology. Europe would be worse hit by skyrocketing oil prices—Walter Levy's analysis of increased oil costs to Europe showed $39.7 billion from 1972 to 1974, while America would have had to pay $15.9 billion more and Japan $12.8 billion. Plainly, our desire for cooperation among consuming nations was in the best interests of Europe, as well as us. Yet, the Europeans apparently saw fit to make their own deal.

Let me tell this body, and our European friends, what the people I talk to say about this whole situation. They say, "If France does not think our troop presence is of fundamental importance, then let us take our troops out of Europe. Let us let the French pick up a bigger part of the cost of defending Europe. Let us go ahead and bring our troops home, save all that money, strengthen our dollar overseas, cut down on defense costs, and let the Europeans make their own deal for defense, since they are so anxious to make their own deal for energy." That is a summary of what the people told me, those who pay the bill, the taxpayers in my State and wherever I find them.

I think the American people raise a good question: If we are no longer wanted in Europe, why are we there? I assure our European friends that there is plenty of sentiment in this body for removal of our troops from Europe and for stopping foreign aid, without aggravating the situation by harsh remarks. If the time has come for a fundamental reevaluation of our position within the Atlantic alliance, then let us begin the job now. If our sacrifice, told in blood, sweat, tears, and prodigious productivity, is no longer appreciated; if our risk is no longer of "fundamental importance"; if our good will is no longer believed, then I say it is time to remove ourselves as a source of irritation and unpleasantness to our European friends. It may well be that they will love us more when we are gone.

I will add, only, Mr. President, that I present these remarks in the spirit of one who has voted to continue our help to the poor nations, to the needy peoples of the world. I feel that we have a moral commitment to help those who are less fortunate than we are. I feel that we have, as a Christian nation, the duty and the burden of sharing with our brothers in other lands. The majority of Americans have agreed with me and still do, I believe. They are willing to cut down a little on domestic programs to give a helping hand to nations across the globe.

While we often have been philanthropic for some perceived self-interest, as I pointed out earlier, we most often have been generous because we are a good and considerate people, and our people are concerned about all people.

I hope Mr. President, that we will get a chance soon to air this issue in its entirety. Perhaps we have overstayed our welcome or have done too much for our friends. Perhaps we have been a bit naive all along, though, I conclude, never ungenerous and never without charity.

Mr. RANDOLPH. Mr. President, will the distinguished Senator from New Mexico yield?

Mr. DOMENICI. I am delighted to yield to the Senator from West Virginia.

Mr. RANDOLPH. I would like, for the record, just to give one example of what one person did in Turkey. This man came from the United States of America as an employee of AID. He came from the Midwest to Ankara, Turkey. He gave of his knowledge of farming. For part of the years he was there, he assisted in the use of machines in farming operations.

Because of his knowledge, and his efforts working with Turkish farmers, their productivity was increased many, many fold. The exports of goods increased substantially. This is but the contribution of one man from the AID organization—unheralded, unapplauded, but certainly representative of that larger group of individuals whose contributions are constructive in nature and to whom praise should be given for their endeavors in aiding people in faraway countries.

It is important that the Senator from New Mexico assess the value of this Nation's representatives who work with the peoples of other countries.

## QUORUM CALL

Mr. DOMENICI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATOR RANDOLPH AND SENATOR ROBERT C. BYRD ON THURSDAY, MARCH 28, 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on next Thursday, March 28, 1974, after the two leaders or their designees have been recognized under the standing order, Mr. RANDOLPH be recognized for not to exceed 15 minutes, after which the junior Senator from West Virginia (Mr. ROBERT C. BYRD) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene next on Tuesday of next week at the hour of 11 a.m. After the two leaders or their designees have been recognized under the standing order Mr. PROXMIRE and Mr. PASTORE will be recognized each for not to exceed 15 minutes, and in that order; after which there will be a period for the transaction of routine morning business for not to exceed 15 minutes with statements limited therein to 5 minutes.

At the conclusion of the period for the transaction of routine morning business the Senate will resume consideration of the then unfinished business, S. 3044, the public financing of campaigns bill. There is no time limitation on that bill. To repeat the optimistic statement by Mr. MANSFIELD, it is hoped that action on the measure may be completed in a couple of days.

Also on Tuesday it is anticipated that S. 2893, a bill to amend the Public Health Service Act may be called up and acted upon.

Also on Tuesday S. 1835, the so-called servicemen's group life insurance bill, may be called up and acted upon.

Conference reports may be called up at any time. Yea-and-nay votes may occur on Tuesday next.

## ADJOURNMENT TO 11 A.M., TUESDAY, MARCH 26, 1974

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, and pursuant to the provisions of Senate Resolution 298, as a further mark of respect to the memory of the late Senator B. Everett Jordan of North Carolina, that the Senate stand in adjournment until 11 a.m. on Tuesday next.

The motion was agreed to; and, at 3:30 p.m., the Senate adjourned until Tuesday, March 26, 1974, at 11 a.m.

## NOMINATIONS

Executive nominations received by the Senate on March 22, 1974:

IN THE AIR FORCE

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of Chapters 35 and 837, Title 10, United States Code:

*To be major general*

Brig. Gen. Arthur W. Clark, [redacted]FV, Air Force Reserve.

Brig. Gen. William Lyon, [redacted]FV, Air Force Reserve.

Brig. Gen. Oscar D. Olson, [redacted]FV, Air Force Reserve.

Brig. Gen. Alfred Verhulst, [redacted]FV, Air Force Reserve.

Brig. Gen. John S. Warner, [redacted]FV, Air Force Reserve.

*To be brigadier general*

Col. Bruce M. Davidson, [redacted]FV, Air Force Reserve.

Col. Edward Dillon, [redacted]FV, Air Force Reserve.

Col. George M. Douglas, [redacted]FV, Air Force Reserve.

Col. Arthur A. Gentry, [redacted]FV, Air Force Reserve.

Col. Irving B. Holley, Jr., [redacted]FV, Air Force Reserve.

Col. Harry J. Huff II, [redacted]FV, Air Force Reserve.

Col. Willard G. Hull, [redacted]FV, Air Force Reserve.

Col. James D. Isaacks, Jr., [redacted]FV, Air Force Reserve.

Col. Orrin W. Matthews, [redacted]FV, Air Force Reserve.

Col. Alvin J. Moser, Jr., [redacted]FV, Air Force Reserve.

Col. Dalton S. Oliver, [redacted]FV, Air Force Reserve.

Col. Frank J. Parrish, [redacted]FV, Air Force Reserve.

Col. Barnett Zumoff, [redacted]FV, Air Force Reserve.

## CONFIRMATION

Executive nominations confirmed by the Senate March 22, 1974:

IN THE AIR FORCE

The following officer for temporary appointment to the grade of Brigadier General in the United States Air Force under the provisions of Chapter 839, Title 10 of the United States Code:

*To be brigadier general*

Col. Edward B. Burdett, [redacted]FR, Regular Air Force.

# EXTENSIONS OF REMARKS

## SENATOR WILLIAM V. ROTH SPEAKS BEFORE THE MILFORD CHAMBER OF COMMERCE

### HON. WILLIAM V. ROTH, JR.

OF DELAWARE

IN THE SENATE OF THE UNITED STATES

*Friday, March 22, 1974*

Mr. ROTH. Mr. President, I ask unanimous consent to have printed in the Extensions of Remarks a recent speech I made in Delaware, before the Milford Chamber of Commerce.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR WILLIAM V. ROTH, JR., BEFORE THE MILFORD CHAMBER OF COMMERCE ON MARCH 18, 1974

Ladies and gentlemen of the Chamber of Commerce, it is a great pleasure for me to be here in Milford. I am not sure how many of you may have heard me when I was at the Rotary Club in early February, but those of you who did may recall that on that occasion I discussed the energy crisis. Our State and Nation's energy problems, of course, are still very much with us and continue to occupy the majority of my time in Washington. Many of us believe that we would not be in such bad straits today if we had exercised more foresight a few years ago. I recall that in 1970 a number of experts testified in Congressional hearings that our country could be faced with very serious energy shortages in a few years. In response to this testimony, I had introduced a bill to establish a Commission on Fuels and Energy to provide a complete assessment of the problem and make recommendations on how an energy crisis should be avoided. Unfortunately, as so often happens, no action was taken until the crisis was already upon us.

I mention this incident because I believe it illustrates the importance of taking a long range view of our problems and seeking intelligent approaches before they become crises. Today I want to apply the lesson that we should have learned from the energy crisis by discussing another area of public policy which I believe a critical and careful examination of the future is vitally needed. This is the area of our national defense. I have no doubt that we will recover from the energy crisis, but America cannot afford to have a "security crisis" a few years down the road.

Defense, of course, is already one of the country's most controversial subjects. It disturbs me, however, that much of the current debate is cast in very superficial terms. On one hand, there are those who contend that our defense effort should be greatly reduced because of the detente policy with the Soviet Union or because of other budgetary priorities. On the other hand, there are those who argue that Congress should approve all new military spending programs.

What is too often lost in the loose talk about too much defense or too little defense is that a sound defense policy, like most other major public policies, involves a careful and delicate balancing of competing considerations. Internationally, we must find a proper balance between the need for an effective free world defense on the one side and the risk on the other side that if we build up too much we might give new impetus to a costly and dangerous arms race. Domestically, we must have a strong defense, but we must also guard against prodigal defense and other Federal spending that is one of the root causes of inflation.

Let us look first at the international context of our defense policies. There is a substantial element in the country today who believe that the United States can retreat without harm from its commitments in Europe and Japan. This argument is often buttressed by one or the other of two premises—that the Soviet Union has so reformed that it would not attempt to exploit an American withdrawal to pursue its own interests around the world or that even if she did, it would not harm America's vital national interests. I believe both premises are fallacious.

The nature of the communist ideology, the nature of the Soviet domestic system, and the evidence of recent Soviet behavior—both in Czechoslovakia and in the Middle East—demonstrate that the USSR is neither ready to give up its sphere of domination in Eastern Europe nor willing to abandon its policy of attempting to fill the vacuums of power that may develop around its borders. We must remember that while there are now many competing centers of political influence in the world, there are still only two military superpowers. If the United States retreats prior to having established a sound basis of relations with the Soviet Union, vacuums will be created that only the Soviet Union can fill.

We cannot, however, relax our efforts to achieve a sound basis of relations with the Soviet Union. I strongly support a continued search for common areas of interest in limiting arms. Arms limitations agreements must provide equal benefits for both sides; they must be verifiable so that we can be sure that the other side is living up to its bargain; and, they must be subject to Congressional approval and continued Congressional oversight. Even with these safeguards, arms limitations agreements may entail an element of risk. We do not live in a world free from risk. It is necessary to take some risks for peace because there are much greater risks in unchecked arms races. Unabated arms races may result in more defense, but they mean less security. I hope that both countries will recognize their common interests—both political and economic—in arms limitations.

This brings me to the domestic context of our defense policy. While we need a strong defense, we must also practice economy in the defense area. As an advocate of a balanced budget and fiscal responsibility and a foe of inflation, I deplore the attitude of some in the military who think that the normal strictures against waste and careless use of the taxpayers' money does not apply to them. No one should believe that the mere invocation of the words "national security" guarantees free and unlimited access to the United States Treasury. Defense is not an end in itself; it is a burden forced upon us by the nature of the world we live in. It is a burden we must bear, but there is no point in making it heavier than it has to be. To guard against inflation, all government programs—including defense programs—must be carefully examined and strictly justified according to need.

Lets take a careful look at the defense budget. It is true, of course, that defense spending has gone up. But, it is also a fact that the defense budget has gone up less than most sectors of the budget. During the past decade, total Federal outlays have increased by 157%. Defense spending during this same period increased 84%, about half of much. As a proportion of the Federal budget, defense now takes 27¢ of your tax dollar, whereas in 1964—the year before our military involvement in Vietnam began—it took 42¢, or nearly half. As a percentage of our budget and gross National product, defense is now lower than at any time since before the Korean War.

The gross figures, however, tell only a very minor part of the story. Within the defense budget, we are spending much greater amounts on operations and maintence, on per unit manpower costs, and retirement costs. Our spending for procurement and research and development are becoming a smaller part of the budget.

Inflation and the increasing sophistication of weapons has meant that the average defense dollar buys a good deal less than it used to. The money that is required to build a thousand of the latest F-14 fighters today would have bought more than a hundred thousand fighter aircraft in World War II. A nuclear submarine cost $81 million in 1964; today one costs $181 million; a jeep which cost $3,300 in 1964 today costs $4,200.

At the same time procurement costs have been doubling, our expenditure on procurement has increased only about 25%, from $15 billion in 1964 to $18.7 billion in fiscal year 1974. Accounting for inflation we are spending less today on procurement than we were ten years ago. We are buying less and our overall defense capability is weakened.

The story in the research and development budget is very similar. Ten years ago we spent $7 billion on research and development; this year we are spending $8 billion. Again, if we account for inflation, we are spending about $2 billion less in terms of buying power than we did in 1964. We are not sure what the Soviet Union is spending because such budget figures are a deep, dark secret there, but the estimates start at $10 billion and go up to $20 billion.

In the contemporary world, research and development is a very key aspect of the overall strategic balance. A technological breakthrough by one side may be converted into a permanent military and political advantage. It may very well be necessary in the near future to devote a greater proportion of our defense budget to research and development in order to prevent the Soviet Union from achieving a technological advantage over the United States.

If we are going to have to spend more in the areas of procurement and research and development, we will need to look for more effective ways of saving money in other areas of the defense budget. The largest increases, in recent years, have come in military salaries and retirement pay. Twenty years ago manpower costs were about a third of the defense budget. With pay increases and the advent of the volunteer army, manpower costs have risen to take 56 cents of each defense dollar. Despite large reductions in personnel, manpower remains an extremely expensive defense item.

Last year Congress established a Defense Manpower Commission to examine manpower issues. Certainly, imaginative solutions are in order if we are going to prevent salaries from pricing us out of a good defense.

One approach to the manpower problem may be to place more emphasis on National Guard and reserve units. One unfortunate byproduct of recent Pentagon doctrine has been to emphasize use of the active forces for all military missions and to require the Guard and Reserves to bear the brunt of budget cuts. Yet, according to some specialists, there are a number of lower priority missions which Guardsmen and Reservists could perform at a fraction of the cost of using active-duty personnel. One such mission is the defense of the continental United States against bomber attack. This has a low priority status because the Soviets have never concentrated on developing long-range bomber forces and the likelihood of a bomber attack is generally believed to be pretty remote. The surest way to increase the likelihood, however, would be to relax our guard. Here then is a necessary mission which would probably be handled as effectively, but with less expense, by our Guard and Reserves.

I would hope that the Defense Manpower Commission and the appropriate military authorities would give this suggestion careful consideration and would try to identify other opportunities to save active-duty manpower by better use of the National Guard and Reserves.

At the same time, there are a host of other problems that require urgent consideration. The United States has the world's highest ratio of support to combat personnel. There is too much staffing at headquarters. One of the worst examples is the Southern Command in the Panama Canal Zone which has little more than 10,000 military personnel, but also has 10 generals, 2 admirals, and 4 headquarters. Incidentally, the naval "fleet" assigned to the Southern Command consists of two 45-foot fishing boats which are used by the brass.

We have a huge one million man civilian payroll—there are almost half as many civilians in our military establishment as there are active military personnel. There is the problem of grade creep—the tendency of the armed services to have higher and higher proportions of top-ranking officers, further compounding manpower costs. Finally, we have a very serious problem of escalating costs of retirement.

Underlying each of these problems is the need for a new basic orientation in the way the Pentagon views manpower. It used to be that manpower was seen as relatively inexpensive. Now manpower is in short-supply; it is expensive; and the military will have to make the very best use of each man.

I have covered only some of the problems that we are going to have to resolve if we are going to have a strong national defense. Adequate research and development funds, careful procurement policies, and the wise use of manpower, however, are not in themselves a guarantee of a strong national defense. It also requires careful and continued cultivation of the best traditions of the American military—thorough training, attention to duty, discipline, and subordination to civilian authority.

I emphasize particularly the last—subordination to civilian authority—because while our civilian leadership is democratically controlled through the electoral process, the military is and must be autocratic. If the military is not controlled by the civilian authorities then we will not have a strong national defense because the military itself could be a threat to those very freedoms and rights we seek to defend. For this reason, whenever there has been a question of civilian control—as in the famous MacArthur case or more recently in the case of General Lavelle—the dictates of our civilian leadership—the President—must prevail, because he and he alone, is accountable to the electorate for the actions of the military.

I am sure that you remember that two years ago it came to light that one of our Air Force generals, General Lavelle, had reinterpreted the rules of engagement to intensify bombing of North Vietnam without submitting the matter to higher authorities. In doing so, he violated two traditions of the American military—submission to civilian authority and obedience to military supervisors.

Recently, the Air Force asked that two of General Lavelle's subordinates, Brig. Gen. Charles A. Gabriel and Major General Alton D. Slay, be promoted, and the promotions are currently before the Senate Armed Services Committee. Both men testified before the Committee almost two years ago that they knew of the unauthorized bombing raids and of the falsification of reports in order to keep them secret. Neither questioned the propriety of what was happening although both had served more than twenty years in the military.

Because of the importance of the principles of civilian control and military discipline, I very much doubt that either general should be rewarded with promotion. I am not a member of the Armed Services Committee, but I will be very interested in the vote the Committee will take on these promotions. Should the matter be referred to the full Senate for action on the Floor, there would have to be very persuasive evidence presented in favor of promotion before I could support it.

Let me close by saying a word about America's role in the world. I think we can be justly proud of our place in contemporary international history. The United States has lived side by side in peace with its much smaller neighbors on this continent for more than a century. We acted in a manner entirely new to world history at the end of the last world war when, although we had the military and economic power to dominate the world, we chose instead to pursue the path of peace. We made special sacrifices over the past quarter century to maintain stability in the world and to restore war torn regions to prosperity. We took on the awful burdens of limited war in Korea and Vietnam, and historians may long debate, just as we have debated, whether we were wrong or whether we were right. But, I am confident that history will applaud our overall efforts in the difficult postwar period.

Now we have arrived at a juncture when a real measure of international detente and peace seems within our reach. We also show signs of weariness from the past frustrations of reaching this goal. It is not the time to give up. I think we all—in Milford and around this country—should recognize that we still live in very difficult and complex times and that our country still has an important and active role to play in the world around us. I hope that we will approach our problems with maturity, recognizing that our role imposes on us certain sacrifices. The way to peace requires a strong defense for America and her allies; it requires an involved America, and it requires that we have a generous spirit, ready to defend our own vital interests, but alert to new opportunities to promote international peace.

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## NO FERTILIZER SHORTAGE IN WASHINGTON

## HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. LITTON. Mr. Speaker, in my opinion, the USDA is releasing "wishes" rather than facts and should be more realistic with their estimates on the fertilizer shortages facing American farmers this year.

Farmers need to have a true picture of the fertilizer shortage so they can plan accordingly. By knowing what their supply might be, farmers could plan to put the fertilizer where it would do the most good.

The USDA was predicting 5-percent fertilizer shortages when most of the industry put the figure at 15 percent. At a briefing with Dr. Dunlop, of the Cost of Living Council, a couple of weeks ago, we were told we only had a spot fertilizer shortage; but, Mr. Speaker, I tell you the spot covers an area that goes from coast to coast and from Texas to North Dakota.

Last year the USDA made predictions which continually were off a country mile. The administration has released misleading estimates in the apparent hope that by releasing the estimates they would come true.

Mr. Speaker, this year's U.S. shortage is more than 3 million tons of nitrogen fertilizer and this does not include almost that much shortage in phosphate. The predictions of food prices leveling off this year could be wrong, because of the fertilizer shortage.

The USDA turned loose all the farmland in America, but the fertilizer simply is not there to properly utilize this acreage. The 3 million tons of nitrogen fertilizer that we do not have means we will produce 22.5 million tons less grain this year than we would normally be able to produce. That is nearly twice as much grain as was involved in the famous Russian wheat deal.

The grain that would not be produced this year, because of the fertilizer shortage would produce the equivalent of 50 billion loaves of bread which is a 5-year supply of bread for every man, woman, and child in America. If the grain which is not produced because of the fertilizer shortage were all corn, it would produce a 170-year supply of cornflakes for America.

Mr. Speaker, several factors contributed to the present fertilizer shortage in America. Fertilizer profit margins were low in the 1960's, causing some big companies to get out of the fertilizer business. When fertilizer demand picked up, our Government initiated the price freeze, locking the plants in at low profit margins at a time when they should have been expanding.

This freeze not only discouraged plant expansion at a time of increased demand, but it put American fertilizer prices well below the world market price which in effect encouraged fertilizer exports at the very time we were experiencing shortages ourselves. But many American farmers could not buy it at any price.

Other causes of the fertilizer shortage were the nearly 20 million more acres put in production this year, increased grain prices which justified heavier than usual fertilizer application, the poor fertility of the new land put into production which requires heavy fertilization, and the shortage of natural gas from which all American nitrogen fertilizer is made.

Mr. Speaker, I am especially critical of the USDA encouraging fertilizer use while the State Department was encouraging its export through low-interest loans, while the Cost of Living Council was encouraging its sale abroad by freezing domestic prices below the world market price. The Cost of Living Council finally lifted the freeze on fertilizer, but only after tens of thousands of tons had been literally forced abroad. The fertilizer we exported last year, because of the artificial price created by the freeze represents the shortage we now face in America.

The lifting of the fertilizer freeze helped discourage exports, but a separate agreement between Dunlop and fertilizer manufacturers after the ending of the freeze had, in effect, reinstated the freeze, except this time it is brokers who are doing the exporting to get around the "deal with Dunlop," just as brokers got around the freeze to drive up the price of propane.

If fertilizer manufacturers do not fairly allocate their fertilizer supplies to their dealers on the basis of last year's sales, they could well be faced with mandatory allocations of fertilizer such as those presently being used in the petroleum industry.

Mr. Speaker, my office has received numerous reports of local fertilizer dealers who were advised they would get as little as 30 percent of the fertilizer they sold last year. This will not only mean the closing of many local dealerships, but will also mean that large numbers of farms in a given geographic area which depended on the dealer for fertilizer needs will have greatly reduced yields. This could have a damaging economic effect on some small towns.

Considering the high fertility needs of the 20 million additional acres being put into production, which included millions of acres that had not been fertilized for many years, and considering the higher grain prices justifying heavier than usual fertilizer application, it would appear fertilizer requirements are going to be at least 10 percent greater than last year. If this were true and if we only have a 5-percent shortage of fertilizer as the USDA says, fertilizer dealers around the country should be getting 105 percent of what they sold last year. I know of no dealer in Missouri getting 100 percent and most I have contacted are getting 50 to 80 percent.

Mr. Speaker, because of the inelastic demand for food, reductions in food supply are always magnified in the price of food to the consumer. A 1-percent decrease in food supply can mean a 3- to 4-percent increase in food price. I do not expect the USDA to see that more fertilizer is produced overnight, but at least they can give the true facts to the farmers so they can better utilize the fertilizer we do have.

## ETHICS IN PUBLIC DISCLOSURE

## HON. VANCE HARTKE

OF INDIANA

IN THE SENATE OF THE UNITED STATES

*Friday, March 22, 1974*

Mr. HARTKE. Mr. President, it is axiomatic that a democratic society depends on the availability of information and openness in the communication and discussion of that information. Too often we confuse communication with rhetoric and form with substance.

There is a compelling need for us to consider the ethical content of our public communications. To put it rather bluntly, the public is convinced that some of their elected officials have been guilty of lies and deceit. During the Kennedy administration, there was talk of "managed news"; during the Johnson administration, it was called a "credibility gap"; and under the present administration, one day's official pronouncement often become "inoperative" the next day.

Recently, I received a copy of an address given by Robert C. Jeffrey, president of the Speech Communication Association and chairman of the Department of Speech Communication at the University of Texas at Austin. Mr. President, because of the pertinence of this address to the subject of my remarks, I ask unanimous consent that its text be printed in the Extensions of Remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### ETHICS IN PUBLIC DISCLOSURE

(Delivered by Robert C. Jeffrey)

Three years ago when I accepted the invitation to be a nominee for Second Vice-President of the Speech Communication Association, I did so as a matter of duty to the Association with little serious thought of being elected. Upon learning of my election, I was forced to contemplate the rigors of the offices suddenly thrust upon me. Contemplation led to the realization of a commitment to edit the convention abstracts, the principal duty of the Second Vice-President, and to plan the National Convention, the principal duty of the First Vice-President. These onerous chores could be endured, I concluded, if the thought of the presidential year were kept foremost in mind. I discovered that editing the convention abstracts was not as onerous as I had anticipated, and that planning the convention can be both pleasurable and rewarding, as well as time consuming. I have discovered more importantly, in the three years of official service to this Association, that accepting the demands of professional activity has proved, ultimately, to be its own reward.

Last December, with the first two years of service completed and Ted Clevenger's term approaching closure, I turned to the "Operations Manual" of the Association for assistance in performing the duties of the President. On the page titled "Guide for Presidents," Don Bryant stated one procedure succinctly: During the summer and fall of the Presidential year, "the President should compose an excellent Presidential Address for the national convention of such scope as the President thinks fit." He further advised: "Try out parts of it at regional and other meetings." The platform you provide me as President of the Speech Communication Association is a hearty source of professional satisfaction and, taking Don Bryant's admonition seriously, one I would like to capitalize on today in discussing a much neglected concept in the teaching and research in communication—the problem of ethics in public discourse.

Many of you at regional or state conventions have heard me refer to several events and practices in our world today that threaten our ethical communication conduct. One of those practices is the employment, with tax monies, of an "Executive Flunky," if you will, as a mouthpiece for the President of the United States. Mr. Ziegler in the present administration holds this post. As communication strategists we have passively and uncritically accepted this practice, thereby harboring and condoning the institution of a Presidential Scapegoat, an institution that permits our highest elected officer to test public opinion in a quasi-official fashion. If reaction to the statements attributed to the President is negative the President can deny responsibility for the statement. With this simple mechanism of public statement by proxy we encourage both deliberately designed deception and abrogation of responsibility.

By permitting our highest elected officials and those they appoint to administrative posts to classify information as confidential, and by placing no constraints on those public servants, we deny the public information necessary for proper decision-making in the democratic process.

Equally as reprehensible and deplorable is our national administration's malfeasant efforts to weaken the integrity of the press by deliberate design. At this convention last year, New York Times' writers Robert Semple and James Naughton concluded that the present administration has been so successful in undermining the credibility of the press that the public refused to acknowledge the Watergate saboteurs once exposed. That, of course, was prior to the Watergate Hearings. The word "coverup," however, has now become a household word and extends beyond the Watergate matter to areas perhaps yet to be discovered.

These practices are among many that lead inevitably to the conclusion that the American public refuses to demand an ethical responsibility from its leadership. It is a frightening prospect, and one that Richard Nixon viewed with alarm in 1970 when, recalling the bombing at the University of Wisconsin in that year, he said ". . . what corrodes a society even more deeply than violence itself is the acceptance of violence, the condoning of terror, excusing of inhuman acts in a misguided effort to accommodate the community standards to those of the violent few."

If we substitute the words "crime" or "irresponsibility" for the word "violence," we arrive at the basis for my remarks this afternoon.

The corrosive effect of the acceptance of deception has led to the cheapening of authority in America in recent years. Too many broken promises, too many empty words, too little real achievement of vital objectives, too many inept or insensitive or inexplicable decisions made by untouchable officials in unreachable institutions—all of these have undermined both the integrity of and our respect for the figures who lay claim to executive leadership and executive "privilege." This disintegration of administrative morality and accompanying public impertinence extend beyond the American Presidency to leadership in the universities, corporations, unions, and organized religion. Some of the practices of our profession have, in my opinion, contributed, however subtly, to this impalement of national morality.

First, the research emphasis in human communication has, for over a decade, been behaviorally oriented, accompanied by an abandonment in many academic programs of a healthy and balanced orientation with interest in humanistic and ethical aspects of communication. Historically, technological progress has always left in its wake agonizing political and social change, and even though earth's complexion has changed every minute since it first took off around the sun, what is so shockingly new about our changing world is that where it once changed imperceptibly, it now convulses and heaves and shatters and reconstitutes itself before our very eyes. Reflecting this scientific upheaval is the behavioral and objective orientation in communication research in which the human as individual is often neglected and the mass as individual is subjected to experimentation and manipulation.

We have been "scientifically" aware, however, since the turn of the century that no objective reality exists, that every perception of objectivity, regardless of the sophistication and precision of our measuring instruments, in the final analysis, is determined by individual perceptivity and capability. It is amazing that since Planck's discovery of Quantum Theory in 1900 the "scientific" world has recognized the reciprocity between the scientist as individual and the world he seeks to control, and yet, we in Speech Communication are propagating as "new," "progressive," and "innovative" a view of human behaviors strangely reminiscent of 19th century scientific thought.

Related to the emphasis on scientific investigation of communication behavior is a second practice contributing to the ethical and moral decline in our communicative society—an extreme concern with the development of images in leadership roles. As Daniel Boorstin so eloquently put it, "the making of illusions which flood our experiences has become the business of America." The sophistication of contemporary illusion making results from the subjugation of individual identity to group profile, inevitably leading to excesses in promoting products for human consumption and images for leadership roles. Encouraged by such falsified profiles of human behaviors, experimentation on changing human behavior on the basis of group norms rather than individual reasoning has become paramount. If, in persuasion, there were more concern for the integrity of the individual, there might be less need for truth in lending laws, truth in advertising laws and fairness in campaign practices legislation.

In speech criticism, our research and publications reflect a near obsession with tracing the development of images in political campaigns, resulting in an abrogation of our responsibility to students and the public. We no longer demand accuracy of statement, and too often train our students to be experts in the art of plotting the creation of deceptive practices rather than unmasking and indicting those practices. The loss of respect for the spoken word, an inevitable product of image making, has led former Attorney General John Mitchell, referring to the Nixon Administration, to assert, "You will be better advised to watch what we do instead of what we say." This statement led Richard Harris, in his book *Justice*, to remark that the statement was "the most astonishing admission of high level duplicity in government history."

A third practice of teachers and researchers in communication that has contributed to the lack of concern for ethical and moral responsibility on the part of American leadership is our growing preoccupation with the superficial dimensions of non-rational discourse, body rhetoric, the rhetoric of the streets, the rhetoric of numbers. Wayne Booth, recognizing both the rhetorical validity of such acts of persuasion and their inherent dangers asserts: ". . . a case could be made for the claim that we live in the most rhetorical age of all time, if by rhetoric we mean whatever men do to change each others minds without giving good reasons for change." Booth's extension of what constitutes rhetoric demands a return to an ethical consciousness.

An integral part of a new rhetorical theory must be a renewed consideration of ethics in public discourse. This consideration must of necessity revert to a discussion of Aristotle's determinants of a moral act. Father Lawrence Flynn succinctly describes the Aristotelian Determinants of a moral act in a 1957 article in the "Speech Teacher." He reasons first that a moral act is dependent upon the establishment of a human act. He writes, "A truly human act proceeds from a rational agent who knows what he does and chooses freely to do it. The power to reason, which distinguishes men from brutes, underlies man's recognition of a means-to-end relationship. So, before we choose means-to-end we must know the end, the means, and the relation between them. To perform human acts we need knowledge and human choice. . . ."

To determine the goodness or badness of a human act, however, requires an analysis of the object, the act, the intent of the agent, and the circumstances surrounding the act. Consequently, in determining the ethics of a public statement, it is necessary to analyze what the speaker does, why he does it and the circumstances under which he does it. The measurement of effects of a public utterance may offer historical fact, but reveals nothing of the utterance's ethical structure. Even though the speaker's purpose or ultimate end is good, Aristotle would require that the rhetorical devices, techniques, methods, or fact pass the test of morality according to the three determinants. If the end sought by the speaker is good, the act of achieving that end is unethical if the speaker selects unethical means. Likewise, even though means to achieve an end are ethical or good, the end itself may be bad. Consequently, to judge the goodness or badness of a speech or other communicative act, all of the determinants must be satisfied. Deliberate falsification is morally faulty because it frustrates the natural purpose of speech in a democratic society which is to transmit judgments to auditors, and because it interferes with the auditors' judgment capabilities.

Since the human act, to be judged morally, must be deliberate and free, one might suppose that an unconscious misrepresentation or falsification that may result in a partial distortion or complete misrepresentation through ignorance would be excused. However, a speaker must assume the responsibility for his statements and, consequently, do all that is possible to remove his ignorance before making the statement. Ignorance cannot be claimed as an excuse unless it can also be shown that the speaker did what was within his power to remove that ignorance. Father Flynn would have us ask the question, "Did he use care proportionate to the importance and gravity of the situation?"

It has been, and can be argued that the logical and emotional aspects or rhetoric are amoral, that they derive their morality from the good or bad intent of the speaker or agent. The use of logic in a particular discourse may be bad, but it is not morally bad unless the intent of the user is bad. The problem, then, is to determine the intent of the communicator or agent.

Often it is possible to determine the intent of the agent by the arguments assembled in the message. For instance, most rhetorical critics would consider Nixon's 1952 "Checkers Speech" logically unacceptable as a defense for misusing campaign funds. Few, however, have questioned the ethical base of the speech or the morality of the act. The general public response to the speech then, as now, lauded it as a monumental rhetorical effort. This kind of critical acceptance justifiably places the term rhetoric in dubious quarters.

Much to his credit, Barnet Baskerville wrote in his analysis of the Vice-Presidential candidate speaking in the 1952 campaign that the "Nixon affair" served to unify a divided Republican party and elevated Richard Nixon to a prominence seldom enjoyed by a Vice-Presidential candidate. He also observed, "It seems to this observer that the phenomenal public reaction to the original charge to the speech itself and to subsequent counter charges, revealed an alarming preference to appearances rather than realities, a widespread preoccupation with legality rather than morality, and a subordination (by Democrats and Republicans alike) of ethical considerations to political expediency." The period of the early 1950's might well serve as the reference point for the beginning of the deterioration of responsible public discourse in the high levels of government. Hal Gulley wrote in "Today's Speech" in 1970, that ". . . America's public statement-making is less dependable, reliable, and candid than it was two decades ago; that we are witnessing a national drift toward irresponsibility toward public utterance. In some areas of our national life, we cannot now be certain that we believe what some people are saying." Gulley's report contained an alarming exposure of the cavalier attitude with which government officials view high level duplicity. He quoted former Assistant Secretary of Defense for Public Affairs, Arthur Sylvester, as saying "It is the government's inherent right to lie if necessary to save itself when faced with nuclear disaster; this is basic."

We as a nation in 1973 have been brought to the brink of moral and ethical deterioration in our government. No one in this audience needs be reminded of the general and pervasive political debauchery associated with the amorphous term "Watergate." Testimony of men respected for their place in government has revealed the exhalted place of the lie and deceit. James Reston wrote in the New York Times "Future testimony from Messrs. Mitchell, Erlichman, Haldeman, and Dean may throw more light on who is lying and who is telling the truth. Meanwhile, it is probably better to follow Paul Porter's skeptical advice: "I don't say these men are liars, . . . it's just that they have such respect for the truth that they use it sparingly."

In this time of national despair and uncertainty, we should not neglect to celebrate the system of justice that has revealed the unethical conduct of some of our more respected leaders. Our system of justice may be slow in its process, but it offers assurance of ethical certainty in its results.

The real question, however, is not whether the guilty will vindicate the innocent. The question is, rather, "Where lies the culpability for having arrived at this near disastrous condition"

Every man, a president included, must be accountable for his acts and responsible for his statements. But if the President acts or speaks irresponsibly, those who elected him to office are not free of guilt if the evidence of irresponsibility was available at the time of election. Richard Nixon's questionable ethics have been observable for over two decades. But in those two decades, academic critics and scholars in communication have been more concerned with the technologies of communication than with its ethics. Richard Nixon was and continues to be a "technician" in manipulating public attitudes for self-aggrandizement. Our own publications reflect a preoccupation with Nixon's predictability, his appeals to audiences, his mastery of the television medium, and so on. Few articles, however, have analyzed the ethics or morality of his statements. It is a sad commentary on the state of rhetoric in the academy when we admit that ethical studies of the Nixon rhetoric are more readily available in the press than in scholarly journals. Traditionally, rhetorical critics have, in fact, recognized and accepted their charge as analysts and reporters of ethical conduct. The Fourth Estate, however, and not rhetorical scholars, first alerted the American public to Nixon's special brand of Administrative Rhetoric. Kenneth Burke has used the term "Administrative Rhetoric" to explore the ethical dimensions of Machiavelli's "The Prince." He contends that:

"Machiavelli's 'The Prince' can be treated as a rhetoric in so far as it deals with a producing of effects upon an audience. Sometimes the Prince's subjects are his audience, sometimes the rulers or inhabitants of foreign states are the audience, sometimes particular factions within the State. If you have a political public in mind, Machiavelli says in effect, here's the sort of thing you must do to move them for your purposes. And he considers such principles of persuasion as these: either treat well or crush; defend weak neighbors and weaken the strong; where you foresee trouble, provoke war; don't make others powerful; be like the prince who appointed a harsh governor to establish order . . .; do necessary evils at one stroke, pay out benefits little by little; sometimes assure the citizens that the evil days will soon be over, at other times goad them to fear the cruelties of the enemy; be sparing of your own and your subjects' wealth, but be liberal with the wealth of others; be a combination of strength and stealth (the lion and fox); appear merciful, dependable, humane, devout, upright, but be the opposite in actuality, whenever the circumstances require it, . . . in order that you may get the advantage of good advice without losing people's respect, give experts permission to speak frankly, but only when asked to speak; have a few instances who are encouraged to be completely frank, and who are well-plied with rewards."

Each of us can find specific instances of the Nixon speeches. They are identifiable as these administrative rhetorical strategies in early as 1948 when, in his senatorial campaign, he goaded the public to fear the cruelties of the enemy and assured the voters that the fear would end with his election. The strategies are even more identifiable today with the crumbling of popular respect for the man and his rhetoric.

As communication critics and educators, we failed in our responsibilities to officially oppose those practices when they became so blatantly evident. We persist in that failure today. In the ten hours of deliberations of the Legislative Council at this convention, not a single resolution was introduced to condemn the unethical practices of the Nixon administration for withholding information from the public for political and private purposes; for deliberately deceiving the public with false statements as in the denial of bombing in Cambodia when, in fact, it occurred; for refusing to supply tapes, notes and correspondence relating to possible criminal activities; for taping private conversations without the knowledge of the parties being taped; for other acts relating specifically to the free flow of information and privacy of communication that should be the central concerns of teachers and scholars in speech communication.

This temerity in speaking to the corrupt communication practices of the present national administration reveals an abrogation of our role as protectors of ethical communication. If there is one thread that binds together all of the varied interests in our association, it is a decision to free and responsible speech. Yet, when that freedom and responsibility is abridged or threatened, we fail to act. In this case, the excuse that we must act only in areas of professional competence cannot be claimed as a defense by those who would oppose censure resolutions by this association.

Last year, at this convention, the Legislative Council passed a resolution declaring that "it is the role of the Speech Communication Association, defining itself as a humanistic organization, to be concerned with the communication process and how that process affects human beings; that since those in political power make decisions affecting millions of people, those people have a right both to know those decisions and to offer information and well-considered opinions on them; that in the past it has been apparent that government plays a substantial role in determining the limitations of freedom of speech and the amount of information made available to the public; and that there is a need to study government use of communication, whether it involves abridgment of free speech, failure to communicate to the electorate, or responsible use of communication channels." With this expression of concern for government's use of communication controls, our purpose should be to monitor it and to condemn or praise as the case may warrant.

It may well be true that the moral and ethical permissiveness of the present administration has, as Russell Baker wrote, so accustomed us "to accepting mendacity as a normal condition of life that we assume it is natural for everybody to lie to us, even our best men." But ethical permissiveness, even in a just cause, corrodes the soul; and condoning it can corrode a nation. As Adlai Stevenson once asserted, "Those who corrupt the public mind are just as evil as those who steal from the public purse."

As teachers and scholars in communication, our purpose should be to develop respect for ethical communication and a healthy disdain for deception in and corruption of public discourse. Henry Wieman and Otis Walter wrote in 1957, ". . . Ethical Rhetoric has the promise of creating those kinds of communication which can help save the human being from disintegration, nourish him in his growth toward uniquely human goals, and eventually transform him into the best that he can become." That should be our paramount goal as teachers and scholars in communication.

## HON. WILLIAM S. MAILLIARD

### HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ROBISON of New York. Mr. Speaker, it has been a high honor and a privilege, these past 17 years, to have been enabled to call William S. Mailliard, of California, both colleague and friend.

My lasting impression of Bill Mailliard will be, first and foremost, that he so perfectly fit the old, time-honored description of a man who was, at one and the same time, a "gentleman and a scholar."

Gentlemanly, in his approach to his congressional colleagues—always respectful of their right to disagree with him, and of his equal right to disagree with them—and scholarly, in his careful approach to his legislative duties and congressional responsibilities. As we all know, his special forté became that of foreign affairs, and he further became a tower of strength for both Democratic and Republican Presidents, alike, in aiding them to advance legislated responses—however domestically unpopular at the moment—designed to further the cause of peace, abroad, and American foreign policy initiatives in support thereof.

It is probable that, in large measure, his understanding of the need for such a bipartisan approach to foreign policy stemmed from his own truly distinguished military record, as well as from his early-on designation as U.S. delegate to the United Nations 18th session. But, to such understanding, he added his own, natural tendencies to provide both a sense of balance and of basic commonsense to his committee responsibilities; and, Mr. Speaker, it seems to me that it is, precisely, for his projection of and faithfulness to such characteristics, that he will be most missed.

Nevertheless, we who will now so badly note his absence from our ranks—along with his calm and steadying influence—can take pride in the fact that these special characteristics I have mentioned, along with his accumulated years of expertise in this area, have been sufficiently recognized by the President as to result in his deserved appointment as Permanent Representative of the United States to the important Organization of American States. This is an organization that, it has seemed to me, has not received the degree of attention—at all times in the recent past—its own importance to us, in the relative scheme of such things, deserved. Bill Mailliard's appointment thereto will help remedy that situation, and his presence will give needed stature to our Nation's participation in its essential work.

It is with regret, therefore, Mr. Speaker, that we see Bill Mailliard leave our midst—but it is also with pride and confidence that we see him take on new duties, for which he so well has qualified. We know he will do well therein, and Mrs. Robison joins me in wishing both he and his wife, Millie, much success and happiness in their years ahead.

## TRIBUTE TO O. I. "CAP" CLAMPITT

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ANDERSON of California. Mr. Speaker, on January 1, 1974, Mr. O. I. "Cap" Clampitt retired after 38 years of dedicated service to the labor movement, and thus, to improving the quality of life for all of humanity.

Born and raised in Missouri, he had to go to work at age 6 to help support his mother and two brothers. This experience of working 12-hour days, first in a brewery and later in a shoe factory, instilled in him a burning desire to eliminate the hardships of life and improve the conditions of working men and women.

Denied a formal education in his early years due to financial restraints, "Cap" hired a tutor and educated himself to the extent that he was allowed to enroll in William Jewell College at age 16. Through college he supported himself by singing with an evangelistic group, and was ordained a minister when he was 18. While still a college student, he was a pastor of a church.

Later, Mr. Clampitt entered the military as a chaplain and held the rank of captain in the Army, serving as a morale officer and athletic director for the Hawaiian Division and later for the Seventh Division. On the general's staff, he coached the division's basketball, football, and baseball teams.

As an Army officer, he was entitled to own two horses—one of which became a sensational jumper, establishing a still unbroken world record broadjump of 32 feet 4 inches. And, as the trainer and rider, "Cap" was nicknamed "the flying chaplain."

He was later offered a movie contract with Metro Goldwyn Mayer, and moved to California where he worked for several years with such stars as Greta Garbo.

Then, in 1936, "Cap" Clampitt entered the labor movement where he organized the Retail Clerks Local 1442 in Santa Monica and negotiated some of the first contracts in southern California. Due to his dedication and outstanding ability, he soon served as vice president of the State council. During these years, he was awarded citations from medical groups and other unions for his aid in pioneering the prepaid medical and dental programs.

He served as the first president of the first sheltered workshop and was recognized by President Roosevelt who appointed him to serve on the Ration Board.

Active in civic affairs, "Cap" served on the board of directors of the Community Chest, the Red Cross and the Boys Club and as part of his community service, he belonged to a group of clergymen in Santa Monica.

In recognition of the humanitarian efforts of his local, the Catholic Institute Award, and awards from the NAACP, were presented to the members of local 1442.

Mr. Clampitt is married to Ilse, who is known to all as Billie, and they are the proud parents of six children—Susanne, Nora, Carroll, Billie, Jackie, and Kent.

Mr. Speaker, on March 28, in Los Angeles, "Cap" Clampitt will be honored by his colleagues, his coworkers, and his many friends for his years of unparalleled service and outstanding accomplishments as secretary-treasurer of the Retail Clerks Union.

I am pleased to call this tribute to the attention of the Congress, as I join in saluting this rare individual who has dedicated his life to improving the conditions of our society through his work in the ministry, in the community, and in the labor movement.

## BYELORUSSIAN INDEPENDENCE DAY

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BIAGGI. Mr. Speaker, on Monday, March 25 marks the 56th anniversary of the proclamation of freedom by the people of Byelorussia. As I have done in the past, it is my pleasure to join with my colleagues in paying tribute to the brave people of Byelorussia.

The history of Byelorussian statehood goes back to the ninth century when several Slav tribes founded independent principalities on the territory of what today is Byelorussia. The Byelorussians were forced to live under czarist rule for several centuries until they seized the opportunity afforded by the Bolshevik Revolution of 1917, and subsequently proclaimed their independence on March 25, 1918.

The newly formed democratic state immediately showed great vitality, and was successful in rebuilding their war-ravaged land. Yet, this era of freedom and relative prosperity was short lived. In December of 1918, in a brutal onslaught which stunned the free world, the Red Army overran Byelorussia, annexed it to the Soviet Union and all Byelorussians became the Soviet Union's helpless pawns.

Since that time for five long decades, the Byelorussians have been forced to endure life under the oppressive regime of the Soviet Union. To this day Moscow-Byelorussian relations are strictly colonial in nature and have two distinct aims. One is to exploit the Byelorussian natural resources for the benefit of Russian imperial expansion and the other is to eradicate Byelorussian nationalism in the hope of fostering a homogeneous Soviet empire.

Today, more than ever as it appears that the Soviet Union is not quite the partner in détente that we had hoped, we must renew our commitment to the cause of freedom for all the peoples of the world. Unlike the Russians we can achieve our ends through peaceful means, and it is our fervent hope as a nation that the brave people of Byelorussia can again join with us in tasting the fruits of liberty.

## AMENDMENTS TO H.R. 69

### HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. PEYSER. Mr. Speaker, I am placing four amendments in the Record today which have already been printed, and hence, I do not require any additional computer runs by the Library of Congress. I have merely made a technical and conforming change to these amendments. The amendments follow:

Amendment No. 7

Page 28, beginning with line 10, strike out everything down through line 11, p. 36, and insert in lieu thereof the following:

Sec. 102. Section 103 of Title I of the Act is amended to read as follows:

Sec. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 (one) per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(ii) the amount necessary to make payments pursuant to subparagraph (B); and

(iii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clauses (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of section 131 (a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State or, if greater, in the United States multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does

assume such responsibility shall be eligible to receive such portion of the allocation.

(3) (A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 50 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $4,000 for each fiscal year of this Act, except that no county shall receive less than 100% of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made, (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all the following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

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### AMENDMENT NO. 15 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a) (1) (A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot for such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with the Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commisisoner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of Section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a) (3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for

any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3) (A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 80 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (c) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

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### AMENDMENT NO. 16 TO H.R. 69, AS REPORTED, OFFERED BY MR. PEYSER

Page 28, beginning with line 10, strike out everything down through line 11, p. 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of Title I of the Act is amended to read as follows:

SEC. 103. (a) (1) (A) There is hereby authorized, to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B) and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 3(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 3(a) and 133(a) (3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pur-

suant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentences, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3) (A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(D) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States, 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) or all local educational agencies as declined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

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### Amendment No. 17 to H.R. 69, as Reported, Offered by Mr. Peyser

Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

Sec. 102. Section 103 of title I of the Act is amended to read as follows:

Sec. 103. (a) (1) (A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum, of the amount appropriated for such year for payments to States under section 134 (a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for

payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs or deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 13(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 40 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the programs of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income of less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

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## THE GREAT PROTEIN ROBBERY NO. 20: THE STUDDS-MAGNUSON 200-MILE BILL

### HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. STUDDS. Mr. Speaker, I am very happy to announce to my colleagues that field hearings on the Studds/Magnuson 200-mile fish conservation zone bill have been scheduled for May 2 and 3 in Maine and New Bedford, Mass.

The gentlewoman from Missouri (Mrs. Sullivan) chairman of the Committee on Merchant Marine and Fisheries, and the gentleman from Michigan (Mr. Dingell) chairman of the Subcommittee on Fisheries, Wildlife Conservation, and the Environment, have approved holding these hearings where the fishermen are and where the problem of foreign overfishing is seriously jeopardizing our American fishing industry.

By taking the subcommittee to Maine, May 2, and to New Bedford, May 3, the subcommittee members can hear, firsthand, the problems our domestic fishermen face from the giant, government-subsidized foreign fishing fleets that are literally sweeping the ocean floor clean of all marine life. These foreign fleets are operating sometimes within sight of our coastline with no regard for conservation measures or the continuation of any given marine species.

Since introducing this legislation on the House floor on June 13 of last year I have the cosponsorship of 73 of my colleagues. Senator Warren Magnuson of Washington, chairman of the Senate Commerce Committee, who filed companion legislation in the Senate the same day, now has 18 cosponsors. I hope that by holding these hearings in the field where the problem exists and by talking with the fishermen whose very livelihood is threatened, the subcommittee will focus the attention of the entire Congress on the serious plight of our domestic fishermen and a remedy that could save this industry.

## A BILL TO HELP AVERT FUTURE SHORTAGES

### HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. LITTON. Mr. Speaker, in the past few years as shortages of various raw, agricultural, and manufactured products have begun to appear in our economy, one continuing question has remained in my mind: Why, since our society is so sophisticated and advanced, could not our Government foresee and resolve most of these shortages before their economic impacts were felt?

The energy shortage has brought greater focus to this question and leads me to one conclusion: That the Government is a "now" type of system capable primarily of providing for the short-term problems of the American people.

Mr. Speaker, I have today introduced a bill which would create one central, broad, long-range planning agency responsible solely for projecting future social, economic, and natural resource requirements of our Nation. This agency would assume the long-range planning functions currently within existing departments and would provide a greater and more thorough nature of planning throughout all those agencies which deal with social programs and natural resources. In addition, the agency will be responsible for projecting the economic impacts of current and projected needs and recommendations, and will be required to report annually to the President, to Congress, and to each instrumentality of Government.

The intent of my bill will be to direct all of the long-range planning, which currently is or should be within the framework of the Federal Government, to the responsibility of one Federal agency. I would expect this agency to undertake and conduct a study of long-range needs of the American people and to make recommendations according to the scope of existing and projected resources which are or will be available, and with emphasis on the impacts upon the economy of those studies and recommendations.

## ARLIE EWING OF RETAIL CLERKS TO RETIRE

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. ANDERSON of California. Mr. Speaker, on March 28, 1974, the many friends of Arlie O. Ewing will be honoring this fine American upon his retirement as president of Retail Clerks Union, Local 1442 of Santa Monica, Calif.

I am honored that I might be able to share in this tribute befitting a man who has given so much of himself for the benefit of his fellow man.

Settling 40 years ago in the San Joaquin Valley, Arlie Ewing worked for DiGorgio Winery as a refrigeration engineer. Here he became very concerned for the welfare of his fellow workers and became very much involved in the organized labor movement. Through his tireless efforts as an avid organizer, he helped membership grow through contract development. In fact, as was brought out in a meeting of the State Federation of Labor in 1957, Arlie was responsible for getting the first contract with DiGorgio Winery in 1937.

Later, Arlie O. Ewing and his family moved to Redondo Beach where he applied his time and talent in numerous civic activities.

He has been an active member of the retail clerks since 1950. In addition to serving for the past 10 years as president of local 1442, Arlie Ewing has also served for many years on the State council of the retail clerks.

He has also been a very active member of the Democratic Party serving as president of the North Redondo Democratic Club for many years, chairman of the 67th Assembly District for four terms, and chairman of the 17th Congressional Democratic Council for four terms. In addition, he has served as a member of the Los Angeles County Democratic Central Committee for 15 years, and has for four terms been a member of the State committee.

A true civic leader, Arlie Ewing has been involved in numerous community affairs. He has served for several years as chairman of the budget and finance committee of the city of Redondo Beach; has held the office of vice president of the Food and Drug Council; and has served on State committees. Currently, Arlie is serving as a member of the harbor commission in Redondo Beach.

Mr. Speaker, we are fortunate in southern California that we have individuals like Arlie O. Ewing who are willing to give of themselves for the benefit of their community and fellow man. I know that his wife Jessie and his children—Glen, Wayne, and Margaret—share in the pride we have for this great humanitarian.

## ARCHER FULLINGIM RETIRES; TEXAS POLITICIANS BREATHE EASIER

### HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. CHARLES WILSON of Texas. Mr. Speaker, I do not guess it is very often that a Member will rise in these chambers to pay homage to someone who has slandered him. We are all accustomed to having our egos trampled, of course, but that does not mean we should do honor to the tramplers. Archer Fullingim, though, is a far cry from your standard, run-of-the-mill ego-trampler.

For 22 years now, Archer has been putting out a little weekly paper in a little town named Kountze, and there probably has not been a year when he could not count almost as many libel suits as paid advertisers. That does not mean he is irresponsible or unfriendly or anything; he just believes in getting things off his chest and letting you know whose newspaper it is you are reading.

That the Kountze News belongs to Archer is a fact nobody has ever seen fit to challenge. He turns it out every Tuesday on a cranky, wheezy old flatbed press that looks like something Gutenberg improved on, talking to it and tinkering with it till it agrees to meet him halfway. In the process, that old press gets two things from Archer that no Texas politician in the last 22 years has been able to get: flattery and compromise.

In between his various cantankerous campaigns and crusades, Archer has found time for his other interests as well. He is a yarn-spinner and shirt-cuff raconteur without par, and he makes something called Mayhaw Jelly that you would swear was a collaborative effort between Mother Nature and Sardi's.

Archer has also fallen in love with the pine bogs and backwoods of the Big Thicket Wilderness, and he will tell you with a straight face that he can talk to the trees. And you cannot help but believe him. He looks like he probably can, tall and angular and all, about as gnarled and ageless as some king cypress hidden off in a timeless corner of the thicket wilds.

At any rate, Archer has decided to quit the newspaper business. That is probably going to make the world safer for a lot of us politicians, but it is sure going to make newspaper reading a lot duller, too. I remember when Archer got so exasperated at Lyndon Johnson that he cut off Lyndon's subscription, and the White House was not sure if it should be angry or thankful.

Just because he is giving up the paper, though, does not mean Archer is going to retire. What he says he wants to do now is search full time for the ivory bill woodpecker, something he is been doing part-time for a quarter century. Next to Archer, the ivory bill is probably the strangest constituent I have got: a huge, solitary bird, ornithologists say it is possibly the rarest creature in North America and they doubt if any of them live anywhere outside the Big Thicket. And even there, if they still exist, the ivory bill is hidden away back in places even the Indians could not get to.

Godspeed, Archer, it sounds like an even match.

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## THE WAR ON POVERTY MUST NOT BE ABANDONED

## HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. SEIBERLING. Mr. Speaker, on March 16, 1964, when President Johnson called for "a national war on poverty," he said our objective in that war was "total victory."

In a spirit of hope and enthusiasm, Congress passed the Economic Opportunity Act of 1964, establishing the Office of Economic Opportunity. With an $800 million appropriation, the war on poverty was launched.

Now, 10 years and $13 billion later, the Nixon administration is pushing to abandon the war on poverty by abolishing OEO and eliminating all funds for Community Action Agencies—the heart of the antipoverty program.

Their public rationale for killing OEO is that the programs have not succeeded in eradicating poverty in America. Yet they offer nothing in its place. The only conclusion one can draw is that the long-overdue Federal commitment to "total victory" over poverty, enunicated by President Johnson in 1964, is no longer a goal of this administration.

With the benefit of 10 years of experience, we now know that some of our expectations for OEO programs were naive. For example, it seems clear today, now that we know more about the nature of urban poverty, that the key to braking the poverty cycle lies not only in providing social services to the poor, but in providing decent paying jobs to those who can work and adequate income maintenance to those who cannot.

But it is precisely because we have had the benefit of learning from OEO programs for the last 10 years that our knowledge about what is effective in eradicating poverty has become more sophisticated. Just because OEO cannot make poor people unpoor does not mean that it has not and cannot continue to perform a valuable function.

In addition to serving as a national laboratory for poverty experiments, OEO has, through the local Community Action Agencies, been able to provide many services to the poor which make a difference, however small, in the quality of their lives. And perhaps most important of all, the Community Action Agencies have given the poor a voice in their community and in their government. For the first time in our history, millions of poor people have developed a sense of belonging to and participating in their government and in making policy which affects their lives. There is no better investment in the future of democracy than this kind of involvement at the local level of government.

For example, in Summit County, Ohio, the Community Action Council has established seven neighborhood centers throughout the area which provide important social services including emergency assistance, credit unions, food cooperatives, referral to other agencies, transportation, emergency housing and recreation to poor people living in the area.

According to Don Ellis, executive director of the Summit County Community Action Council, these neighborhood centers are "the most important part of what we are doing" not only because they provide important services which would otherwise not be available, but because they involve the people being served in their government.

Like other CAC's, the Summit County program has had some failures along with some successes. And it has not decreased the number of poor people in Summit County. But as Akron City Council President Ed Davis put it recently—

> CAC has presented an opportunity for the release of the anxieties and frustrations of a people who had no outlet before.

Davis predicts:

> If CAC's lose their funding, the rising expectations in the poor areas will be cut off. There could very well be a social holocaust if we don't see that this program continues.

I ask unanimous consent that three articles from the Akron Beacon Journal of March 17 describing the Summit County Community Action Council program be printed in the RECORD at the conclusion of my remarks. These articles illustrate in graphic terms the great range of the council's antipoverty programs and the devastating effect the administration's cuts will have on these programs.

I am pleased that the administration is talking of supporting a negative income tax-type program to replace the current hodge-podge of welfare payments. I support this concept and look forward to reviewing the administration's proposal as soon as it is sent to Congress. But income maintenance alone will not end poverty. It will keep people alive. It will not help them to become self-supporting.

The war on poverty must be many-faceted: it must contain an adequate income maintenance program; it must contain a massive public works job program; it must contain substantial manpower training programs; it must contain quality educational opportunities for all; and it must contain some kind of Federal antipoverty office, such as OEO, which can focus national attention on the need to eliminate poverty and continue to fund local and national antipoverty efforts.

In 1964, when the poverty war was launched, there were 36.1 million people living below the official Government poverty line. Today, there are some 25 million. Although the number of officially "poor" people has decreased in the last 10 years, the gap between what poor people have and what the rest of us enjoy has actually widened in that time. Clearly we are a long way from meeting our goal of abolishing poverty in America.

Since the administration has left no doubt about their intention to kill the poverty program, it now falls to Congress to maintain the pledge made 10 years ago with the passage of the Economic Opportunity Act. I understand that the Equal Opportunities Subcommittee of the House Education and Labor Committee is now working on a bill (H.R. 12464) to extend the Office of Economic Opportunity for an additional 3 years. That bill deserves the full support of every Member of Congress who believes that poverty has no place in American society today.

Th above-mentioned newspaper articles follow:

[From the Akron Beacon Journal, Mar. 17, 1974]

### PROGRAMS FOR SUMMIT'S POOR NEAR COLLAPSE

(By Bruce Larrick)

The Summit County-Greater Akron Community Action Council (CAC) story over its 9½ years has been one of successes, failures, internal bickering, rising hopes and, now imminent collapse.

Formed in late 1964 to handle War on Poverty funds meted out by the U.S. Office of Economic Opportunity (OEO), CAC has brought about $17 million in Federal funds Summit County's poverty pockets in Akron, Barberton, Springfield Twp. and Twinsburg Heights.

The war is far from won. Only about a fourth of the county's poor have been touched by the program—and the bulk of the money has not been funneled directly to the poor who have been involved.

But now it appears on June 30, CAC will lose $826,000 of its $2.4 million annual budget.

Less than $1.6 million will remain for programs that will essentially be leaderless and without input from the poor people they are to serve.

Included in the money to be lost is support for what CAC Executive-Director Donald J. Ellis describes as the "head" and "heart" of CAC. The "head" is the CAC central administration, which oversees CAC's 13 programs; the "heart" is the Neighborhood Centers.

There are seven CAC neighborhood centers—east, west, north and south Akron, and Springfield, Barberton and Twinsburg Heights.

"Those centers are the most important part of what we're doing," Ellis said. "They're dealing with poor people on a grass roots level. They provide emergency assistance, credit unions, food cooperatives, referral to other agencies, transportation, emergency housing and recreation. You name it, they do it.

"They're also the very foundation of our democratic structure. We formed neighborhood councils at each center. They elect representatives to our governing board and advise in the operation of the centers and the other programs.

"You know how everybody these days is talking about citizen participation in government and community organizations? CAC has had that since 1965 because we realized that programs aren't worth anything without input from the people you are supposed to help."

Included among the 48 members of CAC's Governing Board are 16 representatives of the poor, 16 representatives of community interest groups and 16 public officials.

The poor is what CAC is supposed to be about. Ellis admits frustration at being able to reach 25 pct. of Summit County's poor at the most. But he said he can tick off the names of 100 persons CAC "has lifted out of poverty."

Among them are Diane Hill and Lois Bailey.

Mrs. Hill, 26, of 1246 Laffer av. came to Akron in 1968 from Tennessee, where she dropped out of school at age 14. She enrolled in the STRIDE program for high school drop-outs.

"I started as a clerical aide in the north Akron center," she said, "I was trained as a clerk-typist and got my high school equivalency diploma."

Mrs. Hill, then began full-time work as a receptionist for the Akron City Demonstration program.

* * * * *

She is now switchboard operator for the Summit County Red Cross.

The mother of six said, "Things are much better now. I'm certainly not rich, but I have some training, a job and a future.

Mrs. Bailey, 43, of 1002 Pitkin av., worked for CAC for five years before becoming a bookkeeper for the United Rubber Workers International office.

"I started as a neighborhood aide at the Lane Wooster Center," Mrs. Bailey said. "From there, I went to the central office, where I ran the Xerox machine. Then I became secretary for the Foster Grandparents Program and eventually went to the housekeeping department.

"The training I got definitely helped me. I was able to buy a home and my daughter Margo is now in her fourth year of college, the mother of three said.

Such success stories were hard to come by when CAC was in its infancy. The governing board meetings would last hours as arguments flared—primarily between representatives of the poor and public officials.

Directors went in and out of CAC as if the agency were a revolving door. Programs were begun and discarded with regularity.

Ellis has been executive director since July of 1969. In the previous four years he was preceded by Mrs. Lois Scherer, William Fowler, Alan Jackson and Blanford Fuller.

"For too long, the executive director was considered the 'enemy' by the poor people on the Board," Ellis said. "It's impossible to have such turmoil at the top and have an effective program."

Mrs. Ann Gates, the Akron Board of Education's representative on the Governing Board for six years, said the early years of CAC were hampered by an "anti-establishment" attitude.

"We had our money and thumbed our noses at everybody else," Mrs. Gates said. "We alienated people by telling them they blew their chance to help the poor. That was the wrong way to go about it.

"We should have sat down with other agencies and asked how we could combine our efforts. We didn't. Now that attitude is gone, but it's still hurting us in terms of community relations."

Ellis agrees with Mrs. Gates.

"Only recently have we begun to mend some fences," he said. "We've matured, and other organizations are now beginning to respect us.

"You have to realize that in those early years, the poor people had never before been given an opportunity for participating and having a say in anything. So they stepped on a few toes when they had a chance to get a piece of the action.

"Along with that problem was the fear of CAC in the minds of many, who saw CAC as something that would take money away from other programs."

Although poor people do participate in CAC, the bulk of the $17 million has not gone directly to the 10,000 poor people CAC serves, Ellis admits. And he estimates there are 45,000 poor people in the county.

"The real beneficiaries of this money have been area businessmen from whom we buy or lease things," Ellis said.

"It's shameful, but we deal with no black businesses."

The 290 CAC employees spend their salaries which comprise the majority of CAC expenditures, with merchants and landlords. Ellis said he is "saddened with the lack of support we get from local businessmen."

Of CAC's 290 employes, 85 pct., or 247, are classified as former poor persons. They take home 58 pct., or about $1.39 million, of CAC's $2.4 million annual budget.

Ellis also admits that CAC's money has not brought about a decrease in Summit County's poor population.

"Truthfully, there were fewer disadvantaged people in the county in 1965 than there are now," he said. "It's a vicious cycle of people being lifted out of poverty and others being born into it.

"We feel we've had an impact, but the money has gone to hire staff to provide services with little left over to operate on. Had there been adequate funding, say $50 or $60 million over these nine years, then we would have made a significant dent in the area's poverty."

Ellis lists three other major failures of CAC:

Lack of involvement of "a substantial portion of the poor white population. The percentage of blacks that are poor is higher, but the total number of poor whites is higher. We've tried, but haven't been able to establish a greater balance." Ellis estimates that 70 pct. of those served by CAC are black.

No effective public relations activity. "For too many years we've had no means of telling our side of the story," Ellis said.

Lack of documentation of the positive effects of CAC's programs. "I can't pull out a document that tells you how many people CAC has taken off the welfare rolls," he said.

The lack of documentation and poor relations with the rest of the community could hurt CAC badly after June 30, when it will have to depend on local funding sources if it is to survive.

If Congress does not act to extend the life of OEO, Ellis said, City Council will be asked to pick up a large chunk of CAC's $826,000 shortfall.

CAC officials will appear before City Council's Finance Committee at 5 p.m. Monday to present a request for $500,000 in Federal revenue sharing money. Akron's revenue share is about $4.1 million a year.

"The poor are entitled to some of that money," Ellis said. "We'll also be asking Barberton, Springfield Twp. and Twinsburg Twp. for some money."

Akron Mayor Ballard said Wednesday that CAC would have to prove to him the value of its programs before he could recommend giving it money.

"Before I would be inclined to use City funds to perpetuate these programs, I want to see the benefits," Ballard said.

"I want to see who is winning the war on poverty and where the battle is being waged. I know the costs. What I need now is to see the results and find out the track record of CAC."

Council President Ed Davis (D-3) predicts that if the City fails to come to CAC's rescue, "Attitudes will be worse in the poor areas than before CAC began. The rising expectations will be cut off. There could very well be a social holocaust if we don't see that this program continues."

Davis added that CAC "has not only provided services for the poor. It has presented an opportunity for the release of the anxieties and frustrations of a people who had no outlet before."

The CAC Governing Board last year vowed not to close up shop and go home after June 30.

"We're a private, non-profit corporation and will continue to exist after June 30," Ellis said. "The only way we'll lose our other program is if it's obvious no more money is coming in. Then we'll have to cooperate with other agencies who may take them over.

"But if that happens, the poor people will lose their voice in control over the programs."

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### SUMMIT PROGRAMS FACING PHASEOUT

The CAS programs and funding the Nixon Administration is proposing to eliminate are in the "local initiative" category. Those programs and their OEO funding for this year are:

Central Administration—$158,781 to coordinate, direct and evaluate all other CAC programs.

Neighborhood Centers—$386,755 for seven centers to provide manpower, housing, education, welfare, consumer education, transportation, food cooperative and health services. The centers are in north, south, east and west Akron, Barberton, Springfield Twp. and Twinsburg Heights.

Economic Development Program—$70,200 for business management training for poor people.

Youth Economic Development Program—$159,916 for job training and placement for poor youth.

Akron-Summit Tutorial Program—$51,248 for cross-age teaching, in which high school students teach younger student to read.

The total of the "local initiative" funds scheduled for cut-off on June 30 is $826,000.

Two other OEO-funded programs are scheduled for transfer to other agencies. They are:

Senior Workers Action Program—$35,000 for work on the problems of the elderly poor.

Legal Services—$94,978 for the Summit County Legal Aid Society, which provides legal advice and representation for those who cannot afford it. Congress has already passed a bill transferring the administration of this program to a quasi-governmental agency.

The rest of the CAC programs are funded by other agencies and are not threatened with immediate cut-off of funds. They are:

Project STRIDE—$265,042 from the U.S. Department of Labor for hiring, education and counseling of high-school drop-outs.

Head Start Program—$740,000 from the U.S. Department of Health, Education and Welfare (HEW) to provide pre-school training and health services for disadvantaged children. The program is run by the Akron, Barberton and Twinsburg school systems.

CAC-CARES—$35,000 from HEW for an alcoholic rehabilitation program.

CAC-SCENE—$30,000 from HEW for a drug rehabilitation and crisis center.

Foster Grandparents Program — $72,088 from ACTION, a Federal agency that also handles such programs as the Peace Corps, to employ senior citizens in hospitals, day care centers and nursing homes.

Barberton Child Development Center—$51,785 from the Ohio Welfare Department for pre-school training and health services for disadvantaged children in Barberton.

Model Cities Transportation Service—$243,374 from the U.S. Department of Housing and Urban Development to operate a mini-bus service for senior citizens in the

Model Cities neighborhood southwest of downtown Akron.

The Nixon Administration also has proposed a June 30 cut-off of the Model Cities program, but adds that funds may still be available through special revenue sharing.

If funds are available, Akron's City Demonstration Agency will decide whether to continue this program.

### AREA OEO PROGRAMS SUFFER BUDGET CUTS

When Federal funding for the War on Poverty expires June 30, the Summit County-Greater Akron Community Action Council (CAC) will not be the only such agency in the Akron area in dire straits.

Community action agencies in Stark, Portage and Wayne counties also will lose more than a third of their budgets.

In Canton, the Stark County Human Development Council has brought in more than $7 million in Federal funds over the past 10 years.

Council Director Charles L. Currence said his agency, formerly known as the Stark County Council for Economic Opportunity, "does not intend to lay down and be killed by some administration in Washington. We've started a job and we're not quitting until it's done."

Currence said the Stark County Council this year is spending $340,000 in U.S. Office of Economic Opportunity (OEO) funds to help more than 10,000 of Stark's 28,000 poor.

The Portage County Community Action Council has concentrated its effort on improving conditions in the black ghettos of McElrath Park and Skeels allotment.

Aside from the $250,000 annual budget, Portage CAC has worked to bring a $1.6 million sewer and water project to Skeels and McElrath. The Federal government gave $900,000 for the project, and CAC is trying to raise another $100,000 for those unable to pay assessments.

The Ashland-Wayne County Community Action Commission operates on an annual budget of $4,036 which goes to help rural poor in the primarily agricultural counties.

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## THE QUESTION OF FEDERAL LAND USE PLANNING IS VERY MUCH ALIVE

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. RARICK. Mr. Speaker, the Federal land use legislation question continues very much alive. Discussions of the subject by various "land-use experts" suggests that they are more interested in influencing public opinion toward acceptance of a revolutionary new Federal program, than in analyzing its effect and determining how it would operate.

Characteristic of these one-sided discussions of land use is the soft sell technique to convince the public that the land use program would be completely controlled and operated by the States, that the program is "voluntary," and that land use planning is not a "no-growth program."

The "land use experts" often refer to the bill H.R. 10294 when illustrating their position, however, few care to mention the report of the Interior and Insular Affairs Committee which accompanied the bill, explaining the proposed law.

So that our colleagues may have a better understanding of the intent of the law, with respect to State control, voluntary participation and no-growth policy, I insert related excerpts of the committee report with my remarks.

#### STATE CONTROL

Beginning at page 44 of the report, under section 103 State land use planning grants, we read:

> The Secretary of the Interior here is authorized to make annual grants to a State having an "eligible State land use planning agency" and an "intergovernmental advisory council" to assist in development and administration of a "comprehensive land use planning process."
>
> An eligible State land use planning agency is defined as one having primary authority and responsibility for development and administration of a comprehensive land use planning process and having a "competent and adequate interdisciplinary professional and technical staff as well as special consultants" available to it throughout the planning process.
>
> In so describing the character of this agency, the Committee seeks to make clear that something more than a "State Planning Department", common in many States in the past, is required to retain eligibility under the Land Use Planning Act. The emphasis is on *land use* planning rather than *program* planning; also the elements of competence and varied disciplines on the agency staff are of particular significance.

Further, at page 47, under section 108, we find the following language:

> Prior to making any land use planning grant, the Secretary is required to consider the views and recommendations of the Interagency Land Use Policy and Planning Board and of all Federal agencies involved in programs significantly affecting land use but not represented on the Board. He must then determine eligibility of a State not later than three months after its application is received.
>
> Prior to making a grant during the first three years after the Act goes into effect, the Secretary must be satisfied that the grant will be used to develop a comprehensive land use planning process; or, if developed within the three-year period, the State is proceeding to administer it.

At page 51 of the report, section 401 tells us which Federal agencies, commissions and bureaus will head the program:

> This section establishes an Interagency Land Use Policy and Planning Board composed of an appointee of the Secretary of the Interior as Chairman, and representatives of 12 agencies—the Departments of Agriculture; Commerce; Defense; Health, Education, and Welfare; Housing and Urban Development; Transportation; and Treasury; the Atomic Energy Commission, Federal Power Commission, Environmental Protection Agency, General Services Administration, and the Council on Environmental Quality. Other agency participation is provided for when matters affecting their responsibilities are under consideration. State and local governments and regional entities having land use planning and management responsibilities also would participate.
>
> The Board is to meet regularly and is directed to provide information and advice concerning the relationship of land use planning to programs of agencies represented on the Board, to assist CEQ and the Secretary of the Interior in promulgation of guidelines and rules and regulations, assist in the development of consistent public land use plans, provide advice on such land use policy matters as are referred to it by the Secretary, and submit reports to the Secretary on land use policy matters referred through agency representatives on the Board.
>
> As examples of how the Board will function, it is here that the Coastal Zone Management Act program can be coordinated with land use planning; and that HUD will be able to assure that State land use planning processes are more effectively coordinated with the Nation's housing goals.

#### VOLUNTARY PARTICIPATION

At section 110, the report reveals:

> Where a State is found ineligible for grants, this section requires any Federal agency proposing "any major Federal action significantly affecting the use of non-Federal lands" after five years from the date of enactment to hold a public hearing, make findings, and submit them to the Secretary for review and comment.
>
> The purpose of this section is to provide a form of suasion short of sanctions to persuade a State to take advantage of the provisions of this Act. The findings and comments would be made part of the detailed statement required under the National Environmental Policy Act. If the President were to determine that the interests of the United States so require, this section would be subject to exception.

#### NO-GROWTH POLICY

At page 43 of the report, we find:

> In summary, the Committee has no objection to identification of the Land Use Planning Act as environmental legislation, and in fact believes it to be an accurate characterization. But every effort has been made to take a balanced approach to the concept of land use planning and to recognize that we are considering the *use of land* for various purposes that must be achieved, and are *not* proposing a no-growth policy. Individual States well may decide there shall be no growth or development in certain areas as a part of its comprehensive land use planning process, but this bill does not contemplate adoption of such a National policy. Balanced with the ecological considerations we believe to be important are the broader environmental concepts that will promote a wise use of land for all the purposes required by mankind.

Special attention should be given part B—Comprehensive Land Use Planning Process, found on page 45. It gives a graphic description of how far the Federal Government is planning to go in dictating what Americans can and cannot do with their private land and buildings.

#### PART B—COMPREHENSIVE LAND USE PLANNING PROCESS

> The four sections in this part of title I provide for the development of a comprehensive land use planning process and the subseqent administration or implementation of the process. These sections also set forth certain requirements as to use and development in accordance with the comprehensive land use planning process. Where the term "development" is used in this latter sense it means, in the context of the American Law Institute Model Code, the dividing of land into two or more parcels, the carrying out of any building or mining operation, or the making of any material change in the use or appearance of any structure or land. Development includes, but is not limited to erection construction, redevelopment, alternation or repair. When appropriate to the context, development refers to the act of developing or to the result of development.

By looking beyond the mere title of the Land Use Planning Act, we can see the bill for what it is, a blueprint for all land in the United States controlled by the Interagency Land Use Policy and Planning Board of the Federal Government.

This board is composed of an appointee of the Secretary of the Interior as chairman and representatives of 12 Federal agencies.

State acceptance of this latest Federal program would be "voluntary" provided the State could afford to turn down the Federal seed money, and after 5 years, could battle against Federal "suasion short of sanctions to persuade a State to take advantage of the provisions of this act."

Despite assurances by the committee that the bill does not contemplate "no-growth" as a national policy, many American citizens are gravely concerned. When we look at the intent and scope of this bill, we learn that their concerns that the use of their private property will be taken away by the Federal Government without regard for the constitutional prohibition against seizure of private property, "without just compensation," are justified.

I, as one Congressman, share their concern, and hope that our colleagues will, also.

## "THE SKY IS GETTING BLACK, MY THROAT AND LUNGS HURT, AND THE AIR STINKS—WHY, IT MUST BE SPRING"

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. BROWN of California. Mr. Speaker, as you walk about Washington over the next few weeks and months, enjoying the blooming of the cherry blossoms and the other beautiful indicators of the arrival of spring, I would like you and our colleagues here in the Congress to spend a few moments every now and then thinking of the residents of southern California and the environment we are currently enjoying—no, enjoying is not appropriate, let me say the environment we are currently undergoing. Let me read you an article which appeared in the Riverside Press-Enterprise of last Saturday, March 16:

### YEAR'S FIRST SMOG ALERT CALLED IN RIVERSIDE AREA

(By Mark Gladstone)

The first smog alert of the year was called in Riverside County Friday, as temperatures continued in the 80s and 90s.

The first-stage alert was called by the Air Pollution Control District in Rubidoux at 4:15 p.m. when the oxidant level reached .27 parts per million parts of air (ppm).

At 4:23 p.m., a high of .28 ppm was reached in the Riverside area. The alert was called off at 4:30 p.m.

An alert is called by the Riverside County APCD when oxidants reach .27 ppm.

The APCD said a first-stage alert means that people with respiratory problems should stay indoors and refrain from strenuous activity.

When the alert level is reached, the APCD contacts the news media, schools, and hospitals.

Press-Enterprise weather records show that Friday's alert is as early in the year as an alert has been called in the Riverside area. On March 15, 1972, an alert was called when the oxidant level reached .27 ppm.

Oxidant highs in other Riverside County communities as of 5 p.m. were: .21, Prado Park; .16, Perris; .09, Hemet; .06, Indio.

Outside the county, the high oxidant reading San Bernardino was .13 ppm; central Los Angeles .21 ppm; and Anaheim .15 ppm.

By 6:30 p.m. the oxidant reading in the Riverside area was .12 ppm. The oxidant level first went above .10 ppm at 11:38 a.m., according to the APCD. The state Air Resources Board has said that conditions adverse to health exist when the level is above .10 ppm for more than one hour.

The APCD expects the level to be .30 ppm or less in the Riverside area today and Sunday; .20 ppm or less in Prado Park; and .10 ppm or less in Hemet and .15 ppm or less in Palm Springs and Indio.

Temperatures in the western county remained in the 80s for the second day in a row. Riverside had a high of 83—the high for the year.

In the desert, the high for the year, 98, was recorded in Thousand Palms.

The National Weather Service expects the warm temperatures to continue today and Sunday.

Crop protection should not be needed in the western county Saturday night, according to the weather service.

Mr. Speaker, I intend to say a great deal more about this situation during this session of the 93d Congress, particularly as legislation which could have some effect on the pollution situation reaches the floor of the House for debate, but for now I will close with this brief reminder that the people of my district are having years taken off their lives by the manmade poison they are forced to breathe. Happy spring.

## AMENDMENT TO H.R. 69

## HON. CARL D. PERKINS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 21, 1974*

Mr. PERKINS. Mr. Speaker, pursuant to the provisions of House Resolution 963 regarding amendments to title I of H.R. 69, I am inserting in the Record the following amendment on behalf of Congressman Al Quie and myself:

On page 46 in line 3 insert after "that" the following: ", notwithstanding the provisions of section 425 of the General Education Provisions Act,"; strike in the same line the word "has" and insert in lieu thereof the word "may"; and in line 4 before "an" insert the following: "an advisory council for the entire school district and must establish".

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# HOUSE OF REPRESENTATIVES—*Monday, March 25, 1974*

The House met at 12 o'clock noon.

Rev. Cecil LeRoy Morris, retired minister, United Methodist Church, Springfield, Ill., offered the following prayer:

Dear Lord and Father of mankind, amid the turmoil and tension of our times, may we be still and know with confidence that Thou art God. Let us be so attuned to the infinite that our finite selves may hear the still small voice, and may Thy spirit bear witness with our spirits that we are Thy children.

This day, we pray for the nations of the Earth, and for all who hold places of responsibility. Give wisdom that good will prevail. Especially, let Thy benediction be upon this House of Representatives, and let Thy grace reach out to the last individual in the farthest district.

Help us, O Lord, to have a deeper sense of gratitude for our goodly heritage. May "In God We Trust" be a true affirmation of our faith. And let us be reassured that righteousness does exalt a nation.

In the name of Jesus Christ. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 9492. An act to amend the Wild and Scenic Rivers Act by designating the Chattooga River, North Carolina, South Carolina, and Georgia as a component of the National Wild and Scenic Rivers System, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to a bill of the Senate of the following title:

H.R. 13025. An act to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 7130) entitled "An act to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over impoundment of funds by the executive branch, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Ervin, Mr. Muskie, Mr. Ribicoff, Mr. Metcalf, Mr. Cannon, Mr. Pell, Mr. Robert C. Byrd, Mr. Allen, Mr. Percy, Mr. Roth, Mr. Brock, Mr. Cook, Mr.

Hugh Scott, and Mr. Griffin to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate with an amendment to the bill of the following title:

S. 1125. An act to amend the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act and other related acts to concentrate the resources of the Nation against the problem of alcohol abuse and alcoholism.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 240. An act for the relief of Mrs. Wanda Martens;

S. 404. An act for the relief of Arthur Rike;

S. 2362. An act granting the consent and approval of Congress to the Cumbres and Toltec Scenic Railroad Compact; and

S. 3228. An act to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

The message also announced that the Vice President, pursuant to Public Law 85–474, appointed Mr. Sparkman, Mr. Montoya, Mr. Hugh Scott, Mr. Curtis, Mr. Stafford, Mr. Roth, and Mr. William L. Scott to attend the Interparliamentary Union Meeting to be held in Bucharest, Romania, April 15 to 20, 1974.

## ANNUAL REPORT OF JOINT ECONOMIC COMMITTEE

(Mr. BOLLING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOLLING. Mr. Speaker, I have today filed with the House the annual report of the Joint Economic Committee. This is done in accordance with the Employment Act of 1946 which requires that the committee file with the Congress a report evaluating all of the major recommendations contained in the President's Annual Economic Report. I am sure that Members will find this document very helpful in assessing the very difficult problems of the U.S. economy and in dealing with legislation that relates to economic policy.

## PERSONAL EXPLANATION

Mr. FLOOD. Mr. Speaker, on Monday, March 18, 1974, on rollcall No. 93, the vote on S. 2771, special pay bonus structure relating to Members of the Armed Forces, considered under suspension of the rules, I am recorded as voting "nay." I intended to vote "yea," and I wish the Record to so show.

## VIETNAM VETERANS WEEK

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MONTGOMERY. Mr. Speaker, I rise today to remind my colleagues that beginning this Friday, March 29, and running through Thursday, April 4, will be Vietnam Veterans Week. This special week is the result of action we in the Congress took to focus attention on former U.S. servicemen who served in the Armed Forces during the Vietnam conflict. These men and women are deserving of recognition by their fellow Americans.

Veterans Week should also bring to mind the need for Congress to provide a realistic program of benefits for these veterans in order to provide them every opportunity possible to find employment and become productive members of the labor force. As a member of the House Veterans' Affairs Committee, I can say that this has been the objective of Chairman Dorn and other committee members and it is an objective we will continue to pursue.

The veterans of Vietnam fought in the longest and one of the most difficult armed conflicts in which our Nation has ever been involved. They fought and served valiantly in order to preserve democracy for the freedom-loving people of Southeast Asia. Their contributions to freedom in that part of the world is yet to be fully recorded by history.

Mr. Speaker, I urge each of my colleagues to make note of Vietnam Veterans Week in their respective districts in order that we have a united effort of tribute to these fine service men and women. I also commend various organizations such as the U.S. Conference of Mayors and National League of Cities who are joining in the nationwide effort to secure employment for the Vietnam veterans. By all working together we will be able to provide proper recognition during Vietnam Veterans Week.

## INTRODUCTION OF S. 3228, FUNERAL TRANSPORTATION AND LIVING EXPENSE BENEFITS ACT OF 1974

(Mr. SEBELIUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SEBELIUS. Mr. Speaker, last Friday my good friend and colleague, Senator Bob Dole of Kansas, introduced special legislation pertaining to a unique and urgent problem. In a humanitarian effort to alleviate hardship on the families of men who died in captivity in North Vietnam, the Senate enacted Senator Dole's legislation, the Funeral Transportation and Living Expense Benefits Act of 1974, S. 3228.

Today I am introducing this same bill so that this body can also accord the appropriate courtesies to the families of our prisoners who died in captivity and whose remains will be returned for burial in accordance with the Paris Peace Agreements of 1973. I trust that the House will take immediate action on this bill or one like it.

In order that my colleagues may better understand and appreciate the nature of this legislation, I am inserting Senator Dole's comments at this point:

> Mr. Dole. Mr. President, the morning paper carried a most compelling story of the family of an American prisoner of war who died in captivity in North Vietnam. His remains—along with those of 22 other deceased POW's—have at last been released by Hanoi for burial in the United States.
>
> However, it appears that his family faces the prospect of bearing the entire cost of traveling to Washington from Sacramento, Calif., to attend funeral ceremonies in Arlington National Cemetery.
>
> This, naturally will entail a considerable expense for the family of this man—Navy Capt. John Abbott—as well as for the families of the 22 other servicemen whose remains were released in the last 2 weeks.
>
> As most Americans recall, our Government made a gracious and generous effort to accommodate the families of the 556 POW's who were released by Hanoi in 1973. When these men were returned, at last, to the continental U.S. their families were flown in from distant cities for the joyous reunions which the entire nation witnessed on television. In addition, these men and their wives, mothers, or sweethearts were brought to Washington last summer as the guests of the President and the entire country for a day of recognition and honor which culminated in a state dinner at the White House.
>
> Of course, these were entirely appropriate and fitting courtesies for these brave men and their equally courageous families. However, it now appears that standard military regulations and requirements may work an unfortunate hardship on the POW families who were not among those whose joy we shared last year. There is no authority to provide other than the standard military death benefits to the families of prisoners who died while in captivity.
>
> Therefore, I am introducing the "Funeral Transportation and Living Expense Benefits Act of 1974" to, in some small way accord appropriate courtesies to the families of our prisoners who died in captivity and whose remains will be returned for burial in accordance with the Paris Peace Agreements of 1973.

I am proud to join my colleague, Senator Bob Dole, in this effort and at this point introduce the Funeral Transportation and Living Expense Benefits Act of 1974.

## MARYLAND DAY

(Mr. BAUMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BAUMAN. Mr. Speaker, 340 years ago today a tiny band of settlers from England stepped off their boat onto a small island in the broad mouth of the Potomac River. They were the first citizens of what later became the "Free State," the great State of Maryland.

Today, Marylanders, especially those in St. Mary's City, where Leonard Calvert and his party established the first colony in the State, are celebrating "Maryland Day," and I wish to express my pride in having the privilege of representing the area which includes St. Clements Island, where those first Marylanders stepped ashore in 1634, and St. Mary's City, the first settlement, and later the first capital of Maryland.

Throughout the history of America, Maryland has played a proud and important role in the development of the United States. Established as a bastion of religous freedom when other colonies were severely restrictive, Maryland led the way in establishing as commonplace the freedoms we all enjoy today.

Rich in history, Maryland has become a modern and progressive State, and its citizens contribute much to the Nation. Its farmers produce large quantities of feed grain, corn, soybeans, and other crops; industry produces billions of dollars worth of manufactured goods each year; and Maryland leads the Nation in the production of oysters, clams, and striped bass. Broiler producers out on the Eastern Shore raise 350 million birds a year, more than 10 percent of the Nation's output.

Mr. Speaker, I happily join with all of the 4 million citizens of Maryland in celebrating "Maryland Day," and I invite all of you to come and visit us sometime soon. It is a trip you will always enjoy and remember, and it is only a tankfull away.

## JOHN GARDNER OF COMMON CAUSE

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Speaker, I was not present in the Chamber last Thursday when the distinguished chairman of the Committee on House Administration made certain remarks with reference to John Gardner, the head of Common Cause.

The chairman said he took exception to an advertisement sponsored by that organization and he might well have risen to a point of personal privilege.

Well, John Gardner is not a member of this body and therefore cannot rise to a point of personal privilege, but the Record I have before me indicates that the speech, which I did not hear, indicated that the legislation which will be reported will apply to all candidates, and I quote, "candidates of all parties, and we hope to be able to apply it as well to common crooks like John Gardner, the head of Common Cause."

Mr. Speaker, John Gardner is a decent and an honorable man and one whom I am proud to call my friend. I have not always agreed with him on all issues, but he has interested himself in the process of government, and I cannot sit quietly by and see his name demeaned. John Gardner has had a distinguished career in public service as a former Secretary of Health, Education, and Welfare. Now as the head of Common Cause he is continuing to render enduring service of a very significant nature in the pursuit of the important objective of better and more responsive government. I consider him a truly great citizen of our Republic.

## PROVIDING FUNERAL TRANSPORTATION AND LIVING EXPENSE BENEFITS TO THE FAMILIES OF DECEASED PRISONERS OF WAR

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 3228) to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the Senate bill as follows:

S. 3228

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

Section 1. This Act may be cited as the "Funeral Transportation and Living Expense Benefits Act of 1974".

### FINDINGS

Sec. 2. (a) The United States did in 1973 provide transportation and other amenities to families of five hundred and fifty-six returned prisoners of war for reunions upon these men's arrival in the continental United States after release from imprisonment by the government of the Democratic Republic of Vietnam and did in 1973 also provide transportation and other amenities to these returned prisoners of war and their families to attend ceremonies in their honor in Washington, District of Columbia.

(b) The remains of other prisoners of war, having died in captivity in Southeast Asia, are now being returned to the United States for burial.

(c) The United States owes no lesser degree of respect, honor or solicitude to the memories of the men who died in captivity and their families than in the cases of those who survived and returned alive to the United States.

(d) It is fitting and proper, therefore, as a mark of respect to those men who died in captivity while serving in the Armed Forces of the United States, the comparable courtesies and amenities be extended to the families of these deceased military personnel.

### BENEFITS

Sec. 3. (a) The Secretary of Defense is authorized to provide funeral transportation and living expenses benefits for the family of any deceased member of the Armed Forces who shall have died while classified as a prisoner of war or as missing in action during the Vietnam conflict and whose remains shall have been returned to the United States after January 27, 1973.

(b) Such benefits shall include transportation roundtrip from such family members' places of residence to the place of burial for such deceased member of the Armed Forces, living expenses and other such allowances as the Secretary shall deem appropriate.

(c) Eligible family members shall include the deceased's widow, children, stepchildren, mother, father, stepfather and stepmother, or if none of these shall desire to be granted such benefits, the deceased's brothers, sisters, halfbrothers and halfsisters.

The Senate bill was ordered to be read a third time, was read the third, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the Senate bill just passed, which the gentleman from Kansas (Mr. Sebelius) has previously addressed himself to.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

## PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE REPORT

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services have until midnight tonight, March 25, 1974, to file its report on H.R. 12565, the Department of Defense supplemental for authorization for appropriations for fiscal year 1974.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

## DISTRICT DAY

The SPEAKER. This is District day. The Chair recognizes the gentleman from Michigan (Mr. Diggs).

## REPEALING SMALLPOX VACCINATION REQUIREMENT FOR PUBLIC SCHOOL STUDENTS IN THE DISTRICT OF COLUMBIA

Mr. DIGGS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 8747) to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill as follows:

H.R. 8747

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 274 of the Revised Statutes of the United States relating to the District of Columbia (D.C. Code, sec. 31–1102) is hereby repealed.

Mr. DIGGS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, the purpose of H.R. 8747—as set forth in House Report 93–921—is to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, which requires compulsory vaccination against smallpox for public school students. The law (D.C. Code, title 31, sec. 1102) states:

> No child shall be admitted into the public schools who shall not have been duly vaccinated or otherwise protected against the smallpox.

This legislation was introduced at the request of the District of Columbia government.

### NEED FOR THE LEGISLATION

Medical authorities in this country report that the risk of serious complication and death as a result of smallpox vaccination is far greater than the present risk of contracting smallpox.

The last confirmed case of smallpox in the United States occurred in 1949. Yet, as recently as 1968 there were nine deaths in this country, as well as 500 cases of serious complications, resulting from vaccinations against smallpox.

The last case of smallpox recorded in the District of Columbia occurred in 1932. However, within the last 6 months alone, two children have been hospitalized in the District of Columbia with complications from smallpox vaccinations.

The U.S. Public Health Service states that protection against smallpox can be maintained only through revaccination at regular intervals throughout the lifetime of an individual. The lack of smallpox in this country over the past 25 years, according to the Public Health Service, is not due to high levels of immunity, but rather due to the international effort to prevent the spread of the disease.

In view of the worldwide progress in the effort to eradicate smallpox, the Public Health Service reports that the probability of the disease being imported into this country is now minimal. It is projected that the world may be smallpox free within the next 3 years.

Accordingly, the Public Health Service, since 1971, has been recommending the discontinuance of compulsory, nonselective smallpox vaccinations. The District of Columbia is one of the last remaining jurisdictions in the United States to require that children entering public schools be vaccinated.

H.R. 8747 in no way precludes either voluntary vaccinations or selective mandatory vaccinations for persons, such as hospital workers or overseas travelers, who may be at greater risk of contracting smallpox. Vaccinations will continue to be available at no cost to District residents at District of Columbia public health facilities.

Because of the long tradition of vaccinating children against smallpox, the committee has urged officials of the District government, the board of education, and local medical organizations to engage in a cooperative effort to inform the general public of the reasons for this legislation and to inform them that vaccination on a voluntary basis is still available.

### PRECEDENTS

The Center for Disease Control of the U.S. Public Health Service reports that, as of January 1974, only the State of Kansas, the District of Columbia, and the territories of Puerto Rico and the Virgin Islands have laws or regulations requiring smallpox vaccination. Legislation to repeal the requirement has been introduced in Kansas and the District of Columbia.

Since 1971, when the Public Health Service issued its recommendation against compulsory, nonselective smallpox vaccination, the following States have discontinued such laws or regulations: Arkansas, Connecticut, Florida, Georgia, Hawaii, Illinois, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, New Hampshire, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Virginia, and West Virginia.

In the remaining 22 states and the territory of Guam, no statewide smallpox vaccination requirements were in effect, as of 1971, nor have any been implemented subsequently. The Public Health Service is unable to supply information as to what actions may have been taken in this regard by local jurisdictions within those States.

### AUTHORITY OF THE DISTRICT OF COLUMBIA GOVERNMENT NOT AFFECTED BY THIS BILL

Sections 118 and 119 of title 6 of the District of Columbia Code vest broad powers in the District of Columbia government to protect the public health, comfort and welfare against the danger of medical emergencies which might stem from the spread of communicable diseases such as smallpox.

The District of Columbia Council is empowered to promulgate, and the District of Columbia Commissioner to enforce, all such reasonable rules and regulations which may be deemed necessary to prevent and control the spread of communicable diseases in the District of Columbia.

This statutory authority, which would permit District officials to swiftly reinstitute compulsory immunization against smallpox should future conditions so warrant, would in no way be affected by enactment of H.R. 8747.

Also unaffected would be existing District of Columbia Health Regulations—title 8, sections 5:104, 5:114, and 7:107—which require hospital workers to be immunized against communicable diseases. These regulations are in keeping with the recommendations of the U.S. Public Health Service and the American Hospital Association, that immunity against smallpox be maintained by health personnel.

So long as any possibility exists of a smallpox importation, the Committee urges District health officials to strictly enforce these regulations by requiring that all workers in hospitals where smallpox might be treated, including school-aged volunteers, be vaccinated every 3 years.

### HISTORY

H.R. 8747 was introduced on June 15, 1973, at the request of the District of Columbia government. On January 22, 1974, the Subcommittee on Labor, Social Services and the International Community held a public hearing, at which time testimony in favor of H.R. 8747 was submitted by officials of the District of Columbia government; the U.S. Department of Health, Education, and Welfare, U.S. Public Health Services; the Medical Society of the District of Columbia; and the District of Columbia Chapter of the American Academy of Pediatrics. The American Medical Association submitted a copy of its resolution, adopted June 1973, supporting discontinuance of compulsory smallpox vaccinations. A representative of the Board of Education of the District of Columbia stated that the Board does not directly support or oppose this legislation. However, no opposition to the legislation was expressed to the subcommittee at the hearing or since.

On January 29, 1974, the subcommittee held a markup session, at which time the bill was ordered favorably reported to the full committee without amendment.

### COMMITTEE VOTE

The bill, H.R. 8747, was approved by voice vote of the committee on March 14, 1974.

### COST

The enactment of this legislation will involve no added cost to the government of the District of Columbia.

Mr. MAZZOLI. Mr. Speaker, I move to strike the last word.

Mr. Speaker, the bill before us—H.R. 8747—would bring the laws of the District of Columbia relating to smallpox vaccination into conformity with those of nearly all our States, and into conformity with general medical opinion.

The bill would repeal the District's current legal requirement that all children must be vaccinated against smallpox before they can be enrolled in the public school system.

Because of the very impressive results of the worldwide effort to control and eliminate smallpox, we have now reached the point where the vaccination against smallpox poses a greater hazard to the health of U.S. citizens than does smallpox itself.

The risk of becoming infected with smallpox in this country has been reduced, for all practical purposes, to zero. The last reported case of smallpox in the United States was in 1949—25 years ago. Here in the District, there has not been a single case of smallpox in over 40 years. The last recorded case was in 1932.

In the meantime, however, a significant number of complications arising from smallpox vaccinations have caused grave illness and, in some instances, even death. As recently as 1968, there were nine deaths and over 500 serious complications in the United States resulting from untoward reactions to smallpox vaccinations.

As a result, the U.S. public health service, since 1971, has urged the repeal of compulsory, nonselective smallpox immunization laws and regulations.

Last June, the house of delegates of the American Medical Association adopted a resolution endorsing the Public Health Service's position.

This stand also is supported by the committee on infectious disease of the American Academy of Pediatrics.

Our committee has been informed by the Public Health Service that, as of February 1, 1974, the only remaining jurisdictions in the United States, besides the District of Columbia, which still require nonselective smallpox vaccination, are the State of Kansas, Puerto Rico, and the Virgin Islands. And in Kansas, legislation to repeal the requirement has been introduced.

In consideriing H.R. 8747 it is important to note that this legislation in no way prohibits or discourages voluntary smallpox vaccinations for adults or for children whose parents desire that they be vaccinated.

In fact, District of Columbia officials testified that they will continue to provide free smallpox immunization upon request at local health centers.

Of equal importance is the fact that the passage of H.R. 8747 will in no way limit the statutory authority of the District of Columbia Council to reinstate mandatory smallpox immunizations at any time that conditions might warrant such action.

Nor would H.R. 8747 preclude such selective immunization requirements as local health authorities might wish to impose for the protection of groups—such as hospital workers—who have a higher risk of exposure to smallpox.

In conclusion, Mr. Speaker, our committee is convinced, on the basis of authoritative medical testimony, that the risk of contracting smallpox has become so slight as to be insufficient to justify a policy of compulsory vaccinations, which on occasion can result in severe adverse reactions.

Our committee is assured that the District government will retain adequate legislative powers to safeguard the public health and welfare in the event of changed circumstances in the future.

I urge the passage of this bill, H.R. 8747.

**Mr. FAUNTROY.** Mr. Speaker I rise *in support of* H.R. 8747, a bill to repeal the section of law requiring compulsory smallpox vaccination in the District of Columbia for public school students.

The report amply indicates the need for this act which is supported by the city government. I would only like to point out the fact that this bill will in no way affect any existing program or policy that has been adopted to guard the citizen against smallpox. Hospital workers, international travelers, and others who may reasonably expect to have contact with a smallpox carrier will continue to receive vaccinations on a voluntary basis or on a mandated basis as may be determined by the public health or the city government.

The only group this bill exempts are those children who will have no reasonable expectation of contact with a smallpox carrier. This exemption does not preclude voluntary vaccination but it does eliminate the risk of adverse reactions to the administration of the vaccine.

Mr. Speaker, I urge its adoption.

### GENERAL LEAVE

**Mr. DIGGS.** Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this bill.

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan.

There was no objection.

**Mr. DIGGS.** Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The **SPEAKER.** The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER.** The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

**Mr. GROSS.** Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER.** Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 316, nays 1, answered "present" 3, not voting 112, as follows:

[Roll No. 107]

YEAS—316

Abdnor
Abzug
Adams
Alexander
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Ashley
Aspin
Baker
Barrett
Bauman
Bennett
Bergland
Bevill
Biester
Bingham
Blackburn
Boland
Bolling
Bowen
Brademas
Brasco
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clancy
Clawson, Del
Clay
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Cronin
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dent
Derwinski
Devine
Diggs
Downing
Drinan
Dulski
Duncan
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flynt
Ford
Forsythe
Fountain
Fraser
Frey
Fulton
Fuqua
Gaydos
Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Griffiths
Gross
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holifield
Holt
Holtzman
Horton
Hosmer
Howard
Hudnut
Hutchinson
Ichord
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
King
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Lehman
Lent
Litton
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
Macdonald
Madigan
Mahon
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Metcalfe
Mezvinsky
Miller
Minish
Minshall, Ohio
Mitchell, N.Y.
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
Owens
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Poage
Podell
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Rinaldo
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Shipley
Shoup
Shriver
Shuster
Sikes
Sisk
Smith, N.Y.
Snyder
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Towell, Nev.
Treen
Udall
Ullman
Vanik
Vigorito
Waggonner
Walsh
Wampler
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Ill.
Young, Tex.
Zwach

NAYS—1

Seiberling

ANSWERED "PRESENT"—3

Dennis
Frenzel
Sebelius

NOT VOTING—112

Addabbo
Anderson, Calif.
Anderson, Ill.
Badillo
Bafalis
Beard
Bell
Biaggi
Blatnik
Boggs
Burke, Calif.
Carey, N.Y.
Chisholm
Clark
Clausen, Don H.
Cleveland
Collier
Conyers
Corman
Cotter
Daniels, Dominick V.
Danielson
Davis, Ga.
Dellums
Dickinson
Dingell
Donohue
Dorn
Edwards, Calif.
Erlenborn
Esch
Flowers
Foley
Frelinghuysen
Froehlich
Grasso
Gray
Green, Pa.
Grover
Hanna
Hanrahan
Harrington
Harsha
Huber
Hungate
Hunt
Jarman
Ketchum
Kluczynski
Koch
Leggett
Lott
McEwen
McKinney
McSpadden
Madden
Mallary
Maraziti
Mathis, Ga.
Meeds
Melcher
Michel
Milford
Mills
Mink
Mitchell, Md.
Moakley
Moorhead, Pa.
Moss
Nix
O'Neill
Parris
Passman
Patman
Pickle
Pritchard
Rarick
Reid
Reuss
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rose
Rostenkowski
Roybal
Ryan
St Germain
Sarasin
Skubitz
Slack
Smith, Iowa
Staggers
Steele
Steiger, Wis.
Stephens
Stubblefield
Teague
Thompson, N.J.
Tiernan
Van Deerlin
Vander Jagt
Vander Veen
Veysey
Waldie
Ware
Williams
Wolff
Young, Alaska
Young, Ga.
Young, S.C.
Zablocki
Zion

So the bill was passed.

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Reuss.

Mr. Rooney of New York with Mrs. Mink.

Mr. Kluczynski with Mr. Rarick.

Mr. Addabbo with Mr. Edwards of California.

Mr. Thompson of New Jersey with Mr. Frelinghuysen.

Mr. Carey of New York with Mr. Harsha.

Mr. Teague with Mr. Froehlich.

Mr. Dominick V. Daniels with Mr. Hanrahan.

Mr. Riegle with Mr. Madden.

Mr. Green of Pennsylvania with Mr. Bell.

Mr. Moorhead of Pennsylvania with Mr. Huber.

Mrs. Grasso with Mr. Bafalis.

Mr. Reid with Mr. Mallary.
Mr. Staggers with Mr. Anderson of Illinois.
Mr. Rostenkowski with Mr. Esch.
Mr. Zablocki with Mr. Erlenborn.
Mr. Wolff with Mr. Maraziti.
Mr. Nix with Mr. Hanna.
Mr. Donohue with Mr. Hunt.
Mr. Cotter with Mr. McEwen.
Mrs. Boggs with Mr. Grover.
Mr. Biaggi with Mr. Don H. Clausen.
Mr. Pickle with Mr. McKinney.
Mr. Badillo with Mr. Slack.
Mrs. Chisholm with Mr. Danielson.
Mr. Mills with Mr. Dickinson.
Mr. Stubblefield with Mr. Cleveland.
Mr. Tiernan with Mr. Michel.
Mr. Van Deerlin with Mr. Conyers.
Mr. Young of Georgia with Mr. Vander Veen.
Mr. Mitchell of Maryland with Mr. Blatnik.
Mr. Corman with Mr. Parris.
Mr. Dellums with Mr. Gray.
Mr. Waldie with Mr. Pritchard.
Mrs. Burke of California with Mr. Collier.
Mr. St Germain with Mr. Lott.
Mr. Davis of Georgia with Mr. Jarman.
Mr. Dingell with Mr. McSpadden.
Mr. Mathis of Georgia with Mr. Milford.
Mr. Stephens with Mr. Skubitz.
Mr. Rose with Mr. Roncallo of New York.
Mr. Ryan with Mr. Steele.
Mr. Moss with Mr. Sarasin.
Mr. Moakley with Mr. Dorn.
Mr. Koch with Mr. Leggett.
Mr. Harrington with Mr. Steiger of Wisconsin.
Mr. Hungate with Mr. Ware.
Mr. Anderson of California with Mr. Vander Jagt.
Mr. Clark with Mr. Beard.
Mr. Flowers with Mr. Williams.
Mr. Foley with Mr. Young of Alaska.
Mr. Meeds with Mr. Zion.
Mr. Melcher with Mr. Young of South Carolina.
Mr. Passman with Mr. Patman.
Mr. Smith of Iowa with Mr. Roybal.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. HUNT. Mr. Speaker, on the rollcall on the passage of the bill H.R. 8747, to repeal smallpox vaccination requirement for students, I was delayed on my way over to the House Chamber, and was unable to cast my vote in time, the vote having been completed upon my arrival in the House Chamber. Had I been able to be present and cast my vote, I would have voted "aye."

## PERSONAL EXPLANATION

Mr. GROVER. Mr. Speaker, at the time of the vote on H.R. 8747 to repeal the smallpox vaccination requirement for students in the District of Columbia, I was delayed at that time in an aircraft and was unable to cast my vote. Had I ben able to be present I would have voted "aye."

## REFERENDUM ON THE ISSUE OF THE ADVISORY NEIGHBORHOOD COUNCILS

Mr. DIGGS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12109) to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill, as follows:

H.R. 12109

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first paragraph of the matter on the referendum ballot relating to the advisory neighborhood councils, appearing in section 703 (a) of the District of Columbia Self-Government and Governmental Reorganization Act is amended to read as follows:

"In addition, the Act referred to above authorizes the establishment of advisory neighborhood councils if a majority of the registered qualified voters of the District voting on this issue in this referendum vote for the establishment of such councils."

Mr. DIGGS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, The purpose of H.R. 12109—as set forth in House Report 922—is to amend the District of Columbia Self-Government and Governmental Reorganization Act—Public Law 93-198—in order to make clear that only a majority of voters voting on the issues in the May 7th referendum are needed to ratify the Advisory Neighborhood Council.

### NEED FOR THE LEGISLATION

The District of Columbia Self-Government and Governmental Reorganization Act was approved December 24, 1973. The Act provides: first, the structure for an elected city government for Washington, D.C.; second, requires ratification of the new government charter at an election in the city, which has been set for May 7, 1974, and third, requires ratification of that portion of the law—section 738—dealing with Advisory Neighborhood Council at the same referendum election.

The referendum ballot is set out in section 703(A) of the act. For approval of the new charter, the act states:

> The charter shall take effect only if it is expected by a majority of the registered qualified voters of the District voting on this issue.

However, approval of the Advisory Neighborhood Councils, on the other hand, is stated as requiring "a majority of the registered qualified voters in the District."

This latter requirement would mean, in effect, that all registered voters who stay home, and do not vote, on that day are counted as no votes against the Advisory Neighborhood Councils, which the Committee in its adoption of these provisions never intended. The error setting such an impossible goal for approval by the voters would be corrected by H.R. 12109.

### PROVISIONS OF THE BILL

The bill adds the words "voting on this issue in this referendum", so that the ballot for the referendum on Advisory Neighborhood Councils will read as follows:

> In addition, the Act referred to above authorizes the establishment of Advisory Neighborhood Councils if a majority of the registered qualified voters of the District voting on this issue in this referendum vote for the establishment of such councils.

### HISTORY

Favorable action on the bill was taken by the Full Committee at meetings of February 4, 1974, and March 4, 1974. Full prior consideration of this question was given by the Committee in its prolonged hearings and mark-up sessions on the D.C. Self-Government and Governmental Reorganization Act of 1973—Public Law 93-198—approved December 24, 1973. The reported bill, H.R. 12109, is, then a, restating and clarification of this Committee's determinations reached in the first session of this Congress.

### VOTE

H.R. 12109 was approved and ordered reported to the House by voice vote of the Committee on March 14, 1974.

### COST

There would be no additional cost by the enactment of this legislation.

Mr. FRASER. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this bill seeks to remedy a problem that was brought out in the conference committee.

When the conference committee agreed to authorize a referendum on the question of whether the residents of the District wanted to have a system of advisory neighborhood councils, the conference committee language resulted in wording that made it appear as though, in order to gain approval of the voters of the District, it required approval by a majority of all registered voters rather than a majority of those voting on the issue.

Mr. Speaker, this bill simply clarifies the intent of the conference committee, that the referendum would carry if the majority of the voters who vote on the issue should approve of the proposition of neighborhood councils. That is all the bill does; changes it from an absolute majority of all registered voters in the District, whether they vote or not, to a majority of those who take the time and trouble to go and vote.

Mr. Speaker, that is the American way, and I think that perhaps explains the proposal sufficiently so that the Members would be advised as to what the purpose of the bill is.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. FRASER. Mr. Speaker, I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. Mr. Speaker, what is the necessity of doing it the way in which the bill suggests?

Mr. FRASER. Mr. Speaker, it is really because the conference language inadvertently left the wording so that it had to be a majority of registered voters in the city, whether they voted or not. This simply makes it clear that it is a majority of those voting on the issue. It is just to correct a defect in the conference language which authorizes the voting on this referendum. That is all it does.

Mr. ROUSSELOT. Mr. Speaker, could the gentleman describe for us, so that we know more about what the necessity of this kind of advisory neighborhood council is. Why do we need it?

Mr. FRASER. Well, the House passed a provision enabling the citizens to have this. What was agreed upon in conference was that the matter should be put to a referendum of the voters of the District.

In general, Mr. Speaker, I would only say that there has been a growing interest in permitting neighborhoods to have the opportunity to organize, using formal election machinery, so as to have advisory councils that would enable them to have a larger voice in the actions of the city government in matters that affect their part of the community.

Mr. ROUSSELOT. What will the neighborhood councils do? What are their specific functions?

Mr. FRASER. They are advisory in their functions. They are advisory to the city government. They are authorized to advise with respect to planning, zoning, recreation, public safety, and health. They are given a very small amount of money which they can use, for example, for the hiring of a part-time staff.

Mr. ROUSSELOT. Is it true that each advisory council is given a sum of money?

Mr. FRASER. It is based upon the population within the area. It comes out to 50 cents a person.

Mr. ROUSSELOT. Mr. Speaker, if the gentleman will yield further, I will ask this question:

Let us take an average neighborhood council. How many dollars would that council have to spend?

Mr. FRASER. If the area embraces, let us say, an area of 20,000 people, the area would receive approximately $10,000.

Mr. ROUSSELOT. And that would be used for what, a staff?

Mr. FRASER. It would be used for a staff, or they could use it for sending notices of meetings or newsletters through the neighborhood. They must use the money for a public purpose, and it is subjected to the accounting procedures of the District.

The money is given to enable them to function in carrying on their role of being sort of an advocate for the neighborhood.

Mr. ROUSSELOT. Will the Federal Government pay for that, or will the property taxes cover it?

Who will pay the cost of these neighborhood councils?

Mr. FRASER. It is measured by 1 cent per hundred dollars valuation on real property, so I think it is fair to say it is paid for by the District.

I might add that it is only expended in those areas which elect to go forward with these councils. The areas will not get the money automatically; the citizens must petition to have the council established even if the referendum is approved.

Mr. ROUSSELOT. So if the referendum in any given area is disapproved, the neighborhood council there could not function?

Mr. FRASER. No. If the referendum carries, the system is adopted. However, a further step is required, and that is that 5 percent of the citizens must petition to have the council created in their neighborhood.

Mr. ROUSSELOT. What I am asking is this: If an area does not wish to have a neighborhood council, then they can vote it down?

Mr. FRASER. No. The referendum is citywide, and the system may be approved, whether they want the system or not.

Mr. LANDGREBE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I object to both the substance of this bill and the manner in which it was reported by the full Committee for the District of Columbia.

First. This bill makes it much easier to establish one of the most objectionable features of the Self-Determination Act—the advisory neighborhood councils.

The conference report accepted by the House specifically provided that the advisory councils would be established only "if a majority of the registered qualified voters in the District vote for such councils." This bill changes that requirement, and authorizes the councils if a majority of votes cast in the referendum favor their establishment. This means that a very small percentage can conceivably burden the people of the District with costly and chaotic local councils which will surely be controlled generally by the rabble-rousers in the community.

Make no mistake about it. These councils will be expensive—it is estimated that they will spend a minimum of $400,000 per year, with an absolute minimum expenditure of $2 million in the next 5 years. These costs will probably be much higher—and all D.C. citizens will be forced to pay higher taxes to support them. Since these advisory councils will require significant expenditures, I strongly feel that the present requirement of a majority of all registered voters should not be watered down as this bill would do.

Second. Mr. Speaker, I strongly object to the manner in which H.R. 12109 was pushed through the committee. This bill is an unwarranted attempt by its sponsors to use backdoor methods to make a significant change in the home rule law passed just 3 months ago by the Congress.

Absolutely no hearings were held on this legislation in the committee. I think we can all agree that legislation of this importance ought to be the subject of full and complete hearings in the committee before it is reported to the floor. In this case, however, the proponents of this bill chose to bypass normal democratic procedure as it suited their fancy. Several groups, such as the Federation of Citizens Associations and the Committee in Opposition to the Advisory Neighborhood Councils, have been denied an opportunity to testify on this bill.

Mr. Speaker, at the proper time I will move to have this legislation recommitted to the District Committee, so that full public scrutiny can be brought to bear on it. Since this bill can mean higher taxes and neighborhood chaos for the people of the District, it is imperative that this bill be returned to committee where its long-range consequences can be studied for the first time in public hearings.

Mr. ROUSSELOT. Will the gentleman yield?

Mr. LANDGREBE. I yield to the gentleman.

Mr. ROUSSELOT. In other words, if we had the kind of participation we had in the last education election, maybe only 8 percent of the people turned out, and a majority of them could make a determination. Is that right?

Mr. LANDGREBE. I thank the gentleman from California for helping me to clarify this point. It is a very expensive subject we are dealing with. It can really be passed by the votes of those who would have a vested interest in having these councils come into being. Again, I strongly object to the fact that this bill has been brought to the floor and is present here without us holding hearings on it. If they are so doggoned good, then why we cannot have the people of the community come in and discuss it pro and con and then come in with a bill that people will understand.

I will insert following my remarks today an article which appeared in the Washington Star-News of yesterday which is entitled "Financing Councils Could Stir Rebellions." This might sound like a shootout, but what they are referring to generally is the taxpayer's part in this community which is a touch and go situation just as it is clear across the country.

The article follows:

[From the Washington Star-News,
Mar. 24, 1974]

### FINANCING COUNCILS COULD STIR REBELLION

(By Lynn Dunson)

A Taxpayers rebellion is brewing over plans to finance the proposed District advisory neighborhood councils with property tax revenues.

In less than two weeks the Committee in Opposition to the Advisory Neighborhood Councils has attracted 200 members—most of them blacks—who hope to stop the advisory council proposal in the May 7 home rule referendum.

"Taxpayers and homeowners are the least organized and the least heard," according to Dorothy Maultsby, chairman and organizer of the opposition committee.

Committee members, some of whom recently had their propetry assessment increased by the city, claim that the ANCs will result in even higher property taxes.

Further, the ANCs would duplicate the efforts of present neighborhood associations and would become a forum for malcontents and the politically ambitious, Mrs. Maultsby and Gladys Duncan, another member, contended.

According to a member of the D.C. Democratic Central Committee who asked not to be identified, there have been grumblings against the ANC concept there too, although few persons want to say so publicly.

Central Committee Chairman William Lucy has complained loudly and bitterly about the ANCs, calling it an "experiment by whites that is being foisted off on black people."

However, Lucy voted in favor of the ANCs at a meeting of the Committee to Support the Charter.

Mrs. Duncan, also a member of the support committee, voted against the ANCs. Last week, she said that she thinks the advisory councils should be delayed at least until after the city has undergone reorganization.

There has been opposition to ANCs for some time, but this is the first time an ad hoc group has spoken out against the concept.

Recently, representatives from the predominantly white Federation of Citizens Associations, which last year testified against home rule on Capitol Hill, have been speaking against the proposal at neighborhood meetings.

Organized opposition to the controversial ANC measure could mean its death. To pass at the referendum a majority of all registered voters must vote for it. Home rule itself requires only a majority of those voting to pass.

The committee seeking to stop the ANCs must surmount the efforts of at least three other groups which have become the measures champions—the Committee to Support the Charter, The Ad Hoc Citizens' Committee To Support Passage of the ANCs and the Committee to Support Advisory Neighborhood Councils.

"Opposition is growing and we should be prepared for this," Sterling Tucker, vice chairman of City Council and chairman of D.C. Self-Determination Coalition, solemnly warned a group of advisory council proponents last week.

Tucker said that the depth of antipathy against the councils which he encountered at a gathering of 20 persons in a Northeast home last week surprised him.

Mrs. Maultsby said, "We want to get the issue before the people. Once people realize what is happening, that is catalyst enough to generate support.

"It's growing like wildfire once people are aware," she added. "They just aren't being told what will happen to their taxes."

Her group has attracted youthful, elderly, disabled and retired persons, and although its members are primarily property owners membership cuts across economic lines, she said.

If the ANCs are approved and established, they would get 1 cent for each $100 of assessed value of property, or about $400,000 citywide. The city council may also fund the ANCs through other methods.

"It's too costly," George W. Brady of the Federation of Citizens Associations declared. "It will be $1 or $2 million within two years, I'd be willing to bet, because of the usual bureaucratic growth and if the city has to go in and audit, that's more money."

Some ANC advocates have suggested that the elected city council might avoid property tax increases by tapping new sources of revenue or permitting ANCs to raise other funds on their own. But there's no guarantee that the council will move in that direction.

"With the kind of things the city has to face—Metro, maybe the Civic Center, food costs—we don't need to be taxed for something we don't need," Mrs. Maultsby contended.

"No study has been done of the city to see if this is feasible. Why thrust this thing upon us when we have to focus on new fiscal activities and organization for the city? We don't need this kind of stuff," she added.

Although there is no money appropriated for ANCs, they would not mean a tax increase per se, City Councilman Tucker said.

"However, we cannot give people a guarantee that taxes wouldn't go up. All we can say is, if they do go up, it's not necessarily because of advisory councils," he added.

"The truth is, we're voting for a pig in a poke," Tucker said.

Peter A. Hornbostel, a D.C. lawyer, who also has been promoting the advisory councils, takes a cavalier approach to the possibility of higher taxes.

"Home rule per se will raise property taxes," he stated bluntly. "It would be cheaper to have the city run out of the White House, but I don't want them running it. Democracy costs more than totalitarianism and it's less efficient."

Our Government at every level is way too expensive, in my opinion, and I wish time would permit me to read the entire article for you, because it certainly expresses the feelings of a number of people. It says that we should be prepared for opposition which is growing. According to Sterling Tucker, who is the vice chairman of the council.

I will not take the time of the House to go into further details on it, but there are certainly enough specific facts in opposition to this bill that it should be recommitted. I will offer a recommittal motion and let us take it back to the committee and hold hearings on it and bring the public in and then bring the bill out again.

Mr. ROUSSELOT. Will the gentleman yield further?

Mr. LANDGREBE. I am glad to yield.

Mr. ROUSSELOT. Would the gentleman state whether understanding is correct that these neighborhood advisory councils will in some ways actually duplicate services already being performed by the Community Services Division?

Mr. LANDGREBE. That is right. That is, of course, one of the major arguments against the proposal. Personally I can see only confusion arising from this type of unauthorized money spending project. It is the City Council that makes the final decisions. We could be creating a tremendous amount of chaos in the governmental processes of this city by doing this whether we have home rule or not.

Mr. ROUSSELOT. Is the gentleman saying that if we vote for this legislation today we are in effect, voting for duplicating services in some respects?

Mr. LANDGREBE. That is very possible. I think that is true, except, as I understand it, services being carried out today are on a voluntary basis.

I was invited to speak a couple of weeks ago to the organization on organizations in the community who studied problems and transmitted their findings to the City Council.

These are voluntary groups and organizations that all cities encourage. Passage of this bill will encourage the establishment of neighborhood councils, funded and paid by the taxpayers. They will be able to foment a great deal of controversy in this city, yet will not have the force and effect or responsibility of duly-elected officials.

Mr. Speaker, I will offer a motion to recomit this bill. I urge the support of all my colleagues.

Mr. FAUNTROY. Mr. Speaker, I rise in support of the bill, H.R. 12109, to amend the District of Columbia Charter to clarify the provisions on the neighborhood advisory council.

When we adopted the home rule legislation, one of the unfortunate phrases in the bill provided for a separate referendum question on the neighborhood advisory councils subject to approval by a majority of all "registered qualified voters in the District."

This is not what was intended; it could not have been reasonably interpreted by anyone as being the intent of Congress. In the first place, as nearly 20 percent of the residents of this city change their residences during the course of a year, it is physically impossible for the city to assure that an absolute majority of registered voters could vote. Some people have duplicate registrations which arise because of their moves. Others have died, moved out of the city, or have no way of physically going to the polling place.

Additionally, in our society, the obverse to the right to vote is the right not to vote. There is no logical basis to convert that right into a negative vote which is precisely what the current language does.

Furthermore, because of the very serious difficulty of determining who is a registered and qualified voter in an accurate enough manner to arrive at a voter figure, it seems to me that serious due process issues are raised without an amendment. People who have died or moved from the city do not always give notice to the board of elections. Thus, there is no way to determine this figure and national projections extrapolated to the District simply cannot be used to arrive at a figure which will meet the requirements of the law.

Mr. DIGGS. Mr. Speaker, I move the previous question on the bill.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. LANDGREBE

Mr. LANDGREBE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. LANDGREBE. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. LANDGREBE moves to recommit the bill H.R. 12109 to the Committee on the District of Columbia.

Mr. DIGGS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. LANDGREBE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The question was taken by electronic device; and there were—yeas 118, nays 215, not voting 99, as follows:

[Roll No. 108]

YEAS—118

Abdnor
Archer
Armstrong
Ashbrook
Baker
Bauman
Blackburn
Bowen
Bray
Breaux
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Camp
Carter
Cederberg
Chappell
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Crane
Daniel, Robert W., Jr.
Davis, Wis.
Dennis
Devine
Duncan
Fisher
Flynt
Fountain
Frey
Gaydos

Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Haley
Hammerschmidt
Hébert
Hinshaw
Holt
Hosmer
Hudnut
Hunt
Hutchinson
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kemp
King
Lagomarsino
Landgrebe
Landrum
Latta
Madigan
Mahon
Maraziti
Martin, Nebr.
Mathias, Calif.
Mayne
Michel
Miller
Minshall, Ohio
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Myers
Nichols
Pettis
Powell, Ohio
Price, Tex.
Quillen
Rarick
Roberts
Robinson, Va.
Rogers
Rousselot
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shuster
Sikes
Skubitz
Snyder
Spence
Steiger, Ariz.
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Treen
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wydler
Wylie
Wyman
Young, Fla.
Young, Tex.
Zion

NAYS—215

Abzug
Adams
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Barrett
Bennett
Bergland
Bevill
Biester
Bingham
Boland
Brademas
Brasco
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Mass.
Burlison, Mo.
Burton
Byron
Carney, Ohio
Casey, Tex.
Chamberlain
Clark
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Cotter
Coughlin
Cronin
Culver
Daniel, Dan
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dent
Derwinski
Diggs
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Eilberg
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Ford
Forsythe
Fraser
Frenzel
Fulton
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Green, Pa.
Griffiths
Gude
Guyer
Hamilton
Hanley
Hansen, Idaho
Hansen, Wash.
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holtzman
Howard
Ichord
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Koch
Kuykendall
Kyros
Lehman
Lent
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Mallary
Mann
Matsunaga
Mazzoli
Metcalfe
Mezvinsky
Minish
Mink
Mitchell, N.Y.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Obey
O'Brien
O'Hara
Owens
Patten
Pepper
Perkins
Peyser
Pike
Podell
Preyer
Price, Ill.
Quie
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Roush
Roy
Runnels
Ruppe
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shriver
Sisk
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Thone
Thornton
Towell, Nev.
Udall
Ullman
Vanik
Vigorito
Whalen
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Yates
Yatron
Young, Ill.
Zablocki
Zwach

NOT VOTING—99

Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Badillo
Bafalis
Beard
Bell
Biaggi
Blatnik
Boggs
Bolling
Burke, Calif.
Carey, N.Y.
Chisholm
Clausen, Don H.
Collier
Conyers
Corman
Daniels, Dominick V.
Danielson
Davis, Ga.
Dickinson
Dingell
Dorn
Edwards, Ala.
Edwards, Calif.
Erlenborn
Flowers
Foley
Frelinghuysen
Froehlich
Grasso
Gray
Hanna
Hanrahan
Harrington
Harsha
Henderson
Horton
Huber
Hungate
Jarman
Karth
Ketchum
Kluczynski
Leggett
Litton
Lott
McEwen
McSpadden
Macdonald
Madden
Martin, N.C.
Mathis, Ga.
Meeds
Melcher
Milford
Mills
Mitchell, Md.
Moakley
Moorhead, Pa.
Nix
O'Neill
Parris
Passman
Patman
Pickle
Poage
Pritchard
Reid
Reuss
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rose
Rostenkowski
Roybal
Ruth
Ryan
Slack
Smith, Iowa
Steele
Steiger, Wis.
Stephens
Stubblefield
Teague
Thompson, N.J.
Tiernan
Van Deerlin
Vander Jagt
Vander Veen
Veysey
Waldie
Ware
Wolff
Young, Alaska
Young, Ga.
Young, S.C.

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Alexander for, with Mr. O'Neill against.

Mr. Teague for, with Mr. Addabbo against.

Mr. Passman for, with Mr. Horton against.

Mr. Mathis of Georgia for, with Mr. Rooney of New York against.

Mr. Jarman for, with Mr. Steele against.

Mr. Henderson for, with Mr. Kluczynski against.

Mr. Flowers for, with Mr. Riegle against.

Mr. Lott for, with Mr. Carey of New York against.

Mr. Parris for, with Mr. Wolff against.

Mr. Rose for, with Mr. Mitchell of Maryland against.

Mr. Dorn for, with Mrs. Chisholm against.

Mr. Roncallo of New York for, with Mr. Rostenkowski against.

Mr. Collier for, with Mr. Biaggi against.

Mr. Dickinson for, with Mr. Pritchard against.

Mr. Froehlich for, with Mr. Thompson of New Jersey against.

Mr. Huber for, with Mr. Badillo against.

Mr. McEwen for, with Mr. Dingell against.

Mrs. Boggs for, with Mr. Edwards of California against.

Mr. Frelinghuysen for, with Mr. Harrington against.

Mr. Beard for, with Mr. Moakley against.

Mr. Young of South Carolina for, with Mr. Moorhead of Pennsylvania against.

Mr. Patman for, with Mr. Nix against.

Mr. Stephens for, with Mr. Dominick V. Daniels against.

Mr. Bafalis for, with Mr. Tiernan against.

Until further notice:

Mr. Waldie with Mr. Gray.

Mr. Mills with Mr. Macdonald.

Mr. Karth with Mr. Reid.

Mr. Anderson of California with Mr. Anderson of Illinois.

Mr. Blatnik with Mr. Danielson.

Mrs. Burke of California with Mr. Litton.

Mr. Madden with Mr. Bell.

Mr. Conyers with Mr. Vander Veen.

Mr. Corman with Mr. Davis of Georgia.

Mr. Ryan with Mr. Edwards of Alabama.

Mr. Pickle with Mr. Don H. Clausen.

Mr. Reuss with Mr. Erlenborn.

Mr. Foley with Mrs. Grasso.

Mr. Hanna with Mr. Hanrahan.

Mr. Hungate with Mr. McSpadden.

Mr. Leggett with Mr. Harsha.

Mr. Meeds with Mr. Martin of North Carolina.

Mr. Melcher with Mr. Milford.

Mr. Roybal with Mr. Young of Alaska.

Mr. Slack with Mr. Ruth.

Mr. Smith of Iowa with Mr. Steiger of Wisconsin.

Mr. Stubblefield with Mr. Vander Jagt.

Mr. Van Deerlin with Mr. Ware.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. LANDGREBE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LANDGREBE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quroum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 227, nays 111, not voting 94, as follows:

[Roll No. 109]

YEAS—227

Abzug
Adams
Alexander
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Barrett
Bennett
Bergland
Bevill
Biester
Bingham
Boland
Bolling
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burke, Mass.
Burlison, Mo.
Burton
Byron
Carney, Ohio
Carter
Cederberg
Clark
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Cotter
Coughlin
Cronin
Culver
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Dent
Derwinski
Diggs
Donohue
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Ford
Forsythe
Fraser
Frenzel
Fulton
Fuqua
Gettys
Giaimo
Gibbons
Gilman
Ginn
Gonzalez
Green, Pa.
Griffiths
Gude
Guyer
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hillis
Hogan
Holifield
Holtzman
Howard
Ichord
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Koch
Kuykendall
Kyros
Latta
Lehman
Lent
Long, La.
Long, Md.
Lujan
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McKinney
Mahon
Mallary
Mann
Maraziti
Martin, N.C.
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Metcalfe
Mezvinsky
Miller
Minish
Mink
Mitchell, N.Y.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nelsen
Obey
O'Brien
O'Hara
Owens
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Podell
Preyer
Price, Ill.
Quie
Railsback
Randall
Rangel
Rees
Regula
Rhodes
Rinaldo
Robison, N.Y.
Rodino
Roe
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Roush
Roy
St Germain

Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Shriver
Sisk
Smith, N.Y.
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steele
Steelman
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Thompson, N.J.
Thone
Thornton
Towell, Nev.
Udall
Ullman
Vanik
Vigorito
Walsh
Whalen
Widnall
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Ill.
Zablocki
Zwach

NAYS—111

Abdnor
Archer
Armstrong
Ashbrook
Baker
Bauman
Blackburn
Bowen
Bray
Broyhill, N.C.
Broyhill, Va.
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Camp
Casey, Tex.
Chappell
Clancy
Clawson, Del
Collins, Tex.
Conlan
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Denholm
Dennis
Devine
Downing
Duncan
Eshleman
Fisher
Flynt
Fountain
Frey
Gaydos
Goldwater
Goodling
Green, Oreg.
Gross
Grover
Gubser
Gunter
Haley
Henderson
Hinshaw
Holt
Hosmer
Hudnut
Hunt
Hutchinson
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Kemp
King
Lagomarsino
Landgrebe
Landrum
Lott
Madigan
Martin, Nebr.
Michel
Minshall, Ohio
Mizell
Mollohan
Montgomery
Moorhead, Calif.
Myers
Nichols
Powell, Ohio
Price, Tex.
Quillen
Rarick
Roberts
Robinson, Va.
Rogers
Rousselot
Runnels
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shuster
Sikes
Skubitz
Snyder
Spence
Steiger, Ariz.
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Treen
Waggonner
Wampler
White
Whitehurst
Whitten
Williams
Wilson, Bob
Winn
Wyman
Young, Fla.
Young, Tex.
Zion

NOT VOTING—94

Addabbo
Anderson, Calif.
Badillo
Bafalis
Beard
Bell
Biaggi
Blatnik
Boggs
Burke, Calif.
Carey, N.Y.
Chamberlain
Chisholm
Clausen, Don H.
Collier
Conyers
Corman
Daniels, Dominick V.
Danielson
Davis, Ga.
Dickinson
Dingell
Dorn
Edwards, Calif.
Erlenborn
Flowers
Foley
Frelinghuysen
Froehlich
Grasso
Gray
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hastings
Hébert
Horton
Huber
Hungate
Jarman
Ketchum
Kluczynski
Leggett
Litton
McEwen
McSpadden
Macdonald
Madden
Mathis, Ga.
Meeds
Melcher
Milford
Mills
Mitchell, Md.
Moakley
Moorhead, Pa.
Nix
O'Neill
Parris
Passman
Patman
Pickle
Poage
Pritchard
Reid
Reuss
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rose
Rostenkowski
Roybal
Ruppe
Ryan
Slack
Smith, Iowa
Steiger, Wis.
Stephens
Stubblefield
Teague
Tiernan
Van Deerlin
Vander Jagt
Vander Veen
Veysey
Waldie
Ware
Wiggins
Wolff
Young, Alaska
Young, Ga.
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. O'Neill for, with Mr. Hébert against.

Mr. Addabbo for, with Mr. Teague against.

Mr. Kluczynski for, with Mr. Dorn against.

Mr. Dominick V. Daniels for, with Mr. Flowers against.

Mr. Horton for, with Mr. Passman against.

Mr. Carey of New York for, with Mr. Rose against.

Mr. Rostenkowski for, with Mr. Stephens against.

Mr. Rooney of New York for, with Mr. Jarman against.

Mr. Mitchell of Maryland for, with Mr. Mathis of Georgia against.

Mr. Hastings for, with Mr. Young of South Carolina against.

Mr. Nix for, with Mr. Dickinson against.

Mr. Biaggi for, with Mr. Ware against.

Mr. Macdonald for, with Mr. Beard against.

Mrs. Chisholm for, with Mr. Bafalis against.

Mr. Moorhead of Pennsylvania for, with Mr. Froehlich against.

Mr. Tiernan for, with Mr. Wiggins against.

Mr. Wolff for, with Mr. Parris against.

Mr. Harrington for, with Mr. Huber against.

Mr. Badillo for, with Mr. Collier against.

Until further notice:

Mr. Blatnik with Mr. Hungate.

Mrs. Boggs with Mr. Stubblefield.

Mr. Leggett with Mr. Gray.

Mr. Melcher with Mr. Bell.

Mr. Waldie with Mr. Ryan.

Mr. Meeds with Mr. Litton.

Mr. Roybal with Mr. Chamberlain.

Mr. Riegle with Mr. Madden.

Mr. Reuss with Mr. Van Deerlin.

Mrs. Hansen of Washington with Mr. Don H. Clausen.

Mr. Reid with Mr. Frelinghuysen.

Mr. Anderson of California with Mr. Slack.

Mr. Danielson with Mr. Young of Georgia.

Mrs. Burke of California with Mr. McSpadden.

Mr. Dingell with Mr. Erlenborn.

Mr. Conyers with Mr. Corman.

Mr. Foley with Mr. Smith of Iowa.

Mr. Davis of Georgia with Mr. Hanrahan.

Mr. Edwards of California with Mr. McEwen.

Mrs. Grasso with Mr. Harsha.

Mr. Hanna with Mr. Milford.

Mr. Mills with Mr. Young of Alaska.

Mr. Moakley with Mr. Vander Jagt.

Mr. Patman with Mr. Roncallo of New York.

Mr. Pritchard with Mr. Pickle.

Mr. Steiger of Wisconsin with Mr. Ruppe.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. RUTH. Mr. Speaker, earlier today on the vote on the motion to recommit the bill H.R. 12109, the Advisory Neighborhood Councils referendum, I placed my card in the voting receptacle and voted "aye," but the electronic voting machine failed to record my vote. I would like the RECORD to show that I would have voted "aye."

## GENERAL LEAVE

Mr. DIGGS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 12109, Advisory Neighborhood Councils referendum.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

## DISTRICT OF COLUMBIA LAW REVISION COMMISSION ACT

Mr. DIGGS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12832) to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The Clerk read the bill as follows:

H.R. 12832

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as "the District of Columbia Law Revision Commission Act".

SEC. 2. (a) There is established in the District of Columbia a District of Columbia Law Revision Commission (hereafter in this Act referred to as the "Commission") which shall consist of fifteen members appointed as follows:

(1) Two members shall be appointed by the President of the United States.

(2) One member shall be appointed by the Speaker of the House of Representatives.

(3) One member shall be appointed by the President pro tempore of the Senate.

(4) One member shall be appointed by the minority leader of the House of Representatives.

(5) One member shall be appointed by the minority leader of the Senate.

(6) Three members shall be appointed by the Commissioner of the District of Columbia, one of whom shall be a nonlawyer, and one of whom shall be a member of the law faculty of a law school in the District of Columbia.

(7) One member shall be appointed by the Chairman of the District of Columbia Council.

(8) Two members shall be appointed by the Joint Committee on Judicial Administration in the District of Columbia.

(9) One member shall be appointed by the District of Columbia Corporation Counsel.

(10) Two members shall be appointed by the Board of Governors of the District of Columbia unified bar.

(b) No person may be appointed as a member of the Commission unless he is (1) a citizen of the United States, and (2) a bona fide resident of the District of Columbia and has maintained an actual place of abode in the District of Columbia for at least the ninety days immediately prior to his appointment as such a member.

(c) Members of the Commission shall serve for four-year terms and may be reappointed.

(d) The Chairman of the Commission shall be selected by the members of the Commission from among their number.

(e) Each appointment of members of the Commission shall be made, without regard to political party affiliation, on the basis of the ability of that person to perform his duties with the Commission.

(f) Appointments made to fill vacancies on the Commission shall be made in the same manner, and on the same basis, as original appointments to the Commission are made. A member appointed to fill a vacancy shall serve until the expiration of the term of the member whose vacancy he was appointed to fill.

(g) Members and the Chairman of the Commission shall be entitled to receive $100 for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Commission, except no member or Chairman shall receive more than $5,000 for the performance of such duties during any twelve-month period.

(h) While away from their homes or regular places of business in the performance of the duties of the Commission, members, including the Chairman, of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(i) The Commission may appoint and fix the compensation of such personnel as it deems advisable. Such personnel shall be appointed subject to the provisions of title 5 of the United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter II of chapter 53 of such title relating to classification and General Schedule pay rates. Persons appointed to the staff of the Commission shall be so appointed solely on the basis of their ability to perform the duties of the Commission without regard to political party affiliation. Employees of the Commission shall be regarded as employees of the District of Columbia government.

(j) The Commission, acting through its Chairman, may request from any department, agency, or instrumentality of the executive branch of the Federal and District governments, including independent agencies, any information for carrying out the purposes of this Act; and each department, agency, instrumentality, and independent agency is authorized and directed, to the extent permitted by law, to furnish to the Commission the requested information.

(k) The Commission may enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(1) The Commission may establish such advisory groups, committees, and subcommittees, consisting of members or nonmembers, as it deems necessary and appropriate to carry out the purposes of this Act.

SEC. 3. (a) It shall be the duty of the Commission to—

(1) examine the common law and statutes relating to the District of Columbia, the ordinances, regulations, resolutions, and acts of the District of Columbia Council, and all relevant judicial decisions for the purpose of discovering defects and anachronisms in the law relating to the District of Columbia and recommending needed reforms;

(2) receive and consider proposed changes in the law recommended by the American Law Institute, the Conference of Commissioners on Uniform State Laws, any bar association or other learned bodies;

(3) receive and consider suggestions from judges, justices, public officials, lawyers, and the public generally as to defects and anachronisms in the law relating to the District of Columbia; and

(4) recommend, from time to time, to the Congress, and where appropriate to the Commissioner of the District of Columbia and to the District of Columbia Council, such changes in the law relating to the District of Columbia as it deems necessary to modify or eliminate antiquated and inequitable rules of law, and to bring the law relating to the District of Columbia, both civil and criminal, into harmony with modern conditions.

In carrying out its duties under this Act, the Commission shall give priority to the examination of the common law and statutes relating to the criminal law in the District of Columbia, and all relevant judicial decisions, for the purpose of discovering defects and anachronisms in the law relating to the criminal law in the District of Columbia and recommending needed reforms, and this task shall be completed before the Commission begins the examination of the civil law in the District of Columbia.

(b) In addition to those duties of the Commission specified in subsection (a), the Commission shall prepare and recommend proposed uniform rules of practice, including rules relating to the conduct of hearings, for administraitve agencies of the District of Columbia, including both independent and subordinate agencies, which conduct on-the-record hearings. The Commission shall also make a study of the District of Columbia Administrative Procedure Act for the purpose of preparing a manual, including relevant legislative history and legal precedents, for the guidance of the respective administrative agencies.

SEC. 4. (a) The Commission shall make an annual report of its proceedings to the President, to the Congress, to the Commissioner of the District of Columbia, and to the District of Columbia Council by March 31 of each year. All reports of the Commission to the Congress, including reports made under section 3(a)(4), shall be filed with the Clerk of the House of Representatives and the Secretary of the Senate, and where appropriate, include drafts of proposed bills to carry out any of its recommendations.

(b) Upon the filing of the Commission's annual report at the end of the fourth full calendar year after the date that funds are first appropriated to the Commission, the Commission shall cease to exist, unless extended by Congress.

SEC. 5. (a) Section 7 of the District of Columbia Administrative Procedure Act (D.C. Code, sec. 1–1507) is amended by adding at the end thereof the following:

"(d) Every regulation in the nature of a law or municipal ordinance adopted by the Council under authority specified in Reorganization Plan Numbered 3 of 1967, or under authority of any Act of Congress, upon enactment, shall be codified and published in a Municipal Code of the District of Columbia which shall conform as closely as possible and shall be cross-indexed with the District of Columbia Code compiled by the Committee on the Judiciary of the House of Representatives. The Council shall from time to time issue such supplements or otherwise update and keep current the Municipal Code of the District of Columbia established under this subsection. The first such codification and publication of the Municipal Code of the District of Columbia shall be completed within one year after the date of enactment of this subsection.".

(b) The District of Columbia Council shall provide for public distribution (at cost) of the Municipal Code of the District of Columbia established by the amendment made by subsection (a).

SEC. 6. For the purpose of carrying out this Act, including the amendment made by this Act, there are authorized to be appropriated, out of moneys in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the purpose of this Act.

With the following committee amendments:

On page 3, strike out lines 1 through 6 and insert in lieu thereof the following:

"(b) No person may be appointed as a member of the Commission unless he is a citizen of the United States. At least eight persons appointed to the Commission shall be bona fide residents of the District of Columbia who have maintained an actual place of abode in the District of Columbia for at least the 90 days immediately prior to their appointments as such members. The remaining persons appointed as members of the Commission shall be residents of the National Capital Region, as defined in the Act of June 6, 1924 (D.C. Code, sec. 1–1001 et seq.) (establishing the National Capital Planning Commission), who have maintained an actual place of abode in the National Capital Region for at least 90 days immediately prior to their appointments as such members."

Page 7, line 4, strike out "priority" and insert in lieu thereof "special consideration".

Page 7, beginning on line 9, strike out "reforms, and this task shall be completed before the Commission begins the examination of the civil law in the District of Columbia." and insert in lieu thereof "reforms."

The committee amendments were agreed to.

Mr. DIGGS. Mr. Speaker, I move to strike the last word.

### PURPOSE OF THE BILL

Mr. Speaker, the purpose of the bill, H.R. 12832, as reported by the Committee (H. Rept. 93–924), is to create a Law Revision Commission for the District of Columbia, whose duty it shall be to examine the law relating to the District of Columbia, to receive learned suggestions thereon and to recommend changes and reforms to the Congress and the District Council for the purpose of remedying defects and anachronisms in the law and to thereby bring the law relating to the District of Columbia, both civil and criminal, into harmony with modern conditions. The bill further seeks to create a municipal code for the District of Columbia so that all the laws enacted by the District Council may be in a codified form that will facilitate their use.

### NEED FOR LEGISLATION

There has not been a complete revision of the District of Columbia Criminal Code since the early 1900's. There are many crimes listed in the Code which have no relevance in modern times. The Code also fails to take into account the changes that have generally taken place in the trends of the criminal law nationwide. The witnesses on this bill indicated that the Criminal Code is in drastice need of revision.

The President's Commission on Crime in the District of Columbia was aware of the need for Criminal Code revision. The Commission recommended that "the criminal law of the District of Columbia should be reviewed and reformed. The reviews should include reexamination of all substantive and procedural provisions of the law to provide a clear definition of criminal behavior to achieve fair and consistent policies in dealings with offenders and introduce new concepts of treatment into the code."

Under the Home Rule Act—Public Law 93–198, approved December 24, 1973—the District Council will receive jurisdiction over the Criminal Code 24 months after it takes office in January 1975, assuming the charter is ratified on May 7, 1974.

In the course of congressional consideration of this legislation, one of the most difficult questions was the issue of granting authority over the criminal sections of the District of Columbia Code. Drafters of the self-government legislation ultimately settled on an arrangement calling for the District of Columbia Council to acquire authority over the criminal sections of the District of Columbia Code 2 years after taking office in January 1975. During the interim, it was understood, a Law Revision Commission would be created by the Congress, which would have as one of its responsibilities reviewing and recommending reforms of the code's criminal sections.

Thus, the Law Revision Commission, as created by the reported bill, is mandated to give special consideration to revision of the Criminal Code in order to effectuate this goal. The District is one of only four jurisdictions which has not recently revised its Criminal Code or is in the process of doing so.

Due to the longstanding need for criminal code revision, it is the intention of the committee that the Law Revision give special consideration to the examination and recommendation for revision of the criminal law. The committee intends that while the Commission need not deal exclusively with the criminal law, it should have substantially completed its work on criminal code revision before turning its attention to the civil law. The Commission should therefore to the extent possible complete the long-needed recommendations for criminal code revision before turning its attention to other areas of the law.

The actual need for substantive Criminal Code reform is rooted in the fact that an inadequate Criminal Code can result in improvisation and poorly guided discretionary authority by police, prosecutors and judges; a lack of understanding by the public as to what conduct is unacceptable; and ultimately, a decreased respect for the law and its enforcers.

More generally, the Law Revision Commission is deemed an important tool to eliminate antiquated and inequitable rules of criminal law by examining the common law and statutes of the District of Columbia, current judicial decisions and the actions of the City Council.

There have been many changes, too, in the field of civil law, including the areas of consumer affairs, and the environment, to mention just two. The Commission will also have the duty of reviewing the civil law with an eye toward recommending needed reforms.

The establishment of a Law Revision Commission was one of the specific recommendations of the Commission on the Organization of the Government of the District of Columbia—the Nelsen Commission. Such commissions are working effectively in such areas of proposing legislation in several States at this time.

### CONCLUSION

The enactment of this legislation will mark the first time since the turn of the century that a comprehensive review of the District's code of laws will be undertaken. The failure to modernize these laws has led to needless litigation, complicated law enforcement efforts, and necessitated a steady flow of remedial and amendatory legislation through Congress. A thorough study, which this legislation would make possible, is long overdue.

The Law Revision Commission would supply Congress with needed recommendations on how the District of Columbia Code, in both its civil and criminal aspects, can be brought into harmony with modern social and legal conditions.

### HISTORY

A public hearing was held by the Judiciary Subcommittee on this proposed legislation (H.R. 7412 and H.R. 7658) on July 11, 1973, at which time testimony or statements were submitted by Members of Congress; by the Chief Judge, District of Columbia Court of Appeals; the Corporation Counsel of the District of Columbia; Chairman of the New York State Law Review Commission; member of the Colorado Institute of Law and Society; representatives of a local law school; and the District of Columbia Bar.

The bill reported reflects several amendments proposed and considered by both the subcommittee and the full committee.

### COST

The committee is informed by the District of Columbia government that there will be an estimated cost of $223,000 per year for the operation of the Law Revision Commission. This is based on salaries for 15 Commissioners and a staff of 5 professionals with requisite clerical support and normal operating, contractual and travel expenses. The 4-year cost of the Commission would be $892,000.

### VOTE

H.R. 12832 was approved and ordered reported to the House by voice vote of the committee on March 14, 1974.

### PROVISIONS OF THE BILL

### ESTABLISHMENT OF A 15 MEMBER LAW REVISION COMMISSION AND APPOINTMENTS TO THE COMMISSION

A Law Revision Commission to consist of 15 members is established to be appointed as follows:

First, two members shall be appointed by the President of the United States.

Second, one member shall be appointed by the Speaker of the House of Representatives.

Third, one member shall be appointed by the President pro tempore of the Senate.

Fourth, one member shall be appointed by the minority leader of the House of Representatives.

Fifth, one member shall be appointed by the minority leader of the Senate.

Sixth, three members shall be appointed by the Commissioner of the District of Columbia, one of whom shall be a nonlawyer, and one of whom shall be a member of the law faculty of a law school in the District of Columbia.

Seventh, one member shall be appointed by the chairman of the District of Columbia Council.

Eighth, two members shall be appointed by the Joint Committee on Judicial Administration of the District of Columbia.

Ninth, one member shall be appointed by the District of Columbia Corporation Counsel.

Tenth, two members shall be appointed by the Board of Governors of the District of Columbia Unified Bar.

The members of the Commission must be U.S. citizens, and at least eight shall be bona fide residents of the District of Columbia for at least 90 days prior to their appointment. The remaining persons appointed shall be residents of the National Capital Region. They will serve 4-year terms and will elect the chairman from among their members. The appointments shall be made without regard to political party affiliation and vacancies shall be filled in the same manner as the original appointment to serve out the remainder of the term.

The appointment process is designed to provide broad-based representation on the Commission so that it may function as a nonpartisan body which reflects the diverse views of the legal and nonlegal community.

### COMPENSATION AND STAFF

Each of the Commissioners shall receive $100 a day for their services including traveltime up to a maximum of $5,000 per year. They shall also be allowed travel expenses and per diem in lieu of subsistence when traveling on Commission business. The Commission may appoint and fix the compensation of such personnel as it deems advisable on the basis of ability and without regard to political party affiliation. Employees of the Commission shall be regarded as employees of the District of Columbia Government.

### POWERS OF THE COMMISSION

The Commission may request from any department, agency, or instrumentality of the Federal or District Government any information for carrying out the purposes of the act. The Commission may enter into contracts with governmental or private bodies for research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties. The Commission may establish such advisory groups consisting of members or nonmembers as it deems necessary for the efficient and effective discharge of its duties.

### DUTIES OF THE COMMISSION

It shall be the duty of the Commission to review all the relevant law relating to the District of Columbia, including judicial decisions, for the purpose of discovering defects and anachronisms in the law and recommending needed reforms. The Commission shall receive and consider proposed changes from any bar association or other learned body, and from judges, public officials, lawyers, and the public in general as to defects and anachronisms in the law relating to the District of Columbia. It is the view of the committee that participation by these segments of the District of Columbia community is essential to the compiling of recommendations that realistically reflect the modern community and its needs.

The Commission shall recommend from time to time, to the Congress and where appropriate to the Commissioner of the District of Columbia and to the District of Columbia Council, such changes in the law relating to the District of Columbia as it deems necessary to modify or eliminate antiquated and inequitable rules of law, and to bring the law relating to the District of Columbia, both civil and criminal, into harmony with modern conditions.

The Commission shall give special consideration to the examination of the criminal law and recommend changes in it.

The Commission is charged with preparing a proposed uniform rules of practice for administrative agencies of the District. The Commission shall also make a study of the District of Columbia Administrative Procedure Act of 1968 for the purpose of preparing a manual. This act, as amended by the Court Reform and Criminal Procedure Act of 1970, established uniform procedures for the exercise of powers and responsibilities by the administrative agencies of the District Government. The Nelsen Commission Report recommended legislative reforms to provide an improved framework in which the District Administrative Procedure Act may operate. The uniform rules of practice governing the District agencies and the Administrative Procedure Act manual are viewed as useful tools for the guidance and information of District agencies.

The Commission must make an annual report of its proceedings to the President, the Congress, the Commissioner and the Council by March 31 of each year and shall include draft legislation where appropriate.

### LIFE OF THE COMMISSION

The Commission shall have a 4-year life from the date that funds are first appropriated, unless extended by Congress.

### MUNICIPAL CODE

The District of Columbia Administrative Procedure Act is amended to require that every regulation in the nature of a law or municipal ordinance shall be codified and published in a municipal code which shall conform as closely as possible to the District of Columbia Code. The code shall be kept current with supplements and shall be first completed within 1 year. The Code shall be available for public distribution, at cost.

### AUTHORIZATION

For carrying out the purposes of this act, there are authorized to be appropriated out of the moneys in the Treasury not otherwise appropriated, such amounts as may be necessary.

Mr. FAUNTROY. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I rise in support of the bill, H.R. 12832, to create a law revision commission and to establish a municipal code for the District of Columbia.

The need for such a commission has been amply documented. Among the recommendations of the Nelson commission filed with the Speaker of this House on August 17, 1972, was recommendation No. VIII-3 calling for the establishment of this commission. Additionally, it was amply evident in the numerous hearings on our home rule legislation, our previous probate code revisions, our consumer protection legislation, and in the 1973 edition of the District of Columbia Code that something had to be done. There are aspects of the code that are completely oblivious to the landmark decisions of the Supreme Court except as footnotes.

I also would like tc point out the fact that the recent hearings which were held by my subcommittee on changing the legal age from 21 to 18 years in the District pointed out numerous places where the law is unclear or the decisions of court completely ignored. This problem is greatly exacerbated in the criminal law sections of the code. Among the examples that we can cite are the sections on abortion, arson, mayhem, cruelty to animals, and domestic affairs. The lists go on. Whether or not we may agree with any of the interpretations of the law or its subsequent development and interpretation since the original enactment, I believe that we ought to have it in language that is reasonably clear and reflective of the current facts so that intelligent change can be made by those to whom that responsibility is entrusted.

A revision has not been authorized since 1900. In 1976 the District of Columbia will be vested with the authority over the entire code. We owe to these people a reasonably cogent and accurate statement of the law as it is. They should not be left with the need to both revise and determine what the laws ought to be.

I would finally like to note the fact that a very extensive number of bills which are pending before your committee are items which should properly come before a law revision commission. Among these are revisions in the law of rape, probate, automobile rentals, mechanic liens, and sex discriminations. Few of these bills would make extensive changes in the substantive law as much as they would bring the District into conformity with the majority of 50 States. This bill will substantially relieve the burden of the House and its committee on the District of Columbia. It will also improve the quality of the technical language that is the law beyond anything we can reasonably do in the short time we can devote to this effort if left alone.

Two other important facets of the bill relate to an examination of the rules of practice of the District of Columbia's administrative agencies and the Administrative Procedures Act as well as the development of a municipal code.

Uniformity in agency practices and procedures is both desirable from the viewpoint of those who appear before them and to assure that capricious actions which are contrary to procedural and substantive due process are not permitted.

As the agencies of the District of Columbia become increasingly involved in rulemaking procedures, it is incumbent that the city have the capability of creating a municipal code to which one can refer. This would be similar to the code of Federal regulations at the National Government level. This bill provides that it would be similarly cross indexed, to the District Code, of course, and available to anyone at the costs of publication.

In his report to the committee, the Commissioner of the District of Columbia notes that the District has entered into a contract with Autocode to compile and publish all of the rules and regulations in effect in the District. There is no inherent conflict between this existing contract and the compilation of this code under the direction of the Commission since it is well within the authority of the Commission and the Council to authorize the entering into of such a contract. Additionally, I would like to point out the fact that while the District has voluntarily undertaken this codification, they are not under any legal compulsion to do so. The city would, however, be compelled to complete this codification under the provisions of this act.

Mr. Speaker, I urge the support of the Members of the House.

Mr. GROSS. Mr. Speaker, I move to strike the necessary number of words.

Mr. Speaker, I should like to obtain answers to a question or two concerning this bill. In the first place, why must there be a 15-member Commission to recodify the municipal ordinances of the District of Columbia—a 15-member Commission, plus a staff?

Mr. FAUNTROY. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. FAUNTROY. The Commission would have the responsibility not for recodifying the municipal code, but the United States Code—the laws—passed by this Congress governing the District of Columbia; and, that is quite a sizable undertaking.

Mr. GROSS. Why must there be a 15-member Commission to do this? Why cannot the staff do it? Why must there be a 15-member Commission, ending up with a windfall of $5,000 per year? What will be the function of the Commission members other than to draw $100 a day and pocket up to $5,000 a year for 4 years?

Mr. FAUNTROY. As I indicated earlier, the District of Columbia Code has not been revised since 1900——

Mr. GROSS. I do not care whether it has been revised since the ark was beached. I am not interested in that. I want the gentleman to tell me why this proposal has been made. Let me ask the gentleman the $64 question. On page 9 of the bill, section 6, it is provided that the Commission and the staff will be paid from moneys appropriated from the treasury. What treasury are you talking about?

Mr. FAUNTROY. As the gentleman knows, there is the District of Columbia Code——

Mr. GROSS. Is the money to come from the U.S. Treasury?

Mr. FAUNTROY. That is correct.

Mr. GROSS. Why should the U.S. Treasury finance a revision of the District of Columbia municipal ordinances and laws, whatever they are?

Mr. FAUNTROY. The fact is that these funds will not go for revision of the municipal ordinances but rather for revision of the Code. The District of Columbia Code falls properly under the jursdiction of the House Committee on the Judiciary, which is, of course, nationally funded. The revision of these codes is therefore a proper function of the National Government.

Mr. GROSS. Of the Federal Government?

Mr. FAUNTROY. Without question.

Mr. GROSS. Does the gentleman suggest that if Chicago needs a revision of its municipal code we should appropriate money out of the Federal Treasury for that purpose, or if Akron, Ohio, or any other city or town you can think of in this country needs it, that it should be financed out of the Federal Treasury?

Mr. FAUNTROY. I am not and do not suggest that. I am not suggesting that any Federal money will go into revision of the municipal Code of the District of Columbia. The only money spent will be on the revision of the Federal laws which are passed by this Congress which govern the people of the District of Columbia.

Mr. GROSS. The District of Columbia is already hiring an outfit known as Autocode, Inc., to do something about the rules and regulations within the District. Why does the gentleman not employ a think tank to revise the Code for the District instead of appointing 15 members to a Commission, political appointees, and give each of them a windfall of $5,000 a year for 4 years?

Mr. FAUNTROY. I want to make it very clear that the people of the District of Columbia through its local government is meeting its responsibility by paying for the publication of the municipal codes. This bill provides Federal money for that which is properly under the jursdiction of the House Committee on the Judiciary for the revision of the Federal codes. I think it would be unfair to ask the citizens of the District of Columbia to assume that cost.

Mr. GROSS. What is unfair about it? They have just been granted home rule. What is unfair about the citizens of the District of Columbia financing the revision of their municipal code? What is unfair about it?

Mr. FAUNTROY. I think we have difficulty in defining the difference between the municipal code and the Federal code. The code which governs the people of the District of Columbia and for which these funds are sought was passed by this Congress.

Mr. GROSS. Why does the gentleman come here with an open-ended appropriation, with no limit to what can be spent on this thing, and ask that it be financed out of the U.S. Treasury? And why is it an open-ended appropriation?

Mr. FAUNTROY. If the gentleman will read this report he will see——

Mr. GROSS. Is that the way the gentleman proposes that the District of Columbia government be conducted now that it has home rule?

Mr. FAUNTROY. If I may refer the gentleman to page 8 of the report——

The SPEAKER. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. GROSS was allowed to proceed for 3 additional minutes.)

Mr. FAUNTROY. If I may refer the gentleman to the committee report on page 8 relative to the cost, he will read:

> The Committee is informed by the District of Columbia government that there will be an estimated cost of $223,000 per year for the operation of the Law Revision Commission. This is based on salaries for 15 Commissioners and a staff of 5 professionals with requisite clerical support . . .

And so on.

Mr. GROSS. That is not what the bill says, is it? There are no fixed salaries for the staff and there is no fixed total expenditure. It is an open-ended appropriation, is it not?

Mr. FAUNTROY. No, it is very clear in the legislative history.

Mr. GROSS. Where are the fiscal limitations? I suggest the gentleman read section 6 on page 9 of the bill, the closing section of the bill. It is open ended, completely open ended.

Mr. FAUNTROY. I would agree that is the language there. If the gentleman, however, will read the language in the committee report, he will see that the legislative intent is very specific.

Mr. GROSS. The committee report is not binding. The bill as it is passed here today will be the binding language. The gentleman understands that.

Mr. FAUNTROY. I do; but the legislative history is not without some value for apropriation purposes.

Mr. GROSS. I still do not understand why a 15-member commission is paid $100 a day and up to a maximum of $5,000 for this purpose or a total of $75,000 a year.

What will be done with the rest of the $223,000 which the report says is necessary?

Mr. FAUNTROY. If the gentleman will look at the composition of the Commision, he will, I think, appreciate the desire of the committee to see to it that the Federal interests are adequately protected in the revision process.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. GROSS. Yes, I yield.

Mr. WYLIE. The gentleman from the District of Columbia, Mr. Fauntroy, said in answer to a question propounded by the gentleman from Iowa (Mr. GROSS) that funding under this bill only applies to the codification of laws passed by this Congress.

I am not real sure that is accurate, because it says at page 8, line 14:

> (d) Every regulation in the nature of a law or municipal ordinance adopted by the Council under authority specified in Reorganization Plan Numbered 3 . . .

In other words, it also refers to municipal ordinances adopted by the District of Columbia Council.

Then on page 9 is language as follows:

> For the purpose of carrying out this Act, including the amendment made by this Act, there are authorized to be appropriated, out of moneys in the Treasury . . .

Is the gentleman suggesting that no money authorized to be appropriated in this bill will be used to codify the Council of the District of Columbia ordinances?

Mr. FAUNTROY. That funding is not covered by this bill.

Mr. WYLIE. Where does the funding come from for that?

Mr. FAUNTROY. It would come out of District of Columbia funds.

Mr. WYLIE. From funds already appropriated?

Mr. GROSS. Then why do not they pay for the revision?

Mr. FAUNTROY. This is a Federal responsibility.

Mr. GROSS. If this bill is approved, every municipality should be able to come here and get funds. If any municipality in any congressional district wants to revise its municapl codes, right here is the place to get the money. The line forms on the left.

The SPEAKER. The time of the gentleman has expired.

(At the request of Mr. WYLIE, and by unanimous consent Mr. GROSS was allowed to proceed for 1 additional minute.)

Mr. GROSS. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. WYLIE. Would the gentleman point to the language in the bill where it says the money will only be used to codify Federal laws relating to the District of Columbia? I think the gentleman from Iowa has made a valid point that the language could be interpreted to include municipal ordinances.

Mr. GROSS. Look at the language on page 8, the last sentence:

> The first such codification and publication of the Municipal Code of the District of Columbia shall be completed within one year after the date of enactment of this subsection.

Mr. WYLIE. I agree with the gentleman. Will the gentleman yield further?

Mr. GROSS. I yield to the gentleman.

Mr. WYLIE. Then it says at line 4:

> The District of Columbia Council shall provide for public distribution (at cost) of the Municipal Code of the District of Columbia . . .

I do not see any language there that the codification of the District of Columbia Code could be paid for out of moneys provided in this bill.

Mr. FAUNTROY. I would be pleased to answer that.

Mr. GROSS. Mr. Speaker, there is no justification whatever for the appointment of a 15-member Commission for the purpose of recodifying the municipal code of the District of Columbia at a projected cost of $120,000 over the next 4 years for the Commission alone. Then there would be an expenditure of some $600,000 for a staff during the same period and everyone knows the staff will do the work.

It is an outrage to saddle the taxpayers of the Nation with this bill of expense that is of benefit only to the municipal government of the District of Columbia.

By every rule of reason this bill ought to be defeated.

The SPEAKER. The time of the gentleman has expired.

Mr. RANDALL. Mr. Speaker, I move to strike the last word.

I take this time to direct a question or two to the chairman of the committee. First, let me say that ordinarily these code revisions are accomplished by the city counselor's office. My first question is: How many city counselors do you have down at City Hall?

Mr. FAUNTROY. We have one City Council.

Mr. RANDALL. No. I am talking about how many in the law department. How many lawyers are in the law department? The number of corporation counselors is what I am talking about. Of course one must be the head, but how many associates does he have?

Mr. FAUNTROY. I cannot give you that.

Mr. RANDALL. Ten or fifteen or twenty? The point I am making is that is their job to revise the code, those that are members of the Corporation Counselor's Office.

Mr. FAUNTROY. Of course, first of all it was the considered judgment of the Mayor's commission that they needed to contract out the revision of the municipal ordinances for reasons which, quite frankly, I am not able to explain at this point. But, these again are Federal responsibilities.

Mr. RANDALL. Mr. Speaker, we have been down that road before. Now we have home rule. The gentleman surely cannot say any longer that this is now a Federal matter. This is a District matter, we have voted home rule, which I supported.

Mr. FAUNTROY. Mr. Speaker, let me just indicate again that this commission was the result of the well-considered judgment of the Mayor's commission, which offered this formulation for revising the code.

Mr. RANDALL. Mr. Speaker, I have another question: I understand there is a contract to revise or codify what is called the Autocode. I understand that is to be reported July 1, 1974. Like most municipalities, the court and traffic code here in Washington should be a big part of the entire or total code. That is already being taken care of, is it not? Surely then we do not need all the money you are asking to do the remainder of the code other than the traffic code.

Mr. FAUNTROY. There is, at the present time. However, the City Council, the Mayor's commission at this time does not have the authority for that.

Mr. RANDALL. How much did the revision of the Autocode cost?

Mr. FAUNTROY. $175,000.

Mr. RANDALL. Mr. Speaker, I am trying to see if someone knows the cost of Autocode. Does the chairman know?

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. RANDALL. Mr. Speaker, I yield to the gentleman from California.

Mr. REES. Mr. Speaker, it is outstanding in the contract that Autocode is $175,000. Frankly, I do not know what they got. If the gentleman will yield further, I would like to address myself to this: I think the bill is necessary because they do not even have a code in the District of Columbia. They do not know where it is and do not have any administrative regulations in the District of Columbia. I do not know how an attorney can practice in the jurisdiction.

This bill is necessary just to make sure that they have a code.

Mr. RANDALL. Every ordinance is surely printed and available. It may not be indexed as well as might be preferred but all the ordinances are printed in some kind of a code, of that I am certain and positive.

The gentleman cannot tell me that any city in America today does not print its ordinances.

Mr. REES. Let me give the gentleman an example. They are.

Mr. RANDALL. They are.

Mr. REES. That is why we need this bill, because they do not have a municipal code broken down into various functional areas.

Mr. RANDALL. Then that is just a matter or a question of indexing of the code.

Mr. REES. That is indexing.

Mr. RANDALL. We are talking about $892,000, which is almost a million dollars, just to index.

Mr. REES. Nor do they even have their administrative regulations codified.

Mr. RANDALL. If they do not then they should have their code already indexed and codified by in-house associate or assistant counselors.

Mr. REES. No. If any jurisdiction needs a bill, a law revision commission, and if any jurisdiction needs a system where we are going to have specific codes, it is the District of Columbia, because the whole situation is a mess.

Mr. RANDALL. Now let us get back to the matter of Federal financing. This is all being financed by taxpayers' money of everyone in the United States in everyone of you Members districts for the District of Columbia—even though we now have home rule.

The SPEAKER. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. RANDALL was allowed to proceed for an additional 2 minutes.)

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. RANDALL. Mr. Speaker, I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I want to ask a question in order to make legislative history, if I may. Is it intended that no money appropriated in this bill be used for codification of the District of Columbia ordinances? Previously the gentleman from the District of Columbia indicated no.

Mr. REES. Mr. Speaker, will the gentleman yield?

Mr. RANDALL. Mr. Speaker, I yield to the gentleman from California.

Mr. REES. Mr. Speaker, section 5 deals with codification both of the municipal ordinances and of rules and regulations of the District.

It was put in later. It is not part of the Law Revision Commission, so there is no money for this purpose other than what normal funds there would be available internally to the city council, as far as the Commission is concerned. So section 5 is in addition to this bill, and it just says that they will codify the laws, and they will codify the administrative regulations, which is something they have not done until today.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, that is not what the bill says on page 9, section 6, in language as follows:

> For the purpose of carrying out this Act, including the amendment made by this Act, there are authorized to be appropriated, out of moneys in the Treasury * * * such amounts as may be necessary to carry out the purpose of this Act.

Mr. RANDALL. Mr. Speaker, I understand the point the gentleman is making. However, I have some other questions to be answered before my time has expired.

Mr. Speaker, let me ask the Delegate from the District of Columbia: Is it true that there are no limitations on salaries set other than the $100 a day with a maximum of $5,000 a year, relating to all 15 members?

Mr. FAUNTROY. The gentleman is correct.

Mr. RANDALL. It is true that members may be appointed to the Commission who live outside the District of Columbia?

Mr. FAUNTROY. That is true, pursuant to the amendment.

Mr. RANDALL. Well, Mr. Speaker, there are many questions that cannot be answered satisfactorily and so many unanswered questions that we should not pass this bill at this time. No Member has a stronger record for law enforcement than I have demonstrated over my years in Congress. But that is not the issue here. We have enough ordinances. We have home rule. We do not need to spend nearly $1 million to have outsiders do a job that should be done by regular personnel in the city hall. The bill before us now should either be recommitted to the committee or defeated.

Mr. NELSEN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I step into this situation with a little fear of getting involved in the legal interpretation of a measure such as this inasmuch as I am not a lawyer, but I wish to point out that the Nelsen Commission report recommended a Law Revision Commission for the District. The gentleman from Florida, DON FUQUA—and I know of no Member in this body that I have more confidence in than the gentleman from Florida, DON FUQUA—cosponsored a bill, H.R. 7658, which was designed to establish a Law Revision Commission. We have here in this Law Revision Commission bill, H.R. 12832, the work of the House District Committee in reporting out a legislative proposal on this subject.

I think that if we look at the record, we will find that many States have done exactly this same thing. This, of course, poses the question: Why do they not pay for it themselves? I will speak to this later and I will have an amendment which will insure that the costs are included in the District of Columbia appropriation and budget.

Now, the revision portion of the Code of the District of Columbia deals, as I understand it, with a code which has heretofore been passed only by Congress. However, the District of Columbia City Council would have authority under the Home Rule Act to enact legislation for the District of Columbia.

This proposal for a Law Revision Commission has its genesis in the work of the Nelsen Commission, which submitted its report to Congress on August 17, 1972. I take this opportunity to insert in the Record the discussion and recommendation of the Commission on the Organization of the Government of the District of Columbia—the Nelsen Commission—that recommended a law revision commission that would among other things undertake a revision and review of the uniform Rules of Administrative Practice in the District of Columbia.

My views on the entire bill are set forth in the additional views as contained in the report accompanying H.R. 12832 as set forth below.

Congressman Don Fuqua, who served on the Commission on the Organization of the Government of the District of Columbia—the Nelsen Commission—and I introduced a bill which would have the Law Revision Commission implemented into legislative language. It was Mr. Fuqua's position that we should have another look at this matter 4 years after its enactment, and that is the way H.R. 12832 is drafted. I strongly commend this bill to you. I think that it is needed in the District of Columbia, that it will perform an important function not only for the citizens, but for the Congress, and all of us who are interested in the District of Columbia and its laws.

As I stated earlier, I will propose an amendment to H.R. 12832 that will clarify the matter that only District of Columbia appropriations were involved.

I include the following:

## Nelsen Commission Report

### LAW REVISION COMMISSION AND UNIFORM RULES OF PRACTICE

The Commission believes that the establishment of a Law Revision Commission for the District of Columbia would supply a much-needed service now lacking in the legislative and administrative machinery of the District Government.

A Law Revision Commission, as contemplated in this report, would be a permanent body authorized by statute to conduct continuing studies into the anachronisms and inequities in the common law as well as statutory and case law, for the purpose of developing recommendations and reports to the governing legislative body for its consideration and adoption into law. Members of the Commission would include local attorneys and other professionals; and the Commission would be authorized to employ consultants and regular staff members to investigate and prepare studies under its supervision and direction.

The Law Revision Commission established in the State of New York in 1934, has served as the prototype for others created since that date. (L. 1934, c.597, effective May 16, 1934: 5 *McKinney's Consol. Laws of New York*, Book 31, Legislative Law, Art 4A, Law Revision Commission, secs. 70 to 72.) It is composed of seven members, five appointed by the Governor for five years, plus the respective chairmen of the Committees on the Judiciary and on Codes of the State Senate and Assembly. The statute provides that at least two appointed members shall be members of law faculties of universities or law schools within the State and that four appointed members shall be members of the New York bar.

The Commission is charged by statute with the following duties:

"1. To examine the common law and statutes of the state and current judicial decisions for the purpose of discovering defects and anachronisms in the law and recommending needed reforms.

"2. To receive and consider proposed changes in the law recommended by the American Law Institute, the commissioners for the promotion of uniformity of legislation in the United States, any bar association or other learned bodies.

"3. To receive and consider suggestions from judges, justices, public officials, lawyers and the public generally as to defects and anachronisms in the law.

"4. To recommend, from time to time, such changes in the law as it deems necessary to modify or eliminate antiquated and inequitable rules of law, and to bring the law of this state, civil and criminal, into harmony with modern conditions.

"5. To report its proceedings annually to the legislature . . . and, if it deems advisable, to accompany its report with proposed bills to carry out any of its recommendations." (5 *McKinney's Consol. Laws of New York*, Book 31 Art. 4A, sec. 72.)

The report of the New York Law Revision Commission for 1962 (Legislative Document (1962), No. 65) is illustrative of the type and quality of work performed by the Commission during a relatively active year. The report consists of 810 printed pages. It includes fourteen current reports and recommendations; studies directed by the legislature; recommendations presented in 1962; three studies and communications to the legislature without recommendation of legislation; legislative history of twelve recommendations submitted in 1961 which were enacted into law, and four others whose implementing bills did not become law; calendar of eight topics representing work in progress, nine topics on calendar for further study, and twenty-five proposals for future consideration. Representative recommendations enacted into law included: Appointment of Temporary Administrator for the Protection of the Property of a Missing Person; Power of Surrogate to Authorize Temporary Administrator of Estate of Missing Person to Join with Co-Tenants of Missing Person in Disposition of Real Property; Extinguishment of Estate of Missing Persons as Joint Tenant Upon Deposit of its Value in Court; Agreements Extending the Statutes of Limitation; Effect of Part Payment on Time Limited for Foreclosure of a Mortgage; Effect of Recording Executory Contract for Sale of Land and Priority of Vendee's Lien Arising from Payments Made Pursuant to [such] Executory Contract; and Accumulation of Income of Trusts for Religious, Educational, Charitable or Benevolent Purposes. The current calendar of topics under study included: Revision of Consolidated Laws to Transfer Provisions to More Appropriate Chapter or New Chapter; Application of Statute of Frauds to Agreements for Joint Venture to Deal in Land; Clearing Clouds on Title Resulting from Violation of Building-line Restrictions; and Effect of Contract Term Disclaiming Parole Representations to Bar Action for Fraud in Inducement of Agreement. Each study and report represents a detailed review of the problem in question, and is replete with legislative references and citations to relevant judicial precedents.

A considerable number of States have established Law Revision Commissions as a permanent, continuing part of their legislative and governmental structures. They include, for example, Michigan (*Mich. Compiled Laws*, 1967, 4.811, at 4.822–4.824); California (*West's Anno. Calif. Codes*. vol. 32A, secs. 10300–10340); Louisiana (*West's La. Stats. Anno.*, 1969, vol. 17, Title 24, Ch. 4, sec. 201); Pennsylvania (46 *Purdon's Penn. Stats. Anno.*, Title 46, secs. 65 and 431.1); Maryland (*Maryland Anno. Code*, Art. 40, secs. 48 to 53); and Virginia (*Virginia Code Anno.*, secs. 30–29 to 30–34). See also *Minn. Stats. Anno.*, secs 3.31 to 3.38, 3.42; and secs. 3.301 to 3.302.

Helpful background information concerning the functions of Law Revision governmental units was made available to Commission representatives by members of the bar in the District of Columbia, Philadelphia, and New York.[1]

In the District of Columbia Government, the Corporation Counsel serves as chief legal officer (West's D.C. Code Encycl. Secs 1–301 to 1–303, and Reorg. Order No. 50, as amended, West's D.C. Code Encycl., Vol. 2, pp. 202–207, and 1970–1971 Ann. Cum. Pocket Part, (p. 111)), much as the Attorney General and Corporation Counsel, or City Solicitor, serve the States of New York and Pennsylvania, and the cities of New York and Philadelphia, i.e., jurisdictions where law-revision commissions have been established for some years.

Experience demonstrates that an active Corporation Counsel's office, burdended with the day-to-day workload of litigation and accumulated administrative responsibilities, has little time or adequate facilities to undertake studies into legislative shortcomings, or to exercise initiative in formulating recommendations for specific legislative improvement. The work of law-revision commissions serves to supplement and assist, as well as ultimately to strengthen, the resources available to the chief law-enforcement officials. There need be no conflict between the two; in fact, there has been no occasion for incongruity but rather an opportunity for meaningful cooperation between them. The District Corporation Counsel is included among those that would be given a voice in the selection of members of the Commission proposed for the District of Columbia.

The statement of basic purposes and responsibilities for the District Law Revision Commission could be patterned after that governing the New York Law Revision Commission. (Legislative Law, Art. 4A, 5 *McKinney's Consol. Laws of New York*, Book 31, secs. 70–72.)

The proposed Commission would provide a systematic method of collecting, coordinating, and making available to the pertinent legislative bodies suggestions for law reform emanating from administrative and other public officials, judges, lawyers, bar associations, universities, and other organizations as well as the general public. Suggestions would be transmitted, after study, in the form of a comprehensive report and, wherever appropriate, a draft bill.

The proposed Commission should be authorized to prepare pamphlets on the District of Columbia Administrative Procedure Act (D.C. Code secs. 1–1501–1510) for the information and guidance of District Government departments and agencies as well as the general public. It is contemplated that such studies and pamphlets would contain pertinent extracts from legislative history, selected citations to court decisions, etc., along the lines of the manuals issued by the Attorney General of the United States with respect to the Federal Administrative Procedure Act (5 U.S.C. 551–559, 701–706, 1303, 3105, 3344, 5362, and 7521), including its Freedom of Information provisions, in 1947 and June 1967, respectively.

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[1] They included Mr. Frank J. Whalen, Jr., (Spencer, Whalen & Graham), Washington, D.C.; Mr. William E. Zeiter (Morgan, Lewis & Bockius), Philadelphia, Pennsylvania; and Mr. William B. Lawless (Mudge, Rose, Guthrie & Alexander), New York City. Their cooperation and support of the modern trend toward law-revision commissions could be characterized as enthusiastic. Valuable assistance was also provided by Mr. Arthur John Keeffe, Professor of Law at Catholic University, Washington, D.C., formerly a member of the law faculty at Cornell University, where he was actively associated with various studies and related projects undertaken by the New York Law Revision Commission.

It is also recommended that the proposed Commission be authorized to prepare and issue uniform rules of practice, including hearing rules, to govern all Distict of Columbia agencies conducting on-the-record hearings to determine legal rights, etc., pursuant to statutory procedural requirement, constitutional right, or otherwise afforded by the agency. The uniform rules of practice would apply to on-the-record evidentiary proceedings of all District Government agencies, unless an agency (1) determined that a different procedural rule of its own, with respect to a particular area or matter, would better serve the public interest, and (2) demonstrated that fact to the satisfaction of the Commission. Uniform rules of practice for all departments and agencies of the Commonwealth of Pennsylvania were promulgated by the Committee on Documents (a permanent seven-member body appointed by the Governor) pursuant to section 1403 of the Commonwealth Documents Law, enacted July 31, 1968 (Law No. 240, July 31, 1968, 45 *Purdon's Penn. Stats. Anno.*, Title 45, secs. 1101–1611). The Committee on Documents is authorized to codify and revise the regulations (including procedural rules) applicable to all departments and agencies of the State government, having in mind uniformity of style and expression. The uniform rules of practice for Commonwealth of Pennsylvania agencies have been published, in printed looseleaf form, as Part II of the Pennsylvania Code, Chapters 31, 33 and 35 [Preliminary Provisions, Documentary Filings and Formal Proceedings, respectively], pp. 80.1 to 90.11, inclusive.

Recommendation No. VIII–3.—The Commission recommends that the District Government initiate legislation that would authorize the establishment of a Law Revision Commission for the District of Columbia, in the form of a permanent body as suggested in the preceding discussion, to be composed of fifteen members appointed as follows: (1) two each appointed by the Mayor-Commissioner, Chairman of the District of Columbia Council, District of Columbia Corporation Counsel, and the United States Attorney for the District of Columbia; (2) one each by the Speaker of the House of Representatives, majority leader of the Senate, the respective minority leaders of the House of Representatives and Senate, and the Chief Judges of the District of Columbia Court of Appeals and District of Columbia Superior Court; and (3) the Chairman by the President of the United States, subject to Senate confirmation.

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## Additional Views of Representative Ancher Nelsen on H.R. 12832

The Commission on the Organization of the Government of the District of Columbia (The Nelsen Commission) filed with the Speaker of the House of August 17, 1972, its Report which contained in Recommendation No. VIII–3 the recommendation for the establishment of a law revision commission for the District of Columbia. The thrust of this proposal was to provide for the establishment of a law revision commisson that would examine anachronisms in the local District of Columbia Code, both civil and criminal laws.

On May 9, 1973, I introduced H.R. 7658 with Congressman Don Fuqua of Florida as a co-sponsor (Congressman Fuqua also served as a member of the Commission on the Organization of the Government of the District of Columbia), and in that bill there was a provision that the Congress would have an opportunity to review, after four years, how the Commission was performing its function. It was not our desire to limit the life of the Commission, unless the Congress in its judgment considered that it was failing to perform its duties as contemplated in such legislation. There is a similar provision in this bill, and I believe it is a provision which enhances its passage in the House and the Senate.

H.R. 7658, which I introduced and much of which is incorporated in H.R. 12832, the bill which this report accompanies, did not give priority to the study or examination of either the criminal or civil law. H.R. 12832, as taken up by the Full Committee on March 14, 1974, contained two provisions which were amended as follows:

1. *Eliminated priority for the study of criminal law to special consideration.* As originally provided in H.R. 12832, the Commission could not undertake the consideration of other matters until its examination of the criminal law was "completed." I agree with and quote favorably from a letter written by Frank J. Whalen, Jr. (a member of the Nelsen Commission Advisory Committee on Administrative Procedures), raising questions about this priority provision as it read before amendment:

"This priority provision seems to me to preclude establishment of the Commission on a broad base commensurate with the all-encompassing purposes described elsewhere in the legislation. Although the Commission should obviously devote a fair share of its attention to the criminal law, the effect of the priority provision would cause the Commission, for at least the first two years of its existence, and probably longer, to deal exclusively with criminal law. In my view, the appointments to the Commission will inevitably be made with this in mind, and the staffing and funding of the Commission will be similarly one-sided. The result will be that the Commission's attention will be devoted for a substantial period of time solely to Titles 22 through 24, of the District of Columbia Code (and the decisional law and other matters which are related thereto), to the complete exclusion of 46 other Titles and everything else.

"In the testimony of Professor MacDonald, who has for several years been the Chairman of the New York Law Revision Commission and who has been involved in the activities of that Commission since its very beginning almost 40 years ago, he made it very clear that he thought that the value of the Law Revision Commission was its receptivity to matters of all kinds which have legal impact upon the community and that it was definitely undesirable to bog down the Commission in a single aspect of the law. He specifically discussed, for example, the difficulties which the New York Commission experienced when it devoted most of its work for a period of about 6 years to examination of and adaptation of the Uniform Commercial Code into New York Law.

"In the last analysis, the effectiveness of the Commission will be measured largely by its ability to attract as members of the Commission persons who are able and willing to dedicate a substantial portion of their time to the work of the Commission. Most of the persons who will be appointed to the Commission must necessarily be lawyers and the number and variety of lawyers who will accept appointment to the Commission will be narrowed immensely if the Commission is going to devote itself solely to criminal law for a substantial period of time. Before the Commission will be able, under the proposed priority, to go forward with any other work, it will be essential to have the criminal law "task . . . completed." This would appear to compel a subsequent change of personnel after the completion of the criminal law phase in order to obtain the appropriate mix of Commission members and staff to deal with the wide-ranging problems which the Commission should normally be ready to handle. It seems to me that it would be desirable to eliminate the priority altogether, and to make it clear that the Commission should be established on the broadest base possible, and should be staffed to do its entire job from the very beginning."

2. *Membership on the Commission extended to the Metropolitan Area.* Certainly there is a need for local residents and those who practice to a substantial degree in the District of Columbia to be represented on this law revision commission. Certainly the provisions of the District of Columbia Self-Government and Government Reorganization Act, Public Law 93–198, provides that after January, 1975, judges appointed to the local courts must be residents of the District of Columbia. However, I am of the opinion that judicial appointments are in a very different case than appointees to members of the law revision commission established by this bill.

First, the appointment of judges is virtually a life-time appointment, in that the appointments are for 15 years. The appointments in this bill are for a substantially lesser period of time.

Secondly, the remuneration consists of $100 a day up to $5,000 per year for members of the law revision commission. If the quality of individuals appointed are of the caliber we envisaged when we recommended the formation of the law revision commission in the Nelsen Commission Report, they cannot begin to be compensated fully for their time. They would be leaders of the bar and scholars of note. Thus, I would expect that members appointed to the Commission would in the final analysis make a substantial economic sacrifice to the benefit of the District of Columbia by their service.

Furthermore, the problems which the law revision commission will be addressing are not purely local in nature. The commission must take into account the metropolitan characteristics of the community as a whole and that the District of Columbia is the Nation's Capital, yours and mine. As I understand it, there are somewhere in the vicinity of 18,000 members of the Unified Bar in the District of Columbia. The information I have is that 8,000 of these live outside the metropolitan area of Washington, D.C., and that somewhere between 2,000 and 3,000 of the members of the Unified Bar live in the District of Columbia. Accordingly, the amendment taken up in the Full Committee to permit appointment of individuals living in the Washington Metropolitan Area was again a provision which I believe enhances the passage of this measure in the House and Senate.

Finally, as to the question of funding this Commission, it is my understanding from a review of the testimony that the New York State Law Revision Commission, as testified to by Professor MacDonald, had a budget of approximately $350,000. I believe that if the cost of the District of Columbia Law Revision Commission gets out of hand, the permanency of the Commission, which I believe we all endorse, may be threatened substantially. In four years the issue must come back to Congress for consideration of the continuance of the commission, and each year its budget must be justified. Accordingly, I exhort those who serve on the commission to do so with all the dedication and fervor at their command. But I also caution them to do so with an eye to the fact that we must all live within realistic budgets. This Law Revision Commission can perform an outstanding service to the community, the Congress, and the nation as a whole. I trust that those who serve on the Commission will do so in a very dedicated, but common-sense, manner. I am sure that they will, and when they do, they will be assured of success.

Mr. GOLDWATER. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I do not rise to challenge the merits of this particular piece of legislation, although, after listening to the colloquy among the various members of the committee and the gentleman from

Iowa (Mr. GROSS) and the gentleman from Missouri (Mr. RANDALL) certainly I believe there is some wisdom to be gained as far as the language of this bill is concerned, since the language seems to be quite permissive.

The purpose of my rising is to perhaps examine the unrestrained authority and power of this Commission to collect information.

Section 2, subsection (j), says that—

> The Commission, acting through its Chairman, may request * * * any information for carrying out the purposes of this Act.

Mr. Speaker, I would like to ask the chairman of this committee and the delegate from the District of Columbia (Mr. FAUNTROY) whether this language in section 2, subsection (j), only applies to laws and related statutory information.

Or can it be construed to imply personal information about individuals?

Mr. FAUNTROY. No, it cannot be construed to imply personal information.

Mr. GOLDWATER. What kind of information, then, would this commission be collecting if not on individuals?

Mr. FAUNTROY. It would be only data that is relevant to the needs of law revision.

Mr. GOLDWATER. And you see no reason for this commission to request information on individuals per se?

Mr. FAUNTROY. I see no reason whatsoever for that.

Mr. GOLDWATER. So, in other words, what they are looking for is for a statistical research type of material and not personal information involving individuals?

Mr. FAUNTROY. Precisely.

Mr. GOLDWATER. Mr. Speaker, I appreciate the clarification by the gentleman from the District of Columbia and only wish to point out in closing that we have in the past, I believe, come down this road of making provisions in the law when we create an agency or commission which is sort of standard practice in authorizing the commissioners to collect information without any regard for any kind of safeguard for that information and without any regard for the effect it may have on the personal lives of individuals.

It seems to me, as we legislate in the future, we should take these things into consideration. Certainly today, with technologly as it is and with the increased use of social security as an identifying number the potential for the invasion of privacy has increased when we given this kind of permissive language in these types of bills. This is a sort of boilerplate approach and one which we need to examine more closely and use more wisely.

Mr. KEMP. Will the gentleman yield?

Mr. GOLDWATER. I yield to the gentleman from New York.

Mr. KEMP. I would like to associate myself with the remarks of the gentleman from California (Mr. GOLDWATER).

I understand a good deal more about this legislation through his inquiry of the delegate from the District of Columbia, and I appreciate the answers given to the gentleman from California in this colloquy. I also appreciate even more greatly the necessity, as the gentleman pointed out, of insuring that there are proper and adequate safeguards built into these "boiler plate" approaches.

I very much appreciate what the gentleman from California is doing, and I have joined with him in several pieces of legislation which would protect the rights of individuals to their own privacy.

Mr. GOLDWATER. I thank the gentleman for his support of this line of questioning and certainly recognize him as an individual who has expressed great concern for the personal privacy of individuals.

Mr. SMITH of New York. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I do not think I shall take the 5 minutes, but I do want to try to clear up several misapprehensions.

The gentleman from California (Mr. GOLDWATER) has just questioned whether this proposed bill might not open up fishing expeditions for personal information under section 2.

The fact is, though, that it will not, because section 3 sets forth what the duties of the Commission are, and the duties of the Commission are to study the present laws of the District of Columbia and to recommend from time to time to the Congress, and where appropriate, to the District of Columbia Council, such changes in the law relating to the District of Columbia as it deems necessary to modify or eliminate antiquated and inequitable rules of law, and to bring the law relating to the District of Columbia, both civil and criminal, into harmony with modern conditions.

So the concern of the gentleman about this Commission getting information about private individuals has no basis because it is allowed to get information only in regard to the duties of the Commission which are set out specifically in section 3.

There is one other matter that I would like to discuss a little bit, and that is that there is a small misunderstanding here. We have two sets of law involved here. One is the District of Columbia Code which is now in existence and which has been passed by this Congress from time to time. It is this code, which consists of both civil and criminal law, in regard to which the proposed Law Review Commission will operate chiefly to make recommendations. It will also examine from time to time the Municipal Code of the District of Columbia which will be the body of municipal ordinances which will be passed by the City Council after home rule becomes effective, and that is the reason for section 6 in which there is authorized to be appropriated out of the moneys of the Treasury such amounts as might be necessary for this act, and which will still be subject to the appropriations procedure in this House of Representatives under the chairmanship of the gentleman from Kentucky (Mr. NATCHER).

The Nelsen Commission recommended that the laws of the District of Columbia which have been passed by the Congress of the United States should be revised where necessary. That is the purpose of this bill.

The home rule bill prohibits the new District Council of the District from doing anything about the criminal laws of the District of Columbia for a period of 2 years.

That is why it is necessary to have this Law Revision Commission which will look at the criminal laws of the District of Columbia now contained in the District of Columbia Code, for revision where and as necessary, and to recommend changes to the Congress of the United States.

This sort of a law revision commission has been in existence in my own State of New York since 1934, and it has performed and continues to perform an outstanding job in New York State in revising and making recommendations for the revision of the laws of the State of New York.

In answer to the inquiry of the gentleman from Iowa about why have a commission of 15 members, I would say that the experience in the State of New York with its law review commission since 1934 has indicated that the commissioners are the directors of the areas in which a study of revisions or possible revisions may be necessary. The staff do the actual work. The commissioners sit as experts. They will all be attorneys or judges or people who are expert in the laws today, and will decide what direction and into what areas the commission should move.

The commission by the bill is——

The SPEAKER. The time of the gentleman has expired.

(By unanimous consent, Mr. SMITH of New York was allowed to proceed for 1 additional minute.)

Mr. SMITH of New York. Mr. Speaker, I just want to finish up by saying the commission, which will be looking at all the laws of the District of Columbia, is directed by this bill to give special consideration to a revision and a study of the criminal laws of the District, and to report back.

### AMENDMENT OFFERED BY MR. NELSEN

Mr. NELSEN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. NELSEN: Page 9, line 10, after the word "treasury" insert the words: "credited to the District of Columbia and".

Mr. NELSEN. Mr. Speaker, the full section would read like this:

> For the purpose of carrying out this Act, including the amendment made by this Act, there are authorized to be appropriated, out of moneys in the Treasury, credited to the District of Columbia and not otherwise appropriated, such amounts as may be necessary to carry out the purpose of this Act.

The purpose of the amendment is to clarify the question of where the appropriations—moneys—will come from to fund this bill. It should come out of the moneys of the District of Columbia, realizing, of course, that a large portion of their moneys does come from the Federal payment. However, this problem will be handled and will be subject to the review of the Subcommittee on District of Columbia Appropriations.

Mr. Speaker, I yield back the balance

of my time and insert in the RECORD at this point a statement of Congressman JOEL BROYHILL of Virginia:

STATEMENT OF HON. JOEL T. BROYHILL IN SUPPORT OF H.R. 12832

I rise in support of the bill H.R. 12832, the principal purpose of which is to authorize a Law Revision Commission for the District of Columbia. The creation of such a Commission was recommended in 1972 by the Nelson Commission on the Organization of the D.C. Government.

The Law Revision Commission established in the state of New York in 1934 has served as a prototype for other such Commissions created since that time in a number of other states, including my own state of Virginia. The provisions of H.R. 12832 relating to the Law Revision Commission for the District of Columbia are patterned closely after the New York statute.

The D.C. Law Revision Commission will consist of 15 members, of whom two will be appointed by the President, and one each by the Speaker of the House, the President pro tempore of the Senate, and the minority leaders of the House and the Senate. This will assure adequate appointive power, on a bi-partisan basis, by the Federal establishment. In addition, three members will be appointed by the D.C. Commissioner, one by the Chairman of the D.C. Council, two by the Joint Committee on Judicial Administration in the District of Columbia, one by the D.C. Corporation Counsel, and two by the Board of Governors of the D.C. Unified Bar.

The bill originally provided that all members of the Commission would be required to be residents of the District of Columbia. A Committee amendment, however, changed this subsection so as to provide that eight members of the Commission must be residents of the District, and the other seven members shall be residents of the suburban areas of the National Capital Region.

I heartily approve of this amendment, since many of the problems to which the Commission must necessarily address itself cannot be considered as being entirely local in nature. The task which the Commission is to perform must take into account the Metropolitan characteristics of the community as a whole, and the fact that the District of Columbia is the Nation's capital city. Further, a great many members of the D.C. Unified Bar are prominent attorneys who reside in the suburbs of Virginia and Maryland and who practice, partially or exclusively, in the District of Columbia. There is no question whatever that some of these attorneys will be able to contribute a meaningful input into the operation of this D.C. Law Revision Commission, and to broaden the scope of its efforts.

The duty of the Law Revision Commission will be to scrutinize in detail the common law and statutes pertaining to the District of Columbia, and also the ordinances, regulations, and acts of the D.C. Council, for the purpose of discovering defects and anachronisms therein, as a basis for recommending needed reforms in the laws governing the District.

In this work of evaluation, the Commission will receive and consider suggestions from judges, bar associations, public officials, lawyers, and others pertaining to defects existing at this time in the District of Columbia laws.

The Commission will recommend to the Congress and, where appropriate, to the Commissioner of the District of Columbia and the D.C. Council, what changes in D.C. laws it considers necessary to modify or eliminate antiquated and inequitable rules of law, and thus will act to bring the D.C. civil and criminal codes of law into a proper state of compatibility with modern conditions.

Experience in other cities and states has shown that an active Corporation Counsel's office, with its normal workload of litigation and administrative responsibilities, has neither the time nor the facilities to undertake studies into legislative short-coming, or to initiate recommendations for specific legislative improvements. The role of law revision commissions is to supplement and assist, and thus ultimately to strengthen, the resources available to the chief law enforcement officials in this vitally important area.

The proposed D.C. Law Revision Commission will also have two additional responsibilities, both of which are highly desirable. First, the Commission will be required to prepare and recommend uniform rules relating to the conduct of hearings for the use of the administrative agencies of the District of Columbia government, as well as to conduct a study of the D.C. Administrative Procedure Act as a basis for preparing a manual for the guidance of the city's administrative agencies.

The second of these additional duties of the Commission will be to codify all the regulations adopted by the D.C. Council in the nature of laws or municipal ordinances, and publish them in a Municipal Code of the District of Columbia. This Municipal Code is to conform closely to, and be cross-indexed with, the D.C. Code of Law, though of course it will not duplicate the text of that code in any way. The D.C. Council will be required to issue supplements from time to time so as to update this Municipal Code and keep it current. This will be the first time that the regulations and ordinances promulgated by the D.C. Council, under the authority granted them by Reorganization Plan No. 3 of 1967, as well as by various Acts of Congress, have been compiled into a single publication, and it is my opinion that this D.C. Municipal Code is long overdue.

Under the terms of H.R. 12832, the D.C. Law Revision Commission will cease to exist at the end of four years, unless extended by the Congress. It is true that the Nelsen Commission recommended that this Commission be a permanent body, as is the case in a number of states. However, I approve this provision in this proposed legislation, as it will afford the Congress an opportunity to review and evaluate the performance of this Commission after a reasonable period of time.

This Law Revision Commission for the District of Columbia will assume a grave responsibility and will also have a unique opportunity to perform a great service to the District and to the entire Metropolitan area. I hope and trust that they will avoid sabotaging any of the important amendments to the D.C. Criminal Code which were enacted in the D.C. Court Reform and Criminal Procedures Act of 1970, after many months of diligent effort on the part of the House District of Columbia Committee. Some of these provisions, such as pre-trial detention and no-knock, were highly controversial at that time. But since that law was enacted in 1970, the rate of incidence of serious crime in the District of Columbia has declined steadily. During calendar year 1969, more than 83,000 offenses were recorded in the city in the areas of murder, rape, robbery, aggravated assault, burglary, larceny, and auto theft combined. And during the year 1973, only approximately 51,000 such offenses were committed. This decline of some 39 percent in the incidence of these crimes in the District can certainly be attributed in great part to the efficacy of the provisions of the 1970 Act, and thus there can be no justification for the dilution of that most effective piece of legislation.

I believe that the D.C. Law Revision Commission which will be created by this proposed legislation will be an asset to the city, and I commend this bill to my colleagues for favorable action.

Mr. WYLIE. Mr. Speaker, I rise in support of the amendment.

Mr. Speaker, I respect the gentleman from the District of Columbia greatly and what he is trying to do by this bill, and his answers as to the intent and purpose of this bill. But I submit that there is an ambiguity in the language of the bill as to what the money authorized can be used for and from whence the money will come.

I refer to the language on page 6, section 3, in which it says:

> (a) It shall be the duty of the Commission to—
>
> (1) examine the common law and statutes relating to the District of Columbia, the ordinances, regulations, resolutions, and acts of the District of Columbia Council, . . .

And the language to which I previously referred on page 9.

I think the amendment of the gentleman from Minnesota clears that up and specifically gets to the question which was raised by the gentleman from Iowa (Mr. GROSS), to which I referred. I, therefore, suggest that the amendment should be adopted.

The SPEAKER. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was agreed to.

Mr. DIGGS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. RANDALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 220, nays 119, not voting 93, as follows:

[Roll No. 110]

YEAS—220

Abzug
Adams
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Arends
Ashley
Aspin
Barrett
Bennett
Bergland
Biester
Bingham
Blackburn
Boland
Bolling
Brademas
Brasco
Breaux
Breckinridge
Brinkley
Brooks
Brotzman
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burton
Butler
Carney, Ohio
Carter
Casey, Tex.
Cederberg
Clark
Clay
Cleveland
Collins, Ill.
Conable
Cotter
Coughlin
Cronin
Culver
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Dennis
Dent
Diggs
Donohue
Downing
Drinan
Dulski
du Pont
Eckhardt
Edwards, Ala.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Ford
Forsythe
Fountain
Fraser
Frenzel
Frey
Fulton
Fuqua
Giaimo
Gibbons

Gilman
Ginn
Gonzalez
Green, Pa.
Griffiths
Gude
Gunter
Guyer
Hamilton
Hanley
Hansen, Idaho
Hastings
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Holifield
Holtzman
Horton
Hosmer
Howard
Johnson, Calif.
Jones, Ala.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Koch
Kuykendall
Kyros
Lagomarsino
Lehman
Long, La.
Long, Md.
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
Macdonald
Mallary
Maraziti
Mathias, Calif.
Matsunaga
Mazzoli
Metcalfe
Miller
Minish
Mink
Mitchell, N.Y.
Mollohan
Moorhead, Calif.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nelsen
Obey
O'Hara
Owens
Patten
Pepper
Perkins
Pettis
Peyser
Pike
Podell
Preyer
Price, Ill.
Quie
Quillen
Railsback
Rangel
Rees
Regula
Rhodes
Rinaldo
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rosenthal
Roush
Roy
Ruppe
Ryan
St Germain
Sarasin
Sarbanes
Schroeder
Seiberling
Shipley
Sisk
Skubitz
Smith, N.Y.
Snyder
Staggers
Stanton, James V.
Stark
Steele
Stokes
Stratton
Stubblefield
Stuckey
Studds
Sullivan
Taylor, N.C.
Thompson, N.J.
Thornton
Towell, Nev.
Udall
Ullman
Vanik
Vigorito
Whalen
White
Whitehurst
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles, Tex.
Wright
Wyatt
Wylie
Yates
Yatron
Young, Ill.
Zablocki

NAYS—119

Alexander
Archer
Armstrong
Ashbrook
Baker
Bauman
Bevill
Bowen
Bray
Broomfield
Brown, Mich.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Byron
Camp
Chamberlain
Chappell
Clancy
Clawson, Del
Cochran
Cohen
Collins, Tex.
Conlan
Conte
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Davis, Wis.
Denholm
Derwinski
Devine
Duncan
Eshleman
Flynt
Gaydos
Gettys
Goldwater
Goodling
Gross
Grover
Gubser
Haley
Hammerschmidt
Henderson
Hicks
Hillis
Hinshaw
Hogan
Holt
Huber
Hudnut
Hunt
Hutchinson
Ichord
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
King
Landgrebe
Landrum
Latta
Lent
Lott
Lujan
Madigan
Mahon
Martin, Nebr.
Martin, N.C.
Mayne
Michel
Minshall, Ohio
Mizell
Montgomery
Murtha
Myers
Nichols
O'Brien
Powell, Ohio
Price, Tex.
Randall
Rarick
Roberts
Robinson, Va.
Rousselot
Runnels
Ruth
Sandman
Satterfield
Scherle
Schneebeli
Sebelius
Shoup
Shriver
Shuster
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Symms
Talcott
Taylor, Mo.
Thomson, Wis.
Thone
Treen
Waggonner
Walsh
Wampler
Whitten
Winn
Wydler
Wyman
Young, Fla.
Young, Tex.
Zion
Zwach

NOT VOTING—93

Abdnor
Addabbo
Anderson, Calif.
Badillo
Bafalis
Beard
Bell
Biaggi
Blatnik
Boggs
Broyhill, Va.
Carey, N.Y.
Chisholm
Clausen, Don H.
Collier
Conyers
Corman
Daniels, Dominick V.
Danielson
Davis, Ga.
Dickinson
Dingell
Dorn
Edwards, Calif.
Erlenborn
Flowers
Foley
Frelinghuysen
Froehlich
Grasso
Gray
Green, Oreg.
Hanna
Hanrahan
Hansen, Wash.
Harrington
Harsha
Hébert
Hungate
Jarman
Ketchum
Kluczynski
Leggett
Litton
McEwen
McKinney
McSpadden
Madden
Mann
Mathis, Ga.
Meeds
Melcher
Mezvinsky
Milford
Mills
Mitchell, Md.
Moakley
Moorhead, Pa.
Nix
O'Neill
Parris
Passman
Patman
Pickle
Poage
Pritchard
Reid
Reuss
Riegle
Roncallo, N.Y.
Rooney, N.Y.
Rose
Rostenkowski
Roybal
Sikes
Slack
Smith, Iowa
Steiger, Wis.
Stephens
Symington
Teague
Tiernan
Van Deerlin
Vander Jagt
Vander Veen
Veysey
Waldie
Ware
Wilson, Charles H., Calif.
Wolff
Young, Alaska
Young, Ga.
Young, S.C.

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. O'Neill for, with Mr. Hébert against.

Mr. Kinney for, with Mr. Passman against.

Mr. Addabbo for, with Mr. Teague against.

Mr. Mitchell of Maryland for, with Mr. Rose against.

Mr. Rostenkowski for, with Mr. Jarman against.

Mr. Kluczynski for, with Mr. Sikes against.

Mr. Dominick V. Daniels for, with Mr. Young of South Carolina against.

Mr. Carey of New York for, with Mr. Abdnor against.

Mr. Moorhead of Pennsylvania for, with Mr. Collier against.

Mr. Wolff for, with Mr. Mathis of Georgia against.

Until further notice:

Mr. Biaggi with Mr. Vander Veen.

Mr. Nix with Mr. Foley.

Mr. Tiernan with Mr. Young of Georgia.

Mr. Slack with Mr. Gray.

Mr. Reid with Mrs. Hansen of Washington.

Mr. Riegle with Mr. Danielson.

Mr. Pickle with Mr. Bafalis.

Mr. Badillo with Mr. Moakley.

Mr. Anderson of California with Mr. Beard.

Mrs. Boggs with Mr. Harsha.

Mr. Corman with Mr. Hanrahan.

Mr. Davis of Georgia with Mr. Madden.

Mrs. Chisholm with Mr. Leggett.

Mr. Hungate with Mr. Bell.

Mr. Harrington with Mr. McEwen.

Mrs. Green of Oregon with Mr. Broyhill of Virginia.

Mr. Meeds with Mr. Froehlich.

Mr. Waldie with Mr. Erlenborn.

Mr. Van Deerlin with Mr. McSpadden.

Mr. Stephens with Mr. Don H. Clausen.

Mr. Symington with Mr. Hanna.

Mr. Conyers with Mr. Blatnik.

Mr. Dingell with Mr. Frelinghuysen.

Mr. Dorn with Mr. Melcher.

Mr. Edwards of California with Mr. Milford.

Mr. Flowers with Mr. Patman.

Mrs. Grasso with Mr. Dickinson.

Mr. Mann with Mr. Pritchard.

Mr. Litton with Mr. Roncallo of New York.

Mr. Reuss with Mr. Mills.

Mr. Rooney of New York with Mr. Young of Alaska.

Mr. Mezvinsky with Mr. Smith of Iowa.

Mr. Roybal with Mr. Steiger of Wisconsin.

Mr. Charles H. Wilson of California with Mr. Ware.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. FAUNTROY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

## CONGRESSIONAL COUNTDOWN ON CONTROLS

(Mr. STEELMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. STEELMAN. Mr. Speaker, the April 30 expiration date for the Economic Stabilization Act is now in sight. But every day the wage and price controls system only serves to weaken our economy, and I urge my colleagues to act now to end these controls immediately. Wage and price controls have certainly not checked inflation, and in fact, as the following article from the Wall Street Journal of March 13 indicates, the inflation rate in the United States now exceeds that in many other nations.

### U.S. INFLATION RATE NOW EXCEEDS INCREASE IN MANY OTHER LANDS

(By Alfred L. Malabre Jr.)

Prices have recently begun to rise faster in the U.S. than in many other countries.

The development marks a major turnabout in world price trends. Until recently, Americans concerned over steep U.S. inflation rates could at least derive a bit of comfort from the fact that prices were going up even more sharply almost everywhere else. Indeed, as recently as a year ago there wasn't a major country where inflation rates didn't exceed the U.S. pace.

Today, in bleak contrast, there are seven countries in Western Europe alone—plus another 11 in other parts of the globe—where prices are rising at a more moderate rate than in America.

Analysts at the International Monetary Fund in Washington, as well as other private economists, hesitate to predict whether inflation will continue to be more feverish in the U.S. than in many other lands. Oil is among the imponderables. The latest price statistics generally available don't reflect the full inflationary impact of the Arab oil squeeze, which has tended to be harsher in Western Europe and Japan than in the relatively self-sufficient U.S.

### LOSING THE EDGE

In any event, the consensus view is that the U.S. in recent months has clearly lost its enviable edge in inflation-fighting. Moreover, it's widely felt that a continued sagging in the U.S. position could ultimately lead to renewed economic troubles quite apart from the price arena.

An economist at the International Monetary Fund warns, for instance, that "unless the U.S. can set a firm example in keeping inflation in check, it will be difficult for the U.S. to take the lead in working out arrangements for a lasting reform of the international monetary system." Without U.S. leadership, he adds, the likelihood of reforming the system seems "dim."

Another analyst, at Chase Manhattan Bank in New York, worries that, unless the U.S. can maintain a relatively effective rein on prices, "it's entirely possible that U.S. goods could encounter fresh difficulties in world markets, where only recently they have started to compete effectively again." He notes that in January, the latest month for which figures are available, the U.S. exports topped imports by nearly $644 million, a dramatic improvement from January 1973, when U.S. trade was in deficit to the tune of about $290 million.

The table below shows how good, in relative terms, America's inflation record seemed as recently as last March and how the U.S. position has deteriorated since then. The first column lists the average increase in consumer prices in various West European countries and in the U.S. during the most recent 12-month period available, generally through January or December. The second column shows the consumer price rise in the same lands for the 12 months ended last March.

[In percent]

| | *Latest 12 months* | *Year ago* |
|---|---|---|
| United States | 9.4 | 4.7 |
| Austria | 7.8 | 7.6 |
| Belgium | 7.5 | 7.0 |
| France | 8.4 | 6.4 |
| West Germany | 7.8 | 6.9 |
| The Netherlands | 8.2 | 7.7 |
| Norway | 8.5 | 7.7 |
| Sweden | 8.0 | 6.0 |

In every case, the rate of inflation has accelerated. But the U.S. speedup, as the table indicates, has been by far the sharpest. Indeed, International Monetary Fund statistics show that only Britain, Italy and Switzerland within industrial Western Europe have steeper inflation rates now than America. The only other major industrial country whose price spiral remains more severe than that in the U.S., in fact, is Japan, where inflation was a fat 20.4% in the past year. Other places where inflation a year ago exceeded the U.S. pace but now is more moderate include such disparate lands as Iraq, Malta and Tunisia.

Many analysts cite the expansionary direction of U.S. economic policies in recent months as a fundamental cause of the country's deteriorating price performance, compared with the record elsewhere.

International Monetary Fund statistics show, for instance, that the U.S. money supply—defined as private checking accounts and currency in circulation—has grown more swiftly over the past year, while monetary expansion in most key countries has tended to slow. Economists generally hold that accelerating monetary expansion tends to bring a speedup in inflation and slowing monetary growth tends to foster more moderate price increases.

### COMPARING MONETARY GROWTH

In the 12 months ended last March, U.S. monetary growth came to only 3%, IMF figures show. This was far more moderate than monetary expansion in any other major nation. Increases during the same span amounted to 11% in France, 14% in West Germany, 15% in Belgium, 16% in the Netherlands, 13% in Canada and a frenetic 27% in Japan.

Since then, however, U.S. monetary growth has sharply accelerated, while monetary expansion in almost every other key country has moderated, in some cases dramatically. In a recent 12-month period, according to the IMF, the U.S. money supply rose about 6%, twice the March 1973 rise. In the same period, monetary growth in West Germany and the Netherlands amounted to about 1%. Other countries where monetary expansion has slowed markedly since a year ago include France, Canada, Japan and Belgium. The only major nations, besides the U.S., where monetary expansion has accelerated are Britain and Italy. In each, it's noteworthy, inflation has begun to soar as double-figure rates.

A relatively rapid buildup of inflationary pressures in the U.S. also can be seen in statistics that compare factory operating rates in various countries. Inflation is more likely at a time when factories are operating at or close to capacity than when a substantial portion of facilities stands idle.

As recently as the start of 1972, according to a Commerce Department analysis, U.S. factories, using 88% of their capacity on the average, operated at clearly lower rates than factories in the European Common Market, where plant operations averaged 91% of capacity. Recently, however, the analysis shows that U.S. operating rates, averaging a hectic 95% of capacity, actually exceeded the Common Market average of 92%.

Hefty gains in labor productivity, of course, tend to ease inflationary pressure that might otherwise build up from pay increases. Unhappily, a soon-to-be-released Labor Department study shows that productivity gains in the U.S. have recently been shrinking while increases elsewhere have been expanding.

### PRODUCTIVITY IN PERSPECTIVE

Between 1972 and 1973, the study shows, productivity gains in the U.S. slipped from 5.2% to 4.7%. In the same two years, in contrast, productivity gains increased in Canada from 4.4% to 5.1%, in Japan from 10.1% to 18.9%, in France from 7.2% to 8% and in West Germany from 7% to 7.3%.

The lackluster U.S. productivity record, some analysts note, has come at a time when U.S. labor unions appear increasingly vocal about the need for big pay boosts to help workers regain purchasing power eroded in recent months by accelerating inflation.

U.S. workers generally remain by far the best paid in the world, even after repeated devaluations of the U.S. dollar and vastly larger annual pay boosts in such lands as Japan, where hourly pay went up an average of 21% last year, nearly triple the average U.S. gain. An unpublished Labor Department analysis places average hourly compensation for U.S. production workers last year at $5.25. This compares with $4.79 in Canada, $2.12 in Japan, $2.77 in France, $4.32 in West Germany, $2.72 in Italy and $1.99 in Britain. The analysis uses currency exchange rates prevailing in the middle of last month to arrive at the foreign pay rates.

### OTHER IMPONDERABLES

The cost and availability of oil isn't the only imponderable that analysts cite when attempting to assess whether U.S. prices increases will continue to be relatively steep. Another uncertainty involves the question of U.S. economic policies in the months ahead. Will U.S. planners adopt a more conservative stance, for example, on the monetary front? And will the recent monetary stringency so evident in West Germany and elsewhere remain in effect?

There are still other uncertainties. How much does the progressive removal of controls in the U.S. alter America's relative prices? To what extent will wage-price restraints persist abroad? How may the current "floating" of currency exchange rates affect price patterns in the U.S. and elsewhere?

With regard to the last question, some economists contend that the advent of floating exchange rates has begun to make it harder for the U.S. to "export" inflation elsewhere. Under the old fixed-rate system, which fell apart in 1971, foreign governments were obliged to issue local currency for inflowing dollars at fixed rates of exchange. Foreign officials often complained that this arrangement forced them to issue more marks or whatever than was healthy for their particular economies.

Such transmission of U.S. inflation is far less probable with exchange rates that move around in response to supply and demand forces, it's claimed. The upshot, some analysts contend, is that the U.S. economy today is less likely than several years ago to escape the full inflationary impact of say, a highly expansionary monetary policy.

## UAW PRESIDENT COMMENTS ON THE ECONOMY

(Mr. CONABLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CONABLE. Mr. Speaker, I note with interest that yesterday in Grand Rapids, Mich., Leonard Woodcock, president of the United Auto Workers said in a TV interview that this country is "in the grips of a capital goods boom." Agreeing with President Nixon's assessment of the state of the U.S. economy, Mr. Woodcock pointed out that we have more people employed than ever before, and that the economy—with one exception of autos and energy "has held up amazingly well." Apparently Mr. Woodcock expects the economy to take a dramatic upturn later this year, far from singing the blues at the current problems in car manufacturing.

No one could claim that this sophisticated and liberal labor leader is a puppet of Nixon administration economists, Mr. Speaker, and I hope more advocates of panic economic stimuli will hear his words and address instead the continuing concerns we all feel about inflation. The majority of the Joint Economic Committee, who should know better, are urging the pulling of all economic stops, including a big tax cut, and Mr. Woodcock's statement underscores the political nature of the committee recommendation.

## ON THE RETIREMENT OF BILL MAILLIARD FROM CONGRESS

The SPEAKER pro tempore (Mr. Mazzoli). Under a previous order of the House, the gentleman from California (Mr. Bob Wilson) is recognized for 60 minutes.

Mr. BOB WILSON. Mr. Speaker, I had taken this special order to pay tribute to one of our colleagues, but I do not see him here. This is not a eulogy by any means. I guess he is here. We are pleased to pay tribute to Bill Mailliard.

Bill and I and some of us still here came in back in 1952; Charley Gubser and Craig Hosmer and a number of others. As a matter of fact, President Eisenhower and President Nixon rode in on our coattails back in 1952 in that great election. However, I want to recognize some of our California colleagues and others who want to join in this tribute to Mr. Mailliard. First of all, I want to recognize the dean of our delegation, the Honorable Chet Holifield.

Mr. HOLIFIELD. Mr. Speaker, I wish to thank the gentleman from California for securing this time for some Members who have admired Bill Mailliard for these many years so that we may express our appreciation for the tremendous record he has made both in his military career in World War II when he served on active duty for several years and received a number of awards of merit and commendations of different kinds and also for the 22 years of service in the Congress of the United States.

Bill served on the Committee on Foreign Affairs and on the Committee on Merchant Marine and Fisheries. He was the ranking Republican member of the Committee on Foreign Affairs and next to the ranking minority member on the Committee on Merchant Marine and Fisheries.

After his career in the active service during World War II he enlisted in the Naval Reserves and he achieved the rank of rear admiral, which I think was a tremendous honor given to him and which we all appreciate.

Bill has announced he is retiring from the Congress.

He has been given, I think, a very worthwhile appointment as Ambassador to the Organization of American States. It is certainly an appointment I can wholeheartedly concur in. I think the President has made a wise selection. With his good background on foreign affairs, having served on the House Committee on Foreign Affairs, the gentleman is certainly acquainted with the dealing with foreign nations and with their representatives, and I predict he will have a very fine career in the Foreign Service of the United States.

I certainly want to express my pleasure on having worked with the gentleman. He was the minority ranking member and, in my capacity as the ranking majority member, we had many, many contacts over the years and opportunities for different meetings which concerned the business of California and of all of our complete delegation. I have found him at all times cooperative. There was never a word of disagreement between us on the matters that we worked together on for the benefit of the delegation of the State of California.

I believe that this appointment will give Bill Mailliard an opportunity to enter a completely new field of service. Bill is young enough and vigorous enough, I believe, to go far in the Foreign Service of the United States.

I wish Bill and his wife, Millie, and their family the very best of luck.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman.

I am now pleased to yield to the gentleman from California (Mr. Rousselot).

Mr. ROUSSELOT. Mr. Speaker, I appreciate the gentleman yielding me this time. It is appropriate that we take this occasion to review and express appreciation for the fine work Bill Mailliard had done during the time he has served in the U.S. House of Representatives. We are especially grateful to our colleague from San Diego, Bob Wilson, for assuring that this time is taken to recognize the good work of our fellow Member from California. Let me briefly review some of the reasons that many of us have found Bill Mailliard to be a responsible representative in the House, and why he has been considered by all of his colleagues to have been a competent Member of this body;

First, as ranking member of the House Committee on Foreign Affairs, Bill has always served in a knowledgeable and capable way. Although I have personally disagreed with him on certain issues such as foreign aid, I do know that Bill has always been willing to present all the pros and cons of an issue brought to the floor by the Foreign Affairs Committee.

Second, he dealt with each piece of legislation in which he participated in a fair and constructive way. He has always answered the questions of individual Members in a factual manner and has never tried to flavor the answers in such a way as to prejudice a person's position to be compatible with his own view. I am sure that was not always easy to do with Members such as myself who so vigorously opposed foreign aid and other such legislation coming from his committee.

Third, while firm in his own position, Bill has made an effort to be helpful in presenting accurate and complete information. Bill is competent in the field of foreign affairs, and I think that the President should be congratulated for selecting someone who has such a fine background for the position of Permanent Representative of the United States to the Organization of the American States.

Finally, Mr. Speaker, as chairman of our Republican delegation from the State of California, Bill Mailliard dealt with the entire group in a positive and constructive way making sure that all viewpoints were heard, and that we were kept properly informed. He has never tried to work just for his own thoughts and ideas, but has tried to make certain that our entire delegation understood the issues before us so that we could discuss them in an objective and honest way. On many occasions, I clearly remember Bill's bending backward to treat all members of our delegation in an impartial manner. If someone started to roam off the reservation politically, Bill would bring a sense of balance to the situation. Bill Mailliard will be long remembered as a fine chairman of our Republican delegation. One who was not easily ruffled by crosscurrents of opinion—which I believe is an achievement when views are as diverse as they are in the House of Representatives today.

Again, I wish to congratulate the gentleman from San Diego, Mr. Wilson, for giving us this chance to recognize and thank Bill Mailliard not only for the contribution he has made in the House of Representatives but also for his dedicated service to the State of California and our Nation.

Mr. BOB WILSON. Mr. Speaker, I am now pleased to yield to the chairman of the Committee on Foreign Affairs, the gentleman from Pennsylvania (Mr. Morgan).

Mr. MORGAN. Mr. Speaker, I thank the gentleman from California for yielding me this time.

Mr. Speaker, it is with regret and at the same time with pride that I speak today about the decision of William S. Mailliard to resign from Congress to become U.S. Ambassador to the Organization of American States.

Bill Mailliard will be sorely missed by the House and particularly by his colleagues on the Committee on Foreign Affairs.

Bill has been a pillar of strength to the committee ever since joining it in 1961. In 1969 he became the ranking minority member.

As chairman of the committee, I can attest to his contributions over the wide spectrum of foreign policy. Among the greatest of these was his bipartisan approach to international issues facing the Nation.

While Bill stood fast for his principles, and he and I differed on some matters, he never was one to inject narrow partisanship into committee proceedings. No chairman could have asked for steadier cooperation.

Mr. Speaker, I have often thought that service in the Congress offered valuable background for service as an ambassador. The elected Member is in contact with a wide range of people in his district. In Washington, he must cope with the variety of issues in Congress and with the bureaucracy downtown.

The man who performs well in these tasks is very likely also to perform well as an ambassador. We all know a number of Members who went on to serve with distinction in ambassadorial posts.

Bill Mailliard is, of course, exceptionally well qualified for his important assignment to the OAS at a time of changing relationships with our Latin-American neighbors.

He was for years the ranking Republican on the Subcommittee on Inter-American Affairs. He has been a congressional adviser at inter-American foreign ministers meetings. He has traveled widely through Latin America, and has examined problems firsthand on study missions for the committee.

His foreign affairs interests extend globally as well. He has served on delegations to the United Nations General Assembly, to the consultative Assembly of the Council of Europe, to the United States-Japan parliamentary exchange conference. Last summer he and I traveled together to Peking as members of a congressional delegation.

He was, prior to his resignation, a congressional adviser to the U.N. Committee on Peaceful Uses of the Seabed and the Ocean Floor and a congressional delegate to Law of the Sea Conference preparatory sessions. He was a member of the Commission on the Organization of the Government for the Conduct of Foreign Policy.

I congratulate the President on his being able to secure the services of Bill Mailliard.

The people of the Nation will benefit.

My best wishes go to Bill, and to his charming wife Millie, and the family.

Mr. BOB WILSON. I thank the distinguished gentleman from Pennsylvania.

Mr. Speaker, I now yield to the gentleman from California (Mr. Gubser).

Mr. GUBSER. I thank the gentleman for yielding.

It is a pleasure to pay tribute to our distinguished colleague, Bill Mailliard, as he leaves this House of Representatives in which he has served for more than 21 years to become Ambassador to the Organization of American States. When I use the word "distinguished" about Bill Mailliard, I do not use it lightly nor as a commonplace figure of speech.

Bill is a member of a very distinguished California family. We all know of his distinguished war record when he served as an aide to General MacArthur during the Pacific campaign.

His military record was so well recognized and his military achievements so complete that he was honored by appointment as an Admiral in the U.S. Naval Reserve.

My first contact with him was when he served again in a distinguished manner as an aide to then Governor Earl Warren in our State of California. In 1950 he ran a very tough and distinguished but unsuccessful race for Congress.

In 1952 his efforts were rewarded when he unseated a very popular incumbent in a district which was heavily weighted by registration against Bill Mailliard's own party. His career as a legislator certainly has been distinguished. We all know of his great contributions in the Committee on Merchant Marine and Fisheries. Certainly he was one of the prime movers of the National Maritime Act. The distinguished chairman of the Committee on Foreign Affairs has outlined Bill Mailliard's contributions in the field of international affairs.

Even though he represented a marginal district for a Republican, Bill Mailliard was never once afraid to take a controversial position if he felt that it was right.

The hallmarks of Bill Mailliard's service in Congress are summed up in three words: Distinguished, informed, and courageous.

I believe I was privileged to call him my friend. We had totally different backgrounds and yet I always felt that we were able to communicate even to the point of sometimes engaging in sarcastic repartee—and I must now admit, though I would not while Bill was still a Member of Congress, that I think he probably won our jousting by a slight margin

I wish him well in his work as Ambassador to the Organization of American States. I know he will make a great contribution and in his new capacity will continue his distinguished effort on behalf of mankind and this Nation.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from California for his contribution.

I yield now to the distinguished gentleman from Ohio (Mr. HAYS).

Mr. HAYS. Mr. Speaker, I appreciate the gentleman yielding to me. I will be brief.

I want to say that I have served on the Committee on Foreign Affairs with Bill Mailliard ever since he came on the committee. I do not know of anyone I have served with in the 26 years I have been with whom it has been more of a pleasure to serve. Bill and I have not always agreed, in fact we have disagreed, but he has always been pleasant in his view. I have sat in many a conference with Bill when our patience was sorely tried in the other body, and he was always cheerful and calm and he stuck by his guns.

The only thing that makes me say I am not sorry to see him leave the House—and I am in a way—is the fact that I am delighted he is going into the position to which he has been appointed as Ambassador to the Organization of American States. I think if anyone can take the American viewpoint to that organization in a way in which it will be listened to, it is Bill Mailliard. Therefore I say I am not sorry to see him leave and I know he will do a grand job.

Mr. BOB WILSON. I thank the gentleman from Ohio.

I yield to our colleague, the gentleman from California (Mr. HOSMER).

Mr. HOSMER. Mr. Speaker, it is an honor for me to pay tribute to my distinguished colleague, and fellow Californian, the Honorable William S. Mailliard of San Francisco, on the occasion of his retirement as a Member of Congress on March 6, 1974, and appointment as Ambassador to the Organization of American States.

Over two decades ago, Bill Mailliard came to this House having first been elected to the 83d Congress in November 1952. We were freshmen Congressmen together, and I have watched his mark of excellence enrich the legacy of these Halls through the years.

Bill Mailliard is a distinguished citizen, sailor, and statesman. His achievements are manifold, but I will only mention a few:

He was "California's Outstanding Young Man," having been awarded that honor in 1952 by the California State Junior Chamber of Commerce.

He is a rear admiral in the U.S. Naval Reserve. In World War II, he served as an officer on the 7th Amphibious Force staff in the Pacific theater. Bill's battle awards include the Silver Star, Legion of Merit, Bronze Star, and numerous campaign ribbons. Following wartime service, he remained active in the Naval Reserve and progressed through the ranks to his present grade.

He was ranking Republican of the full committee of the House Committee on Foreign Affairs. Bill's expertise in Congress gravitated toward foreign policy and international relations. He was, in particular, a leading authority on Latin America, but he was also scholarly in European, Far Eastern, and African affairs. Bill was also ranking Republican on the Merchant Marine Subcommittee of the House Committee on Merchant Marine and Fisheries. In this committee he guided the bipartisan effort that led to the enactment of the Merchant Marine Act of 1970, which is considered the most significant piece of merchant marine legislation enacted in this country since 1936.

This body can stand proud on Bill Mailliard's record in the Congress. He has faithfully served the people of his District and the Nation for near a political lifetime, and served them with integrity and deduction. He now goes forward to serve his country in yet another difficult and challenging roll as envoy to the Latin Americas. I want to wish him fair winds and a following sea.

Mr. Speaker, I include in my remarks this brief biographical data which succinctly portrays the breadth of Bill Mailliard's distinguished career:

### BIOGRAPHICAL DATA ON THE HONORABLE WILLIAM SOMERS MAILLIARD, MEMBER OF CONGRESS, SIXTH DISTRICT, CALIFORNIA

Address: 2336 Rayburn Building, Washington, D.C. 20515; 450 Golden Gate Avenue, San Francisco, California 94102.

Born: June 10, 1917, Belvedere, California.

Parents: The late John Ward Mailliard, Jr. and Kate Peterson Mailliard.

Education: Tamalpais School, San Rafael, California; The Taft School, Watertown, Connecticut; Yale University, B.A., 1939.

Wife: Millicent Fox Mailliard.

Children: William Somers, Jr.; Antoinette; Henry Ward; Kristina; Julia Ward; Josephine Fox; Victoria Leigh.

#### CONGRESSIONAL CAREER

Election record: Nominee for Congress for 4th District, 1948; elected and re-elected Representative of 4th District 1952, 1954, 1956, 1958, 1960; re-elected as Representative of 6th District 1962, 1964, 1966, 1968, 1970.

#### *Previous assignments*

House Committee on Veterans' Affairs, 1953–54.

House Administration Committee, 1959–60.

Member, Board of Visitors, U.S. Coast Guard Academy, 1957–64.

Congressional Advisor, Organization of American States' Foreign Ministers' Meeting, 1964–67.

Member, British-American Inter-Parliamentary Conference, 1968–70.

Member, Anglo-American Parliamentary Conferences on Africa, 1956–69.

Member, U.S. delegation to the Consultative Assembly of the Council of Europe, 1970.

Member, U.S.-Japan Parliamentary Exchange Conference, 1968–69.

Member, Republican Task Force on Urban Affairs, 1969.

#### *Present assignments*

Vice-Chairman, California Delegation, 1969–71.

Chairman, California Republican Delegation, 1969–71.

Congressional Advisor, United Nations Commitee on the Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction, 1969–71.

House Committee on Merchant Marine and Fisheries, 1953–71: Ranking Republican of Merchant Marine Subcommittee; Member, Fisheries and Wildlife Conservation Subcommittee; Member, Oceanography Subcommittee.

House Committee on Foreign Affairs, 1961–71: Ranking Republican of full Committee; Ex-Officio Member of all subcommittees.

#### PRESIDENTIAL APPOINTMENTS

U.S. Delegate to the 18th Session of the United Nations General Assembly, 1963.

Member, Corregidor-Bataan Memorial Commission, 1959–67.

Member, Official U.S. Delegation to Inauguration of the President of Mexico, 1970.

#### MILITARY SERVICE

Assistant Naval Attache, U.S. Embassy, London, England, 1939–40.

Bureau of Naval Personnel, 1941–42.

U.S. Naval War College, 1942.

Staff 7th Amphibious Force, Flag Lieutenant and Aide to Vice Admiral D. E. Barbey, 1943–46.

Released to inactive duty as Lieutenant Commander, 1946.

Commander, USNR, 1950.

Captain, USNR, 1958.

Commanding Officer, Capitol Hill Naval Reserve Unit, 1962–65.

Rear Admiral, USNR, 1965.

Awards: Silver Star, Legion of Merit, Bronze Star, and numerous campaign ribbons.

#### SPECIAL HONORS

California State Junior Chamber of Commerce, "California's Outstanding Young Man," 1952.

The San Francisco Chronicle Gold Medal of Achievement, 1961.

The Biennial Distinguished Service Award of Americans for Constitutional Action, 1961, 1963.

California Congressional Recognition Plan Commendation, 1963.

Propellor Club Brass Hat Award, 1968.

### PREVIOUS CAREER

American Trust Company, San Francisco, 1940–41, 1946.

Assistant to Director, California Youth Authority, 1947.

Secretary to Governor Earl Warren, 1949–51.

Assistant to Director, California Academy of Sciences, 1951–52.

Mr. BOB WILSON. I thank the gentleman from California (Mr. HOSMER).

I yield now to the gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I approach this moment with mixed emotions and mixed feelings in honoring our good friend and colleague, the gentleman from California, Mr. Mailliard. As the Members have already heard, Bill has resigned from the Congress in order to accept an ambassadorship.

When it was my privilege to come to this House as a junior Member, Bill Mailliard immediately became a friend and counselor to me. He helped me understand how I should conduct myself in the House of Representatives. Over the years as we have served together I have come to appreciate his counsel and advice and appreciate his standards of fairness and of being agreeable even when there is disagreement. Frequently we found ourselves on opposite sides of an issue. Nevertheless Bill was not one to let that kind of disagreement or controversy disturb his personal relationships nor his friendships.

I appreciate those qualities of character that make him a man and a friend. He has brought distinction and honor to the State of California, also to the House of Representatives and the Congress of the United States.

As we look over his past and the many hats that he has worn, we can appreciate the breadth of activity in which he has engaged and his many and varied experiences.

With that in mind, I am confident that this ambassadorship will bring again to the State of California and to all of us who are his colleagues and friends, distinction and honor. We can bask in the reflected glory that comes from the service of Bill Mailliard in this position; and we wish him well.

Mr. BOB WILSON. Mr. Speaker, I especially appreciate the remarks of the gentleman from California. He is one that has often said:

> I would rather pass around flowers to the living than send flowers to the deceased.

There is no question, this is not an obituary. This is a real tribute to a man who is in the middle of a very fine career.

I yield to the gentleman from California (Mr. RYAN).

Mr. RYAN. Mr. Speaker, I thank the gentleman for the recognition.

I would like perhaps to start off by saying we can all find something to envy in Bill Mailliard's departure in this way. I just talked to Mr. Mailliard a few minutes ago and suggested to him perhaps if he had a little bit of feeling that Tom Sawyer had in the famous book by Mark Twain, in which he attended his own funeral. This is not a funeral, of course, for Bill. He is in the middle of his career, as has been pointed out; but it is an occasion for a note of sadness, too, for those of us in California who have cause to regret his leaving.

One of the problems that have to do with the change and the shift in politics in California is with the well-intentioned efforts of reformers to recreate or to reconstitute the Congress through reapportionment. I certainly have no objection to reapportionment. In fact, I am very much in favor of it; but the manner in which it is done is worth a moment of attention today.

There seems to be abroad in the land the theorem that if the line looks neat on paper it must be fair. And if the line looks somewhat crooked or perhaps unusual in its shape, it is suspicious, therefore, and somehow hostile to the interests of good government.

I would like to point out to the Membership here, Mr. Speaker, that in this particular year we are losing by the same statute by resignation two of the most important Members of the California delegation of 43 Members. We are losing CHET HOLIFIELD by resignation, mostly because his district was reapportioned to the point it became very difficult for him to run at his age and he decided not to. He is the only chairman of a committee from the entire State of California which has 10 percent of the total membership of Congress and we feel that loss very keenly.

Equally as much, we feel the loss to Californians of Bill Mailliard's position and his reputation in this House. I have had very little time myself to measure him, except by listening to comments of others. I am very new here, but I have the good fortune, I think to be his neighbor.

I represent the district next to his south of San Francisco. I am very familiar with his reputation, with the manner in which he has conducted his office in the time he has been here and with his absolutely unstoppable ability to get reelected. I know that very well as a Democrat who has watched the political affairs in the bay area of San Francisco for a good many years.

Bill is a consummate and superb politician and that, to my mind, is the highest praise. He has that reputation at home and he has it in ths Congress.

I think no Member of this Congress could leave with more than that. Beyond that, I think it is important to point out, as others have before me, including the distinguished chairman of the Committee on Foreign Affairs and the distingushed gentleman from Ohio (Mr. HAYS) that on the Democratic side of the Committee on Foreign Affairs, where I now serve, Bill Mailliard has a reputation as a person who is firm, whose position is easily taken, although it comes by hard thought and who once having taken a position of abdication and simply explain it in a reasonable fashion.

Bill Mailliard then, I think, is the kind of person who, were it not for reapportionment, would still be among us. While it is a loss to California and a loss to this House, I think, in the end, as has been pointed out before, it is a public gain for this Nation, because his new job as Ambassador to the Organization of American States is crucial to this country at this time.

Our relations with Latin America have suffered for years because of neglect, I believe, and mostly because it is customary to one in a high State Department position simply to follow in the footsteps of those who have gone before them. I am certain that Bill is not like that. In fact, I can criticize those who make the assumption that when a politician holds a high policymaking job that somehow it is less than totally acceptable to the best interests of the public. I am certain that in Bill Mailliard's succession to that position, it will mean that for the first time in a good long time that perhaps people in Latin America will have a man, who not only diplomatically understands the whole area of international affairs in politics, but also understands the delicate relations existing between the Presidency, the executive branch, the House of Representatives and Senate, and can do the job of which is required to give some strength to our foreign affairs in Latin America, which is so desperately needed at this time.

Mr. Speaker, I cannot help but say in closing that while it may seem trite that we have lost a good Member, a fine Member, a Member who is exemplary in his conduct and ability, probably in the interests of the United States, we are all better off. But for those of us who come from California especially, those of us who were his neighbors, certainly it is a sad loss, particularly because I have learned from him by example how to be a better Member of this House.

Mr. BOB WILSON. Mr. Speaker, I thank the gentleman from California for his remarks. I hope he will join me and other Californians in paying tribute toward the end of this session—if it ever does come to an end—a few days before the elections, to a number of Californians who are retiring. They include Mr. HOSMER, and Mr. GUBSER, both of whom he heard earlier today. Mr. HOSMER has been the ranking minority Member on the Committee on Interior and Insular Affairs and the Joint Committee on Atomic Energy.

We are suffering a considerable number of losses this year, and I think we Californians should again, at the end of this session, pay tribute to them on both sides of the aisle.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. Mr. Speaker, I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I thank the gentleman for yielding to me. I am very pleased to have this opportunity to extend my best wishes and congratulations to an excellent and dear friend, Bill Mailliard, as he assumes his new position.

Mr. Speaker, I have had the privilege

of serving with Bill on the Committee on Foreign Affairs ever since I have been in the Congress, and I am one of the older Members around here. I say to the gentleman from California (Mr. RYAN) that I have had an opportunity to evaluate Bill firsthand, and it has been a real privilege. He is an outstanding legislator who has served not only on the Committee on Foreign Affairs with distinction, but who has also exerted leadership in the Committee on Merchant Marine and Fisheries, where as late as 1970 he was highly instrumental in getting a new act passed, the Merchant Marine Act of 1970, the first major revision of the law since 1936.

On the Committee on Foreign Affairs, I became acquainted with him not only as a Member of the subcommittee which I have the honor to chair, and on which Bill became intimately acquainted with Latin America and made many investigative tours, contributing to successful policy decisions on the question of Latin America. I have watched him work in conference, and it is a real pleasure to see. Bill demonstrates his talent with feeling and with reason. He is going to surprise, I think, a lot of people at OAS, because Bill is somewhat low key, but that does not mean he is not strong, because he is. Nevertheless, with all that, he does have a great sense of reasonableness.

Therefore, he has been an outstanding legislator who has innate diplomatic abilities and presence and who has done great service as a ranking Member for the minority on the Committee on Foreign Affairs. At the same time, he was serving on the Committee on Merchant Marine and Fisheries.

He now undertakes a new career, I think, with an unusual and extensive and highly useful background.

Bill has been assigned all kinds of international responsibilities in groups of one kind and another. He has been an Ambassador to the U.N. He has participated in meetings, parliamentary and otherwise, with the European countries, including Great Britain, and with Japan, and around the country for that matter.

His knowledge of Latin America is extensive and useful, particularly now as Secretary Kissinger enunciates a new policy for the United States toward Latin America, at a time when not only our own policy is in doubt and in question, but when we are trying to renew and resurrect and reemphasize the very structure of our relations with the organization to which Bill Mailliard goes as Ambassador for the United States.

That very structure is under considerable question. Some want to do away with it altogether. There is a considerable move toward restructuring reforms.

Mr. Speaker, I know one thing that Bill Mailliard will not do: He will not go and simply listen to other people making speeches. Bill is going to go there and be active and represent the United States, and I know and I am confident that he will do that with great distinction and great ability.

Therefore, I am happy to join my distinguished colleague from California and all my other colleagues here today in paying my respect.

Mr. Speaker, I wish him well, and I wish the best to his lovely wife, Millie.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. BOB WILSON. I yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, I appreciate the gentleman's yielding.

I would like to say very briefly that I appreciate the fact that my good friend, the gentleman from California (Mr. BOB WILSON) has taken this time so that Bill Mailliard's colleagues, not only those from California, but those from New York as well, can share with him this time in paying tribute to a career that has spanned many terms in the U.S. Congress.

I would like to underscore what the gentleman from California has said and what the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Pennsylvania (Mr. MORGAN) has said earlier. Bill Mailliard manifests in the House and in his career the type of bipartisanship which is so desperately needed in order to make American foreign policy successful.

I am reminded of the words of one who said that "you serve your party best by serving your country first."

Mr. Speaker, I think certainly those words are very much true of the life of Bill Mailliard. He has served his party with great distinction by serving America first. That was uppermost in his mind.

I think we can say at this time that while the world is still a dangerous one, certainly it is a more stable world now. It is a world in which we are better able to negotiate our differences than ever before. For the first time in a little more than a decade, there are no American men in combat anywhere in the world.

The relationship that Bill Mailliard has had with Dr. Kissinger and with our President in helping to bring about the type of a foreign policy that can effectuate a more peaceful and a more stable situation certainly gives great credit to Bill's career in the Congress.

As he goes on to the tremendous responsibility as Ambassador to the Organization of American States, not only do we wish Bill the best from our own personal standpoints, but we wish him the best on behalf of his country, which he has always served with the utmost consideration.

Mr. Speaker, it has also been said at one time that "titles do not confer honor upon individuals, but individuals confer honor upon titles."

In serving in the Congress with Bill Mailliard, I think I can say that as a result of his service, Congress has risen somewhat in the eyes of those who really look upon it with a degree of objectivity, which is very much needed today. He has conferred honor upon the House of Representatives, and I know that he will confer even greater honor upon the title of Ambassador to the Organization of American States.

I am glad to join with the gentleman and with all our other colleagues in saying that we are grateful for his leadership, and we know it will continue.

This is a step toward even greater service, not just to his country but to the world as well.

Mr. BOB WILSON. Mr. Speaker, I especially appreciate the gentleman's remarks.

The gentleman mentioned the conferring of honor upon titles. Of course, Bill has a number of titles, as many of our colleagues have pointed out. I have wondered at times what we really should call him: "Mr. Ambassador," or "Admiral," or "Mr. Congressman," or "Hey you." But he certainly does have more than an ordinary number of distinguished accomplishment, and this new one is, I believe, sort of the frosting to top off the tremendous accomplishments of his life.

Again I yield to the gentleman from New York (Mr. GILMAN).

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am pleased to associate myself with the remarks of my colleagues and with the thoughts of Mr. MORGAN, the distinguished chairman of the Committee on Foreign Affairs in expressing our regrets at the resignation of Mr. Mailliard from the House of Representatives.

As a member of the House Committee on Foreign Affairs, I have come to know and respect Bill Mailliard's knowledge, his integrity and leadership as the ranking member of that committee. As a freshman member of the committee, I have also come to appreciate his patience and guidance to the newer members.

Mr. Speaker, I am pleased to have this opportunity of joining my colleagues in wishing Bill Mailliard success, health, and happiness in all of his new endeavors.

The qualities of integrity and leadership that he has displayed to his colleagues in the Congress amply qualify Bill Mailliard for his new position as Ambassador to the Organization of American States.

Mr. ADDABBO. Mr. Speaker, I rise to join the Members who are wishing our distinguished friend and colleague, the Honorable William S. Mailliard, success as he takes on his new responsibilities as Permanent Representative of the United States to the Organization of American States. We will miss Bill in this Chamber but we can feel confident that he will be a most worthy spokesman for us in Latin America.

Congressman Mailliard's record of service in the House of Representatives has been distinguished. For the past 21 years he has served with great dedication and he has been an effective voice for his California constituents.

It is with regret that we bid our colleague from California farewell from the House, but with great pride that we wish him every success in his new assignment.

Mr. DE LA GARZA. Mr. Speaker, Bill Mailliard's long and distinguished record of service in this House speaks eloquently for itself. For more than two decades he has given outstanding representation to the people of his district, to his State, and to the Nation. I have been honored with his friendship and have had the pleasure of working with him on the

Merchant Marine and Fisheries Committee. I will miss him as he leaves us for service elsewhere.

His appointment as the Permanent Representative of the United States to the Organization of American States is an appropriate milestone in his career. He is no stranger to the field of foreign affairs, having served as a U.S. delegate to the United Nations General Assembly and as a member of the Commission on the Organization of the Government for the Conduct of Foreign Policy.

I join other Members in wishing Bill Mailliard well in his important new assignment. I know he will fill it with distinction.

Mr. BRAY. Mr. Speaker, Congress has lost an extraordinary Member, William S. Mailliard, due to his resignation. I am pleased to pay tribute at this time to this fine gentleman from California.

I have known Bill since shortly after he came to Congress in 1953, and during those years, I have watched closely as he played an increasingly important role, especially in recent years as head of the California Republican delegation. William Mailliard has a record of noteworthy accomplishments, ability and dedication to duty—a record of which he should be proud. Congress is the better for his service, and the gap he leaves behind will be hard to fill.

I want to wish Bill and his family the best of luck as he takes on his new role as the permanent Representative of the United States to the Organization of American States. I know all the Members of Congress join me in this wish.

Mr. BIESTER. Mr. Speaker, it is with mixed emotions that we observe a colleague depart Congress having compiled a distinguished record of service to his district and to the Nation at large. Bill Mailliard, who has left this Chamber after 21 years of service, is such a person. As much as we will miss his contributions to policymaking here in the House, we are fortunate, as is our country, that he will continue to share his talents and abilities as our Permanent Representative to the Organization of American States.

Although I have known and admired Bill since my service in the House began in 1967, my appreciation for his leadership has been heightened since my appointment to the Foreign Affairs Committee in the first session of this Congress. The opportunity to observe him in committee as ranking minority member underscored for me those qualities which have made bill the respected and skilled leader that he is. Prior to his leadership role within the full committee, Bill was ranking minority member of the Inter-American Subcommittee. This background, in addition to his participation in numerous international conference and his intricate familiarity with our foreign policy, makes him a wise and valuable selection as OAS representative.

Our regret at seeing Bill leave is tempered with the appreciation that his years of service in the House will effectively be applied to his new responsibilities with the OAS. I trust that the friendships he has made here will carry over in our common efforts on behalf of this Nation through the workings of the OAS and Congress. In this new undertaking, I join my other colleagues in wishing Bill the very best.

Mr. RHODES. Mr. Speaker, I join my colleagues on both sides of the aisle today to pay tribute to one of my good friends who has left us after 21 years of distinguished service in the House.

Bill Mailliard and I came to Congress together, and I have had the privilege through the years of working closely with him, both on legislative and party matters. Beyond that, I have enjoyed his friendship for the past two decades.

In taking over his new post as the Permanent Representative of the United States to the Organization of American States, Bill Mailliard brings to the job some unique qualifications. As a longtime and top ranking member of the House Merchant Marine and Fisheries Committee he is familiar with many of the mutual problems that we share with our neighbors to the south in oceanic matters. As ranking Republican on the House Committee on Foreign Affairs he brings a wide knowledge of international affairs and the interworkings of international organizations. These are essential in dealing with our relationships with our Latin American neighbors.

Above all, he will bring to the job his own warm kind of personal diplomacy. The President has chosen well in selecting Bill Mailliard for this important job of representing our Nation in this organization which seeks good relations between all the countries of the Western Hemisphere.

I know that we are going to miss him in the House. I know that after two decades of dedicated service to the people of California and constituents in the San Francisco area, that the people of the Sixth District are going to miss his leadership, his attention to the needs of the district, and his help for its individual citizens.

As an alumnus of our class in Congress, I will personally miss his candor and judgment. I join my colleagues in wishing him well in his new challenge.

Mr. EDWARDS of Alabama. Mr. Speaker, I join my colleagues in saluting the Honorable William S. Mailliard for his distinguished service in the U.S. House of Representatives. Bill Mailliard is an old friend of mine. As a newly elected member of the House Merchant Marine and Fisheries Committee, I found Bill to be a wise and able leader, always willing to help less experienced members of the committee.

Bill Mailliard will be missed here in Congress. But I am pleased that he will not be leaving public service. As my colleagues are aware he has received an appointment as the Permanent Representative of the United States to the Organization of American States. The wide breadth of Bill Mailliard's experience in public life should make him a vital force in achieving the purposes of the Organization of American States, such as "seeking the solution of political, juridical, and economic problems which may arise among the member States."

Mr. Speaker, Bill Mailliard has left an indelible mark on the legislative mosaic of our Nation. I regret his departure from the House, but I wish him every success in his new post.

Mr. ANDERSON of Illinois. Mr. Speaker, the gentleman from the Sixth District of California, William S. Mailliard, was first elected to the Congress in 1952, and with his decision to retire from our ranks this year he caps one of the most distinguished careers in Congress. This decision in itself gives us an insight into our gifted and complex colleagues. After 22 years in public service in the House of Representatives, he has chosen a new path to public service as the Permanent Representative of the United States to the Organization of American States. Those of us who have been so fortunate to serve with Bill—in my case during the past 14 years—have always known that he is truly a man who marches to his own beat. His life and contributions are on the public record as a distinguished thinker, a hero of war and recipient of the Silver Cross, a major force in the development of modern U.S. policy. But equally inspiring to his colleagues has been the fact that he is a man with little tolerance for narrow partisan thinking, with great compassion and conciliatory approach. We can all be thankful that such are the qualities that will be representing the United States in the OAS.

Only in the narrowest sense are we in Congress the losers as the result of Bill's decision. While he may be leaving effective office, through the Organization of American States, he will surely continue to articulate positions of great public moment in dealing with the issues that affect the life of our hemisphere. So, while we in this body, and his colleagues in the Foreign Affairs Committee will miss his incisive and intelligent contribution to our dialogs, he has found a forum through which nonetheless his point of view will continue to reach us.

In his new endeavor, I want to convey my best wishes to Bill and Mrs. Mailliard. May the future bring them both richly deserved good fortune and fulfillment.

Mr. ARENDS. Those of us who have served in these Halls for the past 21 years with such a distinguished colleague as Bill Mailliard will miss the day-to-day association with him in the months ahead. Indeed, the House of Representatives has lost an able and conscientious legislator, a scholar in the field of foreign affairs whose advice and counsel has been invaluable to all of us over the years.

But while his absence will be keenly felt in our legislative deliberations, it is reassuring to know that our Nation will still have the benefit of his considerable talents. Certainly the post of Permanent Representative and Ambassador to the organization of American States is a prestigious assignment. It is one which, unfortunately, has not always been given the high priority it deserves. No one is better qualified by training, experience, and personality to serve in this key post which is so vital to our foreign policy than Bill Mailliard. The President has made an excellent selection.

Bill has had an interesting and varied career. His military service was distinguished, he has worked with the California Youth Authority, and he gained valuable experience in State government as assistant to California's Gov. Earl Warren. Since coming to Congress in 1953 his work has been outstanding both on the Foreign Affairs Committee and the Committee on Merchant Marine and Fisheries.

Bill has always had the ability to take the broad view of our role in world affairs, and he will be sensitive to the interrelationships and priorities which are so important not only to the United States but to everyone in the family of nations.

I know that Bill will win a multitude of friends throughout Latin America, just as he has here in the Congress and in diplomatic circles across the globe. He is a delightful person, and I was proud to be included in his circle of friends. I join with all my colleagues on both sides of the aisle in wishing him success and happiness in his new assignment.

Mr. TALCOTT. Mr. Speaker, I am pleased to join my colleagues in paying highly deserved tribute to the gentleman from California, Mr. Mailliard.

Although his resignation will create a significant loss to the Congress and the Committee on Foreign Affairs and the Committee on Merchant Marine and Fisheries, from which the Congress and the committees will not recuperate for years, I commend the gentleman upon his appointment as Ambassador to the Organization of American States.

I commend the President for selecting Bill Mailliard because of his long experience in the Congress and in Foreign Affairs and the Merchant Marine and Fisheries, which subjects are of great importance to all the countries of this hemisphere.

The knowledge and experience of a Member of the Congress is certain to be of great value to the Ambassador and to our Nation. Bill has extraordinary knowledge and experience.

I can think of no person as well qualified for this important position especially at this critical time in our history and our relationships with the other countries of this hemisphere.

I am grateful for the conscientious and wise service Bill Mailliard has performed in the Congress, not only for our Nation, but also for the State of California.

He is able, sound and effective. He is modest and self-effacing. These outstanding characteristics have served our State of California and our Nation well and they will continue to serve us well in his new capacity and responsibility as Ambassador.

This is a dual loss to the Congress and a dual gain to our ambassadorial corps. Mrs. Maillard will serve admirably as our representative to other American nations.

We thank Bill and Millie for their outstanding service in the Congress.

We wish them every success and personal satisfaction in their new career as our ambassadors to the Organization of American States.

Mrs. SULLIVAN. Mr. Speaker, I feel it is a distinct privilege to join my colleagues in paying tribute to the Honorable William S. Mailliard, who has resigned from this body to accept his appointment as U.S. Representative to the Organization of American States.

I personally considered Bill to be one of this body's most distinguished Members. His attributes and contributions over the years have been outstanding. Bill's history as a public servant manifests itself in an unusual combination of quiet leadership—a major source of influence without fanfare—extraordinary judgment and wisdom, and a keen insight for recognizing a common path on which men of opposite views may walk. He has served as mediator many times and has found solutions where compromise appeared impossible. Many of us came to Congress in 1952 along with Bill Mailliard, and in the past 22 years we have shared with him many victories, heartaches, and trials. To me, his departure marks the end of an era which began in 1952.

Our particular relationship began when we were both appointed to the Merchant Marine and Fisheries Committee.

His exceptional mind, along with his interest in the subject matter of the committees on which he served, have made him a leading authority on both foreign affairs and our Nation's merchant marine. When I say he is an exceptional man, I do not say it blithely. As a member and now chairman of the Merchant Marine and Fisheries Committee, I have been in a particularly good position to evaluate his performance over the years and it is obvious that Bill Mailliard is one of the most knowledgeable and best informed people involved in the maritime industry and maritime affairs. He was extremely helpful during the consideration of the Merchant Marine Act of 1970. As we all know, this was the first major piece of legislation on the subject since 1936. His efforts to enact legislation to revitalize the U.S. merchant marine were untiring. I know in my own mind that he was the one who most successfully led the bipartisan effort that brought about the act of 1970. Referring to his speeches on the subject prior to the enactment of the 1970 act, the California Recognition Program commended his efforts in 1968, saying:

> The depth, comprehensiveness, and brilliance of these speeches constitute a major public service, even if their practical impact still lies in the future.

Bill has played an equally important role at the international level. He is a man who works hard for causes he thinks are sound, as evidenced by his early work on "safety at sea" and international efforts to resolve maritime problems between nations. In addition to Law of the Sea Conferences and Safety at Sea meetings, he was appointed as a Congressional Adviser to the United Nations Committee on the Peaceful Use of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction. The latter appointment was a result of his interest in oceanography and conservation as well as the merchant marine. As we all know, Bill has sponsored and cosponsored extremely significant legislation throughout this area. The myriad of bills included proposals for a coordinated national boating safety program, requirements for radiotelephones on certain vessels, revising vessel documentation and licensing of personnel, establishment of various wildlife refuges, the Marine Mammal Protection Act, the Coastal Zone Management Act, the establishment of the National Advisory Committee on the Oceans and Atmosphere, and many others including the Endangered and Threatened Species Act.

I have cited just a few of the bills with which he was involved on the Merchant Marine and Fisheries Committee. His efforts and achievements on the Foreign Affairs Committee were of equal significance. Further, he has particular expertise in regard to our relationships with the Latin American countries, thus, the President could not have appointed a better Ambassador to the Organization of American States. I am also pleased for Bill about the appointment and I know he will be an effective representative of our country, but the fact remains that we, his colleagues, and the Nation will greatly miss Bill Mailliard's presence in this Chamber.

Mr. CORMAN. Mr. Speaker, today I join my colleagues in honoring the distinguished representative of the Sixth District of California, the Honorable William S. Mailliard. After 21 years of outstanding service in the House of Representatives, Bill Mailliard is leaving to become the Permanent Representative of the United States to the Organization of American States, where I am sure that his many talents will be put to good use.

Upon graduation from college, Bill entered the U.S. Navy, where he served on active duty throughout the Second World War. His outstanding military career was highlighted by the receipt of many distinguished awards, including the Silver Star, the Legion of Merit, the Bronze Star, and numerous campaign ribbons.

His release to inactive status in 1946 freed him to devote several years of dedicated service to the State of California. In culmination of his fine work there, Bill was named "California's Outstanding Young Man" by the California State Junior Chamber of Commerce in 1952.

Recognized by both his country and his State for his commendable achievements, Bill Mailliard embarked on his career as a U.S. Congressman in 1952, and was reelected every other year since.

He has distinguished himself here in his work on the Committees on Veterans' Affairs and House Administration, and later as the ranking minority member of the Foreign Affairs Committee, and as a ranking member of the Merchant Marine and Fisheries Committee. He will be sorely missed both as a capable colleague and as a good friend.

Mr. MOSHER. Mr. Speaker, for many years I have been associated with our distinguished colleague, Bill Mailliard in the Merchant Marine and Fisheries Committee. I have thoroughly enjoyed and profited from his wise, knowledgeable, effective leadership on the minority side of that committee.

Bill has played a most responsible and productive role there, often wielding an influence far beyond the scope of most ranking minority members, especially in Merchant Marine policy decisions.

In so many ways, few of our colleagues ever attain such a distinguished career as the gentleman from California. Let us just consider for a moment the scope of his lengthy public service; from his early association with Earl Warren when that distinguished jurist was Governor of California, his very significant career in wartime service with the U.S. Navy, his assignment as U.S. Naval Attaché to the Court of St. James, his distinguished career here in the House of Representatives, including not only his service on the Merchant Marine Committee but the Committee on Foreign Relations, rising to the position of ranking minority member there, and also his attainment of the rank of admiral in the U.S. Naval Reserve.

And now he will cap that great career with an important ambassadorship.

I am one of many who feel very grateful, privileged, and proud to have been associated with Bill Mailliard.

Mr. Speaker, we will greatly miss this most able gentleman from California, and I join with all our colleagues in confidently wishing him the greatest of success in representing the United States in the Organization of American States.

Mr. ROYBAL. Mr. Speaker, I join with my colleagues in saluting former Congressman William S. Mailliard.

His long and distinguished career in the House of Representatives, which spans more than two decades, has been one of dedicated service to his district and to the State of California, and he can certainly reflect with great personal satisfaction on his many achievements during this time. Although his resignation is viewed with a certain amount of dismay by all who have come to know him over the years, we are pleased by his appointment as the Permanent Representative of the United States to the Organization of American States and are confident that he will serve with the same dedication which characterized his tenure in the U.S. Congress.

I extend to him my sincere best wishes for every success in his new position and forthcoming pursuits.

Mr. DINGELL. Mr. Speaker, our distinguished Member, the Honorable William S. Mailliard, has served in this body with great distinction and ability. He has earned the respect and high regard of all of his colleagues. I have had the pleasure of serving with him on the Committee on Merchant Marine and Fisheries. I have found him at all times a worthy and dedicated servant of his constituents and a wise and perceptive legislator much concerned not only with international affairs but with regard to all of the values which are of such concern to thinking Americans.

Bill Mailliard has demonstrated a keen appreciation of a need for a wholesome and safe quality environment for all of our people. He was a leader on the enactment of the Environmental Quality Act and scores of other legislation that have come out of our committee.

His concern for the problems of the American Fisheries Industry and the American Maritime Commission has placed him in the forefront of those who have earned the respect for their service to these important American industries.

His leadership on foreign affairs is well known not only to his colleagues but to officials of four administrations and to Americans who have long wanted a clean and different foreign policy for this Nation.

Bill Mailliard has a distinguished record of accomplishments in the Congress. He is a warm and dedicated servant of the Sixth District of California.

As his friend and colleague, I will much miss him here in the Congress and join his friends and constituents in wishing him well in his many undertakings as the Permanent Representative of the United States to the Organization of American States.

He will be an outstanding public servant in that position and a credit to the United States.

Mr. FINDLEY. Mr. Speaker, I am grateful to my friend and colleague, the gentleman from California, for arranging this highly deserved tribute to the Honorable William S. Mailliard who is now the Permanent Representative of the United States to the Organization of American States.

I have had the privilege of being a colleague of Mr. Mailliard for the past 14 years and during the last 6 years I have had the special opportunity for a close relationship because of my membership on the Foreign Affairs Committee which he served with such distinction as minority senior member. His diligence and fair-minded approach and his constructive attitude on foreign policy questions have been a great inspiration to us all.

I join my colleagues in wishing him every success in his new assignment.

Mr. BAKER. Mr. Speaker, I want to add my voice to the chorus of recognition which is being recorded today to let the gentleman from California, Mr. Mailliard, know he leaves the Halls of Congress for his new assignment with the good wishes of his colleagues in this Chamber.

Although I have not known Bill Mailliard as long as many of you, I have come to appreciate during the last two terms how knowledgeable he is in foreign affairs and the influence he has had on this Nation's foreign policy through his long years of service on the House Foreign Affairs Committee.

Congressman Mailliard becomes the Permanent Representative of the United States to the Organization of American States at a time when his experience and leadership will be invaluable in providing solutions to the problems which face our neighbors in the Western Hemisphere.

I commend President Nixon for offering this appointment to a Member with such superb qualifications. I congratulate Congressman Mailliard for agreeing to accept this responsibility. As the Organization of American States fulfills its reasons for existence: to strengthen the peace and security of the continent; to prevent possible causes of difficulties and to insure the pacific settlement of disputes which may arise among the member states; to provide for common action on the part of those states in the event of aggression; to seek the solution of political, juridical, and economic problems which may arise among them; and to promote, by cooperative action, their economic, social, and cultural development, Bill Mailliard will represent us well and I wish him Godspeed in making his mark there as he did in Congress.

Mr. FRELINGHUYSEN. Mr. Speaker, I wish to join in paying tribute to William S. Mailliard, my distinguished colleague who recently resigned from the House in order to assume an assignment as permanent representative to the Organization of American States.

I have known Bill Mailliard throughout our 11 terms in the House. We both began our House careers in 1953 as freshman Congressmen from opposite sides of the country. Over our many years of service on the House Foreign Affairs Committee, I have been constantly impressed by his integrity, his profound understanding of global problems, his effectiveness as a legislator.

Over the years, he has served as a member of the British-American Inter-Parliamentary Conference, the Anglo-American Parliamentary Conference on Africa, the U.S. delegation to the Consultative Assembly of the Council of Europe, the U.S. Japan Parliamentary Exchange Conference. To all areas of foreign policy issues, Bill has brought an expertise and insight of the highest order. He has never been parochial in his views; he always looked at the larger issues. He believes strongly in the United Nations and served as a delegate to the 18th session of the U.N. General Assembly.

Bill has consistently urged the United States' active participation in world affairs. He recognizes that the time for isolationism is past and that the United States must do its full share to establish a stable world order.

Our colleague has always been devoted to public service and has never waited for the tide of opinion to roll his way. He has had the courage to take his own stands and has advocated his personal positions as well as those of the committee's in a very articulate manner. His leadership and expertise will be sorely missed by our committee.

Mr. Speaker, it is my belief that the mark of effectiveness of a statesman can best be gaged by the esteem in which he is held by fellow world leaders. In my travels around the world I have found Bill Mailliard has earned the highest respect by foreign leaders. As such, I am quite confident he will be a major asset to the OAS and will continue to contribute much to the interests of American foreign policy.

Finally, Mr. Speaker, as I succeed Bill Mailliard as ranking minority member of the House Foreign Affairs Committee, I must say that his friendship will be missed most of all.

It is an honor to follow in his footsteps, though we are all sad to see him leave.

Mr. MONTGOMERY. Mr. Speaker, I

am pleased to be able to participate in these tributes to Congressman William S. Mailliard and appreciate the gentleman from California, Congressman BOB WILSON, making the occasion possible. I was very sorry to learn that Bill Mailliard was resigning from the House of Representatives, but at the same time it is reassuring to know that we have someone of his preeminent qualifications to serve as the permanent representative of the United States to the Organization of American States.

Realizing there are many who wish to participate and our time is limited, I will be brief in my remarks. One of the traits of leadership that Bill Mailliard exhibits is his complete and thorough preparation on legislation being considered by the Congress. His example of always being well prepared to debate bills in either committee or on the House floor will always leave a lasting impression on me.

Mr. Speaker. A second point that should be noted is Bill Mailliard's very learned ability in the area of military and Reserve affairs. I personally will miss his wise counsel in all matters dealing with our Armed Forces and Reserve components.

I wish my good friend, Bill, the world's best in his new assignment. Our loss will be OAS's gain.

Mr. VAN DEERLIN. Mr. Speaker, our former colleague Bill Mailliard is truly a man of many parts. During more than two decades of public service he has been an exemplary diplomat, lawmaker, and even a flag officer in the Naval Reserve.

He brings to his new assignment as our Ambassador to the Organization of American States an impressive set of political, diplomatic, and legislative credentials.

While in the House he was able to gain a double perspective on the problems of Latin America through simultaneous service on both the Panama Canal subcommittee of the Merchant Marine and Fisheries Committee and the Inter-American Affairs subcommittee of the Committee on Foreign Affairs.

Of special interest to my own San Diego area constituents, Bill always had a sympathetic ear for the problems of our tuna fishermen, and he was coauthor of the 1970 Merchant Marine Act which revamped the ship construction subsidy program and set a goal of 300 new merchant vessels in this decade.

Politically, he worked well with us on this side of the aisle while holding true to his Republican principles. His 5 years as chairman of the California Republican delegation were marked by harmonious relations with the Democratic dean of the delegation, our colleague, CHET HOLIFIELD.

Bill's diplomatic experience probably dates back to 1963, when he was appointed by President Kennedy as a delegate to the U.N. General Assembly that year. But prior to taking on that assignment, Bill had already logged years of practical experience in the Latin American policy area through his subcommittee memberships. In addition to his other attributes, he looks the part of a diplomatic man of distinction.

Mr. Speaker, I join our colleagues in wishing Bill and his lovely wife Milicent well in this new and important undertaking.

Mr. SCHNEEBELI. Mr. Speaker it is a privilege for me to have the opportunity to pay tribute to my friend and colleague, Bill Mailliard, upon the occasion of his resignation from the U.S. House of Representatives. It is exciting to contemplate his future as the permanent representative of the United States to the Organization of American States, although I very much regret the House is losing a Member of Bill's caliber.

With Bill's outstanding educational and military background, he served with distinction as ranking minority member of the very important Foreign Affairs Committee. He is an intensely intelligent and a very capable authority in the field of foreign affairs. He pursued his interests with a singleness of purpose and supported President Nixon's approach of establishing world peace for a long time in the future.

I participated in several conferences in foreign countries with Bill Mailliard and he always worked very hard. We were very proud of his leadership in representing the U.S. position on some vitally important issues.

I know Bill will continue to achieve success in his new job and I wish him the best of luck in the future. The House has suffered a great loss in his leaving.

Mr. BROOMFIELD. Mr. Speaker, the House suffered a tremendous loss recently when our distinguished colleague William S. Mailliard resigned to accept an appointment as the permanent representative of the United States to the Organization of American States. While I am sorry to see Bill leave, I certainly applaud this excellent appointment.

Bill's fine record during his 21 years in the House is a tribute to his concern for his country and his constituents. For 16 years I have worked closely with Bill on the Foreign Affairs Committee, and have come to admire and respect his ability and dedication. His work as ranking minority member for the past 3 years has been outstanding. During that time he has served ably as a member of the Commission on the Organization of the Government for the Conduct of Foreign Policy, and as a delegate to the United Nations Law of the Sea Conference.

There is no doubt that Bill is the right man to represent our country in the Organization of American States. His wealth of experience in the field of foreign policy, as well as his great interest in that area, make him a natural for the post.

I join my colleagues in paying tribute to Bill Mailliard for the outstanding work he has done for Congress and his country over the years, and wish him every success in his new position.

Mrs. HANSEN of Washington. Mr. Speaker, it is with regret that I learn that one of the very able Members of Congress from the State of California, William S. Mailliard, has resigned after 21 years to accept an appointment as the permanent representative of the United States to the Organization of American States.

Congressman Mailliard has served his district in the beautiful State of California with distinction and will be missed by all of the Members of the House. We are sure that he will continue to serve our Nation effectively in his new position.

Mr. Mailliard came to Congress with a long record of service to his State and country, first as a businessman, then as a member of the U.S. Navy during World War II. He also gave of his talents to the people of California in various State capacities before being elected to Congress.

I have had the pleasure of working with Representative William S. Mailliard particularly with respect to the Golden Gate Park where he did yeoman service for the people of California and his district as well as working for the establishment of this beautiful area in the national park system.

I shall miss him personally, and I wish the very best of everything in his new and very important position.

Mr. FREY. Mr. Speaker, I would like to join all the colleagues in the House to wish my good friend and distinguished Congressman, William S. Mailliard, the best in his new position as Permanent Representative of the United States to the Organization of American States. I had the pleasure when a freshman of serving with the Congressman from California on the Merchant Marine and Fisheries Committee. As ranking member, he did an outstanding job, not only in preparing and presenting legislation, but in helping those new to the Congress find their way. Like most young Congressmen, I appreciate and needed his help and guidance.

Bill has served the State of California and this Nation long and well. I know we are all delighted that he is going to continue in the service of this Nation that he loves so much. As many know, he has also served on active duty in the Navy and sometime ago received the rank of admiral in the U.S. Naval Reserve. Whatever he has done, he has done well. We wish Bill good luck and Godspeed, and thank him for his continuing outstanding service to this Nation.

Mr. JOHNSON of California. Mr. Speaker, it is with a great deal of pride that I join my colleagues in paying tribute to one of the Golden State's outstanding citizens and Representative, and my friend, the Honorable William S. Mailliard.

I first met Bill when he was serving as secretary to Gov. Earl Warren, and I have been privileged to work closely with him not only as a State legislator but also as a Federal legislator.

Over the years that I have been privileged to work with this distinguished gentleman I have found him honest, conscientious, and cooperative. He has served the State and the Nation admirably and as our Permanent Representative of the United States to the Organization of American States. I know Bill will continue his dedicated service to the Nation and its citizens.

Bill, all of us will miss you in the Halls of Congress where you have served so well. However, we want to wish you every success in your new assignment. We know you will continue to make us proud of you.

Mr. FRENZEL. Mr. Speaker, I want to join the congressional chorus praising the service of Bill Mailliard. Bill has served the people of his district and his country well for more than 21 years.

As he leaves this body to assume his new position as permanent Representative to the OAS, he goes carrying with him the affection, respect, and admiration of all with whom he served. My personal acquaintance with Bill covers only a short period of his distinguished congressional career, but it does not take a long time to find out the ability of Congressmen like Bill Mailliard. I join all of his friends in thanking him for his distinguished service and in wishing him well in his new career.

Mr. STEIGER of Wisconsin. Mr. Speaker, I am honored to join with so many of my colleagues to salute Bill Mailliard, who after 21 very productive years is leaving the House. Having known and worked with Congressman Mailliard for the last 8 years, I am truly sorry to see him leave the House. His loss will be felt not only by Members on his side of the aisle, but more importantly by the House as a whole.

As the ranking minority member on the Foreign Affairs Committee and the second ranking minority member on the Merchant Marine and Fisheries Committee, Bill Mailliard has provided strong and positive leadership not only to Republicans on these committees but to Republicans throughout the House. We have come to respect and listen closely to his thinking and his judgments. To younger Members of the House and those newly arrived, he has provided wise counsel and given us the benefit of his experience and knowledge. I feel privileged to have been able to serve with Bill Mailliard and to learn from him.

Though the House will be a little less bright for his leaving, I am happy to know that he will remain here in Washington as the Permanent Representative of the United States to the Organization of American States. I can think of no one more qualified in every way to take on the task of working to improve Inter-American Relations and fostering a spirit of cooperation among the nations of the Americas. So it is with mixed emotions that we here in the House salute Bill Mailliard. We are truly saddened by his leaving but at the same time confident that the United States is so ably represented in the OAS. It is comforting to know that while we will not have Bill on the floor of the House, we will see him from time to time on the Hill and we all look forward to that.

Mr. EVINS of Tennessee. Mr. Speaker, certainly I want to associate myself with the remarks of the gentleman from California (Mr. WILSON) and others in paying a brief but sincere tribute to our colleague Bill Mailliard who has resigned as a Member of the House to serve as the permanent representative of the United States to the Organization of American States.

Bill has served 21 years in the Congress and has served with distinction on the Committee on Foreign Affairs and is now ranking Member of this committee.

The extensive experience and knowledge which he has acquired by virtue of his membership on the Foreign Affairs Committee will stand him in good stead as he assumes his new responsibilities as the U.S. representative to the Organization of American States.

Bill Mailliard has served his district, State, and Nation faithfully and well—and I know he will render further useful and distinguished public service as he assumes his new duties and responsibilities.

I wish for him the very best of good luck and success in his new endeavors.

Mr. MINSHALL of Ohio. Mr. Speaker, though we regret his retirement from the House of Representatives, we who have seen the expertise of our great friend and colleague, the Honorable William S. Mailliard, in the field of foreign affairs applaud with enthusiasm his appointment as permanent representative of the United States to the Organization of American States.

Much as his abilities will be missed in the House, where he has served for nearly 22 years with distinction and dedication, we recognize the challenges of his new position and our country's need for a man of Bill Mailliard's sterling qualifications to handle the assignment.

When he left this Chamber the first of this month to take up his new duties, he stepped down from two prestigious posts: Top ranking minority member of the House Committee on Foreign Affairs, and second ranking minority member of the House Committee on Merchant Marine and Fisheries. To fill two such demanding committee posts as capably as he did requires a man of great vitality, broad intellect, and wide-ranging knowledge. Bill Mailliard will be sorely missed on both those great committees, as he will be by all of us in this House who over the years have appreciated the worth of this outstanding Member, both as a statesman and a friend. We wish him well in his new post, to which we know he will bring the greatest honor.

Mr. GOLDWATER. Mr. Speaker, I want to commend my good friend, BOB WILSON, for taking this special order to pay tribute to a great American and an outstanding gentleman, Bill Mailliard.

In my judgment, the President acted wisely in appointing Bill Mailliard as permanent representative of the United States to the Organization of American States. This appointment has been greeted with tremendous acclaim, especially by those who have been privileged to work closely with Bill on matters relating to foreign affairs. It is always encouraging when a man of such immense talents is recognized in such an important way.

The House of Representatives will miss Bill Mailliard. We will miss his wisdom and counsel. Members of the California congressional delegation, Democrats and Republicans, will especially miss him because we have come to rely so much on his guidance and advice on issues which have a significant impact on our State.

Bill Mailliard has achieved a number of legislative goals since his first election to the House of Representatives in 1952. One important measure that he offered is the Merchant Marine Act of 1970, which I feel could result in the salvation of the U.S. merchant marine fleet if carried forward by Congress and the Executive. The tragic deterioration of our merchant marine in the past 20 years poses many economic and security problems. We can ill afford as a free people not to be competitive in world trade and we must have more maritime vessels flying the American flag. Bill Mailliard recognized this a long time ago, and fortunately for all of us, he did something about it.

I think the United States is in a unique position to right some of the wrongs in our relations with our neighbors to the south. President Nixon has demonstrated his concern for American relations with South America and Latin America. By appointing Bill Mailliard to OAS, this country will be putting its best foot forward. I wish him well in his new job. It has been a honor for me to serve with him and I look forward to our continuing friendship and association in the future.

Mr. BROWN of California. Mr. Speaker, with the departure of Bill Mailliard from this body we have lost one of the foremost experts on the oceans to ever sit in Congress. Born almost 67 years ago on the island of Belvedere, in San Francisco Bay, Bill Mailliard has been associated with the sea throughout his life. From 1939 through 1946 Bill served in the U.S. Navy, in a variety of responsible positions, and he is a rear admiral in the Naval Reserves.

Since the seas are international resources, Bill Mailliard's active participation in international affairs, in addition to being excellent preparation for his new role as a diplomat, has been highly relevant to his continuing interest in the oceans. Long active in the United Nations—more than a decade ago Bill was a U.S. delegate to the 18th session of the U.N. General Assembly—in 1969 he became a delegate to the United Nations Law of the Sea Conference.

And in his role as a Member of Congress, serving on the two committees which have more to do with matters affecting the seas than any others—Foreign Affairs and Merchant Marine and Fisheries—Bill Mailliard has been able to have a major impact on legislation in this area. He is the author of the House Merchant Marine Act of 1970, and one can see Bill's influence in almost every piece of important maritime legislation that has come out of those committees in recent years.

Of course, Bill Mailliard's influence can be seen in much more than just legislation affecting the oceans, as large as that area is. Just this month we in the House passed legislation to enlarge Golden Gate National Recreation Area; Bill Mailliard is the person who wrote the legislation which created that 34,000-acre park. And on innumerable other pieces of legislation, in diverse fields, the mark of Bill Mailliard is indelibly implanted.

I could go on for quite some time, Mr. Speaker, about Bill Mailliard's personal qualities: His helpfulness to many of us who arrived in the House when he was already a veteran Member, his honesty and civility in the course of legislative debate, his intelligence and independence—but I see that some of our colleagues are already devoting their attentions to these characteristics, so I will let their remarks reflect my own sentiments. Let me just close by wishing Bill the very best in his new assignment. He is well prepared by his experience and his abilities, and I expect that we will be hearing a great deal more of Bill Mailliard in the coming years.

Mr. ZABLOCKI. Mr. Speaker, I am happy to have this opportunity to join his many friends in paying tribute to Bill Mailliard, who has left this body to become U.S. Ambassador to the Organization of American States.

I have known Bill Mailliard since he entered the Congress in 1952 and since 1961 it has been my pleasure to serve with him on the Committee on Foreign Affairs. For the past 13 years he has contributed significantly to the work of the committee and his loss will be missed there.

Since assuming the role of ranking minority member of the committee, in 1961, Bill Mailliard has staunchly defended the bipartisan atmosphere which our committee members have felt to be so necessary to the proper operation of legislative responsibilities in the area of foreign and security affairs.

During our careers we have been on the same side of most issues. In particular, during the 92d Congress, Bill was especially helpful in obtaining needed reforms in the foreign aid legislation which ultimately became law.

Occasionally we have found ourselves on the opposite side of issues, as occurred last year during the consideration of the War Powers Act. Although Bill fought hard for what he believed to be right with regard to war powers, his opposition was always constructive and gentlemanly, and he helped shape a bill which—although not altogether to his liking—was better for having had his critical attention.

Most recently Bill and I have served together as the congressional representatives on the Commission on the Organization of the Government for the Conduct of Foreign Policy. In that forum, which is seeking to improve the ability of our Government to meet new challenges in international relations, Bill Mailliard has played an important role. His inquiring mind, his broad experience, and his practical sense have been invaluable to the work of the Commission.

Although we are losing a colleague, our Government still retains his services in a challenging and important post as U.S. representative to the OAS. I am confident that he will have the same dedication to his new tasks as to those which he has left behind, and that his contribution to our national interests will likewise be significant.

My wife, Blanche, and I join in wishing Bill and his lovely wife, Millie, the very best as they begin a new career in the service of our Nation.

Mr. ANDREWS of North Dakota. Mr. Speaker, I join my colleagues in paying tribute to an old friend and distinguished Member of the House for 21 years. While I congratulate him on his appointment as the Permanent Representatives of the United States to the Organization of American States—a post for which he is so eminently qualified after serving with distinction for so many years on the Foreign Affairs Committee—I personally regret his retirement from Congress. I shall miss his good counsel and his almost unlimited capacity for friendship. I wish him Godspeed and best wishes for another long and distinguished career in his new post as our representative to our southern neighbors.

Mr. FRASER. Mr. Speaker, while I have been a Member of Congress, I have come to know and work with many members of the California delegation. Prominent among these is the Honorable William S. Mailliard, who was, until very recently, the ranking Republican on the House Foreign Affairs Committee.

Bill Mailliard has left the Congress, accepting an appointment as the Permanent Representative of the United States to the Organization of American States. Bill and I served together on the Foreign Affairs Committee since I came to the Congress in 1963. We have shared some of the same interests—Law of the sea, for instance—and traveled some of the same routes. Bill Mailliard is a prime example of the sort of people my parents came to know and respect in the years before their second retirement while they lived in California. He is a decent, hard-working, responsible son of California and the Congress will be diminished by his departure.

His loss will be especially felt by our committee. We wish him well in his new assignment, knowing that he will be an able representative of American interests in the broad sense of that often misused word.

Mr. MAZZOLI. Mr. Speaker, it is a pleasure to join my friends in the House in paying tribute to one of our colleagues, Bill Mailliard, of California, on the occasion of his resignation from this body.

Congressman Mailliard's long years of service in the House will stand him in good stead as he continues his career in Government as the Permanent Representative of the United States to the Organization of American States.

I extend my personal best wishes to Bill for happy and fulfilling service with the OAS.

Mr. CASEY of Texas. Mr. Speaker, it is my pleasure to join my colleagues today in a formal tribute to the service in this House of William S. Mailliard. And at the same time we all wish him the utmost success in his new duties as the Permanent Representative of the United States to the Organization of American States.

Bill Mailliard is eminently qualified for his most important assignment. He has distinguished himself as the ranking minority member on the Foreign Affairs Committee and the Special Subcommittee for Review of Foreign Aid Programs.

His knowledge and counsel have been invaluable to this House in shaping its foreign commitments and in directing our resources toward meeting the most deserving needs. We must always remember him for his untiring efforts to end the Vietnam conflict and to do it with dignity and honor.

It has been my personal pleasure to serve with Bill Mailliard on the Merchant Marine and Fisheries Committee, and to travel with him and work with him in shaping legislation to strengthen our fishing industry and our vital shipping industry.

Those of us who were privileged to serve closely with Bill Mailliard learned quickly to respect his ability and integrity and to have the highest regard for his measured judgment.

Bill Mailliard's leaving the Congress after 21 years of service is a loss to our national legislative process and to the citizens of the Sixth District of California he served so ably.

But we can take pride in the fact that his career in distinguished service to his country is only being extended. We can be sure that our Nation's representation in the Organization of American States is now strengthened by the presence of Bill Mailliard.

I join my colleagues in bidding him a fond farewell and sincere best wishes for continued success in a new arena of leadership.

Mr. CEDERBERG. Mr. Speaker, I want to thank my good friend and colleague from California for making the time available today to recognize the achievements of Bill Mailliard during his service in this body.

Bill Mailliard and I came to Congress together in January of 1953 and it has been a personal pleasure to have been able to call him a friend during the intervening 21 years that we have continued to serve. Bill Mailliard's service in this body has been characterized by dedication to the best interests of the country and by his personal efforts to immerse himself in his work in order to make himself as knowledgeable and effective as possible.

This type of approach to the work of the Congress was recognized early in Bill Mailliard and, over the years, he became a voice to be sought after in the area of foreign affairs. His service on the Foreign Affairs Committee, and the time which he spent as ranking minority member of that committee certainly show his devotion to the Nation. America can be proud of the attention which Bill Mailliard gave to her interests.

In the same manner, his service on the Committee on Merchant Marine and Fisheries was characterized by an attention to the best interests of the country and a special dedication to his home State of California. The State of California will miss his concerted efforts to insure that the varied programs which fall under the jurisdiction of that committee recognized the special needs of a State with one of the longest coastal shorelines in the Nation. I am certain that all Californians take pride in the work which he performed as a member of the committee and his devotion to the interests of their State.

Saying all this, however, I think we should recognize that Bill Mailliard, as Permanent Representative of the United States to the Organization of American States, will continue to have many opportunities to contribute to our national interest. I am certain that dedication which characterized his years in the Congress will be carried to this new assignment and that he will, as he has in the past, perform with distinction. The United States could not find a better man to represent their affairs in this critical period than Bill Mailliard.

So, while we take this opportunity to recognize Bill's leaving this body, those of us who shared his friendship hope that he will drop by to say hello once in a while, and we know that the country will continue to have the advantage of his fine services. I take this opportunity to wish him every success in the future.

Mr. PETTIS. Mr. Speaker, it is a privilege and a pleasure to join my colleagues in paying tribute to my good friend, the Honorable William S. Mailliard, on his recent retirement from the House.

Besides his personal friendship and his help and advice over the years, I think the special quality of Bill's I will miss most now that he has left the House, is his ability to cut through legislative rhetoric and get down to the basics of any issue being considered.

The quiet competence with which Bill Mailliard served did not grab him many headlines, but it got the job done—and done well. As a Representative for 21 years, as the ranking member on the Foreign Affairs Committee, and as chairman of the California Republican delegation, Bill Mailliard gave a great deal to our home State of California and to this Nation as a whole.

I know the same competence and performance excellence he displayed in Congress will be a further credit to the United States as our former colleague takes up his new assignment as Permanent Representative to the Organization of American States.

Bill, I wish you well as you meet this new challenge in your long and distinguished career of public service.

Mrs. HECKLER of Massachusetts. Mr. Speaker, the Organization of American States is most fortunate in having the Honorable William S. Mailliard as its newly-appointed Permanent Representative of the United States. While I was delighted to hear of the appointment which so aptly befits Bill's background and experience, I am truly sorry he will no longer be serving with such distinction in the House of Representatives.

Bill's 21 years of service in this Chamber have been highlighted by his invaluable expertise in the realm of foreign affairs. Both Republican and Democrat Presidents alike have benefited from his notable legislative ability coupled with his unswerving desire for peace in the world. His steady, seasoned outlook on the world's trouble spots have provided a sense of continuity through two unsettling decades spanning the Korean war to U.S. disengagement from Vietnam.

Though the House of Representatives will no longer be the recipient of Bill's highly regarded counsel, his talents will not go untapped. As Permanent Representative of the United States to the Organization of American States, Bill will meet the considerable challenge of inter-American foreign policy with long years on insight and experience. In that repected position he will serve his country well in the future as he has in the past.

Bill leaves the House as one of its most highly respected Members. My best wishes go with him as he takes up this fresh, new challenge. He will surely be missed, but I am deeply thankful that his ability will be put to excellent use in working with our hemispheric neighbors.

Mr. ROSENTHAL. Mr. Speaker, in view of the fact that there is a special order today so that we can pay tribute to our colleague, William S. Mailliard, of California, I want to be counted among those Members of the Congress who wish him well on his new assignment.

Bill was a well-established member of the California delegation when I arrived in Congress some 12 years ago, but I did not really get to know him closely until I was assigned to the House Committee on Foreign Affairs a number of years ago.

Although we are of different political persuasions, I have great respect for his abilities, which were recognized by all on the committee who have served with him. As the ranking Republican on that committee he has made an invaluable contribution to the accomplishments made over the years, and he leaves for his post as Permanent Representative of the Organization of American States with an enviable record.

His advice and counsel will be sorely missed by the committee, but I take this opportunity to wish him every success in his new venture. He richly deserves this honor, and will be an outstanding representative of the United States in promoting the peace and security of the countries of the Western Hemisphere. He is a responsible and responsive individual, and the needs and interest of this country will remain of paramount importance to him. We will be in good hands.

Mr. ANDERSON of California. Mr. Speaker, I have very mixed emotions over the March 5 resignation of my friend and distinguished colleague from California, the Honorable William S. Mailliard. Naturally I am sad to see Bill leave this great body after 21 years of devoted service to his State and country; but happy and proud that he was appointed as the Permanent Representative of the United States to the Organization of American States.

Our country is, indeed, fortunate to have a man of Bill's caliber, experience and character to represent us within the world community. His career is rich with countless past accomplishments demonstrating his ability to combine keen administrative skills with tact and diplomacy. Even a partial listing of his numerous accomplishments would not be sufficient to portray the polished class of this fine American. However, some indication of his resourcefulness may be gained by recalling that he has been chosen by every President since Eisenhower to represent our country in assignments in both hemispheres, as well as being a delegate to the General Assembly of the United Nations.

Mr. Speaker, being from California, I have naturally had an opportunity to follow Bill's career for many years. I can recall some of his military assignments in the U.S. Navy as he rose to the rank of rear admiral; some of his numerous special awards earned since being chosen "California's Outstanding Young Man" in 1952; and naturally recall those early days we shared in Sacramento when he held numerous State positions including secretary to Gov. Earl Warren.

However, Mr. Speaker, it was here in the House that I really learned to trust and respect this outstanding individual. As a member of the Merchant Marine and Fisheries Committee, I relied upon some of the expertise which he had acquired during his 20 years tenure on this important committee. I am sure that the members of this committee will especially miss his guidance as the ranking minority member of the Merchant Marine Subcommittee and his knowledge of ocean resources.

After serving so devotedly his constituents of the Sixth Congressional District of northern California since 1952, I am confident that his service to them and the State will be greatly missed.

Mr. Speaker, I commend William S. Mailliard for his past accomplishments and congratulate him for his recent appointment. Speaking for my wife Lee, I wish him and his lovely wife Millicent, and family best wishes on their forthcoming adventure. I am confident that he will again serve his family, Nation, and now the world community with the same ability which has justly earned him the respect of his colleagues.

Mr. QUIE. Mr. Speaker, this occasion is both a happy and sad one—happy because it is a pleasure to pay tribute to one of our distinguished colleagues and sad because he has left the House of Representatives to become the Permanent Representative of the United States to the Organization of American States.

Congressman Bill Mailliard has earned an admirable record of service after being elected consistently since 1952, serving at different times on the House Committee on Veteran' Affairs, House Administration Committee, and the Committee on Foreign Affairs. He distinguished himself on this latter committee, rising to the position of ranking minority member.

Congressman Mailliard participated in many international organization meetings. He was a congressional adviser to the Foreign Ministers' Meeting of the Organization of American States from 1964 to 1967. He represented the U.S. Congress at the Inter-Parliamentary Conference with Britain and Japan, and the Anglo-American Conference on Africa.

He was a delegate to the 18th Session of the United Nations General Assembly. Under U.N. auspices, he was a congressional adviser to the U.N. committee on the Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction.

His achievements are not restricted to the legislative arena, but he has a distinguished career in the military. He was the Assistant Naval Attaché at the U.S. Embassy in London during the years 1939 and 1940. During the war, he was an aid to Vice Adm. D. E. Barbey of the 7th Amphibious Force. Following active duty, he rose in the ranks of the Naval Reserve to rear admiral and was Commanding Officer of the Capitol Hill Naval Reserve Unit.

We will miss Bill Mailliard, but wish him continued success in his new assignment.

Mr. SIKES. Mr. Speaker, the Congress is losing a dedicated public servant in the resignation of the Honorable William S. Mailliard of California from this body. We shall miss his dedicated service as a Member of Congress. It is fortunate that the Nation will continue to have the benefit of his sage counsel and wisdom as he takes up duties as Permanent Representative of the United States to the Organization of American States.

Bill Mailliard is uniquely suited to this new role. He has served in public life with distinction and in the military with high honor. His military service as Assistant Naval Attaché in London during the early days of World War II put him in the mainstream of military and diplomatic life. His service with Governor Warren of California gave him wide insight into statewide problems and he contributed to the solutions of those problems.

Since 1953, he has served with distinction as a Member of Congress and was honored in 1963 by being selected as the U.S. Delegate to the United Nations General Assembly.

Serving on the Committee on Foreign Affairs, Bill Mailliard is one of those best informed on what is going on in the world. He has been a leader in helping formulate and carry out the foreign policy of the United States.

It is with regret that I see him leave these halls where his cool head and wise mind have proved invaluable in those frequent instances when the Nation needed sound advice and leadership.

But I know my good friend, Bill Mailliard, will be a credit to himself, to his beloved California and to the Nation in his new duties. One can only say that we all are better for having known Bill Mailliard and wish him good luck and Godspeed as he moves to new and challenging duties.

Mr. BELL. Mr. Speaker, today I would like to pay tribute to my colleague and fellow Californian, Congressman William Mailliard. He has made great contributions to both the Committee on Foreign Affairs and the Committee on Merchant Marine and Fisheries. His service to his constituents in the Sixth District of California, the San Francisco area, and to the country as a whole have been substantial and indeed impressive. His approaches to governmental problems have been both reasonable and innovative. His record must stand as a seeker of modern up-to-date solutions to 20th century problems. A first-rate problem solver.

Mr. Mailliard has been a Member of Congress for over 21 years, a significant reflection of the trust and respect that his constituents hold for him. As a fellow California Republican, I have had the pleasure of working closely with Bill on many occasions. His presence will surely be missed.

Though his resignation from the House will be a great loss not only for his constituents but for the Congress as well, his appointment as Permanent Representative of the United States to the Organization of American States will be a great addition to the country.

Mr. STRATTON. Mr. Speaker, I want to join with the other Members of the House on both sides of the aisle who have risen this afternoon to express their regrets that our former colleague, Bill Mailliard of California, has left this House to become the U.S. Ambassador to the Organization of American States. Of course, this is a great honor for Mr. Mailliard and a great honor to the House that he should have been selected for this important assignment. But I am truly saddened that Bill's very special expertise in the fields of foreign policy and defense policy should be lost to the House at the very time when we need them most. And not only his expertise, Mr. Speaker, but his quiet, reasoned nonpartisan approach to these vital issues as well. We will miss Bill Mailliard's leadership in these next few weeks as we try to fight back the tide of isolationism and retreat from international obligations that appears to be growing in this House and across the country.

Bill Mailliard was a hero in World War II in the Navy in the Pacific, and rose to the rank of rear admiral in the Naval Reserve, one of only two Members of the House to have been so honored. Characteristically his major service here in Congress has been in support of those bipartisan programs and policies—developed and carried forward in Democratic as well as Republican administrations—which have tried over the past three decades to put the lessons of World War II into practice, and which, as the bedrock of an American foreign policy, have successfully forestalled the outbreak of a world war III that in the late 1940's so many gloomy prophets were telling us was almost inevitable.

To do this was a political and legislative undertaking, Mr. Speaker, that called no less for cool courage under fire than did the naval engagements which Bill participated in during the Pacific war. It was not always a popular course, and is not one today. But it was right, Mr. Speaker, and Bill Mailliard was already prepared to fight it out on that line. His Committee on Foreign Affairs will miss his leadership, as well as that of the gentleman from New Jersey (Mr. FRELINGHUYSEN) in the 94th Congress. We can ill afford to lose men of such outlook and capability in the House of Representatives.

But, of course, Bill Mailliard will be carrying on the battle for responsible and constructive cooperation between nations in a new and equally important forum. His skill and poise, plus the charm and graciousness of his lovely wife, Millie, will be at work for our country in another vital arena of America's interest and concern—Latin America. We know the Mailliards will do the same great job there for America that they have done for America and for California here in the House of Representatives. My wife Joan joins me in wishing Millie and Bill Mailliard all success and happiness in their new assignment.

Mr. MICHEL. Mr. Speaker, during the 18 years I have served in this body, it has been my privilege to know, and to respect and admire, the gentleman from California who has left us to become Ambassador to the Organization of American States. I refer, of course, to our colleague William S. Mailliard, who was the chairman of the California Republican delegation in this body.

We shall miss him—his personality, his knowledgeability, his character and his integrity. However, we should compare his departure to the father who did not lose a daughter but rather gained a son-in-law; we should remember not our loss of a colleague but the Nation's gain of an ambassador to a key position.

Bill Mailliard has seen a lot of the world himself, and knows a great deal about it from his service on the Committee on Foreign Affairs where he was the senior Republican member.

Before U.S. entry into World War II, he was on duty with our Embassy in London as a naval attaché. Later, during the war, he served as an officer in the 7th Amphibious Force, and was awarded the Silver Star, the Legion of Merit, and the Bronze Star.

He has served in the Congress continuously since he was first elected to it in 1952.

To his new role he will bring an expertise and a perspective acquired in many ways over many years.

His long service on the Committee on Foreign Affairs has given him an insight into foreign affairs such as few men possess. Back in 1963, he was U.S. Delegate to the 18th Session of the United Nations General Assembly. He was also a delegate to the United Nations Law of the Sea Conference.

This body, which last December produced the first Vice President of the United States to be named under provisions of the 25th amendment, has made another fine contribution to the executive branch in the appointment of Bill Mailliard to the OAS position.

I join my colleagues in congratulating him and wishing him well—and I also congratulate President Nixon for having made so outstanding a choice.

Mr. McCLORY. Mr. Speaker, it is with great personal pride that I express admiration for the long and distinguished service rendered by our colleague, Congressman Bill Mailliard of California's 6th District.

Congressman Mailliard has represented an area, including that portion of San Francisco where my two sisters, Mrs. L. A. Poole and Mrs. Paul K. Lovegren, reside. They have been proud to support him as their representative in the Congress, just as I have been privileged to serve with him in this great body.

Congressman Bill Mailliard has demonstrated the kind of candor and competence which characterizes the highest in public service. Educated in accordance with the best which our Nation affords, and experienced in local and State government before coming to the Congress in 1948, Congressman Bill Mailliard has provided an expertise which is truly invaluable in this great legislative Hall of the Congress.

Mr. Speaker, it is noteworthy that Bill Mailliard has contributed substantially to the improvement of our international relations. As a former U.S. delegate to the United Nations General Assembly, and in many international conferences where he has represented our Nation, he has brought the kind of knowledge and skill to the promotion of good foreign relations which have helped bring us to the present era of an enduring peace.

Mr. Speaker, this Chamber has been honored by Bill Mailliard's presence and exemplary service here, and I hope and expect that his talents will continue to be utilized in the years ahead. I note, particularly, that he has been appointed as a Permanent Representative of the United States to the Organization of American States. Whether in this office or in some other capacity, I am confident that Bill Mailliard will be continuing to serve the best interests of our Nation and of the American people who will ever be his proud constitutents. My wife, Doris, joins in extending to Bill and his beloved wife, Millicent, our good wishes for many happy, healthy, and useful years together.

Mr. BUCHANAN. Mr. Speaker, one of the great privileges which has come to me during my service in the House has been that of my association with our colleague, Bill Mailliard.

Until his recent appointment as the Permanent Representative of the United States to the Organization of American States, the gentleman from California was the ranking minority member of the House Foreign Affairs Committee. In that capacity, as will be the case in his present one, he served our country with great distinction.

The same qualities of leadership and of consistent courage which marked his career as a naval officer, marked his career in the Congress and as the Republican leader of our committee.

He and his lovely wife, Millicent, have a special place in the hearts of all of us who know them. They are the kind of people who have helped to make our Nation great and who constitute a part of its hope and of its strength.

It is a pleasure to join in this salute to a beloved friend and a distinguished public servant.

Mr. BINGHAM. Mr. Speaker, I am glad of the opportunity to join in paying tribute to Bill Mailliard, in expressing regret that he is leaving us, and in wishing him well in his new endeavors.

I personally have greatly enjoyed my contacts with Bill Mailliard on the Foreign Affairs Committee. We have not always agreed by any means, but he has brought to the committee's deliberations a mature judgment and a power of analysis that have been exceedingly useful on many occasions.

I also look back with pleasure on an occasion when we both participated in a conference of British and American parliamentarians interested in Africa.

Congressman Mailliard will be missed in the House, and especially in the Committee on Foreign Affairs. However, I and the rest of us, join in congratulating him on his appointment as U.S. Permanent Representative to the Organization of American States, an important post especially in these times when it is so necessary that our relationships with Latin America be strengthened and improved. All of Bill Mailliard's colleagues and many friends agree that he will make a major contribution in this role or in whatever he undertakes in the future.

Mr. BOB WILSON. I thank the gentleman from New York.

Mr. Speaker, I have taken this special order today to honor our departing colleague, Bill Mailliard. For 21 years we have served together in the House, along with a few others who came in with President Eisenhower and Vice President Nixon in 1953. He has become one of my closest friends, a gentleman to whom I could always turn for advice or help.

But for all of us too, he has set a benchmark of achievement to shoot for in trying to match his distinguished record of service to the American public. From the day he took oath of office in this House in 1953, Bill has built, through plain hard work, a record that should be the combined envy of a half dozen busy men, to say the least. Lawmaker—statesman—patriot—are but just a few of the titles earned by this great American in service to his country. I am sure they will be pointed to many times over—and rightfully so—in this hour of tribute to Bill Mailliard.

Although Bill and I served on committees somewhat afield from each other, our legislative paths crossed many times in the course of his career. For example, I remember well his leadership and my cooperation in pushing for amendments to the 1936 Merchant Marine Act which restructured the ship construction subsidy program and bolstered shipbuilding activities on the west coast. This legislation resulted in bringing major shipbuilding and thousands of new jobs to my own home district of San Diego and it would not have been realized without the toil of Bill Mailliard in his work on the House Merchant Marine and Fisheries Committee. And when the illegal seizures of American tunaboats, most of them homebased in San Diego, continued on the high seas off South America in the early 1950's, Bill was there again to respond to the cry for help from the tuna industry. Again with his cooperation, the 1956 Fishermen's Protective Act was written and put into force. And when more teeth was needed in this protective law, he gave us the sympathetic ear and assistance to enact subsequent amendments in later years. These are just a few examples of the "Mailliard hallmark" for solving problems that went beyond the needs of his own district.

In my opinion, no greater legislator has walked these halls than Bill Mailliard. And now we see him leaving to take up still another career—that of U.S. Ambassador to the Organization of American States. For Bill, I am sure it will be a return to a first love, the art of international diplomacy, which he has skillfully honed since first serving as a delegate to the United Nations General Assembly by appointment of President Nixon in 1960 and in subsequent years through his work as a ranking member of the House Foreign Affairs Committee.

Bill, even though you and your wife Millie will be greatly missed here, all of us wish you well in your new assignment. We recognize the importance of developing and maintaining good relations with our neighbor nations in Central and South America. Indeed, you are the one who can bring us closer to this realization and all of us join in extending our warmest wishes for success in your new endeavor.

## GENERAL LEAVE

Mr. BOB WILSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

## DECLINE OF AMERICAN INTERNAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK), is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, if you believe the press, the Soviet Union and Red China have become our friends and the cold war is over. However, we must remember that it was not during the cold war but while we were World War II allies with Russia that the Rosenbergs stole our atomic secrets for our Soviet friends. Even Alger Hiss was not a cold war spy but operated a whole ring in the Department of State during the 1930's, while Franklin Roosevelt thought it was possible to be friends with the Communists. As a matter of fact, the most effective Communist weapons used against American freedoms were during periods of American-Soviet friendship. During the cold war our internal security system blunted those Communist weapons.

To understand the Communist viewpoint, Gus Hall's recent speech to the National Council of the Communist Party is instructive. Hall is, of course, the proprietor of Moscow's branch office in the United States. Hall explained that "détente and confrontation are not opposites." He reminded the assembled Communists that the Soviets have a slogan, "There is no peaceful coexistence in the field of ideology." He said for the American Communists "there is no peaceful coexistence in the fields of economics, politics or ideology." Gus Hall said that the job of the Communists is to "take advantage of the divisions and weaknesses" of their enemies. And let us make no mistake about it, we are the enemy that the Communists want to destroy. A détente with the Communists ties the hands of their enemies but leaves them free to promote aggressive war in the Middle East and Southeast Asia. It leaves them free to provide weapons for guerrillas and terrorist groups throughout the world. And it leaves them free to persecute the dissidents in the Soviet Union, while demanding that those Communists involved in violent crimes in the United States or other countries of the free world, not be prosecuted.

According to the FBI's annual report, as of July 1, 1973, the total number of Soviet-bloc personnel with diplomatic status in the United States was 2,686. According to the FBI:

> These individuals represent a tremendous reservoir of potential intelligence operatives for the Soviet-Bloc intelligence services in the United States. Additional potential intelligence operatives may be found among the many Soviet-Bloc official and unofficial visitors in the United States whose number is growing each year.

Approximately 150 Red Chinese "diplomats" and so-called journalists can be added to that number. Of course, every country maintains contact with its journalists abroad to gather intelligence information. It is only the United States that frowns on this kind of thing. The Iron Curtain journalists however are different. They are primarily intelligence agents of the Communist countries, and their news gathering assignments are usually incidental.

As a result of the illusions spread by the Nixon-Kissinger honeymoon with Soviet Union and Red China the American Communists have begun to creep out of the woodwork. Old-time Soviet stooges whose names have not shown up in our committee hearings since the 1950's have suddenly surfaced again. The Communist Party runs candidates for public office under its own name. It has been attempting to reinfiltrate the labor movement which had bounced the Communist infiltrators as long ago as 1949. The Communists are deeply involved in racial agitation, particularly among the blacks and a start has also been made among the Mexican Americans, Puerto Ricans, and American Indians. The Communists do not like the term Indians so they have been calling them "Native Americans." Violence oriented groups, some controlled by Red China, others following directives from Castro's Cuba, have also begun to show their heads.

During a period of détente we have to be particularly alert to the continuing threat of Communist espionage, subversion, and violence. The Soviet frequently use the phrase "relaxation of tensions." What they really mean is the relaxation of our guard.

At a time when we need a strong internal security defense and an external intelligence system, we are weaker than ever before in our history. Some of this is due to the exposure of intelligence gathering by our press. "Advocacy journalism" has taken the place of responsible reporting. What we are really talking about is a psychological warfare campaign against the United States being conducted by people who are using techniques designed to disrupt enemy operations in wartime. In the midst of a war you do what you can to expose—or blow the cover, as they say—enemy intelligence operations. You try to protect your own intelligence operations. When an American journalist revealed, as did Jack Anderson, that the CIA was listening to the telephones in Soviet officials' cars, that operation had to be discontinued. This takes a weapon out of America's hands. We now have less information about Soviet plans for aggression. According to the Israelis, American intelligence told them that the Egyptians and Syrians would not attack last October, that the military buildup was just a maneuver. As the result only 825 Israeli soldiers manned the defense lines at the Suez Canal when the massive attack started. Casualties were very high. The Israelis blame us for our bad advice. Perhaps if we were still listening to Brezhnev's telephone conversations the error would not have been made.

The elements of the press that could never find the space for the story of the mass murders committed by the Communists at Hue, spent days talking about an American soldier in Vietnam burning down a hut. The same elements of the press can find nothing to say about the extensive Soviet intelligence apparatus which spies, murders, and kidnaps all over the world. But any opportunity to blow the cover of a CIA operation, particularly if it is one of the few useful ones, is seized upon with glee. Do not get me wrong, I am no fan of the CIA. I remember when they funded leftwing extremist groups like the National Students Association in the United States and similar leftwing crackpots around the world. I also remember that the official that came up with these ideas was recently promoted to head the CIA liaison office in London. But when cutbacks are made in the CIA, they are usually the worthwhile operations.

According to the press our military intelligence in Europe recently canceled its investigations of European subversives operating against our military personnel. These groups encouraged desertions and attempts to murder officers—fraggings. The investigation was canceled after the cover on the operation was blown by an "advocacy journalist."

If anything our internal security is in even worse shape. The Subversive Activities Control Board, which had the responsibility of holding hearings on and citing Communist fronts, has been abolished. Even when it existed, the law only allowed it to work on groups controlled by the Communist Party, U.S.A., thus ignoring Chinese Communist-controlled groups, Trotskyite Communists, and other violenced-oriented enemies of the United States. The Internal Security Division of the Department of Justice has been reduced to a section of the Criminal Division. Police departments throughout the country who have done valuable work in watching the violence-prone radicals have cut back on their operations and in many cases have closed down their intelligence units. These cutbacks have often resulted from journalistic attacks, which pannicked timid city fathers. Or as in New York, where Lindsay used it as an excuse for wholesale destruction of valuable files on violent organizations.

The Army has stopped watching civilians. The Pentagon brass retreated when their surveillance of subversives was attacked by the Senate Subcommittee on Constitutional Rights, chaired by Senator SAM ERVIN, and the hysterical element in the press. The Army surveillance had two purposes. One was to watch those civilians engaged in disruption or subversion of the military. The second was a general surveillance of violence-oriented groups, particularly during periods of urban disorder. As the National Guard had been called out in a number of instances, intelligence information was needed to determine whether they should be put out on the streets. The Kent State tragedy was the result of insufficient information in the hands of the military authorities.

During October 8 to 11, 1969, SDS Weathermen rioted in the streets of Chicago. Two investigators for the House Committee on Internal Security accompanied the military intelligence agents who were watching the rioting. Our men monitored the Army communications and were out on the streets with the military intelligence agents who penetrated the ranks of the rioters and reported back to their command post. An undercover police officer on the same assignment was severely beaten by SDS hoodlums. The military intelligence group ran some risk during this operation. But the information they reported back was of great value. First, they reported the actions and plans of the rioters and second, they reported the action that was taken to cope with the rioters by the Chicago Police Department. The National Guard was waiting in the armories to intervene if the police were incapable of controlling the riot. The military intelligence agents were able to report that the police were handling the problem. The National Guard units were kept in the armories. Had unnecessary guardsmen been committed to this operation a tragedy like Kent State might have taken place.

A star witness for the Ervin committee and the hero to the press was John M. O'Brien, a former military intelligence agent who alleged that the military had engaged in widespread surveillance of innocent civilian activity and had used illegal methods to accomplish this. The first opportunity anyone had to cross-examine O'Brien came last November when he testified as a defense witness in the Chicago 7 contempt case. Federal Judge Edward T. Gignoux concluded after hearing O'Brien's testimony that—

> Mr. O'Brien's testimony was flatly repudiated in all presently significant aspects . . .

The Court rejects as utterly incredible the testimony of Mr. O'Brien.

O'Brien's "repudiated" and "incredible" testimony was used, however, in the campaign against military intelligence operations. As I stated before, the brass retreated under fire.

On November 10, 1971, the Committee on Internal Security met in executive session to hear the testimony of Rowland A. Morrow, the director of the Defense Investigation program Office. The testimony was later released. He revealed that the Department of Defense had destroyed all of their files relating to subversives, even those who have been active in subverting the military. We have reached the point, Morrow admitted, where a member of the Armed Forces who leaves the military post to attend a subversive meeting cannot be observed by military intelligence at that meeting.

As you know, the Federal Bureau of Investigation has the primary responsibility in the investigation of subversive activities. In the past this work has been enhanced by the activities of military intelligence, local police departments and congressional committees. Now, even the FBI's responsibility to do this important work is under attack.

All security conscious people breathed a sigh of relief when William Ruckelshaus was forced out of the Justice Department. On September 13, 1973, during his confirmation hearings to be Deputy Attorney General, Ruckelshaus twice referred to his plan to separate "the intelligence-gathering from the law enforcement functions of the FBI." Translated from Government gobbledygook into English, this means getting the FBI out of the field of investigating subversion. Now that Ruckelshaus and his mentor Elliot Richardson no longer inhabit the Department of Justice, do not think that the scheme is necessarily dead. There are still ideologues in the administration to promote this kind of nonsense.

The congressional committees have been the subject of attack.

As ranking minority member of the House Committee on Internal Security, I am not exactly shocked by this. We know we are doing a good job when we are under constant attack by the Communists and their friends. For the past 35 years our committee and its predecessor, the Committee on Un-American Activities, have been the subject of abolition schemes by the leftists and their well-meaning dupes. These schemes have always collapsed with their own weight, and the committee has gotten the overwhelming support of the Members of Congress for these many years. However, a new element has entered the picture. As one of the recommendations by the Bolling committee to "streamline" Congress, an attempt is being made to abolish the Internal Security Committee and give its functions to the Government Operations Committee. It would not be possible for the Committee on Government Operations to do the job now assigned to Internal Security. The entire staff of Government Operations will be smaller than the present overworked staff of Internal Security. No subcommittee staff could possibly carry out this work.

The Committee on Internal Security's appropriation will be coming up before Congress in the next several weeks. Opponents of the committee are organized to cut that appropriation as much as possible. Their hope is that if we are sufficiently weakened so that we are unable to do our job this would be an argument for the committee's abolition and the transfer of its functions to the Government Operations Committee later this year.

Our committee's work is a matter of public record. The annual report of our committee is now available. It contains the summary of our committee's work for the year 1973. It summarizes hearings and reports regarding such things as revolutionary agitation in the prisons; Communist Party, USA, attempts to repenetrate the trade union movement; The Communist Party, USA, as a defender of Soviet anti-Semitism; and such other hearings as those on Communist theory and practice in the Soviet Union, Red China and Chile.

In light of the weaknesses in both our internal security system and our foreign intelligence gathering, I intend to develop a legislative program to close some of these gaps. The House Committee on Internal Security is the logical committee through which such a program can be presented to Congress. Its continuation is an important part of our country's defenses. The committee can be used to strengthen the other agencies necessary to protect us from the Communist military threat abroad and the Communist subversive threat at home.

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## AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS) is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, I would like to insert for the thoughtful attention of my colleagues several articles from volume IV of the publication XRAY, of the Africa Bureau, London.

The first article relates to African wages in South Africa.

The second article relates to the plight of the people in South Africa at the Dimbaza resettlement camp in Ciskei.

The third article relates to the official sports policy of South Africa and to South Africa's record in international sport.

The final submission relates to the relations of certain other governments with Southern Africa; namely, New Zealand, Australia, and Holland.

### SURVEYS REVEAL THE POSITION OF AFRICAN WAGES IN SOUTH AFRICA

Although the rate of increase in African wages has risen sharply in the past year, unskilled African workers are still earning between half and two-thirds of the poverty datum line (PDL) requirements.

This was one conclusion of two recent pay surveys conducted in SA for the period 1 August 1972—1 August 1973. They show an average increase of 20%–25% in African cash wages in industrial and commercial companies. The rate of increase was highest—nearly 30%—in Natal, largely attributable to the strikes there.

But wages for unskilled workers are still as low as R40 (c.£20)—R75 (c.£37.50) a month, compared with the Johannesburg Chamber of Commerce's latest PDL figure of R82 (c.£41) a month. African women workers fared even less well. Despite a rise of about 13% during the year, unskilled African women earn an average of R8.9 (c.£4.50) a week.

About 13% of African workers still earn less than R10 (c.£5) a week—compared with about 33% last year. Only 16% earn more than R20 (c.£10) a week. The wholesale trade still pays African men as little as R7 (c.£3.50) a week, and women R.6.60 (c.£3.30).

Meanwhile the Consumer Price Index (CPI) has risen by 8.5% over the period. This suggests that the African wages increase was about two and a half times that of the CPI. But the CPI is based on a white family earning R4,600 (c.£2,300) a year, and spending 25% of its income on food. African families spend a much higher proportion of their income on food, the price of which has risen by 12.5%.

The average increase in Coloured and Asian workers' wages was a little less than the CPI. Again, assuming the CPI under-estimates the impact of rising food prices on poorer people, their economic position has declined over the past year.

White artisans' wages rose over the period on average by 8% to 10%, with some increases of 20%. White earnings generally rose by 10%. White artisans now earn between R320 (c.£160) and R390 (c.£195) per month basic—with another R60–R70 (c.£30–£35) in overtime. Top executive salaries rose 8%–10%, to between R13,000 and R20,000 (c.£6,500 and £10,000) a year.

A separate survey of farm labour wages in the Eastern Cape shows that top cash wages are about R14.60 (c.£7.30) a month; middle-rung wages around R.10.50 (c.£5.25) and bottom levels about R5.36 (c.£2.68).

The University of South Africa, in a "living standards" survey conducted under its market research bureau, concluded that medical and dental services, education and entertainment are "luxuries" beyond the means of a quarter of urban blacks. The survey, sponsored by South African firms, found that 22.5% of all African households earn less than "the minimum financial" requirements of members of a household if they are to maintain their health and conform with western standards of decency—that is, "to be fully dressed and clothed". This is defined as a Minimum Subsistence Level. Employers should aim, it says, to pay workers on a higher standard—a Minimum Humane Standard of Living, which includes medical care, recreation, education and contributions to pension and unemployment funds.

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### DIMBAZA: DESPERATE FOR FOOD

Hundreds of people at Dimbaza resettlement camp in the Ciskei Homeland have been left desperate for food because they did not receive their ration entitlement for the whole of October.

In a press statement issued on 31 October, the Rev. David Russell said: "The vast majority of families of Dimbaza, who had previously depended for their livelihood on rations given out every two weeks by the authorities, have received nothing for the whole of October. Hundreds of people are affected and are desperate for food.'

Mr. Russell, who lived on R5 (c.£2.50) a month for six months last year in protest against conditions in the resettlement camps, said the situation first came to his notice on

10 October. He tried to get in touch with the authorities to find out what had happened. The magsitrate referred him to the Superintendent of Zwolitsha, Mr. N. Erasmus, who was in charge of rations. 'I had hoped that after my talk with the Superintendent decisive action would have been taken,' Mr. Russel said.

On Sunday, 14 October, after his church service, he promised his congregation that they would do all they could to help the hungry and correct the situation.

'On Wednesday, 17 Ocober, I went to Dimbaza and found 400 people outside the church office, hungry and asking for food. In all the time I have been going to Dimbaza I have never been so shocked and torn as I was that day in the presence of such numbers of hungry people,' he said. 'We started the task of systematically giving out food vouchers worth R2.50 (c.£1.25) and continued to do so in relays for the next 10 days. During all this time we scrupulously avoided saying anything publicly, but persevered in contacting the authorities in the hope that they would respond decisively and solve the crisis.'

Despite approaches to the SA Government through the Ciskei administration, nothing had been done.

'There are hundreds of people hungry now and it seems they will continue to be hungry,' he said. The local Church Aid organisation had paid out more than R1,000 (c.£500) on the food vouchers, and to make a further distribution to more than 500 families it would launch a nation-wide fund-raising campaign. The Border Council of Churches would meet this week to plan this.

'In the meantime while we are trying to keep death away with emergency supplies we will continue to plead with the authorities to see that rations are resumed as before for families without a breadwinner,' he said.

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### Official Sports Policy of SA

The present state of South Africa's sports policy is one of confusion, arising from attempts by the Minister of Sports, Dr. Piet Koornhof, to make a reality of the "multinational sports policy" which was announced by Prime Minister Vorster in Parliament on 22 April, 1971.

This policy defines multi-national sports as competitions in which more than one nation compete—black South Africans being split into three nations (Bantu, Indian and Coloured). Prior to the South African Games in April 1973 ingredient of multi-national sports competitions was the participation of foreign teams (or foreign individuals in the case of individual sports).

The policy was dented at the SA games when foreign teams which had been invited for the football tournament withdrew at the last minute. Under pressure from the organizers and the black football bodies who had already prepared their teams, the Government adjusted the policy and allowed the tournament to proceed with SA whites playing the Bantu, Indian and Coloured teams.

After the South African Games in Pretoria, the Government was faced with conflicting imperatives. On the one hand, it had to recover ground lost to the hardliners, who reject any sport across colour lines. On the other hand, it needed to continue to project an "enlightened" imagine for international consumption.

### WEIGHTLIFTER BANNED

Thus in June 1973 the Government refused permission for an African weightlifter, Archie Kasyamhuru, to compete for Rhodesia in a match against South Africa in Johannesburg. Yet in April the same weightlifter, Kasyamhuru, had competed in the Pretoria Games.[1] And in July 1973 the Government refused to grant a passport to non-racial cricket chief Hassan Howa who planned to visit London to meet members of the International Cricket Conference.

### "HONORARY WHITE" STATUS

But at the end of August the Government granted permission for a return fight in Johannesburg between black American Bob Foster, the world light-heavyweight champion, and SA's (white) Pierre Fourie. Bob Foster enjoyed "honorary white" status in Johannesburg while he prepared for his world title fight on 30 November. He was granted his visa in spite of earlier making strong statements about South Africa.

This was followed early in September by another passport withdrawal. Mr. Morgan Naidoo, president of the Non-Racial Swimming Federation, had his passport confiscated before his departure to Belgrade where South Africa's membership of the International Swimming Federation was being discussed. This probably contributed to the decision adopted by the Federation to expel South Africa from international swimming. Mr. Naidoo's absence was compensated by the presence in Belgrade of two delegates of the South African Non-Racial Olympic Committee.

### MULTIRACIAL CRICKET MATCHES BUT THEN . . .

This ambivalence was to develop further with the granting of visas to two black cricketers who were included in a team sponsored by a well-known English cricket administrator, Mr. Derek Robins. Pakistani Younis Ahmed and West Indian John Shepherd toured South Africa with the Derek Robins cricket team. Most of the matches were played against white teams, with the exception of one against an African eleven. For accepting to play in SA, Younnis Ahmed has been banned for life by the Pakistan Cricket Body.

### CRICKET IS BANNED ON PRIVATE SPORTSFIELD

But during the Robins cricket tour on 5 October—Dr. Koornhof issued a special proclamation banning multi-racial sport on private grounds. This far-reaching piece of legislation is being used to stop the multiracial Aurora Cricket Club of Pietermartitzburg playing matches against other clubs on privately-owned sportsfields. Previously Group Areas legislation effectively covered multi-racial sports only on Government or Municipal property.

The proclamation, whose implications are said to be stupefying legal experts, extends restrictions on the occupation of group areas by members of other races to any person who is at any time present, in, or upon any land or premises in the controlled area or a group area . . . for a substantial period of time.

It was followed by a police raid during a match played by the Aurora Club in Pietermaritzburg on 13 October. The match was interrupted and names of the players and officials taken. The Club officials who are well-known SA cricketers, have announced that they will fight any prosecution, if necessary up to the Supreme Court.

In November, Dr. Koornhof granted a visa to black tennis star Arthur Ashe to allow him to play in the SA Open which started in Johannesburg on 19 November. Ashe had been refused visas twice in the past few years because of his "anti-SA statements". It appears the decision was prompted by a probable ban of SA by the powerful World Tennis Professional Association of which Ashe is vice-president.

It is difficult to guess the future direction of SA's sports policy. The Johannesburg Star of 14 October, 1973 describes the Government's sports policy as "so confusing lately that the idea has got abroad that, in fact, there is no policy—that everything is played by ear". Dr. Danie Craven, SA's rugby boss, has come under heavy criticism for predicting that rugby was finished at the international level, on the basis that although other countries can still visit SA it has become impossible for South African white rugby teams to tour overseas, due to demonstrations—or Government bans in the case of New Zealand and Argentina.

Dr. Craven was also attacked for predicting mixed trials for the selection of future rugby teams. Putting the record straight, Dr. Craven is quoted in the Johannesburg Sunday Express (11 November, 1973) as follows: "I was criticised for suggesting mixed trials—something I have never said. But there are people who don't know the difference between mixed trials and a side chosen on merit. It is a principle, not a method".

He went on to say "All we have asked for is that Springbok teams be selected on merit. Nothing has come of it so far, but that's where we are going to finish up—selecting sides on merit."

It is probable that Dr. Craven would clear such a statement with the Government. If so, one may expect more sacred apartheid cows to be slaughtered on the altar of international sports relations.

### SOUTH AFRICA'S RECORD IN INTERNATIONAL SPORT

1956. South African all-white Table Tennis Union expelled by ITTF Affiliation given to Non-Racial Table Tennis Federation. South African Government has consistently refused passports to Non-Racial teams entered for World Championships since 1956.

1963. South Africa barred from Tokyo Olympics.

1964. South Africa suspended from World Football by FIFA.

1964. South Africa barred from international competition by World Fencing body.

1967. Mexico refuses visa to South African team for Mini Olympics.

1968. Mexico refuses to invite South Africa to Olympics. IOC Executive confirms this decision by withdrawing invitation.

1968. South Africa expelled from World Boxing by AIBA.

1968. Cricket tour of South Africa by British Team cancelled by MCC.

1969. Hungary refuses visas to South African Team for World Pentathlon Championships.

1969. International Judo Federation refuses South African membership.

1970. British Government requests cancellation of cricket tour of Britain by a South African team. MCC cancels tour.

1970. South African team barred from world Netball Championship.

1970. South African team barred from World Gymnastics Championships in Yugoslavia.

1970. South Africa suspended from Davis Cup following boycotts by most European countries and demonstrations in Norway, Sweden and Britain.

1970. South Africa *expelled* from Olympic Movement by IOC.

1970. South Africa barred from World Cycling Championships, and expelled from FIC.

1970. South Africa barred from international Athletic competitions by IAAF.

1970. Following countries withdraw from South Africa Games after accepting invitations: US, Belgium, Italy, West Germany.

1970. Australia suspends athletic relations with South Africa.

1970. South Africa suspended from World Wrestling by FILA.

1970. South Africa barred from World Softball Championships in Japan.

1972. South Africa re-admitted to Davis Cup in Latin American Zone.

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[1] 'Rand Daily Mail', 26 September, 1973

1972. South Africa non-starter at Munich Olympics and Rhodesia barred *in extremis* to save the Games.

1973. Argentine Government bans all sports contact with South Africa, including Davis Cup match.

1973. Brazil Government bans Davis Cup match on Brazilian territory.

1973. New Zealand Government forces cancellation of Rugby Tour by a South African Team.

1973. South Africa expelled from World Swimming by FINA.

1973. New Zealand Government decides to refuse entry to South African Women's team for Federation Cup (Tennis).

1973. FIFA President Sir Stanley Rouse is forced to back down and reverse decision taken by FIFA Executive to lift South Africa's suspension to allow international football matches at South African Games. Prior to reversal of decision both Brazil and West Germany had been forced to withdraw their teams.

1973. Australian Government decides to refuse all visas including transit visas to all South African sportsmen belonging to racial sports organisations.

1973. Supreme Council for Sport in Africa calls for expulsion of all racist South African organisations from International Federations and decides to grant affiliation to Non-Racial organisations who apply for membership of African sports confederations.

1973. The South African Amateur Swimming Federation (Non-Racial) is given full membership of the African Swimming Confederation.

Compiled by Chris D. deBroglio for SAN-ROC (South African Non-Racial Committee for Olympic Sports)

QUOTES

In the past three months the New Zealand Government has taken three steps to cut ties with SA. In September, it announced that all tariff preferences offered to SA would be revoted on 30 December.[2] In October, a worldfide market research group was prevented from conducting an opinion survey in New Zealand because one of the survey's customers was SA. The survey was related to travel, trade and tourism, but the New Zealand Government suspected the survey was being conducted as a result of the decision not to allow the Springbok rugby team into the country.[2] In November, the SA Women's Federation Cup Tennis team was excluded from New Zealand.[3]

Australia has announced that from September 1974, South Africa will not form part of the consortium which elected an executive director to the Boards of the International Monetary Fund and the World Bank. At present SA forms part of a group consisting of Australia, New Zealand, and, in the case of the fund only, Swaziland and North Samoa which elects an executive director and has the right to appoint an alternative director. If SA gained admission to another voting group in the IMF, because of the status of the other countries in the alternate group, representation on committees like the group of 20 and other key bodies might be denied.[4]

In a note accompanying his 1974 Foreign Ministry Budget, the Dutch Foreign Minister said that Holland rejected SA's apartheid policy and planned to stop subsidizing emigration to SA. Holland would also increase its contribution to the anti-apartheid fund of the UN, and give support to the international Defence and Aid Fund.

## FERTILIZER SHORTAGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. MATHIS) is recognized for 5 minutes.

Mr. MATHIS of Georgia. Mr. Speaker, as all my colleagues are well aware, the Fertilizer Institute in conjunction with all their members, is launching a major lobby effort against my legislation to place an embargo on fertilizer exports until a sufficient domestic supply has been guaranteed. As chief sponsor of this legislation, I feel I would be remiss if I did not answer the charges being hurled at the Congress, particularly the 105 Members who cosponsored the legislation with me.

I want the members who comprise the Fertilizer Institute to know that Congress fully realizes the necessity for international trade, but this legislation was introduced to underscore the severity of the fertilizer shortage to officials in this administration who can correct these problems. It has become increasingly apparent that many of the trade policies in which this administration has engaged are working to the detriment of the United States and not to our advantage. I felt that only through such decisive action could the gravity of the problem be effectively conveyed to them. In the absence of such congressional pressure, I feel the Department of Agriculture would have ignored the American farmer in this situation. In an earlier speech I stated that the Department never really acknowledged a problem until my bill had been introduced with 54 cosponsors. At that time they published a press release which stated that nitrogen fertilizer was short in 29 States and tight in 15. It also stated that phosphate and potash supplies were short in 30 and 24 States respectively.

In the March issue of Farm Journal, Mr. John Frazier, president of the National Grain and Feed Association, said that the livestock industry's annual requirement for dicalcium phosphate is about 1.6 million tons and the supply is only about 1.3 million tons. The manufacturers of this product state that they simply cannot manufacture without phosphoric acid. The absolutely incredible part of this is that the Commerce Department is predicting a 76.6-percent increase in exports of phosphoric acid for the first half of this year over the same comparable time in 1973. The second half of 1974 is predicted to be increased by 96 percent. I challenge the Department of Agriculture to prove the rationality of such proposals.

On March 18, I received a copy of a letter sent by the Central Resources Corp. of New York, to the Fertilizer Institute, Secretary Earl Butz, and Dr. John T. Dunlop, of the Cost of Living Council. The reference of the letter was to refute my legislation and was so headed. However, the entire first paragraph was an announcement, and I will quote directly:

> We are pleased to advise you herewith that we have made our first sale of a shipload of approximately 10/15 thousand metric tons of compound fertilizer manufactured by our Dutch subsidiary. The shipment is about to be loaded on the S/S Bulk Pioneer in Holland for arrival in the United States in time for spring application season.

It is inconceivable to me that such a transaction could not have been made 8 weeks ago, and I seriously doubt that one would have been made at this point in time had it not been for pressure from Congress.

Mr. Speaker, I can think of no other sector of the Nation of greater importance and dependence than agriculture. It is the basic industry of the entire Nation and its preservation as a viable industry is crucial. The motivation behind the introduction of my legislation was and is to influence full recognition of this fact to the Secretary of Agriculture. The farmers in this country are desperately searching for some indication of awareness and understanding on the part of the Department of Agriculture. This is made more difficult when the head of the Department seems to reflect the interest of large agribusinesses and large farming corporations. The small farmer needs an effective voice to speak for him and I can assure every Member of this House that my legislation is made in behalf of the small farmers who produce the majority of food and fiber in this country.

## THE 56TH ANNIVERSARY OF THE DECLARATION OF INDEPENDENCE OF BIELARUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 10 minutes.

Mr. ANNUNZIO. Mr. Speaker, March 25 marks the 56th anniversary of the independence of the Bielarusian National Republic, and I am glad to have the opportunity today to join my colleagues in the Congress in commemorating this important date in the distinguished history of Bielarus.

Bielarusians are people of an ancient culture and an illustrious past. As early as 1529 a code of laws was written in the Bielarusian language. It is considered by historians to be one of the most complete handwritten codes of the Middle Ages.

The Bielarusian people have been known under most confusing and improper terminology in English as Byelorussians and White Russians. That terminology is incorrect and offensive to Bielarusian national pride because it was taken from the Russian language and not the Bielarusian languge. The Bielarusian Coordinating Committee of Chicago has informed me that the people of their country prefer to be called Bielarusians and prefer the country of their ancestry be called Bielarus.

In 1917, the All-Bielarusian Congress, representing all political parties and groups, convened in Miensk and overwhelmingly adopted a resolution of self-determination and elected a council or "rada" to implement that resolution. Although occupied and dominated by neighboring nations for over three centuries, the heroic people of Bielarus never lost their identity, traditions, culture, or language. On March 25, 1918, their rada solemnly proclaimed the nation's independence from Russian tsarism.

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[2] 'The Star' Johannesburg, 20 October, 1973

[3] 'The Star', 29 September, 1973

[4] "The Star", Johannesburg, 29 September, 1973

During the months following independence, however, the Red Army occupied Bielarus and after that, the brutal face of Stalin's communism began to manifest itself. Churches were dynamited or turned into stables and warehouses, farms were forcibly collectivized, and nearly all of the nationalist leadership, thousands of scholars, writers, teachers, state officials, and students were arrested, deported, or just "liquidated" in jail. Even the language of Bielarus was revised in 1933 by replacing certain words and other characteristics with the Russian equivalent.

The courageous people of Bielarus are continuing their struggle to preserve their culture, traditions, and language, despite the terrible losses sustained in World War II and despite the continuing, and now official, Soviet policy of russification. Resistance in Bielarus to russification remains very strong, not only among the older generation, but among the new young writers, poets, historians, artists, and scientists.

The hyprocrisy of this Soviet policy is illustrated by the fact that though Bielarus has a seat in the United Nations, and was one of the founding members, nearly all of those "representing" Bielarus are Russians.

In 1973 the Soviet Russian Government introduced a new economic and administrative districting of the entire territory of the U.S.S.R. based on seven districts. This new partition ignores completely the existing ethnic groups and the union republics of the U.S.S.R., as well as their national needs. This new administrative partition is based on the aim to increase the might of the Russian empire and consolidate non-Russian nationalities into a single Soviet Russian nation by speeding the process of russification.

Because of the vicious cultural oppression, the occupation, and the domination of their homeland by the Soviets, many Bielarusian people emigrated and there are some 5 million of these enterprising and resourceful people and their descendants in our own Nation. They and other Bielarusian immigrants in the free world carry on the struggle for freedom, human rights, and dignity of their people and keep the peoples of the free world informed of the plight of the people of Bielarus.

The Bielarusian Coordinating Committee of Chicago, Illinois, is dedicated to the restoration of human liberty in Bielarus and I commend its members and friends for their outstanding efforts to awaken the consciousness of free peoples everywhere and to lighten the burden suffered by the people of Bielarus.

I am honored to join Americans of Bielarusian heritage in Chicago and all over this Nation as they celebrate this 56th anniversary of Bielarusian independence and I extend to them my warmest best wishes as they continue to contribute mightily to the United States and its ideals of freedom and human dignity.

This year the Bielarusian Coordinating Committee celebrated the anniversary of independence with an observance dinner yesterday at the Regency Inn, 5319 West Diversey, Chicago, Ill. The committee has also sent letters to all delegation heads of the United Nations urging them to bring the matter of independence for Bielarus and other non-Russian nations in the U.S.S.R. onto the agenda of the General Assembly of the United Nations for discussion as soon as possible.

Mr. Speaker, a letter to the Presidium of the U.S.S.R. has also been mailed, and so that every Member of Congress can have the opportunity to see their appeal, I am inserting a portion of this letter in the RECORD and urge the attention of my colleagues to it.

The excerpt from the letter follows:

BIELARUSIAN COORDINATING COMMITTEE OF CHICAGO, ILLINOIS.

[An Open Letter]

TO THE PRESIDIUM OF THE SUPREME SOVIET OF THE UNION OF THE SOVIET SOCIALIST REPUBLICS,
*Moscow, U.S.S.R.*

YOUR EXCELLENCIES: This letter is being addressed to you by Bielarusian-born Americans and Americans of Bielarusian ancestry, whose fathers and mothers either were or still are laborers, farmers, craftsmen, teachers and other professionals.

There are among us those who had lived through three occupations of our native Bielarus, namely: the Polish and Russian when Bielarus and Ukraine were divided at Riga Treaty in 1921 between you, the Red Russia and Poland; the Soviet and the Nazi German. There are those of us who were still children or in our early teens and had seen with our own eyes the holocaust of World War II and the crimes and atrocities perpetrated on our peaceful and innocent people by both the Nazis and the Communists directed from Moscow because they refused to side and support either one of you.

Those of us, who had survived all the terror and massacres of our fellow countrymen and who were blessed by the Almighty to find abode in the Western World, have been deeply discouraged by your actions in the post-war period and even today. We have followed every printed word by your government that we can get hold of and we find that you maliciously misrepresent the facts. Today we decided to challenge you and refute your false allegations and accusations by presenting the facts to all member delegations of the United Nations and their heads of the states.

We want the United Nations and all freedom loving people in the entire world to speak on behalf of the non-Russian Republics and their peoples in the Soviet Union and support and demand complete national independence for all of them, in the same manner as they had in demanding independence for the colonial peoples in Africa and Asia and other parts in the world, which, according to your Soviet Russian terminology, were held by Western capitalists.

The Western capitalist colonies, even the smallest ones like Grenada, which numbers only 100,000 people and which was given independence recently, have been disappearing. Now, what about the Soviet Union, the largest colonial empire on earth, which is dominated in almost its entirety by the Russians and carries the expansionist imperialistic policies of the Tsarist Russia? When will you let the non-Russian peoples, who number by the millions like Bielarus, Ukraine, Latvia, Estonia, Uzbekistan, Kazakhia, Lithuania, Georgia, Azerbaijan, Moldavia, Tajikistan, Kirghizia, Armenia and Turkmenia, to form their own independent states and conduct their own affairs without your interference and directives?

You have been telling, for instance, that the non-Russian peoples in the Soviet Union have been enjoying same privileges and same equality as the Russians do and what a farce, an irony and misrepresentation it is? The Bielarusian people cannot even go to see their relatives in the Western countries without first getting permission from Moscow, and those coming from the West as visitors and wanting to see their birth places, or visit their relatives in villages, cannot get the permission from the Byelorussian Soviet Government in Minsk, but the matter must be cleared first with Moscow. Is this the kind of equality the Bielarusian people are getting from you?

You accuse the post-world war emigrants of crimes committed against humanity, but you have no proof for that because those who work for free Bielarus were, as we stated in our first paragraph of this letter, children and in our early teens and could in no way be in a position to carry out acts of which you accuse us and besmear our good names. Naturally, there were some who collaborated and even served in German armed forces, but they joined in revenge for Communist perpetration of crimes when they discovered that their relatives were murdered by the NKVD members before Bielarus was taken over by the Nazis, or those whose relatives were massacred by your red guerrillas who infested Bielarusian forests and fought not so much against the German armies but the peaceful and innocent Bielarusian people in order to turn them anti-German. They would set mines by villages on nearby roads at night, and when the Germans were to pass through during the day, the mines would explode killing several Germans and the rest would become outrageous and punished the villagers for your crimes by destroying their homes and often burning our people alive. Many Bielarusians were also killed in this same manner if they had to travel that particular road when mines were set and their life was like an inferno. There was no peace at night or during the day. At night they trembled from fear because the red guerrillas could butcher them if they refused to cooperate with them and in a daytime they were afraid of the German retaliation against them for the crimes instigated by your red guerrillas.

Article 17 of the Soviet Union's Constitution states that: "The right freely to secede from the U.S.S.R. is reserved to every Union Republic," but in practice this cannot be carried out. We do not think we should go into detail again to explain what you did with those who dared to speak for more freedom and for complete sovereignty. You know it well yourselves—you killed them. And our people were not and are not more nationalist than all other nations in the world of which you also accuse us and our emigrant leaders.

Therefore, for the sake of God and humanity, on the occasion of the Declaration of Independence of Bielarus by the Third Constitutional Act, dated March 25, 1918, which event is observed by all Bielarusians in the Free World, including Bielarusian Americans, we appeal to you, the Russian Communist leaders, to take your red mask off of your faces and tell the truth to the world that under the Soviet Union Russian expanionist and imperialistic motives are hidden and that the non-Russian Soviet Republics are not free, as you advocate, but that you will give back to them complete independence and soon.

Let God, the Almighty, be the Just Judge of it all and let His word come true that thou shall not take advantage of thy neighbor. So be it known to the entire world that the power of His prayer is stronger than the steel and atoms. We pray and put our intentions and ourselves today at the feet of Jesus

Christ, our Saviour, and the goodwill of all mankind.

THE BIELARUSIAN COORDINATING
COMMITTEE OF CHICAGO, ILLINOIS

Dated at Chicago, Illinois, this 25th day of March, A.D. 1974.

## HARRINGTON AND STARK MOVE TO FORCE DISCLOSURE OF MILITARY ALERT FACTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. HARRINGTON) is recognized for 5 minutes.

Mr. HARRINGTON. Mr. Speaker, together with my colleague Congressman STARK, of California, I am today introducing a resolution of inquiry to compel Secretary of State Henry Kissinger to provide the Congress with hitherto unrevealed information on the military alert—Defense Condition Status 3—called during the night of October 24, 1973, at the height of the Mideast crisis.

At some time after 11:30 on October 24, 1973, a military alert of American conventional and nuclear forces was ordered. Neither the American people nor the Congress know why this alert was ordered, or who ordered it, or how close the world came to nuclear war during this crisis. Because the Secretary of State has reneged on his promise of October 25, to reveal the pertinent information within a week, Congressman STARK and I are filing a resolution of inquiry—one of the strongest tools the House has to get information from the executive branch—to get the facts. The people of this country have a right to know—especially when their lives are at stake.

A resolution of inquiry puts the force of the whole House of Representatives behind a demand for information from the executive branch. In this case, the resolution of inquiry is directed to the Secretary of State. By the rules of the House, the committee to which the resolution is referred has 7 legislative days—excluding the first or last day—in which it is to act on the resolution. We expect that our resolution of inquiry will be referred to the House Foreign Affairs Committee, of which I am a member, and that by April 4 the committee will have completed its consideration of the resolution. At that time, the privilege granted the resolution by the rules and the practice of the House will make it possible for virtually immediate consideration by the whole House.

Failing State Department release of the information requested in our resolution—or an acceptable State Department agreement with the Foreign Affairs Committee to provide the requested information—on April 4 we expect to take the necessary steps to obtain the ratification of the House as a whole. While we are under no illusions as to the ultimate authority of the resolution of inquiry, we believe that this administration would be most ill-advised were it to attempt to avoid compliance with the resolution. We would hope that forcing the issue by a vote on the floor of the House could be avoided by a good-faith effort on the part of the State Department, but failing such action, we will actively seek passage of the resolution, with the result that the Secretary of State would have 10 days in which to comply with the requests and furnish the information desired by the House.

We note, Mr. Speaker, that it is our conviction that the Resolution of Inquiry we have introduced conforms with the requirements of both the rules and the practice of the House as far as its privileged character is concerned. The resolution asks only for facts—not opinions. The facts requested are in the possession of the individual to whom the resolution is directed—in this case the Secretary of State. No investigations are required to comply with the information requested by the resolution. We note, in particular, that precedent has been established for requesting information from a head of a department in reference to a statement made by that officer. On August 12, 1913, Mr. Frank W. Mondell of Wyoming, in the first session of the 63d Congress, offered a resolution requesting from the Secretary of the Treasury certain facts upon which he based spoken charges. On a point of order that the resolution was calling for opinions, not facts, Speaker Clark ruled that a request for facts "on which he based" certain charges did not constitute a request for an opinion, and hence the point of order was overruled.

We realize that in the history of the House the Resolution of Inquiry is ordinarily used as a last resort—when other methods of obtaining information from the executive branch have failed. Such is the case in this instance. The Congress, and the press, have made every reasonable effort to get the information promised by Secretary Kissinger in his October 25 press conference, when he said:

> We do not think it is wise at this moment to go into the details of the diplomatic exchanges that prompted this decision. Upon conclusion of the present diplomatic efforts, one way or the other, we will make the record available, and we will be able to go into greater detail . . .
>
> As soon as there is a clear outcome we will give you the full information. And after that you will be able to judge whether the decisions were taken hastily or improperly.
>
> We will be prepared, however, and I am certain within a week, to put the facts before you.

Mr. Speaker, it has been nearly 6 months since Secretary Kissinger promised release of the information that caused a global alert of American military forces, but we still do not know why—or how—our Nation was plunged into a crisis that President Nixon called the most difficult crisis we have had since the Cuban confrontation of 1962. Repeated congressional efforts to obtain the desired information, even if on a confidential basis, have been rebuffed by administration officials. Even the highest congressional leaders have been left in the dark.

Our resolution asks only for readily available facts. The facts desired—and the reasons the country needs to know—are these:

On the critical day of October 24, Soviet Ambassador Anatoly F. Dobrynin is said to have delivered two important diplomatic notes to President Nixon. These notes, from Communist Party Chief Leonid Brezhnev, have been characterized as being "brutal," "tough," or "leaving very little to the imagination," and it is claimed that these notes contributed significantly to the decision to go on military alert. We ask for the texts of these diplomatic messages. Correspondingly, we ask for the texts of the messages sent by President Nixon in reply to the Soviet leaders.

In his press conference on October 25, Secretary Kissinger refers to "the ambiguity of some of the actions and communications and certain readiness measures"—presumably of Soviety military units—"that caused the President at a special meeting of the National Security Council last night, at 3 a.m., to order certain precautionary measures to be taken by the United States." In his press conference on October 26, Secretary of Defense Schlesinger refers to a "plethora of indicators"—referring, presumably to Soviet military actions—including a comprehensive alert of Soviet airborne forces and a Soviet naval buildup in the Mediterranean. We wonder why these limited actions on the part of the Soviet Union were met by a global alert of all American forces, both nuclear and conventional. Our resolution asks: "What were the actions and communications and certain readiness measures which Secretary Kissinger cited as at least partial cause for the alert?" And we also ask: "What were the precautionary measures—including the so-called Defense Condition Status 3, the technical term for the alert—referred to by the Secretary?"

In the same statement of October 25, Secretary Kissinger also indicates that the President ordered the alert at 3 a.m. on October 25, after a special meeting of the National Security Council. On the following day, October 26, Secretary Schlesinger in his press conference said that he, the Secretary of Defense, ordered the alert into effect at 11:30 p.m. on October 24, that the National Security Council meeting was "abbreviated"—in that the full membership was not in attendance—that the President did not attend this meeting, and that the President "approved the entire package" about 3 a.m.—approximately 3½ hours after the Secretary said he had implemented the alert status. Our resolution asks for clarification of the many ambiguities of available descriptions of the process used in calling the alert. We ask for a list of all meetings pertinent to the alert decision, that times of each of these meetings, the names and positions of the individuals who attended these meetings, and the decisions arrived at in the course of each of these meetings. This information should shed light on the confusion over the sequence of events leading to the alert, and who participated.

President Nixon has left the impression that he personally ordered the alert. In the President's October 26 press conference, he said:

> When I received that information I ordered shortly after midnight on Thursday morning, an alert for all American forces around the world. . . ."

Yet, considerable uncertainty exists, fueled by ambiguous statements from the Secretaries of Defense and State, as to just how involved the President was in the decision to go on alert. Our resolution asks: "At what exact time was the decision made to order a Defense Condition Status 3 into effect, and what person or persons made the critical decision?"

We are gravely concerned that on October 24 a fateful decision to move our country to the brink of nuclear conflict was made by a small group of men in the absence of participation by any elected leader. We are equally distressed that despite promises to the contrary, the Secretary of State has not come forth with the facts to support his contention that the "senior officials of the American Government are not playing with the lives of the American people." We would like to emplace our trust in the administration. But when the citizenry and the Congress are isolated from decisions affecting the survival of the Nation, by an administration whose veracity is surely suspect, nothing less than the full disclosure of the facts is acceptable.

Mr. Speaker, at this point I include the text of the resolution of inquiry, which I am introducing today with the support of my colleague, Congressman STARK:

RESOLUTION

*Resolved,* That the Secretary of State is directed to submit to the House of Representatives within 10 days after the adoption of this resolution the following information:

(a) The text of all diplomatic messages in the possession of the Secretary of State or the Department of State received from Leonid Brezhnev, General Secretary of the Presidium of the C.P.S.U. Central Committee of the Union of Soviet Socialist Republics, or from any other official of the Union of Soviet Socalist Republics, to the President of the United States, which were delivered on October 24 or 25, 1973.

(b) The text of diplomatic messages sent by the President of the United States, and in the possession of the Secretary of State or the Department of State, as replies to any of the diplomatic messages referred to in paragraph (a).

(c) A list of actions, communications and certain readiness measures taken by the Soviet Union which were referred to in the following statement made by the Secretary of State of October 25, 1974: "And it is the ambiguity of some of the actions and communications and certain readiness measures that were observed that caused the President at a special meeting of the National Security Council last night, at 3 A.M., to order certain precautionary measures to be taken by the United States."

(d) A list of the precautionary measures taken by the United States, including the initiation of a Defense Condition Status 3, which were taken by the United States and referred to by the Secretary of State in the statement of October 25, 1973, referred to in Paragraph (c).

(e) A list of all meetings attended by the Secretary of State on October 24 and 25, 1973, at which the conflict in the Middle East, and the actions of the Soviet Union referred to in paragraph (c) were discussed, and the times of all such meetings, the names and positions of all other individuals attending each of such meetings, and the decisions arrived at in the course of each of such meetings.

(f) The date and time of the decision, made in October, 1973, to order a Defense Condition Status 3, and the name of the person or persons making that decision.

## PERSONAL FINANCIAL DISCLOSURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, for more than a decade I have made public an accounting of my personal financial condition, and today, I am continuing that policy by placing in the CONGRESSIONAL RECORD a financial statement for the calendar year 1973.

As I have commented many times in the past, I believe that Members of Congress and holders of high office in general should make periodic public disclosures of their personal finances. Such statements are needed to provide the American people with information that will enable them to assess whether the personal holdings of their elected representatives and public leaders have affected, in any way, the performance of their public trust. Such a disclosure is needed now, perhaps more than ever, and I urge the passage of legislation, such as I have introduced, H.R. 1868, which requires a complete public disclosure annually of all sources of income for Members of Congress, members of the Federal judiciary, and certain employees of the legislative, executive and judicial branches of the Government, as well as each individual who is a candidate of a political party in a primary or general election for any Federal office.

Further, in addition to making my financial report, I also am disclosing the amount of income taxes I have paid to the Federal Government and the State of Wisconsin for the calendar year 1973, as well as my 1973 real estate taxes. In view of the controversies involving the President and other public figures on their tax situation, I believe the inclusion of the amount of taxes paid is an appropriate addition to my annual financial disclosure statement and is one which I shall continue to include in such reports in the future.

Mr. Speaker, a report of my personal financial condition for calendar year 1973 follows:

*Statement of financial condition, December 31, 1973*

| | |
|---|---|
| Cash account with the Sergeant at Arms, House of Representatives | $963.64 |
| Cash | 161.36 |
| Securities (held for Children): | |
| Marriot Corp., 10 shares (17¼) | 181.14 |
| Lionel Corp., 100 shares (2¾) | 288.09 |
| Residential real estate: House, Arlington, Va. (assessed value) | 69,650.00 |
| Less mortgage | 34,980.00 |
| Equity | 34,669.47 |
| House, Sun Prairie, Wis | 29,000.00 |
| Plus improvements | 1,766.00 |
| Lot | 1,200.00 |
| | 31,966.00 |
| Less first mortgage | 19,315.94 |
| Less second mortgage | 4,500.00 |
| | 23,815.94 |
| Equity | 8,150.06 |
| Household goods and miscellaneous personality | 7,000.00 |
| Miscellaneous assets, deposits with U.S. civil service retirement fund through Dec. 31, 1973, available only in accordance with applicable laws and regulations | 35,460.07 |
| Cash surrender, value of life insurance policies: | |
| On the life of Robert W. Kastenmeier | None |
| On the life of Dorothy C. Kastenmeier | $544.00 |
| Donaldson Run Deposit | 300.00 |
| Automobiles: | |
| 1963 Oldsmobile | 100.00 |
| 1971 Ford Thunderbird | 2,600.00 |
| 1966 Ambassador | 350.00 |
| Total assets | 90,767.83 |
| Liabilities including loan (4) notes, National Bank of Washington | 3,200.00 |
| Net | 87,567.83 |
| Income for Calendar year 1973, excluding congressional salary and expenses: Rent net | 285.00 |
| Total | 285.00 |
| 1973 Federal income tax | 6,881.93 |
| State of Wisconsin income tax | 2,792.05 |
| 1973 Sun Prairie real estate tax | 621.95 |
| Arlington, Va., real estate tax | 1,067.04 |
| 1973 Taxes Paid | 11,362.97 |

## FERNAND A. THOMASSY—PUBLIC SERVANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. MORGAN) is recognized for 5 minutes.

Mr. MORGAN. Mr. Speaker, on December 31, 1973, Mr. Fernard A. Thomassy, Pittsburgh district director of the Small Business Administration retired from government service. He had been in charge of SBA operations in western Pennsylvania since 1952.

Mr. Speaker, I know of no finer public servant. Mr. Thomassy is well-known throughout the western Pennsylvania area, and I can testify that his excellent reputation is richly deserved.

Mr. Thomassy's period of employment with SBA coincided almost identically with the life of that agency, and at the time of retirement, he was in point of service one of its two oldest employees.

His SBA career exemplified Mr. Thomassy's extraordinary devotion to the mission of his agency—the encouragement and development of small business capacity and opportunity. Under his leadership the Pittsburgh district portfolio grew to many millions of dollars in sound loans to worthy small businesses. These loans contributed incalculably to the Nation's employment and ecnomic growth.

When Hurricane Agnes struck the Eastern part of the country, Mr. Thomassy's office compiled one of SBA's proudest records as measured by speed, quantity, and quality of service. Under conditions of intense pressure created by the greatest natural disaster that ever struck the United States, he and his staff carried out a massive relief and rehabilitation program, not only in strictest compliance with national policy, but also with minimal public criticism and absolutely no official criticism.

Prior to service with the SBA, Mr. Thomassy was a district director for the Governor of Pennsylvania's Highway Safety Commission, served as a member of Pennsylvania's General Assembly, representing the first legislative district, Washington County, and also was a corporate tax examiner for the Commonwealth of Pennsylvania. During World War II, he served in the U.S. Navy as a gunnery officer on North Atlantic convoy duty.

Mr. Thomassy was graduated from Washington and Jefferson College in 1933. From then until entering military service, he was active in the management of family real estate and oil and mining interests in Washington County. He continues to reside in McDonald, Pa. His wife is the former Marion Calderwood Allen, of Miles City, Mont. Two sons, Fernand A. and John E., have followed in the family tradition of public service, holding U.S. Army commissions. Mr. Thomassy's father held elective office as mayor of McDonald. Another son, Allan R., is employed by a Pittsburgh industrial concern, and a daughter, Marion T. Root, is married to a Baltimore, Md., businessman.

I would like to extend my best wishes to Mr. Thomassy and his family. The people of western Pennsylvania have benefited from his service, and all residents of the Pittsburgh area can only hope that his successors are as talented and dedicated as he.

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## THE FEDERAL PAPERWORK BURDEN RELIEF ACT—A TREMENDOUS PUBLIC RESPONSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. YATRON) is recognized for 5 minutes.

Mr. YATRON. Mr. Speaker, as chief sponsor of the Federal Paperwork Burden Relief Act, which has been cosponsored by 160 of my House colleagues, I am gratified and encouraged by the response being received and the attention being given to the legislation, across the country, by numerous and varied segments.

In order to provide some insight as to the extent and nature of the response, I am submitting several examples, which I ask to be included in the RECORD.

I commend to the attention of my colleagues, for example, a guest editorial by Mr. Niel Heard, director of the National Federation of Independent Business in San Mateo, Calif., which appeared in the March 5, 1974, Pottsville Republican. These comments address themselves to the Federal paperwork problem and call for action on my measure:

### YATRON'S TARGET—$18 BILLION IN USELESS PAPERWORK

(By Niel Heard)

> There is a Biblical injunction against removing the mote from your neighbor's eye before first casting the beam out of your own eye.
>
> Currently the Federal government strongly urges the public to save energy, yet the admonition appears to be unheeded in the labyrinths of Federal bureaucracy.
>
> Paper is a highly energy-intensive product from the forest to the point of consumption. Yet according to Senator Thomas McIntyre of New Hampshire, unnecessary and duplicated reports required by various Federal agencies use up an estimated 10 billion sheets of paper by small business alone. This does not account for the $18 billion dollar preparation costs it is estimated small business must pay out to conform to the various edicts.
>
> Congressman Gus Yatron of Pennsylvania has before the Congress legislation, co-sponsored by 155 of his colleagues, that would attack this paperwork jungle. His legislation strongly supported by the National Federation of Independent Business, would require the General Accounting Office to submit to Congress a report on this required filing of forms, and recommendations on how to eliminate the paperwork which serves no useful purpose.
>
> According to the National Federation of Independent Business, 85 per cent of all small businesses employ less than 20 people, and 55 per cent have a gross volume of less than $200,000 annually.
>
> Senator McIntyre has stated that in New Hampshire, costs to small business operations for complying with the IRS filing requirements alone averaged $325 in 1961, but by 1971 had jumped to an $860 average, a jump of 160 percent in ten years.
>
> No estimate was made by him of the additional costs created by the increasing demands for reports from the Economic Census, the Federal Trade Commission, the Social Security Administration, the Labor Department, and a host of other agencies not to mention state and local government demands. So much of the required information, under pain of prosecution for failure to comply, duplicates data already supplied some other agency of the government.
>
> It would seem logical that in view of complaints the past years by small business over the costs, estimated at $18 billion by Senator McIntyre, that bureaucracy would have long ago taken remedial steps to eliminate the paperwork jungle. But bureaucracy has never been charged with logic.
>
> But it now seems, in the light of the energy shortage, that some action should be taken on Representative Yatron's bill. After all, 10 billion sheets of paper, even of the most modest quality, represents some 200,000 tons of paper which does use up a lot of forests and a prodigious amount of energy in some form.

The Wheeling News Register of March 7, 1974, Wheeling, W. Va., carried this account of the legislation:

### WASTEFUL PAPERWORK

> Paperwork, particularly bureaucratic paperwork, has a tendency to multiply out of just plain inertia if nothing is done to lessen it.
>
> The National Federation of Independent Business, Inc., claims that reports required by various Federal agencies use an estimated 10 billion sheets of paper a year and the costs of filling out these sheets of paper amount to $18 billion dollars.
>
> One estimate says that costs to small business operations for complying with the Internal Revenue Service requirements alone averaged $860 in 1971—a jump of 160 per cent from $325 in 1961.
>
> Congressman Gus Yatron of Pennsylvania has introduced a bill, co-sponsored by 155 of his colleagues including First District Congressman Robert H. Mollohan, that would require the General Accounting Office to submit a report on this required filing of forms with recommendations on how to eliminate the paperwork which serves no useful purpose.
>
> Rep. Yatron's bill, if it does nothing else than cause some soul searching in the various bureaus, should, hopefully, slow down the manner in which paperwork is increasing.

A small businessman in Phoenix, Ariz., writes:

> I read with pleasure in "Nation's Business," March 1974, that you are undertaking an effort to reduce the amount of paperwork for the small businessman. I am a small businessman, and I have been crying for this for years. To the small businessman, this is especially important because he does not have a separate accounting department to read all of the fine print and it is now always desirable or easy to turn it over to a CPA or lawyer. . . . You have my support for this endeavor.

From Chisholm, Minn., I received these encouraging remarks from a physician:

> I read recently you had a bill to reduce the waste of forms, copies and papers that each of us faces as a way of being "governed." For physicians, too, a good deal of effort and energy is lost in pointless recording. Could you possibly get me a copy of your bill? I'd like to encourage a little wider support.

According to the American Farm Bureau Federation:

> Certainly, farmers in recent years understand as well as anybody the additional paperwork that is required as a result of various programs in the Federal Government. We are certainly enthusiastic about your bill and its attempt to obtain relief from some of this Federal paperwork.

The National Association of Insurance Brokers, in its regular publication, said of the measure:

> Help may be in sight . . . The Federal Paperwork Burden Relief Act has been introduced by Rep. Gus Yatron (D-Pa.).

To indicate how varied are the segments of the Nation which support the paperwork proposal, consider the fact that Public Utilities Fortnightly carried an article in support. The magazine represents the public utilities industry and the article stated:

> In view of the existing energy situation and the obvious fact that it is not expected to disappear overnight, Yatron said his legislation is particularly timely. Reporting requirements may be revised or increased during this period and the paperwork bill may provide meaningful answers as to how the requirements may be effectively coordinated and revised, so as to prevent an additional paperwork burden. Representative Yatron described his paperwork bill as simple and direct.

I note with pleasure that the National Association of Broadcasters has joined the long list of organizations officially endorsing the legislation. In its publication, the NAB states:

> NAB has endorsed the bill (HR 12181) and urges broadcasters to support it.

Finally, in Nation's Business magazine, this reference is made[1] in the March issue:

### CUTTING PAPERWORK FOR SMALL FIRMS

> Small businesses can see a glimmer of hope in their constant battle against the unflagging growth of federal government paperwork.
>
> Rep. Gus Yatron (D-Pa.), himself formerly a small businessman, has introduced a bill that would have the General Accounting Office "study the nature and extent of the federal reporting requirements."
>
> Called the "Federal Paperwork Burden Relief Act," it would direct GAO to make recommendations to Congress for administrative actions and legislative enactments "deemed appropriate and necessary."
>
> It's estimated that it cost small businessmen $18 billion to handle some 10 billion sheets of paper involved in completing required federal reports in 1972. Sen. Henry

M. Jackson (D-Wash) has introduced companion legislation in the Senate.

Mr. Speaker, that "glimmer of hope" referred to in the article is precisely what I hope is represented by the Federal Paperwork Burden Relief Act. If the bill only accomplishes a much greater awareness of this serious and worsening problem, then I will feel that its introduction has resulted in a meaningful accomplishment.

I am encouraged—as are the 160 House cosponsors—by the tremendous response the measure is receiving from across the country.

## PASSPORT OFFICE SEMINAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce the third meeting in a series of seminars which have been conducted by the Department of State's Bureau of Security and Consular Affairs. This presentation by the Passport Office will be held in room 2237, Rayburn House Office Building on Monday, April 1, and will commence at 9:30 a.m.

During the meeting officials of the Passport Office will discuss the general procedures to be followed in applying for a passport including the documentation which must accompany such an application.

In addition, officials of the Visa Office, Department of State, will again be present to respond to any questions which were unanswered at the earlier meetings.

This will be the final presentation by the Department of State and I wish to invite all interested staff members, particularly those who work with immigration, citizenship, and passport matters, to attend this seminar.

I also wish to announce that on April 8 we will commence several seminars which will be conducted by officials of the Immigration and Naturalization Service, Department of Justice. The details and the subject matter to be discussed at that meeting will be announced at a later time.

## TALLAHASSEE CELEBRATES 150TH BIRTHDAY AS FLORIDA'S CAPITAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FUQUA) is recognized for 10 minutes.

Mr. FUQUA. Mr. Speaker, this year marks the 150th anniversary of the selection of the site of Tallahassee, Fla., to be the capital city of the dynamic and progressive Sunshine State.

All during 1974 the people of Tallahassee will be celebrating this historic moment with a year-long slate of activities under the direction of a sesquicentennial committee.

This 12-month celebration is off to a stunning start.

On Monday, March 4, a gigantic birthday party, with a historical flair, entertained an overflow crowd at Centennial Field just south of the present capitol building.

A cast of hundreds traced Tallahassee's history, broke ground for the new Cascades Park to be built in the city, and topped off the evening by lighting 150 candles on a giant birthday cake.

It was on March 4, 1824, when Gov. William Pope DuVal, Florida's second territorial Governor, officially declared the area to be named Tallahassee, the State's capital.

A direct descendant of DuVal, Whit Chase of Sanford, lit the 6-foot tall, multicolored taper made from hundreds of donated candle parts to kick off the evening's celebration.

High school bands from the city schools, Godby, Leon, and Rickards, provided an assortment of patriotic music and choruses. The same schools sang a moving rendition of our State song "Old Folks at Home."

My good friend and the distinguished editor of the Tallahassee Democrat, Malcolm Johnson, reviewed the history of the territory before 1824 with a visiting spaceman termed "Alpha 13" and played by Tom Lantzy.

Then came the depiction of the founding of the capital, with Dr. William H. Simmons, played by Commissioner of Agriculture Doyle Conner, and John Lee Williams, chamber of commerce executive Louis Polatty, reenacting how the two commissioners discovered a convenient point between Pensacola and St. Augustine.

The intense negotiations that were carried out with Seminole Chief Neamathla were reenacted and the major events from this historic period to today were illustrated and explained to an appreciative audience.

Then came the time to formally dedicate Cascades Park. This was originally a rolling waterfall in the general area of the celebration site that attracted Simmons and Williams to the area. The State has committed funds to reconstruct the waterfall and build a surrounding park. It will thus be a living memorial to the celebration.

Six members of Florida's cabinet were on hand to shovel the first bit of dirt for construction of the park. While Secretary of State Richard Stone narrated the history of the Cascades and how the reconstruction came about, possibly the most distinguished six-man shovel crew in history did the actual shoveling. They were Attorney General Robert Shevin, Comptroller Fred O. (Bud) Dickinson, Jr., Treasurer Thomas D. O'Malley, Commissioner of Agriculture Conner, and Commissioner of Education Floyd T. Christian.

The seventh member, Florida's great Gov. Reubin Askew was joined by our lovely and gracious first lady, Donna Lou, in the candlelight ceremony and cutting of the huge cake, along with Leon County Commission Chairman Lee Vause and Tallahassee Mayor Russell Bevis.

A special and most deserved presentation was made to another close personal friend, city manager Arvah Hopkins, for his efforts in helping with the sesquicentennial celebration.

The evening was topped off with a street dance.

It was a great kickoff.

Floridians are being treated to a bit of history. New interest in our heritage has been created through this celebration.

In 1823 Florida was a recently formed territory. John Lee Williams of Pensacola and Dr. W. H. Simmons were named commissioners to select a permanent seat of government somewhere between the Ochlockonee and Suwannee Rivers.

Williams sailed from Pensacola to St. Marks and Dr. Simmons rode horseback, meeting on the Ochlockonee River, near St. Marks.

That event, too, was reenacted. State Senate President Mallory Horne sailed from Pensacola as Williams and Commissioner of Agriculture Conner set out on horseback from St. Augustine.

We were all saddened when Senator Horne's mother, Mrs. Cleveland R. Horne, passed away shortly after he arrived in St. Marks, following a 4-day sail. He was replaced by Chamber Executive Polatty.

Conner's overland journey was marked with visits at communities along the route, including his hometown of Starke. Making the trip with him were three ladies, Jessie Lee Wise, a spirited 46-year-old grandmother, who won the hearts of all her companions on the trail, Grace Berman, a 17-year-old high school student, and Bobbie Poe, a pretty springtime Tallahassee representative, who amazed her companions with her grit and determination.

Mrs. Wise and her husband have a 200-acre place near Jasper and although she said she was the "outdoor type," she had never camped overnight before the trip.

Miss Berman, a senior at a Fort Lauderdale high school, received credit in her history and journalism courses for the trip.

Mrs. Poe remarked after the trip that it was a "beautiful trip."

> You could actually visualize what it must have looked like when Dr. Simmons made his trip 150 years ago. And the fellowship was tremendous . . . it was worth all the hardship.

Completing the party were Tallahassee Jaycees Ben Johnson, John Burch, and John Hunt, Tallahassee attorney Harold Lewis, Brooksville ranchman Bill Waldron, and a crew of professional horsemen and ranchers.

The trip took 8 days.

The crew that sailed from Pensacola with Senator Horne had a great voyage. Only one really experienced sailor was in the crew, Larry Ryan of Coastal Sailing of Tallahassee. Others were realtor turned ship's cook Roger Crawford, university professor and owner of the vessel Bob Dailey, who became interested in sailing only last August, his twin sons, Robert and Richard, who scrambled around the deck and rode the boatswain's chair to work on the rigging, and attorney Ken Gilleland, whose partner, Ben Thompson, was on Commissioner Conner's trail ride.

On arrival at St. Marks, they hoisted a city of Tallahassee flag, a Florida State flag, and a United States flag, which had been flown over the Capitol and which I proudly sent them for the occasion.

At the mouth of the St. Marks, a little

poetic license was played with history as Gen. Andrew Jackson, played by William Curtis Smith of Tallahassee, sailed out on a powerboat to greet the voyagers. In full dress regalia, the general waved a gleaming sword in greeting.

From another large yacht, State Chamber President Lee Everhart, his family and friends, Kinney and Betty Harley, waved greetings.

A third fast-moving boat brought St. Marks Mayor Alex Hobbs—dress shirted and tied—out to greet the Williams party.

Williams was transferred to a smaller boat and rushed to shore to greet a throng of St. Marks townspeople and costumed Tallahasseeans who were gathered to greet him. The crowd included Wakulla County Commission Chairman James Taylor, tax collector and chamber of commerce president James Gwin.

A host of Wakulla County folks fried fresh-caught mullet and hushpuppies to be served with cole slaw and cheese grits for a celebration fish fry.

A very special greeter in the crowd was Mrs. C. W. "Eleanor" Ketchum, a direct descendant of John Lee Williams and chairman of the sesquicentennial. We are all in her debt for the work she has done, and the success of the first part of the celebration is a tremendous tribute to Mrs. Ketchum and the committee.

From St. Marks, Polatty replaced Senator Horne for the ride by horseback to join up with Conner's partner and the reenacting of their historic meeting. Others in the party were Sheriff Raymond Hamlin, Ferris Johnson of the sheriff's mounted posse, and Captain Wayne Sowell of the sheriff's office, and Harold Bullard of Hidaway Stables of Ocala.

Not long ago, I rode past the site of what will be Cascades Park and again I pay tribute to Mrs. Ketchum who was instrumental in obtaining the support needed to institute the restoration of the waterfall and to build Cascades Park.

This waterfall seems to have been one of the determining factors in the selection of Tallahassee as the site of the Capital City. The commissioners listed the site as directly east of old fields of the Seminole Indians then living at Chief Neamathla's town on Lake Lafayette. This stream, wrote Williams,

> After running about a mile south pitches about 20 or 30 feet into an immense chasm, in which it runs 60 or 70 rods to the base of a high hill which it enters. . . .

The site for the capitol was west and north of the stream.

The name of the city is traditionally credited to Octavia Walton, daughter of Secretary of the Territory George Walton. The name "Tallahassee" she is supposed to have suggested is taken either from the Tallahassee Seminoles, who occupied the area, or from one of their villages. The word "Tallahassee" is of Creek derivation, meaning literally "old town." It has frequently been translated "old fields."

Mr. Speaker, I am proud of this celebration and wanted to share it in part with my colleagues and through the pages of the CONGRESSIONAL RECORD with thousands who are interested in the history and heritage of our land.

I am proud to have the honor of serving the great people who make up the city of Tallahassee in the Congress. They have managed to keep the best part of our southern heritage alive, while at the same time being worthy of their special responsibility as an educational center and the seat of State government.

To all of those responsible for this celebration, I extend best wishes and sincere appreciation.

## A CRY IN THE WILDERNESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. PODELL) is recognized for 5 minutes.

Mr. PODELL. Mr. Speaker, I regret that in the past few weeks this body has been all too quiet on a topic which once concerned us greatly; that is, the problem of Jews in the Soviet Union who are trying to emigrate to Israel. Things have been quiet all over in this respect and I cannot understand why. We are no closer to having free emigration from that prison state now than we were 6 months ago, and we certainly cannot afford to become silent and complacent on this question.

Last week, there was a new incident in Russia which went largely unnoticed in the United States. Naum Alshansky, age 56, had been a lieutenant colonel in the Soviet army before he retired from service. He had served with distinction and had been awarded numerous decorations. After he retired, however, he decided he wanted to leave Russia and go to live in Israel. He applied for permission to emigrate in August 1971, and 6 months later he was stripped of his rank and pension. In protest last week, he renounced his Soviet citizenship and turned in his medals to the Presidium of the Supreme Soviet.

This was an act of supreme bravery. In taking this action, Alshansky stated that it was a disgrace for him to remain a Soviet citizen and to continue wearing the medals of a nation that had no respect for him, his people, nor their state, Israel. In a nation which either condemns those who dare speak out to languish away in "mental institutions," or throws them out of the country, Colonel Alshansky may well be running the risk of losing what little liberty he has left.

This man has been trying to leave the Soviet Union for nearly 3½ years. It is not known just why the Government refuses him permission to do so; perhaps they feel that he would give away precious military secrets to that menace to world peace, Israel. Whatever their reason is, it boils down to one simple explanation, plain and simple hatred of Israel and contempt for the Russian Jews who would prefer to live there as free men rather than in Russia as slaves.

The season of Passover, one of the most important Jewish festivals, is fast approaching. On Passover, we come together to celebrate the freedom of the Jewish people from bondage in Egypt. The traditional sweetness of this festival will be soured, because there are still thousands of Jews literally in bondage to Pharaoh even today—men like Colonel Alshansky, their wives, their children, their aged parents, all seeking freedom to live, think, and act as free Jews in a nation which would welcome them gladly.

I think, Mr. Speaker, that we must not remain silent so long as there is one Jew in the Soviet Union who wants to leave, but cannot. I think that we must not remain silent until we see the doors to free emigration thrown wide by the Soviet Government. We have come so close to getting the concessions we want from the Russians that to rest now would be a betrayal of all we have fought for so long and hard these past months. We owe it to ourselves, we owe it to those in Russia and throughout the world who look to us for leadership, to continue speaking out until every Soviet Jew who wants to go to Israel can go to Israel without fear of harassment and punishment.

## TOOL AND DIE ASSOCIATION SUPPORTS METRIC BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. TEAGUE) is recognized for 5 minutes.

Mr. TEAGUE. Mr. Speaker, the metric system of weights and measures is increasingly coming into use in the United States. Industrial firms, school systems, and important associations are taking steps to introduce the metric system in their daily work.

The Metric Conversion Act of 1974, H.R. 11035, was unanimously reported out from the Committee on Science and Astronautics last February after extensive hearings. This bill would provide a program of coordination for those firms who, through their own voluntary participation, wish to participate, and would provide a public education effort for schoolchildren and adults alike.

An important segment of American industry which would be affected by the change to the metric system is the tool and die industry. This industry provides the tools, dies, and precision machines which make American industry go. For the information of my colleagues, I am including in the RECORD a letter which I have received from the National Tool, Die & Precision Machining Association indicating their support for the metric bill.

The letter follows:

NATIONAL TOOL, DIE & PRECISION
MACHINING ASSOCIATION,
*Washington, March 21, 1974.*

Hon. OLIN E. TEAGUE,
*Chairman, Committee on Science and Astronautics, U.S. House of Representatives,*
*Washington, D.C.*

DEAR MR. TEAGUE: It has come to our attention that certain groups, purporting to represent the best interests of labor and small business are strongly opposing passage of H.R. 11035.

Many of the arguments put forth by these groups seem to indicate some lack of accurate information on their part.

The National Tool, Die & Precision Machining Association represents 1,800 contract metalworking firms throughout the country. A typical company in the industry has less than 30 employees, predominantly highly skilled machinists, toolmakers, diemakers and technicians.

We have been studying the trend toward metrication for the last ten years and feel that the following rebuttals must be made:

1. Legislation on the subject is definitely not premature. Metrication is already here and is growing daily. A nationally coordinated plan is absolutely necessary to avoid the economic chaos predicted by the labor groups.

2. All workers will not require retraining. Only a small portion of the work force is measurement sensitive, i.e., those required to make measuresments. Our own industry's employees are probably the most measurement sensitive in the country, and even they will only be required to be familiar with a small part of the metric system. Where required, such training is usually conducted on-the-job at the employer's expense. The actual instructor/mechanic time spent in training is no more than one day. The learning curve continues on the job.

3. All personal tools of employees will not become immediately obsolete, since customary units will still be in use throughout and beyond any transition period. Some employers are making available for employee use any additional required metric tools, while others make such tools available to their employees for purchase at a substantial discount. In any case, a federal subsidy for costs to employees for personal tools already exists as a personal income tax deduction.

4. Some of the opponents to the bill do not seem to understand the differences between systems of measurement and systems of standards. While the transition to the metric system (of measurement) will provide the opportunity to streamline many of our ambiguous and superfluous commercial and industrial standards, metrication will certainly not require the tearing down of any buildings nor the replacement of electrical receptacles.

It is our opinion that in the best interests of our nation a national plan be established to coordinate the inevitable move to predominance of the metric system of measurement in the United States. We therefore urge you to support H.R. 11035.

Sincerely,

Howard H. H. Jones,
*President, NTDPMA.*

## OMB CUTS FUNDS FOR FUSION

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, it is a sad state of affairs when the administration allows the Nation's long-term energy needs to be frustrated by an agency which has no expertise in the energy field. But that is what is happening. The Office of Management and Budget has ordered the Atomic Energy Commission to reduce its thermonuclear fusion R. & D. budget by $140 million over the next 5 years. Even though this still leaves the fusion budget with a substantial increase over last year, the reduction will mean a delay of several years in the fusion development timetable and a cutback in the number of fusion test plants from three to two.

Mr. Speaker, thermonuclear fusion is the one energy resource which has the potential for solving mankind's energy needs for all time. While its widespread practical use may be a generation away, we cannot afford to delay its development one minute.

Unlike nuclear fission, which relies on scarce supplies of uranium and produces high levels of radioactive wastes, fusion energy relies on hydrogen in sea water, of which there is an unlimited supply, and produces no dangerous levels of radioactive wastes.

While the practical use of fission reactors has already been demonstrated and promoted by industry, albeit not without some safety problems, fusion reactors are still in the development stage and depend almost solely on Government backing.

Yet, the administration's budget includes about four times as much money for fiission energy as for fusion. This emphasis on depletable, pollution-causing energy resources is typical of three-fourths of the administration's Project Independence R. & D. program.

Unless the administration proceeds full speed ahead in the development of fusion and other unlimited, clean forms of energy which have recently been discovered as viable energy options, it may be responsible for creating an even worse energy crisis than we have now when all of our conventional fossil fuel resources are depleted.

An article from the Washington Post follows:

### U.S. Fusion Energy Plan Delayed

(By Thomas O'Toole)

The Atomic Energy Commission has stretched out its program to make electricity from thermonuclear fusion to close to the turn of the century, mostly on orders from the White House.

The stretch-out delays by about three years the AEC's timetable to produce commercial power from fusion, which is considered the ultimate means of making electricity because it depends on nothing more than the hydrogen from sea water for its fuel.

What the stretch-out does is to cut about $32 million from the AEC's fusion budget for fiscal 1975, leaving it at $102.3 million. This is still an increase of 55 per cent over what it was in fiscal 1974 and still allows for manpower gains of about 30 per cent in the fusion program.

The $32 million reduction was ordered by the Office of Management and Budget, which also told the AEC to trim $140 million from its five-year plan for fusion research. This still left the fusion budget for the next five years at about $1.2 billion.

Reducing fusion spending by $140 million over the next five years means that the AEC timetable for thermonuclear fusion will stretch out into the late 1990s instead of 1995. This also means a timetable revision along the way to 1995 as well as a cutback in the number of fusion test plants from three to two.

Spurred on by unusual success in three different areas of fusion research the AEC last year had planned to build fusion demonstration plants based on all three methods of making power from fusion.

The first plant was to have been ready in 1983, the second in 1987 and the last in 1995. The third one was to be the largest of the three and was to provide the "basis for commercial fusion power."

With the upcoming budget cuts ordered by the White House, three plants can still be built but only at a stretched-out schedule and only using two designs instead of three. The third plant would be a demonstration facility instead of a full-scale test plant.

This means the first plant will be ready in 1985, the second in 1990 and the third in the late 1990s, probably right before the turn of the century.

## COAL

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, as the author, with 50 of my distinguished colleagues, of a bill (H.R. 12045) to maximize the production and conversion of coal in the United States to supplement our energy supply, I have been very much interested in articles that appeared this last Monday and Tuesday in the Washington Evening Star upon the subject of coal as a supplemental source of energy to meet the national energy crisis. These articles show what we can do if we will determine to achieve maximum production and conversion of coal. Mr. Speaker, I includc these two articles immediately following these remarks in the body of the Record:

[From the Washington Star-News Mar. 11, 1974]

### Effort Gears Up To "Cook" Gas Out of Coal

(By John Fialka)

(The hope that the nation someday could have sufficient supplies of its own energy rests upon the search for new sources of fuel. This is the first of two articles on the development of synthetic fuels from coal. The Star-News is making a continuing study of new energy sources. Other reports will be published in coming weeks.)

If the plans of a growing number of companies gain government approval, a new source of energy will be born on a desolate, windswept plateau in northwestern New Mexico sometime in 1978.

There, sitting on land leased from a Navajo Indian reservation, using technology developed by the Germans during World War II, a refinery-like complex of machinery would begin to produce high-grade synthetic natural gas from coal.

Because it would not be a pilot plant but a massive commercial venture, the start of the process would have enormous significance for "Project Independence," the Nixon administration's proposal to wean the United States from foreign fuel imports by the end of the decade.

Coal represents 80 percent of the nation's fuel reserves. The plant would "cook" coal with steam and oxygen to make pipeline-quality gas that, according to the gas industry, is in increasingly short supply.

But the plant's birth would mean much more than another red-letter day for the gas industry. Coal gasification, as it is being proposed, would make a sizable impact on consumer pocketbooks. Consumers would be required to pay more than three times the highest current rate for interstate gas to finance the project and to insure its private developers against failure.

It also would not be a welcome event for environmentalists, who would be likely to see vast land areas of the West stripped for relatively cheap, low sulphur coal to feed a rapidly growing complex of gasification plants planned for the late 1970s.

The financial interests involved in bringing in the first plant are enormous. A giant in the natural gas industry, El Paso Natural Gas Co., hopes to build the pioneer plant and mining complex for $600 million.

According to the American Gas Association, the industry's major trade association, at least 11 other companies have recently bought interests in coal lands, secured water rights or made other commitments to build gasification plants.

Their plans, according to industry sources, are likely to be markedly similar to El Paso's. In the business of making gas from coal, Project Independence, if it is to move at all before 1980, will have to be based largely on German technology established more than a quarter century ago.

Although gas-from-coal plants were commonplace in American cities 50 years ago, they were dirty and inefficient. When new pipelines brought in clean, cheap natural gas from huge underground reservoirs in the Southwest, the American "gashouse" became a thing of the past.

During World War II, however, the Germans improved on synthetic fuel processes, and ran much of their war effort on gas, oil and gasoline made from coal.

There are now more than 30 German gasification units in operation around the world. Many of them were designed by a company called Lurgi Gesellschaft fur Warme und Chemotechnick m.b.H. of Frankfurt.

According to Lurgi's U.S. representative, Deiter Schroer, the company is now designing six U.S. plants, including El Paso's, and has recently had negotiations with more than 20 other interested companies.

Plagued by a lack of coal research and development funds, the United States did not begin to think seriously about how to make synthetic fuels from its huge coal reserves again until the late 1960s. Now, there are half a dozen new pilot processes in the works that promise to be more efficient than the relatively expensive German techniques.

None of them will have logged enough experience to help with Project Independence before 1980.

"It is a sad state of affairs," said Frank C. Schora Jr., vice president of the Institute of Gas Technology, an AGA affiliate that has spearheaded much of the U.S. research.

"The only way a gas company can presently get the money from bankers to build is to show them something that is commercially proven," he explained. "That sends them to the Germans."

"There is no question that El Paso will start a whole chain of events going," said Dr. S. William Gause, acting director of the Interior Department's Office of Coal Research, who is looking for ways to put together a crash program to speed up U.S. energy technology.

Just when the chain of events will get started, however, is up to another federal agency, the Federal Power Commission, which has been mulling over El Paso's proposal since Nov. 15, 1972.

Since then, a dissident band of Navajos, seven major oil companies, the Environmental Defense Fund, nine natural gas companies, six pipeline companies, seven utilities and the staff of the FPC have intervened in El Paso's case to argue some of the most fundamental questions ever to come before the agency.

The biggest question is: Who will pay for the El Paso project? The answer is expected to set the pattern for the entire emerging industry.

According to a company spokesman, the initial price for the gas produced could be $1.51 per thousand cubic feet. The estimate has caused considerable consternation within the FPC because the highest price the agency has thus far allowed for interstate gas shipment is 55 cents per thousand cubic feet.

But El Paso does not want to be limited to the $1.51 price. Rather, it has proposed that it be allowed to reimburse its two subsidiaries that will mine and gasify the coal for all their costs plus a 15 percent profit.

Then El Paso proposes to blend in the gas with the natural gas in its regional pipeline system and "roll in" the higher price in all gas bills, raising them by about 9 cents per thousand cubic feet. Under the proposed arrangement, El Paso would even be allowed to charge its customers the costs of the project if it fails to produce pipeline-quality gas.

As Travis Petty, executive vice president of El Paso, put it at an FPC hearing, the arrangement would "be relatively risk-free," compared to exploratory drilling for new natural gas reservoirs.

Other witnesses before the FPC, however, have viewed the El Paso pricing proposal with less enthusiasm Dr. Charles Cicchetti, an economist testifying for the Environmental Defense Fund, argued that the "cost-plus" arrangement would make FPC's role in regulating prices "virtually meaningless."

"El Paso," he told the commission, "will be able to set prices to itself from a wholly owned subsidiary." In normal proposals, he added, investment risks are borne by investors.

And Rodney E. Stevenson, an FPC staff economist, has argued that to let El Paso implement the cost-plus arrangement would establish an "unreasonable price," siphon investor money from new drilling ventures that could provide cheaper gas and pass almost all development risks on to consumers.

Stevenson has urged that the FPC require El Paso to set a price on the gas and sell it to industrial users who have had their normal gas supplies interrupted in favor of higher priority users, such as homeowners.

El Paso has countered that its natural gas supplies are steadily dropping and that, by giving a favorable ruling on its case, the FPC "will have made a significant step toward energy independence."

But price is only one of the problems El Paso must settle to meet its goal of plant operation by January 1978.

Another problem is posed by the 120,000 Navajo Indians who live on the vast reservation where El Paso proposes to build its plant and strip mine approximately 700 million tons of coal to feed it.

Since Indians own sizeable pieces of the Western coal lands where energy companies are now proposing to build gasification plants, El Paso's dealings with the Navajos could set a pattern affecting the future of the industry.

In 1968 the Navajo tribal council agreed to lease El Paso 63 square miles of coal lands in an area that is 35 miles south of Farmington, N.M.

Word of the lease, however, failed to reach the residents of the leased area, the Burnham Chapter of Navajos, roughly 300 people.

According to Richard W. Hughes, attorney for the chapter, such news travels slowly in the sparsely populated area, where most people shun newspapers, speak Navajo and devote most of their time to raising sheep.

Most of the Burnham Navajos heard about the plan last March, when a team of El Paso executives appeared before a chapter meeting. Using maps and brochures and speaking through interpreters, the El Paso team said the project would mean jobs for the Navajos, who suffer from a chronically high rate of unemployment. The tribe, the energy executives promised, would be a "principal beneficiary," collecting $2 million a year from coal royalities.

When the presentation had concluded, the Burnham Chapter voted unanimously to reject it.

In July, a team of executives from a consortium headed by the Western Gasification Co., which is planning to construct a plant similar to El Paso's in the same general area, came before the Burnham Navajos to seek their approval.

This time, it held a barbecue and produced an illuminated display of its plant, showing off its massive scale and promising more money and jobs.

After the barbecue, Burnham Chapter voted immediately to reject Western's plan.

"Navajos are good about that. They're very direct," explains Hughes, who argues that El Paso's plan would "devastate a strip of land 35 miles long and a couple of miles wide."

"When the coal is gone, after about 30 years, it will leave the tribe with nothing," he asserts, adding that the Navajos' "heritage consists in a very real sense of the ground they walk on."

However, Harris Arthur, a Navajo who is the chapter's president, insists that what will happen to the land is really a "secondary issue."

Arthur is resigned to the prospect that the land inevitably will be destroyed by mining. What is important, he argues, is that the Navajos have enough control over the project to use part of the money for training and education to guarantee that Navajos and not outsiders get the more skilled, better-paying jobs.

"Otherwise," he reasons, "they build a fine economy and then pull the rug out and leave. The white man can go somewhere else. We have to stay here."

Asked about Project Independence and the possibility of a national shortage of gas supplies, Harris added: "Everybody's hollering how the Navajos should sacrifice for the nation and so on. Many of our leaders have succumbed to this. It's hard to ignore because the federal government controls the pursestrings."

The reservation's Tribal Council, which has the authority to overule the Burnham Chapter, may make a final decision on whether to allow El Paso to go ahead with its plant within the next few weeks.

Admitting that there has been a "communication problem" with the Burnham Chapter, an El Paso spokesman said the company is going "on the assumption that the vast majority of the Navajos will be for it when all the facts are out on the table and all of it has been considered."

Assuming El Paso settles the price question with the FPC and satisfies the Navajos, it still would have to satisfy state and federal authorities that the gasification plant is sound environmentally.

El Past proposes to build a plant using a process similar to European processes that produce a relatively low-energy gas called "town gas." It is frequently used in industrial boilers.

The company also intends to add on a step that would convert the "town gas" to a high-energy product that could be piped and used in homes.

The coal would be pulverized and fed into a chain of pot-like reactors where the gas would be created with injections of steam and oxygen. Then the gas would pass along with the steam over a catalyst that might yield a product that is 96 per cent methane.

Then it would be almost identical to the natural gas in pipelines, which is at least 90 percent pure methane.

Whichever federal agency got the job of passing upon the environmental impact of the development would be reviewing a process that has never been consolidated in one place, although most of its parts have been operated in Europe.

The agency would also have to project the impact of the nation's largest strip mine, created to feed the plant 10.7 million tons of coal a year.

The Federal Power Commission decided in September that it should not be the agency making such judgment. While El Paso's gas would be "molecularly identical" with the natural gas the FPC is obliged to regulate, the agency reasoned, it still would be synthetic gas and therefore "artificial" and not subject to federal natural gas laws.

With the ruling, the FPC confined its environmental studies to the impact of a valve, 2.3 miles away from the plant, where the coal gas would merge with El Paso's natural gas pipeline system.

The job of assessing the impact of El Paso's plant, required under the National Environmental Protection Act, has devolved upon the Interior Department, one of the agencies responsible for pushing Project Independence.

(Interior's Bureau of Indian Affairs is the trustee for the tribal lands and Interior's Bureau of Reclamation, which is now preparing an impact statement, would sell El Paso 3.385 billion gallons of water each year from the San Juan River.)

Settling the environmental issues would not be an easy task. The Navajo land is extremely dry, averaging around five inches of rainfall annually. El Paso proposes to restore, seed and irrigate the mined area and to fence it off until there is enough vegetative cover to permit grazing.

According to voluminous study of Western coal lands, done last year by the National Academy of Sciences, no one has yet proven that large scale revegetation can be done on such arid land.

According to Kelly Janes, section chief of an Environmental Protection Agency task force which has begun to study gasification processes, the Lurgi system used in Europe will pose air and water pollution problems.

While, as Janes points out, the problems "are not insoluble," the problem's environmental impact should have been under study "years ago," he asserts.

Accurate studies take time. At best, he says, EPA will be able only to come up with a quick "paper study" on the possible environmental impacts of the plant.

"There are a lot of questions here that will have to be answered," concluded Janes.

Meanwhile, at the Interior Department, officials are drawing up plans to subsidize the El Paso project and other "pioneer" synthetic fuel ventures to get them going in time to help Project Independence.

According to Interior's Dr. Gause, the El Paso project could provide a kind of national learning experience. "We would learn a lot if some of these were built. We won't know what all the environmental effects are until we get it all up," he told a reporter.

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[From the Washington Star-News, Mar. 12, 1974]

### FOR THE COAL INDUSTRY, FEDERAL RESURRECTION

(By John Fialka)

When it comes to multi-billion dollar federal "crash" programs, Project Independence promises to be unique: It will give American taxpayers something they can personally see, feel and smell for years to come.

The "crash" development of atomic bombs and space vehicles took place in guarded university buildings and on isolated military bases. But Project Independence—President Nixon's proposal to make the nation self sufficient in energy by 1980—will leave visible impacts all across the nation.

Underneath the rhetoric, the plan really calls for the federal government to resurrect the nation's coal industry—a job that will be fraught with staggering costs and social, scientific and technological problems. Inevitably, it will leave environmental scars on the nation's land and air quality.

"We are undertaking a crash program now and we estimate that we might be able to replace as much as 3 million barrels per day of oil with synthetic fuels made from coal," William E. Simon, head of the Federal Energy Office, told officials of oil-consuming nations at an energy conference here last month.

"The coal industry probably must double its output by 1980," Simon told a congressional committee a few days earlier, pointing out that 602 million tons of coal were mined last year compared to a peak 630 million tons in 1947.

Teams of officials from Simon's FEO and other energy-related agencies now are struggling to back up the rhetoric with a variety of proposals that must be approved by Congress if Project Independence is to become something more than a phrase.

"They all seem to have one thing in common," remarked a senator who had seen some plans now privately circulating among government agencies. "They'll all seem unbelievable."

One that reportedly made a strong impression on Simon came from the pen of Dr. Henry R. Linden, director of Institute of Gas Technology. That is an arm of the American Gas Assoc., the lobby and trade association for the natural gas industry.

Last year, Linden, who is one of the most respected figures in energy industry research and development circles, took part in a task force that estimated there might be as many as five plants making synthetic gas from coal by 1980.

After the October Arab oil embargo, Linden wrote a different scenario, based on an all-out "crash program" approach, similar to the one that produced the atom bomb. After including every "doable" way he could think of to increase U.S. oil and gas production, Linden found that there was still a "great deficit" between his number and the ideal of self-sufficiency in energy by 1980.

To fill in the gap, he proposed that the government subsidize the construction of 41 synthetic fuels plants by 1980, including 5 shale oil plants and 36 plants that would make gas, oil and gasoline and methanol from coal.

Linden's plan assumed that the plants would be built by private investors attracted by a "carrot-type" federal program guaranteeing product prices once the plants were built.

How much would the "carrot" cost? Linden has no precise estimate but he regards as "not out of line" a Commerce Department study carrying a maximum price tag of $98 billion over 14 years.

Commerce's scenario is slightly different, it calls for 37 synthetic fuel plants by 1980, including 26 coal gasification plants. Both Linden's and Commerce projections would rely heavily on the use of German processes, some of which have been used in Europe since before World War II.

How would the subsidy mechanism work?

The Interior Department is working on a third study that would have the government make bids on synthetic fuel at a price that would attract private investors' money to build synthetic fuel plants.

There could be four to six plants by 1980, according to the plan. The government would turn over the fuel it bought to the Defense Department which uses considerable fuel.

William Vogely, acting deputy assistant secretary at Interior for energy and minerals, said the subsidy might be used to aid the first proposed synthetic gas plant. El Paso Natural Gas Co. wants to build the plant in New Mexico and is asking the Federal Power Commission to set a rate for its gas-from-coal that would put all the costs on its consumers.

Total costs for the whole program could run as high as $360 million per year, according to Vogely, if fuel prices reverted to levels when there was no embargo. If prices stayed high, government costs would be lower because private buyers would be competing for the fuel.

"Our position is that Project Independence must be defined as a program and not an idea. Interior is going to play a very major role in this," Vogely added.

According to Robert Shatz, a former aerospace engineer working under Simon at the Federal Energy Office, there are now "seven or eight" different scenarios under study. Shatz' office, picking the best elements from each, expects to deliver a final draft of Project Independence to Simon within three months.

Shatz said he has a task force studying various subsidy proposals, but has no firm estimate on how much such a program would cost taxpayers. Even if it cost $10 billion a year, he pointed out, the only alternative would be to buy increasingly larger volume of imported fuel at "several times" that cost.

The big numbers now being uttered around Washington have amazed some industry experts, men who have watched the coal industry languish for years.

"There are going to be large winners and big losers in this. The political forces now working in this thing are enormous," said one man involved in the decision-making.

Some of the potential "winners," however, are not so sure. "Up to now, all I am getting from the government is rhetoric," complains Carl E. Bagge, who as president of the National Coal Association is the coal industry's chief lobbyist.

Bagge admits that one of the reasons federal subsidies are needed now is that the coal industry, over the years, has contributed very little toward research and development.

But coal, he argues, has been the "redheaded stepchild of the energy business," the chief victim of government tax breaks favoring oil and pollution controls. "Only five of the top 15 guys (coal companies) made a profit in 1973," he asserts.

The continuing slump in coal development also has been reflected by a lack of interest in the nation's mining schools. There were only 200 mining engineers graduated last year, according to Bagge, "a drop in the bucket" compared with demands envisioned by Project Independence.

"If we ever get going, the industry would gobble up these guys overnight."

Then there is the identity crisis the coal industry has. Of the top 10 coal production companies, the biggest is owned by a copper company, two are owned by steel companies, three are owned by oil companies and the rest are controlled by diversified conglomerates with interests far beyond the coal industry.

Major newcomers to the industry, now competing for coal lands in the West, include several more oil companies, gas companies and giants from the electric utility industry.

"In a way, it's mind-boggling to ask us to move together," Bagge adds.

"All this stuff that the public is being mesmerized with now. Liquefaction and gasification. You're not going to solve the problem by throwing billions into coal research and development overnight. Behind all of that there has to be an economically viable industry."

Bagge's solution is to have Congress pass a package of legislation guaranteeing coal's long-term stature as the nation's "mother fuel." Included would be permission for wide-scale strip mining in the West and a long-term relaxation of air pollution controls that inhibit the burning of coal by electric utilities in the East.

So far, despite vigorous verbal pressure from Simon and other government officials, even utilities that can burn coal have refused to make long-term supply contracts with coal companies, Bagge notes.

"They think if they can just get through this winter the Arabs will turn on the spigots again. They're treating us like we're selling corn cobs or something."

In theory, it would appear that Arnold Miller and his United Mine Workers also would be a "winner" in Project Independence. In fact, it is giving him acute political problems.

The bulk of his 100,000 members work in underground mines in the East. The great majority of proposed synthetic fuel plants are targeted for relatively cheap deposits of coal that can be strip-mined in the West.

Many of the strip mines in the West use non-union workers and Miller sees the growing industry shift from East to West as a flight away from labor and safety problems.

"In the East," he noted in a recent speech, "the general rule of thumb is that you need about 200 men to get out a million tons a year. In fact that is the minimum work force needed. In the West, you can clear the same tonnage with ten men. If I were a coal baron, I'd be heading West. And they are."

Although the UMW has launched an organizing campaign in the West and has withdrawn open support for strict strip mining control legislation pending in Congress, sources close to the union believe that Miller will use his union's political strength to resist any congressional move to enchance Western coal production unaccompanied by aid for underground mines in the East.

According to Miller, Project Independence will aggravate an already serious manpower problem. Between 1950 and 1965, very few young miners were hired because the coal industry was switching over to mechanized equipment and the UMW was trying to preserve jobs for older members.

Now, almost half the union membership is between the ages of 45 and 70. The other half is between 18 and 30. As as result, 100,000 new miners will have to be recruited, half to replace retirees and half to provide manpower for the proposed expanded effort.

Miller, a former mine electrician and repairman, sees an even more critical problem in the ranks of his old trade. Many skilled workers have gravitated away from the mines.

Assuming all of Miller's and the mine-owners' manpower problems could be overcome and Appalachian mines began producing more coal, the result, according to a recent study by the National Petroleum Council, would overwhelm East Coast railroads.

The slump in coal production has encouraged railroads to cut back the number of open hopper cars needed to carry coal and to abandon many coal loading facilities, the report notes.

The report suggests that federal aid will have to be used to restore and expand the railroads' coal-carrying capacity.

When Congress gets the master plan for Project Independence, which presumably will show how to solve these financial, technological and manpower problems, the plan likely will come under attack by both Western and Eastern environmentalists for different reasons.

A host of Western politicians from Sen. Mike Mansfield, D-Mont., down to county water board commissioners are expressing varying degrees of shock at the size of strip mining projects now proposed to develop the massive reserves of coal, lying in veins as thick as 72 feet, under thin Western soils.

Without massive and expensive revegetation projects, arid Western soils have almost no capacity to recover after surface mining. A study by the National Academy of Sciences last year noted that turquoise mines, dug by Indians in New Mexico during the 15th century, still are "barren."

John Hardaway, a geological engineer who has been studying strip mines in the West for the Environmental Protection Agency, says that even when mine operators launch projects to reclaim and revegetate, there is no assurance at the present time that that will work.

Another problem will be presented by ash waste produced at gasification and electric generating plants, he noted. The ash is usually buried in mined pits before the topsoil is replaced.

Ground water, Hardaway noted, may leach out heavy metals and other toxic substances from the ash and inject them into local water supplies. "We have no comprehensive estimates on this yet."

In the East, the environmental problem will revolve around moves to relax air pollution controls, especially proposed rules that would restrict sulfur emissions from coal-burning electric utilities.

Simon has asked for a five-year postponement of so-called "secondary standards," designed to restrict pollution damage to plants and such materials as rubber and nylon which sulfur tends to attack.

The White House is currently weighing proposed legislation that would also weaken pollution controls in other areas, including relaxation of measures that prevent the pristine air quality of rural areas from being "degraded" to urban levels.

According to Dr. S. William Gause, acting director of Interior's Office of Coal Research, some of these changes will not go far enough. Sulfur controls will have to be held off longer than five years to encourage the development of new underground mines in the East, he asserts.

"Who's going to put $60 million into a new mine and then have sulfur and safety standards change on him?" Gause asked.

The theory of the proposed changes is that "primary standards," which will not be relaxed, would still prevent any direct hazard to human health. EPA officials, however, admit they know very little about sulfur pollution. Other scientists have argued that waiving the stricter, secondary controls will endanger persons who already have respiratory problems.

The hasty development of coal, the coming age of the "mother fuel," will reshape American life in many ways. Not all of them will be good.

Because of the lack of research devoted to coal, even the best ideas in the coming legislative grab bag called Project Independence—those which will not offend any vested interest—will involve problems that may not yield to quick solutions. Planners call such things "trade-offs."

For example, if coal in the East is taken out of underground mines (making the UMW and Western environmentalists happy), it can be processed into methanol, a fairly inexpensive liquid that can be substituted for gasoline (making East Coast motorists enormously happy.)

The processing plant would have a closed system, removing the unwanted sulfur from coal so that it can be condensed and sold as a by-product (making Eastern environmentalists and energy companies happy.)

Then come the trade-offs. According to an Interior study, a methanol-fueled car would have to visit gas stations twice as often or carry massive gas tanks. It would get about half the mileage of a gasoline-fueled car.

Long lines of cars would probably not clog gasoline stations in the winter, though, because of another trade-off: Drivers in the post-Project Independence era will probably have great difficulty starting methanol-powered cars in cold weather.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Young of Alaska (at the request of Mr. Rhodes), for today, on account of official business.

Mr. Kluczynski (at the request of Mr. O'Neill), for this week, on account of official business.

Mr. Ketchum (at the request of Mr. Arends), for today, on account of official business.

Mr. Corman, for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Clancy, at the close of legislative business and after all other special orders heretofore entered into, to be permitted to address the House for 1 hour, on March 27, 1974, and to revise and extend his remarks.

Mr. Holifield, for 1 hour on Tuesday, April 2, 1974.

(The following Members (at the request of Mr. Kemp) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 15 minutes, today.

Mr. Forsythe, for 10 minutes, today.

Mr. Ashbrook, for 30 minutes, today.

(The following Members (at the request of Mrs. Collins of Illinois) and to revise and extend their remarks and include extraneous matter:)

Mr. Diggs, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Mathis of Georgia, for 10 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Harrington, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Morgan, for 5 minutes, today.

Mr. Yatron, for 5 minutes, today.

Mr. Eilberg, for 5 minutes, today.

Mr. Fuqua, for 10 minutes, today.

Mr. Podell, for 5 minutes, today.

Mr. Teague, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Pepper and to include extraneous matter notwithstanding the fact it exceeds two pages of the Congressional Record and is estimated by the Public Printer to cost $627.

Mr. Roush in two instances.

(The following Members (at the request of Mr. Kemp) and to include extraneous material:)

Mr. Treen in four instances.

Mr. Robison of New York.

Mr. Findley in two instances.

Mr. Broyhill of Virginia.

Mr. Kemp in three instances.

Mr. Broomfield.

Mr. Bell.

Mr. Clancy.

Mr. Sandman.

Mr. Forsythe.

Mr. Minshall of Ohio.

Mr. Buchanan.

Mr. Bauman in two instances.

Mr. Railsback.

Mr. Hosmer in three instances.

Mr. Wyman in two instances.

Mr. Abdnor.

Mr. Baker in two instances.

Mr. WYDLER.
Mr. ASHBROOK in two instances.
Mr. LENT.
Mr. COLLINS of Texas in four instances.
Mr. FRENZEL in two instances.
Mr. QUIE.
Mr. CHAMBERLAIN.
Mr. RHODES in six instances.
Mr. REGULA.
Mr. DERWINSKI in three instances.
Mr. HUBER.
Mr. MARTIN of North Carolina.
Mr. BROYHILL of North Carolina.

(The following Members (at the request of Mrs. COLLINS of Illinois) and to include extraneous matter:)

Mr. WALDIE in three instances.
Mr. ANNUNZIO in six instances.
Mr. GONZALEZ in three instances.
Mr. RARICK in three instances.
Mr. McFALL.
Mr. BYRON in 10 instances.
Mr. DORN in 10 instances.
Mr. MURPHY of New York.
Mr. JONES of Alabama.
Mr. HARRINGTON in 10 instances.
Mr. ADDABBO.
Mr. FORD.
Mr. STOKES in six instances.
Mr. HANLEY.
Mr. KAZEN.
Mr. HÉBERT in two instances.
Mr. BURKE of Massachusetts.
Mr. JONES of Tennessee.
Mr. YOUNG of Georgia in six instances.
Mr. GAYDOS in 10 instances.
Mr. BOLAND in two instances.
Mr. FASCELL in three instances.
Mr. STUDDS in eight instances.
Mr. STUCKEY.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 240. An act for the relief of Mrs. Wanda Martens; to the Committee on the Judiciary.

S. 404. An act for the relief of Arthur Rike; to the Committee on the Judiciary.

S. 2362. An act granting the consent and approval of Congress to the Cumbres and Toltec Scenic Railroad Compact; to the Committee on the Judiciary.

## ADJOURNMENT

Mrs. COLLINS of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 7 minutes p.m.), the House adjourned until tomorrow, Tuesday, March 26, 1974, at 12 o'clock noon.

## CONTRACTUAL ACTIONS, CALENDAR YEAR 1973, TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

ASSISTANT SECRETARY OF DEFENSE,
*Washington, D.C., March 21, 1974.*

Hon. CARL ALBERT,
*Speaker of the House.*

DEAR MR. SPEAKER: In compliance with Section 4(a) of Public Law 85-804, the calendar year 1973 report on Extraordinary Contractual Actions to Facilitate the National Defense is transmitted herewith.

Table I shows that 241 contractual actions were approved and that 110 actions were disapproved. Included in the number of actions approved are 107 actions for which a potential Government liability cannot be estimated.

Table II lists the actions which have an actual or potential cost to the Government of $50,000 or more. Also included in this list are the 107 actions above for which a potential cost cannot be estimated.

Sincerely,

ARTHUR I. MENDOLIA,
*Assistant Secretary of Defense (Installations and Logistics).*

EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE (PUBLIC LAW 85-804)

TABLE I.—SUMMARY REPORT OF CONTRACTUAL ACTIONS TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1973

[Dollar amounts in thousands]

| Department and type of action | Actions approved |  |  | Actions denied |  |
|---|---|---|---|---|---|
|  | Number | Amount requested | Amount approved | Number | Amount |
| Department of Defense, total | 241 | $10,821 | $5,330 | 110 | $9,273 |
| Amendments without consideration | 9 | 7,708 | 3,203 | 20 | 5,516 |
| Correction of mistakes | 56 | 1,057 | 930 | 46 | 2,975 |
| Formalization of informal commitments | 28 | 366 | 327 | 33 | 782 |
| Contingent liabilities | 107 | 267 | 190 | 1 |  |
| Disposition of property | 1 |  |  |  |  |
| Other | 40 | 1,423 | 680 | 10 |  |
| Army, total | 61 | 8,420 | 3,944 | 55 | 6,191 |
| Amendments without consideration | 8 | 7,328 | 2,978 | 7 | 4,351 |
| Correction of mistakes | 17 | 882 | 769 | 15 | 1,059 |
| Formalization of informal commitments | 24 | 210 | 197 | 32 | 781 |
| Contingent liabilities | 9 |  |  | 1 |  |
| Disposition of property | 1 |  |  |  |  |
| Other (Secretarial authority and residual powers) | 2 |  |  |  |  |
| Navy, total | 94 | 1,546 | 803 | 14 | 1,085 |
| Amendments without consideration | 1 | 1,423 | 680 | 4 |  |
| Correction of mistakes | 6 | 28 | 28 | 6 | 1,035 |
| Formalization of informal commitments | 3 | 95 | 95 | 4 | 50 |
| Contingent liabilities | 84 |  |  |  |  |
| Disposition of property |  |  |  |  |  |
| Air Force, Total | 48 | 771 | 499 | 22 | 1,946 |
| Amendments without consideration | 1 | 380 | 225 | 2 | 130 |
| Correction of mistakes | 19 | 63 | 49 | 19 | 1,815 |
| Formalization of informal commitments | 1 | 61 | 35 | 1 | 1 |
| Contingent liabilities | 14 | 267 | 190 |  |  |
| Other (Contract modification or termination) | 13 |  |  |  |  |
| Defense Supply Agency, Total | 38 | 84 | 84 | 19 | 51 |
| Amendments without consideration |  |  |  | 5 |  |
| Correction of mistakes | 14 | 84 | 84 | 8 | 51 |
| Other (Contract modification or termination) | 24 |  |  | 6 | 0 |

Source: Department of Defense, OASDA (Comptroller), Directorate for Information Operations, Mar. 13, 1974.

TABLE II.—LIST OF CONTRACTUAL ACTIONS WITH ACTUAL OR POTENTIAL COST OF $50,000 OR MORE TAKEN PURSUANT TO PUBLIC LAW 85-804 TO FACILITATE THE NATIONAL DEFENSE, JANUARY-DECEMBER 1973

| Name and location of contractor | Actual or estimated potential cost | Description of product or service | Justification |
|---|---|---|---|
| AMENDMENTS WITHOUT CONSIDERATION | | | |
| Army: | | | |
| Alabama Industries, Inc., Sylacauga, Ala., 35150. | $432,960 | 155 mm M107 projectiles. | Alabama Industries was formed to complete a contract abandoned by Golden Industries. The contractor's plant is privately owned but the production equipment is Government owned and furnished. The equipment is in such condition that the estimated production capability of 70,000 projectiles per month could not be met. The Government exercised its option for an additional quantity to be produced at a reduced rate of 60,000 and then to 40,000 per month. The contractor is suffering such a loss due to increased labor, material and overhead costs, because of the unexpected decreased production rate caused by inadequate equipment, that it will be forced to stop operations. It is determined it was not in the interest of the Government to require performance under the option so as to cause the financial ruin of the company. |
| Ovitron Corp., Standard Winding Division, 44-62 Johnes St., Newburg, N.Y. 12550. | 1,812,000 | AN/PRC-25 radio sets | Ovitron has had difficulty producing the radio sets in accordance with the drawings and specifications and as a result has lost considerable money. The Government required stricter testing of the sets which resulted in a higher rejection rate and a slowdown in production. The company is in desperate financial condition even with 100 percent progress payments. The entire production under this contract has been earmarked for allocation to several International Logistics Grant Aid countries. Delivery is past due and there is a pressing need for delivery as soon as possible. With production now proceeding on a normal basis the Government can satisfy delivery requirements in considerably less time than procuring from another producer and at considerable monetary savings. |
| Inter-Alloys Corp., P.O. Box 1539, Bartow, Fla. 33830. | 656,384 | Class 60, armored vehicle launched bridges. | The company encountered many errors and omissions in the drawings and specifications. After some items were manufactured according to the drawings they would not meet requirements necessary to pass inspection. This resulted in delays and increased costs until a satisfactory item could be developed. The Government has experienced this same trouble with several other contractors for this bridge over the years and the technical data package should have been corrected. |
| Air Force: Granger Associates, 1360 Willow Rd., Menlo Park, Calif. 94025. | 225,000 | AN/GRT-18 UHF ground-air radio transmitters. | One of the requirements of the soliciation was an overall weight limit of 50 lbs per unit. On the day the company was notified that their proposal was responsive they submitted an amendment stating that the 50-lb limit was marginal, it could not guarantee this weight, but would use it as a target. When the prototypes were delivered in December 1965 they weighed 102 lbs and the Government rejected them. It was determined that the 50-lb limit was impossible, however, the Government chose to abide by this until August 1967 when the limit was changed to 75 lbs, thus the production schedule slipped by approximately 2 yrs during which time the unit price increased. Although the contractor was late in delivering the acceptable prototypes the Government took no formal steps to correct their cost problems. It was determined that it was unfair for the Government to unduly delay that recognition and the necessary corrective action. |
| Navy: Servrite International Ltd., New Preston, Conn. 06777. | 680,000 | Dairy products | Contract was awarded in August 1971 for a term of 5 years to supply dairy products for U.S. Naval and NATO installations in and around Naples, Italy. Due to an extraordinary rate of inflation the contractor has been losing money since its 1st year of performance. Servrite is the only source meeting the U.S. Public Health Service and U.S. Department of Agriculture standards regarding pasteurization and sanitation. The closest dairies outside of Italy which can meet the health requirements are located in Austria which would cost close to $1,000,000 more per year than for Servrite products. |
| CORRECTION OF MISTAKES | | | |
| Army: A. R. F. Products Inc., Raton, N. Mex. 87740. | 626,913 | AN/GRC-50 radio sets | During the performance of the contract additional costs and delays were incurred as a result of numerous discrepencies in ECOM drawings. It is determined that the failure of the Government to properly correct the technical data package placed the contractor at an unfair disadvantage. |
| FORMALIZATION OF INFORMAL COMMITMENT | | | |
| Army: Westinghouse Electric Corp., Box 1693, Baltimore, Md. 21403. | 124,000 | Project MALLARD | The MALLARD project had been assigned a high priority. Westinghouse responded to the RFQ on Dec. 3 and the project officer requested a precontract authorization to allow the work to begin. It was the Government's intention to recognize all valid costs until a contract was executed. The precontract cost authorization was extended 3 times and in November 1970 the contractor was informed that the procurement was canceled. It is determined that the claim is appropriate. |

CONTINGENT LIABILITIES

Provisions to indemnify contractors against liabilities on account of claims for death or injury or property damage arising out of nuclear radiation, use of high energy propellants, or other risks not covered by the contractor's insurance program were included in 107 contracts (the potential cost of these liabilities cannot be estimated inasmuch as the liability to the Government, if any, will depend upon the occurrence of an incident as described in the indemnification clause). Items procured are generally those associated with nuclear-powered vessels, nuclear armed guided missiles, experimental work with nuclear energy, handling of explosives or performance in hazardous areas.

| | Number of contracts | | |
|---|---|---|---|
| | Army | Navy | Air Force |
| Aerojet General Corp | | | 3 |
| Automation Industries, Inc | | 1 | |
| Avco Corp | | 1 | |
| Boeing Co | | | 4 |
| General Dynamics Corp | | 33 | |
| General Electric Co | | 15 | |
| Hercules, Inc | | | 2 |
| Honeywell, Inc | | 1 | |
| Lockheed Missiles & Space Co | | 13 | |
| Mason & Hanger—Silas Mason Co., Inc | 2 | | |
| Murphy Pacific Marine Salvage Co | | 1 | |
| Newport News Shipbuilding & Drydock Co | | 3 | |
| Northrop Corp | | 1 | |
| Ocean Search, Inc | | 1 | |
| Olin Corp | 1 | | |
| Raytheon Co | | 6 | |
| Rockwell International Corp | | 2 | |
| Textron, Inc | | | 2 |
| Thiokol Corp | | | 3 |
| Western Electric Co | 5 | | |
| Westinghouse Electric Corp | | 6 | |
| Proposed | 1 | | |
| Total | 9 | 84 | 14 |

In addition to the above, indemnification clauses will be inserted into all air transportation contracts entered into by the Military Airlift Command for transportation services to be performed by air carriers which own or control aircraft which have been allocated by the Department of Transportation to the Civil Reserve Air Fleet.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2085. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a list of award dates for contracts involving weapons systems covering the period March 15–June 15, 1974, pursuant to 10 U.S.C. 139 (b); to the Committee on Armed Services.

2086. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting a report recommending the average student load for each category of training for each component of the Armed Forces for the next 3 fiscal years, pursuant to 10 U.S.C. 138(d)(2); to the Committee on Armed Services.

2087. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to amend the Clean Air Act; to the Committtee on Interstate and Foreign Commerce.

2088. A letter from the Chairman, Consumer Product Safety Commission, transmitting the first annual report of the Commission, covering the period May 14–June 30, 1973, pursuant to section 27(j) of Public Law 92-573; to the Committee on Intertsate and Foreign Commerce.

2089. A letter from the Assistant Secretary of Defense (Installations and Logistics, transmitting a report on amendments and modifications to contracts in connection with the national defense executed by the Department of Defense during calendar years 1973, pursuant to 50 U.S.C. 1434(a); to the Committee on the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PATMAN: Joint Economic Committee on the 1974 Joint Economic Report; (Rept. No. 93-927). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 12627. A bill to authorize and direct the Secretary of the Department under which the U.S. Coast Guard is operating to cause the vessel *Miss Keku*, owned by Clarence Jackson of Juneau, Alaska, to be documented as a vessel of the United States so as to be entitled to engage in the American fisheries (Rept. No. 93-928). Referred to the Committee of the Whole House.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 10972. A bill to delay for 6 months the taking effect of certain measures to provide additional funds for certain wildlife restoration projects; with amendment (Rept. No. 93-929). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 12925. A bill to amend the act to authorize appropriations for the fiscal year 1974 for certain maritime programs of the Department of Commerce (Rept. No. 93-930). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDWARDS of California: Committee on the Judiciary. S. 969. An act relating to the constitutional rights of Indians (Rept. No. 93-931). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H.R. 12565. a bill to authorize appropriations during the fiscal year 1974 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, and other weapons and research, development, test and evaluation for the Armed Forces, and to authorize construction at certain installations, and for other purposes; with amendments (Rept. No. 93-934). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDWARDS of California: Committee on the Judiciary. S. 1836. An act to amend the act entitled "An act to incorporate the American Hospital of Paris", approved January 30, 1913 (37 Stat. 654) (Rept. No. 93-932). Referred to the House Calendar.

Mr. EDWARDS of California: Committee on the Judiciary. S. 2441. An act to amend the act of February 24, 1925, incorporating the American War Mothers, to permit certain stepmothers and adoptive mothers to be members of that organization (Rept. No. 93-933). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of North Dakota:

H.R. 13688. A bill to amend section 2412 of title 28, United States Code, to provide in a condemnation proceeding the discretionary award of fees and expenses of attorneys to the condemnee; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.R. 13689. A bill to regulate Federal campaign contributions and expenditures; to the Committee on House Administration.

By Mr. COCHRAN:

H.R. 13690. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN (for himself and Mr. Charles H. Wilson of California):

H.R. 13691. A bill to amend the customs brokers licensing provisions of the Tariff Act of 1930; to the Committee on Ways and Means.

By Mr. FINDLEY:

H.R. 13692. A bill to provide for the establishing of uniform State limitations on the size of motor vehicles using public highways, and for other purposes; to the Committee on Public Works.

By Mr. FULTON:

H.R. 13693. A bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations; to the Committee on Ways and Means.

H.R. 13694. A bill to amend the Internal Revenue Code of 1954 to provide that the requirement of filing certain returns and the tax on unrelated business income shall not apply to certain nonprofit social clubs, domestic fraternal societies, and veterans organizations; to the Committee on Ways and Means.

H.R. 13695. A bill to amend title XVIII of the Social Security Act to provide for a voluntary insurance program to allow medicare home patients to receive prescribed drugs; to the Committee on Ways and Means.

By Mr. HAMMERSCHMIDT:

H.R. 13696. A bill to authorize the Secretary of the Army to convey certain lands to the city of Charleston, Ark.; to the Committee on Armed Services.

By Mr. HOSMER:

H.R. 13697. A bill to amend the Clean Air Act to assume consideration of the total environmental, social, and economic impact while improving the quality of the Nation's air; to the Committee on Interstate and Foreign Commerce.

By Mr. KAZEN:

H.R. 13698. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. KING:

H.R. 13699. A bill to repeal the earnings limitation of the Social Security Act; to the Committee on Ways and Means.

By Mr. LENT:

H.R. 13700. A bill to amend chapter 34 of title 38, United States Code, to authorize additional payments to eligible veterans to partially defray the cost of tuition; to the Committee on Veterans' Affairs.

By Mr. LUJAN:

H.R. 13701. A bill to include the Escalante trail in the study category of the National Trails System Act; to the Committee on Interior and Insular Affairs.

H.R. 13702. A bill to prohibit psychosurgery in federally connected health care facilities; to the Committee on Interstate and Foreign Commerce.

H.R. 13703. A bill to amend title 39, United States Code, to require that any cancellation mark used by the Postal Service have the name of the post office and the State from which any matter is mailed, the zip code number assigned to such post office, and the date on which the matter is mailed; to the Committee on Post Office and Civil Service.

H.R. 13704. A bill to amend title 39, United States Code, to authorize the mailing of letter mail, postal cards, and post cards to Members of Congress in their representative capacity by a sender such Member represents at no cost to the sender subject to the availability of appropriations to pay the cost thereof, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McCORMACK (for himself, Mr. Price of Illinois, Mr. Holifield, Mr. Hosmer, Mr. Ullman, Mr. Downing, Mr. Brown of California, Mr. Fuqua, Mr. Leggett, Mr. Rarick, Mr. Bevill, Mr. Riegle, Mr. Preyer, Mr. Carney of Ohio, Mr. Denholm, Mr. McKay, Mr. Milford, Mr. Thornton, Mr. Michel, Mr. Derwinski, Mr. McCloskey, Mr. Ketchum, Mr. Parris, Mr. Pritchard, and Mr. Conlan):

H.R. 13705. A bill to amend the Atomic Energy Act of 1954 to provide for improved procedures for planning and environmental review of proposed nuclear powerplants, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. MARAZITI:

H.R. 13706. A bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes; to the Committee on Armed Services.

By Mr MURPHY of New York:

H.R. 13707. A bill to amend title XVI of the Social Security Act to provide that the 1974 increases in social security benefits shall be disregarded in determining an individual's eligibility for supplemental security income benefits, and to provide that support and maintenance furnished a mentally retarded individual living in another person's household shall not constitute income to him for supplemental security income benefit purposes; to the Committee on Ways and Means.

By Mr. RAILSBACK (for himself, Mr. Fauntroy, Mr. Gude, Mr. Harrington, Mrs. Heckler of Massachusetts, Mr. Horton, Mr. Lent, Mr. McCloskey, Mr. McKinney, Mr. Moakley, Mr. Mollohan, and Mr. Preyer):

H.R. 13708. A bill to confer jurisdiction upon the District Court of the United States for the District of Columbia of certain civil action brought by the House of Representatives Committee on the Judiciary, and for other purposes; to the Committee on the Judiciary.

By Mr. ROE (for himself and Mrs. Chisholm):

H.R. 13709. A bill to amend section 4a, the commodity distribution program of the Agriculture and Consumer Protection Act of 1973; to the Committee on Agriculture.

By Mr. ROE (for himself and Mrs. Chisholm):

H.R. 13710. A bill to amend the National School Lunch Act and for other purposes; to the Committee on Education and Labor.

By Mr. ST GERMAIN:

H.R. 13711. A bill to provide for tax counseling to the elderly in the preparation of their Federal income tax returns; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 13712. A bill to amend the Internal Revenue Code of 1954 to provide for an increase in the amount of the personal exemptions for taxable years beginning after December 31, 1973; to the Committee on Ways and Means.

By Mr. SEBELIUS:

H.R. 13713. A bill to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes; to the Committee on Armed Services.

By Mr. STUCKEY:

H.R. 13714. A bill to regulate commerce by establishing a nationwide system to restore motor vehicle accident victims and by requiring no-fault motor vehicle insurance as a condition precedent to using a motor vehicle on public roadways; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE:

H.R. 13715. A bill to provide assistance and full-time employment to persons who are unemployed or underemployed as a result of the energy crisis; to the Committee on Education and Labor.

By Mr. WALDIE (for himself and Mr. Aspin):

H.R. 13716. A bill to terminate the granting of construction licenses of nuclear fission powerplants in the United States pending action by the Congress following a comprehensive 5-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technological Assessment; to the Joint Committee on Atomic Energy.

By Mr. YOUNG of Florida:

H.R. 13717. A bill to amend title 5 and title 44, United States Code, to lengthen the time period between the publication of a Federal rule and the effective date of such rule, and the time period between the publication of notice of a hearing and the beginning of such hearing; to the Committee on the Judiciary.

H.R. 13718. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation deduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. DENHOLM:

H.J. Res. 948. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 30th day of May of each year as "Memorial Day"; to the Committee on the Judiciary.

H.J. Res. 949. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as "Veterans Day"; to the Committee on the Judiciary.

By Mr. McDADE:

H.J. Res. 950. Joint resolution making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes; to the Committee on Appropriations.

By Mr. HARRINGTON (for himself and Mr. STARK):

H. Res. 1002. Resolution: An inquiry into the military alert invoked on October 24, 1973; to the Committee on Foreign Affairs.

By Mr. HAYS:

H. Res. 1003. Resolution providing funds for the expenses of the Committee on House Administration to provide for maintenance and improvement of ongoing computer services for the House of Representatives and for the investigation of additional computer services for the House of Representatives; to the Committee on House Administration.

By Mr. LONG of Maryland (for himself, Mr. CORMAN, and Mr. ROE):

H. Res. 1004. Resolution to authorize the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the importing, inventorying, and disposition of crude oil, residual fuel oil, and refined petroleum products; to the Committee on Rules.

By Mr. MARAZITI:

H. Res. 1005. Resolution to launch an investigation by the General Accounting Office into alleged abuses of rights of privacy by telephone companies; to the Committee on Interstate and Foreign Commerce.

By Mr. PEPPER (for himself and Mr. MARTIN of Nebraska):

H. Res. 1006. Resolution authorizing the printing of the transcript of the proceedings in the Committee on Rules of October 25, 1973; to the Committee on House Administration.

## MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

393. By Mr. HANSEN of Idaho: Memorial of the Legislature of the State of Idaho, relative to removal of the prohibition to inclusion of impact aid in the calculation of State equalizing school aid; to the Committee on Education and Labor.

394. By the SPEAKER: Memorial of the Senate of the Commonwealth of Massachusetts, relative to the observance of "Employers Support Week for the Guard and Reserve"; to the Committee on Armed Services.

395. Also, memorial of the Legislature of the State of South Carolina, relative to an investigation of the "International oil monopoly"; to the Committee on Interstate and Foreign Commerce.

396. Also, memorial of the Legislature of the State of Oklahoma, urging the Congress to propose an amendment to the Constitution of the United States to make it mandatory that the amount of any deficit in the national budget submitted by the President be underwritten by a surtax on individual and corporate income, unless Congress, by other method of financing or by reduction of expenditures, provides for a balanced budget for the year; to the Committee on the Judiciary.

397. Also, memorial of the Legislature of the State of Oklahoma, relative to the curtailment of recreational activities and the destruction of existing facilities on the Wichita Mountains Wildlife Refuge; to the Committee on Merchant Marine and Fisheries.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mrs. SCHROEDER introduced a bill (H.R. 13719) for the relief of Nestor Manuel Lara-Otoya, which was referred to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

410. By the SPEAKER: Petition of the City Council, New York, N.Y., relative to efforts to obtain information about Americans listed as missing in action; to the Committee on Foreign Affairs.

411. Also petition of Lisa Thomas, Hendersonville, N.C., and others, relative to the revocation of the license of radio station WXUR, Media, Pa., to the Committee on Interstate and Foreign Commerce.

412. Also, petition of the National Capital Area Department, American Federation of Government Employees, AFL-CIO, Washington, D.C., relative to the proposal to abolish the Committee on Post Office and Civil Service; to the Committee on Rules.

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# EXTENSIONS OF REMARKS

## STANLEY W. HULETT NAMED DEPUTY DIRECTOR OF BUREAU OF OUTDOOR RECREATION

### HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. REGULA. Mr. Speaker, I insert at this point in the RECORD a copy of a press release from the Department of the Interior announcing the appointment of Stanley W. Hulett as Deputy Director of the Bureau of Outdoor Recreation. I add my congratulations to the many that I know Mr. Hulett has already received and I congratulate the Department of the Interior upon the appointment.

Stan Hulett did a great job for the Park Service and I know he will do the same for the Bureau of Outdoor Recreation.

The press release follows:

STANLEY W. HULETT NAMED DEPUTY DIRECTOR, INTERIOR DEPARTMENT'S BUREAU OF OUTDOOR RECREATION

The appointment of Stanley W. Hulett as Deputy Director of the Interior Department's Bureau of Outdoor Recreation was announced today by Interior Secretary Rogers C. B. Morton.

"I am pleased to have a man of Mr. Hulett's proven administrative talents join BOR in its second highest post at a time when the importance of providing recreation opportunities for the people has never been greater," Secretary Morton said. "Mr. Hulett's diversified experience with the National Park Service and on Capitol Hill will be invaluable to the nationwide programs of the Bureau of Outdoor Recreation."

As Deputy Director of BOR, Hulett will share with Director James G. Watt responsibility for managing the Bureau and directing the planning, development, and coordination of outdoor recreation programs.

Hulett succeeds Roman H. Koenings who served as Deputy Director of BOR since July 1971, and was instrumental in implementing the State grant program under the Land and Water Conservation Fund. Koenings has been appointed Assistant Director for Resources of Interior's Bureau of Land Management.

Hulett, a native of California, has served as Associate Director for Legislation, National Park Service, since March 1972. In that position, he was responsible for legislation affecting the Nation's system of parks, monuments, historic sites, and recreation areas. During Hulett's stewardship of the Service's legislative program, 14 new units were added to the National Park System during the 92nd Congress. Among these were Golden Gate National Recreation Area in California; Gateway National Recreation Area, New York and New Jersey; Cumberland Island National Seashore, Georgia; and, Fossil Butte National Monument, Wyoming. Hulett was in charge of the Service's Congressional relations and public information programs, international affairs, and liaison activities with other Federal agencies, State and local governments, and the private sector.

Hulett came to the Department of the Interior as Legislative Coordinator in 1971, following two years as Legislative Assistant to California Representative Don H. Clausen.

A 1960 graduate of Stanford University, Hulett is past president of the Mendocino County (Calif.) Chamber of Commerce; a past president of the Willits Chamber of Commerce; an official delegate to the Rotary International convention in France in 1967; and past president of the California Lumbermen's Accident Prevention Association.

Hulett is married to the former Mary Ann Minenna. They live with their son Gregory in McLean, Virginia.

## ALABAMA WINNER IN VOICE OF DEMOCRACY CONTEST

### HON. ROBERT E. JONES

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. JONES of Alabama. Mr. Speaker, the winner for the State of Alabama in the Voice of Democracy Contest sponsored by the Veterans of Foreign Wars was an outstanding student from the Sheffield High School in Sheffield, Ala.

The winning speech was delivered by William Ernest Cunningham and, subsequently, he came to Washington for competition in the national finals.

His remarks on the responsibilities of the citizen have meaning for all.

In order to share his views with others, I include his remarks in the RECORD at this time:

### SPEECH BY WILLIAM ERNEST CUNNINGHAM

From sea to shining sea America spreads out across the face of the earth. With its majestic snowcapped mountains reaching to the sky, while the grasses in the long rolling plains sway to the gentle breeze. This land called America is where, out of the minds of a courageous few, grew an idea, an idea that was later to be recorded in the Declaration of Independence—that all men are created equal, that they are endowed by their creator with certain unalienable rights, and among these are Life, Liberty, and the Pursuit of Happiness. We, too, born to freedom and believing in freedom, should be willing to fight to maintain freedom. We, and all others who believe as deeply as we do, should rather die on our feet than live on our knees. These are the ideas that drove those individuals long ago to fight for America and future generations of Americans.

Thanks to these efforts, the United States stands undaunted, proud and fearless, to the other nations of the world. And as we exemplify the courage we have as Americans, we must accept the many responsibilities that accompany this privilege.

Let's now explore the responsibilities we have as Americans. The three more important are Love of Country, the Responsibilities of Voting, and finally Supporting the Government.

Love of country is important. America has done so much for us that we should stop to consider our privileges. America has given us the right to live as free men with the right to free speech and privacy. It has given the information sources freedom of the press, so they can inform America without fear of censorship. We live in a land in which we as consumers can purchase any good or service which we desire, a country which has a higher standard of living than any other country in the world, a land of opportunity. America has given us a beautiful place to live, a land full of wonderment and awe, a country in the words of an unknown poet, "Never before has such beauty been seen, or ever again will it be copied for its loveliness is profound."

Second, the responsibility of voting is probably the most misused responsibility we have as Americans. Most people feel that one vote, their vote, couldn't possibly make a difference. Often this is true, but the fact is that they didn't exercise their responsibility; so therefore they are saying in reality, that they really couldn't care less who wins the election—Local, State, or National. The responsibility of voting is not to be taken lightly. The candidates' platforms must be examined thoroughly, their promises and claims must be scrutinized and evaluated carefully so that we as voters can be sure that this is the right man for the job. What most people don't realize though, is that when they don't vote, they are letting themselves down and most of all they are letting America down.

The final responsibility we have as Americans is to support our government. In a nation of 200 million people where individualism is a cherished and jealously guarded possession, we as Americans do not always agree with the President in office. Nevertheless, whether we agree or disagree, like or dislike, support or oppose, the fact is that this is our government and we, for the sake of security, must support it. Franklin Roosevelt said, "History proves that dictatorships do not grow out of strong and successful governments, but out the weak and helpless ones. If by democratic methods people get a government strong enough to protect them from fear and starvation, their democracy succeeds; if they do not, they grow impatient. Therefore, the only sure bulwark of continuing liberty is a government strong enough and well enough informed to maintain its sovereign control of its government."

America, we love you.

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## THE TWIN CITY EXPERIMENT

## HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. FRENZEL. Mr. Speaker, last Thursday the Wall Street Journal contained an interesting article by Dennis Farney entitled "The Twin City Experiment." It is a description of the structure of the Metropolitan Council and the prospects for its future. The Metropolitan Council, a creature of the Minnesota Legislature, serves as a planning and coordinating agency of government in the seven-county area around the Twin Cities of St. Paul and Minneapolis.

The article says:

> The Twin Cities area has clearly sorted things out and come up with a system that works.

This, of course, is a bit of an oversimplification. The Metropolitan Council is innovative. It does some things very well. There are, however, some things it does not do well, and there are a few instances in which it has offended the people or their local elected officials.

All things considered, it has been a highly successful experiment in specialized government, filling a decisionmaking policy void between the State government and the local governments without unnecessarily irritating either one. The Metropolitan Council is in a continuing state of evolution, but it is an experiment worthy of observation by other areas of the country.

The article follows:

### THE TWIN CITY EXPERIMENT

(By Dennis Farney)

ST. PAUL, MINNESOTA.—A friend calls John Boland "a tactician of politics" and the description fits. A visit to the Boland command post finds a gregarious man of 36, enjoying a cigar and heavily engaged in the strategems of an ongoing battle of sorts.

It is a political battle to regain the momentum for one of the nation's most innovative experiments in urban government.

For Mr. Boland is the chairman of a seven-year-old institution called the Metropolitan Council. The council may well be the best way yet invented to run a metropolitan area—rational, cannily tailored to political realities and already paying off in a more liveable region. Delegations of urbanologists have studied it and at least one other city, Atlanta, has copied elements of it. But for all its successes, the council has run into some political trouble.

Some members of the Minnesota legislature, which created the council, now mutter that it has grown too big for its britches. Some other units of area government with which the council must deal now charge it with high-handedness. Meanwhile, even council supporters agree that it remains remote to the lives of the 1.9 million people it is trying to serve. All of which explains why Gov. Wendell Anderson, a strong council supporter, handpicked Mr. Boland, a savvy state legislator with a politician's knack for persuasion and public visibility, to turn things around.

Today and tomorrow could tell whether he's succeeded or not. For the Minnesota legislature is moving toward adjournment and final action on a series of measures that would give the council new powers it badly needs. The 1971 and 1973 legislatures have balked at granting just such powers, and the issue is still in doubt.

"We're very close to breaking through to beyond anything anywhere else in the country," says Ted Kolderie, the thoughtful executive director of the nonpartisan Citizens League, which helped lead the effort to create the council in the first place. "But it's still possible the legislation we need could fail. A hell of a lot is at stake here."

What is at stake, ultimately, is just how far a subtle and sophisticated supergovernment is going to be allowed to go beyond "planning" to "governing." That has been the underlying question ever since the legislature created the council and gave it its staggering assignment: Pull together a seven-county region that includes two major cities, 134 municipalities, a jungle of special-purpose agencies, half the population of the state and more than one-half its wealth.

#### THE NATIONAL SIGNIFICANCE

The national significance of the council lies in the way it was structured politically to give it real power without the bitter opposition that "metropolitan government" typically arouses.

The legislature deliberately barred the council from such purely local matters as some suburb's parking regulations or the color of its police cars. But in a few limited areas where metropolitan-wide decisions are truly necessary—areas that together determine the pace and the nature of future area development—it gave the council the authority to take action and the power to make it stick.

The council's prime power is the power to veto. It reviews the applications of other units of government in the region for federal money, and an unfavorable council comment can doom an application. More important, it reviews the development plans of such other area-wide agencies as the sewer board, the transit commission and the airport commission.

Projects by such agencies, of course, can determine the future location of everything from subdivisions to heavy industry. So if the council finds a project inconsistent with its own ideas of where those subdivisions and industries ought to go, it can simply veto it and ask the operating agency to come back with a better idea. (The agencies may appeal to the legislature however.) One bill now before the legislature would empower the council to review and at least delay any project of "metropolitan significance," be that project either public or private.

Since 1967 the council has used its power aggressively. It has solved the problem that prompted its creation—metropolitan growth had outrun the sewer system—through a major expansion of the system. It has twice blocked the Metropolitan Airport Commission from building a new jetport in an ecologically unfavorable area. It compelled a reluctant suburb to accept subsidized housing. It has barred any more freeways through Minneapolis or St. Paul. It is moving toward a land-use policy that will minimize urban sprawl. And it is into everything from cable TV to criminal justice.

But while it was making all those decisions, it seems, the council neglected the business of cultivating grassroots support. "You know, it's hard to appreciate the beautiful symmetry of a metropolitan sewer system," says one council-watcher. "The council has yet to be seen by the man in the street as a problem-solving agency that's doing good for him."

And without enthusiastic grassroots support, the council lost ground in the legislature as the inevitable complaints came in from agencies and officials it had thwarted. To be sure, the council is in no danger of being abolished or even of being scaled back. But consecutive legislative sessions have balked at bills that would make council members elective (they're appointed by the governor now), tighten its control over semi-independent entities like the transit commission, and give the council the tools for such things as preserving open space and attacking area housing needs.

What really counts is "the power to say what is going to happen," says Mr. Kolderie. "And that's what's now at issue here—whether these decisions of what to build, and when and where, shall be made by the council" or somebody else.

Dramatizing this fundamental issue has been a noisy debate over the kind of mass transit system this region should have. In late 1972 the semi-independent area transit commission was moving toward a commitment to a rail system. But the council members seem to have reasoned that, just as wars are too important to be left to the generals, the transit decision was too important to be left to the transit experts. It was all bound up with larger considerations. So the council cut the transit men off at the pass.

Before the transit people could make their final recommendation, the council recommended an expanded bus system instead. The infuriated transit people appealed to the legislature. And the legislature, in turn, decided it had better get into the act itself.

Now the legislature is about to vote on a measure that would strengthen the council's authority to determine regional transportation policy, which the transit board would then carry out. But at the same time the legislature has made it clear that it expects to have a voice in that policymaking—and that it is going to keep an eye on future council assertions of power.

### THE LESSON

Gov. Anderson thinks there is a lesson for the council in all this. The lesson is to not take the legislature for granted.

"I think what the legislature has been saying to the council is 'look, you're our creature. We created you,'" he says. "Jealousy is probably too strong a word for it. But the legislature wants to remind the council who it's working for."

This lesson isn't lost on John Boland, the governors' appointee. "The legislature likes the council, likes its innovativeness," he says. "But at the same time there is a nagging doubt about just how far the council ought to go." Mr. Boland has been trying to ease those doubts in low-key talks with his former legislative colleagues. At the same time, he's working hard to rebuild local support.

In the first few months of his chairmanship he visited more than 100 of the 134 municipalities in the region. He also dispatched sometimes grumbling council members to local meetings and began setting up advisory committees of local officials. "If things ever get head-to-head with the local communities, we're going to lose," he says. "Because legislators listen to local officials."

Another element of the Boland strategy is to rein in his planners, who have sometimes antagonized local officials with a brusque approach to things. "Planners, many of them anyway, are not politically sensitive," Mr. Boland says. "They get up and talk in planner-ese, and you're in trouble."

The next few days may only partly suggest how well the Boland strategy has worked. It may even be, as Ted Kolderie suggests, that another seven years will be required before the council evolves into its final form. But it's worth noting that while a single council misstep in some states might have brought forth legions of legislators ready to do the council in, nothing of the kind has happened here. This is merely additional testimony to a pattern that numerous social commentators have observed in Minnesota—a rare openness to change, an uncommon commitment to common sense solutions to problems that might ensnarl other states in unproductive controversy.

And in the end the problems here—as in most metropolitan areas—do boil down to common sense answers to a few basic questions. Which are local problems and which are regional ones? Who makes the tough decisions? Who, really, is in charge of things? The Twin Cities area has clearly sorted things out and come up with a system that works.

That system has taken root for the long haul. But there remains a very real question of how much power the Metropolitan Council is going to be allowed to acquire. That is going to depend on the legislature, the governor and the persuasiveness of a "tactician of politics" named John Boland.

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## PLANTS, TOO, ARE ENDANGERED

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. DINGELL. Mr. Speaker, from the April–May special publication by the National Wildlife Federation on endangered species, I insert the following article on one of the rarest plants in our Nation:

### Plants, Too, Are Endangered

(By Harold William Rickett)

Few botanists have ever seen it. It is so inconspicuous that the ordinary hiker would pass it by without notice. Yet *Isotria medeoloides* is a characteristic orchid. And it is one of the rarest plants in the United States.

Although it reportedly grows in a large area ranging from northern New England to North Carolina and in southeastern Missouri, it is found only occasionally, and then in isolated colonies of a few plants. Indeed, *Isotria medeoloides* is so obscure that it was just briefly described in the first two volumes of the definitive reference work "Wild Flowers of the United States," and no photographs were available to illustrate it. In fact, until shortly after publication of those volumes, I myself had never laid eyes on the plant. Then I received a letter from a man in the northwestern corner of New Jersey who said he had the species growing in his woods. It was there that I took my first look at *Isotria medeoloides*. The plant that I saw was an unspectacular little object, bearing an unspectacular little flower. Yet it displayed all of the intricate features of the orchid family. It was about 9 inches tall. Its erect stem was tipped with a circle of five leaves (some plants have six or more) about 2 inches long. Above these, on a short stalk, rose the single flower. It had three narrow green sepals.

Within the sepals, the corolla arched upward, composed of two upper greenish, overlapping petals forming a sort of hood, and a projecting whitish lower petal, the so-called lip, notched at the end. The typical orchid column, formed from the union of stamens, style and stigma, was scarcely visible within this corolla. The ovary is contained in the stem below the sepals; with the surrounding stem it becomes the seed-pod.

Why is this diminutive plant so rare? Probably because its ecological requirements are so exacting. Its sparse distribution certainly suggests a species on its way to extinction—in effect, a plant failure. Perhaps *Isotria medeoloides* is a poignant reminder of the critical interdependency of the earth's different life forms. For it may well be that the exact species of insect needed to accomplish the pollination of this complex little flower is also extremely rare.

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## THAT PIANO PLAYER "FELT TO HOME"

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BAKER. Mr. Speaker, Mrs. Baker and I had the privilege of being in President Nixon's party when he and the First Lady attended the dedication of the new Opry House at Opryland in Tennessee last Saturday night.

It was a night to remember. The President and Mrs. Nixon were warmly received and they responded to this outpouring of affection and respect—a real honest-to-goodness Tennessee welcome—with love and appreciation.

There were many light-hearted moments which the Oprylanders and their fans on radio and television will long remember. The Nashville Banner captured the spirit of this wonderful evening in an editorial, "That Piano Player 'Felt To Home.'"

In rememberance of this occasion, I ask that the editorial appear at this point in the Record.

The editorial follows:

### That Piano Player "Felt To Home"

They sure know how to make piano players "feel to home" at the Opry!

And they must have really liked this one, because they made him play three songs. Everybody else got to do only one.

It was the Grand Ole Opry's finest hour Saturday night as a relaxed President and Mrs. Nixon dedicated the new Opry House at Opryland amid what surely was one of their warmest welcomes anywhere, if not the warmest.

And the President obviously was elated—even exuberant—as he talked, joked and played piano to the delight of 4,000 first nighters who showered the President with standing ovations, unabashed cheering and mutual appreciation of his love for country music, which he said "radiates a love of this nation."

And it was fitting that Roy Acuff, the King of Country Music, should do the honors of introducing the Nixons on stage. Mr. Acuff set the real mood of what the Opry means with his down-to-earth introduction and his attempts to teach the President the art of yo-yo.

Then the President summed it up exactly: "Country music, therefore, has those combinations which are so essential to America's character at a time that America needs character."

Nashville and the Grand Ole Opry can be proud that they brought happiness to the Nixons. And indeed they did. They can also be proud they gave the nation—and the world—an opportunity to see what's right in America—a positive look at what Mr. Acuff termed "we working people"—the real America.

"This is a wonderful program. We'll never see another one like it in our state. We never have before," Mr. Acuff said.

But, then that was a pretty fair country piano player at that!

# SANE AND WORLD FEDERALISTS USA SEEK COMPREHENSIVE MIDDLE EAST SETTLEMENT

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BROWN of California. Mr. Speaker, two organizations which I hold in very high regard, SANE and the World Federalists USA, recently came forward with a joint statement regarding the Middle East situation that deserves the attention of every Member of Congress. I have seen very few statements regarding this complex tangle of overlapping interests that treat the issues involved so objectively and rationally. There are no easy solutions to the problems in the Middle East, and this statement, which appeared in the March issue of Sane World, recognizes the complexity of the situation.

The material follows:

### TOWARD PERMANENT PEACE IN MIDEAST

SANE and the World Federalists USA have jointly approved the following statement on the Middle East. We invite your comments and your help in promoting community discussion on peaceful alternatives.

### BACKGROUND

Four wars in 25 years have been fought because of the clash of Jewish and Arab nationalisms in the Middle East. This clash has been aggravated by the increasing participation of the superpowers. Peace in the Middle East requires reconciliation between Israelis and Arabs, aided by the world community.

In the first half of the 20th Century Arabs and Jews both worked to create independent states in the areas controlled by the Ottoman Empire, Great Britain and France. During World War I, Great Britain and France offered contradictory promises of political independence to Arabs and a homeland to Jews in exchange for their support against the Turks. The Balfour Declaration by Great Britain in 1917 held out the hope of establishing a Jewish national home in Palestine.

By the time the UN first voted in 1947 to partition Palestine into twin Arab and Jewish states, most of Palestine's neighbors had won their political independence. These Arab nations, in defiance of the UN decision, sent their troops to destroy Israel even before its existence could be officially proclaimed. When they were defeated, Jordan annexed the lands and peoples on the West Bank of the Jordan which would have been the core of Arab Palestine.

Israel, haven for the survivors of Nazi genocide, was thus born of siege, while the Palestinian Arab state decreed by the UN evaporated through war and annexation. By 1948, all of the peoples of the Middle East had states of their own except the Palestinian Arabs.

The Palestinians, mostly unable or unwilling to return to Israel and often excluded from neighboring Arab lands, festered in refugee camps. The Arab states, defeated in their attempt to wipe out Israel at its birth, refused to accept its existence. Israel, fearing extinction, relied increasingly upon military means for survival.

A spiral of fear and hatred followed. Each new armed conflict generated additional grievances among the Palestinians, the Arab states, and Israel. The leaders on all sides who sought military solutions to these grievances achieved only a form of antagonistic cooperation with each other which guaranteed further conflict.

Following the Six-Day War in 1967, the UN achieved its first consensus on the outline of a settlement, in the form of Security Council Resolution 242. However, Resolution 242's ambiguous provisions—a cease-fire, Israeli withdrawal to secure and recognized borders from the occupied territories, and acceptance by all parties to Israel's sovereignty and security—were variously interpreted by the belligerents. There was no subsequent negotiation of these goals, and they remained without implementation.

By 1973 the Middle East had developed into two explosive armed camps where the United States and the Soviet Union confronted each other over the heads of their warring allies. The superpowers supplied enormous quantities of sophisticated armament to both sides, introduced military advisers, trained military personnel, and generally exacerbated the situation by using the region to pursue cold-war rivalries.

The recurring clashes in the Middle East remain a threat to peace of global proportions. For this reason SANE and WFUSA regard it as imperative that the forces of peace within the United States develop and pursue policies which can help facilitate a permanent settlement.

### A PERMANENT SETTLEMENT

There are no military solutions to these political problems. The basic struggle in the Middle East is between two nationalisms in competition for sovereignty over the same territory. Such a conflict has a limited range of possible outcomes. One or the other side can dominate and thus sow the seeds of revenge; the status quo can continue and leave the grievances unresolved; or a compromise solution can be arrived at acceptable to both sides (or a majority on both sides). WFUSA and SANE are persuaded that the course of compromise which assures the security of all parties is the only one consistent with a fundamental concern for world peace and, in all likelihood, the fundamental survival and prosperity of the nations of the Middle East.

The international negotiations that began in Geneva in December, 1973, offer a possibility for moving toward a compromise solution. Our concern is that these negotiations lead to a permanent peace settlement, not simply to another truce. Independently of the judgments of any of the parties, it will be possible to identify the character of the agreements according to their content. A truce would include plans for enforcing a cease-fire and little more. A peace settlement, or moves toward a peace settlement, would be identified by the additional inclusion of arrangements for normal diplomatic, economic, and cultural relations among nations, termination of government-sponsored economic and other boycotts, and agreements to limit, or to negotiate limitations of armed forces.

SANE and WFUSA urge the government of the United States to use its good offices to influence the Geneva negotiations toward a peace settlement rather than merely a truce.

### OUTLINE OF GOALS

We suggest no detailed proposals to deal with problems which must be resolved by the parties to the dispute. As concerned Americans, however, we ask our government—which is in a unique position to play a peacemaking role—to seek achievement of the following goals:

1. Recognition of Israel's existence by her neighbors.

Israel still feels besieged after a generation of existence. In the absence of a political settlement which permits Israel to live in peace within secure and recognized borders, she will remain a garrison state, harassed by terrorism and facing the prospect of recurring wars in which she may succumb one day to superior Arab numbers and arms. Only the formal acceptance of Israel's existence by the Arab states, with international guarantees, can begin to allay her legitimate security fears.

2. Withdrawal of Israel's forces from occupied territories.

Israeli forces should be withdrawn from occupied territories as part of an agreement which guarantees recognition and security to Israel. The negotiation of recognized borders should be considered an intrinsic part of the process of compromise between the parties. Extensive demilitarized zones should be established along the recognized borders and elsewhere as required. Demilitarized zones should be placed under the control of the United Nations Emergency Force. Withdrawals should take place in a series of steps accompanied by reciprocal actions that will help advance normal relations between the former adversaries.

3. Recognition of the Palestinian people.

Israel must recognize the existence of the Palestinian people and assist in enabling them to determine their own future. Self-determination for the Palestinians is perhaps the most complex part of the problem in the Middle East, but without it there can be no permanent settlement.

The procedures under which the Palestinians can express their choices should be established with the assistance of the U.N. The outcome could include a new and independent state; a new state federated with Jordan and/or Israel; and a return of some refugees to Israel.

Palestinian refugees are entitled to a choice of repatriation or compensation for lost lands and property, as reiterated by the UN General Assembly. Within an agreed annual maximum, Israel should agree to receive a number of returning refugees. For most refugees, this course will be neither feasible nor desired. This majority of refugees should receive generous assistance in reestablishing themselves, with financing to come from the world community on the basis of ability to pay.

Jews evicted from their homes in Arab nations since 1947 should be included in the compensatory programs on the same terms as Arab refugees.

4. An important role for the United Nations.

The services of the UN should be utilized to help bridge the negotiating gap between the two sides, to police the cease-fire and supervise the withdrawal of forces, and to promote the conditions of a lasting peace. Among these conditions are the right of free and innocent passage through the area's waterways; the establishment of open borders, travel, trade and diplomatic relations; self-determination for those now lacking a homeland; and establishment of mechanisms for regional cooperation.

In connection with the security of agreed borders, WFUSA and SANE believe that the United Nations Emergency Force. UNEF II, should be established and maintained in demilitarized zones on both sides of such borders. Moreover, UNEF II should be subject to removal only by mutual agreement of the nations involved. (It will be recalled that the "failure" of the UN peace-keeping operation in 1967 was a failure of the mandate under which it operated. The UN was required to withdraw the Force at the request of the host country, and no UN force had been allowed on the other side of the line.)

The UN Emergency Force, and potentially needed reinforcements, should be composed of contingents from nations mutually agreed by the major powers as not representing the major powers or states closely aligned to them. (The problems of composing, operating and reinforcing a UN Emergency Force in the Middle East call attention to the importance of systematically designing the mode of operation of a permanent UN police force, as long called for by the UN Charter.)

UNEF II should be empowered to resist any attack across agreed borders, acting as a "tripwire" until the Security Council can respond under the appropriate provisions of the UN Charter. The prospect that an invader would have to engage significant numbers of UNEF troops representing the world community should be a substantial deterrent to resumption of hostilities.

Disputed provisions of the peace agreements should be referred to binding arbitration by mutually-agreed individuals or institutions, including the World Court.

5. Jerusalem.

The uniquely complex and overlapping religious and national claims to jurisdiction over Jerusalem should be subjected to the same process of compromise as other issues in dispute.

6. Regional Cooperation.

The Middle East possesses the agricultural and mineral resources which could dramatically raise the living standards of all the peoples in the area. However, these resources will not be used effectively until a mechanism for regional cooperation and planning is created by the Arab states and Israel. Such a mechanism should be established with the assistance of the U.N. and serve as the source of projects which can be multilaterally financed.

7. Restrictions on the Arms Trade.

Even before the latest outbreak of war in the Middle East, over $6 billion worth of arms—fully one-eighth of the world total of arms exports—had been imported by the countries of the region between 1961 and 1971. More than half of the arms shipped to the Middle East during that period came from the Soviet Union while almost 30% was shipped by the United States to countries on both sides (a reversal of the superpowers' worldwide totals). All of the recipients were developing nations which have undermined their economic and social velepoment by using resources to amass modern weaponry.

The superpowers as well as other industrialized countries today continue to fuel an arms race in the Middle East.

We therefore call on the United States Government to propose the following measures:

1. An agreement with the Soviet Union, and other arms suppliers, to halt sales and transfers of arms to the Mideast beyond a minimum needed to defend recognized boundaries. This should not exceed a third of average annual arms shipments in the period 1963–73.

2. An agreement with all arms suppliers to reduce their arms exports by a given amount and to channel a share of the savings into multilateral economic and social aid to poorer nations.

3. An effective system of publicity, through the United Nations, to record information on arms exports and imports. This system would help, depending upon the facts, both to assuage suspicions and to pinpoint areas of impending confrontation.

As the world's leading exporter of arms, the United States should improve the climate for these new international arrangements by independently reducing the quantity of weapons shipped abroad, while inviting reciprocity by the Soviet Union.

We are aware that those who seek to preserve the world arms trade or who despair of ever controlling it might respond that a curtailment of this traffic by the big powers will only encourage others to sell weapons or to develop their own arms industry. Perhaps such developments would occur. However, it is difficult to see how less powerful countries could do as much to stimulate arms races in conventional weapons as is now being done by the two nations which have dominated the world arms trade. It is to the United States and the Soviet Union that we look to take the first steps to reduce the traffic in death.

### CONCLUSION

An entire generation of mutual hostility whose roots lie buried in history will not be overcome easily or rapidly. Nevertheless the current negotiations offer the most hopeful opportunity to date to achieve permanent peace in the Middle East. Peace must be based on a complex fabric of new relationships, achieved through compromise and guaranteed by the world community. As elsewhere, there will be no national security for the countries of the Middle East without international security.

Mr. Speaker, I wish to emphasize that there would not be so much heated disagreement regarding the problems of the Middle East were it not for the fact that there are legitimate claims and desires held by various parties to the dispute which, in all too many cases, cannot be satisfied without denying the also legitimate claims and desires of other parties to the conflict.

I commend SANE and the World Federalists USA for their responsible voices of reason in a debate which often has been characterized by confusion and political expediency.

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## BUCK BRISCOE: SUPER SALESMAN FOR ST. MARY'S COUNTY

## HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BAUMAN. Mr. Speaker, all of us who have served in public life meet unusual personalities who are natural leaders of their communities. St. Mary's County, Md., is the "Mother County" of our State, it being the landing place for the first settlers from England.

Perhaps no one citizen of St. Mary's County better typifies the wonderful diversity and appeal of St. Mary's County than does Arthur "Buck" Briscoe.

In recognition of the many years of devoted service that Buck Briscoe has rendered to the citizens of St. Mary's County, I include in the RECORD an article from the December 26, 1973, St. Mary's Beacon, the oldest newspaper in the county:

### BUCK BRISCOE: SUPER SALESMAN FOR ST. MARY'S COUNTY

(By Arch B. Brown)

Approximately 20 years ago, my Associate General Counsel and I decided to take a day off to pay a visit to Southern Maryland—in particular, St. Mary's County.

We already had observed by the maps that this historic county was situated on a peninsula, and that it dead ends. You do not go through it—you go in and turn around to come back again. It is sort of a tourism cul-de-sac. That geographic feature, among others, intensified our interest to visit what even then was referred to as "the land of pleasant living."

I had visited Leonardtown one time before—in the late twenties—when it took a full half-day to drive down in my T-Model Ford, and the other half-day to drive back to Washington. Already, during those prohibition days, I had heard a great deal of conversation and praise concerning what then was considered the famous "Southern Maryland Rye"; and, being a Baptist, and bearing in mind our old adage that "we Baptists do not drink in front of each other," I understandably came alone in search of this highly advertised "nectar of the gods!" But to no avail! I have never known why, except to presuppose that either I had struck a season when the stills were dry, or because all of my contacts unfortunately must have been Baptists!

On this second trip, many years later, the original motivation had materially vanished. The repeal of the 18th Amendment to the Constitution had taken care of that. So, this time my associate and I came to see the county—not to taste it!

And I might interpolate that we made the trip down during the space of an hour, as compared with the previous years when it took my T-Model Ford a half day. What a delightful change! We surveyed the county from Mechanicsville to Point Lookout, together with many other places of interest; and finally we ended up at the Leonardtown Wharf for a late luncheon. This restaurant, among many other sights, especially intrigued us because of its extension over the water.

Probably because of the late hour for luncheon, we were the only guests; and as we were about to take leave for our return to Washington, we looked up from our table to behold what to me appeared to be some sort of an "oddity" in the form of a human being! In comparison with my meagre height of 5 feet 6 inches, quite naturally he impressed me at first glance of being at least 10 feet tall, and he was adorned with a broad-brim hat which, again, at first glance might possibly cover the greater portion of a half-acre of ground; At the base of its crown was a head band bearing the name "St. Mary's County."

Observing that we were out-of-town visitors, he immediately greeted us with sublime cordiality; and not long afterward—perhaps a few seconds—he began to revel over the history, geography and almost sanctity of this area. After so long a time of listening to his tirade, I recall having taken it upon myself to ask him if perchance he was a salesman. His immediate response was: "Yes, a salesman for all of St. Mary's County." And to this day I am convinced that he was—and still is.

During our conversation, he covered the water front, from the Ark and Dove to the present time; and when, inadvertently or otherwise, I announced my intention to retire within a few years, he instantly pulled out all of the stops, and at that moment he practically convinced me that St. Mary's County—and only St. Mary's County—was the one and only place for a retiree to enjoy the environs of a "land of pleasant living."

I returned to my home in Arlington County, and with it I carried a memory of the effectiveness of that most impressive "sales talk" of what I previously had characterized as the "odd man" whose name was Buck Briscoe. I could not escape the conclusion that he had "sold me." And he did.

His enthusiasm was irresistable, particularly with regard to the future progress of the county—and most emphatically, his vision that St. Mary's City some day might be equal to Williamsburg, Va. Then and there, I succumbed to his prophecy, and now I am a proud resident of St. Mary's County; and I have not regretted it for over a period of 10 years. I distinctly recall Buck saying to me that notwithstanding the apparent clannish nature of the natives of St. Mary's County, the wonderful fact was that if a so-called outsider came within its bounds to be "one of them," such outsider would be taken to their bosom as one of their own. I have found this to be true.

Before and after my final residence in the county, I took it unto myself to more thoroughly investigate the background of this most interesting man whom I previously had characterized an "oddity;" but before making an exposition of my findings, I should like to emphasize that it has been the result of my independent study, and not from Buck Briscoe. I say this, because he is known to have said that "a man's reputation is a bubble which bursts when he tries to blow it up for himself." I have interviewed virtually hundreds of persons, both in and out of the county, and have reviewed much material publicized by this man; and, to my amazement, this is what I now am ready to report:

Arthur L. (Buck) Briscoe is a man you can hardly miss seeing in a crowd. Tall, hulking with ruggedly handsome features, he in most instances is adorned by upswept hats which set him out as a striking character. But that is only his personal appearance. Talking to him, his commanding presence, fog horn voice, and cordial manner swiftly make themselves felt. He has a disarming candor which is a part of his charm. Most people listen when he talks.

In Southern Maryland everyone knows him well, and thousands of people throughout the East are acquainted with him, either personally or by reputation. We have a number of "Bucks" in the county, but if in a conversation you were to refer to "Buck" without adding his surname, the chances are that the person to whom you are speaking would know you were referring to Arthur Briscoe. Few persons can pour beauty, enthusiasm and significance into a chat, a speech or a letter like Buck can. He can bore through a crust of indifference as easily as he can spear an olive in a martini!

What few people know is that Buck Briscoe, now a kind of a "dollar-a-year-man" with the St. Mary's County Economic Development Commission, once was a successful three-Cadillac, suite-in-the-Waldorf businessman in New York, and an intimate of some of the most famous and notorious figures on the New York scene. Names like Kate Smith, Anastasia, Dwight D. Eisenhower, Lyndon B. Johnson, and many, many others—Senators, Governors and Congressmen—roll off of his tongue with authenticity.

He is a free soul; that's for sure. In the mid-40s he freed himself from the golden shackles of business responsibility. Then is when he happily returned to the county from New York where he had built a one million dollar marine welding business. Prior to that he had operated a burial vault business in Baltimore, which was forced to liquidate when steel grew scarce during World War I.

When he turned his back on his business career and returned to the county, his thoughts naturally reverted to his younger days when he vainly sought a job in his own neighborhood. The lack of opportunities for enterprising youth bothered him. He determined to do all in his power to help establish jobs and a higher standard of living for St. Mary's countians. To these aims, he has dedicated his life with devoted vigor and with much success.

Buck Briscoe! People fondly call him a one-man public relations agency, a human dynamo, Mr. St. Mary's County, Father of the Mother County of Maryland, and St. Mary's fairy godfather! Certainly, whatever he is called, his name in his own lifetime has become a legend of high accomplishment. The county is his stage, and the entire country is his audience!

A realist probably would say that St. Mary's County has no more nor no less to offer tourists than many other Maryland counties. But whatever it has, Briscoe never lets the public forget it; and he never ceases placing its name in print, on the air, in the newspapers and on television. He has made presentations of St. Mary's County bred turkeys and succulent seafood to Presidents at the White House around Christmas time.

Moreover, through his efforts, arrangements were made to serve the unique St. Mary's County stuffed ham in the dining room of the Maryland pavilion at the New York World's Fair. This, as well as county oysters, crabs, clams and the accompanying literature, brought the country home to visitors from all over the nation. Publicity of these events not only reached people in the United States, but coverage likewise was given in European papers.

And, in this connection, the Washington Sunday Star of June 14, 1964, referring to Briscoe, stated: "With his staff of one valiant secretary, he (Buck) can thump a tub loud enough to be heard from Leonardtown to New York, and even beyond. In fact, he is trying to out-shout New York right now!"

And on Jan. 8, 1959, in an editorial appearing in the St. Mary's County Enterprise, it was pointed out: "The efforts of Buck and his committee should not be underestimated for a second. St. Mary's is unbelievably lucky to have a man who will do so much for so little." And in the Baltimore American of July 3, 1960, writer Tom Cofield emphasized:

"St. Mary's County and its recreational facilities have been broadcast across the nation in national magazine articles, direct mail by the tens of thousands and by that most valuable of all recommendations, word of mouth from those who sampled Briscoe's wares. Our hat is doffed to Briscoe. The state needs a dozen more like him."

I have been told that St. Mary's County has only in recent years begun to emerge from a cocoon which had wrapped it in a silken isolation from the near-by tension ridden, highly populated areas. Buck still recognizes that many of the old time countains are still yesterday's people, fiercely proud individuals who tend to avoid outsiders, but who, nevertheless, are inherently courteous and hospitable when approached by strangers. Consequently, his aim has been two-fold.

One prong is designed to "sell" the county with its vast resources to outsiders. The other prong encourages local people to put their best foot forward in making the county even more attractive and palatable, so that those who come will return and bring their friends or, perhaps, stay to live here.

Buck's magic personality and his intensive energy, projected through public communication channels and personal appearances before many clubs and organizations and at national events have opened a profitable door for the county. Proprietors of local restaurants, motels, marinas, fishing areas, drug, food, and other stores, in fact all local business and professional interests, are indebted to him and his colleagues for bringing greater prosperity to the county.

And so on and on and on! These are only a few personal glimpses of a personality we all should appreciate, respect—and even love. Based upon my observations, I have become convinced beyond a shadow of doubt that Briscoe is a genius when it comes to selling the virtues of St. Mary's County, and without him St. Mary's County most probably would be a name on a road map, a place in which travelers might get lost if they took a wrong turn off of U.S. Highway 301. I know, because hundreds of persons have told me so!

On Nov. 22, 1965, a testament of sturdy respect and the candid eloquence of high praise were accorded to Arthur Briscoe by the Rotary Club of St. Mary's county—a club within which I proudly enjoy membership—at a heart-warming luncheon held at Sunset Manor in Lexington Park. It was a thrilling ceremony which draped well merited honors around the shoulders of a gentleman who for many years had raised an exciting and compelling voice on behalf of the county—a voice which has been heeded by thousands of people around the country, especially in the East.

The lunch room was crowded with distinguished guests representing the executive and legislative branches of county government, the professions, business and civic organizations. Tributes were given to St. Mary's verbal virtuoso by countless leaders; and a telegram from Governor Tawes expressed a personal accolade to Buck for being a solid, talented and esteemed citizen who has done more to publicize the virtue of St. Mary's County and Southern Maryland among strangers, potential visitors and residents, and eminent national leaders than any other person for the work that Buck has done as an emissary of the county to the public at large; and at that time the Rotary Club accorded him the honorary title of "Mr. St. Mary's County." The Club then concluded by formulating a "Testimonial of Appreciation," which I believe deserves publication. It read as follows:

"To a man who speaks and writes eloquently, enthusiastically, and impressively about St. Mary's County, about its beauty, its potentials for industry, and its passion for successful and happy living.

"To a man whose imagination, vision, and drive have earned wide acclaim as an influential ambassador of local people to the public at large, a long sustained activity which has brought material and spiritual growth to the county.

"To a man who lives abundantly in the realm of brotherly and whole-hearted devotion to the far-flung interests of St. Mary's County and who is vigorous in expressing his splendid views in varied and interesting ways through public communication media, organizations, and national events.

"To a man who has done more than any other individual to reveal the magic of the county to strangers.

"To a man whose guidance, leadership, eloquence, and gift of friendship we respect and cherish."

During my early days I had an aspiration to become a minister of the Gospel instead of being an attorney. Perhaps because of this background, I have constantly reminded myself of that great Biblical command: "Let your light so shine before men, that they may see your good works." This I believe Buck Briscoe has been doing—not only for himself, but for the wonderful county within which he so proudy resides. And I am further convinced that he will continue to do so until the day he is lowered into his grave.

Notwithstanding the foregoing, which has been a great delight for me to partially narrate, recent events have compelled me to conclude with a sad and disappointing ending.

For the last two years Buck Briscoe and his very capable secretary have been occupying space on the second floor of the First National Bank in Leonardtown at a very nominal rent. Each of them have been supplied a room, elegantly furnished, with walls clad with many interesting testimonials and numerous autographed photographs of persons from Presidents on down. Such an environ no doubt has had a most favorable effect upon persons from areas far and near who come here to confer with the county's outstanding public relations officer. The attractiveness of the bank itself, its well designed lobby and modern equipment all contribute to the enhancement of his office.

Recently, however, it is understood that the St. Mary's County Commissioners has decided to remove Buck and his staff from these presentable quarters to a small opening in the wall at the rear of the Leonard Hall School in a location almost impossible to find—a single-room office not much larger than an ordinary broom closet—and certainly not of a calibre to impress the many visitors who come to the county. Such an improvident act on the part of the commissioners would appear tantamount to thrusting a wet mop into the face of one of our most outstanding citizens! Scores of persons join me in this view.

As of this date, I have been unable to ascertain the reason for such a move. Certainly, it cannot be expenses, because, as previously stated, the rental charged by the bank is unbelievably low. It is manifest that a man of the stature of Arthur L. Briscoe, and in appreciation for all he has done for the county, most assuredly is entitled to quarters equal to the dignity of his position and operations. His office, by its very nature, should equal many of the newly furnished offices in the Courthouse.

In the light of this unwarranted gesture on the part of our officials, it is believed incumbent upon every citizen in the county to come forth in vigorous protest against the removal of a man whose light has shown among men to a location where his light no longer can be seen.

We must also remember that Buck Briscoe is no longer a young man; and it is most unlikely that the county will ever again find his equal. So let us show him our appreciation now—at least by furnishing him with office quarters commensurate with the status of his activities.

## HOPI SILVERWORK

### HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. RHODES. Mr. Speaker, the Hopi Indians of Arizona produce some of the most exquisite silverwork in the world. I would like to call to the attention of my colleagues a special television program which tells the story of one of these artisans in silver, and reviews the life-style of the Hopis today.

Produced by KAET–TV at Arizona State University, the film is entitled "Loloma" and concerns the work of a noted creator of contemporary silver jewelry, Charles Loloma. It was filmed on the Hopi Indian Reservation in northeastern Arizona. Loloma is noted as one of today's leading Indian craftsmen, working in the traditional Spanish motif, and incorporating the art of the very earliest periods for his trend-setting jewelry. The program is a fascinating story about a little-known art that is centures old.

Loloma will be aired at 10 p.m. April 1 on WETA Channel 26 in Washington, and again at 3 p.m. on Saturday, April 6 on the same channel.

This is the first nationwide showing of a KAET film. I am proud of the university's versatile and talented TV department for making this presentation. I am hopeful that many of my colleagues will find time to see this graphic presentation of an historic craft, and the way of life of the Hopi Indians of Arizona.

## INACTION ON INFLATION

### HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BINGHAM. Mr. Speaker, last week I argued that the mess the administration has made of wage-price controls does not provide the Congress with an excuse to take no action against inflation.

The following editorial from the New York Times of March 22, makes the point more eloquently:

INACTION ON INFLATION

For American consumers, it is slaughter at the checkout counters and the gasoline pumps. Food and fuel prices soared again in February, giving another big thrust to skyrocketing consumer prices. With last month's increase of 1.3 per cent, the cost of living has climbed 10 per cent in the past twelve months—the first double-digit rate of inflation in consumer prices since 1948. As a result, the real spendable income of workers has dropped 4.5 per cent below a year ago.

In the midst of this dangerous inflation, national economic policy appears paralyzed. Partly, this is because the speed-up of inflation is taking place while production is dropping and unemployment edging up. Policymakers are afraid to tighten fiscal and monetary policy, lest they exacerbate the recession that President Nixon has declared is not going to happen. Their liberal critics, in fact, are urging the Administration to provide at least moderate fiscal stimulus to the economy. Without stimulus, these critics warn, the hoped-for recovery in the second half of 1974 may never occur. But the Administration rejects this course, out of fear that it would worsen the inflation. Chairman Stein of the President's Council of Economic Advisers, notes that though 63 per cent of the February price increase was in the food and energy areas, inflation in other areas was also substantial, and hence, "great caution is needed about measures . . . to stimulate the economy."

The Administration, having convinced itself that price-wage controls only make a bad situation worse—a point on which it needed little convincing—has no intention of trying controls again. The existing stabilization program is in process of rapid disintegration ahead of its formal April 30 expiration date. The Administration seemingly wants to retain mandatory controls only on fuel and health services, with a residue of jawboning and gentlemen's agreements in construction and a few other fields, in line with the prescription of Director Dunlop of the Cost of Living Council.

Faced with the failure of past policies, some economists—including such conservatives as Milton Friedman and the economists of the State Street Bank and Trust of Boston—are saying that if we can't lick inflation, we should join it: that is, adjust interest rates, wages, rents, contracts, and so on to reduce inflation's impact on any group in the society. What the conservatives fear is that the effort to halt inflation will involve an increase in government power over the economy sufficient to wreck the free-enterprise system.

This represents a counsel of despair. There is real danger that "indexing" all incomes so that they go up or down with the price level would cause inflation to accelerate or simply become a way of life, a senseless merry-go-round that distorts decision-making and misuses resources.

The beginning of a program to stop inflation requires an act of will by Government in coping with complex problems, rather than the present soggy mood, aggravated by a Watergate-logged President, in which nothing can be done. It is by no means impossible to devise a combination of fiscal measures to tax away windfall gains of some industries, especially oil, while providing some relief for working people, whose real incomes have been undermined by inflation. Such action may indeed be essential to prevent a wage explosion when controls lapse. The mess the Administration made of controls does not mean that such messes are inevitable. It is up to Congress to step into the vacuum left by White House inaction and impotence.

## COMPETITION FOR THE OIL INDUSTRY

### HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. WALDIE. Mr. Speaker, earlier this year I proposed legislation calling for the creation of a TVA-type public corporation to explore, produce, refine, and market petroluem products on federally controlled lands.

The basis for this proposal was to create a viable competitor for the multinational oil corporations which I believe have a hammerlock on the American consumer.

Mr. Speaker, in support of such a proposal are such advocates as the Consumer Federation of America and its Energy Policy Task Force Chairman, Lee C. White, former Chairman of the Federal Power Commission.

Mr. White recently wrote of this proposal in the Los Angeles Times.

The article, one of the most informative on the subject, follows:

A TVA-TYPE COMPETITOR FOR PETROLEUM INDUSTRY

(By Lee C. White)

The Tennessee Valley Authority, launched 40 years ago, has demonstrated that the federal government can operate efficiently in the energy field without destroying or weakening private enterprise in that industry. This country needs a counterpart of the TVA in finding, producing and managing oil and gas deposits on behalf of the people who own them. It is an idea whose time has come.

Geologists believe that 60% to 75% of all oil and gas yet to be discovered in the United States is on publicly owned land. There is no reason why at least part of the valuable resources should not be discovered and developed by a government corporation for use by their owners—the citizens.

Until now, the government has permitted privately owned corporations to exploit these resources by bidding for the right to go on public lands and explore for petroleum. Less than 5% of the petroleum areas on public lands has been thus leased.

Unfortunately, the administration of this program has been wretched. Leases requiring prompt development have been so loosely enforced that in the Gulf of Mexico there are tracts for which bidders paid the government more than $750 million, but from which not a drop of fuel has been marketed even though oil and gas in commercial quantities have been found.

A Federal Oil and Gas Corp., while no panacea, would make a signficant contribution to easing our basic and continuing energy problem. Nor is the idea as novel as it seems: The United States is the only major industrial nation that leaves all the handling of petroleum to privately owned corporations, whose management must be responsive to stockholder, as distinguished from national, priorities.

A Federal Oil and Gas Corp., as proposed in pending legislation, would:

Explore for and develop petroleum resources to meet national needs, not to maximize profits.

Develop and use the most advanced methods to minimize damage to the environment in all phases of the petroleum process.

Provide, for the first time in our history, complete and accurate information for public and government on the costs of producing oil and gas, as well as other data on the petroleum business.

Manage discovered reserves to reduce U.S. reliance on foreign petroleum sources.

Sell petroleum in a way that insures that a fair share goes to independent refiners and distributors, thus promoting a truly competitive industry.

Provide a competitive spur to the privately owned oil industry.

There was comparatively little need to consider major alternatives to our privately operated petroleum industry as long as the country's needs were being met. However, when things go wrong, as they obviously have recently, the system must be reexamined.

The advantages of a government oil corporation are many. Energy shortages may exist for decades. In this situation, there should be an energy-producing organization motivated not by profits, but by national needs. There is nothing inherently wrong with the profit incentive, but where the product is as essential to national well-being and security as energy, at least part of the country's effort to provide it ought to be motivated by America's security, and the needs of the public.

Environmentally, a government corporation would help assure that trimming or delaying our goals is done in the most acceptable way. Residents along the Atlantic and Pacific coasts, where offshore drilling probably will be stepped up, should have more confidence in the operations of a public corporation required by law to use the most advanced protective techniques than in those of a profit-making oil company.

Protecting independents in the oil business could be insured by requiring the federal corporation to allocate a fair share of its crude oil to them. Private companies naturally find it difficult to do this themselves. As one oil executive said: "There's no place in our corporate charter, the Constitution, the law, or the Bible where it says we majors must protect and preserve our competitors." He's probably right, but Congress ought to change things so the independents can stay in business as competitors of the majors.

There undoubtedly will be opposition from the oil industry to the proposed government corporation. But the industry ought to welcome the competition and the chance to show it can do a better job than a government agency. This competitive spur to the oil industry may be the best feature of a government oil corporation.

Objections include the assertion that the Postal Service and Amtrak do not augur well for another big government corporation. Apart from the merits of that argument, the TVA is a closer analogy. Though still somewhat controversial, TVA has long since ended any dispute over its electric generating operations. It is among the country's leaders, and has worked harmoniously with private, municipal, and cooperatively owned utilities. The Bonneville Power Administration is another example of an efficient energy agency run by government. I am confident that a federal oil corporation could be as successful as TVA and Bonneville.

Nor would such a public corporation be the first step toward nationalizing the oil industry, any more than TVA meant the end of the private electric utility industry as predicted by some in the 1930s.

No one can claim that creation of a Federal Oil and Gas Corp. is the single, dramatic solution to this country's energy needs for the next 20 years. But I think it is a minimal step that should be taken without delay.

We can no longer permit ourselves to be totally dependent for basic energy supplies on private industry that has failed to develop our resources in a way that meets national needs and protects consumers.

## AN EVOLVING VIEW

## HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. ANDERSON of Illinois. Mr. Speaker, in a recent newsletter to his constituents, our distinguished colleague from New York (Mr. Conable) thoughtfully discussed the question of public financing of elections. He explains that his views have evolved on this issue and that despite strong disagreement with the total public finance approach adopted by the Senate bill, he now finds considerable merit in the mixed public/private financing mechanism embodied in the Clean Elections Act—a bill sponsored by myself, Mr. Udall, and almost 150 other Members of the House. Because this issue is so timely, I believe that all of my colleagues will be interested in Barber's thinking on this subject and, therefore, ask that the text of his newsletter be included at this point in the Record:

### An Evolving View

Washington, March 20.—When you're not in the majority party in a legislative body, like me, and therefore don't have much control of the process of generating legislation, many of the proposals you have to vote on are not in the form you would have chosen if you were legislating all by yourself. The result is that sometimes you find yourself opposing something you may support in principle because you object to the manner in which it is presented or the details with which it is encumbered. When it appears in a different form, you find your resistance was not to the idea itself but to less basic concerns, and your thinking about the subject evolves. So it has been with me about the public financing of elections.

The big problem with this election financing approach to date has been the crazy version the Senate sent us, which some elements in the Congress are still pushing. This public financing bill would have made very large sums of money available from the public treasury (that is, from the taxpayers) to all candidates for federal office, with very few strings attached. Thus a candidate for Congress would have been able to draw $90,000 when qualified, regardless of historical necessity, other possible sources of funds or the number of candidates seeking the office, and with uncertain accountability for the manner in which the funds are spent. Well, I've decided that we shouldn't judge public financing by this measure, and on looking around I find there is at least one other proposal which is not only sensible but quite possibly politically acceptable to the public.

I am referring to the Udall-Anderson Bill, which contains a limited form of public financing. In the part of the bill relating to congressional elections, a candidate must raise $1,000 in political contributions of $50 or less to qualify for public money. The Treasury will then match all contributions of $50 or less, up to a total of about $30,000. Many other limitations on spending, and a single contribution limitation of $1,000 to a congressional candidate are included in this bill, the details of which I will not describe here since the important point I want to make about this bill is the emphasis it puts on public financing.

First of all, nobody qualifies for public money just because he is running for federal office. Next, the formula doubles the influence of the small donors in the candidate's funding effort by the matching grant out of the Treasury for small donations: this should go a long way to reduce the influence of the fat cats. And last, coupled with reasonable limits on spending, it should greatly increase the parity between challenger and incumbent and thus the viability of the choice offered the voter. It has usually been the incumbent who has been able to control the large donations in the past.

The President has made some worthwhile election reform recommendations during the past week, but has not supported public financing. Despite the Watergate concerns, he pointed out Congress has dawdled in moving bills that could improve the electoral situation. I hope the Udall-Anderson Bill will become the catalyst that will get us going before it is too late for changing this year's election process. There are no panaceas for our election difficulties, or for any other difficulties besetting the country, but if we keep an open mind and let our views evolve we should be able to prove that our system is capable of internally generated reform.

## AMNESTY

## HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BOB WILSON. Mr. Speaker, as a result of the Judiciary Committee's hearings on amnesty, I am sure that many Members are receiving a considerable volume of mail on this subject, both pro and con. This is an issue which stirs strong emotions on both sides of the fence, but I was particularly impressed by the letter I recently received from a Navy hospital corpsman who served in Vietnam. I would like to share this letter with my House colleagues and commend it to their thoughtful review and consideration.

The letter follows:

March 16, 1974.

Hon. Bob Wilson,
*House of Representatives,*
*Washington, D.C.*

Congressman Wilson: I have read recently in the newspaper and seen on T.V. that Congress is considering giving a blanket amnesty to draft dodgers. I am throughly against this as, a Viet Nam veteran and a career Navy man. I am a U.S. Navy Hospital Corpsman and served with the U.S. Marines in Viet Nam as a company aidman and saw many of my friends either killed or maimed for life. I was twice wounded myself. Though none of us wanted to be in a war we served our country because we were ordered to and because we thought it our duty to do so. But while my friends and I and countless thousands of other young men were serving our country, these draft dodgers were sitting up in Canada living off the fat of land so they wouldn't have to go to Viet Nam. All of us who served in Viet Nam left some of our blood, sweat, & tears there. Quite a few of us left our buddies there also.

I believe these draft dodgers should be punished in some way, not necessarily put in prison, but put into some sort of service to the country for the same period of time that an enlistment in one of the Armed Forces would be. If all of these same people would want to join one of the services then I feel they should also be given that chance. I do not believe they should be let off "scott free". I feel these people are guilty of cheating the country as someone who evades paying their income taxes.

I just hope and pray the Congress will carefully weigh the different sides to this issue, I know it is a very touchy one.

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## SCIENTISTS COULD NOT FIND AN AUDIENCE FOR OIL FORECASTS

### HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. HUBER. Mr. Speaker, predictably there have been many outcries about the energy crisis because it appeared to come upon us so suddenly. However, it is also true that no one likes to hear bad news and when the experts in the energy field were saying some years ago that we were going to encounter shortages, few persons listened. A story that recently appeared in the Royal Oak Tribune on March 19, 1974, tells of the frustrations of one of these experts in attempting to get his story across.

The article, which follows, I think my colleagues will find edifying:

### SCIENTISTS COULDN'T FIND AUDIENCE FOR OIL FORECASTS

(By John Heritage)

The fickleness of public opinion and the malleability of energy facts are dramatically illustrated by geologist M. King Hubbert's decades-long battle to find an audience for his oil shortage forecasts.

No one listened when he foretold today's shortages. Will we listen now to his forecasts of graver shortages tomorrow?

The peaks and valleys in Hubbert's oil and gas production curves reflect a tough fact of life in energy affairs: The black gold that has powered the drive to unprecedented affluence and industrial power will only be a "blip" in U.S. and world history. In about 30 years American oil will cease to be a major energy source, and in 50 years the world's supply will have run its course, according to the Hubbert projections. The evidence indicates a similar short life span for natural gas.

Hubbert argues that the highly touted Alaskan oil field will only slow the downward U.S. supply trend and that a frequently predicted oil bonanza in the Atlantic Ocean off the American east coast is mere speculation. While Hubbert once favored nuclear energy as the long-term alternative energy supply, he has been increasingly concerned about its environmental and health dangers. He now thinks solar energy has a greater potential.

#### PREDICTION

It was at an American Petroleum Institute symposium nearly 18 years ago that geologist Hubbert began to warn finite natural reserves would force domestic U.S. oil production into a permanent, inexorable downturn by the late 1960's. The oil-supply decline would raise "grave policy questions with regard to the future of the petroleum industry," Hubbert argued. The Shell Oil Company, then Hubbert's employer, deleted the warning from the scientist's paper when the conference proceedings were published.

In a 1962 special National Academy of Sciences report to President Kennedy, Hubbert again projected the end of the era of bountiful American oil and urged the development of a new energy supply base. Initially, only 500 copies of the committee report were printed. The public and political impact was as tiny as the ripples from a pebble thrown into a pond.

Throughout the last decade, Hubbert's predictions were continually overshadowed by much more optimistic reports from the Government's chief energy resource advisory agency, the U.S. Geological Survey. While Hubbert was estimating that recoverable U.S. crude oil reserves in the lower 48 states would ultimately total about 170 billion barrels, published survey estimates including specific circulars and reports in 1962, 1967, and 1972, were ranging from 400 billion barrels up. The enormous projection gap has been due mostly to different analytical techniques and to heavy reliance by the U.S. Geological Survey on the assumption that human ingenuity would find a way to tap hard-to-develop oil deposits.

#### BIG GAP

Hubbert, who joined the Geologic Survey in 1965, thinks the rosy energy projections and the country's willing acceptance of them have been strongly influenced by an almost fantastic faith in the inexhaustibility of natural resources. As long as Texas and Louisiana oil was flowing into the U.S. economy at ever-increasing rates, it was easy to believe that a magic horn of plenty had been tapped.

Statistics now indicate that the historic turning point for production of U.S. oil was reached in 1970, two years later than the Hubbert forecast. In the January issue of the "Oil and Gas Journal" a chart shows the production level climbing year after year until that date, then beginning an ominous swing downward.

With the satisfaction of a man who has seen events catch up with his forecasts, Hubbert wryly notes that soaring oil prices and empty gas tanks have finally produced a willing audience. He now is on a nationwide lecture tour that has included a recent session before top financial experts from some of the largest banks and oil firms headquartered in New York.

The ending to the story of Hubbert's forecasts is unknown, however. The unsettled question is whether the profound lessons in the scientist's mathematical curves will permanently improve U.S. energy understanding and planning, or quickly be forgotten as soon as the flow of Arabian oil is restored.

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## JULIA BUTLER HANSEN

### HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. REES. Mr. Speaker, I was surprised and saddened to learn that our colleague, JULIA BUTLER HANSEN, has decided to retire after a distinguished career of service to her State and her country. While I wish that JULIA would reconsider, I can well understand her desire to return to her home for a well-deserved period of rest and relaxation.

All of us appreciate the leadership she has shown in dealing with our environmental problems, especially her concern for the development of our national parks and forests.

JULIA, we will all miss you. You have given to all of us a high standard of service we hope we can emulate.

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## FOOD STAMP RULES NEED REVISION

### HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. CHAMBERLAIN. Mr. Speaker, while the Federal food stamp program offers assistance and increased purchasing power to persons in need, it appears that some may be taking advantage of this program. It was my understanding when we enacted this legislation that food stamps would be provided to the needy, for those who may suddenly be unemployed, for the handicapped, for those with low income, who, for some unfortunate reason, find it difficult to get work. The use of food stamps by students who are voluntarily unemployed while attending school, rather than accepting employment, raises the question whether such assistance is welfare or aid to education. A recent editorial in the Lansing State Journal suggests that a distinction must be made between welfare and student aid, for if the food stamp program is to be extended as a student aid program, the costs would be astronomical, and could, in fact, jeopardize funds available to those with more compelling need. I would ask, Mr. Speaker, that the editorial of March 20 be included in the RECORD.

The editorial follows:

### FOOD STAMP RULES NEED REVISION

When the first federal food stamp appropriations were approved more than a decade ago it appears clear that the intent of Congress was to provide emergency aid to those in a poverty condition because of circumstances beyond their control.

This, of course, included a broad spectrum of situations including persons who are unemployed for a number of reasons and unable to get work, the physically handicapped, the elderly on low incomes, the sick and so forth. Now, the food stamp program has become a big thing with thousands of college students who are eligible under the heading of low income.

Congress has tried to change this situation to make it clear that students who are being subsidized by parents or guardians or have other sources of income should not be eligible for this welfare aid. Supreme Court decisions have nullified the congressional intent.

But questions need to be asked if it is morally and ethically right for students who voluntarily go to college, who presumably are physically capable of self-support, and indeed many who are being subsidized heavily, should be on the dole.

The eligibility issue is complex and officials in charge of selling the stamps stress that it is extremely difficult to determine if many students getting the stamps are ineligible because of other income or because they are claimed as dependents by another person.

Questions need to be asked about many students who graduate from high school, go to work instead of college but are not eligible for this type of aid. No doubt many students working their way through college—on their own—can use this help. But it is apparent that many others are probably riding the gravy train at taxpayers expense.

We agree with U.S. Rep. Philip Ruppe, R-Mich., that the eligibility rules for students should be tightened and this would best be accomplished by a direct student aid program rather than co-mingling it with a welfare program.

## TAX RELIEF TO LOW AND MODERATE INCOME TAXPAYERS

## HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. FORD. Mr. Speaker, today I join my distinguished colleague, the gentleman from Wisconsin (Mr. REUSS) in the cosponsorship of a bill designed to provide payroll and income tax relief to low- and moderate-income taxpayers.

Mr. Speaker, this legislation is badly needed. Under the Nixon administration's tax policies, families with incomes of $15,000 or less have steadily lost ground. It has recently been brought to our attention that 402 Americans with 1972 incomes of over $100,000 paid no Federal income tax at all for that year.

This does not surprise me, however, because the administration's tax policies encourage loopholes and tax shelters that are designed to benefit the very wealthy citizens of this country and the large corporations making record profits—particularly the oil interests.

Mr. Speaker, tax reform is badly needed in this great country and strange as it may seem the President has given us our best case for tax reform this year.

Recently, the President has disclosed his personal income tax records. These figures have outraged the public, and I can see why. Since Mr. Nixon took office he has paid only 7 percent of his total Federal income tax. In 1970 the President paid only $792.81 in Federal taxes, in 1971 he only paid $878.03 in Federal taxes and in 1973 he paid $4,298.17 These figures came to less than three-tenths of 1 percent of his annual income of more than $260,000. By contrast a worker with a wife and two children making $10,000 a year must pay a tax of $905—more than 9 percent of their annual income.

I ask, how can a man with such great wealth pay so little in taxes?

The people are asking the same question and they deserve an answer. I am happy to see that this great body has set up a Joint Internal Revenue Committee that is investigating Mr. Nixon's tax disclosures.

Mr. Speaker we must have tax reform that will close the loopholes, destroy the tax shelters, and lift the tax burden on the working people of this country by sharing it more equally with big business and our very wealthy citizens. In the past I have supported tax reform legislation that would achieve these ends, the legislation I have cosponsored today will further those causes.

Statistics show us that the income shares-percentage of pre-tax total income of poor and middle-income families increased while the share of the richest one-fifth declined. When President Nixon took office in 1969, the trend reversed. By 1972, according to the most recent census figures, over $8 billion had been shifted from the bottom three-fifths of American families to the richest one-fifth.

While the real income of the poorest one-fifth has been boosted through Federal programs such as food stamps, housing subsidies, and medicaid, the next lowest two-fifths suffer because they are generally not eligible for these programs. President Nixon's minimum guaranteed income proposal would not benefit middle-income families. These families are the hardest hit by inflation. They spend a higher portion of their income on basic necessities than do the wealthy, the soaring cost of feed, fuel, and housing takes a heavy toll on their real income.

Middle-income families are now bearing the brunt of the only general tax increase of the last 5 years. On January 1, 1973, the social security rate was increased from 5.2 to 5.85 percent, and wage base which the tax was computed on raised from $9,000 to $10,800. On January 1, 1974, the wage base was raised again from $10,000 to $13,200. For example, a family earning $12,000 a year in 1972 paid a payroll tax of $624. Today, the same family pays $702. That is a 12.5-percent increase over a 15-month period.

I have previously cosponsored legislation to reduce the social security payroll tax by nearly one-third for low- and middle-income taxpayers. This reduction would be achieved by increasing the taxable wage base from $13,200 to $25,000 and by providing for a three-way split of payroll tax among employers, employees, and the Federal Government.

As a result of these tax increases and inflation, statistics show us that real spendable weekly wages have declined 2.8 percent during the first 9 months of 1973.

This bill would give approximately $10 billion in tax relief to low- and middle-income taxpayers. The cost of the program would be offset by plugging loopholes such as the foreign oil tax laws; the failure to tax capital gains at death which benefits the wealthy, and hobby farm tax writeoffs which bid up farmland prices. The closing of these loopholes is desirable for both equity and the elimination of economic inefficiency. By raising the wage base on which the payroll tax is computed to $20,000, $5.7 billion in additional revenues could be provided.

We must have a sound economy. Statistics show us spendable income and production are down. That bad news coupled with evidence that Americans are in hock to the highest interest rates and largest consumer debt ever tells us that consumer demand must be expanded if we are to avoid a recession. Unless we can give the average wage earner who has been left behind by rising prices a reason to moderate his demands for a wage increase, we face increased cost inflation.

This legislation deals effectively with the problems I have just mentioned and provides for relief where it is needed most.

## LIFE BEGINS AT 70—NOT REALLY, BUT * * *

## HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to refer my colleagues to an article which appeared in a recent edition of the Boston Sunday Globe. The subject of the article is Mr. Charlie O'Donnell of Lynn, Mass., who is one of the closest friends that our Nation's senior citizens will ever have.

Mr. O'Donnell has long been a familiar figure in the Massachusetts State House, where for nearly 48 years he has stalked the corridors tirelessly, in behalf of the elderly. Many times, Charles O'Donnell has come to Washington at his own expense, in a selfless battle to assure proper recognition for our country's older generation.

I worked closely with Mr. O'Donnell in the Massachusetts State Legislature, and I know him to be one of God's great nobleman to the world. Mr. Speaker, today I wish to honor with my colleagues in the House of Representatives and all those who read the CONGRESSIONAL RECORD, Charlie O'Donnell and the outstanding work that he has so dutifully performed over the years.

### LIFE BEGIN AT 70? NOT REALLY, BUT . . .

(By Mary Sarah King)

Retiring? Don't fret! Now you can be master of your own destiny—without a boss, or another's drive forcing you to dance to his tune.

Three people who have found the thrill a decelerated pace can give them are Charlie O'Donnell of Lynn, 83; Ted Andrews of Wellsley Hills, 77, and Sam Messina of Roslindale, 73.

And all agree in their so-called "retirement" they expend as much, if not more, energy and effort as they did working full time for pay.

O'Donnell and his cigar are inseparable. So is his identity with the elderly. For nearly 48 years, he's been stalking State House corridors in behalf of the older generations. Once, he recalled, he slept through the night on a bench in the State House lobby to debate a bill to increase old age assistance.

The session lasted 32 hours and they kept moving the clock calling it a "legislative day," he said. "Finally, the late Gov. Herter, then speaker of the house got off the rostrum and urged passage of the bill over Gov. Leverett Saltonstall's veto."

O'Donnell insists that those on Social Security still "aren't getting enough" to maintain a standard of living "compatible with the American way." Even the recent increase, in his estimation, is not near enough to his "fair figure" of $300 monthly for a single person.

It's a far cry though, from the monthly dole to the elderly in the early 1930s, when the administration of old age assistance was under the jurisdiction of the cities and towns.

If a recipient wasn't satisfied and appealed the local board's decision and O'Donnell thought it was a legitimate complaint, he'd represent him—"and we won in over half the cases," he said.

There were many suicides among old people in those days—"they just couldn't take it," he said and told of how too many ended up in poor houses.

In 1926, O'Donnell founded the Massachusetts Society for Old Age Pensions, which later was incorporated as "The Senior Citizens and Associates of America." He's still executive director and first vice president.

His slogan, "Too Old to Work—Too Young to Die" appears on the cover of his book: "Humanitarian Land" in which he records the beginning and progress of the elderly's battle for recognition.

He believes that too many groups today "are riding on the backs of the aging and getting government grants." His suggestion is to "do away with the grants, 75 percent of them go for salaries anyway, and give the money to the aged where it belongs."

He cherishes a tattered letter of thanks dated July 16, 1930 and signed by Franklin D. Roosevelt, then governor of New York, which notes: "There is no question in my mind that unemployment insurance will be an important factor in the life of the coming generation."

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## WILLA BENGE AND "BLACK ON BLACK"

## HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. STOKES. Mr. Speaker, today I wish to salute one of Cleveland's most dynamic television personalities.

For 5 years now, Willa Benge has made WEWS' "Black on Black" an event of great vitality and importance for the black community, indeed for the whole community of Cleveland. She is an aggressive interviewer, with an excellent grasp of issues crucial to the community. Her questions are always incisive and her guests yield their most.

"Black on Black" has presented programs on such topics as black militancy on campus, black education, black nationalism, and the black man in the white media. There have been programs on politics—"Prince or Pawn," "The Role of the Black Woman," "The Invisible Woman," A prime time entertainment special was devoted to "Christmas and the Black Experience."

Panel guests appearing on the program have included national and international, as well as local, figures: white and black, social workers, politicians, businessmen. Facing a panel of knowledgeable newsmen from the black community, in sessions entirely unrehearsed, "Black on Black" has established itself as an outstanding piece of public service broadcasting.

"Black on Black" has entered its 6th year of service on the air. With the creative energies of Willa Benge at the helm, I am certain that "Black on Black" will continue to be one of the most provocative, entertaining, and informative programs serving any community in this Nation.

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## ADMIRAL MOORER RECEIVES FORRESTAL AWARD

## HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. HÉBERT. Mr. Speaker, I was privileged on last Thursday to be present when Adm. Thomas H. Moorer was given the 1973 James Forrestal Memorial Award here in Washington before the National Security Industrial Association.

It is most significant that Admiral Moorer should receive this award as I consider James Forrestal, now deceased, to be one of the greatest Americans. And I consider Admiral Moorer, the Chairman of the Joint Chiefs of Staff, to be deserving of the respect, confidence, and gratitude of the American people.

Admiral Moorer is a great American, a great patriot, and a dedicated sailor. No greater honor could come to him than the Forrestal Award, and I wish to share with you the splendid address he made upon accepting it:

ADDRESS BY ADM. T. H. MOORER, U.S.N., MARCH 21, 1974

Distinguished Guests, Ladies and Gentlement. I am highly honored and deeply grateful that the National Security Industrial Association has seen fit to award to me the 1973 James Forrestal Memorial Award. As a matter of fact, this award provides to me a source of great personal satisfaction, because, for many years, I have held Mr. Forrestal in the highest esteem. As a young officer, it was my good fortune to observe him in action during the latter part of World War II. Subsequently, I followed very closely his full participation in the decisionmaking processes of our government as it came to grips with major national security policy issues which emerged—both as a consequence and as an aftermath—of the world's most destructive war. One only has to read the "Forrestal Diaries" to get a feel for the depth and breadth of the vision and understanding of this great man.

I recall a young aide of Mr. Forrestal's telling a story about how impressed he was with the sound judgment of his boss and the ability to meet head on every problem. One day he summoned up enough courage to ask Mr. Forrestal, then Secretary of Defense, "Just how is it that you can make decisions so quickly and, at the same time, apparently, never make a mistake?" Mr. Forrestal replied, "It is because of my experience." When queried by his young assistant, "How does one get experience?" Mr. Forrestal replied, "By making mistakes." He was undoubtedly drawing a distinction between education and wisdom.

James Forrestal was painfully aware of the difference between the real world of decision and the dream world of uninformed opinion in which so many blissfully and irresponsibly live today.

At the end of World War II, Secretary Forrestal, more than any other individual, recognized the great challenges ahead for our military forces. He also fully recognized that the decision-making machinery at the highest levels of government which, up to that time, functioned primarily without an organized structure, urgently required updating and formalization.

Not the least of the challenging problem areas was that generated by many proposals to fully consolidate, merge, and unify the Armed Forces. There were many who felt that this unification should bring about the elimination of the individual services under their civilian heads and the creation of a single uniform and a single Chief of Staff. President Truman himself was inclined towards this view and he even took such a bold approach as to suggest that the Army absorb the Marine Corps. This was, of course, not unlike trying to pick up a porcupine with your bare hands and, as I recall it aboard my ship, the Marine Corps detachment gave some consideration to organizing the first "Young Republicans Club"—and the Marine Corps survived.

When the long battle over unification finally culminated with the National Security Act of 1947, there is no question about the fact that the influence of James Forrestal was indelibly printed on the organization therein established. In the years since 1947, there have been, as should be expected, many changes made to improve the organization and functioning of the Department of Defense. Yet, the basic organizational concept of separate services with their own civilian Secretaries, functioning under the Secretary of Defense, a National Security Council to integrate foreign and military affairs, and the Joint Chiefs of Staff providing military advice to civilian authority, is, and will remain sound in the years ahead. Thus, it was the efforts of one of our most outstanding public servants that set the enduring pattern for our national security organization and procedures.

Ladies and Gentlemen, I believe it is clear that in some circles in America today the attitudes we see, generated to a large degree by our long and disenchanting involvement in Vietnam, as well as worldwide pressures overall, are similar in many respects to the attitudes prevailing at the end of World War II.

We see the same proposals to reorder priorities, reduce defense spending, and cut down sharply on U.S. involvement overseas. While these are the similarities, there are also major differences which impact even more heavily upon our efforts to maintain national security.

In a military sense, we are faced with a significant momentum in the build-up and modernization of the military forces of our potential adversaries. Nuclear weapons have proliferated; and the world has shrunk in terms of response times available to those who choose to initiate hostilities. This means that we must maintain ready forces in being, for today the United States finds itself to be the front line of defense—rather than the arsenal of democracy.

In a political sense, there are also many changes. The relationship between Soviet Russia and the People's Republic of China has changed from cooperation to confrontation. Two of our prime enemies in World War II—Japan and Germany—have made remarkable recoveries and, today, allied with us, have a major impact on the world power equation. Many new sovereign countries have been created and they, too, must be heard in the international forums—such as the United Nations and the Law of the Seas negotiations.

In an economic sense, perhaps the most difficult aspect, with respect to the future, lies in the fact that whereas in 1945 we were at times, concerned about the distribution of surplus commodities, the world now faces a very serious problem of allocation of, and competition for, critical materials.

It is now a fact of history that the United States, unlike the position we held prior to World War II, finds itself with the principal responsibility for maintaining balance and stability throughout the world. We did not seek this responsibility by our own free choice, but I believe it is an international moral obligation that can't be let go by default.

Today we have a large number of formal commitments for mutual defense—we are wrapped up in agreements with more than forty nations in nine multilateral and bilateral treaties. In fullfilling these commitments by discharging our responsibilities towards maintaining a worldwide military equilibrium, we must take into consideration the fact that we are dealing in a world which is, from a military point of view, primarily dominated by two large and powerful countries—the United States and the Soviet Union. Hence, from a quality as well as quantity point of view, our military forces must be structured in light of the capabilities rather than the intentions of the Soviet Union.

This is not to say that we consider the Soviet Union or, for that matter, any other nation, an immediate threat. Indeed, President Nixon has take several initiatives aimed at a reduction of arms in furtherance of peace. The Strategic Arms Limitation Talks and the Mutual and Balanced Force Reduction negotiations currently underway are aimed at improving relationships throughout the world. But, one cannot negotiate from a position of inferiority. Until success is achieved in these negotiations, we cannot unilaterally reduce our strategic nuclear, nor our conventional forces.

It is with this goal in mind that the Defense Department has gone forward to the Congress with a request for the funds considered necessary to maintain our current forces in a high state of readiness and to ensure that the forces of the future are adequate to fulfill the political, economic and moral obligations which our country must discharge in light of our position in the world today. In structuring our forces, we do not seek to simply develop a mirror image of the other side. What we do seek and what we must always maintain, is—a posture adequate to deter attack on our homeland and our allies—a posture adequate to ensure the freedom of the seas—and a posture adequate to contribute to a number of regional balances throughout the world.

You should know that, today, we have fewer ships, fewer aircraft squadrons, and fewer divisions than we have had since the Korean War. Measured by any yardstick—percentage of our Federal budget, percentage of gross national product, number of military and civilian personnel—the real cost and structure of the Defense Department today is well below that of pre-Vietnam days.

When those of us in the Defense Department make statements such as I have just made, some suggest that we do this for the sole purpose of increasing our military forces or, even worse, for some kind of personal gain. Let me assure you that, at this point in time, after some forty-five years in uniform, I am not trying to get promoted—and neither am I seeking election. And, in the case of my good friend, Secretary Clements, with whom I frequently testify, I can say with confidence that he also speaks with total sincerity and with a full understanding of what is involved in providing for the common defense of our great nation.

Let me add one more point as to the nature of our defense posture. As I said, our primary military objective is deterrence of attack. In other words, peace and stability. This peace and stability come from two perceptions—one, the perception of a potential adversary as to his probability of success in the event he chooses to initiate military actions against the United States; secondly, the perception of third-countries as to the military balance which exists between the two major powers of the world today. This perception is conditioned by three factors as viewed from the other side; the first is the military strength, in terms of dedicated and combat-ready personnel and equipment; secondly, the will and determination of the American people at large to use this strength and to support the courageous and dedicated men and women of our Armed Forces; thirdly, the industrial and technical capability of our country to maintain and increase this strength, when required.

Certainly, with respect to the will of our nation, I believe our security demands that we never, by word or deed, develop a world image which can be judged as weak and lacking in national will. That in itself can invite attack. And, finally, I know you gentlemen recognize more than anyone, that the great industrial capacity and technical know-how of this country is also a vital part of this deterrent posture. Our potential adversaries know full well what you can do.

While there are those who tend to ridicule and downgrade the relationship between the Defense Department and industry as if it were something sinister—I am proud and thankful for the accomplishments of this great team. For, the facts are, that we do have the best military equipment in the world—we do have the best manufacturing processes—we do have the most advanced research and development programs—and we do have the best management. While I recognize that the cost of weapons is soaring, I, for one, will never support any program which would result in a young American fighting with inferior equipment while we have the technical know-how to build the best. I found myself in that position in 1942 and I didn't like it.

So, once again, I come back to the vision and foresight of Mr. Forrestal who recognized the need for this close teamwork between the Department of Defense, that establishes military requirements; and the great industries of our country, who meet these requirements. Our country is fortunate that Mr. Forrestal formally recognized this relationship by the establishment of the National Security Industrial Association.

Let me close by expressing my deepest appreciation to you individually, and as a group, for what you have done for the security of our country and, in particular, to thank you for the great honor you have bestowed on me this evening by presenting to me the James Forrestal Memorial Award.

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## FIFTY-SIXTH ANNIVERSARY OF BYELORUSSIAN DEMOCRATIC REPUBLIC

### HON. JAMES M. HANLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. HANLEY. Mr. Speaker, on March 25 the people of Byelorussia will celebrate the 56th anniversary of the Proclamation of the Byelorussian Democratic Republic. For over half a century, the people of Byelorussia have struggled to maintain the traditions and culture of their homeland in the face of Soviet attempts to rob them of their cultural identity as well as their personal freedom. Even today the Soviet Government continues "operation rewrite," a project designed to destroy the nationalist spirit of the Byelorussian people by rewriting their history to make them appear to be a backward people who were filled with shame until they became part of the Union of Soviet Socialist Republics.

In fact, the history of Byelorussia is one of a proud and progressive people who became leaders in printing and who developed for themselves a legal system far more advanced than those of their neighbors. The language of Byelorussia became an international language used in diplomatic relations in Eastern Europe much as Latin was used in Western Europe. Indeed, the history of this beautiful land is a proud history, one that can never be destroyed, darkened, or obscured.

The spirit of independence and progress that led the people of Byelorussia to declare their independence 56 years ago lives on today.

In their struggle to maintain their national identity the people of Byelorussia have not lost sight of what is most precious to them, their goal is liberty and I pray that we will see the day when this goal becomes their victory.

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## ADMINISTRATION PROPOSES TO ASSIST IN DEVELOPMENT OF RUSSIAN OIL FIELDS DESPITE SOVIET ENCOURAGEMENT OF ARAB OIL BOYCOTT

### HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. EVINS of Tennessee. Mr. Speaker, it appears that a deal is brewing between the United States and Russia for development of Russian oil and gas fields for resale of petroleum to the United States.

This is very difficult to understand in view of the fact that Russia encouraged and agitated the Arab boycott of oil exports to the United States—and was opposed to relaxing the boycott.

Because of the interest of my colleagues and the American people in this matter, I place in the RECORD my recent newsletter, "Capitol Comments."

The newsletter follows:

### ADMINISTRATION PROPOSES TO ASSIST SOVIET UNION IN DEVELOPING OIL FIELDS IN SIBERIA WHILE RUSSIA URGES CONTINUED ARAB BOYCOTT ON OIL EXPORTS TO UNITED STATES

This week in Washington brought developments indicating that more deals are brewing between the United States and the Soviet Union. We all know who usually winds up on the short end in these transactions. Now the Administration wants to lend Russia $49 million to explore for oil and gas in Siberia—and a $4 billion deal is in the works to develop these fields and transport the liquefied natural gas to the United States. The American people may rest assured that they will pay through the nose for gas from Russia.

These proposals stagger the imagination because at the same time that Russia was applying for loans from the United States to develop its own petroleum fields, it was urging the Arab nations to continue their boycott of oil to the United States.

The Russians have made a killing off the boycott because they have increased their oil prices along with the Arabs—so for reasons of economic self-interest and also for military and foreign policy reasons, the Soviet Union wanted the boycott to continue. Fortunately, most of the Arab nations have been our friends and the boycott was lifted recently on a conditional basis.

The widely heralded détente or cooperation with Russia seems to be in effect when it is to the Russian advantage, but becomes inoperative when the United States needs some help.

The proposal to make the $49 million loan to Russia by the Export-Import Bank has come under heavy fire in the Congress, and I have joined other Members in co-sponsoring a resolution that would put Congress on record as being opposed to this transaction. The General Accounting Office has stalled the deal temporarily by ruling that the President must affirm that the transaction would be in the national interest.

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Someone has said the United States has never lost a war or won a conference. In disarmament negotiations with the Soviet Union, our diplomats have made agreements which many interpret as giving Russia a clear superiority in intercontinental ballistics missiles and nuclear submarines.

Also, the Russian grain deal was a disaster. This $1.2 billion deal depleted supplies of American grain and wheat reserves, increased the price of food to American consumers and the price of feed to farmers, and resulted in major dislocations of our rail freight system. The deal cost taxpayers in the United States hundreds of millions of dollars in unnecessary subsidies and higher food costs—and fed the fires of inflation.

The Soviet Union has a record of determined and undeviating self-interest—the Soviet leaders look out for themselves and their country first, last and always. It is time for the leadership of our Nation to deal from strength and conduct relations with Russia on a *mutually* satisfactory basis—not on a basis that benefits the Russians as against the best interests of the United States.

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## WHATEVER HAPPENED TO THE AIRPLANE?

### HON. JOHN J. McFALL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. McFALL. Mr. Speaker, on February 26, 1974, my colleague on the Transportation Appropriations Subcommittee, WILLIAM MINSHALL, made an important address to the Aero Club of Washington.

His address deals with the administration's apparel lack of concern with respect to aviation matters. I feel that the aviation industry is an important component of our Nation's transportation system. It makes a significant contribution to our overall national economy. In view of this the administration's complacency in this field should be of concern to all of us. I include in the RECORD Mr. MINSHALL's complete address:

WHATEVER HAPPENED TO THE AIRPLANE?

The President's transportation message to Congress two weeks ago included recognition of the need for a strong system, but it did not spell out the kind of positive action necessary to assure it.

The President emphasized the need for flexibility, diversity and balance in the nation's transportation system. Then he said: "Let us maintain our worldwide supremacy in air commerce."

I couldn't agree more with that statement. In terms of government planning and priority, I was beginning to wonder—whatever happened to the airplane?

Vast amounts of time have been spent on rail and highway matters. Proposals involving vast sums have been put forward to aid rail. Much of this activity is good, given the economic importance of the rail network in an industrial nation like ours.

But with all the other transportation needs—reaching from the subway to the highway to the airways—I was distressed to read in the February 4th *Aviation Daily* that the Secretary of Transportation characterized 1973 as "the year of the rail" and expects that rail matters will take most of his time again in 1974.

I have detected a tendency in government to push air transport matters to the back burner, to discriminate against air transport, and, on occasion, to shoot from the hip in making regulatory decisions with substantial impact upon air transportation.

No better example of this can be cited than the Administration's action on the fuel problem. When fuel allocations were being proposed last fall, it was first proposed that fuel for corporate flying be cut back by 40 percent and that there be a 50 percent fuel reduction for other flying. Subsequent regulations did improve these allocations substantially.

Thousands of jobs in the manufacturing of general aviation aircraft and in fixed based operations would have been lost, had the earlier allocation proposals been allowed to stand. I don't think this was realized by those who first formulated the original allocations.

But to those of us who are involved in, and keep a keen eye on, general aviation, it was very apparent that the results would be catastrophic. I was on the phone to the White House immediately, and made several calls there to my friend Mel Laird and visited with him personally on this matter. Other Members did the same, and I take a certain pride in the fact that we in the Congress, with your help, averted a severe cutback and the hardships that would have resulted.

Having plugged up that hole in the aviation dike, we find that another one has appeared—Administration user charges—

As you know, we included a separate specific provision in our Transportation Appropriations Bill last year which prohibited the Department of Transportation from implementing its user charge program. Without that prohibition, new charges would have been imposed upon owners of private aircraft, upon airlines, and upon others for such things as the certification and safety inspection of aircraft. These charges would not have been fixed by Congress, as is usually the case, but would have been imposed through administrative action of the Executive Branch. I assure you that I and others in the Congress will see to it that no such charges are imposed this year.

New charges, such as administrative user charges, cannot be considered in a vacuum or without regard for those user charges already being paid. The aviation community will, in fiscal year 1975, pay more than $900 million into the Airport/Airway Trust Fund created by Congress nearly four years ago. These are user charges to support continued development of our airport and air airway systems for air navigation and traffic control. They were determined by the Congress only after the most careful consideration. And any decision on new user charges should also be determined by the Congress.

I am afraid that the Department of Transportation has become overly complacent about the air transportation industry. A look at the facts convinces me their attitude should be one of concern. I certainly would hate to think that the future will not require for air transportation the sort of desperate, massive, last-minute rescue mission of the kind now being undertaken to save rail transportation.

I have some suggestions for positive actions to strengthen aviation in the United States—to insure that we do, indeed, as the President said, "maintain our worldwide supremacy in air commerce."

First: we must step up investment of trust fund money in the hardware necessary for handling traffic in terminal areas around our airports and to speed the flow of traffic in these areas. We must also accelerate expenditures of trust fund money designed to improve the facilities and efficiency of the enroute system. At the end of last year, nearly $500 million of funds already appropriated for these purposes had not been spent.

As a matter of fact, most of these funds had not even been obligated. This means that many important facilities already approved by Congress still are not installed.

Second: We should open up the trust fund to help finance construction or expansion of public areas of airport terminals. At present, matching grants made from the fund are confined, for the most part, to projects on the airfield side. Yet it is in the terminal area that we find the greatest need for improvement. A recent FAA report, which our Committee directed, states: "The airport landside will become the ultimate source of congestion and restriction to further growth in the early 1980's at nearly all locations". If FAA believes this, why aren't they doing something about it?

Third: We need to buy land for future airport development while land is still available, in desirable locations, hopefully at reasonable prices. This is especially true for airports near metropolitan areas, both for airports serving air carriers and general aviation. In the case of general aviation airports, we need to preserve existing private airports which are being forced out of existence either by taxes or other land use development. This will help ease traffic away from the major hub airports, as well as providing business and personal aviation first class facilities.

These three actions would rule out use of trust fund revenue to meet the FAA's operation and maintenance costs in the immediate future. The trust fund was created to meet the capital needs of the airport and airway systems. Much improvement remains to be accomplished. Until it is accomplished, trust fund expenditures should be confined to these purposes.

In addition to these proposals, we should act to insure the fair treatment of U.S. air carriers operating abroad. Our flag carriers should not be placed at a competitive disadvantage in foreign markets. We need to prevent practices such as discrimination on landing fees and the exclusion of U.S. carriers from competing for certain categories of traffic in foreign markets. It is essential for us to maintain a strong U.S. flag carrier participation in international aviation.

As an additional suggestion: the significant transportation role of general aviation must be recognized by the policy-makers in government. General aviation is a valuable resource for this country. It is the most viable form of transportation. Thousands of businesses rely on it every day for the conduct of their activities. It ties in well with the scheduled airline service. A recent survey of business aircraft operations showed that approximately 30 percent of their flights to airports served by airlines were to make connections with scheduled carriers. This is a most impressive figure.

Officials at the Dallas-Fort Worth Airport were astonished by the amount of general aviation activity that occurred at the new airport in the first few weeks of operation. These were primarily bringing passengers to connecting flights with the scheduled airlines. The new airport forecast was for 15 flights per day. They are averaging 55, and that is in addition to their activity at Love Field which remains as a first class general aviation airport.

I cannot agree with the statement in the President's budget message that the airport/airway system should be completely self-supporting in four years. This is an unrealistic and impossible goal. It fails to recognize the important public benefits of this system and its widespread value and contribution to the overall national economy.

In summing up, I repeat again that Federal taxes on general aviation and on the traveling public are high enough. In view of the unsettled conditions caused by fuel shortages, this is not the time nor the year to talk about new taxes on any segment of the aviation industry. I would hope that the Administration would recognize this and delay any proposals for changes in the tax structure or the trust fund until a more propitious time. Aviation has enough problems without the government creating additional economic strains on the industry—strains which could badly damage the industry, with far-reaching ramifications.

For example, for general aviation alone, last year more than 3,500 aircraft, totalling over $230 *million*, were exported. This accounted for approximately 25 percent of our production. This year it is expected that exports will account for more than 30 percent of the manufactured production of general aviation aircraft. Obviously this is a substantial contribution to our nation's balance of payments.

Our country's export business remains strong because U.S.-manufactured aircraft are more competitive in the world marketplace. Moreover, our exports are supported by a strong domestic market. Without such a strong market, our ability to compete in the world marketplace would be severely hampered.

It is unnecessary for me to have to emphasize for you how vital aviation is to our industrial growth and general national prosperity. *But that* is a message that must be pounded home again and again, both in the halls of Congress and, most particularly, to the Administration. As I prepare to next year conclude 20 years as a Member of the House, I shall drive home the points I have made here today, I shall work for their implementation, so that never again will we have to ask: "What ever happened to the airplane?"

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## THE BICENTENNIAL STUDENT GRANTS PROGRAM AT DAVIDSON COLLEGE

### HON. JAMES G. MARTIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. MARTIN of North Carolina. Mr. Speaker, the American Revolution Bicentennial efforts have not been without their critics. The criticism has centered on costs and irrelevances. It is my pleasure to insert in today's CONGRESSIONAL RECORD news of two small, but significant projects at Davidson College. The projects were funded by the North Carolina Bicentennial Commission's program of encouraging, through grants, student-originated projects. Both projects are fitting for the Bicentennial and both have lasting significance apart from the Bicentennial observance.

NORTH CAROLINA BICENTENNIAL COMMISSION GIVES TWO AWARDS TO DAVIDSON STUDENTS

(By Earl Lawrimore)

Davidson College students have won two awards totaling $3,480 from the North Carolina Bicentennial Commission's student-originated grants program. Both will concern local history.

Three seniors have won $2,490 for an oral history study of Cramerton, N.C., as it existed before World War II. Recipients are E. G. "Woody" Connette III of Wilmington, M. Thomas Hatley III of Charlotte, and Roger B. Manley of Goldsboro.

A second grant of $990 to restore a log cabin, found near Davidson in good condition and believed to date back to 1790, has been awarded to seniors Thomas H. Jenkins III of Crozet, Va., and Donald F. Rhodes of Marietta, Ga., and sophomore Daniel B. Thorp of Bowie, Md.

The Cremerton project was described by Connette as "an objective, straightforward study of the development of a typical Southern textile mill town, using oral history based in interviews of people who have recollections of the pre-war years." The students will produce a typed report, illustrated with still photographs, and also a documentary film.

Hatley, who has long been interested in Piedmont industrial development, noted that "before Burlington Industries bought Cramer Mills in 1946, the town was a classic mill-centered town. No objective study has been made of Cramerton, and we think it is an ideal example of a textile mill town, a classic Southern industrial phenomenon."

The three students doing the Cramerton study attended a three-day workshop on oral history techniques at West Point in November and have secured about $1,200 in additional support from various college departments. They will receive credit from Davidson's Center for Honors Studies upon completion of their work.

The students planning to restore the log cabin will be relating a seminar in architecture and independent study in history and art. The professor leading the seminar, art professor Larry L. Ligo, was so impressed with the log cabin, found near Mooresville, that he bought it and plans to build a home around it.

The three student grant recipients and several others will be studying restoration techniques, researching the history of the cabin and the era of its construction, and exploring early American architecture.

Daniel Thorp said, "I plan eventually to teach history and do reconstruction of historical buildings, so this is an exciting opportunity for me. I will be doing research on primary documents, such as county records, and interviewing local residents."

Thomas Jenkins commented, "I'm looking forward to learning about colonial architecture and restoration. We plan to produce a manual on restoring a log cabin and document the history of the cabin for the state archives."

The cabin was praised by A. L. Honeycutt Jr., restoration supervisor for the Historic Sites and Museum section of the N.C. Division of Archives and History.

"This is one of the best preserved log cabins now surviving in North Carolina from around 1790 to 1810," Honeycutt said. "Its original trim, such as door and window treatment, and its very rare two-shouldered brick chimney, are particularly interesting."

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## WILLIAM R. COLE RETIRES AFTER 37 YEARS WITH SOCIAL SECURITY ADMINISTRATION

### HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. JONES of Tennessee. Mr. Speaker, in 1937 William R. "Bill" Cole opened the Social Security Office in Jackson, Tenn., as its district manager. Today, 37 years later, he still holds the same position. However, Mr. Cole has announced his plans to retire in the very near future.

Cole is a native of Gibson County, Tenn., and received his education in the Medina public schools and at Mississippi A. & M. College—now Mississippi State University—in Starkville, Miss. His wide experience as a life insurance executive qualified him for the manager's position with social security. After brief training in Washington he opened the Jackson office in July 1937.

Bill has actually grown with the program, beginning with a staff of two, whose principal duties were assigning social security numbers and educating the public. There are now 30 employees who assist approximately 50,000 beneficiaries in matters related to old-age assistance, survivors annuities, and disability and health insurance commonly referred to as medicare. Beginning January 1, 1974, three adult assistance programs formerly administered by the Department of Public Welfare throughout the United States were federalized and given to the Social Security offices to administer. The new program, which is known as supplemental security income, provides help for the needy aged 65 or over, aid to the needy blind, and the needy disabled. Eligibility is based on a person's income and assets and is the same nationwide. The area served by Bill Cole's Jackson office consists of the following west Tennessee counties: Chester, Decatur, Hardin, Hardeman, Haywood, Henderson, Madison, and McNairy.

In January of 1970, he received a high quality increase. The following year he was awarded social security's highest honor—the Commissioner's Citation at Baltimore. This bronze plaque bears the following inscription:

> For outstanding leadership, initiative and dedicated public service, and sustained exemplary performance as a District Manager for more than one-third of a century.

In June of 1972 he was chosen "Boss of the Year" by the American Business Women's Club. He assisted in organizing the first Senior Citizens Club and was the first president. He is a member of the Madison County Commission on Aging and a former director of the Exchange Club. He also is a director of the Tennessee Sheriff's Youth Town.

Bill's most recent honor was his second high quality increase in September 1973, awarded for sustained outstanding performance during the period January 1, 1972, through June 30, 1973, the most significant factor being a community resources and referral directory. This publication provides ministers, public officials, and community leaders with a concise listing of services available. The Jackson Exchange Club assumed the cost of printing more than 1,000 copies which were widely distributed.

He is married to the former Mary Lassiter of Trenton, Tenn. He has two children by a prior marriage—William R. Cole, Jr., chief engineer for Kellwood Corp., St. Louis, Mo., and Mrs. John V. "Susan" Anderson, of Bolivar. He has eight grandchildren.

Bill is the only living social security district manager in the Nation who opened the office in 1937 and who has continuously served as its manager. His 37 years of service will be climaxed by a retirement party given by the Jackson district office staff at the Ramada Inn on May 31, 1974. It is expected that a number of social security officials from the Baltimore headquarters and the Atlanta regional office will attend, in addition to many district managers and other employees of the Social Security Administration.

Mr. Speaker, Bill Cole has served his community and his Nation well, and I want to be among the first to wish him a long and happy retirement.

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## GREEK INDEPENDENCE DAY AND THE AHEPA NATIONAL BANQUET

## HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. ANNUNZIO. Mr. Speaker, this year AHEPA—American Hellenic Educational Progessive Association—is holding its 21st biennial national banquet in honor of the Members of Congress on March 25, a milestone in the proud history of Greece since this date is the 153d anniversary of the independence of Greece from Turkish domination.

Since coming to Congress 10 years ago, I have attended every banquet of AHEPA, never missing a single one, because this banquet stimulates me as an ethnic and I am so proud to be a participant in a banquet given by the entire Greek community in honor of all of the Congressmen and Senators of the greatest democracy in the world that embodies all of the lofty principles set forth by the Greek philosophers who actually gave the world democracy.

The date for this year's banquet is especially appropriate, because Greek Independence Day, celebrated on March 25 of each year, commemorates the day in the year 1821 when the flag of the Greek revolutionaries was blessed by Bishop Germanos of Palaeion Patron, at the monastery of Aghia Lavra.

There followed 7 years of grim fighting during which a handful of rebels held at bay the combined might of the Ottoman Empire and its Egyption domination, who had been summoned to the rescue by the Sultan. The episodes of Valtetsi, Dervenaia, as well as Messolongh, where Lord Byron fought and died, rank among the most glorious pages of Greek history, while the exploits of the Greek navy, under Miaoulis, Kanaris, and Sachtouris stirred the hearts of the peoples of Europe, who finally brought pressure upon their governments to intervene in the fight and to compel the Sultan to recognize Greek independence.

The Greek War of Independence was the result of the awakening of Greek nationalism which had been fanned by the ideals of the American and French Revolutions. It is indeed noteworthy that the young American nation was among the first to support the Greek Revolution, both morally and materially. Many young Americans were inspired to take an active part in the Greek struggle for freedom.

The American and Greek peoples have a long tradition of warm friendship and mutual assistance and AHEPA has been continuing and strengthening this traditon for over 50 years. Today many Americans of Greek descent are emulating this heritage through the AHEPA creed to promote loyalty to the United States of America; respect the inalienable rights of mankind; strive for the betterment of society; abhor all political corruption; defend and protect all oppressed people everywhere; cultivate the noblest attributes and highest ideals of true Hellenism; labor for the perfection of a moral sense, the spirit of altruism, and true benevolence; champion the cause of education; love God and man, and hope for happiness.

The public and private record of AHEPA members is outstanding in all fields. In its 51-year history the order has contributed money and assistance to practically every worthy cause all over the world.

If there is one theme which runs through every century, every decade, even every hour of Greek history, from the golden age of Pericles to the present, it is the undying flame of liberty and freedom which all the world has adopted as the Olympic symbol. The torch carried around the world every 4 years is indeed a living symbol of the flame kindled so many years ago in Greece.

Mr. Speaker, we in this great Republic are deeply indebted to the Greeks for their invaluable contributions to our way of life. I am proud to join Americans of Greek heritage in my own city of Chicago and all over this Nation as they join with Greeks everywhere in celebration of Greek Independence Day, and extend my warmest greetings and best wishes to the members of the Order of AHEPA as they continue their contributions to America and carry on the long and illustrious tradition of Greek-American friendship.

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## MR. SOUTH TEXAS 1974

## HON. ABRAHAM KAZEN, JR.

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. KAZEN. Mr. Speaker, one of the significant annual events in south Texas is the annual Washington's Birthday celebration. For 76 years, in my home city of Laredo, our citizens, visitors from many places and good friends from Mexico have gathered to honor the birthday of the "Father of His Country." When George Washington was President of our Nation, Texas was a Spanish colony and the only Europeans were priests or soldiers, but our city honors the principles and early leadership of our first President.

Part of the celebration each year since 1952 has been the choice of a prominent citizen as "Mr. South Texas." The selections have ranged widely in education, business, government, civic affairs, but have always recognized outstanding contribution to the progress, growth, and development of south Texas.

This year the honor went to my very good friend, Thomas C. Frost, Jr., chairman of the board of the Frost National Bank in San Antonio. He was recognized for the many significant contributions that he has made to the development of south Texas.

The formal presentation was made at the President's luncheon on February 16 by the very able mayor of Laredo, J. C. Martin, Jr. I am pleased to share with Members the remarks of Mayor Martin and the response of Tom Frost. First, the presentation statement of Mayor Martin:

### REMARKS BY MAYOR MARTIN

Mr. President, Distinguished Dignitaries from the United States and Mexico, and Friends: We are privileged this afternoon on the occasion of the President's Luncheon to pay tribute to one of San Antonio's lion-hearted sons, whose principles and patriotism practiced in the banking profession and in his personal life have captured the imagination and admiration of the people of South Texas and Mexico. Indeed, his contemporaries in the banking field have consistently accorded him their highest tribute—"That in the counting halls and councils of the mighty, he has kept an unpurchasable faith and integrity with all with whom he has dealt and reached out in his every day service to touch the heart and hands of all humanity."

The philosophers tell us that one of the secrets of a successful and rewarding life lies in the ability to choose wisely between alternate paths seemingly leading to success, and perhaps this is most graphically illustrated by the story of the rich and miserly man who came to visit his Rabbi and complain of his unrewarding existence. The Rabbi led the man to the window and said, "Look out there, and tell me what you see."

"People," answered the rich man.

Then the Rabbi led him to a mirror. "What do you see now?" he asked.

"I see myself," answered the miser.

Then the Rabbi said, "Behold—in the window there is glass and in the mirror there is glass. But the glass of the mirror is covered with a little silver, and no sooner is a little silver added then you cease to see others and see only yourself."

The converse of this story most aptly illustrates the attributes of our Honoree today, for he directed his gaze out of the window of life and dedicated his efforts to the humanities and enrichment of his fellowman. Well has he recalled throughout his lifetime the memorable words of Edwin Markam who wrote:

"We all are blind until we see
  That in the human plan
Nothing is worth the making if
  It does not make the man.
"Why build these cities glorious
  If man unbuilded goes?
In vain we build the world, unless
  The builder also grows."

Forty-six years ago, Tom Frost, Sr., and his lovely wife were blessed with the birth of their first son a day which to them was the event when the morning stars sang together. As a youth, he was both studious and energetic and as he became of high school age, he attended Texas Military Institute in San Antonio.

He was an active and enthusiastic participant in the R.O.T.C. program of this renowned educational institution. Here he acquired in his youth the discipline, the pride of achievement, and the comradship engendered through the military program, and learned early in life that the pinnacle of achievement is attained only through dedicated and repetitious preparation and the singleness of purpose to pursue to attainment the ultimate goal. He learned also that unalterable truth, that to be capable of command, he first must learn how to serve.

Graduating from High School with honors, he entered the military service and from 1946 to 1947 served in the U.S. Army.

Upon his discharge, he resumed his education, entering Washington and Lee University, graduating in 1950 with a degree in Business Administration—was class Valedictorian and Phi Beta Kappa.

It is part of the rich character of our Honoree that he has consistently in adult life devoted many years of service to those institutions which enriched his training and knowledge in his youth. This is evidenced by his tenure of service as a member and Chairman of the Board of Texas Military Institute and as a member of the Board of Washington and Lee University.

Permit me to allude to the outstanding career of our Honoree in the field of finance and banking. At 46 years of age, this dynamic gentleman is Chairman of the Board of one of the leading banks in the Southwest that bears his family name—The Frost National Bank in San Antonio. He became affiliated with the bank in 1950 and he served in numerous positions beginning as Assistant Cashier and ascending to Chairman of the Board of the Frost Bank Corporation. Our Honoree was elected President of this institution in January of 1962 and in the ten years that he has been serving in this capacity and as Chairman of the Board, the bank has tripled its assets to more than Six Hundred Million Dollars; is presently manned by over 800 employees; and enjoys the reputation of one of the most progressive modern banking institutions seeking the advancement of the interest of the people of Texas and of Mexico.

In reflecting upon this career, I cannot but recall the memorable words in the address of Wilbur Allen entitled, "The Banker as a Patriot" delivered in 1916 in Houston, Texas. He spoke of a new breed of banker, the banker patriot, "the patriot of everyday helpfulness, the patriot of everyday service, the patriot who exemplified the courage to go into new and unexplored fields, to create new utilities, to make two blades of grass grow where one had grown before, to draw not from your neighbors but from nature's ever recurring reservoir."

Mr. Allen spoke of that patriotism of service which harmonizes its general practices with its abstract principles; elevates instruction into knowledge; deepens knowledge into wisdom; renders knowledge and wisdom complete in righteousness; and makes the love of country perfect in the love of men. It was the consummate consecration to these fundamental principles by our Honoree's father and family so successfully and assiduously followed by Tom Frost, Jr. that has brought this financial institution to its pinnacle of fame both in South Texas and throughout Mexico. Material splendor unsustained by moral principle will surely in time disintegrate and decay; but our Honoree has sought a wealth far beyond the dreams of the Cathay of Columbus or the El Dorado of De Soto and he has found it in his fundamental dignity, decency and respect for his fellowmen.

What, then, of this man we honor here today? Have his accomplishments been narrowed to his chosen field of endeavor or has he, throughout his lifetime, lent of his time and talents in a broad range of endeavor that would demonstrate his love of art, his belief in trying to make two blades of grass grow where one grew before, his concern for the sick and the infirm, and finally, his recognition by his contemporaries in the field of banking and finance? A brief recitation of the institutions to which he has so generously tendered his talents is sufficient to grant overwhelming summary judgment in his favor.

He has served as Trustee of the McNary Art Institute of San Antonio. He has been Treasurer of Southwest Texas Methodist Hospital and Trustee of the San Antonio Medical Foundation. He has been a Trustee of the Southwest Research Institute dedicated to the advancement of Technology and production in enumerable fields of endeavor. He is a Vestryman of Christ Espiscopal Church and in his chosen profession, his contemporaries have honored him with the position of President of the Texas Bankers Association and President of the San Antonio Clearing House Association.

One last reference to our Honoree's financial ability. I remember the story told in a small East Texas town with only one banking institution about a young merchant who had only recently established his enterprise and was experiencing the necessity of a loan to expand his business. The young merchant went to see his friend who was President of one of the larger retail stores and inquired of him what the atmosphere was in the local banks insofar as commercial loans and who he should talk to. His friend told him: "Charlie, there is only one bank and you're gonna have to talk to the President because he approves all the loans, but I want to warn you of one thing. He will make a fair loan and get sufficient collateral, but don't make the mistake of listening to his advice about how to run your store because if you follow it, you will surely fall into bankruptcy."

And Charlie thanked him and said, "Well, I'll go by the end of the week and talk to the banker and see how it works out." And Friday came along and as he was approaching the bank, he forgot some of the advice that the friend gave him but fortunately, he ran into him coming into the door of the bank and he said, "Jim, what was that analysis you had of the President on these loans? Quickly if you will", and Jim said, "Charlie, to summarize, he is Christ on collateral, but the Devil's counsel on commerce".

Our Honoree today defies even that ancient anecdote for he serves as Director of seven major industrial and commercial enterprises and his rare knowledge and insight of banking operations, both in the United States and Mexico, and the economic relationship between these two countries have brought him both state and international recognition.

We have spoken today of treasures but truly, what treasure does one possess more dear to the tendrils of his heart than that of his own family. We are both honored and delighted to have with us today the very gracious, lovely and charming Mrs. Patricia Holden Frost, the wife and Sweetheart of Sigma Chi of our Honoree and their four lovely children, Thomas C. Frost, III, William, Donald and Patrick Frost.

May I ask that you stand so that all assembled may accord you due recognition. Truly, your presence here today ennobles our efforts, for you indeed are the "Apple of our Honoree's Eye" and those above all else of whom he would say, "These are my beloved in whom I am well pleased."

Ladies and Gentlemen, when one's lifetime has been so symmetrically entwined in every aspect of service to his fellowmen, both on the national and international levels, it is fitting indeed, that such a man should be selected to receive the highest honor which the Washington's Birthday Celebration Association can bestow. Interwoven in all the filaments of his heart is a conscience and moral constitution which gives tone and temper to an uncommon life—which has become transcendent, vital and richly radiant in every aspect. I wholeheartedly urge you to join us in honoring this remarkable man; he, more than anyone else I know, embodies the achievements of the past, the success of the present, and the potential of the future of our Great Area of South Texas—

Ladies and Gentlemen, Mr. South Texas of 1974—The Honorable Thomas Claybourne Frost, Jr.

### REMARKS OF T. C. FROST, JR.

Thank you, Mayor Martin, for your most generous and kind remarks. I want to take this opportunity to thank all of the people in Laredo who have worked so hard to make this wonderful Washington's Birthday celebration a success, and especially to thank every one of you for the many courtesies you have extended to me and my family.

Today, I was reminded that it has been said that we do not live our lifetimes by years, months, weeks, days nor hours, but by moments. Today we experienced some most significant moments in reflecting upon the many benefits which all of us enjoy by living at this time in this country and in this particular section of the world. One of these moments occurred early this morning on the International Bridge when an impressive ceremony commemorated the many years of peaceful friendship between Mexico and the United States. Another great moment was during the impressive parade commemorating the birthday of the founder of our country, participated in by thousands of both young and old, who marched and lined the streets of Laredo to pay tribute to this occasion. Just a few minutes ago we experienced another significant moment when the blessing of the Almighty was asked upon this gathering and all who have joined in these festivities. I am grateful for these moments and particularly for being invited to be here today.

The honor which you have paid me is significant because of those who have bestowed it. I appreciate very much being selected by my many friends here in Laredo who in so many ways are deserving of honor and recognition themselves because of their long standing civic services to their community. Perhaps we do not often reflect on all of the blessings we enjoy in this life as they come to us, but pause only when we have lost someone close to us. Then we hear the words that we have come into this world with nothing and that we take nothing with us when we leave. The corollary to this is that we are given all that we have, and I might suggest that we should strive to leave a legacy greater than that which has been entrusted to us by those who have gone before.

Those whom you have honored as Mr. South Texas in the past form a most impressive group, impressive not because of individual fame or high position, but because of what you have done through service to your fellow man. I want to say that I am well aware that I have been given much and will continue to strive to leave what I have been given by my predecessors here in South Texas, that it might have been improved upon in some way for those who follow.

As a parent, I am often given the inescapable opportunity to listen to the music played by my children. It is well to reflect that the arts of any era portray the hopes and aspirations, as well as the problems and difficulties of the time. At this moment, I recall hearing a song played by my boys a few years back entitled, "With A Little Help From My Friends." I should like to say to you today that I have certainly had a lot of help from my friends.

First, from a family who has not only left me a great heritage of generations but who have given me all the support and encouragement that a person can ask. I particularly want to acknowledge this to my mother, my wife, my sons, and my sister who are here today. There is also another group from San Antonio, many of whom possess a list of civic accomplishments greater than mine and are more worthy of honor as any in South Texas. I refer to the Texas Cavaliers who with their wives number 160 strong, here today to participate in this great celebration by marching in your parade this morning and attending this luncheon. I want to acknowledge all of those from San Antonio and to express my appreciation for the opportunity to have worked with you for our community and to pledge to you my efforts to continue to work for the betterment of all in South Texas.

I am also proud to include among those I count as my friends many who live in Mexico. As you know, I have the privilege of traveling through that country in connection with my job and my interest to promote commerce between this area of Texas and the whole of Mexico. If I might be permitted to reflect the international aspect of this great celebration I should like to express a closing thought in their native tongue.

### TRANSLATED FROM SPANISH

I consider it a true privilege to live in a place where two cultures join. It is quite an advantage to understand that in our differences, we find the strong ties that unite us. I appreciate the opportunity to have known people who speak another language, but think the same with regard to human rights; to know those who live under another governmental system, but a system which always searches for the same liberty and dignity of each citizen; to associate with people who work in another economic system with its own medium of exchange, but who direct their economic forces toward the benefit to all. In closing I express my sincere thanks and hope that God will continue to give me the opportunity to work together with all in South Texas and Mexico for the security of our families, the well-being of our friends, and the continued progress of both our countries.

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## NUCLEAR POWERPLANT CONSTRUCTION BAN

## HON. JEROME R. WALDIE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. WALDIE. Mr. Speaker, most, if not all of us, are aware of the widely divergent views of many in the scientific community regarding the question of safe operation of nuclear fission powerplants.

While there is no question but that the safety record of nuclear powerplants has been quite good, except for minor accidents, I am troubled by reoccurring reports of leaks and other mishaps at plants now in operation.

Recent articles in the Los Angeles Times spotlight the concern of many regarding the operation of the San Onofre nuclear plant in California and the Hanford, Wash., facility which is disposing atomic waste materials.

At both facilities, according to press accounts, a number of troublesome incidents have occurred.

The most recent article in the Los Angeles Times on San Onofre, March 11 "Clear-Cut Accident Plan Lacking for San Onofre A-Plant" has heightened my own concern regarding safe operations at that plant and the others in the country.

Nuclear energy now accounts for five percent of the Nation's total. With energy conservation methods now diminishing the acute energy shortage and the resumption of the flow of Arab oil into this country, the times would seem to be right for a full reexamination of the question of how much of a risk we are assuming with the continued operation of nuclear powerplants.

There is no question, Mr. Speaker, that the Atomic Energy Commission is busily promoting more and more nuclear fission plants. Some estimates indicate that the AEC wants 1,200 plants in operation by the end of this century.

I am concerned that the zeal of the AEC to construct new plants is far in excess of its concern for safety. I am concerned that the AEC is caught in a conflict of interest which obscures a truly necessary review of the safety aspects of nuclear energy powerplants.

Given this situation, then, I am introducing legislation today that would suspend the granting of operating licenses by the AEC pending the outcome of a truly independent and comprehensive study of all aspects of the nuclear fuel cycle.

Mr. Speaker, this study would be undertaken by the Office of Technological Assessment with the assistance of the scientific community of the Nation.

Built-in safeguards would prevent any possible conflict of interest.

The office would issue yearly reports to the Congress and would present a final report within 5 years. Resumption of construction licensing would be resumed if the report is favorable, although the licenses would be granted under conditions agreed to by the Congress after the report is made.

Mr. Speaker, if we are to allow the dramatic expansion of nuclear plants as envisaged by the AEC, we must do it safely and that is the purpose of this bill. The panic to meet the so-called energy crisis must not manifest itself in disregard of major hazardous operations to obtain marginal increases of energy.

The full text of my bill is printed in the Record at this point:

### H.R. 13716

A bill to terminate the granting of construction licenses of nuclear fission powerplants in the United States pending action by the Congress following a comprehensive five-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technological Assessment

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Nuclear Energy Reappraisal Act".

Sec. 2. (a) The Congress declares that the deployment of civilian nuclear fission powerplants is presently inconsistent with national security and public safety as required by section 3 d. of the Atomic Energy Act of 1954; and the Atomic Energy Commission is herewith directed under the authority of section 187 of that Act to enforce an immediate moratorium on the granting of construction licenses and export of all civilian nuclear fission powerplants.

(b) This termination shall continue until the Congress, after having adequate time to study the results of the investigation described in section 3, shall provide by law—

(1) for resumption of the licensing of nuclear fission powerplants and the development of criteria and standards for the licensing of such plants; or

(2) that resumption of such licensing be permitted but only under conditions specified in the law; or

(3) that resumption of such licensing be prohibited because of unacceptable safety, health, or environmental effects.

Sec. 3. (a) The Office of Technology Assessment is hereby directed immediately to undertake a comprehensive study and investigation of the entire nuclear fuel cycle from mining through fuel reprocessing and waste management and, as described in section 4, to determine the safety and environmental hazards of this cycle.

(b) The Office of Technology Assessment shall conduct this study independently. The Office may, however, call upon the National Academy of Sciences to conduct certain aspects of the study. The Office shall also call upon scientists, engineers, and consumer and environmental representatives in conducting the study. The Office shall have the power to enter into contracts with individuals or corporations for the purposes of conducting the study, but shall not enter into contracts with any industry which provides materials for nuclear fission powerplants or which otherwise in the judgment of the Office might have an interest in perpetuating the nuclear industry.

(c) All Government agencies shall cooperate to the fullest extent with the Office and shall provide access to their personnel and data. At the request of the Office, any Government agency shall furnish any information which the Office deems appropriate for the purpose of conducting the study under this section. The Office is further empowered to compel the delivery of any information in the possession of the National Laboratories which the Office deems necessary for conducting the study.

(d) Within five years after the enactment of this Act, the Office of Technology Assessment shall submit a final report to the Congress concerning the safety and environmental hazards of nuclear fission powerplants and the nuclear fuel cycle. It is the intent of Congress that all nonproprietary information compiled in preparation of this report be open for public review. The Office will provide a yearly report to the Congress and the public on the progress of the study, and provide the opportunity for a yearly public hearing concerning the progress of the study.

(e) The final report shall include recommendations as to whether a resumption of the licensing of nuclear fission powerplants should be allowed, and if so, the conditions under which licenses should be granted. Such recommendations shall employ a cost-benefit analysis discussing—

(1) the safety and environmental hazards associated with the entire nuclear fuel cycle compared with any benefits;

(2) the economic effect of a commitment to nuclear fission powerplants, particularly in relation to long-term cost and availability of raw materials, and the costs of all necessary safeguards; and

(3) the central question of proliferation of nuclear fission powerplants in relation to the possible alternatives.

Sec. 4. The comprehensive study to be undertaken by the Office of Technology Assessment under section 3 shall include (in addition to those topics cited in section 3)—

(1) the safety of existing nuclear fission powerplants, including a discussion of the adequacy of design features and criteria;

(2) the safety and environmental hazards posed by the mining, milling, transportation, reprocessing, and waste management of nuclear materials;

(3) the safety of routine emissions from nuclear fission powerplants and nuclear fuel reprocessing facilities with projections of future health effects if proliferation of these plants were allowed to occur;

(4) the indefinite storage of high level radioactive waste and potential dangers of such storage;

(5) the transportation of nuclear materials from civilian nuclear fisssion powerplants and the safety hazards inherent in such transportation, and the possibilities for diversion or sabotage present in such transportation;

(6) the possibilities for diversion of nuclear materials and sabotage throughout the entire nuclear fuel cycle; and

(7) an evaluative assessment of the prospects and problems, and the ultimate net energy yield, in the production of electric power through the use of nuclear energy, compared with alternative sources.

SEC. 5. There is authorized to be appropriated for the study under section 3 the sum of $100,000,000 for each of the first five fiscal years beginning after the date of the enactment of this Act.

## MARYLAND STATE SENATE SUPPORTS ABERDEEN PROVING GROUND

### HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BAUMAN. Mr. Speaker, as evidence of the wide public support for the retention of the U.S. Army Ordnance School at Aberdeen Proving Ground, Md., I include for the RECORD a resolution passed unanimously by the State Senate of Maryland expressing that body's view on this subject. This is another evidence of the popular feeling against any plans which the U.S. Army may have to transfer the Army Ordnance School away from Aberdeen Proving Ground:

SENATE RESOLUTION NO. 41

(By Senator James)

A Senate Resolution concerning United States Army Ordnance School for the purpose of urging that the United States Army Ordnance School remain at Aberdeen Proving Ground, Maryland.

Whereas, The United States Army Ordnance School has served the country for half a century at its present location at Abredeen Proving Ground, Maryland.

In 1919 formal schooling of Ordnance officers began at Aberdeen Proving Ground. In the more than fifty years since then, tens of thousands of officers, officer candidates, and enlisted personnel have completed training programs there. The School has emphasized timely integration of new concepts, doctrines, and equipment into the training programs, all designed to insure the best possible support to troops in the field.

The Ordnance School employs approximately 500 civilians and 1800 permanent military members. An average of more than 1800 students are undergoing courses at the School at all times. Many of these persons rent or own property in the areas near the facility. They and their families attend local schools and churches, are active in civic organizations and are intimately involved in Harford County and in nearby communities. The School's annual payroll exceeds $24.5 million, much of which is spent in the local area.

The proposed removal of the School to a southern state would continue the present trend of removing major military installations to a few select states in the South. If the all volunteer Army becomes a reality, the presence of most of the major military installations in the same area could pose a dangerous concentration of military power.

Removal of the Ordnance School from Harford County, Maryland would work a severe hardship on the State. The economic structure of northeastern Maryland would be disrupted due to a decrease in population, closing of schools and a diminution of the tax base; now, therefore, be it

*Resolved* by the Senate of Maryland, That the United States Army Ordnance School remain at Aberdeen Proving Ground, Maryland.

## INTERNATIONAL UNDERSTANDING

### HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. FRENZEL. Mr. Speaker, Deputy Assistant Secretary of State Alan A. Reich recently addressed the Southwest Regional Conference of the National Association for Foreign Student Affairs and the Institute of International Education in Fort Worth, Tex. His remarks dealt with international understanding, the foreign student and community action in this field. Because our world is continually shrinking, the Congress and the President are increasingly looking for new ways to improve international understanding. In this light, Mr. Reich's speech is particularly interesting. His remarks follow:

REMARKS OF ALAN A. REICH

Technological advances have made nuclear war a threat to mankind's existence. Fortunately, new initiatives and agreements in the disarmament field offer hope that the deadly cycle of weapons build-up may be broken. Prospects for increased government-to-government cooperation look better now than at any time since World War II. The great powers are focusing on areas of common concern and not only on their differences.

But while technology has made nuclear annihilation possible, it also has sparked a revolution in communication and transportation which brings increasing numbers of people in all walks of life into direct, open, and immediate contact. International diplomacy, traditionally the task of men behind closed doors, has gone public. Many foreign offices no longer confine themselves to speaking with other foreign offices for peoples; they help and encourage their peoples to speak for themselves across national boundaries. People-to-people communication has become a dominant force in international relations throughout the world.

My remarks today concern people-to-people diplomacy, the interest of the Department of State in it, and the importance of foreign students to international understanding.

THE NEED FOR INTERNATIONAL INVOLVEMENT

Many Americans ask why we should concern ourselves with international problems when we have so many serious domestic concerns. There are good reasons for our getting "involved with mankind": First there is common charity; second there is common humanity; and third there is common sense. Modern transportation and communications, not to speak of modern weapons, have brought our neighbors' problems to our doorstep. We have no choice but to become involved, because if the problems next door are ignored, they soon become our problems.

Poverty, illiteracy, hunger, and disease recognize no national borders; they travel under no country's passport. It is not a matter of the world's poor getting poorer while the rich get richer. The poor are getting richer, too. But their lot is improving so slowly that the gap between rich and poor is widening, not closing. Unless some way can be found to reverse this trend, those who are better off must one day suffer the horrible consequences. Neither we nor our children will have the luxury of working on our domestic problems if we do not succeed in bringing about peaceful cooperation throughout the world during the next few years. Whether we cooperate with our international neighbors because it is good, right, or necessary, we must get on with it *while* we are improving the quality of life at home. The job is not ours to do alone. Many other nations share with us the desire and the capacity to help close this gap between the have and have-not peoples of the world. The facts of international life today are that common sense and common survival dictate common action to solve common problems. Stronger people-to-people bonds improve the environment for cooperation in reaching solutions. No group plays a more vital role than the 150,000 foreign students on our university and college campuses.

THE RELEVANCE OF NON-OFFICIAL CROSS-CULTURAL COMMUNICATION

The geometric increase in citizen involvement in world affairs has special significance for the diplomat. When people-to-people bonds and communications networks are more fully developed, there will be a greater readiness to seek accommodation, and to negotiate The likelihood of international confrontation diminishes, and prospects for peaceful solutions are enhanced. This rationale governs the interest of the State Department in the furtherance of meaningful people-to-people interchange.

In the past few years, social scientists have increasingly studied the relevance of informal non-governmental communications activities to matters of war and peace. Research scholars, such as Dr. Herbert Kelman at Harvard University, are developing a more scientific base for these transnational cross-cultural communications activities. Their research suggests that existence of informal communications tends to reduce the level of tension when conflicts of interest occur; they contribute to a climate of opinion in which conflicts may be negotiated more effectively. Second, their research indicates that informal relationships create a greater openness in individual attitudes toward other nations, peoples, and cultures; these predispositions lead to greater readiness to communicate and to resolve differences peaceably. Third, social scientists tell us that international cooperation and exchange contribute to world-mindedness and to an internationalist or global perspective on what otherwise might be viewed either as purely national or essentially alien problems. Finally, international people-to-people relationships help develop enduring networks of communication which cut across boundaries and reduce the likelihood of polarization along purely political or nationalist lines.

DEPARTMENT-SPONSORED EXCHANGES

When you think of the State Department's conduct of our international affairs, the exchange-of-persons program and people-to-people diplomacy do not come immediately to mind. It is, however, a significant activity of the Department. The Bureau of Educational and Cultural Affairs works constantly to improve the climate for diplomacy and international cooperation. The exciting, challenging job of the Bureau is to utilize its modest funds and manpower to reinforce the work of American individuals and organizations who want to help construct, a little at a time, the foundation of better relationships with the rest of the world. It also coordinates, as necessary, the activities of other government agencies with international exchange programs in substantive fields such as health, education, social welfare, transportation, agriculture, military training, and urban planning. The Bureau of Education and Cultural Affairs:

1. Helps present and potential opinion leaders and decision-makers to gain through

first-hand experience more accurate perceptions and a deeper understanding of political, economic and cultural realities in each others' societies.

2. Encourages a wide variety of institutions, including the mass and specialized media, to strengthen their capacity to cultivate both an understanding of cultural, social, economic, and ideological differences and an awareness of similarities and interdependencies.

3. Helps develop transnational linkages based on shared intellectual, artistic, social, humanitarian, professional and economic concerns.

4. Works to increase the quality and efficiency of intercultural dialogue by various means including strengthening the role of English as an international language.

There are several major elements of the Department's exchange program which currently is funded at $45 million annually:

The Fulbright-Hays exchange program over 25 years has involved more than 100,000 people in academic exchanges. Annually, some 5,000 professors, lecturers, and scholars are exchanged to and from the United States.

The international visitor program brings to the United States about 1,500 foreign leaders and potential leaders annually for one- or two-month orientation programs. This includes nonacademic leaders and professionals, from Cabinet officers to journalists. One out of every 10 heads of state in the world today has been a State Department exchange visitor, as have some 250 Cabinet ministers of other nations.

The Department of State sends abroad annually several leading performing arts groups and athletic stars; for example, the Arena Stage and the New York City Ballet performed recently in the Soviet Union; the Philadelphia Philharmonic Orchestra just returned from a successful tour to the People's Republic of China; Kareem Jabbar (Lew Alcindor) and Oscar Robertson of the Milwaukee Bucks visited Africa, and two track and field tours left last week for the Near East.

Some 150 prominent U.S. lectures went abroad for six-week lecture tours in 1972.

Nearly 500 United Nations specialists selected by their home countries and funded by the U.N., are programmed annually by the State Department through 30 other government agencies for six- to nine-month training programs in the United States.

The commitment to these programs is substantial. They are administered, in cooperation with thousands of volunteers and many private organizations, by Bureau personnel in Washington and at our reception centers in Honolulu, Miami, New Orleans, New York, and San Francisco. Abroad they are administered, in cooperation with the United States Information Agency, by the cultural affairs officers in our embassies. In 50 countries there are binational commissions which have responsibility for supervising the academic exchange program.

The State Department's small but catalytic exchange-of-persons activity with 126 countries stimulates constructive communication among leaders and future leaders in many fields here and abroad. It demonstrates the Department's commitment to people-to-people diplomacy and the recognition of its importance to our foreign relations.

### PRIVATE SECTOR PARTICIPATION

As you in the National Association of Foreign Student Affairs (NAFSA) know, the success of these programs depends heavily on the willing cooperation of countless private individuals and organizations throughout the United States. The Department contracts with a number of organizations to assist in carrying out these activities. COSERV—the National Council for Community Services to International Visitors—is a network of 80 local voluntary organizations which enlist some 100,000 Americans to provide hospitality and orientation for international visitors. They serve voluntarily because they believe in the importance of their work to increase international understanding. This makes an indelible impression on the foreign visitors they serve.

We in the Department of State are aware that our programs represent only a portion of the total private-public participation in exchanges that further international mutual understanding. Numerous service organizations, professional associations of doctors, lawyers, journalists, municipal administrators, and others link their members with counterparts throughtout the world. More than 30 American sports organizations carry on international programs involving their athletes in competition, demonstrations, and coaching clinics here and abroad; youth organizations conduct international exchanges involving nearly 5,000 Americans and foreign teenagers annually. Foundations, businesses, institutions, and community organizations throughout America facilitate the private studies of the nearly 150,000 foreign students who come to study in the United States annually and approximately half that number of Americans who study abroad each year. Private American performing arts groups tour other countries; reciprocal opportunities are offered to counterpart groups from abroad. The People-to-People committees actively promote and carry out meaningful exchanges; the sister city program links 450 American cities with communities in 66 countries of the world.

Before we recently undertook to encourage new exchange activities in the private sector, we asked the cultural affairs officers in our embassies around the world whether they believed an increase in exchanges by private groups was desirable. They were also asked whether these activities further our long-term purpose of increasing mutual understanding with their respective countries. Almost without exception the posts replied that they wanted increased exchanges. They want them both to and from the United States. They confirmed that these activities contribute to removing barriers to understanding and to forming durable cooperative relationships.

Recently the Bureau of Educational and Cultural Affairs set up a special office to respond to the needs of private organizations seeking to participate in international person-to-person programs. This Office of Private Cooperation, on request, helps private organizations to become active internationally.

### FOREIGN STUDENTS AND COMMUNITY ACTION

I could continue at great length about the significant international work of private U.S. organizations. None is doing more than the National Association for Foreign Student Affairs and the Institute of International Education by ensuring that the 150,000 foreign students on our campuses are well-oriented and making the most of their opportunities.

Foreign students comprise the largest group of resident visitors in the United States. When these students return home, they are apt to become leaders in their governments and in their societies. Their future interactions with us in solving major world problems, either on a governmental or nongovernmental basis, will be influenced by their perceptions and understanding of us developed in their student days here.

You know about the needs of the foreign students and what is being done to meet them. I am concerned, as I am sure you are, with articles which appear from time to time suggesting foreign students in the United States feel alienated. I understand research on foreign student attitudes is being undertaken to understand and begin to solve this problem.

I frequently have been asked what we, the American people, might do to improve this situation. The capacity for commitment of the American people and their willingness to serve is generally acknowledged throughout the world. There is much to be done, and I believe Americans will cooperate when the way is pointed out to them.

Research suggests that one of the most significant elements in the experience of foreign students in our country is the relationship they enjoy while here with their professional counterparts. Foreign students have told me how much they value these relationships and also how seldom they are able to develop them. They are eager to pursue common professional concerns with Americans sharing their interests. When they have no such contact, they are disappointed and sometimes frustrated. More than half the foreign students in the United States are graduate students, and with them particularly, professional societies and associations can help. Community organizations can greatly enrich their programs by involving the foreign students. While recognizing many of these things are being done, professional and community groups can form international committees and take an active interest in the foreign students in their midst. Some organizations in some localities are already engaged in such activities.

I would suggest community groups—Rotary, Lions, Kiwanis, Civitan, Jaycees, PTA's, church and youth organizations—do more broadly what is being done so well in some communities in ensuring that foreign students are brought into American community life in meaningful ways. Many imaginative programs are being carried out, such as involvement of foreign students in necessary voluntary, community activities and in conferences with local business executives. The Foreign Policy Association, the UN Association, the League of Women Voters, and Chamber of Commerce, to name a few, can do more along these lines. In a few communities People-to-People chapters have been formed specifically for this purpose. The foreign students represent an immense resource for enriching community as well as campus life; it is greatly underutilized. Leaders of these groups will find full cooperation from the foreign student advisors on campus.

My colleagues and I in the Department of State have been gratified by the continuing commitment and cooperation of American university and college presidents and their administrators to enhancing the experience of foreign students on their campuses. Their support and reinforcement of the work of the foreign student advisors and community volunteers are essential to the success of this important work.

The college public relations directors (and the American Collegiate Public Relations Association at the national level) have been most helpful because they recognize the importance of this activity to the perception by the community of the colleges and universities as international centers with worldwide interest and concern. To make the need and opportunities known, and to expand programs through public exposure, editors and broadcasters should be enlisted. Their national organizations have shown great willingness to assist.

The alumni directors (and the American Alumni Council at the national level) can help in ensuring continuing ties with the *alma mater* when the students return to their home countries. The students develop great loyalty to their American colleges and want to remain in contact.

The foreign student advisors, the admissions officers, teachers of English, and the community volunteers of NAFSA are carrying forward these activities—and with great benefit to the foreign students and to our foreign relations. All of us in the Bureau of Educational and Cultural Affairs are constantly aware and appreciative of the effective network of communication which you on the campuses maintain between the "Town and Gown." We recognize that our overseas guests, students, scholars and professors have been the fortunate beneficaries of your constant and abiding concern for them while in the United States.

If they are not already doing so, I would urge the appropriate American organizations, in cooperation with foreign student advisors and community volunteers to undertake the following twelve-point program:

1. Invite foreign students to national, regional, and local conferences of professional organizations.
2. Invite them to participate in and deliver papers at workshops and seminars.
3. Invite them to join professional and community organizations, reducing membership fees as appropriate.
4. Provide foreign students with journals and publications in their fields.
5. Assist them with graduate school placement and finding jobs as appropriate.
6. Include foreign students in community volunteer work.
7. Provide scholarship assistance.
8. Provide them with home hospitality and assist in forming lasting personal ties with American families.
9. Invite them to address local groups; set up foreign student speakers bureaus.
10. *Include them* (and their spouses) in community events and activities.
11. Invite them on tours of businesses and provide them with community orientations.
12. Enlist foreign students in helping solve community problems in which they may be able to assist.

Few Americans have the opportunity that you have. Your day-to-day labors, your patience, your understanding, your professional expertise are having a deep and lasting effect on world affairs. You can take pride and satisfaction in knowing you are increasing mutual understanding, in demonstrating so well American values of individual freedom, pluralism, openness, concern, and friendly hospitality. Your dedicated efforts with foreign students are supporting one of the nation's most basic international objectives—helping establish strong people-to-people relationships based on trust and understanding.

Thank you for your continuing cooperation. My colleagues and I are proud to work with you in this important process of helping build "the human foundations of the structure of peace."

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## THE 56TH ANNIVERSARY

## HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BELL. Mr. Speaker, today marks the 56th anniversary of the Proclamation of the Byelorussian Democratic Republic. On this day in 1918, the Byelorussian people proclaimed the end of the 18th century Czarist Russian take-over. In the mid-1900's, the country was once again conquered and is presently under the rule of the U.S.S.R. Through the bond of common heritage, the Byelorussian people have retained their individuality and preserved their rich culture. I ask that we join the Byelorussians in honoring this day of independence, and hope that Byelorussia will once again regain her freedom.

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## SELECT COMMITTEE ON COMMITTEES' FRAGMENTATION OF THE EXISTING MERCHANT MARINE AND FISHERIES COMMITTEE'S OCEANOGRAPHY JURISDICTION

## HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mrs. SULLIVAN. Mr. Speaker, on Thursday, March 21, 1974, I inserted certain remarks in the RECORD concerning the Select Committee on Committees' recommendations with respect to stripping the Merchant Marine and Fisheries Committee of certain of its jurisdictional responsibilities. At that time, I commented on the shifting of our existing Panama and interoceanic canal jurisdiction to the Foreign Affairs Committee. Today, I would like to discuss briefly the select committee's erroneous decision to disperse the Merchant Marine and Fisheries Committee's existing unified oceanography jurisdiction.

At the beginning of the Bolling select committee hearings, the vice chairman stated:

> We are prepared to accept the great challenge of how to better create a more efficient committee operation, the heart and soul of that legislative process. (Hearings, vol. 1 of 3, part 1 of 2, page 3.)

In a colloquy with the Speaker of the House following the Speaker's testimony, one of the Bolling select committee members stated:

> There might well be a greater degree of focusing attention with newer committees instead of this fragmentation which presently takes place. (Hearings, vol. 1 of 3, Part 1 of 2, page 14.)

In his article entitled "Committees in the House" the chairman of the Select Committee on Committees listed several ways in which he felt the present committee system fails the House. His fourth point states:

> It (the present committee system) does not facilitate coordinated policies, nor does it coordinate emerging issues, because the jurisdictions of House committees are outdated. (Congressional Record, March 12, 1974, page 6491.)

In his article the chairman quoted one of the select committee members as follows:

> Our first obligation is to see that there is a coherent realistic and contemporary setting for the consideration of all legislation and to be sure that the most commanding and imminent issues of public policy are mirrored and realized in the organizational structure of the Congress. (Congressional Record, March 12, 1974, page 6492.)

In the joint statement announcing the introduction of the resolution to reform the structure, jurisdiction, and procedures of the House, the chairman and vice chairman state:

> Our goal is to improve the work of the House so that major problems will be anticipated and considered in a coordinated and timely fashion.

Unfortunately, the select committee speaks in one direction and decides in the counter direction.

Since 1959, the House Merchant Marine and Fisheries Committee has had sole and total legislative jurisdiction over the increasingly important field of oceanography. The Select Committee decided to transfer this oceanography jurisdiction to the Committee on Science and Technology. Throughout the transcript of the Bolling Committee deliberations the Select Committee members continually referred to the Merchant Marine and Fisheries Committee "oceanography" jurisdiction. The line item appearing in its resolution under the Committee on Science and Technology is "oceanic and atmospheric sciences." Obviously, this line item reflects the Select Committee's concept of "oceanography."

The Bolling Select Committee also decided to break off ocean dumping and transfer it to the Committee on Energy and Environment. Similarly, it decided to break off coastal zone management and transfer that program to the Committee on Energy and Environment. Sea Grant Colleges would go to science and technology and seabed mining, marine mammals, and Coast and Geodetic Survey to energy and environment. These are all oceanography programs and must be considered together.

How will committee operation be improved if marine mammals are moved to the Committee on Energy and Environment while fisheries matters remain with the Committee on Merchant Marine and Fisheries? Porpoise mortality in the tuna fishery remains a problem of concern to the industry, the conservation community and the Government. If a coherent policy with respect to management of porpoises and tuna is a desirable objective, it is not likely to be achieved with split jurisdiction.

Marine mammals and fish cannot be treated separately nor can ocean dumping policy and fish. High incidence of mortality in California sea lion pups is directly traceable to high concentrations in DDT in the mother. Oversight responsibility splitting will hinder, not advance, efforts to force solutions.

What possible sense can it make to:

First. Split committee responsibility for coastal zone management and fisheries when 70 percent of the fish spends some part of their life cycle in the coastal zone?

Second. Split sea grant from coastal zone management when 80 percent of all sea grant's funds are expended on research in the coastal zone?

Third. Split fisheries from sea grant when major program thrusts in sea grant include maricultural projects and an extensive network of marine advisory services personnel dedicated to helping the fishermen?

Fourth. Split coastal zone management from coastal mapping and chart-ing, the source of many basic data items needed in the management process.

Fifth. Split the listing and enforcement responsibility for endangered species in the ocean from the committee's responsibility for fisheries and ocean research.

How can there be a greater degree of focusing committee attention to correct the Select Committee's concern for "current fragmentation" if ocean science research, the bedrock of management decision making, is placed in the Committee on Science and Technology while oversight responsibility for ocean program enactments is with the Committees on Energy and Environment or Merchant Marine and Fisheries?

The chairman of the Select Committee says that outdated jurisdictions in the House do not facilitate coordinated handling of emerging issues or policies. How can this statement be reconciled with passage by the Congress in the past 2 years of the Coastal Zone Management Act, the Marine Mammal Protection Act, and the Ocean Protection, Research, and Sanctuaries Act on the initiative of the Merchant Marine and Fisheries Committee in the House? Each enactment treated a pressing contemporary ocean problem.

The ocean is the contemporary setting for many national problems: energy sources, energy facility siting, minerals, food, recreation, and global transportation—each giving rise to commanding and imminent issues of public policy. As I mentioned above, since 1959 the Merchant Marine and Fisheries Committee has had sole and total legislative jurisdiction over this increasingly important field. The scattering of its responsibilities over the committee landscape can hardly be viewed as an improvement in the Congress' ability to provide the coherent realistic and contemporary setting that the Select Committee says it seeks.

Nor is the proposed reorganization likely to improve organization so that national problems will be anticipated and considered in a coordinated and timely fashion. With the science of the sea in one committee and all of the application of that science spread in two others, only a diffusion of leadership can result. The present effective focus will be lost and for the life of me I cannot see how the noble and worthy objectives of the Select Committee will be served one tiny bit.

According to the reams of publicity in the media concerning the Select Committee recommendations and the words and theories of the Select Committee members, one is under the impression that the purpose of the Select Committee was to streamline and improve the workings of the House. Taking just this one example of oceanography, which is traditionally one unified whole with all its jurisdictional entities in the Merchant Marine and Fisheries Committee and which is now fractured among three committees, I just cannot see that this is improvement. Contrary to its avowed purposes, the Select Committee has dispersed the former unity and cohesiveness of oceanography so that it will now be treated in different parts by diverse and different jurisdictional entities with what can only result in chaos and confusion.

It is ill-conceived decisions such as this which should provide ample evidence to compel the Members of the House of Representatives to vote down House Resolution 988, the Select Committee on Committees' resolution.

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## U.S. POSTAL DIS-SERVICE'S COLORING BOOK PROGRAM DRAWS CRITICISM

## HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. ALEXANDER. Mr. Speaker, March 25–30 has been proclaimed Student Postal Week by our Postal Service. In announcing the celebration, Postmaster General E. T. Klassen noted that the Service's new school program, heretofore known as the Junior Postman Coloring Book, will be launched this week to teach third, fourth, and fifth graders how to use the mails. I was quite concerned that the release announcing Student Postal Week contained a sampling of only favorable responses to the program. No doubt the unfavorable ones were lost in the mails. I feel compelled, Mr. Speaker, to counter the overwhelming support the Postal Service would have us believe this program is getting by sharing with my colleagues several letters from people all over the country who are fed up with the U.S. Postal Dis-Service:

BIRMINGHAM, MICH.,
*March 9, 1974.*

DEAR MR. ALEXANDER: In the Detroit News today I read about your criticism of the latest Post Office spending plan. It's good to know that at least one representative in Washington is aware of our disgraceful postal management and service.

It's anybody's guess how many days it will take a letter to get from A to B but you can be certain it will take about twice as long as it did before the Post Office became "independent." The other guarantee is that with every rate increase there will be a corresponding service decrease. Also, since every location is now called Postal Service we don't even know where a letter was mailed, let alone where it has been hidden in the meantime.

Children don't need a $310,000 campaign to learn how to use the mail. It is the U.S. Post Office that needs to learn efficiency in getting that mail to its destination.

Thanks to you and keep at it.

Sincerely,

(Miss) HELEN B. CONDON.

WICHITA, KAN.,
*March 18, 1974.*

REPRESENTATIVE ALEXANDER: I would like to commend your stand against the postal system's "coloring books."

Whether the amount is $1,000,000 or $450,000 the enormity of the amount is evident.

Any school teacher from third grade up does have a child write a letter as part of an English assignment. She has that child address an envelope with street address and zip code. She does not have the child place a stamp on the envelope, but could if the child couldn't do it for himself.

I learned in the third or fourth grade at school, didn't you? Zip codes were not in existence for me.

As a school teacher I would like to congratulate you on your stand against this ridiculous expenditure.

Sincerely,

SUE HIGHFIELD.

WENATCHEE, WASH.,
*March 10, 1974.*

DEAR MR. ALEXANDER: I have just read in the paper at your outrage about the Postal Service sending out 5 million copies of funny books, etc. to the schools. Believe me you are not alone in the way you feel. Only a few days ago there was a three quarter page of propaganda in our newspaper telling why the postage was raised. Ours is a town of only about 18,000 so you can see how many such ads there were. There was the same ad in a Spokane paper. And have you seen the list of things Reps. Gross and Udall found in Postmaster General's place of business when they investigated? Here is just a few of them. $130,000 reception room. His receptionist desk $1,576, phone desk $194, convertible couch $1,143, 7 fancy chairs $5,748. Bathroom marble counter top $800. Carpeting $11,666.

Full kitchen $44,909, Pantry $5,280, 13 dining tables $7,607, 80 dining chairs $11,044. I am sure the PMG doesn't do the cooking and dishwashing so there must be a staff of servants also. On top of all this he ran up a $12,900 bill for travel.

On top of this the postal clerks and letter carriers negotiated a billion dollar 2-year contract which will give them more than $11,000 per year with 2 cost-of-living increases per year and a no-layoff guarantee, and the postal service will pay a greater proportion of employees' health and life insurance premiums.

It seems to me that something will have to be done to clip the wings of this outfit.

We had better mail service 30 years ago than we have now and it doesn't cost half as much. I have lost two pieces of mail since the first of the year that I know of. One a check to the phone co.

Mr. Klassen has said that the first class postage may go up to 30c. That is very probable if he is allowed to keep on spending the way he has been. I don't blame you for feeling as you do about the postal service. I hope Mr. Alexander you can find some way to put a stop to such waste.

Respectfully,

MRS. ETTA PAXTON.

WINSTON-SALEM, N.C.,
*March 12, 1974.*

DEAR SIR: Thanks to God we people of this great country of ours have one man in the House of Representatives, one man whom looks after the Taxpayer of our country.

I read with joy where you were giving the Postal Service fits over spending a million dollars on a color book for the kids of this country, and which has not one thing to do with our sorry postal service.

What the Congress of the United States should do now is to throw Elmer T. Klassen out on his head, as the Postal Service has went to hell since he got into the Postal Service and has hired over fifty of his very personal friends at a high salary to do nothing, and has kept the old people like I am from writing his family each week, as on my small pension I can not make ends meet.

Why did not Congress stop the High Price of stamps, and all Klassen wanted was more money for him to throw away and hire more of his friends—

I was talking to a supervisor of the mails here in Winston-Salem and he said that the mail service had gone to hell and it should be taken out of Klassen's hands as he has ruined it, and the service had fell off 33% since he took over.

Our mail service is rotten to the core, so mail comes three to seven days late, and it is this service we are paying for. *No* it is rotten.

Everywhere people are angry at the price on stamps, and at the senior citizens meeting last week it was brought up as the hardship it was causing on the poor people so that the Postal Service could sit back and draw a great big fat salary and also bring people into the Postal Service that knew nothing but drawing their "fat checks."

Keep up your good work, and the poor people who bears the tax burden of this country will put you in high esteem in their memories—

Stop this extra foolish spending on this Junior Postman books, and dump this Elmer T. Klassen out of office.

We in N.C. admire your work.

Yours truly and friend,

W. R. PERRY.

## REFORM OF THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

## HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. ABDNOR. Mr. Speaker, the Select Labor Subcommittee of the Education and Labor Committee held hearings March 19 and 20, on the Occupational Safety and Health Act of 1970. This marks the beginning of an extensive review of the act's implementation and general applicability toward the achievements of the purposes and policy of assuring every working man and woman safe and healthful working conditions.

Next month will mark the act's third year of implementation. There are many concerns to be brought to light regarding various aspects of the operations and enforcement procedures of OSHA. As a participant in the proceedings of providing testimony on the need to reform the act, I indicated that we need to change provisions starting from the manner in which standards are set all the way through the inspections process and into the review and appeal rights afforded the cited individuals.

Mr. Speaker, I submit my testimony before the Select Labor Subcommittee of the Education and Labor Committee for the consideration of my colleagues:

STATEMENT OF CONGRESSMAN JAMES ABDNOR

Mr. Chairman, Members of the Subcommittee on Labor, I greatly appreciate the opportunity to appear before you today with testimony reflecting the feelings of my constituency, as well as my own, on the Occupational Safety and Health Act of 1970. Appearing with me are representatives of South Dakota's major economic bases, the farmer and the small businessman. Mr. Gary Enright, Executive Director of the South Dakota Farm Bureau, and Mr. Art Kroetch, President of Little Scotchman's Industries, will present the specific cases concerning the farmer and the small businessman and their relationships with OSHA.

The declared Congressional purpose and policy of the 1970 Occupational Safety and Health Act was:

"To assure so far as possible every working man and woman in the Nation safe and healthful working conditions and to preserve our human resources."

I do not feel this purpose and policy is now being carried out. There is ample evidence that OSHA is punitive rather than remedial in its approach to assuring safe and healthful working conditions. The act is negative where it should be positive. The act does not help to create safe conditions; it only penalizes where they are lacking. If the act is not amended to meet its purpose, then it should be repealed. I would like to think that Congress would rather amend and provide a helping hand to the employer and the employees in order to create safe and healthful working conditions, rather than to punitively club the employer for innocently violating standards as they specifically apply to his business.

Although the act has as its main purpose the positive goal of assuring safe and healthful working conditions, the act attempts to achieve that goal through negative practices and procedures of highly questionable Constitutionality. Inspections are to find fault and penalize, rather than to provide advice and direction for compliance. Citations cite faults and abatement periods with no guidance to the employer on how to come into compliance. Standards and regulations are virtually impossible to understand unless you have a library of legal documents for cross reference purposes. Most employers are unable to determine which standards apply to them once they do understand what is meant by the regulation. Too often the cost of compliance outweighs any benefits gained. The act's review and appeal processes create havoc with the Fifth Amendment's due process guarantees in that arbitrarily fixed time limits are mandated for contesting citations, and limitations are put upon the employer as to evidence for his defense. Only after the Occupational Safety and Health Review Commission renders a final decision can the cited individual gain the constitutionally guaranteed protection of due process by seeking judicial review of his case in an appellate court.

In order for the act to maintain a semblance of positive and helpful intent, certain reforms must be made. The goal of creating safe and healthful working conditions can better be attained by aiding and cooperating with the employers of businesses and their employees. The following are my suggestions for reform which in most cases have been widely agreed to by others in Congress and the business-labor community.

### INSPECTIONS

The act should provide for announced inspections affording the employer the opportunity to be present during the inspections as well as afford him the opportunity to have available on the "walk-around" his own expert in the safety and health field. By having his own man, per se, the employer could be advised of the significance and professionalism of the inspector's notations of supposed violations.

### CITATIONS

The punitive nature of the citation process accompanied with mandatory fines for "serious" violations and discretionary fines for "non-serious" ones should be removed and replaced by the positive method of no penalty unless abatement has not been carried out in the specified time limit. Such a provision is provided in H.R. 2448. The OSHA inspector should also at the time of the citation of violations provide expert advice as to how the employer may come into compliance and thus meet the time limit for abatement. Congress should provide the legislative authority needed for advising compliance in order to achieve the intended purpose of the act. To ignore this badly needed service to an employer, we state, in essence, that the government is more interested in finding fault and collecting fines than it is in attempting to provide safe and healthful working conditions. The burdensome costs of the employer, especially the small businessman, in hiring a private engineering and safety consulting firm drains financial resources and may cause plant closings and labor layoffs.

### STANDARDS

As proposed in H.R. 2449, there should be a separation of applicable standards for the varying aspects inherent within the differences of small and large businesses. In one specific case, separate standards should be written for "light residential construction" and "heavy construction." Generally, standards are too complicated for the individual to understand. They should be written in lay language with specific delineation and separation into the various business enterprises. All proposed standards and regulations should be subject to an economic impact study which would afford facts for the determination of the cost benefit as well as needed background for applicability to business concerns. The enforcement of some standards would in some instances drive businesses out of business with little increase in the safety factors.

### ON-SITE CONSULTATIONS

H.R. 6592 provides for "on-site consultations" by the OSHA inspectors to businesses employing 25 or fewer employees. This is badly needed in that, above all else, it provides for the employer to see what he is doing wrong and how to correct the situation without being subject to a fine.

### REVIEW AND APPEAL

The time period for contesting citations of violations should be changed from the present 15 days to 30 working days. The Occupational Safety and Health Review Commission should not have the power to increase fines, as this presently acts to deter one from taking advantage of the proper review and appeal rights he does have however limited. Final decisions by the Review Commission should be immediately stayed upon appeal of the case to the appellate court. Presently OSHA cannot withdraw mistakenly cited violations without a hearing in an appeal nor can the employer withdraw from his contest without proving abatement, fines paid, or employees notified. The strict restrictions on withdrawal should be removed, thus saving money and ending burdensome time consumption.

Further, a thorough review should be given to overall enforcement procedures of OSHA. It would behoove Congress to remove the onerous "guilty until proven innocent" implication this act carries. Provision should be made providing for judicial review in the first instance rather than the last. OSHA should be vested with the powers to conduct hearings and issue orders directing specific compliance with legislation or regulatory standards, only after the proper judicial review rights are provided as in the cases of the Federal Trade Commission, the National Labor Relations Board, and the Equal Employment Opportunity Commission.

Finally, the Subcommittee will find of interest the following selected letters and cases from my files regarding OSHA. The letters briefly noted are representative of the feelings toward OSHA as expressed by my constituents. I would like to bring special notice to the cases of the S & L Millwork Company, Inc., of Rapid City, South Dakota.

Thank you for affording me this opportunity to testify on the need to change a law abridging the rights of individuals in order to achieve a meritorious goal. I believe this goal could better be achieved by other means while yet maintaining all rights of due process.

From Mr. and Mrs. Don Erickson, Don's

Custom Cabinet Shop, Route 2, Box 198, Rapid City, South Dakota: "We as a small business employing 2 full-time men, feel that OSHA has been very unreasonable and dictatorial. The little business is being cited and fined for such petty and insignificant things as no lid on a waste receptacle in the ladies' room. Complying with real safety and health laws is acceptable but we feel that these penalties and harassments are just out of line and a bit unconstitutional."

From Gordon Thune, Vice President, The Thune Hardware, 815 North Main, Mitchell, South Dakota, addressed to the Occupational Safety and Health Administration in Billings, Montana: "Enclosed please find our check for ninety dollars in payment of the so-called violation to the safety of our employees. We feel it is cheaper to pay the fine, rather than take such matters to court. However, our Constitution gives us the right to protest what we feel to be an injustice to our right to live and earn a living.

"We have been in the hardware business in the Mitchell area since 1937, with my father's original time dating back over fifty years. In all that time we have never had a so-called reportable injury.

"The operation of this store has not been or will it be to run a business hazardous to our employees or customers.

"Local independent hardware stores throughout the country are usually family affairs, with customer service as a very important facet—bolts on a wagon, sharpen mower blades, or oil a mother's stroller, etc. We do not operate a manufacturing or assembly plant. We merely try to give the service that larger chain and discount stores don't give.

"The number of employees can vary here in our store according to the season; but even with ten or twelve employees, we only have one man in our repair shop. He is a qualified repairman and knows his tools and what to do with them. The female employees in this store do not operate, nor do they want to be involved with them, the service department.

"We were very displeased to learn that institutions were given five days to comply with the citation issued to them and we were not given that same courtesy. We do want to comply, and we have corrected the non-serious citation from your office.

"Safety is important. Most stores of our type would gladly try to comply. We think, however, they could be inspected and given the citation—then if they do not comply or correct the situation, a fine would be necessary.

"Copies of this letter have been sent to Washington in hopes that this law can be amended to take care of retail stores in a different manner than manufacturing firms.

"Thank you for letting me print my thoughts and for your courtesy in printing this letter."

From David Richards, Howes Route, Box 30, Sturgis, South Dakota: "Since I employ youth and am an advisor to the Meade 101 Vo-Tech school on agriculture, I could offer some suggestions.

"1. Children need to learn to work early in life to establish good work habits for later occupations. I suggest that freshmen in high school be allowed to work on farms and ranches provided that they have been given some safety training through either 4-H clubs or a school ag course.

"2. Most farmers and ranchers have learned safety through experience. They teach the youth employed as fast as they can how to handle machinery, tools, chemicals, or livestock because injury or damage to livestock or machinery is costly. I suggest that rural employment of youth from high school freshmen on up be exempt from the OSHA regulations except where more than two youth are employed at a time for 12 months of the year.

"3. OSHA regulations pertaining to tools and conditions of machinery should be exempt on farms and ranches or feed lots where no more than one or two youth are employed. This would be satisfactory since when a youth is going through apprenticeship a farmer tells him what to do and farmers can teach safety as well as an instructor."

From Mr. and Mrs. Frank Hoffmeyer, Vanco Motor, Inc., 30–5th Avenue, Belle Fourche, South Dakota: "I would like very much to see the entire law repealed. There is nothing fair about the way the regulations are enforced. A criminal guilty of drug, robbery or murder charges is shown more consideration for his Constitutional rights than the owner of a business. For example, an OSHA inspector can enter your place of business without a search warrant. Try that on a drug pusher and the whole thing is thrown out of court.

"A law as far reaching as this should never have been passed as a rider to something like the E.P.A. legislation. If any one of the senators or congressmen would take the time to read even one of the many booklets of regulations, and they are written in very fine print, and then try to enforce or cover all of them, maybe they could better understand the problems a small businessman faces in having to deal with a created monster like OSHA.

"As for the fines and penalties, one is fined more for not having a three-pronged plug on an adding machine than you would be fined for speeding in a school zone, including court costs. The whole thing smells like complete government control over anyone who has the courage to try to make something of himself."

From James Bruns, President, Hazard Specialists, Inc., 3209 South Prairie Avenue, Sioux Falls, South Dakota: "Recently the Occupational Safety and Health Association under the Department of Labor proposed new safety standards for farmstead equipment, farm field equipment and other agricultural equipment. These proposed regulations and, I assume, penalties could have serious effects on the American farmer and his ability to produce. In this time of shortages, I feel that a serious study should be taken into the actual need for this type of legislation in which the average farmer has no voice. I am also wondering if the committee which was appointed to proclamate these regulations ever considered the cost of having the necessary guards installed, or for that matter the feasibility of even getting someone to design, manufacture and install all of these guards. According to these regulations, all farm machinery comes under the guarding requirements. I'm sure that the committee never considered the amount of machinery which a small farm must have for occasional use. If he is required to install the guards, there is a good possibility that he will try to do the job himself and will create more of a hazard than what he already has.

"I personally think that if the committee had considered the cost, feasibility, or the possible hazards which the average do-it-yourself farm could create they would not have proposed these regulations.

"Perhaps as I mentioned earlier in this letter, a cost and feasibility study should be undertaken. A similar study was undertaken by a private company of the costs in the reduction of the maximum noise levels allowed for the industry. The proposed reduction was from the present 90 dB to 85 dB. The results of the study indicated that for the benefits gained the costs were unjustified. Consequently, the regulation has remained unchanged."

From H. P. Howard, Argus Printers, P.O. Box 37, Stickney, South Dakota: "The trouble with OSHA it seems is that the inspectors are too anxious to find something wrong (to build up their reputations for efficiency) and unable to distinguish between the dangers in a small plant with a few pieces of equipment and a large one with many pieces. So they end up by hurting small business.

"I don't think Congress intended to do anything but make plants safe. I don't think Congress intended nit-picking.

"Mainly where the law could be amended is in that feature where inspectors have judge-and-jury powers. That's not right at all. And the inspectors ought to give plant owners a chance to rectify whatever is wrong."

From Linus Storms, Winner, South Dakota: "I just listened to a program on the radio that motivated me to write this letter. It had to do with OSHA. I have always been opposed to this bill, and now that there is an effort to get rid of it. I urge you to join it. I was employed by a pole building company before coming to the farm. One of OSHA's laws nearly caused a serious accident for me. I am not accustomed to wearing glasses and when I was forced to wear safety glasses at all times on the job it was pure discomfort. One day we were putting steel on the roof and I was walking down the 2X4 spaced about 21" apart. I started walking down them when all of a sudden I fell through. I saw the rim of the glasses and mistook it for a 2X4. I had walked up and down a thousand times before and had never done anything like that before.

"There is a time and a place for all safety measures and the workmen should be able to choose for themselves when and where to use them. If a man isn't smart enough to protect himself against obvious dangers, then no law in the world can protect him from his ignorance. I urge you to strike this law from the books."

From Mr. and Mrs. Lyle Stoner, Lyle's Red Owl, Gettysburg, South Dakota: "I feel this is the worst piece of legislation ever passed. An inspection was made of my business on October 25, 1973. The alleged violations were: fire extinguisher had no inspection date entered on the durable tag; there were three pieces of equipment not properly grounded. I agreed to fix these immediately which I did. Two weeks later I received a citation from the U.S. Department of Labor, Suite 525, Petroleum Building, 2812 First Avenue North, Billings, Montana. They informed me that I had been fined $30.00. I paid the fine but feel this is as undemocratic as things can become. Several businesses were fined in Gettysburg. One businessman has refused to pay his fine.

"I have four full-time and three part-time employees. I am a small business struggling to stay in business during these turbulent times. Also, I was sent a recordkeeping booklet which stated I would be required to make a report early in 1975 on occupational illnesses and injuries. I have been in business since 1968 and have not had an occupational illness or injury occur in my business. I do not feel small businesses should be subjected to this type of requirement.

"A few years ago this type of harassment by the mobsters was considered illegal. Today the U.S. government does it, and it is legal.

"I can't imagine how such poor legislation can be permitted to become law. When will one of their inspectors decide to inspect my place of business and fine me again? You get no warning or opportunity to correct the error. It doesn't seem possible this type of action is happening here in the United States. In Russia, yes, but in the United States? Goodness knows what will be next."

From Hiram Dutton, Faith, South Dakota: "I think it would be a good idea to repeal the OSHA law. I like to give high school boys work in the summer, and with this law you don't dare take a chance."

From Wallace F. Sweetland, Executive Secretary, Training Director, Electrical Contractors of South Dakota, P.O. Box. 926, Mitchell, South Dakota: "You might consider the obvious problems which will be created if OSHA compliance officers are recruited from union ranks as indicated in the attached informational sheet. There is no doubt that another "in-house labor council" is being developed within the Labor Department. Most affected will be manufacturing and construction."

From Brian Crane, Crane Publishing Company Inc., P.O. Box 822, Rapid City, South Dakota: "Naturally everyone should be aware of safety on the job and it should be a continuous effort for everyone to work toward this goal. I think that if you will check some of the statistics on industry over the last 40 years, there are less accidents per man hour than ever before. Naturally, we want to make them even less yet, and I am sure that the William Steiger Act was brought about to accomplish this goal, however, it is an unconstitutional act. Free Enterprise system must be allowed to cleanse itself and government intervention and government control will only make the problem worse. The William Steiger Act should be declared unconstitutional and we should rid our country of this gross inadequacy."

From Charles J. Root, Route 1, Box 450, Rapid City, South Dakota: "The most dastardly program any branch of our government has ever foisted upon its small businesses, contractors, and industries is that program executed by OSHA. No man can know what all their regulations are nor can he meet their demands even if he did know, nor can they possibly execute them in any sort of a fair fashion. Conceived by the Communist leadership of the Health, Education, and Welfare Department and handed to the Labor Department to give it some sort of excuse for its necessity, it stands hated by all persons with any ambition to build any kind of a business of their own and even feared by most because of its wicked looking teeth. The only answer to it that I know aside of its death is a good ever loaded shotgun."

From Gerald K. Miller, Miller Equipment Inc., Rapid City, South Dakota: "We were fined $25.00 for the noted violations, after being given a reasonable amount of time to come into compliance. We did correct the so-called violation in the time given, and were fined anyway.

"It seems to us that this is certainly not the American way. If the legislators in Washington have to resort to this kind of law and have the power to fine American business even after they come into compliance with the OSHA laws, we had better replace them with people that have been in business. These people at least understand how to make their time count. They understand that a person should usually get a chance to correct a mistake."

From Donald Haedt, dba Haedt Sash and Door Company, 110 E. St. Louis Street, Rapid City, South Dakota: "On July 3, 1973 we were inspected by an OSHA compliance officer and received a citation with a list of 14 non-serious violations, and fined a total of $155.00.

"We are a small company only employing two people and have an excellent safety record. This is not a large fine but the parts and labor to bring these so-called violations into compliance amounted to $1100.00 and left some of our machines practically useless.

"I do not believe this kind of control has any positive results in a small business that employs skilled help and has a good safety record. The very fact that you are fined and then told what to do instead of consulted and helped makes the whole program dictatorial and leaves the employer with an even more negative attitude, with more paper work, less efficient machinery, and less incentive than before."

S & L MILLWORK COMPANY, INC.

The following are the documented citations, petitions for variance, and employee statements relative to the S & L Millwork Company's contest of their case. Thus far in the proceedings OSHA has noted that they make a mistake in citing the company but are unable to withdraw from their actions without the Review Commission's decision to do so. Hearings on the case will occur on March 21, 1974.

It should be noted that in order for this company to complete its type of work of cabinet making by the use of the rip saw, anti-kickback dogs and guards cannot be used. OSHA has recognized this and does have a standard which provides that in the cases of grooving, dadoing, rabbeting, slotting, and kurfing, no guards are required, but in inspecting the company noted citations were issued for the lack of anti-kickback dogs and guards on the rip saw. This case clearly points out the need for reform of the review and appeal processes of the Occupational Safety and Health Act of 1970.

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OCCUPATIONAL SAFETY AND
HEALTH ADMINISTRATION,
BILLINGS, MONT.

CITATION

S & L MILLWORK CO., INC.
*Rapid City, S. Dak.*

Type of alleged violation(s): nonserious.

An inspection was made on July 3, 1973, of a place of employment located at Rapid Valley just above School Road and described as follows: All types of millwork.

On the basis of the inspection it is alleged that you have violated the Occupational Safety and Health Act of 1970, 29 U.S.C. 651 *et seq.*, in the following respects:

| Item number | Standard, regulation or section of the act allegedly violated | Description of alleged violation | Date by which alleged violation must be corrected |
|---|---|---|---|
| 1 | 29 CFR 1910.106(g)(8) | No Smoking signs were not provided at the fuel dispensing unit located on the south side of the mill building. (1) | July 30, 1973 |
| 2 | 29 CFR 1910.213(c)(1) | The following hand-fed ripsaws in the mill shop were not guarded by a hood as required: (2). 1. Wallace universal; 2. Atlas SN 006537 | Sept. 13, 1973 |
| 3 | 29 CFR 1910.213(c)(2) | The following hand-fed ripsaws in the mill shop were not furnished with a spreader: (2). 1. Wallace universal; 2. Atlas SN 006537 | Aug. 14, 1973 |
| 4 | 29 CFR 1910.213(c)(3) | The following hand-fed ripsaws in the mill shop were not provided with nonkickback fingers or dogs: (2). 1. Wallace universal; 2. Atlas SN 006537. | Aug. 14, 1973 |
| 5 | 29 CFR 1910.213(h)(1) | The DeWalt 85490 radial saw along the north wall of the shop was not provided with a guard for the lower exposed portion of the blade. (1). | Sept. 13, 1973 |
| 6 | 29 CFR 1910.213(h)(3) | The DeWalt 85490 radial saw along the north wall of the shop did not have the stop adjusted to prevent travel of the blade beyond the edge of the table. (1). | July 30, 1973 |
| 7 | 29 CFR 1910.213(h)(4) | The DeWalt 85490 radial saw along the north wall of the shop was not installed so that the cutting head would automatically return to the starting position when released by the operator. (1). | July 30, 1973 |
| 8 | 29 CFR 1910.213(j)(3) | The jointer located near the center of the mill shop was not provided with an automatic adjusting guard as required. (1) | Aug. 14, 1973 |
| 9 | 29 CFR 1910.215(a)(2) | The King N2-63 abrasive wheel grinder located near the west wall of the mill shop was not provided with a properly designed safety guard. (1). | Aug. 14, 1973 |
| 10 | 29 CFR 1910.309(a) NEC 1971, article 110-17(a). | Live parts of electrical equipment operating at 50 volts or more located on the south wall of the plywood storage room were not guarded against accidental contact. (1). | July 30, 1973 |
| 11 | 29 CFR 1910.309(a) NEC 1971, article 250-45(d). | The Stanley H-36A heavy duty hand held electric sander near to the south wall of the mill shop was not grounded. (1) | July 30, 1973 |

The law requires that a copy of this citation shall be prominently posted in a conspicuous place at or near each place that an alleged violation referred to in the citation occurred. The citation must remain posted until all alleged violations cited therein are corrected, or for 3 working days*, whichever period is longer.

RIGHTS OF EMPLOYEES

Any employee or representative of employees who believes that any period of time fixed in this citation for the correction of a violation is unreasonable has the right to contest such time for correction by submitting a letter to the U.S. Department of Labor at the address shown above within 15 working days* of the issuance of this citation.

"No person shall discharge or in any manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act or has testified or is about to testify in such proceeding or because of the exercise by such employee on behalf of himself or others of any right afforded by this Act." Sec. 11(c)(1) of the Occupational Safety and Health Act of 1970, 29 U.S.C. 651, 660(c)(1).

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[U.S. Occupational Safety and Health Review Commission]

(Peter J. Brennan, Secretary of Labor, U.S. Department of Labor, Complainant, v. S. & L. Millwork Company, Inc., Respondent).

AMENDMENT TO PETITION FOR VARIANCE

Pursuant to 29 CFR 1905.11 of the Occupational Safety and Health Standards, Chapter XVII of Title 29 CFR, the following additions are added to the Petition filed by the petitioner.

1. Name and address of the applicant: S & L Millwork, Inc. East of Rapid City, South Dakota, P.O. Box 3123, Rapid City, South Dakota 57701.

2. The address of the place or places of employment involved: Same as 1. above.

3. The normal high grade of cabinet and fixture millwork used in S. & L. Millwork, Inc.

4. Ninety-nine percent (99%) of all work done by the petitioner, which involves the use of the rip saw, is grooving, dadoing, rabbeting, slotting, kurfing, which pursuant to 1910.213 C2, the spreaders, anti-kickback dogs and guards are not required by the standards. Attached to the amendment to the petition are pictures of various kinds of cuts that are performed in the petitioner's business which are impossible to do with the equipment required by the standard, therefore, the request for the variance is sought.

5. The standard set forth in the regulation is not the standard for the type of operation involved herein. All the saws used by the petitioner, S & L Millwork, Inc., are spe-

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*Under the Occupational Safety and Health Act, the term "working day" means Mondays through Fridays but does not include Saturdays, Sundays, or Federal holidays.

cially sharpened to prevent kickback. The saws are sharpened specially to a different type of angle on the cutting teeth to insure a better cut and a smaller cut. The standard rip blade has a hook in the teeth, they are very big teeth, they use very big blades with fewer teeth. The type of rip blade used by the petitioner herein has more teeth and they are filed to take the hook off the teeth. For rough rip sawing the petitioner buys a special carborundum blade which has more teeth and less of an angle to the hook. For fine rip saw work your petitioner files its own blades and files them so they don't have a harsh tooth.

Attached hereto are Affidavits by the Superintendent and employees of the petitioner, S & L Millwork, Inc. which show not only that they know of the petition but that they are concurring and request it.

ROBERT A. WARDER,
(Gunderson, Farrar, Aldrich, Warder, DeMersseman & Wilkins, Attorneys for Applicant.)

AFFIDAVIT

I, Russell Skog, Superintendent of the Petitioner, S & L Millwork, Inc., being first duly sworn upon oath, depose and state as follows:

That I have been a cabinet maker in excess of forty-six (46) years; that the last accident that I can recall in S & L Millwork, Inc. was approximately twelve (12) years ago and was not with a rip saw; that I, personally, have never been injured on a rip saw; that I have never had the occasion to see a rip saw tooth break off; that all of the saws used in S & L Millwork, Inc. are specially sharpened to prevent kickbacks; that I cannot recall a kickback type to which the standards apply.

WHEREFORE, I join in the request of the Petitioner, S & L Millwork, Inc. to allow a variance to the standards pursuant to the requests set hereinbefore and to which this Affidavit is attached and made a part hereof.

RUSSELL SKOG.

AFFIDAVIT

STATE OF SOUTH DAKOTA,
COUNTY OF PENNINGTON, *ss:*

I, Orvall Skog, being first duly sworn upon oath, depose and state as follows:

That I have been engaged in mill work and cabinet work in excess of twenty-five (25) years; that I have never been injured on a rip saw; that it is impossible to do the fine cabinet work that we do if the saw has a spreader, anti-kickback dog and blade guard.

WHEREFORE, I know this Affidavit will be attached to a Petition for Variance and I herewith join in the petition for the variance.

ORVALL SKOG.

AFFIDAVIT

State of South Dakota, County of Pennington, *ss.*

I, Earl Sparlund, being first duly sworn upon oath, depose and state as follows:

That I have been engaged in cabinet work in excess of thirteen (13) years; that I have never been injured on a rip saw; that it is impossible to do the fine cabinet work that is done by petitioner with an anti-kickback dogs, spreader devices and blade guards; that I have never been injured using a rip saw without any of these devices and it is impossible to work with them.

Wherefore, I join in the petition for the variance and request that the variance be granted.

EARL SPARLUND.

CERTIFICATION

I, Russell Skog, Superintendent of S & L Millwork, Inc., herein certify that I have informed my employees of the application for a variance; that I have posted such application in a conspicuous place upon the premises wherein the petitioner, S & L Millwork, Inc., is located and further, that my employees have joined in this petition and signed affidavits to that effect.

RUSSELL SKOG,
*Superintendent, S & L Millwork, Inc.*

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## TENNESSEE FARM INCOME EXCEEDS $1 BILLION IN 1973

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BAKER. Mr. Speaker, the final figures are in and it is wonderful news for us in Tennessee to learn that farm income for the Volunteer State exceeded $1 billion in 1973.

It becomes all the more impressive when you realize that every person in Tennessee benefits from this achievement, because every dollar of farm income generates over $3 in local nonfarm income. That means that Tennessee farmers, directly and indirectly, contributed more than $4 billion to the State's economy last year.

Knowing the character of the Tennessee farm community, it is a foregone conclusion that they will strive for even greater goals, continuing to provide the abundance of food and fiber which we Tennesseans and all Americans enjoy today.

In recognizing this milestone, Gov. Winfield Dunn has stated:

> Congratulations to our state farmers on this attainment of their goal of one billion dollars in farm sales. The sale of cattle and calves alone last year was equivalent to an industry employing 44,712 individuals at $3.00 per hour, 40 hours a week for 52 weeks. All Tennesseans feel a sense of pride in this accomplishment.

And from the Tennessee Commission of Agriculture, Guilford Thorton, this acknowledgement:

> The Tennessee farm family who provides food for our table and fiber for our clothing and shelter feels a sense of pride in their ability to produce an abundance of these necessities. It is this ability to supply the world that gives the consumer in our state and nation the greatest freedom at the least possible cost enjoyed by any people in any country ever before in history. We are grateful that someone is working to provide those things we need.

I join with Governor Dunn and Commissioner Thorton in recognizing the record advancement Tennessee farmers have made. There has been steady advancement since 1960, but the biggest gains have come since 1970. During the remainder of the 1970's we can expect even bigger gains as Tennessee agriculture continues to realize its potential in the production of food and fiber for here and abroad.

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## POLICEMAN'S MEDAL OF HONOR

## HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. GILMAN. Mr. Speaker, I am today introducing legislation creating a Policeman's Medal of Honor in recognition of the valiant deeds of our Nation's law enforcement officials.

Patterned after the Congressional Medal of Honor, my bill will allow the President, in the name of Congress, to award a medal of honor to a police officer who has distinguished himself beyond the call of duty.

Law enforcement officials—local, State, and Federal—have a difficult task—a task that is often unappreciated and unrecognized. Each day, our policemen and women put their lives on the line defending our citizens, and protecting our way of life from the criminal elements in our society. Many of their valiant deeds go unnoticed by the daily newspapers, the radio and TV.

Accordingly it is timely that we bestow well-deserved honor on our law enforcement officials by providing a vehicle whereby they may receive the recognition they so richly deserve. Mr. Speaker, I invite my colleagues to join me in support of this measure creating the Policeman's Medal of Honor and I include the full text of the measure in the RECORD at this point:

H.R. —

A bill to establish a medal of honor to be awarded by the President to law enforcement officers for distinguished services above and beyond the call of duty

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President may award, and present in the name of Congress, medals of honor of appropriate design, with ribbons and appurtenances, to any person who while a member of a Federal, State, or local law enforcement agency, distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty.

SEC. 2. (a) No more than one medal of honor may be awarded to a person. However, for each succeeding act that would otherwise justify the award of such medal, the President may award a suitable bar or other device to be worn as he directs.

(b) Except as provided in subsection (c), no medal of honor may be awarded to a person unless—

(1) the award is made within three years after the date of the act justifying the award;

(2) a statement setting forth the distinguished service and recommending official recognition of it is made within two years after the distinguished service; and

(3) his service after he distinguished himself has been honorable.

(c) If the President determines that—

(1) a statement setting forth the distinguished service and recommending official recognition of it was made and supported by sufficient evidence within two years after the distinguished service; and

(2) no award was made, because the statement was lost or through inadvertence the recommendation was not acted on;

a medal of honor or device in place thereof may be awarded to the person concerned within two years after the date of that determination.

SEC. 3. There will be established under this Act, a five-member advisory committee for selecting and screening candidates for the police medal of honor award. The advisory committee will include at least one representative from the law enforcement field.

SEC. 4. Any medal of honor or any bar, ribbon, or other device issued for wear with or in place of such medal, that is lost or destroyed or becomes unfit for use, without fault or neglect of the person to whom it was awarded, shall be replaced without charge.

SEC. 5. If a person dies before the award of a medal of honor, the award may be made and the medal or device presented to his representative, as designated by the President.

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## MAN STACKS THE EVOLUTIONARY DECK

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. DINGELL. Mr. Speaker, I insert in the RECORD an article from the April/May issue of the magazine published by the National Wildlife Federation concerning man's relationship in the evolutionary process which I commend to the attention of the Members of Congress.

### MAN STACKS THE EVOLUTIONARY DECK

(By Isaac Asimov)

It is slow and it is subtle, but above all, evolution is a stunningly arbitrary process. For more than three billion years, it has functioned like a deadly game of fortune, inflicting an aimless and terrible toll on the earth's creatures, wiping out the magnificent and the modest alike. The trilobites, a simple shellfish that ruled the warm seas of the Cambrian age, proliferated into many species, but all were already gone 500 million years ago. The massive plants that flourished 350 million years ago have long since decayed into trillions of tons of coal. The dinosaurs that once lumbered across the earth—the brontosauri, and brachiosauri, and stegosauri, and tryrannosauri—vanished 100 million years ago. And some 50 million years ago, such ponderous mammals as the baluchiteria—which towered 18 feet high at the shoulder—and the smilodons, with their sabre-teeth, succumbed to destiny's wheel.

Behind the disappearance of these and thousands of other animals is a tangle of reasons both numerous and complex. But one thing is certain: all extinct life forms were defeated in a ceaseless competition for survival, as evolution unfolded in one continuous chain of essentially random changes. Now, however, even that is changing. For with the relatively sudden emergence of man as an intelligent creature with a seemingly unlimited potential to influence the evolutionary process—the old roulette wheel is becoming hopelessly rigged.

Before man arrived on the scene, the basis of evolution was the phenomenon known as mutation. Mutations are small changes in the genes that take place as an animal lives, so that eggs, sperm and young are produced with genes not quite identical to those of the parents. In any group of young of particular parents some are a little larger, some smaller; some faster, some slower; some stronger, some weaker; some one shade of color, some another; and so on. There is no way of telling when or in what direction these mutations take place. They are caused by such things as cosmic rays, sunlight, radioactivity, heat, and chemicals—all acting more or less randomly and unpredictably.

Some mutations are more beneficial under one set of circumstances than another. An animal that runs faster will catch more food, or escape enemies more efficiently, than one that runs slower. The faster ones are more likely to survive and we thus have horses and wolves, or antelopes and cheetahs. On the other hand, where an animal need not run for food to survive, slowness tends to conserve energy. Thus the slower animals, such as sloths, chameleons and tortoises, are more likely to survive food shortages because they require much less.

There is a steady drift, then, in the direction of more successful competition for food or security, but there can be many directions, each with its own advantages. This drift is the result of "evolution by natural selection." A second factor is change in the environment—and our earth has gone through many: continental drift, mountain-building, earthquakes and volcanoes, wind and water erosion, and many other natural phenomena. The immediate environment grows warmer or cooler, wetter or drier. These changes, too, can be considered virtually random. And if the world grows harsher in climate—as it may have 70 millions years ago—creatures like the dinosaur, which were adapted to more equitable surroundings, perish.

In addition, the reaction to the environment by living species adds a further random factor. One species evolves to become faster, stronger or less conspicuous—and this affects other competing species that find their food supply or their security diminished or enhanced. As reptiles grew less dependent on water, for instance, they overrode the earlier amphibia; and as mammals developed warm blood and could be active on chilly mornings, they outpaced the torpid reptiles.

Because of constant changes in both the environment and the balance of species, the changes brought about by natural selection must forever be altering in direction. Evolution is terribly slow, of course. At least hundreds of thousands of years can be required to bring about significant evolutionary change. This means that it is not only important to consider how the environment changes, but how fast. If large sections of the earth grow cooler, warmer, drier or wetter very slowly, evolutionary changes keep up with it. Hair may become shaggier or sparser; water may be gathered and preserved more efficiently or less efficiently. In glacial periods there are long-haired mammoths and musk-oxen; in tropical climes, hairless elephants and rhinoceri.

Such happy accommodations require mutations that just happen to carry the species in the right direction. If this happens *not* to happen, however, the species must either physically move out of the habitat into another more hospitable one—as birds do when they migrate in winter—or die out. And if the change in the environment proceeds too rapidly, then the beneficial mutations cannot keep up. Again the species may have to move or become extinct.

Actually, though, there are two other ways a species can counter the possibility of a swift change in the environment. First, it may be short-lived and have dozens of generations per century. That means the mutations can builld up much more quickly than in the case of long-lived species with only two or three generations per century. Second, species may be fecund; that is, have many young at a time. This increases the chance that some among those many young will have useful mutations and survive, and that out of *their* many young, the original size of the population will quickly be restored.

This is why insects, fecund and short-lived, have so successfully evolved into all sorts of specialized niches and have developed in every direction. (Starting with a fertile queen, Italian bees can produce a population of 75,000 in 13 weeks. By contrast, a pair of Indian elephants and all their progeny can produce only about 125 elephants in 50 years.) It is not surprising that there are more species of insects than of all other living things combined. There are far fewer mammalian species than insect species. But among the mammals, the small rodents and bats, which are comparatively fecund and short-lived, are easily the most numerous in numbers and species.

The evoluntionary process has continued into recent times, but with an increasingly significant difference. That difference is man. When he entered the picture, the old hit-or-miss system began to undergo some modifications.

Man was intelligent enough to be a tool-designing animal in a large way, and that meant that a new kind—a much faster kind—of evolution began to take place. Man did not have to evolve claws slowly; he developed stone knives and hatchets rapidly. He did not have to evolve missile projection; he developed spears and arrows. He learned how to use fire. And over a relatively short period of time, man "evolved" through his own intelligence into a much fiercer and more deadly animal than he was to begin with. What's more, no other species of life could evolve quickly enough to cope with him.

In his rapid climb to predominance, man has increased his numbers and used his intelligence to favor some species and to fight others. He has herded animals to serve as food, as amusement, as a labor force. He has grown grain, vegetables and fruit for food, destroying plant and animal life that would compete.

The result is that such domestic animals as cattle, horses and sheep and such plants as wheat, corn and barley, are much more common than they would have been without man's intelligence directing the course of evolution and increasing their security for his own benefit. And, of course, as more and more land and food is given over to the plants and animals man desires, less and less is available for other species of plants and animals. As man's numbers expand, then, so does the number of species he favors. The number of other species decline—not through the blind action of evolution, but through the weighted effect of man's intelligence.

Not all the changes man brings about are deliberate, or even beneficial to himself. As he changes the balance of living spcies, he changes the environment and this affects the evolutionary process, sometimes in ways he cannot counter. When man cultivates grain in large continuous areas, animals who can feed on the grain or parasitize it find an enormously favorable environment and multiply explosively. Rats, locusts, crows and others become "pests"—that is, annoying competitors. As he multiplies, man himself offers a secure home to creatures that parasitize him. Under conditions of crowding, disease-contagion becomes rapid and produces wildfire epidemics of which the Black Death of the 14th Century was the most fearful example. Organisms man does not want—the cold virus, for example—are dangerous in direct proportion to their life span and fecundity. The larger species, longer lived and with fewer young, are relatively easy to counter. Even prehistoric man helped drive the large mammouth to extinction, and in more recent times, the extinction or near-extinction of large animals at man's hands has become a childishly simple process.

What about small animals, though, which can hide, which live on man's leavings and multiply, which are short-lived and fecund, so that even concerted and determined efforts by man can make little inroads in their numbers? They flourish. They evolve quickly enough even to counter radical changes man produces in their environment. Thus, the introduction of pesticides can kill particular species of insects in vast numbers and reduce them nearly to the vanishing point. A tiny fraction, however, through natural variation may be resistant to that insecticide; these will suffice to restore full numbers in a few quick generations. Then virtually all the new strain will be resistant in the same way that germs become resistant to antibiotics.

So although the large and magnificent animals diminish in numbers from year to year, rats, bugs, weeds and germs are always with us. Sometimes, man even *creates* pests for himself. A few rabbits, introduced into Australia as pets, found an environment which presented them with much food and few dangers, so that they quickly multiplied to fill the niche, and became pests that are fecund enough to defy all efforts to exterminate them. English sparrows and starlings were introduced into the United States around 1850, the former out of nostalgia for a familiar English bird, the latter in the hope that it would kill insects. What's more, man's animal allies can bring about the extinction of species that might have lived on for ages. In Australia and New Zealand, domestic animals contributed to the extinction of the dodo by eating their eggs.

Man alters the physical environment in a variety of ways, such as cutting down forests, building dams, filling swamps. Furthermore, man's crowding numbers and his industrial civilization produce wastes of all sorts. Some of these wastes are part of the natural life-cycle and encourage the extraordinary growth or organisms that tend to flourish in those particular wastes, such as algae growth in lakes. Other wastes are not part of the natural life-cycle; they do no harm and may even be useful. But some wastes are actual poisons to which few, if any, life forms are adapted, and this is terribly dangerous.

Many species are endangered because man is making a deliberate effort to reduce their numbers since they are "competitors" (like the cougar), or "direct dangers" (poisonous snakes). A growing number of species, however, are endangered because man, in his self-centered desire to make the world more comfortable for his blindly increasing numbers, is changing the habitat to suit himself. In the process, he is introducing changes at a rate far faster than most animals and plants can evolve to meet them.

What's to be done about it? Surely we should not let endangered species become extinct through our own indifference. As life loses its diversity, the world becomes impoverished. In practical terms, as the ecosystem grows less complex, we will find ourselves damaged in many ways. When market hunters wiped out the hippopotamuses occupying one section of a river in Africa, for example, natives in the area came down with a disease carried by snails formerly preyed upon by the hippos.

But consider this: If man's knowledge continues to increase, we may attain a third level of evolution—one that is neither hit-and-miss nor directed by man to satisfy his short-term need. The third level can be man's intelligent interference with evolution for the purpose of securing the entire ecology.

Suppose, for example, that man learns how to modify genes at will in known directions. He may then be able to introduce what he considers desirable mutations into any species, including his own. Mutations will be chosen for the manner in which they strengthen the ecosystem, making it more complex, more versatile, more stable. It may be that not only will old species be modified, but new species, quite different from anything in the past, may be designed. Dogs with quasi-human intelligence may be developed; chimpanzees that can talk, birds that can be trained as aerial observers, pygmy elephants that can be house pets.

All history shows, of course, that introducing changes into the ecology inevitably produces any number of unexpected side-effects, some of which are bound to be strongly undesirable. It is necessary, therefore, to learn more about ecological interrelationships, so that we can predict and allow for the side-effects. Very likely, the matter would be complex enough to require a delicately programmed computer to help in this matter.

Conceivably, it is possible that evolution in the old style might vanish altogether. Life in all its manifestations may be designed to fit comfortably and securely into a world which will still be physically changing—but the changes will be foreseen and provided for. Only then will life reach a full unity and maturity, with man the guilding factor of a whole that includes him and yet is greater than him. For that matter, perhaps it is toward this end that evolution has been blindly progressing all along. Moreover, this end may be destined to occur in only one out of a hundred, or even a million, life-bearing planets. And perhaps it is only in those in which that end is attained, that life may then go on to the next level—whatever that next level may be.

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## WHEN NATURE WANTS A MAN

## HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, March 20, 1974*

Mr. FAUNTROY. Mr. Speaker, I have just received a letter with a poem that I would like to share with my colleagues from one who has just recently experienced life in a penal institution. I do not know what this person was convicted of doing nor do I know what experiences he came upon that made him put pen to paper for these words. They are, however, very moving and they project an understanding of life that so many of us miss in a world that seems to tests more than reward. Perhaps as we read both the poem and the portions of the letter that I have attached, each of us will better understand the devine purpose for which we have been given life on this Earth.

WASHINGTON, D.C.,
*February 21, 1974.*

Congressman WALTER E. FAUNTROY,
*G Street, N.W.,*
*Washington, D.C.*

DEAR CONGRESSMAN FAUNTROY: I wish to respectfully solicit your assistance . . . in circulating the enclosed article written by a black friend of mine who is also an inmate at the penal institution in State Farm, Virginia.

After reading the article, I was moved and inspired to the point of wanting it to be read by those persons who directly and indirectly administer or control state and national penal institutions, as well as our brothers—black and non-black—who are in similar situations as my friend.

I hope the article will move you as it did me to realize the positive after effect and influence incarceration can have on a brother who tried at first to make life better (financially) for himself, his wife and his children [in] the easiest, most convenient and most profitable way he knew how, even at the risk of violating the laws of society which interpret right from wrong, but who then, after being jolted by the bonds of incarceration was awakened to realize and possibly utilize his inner potential to improve the same lives in a way that is more acceptable to society.

To those who administer or control penal institutions, I feel this article will serve to give more realistic insight into the rebirth of a man who is more acceptable to society and, what is more, more acceptable to himself and those who love him. . . .

Respectfully,

ALICE M. AVERY

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### WHEN NATURE WANTS A MAN

(By John H. Sheffey)

When Nature wants to drill a man,
And drill a man,
And skill a man,
When Nature wants to mold a man to play the noblest part;
When she yearns with all her heart to create so great and bold a man
That all the world shall praise—
Watch her method, watch her ways!
How she ruthlessly perfects whom she royally elects;
How she hammers him and hurts him,
And with mighty blows converts him
Into trial shapes of clay which only Nature understands . . .
While his tortured heart is crying and he lifts beseeching hands!
How she bends, but never breaks,
When his good she undertakes . . .
How she uses whom she chooses and with every purpose fuses him,
By every art induces him to try his splendor out . . .
Nature knows what she's about.

When Nature wants to take a man,
And shake a man,
And wake a man;
When Nature wants to make a man to do the future will;
When she tries with all her skill
And she yearns with all her soul
To create him large and whole . . .
With what cunning she prepares him!
How she goads and never spares him,
How she whets him, and she frets him,
And in poverty begets him . . .
How she often disappoints
Whom she sacredly anoints,
With what wisdom she will hide him,
Never minding what betide him
Though his genius sob with slighting and his pride may not forget!
Bids him struggle harder yet.
Makes him lonely
So that only
God's high messages shall reach him
So that she may surely teach him
What the hierarchy planned.
Though he may not understand,
Gives him passions to command.
How remorselessly she spurs him
With terrific ardor stirs him
When she poignantly prefers him!

When Nature wants to name a man
And fame a man
And tame a man;
When Nature wants to shame a man
To his heavenly best . . .
When she tries the highest test
That she reckoning may bring—
When she wants a God or King!
How she reins him and restrains him
So his body scarce contains him
While she fires him
And inspires him!
Keep him yearning, ever burning for a tantalizing goal . . .
Lures and lacerates his soul.
Sets a challenge for his spirit,
Draws it higher when he nears it—
Makes a jungle, that he clear it,
And subdue it if he can . . .
So doth Nature make a man.
Then, to test his spirit wrath
Hurls a mountain in his path . . .
Puts a bitter choice before him
And relentlessly stands over him.
"Climb, or perish!" So she says . . .
Watch her purpose, Watch her ways!

Nature's plan is wondrous kind
Could we understand her mind . . .
Fools are they who call her blind.

When his feet are torn and bleeding
Yet his spirit mounts unheeding,
All his higher powers speeding,
Blazing newer paths and fine;
When the force that is divine
Leaps to challenge every failure and his ardor
still is sweet
And love and hope are burning in the presence of defeat . . .
Lo, the crisis! Lo, the shout
That must call the leader out.
When the people need salvation
Doth he come to lead the nation . . .
Then doth Nature show her plan
When the world has found—a Man!

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## AMERICA'S NEWEST MAGAZINE

## HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BROYHILL of Virginia. Mr. Speaker, the problem of alcoholism in our country has grown to impossible proportions. A majority of those afflicted with this disease need help now from their fellow citizens, professional and nonprofessional, as well as from their Government.

A group of concerned men and women—doctors, nurses, parole officers, probation officers, law enforcement officials, college professors, journalists, judges, writers, counselors, and government officials—have freely given up their time, energy, and talent to help solve this problem of alcoholism in northern Virginia. It is their hope to extend their experience and influence throughout the Commonwealth of Virginia, and perhaps throughout the United States.

The medium they have selected to make this information available to the public is a new national magazine on alcohol, alcoholism, and alcohol safety. The title of this new publication is Alcohol Information Digest and I commend the following information regarding this new magazine to each Member of the Congress who might have inquiries from their constituents on this subject.

I include the following news release on the new magazine in the RECORD:

The Alcohol Information Digest, America's newest magazine, made its debut last week in the Washington, D.C. area. The Digest will be published six times each year, beginning with the April issue by the Cavalier Publishing House in McLean, Virginia.

The articles in each issue will be concerned with the problems of alcohol, alcohol abuse and alcohol safety in our society and suggestions for achieving good personal health, long life and everyday safety.

A National Center for Alcohol Information has been established as a special service to the magazine's subscribers who wish to conduct educational programs on alcohol in their own communities.

Anthony J. DelPopolo, Sr., Associate Professor of Law Enforcement at the Northern Virginia Community College in Annandale, Virginia, is editor of the Digest. He is assisted by many professional and non-professional writers.

Professor DelPopolo and his staff are available to provide assistance, such as, sources for obtaining free materials on alcohol and related problems, providing speakers for seminars, workshops, and special technical assistance, alerting communities to the vital issues relating to alcohol, and publish books and pamphlets on alcohol suitable for use in schools, civilian and military government agencies, and industry.

The Digest is divided into four sections—Alcohol, Alcoholism, Alcohol Safety and Special Features. The first chapter from a future publication—Alcohol: Your Health, Your Life and Your Safety—comprises the entire first section.

The second section—Alcoholism—includes an article by a former Alcohol Safety Action Project student arrested for driving while under the influence of alcohol, personal comments by a cocktail waitress on her drinking clients, remarks from the Bible on alcohol and alcoholism, how an energy crisis is created among our youth by the impact of alcohol addiction, alcohol education in the public schools, how a Salvation Army chaplain helps solve alcohol problems among its clients, and the story of Re-Entry, Inc., a community service and its efforts to prevent suicides of alcoholics.

The third section—Alcohol Safety—outlines the efforts of the American Automobile Association, the U.S. Department of Transportation, the Fairfax County (Virginia) Alcohol Safety Action Project, the Northern Virginia Community College, the Fairfax Police Department and their combined efforts in keeping the drunken driver off America's highways. Some reference is also made to alcohol-related accidents at home, in recreation and in industry.

Special Features is made up of an alcohol quiz, a special vocabulary relating to alcohol, alcoholism and alcohol safety, excerpts from news items of alcohol-related accidents, humor in the form of stories and cartoons, 60 synonyms for "drunk," selected research studies and articles on alcohol, selected references, a special article on alcoholism by Mercedes McCambridge and nominees for the Special Alcohol Information Digest Award.

The June Issue of the Digest will include the second chapter of Mr. DelPopolo's book on Alcohol: Your Health, Your Life, Your Safety, the first chapter of the third revised edition of Just One for the Road, several articles on Alcohol and the Woman, Problem Drinkers in the Military, in Business and in Industry, a suggested curriculum on Alcohol Education for the Elementary School Grades, nominees for the special Alcohol Information Digest Special Achievement Award, Alcohol-Related Crime, and a special feature—The Alcohol Clinic.

It is the hope of the staff and management of the Alcohol Information Digest that their fellow-Americans will help make the pages of their journal a clearing house for all problems of alcohol, alcoholism and alcohol safety. We all wish our Nation to be a better country to live and drive in.

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## PERSONAL EXPLANATION

## HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, on rollcall No. 99, taken during consideration of the minimum wage bill, I was unable to be present due to the fact that I was testifying before a subcommittee of the other body. Had I been present and voting, I would have voted "nay."

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## TITLE I, ELEMENTARY AND SECONDARY EDUCATION ACT

## HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. PEYSER. Mr. Speaker, I have been very gratified by the strong support which I have received from all over the country for my amendment to title I of ESEA. I would like to bring to the attention of the Members two of these letters which I think might be of interest.

AMERICAN FEDERATION OF LABOR AND
CONGRESS OF INDUSTRIAL ORGANIZATIONS,
*Washington, D.C., March 25, 1974.*

Hon. PETER A. PEYSER,
*Longworth Office Building,*
*Washington, D.C.*

DEAR CONGRESSMAN: The AFL–CIO supports your amendment to the Title I formula of H.R. 69, the bill to extend the Elementary and Secondary Education Act and other education programs.

While we are aware of the difficulty the Committee faced in drafting an equitable method of distributing Title I funds, we feel that the formula in the bill is simply too disruptive to many ongoing Title I programs.

As the AFL–CIO understands your amendment, it would raise the low income factor from $2,000 to $4,000 and allow school districts to count all A.F.D.C. children from families receiving more than $4,000 in A.F.D.C. payments. Your amendment would also guarantee that no local education agency would receive less next year than they received in FY 1974. Since this program has never been adequately funded, the shortage of funds is the real problem in the new Title I formula. We feel that your amendment goes farthest toward providing an equitable distribution of Title I monies.

We would also like to take this opportunity to express our opposition to the proposed O'Hara amendment. This approach would totally destroy the original Title I concept of providing aid to economically disadvantaged children and replace it with a formula based upon average daily attendance. Title I was meant to compensate disadvantaged children, not to act as a reward for total enrollment. The AFL–CIO hopes this amendment will be defeated.

Sincerely,
ANDREW J. BIEMILLER,
*Director, Department of Legislation.*

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AMERICAN FEDERATION OF TEACHERS,
*Washington, D.C., March 22, 1974.*

DEAR CONGRESSMAN: I would like to share with you the views of the American Federation of Teachers, AFL–CIO on H.R. 69, the bill to extend the Elementary and Secondary Education Act and other education programs.

First, on the Title I formula: we believe that the Committee formula is unfair in two major respects. First it penalizes those areas of the country with the greatest needs, our large cities. The Committee table shows many large cities increasing slightly while cities such as Cleveland, Omaha, Kansas City, Kansas; New York City, Philadelphia, Minneapolis, St. Paul, Boston, Des Moines, and Charlotte, North Carolina lose money. In our opinion this Committee formula will ultimately result in a decline for almost all the cities in this country over the life of the bill. The reason for this is that the committee formula requires higher and higher A.F.D.C. payments each year before the children from families receiving payments can be counted. In the first year only two-thirds of those children from families receiving more than $4,250 in A.F.D.C. payments will be counted. This figure will be increased by the consumer price index each year. It is likely that by the time this bill expires three years from now, the only children counted under this part of the formula will be two-thirds of those from families receiving more than $5,000 in A.F.D.C. payments. This would in effect eliminate virtually all A.F.D.C. children and the formula would become a pure Oshansky count from the 1970 census. (The Orshansky count is not changed each year as the A.F.D.C. count is.) Almost every city in the U.S. would receive less under a straight Orshansky count than they received in F.Y. 1974.

Secondly, the formula penalizes those states that have tried to do the most for their school children by limiting state per pupil expenditures to 120% of the national average. We feel that this will inhibit equalization among the states.

It is our understanding that Congressman Peter Peyser will offer an amendment to the Title I formula to set a low income factor of $4,000 and to allow states to count all their A.F.D.C. children from families receiving more than $4,000 in A.F.D.C. payments. This amendment would also change the 120% ceiling on state expenditure to 130%. We feel this is a more equitable compromise since current law places no ceiling on state efforts. The amendment also will contain a 100% hold harmless provision to insure that no local education agency will receive less under the new formula than they did in F.Y. 1974. We urge your support for this amendment.

For other provisions of the bill we urge that you support an amendment to extend the life of the Impact Aid program for the full life of this bill. HR 69 extends most programs for three years but Impact Aid is given only a one year extension. While Impact Aid is not a perfect program, we have not seen any proposal that would do a better job than the current program is doing.

There are also several amendments proposed to further restrict the courts from ordering busing to overcome racial segregation. We feel that none of the proposed amendments are worthy of support in that they attempt to restrict protections guaranteed by the Fourteenth Amendment. We hope you will vote them down.

Finally, several anti-labor amendments have been proposed by Congressmen Treen of Louisiana and Crane of Illinois. Suffice it to say that since teachers and other public employees currently receive no Federal protection in their efforts to organize and bargain collectively it would be pure hypocrisy to further restrict the rights of America's public employees by outlawing some of their rights won on the state level, while offering no protection on the Federal level. We find Mr. Treen's amendments simply incredible, the amendments would return public employee labor relations to the days prior to the Clayton Act when an employer could require an employee to waive his rights to organize as a condition of employment. We trust you will vote down these attempts to put American public employee relations back into the 19th Century.

Sincerely,

DAVID SELDEN,
*President.*

## SOME ADDITIONS

## HON. DONALD D. CLANCY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. CLANCY. Mr. Speaker, on last Tuesday, I spoke in high praise of the third annual congressional scholarship program which is sponsored by the First and Second Congressional Districts of Ohio and the Greater Cincinnati Chamber of Commerce.

Four names were omitted from the list of persons who have been participating in that program. I wish to add the names of Dave Cawdrey of North College Hill High School; Jean and Dave Cooper, and Mike Wiater.

## EXTENDING PRENOTIFICATION ON AGENCY RULES

## HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. YOUNG of Florida. Mr. Speaker, I have today introduced legislation to provide for better public input into the Federal regulatory system.

When the Congress passes a bill, it is common practice to delegate broad regulatory powers to the agency responsible for administering that bill. I oppose this procedure because it is an abdication of our legislative responsibility and leads to some of the worst abuses of power by the Federal Government.

Under the Administrative Procedures Act, an agency which wishes to issue regulations for enforcement or clarification of legislation may publish the proposed rules in the Federal Register, and then implement these rules after allowing only 30 days for comment by the general public and those most affected by the rules. This is a very brief interval for information about the rules to make its way to the public, and for informed comment and opinion to be returned to the department and considered vis-a-vis the proposals.

Thus, for example, HEW can publish rules regarding nursing home admissions for medicare patients, and almost before the patients and doctors and nursing homes have a chance to assess the impact of those rules, HEW is putting them into effect. This is not government by the people—it is government by executive fiat.

My bill will help alleviate this situation by amending the Administrative Procedures Act to lengthen the time between publication of a proposed rule and its effective date from 30 days to 60 days. This is a more ample time period for information to reach the public and for informed opinions to be returned by those affected, so that they can be assessed by the agency.

In addition, Mr. Speaker, I have also included an amendment which will lengthen the prenotification period for a public hearing by an agency or department from 15 days to 30 days. Once again, this provides a more ample time period for dissemination of the information and preparation of materials by those affected.

We are living in an era of administrative as well as legislative regulation of our lives. The American people have input into the legislative process through their elected representatives. I deem it equally important, Mr. Speaker, that they be granted equal access to the administrative regulation process, and my bill makes a big step in this direction.

## IN COMMEMORATION OF THE 56TH ANNIVERSARY OF PROCLAMATION OF THE BYELORUSSIAN DEMOCRATIC REPUBLIC

## HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. ROE. Mr. Speaker, today, as Americans of Byelorussian heritage observe the 56th Anniversary of the proclamation of the Byelorussian Democratic Republic, I am pleased to join with you and our colleagues here in the Congress in commemorating this historic occasion.

As a nation comprised of a society of people who came to the United States seeking comfort and solace from the oppressed and dictatorial government of other lands, we can indeed be sympathetic to the plight of those individuals whose way of life continues to be stifled in so-called captive nations of the world.

On March 25, 1918, the Byelorussian people achieved national independence and regained the freedoms which had been lost to the Czarist Russia at the end of the 18th century. This national sovereignty, however, was short-lived and in a recent communique that I received from Dr. Roger Horoshko, president of the Byelorussia-American Associan, Inc., he advised me of the continuing struggle of the Byelorussian people to again achieve their national identity as a sovereign state free from the forces of communistic domination and control.

In tribute to the courage, fidelity, and dedication to the principles of representative democracy manifested by the long struggle and pioneering efforts of the Byelorussian people, I am pleased to call to your attention the pledge of the resolution adopted by the Byelorussian American Association, Inc. in their undaunted efforts to seek international understanding and goodwill for their Byelorussian heritage and our wholehearted support for freedom of expression as well as the economic and cultural well being of the people of Byelorussia. The formal pledge of the Byelorussian American Association and the Byelorussian Canadian Alliance is as follows:

> We, the Byelorussians of the United States and Canada unanimously reaffirm our will to support the fighting Byelorussian people in the Soviet Union in their struggle for cultural freedom and political independence. We are determined to seek further support for fighting Byelorussia among political leaders and statesmen of the United States of America and Canada. We and our children shall never cease our effort until Byelorussia will again become a free and democratic nation in accordance with the postulates and principles enunciated in the constitutional charters of the Byelorussian Democratic Republic whose freedom and independence were pro-

claimed in Miensk (Minsk) on March 25, 1918.

Mr. Speaker, thank you for the opportunity to join in this commemorative program to the Byelorussian people. I trust it will help to reassure those people whose human rights are held captive, not only behind the iron curtain of the Soviet Union, but throughout the world that there are many, many fellow human beings here in American who share and support the humanitarian ideals for a communion among all peoples of the world to achieve quality of life that will permit the widest possible expression of cultural and national heritage so important to mankind's purpose and objectives in attaining a rich and lasting peace throughout the world. America is indeed fortunate to have had the benefit of the cultural inheritance and historical achievements of the Byelorussian people.

## THE 56TH ANNIVERSARY OF BYELORUSSIAN INDEPENDENCE

## HON. JOHN W. WYDLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. WYDLER. Mr. Speaker, I wish to speak to commemorate the 56th anniversary of the Proclamation of the Byelorussian Democratic Republic on March 25, 1974. I speak in behalf of all Americans of Byelorussian descent who will be observing the anniversary of the country of their origin on that day.

On March 25, 1918, the Executive Committee of the First Byelorussian National Congress proclaimed the establishment of a new republic. A national constitution was put into force guaranteeing freedom of speech and assembly, liberty of conscience, inviolability of person and home, and equality of all citizens under law. The Byelorussian leaders were taking advantage of the collapse of the Tsarist regime to establish an independent republic after "three and one half centuries of slavery"—to quote the language of the Byelorussian Declaration of Independence.

But their period of independence was tragically short. With dissolution of the German armed forces after the armistice of November 1918 on the one hand, and the advance of the Red army into Byelorussia on the other, the Byelorussian Government collapsed. On December 10, 1918, the Red army seized Minsk, the capital of Byelorussia, and established a government of military revolutionary committees. Byelorussia's efforts to establish an anti-Bolshevik force failed. By the Treaty of Riga in 1921, ending the war between Poland and Bolshevik Russia, Byelorussia was divided with Poland receiving one-third of the country and the remainder—with the exception of the part falling to the then independent Latvia—coming under Soviet control.

Thus this courageous people which since the 13th century has been struggling to maintain its national identity again has lost its independence.

Under the repression of the Soviet regime members of the present generation of Byelorussians are continuing the struggle to preserve their heritage and their individuality. I urge that we pause today to honor their courage, bemoan their sufferings, and pray that in the end their fortitude will be crowned with success.

## AMENDMENT TO H.R. 69

## HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. ANDERSON of Illinois. Mr. Speaker, at the appropriate time, the gentleman from North Carolina (Mr. PREYER), the gentleman from Arizona (Mr. UDALL and I intend to offer the following amendment to H.R. 69:

SUBSTITUTE OFFERED BY MR. ANDERSON, MR. PREYER AND MR. UDALL FOR THE AMENDMENT TO H.R. 69 OFFERED BY MR. —

Page 141, immediately after line 25, add the following new title:

### TITLE XIV—NATIONAL EQUAL EDUCATIONAL OPPORTUNITIES

### PART A—FINDINGS AND PURPOSE STATEMENT OF FINDINGS

SEC. 1401. The Congress finds that—

(a) the maintenance of dual school systems or practices which result in the assignment of students to school on the basis of race, color, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

(b) the time is at hand when substantially all school systems administered or directed by local educational agencies will, in compliance with the Constitution have become unitary;

(c) as the demography of the Nation continues to change, local educational agencies are not required by the Constitution to make year-by-year adjustments of the racial composition of student bodies, once the affirmative duty to desegregate has been fulfilled and racial discrimination through official action in public schools has been eliminated;

(d) the courts have failed to develop clear, rational, uniform, and reasonable guidelines for fashioning remedies to correct denials of equal protection of the laws and in some instances, this has resulted in requirements for transportation of students by local educational agencies considerably in excess of that previously carried on by such schools and which may pose a threat to the health and safety of students and may excessively interfere with the educational process;

(e) throughout the National inequality in educational opportunity persists for children from minority groups and low-income families, children from minority groups and low-income families are often concentrated in schools in which they form a majority of the student population, and as s result of these facts, educational achievement of such children is often below the results achieved by children from other racial and socioeconomic backgrounds.

### PURPOSE

SEC. 1402. It is the purpose of this title to—

(a) improve the results achieved by elementary and secondary education throughout the Nation and to encourage and support efforts to reduce achievement disparities between racial and socioeconomic groups in the schools;

(b) facilitate, where possible, consistent with the objectives stated in subsection (a), a reduction in the concentration of children from minority groups and low-income families in certain schools, including prevention of resegregation after desegregation has been achieved, primarily by means other than extensive cross-transportation;

(c) reduce and eliminate any educational ill effects resulting from the concentration of children from minority groups and low-income families in schools where such concentration persists; and

(d) specify guidelines, pursuant to powers granted the Congress by the Constitution, for appropriate remedies for the correction of practices by local educational agencies which are found to deny equal protection of the laws or to deny the equal educational opportunities guaranteed by this title.

### PART B—DENIAL OF EQUAL EDUCATIONAL OPPORTUNITIES

SEC. 1411. No State or educational agency established by a State shall deny equal educational opportunity to an individual on account of race, color, or national origin by—

(a) deliberate segregation of students on the basis of race, color, or national origin among or within schools;

(b) failure in situations in which such deliberate segregation has occurred or is occurring, to take affirmative steps, consistent with Part D of this title, to remove the vestiges of discrimination due to official action;

(c) construction, abandonment, alteration, or other siting of school facilities within a district with the intent of, or having the natural, probable, foreseeable and actual effect of, increasing segregation of students on the basis of race, color, or national origin within the school district unless such effect is unavoidably necessitated by sound nonracial educational considerations;

(d) creation of attendance zones or the establishment of attendance policies, including but not limited to optional attendance zones, open enrollment, or free transfer programs and feeder patterns, with the intent of, or having the natural, probable, foreseeable, and actual effect of, increasing segregation of students on the basis of race, color, or national origin with the school district, unless such effect is unavoidably necessitated by sound, nonracial educational considerations;

(e) transfer of a student to a school outside the attendance zone in which he resides with the intent of, or having the natural, probable, foreseeable, and actual effect of, increasing segregation of students on the basis of race, color, or national origin within the school district, unless such effect is unavoidably necessitated by sound nonracial educational considerations;

(f) failure to take appropriate action to attempt to overcome language barriers, or cultural, social, economic, or other deprivations that impede equal participation by students in instructional programs of educational agencies;

(g) discrimination on the basis of race, color, or national origin in the employment, employment conditions, or assignment to schools of faculty and staff;

(h) failure to provide—

(1) opportunity at the beginning of any school year for any student to transfer from a school to which he has been assigned or would in the regular course be assigned, and in which his race is a majority to a school in which his race is a minority, if the school to which transfer is requested offers education in the grade equivalent to that from which the student transfers; and

(2) transportation which may be required to effectuate this subsection:

*Provided*, That any local educational agency may postpone a students' privilege to exercise the right guaranteed by this subsection for a reasonable period of time while the most rapid feasible effective measures are taken to alleviate conditions of overcrowding in the school to which transfer is requested;

(i) maintenance of practices and provision of resources in schools in which minority groups are concentrated that are less favorable for educational advancement than at schools attended primarily by students of any other race, color, or national origin. Examples of disparities between such schools which may constitute a denial of equal educational opportunities include—

(1) comparative overcrowding of classes, facilities, and activities;

(2) assignment of fewer or less qualified teachers and other professional staff;

(3) provision of less adequate curriculums and extracurricular activities or less adequate opportunities to take advantage of the available activities and services;

(4) provision of less adequate student services such as guidance and counseling, job placement, vocational training, medical services, remedial work;

(5) assigning heavier teaching and other professional assignment to school staff;

(6) maintenance of higher pupil-teacher ratios;

(7) provision of facilities (classrooms, libraries, laboratories, cafeterias, athletic and extracurricular facilities), instructional equipment and supplies, and textbooks in a comparatively insufficient quantity; and

(8) provision of building, facilities, instructional equipment and supplies, and textbooks which, comparatively, are poorly maintained, outdated, temporary, or otherwise inadequate.

SEC. 1412. The Secretary shall issue regulations further setting forth measures to be taken by local educational agencies to come in compliance with this part.

### LAWSUITS

SEC. 1413. (a) Any person or persons alleging, or the Attorney General if he has reasonable cause to believe, that any policy or measure of a local educational agency violates section 1411 of this title may bring a civil action in the appropriate United States district court for equitable relief, including an application for a permanent or temporary injunction, or other order. If the court finds that such policy or measure exists, it shall order the rescinding of such policy or measure, and shall order affirmative action to be taken to cure present effects caused by such policy or measure.

(b) In any action commenced under this section, the court may allow the moving party, other than the United States, a reasonable attorney's fee as part of the costs, if such party or parties prevail in the action. Where the prevailing party is the defendant, the court may allow such prevailing party a reasonable attorney's fee as part of the cost upon a finding that the proceedings were unnecessary to bring about compliance.

(c) Any policy or measure which violates section 1412 shall also be deemed to constitute a violation of secton 601 of the Civil Rights Act of 1964, whether or not a civil action with respect to such violation has been brought under this section.

### PART C—STATE EQUAL EDUCATIONAL OPPORTUNITIES PLANS

SEC. 1421. (a) Each State shall prepare and submit to the Secretary for his approval, in accordance with regulations issued by him a plan to carry out the purpose of this title as stated in section 1402.

(b) The plans of Virginia and Maryland shall take account of the areas of the District of Columbia nearest to each and shall be worked out in consultation with the local educational agency of the District of Columbia.

### ADVISORY COUNCILS AND COMMITTEES

SEC. 1422. The plan submitted by each State shall provide for—

(a) the establishment of a State advisory council which shall be appointed by the Governor and which shall—

(1) include as members businessmen, educators, parents, and representatives of the general public, and shall be so constituted that parents of children attending public schools constitute at least a majority of such membership, and that parents of children from minority groups are represented in an approximately proportionate number to the number of minority group children in the school age population of the State;

(2) advise the State educational agency on the development of and policy matters arising in the administration of the State plan submitted pursuant to this part; and

(3) prepare and submit through the State educational agency to the Secretary an annual evaluation report accompanied by such additional comments of the State agency as it deems appropriate, which evaluates the progress made in that year by the State in achieving the purpose of this title; and

(b) the establishment of local advisory committees which shall—

(1) incude as members parents of children attending public schools, and shall be so constituted that parents of children from minority groups are represented in an approximately proportionate number to the number of minority group children in the school age population of the local educational agency; and

(2) advise the local educational agency on its participation in the State plan.

### PROVISIONS OF THE PLAN

SEC. 1423. The plan submitted by each State shall—

(a) be submitted to the Secretary by June 30, 1975;

(b) be developed in consultation with local educational agencies and the State advisory council; and

(c) define goals consistent with the purpose of this title as set forth in section 1402, and provide for attaining such goals by a date approved by the Secretary, but in no event later than August 30, 1985.

SEC. 1424.1. Such State plans shall include specific means for implementing some or all of the following components:

(a) (1) A majority transfer plan on either an intradistrict or an interdistrict basis. Such majority transfer plans shall include—

(A) provision for transportation of any student voluntarily requesting to transfer from a school to which he has been assigned or would in the regular course be assigned, and in which his race is in majority to a school in which his race is in a minority, if the school to which transfer is requested offers education in the grade equivalent to that from which the student transfers;

(B) provision for professional and paraprofessional staff for guidance, counseling and other special or compensatory services to children transferred in programs authorized by this subsection;

(C) provision for reimbursement of any school district receiving students from another school district participating in a transfer program authorized by this subsection in an amount equal to the sum of—

(i) not less than 70 percent and not more than 110 per centum of the average basic expenditure per pupil for all students in such receiving district financed from local revenue sources multiplied by the number of students received by such district pursuant to programs authorized by this subsection; and,

(ii) not less than 70 per centum and not more than 110 per centum of the average expenditure per pupil incurred by such district for programs established pursuant to subsection (a) (1) (b) multiplied by the number of students received by such district as determined in subsection (a) (1) (C) (i) above:

*Provided*, That no school district shall be eligible for reimbursement under subsection (a) (1) (C) (i) unless it carries on a program for the benefit of transferring students pursuant to subsection (a) (1) (B).

2) The Secretary shall publish, and from time to time revise, guidelines and standards for the implementation of this section not more than one hundred and twenty days from the date of enactment, including—

(A) reasonable standards and guidelines regarding contiguity and distance between schools, attendance zones, and school districts under which any majority transfer program established pursuant to this subsection may be effectuated; and

(B) such other regulations and guidelines as may be necessary to carry out the purposes and any provisions of this subsection.

(b) An open communities educational resources compensation program which shall—

(1) provide for payments to any school district in which students from minority families comprised not more than 10 per centum of total school enrollment during the school year 1975–1976, or in which students from low-income families comprised not more than 10 per centum of total enrollment in such district during such year, in an amount equal to the sum of—

(A) not less than 70 per centum and not more than 110 per centum of the average basic expenditure per pupil for all students in such district financed from local revenue sources multiplied by the difference of the number of students from families specified in subsection (b) (1) enrolled in such district during any school year, and the number of students from such families enrolled in such district during the school year 1975–1976, if the latter is smaller; and

(B) not less than 70 per centum and not more than 110 per centum of the average per pupil expenditure of any program that may be established by such school districts pursuant to the provisions of subsection (a) (1) (B), multiplied by the difference of the number of students from families specified in subsection (b) (1) enrolled in such district during any school year and the number of students from such families enrolled in such district during the school year 1975–1976, if the latter is smaller: *Provided*, That, for the purposes of computations pursuant to subsection (b) (1), students from low-income families who are also members of minority groups shall not be counted more than once.

(2) beginning after the school year 1979–1980, the base year for computations under subsections (b) (1) (A) and (b) (1) (B) shall be increased by one year for each year that the current school year exceeds such year.

(3) the Secretary shall publish, and from time to time revise, such guidelines as may be necessary to effectively carry out this subsection not more than one hundred and eighty days after enactment.

(c) (1) A school district reorganization plan which may include—

(A) redrawing zone boundaries, pairing, and clustering schools, establishing educational parks and magnet schools, and such other features as may be determined by the Secretary to be consistent with the objectives set forth in section (3) (a) and (3) (b) of this title; and

(B) cooperative arrangements between school districts, where factors of distance, locations, and contiguity make this feasible, for common use of existing school facilities and for the construction of new joint facilities, including educational parks.

(2) State plans including a component pursuant to this subsection shall provide for payments to school districts in an amount equal to the sum of—

(A) not less than 70 per centum and not more than 110 per centum of the difference of the average operating expenditure per pupil, including transportation costs, for all students in such district financed from local revenue sources during the school year

1975–1976, or the school year next preceeding the implementation of a plan pursuant to this subsection, whichever is later, and the average operating expenditure, including transportation costs, financed for local revenue sources for students directly participating in a program pursuant to this subsection during any school year multiplied by the number of such students; and

(B) not more than 35 per centum of any capital costs, including expenditures for new school facility construction, or for rehabilitation, renovation, or restructuring of existing facilities, that may be directly incurred in the implementation of a program pursuant to this subsection.

(3) For the purpose of making computations for payments under this subsection—

(A) computations under subsection (c)(2)(A) of the average per pupil operating expenditure for the base period, whether the school year 1975–1976 or the year next preceding the implementation of a plan pursuant to this subsection, whichever is later, shall be made separately for each school district participating in a cooperative arrangement pursuant to subsection (c)(1)(A), and the multiplicand shall be the number of students participating in such cooperative arrangement who would have in the ordinary course attended schools operated solely by such district;

(B) beginning after the school year 1979–1980, the base year for computations under this subsection, if such base year is the school year 1975–1976, shall be increased by one year for each year that the current year exceeds such year, or in the event that the base year is after the school year 1975–1976, beginning four school years after such year the base year shall be increased by one year for each year that the current school year exceeds such year;

(4) The Secretary shall publish, and from time to time revise, such guidelines and regulations as may be necessary to carry out the purposes of this subsection not more than one hundred eighty days after enactment;

(d)(1) An approved, concentrated compensatory education program. State plans containing components, pursuant to this subsection shall provide that:

(A) expenditures under this subsection shall be made only—

(i) in school districts which are eligible for a basic grant during any year under title I of the Elementary and Secondary Education Act of 1965; and

(ii) in schools, in school districts meeting the above requirement, in which a substantial proportion of the students enrolled are from low-income families, as that proportion may be defined by the Secretary, but in no case shall the proportion of students be less than 25 per centum of total enrollment in such schools;

(B) average expenditures per pupil for students enrolled in schools participating in programs pursuant to this subsection shall increase with the proportion of students from low-income families enrolled in such schools according to a schedule and such other guidelines as the Secretary may establish;

(C) average expenditures per pupil for compensatory programs established pursuant to this subsection shall be at least equal to a minimum effective threshold level established by the Secretary, but in no case, except for such exceptions as the Secretary may expressly allow, shall such minimum effective threshold level be less than 30 per centum of the average basic per pupil expenditure for all students in the school district in which such school is located:

*Provided*, That expenditures under titles I and III of the Elementary and Secondary Education Act or any other comparable Federal or State compensatory or enrichment program, which meet the requirements of subsection (d)(1)(D)(ii) below may be considered as expenditures under this subsection;

(D) expenditures for programs pursuant to this subsection shall—

(i) be made only for basic instructional programs, supportive services and vocational guidance; and

(ii) be made only for programs and learning approaches that the Secretary has certified as having demonstrated ability or potential for improving the achievement performance of educationally deprived students;

(2) Not later than one hundred days after the enactment of this title the Secretary shall publish, and thereafter from time to time revise, giving appropriate notice to all affected parties, such regulations and guidelines as are specified in subsections (d)(1)(A)(ii), (d)(1)(B), (d)(1)(C), (d)(1)(D)(i), and (d)(1)(D)(ii) of this section and such other regulations as he may deem necessary in his discretion, to effectively carry out the purposes of this subsection.

Sec. 1425. State plans submitted pursuant to this title shall—

(a) assure that in each year of operation of the plan substantial progress will be made toward meeting the purpose of the title;

(b) specify how additional State financial assistance will be made available to local educational agencies undergoing desegregation pursuant to a court order, a plan approved in accordance with title VI of the Civil Rights Act of 1964, or an order issued by a State agency or official of competent jurisdiction;

(c) specify how programs now funded under the Elementary and Secondary Education Act of 1965, or any other federally funded program for educational enrichment or desegregation assistance, are fitted into and coordinated with operation of the plan;

(d) specify the procedures to be used by the State educational agency in coordinating the efforts of the local educational agencies desegregating (as specified in subsection (e) or voluntarily integrating);

(e) specify what procedures will be used by the State educational agency for involving on an equitable basis children enrolled in private nonprofit schools in the programs funded under this title to the extent that their participation will assist in achieving the purpose of the title; and

(f) assure that the State educational agency will require each local educational agency to report to it annually on its implementation of the State plan, and that the State agency will report annually to the Secretary on the State's overall implementation of its plan.

GRANTS

SEC. 1426 (a)(1) There are authorized to be appropriated for carrying out this part not in excess of $200,000,000 for fiscal year 1976, $500,000,000 for fiscal year 1977, and $750,000,000 for each fiscal year thereafter.

(2) The Secretary shall allot—

(A) from the sum appropriated under paragraph (1) above for fiscal year 1976 an amount equal to—

(i) 85 per centum of such sum among the States so that the amount allotted to each State bears the same ratio to such sum as the aggregate number of minority group children aged five to seventeen, inclusive, in such State bears to the aggregate number of such children in all the States, to be used for the purpose of developing a State plan pursuant to this part;

(ii) 15 per centum of such sum to other public and private agencies that may provide assistance to the States in developing plans and in preparing to implement plans pursuant to this part;

(B) from the sums appropriated under paragraph (1) above for fiscal year 1974 and each fiscal year thereafter an amount equal to—

(i) 65 per centum of such sum, to be known as a basic grant, among qualifying States so that the amount allotted to each qualifying State bears the same ratio to such sum as the aggregate number of minority group children aged five to seventeen, inclusive, in such qualifying State bears to the aggregate number of such children in all qualifying States;

(ii) thirty per centum of such sum, to be known as a supplemental grant, among qualifying States so that the amount allotted to each qualifying State bears the same ratio to such sum as the aggregate number of minority group children, aged five to seventeen, inclusive, in such qualifying State bears to the aggregate number of such children in all qualifying States; and

(iii) five per centum of such sum to other public and private agencies that may provide assistance to States in planning, implementing, revising and evaluating plans pursuant to this part.

(3) A State shall qualify to receive—

(A) a basic grant under subsection (a)(2)(B)(i) during fiscal year 1974 and any year thereafter, if it has submitted a plan that contains at least two components provided by section 1424 which comply with any applicable regulations issued by the Secretary pursuant to such section, and which has been approved by the Secretary pursuant to section 1427 below; and

(B) a supplemental grant under subsection (a)(2)(B)(ii) during fiscal year 1974 and any fiscal year thereafter, if it has submitted a plan which places primary and substantial emphasis on programs pursuant to section 1424(c) which comply with any applicable regulations issued by the Secretary pursuant thereto, and which has been approved by the Secretary pursuant to section 1427 below;

(b) All sums appropriated under the Elementary and Secondary Education Act of 1965, and all other Federal ment or for desegregation assistance shall be allotted to implement the approved plan.

(c) No funds granted under this part may be used to supplant State or local educational funds being expended, or that would have been expanded, absent the grant, in or for public schools or to assist any private school directly.

(d) The Secretary shall publish, and from time to time revise, such regulations as may be necessary to effectively carry-out this section, including definitions and criterion for eligibility for supplemental grants under the "primary and substantial" requirement of subsection (a)(3)(B), within one hundred and eighty days of the enactment of this title.

Sec. 1427. (a) The Secretary shall approve any State plan which meets the requirements of sections 1421 through 1425 and any applicable guidelines and regulations issued by the Secretary pursuant thereto, and shall not finally disapprove any such plan without first affording the agency administering the plan reasonable notice and an opportunity for a hearing.

(b) Whenever the Secretary, after reasonable notice and opportunity for a hearing—

(1) disapproves a plan pursuant to subsection (a), or

(2) finds:

(i) that no plan has been submitted by a State,

(ii) that a State plan approved under subsection (a) has been so changed that it no longer complies with the requirements of section 1421 through 1425,

(iii) that in the administration of such a plan there is a failure to comply substantially with any such provisions, or

(iv) that a grantee is in violation of section 1426(c)

the Secretary shall notify the grantee that further payments will not be made to the grantee under this part, under title I of the Elementary and Secondary Education Act of 1965, or under title III of the Elementary and Secondary Education Act of 1965 or any other educational enrichment or desegregation assistance program (or, in his discretion, that further payments will be limited to grantees or programs not affected by the failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Secretary shall make no further payments under such titles (or shall limit payments to grantees or programs not affected by the failure).

JUDICIAL REVIEW

SEC. 1428 (a) If any State is dissatisfied with the Secretary's final action with respect to the approval of its State plan under section 1427(a) or with his final action under section 1427(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

PART D—REMEDIES

FORMULATING REMEDIES; APPLICABILITY

SEC. 1431 In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall seek or impose only such remedies as are essential to correct particular denials of equal educational opportunity or equal protection of the laws;

SEC. 1432. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall consider and make specific findings on the efficacy of the following remedies in correcting such denial and shall require implementation of the first of the remedies set out below, or on the first combination thereof, which would remedy such denial:

(a) assigning students to the school closest to their place of residence which provides the appropriate grade level and type of education for such students;

(b) good faith participation in and reasonable progress in the implementation of an approved State plan pursuant to title II of this Act by the local educational agency involved;

(c) transportation of students to schools other than the one closest to their own home.

SEC. 1433. No court, department, or agency of the United States shall, pursuant to section 1432 order the implementation of a remedy that would:

(1) pose a risk to the health and safety of the students involved, significantly impinge on the educational process, or involve the transportation of students to schools significantly inferior to those which such students would in the ordinary course have attended; or

(2) substantially increase during any school year the average daily time of travel or the proportional average daily number of students to be transported by the educational agency over the comparable average for the preceeding school year, unless it is demonstrated by clear and convincing evidence that no other method set out in section 1432 will provide an adequate remedy for the denial of equal educational opportunity or equal protection of the laws that has been found by such court, department or agency. The implementation of a plan calling for increased transportation, as described in this subsection, shall be deemed a temporary measure and such plan shall be ordered in conjunction with the development of a long-term plan as provided by part C of this title.

VOLUNTARY ADOPTION OF REMEDIES

SEC. 1434. Nothing in this part prohibits an educational agency from proposing, adopting, requiring, or implementing any plan of desegregation, otherwise lawful, that is at variance with the standards set out in this part nor shall any court, department, or agency of the United States be prohibited from approving implementation of a plan which goes beyond what can be required under this title, if such plan is voluntarily proposed by the appropriate educational agency.

PART E—GENERAL PROVISIONS

DEFINITIONS

SEC. 1441. For purposes of this title—

(a) The term "minority group" means Negroes, American Indians, Spanish-surnamed Americans, and Orientals.

(b) The term "low income" family means any family that has an annual income during any year which is below the "weighted average thresholds at the low-income level" as determined by the Bureau of the Census of the United States Department of Commerce. For the purposes of this title the Secretary shall publish, not later than six months preceding the beginning of any school year, a schedule of low-income family definitions by family size, type, and by place based on the latest available data from the Bureau of the Census.

(c) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control, or direction, of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, or a combination of local educational agencies.

(d) The term "school" means a school which provides elementary or secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(e) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(f) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law for this purpose.

(g) The term "State" means one of the fifty States or the District of Columbia.

(h) The term "segregation" means the operation of a school system in which students are separated among the schools of an educational agency or within a school, as a result of actions and practices, both past and present, by such agency, on the basis of race, color, or national origin.

(i) The term "desegregation" means any actions by an educational agency undertaken to correct and remove the vestiges of segregation as defined in subsection (c) above.

(j) An educational agency shall be deemed to transport a student if any part of the cost of such student's transportation is paid by such agency, either directly from revenues raised from local sources or indirectly from revenues or grants from other agencies of government.

(k) The term "basic instruction programs" means instructional services in the field of mathematics or language skills which meet standards the Secretary may prescribe.

(l) The term "basic supportive services" means non-institutional services such as counseling, curriculum guidance, and health or nutritional services as prescribed by the Secretary.

(m) Expenditures for basic instructional programs or basic supportive services do not include expenditures for administration, operation, and maintenance of plant, or for capital outlay, or such other expenditures as the Secretary may prescribe.

(n) The term "average basic expenditure per pupil" means the average expenditure per pupil for all educational costs incurred by the district other than costs for any compensatory program under titles I and III of the Elementary Education and Secondary Education Act of 1965, or any other comparable Federal or State compensatory or enrichment programs, as these may be specified by the Secretary.

SEC. 1442. Such portion as the Secretary may determine, but not more than 1 per centum, of any appropriation under this title for any fiscal year shall be available to him under section 1426(a) (2) (B) (ii) for evaluation (directly or by grant or contract) of the programs, activities, and projects authorized by this title.

## FIFTY-SIXTH ANNIVERSARY OF BYELORUSSIAN INDEPENDENCE

### HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. LENT. Mr. Speaker, I rise to pay tribute to the spirit of the Byelorussian people on this, the 56th anniversary of the loss of their independence to the Soviet Union. This is a solemn occasion, for Byelorussia still resists the efforts on the part of Russia to eradicate its historical accomplishments and sense of national and ethnic identity.

During the 16th century, Byelorussia was characterized by an advanced democratic basis of life and by religious and political tolerance while most of Europe suffered persecutions and inquisitions from religious differences. The Byelorussian language served as the international language for diplomatic relations of Eastern Europe similar to the role which Latin played in the West. A codified judicial system and the early use of printing which produced the first publication of the Bible in a native language of Eastern Europe attest to the high degree of advancement which marked Byelorussia as a leader in social and technological development. This is the record of historical achievement which the Soviet Union is so eager to expunge.

On March 25, 1918, over a century after its forced annexation by czarist Russia, the Byelorussian Democratic Republic was proclaimed and the Republic adopted a provisional constitution which provided for a direct and secret ballot open to all; freedom of speech, press and assembly; national and cultural autonomy for all minorities; the right to strike; and other guarantees of human rights which are so closely identifiable with our own Constitution. The Russian Communists invaded Byelorussia and the nation soon found itself in Russian captivity once again, renamed the Byelorussian Soviet Socialist Republic.

The fight for Byelorussian independence has continued despite efforts to extinguish the aspirations of the Byelorussian people to control their own destiny. I am confident that someday Byelorussia will once again join the community of free nations and the ideals of March 25 will be actuality.

## THIS FRAGILE MENAGERIE HANGS BY A THREAD

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. DINGELL. Mr. Speaker, having been an important part of the fight to save the beleaguered Florida key deer, the National Wildlife Federation is especially sensitive to the growing numbers of endangered wildlife species throughout the world. Feeling the situation has become critical—though America is today far more affluent than dreamed of in the 1930's when this organization was founded, and we have achieved this affluence only at grave cost to all our resources—the Federation has published the first issue of National Wildlife ever devoted to a single subject. Today I would like to read into the RECORD an article from the introductory section of the April/May magazine.

It is a pity there is no way to read in as well the overwhelming quality of National Wildlife art and photographic reproductions. The article follows:

THIS FRAGILE MENAGERIE HANGS BY A THREAD

(By Jean Craighead George)

Eight years ago, I stood on the Route One bridge in South Miami and squinted into the blaze of sunlight sparkling on the waters below. I had come to see the famous manatees of the Miami River, those whalelike creatures so thrilling to behold and so few in number. But when I leaned over the rail to find them in their customary hideout under the bridge, they were not there. Scanning the river in vain for the familiar upboilings that mark their whereabouts, I approached an elderly fisherman on the bridge. "Where are the manatees?" I asked and, when he did not answer, I went on to describe them: about twelve feet long and hung like dirigibles in the water, with legless hindquarters and bristly prehensile lips that plucked the greens out of the river. "You mean the sea cows?" the fisherman replied. "They're dead. Propellers on the big power boats slashed them up."

That was in 1966—the year when the U.S. Interior Department's Fish and Wildlife Service officially classified the Florida manatee as an "endangered species." Unfortunately, that ominous term is so bantered and abused, so political and emotional, that it confuses scientists and laymen alike. There is no ambiguity whatsoever, though, about the predicament that gave rise to the label in the first place. At the present time, no less than 109 species of American wildlife are in imminent danger of extinction, including 17 mammals, 53 birds, 8 reptiles and amphibians, and 31 fish. The roster of animals in jeopardy has increased steadily over the years, and dozens of other creatures may be destined to join it in the very near future, not to mention literally hundreds of plant species.

What does it matter if a few more animals, and plants, are sacrificed on the altar of "progress?" Quite a part from ethical and philosophical considerations, there are some eminently practical answers to that question. At the heart of the matter is a violent confrontation between man and nature from which no winners can emerge.

When polution soured the ponds in parts of Europe recently, for example, the frog population fell off sharply and the number of insects skyrocketed, jeopardizing many crops. In parts of South America not long ago, some jungle villages were racked with disease when trappers wiped out the spotted cats that had kept the rats under control. In a world in which all life forms are mutually dependent, the endangered species constitute a sensitive barometer of the health of our entire ecosystem.

That barometer has reached an all-time low today but it has taken some alarming plunges in the past, too. Less than a century ago, for example, the buffalo, or bison, had been all but exterminated in the West when the American public belatedly learned what was happening. The sage of how the shaggy beasts were rescued is part of the genesis of public recognition in the United States of civilization's destructive effect on wildlife in general.

As late as 1846 there may have been as many as 25 million buffalo roaming the western ranges. They provided food and rugs for Indians and pioneers alike, and delicacies such as tongue meat for the eastern markets. It was U.S. army policy to destroy the animals, both because they competed with cattle for grasses and space, and because it was a means of bringing the red man to his knees. Bison were slaughtered by the millions throughout the 1860s and 70s and by 1889, there were only about 550 wild buffalo left, mostly confined to the new national park at Yellowstone. There, conservationists made a concerted stand on the animal's behalf, even arranging for the Army to protect the remnant herd. And by the turn of the century, the bison was on the road to recovery.

Enlarged by animals introduced from Canada and from captive herds in Arizona and several eastern states, and made famous by William Hornaday's American Bison Society, the buffalo became a symbol of a vanishing America. Today the progeny of that once-fragile Yellowstone herd number several thousand strong within the park itself, while many thousands more are settled around the world in zoos, parks, and on private ranches. Thus, despite their decline from millions to mere thousands, the buffalo is no longer considered rare or endangered.

Unfortunately, success with a large mammal like the bison did not have similar echoes in the bird world. The last Labrador duck was shot on December 12, 1875, and the last passenger pigeon and Carolina parakeet died in zoos in 1914. For awhile, it looked as if several species of the elegant wading egrets an herons might go the same way, victims of the rapacious plume hunters serving the vanity of ladies of high fashion in New York, London, and Paris.

But in 1900, the Lacey Act made the interstate shipment of birds killed in violation of state laws a federal offense. And the American Ornithologists' Union, together with the newly formed National Association of Audubon Societies, helped end the slaughter of wading birds, and coincidentally, terns and songbirds. This new conservation awareness led to further laws. In 1918, the United States and Great Britain, acting for Canada, signed a Migratory Bird Treaty offering protection for birds that regularly crossed the borders of these two nations. This new international understanding of nature's contempt for political boundaries was enlarged in 1937, when the U.S. and Mexico signed a similar treaty protecting migratory birds in the southern half of North America.

After World War II, however, just as the world was looking safer for wildlife, a scientist at a research station in New York's Adirondack Mountains watched DDT-fed nestling birds tremble, go into spasms and die. A new threat to wild things was upon the land—the chlorinated hydrocarbons. Scientists from California to the Eastern Seaboard tested the effects of pesticides on the environment. Their research culminated in the best-selling shocker by Rachel Carson, *Silent Spring*. The Book sparked a controversy that brought a roar from the chemical industry and a call-to-arms against spraying from environmentalists. The book was scorned by farmers. Forest managers scoffed at it. Industrialists labeled it "emotional." And then, bald eagles began to vanish, peregrine falcons disappeared from rivers and cliffs and songbirds dropped dead in towns and cities. The "silent spring," it turned out, was real cause for alarm.

By 1965, like the great electrical blackout that darkened the East Coast that year, the wild things were going out all over the country—and pesticides were but one cause. Everywhere, it seemed, natural wildlife habitat was being destroyed by bulldozers, drainage ditches and developers. In Florida, some of the nation's last crocodiles had been shot on their island in Surprise Lake, and the last specimen of a rare orchid had been poached from Everglades National Park. In California, a wildlife expert warned that North America's largest land bird, the California condor, was almost extinct. In Texas, a developer bought up one of the last caves in which the blind salamander or Texas dwelled and was prepared to exploit the cave for tourism.

By 1966, at least 9 mammals, 31 birds and 6 fishes were extinct in the United States—compared to only five a century or so earlier—and the numbers of endangered animals were increasing every year. The Fish and Wildlife Service then defined an endangered species as one that must have help from man. Help meant the restoration of habitat for such creatures as the masked bobwhite, a perky quail of the Southwest that had become extinct in the United States because cattle drives and ranching had destroyed its habitat of wild grasses. To the north, the Aleutian Canada goose was in trouble because furriers had introduced the blue fox to the Aleutian Islands where these birds dwelled. Other creatures were in trouble, too. With a bounty on its head, the timber wolf was poisoned, trapped and pursued by plane and car. Consequently, its numbers plummeted from hundreds of thousands to a pitiful few in the lower 48 states. The Mississippi sandhill crane was threatened by another problem—its numbers fell so low that inbreeding resulted in sterility.

In the mid-1960s, the United States was being emptied of wildlife so rapidly that naturalists began to talk in desperate terms. Said William C. Conway, director of the Bronx Zoo: "We can no longer dally. The time has come to bring endangered species in out of the wilds, raise them in captivity and try to return them to the wilds." Conway was one of the farsighted few, but at the time his words enraged those who wanted wild things to be only in wild places. And yet, the need for some kind of drastic action could not have been more clear.

In 1966, Senator Karl Mundt of South Dakota introduced a bill on the floor of the Senate to create an Endangered Species Bureau in the Department of Interior that would "bring threatened species in out of the wild and attempt to raise them in captivity." Mundt prodded and cajoled his colleagues into passing what they laughingly called the "dickey bird bill of 1966." No one is laughing today, however, for the bill is considered one of the most important pieces of legislation in the long history of man's relationship to his environment.

The Endangered Species Act opened the "ecological decade" and marked the year that Americans began to assume responsibility for the planet Earth. In 1971, DDT was banned in the United States, and yet another giant stride was taken. But then Swedish scientist Soren Jensen detected a strange chemical in many dead animals that, like DDT, affected the nervous system and made some bird's eggshells fatally thin. Jensen took the substance to his chemist colleague, Gunnar Widmark, who identified it as a chlorine-containing compound PCB—polychlorinated biphenyl. The following year, scientists in America, England, Scotland and the Netherlands found PCB's in animals in their countries. Suddenly, the insidious chemical was discovered in species all over the world.

It was just the latest shocker in the chain of ecological exposes that pre-dated "Silent Spring." But rather than deadening the public's senses to the appalling enormity of the problems, the cumulative weight of the revelations seemed to heat up the boilers of righteous indignation. And as the word "endangered" gradually crept into man's vocabulary, it aroused deep concern—and sparked millions of people to action.

In a small town in Pennsylvania, a factory owner bought a swamp where the rare bog turtle dwelled. When the citizens of the town learned this, they assembled, raised money and bought the marsh. In Alaska, waitresses in a restaurant next to one of the rivers where the Pacific salmon come to spawn begged fishermen not to interfere in the process by catching the fish. Last year, a judge in White Plains, New York, was so moved by the plight of an endangered species on a controversial piece of land, that he ruled in favor of the animal. "May wild endangered things," he wrote in his brief, "roam forever on this property far from the teeth of the bulldozer."

In some cases the effort to save and protect wild things has been so successful that it has presented official Washington with a few problems. For instance, is the Key deer—an animal that made a grand comeback from 30 in 1949 to 600 in 1973—still an endangered species? And when does the alligator cease to be endangered? Louisiana has opened an alligator hunting season though it is still on the U.S. endangered species list. This reptile has made such a remarkable recovery since its protection began that now it threatens people in a few populated areas.

Not all species respond to help, however. The California bighorn sheep is one of these. Its populations build up nicely for several years, and then they are all but wiped out again by scabies, a virulent skin disease. With each build-up and crash, the numbers drop lower and lower. In 1966, the Interior Department estimated that there were about 400 bighorns in California; in 1973, the agency cited but 200.

Science has a major role to play. Some species that have been brought in out of the wilds and raised under scientifically controlled conditions are doing well. Others are not. It was while visiting two pioneering science labs last fall that I gained a deeper personal understanding of just what an endangered species is. It is, above all else, an emotion-stirring creature. On a chilly day in Ithaca, New York, I walked down the winding trail to Cornell University's Ornithological Laboratory, where Heinz Meng is breeding peregrine falcons in captivity for the first time—a feat heralded around the world. My steps quickened when I heard, as if out of the past, the "cack, cack, cack," of the bird that once rode the fists of kings and reigned over wild rivers and cliffs from the Arctic to the subtropics. Rounding the bend, I stood before a few of the twenty young peregrines that had been raised at the lab in 1973.

When I was told that three peregrines had been returned to the wilds, the sky somehow seemed bluer, the hills more beautiful. One bird had headed north to the Arctic wilderness when released. A second was sent to Idaho to join a female who had been without a mate for two years. And the third while in training for its freedom, took off after an osprey and climbed out of sight.

Gratifying though it was, the thrill I experienced in Ithaca evaporated when I visited Patuxent, the federal research station in Maryland, specializing in endangered species. Standing before the southern bald eagle there, I was overwhelmed with a sense of helplessness. The bird's mate had died a year before and his solitude seemed irrevocable, for at that time no one had bred that great American in captivity. Ultimately, I realized then, an endangered species evokes sadness. As I watched the black-footed ferrets, masked bobwhites, whooping cranes and white-fronted geese in Patuxent, I beheld a singularly fragile menagerie. They hang, all endangered species, like glass threads in a pinball machine.

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## A GATHERING OF VULTURES

### HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BRAY. Mr. Speaker, obscene and despicable as the Hearst kidnaping is by the twisted, warped personalities of the so-called Symbionese Liberation Army, I submit that something only a little less obscene and despicable was indulged in by some who swarmed down, like so many vultures, to get the free food provided by Miss Hearst's father.

The following editorial from the March 17, 1974, Indianapolis Star, tells the story:

#### A Cadillac "Needy" Set

To see just who would be getting food under the People In Need (PIN) giveaway prompted by the Patricia Hearst kidnapers, two reporters from the New York liberal weekly, the Village Voice, went to San Francisco for a first-hand look. They got an eyeful.

On the first day, 33,000 bags of groceries were handed out at 10 locations around the city. Police and the media were asked to keep a respectful distance by A. Ludlow Kramer of PIN who explained, "Standing in line for food is not a dignified act for many citizens."

But the reporters, Lucian K. Truscott IV and Mary Jo Warth, got close enough to three locations to see that the people flocking around to get food were mostly young, none elderly and included some "apparently freeze dried hippies from another time" but no one who to them appeared genuinely poor.

Long lines of cars, many of them expensive, late models, inched along streets to the giveaway sites and disgorged from two to six or seven people who would race to the storefronts and hurry back with big bags of food. One of the vehicles was a late model Chevrolet van with oversize tires. It contained four apparently middle-class occupants.

One man made repeated trips to pick up boxes of food which he loaded into the trunk of a white Cadillac convertible. Then he drove off.

Among the cars gathered for the free food the reporter spotted 12 Cadillacs, two Lincoln Continentals, two Mercedes sedans, a 1974 Datsun and the "needy" rode in big cars and were well-dressed, the men usually sporting wide-brimmed velvet hats and the women bouffant hair-dos.

So much for one cross section of the impoverished, hungry beneficiaries of terrorist humanitarianism in California.

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## ALTON, GODFREY, AND WOOD RIVER REMEMBER THE VETS

### HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. FINDLEY. Mr. Speaker, although the Nation seems determined to forget the Vietnam war as quickly as possible, several Illinois communities have not forgotten. Springfield, Roodhouse, and Nebo have already dedicated memorial trees to the men who fought, died, were imprisoned, or were disabled in Indochina. This weekend, Alton, Godfrey, and Wood River, Ill., will also dedicate living trees to commemorate the great sacrifice of all those who fought in the Vietnam war.

A resolution, House Concurrent Resolution 271, has been reported by the Subcommittee on National Security Policy calling for the President to initiate and cooperate in a national program of commemorative trees honoring those who are still listed as missing and those who died in Vietnam. It has the support of the National League of Families of American Prisoners and Missing in Southeast Asia, the American Legion, and the Veterans of Foreign Wars, but so far no action has yet been taken by the full Foreign Affairs Committee.

Hopefully, the committee will soon act, in response to veterans like Doug Thompson, who wrote the following article for the Alton, Ill., Telegraph, on March 2, 1974:

#### The Forgotten Vet

(By Doug Thompson)

Richard Crawford, a 19-year-old gung-ho Marine from Godfrey, became the first area fatality of the Vietnam era on Saturday, Oct. 30, 1965.

Seven years and 148 deaths later, 25-year-old Richard Scroggins, a native of Bunker Hill, was the last casualty—dying on Feb. 23, 1973, following a skirmish after the "cease fire" was signed.

That made the total 149 dead from the war that really never was a war. It was a war that nobody claimed, nobody won and everybody now seems to want to forget.

Vietnam seems so far away now. It has been more than a year since the "cease fire." The protests, debates and daily casualty reports that were part of our daily lives ended long ago.

But the war remains very close to the families who lost relatives; to the veterans who came back maimed for life and to the ones who came back with deep emotional scars.

They are victims of the biggest military bungle in history—a classic case of the unqualified leading the untrained into the unknown for the ungrateful.

#### FOR WHAT?

Each Vietnam-era veteran gave up two years or more of his life. And for what? To die without every really knowing why, to survive the war and come home to a country that doesn't appreciate him, and to come home to unemployment, disinterest and scorn.

In a grandiose and often vulgar display of gratitude and affection, we welcomed home the prisoners-of-war in a last fling to salvage some respectability from an insane war.

But we continue to ignore the vets who died, the ones who came back less than whole and the ones who just came back.

They came home bitter, resenting a system that rips out part of the lives and then forgets about them.

Many came back hooked on drugs—the only release they could find from the tedium and mockery of their service. The military offered "help," and then rewarded those who sought help with less-than-honorable discharges.

### NO RIGHTS?

When the Vietnam vets sought their rights and benefits from the government they served, they became lost in a bureaucratic maze called the Veterans' Administration.

Instead of help, they got hassled—and the hassles continue even today.

Finally, to twist the knife in their backs, the Vietnam era vets were shunned by the various veteran's organizations in this country. Suddenly, the Viet vet wasn't good enough, his war hadn't been a "real war" and he remains on the outside.

It is little wonder that a group like the Veterans Service Center in Alton has grown so much. In an era when most would like to forget the Viet vet, a handful of programs around the country try to handle the problems.

In Alton, the VSC tries to get less-than honorable-discharges upgraded because most of those discharges were issued by "administrative action," which in military legelese means one man made the decision that follows a man's life.

The Vietnam era produced 7.5 million veterans and 424,805 less than honorable discharges. Many of those were drug-oriented cases.

VSC has gotten three discharges upgraded and is working on 55 more. Unfortunately, many vets saddled with the stigma of a less-than-honorable discharge never realize they can work to have that discharge upgraded.

For the same reasons many will never receive the benefits due veterans for the same reasons.

### A MEMORIAL

On March 29, the VSC, Marine Corps League, Price, Inc., and the American Legion Post will make a memorial dedication to the area soldiers who died in Vietnam.

They are trying to compile a list of those who died—but the job is complicated by apathy and the people who just forgot too quickly.

Those who haven't forgot are invited to drop by 321 East Broadway in Alton and add the names they know the list.

Even people who died in vain deserves to be remembered.

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## PROPOSED AMENDMENT TO H.R. 69

## HON. LLOYD MEEDS

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. MEEDS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following proposed amendment to H.R. 69:

### AMENDMENT TO H.R. 69, AS REPORTED, OFFERED BY MR. MEEDS

Page 28, line 15, strike out "1" and insert in lieu thereof "1.5".

Page 29, beginning with line 1, strike out everything after the period down through the period in line 8, and insert in lieu thereof the following:

"The Commissioner shall allot (A) not more than 25 per centum of the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for grants under this part, and (B) the remaining per centum of such amount so appropriated to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to subsection (d)(1), and (ii) to make payments pursuant to subsection (d)(2). In making the allotments under the preceding sentence for any fiscal year, the Commissioner shall take into account any increase in the proportion of the number of children to be served by the allotment under clause (A) relative to the total number of children to be served by the allotments under clauses (A) and (B)."

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## THE CASE FOR RESTORING U.S. COMPLIANCE WITH U.N. SANCTIONS AGAINST SOUTHERN RHODESIA: WORLD FEDERALISTS, USA

## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. FRASER. Mr. Speaker, the World Federalists, U.S.A. have published a fact sheet on the Senate passed bill, S. 1868, that amends the U.N. Participation Act of 1945, and would halt the importation of Rhodesian chrome and ferrochrome.

This World Federalist document is a concise and straightforward presentation of the issues involved. Those of us supporting S. 1868 and the identical House bills including H.R. 8005 feel very strongly that we must return the United States to full compliance with U.N. sanctions. Enactment of S. 1868 would accomplish this.

The World Federalists' publication follows:

### THE CASE FOR RESTORING U.S. COMPLIANCE WITH U.N. SANCTIONS AGAINST RHODESIA, H.R. 8005 AND S. 1868

On December 18, 1973, by a vote of 54–37, the Senate passed S. 1868, to restore full United States compliance with United Nations sanctions against Rhodesia. This legislation has the effect of repealing the so-called Byrd Amendment by exempting UN sanctions from the operation of Section 10 of the Strategic and Critical Materials Stock Piling Act. The Byrd Amendment states that the President may not prohibit or regulate the importation of materials defined as "strategic and critical" from non-Communist countries as long as importation of such materials from Communist countries is not barred by law.

World Federalists, USA urges the House of Representatives to pass S. 1868, for the following reasons:

1. The energy crisis is evidence of how foolhardy it would be to ignore the views of the African countries on whom we are increasingly reliant for our supply of natural resources. Already a large share of our imports are from the African continent where US private investment totals $3 billion (as compared to $56 million in Rhodesia). Continued cooperation will require an increased US sensitivity to the Africans' concern that minority rule be abolished in southern Africa. Secretary of State Henry Kissinger recently stated that ". . . the Byrd provision has impaired our ability to obtain the understanding and support of many countries including such important African nations as Nigeria, a significant source of petroleum and a country where we have investments of nearly $1 billion."

2. US national security would not be impaired by observance of sanctions against Rhodesia. When the Byrd amendment was passed in 1971 it was argued that sanctions against Rhodesia were detrimental to our national security because they resulted in the US becoming too reliant upon the Soviet Union for chrome ore. Since 1971, imports from the USSR have not decreased; they have jumped from 24–51 percent of total chrome imports. US chrome supply is not in danger. According to the National Materials Advisory Board and the Department of Defense, the chrome stockpile is more than sufficient to meet our military needs for general and emergency purposes for decades. In fact, President Nixon has proposed that over 4 million tons of chrome ore be sold as surplus.

3. *It is extremely unlikely that the USSR would cut off chrome ore shipments to the US* since the Soviets are dependent upon the US for key strategic materials, such as aluminum oxide. Thus, it is no accident that during the 1962 Cuban Missile Crisis and the Vietnam War the USSR not only continued chrome ore shipments, but actually increased them.

4. *Rhodesia is not the only source of chrome ore.* Contrary to unproven rumors, the USSR is the best source of high-quality chrome ore in the world. Turkey, Brazil, Pakistan, the Philippines, Iran, South Africa, and others are also sources of ore, and often at cheaper prices than Rhodesia.

5. *US jobs in the ferrochrome industry are endangered because US corporations are able to obtain ferrochrome from Rhodesian industries at cheaper prices.* Since the passage of the Byrd amendment, imports of Rhodesian ferrochrome (a chrome-iron alloy used in making stainless steel), have doubled claiming 46% of the high carbon alloy import market. Rhodesian ferrochrome is cheaper than the US product because their industry is allowed to employ cheap and frequently forced labor under working conditions that deny Africans the right to strike or bargain collectively. In addition, the Rhodesian government subsidizes freight and power rates while allowing industry to avoid even minimal environmental protection standards for mining and processing in its quest for hard foreign currency. The threat to US jobs has been temporarily diminished by a recent boom in the steel industry, but when the boom is over, US industries will be unable to compete with the cheaper Rhodesian ferrochrome resulting in a loss of American jobs.

6. *Restoration of sanctions will not cause large increases in the price of stainless steel.* If sanctions are restored, replacement of Rhodesian ferrochrome by purchases of ferrochrome from other foreign producers costing an additional $100 per ton will cost the stainless steel industry only slightly over $3 million annually, not the $96 million it has predicted. The stainless steel producers have not passed on to the consumers any cost savings that may have come from breaking sanctions. In fact, stainless steel producers have recently hiked prices by 2 to 4 percent

on top of previous price increases of as much as 6 percent in 1973.

7. *Sanctions are an effective means for bringing peaceful pressure on a government.* In Rhodesia, where a small minority dominates 95% of the population, sanctions can serve as an effective and legitimate means of bringing the black majority into the political, economic and social fabric of the country. Despite US failure to fully comply with sanctions, Rhodesia has suffered severe economic strain. Not only have sanctions denied Rhodesia access to the capital necessary for economic expansion but they have also frustrated efforts to obtain materials essential to the maintenance of the country's agricultural, industrial and military capacity.

8. *US compliance with sanctions would provide the decisive impetus for peaceful social change in Rhodesia.* Internal and international observers agree that repeal of the Byrd amendment would probably force the Rhodesian government to undertake serious negotiations with the African majority. With internal forces against the Smith regime stronger than ever, sanctions represent perhaps the last chance for obtaining a peaceful settlement; thus averting a tragic war that could engulf that entire region of Africa.

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## BYELORUSSIAN INDEPENDENCE

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. DINGELL. Mr. Speaker, on March 25, this year we again have the opportunity in this free Nation of ours to extend our support to the struggle by the Byelorussian people to gain their freedom from Russian dominance. It was on March 25, 1918, that the Byelorussian people proclaimed their national independence. Byelorussia is one of the many captive nations seeking independence from the dictates from Moscow.

As I previously have spoken in support of these nations seeking their freedom and independence, I am privileged to have this opportunity to do so in behalf of the Byelorussian people today.

As the Byelorussian-American Association, Inc., in the State of New York, includes in one of their recent publications on the Byelorussian Soviet Socialist Republic—as Byelorussia is referred to today by the U.S.S.R.:

> The present relations of Moscow to Byelorussia are strictly colonial in nature and have two distinct aims. One is to exploit the Byelorussian natural resources for the benefit of Russian imperial expansion; and the other is to eradicate Byelorussian nationalism in the hope of fostering a homogeneous Soviet empire. In pursuit of these policies, Moscow has implemented the following measures: only Russians are permitted to occupy the key positions in the BSSR; the industrial development in the BSSR is primarily channeled for the express purpose of developing the Russian empire in Siberia and Central Asia; the Byelorussian language ha been almost completely eliminated from administrative use, from institutions of higher learning, and from secondary schools. Still, the ceaseless attacks by the Communist press and radio on "Byelorussian Bourgeois Nationalism" prove that these policies are failing, and that Soviet Russia will never succeed in stifling the desire of the Byelorussian people for their national freedom, just as Czarist Russia failed in the same endeavor.

Mr. Speaker, in this effort today to draw expanded attention to the plight of the captive nations, and in behalf of Byelorussia, I believe it appropriate to reiterate my support for the independence of captive nations.

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## AFL-CIO EXPOSES OIL COMPANIES' LACK OF PATRIOTISM

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BROWN of California. Mr. Speaker, the most recent edition of the AFL-CIO News, dated March 23, contains some very interesting information in this week's Washington Window column. Because I believe that the average American will find this information of great interest, I am inserting the entire column in today's RECORD:

### WASHINGTON WINDOW

Taxes as an instrument of economic policy are assuming more and more importance. This has become especially so insofar as tax policy involves the giant oil corporations which have profited enormously through special tax loopholes. Only now are the American people beginning to catch a glimpse of the oil profits growing out of those loopholes that have long marked the industry.

These tax benefits also were granted with the presumed justification that the money would be used to stimulate research and development so that the day would never come, as it has now come, when the American people would find themselves short of oil and gasoline, their lifeline to a sound and growing economy. It hasn't worked out that way.

Congress is now looking into both aspects of these tax advantages to the oil corporations. How much courage it will show in tackling the basic problem remains to be seen, but at least the current congressional investigations are giving the American people a chance to see the practical, not theoretical, results of oil tax policy over the past half-century.

Here are the tax gimmicks that are now under scrutiny.

The oil depletion allowance: Organized labor has told Congress that there is no justification whatever to permit continuance of this allowance and accompanying drilling write-offs on foreign-produced oil.

The House Ways & Means Committee tentatively voted to lower or phase out the domestic oil depletion allowance although it weakened that by exempting oil subject to government price controls. It has been estimated that this tax break alone has profited the oil corporations by as much as $2 billion a year—money which has gone into new investments abroad at the sacrifice of the research and development at home now so desperately needed.

One of the most outrageous tax breaks that the oil corporations now get is their right to credit royalties they pay foreign governments dollar-for-dollar against their U.S. income taxes. Originally these royalties were considered only deductible costs, which is where they should have remained. As a result of making them tax credits, the oil corporations now pay far more in taxes to foreign countries than they do to the United States.

"The foreign tax credit has encouraged oil corporations, as well as other multinational firms, to invest abroad heavily at the expense of domestic operations and American jobs," the AFL-CIO told Congress. "This abuse which calls upon U.S. taxpayers to subsidize the overseas operations of U.S. corporations must be ended."

Again oil corporations, like other multinationals, have the right to defer their tax obligations to the United States until such profits are brought home, which, as labor has pointed out, may be never.

On top of all these tax benefits, the oil corporations have long enjoyed the closest kind of cooperation with governmental power in Washington, especially with the Army and Navy which have rarely fought their pricing policies. Yet, when the pinch came, it was the oil industry that played into the hands of the Arab states and denied oil to our own fleet in the Mediterranean.

Nor have the oil companies shown much gratitude for the tax favors they have received. Even today, the vast tonnage of oil tankers that are owned by the largest of the oil corporations fly foreign flags.

One of the "justifications" for this flouting of their elemental duty to the United States is that these ships are under the "effective control" of the United States. Yet, the Liberian government, whose flag flies over many of these tankers, forbade such ships to engage in military shipping to Israel, despite American policy to support that country.

It is not often that so complicated a subject as taxes and the rationale that has been used to legislate them are so vividly exposed to public scrutiny in relatively simple terms. Labor's complaints that tax justice has been grossly abused have come clearly into view.

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## THE ANNIVERSARY OF BYELORUSSIAN INDEPENDENCE

## HON. CHARLES W. SANDMAN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. SANDMAN. Mr. Speaker, March 25 marks the anniversary of the proclamation of independence by the people of Byelorussia.

After the Byelorussian people declared their indepedence, they were able, for a few brief months, to live according to their ideals and beliefs.

The Soviet Government which now rules the Byelorussian people certainly does not represent their wishes or hopes, but merely serves as an instrument of oppression. Thus, the Byelorussian people suffer in the same manner as the other captive peoples of communism under a cruel dictatorship.

As thousands of American citizens who are of Byelorussian ancestry know, their families and friends still in Byelorussia have no freedom to express their deep and individual liberty. Today all Americans join with our fellow citizens of Byelorussian ancestry in renewing our own devotion to the principles of freedom and in our deeply felt hope that the day is not far off when the people of Beylorussia, as well as people everywhere, can join us in our enjoyment of the blessings of freedom.

## BYELORUSSIAN INDEPENDENCE DAY

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### HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. MINSHALL of Ohio. Mr. Speaker, on this memorable day which marks the 56th anniversary of the proclamation of the Byelorussian Democratic Republic, I take pride in extending my congratulations to the Byelorussians who live in Cleveland and elsewhere in the United States and especially to those Byelorussians who still are suffering under the yoke of captivity in Byelorussia. The darkness of the cold war may be turning into the dawn of détente as evidenced by President Nixon's and Secretary of State Kissinger's negotiations with Soviet Party Leader Brezhnev and Premier Chou-en Lai. However, a détente between nations does not necessarily mean peace between nations. The fact is that there can never be a lasting peace in this world as long as people are being held prisoners; the U.S.S.R. is a "prison house of nations." We should not be blind to this fact in our dealings with the Soviets.

In 1920 Byelorussia along with seven other countries fell captive to Russian imperialism. Relegated to the status of a colony, Byelorussia has since struggled to resist the Soviet's methodical exploitation of their rich resources and eradication of their strong nationalism. Under the totalitarian communistic system, the people have been forcibly deprived of all their human rights and freedoms and over 6 million people of their lives during these 56 years of oppression.

The Byelorussians have been accustomed to freedom and a well-developed culture ever since the 15th century. In the 16th century, the country then known as the Grand Duchy of Litva experienced their golden age highlighted by the widespread use of their language and an advanced legal system as set down in their judicial code, the "Litouski Statut," which was used throughout Europe.

Such a people cannot submit to being oppressed very easily. On the contrary the Byelorussians have fought at every opportunity for liberation. In 1920 there were armed uprisings in the Slutsk district and in 1922 in Vyelizh, Homel. In 1944 at the end of the Second World War the Second All-Byelorussian Congress convened in Mensk, annulled all treaties made by the occupational governments, approved the proclamation of independence of the Byelorussian Democratic Republic, and elected the Byelorussian Central Council. However, the Soviet troops again invaded the country.

Is it right for a country blatantly to abuse and violate the United Nations Charter and the Universal Declaration of Human Rights without facing reprisals as the U.S.S.R. has done? According to Dr. Lev E. Dobriansky, an expert on Soviet affairs:

> The cardinal objective of Moscow and its syndicate members has been and will continue to be the acquisition of Free World agreement to the permanent captivity of their dominated peoples, but the captive nations themselves will from time to time impress themselves on Free World attention, if not on its prudent and insurable aid.

It is my hope that the observance of this day as the 56th anniversary of the Byelorussian Independence Day will serve to renew the knowledge of the captive nation's plight in our minds. In the spirit of the Captive Nations Week resolution which was first introduced in the 86th Congress and was quite effective in making our knowledge known to the Soviet Union leaders, I have introduced the following concurrent resolution:

H. CON. RES. 29

Whereas the United States of America was founded upon and long cherished the principles of self-determination and freedom; and

Whereas these principles, expressed in the sovereign quality of nations, are the very reason for the existence of the United Nations, as set forth in the charter of that world organization; and

Whereas the United States and all other members of the United Nations have solemnly pledged themselves to make these principles universal and to extend their benefits to all peoples; and

Whereas, on December 10, 1948, the General Assembly of the United Nations passed the Universal Declaration of Human Rights which was accepted both by the United States and the Union of Soviet Socialist Republics, defining said rights as relating to citizens of all member states; and

Whereas, since 1918 Soviet communism has, through the most brutal aggression and force, deprived millions of formerly free peoples of their right to self-determination; and

Whereas the Congress of the United States has unanimously expressed in Public Law 86-90, approved July 17, 1959, its revulsion at the continued enslavement of the peoples of Eastern and East Central Europe who were described by the said public law as captive nations; and

Whereas the Hungarian, Polish, Czech, Slovak, Carpatho-Ruthenian, Latvian, Lithuanian, Estonian, East German, Rumanian, Bulgarian, Albanian, Ukrainian, and White Ruthenian peoples may only look to the United States and the United Nations for the restoration of their national self-determination and political independence; and

Whereas the member nations of the United Nations have failed to bring before the General Assembly for successful discussion the problem of self-determination and political independence of the peoples of Eastern Europe; and

Whereas, despite the numerous resolutions passed by the United Nations General Assembly, Russian occupation troops are still maintained in Hungary and the issue of their removal has not come up for discussion in the Assembly since 1962; and

Whereas it is vital to the national security of the United States and to the perpetuation of free civilization that the nations of the world act in concert through the forum of the United Nations in demanding national self-determination and political independence for the peoples enslaved by Communist governments; and

Whereas the Constitution of the United States of America, in article II, section 2, vests in the President of the United States the power, by and with the advice of the Senate, to make treaties and to appoint Ambassadors: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That the President of the United States is hereby authorized and requested to instruct the United States Ambassador to the United Nations to request at the 1974 session, that (1) the United Nations insist upon the fulfillment of its charter provisions based on self-determination of all peoples in the form of the sovereign equality of states and condemnation of colonial rule; and (2) the Soviet Union be asked to abide by its United Nations membership obligations concerning colonialism and interference with the sovereignty of other nations through the withdrawal of all Soviet Russia troops and agents from other nations now under Communist rule and through returning to their respective homeland all political prisoners now in prison and labor camps; be it further

*Resolved*, That the President of the United States is further authorized and requested to use all diplomatic, treaty-making, and appointive powers vested in him by the Constitution of the United States to augment and support actions taken by the United States Ambassador to the United Nations in the interest of self-determination and political independence of these nations.

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## WE'RE BETTING ON THE UNITED STATES

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### HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. CARTER. Mr. Speaker, despite the many problems that our Nation is facing today, we do possess the strength and ability to meet those problems and build an even better Nation in the years to come. I believe that the following article points out some of the fine aspects of America that certainly deserve our attention:

WE'RE BETTING ON THE UNITED STATES

Last Fall, in hundreds of cities and towns across America the United Appeal exceeded the quota, as did the Heart Fund, Cancer Crusade and Children's Services. In spite of higher cost of living, Americans dug deeper into slimmer pocketbooks to help people less fortunate than themselves.

In spite of cold ingratitude and often actual hostility, almost worldwide, when disaster strikes anywhere, the United States is first in line with help.

In many hundreds of U.S. cities and towns Big Brothers, Scouts, Boys' Clubs, Junior Achievement programs, Police Athletic Leagues and many more are manned and managed by adults who volunteer their hard-won leisure to help youngsters on the way up.

Tens of thousands of American mothers and fathers give up the happiness of home life to moonlight so that two jobs can take better care of their children and provide some security for them, in these days of cruel inflation.

It is reliably reported that more than 400,000 college students volunteer as teachers, hospital orderlies, school guards—any useful endeavor they can find.

These are only a few of the hundreds of reasons we're betting on the United States and a glorious future for this wonderful country of ours.

## THE PEOPLE DO NOT BELIEVE IT

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. GAYDOS. Mr. Speaker, Al Julius, a television reporter, recently conducted a sidewalk survey in downtown Pittsburgh to determine how the public felt about the gasoline shortage. To his amazement, not one of the persons he questioned believed a real shortage existed.

Mr. Julius told his station KDKA viewers:

> They all said it was contrived.

His film clips showed most of those interviewed grabbing at his word "rip-off" to describe their opinions of the "crisis." They blamed mainly the big oil companies. Some saw an alliance between the petroleum giants and the Nixon administration. "Collusion is the term," one man declared.

The consensus was that the oil firms have purposely kept gasoline from the motorists to force up prices. Vast stores of the fuel, hidden away from public scrutiny, are in the country, awaiting release only when the absolute top figure can be gotten at the service stations. This was the general belief.

Thus, so it appears, we face not only what President Nixon now labels "the fuel problem," but also an immense popular cynicism which, unless relieved, bodes ill for the future of the Nation. This lack of people's trust in statements of their highest governmental officials and of immense corporations serving them in a field of marked importance is a matter certainly of grave concern.

It means, first of all to the oil companies, that the intense and costly public relations campaign—pages upon pages of advertising, the appearance of top corporation executives on TV and radio panel programs, and so forth—has failed—completely in the case of the Al Julius' findings in Pittsburgh.

It means, too, that fuel czar Simon and others handling the problem on the Federal level are not getting their story across. Certainly, they have tried vigorously to convince the people that a crisis exists. But their efforts have failed among those interviewed in Pittsburgh and, we can suspect from this with others on other sidewalks across the country.

And why?

The answer was evident in the Julius' interviews. The disbelief has arisen chiefly from the fact that the oil interests have profited tremendously from the shortage situation. No amount of explanation or rationalization of this in the industry ads and statements has wiped the suspicions from the public mind that the corporations saw a "get-it-while-we-can," opportunity in the crisis and made the most of it without regard for anything except their own treasuries.

The profits reports, usually found on the financial pages, made page 1 in the newspapers. Third-quarter profits at record levels—staggering, indeed, in the percentage increases, Gulf up 153 percent. Occidental, perhaps hitting the top figure for the industry, up 172 percent. Exxon scoring the biggest annual profit ever earned by any industrial company—$2.4 billion after taxes. The third-quarter burst was not overlooked, of course. It came while the shortage hit hard and as lineups first formed at the service stations.

There is little wonder, in view of this, that our once stable society has become cynical, critical, and increasingly angered over what the people see as conspiracies at the highest level—of Government and industry to play them for suckers.

We may agree that the oil companies need huge profits to meet the costs of finding new sources of supply—the chief explanation for their profits bonanza. And we can accept, also, their report that comparisons between the 1973 figures and those of the year previous are misleading because, for some reason, 1972 was a bad year for the business.

We, too, can buy their story that, over a spread of years, the oil giants have not profited to any greater degree than other industries. But, even so, the hard, cruel truth remains—one which has had serious effect on the minds of the American people. The largest profits came in the third quarter of 1973. And they came while the public was subjected to a sudden fuel shortage and the attendant hardships.

The will on the part of the companies to make the most of a public dilemma cannot be alibied or justified. The Nation was wronged and it is the responsibility of Government, as agent for the people, to see these "windfall" profits taxed away and that an example is set which will prevent such emergency profiteering in the future.

I, as a Congressman, am indebted to Mr. Julius and his radio station for bringing attention to the way the people feel about this. The Pittsburgh interviews contain a very important message for Washington.

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## 11500 BANANAS ON PIKE'S PEAK

### HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. HOSMER. Mr. Speaker, by a vote of 6 to 3 the U.S. Supreme Court turned back efforts by environmental zealots to force the U.S. Bureau of Reclamation to operate Lake Powell dam on the Colorado River to operate at half its storage capacity.

Had these single-minded nature enthusiasts prevailed, water for the arid West would become even more scarce and electrical shortages made even more severe.

Now they have zeroed in on surface coal mining using H.R. 11500 as the vehicle to arrogantly pursue environmental objectives to the exclusion of other equal and accepted values in our society. If they are allowed to prevail our energy-dependent society will lack not only what it needs for comforts, but what it needs for survival.

Congress must blow the whistle on this kind of extremism. We can have coal and respect for the environment at the same time with a balanced bill to regulate surface coal mining.

To do otherwise would be as zany as trying to grow bananas on Pike's Peak.

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## FIFTY-SIXTH ANNIVERSARY OF THE PROCLAMATION OF INDEPENDENCE OF THE BYELORUSSIAN DEMOCRATIC REPUBLIC

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. DERWINSKI. Mr. Speaker, today, March 25, 1974, marks the anniversary of great significance for American citizens of Byelorussian origin. On this day, Byelorussians in the United States and in other countries of the free world will celebrate the 56th anniversary of the proclamation of independence of the Byelorussian Democratic Republic. In Byelorussia, this national observance of independence is replaced by the celebration of the Bolshevik Revolution, which signifies the conquest and subordination of Byelorussia to Soviet Russia.

The Byelorussian National Congress was dispersed by the Soviet Russian Army on December 17, 1917. Despite this suppression, the Council of the Byelorussion Democratic Republic proclaimed the independence of the Byelorussian State on March 25, 1918. In opposition to this, this Soviet Russian Government of Moscow created its own fictitious state, the Byelorussian Soviet Socialist Republic, including it into the U.S.S.R. The communistic rulers imposed severe oppression and mercilessly exploited the Byelorussian people.

Despite continuous terror in Byelorussia, the Byelorussians fought at every opportunity for liberation from Soviet Russian domination. There were armed uprisings in the Slutsk district in 1920 and in Vyelizh, Homel, and other areas in 1922. At the end of World War II, on June 27, 1944, the Second All-Byelorussian Congress convened in Minsk. This Congress annuled all treaties involving Byelorusssia that had been made by occupational governments, approved the proclamation of independence of Byelorussian Democratic Republic, and elected the Byelorussian Central Council as the only national Byelorussian representation. Byelorussia was conquered again, however, by Soviet Russia.

In 1973, the Soviet Russian Government introduced a new economic and administrative redistricting dividing the entire territory of the U.S.S.R. into seven districts. This partition completely ignores the existing ethnic groups and their individual republics within the U.S.S.R. This new administrative partition is based on the aim to increase the solidarity of the Russian empire and consolidate non-Russian nationalities into a single Soviet Russian nation.

Mr. Speaker, at a time when "détente" has a mystic meaning to some people, we must keep in mind that the Soviet Union is a slave state and that the activities of oppression still continue against the non-Russian peoples of the U.S.S.R. I take this occasion to direct the attention of the Members to the anniversary of Byelorussian independence and to emphasize the historic points that too often are overlooked.

## THE CASE FOR GUN CONTROL

### HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. HARRINGTON. Mr. Speaker, on March 15, a short article of mine on gun control was included in the Lawrence Eagle Tribune. I would like to reiterate what seems to me to be the important points of the pro gun control effort, by inserting in today's Congressional Record a copy of the article:

### You're More Likely To Shoot Your Wife

(By Michael J. Harrington)

Last September, William Pauneto, irritated because his car had run out of gas stepped onto the sidewalk and began to shout and wave a pistol. Two women came out of a nearby apartment to check on the commotion, and Mr. Pauneto shot both of them. A mob made up of the women's friends then engulfed the man and beat him to death, shooting him with his own gun in the process.

A day later, in another city, Patrick Acton met with his estranged wife to discuss their divorce settlement. After pleading for a last embrace, Mr. Acton shot his wife in her side with a handgun, then killed himself.

Last November, in a third American city, a 15-year-old high school student concluded an argument with a classmate by shooting him fatally with a pistol.

And in December, in a fourth American city, a man used a handgun to kill Mr. and Mrs. Clyde Steele, his next door neighbors, while the three of them stood on their front lawns arguing about raking leaves.

The accounts number 16, 17, 38 and 60 in a series of newspaper articles I've been inserting in the Congressional Record for the last eight months. My intent has been to document the slaughter which stems from having guns, especially handguns, around as much as we Americans do.

These four incidents are grouped together in my own mind because they all concern murder committed by handgun amid ordinary, everyday American circumstances. None involved a "criminal"—except that, of course, the handguns in question originally might have been purchased in the hope they would provide protection against criminals.

In terms of my personal attitudes, our American inclination to the casual use and mis-use of guns has always troubled me. When I was elected to Congress, I involved myself in the debate over gun control by beginning the Record inserts and writing an article on "The Politics of Gun Control" for The Nation magazine.

Then, on Feb. 7, as one outcome of this process of study, I reached a major policy decision and introduced a bill into the House of Representatives to prohibit the possession of handguns by the general public.

In my opinion, one set of facts stands out from the flurry of statistics which tends to accompany any debate on the gun issue. According to the FBI, 31 per cent (5,471 deaths) of all this country's murders in 1972 were committed within families, or as a result of romantic entanglements. Another 41 percent (7,593 deaths) grew out of disputes and arguments, presumably, in many cases, between people who knew each other.

These numbers are worn from over-use; they no longer have the power to shock us. But obscured behind these disembodied figures is a national tragedy:

In the attempt to protect ourselves against criminal elements and preserve a measure of self-sufficiency, we have ended up killing each other instead of our expected aggressors.

This is why, in a statement accompanying introduction of my handgun legislation, I described my objective as the ratification of a disarmament pact among ourselves.

I simply do not believe that the 72 per cent of firearms fatalities in 1972 which were non-criminal would have occurred if handguns, responsible for the great majority of firearms deaths, were not so easily available. I am convinced that we can save an appreciable number of lives by removing handguns from public use.

In reviewing the mail—much of it in disagreement—which I have received since introducing the handgun measure, it's become clear to me that those who wish to maintain the easy accessibility of handguns are most interested in their alleged value as a means of self-protection.

Yet Dr. Milton Eisenhower's Commission on the Causes and Prevention of Violence, in evaluating this claim for the usefulness of handguns, concluded that for every thief stopped by a homeowner with a pistol, four other homeowners or their relatives were killed in handgun accidents.

We must find a way to curb crime in this country, and the desire of citizens to protect themselves is thoroughly understandable. But the hard facts tell us that handguns do not help in self-protection as often as they contribute to self-destruction, and to the ending of other lives.

It seems to me that consideration of this proposition should be the core of the gun control question. Unless it can be successfully rebutted by those who want to keep handguns available, it should give all of us ample reason for doubting the wisdom of the current situation.

## BYELORUSSIAN INDEPENDENCE

### HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BROOMFIELD. Mr. Speaker, today marks the 56th anniversary of the proclamation of independence by the Byelorussian Democratic Republic. It is a proud day which Byelorussian people in this country and around the world will celebrate.

But because of continued oppression by the Soviet Union, the people of Byelorussia are unable to join their comrades throughout the world in this celebration.

Shortly after the Council of the Byelorussian Democratic Republic formed the Byelorussian Democratic Republic on March 25, 1918, the Soviet Union crushed the hopes for this young democracy by creating its own state, the Byelorussian Soviet Socialist Republic. While the Russians may have succeeded in forcing their totalitarian state on the people of Byelorussia, they have been unable to extinguish the flame of freedom lit by these courageous people 56 years ago.

It is a tribute to the spirit of the people of Byelorussia that they continue today to risk their lives in their fight for independence. They have been supported in this struggle by the undying efforts of Americans of Byelorussian descent.

I am pleased to join these Byelorussian-Americans in commemorating this historic occasion. It is essential for the free people of the world to recognize this day, so that the captive Byelorussians know they are not alone in their fight. I hope, as I am sure all free people do, that the day will soon come when Byelorussia and all her people will once again be independent.

## STATEMENT ON BYELORUSSIAN INDEPENDENCE

### HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. MURPHY of New York. Mr. Speaker, under the leave to extend my remarks in the Record, I include the following:

### Byelorussian Independence

Mr. Speaker, once again I want to pay tribute to the many brave Byelorussians who continue to strive for the restoration of freedom for their homeland. In this era of "detente", I think it is important to keep in mind the basic difference between the United States and the U.S.S.R.: the right of the people to freely choose their government. The determination of the people of Byelorussia and others like them around the world, to fight for their freedom in the face of oppression, is inspirational in these troubled times.

Today marks the 56th anniversary of that one brief moment in 1918 when the Byelorussian National Council declared independence, ending nearly 3½ centuries of foreign domination. The Byelorussians were only able to enjoy their freedom a few short months before their sovereignty was crushed, as happened to many sister nations, by the fist of the Red Army.

And so today, the Byelorussian people live under a Communist regime imposed upon them by the Soviet Union.

Throughout their history, the Byelorussian people have transmitted from generation to generation their national indentity, their cultural indentity, and more important, the knowledge of what it is to be free and the desire for this freedom.

History has proven that no dictatorship

has ever succeeded in holding a people in bondage forever. The time will come once again when the Byelorussians will live in a nation. Until that time, I can assure Americans of Byelorussian descent that America will not forget their plight and that we will continue to support and pray for that moment in history when justice and freedom reign and the people of Byelorussia again have their independence.

## STUCKEY OFFERS AN ALTERNATIVE TO FEDERAL INSURANCE REGULATION

### HON. W. S. (BILL) STUCKEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. STUCKEY. Mr. Speaker, it may be just a matter of months, some say, before the Federal Government sets up another bureaucracy to regulate yet another aspect of public life. The victim this time would be States' rights in the field of automobile insurance regulation. I am referring to a bill now pending before the House Interstate and Foreign Commerce Committee, of which I am a member, which would impose a uniform Federal system of no-fault insurance on every State regardless of their own particular needs and would set up a Federal bureaucracy complete with Federal insurance agents to do what the States have been doing well for most of this century.

Although I am an acknowledged opponent of this Federal legislation, I am in favor of the no-fault approach to auto insurance reform. I think we can all agree that the time has come for us, the people, to have a better automobile insurance system, one that is good for us. You know as well as I do how slow some insurance companies can be in paying off claims. And there are many examples of innocent accident victims receiving nothing from their auto insurance even after paying premiums for years. I am concerned that the high cost of insurance reflects dollars spent on things other than compensating victims. I am concerned, too, that it is often difficult to get and keep insurance—at affordable premiums.

So, today, I am introducing a bill which will preserve for the States their traditional role as insurance regulators. My bill would create a system that will compensate every victim of every auto accident for all reasonable medical, hospital, and rehabilitation costs. Second, it would pay the victim what he would have earned but for the injury up to a maximum of $1,000 per month, with a total limit of $25,000. If an insured has income greater than $1,000 per month, he may purchase additional wage loss protection at a low cost. Third, it would provide that each State establish reasonable limits for all replacement services loss, survivor's loss, and survivor's replacement services loss. Fourth, since my plan provides recovery of economic loss for all persons, it simultaneously restricts each person's right to sue, except when losses exceed insurance benefits and when injuries are serious or fatal. In these cases, victims may sue for economic loss, as well as for "pain and suffering," subject to a $2,500 deduction.

Finally, insurance under my plan is compulsory. This means if you fail to provide insurance for yourself, you are denying compensation only to yourself because, under no-fault, accident victims recover only from their own insurer.

In order for a State plan to meet minimum standards, it must incorporate provisions making the basic compulsory insurance available to all persons who own motor vehicles. Severe limitations on arbitrary cancellation by insurance companies and protection against nonrenewal must be provided by the States.

The States have 2 years to enact a minimum plan such as I have described. If a State does not enact such a plan, an alternative no-fault program takes effect in the State until it adopts those minimum requirements. The alternative plan places no limitations on the total benefits receivable. Work loss benefits would be paid at a maximum rate of approximately $1,000 per month until the injured person was able to return to work; benefits for replacement services, survivor's loss, and survivor's replacement services loss would be paid for as long as the loss occurs, subject to a $200 per week maximum. Compensation for economic loss would be provided by the basic insurance. Protection against noneconomic loss could be purchased by each motorist, in addition to the basic package. By buying insurance, the need for compensation through litigation would be greatly reduced; therefore, lawsuits in most situations would be curtailed.

While establishing minimum no-fault standards, the bill does not place the States in a no-fault straitjacket. The bill specifically directs States to continue to regulate insurance, including setting of rates, determination of coverage for property damage, setting of deductible levels, investigation of claims, litigation procedures, limits on work loss benefits, coverage of motorcycles and provision for cancellation and nonrenewal of insurance. In short, each State would continue to make decisions about extremely important aspects of its new auto accident compensation plan. Determining whether a State no-fault plan is in accordance with the minimum standards is the only operational responsibility of the Federal Government.

## SOUTH HIGH REBEL BASKETBALL CHAMPIONS

### HON. GOODLOE E. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BYRON. Mr. Speaker, recently the South Hagerstown High School Rebels won the class A basketball championship for the State of Maryland, and I want to take this opportunity to congratulate the players and the coaches on this outstanding achievement.

The Rebels had a 25–0 season. Head coach Nick Scallion directed his team against some very difficult opposition with no losses during the season. The city of Hagerstown in recognition of the team's achievements has undertaken a testimonial banquet to honor the players and coaches. The team's efforts are especially commendable since the State's basketball championships go quite often to the larger schools from the metropolitan area.

I would like to commend the following for their outstanding athletic ability and participation on the top basketball team in the State: Head coach, Nick Scallion; assistant coach, Herb Hardin; assistant coach, Tom Hicks; and the players, Stan Jones, Ronnie Miller, Tom Alexander, Norman Kelly, Jim Fraley, Jim Banks, Mike Brashears, Steve Youngblood, James Campbell, Ronnie Baltimore, Tim Evans, Dave Mowen, Chuck Hill, Michael Needy, Frank Moten. Also deserving recognition are the team managers: Rex Maddin, Mark Catherman, and Phil Arnett. These men have brought honors to Hagerstown and South Hagerstown High School.

## BILL TO AID TRUCKERS

### HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. FINDLEY. Mr. Speaker, truckers who are again threatening to strike do have some legitimate complaints and deserve to have their story heard. At a recent meeting in Carlinville, Ill., more than 200 truckers told me of the myriad of Federal and State regulations which confront them as they drive their trucks to various areas of the Nation. For example, each State has its own regulations governing height, weight, length, maximum axle load, as well as licensing requirements for each truck. These regulations differ from State to State. For example, in Illinois, a tractor-trailer may be anywhere from 55 to 65 feet in length, depending upon its classification. In Missouri, however, no tractor-trailer may exceed 50 feet in length.

A four-axle tractor-trailer in Illinois may weigh as much as 64,000 pounds, while the same vehicle in Missouri may weigh only 59,000 pounds.

A truckdriver who hauls grain from the fields in Illinois to a grain elevator in Missouri has two sets of standards to meet. If he is a long-distance driver, he may have dozens of different standards to meet. As he plans a long trip, he must either carry the least amount permitted by the State with the strictest standards or he must plan on violating the laws of some States and paying the required fines. Unfortunately, many choose the latter course.

The licensing situation is an even more complicated maze. About a dozen States in the East are members of the multi-State reciprocity agreement. In these States, a trucker pays the registration fee in the State of his domicile and may then drive his truck in any one of the other States which are party to the agreement.

Illinois, however, is a member of the prorata agreement along with 16 other States and British Columbia. An Illinois trucker must divide his registration payment among the States he drives in according to the number of miles he travels in each.

Missouri is a member of still another agreement, the international reciprocity agreement. In addition, many States have bilateral "mirror reciprocity agreements."

If none of these agreements are applicable, then a trucker must apply for a trip permit which will allow him to drive his truck in a given State for a certain period of time and a certain number of trips.

Can you imagine how frustrating it must be for the small trucker, who cannot afford a battery of lawyers to figure out the best route across the country?

The United States is truly one Nation. Many truck drivers make weekly round trips from coast-to-coast. There is no reason to subject them to 50 different standards when one will do just as well.

Today, I am introducing a bill to require the Secretary of Transportation to set uniform standards for weight, height, length, and axle load for all trucks traveling in interstate commerce. The bill also requires that the Secretary specify uniform reciprocity standards for licensing.

Many of the truckers I have talked with have told me that the different standards for each State cause more problems than the current fuel shortage. My bill will do something about that.

Text of bill follows:

A bill to provide for the establishing of uniform State limitations on the size of motor vehicles using public highways, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Motor Vehicle Uniform Size Limitation Act of 1974".

Sec. 2. The Secretary of Transportation (hereinafter in this Act referred to as the "Secretary") shall prescribe, by rule, limitations for maximum axle load, gross weight, height, length, other maximum weights and dimensions, and uniform reciprocity standards for licensing of any motor vehicle operating in interstate commerce. In prescribing such limitations, the Secretary shall give due regard to variances in the width, age, nature of construction, or condition of public highways.

Sec. 3. (a) Beginning on the ninety-first day after the date on which the limitations prescribed under section 2 of this Act are published in the Federal Register, the Secretary shall not accept a certification, under section 117 of title 23, United States Code, from any State which has any limitation, with regard to weights and dimensions of motor vehicles operating on any public highway within the boundaries of such State, difference from or in addition to the limitations prescribed under section 2 of this Act, and he shall not approve any project, under section 106 of title 23, United States Code, in any such State.

(b) Any contractual obligation of the United States arising on or after such day, under section 106 or section 117 of title 23, United States Code, shall be conditioned on the State with which such obligation arose having, after such obligation arises, no limitation, with regard to weights and dimensions of motor vehicles operating on any public highway within the boundaries of such State, different from or in addition to the limitations prescribed under section 2 of this Act.

Sec. 4. For purposes of sections 1 through 4—

(1) the term "highway" has the meaning given such term by section 101 of title 23, United States Code, except that such term includes "Federal-aid highways" as defined by such section;

(2) the term "motor vehicle" means any vehicle, machine, tractor, trailer, semitrailer, or any combination thereof, propelled or drawn by mechanical power and operating primarily upon the highways, except that such term does not include any vehicle operating exclusively on a rail or rails; and

(3) the term "State" means any State of the United States and the District of Columbia.

Sec. 5. Section 127 of title 23, United States Code, is amended in the first sentence by striking out "No funds" and inserting in lieu thereof "(a) Subject to subsection (b), no funds", and by adding at the end thereof the following new subsection:

"(b) Subsection (a) shall not apply in the case of any State which adopts the limitations regarding the dimensions and weights of motor vehicles prescribed under the Motor Vehicle Uniform Size Limitation Act of 1974.".

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## GILBERT W. PINGEL

### HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. FORSYTHE. Mr. Speaker, I would like to take this opportunity to pay tribute to Mr. Gilbert W. Pingel, an outstanding educator and citizen of Pennsauken, N.J. The principal and teacher at Martin Luther Christian Day School in Pennsauken was recently honored for 35 years of service to his profession.

Mr. Pingel, a native of Hinsdale, Ill., attended high school and college at Concordia Teachers College, River Forest, Ill. After graduating in 1938, he obtained additional education at Evansville, Ind., and Cleveland, Ohio.

Mr. Pingel's distinguished career as an educator began in Evansville at St. Paul's. He also has taught at St. John's in St. Louis and St. John's in Cleveland. He has been principal as well as teacher at Immanuel, Washington, Mo.; Concordia, Conover, N.C., and at Martin Luther in Pennsauken, where he serves now.

He was occasional organist on radio KFUO, St. Louis. He was director and accompanist for the Washington, Mo., Civic Chorus while living in that city. A man with deep religious conviction, he has been a member of the District Evangelism Board and the Parish Education Board in Conover.

Mr. Pingel, his wife Eleanore, and their four children should indeed be proud of his record of service.

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## THE STORY OF ANOTHER TRAGEDY: BAN THE HANDGUN—XXXV

### HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BINGHAM. Mr. Speaker, each case of handgun carnage that I have reported in the Congressional Record has tragic personal consequences, which are all too often overlooked. Reprinted herewith from the March 18 edition of the New York Post is the story of another tragedy that need not have occurred. Most of the people who endure great personal suffering as a result of the handgun epidemic are law-abiding citizens whose lives have been ripped apart because those who have the power to enact strict gun control legislation have not acted:

#### Mom Murdered—And a Family Is Torn Apart

(By Barbara Trecker)

One day Richard Kane had a family, a wife and three children. And, although things hadn't been going that great for them lately, with Kane out of work for four months, they were a family, living together and sharing things.

The next day Kane's 33-year-old wife, Pauline, was killed in an outburst of violence at the restaurant where she worked part time as a part time waitress, and suddenly the family fell apart.

That was last week. Kane sent his three children to live with a friend on Long Island, and they're enrolling in school there because he's not sure when he'll be able to pull things back together.

He even farmed his dog to a neighbor. Now he has time to sit at the long formica table in his kitchen, smoke cigarets and stare at the walls.

#### 4 SHOT

Kane had gone early March 11 to pick up his wife at work in Angela's Restaurant in College Point, Queens.

Suddenly, a man who had been drinking at the bar pulled out a gun, shot Kane and the owner of the restaurant William Lavallo, and shot and stabbed Mrs. Kane and Lavallo's wife, Angela.

All but Kane died on the spot or later in the hospital.

Kane also was hospitalized, with a gunshot wound in the back of his head and a gash across the right temple where the assailant hit him and knocked him out with a chair.

Police later apprehended a suspect, Richard Schroeck of College Point, who has been charged in the murders and the $200 robbery of the restaurant.

Kane left the hospital Wednesday and arranged for his wife's funeral. Since then, he's spent most of his time alone in the apartment above a stationery store at 15–25 122d St. in College Point.

"About all I can say is 'Why?' You always think about it. The thoughts are always there. And you can't stop wondering if you could have done something to prevent it."

Kane won't talk about that night. He's had to tell it "100 times" he said. But he will talk about what his family used to be like.

He and his wife were married 14 years and for the past 11 years they lived in the College Point apartment. They used to go camping and hunting together. The family would drive up to Canada or Lake George and pitch a tent.

He has two boys, Kevin, 13, and Shawn, 11, and a two-year-old daughter, Kerrie. Although they're not around now, their bikes still clutter the downstairs hallway, their tortoise still creeps up on visitors, and their iguanas still stare silently out of the television set that their father converted into a mini desert habitat.

The children, the older ones at least, were told about their mother. Kane said, "They took it pretty well, but it hasn't really sunk in yet."

He doesn't know when the children will come back to live with him. "I can't raise a 23-month-old infant by myself," he said. "The boys and I could make it, I think, but I don't know about the baby."

Kane also doesn't know if he'll stay in the apartment, or even in New York—"I have no great love for this city."

He recalled an incident over 10 years ago when he was assaulted by two young men near his home. Before he could chase them, they pulled a knife. He rolled up his sleeve to reveal a six-inch scar on his forearm.

"I don't like New York, that's for sure, but I have too many friends to leave. Very good friends. That's kept me going more than anything else."

He's grateful for these friends, for his three brothers, who have helped out, and, most of all, he's grateful that the police apprehended the suspect. "It was a great relief to me when he was caught."

And now, he said, he's not going to think about the past anymore. "I'm thinking about the future now. I will hold my family together."

## LASSAL KAMINSKY: HIS BIRTHDAY IS SPENT IN A SOVIET PRISON

### HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. KOCH. Mr. Speaker, in 1971 I went to the Soviet Union and spoke with the family of Lassal Kaminsky, his wife, Sima, and his daughter in their home in Leningrad. He was then in jail. I rise to speak on his behalf today because he is still in jail and today is his 44th birthday. He will be celebrating this birthday as he has celebrated his last three—alone, behind the bars of the Potma labor camp in the Soviet Union.

Lassal Kaminsky, like many other Soviet Jews, is being held in a Soviet labor camp not because he has committed a crime but because he is a Soviet Jew wishing to emigrate to Israel. He and his wife and children had applied unsuccessfully for exist visas 32 times. But Lassal Kaminsky did not give up hope that he and his family would be allowed to leave. He did not conceal his feelings but instead he wrote several letters to newspapers and government officials. He even went so far as to verbalize his wish to go to Israel by cosigning a letter of complaint to United Nations' Secretary U Thant June 14, 1970. He, along with the other signatories, was arrested the following day and has been a Soviet prisoner ever since. He was sentenced to 5 years for violating articles 70 and 72 of the Soviet Criminal Code which bar anti-Soviet agitation, printing propaganda, and participating in an anti-Soviet organization. The truth is he was sentenced to prison because he printed Hebrew text language materials for teaching Jewish children and for his insistent demand that he and his family be permitted to leave and go to Israel.

It is sad, indeed, that this man—and there are many more like him—is spending 5 years of his life in prison because he sought religious freedom in Israel. His wife and children have since been granted visas to Israel and are making their home there. It was a difficult decision for the family—they to seek religious exile in Israel and he to remain behind with almost no religious freedom in a Soviet camp. They are in Israel but their doubt remains. When Lassal is released from prison, will they let him join his family? Or will he be forced to spend the rest of his life alone, far from his family?

A skilled engineer, Lassal Kaminsky is working in the Soviet labor camp as a common laborer 14 hours a day, 6 days a week. He is underfed, overworked, and denied a right guaranteed him under Soviet law—the receipt of mail. American members of the Student Struggle for Soviet Jewry have attempted to correspond with Lassal Kaminsky since September 1973 to bolster his morale. But the U.S.S.R. has thus far refused to deliver their letters, which were sent return receipt registered mail. To their knowledge, Lassal Kaminsky is not even aware that friends in the West have heard about and support his efforts.

On one hand, the Soviet Union pledges its commitment to détente and better understanding among our peoples, and yet, on the other hand, it denies its own citizens the very basic right of communicating with one another and with their friends in the West. So long as the Soviet Union continues in its persecution of its own citizens, détente can only be a word.

## THE GREAT PROTEIN ROBBERY NO. 21: THE STUDDS-MAGNUSON 200-MILE BILL

### HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. STUDDS. Mr. Speaker, the well-known law of supply and demand holds particularly true within the U.S. fishing industry. The more fish our domestic fishermen catch—the lower the retail price. It is axiomatic then, that if we improve our domestic fishing fleet and our fishermen's chances of making a good catch, we all will benefit from increased supplies of fish and lower costs to the consumer.

By passing the Studds-Magnuson 200-mile fish conservation zone legislation is one of a number of ways we can help our domestic fishermen now—while we still have fish left to protect. For the further information of my colleagues I insert in the Record at this point a well-written story from the March 13, 1974 Christian Science Monitor, entitled "Getting U.S. Fishing Industry out of Hot Water."

The article follows:

#### Getting U.S. Fishing Industry Out of Hot Water

U.S. HOPES TO RAISE CATCHES THROUGH TRAINING TECHNOLOGY

(By Ward Morehouse III)

Gloucester, Mass.—Your favorite fish dinner—at home or in a restaurant—could be cheaper soon if steps now being taken to regenerate the long-ailing U.S. commercial fishing industry succeed.

The steps include federal subsidies, training programs, and improved aquaculture (scientific fishing).

Commercial "catches" have begun to rise again, although they still are well below 20 years ago—and although fierce competition from Russian, Japanese, and other foreign fleets continues.

"U.S. fishermen are now catching edible species of fish which they didn't fish for in the past," says a spokesman for the National Marine Fisheries Commission. He says that is one reason the 1973 catch increased for many cities along the New England, Gulf of Mexico, and Pacific coasts.

VALUE, VOLUME RISE

For example, in Gloucester, Mass., for the second consecutive year the value of fresh fish landings has increased by 25 percent (to $12.1 million in 1973). And volume was up 15 percent to 129 million pounds of fish.

(Thirty percent of all fish catches by Americans are made off New England.)

Why the increase?

(1) Prices for fresh fish are up. Demand is higher, as people are looking for alternatives to more expensive meat.

(2) Gloucester's net 1973 catch of whiting soared to 23 million pounds, up 2½ times from the previous year. "The whiting in the Gulf of Maine had a good spawning year in 1971. These fish were then caught in 1973," says Salvatore Favazza, executive secretary of the Gloucester Fisheries Commission.

(3) A million more pounds of shrimp were harvested because the shrimp industry in Gloucester, which began only in 1968, recently has expanded with more boats and better fishing methods.

Among current moves to strengthen the U.S. fishing industry:

Training: Under the Manpower Development and Training Act of 1968, 80 Indians from 26 tribes across the U.S. are learning "aquaculture" of salmon and oysters at Bellingham, Wash.

The new $450,000 program, administered by the Lummi Indian tribe of Washington State, is funded jointly by the U.S. Labor and Agriculture Departments and the Bureau of Indian Affairs. Students learn scientific ways of "raising and harvesting" fish. Graduates of a small pilot program are not employed as instructors in the course.

Within the next few weeks 25 unemployed people will begin training as "fishcutters" in New Bedford, Mass. in a program financed by a $30,000 grant from the U.S. Labor Department and administered by the Massachusetts Division of Employment Security. Labor Department officials hope other training initiatives can follow in other states.

Fifty students are enrolled in the University of Rhode Island's associate degree program in fisheries technology. The program began in 1967 with about 20 students. Albert Owens, director of fisheries technology, says the two-year course is full. He adds, "We have no trouble placing the students on commercial fishing boats."

SUBSIDIES

A bill introduced by Sen. Edward M. Kennedy (D) of Massachusetts would increase by 70 percent U.S. Commerce Department receipts from import duties on foreign-caught fish. These receipts are used to develop "increased markets" for domestic fishing products and to conduct biological and technological fisheries research.

Critics of the bill say the receipts should be given directly to fishermen as outright subsidies.

Seventy percent of the fish consumed in the U.S. is imported, but much of that is caught within 200 miles of America's Atlantic and Pacific Coasts by foreign fishing fleets.

NEW FISHING LIMITS

The U.S. House is considering legislation that would establish an "interim" 200-mile U.S. fisheries zone off American coasts. If passed, this measure would keep the foreign fishing boats well out to sea and away from U.S. fishing grounds.

"We have 73 cosponsors and a good deal of commotion for the bill in the House," says U.S. Rep. Gerry E. Studds (D) of Massachusetts, the bill's sponsor. House hearings are slated to begin early this spring.

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## SOME FACTS ON THE O'HARA AMENDMENT TO TITLE I OF ESEA

## HON. ALBERT H. QUIE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. QUIE. Mr. Speaker, as the Members know, the gentleman from Michigan (Mr. O'HARA) has introduced into the RECORD an amendment he plans to offer to title I of H.R. 69. The O'HARA amendment would replace the current formula and the committee recommended formula, both of which are based on the recognition that there are concentrations of children with educational disadvantagements, with a formula which would allocate two-thirds of the funds across the country on an even basis commensurate with the number of school-age children.

I have done some analysis of the O'Hara amendment and am shocked to find that it will more than double the amount of money received by the 20 wealthiest counties in the Nation. I am certain that the increases for the richest counties would be even greater if it were not for the 90 percent hold harmless contained in the O'Hara formula. I insert for the edification of all Members my research on the effects of the O'Hara amendment and urge all to vote against it:

COMPARISON OF 20 WEALTHIEST COUNTIES, BASED ON 1970 MEDIAN FAMILY INCOME (50,000 POPULATION OR GREATER)

| County, State | 1973 | 1974 | H.R. 69 | O'Hara |
|---|---|---|---|---|
| Montgomery, Md | $693, 520 | $994, 468 | $1, 427, 458 | $3, 787, 434 |
| Fairfax, Va | 490, 013 | 917, 713 | 1, 207, 437 | 2, 773, 927 |
| Nassau, N.Y | 5, 845, 935 | 6, 400, 044 | 5, 440, 035 | 11, 084, 723 |
| DuPage, Ill | 564, 206 | 574, 270 | 949, 494 | 3, 545, 786 |
| Marin, Calif | 429, 943 | 558, 789 | 751, 030 | 1, 225, 294 |
| Oakland, Mich | 3, 065, 866 | 3, 288, 427 | 4, 098, 736 | 7, 149, 787 |
| Westchester, N.Y | 5, 525, 254 | 6, 201, 274 | 5, 271, 080 | 6, 546, 100 |
| Rockland, N.Y | 1, 048, 574 | 1, 201, 198 | 1, 101, 783 | 1, 988, 275 |
| Arlington, Va | 236, 389 | 327, 045 | 326, 610 | 617, 844 |
| Bergen, N.J | 1, 631, 658 | 1, 975, 256 | 2, 173, 360 | 5, 966, 462 |
| Anchorage, Alaska | 413, 542 | 656, 713 | 655, 105 | 1, 038, 828 |
| Howard, Md | $117, 674 | $100, 993 | $217, 864 | $486, 826 |
| Somerset, N.J | 522, 190 | 618, 031 | 631, 318 | 1, 512, 588 |
| Morris, N.J | 683, 248 | 750, 987 | 956, 603 | 2, 775, 508 |
| Johnson, Kans | 257, 203 | 351, 979 | 416, 065 | 1, 246, 597 |
| San Mateo, Calif | 1, 413, 671 | 1, 748, 793 | 1, 888, 937 | 3, 244, 932 |
| Macomb, Mich | 1, 530, 321 | 1, 954, 070 | 2, 449, 283 | 5, 057, 950 |
| Fairfield, Conn | 2, 806, 254 | 3, 234, 231 | 4, 062, 270 | 6, 118, 563 |
| Lake, Ill | 787, 430 | 1, 032, 693 | 1, 401, 219 | 2, 729, 411 |
| Waukesha, Wis | 375, 875 | 442, 517 | 671, 233 | 1, 820, 712 |
| Total | 28, 384, 766 | 33, 329, 491 | 36, 096, 920 | 70, 717, 547 |

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## INFLATION—AMERICA'S NO. 1 CONCERN

## HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. CONLAN. Mr. Speaker, I have spent every congressional recess and spare moment away from Washington since my election back in Arizona, listening to the concerns of my constituents.

Of all the problems facing the Nation, Arizona citizens list inflation as far the most pressing issue threatening the country's economic stability, as well as their own comfort and economic security.

Their concern about the way taxes and inflation have ravaged the family's purchasing power is underscored by a recent report of the Tax Foundation, which says that a family receiving a 50 percent pay boost over the past 8 years still has less than it started with, thanks to inflation and taxes:

> A person earning $10,000 in 1966, whose pay raises totalled $5,000 by 1974, would now be earning $15,000. But taxes and inflation put today's $15,000 salary through a wringer that leaves the breadwinner with about $159 less in purchasing power than he had eight years ago.

Millions of workers in shops and factories, as well as people providing services and those on fixed incomes, face an even bleaker picture. The foundation points out:

> Here's how the evil combination of taxes and inflation works. Take a family of four with one earner and $10,000 income in 1966. Start where the taxes start, with the amounts withheld from a year's paychecks. The Federal income tax came to $1,013. Despite some reductions in the tax, its bite on the larger salary is $1,685. The Social Security tax has been increased from $277 to $772.
>
> State income tax collections, which amounted to less than 8 per cent of Federal income tax collections in 1966, now take more than 15 per cent. On average the $78 state tax on $10,000 income in 1966 has risen to $257 on $15,000 in 1974.
>
> While taxes have reduced that $5,000 pay increase to $3,654, look at what inflation has done to the remaining take-home pay. In the past eight years the dollar has lost nearly 45 per cent of its purchasing power. In terms of 1966 dollars, today's take-home pay of $12,286 equals only $8,473, or $159 less than the take-home pay of $8,632 in 1966. The loss in purchasing power is even greater in higher income brackets.

Mr. Speaker, I have heard many Members of Congress complain bitterly about inflation, only to turn right around and vote for more and more Federal spending. It is beyond all reasonable comprehension that they can still look people squarely in the eye and deplore inflation, when their own votes piling deficit upon Federal deficit have been the surest fuel imaginable for inflationary fires they claim to fear.

Obviously Congress must legislate strong budget control measures, putting enforceable annual ceilings on Federal spending to stem inflation in spite of these doubletalkers. If controlling inflation is anything more than election-year rhetoric, Federal budget control is the only real medicine that will snap us out of the pork barrel syndrome that has been the guiding force in Congress for the past four decades.

Former Defense Under Secretary David Packard, now back in private industry as chairman of Hewlett-Packard Co., spoke most intelligently to this point in the current issue of Government Executive. I would like to include his remarks at this point in the RECORD.

### WHY CONGRESS NEEDS BUDGET REFORMS

(By David Packard)

An important issue before the Congress is being obscured by the great turmoil in Washington. This issue could be more important for the future of America than Watergate, trade reform, tax reform, even than the energy crisis, or any other current issue that has reached the headlines in recent months.

The issue I am speaking of is the issue of budget reform. Responsible action by Congress this year can determine whether, at last, there will be effective procedure established to bring an end to the uncontrolled increase in the proportion of your money which is being taken away from you and spent by the Government.

In a nation where the gross national product has surged beyond the trillion dollar mark and our Federal budget will soon reach the $300 billion level, all too few realize that we can no longer afford to continue to overspend our revenues.

Consider these facts:

The Federal budget has been in a deficit position in 36 of 43 years since 1931.

Federal outlays in 1975 will be almost 100 times the 1925 level—going from $3 billion to almost $300 billion in 50 years.

The Federal debt has increased about $200 billion in 20 years.

The major portion of the budget—75%—reportedly is no longer under effective control either by Congress or executive authorities principally because of open ended budget authority and the time lag between appropriations and expenditures.

Believe it or not, in Congress not one Fiscal Year 1974 appropriation bill was enacted before the Fiscal Year 1974, began. This chronic inability of Congress to complete appropriations actions prior to the start of the fiscal year has resulted in the well-known "continuing resolutions" to provide for the financial needs of the various Federal agencies. Such resolutions are an annual occurrence and, unfortunately create uncertainty for Congress and the agencies which are not sure about what will be approved for what programs.

The issue before Congress is to control Federal expenditures and your future Federal taxes. The climate which will be established at the Federal level will be, without any question, reflected at the state and local level, and that is why this issue is so important to every citizen in this country today.

The control of inflation must have the highest priority of all our national priorities.

For all of us, liberal or conservative, who genuinely want to help the poor, improve health care and education, provide better housing, and do the many things which are needed to upgrade the standard of living for all of our people, inflation is the number one problem.

What good is done by giving these people more assistance when, in the way it is done, it reduces the value of all of the help and welfare which is given?

### PURCHASING POWER

It is a cruel result that in recent months the real purchasing power of people at lower income levels has gone down, despite increases in Social Security and other benefits. This has been most serious in the essential areas of food, housing and health care.

If inflation continues at recent rates we will have more people in the ranks of poverty, and in terms of real purchasing power all of our efforts to reduce poverty will, in fact, do precisely the opposite unless the inflation producing procedures are brought under control.

We should have learned by now that wage and price controls will not reduce inflation except perhaps for a very limited time in a few specific areas of our economy. Wage and price controls will produce distortions and shortages that will, with the greatest of certainty, lead to higher prices in the long run.

The causes of inflation are complex, but it is the almost universal view of the experts that monetary policy and fiscal policy are two weapons which do have a significant impact.

In urging Budget Reform I am advocating that we move expeditiously to strengthen one of the most effective measures we have to attack the problem of inflation at its roots.

Congress now has no effective way to control expenditures in relation to Federal resources so as to have any constructive impact on inflation. In fact, the traditional Congressional procedures have operated to fan the fires of inflation when these fires should be dampened. This is what must be corrected.

In saying this I do not want to imply that Congress is the only culprit. The Executive Branch has not always been responsible either. It is time, however, for Congress to take the lead and set the example.

Earlier this year Congress took a very important step to deal with this problem of bringing the budget under control.

A Joint Study Committee on Budget Control was created to study "the procedures which should be adopted by Congress for the purpose of improving Congressional control of budgeting outlay and receipt totals (this is the essence of fiscal responsibility) including procedures for establishing and maintaining an overall view of each year's budgetary outlays which is fully coordinated with an overall view of the anticipated revenues for that year."

### SOMETHING FOR NOTHING?

This committee was composed of some of the most influential members from each house, 32 total, and their report of April 18, 1973 to Congress had the unanimous support of all 32 legislators.

Bills have been introduced in each house (H.R. 7130 and S. 1541) to carry out the recommendations of the Joint Study Committee.

These bills are consistent with the recommendations of the Tax Foundation, Inc., which in a recent publication cited some proposed guidelines:

To be effective, whatever procedure or mechanism is provided must enable, even require, Congress to relate spending to revenue and debt requirements and to arrive at an open decision on whether to reduce spending, increase taxes, or incur additional debt.

Whatever spending ceiling mechanism is adopted should be both firm and enforceable, and not subject to haphazard or easy adjustment.

Whatever ceiling mechanism is adopted should also apply to *all* spending and spending authorizations.

Procedures for enforcement of a spending ceiling, and for deciding upon adjustments following completion of action on the budget, should provide Congress with all available options, but should focus primarily upon the control of spending.

It is therefore essential that the new procedures not weaken or interfere with the Executive budget concept. Preparation of formulation of the budget, and its execution following Congressional adoption, should remain the responsibility of the Executive.

The procedures should assure the application of priorities to all categories.

These bills, if enacted, will be the first real step down the path of fiscal responsibility for Congress.

With the exception of a few liberal members of Congress who still believe it is possible to get something for nothing, these bills have very wide support. I have found very few members of the House or Senate who do not believe these bills are right and should be enacted.

There is a very serious problem, however, that may block the enactment of this very important legislation.

The enactment of H.R. 7130 and S. 1541 would seriously infringe on a historical prerogative of Congress, that of log-rolling. This is the practice of our Representatives and Senators supporting each other on issues and bills which are in the personal interest of the elected representatives and not necessarily in the national interest, not necessarily in your interest as a citizen.

I think it is time our national Government moved out of the 19th Century into the 20th Century. I believe it is time to expect every Senator and member of the House to put the national interest first and his private interest second. That is what will be required to pass the legislation which is now before Congress on budget reform. This will happen only if you citizens who have elected these men and women to represent you tell them what you want done.

In my judgment, the need for budget reform has never been more urgent. We need centralized control of our budget outlays and budget authority. We need a system that will set firm and enforceable spending ceilings that will not be subject to haphazard or easy adjustment.

We must resist all pressures for more and more spending. A concerned and aroused citizenry is essential if the President and Congress are ever to exercise any control over Federal spending.

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## SOME "DONT'S" TO LIVE (?) BY

## HON. EARL F. LANDGREBE

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. LANDGREBE. Mr. Speaker, the March 1974 issue of the Farm Journal contains a brief editorial entitled "Some 'Don'ts' To Live (?) By," and I ask that the editorial appear in the RECORD at this point. Some among us seem to have forgotten that life on Earth is beset with difficulties, dangers, and risks, and in their efforts to create a secular heaven on Earth, they are in the process of creating a place of torment.

The article follows:

### SOME "DON'TS" TO LIVE (?) BY

Don't drink water; the stuff is dangerous. There may be nitrates in it, or traces of radioactivity—no matter how purified. Water can also drown you. Or cause you to slip in the bathtub and break your neck.

In fact, if you want to live an utterly "safe" life, there is very little you can do except lay down and die. And that was the point made by Herrell DeGraff, retired president of the American Meat Institute, at the Institute of Animal Agriculture.

In his keynoting address he took issue with alarmists who criticize new scientific applications to food production and processing: "There eyes are focused only on the risks—and these overwhelm their thoughts to the exclusion of the benefits."

Here are some more of DeGraff's "don'ts:"

*Don't eat sugar*. Scientists have detected a correlation between blanched foods and stomach cancer. The same hazards can be alleged against refined flour and polished rice.

*Don't eat eggs or apples or carrots or rice, or oats or barley, or plums or cherries, or garlic or wheat bran, or wheat germ or safflower oil, or soybean oil, or corn oil, or honey*. They contain estrogens. *Don't eat green vegetables*. For the same reason

*Don't breathe*. You will inhale carbon dioxide, carbon monoxide and oxides of nitrogen and sulphur.

*Obviously, don't drive or ride in an automobile*. In the U.S.A. 50,000 persons a year are killed by autos.

*Don't eat salt*. It may elevate your blood pressure.

*Don't eat rutabaga, turnip, cabbage, spinach and carrots*. They may be goitrogenic.

*Don't engage in sex*. It has been alleged to cause both heart attacks and cervical cancer.

Here are a few of our don'ts:

*Don't farm*. It is one of three most dangerous occupations.

If you ignore that advice, at least *don't use any machinery*. It causes thousands of accidents.

*Don't go outside when it's icy*. That causes accidents, too. Let the livestock go hungry; stay in the house. Unless you have a gas stove. The flames can kill you.

*Don't switch to a microwave oven*. Those rays may cause cancer. Don't turn on the TV for the same reason.

Finally, don't read this; you might have a nervous breakdown.

## CONTROVERSY AND RASH OF AMENDMENTS TO H.R. 69

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## HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. TREEN. Mr. Speaker, the monumental problems resulting from Federal involvement in elementary and secondary education are demonstrated by the rash of amendments to H.R. 69, and by the continuous controversy over funding which has embroiled almost every Member of the House for years.

I feel strongly that the time has come to do what many members are convinced must be done: Begin extricating the Federal Government from the malaise by returning responsibility for elementary and secondary education to the States and local school authorities.

I propose to diminish—and later to eliminate—Federal funding of ESHA title I programs and at the same time provide the States a source of revenue to make up for the reduction in Federal spending. My proposal involves two steps:

First. An amendment to be offered to H.R. 69 this week which will impose a $500,000,000 ceiling on ESHA title I programs for fiscal year 1976. The funding anticipated for fiscal year 1975 will not be affected. The amendment will also terminate ESHA title I programs on June 30, 1976. However, an automatic extension for 1 additional year would still be possible under section 404 of the General Education Provisions Act, 20 U.S.C. 1221.

Second. Passage of legislation which will terminate the Federal excise tax on tobacco, thus providing a tax revenue source for the States to increase its funding of educational programs. The tobacco tax would terminate on June 30, 1975.

Thus, for the year beginning July 1, 1975, the States would have a revenue source which amounted in fiscal year 1973 to $2,276,951,000, and which will amount to an estimated $2.3 billion for fiscal year 1974, plus the sum of $500 million under H.R. 69 as amended.

Every State—except my own State of Louisiana and the States of Mississippi and Kentucky—would have a greater funding level under this proposal. The following chart—attachment No. 1—shows how each State would fare under my proposal. It is anticipated that the $500 millon Federal funding would either terminate with fiscal year 1976 or be continued at a reduced level depending on the extent of tobacco tax revenues.

I call this plan revenue source returning. It has obvious advantages over revenue sharing. A summary of the advantages of this proposal is found in attachment No. 2.

The first step of this proposal, a bill to repeal the Federal excise tax on cigars, cigarettes, cigarette papers, and tubes will be introduced tomorrow.

The second step of this proposal is the amendment to H.R. 69 which follows as attachment No. 3.

The attachments follow:

[In millions of dollars]

| | | Treen proposal | | |
|---|---|---|---|---|
| | (1) | (2) | (3) | (4) |
| | Committee's estimate for fiscal year 1975[1] | Each State's share of tobacco tax[2] | Each State's share of $500,000,000 funding under the committee's formula | Total funding under this proposal (col. 2 plus col. 3) |
| Alabama | $46.069 | $38.480 | $12.349 | $50.829 |
| Alaska | 4.584 | 3.415 | 1.232 | 4.632 |
| Arizona | 17.604 | 19.354 | 4.714 | 24.114 |
| Arkansas | 27.097 | 21.631 | 7.259 | 28.859 |
| California | 158.460 | 223.597 | 42.459 | 266.059 |
| Colorado | 17.462 | 24.819 | 4.687 | 29.487 |
| Connecticut | 19.545 | 33.927 | 5.223 | 39.123 |
| Delaware | 5.606 | 6.148 | 1.500 | 7.600 |
| Florida | 67.324 | 76.050 | 18.028 | 94.128 |
| Georgia | 50.218 | 51.459 | 13.447 | 64.906 |
| Hawaii | 5.843 | 8.652 | 1.553 | 10.253 |
| Idaho | 4.951 | 7.969 | 1.339 | 10.715 |
| Illinois | 92.887 | 124.549 | 24.886 | 149.435 |
| Indiana | 27.623 | 58.290 | 7.393 | 65.693 |
| Iowa | 17.177 | 31.650 | 4.607 | 36.307 |
| Kansas | 14.142 | 25.274 | 3.777 | 29.077 |
| Kentucky | 35.608 | 22.770 | 9.536 | 32.336 |
| Louisiana | 57.972 | 40.757 | 15.537 | 56.337 |
| Maine | 7.375 | 11.571 | 1.982 | 13.582 |
| Maryland | 32.352 | 43.945 | 8.679 | 52.679 |
| Massachusetts | 34.239 | 63.755 | 9.161 | 72.961 |
| Michigan | 81.126 | 99.503 | 21.725 | 121.225 |
| Minnesota | 28.670 | 42.579 | 7.688 | 50.288 |
| Mississippi | 44.250 | 24.819 | 11.867 | 36.667 |
| Missouri | 32.926 | 52.370 | 8.840 | 61.240 |
| Montana | 5.863 | 7.742 | 1.580 | 9.380 |
| Nebraska | 9.726 | 16.622 | 2.598 | 19.198 |
| Nevada | $2.607 | $5.465 | $0.696 | $6.196 |
| New Hampshire | 3.526 | 8.197 | .937 | 9.137 |
| New Jersey | 57.995 | 80.376 | 15.537 | 95.937 |
| New Mexico | 14.736 | 11.385 | 3.937 | 15.337 |
| New York | 202.586 | 204.470 | 54.272 | 258.772 |
| North Carolina | 55.528 | 56.924 | 14.867 | 71.767 |
| North Dakota | 5.699 | 6.831 | 1.526 | 8.326 |
| Ohio | 59.181 | 119.312 | 15.858 | 135.518 |
| Oklahoma | 21.833 | 28.690 | 5.839 | 34.539 |
| Oregon | 17.221 | 23.453 | 4.607 | 28.107 |
| Pennsylvania | 88.164 | 132.063 | 23.627 | 157.727 |
| Rhode Island | 7.453 | 10.702 | 2.009 | 12.709 |
| South Carolina | 35.985 | 29.145 | 9.643 | 38.788 |
| South Dakota | 6.463 | 7.514 | 1.741 | 9.241 |
| Tennessee | 42.090 | 43.945 | 11.277 | 55.277 |
| Texas | 122.761 | 125.460 | 32.895 | 158.395 |
| Utah | 6.325 | 11.840 | 1.687 | 13.487 |
| Vermont | 3.892 | 5.009 | 1.044 | 6.044 |
| Virginia | 41.576 | 52.142 | 11.143 | 63.243 |
| Washington | 23.742 | 36.431 | 6.348 | 42.748 |
| West Virginia | 18.609 | 19.582 | 4.982 | 24.582 |
| Wisconsin | 30.903 | 49.410 | 8.277 | 57.677 |
| Wyoming | 2.783 | 3.643 | .750 | 4.350 |
| District of Columbia | 11.468 | 8.425 | 3.080 | 11.480 |
| Puerto Rico | 32.897 | (3) | (3) | (3) |
| Total | 1,866.748 | 2,276.951 | 500.000 | 2,776.951 |

[1] These are the Education and Labor Committee estimates for fiscal year 1975 under H.R. 69 as published on p. 14 of the committee's report.

[2] These figures would actually be higher for fiscal year 1976, the 1st year of the plan, since tobacco revenues are increasing. Figures used are for fiscal year 1973.

[3] Not available.

### ATTACHMENT NO. 2

### ADVANTAGES OF ESEA TITLE I

### *Phaseout With Tobacco Tax Termination*

NOTE.—The federal tobacco tax termination will permit each state to increase its state tax on cigars, cigarettes, etc., by the amount of the federal tax. This will result in the revenue coming directly to each state without any increase in the tax to the consumer.

(1) Provides greater funds to District of Columbia and 47 states (all except Louisiana and Mississippi and Kentucky).

(2) Gives the states and local school authorities flexibility in educational programs.

(3) Automatically solves the "forward funding" problem.

(4) Saves the states and local school districts an estimated $300,000,000 in administrative costs.

(5) Eliminates more than $10,000,000 in federal administrative costs.

(6) Relieves Congress of one of its more perplexing burdens and the source of much acrimony.

(7) Local school authorities will be relieved of having to come on bended knees to Congress.

(8) Individual congressmen will be relieved of demands on their time resulting from meetings, correspondence, telephone calls, etc., about ESEA title I programs (all of us could use more time for concentrating on other legislative and administrative duties).

(9) Avoids increased federal spending for elementary and secondary education which will certainly grow to monstrous proportions if the federal government continues its role in the financing of education.

(10) Expresses our faith in the Jeffersonian principle that that government closest to home is the best government.

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### ATTACHMENT NO. 3

### AMENDMENT TO H.R. 69, AS REPORTED OFFERED BY MR. TREEN

Page 28, line 9, strike out "1977" and insert in lieu thereof "1976".

Page 48, line 16, insert "(1)" immediately after "as may be necessary".

Page 48, line 18, immediately after "such amount" insert the following: ", and (2) to take into account the total amount of sums appropriated for the fiscal year involved pursuant to the authorization for appropriations made by section 134(a)(1)".

Page 50, line 25, insert "(1)" immediately after "(d)".

Page 51, immediately after line 2, insert the following new paragraph:

(2) Section 144(a)(1) (as redesignated by section 109 of this Act) of title I of the Act is amended by adding at the end thereof the following new sentence: "There is authorized to be appropriated to carry out the provisions of this title not to exceed $500,000,000 for the fiscal year ending June 30, 1976.".

## NUTRITION PROGRAM FOR THE ELDERLY (H.R. 11105)

### HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BROWN of California. Mr. Speaker, last week we in the House passed H.R. 11105, the nutrition program for the elderly, and sent it on to the Senate, where it currently is in the Labor and Public Welfare Committee. This bill, which provides authorizations of appropriations for fiscal years 1975 through 1977, continues the nutrition program for older Americans that was established in 1972 when Public Law 92–258 added a new title VII to the Older Americans Act of 1965. The program is designed to provide Americans aged 60 and older—especially the needy—with one hot, nutritious meal a day, 5 days a week, principally in accessible community centers.

This program not only promotes better health among the elderly by improving their diet, but also reduces the isolation of old age by making possible opportunities for citizens to meet on a regular basis in community centers that also provide recreational, health, and other social services. Approximately 200,000 elderly Americans currently receive hot meals each day under this program, with 70 percent of the meals going to persons below the poverty threshold.

But raw statistics really cannot get across the real meaning of this program, Mr. Speaker, and so I would like to insert in the Record at this point an article which appeared in the San Bernardino Sun-Telegram of last Christmas. Jack Blue, in his column, "Jack Blue on People," wrote about one of the local success stories in which the nutrition program for the elderly has played such a major part. The story reads as follows:

#### A Christmas Carol for Fontana To Sing

(By Jack Blue)

Sometimes things do work out. On this cheerful Christmas morning I'd like to tell you a little success story.

You might call it a Christmas carol for Fontana.

One example of how it works is this older fellow whom John Piazza noticed one day walking the streets of Fontana. He had a gimpy leg and used a cane. John saw that when he crossed on the green light he used the cane to push himself faster and there was a desperate look in his eye like he might not make it across.

Piazza is executive director of the Steelworkers Old Timers Foundation. He is always on the alert for a prospective customer.

So he stepped right up, friendly-like. "Say, old timer, why don't you come in and have dinner with some friendly people?"

The senior citizen drew back warily. John remembered an old childhood poem: "Won't you come into my parlor, said the spider to the fly?" That's the way the oldster looked.

"It's a community dining room," explained John.

"Not hungry," said the man. "Not hungry a-tall."

"It's free," said John. "We ask everybody who can to contribute up to $1.35, but if you don't have it, we'll take less. And if you're plumb broke, it's plumb free."

He finally got him into the dining hall—and—senior citizen center at the corner of Alder Avenue and Foothill Boulevard. The man still protested he wasn't hungry, but he wouldn't mind "talking with some of the folks."

He did both. He talked and he ate and he paid what he could.

"He didn't come back the very next day," John told me. "But he did in a couple days. Most days he paid, but sometimes toward the end of the month when his pension money had run out, he'd have to eat free for a meal or two."

Piazza is a youngish, 40ish man who looks like Merv Griffin minus 10 years and 20 pounds. He took his cigar out of his mouth and waved its smoke at me.

"What he wanted, even more than a good hot meal, was work, friends, companionship. Family. Family, that's what he needed.

"And you know something else? Somewhere along about the second or third week I realized he wasn't using his cane anymore. He was doing odd jobs and handy work around here as spry as could be."

San Bernardino County is fortunate in having a pilot program in these community dining centers for seniors. It grew out of the United Steelworkers Local at the big Kaiser plant in Fontana. The union wanted to take care of its own. So it formed the Steelworkers Old Timers Foundation. Later Congress passed the Older American Act. So you can't say Congress never did anything right.

Under that act, $100 million is set aside for a national nutrition program. And Dino Papavero (isn't that a wonderful name?) as chairman and John Piazza as executive director zeroed in on a share of that $100 million. Both, of course, are union leaders—a type never noted for being backward about going after what they need.

To make a short story longer, the foundation was extended to include all senior citizens. Grants came through due to good lobbying and help from our elected people in Sacramento. There was, in round numbers, $30,000 to set up a senior service center—phone alert, counseling, home visitors, help with Social Security and other bureaucratic problems. Then $40,000 to set up a Retired Seniors Volunteer Program for Fontana. Colton, Rialto and Bloomington. People like to be useful and needed—and more than 50 senators soon were helping out at schools, hospitals, senior citizen centers—and visiting the ill among their own members.

Then came the grants for dining centers. First $75,000 and then a supplemental $10,000. The foundation found a former furniture store building that was ideal. It had space for a spotless kitchen, a spacious dining hall, a talk-and-rest-and-TV area and several offices.

Two other smaller dining rooms were set up for Colton. One is in Mt. Vernon Manor on D Street and the other at 772 Pine St. More than 300 seniors find food and friends daily at the three dining halls.

As Piazza noted with the oldster he lured in off the street—the goal is much more than just one good hot meal a day. It is to get them out of their lonely back bedrooms. It is to give them friends, warmth and a sense of family.

And it's good to know there's a Christmas dinner on deck today. Turkey's too dear, but the menu is still fine—ham, sweet and mashed potatoes, creamed peas, Waldorf salad, mince meat pie, rolls, butter, milk. And a Christmas tree program following dinner.

Merry Christmas, John Piazza, to you and yours. I might drop by for the program myself. You'll find I'm better at writing Christmas carols than singing them.

Mr. Speaker, it is truly satisfying to read articles such as this one, and realize the impact that some of the programs we pass up here are having. Every once in a while, just like any other taxpayer, some of us up here in the Congress are inclined to wonder just where our money is going. There is no question but that there is a certain amount of waste in Government, just as there is in private industry; and a substantial amount of Government money—that means tax money, remember—is spent on programs that I believe to be undesirable in concept—programs that would be a total waste even if they achieved their goals efficiently—just as private industry spends enormous amounts of money performing functions which would be better left unperformed. Certain items in the Department of Defense budget, or in the White House budget, would be good examples of the former, while General Motors could provide us with many examples of the latter; but that is a whole subject in itself. For the moment, I simply wish to commend the many people who have been involved in this nutrition program, which demonstrates the type of successful Government program we hear so little of. People like John Piazza and Dino Papavero in Fontana, and others like them throughout the country. It is their effort which has made this program the success story which we have in front of us today.

## THE EXCESSES OF THE PRESS

### HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. MICHEL. Mr. Speaker, an editorial appearing in the March 12, 1974, edition of the Peoria Journal Star entitled "The Excesses of the Press" will be of interest, I am sure, not only to Members of the House but equally so to our friends from the Press Galleries.

I insert the editorial in the Record:

#### The Excess of the Press

Many newsmen and others took great joy in being on the "enemies list", but Columnist Joseph Kraft put them all in the shade. He was identified as one who actually had his telephone tapped for national security reasons (foreign policy). Mr. Kraft was not thrilled, however.

Few have hammered "impeachment" day by day more persistently than Joseph Kraft, understandably. He has been described as Walter Lippmann's heir—i.e. the liberal philosopher of the press . . . with the added incentive of being personally, in his view, doubtless, a victim of government spying.

In any case, Mr. Kraft has been banging away throughout the Vietnam moves and withdrawal and throughout Watergate, most recently, on impeachment.

When Joseph Kraft stops and warns of

excesses on the part of the press and of careless conduct (even using the word "narcissism") abusing the regular legal process which is now working, one has to believe that it has not been a mirage. One has to believe that many are going dangerously too far these days in manipulating "news."

Mr. Kraft smells a future reaction and rightly fears it.

He may be a little late in taking the long view, but it is a fear that the active press in this thing, the liberals, and the Democratic party should all consider.

There is nothing worse than having a great opportunity and going off the deep end to turn it into a needless disaster.

The moment of greatest danger is when you seem to be leading at the half by 30 points, and you start to throw the ball away.

Columnist Milton Viorst has also commented concerning current events that the crisis over Watergate is exposing "some of the worst characteristics" of Nixon's enemies.

Murray Kempton of CBS, no less, has recently expressed concern in CURRENT circumstances that "virtuous men" seem to be driven to "vicious devices."

That is something that might have been said about the Watergate, itself, and now seems to fit those exploiting it.

These, of course, are not Nixon fans or previous "defenders" in any sense of the word. They have belatedly began to worry about other ABUSES of POWER instead of just about Nixonian examples of it.

That conduct has not been improved, however, when we have just had three days of top heavy headlines on the dire possibilities of a sealed report of the grand jury—followed by a statement from the prosecutor that in fact there was "nothing accusatory" in that sealed report!

The ultimate authoritative comment wasn't interesting. Only the prior speculation was BIG NEWS, treading in a misleading fashion on the confidential precincts of grand jury activities.

Indeed, if a runaway press that has adopted new standards of "responsibility" that abandon the responsible dicta of the past manages to mess up the legal process now underway, there'll be a serious sobering process, indeed.

As Mr. Kraft suggests, it would be better to mend our ways NOW, late as it is, than to have some judge blow the whistle on us a couple of months hence in tossing one of these criminal cases out the window as impossible to try constitutionally because of our conduct.

At least some who previously enjoyed this orgy are beginning to recognize the dangers of it and even to admit that we have been something less than responsible or reliable.

That's a vital step toward self reform.

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## WOMEN'S GROUPS NEED TO BE HEARD ON ABORTION ISSUE

## HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. DELLUMS. Mr. Speaker, in light of the mounting efforts to pass an antiabortion constitutional amendment, it is essential that all Members of Congress listen to the concerns of women's groups. Underrepresented in Congress and in all institutions of government, their opinions overlooked by the media, the women of this country must be heard above the voices of antiabortion lobbyists if our Government is to maintain its claim to responsiveness.

Three important women's groups, the National Abortion Rights Action League, the National Council of Jewish Women, and the University Young Women's Christian Association in Berkeley, Calif., urge strong opposition to the antiabortion amendments. The NARAL has attached an article by Carl Rowan that describes the discriminatory nature of preventing abortions. In order that the views of these women's groups may be expressed in Congress, I am reprinting their letters here. I hope that their opinions receive the consideration by Congressmen that is their due.

The letters follow:

NATIONAL ABORTION
RIGHTS ACTION LEAGUE,
*New York, N.Y., March 25, 1974.*

DEAR REPRESENTATIVE DELLUMS: We are enclosing a column by Carl Rowan on the Buckley Amendment, banning funds for abortion under Medicaid, to the Social Security Bill. Although Mr. Rowan wrote that column in December, it is still timely since the bill is still in Joint Conference Committee. His very strong message shows how the Buckley Amendment blatantly discriminates against the poor which, of course, it most certainly does.

We are enclosing an interesting column written by the Rev. Michael Breslin, a Roman Catholic priest at the parish of St. Teresa of Avila in Brooklyn, New York. Although he may be at odds with the hierarchy of his church, his views on abortion represent the majority of Roman Catholics. This has been demonstrated by numerous polls including those conducted by the Gallup organization and the National Catholic Reporter itself.

We think it's important that you, as a member of Congress, have access to various points of views on abortion which we will continue to send you.

Sincerely,

BEATRICE BLAIR,
*Executive Director.*

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[From the Fort Wayne (Ind.) Journal-Gazette, Dec. 19, 1973]

### ANTI-ABORTION PUSH OFFERS VICIOUS CIRCLE TO POOR

(By Carl Rowan)

WASHINGTON.—Something extraordinary has happened in New York since it liberalized its abortion laws.

More black women are receiving abortions than white women in New York City even though that community has twice as many white women of child-bearing age as black women.

In a recent 12-month period some 70,000 abortions were performed in New York City, with 48 per cent of the women involved black and 39 per cent of them white. The percentages are the reverse of what they were a few years ago when rigid laws made abortions illegal, costly and medically risky except for the very affluent.

Why the sudden upsurge in the number of black women getting abortions? For the same reason that far more poor white women are getting abortions: for the first time in history they can legally abort an unwanted pregnancy under medically safe conditions at a price they can afford.

In fact, they can and do use Medicaid to pay for abortions.

#### POORER WOMEN FREED

What we are seeing is a medical-social revolution among poorer women, many of whom do not have a lot of education, have not been properly counseled in contraception and other techniques of family planning and have not had access to contraceptive devices.

But these women still nurture dreams of economic uplift, of social mobility, of equipping whatever children they do bring into the world with the capacity to break the vicious circle of poverty-ignorance-more poverty which has imprisoned their families for generations.

To put it more bluntly, the least sophisticated woman in the ghetto knows that to have a baby a year for a dozen years dehumanizes her, cripples the children and burdens the rest of society. So by ignorance or accident, they still get pregnant, but for the first time they know that they don't have to have the baby.

The Supreme Court said a year ago that in the early months of pregnancy, whether to abort is a decision between a woman and her doctor.

#### EASING THE HEARTACHE

And do not overlook the fact that in poor, minority neighborhoods where the rate of births out of wedlock is high, many a single girl is availing herself of the right to an abortion. Relatives who once felt resigned to the embarrassment of an illegitimate birth in the family, and who sometimes went to the expense of sending Sally off to visit distant relatives for a few months so the baby could be put up for adoption without the hometown folks knowing a thing, are today taking their daughters in for abortions.

That so many black women are turning to abortion is especially remarkable when you remember that they have been bombarded with superstud talk about how abortion is genocide. These women know that, as long as someone else does not force an abortion on them, it is not genocide.

#### BACK TO THE BUTCHERS

But the right to an abortion (like most everything else worthwhile) is going to be taken away from the poor if the antiabortion fanatics have their way. Sen. James L. Buckley, the New York Conservative, is pushing to make it illegal to pay for an abortion through Medicaid. Incredibly, he would take us back to the days when the rich got abortions and the poor had babies. This is ironic, for it is normally part of the conservative catechism to say "rich, smart people" can have all the babies they want, but someone has got to stop the "dumb, poor people" from breeding.

Then, the anti-abortionists are lobbying Congress feverishly in behalf of resolutions to amend the Constitution and overrule the Supreme Court. They want to make abortion illegal, period, and every year perhaps a million women will again risk their lives with quacks and butchers and commit the crime of refusing to have a baby.

The anti-abortion fanatics offer another kind of vicious circle to the poor. Force those poor women to have babies, curse them when their children go on welfare, deny the children even a minimum level of decency, then wait for them to get pregnant at age 12 or 13 when you can tell them, "No abortions, you must have babies."

Then if anyone asks Buckley & Co. why they seem to hate poor people, they can give you that old saw that "God loves them—see how he makes so many of them."

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[From the New York Times, Feb. 18, 1974]

### VIEW FROM A PARISH

(By Michael T. Breslin)

London's Hyde Park turned out, for me, to be quite a disappointment. I expected to hear a lively dialogue between speaker and listener on a whole spectrum of issues. Instead, I found only fruitless confrontation, closed minds on both sides—mountebanks versus hecklers. Has something like this breakdown in communications begun to occur between New York's Roman Catholic hierarchy and laity, between those who hold the "official Catholic position" and those who are concerned for the well-being of our whole society?

Not that the church owes New York any apology for its role in this town. We've been around for a long time, and we've been involved. Witness all the schools, hospitals, social agencies, orphanages and immigrant services.

We haven't run away from the inner city or the "changing neighborhood." And we'll stay—not playing the same role, of course, but we'll be where the action is, and we're not afraid to get our hands dirty.

Our community counts among its members many people on both sides of the major issues; the newly arrived immigrant as well as the immigration official; the happily married and the divorced; the innocent victim, the criminal and the leader of the crime syndicate; public school and private-school principals, teachers, parents and students; the frightened middle class as well as the poor living on welfare; the racist and his victim; the woman having an abortion as well as her doctor.

To represent so many different people honestly and to provide them with useful moral leadership is not easy. Can we any longer be satisfied with the kind of "soap-box morality" that simply shouts prohibitions—on birth control, no abortion, no sex outside of marriage—but with no mention of human problems?

Can we go on with our maneuvers to get political support for "official church positions" by such open threats to our fellow New Yorkers as "save our schools or we'll flood yours" and "legislate against abortion or be exposed as anti-Catholic"?

Have we even noticed that large numbers of our own people ignore the "official" teachings and refuse to lend political support to the "Catholic" side of current issues? Why do most Catholics practice birth control? Is it true that most of New York's abortion patients are Catholic? Haven't the human experiences of our people taught us to be flexible and to avoid making up burdens impossible to carry?

I believe that today we can settle for nothing less than true moral leadership adapted to the real needs and circumstances of the people who look to our community for strength and direction. Would it not be a betrayal of many sincere people to expose them to more Albany demonstrations, press releases and bishops' letters repeating the so-called "moral absolutes"?

Can't we trust more in the basic goodness of people, in their fundamental life-decision to do what is right, and in their good judgment to choose what, before God, seems right for them as they make the complex moral decisions required of each of us?

Our approach to moral leadership must become more catholic, more universal. There are situations in society that demand not new laws but the dispassionate attention of whole communities. Has our society been focusing its attention sufficiently on its most fundamental moral issues: economic exploitation, inequality of opportunity, political and military accountability, adequate evaluation of schools, wars and production of war machines instead of more beneficial products, personal irresponsibility in some life-styles, a just immigration policy, use of wholesale abortions instead of finding effective means of birth control, racism, escapism through drugs, our worldwide responsibility to the poor?

Isn't it true that every act of man (even killing) is sometimes good and sometimes bad? Isn't the moral value of our individual acts governed by some fundamental choice we have made to orient our whole life either to take care of ourselves above all or to put ourselves at the service of others?

Is it because we have failed to convince even our own people of our "official position" that we are seeking to legislate morality? Don't we see that making of laws is a power that can corrupt the whole society if used blindly? Don't we risk encouraging crime and graft by making unenforceable laws against gambling, prostitution, sex movies, pornography?

Don't we risk favoring one group in our society over another by insisting on legislating the "Catholic point of view" on abortion and private schools?

In general, are we trying to use legal force as a substitute for deep moral reflection on the common problems that our whole society is facing? Do we teach "moral absolutes" because we are afraid to put ourselves into the complete moral situation in which people here are finding themselves as they try to judge what is right?

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NATIONAL COUNCIL OF JEWISH WOMEN,
*New York, N.Y., March 15, 1974.*

DEAR REPRESENTATIVE DELLUMS: The National Council of Jewish Women, an organization established in 1893, with over 100,000 members throughout the United States, has concerned itself since its inception with human welfare and individual rights. It is dedicated to the protection of these rights and the promotion of the general welfare locally, nationally and internationally through an integrated program of community service, education and social action.

The landmark U.S. Supreme Court decision (Roe v. Wade, 1/22/73) recognized a woman's right to an abortion as guaranteed by the Due Process Clause of the Fourteenth Amendment which "protects against state action the right to privacy, including a woman's qualified right to terminate her pregnancy."

Attempts to nullify this decision and reinstate criminal abortion laws by constitutional amendment would subject women to an inexorable course of childbearing which represents a value superimposed upon them by the state notwithstanding their personal choice in the situation.

It is our hope that the integrity of the U.S. Constitution will not be undermined by unnecessary amendments, that the role of the U.S. Supreme Court as interpreter of Constitutional issues will not be nullified, and that the rights of the individual to determine one's own reproduction will neither be abridged nor restrained.

For these reasons we urge you to oppose all constitutional amendments and other proposals which in any way attempt to nullify or undermine the Supreme Court decision on abortion rights.

Sincerely yours,
MRS. ELEANOR MARVIN,
*National President.*

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Y-HOUSE,
*Berkeley, Calif., March 22, 1974.*

Representative RONALD DELLUMS,
*House Office Building,*
*Washington, D.C.*

DEAR MR. DELLUMS: On March 12, 1974, the Advisory Board of the University YWCA voted to reaffirm the 1973 National Convention Resolution regarding a "woman's right to determine whether or not she wishes an abortion . . . therefore the YWCA shall support efforts to provide safe, low-cost abortions to all women who desire them."

The Advisory Board is opposed to the various anti-abortion Constitutional Amendments listed below:

1. Hogan Amendment H.J. 261 and 473
2. Buckley Amendment S.J. 119
3. Whitehurst Amendment

In addition, and in keeping with the resolution, we register our opposition to the following anti-abortion "sleeper Amendments":

1. Buckley Amendment to the Social Security Amendment of 1973
2. Legal Services Amendment to the Legal Services Act
3. Resolutions introduced by Harold Froehlich

We would like to go on record as supporting institutional freedom of choice regarding the performing of abortions comparable to the individual freedom of choice which is protected by the Supreme Court decision.

Sincerely,
DOROTHY T. CLEMENS,
*Chairwoman, Advisory Board.*

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## MANY WORKERS RISKING LIVES IN EVERYDAY JOBS

## HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. OBEY. Mr. Speaker, the current scare about the suspected carcinogenic effects of vinyl chloride on workers has caught the attention of the newspapers and the public and vividly illustrated the work, or lack of it, which has been done in the field of research on occupational health hazards.

Research on the potential effect on worker safety and health of industrial chemicals and other substances lags far behind the rate of introduction of new chemicals into the workplace. In fiscal 1975 the National Institute for Occupational Safety and Health, strangled by an insufficient budget request and insufficient administration support, is planning to make recommendations on health and safety standards for only 14 hazardous substances, when new chemicals are coming into industrial use at the rate of about 500 per year.

I feel strongly that we must raise the level of activity and funding of this agency in order to more adequately protect the lives of American workers.

Recently the Sunday Baltimore Sun carried an article "Many Workers Risking Lives in Everyday Jobs" by a staff correspondent, Mark Reutter, which explains the great unseen, little understood array of "chemicals, radiation, noise, excessive heat, dust" and other environmental problems of the workplace which are the responsibility of Government, industry, science, and labor.

The article appears below:

### MANY WORKERS RISKING LIVES IN EVERYDAY JOBS—CHEMICALS, RADIATION, NOISE, EXCESSIVE HEAT, DUST ONLY A FEW OF ENVIRONMENTAL PROBLEMS, SAYS LABOR LEADER

(By Mark Reutter)

The "re-education" of Frank Wallick, a long-time labor leader, began with a jolt, delivered six years ago by the indomitable Ralph Nader.

"Nader wanted to know what I was going to do about some health standards for factories," Mr. Wallick recalls. "At first I didn't understand what he was talking about."

The labor leader says he had always dismissed job safety as "a bunch of rah-rah posters" unfurled by management to win safety awards. "But suddenly I saw the workplace itself as a serious environmental problem that directly affected the health of workers."

With this new perspective, Mr. Wallick, editor of the United Auto Workers' Washington Report, left his downtown office to interview hundreds of employees across the country. He witnessed working conditions that rarely make headlines—withering heat in the summer and numbing cold in the winter; sharp-edged crates and unshielded machinery in aisles; shattering noise along assembly lines and swirling dust in foundries.

### OUTCOME IS A BOOK

Armed with firsthand observations, Mr. Wallick went to the library, hacking through the verbiage of "occupational health" literature to determine the effect of such conditions on employees. The outcome of his research was a unique—and disturbing—book on the hidden hazards of work, entitled "The American Worker: An Endangered Species."

The union leader is now sitting in his Washington office trying to explain the dimensions of the workplace problem. His words come rapidly. "I used to bleed over redwoods. When I came to Washington I saw the biggest thing as huge corporations and tax reform. But I'm now convinced that the real scandal is the American workplace . . . Every day we discover more and more wrong with it."

Heaving his horn-rimmed glasses over his forehead, Mr. Wallick adds, "It's not a sexy subject. Most environmental problems do not come right out and hit you. They creep up over the years."

His contentions are backed up by dozens of government reports which draw a grim statistical picture of injury and death on the job. This year, according to the U.S. Department of Labor, 15,000 persons will die and 2.2 million more will be permanently disabled from violent work accidents.

### "SILENT KILLERS"

Eight times more deadly than accidents are what Mr. Wallick calls the "silent killers"—*the vast array* of diseases which can afflict workers after years of exposure to certain substances or job conditions. A 1971 study by the Department of Health, Education and Welfare concludes that as many as 25 million workers annually catch everything from sore throats to cancer of the lungs, bladder and rectum on the job. The report further estimates that up to 100,000 of the nation's 80 million workers die every year from occupationally related diseases.

Work and early death are dramatically linked in some industries. In the valleys of Appalachia, "black lung," a respiratory disease caused by coal dust, has disabled 177,800 coal miners, according to a spokesman for the Social Security Administration. Another 220,000 miners have been partially disabled by coal dust.

In textile mills, about 17,000 cotton, hemp and flax workers suffer from "brown lung"—the inhalation of too much cotton dust. Like black lung, Mr. Wallick notes that this disease has been on the rise in recent decades due to modern technology which grinds cotton dust into invisible particles that penetrate deep into the lungs.

Asbestos is another substance whose propensity to kill has been known for years. Dr. Irving Selikoff, of the Mount Sinai Hospital in New York, perhaps the leading expert on asbestos, estimates 135,000 workers now or previously exposed to asbestos will prematurely die from cancer of the lungs, abdomen or chest. Dr. Selikoff calculates that asbestosis, or the scarring of the lungs, will kill another 35,000 asbestos workers.

### REELS OFF LIST

Such figures reveal only a small part of the problem, Mr. Wallick emphasizes. "We're dealing with thousands of items in the workplace," he says, rattling off a long list of potential traps: frayed electrical wires, radiation, noise, blocked aisles, oil on the floor, detergents, oil or lead mist, excessive heat, dust, welding flash and untested chemicals.

In the latter category, polyvinyl chloride is the latest industrial chemical suspected of causing cancer and other ailments. The substance, widely used in making plastics, rubber, floor tiles and plastic sheeting to wrap food, has been linked to the recent deaths of three workers at a Goodrich rubber plant in Louisville. Other Goodrich employees exposed to polyvinyl chloride are suffering from liver ailments and bleeding of the anus, reports Malcolm Barr, a spokesman for the U.S. Department of Labor. Last Friday the labor department held a hearing in Washington to try to determine the hazards of this chemical.

Although blue-collar employees are particularly susceptible to job-related disabilities, Mr. Wallick reports that office workers are not immune. Copying machines, for example, often produce ozone, a form of oxygen, which in poorly ventilated rooms can slowly damage the lungs of persons working nearby.

Other possible dangers lurking in office buildings range from recirculated air to the solvent used to clean typewriters. "We really don't know the effect of many of these subtle hazards," says Mr. Wallick. "Research on them has barely begun."

### HIGH ECONOMIC PRICE

What has become better known, though, is the high economic price exacted by workplace hazards. The National Center for Health Statistics estimates that every year the average worker spends 22 days sick or partially disabled due to job-related diseases and injuries. This lost productivity amounts to about 10 times the economic cost of labor strikes.

With such widespread dangers, why hasn't occupational health become a pressing public issue? Mr. Wallick offers his own naivete six years ago as an answer. "People don't think about these things because the relationship between your health and your job has been traditionally ignored. It is rare that a doctor asks you about your job or what chemicals you handle or conditions you work under . . . It's hard to determine what caused a person to die. It may be low-level exposure to many things."

There are also a number of popular misconceptions about work which Mr. Wallick admits many labor unions have been reluctant to dispel. "Work is considered to inevitably involve physical injury to the worker. There's that fatalistic attitude—people accept bad conditions as necessarily a part of work.

"Most accidents, the myth goes, are caused by dumb workers doing something stupid—unsafe actions instead of unsafe machinery or an unsafe environment. So with the worker always at fault, a company only needs some earplugs and a good slogan to win a safety award."

### MASSIVE CLEANUP

Between 1968 and 1970, Mr. Wallick, joined by a small contingent of union leaders, medical experts and Ralph Nader associates, rallied for a massive clean-up of the nation's 4.1 million work-places. Congress responded with the Occupational Safety and Health Act of 1970; an act Mr. Wallick says is admirable in principle but so far crippled by weak enforcement.

Worker participation is an essential ingredient in the legislation. Under the act, employees suspecting health hazards can directly request a government inspection of their worksite. During these inspections, a worker representative may accompany the government official and, afterwards, any employee may meet with the official in private.

Workers have other important rights, Mr. Wallick notes, including the right to obtain copies of government inspection reports and the right to insist dangerous substances be clearly labeled. The law also requires companies to keep records of work-related injuries and diseases and to post an annual summary every February.

Weak-willed enforcement of the 1970 act, though, has undermined its effectiveness, Mr. Wallick charges. One of the union leader's pet peeves is the provision allowing states to enforce the federal law. "State programs are more susceptible to pressure from state legislatures and local industry [than a federal program]," Mr. Wallick says. "For many decades, the states 'enforced' job safety, but state legislatures were usually willing to sacrifice worker safety to keep or attract industries to the state." He adds that the AFL–CIO has consistently favored federal job inspection.

In Maryland, a state occupational safety and health program is slowly making headway. Begun last July, 70 inspectors have so far checked 6 per cent of Maryland's 60,000 workplaces, reports Harvey Epstein, commissioner of the state division of labor and industry.

However, enforcement of health standards in local workplaces has been delayed, Mr. Epstein says, because the Mandel administration has not yet created positions for "industrial hygienists"—the most important posts in occupational health. In order to comply with the 1970 act, a consultants' report last year recommended the hiring of 30 such hygienists and 80 more inspectors in the next three years. Mr. Epstein has indicated, though, that he regards these recommendations as unrealistic.

Even if Maryland and other states develop adequate job inspection programs, Mr. Wallick notes that workers will still be subject to serious health hazards. This is due to the "threshold limits" set by the U.S. Department of Labor for noise, fumes, dust and chemicals in the workplace. Instead of being based on medical evidence, Mr. Wallick says these limits take into account "economic feasibility"—as chiefly determined by industry groups like the American National Standards Institute. Through this system, for example, the labor department has set a 90 decibel limit for noise in the workplace.

Pulling out a graph, Mr. Wallick explains what this limit means to workers. "At 80 decibels there is no loss of hearing, but beyond that point the loss of hearing escalates rapidly," he notes, his forefinger tracing the quickly-climbing line. 'Noise over 80 decibels particularly affect workers over 50 years old. From scientific estimates, 10 out of every 100 workers over 50 years old will be condemned to a predictable loss of hearing at 90 decibels."

Like most occupational hazards, noise pollution has side effects. "Noise affects your emotions, circulatory system, heart beat and blood pressure," the union leader says "Some scientists believe that excessive noise can contribute to heart attacks, stroke and nervous breakdowns. . . . The fact of the matter is that modern technology is available. General Motors is now purchasing all equipment that is under 85 decibels."

Carbon monoxide is another example of the lenient health standards in factories, Mr. Wallick notes. In a normal population, the Department of Health, Education and Welfare has estimated that 10 parts per million of carbon monoxide are enough to produce adverse health reactions over an eight-hour period.

As a result, the federal government has proposed pollution regulations limiting carbon monoxide to 8 ppm. Inside a factory, however, the labor department's "economically feasible" pollution standards restrict carbon monoxide to 50 ppm. ("the equivalent of 50 jiggers of the stuff in an average room," Mr. Wallick says).

Toxic chemicals are another occupational danger with far-reaching repercussions. Every year the labor department estimates that 600 toxic chemicals are introduced into the nation's factories. Under the present system, the government does not require companies to safety test these new chemicals before workers are exposed to them.

Of the 15,000 toxic substances already used in the workplace, safety standards exist for about 450 of them, says a labor department spokesman. But some of these standards are deceptive. For instance, safety limits for asbestos, established with fanfare in 1972, will not be enforced until 1976. In the meantime, there is new evidence from

England that the planned asbestos standards may still be too high to prevent cancer in many workers, reports Dr. Jeanne M. Stellman, author of the just-released paperback, "Work Is Dangerous to Your Health."

Despite lax enforcement of the 1970 act, Mr. Wallick says the law is slowly alerting the public to workplace hazards. In Maryland, the law has forced government officials and union leaders to take a closer look at the health dangers in the state's 60,000 workplaces.

What has been found is alarming—that thousands of jobholders are routinely exposed to chemicals, fumes and dust which can take years off their lives. Or as Dr. Edward P. Radford, a consultant to the state's occupational health program, puts it: "Society is now getting the benefits of workers at the expense of workers."

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## PLAYING THE GLOBAL MONEY GAME—CHICAGO STYLE

## HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. CRANE. Mr. Speaker, when, in 1967, University of Chicago Economist Milton Friedman telephoned several Chicago banks with a moneymaking scheme in mind, he found it impossible to transact.

He was, at that time, convinced that the British Government was about to devalue the pound and he wanted to sell short $300,000 worth of British pounds sterling. He correctly figured that if the pound were cut in value he could buy back the same amount at a cheaper price and pocket a tidy profit.

He was not able to conduct the transaction because of a long-standing tradition among U.S. banks prohibiting private citizens from speculating in foreign currencies.

Three weeks later, Britain devalued the pound by 14.3 percent, from $2.80 to $2.40.

Friedman recalls:

> It was disgraceful, I was prepared to put up $30,000 which was more than adequate margin. The banks arbitrarily kept me from more than doubling my money.

Now, the situation is different. Today, it is possible to buy and sell contracts for the future delivery of currency on the International Monetary Market of the Chicago Mercantile Exchange, Inc.

Discussing the extraordinary banking breakthrough which has occurred at the Chicago Mercantile Exchange, Edgar Shook, writing in Midwest magazine, published by the Chicago Sun-Times, of February 24, 1974, notes that:

> In its nearly two-year existence the IMM has toted up some impressive statistics. Through the end of 1973, trading volume totaled 581,302 futures contracts, representing a dollar volume of $47.4 billion. So far, the Japanese yen has been the most actively traded currency; the Italian lira has been the least active and was recently de-listed as a result. The IMM has 650 members—Memberships which originally sold for $10,000, sold for as high as $24,000 at the beginning of this month.

Mr. Shook points out that:

> Even some major New York Banks, many of which—originally considered the idea of a currency futures exchange "to ridiculous to discuss" are showing some interest. Both First National City Bank and Chase Manhatten, the number two and three banks in the nation, are now doing business through the IMM.

The Chicago Mercantile Exchange has taken a major step in the direction of restoring economic freedom to the individual American citizen. I wish to congratulate the Exchange upon its notable success and wish to share with my colleagues the important article by Edgar Shook which details these accomplishments. The article from Midwest magazine of February 24, 1974, follows:

### PLAYING THE GLOBAL MONEY GAME—CHICAGO STYLE

(By Edgar Shook)

One autumn day in 1967, Dr. Milton Friedman, the internationally famous University of Chicago economist, telephoned a major Loop bank with a moneymaking scheme in mind. Convinced the British government was about to devalue the island-nation's currency, Friedman wanted to sell short $300,000 worth of British pounds sterling. He correctly figured that if the pound were cut in value he could buy back the same amount at a cheaper price and pocket a tidy profit.

To Friedman's surprise and dismay, the bank would not accept his order, even though he was prepared to pledge $30,000 in cash as a security deposit for the transaction. The reason: a long-standing tradition among U.S. banks prohibiting private citizens from speculating in foreign currencies.

Undaunted, Friedman contacted two other major Chicago banks with the same proposition—and got the same polite but firm refusal.

Three weeks later Britain devalued the pound by a hefty 14.3 per cent, from $2.80 to $2.40.

"It was disgraceful," Friedman recalls with a snort. "I was prepared to put up $30,000, which was more than adequate margin. The banks arbitrarily kept me from more than doubling my money."

Largely as a result of that incident, today anyone with a little risk capital and a lot of nerve can wheel and deal in seven major foreign currencies—from Japanese yen to Dutch guilders—by buying or selling contracts for future delivery of the currency on the International Monetary Market of the Chicago Mercantile Exchange, Inc. And speculating in currency futures on the IMM takes considerably less money (from $1,500 to $4,000, depending on the currency traded) than the $30,000 Friedman was willing to ante up with the banks.

Actually, the idea of a futures market in foreign currencies wasn't Friedman's. It was the brainchild of the boys at the Merc (as the Chicago Mercantile Exchange is popularly known), but they give Friedman a large share of the credit for transforming their concept into reality.

"The IMM would not have been conceived were it not for the help and inspiration provided by Dr. Friedman," says IMM chairman Leo Melamed. "It was Dr. Friedman who gave us the courage to believe we were onto something big and worthwhile. It was his unquestionable prestige and authority that not only opened doors for us in Washington but enabled us to pronounce with credibility that a futures exchange in currency was a necessity and that its time had come. I seriously doubt if we would have proceeded without his full embracement of this project."

So, armed with the expertise, moral support and clout of one of the nation's foremost economic thinkers, the pork belly and egg traders at the Merc did proceed—and managed to cause quite a furor in the world's established money markets in Zurich, London, Frankfurt, Paris, Tokyo and New York—the lairs of that closeknit, jealous little band of financial wizards known as foreign-exchange dealers.

As the IMM's Melamed rather grandly explains: "What we did was enter uncharted waters upon which many felt we did not belong." That is putting it mildly.

"I'm amazed that a bunch of crapshooters in pork bellies have the temerity to think that they can beat some of the world's most sophisticated traders at their own game," announced one outraged New York foreign-exchange dealer on the eve of the IMM's opening. "A peanut game," sniffed another.

Thick-skinned aggressiveness has never been in short supply at the Merc. The exchange did not rise meteorically to become the nation's second-largest futures market (after the Chicago Board of Trade) by using timid or overly sensitive to criticism. Indeed, as officials of the Merc are fond of pointing out, trading volume on the exchange has soared 1,690 per cent in the past decade, mainly as a result of the introduction of trading in meat related commodities—frozen pork bellies, live hogs and live cattle.

Thus, incongruous as it might seem, it was not at all surprising that "a bunch of crapshooters in pork bellies" were the ones to desegregate one of the financial world's most exclusive private clubs. Why? Because the thing that really turns on the boys at the Merc, who are among the most astute commodity traders in the business, is money—and money, after all, is the ultimate commodity. Money and the Merc: an eminently logical, almost preordained, match.

As it happened, the IMM's creators had some unexpected help in the form of a series of international monetary crises that rolled like shock waves through central banks of the major industrial nations in 1971. Those crises and the ensuing international monetary upheaval, which is still unsettled, drastically and forever altered the rules of the foreign-exchange game and made the Merc's idea of bringing currency trading to the speculator-masses more attractive and timely than ever.

To understand those events and the effect they had on the birth of the IMM, one must delve a bit into the history and intricacies of the esoteric world of international finance.

Back in July, 1944, in a little, out-of-the-way New Hampshire resort town called Bretton Woods, politico-economic experts from 47 countries met to start planning for the world's postwar economic recovery. The international monetary system they devised, known as the Bretton Woods system, has been in effect ever since although it is now undergoing considerable scrutiny and change.

Out of Bretton Woods came four key actions:

The International Monetary Fund (IMF) was created as a supranational agency to act as a sort of watchdog over the non-Communist world's finances.

A fixed price, in terms of U.S. dollars, was established for the currency of each IMF member-nation.

It was agreed that the U.S. dollar was literally as good as gold, and that any IMF member-nation could cash in dollars for gold at a rate of $35 an ounce.

The U.S. dollar was positioned as the Free World's main reserve currency, which meant the dollar became the medium of exchange between nations and, since the United States had pledged to redeem dollars for gold, could be held in foreign treasuries in lieu of gold.

With amazingly little difficulty the Bretton Woods system functioned superbly for nearly a quarter-century. As a result, industrial output in the Free World soared, employment was high and goods flowed freely across international boundaries as tariff barriers dropped. By the end of the 1950s, currency convertibility (which meant a Britisher, for example, could go to a bank and freely exchange his pounds at the fixed rate for, say, French francs) was restored among the major non-Communist nations, and this led to an unprecedented expansion in the flow of money between nations—for investment, for tourism and for the purchase of goods and services.

Monetarily, at least, for the first time since the worldwide Depression of the 1930s, God was in His heaven and all was pretty much right with the world. But this happy and unusual state of affairs didn't last long. Storm clouds were forming on the international financial horizon, and their linings were of a greenish hue, not unlike that of the U.S. dollar.

The problem was this: Since Bretton Woods the U.S. had been financing first the post-war recovery and then the growth of most of the non-Communist world by running its international business affairs at a loss. In other words, the United States spent more money abroad, for everything from Japanese television sets to tourism to the maintenance of overseas troop garrisons, than foreign nations spent to purchase U.S. goods and services. The result was a steady drain on the hoard of dully gleaming gold ingots stashed away in the U.S. Bullion Depository at Fort Knox, Ky. Under the Bretton Woods system, remember, this gold was the financial underpinning of the Free World's international monetary system.

To stanch this golden hemorrhage, Washington had pressed, argued and cajoled foreign governments into stockpiling huge amounts of greenbacks in their bank accounts rather than cashing them in for the yellow metal. Most obliged and, by the early 1970s, some 30 billion U.S. dollars had piled up in central banks from London to Tokyo. Meanwhile, the U.S. gold stock, which stood at $24.6 billion in 1949, had dwindled to $10 billion and change. With roughly three times more in dollars in official foreign hands than it had gold to redeem with, the United States of America theoretically was financially busted.

This dreary fact was not lost on that shadowy group of individuals whom finance ministers, barely refraining from adding the adjectives "wicked" and "evil," refer to as "international currency speculators."

(Although the phrase conjures up visions of Daddy Warbucks-like characters, diamond stickpins and all, sitting on their converted-destroyer yachts in the middle of some obscure ocean, talking to Beirut money merchants via radiotelephone, the culprit is far more apt to be a harried, Tums-taking corporate treasurer who is simply trying to show a profit, or at least less of a loss, on his company's international transactions.)

Whoever the international currency speculators are, advertently or inadvertently, they mounted massive attacks against the already-battered dollar by shifting huge sums out of dollars into stronger currencies, notably the West Germany mark and the Japanese yen. To keep the values of their own currencies from soaring beyond the fixed-price "ceiling" set by the Bretton Woods system, West Germany and Japan were forced to sell unlimited amounts of marks and yen for dollars. The result was that these two nations alone unwillingly bought billions more of unwanted dollars to add to the billions they already had.

(As the United States was painfully learning, being banker to the world is a mixed blessing. There is a curious economic anomaly involved: The more of your currency you spend, lend or give away, the more you lubricate and stimulate the global economy; at the same time, the more of your currency there is floating around the world, the less confidence other nations have in it and the sooner an international financial crisis is likely to occur. This vicious monetary circle was a fatal, built-in flaw of the Bretten Woods system.)

Loath to take this monetary mauling any longer, West Germany and Japan, which between them by now held approximately 24 billion U.S. dollars in their reserve assets, cut their currencies' moorings to the dollar and allowed the mark and the yen to "float"—that is, to fluctuate in value in response to economic influences. No matter that floating a currency was in direct violation of IMF rules; it was now a matter of every country for itself—including, finally, the United States.

On Sunday, Aug. 15, 1971, Richard Nixon slammed shut the U.S. gold window by announcing we would no longer honor our long-time pledge to exchange gold for foreign-held dollars. The international financial world gasped with shock and closed down for a few days.

What prompted Nixon's drastic maneuver was drastic news: In the first six months of 1971, the U.S. had achieved an all-time record deficit in its balance of payments (its business dealings with the rest of the world) of $11.6 billion, or more than the value of all the gold left in Fort Knox.

Four chaotic months later, finance ministers of the leading industrial nations met in Washington's Smithsonian Institution and hammered out an agreement. For starters, the U.S. agreed (gulp) to devalue the dollar by raising the official price of gold from $35 to $38 an ounce. This meant, in effect, an American would pay more for a Volkswagen, a German would pay less for a roll of Kodak film. More U.S. goods would be sold overseas and fewer foreign articles would be bought by Americans, thus improving the U.S. trade balance. For their part, the other major industrial nations agreed to rejigger the values of their currencies upward, making them worth more in relation to the overworked dollar. This dual adjustment was designed to relieve pressure on the dollar in its reserve-currency role of being all things to all non-Communist nations.

Almost unnoticed among these historic moves was the further, complementary agreement to expand price fluctuations allowed currencies under the Bretton Woods system. This made the system more responsive to present-day economic realities. (IMF rules provided that a member-nation's currency could fluctuate in price 1 per cent on either side of its assigned, or par, value. This meant a total fluctuation of 2 per cent between a currency's "ceiling" and its "floor." At the Smithsonian meeting it was agreed to widen this fluctuation to 2.25 per cent on either side of a currency's par value, or a total fluctuation of 4.5 per cent.)

One group that did take notice of this bit of international financial mumbo-jumbo and figuratively (and perhaps literally) jumped with joy over it was the boys at the Merc. All this time they had been doing spade-work for the establishment of the IMM, not fully convinced it was a viable concept because of the narrow price fluctuation allowed currencies under Bretton Woods. Now, with the new, wider range of fluctuation, the stage was set for some decent price action; and as the traders at the Merc knew only too well, it takes price action to make a successful futures market in any commodity, from hog innards to money.

A few days after the Smithsonian meeting adjourned, the Merc told the world about its plans for a currency futures market. A month later the IMM received its charter to do business in the State of Illinois. On May 16, 1972, the new exchange opened.

Five weeks later, on June 23, the British pound joined the West German mark, the yen and the Canadian dollar (which had been floating since 1970) as a floating currency. Suddenly, foreign exchange was a whole new ball game and the infant IMM was ready, willing and eager for players. By accident more than design, the Merc's timing had been exquisite.

The business of international finance is not conducted in small numbers, and the contract size for each of the seven currencies that began trading on the IMM was appropriately gargantuan—50,000 British pounds worth $130,000, 1 million Mexican pesos worth $80,000, 200,000 Canadian dollars worth $201,500, 500,000 West German marks worth $152,500, 500,000 Swiss francs worth $125,000, 50 million Italian lira worth $85,000 and 25 million Japanese yen worth $80,000.

(Since then, partly to reduce the greater risk inherent in the new, wider currency price fluctuations, partly to increase trading activity by lowering the amount a speculator must put up to trade, the IMM has halved the size of each of the original seven contracts except the Mexican peso. It also has added a contract in Dutch guilders that consists of 125,000 guilders worth approximately $43,150. Nonetheless, 100,000 Canadian dollars or 12.5 million Japanese yen is still an impressive sum of money.)

### ARE GOLD FUTURES NEXT?

If trading ordinary commodities, such as wheat, silver, sugar, cattle or cotton, is tricky—and it is—trading foreign currencies is even trickier—and a lot riskier. The reason is not only the mind-boggling complexity of international finance and the welter of factors that determine a currency's value (everything from a country's interest rates to its cost of living) but also the deviousness with which governments traditionally handle their financial affairs.

For example, it has almost become a cliche that the more vehemently a finance minister denies there is going to be a change in the value of his nation's currency, the likelier and sooner it is to happen. Also, governments are fond of announcing changes in the values of their currencies on weekends, when foreign-exchange markets are closed. The ensuing scramble among even professional currency traders to protect their financial flanks the following Monday morning is akin to a crowd fleeing a burning theater.

Still, for the steel-nerved and strong-hearted (and exceptionally lucky) there are fabulous rewards to be gained trading currency futures. They go, however, only to the trader who has done his homework very, very well and on whom the gods smile broadly.

One such person was a young Chicago executive who early last year decided the dollar was about to be devalued again. He also reasoned the Swiss franc would appreciate in value as a result—a good bet, because historically the Swiss franc has been one of the world's most stable currencies. Backing his conviction with cash, he bought five Swiss franc contracts (totaling 2,500,000 Swiss francs worth approximately $625,000) on the IMM and deposited $25,000 margin. (This was before the IMM lowered its contract sizes and reduced margins; today $4,000 margin is required to trade one contract of 250,000 Swiss francs worth approximately $75,000.)

As it turned out, he was right. On Feb. 12, 1973, Washington devalued the dollar for the second time in 14 months. In less than six weeks, this lucky trader made a very cool $150,000 profit. Of course, if he had been wrong, he could have lost the same amount, which would not have been very cool.

Contrary to how it may seem, the IMM was not established solely to provide speculators with another financial playground. The market does have a sound economic reason for existing. This is to provide price insurance for importers, exporters, multinational companies, banks and others engaged in international business, all of whom must deal in foreign currencies. By using the IMM to "hedge" their risks, these commercial interests can protect themselves against sudden and adverse changes in currency prices that could turn a profitable transaction into an unprofitable one. The reason the IMM unabashedly makes an appeal for speculators—and, indeed, must have them to function—is because without them the market would not be liquid enough to attract commercial hedgers. Profit-seeking speculators, protection-seeking hedgers: This is the economic *quid pro quo* of the IMM, as it is of any commodity futures market.

Considering that currency trading traditionally has been, as IMM chairman Melamed points out, "a private and sacred shrine of the banking community," the big Chicago banks have shown an astonishingly friendly attitude toward the new market. The Continental Illinois National Bank is the IMM's delivery agent. The First National Bank of Chicago is a clearing member of the exchange. Dr. Beryl Sprinkel, senior vice president and economist of the Harris Trust and Savings Bank, is a director of the IMM.

Even some major New York banks, many of which Melamed says originally considered the idea of a currency futures exchange "too ridiculous to discuss," are showing some interest. Both First National City Bank and Chase Manhattan, the number two and three banks in the nation, are now doing business through the IMM.

In its nearly two-year existence the IMM has toted up some impressive statistics. Through the end of 1973, trading volume totaled 581,302 futures contracts, representing a dollar volume of $47.4 billion. So far, the Japanese yen has been the most actively traded currency; the Italian lira has been the least active and was recently de-listed as a result. The IMM has 650 members, most of who also are members of the Merc. Memberships, which originally sold for $10,000, sold for as high as $24,000 at the beginning of this month.

Currency futures, according to Leo Melamed, are only the tip of the monetary commodity iceberg for the Merc and its IMM offspring. "We're going into a consciously monetary posture," he vows. "We want a full portfolio of monetary commodities."

How full is full? Apparently the sky's the limit. Last fall the IMM added futures contracts in both U.S. and Canadian silver coins (contract size: five canvas money bags of coins with a total face value of $5,000) and trading has so far been brisk. Currently the IMM is readying a gold futures contract and hopes to get Washington's nod to begin trading, if and when Congress passes any of several pending bills to allow U.S. citizens to own and deal in gold. Beyond this there is talk at the exchange of someday listing futures contracts in such far-out (in traditional commodity market terms, that is) financial instruments as home mortgages, Eurodollars, Eurobonds, U.S. federal funds and ocean freight rates.

The old Chicago Butter and Egg Board, as the Merc originally was called, has come a long way and, says Melamed, "We haven't begun to flex our muscles."

When the IMM opened, Merc president Everette B. Harris made what at the time was probably a judiciously modest prediction but has since proved to be a gross understatement. "Our baby ought to walk and talk within two years," Harris said. At the rate it's going, the IMM will soon be in long pants, and the boys at the Merc will be well on their way to earning the highest accolade the international financial community can bestow—albeit grudgingly: the right to be called the Gnomes of Chicago.

### HEDGING AS A WAY OF DOING BUSINESS

Nations have money problems just as people do. But when nations have them, the ramifications are usually felt worldwide.

During the past two decades, the currencies of more than 100 nations have been revalued—that is, either raised or lowered in price against the U.S. dollar. Of these, more than 80 per cent have been revalued at least twice.

The financial fallout from these monetary megabombs governments drop from time to time on the world of international business and kept the balance sheets of some companies operating worldwide—so-called multinational companies—dotted with red ink. For example:

Chesebrough-Pond's Inc. recorded a $977,000 loss on foreign-exchange transactions in 1970, a figure equal to nearly 5 per cent of the company's net income for the year.

In the decade ending in 1971, Deere & Co. had write-offs every year for foreign-exchange losses. These ranged from a whopping $5 million-plus in 1967 to a comparatively modest $546,000 in 1971.

F. W. Woolworth Co. suffered a $3 million loss because of the 1967 devaluation of the British pound from $2.80 to $2.40.

Ford Motor Co. disclosed in 1970 that it had established a $55-million reserve against losses in foreign operations, in part because of currency uncertainties.

Always present for those doing business across national boundaries, foreign-exchange risks have increased enormously with the current new international monetary order of floating currencies, with heightened national chauvinism and with the wider currency price fluctuations allowed by the Smithsonian agreement of December, 1971.

Prior to the advent of the IMM, multinational companies, as well as banks, import-export firms and others who transact business abroad and thus must deal in foreign currencies, had only one way to hedge their foreign-exchange risks. This was in the "forward" market, a small but well-organized group of large banks and foreign-exchange dealers in the world's major money centers who deal with each other through an elaborate, worldwide telephone-teletype network.

The IMM, according to its officials, offers a supplementary and complementary alternative to the forward market, particularly for the small hedger, who does not always enjoy equal bargaining power with big companies when it comes to prices in forward market transactions.

How does the IMM's hedging mechanism work? Dr. Mark J. Powers, senior vice president and chief economist of the IMM, cites a hypothetical but typical example:

"Suppose we consider an American importer who orders $5-million worth of British automobiles. Based on a British pound worth $2.60, the automobiles represent 1,923,077 British pounds. The order is placed on April 1, with payment due nine months hence, on January 1.

"During those nine months, assume the pound has moved upward in value 2.25 per cent in relation to the dollar and is now worth $2.6585. The American importer now must pay $112,500 more for his merchandise than he anticipated, significantly reducing his profit or possibly creating a loss on the transaction.

"If he had bought $5-million worth of British pounds on the futures market on April 1, he would have locked in a price and saved himself $112,500, less, of course, relatively modest brokerage fees."

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## PROPOSED AMENDMENTS TO H.R. 69

## HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. TREEN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following proposed amendment to H.R. 69:

### AMENDMENT TO H.R. 69, AS REPORTED OFFERED BY MR. TREEN

Page 28, line 9, strike out "1977" and insert in lieu thereof "1976".

Page 48, line 16, insert "(1)" immediately after "as may be necessary".

Page 48, line 18, immediately after "such amount" insert the following: ", and (2) to take into account the total amount of sums appropriated for the fiscal year involved pursuant to the authorization for appropriations made by section 134(a) (1)".

Page 50, line 25, insert "(1)" immediately after "(d)".

Page 51, immediately after line 2, insert the following new paragraph:

(2) Section 144(a) (1) (as redesignated by section 109 of this Act) of title I of the Act is amended by adding at the end thereof the following new sentence: "There is authorized to be appropriated to carry out the provisions of this title not to exceed $300,000,000 for the fiscal year ending June 30, 1976.".

### AMENDMENT TO H.R. 69, AS REPORTED OFFERED BY MR. TREEN

Page 28, line 9, strike out "1977" and insert in lieu thereof "1976".

Page 48, line 16, insert "(1)" immediately after "as may be necessary".

Page 48, line 18, immediately after "such amount" insert the following: ", and (2) to take into account the total amount of sums appropriated for the fiscal year involved pursuant to the authorization for appropriations made by section 134(a) (1)".

Page 50, line 25, insert "(1)" immediately after "(d)".

Page 51, immediately after line 2, insert the following new paragraph:

(2) Section 144(a) (1) (as redesignated by section 109 of this Act) of title I of the Act is amended by adding at the end thereof the following new sentence: "There is authorized to be appropriated to carry out the provisions of this title not to exceed $500,000,000 for the fiscal year ending June 30, 1976.".

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## LUDLOW, MASS., BICENTENNIAL INCORPORATION DAY

## HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BOLAND. Mr. Speaker, on February 28, 1974, I had the honor of being the main speaker at the Bicentennial Incorporation Day of the town of Ludlow, Mass. The following is the program of the day, the history of the town of Ludlow, and my remarks at that event:

LUDLOW, MASS., BICENTENNIAL INCORPORATION DAY, FEBRUARY 28, 1974, LUDLOW HIGH SCHOOL

### INCORPORATION DAY COMMITTEE

James Saloio, Chairman, Joseph Andreis, Helen Lemek, James Martin, Hazel Morton, Nel Sunter.

Luncheon Arrangements: Helen Lemek, Nel Sunter, Hazel Morton.

Historical Research, Photography, and Programs: James Martin.

Technical Arrangements, Audio and Video Taping: Joseph Andreis.

Piano Accompanist: Helen Lake, Class of '76.

Band Director: Mr. Royce Layman.

Choral Director: Mr. Gregory Wrinn.

The Committee wishes to thank Mr. Herbert L. McChesney, Chairman of the History Book Committee, for his assistance in compiling historical data and photographs. Also, we wish to express our gratitude to Mrs.

Helen Bello and to Mr. John Hurley, Principal of Ludlow High School.

### PROGRAM

Invocation.

"The Star Spangled Banner" (F. S. Key), Ludlow High School Band.

Address of Welcome: Mr. Robert Koss, Chairman, Board of Selectmen.

Town Charter: Marian Andre, Class of 1974, President, L.H.S. Student Council.

"The Last Words of David" (R. Thompson), Ludlow High School Concert Choir, Introduction by Melanie Miller, President, Class of 1974.

Historic address and slide presentation: Mr. James Martin, President, Ludlow Education Association.

Introduction of guests: Mr. James Saloio, Chairman, Incorporation Day Committee.

Main address, The Honorable Edward P. Boland, United States Congressman.

"The Battle Hymn of the Republic" (J. W. Howe), Ludlow High School Band.

The bicentennial year: Mr. Rene Bousquet, Chairman, Town Bicentennial Committee.

Presentation: John F. X. Davoren, Secretary of the Commonwealth.

Concluding message: David Marini, Class of '74, Student Advisory Board.

"The Lord Bless You and Keep You" (P. Lutkin), Ludlow High School Concert Choir.

### USHERS

Dolly Bloodworth, Donna Carneiro, Janice Dias, William Golden, Pam Goodreau, Daniel Hennessy, David Hennessy, Michelle Koscher, David LaFortune, Richard L'Heureux, Kathy Martins, Anna Miranda, William Rooney, Drew Strong, Pam Sousa, Laurie Thompson, and Bruce Wilson.

### LUDLOW HIGH SCHOOL MEDIA CLUB

Special Effects: Thomas Belisle.

Video Recording: Steven Kuchyt.

Audio Control: William Methot.

Audio Communications: William Peacey and Rory Gauthier.

Cameramen: Gary Ciempa, Michael Lipscomb, and Michael Murray.

Production Supervisors: Marie Falconer, Deborah Dinnie, and Mary Murray.

Faculty Advisor: Mr. Joseph Andreis.

The video-taping of this program is a Ludlow High School Media Presentation.

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## HISTORICAL ADDRESS: A SURVEY OF THE HISTORY OF LUDLOW, MASSACHUSETTS

(By James L. Martin)

The name of our town of Ludlow is not an uncommon one in the United States. About ten other states have towns bearing the same name.[*]

Where Ludlow gets its name is not certain. The town could have been named after Sir Edmund Ludlow, a fifteenth century British republican leader; or perhaps after Roger Ludlow, a prominent New England citizen and candidate for the governorship of the Massachusetts Bay Colony in 1634, until he later retired to Southern Connecticut where, today, a Bridgeport high school bears his name.

It is very likely that our town takes its name from Ludlow, Shropshire, England, a small market town famous for its eleventh century royal castle.

In a letter, dated December 21, 1874, John Adney, Mayor of Ludlow, England, explains that the word Ludlow may signify in the medieval Saxon language, "the grave or burial hill of the people."

Before its incorporation, Ludlow was part of the township of Springfield, a large parcel of land granted to William Pynchon by the British Crown. At the time, the Ludlow area was referred to as the Outward Commons, the Cow Pasture, Mineachogue, or Stony Hill.

The earliest settler in Stony Hill, its most popular name, was perhaps Aaron Colton, whose home was situated on a bluff, just above the Chicopee River. Other settlers prior to 1751 include James Sheldon, Shem Chapin, Benjamin Sikes, and Abel Bliss. Of course for years, members of the Agawam Indian tribe lived in this area before the advent of the white man.

Another one of the first settlers was Captain Joseph Miller who came with his family from West Springfield and pitched his tent on the banks of the Chicopee River, along the falls of Chicuepe or Wallamanumps, the Indian names given to that part of the river near the present Ludlow Bridge. Captain Miller later settled near the present North Wilbraham Bridge, near the home of Aaron Colton.

The fourteen-mile trip through the wilderness from West Springfield to Stony Hill was considered so hazardous that friends of Captain Miller in West Springfield mourned his death even before his departure, knowing full well that he might never survive the dangers of such a long journey!

Towards the end of the eighteenth century, the Alden family settled in Ludlow. Members of this family are direct descendants of John Alden and his wife, Priscilla, early Puritans from Plymouth, Massachusetts, who had come over on the "Mayflower."

The population of the area was approximately two hundred when Stony Hill petitioned the Massachusetts Bay Colony for its own town charter. At that time, in the year 1774, the king of England, George III, desired to better control the colonies by reducing the representative power of towns. Ludlow was therefore one of the communities incorporated as a district. This gave Ludlow all the rights and privileges of a town, except that of sending a representative to the Colonial Assembly. In 1775, the General Court of the colony passed an act declaring that all districts would henceforth be designated as towns, and that they would have equal privileges, especially that of representation.

On March 16, 1774, the first town meeting was held at the home of Abner Hitchcock, the main order of business being the election of the town officers.

At the second town meeting, held a few weeks later, it was voted to secure the services of a minister for the town. The same meeting, concerned with the practical aspects of town government, also voted that hogs would be allowed to run freely on the town commons!

The third town meeting was concerned with setting up a committee to find the geographical center of the town for the purpose of constructing a meeting house. Nine years passed before the actual construction of the building was undertaken, probably due to the lack of funds and of able-bodied young men to help in the project. The Revolutionary War taxed the colonists severely, and one-seventh of the town's population (or about thirty men) were engaged in the American Revolutionary Army.

The growth of Ludlow during its first decade was relatively slow due to the effects of the war. An embargo on goods being shipped into Boston Harbor was enforced after the Boston Tea Party—at which it is said Dr. Aaron J. Miller of Ludlow was present. People were also reluctant to settle in wilderness areas such as Ludlow, preferring to remain in the relative safety of the villages.

At the time of Shay's Rebellion in 1787, Daniel Shays, in an attack on the Springfield Armory, passed through Ludlow, spending the evening with his troops at Fuller's Tavern, near the present intersection of Center and Lyons Streets. Three men from Ludlow took part in this rebellion. One of them, Isaiah Call, was later killed on passing through South Hadley.

In 1789, the first church was established and, in 1793, the Rev. Antipas Steward was ordained as the first permanent minister. Services were held in the town meeting house until a church building was constructed in 1841. In 1859, this building was destroyed by fire and immediately replaced by the present structure in Ludlow Center.

In 1812, Benjamin Jencks of Rhode Island came to Ludlow and decided to build a dam and a small textile mill along the Chicopee River. He had already rejected the idea of settling in Rochester, New York, because of the numerous Mohawk Indians which inhabited that region. The area of Ludlow nearest the river, or Ludlow Village, became known as Jenksville.

The War of 1812 called thirteen men from Ludlow. Two of these men deserted their ranks and hid themselves in their homes to avoid going off to this unpopular war.

Between 1846 and 1848, Joseph Rood was wounded during the Mexican War and was the only Ludlow resident known to have taken part in that battle.

About 120 men, or one-tenth of the population of Ludlow, fought in the Civil War. Captain Henry A. Hubbard commanded the Ludlow company, and was among the sixteen Ludlowites who died either on the battlefields, in the infirmaries, or in the infamous southern prison at Andersonville.

The availability of water power, including the falls at the Chicopee River, accounted for a large number of small mills located in Ludlow. Some of the major products from these operations included glass, lumber, chairs, textiles, and scythes.

In 1821, the proprietors of the Jenks mill organized as the Springfield Manufacturing Company which set up looms and began the manufacture of wool and cotton fabrics. Between 1848 and 1856, the company went into receivership. After some years of uncertainty, the Ludlow Manufacturing Company was formed when Charles Hubbard bought the mill property and moved his company, the Boston Flax Mills, from East Braintree, Massachusetts.

Since its establishment in 1868, the Ludlow Manufacturing Company has remained for many years as the most dominating force in the growth of Ludlow. Its most important operation was the manufacture of yarn, twine, bagging, and webbing from the raw material, jute. By 1919, the Ludlow Jute Company was operating at Chengail, India, to supply the Ludlow mills with quality material.

It is interesting when one notes the number of unique services that the Ludlow Manufacturing Associates, as it was later termed, rendered to its employees in the areas of education, health, and recreation. In later years, many of their facilities were turned over to the town. These include the Stevens Memorial Building (home of the Ludlow Boys' and Girls' Clubs), the Ludlow Hospital, the first town library,[1] the first modern school building, Whitney Street Park, and Memorial Park. The mills also built many homes which still stand throughout the town. The homes in Park Place, around the library, were constructed for their executives. The business block on lower East Street was constructed by the L.M.A. in 1901. The town also benefited from the work that the mills did in the area of public utilities and street construction.

The Ludlow Manufacturing Associates contributed greatly in populating the town by recruiting many Scotch, French Canadians, Italians, Polish, and Portuguese to become mill operatives. One of the results of this move was the construction of the town's first Catholic church. St. John the Baptist

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[*] Other states include California, Illinois, Indiana, Iowa, Kentucky, Mississippi, Ohio, Pennsylvania, and Vermont. Also, New Brunswick, Canada, and Ludlowville, New York.

[1] The L.M.A. had donated some 1,500 volumes which were later housed in the present library building which was given to the town by the Hubbard family.

Church was completed in 1906 to serve the needs of the town's French-speaking population. It was not until the 1940's that the Polish, Italians, and Portuguese completed the construction of their respective church buildings. In recent years, a Ukrainian Catholic church has also been built.

In addition to the First Congregational Church at Ludlow Center, the town has seen the construction of three additional Protestant houses of worship: the Methodist, Union, and Episcopal churches.

In 1882, the town was divided into ten different school districts, each with its own one-room school house. This system was abolished sixty years later when, in 1883, the Ludlow Manufacturing Company built a six-room school on Chestnut Street. This building was used to house all grade levels. Due to overcrowding, the nearby Masonic Hall was used to house 250 additional pupils. The Cole and Primary buildings were built in 1901 and 1907, respectively. In 1910, a new high school was built, with an addition being added in 1926. This building now houses the present junior high school. East Street School was built in 1923, and the other school buildings followed at different times after 1959. This was of course due to the fact that the town saw its population doubling between the years 1950 and 1970.

One of the earliest concerns of the settlers of Ludlow was the construction of bridges. The earliest bridge over the Chicopee River at the falls was built in 1794. This was the first Put's Bridge, named for Eli Putnam. In 1812, the Cooley Bridge replaced the original until it was worn out or carried away and replaced in 1822 by the second Put's Bridge, a replica of which stands today. An iron bridge followed in 1897 until it was replaced by the present bridge constructed in the 1930's.

Between 1873 and 1874, the Ludlow Reservoir was formed by rechannelling three brooks in order to form this large body of water. In 1888, the Ludlow Savings Bank was estabilshed; and in 1910, the first regularly organized Fire Department was voted by the Board of Selectmen.

Over four hundred men from Ludlow served in the armed services during World War I, with 15 deaths recorded. In the second World War, forty-six men from Ludlow were killed, out of the 1,416 who served. Three men died in the Korean War; and 250 Ludlow men fought in Vietnam, with two deaths unofficially reported.

It is interesting to follow the transition of Ludlow over the past two hundred years. Beginning as a strictly agricultural community, it rapidly changed into a mill town, due to the abundance of water power. Over the years, economic and social conditions changed the town from a manufacturing center to a primarily residential community with some light industry.

We wonder today what effect the conditions we are now experiencing will have on the Ludlow of the future, and how our descendants will look back at the next one hundred years when they celebrate Incorporation Day in the year 2074.

### CONCLUSION

The following quote was taken from the conclusion of the Historical Address delivered one hundred years ago at the town's centennial celebration:

Taking the progress of the past as a measure, with so much already done, and the prospects ever brightening, what will not another century do? Who says the world does not move? It does, and the possibilities for the future, imagination fails to reach. The people that will live in 1974, on these hills and plains, and in these valleys, shall see the wilderness become as fruitful fields, the fields pleasant gardens, and quietness and assurance be theirs forever. While we do not expect to be present at the Bi-centennial they will celebrate, we send them happy greetings across the intervening space of the century to come.

We would like, today, to thank our forefathers for their one hundred year old greeting, and to extend our best wishes to the inhabitants of Ludlow in the year 2074 when they will celebrate the town's Tri-centennial. We hope that the century which separates us will bring them a life of peace and happiness, and that they too will enjoy Ludlow over the past two hundred years.

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### Address of Hon. Edward P. Boland

Mr. Chairman, distinguished guests Secretary Davoren, Senator Zarod, Representative Chumura, Selectman Koss, members of the Bicentennial Committee, students, faculty of Ludlow High School.

I am particularly pleased to join with you this morning in celebrating the incorporation of Ludlow, two-hundred years ago. I say particularly, because I note from the town history that Ludlow was originally incorporated as a district, instead of a town.

The distinction, as you may know, had to do with the right of the incorporated area to send representatives to the colonial assembly in Boston. A town could send its elected delegation; a district could not. For someone in my line of business, it was an unhappy state of affairs.

The colonial authorities of the day apparently felt that the best way to control the increasingly rebellious flow of disgruntled delegates to Boston was to limit the number of delegates. So Ludlow began its history as a separate unit of government without the most important prerequisite of government—representation in the halls of the legislature.

Today, that state of affairs has been corrected. I hope that my presence here today stands as living proof of that.

And, just as the American Revolution helped to reverse that wrong, soon after the incorporation of Ludlow, so the 200th anniversary of the revolution is only just around the corner for all of us who are celebrating the bicentennial of Ludlow here today.

The birth of our nation was a particularly fierce one—as befitting the experiment in radical ideology that it represented. Think of it—the idea that a group of colonists, scattered up and down the seaboard of a huge and largely undiscovered continent, should come together in forming a nation which would guarantee "life, liberty and the pursuit of happiness" to all who might seek refuge in their midst.

It was a staggering experiment in 1776. Adjectives like radical, revolutionary, liberationist, and guerrilla were no doubt employed by its critics.

Those words still have the force of political outrage in American society two-hundred years later, but they serve as a reminder of what the United States continues to mean today.

You know, when speaking of the bicentennial celebration which we are now fast approaching, people often mention the struggle through which this country has gone just to stay in one piece—the wars for independence, our civil war, the recent world wars and Vietnam.

They speak of teapot dome and they talk of Watergate. What they seem to be doing, is picking out the highlights.

The only trouble with this technique is that it often gives you the impression that these are the peaks—towering over the plains of peace and uneventful prosperity.

The truth is—that our national history viewed as a graph—resembles an almost constant plateau of high points.

Conflict and controversy have been and will continue to be the underlying characteristics of our society. They represent the usual state of affairs in society, not the unusual.

Managing crises, constitutes the conduct of business as usual, in this country. If we subscribe generally to a conservative tradition, what we are conserving is quite radical in nature.

Listen to what Alistair Cook has to say about "America", in the closing paragraphs of his book by that name:

"What is fiercely in dispute, between the Communist and non-Communist nations today, is the quality and staying power of American civilization. Every other country scorns American materialism, while striving, in every big and little way to match it."

"Envy obviously has something to do with it. But there is a true basis for this debate, and it is whether America is in its ascendant or its decline."

"I myself, think I recognize here, several of the symptoms, that Edward Gibbon maintained were signs of the decline of Rome, and which arose, not from external enemies, but from inside the country itself."

"A mounting love of show and luxury—a widening gap between the very rich and the very poor—an obsession with sex—freakishness in the arts masquerading as originality, and enthusiasm pretending to creativeness."

"As for the rage to believe that we have found the secret of liberty in general permissiveness from the cradle on, this seems to me—disastrous sentimentality—which, whatever liberties it sets loose, loosens also the cement that alone can bind any society into a stable compound—a code of obeyed taboos."

"I can only recall the saying of a wise Frenchman that 'Liberty is the luxury of self-discipline.' "

"Historically those peoples that did not discipline themselves, had discipline thrust on them from the outside. That is why the normal cycle of great nations has been first, a powerful tyranny broken by revolt, the enjoyment of liberty—the abuse of liberty—and back to tyranny again."

"As I see it, in this country—the race is on between its decadence and its vitality."

"There is, too, the general desire to live off the state, whether it is a junkie on welfare, or an airline subsidized by the Government: In a word, the notion that Washington—Big Daddy—will provide."

"And, most disturbing of all, the developing moral numbness to vulgarity, violence, and the assault on the simplest human decencies."

"Yet, the original institutions of this country still have great vitality: the Republic can be kept, but only if we care to keep it."

"I find it impossible to believe that a nation that produced such dogged and ingenious humans as Jefferson, and Eli Whitney, John Deere and Ford, Kettering and Oppenheimer and Edison and Franklin, is going to sit back and let the worst happen."

The theme that Cook presents to us—is that of great possibilities—great expectations if you will—confronted with great challenges.

As he points out, a sort of self-discipline is required to achieve the former, while meeting the latter.

My message to you today is that the possibilities, and the problems, are of a very similar magnitude today, as they were nearly two-hundred years ago.

The men and women of Ludlow, who lived through the Revolutionary War, would have found equal challenges during the Vietnam War. In many ways, the latter conflict offered more potential for internal dissension, than the former.

For as this country has grown and expanded, the growing pains have produced conflicts among its citizens—more dangerous than any external threat.

This is why the wisdom of the founding fathers in forging our Constitution, still stands us in such good stead. They anticipated that groups with fundamentally opposed positions would grow, clash, diminish and merge across the whole panorama of our society—in politics, religion, business and society.

And that instrument which kept the Nation on a more or less even keel, despite its segregationists, and secessionists, its know-nothings and its jingoists, has been our Constitution.

In the quote of Alistair Cook's that I just read to you, he speaks of discipline. What he is trying to get across is the idea that for every right there is a duty, for every privilege—a license.

That is a theme that, until recently, was not heavily emphasized in our society of the seventies. To express it, left one open to suspicion that you were trying to limit someone else's freedom of expression.

In a sense you might have epitomized the national attitude in the phrase, 'anything goes' or 'whatever grabs you.'

The attitude behind all this seemed to be that any action was permissible—as long as it did not hurt anyone else.

The only trouble with this philosophy is that nearly everyone's idea of what is harmful to his neighbor, will most often differ from his neighbor's attitude on that subject.

Watergate has helped to change the direction that our national consciousness has been taking. As the lives of successful and eminently placed men were picked apart before the Nation by the Senate subcommittee, people began to see—perhaps for the first time—how clearly and directly the partisan and self-interest motivations of these men resembled their all-too-familiar attitudes.

So often, in the beginning I heard people say, "What bunglers," or "How could those fools have gotten in a position to make such decisions?". But as public perception of these scandals deepened, I sensed a deep feeling of moral outrage developing.

I think the principal reason for this was that the citizens began to realize that these people apparently regarded our laws—the constitution—as a stumbling block, rather than as a framework within which to operate.

It became evident that it was the policies of their superiors that guided their actions, not the principles that underlie the balance of powers.

We are all aware—believe me, I more than most—that these scandals have created a crisis of trust.

Trust in the integrity of our governmental system—and in those who operate it—is the foundation of this country.

That is why it is so important that this trust be re-affirmed, strengthened more than before as we celebrate this bicentennial, and as we prepare for the national bicentennial.

The value of a document like our constitution—which is unique in the world—is only so great as the trust that our citizens place in it.

If they are not convinced that it can protect them, then it will not be able to do so. You all remember Benjamin Franklin's saying. "We must all hang together or we will hang separately."

He was talking about presenting a common front to their enemies. That kind of spirit was essential for the colonists if they were going to have any success in battling the more numerous and better equipped British.

That was what the Spirit of '76 was all about. It somehow helped the ragtag army at Valley Forge live through a bitter winter and emerge a more effective fighting force.

It is this kind of commitment and discipline that can take this country through several hundred more years.

The power of this spirit throughout the two-hundred years we have completed as a Nation, is that despite the raging controversies that have divided and subdivided the many strains and nationalities of our population—there was a consciousness of the Nation that always provided limits beyond which it was in everyone's interest not to reach.

National unity has been our strength from July 4, 1776. It can be our salvation in 1976.

But it can only be our salvation if we as individuals continue to see ourselves as part of the larger picture.

Some of you feel that this often means being only one car in a giant gas line but the unspoken law that keeps every car in its place and discourages those who might try to cut into the line are the most important weapons we have in combating our problems—whether they be the energy crisis, foreign wars, etc.

Trust in the system—as a way of changing things—as well as an appreciation of the obligations and rights of everyone under law have always distinguished Americans in the past.

It has worked well for us, because the laws which our Founding Fathers forged, have been proven worthy of the tests, that they have gone through.

Our Nation can continue to prosper, and to serve its citizens well, as long as we as people continue to extend faith in the principles and processes of government that have brought us this far.

Other nations will call us politically naive, as they have in the past. It's true: We are genuinely shocked as a nation when scandals are uncovered or national trust is betrayed.

Faith in each other—"all hanging together", brought us this far. It can do that, and much more, if we continue our dedication and reliance upon the "self-evident truths", that started it all off some two-hundred years ago.

I think it's worth it, but as I said it's up to all of us. Thank you.

Following the above remarks, I presented a pewter plate with the seal of the United States of America to Mr. James Saloio, chairman of the Incorporation Day Committee.

Miss Melanie Miller, president of the class of 1974 of Ludlow High School, has received a flag which was flown over the Capitol on Ludlow's Bicentennial Incorporation Day.

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## A CRISIS BECOMES A SERIOUS PROBLEM BUT, FOR SOME, REMAINS A CRISIS

### HON. HOWARD W. ROBISON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. ROBISON of New York. Mr. Speaker, some weeks ago I introduced H.R. 12843, a bill to authorize short-term, low-interest loans to small businessmen for operating-expense purposes where they could show direct and substantial economic hardships resulting from the impact of the energy crisis on their enterprises.

My proposal was not tailored to meet the need of any particular, specific segment of the small business community—in these regards—but it did subsequently attract rather widespread interest on the part of retail automobile dealers and undoubtedly so because, while many private ventures have sustained severe economic damage from the so-called energy crisis, as the article I will include with these remarks in a moment points up, there is a strong prospect that the gasoline shortage and public reaction thereto will, among other things, result in as high as a 25-percent rate of auto dealer closings in 1974.

Given the fact that most of such dealerships would fall into the small business category, any such a closure rate would seem to be near-catastrophic for this important and, from the standpoint of public service, essential portion of our Nation's small business community. It is apparent that the automobile manufacturers are rolling with the punch, so to speak, of the energy crisis, and making some perhaps long-needed adjustments to the facts of life in what looks like a rather long period ahead of various fuel and energy shortages. The manufacturers are big enough—and financially strong enough—to so adjust and survive. But, unless they also wish to eventually control more and more of the automobile business—from factory gate to the sales and service end of the whole operation—it would certainly appear as if the retail auto dealers, or at least a good many of the smaller ones of the type that serve congressional districts like mine, are going to need some sort of help to keep their doors open.

It seems to me that we, the public, and the manufacturers, as well, have taken these kind of dealers for granted—as places where we could not only shop for new and used cars, but could also look for the kind of regular auto service and maintenance that keeps the mobile population we are on the road. These dealers have had their periodic ups and downs, but I do not really know what we—or the manufacturers—would do without them. Where, for instance, would we take our cars for necessary corrections when, in the interests of their safe operation, one of the manufacturers had to recall several hundred thousand models for so-called factory adjustment? And just who would the manufacturers use for that all-essential "customer relations" job of readying new cars for actual use—fixing sticky windows, adjusting faulty ignition systems, handling basic car purchase financing arrangements along with the inevitable customer complaint, and the like?

I know the manufacturers have had their own energy-related problems, and have had to focus on them—as the subsequent article points out—but I do remain somewhat disappointed by their apparent lack of concern over, and regard for, their essential retail outlets' own economic distress. In point of fact, some weeks ago I also wrote to the president of General Motors, that one-third of the so-called "Big Three" which seems to have been especially hit by the advent of the "small car" consumer interest, calling his attention to the plight of small business GM dealers in my district. I have to assume he must have considered my inquiry none of my proper business, since I have yet to receive a reply, though a recent newsstory suggests that GMAC—which handles a good share of the small dealer's biggest financial problem of the moment, which is car-plan interest payments—has begun to help out troubled dealers on what is described as a selective basis.

Well, Mr. Speaker, I readily admit that my legislative proposal is far from perfect—and I also state I am not wedded to it. In point of fact, the thoughtful letter I received—following its introduction—from Chairman PATMAN, of the Banking and Currency Committee, pointed out some of the problems with any such approach, notably the possible very high cost of any such loan effort unless the same could, somehow, be kept within proper bounds since we, obviously, are talking about far more parts of the small-business comunity, when it comes to adverse effects of the energy crisis, than just retail auto dealers.

Nevertheless, there is a clear economic problem here that needs to be addressed in some responsible fashion—and, as I see it, the only way to begin is to begin hearings into my proposal, and Mr. PATMAN's own comparable one along with the several others that have been introduced, to see what, if anything, can be worked out. The need is, of course, for responsible action. But the need is, also, for action—now—since, even if the energy crisis is now only a serious problem for most of us, for a few others it remains close to a catastrophe.

The article I had reference to, and now include, is entitled "Auto Dealers, Caught in Embargo Vortex, Fight To Stay Alive," and is taken from the March 13 edition of Christian Science Monitor:

### AUTO DEALERS, CAUGHT IN EMBARGO VORTEX, FIGHT TO STAY AFLOAT

(By Charles E. Dole)

The timing could not have been more ironic.

In the midst of the energy squeeze—and with big-car sales scraping bottom—Robert W. Pierce and his son were opening their spanking-new dealership in Pawtucket, R.I.

Cost of the new Buick-Chevrolet facility: $1.7 million.

Cutting the ribbon was Edward M. Cole, the soon-to-retire president of the world's biggest auto conglomerate, General Motors.

"At this unsettled period," said Mr. Cole, "when more people seem to be bearish than bullish, these two men are betting about $1.7 million on the future of the auto industry and this community."

Then he added: "In my book, that is a good bet."

Nationwide, the big-car picture is far from bright. On Jan. 1, standard-car inventory in dealerships from coast to coast stood at an estimated 114-day supply, according to Automotive News, trade paper for the industry.

On Feb. 1, the supply had risen to 131 days. Although the figures are not yet out, they were believed to be down a mite on March 1.

Dealers are troubled; so are the manufacturers.

What are they doing about it?

"At this point," says one viewer of the automotive scene, "it isn't so much that the dealers have done anything to move the cars than that the factories themselves are cutting back sharply on the production of big cars."

There are sporadic efforts all over the U.S. by dealers and automakers alike to pump up interest in the standard-size cars, such as newspaper and TV ads and occasional dealership spectaculars, but no firm figures can be found to show that these campaigns work very well.

The pitch: Don't panic and buy a little car that you won't be happy with.

Prices are being slashed just to get rid of the big-size cars."

Mr. Cole says: "We think the big car is an excellent value today because it can be bought at a very good price." In fact, Mr. Cole insisted in Pawtucket that the standard car is still the choice of the American car buyer.

"I have great doubt that the individual is going to change his life-style and his standard of transportation if this energy bind can be solved," he declared. "And I think it's solvable."

Yet no matter how much the industry talks up the big car, when the motorist goes by a gas station and sees a two-block line, he's going to believe his eyes and not what he reads.

In an effort to meet the dramatic switch in customer buying habits which followed the Arab oil embargo last fall, automakers are pulling all stops in shifting big-car plants to much-in-demand smaller cars and are spending hundreds of millions of dollars in the process.

Also, tens of thousands of auto workers have either been laid off indefinitely or are on temporary furlough. Entire shifts have been dropped, such as at the GM plant in Framingham, Mass., which builds intermediate-size cars for Buick, Oldsmobile, and Pontiac.

This week, for example, there are many furloughs in effect—that is, workers who have been laid off for a week or more.

Even booming American Motors, perhaps the only solid beneficiary of the gas-pump squeeze because of its heavy emphasis on small-car production, is laying off workers at its Ambassador plant, the second, just announced this week, Affected in the latest downturn are 3,000 workers.

Automakers also are offering extra-large bonus incentives to car dealers to help them push the leftover '73-model standard-size cars out the door. Chrysler, for example, pays a dealer up to $500 in bonuses on all C-body cars—Chrysler, Imperial, Plymouth Fury, and Dodge Polara and Monaco—if he exceeds his sales objective by a stated percentage.

Other manufacturers run their own versions of the bonus plan.

Every year, as new models are introduced in the fall, there are leftover cars to be sold, but never like this before. The volumes were enormous. With the start of the Arab oil embargo last autumn, a large class of cars became quickly almost unsalable—the big ones.

And to the lament of the industry, this happened right at the time that the new models were introduced.

Car dealers, meanwhile, have slashed their crews, including those up front, the salesmen, as well as peripheral workers, the boys who jockey the cars around the lots, run errands, etc.

Some dealerships have whacked away at salaries, anything to cut back overhead. Car-planning—the cost of financing the inventory of cars—grinds on.

Many dealers are trying to cut back on new cars in stock by not taking more cars than they reasonably can sell. Yet it is common practice for an automaker to require a dealership to take a certain number of hard-to-unload cars in order to get the good sellers, the smaller-size cars.

Many dealers readily admit that sales are way down. A Boston-area Chrysler dealer laments that sales are down 50 percent or more. GM dealers are especially hard hit because of GM's orientation toward the big end of the industry.

#### CATASTROPHIC PROSPECTS

Are car dealers going out of business in a larger volume than usual? There is always a turnover in dealerships but the prospects now are catastrophic, say some prognosticators on the scene.

John Hinckley, former president of the National Automobile Dealers Association, said in January that if things kept on the way they were going at that time, he would not be surprised to see a 25 percent rate of dealer closings in 1974.

Reed T. Draper, head of the NADA government relations committee, puts the figure at around 1,000. There are about 25,000 domestic dealerships in the U.S.

Despite the noticeable shift in car-buying habits during the past few months, carmakers insist that any permanent change in the future will follow an evolutionary line and not a revolutionary one.

Out of some 110 million cars now in the U.S. population, some 70 percent of them are full-size cars.

What Mr. Cole is looking for is a rise in multicar families in the United States. About 23 percent of all families now own more than one car.

"We're seeing a shift to more multicar families already," reports the GM president. "People are not trading in their big cars but are buying smaller ones just the same," he says. "A year ago some 60 percent of all Vegas sold had trades; today we see less than 25 percent with trades."

Some of them, he admits, may be waiting for a better price before selling the big used car.

GM has largely been centered in big cars and last year this was a good strategy because an automaker can make more money on a big car with its high-cost options than it can on a little car.

But now, all of a sudden, GM is trying to up its small-car capacity.

Automakers also are looking toward the future with a new line of subcompacts in the offing. GM, Ford, and Chrysler are all expected to field some brand-new small-small cars within the next two to three years. Ford is unveilling two new compacts in the fall, one for the Ford division and the other for the Lincoln-Mercury division.

The Ford Granada will join the Pinto, Mustang II, and Maverick in Ford's small-car lineup. The Mercury Monarch joins Capri and Comet.

Ford president Lee A. Iacocca says the company will have a small-car capacity of 2 million units a year with the start of 1975-model production next summer, a doubling of its capacity in one year.

Will the standard-size car of, say, 1980 be smaller than the full-size car of 1974?

Mr. Cole sees the big GM cars getting smaller but not much smaller. "I do say that we are going to employ some new technology and try to make the car possibly as functional as it is today but we may use new materials to make that function more efficient."

He adds: "The size can come down some. But one thing you have to remember, the size of the car has a direct relation to its safety. The more space you have available in a car the higher intensity of collision a person can survive."

William P. Benton, head of the Lincoln-Mercury division, says:

"The big Lincoln no doubt will be smaller by the end of the decade. But that was going to happen before the fuel situation came about."

Meanwhile, automakers and car dealers watch and wonder.

"The bench mark to watch," confides an automotive source, "is the day that Cadillac puts in a sales-incentive program. If that happens, you can grab your hat and run for high ground."

In other words, if GM's top-line carmaker makes that kind of a move—discounting the merchandise, as it were—the domestic car industry is in real tough shape.

And that hasn't happened yet, say the carmakers.

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## CYRUS EATON ON CUBA—NO. 3

## HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. STOKES. Mr. Speaker, recently I have submitted to the RECORD several reports on Mr. Cyrus Eaton's message to America following his visit to Cuba.

Today I submit another perspective on this distinguished American's mission to help reconcile the differences between our country and revolutionary Cuba:

[From the Kansas City Star, Mar. 9, 1974]

### TIME TO FORGE U.S.-CUBAN TIES, CYRUS EATON BELIEVES

(By Thomas J. Bogdon)

CLEVELAND.—Few Americans still remember the sinking of the U.S. battleship Maine Feb. 15, 1898, in Havana Harbor, setting off the Spanish-American War. Fewer still visited Cuba last month, a trip that since the early 1960s has been listed as "unauthorized" by the State Department.

Cyrus S. Eaton, the Canadian-born Cleveland industrialist, qualifies on both counts. At 90, Eaton is attempting to promote improved relations with Fidel Castro's Cuba just as he searched for a settlement to the Vietnam War and attempted to bring the U.S. and the Soviet Union closer together in the depths of the Cold War.

"When I was a boy in Nova Scotia," Eaton recalled this week, "my father was postmaster, among other things, and the American newspapers came into the postoffice every day—the Boston Transcript, the Providence Journal and Mr. Hearst's Boston American.

"Hearst made the public believe the 'Maine' was sunk by orders of the Spanish. 'Remember the Maine' was the slogan everywhere. Hearst got the United States to declare war on Spain and throw her out (of Cuba). Teddy Roosevelt came into fame by leading the Rough Riders."

Eaton's version of more recent relations between the U.S. and Cuba was equally biting during a 2-hour interview in his richly-paneled office on the 36th floor of the Terminal Tower here.

Eaton, chairman emeritus of Chessie System, Inc., a recently formed combination of the Chesapeake & Ohio and the Baltimore & Ohio railroads, reportedly is worth more than $100 million. His other credentials as a capitalist including holdings in many companies, including the Kansas City Power & Light Co. He claims to have known every U.S. president since McKinley and serves on the board of the Harry S. Truman Institute in Independence, Mo.

But he also holds the Lenin Peace Prize and received personal greetings on his 90th birthday in December from Leonid Brezhnev, the Soviet party leader. Other reminders of his friendship with communist countries are on the office walls: oil paintings given to him by leaders of the Soviet Union, Czechoslovakia, Poland, Romania and Hungary.

During the week-long visit to Cuba last month, Eaton met with Prime Minister Castro, Carlos Rafael Rodriguez, vice prime minister and minister of foreign affairs, President Osvaldo Dorticos and Jose Fernandez, minister of education.

Eaton said he also spent a day with Raul Castro, the prime minister's brother and chief of the armed forces, inspecting agricultural facilities in the Cuban countryside about 75 miles from Havana.

The industrialist said he also left Cuba with the conviction that Castro wants to reestablish relations with the U.S. but that the first move had to come from the U.S., which Eaton termed the "colossus to the north."

"If Nixon or Kissinger would sit down with him (Castro) for a couple of days they could work out a settlement," Eaton said.

But if the initiative came from Castro, Eaton said, it could be interpreted as a sign of weakness. Thirteen years after the Bay of Pigs invasion Castro is not weak, Eaton said, partly because Cuba is more prosperous and stable and partly because of "enormous" support from communist countries around the world.

Eaton said the economic blockade imposed just before the Cuban missile crisis in 1962 had been ineffective since it was regularly ignored by most Latin American countries and by Canada and Mexico. He said the blockade should be terminated, as was proposed in Congress in December by Sen. Claiborne Pell (D-R.I.) and Rep. Michael J. Harrington (D-Mass.).

Asked whom he blamed for current and pasts hostility between the U.S. and Cuba, Eaton said the State Department, the Pentagon and the White House had been against Castro since he seized power in 1959, even though the preceding regime had been corrupt.

"The blame is mainly in Washington," Eaton said. "First we were supporting Batista, who was probably the greatest thief who ever lived. There was a revolution down there that made him flee the country, and we refused to go along with Castro.

"He came to see me because I had substantial interests in Cuba. I met him in New York 15 years ago. He wanted to get along but the corporations that I was in and others didn't want to do business with him because it would offend the State Department, it would offend our government, and all the companies that had big business in America wouldn't dare go on. Castro wanted to have an understanding with all of us but we were afraid to."

Eaton said he asked boards of directors he served on to take a chance with Castro but because of reluctance to offend the government, the companies decided to let their properties be confiscated and take a loss.

Eaton has particular disdain for the Central Intelligence Agency, which he said plotted the abortive Bay of Pigs invasion and continues to stir up the 400,000 Cuban exiles living in Miami. Eaton said he thought it was significant that four Cubans were among the original seven Watergate defendants.

The industrialist said that while opposition to Castro undoubtedly exists among Cubans in Miami, he had been asked by influential Cubans in this country to see if there was any chance of better relations with the U.S. so that "the land of their fathers" could eventually return to normal relations with the U.S., their new home.

While he remained an avowed capitalist, Eaton said, the danger of ideological hostilities in the nuclear age and the advantages of world trade made him accept other economic and social systems, especially if they are strongly entrenched.

"Woodrow Wilson, when he made a speech right here in Cleveland, and I was with him, said he was going to make the world safe for democracy," Eaton said. "And what did he produce? Stalin, Mussolini, Hitler."

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## LEO FOSTER, ESQ., SPEAKS ON IMPEACHMENT

## HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. YOUNG of Florida. Mr. Speaker, as the controversy over interpretation of the constitutional definition of impeachment swirls around us, I would like to offer my colleagues a statement on this topic by a highly respected attorney and good friend of mine. Mr. Leo Foster, Esq., addressed the Tallahassee Bar Association on February 5 of this year, and the topic of his speech was "Impeachment—The Doctrine of Separation of Powers."

The statement follows:

It is my purpose to sketch rapidly certain outstanding phases of constitutional law. A great danger to constitutional government lies in popular misunderstanding of its precise methods and purposes. In many ways the small minority who would treat the United States Constitution as an archaic hindrance to their centralist purposes, and willingly would discard or subvert it, pose less threat than that far greater number who vocally support the Constitution but who unwittingly approve or participate in actions that tend to destroy its protective principles.

As employed in this Country, constitutional law signifies a body of rules resulting from the interpretation by a high court of a written constitutional instrument in the course of disposing of cases. The effectiveness of constitutional law as a system of restraints on governmental action in the United States, which is its primary raison d'etre, depends for the most part on the effectiveness of certain doctrines, (1) the concept of federalism, (2) the doctrine of separation of powers, (3) the concept of a government of laws, not of men, and (4) the doctrine of due process of law and attendant conceptions of liberty.

The second great structural principle of American constitutional law is supplied by the doctrine of separation of powers. The notion of three distinctive functions of government approximating what we today term, (1) the Legislative, (2) the Executive, and (3) the Judicial, is set forth in Aristotle's Politics. It was Montesquieu who, by joining the idea to the notion of a "mixed constitution" of "checks and balances," brought Aristotle's discovery to the services of the rising libertarianism of the Eighteenth Century. He contended that "men entrusted with power tend to abuse it." Hence, it was desirable to divide the powers of government, first, in order to keep to a minimum the powers lodged in any single organ of government; and secondly, in order to be able to oppose organ to organ.

The American conception of the separation of powers may be summed up in the following propositions: (1) there are three intricately distinct functions of government, the Legislative, the Executive and the Judicial; (2) these distinct functions ought to be exercised respectively by three separately manned departments of government; which (3) should be constitutionally equal and mutually independent and, finally (4) the Legislature may not delegate its powers. At least three distinct ideas have contributed to the development of the principle that legislative power cannot be delegated. One is the doctrine of the separation of powers: Why go to the trouble of separating the three powers of sovereignty if they can be straightaway remerged on their own motion? The second is the concept of due process of law. Lastly, there is the maxim of agency "delegata protestas non protest delegari" which John Locke borrowed and formulated as a dogma of political science, that is "The Federal Constitution and State Constitution of this country divide the governmental power into three branches * * * in carrying out that constitutional divesion * * * it is a breach of the national fundamental law if Congress gives up its legislative power and transfers it to the President or to the judicial branch; or if by law it attempts to invest itself or its members with either executive power or judicial power.

"The Constitution," said Charles Evans Hughes, "is what the Judges say it is." If "treason, bribery, and other high crimes and misdemeanors" and "good behavior" are what Congress says they are, and Senator Giles and his later day counterpart Congressman, now Vice President Ford, did not err in asserting that impeachable offenses are what Congress consider them to be, what will happen when one party elects all of the members of Congress—or even two-thirds? If that party is strictly disciplined as are the Communist parties, the officers of that party will be more powerful than our elected officials and the Chairman of that party could exercise all the powers of sovereignty—directly or by threats of removal and impeachment of the officers of the executive and judicial branches—and by expelling members of Congress who would not go along.

As early as September 6, 1819, Thomas Jefferson complained that the judiciary department after twenty years' confirmation of the federal system by the voice of the nation, was on every occasion still driving the nation into consolidation. He wrote from his home at Poplar Forest to Spencer Roane,

"In denying the right they usurp of exclusively explaining the Constitution, I go further than you do, if I understand rightly your quotation from the Federalist, of an opinion that "the judiciary is the last resort in relation *to the other departments* of the government, but not in relation to the rights of the parties of the compact under which the judiciary is derived." If this opinion be sound, then indeed is our Constitution a complete felo de se. For intending to establish three departments, co-ordinate and independent, that they might check and balance one another, it has given, according to this opinion, to one of them alone, the right to prescribe rules for the government of the others, and to that one too, which is unelected by, and independent of the nation. For experience has already shown that the impeachment it has provided is not even a scare-crow; that such opinions as the one you combat, sent cautiously out, as you observe also, by detachment, not belonging to the case often, but sought for out of it, as if to rally the public opinion beforehand to their views, and to indicate the line they are to walk in, have been so quietly passed over as never to have excited animadversion, even in a speech of any one of the body entrusted with impeachment. The Constitution, on this hypothesis, is a mere thing of wax in the hands of the judiciary, which they may twist and shape into any form they please. It should be remembered, as an axiom of eternal truth in politics, that whatever power in any government is independent, is absolute also; in theory only, at first, while the spirit of the people is up, but in practice, as fast as that relaxes. Independence can be trusted nowhere but with the people in mass. They are inherently independent of all but moral law. My construction of the Constitution is very different from that you quote. It is that each department is truly independent of the others, and has an equal right to decide for itself what is the meaning of the Constitution in the cases submitted to its action; and especially, where it is to act ultimately and without appeal."

The impeachment that Jefferson characterized as "not even a scare-crow" brings into play the power of one organ to remove officers of the other two organs from office on impeachment for and convictions of misdemeanors in office. Most of the state have drafted their constitutional provisions on this subject in language similar to the language of the Federal Constitution. All states but Oregon and Ohio have provisions for impeachment in their Constitutions. Slight variations exist in other states but after all is said, the basic law in them as in our State stems from the Constitution of the United States.

As there is no enumeration of offenses comprised under the term "misdemeanor in office," no little difficulty has been experienced in defining offenses in such a way that they fall within the meaning of the constitutional provision.

Impeachable offenses were not defined in England. Two theories of impeachment had evolved in English parliamentary law, (1) the Judicial, and (2) the Political theory. The Judicial is known by the fact that the law names the offense for which impeachment may be imposed, the proceedings that must be taken to effectuate it, who may institute it, who may try it and the penalty that may be imposed. It proceeds on notice and due process. It is ruled by reason, passion is suppressed, and justice should be the goal. The Political Theory proceeds on the premises that the offense on which impeachment is based may not be specified in the constitution or the statutes but that those charging and those trying it may convict for anything that is offensive to the ideals of the triers; that anything which they in their judgment evidences unfitness for holding office, whether connected with official conduct or not, cause so decide; that passion rules, reason is suppressed, and political victory is the goal. The wrongs in the Political Theory, supra, are most noticeable in some English cases where all subjects were liable to impeachment and punishment was in the discretion of the King.

Madison, whose objection lead to the insertion of the more definite phrase "high crimes of the broad construction of the impeachment and misdemeanors," was the strongest advocate powers. He argued that incapacity, negligence or perfidy of the Chief Magistrate should be ground for impeachment. In discussing the President's powers of removal he maintained that the wanton removal from office of meritorious officers would be an act of maladministration and would render the President liable to impeachment.

Hamilton thought the proceeding should never be tied down by such strict rules either in the delineation of the offenses by the prosecutors or in the construction of it by the Judges. It would thus appear that it was not the intention that the Constitution should attempt an enumeration of offenses for which an impeachment would lie.

The Framers of the Constitution in leaving out of the Constitution any provision for the removal of an official subject to impeachment did it purposely and with a view of giving stability to those who hold the offices, and especially the judges:

"Mr. Dickinson," says Elliott in his Debates on the Constitution, "moved, as an amendment to Article XI, Section 2, after the words 'good behavior,' the words, 'Provided, That they may be removed by the Executive on the application by the Senate and House of Representatives'."

This was in respect of the judges.

Mr. Gerry seconded the motion. Mr. Gouverneur Morris thought it a contradiction in terms to say that the judges should hold their offices during good behavior and yet be removable without a trial. Besides, it was fundamentally wrong to subject judges to so arbitrary an authority.

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Mr. Randolph opposed the motion as weakening too much the independence of the judges.

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Delaware alone voted for Mr. Dickinson's motion."

Says Judge Lawrence in a paper on this subject, which he filed in the Johnson impeachment case: "Impeachment was deemed sufficiently comprehensive to cover every proper case for removal.

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The first proposition was to use the words 'to be removable on impeachment and conviction for malpractice and neglect of duty.' It was agreed that these expressions were too general. They were therefore stricken out."

Mr. Mason said:

"Treason, as defined in the Constitution, will not reach many great and dangerous offenses. Hastings is not guilty of treason. Attempts to subvert the Constitution may not be treason as above defined."

He moved to insert after "bribery" the words "or maladministration."

Mr. Madison replied:

"So vague a term will be equivalent to a tenure during the pleasure of the Senate."

Mr. Mason withdrew "maladministration" and substituted "other high crimes and misdemeanors against the State."

Hinds' Precedents—Vol. 3, § 2012, pp. 329, 330 (Nature of Impeachment).

The above relatively flexible conception of misdemeanor was early replaced by a much more rigid one in consequence of Jefferson's efforts to diminish the importance of the Supreme Court, the first step in which enterprise was the impeachment in 1805 of Justice Samuel Chase. The Constitution had not contemplated the formation of political parties and while there were factions within Washington's administration it remained for the organizational genius of Thomas Jefferson to bring about partisan politics and as a result, Jefferson was elected President and his political party had commanding control of the House and Senate, but he could not control the Supreme Court either by threats or intimidation and in order to accomplish his goal of achieving supreme power the impeachment of Chase was mandatory. The theory of Chase's enemies was summed up by Jefferson's henchman, Senator Giles, of Virginia, as follows:

"Impeachment is nothing more than an inquiry by the two Houses of Congress whether the office of any public man might not be better filled by another . . . the power of impeachment was given without limitation to the House of Representatives; and the power of trying impeachments was given equally without limitation to the Senate; . . . a trial and removal of a Judge upon impeachment need not imply any criminality or coruption in him . . . but was nothing more that a declaration of Congress to this effect; you hold dangerous opinions, and if you are suffered to carry them into effect you will work the destruction of the nation. *We want your offices* for the purpose of giving them to men who will fill them better." John Quincy Adams' Memoirs, Vol. 1, pp. 321, 322 (1874).

To this theory Chase could have answered, "If this be true, the modern theories of government and the forms of civil government framed in the later periods are but solemn complicated frauds, machines for the amusement and the impoverishment of the people. If all political and judicial supervisory power is lodged in one body of men, notwithstanding the establishment which all peoples have so reverently organized under written Constitution which in terms divide the powers of government into several departments of magistracy, supposed to be created to perform the offices of adjustments and balances, then are such several departments mere cheats and shams, baubles and playthings *invented to delude* and ensnare.

"If this be so, what need of any other department than a single body of men, or indeed a single human being, covered with tinsel, whose ambrosial locks and imperious nod may dispense all power and all justice, and command the obedience of all other men; a government fashioned after that of Heaven itself, but whose Mentor is a mere piece of crumbling pottery?"

Chase's lawyers submitted the proposition that high crimes and misdemeanors meant offenses indictable at common law; and Chase's acquittal went far to affix this reading to the phrase 'til after the War between the States.

A major crisis in the history of American constitutional law had been successfully weathered and the great structural doctrine of separation of powers had survived. Had the Jefferson theory prevailed and impeachment established as being nothing more than an inquiry by the two Houses of Congress whether the office of any public man might not be better filled by another, the political party in power, with its control of Congress and the Chief Magistrate, could by threat of impeachment intimidate the judicial organ so as to diminish the importance of the Supreme Court. The political party in power would then exercise all sovereignty as does the communist party today in USSR. Chase's acquittal went far to preserve the "checks and balances" which was greatly in the public interest because men entrusted with power tend to abuse it.

But with the impeachment of President Johnson in 1867 for "high crimes and misdemeanors," the controversy was revived. Representative Bingham, leader of the House Managers of the impeachment, defined an impeachable offense as follows:

"An impeachable high crime or misdemeanor is one in its nature or consequences subversive of some fundamental or essential principle of government or highly prejudicial to the public interest, and this may consist of a violation of the Constitution, of law, of an official oath, or of duty, by an act committed or omitted, or, without violating a positive law, by the abuse of discretionary powers from improper motives or for an improper purpose."

Former Justice Benjamin R. Curtis stated the position of the defense in these words:

"My first position is, that when the Constitution speaks of 'treason, bribery, and other high crimes and misdemeanors,' it refers to, and includes only high criminal offenses against the United States, made so by some law of the United States existing when the acts complained of were done, and I say that this is plainly to be inferred from each and every provision of the Constitution on the subject of impeachment."

Trial of Andrew Johnson, I, (Government Printing Office, 1868), 147.

The issue was made. The two theories of impeachment met head on. Johnson contended for the judicial theory. The House Managers of the reconstruction Congress espoused the political theory proceeding on the premise that the offenses on which impeachment is based need not be specified in the Constitution or the Statute but that those charging and those trying it may convict for anything that is offensive to the ideals of the triers; that anything which they in their judgment evidences unfitness for holding office, whether connected with official conduct or not, is ground for impeachment; that passion rules, reason is suppressed, and political victory is the goal.

With Johnson's acquittal, the narrow view of "high crimes and misdemeanors" appeared again to win out. Doctrine of separation of powers again sustained but by only one vote in the Court of Impeachment. Two successful impeachments of lower Federal Judges in recent years have at first blush seemed to have restored something like the broader conception of the term which Madison and Hamilton endorsed, (Archbalt and Ritter), but a careful study of the proceedings will reveal that in both these instances the final result was influenced by the consideration that Judges of the United States hold office during "good behavior" and that the impeachment process is the only method indicated by the Constitution for determining whether a judge's behavior has been "good."

It is my judgment that this is what Watergate is all about. The separation of powers leaves no room for removal by a vote of no confidence and those who would treat our Constitution as an archaic hindrance to their centralist purposes and willingly would discard or subvert it have adopted impeachment as their modus operandi.

Professor Raoul Berger of Harvard in his book, "Impeachment: the Constitutional Problems," published last year argues for judicial review of impeachments. He states:

"I would urge that judicial review of impeachments is required to protect the other branches from Congress' arbitrary will. It is hardly likely that the Framers, so devoted to 'checks and balances,' who so painstakingly piled one check of Congress on another, would reject a crucial check at the nerve center of the separation of powers. They scarcely contemplated that their wise precautions must crumble when Congress dons its 'judicial' hat, that then Congress would be free to shake the other branches to their very foundations."

I respectfully submit that if we ever agree to such a proposal (which Jefferson condemned so bitterly in his letter to Spencer Roane) accomplished by a judicial fiat of an activist court or a constitutional amendment then we should insist that the name of the Supreme Court be changed to The Presidium.

Under our division of powers doctrine, national military heroes such as Marlboro, Washington, Grant and Eisenhower became useful civil servants whereas in Greece or Rome they would have become another Pericles, Sulla or Caesar.

I submit that we must preserve inviolate the separation of powers doctrine and that we should not permit it to be eroded and as Adams in his "Defense of the Constitutions of Government of the United States of America" written and published in October 1787 states and I quote:

"The whole art of government consists in combining the powers of society in such a manner, that it shall not prevail over the laws. The excellence of the Spartan and Roman constitutions lay in this; that they were mixtures which did restrain it, in some measure, for a long period, but never perfectly. Why? Because the mixture was not equal. The balance of three branches is alone adequate to this end; and one great reason is, because it gives way to human nature so far, as to determine who is the first man. Such is the constitution of men's minds, that this question, if undecided, will forever disorder the state. It is a question that must be decided, whatever blood or wounds it may occasion, in every species of gregarious animals as well as men. This point, in the triple division of power, is always determined; and this alone is a powerful argument in favour of such a form." Adams's Defense, Vol. 3, pp 410, 411.

If we abandon the separation of powers America is finished and dead.

I have seen much to hate here—much more to forgive. But in a world where America is finished and dead I do not wish to live.

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## NIXON'S CLEAN AIR ACT AMENDMENTS OF 1974 THREATEN THE PUBLIC HEALTH FROM NOW TO 1987

## HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. BROWN of California. Mr. Speaker, on March 22 the Administrator of the Environmental Protection Agency sent the Nixon administration package on dismembering the Clean Air Act to the Congress for our consideration. Much of the package has been before this body before. Some of it was accepted, and some of it was rejected during the debate on the Emergency Energy Act last December. The arguments that applied then do not necessarily apply at this time. Since the President, by his veto, demonstrated that he decided that the emergency was not serious enough for him to compromise, I respectfully submit that the Congress need not continue compromising the health and welfare of the American people by accepting the President's Clean Air Act Amendments of 1974.

My opposition to this package is based on more than my suspicions that the bulk of these proposals are not made in good faith, and are, in fact, unnecessary. It stems from my long involvement in the air pollution control battles of southern California since the 1950's. Over the years I have seen air pollution increase, year after year, and I have seen the legislation to remedy the situation proliferate. The air quality continued to deteriorate because the legislation failed to be specific. The Clean Air Act Amendments of 1970 were specific, and they finally caused people to face up to the seriousness of the problem. The solutions to the problem that were discovered are unpopular. They will require some industries to lose profits, and will cause the general public to adopt different life-styles. This we all know, yet we pretend that we can clean up the air without any serious changes in our way of life. The solution to this problem? The EPA proposes, among other things, to grant extensions of up to 5 or 10 years to the existing 1977 deadline to achieve the ambient air quality standards. This is a farce. The land use and transportation patterns of southern California must change. The fuel shortage has shown how foolish the existing growth patterns are.

The perceived willingness of the EPA to enforce the Clean Air Act was the major force behind the recent moves toward public mass transportation in southern California. We have seen the automobile manufacturers spend their time and resources in lobbying Congress for time extensions to the Clean Air Act instead of working on a clean, efficient automobile engine. This package demonstrates, with its 2-year delay of automobile emissions standards, the success of Detroit's policy. The EPA is already being considered weak and indecisive by the bodies that it is supposed to regulate. A 5- or 10-year extension in implementation plans would only invite more delays. It would also remove the positive pressure that the implementation plans have had on growth and development in the Nation. Southern California cannot wait until 1987 for clean air

Some parts of the package are so repugnant that even the EPA, which is supporting proposals which are nearly as dubious, could not support them. Yet they are part of the package, and should be considered evidence of the intent of the entire package. The two measures that the EPA could not support were the use of intermittent controls, which amounts to noncontrols of stationary sources of air pollution, and repeal of nondegradation regulations. The nondegradation issue can best be demonstrated if one were to fly from my congressional district in southern California on a normal smog-laden summer day to the desert and mountains to the east, where the air is still mostly clean and pure. This proposal would allow the area to the east to become like that of southern California.

I will stop here, having alerted this body to the nature of the administration's package. I would like to insert, for the Record, the article that appeared in the Washington Post on March 23 that described the administration's package and a second article in the same paper on the same day about the probability that the air quality in the Washington, D.C., area, will continue to deteriorate.

The articles follow:

### EPA Asks Delay in Clean-Air Rules

(By William Claiborne)

The Nixon administration asked Congress yesterday to postpone for up to 10 years clean-air deadlines for some heavily polluted cities, and to authorize the government to order electric utilities to shift from oil to coal burning furnaces.

The administration also proposed delaying for two years implementation of automobile antipollution standards, meaning that antismog limits for 1975 model cars would be acceptable for 1976 and 1977 models.

The retreat from the original standards of the 1970 Clean Air Act is needed to balance the nation's environmental and energy needs, according to Russell E. Train, administrator of the Environmental Protection Agency.

Train, who unveiled a package of Clean Air Act amendments he sent to Congress, defended the plan as adding "flexibility" to current environmental standards. But, in response to questioning, he said some of the proposals would not have been his personal choice.

In fact, Train said, he could not accept two administration proposals, one of which would revoke the law's requirement that existing clean air not be allowed to deteriorate as low as current minimum protective standards and another that would permit power plants to use anti-pollution equipment part-time when regional air pollution standards are not violated.

Train said he was sending those proposals to Congress as "issues" for debate, but not as legislative recommendations.

The legislative package—in effect a compromise between the EPA and those in the administration who sought further cutbacks in air quality standards—was greeted with mixed reaction by environmentalists.

Sen. Edmund S. Muskie (D-Maine), one of the authors and chief defenders of the Clean Air Act, credited Train with blocking some planned anti-pollution rollbacks.

He said the proposed amendments "do not do the damage to the law that some in the administration would have proposed."

Russell W. Peterson, chairman of the Council on Environmental Quality, said, "Those who don't want any changes in the law will be unhappy. On the other hand, energy suppliers who have just wanted to scuttle the whole thing will not be pleased."

A spokesman for the National Clean Air Coalition denounced the proposed amendments: "With minor reservations, the EPA today joined the rest of the industry-oriented Nixon administration in proposing unecessary weakening of the Clean Air Act."

But Train, who formerly was head of CEQ, repeatedly said the amendments will not weaken air quality standards. "I honestly don't personally believe that this represents a rollback," he said in a press conference. He said he expected lively debate in Congress, but added, "I think they (the proposed changes) will withstand scrutiny."

One of the potentially most controversial proposed changes involves an extension of clean-air deadlines for some cities which, Train said, "are so heavily impacted by motor vehicle-related pollutants that severe gasoline rationing would be necessary to achieve air quality standards within the statutory deadline."

The amendment will allow EPA to extend by five years the clean air deadline in 38 cities that apparently will be unable to meet air quality standards by 1977.

An additional five-year extension could be granted if necessary, but Train said only a few cities, such as Los Angeles, might need more than one five-year extension.

The net effect of that provision is that at least a few major urban centers can have as much as 13 years to meet the minimum air quality standards of the 1970 Act.

The legislation would also allow the EPA to ease up on pollution standards and permit—or even order—natural gas and oil-burning power generating stations to use coal until 1980. A coal conversion provision had been included in emergency energy legislation passed by Congress but vetoed by President Nixon because of an oil-price rollback clause.

"The nation's energy supply problems have been exacerbated by greatly increasing demand which has resulted in dependence on foreign sources of crude oil. To reverse such dependence, it is necessary for some oil burning power plants to convert to coal," Train said in a letter to Congress.

Other key provisions of the proposed legislation would:

Authorize EPA to review state plans for meeting air quality standards to determine if supplies of clean fuels are adequate. If not, EPA could lift clean-air deadlines enough to eliminate the fuel deficit, provided that health-protecting standards were not effected.

An attorney for one Washington-based environmental group said that provision "writes effective standards out of the law until we are a nation independent of importing fuel." Train pointed out that the clause is closely similar to one contained in the energy emergency bill adopted by Congress.

Allow EPA to temporarily waive clean-air standards for some new power plants "to encourage innovative and experimental control technology." Train said this will apply to facilities that appear likely to be able to meet standards with innovative equipment, but fail to do so "despite good faith efforts."

Provide civil penalties of fines up to $25,000 per day for violations of air quality standards by plants, in addition to the existing criminal penalties provided in the act.

Allow EPA to temporarily suspend pollution emission limits to November, 1974, if necessary clean fuel is unavailable, provided health standards are not compromised. The temporary variances, EPA said, help facilitate conversion of gas and oil-burning plants to coal.

Authorize EPA to extend compliance schedules for stationary sources of pollution past the existing clean-air deadlines when necessary to avoid plant shutdowns where installation of new anti-pollution equipment is nearly finished.

Allow EPA to do away with the filing of federal environmental impact statements for certain coal conversions lasting less than one year.

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### Long-Term Air Quality Is Doubled

(By Douglas B. Feaver)

Stringent enforcement of present air quality standards will not insure clean air for Washington area residents 10 years from now, studies by air quality planners predict.

The preliminary reports have been made to meet a U.S. Environmental Protection Agency requirement that areas trying to clean up bad air have to keep it clean once they get it that way. Washington is such an area.

"What we would like to do is have local governments integrate air quality standards into their growth plans so that air quality will be maintained," said Joseph Sableski of the EPA's office of air quality planning in Durham, N.C.

The EPA directed the District and its suburbs to identify which of five pollutants could potentially exceed permissible levels in the next decade, either because air quality is bad now or because of projected growth. If the EPA agrees with these projections, it can order a plan that would get the area into compliance.

District, Maryland and Virginia officials agree that there will be a problem with photochemical oxidants and particulates. The District foresees difficulty with sulphur dioxide, Maryland with nitrogen dioxide. All agree that carbon monoxide levels will be acceptable.

Photochemical oxidants—which result from the chemical reaction of the warm summer sun working on automobile exhaust emissions—caused the six air pollution alerts for the Washington area last summer. One of them lasted for 13 days.

The District says that, because of the energy crisis, sulphur dioxide could become a problem, although it is not one now. The availability of fuels with a low sulphur content has been brought into question and the EPA requirements for such fuels might have to be relaxed.

It was reported yesterday that Virginia and Maryland, because of availability problems, have permitted 15 companies and two colleges to use fuels whose polluting emissions exceed the states' air quality standards.

But it is automobile exhaust emissions that continue to be the biggest pollution problem for the Washington area, which has no major industry befouling its air.

Last November, the EPA imposed a tough clean-up program on the area that had as its keystone a 50-cent-per-day parking surcharge in 13 metropolitan employment areas that were served by mass transit. The fee was to have risen gradually until it reached $2 a day by 1977. The purpose was to make it economically prohibitive to drive and to encourage the use of mass transit.

But on Jan. 10, in the face of criticism from Congress, the EPA dropped the parking surcharge plan.

According to William Colony, the Washington area EPA coordinator, that clean-up plan has been "delayed, if not shot down."

But David DeJulio, the air quality program manager for the Metropolitan Washington Council of Governments, took a more optimistic view.

Because of the gasoline shortage, "we've had a 12 per cent reduction in peak hour travel this year," DeJulio said. "The political climate has changed somewhat; people are seeing a need for mass transit and for car pool locaters. I think higher gasoline prices may have contributed as well.

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## MICHEL AMENDMENT NO. 1

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. MICHEL. Mr. Speaker, last week I included in the RECORD the text of an amendment which I have been exploring, and which I indicated might be offered to title I of H.R. 69 when we resume consideration of that bill.

As my colleagues will recall, that amendment would change the formula on which title I funds are distributed by basing two-thirds of the allocation on the school-aged population in local school districts, and one-third on the number of children from families with incomes below $3,500 plus the number of AFDC children above $3,500. The thrust and purpose of H.R. 69 would remain unaltered. Only the formula mechanism for distribution of the funds would be changed.

We have now received from the Congressional Research Service the computer run showing how the title I funds would be distributed under such a formula, and I wish at this time to bring it to the attention of my colleagues:

TABLE IV.—ESEA TITLE I COMPARISON OF ALLOCATIONS ACCORDING TO MICHEL AMENDMENT I WITH FISCAL YEAR 1974 ALLOCATIONS AT IMPOUNDMENT LEVEL

| State | Formula allocation (A) | Fiscal year 1974 allocation (B) | Increase or decrease (A-B) | Percent increase or decrease |
|---|---|---|---|---|
| Alabama | $33,405,022 | $36,498,672 | −$3,093,649 | −8.4761 |
| Alaska | 4,463,720 | 4,599,584 | −135,863 | −2.9538 |
| Arizona | 14,587,245 | 11,326,911 | 3,260,334 | 28.7840 |
| Arkansas | 21,124,267 | 23,394,192 | −2,269,924 | −9.7029 |
| California | 160,452,029 | 136,486,016 | 23,966,013 | 17.5593 |
| Colorado | 18,216,627 | 14,311,073 | 3,905,554 | 27.2904 |
| Connecticut | 26,977,157 | 16,660,632 | 10,316,525 | 61.9216 |
| Delaware | 5,677,303 | 3,689,165 | 1,988,138 | 53.893 |
| Florida | 53,684,701 | 40,146,464 | 13,538,237 | 33.7221 |
| Georgia | 41,490,140 | 43,002,496 | −1,512,355 | −3.5169 |
| Hawaii | 6,525,164 | 4,552,617 | 1,972,547 | 43.3278 |
| Idaho | 5,109,688 | 4,063,449 | 1,046,239 | 25.7476 |
| Illinois | 100,800,329 | 85,305,776 | 15,494,553 | 18.1635 |
| Indiana | 34,580,494 | 22,535,584 | 12,044,910 | 53.4484 |
| Iowa | 20,607,477 | 15,830,087 | 4,777,390 | 30.1792 |
| Kansas | 15,220,027 | 11,762,936 | 3,457,091 | 29.3897 |
| Kentucky | 31,171,633 | 33,409,408 | −2,237,774 | −6.6980 |
| Louisiana | 36,964,452 | 34,756,000 | 2,208,452 | 6.3542 |
| Maine | 6,662,469 | 6,547,142 | 115,327 | 1.7615 |
| Maryland | 36,791,435 | 25,912,208 | 10,879,227 | 41.9849 |
| Massachusetts | 44,457,826 | 32,268,400 | 12,189,426 | 37.7751 |
| Michigan | 92,010,499 | 69,596,528 | 22,413,971 | 32.2056 |
| Minnesota | 34,260,454 | 22,761,440 | 11,499,014 | 50.5197 |
| Mississippi | 34,114,158 | 38,134,032 | −4,019,873 | −10.5414 |
| Missouri | 32,590,070 | 26,074,784 | 6,515,286 | 24.9869 |
| Montana | 5,863,032 | 4,355,160 | 1,507,872 | 34.6227 |
| Nebraska | 10,364,518 | 8,068,653 | 2,295,865 | 28.4541 |
| Nevada | $3,349,353 | $1,548,527 | $1,800,826 | 116.2929 |
| New Hampshire | 4,628,756 | 2,881,740 | 1,747,016 | 60.6237 |
| New Jersey | 70,551,376 | 60,575,552 | 9,975,824 | 16.4684 |
| New Mexico | 9,811,483 | 9,083,931 | 727,552 | 8.0092 |
| New York | 238,440,743 | 235,867,520 | 2,573,223 | 1.0910 |
| North Carolina | 51,563,799 | 56,969,632 | −5,405,832 | −9.4890 |
| North Dakota | 5,405,633 | 5,393,937 | 11,696 | .2168 |
| Ohio | 70,678,506 | 53,476,816 | 17,201,690 | 32.1666 |
| Oklahoma | 18,749,722 | 18,889,360 | −139,637 | −.7392 |
| Oregon | 20,260,253 | 12,441,113 | 7,819,140 | 62.8492 |
| Pennsylvania | 103,332,131 | 78,045,120 | 25,287,011 | 32.4005 |
| Rhode Island | 7,980,808 | 5,771,045 | 2,209,763 | 38.2905 |
| South Carolina | 29,640,446 | 32,812,752 | −3,172,305 | −9.6679 |
| South Dakota | 5,866,257 | 6,049,284 | −183,026 | −3.0256 |
| Tennessee | 32,354,348 | 33,561,968 | −1,207,619 | −3.5982 |
| Texas | 95,593,722 | 95,159,456 | 434,266 | .4564 |
| Utah | 7,359,816 | 5,394,049 | 1,965,767 | 36.4433 |
| Vermont | 3,874,649 | 3,054,045 | 820,604 | 26.8694 |
| Virginia | 37,632,720 | 34,657,008 | 2,975,712 | 8.5862 |
| Washington | 28,033,071 | 19,257,392 | 8,775,679 | 45.5704 |
| West Virginia | 16,760,957 | 18,480,096 | −1,719,138 | −9.3027 |
| Wisconsin | 38,282,279 | 22,167,888 | 16,114,391 | 72.6925 |
| Wyoming | 2,991,354 | 1,800,767 | 1,190,587 | 66.1156 |
| District of Columbia | 11,192,170 | 12,639,227 | −1,447,056 | −11.4489 |
| Total | 1,842,506,316 | 1,602,027,634 | 240,478,582 | ---------- |

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## OUR ECOSYSTEM IS AN UNRAVELING WEB

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. DINGELL. Mr. Speaker, what do we mean by the phrase "endangered species"? How many of these creatures are there? What will their numbers look like in the year 2000? These are just three of the important questions asked and answered in the current special endangered species issue of National Wildlife magazine. Today I would like to enter the following article into the RECORD:

### OUR ECOSYSTEM IS AN UNRAVELING WEB

(By Lee M. Talbot)

A tremendous roar of protest rose from all sections of the country when one western sheep rancher hired a man to shoot golden eagles from a small low-flying airplane. When plans were announced to locate an airport adjacent to an eagle nesting site in Virginia, there was protest—but not so loud. Nevertheless, the airport plan was dropped, at least temporarily, and wildlife habitat won a small but significant battle.

Until recently, most people believed that effective wildlife conservation consisted primarily of protecting animals against wanton killing or capture. And they were right—at least in part. Since man first appeared on earth, he has driven a number of species to extinction. But all the armies in the world cannot save an animal if it has no place to live, no place to hide, no food to eat. In the years to come, even more so than in the past, the most critical threat to wild animals will not be direct physical assault by man, but rather his destruction of their habitat. Generally, moreover, it is far more difficult to sell the idea of preserving habitat than it is to protect animals who appear to be endangered. But let's start at the beginning.

No animal exists alone. Instead, it lives at the center of a figurative spider web. The radiating strands of the web represent the animal's interrelationships with all the components of the ecosystem—climate, water and soils . . . plants . . . animals, down to the lowest amoeba. Each of the strands, in turn, is interconnected with virtually all of the others.

If any one of these concentric strands is significantly altered, the others will be affected, too, and the whole web may be destroyed. Change the supply of water in an area, for example, and that changes the vegetation and other conditions necessary for all of the animals. Change the types of invertebrates inhabiting that area—even the most apparently insignificant micro-organisms in the soil—and the conditions essential for plant growth change, too. Change or modify plants, and you change the food supply of the herbivorous animals, which in turn provide the food supply of the predators. Therefore, to preserve any animal, you must preserve its habitat web.

Each animal has its own "ecological niche," and an animal's adaptation to one niche usually rules out its occupation of any other. Polar bears and arctic foxes, adapted to extreme cold, could not survive in a desert environment; the desert kangaroo rat or whip-tail lizard would not survive in the high tundra or on the ice packs. The long legs and neck of a giraffe, along with its lip and mouth structure, adapt it to browsing on savanna trees and bushes, but not for survival in open grasslands. Prairie dogs and other burrowing rodents cannot survive where rocks, soil conditions or water preclude burrrowing. And diving ducks and mountain blue birds are so different they could not possibly switch living quarters.

But the proper ecological niche alone does not ensure survival. The perpetuation of any species also depends on maintenance of adequate numbers. Some species need only a single pair for reproduction—bobcats, for example. Other species must live among large numbers of their kind—like penguins, which congregate in large flocks. Some species do not need the stimulus of large numbers to reproduce but are still in trouble today—whales and polar bears, for instance. They range over such vast areas that chances of males and females finding each other to mate are greatly reduced when the population is reduced.

A species with very low numbers—or a single concentrated population—is far more vulnerable to extermination from disease, hunting or habitat change than a species with larger numbers or a more widely dispersed population. Despite intensive protection efforts, the California condor and the whooping crane (with remnant populations of a few tens of individuals), the Laysan Hawaiian duck (with its total population on one small island) and the Devil's Hole pupfish (limited to a single pool in Nevada) are much more vulnerable than the Florida manatee (whose remnant population is spread along parts of the Florida coast) or the grizzly bear (with populations in the hundreds).

The population of a given species that the habitat can support is known as the "carrying capacity." The carrying capacity of a habitat is determined by what amounts to the weakest strand in the habitat web, and this weakest strand is known as the "limiting factor." The usual limiting factors are the amount and distribution of water, food and cover which, in turn, interact with the mobility of the animal involved.

For example, the cottontail rabbit must fulfill all its living requirements within a limited range of a few miles, while a mourning dove can make long daily flights between its feeding and resting area and its source of water. Thus, a single source of water might support a large and scattered population of mourning doves, but only a few rabbits.

Cover too, can be a limiting factor in several ways. Thick evergreens provide survival cover for some northern birds and mammals during winter storms. Some cover facilitates escape from predators or protection of nests. Location and interspersion of cover is also important, and many species need several different types. Sage grouse, for example, require escape cover, areas of sage for feeding and bare open areas for strutting.

Frequently, the factors that limit the carrying capacity of habitat are quite complex, especially so in food. For such animals as seed eaters and some predators the limiting factor is usually an insufficient quantity of food in certain seasons. Wolves may find food plentiful when migratory animals pass through, but at other times—when they must rely on resident prey—the pickings may be sparse. It's usually feast or famine with all seed-eaters, including the endangered Laysan and Nihoa finches, and the quantity available during the lean time of the year is the limiting factor. (This is why backyard bird-feeding trays are so effective in winter and also why, once started, such feeding should be continued until natural seeds are available.)

Quality of food is also important, especially to grazing and browsing animals where the limiting factor is often the availability of plants with the highest nutritional value during the period of greatest stress. With California mule deer in the Sierra Nevada mountains, for instance, the worst period is late winter, when plants are dormant, vegetation is snow-covered and the nutritional value of the available forage is low. Moreover, the protein content of the leaves of one plant may be five times higher than in a different plant species in the same area.

But habitat is not just a particular physical place. It is the sum total of the environmental conditions necessary for a species' health and survival. For many migratory creatures, that covers a lot of territory. Many ocean fishes reproduce in the shallow, nutrient-rich coastal waters, yet spend most of their life in the deeper ocean. It is estimated that a minimum of 60 percent of all commercially valuable ocean fishes rely on the coastal areas for some part of their life cycle, and these areas are most vulnerable to pollution. Anadromous fishes, such as salmon, spawn in cold, swift water high in coastal mountains, then migrate downstream to the ocean, where they grow to maturity and ultimately return up the same river to spawn. Obviously, the survival of both kinds of fish depends upon maintenance of their total habitat web.

Most ducks, geese and swans migrate in the spring to breeding grounds as far north as the shores of the Arctic Ocean, returning in the fall to winter grounds in the United States or farther south. Their habitat, therefore, includes the northern breeding grounds, the southern wintering grounds and all the areas they visit in between. For example, more than 200,000 Canada geese stop at Horicon National Wildlife Refuge in Wisconsin for a month during their fall migration south. If, for some reason, the Horicon Marsh was destroyed or developed, it would totally disrupt behavior of a sizable percentage of the Canada geese in North America.

Yet another habitat dimension is "biotic succession." Forest communities provide a good illustration, although the principles apply equally to grasslands and other communities. When a mature forest is cut or burned, leaving essentially bare ground, there will be a succession of types of vegetation and eventually—perhaps in tens or hundreds of years—there will be a forest again. Each stage in the recovery provides a different set of ecological niches for different animals. A mature forest is not a good habitat for deer, because it lacks small growth which the earlier successional stage has.

Through lumbering, grazing, burning and clearing, man is constantly creating *more* habitat for successional species (deer, elk, grouse, doves and rabbits) and *less* for animals that need a stable wilderness (bighorn sheep, caribou, grizzly bears, wolverines and ivory-billed woodpeckers). Maintaining habitats for these two types of animals calls for two entirely different approaches. The first requires active management, while to maintain habitat for more stable communities requires complete protection from any disturbance.

Currently, the contrasting fortunes of the moose and the barren-ground caribou in Alaska provide a dramatic illustration of how what's good for one animal may be slow death for another. The caribou requires large areas of lichens, and mature lichen growth needs decades to develop. The grazing patterns of the caribou do not damage lichens. But overgrazing by domestic animals and a recent series of severe fires set by man have sharply reduced this growth. Result: caribou have also decreased in numbers. On the other hand, the fires have encouraged the growth of hardwood trees and shrubs, a major source of winter food for moose. Consequently, moose have extended their range into the area.

Throughout history, of course, man has similarly destroyed many other animal habitats all over the world and modified most—if not all—of the rest. Species have been exterminated, forced to migrate elsewhere or to adapt to new conditions. Hardest hit have been those animals requiring large, stable wilderness habitats, such as the buffalo, the grizzly and the wolf. In fact, over half of the mammals exterminated in Africa, Asia, Europe and North America have been large, wide-ranging predators—bears, wolves, foxes and cats. And about 40 percent of the extinct continental mammals have been large, hooved creatures requiring extensive feeding grounds. Roughly, half the species currently threatened are from this group.

The process of habitat modification continues today, accelerated by increasing human populations and new technologies. To make matters worse, pollution from pesticides and a great variety of other substances has added a new and lethal dimension. It is impossible to find an organic sample anywhere in the United States which is free of DDT or dieldrin. Twenty states have closed rivers and lakes to fishing because of mercury levels in the fish. Mercury has been found in waterfowl and DDT in upland game birds. Each year researchers uncover new pollutants and new facts concerning old ones. But chemical wastes, detergents, heavy metals, oil, sewage, exhaust fallout and heat continue to spread across the land and pour into the air and water.

More than 40 species of birds are plagued with the consequences of ingesting pesticide-contaminated foods. Their survival is threatened by progressive shell thinning—their eggs become so fragile the parent birds break them by stepping on them, while turning them during incubation, or even when laying them. Hundreds of pelicans on California's Anacapa Island lay eggs that are little more than yellow splotches on rocks and sticks. Our national symbol, the bald eagle, 13 species of hawks, and many other of our most spectacular birds are declining in number because of shell-thinning. And when a species cannot reproduce, its future is certainly bleak.

Far from being isolated tragedies, such problems are symptomatic of the health of wildlife in general. And that condition is usually a good index of any nation's natural resources. I have found by personal observation in 90 countries where there is a scarcity of wildlife, there also tends to be destructive exploitation of other resources. In part, this situation stems from a country's policies (or lack of them) toward resource management. Beyond that, it also reflects the pervasive impact of land use, and abuse, on wildlife habitat.

All this does not mean wildlife is doomed. Throughout the world, there is a growing appreciation of the values of wildlife in general. In 1972, more than 100 nations assembled at the United Nations Conference on the Human Environment in Stockholm. In 1973, eighty nations met in Washington and agreed to protect endangered species through control of international trade. Perhaps most important of all, though, people are at last beginning to realize that, in the final analysis, habitat protection is wildlife protection.

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# SENATE—*Tuesday, March 26, 1974*

The Senate met at 11 a.m. and was called to order by the President pro tempore (Mr. EASTLAND).

### PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal Father, who hast designed us for companionship with Thee, and who hast called us to walk with Thee and be not afraid, be with us in our work that it may be done in the confidence of Thy strength and wisdom. In quiet moments, in dutiful hours, wilt Thou sustain us. Keep ever before us the vision of the better world which is yet to come and give us a worthy part in bringing it about. Give us strength to persevere in the right as Thou dost give us to see the right. Reward us in the knowledge of work well done. Grant us the grace of the Man of Nazareth who went about doing good.

We pray in His name. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, March 22, 1974, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## REFERRAL OF S. 2928 TO COMMITTEE ON THE JUDICIARY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the bill S. 2928—entitled "Consumer Controversies Resolution Act"—which was referred to the Committee on Commerce on January 31, 1974, be also referred to the Committee on the Judiciary, provided that should either committee report the bill the remaining committee will have 45 calendar days within which to file the report, after which time the remaining committee will be deemed discharged and the bill will automatically be returned to the calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## EXECUTIVE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. The nomination on the Executive Calendar, under Federal Home Loan Bank Board, will be stated.

## FEDERAL HOME LOAN BANK BOARD

The second assistant legislative clerk read the nomination of Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of this nomination.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that it be in order, at the conclusion of morning business today, that the pending bill be laid aside temporarily and that at that time the Senate proceed to the consideration of Calendar No. 710, S. 2893, to amend the Public Health Service Act.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 715, 716, 718, 720, 721, 722, 723, and 724.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## CHARLES WILLIAM THOMAS

The bill (S. 2446) for the relief of Charles William Thomas, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) Charles William Thomas, of Orange, Texas, who died in Washington, District of Columbia, shall be held and considered—

(1) to have been appointed as a Foreign Service officer of class 3 under sections 511 and 621 of the Foreign Service Act of 1946, on April 23, 1967;

(2) to have served, during the period from April 23, 1967, through April 12, 1971, as a Foreign Service officer of class 3;

(3) to have died on April 12, 1971, as a Foreign Service officer of class 3; and

(4) to have had in effect for the period from April 23, 1967, through April 12, 1971, that amount of group life insurance, and an equal amount of group accidental death and dismemberment insurance (purchased by the Civil Service Commission) to which he would have been entitled as a Foreign Service officer of class 3 during such period.

(b) The Secretary of State shall determine—

(1) the amount of salary (including increases in salary under section 625 of the Foreign Service Act of 1946) to which the said Charles William Thomas would have been entitled during the period from April 23, 1967, through April 12, 1971, as a Foreign Service officer of class 3, less an amount equal to the difference between the amount actually paid by the said Charles William Thomas in group life and accidental death and dismemberment insurance premiums and the amount of such premiums he would have paid for the coverage of such insurance during that period had he been a Foreign Service officer of class 3;

(2) the amount of any lump sum payment to which the said Charles William Thomas would have been entitled under section 5551 of title 5, United States Code (relating to accumulated and accrued leave), upon his death on April 12, 1971, as a Foreign Service officer of class 3;

(3) the amount of annuity to which the widow of the said Charles William Thomas would have been entitled under section 821 of the Foreign Service Act of 1946 from April 12, 1971, through the day prior to the date of enactment of this Act had such annuity been computed on the basis of the amount of salary referred to in clause (1) of this subsection and the service referred to in subsection (a) of this section;

(4) the amount of any insurance lump sum or other benefit payments to which the widow and children of Charles William Thomas, deceased, would be entitled to pursuant to paragraph (4) above.

(c) Each amount determined by the Secretary under subsection (b) of this section shall be (1) reduced by any amount paid to the said Charles William Thomas as salary during the period referred to in clause (1) of such subsection, as an annuity payable to the widow of the said Charles William Thomas, and (2) as so reduced, paid by the Secretary out of funds available for the payment of salaries of Foreign Service officers, lump sum payments, or annuities to such officers or their survivors, as appropriate.

(d) In the administration of section 832 of the Foreign Service Act of 1946, as amended, the surviving widow of the said Charles William Thomas shall be entitled to be paid an annuity as recomputed on the basis of the provisions of subsection (a) of this section.

SEC. 2. No part of any payment authorized in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

## COMMISSION ON REVISION OF THE FEDERAL COURT APPELLATE SYSTEM

The Senate proceeded to consider the bill (S. 3052) to amend the act of October 13, 1972.

Mr. HRUSKA. Mr. President, the legislative proposal before us, S. 3052, would extend the final date for the last report of the Commission on Revision of the Federal Court Appellate System by 9 months from September 1974 to June 1975. The bill also increases the authorization from $270,000 to $1,000,000.

The Commission, established by Public Law 92–489, is made up of four members from the Senate, four from the House, four appointed by the President and four appointed by the Chief Justice. It was charged with two major objectives;

Initially, it was to study the geographic boundaries of the several judicial circuits and make recommendations for change. The Commission finished its first phase and issued a report in timely fashion in December 1973. This report set out recommendations for the realinement of the fifth and ninth circuits. Bills which implement these recommendations were introduced last month by Senator BURDICK and are scheduled for hearings beginning March 27.

In its present phase, the Commission is studying the structure and internal procedures of the circuit courts and is preparing recommendations thereon. Briefly the areas being studied include such subjects as:

Assuring the finality of criminal convictions;

Widespread denial of oral argument (in one circuit oral argument is denied in almost 60 percent of the cases);

A more efficient mechanism for avoiding conflicting decisions between circuits;

Widespread decision of cases without opinions;

Substituting "leave to appeal" for the right to appeal;

Jurisdiction of patent appeals;

Optimum size of courts of appeals.

The experience gained by the Commission during its first phase yielded important lessons which will apply to the second phase. Specifically, it is apparent that there is great interest in the work of the Commission and many members of the legal community wish to express their point of view regarding the areas under study. With the great diversity of opinion which has been encountered to date it is apparent that more time will be required to evaluate the testimony that the Commission is receiving. During the first phase the Commission held a number of onsite hearings which enabled the various local legal establishments to present their viewpoints.

Because of the nature of the proposals which the Commission may make it would be helpful to provide time for the circulation of a preliminary report. Thereby, comments and criticism can be received and considered before the issuance of a final report. Additional time will be required to follow such a procedure.

Detailed figures would be examined in connection with an appropriation. However, it should be noted briefly that there is need to supplement the Commission staff which presently consists of the Executive Director, his deputy, and a junior full-time attorney. Interest has been shown in the publication of transcripts of the hearings—future hearings will require substantial expenditures—the enabling legislation provides for services both by the Administrative Office of the U.S. Courts and the Federal Judicial Center on a reimbursable basis. Additional funds are needed for this purpose. The total requested ($1,000,000) for the full 2 years is in line with the authorizations for similar undertakings.

In summary, the time schedule required now by the statute is not realistic in view of the profound and massive proposals for change. Because they do deal with long established and fundamental institutions and procedures, there would tend to arise a negative attitude toward change, not because of any lack of merit, but due to inadequate time in which to familiarize one's self with the propositions involved. An extension of time would go far to correct this.

The present final report date is September 1974, which would call for wide circulation of a preliminary report by June. In spite of its diligent efforts this would not be feasible for the Commission to accomplish. Hence, extension of final report date to June 1975; I, therefore, urge that this bill be passed.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

***Be is enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*** That the Act of October 13, 1972 (86 Stat. 807) is amended as follows:

(a) Section (2) of section 6 of such Act is amended by striking out "fifteen months" and inserting in lieu thereof "twenty-four months".

(b) Section 7 of such Act is amended by striking out "not more than $270,000" and inserting in lieu thereof "not more than $1,000,000".

## AMENDMENT OF THE ADMISSION ACT FOR IDAHO

The Senate proceeded to consider the bill (S. 939) to amend the Admission Act for the State of Idaho to permit that State to exchange public lands and to use the proceeds derived from public lands for maintenance of those lands which had been reported from the Committee on Interior and Insular Affairs with an amendment to strike out all after the enacting clause and insert:

That section 5 of the Admission Act for the State of Idaho (26 Stat. 215), as amended, is further amended, as follows:

(a) In the first sentence of such section delete "That" and insert in lieu thereof "(a) Except as provided in subsection (b),".

(b) In the second sentence of such section—

(1) delete "But said" and insert in lieu thereof "Such";

(2) after "hydrocarbon lease," insert "or a geothermal resource and associated byproducts lease,"; and

(3) after "produced" insert "in paying quantities or the lessee in good faith is conducting well drilling or construction operations,".

(c) At the end of such section insert the following new subsection;

"(b) Such lands may be exchanged for other lands, public or private. The values of such lands so exchanged shall be approximately equal or, if they are not approximately equal, they shall be equalized by the payment of money by the appropriate party. If any such lands are exchanged with the United States, such exchange shall be limited to exchange under the laws governing the administration of such lands. All such exchanges heretofore made with the United States are hereby approved.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "An act to amend the Admission Act for the State of Idaho to permit that State to exchange public lands, and for other purposes."

## FEDERAL MINE SAFETY AND HEALTH AMENDMENTS OF 1973

The resolution (S. Res. 296) authorizing the printing of additional copies of the committee print entitled "The Federal Mine Safety and Health Amendments of 1973" (S. 2117), was considered and agreed to, as follows:

*Resolved,* That there be printed for the use of the Committee on Labor and Public Welfare three thousand additional copies of its committee print of the current Congress entitled "The Federal Mine Safety and Health Amendments of 1973 (S. 2117)".

## PURCHASE OF CALENDARS

The resolution (S. Res. 299) relating to the purchase of calendars was considered and agreed to, as follows:

*Resolved,* That the Committee on Rules and Administration is authorized to expend from the contingent fund of the Senate, upon vouchers approved by the chairman of that committee, not to exceed $12,875 for the purchase of twenty-five thousand seven hundred and fifty calendars. The calendars shall be distributed as prescribed by the committee.

## NUTRITIONAL INTERVENTION THROUGH SUPPLEMENTAL FEEDING

The concurrent resolution (S. Con. Res. 73) authorizing the printing of additional copies of a committee print of the Senate Select Committee on Nutrition and Human Needs, was considered and agreed to, as follows:

*Resolved by the Senate (the House of Representatives concurring),* That there be printed for the use of the Senate Select Committee on Nutrition and Human Needs five thousand additional copies of its committee print entitled "To Save the Children: Nutritional Intervention Through Supplemental Feeding".

## VETERANS' BENEFITS CALCULATOR

The concurrent resolution (H. Con. Res. 78) to authorize the printing of a Veterans' Benefits Calculator, was considered and agreed to.

## FOREIGN POLICY IMPLICATIONS OF THE ENERGY CRISIS

The concurrent resolution (H. Con. Res. 397) providing for the printing of additional copies of hearings before the Subcommittee on Foreign Economic Policy entitled "Foreign Policy Implications of the Energy Crisis," was considered and agreed to.

## PROPOSED STRIKING OF TITLE V OF S. 3044

Mr. MANSFIELD. Mr. President, I ask unanimous consent that title V of S. 3044, which has been temporarily laid aside, be stricken. The chairman of the Finance Committee, the distinguished Senator from Louisiana (Mr. LONG), whose committee has jurisdiction over the subject matter of title V, intends to give highest priority to the proposal on the first available vehicle that originates in the House Ways and Means Committee.

Senator LONG is the originator of this proposal on the tax checkoff for public financing. The action I am proposing now will assure proper treatment of this measure in the House.

The PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Montana?

Mr. ALLEN. Mr. President, reserving the right to object—and I shall not object—as I understand title V, it covers the doubling of the checkoff of $1 and $2, making it $2 and $4; also doubling the amount of the credit and the deduction presently allowed to a taxpayer for the contributions he makes to a political campaign; is that not correct?

Mr. MANSFIELD. The Senator is correct.

Mr. ALLEN. I thank the Senator. I have no objection.

Mr. HUGH SCOTT. Mr. President, reserving the right to object, I note that the ranking minority member on the Committee on Rules, the distinguished Senator from Kentucky (Mr. COOK) is not here and I do not know whether this has been cleared with him.

Mr. MANSFIELD. If the distinguished Republican leader will yield, may I say that it has been cleared with the chairman of the committee, the distinguished Senator from Nevada (Mr. CANNON), who, I think, has discussed it with the Senator from Kentucky (Mr. COOK), although I cannot state that for a fact.

I should like to make this proposition, that the Senator agree to my request at this time and if the Senator from Kentucky (Mr. COOK) has any opposition, we will——

Mr. HUGH SCOTT. That will be satisfactory to me.

Mr. GRIFFIN. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard.

## OIL IN THE MIDEAST

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD a very interesting article published in the New York Times Magazine section, March 24, 1974, entitled "Unradical Sheiks Who Shake the World."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times Magazine, Mar 24, 1974]

### UNRADICAL SHEIKS WHO SHAKE THE WORLD

(By Edward R. F. Sheehan)

We were flying at 15,000 feet, in a Royal Saudi Air Force jet, over the Persian Gulf and the Arabian peninsula. Once or twice as we conversed I glanced out of the window and glimpsed the saffron glare of blazing gas below, those man-made torches that garnish the great oilfields of the Middle East. Seated opposite me in flowing robes, now fingering his worry beads, now fondling his tiny Pomeranian dog, Tina, was the mastermind of Arab oil strategy—Saudi Arabia's Minister of Petroleum and Mineral Resources, Sheik Ahmed Zaki al-Yamani.

It was early winter. We were returning to Jidda from Teheran, where the petroleum ministers of the world had just increased the posted price of oil. The flight was a family party; Sheik Zaki's two adolescent daughters and his 12-year-old son, Hani, were on holiday from school in Lausanne, and they romped with Tina as the minister and I pursued posted prices and other, more congenial topics. Yamani is brilliant when he talks shop, even better when he discusses Freud, Bernard Shaw, his own boyhood as a student in the Holy Mosque of Mecca, his days at Harvard Law School, astrology, anthropology, ESP, Arabic poetry and Mozart. But inevitably we returned to the high price of oil. "What price would you consider reasonable?" I asked.

"We can get any price we want," Sheik Zaki said with a sigh. "There were proposals at Teheran that we raise the posted price to $23 a barrel. If we made it that high, we'd earn $100-billion in a year. The world would soon run out of Eurdollars. . . ." In fact, I learned from other sources later, Yamani clashed in Teheran with the Shah of Iran, who announced the present posted price of $11.65 a barrel before Yamani had acquiesced. The Shah was cashing in on the shortages the Arabs had created by their embargo, and though he can use the money, he condemned the Saudis to much more wealth than they can cope with. Yamani went to Teheran with strict instructions from his King to keep the prices down; Iran and other petroleum producers overruled him. So Saudi Arabia will earn at least $20-billion this year, and by 1980 may possess $200-billion in foreign investments and currency reserves.

My five days as Sheik Zaki's guest were among the most illuminating of a two-month tour I recently completed of Saudi Arabia, Kuwait, Abu Dhabi and other petroleum principalities of the Persian Gulf. I met King Faisal and several other rulers and their ministers, as well as a multitude of common people, American oil executives, Western diplomats and financiers. I aspired to assess the regimes that reign on the peninsula, to discover how they are spending their riches at present and how they plan to dispose of them in the future. The wealth of the Gulf has progressively attracted a host of African and Asian paupers and astute merchants from the West, and now that migration is beginning to resemble the California gold rush. Already the Gulf is emerging as a major source of world capital, and inevitably the Arabs—in their collectivity—will join America, Russia, China, Western Europe and Japan in the fellowship of global powers. What desert soothsayer at the dawn of this century, what omniscient New York pundit on the morrow of Araby's ignominious defeat by Israel not seven year ago, would have dared prophesy such ironies?

#### SAUDI ARABIA: PRESERVING THE WAHABITE WAY

The ironies were sown in 1901, when a penurious Bedouin warrior called Abdul Aziz ibn Saud galloped out of Kuwait with 40 companions mounted on camels and conquered the Nejd, that sandy wasteland in the heart of the Arabian peninsula. Ibn Saud was more than a desert warlord; he was a religious reformer—the apostle of Wahabism, a puritanical movement which preached a revival of Koranic simplicity and forbade all terrestrial pleasures save those of the marriage bed. He brandished the Book, the sword and his conjugal prowess with such tenacity that within 25 years he united most of the peninsula under his rule and created a kingdom more than twice the size of Texas. He bound the tribes to his person by marrying their maidens, and is said to have wed 300 times; he sired scores of sons. But Ibn Saud remained poor until the Americans discovered oil, at Dhahran on the Gulf, in 1938. Fifteen years later he died, the second richest man in the world, heartbroken by what wealth had done to the Wahabite austerity of his house.

He was succeeded by his son Saud, who soon made the monarchy a marvel of grotesque extravagance—immense concrete palaces, glittering with gold and neon, which housed his hundred successive wives. The swindlers of the Levant descended on Riyadh and ensnared the royal family in a web of fraud. Saudi princes ventured ever more to the fleshpots of the West, where they squandered fortunes on women, whisky and games of chance. By 1958, the monarchy was bankrupt, and to restore the kingdom's finances Saud was constrained to install his half-brother, Faisal, as Prime Minister.

Faisal was Saud turned inside out—frugal, intellectual, laboriously patient, and he lived monogamously in a villa, not a palace. (He has been wed to the same woman, Queen Iffat, for 50 years.) As a youth he had led a royal mission to the Court of St. James's, commanded an army which subdued rebellious tribes, ruled holy Mecca as Viceroy of the Hejas. Immediately as Prime Minister he embarked upon reform; in 1964, the royal family deposed Saud and proclaimed him King.

Since then, Faisal has pursued an extraordinary vision. As ardently religious as his father, he was determined to prove that moral rectitude and fantastic wealth could flourish together. He was determined to avoid an irreparable collision of Western materialism with his own Wahabite code, to lead his people to universal prosperity while insulating them from the mischief of socialism, the godlessness of Communism and the decadence of the liberal democracies. He would bestow upon his kingdom all the blessings of technology, while retaining the Koran as the law of the land.

During the decade of Faisal's reign, the Government has scattered thousands of miles of asphalt roads across the desert to connect the major towns, but that was only an initial step in the creation of the kingdom's "infrastructure." The Government has erected seaports, airports, refineries, hospitals, clinics, schools, with increasing speed—and not only in the cities. Even remote corners of the kingdom, where the populace is still wretchedly poor, are beginning to be redeemed.

Education is Faisal's first priority. To glimpse what is being done, visit the primary school in the dusty Bedouin village of Dar Alria, 40 miles south of Mecca. Paved roads have not yet reached that place, but the farmers have American tractors and they are eager for the advancement of their sons. A hundred boys squeeze into a mud-brick schoolhouse painted white; they are taught by Palestinians, since Saudi teachers are still in short supply. Each boy will stay in school till he is 15, and a boy with any brains can count on a university education, with a salary while he studies. Illiteracy, rampant during the reign of Saud, is being steadily abolished. Why, even girls are being educated.

Or visit the King Abdul Aziz University near Jidda, the commercial capital on the Red Sea. The university recently found its endowment multiplied overnight by 2,500 per cent. Handsome new buildings are blooming there, and microscopes, X-ray machines, stuffed exotic fish for the new Department of Marine Biology await unpacking. The American credit system has been introduced; all students are required to learn English, and soon they progress from a simplified version of "Oliver Twist" to an unadulterated "Pride and Prejudice." More and more, the kingdom is being run by what a British businessman calls "a California Mafia"—young Saudi technocrats who have been trained at U.S.C., U.C.L.A., Berkeley and Menlo Park. This is overstated; the technocrats have also studied at Harvard, in Texas, in Indiana, and King Faisal's sons have attended not only Menlo Park but Princeton, Oxford and Sandhurst. Nevertheless, California pragmatism seems to suit the Saudis well, and hundreds have returned from the U.S. eager to adapt it to the problems of the kingdom. Perhaps nowhere in the world is the American method of free enterprise imitated with such devotion.

The Saudi economy has been carefully planned for the last five years. The Government has assumed responsibility for the huge tasks of national education, creating infrastructure, marketing petroleum, erecting steel mills and the like. Otherwise, the economy is consigned to the private sector; Saudi and foreign businessmen are free to pursue whatever profit the marketplace will countenance.

Today, Jidda and Riyadh, little more than mudbrick townships 15 or 20 years ago, glint with villas and apartment houses, skyscrapers and supermarkets. Shacks of wood and rusty tin still blemish the open spaces, but even the proletariat who inhabit them seem destined to be engulfed, not far in the future, by the torrent of plenty. Factories for consumers' goods—Pepsi-Cola, ice cream, tiles, towels, toilet paper, fiberglass, Venetian blinds already flourish—and hundreds more are planned. I.B.M. machines have begun to keep the Government's books; soon computers will be commonplace in ministries and commerce. During Nasser's day, capital fled the country for fear of revolution. But, with stability, it has all returned and banks in Jidda, overflowing with cash, are refusing new accounts.

The kingdom's possibilities bewitch the mind. Saudi Arabia is the world's largest producer of oil after the United States; it is the world's greatest exporter; its 150 billion barrels of proven reserves exceed any other nation's; its probable reserves are much higher—perhaps more than half of the petroleum potential of all the non-Communist countries together. Moreover, its subsoil teems with other resources that have hardly been tapped—natural gas, tin, copper, zinc, aluminum, iron ore, silver, gold and uranium. The U.S. Geological Survey is scouring the peninsula in quest of it all, and when roads and transport reach remote regions, a new embarrassment of riches will begin to flow.

What of Faisal's vision—to sustain Wahabite theocracy as steadfastly as he has filled the kingdom's coffers? Nine years ago when Saudi television was launched, the authorities banned Minnie Mouse because she was a girl. Today, copies of Playboy are confiscated at the airport, but foreign women appear on television so long as they are chastely clad. Girls are educated separately but equally, though when they grow up they cannot drive cars or work in offices. Women rarely venture into the street, and when they do they are shadows, shrouded from head to foot.

The role of women is crucial to the kind of society that Faisal, who will soon be 70, is struggling to preserve. There is freedom and hypocrisy to be found behind closed doors. Wealthy, Westernized families revel at night with pop records and contraband Johnnie Walker; the sexes mingle; even stag films are not unknown. But in public Wahabite decorum is meticulously maintained. There are no theaters, no cinemas, no dancing halls, not even milk bars where boys and girls can gather. For drunkenness a man may still be flogged before the great mosque of Riyadh; the *Mataw'ah*, the religious police, may thrash the hapless merchant who fails to observe the Sabbath or forgets to say his prayers. Rare is the adulteress who is still stoned, and a thief is sent to prison twice before he has a hand chopped off for his third transgression. Drug peddlers are beheaded. There are no bank robberies and no drug problem in Saudi Arabia.

Nor are there elections, save on the municipal level—no parliament, no political parties, no uncensored press, no trade unions, no Constitution save the Koran and the *Shari'ah*, Islamic law. The society is still tribal, a vast extension of the Saud family; if a poor man cannot acquire equity by pulling strings with richer relatives, he can exercise his hallowed right by knocking on the doors of the mighty and demanding his due. Even the King is accessible to the lowest of his subjects. On Thursday mornings he holds his *majlis*, his open court, when any citizen may protest to him in person. The Saudis call this "direct democracy."

There is robust debate within the committees of the Government; even the myriad princes of the royal family are of divided counsel about the political evolution of the kingdom. One faction, composed of several of the King's own sons and brothers and some younger Cabinet ministers, covets not only Kuwait's womb-to-tomb welfare system but its parliamentary checks and balances. Tribal democracy has worked in the past, since before the birth of Islam, but can it function in a state which aspires to be technological? Can it reduce the corruption in the ministries that so many complain of? It is one thing for the Government to deny the middle class the right to read Playboy, quite another to promise a parliament and a civil constitution only for the misty future. And yet, there has been surprisingly little agitation for Western forms of democracy, largely because so many lucrative jobs are waiting to be filled by educated Saudis. Once they get the jobs, the Saudis tend to become so absorbed in self-advancement and making money that they have little leisure left for politics.

Perhaps Faisal foresaw this. Perhaps he perceives better than his critics how quickly his kingdom can assimilate change. Gradualism seems to be his solution to practically every problem. He can be cruel; he may crush a corrupt or incompetent official to set an example, but more often he bides his time and allows the man to destroy himself. Usually he speaks in silences.

I got a glimpse of that great reserve when I was received by Faisal ibn Abdul Aziz ibn Abdul Rahman al-Faisal al-Saud at the Royal Palace at Riyadh, in an immense room with a yellow carpet and painted green walls. The room was thronged with retainers, petitioners, soldiers; but when the King motioned me into an armchair beside his own, all of that entourage, in a magical migration of whispering robes, vanished from our presence, leaving only an aide and a servant who served us glasses of sweet tea. As I sipped, I regarded the hawkish profile of the King, his draped head surmounted by a band of woven gold, and it occurred to me that the caprice of geology had made him the mightiest Arab of a millennium. He exuded an exquisite sadness. His face was deeply furrowed, perhaps from his bad stomach. Most remarkable was his mouth, frozen as though with permanent disdain for the burden of his kingdom's fortune and the follies of the human race.

When he spoke, his language was poetic, his voice high-pitched, like a lamentation. At the end, he fixed his exceptional eyes upon my own and said, "We beg you not to quote us." I was privileged he spoke to me at all, for the favorite game in Riyadh is fathoming his mind. Sheik Zaki Yamani is a master of that, and he told me afterward, "His Majesty dislikes talking, but he loves to give hints. He's terribly intelligent, and has the ability to hide it. Some people say he reasons like a Bedouin, but that's not really true because the Bedu live from day to day and His Majesty excels in foresight." Frank Jungers, the Chairman of Aramco, also knows Faisal well. "He never breaks his word," Jungers says. "He never tells you anything unless he means it."

Should this be so—I have no reason to be skeptical—it is astonishing that the American Government refused for so long to believe Faisal's warnings that he would wield his "oil weapon." When the definitive history of the Arab oil embargo is written, it will perforce reproach the Nixon Administration for an inexcusable display of blindness and deception.

Faisal has always assailed Washington's support of Zionism. But equally he admired America as the arsenal of anti-Communism, and he needed our technology to exploit his oil. (To this day he refuses relations with the Kremlin.) He progressed from friendship with us to a quasi-alliance, accepted American arms and seemed impervious to accusations of radical Arabs that he was a reactionary and a stooge.

In the spring of 1972, Washington suggested to Faisal that if he would help persuade President Anwar Sadat to reduce the Russian presence in Egypt, America would press Israel to withdraw from conquered Arab territory. Faisal exhorted Sadat accordingly; for this and other reasons Sadat expelled the Russians in July of that year. But Nixon ignored this epochal event. Faisal felt betrayed.

He had long resisted pressure from other Arab governments to withhold oil from the United States, invoking the maxim that "petroleum and politics do not mix." Finally, in April of last year, despairing of a response from Nixon to the expulsion of the Russians—and aware that Sadat was preparing to resume war—the King dispatched Minister Yamani on a special mission to Washington. Yamani was intercepted there by some American oil experts, who urged him to warn the Administration in blunt language of what he had already intimated in private—that Saudi Arabia would not increase production to meet America's needs unless Washington began working for Israeli withdrawal. Yamani agreed, and subsequently saw Dr. Henry Kissinger, Secretary of the Treasury George Shultz, the then Secretary of State William Rogers and his assistant, Joseph Sisco. It was, Lamani later told friends, "a dialogue of the deaf." The State Department, Saudi sources insist, spread rumors that Yamani did not speak for the King.

There ensued throughout the summer a caravan of private and public warnings by Faisal, two of his sons, Yamani and other ministers, that Saudi Arabia would ration its oil unless Washington adopted "a more evenhanded and just policy" in the Middle East. But the line in Washington continued to be that Faisal was bluffing. Secretary Shultz spoke of Arab "swaggering"; in a press conference, Nixon ominously evoked the C.I.A.'s overthrow of Premier Mossadegh in Iran two decades ago.

When the fourth Arab-Israeli war erupted on Oct. 6, Faisal was partly financing Egypt, but still he hesitated to impose a boycott. He sent Yamani to a meeting of Arab oil ministers in Kuwait with instructions to resist radical reprisals against the United States. Faisal was in secret communication with Nixon. He anticipated that Nixon would replenish Israeli arms to compensate for the Soviet deliveries to Egypt and Syria, but he warned the President that a massive public bequest to Israel would make Saudi forbearance untenable before Arab opinion. On Oct. 17, Nixon asked Congress for $2.2-billion in military aid to Israel.

This was, by every account, the breaking point. Faisal decreed a severe slash of production and an immediate embargo of all oil shipments to the United States. Assistant Secretary Sisco thereupon declared that America depended on the Arabs for only 2 or 3 per cent of its oil—an outright misstatement of the nation's true need.

Dr. Kissinger flew to Riyadh on Nov. 8, and again five weeks later, to confer with the King. Their first meeting was a courteous confrontation. It is no secret that Faisal has a phobia of Jews. Kissinger, though aware of that, was serene. The King was terse. At one point, Kissinger told the King, "I arranged détente with Russia. I opened the door to China. I brought peace to Vietnam. I want to bring peace to the Middle East. I don't like failure. I have not failed. I shall not fail." The King remained totally impassive. Kissinger brought up the embargo. The King replied, politely but adamantly, that the embargo would not be ended until all of the Arab territories, and the rights of the Palestinians, were restored.

The second meeting, in mid-December, was more friendly. Kissinger spoke of his hopes for the imminent negotiations. "Your Majesty must trust me," he said, according to Saudi sources. "I cannot deceive you. If I did, you would know within two months. Lift the embargo now—reimpose it later if I achieve no results with the Israelis." The King had experienced more than his share of empty American promises, but he implied that he did trust Kissinger. He did not undertake to suspend the embargo, but for the first time he hinted he might modify it in proportion to the progress that Kissinger achieved toward Israeli withdrawal.

Yamani feared that the embargo might backfire if it caused a recession in America, and he kept urging this view on Faisal. Kissinger's exhortations were echoed by Sadat once the Israelis began to retreat in Sinai. This month the Arabs have decided to relax the embargo, though Faisal will probably desist from substantially increasing production beyond September levels until East Jerusalem is returned to the dominion of his people. How paradoxical that the embargo, and the October war, might never have happened had Nixon embraced last summer Kissinger's present policy of nudging the Israelis out of Arab territory.

In the meanwhile, the Saudis must worry about what to do with all their money. They seem to find the prospect frightening. They favored moderate increases of the old posted prices, but they are fiscal conservatives who dread world inflation, and they neither need nor want the astronomical sums that will soon be theirs. Yamani made this clear to me, and now he is openly struggling to persuade the other producers to lower the price of oil.

Even if he succeeds, it will not help much. Saudi Arabia's population hardly surpasses five million, and last year the Government barely managed to spend two-thirds of its budget. Imagine the problem as it contemplates accumulating, over the next several years, half of the holdings on the Eurocurrency market and a third of the whole world's central bank reserves.

The Saudis plan to spend as much as they can creating a welfare state that will rival Kuwait's for opulence. "We're experimenting with a new kind of welfare state," says Hisham Nazer, the brilliant young minister for planning. "If we succeed, we'll serve as a model for the entire Middle East. We'll have little to fear from the Arab leftists, for we will influence *them*."

As of today, Saudi society is far from equalitarian. Most of the wealth goes straight to the state treasury; the King has progressively reduced subsidies to the 2,000 princes of the realm, but the royal family is entrepreneurial and seems to be growing richer. The mercantile middle class—it is expanding rapidly—also benefits from the new wealth as the Government dispenses huge contracts and private business proliferates. The Bedouin population, now less than a fifth of all Saudis continues to diminish as nomads cluster more and around settlements with schoolhouses or migrate to the towns. These poor of the myriad tribes—the Utaybah, the Anaza, the Shammar—do not receive direct handouts, though free education, medical care and universal social security will probably be followed within the next few years by subsidized housing, guaranteed incomes and similar benefactions. The Government hopes to infuse the populace with a work ethic by dangling incentives and exalting individual initiative. This may not be easy. Yemenites, Hadramautis, Sudanese perform the menial labor the Saudis disdain to do themselves, and Egyptians and Palestinians abound in services and crafts because so many bright young Saudis aspire to be ensconced in offices.

The Government is resolved to erect a vast industrial superstructure that will sustain future generations when eventually the oil dwindles—steel mills, a tanker fleet and plants that liquefy gas, produce petrochemicals and assemble automobiles. Thus it is seeking to conclude immense bilateral agreements with various capitalist governments to establish industrial complexes in exchange for steady supplies of oil. At the Ministry of Petroleum I witnessed a procession of emissaries file into the chambers of Yamani and his deputies, their portfolios bulging with projects; the Japanese have promised the Saudis every contraption under the sun, and the French are the busiest beavers of all.

King Faisal, Yamani and other ministers would prefer to industrialize with the U.S. as their major partner, but they hesitate so long as Israel keeps its conquests. Nevertheless, though the role of the American Government remains in doubt, private American firms are scrambling to negotiate *ad hoc* transactions with Riyadh. Uncertain of fuel at home, some will build factories at the source. Marcona Corporation of San Francisco, for example, has assembled a consortium to build a $500-million steel mill in a joint venture with the Saudi Government, and it expects to sell the steel, at competitive prices, in Japan and California. But it will take more than money to industralize Saudi Arabia. The kingdom is drastically short of skilled manpower, and to fill those factories it may have to import hundreds of thousands of foreign workers who might unsettle the symmetry of Faisal's theocracy.

Yamani assured me that, provided the Israelis withdraw and the West assists the kingdom to industrialize, Saudi Arabia will increase production from about 8 million to 20 million barrels of oil a day by 1980. Other ministers, arguing that oil in the earth is far more valuable than depreciating dollars in the bank, are reluctant to deplete their treasure at anywhere near that speed. I doubt that this debate has been resolved. In either case, the Saudis intend to control their natural resources and have decided to assume 100 per cent ownership of Aramco, the world's largest oil-producing company—very soon. "But that's nationalization," I protested to Yamani. "If nationalization means divorce," he said, "then this will not be nationalization. It will be another form of marriage we're trying to invent." In truth, total Saudi ownership will not involve confiscation or expulsion, and the company's executives are resigned to it. Aramco, with its American management, will remain intact as a profit-making corporation that produces and refines the kingdom's oil. Nor will it sever completely its ties to Texaco, Exxon, Mobil and Standard Oil of California; it will, however, be responsible to Riyadh rather than to them. A unique new arrangement is being negotiated, though neither Americans nor Saudis expect the bargaining—over compensation and future profits, for instance—to be easy.

The Government hopes to spend at least $60-billion over the next six years on welfare infrastructure, internal development, defense and industrialization. That will still leave a surplus that may amount to scores of billions and must find a home outside of Saudi Arabia. The Saudis have contributed more than $1-billion to the Egyptian and Syrian war effort, and they send generous subsidies to Jordan and the Palestinians, but their future undertakings are expected to dwarf those. Saudi capital should logically become the great exchequer of development throughout Araby and Islam.

Egypt, with its teeming population and tremendous poverty, will be the obvious place to start. Already, with Kuwait and other Gulf states, the Saudis are helping to finance the $400-million oil pipeline that the American Bechtel Corporation will build between Suez and Alexandria—and the Egyptians hope that this foreshadows a torrent of Saudi investment. Recent Saudi aid to Somalia, Niger, Uganda and Oman has graduated from gifts to erect new mosques to schemes that will feed the hungry; similar benefactions have begun to flow to North Yemen and the Sudan. The Saudis, however, prefer bilateral transactions, and the harvest of their largess may be haphazard unless it is coordinated through multinational development banks.

Western economists say that not all the poor Arab countries together have the capacity to absorb the Saudi surplus. Inevitably, much of it will be invested in the West, particularly in those nations which assist the kingdom to industrialize. Today, several billion Saudi dollars are sitting in the Chase Manhattan, Morgan Guaranty and First National City banks, on short-term deposit drawing low interest. They are overripe for judicious long-term investments. The Government may one day buy "downstream" oil refineries and filling stations in the West, but it does not yet possess a coherent foreign investment policy.

In recent months a committee composed of royal princes and senior ministers has been formed to contemplate investment, and the number of eminent Western bankers offering them expertise is approaching mob proportions. They will need all the good advice they can get. The Saudis are the past masters of the oil business, of alchemizing petroleum into gold, but they lag years behind the Kuwaitis in investment skills—and in institutions that can channel their surfeit to the orphans and the needy of the earth.

### KUWAIT: NO ONE GETS FIRED

Thirty-seven years ago an English gentleman, Lieut. Col. H. R. P. Dickson, dreamed a dream. Colonel Dickson was the British Political Agent and real ruler of Kuwait. One day, a violent sandstorm carved a hole by a palm tree in his compound, and that night he approached the hole and found a sarcophagus. Upon touching the shroud within, a beautiful maiden rose to life. Then he heard the shouts of some strangers in the desert who seized the sobbing girl and tried to bury her alive. Colonel Dickson chased the men away, then woke up.

Perplexed by his vision, he consulted a Bedouin woman renowned for her power of prophecy, who told him that the girl in the sarcophagus was the harbinger of riches beneath the sand of Kuwait and that the men were strangers from across the sea who wished to prevent its discovery. The Colonel should go to the diggers at Bahrah, tell them to abandon that place and proceed instead to the desert of Burgan. There, by a lonely palm tree, they would find a great treasure.

For two years, a British team had been drilling dry wells at Bahrah on Kuwait Bay, but they laughed at Colonel Dickson when he told them of his dream and urged them to try Burgan, about 30 miles south. Undaunted, he sailed to London and recounted his dream to the company's executives. One of them, a believer in dreams and prophecies, cabled Kuwait and transfered the team to Burgan. There, in May of 1938, by a lonely palm tree, they struck oil.

When the soothsayer's prophecy came to pass, the immense majority of Kuwaitis were Bedouins grazing goats on camel's-thorn, fishermen, seafarers, smugglers, struggling to survive. Today, Kuwait is in many ways the most advanced welfare state in the world; after Abu Dhabi, it is the richest in per capita income. Saudi Arabia produces more than twice as much oil, but Kuwait is smaller than Massachusetts and its population does not exceed 800,000. Of these, half are foreigners—Arabs of every clime, Indians, Persians, Pakistanis—and half the foreigners are Palestinians.

Kuwait possesses $3-billion in cash reserves, and may earn $7-billion from oil in 1974; by 1980 its holdings in external reserves and investments, depending on increased production, could amount to $100-billion. There are no income taxes in Kuwait; telephones are free; it grows spinach in glass houses without using soil, and draws its drinking water from the ocean through bizarre machinery that can purify 50 million gallons a day.

Kuwait City has become a patchwork quilt of air-conditioners, television antennas, modern hospitals, marble banks, broad boulevards, public parks, private palaces, neon-lit mosques, office buildings cocooned by concrete grilles. It is a money city, like Beirut, and no prettier, though Kuwaiti taste has improved with time and Hollywood modern is making way for futuristic arabesque. In the suburbs and the desert, Bedouins by the tens of thousands inhabit neat stone houses the Government has given them for almost nothing. The Government buys a patch of sand from one Bedouin for—say—$10,000; it sells the land for less than that to some other Bedouin, then buys it back a second time for $50,000 simply to keep the money circulating in every sector of society.

Education is free and compulsory for boys and girls. Wage scales for Kuwaiti workers, observes a local American entrepreneur, "are unbelievable." Not only is every Kuwaiti guaranteed a job; to get a man fired, an employer must appeal directly to the Crown Prince. "And since you can't fire him," continues the entrepreneur, "you can't make him work. The Government here is not only benevolent—it's too benevolent. It's made the gap between effort and reward so narrow that it's killed incentive. If you work, you are rewarded. If you don't work, you are rewarded." Small wonder that, on the level below the top portfolios, it is the Palestinians—most of them not citizens and therefore less pampered—who practically run the bureaucracy.

Kuwait is a compound of state capitalism and private enterprise, of tribal oligarchy and Westminster democracy. Its Ruler, Sheik Sabah al-Salim al-Sabah, is a hereditary figurehead. Real power reposes in his cousin, Crown Prince and Prime Minister Sheik Jaber al-Ahmed al-Jaber, whose power in turn is tempered by a fragile balance of Bedu tribes, merchant families, an enlightened Constitution, a bumptious parliament, an obstreperous press and insatiable trade unions.

The National Assembly cannot summon the Crown Prince, but his ministers must abide all manner of brickbats before that body, which is the only independent parliament in the Arab world save for Lebanon's. It is based on a small electorate—male Kuwaitis over 21—and political parties are prohibited. But it abounds in factions and the most vociferous of these are leftists. The press is more Palestinian than the Palestinians, as though aspiring through the various violence of words to spare Kuwait from further outrages by the *fedayeen*. (Kuwait airport has become, to everybody's embarrassment, the favorite destination of Palestinian hijackers.) The establishment is straitlaced about women, but women work in Kuwait and boast of a burgeoning liberation movement. Inevitably, they will win the right to vote and to sit in the Assembly, for the sheikdom's predominant mood is tolerance. Alcohol is banned, but you can get a good drink anywhere; Islam is the state religion, but Christian churches flourish. Infrastructure projects are approaching the saturation point, so more and more in coming years Kuwait must build its marvels in the world beyond—through wise investment.

There is an explosion of ideas about that, in Government, in the university, in the oil councils and the investment companies. At the moment, most of Kuwait's dollars are deposited in the First National City and other New York banks at low interest—a fiscal curiosity, since they could collect high interest on certificates of deposit and industrial bonds. The Government also maintains immense sterling reserves; with other Arab holdings, they amount to tens of billions of pounds; if they were massively withdrawn, the British economy would collapse.

The Kuwait Investment Company, (K.I.C.), half owned by the Government and half by private citizens, is the paragon of how Arab entrepreneurs will function in the future. Housed in a luxurious downtown suite, it is managed by Abdel Latif al-Hamad, a Harvard graduate who is perhaps the Middle East's most ingenious financier. The company loans money and floats bonds all over the world: Brazil, Province of Quebec, Mexican Petroleum Company, Industrialization Fund of Finland. In the fine print of "tombstone ads," alongside such firms as Lehman Brothers, N. M. Rothschild & Sons, the Nederlandsche Middenstandsbank, one finds Alahli Bank of Kuwait, the Union de Banques Arabes et Françaises and the Kuwait Investment Company. "The international money boys," observes a local American economist, "aren't fighting the Arabs—they're joining them. Kuwait is becoming one of the great capitals of world finance."

Led by K.I.C., Kuwaiti and other Arab money will be invested more and more in American real estate. Last year, K.I.C. concluded a joint venture with Trammell, Crow & Associates of Dallas to construct and own a 29-story office building, a 1,250-room hotel, a 1,500-car parking garage and a retail shopping mall in the heart of downtown Atlanta—the Atlanta Hilton Center. Trammell, Crow will provide the expertise—architects, contractors, management—the Kuwaitis will put up half the money and help to raise the rest.

This kind of cooperative venture will unquestionably become the pattern for further Arab acquisitions in the United States, where the laws do not inhibit the purchase of land by foreign firms. The Kuwaitis insist they do not aspire to control any sector of American commerce—even if they did, they lack the expertise. They will concentrate on passive financial partnerships with established American corporations, and will progressively buy into distinguished investment houses. They were burned two years ago in industrial issues on the New York Stock Exchange, but inevitably they will fatten their present portfolios and invest more and more in publicly held companies such as General Motors.

And they will repeat these patterns all over Western Europe. They are as conservative as Irish bishops, and as fascinated by bricks and mortar. Already Kuwaiti investors own nearly three acres along the Champs Elysées; with French partners, they will erect a high-rise hotel or an office building. Even in Uruguay, K.I.C. has financed apartment houses and a resort area; now its eye is roving the globe in quest of industrial projects and other tangible assets. Nor has it neglected development of the poor Arab nations or the rest of the Third World; K.I.C. marshaled more than $500-million from Kuwaiti banks, insurance and investment companies to make Kuwait the fourth biggest underwriter of the World Bank, and probably that subscription will increase.

In the same honeycombed building as the Kuwait Investment Company sits another braintrust of the local war on poverty, the Arab Fund for Economic and Social Development. The fund was established by the Arab League and most of the Arab states are members, though **Saudi Arabia has** yet to subscribe. Officials of the fund are quiet, pipe-smoking technocrats—Egyptians, Kuwaitis, Tunisians, Iraqis—who wear tweeds, not turbans. Their president is Saeb Jaroudi, an elegant financier who once worked for the United Nations and then was Lebanon's Minister of Economy. "We're the regional bank for Arab countries," Jaroudi explains, "analogous to the Inter-American Development Bank in Washington. Our authorized capital equals $350-million, but we can borrow up to twice that. We intend to pool our resources with those of other funds, private investors, Arab Governments—and in two or three years we could be operating in the billions."

The fund has been operating for less than a year, but already it has focused on 30 development proposals throughout the needy Arab nations, ranging from infrastructure to shipping to the care and feeding of livestock. In South Yemen, for example, the fund will construct a factory to process fish, a port at Mukalla, a power station, and road and water systems.

For solid achievement so far, however, we must look to the Kuwait Fund for Arab Economic Development, a separate state agency headed by K.I.C.'s tireless Abdel Latif al-Hamad, which has been aiding kindred countries since 1962—financing phosphates in Jordan, cement in Iraq, silos in Syria, an irrigation scheme in the Sudan which will reclaim a million acres of desert. "Unlike the World Bank, we don't make a profit," a Kuwait Fund official will tell you, "and some of our loans are almost gifts. But we scrutinize how our money is spent, and we will not tolerate waste and corruption. Take tractors, for instance. We pay for them through banks, and we audit every bill. We believe in development, not boondoggles."

And yet, when you add all of these praiseworthy projects up, they do not equal what Kuwait will earn from oil in six months. The Kuwaitis know this better than anybody, and that is why so much of their money will flow back to the West—into bank accounts, Eurobonds and the stock markets of Paris, London and New York.

### ABU DHABI: INSTANT DEVELOPMENT

On to Abu Dhabi, near the mouth of the Gulf, capital of the United Arab Emirates. I hastened straightaway to Mana al-Otaiba, who—at 27—must be the world's youngest Minister of Petroleum. He was late for the hunt, but he delayed his departure to offer me the hospitality of his house. His salon had damask walls and was filled with falcons and Bedouins in their bare feet. "So many problems, Mr. Edward," he said. "So many heaps of paper money . . . ." Otaiba is a disciple of Zaki Yamani, soft-spoken, humorous, not as sophisticated perhaps, though like Sheik Zaki possessed of charm to throw away. Won't all those heaps of paper, I wondered, corrupt the Bedouin character?

"I don't like money," the Minister mused. "I like to live in the desert, far from complications. We can try to keep our good traditions, but I can't promise we'll succeed." He laughed again, gathered up his falcons and drove off with his hunting companions to the desert, as carefree as a schoolboy.

His insouciance was understandable, for God giveth manifold to whom He will. Abu Dhabi may earn $4-billion from oil this year. That is $40,000 per person for a population of 100,000, if you count foreigners; if you count only the 30,000 Abu Dhabians, per capita revenue exceeds $100,000. The wealth, of course, is not evenly distributed, but such is not astonishing; 15 years ago, Abu Dhabi was a fishing village.

It is part of the old Pirate Coast, that eastern horn of the peninsula where Arab and other freebooters once infested the shore, harassing British vessels and trafficking in slaves. The British put a stop to that, forced a treaty on the warring sheiks and changed the name to the Trucial Coast during the reign of Queen Victoria. Britain did almost nothing to develop the protectorate, and the Trucial sheikdoms remained destitute until 1958 when oil was discovered in Abu Dhabi. Thereupon, the Ruler, Sheik Shakhbut, a wary old despot famous for his frugality, insisted on royalties of solid gold, which he kept in chests beneath his bed. Abu Dhabi town remained mostly a place of palm-frond houses, of tin-roofed shops on crooked streets which led to the residence of Shakhbut, a white palace with toothy turrets like a "Beau Geste" fort. So it might be still, had not the Sheik's brother, Zayed ibn Sultan, deposed Shakhbut in 1966 and succeeded him as Ruler.

Today, Abu Dhabi must be seen to be believed. Doctoral dissertations and heroic rhyme should be composed about it as a paradigm of instant development. The whole town is a vast construction site. Boulevards of Parisian scope and a *corniche* that rivals Alexandria's crisscross sand as white as moonlight; cranes and scaffolds are more numerous than trees. Here is a salt flat, there a city dump; blink and see a bank, a school, a hospital, a Hilton hotel. The Guest Palace on the periphery has golden ceilings and marble coffee tables, and when it is filled with soldiers with silver daggers and notables in their robes, it resembles the fantasies of Scheherazade.

Not all of the new buildings are as solidly constructed. In fact, much of the city may have to be rebuilt. Foreign contractors have been wont to mix their cement with sea water, and no sooner were their creations finished than they began to crumble. The streets murmur with Omanis and Iranians, with Indians and Baluchis; they are the labor force, and many of them live in hovels. Corruption, by common account, prospers in high places. These are, however, predictable growing pains in a country struggling to digest manna it never dreamed of.

Religious tolerance thrives, as do the basic public amusements of the West. Tribal democracy may evolve into a parliament like Kuwait's. Sheik Zayed rather resembles a falcon, and is said to be as purposeful. He has surrounded himself with foreign advisers, technocrats from Arab nations to the north, whom he pays fabulous salaries. He, too, wants a pervasive welfare state, one that will banish poverty even for his alien laborers, and his counselors promise to complete it soon. What Abu Dhabi will do with its remaining billions is a problem they have not resolved, though the Sheik has created a modest development fund for poor Islamic countries, and his philanthropy seems predestined to increase. God loveth the beneficent.

### THE NEW ARAB: DO WE RESENT HIM?

Is the world balance of power shifting away from the United States and the industrial West toward the producers of raw materials? I asked the Sheik Zaki Yamani that during our flight over the oilfields of the Gulf. "No," he answered. "Raw materials are not the main source of power—technology is. However, the shortage in energy supply has reduced to some extent the power of the industrial nations, and is creating a new relationship between them and the owners of energy resources. The result depends on how both sides will react to this new reality."

Other specialists are more categorical than Sheik Zaki. "There's a definite shift of power taking place," says a prominent American economist in Kuwait. "The center of financial gravity is moving from London and Paris to Riyadh and the Gulf. Why have David Rockefeller and Dr. Kissinger and Michel Jobert been dashing about the Middle East? Will you be surprised when Nixon shows up? By 1980 the five great oil producers of the Gulf, including Iran, after spending all they can on internal needs, may possess foreign assets of nearly $300 billion—three-quarters of the world's reserves. Not since World War II and the resurgence of Germany and Japan have we witnessed such an obvious migration of power.

"That's what bothers everybody. The international financial community is facing up to it, but most Americans still fear the Arabs. We don't understand them, and we resent them for becoming as rich as we are. We never worried about India and Brazil because they had no power—and besides, *we* were taking care of them. The challenge now is to help the Arabs to harness their wealth to world development. *They* will have the money, and henceforth *they* will take care of the impoverished nations."

Or will they? That is the great question. Evidently, the rich Arabs intend to aid the poor Arabs first and foremost, but to do that effectively they must increase the capital of existing funds and create other funds of vaster scope. This presupposes a grand development strategy for the whole Arab world—exactly what some Arab technocrats are urging their Governments to conceive in concert.

The next natural beneficiaries of Arab aid are the Islamic nations of black Africa. "There is no earthly reason," an Arab economist told me in Kuwait, "why people should die of hunger in Africa's 'dry belt.' Most of those countries are Moslem, and we must feed them from now on." Next, there is the Islamic world at large—wretched, overpopulated nations like Pakistan and Bangladesh which deserve a share of Arab opulence. An Islamic Bank has already been created in Jidda, underwritten by the Saudis and other oil states, with capital of $1-billion; in keeping with the Koran, it will charge no interest.

Dr. Hassan Abbas Zaki, a former Minister of Economy in Egypt who is now head of the Abu Dhabi foreign-aid fund, has reflected deeply on the problems of oil wealth. "The oil nations should be paid a fifth of their earnings in certificates issued by the World Bank and the International Monetary Fund," he told me, explaining some of solutions he is urging on Arab leaders. "We would be lending that money at reasonable rates, and they would channel it directly to poor countries everywhere—balancing deficits, hastening development, reassuring the rest of us with global stability."

However it is done, some technocrats in the Gulf predict the creation of an "Arab Marshall Plan"—one that would match every development dollar spent by the recipient nations in Asia and Africa with another dollar from the Arabs. No serious scheme of that or lesser scope could be conceived without major reliance on Western expertise, and this is precisely what many Arab planners have in mind. They foresee a fusion of Arab capital and Western technology, particularly American technology, as the locomotive of future world development.

Already, some tentative steps have been taken toward that union. Already, the United States and Kuwait confer about development schemes in poor Arab countries. In the Sudan, for example, the World Bank, the U.S. Aid mission and the Kuwait Fund have pledged equal shares to finance the enormous Rahad agricultural project; in North Yemen, the U.S. is furnishing the expertise to develop salt mining, and the Kuwaitis are paying for it. For the reconstruction of Egypt, most of the money is expected to come from Kuwait and Riyadh, and much of the technology may be American.

The opulence of oil may produce major political changes in the Arab world. Arab socialism may be doomed. King Faisal has made it clear that he does not intend to finance regimes that mingle Mohammed with Karl Marx. Thus, President Sadat is busy diminishing Nasserism in Egypt, reopening nationalized companies to the private sector, assuring foreign capital that it need not fear expropriation. This, in turn, may beget a trend throughout the Middle East; military regimes may begin to fade away as an increasingly sophisticated middle class perceives that revolution is no longer necessary to achieve social transformation.

But over all of this hovers a terrible incertitude. Little may be accomplished unless peace prevails. And peace will not prevail unless Dr. Kissinger fulfills his promise to Sadat and Faisal to coax the Israelis to give up the remainder of their conquests. I saw Sadat during his recent visit to Abu Dhabi, and I asked him flatly whether he had clear assurances from Kissinger to that effect. "I have," he answered.

There is no reason to doubt him, for Kissinger has stated to numerous American diplomats and journalists his intention to press for substantial Israeli withdrawal combined with strong guarantees for that nation's security. His policy corresponds to the overwhelming wish of Western Europe, Africa, Asia and Japan, who fear for their oil, money and development unless a settlement is achieved soon. Put in the baldest terms of power politics, Israel (by its own Finance Minister's account) will run a $2.5-billion deficit this year, and can offer other countries little; the Arabs can offer them much. For a settlement, no further changes in American policy are essential; Dr. Kissinger has only to keep his promises, the quicker the better.

There is, of course, a body of opinion in America which believes that the United States should invade the Arab oilfields, not only to insure the flow of energy but to nullify the oil weapon in any future war—Defense Secretary James Schlesinger alluded darkly to it in January. That option is dormant now that the Arabs are relaxing the embargo, but it would be lunatic under any circumstance.

Both the Saudi and Kuwaiti Governments have threatened to blow up their oilfields if the U.S. ever mounts an invasion. "And they will," says an American oil executive in the Gulf. "Have you ever seen an oil well burning? It can take a year or more to extinguish a single well. Can you conceive of 300 wells on fire? It would cost billions to rebuild the fields, and we'd have years of no oil. The industrial nations would collapse."

Traditional regimes rule the Gulf today, but though the danger is farfetched, they could conceivably be overthrown by insurgent forces less easy to reason with. For the last decade, a rebellion has raged in the Dhofar region of Oman, nurtured now by the Chinese, now by the Russians; the Sultan is crushing it with British help, but there are cells elsewhere on the peninsula. They call themselves the People's Front for the Liberation of the Arab Gulf, and if they ever came to power in Kuwait or Abu Dhabi they might be tempted to wage economic warfare on the West that would make the October embargo seem salubrious by comparison.

All of these perils are interlinked; the foremost way to intercept them is by hastening an Arab-Israeli peace. The price of the "minimalists" like Sadat is not unreasonable, and the benefits for everybody—including Israel—would be immense. Shortly after I returned to Paris, an erudite American woman asked me, "How can we depend on those dirty savages to behave decently?" I was amused by this curious outburst. Are the Arabs innately less capable of compassion than that cultivated lady? Has Islam been any more brutal than the imperialism of the Christian powers? Or than a nation whose elected Government dumped millions of bombs upon the populace of Indochina?

I am more serene than that lady. I have more faith in the dynamic which is arousing the Arabs to develop themselves—and the poor world—with their wealth. I want to believe that the technologist, not the terrorist, is the Arab of the future. I want to believe, with Shiek Zaki Yamani, that "the new Arab will re-enter history, contribute to civilization, not with his oil but with his brains."

## ENERGY LEGISLATION

Mr. HUGH SCOTT. Mr. President, I have nothing special to note this morning except to continue to express the hope that we can dispose of the pending energy legislation as soon as possible. I would be very anxious that this be done because until it is done, certain powers and authorities contained in it are not available to the executive and it is essential that we move this energy legislation on.

Thus, this is just one more word on my part to urge early action on all pending energy legislation proposals by the committees and by the Senate.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 3228) to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 8747. An act to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students;

H.R. 12109. An act to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils; and

H.R. 12832. An act to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia.

## ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills:

S. 3228. An act to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes; and

H.R. 13025. An act to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act, and for other purposes.

The enrolled bills were subsequently signed by the Vice President.

## HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred to the Committee on the District of Columbia:

H.R. 8747. An act to repeal section 274 of the Revised Statutes of the United States relating to the District of Columbia, requiring compulsory vaccination against smallpox for public school students;

H.R. 12109. An act to amend the District of Columbia Self-Government and Government Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils; and

H.R. 12832. An act to create a Law Revision Commission for the District of Columbia, and to establish a municipal code for the District of Columbia.

## MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

## EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer (Mr. CLARK) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

## INTERPARLIAMENTARY UNION MEETING—APPOINTMENT BY VICE PRESIDENT

The PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to Public Law 85–474, appoints the distinguished Senator from Nebraska (Mr. HRUSKA) to attend the Interparliamentary Union Meeting to be held at Bucharest, Romania, on April 15–20, 1974.

## ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin (Mr. PROXMIRE) is recognized for not to exceed 15 minutes.

Mr. PROXMIRE. Mr. President, I yield to the majority whip.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Wisconsin.

## ORDER FOR RECOGNITION OF SENATOR PASTORE VACATED

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order which was entered for the recognition of Mr. PASTORE today be vacated and that I be given control of the time.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER FOR RECOGNITION OF SENATOR PASTORE ON FRIDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Friday, after the two leaders or their designees have been recognized under the standing order, the distinguished senior Senator from Rhode Island (Mr. PASTORE) be recognized for not to exceed 15 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## WHAT IS RIGHT WITH THE FEDERAL GOVERNMENT—THE EDUCATION REVOLUTION

Mr. PROXMIRE. Mr. President, this morning I intend to give the first in what I think will be a series of speeches on what is right with the Federal Government.

Over the past few months we have been inundated with forecasts of disaster. The prophets of doom and gloom are abroad in the land. And for good reason.

To start with, it is human nature to look at problems—not solutions; to dwell on what we do not have—not what we do have.

This tendency has fed on the bad news that seems to be accelerating as the months go by—inflation, political corruption, shortages, unemployment.

The typical American has been hit square in the face over the past year with a 20-percent increase in the price of food. He has had to wait in line to buy gasoline; and when he gets to the pump, he pays 50 percent more than he did last year.

Material shortages plague every sector of the economy from plastics and fertilizers to copper and baling twine. And these shortages can be expected to create further upward pressures on prices. For example, the fertilizer shortage may cut per acre yields on farms across the country, which in turn will decrease the supply and increase the price of foodstuffs.

People are beginning to feel that something is terribly wrong. "Watergate," with all that word implies, has become a focal point for our national anxieties.

One need only look at the polls to realize how deep the sense of disenchantment with our Federal Government runs. The most recent Gallup and Harris polls indicate that a scant one-quarter of the American people approve of the way President Nixon is doing his job. His standing in the Gallup poll is only 2 percent above the lowest rating any President has received since the poll started during Roosevelt's second term.

Lest we in Congress start to preen our feathers at these sorry estimates of the executive branch's performance, let us remind ourselves that over the past year, public approval of congressional efforts has plummeted by 17 percent—from 38 percent positive in February of 1973 to 21 percent in February of 1974—this according to another Harris poll.

It seems to me that we need a recognition that our Federal Government is not doing everything wrong, which I think we are not. I believe we have done a number of things right; and, as I have said, I expect to point them out.

Consumer investment behavior also

points to the fact that this has truly been the winter of our discontent. The prestigious Michigan Consumer Survey indicates that consumer confidence in the economy, as judged by intentions to purchase a car, a house, or other goods, is at its lowest ebb since the poll began 25 years ago. The stock market sits dead in the water despite a dramatic profit upswing, making price-earning ratios in prestigious blue chip companies such as General Motors absurdly low.

It would be foolish to try to change this cloud-drenched landscape into a rosy sunset. Pollyanna would probably strike out given a similar task. On the other hand it is just as dangerous to lose our national will by underestimating our virtues as it is to lull ourselves into a collective nirvana by making light of our serious problems.

We live in desperate times, but the truth of the matter is that in the last 15 years we have, without noticing it, made more impressive progress than at any time in our history. That is why I have decided to give a series of speeches on the Senate floor over the next few weeks on what is right with the Federal Government.

I intend to dwell on a wide spectrum of achievements in the weeks ahead in my effort to show that we have no reason to lose confidence in the ability of this Federal Government to continue in our quest for a better life. These will include consumer protection, the environment, civil rights, and many others. Today the focus is on education—the giant strides the Nation has made in educating its citizens since I came to the Senate over 16 years ago.

Today we have far more competent teachers, a great deal better facilities providing a higher quality of education during a longer period of the life of our students than ever before. Today American young people are far and away the best educated in our history.

Let us take a look at the hard statistical evidence for these statements. From 1960 to 1970 the number of students being educated in this country leaped by 13 million. About 1 million new teachers entered the system. In fact, by 1970 over 62 million Americans were engaged full time as students, teachers, and administrators in the educational establishment.

In April of 1960 11.1 percent of those in the 25- to 29-age bracket had completed 4 or more years of college. By March of 1972 the percentage had almost doubled—leaping to 19 percent—just about one out of every five.

In 1957—when I came to the Congress—we were spending 4.8 percent of our Gross National Product on education. The estimate for 1971 is 8 percent of our greatly increased Gross National Product—again almost a doubling—this time a doubling of effort. That statistic alone means this country can be proud of its changing priorities. Federal funding over this period has skyrocketed in a number of areas. For example, in 1958 the Federal Government was spending $38.7 million on vocational education. Now it is spending more than 10 times as much—$396.4 million in 1971. In fact, vocational enrollment in federally aided vocational classes grew like Topsy over the decade of the sixties—from 3.7 million in 1960 to 10.5 million in 1971.

What does this mean? I challenge any skeptic to visit a vocational school day. You will find a remarkable improvement in facilities, training, and teachers and in the competence of the students. We are sharply improving the skill of our work force.

It is tough to get into a good college today. That is a problem. But why is it a problem? One reason is that the number of enrollments has more than doubled in the 10 years between 1960 and 1970—from 3.4 million to 7.4 million. One-third of the college age population attends college. So the problem has been created by a vast increase in the number of American boys and girls getting a college degree. Consider what that means for a wiser more sensitive, more literate—better country.

Many young people who simply could not have afforded college when I came to the Senate 16 years ago can do so now because of a variety of Federal aids—the national defense student loan program, the work-study program, educational opportunity grants, federally guaranteed loans, and Federal scholarships in graduate education—all programs put into effect over the past 15 years.

When people decry Congress and the President of the United States as they do, I think they should recognize if they think about it at any length, that the area in which most people have placed the highest priority is in education. This Government of ours has done a good job—not a poor job or a weak job, but a very strong job.

How about the early years—the grade school years? In 1959, 2.2 percent of our citizens over the age of 14 were illiterate. Today that figure has dropped to 1 percent. Why? Because of a vast improvement in teaching at the elementary and secondary level, and in large part because of substantial Federal assistance.

There is Head Start for preschoolers. There is also that marvelous television program, "Sesame Street," a positive contribution by the communications media to the quality of American life.

When we get those preschoolers into the first grade, they start to benefit from the Elementary and Secondary Education Act that channels money to the poorer school districts that really need it. There is better nutrition under a new school breakfast program and a greatly expanded school lunch program.

Now, for the first time, there are special programs for the handicapped and those who speak another language. There are greatly expanded vocational education programs.

The Federal Government now helps local schools to buy educational equipment, and books for their libraries. This is something new, something the Federal Government did not do until a very short time ago. All of these programs did not exist when I came to Congress.

Minority groups have been particular beneficiaries of the education explosion. Three years before I came to the Congress separate but equal was the order of the day in many parts of the country. Then the Supreme Court ruled. Now that outdated doctrine has all but disappeared.

Upward Bound, another federally supported program, has helped thousands of deserving young men and women from minority groups by giving them that extra educational boost they needed to get into college. Without it they never would have gone.

In 1 year alone—1971—enrollment of black students in colleges and universities went up by 17.2 percent and that of Spanish-surnamed students by 19.1 percent. In graduate studies those gains in 1971 alone were 38.1 percent and 30.7 percent for the two groups. These figures compare with an average increase for all groups of about 4.5 percent.

So, Mr. President, you can see the very great progress made by minorities in our educational system, far out of proportion to their numbers and, of course, their need is much greater.

Of course difficulties—serious ones—still remain. Those statistics I quoted earlier can tell us other—not so pleasant—things about the state of education. For example the average teacher salary in the highest paying State is nearly double that in the lowest paying State. The variance among the States in per pupil expenditures is also distressingly large. The highest expenditure per pupil in average daily attendance is $1,584—2½ times the $590 spent in the lowest ranking State.

But we must also recognize that there is no assurance that we can buy the best educational system in this country just by pushing dollars into our schools. Recent attempts to evaluate the impact of the billions of dollars we have poured into school districts through the Elementary and Secondary Education Act indicate that the benefits have been far less than we might have hoped for when we passed the legislation. This only goes to show that the influence of the home on the child still is a dominant factor and will probably always remain so. And this means that we must continue to work for an approach to education that reaches the home as well as the classroom—that helps the parents, the adult, as well as the child.

Just last Thursday in the course of chairing a hearing on appropriations for the Veterans' Administration I was struck at how problems often are inseparable from progress. One of the problems we had to deal with was a supplemental request for $750 million for GI bill benefits. This is a great deal of money. It should have been reflected in the original fiscal 1974 budget request. But the money was needed because almost 600,000 more veterans applied for educational benefits than had been originally anticipated. And, of course, this represents real progress—making the benefits of additional education available to 600,000 more of our citizens.

We still have a long, long way to travel before we achieve the American dream of true equality of educational opportunities for all Americans. In many cases educational progress has exacerbated our problems. Today's more highly trained Americans just would not be satisfied with the undemanding jobs that would have satisfied them 20 or 30 years ago. A more highly educated electorate expects more out of their Government—and rightly so.

But in criticizing, demonstrating against, and solving the problems let us not forget the progress that helped us to see, or even have, the problems. Above all let us not lose faith in the remarkable ability that this Federal Government is showing today in greatly helping to triumph over the difficulties that beset this Nation.

All of us applaud the young woman or man who persists in improving his education. We recognize what a great thing it is when a hard-working family, sacrifices to give every child a solid vocational or college education. It is easy to agree that such a family is a good family—an asset to the community and the country.

We cheer on the community that makes improved educational facilities available to their young people. We take pride in our State's educational efforts.

And when we reflect on it for a few minutes we know there is nothing that a person or a family or a community or a state or nation can do that will more surely strengthen the country than to improve its education.

What has made this country the greatest in the world? Of course, many things have helped: our vast and rich territories, our abundance of natural resources, our large population, our efficient factories and farms, our highly efficient distribution system. All of these are important. But other lesser countries have these advantages, too.

But there is one fundamental, basic element that has made America great. What is it? It is our people: the character, the skill, training, understanding—in a word the education of our people.

And I submit that in the past 15 years this country has done a remarkable job of improving and extending that education. The Federal Government has played a new and probably the biggest role in this process. It is one of a number of achievements in this period of discontent, disillusion, despair of which we can and should be proud.

But this is only one of our achievements. I will talk of the others later.

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## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—PRIVILEGE OF THE FLOOR

Mr. GRIFFIN. Mr. President, I ask unanimous consent that James Medill, of the staff of the Committee on Rules and Administration, and Daniel Brier, of my staff, be accorded privileges of the floor during the consideration of S. 3044, including votes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that during debate on S. 3044 Joe O'Leary and Karleen Millnick, of the staff of the Committee on Rules and Administration, and Larry Smith, of Senator HATFIELD's office, be granted the privilege of the floor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

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## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum and I ask the time be charged against the time allotted to me.

The PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with speeches by Senators limited to 5 minutes each.

The Chair recognizes the Senator from Washington (Mr. JACKSON).

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## OIL

Mr. JACKSON. Mr. President, the American people are entitled to some plain talk about the administration's response to the announced lifting of the Arab oil embargo.

In discussing the lifting of the embargo Tuesday night, the President promised no rationing and an end to Sunday closings of service stations. He announced a policy of increased allocations to industry and agriculture and an increase in gasoline allocations for "the purpose of diminishing the lines—and eventually eliminating them."

The President's policy for eliminating gas lines and increasing gasoline supplies will be accomplished by drawing down on inventories until such time as shipments of oil from the Middle East arrive in the United States. This policy has already been implemented to some extent, since, in February and in March, Secretary Simon made available additional supplies of gasoline to stations that had exhausted their original monthly allocation. These additional supplies—some 352.7 million gallons of gasoline—came from stocks. Furthermore, in March, State allocations were adjusted using inventories, which were thereby depleted by another 285 million gallons.

The President has, in effect, told the American people that the lifting of the embargo means the end of energy shortages. He has, in effect, invited them to return to the wasteful consumption of preembargo days, restrained only by lower speed limits and greater use of carpools.

This policy, whatever its immediate appeal, can only be described as unrealistic and irresponsible. It is unrealistic, because it ignores the plain fact that the country was enmeshed in serious fuel shortages even before the embargo was imposed. It is irresponsible because it rests on a series of dangerous assumptions about our reliance on Arab oil:

First. It is dangerous to assume that the Arabs will not reimpose the embargo in some form.

Second. It is dangerous to assume that the Arabs will produce—either for economic or political reasons—all the oil we would like.

Third. It is dangerous to assume that we can afford, economically, to use ever increasing amounts of cartel-priced foreign oil.

While the lifting of the Arab embargo promises to ease the acute petroleum shortages which the Nation has experienced in recent months, chronic shortages will persist. It is imperative that the energy policies of Federal, State, and local governments respond to this fact. In particular, there are two goals which must be achieved if we are to minimize the adverse impacts of our not being self-sufficient in energy. First, we must restrain demand to levels which can be met by available supplies of reasonably priced fuels. Failure to do so will result in the persistence of the social and economic disruptions which we have encountered not just since the embargo was imposed in October, but throughout the past year.

Our second goal must be the maintenance of our petroleum stocks at such a level as to minimize our vulnerability to the efforts of those who would again attempt to use the so-called "oil weapon" against us. We must continue to conserve. We must not draw down our stocks of crude oil and refined petroleum products until the means for their replacement are not only promised, but are on hand.

I fear that the public pronouncements and stated intentions of the administration guarantee that we will attain neither of these goals. Indeed, this represents the irresponsible choice of an energy policy for short-term political gain at the expense of the public interest.

From the President down, the heaviest emphasis of the administration in informing the American people of our energy posture has been on: First, the end of the embargo, and second, our not needing to ration. The impact of this misplaced emphasis is already apparent.

On February 14, the President in his state of the Union message declared that the embargo would soon be lifted and that the back of the energy crisis had mysteriously been broken. In the following weeks, energy savings—conservation—plummeted from 4 million barrels a day to 2.3 million barrels a day.

On February 25, the President implied that the energy crisis had been reduced to a problem. In the following week, gasoline consumption increased by 1 million barrels a day.

Tuesday night the President announced an end to the Sunday closings which have effectively reduced gasoline consumption by more than 650,000 barrels a day.

According to the Oil Daily, the ban "was considered one of the most effective curbs on gasoline consumption," and petroleum marketers feel its lifting to be premature. One major marketer expressed the fear that Sunday gasoline sales, coupled with news of the lifting of the embargo, "will inspire motorists to return to old wasteful habits."

We cannot afford such relaxation of self-restraint at this time. Even with a total relaxation of the Arab embargo, Secretary Simon has testified that a 60- to 90-day period will pass before there is a return to near normalcy. He has estimated that the first Arab shipments will not arrive until May 1. The National Petroleum Council study, "Short-Term U.S. Petroleum Outlook, a Reappraisal," notes that—

> The end of the embargo, assuming it is accompanied by an increase in Arab oil production, will not be transmitted into an immediate increase in supply levels in the United States for two main reasons. First, oil shipped from the Persian Gulf will require over 30 days to reach the United States, and the time required to move ships to the Persian Gulf, load and discharge vessels may almost double this time. Second, product imports to the United States derived from embargoed crude require additional time for refining and associated intermediate discharge, processing, loading and shipment on the way to the United States. All stocks reaching the United States must be handled one or more times before reaching the consumer. Consequently, the embargo's effect will last substantially beyond its lifting date.

Given this delay, given the increased consumption that will inevitably result from the President's stated policy, how will the shortage be covered? The answer to that question is clear: the President of the United States has committed the Nation to a policy of inventory draw-down, regardless of the consequences.

To make up this shortfall by drawing down inventories is a disastrous policy. Current inventories of crule oil and refined products are as follows:

| | *Million barrels* |
|---|---|
| Crude oil and condensate | 240.4 |
| Gasoline | 244 |
| Distillates | 145.7 |
| Residual | 44.3 |

Of these, a certain minimum cannot be used, since they are working stocks, that is, must be kept in refineries and pipelines to make the distribution system work. Estimated minimum working stocks are as follows:

| | *Million barrels* |
|---|---|
| Crude Oil | 220 |
| Gasoline | 204 |
| Distillates | 101 |
| Residual | 40 |

The only stock actually available for use, therefore, are the seasonal and buffer stocks, represented by the difference between total and working inventories. Given current levels of demand, these represent but a few days' supply. Assuming a postembargo shortage of 1.2 million barrels per day, gasoline stocks, for example, can provide but a 17-day supply. Even if we were to make as much gasoline as possible from crude stocks and distillate, this supply could only be stretched to last 34 days.

The National Petroleum Council has also recommended against the option of drawing down stocks. A Council report forwarded to the Secretary of the Interior on February 26, 1974, emphasized that—

> It is not at all certain that it would be in the national interest to follow this course of action. These inventories at present levels provide us with a modest cushion against unforeseeable but potential additional reductions in energy supplies or greater than expected requirements. A renewal of hostilities in the Middle East or other political events which could threaten our supplies from that part of the world is an ever present possibility. Moreover, there is no assurance that we will continue to receive current import volumes from traditional Western Hemisphere suppliers . . .
>
> In short, rational U.S. energy policies might well dictate the maintenance of more than a bare minimum working level of inventories.

Because of the Arab embargo in the first quarter of 1974, the gap between supplies and unconstrained demand; that is, with no voluntary conservation measures—was estimated by FEO to be 2.7 million barrels a day. Yet, even with a total restoration of Mideast shipments to the United States, unrestrained demand in the second quarter of 1974 still cannot be satisfied. The President has acknowledged that our postembargo shortage for the second quarter will be about 5 to 8 percent. Since estimated normal demand for petroleum for the second quarter of 1974 is 17.5 million barrels a day, our expected postembargo shortfall will be somewhere between 0.875 and 1.4 million barrels a day.

The President has called for the continuation of "our voluntary program of carpooling and also of slower driving" as the means of filling that shortage. Yet, by leading the public to believe the crisis is past, the President has consciously or unconsciously destroyed the incentive for voluntary conservation. A trend toward increased consumption has already been observed by the Federal Energy Office, which observed in its weekly Petroleum Situation Report of March 15:

> Drivers may be reluctant to conserve gasoline if it is readily available.

By encouraging the depletion of inventories in anticipation of an unlimited influx of Arab oil, the President is taking a significant and unacceptable risk. The extent of our inventories affects our future bargaining power with oil producers, particularly the Arab oil producers. The "oil weapon" proved to be an ineffective tool against the United States precisely because we had a conservation and allocation program that insured we would not run out of oil, though we might run short. Now the President proposes to turn from conservation to consumption at the expense of our vital reserves, thereby assuring that in 60 to 90 days, we will be even more vulnerable to the impact of an oil cutoff than we were at the time of the October war.

We ought not to place ourselves in this damaging position on the basis of vague assurances and delphic pronouncements from the Arab oil ministers. The American people do not want long lines at the gas pump; but they want even less to mortgage the Nation's freedom of action to the whim of a handful of oil ministers. By increasing our dependence on the flow of Arab oil, the President not only diminishes our ability to withstand the pressures of a renewed embargo, but by so doing invites its reimposition.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. HUMPHREY. Mr. President, I was not in the Chamber for all of the remarks of the Senator from Washington, but I would not want to have missed this opportunity to commend him for the extraordinarily fine leadership he has given the Senate of the United States in this energy field, and also to ask the administration to heed carefully the remarks of the Senator from Washington.

Nothing would be more disastrous to this country than to get into a euphoric feeling that all is well, or that we are not really in too serious difficulty, because the Arabs have lifted the oil embargo.

We all hope that they will continue to maintain the end of the embargo, but we cannot be sure of that. They have made it clear that it is a political weapon, and if things should go amiss in the Middle East—and there are many reasons to believe this could happen, though we hope and pray it will not—again we will face the embargo, our inventories will be drawn down, and things will be worse than they were in January and February of this year.

So once again the Senator from Washington, characteristically, in terms of his fine leadership, is serving warning that all is not well, and that the administration should be concentrating in every possible way to fulfill what was declared to be its desire for our relative independence and self-sufficiency in the energy field. The Senator is going to have my help, as he has on every measure he has brought before this body. The Joint Economic Committee has made a study of this matter, and in its recent report to Congress has emphasized the very point the Senator from Washington is making: that the problem is still with us, and that the need for long-term research, development, and exploration continues to be a major item on the national agenda.

Mr. JACKSON. Mr. President, may I just observe that the distinguished Senator from Minnesota has been a tower of strength in the long and hectic battle, especially over the last year, that we have had on this whole question of energy. I am most grateful to him for his solid support and his keen understanding of the true facts as they have existed and as the problem faces us in the future.

I must say that what disturbs me at the present moment is that we are, indeed, skating on thin ice, as one is reminded that a year ago at this time, with the oil still coming in, we were facing a crunch.

Mr. HUMPHREY. Exactly.

Mr. JACKSON. And that last summer, with the oil still coming in, people had to wait in lines for gasoline.

In sum, then, what is going on here at the moment is drawing down our reserves, actually, to a point where, by early summer, they will be less than they were a year ago, so that if something happens—and the temptation could be great if our reserves are very low—that would cut off our supply, we would be worse off than we have been heretofore.

I again thank the Senator from Minnesota for his most effective help in this big problem.

The PRESIDING OFFICER (Mr. ALLEN). The time of the Senator from Washington has expired. Is there further morning business?

## THE DEATH OF WILLIAMSBURG'S KENNETH CHORLEY

Mr. HARRY F. BYRD, JR. Mr. President, Kenneth Chorley, the president of Colonial Williamsburg for 23 years, died last week.

Mr. Chorley was a preservationist and a conservationist. He was for many years a close associate of John D. Rockefeller, Jr., who started the restoration of Williamsburg.

Mr. Chorley once said that America's thirst for the inspiration of Williamsburg was greater than anyone knew.

Indeed, America's thirst for Williamsburg has been very great.

I think America needs today very much the inspiration of Williamsburg and the spirit of Williamsburg. I do not know of anything that our country really needs more than for the American people, in this grave time in our history, to look back on the events which took place in Williamsburg, Va., nearly 200 years ago.

It was at that time that those men who brought about the American Revolution dedicated themselves, their lives, their fortunes, and their sacred honor to bring about liberty and free government to this country.

Colonial Williamsburg, I feel, has been an inspiration to this country, and Kenneth Chorley, together with the late John D. Rockefeller, Jr., deserves special tribute for the restoration of Williamsburg.

Mr. Chorley retired as president in 1958. He was succeeded by a very able person, Mr. Carlyle Humelsine, who now has the chief executive responsibility for Colonial Williamsburg.

Mr. President, I yield the floor.

## ORDER FOR ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until the hour of 11:30 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

(Subsequently, this order was modified to provide for the Senate to convene at 12 noon tomorrow.)

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communication and letters, which were referred as indicated:

### PROPOSED SUPPLEMENTAL APPROPRIATION, 1974, FOR FLOOD CONTROL, MISSISSIPPI RIVER AND TRIBUTARIES (S. DOC. NO. 93-67)

A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1974, in the amount of $100,000,000 for Flood Control, Mississippi River and Tributaries (with an accompanying paper). Referred to the Committee on Appropriations and ordered to be printed.

### REPORT ON APPROVAL OF LOAN TO CHUGACH ELECTRIC ASSOCIATION, INC., ANCHORAGE, ALASKA

A letter from the Administrator, Rural Electrification Administration, Department of Agriculture, reporting, pursuant to law, on the approval of a loan to the Chugach Electric Association, Inc., of Anchorage, Alaska, to be used for the financing of certain generation and transmission facilities (with accompanying papers). Referred to the Committee on Appropriations.

### LISTING OF CONTRACT AWARD DATES

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, a listing of contract award dates, for the period March 15 to June 14, 1974 (with an accompanying report). Referred to the Committee on Armed Services.

### REPORT ON MILITARY MANPOWER TRAINING

A letter from the Assistant Secretary of Defense, transmitting, pursuant to law, the Military Manpower Training Report, for fiscal year 1974 (with an accompanying report). Referred to the Committee on Armed Services.

### PROPOSED LEGISLATION FROM GENERAL SERVICES ADMINISTRATION

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Defense Production Act of 1950, as amended (with an accompanying paper). Referred to the Committee on Banking, Housing and Urban Affairs.

### PROPOSED LEGISLATION FROM SECRETARY OF TRANSPORTATION

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to conserve energy by providing temporary relief from restrictions on sizes and weights of motor vehicle using the Interstate System (with an accompanying paper). Referred to the Committee on Public Works.

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the Federal Railroad Safety Act of 1970, and other related acts to authorize additional appropriations, and for other purposes (with accompanying papers). Referred to the Committee on Commerce.

### PROPOSED LEGISLATION FROM DEPARTMENT OF THE INTERIOR

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to protect Federal mine inspectors in the performance of their official responsibilities (with an accompanying paper). Referred to the Committee on Labor and Public Welfare.

### REPORT ON SUWANEE RIVER, GEORGIA AND FLORIDA

A letter from the Acting Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the Suwanee River, in the States of Georgia and Florida (with an accompanying report). Referred to the Committee on Interior and Insular Affairs.

### REPORT ON EXTRAORDINARY CONTRACTUAL ACTIONS TO FACILITATE THE NATIONAL DEFENSE

A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, a report on Extraordinary Contractual Actions To Facilitate the National Defense, for the calendar year 1973 (with an accompanying report). Referred to the Committee on the Judiciary.

### REPORT OF CONSUMER PRODUCT SAFETY COMMISSION

A letter from the Chairman, Consumer Product Safety Commission, transmitting, pursuant to law, a report of that Commission, for the period May 14, 1973 to June 30, 1973 (with an accompanying report). Referred to the Committee on Labor and Public Welfare.

### PROPOSED LEGISLATION FROM ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator, United States Environmental Protection Agency, transmitting a draft of proposed legislation to be cited as the "Clean Air Amendments of 1974" (with accompanying papers). Referred to the Committee on Public Works.

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A joint memorial of the Legislature of the State of Idaho. Referred to the Committee on Labor and Public Welfare:

"HOUSE JOINT MEMORIAL NO. 25

"A joint memorial to the Honorable Senate and House of Representatives of the United States in Congress assembled, and the Senators and Representatives representing the State of Idaho in the Congress

"We, your Memorialists, the House of Representatives and Senate of the State of Idaho assembled in the Second Regular Session of the Forty-second Idaho Legislature, do hereby respectfully represent that:

"Whereas, the Congress of the United States is now considering amendments to the program which provides impact aid intended originally to compensate school districts for children of federal employees in their areas; and

"Whereas, the original concept of the impact aid funds is no longer consistent with state funding policies because these policies now recognize local efforts and resources and include these factors in the state support formula; and

"Whereas, the provisions of P.L. 874 preclude consideration of federal impact aid in the equalization formula for school funding, with the consequence that such aid provides an unwarranted bonus to certain school districts by increasing their funding capacity far above the equalized level provided by state aid for all other school districts; and

"Whereas, the present impact aid criteria, mandated by federal law, makes it impossible for the states to implement an equalized state aid formula recognizing the legitimate local resource base.

Now, therefore, be it resolved by the Second Regular Session of the Forty-second Legislature of the State of Idaho, the House of Representatives and the Senate concurring, that we urge the Congress of the United States to adopt legislation now pending which would remove the prohibition to inclusion of impact aid in the calculation of state equalizing school aid.

"Be it further resolved that the Chief Clerk of the House of Representatives be, and he is hereby authorized and directed to forward copies of this Memorial to the President of the Senate and the Speaker of the House of Representatives of Congress and the Senators and Representatives representing the State of Idaho in the Congress."

A joint resolution of the Congress of Micronesia. Referred to the Committee on Appropriations:

"HOUSE JOINT RESOLUTION NO. 87, S.D. 1

"A house joint resolution requesting the Congress of the United States of America to enact legislation appropriating additional funds to cover certain deficiencies and capital improvement programs during fiscal year 1974

"Whereas, by Public Law 93-111, the Congress of the United States of America authorized the Trust Territory of the Pacific Islands an appropriation ceiling of $60 million (excluding the Economic Development Loan Fund) and 'such sums as are necessary, but not to exceed' $10 million for each of Fiscal Years 1974 and 1975 'to offset reductions in, or the termination of, Federal grant-in-aid programs or other funds made available to the Trust Territory of the Pacific Islands by other Federal agencies'; and

"Whereas, the amount of $56,886,000, excluding funds for the Economic Development Loan Fund, which has been approved for the Trust Territory for Fiscal Year 1974 is well below the $60 million ceiling authorized and does not offset reductions in, or the termination of, Federal grant-in-aid programs or other funds that will be lost to the Trust Territory during the same fiscal year, despite the fact that the Trust Territory is authorized a further amount of $10 million to compensate for these categorical assistance funds being phased out; and

"Whereas, the world-wide energy crisis, and general increase in the cost of construction materials and supplies and public works will prove detrimental to the accomplishment of many operations, programs, and objectives by slowing down and in some instances completely halting capital improvement construction, unless additional funds become available with which to continue these programs; now, therefore,

"Be it resolved by the House of Representatives of the Fifth Congress of Micronesia, Second Regular Session, 1974, the Senate concurring, that the Congress of the United States of America be and is hereby respectfully requested and urged to enact legislation appropriating $3,114,000, which combined with $56,886,000, excluding the funds for the Economic Development Loan Fund, previously approved, equals the regular authorized ceiling of $60 million and further appropriating the sum of $938,000 of the additional $10 million categorical assistance authorization 'to offset reductions in, or the termination of, Federal grant-in-aid programs or other funds made available by other Federal agencies'; and

"Be it further resolved that certified copies of this Joint Resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States Congress, the Chairman of the Committee on Interior and Insular Affairs of the said Senate, the Chairman of the Committee on Interior and Insular Affairs of the said House, Chairman of the Senate Committee on Appropriations of the United States Senate, and Chairman of the House Committee on Appropriations of the United States Congress, the Secretary of the United States Department of the Interior, and to the High Commissioner."

## REPORTS OF COMMITTEE

The following reports of committees were submitted:

By Mr. ALLEN, from the Committee on Agriculture and Forestry, with amendments:

H.R. 11873. An act to authorize the Secretary of Agriculture to encourage and assist the several States in carrying out a program of animal health research (Rept. No. 93-751).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. EASTLAND (for himself, Mr. Stennis, Mr. Allen, Mr. Sparkman, Mr. Ervin, Mr. Helms, and Mr. Fulbright):

S. 3231. A bill to provide indemnity payment to poultry and egg producers and processors. Referred to the Committee on Agriculture and Forestry.

By Mr. PROXMIRE:

S. 3232. A bill to be cited as the "Real Estate Settlement Costs Act of 1974". Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. HUMPHREY:

S. 3233. A bill for the relief of certain individuals formerly employed by Nationwide Food Service in the U.S. Senate Restaurant. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. Jackson, Mr. Fannin, Mr. Metcalf, Mr. Bible, Mr. Hatfield, Mr. Church, Mr. Haskell, Mr. Nelson, Mr. Johnston, and Mr. Cook):

S. 3234. A bill to authorize a vigorous Federal program or research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government. Referred to the Committee on Interior and Insular Affairs, by unanimous consent.

By Mr. YOUNG:

S. 3235. A bill to amend the Food Stamp Act of 1964 to provide for the administration of food stamp programs on Indian reservations, and for other purposes. Referred to the Committee on Agriculture and Forestry.

S. 3236. A bill for the relief of Ghalam Reza Padash and his wife, Homa Ghasemshahi Padash. Referred to the Committee on the Judiciary.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 3237. A bill to amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system. Referred to the Committee on Commerce.

By Mr. BENTSEN:

S. 3238. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes. Referred to the Committee on Finance.

By Mr. McGOVERN (for himself and Mr. Clark):

S. 3239. A bill to amend the National School Lunch and Child Nutrition Acts in order to authorize the use of certain funds to purchase agricultural commodities for distribution to schools and other eligible outlets, to increase the appropriation authorization for nonfood assistance funds, and to provide additional financial assistance to the special milk program. Referred to the Committee on Agriculture and Forestry.

By Mr. COOK (for himself and Mr. Baker):

S. 3240. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services. Referred to the Committee on Finance.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EASTLAND (for himself, Mr. Stennis, Mr. Allen, Mr. Sparkman, Mr. Ervin, Mr. Helms, and Mr. Fulbright):

S. 3231. A bill to provide indemnity payment to poultry and egg producers and processors. Referred to the Committee on Agriculture and Forestry.

Mr. EASTLAND. Mr. President, I introduce a bill for myself, Mr. Stennis, Mr. Allen, Mr. Sparkman, Mr. Ervin, Mr. Helms, and Mr. Fulbright, the bill would indemnify poultry and egg producers and processors who must remove their products from commercial markets because the products contain residues of chemicals registered and approved for use by the Federal Government. The innocent producer and processor would be indemnified, but not those who willfully fail to follow procedures prescribed by the Federal Government.

We are all aware of the discovery of dieldren in chickens in two broiler operations in Mississippi this past week. I want to commend the personnel of our Poultry Inspection Service in the U.S. Department of Agriculture for their immediate discovery of this banned chemical. It insured the protection of our consumers' health and will reduce the financial losses to our broiler producers and processors. I further commend the Department for intensifying the inspection procedures nationwide to insure that this is only a local problem. Their efforts will assure the consumer that all poultry in the meat counter is wholesome and healthful. We can buy and eat poultry with confidence.

It is tragic that this incident occurred, and I hope it is only an incident. I am proud of the response of the producers and processors involved. They and our Mississippi secretary of agriculture and commerce came immediately to Washington to appeal for help to contain the problem, to determine its origin and to eliminate it.

I want to thank the officials in the Environmental Protection Agency and the Department of Agriculture for their cooperation and consideration. They not only met with our people on Friday to understand the problem, but worked Saturday and Sunday to determine a solution. EPA officials are on the ground to approve methods of destroying and disposing of the contaminated carcasses. EPA and USDA laboratories and personnel have been made available to expedite the testing of the flock samples to see that wholesome birds go to market and contaminated birds are destroyed. This is as it should be.

They are also cooperating to assure that current supplies of feed are pure. Our people can rest assured that they have the purest and freshest food supply in the world because of these dedicated public servants and concerned and responsible producers.

Mr. President, what we are asking in this bill is not new. We have a history of helping those who are the victims of circumstances beyond their contol. We have been generous with those who have suffered loss from natural disasters. We have assisted individual homeowners who have suffered loss from floods, tornadoes, and other natural forces. We have assisted our foreign neighbors under similar circumstances, including drought and famine. We indemnify farmers for animal disease losses such as bangs in cattle, cholera in hogs, and Newcastle disease in poultry where the animal must be destroyed.

We also indemnify our beekeepers when their colonies are killed or depleted by insecticides. We have indemnified our dairymen when insecticides infected the milk through their feed, and cows. All of these things are done in the spirit of American concern for the unfortunate, and to keep its food supply abundant.

Mr. President, the poultry industry is important to our Nation. It might surprise you that the week of March 16 this year over 63.5 million chicks were placed in broiler houses across our country. Over 5 million, or about 8 percent of these, were in Mississippi. The broiler industry will provide over 8 billion pounds of nutritious, delicious, high-protein meat to our consumers this year, and at reasonable prices during this period of inflation. Any substantial injury to the poultry industry could adversely affect our meat supply and exert tremendous pressure on meat prices.

Mr. President, what we are proposing in this bill is nothing new—rather it is a continuation of established policy. It would cover only the losses sustained while operating under normal and accepted procedures with confidence in the purity of supplies in the marketplace. It will protect against losses from the unusual, unexpected residues of chemicals regulated by the Federal Government. It will not pay for willful failure to follow Government requirements.

The passage of this bill will encourage poultry producers over the Nation to produce a higher quality product—it will encourage them to report quickly any unusual circumstance or condition that might be a threat to the purity of our food chain.

The provisions of the bill would terminate with the present farm bill, including the bee indemnity program, and be reviewed along with all other farm programs as to future need.

Mr. President, the sponsors of this bill are simply asking for equal treatment of this important segment of our food supply. I urge its early consideration and passage.

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By Mr. PROXMIRE:

S. 3232. A bill to be cited as the "Real Estate Settlement Costs Act of 1974." Referred to the Committee on Banking, Housing and Urban Affairs.

### CLOSING COST REFORM

Mr. PROXMIRE. Mr. President, the bill I am introducing today, will accomplish several needed reforms on behalf of the family which is purchasing or hopes to purchase a home. First of all, it provides an alternative approach to the problem of exorbitant costs charged to consumers incident to the purchase of a home. It also attempts to simplify the mathematical problem which confronts the borrower in shopping for a mortgage loan, by limiting the number and kinds of charges which can be imposed by a lender. By forbidding the charging of points and fees, it also lowers the barriers to homeownership for many families who have the steady income needed to meet monthly mortgage payments but who lack the accumulated cash to pay large front end fees at the time of purchase.

The facts about consumer exploitation in the area of closing costs have been known to this Congress for some time. The costs of many services in connection with the purchase and financing of a home are grossly inflated, and frequently the home buyer is required to purchase services which are totally unnecessary. Competition is carried out between service providers not by offering the consumer a better service or a better price but by means of referrals from other providers. To encourage referrals, competitors depend on a system of commissions, free meals and entertainment, and sometimes just plain kickbacks. The costs of this referral system are inevitably added to the home buyer's bill. Price fixing in various forms is facilitated by professional associations and often by State laws designed to protect the incomes of these professions.

Against this array of economic power, the typical home buyer is helpless. As a person who will be in the home buying market only once or a few times in his lifetime, he lacks the sophistication to know which services are exorbitantly priced and which are really unnecessary, and even where he does sense that something is wrong, he usually will lack the bargaining power to do anything about his situation. Faced with a tight housing market and a tight mortgage market, the consumer will generally find that he has no choice but to accept the terms which the industry has imposed on him.

Last session I introduced a bill, S. 2288, to deal with the closing cost problem. The earlier bill would require uniform settlement statements and advance disclosure of settlement costs, and would prohibit kickbacks and other unearned payments to providers of settlement services. Its main thrust, however, is the requirement that the Secretary of Housing and Urban Development establish maximum allowable charges for services provided in connection with all federally related mortgage loans. While the proposed regulation has been criticized as extreme, it may well be that such strong action is necessary to finally solve this recurrent consumer problem.

However, alternative meaningful approaches to the problem also merit discussion and for this reason I have introduced the present bill. The bill would require that in any case involving a federally related mortgage loan, the lender shall pay for all costs involved in the settlement of the loan. I introduced a somewhat similar bill 2½ years ago, but because consumer representatives at that time expressed some doubt as to whether such a law would be adequate to protect the interests of the home buyer, I was persuaded to adopt the regulatory approach exemplified by S. 2288. More recently, however, a number of legal scholars and consumer spokesmen have testified in favor of lender payment of settlement costs as a solution to this serious consumer problem. Because of this change in climate, and because I have always felt that the lender payment approach is preferable, on grounds of simplicity and administrative efficiency, to the regulatory approach, I have introduced the present bill.

The requirement that mortgage lenders pay all closing costs should lead to lower aggregate closing costs for several reasons. Lenders, because of their greater experience and sophistication in the home buying field, are in a better position than the borrower to know when services are really necessary and when economies could be achieved without any danger to the protection of the borrower or lender. Because they will purchase these services in large quantities, lenders will be in a far better position than borrowers to bargain for better terms. The lender is also in a better position than the typical borrower to understand the effect of local law or custom in raising the price of settlement services, and to exert pressure to bring about reforms. However, the ability of the lender to economize on settlement services will be lost if the lender can simply turn around and charge an additional fee to the borrower which represents the costs of the services purchased on the borrower's account. If the lender is to be motivated to use his knowledge and bargaining power to lower settlement costs, the lender must be required to treat these charges as part of the costs of carrying on his business, and to recover them, if at all, only as part of the overall finance charge which the borrower pays on the loan, in much the same way that the lender recovers its manpower, equipment, and other operating costs. In order to insure motivation on the part of the lender to bargain for better rates on closing related service, the bill forbids the lender to charge any fees or discount points in addition to the interest rate, and thus prevents a direct passing on of costs to the borrower. The elimination of points and fees has other advantages as well. When the price of a loan is expressed as a single fee instead of a morass of points, fees, and rates, the prospective borrower will be much better able to tell which lender is offering the most advantageous terms. Second, the elimination of front-end fees and the amortization of all home buying costs over the term of the mortgage loan will eliminate an important financial barrier to homeownership for many families.

The approach to the closing cost problem which I have proposed today was discussed recently at hearings before the Housing Subcommittee of the House Banking and Currency Committee. At that time, several consumer advocates expressed a preference for the approach favored in the present bill—that is, the payment of closing costs by the mortgage lender. One of these speakers, Alan Morrison of Public Citizen, Inc., suggested that in some States, the result of requiring all costs to be incorporated in the mortgage interest rate may be to bring the interest rate into conflict with interest limits imposed by State usury laws. In such cases it may be necessary for Federal law to override the State limits. As Mr. Morrison pointed out, this result is not as radical as it seems at first blush, since as a matter of fact lenders already routinely ignore State usury limits, with the blessing of the courts, by charging various fees and points in addition to the maximum allowable rate of interest. The whole system, in short, is irrational and deceptive. However, I am not yet ready to say that this matter requires Federal action as part of the closing cost bill, although I think it is a matter which the committee should explore in its deliberations.

The approach of this bill, requiring the payment of closing costs by the mortgage lender, offers an administratively simple and efficient way to meet the problem of exorbitant or unnecessary costs which are now frequently imposed on the helpless homebuying public. I hope the Senate will give it very serious consideration.

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By Mr. HUMPHREY:

S. 3233. A bill for the relief of certain individuals formerly employed by Nationwide Food Service in the U.S. Senate Restaurant. Referred to the Committee on the Judiciary.

Mr. HUMPHREY. Mr. President, I introduce and send to the desk a bill relating to the determination of creditable service with respect to civil service retirement, on behalf of certain persons currently or previously employed in the U.S. Senate Restaurant.

Over the past three decades, the management of the Senate restaurants has been passed from the Architect of the Capitol to the Nationwide Food Service and then back to the Architect of the Capitol. In this process, some of the employees of the Senate have been unfairly treated. I hope that this bill will rectify the oversight.

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By Mr. HUMPHREY (for himself, Mr. JACKSON, Mr. FANNIN, Mr. METCALF, Mr. BIBLE, Mr. HATFIELD, Mr. CHURCH, Mr. HASKELL, Mr. NELSON, Mr. JOHNSTON, and Mr. COOK):

S. 3234. A bill to authorize a vigorous Federal program of research and development to assure the utilization of solar energy as a major source for our national energy needs, to provide for the development of suitable incentives for rapid commercial use of solar technology and to establish an Office of Solar Energy Research in the U.S. Government. Referred to the Committee on Interior and Insular Affairs, by unanimous consent.

### SOLAR ENERGY RESEARCH ACT OF 1974

Mr. HUMPHREY. Mr. President today I am introducing for myself and several colleagues the Solar Energy Research Act of 1974.

This measure is cosponsored by Senators JACKSON, FANNIN, METCALF, BIBLE, HATFIELD, CHURCH, HASKELL, NELSON, JOHNSTON, and COOK.

This legislation would authorize a 5-year, $600 million Federal research and development effort to harness the tremendous energy potential of the sun for the service of man.

It would provide for the development, in cooperation with industry, of a variety of incentives to encourage the private sector to move aggressively in promoting the utilization of new solar technologies.

This bill would create an organizational focus for all of the solar energy activity undertaken by the Federal Government—the Office of Solar Energy Research.

Before describing the provisions of this legislation in detail, I would like to briefly outline my reasons for offering it.

For many years I have been deeply concerned over our inability to tap the energy potential of the sun. In fact, in the early 1960's I authored legislation to establish an Office of Solar Energy within the Department of Interior. On February 12, 1962, when I introduced this measure, I made a statement that still remains essentially true today:

> The Federal Government has played an active and effective role in the development of hydroelectric power and, more recently, atomic energy.
>
> But in this relatively new but exciting field of solar energy, the Government needs to coordinate and step up its activities for development of solar energy devices and techniques.

Regrettably, the Congress did not enact that program. In fact, the first solar energy legislation ever to pass either branch of Congress, was approved by the House only last month, as a result of a great deal of dedicated effort by Congressman MIKE MCCORMACK. In regard to that important legislation, I hope the Senate will soon approve a parallel solar heating and cooling bill. The time for such a program to be initiated is long overdue.

I still find myself, however, as in the early 1960's, calling for a broad-based solar energy research and development program. This must be a program that can concern itself not only with the heating and cooling of buildings, important as that obviously is, but also with solar thermal and photovoltaic power generation, wind energy conversion, ocean thermal gradient conversion, bioconversion, and the entire range of exciting solar energy possibilities.

But, Mr. President, much more attention is given as I discuss these possibilities today, and for good reason.

The higher prices for gasoline and fuels, the long lines at the filling stations, rapidly rising utility rates, and most of all the growing realization that our Nation's energy independence will depend more on the creative intellectual and technical resources of our people than on the hard resources of our land, have caused this awakening of interest. And with this new interest, the task of selling the Nation on a major investment in solar energy research and development has become easier.

The Arab oil embargo has convinced most Americans that we must develop vast new sources of energy. "Project Independence" is a major commitment to that goal, although domestic self-sufficiency, without an added margin of production to protect the energy independence of our allies, may be too limited a concept in the international political environment of the last quarter of this century. It is particularly within this concept of long-term world energy needs that I believe the potentials of solar energy must be fully explored.

But if we are to realize the great potential of solar energy for cooling and heating of space and water in the next few years, and for the generation of electricity in decades to come, we must substantially increase the focus of this effort and the public and private investment in this potentially tremendous new source of energy.

Many experts are now saying that no source of energy now available will meet our ever-growing demand for clean energy during the next century and beyond except the sun.

The energy generating potential of the sun is awesome. As Mr. V. W. Bearinger of the Honeywell Corp. points out:

> If 1% of the solar energy falling on the Sahara Desert in the year 2000 were converted to electrical power, it would supply all of the world's needs for electrical power for that year, or put another way, the annual amount of solar energy falling on the state of New York is double the energy obtained annually from the entire world's production of coal and oil.

And he is not alone in his claims that the sun could help make America truly self-sufficient, indefinitely. Dr. Alfred J. Eggers Jr. of the National Science Foundation recently wrote, as chairman of the technical panel on solar programs advising the Chairman of the AEC on reasonable energy research plans for our Government, that—

> Through widespread application of these (six specific solar) technologies, it is estimated that 10% to 30% of the Nation's required input BTU's can be provided by solar energy by the year 2000 and as much as 50% by the year 2020.

### ADEQUATE FUNDING FOR SOLAR ENERGY RESEARCH ESSENTIAL

While many of us have recognized the potential of this greatest and cleanest of all sources of energy, and for years some of us have called for stepped-up efforts to tap its tremendous potential, the total Federal effort specifically directed toward solar energy research and development has been and remains inadequate. This is particularly true in view of the urgency of our Nation's energy crisis and the important researchable projects that are available for funding.

During the current fiscal year, expenditures by the Federal Government for all types of solar energy research are estimated at approximately $13.2 million. While this is well above the level in any prior year, it still amounts to less than 1.5 percent of the $900 million Federal energy research and development budget and a mere seven one-hundredths of 1 percent of our total R. & D. budget. Certainly, the nature of the energy crisis demands, and the potential for practical uses of solar energy requires, much greater support from the Federal Government.

The following table provides data on alternative solar energy programs that have been suggested:

TABLE I.—SOLAR ENERGY R. & D. BUDGET PROPOSALS

[In millions of dollars]

| Fiscal year | AEC (Dec. 4, 1973) | President's proposal | Solar energy panel: "Minimum viable" | Solar energy panel: "Accelerated orderly" | HHH proposal |
|---|---|---|---|---|---|
| 1975 | $32.5 | $50.0 | $50.5 | $106.4 | $56 |
| 1976 | 39.9 | NA | 67.5 | 188.9 | 94 |
| 1977 | 41.4 | NA | 89.7 | 237.2 | 150 |
| 1978 | 42.2 | NA | 104.8 | 264.4 | 150 |
| 1979 | 44.0 | NA | 97.4 | 259.8 | 150 |
| 5-year program | 200.0 | (350.0) | 409.9 | 1,056.7 | 600 |

First, this table outlines the Atomic Energy Commission's recommended level of funding for solar energy as announced on December 4, 1973—a $200 million program over 5 years. Second, the President's proposed 5-year solar energy research budget is estimated at $350 million. Third, the "minimum viable" and "accelerated orderly" programs of $409.9 million and $1,056.7 million, respectively, were recommended to the AEC by the Inter-Agency Technical Review Panel in November 1973. Fourth, the 5-year solar energy research and development funding level, which I believe is needed, would total $600 million over 5 years.

Regarding present funding and support, I would like to commend the actions of the Office of Management and Budget in increasing support for solar energy from the $200 million recommended by the AEC to approximately $350 million for the next 5 years.

However, though a step in the right direction, it is still inadequate. This is made sharply clear in the higher funding levels recommended by the Inter-Agency Technical Review Panel, under the chairmanship of Dr. Eggers of the NSF, and noted above.

Mr. President, I ask unanimous consent that the "Section-1-Overview" of this report by the solar energy program subpanel, included in the recommendations of the Technical Review Panel, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, a recent voluminous study by the Mitre Corp. of a logical 5-year solar research and development program arrived at similar minimum and accelerated program figures.

Mr. President, I also ask unanimous consent that the "Summary and Discussion of Alternatives" section of the Mitre Corp. study be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. HUMPHREY. Mr. President, in regard to proposed funding levels it is also important to note the conclusion of the staff report on solar energy research prepared by the Committee on Science and Astronautics of the House of Representatives in December of 1972. Based on reports from NASA, the NSF, the NBS, and the CRS, they concluded:

> It appears that all the reporting groups concur generally in a future level of funding for solar energy research on the order of $100 million over the next three years and of about $150 million a year thereafter—reaching a total of about $3 billion over the next 15 years.

As is obvious from the above table, my proposal follows very closely on the advice of the technical experts and responsible Federal solar research and development organizations.

Unfortunately, while an improvement over the AEC proposals, the President's recommended funding for solar energy research and development fails to make the level of commitment that is absolutely essential to achieving meaningful progress in this vitally important area. I find the funding level baffling in light of "Project Independence" and the President's promise to move ahead vigorously to make our Nation self-sufficient in energy.

### ACCELERATED PROGRAM UNDER SOLAR ENERGY RESEARCH ACT

Mr. President, the bill I am offering today, the Solar Energy Research Act of 1974, would establish an Office of Solar Energy Research. This Office would provide the forward thrust for the expanded solar energy research, private and public, that is desperately needed in our Nation. This effort can be expected to dramatically reduce the period of time needed for the full advantages of solar energy to become available to the American people.

The Office is created within the Federal energy research and development administration or other permanent energy research organization established by Congress. Should such an agency not be in existence when this bill is enacted, the Office will be situated, on an interim basis only, in the Atomic Energy Commission.

It has been estimated by the NSF/NASA Solar Energy Panel, the principal body of solar energy expertise within and outside the U.S. Government, that beginning in the early years of the next century, at the latest, solar energy could economically provide as much as 35 percent of our total building heating and cooking requirements, 30 percent of the Nation's gaseous fuel needs, 10 percent of the demand for liquid fuels, and over 20 percent of the country's total electrical energy requirements.

As far as the near future is concerned, these and other experts agree that, if solar energy development and economic incentives programs are vigorously pursued, building heating from this source could reach substantial segments of the public within 1 or 2 years; building cooling in 5 to 9 years; synthetic fuels in 4 to 7 years; and electric power production in 9 to 14 years.

In other words, beginning now and well into the next century, major solar energy potential can be realized, if a strongly directed, supported, and administered solar energy research and development program is mounted within the Federal Government.

The Office of Solar Energy Research will provide the basic administrative structure and central policy focus for the entire solar energy research and development effort of our Government.

A Solar Energy Research Council is established to coordinate solar R. & D. among the several agencies involved and to assure the broadest possible spectrum of views and talents for the formulation of solar energy policy.

This, I hope, will result in an open solar energy growth policy based on objective scientific and economic review.

The cooperation called for among the various Government agencies in this legislation should not be taken lightly. I believe it is central to rapid success in our solar program and must be closely monitored by the appropriate congressional committees. The tendency to build a new research bureaucracy must not be permitted. There is simply too much talent and experience within the Government—NSF, NASA, AEC, and others—to permit a parallel development of expertise in a separate agency. It would be both time consuming and wasteful to do so.

Besides close cooperation with other agencies, the Office should especially utilize the great talents and capabilities to be found in industry.

It was a Government-industry team that got us to the moon and only with the same partnership of resources and spirit of cooperation can we achieve our national priority of energy self-sufficiency.

A key feature of this legislation is its aggressive program for seeing to it that the results of our solar energy research programs are available for use by the general public, as quickly as possible. The core of this effort will be a broad range of solar energy utilization incentives.

The authorizations provided in this bill, which have previously been described, are quite close to what the experts cite as the "minimum requirements" for a sound solar energy research and development program and well below what could be done under what the experts call an "accelerated orderly" program. However, they are nearly double the inadequate level of the recent announced administration solar energy research and development funding requests, which totals $350 million for the next 5 years.

If we have not learned the danger of overreliance on a limited number of energy sources from the current energy crisis, and do not act to spread our energy requirements across as wide a spectrum of energy sources as we can, we may be destined to experience an even more serious energy crisis in the decades ahead.

Mr. President, if we are going to seriously attempt to assure sufficient supplies of fuel at reasonable prices to all of our people, every potential source of energy supply must be thoroughly investigated. I am convinced that this is not happening in the solar energy areas. The purpose of this bill is to see that it does happen.

It does not seem unreasonable to me to ask the administration to put a mere 5 percent of its $11 billion energy research and development funds into work on solar energy, particularly when one considers its fantastic potential and the recommendations of the experts.

Mr. President, I ask unanimous consent that the full text of the "Solar Energy Research Act of 1974" be printed at this point in the Record. I also ask unanimous consent that "A Focus for Solar Energy," a statement by former Congressman George P. Miller, be printed in the *Record*.

There being no objection, the bill and the statement were ordered to be printed in the Record, as follows:

### S. 3234

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

That this Act may be cited as the "Solar Energy Research Act of 1974."

### DECLARATION OF POLICY

Sec. 2. (a) The Congress hereby finds that—

(1) the needs of a viable society depend on an ample supply of energy; and

(2) the demands on nonrenewable sources of energy pose unacceptable and regressive limits on growth; and

(3) that solar energy offers a nonpolluting, inexhaustible source of energy available for the benefit of all mankind; however

(4) heretofore, research into utilization of solar energy has been extremely limited.

(b) The Congress declares that it is the policy of the Federal Government to pursue a vigorous and viable program of research and development into the utilization of solar energy as a major source for our national energy needs.

### ESTABLISHMENT OF AN OFFICE OF SOLAR ENERGY RESEARCH

Sec. 3. (a) There is hereby established an Office of Solar Energy Research (hereinafter referred to as the "Office").

(b) Within sixty days from the date of enactment of legislation establishing a Federal Energy Research and Development Administration, or from the date of enactment of legislation creating any other permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States Government, the Office of Solar Energy Research created in this Act shall be established within that Agency.

(c) If, within sixty days from the date of enactment of this Act, no Agency with jurisdiction over Federal energy research and development has been established, the Office of Solar Energy Research authorized under this Act shall be established, on an interim basis, within the Atomic Energy Commission, under regulations prescribed by the Office of Management and Budget. The Office of Solar Energy Research shall be transferred to the new Federal office of energy research and development, as described in Section 3(b), within sixty days from the date of enactment of legislation authorizing its creation.

Sec. 4. In order to accomplish the purposes of this Act, the Administrator of the energy research and development organization referred to in section 3(b) or, on an interim basis, the Chairman of the Atomic Energy Commission, (hereinafter referred to as the "Administrator or Chairman"), whichever has located within his organization the Office of Solar Energy Research, pursuant to Section 3 of this Act, acting through the Office, shall—

(a) conduct, encourage, promote, and coordinate by means of research grants and contracts, in conjunction with, but not limited to, the National Science Foundation, and the National Aeronautics and Space Administration, fundamental science research to develop economical processes and methods for collecting, converting, transmitting, storing, and otherwise using solar energy and thereby transforming it into energy suitable for public and private use throughout the Nation; and in doing so, fully utilize, where appropriate, the experience and expertise of, but not limited to, the National Science Foundation's Division of Advanced Energy Research and Technology.

(b) fully utilizing the managerial and technical expertise, where appropriate, of such agencies as, but not limited to, the National Aeronautics and Space Administration, the National Science Foundation, the National Bureau of Standards, the Department of Housing and Urban Development, and the Department of Agriculture, among others (hereinafter referred to as "participating agencies"), such utilization developed in conjunction with the Solar Energy Research Council and reported within the annual report called for in Section 8 of this Act, conduct appropriate research and technical development work (1) to determine, by laboratory and pilot project testing, the usable results of all aforesaid fundamental scientific research and all existing research and (2) to develop and fabricate solar energy transformation processes, equipment designs, and components to the point where they can be demonstrated, certified, produced, and operated on a commercially practical scale;

(c) recommend to the Congress, as he deems appropriate, authorizations for the construction and operation, or for participation in the construction and operation, of solar energy conversion facilities or any component thereof for any process or method which he determines has great promise of accomplishing the purposes of this Act, this recommendation to be accompanied by a report, prepared in conjunction with the Solar Energy Research Council, on the location and cost of the proposed facility and the engineering and economic details with respect thereto; and

(d) undertake, through research grants and contracts, studies of possible economic, social and environmental effects which will result from the use of solar energy.

Sec. 5. In carrying out his functions under this Act, the Administrator or the Chairman acting through the Office, shall—

(a) transfer funds, where appropriate, to participating agencies adequate for conducting the research and technical work described in section 4 of this Act and for such other purposes, as he deems appropriate, pursuant to the purposes of this Act;

(b) initiate and participate in national and international conferences relating to solar energy research and development; and

(c) either directly or through participating agencies:

(1) acquire where necessary the services of mathematicians, engineers, economists, chemists, physicists, social scientists, and other personnel by contract, or otherwise;

(2) enter into contracts with private firms, educational institutions, and scientific organizations: Provided, That the expenditure of Federal funds through said contracts shall be apportioned so as to assure that small business concerns will have a realistic and adequate opportunity to participate in the programs under this Act to the maximum extent possible;

(3) make research and training grants;

(4) utilize, whenever deemed appropriate, the resources available, towards accomplishing the purposes stated in Section 2(b) of this Act, in the public and private sectors, including personnel or facilities such as, but not limited to, industry laboratories, Federal scientific laboratories, test sites, and such other resources; and to better enable the utilization of such resources, investigate, from time to time, the availability of the various resources needed to accomplish the purposes of this Act and investigate the feasibility and desirability of utilizing such resources as, but not limited to, the Lewis Research Center, the Los Alamos Scientific Laboratory, the Nuclear Rocket Development Station, and the Marshall Space Flight Center, among others, and to report to the President and the Congress the findings of such investigations; and only then,

(5) when deemed necessary, establish facilities and test sites at which to carry on the continuous research, testing, development, certification, fabrication, and programing, and also, if deemed appropriate, establish national solar energy development sites to serve as the base of operation and location of pilot and/or demonstration plants for solar energy conversion;

(6) utilize military installations where appropriate, to test applicable systems leading to a reduction in use of fuels and to a self-sufficiency of such installations;

(7) acquire inventions, patents, patent applications, licenses, secret processes, technical data, and interests in land, and other property rights by license, lease, donation, or purchase.

Sec. 6. (a) There is hereby established a Solar Energy Research Council to be chaired by the Chairman or Administrator to coordinate policy and programs in solar energy research. The Council shall be comprised of the Chairman or Administrator, the Administrator of the National Aeronautics and Space Administration, the Director of the Office of Technology Assessment, the Director of the National Science Foundation, the Secretary of Housing and Urban Development, the Administrator of the Federal Energy Office, the Secretary of Agriculture, or their representatives, and such others as may be appointed by the President. The Chairman or Administrator may designate as nonvoting members individuals from the private sector of noted expertise in the field of solar energy and/or its commercial application.

(b) It shall be the responsibility of the Council (1) to advise and consult with the

Chairman or Administrator in carrying out the purposes and provisions of this Act; and (2) to recommend to the President and the Congress policies pursuant to the purposes of this Act.

(c) Appointed private sector members of the Council shall receive for each day they are engaged in the performance of the functions of the Council compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule, including traveltime; and all members, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as such expenses are authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(d) The Chairman or Administrator shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities effectively.

SEC. 7. To assure that unnecessary delays are avoided in making available to the public and private sectors the benefits of solar energy research; the Chairman or Administrator shall—

(a) develop, in conjunction with, but not limited to, the National Bureau of Standards' experimental technology incentives program (ETIP), the National Science Foundation's experimental research and development incentives program (ERDIP), the Department of Housing and Urban Development, the National Aeronautics and Space Administration's Office of Technology Utilization, the National Science Foundation's Office of Intergovernmental Science and Research Utilization, the General Services Administration, and appropriate individuals from the private sector of noted expertise in the field of solar energy and/or its commercial application, and others, a program to expedite the increased utilization of solar energy technology by the public and private sector.

(b) establish a solar energy incentives task force comprised of such individuals and organizations as, but not limited to, those listed in the previous subsection to carry out the following functions: (1) report to the President and the Congress within 120 days following enactment, and at least annually thereafter, recommendations for a viable program, of specified, time limited, incentives or modifications to existing and/or proposed incentives programs to accelerate the commercial application of solar energy technology; (2) carry on a program of research and investigation into the barriers to innovation in the field of solar energy, the barriers to the acceleration of the commercial application of solar energy technology, and the programs needed to remove such barriers;

(c) compile on a semiannual basis and make available to the public a listing of all solar energy conversion components, facilities, and equipment, commercially available in the Nation for private or public use;

(d) implement a means of making available to interested parties information which is deemed appropriate for use in solar energy research and solar energy conversion equipment fabrication and development; and

(e) establish a solar energy research advisory commission with broad membership from such categories as, but not limited to, industry, academic institutions, the financial and legal communities, environmental and consumer groups, labor, public interest groups representative of state and local governments, and state and local agencies.

SEC. 8. The Chairman or Administrator in conjunction with the Council, shall report, on an annual basis, to the President and the Congress all actions taken by him under the provisions of this Act, all action planned for the ensuing year, and, to the extent practical, a projection of activities and funding requirements for the ensuing five years. Further, he shall recommend, as he deems appropriate, legislation and/or reorganizations which might further the purposes of this Act.

SEC. 9. For the purposes of this Act, utilization of solar energy shall include such applications of solar energy as, but not limited, to, the solar heating and cooling of buildings, solar crop drying and other agricultural applications of solar energy, solar thermal and photovoltaic power generation for terrestrial applications, whether situated on the ground or in space, wind energy conversion, ocean thermal gradient conversion, solar stimulated bioconversion, solar production of synthetic gases and hydrogren, among other applications.

SEC. 10. The Chairman or Administrator may issue rules and regulations to effectuate the purposes of this Act.

SEC. 11. (a) To carry out the provisions of this Act, there are authorized to be appropriated the following amounts:

(1) for the fiscal year ending June 30, 1975, $56,000,000;

(2) for the fiscal year ending June 30, 1976, $94,000,000;

(3) for the fiscal year ending June 30, 1977, $150,000,000;

(4) for the fiscal year ending June 30, 1978; $150,000,000; and

(5) for the fiscal year ending June 30, 1979; $150,000,000.

(b) Funds appropriated pursuant to subsection (a) of this section shall remain available for obligation, for expenditure, or for obligation and expenditure, for such period or periods as may be specified in Acts making such appropriations.

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## A FOCUS FOR SOLAR ENERGY

(Remarks by Hon. George P. Miller in the House of Representatives, May 31, 1972)

Mr. Speaker, at the risk of seeming a bit quixotic, I suspect that the time has come for civilized man to stop taking the sun for granted.

This is not to imply that one need worry about the sun not rising tomorrow or exploding into a super-nova next year or collapsing into a white dwarf in a few centuries. What I do assert is the spiraling need for the human race to tap the sun's enormous energy and put it to work as a major power supply—soon.

A lot of people have become involved lately in energy problems—including myself. The record abounds with reports and studies about the so-called energy crisis—and, in my opinion, there *is* such a crisis. There is nothing phony about it.

What I want to emphasize is this. Crisis is a relative word; usually its essence is immediacy—short range or short term—something we must handle right away. On the other hand, what is "immediate?" That depends on what you are and what your environment is. If you are a guppy being chased by a predator in a fish tank, it is one thing. If you are Queen Elizabeth it is something else. And if you are a member of Congress faced with making decisions which will affect not only your country but global civilizations as yet unborn, it is still another thing.

The point is that our energy crisis is both short-term and long-term. It is a continuum. We know we must find substantial new sources of energy to keep us going just for the balance of this century. We are also beginning to suspect that there is nothing now available to us which will serve our needs for clean energy during the next century or the one beyond that—except the sun.

In such context is this not the "immediacy?"

The lifetime of our nation is only 183 years—almost exactly the length of time that passed from the founding of Jamestown until the Constitutional Convention in Philadelphia. Does that period seem long today? Not very. Let me shrink it a little more. The time of real need for solar power may well be only half a century or less away. This is about the same span elapsing between the inauguration of George Washington as President and the death of Davy Crockett at the Alamo. That does not seem very long either.

Observed on this scale perhaps it is not so hard to see why, if we are to be assured of abundant energy in 2020 and beyond, we must get on with adequate and appropriate research *as of now*.

For the short-term crisis, the signs are that we are waking up and moving—toward fossil fuel exploration, nuclear power development, chemical conversion research, geothermal experimentation and the like. We have quite a way to go there, but we are started.

For the long-term crisis—toward significant solar power—we are basically still asleep.

### NEEDS AND POSSIBILITIES

Projected figures on American and world energy needs are readily available and can be set forth in massive detail. Many of them are inconsistent. Some are frightening. All are revealing. None is reassuring.

It is not my purpose to document a case for energy research. That has been done many times over. But I *do* want to specify a few facts which seem particularly meaningful here.

(1) *Future Energy Needs.*—One can find almost any kind of estimate on this matter except an estimate that trends downward. All are up. The most reliable, based on an averaging of more than 50 different forecasts, indicates that U.S. total energy needs will double in 25 years, and that electrical energy needs are doubling every 13 years which means an increase of over 400 percent before the year 2000. At the same time, our Committee on Science and Astronautics has testimony from the Interior Department which indicates the possibility of much higher energy demands depending on the accuracy of certain economic growth forecasts.

When we consider that the nation is consuming electric energy close to its present peak capability right now, that is a sobering thing to contemplate.

(2) *Energy Research Now Underway.*—Such research is presently underway in many fields including the fossil fuels, coal, oil and gas; nuclear fuels involving processes of fission, fusion and plasmas; hydraulic, geothermal, solar, wind, chemical, biological and a number of other exotic types.

Reports our committee has issued show that about 4,400 energy research projects are now in the mill in the United States and probably about $1 billion is going to support them. There are 1,162 projects on which we have detailed funding information, with about $441 million supporting them.

This is commendable.

But let me point out that a large part of this research is devoted simply to locating new sources of fuel, such as oil, gas and uranium, and developing new ways of getting at it.

In any case, only about 70 of the 4,400 research projects have any relation to solar energy, and they have available—so far as we can gauge—considerably less than 1 percent of the total funds going into energy research. Moreover, much of the effort that is going into solar energy research—probably half or better—is not being devoted to terrestrial use, but for use in space.

(3) *Supplies of Energy.*—Describing the world's supply of energy is very complex. It depends on many things. However, the engineers who have studied this problem tell us that "fossil fuel reserves are barely equivalent to twice the cumulative demand for energy between 1960 and 2000." (U.S. supplies are less than a fourth of the world total.) They go on to say that even nuclear fuels,

using present reactors, can provide a margin only a little more than twice the capacity of fossil fuels—but that breeder reactors could boost total nuclear capacity about 100 times. (U.S. reserves of nuclear fuels are estimated at 10 percent of the world supply.)

All such supplies are "depletable."

Sources categorized as "continuous" are solar radiation, wood fuel, farm waste, photosynthesis, hydro-power, wind power, tidal, and geothermal. All of these combined, *excluding solar radiation*, are estimated to provide maximum annual energy amounting to about 1.5 percent of the total world supply of fossil fuel energy, about .6 percent of total nuclear energy available using present methods, and about .006 percent of total breeder-reactor energy.

Solar radiation energy falling annually on the world's land surface, however, is estimated at about 28 times the world's total supply of fossil fuel energy, about 9 times the total supply of conventional nuclear energy, and about 11 percent of the total supply of breeder-reactor energy.

(4) *Outlook for Various Energy Systems.*—Again, it is difficult to describe the energy outlook in terms of utilization of the various kinds of fuels. This is mainly because new technologies may provide us with more efficient ways of recovering and using these fuels.

With present technology we have no practical way of recovering a very large part of the world's remaining supplies of oil, coal and gas. And we are even hampered in using present methods in many cases due to public outcries against such methods as strip mining, offshore drilling, surface pipelines, jumbo tankers and the like.

Present nuclear power methods seem to have made reasonable progress with their problem of thermal pollution but very little with long-term radioactive waste disposal. No one in this country has yet succeeded in producing a reliable commercial prototype of breeder-reactor; nor does anyone seem to have a practical solution for handling the small (in quantity) but exceedingly "hot" (radioactively) waste from such plants—a kind of waste which remains highly dangerous for thousands of years. With both types of reactors, there exist wide divergences of opinion with regard to fuel availability, hazards, and the economics of plant construction and operation.

With regard to power from nuclear fusion and plasmas, scientific feasibility has not been demonstrated, and we are lacking in our materials research, among other things. As yet we have no processes or materials to withstand the enormous temperatures and radiation levels which such methods demand.

### DECISIONS TO BE MADE

By reciting these circumstances, I do not mean to be negative. I have great faith in our scientists and engineers, and I have no doubt that developing technology will help us find various options to follow in alleviating the energy dilemma.

Nonetheless, in view of the foreging evidence—and I believe that I have been reasonably conservative in my presentation of it—it seems to me that at least two firm conclusions are in order.

*First.*—We must make a decision, probably during the '70's, on what we want to do with some of the most valuable—but finite—resources on this planet. That is, coal, oil, natural gas, uranium and several other heavy elements.

Do we want to "burn" them? Use them all up for fuel?

Obviously we are going to be forced to do this for a while. There is no alternative. But, as I have tried to point out earlier, a "while" is a relative thing which, if we are complacent, may quickly devour all the time we have left to develop options. Even assuming that we manage to evolve new adequate energy systems by then, what do we use in place of these precious materials which we have so inefficiently consumed?

It took billions of years for Earth to make her fossil fuel material. We cannot manufacture more of it. Yet we have hundreds of needs for it other than energy. The bulk of the petrochemical industry, which is so vital to our well-being, will—for example—be lost. Such loss factors may be extended by orders of magnitude in other fields—for it is clear that important uses of these materials which are undreamed of today will exist tomorrow.

Meanwhile, at present rates of consumption, that priceless product—oil—which we first found in this country in Pennsylvania in 1825—will be gone worldwide by 2125 if not before. An interesting commentary on mankind, is it not? Particularly so in light of some of our efforts to eradicate the effects of burning oil—such as smog-control devices adapted to the internal combustion engine, which thus far, while achieving some progress toward that goal, have also succeeded in increasing auto gasoline consumption by about 20 percent when employed.

To me, the answer to the question of the *indefinite* use of fossil and nuclear materials for energy is clear. Let us look elsewhere.

*Second.*—If we conclude that we must look elsewhere for major energy sources, where can we turn except to solar radiation?

I am not aware of another likely candidate—at least one with sufficient potential to provide very large amounts of undiminished power over large geographical areas for long periods of time.

Undoubtedly there will be, as there are now, many possible ways and many technologies for transmitting, converting, storing and using solar energy. Each will be important in its contribution to the total energy panorama. But I am convinced that at least one key to the problem lies in some joint space-terrestrial method of generating electric power.

If this is correct, it is going to require a lot of research, development and demonstration beyond contemporary efforts.

### NATURE OF PRESENT RESEARCH

So what are these efforts?

At present, those being undertaken privately are mainly concentrated in the short-term payoff area—exploration for sources, extraction techniques, nuclear engineering, coal gasification and the like. Research on solar energy is largely ignored.

What about the Federal effort?

Government-wide budget requests for energy research for fiscal year 1973 come to about $700 million—which is by no means hay but which is around 4 percent of the total Federal R&D budget. The amount contemplated for solar energy research is something like $13 million, or less than 2 percent of the *energy* R&D budget. Almost all of this is funded by the National Aeronautics and Space Administration and the National Science Foundation and not all of it will be obligated.

Let's take the solar energy R&D budget a step further.

Only about $4 or $5 million of it is devoted to research which has terrestrial applications. The rest, including a small amount of Air Force money, is aimed toward applications in space—which I strongly support; it is vital to the total understanding of solar energy potential as well as our space-oriented missions. The point I am making is that our real government financial commitment to solar energy research for terrestrial purposes at present comes to about .0003 or 3/100ths of 1 percent—of our total Federal R&D budget.

To understate the case—this is not much of a commitment.

If the argument I have been making is at all valid, then something is wrong with our priorities.

Last June the President sent a special message to Congress on U.S. energy needs, which has helped create an encouraging environment for energy research. The Federal Council on Science and Technology has set up a Committee on Energy R&D Goals—which includes a Solar Energy Panel co-chaired by officials from NASA and NSF. That Panel has 5 sub-panels devoted to varying systems and about 40 expert consultants involved. An important function of the Panel is to investigate the large-scale use of terrestrial solar energy and recommend to the Energy Committee what research programs are needed. The report is due by July 1, 1972—though when it may be made generally available, if at all, I do not know. Nor does anyone seem to know what happens to the Panel after that.

This is fine as far as it goes.

But is doesn't go very far and, unless somebody really pushes the throttle, it is going to be not merely too little but too late. Moreover, there seems to be no central point of responsibility for making the required effort.

In my view, we are going to need an effort comparable in spirit and commitment to the one we put into the space program in the 60's in order to achieve our solar energy needs. Except this new effort is likely to be more difficult and complex than our space program has been up to now and will cover a longer period. It is not going to be easy.

Perhaps it will take a disaster or a real scare to produce the effort, but when that effort comes it will have to be: (1) Focused; (2) Integrated; (3) Intense, and (4) Continuing.

Nothing else will suffice.

I know there are many who think the whole concept of solar energy is too "far out" and, by current engineering standards, too inefficient. But I would remind my colleagues that today we depend for our existence on many technologies which were completely unknown 25 years ago.

I am sure it is going to cost us more, but this should not be a deterrent. I believe we must accept the fact that in the future our utilities—among the most crucial commodities in our entire scheme of living—are likely to cost what they are worth. For 100 years we in this country have been taking them for granted and paying almost nothing for them. Meditate on that. We think nothing of paying $5 or $6 for a bottle of gin or $2.50 for a lipstick or $1.25 for a can of deodorant spray, yet we gripe if our water bill goes up to 50 cents for 1,000 gallons. Try doing without water for a while—or heat or electricity—and then decide what it is worth.

This is what we are going to have to do.

### UNIQUE ROLE OF SCIENCE COMMITTEE

Mr. Speaker, I bring this matter to the attention of the Congress because, as Chairman of the Committee on Science and Astronautics, I believe I have a special and unique responsibility to do so.

Many Congressional committees have a strong and deep involvement with energy matters. However, our committee has a particular duty in the oversight of energy *research* and, whether by chance or otherwise, it turns out that the three executive agencies which fall under our jurisdiction appear to be the best qualified to take the lead in supporting serious R&D on solar energy. These three are the National Aeronautics and Space Administration and the National Science Foundation—which, as I have already mentioned, jointly manage the activities of the Federal Council's panel on solar energy—and the National Bureau of Standards. To give added potential to this triumvirate, it should be noted that NSF and the Bureau share between them responsibility for the Administration's new "technological innovations" programs.

That program is expected to be funded in fiscal '73 at about $40 million. I do not know how it will be used, nor is it my job to dictate that use. But, assuredly, it is my hope that serious consideration will be given to providing some additional solar energy R&D support through these programs.

Furthermore, I deem it most appropriate to point out that, in addition to its immediate programs on solar energy research, NASA's space shuttle system could have incalculable value for ultimate solar energy use. This system may well be the only one which could assemble and maintain solar energy stations capable of employing microwave transmission to earth to overcome weather interference. I hope that those critics who have long down-graded the U.S. manned spaceflight programs will give this some unbiased thought.

There is a fourth organization which also has a particular contribution to make to our Committee regarding the solar energy endeavor. This is the Congressional Research Service (CRS) of the Library of Congress. Late last year, at the insistence of Rep. John Davis of Georgia, chairman of our Subcommittee on Science, Research and Development, the Science Policy Research Division of CRS began an extensive review of the materials research and materials needs of the U.S. Their study is extensive and will take time—but it is critical, I believe, to the success of many of our research ventures, including solar energy research.

Many of our scientific and technological research personnel are aware of this fact. A number of government and non-government councils with the task of promoting materials research already exist. They are operating on the premise that some of the most urgent public needs facing the nation demand new technologies which can be developed only with the advent of materials possessing properties not yet known to man.

### CONTACT WITH EXECUTIVE AGENCIES

Mr. Speaker, my interest in solar energy research—and that of our Committee as a whole—has stemmed in considerable part from the excellent work done over the past 9 months by our Energy Research Task Group.

This group, headed by Rep. Mike McCormack of Washington, as a special unit of Rep. Davis' subcommittee, has been given comprehensive briefings almost weekly. Each meeting has been held in a frank and informal manner with experts from all appropriate energy R&D fields—following extensive planning and consultation with the Congressional Research Service. The briefings culminated this month in two weeks of what I consider to be highly sophisticated hearings by the Davis subcommittee on our national energy research prognosis.

My comments today have been sparked by that work.

Also, as a result, I have recently been in direct contact with the heads of each of the agencies here identified as important contributors to solar energy R&D: Dr. James Fletcher of NASA, Dr. Guy Stever of NSF, Dr. Lawrence Kushner of NBS, and Dr. Lester Jayson of CRS.

Each has agreed to participate with the Committee on Science and Astronautics in considering the formulation of multidisciplinary, integrated programs of solar energy research. Toward this end we will begin exploratory meetings between appropriate personnel of the several agencies and of the Committee within a few weeks.

In addition, it is my plan to request that each of the specified agencies report to the Committee within four months on:

(1) The particular contributions, existing and potential, which the agency involved is capable of giving to solar energy R&D;

(2) The level of effort which the agency feels is best suited to it under present conditions;

(3) The level of effort which is possible under accelerated conditions;

(4) The level of commitment which the agency is willing to recommend to the Administration over the next decade, insofar as this is feasible;

(5) The identification and relative capabilities of other government and non-government organizations or institutions in solar energy research.

### NEW TASK FORCE AND POLICY FORMULATION

What do we expect from this beginning?

Eventually, of course, we hope for the creation of an *effective* program of solar energy research. I use the term "effective" here as synonymous with "successful."

As for immediate expectations, we are looking for three things:

*First.*—The formation of what is perhaps the first task force of its kind—a joint Executive-Legislative-Industry task force which will cross not only the boundaries of executive departments but boundaries of the main branches of government as well.

If executive agencies or legislative offices or committees other than those I have discussed wish to take part, they will be welcomed. In addition, expert representatives from industry should obviously be included if they are willing.

The chief mission of such an integrated task force will be to provide the mechanism for assuring a *consistent*, *coherent* and *intensive* assault on the enormous research problems inherent in the production and use of solar energy. If any of those three characteristics fails, the effort will fail.

*Second.*—The promulgation of a statement of solar energy policy (perhaps involving energy generally). Hopefully, such a statement can be put in the form of a Joint Resolution and eventually given the force of public law. In my views, this will be especially important during those interim periods when we have made progress with the more conventional modes of energy and things begin to relax—for the moment. It is human nature then to say "why bother—why keep up the fuss over this solar bit?"

At such times, a national policy faithfully pursued may keep us from succumbing to that deceiving, and possibly fatal, technological lullaby.

*Third.*—The concentration of attention on the possibilities of solar energy—and the ultimate essential requirements for it—on an international basis. No part of the energy dilemma is the peculiar province of the United States. While we may be the first and the most seriously affected by energy shortages, the problem itself is global. We are all in this thing together, and very likely solutions will have to come from many quarters, domestic and foreign.

One thing is apparent to me. If we do not get on with this job, such matters as the war in Viet Nam, unemployment, crime, overcrowding, trade balances, education and all the other things which preoccupy so many nations today—will not make much difference. If the energy crisis becomes an energy catastrophe, we will find out, rather painfully, how relatively insignificant such contemporary issues have been.

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## EXHIBIT 1

### SECTION 1—OVERVIEW *

#### 1. PROGRAM GOAL

To develop, at the earliest feasible time, those applications of solar energy that can be made economically competitive and environmentally acceptable as alternative energy sources.

#### 2. BACKGROUND AND APPROACH

The sun is an inexhaustible source of an enormous amount of clean energy available nearly everywhere in the world. The technical feasibility of using solar energy for terrestrial applications is well established. On the other hand, solar energy is diffuse (17 watts/ft$^2$, twenty-four hour average in the U.S.) and variable (from zero to a maximum and back to zero each twenty-four hours). These two factors of low energy density and variability, combined with the ready availability of inexpensive fossil fuels, have until now, discouraged the development of systems suitable for widespread use. However, a recent study conduct by leading university, industry and government experts[1] concluded that a substantial development program could achieve the technical and economic objectives necessary for practical systems. In certain areas, practical systems are already in operation, e.g., domestic hot water heaters, remotely located buoy power systems, house heating systems, and waste conversion plants.

Solar energy can be used to generate electric power, to heat and cool buildings and to produce renewable supplies of clean hydrocarbon fuels. It is proposed to conduct six, phased subprograms covering the three areas. The six subprograms are:

1. Heating, and Cooling of Buildings (HCB).
2. Solar Thermal Conversion Systems (STC).
3. Wind Electric Power Systems (WEP).
4. Bioconversion to Fuels (BCF).
5. Ocean Thermal Electric Power Systems (OTEP).
6. Photovoltaic Electric Power Systems (PEP).

It is important to recognize that each of the above subprograms can make a substantial contribution without which the full potential of solar energy will not be realized.

Three of the four electric power generation system concepts, STC, WEP, and PEP, may require some form of energy storage for most effective central power station applications in order to compensate for the variable solar insolation. This energy storage requirement can be met by a variety of systems, e.g., pumped hydroelectric concepts, advanced pneumatic and electro-chemical systems or alleviated by utility grid operating procedures. The fourth system concept, OTEP, is unique in that it does not require energy storage or collectors since the ocean provides these functions.

While as many concepts and approaches as appear useful will be investigated in the early research and technology phases of each subprogram, only the most promising will be pursued to the point of demonstration. Special attention will be devoted to assuring that refinement and/or the development of advanced systems will be conducted and funded by industry at a later date. Concurrently with the technology development, an incentive research and development program would be carried out. This program would provide an evaluation of the policy alternatives concerning legal, regulatory, and institutional barriers and issues, and evaluate incentives additional to those intrinsic to the technological program elements. Incentives to be considered and evaluated in this program to overcome any initially unattractive features or startup costs of large scale development include; 1) subsidies on capital investment, 2) subsidies on initial operating costs, 3) guaranteed or low interest rate loans and 4) guaranteed minimum sales on equipment development. A significant portion of the overall program is designed to provide incentives to motivate industry to develop solar energy systems.

Figure 1 lists the resources required for the period FY 75–FY 79 for two program levels; the minimum viable (~$400 million), and an accelerated, orderly program (~$1 billion) having a high probability of early success.

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*From recommendations of the Technical Review Panel, Sub-Panel IX—Solar Energy Program Report, December 1973, for Dr. Dixie Lee Ray, President's Energy R & D Advisor.

[1] Solar Energy as a National Resource, NSF/NASA Solar Energy Panel, December 1972.

### 3. SIGNIFICANCE AND BENEFITS

At an average energy conversion efficiency of 5%, less than 4% of the U.S. continental land mass could supply 100% of the Nation's current energy needs. Thus, solar energy could contribute significantly to the national goal of permanent energy self-sufficiency while minimizing environmental degradation. In addition, this technology will be an exportable item for use by other energy deficient areas of the world. Although the full impact of solar energy probably won't occur until the turn of the century, the economic viability of several of the applications, e.g., heating and cooling of buildings (HCB), wind electric power (WEP) and bioconversion to fuels (BCF) could be developed and demonstrated in the next five years. Ultimately, practical solar energy systems could easily contribute 15–30% of the Nation's energy requirements.[2]

In most cases, photovoltaics being the primary exception, the development of practical systems will not require high technology. Thus, the research and development costs for solar energy should be very small in relation to the value of the energy saved. Current estimates indicate that the value of the fossil fuel to be saved in one subprogram area alone, i.e., HCB, would equal the cost of the entire accelerated ($1 billion) R&D program seven years after practical systems become commercially available.

Since solar energy systems are capital intensive and practical systems have not yet been developed, federal involvement in the development program is warranted.

FIGURE 1.—SOLAR ENERGY PROGRAM RESOURCES

[In millions of dollars]

| Program | 1975 | 1976 | 1977 | 1978 | 1979 | Total |
|---|---|---|---|---|---|---|
| Heating and cooling: | | | | | | |
| (a) Accelerated | 17.8 | 35.7 | 50.7 | 57.5 | 42.6 | 204.3 |
| (b) Minimum | 8.1 | 20.0 | 22.0 | 19.0 | 17.8 | 86.9 |
| Solar thermal: | | | | | | |
| (a) Accelerated | 31.1 | 51.5 | 59.0 | 60.0 | 74.0 | 275.2 |
| (b) Minimum | 15.8 | 16.8 | 31.5 | 43.0 | 38.0 | 145.1 |
| Wind energy: | | | | | | |
| (a) Accelerated | 8.5 | 17.3 | 23.5 | 33.9 | 23.0 | 106.2 |
| (b) Minimum | 3.8 | 5.4 | 7.1 | 6.9 | 3.7 | 26.9 |
| Bioconversion: | | | | | | |
| (a) Accelerated | 12.1 | 17.3 | 23.7 | 30.1 | 40.6 | 123.8 |
| (b) Minimum | 8.5 | 10.5 | 10.5 | 10.5 | 12.5 | 52.5 |
| Ocean-thermal: | | | | | | |
| (a) Accelerated | 8.6 | 19.2 | 16.4 | 28.8 | 26.5 | 99.5 |
| (b) Minimum | 4.0 | 4.5 | 7.6 | 12.2 | 13.0 | 41.3 |
| Photovoltaic: | | | | | | |
| (a) Accelerated | 28.3 | 48.3 | 63.9 | 54.1 | 53.1 | 247.7 |
| (b) Minimum | 10.3 | 10.3 | 11.0 | 13.2 | 12.4 | 57.2 |
| Total: | | | | | | |
| (a) Accelerated | 106.4 | 188.9 | 237.2 | 264.4 | 259.8 | 1,056.7 |
| (b) Minimum | 50.5 | 67.5 | 89.7 | 104.8 | 97.4 | 409.9 |

### 4. PROGRAM PLAN SUMMARY

#### *A. Heating and cooling of buildings (HCB)*

Approximately 25% of the Nation's current energy consumption is used for HCB purposes. For maximum utilization, solar HCB systems including domestic hot water systems suitable for both new construction and existing buildings must be investigated. Ultimately, 30–50% of the national heating and cooling energy requirement could be furnished by solar energy with the accompanying benefits of fuel savings, reduced pollution, and independence from complex energy transmission and distribution systems.

No major technical barriers exist to prevent the development of practical systems. Most of the technical problems to be solved involve the development of low-cost per unit of energy components. Specifically, the collectors and cooling systems require the most improvement, but appear amenable to a determined development program.

There are major uncertainties with regard to public acceptance, legal rights to unshaded sun, the establishment of a supporting industry, and methods of marketing and financing high, first cost solar HCB systems. However, it seems probable that the development of economically competitive systems, the benefits associated with solar HCB systems will provide major incentives for solving or accommodating these problems.

Two program levels are projected, (see Figure 1). The accelerated program is aimed at achieving commercial availability by 1979 and requires a budget of $204 million through FY 1979. The minimum viable program, $87M through FY 79 eliminates three out of five demonstration programs, reduces the number of pilot plant experiments from fifteen to ten, reduces component research and technology efforts from $114M to $5M, and for the most part eliminates parallel efforts. The end result is a relatively high risk program with an undesirable lower probability of success.

#### *B. Solar thermal conversion systems (STC)*

Approximately 20% of the U.S. current energy consumption is used to generate electric power. Ultimately STC systems could provide 10–20% of the electric power requirement. In addition, the STC solar collection subsystem developed for electric power generation could provide thermal energy for process heat for decentralized (local) and/or centralized applications.

There appear to be no major fundamental barriers requiring basic research. On the other hand, material and equipment development is required to obtain competitive performance and economics. The key technology areas include low cost, high temperature (focusing and tracking) collectors, thermal energy storage and distribution and alternate system concept trade-offs. In addition, there are problems to be defined and resolved arising from the large areas of land required, (10–20 square miles per 1000 Mwe).

The two program levels, with the accelerated program at approximately $275M and the minimum viable at approximately $145M, are shown in Figure 1. The accelerated program includes four different power plant pilot and demonstration projects and a research and technology program aimed at proving technical and economic feasibility by 1985. The minimum viable program eliminates one power plant project, and reduces the research and technology program from $64M to $32M. This program requires 1–2 years longer and lowers the probability of success.

#### *C. Wind electric power (WEP)*

The maximum electric energy that can be practically extracted from the winds available to the U.S. has not been determined. However, areas of the continental U.S., the Aleutian arc and off the eastern seaboard have been identified for which it is estimated that 1–2x$10^{12}$ kilowatt-hours per year could be generated by wind systems by the year 2000 [3]. The total U.S. production was 1.6x$10^{12}$ KW-hrs in 1969 and is projected to grow to 8x$10^{12}$ KW-hrs by 2000. Thus, significant amounts of electric energy are potentially available from the wind.

Based on world wide experience to date, no major technical barriers to the development of practical systems are foreseen. The specific goal of the accelerated program ($106 million) is to have cost effective, 10 Mwe systems in operation by 1979, leading to the demonstration of 100 Mwe systems by 1981. The program includes a subsystem and component cost reduction program, research on and the collection of wind characteristics, user equipments, legal, environmental, institutional and aesthetic issues, optimization of design concepts, and the testing of single and multi-rotor systems of increasing size and performance, culminating in 10 and 100 Mwe projects. The minimum viable program ($27 million) maintains the same subelement structure but reduces the research and technology program from $20 million to $5.0 million, reduces the number of and delays the 10 Mwe system projects by one year, and delays the 100 Mwe project by four years.

The WEP program will yield definitive test data by 1976–77 as to whether practical systems can be developed. Should the early data be favorable, then a crash program may well be in order to significantly advance the rate and level of impact on the national energy problem.

#### *D. Bioconversion to fuels (BCF)*

BCF systems offer the potential of furnishing replenishable supplies of clean hydrocarbon fuels. Estimates of the potential production capability range as high as 50% of the current gas or oil requirements. However, the extent to which these projections can be fulfilled will depend basically upon the amount of land available and the efficiency and economy of biomass production from that land.

The major problems to be solved involve increasing the energy yield of the production process and trying to accelerate and reduce the costs of the various conversion processes. The accelerated program ($124 million) is aimed at demonstrations of conversion plants of up to 100 tons/day capacity as well as developing high yield energy crops by 1980. In addition, a goal has been established for the practical production of hydrogen by photosynthetic and biochemical methods in the same time period.

The minimum viable program ($53 million) stretches out the program 3–5 years and reduces the number of demonstration plants from eight to four.

As in the case of the wind system program, the bioconversion program will yield early definitive test data as to whether practical systems can be developed. Thus, a crash program may well be in order at a later date.

#### *E. Ocean thermal electric power (OTEP)*

In 1929, Claude demonstrated using a 22 Kw unit that the thermal difference between the surface and deep ocean waters can be used to generate electric power. Although the feasibility of the concept was established, the project did not result in a practical system. Modern technology together with the nearly unlimited availability of ocean thermal energy makes this concept of interest. The accelerated program ($100 million) is intended to demonstrate the practical feasibility of converting ocean thermal energy into electricity by 1985. Both near-shore and ocean pilot plant and demonstration projects will be conducted at 10 Mwe and 100 Mwe respectively. System reliability and economic viability will be determined, along with an associated assessment of the technology and environmental impacts. The potential for production of protein and fresh water as valuable by-products will be investigated. Engineering problems to be solved include the development of deepwater pipes of large e.g., 50 foot diameter, along with methods for their deployment and the design of appropriate heat exchangers and pumping systems. A selection must be made between an open or a closed thermodynamic cycle and as to the means for transmitting energy from ocean locations to land. In addition, legal questions associated with operations in international waters must be examined.

The minimum viable program ($41M) would confine the demonstration program to only one near-shore pilot plant/test facility. Consequently, the feasibility determination and ultimate commercial implementation of ocean plants would be delayed.

#### *F. Photovoltaic electric power (PEP)*

As noted previously, some 20% of the current U.S. energy consumption is used to generate electric power by a total installed capacity near 400,000 megawatts. This level is projected to double over the next decade and become a larger portion of the U.S. energy consumption. Terrestrial photovoltaic systems could provide 10–20% of the electric power requirement. These systems may be employed for central station power systems and as local systems, for example, on rooftops to provide for heating and cooling of buildings. In addition there is the longer range potential of space systems (synchronous satellites) providing as much as power as desired.

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[2] Ibid. p. 10

[3] Ibid. Table 24. p. 69.

The major obstacle to be overcome is the development of the technology and processes which will permit the production of very large quantities of photovoltaic arrays at low costs, e.g., at \$0.10–0.30 per ft $^2$.

The accelerated program focuses on the exploration and exploitation of selected single crystal, thin film, and new concept approaches which are intended to establish a high degree of confidence in successfully accomplishing the low cost objective. The minimum viable program would force a substantial and very premature reduction in the number of options to be investigated and would stretch out the program from 3 to 8 years.

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### EXHIBIT 2

### SUMMARY AND DISCUSSION OF ALTERNATIVES*

### PROGRAM SUMMARY

The following chart summarizes the expenditures for each of the seven program elements (application areas) and for common applications, for the "Minimum" and the "Accelerated" Programs. In each case, the expenditures by fiscal year from 1974 through 1979 are given, along with the total for 1975–79 and the total through completion of the proof-of-concept experiments (POCE's). In every case, the recommended POCE's will be commenced during the period 1975–79, but in some cases not completed. Where the POCE extends beyond this period, the cost for the extra years is included in the end total.

The technical, economic, environmental, social and institutional viability of systems for heating and cooling buildings, and of systems for producing heated air and hot water for use in existing buildings and facilities will be demonstrated, and strategies developed for penetrating the markets for these systems.

One or more large systems (5x10$^7$ BTU/hour) and three or more smaller systems (2.5x10$^6$ BTU/hour) will be demonstrated, tested and evaluated for the supply of process heat to selected industrial plants.

A one-megawatt (electric) pilot solar-thermal plant will be designed, constructed, tested and evaluated. It will be equipped with either four (the Minimum Program) or forty (the Accelerated Program) hours of thermal storage.

A mass-production process for photovoltaic arrays, a one-megawatt (electric) prototype photovoltaic system connected to an electric utility network, a one-kilowatt (average electrical output) combined photovoltaic-thermal system for household use, and a one-hundred kilowatt (average electric output) prototype combined photovoltaic-wind-energy system with sufficient electrical storage to operate day and night all year will be developed, fabricated, tested and evaluated.

Two or four ten megawatt open or closed cycle, onshore or close offshore ocean thermal plants will be built, tested and evaluated. The feasibility of transmitting electric energy from such a plant by submarine cable will be determined.

A mass production process for a one-hundred-kilowatt to five-megawatt (rated electric) wind-energy system, a one-hundred-kilowatt (rated electric) prototype wind system in conjunction with a hydro-electric pumped storage facility and one-hundred-kilowatt to five-megawatt (rated electric) prototype wind systems to supplement an existing electric utility plant will be developed, tested and evaluated.

High-yield energy crop production and collection on a one-square-mile test farm, a one-hundred-ton-per-day fermentation pilot plant, a one-hundred-ton-per-day hydrolysis pilot plant and a one-hundred-ton-per-day catalytic gasification pilot plant will be developed, tested and evaluated.

A one-megawatt hydrogen generation, storage, transmission and utilization system will be designed, fabricated, tested and evaluated. The environmental impact of large solar collector arrays will be assessed. Comprehensive insolation data will be collected and presented. The relative economic feasibility of AC and DC transmission of energy from solar plants, and the optimal geometry for networks will be determined.

The supporting research necessary for each of the demonstrations described above, and the information-dissemination activities required to insure their utilization are described.

### PROGRAM ALTERNATIVES

The Minimum Program in each applications area includes the bare minimum of research tasks required to provide practical proof of each scientific concept involved, to substantiate reliable cost estimates, and to permit the assessment of environmental, social and institutional obstacles to full-scale exploration. In order to limit the total program cost, it will often be necessary to select one or a few particularly promising development options fairly early in the program, and to concentrate on them to the exclusion of other options. The Minimum Program also assumes to a considerable extent that proof of technical feasibility, economic viability and general acceptability of a pilot application will be sufficient to ensure widespread adoption by industry and the public.

Each Accelerated Program provides for parallel development paths and redundant tasks, perhaps by independent investigators, to provide reduced technical risks and increased probability of success. It also permits the demonstration of additional specific applications across a wider spectrum of application types, increasing the credibility of the concept and the likelihood of market penetration.

### *Heating and cooling of buildings*

The Minimum Program is designed to prove that solar heating and cooling will be technically feasible, environmentally, socially and institutionally acceptable, and economically competitive with conventional systems on a life-cycle-cost basis for a substantial fraction of the nation's residential and commercial buildings, provided that a sufficient market for solar systems can be developed to establish the volume of sales required to support the mass production and systematic distribution which are necessary to bring costs down. Due to the extreme conservatism of the building community toward innovation, it is not likely that this proof will be sufficient to result in the intensive market penetration required.

The Accelerated Program roughly doubles the number of buildings included in each category, permitting more combinations of building types and climate, and the involvement of more independent producers. In addition, it provides a substantial number of building systems to be included in other Federal programs, also involving additional elements of the building community. This increase will substantially increase the visibility of the program, and thus its chances for stimulating the takeover by private enterprise; it will also permit the testing and proof of techniques for overcoming the institutional constraints involved in a variety of building sponsorships and jurisdictions. In the case of heating and cooling of buildings, these constraints are more important than the relatively low technical risks.

### *Process heat*

The Minimum Program is designed to prove the technical feasibility of supplying process heat to industrial users, to assess the acceptability of such systems, and to provide reliable cost and performance data. Because of the great variety of industrial process heat users, this proof will still be somewhat theoretical to most of them.

The Accelerated Program includes about three times as many separate applications as the Minimum Program. This is intended to permit the evaluation of alternative system designs, involve a greater number of independent developers and increase the confidence of a user community which is highly varied and compartmented.

### *Thermal-electric energy conversion*

The Minimum Program includes only those tasks directly required for proceeding to construct, test and evaluate a single 1-megawatt (electric) solar power plant. Parallel and alternative approaches are minimized by selecting only those avenues of investigation which seem to promise earliest results. Only four hours of thermal storage are provided, permitting smoothing of output over brief interruptions to insolation and minor mismatches between insolation and load. This should prove the feasibility of the basic scientific concept and provide useful cost and operating data.

The Accelerated Program provides for three separate plants and a considerably augmented preliminary research program, substantially increasing the number of alternatives which can be considered and thereby reducing the technical risk. One plant will have forty hours of thermal storage, permitting a full-day gap in insolation. The three plants will be designed to interface with quite different segments of the use spectrum, permitting a broader test of institutional viability and a higher probability of market penetration through user involvement and visability.

### *Photovoltaic energy conversion*

The Minimum Program provides that each cell type, production process and applications system shall be investigated to the point where a judgment can be made and a selection take place as to which avenue of development is most promising, and that only these most promising avenues shall be exploited to the POCE level. Applying this philosophy with care should lead to a proof that photovoltaic systems of the types investigated can be produced and utilized, and to reliable cost estimate and impact assessments. It is likely, however, that this minimum approach will not permit true system optimization, and it is estimated that it will fail to bring down cell production costs to the extent that the Accelerated Program will.

The Accelerated Program provides for a substantial increase in the parallel development of cell types, production processes and utilization systems. This is expected to reduce technical risk, improve system optimization, and importantly, to reduce the cost of photovoltaic arrays to $3 per peak watt (compared to $7.50 per peak watt under the Minimum Program). This reduction in the cost of solar cells is reflected in the fact that the cost of the POCE is correspondingly less in the Accelerated than in the Minimum Program.

### *Ocean thermal systems*

Four variations in pilot plants are considered in this applications area, depending on whether each plant is ashore or afloat, and whether it uses an open-cycle or closed-cycle process. In the Minimum Program, only two of these alternatives, one ashore and one afloat, are carried through to fabrication, test and evaluation, with a decision required about March, 1977, as to which process will be employed in each plant.

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*Solar Energy Research Program Alternatives, December 1973, The Mitre Corporation.

In the Accelerated Program, all four of the possible alternatives will be carried through to proof of concept. This will substantially reduce the technical risks incurred, and will increase the confidence of the user community in the design decisions made in connection with the full-size demonstration plant which follows the pilot plants.

### *Wind energy*

Wind Energy systems, being near the required state of the art, present relatively light technical risks. The Minimum Program is designed to develop a mass-production capability and prove the technical feasibility and acceptabality of large-scale integrated operations. It will also generate reliable cost figures. It is estimated that the open-market cost after completion of the Minimum Program will be about $500 per kilowatt.

The Accelerated Program adds a considerable effort to the Phase O research tasks and calls for the mass-production and Federal purchase of about five times as many installed units as the Minimum Program. This is designed to permit the exhaustive investigation and optimal selection of alternative designs, and to develop a more efficient production process. It is estimated that by these efforts the cost per kilowatt can be reduced from about $500 to about $250, making wind systems a very competitive source of energy.

### *Organic materials*

The Minimum Program here includes a substantial amount of supporting research into processes not yet ready for proof of concept. It also includes experiments into production of not more than three different energy crops on plots of from 0.5 to 1.0 square mile, and the smallest reliable Proof-of-Concept Experiments in anaerobic fermentation and hydrolysis using municipal wastes as feedstock.

The Accelerated Program includes continuous efforts with at least four new energy crops on plots of from 0.5 to 1.0 square mile, with one of these selected for a system level POCE on 10 square miles in connection with a conversion plant. This program will provide 1–10 ton-per-day pilot plants for three different waste inputs and four different conversion processes, leading on to the combined production-conversion POCE mentioned above.

The Minimum Program will thus be seen to prove the possibility of producing some energy crops, and of converting organic material into fuel, but to leave a good many avenues unexplored and to provide minimal insight into integration of production and conversion. The Accelerated Program explores all reasonable approaches to achieving the desired conversion, providing duplication enough to check results and to develop required skills in the research community; and lays a solid groundwork for integration experiments. The tasks included in the Accelerated Program will almost certainly have to be accomplished if these processes can be expected to move into routine utilization.

### *Common applications*

The Minimum Program provides the bare essentials to prove the concept of hydrogen energy storage and to assess the impact of shading by solar collectors on the environment; also to collect and compile insolation data and to investigate energy storage, transmission and distribution as generally applicable to solar energy systems.

The Accelerated Program covers the same areas more thoroughly, providing for duplication of some efforts by independent investigations, and for the exploration of every promising avenue encountered, instead of selecting only the most promising at an early stage. This should provide a sounder base of understanding of these common processes which are useful throughout the field of solar energy utilization, often in ways which cannot be predicted at the outset.

### *Dissemination and utilization*

The differences between the Minimum and Accelerated Programs in dissemination and utilization of results are not great. They are designed to correspond with differences between the two programs in the applications areas. Most of the dissemination and utilization functions must be performed on almost the same scale under each program. The principal exception is in those cases where an increased number of POCE's requires a corresponding increase in utilization activities directly related to those POCE's.

SOLAR ENERGY RESEARCH

[Millions of dollars]

| Tasks | Fiscal year |  |  |  |  |  | Total 1975–79 | Total through POCE |
|---|---|---|---|---|---|---|---|---|
|  | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 |  |  |
| MINIMUM PROGRAM |  |  |  |  |  |  |  |  |
| Heating and cooling of buildings | 5.6 | 18.5 | 27.8 | 14.3 | 10.8 | 6.7 | 78.1 | 83.7 |
| Process heat |  | .8 | 3.2 | 6.8 | 6.9 | 2.4 | 20.1 | 20.1 |
| Thermal-electric energy conversion | 2.9 | 9.6 | 12.5 | 5.5 | 2.4 | 2.4 | 32.4 | 43.7 |
| Photovoltaic energy conversion | 1.0 | 2.8 | 3.7 | 6.1 | 11.6 | 14.4 | 38.6 | 50.51 |
| Ocean thermal systems | .6 | 1.3 | 5.6 | 8.4 | 22.4 | 21.4 | 59.1 | 67.7 |
| Wind energy conversion | .6 | 7.9 | 6.8 | 20.9 | 47.3 | 6.6 | 89.5 | 90.1 |
| Production and collection of organic materials | .8 | 6.7 | 6.3 | 5.7 | 5.5 | 3.7 | 27.9 | 32.2 |
| Conversion of organic materials to fuel or energy | 2.9 | 5.4 | 4.8 | 4.7 | 9.4 | 7.9 | 32.2 | 69.3 |
| Common applications |  | 2.4 | 3.1 | 4.5 | 5.5 | 5.9 | 21.4 | 21.4 |
| Dissemination and utilization |  | 4.9 | 5.1 | 5.8 | 6.8 | 7.4 | 30.0 | 38.3 |
| Minimum program total | 14.4 | 60.3 | 78.9 | 82.7 | 128.6 | 78.8 | 429.3 | 515.0 |

| Tasks | Fiscal year |  |  |  |  |  | Total 1975–79 | Total through POCE |
|---|---|---|---|---|---|---|---|---|
|  | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 |  |  |
| ACCELERATED PROGRAM |  |  |  |  |  |  |  |  |
| Heating and cooling of buildings | 5.6 | 34.0 | 68.9 | 45.8 | 26.1 | 16.9 | 191.7 | 197.3 |
| Process heat |  | 3.2 | 12.8 | 25.1 | 24.8 | 11.5 | 77.4 | 77.4 |
| Thermal-electric energy conversion | 3.2 | 11.6 | 15.2 | 10.6 | 7.9 | 8.2 | 53.5 | 70.8 |
| Photovoltaic energy conversion | 2.2 | 7.1 | 11.5 | 14.2 | 16.8 | 21.1 | 70.7 | 77.7 |
| Ocean thermal systems | .6 | 3.6 | 10.9 | 6.7 | 44.7 | 45.9 | 111.8 | 124.4 |
| Wind energy conversion | 2.0 | 9.9 | 18.9 | 44.3 | 82.8 | 12.6 | 168.5 | 170.5 |
| Production and collection of organic materials | 1.2 | 11.7 | 13.7 | 14.6 | 15.3 | 22.1 | 77.4 | 108.6 |
| Conversion of organic materials to fuel or energy | 6.4 | 13.8 | 11.3 | 19.0 | 17.0 | 27.6 | 88.7 | 143.2 |
| Common applications |  | 4.1 | 7.5 | 11.8 | 13.5 | 14.2 | 51.1 | 51.1 |
| Dissemination and utilization |  | 4.9 | 6.3 | 7.5 | 9.0 | 9.4 | 37.1 | 47.0 |
| Accelerated program total | 21.2 | 103.9 | 177.0 | 199.6 | 257.9 | 189.5 | 927.9 | 1,068.0 |

**Mr. HUMPHREY.** Mr. President, I ask unanimous consent that this bill, in the light of its substance and its sponsorship, be referred to the Committee on Interior and Insular Affairs.

**The PRESIDING OFFICER.** Without objection, the bill will be received and referred in accordance with the Senator's request.

**Mr. BIBLE.** Mr. President, it is my pleasure to be a cosponsor of S. 3234 the Solar Energy Research Act of 1974. This legislation declares that it is the policy of the Federal Government to pursue a vigorous and viable program of research and development into the utilization of solar energy as a major source for our national energy needs. I enthusiastically endorse such an effort. As many of you know, solar energy is not a new subject with me. I introduced a bill in the 86th Congress covering the same subject. That bill provided the development of practicable low-cost means of utilizing solar energy in judicious combination with fossil fuels and nuclear energy in order that the total energy resources of the Nation be maximized. I have not changed my mind.

The prospects of focusing the Sun's energy to generate steam for powerplants has intrigued me for years. A solar power steam engine using a large mirror to focus solar radiation on a boiler was the central attraction of the 1878 Paris World Exposition. In more recent times, the French have built a large mirror system at Mont Louis in the Pyrenees that focuses the Sun's rays to produce temperatures of 5,000° F or more. With the rising cost of fossil fuels and the many improvements in technology that have resulted from the space programs and other efforts the opportunity appears to be at hand to utilize economically the enormous potential of renewable solar energy.

I understand that large scale terrestrial solar thermal plants have been proposed to augment conventional powerplants. These would appear promising as a means of generating auxiliary electric power from solar energy using a minimum of thermal storage. However, the professionals tell me that the plants are technically complex to build and maintain. It is obvious that we need tremendous amounts of research and engineering to identify a fundamental and functioning system. "The Nation's Energy Future: A Report to Richard M. Nixon, President of the United States," submitted by Dr. Dixy Lee Ray, Chairman of the U.S. Atomic Energy Commission, December 1, 1973, supports solar thermal conversion research programs and the testing of a 10 MWe pilot plant. Dr. Ray recommends a budget of $5 million for fiscal year 1975 and $30.5 million for fiscal years 1976–79.

It is apparent that investigations of the aspects of solar thermal conversion are expensive and require large areas of space. An expansive land mass will have to be covered with arrays of solar reflectors to focus the solar radiation. It has been estimated that at least 10 square miles are needed for a 1000-MWe powerplant capable of operating on the average at 70 percent capacity. The primary location for such powerplants and the necessary array of collectors would have to be the sunlit desert areas which receive predictable and copious amounts of solar radiation—areas such as my State of Nevada.

I understand that solar energy sustains the winds which are remarkably repeatable and predictable. It is very possible that a windpower system could incorporate its own electricity storage which may include electrolysis of water to produce hydrogen for use as an alternate fuel.

In 1915, 100 MWe of electricity was being generated by windpower in Denmark. As late as 1940, a 1000-kilowatt machine was operated in Vermont on an experimental basis. At the present time, it appears that the principal drawbacks of wind energy systems include systems costs, the large number of units required, and the problems of siting these units. The problems, however, are not impossible to overcome. Dr. Ray's report encourages multiunit wind generator systems making up a wind "farm" capable of producing up to 10 megawatts of electrical power. For wind research, she recommends $6.2 million in fiscal year 1975 and $25.5 million for fiscal years 1976–79.

Another use of solar energy which is important in conserving our natural resources and converting the existing resource to energy is the bioconversion method. Some types of waste utilization systems, for example, combustion of wastes to produce electricity or steam appear to be economically viable at the present time. Other concepts are directed toward the production of large amounts of agricultural products such as algae or waterplants. The ultimate purpose of growing plant material is to provide a source of material that can be converted to heat energy by combustion or to enrich fuels by application of the appropriate solar conversion processes. Other materials that can be converted to enrich fuels are solid wastes such as agricultural, animal, industrial, and urban wastes. These at the present time are creating environmental farm that already exists on the fuels could actually represent a positive environmental impact and a source of rich energy fuel.

Dr. Ray recommends a budget of $2.4 million for fiscal year 1975 and $18 million for fiscal years 1976–79. Included in the report is the recommendation that two small-scale pilot plants for the conversion of wastes into methane and clean fuels be constructed and operated.

The Solar Energy Research Act of 1974 legislation will enable the research and development of solar energy to be expedited. I suggest that a development of National Solar Energy Laboratory System be given a high priority. Such a system would provide the basis for operation and location of pilot plants for solar thermal conversion, wind energy conversion, or bioconversion. The development of a national site concept should include solar energy development sites and subsites in a sufficient number of different and varying geographical areas to insure realistic and effective testing and demonstration. In developing the National Solar Energy Laboratory System, the Office of Solar Energy Research should consider in great detail the feasibility and desirability of converting or utilizing existing AEC and other Federal installations for such purposes.

Special consideration should be given to AEC and other Federal installations affected by a shortage of fuel and by a reduction of other governmental operations. Military establishments should be provided the opportunity to test applicable solar and other new energy systems, not only as part of the R. and D. program, but to reduce their own use of scarce fuels and with a view to developing their own energy self-sufficiency and to help reduce the resource drain.

Consistent with a National Laboratory System Concept and use of existing Federal facilities, I urge that careful consideration be given to the possibility of utilizing the Nevada Test Site facilities for solar programs. The Nuclear Rocket Development Station which has been the research complex of intensive nuclear rocket research, is ideally suited for solar energy-type research. The complex of structures, such as the two-story administration building, engineering control center and hydrogen tank farm, is located on approximately a 10-mile-square piece of land. It would make much more sense to reactivate a facility that has water, sewers, electricity and security than to construct new facilities for solar research.

The complex at the site also has the advantage of its close association with the Lawrence Radiation Laboratory, Sandia Corporation, Environmental Protection Agency and Los Alamos Scientific Laboratory—all four have demonstrated their ability in the energy field. The use of the site and associated laboratories would establish a solid foundation for an effective laboratory system to carry out research, development, and demonstrations for solar energy programs.

I also foresee as a subsite the experimental problems and the conversion to Nevada Test Site. It has been proposed that a biogasification plant be constructed to convert agricultural wastes—nonhuman—to methane and nutrient-rich sludge. Location of such a demonstration at this test site farm would virtually eliminate transport and disposal problems of animal wastes involved. The methane produced would be used in the facility for power, thereby making the farm a demonstration self-sufficiency through the application of known solar technology. The demonstrations of solar power could provide a fertile area for the potential growth of interagency and industrial cooperation programs.

I look forward to the day when solar power is no longer wishful thinking but a reality. Enactment of this bill would be a major step in achieving that goal.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 3237. A bill to amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system. Referred to the Committee on Commerce.

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, "The Transportation Improvement Act of 1974," and ask unanimous consent that the letter of transmittal, text of the bill, analysis of the need for the bill, and section-by-section analysis of the bill be printed in the Record.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 3237

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Transportation Improvement Act of 1974."

### RAILROAD RATEMAKING AND ABANDONMENT

Sec. 2. (a) Section 1 of the Interstate Commerce Act (49 U.S.C. 1) is amended by: (1) deleting the present paragraph (5) and substituting in its place the following:

"(5) (a) As used in this section, the term 'rate' means tariff, rate, fare, charge, and any classification, regulation, or practice relating thereto.

"(b) Each rate for a service rendered or to be rendered in the transportation of passengers or property, or in connection therewith, shall be just and reasonable, and every unjust and unreasonable rate is prohibited and declared to be unlawful. A rate that is compensatory may not be found to be unjust or unreasonable on the basis that it is too low.

"(c) In exercising its power to prescribe just and reasonable rates, the Commission shall give due consideration, to the effect of rates on the movement of traffic by the carrier for which the rates are prescribed, and to the need, in the public interest, of adequate and efficient railway transportation service at the lowest cost consistent with the furnishing of the service. In a proceeding involving competition between carriers of different modes of transportation, the Commission may not hold the rate of a carrier of one mode up to a particular level to protect the traffic of a carrier of another mode, if the rate proposed by the carrier is compensatory.

"(d) A rate is deemed to be compensatory when it equals or exceeds the variable cost of providing the specific transportation to which it applies. In determining whether a rate on traffic moving over lines receiving an operating subsidy pursuant to paragraph (23) of this section is compensatory, the Commission shall take into account the compensation received from the subsidy.

"(e) The Commission shall, on a continuing basis, investigate and identify traffic which is moving at a rate below the variable cost of handling the traffic to which the rate applies and cause the rate to be promptly raised at least to the variable cost level.

(2) amending paragraph (18) thereof by inserting "(a)" immediately following "(182)"; striking the words "After 90 days after this paragraph takes effect"; changing the word "no" where it first appears to "No;" striking the words "or construction and operation"; striking the words, "and no carrier by railroad subject to this part shall abandon all or any portion of a line of railroad, or the operation thereof, unless and until there shall first have been obtained from the Commission a certificate that the present or future public convenience and necessity permit of such abandonment"; and adding a new subparagraph to read as follows:

"(b) (1) Whenever all or any portion of a line of railroad, or the operation thereof, is abandoned by a railroad carrier in accordance with the provisions of this section, any person may apply for a certificate of public convenience and necessity authorizing the applicant to operate as a common carrier subject to part II or part III over the route or routes necessary to provide service (i) between any points on the line of railroad which is abandoned and (ii) between any point or points on the line of railroad which is abandoned and the nearest appropriate transfer point for movement by rail beyond; and (2) the Commission shall issue the certificate to the applicant if it finds that the applicant is fit, willing and able to perform the service proposed and to conform to the provisions of the part of the Act under which the application is made and the requirements, rules and regulations of the Commission thereunder, and that the issuance of the certificate would not result in a diminution in the total quantity and quality of service available to the public. In determining whether there is a diminution in the total quantity and quality of service available to the public, the Commission shall specifically consider, among other things, the effects upon originating and terminating markets and upon the adequacy of short-haul service to, from or between points intermediate to any originating or terminating market, and the burden of proof shall be upon the party opposing the issuance of the certificate. If a motor carrier certificate is issued to provide the service specified in this subparagraph, the Commission may require the carriers involved to establish joint rates or through routes for traffic moving to or from points on the abandoned line.";

(3) amending paragraph (19) by striking the words ", or all or any portion of a line of railroad, or the operation thereof, is proposed to be abandoned,";

(4) amending paragraph (20) thereof by striking the phrase "or for the partial exercise only of such right or privilege,"; striking the words, "operation, or abandonment covered thereby" from the second sentence and inserting in lieu thereof "or operation"; and striking the third sentence thereof.

(5) striking paragraph (22) thereof and adding the following new paragraphs:

"(22) (a) In order to provide advance notice to users and State and local governments of those lines of railroad which a carrier may seek to abandon because of their low traffic density, the Secretary, in consultation with the Commission, shall develop and publish, within ninety days after enactment of this paragraph, standards for the classification of railroad lines according to their level of usage and probable economic viability. The Secretary, in consultation with the Commission, may revise the standards thereafter as necessary to improve the accuracy of classification. In determining 'level of usage' and 'probable economic viability' for purposes of classification, the Secretary shall take into account such economic, operational, service, and other factors, as appropriate, and may make allowance for variations in these factors among the various regions of the country and among individual railroads or groups of railroads.

"(b) Within ninety days after publication of the standards for the classification of railroad lines, each railroad shall analyze its rail system in accordance with the standards and prepare and file with the Secretary and the Commission a full and complete schedule of its low density lines. The schedule shall be prepared, filed and kept current in accordance with procedures prescribed by the Secretary, in consultation with the Commission.

"(c) Except as specifically authorized by another Act of Congress, a carrier by railroad subject to this part may not abandon all or any portion of a line of railroad or the operation thereof without first obtaining from the Commission a certification that the public convenience and necessity permits the abandonment.

"(d) A carrier may initiate an abandonment proceeding by filing a notice with the Commission, at least ninety days prior to the proposed date of abandonment of a line of railroad, or the operation thereof, and certifying that the notice has been—

"(A) served by certified mail upon the Governor of each State in which all or any portion of the line of railroad or the operation thereof, is proposed to be abandoned;

"(B) served by certified mail on all shippers and receivers who have used the line in the preceding eighteen months;

"(C) posted in every station on the line of railroad; and,

"(D) published for three consecutive weeks in a newspaper of general circulation in each county in or through which said line of railroad operates.

Unless at the time the notice of abandonment is filed a line of railroad has been listed for at least six months on the schedule prescribed in subparagraph (b) of this paragraph, a carrier may not abandon all or any portion of the line, or operation thereof, if the abandonment is opposed either by a person who has used the service provided thereon during the eighteen months preceding the date of filing of the abandonment application, or by a State, county, or municipality served by the line.

"(e) Within forty-five days after receiving notice of an abandonment, the Commission may, upon complaint of an aggrieved user, institute an investigation of the abandonment. If an investigation is not instituted, the Commission shall, at least thirty days prior to the expiration of the notice period, issue a certificate that public convenience and necessity permit the abandonment as proposed in the notice. If the Commission institutes an investigation, it shall, at least thirty days prior to the expiration of the notice period, issue and serve upon the carrier an order postponing the abandonment, in whole or in part, pending investigation but not for a period longer than six months beyond the date when the abandonment would otherwise have become effective. In connection with an investigation, public hearings may be held in the area served or affected by the proposed abandonment. The Commission shall complete its investigation and issue an order requiring continued operation or a certificate permitting abandonment, in whole or in part, prior to the expiration of the six-month period of postponement. The Commission may attach to the order or certificate such terms and conditions as the public convenience and necessity may require, including a condition that public agencies be given the right of first refusal in connection with the sale of any of the land involved.

"(f) The Commission may order continued operation of the line proposed to be abandoned if it determines that the public convenience and necessity requires continuation and finds that continued operation of the line will produce sufficient revenue to the applicant or applicants to cover the cost of operating the line. In determining the public convenience and necessity, the Commission shall consider the extent of use and need for the service by shippers and receivers, the availability of more efficient alternative means of transportation, and the need to develop an efficient and financial self-sustaining national transportation system.

"(g) If the Commission finds that continued operation of the line proposed to be abandoned will not produce sufficient revenue to the applicant or applicants to cover the cost of operating the line, it shall issue a certificate permitting the abandonment. If the Commission finds that the aggregate revenue of all applicants attributable to the line covers the aggregate cost of all the applicants operating the line, but that the revenue accruing to a particular applicant does not cover its share of the cost, the Commission may order a postponement of the abandonment for an additional period, not to exceed six months. Unless the Commission is able during that time to take such actions as are necessary to assure that all applicants are receiving revenue at least equal to their share of the cost, the Commission shall issue a certificate permitting the abandonment at the end of the postponement period. If the Commission is unable to make the findings necessary to require continued operation of the line, it shall determine the extent to which the revenue attributable to the line or operations in question for the applicant or applicants covers the cost of operating the line for the applicant or applicants and the amount of subsidy needed to require continued operation under subparagraphs (23) and (24) of this paragraph.

"(23) If the Commission determines that the public convenience and necessity permit the abandonment of a line of railroad, or operation thereof, the Governor of any State or the authorized representative of any local governing authority in which all or a portion of the line is located, or the shippers or receivers of traffic over the line may, prior to the effective date of the Commission's order, notify the Commission and the railroad of their intention, individually or collectively, to provide an operating subsidy to the railroad to assure a continuation of service. If the Commission determines that the State or local government has, or is likely to acquire within a six-month period, the legal capacity to provide an operating subsidy, or in the case of shippers or receivers, that they are willing and able to provide the subsidy, it may order an additional postponement of the abandonment for not more than six months to implement a subsidization plan. It may order continued operation of the line thereafter on the condition that the subsidy is provided.

"(24) (a) Within ninety days following the date of enactment of this title the Secretary shall, after consultation with the Commission, develop interim standards for determining the 'cost of operating the line' and the 'revenue attributable to the line' as those terms are used in this section. The Commission shall promptly adopt and promulgate these interim standards. Within one year following the date of enactment of this title, the Secretary shall, after consultation with the Commission, develop final standards for determining these terms. The final standards shall be adopted and promulgated by the Commission within thirty days of their receipt and shall be revised from time to time as the Secretary and the Commission may agree.

"(b) The standards shall be developed in accordance with the following definitions and guidelines:

"(A) the 'cost of operating the line' means all costs of the applicant or applicants (including capital recovery and a reasonable return on investment) which may change or be avoided as a result of a decision to abandon the line, over a period of time long enough to allow all the cost effects of the abandonment to be realized;

"(B) the 'revenue attributable to the line' means all revenues which would be lost to the applicant or applicants if the line were abandoned; and

"(C) the standards shall not place an unreasonable accounting burden on the railroads.

"(25) The authority of the Commission conferred by paragraphs (18) through (22) of this section shall not extend to the construction, acquisition, or abandonment of spur, industrial, team, switching, or side tracks, located or to be located wholly within one State, or of street, suburban, or interurban electric railways, which are not operated as a part or parts of a general railroad system of transportation.

(26) (a) Any construction, operation, or abandonment contrary to the provisions of paragraphs (18), (19), (20), or (22) of this section may be enjoined by any United States district court of competent jurisdiction at the suit of the United States, the Commission, any commission or regulatory body of the State or States affected, or any party in interest; and any carrier which, or any director, officer, receiver, operating trustee, lessee, agent, or person, acting for or employed by such carrier, who, knowingly authorizes, consents to, or permits any violation of the provisions of paragraphs (18), (19), (20), or (22) of this section shall be subject to a civil penalty of not more than $5,000.

(b) Applications for abandonment filed with the Commission before the date of enactment of this Act, shall be governed by the provisions of section 1 of the Interstate Commerce Act (49 U.S.C. 1) in effect on the date of the application, except that the issuance of a certificate authorizing abandonment may be stayed pursuant to the provisions of section 1(23) as enacted in subsection (5) of this section.

RATE BUREAU PROCEDURES

SEC. 3. (a) Section 5a of the Interstate Commerce Act (49 U.S.C. 5b) is amended by (1) amending paragraph (3) to read as follows:

"(3) Each conference, bureau, committee, or other organization established or continued pursuant to an agreement approved by the Commission under the provisions of this section shall maintain records of the votes of its members on each matter voted on. It shall maintain such other accounts, files, memoranda, or other records, and submit such reports, as the Commission may require. The records of each organization shall be subject to inspection by the Commission and shall be made available to the public through the Commission.";

(2) renumbering paragraphs (7) through (10) as (9) through (12) and adding new paragraphs (7) and (8) to read as follows:

"(7) No conference, bureau, committee, or other organization established or continued pursuant to any agreement approved under this section by the Commission between motor carriers regulated by part II or freight forwarders regulated by part IV of this Act may file with the Commission a protest against, or request for suspension of, any rate, fare, or charge published in any of its tariffs upon the direction of a party to the agreement in the exercise of that party's right of independent action unless the protest or request is supported by facts showing that the rate, fare, or charge appears to be less than the variable cost of rendering the specific transportation service to which it applies.

"(8) The Commission may not approve under this section any agreement among railroad carriers that (i) permits participation in discussions, agreements or voting on single-line movements, (ii) permits any carrier not physically participating in a particular joint line or interline movement to participate in discussions, agreements, or voting on rates, fares, classifications, divisions, allowances, or charges relating to that movement; or (iii) provides for or establishes procedures for joint consideration or other action protesting or otherwise seeking the suspension of any rate, fare, or charge pursuant to section 15(7) of this Act when the rate, fare, or charge is established by independent action. The restriction in clauses (i) and (ii) of the preceding sentence is not applicable to participation in discussions, agreements or voting on scale or group rates generally applicable from, to, and within the given territory; but the Commission shall be given adequate notice of any meeting in which scale or group rates will be discussed and that meeting shall be open to the public."

(3) striking "(4), (5), or (6)" in paragraph (9) and inserting in lieu thereof "(4), (5), (6), (7), or (8)"; striking "(9)" in paragraph (10) and inserting "(11)" in lieu thereof; and

(4) adding a new paragraph (13) to read as follows:

"(13) (a) A conference, bureau, committee, or other organization established or continued pursuant to any agreement approved under this section, shall take final action upon a rule, rate, or charge docketed with it within one hundred and twenty days from the date of docketing.

"(b) Any agreement in effect on the date of enactment of this section which permits an action prohibited by subsections 5a(7) or (8) of the Interstate Commerce Act, as enacted by subsection (a) (2) of this section, is null and void to the extent it permits the prohibited action; and, any prohibited action taken under that agreement subsequent to the date of enactment of this section is subject to the antitrust laws."

INTRASTATE RAILROAD RATE PROCEEDINGS

SEC. 4. Section 13 of the Interstate Commerce Act (49 U.S.C. 13) is amended by adding a new paragraph (5) to read as follows:

"(5) The Commission shall have exclusive authority, upon application to it, to determine and prescribe intrastate rates if (i) a carrier has filed with an appropriate administrative or regulatory body of a State a change in an intrastate rate, fare, or charge, or a change in a classification, regulation, or practice that has the effect of changing the rate, fare, or charge, for the purpose of adjusting the rate, fare, or charge to the rate charged on the same traffic moving in interstate or foreign commerce; and (ii) the State administrative or regulatory body has not acted finally within one hundred and twenty days from the date of the filing of the change in the intrastate rates hereunder. Notice of the application to the Commission shall be served on the appropriate State administrative or regulatory body. The Commission shall determine and prescribe the rate thereafter to be charged according to the standards set forth in paragraph (4) of this section. The provisions of this paragraph shall apply notwithstanding the laws or constitution of any State, or the pendency of any proceeding before any State court or other State authority."

SUSPENSION OF RAILROAD RATES

SEC. 5 Section 15(7) of the Interstate Commerce Act (49 U.S.C. 15(7)) is amended to read as follows:

"(7) (a) Whenever a schedule is filed with the Commission to investigate the schedule joint rate, fare, or charge, or a new individual or joint classification, regulation, or practice affecting a rate, fare, or charge, the Commission may order a hearing concerning the lawfulness of the rate, fare, charge, classification, regulation, or practice. The hearing may be ordered upon complaint or at the Commission's initiative and, if it so orders, without answer or other formal pleading by the interested carrier or carriers, but with reasonable notice. After full hearing, whether completed before or after the rate, fare, charge, classification, regulations, or practice goes into effect, as hereinafter provided, the Commission may issue such order with reference thereto as would be proper in a proceeding initiated after it had become effective.

"(b) Pending a hearing instituted upon complaint, the schedule may be suspended for seven months beyond the time when it would otherwise go into effect except under the following conditions. In the case of a rate increase, a rate may not be suspended on the ground that it exceeds a just and reasonable level if the rate is below the applicable class rate except that a rate below the applicable class rate may be suspended under Sections 2, 3, and 4 of the Act pending the determination of its lawfulness. In the case of a rate decrease, a rate may not be suspended on the ground that it is below a just and reasonable level, except that a rate may be suspended under Sections 2, 3, and 4 of the Act pending the determination of its lawfulness. In addition, in a case of a rate increase or decrease a rate may not be suspended unless the Commission determines in writing that the facts in a sworn complaint or affidavit are sufficient to support a preliminary finding that the rate would result in direct and immediate economic injury to the complainant or the class he represents.

"(c) If a hearing of a proposed increased rate or charge is initiated and the schedule is not suspended pending hearing, or if a hearing of a proposed decreased rate or charge is initiated and the schedule is suspended pending hearing, the Commission shall require the carrier to keep an account of all amounts received because of the increase or the suspension of the decrease from the date the rate became effective or was suspended, as the case may be, until an order issues or until seven months elapse, whichever is sooner. The account shall specify by whom and in whose behalf the amounts are paid. In its final order, the Commission shall require the carrier to refund, with interest, to the persons in whose behalf the amounts were paid, that portion of the increased rate or charge found to be not justified, or that portion of the decreased rate or charge found to be justified, as the case may be. In determining a person's entitlement to a refund because of a decreased rate, the Commission shall consider the extent to which the traffic moved in compliance with the terms of the tariff containing the decreased rate.

"(d) At any hearing under this paragraph, the burden of proof is on the carrier to show that the proposed changed rate, fare, charge, classification, rule, regulation, or practice is compensatory, just and reasonable, and the Commission shall give to the hearing and decision of the question preference over all other questions pending before it and decide the same as speedily as possible.

"(e) Notwithstanding any other provisions of law, a carrier under this part may file with the Commission a notice of intention to file a schedule stating a new rate, fare, charge, classification, regulation or practice whenever the implementation of the proposed schedule would require a total capital investment of five hundred thousand dollars ($500,000) or more, individually or collectively by the carrier, or a shipper or receiver or agent thereof, or an interested third party. The filing shall be accompanied by a sworn affidavit setting forth in detail the anticipated capital investment upon which it is based. Any interested person may request the Commission stating a new individual or proposed to be filed. Unless prior to the one hundred and eightieth day following the filing of the notice the Commission has determined, after full hearing, that the proposed schedule, or any part thereof, would be unlawful, the carrier may file the schedule anytime thereafter to become effective after thirty days' notice. The schedule may not, for a period of five years after its effective date, be suspended or set aside as being unlawful under sections 1, 2, 3, or 4 of this Act, except that it may be suspended or set aside after that date if the rate prescribed therein is not found to be compensatory."

### CARRIER REVENUE LEVELS

SEC. 6. (a) Section 15a of the Interstate Commerce Act (49 U.S.C. 15a) is amended to read as follows:

"SEC. 15a. In carrying out its responsibilities under this part, the Commission shall give due consideration to the need for revenues sufficient to enable the carriers, under honest, economical, and efficient management, to provide adequate and efficient railway transportation service. In determining the adequacy of revenues, the Commission shall prescribe uniform methods and criteria for estimating the rate of return based on costs of capital and risk, the cost impact of changes in the general level of prices and wages, and the adequacy of cash flow."

(b) Sections 216(i), 307(f), and 406(d) of the Interstate Commerce Act (49 U.S.C. 316(i), 907(f), and 1006(d) are amended by adding at the end of each the following sentence: "In determining the adequacy of revenues, the Commission shall prescribe uniform methods and criteria for estimating the rate of return based on costs of capital and risk, the cost impact of changes in the general level of prices and wages, and the adequacy of cash flow."

### PROHIBITING REDUCED GOVERNMENT RATES

SEC. 7. Section 22 of the Interstate Commerce Act (49 U.S.C. 22) is amended by inserting in the first sentence of paragraph (1) following the word "governments" the words "to the extent that such services are performed in time of war, or involve the transportation of commodities that are exempt from economic regulation under the provisions of part II or part III."

### PROHIBITING DISCRIMINATORY TAXATION

SEC. 8. Section 26 of the Interstate Commerce Act (49 U.S.C. 27) is redesignated as section 27 and a new section 26 is added to read as follows:

"SEC. 26. (1) As used in this section—

"(a) The term 'assessment jurisdiction' means a geographical area, such as a State or a county, city or township within a State, which is a unit for purposes of determining assessed value of property for ad valorem taxation.

"*(b) The term* 'transportation property' means transportation property, as defined in the regulations of the Interstate Commerce Commission, that is owned or used by any common or contract carrier subject to economic regulation under parts I, II, III, or IV of this Act.

"(c) The term 'commercial and industrial property' means property devoted to a commercial or industrial use, but does not include transportation property or land used primarily for agricultural purposes or primarily for the purpose of growing timber.

"(d) The term 'all other property' means all property, real or personal, other than transportation property or land used primarily for agricultural purposes or primarily for the purpose of growing timber.

"(2) Notwithstanding the provisions of section 202(b) of this Act, the following actions by any State, or subdivision or agency thereof, whether taken pursuant to a constitutional provision, statute, administrative order or practice, or otherwise, constitute an unreasonable and unjust discrimination against, and an undue burden upon interstate commerce and are prohibited:

"(a) the assessment, for purposes of a property tax levied by any taxing district, of transportation property at a value which, as a ratio of the true market value of the property, is higher than the ratio of assessed value to true market value of all other industrial and commercial property which is in the assessment jurisdiction in which is included the taxing district, and which is subject to a property tax levy;

"(b) the collecton of any ad valorem property tax on transportation property at a tax rate higher than the tax rate generally applicable to all other commercial and industrial property in the taxing district;

"(c) the collection of any tax on the portion of an assessment which is prohibited; and

"(d) the imposition of any other tax which results in discriminatory treatment of a carrier subject to part I or part III of the Interstate Commerce Act.

"(3) If the ratio of assessed value to true market value of all other commercial and industrial property in the assessment jurisdiction cannot be established through the random-sampling method known as a 'sales assessment ratio study', conducted in accordance with statistical principles applicable to that study, then the following actions are also prohibited:

"(a) the assessment of transportation property at a value which, as a ratio of the true market value of the property, is higher than the ratio of assessed value to true market value of all other property which is in the assessment jurisdiction in which is included the taxing district, and which is subject to a property tax levy; or

"(b) the collection of an ad valorem property tax on transportation property at a tax rate higher than the tax rate generally applicable to all other property in the taxing district.

"(4) Notwithstanding the provisions of section 1341, title 28, United States Code, or of the constitution or laws of any State, the district courts of the United States shall have jurisdiction to issue such writs of injunction or other property process, mandatory or otherwise, as may be necessary to restrain any State, or subdivision or agency thereof, or any persons from violating the the prohibitions of this section, except that relief may not be granted hereunder unless the assessed value as a perecntage of true value of the transportation property exceeds by at least 5 per centum the assessed value as a percentage of true value of other commercial and industrial property or all other property, as the case may be, in the assessment jurisdiction. The jurisdiction of the district courts shall not be exclusive of that which any Federal or State court may otherwise have.

"(5) This section shall not become effective until three years after the date of its enactment."

### UNIFORM COST AND REVENUE ACCOUNTING

SEC. 9. The Commission shall, jointly with the Secretary of Transportation, study and recommend uniform cost accounting and uniform revenue accounting methods for rail carriers. Within two years from the effective date of this subparagraph, the Commission shall issue regulations prescribing the recommended uniform cost accounting and uniform revenue accounting methods. In their study and recommendations, the Commission and the Secretary shall give due consideration to all items and factors (including the cost of capital) presently used in the ascertainment of costs for ratemaking purposes which they deem relevant to the determination of variable cost; and they shall consult with and solicit the views of other agencies and departments of the Federal Government, and the representatives of the carriers, their employees, shippers, and the public.

### RATE FLOORS FOR PARTS II, III AND IV CARRIERS

SEC. 10. Sections 216(i), 307(f), and 406(d) of the Interstate Commerce Act, as amended, are each amended by adding at the end of each the following: "The Commission shall, on a continuing basis, investigate and identify traffic which is moving at a rate below the variable cost of handling the traffic to which the rate applies and cause the rate to be promptly raised at least to the variable cost level."

### RAILROAD LOAN GUARANTEES

SEC. 11(a) The Secretary is authorized, on such terms and conditions as he may prescribe, and with the approval of the Secretary of the Treasury, to guarantee any lender against loss of principal and interest on securities, obligations, or loans (including refinancings thereof) issued for the purpose of financing acquisitions or improvements specified in subsection (d) of this section. The maturity date of any security, obligation, or loan, including all extensions and renewals thereof, shall not be later than 20 years from its date of issuance, nor be later than the end of the useful life of any asset to be financed by the security, obligation, or loan. The Secretary shall prescribe and collect a reasonable annual guarantee fee from the railroad borrowers sufficient in his judgment to cover as a minimum administrative expense under the program authorized by this section except that the fee for a guarantee made with respect to subsection (d)(v) may not be more than 1 percentum per annum of the principal amount of the obligations outstanding.

(b) All guarantees entered into by the Secretary under this section shall constitute general obligations of the United States of America backed by the full faith and credit of the Government of the United States of America.

(c) Any guarantee made by the Secretary under this section shall not be terminated, cancelled or otherwise revoked; shall be conclusive evidence that such guarantee complies fully with the provisions of this section and of the approval and legality of the principal amount, interest rate, and all other terms of the securities, obligations, or loans and of the guarantee; and shall be valid and incontestable in the hands of a holder of a guaranteed security, obligation, or loan, except for fraud or material misrepresentation on the part of such holder.

(d) The loan guarantees authorized by subsection (a) of this section may be made for the purpose of financing the acquisition, construction, maintenance, or development of the following railroad facilities and equipment:

(i) track, roadbed and related structures subject to traffic usage of at least 5 million gross ton-miles per mile of road per year;

(ii) electrical, communication, and power transmission systems;

(iii) signals;

(iv) terminal facility modernization and consolidation; and

(v) new and rebuilt rolling stock.

(e)(1) Before making any guarantee pursuant to this section, the Secretary must consider whether the prospective lender is responsible and whether adequate provision will be made for servicing the obligation. The Secretary may not make a guarantee pursuant to this section unless the borrower has an equity interest in the asset to be financed. The Secretary may not make a guarantee for purposes (i) through (iv) of subsection (d) unless he finds that—

(i) the management of the railroad is actively pursuing programs designed to upgrade and develop plant facilities and operations as necessary to fulfiill its obligations as a common carrier;

(ii) the prospective earning power of the railroad together with the character and value of the security pledged, if any, furnish reasonable assurance that the railroad will be able to repay the loan within the time fixed and afford reasonable protection to the United States in the event of a default;

(iii) the activity to be financed under the guarantee will enhance the efficiency of rail operations;

(iv) the prospective borrower has demonstrated to the satisfaction of the Secretary that credit is not otherwise available on reasonable terms;

(v) the interest rate on the obligation to be guaranteed is a reasonable rate, taking into consideration the range of interest rates prevailing in the private market for similar obligations.

(2) The Secretary may not make a guarantee for the purpose of improving track or terminal facilities unless he also finds that the proposed improvements will contribute to the establishment of a rational, efficient, and economical national rail transportation system.

(3) The Secretary may not make a guarantee for the purpose of the acquisition or rebuilding of rolling stock unless he finds that—

(i) the acquisition or rebuilding is justified by the present and future need for rolling stock; and

(ii) the probable value of the rolling stock will provide reasonable protection to the United States in the event of a default.

(4) In making a guarantee for any of the purposes specified in subsection (d), the Secretary shall also take into account, the return on investment of the improvement for which a guarantee is sought, the potential for intermodal connections and substitutions and for improved utilization of freight cars, the relationship of the proposed improvement to other improvement plans of the railroad, the contribution of the improvement to improved rail transportation service both for passengers and for shippers, and the contribution of the improvement to the efficiency of the railroad.

(f) The Secretary may prescribe, as he deems necessary and appropriate, rules and regulations for the administration of this section.

(g) There is hereby created within the Treasury a separate fund (hereafter in this section called "the fund") which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purpose of this Act. The total of any guarantees made from the fund in any fiscal year shall not exceed limitations specified in appropriation Acts. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847–849)) for wholly-owned Government corporations.

(h)(1) There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital for the fund. All amounts received by the Secretary as payments, fees, and any other moneys, property, or assets derived by him from his operations in connection with this Act shall be deposited in the fund.

(2) All guarantees, expenses, and payments pursuant to operations of the Secretary under this Act shall be paid from the fund. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into Treasury as miscellaneous receipts interest on the cumulative amount of appropriations available as capital in the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury. However, such rate shall not be less than a rate determined by taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturity of loans made or guaranteed from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the funds, such excess may be transferred to the general fund of the Treasury.

(i) If at any time the moneys available in the fund are insufficient to enable the Secretary to discharge his responsibilities under guarantees under this Act, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Secretary from appropriations or other moneys available under subsection (b) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(j) The aggregate unpaid principal amount of securities, obligations, or loans outstanding at any one time, which are guaranteed by the Secretary under this section, may not exceed $2,000,000,000.

(k) The Secretary may not pursuant to this section guarantee any security, obligation, or loan, the interest of which is exempt from Federal income taxes.

### ROLLING STOCK SCHEDULING AND CONTROL SYSTEM

SEC. 12(a). The Secretary is authorized to conduct research and development into the design of a national rolling stock scheduling and control system which, utilizing advanced computer and communication techniques, would be capable of locating and expediting the movement of rolling stock on a national basis. In conjunction with this task, the Secretary shall study, in cooperation with the Interstate Commerce Commission and the railroads, the information, functions, and procedures necessary to provide efficient and expeditious car service on a national basis. Within two years from the date of enactment of ths section, the Secretary shall report to the Congress his recommendations respecting the organization, development, funding, and implementation of any national system which he may design as a result of research and development. In arriving at his recommendations, the Secretary shall consider—

(1) the need for timely and accurate information regarding the location and movement of rolling stock on a nationwide basis;

(2) the requirements and technological standards necessary to insure that the advantages to be obtained from a national system accrue to each participating railroad;

(3) the requirements and technological standards necessary to insure the flow of car service orders from a national system to the rolling stock scheduling and control systems of an individual railroad and compliance by that railroad with the car service orders;

(4) the uniform data and other technological requirements that must be contained in the rolling stock scheduling and control systems of an individual railroad to permit efficient linkage of its system with a national system;

(5) the economic, safety, and service benefits to be derived from a national system; and

(b) The Secretary shall conduct a study respecting (1) the costs to individual railroads of installing rolling stock scheduling and control systems compatible with a national system designed under subsection (a) of this section; and (2) the economic, safety, and service benefits to be derived from compatible systems. Not later than two years from the date of enactment of this section, the Secretary shall annouce his recommendations for the installation of the systems by individual railroads. The Secretary is authorized to provide technical assistance to railroads in the implementation of rolling stock scheduling and control systems designed in a manner consistent with his recommendations.

(c) Within two years from the date of enactment of this section, the Secretary shall begin demonstrations to test the feasibility of, and the benefits to be derived from the installation of rolling stock scheduling and control systems (including technological innovations) in railroad yards and terminals. Any railroad engaged in the transportation of freight may submit an application to participate in a demonstration. The application shall conform to regulations issued by the Secretary and shall be judged by (1) the economic, safety, and service benefits to be derived from the programs proposed therein; and (2) the potential contribution of the program to and compatibility with any rolling stock scheduling and control system designed under subsection (a) of this section, and with the rolling stock scheduling and control system of the applicant and other railroads. In exercising his authority under this section, the Secretary may enter into agreements or contracts without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

(d) There is authorized to be appropriated $35,000,000 for the purpose of carrying out this section, including the payment of necessary administrative expense, to remain available until expended.

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THE SECRETARY OF TRANSPORTATION,
*Washington, D.C., February 13, 1974.*

Hon. GERALD R. FORD,
*President of the Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill:

"To amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system."

together with a section-by-section analysis of the bill, a statement of justification and an initial environmental impact statement.

The short title of the bill is the "Transportation Improvement Act of 1974."

The bill is designed to improve the regulatory climate under which all railroads and the other surface modes of transportation operate. A healthier and more progressive railroad industry would be a great national asset. By removing a number of regulatory restraints which adversely affect the railroad industry, the bill will enable this low cost, relatively energy efficient and environmentally advantageous form of transportation to operate more efficiently, provide better service and more fully realize its potential. The bill complements the Regional Rail Reorganization Act of 1973, which was signed into law by the President on January 2, 1974.

While the Regional Rail Reorganization Act deals with the acute and pressing problem of the insolvent railroads in the northeast and midwest, this bill serves the broader purpose of improving the regulatory system under which all railroads operate. As I indicated in the Department's report on the Northeastern Rail Problem submitted on March 26, 1973, in response to P.L. 93-5, we need to look beyond the problem of the northeast to make changes in the basic regulatory framework if railroads throughout the nation are to avoid the problems of the northeastern carriers and to realize their full potential as effective private sector competitors.

Even apart from the northeastern rail situation, it is clear that the railroad industry in the United States is suffering from a number of serious problems. Net income as a percent of equity for the railroad industry as a whole is anemic. Many railroads are unable to generate adequate earnings to make needed improvements in track, roadbed and facilities. As a result, a substantial part of the total rail plant is in a state of deterioration. The railroad industry is burdened by the operation and maintenance of many miles of uneconomic lines, which are a financial drain on the industry and add substantially to operating costs. At the same time parts of the railroad system are operating at or close to full capacity utilization. These parts of the rail system must be upgraded and expanded if the railroad industry is to be capable of carrying projected traffic.

A major cause of the railroad industry's problems is an outmoded and excessively restrictive Federal regulatory policy which has adversely affected the railroads' ability to adapt to changing economic and competitive conditions in the transportation industry. Regulatory policy has discouraged abandonment of uneconomic rail lines and resulted in a rigidity in railroad pricing which has hindered the industry in innovating new services, in responding to competitive conditions in transportation, and in attracting traffic on which rails have a comparative advantage. As a consequence, the railroad industry is not operating at maximum efficiency nor making its maximum contribution to the national economy.

The proposed bill addresses these problems by amending the Interstate Commerce Act in areas relating to the lawfulness of individual rates, abandonment of rail lines, rate bureau activites, approval of intrastate rates, and rates charged to government shippers. Speaking broadly, the purpose of these amendments is to remove a number of regulatory constraints which adversely affect the economic performance of the railroad industry and to place greater reliance on the forces of competition. A basic premise of the bill is that removal of outmoded regulatory constraints is an essential condition to the revitalization and improved performance of a privately-owned railroad transportation system that is capable of providing efficient and innovative service. Despite the obvious problems besetting this industry, this Nation's private enterprise rail system is neither dead nor dying. However, basic regulatory reform is required before it can achieve its potential.

The regulatory reform provisions in the bill are directed at those aspects of the current regulatory system that stand in clear need of change. While the Interstate Commerce Commission has pending several dockets dealing with some of the regulatory issues affected by the bill, both the timing and outcome of the Interstate Commerce Commission proceedings are uncertain. The legislative direction which the bill would provide offers the best and surest prospect for obtaining needed changes in the regulatory system.

In addition to the changes in the regulatory framework, the bill also provides for financial assistance to the railroad industry in the form of loan guarantees for investments in plant and equipment. The financial assistance provisions are designed to assist the railroads in making needed improvements in plant and facilities and in acquiring equipment at reasonable financing costs to meet this Nation's growing transportation requirements. Under the bill the financial assistance is designed to bring about critically needed rationalization and modernization of rail plant and facilities. The bill also authorizes appropriations of $35 million to be used by the Secretary of Transportation to undertake a major research effort to design a national rolling stock scheduling and control system. Such a system should materially improve car utilization.

While the bill represents a major step toward improving the transportation system, it does not make any changes in the structure of the Interstate Commerce Commission. Rather, it seeks to deal with the most immediate and pressing issues of railroad regulation within the context of the present regulatory framework. The principal features of the bill are addressed to the railroad industry because the problems of the railroad industry are not pressing and acute. However, various provisions of the bill do affect competitive conditions in the trucking industry and inland water carrier industry as well. Moreover, in light of the competitive relationships among the various modes, improving competitive conditions in the railroad industry will lead to improvements in the competitive climate for the transportation industry as a whole, as well as encouraging a more efficient use of the Nation's transportation resources.

The Office of Management and Budget has advised that the enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

CLAUDE S. BRINEGAR.

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SECTION-BY-SECTION ANALYSIS OF A BILL

To amend the Interstate Commerce Act, as amended, to assure that rates are compensatory, to allow more flexibility in establishing rates, to facilitate the abandonment of uneconomic rail lines, and for other purposes; to assist in the financing of rail transportation and to develop a rolling stock scheduling and control system.

SEC. 1. Cite the proposed Act as the "Transportation Improvement Act of 1974."

RAILROAD RATEMAKING AND ABANDONMENT

SEC. 2(a)(1). Amends section 1(5) of the Act by (i) incorporating the definition of rates and, with some modification, certain ratemaking considerations now appearing in Section 15a(1) of the Act; (ii) adding to the existing requirement that rates be just and reasonable, a provision that a compensatory rate may not be held to be unjust or unreasonable because it is too low; (iii) corporating provisions for subsections 15a(2) and (3) requiring the Commission to consider the effects of rates on the movement of traffic and the need for adequate and efficient railway transportation service, and prohibiting the Commission from holding up to a particular level the rate of a carrier of a mode subject to Parts I, II, III, or IV to protect the traffic of a carrier of another mode; (iv) providing that a rate is compensatory when it equals or exceeds the variable cost of providing the service to which it applies; and (v) requiring the Commission to identify traffic moving at a rate below variable cost and to raise the rate at least to the variable cost level.

(2) Amends section 1(18) by (i) striking certification provisions relating to abandonment; (ii) designating the existing paragraph (18) as subparagraph (18)(a); (iii) adding a new subparagraph (b)(1) to provide that, when a line of railroad is abandoned, a person may apply to the Commission for a certificate of convenience and necessity to operate as a common carrier over a route necessary to provide service (i) between any points on the abandoned line and (ii) between any point or points on the abandoned line and the nearest appropriate transfer point for movement by rail beyond; (iv) by adding a new subparagraph (b)(2) which requires the Commission to issue a certificate if the applicant is fit, willing and able to perform the service and the issuance will not mean a diminution in service. In considerating diminution, the Commission must consider the originating and terminal markets and short-haul service between those markets and intermediate points.

(3) Amends section 1(19) to delete provisions relating to abandonment procedures.

(4) Amends section 1(20) to delete provisions relating to abandonment procedures and procedures for enforcing the certification requirements. The latter are restated in the new paragraph (26).

(5) Strikes the existing paragraph (22) of section 1 of the Act (paragraph 22 is restated in paragraph 26) and adds paragraphs (22) through (26) establishing new rail abandonment procedures, as follows:

(22)(a) Within 90 days after enactment of the bill, the Secretary of Transportation (hereafter "the Secretary"), in consultation with the Commission, must develop and publish standards for the classification of low density railroad lines according to their level of usage and probable economic viability.

(22)(b) Within 90 days of the publication each railroad must submit to the Secretary and the Commission a schedule of low density lines, as determined by applying the classification standards.

(22)(c) A carrier may not abandon a line of railroad without obtaining a certificate of public convenience and necessity from the Commission.

(22)(d) A carrier may initiate an abandonment proceeding by filing a notice with the Commission at least 90 days prior to the proposed date of abandonment. Unless a line has been listed for at least 6 months on the schedule required by subparagraph (b), it may not be abandoned if it is opposed by a user or State or local government served by the line.

(22)(e) Within 45 days after receiving notice, the Commission may begin an investigation of the complaint of an aggrieved user. If an investigation is not begun, the Commission must, at least 30 days prior to the date of abandonment, issue a certificate permitting the abandonment. If an investigation is instituted, the Commission shall postpone the abandonment pending investigation but for not more than six months. Upon completion of its investigation, the Commission may issue either an order requiring continued operation or a certificate permitting abandonment, attaching such terms and conditions as the public convenience and necessity may require.

(22)(f) The Commission may order continued operation of the line if it determines that the public convenience and necessity requires continuation and if it finds that continued operation will produce sufficient revenues to cover the cost of operating the line.

(22)(g) If the Commission finds that continued operation of the line will not produce sufficient revenue to cover the cost of operating the line, it shall issue a certificate permitting the abandonment. If the Commission finds that the total revenue covers the cost of the line but that the revenue for the applicant does not cover its share of the costs, the Commission may postpone the abandonment for another six months. If the Commission is unable to assure that the applicant's costs are covered, the Commission shall permit abandonment. The Commission must also determine the amount of subsidy which would be required to permit continued operation of the line.

(23) If a State or local agency or shipper notifies the Commission of its intention to provide an operating subsidy and the Commission determines that the State or local government has or will acquire within six months the legal capacity to provide the subsidy or that the shipper is willing and able to provide the subsidy, it may order an additional postponement for not more than six months to implement a subsidization plan.

(24) The Secretary and the Commission are required to develop within 90 days following the date of enactment of the bill interim standards for determining the "cost of operating the line" and "revenue attributable to the line." Such standards must recognize that "cost" means all costs, including capital recovery and a reasonable return on investment, which would change if the line were abandoned, and "revenue" means all revenue which would be lost if the line were abandoned. The interim standards must be adopted by the Commission and within one year the Secretary, in consultation with the Commission, must develop final standards for determining these terms and those standards must be adopted by the Commission.

(25) Incorporates the substance of existing paragraph (22) of the Act.

(26) Restates the last sentence of the existing paragraph (20) of the Act, but substitutes a civil penalty in place of the criminal penalty.

(b) Provides that pending applications for abandonment are to be governed by existing law, except that the issuance of a certificate of abandonment may be stayed for the purpose of establishing operating subsidies pursuant to the proposed section 1(23).

### RATE BUREAU PROCEDURES

SEC. 3(a). Amends section 5a of the Act by:

(1) Amending paragraph (3) to require that all rate bureaus maintain records of the votes of their members on each matter voted on, and that the records of all rate bureaus be available to public inspection through the Commission.

(2) Renumbering the existing paragraphs (7) through (10) as (9) through (12) and adding a new paragraph (7) prohibiting the protest by motor carrier or freight forwarder bureaus of rates filed by independent action of a member unless the rate is below the variable cost of rendering the service; and a new paragraph (8) prohibiting agreements among railroad carriers that (i) permit discussions, agreements or voting on a single-line movement; (ii) permit carriers that do not participate in a joint movement to participate in the consideration of rates related to the movement; or (iii) permit joint consideration or action protesting or seeking to suspend rates established by independent action. "Scale rates," which are rates established in terms of cents per 100 pounds for specified distances, are excepted from the restrictions in clauses (i) and (ii) as are group rates, but meetings to discuss scale or group rates must be open to the public. As used in paragraph (8), a "movement" is the transport of a commodity between any two points for which a tariff has been filed. The prohibitions in paragraph (8) are not intended to preclude discussions relating to across-the-board percentage changes in freight rates.

(3) Making a conforming amendment to paragraph (9).

(4) Requiring every rate bureau to take final action within 120 days on any rule, rate, or charge docketed with it.

(b) Invalidates all agreements in effect on the date of enactment of the bill to the extent they permit actions prohibited by the new paragraphs (7) and (8).

### INTRASTATE RAILROAD RATE PROCEEDINGS

SEC. 4. Amends section 13 of the Act by adding a new paragraph (5) vesting the Commission with exclusive authority to determine and prescribe an intrastate rate if a carrier has filed with the appropriate State agency a change in an intrastate rate, and the State agency has not finally acted on the rate change within 120 days from the filing of the rate.

### SUSPENSION OF RAILROAD RATES

SEC. 5. Amends section 15(7) of the Act to provide that:

(1) The Commission may initiate hearings with respect to new rates upon complaint or upon its own initiative and after hearing issue an appropriate order.

(2) If a hearing is instituted upon complaint, the rate may be suspended for seven months beyond the time when it would otherwise have gone into effect under Sections 1, 2, 3, and 4 except as follows. For an increase a rate may not be suspended on the ground that it exceeds a just and reasonable level if the rate is below the applicable class rate except that a rate below the class rate may be suspended under sections 2, 3, and 4 of the Act. For decrease, a rate may not be suspended on the ground that it is below a just and reasonable level except that a rate below the class level may be suspended under sections 2, 3, and 4 of the Act. Although not specifically referred to, this section would not affect the application of sections 1, 2, 3, or 4 to rate increases above class rate. If the proceeding has not been concluded, and an order issued within the suspension period, the proposed change in rate would go into effect at the end of the suspension period.

(3) If the hearing involves a proposed rate increase and the rate is not suspended pending hearing, or if the hearing involves a proposed rate decrease and the schedule is suspended pending hearing, the Commission must require the carrier to keep an account of all the amounts it receives because of the increase, or the suspension of the decrease, from the date the rate became effective or was suspended, as the case may be, until an order is issued or until seven months elapse, whichever is sooner. The carrier may not be required to maintain the account beyond the seven-month period. Thus, in the case of a rate increase, the accounting would cease at the end of seven months and, if the rate were subsequently decreased by order of the Commission, the carrier would be required to refund only the overage collected during the seven-month suspension period. Similarly, in the case of a decreased rate, the rate would go into effect at the end of the seven-month period and there would not be any further accounting by the carrier of amounts received at the new decreased rate.

(4) In a proceeding under paragraph (7), the burden of proof is on the carrier.

(5) A carrier is authorized to file a notice of intention to file a tariff when the implementation of the tariff would require a total capital investment of $500,000 or more by the carrier, or a shipper or receiver, or other interested party, individually or collectively. The filing must be accompanied by a sworn affidavit as to the investment required. Unless the Commission determines within 180 days from the date of filing that the proposed tariff would be unlawful, the carrier may file the tariff anytime thereafter, be suspended, or set aside as being unlawful under parts 1, 2, 3, or 4 of the Act, but it may be set aside if found to be noncompensatory.

### RAILROAD REVENUE LEVELS

SEC. 6. Amends section 15a of the Act by repealing all of its provisions and re-enacting certain of them in the new section 15(a) and others in section 1(5) of the Act (section 2 (b) and (c) of the bill). Also provides that the Commission, in determining adequacy of revenue, shall prescribe uniform criteria for estimating the rate of return or capital, cost impact of changes in general level of prices, and adequacy of cash flow. Sections 216(i), 307(f) and 406(d) of the Act, are similarly amended to require the Commission to prescribe uniform criteria.

### PROHIBITING REDUCED GOVERNMENT RATES

SEC. 7. Amends section 22 of the Act to restrict the right of the Federal, State, or municipal governments to obtain transportation of property at free or reduced rates. These rates would only be permitted in connection with services performed in time of war, or transportation of commodities that are exempt from economic regulation under the provisions of part II or part III of the Act.

### PROHIBITING DISCRIMINATORY TAXATION

SEC. 8. Adds a new section 26 to the Act prohibiting the levying of discriminatory State or local property taxes on common carriers subject to regulation by the Commission.

### UNIFORM COST AND REVENUE ACCOUNTING

SEC. 9. Requires the Commission, jointly with the Secretary, to study and recommend uniform cost accounting and revenue accounting methods for rail carriers. The Commission would be required to issue regulations prescribing the uniform cost and revenue accounting methods within two years from the date of enactment of the bill.

### RATE FLOORS FOR PARTS II, III, AND IV CARRIERS

SEC. 10. Requires the Commission to investigate and identify truck, water and forwarder traffic moving at rates below the variable cost of handling the traffic, and to cause the rates to be raised to variable cost.

### RAILROAD LOAN GUARANTEES

SEC. 11. Authorizes the Secretary to guarantee any lender against the loss of principal and interest on securities, obligations, or loans issued for the purpose of financing the acquisition, construction, maintenance, or development of:

(i) track and roadbed subject to traffic usage of at least 5 million gross ton-miles per mile of road per year;

(ii) electrical, communication, and power transmission systems;

(iii) signals;

(iv) terminal facility modernization and consolidation; and

(v) new and rebuild rolling stock.

Prior to making a guarantee the Secretary must make several findings which are designed to assure adequate protection to the U.S. in the event of default, and to assure that the improvements will contribute to a more rational, efficient, and economical rail transportation system. Different findings must be made with respect to guarantees for rolling stock. The guaranteed amounts outstanding at any one time may not exceed $2,000,000,000.

### ROLLING STOCK SCHEDULING AND CONTROL SYSTEM

SEC. 12. Authorizes the Secretary to conduct research and development into the design of a national rolling stock scheduling and control system, and requires the Secretary to develop recommendations for implementing a system. The Secretary is also required to study, and develop recommendations for participation by individual railroads in a national system. The Secretary is to begin demonstration projects with individual railroads, upon their application, to test the scheduling and control system in yards and terminals. Appropriations of $35,000,000 are authorized.

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### ANALYSIS OF THE NEED FOR THE BILL

There follows an outline of the major regulatory problems to which the bill is addressed, along with an analysis of the effect of the bill in redressing these problems.

### LIBERALIZED RAILROAD ABANDONMENT PROCEDURES

Significant excess capacity exists in parts of both the main line and branch line network of the railroad industry. Reduction of excess capacity, particularly light density branch line trackage, is essential to improving the industry's financial condition. It is notable that the railroads in the greatest financial difficulty all have a substantial amount of branch line relative to main line, while the railroads in the strongest financial position have relatively little branch line trackage.

Excess capacity also exists, however, in main line tracks and is one of the primary reasons for the poor financial condition of many railroads in the northeast. When the industrial northeast was developing, many parallel lines of track were constructed by a number of different railroads. Today these parallel lines are often redundant and yield insufficient revenues to cover operating costs.

By reducing excess capacity in main line track and eliminating light density lines, the railroad industry could lower per unit operating costs and substantially improve its financial condition. In 1971, the railroad industry was operating approximately 205,000 route miles of line. Of this total, approximately 21,000 miles were light density branch lines for which the carriers incurred operating losses. These 21,000 miles of line accounted for less than one percent of total rail freight. By discontinuing service over these uneconomic lines, the Federal Railroad Administration estimates that the railroad industry would be able to save between $29 and $42 million annually on a nationwide basis. The northeastern railroads would be able to save on the order of $15 million to $22 million annually. In addition to these savings, the salvage value of these rights-of-way would return approximately $105 million to the railroad industry on a nationwide basis and $56 million to the railroads in the northeastern part of the country. Moreover, the continued operation of these lines would require a considerable amount of rehabilitation expenditures which would be saved if these uneconomic lines were abandoned.

The detrimental effects resulting from the operation of uneconomic lines are not limited to the railroad industry. Rather their continued operation causes a basic misallocation of transportation resources. It appears clear that motor carriers are better suited to handling much of the short-haul traffic which presently moves on low density rail branch lines, while railroads have a comparative advantage in long-haul markets. Thus, the abandonment of uneconomic branch lines would enable railroads to concentrate their efforts in providing those services in which they have a relative advantage while providing a further opportunity for trucking service to develop in markets where it has a relative advantage. The net result would be more efficient use of transportation resources.

Because the abandonment provisions are likely to result in some additional traffic for truck carriers, it is important to consider the energy consumption and air pollution effects of the bill. Typically, abandonment candidates will be low density, short branch lines. Our analysis, which is described more fully in the environmental impact statement, shows that there is greater energy efficiency in carrying freight by truck, as compared to rail, for distances less than 10 miles and shipment sizes less than 130–140 tons. Because exhaust emissions for each mode vary directly with gallons of fuel consumed per mile, the rail/truck preference from an emissions perspective would follow generally that for fuel consumption. Thus, although the envisioned branch line abandonments will result in some increase in truck traffic, transportation of the freight now carried on most of the lines to be abandoned will become more energy efficient and cause less pollution. Moreover, the bill is designed to encourage more competitive and efficient pricing of rail services which would assist rails in attracting traffic on which they are the low cost mode (i.e., long-haul markets where rails are also more energy efficient and are environmentally preferable). Thus, we anticipate that the overall effect of this bill will be to improve freight transportation's energy efficiency and to reduce its exhaust emissions.

A major obstacle to the reduction of excess capacity in the railroad industry has been the rail abandonment procedures of the Interstate Commerce Commission ("the ICC"). Under these procedures, the ICC may require continued operation of an uneconomic line if it determines that the line's operation is required by the "public convenience and necessity." Because explicit economic standards for defining "public convenience and necessity" have not been applied or developed by the Commission, abandonment cases often entail expensive and protracted hearings and a highly uncertain outcome.

The expense, delay, and uncertainty discourage the filing of abandonment applications. Thus, many lines continue in operation long after they should have been abandoned for economic reasons.

The ICC has recognized the need to expedite the handling of railroad abandonment cases and by its order in Ex Parte 274 (Sub-No. 1), Abandonment of Railroad Lines, has attempted to meet this problem by adopting new procedures to handle abandonment applications which are not heavily protested. Under the Commission's order, a rebuttable presumption that public convenience and necessity does not require continued operation of a line is deemed to exist if the applicant railroad demonstrates that on the average fewer than 34 carloads of freight per mile were carried on the line during the preceding 12-month period. Unless protestants are able to present substantial evidence showing that they can rebut this presumption, the railroad is permitted to abandon the line. The ICC's action in Ex Parte 274 is certainly a commendable response to the problem, but it does not go far enough or provide the kind of basic change in the abandonment provisions of the Act that is required. The Commission's order, of course, does not alter the substantive law under which abandonment applications are considered, nor does it provide for improved procedures in the major abandonmnt cases which will invariably be heavily protested. Moreover, the 34-car rule being only a presumption does not create the clear abandonment criteria found in the bill. In addition, we believe that the 34-car rule does not provide the appropriate abandonment standard, and therefore would result in the continued operation of many uneconomic lines. Thus, while we commend the Commission for using its discretion in addressing the problem, we believe that legislative action to change the basic abandonment standard is required.

The bill is designed to speed up the regulatory process by providing an appropriate and explicit standard for determining when an abandonment is justified, while providing shippers and other interested parties adequate notice and opportunity to protest. While the bill would expedite consideration of rail abandonments it would not result in an abrupt loss of rail service upon enactment. In fact, the case is quite the contrary. The bill requires a series of steps prior to an abandonment, and basically no abandonment may occur under the new procedures earlier than one year from the date of enactment. In the case of protested abandonment, the various procedures under the bill could delay abandonments for up to as long as two years and six months. Thus while the bill is designed to speed up the regulatory process in considering abandonments, it fully protects the interest of shippers and communities against the abrupt loss of rail service. The ICC would be required to permit the abandonmnt of rail service when the continued operation of a line would not yield sufficient revenues to cover the long-run costs of operating that line. We recognize that under some circumstances an uneconomic rail line may be the most efficient mode of transportation available to shippers or that a special need for the continued operation of an uneconomic line may exist. To meet this problem the bill provides a mechanism whereby States, local governments, or other interested parties can provide an operating subsidy to a railroad to assure a continuation of uneconomic service for which a special need exists.

### SUBSTITUTE SERVICE TO FILL GAPS CREATED BY LIBERALIZED RAIL ABANDONMENTS

The liberalized abandonment provisions of the bill should facilitate the abandonment of uneconomic railroad lines and therefore will probably result in some loss of rail service to various shippers. In order to protect the interests of shippers where uneconomic rail lines are abandoned, the bill provides that the Commission shall grant operating authority to any applicant as a motor carrier or water carrier between any point on the abandoned line and between such points and the nearest transfer point for movement by rail beyond, unless the issuance of the authority would cause a diminution in the quantity of service. The bill provides further that where a motor carrier certificate is issued, the Commission may require the carriers involved to establish joint rates and through-routes for traffic moving to and from points on the abandoned rail line.

The substitute service provision is intended to ensure that shippers who have been using uneconomic rail service will have an effective and efficient alternative mode of transport without any hiatus in service. An important effect of the abandonment of uneconomic rail lines and the substitution of motor carrier service will be to increase the overall efficiency of the transportation system.

### RATEMAKING IMPROVEMENTS

The current system of rate regulation severely limits an individual railroad's freedom to establish rates. As a consequence, it has created serious rigidity and distortions in the railroad rate structure. This rigidity in the railroad pricing structure has hindered the introduction of new services and prevented railroads from responding effectively to the needs of the changing transportation market. It has also interfered with the establishment of cost-related rates and has prevented railroads from attracting traffic for which they have a comparative advantage. Greater flexibility in ratemaking is essential to improve the performance of the railroad industry and the entire transportation system.

The present regulatory system has discouraged the more efficient carriers from reducing rates to reflect their cost advantages. Efficient allocation of transportation resources requires that low cost carriers have wide latitude to reduce rates to reflect their greater efficiency as long as those rates do not fall below variable costs. The bill provides that a railroad rate which equals or exceeds variable cost cannot be found to be unjust or unreasonable on the basis that it is too low, and would require the ICC to identify for all surface carriers rates which are below variable cost. It would also provide new procedures for the initiation of rates involving the development of new services, while making it more difficult to suspend rate changes. These proposals will introduce greater flexibility into the rate structure.

Available evidence indicates that some railroad rates are far above the fully allocated costs of providing service and the present ratemaking system has engendered and is perpetuating this result. Railroads should be able to attract additional traffic by reducing rates on such overpriced rail service. However, the time, expense, delay, and uncertainty associated with obtaining ICC approval to reduct rates have inhibited carriers from making lower rates available. As a consequence, many railroad rates have been held at levels far above the economic cost of providing service, and a substantial volume of traffic on which railroads appear to have a comparative advantage is moving by other modes even though railroads may be more efficient. The net result is higher shipping costs, higher prices to the ultimate consumers, and a misallocation of transportation resources.

By providing that a rate decrease may not be suspended on the ground that it is unreasonably or unjustly low, the bill would encourage railroads to reduce rates on traffic where they have a cost advantage. By providing that a proposed rate increase may not be suspended as being unreasonably or unjustly high if it is below the applicable class rate, the bill would encourage greater upward flexibility in those rates that should be raised. The shipper's right to protest the rate and have its lawfulness determined by the ICC is preserved.

Another serious problem in the area of railroad pricing is that nearly 10 percent of all rail revenue is derived from traffic that does not cover the variable cost of the service. The railroad industry loses approximately $450 to $500 million annually handling traffic at rates below variable cost. Such rates create a serious financial drain on the carriers and obviously require that other rates be set at levels too far above variable cost. This practice results in a misallocation of resources both within the field of transportation and in the economy at large. By requiring all rates to cover variable cost the bill addresses this problem directly.

The time, expense, delay, and uncertainty associated with the regulatory process have also discouraged experimentation and impeded the introduction of service innovations. The bill addresses these problems by providing that where a tariff proposed by a railroad would require a total capital investment of $500,000 or more by the carrier or a shipper or receiver, or other interested party, the ICC must determine, within 180 days from the date the carrier files a notice of intention to publish the tariff, whether the proposed tariff would be lawful. The tariff may not thereafter be set aside as being unlawful for a period of five years except on the ground that it is noncompensatory.

The present regulatory process has also resulted in the rates of one mode being held high to protect another mode, causing a misallocation of resources, increasing the total cost to shippers and ultimate consumers, and adversely affecting the financial condition of the more efficient mode. Section 15a of the Interstate Commerce Act was amended in 1958 to allow carriers greater ratemaking freedom to meet the competition of carriers of other modes. While the amendment was a step in the right direction, the full benefits of greater intermodal competition have not been realized because the amendment has been interpreted to allow the Commission to hold the rates of one mode above the rates of another mode to protect that mode. The bill meets this problem by prohibiting the ICC from holding the rates of a carrier of one mode up to a particular level for the purpose of protecting the traffic of a carrier of another mode. This provision should lead to more competitive and cost-related intermodal pricing and introduce greater rate flexibility into transportation ratemaking. The net result should be a more economic division of traffic.

The bill also seeks to introduce greater flexibility into the ratemaking process by modifying the present escrow provisions in the Act. At present, a carrier may be required to put funds resulting from rate changes under investigation in escrow only after the seven-month suspension period runs. The bill provides that where rate increases have not been suspended or where rate decreases have been suspended, the carriers must keep account of all amounts received because of the increase or the suspension of the decrease during a seven-month period or until an ICC order earlier issues, at which time the carrier would settle up any overages with shippers. These changes in the escrow provisions should provide additional incentives for contested rate cases to be disposed of more promptly.

The various ratemaking provisions of the bill are designed to facilitate a reduction in those railroad rates which are too high in an economic sense and an increase in those rates which are too low in an economic sense while encouraging railroads to introduce new services and to price in accordance with their comparative economic advantage. The bill would thus help to correct the present distortions in the rate structure and to promote a more efficient allocation of transportation resources. The basic thrust of the Department's proposal is to place greater reliance on competitive forces in ratemaking. Giving greater scope to individual carrier initiative in rate setting should result in a more economic division of traffic, a lower overall freight bill, improved service, and lower prices to the ultimate consumer.

### RESTRICTION OF CERTAIN PRACTICES OF RATE BUREAUS

Under section 5(a) of the Interstate Commerce Act, carriers subject to the Commission's jurisdiction are permitted to act collectively in establishing rates and charges for transportation services, and such concerted action when taken pursuant to an agreement approved by the Interstate Commerce Commission, is immune from the antitrust laws. Rate bureaus or carrier associations have been established pursuant to carrier agreements approved by the ICC. These rate bureaus are the vehicles through which carriers make decisions regarding the rates which the member lines shall charge, whether these rates are single line rates applicable to traffic originating and terminating with a single carrier or whether the rate applies to a joint movement involving two or more carriers.

Although rate bureaus provide a number of valuable services to their members and to the shipping public, they also dampen competitive forces in the ratemaking process and discourage pricing flexibility and service innovation. As a consequence, they have interfered with the establishment of rates based on the costs of the most efficient carrier and have provided a mechanism through which carriers seek to set and hold rates above a competitive level. Thus, retention of section 5(a) in its present form is inconsistent with the basic objectives of the bill.

While various practices of rate bureaus tend to exert an anticompetitive influence on the transportation industry, it should be noted that some association activities serve a useful purpose and do not have an anticompetitive effect. The associations provide a number of administrative services to carrier members, such as arranging for the interchange and facilitation of traffic moving over the lines of two or more carriers, the publication of rates, and the collection of statistics on traffic movements, rates charged, and related costs. The bill would not affect these administrative types of rate bureau activities. Rather, it is addressed only to those activities of the rate bureaus which interfere with efficient allocation of resources by holding rates above the level of the most efficient carrier, impeding the low cost carrier from reducing its rates to reflect its greater efficiency, or otherwise hindering the establishment of cost-related rates.

The Interstate Commerce Commission recently instituted a general investigation into the activities of rate bureaus, Ex Parte 297, *Rate Bureau Investigation*. This proceeding will consider a number of important regulatory issues in connection with the activities of rate bureaus. The proceeding, however, is in its very earliest stages and it will no doubt be a long time before the Commission ultimately renders its decision. Of course, the outcome of the proceeding is uncertain at this time. The bill addresses those aspects of rate bureau operations that clearly are in need of change. Therefore, while the Department commends the ICC for instituting this investigation, we believe that the proposed legislative action is needed and offers the best prospect for reducing the anticompetitive influence of rate bureaus on ratemaking.

The Department's proposal is designed to improve the ability of carriers to initiate rate changes and respond to competitive forces while enabling the rate bureaus to continue providing constructive administrative services for their members and the shipping public.

The bill prohibits railroad rate bureaus from voting on single line movements and limits consideration of joint line rates to those railroads which actually participate in the joint movement except with respect to scale or group rates. The bill also prohibits rail rate bureaus from taking any action to suspend rates established by independent action, while prohibiting motor carrier or freight forwarder rate bureaus from protesting a rate filed by independent action unless the protest is supported by facts showing that the rate appears to be less than the variable cost of rendering that service. Thus, on single line rates individual railroads will have complete freedom to propose rates based on the cost of the most direct routing, while on joint rates the influence of carriers not participating in the joint movement will be reduced. Scale rates—rates established in terms of cents per hundred pounds for specified distances—are excepted from this provision because these rates are designed for large inter- or intra-regional flows where traffic tends to move over all carriers.

The bill also requires all rate bureaus to dispose of proposed rate changes within 120 days from the time a rate change is proposed to the bureau. In addition, the bill requires all rate bureaus to maintain and make available for public inspection records of the votes of members. These provisions are designed to bring about speedier rate bureau treatment of proposed rate changes and to encourage greater initiative by individual carriers in making rate changes.

While the antitrust immunity with respect to joint rates is retained, the proposed legislative change with respect to single line rate agreements would exert a competitive influence upon joint rates because carrier territories overlap and single line rates are often competitive with joint line rates.

In connection with the rate bureau provisions of the bill, several matters should be made clear. First, rather than indicating all of the many rate bureau activities which might be permitted under a Commission approved agreement, the thrust of these changes is to indicate those specific rate bureau activities that cannot be approved by the Commission and which will no longer be immunized from the operation of the antitrust laws. The Commission retains its present authority to approve all rate bureau agreements and to impose such additional limitations and conditions on the activities of rate bureaus as it believes are reasonable and necessary.

Secondly, a single-line carrier will often be in competition with two or more carriers offering a joint rate and through route. So long as no concerted action is involved, nothing in this proposal would prohibit a single-line carrier from individually establishing a rate competitive with a joint rate established through the rate bureau mechanism.

Thirdly, nothing in the bill is intended to preclude discussions or agreements relating to across-the-board percentage changes in freight rates.

Finally, the feature of this proposal that prohibits the Commission from approving rate bureau agreements that allow the rate bureau to protest or otherwise seek the suspension of an individual carrier's rate does not preclude one or more carriers from exercising their right of petition under other provision of the Interstate Commerce Act and is not meant to repeal the decision of the Supreme Court in *Eastern Railroad Presidents Conference v. Noerr Motor Freight, Inc.* 365 U.S. 127 (1961). To the extent that the antitrust laws are applicable in this area, however, this feature of the bill will permit their operation.

ADEQUATE REVENUE LEVELS

The bill amends section 15a of the Act by deleting certain ratemaking provisions found therein and consolidating those provisions in section 1(5) of the Act (section 2(b) of the bill). In addition, the bill provides that the Commission, in determining the adequacy of railroad revenues, shall prescribe uniform criteria for estimating the rate of return on capital, the impact of general changes in the level of prices on costs, and the adequacy of cash flow. The bill also makes similar amendments in sections 216(i), 307(f), and 406(d) of the Act to require the Commission to prescribe uniform ratemaking criteria for motor carriers, water carriers and freight forwarders respectively.

These changes in the existing law have been made to consolidate in one section the various standards applied by the ICC in determining the reasonableness of individual railroad rates and to develop improved standards for determining adequate revenue levels for all modes. Improved revenue criteria will assist in developing a revenue policy which will enable the carriers to obtain a rate of return which is consistent with the degree of risk in the industry, and to a flow of funds adequate to cover the projected costs of labor, capital, and other inputs, including the cost of money.

Applying these criteria, the Commission will be in a better position to assess the economy and efficiency of railroad financial and operating management and thereby determine the true revenue requirements of the industry.

There are presently pending before the ICC a series of important cases regarding railroad ratemaking and revenue levels, Ex Parte 270, *Investigation of Railroad Freight Rate Structure*, Ex Parte 271, *Net Investment-Railroad Rate Base and Rate of Return*, and Ex Parte 290, *Procedures Governing Rail Carrier General Increase Proceedings*. The Department has participated in these proceedings by filing comments and verified statements. In instituting these proceedings, the Commission recognized the need to develop improved procedures and criteria with respect to determining what constitutes an appropriate freight rate structure and an adequate level of revenues. Unfortunately, these proceedings have not yet produced any final decision and, particularly in the case of Ex Parte 270, it does not appear that a decision from the Commission will be forthcoming in the near future. Ex Parte 270 was instituted on December 11, 1970, and on July 13, 1973, the Commission appointed a Commissioner Coordinator for the investigation. The Coordinator has issued a status report, served on October 10, 1973, and instituted a series of subsidiary proceedings dealing with the issues of the uneven effects of general rate increases on individual railroads and on individual commodities. Two other subsidiary cases, Ex Parte 270 (Sub-Nos. 1A and 1B), which deals with export and import rates for the Great Lakes and the Pacific Coast, and Ex Parte 270 (Sub-No. 2), which deals with the adequacy of railroad freight service, were earlier instituted by the Commission. The Administrative Law Judge issued an initial decision in the investigation of export and import rates on November 26, 1973.

While the Department fully supports the Commission's efforts to develop improved principles and procedures with respect to the adequacy of railroad revenues and the railroad freight rate structure, we believe that the basic change in underlying law is required as well. Both the progress and the outcome of the pending proceedings are uncertain, and legislation offers the best prospect for obtaining the basic ratemaking changes which are needed.

UNIFORM COST ACCOUNTING

The present cost accounting and revenue accounting system employed by the ICC is outmoded and inadequate. The Commission's cost system relies on broad averages rather than specific experience of individual carriers. Moreover, the accounting system from which the cost data are derived is based upon outmoded classifications and specifications that no longer relate to the carrier's actual financial transactions. In addition, the accounting procedures utilized are not adequate to resolve the complex cost accounting problems which characterize modern transportation firms.

The development of improved cost and revenue accounting procedures is absolutely essential to improved regulation of transportation. The bill would require the ICC jointly with the Secretary of Transportation to study and recommend uniform cost accounting and revenue accounting methods for rail carriers, and to issue regulations prescribing new uniform cost and revenue accounting methods within two years from the date of enactment of the bill.

The Interstate Commerce Commission also has pending several proceedings dealing with the issue of developing an improved uniform cost accounting system, Docket 34013, *Rules to Govern the Assembling and Presenting of Cost Evidence*, and Docket 34013 (Sub-No. 1), *Cost Standards in Intermodal Rate Proceedings*. The proceeding in Docket 34013 was instituted by an order of the Commission dated April 16, 1962, and the Commission's decision was issued in 1970 (337 ICC 298). In February 1971, the Commission issued a new order reopening the case. The Department has participated in the main proceeding since 1968. Both the timing and outcome of the reopened proceeding are uncertain. In the sub-proceeding, which was initiated in early 1969 after the Supreme Court's 1968 decision in the Ingot Molds case, the Administrative Law Judge issued an initial decision on May 7, 1973. In sum, the bill would give direction and priority to the ICC's efforts to develop an improved uniform cost accounting system and would offer the best prospect for realizing this result.

DISCRIMINATORY STATE AND LOCAL TAXATION OF INTERSTATE CARRIERS

Discriminary taxation of interstate carriers by State and local governments is widespread. As a result of State discriminatory taxation of railroad property, the railroad industry pays approximately $55 million annually in additional taxes. Such discriminatory taxation places an unjust burden upon these carriers and contributes to their financial problems. The bill would prohibit discrimination in assessing the property of interstate carriers and in establishing tax rates for such property.

The purpose of the provision is simply to remove an inequitable burden from interstate carriers. Of course, any saving to the railroad and other interstate carriers from elimination of discriminatory taxation will remove a source of revenue from State and local governments. Removing this source of revenue abruptly could have a serious impact upon State and local budgetary planning and result in a substantial hardship. Therefore, the bill provides a three-year moratorium before compliance with its substantive provisions will be required. This period should provide State and local governments ample time to make appropriate plans with respect to the potential revenue losses and temper any adverse financial effects the provision might otherwise have.

SUBSIDIZATION OF GOVERNMENT SERVICE AT THE EXPENSE OF OTHER SHIPPERS

Under section 22 of the Interstate Commerce Act, Federal, State and local governments are currently permitted to negotiate rates with carriers and thereby to obtain rates below those which non-government shippers are required to pay. Such preferential treatment of governmental shippers is inherently discriminary. Governmental shippers should pay their fair share of the Nation's freight bill.

The bill would require governmental shippers to pay the same rates as other shippers, except on service performed in time of war or for transportation of commodities which may be carried by motor carriers or barge lines exempt from economic regulations under the Act. The "time of war exception" is provided because of the unique shipping requirements and problems which exist under war conditions. The exempt commodities exemption is designed to allow railroads to compete on an equal footing with barge lines and motor carriers for such traffic. By requiring governmental agencies to pay the same rates as other shippers, the bill would eliminate the discrimination inherent in the present regulatory system.

INTRASTATE RATEMAKING

A significant loss of revenue to the railroad industry has resulted from the failure of State regulatory agencies to act more promptly to adjust intrastate rates in accordance with the ICC approved changes in the level of interstate rates. The bill is designed to correct this problem by transferring exclusive jurisdiction over intrastate rates to the ICC whenever State regulatory agencies have not adjusted appropriate intrastate rates promptly.

Intrastate traffic accounts for about 12 percent of the total traffic carried by the railroad industry. As of August 1971, the revenue loss to the railroad industry because of State failure to adjust intrastate rates to the level of interstate rates approved in a series of ICC General Increase Proceedings (Ex Parte 256, 259, 262, 265, and 267) has exceeded $105 million, on a cumulative basis. The delays associated with adjusting intrastate rates in accordance with interstate rates approved in Ex Parte 281 as well as inaction on the foregoing general increases have added substantially to the above estimated revenue loss since August 1971.

By depriving railroads of badly needed revenues, these time lags adversely affect the financial condition of the railroad industry. In light of the serious financial difficulties facing the railroad industry today, it is imperative that intrastate rates be adjusted promptly in accordance with changes in the level of interstate rates. In addition, the general public is adversely affected by this regulatory lag because without these needed revenues, the railroads' ability to provide service and improve service to both intrastate and interstate shippers is impaired.

FINANCIAL ASSISTANCE THROUGH LOAN GUARANTEES

An efficient, financially sound rail system is a great national asset. Although the railroad system in the United States is experiencing financial difficulties, it is neither dead nor dying. If the actions necessary to modernize both the regulatory framework and the physical plant are taken, the railroad industry can be made financially sound.

The ratemaking and related regulatory improvements proposed in the Department's bill are an essential first step. The abandonment procedures proposed will accomplish the pruning which is necessary to remove uneconomic service. There remains the task of rationalizing and upgrading the facilities and equipment necessary to provide efficient rail transportation service.

Substantial parts of the rail plant in the United States are in a deteriorating state and the general deterioration of plant and service which is now prevalent in the East and Midwest could spread to other portions of the country.

Because of the industry's low rate of return, railroads are generally unable to generate adequate internal capital to make needed capital improvements. The investment community has been reluctant to provide external capital because of the limited security afforded by general corporate equity and because of the heavy level of existing liens on rail properties. Marginal railroads can obtain financing for rolling stock but only at high interest rates. The bill would provide $2 billion in Federal loan guarantee authority to finance improvements in rolling stock, rights-of-way, terminals, and rail plant facilities. The conditions precedent to the guarantee would assure that the capital improvement would make a significant contribution to overall efficiency of rail operations. Thus, the loan guarantee provisions of the bill are designed to encourage needed long-term restructuring of the existing rail system.

The bill authorizes the Secretary to guarantee loans for plant improvements based on the following criteria:

1. the contribution which the improvement will make to the establishment of a rational, efficient, and economical national railroad transportation system;
2. the ability of the railroad requesting the loan guarantee to repay the loan; and
3. the railroads' ongoing programs to upgrade plant facilities.

In connection with loan guarantees for rolling stock, the Secretary is required to consider the present and future need for rolling stock and the protection to the United States afforded by the rolling stock in the event of default. In addition, with respect to any loan guarantee, the bill requires the Secretary to consider various other factors, including the return on investment of the proposed improvement, the potential for intermodal connections and substitutions, and improved utilization of freight cars. These criteria are designed to achieve through the loan guarantee program the needed modernization of the existing rail system.

### ROLLING STOCK SCHEDULING AND CONTROL SYSTEM

One of the basic problems in the railroad industry is the low rate of freight car utilization. An average freight car moves loaded a total of only 25 days during a calendar year while an average freight car moves empty approximately 18 days out of a calendar year. Thus, for approximately 323 days in a calendar year or 88 percent of the time, the average freight car stands idle in railroad yards or at customer's locations. Improving freight car utilization would result in substantial benefits to the railroad industry and the shipping public by reducing the railroad industry's need for capital expenditures and reducing operating costs. Freight car ownership represents about 25 percent of the railroad industry's net investment. A 20 percent increase in car fleet productivity would reduce the annual need for new cars by approximately 10,000 to 15,000 cars. This would enable the railroad to save as much as $300 million in new car purchases.

Achieving a more efficient utilization of the car fleet requires a more effective system of car fleet management. Although individual railroads have made some progress in developing better control over their car movements, this Nation still lacks an effective national freight car control system. Such a system has been made possible by recent advances in communications, computer data processing, and applied mathematical analysis. In order to take advantage of these developments and expedite and assure the development of an effective rolling stock schedule and control system, the bill authorizes the Secretary to conduct research into the design of a national rolling stock scheduling and control system which would be capable of locating and expediting the movement of rolling stock on a national basis. The bill provides further that the Secretary, in cooperation with the ICC and the railroads, shall study the information, functions and procedures necessary to provide efficient and expeditious car service on a national basis. The Secretary is to report his recommendations to Congress regarding the organization, development, funding and implementation of a national rolling stock secheduling and control system. In addition, the Secretary is directed to conduct a study with respect to the costs to individual railroads of installing rolling stock scheduling and control systems compatible with a national system. The bill authorizes an appropriation of $35 million for the purpose of carrying out the Secretary's responsibilities to design and implement a national rolling stock scheduling and control system.

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[U.S. Department of Transportation]

### Summary Sheet for Environmental Impact Statement on the "Transportation Improvement Act of 1974"

*Nature of Action:* Legislative.

*Brief Description of Action:* The environmental impact statement has been prepared in accordance with Section 102(2) (C) of the National Environmental Policy Act of 1969, guidelines established by the Council on Environmental Quality, and other implementing instructions. The legislation is proposed because the current regulatory structure covering the surface transportation modes severely limits the scope of individual carrier initiative in rate setting, does not always assure that rates are compensatory, and, in the case of railroads, makes rationalization of physical plant a cumbersome and difficult procedure. This has produced rate structures unrelated to the costs of the most efficient carriers, with consequent misallocation of transportation resources. The resulting distortions affect not only transportation but the whole economy as well. The legislation would also assist in the financing of rail transportation.

*Agencies from which Comments have been Requested:*

Department of Health, Education and Welfare.

Department of Housing and Urban Development.

Environmental Protection Agency.

Interstate Commerce Commission.

Department of Agriculture.

Department of Commerce.

Department of Interior.

Office of Management and Budget.

*Date on which Environmental Impact Statement made Available to the Council on Environmental Quality and the Public:* January 10, 1974.

*Summary of Environmental Impact and Adverse Environmental Effects:*

The environmental issues raised in this statement are:

(a) need for additional highways;

(b) effect on communities that lose railroad services;

(c) disposal of tracks;

(d) use of abandoned rights-of-way for other transportation, utility, or recreation purposes;

(e) recyclable materials; and

(f) air and water pollution and congestion impact of shift to trucks and water carriers.

*Alternatives Considered:*

(a) Rail abandonment:

(1) status quo.

(2) adoption of the bill.

(b) Improved operating practices.

(c) Subsidy.

(d) More flexible rate-making.

(e) Shift modal split to rail by increasing taxes on trucks.

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[Department of Transportation, Transportation Improvement Act of 1974]

### Statement of Environmental Impact Pursuant to Section 102(2) (C), PL 91–190

1. Description of the Proposed Action:

This environmental statement has been prepared in accordance with Section 102(2) (C) of the National Environmental Policy Act of 1969, guidelines established by the Council on Environmental Quality, and other implementing instructions. It analyzes the potential environmental impacts of the proposed Transportation Improvement Act of 1974.

This legislation is proposed because the current regulatory system covering railroad freight transportation severely limits the scope of individual carrier initiative in rate setting, does not ensure that rates are compensatory, and, in the case of railroads, makes rationalization of physical plant a cumbersome and difficult procedure. This has produced a rate structure unrelated to the most efficient carriers, with consequent misallocation of transportation resources.

The resulting distortions adversely affect the transportation industry and the whole economy. The legislation would also assist in the financing of needed improvements in rail plant.

To overcome these problems associated with the present regulatory system this legislation proposes the following:

(a) Provide an appropriate and explicit standard to determine when abandonment is justified and permit State or local authorities or shippers to continue operations over uneconomic branch lines by subsidizing railroad branch line operations. The bill also provides that when any railroad line is abandoned, the Commission shall hear applications for certificates of convenience and necessity authorizing applicants to provide service between points on abandoned lines and the nearest appropriate point for movement by rail beyond. The Commission may require motor carriers which are certified to provide this service to establish joint rates or through routes with railroads for traffic moving to or from points on abandoned railroad lines.

(b) Require all rates of common carrier to equal or exceed the variable cost of providing the specific transportation service to which it applies.

(c) Improve the ability of individual common carriers to initiate rate changes by prohibiting rate bureaus from taking concerted action on single line rates and limiting concerted action on joint line rates to carriers which participate in the joint movement except with respect to scale or group rates. The bill also prohibits rate bureaus from taking any action to suspend rates established by independent action. Further, it requires all rate bureaus to dispose of proposed rate changes within 120 days from the time a rate change is proposed to the bureau.

(d) Provide that the Commission may suspend changes in railroad rates for seven months beyond the time the rate would have gone into effect, except under the following conditions. For an increase, a rate may not be suspended on the ground that it exceeds a just and reasonable level if the rate is below the applicable class rate except that a rate below the class rate may be suspended under Sections 2, 3, and 4 of the Act.

For a decrease, a rate may not be suspended on the ground that it is below a just and reasonable level, except that a rate below the class level may be suspended under Section 2, 3, and 4 of the Act. The escrow provisions are modified to provide that if a hearing on a proposed rate increase is initiated and the schedule is not suspended, or if a hearing on a proposed rate decrease is initiated and the schedule is suspended, the Commission shall require the carrier to keep account of all amounts received from the date the rate became effective or was suspended, as the case may be, until an order issues or until seven months elapse. The bill also provides a new procedure for hearings on new rates requiring capital investments of $500,000 or more. These rates would go into effect any time after a 180-day period set aside for hearings, and with 30 days' notice, unless found to be unlawful. They could not thereafter be suspended under parts I, II, and III or IV of the Interstate Commerce Act unless found to be noncompensatory.

(e) Grants exclusive jurisdiction to the Commission, upon application, to determine and prescribe intrastate railroad rates if the State regulatory agency fails, within 120 days of application, to act on a change in intrastate rates upon which similar changes have been made on rates charged on the same traffic moving in interstate or foreign commerce.

(f) Provides that the Commission prescribe uniform methods and criteria for determining factors to be used in determining adequate revenue levels for the railroad industry under honest, economical, and efficient management.

(g) Prohibits free or reduced rates for government shippers except in time of war and for the transportation of commodities exempt from economic regulation under parts II or III of the Interstate Commerce Act.

(h) Prohibits any State or subdivision thereof, from assessing transportation property at values higher than comparable property and collecting taxes on rail property at rates higher than those applied generally.

(i) Provides for a joint (DOT and ICC) study recommending a uniform cost accounting method for rail carriers and promulgation of rules and regulations prescribing uniform cost accounting methods within two years of enactment of the bill.

(j) Provides loan guarantees of $2 billion for financing the acquisition, construction, maintenance, or development or railroad facilities and equipment, provided that the use of the investment will contribute to the establishment of a rational, efficient and economical national rail transportation system.

(k) Authorizes the Secretary of Transportation to conduct research into the design of a national rolling stock scheduling and control system capable of locating and expediting the movement of rolling stock on a national basis.

The rationale for the bill is further described in a letter from the Secretary of Transportation to the Speaker of the House and the President of the Senate transmitting the bill to Congress. That letter is accompanied by an *Analysis of the Need for the Bill*. Both documents are attached.

2. The Probable Impact of the Proposed Actions on the Environment:

### OVERALL IMPACT

The railroad industry in the United States is suffering from a number of serious problems. Net income as a percent of equity for the railroad industry as a whole is less than two percent, while a number of railroads are presently in bankruptcy. Many railroads are unable to generate adequate earnings to make needed improvements in track, roadbed and facilities, with the result that a very substantial part of the total rail plant is in a state of deterioration. The railroad industry's share of total intercity freight ton miles has been declining. The railroad industry suffers from the operation and maintenance of many miles of uneconomic line, which are a financial drain on the industry and add substantially to operating costs. At the same time, parts of the railroad system are operating at or very close to full capacity utilization. These parts of the rail system must be upgraded and expanded if the railroad industry is to be capable of carrying projected traffic. The railroad industry is unable to generate sufficient funds internally to undertake the required modernization of rail plant while sufficient funds from outside sources are not available to even the healthiest railroads for these purposes.

A major cause for the railroad industry's problems and unsatisfactory performance is an outmoded and excessively restrictive Federal regulatory policy which has adversely affected the railroads' ability to adapt to changing economic and competitive conditions in the transportation industry. Regulatory policy has discouraged abandonment of uneconomic rail lines and resulted in a rigidity in railroad pricing which has hindered the industry in innovating new services, in responding to competitive conditions in transportation and in attracting traffic for which rails have a comparative advantage. As a consequence, the railroad industry is not operating at maximum efficiency nor making its maximum contribution to the national economy.

If the railroad industry is not able to price its services so as to reflect its comparative advantage, some traffic which might be carried by rail will be shifted to truck. The resulting increase in truck traffic would, of course, have a detrimental impact on the environment. We believe that enactment of the legislation will have a positive environmental impact by preventing a decline in rail's share of freight traffic.

(a) Abandonment Procedures.

By facilitating rail line abandonment procedures, it is estimated that the bill would speed up the abandonment of many miles of little used branch line. While a threshold standard for abandonment is proposed, the bill provides procedures whereby a State, local government or other interested party could subsidize railroad operations to assure the continued operation of uneconomic service where a special need exists.

### HIGHWAY NEEDS

It has been suggested that removal of a rail line and substitution of truck carriage would create the need for additional highway facilities and we have considered whether this would be the case under the bill. However, the types of rail services which will be abandoned are the lines with the lowest traffic densities. Most branches which are candidates for abandonment seldom have an average activity level of more than 1 carload per day, with the maximum seldom exceeding 2 carloads per day. At two truckloads for each carload an assuming 100 percent empty return, the normal abandonment will add less than four truckloads to the road system per day (two loaded and two empty) with a high side possibility of eight truckloads a day. This increase will have little, if any, effect on new highway construction, except in those few cases where the road system is not adequate for tractor-trailer combinations. In these instances, the opportunity provided in the proposed legislation for States and localities to acquire and subsidize branchline services will allow them to make a tradeoff between improving the road network and continuing rail service.

### COMMUNITY IMPACTS

Existing protections against other possible socio-economic disruption would not be discontinued by the proposed legislation. First, it requires that the railroads give all affected local communities, the States and the Interstate Commerce Commission notice of its intention to abandon the line.

Moreover, pursuant to existing ICC procedures, a detailed environmental statement is to be prepared when the regulatory action taken by the Commission will have a significant impact on the quality of the environment. Ex Parte No. 55 (Sub. No. 4), 340 ICC 431 (1972).

Where required for a particular abandonment, these statements are to discuss any local or regional environmental impacts. The precise environmental impact resulting from the abandonment provisions in the proposed legislation cannot be evaluated completely in advance of the identification of lines to be abandoned.

Under the proposed legislation, a line may not be abandoned unless it has been listed for at least six months on a schedule of low density lines submitted to the Secretary and the ICC by the railroads. Once notice is given, the ICC can delay abandonment for six months by initiating an investigation on the complaint from any party who demonstrates economic injury. There is provision for an additional six-month postponement under certain conditions. Further, if an abandonment is opposed by a user or State or local government served by the line, the Commission may delay the abandonment for a third six-month period if the Commission determines the State or local government is likely to provide a subsidy. Hence, although rail abandonment proceedings will be speeded up by the legislation, there is a six-month listing period, and once underway, proceedings may be postponed by the Commission to allow further opportunity to consider relevant issues.

### TRACK REMOVAL

Abandonment of a railroad right-of-way raises the question of how to remove and dispose of abandoned track. Often the right-of-way is sold with the track structure in place. In some instances, the track may be acquired for operations as a short line road. In others, the purchaser can usually recover the costs of tie and track removal by sale of the recovered scrap. If the railroad removes the structure, the common practice is to either reuse the rail or sell it for scrap.

Depending upon the condition of the crossties, the railroad may recover the ties, give them to local residents, or dispose of them by use of a tie cutter. A Federal or State agency which purchases the property for recreational purposes would no doubt adjust its price depending upon whether or not the track structure has been totally removed. An electrical transmission line could be built without removing the track structure essentially in site. The Interstate Commerce Commission's procedures for filing environmental impact statements would offer some protection where a remaining track structure would be considered environmentally detrimental. Since rail is high quality steel, its scrap value has constantly remained above the normal costs of removal. Present scrap prices for rail are in the range of $40 to $50 per ton (a price which in most cases is more than removal costs). Ties, being made of wood, might remain in place; they are biodegradeable and thus even if not removed by the usual methods would eventually disappear. In sum, the ultimate use of the abandoned right-of-way will probably determine the method of disposition of track structure.

### USE OF ABANDONED RIGHTS-OF-WAY

Abandonment of rail rights-of-way may have beneficial environmental impacts through alternative uses in the public interest. Abandonment of rail rights-of-way should produce substantial environmental benefits through optimum alternative use in the public interest. Existing land use patterns for adjacent properties would not be disturbed if the abandoned property were to be converted to a single or multiple use corridor. Transmission lines and pipelines are prime candidates for use of these rights-of-way. It could be expected that a small amount of this abandoned property might be used to improve highway alignments or to improve access to the existing highway systems.

Recreational use of abandoned rights-of-way will unquestionably be a high priority use. The need for additional recreational facilities is well known and these corridors lend themselves well to hiking, bicycling, and horseback riding. It should be noted that multiple use of these corridors would be expected since past experience has indicated the compatibility of pipeline and transmission line rights-of-way with recreational trails. The pressing needs for such trails are described in the Bureau of Outdoor Recreation's publication, *Trails for America*.

In urban areas, abandoned rights-of-way may be used for urban mass transportation. A report outlining these possibilities has been submitted to Congress by the Department. Department of Transportation, Urban Mass Transportation Administration, *Preservation of Railroad Rights-of-Way into Central Cities' Areas for Future Transportation Use*, May 1972.

Although the number of deaths resulting from rail-highway accidents has steadily decreased to a reported 1971 total of 1,356, abandonment of trackage would further aid in the reduction of rail-highway accidents. The low density rail lines do not usually enjoy the benefits of active warning devices at grade crossings. Abandonment of such a railroad segment would obviously result in total elimination of the possibility of rail-highway accidents on the affected line. A ten percent reduction in rail route miles could be expected to eliminate in excess of 20,000 public grade crossings and some 10,000 private grade crossings. Department of Transportation, *Report to Congress, Railroad-Highway Safety, Part I*, November 1971, and *Part II*, August 1972.

(b) Modal Mix of Traffic:

The Nation's transportation needs will increase over the coming years. With or without the enactment of the proposed legislation, the number of freight ton miles of each mode will increase. The proposed change in the proposed rail abandonment provisions will make the rail carriers more viable and allow the railroads to maintain their 1970 share of the total freight market through 1980. These proposed changes for railroads, combined with the easing of the entry of motor and water carriers will achieve the optimum economic mix of the modes.

The result will be lower transportation costs and consequently lower material, merchandise, and electrical power costs for the consumer.

### AIR AND WATER POLLUTION AND CONGESTION

The abandonment entry provisions of the bill should result in some additional traffic for truck and water carriers, giving rise to the possibility of increased air pollution (motor carriers) and water pollution (water carriers). The total shift, however, will be negligible and will be more than offset by shifts in high density markets from highway to rail. Increased efficiency from the proposed regulatory change will result in an increase of the rail share of freight movement by 1980. This increase would be accompanied by a proportioned decrease in the highway share.

With respect to the air pollution impacts from this shift to rail, existing studies of the fuel consumption per ton-mile of rail and motor carriage respectively, generally appear to be grounded in assessing the line-haul efficiencies of each mode in terms of average service configurations. While the average line-haul or terminal-to-terminal efficiency of each mode is a legitimate area of inquiry, such studies overlook the economies and diseconomies of each mode in providing service at other than high tonnage levels. Accordingly, any attempt to measure the fuel consumption efficiency and air pollution effects of rail service as opposed to motor carrier service must give explicit recognition to the operating configurations unique to each mode at low traffic levels. These configurations, chiefly revolving around the physical resources each mode requires to produce a unit of service, have a marked influence upon the amount of fuel consumed to generate the service demanded.

The light density rail branch line is an area of railroad operations where both the short distances and low tonnages typical of such services bring into sharp focus the nature of the resources employed. In comparing rail service with that of motor carriage, however, steps must be taken to assure that the respective services provided are relatively equivalent. The light density branch line affords such a comparison by effectively equalizing the block speeds between the modes due to the effect of short distance and by allowing a direct comparison of single line movement by each mode using the minimal operating resources necessary to perform the service—the source of motive power and the vehicle to be moved.

The comparison of fuel consumption detailed in the charts below assumes an average speed of 30 m.p.h. for motor carriers and 8 m.p.h. for rail carriers, both over relatively level terrain. In addition, each carrier performs services with a 100 percent empty return ratio. Cargo weight density is assumed to be 18 pounds per cubic foot. Pickup and spotting at origin and at the end of the line involves only a drop or switch of the cargo vehicle. Thus, the comparison is designed to show only the relative fuel consumption necessary to move the cargo to the nearest railroad—by rail or by motor. It may also be assumed that with present technology the emissions per gallon of fuel consumed are approximately equal for the two modes.

The assumptions utilized for the provision of rail branch line service rest upon the following parameters:

(1) The minimum train size is one locomotive, one freight car and one caboose.

(2) The freight car has a cubic capacity of 4800 cubic feet and empty weight of 30 tons. Maximum load is 44 tons.

(3) The locomotive is a new 2000 horsepower general purpose unit weighing 122 tons.

(4) The locomotive must generate 0.2 horsepower per gross ton to maintain an 8 m.p.h. average speed. Approximately 100 horsepower will be necessary to power cooling fans and auxiliary equipment.

(5) Fuel consumption at running speed is assumed to be .34 pounds/horsepower-hour. At idle, the engine will consume 5 gallons per hour.

(6) Switching time per car will be approximately 15 minutes, with switches at origin and at destination, including the switching of empty cars.

The following assumptions were utilized to develop motor carrier fuel consumption estimates:

(1) The use of a new Diesel tractor-semi-trailer with 73,280 GVW. Maximum cargo capacity would not exceed 22 tons. The trailer capacity would be approximately 2400 cubic feet.

(2) Fuel consumption of 0.40 pounds/horsepower-hour at 30 m.p.h. Fuel consumption of 0.6 gallons per hour at idle.

(3) Fifteen minutes to drop and pick up trailers at each end of the move.

The horsepower necessary to move a 73,280 pound motor vehicle is a function of rolling resistance, air resistance and auxiliary power requirements. The total horsepower requirement to maintain 30 m.p.h. at full load was estimated to be 135; to maintain 30 m.p.h. while empty, approximately 92 horsepower would be required. Round trip average fuel consumption per vehicle-mile would therefore be approximately 4.69 MPG, exclusive of idling time at origin and destination.

In conclusion, inspection of Table I indicates the comparative efficiency of motor carriage in terms of fuel consumption at low traffic levels and short distances. It is apparent that the low rolling resistance inherent in a steel-wheel-on-steel-rail configuration is more than offset by the high tare weight required to move freight. For example, moving 44 tons by motor vehicle requires a gross weight of 73.3 tons, while the same payload by rail requires a gross train weight of 221 tons—notwithstanding the fact that two tractor trailers would be required. The ratio becomes even more favorable for motor vehicle on the empty return—29.3 tons as opposed to 177 for the train. This net to tare weight disadvantage is overcome only when volume or distance increases.

There is no single break even point for fuel consumption and for emissions from trucks and rail. Rather, there is a breakeven function which depends on both shipment weight and length of haul. Table 1 shows that for distances over 10 miles, rail begins to demonstrate an advantage when shipment size exceeds 130–140 tons (rail cars). Moreover, although Table 1 indicates a fuel consumption advantage for rail where the distances exceed 10 miles and shipment sizes are greater than 140 tons, rail service maintains this advantage only if way-trains are not made up until several carloads have accumulated. This type of rail service results in low service levels because of poor car, crew and locomotive utilization, and is not likely to be economical for the shipper or the carrier.

Thus, in general, as shown in Table 1, this legislation is environmentally advantageous. The environment would actually be improved as a result of the enactment of this bill because at present less than 3 rail cars are moved at one time generally on these lines which will be candidates for abandonment.

TABLE I.—ESTIMATED TOTAL FUEL CONSUMED (GALLONS)

| Net shipment tons | Mode | Number of vehicle loads | One way trip distance (miles) | | | |
|---|---|---|---|---|---|---|
| | | | 5 | 10 | 15 | 20 |
| 44 | RR | 1 | 13.3 | 21.7 | 30.1 | 38.5 |
| 44 | MC | 2 | 4.9 | 9.1 | 13.4 | 17.7 |
| 88 | RR | 2 | 18.9 | 27.9 | 37.0 | 45.9 |
| 88 | MC | 4 | 9.7 | 18.2 | 26.8 | 35.3 |
| 132 | RR | 3 | 24.5 | 34.2 | 43.9 | 53.5 |
| 132 | MC | 6 | 14.6 | 27.4 | 40.2 | 53.0 |
| 176 | RR | 4 | 30.1 | 40.4 | 50.7 | 61.0 |
| 176 | MC | 8 | 19.5 | 36.5 | 53.6 | 70.6 |
| 220 | RR | 5 | 35.6 | 46.7 | 57.6 | 68.5 |
| 220 | MC | 10 | 24.3 | 45.6 | 67.0 | 88.2 |

In cases where rail service is discontinued, it is more likely that instead of a significant increase in truck vehicle miles, some existing truck route operations would be shifted. To the extent that there is an increase in truck usage, there would be no discernable increase in air pollution or traffic congestion. Any increase in truck traffic would generally be in sparsely populated areas where trucks at present may not be utilized to capacity. In urban areas, terminals are generally located on the outskirts of the area. Additional truck traffic, if any, would utilize primary roads and truck routes and avoid residential areas. Moreover, standards on heavy-duty vehicles promulgated by the Environmental Protection Agency govern these emissions. The level of these emissions should be expected to decrease as standards become more stringent.

While it is not anticipated that there will be any increase in water carrier usage, in the event that there is, there would be only a minimal impact on water quality. Any such potential effect would be subject to the Ports and Waterways Safety Act of 1972 (Public Law No. 92–340), which provides broad authority to the Secretary of Transportation (authority which has been delegated to the Coast Guard) to promote the safety and protect the environmental quality of ports, waterfront areas, and the navigable waters of the United States. One facet of that authority relates to the establishment and operation of vessel traffic services, systems, and control for waters subject to congested vessel traffic.

3. *Any Probable Adverse Environmental Effects Which Cannot Be Avoided Should the Legislation be Implemented.*

As discussed above, any particular impact which might be adverse is either nullified by safeguards in the proposed legislation or is more than offset by the beneficial effects.

The movement of resources such as coal is presently achieved largely by rail. Although the rail rates are low, the volume of this traffic is so great as to form an integral part of the railroad industry's profit structure. By making the railroads more viable, transportation costs can be reduced making coal more competitive with other sources of energy. Because of the high volume of coal movement, any abandonment of productive mine field lines seems highly unlikely. As a point of fact, the only recent rail construction of any consequence has been for the purpose of moving natural resources such as coal. The contention of wholesale abandonment of coal lines causing conversion to other forms of fuel is not consistent with the facts.

4. *Alternatives to the Proposed Action.*

### A. RAIL ABANDONMENT

#### *(1) Status Quo*

Under current procedures, the ICC may require continued operation of an uneconomic line if it determines this to be required by the public convenience and necessity. The ICC has not developed any explicit economic standards for defining this term. As a result, abandonment cases often entail protracted hearings, and the prospect of going through the expense, delay and uncertainty of this regulatory process discourages the filing of abandonment applications. The primary environmental impact of delay in processing abandonments will be that the railroad properties will not be available for the alternative transportation, utility, and recreation uses set forth above. Any such beneficial impacts will be lost or delayed. Failure to enact abandonment provisions would cause rail carriers to operate nonprofitable lines and deny them the proceeds from the sale of abandoned right-of-way, rather than enabling the carriers to spend money on maintenance and new equipment.

#### *(2) Adoption of the Bill*

The benefits of the proposed legislation to railroads are: (1) abandonment of many miles of low volume routes; and (2) saving a substantial amount per year in operating costs and a net benefit in salvage value of the rights-of-way. Benefits of the proposal to the public are:

(1) more rational allocation of traffic;

(2) a stronger railroad system;

(3) introduction of motor carrier service to replace uneconomic rail service; and

(4) improved transportation service.

Environmental impacts of abandonment are set forth in Section 2(a) above.

### B. INCREASING VIABILITY OF LOW DENSITY RAIL LINES BY IMPROVED OPERATING PRACTICES

Railroads are privately owned for profit organizations. When shifting economic patterns and the inability to attract new rail business make a line segment unprofitable, rail management must try to affect any possible economies of operation. One way that such economies have been realized is through deferred maintenance. Maintenance on many extremely low density lines has been reduced to the point where the bulk of the potential abandonment candidates would require nearly complete rebuilding if protracted operation was mandated. Other ways of reducing costs on low density lines have been largely exhausted. The elimination of under-utilized rail lines, whether competing or redundant lines of a single carrier will remove a major financial drain on the railroad industry and assist in making the industry financially sound.

Another operating practice which could be enhanced by abandonment of low density lines is "piggyback" truck-rail usage. While there have been several downturns, the overall growth of this traffic has been strong. Thus, branch line rationalization could create a further impetus for growth in this efficient transportation mix.

### C. ACTION INVOLVING INFUSION OF FEDERAL FUNDS

The use of Federal money to improve the performance and financial condition of the rail industry could take several forms: nationalization, grants, loan guarantees, or purchase and lease back of trackage.

We have considered the alternative of direct Federal support in the context of this legislation and in evaluating the Northeast railroad problem. The "Northeastern Railroad Restructing Act of 1973" proposed by the Department (H.R. 8526 and S. 1893) focuses on a serious regional problem which is not common to the rest of the nation. Outside of the Northeast region many solvent rail companies are relatively well and showing signs of further gains, particularly if outmoded regulatory restrictions are removed. In the Northeast rail legislation, the Department proposed a number of measures which rely on the private sector.

We have rejected nationalization as a viable alternative solution to that crisis. The rail regulatory modernization legislation is intended to reform the regulatory framework for all rail systems, including those in the Northeast. We consider nationalization an extreme step, and rejection of it in the context of the Northeast rail problem necessarily means that it is not a viable solution to the problems faced by other railroads across the country.

Moreover, experiences elsewhere have made it abundantly clear that nationalization only means increasing subsidies and declining resource efficiency—something our Nation can ill afford. The largely State-owned rail systems of Japan, Britain, Germany, France, and Italy now report losses that in total exceed $2 billion per year. Nor do we believe that partial or piecemeal nationalization, such as buying only the roadbeds of the bankrupt or ill carriers, is proper. It is a practical impossibility for the Federal Government to become a "limited partner" in a private enterprise operation because one step inevitably leads to greater participation. In addition, virtually all nationalized systems under the pressure of mounting deficits have pursued abandonment/nationalization programs as aggressive as any proposed in this legislation. For example, British rail has abandoned over one-third of their route miles since nationalization.

The premise of the rail regulatory modernization legislation is that (1) increased reliance on competitive forces, and (2) the ability of carriers to respond to these forces free of unneeded regulatory constraints, are essential prerequisites to the revitalization of a privately owned transportation system that is capable of providing efficient and economical service to its users. We have reached the point where a failure to apply effective remedies to the ills of the industry will not only aggravate further the deficiencies of the system, but may seriously undermine the ability of the private sector to maintain its dominant role in the operation of the system.

There is perhaps no single industry upon which the National economy depends as much for its growth, and for its continued functioning, as surface freight transportation. Yet, the performance of this industry, and the railroads in particular, has become increasingly unsatisfactory. A major cause of the industry's unsatisfactory performance is the presence of outmoded regulatory constraints. To the degree that ICC regulation has depressed railroad profits below a reasonable rate of return, the need for funds is an argument for changing regulation rather than compounding institutional imperfections by yet another Federal-aid program.

### Making Rate-Making More Flexible

A comprehensive description of the alternative of making rate-making more flexible is contained in the attached analysis of the need for this bill.

### Shift Model Split to Rail by Increasing Taxes on Trucks

Another alternative is to increase taxes on trucks, arguably to shift demand to the rail mode. The argument is that trucks currently enjoy a subsidy, and removal of the subsidy to make trucks pay the total costs of their use of the roads would increase the share of shipping for railroads.

This Department has submitted legislation which would increase the highway taxes paid by the heavier highway vehicles. The purpose of the legislation is twofold:

(1) to achieve a more equitable distribution of the costs of the program borne by different classes of users, and

(2) to raise additional revenues for the Highway Trust Fund.

This legislation, which was introduced in the House during the 92d Congress as H.R. 12429, proposed an increase in the tax on both diesel fuel and the annual gross weight tax imposed on trucks and buses of certain sizes.

The extent to which increased truck taxes, such as those proposed in H.R. 12429, would move freight from that mode to rail is not clear. Because of service factors, some shippers may continue to prefer using the truck service, even if there is a cost operating differential in favor of rail. This view is somewhat sustained by the growth of private trucking at a rate in excess of that of regulated trucking, even though it is often more costly on a purely transportation basis. This disparity may be explained by the service advantage offered by private trucking.

Further, the extent of any traffic shift caused by increased truck taxes would depend on the price elasticity of demand for highway traffic and on the cross elasticity of demand between highway and rail traffic. The prices used in measuring these elasticities might have to be based on unit distribution costs related to shipments by either mode. It would also depend on the price elasticity of demand for individual commodities shipped. Because, for most commodities of the type shipped by highway, transportation cost is such a small percentage of the total cost of ownership or distribution, shippers may simply accept the higher motor carrier cost implicitly in higher taxes, pass it on to consumers in slightly higher commodity prices, and retain the service advantage of motor carriers.

However, a large scale diversion is not operationally possible at this time. The railroads cannot handle a significant long-term increase in traffic without plant modernization.

The Association of American Railroads has stated that one of their top priorities is increasing the railroad industry's capacity. Recent experience with the movement of grain indicates that except for mainline track capacity there is only limited rail capacity for absorbing large increases in traffic. The cars, locomotives, employees, and yards can handle large traffic increases only for a very short period of time. Whatever the merits of causing traffic from other modes to move to rail, a substantial shift cannot be realistically considered until a modern rail plant exists adequate to handle growth efficiently. This necessary first step is the one addressed in the proposed legislation.

### CONCLUSION

There is perhaps no single industry upon which the National economy depends as much for its growth and for its continued functioning as surface freight transportation. Yet, the performance of this industry has become increasingly unsatisfactory. A major cause of the industry's unsatisfactory performance is the presence of outmoded regulatory constraints. To the degree that ICC regulation has depressed industry profits below a normal rate of return, the need for funds is an argument for changing regulation, not compounding institutional aid programs.

5. *Short-term vs. Long-term Effects.*

Rail Abandonment

The short-term effect is an accelerated change in land use, primarily as a result of easing abandonment procedures for little-used rail branch lines. The primary impact of delay in processing abandonments will be that the railroad properties will not be available for the alternative transportation, utility, recreation uses set forth above. Any such benefits would be lost or delayed.

6. *Commitments of Resources.*

No commitments of additional resources are expected as a result of this legislation. Additional highways and port facilities are not expected to be needed. No natural resources are expected to be committed to carry out this bill.

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By Mr. BENTSEN:

S. 3238. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes. Referred to the Committee on Finance.

### TAXPAYER PRIVACY ACT

Mr. BENTSEN. Mr. President, last week President Nixon revoked a year-old Executive order which authorized the U.S. Department of Agriculture to inspect the tax returns of our Nation's 3 million farmers. This revocation was long overdue since the Executive order opened the door to potentially unwarranted intrusions into the privacy of the American farmer and established a precedent for future government investigation of the tax returns of entire classes of American citizens.

The fact that this unwise Executive order remained in effect for 1 year clearly demonstrates that our laws must be changed to carefully safeguard the confidentiality of tax returns, with Congress—and only Congress—deciding what exceptions are needed for legitimate tax administration and law enforcement purposes.

Accordingly, I am today introducing the Taxpayer Privacy Act to maintain the confidentiality of tax returns filed by the American taxpayer and to close the door to potentially unlawful invasions of personal privacy. This legislation would amend the Internal Revenue Code to specifically restrict governmental inspection of tax returns to the areas of tax administration, tax enforcement and other carefully defined governmental functions. This proposal, however, would not hinder the ability of the Internal Revenue Service or the Department of Justice to prosecute cases of tax evasion or tax fraud. As a member of the Senate Finance Committee, which has jurisdiction over all tax legislation, I will make every effort to insure that this proposal is carefully and seriously considered when the Finance Committee begins acting on tax legislation later this year.

On January 17, 1973, President Nixon issued Executive Order 11679 authorizing the Department of Agriculture to inspect income tax returns filed by persons having farming operations. This order applied to returns filed for taxable years beginning on or after January 1, 1967. The President's stated purpose for the order was to allow the Department of Agriculture to obtain data from farm operations for statistical purposes only. It did not indicate specific data to be gathered. On January 23 new Internal Revenue Service regulations went into effect to implement the Executive order.

Neither the Executive order nor IRS regulations limited the type or amount of information that could be released to the Department of Agriculture. The January 23 IRS regulation stated:

> The Secretary of the Treasury, or any officer or employee of the Department of the Treasury with the approval of the Secretary, may furnish the Department of Agriculture (for the purpose of obtaining data as to the farm operations of such persons) with the names, addresses, taxpayer identification numbers, or any other data on such returns or may make the returns available for inspection and the taking of such data as the Secretary of Agriculture may designate.

The President issued a revised Executive Order No. 11709, on March 27, 1973. The revised order permitted Department of Agriculture inspection of farmers' tax returns in accordance with amended IRS regulations. These regulations limited the scope of the data which could be obtained compared with the regulations issued with the prior Executive order. The new regulations provided that only "names, addresses, taxpayer identification numbers, type of farm activity, and one or more measures of size of farm operations such as gross income from farming or gross sales of farm products," would be furnished the Agriculture Department.

In the original Executive Order 11679 any employee of the USDA with permission of the Secretary of Agriculture, was given authority to examine any and all tax returns of citizens showing farm income or expenses as long as they could justify such examinations by saying it was for statistical purposes. The President rescinded his order on March 27 and issued Executive Order 11709. However, under 11709, farmers' tax returns were still potentially an open book. In the revised Executive order, any employee of the USDA with permission of the Secretary of Agriculture had the authority to examine any and all farmers' tax returns and to obtain any piece of information from such tax returns as long as that information can be construed to mean a measure of size of the farming operation of the taxpayer. Close examination of the tax returns will clearly show that almost any piece of information on the return will be considered a measure of the size of the taxpayers' farming operation.

It is very significant to note that these Executive orders were formulated as a model or prototype for future Executive orders opening tax returns for similar statistical uses by other Federal agencies. In response to a congressional inquiry last year, the Justice Department said:

> The original order was prepared by the Department of the Treasury in language designed to serve as a prototype for future tax return inspection orders.

My proposed Taxpayer Privacy Act would prevent these Executive orders from ever being used as a prototype for unwarranted invasions of privacy.

My proposal explicitly states that all tax returns are confidential and private records and may be opened to inspection only by the following persons at such times and in such manner as the Commissioner of the Internal Revenue Service by regulations prescribes:

First, the Taxpayer or his attorney; second, officers and employees of the Internal Revenue Service, the Treasury Department, and the Justice Department for tax administration and economic stabilization purposes; third, shareholders of record owning 1 percent or more of a corporation; fourth, tax officials of the States, the District of Columbia, territories or possessions; fifth, the Ways and Means Committee of the House, Finance Committee of the Senate, and Joint Committee on Internal Revenue Taxation or by other specifically authorized committees of Congress; sixth, the Attorney General, his assistants, and U.S. attorneys in the performance of official duties or for litigation; and seventh, officers and employees of the Executive Department if necessary for legitimate law enforcement purposes.

My proposal is the same as H.R. 10977 which was introduced last October by Congressman JERRY LITTON of Missouri who has been so instrumental in bringing this important subject to the attention of Congress.

Although this legislation may not completely resolve all of the problems of taxpayer confidentiality, the introduction of this bill will open a dialog so that the Senate Finance Committee can receive expert comment on this legislation and make appropriate revisions, if necessary.

Last year, several congressional committees held hearings on the confidentiality of Federal tax returns. In particular, these hearings focused on the access of the Department of Agriculture to the tax returns of the American farmer. As a result of these hearings, the House Committee on Government Operations recommended that our tax laws be amended "to make tax returns explicitly confidential, except as otherwise limited for tax administration, enforcement, and other purposes approved by Congress." The present Commissioner of the Internal Revenue Service has endorsed this principle of confidentiality. My proposed

Taxpayer Privacy Act is being offered to carry out this recommendation.

The Taxpayer Privacy Act is essential for several important reasons.

First, since the American Revolution we have cherished our right of privacy and Congress must continually make every effort to prevent infractions of this very fundamental human value. The right of privacy was included in the Bill of Rights by our Founding Fathers when they adopted the fourth amendment to the Constitution which protects all Americans against unreasonable searches and seizures.

Second, easy access to confidential tax returns by Federal employees creates a potential for abuse. We must not give Federal officials easy access to tax returns so that one day unprincipled employees of an executive department can engage in a "fishing expedition" to investigate a particular class of taxpayers. If we allow Agriculture officials to inspect the individual tax returns of all farmers, soon the Commerce Department will be scrutinizing the returns of businessmen, HEW will be auditing doctors' returns and HUD will be reviewing the tax returns of large numbers of homeowners. This potential for abuse must be prevented by clear statutory restrictions.

Third, a tax system that is based upon voluntary compliance can only be effective if our tax laws contain clear statutory provisions for the confidential treatment of income tax returns. Preserving the confidentiality of income tax returns is of primary importance in maintaining taxpayer compliance and confidence in our tax system.

Fourth, every effort must be made to safeguard the integrity of the Internal Revenue Service and to prevent its "politicization." We can help protect IRS from political pressure by protecting the confidentiality of tax returns.

In summary, my proposal would insure that the Internal Revenue Service is the confidential tax-gathering agency that most Americans expect it to be. It would help maintain the integrity of our voluntary self-assessment tax collection system.

I urge my colleagues to enact this legislation this year to close a wide gap in our tax law which has the potential to threaten the privacy of every American taxpayer.

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By Mr. McGOVERN (for himself and Mr. CLARK):

S. 3239. A bill to amend the National School Lunch and Child Nutrition Acts in order to authorize the use of certain funds to purchase agricultural commodities for distribution to schools and other eligible outlets, to increase the appropriation authorization for nonfood assistance funds, and to provide additional financial assistance to the special milk program. Referred to the Committee on Agriculture and Forestry.

Mr. McGOVERN. Mr. President, I am pleased to introduce for myself and Senator CLARK, the "National School Lunch and Child Nutrition Act Amendments of 1974."

This bill has three sections, each designed to improve our valuable child nutrition programs.

The first section establishes a national average value for commodities donated by the Federal Government to the school lunch program. This means that school food supervisors in their budgets and children in their diets can rely on a carefully planned amount of federally donated commodities.

Furthermore, there is an escalator clause designed to automatically adjust this per meal amount of commodities so that Congress will not have to continually reassess the legislation.

Finally, this section provides that, among those commodities provided, special emphasis be given to high protein foods and meats.

Not only is this important for the schoolchildren, but it is also important for the cattle producers of our Nation. As their prices decline this year, we can use the school lunch program to buy meat. In this way, we can prevent a shortage from occurring later this year, which would mean higher prices for the consumer.

The second section extends the appropriation authority for nonfood assistance, which is equipment to cook and store the children's food. A recent nationwide study completed by USDA shows that the equipment needs of schools exceed $175 million. Yet, the budget for fiscal year 1975 requests only $22 million, which will only cover the expressed needs of schools without any nutrition programs, and provide no money to improve, replace, or modernize existing equipment in schools that have programs. This amendment will allow the Secretary, during fiscal year 1975, to appropriate equipment funds more closely in line with the schools' actual needs.

The third and last section increases by 1 cent the Federal reimbursement rate for milk under the special milk program. Since 1954, schools have received 4 cents per half-pint served under the special milk program. Yet milk prices have gone up at least 75 percent in the past 20 years. This provision attempts to close that gap somewhat by giving 5 cents per half-pint served to each eligible child. In addition, an automatic escalator clause is provided so that the reimbursement rate will be adjusted annually.

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By Mr. COOK (for himself and Mr. BAKER):

S. 3240. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communication services shall not apply to the amount of the State and local taxes paid for such services. Referred to the Committee on Finance.

Mr. COOK. Mr. President, on behalf of myself and Senator BAKER I am pleased to introduce a bill which will amend the Internal Revenue Code of 1954 to provide that the tax on the amounts paid for communications services shall not apply to the amount of the State and local taxes paid for such services. The purpose of this legislation is to stop the Internal Revenue Service from levying a "tax on a tax." At the present time, IRS is requiring the telephone companies of 17 States and the District of Columbia to compute Federal tax on the total of the State sales tax plus the cost of local and long distance services. However, almost every State with a sales tax could eventually be effected.

For example, if your phone bill was $25 and the State sales tax 5 percent, your Federal tax would be figured on $26.25, rather than just $25. While the individual saving is small, we estimate it would save the constituents of the 17 States about $17 million a year.

The States in which the ruling is currently being enforced and the annual tax amounts which would be saved under my proposal are:

| | |
|---|---|
| Alabama | $700,000 |
| Florida | 4,000,000 |
| Illinois | 4,000,000 |
| Iowa | 500,000 |
| Kansas | 400,000 |
| Kentucky | 800,000 |
| Maine | 300,000 |
| Minnesota | 900,000 |
| Mississippi | 525,000 |
| Missouri | 1,000,000 |
| Nebraska | 250,000 |
| New Mexico | 260,000 |
| North Dakota | 125,000 |
| Pennsylvania | 2,000,000 |
| South Carolina | 200,000 |
| South Dakota | 150,000 |
| Tennessee | 1,000,000 |

By way of background it should be noted that in 1970, Congress voted to gradually eliminate the 10 percent Federal excise tax on communication services by reducing it by 1 percent a year over 10 years. Perhaps in anticipation of the lost revenue, the Internal Revenue Service issued a ruling in 1969 (69–151) which required telephone companies in four States to begin collecting the Federal excise tax on not only the cost of telephone services, but the amount of State or local sales tax as well. The IRS was in effect requiring a "tax on a tax." As a basis for the ruling, the tax-collecting agency of the Federal Government cited section 4253 of the Internal Revenue Code of 1954—a statute which had been on the books since 1932.

Citizens of many States became subject to the "tax on a tax" in July 1973 after an IRS ruling. The excise tax must be collected in this manner, the Government said, because various State laws allowed the State gross receipts tax on the telephone company to be passed on to the consumer. If the State law levied the sales tax directly on the consumer the Federal tax would only be levied on the cost of services. The Federal Government was drawing a mighty fine line—and citizens of many States were on the wrong side.

By December of 1973 the IRS had forced companies in 17 States to begin collecting the extra revenues which could amount to $17 million a year, and the IRS is continuing its audits in every State or locality where a sales tax could eventually be involved.

This bill, in effect, has been introduced today, in order to halt the ever-encroaching process whereby the ultimate consumer is or possibly would be further economically burdened by compounding services and taxes with still yet more taxes.

I ask unanimous consent that the text of the bill be printed at this point in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 3240

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4253 of the Internal Revenue Code of 1954 (relating to exemptions to the tax imposed on communication services) is amended by inserting at the end thereof the following new subsection:

"(i) State and Local Taxes.—No tax shall be imposed under section 4251 on so much of any amount paid for services as is properly attributable to any tax imposed on the amount paid for services, or otherwise imposed on the providing of such services, by a State, or any political subdivision thereof, or the District of Columbia."

Sec. 2. The amendment made by the first section of this Act shall apply with respect to amounts paid after the date of the enactment of this Act for services rendered after such date.

## ADDITIONAL COSPONSORS OF BILLS

S. 383

Mr. ALLEN. Mr. President, I ask unanimous consent that, at the next printing, the name of the distinguished Senator from Ohio (Mr. Taft) be added as a cosponsor of S. 383, to encourage persons to join and remain in the Reserves and National Guard by providing full-time coverage under Servicemen's Group Life Insurance for such members and certain members of the Retired Reserves up to age 60, both the amendment and the bill having been introduced by the junior Senator from Alabama.

The PRESIDING OFFICER (Mr. Griffin). Without objection, it is so ordered.

S. 2801

At the request of Mr. Proxmire, the Senator from Kansas (Mr. Dole), the Senator from Georgia (Mr. Nunn), and the Senator from Rhode Island (Mr. Pell) were added as cosponsors of S. 2801, to amend the Food, Drug, and Cosmetic Act with respect to safe vitamins and minerals and for other purposes.

S. 2941

Mr. MONTOYA. Mr. President, I am pleased to join Senator Bayh in cosponsoring S. 2941, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of medicare for routine Papanicolaou tests for diagnosis of uterine cancer.

New Mexico has a small population of women over 60 compared to many other States. There are only about 56,000 women in New Mexico in this age group. However, since 1969, there have been between 45 and 50 new cases of uterine cancer each year in these women. And each year, 8 to 10 women have lost their lives from cancer of the cervix.

Senator Bayh indicates that studies show it is the older woman who is least likely to know about the Pap test and the least likely to have this painless, inexpensive test which can be administered in a few minutes time. The additional cost of this test to impoverished or low-income, elderly women is more than they can afford. For them, preventive medical care is a luxury. Preventive medicine is essential in an area such as uterine cancer where there is little possibility of the disease being discovered in a curable stage if one waits for symptoms to develop.

If the medicare program, which includes the disabled and older age group, were to cover the Pap test as part of their coverage of diagnostic laboratory tests, I believe we would be one step closer to what should be our ultimate goal—the administration of Pap tests to all women and the consequent reduction of unnecessary cancer deaths.

Dr. Charles R. Key, associate professor of pathology at the University of New Mexico and medical director of the New Mexico Tumor Registry, states:

> I certainly agree with the notion that maximum application of the Pap smear should be encouraged in all age groups by utilizing all possible resources and mechanisms. I believe that Senator Bayh's discussion of the problem as it relates to older women is factual and that the proposal to include the examination as a covered service under Medicare would be very desirable. To apply this test only after symptoms have developed negates its true usefulness in discovering early, curable cancers.

We will never know how many of these lives could have been saved had a simple Pap smear been given as part of the health care provided under medicare.

S. 3098

At the request of Mr. Dole, the Senator from Connecticut (Mr. Weicker) was added as a cosponsor of S. 3098, to amend the Emergency Petroleum Allocation Act of 1973 to provide for the mandatory allocation of plastic feedstocks.

S. 3214

At the request of Mr. Bellmon, the Senator from Oklahoma (Mr. Bartlett) was added as a cosponsor of S. 3214, to amend title XI of the Social Security Act to repeal the recently added provision for the establishment of Professional Standards Review Organization to review services covered under the medicare and medicaid programs.

S. 3229

At the request of Mr. Schweiker, the Senator from Connecticut (Mr. Ribicoff) was added as a cosponsor of S. 3229, the Soviet Energy Investment Prohibition Act.

## ADDITIONAL COSPONSOR OF RESOLUTION

SENATE RESOLUTION 136

At the request of Mr. Griffin, the Senator from Tennessee (Mr. Brock) was added as a cosponsor of Senate Resolution 136, to authorize the Committee on Rules and Administration to conduct an investigation with respect to the broadcasting and telecasing of Senate proceedings.

## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974—AMENDMENTS

AMENDMENT NO. 1067

(Ordered to be printed, and to lie on the table.)

Mr. CLARK submitted an amendment, intended to be proposed by him, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

AMENDMENT NO. 1068

(Ordered to be printed, and to lie on the table.)

Mr. ERVIN submitted amendments, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1070

(Ordered to be printed, and to lie on the table.)

Mr. WEICKER submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

AMENDMENT NO. 1071

(Ordered to be printed, and to lie on the table.)

Mr. HELMS. Mr. President, the way to protect the public from dirty campaign tricks, to prevent candidates from being bought by special interests, to assure that campaign funds will not be funneled to undisclosed persons for so-called special projects, is not to require Federal financing of political campaigns. That is the wrong way. The right way, the only proper solution to these problems and abuses, lies in requiring the full and complete disclosure of all campaign contributions and expenditures.

When I say full disclosure, full disclosure is exactly what I mean: full disclosure of all contributions from every source; of all expenditures to each and every person, business, committee or whatever.

Full disclosure of contributions from every source means every source, including a wide variety of sources not now included in present laws regulating campaign contributions.

Mr. President, today I submit an amendment to S. 3044. Basically, this amendment calls for full disclosure and plugs up a glaring loophole in the 1971 Federal Election Campaign Act regarding the reporting of large contributions made immediately prior to election day. This amendment substitutes full disclosure for unwise public financing. I submit this amendment because I sincerely believe that Federal financing of political primaries and campaigns is not the way to clean up our election processes. Any plan which uses tax dollars to support every major party candidate who seeks election to Federal office is just plain no good. There is no sound or logical reason why any taxpayer should be forced to support candidates he does not want to support—and that is just what public financing of Federal elections will do.

If a candidate does not have the local support to finance his own campaign, then why should the public pay for it? Rather, let each candidate compete with his opponent for support—both financial and for votes—in the free marketplace of ideas.

Congress should abandon this unwise public financing proposal and substitute in its stead a plan that will do all that is necessary to bring about realistic and needed campaign reform: this is the full disclosure of all contributions and expenditures. Let the public know who supports a particular candidate, and to whom that candidate may be beholden after the election. Let the public know how a candidate spends every cent of the money he raises and whom he hires to help him in his election bid. Give the public all of the facts, and let the people decide which candidate they will support, both at the polls and financially.

Then we will have campaign reform; but we will never have true reform if all we do is permit the treasury to be raided by this unworthy scheme; if we trample first amendment rights of freedom of expression by limiting the way in which a citizen expresses his political choices.

Mr. President, so that my colleagues may have the benefit of examining this proposed amendment to S. 3044 more closely, I ask unanimous consent that its text be printed in full in the Record at the conclusion of my remarks.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

### Amendment No. 1071

Strike out everything after the enacting clause and insert in lieu thereof the following:

### COMPLETE DISCLOSURE OF ALL CONTRIBUTIONS AND EXPENDITURES

Section 1. (a) Section 301 of the Federal Election Campaign Act of 1971 (relating to definitions) is amended—

(1) by striking out "in an aggregate amount exceeding $1,000" in subsection (d);

(2) by inserting in subsection (e)(1) after "subscription" the following: "(including any assessment, fee, or membership dues)";

(3) by striking out in subsection (e)(1) "or for the purpose of influencing the election of delegates to a constitutional convention for proposing amendments to the Constitution of the United States" and inserting in lieu thereof the following "or for the purpose of financing any operations of a political committee (including a payment made or an obligation incurred by a corporation or labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, does not constitute a contribution by that corporation or labor organization), or for the purpose of paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office";

(4) by amending subsection (e) (3) to read as follows:

"(3) funds received by a political committee which are transferred to that committee from another political committee;" and

(5) by striking out paragraph (f) and inserting in lieu thereof the following:

"(f) 'expenditure'—

"(1) means a purchase, payment, distribution, loan, advance, deposit, or gift of money or anything of value, made for the purpose of—

"(A) influencing the nomination for election, or the election, of any person to Federal office, or to the office of presidential and vice presidential elector;

"(B) influencing the result of a primary election held for the selection of delegates to a national nominating convention of a political party or for the expression of a preference for the nomination of persons for election to the office of President;

"(C) financing any operations of a political committee; or

"(D) paying, at any time, any debt or obligation incurred by a candidate or a political committee in connection with any campaign for nomination for election, or for election, to Federal office;

"(2) means the transfer of funds by a political committee to another political committee;

"(3) means a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure; and

"(4) means any payment made or obligation incurred by a corporation or a labor organization which, under the provisions of the last paragraph of section 610 of title 18, United States Code, would not constitute an expenditure by that corporation or labor organization.".

(b) Section 302 of such Act (relating to organization of political committees) is amended—

(1) by striking out "in excess of $10" in subsection (b);

(2) by striking out "in excess of $10," in subsection (c)(2); and

(3) by striking out beginning with "in excess of $100" through "exceeds $100" in subsection (d).

(c) Section 303 of such Act (relating to registration of political committees; statements) is amended—

(1) by striking out "in an aggregate amount exceeding $1,000" in subsection (a);

(2) by striking out beginning with "or, if later" through "in excess of $1,000" in such subsection; and

(3) by striking out "in an aggregate amount exceeding $1,000" in subsection (d).

(d) Section 304 (relating to reports by political committees and candidates) is amended—

(1) by striking out "in an aggregate amount or value in exces of $100," each place it appears in paragraphs (2), (5), and (9) of subsection (b); and

(2) by striking out "in excess of $100" each place it appears in paragraphs (7) and (10) of such subsection.

(e) Section 305 of such Act (relating to reports by others than political committees) is amended by striking out "in an aggregate amount in excess of $100 within a calendar year".

### IMMEDIATE DISCLOSURE OF LAST MINUTE CONTRIBUTIONS AND EXPENDITURES

Sec. 2. The last sentence of section 304(a) of the Federal Election Campaign Act of 1971 (relating to reports by political committees and candidates) is amended to read as follows: "Such reports shall be complete as of such date as the supervisory officer may prescribe, which shall be not less than five days before the date of filing, except that any contribution received or expenditure made during the period beginning ten days before the date of the election and ending on the date of the election shall be reported within twenty-four hours after such contribution or expenditure is received or made, respectively.

### DISCLOSURE BY CANDIDATE OF KNOWN INDEPENDENT CONTRIBUTIONS AND EXPENDITURES

Sec. 3. Section 305 of the Federal Election Campaign Act of 1971 is amended by designating the first paragraph thereof as subsection (a) and by adding at the end thereof the following new subsection:

"(b) A candidate who knows of such a contribution or expenditure by such a person shall include the identity of such person and amount of such contribution or expenditure in the statements he files under section 304."

### AMENDMENTS NOS. 1072 AND 1073

(Ordered to be printed, and to lie on the table.)

Mr. BAKER submitted two amendments intended to be proposed by him, to Senate bill 3044, supra.

### AMENDMENTS NOS. 1074, 1075, AND 1076

(Ordered to be printed, and to lie on the table.)

Mr. BAKER (for himself and Mr. Dominick) submitted three amendments, intended to be proposed by them, jointly, to Senate bill 3044, supra.

### AMENDMENT NO. 1077

(Ordered to be printed, and to lie on the table.)

Mr. BAKER (for himself, Mr. Ervin, Mr. Talmadge, Mr. Gurney, Mr. Bellmon, and Mr. Dominick) submitted amendments, intended to be proposed by them, jointly, to Senate bill 3044, supra.

### AMENDMENT NO. 1078

(Ordered to be printed, and to lie on the table.)

Mr. BAKER (for himself, Mr. Packwood, and Mr. Dominick) submitted an amendment, intended to be proposed by them, jointly, to Senate bill 3044, supra.

### AMENDMENTS NOS. 1079 AND 1080

(Ordered to be printed, and to lie on the table.)

Mr. McGOVERN. Mr. President, the subject of campaign reform and public financing of Federal elections is again before the Senate. It is a tribute to the diligence of Senators Pell and Cannon that we have continued to pursue campaign reform after a series of setbacks last year. But more importantly, it is an indication that the Congress does intend to institute changes in the structure of our campaign processes to reduce the danger of unhealthy, secretive influence buying in election campaigns.

I think the American public has made it clear, through their reaction to the events related to Watergate and through public opinion polls, that they favor strong reform. The measure before the Senate, S. 3044, provides that kind of strong reform, and I consider it the obligation of this body to act swiftly and favorably on the bill. To do less would be to further jeopardize the effectiveness of the entire Congress in the eyes of the American people.

It must be clear to everyone by now that the Watergate mess was born in part from a growing trend in our political process to keep the people at arm's length while our elected officials lend their ears to special interests. That trend has not necessarily subsided in the months after the Watergate revelations.

Not too long ago, the Congress passed a provision calling for a rollback in oil prices. It was intended solely for the benefit of the American consumer, including the farmer and the small businessman who have seen their heating oil bills more than double in the last year. As we all know, that bill was vetoed because the administration felt it would have a detrimental effect on oil profits.

It is a matter of public record that the oil industry contributed $5 million to the President's reelection campaign in 1972. Their voice is heard loud and clear while the cries of the ordinary citizen who is struggling to keep up with the monthly price increases in oil products continues to go unheeded.

We can begin to turn this trend around only when we take away the opportunity for big money to influence the campaign process. It is simple enough to see that our elected officials will become more responsive to the people if they must go to the people for their campaign support.

It may mean working a little harder to raise funds in small amounts rather than by the suitcase full, but the rewards are self-evident. I take a great deal of pride in the fact that my Presidential campaign came out of 1972 debt free. It was financed by hundreds of thousands of small contributors, not by a handful of wealthy corporate interests. Because it was financed in that way, our effort was open to the scrutiny of everyone. Any mistakes were quickly noted, and absolutely no illegal activity in the way of fundraising or influence buying or dirty tricks was uncovered simply because it did not exist.

The point I am making must be obvious. Whatever else the country may have learned from the 1972 McGovern campaign, the one lesson that stands out above all others is that it is possible to run a national campaign dependent on the efforts and the dollars of a lot of little people without going behind the closed doors of the boardrooms of giant corporations.

Not everyone is willing or even able to make the kind of effort we made in 1972. While I believe strongly in the way we raised our money and ran that campaign, I would not favor a law forcing every politician to run the kind of grassroots campaign that I happen to prefer. Neither do I favor 100-percent public financing.

That is why the concept of public financing embodied in S. 3044 is so vitally important to our political process. While it encourages the gathering of smaller contributions through gift limitations and provisions for a matching Federal payment, it leaves enough flexibility to allow a political candidate to run his own campaign in the way he prefers. And by not requiring full public financing, it leaves the opportunity for every citizen to express himself in the process through a contribution to the candidate of his or her choice.

This is not a perfect bill, but it does contain the basic elements of reform and flexibility that are so badly needed to revitalize our political process. On the basis of my own campaign experience, I have a few suggestions to make and two specific amendments to offer that I feel will make a good bill even better.

First, I have a very basic disagreement with the options offered for financing general election campaigns. Under the bill as it stands now, a candidate could either take full public financing up to his expenditure limitation or raise the money through individual contributions. While the option remains open for individuals to contribute, I think it is safe to predict that a vast majority of political candidates would choose to make use of the Federal funding to the exclusion of any private contributions. This would remove the opportunity for the people to express themselves in the process through a modest political contribution. It also reduces the incentive to the candidate to build citizen support at the grassroots level.

I believe the people should be encouraged to contribute to campaigns. It became evident from my own effort in 1972 that once a contribution had been made, the contributor felt a part of the effort and in many cases would offer to help in telephoning other voters or visiting the homes in his or her precinct. It seems to me that our political process is at its healthiest when the largest number of people are directly and actively involved in that process. With that in mind, we should structure the general election financing in such a way that allows the simplest form of involvement through a contribution. It opens up an essential two-way street for public involvement and candidate response.

For this reason, I am supporting amendment No. 976 offered by Senator STEVENSON. The amendment would provide each Federal candidate with 50 percent of the expenditure limitation from the Federal Treasury. The remaining funds would be raised through private contribution efforts. The Stevenson plan opens up that two-way street while it provides a candidate with a guaranteed amount that can serve as the basis for his campaign. After a long primary campaign, it can be rather difficult to raise the needed funds for a general race. With an immediate payment of 50 percent of the limitation, all candidates are put on equal footing from the beginning of the race. The seed money is there for initial organizing efforts and fundraising appeals. Besides offering the essential opportunity to contribute, it seems to me this plan will go a long way toward wiping out any inherent advantage an incumbent candidate may have.

In the same line of encouraging active participation through small contributions, I am introducing my own amendment to S. 3044. Present law allows contributors to take a tax credit or a tax deduction for a political contribution. Under S. 3044, an individual could get up to $25 credit or $50 on a joint return by contributing twice that amount. A deduction of $100 for an individual and $200 for a couple is allowed, again when twice that amount is contributed. My amendment would drop the requirement of contributing twice the amount of the credit or deduction limit giving contributors 100 percent credit up to the given limits. In order to get the full $25 credit, an individual need only contribute the $25 rather than having to give $50 in order to get $25 credit.

Middle- and lower-income taxpayers form the greatest base of any effort to raise small contributions. For many, particularly in this time of record inflation, a $25, $50, or $100 contribution means that they will be forced to cut their already overstretched budgets in some essential area. By providing a full tax credit to the small contributor, we will not only treat all taxpayers equally, we will also greatly increase the number of persons who are likely to contribute.

I have one other amendment to offer. My second amendment would strike out section 316 of the bill which requires that an official of the national party committee approve any expenditure made by or on behalf of a presidential candidate in excess of $1,000. It also requires that the national committee report any approval as their own expenditure.

Based on my own experience in running a Presidential campaign, I do not feel that this provision is necessary. On the contrary, I think it will confuse an already difficult and time-consuming reporting system as well as duplicate the expenditure reports.

I understand the reason for placing this provision in the bill. It is a direct response to the way the Committee to Re-Elect the President handled some of their funds. However, given the reforms throughout this legislation, I do not believe this kind of measure is necessary. We should not penalize all candidates with the added burden of unnecessary clearance requirements because of the abuses of one campaign.

My overriding objection to this idea comes from my own experience in trying to keep the finance section of a campaign alive and well. It has become customary for firms providing campaign services to require payments in advance. In a fast moving political campaign where decisions are made and carried out in a matter of hours and sometimes minutes, it is absolutely essential that the treasurer be able to function with a minimum of redtape. With this additional approval required before a check can go out, it is entirely possible that an event could be canceled or a plane grounded for lack of payment while the treasurer submits the expenditure to the scrutiny of the national party official designated to give approval. Because all expenditures of that size must be reported by the candidate's campaign committee, this requirement would become something to work around rather than a real safeguard against abuse.

I ask unanimous consent that my amendments be printed in the RECORD following my remarks.

Mr. President, we have seen a remarkable change in the attitude of the American people toward politicians in the last year. All elected officials have become victims, innocent or otherwise, of the Watergate mess. Campaign reform is the one area where we can move now to reaffirm the faith of the people in our political process. Only if we are willing to police our own houses in a meaningful way will the people begin to believe that Watergate is not politics as usual.

We know that for every dirty trick and illegal contribution carried out by the Committee To Re-Elect the President, there are hundreds of honest men and women active in politics. Watergate is the exception, not the rule. Swift passage of S. 3044 can be the opening round in a new era of politics in this country. It can and should be the first step taken to bring American politics back into the sunshine by giving American politics back to the people.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

S. 3044

Strike everything beginning on line 18, page 62 through and including line 10 on page 63 and renumber the subsequent sections accordingly.

Section 1. On page 84, line 10, insert the following new subsection and renumber the other subsections accordingly.

"(a) Section 41(a) of the Internal Revenue Code is amended by deleting therefrom the phrase 'one-half of'.".

Sec. 2. On page 84, line 23, strike the words, "(a) and (b)" and insert the words, "(a), (b), and (c)".

### AMENDMENT NO. 1081

(Ordered to be printed, and to lie on the table.)

Mr. **BUCKLEY** submitted an amendment, intended to be proposed by him, to Senate bill 3044, supra.

### AMENDMENT NO. 1082

(Ordered to be printed, and to lie on the table.)

Mr. **HATHAWAY** submitted amendments, intended to be proposed by him, to Senate bill 3044, supra.

### AMENDMENT NO. 1083

(Ordered to be printed, and to lie on the table.)

Mr. **BENTSEN**. Mr. President, I am sure my colleagues here in the Senate are all too well aware of the stories this country has heard in the last few months of millions of dollars sloshing around from one country to another, being laundered in foreign banks and of sizable contributions by foreign nationals to U.S. Federal election campaigns. There have been appalling allegations that certain of these contributions from foreigners have elicited from this administration government contracts or other favors. Mr. President, I do not know if these allegations are true or not and I am certainly not saying that they are. That is the job of the courts to decide. What I am saying is that contributions by foreigners are wrong and have no place in the American political system. Present law bans contributions by foreign "principals" or agents of foreign "principals" but this terminology is unclear. The Department of Justice has interpreted the term "principal" to mean a foreign government, a political party of another country or a company, organization, or partnership chartered abroad or having its principal place of business abroad. This interpretation does not include private foreign citizens or agents of foreign citizens under the definition of "principal." I am today introducing an amendment which will extend the present ban on contributions by principals or agents of principals to include private citizens and agents of private citizens. Without this ban American elections can continue to be influenced by inordinately large flows of foreign money. During the 1972 Presidential campaign, for example, the public record shows that a wealthy Canadian oilman donated $92,000 to the Nixon candidacy. On the Democratic side of the fence, a wealthy Uruguayan gave over twice that amount to the McGovern campaign.

Mr. President, I do not think foreigners have any legitimate role in our political campaigns. They cannot vote in our elections. They cannot participate in other ways so why should we allow them to help finance our elections? Their loyalties lie elsewhere; their loyalties lie with their own country and their own government. Many in this country have expressed concern over the growing inroads being made into our economy by foreign investment. I think we should be concerned over the inroads being made into the financing of our political campaigns by foreigners.

The point is, Mr. President, that current law is too vague to touch contributions by foreign nationals or agents of foreign nationals. It touches only contributions by foreign principals or agents of foreign principals. My amendment would ban contributions from the individual as well as from any agent acting on behalf of a foreign individual.

Mr. President, I do not believe my amendment is foolproof. There are ways to get around just about every campaign finance reform measure on the books or under consideration by the Congress. But my amendment goes a long way towards getting at the problem. Mr. President, a major loophole in campaign financing laws and legislation would be closed by my amendment and I urge the Senate to act affirmatively on it.

### AMENDMENTS NOS. 1084 THROUGH 1089

(Ordered to be printed, and to lie on the table.)

Mr. **GRIFFIN** submitted six amendments, intended to be proposed by him, to Senate bill 3044, supra.

### AMENDMENTS NOS. 1090 THROUGH 1093

(Ordered to be printed, and to lie on the table.)

Mr. **KENNEDY**. Mr. President, on behalf of Senator Hugh Scott and myself, I send to the desk four amendments to S. 3044, the Federal Election Campaign Act Amendments of 1974, and I ask that they may lie on the table and be printed.

The first amendment would require written evidence of any contribution that is to be used to obtain a matching grant of public funds.

The second amendment would establish an automatic appropriation for the funds designated by taxpayers under the dollar checkoff.

The third amendment would add a definition of a State committee of a political party, corresponding to the definition of a national committee of a political party in the bill.

The fourth amendment would clarify the eligibility of a minor party candidate to receive public funds, by allowing him to accumulate the votes he received under various party labels in the preceding election.

Mr. President, Senator Scott and I intend to call up these amendments at the appropriate time, and I ask unanimous consent that they may be printed at this point in the Record.

There being no objection, the amendments were ordered to be printed in the Record, as follows:

### AMENDMENT No. 1090

On page 10, between lines 16 and 17, insert the following:

"(3) For purposes of paragraph (1), no contribution shall be taken into account which is not made or accompanied by a written instrument setting forth the amount of the contribution and the identification of the person making the contribution.".

### AMENDMENT No. 1091

On page 19, beginning in line 12, strike out "There are authorized to be appropriated to the fund amounts equal to the sum of the amounts designated by taxpayers under section 6096 of the Internal Revenue Code of 1954 not previously taken into account for purposes of this subsection, and such additional amounts as may be necessary to carry out the provisions of this title without any reduction under subsection "(c)." and insert in lieu thereof the following: "There is appropriated to the fund for the fiscal year first beginning after the date of enactment of the Federal Election Campaign Act Amendments of 1974 an amount equal to the sum of the amounts designated by taxpayers under section 6096 of the Internal Revenue Code of 1954 for all taxable years ending before January next preceding the beginning of that fiscal year. There is appropriated to the fund for each subsequent fiscal year an amount equal to the sum of the amounts designated by taxpayers under such section for taxable years ending after the second preceding December and before January next preceding the beginning of that fiscal year. There are authorized to be appropriated to the fund such additional amounts as may be necessary to carry out the provisions of this title without any reduction under subsection "(c).".

On page 19, line 16, after "and" insert "there are authorized to be appropriated to the fund".

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### AMENDMENT No. 1092

On page 68, line 16, strike out "and".

On page 68, between lines 16 and 17, insert the following:

"(j) 'State committee' means the organization which, by virtue of the bylaws of a political party, is responsible for the day-to-day operation of that political party at the State level, as determined by the Federal Election Commission; and

On page 68, line 17, strike out "(j)" and insert in lieu thereof "(k)".

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### AMENDMENT No. 1093

On page 10, strike out line 24 and insert in lieu thereof the following: "election campaign in an amount equal to the greater of—

"(A) an amount which bears the same ratio".

On page 11, line 6, strike out "election." and insert in lieu thereof "election; or".

On page 11, between lines 6 and 7, insert the following:

"(B) an amount which bears the same ratio to the amount of payments to which a candidate of a major party for the same office is entitled under this subsection as the total number of popular votes received by that eligible candidate as a candidate for that office (other than votes he received as the candidate of a major party for that office) in the preceding general election bears to the average number of popular votes received by the candidates of major parties for that office in the preceding general election."

### AMENDMENTS Nos. 1094 THROUGH 1096

(Ordered to be printed, and to lie on the table.)

Mr. **BELLMON** submitted three amendments, intended to be proposed by him, to Senate bill 3044, supra.

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## DOMESTIC SUPPLY INFORMATION ACT—AMENDMENT

### AMENDMENT NO. 1069

(Ordered to be printed, and referred to the Committee on Commerce.)

Mr. **MAGNUSON**. Mr. President, today I introduce an amendment to S. 2966, the Domestic Supply Information Act, which was introduced on February 6 by

Senator Tunney and myself and referred to the Committee on Commerce.

The conditions prompting this legislative effort are known to us all: increasing shortages of essential products and materials and inadequate information on the current and future availability of these products and materials. Considerable attention is now being devoted to the energy crisis, but other commodities are also becoming increasingly scarce. For example, products such as plastic, paper, fertilizer, and food are in short supply domestically, and important raw materials may be in short supply in the near future.

Existing institutions of Government do not adequately identify and monitor product and material shortages. Although a wealth of information is available, it is dispersed through numerous agencies. It is incomplete and lacking in credibility in some cases; but more importantly, the information is not regularly and effectively synthesized, coordinated, analyzed, and disseminated.

This amendment would expand the functions and staff of the Council of Economic Advisers, explicitly directing it to involve itself in product and material shortage questions and other problems related to specific industries. It would be required to establish an information system for the collection and analysis of relevant data, and it would also be required to submit reports to the President and the Congress on immediate and long-range problems.

In the performance of these functions, the Council could be expected to influence significantly the policies of the President and the executive branch, but might be lacking in credibility with the Congress. For this reason, the bill would create a new division within the General Accounting Office which would have independent access to the Council's data and be required to make independent assessments of such data for the benefit of the Congress.

Mr. President, I ask unanimous consent to have printed in the Record the text of the amendment.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

### Amendment No. 1069

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Domestic Supply Information Act".

### FINDINGS AND PURPOSES

Sec. 2. (a) Findings.—The Congress finds that—

(1) Shortages of products and materials are becoming increasingly frequent, resulting in undue inconvenience and expense to consumers and a burden on interstate commerce and the Nation's economy.

(2) Such shortages may result from any of a number of causes including but not limited to inadequate plant capacities, a shortage of the supply of basic material and energy, foreign export controls, and unexpected fluctuations in demand.

(3) Existing institutions do not adequately identify and anticipate such shortages and do not adequately monitor, study, and analyze other market dysfunctions involving specific industries and specific sectors of the economy.

(4) Data with respect to such shortages, causes, and dysfunctions is collected in various agencies of the Government for various purposes, but is not systematically coordinated and disseminated to the appropriate agencies and to the Congress.

(5) A comprehensive credible information system is needed (A) to serve as a single reference system on the existence and causes of existing and potential product and material shortages and other market dysfunctions and (B) to provide alternative policy options to alleviate such shortages and dysfunctions.

(b) Purposes.—It is the purpose of this Act to establish the means to monitor product and material shortages and other market dysfunctions and to provide alternative policy options to the President and the Congress for legislative and administrative policies to alleviate such shortages and dysfunctions. It is further the purpose of this Act to accomplish these as expeditiously as possible by enlarging the functions of the Council of Economic Advisers and by establishing an Office of Domestic Supply in the General Accounting Office.

### DEFINITIONS

Sec. 3. As used in this Act—

(a) "Comptroller" means the Comptroller General of the United States;

(b) "Council" means the Council of Economic Advisers;

(c) "Director" means the Director of the Office of Domestic Supply established by section 201 of this Act;

(d) "long-term future" refers to product and material forecasting for one, two, and three years into the future, and further into the future when possible;

(e) "market dysfunction" means any situation in a specific industry or segment of the economy in which market forces fail to provide goods and services smoothly and at a reasonable price to those interested in obtaining them;

(f) "Office" means the Office of Domestic Supply in the General Accounting Office, as established by section 201 of this Act; and

(g) "product and material shortage" or "shortage of products and materials" refers to a market condition where any product, food, mineral, raw material, or other commodity is not reasonably available to all users or can be acquired only at a price which has increased significantly relative to the general price level as a result of limited availability.

## TITLE I—DOMESTIC SUPPLY FUNCTIONS OF THE COUNCIL OF ECONOMIC ADVISERS

### RESPONSIBILITIES AND PRIORITIES

Sec. 101. (a) Responsibilities.—It shall be the responsibility of the Council to monitor product and material shortages and other market dysfunctions and to provide the President and Congress with alternative policy options with respect to such shortages and dysfunctions.

(b) Priorities.—In carrying out its responsibilities under this Act, the Council shall—

(1) give priority attention to industries which provide products and services basic to the Nation's economy and industries which serve critical needs of the Nation's consumers, and

(2) give substantial consideration to shortages and market dysfunctions expected in the predictable long-term future as well as to those currently experienced or immediately anticipated.

### INFORMATION SYSTEM

Sec. 102. (a) General.—Within one year after the date of enactment of this Act, the Council shall establish an information system for the collection, analysis, and dissemination of information relating to product and material shortages and other market dysfunctions. Such system shall—

(1) utilize appropriate economic models;

(2) utilize modern information filing, storage, search, retrieval, and possessing mechanisms;

(3) readily permit quick additions, retrieval, and analyses of data;

(4) maintain data historically and update data periodically to permit time-series analyses; and

(5) provide for direct and independent access by the Director of the Office, established under title II of this Act, to all information collected.

(b) Data Collection.—Such system shall provide for the collection of data which shall include, but not be limited to, data on current and potential supply, demand, consumption, wages, prices, imports, exports, changes in technology affecting supply and demand, and other relevant matters relating to product and material shortages and other market dysfunctions.

(c) Survey and Use of Existing Data.—In order to avoid duplication of effort, the Council, to the extent feasible, shall survey and utilize on a regular basis all pertinent data in the possession of Federal departments, agencies, and offices, notwithstanding any other provision of law. Such data shall include, but not be limited to, information gathered by the Department of Agriculture, the Department of Commerce, the Department of Interior, the Department of Labor, the Cost of Living Council, the National Science Foundation, and the Federal Tariff Commission. Such data shall also include studies of executive commissions, universities, and private organizations and foundations. The Council is authorized to acquire by purchase or otherwise from States, counties, cities, or other units of local government or from private persons copies of records, reports, and other data as may be required for the efficient and economical collection of information pursuant to this Act.

(d) Data Verification.—The Council shall, to the extent possible, periodically verify the data collected under this section through the use of sampling, auditing, mathematical verification, or other practical means.

(e) Hearings and Subpenas.—To supplement the information otherwise available to it, the Council is authorized as is necessary to carry out the provisions of this Act—

(1) to conduct public hearings and inquiries;

(2) to require, by subpena or special or general order, that any person or Government agency attend such hearings or submit in writing reports, papers, documents, or answers to questions, as the Council deems advisable to carry out the purposes of this Act, including, if appropriate, but not limited to information referred to in section 1905 of title 18, United States Code; and

(3) to petition any United States district court for assistance in requiring the testimony of witnesses or the production of such reports, papers, documents, answers, or information.

(f) Enforcement.—(1) In the event of refusal to obey a subpena or order issued pursuant to subsection (e) of this section by the Council, the United States district court in which venue is proper shall have jurisdiction to issue an order to require any person to comply therewith. Failure to obey such an order of the court is punishable by such court as a contempt of court.

(2) Any person who neglects or refuses, when requested by the Council, to answer completely and correctly to the best of his knowledge any question or to furnish information requested under the authority of this Act, shall be fined not more than $25,000 or imprisoned not more than one year or boh; and if he willfully provides a false answer to any such question, he shall be fined not more than $50,000 or imprisoned not more than three years or both.

### REPORTS AND ANALYSES

Sec. 103. (a) Reports.—Not later than January 20 and July 20 of each year, and at such more frequent times as the Council determines are appropriate, the Council shall transmit to the President and the Congress a report setting forth—

(1) an enumeration of major product and material shortages in this country both current and anticipated;

(2) estimates of the available domestic and world supply of such products and materials and an assessment of the various factors affecting such supply, including when appropriate, but not limited to, the availability of energy; the impact of environmental and other regulatory controls; the effects of imports and exports; the availability of modern, efficient technology to produce such products; the effect of labor and capital for production; wages; prices; and plant capacity;

(3) estimates of domestic and world demand for such products and materials and an assessment of the various factors affecting such demand, including, when appropriate, but not limited to, an assessment of demand by class of consumer and by geographical region, the reasons for any change in demand, the elasticity of demand, the effect of fiscal and monetary policies of the Federal Government on demand, and the effect of imports and exports on demand;

(4) an enumeration of other major market dysfunctions, both current and anticipated and an evaluation of the causes thereof;

(5) an assessment of the impact on the economy of the United States and other nations of the shortages and dysfunctions specified;

(6) an assessment of the effects on national security of such shortages and dysfunctions;

(7) a review of the extent to which present programs and activities of the Federal Government may contribute to the cause or prevention of such shortages and dysfunctions;

(8) a listing of alternative policy options for legislative and administrative action to alleviate or contain such shortages and dysfunctions; and

(9) an assessment of the economic, social, and environmental strengths and weaknesses of the policy options specified, which may, at the discretion of the Council, include recommendations as to which of such options are, in the view of the Council, most desirable.

(b) Analyses.—In addition to reports submitted under subsection (a) of this section, the Council shall as frequently as is necessary and practicable, submit interim reports, recommendations, and analyses to the President and the Congress concerning any of the matters listed under subsection (a).

### DISSEMINATION OF INFORMATION

Sec. 104. (a) General Availability.—Copies of any communication, document, report, or information received or sent by any member of the Council shall be made available to the public and to agencies of Government upon identifiable request, and at reasonable cost, unless such information may not be publicly released under the terms of subsection (b) of this section.

(b) Limitations.—The Council or any officer or employee of the Council shall not disclose any information obtained under this section which concerns or relates to a trade secret referred to in section 1905 of title 18, United States Code, except that such information may be disclosed in a manner designed to preserve its confidentiality—

(1) to other Federal Government departments, agencies, and officials for official use upon request;

(2) to committees of Congress having jurisdiction over the subject matter to which the information relates;

(3) to a court in any judicial proceeding under court order formulated to preserve the confidentiality of such information without impairing the proceedings; and

(4) to the public in order to protect their health and safety after notice and opportunity for comment in writing or for discussion in closed session within fifteen days prior to disclosure by the party to whom the information pertains, but opportunity for comment or discussion shall be given only if the Council determines the delay resulting from such notice and opportunity for comment would not be detrimental to the public health and safety.

(c) Exception.—Nothing contained in this section shall be deemed to require the release of any information described in section 552(b) of title 5, United States Code, or which is otherwise protected by law from disclosure to the public.

### PERSONNEL

Sec. 105. (a) Hiring of Personnel.—The Council is authorized to appoint and remove such employees as it determines necessary to carry out its responsibilities under this Act and to fix the compensation of such employees in accordance with the Civil Service and classification laws of the United States. The maximum size of the professional staff of the Council shall be limited to two hundred employees.

(b) Consultants.—The Council is authorized to employ consultants in accordance with section 3109 of title 5, United States Code, and to compensate such persons at rates not in excess of the maximum daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, for each day they are so employed (including traveltime) and pay such persons travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently.

(c) Contracts.—In carrying out the provisions of this Act, the Council is authorized to enter into any developmental or operational contracts with educational or research organizations.

### AUTHORIZATION FOR APPROPRIATIONS

Sec. 106. There is authorized to be appropriated to the Council for the purpose of carrying out the provisions of this Act, $10,000,000 for the fiscal year ending June 30, 1975, and $12,000,000 for the fiscal year ending June 30, 1976.

## TITLE II—OFFICE OF DOMESTIC SUPPLY

### OFFICE AND DIRECTOR

Sec. 201. There is hereby established within the General Accounting Office an Office of Domestic Supply. The Office shall be under the direction of a Director who shall be appointed and removed by the Comptroller, except that the Director may be removed at any time by a joint resolution of Congress for malfeasance or non-feasance in office.

### RESPONSIBILITIES AND PRIORITIES

Sec. 202. (a) Responsibilities.—The Director shall be responsible for analyzing and disseminating data regarding product and material shortages and other market dysfunctions and for providing the President and the Congress with alternative policy options with respect to such shortages and dysfunctions. Such responsibilities shall be carried out in a manner which will provide independent assessments of data collected by the Council pursuant to title I of this Act.

(b) Priorities.—In carrying out his responsibilities under this Act, the Director shall be subject to the same priority requirements prescribed for the Council under section 101 (b) of this Act.

### DATA COLLECTION

Sec. 203. (a) Access to Council's Information.—In carrying out the responsibilities referred to in section 202, the Director shall have direct and independent access to all information collected by the Council through the information system established under section 102 of title I of this Act. In addition, the Council shall inform the Director of all analyses of such information conducted by the Council and furnish the results of all such analyses to the Director at such times and in such form as the Director may reasonably request.

(b) Additional Information.—The Council shall coordinate and cooperate with the Director in the collection by the Council of information under this Act. If, in the view of the Director, new information in addition to that already collected through the information system of the Council is needed to effectively carry out the purposes of this Act, he shall request the Council to obtain such information. The Council shall honor each such request unless the Council determines that the information referred to would be duplicative of information already in the possession of the Council and available to the Director. If the Director disputes such determination by the Council, he may petition the United States District Court for the District of Columbia for an order requiring the Council to obtain such information and make it available to the Director. The Court shall issue such order if it finds, upon de novo review of the determination of the Council relating thereto, that the information requested by the Director is not duplicative of information already available to him.

### ANALYSES AND REPORTS

Sec. 204. (a) Analyses.—The Director shall utilize appropriate economic models and all other reasonable means to analyze information to which he has direct and independent access under section 203 of this Act, information made available to him by the Council under such section, and other information in his possession relating to product and material shortages and other market dysfunctions, both current and anticipated. As frequently as is necessary and practicable, the Director shall submit reports, recommendations, and analyses to the President and the Congress concerning such shortages and dysfunctions, and including any of the matters listed under section 103 (a) of this Act.

(b) Comments on Council Reports.—Within a reasonable time, not to exceed ninety days, following a report by the Council submitted to the President and the Congress pursuant to section 103(a) of this Act, the Director shall issue comprehensive comments to the President and the Congress on such report including, but not limited to, assessments of each policy option contained in such report. The Director additionally is authorized and encouraged to comment to the President and the Congress on each interim report, recommendation, and analysis submitted by the Council to the President and the Congress pursuant to section 103 (b) of this Act.

(c) Comptroller's Report.—At the end of each fiscal year following the date of enactment, the Comptroller shall submit an annual report to the Congress reviewing the procedures for the collection of information established under title I of this Act and evaluating the extent of cooperation between the Council and the Director with respect to the collection of information under this Act.

### DISSEMINATION OF INFORMATION

Sec. 205. The Director shall disseminate information relating to the exercise of his responsibilities under this Act subject to the conditions imposed on the Council by section 104 of this Act.

### PERSONNEL AND COMPENSATION

Sec. 206. (a) Personnel.—The Director is authorized to appoint and remove employees of the Office, employ consultants, and enter into contracts subject to the conditions imposed on the Council by section 105 of this Act.

(b) Compensation.—The Director of the Office shall be compensated at the rate provided for level III of the Executive Schedule Pay Rates (5 U.S.C. 5314).

### AUTHORIZATIONS FOR APPROPRIATIONS

Sec. 207. There is authorized to be appropriated to the General Accounting Office for the purposes of carrying out the provisions of this Act, $5,000,000 for the fiscal year ending June 30, 1975, and $6,000,000 for the fiscal year ending June 30, 1976.

## ADDITIONAL COSPONSORS OF AMENDMENTS

### AMENDMENT NO. 150

Mr. ALLEN. Mr. President, I ask unanimous consent that, at the next printing, the names of the following Senators be added as consponsors of amendment No. 150 to S. 1835, a bill to amend title 38, United States Code, to increase the maximum amount of Servicemen's Group Life Insurance to $20,000, to provide full-time coverage thereunder for certain members of the Reserves and National Guard, to authorize the conversion of such insurance to Veterans' Group Life Insurance, and for other purposes: the distinguished Senator from Kansas (Mr. Dole), the distinguished Senator from Rhode Island (Mr. Pastore), the distinguished Senator from North Carolina (Mr. Helms), and the distinguished Senator from Ohio (Mr. Taft).

The PRESIDING OFFICER (Mr. Griffin). Without objection, it is so ordered.

### AMENDMENT NO. 976

Mr. STEVENSON. Mr. President, I ask that the Senator from South Dakota (Mr. McGovern) be added as a cosponsor of amendment No. 976 to S. 3044.

That amendment, which I will call up at an appropriate time in the debate, replaces the system of 100-percent Federal subsidies for major party candidates in general elections with a balanced, less expensive system of partial public fifinancing under which the general election subsidy would be limited to 50 percent of the expenditure limit.

Today's issue of the Washington Post contains an editorial expressing doubts about pure public financing in general elections. I ask unanimous consent that the editorial be reprinted at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

[From the Washington Post, Mar. 26, 1974]

### A Key Time for Campaign Reforms

One collision of interests which is inescapable under a democratic system is that the laws regulating campaigns are passed by the same people who won the last election. This can produce a certain opacity about reforms. For instance, there is ample evidence that fund-raisers for President Nixon's re-election drive used strong-arm tactics to collect large, secret and—in some cases—illegal contributions in 1972. Yet Mr. Nixon waited until this month to submit his own program of reforms, and then his suggestions were mostly uninspired.

Or take the case of Rep. Wayne L. Hays (D-Ohio). On the one hand, he chairs the Democratic congressional campaign committee which, with its Senate counterpart, raked in at least $600,000 from its annual $500-a-plate dinner last week. On the other hand, the congressman from Ohio runs the House Administration Committee, which has jurisdiction over campaign reforms—and which is finally being convened today, after months of delay, to start considering the subject.

Winning elections does not always make politicians so resistant to reforms. The Senate is an encouraging case in point. Many Senators can milk money from contributors as well as anybody else. In fact, according to public reports compiled by the Center for Public Financing of Elections, political committees for Senators and Senate candidates had $5 million on hand on February 28, and 91 per cent of that was for the benefit of incumbents—including several who are not up for re-election this year. Yet somehow most Senators have come to realize that the old ways of raising and spending money in politics are so demeaning, so susceptible of abuse, and so mistrusted by the public that basic reforms are imperative. Thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strengthen the enforcement of the elections laws. And today the Senate begins debate on a very ambitious bill to extend public financing to all federal primary and general-election campaigns.

If the goal of reforms is to make federal campaigns more open in every respect—above-board, broadly based and genuinely competitive—then some degree of public financing is an important complement to limitations on private funds. Outlawing large private contributions will reduce, or at least make more perilous, the domination of the political marketplace by well-heeled individuals and special interests. Public financing, direct or indirect, will broaden public participation in campaigns and enable challengers to combat the large advantages which incumbents now enjoy. That principle lies behind the existing dollar check-off and provisions for tax credits or deductions for small private contributions. It is an approach worth expanding in a sensible and incremental way.

The problem with the latest Senate bill is that it tries to do too much, too soon, and goes beyond what is either feasible or workable. For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries. No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries. Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense. As for congressional primaries, they are so varied in size, cost and significance among the states that no single system of public support seems justifiable without much more careful thought.

This is not to say that the pending Senate bill is frivolous. It makes useful improvements in the existing check-off plan for public funding of presidential general-election drives. Moreover, Senate passage of any kind of public financing for congressional general elections, such as a matching plan, would make it harder for the House to duck consideration of that matter entirely. Finally, the new Senate bill reemphasizes that body's commitment to the other crucial aspects of reform: strict limits on private contributions, and strong independent enforcement.

Whatever the Senate ultimately decides to do this time around, the real battle is coming in the House. One key issue there will be the ceiling on spending in House campaigns; Rep. Hays has recently been talking in terms of $60,000, an amount low enough to make challenges to most incumbents very difficult. The hardest fight, however, may come on the question of enforcement, for Rep. Hays and others have fiercely resisted the creation of a non-partisan elections commission with independent enforcement authority. But to leave enforcement in the Justice Department would be to render all reforms suspect at best, and ineffective at worst. Unfortunately, the House Democratic leadership has so far seemed inclined to let Rep. Hays toy with the issue as he likes. This lackadaisical approach by Speaker Carl Albert and his team can only reinforce public cynicism about the prospects for meaningful reform.

### AMENDMENT NO. 1013

At the request of Mr. Clark, the Senator from Oklahoma (Mr. Bellmon) was added as a cosponsor of amendment No. 1013, to the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

### AMENDMENT NO. 1014

At the request of Mr. Clark, the Senator from Maine (Mr. Hathaway) was added as a cosponsor of amendment No. 1014, to Senate bill 3044, supra.

## NOTICE OF HEARING ON NOMINATIONS

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, April 2, 1974, at 10:30 a.m., in room 2228, Dirksen Senate Office Building, on the following nominations:

Joseph W. Morris, of Oklahoma, to be U.S. district judge for the Eastern District of Oklahoma, vice Edwin Langley, deceased.

Murray M. Schwartz, of Delaware, to be U.S. district judge for the District of Delaware, vice Caleb M. Wright, retired.

At the indicated time and place, persons interested in the hearing may make such representations as may be pertinent.

The subcommittee consists of the Senator from Arkansas (Mr. McClellan), the Senator from Nebraska (Mr. Hruska), and myself as chairman.

## ANNOUNCEMENT OF HEARING ON GAS AND ELECTRIC RATES

Mr. HUMPHREY. Mr. President, today I wish to announce that I will chair a hearing of the Subcommittee on Consumer Economics of the Joint Economic Committee to examine the reasons for the sharp increases occurring in gas and electric rates. The hearing will take place on Thursday, March 28, beginning at 10 a.m. in room 4200 of the Dirksen Senate Office Building—the Senate Public Works Committee hearing room.

Up through 1969, gas and electric rates had been remarkedly stable for many years. Then a rising trend set in, and the present energy crisis has turned that trend into a torrent. The worst may be yet to come, if prices of coal and natural gas rise toward the present prices of oil, and if the utilities fail to get a better grip on their nonfuel costs.

Now utilities are even applying for rate increases to compensate them for revenue lost because of energy conservation by consumers. I think this is outrageous, and granting such increases would be a dangerous precedent for the future. The Library of Congress has compiled a study for me of these particular rate requests, and I will release the study at the hearing.

The hearing witnesses will include:

John Nassikas, Chairman, Federal Power Commission;

Charles Cicchetti, professor of economics, University of Wisconsin, accompanied by Edward Berlin, general counsel, Consumer Federation of America; and

Alan Roth, Commissioner-designate, New York Public Service Commission.

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## ANNOUNCEMENT OF HEARINGS BY DISTRICT OF COLUMBIA COMMITTEE ON H.R. 12109, RELATING TO ADVISORY NEIGHBORHOOD COUNCILS

Mr. EAGLETON. Mr. President, the Senate Committee on the District of Columbia will hold a public hearing on H.R. 12109, a bill to amend the District of Columbia Self-Government and Governmental Reorganization Act to clarify the provision relating to the referendum on the issue of the advisory neighborhood councils, on Tuesday, April 2, at 9:30 a.m. in room 6226, Dirksen Senate Office Building. Persons wishing to present testimony at this hearing should contact Mr. Andrew Manatos, associate staff director of the District Committee, by the close of business on Monday, April 1, 1974.

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## ANNOUNCEMENT OF HEARING TRANSPORTATION AND THE ELDERLY: PROBLEMS AND PROGRESS

Mr. CHURCH. Mr. President, as chairman of the Senate Special Committee on Aging, I would like to announce that the committee will hold a hearing on "Transportation and the Elderly: Problems and Progress," April 9, 1974, beginning at 10 a.m. in room 6202, Dirksen Senate Office Building.

This hearing is a continuation of the inquiry conducted by Senator Chiles in February on behalf of the committee. During the earlier hearing, a number of important questions concerning the impact of the energy crisis and how it is affecting older Americans were raised. We will have testimony from the administration on how they are responding to the needs of the elderly during this period of shortages and rising costs. There are also a number of questions about administration policies in reference to mobility problems of older Americans.

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## ADDITIONAL STATEMENTS

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### MR. JOHNSON AND MR. HEARST BACK MR. ERVIN

Mr. HANSEN. Mr. President, two distinguished observers have commented recently upon the wisdom of our learned colleague from North Carolina (Mr. Ervin).

Mr. William Randolph Hearst, Jr., of California, has taken note in his editorial that the Senator's remarks concerning impeachment generally were not printed by the Nation's newspapers or broadcast by the Nation's radio and television networks, although he cited the several exceptions.

Mr. Harold M. Johnson, a Wyoming attorney, in his letter of March 20 to Congressman Rodino, of New Jersey, noted that:

> There is no more respected authority on constitutional law than Senator Sam Ervin, and he has always held and undoubtedly will continue to hold that the President can only be impeached for an indictable offense.

Mr. President, the information in Mr. Hearst's editorial and in Mr. Johnson's letter is pertinent to a major issue in this Nation today, and I ask unanimous consent that both the editorial and the letter be printed in the Record.

There being no objection, the letter and editorial were ordered to be printed in the Record, as follows:

Harold M. Johnson,
Attorney-at-Law,
*Rawlins, Wyo., March 20, 1974.*

Hon. Peter W. Rodino, Jr.,
*Chairman of the House Judiciary Committee,*
*House of Representatives, Washington, D.C.*

My Dear Mr. Rodino: I request that this letter be filed as part of the records of your committee for the impeachment of the President, not that it will even be read or considered, or scoffed but that maybe some Historian someday may see what the whole affair looks like from way out here.

The grounds for impeachment adopted by your committee is the American equivalent of the storming of the Bastille.

The Constitution spells out the grounds by the use of technical words. Your committee has gone far beyond this and included political grounds and moral differences. In doing this you violate two cardinal rules of construction; first, that technical words are given their usual and primary meanings; second, that a solemn instrument embodying the final intentions and agreements of the parties must be interpreted according to the legal import of the terms.

There is no more respected authority on constitutional law than Senator Sam Ervin, and he has always held and undoubtedly will continue to hold that the President can only be impeached for an indictable offense. It is inconceivable that the Senate would not support his views. How, then does your committee come up with a position at the opposite end of the legal spectrum from Senator Ervin?

Well at first the only mention of impeachment came from the news media and a handful of radical reds in the House. Next, there were statements by a radical group of lawyers in New York. Once the idea that impeachment could be based upon conduct beyond the clear limitations of the Constitution had been given currency by this group the news media had what it wanted and it repeated it over and over again all over "Snobovia" in continuous repetition without contradiction until it began to take on the semblance of truth. ("Snobovia" is that area of the country between the Potomac and Canada on the coast, and the Appalachians on the West). All this time you waited for the news media to twist and sell, twist and sell until you could bring in a liberal enough council for the minority to agree with the majority council and the ax was formed.

What you have done is to mold your committee into a political hatchet man for the news media. You have abdicated your right to govern to news commentators, it is they who are running the country, it is they who have set the stage, it is they who have defined the terms, prescribed the mores and fixed the penalties. Your footnote in history, Sir, will be that "they (the media) made you an offer you couldn't afford to refuse."

You are embarked on a course that could destroy the legitimacy of this country's government and in turn its legal system. A treachery intentional or otherwise much worse than Benedict Arnold because once the legitimacy of power is destroyed, revolution and anarchy are not far behind.

I would recommend that you, and every member of your staff and committee read very carefully, "The Principles of Power" by Ferrero, as I think you would be changed men. Permit me to offer a few quotations from this monumental book for your consideration.

"Of all human inequalities none is as important in its effects or has greater need of logical justification than that established by power. Except for certain rare enough individuals, one man is as good as another; why then do some men have the right to command and others the duty to obey? The answer to this lies in the principles of legitimacy." Page 22.

"The right to govern can only be justified by superiority." Page 23.

"Every principle of legitimacy establishes a certain number of rules for the acquisition and the exercise of power; the implied contract bears on these rules and on the reciprocal agreement that as long as the power is acquired and exercised by these who govern according to the rules, the subjects will obey it."

"There, now, is the explanation for the awful fear of dictators. It is the fear inherent in government, the primordial fear of revolt on the part of its subjects, which rises to the surface as soon as the government violates the principle of legitimacy that up till then has justified it. We have seen that principles of legitimacy are only defenses against the active and passive fear of the government-man's greatest dread after the sanguinary and cruel divinities that his imagination conjures up. Men struggled so hard to invent these principles and to put them into practice as they progressed and became more civilized because it became more and more repugnant to them to be tormented by governments that were afraid of them as well as to obey frightful deities who ordered them to throw their children into the fire. But, if by some chance the principle of legitimacy meant to eliminate fear is no longer respected, then primordial fear, the fear inherent in the nature of government, the fear of ever-possible and imminent revolt by the subjects, breaks out anew, with the violence of a sudden reversion to barbarism. No other phenomenon is so extraordinary and yet so simple, so easy and yet so difficult to understand." Pages 42–43.

"These answers seemed pertinent and incontrovertible because they recognized the sole justification of the right to govern, which within its limits is clear and precise, comprehensible, and capable of guiding people instead of bewildering them." Page 136.

"But there a difficulty that we have already touched upon rises up once more, this time redoubled. That legitimacy of government depends on the respect for these rules and principles, that it is the sovereign remedy against fear, the foundation of universal order, and the source of the City's happiness, is a fact that can be verified both in the past and in the present." Page 137.

"What is a legitimate government? We have seen that it is a government in which the power is established and exercised according to rules long predetermined, recognized and accepted by everyone, interpreted and applied without vacillation or hesitancy but with unanimous agreement, in accordance with the letter and the spirit of the laws, re-enforced by traditions." Page 187.

"The revolutions that have destroyed legal systems have always had one never-failing effect: they have all given rise to an access of fear. That is an almost astronomically perfect law: as soon as the legal system of a society is destroyed, even if the destruction is justified by the vices and weaknesses of the system, panic sweeps over everyone. The first to be affected as the destroyers; the panic originates in them and from them spreads to all." Page 286.

"The Russian Revolution is neither the unprecedented marvel that sends its admirers into transports of delight nor the unprecedented monstrosity that terrifies its adversaries; it is a new performance, in a slower tempo, on a larger stage, and in modern dress, of the drama of the French Revolution." Page 303-304.

"The task is a hard one, but without it there is no hope of salvation. What is necessary so that the elite of mankind may succeed in accomplishing it? Two things, complementary to each other, are needed: that those who will have the fearful task of ruling according to the formula know that they must make untiring efforts to minimize as far as possible the faults and disadvantages of the formula, and that, in view of these efforts, all classes realize that they have the duty to tolerate the inevitable faults and disadvantages of the government to the extreme limits of human patience before destroying the system and, in pursuit of the myth of a nonexistent perfection, delivering themselves into the hands of a revolutionary government. Above all both government and subjects must realize that, principles of legitimacy being human, limited, and conventional, they must be applied in loyalty and good faith for what they are, and not with deception in the intent to use them as instruments of domination and obtain results contrary to their nature." Page 316.

"The 'immortal' principles, the Declaration of the Rights of Man, become a scourge if the government makes use of them as a pretext to increase the burdens and taxes of the subjects, or if the latter take advantage of them to substitute the right to disobey for the duty to obey. In many countries, in France, in Italy, in Germany, during the nineteenth and twentieth centuries, the principles of the French Revolution have undergone that heinous falsification, for reasons and under circumstances that varied. It is one of the causes of the great catastrophe that is now upon us, but the principles themselves are innocent. It is the fault of those who applied them badly, with evil intentions, and more often than not, with their hearts full of hatred and fear." Page 317.

History is replete with examples of governments that have fallen because they have lost their legitimacy.

In a democracy legitimacy starts to crumble when the legal system starts to fall apart and that occurs when those in control of government "fail to exercise their legal powers according to rules long predetermined, recognized and accepted by everyone, with unanimous agreement in accordance with the letter and spirit of the laws.

So long as the House and Senate have not agreed upon the central element of impeachment there is no way that the majority and minority can have confidence in your proceedings. Not even you can say that you respect the laws you have sworn to uphold until there is complete agreement within Congress as a whole.

What your committee has done is to level charges of impeachable offenses from time to time none of them as yet indictable but you have said they need not be indictable although Senator Ervin says they must, but the news media repeats your thesis over and over again until Senator Ervin's voice of wisdom is drowned out and you proceed then when the media has destroyed or intimidated all opposition.

This, I understand, is exactly the way that Stalin purged trials were accomplished in Russia, there, however, the media was the servant of the dictator, here it is the news media that is dictating to the liberals, and radicals. It might be more accurate to say its a colossal conspiracy between the two for the purpose of destroying the President who has dared criticize the "press".

Freedom of expression is a big element of liberty but those in power in our government must not allow themselves to be moved into irrational action by the euphoria of unanimous praise and propaganda.

You have announced your goals and your guidelines, it is you who have undertaken to destroy the legitimacy of our government by destruction of the legal system. Stability in government as we knew it is fading fast away. The rule of law is gone, the age of the mob is here.

Very truly yours,

HAROLD M. JOHNSON.

ANGLES IN THE NEWS

(By William Randolph Hearst Jr.)

NEW YORK.—There were two unconnected, non-headlined stories this week which struck me as commentable (if that's a word) here today. One involves that now well-known Washington character Sen. Sam Ervin, while the other concerns the faceless masters of Marxism in the Kremlin who are supposed to be cooperating with us in the spirit of détente.

Both stories are noteworthy for what they reveal, but the first one has the added attraction of being something of a mystery story. It started, for me, when I was looking through a copy of the New York Daily News of last Tuesday. There, on page 6, was a picture of Big Sam and another man. The caption below it said:

"Sen. Sam Ervin Jr. and Sen. Howard M. Metzenbaum leave Severance Hall, Cleveland, on Sunday after speech by Ervin. Ervin said the Watergate investigation did not indicate to him that President Nixon had committed an impeachable offense."

To me that was pretty startling news. Big Sam, after all, is the Bible-quoting sage from North Carolina who presided over the Senate Watergate hearings and delighted anti-Nixonites with his pointed sermonettes on the evils of sin and power in high places. And here he was declaring in summation that impeachment is unwarranted.

Real front page stuff, right?

A real break for the President in his desperate battle against political enemies determined to topple him, right?

Certainly as important as the headline stories when Rep. Wilbur Mills predicted that Mr. Nixon would be forced to resign over undisclosed tax trouble, right?

Wrong, almost a thousand per cent wrong. No New York newspaper carried the Ervin bombshell on the front page. A careful search of editions for several days, in fact, disclosed no stories at all in any other New York paper—unless they had been buried some place in want-ad size and thus defied detection.

To a life-long newspaperman, the absence of attention to the Ervin declaration was all but incredible. A check with United Press International and the Associated Press showed both had covered the extemporaneous speech. Here, for the record, is the UPI night lead on the story, sent on Monday, March 11:

"Cleveland—(UPI)—No evidence was produced in the Senate Watergate hearings to support impeachment of President Nixon, Watergate Committee Chairman Sen. Sam Ervin, D-N.C., said Sunday.

" 'I think this is one section of the Constitution on which Dick Nixon and I agree,' he said."

So the mystery of the all-lost-story remains. You can't charge that there was any kind of deliberate plot to kill it. It COULD have been lost in the shuffle, as many extemporaneous Sunday night speeches are. Remember that the picture in the Daily News didn't appear until Tuesday.

On the other hand it certainly is no secret that many members of the press and electronic media, including editors, have it in for Dick Nixon. He is quite right in charging that their hostility has produced a widespread overplaying of anything unfavorable to him, and vice versa.

You will have to draw your own conclusions as to what happened to the Ervin story and why it was so generally ignored.

I have done so—and on the evidence before me must cast my vote for impeachment of the news media.

The other story which got my goat this week told how the Soviet Union, in Arabic broadcasts throughout the Middle East, was hammering away at one central theme—do not give in to American pressure to lift the oil embargo. The broadcast barrage, of course, was intended to influence the Arab leaders who were then meeting to consider ending the oil cut-off.

As monitored in London, according to the UPI, one such broadcast typically underscored the fact that the embargo was imposed primarily to force Israeli withdrawal from Arab lands. It continued:

"If today some Arab leaders are ready to surrender in the face of American imperialist pressure and lift the ban on oil before those demands are fulfilled, they are challenging the whole Arab world and the progressive forces of the whole world, which insist on the continued use of the oil weapon."

How's that as a sample of Communist-type detente in action—this free swing at the United States and all its allies?

## PRAISE FOR GEN. GEORGE S. BROWN, AIR FORCE CHIEF OF STAFF

Mr. PROXMIRE. Mr. President, for years I have been asking "who will stand up for the U.S. Military Establishment." Every year the only tune we hear is how strong and menacing the Soviet Union has become. We are told that the Soviet fleet is driving us out of the oceans of the world; that Soviet land forces in Europe are increasing in size and firepower and posing a direct threat to U.S. forces stationed there; that new Soviet long-range bombers are being built and that their ICBM program is without parallel in the history of warfare.

It is no mistake that this comes at budget time. No one has a good word for how strong this country is. No one speaks of the weaknesses of the potential adversaries. The only word is gloom and doom.

That is, until now. Now the Air Force Chief of Staff has put some of these dire predictions into the proper context. For the first time in recent memory a high ranking military officer has seen fit to talk about the strengths of this country and the weaknesses of the Soviet Union. We are now able to view the strategic relationship in a balanced perspective.

General Brown is willing to say what we have known but have not been able to coax out of former Chiefs of Staff—that the U.S. Air Force is a strong, overwhelmingly powerful force without equal in all the world.

It is more experienced. Our tactical forces are more proficient. We are offensively minded. A substantial number of U.S. planes could penetrate Soviet airspace. The Minuteman system remains viable. Soviet accuracy lags behind the United States and this gap will not be easy to redress. MIRVing Soviet land based missiles will not degrade our Minuteman fleet without a dramatic improvement in accuracy. The U.S.S.R. does not have an aerial refueling tanker force so necessary for an intercontinental bomber strike.

General Brown tempers these observations by citing the need for new weapons by the United States. But his analysis of the relative balance of forces is thoughtful and reasonable.

It is about time we stopped running our Military Establishment into the ground for budgetary reasons. I am proud that the Air Force Chief of Staff has seen fit to talk about the military strength of this country and I applaud his efforts. Obviously there will be differences of interpretation between Congress and the Air Force at times but General Brown is to be commended for laying out the facts in a manner that does not contribute to a fear psychosis.

Mr. President, I ask unanimous consent that the interview with the Air Force Chief of Staff conducted by Michael Getler of the Washington Post be printed in the RECORD.

There being no objection, the interview was ordered to be printed in the RECORD, as follows:

### U.S. AIR FORCE IS "STRONGER" THAN SOVIETS', CHIEF CLAIMS

(By Michael Getler)

Air Force Chief of Staff George S. Brown says that the service he heads "overall is a stronger . . . more proficient and professional force" than the Soviet air arm and that combat-experienced leadership is a big factor.

The four-star general's enthusiasm for the capabilities of his service comes at a time when military leaders in other branches, particularly the Navy, are painting grim comparisons between U.S. forces and their Soviet counterparts.

During a wide-ranging interview in his Pentagon office, the Air Force's top officer focused on measures other than hardware as a way to equate rival forces.

Without getting into the pros and cons of Vietnam, the general simply pointed out that "that war lasted a helluva long time."

One result, he says, is that "we don't have anyone in any echelon of command in a responsible position who isn't combat experienced. That means a lot in terms of being used to the equipment, the tactics and the people. They've all been exposed to gunfire."

The Soviet Union has stayed out of combat since the end of World War II.

All things considered, the general stated, "our tactical forces are far more proficient than those of the Soviet Union." In contrast to what Brown sees as a Soviet fighter force oriented to defense, he said "our tactical forces are trained and equipped to work offensively" in carrying the battle to an enemy.

The general's assessment of U.S. Air Force superiority extends into the airlift and bomber fields as well.

The Soviets, as is well known, "have no bomber force comparable" to the large 496-plane U.S. fleet of long-range B–52 and FB–111 strategic bombers.

The Russians do, however, have a very large bomber defense network of anti-aircraft guns, missiles and fighters. But, under questioning, Brown acknowledged that U.S. estimates indicate that 70 to 80 per cent of the American planes—assuming they are not destroyed on the ground in a surprise attack—could either get through or go around those defenses, attacking from various points around the huge Soviet land mass.

In fact, Brown—a former bomber pilot—said his intuition tells him that the real penetration figures would probably be even higher than those worked out in war game studies.

"It's not like the 10 a.m. and 2 p.m. attack every day against North Vietnam," he said. In a one or two-raid strategic attack, he said, "the defense is just never ready."

As for airlift, the general said "There is just no question we have a far greater capability, not only in performance of equipment but in flexibility. We know how they [the Soviets] operate."

When it comes to the critical comparison of opposing long-range missile forces—an area where the Soviet Union has both a larger number of missiles and weapons with greater weight-lifting power—Brown reflects some of the concern being expressed in the Pentagon.

But even here the Air Force chief contended that it is far from certain that new Soviet missiles now being tested will be accurate enough any time soon to seriously threaten to knock out the 1,054 U.S. land-based Minuteman and Titan intercontinental ballistic missiles buried in concrete-and-steel silos.

The Air Force, of course, has a vested interest in preserving its traditional role as part of the U.S. nuclear-tipped missile deterrent, along with the Navy's missile-firing submarines.

But Brown feels that fears being publicly expressed in some quarters that Minuteman will soon become vulnerable to attack are overstated.

After it was announced last summer that the Soviet Union was flight-testing the multiple, independently guided warheads for their new missiles, Brown said, "There was a lot of handwriting that Minuteman was dead. Well, that's not so. We know a lot about targeting and laying out attack plans and we don't know how to take out the Minuteman force with a rocket attack. We can get some, but not all of them."

To the extent that there is concern, the general said, "It is not for today, and not for the time when we see deployed those things which we see in test today. In other words," he continued, "MIRVing alone won't do it. Accuracy is the other key element and we haven't seen evidence of accuracy improvement in their work which we would expect to see."

Thus, while the new Soviet missiles being tested do carry multiple warheads and carry a bigger atomic punch than U.S. weapons, Brown said they do not yet appear accurate enough to deal a death blow to Minuteman. If the new Soviet weapons were actually deployed operationally at present accuracy levels, Brown estimated that a "significant" number of Minuteman missiles would still survive an attack.

Aside from the accuracy question, he said that a major but little-known problem eroding confidence in a massive nuclear attack is the potential damage that one exploding nuclear warhead will do to another passing through its blast en route to another target.

Brown said he didn't know whether the Soviet Union would achieve the type of improved accuracy needed for a more significant threat to Minuteman.

"I think it's a normal progression," he said, "but I'm not so sure they will be able to solve some of the problems in a hurry. Given time, they'll probably solve them. They've solved about everything else and they're pretty sophisticated in engineering when they have had to be.

"But achieving the refinements that we are talking about is no easy trick. It takes a damn sophisticated engineering performance. The first part [of achieving fairly good accuracy] can be done with rather crude means. But that last increment, those last few percentage points of accuracy, are very tough to come by."

If the Soviet Union is successful, Brown said, then "we've got a helluva problem." Thus, he argued, it is worth doing the research and development work in new techniques to keep the missile force from being knocked out.

Unless there are new restraints agreed to in the strategic arms limitation talks with the Soviet Union, he believes that either land or air mobile ICBMs will be introduced into the U.S. arsenal in the 1980s to further complicate Soviet targeting plans.

Brown also feels, however, that a portion of the U.S. force—perhaps the largest part—will remain in fixed silos.

Brown, 55, took over the top Air Force job last August, but he is known to be Defense Secretary James R. Schlesinger's choice to become the next chairman of the Joint Chiefs of Staff. Thus, his views on the potential next round of strategic weaponry may be especially important.

On the question of mobility, for example, Brown said that studies are not far enough along to make any real choices, but that "conceptually" he personally favors putting long-range missiles like Minuteman in big cargo planes ready for launching.

He said these planes would not be kept in the air, but would sit on a "strip alert" at the end of runways and take off on warning of an impending attack.

Once in the air, he said, they would be invulnerable to attack and able to launch their missile payloads.

Brown said current C–5, 747 or DC–10 transports can probably be modified as missile carriers.

The general's views, if carried forward in years to come, could touch off a considerable controversy within the defense establishment. Some other officials believe the airmobile concept has the worst part of bomber vulnerability—the possibility of being destroyed on the ground in a sneak attack—and might be very costly.

Brown said "we hope to reach equivalency" with the Soviet Union in terms of overall numbers of nuclear weapons (including bombers) "by bringing the Soviets down. But if that doesn't work at SALT, then we'll go toward equivalency by increasing the capabilities of our forces."

Without further SALT agreements, Brown sees a major shift in emphasis within the Air Force.

"I think the balance will change to an emphasis on strategic nuclear forces that we haven't seen in a great number of years," he said.

On other points, the general said it is only "prudent" to assume that the new Russian bomber code-named "Backfire" can be used at intercontinental range "if they want to operate it that way." Many officials still view the bomber as primarily meant for use over shorter ranges in Europe or Asia.

Brown said the Soviet Union does not have an aerial refueling tanker force—which would be needed for long-range Backfire missions—in the sense that the United States has.

"Can they refuel a few bombers? The answer is yes," he said.

Other top Air Force officers say the whole "Backfire" project is still a question mark. "Today it's not much. They have a few, but we're not even sure it's in serial production," one officer said.

As for the new Air Force B–1 bomber now in development, Brown insists it is still the right plane despite rapidly rising costs, and that the need for a weapon that can be launched and then recalled—in contrast to a missile—is still essential for a President to have.

## TIME FOR A TAX CUT

**Mr. CLARK.** Mr. President, the economy of the United States is in a perilous position. The dual problem of inflation and unemployment continues to erode the standard of living. And at the same time, the tax burden of most people continues to rise.

Although the wages of most working men and women have gone up, inflation and tax increases have gone up even faster—so much so that in the last year, the real spendable earnings of working families in the country fell 4 percent. In effect, they have less money to spend, and they are getting less for it. In the first 2 months of this year alone, prices have increased by more than 2 percent. The unemployment rate is now 5.2 percent, and both of these figures promise to get worse before they get better.

Congress can make a difference. We should provide tax relief for those families whose real income has fallen and will continue to fall unless action is taken. Over the past few months, I have supported a proposal to increase the personal tax exemption to $850 and a proposal to provide an optional tax credit of $200. Both of these would concentrate tax relief where it is needed most—the low- and middle-income families who have had to shoulder the burden of inflation.

A tax cut will not only provide needed relief from inflation, but it also would generate the additional stimulus necessary to prevent an unemployment rate of more than 6 percent and a serious recession.

The President's budget calls for a "full employment" surplus of $8 billion. This is too optimistic an estimate when we are faced with a probable recession, increasing unemployment, and the unique nature of the oil market. Such a surplus might be justified if it were not for the effects of high oil prices on aggregate demand. High oil prices will soak up an additional $15 to $20 billion of consumer purchasing power this year. Since most of this money will not soon return to the economy, it will have the same depressing effect upon unemployment as a substantial tax increase. A tax cut would offset this.

There is concern that a tax cut will cause more inflation. In normal times, perhaps it would; but this year, we face an abnormal situation—with inflation caused by a variety of factors, especially the oil shortage, rather than by excessive buying power.

Some experts feel that demands for higher wages in the coming months will drive prices up. If Congress enacts a tax cut to restore some of the lost buying power of American workers, it may moderate those wage demands. Under these conditions, a tax cut may actually help restrain inflation.

The Joint Economic Committee has called for rapid action to decrease taxes. Its recommendations are explained in an article in the Washington Post on Monday, March 25, 1974. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### FEDERAL TAX CUT ASKED

(By Peter Milius)

The Democratic majority in Congress' Joint Economic Committee called yesterday for a quick $10 billion federal tax cut to keep the economy from going deeper into a recession they said it has already entered.

The committee's Republicans replied that there isn't a recession ahead, that the greater danger now is inflation, and that "fiscal stimulus in the form of a tax cut would be ill-advised and inflationary at this time."

The opposing viewpoints were laid out in the joint committee's annual commentary on the economic report the President sends Congress every January. The committee's report is a guide to the major economic issues over which Congress is likely to be fighting the rest of this year. Cutting taxes may turn out to be the most important.

An increasing number of congressional Democrats have begun to advocate lowering federal taxes this year to prevent recession and restore to low-income families especially some of the purchasing power lost in the last year or so through inflation. An added inducement may be that this is an election year.

The Senate has already voted, 53 to 27, in January, for a rollback in federal income taxes, and the Finance Committee is scheduled to take up the subject again in executive session later this week.

Which way Congress finally votes on the issue will depend in part on which way the economy heads in the next several months. Presently, industrial production is going down and unemployment up.

The administration says, however, that these trends will reverse themselves later this year without added federal stimulus. It also says that if it has to, it would rather stimulate the economy by increasing spending than by cutting taxes, because spending is easier to turn on and off.

President Nixon said the $304 billion budget he sent to Congress earlier this year was "neutral" in that it would neither pump up the economy further, adding to inflation, nor slow it down, adding to the risk of recession.

Democrats on the joint committee said the spending plan wasn't neutral but ought to be, that it would actually be "more restrictive" than this year's budget rather than about the same.

The President's plan, they said, would mean a rising full-employment surplus over this year and next, meaning there would be a growing gap between actual government spending and what the government would have to spend to bring the economy up to full employment.

They advocated keeping this surplus the same, which would keep the budget restrictive but not as much so.

To do this—hold the surplus down and thus, hopefully, hold the economy up—they called for a tax cut of "approximately" $10 billion, to be partly offset by a variety of revenue-increasing tax reforms, including eliminating the oil depletion allowance and two other sections of the tax code that help lower the oil industry's taxes.

On the spending side, they also advocated taking some money away from defense and putting it into higher unemployment benefits and a program of public service employment, under which the government would act as an employer of last resort.

One of the possible tax cuts they proposed was a lower Social Security rate for lower-income workers. Another would give taxpayers the option of taking $200 tax credits instead of the familiar $750 exemptions they are now allowed for themselves and each of their dependents.

Exemptions are subtracted from the income on which tax is figured; credits are subtracted directly from taxes due. Credits generally are worth more than exemptions to lower and middle-income taxpayers.

The Democrats said a tax cut might actually help reduce inflation by making labor less insistent on big wage increases to catch up with rising prices.

The administration has said inflation will subside in the second half of the year. The Democrats said they doubted that, but still advocated getting rid of wage and price controls. They did, however, say Congress should give the President stand-by power to reinstitute controls if necessary later. The present controls law is to expire April 30. The President has said he does not want it extended, except on the cost of medical care.

One influential Democrat, Sen. William Proxmire (D-Wis.), dissented from his colleagues' view in part. He, too, would lower taxes, but would lower spending also, he said.

"We may have a recession," Proxmire said, "or we may be in one, but the objective evidence does not at this time make it a certainty.

"Inflation is here," he said, making much the same argument the administration has. "It is rampaging . . . It is not going away.

"Recession is not yet here. It may come." But lacking further evidence, "We should emphasize the problem we actually face rather than the problem we may face . . ."

He noted, among other things, that an end to controls "will . . . produce an additional rise in prices . . . a price bubble on top of the price bubble."

Retail prices have risen 10 per cent in the last 12 months, and rose 8.8 per cent last year.

The committee said this meant a normal middle-income family had to spend "an extra $1,200 in 1973 just to maintain 1972 living standards."

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## SUGGESTS NATO NEEDS PATCHING

**Mr. HELMS.** Mr. President, the Wilmington, N.C., Star-News recently ran a very perceptive editorial about Europe's attitude toward NATO, and the American attitude toward Europe. "Freedom," says the Star-News, "demands reconciliation." The editorial contends, as I do, that NATO is worth a little work. I want to commend the Star-News for taking a stand that is, at least in some circles, superficially unpopular.

Mr. President, there are now three decades separating us from World War II. In those 30-odd years, we have seen America break old ties and establish new ones; make allies out of former enemies and be confounded by former friends; desert certain liberty-loving peoples while wooing the Communists East and West. And now there are some, weary with international exercise, who advocate a concentration on domestic issues approaching neoisolationism.

The United States currently has 319,000 troops stationed in Europe. The approximate cost of our part in the defense of Europe was estimated at $17 billion last year. However, massive Soviet troop increases in Eastern Europe demand that every member of NATO strengthen his position vis-a-vis the Communists. This Soviet buildup is a direct threat to the liberty of the European member nations. We must make every effort to effect a strong, unified posture—for the sake of our European allies and our own.

President Nixon has been critical of the European countries in NATO for their lack of cooperation on economic and political issues. While this is undeniably important, we cannot allow these considerations to hinder our common defense effort. Germany's recent agreement to pay the full cost of U.S. troops stationed in her territory is indicative of a positive, cooperative attitude which should ideally be a characteristic of a mutually beneficial community of nations. Unhappily, this has not always been present—we hope that this new spirit demonstrated by Germany will be contagious and a trend of cooperation established among all the member countries. But we must do more than hope—we must continue to work diligently for our common interests, and in particular, maintain an effective defense force.

Mr. President, I ask unanimous consent that the editorial "NATO Needs Patching" from the Wilmington Star-News of March 19, 1974, be printed in the Record at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### NATO Needs Patching

Rudyard Kipling exposed the hypocrisy of a nation's attitude toward its guardians of freedom in his poem "Tommy", in which the British soldier is regarded as a second-class citizen until time comes for him to be sent into battle.

"For it's Tommy this, an' Tommy that, an' 'Chuck 'im out, the brute!'

But it's 'Savior of 'is country' when the guns begin to shoot."

Thus has been the lot of the United States in its role as "guardian of freedom," in Europe. Three decades ago, thousands of young men from all over America went to Europe to lay their lives on the line for the preservation of liberty in the civilized world. Many fell in this defense. To assure freedom's constant vigil against the rise of tyranny in the Nuclear Age, the free nations of Europe joined with the United States in forming the North Atlantic Treaty Organization (NATO). The United States' troubles in Europe had just begun.

Complacency was quick to set in over there. Before long, it was clear that the United States was an unwelcome presence in many European nations, including those which the Americans had given so much to liberate during World War II.

The United States maintains an enormous troop and equipment contingency in Europe, most of it concentrated in Germany. Through the years, European hostility toward these troops, and other military installations in other European countries, grew and developed into such a squabble the President of the United States threatened to cut back drastically on American military power in Europe. This would have increased the vulnerability of the European nations to attack from the East.

This situation was recognized for what it is by several European leaders. But in no way was it dramatized more than by Michel Jobert, foreign minister of oft-hostile France, who noted that "NATO stands on two pillars—the United States and Europe" and called to a meeting of the minds on the troop level dispute. Jobert reminded other Europeans that the United States is still a very vital factor in the security of free Europe, and if differences between Europe and the U.S. deteriorate much further, the entire NATO concept can be endangered. He pleaded with both parties to seek a common understanding before things get too far out of hand. This will mean the swallowing of a lot of European nationalist pride, and probably some re-arrangement of American priorities across the sea, but freedom demands reconciliation.

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## VIETNAM VETERANS—THEY NEED HELP—NOW

Mr. INOUYE. Mr. President, Parade, the Sunday newspaper magazine, which is distributed across the Nation with millions of Sunday papers, provided a very useful public service on Sunday, March 24, 1974, in publishing "Vietnam Veterans—They Need Help—Now" by Jonathan Braun.

This article clearly and dramatically explains the difficulty facing Vietnam veterans as they reenter society. It also details the need for expeditious and favorable congressional action on (S. 2789) the Comprehensive Vietnam Era Veterans Educational Benefits Act which I had the honor of introducing along with Senators McGovern, Mathias, and Dole. Over one-third of the Senate has joined us in support of this legislation.

I ask unanimous consent that the Parade article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Vietnam Veterans: They Need Help—Now

(By Jonathan Braun)

For seven days in 1968 William Taliaferro was a prisoner of war. Today, more than five years after that nightmarish ordeal, he is again a prisoner—of peace.

He is one of thousands who have been locked into lives of hardship, disappointment and despair after service in Vietnam.

"Everyone's glad the war is over," says Taliaferro, a 24-year-old ex-Marine corporal, "but no one gives a damn about the veterans who are still fighting to survive."

Now they fight on welfare and unemployment lines in government hospitals and psychiatric wards—these Americans who faced death in the jungles and rice paddies of Indochina. Some fight for jobs, decent housing, education and training, others just to be accepted as good citizens, and still others to be free of terrifying memories and the chains of drug addiction. Says one vet: "We're up against a whole system."

It's a system of arbitrary justice, insensitive bureaucracy and endless red tape, and for those who see themselves as its victims, feelings of bitterness and betrayal can be doubly intense. "Many of us volunteered to go to Vietnam," said Taliaferro. "Now we can't help but wonder if we should have gone to Canada instead."

#### ENLISTED AT 17

But Taliaferro knows that for him Canada was never really in the cards. The son of an Army officer, he enlisted in the Marine Corps at 17.

He turned 18 in "Nam," became a combat radio operator, was wounded in the chest and taken prisoner in August, 1968, during a bloodbath known as the "Tet Offensive."

Because he refused to reveal his "call signs" and "thrush points"—radio codes used to direct air and artillery strikes and coordinate troop movements—his captors cut off the middle finger of his left hand.

"They wrapped my hand in a bandage," he says, "but didn't do a thing for the hole in my chest, so I covered it with a plastic cigaret wrapper and some tape . . . On my seventh day as a prisoner the village we were in came under attack and in the confusion I managed to escape.

In Danang doctors pulled 11 pieces of shrapnel from his chest—and one year and two hospitals later, he was a 19-year-old vet with some medals and a monthly disability check.

"I wanted to be a cop before I went into the service," he says, "but the police didn't want someone with a disability on his record. The only job I could get was running a Xerox machine. Finally, I decided to go to school—I figured it was better than going nuts."

He commutes now from a small, sparsely furnished garden apartment in Elizabeth, N.J., which he shares with another vet, to the neighboring campus of Kean College, where he is a junior majoring in psychology.

#### INADEQUATE GI BILL

Ironically, Bill Taliaferro is one of the "lucky" vets who can afford an education. "Since I'm officially 100 percent disabled," he explains, "I'm entitled to $495 a month, money for books and tuition and a monthly stipend of $170. If all I had to count on was the GI Bill I could never make it."

Because the present GI Bill does not meet today's soaring living and education costs, only 21 percent of the eligible Vietnam vets are enrolled in college programs as compared to around 50 percent of eligible World War II vets.

"The Vietnam vet has been shortchanged," says Jim Mayer, president of the National Association of Concerned Veterans. "All you have to do is look at the benefits his father received after World War II."

World War II vets received sufficient education allowances—up to $500 a year for books, tuition and fees—plus $75 a month for subsistence. Vietnam vets, on the other hand, get $220 a month—or $1980 per school year—to cover everything, obviously far from the amount needed in these inflationary times.

#### A CHANCE FOR ALL VETS

Recognizing the need to achieve some kind of father-and-son parity, over a third of the Senate—including Minority Leader Hugh Scott (R., Pa.) and Majority Leader Mike Mansfield (D., Mont.)—has co-sponsored the comprehensive Vietnam Era Veterans Educational Benefits Act (S. 2789), a five-bill education and job training package that would provide vets with annual tuition subsidies of up to $600. The act also carries an accelerated payments provision that would provide greater monthly subsistence payments spread over a shorter period. Thus, a vet who is now restricted to $220 a month for 36 months could receive $440 a month for 18 months.

"Acceleration would enable vets to attend law, medical and graduate schools," says Rusty Lindley, an ex-Special Forces captain who runs the Vietnam Veterans Center in Washington, D.C. "More importantly, it would allow educationally disadvantaged vets—who are either unprepared or unable to complete four-year college programs—to enter productive careers through two-year technical and vocational programs.

"The comprehensive act is really the only chance we have to grant an equal opportunity to all Vietnam era veterans."

#### SENATE BILL MAY BE OUR "ONLY CHANCE" TO GRANT VIETNAM VETS EQUAL RIGHTS

Although roughly 2½ million men actually served in Vietnam, there are over 3 million veterans of the entire Southeast Asian theater. A total of nearly 7 million men are veterans of what is known as the Vietnam era—including more than 340,000 who are disabled.

"I'm just happy to be alive," says Tom Bratten of Silver Spring, Md., who lost his left leg and right arm when he stepped on a land mine, and spent 3½ years in Walter Reed Hospital. "Because I was an officer I was well taken care of. It's the enlisted men who need more attention."

"I'd have to agree," said a Veterans Administration spokesman, "that officers usually do a little better while they're in the military—but that's not true in VA hospitals."

The Veterans Administration, however, has been the target of criticism. Delays in sending out checks are common, and some vets angrily say they've had to wait for six months or more. A special Ralph Nader report has accused the federal agency of operating with a fundamental orientation toward older vets. Written by a Harvard University graduate student, the report concludes that "many of the basic services the nation has committed itself, at least rhetorically, to providing Vietnam vets, are simply not reaching them."

Some critics have even questioned whether the present bureaucratic setup is capable of meeting the needs of Vietnam vets. Rep. Mario Biaggi (D., N.Y.), for example, has proposed the creation of a new office of assistant administrator for Vietnam veterans affairs. According to Biaggi, "The assistant administrator would serve as an ombudsman where Vietnam veterans could go and know they'd receive help."

### UNEMPLOYMENT AND WELFARE

But all this is only part of the story. "Hardcore unemployment is the most acute of all the problems facing today's vet," says Carl McCarden, Commissioner of New York City's Mayor's Office for Veteran Action.

Nearly 10 percent of vets in the labor force are unemployed, and in the low-income areas of the country—rural and urban—more than 20 percent.

On certain days set aside each month, increasing numbers of Vietnam vets join special early morning lineups to get on the nation's welfare rolls. Most come from the poorest levels of society; few acquired any useful skills while serving in the military.

Even for skilled vets, however, landing a job can be a futile task—mainly because vets, like other minorities, are victims of prejudice and stereotyping. "I looked for work with about 15 different concerns," reports one vet," and every one of them asked if I had taken part in an atrocity."

Uneasiness and discomfort felt by civilians in the presence of the men they have sent to war is nothing new; but never before, it seems, have so many Americans been so scared and so suspicious of their vets. Says Bill Taliaferro: "I get the feeling people are afraid a vet might do something wrong or crazy at any moment."

### TIME-BOMB IMAGE

The time-bomb image of the Vietnam vet has been reinforced by the unpopularity and controversial nature of the war in which he fought—"a war with no friends and no fronts," as one vet put it.

"In Vietnam," says Yale psychiatry professor Robert Jay Lifton, "where atrocity and combat were almost indistinguishable, the GI was made into both victim and executioner . . . Whatever his struggles upon his return, many Americans continue to see him in terms of those roles . . . rather than as the lovable GI who came back from the wars."

"When I came home a lot of people criticized me for going to Vietnam," says Tom Aiken of New York, who is now blind in one eye because of wounds suffered during an artillery blast. "They told me they thought the war wasn't just."

"I had the feeling that nobody knew or cared why I was over there—that it was all a big waste of time," says Terry Campbell, coordinator of veterans affairs for Southern Illinois University at Edwardsville, Ill. "The whole attitude of the country is really the biggest problem vets have."

### "COMING TO TERMS . . ."

"The country simply hasn't come to terms with Vietnam," adds Max Cleland, who lost both his legs and an arm in a grenade explosion and is now the only Vietnam vet in the Georgia State Senate. "How then can it come to terms with its veterans?"

And Joe Garcia, an Air Force vet who is now administrative assistant to the City Manager of San Jose, Calif., asks: "How do you get a nation to accept people they hold responsible—or at least partially—for a war that no one wants to remember?"

Even the veterans' organizations, which lobbied successfully for the rights of World War II vets, seem to have difficulty accepting the boys from Vietnam. In a study commissioned by the VA, the prestigious Educational Testing Service concludes that both the American Legion and the Veterans of Foreign Wars have not demonstrated enough concern over the plight of today's vets.

"I'd go to one of the veterans organizations," says Taliaferro, "and all I'd get would be talk about the big war, the great war, World War II. Nobody even wanted to hear about Vietnam—after all, we didn't win that war."

Public rejection combined with the haunting, personal memories of combat have led to the problem of "Post Vietnam Syndrome." It's a loose term, coined by psychologists to cover the feelings of rage, persecution, alienation and apathy shared by many vets.

"I felt people wanted to sweep us under the rug when I got back," says former combat medic Jack McCloskey of San Francisco. "Especially in college—a lot of my classmates hadn't been in the service, didn't know what it was like and didn't care."

### SHAME AND GUILT

Dr. Chaim F. Shatan of New York University emphasizes the guilt that plagues many vets. "The shame and guilt of being alive," he writes, "how few of us know what that *feels* like, how it makes a man feel less than whole unless he can feel an identity with the dead."

A confidential memo from the VA's department of medicine and surgery estimates that "serious and prolonged readjustment problems exist in one out of every five new veterans, but, to a lesser degree, were experienced by all."

"A friend of mine hasn't been out of his house in two years," says one vet. "He just can't seem to move—not even to the corner."

But perhaps the darkest cloud hanging over the Vietnam vet is the drug problem, since a great many Americans wrongly assume that all vets have abused drugs. "Some of my oldest friends accused me of being a dope addict when I came home," says Randy Taylor, who opened a restaurant in his small Virginia hometown after serving four years as a combat medic in Vietnam. "They even spread rumors that I wore long sleeves to cover needle marks on my arms . . . It finally got so bad that I had to close up my business."

Although the drug problem has been grossly exaggerated, there is no denying that many vets came to depend on drugs in Vietnam, some to relieve the pain of wounds, others to escape the cruel realities of war.

### "OTHER THAN HONORABLE"

A government study states that many of the vets using drugs require immediate help if they are to avoid becoming hard-core addicts. Among them are those who received "Other Than Honorable" discharges for drug abuse—and are now denied treatment because of VA regulations!

But the more than 22,000 vets who were given "bad paper" for drug abuse represent only a small fraction of the vets who—often for the most petty reasons—have been branded with a range of Other Than Honorable discharges. Effectively shut out of most employment and education opportunities, they have even been deprived of veterans benefits; instead of getting them automatically, Other Than Honorable vets must have their benefits granted by a special VA review board. Favorable decisions are rare.

### "CATCH-22"

Many vets with "Undesirable" discharges did not originally contest them because they were told by the military that the designations could easily be changed in civilian life. In the best Catch-22 tradition, they were later informed that one of the requirements for upgrading an Undesirable discharge is holding a job for at least one year. The "catch," however, is that Undesirable vets have little or no chance of being hired by anybody.

"Vietnam vets bought a dream," says Carl McCarden, who saw action as a Green Beret and served as an adviser to Ambassador Ellsworth Bunker." They largely bought the star-spangled dream of serving one's country and trusting the judgment of those in power to do the right thing. Tragically and inexcusably, that dream has disintegrated into a nightmare, and is now dissolving into a red, white and blue struggle for survival—a struggle by forgotten Americans."

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## SENATOR B. EVERETT JORDAN—ONE OF NATURE'S NOBLEMEN

Mr. HELMS. Mr. President, the family of our late friend, former Senator B. Everett Jordan, is immensely grateful for all of the expressions of sympathy that came from Members of the Senate at the time of the death of Senator Jordan on March 15.

Needless to say, all of us who knew Everett Jordan are distressed about the loss of such a fine friend and great citizen. He and I had been friends for the better part of three decades. He was a gentleman in every sense of the word. He was a man of kindness and loyalty and dedication. In his quiet, unassuming way, he could always be counted upon to lend a hand to those less fortunate than he. He had a great sense of humility.

But I was most impressed, Mr. President, with Senator Jordan's faith. I never had the privilege of serving with him in the Senate, so it was not until he left this body that I learned of his deep interest in the weekly Wednesday morning Senate Prayer Breakfast. Even after he left office, he often came to Washington, and attended the Prayer Breakfast.

So, Mr. President, Everett Jordan was an inspiration to all of us, in many ways. I miss him, as do all other Senators who served with him here. As the saying goes, he was one of nature's noblemen.

I ask unanimous consent, Mr. President, that several editorials and newspaper articles, published following Senator Jordan's death, be printed in the Record at the conclusion of my remarks.

Without objection, the editorials and articles were ordered to be printed in the Record, as follows:

[From the Greensboro Daily News, Mar. 18, 1974]

### Senator Jordan

Former Senator B. Everett Jordan, who died March 15, at the age of 77, was one of the few North Carolinians who have combined successful careers in business and national politics. He came to elective office relatively late in life. But he started at the top—through appointment to the U.S. Senate in 1958—and stayed there until 1972 when he lost his bid for renomination.

His rise in the business world was not as sudden, yet he had a long and profitable career in the textile industry before going to the Senate. There was nothing about him to suggest the hard-driving businessman and public official. In looks and manner he fitted more nearly the traditional American idea of the calm, patient and kindly small town minister. And in fact he was the son of a Methodist minister and grew up in various parsonages in the state.

He was, however, a highly effective senator for his constituents in North Carolina. He looked after the interests of the state's two biggest industries, tobacco and textiles, but he also found time to do small favors for the uninfluential, and he had few rivals in the Senate when it came to getting federal appropriations for his state. Among his successes were dozens of beach, harbor, river and watershed projects, and a huge environmental health center for the Research Triangle Park.

The senator's appointment to fill the unexpired term of the late Sen. Kerr Scott in 1958 stirred considerable controversy. Some critics of the appointment said Gov. Luther Hodges had only picked Sen. Jordan to warm the seat until the 1960 election. It turned out they were wrong. Sen. Jordan ran and won.

His years in the Senate were in general more peaceful than his entry had been. He was soon at home in the Senate's clubby atmosphere and eventually became chairman of the powerful Senates Rules Committee, where he soon found himself in the spotlight because it fell to him to head the Senate investigation of Bobby Baker. Although some Republicans accused the investigators of doing a whitewash job, the committee actually found that Mr. Baker had "committed gross improprieties." It recommended a number of reforms designed to prevent future irregularities by Senate employes. Largely as a result of the committee's findings, Mr. Baker was later indicted and then convicted of fraud and income tax evasion and sent to prison.

Sometimes Sen. Jordan disagreed with his party's policies, particularly some of its more liberal ones, but he never broke with it or attempted to disassociate himself from it. He once compared his feeling about the Democratic Party with his feeling for the church. "I live in a small village," he said. "We've had a lot of preachers come and go. I didn't like some of them, but I never thought once about leaving the church."

He was generally associated with the conservative wing of the party, but Sen. Jordan modified some of his views as time passed. He was capable of admitting he had been wrong when the evidence persuaded him that was the case. Originally he supported U.S. policy in Southeast Asia, but in 1971 he came out against the war in Vietnam. Further, he was a co-sponsor of the war powers bill which limited the President's power to extend American participation in the war. He also went in the opposite direction from most of his Southern Senate colleagues when he voted for gun control legislation and against U.S. development of a supersonic plane.

But although he could and did change with the times, Sen. Jordan remained to the end faithful to this state's perhaps fading traditions of government by "progressive plutocracy." His character and integrity are attested to by the fact that he also remained true in a rude and turbulent time to his own ideals of decency and civility in his private life and his public role.

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[From the Wilmington (N.C.) Star-News Newspapers, Mar. 17, 1974]

### A Public Servant

Funeral services are being conducted this afternoon in Saxapahaw for a man who played a truly major role in the growth and progress of North Carolina in the last decade.

The man—B. Everett Jordan—served in the United Sttaes Senate from 1958 until 1973. His service was marked by the fact that Mr. Jordan served as North Carolina's spokesman and representative in the highest legislative body in the land, and not as the Senate's delegate to North Carolina.

Everett Jordan never forgot the reason he went to Washington and it marked his terms of office with milestones that will stand as silent memorials to him as tribute to his energy and perseverence.

It is all too easy for someone to go to the nation's capital and become completely involved in the national affairs circles there, usually to the detriment of interest in and concern for hometown problems and projects.

The Senate service of Mr. Jordan was just the opposite. There were scores of other senators willing to take the foremost positions in the political spotlight on Capitol Hill, but there were far fewer who were genuinely concerned with backhome issues like agriculture, or textiles or rivers and harbors and dams.

Mr. Jordan did not neglect his national responsibilities, he just placed the emphasis on North Carolina projects.

And you seldom heard about this or that fiery speech from the Senate floor by the Tar Heel solon, for he favored the quiet and more efficient path of public service: working on committees and subcommittees dealing with specifics.

This hard work earned him the respect and confidence of industry leaders and farmers, of working people and municipal officials.

In a way he exemplified the common touch, for he offered his concern, interest and attention to all facets of the nation and the state.

The Port of Wilmington, for example, never had a better friend. A lot of people have done a lot of things over the years to build, develop and promote the port. But the support of Mr. Jordan in rivers and harbors projects often was the determining factor in whether or not this or that work was done in the Cape Fear River.

In a tough primary campaign, Mr. Jordan lost out to Nick Galifianakis yet he was never bitter. He accepted the defeat with the same quiet courage with which he faced the illness that finally took his life.

North Carolina historically has been blessed with many fine citizens and statesman, with men who labored long and hard in her behalf. To that list of honor is now added another name—B. Everett Jordan; a man who will be long remembered by his fellow Tar Heels.

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[From the Charlotte (N.C.) Observer, Mar. 17, 1974]

### He Knew His State's Needs

When B. Everett Jordan was appointed to succeed the late Kerr Scott in the United States Senate in 1958, many North Carolina Democrats were outraged. They saw Mr. Jordan, a millionaire textile manufacturer, as a representative of the State's oligarchy, hardly the man to replace Sen. Scott as the "people's man" in the Senate.

Sen. Jordan, a kindly, avuncular man who, as the son of a circuit-riding Methodist preacher, had known sacrifice and hard times, never complained of those misjudments, but he spent the rest of his life trying to live them down. He, too, had loved and followed Kerr Scott, and he wanted to do all that he could to carry out the Scott program: one that was grounded in a knowledge that this is a poor state in need of help from an activist federal government. That may seem elemental, but it has been forgotten by many who have represented North Carolina in Washington.

He appointed Sen. Scott's key aides, William Cochrane and the late William Whitley, to his own Senate staff, and depended upon their experience and counsel. He maintained close ties with Scott leaders throughout the state, including Kerr Scott's widow, "Miss Mary;" his brother, Ralph Scott; and his son Robert, who became governor. He also was close to Terry Sanford, the inheritor of the Scott political organization.

In the Senate, Mr. Jordan carried out the Scott program for aiding North Carolina farmers with roads, price supports and agricultural experiment stations. He also pressed on with the Scott plan for systematically harnessing the rivers through eastern North Carolina—the Cape Fear, the Neuse and the Tar—to provide water for irrigation, lakes for recreation, and attractions to industry.

### A MODERATE PROGRESSIVE

Sen. Jordan tended to be more moderate and progressive in his views than most other members of the conservative North Carolina contingent in Washington. He voted for education and anti-poverty bills, as well as other major pieces of social legislation that many Carolinas congressmen opposed. He worked for the small farmers of this small-farm state; he opposed, for instance, the nomination of Earl Butz to be secretary of agriculture, regarding him as a spokesman of big agribusiness interests. Ultimately he opposed the Vietnam war, not a small turnaround for a man of his age.

The fact that he was a member of the state's textile elite helped him accomplish his goals. He served the textile industry, sometimes in ways more advantageous to owners than to employee. But his connections with that industry helped him to become a bridge between the liberal and conservative wings of the state's Democratic Party, a man both factions depended upon to get things done for them in Washington.

### HE WON TRUST

That Jordan role was all the more important because the state's other senator, Sam J. Ervin, Jr., cared little about political fence-mending back home. Though the two men liked and admired each other, they often voted on opposite sides.

Sen. Jordan was neither a good speaker nor a backroom strategist. He was simply a man senators learned to trust, and he constantly put himself in positions to do favors and collect favors in return. In the Senate, he was chairman of the Rules Committee, a housekeeping group that oversaw the budgets of all other offices. He also served on the Agriculture and Public Works Committees, which handled "pork-barrel" legislation of interest to all senators.

His defeat in the Democratic primary two years ago came as a bitter blow. It must have seemed to him a rejection of all his efforts in behalf of both the big and the little people of the state. We did not see it that way. His age stood against him; he would have been 81 years old by the end of another term, and he already was suffering from an experience with cancer. He was not as alert as he had been in earlier times. Many of his friends of the past simply thought it was time for him to retire.

Sen. Jordan was never among the biggest men of the Senate, but he worked humbly and with dedication for the state. His death Friday left a great many North Carolinians sad and appreciative of his unstinting service.

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[From the Washington Star-News, Mar. 15, 1974]

### Ex-Senator Jordan Dies in Carolina

Saxapahaw, N.C.—Former Sen. B. Everett Jordan, D-N.C., who led the 1964 Senate probe of former Senate Democratic secretary Bobby Baker, died today at his home. He was 77.

A spokesman for the family said Mr. Jordan had been in declining health for five months. He underwent surgery several years ago for cancer.

Mr. Jordan, a textile millionaire, served 15 years in the Senate before his defeat by former Rep. Nick Galifianakis in the 1972 Democratic primary.

The Senate seat was the only political office ever held by the stooped, soft-spoken son of a Methodist minister.

In his Senate career, Mr. Jordan did not seek the public spotlight, preferring, as he said, to "do the little things, many of which people wouldn't even think about, for people."

Mr. Jordan was thrust into controversy in 1964 when the Senate Rules Committee which he chaired was given the task of investigating the activities of Baker, a $19,600-a-year Senate aide who accumulated a $2 million fortune.

The hearings dragged on for 18 months, and Mr. Jordan was assailed by Republicans, who called the hearings a "cover-up."

The committee found that Baker was guilty of "gross improprieties." He was indicted in 1966 and convicted a year later of income tax invasion, larceny and fraud, and sentenced to one to three years in prison.

Mr. Jordan's normal activities as Rules chairman were mostly housekeeping chores for the Senate operations themselves, and he gained a reputation as a tireless behind-the-scenes worker.

Mr. Jordan had a key role in passage of acreage-poundage controls on tobacco and was instrumental in legislation producing a number of dams and lakes in his home state.

A native of Ramseur, Mr. Jordan moved with his wife, Katherine, in 1927 to Saxapahaw, a tiny town south of Burlington, to take over a bankrupt textile mill that had been closed for four years.

He organized Sellers Manufacturing Co., which developed into a prosperous textile firm and made him a millionaire.

Mr. Jordan became a tireless worker in the North Carolina Democratic Party, becoming state chairman and a national committeeman, but did not run for office before his Senate bids.

He was first named to the Senate in 1958 to fill the unexpired term of the late W. Kerr Scott. The appointment by then Gov. Luther Hodges was widely criticized, with opponents contending that Mr. Jordan would be only a "seatwarmer" for an expected bid by Hodges.

Hodges did not run, and Mr. Jordan was elected to a two-year term later in 1958 and was re-elected in 1960 and 1966 with only token opposition.

Mr. Jordan was defeated in 1972 by Galifianakis, a young Democratic congressman who reminded voters of Mr. Jordan's advancing years, and argued it was time for a change.

In addition to his wife, survivors include two sons, Ben E. Jr. of Burlington and John M., of Saxapahaw; a daughter, Mrs. Roger Gant of Burlington; a brother, Dr. Frank Jordan of Florida, and a sister, Mrs. Henry Sprinkle of Florida.

The funeral will be at 3 p.m. Sunday in Saxapahaw Methodist Church, with burial in Pine Hill Cemetery, Burlington.

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[From the New York Times, Mar. 16, 1974]

### Everett Jordan; Ex-Senator Dead

SAXAPAHAW, N.C., March 15.—Former Senator B. Everett Jordan, Democrat of North Carolina, who led the 1964 Senate investigation into the activities of Bobby Baker, the Senate aide accused of influence peddling, died at his home today.

Mr. Jordan, who was 77 years old, had been in ill health for some time. He underwent surgery for cancer several years ago.

He leaves his widow, the former Katherine McLean; two sons, a brother and a sister.

There will be a funeral service Sunday at 3 P.M., in the Saxapahaw Methodist Church.

#### A SENATOR 15 YEARS

B. Everett Jordan, a shy person who disliked the Capitol Hill spotlight, had been a textile-manufacturing executive until his appointment to the Senate in 1958. He liked to do what he called "the little things, many of them which people wouldn't even think about, for people."

He was thrust into the center of the Washington stage when the Senate Rules Committee, of which he was the chairman, was assigned the job of investigating Mr. Baker's activities.

Mr. Baker, who earned $19,600 a year in his Senate post, had accumulated $2-million. The committee found he had committed "gross improprieties." He was indicted in 1966 and convicted the following year of income-tax evasion, larceny and fraud. He was sentenced to one to three years in prison and was paroled in 1972, after having served 17 months.

Mr. Jordan held the Senate seat, the only elective public office of his career, until his defeat in the 1972 Democratic primary by Representative Nick Galifianakis.

#### BEHIND-THE-SCENE WORK

He worked largely behind the scenes on such matters as tobacco acreage and poundage controls, important for his tobacco-growing constituency, and on lakes and dams in North Carolina.

He had been an early backer of this country's Vietnam policy, but became critical in 1971, expressing himself as "disillusioned."

Mr. Jordan, who was born at Ramseur, N.C., moved to Saxapahaw, in the north central part of the state, in 1927 to take over a closed textile mill. The mill did well, and Mr. Jordan became a millionaire.

He was appointed to the Senate in 1958 to fill the unexpired term of the late W. Kerr Scott and was re-elected in 1960 and 1966.

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[From the Washington Post, Mar. 16, 1974]

### Ex-Senator B. Everett Jordan Dies; Led Baker Probe

(By Megan Rosenfeld)

Former Sen. B. Everett Jordan, 77, who as chairman of the Senate Rules Committee headed the 1964 Senate investigation into the activities of former Senate Democratic secretary Robert G. (Bobby) Baker, died yesterday at his home in Saxapahaw, N.C.

Sen. Jordan had a malignant tumor removed from his colon three years ago, and had been in declining health since last summer, when he underwent additional surgery at Duke University Hospital.

A millionaire textile manufacturer from North Carolina, Sen. Jordan was appointed to the Senate in 1958 by Gov. Luther Hodges to fill the unexpired term of the late Sen. W. Kerr Scott. He was elected to the seat in 1960 and was re-elected in 1966.

A member of the committees on agriculture, public works and printing, Sen. Jordan was a quiet figure on Capitol Hill until the Baker investigation by the Rules Committee thrust him into the spotlight.

Baker, then a $19,600-a-year Senate aide and protege of President Lyndon B. Johnson, was accused of influence peddling. The Senate Rules Committee found that Baker had committed "gross improprieties." Baker was later indicted and convicted in 1967 of fraud, theft and tax evasion, and sentenced to three years in a federal penitentiary. He served 1½ years before being paroled.

The 18-month investigation of Baker was criticized for its length, and Republicans accused Sen. Jordan and the other members of the Committee of a whitewash.

Before releasing the Committee's final report, Sen. Jordan said the investigation was a "hard task and a disagreeable task. . . . Maybe I'm not enough of a lawyer and prosecutor type to go ahead and do some of the things some people felt should have been done."

The Committee's recommendations included a rule that senators and Senate employees earning more than $10,000 a year supply a list of their financial holdings and business associations; a suggestion that "moonlighting" by Senate employees be limited, and the comptroller general should have authority to police congressional lobbying laws.

Originally a supporter of U.S. policy in Southeast Asia, Sen. Jordan came out against the war in Vietnam in 1971, and was a co-sponsor of the war powers bill, which limited the President's power to extend American participation in the war. He was no longer in the Senate when the House overrode President Nixon's veto in November, 1973, and forced the war powers bill into law.

"The longer the thing (the war) drew on, the more I became disillusioned with the handling of it," he said. "All we were doing was bombing the hell out of everybody's rice paddies and killing people—Americans and thousands of natives."

During his 14 years in the Senate, Sen. Jordan also chaired the Agriculture, Public Works and Inaugural Ceremonies subcommittees.

Sen. Jordan was defeated by a 44-year-old Durham lawyer in the 1972 Democratic primary election, Nick Galifiankis. Galifiankis lost the senatorial election to Republican Jesse Helms.

While Sen. Jordan was campaigning during the 1972 primary, a 23-year-old high school janitor killed five persons and wounded six others outside a Raleigh, N.C. shopping mall where the senator was shaking hands with constituents. Sen. Jordan's executive secretary, Wesley Hayden, was shot in the chest and seriously injured. Sen. Jordan suspended his campaign until he was sure Hayden would survive.

Sen. Jordan had a long and profitable career in textile manufacturing before going to the Senate. Born in Ramseur, N.C., the son of a traveling Methodist minister, he organized his first company, the Sellers Manufacturing Co., in 1927. He eventually owned mills that grossed more than $15 million a year.

He attended Trinity College (which later became Duke University and which awarded him an honorary degree in 1940), and Elon College. He served with the Army Tank Corps from 1918 to 1919, and with U.S. occupation forces in Germany in 1919.

He was a recipient of the Silver Beaver award from the Boy Scouts of America in 1965. Sen. Jordan was a trustee of Duke University, American University and Elon College, and of the U.S. Capitol Historical Society.

Since 1972, Sen. Jordan had spent most of his time at the rambling white house in the village of Saxapahaw, his home for 46 years.

He is survived by his wife, the former Katherine McLean; two sons Ben E., Jr. of Burlington, N.C., and John M. of Saxapahaw, and a daughter, Rose Anne Grant of Burlington.

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## THE IMPACT OF PRICE AND WAGE CONTROLS ON WORKERS

Mr. PROXMIRE. Mr. President, the administration's price and wage control program has had a disastrous effect on the American worker. It has failed miserably in holding down prices while it has been more than successful in keeping the lid on wage increases. As a result, the real income of workers has declined. The average working man is worse off today than he was a year ago; and he is even worse off today than he was just 6 months ago when phase IV began.

Just how badly have workers fared under the administration's program?

Let us look at the figures. During the last 13 months, from January 1, 1973 to January 31, 1974, the Consumer Price Index rose at an annual rate of 9.1 percent. In other words, the cost of living for the average family rose by 9.1 percent. During this same period, average weekly wages of nonfarmworkers increased at an annual rate of only 4.5 percent. Real purchasing power for the average working family thus declined by 4.6 percent.

If we look at what happened during phase 4, the picture is even worse. During the last 6 months under the price and wage control program from August 1, 1973 to January 31, 1974, the Consumer Price Index rose at an annual rate of 11.4 percent while average weekly earnings for nonfarmworkers actually declined at an annual rate of 1 percent. This represents a 12.4 percent drop in the purchasing power of the average working family. How long can workers endure this intolerable erosion of their real wages?

While workers have been clobbered by wage controls, others have done well. After tax corporate profits in the third quarter of 1973 were up 29 percent over the third quarter of 1972. Personal interest income, most of which goes to wealthy savers, was up 15.9 percent during 1973; dividend income was up by 12.5 percent. It is the rich who have benefitted from price and wage controls. They have been a disaster for the workingman.

Given this background, the Congress must now make a decision on whether to continue the authority for price and wage controls. Virtually everyone agrees that price and wage controls should be phased out as soon as possible. However, there is disagreement over whether the President should be given standby authority to reimpose controls on particular sectors of the economy. Those who favor standby authority argue that controls may still be needed to check intense inflation which might erupt in a particular sector of the economy. It has also been argued that the existence of standby control authority will serve as a so-called "club in the closet" to bolster the jawboning activities of the Cost of Living Council.

Whatever the theoretical merits of these arguments, I believe there are overwhelming practical reasons for not giving the President standby control authority.

First of all, the very existence of standby controls is likely to be counterproductive. Business firms, knowing that controls can and might be reimposed at any moment, will try to beat the deadline by raising prices even more than they otherwise would have in the absence of the control authority. Thus standby control authority can bring on the very resurgance of inflation it is designed to prevent.

Second, the passage of standby control authority can lead to the unwarranted use of controls in situations where they are not absolutely necessary. The President has flip-flopped on the question of controls more times than a beached whale. There is no predicting how he might use the standby authority if it were given to him by the Congress. It is entirely possible that the President has been so weakened by the Watergate scandals that he would succumb to political pressure to reimpose controls when controls were not justified.

Third, even if a reasonable case could be made that controls were needed in a particular sector of the economy, there is no assurance that the present administration has the inclination or the capacity to impose price and wage controls in a fair and equitable manner. Indeed, the record indicates just the contrary. When controls have been used, they have operated more severely on wages than they have on prices. There is no reason to assume that these inequities would somehow disappear in the future if the President used his standby authority.

Mr. President, some of my Democratic colleagues may think it is smart politics to give the President standby authority to reimpose price and wage controls. Then if the President did not use the authority, he could be blamed for inflation.

Mr. President, this is exactly the type of political game playing which led to the passage of the original Economic Stabilization Act of 1970. In retrospect, the Congress made a colossal blunder in giving the President this authority. We should not repeat the error by giving him standby control authority.

Public opinion polls reveal that respect for Congress as an institution is at an alltime low. According to the most recent survey, only 21 percent of the people think Congress is doing a good job. It is little wonder that the Congress is held in such low repute. How can we command the respect and confidence of the public if we give away our powers to the President? How can we improve our image if we engage in transparent political buck-passing? We do not fool anyone but ourselves when we play those games.

Mr. President, I find it somewhat surprising that some Members of Congress are seriously considering standby controls when they are opposed by nearly everyone. The administration does not want standby control authority. The AFL–CIO does not want standby authority. The chamber of commerce does not want standby control authority. Other business groups do not want standby control authority. Economists are divided, as is generally the case, but many economists oppose standby authority. Given the overwhelming record made against the need for standby controls, I hope the Congress will refrain from giving this dangerous and unnecessary power to the President.

The time has come for the Congress to exercise responsibility. Price and wage controls have been a monumental failure. They have been unfair and ineffective. They should not be continued and the President should not be given standby authority to reimpose controls in any shape, manner, or form.

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## KILPATRICK RECONSIDERS, URGES PRESIDENT TO VETO LEGAL SERVICES BILL

Mr. HELMS. Mr. President, during consideration of the Legal Services Corporation bill in December and January, the proponents of that bill frequently buttressed their arguments with newspaper columns written by the distinguished editor and writer, James Jackson Kilpatrick.

It is now clear that Mr. Kilpatrick was merely endorsing the concept of legal services for the poor—a concept, incidentally, which I also vigorously supported, and, along with the distinguished Senator from Tennessee (Mr. Brock) worked hard to implement in our bill, S. 1990. Mr. Kilpatrick was by no means endorsing the specific text of S. 1423, the bill jointly sponsored by Senators Nelson and Javits.

Indeed, in a column which was published in the Washington Star-News yesterday, Mr. Kilpatrick takes strong issue with the Nelson-Javits bill, calling it an abomination, and a perversion under the law. This is a vigorous condemnation of the bill, and it is not surprising that Mr. Kilpatrick calls upon the President to veto it if the Senate and House should agree to the proposition.

Mr. President, I also urge the President to veto this bill, should it be brought to his desk for signature. Whatever comes out of the conference—and the House conferees have not even been named—is almost certain to be a far cry from the kind of bill which the President proposed last year. Neither the House bill nor the Senate bill meet the President's specifications, so it is hard to see how the conference report, being a reconciliation of the two, can measure up either.

Mr. President, I ask unanimous consent that Mr. Kitpatrick's column, "Reconsidering the Legal Aid Bill," from the Washington Star-News, Monday, March 25, 1974, be printed in the Record at the conclusion of my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

### RECONSIDERING THE LEGAL AID BILL

(By James J. Kilpatrick)

It is a familiar rule of parliamentary procedure that a motion to reconsider can be made only by a member of the prevailing faction. Because I have long supported the concept of legal services for the poor, perhaps I am qualified to turn against the bill soon to be reported from a conference committee. Mr. President, I would like to say, I move to reconsider.

By every indication, the compromise legal services bill will be fairly close to the Nelson-Javits bill approved by the Senate in December. The bill is an abomination. It is a perversion of the whole concept of giving the poor person a chance at equal justice under the law. If the Senate and House should agree to this devious proposition, the President will have to be asked to use his veto power.

In supporting a legal services act, I have been guided by certain principles and observations that seem to be almost beyond dispute. The first is that the concept of equal justice under law is among the greatest ideals of our political system. The second is that our nation has served that concept poorly. Despite impressive improvements in recent years, especially in the appointment of public defenders in criminal cases, we still have two systems of law—one for the rich, another for the poor.

A system of federally subsidized legal aid should have but one purpose, and that is to redress the imbalance. The poor family that has been bilked into a usurious installment contract should not be helpless at the hands of a well-heeled merchant. The poor person wrongly evicted from his home should have some aid in standing up to the slumlord. The ignorant or illiterate citizen, struggling with the complexities of a highly regulated society, often needs legal advice that he cannot possibly afford.

A revitalized program of federal legal aid ought to have these aims in mind, and these aims only. Because the possibilities for abuse are quite real, a new Legal Services Corporation should be bound down by chains of law. At the very minimum, the corporation should be federally chartered for a limited term of no more than five years, at which time Congress could review the entire operation.

The Senate bill that now prevails is a far cry from the administration's recommendation. It bears no resemblance to a House-approved version that has some faults, largely as the result of fatuous floor amendments, but has many virtues also. The Senate bill erects no more than paper barricades against the activism of super-liberal legal eagles who would be free to pursue social reform behind a camouflage of aid to the poor.

These mischievous provisions are not immediately apparent. On the surface, the Senate version seems unalarming. It is only when the bill is examined line by line, as Senator Jesse Helms of North Carolina has examined it, that the shortcomings emerge.

Two examples may suffice to indicate the slippery business here afoot. The Senate bill contains a provision that could make available to legal aid attorneys "particular support functions of the federal government, such as the General Services Administration, the federal telecommunications system and other facilities." Helms calls this a "mind-boggling blank check," and it is. This loosely drawn authorization could equip the activist attorneys with everything from office supplies to free long distance telephone service, all at the taxpayers' expense.

For a second example: The House version wisely prohibits the proposed Legal Services Corporation from using private funds for purposes for which public funds could not be spent. The Senate version ominously omits this safeguard.

The concept of equal justice remains valid. Nothing is wrong with the idea of providing legal aid to the poor. But the disappointing and deceptive bill that now heads back toward the Senate floor, while it doubtless would accomplish many good things, would constitute an invitation to legal activists to come have a ball. This is not the idea. It is not the idea at all.

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## JUSTICE WITHOUT POLITICS

Mr. ERVIN. Mr. President, the Progressive magazine, in its April issue, has published an article by Arthur S. Miller, professor of constitutional law at George Washington University, entitled "Justice Without Politics."

In his article, Professor Miller, who is a consultant to the Subcommittee on Separation of Powers and who also serves as chief consultant to the Select Committee on Presidential Campaign Activities, has made some very penetrating observations concerning the dangers inherent in the politicization of the Department of Justice.

A few days ago, I announced that the Subcommittee on Separation of Powers, which I chair, will hold hearings on March 26, 27, 28, and April 2, on two bills that relate to the operations of the Department of Justice and which, if enacted, would help to reverse the trend of abuses and improprieties that the country has witnessed, with such shock, in recent months. These bills are S. 2803, which would establish the Department of Justice as an independent establishment of Government, and S. 2978, which would create a special commission to study the establishment of an independent prosecutor.

Professor Miller's article speaks vigorously and with candor concerning transgressions in the exercise of power in the administration of justice. While some may not wholly endorse the implications in his assessment of the acts and circumstances surrounding certain officials and individuals, his article points out forcefully the need to take politics out of justice. I believe his article deserves wide dissemination and that it merits the earnest consideration of all Americans who are concerned with the fair and impartial administration of justice—who believe that justice must be dealt with an even hand to all, without political influences or pecuniary considerations.

For this reason, I ask unanimous consent that the text of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### JUSTICE WITHOUT POLITICS

(By Arthur S. Miller)

"The place of Justice is an hallowed place," Sir Francis Bacon, Britain's lord chancellor, said in 1612, "and therefore not onely the bench, but the footpace and precincts and purprise thereof ought to be preserved from scandall and corruption." Americans who were shocked by last October's "Saturday Night Massacre," when Special Prosecutor Archibald Cox was summarily sacked by an acting Attorney General appointed for that purpose, should realize that the episode merely illustrated how far the American system has deviated from Bacon's ideal. In the wake of the sordid Watergate affair, the Department of Justice, charged with the solemn responsibility of furthering the rule of law, finds itself under heavy attack for having become unduly "politicized." An insistent cry is being raised in many quarters to take the politics out of the Department.

To place that question—whether the Attorney General and his subordinates can be "depoliticized"—in some perspective, we must examine the historic background. The office of the Attorney General was created in 1789 and the Department of Justice in 1870. Both the office and the Department derive all of their powers from Congress. Even so, they are in the Executive Branch, which means that in legal theory the Attorney General, as a Cabinet official and Presidential appointee, serves at the pleasure of the Chief Executive. President Nixon's 1968 campaign pledge to appoint a "new Attorney General," one not "soft on crime," merits mention only because the statement was reported deadpan by the press, without reference to the fact that every new President routinely appoints a new Attorney General.

Since at least the days of Andrew Jackson, the Attorney General has been regarded as the President's lawyer. It is often said that the Department of Justice has only one client—the Government—but that is true only insofar as there are no disputes between the Executive and the other branches. As the Chief Executive's lawyer, the Attorney General occupies the ambiguous position of being a *political* officer charged with *legal* duties.

Tensions have erupted at times. In the national bank controversy of the 1830's, for example, President Jackson wanted to have certain banks named as depositories of U.S. funds, only to learn that his Attorney General had doubts about the validity of that policy. Jackson is said to have drawn himself up and declared: "Sir, you must find a law authorizing the act or I will appoint an Attorney General who will." Jackson prevailed, just as Nixon did in the Cox firing. The task, then, of an Attorney General (and of other government legal advisers, such as State Department lawyers who justified American intervention in Vietnam) is not to say no to policymakers, but to find some way to say yes.

Not all top legal officers have taken the view that they are partisan advocates for the Executive or another branch of the Government. Edward Bates (who didn't last long as Lincoln's Attorney General) said: "The office I hold is not properly *political,* but strictly *legal;* and it is my duty, above all other ministers of State, to uphold the law and to resist all encroachments, from whatever quarter, of mere will and power." Bates was atypical; A. Mitchell Palmer represented the norm. Palmer, who led the infamous Palmer Raids of 1920 against aliens and other "suspect" persons, said:

"The Government was in jeopardy. My private information removed all doubt." Paranoia on the Potomac, as disclosed in the Senate Watergate hearings and manifested in the savage overreaction to the "March on Washington" in May 1970, is not a new invention.

When Attorney General Robert H. Jackson was called upon to justify President Roosevelt's plan to trade fifty "overage" destroyers to Britain shortly before World War II, he did so by ignoring the Constitution and bending some statutes beyond recognition. In 1941, Jackson, signed an Attorney General's opinion legitimizing government seizure of the North American Aircraft plant during a strike, an action that rebounded eleven years later when it was cited to him as a precedent for President Truman's takeover of the steel industry during the Korean war. Jackson by then a Supreme Court Justice, neatly sidestepped the question in his concurring opinion outlawing the seizure: "I do not regard it as a precedent for this, but, even if I did, I should not bind present judicial judgment by earlier partisan advocacy"—a classic acknowledgment of the politicization of the Department of Justice.

So Robert Bork, the Solicitor General who became acting Attorney General and hatchetman on Archibald Cox, merely stands at the end of a line of numerous predecessors who, in Robert Jackson's terms, are "partisan advocates" for the President. The naive may believe that because the people pay the salaries, through taxes, of government lawyers, then they—the people—should be their client. Not so: The "Government" is the client of the government lawyer, in and out of the Department of Justice, and it is not always true that the interests of the Government and of the people (however defined) coincide.

There has been a tendency since the Truman Administration for Chief Executives to appoint their campaign managers or other political cronies as the highest law officers of the Government. Campaign managers Herbert Brownell under President Eisenhower and Robert Kennedy, named by his brother, antedated John Mitchell, the municipal bond lawyer turned political manager who took over at Attorney General in 1969 (and who, at this writing, is being tried in New York on criminal charges). In consequence, that precinct of justice that is the Department of Justice is hardly "an hallowed place."

Though they are theoretically responsible for administering the nation's laws fairly and impartially, Departmental lawyers often are mere instruments of a burgeoning Executive power, there to serve their masters a few blocks away at the White House. The problem has become so acute that voices throughout the legal profession are calling for change. Their concern, however, is prompted not so much by what Bacon called "scandal and corruption"—although that consideration is not absent—as by the almost unrestrained directionary powers that reside with Departmental officers.

"Politics" is particularly evident in the appointment of judges, of U.S. attorneys (ninety-five in all), and of the thousands of marshals and other functionaries of the judicial system. About fifty per cent of the U.S. attorneys, who are recommended by the Department after clearance from their state's Senators (the "blue slip" system), become Federal judges—which means that they carry Departmental preferences with them to the bench. Judgeships are the province of the Deputy Attorney General (for the Supreme Court, the Attorney General himself gets into the act), and a Federal district judge aspiring to be an appeals judge not only starts out with the attitudes of a U.S. attorney but, more subtly and of more importance, knows that his elevation must be approved by the Department. How much that knowledge might tip the scales of justice in favor of the Government is unknown—but *certainly it* argues for taking the appointing function out of the Department. (It is not unheard of, for example, for a Federal judge to telephone the Department and ask what sentence should be imposed on a convict.)

At least three levels of impropriety exist within the Department of Justice: 1) crime and corruption, 2) unrestricted discretion, and 3) overzealousness of lawyers. As for the first, Assistant Attorney General Lamar Caudle was sent to jail in the 1950s for taking part in tax frauds, and Attorney General Harry Daugherty barely escaped prosecution over Teapot Dome. Without commenting on John Mitchell's trial, I can note his own admission that as Attorney General he failed to tell the President about "the Watergate horrors," an action which, though not a crime, surely was a gross dereliction of duty.

Justice Louis Brandeis uttered the classic statement warning against official illegality: "In a government of laws, existence of the Government will be imperiled if it fails to observe the law scrupulously. Our Government is the potent, the omnipresent teacher. For good or for ill, it teaches the whole people by its example. Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy." It was John Mitchell, aided and abetted by William Rehnquist and Solicitor General Erwin Griswold, who produced the theory that the Government could resort to wiretapping on domestic criminal matters without judicial approval—a notion so extreme that a Supreme Court dominated by Nixon appointees unanimously outlawed it.

Mitchell and Griswold, plus Deputy Attorney General Richard Kleindienst and the head of the Antitrust Division, Richard McLaren, also stage-managed the much criticized ITT "consent decree" whereby ITT got what it wanted (the cash flow of the Hartford Insurance Company), while being required to slough off some subsidiaries. Government spokesmen defend the settlement partly on the basis of the likelihood of eventual loss in the Supreme Court, but that does not explain why ITT was so willing to go along. To believe the Justice Department's apologists is also to believe that ITT's executives and lawyers were stupid. The decision not to take the ITT case to the Supreme Court is a prime example of the second level of Justice Department impropriety—the almost uncontrolled discretionary powers the Department all too often exercises.

Of those powers, whether to prosecute or not to prosecute is particularly worrisome. Seen in full glare in the ITT settlement (once a consent decree is entered by a Federal judge, there is no review—as Ralph Nader found out when he tried to get the ITT decree overturned), it hits hundreds of thousands of Americans at the local level. Plea bargaining in criminal law matters is routine (although it is unique to find a Vice President engaging in that process).

Some discretion is, of course, necessary. The problem is to limit it so as to eliminate abuses. The essential question is how to make discretionary power as tolerable or decent as possible. One aid to stopping abuse of discretion would be openness—the elimination of unnecessary secrecy—in the process. "Openness," says law professor Kenneth Davis in his book, *Discretionary Justice*, "is a natural enemy of arbitrariness, a natural ally in the fight against injustice."

The third level of Justice Department overreaching is the way in which government lawyers, often but not always from the Department's corps of 3,000 attorneys, fail to realize the disproportionate amount of power they have *vis-à-vis* individual litigants. I do not speak here of the ITT settlement or of the antitrust action against IBM. There, as elsewhere (for example, before the Federal Communications Commission or the Federal Trade Commission), the government attorneys are overwhelmed by the legions of high-powered and high-priced lawyers from the corporate bar. But when it is an individual, not a corporation, against whom the Department is proceeding, the power imbalance is reversed. Then the citizen often finds himself bowled over by the Department's overzealous energies.

Jimmy Hoffa, powerful as he was as head of the Teamsters, learned that fact of life when Attorney General Robert Kennedy set up the "Hoffa Squad" to get Hoffa; get him they did. The Hoffa case shows the Government's broad discretion in deciding whether or not to prosecute and how zealous the prosecution can be. Hoffa's early release from prison by President Nixon indicates that discretion also works at the other end of the criminal law pipeline.

When an individual confronts the Immigration and Naturalization Service (part of the Justice Department), unreviewable discretion is often the norm and arbitrariness often the rule. That was shown, for example, when Ernest Mandel, a leading Marxist scholar in Belgium, was denied admission into the United States, where he had been invited to give some university lectures. The Supreme Court upheld that bit of Departmental arbitrariness. In obscure cases, such as contract claims, land-condemnation actions, or tort claims against the Government, the Justice Department lawyer also often acts with excess zeal against the individual. One example will illustrate: Several years ago, a patient at a Veterans Administration hospital was erroneously injected with embalming fluid by an orderly who had the duty of giving injections. Result: total paralysis of the patient. The patient sued the Government, only to be met with the defense (from technical "agency" law) that the orderly acted beyond the "scope of his employment." Thus a weak, even silly, legal stratagem was used by government attorneys in an effort to stave off paying a few thousand dollars.

Multiply that case by thousands and the pattern of overzealous action by the Department of Justice takes on added meaning. It is a proud tenet of the Solicitor General's office that the Government's case is won when justice is done, but all too often that precept is forgotten; the game is to win, by using every technicality and legal stratagem.

Elliot Richardson, during his brief tenure as Attorney General, vowed to take politics out of the administration of justice, but that laudable goal was one of the victims of the Saturday Night Massacre. Richardson's intent may yet be achieved, however, if Congress will be sufficiently influenced by the Watergate disclosures to reassess the Department of Justice. The Senate is about to take the first step toward such a re-evaluation. Senator Sam J. Ervin's Subcommittee on Separation of Powers has scheduled hearings on S2803, introduced by Ervin on December 12, 1973. If enacted (in present form or amended), S2803 would "establish the Department of Justice as an independent establishment of the United States." Scheduled to testify, among others, are former Attorneys General Ramsey Clark, Richard Kleindienst and Katzenbach; former Supreme Court Justice Arthur Goldberg; former U.S. Attorney Whitney North Seymour, Jr.; Lloyd Cutler, well-known Washington lawyer; Archibald Cox, and a number of law scholars.

Cutler has proffered a different suggestion —that a permanent office of special prosecutor be established to ride herd on improprieties in the Executive Branch, including the Department of Justice. Others, such as Professor Paul Mishkin of the University of California School of Law, have advanced the more radical notion that an office of "counsel general" be established completely independent of the President—an office that would take over most of the present functions of the Department of Justice and would, in addition, act as an ombudsman for citizens' complaints against improper government actions.

Watergate has clearly contributed to a growing distrust of the Government and a lack of faith in the fairness and impartiality of the system of justice. Watergate has proved that governmental lawlessness can and does occur. The Ervin hearings may help us find our way out of an intolerable situation, for we must face the fact that our present system of justice through *politics*—often corrupt politics—cannot stand much longer without eroding our constitutional democracy beyond the point of no return.

## AIR FORCE HAIRCUT POLICY

Mr. THURMOND. Mr. President, as a result of investigations made by staff members of the Senate Armed Services Committee, it appears that the Air Force haircut policy has impacted unfavorably on the Air Guard and Air Reserve programs.

In this connection I have asked the Secretary of Defense to review the entire Defense Department policy looking toward some uniformity among Guard and Reserve forces. Presently Navy and Army Guard and Reserve haircut policies are more lenient than those being followed by the Air Force Guard and Reserve.

In support of my views that this is an important matter, I have obtained a copy of a letter dated February 21, 1974, to Air Force Secretary John L. McLucas. This letter reports on a survey conducted by the National Guard Association of the United States.

The survey clearly shows that serious command, morale, enlistment and reenlistment problems are resulting from the fact that Air Guardsmen are under more stringent haircut policy regulations than Army Guardsmen who sometimes drill on the same installations.

Mr. President, I ask unanimous consent that this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

National Guard
Association of the United States,
*February 21, 1974.*

Hon. John L. McLucas,
*Secretary of the Air Force, The Pentagon, Washington, D.C.*

Dear Mr. Secretary: The impact of Air Force grooming standards on enlistments and re-enlistments in the Air National Guard (and, consequently, the Air Force Reserve) was examined in detail during the ANG session of the 95th General Conference of the National Guard Association of the U.S., held 8–11 October 1973 in Oklahoma City, Oklahoma.

Approximately 300 Air Guard officers unanimously agreed on the validity of the statement that: "A reasonable modification of the hair style regulation to be more in conformity with acceptable civilian styles would enhance recruiting and retention in my organization."

Following the voiced opinion that modification of current grooming standards would be beneficial to the Air Guard and Reserve, Dr. James P. Gilligan, Deputy for Reserve Affairs and Education, Office Secretary of the Air Force, observed that: "The significant thing to me, however, has been in the course of a rather repeated examination of the question, at least in the Pentagon, is that the Reserve and the Air Guard and the Associations that are attendant thereto really have not come forward, in my view, with a very strong positive position, that would be reflected in the vote I saw in this room."

In response to the challenge by Dr. Gilligan, I established an NGAUS "Grooming Standards" committee to study the problem and report its findings and recommendations to the NGAUS Executive Council. Appointed to the committee were:

Chairman, Major General Duane L. Corning, Vice President, NGAUS, and Adjutant General, South Dakota.

Members, Brigadier General William W. Spruance, Asst. Adjutant General, Air, Delaware ANG.

Brigadier General William R. McCall, Jr., Chief of Staff, Air, District of Columbia ANG.

First Lieutenant Ronald Prox, Delaware ANG.

First Lieutenant Conrad Slate, Tennessee ANG.

Second Lieutenant Alexander T. Mahon, Ohio ANG.

Advisors, Colonel James C. Hise, NGB Legal Advisor.

Technical Sergeant Marvin S. Lessin, Delaware ANG.

Recorder, Colonel Merle F. Allen, Jr., Ret., Executive Assistant, Air, NGAUS.

The "Grooming Standards" committee convened on 7 December 1973 to study the subject. It presented a briefing and recommendations to the NGAUS Executive Council on 29 January 1974. (Report is attached as Inclosure #1 and Briefing as Inclosure #2.)

The NGAUS Executive Council approved the "Grooming Standards" committee report and voted to forward the recommendations of changes to AFM 35–10 to the Secretary of the Air Force.

The recommended changes to AFM 35–10 (attached as Inclosure #3) would:

A. Allow hair to touch the ears, but not cover any part of the ears when groomed.

B. Allow hair to extend on the back of the head to the middle of the collar.

C. Allow up to 2 inches in bulk, instead of 1¼ inches.

D. Allow sideburns to extend to a horizontal line at the lowest part of the ear lobe and to a width not exceeding 1½ inches at the widest point.

E. Allow mustaches to extend horizontally beyond the corners of the mouth, but not beyond the natural hair growth line nor downward beyond a horizontal line drawn from the corners of the mouth.

F. Allow members of the ANG to wear wigs which conform to grooming standards during unit training assemblies and periods of active duty of 30 days or less.

To further define the problem and justify the NGAUS recommendations, the opinions of forty-four Adjutants General are attached in response to a survey conducted by the NGAUS. The survey posed the following questions:

Question No. 1: What percentage of Air Guardsmen fail to re-enlist because of present hair styling regulations?

Answer: Forty-one States responded with an average of 39%.

Question No. 2: What percentage of *non-prior service* contacts fail to enlist because of present hair styling regulations?

Answers: Thirty-seven States responded with an average of 36%.

Question No. 3: Would you prefer more lenient standards in the ANG than presently authorized under AFM 35–10?

Answer: Forty-three States responded with thirty-eight "yeas" and five "nays."

Question No. 4: Would a more lenient regulation allow recruiting of a "higher category" of non-prior service individual than we are presently enlisting?

Answer: Thirty-four States responded with twenty-eight "yeas" and six "nays."

A compilation of responses from the forty-four States is attached as Inclosure No. 4. Also attached are copies of responses from Adjutants General, ANG Base Detachment Commanders and Group Commanders.

Mr. Secretary, the National Guard Association of the United States is pleased to respond to Dr. Gilligan's challenge by submitting these recommendations and observations for your consideration. We are strongly convinced that a positive, enlightened approach to bringing current Air Force grooming standards in line with those of today's society, wherein lies our source of young men and women in the years ahead, will be of mutual benefit to the Air National Guard and United States Air Force alike.

This Association earnestly elicits your serious consideration of these recommendations as both reasonable and constructive, and in the best interest of both the Air National Guard and U.S. Air Force. We stand ready to contribute in any way possible toward resolving modifications to grooming standards as currently prescribed by AFM 35–10.

Sincerely,

Henry W. McMillan,
*Major General, FlaARNG President.*

## FEDERAL JUDICIARY SALARY LEVELS

Mr. McGEE. Mr. President, the Pennsylvania Committee for an Independent Judiciary is but one of many thoughtful organizations now concerned about the Government's ability to obtain and retain competent, qualified men and women to serve in high office. Its concern runs deep and runs to the problems arising within the Federal judiciary as the result of a freeze on the compensation for judges.

Recently, in a letter to the editor of the Washington Post, the Pennsylvania Committee made the inescapable observation that judges are on a parity with all others when it comes to paying rent, buying food, paying taxes, and other living expenses, even though they have received no salary increase for more than 4 years.

"This is hardly fair treatment," said the committee, whose appeal is simply for a concept of fair play.

This argument, of course, covers others in the Executive Salary Schedule of our Government, as well as numerous so-called supergrade employees in the upper reaches of the General Schedule. They, too, have their pay frozen at rates well below comparability with the salaries paid for equal work and equal responsibility in the private sector.

We have not dealt fairly with these servants of the public interest by denying them overdue raises which are all the more warranted because of the general inflation in our economy. So the question of fair treatment remains before us, Mr. President, and Senators will before too long be called upon to further examine this entire question, which so deeply concerns the Pennsylvania Committee for an Independent Judiciary. I ask unanimous consent that the committee's letter to which I have referred be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Pennsylvania Committee for an
Independent Judiciary,
*Philadelphia, Pa., January 21, 1974.*

Editor: *"Washington Post"*
*Washington, D.C.*

Dear Sir: The Pennsylvania Committee for an Independent Judiciary congratulates the Washington Post in connection with the coverage of proposed "catch-up" salary increases for Cabinet officials, federal judges and congressmen and calls the attention of the Post and the public to the fact that a comparison of governmental and non-governmental salary structures and the concept of fair play must lead to the conclusion that a substantial salary increase for the federal judiciary is long overdue.

While other federal employees have been receiving cost of living adjustments increasing their salaries by approximately 30 percent, federal judicial salaries have been frozen since 1969 despite the substantial increase in cost of living during this period.

No doubt, you will agree that judges are on a parity with all others when it comes to paying rent, buying food, paying taxes and other living expenses. Yet, it is a matter of record that the federal judiciary has received no salary increase for over four years. This is hardly fair treatment.

The Pennsylvania Committee for an Independent Judiciary is deeply concerned with low federal judicial salaries and realistic compensation in today's inflationary economy. Therefore, we strongly recommend that Congress shall provide federal judges with just compensation increase. It is imperative that Congress understands the necessity for a prompt salary increase in order to attract to the federal judiciary and retain for the federal judicial system learned men of high ability and dedication.

Sincerely,

Harold Berger, *Chairman.*
Philip Klein, *Vice Chairman.*

## VETERANS INSURANCE ACT OF 1974
### (S. 1835)

Mr. BUCKLEY. Mr. President, as I review proposed legislation designed to reconcile veterans' benefits and programs with the realities of the civilian problems facing the Vietnam veteran, it becomes increasingly clear that major adjustments need to be made in existing laws. As a first step toward correcting inequities and deficiencies which exist in present policies as compared with the assistance awarded veterans of past wars, I intend to support the Veterans Insurance Act of 1974.

This legislation permits the veteran to postpone important life insurance decisions for a 5-year period, allowing ample time for readjustment to civilian life and ample opportunity to assess his potential insurance needs in the future. The increase in the maximum amount of life insurance coverage to $20,000 demonstrates an appreciation of the realistic needs of the present-day veteran. The increase to $20,000 brings veterans' insurance close to the average coverage sought by American families and makes it possible to convert his insurance at those levels when the 5-year term insurance expires.

Mr. President, it is gratifying to note that the veterans' insurance act seeks to correct another injustice. Since these insurance programs, with the exception of the service-disabled veterans insurance, are not only self-sustaining but have added to the coffers of the U.S. Treasury, I completely concur with the provisions of this act which insist that overpayments be returned to veterans in the form of dividends.

In addition to initiating the first attempt to come to grips with the limits of current veterans programs, this legislation acknowledges that the elimination of the draft has resulted in a serious decline in enlistments in the Reserves and in the National Guard. Although additional incentives should be considered to correct this decline, broadening the veterans' insurance program to include Reservists and Guardsmen is another step in the right direction.

As I have said earlier, the evidence is clear that Congress has failed until now to begin to come to terms with the serious inequities suffered by the men who served their country so faithfully during the Vietnam war. I am confident that all my colleagues will join with me in seizing this opportunity to demonstrate that this Nation's indebtedness to our Armed Forces for their extraordinary endeavors in Vietnam will be reflected in legislation that will adequately express our gratitude.

## RECESSION OR INFLATION: THE DEFENSE CONNECTION

Mr. PROXMIRE. Mr. President, the Federation of American Scientists has published a public interest report on the fiscal year 1975 military budget. The FAS makes an extremely interesting proposal. After discussing the relationship between inflation and the defense budget, the FAS subtly points out that the Defense Department and the administration seem to share one basic tenet of Marxist doctrine—that capitalist countries need the continuing stimulus of defense spending in order to have economic vitality.

The FAS then proceeds to offer a suggestion for holding Defense Department budget authority in check. Essentially the FAS argues that the defense budget should be increased by a factor determined by the rate of inflation minus the rate of desired increase in efficiency. Using a 6-percent inflation rate and a desired efficiency improvement rate of 3 percent, the fiscal year 1975 budget would be established at $85.1 or $9.9 billion lower than the $95 billion in budget authority requested.

This public interest report also discusses the various methods used to sell the Pentagon budget. Citing the declining percentage of GNP strategy, the defense-budget-is-not-rising technique, and the we-own-what-we-waste game, FAS pinpoints how the Defense Department organizes its line of attack.

The concepts explored in this report deserve a close reading.

Mr. President, I ask unanimous consent that the FAS Public Interest Report be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

### Managing the Defense Budget: A Congressional Strategy

During a quarter century of cold war, Congress has never come to grips with the Defense Department budget except through its Committees. From 1949 to 1968, not a single authorization or appropriation bill for military spending was cut on the floor of either house.

In 1969 and in 1970, amendments to the Defense Department budget focused on the anti-ballistic missile. While they paved the way for the SALT Treaty prohibiting ABM (except at two sites) they did not pass.

In 1971, Senatorial critics of defense spending each concentrated on studying a particular questionable weapons system and offering related amendments. With isolated exceptions, these efforts were turned back.

Efforts were also made to place overall ceilings on appropriations, or to cut authorizations across the board, but without success. In 1973, the Senate opposition returned to considering a single weapon system, Trident—but failed to modify the program—while the House passed an overall cut in authorization, which the Senate rejected.

To some extent, the Armed Services and Defense Appropriations Committees have responded to general criticisms by Members outside the Committees by pre-emptively cutting the budget while in committee. But generally, the views of the House and Senate at large have not significantly modified the Defense budget.

We think they should. The Defense Department budget is too large and too important to be left to the oversight Committees alone. And these Committees, like all Congressional Committees, invariably find themselves somewhat stacked in favor of the agencies for which they are responsible. There has to be a viable mechanism for general Congressional involvment in the military budget. But what?

Apart from a few projects that are dangerous, destabilizing, or otherwise counterproductive, the Defense Department budget poses primarily the question of waste and inefficiency. It is our considered opinion that Congress cannot cope with this problem without imposing some kind of overall limit. The budget is too large, Congressional time is too short, and the problems of achieving consensus on specific cuts are usually overwhelming.

That the Defense Department *could* economize substantially, if so required, seems to us self-evident. DoD is a classic example of uncontrolled civilian and military bureaucracy; its redundancy, cost overruns interservice logrolling, and general waste are cliches.

That the Department *should* economize is equally self-evident—it spends, after all, 30% of the Federal budget and 70% of the immediately controllable part of that budget. If every other agency is being forced to economize the Defense Department should too; that is, after all, where the big money can be found. And DoD is under far less control from the Office of Management and Budget than other agencies.

Obviously, the Department of Defense provides us with a very special benefit—security against attack. But, equally obviously, much that DoD is doing has no direct relevance to our security. And efforts to economize, with the reorganizations they engender, often strengthen overall efficiency.

It is easy enough to describe the many areas of defense spending that could be cut, and over the years we have. The problem, evidently, is getting Congress to agree. This year, we have decided to propose a means and mechanism for Congressional action—a Congressional strategy as it were of cutting the budget. Leaving aside our own views about the degree of waste, and thinking instead of how to organize the cuts, we suggest the following approach.

In the first place, the Congress would note the rate of inflation applicable to Defense Department spending e.g. this year it was 6%. Thus a 6% increase in appropriations would essentially hold the Defense Department budget constant in purchasing power. Congress would then reach a consensus on a percentage of desired economy which we might call an economy dividend e.g. 3%. The Department would be given the inflation increase minus the economy dividend rate or 3% (6%−3=3%). (In cases involving supplemental appropriations, we would allocate the supplementals to the earlier year or later year budget as seemed appropriate.) For this year, in which enormous increases have been asked, our approach would urge a $10-billion cut in a $95 billion proposed budget. But it would result in an increase in dollars over the last year's budget. (For the treatment of the supplemental appropriations asked see the table on page 4.)

Our approach has several advantages. First, it is not a one-time affair. Congress could repeat this process each year until it was satisfied that the fat in the Defense Department budget had been squeezed out. Five years of such 3% cuts would provide a 14% cut in real dollars and would go a long way toward slimming down a defense establishment that has grown without comparable restraint for 25 years.

Second, after a first year, the process is gradual, providing the DoD leadership with fair warning of the need to economize. Third, no Congressman need ever vote to cut the Defense budget below the year before since inflation is likely to stay higher than the economy factor.

Fourth, the Congress need only reach consensus on the 2%, 3% or 4% level of economy it desires rather than on some necessarily arbitrary figure of $80 or $90 billion.

Above all, it bases spending firmly on the spending of the year before, a procedure that is traditionally emphasized in Congressional considerations. Finally, it permits a minority of sympathetic Congressmen to propose this constant refrain until the approach is accepted by a majority, rather than requiring them to start anew each year with new numerical limits—confronting new and invariably padded proposals of the Defense Department. (Needless to say, it does not preclude other cuts or increases favored by a majority because conditions have changed.)

Underlying this approach is an observation that must have struck every thinking citizen during the President's State of the Union Address. The President emphasized peace abroad and new relationships with former adversaries. Was there any justification in the emerging world environment for ever higher defense expenditures? This is a question which Congress should answer as a whole. Expecting, as we do, that a majority of Congressmen agree with us that the answer is "no", we recommend to them the mechanism set forth above: constant dollar limits modified by economy incentives.

Approved by the FAS Executive Committee, this statement was reviewed and endorsed by the following specialists on various aspects of the problem:

Dr. George B. Kistiakowsky, Mr. William Capron, Dr. Morton H. Halperin, Mr. Walter Slocombe.

### RECESSION OR INFLATION: THE DEFENSE CONNECTION

The main question posed by this year's military budget is "why?" Why did the President approve an almost $100 billion budget carefully, but fraudulently, disguised as a $92.6 budget with two supplemental requests to the past 1974 request? By artificially inflating the 1974 request, while reducing the 1975 request, he has tried to make them seem more equal. But an examination of projected defense purchases of goods and services reveals that the economy will be absorbing a 9% increase—an unprecedented increase for peacetime, one exceeded since World War II only during the Korean and Vietnamese build-ups.

The reason does not lie in an increasing threat. Generally the threat is declining and the first paragraph of the Defense Department's main release boasts "For the first time in 10 years the Defense budget does not include funds to support combat operations of U.S. forces any place in the world". There is, as always, something to complain about in the Soviet missile program. But the pace of that development program is actually slower that DoD expected, though more broadly based, and our own programmed modernization is going more swiftly and being done more effectively. Moreover, the changes in the Soviet missile program have at most very moderate strategic significance, and less financal import.

It has to be an economic motivation. They must have decided, at the last minute, to prime the pump with the defense budget to fight the expected recession. This is, of course, traditional. In the large military budget such additions are more easily hidden and are protected by the President's rather greater relative primacy in foreign affairs.

But still, why? One searches the Economic Report of the President in vain. Indeed, it opens by saying:

"For eight years economic policy and the news about the economy have been dominated by inflation. The story has been a frustrating one . . . During the 8 years the inflation came in various forms—sometimes led by wages, sometimes by prices, by foods, by oil; sometimes it was domestic and sometimes imported. Many programs have been launched to stop it—without durable success. Inflation seems a hydra-headed monster . . ."

Is not inflation a more serious problem today than unemployment measured the only way one can—politically? Won't this increase in defense spending first fuel the inflation? Can the President gain support in this way in a year projected to have an 8% increase in GNP of which only 1% is real production?

Anyway, why take such a drastic step when no one has any real idea which way the economy is going to turn? The Council of Economic Advisors refers repeatedly to an "unusual degree of uncertainty" and suggests three possibilities that do neither more nor less than cover the entire waterfront: a) increase in production and new price pressures; b) contraction and rising unemployment; and c) moderate expansion. In short, anything can happen. The report notes pathetically: "After some period, probably after the first half of the year, the course of the economy will be influenced more by policies still to be adopted."

The President seems to be following the principle: When in doubt, spend, and do it on the military. Karl Marx must be smiling.

### CAN DOD COMPLY WITH THE FAS STRATEGY?

According to the adjoining table, the net budget cost of fiscal 1974, including genuine supplemental items, and a pay supplemental, was $82.6 billion. The Department of Defense calculates that $5.1 billion should be added to this year's budget to absorb inflation and pay increases. Thus a "constant" defense establishment would require $87.7. The three percent cut would reduce this amount by $2.6 billion to $85.1 billion.

In short, the FAS strategy would ask DoD to get along with only $2.5 billion *more* this year than last year plus any genuine supplementals arising out of unpredictable necessity. Is this so difficult? The Vietnamese war, unlike every other war in American history, is going to turn out—in any case—to be the first war which ended without any decline whatsoever in U.S. military spending!

As all Congressmen know, a great many analyses have shown the feasibility of cutting the defense budget by substantial percentages. In 1971, the National Urban Coalition review called for more than a 20% cut in the first year followed by another 15% cut in the next year; it detailed where these cuts might be made.

A well worked out McGovern Budget, in 1972, proposed specific cuts totaling one-third over a period of three years.

Little can be said directly about the Fiscal 1975 budget because the Administration has as yet provided so little information on it. But cuts proposed on the Fiscal 1974 budget would be of continuing applicability and they were substantial.

### FISCAL 1974 BUDGET CUTS

A report to the Congress on the FY 1974 budget presented by 13 former government officials recommended a reduction of +14 billion. It was endorsed by former Deputy Undersecretaries of Defense, Roswell L. Gilpatric and William C. Foster, as well as former Assistant Secretary of Defense for International Security Affairs Paul C. Warnke, and former Acting Assistant Secretary of Defense for Systems Analysis Ivan Selin. The authors emphasized the changing international situation. They wrote:

"Now is the time when the defense budget should decline, not increase, to reflect a changing world. The President, in his cordial exchanges with Chinese and Soviet leaders, has repeatedly stressed the need for a relaxing of international tensions. The Nixon doctrine states that foreign allies are primarily responsible for their own security. The SALT negotiations should have begun to curb a dangerous nuclear arms race. The U.S. and Russia have begun to develop economic ties, with large-scale business exchanges, which imply the existence of long-term, stable relationships.

"As the President has repeatedly stated, we are indeed moving from an era of confrontation to one of negotiation. We still need a defense fully adequate to ensure our physical safety, but a general reduction in military funding would be consistent with that purpose in this new era. The Administration's proposal for increased military spending would, at best, mean a diversion of U.S. resources from urgent domestic needs. At worst, it could re-ignite the arms race, bring about new international crises, and jeopardize our national security."

The reductions they propose include $4 billion for general purpose forces deriving in part from a reduction in Asian-oriented forces; $3 billion in manpower efficiencies and $3 billion from slowing down the modernization of strategic forces.

But it is not necessary even to adjust the defense budget to new emerging political relationships in order to provide substantial economies. In reviewing the Administration's Fiscal Year 1974 Budget, the Brookings study of national priorities considered three alternatives. Alternative two accepted the Administration's definition of American interests but suggested economies might nevertheless be made totaling $3 billion in the first year, $6 billion in the next year and $10 billion by the fifth year. In effect, it called for holding the defense budget constant, in constant dollars, throughout the decade. The Brookings study summarized the option as follows:

"Alternative 2 is a defense posture designed to serve present purposes at lower cost. It is based on the view that large economies can be made in defense costs without modifying the U.S. definition of its interests abroad or appreciably affecting present military capabilities to protect or advance those interests.

"Major cost reductions would be concentrated in strategic forces and in manpower. In the case of strategic forces, the pace of modernization would be substantially moderated and the more marginal force elements, including the older model B-52 bombers and selected air defense units, would be eliminated. Manpower savings would arise from moderate reductions in support services and reserve forces and from changes in military pay policies, including retired pay benefits. The number of major force components—both strategic and general purpose—however, would remain virtually unchanged. But there would be reductions of over 100,000 in active military manpower and slightly less than 100,000 in defense civilian employment."

Still further reductions are possible if assessments of force requirements are changed. If forces provided for Europe were earmarked for a short, rather than a protracted, conflict, 50,000 men in Europe could be withdrawn. Strategic forces might rely upon a diad composed of bombers and submarine-launched missiles. Disengagement in Southeast Asia might be coupled with security alliances is Asia limited to Japan alone. Following this train of thought, a third Brookings alternative envisaged one-third cuts in conventional forces. Overall reductions were considered to be $7 billion in the first year rising to $26 billion by the fifth. To these cuts could be added, for this year, the $5 billion increase *not* related to inflation or higher wage rates.

And it is noteworthy that these and other proposals to cut the defense budget, or hold it constant in constant dollars, pinpoint necessary cuts. They overlook the very real possibility that *efficiencies* can make economies unnecessary. It ought to be a preeminent goal of Congressional limits on the defense budget to induce the Defense Department to squeeze more out of the funds provided, to think of ways to keep old commitments with fewer resources. Thus the Brookings alternative two, plus efforts to provide forces with more efficiency, might well be expected to provide the savings associated with the FAS proposal.

### The Efficiency/Economy Reduction in Constant Dollars: The Numbers

(DEFENSE DEPARTMENT AND MILITARY ASSISTANCE)

[Billions of dollars budget authority]

| | |
|---|---|
| Fiscal year 1974 budget costs: | |
| Appropriated by Congress | 80.7 |
| Pay supplemental | 3.4 |
| Readiness supplemental (Genuine supplemental items)[1] | .7 |
| Fuel price increase | .5 |
| Middle East paycheck | .2 |
| Israel Emergency Aid[2] | −2.2 |
| Net cost of fiscal year 1974 | 82.6 |
| Proposed fiscal year 1975 budget (FAS): | |
| Fiscal year 1974 cost | 82.6 |
| Inflation and pay increases[3] | 5.1 |
| Investment programs | 1.5 |
| Operating programs | 4.6 |
| Fiscal year 1975 "constant dollar" cost | 87.7 |
| Less 3 percent efficiency/economy cut | −2.6 |
| Proposed budget authority | 85.1 |
| Administrative fiscal year 1975 request: | 95.0 |
| Fiscal year 1975 budget "readiness" | 92.9 |
| Supplemental[1] | 2.1 |
| Proposed fiscal year 1975 budget authority: | 85.1 |
| Net Saving | 9.9 |

[1] The Administration has requested an FY74 Supplemental of $2.8. Of this, two items—fuel price increases ($480 million) and a Middle East paycheck ($231-million)—are legitimately supplemental items reflecting unanticipated increases in the cost of approved forces. These items are included in the FY74 budget. The remainder of the supplemental to purchase new equipment is treated as part of the FY75 budget request.

[2] The FY75 request contains no funds for Israel but the budget notes that a supplemental request might be made. Thus for purposes of comparing the 74 and 75 budgets this item should be excluded.

[3] Department of Defense Press Release 43-74, Feb. 4, 1974.

### SELLING THE BUDGET: GAMES THE PENTAGON PLAYS

The sleight of hand engaged in by the Defense Department to sell the present $100 billion budget has aroused a certain degree of cynicism. The seven stratagems described below are mostly new. Trying to sell the Congress and the country on a budget of this size in the midst of a much-advertised detente has elicited considerable Pentagon ingenuity.

#### 1. THE DECLINING-PERCENTAGE-OF-GNP GAME

As has recently become a perennial phenomenon, the Administration proclaims that "national security" will take a lower percentage of the GNP in FY 75 than in any prior year since 1951. An unstated premise is that the Pentagon is showing self-restraint in not insisting on a permanent right to some fixed share of the output of the nation. But in constant conditions, defense should take a constantly declining share of a growing economy's output.

#### 2. THE THE-DEFENSE-BUDGET-ISN'T-REALLY-RISING GAME

The Administration claims that the FY 75 budget, though at record levels "in real terms means doing no more than holding our own as compared with FY 1974, for the $5.5 billion increase is wholly consumed by pay and price increases." That argument, obviously, makes sense only if the increase is just $5.5 billion—a figure credible only if you ignore the efforts of the Pentagon to retroactively increase the FY 74 budget by last-minute supplementals" to make last year look high compared to FY 75. (See adjoining box).

#### 3. THE WE-OWN-WHAT-WE-WASTE GAME

The FY 75 budget plans a one-third division increase in the size of the Army, as the first stage of a three year "manpower efficiency" program that will eventually increase the Army by a full division. This unauthorized increase is admitted not to be based on any change in the threat or the need for ground forces. In Secretary Schlesinger's words, the extra division is an "incentive" to the Army to cooperate with his program to shrink swollen headquarters, manpower, and other support costs. This amounts to giving the Army—and one assumes the other services, as well—a permanent claim on every dollar saved by eliminating their past waste and inefficiency, lest they sabotage the efficiency program!

#### 4. THE SUDDENLY-DISCOVERED-"READINESS"-REQUIREMENT GAME

The newly presented request includes $2.8 billion—almost half again as much as the $2.05 billion requested for energy research and development—for something described as "maintaining the desired readiness level of U.S. forces." This money is supposedly largely to correct "the most urgent deficiencies in the condition of our forces that were made apparent by the Middle East hostilities."

But on examination, it turns out that this new lesson of military science exposed among the sands of the Sinai is that if it is to be ready to fight, a military force needs ammunition, adequate maintenance, equipment that is ready to use, no bottleneck shortages of critical weapons and equipment, and a way to reach the combat scene quickly—for these are the "urgent deficiencies" most of the readiness money would be used for. It is easy to believe that the Pentagon has been neglecting real combat readiness—but impossible to accept that its past neglect justifies emergency increases in funds when the men who have been in charge of managing the Pentagon for years finally acknowledge their past failures.

#### 5. THE WE'RE-WEAKER-THAN-64-AND-CAN'T-RISK-MORE GAME

Not even the Pentagon expects to scare people very much by saying that there has been some reduction in our military machine since the Vietnam peak. So, the preferred comparison is with 1964, the last "peacetime" year before Vietnam. Secretary Schlesinger says "We maintain a much more modest defense establishment in 1974 than was considered necessary in peacetime only a decade ago."

Even in crude "bean-counting" terms, that claim is not very convincing. We have 70% more strategic missiles than in mid-1964, more than compensating for the decline in bombers. We maintain essentially the same numbers of tactical air wings. The Navy has the same number of attack carriers and three and one-half times as many nuclear submarines. The Pentagon itself explains the decline in the number of surface warships as due to the retirement of "marginally effective ships." (Incidentally, as a recent Brookings Institution study showed, the much-vaunted Soviet Navy has also spent the 1960's retiring elderly vessels).

The number of ground divisions has declined from nineteen and one-third to sixteen and one-third, reflecting, one would assume, such facts as the Berlin build-up included in the 1964 force, the vastly increased cost of manpower relative to equipment, and the abandonment of plans to fight major land wars simultaneously in both Asia and Europe. Moreover, the 1974 forces are vastly more powerful than those maintained in 1964. To give just two examples, the 1964 missiles mounted about one thousand warheads. The force planned for the end of 1975 will have approximately 7,000 warheads. Similarly, only one of the 1964 carriers was nuclear powered and only 8 were post-World War II designs. Now, ten are post-World War II designs and two are nuclear powered. In general, the Pentagon "peacetime" forces for the 1970's are larger and more powerful than the 1964 establishment.

#### 6. THE STILL-READY-TO-FIGHT-ANYWHERE GAME

Secretary Schlesinger justifies maintaining so large a force in "peacetime" on the grounds that the threat has increased and "so have our foreign interests," while "our political commitments remain essentially constant." He adds, "Now we constitute democracy's first line of defense" and "deterrence must operate across the entire spectrum of possible contingencies." That we have world-wide interests and concerns one may agree. But that the events of the last decade have in no way changed the requirements that those interests put on our military force seems very doubtful. From other proclamations by the Administration, one would have thought that something had been learned in the last ten years about how much the United States really needs to maintain military forces to intervene directly in foreign countries. It turns out that, except for a modest reduction in ground divisions, that is not the case.

#### 7. THE EVER-SHIFTING-RATIONALE GAME

No Pentagon procurement project ever lacks a rationale. The problem is that the rationale in one year does not necessarily relate to those of the previous or subsequent years. A particularly vivid example this year is AWACS, the airborne warning and command system, a radar-loaded Boeing 707 which would, at a cost of about $55 million, provide command and control for air defense. This hugely expensive project was originally touted as an essential part of the United States continental air defense system against Soviet strategic attack. This year the Department of Defense has finally decided (as FAS has urged for years) that since we have no defense against the much larger Soviet missile threat, there is little point in spending huge amounts to defend against the much smaller threat of 140 obsolete and obsolescent Soviet strategic bombers. But this decision is not allowed to interfere with spending an additional $770 million for the program in FY 75. Only now, the same, AWACS system is declared to be for support of tactical air.

### SALT, SCHLESINGER AND STRATEGY

On SALT, FAS ideas are having considerable success. The February Report urged bilateral negotiated reductions of land-based missiles and was well covered by, among others, the New York Times, Washington Post and International Herald Tribune in their January 27 edition. On February 2, the Washington Post reported, in an exclusive interview, that the Director of the Arms Control and Disarmament Agency, Dr. Fred Iklé "said he would agree with a recent recommendation by the Federation of American Scientists to negotiate with the Soviet Union for a reduction of one-third of each side's land-based ICBM force over the next five years, with subsequent reductions to follow". The article surmised that the interview would not have been given without the approval of Secretary of State Henry A. Kissinger, to whom Dr. Iklé reports (when he does not report directly to the President).

On February 5, after the Secretary of Defense's opening summary of the Defense Department budget requests to the Senate Armed Services Committee, Dr. Schlesinger was asked by Senator Strom Thurmond (D. South Carolina) what he thought of the views expressed in the interview by Iklé. He indicated that "we are prepared to reduce if they are". And when asked why the Soviets would agree, he said it would be "reasonable for them to do so" because, otherwise, the United States would be forced to buy more weapons. (Later the Wall Street Journal and L.A. Times had editorials referring to the FAS proposal and treating it with some sympathy.)

### NO ONE AGAINST REDUCTIONS?

Thus there are indications that major political forces within the Administration are ready to support negotiated reductions of land-based missiles. This is not surprising.

The doves want the SALT talks to move in the direction of real disarmament; they fear a permanent freeze might become a *fait accompli*.

The technicians and strategists agree because they see "instability" as the two land-based missile forces become increasingly vulnerable to each other; in particular, these forces may move toward firing on warning rather than waiting to ride out an attack. This is universally considered a dangerous development since, in such an event, a false alarm could trigger a war.

The hawks are agreeable because they consider the Soviet land-based force to be more powerful than ours (1610 missiles and some larger ones as opposed to 1054 on our side); they see reductions as a way of negotiating more equal numbers of land-based missiles.

Actually, the two land-based missile forces are probably startlingly equal in real overall effectiveness. The customary formula of missile effectiveness against hard targets is $M^{2/3}/(CEP)^2$ in which M is megatonnage and CEP is the standard measure of accuracy (i.e. radius of that circle in which 50% of the missiles will fall). Using .5 mile CEP for Soviet missiles, .25 mile CEP for U.S. missiles, and measures of warhead capability as provided by the Institute of Strategic Studies, one readily calculates that the effectiveness of the U.S. force is between 18,500 and 23,500 while that of the Soviet force is between 18,000 and 20,500. This is astonishingly close equality. (For Soviet SS–11s, and for some Minuteman, the tables show 1 *or* 2 megatons and this gives rise to the variance in these estimates. These estimates of effectiveness are much more sensitive to uncertainties in accuracy than in megatonnage.)

Of course, the hawks are worried that Soviet accuracy will increase from .5 miles to something better—but so will ours. Ultimately, every warhead on both sides will have such good accuracy that each will account for a high probability of destruction of a target. By then, with more than 8,000 warheads on our side, what difference will it make how many the Soviets have—especially since they are projected to have fewer? There will be more than enough even for destroying all Soviet land-based targets, even including 1600 S.U. missiles and all S.U. cities!

What we are witnessing is the capacity of the Defense Department to get itself excited over things that matter only to Defense Departments—and then to bargain accordingly. Today only generals consider the President disadvantaged by a missile imbalance—indeed one that doesn't exist! In a world of nuclear plenty, if anything matters to Soviet confidence, it is Watergate, our energy crisis, and our faltering economy.

By February 8, Senators Charles McC. Mathias and Edward M. Kennedy had introduced a resolution calling in effect for "equality through reductions"; it suggested that SALT negotiations disagreements should be resolved by *reducing* weapons rather than by building more. Twenty-six co-sponsors signed up promptly, including Senators Fulbright and Mansfield. Hearings are planned in both the Foreign Relations and Armed Services Committees.

The resolution defines equality as an "overall balance" of such disparate factors as quantitative factors, qualitative factors, and geographical asymmetries. These factors being incommensurable, it effectively leaves equality to the eye of the beholder where indeed it should lie.

### SCHLESINGER: AN INTELLECTUAL HAWK

The new Secretary of Defense is certainly a unique character. He is intelligent enough to speak extemporaneously to the Senate Armed Services Committee; this leaves these much less articulate gentlemen somewhat laughably awed. And he is an intellectual, rather than a military, hawk freely conceding that the Soviet Union has a record of being "prudent and sober." An individualist whose bird-watching and hanging-out shirttails are widely celebrated, he seems unlikely to be talked out of anything of which he has become convinced.

His major contribution to strategy seems destined to be the addition of a new rung on the nuclear escalation ladder—limited (i.e. isolated) missile attacks as shows of force and resolve. In this regard he reflects quite a narrow segment of U.S. strategic thinking, a throwback to that Herman Kahn era of expect-anything and prepare-for-everything. Like that experienced debater, he loves attacking from the blind side and hectors the Senate Armed Services Committee on the dangers of "automaticity" in nuclear response, even pounding lightly on the table. It is quite a performance.

Not only in technology, but also in strategic analysis, America forces the pace in the arms race. Not a word in Soviet strategic literature suggests that isolated nuclear attacks might work as shows of force. Quite the contrary; the Russians show every indication that all-out (spasm) war would result from anything like that. But in the name of being prepared for their acting in this way, we are planning to take the lead in doing so—this can only lead them to give the matter more consideration and to plan for such attacks themselves.

Why talk so much about it? Why not just do it? Indeed, we have done it already. The flexibility of being able to hit more than one target has long been with us. According to *MIRV and the Arms Race* by Ronald L. Tammen, even our Minuteman II had the memory necessary for eight different targets!

It is argued that we need very high accuracy so that we can save civilian lives in our show of force. How absurd can you get—playing games with hundreds of millions of lives and talking of saving a few hundred? Why not just choose the targets for the show of force so that no civilians live nearby—isolated dams and such? For shows of force, the specific target does not much matter. One can always fit the target to the technology.

The accuracy part of the problem is under intense debate in the Administration because it costs money and because it will lead to substantial instability in the arms race. It is not clear whether Schlesinger is intensely wedded to buying the higher accuracy.

But he does want the ability to hit the Russians in limited attacks and he does want to talk about it. The net result will be to make nuclear war more likely by providing—through this new rung—a nice series of escalatory steps where there had been one big firebreak.

First we could have limited strategic attacks—isolated uses of nuclear weapons. Then there would be pre-emptive wide-scale attacks by land-based missiles, firing on warning at each other. Finally we would have esoteric low-confidence efforts to destroy command and control centers and nuclear submarines. These attacks would be undertaken in a spirit of desperation, in a world that seemed likely to be blowing up anyway.

Secretary Schlesinger thinks that the nuclear situation is stable. It would be if one did not lay on limited strategic attacks and, by adding this rung, complete the escalation ladder. Of the decision to start a nuclear war he says that there is "no danger that decision will be made lightly so long as we can rely upon the rationality of decisionmakers". With statements like that, who needs Dr. Strangelove?

### SO-CALLED "AGGRESSIVE DEVELOPMENT PROGRAM" HAS SLOW PACE

Dr. Schlesinger is fond of saying that the "pace set by the Soviets will determine how fast we go" but of course this is not the whole story, since the two paces in question are not exactly objectively timed by impartial observers. For example the Secretary says that the "depth and breadth" of the Soviet advance has been surprising to us. Later he says that the "pace" has been slower! Evidently for purposes of alarming the public, "pace" can mean "depth and breadth" and not "pace". The same Pentagon that is applauding itself for pulling ahead an unexpected five years in MIRV is screaming about the rate of Soviet technological advance. With double standards like this, the mere existence of the Soviet Union would be enough to trigger U.S. procurement programs.

Of course, Dr. Schlesinger says he wants to avoid "undue alarm"; the Soviet missile programs only give the "potentiality" of supremacy. But when has the Pentagon ever complained about the *existence* of Soviet supremacy? As Congressman Mahon once noted, "the year of maximum danger is always two years hence". Today, it is 1980 or six years hence. This is progress—but not progress that the public will notice.

### NAVAL ARMS CONTROL: INDIAN OCEAN

The Navy is asking again for a base in Diego Garcia, an isolated island owned by the British in the midst of the Indian Ocean. The late Senator Richard Russell apparently opposed the base, much as he opposed fast deployment logistic ships, because he considered such capabilities too prone to encouraging unwise foreign interventions. (He did not oppose, however, airborne equivalent of these ships, the C–5A, which was being built in his own state, Georgia).

When the Senate Armed Services Committee heard Secretary of Defense Schlesinger on February 5, the first question asked by Chairman John Stennis was whether naval arms control negotiations in the Indian Ocean might not be possible. Saying the "race is on" for the Indian Ocean, he warned of the need to be "hard-headed" about where it might lead.

The Soviet Union's General Secretary, Mr. Brezhnev, apparently shares Senator Stennis's concerns about the ultimate course of naval rivalry. In June 1971, he said:

"We have never considered, and do not now consider, that it is an ideal situation when the navies of the great powers are cruising about for long periods far from their own shores, and we are prepared to solve this problem, but to solve it, as they say, on an equal basis. On the basis of such principles, the Soviet Union is ready to discuss any proposals."

He then referred to the Indian Ocean, as well as to the Mediterranean. There has been no public U.S. response.

### WHAT ABOUT ARMS CONTROL?

The Indian Ocean does indeed lend itself to some kind of naval agreement. It contains at present little U.S. or Soviet naval activity. The littoral countries are interested in having some kind of "sea of peace" maintained. And the Arab oil situation raises potential tension and provides immediate motivation. But time is urgent. Both the United States and the Soviet Union have begun a build up in the Indian Ocean and will soon have acquired vested interests in that area.

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## VIETNAM VETERANS GI BILL

Mr. McGOVERN. Mr. President, last Sunday Parade magazine ran a special article devoted to Vietnam era veterans.

It gives an accurate description of the plight of millions of young men who returned from Vietnam to find that they were not to be afforded the same educational and job opportunities granted those of us who fought in World War II.

It is a particularly timely piece of journalism in that hearings are to begin this week in both the House and the Senate on a variable tuition payment plan first introduced by Congressman WALSH and incorporated in the Vietnam Veterans GI bill which I introduced last December with the cosponsorship of Senators MATHIAS, INOUYE, and DOLE. Specific mention is made of our bill, S. 2789, and how it would help to correct inequities in the present educational benefits program available to young veterans. I ask unanimous consent that a copy of the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### VIETNAM VETERANS: THEY NEED HELP—NOW

(By Jonathan Braun)

For seven days in 1968 William Taliaferro was a prisoner of war. Today, more than five years after that nightmarish ordeal, he is once again a prisoner—of peace.

He is one of thousands who have been locked into lives of hardship, disappointment and despair after serving in Vietnam.

"Everyone's glad the war is over," says Taliaferro, a 24-year-old ex-Marine corporal, "but no one gives a damn about the veterans who are still fighting to survive."

Now they fight on welfare and unemployment lines, in government hospitals and psychiatric wards—these Americans who faced death in the jungles and rice paddies of Indochina. Some fight for jobs, decent housing, education and training, others just to be accepted as good citizens, and still others to be free of terrifying memories and the chains of drug addiction. Says one vet: "We're up against a whole system."

It's a system of arbitrary justice, insensitive bureaucracy and endless red tape, and for those who see themselves as its victims, feelings of bitterness and betrayal can be doubly intense. "Many of us volunteered to go to Vietnam," says Taliaferro. "Now we can't help but wonder if we should have gone to Canada instead."

#### ENLISTED AT 17

But Taliaferro knows that for him Canada was never really in the cards. The son of an Army officer, he enlisted in the Marine Corps at 17.

He turned 18 in "Nam," became a combat radio operator, was wounded in the chest and taken prisoner in August, 1968, during a bloodbath known as the "Tet Offensive."

Because he refused to reveal his "call signs" and "thrush points"—radio codes used to direct air and artillery strikes and coordinate troop movements—his captors cut off the middle finger of his left hand.

"They wrapped my hand in a bandage," he says, "but didn't do a thing for the hole in my chest, so I covered it with a plastic cigaret wrapper and some tape . . . On my seventh day as a prisoner the village we were in came under attack and in the confusion I managed to escape."

In Danang doctors pulled 11 pieces of shrapnel from his chest—and one year and two hospitals later, he was a 19-year-old vet with some medals and a monthly disability check.

"I wanted to be a cop before I went into the service," he says, "but the police didn't want someone with a disability on his record. The only job I could get was running a Xerox machine. Finally, I decided to go to school—I figured it was better than going nuts."

He commutes now from a small, sparsely furnished garden apartment in Elizabeth, N.J., which he shares with another vet, to the neighboring campus of Kean College, where he is a junior majoring in psychology.

#### INADEQUATE GI BILL

Ironically, Bill Taliaferro is one of the "lucky" vets who can afford an education. "Since I'm officially 100 percent disabled," he explains, "I'm entitled to $495 a month, money for books and tuition and a monthly stipend of $170. If all I had to count on was the GI Bill I could never make it."

Because the present GI Bill does not meet today's soaring living and education costs, only 21 percent of the eligible Vietnam vets are enrolled in college programs as compared to around 50 percent of eligible World War II vets.

"The Vietnam vet has been shortchanged," says Jim Mayer, president of the National Association of Concerned Veterans. "All you have to do is look at the benefits his father received after World War II."

World War II vets received sufficient education allowances—up to $500 a year for books, tuition and fees—plus $75 a month for subsistence. Vietnam vets, on the other hand, get $220 a month—or $1980 per school year—to cover everything, obviously far from the amount needed in these inflationary times.

#### A CHANCE FOR ALL VETS

Recognizing the need to achieve some kind of father-and-son parity over a third of the Senate—including Minority Leader Hugh Scott (R., Pa.) and Majority Leader Mike Mansfield (D., Mont.)—has co-sponsored the comprehensive Vietnam Era Veterans Educational Benefits Act (S. 2789), a five-bill education and job training package that would provide vets with annual tuition subsidies of up to $600. The act also carries an accelerated payments provision that would provide greater monthly subsistence payments spread over a shorter period. Thus, a vet who is now restricted to $220 a month for 36 months could receive $440 a month for 18 months.

"Acceleration would enable vets to attend law, medical and graduate schools," says Rusty Lindley, an ex-Special Forces captain who runs the Vietnam Veterans Center in Washington, D.C. "More importantly, it would allow educationally disadvantaged vets—who are either unprepared or unable to complete four-year college programs—to enter productive careers through two-year technical and vocational programs.

"The comprehensive act is really the only chance we have to grant an equal opportunity of all Vietnam era veterans."

Although roughly 2½ million men actually served in Vietnam, there are over 3 million veterans of the entire Southeast Asian theater. A total of nearly 7 million men are veterans of what is known as the Vietnam era—including more than 340,000 who are disabled.

"I'm just happy to be alive," says Tom Bratten of Silver Spring, Md., who lost his left leg and right arm when he stepped on a land mine, and spent 3½ years in Walter Reed Hospital. "Because I was an officer I was well taken care of. It's the enlisted men who need more attention."

"I'd have to agree," said a Veterans Adminstration spokesman, "that officers usually do a little better while they're in the military—but that's not true in VA hospitals."

The Veterans Adminstration, however, has been the target of criticism. Delays in sending out checks are common, and some vets angrily say they've had to wait for six months or more. A special Ralph Nader report has accused the federal agency of operating with a fundamental orientation toward older vets. Written by a Harvard University graduate student, the report concludes that "many of the basic services the nation has committed itself, at least rhetorically, to providing Vietnam vets, are simply not reaching them."

Some critics have even questioned whether the present bureaucratic setup is capable of meeting the needs of Vietnam vets. Rep. Mario Biaggi (D., N.Y.), for example, has proposed the creation of a new office of assistant administrator for Vietnam veterans affairs. According to Biaggi, "The assistant administrator would serve as an ombudsman where Vietnam veterans could go and know they'd receive help."

#### UNEMPLOYMENT AND WELFARE

But all this is only part of the story. "Hardcore unemployment is the most acute of all the problems facing today's vet," says Carl McCorden, Commissioner of New York City's Mayor's Office for Veteran Action.

Nearly 10 percent of vets in the labor force are unemployed, and in the low-income areas of the country—rural and urban—more than 20 percent.

On certain days set aside each month, incerasing numbers of Vietnam vets join special early morning lineups to get on the nation's welfare rolls. Most come from the poorest levels of society; few acquired any useful skills while serving in the military.

Even for skilled vets, however, landing a job can be a futile task—mainly because vets, like other minorities, are victims of prejudice and stereotyping. "I looked for work with about 15 different concerns," reports one vet, "and every one of them asked if I had taken part in an atrocity."

Uneasiness and discomfort felt by civilians in the presence of the men they have sent to war is nothing new; but never before, it seems, have so many Americans been so scared and so suspicious of their vets. Says Bill Taliaferro: "I get the feeling people are afraid a vet might do something wrong or crazy at any moment."

#### TIME-BOMB IMAGE

The time-bomb image of the Vietnam vet has been reinforced by the unpopularity and controversial nature of the war in which he fought—"a war with no friends and no fronts," as one vet put it.

"In Vietnam," says Yale psychiatry professor Robert Jay Lifton, "where atrocity and combat were almost indistinguished, the GI was made into both victim and executioner. . . . Whatever his struggles upon his return, many Americans continue to see him in terms of those roles . . . rather than as the lovable GI who came back from the wars."

"When I came home a lot of people criticized me for going to Vietnam," says Tom Aiken of New York, who is now blind in one eye because of wounds suffered during an artillery blast. "They told me they thought the war wasn't just.

"I had the feeling that nobody knew or cared why I was over there—that it was all a big waste of time," says Terry Campbell, coordinator of veterans affairs of Southern Illinois University at Edwardsville, Ill. "The whole attitude of the country is really the biggest problem vets have."

#### "COMING TO TERMS . . ."

"The country simply hasn't come to terms with Vietnam," adds Max Cleland, who lost both his legs and an arm in a grenade explosion and is now the only Vietnam vet in the Georgia State Senate. "How then can it come to terms with its veterans?"

And Joe Garcia, an Air Force vet who is now administrative assistant to the City Manager of San Jose, Calif., asks: "How do you get a nation to accept people they hold responsible—or at least partially—for a war that no one wants to remember?"

Even the veterans organizations, which lobbied successfully for the rights of World War II vets, seem to have difficulty accepting the boys from Vietnam. In a study commissioned by the VA, the prestigious Educational Testing Service concludes that both the American Legion and the Veterans of Foreign Wars have not demonstrated enough concern over the plight of today's vets.

"I'd go to one of the veterans organizations," says Taliaferro, "and all I'd get would be talk about the big war, the great war, World War II. Nobody even wanted to hear about Vietnam—after all, we didn't win that war."

Public rejection combined with the haunting, personal memories of combat have led to the problem of "Post Vietnam Syndrome." It's a loose term, coined by psychologists to cover the feelings of rage, persecution, alienation and apathy shared by many vets.

"I felt people wanted to sweep us under the rug when I got back," says former combat medic Jack McCloskey of San Francisco. "Especially in college—a lot of my classmates hadn't been in the service, didn't know what it was like and didn't care."

### SHAME AND GUILT

Dr. Chaim F. Shatan of New York University empasizes the guilt that plagues many vets. "The shame and guilt of being alive," he writes, "how few of us know what that *feels* like, how it makes a man feel less than whole unless he can feel an identity with the dead."

A confidential memo from the VA's department of medicine and surgery estimates that "serious and prolonged readjustment problems exist in one out of every five new veterans, but, to a lesser degree, were experienced by all."

"A friend of mine hasn't been out of his house in two years," says one vet. "He just can't seem to move—not even to the corner."

But *perhaps the darkest cloud hanging over the Vietnam vet is the drug problem,* since a great many Americans wrongly assume that all vets have abused drugs. "Some of my oldest friends accused me of being a dope addict when I came home," says Randy Taylor, who opened a restaurant in his small Virginia hometown after serving four years as a combat medic in Vietnam. "They even spread rumors that I wore long sleeves to cover needle marks on my arms . . . It finally got so bad that I had to close up my business."

Although the drug has been grossly exaggerated, there is no denying that many vets came to depend on drugs in Vietnam, some to relieve the pain of wounds, others to escape the cruel realities of war.

### "OTHER THAN HONORABLE"

A government study states that many of the vets using drugs require immediate help if they are to avoid becoming hard-core addicts. Among them are those who received "Other Than Honorable" discharges for drug abuse—and are now denied treatment because of VA regulations!

But the more than 22,000 vets who were given "bad paper" for drug abuse represent only a small fraction of the vets who—often for the most petty reasons—have been branded with a range of Other Than Honorable discharges. Effectively shut out of most employment and education opportunities, they have even been deprived of veterans benefits; instead of getting them automatically, Other Than Honorable vets must have their benefits granted by a special VA review board. Favorable decisions are rare.

### "CATCH–22"

Many vets with "Undesirable" discharges did not originally contest them because they were told by the military that the designations could easily be changed in civilian life. In the best Catch–22 tradition, they were later informed that one of the requirements for upgrading an Undesirable discharge is holding a job for at least one year. The "catch," however, that Undesirable vets have little or no chance of being hired by anybody.

"Vietnam vets bought a dream," says Carl McCarden, who saw action as a Green Beret and served as an adviser to Ambassador Ellsworth Bunker. "They largely bought the star-spangled dream of serving one's country and trusting the judgment of those in power to do the right thing. Tragically and inexcusably, the dream has disintegrated into a nightmare, and is now dissolving into a red, white and blue struggle for survival—a struggle by forgotten Americans."

Mr. McGOVERN. Mr. President, I also wish to announce at this time that Senator EAGLETON has asked to be named as a cosponsor to S. 2789. The addition of his name brings to 38 the total of Senators who have seen fit to lend their names to what we feel is a worthy and badly needed piece of legislation. Already listed as cosponsors other than those I have mentioned are Senators MCGEE, ABOUREZK, METCALF, HATHAWAY, TAFT, CHURCH, HUGH L. SCOTT, MONDALE, GRAVEL, RIBICOFF, JACKSON, BROOKE, CLARK, HUMPHREY, BAYH, TUNNEY, CASE, MONTOYA, JAVITS, KENNEDY, MANSFIELD, HART, MOSS, MUSKIE, SCHWEIKER, MAGNUSON, GURNEY, PASTORE, BEALL, NELSON, WILLIAMS, and CURTIS.

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## DEATHS OF DR. AND MRS. JOHN G. ULMER OF HEMINGWAY, S.C.

Mr. THURMOND. Mr. President, a double note of sadness befell the town of Hemingway, S.C., early this month with the deaths of both Dr. and Mrs. John Gordon Ulmer. They had been so much a part of that community and the broader areas of Williamsburg, Georgetown, and Florence Counties that their loss will be sorely felt.

Dr. Ulmer was a family physician in the finest sense of the profession. His practice in Hemingway had spanned a half century before illness forced his retirement last summer. During those 50 years he healed the sick, night and day, and made his calls wherever there was need. Additionally, he delivered nearly 6,000 babies in a farflung practice which often carried him many miles from home while others slept.

Throughout those years of dedicated service to all who sought his help, he was supported by his devoted wife, Ruth Harmon Ulmer. She was a gracious lady who complemented perfectly the role of her husband in the community. She provided high standards of personal achievement in all that she undertook and served as an exemplary person to all who knew her.

The people of Hemingway and surrounding areas had such deep affection for Dr. and Mrs. Ulmer that October 15, 1972, was declared Dr. John Gordon Ulmer Day with appropriate festivities. It was my pleasure to be present for that occasion and the Hemingway High School auditorium overflowed even beyond standing room as more people than the town's entire population came to express their affection for Dr. and Mrs. Ulmer.

It is all too seldom that we find people of their compassion and religious faith whose lives are such excellent testimony to their beliefs. Although their deaths have left a deep void in the community where they lived, they have left a legacy of service and love which will endure for succeeding generations.

Mr. President, Dr. and Mrs. Ulmer were truly outstanding people who attained the highest accolade of their community: the true affection of all who knew them. Accordingly, the outpouring of sympathy and tribute to Mrs. Ulmer who died March 2 and to Dr. Ulmer who died March 6 has been widespread and generous. It is fitting that a scholarship fund has been established in Dr. Ulmer's memory to assist some worthy medical student prepare for the same field of service which Dr. Ulmer followed.

I extend my deepest sympathy to the family of this distinguished couple. Surviving are a daughter, Mrs. Edward Dixon Harrill of Fairfax, Va.; a son, John Gordon Ulmer, Jr. of Chapel Hill, N.C.; three grandsons, Edward Dixon Harrill, Jr., Stephen Gordon Harrill and Paul Daniel Harrill; a granddaughter, Rebecca Elizabeth Ulmer; a sister, Miss Rumel Ulmer of Brunson, S.C.; and a brother, S. Eric Ulmer of Allendale, S.C.

Mr. President, at the time of their deaths, numerous newspaper articles appeared around South Carolina about Dr. and Mrs. Ulmer. I ask unanimous consent that two of these representative accounts be printed in the CONGRESSIONAL RECORD at the conclusion of my remarks, as follows: "Mrs. Ulmer of Hemingway Dies Saturday," The State, Columbia, S.C., March 4, 1974; and "Dr. John G. Ulmer Dies in Florence," the State, Columbia, S.C., March 7, 1974.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S.C.) State, Mar. 4, 1974]

### MRS. ULMER OF HEMINGWAY DIES SATURDAY

HEMINGWAY.—Mrs. Ruth Harmon Ulmer, wife of Dr. John Gordon Ulmer, died in a Florence hospital Saturday after a short illness.

She was born in Conway, a daughter of the late Roswell Thomas and Mary Gasque Harmon. She spent most of her adult life in Hemingway, where she was a member of the Priscilla Book Club.

Surviving are her husband, a son, J. G. Ulmer Jr. of Chapel Hill, N.C.; a daughter, Mrs. Edward Dixon Harrill of Fairfax, Va.; and four grandchildren.

Services will be 4 p.m. today in First UMC with burial in Old Johnsonville Cemetery.

The family suggests that those who wish may make memorials to the Dr. John Gordon Ulmer Scholarship Fund.

Morris Funeral Home is in charge.

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[From the Columbia (S.C.) State, Mar. 7, 1974]

### DR. JOHN G. ULMER DIES IN FLORENCE

HEMINGWAY.—Dr. John Gordon Ulmer Sr., 74, died Wednesday in a Florence hospital after a long illness.

Born in Brunson, he was a son of the late Henry Martin and Janie Free Ulmer. Dr. Ulmer was educated in Brunson schools, the College of Charleston and the S.C. Medical College.

Dr. Ulmer moved to Hemingway in 1923 after internship at Roper Hospital. He began his practice July 12, 1923, and finished his 50th year of practice prior to his illness.

During the 50 years, he delivered about 6,000 babies and was known as the "baby doctor." During one month he delivered 28 babies. In his family practice he came into contact with almost every family in the tri-county area he served.

When he came to Hemingway in 1923 it had a population of 200 and no doctor. Dr. Hemingway had died earlier from injuries in an explosion of his sterilizing machine.

Dr. Ulmer opened his practice in the drug store in Hemingway, but had very little office practice. He mostly made house calls on the dirt roads of Williamsburg, Georgetown and Florence counties.

During the Depression, he delivered babies in homes lit by firelight or candlelight. He was often paid with produce or ham instead of money.

Dr. Ulmer was honored by the residents of Williamsburg, Georgetown and Florence Counties on October 15, 1972 when Dr. John Gordon Ulmer Day was held in Hemingway.

One of his many honors that day was the establishment of the Dr. John Gordon Ulmer Scholarship at the Medical University of Charleston.

He was a member of First Baptist Church of Hemingway.

Dr. Ulmer was a charter member of Hemingway Civitan Club. In 1967 he was awarded the Distinguished Citizen's Award by the Hemingway Jaycees. He was a member of Indiantown Masonic Lodge of Hemingway and the Hemingway American Legion Post.

Dr. Ulmer was a member of the American Medical Association, the S.C. Medical Association and the Williamsburg County Medical Society.

While at the Medical College, he was a member of John L. Dawson Medical Society.

Surviving are a son, John Gordon Ulmer Jr. of Chapel Hill, N.C.; a daughter, Mrs. Edward Dixon Harrill of Fairfax, Va.; a sister, Miss Rumel Ulmer of Brunson; a brother, E. Eric Ulmer of Allendale; and four grandchildren.

His wife, the late Mrs. Ruth Harmon Ulmer, died Saturday.

Services will be 4 p.m. today in First Baptist Church, with burial in Old Johnsonville Cemetery.

Morris Funeral Home is in charge.

The family suggests that those who wish may make memorials to Dr. John Gordon Ulmer Scholarship for needy medical students, P.O. Box 6, Hemingway.

## CONSERVATION OF ENERGY

Mr. RIBICOFF. Mr. President, despite the controversies over responsibility for the Nation's energy problems, everyone recognizes that only by working together will America safely weather the "crisis." From the President to the apartment dweller with a small car, everyone must do his share in conserving the energy we have.

The campaign begun by Connecticut's insurance industry is a laudable example to other firms—and embodies the spirit which we must all follow.

I ask that the following statement, describing the "My Limits" program, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT

WASHINGTON, D.C.—The U.S. Department of Commerce Thursday presented its first energy conservation award in Connecticut to the Connecticut insurance industry.

Secretary of Commerce Frederick B. Dent made the presentation to Roger Dove, executive director of the Insurance Association of Connecticut, and R. Channing Barlow, chairman of the IAC Public Relations Committee and vice president of The Hartford Insurance Group.

"The IAC's people-to-people program of seeking individual commitments and internal efforts by its member companies," Secretary Dent said, "can serve as an example for other firms around the country, and adoption of such programs would make our goals of energy savings infinitely easier to reach."

The IAC program was a statewide effort built around voluntary compliance with a 50-mph highway speed limit and a 68-degree maximum temperature in home and office. In addition, the Connecticut insurance companies initiated a variety of successful individual energy conservation measures.

In accepting the award, Dove said it honored the tens of thousands of Connecticut citizens who made individual commitments and personally participated in the campaign.

"As Secretary Dent so aptly described it, this was indeed a people effort," Dove said. "We are pleased that the Department's citation officially recognizes the outstanding voluntary response made by the people of Connecticut, the Connecticut insurance industry's 34,000 employees, and the many elected state officials who became involved in the drive. Without their enthusiastic support—and without the coordination and direction of the public relations departments of our companies and the hundreds of company people who worked so hard on the campaign—we could not have achieved such a high degree of success."

The IAC is a trade association representing Connecticut's domestic insurance companies in the areas of information, governmental relations and media relations. The Association and its member companies launched their campaign last Nov. 16 at a press conference called by Governor Meskill, and the state's top legislative leaders took leading roles in the program.

The campaign was built around the mass distribution of pledge cards and bumper stickers with the slogan "50 mph—MY LIMITS—68°." The cards pledge the signers to observe these limits and were mailed to the Governor, members of the Connecticut General Assembly and members of the Connecticut Congressional delegation.

A full-page newspaper ad announcing the bumper sticker campaign appeared in every daily newspaper in Connecticut. Smaller newspaper ads showed various state officials affixing the bumper sticker to their automobiles.

Radio spot announcements during drive-time hours featured approximately the same group of state officials.

More than 300,000 "MY LIMITS" bumper stickers were distributed throughout the state and elsewhere in the nation. Tens of thousands of pledge cards were signed and mailed to state and national officials. Governor Meskill later commended the IAC and the insurance industry for its "great work" in helping to educate the public regarding the energy crisis.

In addition to the cooperation given the IAC program, the Connecticut insurance companies initiated a variety of highly successful individual energy conservation programs such as organizing and encouraging car pools, setting up new bus runs and achieving marked reductions in fuel and electrical consumption. The car pool and bus programs have taken a minimum of 4,000 cars off Connecticut streets and highways each working day.

## A REQUEST FOR AN INVESTIGATION OF THE CONSUMER PRODUCT SAFETY COMMISSION BY THE GENERAL ACCOUNTING OFFICE

Mr. TOWER. Mr. President, in recent weeks my staff has conducted an investigation of the extent to which the Consumer Product Safety Commission is implementing and enforcing the Consumer Product Safety Act. The Commission was established by that act which was passed by Congress in October 1972.

The findings of this investigation lead me to only one conclusion: The Commission has in many cases been operating without any procedures whatsoever and may totally be disregarding the due process guarantees in section 6 of the act and consequently the due process guarantees afforded every American under the U.S. Constitution.

Therefore, I have written a letter to the Honorable Elmer B. Staats, Comptroller General of the United States, requesting that the General Accounting Office undertake a thorough investigation of the Commission's practices.

I recognize that this is a most serious charge that I am lodging against this independent regulatory agency. The Commission's role is to protect the public "against unreasonable risks of injury associated with consumer products." We all support this laudable objective. At the same time, the Congress cannot allow any executive department or independent regulatory agency to disregard traditional due process safeguards by cloaking itself in an admittedly popular crusade to rid the Nation of all hazardous products. Furthermore, the fact that the Commission's overzealous actions and attitude falls into the pattern of any independent regulatory agency in its initial years of existence is not a reasonable excuse and must be rejected.

Mr. President, it is a well-known fact that the Commission has had its differences with the White House over personnel matters. This controversy does not really concern me; however, I *do* believe that it is indicative of the sheltered and isolated environment in which the Consumer Product Safety Commission has engaged in its activities. By cloaking themselves around a cause which we all support, the Commission is under the impression that Congress has given it carte blanche authority to do whatever it wants, regardless of the irreparable injury caused by those actions.

We are indeed living in an era of governmental abuse of the public trust. I can only conclude that this Commission has likewise seriously abused its discretion, thereby violating the public trust. It is acting in a vacuum by failing to recognize the basic safeguards which our society has recognized as being essential to our democratic institutions.

In the case with which I am most familiar, the Commission issued a press release to the effect that the product in question was hazardous. This was issued just 8 days after the Commission had received a single complaint. This action appears to be in violation of the act and was undertaken without the filing of a formal complaint or conducting any type of adjudicatory proceeding.

Mr. President, this case concerning one of my constituents represents on its face one of the most serious abuses of governmental discretion that has come to my attention during my 13 years in the Senate. Even if I felt that it was an isolated example I would still call for an investigation and seek other corrective measures. However, I believe that the Commission's short history shows that a pattern of abusive actions causing irreparable damage to many Americans exists. One such case dealt with the Commission's handling of the ban on certain aerosol spray adhesives. This ban was announced in August 1973. Despite the fact that the Commission's investigation following the ban was unanimous in concluding that there was no causal connection between the product and the alleged hazard, it took more than 6 months for the Commission to lift the ban. Finally, when the ban was lifted, the Commission gave perfunctory notice that the products in question were safe despite the act's clear call for a retraction of the inaccurate information in a manner similiar to the method used to announce the original ban. In the meantime, I am informed that at least one small business was forced into bankruptcy and others were irreparably damaged.

I can only conclude that the Commission is more concerned with its public relations than with the legal requirements guaranteed by the act and by the Constitution.

Mr. President, I hope that my actions will lead to the Congress' engaging in a thorough review of the practices of the Commission. I am confident that the General Accounting Office investigation will shed further light on this matter. In the meantime, I intend to study various ways to clarify the Commission's procedures in a manner that is totally consistent with the aims and objectives of the statute. I would hope that all Senators will join me in evaluating the nature of the Commission's practices. Consumer product safety will be dealt a severe setback unless traditional procedural safeguards are given priority consideration by those charged with implementing the intent of Congress when it recognized this problem demanded Federal attention.

Mr. President, at this time I ask unanimous consent that my letter to the Comptroller General be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

March 25, 1974.

Hon. Elmer B. Staats,
*Comptroller General of the United States, General Accounting Office, Washington, D.C.*

Dear Mr. Staats: The purpose of this letter is to apprise you of serious questions that have been brought to my attention concerning the implementation of the Consumer Product Safety Act by the Consumer Product Safety Commission. Consequently, for the reasons stated below, I respectfully request that the General Accounting Office undertake an investigation of the agency with particular attention given to the type of abuse briefly described herein.

Section 6 of the Act refers to the Commission's authority to disclose information to the public concerning a consumer product which it believes to be hazardous. In disclosing such information to the public, I am convinced that there is reasonable cause to believe that the Commission is violating section 6(b) of the Act by disregarding its built-in due process safeguards. The effect of this practice is contrary to the aims of the Act and to the rights of those citizens involved.

Section 6(b) provides that disclosure of information shall not be forthcoming unless thirty days prior to such disclosure "the Commission shall, to the extent practicable, notify, and provide a summary of the information to, each manufacturer or private labeler of any consumer product to which such information pertains, . . ." This section also states that "[t]he Commission shall take reasonable steps to assure, prior to its public disclosure thereof, that information from which the identity of such manufacturer or private labeler may be readily ascertained is accurate, and that such disclosure is fair in the circumstances and reasonably related to effectuating the purposes of this Act."

While there are exceptions to the 30 day notice requirement listed in section 6(b) (2), they are not controlling in the cases brought to my attention. It seems apparent that the Commission is flagrantly and without just cause taking action inconsistent with section 6, as well as traditional due process guarantees. For instance, on February 22, 1974, the Commission issued a press release informing the public that a welder manufactured by the Wel-Dex Manufacturing Company of Houston, Texas, "may contain defects capable of causing fatal electric shocks."

This press release, which, as you know, gives notice to the world that the Commission has found a defect in the product, was issued eight days after the Company was notified that the Commission was engaged in an investigation of the product. This investigation was prompted by a single complaint, and my own investigation leads me to believe that the complaint may indeed have been anonymous since the Commission has evaded my questions concerning the identity of the complainant.

In any case, my investigation has disclosed that the management and their attorneys have fully cooperated with the Commission, recognizing that the product may need to be refined and assuring the Commission that (1) the sale of the product would be temporarily suspended in its present form until the Commission was satisfied that defects in the product, if any, had been cured and (2) that management would immediately make the necessary determination whether such defects existed. Even so, the Commission issued the press release while one of the attorneys for the Company was further assuring the Commission of the precise steps that would be taken and was attempting to arrange with the Commission staff to discuss and possibly to settle the matter.

I want to emphasize that this request for you to investigate the Commission's practices does not relate to the substance of their activity. I am not an engineer and could in no way evaluate whether the product was safe. I might add though, that in the six years of sale the welder did not cause any reported serious injury from among the approximately 200,000 sold. Nevertheless, a press release was issued without the Commission filing a formal complaint or conducting any type of adjudicatory proceeding.

My investigation leads me to believe that the above does not represent an isolated example but rather a pattern of arbitrary and capricious disregard for due process and equitable administration of section 6. Regardless of the final outcome of the Commission's deliberations on the merits of the matter described, the Commission has peremptorily caused irreparable injury to one of my constituents and to his employees who may be laid-off. The Company has filed a suit seeking injunctive relief. At the same time, the Company intends to take action to perfect its product.

There is an excellent chance that the judicial branch may require the Commission to reform its practices and procedures. However, a court proceeding of this nature may take a great deal of time. More importantly, it is the function of Congress to insure that regulatory agencies are complying with the law. A private citizen should not be forced to involve himself in protracted litigation at great expense in order that the laws of the land be carried out in good faith. Furthermore, the purpose of the Act, to protect the public against unreasonable risks of injury associated with consumer products, is not advanced by bad faith harassment leading to endless litigation.

In summary, since it appears that the Commission is disregarding the intent of Congress as well as traditional due process safeguards aimed at protecting the individual rights of all Americans, I would appreciate a thorough review of this matter. Additionally, if you conclude that the law is written with such broad stroke that it invites, by its ambiguity, the abuse of safeguards which traditionally are granted as a matter of right, then I would welcome your recommendations on amendments to the Act.

If I can be of assistance to you at any time during this investigation, please feel free to call upon me.

Sincerely yours,

John Tower.

## BYELORUSSIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, I wish to salute the brave people of Byelorussia, who, for a brief moment in history, were able to enjoy their freedom and independence after centuries of oppression and domination by outside nations.

On March 25, 1918, the Byelorussian National Republic was proclaimed. Indeed, it was a glorious moment when Byelorussian was formally declared the country's official language—a lifelong dream of many Byelorussians. Almost from its outset, independence sparked a revival of Byelorussian cultural institutions.

Tragically, that period of achievement was drastically cut short when the Russian army seized Minsk, the Byelorussian capital, on December 10, 1918. The end of World War I found the Byelorussian nation and its people hopelessly divided between Russia and Poland. And from that moment on, the Byelorussian National Republic has existed only as a proud memory.

Mr. President, like the people in so many eastern and northern European countries, the Byelorussian people are neither free nor independent. Therefore, on the occasion of the 56th anniversary of Byelorussian Independence Day, I ask that we look forward to the day when all oppressed people attain the cherished goal of freedom.

## THE PROFESSIONAL STANDARDS REVIEW ORGANIZATION

Mr. BENNETT. Mr. President, the Professional Standards Review Organization program which I sponsored is now in the early stages of implementation on a national level. This is the program designed to give practicing physicians at local levels an opportunity, on a voluntary and publicly accountable basis, to undertake a review of medical necessity and quality of care provided under the medicare and medicaid programs.

A model of the PSRO operation has been in existence for nearly 2 years in my own State of Utah. The Utah Professional Review Organization, under the leadership of Dr. Alan Nelson, has done an exceptional job in setting up this professional review process and developing an expertise in the operation of a local PSRO.

The Ogden Standard-Examiner has published an editorial on the UPRO, and I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Utah Professional Review Organization Sets Pace in Monitoring Health Care

More than 25,000 patients in five Utah hospitals have had a preview during the last 22 months of a unique organization that is helping to set the pace for an innovation in health care.

It's called Utah Professional Review Organization (UPRO). It currently has units in the McKay-Dee and St. Benedict Hospitals in Ogden, and the LDS, Holy Cross and University hospitals in Salt Lake City.

UPRO operations began in April 1972 under the sponsorship of the Utah State Medical Association. It has been funded, primarily, through a grant from the Department of Health, Education and Welfare.

The basic mission of UPRO is to monitor the quality of health care and the length of hospital stay of patients covered by cooperating insurance systems.

In the Ogden area this means government employes with Blue Cross-Blue Shield insurance, teachers with policies issued by Educators' Mutual and Medicaid patients.

But this is only the beginning.

Congress has enacted legislation to establish Professional Standards Review Organizations (PSROs) to evaluate health care being received nationally through the federal Medicare and Medicaid programs.

Utah Sen. Wallace F. Bennett is the prime PSRO sponsor. The nationwide organizations were initially to begin operation Jan. 1. But because of the plan's complexity its inaugural has been delayed until July 1—or later.

The Standard-Examiner feels an understanding of the professional review organizations—both the Utah system now functioning and the forthcoming federal program—is essential to Americans of all ages.

The most effective way to explain their mechanics and ramifications is to use a mythical case history as an example.

Let's assume that our patient is Hilary A.F. Base, a 47-year-old male federal employe—with Blue Cross insurance—who lives in Washington Terrace.

During the night, Mr. Base gets a stomach ache. Mrs. Base is worried. As her husband's acute symptoms intensify, she drives him to an Ogden hospital.

She calls the family physician to meet them in the emergency room. But she knows that if their regular doctor isn't available, one will be summoned from the list of "on call" physicians.

UPRO swings into action within 24 hours after Mr. Base is admitted to the hospital.

Each hospital in the program has specially-trained, experienced nurse-coordinators assigned by UPRO. They work under the direction of physician advisers, including specialists in various types of health problems.

The coordinator's first involvement with our Hilary Base is to determine if his admission is justified, according to the initial diagnosis—in this case that the patient has a gall bladder problem.

She makes her decision based on guidelines established by a physician committee. Then she follows the patient's progress—his further tests and preliminary treatment.

Should Mr. Base spend two or three days in the hospital without being discharged or sent to surgery, the UPRO nurse-coordinator would check to see if there was anything unique about his problem that necessitated a stay longer than established standards.

But, in our mythical situation, she finds that the government worker's symptoms have subsided sufficiently for him to be sent to the operating room to have his gall bladder removed. The operation is scheduled for his second day in the hospital.

As Mr. Base returns to his own room following surgery, an evaluation is made on the probable length of stay that is needed to complete the hospital phase of his recovery.

A probable discharge date is noted on a blue card attached to the patient's basic charts.

In most gall bladder cases the post-operation hospital stay should be six days, not including the day of the surgery. So if the operation was on a Wednesday his chart would be labeled "probable discharge: Tuesday morning."

If Tuesday noon came and Hilary Base was still in his room, the nurse-coordinator would check to see if there were complications or any other medical reason for his remaining beyond the standard period.

A surgical wound, for example, that would not heal properly would automatically be a reason for an extension for his hospital stay.

This is where the guidelines prepared by the medical experts come into play.

The nurse-coordinator may give an extension without further consultation. However, if there were no complications she must present the case to a specialty-consultant before the extension could be given.

If the consultant agrees that all is in order, he will contact the attending physician and together they will reach a conclusion on when the patient is to leave the hospital.

The patient may remain beyond the predetermined length of stay, with no valid reason, if he wishes. But at his own expense, not on insurance! This is one goal of the program—to free hospital facilities for those who need them the most.

Only 24 times in the 25,000 cases handled so far by UPRO has an attending physician's request for extension of stay actually been denied. If there is a denial, the patient is notified by his own doctor. He then can decide if he wants to remain—without insurance.

Meantime, the nurse-coordinator has worked with the physician in establishing a plan for the patient's departure so that necessary arrangements for his recovery after he leaves the hospital are made.

When Hilary Base leaves the Ogden hospital he should realize the advantages of the plan: He's had the best possible treatment at the least possible cost. And UPRO certification means his insurance claims will be paid quickly with a minimum of red tape.

The Utah Professional Review Organization is a pilot model that the soon-to-come National Professional Standards Review Organization could follow. If PSRO performs as effectively as UPRO, it could be a major U.S. advancement in quality of health care and utilization of medical and hospital facilities.

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## NUTRITIONAL PROGRAM FOR THE ELDERLY

Mr. McGOVERN. Mr. President, the Senate Select Committee on Nutrition and Human Needs, which I chair, recently held a field hearing to investigate the nutritional problems of the elderly.

We received excellent testimony from many State administrators, nutrition project directors, and concerned senior citizens. However, I would like to bring to the attention of my colleagues the testimony of Eunice Anderson, which I think is a particularly succinct summary of much of the testimony we heard.

I ask unanimous consent that her entire statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Testimony on Nutrition

I am Eunice Anderson, speaking as a member of the South Dakota Advisory Council on Aging and presenting testimony from that group.

We are approaching goal capacity in some of our programs and are developing the supportive services which are so necessary. We are having very good cooperation both from the communities and the senior citizens themselves.

Nutrition programs are operating in Sioux Falls, Vermillion, Rapid City, Watertown, Lake Andes, Sisseton, and the Cheyenne and Lower Brule Indian Reservations.

One of the most important supportive services for South Dakota is transportation. It is our greatest handicap toward a really successful nutrition program.

The 1971 White House Conference on Aging study pointed out that one-third of all illnesses are nutrition oriented.

Basically nutrition is the key to the maintenance of health and the prevention of illness.

The Nutrition Program demands supportive services for good physical and mental health and rehabilitation. This embraces the concept of treating the whole person.

I wish to emphasize the importance of nutrition from personal experience after many years with Bethany Home for the Aged. I can document a great number of older people who came into the Home by stretcher or wheel chair, weak, unable to walk, depressed and antisocial, but after, in many cases, only weeks of good food, social contact with others, and with the help of competent staff were able to leave the home on their own power, their health improved, the chronic diseases to which they were subject controlled; they were cheerful, better dressed, interested in their surroundings, able to make friends again, mostly due to increased nutrition and the supportive services such as we are trying to supply for our Nutrition Program. After returning home many came back a day or two a week to our Day Care Unit.

At Bethany, under the Older Americans Act, something like 6 years ago, we started a Day Care Facility for the elderly. The same thing happened there. Almost a miraculous change occurred in some of those people after having been supplied with good food, supportive services, etc. They were given something to live for. Some of these very elderly, later did come as patients to the Home, but the change was hardly noted, they accepted the services of the Home with joy, and many are living far beyond what they or their relatives thought possible, still with enjoyment.

The other comment I have to make on my actual experience, and which I can document is the change mentally, of these people who have had the experience of better nutrition and supportive services. A psychiatrist at the Wilmar State Hospital used to say to the relatives of the old senile people coming in, "And when will you come back and take Grandma home?" The natural answer in most cases would have been "Never", but they had a system there that motivated older people, made them feel useful and important again, and to many the symptoms of senility disappeared.

So we have seen it at Bethany, with good nutrition, cheerful friendliness, something to do, status improvement, interest in others beside themselves and good medical attention, these senile people have improved. So it can be with our Nutrition Program. Loneliness, loss of status, no friends, all these add up to no interest in life with resultant senility. We can fight senility in the Nutrition Program.

We can keep many older people out of institutions longer by the implemented Nutrition Program.

The Nutrition Program has many salutory benefits:

1. Supplementation of income of the elderly.

2. Greater interest by the public in the elderly due to education by Media, Volunteers, Seniors themselves.

3. Provides employment for many elderly.

4. Opportunities to confront the elderly with positive information on Nutrition, Social Security, Welfare, Social Services, and other supportive programs.

5. Provides nutrition education to be used by older persons in their own homes.

6. Gives the centers a motivated thrust to provide opportunities for elderly to serve others.

7. Keep elderly in their own homes longer.

8. Enable Meals on Wheels to be established in more places.

Problems peculiar to South Dakota:

1. Tremendous areas to be covered with scanty population and great distances to be traveled like around Porcupine, Cherry Creek, and other places.

2. Many cannot leave homes to shop and communities do not provide shoppers services.

3. Higher cost of food and fuel due to transportation costs for delivery.

4. Shopping for food items in isolated communities is most expensive since supermarkets are not available and the limited small stores cannot offer competititive prices.

5. The near needy, including retired teachers, etc., who have meager retirement income are faced with no transportation for medical attention, shopping and other needs.

6. Laws need to be studied, interpreted, or changed in regard to transportation programs for the elderly.

## THE GENOCIDE CONVENTION

**Mr. PROXMIRE.** Mr. President, since the Genocide Convention was adopted by the United Nations General Assembly on December 9, 1948, 75 nations, including most of our NATO and SEATO allies, have ratified the treaty, the United States is not among these. This absence is even more surprising—and sad—considering the key role played by the United States in the drafting of this convention.

The efforts of our country were summarized in a September 1972 article by William Korey, director of the B'nai B'rith, U.S. office, entitled "On Banning Genocide: We Should Have Been First." Mr. Korey states:

> Today it is all but forgotten that, in fact, the United States played a key role in the drafting of the treaty that was reflected in the text itself. Formulated in terms of familiar Anglo-American legal theory and couched in the language of traditional common-law concepts, the treaty drew upon the precise wording of common-law crimes long accepted in American jurisprudence. Most important, it was the United States that insisted that a specific intent to commit genocide must be proven before an offender could be punished. And the American delegation led the fight for its adoption. The chief of the delegation, Assistant Secretary of State Ernest A. Gross, shortly before the final vote, told the General Assembly:
>
> "In a world beset by many problems and great difficulties, we should proceed with this convention before the memory of recent horrifying genocidal acts has faded from the minds and conscience of man. Positive action must be taken now. My government is eager to see a genocide convention adopted at this session of the Assembly and signed by all member states before we quit with our labors here."

The U.S. delegation was among the first to sign. Only 2 days after its adoption, the formal American signature was appended to the treaty.

Mr. President, it is ironic that, after putting so much effort into formulating this treaty, we still have not ratified it in nearly 25 years. Let us hope that former Chief Justice Earl Warren was wrong when he said almost 5 years ago:

> We as a nation should have been the first to ratify the genocide convention. . . . Instead, we may well be near the last.

I hope we can act on the Genocide Convention in the near future.

## HOT LUNCH PROGRAM FOR SENIOR CITIZENS BEGINS IN DELAWARE

**Mr. BIDEN.** Mr. President, as a result of the enactment of the Older Americans Act of 1973, which I cosponsored, funds have been made available for nutrition programs for the elderly.

I am especially pleased that Delaware, in keeping with its tradition as the "First State," has again been a forerunner in making hot lunches available to its senior citizens. Last November Wilmington was among the first cities in the Nation to participate in the hot lunch program when the Wilmington Senior Center opened its doors to over 250 cenior citizens to serve them a hot meal of roast beef and mashed potatoes.

Before the first year of funding is over, it is expected that four project areas, Delaware's three counties and Wilmington, will be in full operation serving from 1,000 to 1,200 hot meals a day.

Mr. President, I commend the Delaware Division of Aging for its hard work, and our senior Delawareans who have contributed donations so that these nutrition programs may continue.

I ask unanimous consent that the text of an article, "Senior Hot Lunch Program Starts," which appeared in the Division of Aging's newsletter, Delaware Horizons, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SENIOR HOT LUNCH PROGRAM STARTS

Over 250 older citizens in Wilmington pulled up their chairs and tucked in their napkins before partaking of hot roast beef and gravy, whipped potatoes, and new peas with pimento as the federally funded hot lunch program for the elderly began November 19, 1973. Also on the menu at four local senior centers were salad, hot rolls, dessert and milk, with a choice of coffee or tea being offered.

St. Anthony's Community Center at 9th and Scott Sts. led the list with 101 elders participating, while Wilmington Senior Center at 1901 N. Market St. drew a crowd of 85. St. Patrick's Senior Center at 1414 King St. reported 36 on hand, and West Presbyterian Church had about 30 eating lunch at 8th and Washington Sts.

Wilmington is among the first cities in the nation to participate in the program following Congressional authorization in March 1973. It is important to emphasize that the program is not a handout (unacceptable to many independent elderly). The project was planned as a contributory one with participants donating according to their means. The more contributions taken in to offset the cost of the meal, estimated at 75 cents, the more people can be served.

Four other senior centers in Wilmington began during the first week of December. As the word spreads and participation reaches peak levels, the various feeding sites will shift to a daily sign-up basis.

Paul L. Buehrle, head of Wilmington Senior Center and responsible for the Nutrition Program, said each location plans to handle 70 persons a day, with the Wilmington area expected to serve from 500 to 560 daily meals when in full operation. Provisions are being made to begin delivery of meals at home to those immobilized by illness, accident or handicaps. Transportation is available to those needing it, although scheduling still presents minor problems. Buehrle expressed pleasure at the turn-out for opening day, pointing out that the goal for the four operating sites would be 280 meals daily when the project gets into full swing. With over 250 patrons appearing at the inaugural session, a full 90 percent of that target figure has already been reached.

The Wilmington area program is expected to cost $221,960 a year, of which $199,764 will come from federal money and the remainder from contributions in cash and in kind from local participating agencies. $493,000 in federal funds were made available to the State Division of Aging at the start of the 1973 fiscal year, and Delaware expects to earmark an added $25,000 for the state-wide project. Since the funds come from fiscal year '73 appropriations, they had to be obligated by December 31, 1973 or revert to the Federal government.

The Senior Services Division of the New Castle County Department of Parks and Recreation received its grant for the county area, on Dec. 15, 1973. It plans to serve a minimum of 150 meals daily at four proposed sites in Middletown, Odessa, Townsend and the New Castle area, beginning in early 1974.

The Dover Modern Maturity Center, cooperating with the Kent County Office on Aging, was funded on Nov. 1, 1973 and began operations early in December at the Dover Center, at the Milford Bi-County Center and at Harrington. Two additional sites, the Queen Manor Apartments in Dover and St. Paul's Episcopal Church in Wyoming, expect to begin feeding by February. When fully operational Kent County expects to serve over 300 meals a day.

The Methodist Manor House in Seaford received its grant on Dec. 31, 1973, and plans to serve a minimum of 250 daily meals at six proposed sites, beginning in early spring.

The program will provide a hot, nutritious meal once a day, five days a week, to eligible individuals. It will also make available, where needed, such supportive services as transportation, nutrition education, shopping assistance, escort service, health and welfare counseling, recreation, and information and referral.

Eligibles are defined as those aged 60 and over who do not eat properly because of poverty or lack of the skills and knowledge to prepare nourishing meals; who have limited mobility which makes it difficult to shop and cook for themselves; or who, being isolated, rejected or withdrawn, have lost the incentive to prepare and eat nourishing foods.

Lacking funds to serve every eligible Delawarean, the Division of Aging has set up a target population of low-income and minority group elderly whose greater needs give them a higher priority. Each of the 3,000 persons over 65 on Old Age Assistance is probably eligible and in need of the benefits of this program. Money is available for up to 1,200 daily meals, although rising food costs may reduce this number.

Consumer advisory councils, established for each project area and for each meal distribution site, will set an expected contribution for the meals. However, no one will be turned away because of inability to pay.

Before the first year of funding is over, the four project areas—the three counties and the City of Wilmington—are expected to be in full operation, with a total of 1,000 to 1,200 meals a day being served statewide, and the necessary supportive services provided or made available to several thousand elderly.

## WORLD FOOD CONFERENCE: MEETING THE THREAT OF FAMINE

**Mr. PERCY.** Mr. President, a news item in the Saturday edition of the New York Times reported on the deepening food crisis now threatening famine in parts of Ethiopia.

According to the Times, officials estimate "that at least 550,000 people will be 'at risk' of food shortage in parts of Gemu Goffa, Sidamo, Bale and Harrar Provinces. Other estimates go as high as two or three million people."

The tragedy of the Ethiopian situation is that perhaps as many as 100,000 persons died as the result of the 1973 famine. If this figure is at all accurate, then the human toll of the Ethiopian famine far exceeds that of the more widely-publicized multi-year famine in the six-nation Sahelian zone of West Africa.

These disturbing facts provided the background for a noteworthy editorial in yesterday's New York Times. The editorial, entitled "Thought for Food," correctly pointed out the seriousness of the developing world food crisis, the parallel of this situation to the early days of the energy crisis which emerged full-blown in the latter part of 1973, and the urgent need for joint action by the nations of the world to avert mass famine.

The editorial echoes my sentiments concerning the importance in this context of next November's World Food Conference and of the need for the United States to take the lead in preparing for the conference:

> After months of foot-dragging, the United States is finally taking the lead in preparing for a world food conference to be held in Rome next November. One of the first tasks, in the American view, is to build up a more reliable system of food stockpiles so that one or two bad harvests in the larger grain producing countries will not create critical shortages. But after years of surplus conditions, demand is already pressing against production capacity, leaving little scope for building reserves against future needs.

Mr. President, I want to reiterate my view that the Congress and the American people attach great importance to the success of the World Food Conference and urge that the highest priority be given to the preparation for the conference. Positive proposals from the United States are vital to the success of the conference.

I ask that the article and the editorial from the New York Times, from which I have quoted, be printed at this point in the Record.

There being no objection, the article and editorial were ordered to be printed in the Record, as follows:

[From the New York Times, Mar. 23, 1974]

### Ethiopian Famine Continues To Spread

(By Charles Mohr)

Addis Ababa, Ethiopia, March 19.—The Ethiopian famine, which killed tens of thousands of people last year, is continuing to spread relentlessly to new areas in the southern and eastern areas of the country.

Plans and measures to deal with the crisis in the new areas are so rudimentary that some concerned foreign and Ethiopian officials and relief workers believe that another tragedy is possible.

An army mutiny and urban civil unrest, unrelated to the famine, forced Emperor Haile Selassie to replace his old appointed Cabinet on Feb. 27 and brought an unprecedented breath of reform and liberty to this East African nation.

#### MORE STARVING SEEN

But there are beginning to be doubts that the new government of Premier Endalkachew Makonnen will be any more effective in meeting the crisis in the southern and eastern areas than the old cabinet was in coping with the tragedy that hit the north-central provinces of Wallo and Tigre last year.

A foreign figure deeply involved in famine relief operations said: "Incredibly, it looks like they are going to do the same thing this year that they did last year, which means that many people are going to starve."

One of the most serious difficulties is that the magnitude, the nature and exact locations of any new famine are not really known because no comprehensive survey has been made of agricultural and pastoral people who may be running short of food as a result of drought.

"Partly because they don't know exactly what the problem is they haven't really made any plans or done anything," said one relief worker of the Government.

The lowest estimate, based mostly on guesses by missionaries and provincial administrators, is that at least 550,000 people will be "at risk" of food shortages in parts of Gemu Goffa, Sidamo, Bale and Harrar Provinces. Other estimates go as high as two or three million people.

The Government had already planned to feed 1.3 million to 1.7 million people in the previously affected areas, mostly in Wallo and Tigre Provinces, during 1974 with 164,000 tons of food donated by governments and relief agencies.

#### REQUESTS NOT REVISED

Although Ethiopian officials have known since at least early January that the famine was spreading to new areas, they have not revised their request for foreign grain donations or for logistical support to move food into affected areas.

Although no count of deaths in the 1973 famine has been made, and probably never will be, a wide variety of sources involved in relief believe that at least 100,000 people and possibly more died.

If so, this would indicate more people died in one year of the Ethiopian famine than in several years of the sub-Sahara famine in six West African countries, a tragedy that has received more international attention.

The hopelessness of exactly measuring deaths—or of getting such figures from the Ethiopian bureaucracy—was underscored recently when a church mission group did a survey of Kambata District of southern Shoa Province that showed that 11,281 people had died of starvation there in 1973.

"And that was not even supposed to be a famine area," a foreigner said.

In effect, the Government now has no famine relief program in southern Ethiopia. The Norwegian Lutheran missions have been feeding 173,000 people with grain purchased on the open market at commercial prices.

#### SOME REPORTS ARE GRIM

Journalists visiting the south and east recently saw little sign of dying or serious malnutrition. Other reports were more grim. One church group said it found everyone in a village of 62 persons dead.

An Ethiopian official, who had blocked a suggestion by a foreign agency for a comprehensive survey, paid his first visit to the Ogaden area of Harrar Province where the rapid weakening and death of cattle herds was threatening disaster to nomaic tribes.

"He came away appalled," a foreigner said. "Now he thinks there is going to be a holocaust there."

In southern parts of Bale Province, which has hardly been visited by anyone, one foreigner believes that "hundreds are dying already."

But, in fact, it is too early for many deaths. As in Wallo and Tigre Provinces last year the worst may come about July or later.

#### RAINY SEASON LOOMS

Meantime, the rainy season is threatening to begin in much of the south. The roads are so bad there that the rains could make grain distribution almost impossible within the next few days. Even landing strips can be unusable during the rains.

When Mr. Endalkachew was appointed Premier, he pledged to give greater priority to famine relief and appointed a new Chief Commissioner of Relief Aid, Shimelis Abugna.

Mr. Shimelis said recently that the Government would purchase large amounts of local grain and use the air force and army to move it to affected areas, but the history of internal cooperation and vigor in the burureaucracy is so poor that many doubt whether much will happen in time.

Mr. Shimelis was formerly Director of Prisons and he has been slow to start his new job because of an investigation into a recent riot in which guards shot 36 or 38 prisoners.

The Governor of Gemu Goffa Province believes that at least 160,000 people in his area are short of food, but said that for two months his report and requests for assistance had met no response. He was unaware even of the existence of the Government's Emergency Relief Coordination Office.

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### Thought for Food

Everything relates to everything. From shortage of energy comes shortage of chemical fertilizers, produced by energy-intensive technology. And from shortage of fertilizer comes shortage of food the world over.

Whether thus simplified or spun out with intricate sophistication, a new doomsday scenario is evolving. The question is whether the experts' assessments can be translated soon enough into effective action by governments to avert—literally—mass famine.

In many ways the slow perception of an emerging food crisis bears a disturbing similarity to the equally slow perceptions of the energy crisis several years ago: the warnings of a few prophets in the field going unheeded until serious hardships hit, the lack of a sense of urgency for nations to work together to alleviate what will surely become an acute and common problem across national frontiers.

When pressures on prices and supplies of basic foodstuffs, notably grains and sugar, are added to the uncertainties of the weather, the result in populous, less developed countries is obvious. The problem is most dramatic, though far from unique, in India. The World Bank estimated recently that instead of the self-sufficiency in food which could be foreseen only three years ago, India will have to import over ten million tons of grain in the next five years, and will need an unanticipated $12 billion in foreign aid to pay the bill.

It is one thing for consumers in the United States and other rich countries to absorb a rise in expenditure on food, and quite another for a billion or so people who already spend 80 percent of their paltry incomes on the food they need to keep them alive.

Paying for basic foodstuffs is only the start of the problem; the bigger question is whether the world can actually produce enough to meet the anticipated demand. As in so many resource problems, the tradeoffs are agonizing. It has been estimated that one acre's corn production requires the energy equivalent of 88 gallons of gasoline. Affluent Americans could soon be faced with the choice of consuming energy on highways and in air-conditioned rooms, or permitting the production of food to feed whole populations in Africa and Asia.

After months of foot-dragging, the United States is finally taking the lead in preparing for a world food conference to be held in Rome next November. One of the first tasks, in the American view, is to build up a more reliable system of food stockpiles so that one or two bad harvests in the larger grain producing countries will not create critical shortages. But after years of surplus conditions, demand is already pressing against production capacity, leaving little scope for building reserves against future needs.

It took years for sovereign-minded governments to understand the need for joint planning and ingenuity in providing energy—and even now the pace of progress in this direction inspires something less than awe. Similar delay on the related and equally urgent matter of organizing world food production will surely take a tragic toll in human life.

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## OFFICIAL RESPONSE ON U.S. ACTIVITIES IN CAMBODIA

Mr. HUGHES. Mr. President, on March 13, I wrote to the Secretary of Defense asking for an investigation and report on a Washington Post report that U.S. military personnel in Cambodia were acting as military advisors, contrary to law.

Last Friday afternoon, I received a reply by Deputy Assistant Secretary of Defense, Dennis J. Doolin, including a copy of a State Department message commenting on this news report.

This response denies the allegations in the Washington Post's report, but it is a denial leaving open some doubts.

The line between observing and advising is a hard one to maintain in practice, particularly in the heat of battle. And with nearly 100 U.S. military personnel moving around Cambodia, the frustrations and the temptation to help out may sometimes be too great.

Before we accept either the initial report or this response, I would like to have the newspaper correspondent's comments on this reply. Just as U.S. personnel have a legal obligation to obey the law, so do reporters have a professional obligation to be accurate.

I am pleased to note that the directives from Washington are clear and unambiguous on permitted and prohibited activities by U.S. personnel. But we have had instances in the past where such written orders were ignored or disobeyed in the field, and the violations were then concealed from higher authorities.

The Defense and State Departments should exert close supervision and control over U.S. actions in Cambodia, and the Congress should maintain a readiness to oversee and investigate any alleged violations of the law.

Together, we can prevent our help to Cambodia from becoming a step backward into direct military involvement by American forces.

Mr. President, in order that the many Senators interested in this matter may have access to this official response, I ask unanimous consent that my initial letter and Mr. Doolin's reply be printed in the RECORD. I would note that this reply also contained a copy of a classified cable, fully consistent with the unclassified letter, which of course cannot be made public.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

MARCH 13, 1974.

Hon. JAMES R. SCHLESINGER,
*Secretary of Defense, Department of Defense,*
*the Pentagon, Washington, D.C.*

DEAR MR. SECRETARY: I was disturbed to read an article in this morning's Washington Post which claims that at least one U.S. Major in Cambodia is "openly recommending military maneuvers." That same article says that "While junior Cambodian officers say Americans advise in the field around Phnom Penh, it has never been confirmed."

In view of the Defense Department's announcement last August that, after August 15, U.S. personnel would be prohibited from functioning as "combat advisors with indigenous forces" in Cambodia and Laos, I would appreciate an investigation and report on these allegations.

In addition, I would like to see a copy of the orders issued to these military personnel which implement Public Laws 93–50 and 93–52 and which delimit the "normal activities" of personnel who are assigned as equipment deliverers or military attachés.

Sincerely,

HAROLD E. HUGHES.

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ASSISTANT SECRETARY OF DEFENSE,
*Washington, D.C., March 20, 1974.*

Hon. HAROLD E. HUGHES,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR HUGHES: The Secretary of Defense has asked me to respond to your letter of March 13, 1974, concerning the allegation in the Washington Post of the same date that American military personnel are advising the military forces in Cambodia in violation of United States laws.

Following the appearance of the Washington Post story the American Embassy in Phnom Penh was asked for an immediate and full explanation. This was received on March 14 and provided by the Secretary of State to some members of Congress who had inquired about the incident. This report is enclosed for your information.

With regard to your request for a copy of orders issued to military personnel assigned to Cambodia which implement Public Laws 93–50 and 93–52, the Department of State message which provides specific guidance concerning the duties of military attachés in Cambodia is attached. The reference contained in paragraph 2 of that message pertains to part of a separate message dispatched by the Department of Defense and is extracted for your convenience:

"3. (U) The following DOD activities are prohibited in Cambodia and Laos by this statute after 14 August 73:

(a) Bombing, strafing, rocketing or other expenditure of ordnance.

(b) Forward Air Control Operations.

(c) Armed Reconnaissance.

(d) Helicopter gunship operations.

(e) Comparable hostile actions by US ground and naval forces directly engaged as American units against the enemy.

(f) Activities by individual personnel in support of indigenous forces including:

(1) Artillery fire control and observation.

(2) Forward air control.

(3) Advisors to Cambodia military forces.

(4) Combat advisors to RLG forces."

It should be noted that the prohibition against combat advisors in Cambodia was one of several restrictions imposed on US military assistance to Cambodia by the Cooper-Church Amendment to the Foreign Assistance Act passed in 1971 (P.L. 91–652). The announcement by the Department of Defense of last August served in that respect only to reiterate the limitation on the activities of individual personnel which had been previously observed.

I trust the above information will be of assistance to you.

Sincerely,

DENNIS J. DOOLIN,
*Deputy Assistant Secretary.*

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### EMBASSY PHNOM PENH'S COMMENTS ON POST ARTICLE

(A) *Becker:* "Kampot, Cambodia—During the dark hours of dawn the Cambodian insurgents were lobbing mortars around the government's command post at Kampot. Inside, US Major Lawrence W. Ondecker was showing the Cambodian officers how to mount a counterattack. 'I want you to respond very quickly,' he said. 'If even one mortar falls in your zone, you must answer back with fire immediately.' While the American major was poring over maps with the Cambodian staff officers, the Cambodian general officially in command of the post was writing in his diary in an adjoining bunker."

*Embassy comment:* Ondecker reports that on 11 March at 0530 to 0630 Golf Kampot City received an ABF of some 31 rounds. During that period Ondecker was present in the command post of the 20th Brigade. Maps were spread out, and Ondecker was determining where mortar rounds were falling in preparation of his morning report. He was not "showing how to mount a counterattack." Ondecker believes that Brig. General Ros Proeung, Commander of MR–8 and thus responsible for Kompong Som and Kampot, was at that time in his command post adjoining the 20th Brigade's. Ms. Becker was not present. Ondecker states that the assertion attributed to him was not made at this time or at any time.

(B) *Becker:* "But the situation in this coastal town about 80 miles south of Phnom Penh is critical, and Major Ondecker was flown down Sunday. 'He was loaned to us from the 3d Infantry Brigade,' Lt. Colonel Choey Yeun said. 'He is attached to the 3d and normally works in the field with them, but he is needed here. I am surprised that you did not know him.' "

*Embassy comment:* Ondecker arrived in Kampot on 10 March. He has visited Kampot three times in the past month. Major Ondecker's current assignments consist of covering the Third Division sector, MR–8 (which includes Kampot, Kompong Som and Koh Kong) and Takeo. He has visited Takeo three times in the last 90 days.

(C) *Becker:* "Although government intelligence officers warned of an impending offensive as early as January, the Kampot garrison made no defense preparations. Over the past week the Cambodian High Command sent reinforcements—and they sent Major Ondecker."

*Embassy comment:* High Command did not send Major Ondecker to Kampot. US Mission did in execution of its regular reporting program.

(D) *Becker:* "'Protect this area immediately,' Ondecker said while the 31 rounds were falling in and around the city Monday morning. 'Good, perfect,' he said as a Cambodian officer pointed on the map after accepting the American's proposal."

*Embassy comment:* Ondecker believes that this paragraph may refer to an encounter in this command post area in the period 0900 to 0930 Golf 11 March. Several Cambodian officers and Ms. Becker were present. The Cambodian officers gave Ondecker a wrapup of the early morning mortar attack in which 31 rounds had fallen. Attack had stopped two or three hours earlier. No map was used at this briefing. Ondecker informs us he did not say "Protect this area immediately." He did say, "Good", in response to the report that there had been no casualties caused by the ABF.

(E) *Becker:* "The day before rebel gunners shot down one of the two helicopter gunships stationed here, and the second one was recalled to Phnom Penh. Major Ondecker arranged with the US Embassy on the morning of the attack that additional gunships would be sent to Kampot to support the infantry."

*Embassy comment:* Ondecker believes that this paragraph refers to a further encounter with Ms. Becker at 1030 to 1100 Golf 11 March. At that time Ondecker informed Ms. Becker that a gunship had been shot down, but that no casualties had been sustained. He remarked that he would be reporting the loss to the U.S. Embassy. He did not arrange for additional gunships to be sent, nor did the U.S. Embassy.

(F) *Becker*: "While junior Cambodian officers say Americans advise in the field around Phnom Penh, it has never been confirmed. In Kampot, however, it is difficult to hide Ondecker. He is in and out of the command post, openly recommending military maneuvers. Sometimes he prefaced his proposals with "I suggest and the General suggests that you immediately fire in this direction." The Cambodians were obviously pleased with the American's help. 'Major Ondecker was very good with the 3d Brigade; he will be good with us,' said Col. Choey Yeun. Changes were made quickly after Ondecker's arrival. Another infantry brigade was called in to bolster the 2000-man government garrison, and the top command was replaced within 24 hours. The city's defense perimeter was stabilized for the first time throughout the siege.

*Embassy comment*: DAO reporting officers are under instructions to identify themselves to press representatives while in the field. There has thus been no attempt to "hide" Ondecker in Kampot or elsewhere. Major Ondecker reports that no maneuvers were recommended by him to the Cambodians, either openly or otherwise. With regard to reinforcements to Kampot and changes in the top command, the FANK General Staff made the decision to send the 20th Brigade to Kampot on 3 March. Decision to move the entire 12th Brigade to Kampot was taken by the FANK General Staff late on 12 March and may not have been known in Kampot before this morning, 14 March. The 20th and 12th are the only two brigades involved in Kampot. Decision to change the Commander in Kampot was taken 9 March by Lon Nol personally. Major Ondecker played no role in any of these decisions.

### GENERAL STATEMENT

Ms. Becker's report thus rests on the supposed acts or statements by Ondecker which she was not in a position to observe and which he denies, supposed acts or statements by Ondecker which she was in a position to observe and which he denies and assertions of fact which we know from other sources are false. Only one statement (Ondecker's assignments) is broadly on mark and can be verified.

In addition, Becker's report reflects a misunderstanding of the functions of the Defense Attache's Office (DAO) and of the distinction between those functions and military adviser activities as the latter have been performed in other countries, such as Vietnam. As a matter of law and of policy, there are no US military advisers in Cambodia.

The primary function of the Defense Attache's Office, of which Major Ondecker is a member, is to provide precise, up-to-date and comprehensive reporting on the course of the war. The DAO puts out twice a day a full report of military action based on information which military attaches either report in personally or by phone or radio several times a day. In order to collect this information, representatives of the DAO frequently travel to the front. They review with responsible FANK officers the disposition of friendly and enemy forces, and the nature and results of combat. Generally, these reviews require use of maps; often they require questioning by DAO representatives as precise information can be hard to establish.

On the other hand, the function of military advisers is to help commanders deploy their troops, support them with aviation and artillery and plan military operations. They are thus operational as opposed to reportorial.

The dividing lines between the reportorial and the operational lies approximately at the distinction between future operations and past. Members of the Defense Attache's Office may inquire about and be informed of future FANK plans. Under their instructions, they may not comment on or propose modifications of those plans.

The Defense Attache's Office consists of 14 officer personnel as follows: 1 defense attache, 8 assistant army attaches, 3 air attaches, 2 naval attaches. The DAO reports directly to the Chief of Mission in Phnom Penh, and to the Defense Intelligence Agency in Washington. The DAO is separate from the Military Equipment Delivery Team (MEDTC), whose mission is military assistance support to the Khmer Republic. MEDTC reports to the Chief of Missions in Phnom Penh, and to CINCPAC in Honolulu.

### CHARGE'S MARCH 14 INSTRUCTIONS TO EMBASSY STAFF

"As you know, American personnel are prohibited by U.S. law and by U.S. policy from acting as military advisors. The allegations made in the 13 March issue of the Washington Post, which on investigation I believe to be unfounded, illustrate how important it is to respect not only the letter and spirit of the law, but to avoid any appearance of violation.

You must observe these rules:

Avoid any suggestion or proposal on future Khmer military actions or plans (reporting officers may inform themselves of plans);

Do not participate in combat and avoid combat situations;

Be wary of Khmer drawing you into situations in which they may look to you for military advice or suggestions.

These injunctions must be applied with great diligence in order to maintain executive and congressional confidence in our integrity."

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## A PROFILE OF FRANK IKARD

Mr. BROOKE. Mr. President, while I have not generally been in agreement with positions taken by our Nation's petroleum industry, I have found that the industry has many final leaders. In particular Frank Ikard, president of the American Petroleum Institute, who represents his industry with vigor and candor. Frank Ikard is a distinguished lawyer, former judge, and Texas Congressman. He is a good man and one whom I have come to know and admire. I am pleased and proud to call him a friend. I wish to bring to my colleagues' attention an article on Frank Ikard written by William Gildea which appeared in the Washington Post, Sunday, March 24. It is a fair and broad analysis of Frank Ikard, the man, and Frank Ikard, the spokesman for the petroleum industry. At a time when negatives abound about the energy crisis it is refreshing to have William Gildea's positive portrait of Frank Ikard. I ask unanimous consent that the Post article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Frank Ikard: Pleading Big Oil's Case With the Public

(By William Gildea)

Frank Ikard has been in uncomfortable situations before.

Like running for Congress from Texas' 13th district some years back against Lyndon Johnson's man and the seemingly irresistible forces behind any LBJ campaign. Ikard won easily, however, earned the late President's admiration, and ran without serious opposition four more times, which was as long as he cared to run.

Then there was a perilous time during World War II. A prisoner for seven months, he was about to be lined up and shot by an SS outfit. But he lived to tell about it when, like some fictional cavalry charge, the Americans swooped with perfect timing into that East German village and saved all.

Frank Neville Ikard is president of the American Petroleum Institute, the oil industry's richest trade association. As such, he is the embattled industry's most visible spokesman, a job absolutely no one envies.

His schedule has increased "about 300 per cent" as he goes about pleading oil's case with the public, maintaining a pace roughly the equivalent of the Harlem Globetrotters. Not surprisingly, he has become a particularly obvious target of an often suspicious and irate public. He gets nasty mail by the sackful.

At the same time, he is the man expected to smooth ripples of discord among rivals in a very nervous industry so as to keep API effectively on course. And while doing all this, he must service industry's technical needs, push hard for legislation favorable to the oil companies, and yes, by God, come up with solutions to this whole energy crisis.

A quiet man of 60, Ikard seems to accept all these demands philosophically: the crisis was a long time coming and it'll be a long time going and he's going to do everything he can. People who know him, including those who disagree with him, mention a certain dignity about him, the result of a wide and varied background in which he has seen just about everything and put it all in perspective.

Not everyone has so startlingly returned among the living as he once did. At his alma mater, the University of Texas, a plaque honoring the school's war dead, which included his name, was being unveiled at the very moment he walked into the room, a very gaunt figure, where the ceremony was taking place.

"He had already been cut in granite," said his wife, former Newsweek writer Jayne Brumley, who still can't believe some of the things she's learning about her husband of less than two years.

In a union of the environment and Big Oil, the Ikards were married only six weeks after meeting in the summer of 1972 at the U.N. Conference on Human Environment in Stockholm. She was working for the Council on Environmental Quality at the time; he was a member of the U.S. delegation. She was a widow with one grown son; he was a widower with two sons, both Texas lawyers.

The wedding took place in Austin and Lyndon Johnson himself handled most of the details. He had the Ikards out to the LBJ Ranch the morning of the wedding, then arranged the couple's wedding evening dinner (it was barbecue), turned over a nearby ranch house he owned to them that evening, and had them flown off in his private plane the next morning so Ikard could make one of his increasingly frequent speeches on the energy crisis.

Unlike many people, Jayne Ikard believed every word her husband was saying in those days about the subject. So last summer, on their 300-acre West Virginia farm overlooking the Potomac, she put up 125 jars of jam, strawberry and wild blackberry being the specialties, and 500 more jars of all kinds of pickles.

Whether that saves the Ikards any trips to the grocery market is debatable, though the jams are delicious, but one thing is certain: they're saving gas in their non-polluting, diesel-operated, 30-miles-to-the-gallon black English Austin cab. She picked it out for him in London before they were married.

The problem is they're not sure how long they will be able to keep their cherished import. Currently, they are locked into a seemingly endless struggle with the Department of Transportation, which contends the cab doesn't meet all safety specifications.

Ikard says Transportation keeps adding demands, that he's met them all, but the latest is a back-breaker: a collapsible steering column. If torn apart, the manufacturer says the car really will become a hazard. Ikard agrees. A Transportation official has threatened to have the vehicle confiscated.

An API mail room employee was behind the Austin's controversial steering mechanism as it deposited the Ikards one recently weekday afternoon at the Meridian House International for a talk Ikard was giving to about 50 employees of various embassies.

A large man, 6-foot-5, 245 pounds, Ikard felt more comfortable pulling up a chair before the group, crossing his long legs, and speaking as informally as possible in the high-ceiling drawing room.

He told his audience generally what he's telling everybody he sees these days: yes, there is an energy crisis and, yes, it's going to be around for a long, long time. He offers industry-version "medium term" solutions: building of the Alaska pipeline without delay, exploration of oil and gas reserves beneath the Continental shelf, resumption of California offshore drilling, deregulation of natural gas field prices and others.

He says everyone is going to have to alter his lifestyle to cut down waste, the lifting of the embargo notwithstanding. "We're all overheated, overcooled, overlit," he says. (Over at the modern API offices which take up two floors of 1801 K St. NW, Ikard has removed one bulb from every light fixture.)

He allays fears that gasoline prices will soar to $1 a gallon, saying, "I think they've leveled off about now," but adds, "I don't think anyone in this room will see the day when you get a set of steak knives for buying five gallons of gas."

He tries to argue away the oil companies' profits, contending that to compare 1973 profits with those of 1972 is unfair because 1972 was a bad year. He insists profits aren't excessive, that the oil industry is making less than industry in general, and that investment requirements total $36 billion per year for the next 15 years "or one and a half Apollo projects a year for the next 15 years."

Though a gasp or two is heard when the staggering figures are mentioned, questions from the audience indicate that few are particularly convinced about the industry's profits. This is part of the "credibility problem" Ikard admits he faces.

You name the group, Frank Ikard has probably addressed it; the Eastern Regional Conference of the Council of State Governments in Bass River, Mass.; the American Society of Public Administrators, Central Pennsylvania Chapter; the 57th National Automobile Dealers Association convention in Las Vegas.

He makes increasingly frequent trips to Capitol Hill, appears more often on television, writes letters to the editor, and grants extensive interviews, all in a relentless effort to spread the oil industry gospel. An interview he gave one paper in which he answered questions about the oil shortage, has appeared in many major papers as a full page ad purchased by the API.

Then there are the phone calls, even at home. He has made his number available to the media. "He gets them seven days a week," Jayne Ikard says. "When they call before 7 a.m. they say 'This is United Press.' After eight, they give their names."

Mostly everyone who has observed Ikard in action during his stepped-up goodwill campaign agrees nobody could do better. "He's a warm-hearted kind of guy who's doing a hell of a tough job in a town where they hate his industry," said Carl Bagge, president of the National Coal Association. "They hate oil more than they hate the rest of us."

Frank Ikard was born in the northcentral Texas town of Henrietta on Jan. 30, 1914. Both of his grandfathers were bank presidents, though Ikard notes matter-of-factly, "That was kind of a sideline."

A genuine pioneer, W. S. (S. for Susan) Ikard introduced the first Hereford cattle to Texas in the late 1800s. An impressive portrait of the bearded gentleman hangs in the den of the Ikards' comfortable Shoreham West apartment. (Ikard has decorated the living room with a collection of art complete with lighting system.)

Ikard's grandfather "went from very rich to very poor" after he endorsed another rancher's loan from a St. Louis bank and got stuck for $250,000 when a drought put his friend out of business. W. S. sold his 600,000-to-700,000 acres. Frank Ikard said, but later bounced back financially.

A black cowboy who took the Ikard name, Bose Ikard helped W. S. tame the land. Frank Ikard took a book from his ample den library and read aloud a passage about Bose Ikard from "The Negro Cowboys."

Ikard's materal grandfather, Frank Neville, migrated from Ohio to Henrietta during a land development boom in the 1880's. He later financed the development of the first electric automobile starter with the Leece-Neville Co. of Cleveland, a conglomerate known as the VLN Corp. Frank Ikard is a member of the board and executive committee. (He also is a trustee and secretary of the Kennedy Center and a director of the Union Trust Co.)

Frank Ikard was the only child of Frank, a rancher and Ena Ikard. "I didn't know I was an only child until I was 25," he said. "There must have been 15 or 16 cousins growing up within a five year spread."

A lifelong friend of Frank Ikard's, H. Macon Boddy of Henrietta, described Ikard as "intellectually curious," adding, "We'd make up mental games. In Henrietta, there wasn't anything to do but entertain yourself. Frank was not an outdoors type. He was excellent with a shotgun, but he never hunted much. He was more interested in intellectual pursuits. He read. He was interested in history."

The Ikards' house in town, which they owned in addition to the ranch, was the essence of "genteel living," according to Macon Boddy. "It was filled with family portraits, books and historical items," he said.

Ena Ikard was responsible. A women's rights advocate, she had gone away to school to New York City and later the University of Nebraska. There, she became friends with Ruth Bryan Owen, daughter of William Jennings Bryan and later the United States' first woman ambassador, and also became committed to Bryan's Populist Movement.

Frank Ikard decided "when I was old enough to think about it, which was pretty young," he did not like the rigors of ranching. "I looked around and the people who seemed to be making it easier were lawyers," he said.

Henrietta being the county seat, Ikard would go down to the courthouse and listen to the cases four times a year when the circuit judge came to town.

He went on to the University of Texas, became Inter-Fraternity Council president and generally a BMOC, graduated from the Texas law school in 1937, practiced law in Wichita Falls, and, at age 33, was appointed district judge.

His fame spread as the judge in a highly publicized murder case and by the time he decided to run for Congress in 1951, at the age of 37, not even Lyndon Johnson's handpicked opponent and later White House aide, Walter Jenkins, could overcome Ikard's momentum.

When Ikard arrived in Washington, he went first to Mr. Johnson's office. "I suggested to him that I was elected over his desires and that I could stay as long as I wanted to and that our relationship could be cordial and cooperative, but that it would be his decision." LBJ saw it his way.

The two became close friends, and the night the former President announced he would not run for reelection he dined at Ikard's home, then in Kenwood. Despite his influence with Mr. Johnson, Ikard says he used it only once. A friend of just elected Sen. Eugene McCarthy's, Ikard reminded majority leader Johnson "to be sure he gets some good committees."

As a freshman senator, McCarthy wound up on finance and public works. But, Ikard says, about three months later when Johnson needed a return favor from McCarthy, the new man proved too independent a thinker for LBJ and failed to oblige. Mr. Johnson never failed to remind Ikard of his recommendation at every available instance after that, including the last time they got together just a few weeks before Mr. Johnson died. "How's your good friend, Gene McCarthy?" Mr. Johnson would say.

Though a member of the Ways and Means Committee and a legislator considered to have a bright future, Ikard quit Congress to become the American Petroleum Institute's executive vice president in 1961. He gave the impression he was frustrated by the seniority system, far from enamored of the salary—$12,500 when he started and $22,500 when he left—and eager for a new challenge.

He became API's president in 1963 when his predecessor dropped dead of a heart attack in an elevator.

Ikard runs the American Petroleum Institute from behind a French provincial writing table with fake drawers. He says he doesn't like a desk because it tends to become cluttered. An antique inkwell stand and miniature roll-top desk decorate his table top. An avid gardener at his farm, he keeps handy a Burpee seed catalog on the table.

No question that Ikard, who earns almost $100,000 a year at API, is widely liked and respected, even by those who don't share his views.

"I would think that if I were a big man in the petroleum industry," said Rep. James Howard (D-N.J.), "and were concerned solely for the industry I would like to have him as my national spokesman." Ikard has appeared before Howard's Public Works subcommittee on energy.

An aide to oil industry critic Sen. Henry Jackson (D-Wash.) described Ikard as "a self-possessed, dignified kind of guy" who gets along well with others. "He doesn't come up here attacking some liberal who's been kicking the hell out of the industry."

But Jackson's man added, "I don't think he's got much impact on changing anybody's mind" on Capitol Hill. Rep. Howard said, "The longer you are an ex-Congressman the more diluted your contacts. I've been here ten years and he was gone when I got here. I didn't feel any real collegial responsibility toward him."

Another source said Ikard "has never peddled much on his position as an ex-Congressman," though his connections on the Hill were a factor in his hiring.

When Ikard joined API it was located in New York, was concerned almost exclusively with technical industry services, and did little government lobbying. Though it appeared that the hiring of Ikard marked the beginning of new political awareness by API, it wasn't until "six or seven years ago," according to Ikard, that much action was taken in "federal government relations" and it wasn't until 1971 that the association headquarters was moved to Washington.

All of which tends to uphold one close observer's opinion that the organization, with its 1974 budget of about $16 million, "moves like a behemoth." It is made up of more than 250 corporate members, several of which contribute more than $1 million annually and all of which want their often diverse opinions heard.

"They don't do anything," said the source, "without 10 meetings and getting everybody to agree. And then what they accept is the least common denominator. Meanwhile, all these meetings create the appearance of a conspiracy."

A high industry representative indicated Ikard's almost insurmountable problem has been coordinating different viewpoints within the industry. Watered down agreements often result in "a mealy-mouth presentation" by the API, he said. Ikard must steer a cautious course, he indicated, as though through icebergs.

With internal duties consuming much of his time, Ikard says he began about 1971 to think of API reorganization. Denying a report that suggested pressure from within the industry caused the reorganization, Ikard said, "I don't think any single person could say he was responsible.

"But I had been talking about it for some time. I was desperately wanting relief on the administrative side. It was kind of an idea that was obvious to everyone. It was very obvious I could not continue very effectively if I was doing it all." McKinsey & Co., the management consultant firm, was called in for an extended study.

"It was suggested," said a person close to the study project, "that the organization become less of an industry service operation and more public policy oriented. The emphasis should be placed on anticipating and developing public policy needs and conveying them to the proper people in government."

API has added more lobbyists, and the lobbying budget has been increased sharply to about $200,000 for 1974, five times what it was just two years ago.

The study also recommended the addition of a strong executive vice president with administrative experience to run API day to day, it being implicit that Ikard was better suited in more visible undertakings. It wasn't easy to get agreement on a No. 2 man but last week Charles J. DiBona, 42, a former special consultant to President Nixon on energy matters, landed in the job.

One observer foresees a possible Ikard-DiBona clash. "They're as far apart as two people can be in personality and background," he said. "Ikard is a politician who knows history and knows what his people want. Charley isn't one to be subtle or tactful."

If no one is quite certain where API is going from here, the consensus is that it will proceed, as always, with extreme caution and only after much deliberation, taking one giant step at a time.

One reason Ikard is effective in public is because he understands its concern. He, too, has been affected by the energy pinch. He is making fewer weekend trips to his farm these days and, at one point, the gas tanks of his tractors ran dry. He had been "cut off flat" by the local service station.

It wasn't much better for him back in Washington. His friendly Texaco station, where he had done business regularly, couldn't help him at all for a couple of weeks. And for a while he had a lot of time to polish his speeches while waiting in gas lines.

"Ikard runs the American Petroleum Institute from behind a French provincial writing table with fake drawers. He says he doesn't like a desk because it tends to become cluttered."

## CONSUMER TAX RELIEF

**Mr. BENTSEN.** Mr. President, as all Americans realize, the number of unemployed in our Nation has increased dramatically over the past several months—in fact, by as many as 600,000 since October. Just last Friday the Federal Reserve Board reported that our Nation's industrial production declined in February for the third consecutive month. The increased number of jobless represents real economic hardships for the families involved and prompt action by Congress is required to reverse this trend and protect the jobs of the American worker. A moderate across-the-board tax cut for all consumers would help prevent further rises in unemployment, reverse the current economic slowdown and, in addition, provide a partial adjustment for the inflation which has eaten into the paychecks of the American worker.

Despite the President's unequivocal statements that there will be "no recession" in the United States in 1974, economic indicators clearly show rising unemployment, negative economic growth, and declining consumer demand. This makes it unmistakably clear that we are already in the midst of a real economic slowdown. As the wives and children of hundreds of thousands of workers who have recently been laid off could easily verify, the President's promise may be more an indication of wishful thinking than an objective analysis of the facts—unless we take appropriate action.

The economy now needs a mild tax stimulus—perhaps in the range of $3 to $4 billion. This can easily be achieved by means of an across-the-board tax cut for all consumers, either by increasing the personal exemption or adopting a tax credit. But whichever alternative Congress selects, prompt action is required. By making the tax cut effective through the withholding schedule, the stimulus would be felt immediately, through increased weekly take home pay.

A moderate consumer tax cut is needed now for several reasons.

First, we must keep the current economic downturn from materializing into a recession and help prevent a further rise in unemployment. The decline in housing starts and the slump in auto sales, to give just two examples, illustrate a general decline in consumer demand. Reduction of demand in major sectors of the economy such as the construction and automobile industry have a "multiplier effect" on the rest of the economy. The thousands of men laid off in the construction and auto industries consume less which, in turn, hurts the businesses that supply consumer goods to all these workers. A gap between actual and potential output has resulted for the entire economy. A moderate consumer tax cut will boost consumer spending, moving us closer to our potential growth path and thereby increasing the number of jobs.

Second, a tax cut is justified as an inflation adjustment. Needless to say, every housewife is keenly aware that rising food and gasoline prices are making it more and more difficult to make ends meet. It is estimated that rising food prices reduced consumer purchasing power by $15 billion in 1973. In addition, increased fuel prices are now taking money out of the economy and out of consumer's pockets at an estimated rate of as much as $20 billion a year. The extra money that consumers will have to spend on food and fuel is not available for spending on other consumer items, ranging from movie tickets to television sets. A moderate tax cut will provide some relief against past increases in the cost of living.

Third, a tax cut can serve as an anti-inflation weapon. This year will be an important one in the fight against inflation, because major collective bargaining negotiations will take place. By granting a tax reduction now we will provide some relief against the rising cost of living for working men and women and this can ease the pressure for excessive wage demands. In effect, we will redress workers' cost-of-living grievances in part through tax relief rather than wage escalation.

Although some argue that we are not experiencing a general economic slowdown and decline in consumer demand, major indicators unmistakably point in the opposite direction. Let us look at the statistics.

Industrial production declined in February for the third consecutive month.

Unemployment has risen from 4.6 percent of the civilian work force in October to 5.2 percent in February. This represents an increase in the number of unemployed persons of 600,000 since October. The administration admits that it expects unemployment to average 5.7 percent in 1974. This prediction implies unemployment rates near or above 6 percent at sometime during the year.

Initial claims for unemployment insurance in January were more than 30 percent higher than in January of 1973.

In January, real spendable earnings of

nonfarm workers, after taxes, were down 4 percent from a year earlier.

Sales of U.S.-made cars in February were down 27 percent from February of 1973.

Housing starts in the first 7 months of 1973 averaged 2.3 million, but then fell sharply and have averaged only 1.6 million since November.

For over a year retail sales other than autos have shown no increase in real terms.

Economic forecasters at the University of Pennsylvania predict a 3-percent negative growth rate for the first half of 1974.

The Chase econometrics model of the economy predicts that consumer demand will continue to be weak through 1974 and well into 1975.

The data resources model predicts an actual decline of about 2 percent in retail sales, after adjusting for inflation, in the first quarter of 1974.

Contrary to the views of administration spokesmen, a moderate and responsible tax cut now will not be inflationary. Let us look at the facts.

First, the economic outlook demonstrates that the major problem will be a real shortage of demand, not a shortage of supply. A recovery of economic growth will have to include increased consumer spending and there are no signs that this recovery will take place in 1974 without a fiscal stimulus.

Second, the inflation we experienced in 1973, which unfortunately continues in 1974, has a life of its own, so to speak. Increases in food and fuel prices, which accounted for more than 60 percent of the consumer price inflation during 1973, were not the result of fiscal and monetary policies, and if prices continue to rise in 1974 this will happen regardless of whether we have a tax cut. As Walter Heller, Chairman of the Council of Economic Advisers under Presidents Kennedy and Johnson has said:

> Inflation in 1974 has a life of its own, nourished not by excess demand but mainly by a variety of cost factors beyond the reach of fiscal and monetary management. The great bulk of the stimulus of a prompt tax cut would therefore express itself in higher output, jobs, and income, not in higher prices.

Obviously we cannot overlook the serious impact that inflation has on the budget of the average American family. We must attempt to check inflation by the most appropriate and workable means—expanding supplies of agricultural products and vital raw materials and cooperating with management and labor to insure that the momentum of inflation does not outlive its real causes. However, it would be tragic, indeed, if we failed to enact a moderate tax cut which would increase jobs, because of a misunderstanding of the nature of inflation.

While some argue that we can rely on Government spending powers to stimulate the economy, I believe that spending powers, which may be tardily exercised and which may have a substantial time lag between enactment and economic reaction, would prove more useful as a treatment of an ongoing recession than an effective means of preventing one.

A moderate across-the-board tax cut for all consumers now would be an insurance policy against a prolonged and sharp slide in unemployment and output, and it would help offset the impact of higher grocery and fuel costs on the American family.

The increase of 600,000 unemployed workers since last October is far, far too high. Our Nation simply cannot afford inaction in the face of growing unemployment and Congress must now enact a moderate across-the-board consumer tax cut.

## SLAUGHTER AT SEA MUST STOP—FOR OUR OWN GOOD

Mr. HOLLINGS. Mr. President, I would like to take this opportunity to bring to the attention of my colleagues a recent statement made by Senator Magnuson, entitled "Slaughter at Sea Must Stop—For Our Own Good," which was printed in the Los Angeles Times, March 19, 1974. I am sure this article will be of interest to each of you, because of the extreme importance of protecting and restoring marine life and preserving traditional coastal fisheries which provide needed protein for the world and jobs for hundreds of thousands of Americans.

I ask unanimous consent that Senator Magnuson's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Magnuson Seeks Protection of Whales, Fishes: Slaughter at Sea Must Stop—For Our Own Good

(By Warren G. Magnuson)

The whales and fishes of the world's oceans are being wiped out today at an astonishing rate—targets of destructive technology applied on a massive scale.

The pace of annihilation is ever-accelerating—even though, in the years after World War II, most of the world's nations were signatories to a number of conventions to protect marine resources. However well intended, such treaties as the International Whaling Convention of 1949, the Northwest Atlantic Fisheries Convention of 1950 and the North Pacific Fisheries Convention of 1954 have been proved hopelessly inadequate in curbing the fishing voracity of modern fleets.

This problem has come about mainly because Japan, the Soviet Union and certain other nations have defied commonsense limits on their catches. They have engaged in a blind and destructive competition which mocks the spirit of trust in which the international agreements were entered into. Their catches flout the idea of protecting and restoring marine life.

As a result, we now face the likelihood of total collapse of traditional coastal fisheries which provide needed protein for the world and jobs for hundreds of thousands of Americans.

In addition to this problem of fishes, we are faced with the unthinkable possibility that some, eventually perhaps all, species of the great whales will disappear. They may be eliminated from the oceans simply because their destruction and utilization contributes to the short-term profit of Japanese whaling companies and their Soviet competitors.

The pressure on marine resources seems constant—and omnipresent:

Off New England, the Soviets, Poles and East Germans have, in a little more than a decade, almost wiped out the formerly abundant Georges Bank haddock, gravely imperiled once-enormous stocks of sea herring, threatened the yellowtail flounder fishery and depleted stocks of cod and other fishes. U.S. catches have been cut in half in a few years.

A new agreement on North Atlantic fishing, although touted as a U.S. "victory," provides quotas for the Soviet Union and other Eastern-bloc countries three times greater than that accorded our fleet. The agreement, written late last year, clearly neither terminates Soviet fishing rights off our coasts nor provides enough reduction in catch to permit fish populations to recover.

In the Pacific, off Oregon and Washington, Soviet fleets have halved U.S. perch catches in a few years and are well on the way to decimating the stocks.

Further north, off Alaska, the Japanese high-seas salmon fishery has so depleted the Bristol Bay sockeye salmon that biologists feel another season of netting may not only destroy the fishery, but jeopardize the survival of the species.

In the Bering Sea, the important U.S.-Canadian halibut fishery has been eliminated by what are called "incidental catches" by Japanese and Soviet fleets. Indeed, the "incidental" Japanese catch last year exceeded the entire deliberate catch by U.S. halibut fishers. The tremendous pressure on all Bering Sea fish may be appreciated by the fact that the total catch has risen from 28 million pounds in 1954 to 5 billion pounds last year. This unparalleled assault raises the possibility of the entire fishery's collapse within a few years. Of all the fisheries in the world, that of the Bering Sea is by far the most prolific, and the effect of such a collapse would be an ecological disaster beyond comprehension.

At the recent meeting of the International North Pacific Fisheries Commission in Tokyo, the Japanese, who account for over 80% of the total catch, refused to reduce their fishing effort despite clear evidence that their failure to do so will result in annihilation of once-plentiful stocks, such as the Bristol Bay sockeye salmon.

Along with the massive exploitation of fishing grounds, whaling fleets over the past 25 years have pitilessly hunted down and destroyed population after population, species after species, of great whales. By 1965, the blue whale had been brought to the verge of biological extinction. By 1968, the humpback whale had been reduced to a worldwide remnant, possibly as low as 1,000 animals. Finback whales today are critically depleted, sei whales are increasingly scarce and sperm whales are threatened.

These unique and magnificent mammals are of inestimable aesthetic, ecological and potential economic value to mankind. In many cases, their numbers are being systematically reduced beyond the possibility of significant recovery in our lifetimes.

Yet at a meeting of the International Whaling Commission last year, the Japanese and Soviets, ignoring resolutions by the United Nations Conference on the Human Environment and the U.N. Environmental Secretariat calling for a 10-year moratorium on the commercial killing of whales, succeeded in turning back U.S. efforts to significantly cut down the slaughter.

In addition, these nations have announced that they will disregard even the modest conservation measures voted by the Whaling Commission, at the recommendation of its scientific committee, to protect sperm and minke whales in the Southern Hemisphere.

This total lack of international concern profoundly distresses me, and has caused me—along with other senators—to introduce a number of measures before Congress in an effort to provide some kind of protection for whales and fishes. The most important of these would unilaterally extend U.S. jurisdiction over fishery resources to 200 miles from our coastline.

However, such a limit cannot greatly lessen the plight of the great whales, nor protect valuable fish stocks beyond potential national jurisdiction. Thus, I have authored a resolution which, if approved, would pave the way for economic retaliation against those nations and interests destroying marine resources.

The resolution instructs the secretaries of state and commerce to determine what action can be taken to effect compliance with conservation measures aimed at protecting marine resources with special attention to "trade agreements with Japan and the U.S.S.R., particularly . . . regarding industries which have a financial interest in the whaling or fishing industry."

When the studies mandated by the resolution have been completed and the necessary implementing legislation introduced and passed, we will have a realistic means for protecting the whale, and other endangered marine creatures, and vital open-ocean fish stocks.

More than 140 nations are expected to take part in the U.N. conference on the Law of the Sea, which begins in June and aims to create an entirely new body of law to deal with all uses of the sea. Major proposals have been made which would protect marine life, but there are such deep schisms between participating nations that it could well be that this conference, too, will lead to failure.

Therefore, my colleagues and I have entered upon the course of striving for unilateral U.S. action with reluctance, for we have continued to hope that reason would prevail in international deliberations. However, we can clearly no longer afford the luxury of waiting.

I believe that our survival may be contingent upon this. And I do not want to be a member of a generation which visited the moon, while the last great whales, with immense brains, unfathomed and unexplored, died in the world's oceans.

## MARYLAND DAY 1974

Mr. MATHIAS. Mr. President, March 25, 1974 marks the 340th anniversary of the founding of Maryland and as we pass that milestone and as we approach the Bicentennial of the American Revolution, it is perhaps natural that we reexamine the reasons, motives, and feelings of those men who settled Maryland and who created the United States of America. Events of the past decade and especially events of recent years have made the reexamination of our institutions, purposes, and goals, not only a function of the celebration of 340 years of Maryland history and 200 years of our national existence, but a necessity for the continued strength of our State and Nation.

Americans pride themselves on their capacity for innovation. They take pride in the demonstrated great capacity to invent, to bring forth new practical ideas to meet new situations. This is certainly one side of the American character. But there is another side, a very strong conservative strain which lies at the heart of the strength of America and by conservative, I am referring to the mainstream such as Burkean conservatism: that through our knowledge and understanding of the past we can conserve what is valuable for the present and protect for the future; that whatever we do to act to meet present and emerging situations should be measured against the test of the values of past history, past thought, and past experience.

It is clear that there are many serious unresolved problems that face the country at this time and there is much criticism of our system of government, and yet it seems to me that if we study our history from the time of the settlement of the colonies through the years to the present, if we understand the nature and substance of our country's institutions, we will find, I believe, that they are still basically sound and can meet the challenges we now face.

If we act as conservators of the Declaration of Independence, the Constitution, the Bill of Rights, and the laws of the land; if we see to it as guardians of our history and traditions, that the laws are properly made and faithfully executed, we will come to our 200th anniversary with pride and confidence that the Nation will continue. And in my view, as long as those institutions are conserved, preserved, and nurtured, it will continue strong and free.

In a sense, we can share Jefferson's feelings as expressed in his last letter to John Adams written in March of 1826, describing his great joy in being able to be a part of the creation of the American Republic. Writing to Adams, he expressed his satisfaction that despite many storms, the ship of the American State was able to weather the storm "stoutly." It is our present lot to find the ship of state in the midst of swirling storms, and I have every confidence that we will weather these storms as well.

## STATEMENT OF THE PRESIDENT OF THE AMERICAN BAR ASSOCIATION BEFORE THE CAPITOL HILL CHAPTER OF THE FEDERAL BAR ASSOCIATION

Mr. CHILES. Mr. President, I ask unanimous consent that the remarks of the president of the American Bar Association, the Honorable Chesterfield Smith, before the Capitol Hill Chapter of the Federal Bar Association on March 14, 1974, be printed in the Record. Mr. Smith's comments include a proposal for a citizens' coalition for court improvement and will, I believe, be of interest to my colleagues in the Senate.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Proposal for a Citizens' Coalition for Court Improvement

The equitable and efficient administration of justice is essential to a nation organized under, and dedicated to, the rule of law. Yet, the central elements in the administration of justice in this country—the courts—have, in the main, been neglected by our ciitzens and, more specifically, by their elected representatives: their Congressmen and their State legislators. It has almost become a cliche among lawyers and informed lay citizens that most courts are poorly housed and ill-equipped and that court personnel—and, especially judges at the State level—are severely undercompensated. Undeniably, our courts, both Federal and State, are among our least supported institutions. It is rather startling to realize that the budget for the entire Federal court system is only one-seventh of one percent of the entire Federal budget.

This monumental neglect has resulted in serious problems in the operation of those courts and, therefore, in the administration of justice. By anyone's standards—our courts simply are not meeting present needs. While the problem is more serious at the State level, particularly in metropolitan areas, it is real and alive also in the Federal courts. Crowded court dockets, case backlogs, overworked and harassed judges, judicial inefficiencies, and slow motion justice are the rule in massive areas of the Nation. In fact, it is not the exception—it is the prevalent condition.

The resulting delays in the resolution of civil disputes and in criminal trials have, in my opinion, contributed largely to the burgeoning crime rates, criminal recidivism, and the overall diminishment of public trust in government now plaguing our society.

The legal profession—through the American Bar Association and other legal groups—has long championed the cause of court improvement. While we have had some extremely significant achievements, we must acknowledge that we have not been able to secure overwhelming public support for judicial improvements. Often our concern has merely fallen on deaf ears in the community, in the State legislatures, and in the Congress. It has, therefore, been adequately demonstrated to me that lawyer concern is not enough—the cause of court improvement must be a concern and a cause for every citizen, not just attorneys. Justice is and always will be too precious a commodity to be championed by lawyers alone.

Lawmakers react to the interests of their constituents and, in regard to court improvement, there has been little articulated interest in the justice system except by lawyers. Thus, court improvement legislation and appropriations traditionally are relegated positions low on congressional and State legislative lists of priorities.

This low citizen interest stems—I am firmly convinced—from a lack of information—a feeling of knowing—rather than legitimate disinterest. I firmly believe that our citizens are usually, in the main, uninformed as to the cause and effect relationship between poorly supported and financed court systems and the resultant poor administration of justice.

It is for these reasons, therefore, that I now propose that a Citizens Coalition for Court Improvement—composed of representatives from all walks of American life—be formed to act as a catalyst for educating and involving our citizens in the constant fight for court improvement at the Federal level. I favor a similar structure for creation in each State, but that is the prerogative of the State bar association. My own responsibility, and that of the ABA, is at the national level. This coalition—I envision—would—among other things—be concerned with lobbying for improved court facilities, more adequate court support personnel and services, improved court procedures, and just compensation for members of the judiciary. I am asking representatives from various groups and occupations to participate in a conference in early June to discuss this proposal. I am firmly convinced that such an organization—which would be the first of its kind dedicated solely to court improvement—can materially enhance the quality of justice and the ability of our system to meet the needs of our society.

One of the reasons which caused me to come to the conclusion that such a wide-based citizens organization was absolutely essential was the recent and, to me, very sad decision by Congress denying Federal judicial pay raises. Just last week, the Senate vetoed the proposed pay increases for the Federal judiciary, as well as similar increases for high-ranking Government executives and the Congress itself. The American Bar Association had urged in the strongest terms the absolute necessity of providing an equitable salary adjustment for Members of Congress and Federal judges. Federal judicial and congressional salaries have been frozen since 1969 while—as we all know—the cost of living has skyrocketed in the intervening years. We spoke out in favor of a congressional pay raise because we believed it to be right and desirable but, of course, our special interest and special competence related more to judges salaries.

The simple fact is that lawyers who are of the quality to be judges are generally capable of earning in private practice far more than Federal judges are currently paid. Further, the financial hardship experienced by such lawyers in accepting judgeships is compounded when, after a period of severe inflation, his or her compensation remains the same.

As almost all of you know, legislation enacted in 1967 provides for a review every four years of judicial, executive and congressional pay. Since that time, more than half of the current members of the Federal judiciary have been appointed—appointed I suggest—with the reasonable expectation that this automatic mechanism would safeguard the purchasing power of their salaries from the erosion of inflation. By denying them this treatment, the Senate last week voted to continue into the indefinite future a salary scale too low to begin with, which has been frozen for the past five years, and whose real value diminishes each month. That was wrong—and I believe that ultimately it will adversely affect the quality of Federal justice.

In a real sense, the way in which we treat our judges reflects our attitude toward the functions they perform. By denying them fair treatment, we are casting unwarranted and dangerous doubt on our support of the administration of justice and the rule of law.

Communications which I received from a large number of Senators indicated that they truly appreciated the necessity of raising judicial pay. In voting against the pay increases, the Senators were apparently guided not by what they felt was right for the judiciary but what appeared to satisfy their own immediate political problems. As politicians, Senators can now take credit for turning back their own proposed pay increases. Judges, however, are not politicians and the Senate should not have imposed what it found to be politically expedient for its own members on the principal architects of justice in this country.

The Senators were able to vote against Federal judicial pay raises more easily, it seems to me, because there was no broad based citizen support for just compensation increases for the judiciary. Our citizens just did not know and were just not involved in the lobbying effort. The issue, undoubtedly, may have been confusing—certainly it was not well articulated to the public by the American Bar Association. It is my hope that, through an organization such as the proposed citizens coalition for court improvement, broad based citizen support can be generated in the future in support of similar measures which vitally affect the administration of justice at both the Federal and State levels. I shall do whatever I can to cause such an entity to come into being and to help it begin operations. Once that is done—once the baby is born and walking—I feel that it should go its own way. It should as a long-range matter have no connection with the American Bar Association or be under the dominion or control of any other organization.

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## FORMER SENATOR PAUL DOUGLAS, OF ILLINOIS, CELEBRATES 82D BIRTHDAY

Mr. STEVENSON. Mr. President, today marks the 82d birthday of a former colleague of many of us—and a predecessor of mine from Illinois in the Senate, Paul Douglas. I think it is fitting that we pause to mark the occasion, and worthwhile to remember what the name and career of Paul Douglas has meant in our national life.

At a time when the integrity of public officials is under intense scrutiny; a time when many citizens are skeptical, even cynical, about the moral stature of their elected officials—we can profit from Senator Douglas' example. If ever a man deserved the title, Mr. Integrity, it was Paul Douglas, who early led the battle for campaign reform and strict ethical codes for public servants.

But integrity, fundamental as it is, must be the foundation of a public career; it is not the whole structure. Paul Douglas built upon his integrity a record of far-sighted leadership.

Long before saving the environment reached the forefront of public consciousness, he was fighting to save the Indian Dunes.

And when Ralph Nader was only a little boy, Paul Douglas was battling in the Senate for truth in lending and an array of consumer protection laws.

For years Paul Douglas and his wife, Emily, who was herself at one time a member of Congress, were a team representing the citizens of Illinois—and setting an example for us all.

Now they are retired from public life. But though they have left the tumult of public controversy and the glare of public notice, they must surely have the greatest satisfaction that can come to anyone in public service: The satisfaction of a life richly lived; a job well done, and the satisfaction of knowing that their influence still is felt in the U.S. Senate, and in the country to which they gave so much.

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## THE PHOENIX SURGICENTER

Mr. FANNIN. Mr. President, for the past 4 years it has been my pleasure to work with a group in Phoenix which has pioneered a new method of quality, low cost health care. It is known as the Phoenix Surgicenter, and the idea has spread rapidly across the country.

At first the medical community itself had some skepticism about such programs, but now the concept is fairly well accepted. It is the Federal Government which has been slowing up this needed development.

In the January issue of AMA Update, the American Medical Association reprinted an excellent article written by the editor of the Arizona Republic, Frederic S. Marquardt. Mr. President, I ask unanimous consent to have the article printed in the Record:

There being no objection, the article was ordered to be printed in the Record, as follows:

### Surgicenter Cuts Costs—So, Why Won't Medicare Pay Part of the Tab?

(By Frederic S. Marquardt)

As anyone who has been sick knows, health care costs have mounted astronomically in the last few years.

In 1970, two Phoenix physicians, Dr. Wallace A. Reed and Dr. John L. Ford, came up with an idea that would reduce hospital costs. They secured permission to build a freestanding surgical facility in which minor operations could be done and allow patients to go home the same day.

A good example is a tonsillectomy. Until Dr. Reed and Dr. Ford opened Surgicenter, most persons wanting their tonsils removed had to spend two days in a hospital, with costs running up to $100 a day. In Surgicenter a patient can walk in, have the operation, spend four or five hours under medical supervision to be sure there are no complications, and walk out.

Because a surgeon can schedule four or five minor operations in quick succession, he can save time. Because the patient can walk in and walk out, without having to stay in bed for a couple of days, he can save money.

Although most hospitals opposed licensing of Surgicenter, they soon realized the procedure was a good one. Today the big Phoenix hospitals have made their own surgical facilities open to ambulatory patients.

In the three and a half years since it opened Surgicenter has completed *16,000* operations without a death or a life-threatening complication. Most health care insurance companies, both commercial and nonprofit, pay Surgicenter a portion of what they would pay a hospital for the same services.

But Medicare, the Social Security Administration's program that pays a large portion of hospital bills for everyone over 65 years of age, has refused to make payments of any sort to Surgicenter.

Surgicenter has been writing letters to, and holding conferences with, Social Security Administration officials. All efforts to get Medicare support for the Surgicenter program have failed.

Last October Congress passed a law authorizing the secretary of the Department of Health, Education and Welfare to develop a demonstration project with Surgicenter. The Social Security Administration, which is under HEW, was ordered to carry out the law's provision. The last communication from the Social Security Administration, dated May 17, suggested that "further delays of unpredictable duration are to be anticipated."

The preceding quotation is from a bulletin Surgicenter recently sent to its Community Advisory Committee. In commenting on Medicare's delay, Dr. Reed and Dr. Ford said: "For the first two or three years, we were somewhat amused by this known inability of the federal bureaucracy to move effectively. Now, however, it's beginning really to alarm us, not because of what it means financially—we are managing to get along without Medicare Part A paying its way—but because of what it portends for the survival of our society."

It is hard to understand why the federal government, which is at least partly responsible for spiraling health costs, shows such disregard for a cost-cutting program that has worked well in Phoenix.

It is impossible to understand why the federal government cannot even run a demonstration project to determine for itself whether Surgicenter is a success or a failure.

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## NUTRITION PROGRAMS FOR THE ELDERLY

Mr. BIDEN. Mr. President, I am pleased to share with my colleagues the success of SERVE, Seniors Eating Regularly and Visiting Each Other, a title VII Older Americans Act nutrition program in Wilmington, Del.

The Wilmington program began November 19, 1973, and now has eight nutrition sites located in churches, senior centers, and community agency buildings. All of these locations were selected for their proximity to elderly individuals who would qualify for the program.

Aside from providing nutritional

meals, SERVE also provides supportive services such as transportation and employment counciling. These programs are funded through title III of the Older Americans Act and have been of great value to the elderly in Delaware.

Recently, Daphne Aaron, project director of SERVE, and Mrs. Greta Bowers, a member of the Wilmington Senior Center, testified before the House Subcommittee on Education about the federally funded nutrition programs for the elderly. I believe their remarks about SERVE are particularly incisive and deserve the attention of my colleagues.

Mr. President, I request unanimous consent that the testimony of Daphne Aaron and Greta Bowers be printed in the RECORD.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

### STATEMENT BY DAPHNE AARON

My name is Daphne Aaron. I am the Project Director of SERVE, the Title VII Nutrition Program in the City of Wilmington, Del. I appreciate the opportunity to provide information to this committee about our program.

The Wilmington project was funded for about $115,000 per year. It is designed to provide 560 hot meals per day in the City of Wilmington. The state of Delaware has three other projects in its three counties: New Castle, Kent, and Sussex. The comments I will make, however, concern only the City of Wilmington.

SERVE, or Seniors Eating Regularly and Visiting Each Other, began on November 19, 1973. The project now has eight nutrition sites. These sites are located in churches, senior centers, and community agency buildings. They were carefully chosen for their proximity to concentrations of elderly people who are at or below poverty level and who are in the minority groups.

We are extremely pleased with the program to date. It has provided an extra dimension to the lives of older Delawareans. The improvement in their life styles, interests, and attitudes have been noticeably discerned. While we are aware of the vital need for a nutritious diet, we have attempted not to make it the most important factor in our delivery of human services to the elderly.

In addition to providing a nutritious meal, SERVE provides an opportunity for senior citizens to benefit from needed supportive services. Our program includes a shopping assistance bus that transports senior citizens to a local shopping mart each week. There is a very comprehensive Information and Referral Service. There is an employment service for Older Delawareans to give them the opportunity to supplement their fixed incomes. Our telephone reassurance program calls approximately 250 seniors daily. Escort services are provided for medical and financial needs, consumer protection assistance, fire protection aid, personal protection provided by the police department, pre-retirement programs, and income tax preparation assistance.

These supportive services have been a part of Delaware's program for the elderly before the nutrition program began. They are funded entirely through Title III funds of the Older Americans Act. This enables us to use our Title VII nutrition money for hot meals only, plus staff costs.

However, the beauty of the nutrition program is that more of our elderly residents have become more aware of the services mentioned above. The hot meal was the drawing card and the inspiration for senior citizens to request additional assistance for their particular problems.

Because of the increased demand, the dollars are shrinking. Title III funds are not as plentiful as they once were, at least not in the state of Delaware. We feel, therefore, that it is critical for Congress to approve more funding for Title VII to provide for this increased need of services. We have also experienced the inflationary spiral with regard to food costs in just 2½ months. Because of this our waiting list is increasing.

In addition, we have discovered that because of inadequate funding, staff members who should be out seeking elderly citizens to participate in the program must spend too much time in-house. The idea of volunteers is excellent, and we work very diligently to find volunteers, though they are not always as dependable as they might be. It is our feeling that another full-time staff person at each site would make the program more effective. (You should know that we are working closely with the SSI State Division People.)

We feel that the Nutrition Program has been, and will be, an outstanding success. It is our belief that it should be a priority item for the Congress in its determination of fiscal expenditures. We strongly urge that all the additional dollars that can be found be channeled into this program.

It is our firm conviction that the Title VII nutrition program has all the necessary ingredients to provide the needed services that will make life more meaningful for the elderly residents of America.

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### STATEMENT BY GRETA BOWERS

My name is Mrs. Greta Bowers from Wilmington, Delaware. I have been a member of the Wilmington Senior Center for about three years.

I joined the center shortly after the death of my husband. I was lonely and depressed and needed company. Since being active at the center I've had many opportunities I wouldn't have had. There are many programs, one of which is the nutrition program, started on November 19, 1973.

At first there was much skepticism among the members. After the program started, it proved to be a real blessing to the senior citizens. The blessing has been because of the opportunity of being able to receive a nutritious meal once a day.

I would like to relate a few incidents I know of personally. A blind lady who takes advantage of the program. She lives alone and does not bother to cook for herself. She feels that her health has been benefited by having a nutritious meal once a day.

An aged woman and her crippled son were having a problem. The mother is getting senile and too weak to prepare food for them. They are now getting the nutrition program and are very happy. This problem was solved for them. They also feel their health has been benefited.

Speaking in behalf of the senior citizens of Wilmington, Delaware we hope that the Congress will continue to appropriate money for this very necessary program.

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## TRUTH IN FOOD LABELING

Mr. HARTKE. Mr. President, I believe that many consumers are becoming aware of the dangers which are presented by the row upon row of food products on supermarket shelves these days. We simply know too little about the food we eat, what is in it, and what it will do for us—or to us.

It was this need to know that prompted me to introduce the Truth in Food Labeling Act, S. 1197. My proposal requires disclosure about the quality of food products, their contents, their nutritional value, and their freshness. This is basic information which every consumer has a right to know, and its disclosure will in no way confuse the purchaser.

Mr. President, recently an article by Peter Weaver appeared in Today's Health magazine. Because it is not appropriate to the subject of product labeling, I ask unanimous consent that its text be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### TOWARD MORE EFFECTIVE LABELING

(By Peter Weaver)

"If all else fails, read the label," goes the old household joke. But in these days of aerosol cans, synthetic fibers, food additives, and do-it-yourself projects, if you don't read the label *first*, you risk wasting your money, at the least, and injury or death, at the extreme.

A man found unconscious with a spray can of paint by his side could have saved himself a lot of agony if he had read the fine print on the can warning him to provide adequate ventilation while using the contents.

Yes, label reading is better and more necessary than ever, thanks to the efforts of many, including consumer advocates—those people who push for new laws to protect the buyer; and government agencies—who have banded together to help pass laws requiring manufacturers to put detailed labels on goods. Over the next few years, these new, more effective labels will appear on more and more items.

But no amount of research and law passing can protect you and your family from possible harm unless you take the time to read and heed the new package information.

The crusade is far from over. Some of the warning or informational labels are quite good but are long overdue. Others however, tend to be confusing, and some leave out important information that buyers need to effectively use the product.

Evidence of progress is everywhere:

Food—As of January 1, 1974 most packaged food labels ordered by manufacturers will have to list nutritional values such as calories, protein, fat content, carbohydrates, vitamins, and minerals.

Cosmetics—All cosmetic labels printed after March 31, 1974 must list ingredients such as specific colors (by government numbers—yellow #5, for example) and other possible irritants (lanolin, protein, coal tar).

Toys—Last fall, manufacturers of electrical toys were required to state on every package: "Caution—Electrically operated product. Not recommended for children under eight years of age. As with all electric products, precautions should be observed during handling and use to prevent electric shock."

This kind of label information can be useful if buyers actually read and understand the message. "We require warning labels when necessary but we have to be careful that the manufacturers don't use them as a cop-out," says Ron Aaron Eisenberg, director of public affairs, Consumer Product Safety Commission. If a product is inherently dangerous, Eisenberg says, it might not do much good to put long and complex warnings on a label.

He cites the complicated warnings on adhesive spray cans which have a "danger" warning followed by a "caution" subheading. Included under danger is the fact that the contents are "extremely flammable," and that users should "avoid prolonged breathing of vapor and prolonged or repeated contact with skin." There's more on the dangers of "swallowing" the contents, and this is topped off with the cautionary statement that the whole thing is packed under pressure and could blow up if tossed onto a trash fire.

This sort of warning-label overkill tends to turn off many consumers who eventually stop paying much attention to all the label language. Rather than wade through the confusion, they say to themselves, "If they allow them to sell it, it must be fairly safe." So, instead of piling one warning on top of another, Eisenberg says, "manufacturers should concentrate on cutting the dangers out of the product."

Baby-crib manufacturers did just that and combined their new safety standards with a simple, easy-to-understand warning label. Babies were getting their heads stuck between the bars, and some even choked to death. Others were suffocating under ill-fitting mattresses. The Consumer Product Safety Commission ordered new design standards for the cribs which included, among other structural changes, narrowing the space between the bars and the attachment of a warning label reminding parents to get a mattress which fits snugly into the frame.

Working with the industry, the commission prompted the publication of a brochure to go with each crib, explaining the inherent dangers and showing, in pictures, how the crib can be used in the safest possible manner. The Juvenile Products Manufacturing Association and the American Academy of Pediatrics agreed to help distribute the brochure.

The presence of a warning label is not sufficient if the consumer doesn't understand what the warning or instruction means. In the case of baby cribs, it was learned that many parents assemble the things themselves—sometimes incorrectly. So, assembly instructions had to be reworded for the lay person, and manufacturers had to make do-it-yourself construction simpler. The same situation exists for boxed bicycles. The commission and the manufacturers are working on an easier assembling method for bikes—one that will remove any danger of their flying apart during use because of improper assembly. All companies will be required to submit their instructions and methods of assembly for approval.

Sometimes, even after a good, understandable warning- or information-label is designed for a product, the public might face the "stockpiled label syndrome," caused by a confusing chain of events. When a government agency, such as the Consumer Product Safety Commission or the Food and Drug Administration, forces manufacturers to adhere to a new standard, a certain amount of switch-over time is allowed. It is here that the major snags occur. The requirement that children's sleepwear (sizes 0 to 6X) be made of flame-resistant material is an excellent example of the bureaucratic bog caused by companies phasing out the old and phasing in the new.

This particular switch started in 1972 when the government said manufacturers had to start making children's sleepwear flame resistant sometime in the following two years. If a company made a flame-resistant garment by the first deadline, July 1972, they could choose to label it as such or leave this information off the label. Manufacturers who made garments that didn't comply with the flame-resistant standard after July 1972 could continue doing so as long as they labeled them as not complying with federal standards. By July 1973, the regulation said, all garments had to comply, but they didn't have to be labeled as such. Amid this confusion was danger to the consumer: Children's pajamas and nightgowns made *before* July 1972 could still be sold, could burn like a torch, and didn't have to admit it on the label. It was a monumental snafu.

The same dilemma might occur with the new regulations for cosmetics and nutrition information. If a food manufacturer, for example, has a large stockpile of canned fruit-drink labels (with a vitamin claim), he can continue to use them through 1974. But, if the manufacturer has to order a new supply of labels after January 1, 1974, they must include nutrition information. The same process (different dates) applies for cosmetics ingredients—new labels ordered after March 31, 1974 must comply; all labels must comply after March 31, 1975.

Advice to the consumer? Take the time at point-of-purchase to pick and choose among products, and get the ones with the new labels. Thankfully, some food and cosmetics manufacturers are already beginning to put the new information on their products.

Although expanded nutritional accounting is a big step forward, Esther Peterson, former White House consumer advisor and current consultant with Giant Food Corp. (a large, East Coast supermarket chain), emphasizes, "We still need more information." Many foods don't have a complete listing of the ingredients on the package. Or, when an ingredient is listed, you only get half the necessary information. For instance, ice cream products don't require a list of ingredients such as coloring, binders, or flavoring. Mrs. Peterson says, "Giant is putting this information on its own products as fast as new labels are ordered." Safeway Stores (another food chain) is putting ingredient information on its Lucerne ice cream, and hopefully other producers will take up the practice on their own initiative.

The law requires that major ingredients be listed on certain food packages but doesn't require it on so-called "standardized foods" or foods that must be made according to a government-regulated formula (mayonnaise, ice cream, soft drinks—to name a few). It would still be nice to know the ingredients if you're allergic or sensitive to, say, the corn in the cornstarch in your ice cream.

Mrs. Peterson also feels that food should have "care labeling." The shelf life of a can of hash, for example, should be labeled: "Eat before July 1, 1975."

Another area of consumer confusion is in the use and care of permanent-press clothing. Dorothy Lyle, Ph.D., fabric research expert with the International Fabricare Institute (13,000-member dry cleaners and laundries), says: "We've received complaints about skin irritations caused by chemicals in durable-press garments."

Some durable- or permanent-press clothes are treated with formaldehyde and other chemicals to give them their wrinkle-free quality, but, unfortunately, they are not all rinsed at the plant after this chemical treatment. And, when too much of the chemical remains on or in the fabric, it can cause a nasty rash. If consumers wash durable-press clothes before using—no problem. This raises the question: Why don't they put a cautionary label, "Wash before wearing," on these clothes? According to one apparel manufacturer's representative: "It's negative advertising; people might not want to buy it . . . and, besides, why do it when you don't have to?" Durable-press clothing manufacturers may soon have to put a "Wash before wearing" tag on their products. The Consumer Product Safety Commission is looking into the matter.

Dr. Lyle says complaints have been coming in on the new, chemically-treated, flame-resistant children's sleepwear. Some children are getting rashes. "It's not the chemicals," says Fred Shippe, an executive with the American Apparel Manufacturer's Association. "It's the way people are forced to wash the garments at home." Some types of flame-resistant fabrics have care labels which state "no bleach" or tell you to use detergents with plenty of phosphates. If you don't use bleach on a small child's pajamas or can't use phosphate detergents because they're banned in your area, it's possible to have a considerable amount of dirt remain in the fabric, including fecal matter, bacteria, and deteriorated food.

When this happens, says Shippe, "it can cause quite a skin irritation." If bleach or the tougher detergents are used, he says, "the irritation disappears." But, if you use bleach on some sleepwear products, it reduces the flame resistance. Again, the same advice. Look at the care labels on children's sleepwear while you are in the store. Keep your own washing requirements in mind. Some types of flame-resistant sleepwear can take bleach, some can't. Buy the ones you can best handle in your home, in your area.

Remember, nothing is sacred from the care and diligence circle. Many consumers believe medicines are automatically safe or are properly labeled simply "because they're medicines." Not so. More and better labels are sorely needed for both the over-the-counter and prescription pharmaceuticals we buy.

The active ingredients in over-the-counter (patent medicine) products and vitamins are dutifully listed but not the "inactive" ingredients. These can be fillers, binders, flavoring, and coloring. According to Mrs. Shirley Cosson, legislative vice-president of the metropolitan Washington chapter of the Allergy Foundation of America, "Some people have a sensitivity or intolerance for certain colorings and other materials used as inactive ingredients in medicines." One example she gives is the lactose (a milk sugar) used as a filling in some capsules, that causes severe diarrhea in some people. Another is the coloring FD&C (Food, Drug, and Cosmetics) yellow No. 5, which has been known to induce asthma, hives, and other allergic reactions. "We're starting to list ingredients in cosmetics; we've listed ingredients in some foods for a long time," she says, "why can't we do the same for medicines?" Good question.

Prescription drugs are not required to have ingredients listed—active or nonactive. Senator Gaylord Nelson (D-Wis.) has introduced legislation which would require listing of active medical ingredients, according to their official or generic names, on prescription labels. Senator Nelson feels this information is essential for safety's sake. If there's a mishap, someone can quickly see what kind of medicine a person has been taking. Edward G. Feldman, Ph. D., an executive with the American Pharmaceutical Association (members are pharmacists), believes prescription labels should also note the reason for the patient's treatment (sedation, heart problem, high blood pressure—whatever). This could serve as important identification of the medicines people tend to pile up in bathroom cabinets.

Medicines should also have labels telling you when they ought to be thrown out. Photographic film has an expiration date clearly marked. So do a number of perishable foods. It's time to do the same for medicines. According to Dr. Feldmann, "some drugs lose their potency as they age . . . a few can even become dangerous when they deteriorate."

FDA Commissioner Alexander M. Schmidt might push for more consumer information on medicines during 1974. The FDA, for example, is testing a consumer package insert for newly approved birth-control preparations DES (the "morning after" pill) and Depo Provera. The inserts tell consumers in "fairly strong language" some facts on the potential dangers of these drugs. With this kind of information, it's hoped that consumers can make a more intelligent choice of the benefits versus the risks of various birth-control drugs or devices.

If the insert information works well, FDA may start requiring more consumer information for other drugs, especially those that are to be taken over a long period when a patient might not be seeing a doctor regularly.

So, take some time to read your labels. It will make the time fly in a supermarket line, on the bus, while your daughter is choosing between the red and the green one. Now, maybe it will take you two days to read the cereal box at the breakfast table. Teach your children to read the labels—they can play a new word game: Call it, "Use only as directed."

## THE PEOPLE'S PETITION TO CONGRESS

Mr. TOWER. Mr. President, on October 28, 1973, the Board of Church and Society of the United Methodist Church, meeting in Chevy Chase, Md., passed a resolution calling for the impeachment of the President, which was presented by members of the board as "The People's Petition to the Congress."

Many of my colleagues have interpreted this petition as an official statement of the sentiments of the United Methodist Church and its members. This is simply not the case. The Board of Church and Society of the United Methodist Church has no authority to speak for the church as a whole or for its members. The board can only speak for itself and to the church regarding social concerns which it feels the members should address. The Board of Church and Society of the United Methodist Church far exceeded its authority in presenting its resolution as "The People's Petition to the Congress" and a great many members of the United Methodist Church have expressed grave concern over the impropriety of the board's action.

On November 28, 1973, the administrative board of Grace United Methodist Church, Corpus Christi, Tex., passed a resolution regarding this matter.

Mr. President, I ask unanimous consent that the resolution, as approved, be printed in its entirety in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

### Resolution of Grace United Methodist Church, Corpus Christi, Tex., November 30, 1973

Whereas the Board of Church and Society of the United Methodist Church in its October 1973 meeting in Chevy Chase, Md., did pass a resolution entitled "The People's Petition to the Congress" calling for the immediate impeachment of President Richard Nixon; and

Whereas representatives from the Board of Church and Society submitted their "People's Petititon" to members of the House of Representatives where it was subsequently entered into The Congressional Record; and

Whereas the Board of Church and Society does have the rightful responsibility to speak on its own behalf, addressing itself to social issues from a theological perspective—a right which the Discipline and tradition protects; and

Whereas the Board of Church and Society does not speak for local United Methodist Churches, but to the United Methodist Church as a whole;

Be it therefore resolved that, The Administrative Board of Grace United Methodist Church, Corpus Christi, Texas, meeting November 28, 1973, passed a resolution questioning the propriety and the effectiveness of the Board of Church and Society's "People's Petition to Congress" which gave the impression to the press and to the House of Representatives that the Board was speaking in behalf of all United Methodists when in fact it was not; and

That, the Board of Church and Society should seek to correct this misrepresentation written into the Congressional Record by issuing a subsequent statement to the House of Representatives that the Board of Church and Society speaks only on its own behalf and not for the United Methodist Church as a whole.

## SOCIAL SECURITY: WHO COLLECTS?

Mr. HARTKE. Mr. President, four decades ago, Congress enacted a program designed to provide benefits to people who had retired. That program also benefits millions of Americans who are nowhere near retirement age through its disability and survivors benefits.

Despite its limitations, social security is one Government program that enjoys a good deal of public acceptance. People count on the program to provide benefits—benefits which they get not because some bureaucrat decides they are eligible but as a matter of right.

I was deeply disturbed to note an advertisement in a Sunday newspaper recently which urges people to find the answer to several basic questions about the social security system. It also provides the reader with an opportunity to get a copy of his "confidential social security report" of earnings. To get this information, the reader must send the advertiser $3.

Mr. President, I believe in American initiative and enterprise, but it seems to me that the services offered by this advertiser are totally unneeded. The Social Security Administration has some very good publications which explain the operation of its program, and any person with a social security number can request a statement of his own record of earnings at no cost from Social Security any time he desires.

I am not suggesting that those people who respond to this advertisement do not get their $3 worth of information; what I do suggest is that if the Social Security Administration were doing its job properly, there would be no need for this type of advertisement.

Mr. President, I ask unanimous consent that the text of the advertisement to which I have referred, absent the name of the advertiser, be printed in the Record.

There being no objection, the advertisement was ordered to be printed in the Record, as follows:

### How To Collect From Social Security at Any Age!

Would you like to know how much money you have invested in Social Security right to the penny? Then would you like to know how to get the most from that investment including all the brand new Social Security benefits? Now you can do both by using the short easy coupon at the bottom of this page. Here is the way it works. The left half of the coupon will be sent to the proper government office. They will run a check on your account and then send you a report in a confidential sealed envelope. This report will tell you how much of your earnings have been recorded in your Social Security account year by year. There is no charge for this service, not even postage.

The right half of the coupon will be used as a shipping label to send you a copy of a new book entitled, "How to collect from Social Security at any age." If you think that you have to wait until retirement age to start collecting your Social Security benefits, this book will really open your eyes. Here are some of the little-known facts about Social Security you will find out about in this book:

How to increase the amount of your payment if you are already on Social Security.

How to collect your share of the brand new Social Security benefits just passed by Congress.

How to qualify for Social Security disability pensions at any age.

How to increase your Social Security benefit.

How to report your Farm income for Social Security.

How to make your whole family eligible for Social Security benefits, even your youngest children.

How to replace a lost Social Security card.

How to replace a lost Social Security check.

How to get a refund if you have overpaid your Social Security taxes. (Studies show that two out of three people overpay.)

How to figure out what your Social Security retirement payments should be.

Should you tattoo your Social Security number on your body?

What papers do you need in order to file a Social Security claim?

How ten million people who are only 30 years old, on the average, collect Social Security.

Should you get a divorce in order to get more Social Security? (a lot of people already have.)

Should you have two Social Security cards?

How to get free services which are available from Social Security.

How to make sure your employer is not cheating you on your Social Security.

How you may be cheating yourself out of your Social Security benefits.

When are the five times you should get in touch with your Social Security office?

How to work and still get Social Security benefits.

How to cash in on Social Security even if you've never paid a penny into it.

How to get hospital and medical insurance for the aged.

How students between the ages of 18 and 22 can get Social Security cash benefits.

How to get the special Social Security benefits that are only for veterans.

Although this book can mean hundreds and perhaps thousands of dollars to you, it is priced at only $3.00. Remember, it is not enough to qualify for your Social Security benefits. To get your benefits you must know how to apply for them. The book tells you how to qualify, who to contact—including all necessary addresses, and what to say. This is a 100% no risk offer. If you do not like the book, return it and your $3.00 will be immediately refunded. You will still get the confidential report on your Social Security account.

If you do not take advantage of your new Social Security benefits, you are only cheating yourself, after all, you have already paid for them. It is easy to start getting your new Social Security benefits. Just fill out both parts of the coupon below. Mail the coupon and $3.00 in cash, check or money order to ———.

The book will be sent to you immediately by return mail. Your confidential Social Security report will be mailed to you separately as soon as the government has finished checking your account. Checks and money orders should be made payable to ———.

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## CAMPAIGN FINANCING REFORM

Mr. BIDEN. Mr. President, Delaware's John J. Williams provided my State and the country with distinguished service for 24 years. Although he is no longer serving in that capacity, he continues to be an active and concerned citizen.

Senator Williams recently expressed his views about campaign financing reform in the March 1974 issue of Reader's Digest. Although our positions are not identical, I nevertheless want to share with my colleagues his views.

At the outset of the article Senator Williams says quite correctly in reference to the consequences of the Watergate scandal:

> But from the squalid evidence already visible, it is clear that political corruption in this country is not just a moral problem. It is one that imperils the very survival of our democracy.

Mr. President, I ask unanimous consent that Senator Williams' article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### CAMPAIGN FINANCING REFORM

(By Senator John J. Williams)

It will probably be a long time before we can fully assess the impact of Watergate and related scandals on American life. Indeed, at this point we cannot foresee what more may yet emerge from continuing investigations. But from the squalid evidence already visible, it is clear that political corruption in this country is not just a moral problem. It is one that imperils the very survival of our democracy.

There is, of course, no magic solution to the problem of corruption, and we should be wary of any political nostrum that purports to offer one. But the recent scandals do illuminate one area where reforms are both essential and possible. For the reprehensible, clandestine political acts connected with Watergate were financed and made possible by an excess of campaign donations, many of them secretly and illicitly obtained. Equally important, the flow of massive contributions into both parties has created the impression among millions of Americans that the government of the United States can be bought.

To restore public confidence in the integrity of government, we need to end the dependency of our candidates on special-interest contributions. This we can do to a significant extent by reducing the costs and changing the methods of campaign financing. I believe there are a number of reasonable steps that can be taken toward this goal.

1. *Shorten the campaign.* Political campaigns cost so much, in part, because they last so long. The custom of prolonged campaigning originated at a time when much of the country was sparsely populated and a candidate had to travel by train or even on horseback for many months to communicate with the electorate. This tradition has been made obsolete by the jet airplane, television and other mass media. Yet our campaigns still drag on needlessly, consuming vast amounts of money and providing endless repetition.

I recall that after President Eisenhower once spoke in my state of Delaware, I complimented him on his speech. "Well, Senator," he replied, "the first time I made that speech, I thought it was pretty good. The next ten times I made it, I thought it was okay. Now I've made it so many times I think it's terrible."

I doubt that there is a politician alive who has not felt that way or who could not tell the people all he knows and thinks in two or three months. Thus, I believe that Congress should fix a uniform, nationwide date for the primaries and nominating conventions affecting all federal offices. By commencing the primary campaigns in early August, and the general-election campaigns in early October, we would at once sharply lower the cost of politics. At the same time, we would improve the quality of political discourse and heighten public interest in it.

2. *Grant free television time and mailing rights.* Candidates in the seven Congressional districts in and around Detroit usually pay about $2000 for one minute of prime network television time. With costs in other metropolitan areas—New York, Los Angeles, Chicago, Philadelphia—even higher, it is not surprising that candidates for federal posts had to spend $32 million for TV and $28 million for radio in 1972.

In urging free time for legitimate candidates, it is important to recognize that television and radio stations exist and make handsome profits because they have been given public property—namely, transmission channels, of which there are a limited number. So it seems to me only fair that the stations partially repay the public at election time by providing bona-fide candidates with the means of free communication of their political views. At the same time, the present law, which requires stations to give equal time to anyone claiming to be a candidate, whether he has any serious credentials or not, should be repealed.

Congress should then promulgate criteria by which state-election officials can certify bona-fide candidates for national office. It should also stipulate how much time stations must allot to them. This free access to broadcast media would greatly diminish what is often the largest item in a campaign budget.

The dependency of candidates on outside contributions could be further lessened by allowing them to mail one or two political statements to all voters free of charge. Presently prevailing printing and mailing costs make such mailings prohibitive. A Senate candidate running in California would most likely need to spend at least $1.1 million to reach every registered voter in the state. In Ohio, the total would be more than $500,000; in New Jersey, $400,000; in Georgia, $250,000.

Incumbent Congressmen and Senators are already permitted to make mass mailings of "non-political" material that promotes their re-election efforts. By giving challengers limited mailing privileges, we would level the political scales now tipped in favor of those in office. In Great Britain, the practice of awarding candidates mailing privileges—and free television time—has proved both workable and effective.

3. *Get Big Business and Big Labor out of political bankrolling.* The law has long recognized, in theory at least, that it is wrong to allow corporations and unions to try to buy votes through political donations. As far back as 1907, Congress prohibited business contributions and unsecured loans by banks for political purposes, a ban that was reaffirmed by laws enacted in 1925 and 1971. Congress applied the same prohibition to unions in 1943 and 1947. But corporations and unions—as well as both major political parties—have flouted the intent of these prohibitions with virtual impunity.

As of last December, for example, at least eight executives had publicly admitted that their corporations made illegal contributions to the 1972 Nixon campaign. But Democrats as well as Republicans have shared in such political largess. Dairy lobbyists who gave $100,000 to the Republicans in 1969 also passed out hefty contributions to prominent Democrats in a position to influence Congressional legislation affecting dairy interests.

As for the unions, many, by a variety of measures, extract "voluntary contributions" from their members. These fixed "contributions," regularly deducted from each member's paycheck along with his dues, go into political funds controlled by union bosses. In the 1968 and 1972 elections, millions of rank-and-filers disagreed with the political candidates subsidized by their dollars. But they had no voice in the matter. Unions further aid favored candidates by financing "political education" and "voter registration" drives. Although nonpartisan in name, such campaigns are actually ultra-partisan because they are conducted only in those areas and among those voters known to favor the union leaders' candidates. Author Theodore H. White notes that in 1968 unions registered 4.6 million voters, distributed 115 million political leaflets, supplied 72,225 house-to-house canvassers, and on Election Day deployed 94,500 volunteers for political purposes.

To be sure, political activity—including genuinely voluntary contributions—should be encouraged among all citizens. But Congress should enact stringent new laws which effectively bar corporate and union contributions in any form.

4. *Make small contributors the backbone of political financing.* While reducing the costs of campaigns, we should endeavor to spread the legitimate costs that do remain among as many citizens as possible. Technically, present law makes it illegal for anyone to give a candidate more than $5000. However, a donor may contribute to unlimited numbers of local committees established solely to funnel money to a candidate. Thus, big contributors continue to supply a disproportionate share of campaign funds.

Recognizing that candidates should not become beholden to a comparatively few large donors, Congress is currently considering a proposal to have the federal government finance campaigns for national office. Worthy as the *aims* of this proposal are, I think such a plan is both undesirable and impractical. For one thing, federal financing would make political parties unresponsive to the people. Guaranteed millions of dollars from the public treasury, a party would pursue extremist or outworn aims year after year simply because it would not have to go to the people for financial support. In areas that are predominantly Democratic or Republican, candidates of the less-favored party would receive tax funds vastly disproportionate to their popular support.

The federal-financing proposal also seeks to impose a ceiling on overall campaign expenditures by limiting the amount a candidate may spend and by restricting individual donations to $100. In reality, this subsidy scheme could easily lead to even costlier campaigns, with the federal treasury simply adding on another layer of money. While candidates themselves could not exceed specified limits, nothing would prevent so-called "public interest" organizations from using their own money to promote politicians of their choice. Nor could a wealthy office-seeker be kept from promoting himself before he officially became a candidate.

As an alternative to straight federal financing, I think we should adopt an idea first advocated by President Kennedy. Its objective is to stimulate myriad small contributions, which would leave candidates unobligated to a few big donors. Such stimulus could be provided by allowing taxpayers a 50-percent tax credit on donations up to, say, $300. Thus, if a man earning $10,000 and a man earning $100,000 a year each contributed $300, the two of them would be treated equally—each would receive a tax rebate of $150.

Simultaneously, to discourage large contributions, Congress should bar a candidate from receiving money through more than one committee and prohibit anyone from giving a candidate more than $3000—with stiff tax penalties and jail terms for those caught cheating. Candidacies founded upon the spontaneous, truly voluntary support of many small contributors would be the most likely to produce the best political representation for all the people.

5. *Enforce the campaign-funding laws.* If properly enforced, existing statutes are, by and large, adequate to deal with the individual instances of dishonesty that will always be with us. Thus, no new laws were necessary during the past two years to successfully prosecute former Vice President Spiro T. Agnew; Sen. Daniel Brewster of Maryland; Representatives Cornelius Gallagher of New Jersey and John Dowdy of Texas; and former Illinois Governor Otto Kerner. However, too often existing laws *have not been enforced.*

To provide for enforcement of the reforms that inevitably will be enacted, Congress should establish a federal-election commission composed equally of Democrats and Republicans. The assurance that future scandals will not be covered up, no matter who is involved, will of itself help revive public confidence.

Watergate has damaged the country, and it would be foolish to pretend otherwise. And beyond Watergate we see flaws, inadequacies and multiplying problems in many sectors of our society. But, for all its defects, our democracy is still worth preserving and improving. Thus, it is vital that the Congress begin now to cleanse our politics and thereby to revitalize our faith in the democratic process. If the men presently in Congress do not act convincingly and effectively in the coming months, then at the polls next November all of us can exercise the old-fashioned American recourse of replacing them with men who will.

## PROBLEMS OF THE MONTAGNARDS

**Mr. PERCY.** Mr. President, a report issued in London indicates that the Montagnards, the hill people of South Vietnam, continue to be severely disadvantaged in postwar Vietnam. They suffered exceedingly during the worst of the Vietnam war and they are still enduring many hardships and deprivations.

The substance of the report, as carried on the Reuters news wire, appeared in the Christian Science Monitor of March 7, 1974. I request unanimous consent to print the article in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Caught Between North-South Factions: Viet Montagnards Face Extinction, Report Says

London.—Over half a million Montagnards, the little-known mountain people of South Vietnam, are threatened with extinction, following the ravages of the Vietnam war and oppression by the Saigon government, according to a report just issued here.

The plight of the Montagnards, who number between 500,000 and 800,000 is a scarcely publicized tragedy of the war brought to light in a 28-page report, researched on the scene in Vietnam and published by the London-based Minority Rights Group.

Huge numbers of the Montagnards were killed by both sides in the Vietnam war, says the report. Those who survived today face extinction in the face of disease, hunger, and neglect in refugee camps.

They are rapidly becoming one of the world's disappearing minorities.

### DISCRIMINATION STUDIED

The Minority Rights Group is an international research unit that studies discrimination, and its sponsors include Swedish economist Gunnar Myrdal, Yugoslav writer Milovan Djilas, British economist Barbara Ward, former Irish Foreign Minister Sean MacBride, and Indian politician Jayaprakash Narayan.

Although there is no firm figure on the total population of the Montagnards, "all sources record a drop of 150,000 in their numbers" between 1967 and 1973, the report says. It claims 80,000 were direct war casualties.

Though most of the Montagnards' allegiance is to the Saigon government rather than the Communist National Liberation Front, they have been fighting their own battle with Saigon for recognition of basic rights to land, language, and culture, according to the report.

### REINS TIGHTENED

Montagnard territory was accorded autonomy by the French when it was incorporated into Vietnam in 1949—but direct control over the area was asserted in 1955 by the new Saigon government which came into being following the Geneva peace agreement.

Regarded as savages who must be civilized, the Montagnards' court of law was replaced by South Vietnamese statute law. Their language, names, and in some cases traditional dress were banned. And they suffered discrimination in public life, the report says.

But much worse was the resettling of Montagnards under a land program designed mainly to make room in the Montagnard Highlands for Vietnamese refugees from the North.

Despite various laws and nominal concessions to the Montagnard demand for recognition of their right to own property in the highlands, little real progress has been made—with dire consequences for the mountain people, the report says.

### MANY ANTI-COMMUNIST

"The Montagnards were caught between twin Vietnamese fires in the civil war. They now are in danger of losing their traditions and identity and of being driven from the land of their ancestors," it says.

"The majority of them sided with Saigon and the Americans and many are distinctly anti-Communist," but their able-bodied men were sent to fight in the war's most dangerous areas and others were forced to transport war material.

Unable to work their farmland, the highland villagers began to starve. Many were shut up in American Special Forces' "self defense" camps, and some were massacred when the camps fell to Communist troops.

Other hamlets were pounded by U.S. B-52 bombers, and the survivors were shelled and machine-gunned by helicopters when they fled into the forest.

### DISPLACED FROM VILLAGES

The report estimates that 450,000 Montagnards had been moved from their villages since 1963—many more than once. Some were sent to "free fire" zones, where they were liable to be shot on sight.

Conditions in the four official refugee camps, set up by the South Vietnamese Government, were described in the report as appalling, with scant accommodation, irregular rice deliveries, and often putrid water.

Diseases riddled the refugee population. In Tan Rai camp in Lam Dong Province, "about 50 people die every month," the report says.

### AID PROPOSED

In addition to the camps there were dozens of refugee villages where conditions were far worse.

To avert the grave threat of extinction, the report calls for urgent short-term assistance to provide land, seeds, working utensils, and food until the next harvest.

It holds Vietnamese law partly responsible for the perils now facing the Montagnards. But the greatest blame lay with South Vietnamese officials, who had almost completely ignored the Montagnards' rights as recognized by the country's laws and Constitution.

The report ends by calling for the restoration of cultural and educational rights for the mountain people and urges that they not be forgotten in any permanent Vietnam settlement.

## THE FEDERAL PAPERWORK BURDEN

**Mr. NUNN.** Mr. President, the Federal Paperwork Burden continues to plague our Nation's small businessmen. The Senate Small Business Committee, after extensive hearings, has issued an impressive report on this growing problem. The distinguished Senator from New Hampshire, Mr. McIntyre, has been the leader in the battle to reduce this burden, and he is to be commended for his efforts in this regard.

Last September, I chaired hearings of the Government Operations Committee on S. 200 and S. 1812, which I am cosponsoring. These bills seek to reduce unnecessary redtape and paperwork. As a result of these hearings, the General Accounting Office was directed to conduct a thorough study of the forms and reports required by a representative Federal agency. After consultation with the committee, the Labor Department was selected as the agency to be studied. When this pilot study is completed in the months just ahead, I anticipate that the Congress will have the most complete factual basis to date for proceeding with appropriate legislation on this subject.

The GAO has been requested to present to the committee its recommendations for controlling and decreasing the ever-mounting number of forms and reports that threaten to force many small businessmen to close their doors. This pilot study may well be expanded into a full-fledged GAO investigation of the entire paperwork question. However, I am hopeful that such a costly and lengthy process can be avoided if the present study provides sufficient information to deal with the problem.

I might also add that the responsibility for controlling Federal paperwork generally falls upon the Office of Management and Budget, under the Federal Reports Act of 1942 as amended. It would appear that the OMB has failed to fulfill adequately its responsibilities in this regard, with the result that small businessmen have suffered accordingly. During the last session, this Congress expressed its growing concern and impatience with OMB's conduct when the Congress transferred its authority to administer the Reports Act as it relates to independent regulatory agencies, to the General Accounting Office. In view of such growing concern, OMB Director Roy Ash has made a commitment to Senator McIntyre and me to revitalize his department's efforts and to enforce vigorously the Federal Reports Act. I have also been advised that OMB is planning a major study on the overall paperwork problem. I sincerely hope that OMB will drastically revise its procedures and immediately begin to reduce the current paperwork burden. However, in light of OMB's past record in this regard, the Congress must continue to monitor closely its actions. Furthermore, we may still determine that the intent of Congress to reduce the mountain of forms and reports can best be carried out by transferring the authority for administering the Federal Reports Act to the General Accounting Office. I believe that we will be in a good position to decide this question after receiving the results of the pilot study on the Department of Labor. OMB's actions and initiatives in the next several months will also be important in determining the proper course to follow.

Mr. President, in the March 15, 1974, issue of the National Review, an article by William F. Rickenbacker entitled "The Right To Be Let Alone" highlights the frustration of many Americans who are overburdened by Federal paperwork. I ask unanimous consent that this interesting and informative commentary be printed in the RECORD, along with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE RIGHT TO BE LET ALONE

(By William F. Rickenbacker)

If a revolution occurs in the United States it will occur because we're all fed up with the system. It is not the harsh and cruel tyranny that Russia has. I know. It is what Tocqueville described as the tyranny that flows from too much democracy—"absolute, minute, regular, provident, mild." And, Tocqueville added, "meddlesome." Meddlesome indeed. For some years now I have been getting angrier and angrier, and more helpless and more helpless, as the paperwork avalanche out of Washington has cluttered up more and more of my desk top, my working hours, my emotional energy, my statistical resources. You do not perhaps believe me.

My name is William Rickenbacker. Married. Two sons, Thomas and James, from previous marriage. Taxes all paid. No criminal record. Here is what the governmental system sent me in calendar 1973. Go ahead, read it word for word:

On January 3 they sent me, for Thomas, the federal income tax form, 26 pages. And for my corporation they sent me the corporate income tax forms, 20 pages. And for another corporation of mine, which has never done any business, they sent me the corporate income tax forms, 20 pages. And, same day, for James and Thomas, they sent me two Treasury forms 1099 and two other forms 1099, four pages in all. That was January 3.

On January 4 they sent me the federal income tax form for myself as an individual, 26 pages. James received his the same day, 26 pages. That was January 4.

On January 8 they sent my corporation a card requesting a federal employer identification number, one page.

On January 10 they sent the same corporation a quarterly federal income tax return and transmittal statement, four pages.

On January 11 they sent Thomas another form 1099, one page. And James, same day, received a form 1099, one page.

On January 15 they sent my corporation a 1973 employers' tax guide, 47 pages.

On January 30 they sent Thomas a New York state income tax form, ten pages. James received the same, ten pages. I received the same thing, ten pages. My redundant corporation received form CT–4 tax report, from the state corporate franchise tax collector's office, three pages, plus return envelope.

On February 5 they sent me some aircraft registration eligibility forms, four pages, plus return envelope.

On February 6 they sent my corporation a New York state franchise tax form, three pages, plus return envelope.

On March 1 they sent my corporation a rule amendment from the Securities and Exchange Commission, five pages.

On March 5 they sent my corporation a notice from the SEC withdrawing Rule 157, four pages.

On March 19 they sent my corporation seven corporation tax cards with notice to discontinue them if they weren't needed. Same day, they sent my inactive corporation the same thing, seven pages. Same day, they sent my corporation five withholding tax cards for the second calendar quarter, five pages.

On March 23 they sent my corporation the federal quarterly withholding tax form, two pages, plus return envelope.

On March 25 they sent my corporation some unemployment insurance forms, 27 pages, plus return envelope. Same day, they sent my corporation some disability insurance forms, two pages, plus return envelope.

That was for the first quarter 1973, and so it went, on and on and on, through the other three quarters.

Various levels of government had sent me in 1973 more than 50 separate mailings. These amounted to more than 500 pages of fine-print, confusing, unreadable, stultifying, bureaucratic regulations, plus two dozen return envelopes. Do this! Study that! Cancel previous order! Fill out form! Apply for number! Read instruction booklet! File! Report! Comply!

Many observers say that government has reached its limit when it takes 35 per cent of the people's income. I say it may reach a different limit—whatever point is reached when the people simply run out of time and patience with the paperwork that is spilled on them, day after day, like governmental excrement. If we stopped filling out forms, we could bring the government to its knees in 30 days. I get tingly all over just thinking about it.

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## FLOATING NUCLEAR PLANTS

Mr. HOLLINGS. Mr. President, as chairman of the Ocean Policy Study of the Senate, it will be my responsibility to help bring to the attention of my colleagues important new information about the uses of the ocean.

The Ocean Policy Study, authorized by Senate Resolution 222, will examine the broad range of U.S. policy and programs affecting the oceans and will work closely with the various standing committees of the Senate interested in ocean policy. Membership of the study, now being set up, will include all members of the Committee on Commerce, six at-large chosen by the President pro tempore and two members each from the Committees on Interior and Insular Affairs, Public Works, Appropriations, Government Operations, Armed Services, Labor and Public Welfare, and Foreign Relations.

The first hearings to be conducted by the study will begin next month on the subject of the energy potential of the Outer Continental Shelf and the impact of its extraction upon the environment and socioeconomic factors of the coastal zone of the United States.

In addition, I wish to call to the attention of my colleagues an interesting article which appeared in the March 15 issue of Science magazine, entitled "Floating Nuclear Plants: Power From the Assembly Line." This is just one example of the many kinds of pressures building up in our coastal waters, and demonstrates the importance of understanding our national ocean policy needs in the years ahead.

I ask unanimous consent that the article be printed in its entirety in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### FLOATING NUCLEAR PLANTS: POWER FROM THE ASSEMBLY LINE

The still somewhat obscure concept of producing floating nuclear plants (FNP's) by assembly line methods and putting them offshore received a boost on 11 February at the international energy conference held in Washington. Addressing the delegates, William E. Simon, administrator of the Federal Energy Office, referred to nuclear power and the breeder reactor as an essentially inexhaustible energy source and, for the long run, as the most important answer to the energy problem. Simon then spoke of the FNP concept as of major significance even for the near term.

"We are rapidly reaching the stage where we could be mass producing floating nuclear power plants," he said. "Such power plants can be produced in quantity and floated to locations through the world to produce power rapidly. This is not a long-range concept, but something which could be initiated immediately. The technology, ideas, and production facilities of many nations can be combined in developing these plants."

Although the FNP concept is more speculative and less proved than Simon's remarks suggest, there is probably a better than even chance that the first FNP's will be produced by 1980. Since 1971, Offshore Power Systems (OPS), a joint venture of Westinghouse and Tenneco, has been preparing to build a FNP manufacturing facility on the St. Johns River at Jacksonville, Florida. Westinghouse has, along with General Electric, been one of the two leading manufacturers of both naval propulsion and commercial power reactors. A Tenneco subsidiary, the Newport News Shipbuilding and Drydock Company, has had much experience in the construction of nuclear ships, having built the *Enterprise* and three other aircraft carriers as well as numerous lesser vessels.

Besides whatever advantages are peculiar to it, the FNP concept reflects a trend in the nuclear industry to emphasize standardization in the design and manufacture of power plants. The absence of standardization has contributed importantly to the equipment failures, licensing delays, and other problems that have troubled utilities and manufacturers since the construction of nuclear power plants began in a big way in the mid-1960's. The fact that the FNP's could be among the first standardized plants—and be the only ones fully standardized (because the FNP would require no special adaptation to a given site)—is one of its major selling points.

Nevertheless, despite the current momentum of the OPS project, this endeavor has given rise to some substantial questions of public policy. The Florida Audubon Society has sought, thus far unsuccessfully, to stop the project pending a decision by the Atomic Energy Commission on whether the OPS facility will be licensed to manufacture the first eight FNP's. Without itself rejecting the FNP concept as unsound, the society has argued that certain publicly owned wetlands, which would be filled for the manufacturing site, should not be preempted until the OPS project has been officially reviewed as to all of its implications. (The Audubon suit raises still other issues, but they are not germane here.)

#### SPECTER OF A NUCLEAR ACCIDENT

The society has noted that Henry W. Kendall, MIT physicist and a leader of the Union of Concerned Scientists, has suggested that the consequences of a major accident involving a sea-based reactor could be even worse than the consequences of a reactor accident on land. Testifying last March before a congressional committee, Kendall said:

> . . . when the remains of the reactor core and waste products melt their way through the reactor containment structures . . . contact between this material and the ocean water will cause the certain release of a very large quantity of solid radioactive wastes into the world's oceans. Such an event is a catastrophe of a kind the country has never experienced. There is in a large nuclear plant, for example, enough strontium-90 to contaminate *thousands of cubic miles* of water above permitted AEC tolerance levels. . . .

In a petition unrelated to the Audubon suit, the Natural Resources Defense Council (NRDC), a public interest law group, has called on the AEC to prepare a "programmatic" environmental impact statement on the FNP concept, proceeding from the assumption that large numbers of FNP's might ultimately be moored offshore. The NRDC is concerned in part about the pressures that could be put on the coastal zone by a variety of possible new activities, from the construction of FNP's and deepwater ports to the extraction of minerals and oil and gas.

The $210-million OPS facility, which may soon be under construction, is to consist of these major elements:

(1) production shops to manufacture and assemble components and subassemblies;

(2) a 450-foot-wide graving dock (drydock) in which huge barges, or floating "platforms," will be assembled;

(3) a wet slip into which the barges will be launched—the slip will have eight stations, and, as a new barge enters the slip, the others which preceded it will each advance one station, assembly-line fashion;

(4) a hugh gantry crane (with a span of 675 feet, a height of more than 300 feet, and a lifting capacity of 900 tons) that will be used to put the larger plant components in place;

(5) a facility beyond the wet slip for testing the FNP's (without nuclear fuel) as they emerge from the wet slip.

The FNP's, if built, will be one of the strangest looking things ever seen at sea. The total structure, barge and power plant together, would be about 400 feet square, have a 32-foot draft (in salt water), rise 177 feet above the waterline, and have a displacement of 160,000 tons. It would contain quarters for 112 operating personnel, a crew roughly the size of that of some nuclear submarines. Each FNP, with a four-loop pressurized water reactor and steam supply system, would have a generating capacity of 1150 megawatts.

Normally, two or more FNP's would be moored together in water of from 40 to 70 feet deep. They would be protected by a massive breakwater from storms and from ships that might stray off course. The breakwater, forming an envelope that covers about 100 acres, would encircle the FNP's completely except for two relatively narrow openings to permit the free circulation of seawater and allow service vessels to enter.

The FNP sites must, at present, be within U.S. territorial limits, which extend 3 miles from shore. One reason for this is that the Price-Anderson Act, which in the case of a nuclear accident would limit the liability of private insurers and the government to a total of $560 million, generally applies only to accidents occurring within the United States.

A FNP located even 2 to 3 miles offshore offers certain clear advantages over land-based plants in terms of day-to-day environmental effects and public safety.

A land-based plant may preempt a sizable area—indeed, at its Turkey Point plant below Miami, the Florida Power and Light Company has built a harp-shaped grid of cooling canals that covers more than 6000 acres. Cooling towers are not especially demanding of land, but they too exact certain penalties, as in the very power required to operate them. If, on the other hand, closed-circuit cooling is not provided for a plant on a river, lake, or estuary, the thermal effects on the aquatic biota can be disastrous.

With the FNP, this dilemma is at least partly avoided because "once-through" cooling with seawater can be employed without affecting a lagoon-like estuary or other confined body of water. The temperature of the cooling water drawn through the FNP would be raised by 16°F, but, outside the plant, the temperature rise would be confined to a relatively few acres. Many small organisms such as fish eggs, larvae, and plankton would be killed by entrainment through the cooling system, but these forms are generally less abundant in the open sea than in biologically fecund estuarine waters.

In the case of existing nuclear plants, their surrounding "exclusion area," where no human habitation is allowed, is reported to be seldom greater than ½ mile. Typically, the FNP would have an exclusion area of at least 2 or 3 miles wide, and, as will later be commented upon further, there seems no reason why—given the right legislative and engineering remedies—this area should not be much wider still.

The inception of the OPS is traceable to difficulties the Public Service Electric and Gas Company of New Jersey (PSE&G) began to encounter a few years ago in finding acceptable nuclear plant sites. This utility, together with certain other utilities in the mid-Atlantic region with which it shares electricity, foresaw a need to have eight nuclear units operating by the mid-1980's. But new environmental policies and regulations, such as those mandated by the National Environmental Policy Act of 1969 and the Water Quality Act of 1970, could make it impossible to obtain government permits for power plants that would be in densely inhabited areas or that would degrade water quality or encroach heavily on coastal or riverine wetlands or beaches.

Indeed, as the full implications of these new policies unfolded, PSE&G would, in 1973, abandon plans to build two nuclear units on Newbold Island in the Delaware River, in the densely urbanized region between Philadelphia and Trenton. The utility would adopt the alternative, recommended by the AEC regulatory staff, of building these units—at an added cost of some $60 million—in a rural area near Salem, N.J., where PSE&G already has two other nuclear units that will go on the line within the next few years. (According to Ralph Nader, the site of the existing Salem units, 18 miles from the center of Wilmington, Delaware, is itself out of keeping with "safe-siting guidelines" prepared by the AEC regulatory staff but never made public.)

In 1970, PSE&G asked Westinghouse, builder of the reactors for the first two units at Salem, to study the concept of offshore plants. This led to the 1971 announcement by Westinghouse and Tenneco of plans for their joint venture, OPS. By early 1972, PSE&G had given OPS a letter of intent to buy the first two FNP's produced, and this was later followed by the negotiation of a firm contract (subject to adjustments reflecting rises in the cost of labor and materials) for the delivery of these units at a price of about $375 million apiece, or $750 million for the two.

These first FNP's would be moored 2.8 miles off the New Jersey coast, at a point 12 miles northeast of Atlantic City and some 4 miles from the nearest resort village. PSE&G is responsible for constructing the breakwater and installing the underwater transmission cable by which power will be delivered to the mainland. The estimated total cost to PSE&G of the two FNP's is usually put at about $1 billion. The actual cost may depend to no small degree on what special safety features the AEC requires as a condition of licensing. But PSE&G is sanguine enough about ultimate costs to have recently ordered two more FNP's, which the company believes can be bought and put in service at a price that compares favorably to that of land-based nuclear plants. These units are not necessarily destined for an open ocean site, however. PSE&G has indicated that the FNP's may be placed at some inshore location instead, possibly in Delaware River or Bay.

OPS has been unable to start building its FNP manufacturing facility at Jacksonville until now because of delays in obtaining the necessary dredge and fill permits. It was not until 29 January that a U.S. District Court dismissed the Florida Audubon Society suit. Audubon apparently will appeal, but OPS officials have been confident enough about the outcome of the case already to have ordered the giant, $13-million gantry crane and even the fabricated steel for the first FNP hulls.

Besides believing that nothing will arise now to block construction of the production facility, OPS is counting on the AEC to issue a license by the spring of 1975 for the manufacture of FNP's (the pending OPS application for a manufacturing license is for eight FNP's, but company officials say the number applied for will soon be raised to 16). If the license is in fact forthcoming without delay the OPS schedule calls for delivery of the first FNP in 1979 and of the second in 1980.

Once completely equipped and in full operation, the OPS facility would turn out four, or possibly five, FNP's a year. Manufacturing time per unit is expected to decline from 50 months for the first FNP to 26 months for the eighth one as labor efficiency and production techniques improve. Standardization and assembly-line methods would be the secret to this achievement, which would be dazzling indeed compared to the minimum of 60 to 72 months generally required to build large nuclear plants.

OPS is interested in eventually establishing manufacturing facilities to serve markets on the Pacific Coast, along the Great Lakes, and abroad. Delivery of FNP's from Jacksonville to the West Coast would not be practicable and has never been contemplated.

Thus far, the only firm orders OPS has in hand are those for the four FNP's that PSE&G is buying. The municipally owned Jacksonville Electric Authority has given OPS a carefully hedged letter of intent to order two FNP's. Middle South Utilities, a holding company in New Orleans, also has under serious consideration the possibility of ordering two (in this instance, the FNP's would not be moored offshore, but well up the Mississippi River, below Baton Rouge). Most utility officials are content for PSE&G to be the first to put the FNP concept to a practical test.

The AEC has, for its part, been generally supportive of the OPS project. John F. O'Leary, the AEC's director of licensing, has stated that, to judge from preliminary plans, the NFP concept is "feasible." The fact that the agency has even agreed to entertain an application for a *manufacturing* license is itself an innovation, for in the past the construction of a nuclear plant could only be licensed on the site where the facility would be built and operated. A licensing procedure covering a number of nearly identical plants under construction simultaneously in a single shipyard-like facility would permit the AEC to carry out a more efficient and intensive program of inspections than anything seen in the past. The utility buying a FNP also gains an advantage from this kind of licensing procedure. Even as the FNP is being manufactured, the utility applies to the AEC for an operating license and for permission to build the necessary breakwater.

"I don't think there's any doubt but what they [OPS] will get the [manufacturing] license if they are willing to put in all the features we may require," says Edson G. Cook, deputy director of licensing at AEC. "What they are gambling on is that the things required won't cost so much that it [the FNP] won't be economic."

The AEC's requirements will be established partly on the basis of highly detailed environmental reports. One such document required of OPS is a "generic" report on the FNP as installed and operated at various typical offshore sites. The report required of the purchasing utility has to do with the plant in relation to conditions at specific mooring sites.

### REACTOR SAFEGUARDS COMMITTEE

Last October, the AEC's Advisory Committee on Reactor Safeguards (ACRS) made a "pre-application site review" at PSE&G's request. From the committee's comments, one gets an inkling of the possible complications OPS and its customers may have to overcome. For instance, the ACRS, although it might dismiss Henry Kendall's fears as to the possibility of a reactor-core meltdown accident as exaggerated, seems at one with Kendall in its concern that such an accident might poison the sea over a wide area.

The committee observed that "further work is needed on the dispersal characteristics of fission products and plutonium which might be released" in the "highly unlikely" event of a fuel-melting accident. It even suggested that a completely closable breakwater, possibly employing locks, be considered as a safeguard against fires (as might be associated with the wreck of an oil or liquefied natural gas tanker), high waves, or the meltdown of a reactor core.

It is curious that, even as the FNP project raises a threat of contamination of the marine environment, its potential for lessening the threat from any release of plutonium or fission products to the atmosphere is reduced by the requirement that FNP's be moored within the 3-mile territorial limit. The desirability of removing this restriction would seem to add further justification for the current interest in extending the territorial limit. The possibility of siting the FNP at remote distances from urban areas may be the single most important advantage perculiar to such plants.

If truly remote sites should be used, water depths often might be so great as to make the construction of conventional breakwaters infeasible. Yet, even now, OPS is working on the concept of a floating breakwater for possible use along the Pacific Coast, where the continental shelf is extremely narrow.

In the event William Simon's vision of FNP's being used in large numbers at home and abroad is to be pursued, needless legal or engineering obstacles to making them as safe as possible should not be allowed to stand.

—LUTHER J. CARTER.

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## TOWARD A SHARED RESPONSIBILITY POLICY FOR THE WESTERN HEMISPHERE

Mr. **BROCK.** Mr. President, as we look into the future, one does not have to be a prophet to see that this country faces two serious problems, but perhaps there is a common, fairly simple yet effective solution to both.

The first and most obvious problem is that the days of cheap, abundant raw materials is over. Before the recent oil embargo, the industrialized world was confident that it could always rely on the lesser developed world for cheap and bounteous natural resources. That notion abruptly burst with the oil embargo. President Nixon responded to the oil embargo problem with his "Project Independence," but that is only in one, albeit important, natural resource and, as many experts have pointed out, other mineral rich countries could form OPEC-type cartels with similar results. Time magazine reported recently that Guinea has already called a meeting of major bauxite producers while Zaire and Zambia have made tentative agreements on copper production.

Therefore, a true "Project Independence" should not just look at one natural resource, even as important and basic a resource as oil, but rather we should plan an independence strategy for all the resources needed for a modern, industrialized nation.

The second, more subtle yet equally important problem is that the United States must take a more mature look at our Western Hemisphere allies, Canada, and the countries of Latin America. We need not just a "new" policy, but a mature and realistic policy commensurate with the realities of the 1970's. We need a policy that will depart from the old "good neighbor" and "Alliance for Progress" type policies that often smacked in appearance, if not fact, of paternalism from the so-called collosus of the North. In short, we need a shared responsibility policy recognizing the new relations with our neighbors on an equal basis.

Both of these problems, the need for a complete project independence and a new Western Hemisphere policy, can, I believe, be solved by the creation of an Americas Resource and Capital Arrangement—ARCA. What I envision and propose is an arrangement styled along the lines of the successful European Coal and Steel Community—ECSC—although nothing quite as formal as that organization.

Why I think such an arrangement would be successful is basically very simple—we both have something the other needs. The United States has capital and technology while the other countries of the hemisphere have raw materials that we can both use.

I would like to emphasize this "both" at the offset because it is the heart of any true "shared responsibility" program. I am not envisioning an arrangement whereby the United States simply exploits the raw materials of the neighbors, but rather an arrangement whereby the United States can help her neighbors exploit their own resources. In the long run, it will be just as advantageous to the countries of Latin America and the United States if more oil, for example, is found in some of the more remote areas of the Andes. After all, a country can use only so much of its own resources and then must export.

And, this will not necessarily be a one-way street in regards to raw materials. The United States has a great abundance of coal which many of the countries of Latin America, especially Brazil at the moment, need for their burgeoning industries. We are also one of the world's leading agricultural exporters.

Another point that I would like to emphasize at the offset is that this arrangement is not meant to be directed against outsiders such as Japan or our Western European allies, rather it is only a regional arrangement for the rationalization of trade, resources and capital.

### THE ANALOGY: THE EUROPEAN COAL AND STEEL COMMUNITY

I would not envision taking every provision from the European Coal and Steel Community—ECSC—and applying it directly to the Western Hemisphere. For one thing, the ECSC was the forerunner of the Common Market which I would not recommend at this time. However, many of the aspects and bylaws of the ECSC are germane and I would simply like to point out a few of these more applicable sections.

For example, in explaining the economic and social provisions of the ECSC treaty, Walsh and Paxton in their book, "The Structure and Development of the Common Market," list provisions which would apply:

First carry on a permanent study of markets and price tendencies;

Second, periodically draw up noncompulsory program forecasts dealing with production, consumption, exports, and imports;

Third, periodically work out general programs with respect to modernization, the long-term orientation of manufacturing, and the expansion of productive capacity;

Fourth, at the request of the interested governments, participate in the study of the possibilities of reemployment, either in existing industries or through the creation of new activities, of workers set free by the evolution of the market or by technical transformations;

Fifth, gather all information necessary to the appraisal of the possibilities of improving the living and working conditions of the labor force in the industries under its jurisdiction, and of the risks which menaced such living conditions.

I would like to point out that first, all of these are worthwhile goals, but second, as pointed up in second above, these would be "noncompulsory" programs which should win support and allay fear of American domination.

More specifically, the ECSC carries out its industrial policy by:

First, short and long-term community-wide forecasts for supply and demand.

Second, investment guidance and coordination, notably through loans to firms.

Third, joint research programs, aided by high authority funds.

Fourth, community help for regional development.

Walsh and Paxton go on to write that:

> Regular short-term forecasts supply detailed information on market developments in coal and steel while medium and long-range forecasts, known as general objectives guide industry on modernization, production, and investment needs.

There are all worthwhile policies applicable to ARCA.

What I would recommend is some kind of organization that would give recommendations and opinions, but not necessarily decisions. Michael Palmer writing on European organizations states that:

> The ECSC acts by decisions which indicate both the ends achieved and the detailed means are binding in all respects; by recommendations which are binding as regards the aims but not the means for achieving it; or opinions, which are not binding.

I would envision an organization that would recommend and give opinions as stated by Palmer, but not one so strong to give decisions, again, to allay fears of U.S. domination.

Another useful organization of the ECSC is the "consultative committee" which is appointed by the Council of Ministers and chosen to represent producers, users and workers. A formalized mechanism such as the consultative committee could be extremely useful for rationalized trade. And, of course, the real question is, Was the European Coal and Steel Community successful? The answer by most observers is, "Yes" and they give three positive results:

One, trade in all ECSC goods expanded at an unprecedented rate far outstripping both the growth of trade with other countries and the trade between themselves; for example, from 1952 to 1955 trade increased by 93 percent in coal and steel.

Two, a second result was the rationalization of the flow of trade in coal and steel.

Three, another positive result was in the form of rapid technical development necessitating a high level of investments in research and development.

These would be the goals of ARCA: increased trade, rationalization of trade and a high level of investment in research and development. Certainly, these are goals that could only help all the countries of the hemisphere.

As for the costs of such an arrangement. ECSC originally set a 0.9-percent levy on traded goods, but this was eventually reduced to 0.25 percent. Since ARCA would not have the powers or ultimate goals of ECSC, the levy required for its coordinating functions should be minimal.

### WOULD ARCA WORK?

The basic question in asking whether some organization like an Americas resource and capital arrangement would work is whether the Western Hemisphere is self-sufficient. Preliminary research by my staff and the Library of Congress indicates—as shown by the annual report of the Secretary of the Interior on mining and minerals policy—that the Western Hemisphere would be fairly autarchic in all minerals except for chromium. The report does not include agricultural products, but since the Western Hemisphere is a net exporter in agriculture, that should be no problem for agricultural autarchy.

Thus, although each country individually is not independent in resources, under a "shared responsibility" program with coordination from an ARCA-type organization, the Western Hemisphere is in relatively good shape. And, considering that "resources" is only one part of the arrangement with capital and technology the other part, and considering the still overwhelming lead of the United States in capital and technology, the Western Hemisphere is without equal in the world.

Since preliminary findings indicate that an ARCA would be most feasible, I am today writing Senator RIBICOFF, chairman of the Reorganization, Research and International Organizations Subcommittee suggesting that we conduct preliminary hearings into the desirability of such an organization. Since this involves both research and international organizations, I think that this would be a most appropriate subcommittee for hearings.

Among the witnesses, I would like to hear are not just politicians or State Department witnesses, although they would of course be welcome. Rather I would like to hear testimony from geologists, businessmen, agricultural experts, and most important, I would like to hear witnesses from Canada and our Latin American Allies. As I stated in my opening remarks, I do not want a new organization that even suggests paternalism. I want a mature, business-like arrangement that both we and our Western Hemisphere allies can find beneficial.

### THE CASE FOR CONGRESSIONAL INITIATIVE

It is very proper that Congress take the initiative in formulating a new Western Hemisphere policy.

From the historical viewpoint, James G. Blaine, President Garfield's Secretary of State wanted a Pan-American conference, but when Garfield was assassinated, the conference was resisted by first Arthur and then Cleveland. It was Congress that finally forced President Cleveland to call a conference by a resolution.

> * * * for the purpose of discussing and recommending for adoption to their respective governments, some plans of arbitration for the settlement of disagreements and disputes that may hereafter arise between them and for considering questions relating to the improvement of business intercourse and means of direct communication between said countries, and to encourage such reciprocal commercial relations as will benefit to all, and secure more extensive markets for the products of each of said country.

Congress took the lead in what was to be essentially an ARCA since business relations were stressed.

Of late, although President Nixon in October 1969 called for an "end to paternalism" and a "mature partnership" with Latin America and recently the Honorable Kenneth Rush, Deputy Secretary of State, in a speech before the Council of the Americas, called for a new dialog based on "interdependence" and "reciprocity," the fact is the immediate crises of first Vietnam, then détente, Western European and Middle Eastern problems have left the administration little time for the Western Hemisphere.

I do not mean this as a criticism, but rather as an opportunity for Congress to take a positive, creative, role in foreign policy. Thus, while initiating a "shared responsibility" program within the Western Hemisphere, Congress will also, for once, be truly "sharing responsibility" with the Executive in the foreign affairs arena.

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## VOLUNTEER ARMY

Mr. BIDEN. Mr. President, later this year when the Congress considers the Defense Department's authorization requests, one part of it that will deserve close and careful scrutiny will be the all-volunteer Army. Understandably, the armed services will need more than 1 year or even a couple to work out the kinks in its new policy. Michael T. Klare has recently written in Commonweal magazine, an article that investigates some of the more obvious charges against VOLAR (Volunteer Army), its mercenary character, general problem in recruiting adequate numbers without added monetary inducements and the lower qualifications for its recruits. In addition, Klare discusses some other questionable aspects and negative potentials of the all-volunteer Army. He makes the observation that—

> Ultimately, the success or failure of the Pentagon's efforts to create an all-volunteer force will hinge on the outcome of two basic questions: can VOLAR provide a sufficient pool of qualified personnel for an already diminished military apparatus; and, can it provide highly motivated disciplined fighters in the event of a war?

Mr. President, I ask unanimous consent that this article from Commonweal, of January 18, 1974, reviewing the all-volunteer Armed Forces be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### Can the Army Survive Volar?

"By every conceivable indicator," Col. Robert D. Heinl reported in 1970, "our army that now remains in Vietnam is in a state approaching collapse, with individual units avoiding or having refused combat, murdering their officers and noncommissioned officers, drugridden and dispirited where not near-mutinous." These conditions were not limited to Vietnam, he wrote in *Armed Forces Journal*, but could be found at every U.S. military post around the world. Heinl, a correspondent for the North American Newspaper Alliance and a former Marine officer, observed that "The morale, discipline and battle-worthiness of the U.S. Armed Forces are, with a few salient exceptions, lower and worse than at any time in this century and possibly in the history of the United States."

Heinl's findings, while more sensationalized than most, were generally confirmed by other observers of the U.S. Military Establishment. Even General William C. Westmoreland, the former U.S. commander in Vietnam, acknowledged in October 1970 that "Today, the Army is entering one of the most critical periods in its history." By all accounts, the breakdown in morale was most advanced in the ground forces—the Army and Marine Corps—which bore the brunt of the fighting in Vietnam. The Army suffered as many casualties as all the other services combined in what proved to be one of the longest and costliest wars in U.S. history and also had the highest rates of desertion, drug abuse and disciplinary problems. All of the services, however ultimately suffered from the the strife and disunity generated by the war; even as late as June 1973 there was still reports of U.S. airmen refusing combat assignments in Indochina.

Not all of the Pentagon's troubles can be traced to Vietnam, however. The 1960's were years of great social upheaval in the United States, and inevitably the problems and conflicts of civilian society were mirrored in service life. Racism, black nationalism, student radicalism, drug abuse and "youth culture" were not caused by Vietnam—but all the tensions they produced were heightened and intensified by the authoritarian nature of military society. Many draftees, furthermore, were exposed to radical politics before induction and naturally brought their new attitudes with them into the Armed Forces. "The generation gap is a fact of life in our society." General Westmoreland wrote in 1972. "We inherited it in the Army, just as we inherited all problems in our society." What made this problem particularly troublesome, however, was the high number of college students among the enlisted ranks: "They want to know all the answers. They want to know why, and they want to talk philosophy of war and philosophy in general, and the non-coms haven't been able to communicate with them at that intellectual level." As privates began questioning the legitimacy and morality of military commands, discipline crumbled and the Army faced an unprecedented internal crisis. The explosive nature of this crisis is indicated by the following data:

*Desertion*: Army desertions in 1971 occurred at the rate of 73 men per thousand, which was twice the rate during the Korean War and higher than the World War II peak rate of 63 men per thousand. Altogether, 68,500 men deserted in the first ten months of Fiscal Year (FY) 1971 alone—the equivalent of four infantry divisions. Marine desertions, at 59.6 per thousand, were nearly as acute, and Navy and Air Force desertions reached record levels.

*Mutinies and revolts:* Vietnam witnessed an event rarely experienced before in American history: the refusal of an entire military unit to engage the enemy while on the battlefield. As early as 1969, a company of the 197th Light Infantry Brigade publicly sat down on the battlefield and refused to fight. Later that year, a rifle company of the famed 1st Air Cavalry Division refused combat before the cameras of CBS News. The most serious case of "combat avoidance" (as these incidents have been termed) occurred in 1971 when Troop B of the 1st Air Cavalry refused to re-enter enemy territory in order to recover their commander's jeep with its communication gear, codes and secret operations orders. While these incidents received substantial publicity, much less is known (for obvious reasons) of the many instances of "working it out"—the practice whereby a group of G.I.'s refused hazardous duty, but later agreed to perform less risky tasks after negotiating with their officers.

*Fraggings:* Officers and sergeants who refused to "work it out" with G.I.'s in Vietnam often ran the risk of being "fragged" by a live grenade thrown by one of their own men. Acknowledged fragging incidents rose from 126 in 1969 to 271 in 1970 and some 425 in 1971. At least 78 officers and noncoms were killed in this fashion, and another 600 wounded.

*Insubordination, G.I. resistance:* While desertions, fraggings and mutinies constituted the most dramatic attacks on military authority, they represented but the tip of the iceberg of G.I. rebellion: in thousands and thousands of unreported incidents, individual soldiers defied the military hierarchy by refusing to salute their officers, by wearing peace symbols and other forbidden accoutrements, by disputing the legitimacy of certain orders and regulations, and by other acts of defiance. Such individual acts of insubordination were given collective voice in the 245 underground G.I. newspapers published on or near Army bases, and in the dozens of antiwar G.I. organizations that formed during the height of the Indochina conflict.

*Drug abuse*: By 1971, the use of narcotics by G.I.'s in Vietnam had reached "epidemic proportions," with an estimated 30 percent of all low-ranking combat troops using heroin or other hard drugs regularly. Although hard drug use was most pervasive in Vietnam, it was not insignificant elsewhere: at some bases in West Germany, 25 percent of the enlisted men were using heroin or other narcotics. The Navy also suffered from heavy drug use—over 5,000 sailors were discharged for drug abuse in 1970, an enormous jump from the 170 discharges in 1966.

*Racial conflict*: Racism and discrimination have always been basic characteristics of service life, but not until the late 1960s were these practices challenged from within on a massive scale by black G.I.'s. As black consciousness penetrated the services, race conflict became a regular feature of military life, and clashes between black G.I.'s and white officers became a daily occurrence.

### DEEPER PROBLEM

These problems and conflicts, while extremely corrosive in themselves, were not the root causes of the Pentagon's difficulties but rather symptoms of a deeper malaise engendered by the American failure in Vietnam. In order to understand the nature of this malaise, it is necessary to review the origins of the U.S. intervention in Southeast Asia. Prior to the Kennedy Administration, American defense policy was dominated by the strategy of Massive Retaliation which held that the very threat of thermonuclear attack was sufficient to deter any military challenge to the U.S. national interests. Massive Retaliation failed, however, to deter revolutionary outbursts in Cuba, Algeria and Indochina, and in 1961 Kennedy's advisers introduced the strategy of Flexible Response to provide an enhanced "conventional" (i.e., non-nuclear) option in meeting threats at the lower end of the military spectrum.

On the basis of this doctrine, Kennedy authorized a substantial expansion of U.S. ground forces and the development of a substantial counterinsurgency capability. When the Diem regime came under sustained attack from indigenous revolutionaries, the Kennedy Administration—acting upon the premises of Flexible Response—ordered the deployment of Special Forces commandos and U.S. Army "advisers" to Vietnam. When these forces failed to stem the growing revolt, Kennedy sent still more "advisers" to protect the "credibility" of our counterinsurgency capability. Ultimately 500,000 U.S. combat troops were deployed in Vietnam in a long and futile attempt to defeat the Vietnamese revolution.

As long as the U.S. involvement in Vietnam was limited to advisers and Green Berets, American public opinion was largely neutral on the issue of the war. But once large numbers of combat troops were committed to a costly and unproductive ground war, public opinion became negative and finally hostile. Ultimately, it became obvious to soldier and citizen alike that the American strategy in Vietnam—with its emphasis on the massive use of ground forces—was incapable of producing a rapid and economical victory. The strategy of Flexible Response, moreover, proved to be quite *inflexible* when put to the test—for once U.S. ground troops had been introduced in Vietnam, it proved to be extremely difficult to *withdraw* them without damaging the credibility of America's counterrevolutionary mission.

This lesson is not likely to be forgotten quickly: as the nation enters the post-Vietnam era, it is clear that the American people will not tolerate another manpower-intensive ground war of the Vietnam type. In response to this growing national consensus, the Nixon Administration introduced the "low profile" Nixon Doctrine with its call for the withdrawal of U.S. ground forces from Asia, and their replacement with the troops of client regimes (liberally supported, of course by U.S. air and sea power). The new strategy, according to Chief of Naval Operations Admiral Elmo R. Zumwalt, Jr., "will call first for the high-technology, capital-intensive services—air and naval forces—to support the indigenous armies of threatened allies."

Under the new Pentagon doctrine, U.S. ground forces will be reduced substantially (armed forces have already been cut in half, and the Marines by one-third), and manpower-intensive war plans replaced by strategies calling for the use of capital-intensive, machine-oriented, highly mobile combat units. "We seek a leaner, more versatile Army," General Westmoreland explained in 1971, "equipped with the most modern and effective weapons and manned by motivated, well-trained soldiers." In order to survive on the battlefields of the future, the smaller Army of the 1970s will necessarily have to acquire a much higher ratio of firepower to manpower. This objective was eloquently summarized by General Ellis W. Williamson in 1971 as follows: "We are making unusual efforts to avoid having the American young man stand toe-to-toe, eyeball-to-eyeball or even rifle-to-rifle against an enemy that might outnumber him on the battlefield. We are trying to fight the enemy with our bullets instead of the bodies of our young men—"firepower, not manpower."

### ALL-VOLUNTEER FORCE

Yet of all the steps taken to overcome the problems generated by the stalemate in Vietnam, none is as bold or far-reaching as the abolition of the draft and introduction of an all-volunteer force. After a six-month trial period of zero draft calls, the Pentagon's authority to conscript men into the Armed Forces expired on June 30, 1973. For the first time in three decades, the Defense Department was totally dependent on voluntary enlistments to meet its basic manpower requirements.

Abolition of the draft was an early campaign pledge of Richard Nixon, and soon after his election in 1968 he started laying plans for its demise. In March 1969, two months after his inauguration, Nixon appointed former Secretary of Defense Thomas S. Gates to chair a high-level Commission on an All-Volunteer Force. After a year of intensive study, the Gates Commission determined that the Armed Forces could be placed on an all-volunteer basis without prejudicing the national security. In its report to the President, the Commission argued that with higher pay and other benefits, military service could be made competitive with civilian employment, and that it would be possible therefore to recruit sufficient manpower for an active armed force of 2.3 million men. In response to complaints that an all-volunteer force would be composed entirely of blacks and poor whites, the Commission noted optimistically that "Our research indicates that the composition of the armed forces would not be fundamentally changed by ending conscription."

On the strength of the Gates Commission report, President Nixon secured from Congress the required authorization and funding to begin work on the formation of a volunteer army (VOLAR). The first step, of course, was to make military life more attractive to potential recruits. On November 14, 1971 a new military bill went into effect raising a recruit's base pay from $149 per month to $321; comparable increases were authorized for other ranks, and, as a result, military pay became truly competitive with civilian employment for the first time in American history.

In order to attract volunteers for the infantry and other combatant forces (as distinct from the technological specialties chosen by most volunteers under a "unit-of-choice" option), the Pentagon offered bonuses of up to $2,500 for four-year enlistments in the "combat arms." These bonuses and pay increases cost the nation $4.6 billion in 1972–73 alone. Substantial funds have also been allocated to refurbish barracks and provide other amenities designed to "improve the quality of service life." In Fiscal 1974, for instance, the Army will spend $682 million to enhance barracks conditions, $615 million for improved G.I. medical services, $592 million for support of dependents, and $62 million to eliminate odious kitchen duties. The goal of these "people programs," according to Army Secretary Froehlke, is to improve soldier living conditions so that they "equate more closely with the average environment of middle-class society"—an obvious lure to the blacks and poor whites who constitute the majority of potential recruits.

Pentagon efforts to improve the attractiveness of military service are not limited to financial and environmental incentives: a considerable effort is being made to eliminate "Mickey Mouse" chores—the petty harassments and pointless rules so characteristic of G.I. life. Among the innovations introduced by VOLAR managers in the past few years are: beer dispensers and semi-private cubicles in barracks; fewer mandatory inspections and KP duties; and liberal leave policies. For most privates in the peacetime army, service will be confined to the 40-hour, five-day week common to civilian life.

The net effect of all VOLAR programs, it seems, is to compose what can accurately be termed a "contract" with enlistees which goes something like this: "we'll offer you job security, travel and adventure, and a middle-class standard of life—in return for your promise to carry out orders and, if necessary, to fight at the direction of your officers." The existence of such an arrangement is implicit in Army posture statements; thus General Michael S. Davison of the Army has written: "It seems clear that organizational measures which enhance a soldier's basic welfare and sense of security will also improve his willingness to carry out his role in the unit. As his commitment to the unit grows, so will his self-discipline which is our objective."

Some critics of VOLAR charge that, in essence, this contract represents the foundation of a mercenary army composed largely of blacks and poor whites. Thus Joseph A. Califano, a Washington lawyer and former aide to President Johnson, has labeled the volunteer army a "human weapons system" that will let "the lower class fight our wars." Califano argues that since VOLAR will only attract high school dropouts and those without marketable skills, the volunteer system represents a revival of "the Civil War practice of having the better off hire the worse off to serve their time in the military." By effectively exempting middle-class youths from military service, he added, "we write into law the concept of one man's money for another man's blood." Charges that VOLAR is building a "mercenary army" have been voiced even more emphatically in the black community, where a large proportion of VOLAR's enlistment quota is expected to be filled. Charles B. Rangel, a black Congressman from New York City, predicted in 1971 that blacks, Puerto Ricans and Mexican-Americans will constitute the bulk of the volunteers—"since there are no other economic options open to them." It would be a lie, he said, "to label this a volunteer army. It would be a mercenary army composed of men soldiering for a pay check."

Not surprisingly, the Pentagon insists that the volunteer army will not become filled with a disproportionate number of blacks and other minorities. Thus in a 1972 progress report on VOLAR programs, Defense Secretary Laird told Congress that "the alleged pitfalls of the voluntary military organization—that it will be dominated by mercenaries, who will take over the nation, or be all black—are false and unfounded claims." To support this finding, Laird produced figures to show that blacks constitute a mere 11 percent of the active military population, or 2.5 percent less than their percentage of the total military-age population.

These figures are deceiving, however; blacks are highly concentrated in the Army (15 percent of all personnel), and in the lower ranks generally. Furthermore, as the remaining draftees leave the service and volunteers take their place, the proportion of blacks will increase significantly. Thus in January 1971, when the Army was still drafting large numbers of men for Vietnam, blacks constituted only 13.5 percent of the enlisted ranks; by June 1972, the black proportion was 15.1 percent, while three months later it reached 18 percent. And in 1973, under the zero-draft system, blacks have constituted about one-fourth of all Army enlistments. Pentagon data also testifies to the lower-class origins of most volunteers: 80 percent of Army recruits in March 1973 reported that their pre-enlistment civilian pay was less than the military base level of $321 per month; taking into account the free meals, lodging, and other benefits provided by the Army, these men actually secured a significant increase in their standard of living.

Many critics of the all-volunteer system predict that as the services become filled with blacks and poor whites, public resistance to the use of such forces in "police operations" abroad will decrease. "By removing the middle class from even the threat of conscription," Joseph Califano charged in 1973, "we remove perhaps the greatest inhibition on a President's decision to wage war." Representative Rangel made similar predictions: under VOLAR, he wrote in the New York Times, "America's oppressed races would be fighting and dying so that affluent whites can continue to enjoy the fruits of imperialism." Although the disappearance of middle-class whites from military service will probably remove some restraints on the President's capacity to wage war abroad, it is doubtful that he will be given a completely free hand, as intimated by these VOLAR critics. For one thing, the increasingly high cost of voluntary personnel will force the Pentagon to be very hesitant about exposing soldiers to hostile fire. "The higher the value of American (human) resources," Lt. T. D. Kelly wrote in U.S. Naval Institute Proceedings, "the more reluctant the nation will be to lose them in war and, thus, the option of going to war to solve political problems will become increasingly undesirable." Ultimately, middle-class resistance to conscription will place a limit on the Pentagon's capacity to initiate war under a zero-draft system: as long as the services are barred from reintroducing the draft to obtain replacements for men lost in battle, it cannot get involved in combat situations where the manpower requirement is likely to be high.

Ultimately, the success or failure of the Pentagon's efforts to create an all-volunteer force will hinge on the outcome of two basic questions: can VOLAR provide a sufficient pool of qualified personnel for an already diminished military apparatus? and, can it provide highly motivated disciplined fighters in the event of a war?

The answer to the first of these questions is just becoming known: data released by the Department of Defense in mid-1973 indicate that enlistments in the Armed Forces generally, and in the Army in particular, are falling short of minimum manpower requirements by a substantial margin. Since January 1973, when the Army enlistment objective of 17,900 men was oversubscribed due to the lingering volunteer-inducing effects of the draft, one-fifth to one-fourth of expected Army volunteers have failed to enlist. In February, enlistments were 15 percent short of the 11,500-man quota; in March the quota was 18 per cent short. And preliminary data for April, May and June show enlistment shortfalls of from 15 to 30 percent. If present trends continue, the Army is expected to be short 74,000 men by July 1974, or almost 10 percent of its planned strength of 791,000 men. The pressure on Army recruiters to increase their quotas of enlistees is reportedly so great that over 100 of them have been replaced or are under investigation for falsifying of records of recruits or providing aid on intelligence or aptitude tests in order to enroll men who could not otherwise meet minimum service standards.

### LOWER STANDARDS

As one aspect of the recruitment problem, Pentagon officials are under increasing pressure to lower recruit standards and accept more high school dropouts and other "underqualified" men. A recent study conducted by the Brookings Institution of Washington, D.C. shows that to meet minimum recruitment quotas of 365,000 men per year, the Armed Forces must enlist one-third of all "available" males aged 19 to 23—an extremely high, and perhaps unattainable, proportion. (In the Brookings study, "available" is defined as men who are physically, mentally, and morally qualified for service—and who are not planning to enter college.) Some recruiters seek to enlarge the manpower pool by lowering mental qualifications (high school dropouts already account for half of all recruits), but other officers oppose such measures on the grounds that an increasingly technological force will require men who can operate relatively complex machines. Lowered educational standards would also increase the proportion of blacks, Puerto Ricans and Mexican-Americans in service (since these groups are normally accorded the poorest education in our society).

Advocates of VOLAR, on the other hand, charge that the services have set artificially high enlistment qualifications in order to "sabotage" the all-volunteer program. Thus Roger T. Kelley, a former Assistant Secretary of Defense who many consider to be the architect of VOLAR * * * system "call demonstrate a need for the draft by letting failures occur." Kelley claimed that the adversaries of VOLAR "are bolder and more frequent in their acts of sabotage against the system." As of June 1973, many top Pentagon officials were predicting that unless enlistments take a strong turn upwards some form of conscription will have to be instituted within a year.

If these predictions prove accurate and the draft is reestablished, it may never be necessary to answer the second basic question concerning the viability of VOLAR: can an all-volunteer, "mercenary" army be made to fight if a war breaks out? Naturally, no one can predict the outcome of such an event in advance; it is nevertheless worthwhile to consider the impact of various VOLAR programs on the attitudes of volunteers.

Some critics of VOLAR have predicted that a highly-paid professional military organization would become a force of "hired killers" who would balk at nothing when ordered to attack a hostile population. There is little evidence, however, to support this view. Most G.I.'s in all-volunteer outfits indicate that they appreciate the higher pay and other benefits of VOLAR, but feel no increased commitment to a military "career" as a result. In fact, many soldiers report the opposite: under the 9 to 5, Monday to Friday system, G.I.'s are free to leave their base as soon as work is over, and most insist that they want things to remain that way.

"I like this post," reports Pfc Steven McClaran of the all-volunteer 197th Infantry Brigade, "There are no passes, no sign-in sign-out procedures, no KP. You can hop in your car and take off. It's just like a civilian job." Another volunteer, Spt. James Barrett, told *The Wall Street Journal* that "I didn't figure the Army would be easy. Hell, everyone's got to gripe about the work and the harassment. They get on me about my [longish] hair. But you can't beat it. I'm earning $348 a month sitting around and doing a little work."

These comments—and they are not uncommon—do not suggest a gung-ho, war-crazed crowd like the Foreign Legionnaires of *Battle of Algiers* (or even like John Wayne's celluloid *Green Berets*). In fact, many analysts believe that the higher the standard of living promised recruits, the less enthusiastic they'll be about risking their lives in combat. As one veteran sergeant put it, the volunteers come into the Army "expecting the life of Riley. . . . If we get into a war, we'll have to call the old soldiers back."

There is another question that must be asked of a mercenary army with a substantial non-white membership: given the growing militancy of the black and Chicano movements in the United States, will VOLAR's black and Spanish-speaking recruits obey their white officers when ordered to attack enemy forces—especially when those forces are also black or brown? Again, no one can answer this question in advance; but there are indications that the Army *will* have to address itself to this problem. Many black G.I.'s questioned in Europe have expressed considerable alienation from their regular military assignments, and most seemed more concerned with combating discrimination than preparing for war with the Communists. "Nixon and Agnew are strictly for white folks only," a black soldier told the *New York Times*. "Repression seems like the only thing they got for black folks—how am I going to fight for them?" Another black G.I., Sgt. Larry Tyler, recalled how his sister was in the dormitory at Jackson State College that was shot up by Mississippi state police in 1970, and asked: "How can you fight for America, when every morning you read about black people being killed?" And in Fulda, an Army base camp some 10 miles from the East German border, a black veteran of Vietnam mused: "America should deserve my life if I'm going to give it."

If present enlistment patterns continue, the Armed Forces will face a serious manpower crisis within a year. The Army, with an anticipated manpower shortage of 75,000 men, will be hit hardest—but the other services will also face severe shortages and/or lowered enlistment standards. Barring a serious economic crisis or new defense emergency (either of which might induce a higher rate of enlistment), the Defense Department must consider remedial action now if the services are to be fully manned in the late 1970's. Among the options on the Pentagon's agenda in 1974 are:

(1) *A return to conscription*, with some form of draft system to make up the shortfalls in voluntary enlistments.

(2) *Further reductions in the size of the services*, with a corresponding increase in emphasis on capital-intensive weapons systems.

(3) *Lowered enlistment standards*, with a higher proportion of black and Spanish-speaking volunteers.

A return to the draft would be the surest way of solving the manpower problem—but it is also the solution that will encounter the most resistance from Congress. Considering the present political mood of the country (and in the light of Watergate), it is probable that the Pentagon will elect the smoother course, choosing some combination of options 2 and 3. Indeed, Congress has already proposed further cuts in the Defense manpower authorization, while the Pentagon has announced plans to lower educational standards for Army enlistees. Neither of these solutions is attractive to the military, however, and it is certain that top Defense officials will begin a long-range campaign to foster public support for reinstatement of the draft.

Whatever solutions are found to overcome the manpower shortages, the Defense Department will still face the many unresolved "people problems" that threaten the effectiveness of existing combat units. These problems—racial conflict, drug abuse, rebelliousness, etc.—will persist as long as American society as a whole is torn by social chaos and conflict. Clearly, if the Armed Forces are to fulfill their mission in the post-Vietnam era, they must obtain loyal, dedicated and competent soldiers who can be counted on to follow orders under fire. As noted by General Abrams, ". . . the smaller Army that we are fielding today must be highly motivated, disciplined, fully manned, and fully equipped with modern weapons. An Army with these ingredients will be a professional force, unhampered by social turmoil, and composed of well-trained and ready soldiers prepared to meet any crisis." This is an ambitious goal under any circumstances—but the very survival of the Armed Forces now hinges on its achievement.

## STRENGTHENING THE FREEDOM OF INFORMATION ACT

Mr. KENNEDY. Mr. President, earlier this month the House of Representatives passed, by an overwhelming vote, Congressman MOORHEAD's bill (H.R. 12471) to amend the Freedom of Information Act. Following unanimous committee approval, the vote in the House was 383 to 8. This reflects, I believe, the strong sentiment in Congress toward opening further the processes of Government to public scrutiny. A similar bill, S. 2543, which I introduced last year, has cleared the Subcommittee on Administrative Practice and Procedure and is presently awaiting action before the full Judiciary Committee. I am confident that 93d Congress will enact this important legislation.

The press has made clear its support of congressional action to strengthen the Freedom of Information Act. Before my subcommittee last spring witnesses from the National Newspaper Association, the Radio-Television News Directors Association, the Joint Media Committee, Sigma Delta Chi, and the New York Times uniformly supported FOIA reform measures. In its reports on "The Truth About Government" the Professional Relations Committee of the National Press Club observed that there were "continuing restrictions on access to information caused by the efforts of many Federal agencies to dodge the spirit and intent of the FOI Act." And last week an editorial in the Washington Post observed that:

> Government secrecy has become an unfortunate fact of life in American society, despite the best hopes of this nation's founders. . . . Under the shroud of national security and other devices of secrecy, the bureaucrats go about their business without the knowledge and consent of the governed. This is so despite the fact that Congress provided the press and the people with a weapon—admittedly a blunt one—in the Freedom of Information Act of 1966. It gave the public a right to examine the documents in the possession of government agencies and thus the opportunity to find out what is being done in the name of the government. But its effective use is much more the exception than the rule.

Former Chief Justice Earl Warren has also made an impassioned plea for compelling—

> Our public officials to keep the avenues of information open so the public can know and evaluate the character of their work from day-to-day.

Speaking to the National Press Club in December, the Chief Justice continued:

> We munt realize that when we open up Government files and documents, we are not according the press any preference, but that we are making available to all citizens alike the opportunities to know what their government is doing. It is then that the press becomes free through investigative reporting to inform the people of the actual state of affairs and put its interpretation on it. If it does the job well, the people are the beneficiaries.

Finally, this past week the Senate Select Committee on Presidential Campaign Activities released a report prepared by a panel of the National Academy of Public Administration. In its discussion of the implications of Watergate for responsible government, the panel of distinguished public administration experts recognized that—

> Among the most troublesome of the issues brought to light in the Watergate hearings are those concerning access to information about executive processes. As a general proposition, a society committed to liberal democracy cannot adopt or defend any position other than one of maximum feasible freedom of information.

While recognizing the need in some specifically defined instances to withhold information from public view, the panel concluded that "the trend over many years has been to withhold information unnecessarily" and indicated its support on "legislative efforts to clarify and improve the Freedom of Information Act and to bring the decisionmaking processes of administrative agencies more into public view."

Mr. President, I ask unanimous consent that the Washington Post editorial, Chief Justice Warren's speech, and two newsstories on House passage of the Freedom of Information Act amendments be reprinted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 21, 1974]

### THE RIGHT TO KNOW

Government secrecy has become an unfortunate fact of life in American society, despite the best hopes of this nation's founders. James Madison once declared optimistically: "Knowledge will forever govern ignorance, and a people who mean to be their own governors must arm themselves with the power knowledge gives." But those lofty ideals of 200 years past have been facing heavy weather for at least a generation, and there is every evidence that reviving such notions in the current climate of government in Washington and elsewhere remains a difficult task. Under the shroud of national security and other devices of secrecy, the bureaucrats go about their business without the knowledge and consent of the governed. This is so despite the fact that Congress provided the press and the people with a weapon—admittedly a blunt one—in the Freedom of Information Act of 1966. It gave the public a right to examine the documents in the possession of government agencies and thus the opportunity to find out what is being done in the name of the governed. But its effective use is much more the exception than the rule.

Thanks to a notable recent exception, we now know that in the 1960s, the late J. Edgar Hoover ordered his agents at the FBI to undertake a "counterintelligence" program against what Mr. Hoover described as "black nationalist hate groups," among others. We know this because Carl Stern of NBC News took the trouble to go into court and win a law suit under the Freedom of Information Act. In theory, at least, FOIA reversed an older law that made disclosure difficult and established a policy that disclosure should be the norm and denial of information the exception. Unfortunately, the act has not worked that way. For one thing, there are a number of frustrating exceptions to the act. Beyond that, its mechanism is so cumbersome that only seven suits have been filed by news organizations since the act was passed.

Some of the blame for FOIA's ineffectiveness to date must rest on the news media. They have taken the view that news is immediate, and if they cannot get what they need for a story, they must move on. Very few journalists have been willing to take the time that the Freedom of Information Act now requires. Mr. Stern, for example, obtained the most recent set of documents on the FBI counterintelligence program 26 months after first seeking them.

The House of Representatives moved decisively this week to reduce the burden on *those who wish* to make use of the FOIA. It voted 383 to 8 for an amendment to the law proposed by Rep. William Moorhead (D-Pa.). The Moorhead Amendment does several important things to make the FOIA a better law. It reduces the number of days an agency has in which to say if it intends to provide requested information voluntarily. It places in the hands of the courts the question of whether national security is sufficient reason for a given agency to withhold information. It allows plaintiffs to recover their legal expenses if a court rules that an agency withheld material it should have turned over voluntarily. It adds the Office of Management and Budget to the list of agencies now covered by the act, and it requires all agencies to give an acount to Congress each year of how it implemented the law.

A similar bill, sponsored by Sen. Edward M. Kennedy (D-Mass.), has cleared a subcommittee of the Judiciary Committee and should be ready for floor action shortly. The Nixon administration has made rumblings that could be the forecast of veto action, but that would be a meaningless gesture if the Senate action is as decisive as was that of the House. Attorney Ronald Plesser, who heads the Freedom of Information Clearinghouse and who represented Mr. Stern in his suit against the FBI, has estimated that this new legislation could have reduced the elapsed time of the Stern case from 26 months to six months. That is more in keeping with the needs of justice and the public's right to know what its government is up to. No known substitute for an informed electorate exists in a democratic society, and the Hoover papers make it clear once again how dangerous bureaucratic secrecy can be to the rights of a free people.

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### Address by Hon. Earl Warren

It has been a long time since I spoke from this rostrum, and I am happy that this Drew Pearson Awards Luncheon affords me the opportunity to renew my valued association with the members of the National Press Club, so many of whom I helped install as President of your Club during my active years on the Court. Those were happy experiences for me. I had all the fun of starting in motion and none of the worry involved in administering the affairs of an organization as individualistic as the National Press Club.

And I suppose in its long history there was no one more individualistic than the man for whom this Award is named. In fact, for a long time, I have thought that the young people probably had him in mind when they coined the phrase about a person "doing his own thing."

He was unabashedly provocative. Some people thought he was divisive. But I remember the first time I met him was after World War II. He conceived the idea and organized the Freedom Train to rekindle the flame of patriotism in all Americans, not by urging them to go to war, but through the exhibition of the founding documents of the Republic and explanation of their meaning to our free way of life in order to inspire confidence in our institutions and strengthen our resolve to preserve them for ourselves and for those who are to follow us.

I was Governor at the time, and when Drew brought the train through California, I rode with it the length of the State, giving such help as I could to the cause which it represented. It was a good cause, and I am sure it was helpful in generating pride in the goodness of our institutions and the necessity of preserving them as the sheet anchor of our freedom. There was no hyperbole, no exhortation, no jingoism in the undertaking. It was a gentle appeal to real patriotism and in every respect was unifying.

I do not recall seeing him again until I came to Washington in 1953 as Chief Justice. That was a time of complete change of life style for me in my relations with the news media. For over thirty years in California, I was in politics and, like most politicians, if the news media did not approach me I would approach them. Believing in the right of the people to know what their public officials are doing, and also believing that it would help me in their appraisal of my work, I held two open press conferences each week of my eleven years as Governor. It was a mutually satisfactory arrangement, and relieved the necessity for a lot of investigative reporting on my administration.

Having been in and about courts all my adult life, I realized my press relationship in political life was not a proper stance for a judicial officer.

Believing there was no partial way of changing my relationship, I decided, in coming to Washington, to make a complete one hundred and eighty degree change of approach, and decline to discuss any of the judicial aspects of the Court work with the media. I did it promptly, and after the amenities relating to my induction into office were concluded, I submerged myself in another world. It was not only a strange but a difficult way of life for me after thirty years of free-wheeling with the press. And although I have never told the story publicly before, I will say to you today that at the outset it triggered for me the most traumatic experience of my more than fifty years in public life.

When I came to Washington the first week in October 1953, there was in progress an election for Mayor of New York. There was brewing at the same time a prison scandal over the influence used to effect the release of a notorious racketeer from a New York penitentiary. The two became enmeshed, and the names of a number of high public officials became involved in the scandal.

Mr. Robert F. Wagner, the eventually successful candidate for Mayor, only a few days after my induction, held a press conference concerning the prison scandal and naming certain persons implicated in it.

In the course of it, he also stated that one of the highest legal authorities in Washington, whose word was sometimes taken for the law, was enmeshed in it. He declined to name the official, and you can imagine what probing that unleashed. Reporters insisted on talking to me about the matter, but I instructed my secretary to say I was not available.

They waited at the entrances to the Court Building, but I entered the basement by car, and declined to recognize or halt for reporters at the entrance. I cut off the telephone in my hotel room, ate, and remained there until morning each day. As the weeks passed, some of the reporters wrote or wired me asking for an interview and saying they wanted to be helpful.

My name was not mentioned in the press, and I relied on the fact that it would not be without evidence to connect me with it. On the other hand, I felt sure that if I gave anyone an interview, there would be a story to the effect that "Warren denies he is implicated in prison scandal," and that would be an excrutiating way to start off the proceedings on my confirmation as Chief Justice. So I sat tight and suffered in silence. My wife was not even with me, she having remained at Sacramento to move from the Governor's Mansion where we have lived for eleven years with our six children, and which I had left on four days' notice to open the 1953 Court Term in accordance with my interim appointment by President Eisenhower.

On the Saturday night before the election, I was in my hotel room alone having dinner, and turned on the television. It happened that Mr. Wagner was holding a press conference at the time, so I listened. During the course of it, one of the reporters said, "Mr. Wagner will you tell us if Chief Justice Warren is the man you referred to as being implicated in the prison scandal?" He replied, "Oh, no, I understand he is a fine man, and I am sure he would not be involved in anything like that." What a relief!

I did not know him or anyone in his organization at that time. In fact, my politics had always been in the opposite Party. I later met him as Mayor, and our trails occasionally crossed at public affairs. He was always friendly and spoke well of the Court.

I never heard another word about this nightmare, but I assure you it was a baptism of fire.

In keeping with my policy of not discussing the affairs of the Court with the media, I never saw or talked to Drew Pearson as a journalist, but, like most Washingtonians, I read his daily column in the Washington Post.

I did, however, come to know him a different way that culminated in a cherished friendship between Drew and Luvie and Nina and me. We were all blessed with the friendship of the late Agnes Meyer.

For several years, she would arrange a Summer cruise in some exotic part of the world—the Fjords of Norway; the Dalmatian Coast, the Greek Islands; the ancient cities of Asia Minor; the perimeter of the Black Sea; the Hawaiian Islands, etc. On these cruises, the Pearsons, the Bill Attwoods, Adlai Stevenson, Clayton Fritchey, always some members of the Meyer family, and Nina and I were included. They were wonderful experiences, and it was on these cruises that I came to know Drew Pearson.

Walking along a Hawaiian beach, a Norwegian Fjord, the ruins of Troy, the Carpathian Mountains, or in the Greek Islands afforded me an opportunity to learn his trend of mind. It was not there focussed on muck, but on understanding. I sat, and without participating, listened to him and Agnes Meyer discuss world affairs by the hour with personalities such as the King and Queen of Greece; Chairman Krushchev of Russia; President Gheorgiu Dej of Romania; President Tito of Yugoslavia; Mayor Ake of Istanbul, and others. He was searching for and probing for reportable material—not to aggravate or increase the tension of the Cold War, which was so dominant in the Joe McCarthy days, but to see if some measure of accommodation could be found to enable the nations of the West and the East to find a way to live and let live alongside of each other.

He was a Quaker, as you may know, and in keeping with his faith, immediately after World War I, he undertook a mission into little Montenegro which had been overrun and devastated by the central powers in the War. His mission there had been designed to build homes and restore family life in the devastated villages. On one of our cruises along the Dalmatian Coast from Athens to Venice, he decided to travel overland from the Yugoslavian port of Split to the interior of Montenegro where he had performed his mission. I agreed to go with him. It was a unique experience, and one that warmed his heart because we not only found in use the homes he had built a half century before but also some of the people who had worked for him and who were still living in them.

The trip over the "Black Mountains" in a small car for several days was, indeed, a rough one, but it was enlightening to see life only a few miles from the eastern border of Albania almost the same as it was in Biblical times.

At home, Drew, as you all know, was a ferret for conflict of interest in Government. I suppose he made more enemies than any journalist of his day in pursuing that objective. He not only fought corruption but also the secrecy in Government which makes corruption easier. I have often conjured how he would have thrived on the opportunities for investigative reporting in these almost unbelievable times. He would have dug deep and fought secrecy in governmental affairs with a vengeance.

It would be difficult to name a more efficient ally of corruption than secrecy. Corruption is never flaunted to the world. In Government, it is invariably practiced through secrecy. That secrecy is to be found in every level of Government from city halls to the White House and the Hill, and if anything is to be learned from our present difficulties, compendiously known as Watergate, it is that we must open our public affairs to public scrutiny on every level of Government.

Some will say that it is the duty of public authorities to ferret out and prosecute conflicts and defilement of the public interest. But this falls far short of the mark. Law enforcement officers are not equipped to follow the daily work of our public servants, and I doubt if we would want them to be constantly looking over the shoulders of our people in public life just to see if they are performing their duties honestly. It is not the American way, and the practice could eventually lead to a police state.

But we do have the right to compel our public officials to keep the avenues of information open so the public can know and evaluate the character of their work from day-to-day. Then it would be the responsibility of the news media to inform the public of both the accomplishments and the derelictions of their officials.

It is an enormous job to alert the public because there are 2,872,000 Federal civilian employees, 2,832,000 state employees, and 7,612,000 in local government, making a total of 13,316,000 in 1971. All of them perform some duties for the Government, and often some obscure public official unknowingly even will perform some act that, if disclosed, might change the course of history.

As an illustration, conjure for a moment what a nation shattering service the house policeman and the city policemen whom he summoned rendered in making public the Watergate burglary. Had they succumbed to the blandishments and importunities of the burglars, all of the subsequent disclosures of conduct debasing our institutions might have remained a secret forever.

A similar occurrence could come under the scrutiny of anyone of these millions of public employees and if not disclosed might deprive the American people of a much needed opportunity to cleanse some level of our Government.

But even such a failure of disclosure might not be the fault of the particular employee. It could well be a lax method of accounting for official conduct or even a strict policy of secrecy imposed by the policy-making authority.

Such policies, whether they stem from indolence or design, are cancerous to the body politic and must, if our Government is to remain "of, by and for the people," be curbed by adequate legal guidelines and then by scrutiny of the people for use in the electoral process. The fulfillment of the latter, however, depends on the preservation and stimulation of a free press, because the people cannot be adequately informed by the Public Relations Departments of the numerous agencies which justify their activities through news releases and subtle propaganda.

The Pentagon alone is asking for $25,023,000 this year for that purpose. The General Accounting Office, however, has objected to the amount before Congressional Committees on the ground that much more has been concealed for the purpose in other parts of the budget. That amount alone for public relations in the one Department, however, is over four times the total requested budget of the Supreme Court of the United States this year.

And with that amount of money, presumably to inform the public of the activities of the Pentagon, the Cambodian bombing was deliberately concealed from the American peole until about two years after the fact.

There is but one protection against such deception, and that is the accessibility to inspection by the citizenry of public records on every level of Government, thus making them available for the news media.

We must realize that when we open up Government files and documents, we are not according the press any preference, but that we are making available to all citizens alike the opportunities to know what their Government is doing. It is then that the press becomes free through investigative reporting to inform the people of the actual state of affairs and put its interpretation on it. If it does the job well, the people are the beneficiaries.

The investigative reporting of the past year is entitled to high praise and the gratitude of every American. Without it, its disclosures of fraud, bribery, perjury, conflict of interest, obstruction of justice, etc., would probably have passed without official action.

So if we are to learn from the debacle we are in, we should first strike at secrecy in Government wherever it exists, because it is the incubator for corruption. One would think this should be an easy thing to accomplish, but as in most public questions there are many facets to it, and as the old hillbilly from Arkansas said, "No matter how thin you make a pancake, there are always two sides to it."

The Congress has labored at great length on the subject, and in 1966 enacted the Freedom of Information Act. That Act recently was accorded a somewhat restricted application by a sharply divided Supreme Court in the case of *EPA* v. *Mink*, 410 U.S. 73.

The dissenters wrote that the decision "wholly frustrates the objectivity of the Freedom of Information Act," and that "It is on its way to become a shambles." Fortunately, there was no decision of constitutional dimensions, the Court holding that the Act did not authorize the relief sought in the case. This would appear to leave the extent to which secrecy in Government might still be proscribed as one for legislative action.

In order to appreciate that a free press is a basic element of a free society, one need not subscribe to the aphorism of Thomas Jefferson that if it should become necessary to dispense with either government or a free press we could better afford to give up government.

Every thoughtful American knows that some of our most cherished rights stem from the First Amendment—speech, the press, religion, assembly, and the right to petition the Government for a redress of grievances. To exercise these rights effectively, the people must know what the Government is doing. On the other hand, the increasingly complex world and nation in which we live undoubtedly call for some degree of confidentiality in the decision-making process, but to recognize that fact one need not subscribe to the bizarre contentions of the administration for boundless secrecy under the ensign of executive privilege and national security. Nor need one believe that this should curtail the rights of the press to explore, probe and report to the public what its explorations reveal.

What I mean to emphasize is that whatever secrecy is to be permitted concerning governmental records in the highest as well as in the lower echelons should be fixed by law. As I have just reported, the law is now in a state of flux and more refinement is called for. The importance of the problem cannot be overstated. It must be obvious to all by this time that secrecy in high places spawned this great tragedy of our time, and that continued secrecy has prolonged the judicial inquiry into admittedly illegal conduct to a point which erodes the rule of law.

Only a rule of reason will solve the dilemma we find ourselves in. This is not an easy thing to evolve in these days when the solution of so many issues is polarized to the point of frustration. Yet the importance of this issue is so great that I would think there is sufficient acumen and patriotism in the elements of our society most intimately connected with the affairs of Government to solve it.

We are spending billions of dollars today to induce the Israelis and the Arabs to settle their ancient differences through reason. In recent years, we have spent upwards of 200 billions and lost 50 thousand of our young men to achieve what is denominated as "peace with honor" between two small countries on the other side of the world.

In light of these experiences, would it be reasonable to expect the professions of journalism, law and political science, together with their professional schools and representatives of federal and state government, all properly sanctioned, to be able jointly to study and define the essential areas of confidentiality in Government, leaving the rest open to public scrutiny so that "Even he who runs may read?"

I would think it should be and perhaps it might be the best way to avoid another Watergate which we can ill afford, and thus fulfill our Constitutional obligation to keep it possible for the people to govern themselves.

Finally, my congratulations to all of today's awardees. They have honored their profession by their investigative reporting, and in doing so have fulfilled in the finest sense the responsibility of a free press to the people it serves.

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[From the Wall Street Journal, Mar. 18, 1974]

### HOUSE VOTES BILL TO AID CITIZENS' RIGHTS, AMENDING '66 ACT ON GOVERNMENT SECRECY

(By Arlen J. Large)

WASHINGTON.—A 1966 law intended to combat government secrecy is getting its first repair job in Congress.

The House has approved amendments to the Freedom of Information Act that generally would make it easier for a citizen to challenge a government agency's refusal to give up a requested document. The overwhelming 383-to-8 vote was a sign that the changes aren't very drastic or controversial, but they could tilt some court fights against the government.

The changes include:

Reversing a Supreme Court ruling that forbids federal judges to inspect documents stamped with a security classification.

Requiring that federal agencies publish indexes of their decisions so a seeker of documents knows what to ask for.

Scheduling of deadlines that agencies would have to meet in responding to inquiries or fighting them in court.

Giving authority to judges to order the government to pay the lawyers fee for a citizen who wins a secrecy case in court.

### SENATE BILL

The Senate Judiciary Committee has been working on a similar bill, and full Senate approval is likely this spring. An early draft of the Senate bill would let a judge suspend an agency official from his job for as long as two months if he arbitrarily turned down a request without checking it against the Freedom of Information Act.

That act, signed by President Johnson in 1966, took effect a year later. Its main purpose was to make federal agencies regularize their methods of making public material that, in many cases, was available anyway, but subject to release on bureaucratic whim.

When enacted, sponsors of the bill expected it to be used widely by Washington newsmen in their constant wrangles over access to government documents. Just recently, Carl Stern, a reporter for the National Broadcasting Co., used the law to win a court ruling ordering the Justice Department to give up copies of the late J. Edgar Hoover's instructions to the Federal Bureau of Investigation for infiltrating and trying to discredit black militant groups during the 1960s.

But the biggest users of the law have turned out to be Washington organizations with special axes to grind. These include various consumer and legal groups associated with Ralph Nader, and industry trade associations seeking business information in the government's possession.

### COURT TESTS

They've prompted court tests of most of the 1966 law's specific exemptions from the general rule of disclosure. These include defense secrets, investigatory files, tax returns, patent applications, policy letters and memos circulating within the Executive Branch and business trade secrets.

The new House-passed amendments and their draft Senate counterparts wouldn't change the scope of these exemptions. Citizens requesting documents mostly have been winning favorable court interpretations of the existing law's language in borderline cases. Some federal agencies would like some exemptions broadened to require more secrecy, but Congress so far appears unwilling to go along.

The House-passed bill was drafted mainly by Rep. William Moorhead (D., Pa.) after a two-year analysis of the way federal agencies complied with the old law.

One of the groups that lost a court test involving classified documents was in a unique position to back Mr. Moorhead in changing the rules for future contests. Thirty-three members of Congress led by Rep. Patsy Mink (D., Hawaii) had tried to block an underground nuclear test explosion in Alaska by suing for classified material showing whether the test conformed with environmental laws. A federal appeals court ordered a federal district judge to inspect the documents privately to see whether any could be released. But the Supreme Court last year blocked that order, ruling that the Freedom of Information Act doesn't permit judges to review defense and foreign-policy material given a security classification by the Executive Branch.

### PRIVATE INSPECTIONS

One of the new House amendments specifically authorizes judges to privately inspect classified material to see whether the official who stamped it followed the rules for deciding what's secret.

Besides requiring agencies to publish an index of decisions and actions, the House bill would allow a citizen to get specific records if he can "reasonably describe" them. This is intended to make it harder for an agency to reject a request because the applicant can't specifically name a document he wants.

The House-passed bill would set deadlines to prevent an agency from stalling a request for documents. Officials would have to give an applicant an answer within 10 days, and any appeal to agency higher-ups couldn't last longer than 20 days. If an agency is taken to court, it would have only 20 days to make its first formal response instead of the 60 days allowed under current law.

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[From the New York Times, Mar. 15, 1974]

### BY 383 TO 8 HOUSE VOTES BILL TO STRENGTHEN PUBLIC'S ACCESS TO GOVERNMENT INFORMATION AND RECORDS

(By Richard L. Madden)

WASHINGTON, MARCH 14.—Despite opposition from the Nixon Administration, the House passed today legislation aimed at strengthening the public's access to Government information and records.

The bill, which was passed by a vote of 383 to 8, now goes to the Senate, where a judiciary subcommittee has approved a similar measure.

At the same time, the House Government Operations Committee, splitting 24 to 16, approved a separate bill that would let the Federal courts determine—except in an impeachment proceeding—whether a President could withhold information from Congress.

However, the bill now goes to the House Rules Committee, where it faces an uncertain fate, and Administration officials have warned of a presidential veto.

Under the committee bill, a Congressional committee could get House or Senate approval to go into court whenever the President directed an agency to withhold information sought by the committee.

Several Democrats opposed the bill, which had the support of a number of Republicans. Representative Jack Brooks, Democrat of Texas, said it was "disastrous legislation" that would "inscribe into law the concept of executive privilege and give to every agency of the Government, as well as the President, the appearance of legitimacy in denying certain information to Congress."

The bill approved by the full House dealing with the public's access to records would make the first changes in the Freedom of Information Act of 1966 and would give Federal courts the option of privately examining any classified documents to determine if the documents had been properly withheld from the public.

The provision would reverse a recent United States Supreme Court decision, which said that the contents of documents withheld from the public, such as for national security reasons, were not reviewable by the courts.

The Supreme Court's ruling in January was on a suit brought under the Freedom of Information Act by Representative Patsy T. Mink, Democrat of Hawaii, and other members of Congress who had sought to force the disclosure of classified documents relating to an underground nuclear test.

"This bill offers a sensible and workable compromise between a democratic government and the government need for national security," Representative Spark M. Matsunaga, Democrat of Hawaii, said during the relatively brief House debate.

There was no discussion of whether President Nixon would veto the bill if it reached him, but the Departments of Justice and Defense have opposed the measure in part on the ground that it would impose inflexible requirements on Government agencies.

The Justice Department had also asked Congress to delay action on the bill until an Administration study of ways to improve compliance with the Freedom of Information Act was completed.

The 1966 law sought to grant Americans the right of access to Federal records and specified categories of information, such as that dealing with national security, trade secrets and intra-agency memos, which could be kept secret.

The bill passed today would, among other things, set various time limits for Federal agencies to respond to public requests for information and would require the agencies to make annual reports to Congress on how they had implemented the act.

Also, the courts would be permitted to award the cost of legal fees and court costs to the plaintiff seeking information that the court decision went against the Government agency.

In addition, the bill would expand the definition of Federal agencies covered by the 1966 law to include agencies within the executive branch, such as the Office of Management and Budget and the National Security Council and Government corporations, such as the Tennessee Valley Authority.

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## AMERICANS OF KOREAN ANCESTRY

Mr. MATHIAS. Mr. President, one of America's strengths is the diverse talent that her adopted sons and daughters bring to her. Among the recognizable ethnic groups that blend loyalty to the United States with a proper respect for the lands of their origin are the Americans of Korean ancestry.

In a noteworthy effort to share the fruits of their own success in America, many of these men and women have joined together to establish the Korean Student Fund. A recent dinner held in Washington and attended by the Ambassador of Korea and by many distinguished citizens of Maryland, highlighted the goals of the student funds.

The fund seems to me to have a wide potential beyond the help it can give to individual students. It will also foster a sense of common values and interests between the United States and Korea. Large numbers of Americans and Koreans will get to know each other. Each country as well as the rest of the globe should benefit.

I ask unanimous consent to print in the RECORD a publication of the fund describing its goals.

There being no objection, the publication was ordered to be printed in the RECORD, as follows:

### THE KOREAN STUDENT FUND AND ITS GOALS

The investment in human resources, in terms of seeking higher education and advanced technology, plays an important role in the growth of a country whose progress and interest are primarily dependent upon its own people—their knowledge, skill and ideas. Korea is no exception.

A few years ago, the Korean Student Fund hoped to obtain the valuable investment in human resources by assisting Korean students in the United States, seeking higher education which can be useful in the development of Korea in the years ahead.

The following is a brief description of the Korean Student Fund and its goals.

### PURPOSE

The Korean Student Fund is a non-profit scholarship foundation federally recognized and established in Washington, D.C. in 1968 to help needy Korean students studying in the United States.

The Korean Student Fund is designed to help students complete their education in the United States within the shortest possible period with maximum effectiveness by offering them emergency scholarhsip grants, interest-free loans and other needs.

The Korean Student Fund is also designed to offer placement services to those who have completed their studies in the United States and are ready to return to Korea.

### MAJOR ACTIVITIES

The major activities of the Korean Student Fund are:

1. Emergency scholarship grants
2. Interest-free scholaship loans
3. Placement services for prospective returnees to Korea
4. Educational counseling

### SOURCES OF FUND

The source of scholarship fund for the Korean Student Fund are:

1. Donations from individuals or institutions
2. Trust Funds from individuals or institutions
3. Profits from activities

Among the members of the Board of Directors and of the Executive Committee, there prevails a very strong opinion that in the near future, the Korean Student Fund should provide the same scholarship grants to students studying in Korea who need more financial support than those in the United States.

The major criteria to the success of obtaining the investment in human resources are your continuous financial support and interest in the goals of the Korean Student Fund.

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## TRUTH IN LENDING

Mr. McCLELLAN. Mr. President, I recently received a letter from a constituent, Mr. W. K. Grubbs, Sr., an attorney in Eudora, Ark., which I would like to share with my colleagues.

Mr. Grubbs made several thought-provoking statements regarding truth in lending which I believe would be of interest to the Members of the Senate.

Following the passage of such sweeping legislation as the Truth in Lending Act, serious questions are often raised about needed interpretations and about matters not considered fully at the time of passage. Mr. Grubbs' comments provide an effective analysis of some of these problems and are worthy of study.

I ask unanimous consent, Mr. President, that Mr. Grubbs' letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 22, 1974.

Re Truth in Lending.
Hon. JOHN L. MCCLELLAN,
Hon. J. W. FULBRIGHT,
*U.S. Senate, Senate Office Building, Washington, D.C.*

DEAR SIRS: I agree that it is the responsibility of the Government to guard its citizens against such obviously criminal practices as I understand is practiced by certain elements in this country which lend money at extortionate rates and then uses "enforcers" to break arms, kidnap people and kill to collect. However, it has always been my opinion, also, that it was not necessary in order to protect the populace from these practices, to pass anything resembling the Truth in Lending Law.

I also agree that when people borrow money they should be told in some fair manner the effective rate of interest which they will be paying. It has been my opinion that this could have been done in a much simpler manner than the Truth in Lending Law.

Even as originally passed, the Truth In Lending Law was something of an absurdity in that it obviously was a further step of the Federal Bureaucracy toward enslaving the populace by placing an incredible burden upon the money lender; making it impossible for him to collect money from the majority of borrowers, wage earners, by its politically inspired restrictions on garnishment, thereby making credit unavailable to this large group of borrowers in a great number of instances, where it had otherwise been available. Because of its complexities and the scatter-brained scattering of enforcement responsibility, it obviously created a hegemony of conflicting rules, interpretations; conflict of authority; fosters petty bureaucratic jealousy and, as I said, in my opinion, was nonsensical in the beginning. However, it seems to me that the height of something (a better word would be depth of something) has been reached in a recent case, Lemons vs. Etna Finance Co., District Court of Georgia, September 18, 1973, wherein a Federal Court held that where a borrower signed a Truth In Lending Disclosure, and admittedly signed it, but the copy of it handed to him did not bear a legible signature of his because he feather-fingered his signature on the top so that the carbon imprint would not show on his copy, then the lender has not made full disclosure because the poor ignorant borrower does not have a complete disclosure statement, and being a sorely mistreated individual in this respect, mistreated by the people who loaned him the money to such an extent that they are required to pay something over $700.00 to him, plus a reasonable attorney's fee, as a penalty because of their degradation.

Now you might say that the proper place for this complaint is through an appeal of some sort. Congress passed this law and placed this needless burden upon the financial institutions of this country. Just as they passed needlessly complex internal revenue laws and placed a screaming burden of bookkeeping and tax preparation upon the taxpayers.

I am not writing this letter to ask anybody to change these laws. I do not think it would do any good. I think the whole Truth In Lending setup was politically inspired. There was no need for it to be enacted to have criminal sanctions against the gangster element and their "enforcers". Nor, a few other minor practices which the Truth In Lending Law might have corrected. The net result of the Truth In Lending Law is to place a great burden on all financial institutions for very little gain that I can see. It seems to me that Congress should have been able to see this but what they were doing was appealing to the Tail which has wagged this Dog too long, and that is the polyglot Northeastern part of this country and the extreme Western (California) wild eyes.

Maybe I am a little far to the right but it has been written by at least one historian that the history of demorcacy is bureaucracy and the history of bureaucracy is revolution. As you know, revolution takes various forms. One of them is that the populace will no longer consider it immoral to disobey a law. There is a question among philosophers as to who makes the law. Some of them theorize that if you make a law the populace does not agree with they will not obey it and you cannot enforce it. In a society which has been brought up and trained to be law abiding, as I feel most of my generation were, as opposed to the present, you can get away with a great deal of these laws that they don't agree with, because they realize that the law should be obeyed and that there are right and wrong ways of changing them if you do not agree.

Beginning with the administration of the late John Kennedy, certain public figures, and I do not think it necessary to name them because I am sure you know several of them, openly advocated disobedience of laws by certain classes of people; this resulted, I feel, in a complete breakdown of the law abiding fiber of the present developing generation and the purpose of this letter is simply to point out to you as members of my congressional delegation: You keep passing laws like this; you keep appointing Federal Judges like that one, and after a while there will be nobody who cares what you pass. Nixon is not the only political institution in this country which is losing credibility at an incredible pace with the people. This country, and its government, has to turn around. It cannot keep going like it is.

The above decision, even under the Truth In Lending Law, is so incredible that if I put in words my opinion of it, I could be prosecuted under any number of laws which forbid me to criticize the Federal Government, and the actions of some of its institutions, in what I consider appropriate language.

This letter has been over long and has been written for the purpose of letting you know at least what one voter thinks of some of the things that are happening in this country as a result of the illconceived legislation by the Federal Government.

Your truly,

W. K. GRUBBS, Sr.

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## ROBERT FROST: POET AND SAGE

Mr. McINTYRE. Mr. President, 100 years have passed since the birth of Robert Frost, New Hampshire's poet. It has been a century of change, of crisis and resolution, of hope and despair. It is a century which the life of Robert Frost nearly spanned. Few individuals could accept with such strength and wisdom or understand and appreciate this century as well as Robert Frost did. If Robert Frost had not been a poet and a sage, perhaps his acceptance of life and his perseverance at it could be attributed to insensitivity, to ignorance. But as we know, this was not the case. Frost's life was a study in insight, a testament to awareness. In our "age of anxiety" and in all of history there have been few such men or women, few who could remain so entirely in touch with the world and yet not be overcome by it.

Frost writes:

> The most exciting movement in nature is not progress, advance, but the expansion and contraction, the opening and shutting of the eye, the hand, the heart and the mind. We throw our arms wide with a gesture of religion to the universe; we close them around a person. We explore and adventure for a while and then draw into to consolidate our gains. The breathless swing is between subject matter and form.

Perhaps this is where Frost's secret lay, in this breathless swing, in the ability to discern it and be fascinated by it. Frost was not a broad man so much as he was a deep one. He felt little need for the short-lived, wide-ranging thrill; he was in no way decadent, and so he met the passage of time not so much by moving with it, but by basing himself on those things in life which are eternal, on the beauty and power of nature, on the redemption of human love and the mystery of religion. As Frost writes in "Reluctance":

> Ah, when to the heart of man
>   Was it ever less than treason
> To go with the drift of things,
>   To yield with a grace to reason,
> And bow and accept the end
>   Of a love or a season.

And so on this 100th anniversary of the birth of Robert Frost, it is my intent to honor him with a mingling of his life and hs poetry, two outstanding achievements which, though we could never *duplicate*, we can certainly appreciate.

Strangely, Frost was not appreciated by American publishers during the first 40 years of his life. It took a trip to England and the publishing of Frost's first book, "A Boy's Will," in England to bring him recognition in the United States. Before this time, Frost had led a varied but professionally frustrating life, primarily in New England. At the age of 20, he married his high school sweetheart, Eleanor White, and started a family. He tried out two different colleges, Dartmouth and Harvard, and was unable to finish at either of them. He also worked at a number of trades—as a country school teacher, a cobbler, a small town newspaper editor, and finally as a farmer.

At the age of 26, Frost purchased a farm in Derry, N.H., on which he lived in almost total isolation for the next 11 years. This farm, the countryside, and the people around Derry were the subject of much of Frost's poetry, the heart, really, of his poetry.

On his return to America, Frost was greeted with critical acclaim for his two books published in England and numerous offers to publish his work. His books of poetry were well received by both the critics and the public and his career, as we well know, was not a brief flash, the result of a single work that brought *him fame and* fortune, but a steady and sustained outpouring of some of the 20th century's finest poetry and most insightful prose and speaking. Frost, as he rose in prominence, began to teach and to lecture at America's leading colleges. He received great numbers of honorary degrees, four Pulitzer prizes and scores of other poetry awards.

Of the man himself, Reginald Cook, a close friend of Frost's said:

> Physically, Frost has the solidity of the close-sodded native soil. He stands about five foot nine and you are aware at once of his strong-armed, full-chested rugged build. In his old clothes he looks bigger than he actually is. When approached in the garden he appears to loom; but when dressed up, he shrinks to medium height. Close up you notice the full, thick, muscular, workmanlike hands, the backs of them rough, the thumbs large, the fingers long, the tips blunt, the nails wide and thick—firm fingers to grasp an ax, strong shoulders to start the swing, muscular forearms to follow through. His practical truths are the tougher, you think, recalling Thoreau, for the calluses on the broad, well-lined palms. His blue eyes, which are rarely measuring, nevertheless take you in. He looks, listens, appraises. And he sizes up memorably, saying, "I see what I see."

Frost is most emphatically this, a man who sees what he sees, a man without delusions, a man who can laugh at himself as well as other people. On politics:

> I never dared to be a radical when I was young, for fear it would make me a conservative when I was old.

On art:

> There are two groups of people: Those who do good and those who do well. The second are artists.

And perhaps at this point it would be good to include a bit of his poetry, his art, without editorial comment or extrapolation:

### THE ROAD NOT TAKEN

Two roads diverged in a yellow wood,
  And sorry I could not travel both
And be one traveler, long I stood
And looked down one as far as I could
  To where it bent in the undergrowth,

Then took the other, as just as fair,
  And having perhaps the better claim,
Because it was grassy and wanted wear;
Though as for that the passing there
  Had worn them really about the same,

And both that morning equally lay
  In leaves no step had trodden black.
Oh, I kept the first for another day!
Yet knowing how way lead on to way,
  I doubted if I should ever come back.

I shall be telling this with a sigh
  Somewhere ages and ages hence:
Two roads diverged in a wood, and I—
I took the one less traveled by,
  And that made all the difference.

### A LATE WALK

When I go through the Mowing field,
  The headless aftermath,
Smoothlaid like thatch with the heavy dew,
  Half closes the garden path.

And when I come to the garden ground,
  The whir of sober birds
Up from the tangle of withered weeds
  Is sadder than any words.

A tree beside the wall stands bare,
  But a leaf that lingered brown,
Disturbed, I doubt not, by my thought,
  Comes softly rattling down.

I end not far from going forth
  By picking the faded blue
Of the last remaining aster flower
  To carry again to you.

Frost's greatest strength, as seen in his poetry, may have been his awareness of the abstract in the concrete, the way in which revelation came to him through the most common of experiences, his depth rather than his breadth. He was at once a practical and philosophical man, unimpressed with empty intellectualism, but not contemptuous of honest thought. His practicality kept him involved and functioning in the everyday world of human contact and disappointment, something many artists withdraw from, and his philosophic nature let him touch and reveal to others the truths of our experience.

It seems appropriate to end this tribute to Robert Frost with a statement of his own. Perhaps we can, for a moment, look beyond our immediate conflicts on the strength of it:

> Having ideas that are neither pro nor con is the happy thing. Get up there high enough and the differences that make controversy become only the two legs of a body, the weight of which is on one side in one period, the other, in the next. Democracy monarchy; puritanism paganism; form and content; conservatism radicalism; systole diastole; rustic urbane; literary colloquial; work play. I should think too much of myself to let any teacher fool me into taking sides on any one of these oppositions. Maybe I'm wrong. But I was always wrong then. It's not just old age with me. I'm not like Maeldune, weary of strife from having seen to much of it—I've wanted to find some ways to transcend the strife method. I have found some. Mind you, I fight a healthy amount. This is no pacifism. It is not so much anticonflict as it is something beyond conflict—such as poetry and religion that is not just theological dialectic. I'll bet I could tell of spiritual realizations that for a moment at least would overawe the contentious.

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## THE PLIGHT OF THE CATTLE FEEDERS IN NEW MEXICO

**Mr. DOMENICI.** Mr. President, in the past few months I have become increasingly concerned over the current plight of cattle feeders in New Mexico. Their feed costs have been rising steadily, while the prices they receive for fed cattle have fluctuated widely while moving downward. Many extraneous factors have influenced what is historically a high-risk industry in this past year. The energy crisis which resulted in the national 55 miles per hour lessened the amount of beef which could be moved from feedlot to meatpacker and packer to wholesale distributor significantly. The resulting independent truckers strike terribly disrupted the normal flow of beef and resulted in reduced buying by packers which left the feeders with overfat cattle in the pens which bring reduced prices and a ripple effect backing up fed cattle in the pens.

Most cattlemen see the Government intervention of 1973 as the basic cause of the recent chaotic market conditions. The prices paid for cattle have a comparable fluctuation in retail beef prices. All of this adds up to serious losses for cattle feeders. To illustrate this point, I excerpted the following from one of the many letters I have received from New Mexico cattle feeders:

> Thank you for your interest in the cattle feeding business. It's encouraging to know that you are aware that many cattlemen are going out of the business because of unreasonably high losses.
>
> Since October 1, 1973, I have lost $208,579.00 on 4,367 head of cattle marketed. Three-fourths of these cattle have been 750 pound fat heifers out of feedlots. The rest have been 750 pound feeder steer yearlings off grass and growing rations. Some losses per head have been as high as $144.08. I will lose another $200,000.00 on the cattle I presently own if today's prices prevail. There are two basic reasons for these losses:
>
> 1. Government intervention—The Beef Price Freeze completely disrupted our orderly marketing last year and is still taking its toll today.
>
> 2. Soaring production costs—Our cost of gain in the feedlot has increased from 17.95 cents per pound in 1968 to 43.64 cents per pound thus far in 1974. This is due to increased grain prices and the banning of D.E.S.
>
> At the present cost of grain it is impossible to feed cattle to be sold at current market prices. The cattleman is having to compete world-wide for his feedstuffs and yet is not getting the benefit of world competition for his finished product—beef. This squeeze is putting the cattleman out of business.
>
> The cattleman is taking excessive losses now where he has not had excessive profits in the past. Even though fat cattle have increased from 25¢ to 50¢ per pound, we have only averaged $9.95 per head profit for the past five years. This is a 5.7% return on investment. Without this inflation in beef prices there would be no profit at all. In one month's time I went from record profits to record losses.

Millions are being lost by cattlemen where billions are being lost by co-related agriculture business. In the past five years I have fed and marketed over 75,000 head of cattle, but *now I must quit.*

Since government intervention has caused these high losses, perhaps now government intervention could be used to reduce them and thus insure a continued supply of beef in the future.

To illustrate his statements, my constituent included the following loss and production cost data:

LIGHTWEIGHT HEIFER LOSSES

| Out date | Loss per pen | Loss per head |
|---|---|---|
| 1973: | | |
| Oct. 1 | $1,530.15 | $11.96 |
| Oct. 11 | 4,526.89 | 31.88 |
| Oct. 17 | 4,169.68 | 35.34 |
| Oct. 20 | 5,243.77 | 37.19 |
| Nov. 18 | 9,249.47 | 60.45 |
| Nov. 21 | 9,585.16 | 63.06 |
| Nov. 22 | 10,392.22 | 68.82 |
| Nov. 25 | 6,847.42 | 66.67 |
| Nov. 30 | 8,450.01 | 72.84 |
| Dec. 1 | 7,260.91 | 46.54 |
| Dec. 2 | 9,813.22 | 82.47 |
| Dec. 2 | 9,674.87 | 62.02 |
| Dec. 4 | 11,226.01 | 87.70 |
| 1974: | | |
| Jan. 12 | 3,122.26 | 20.54 |
| Jan. 14 | 3,133.06 | 20.08 |
| Jan. 23 | 2,644.97 | 17.99 |
| Feb. 10 | 3,547.69 | 18.97 |
| Feb. 10 | 1,581.15 | 10.61 |
| Feb. 11 | 1,903.85 | 16.56 |
| Feb. 17 | 2,226.57 | 15.04 |
| Feb. 26 | 3,250.00 | 20.92 |

FEEDER STEER YEARLING LOSSES

| Out date | Loss per pen | Loss per head |
|---|---|---|
| 1973 | | |
| Jan. 16 | $13,150.94 | $54.57 |
| Dec. 20 | 6,627.20 | 63.72 |
| 1974: | | |
| Jan. 3 | 24,204.83 | 144.08 |
| Jan. 9 | 6,893.33 | 70.34 |
| Jan. 9 | 4,366.24 | 71.58 |
| Jan. 11 | 1,743.61 | 16.93 |
| Jan. 29 | 15,557.22 | 69.14 |
| Jan. 31 | 8,174.00 | 97.31 |
| Feb. 8 | 6,940.00 | 73.05 |

PRODUCTION COSTS LIGHTWEIGHT HEIFERS

| Year | Number of pens | Number of cattle | Cost of gain |
|---|---|---|---|
| 1968 | 4 | 700 | $17.95 |
| 1969 | 36 | 6,300 | 20.13 |
| 1970 | 53 | 9,275 | 22.41 |
| 1971 | 94 | 16,450 | 24.06 |
| 1972 | 55 | 9,625 | 23.45 |
| 1973 | 58 | 10,150 | 31.59 |
| 1974 (to date) | 8 | 1,400 | 43.64 |

*Feeder steer yearlings*

| Year: | *Cost of grain* |
|---|---|
| 1971 | 22.31 |
| 1972 | 21.19 |
| 1973 | 28.05 |
| 1974 (to date) | 49.76 |

Lest anyone should feel that these are exaggerated figures, let us compare them to closeout data provided by the Professional Cattle Consultants of Weatherford, Okla.:

The November closeouts on steers using PCC Industry Averages for #1 steers, purchased in May, on feed for 180 days, and closed out in November, we find the owner would have lost $126.82 per head—as follows:

| | |
|---|---|
| May cost in (635# @ $.5430) | $344.81 |
| Cost of grain (469# @ $.4025) | 188.77 |
| Interest @ 8% (on ¾ cattle) | 10.34 |
| Interest @ 8% (on ¾ feed bill) | 5.66 |
| Marketing expense (Comm., Ins., etc.) | 10.00 |
| Total cost | 559.58 |
| November sale (1104# @ $.3920) | $432.76 |
| Loss | 126.82 |

The November closeouts on heifers using PCC Industry Averages for #1 heifers, purchased in May, on feed for 180 days and closed out in November, we find the owner would have lost $105.29 per head—as follows:

| | |
|---|---|
| May cost in (529# @ $.5352) | $283.12 |
| Cost of grain (364# @ $.4152) | 151.13 |
| Interest @ 8% (on ¾ cattle) | 8.49 |
| Interest @ 8% (on ¾ feed bill) | 4.53 |
| Marketing expense (comm., ins., etc.) | 9.50 |
| Total cost | 456.77 |
| November sale (893# @ $.3936) | 351.48 |
| Loss | 105.29 |

*December closeout data*

Steer losses continue to climb! Utilizing the PCC Industry Averages for #1 steers, purchased in June, on feed 180 days, closed out in December at an average loss of $131.34 per head! Here's how:

| | |
|---|---|
| June cost in (631 lbs. @ $0.5183 per lb.) | $327.00 |
| Cost of grain (469 lbs. @ $0.4394 per lb.) | 206.00 |
| Interest @ 10% (on ¾ of cattle) | 16.00 |
| Interest @ 10% (on ¾ of feed) | 6.00 |
| Management expense (commission, insurance, etc.) | 10.00 |
| Total cost | 565.07 |
| December sale (1,100 lbs. @ $0.3942/lb.) | 433.62 |
| Loss | 131.45 |

*January closeout data*

Steer losses peaked in December! Utilizing the PCC Industry Average for # 1 steers purchased in July, on feed 180 days, closed out in January at an average loss of $63.39, more than 50% less than the $131.45 losses suffered on cattle closing out in December. Here's the calculations:

| | |
|---|---|
| July cost in (628 lbs. @ $0.5365) | $336.92 |
| Cost of gain (497 lbs. @ $0.4770) | 237.06 |
| Interest @ 10% (on ¾ of cattle) | 16.00 |
| Interest @ 10% (on ¾ of feed) | 6.00 |
| Management expense (commission, insurance, etc.) | 10.00 |
| Total cost | 605.98 |
| January sale (1,125 lbs. @ $0.4823) | 542.59 |
| Loss per head | 63.39 |

Heifer losses dip 50% also. Losses incurred on # 1 heifers closed out in December was $103.02 a head. That dropped during January to $54.54 per head loss. The heifers, purchased in July and on feed for 180 days, closed out as follows:

| | |
|---|---|
| July cost in (466 lbs. @ $0.5269) | $245.54 |
| Cost of gain (457 lbs. @ $0.4813) | 219.95 |
| Interest @ 10% (on ¾ of cattle) | 12.80 |
| Interest @ 10% (on ¾ feed) | 4.20 |
| Management expense (commission, insurance, etc.) | 9.00 |
| Total cost | 491.49 |
| January sale (923 lbs. @ $0.4734 per lb.) | 436.95 |
| Loss per head | 54.54 |

*February closeout data*

Average dollar losses on steers doubled. Utilizing the PCC High Plains Industry Averages for # 1 steers purchased in August, on feed 180 days, closed out in February at an average loss of $127.75 per head, better than double the January losses of $63.39 per head. The $127.75 losses during February compares with $131.45 losses per head suffered in December. Here's the calculations for February:

| | |
|---|---|
| August cost in (659 lbs. @ $0.6117) | $403.11 |
| Cost of gain (459 lbs. @ $0.4933) | 226.42 |
| Interest @ 10% (on ¾ of cattle) | 15.11 |
| Interest @ 10% (on ¾ of feed) | 8.07 |
| Management expense (commissions, insurance, etc.) | 10.00 |
| Total cost | 662.71 |
| February sale (1,118 lbs. @ $0.4785) | 534.96 |
| Loss per head | 127.75 |

Heilfer dollar losses jump 69%! Losses on # 1 heifers jumped also, but not as much as steers. Heifers purchased last August, fed 180 days, closed out in February at average per head loss of $78.62. Here's the calculations for heifers closed out in the High Plains:

| | |
|---|---|
| August cost in (477 lbs. @ $0.5849) | $279.00 |
| Cost of gain (402 lbs. @ $0.4717) | 189.62 |
| Interest @ 10% (on ¾ of cattle) | 10.46 |
| Interest @ 10% (on ¾ of feed) | 6.83 |
| Management expense (commissions, insurance, etc.) | 9.00 |
| Total cost | 494.91 |
| February sale (879 lbs. @ $0.4736) | 416.29 |
| Loss per head | 78.62 |

October through January losses surpass $1 billion! If you apply the monthly losses as reported by PCC since October to the total Federally inspected slaughter total for the four month period of October, 1973 through January, 1974, you will find the cattle feeding industry has lost $1,046,366,691! That's making the assumption that 22% of the Federally inspected slaughter per month is made up of heifers and 78% is made up of steers. The forementioned losses for the month of February will likely tack an additional $300,000,000 on to the total losses thus far.

From this comparison, it appears that my correspondent is a more efficient cattle feeder than the industry average in his area. However, the basic point is that these losses which began in September 1973 cannot continue until the new grain crop causes some relief in feed prices. In my State of New Mexico, which does not rank in the top seven cattle feeding States, there were 401,000 fed cattle marketed in 1973 from 100 active feed lots of which only 30 marketed over 1,000 head of fed cattle. Many of the 70 small feeders are not now feeding cattle because of the loss picture. They cannot stand these kinds of losses. Many of the 30 larger feeders cannot last until fall.

Another facet of the beef industry is the cow-calf operations run by 2,500 New Mexican ranchers. These ranchers sold 670,000 calves to feed lots in 1973, many going to feedlots out of New Mexico. Inevitably, these ranchers face a serious loss of the market for their calves. With the deterioration of this market, many ranchers will be forced to slaughter their mother cows. When consumer demand combined with the dwindling supply of fed cattle from the feedlots drive beef prices upward—it will take some years to replenish these herds. This situation could very well result in future scarcity of beef which would continue for some time.

Let us now look at the July break-even calculations of the Professional Cattle Consultants:

Corn Belt steers need to bring 1.68 cents more than High Plains steers. Steers going into Corn Belt feedlots in January and coming off in July will have to bring $0.5579 to break even. Steers going into High Plains feedlots in January and coming off in July will have to bring $0.5411 to break even. Here's the calculations based on the industry averages for January:

| | High Plains | | Corn Belt | |
|---|---|---|---|---|
| No. 1 steers placed in January | $330.19 | (634 lb at $0.5208) | $354.82 | (660 lb at $0.5376). |
| Cost of gain | 233.00 | (466 lb at $0.5000) | 254.80 | (490 lb at $0.5200). |
| Interest at 10 percent | 16.00 | (on ¾ of cattle) | 16.00 | (on ¾ of cattle). |
| Interest at 10 percent | 6.00 | (on ¾ of feed) | 6.00 | (on ¾ feed). |
| Management expense | 10.00 | (commission, etc.) | 10.00 | (commission, etc.). |
| Total expense | 595.19 | | 641.62 | |
| Break-even price per pound | .5411 | (1,100 lb) | .5579 | (1,150 lb) |

High Plains heifers will break even at near 53 cents. No. 1 heifers placed on feed in January in the High Plains will break even in July if they bring 53.07 cents per pound. There was insufficient numbers of heifers placed on feed in the Corn Belt to make a comparison between that area and the High Plains. Here's the breakdown for High Plains heifers:

| | |
|---|---|
| No. 1 Heifers placed: | |
| In January (506 pounds at $0.4936) | $249.76 |
| Cost of grain (394 pounds at $0.5100) | 200.94 |
| Interest at 10 percent (on three-fourths of cattle) | 12.80 |
| Interest at 10 percent (on three-fourths of feed) | 4.20 |
| Management expense (commission, etc.) | 10.00 |
| Total expense | 477.70 |
| Break-even price: Per pound (900 pounds) | 0.5307 |

Mr. President, I have presented a gloomy picture of the current plight of our cattle feeders. The feeders who have contacted me feel badly discouraged right now. They see a number of Government actions as contributing factors to their current losses—the price freeze on beef, the national speed limit, increased exports of grain, and so forth. But they have not asked for Government action which would hurt other segments of the economy. Basically, they want Government not to intervene in the beef industry. There are, however, two Government actions which I think can help alleviate the problems which other Government actions have caused cattle feeders. They are increased Government purchases of beef by the Department of Agriculture for the child nutrition programs and the Department of Defense.

Additionally, the Department of Agriculture can work with the grocery industry to promote beef. USDA has built up a good liaison with chainstore buyers and merchandisers over the years through the operations of the plentiful foods program over the years. Even though the plentiful foods program was abolished last year, many of the dedicated staffers who worked for that program are still employed by USDA in other capacities. They could be reactivated for this special promotion.

These actions can be taken without prohibitive costs by USDA and DOD. They should be taken immediately. The beef industry has suffered much because of other Government action. These actions can and should be taken to preclude possible disaster in the beef industry. I ask unanimous consent that my letter to Secretary of Agriculture Earl Butz requesting these actions be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON
PUBLIC WORKS,
*Washington, D.C., March 26, 1974.*

Hon. EARL BUTZ,
*Secretary, U.S. Department of Agriculture, Washington, D.C.*

DEAR MR. SECRETARY: In testimony before the Senate Subcommittee on Agricultural Production, Marketing and Stabilization of Prices on March 13 and 14, Mrs. Wray Finney, American National Cattlemen's Association first vice-president, testified that cattle feeders were currently losing more than one hundred dollars per head on cattle marketed. After this testimony, I contacted several feedlot operators in New Mexico and obtained loss statistics from them. An alarming picture of the current status of the feedlot industry soon came to light. I am sure you are familiar with this situation.

Cattle feeders believe government actions of the past year have had severely detrimental effects upon the orderly marketing of beef. They cite retail beef price control and the national fifty-five mile per hour speed limit and the resulting independent truckers strike as actions which have disrupted the normal flow of beef. The result of these disruptions has been rather chaotic market conditions since last September and the record losses which they have experienced. Currently, they are experiencing problems in marketing their fed cattle which result in overfat cattle. Additionally, present prices received for fed cattle are ten to twelve cents per pound below break-even levels.

The question now is whether or not government action to assist this vital segment of agriculture is desirable or necessary. I believe there are two actions you can take which will provide some relief to the cattle feeders. Firstly, USDA can purchase beef under the special buying authority which expires June 30, using section 32 monies for distribution to the Child Nutrition Programs. This would not only assist in moving some of the excess supply of cattle but would also be of great benefit to the National School Lunch and Special Feeding Programs for Children.

Secondly, USDA has maintained a good liaison with the retail grocery industry for many years through the operations of the Plentiful Foods Program. USDA should use this liaison to promote beef. I understand that, even though the Plentiful Foods Program was discontinued last year, many of the dedicated staffers remain in the employ of USDA in other capacities. Possibly their expertise could be used in a massive beef promotion.

Mr. Secretary, I urge you to take these two actions. The cattle feeders justifiably feel that government actions have been detrimental to them. These are two actions which can help undo some of the harm which their industry has suffered.

Thank you for your cooperation in this matter. If I can be of assistance to you in any way to help the beef industry through this difficult period, please advise me.

Sincerely,

PETE V. DOMENICI,
*U.S. Senator.*

## PAY FOR ENLISTED PERSONNEL

Mr. THURMOND. Mr. President, there appeared in the March issue of Non-Commissioned Officer Association Journal an article entitled, "Why Not Severance Pay for the Enlisted?"

As a supporter for severance pay for enlisted personnel I ask unanimous consent that this article be printed in the RECORD at the conclusion of my comments.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### WHY NOT SEVERANCE PAY FOR THE ENLISTED?

#### CONGRESS AND MILITARY LAWS

Congress, and rightfully so, has over the years enacted legislation that offers beneficial protection in many ways to many members of the military community: on active duty, retired, in the reserves or national guard, and their dependents and survivors.

The majority of the measures, contained in Titles 10 and 37, U.S. Code, may readily be described as "laws normally protecting the well-being of the military member." They encompass about everything from "tenure of service" through "retirement" from "medical services" to "burial," and from "dependents' assistance" to "survivors' benefits."

Yet, in most of the military laws enacted, the regular enlisted member of the U.S. Armed Services is not the beneficiary of, nor is included in those protective measures that normally pertain to regular commissioned and warrant officers, or reserve and temporary officers, or even certain enlisted personnel.

To be more specific, the regular enlisted member, from initial enlistment to the date of retirement, is in most cases not protected by law.

#### LAWS VS. REGULATIONS

The Department of Defense or the individual Services have regulations that do offer some sheltered protection for regular enlisted personnel. These, however, are normally found in the administrative procedures for promotion and discharge. But comparatively speaking, regulations are not true protective features. They are frequently changed overnight without due process of consideration for the affected persons.

An excellent example might be a promotion regulation. It is frequently changed to fit the whims or needs of the individual services or their commander. One commander may instruct a promotion board for enlisted personnel to consider time-in-grade as a primary prerequisite for promotion, while another chooses to select time-in-service as the main ingredient. Others may call for educational backgrounds, duty in one specialty or another, and so on.

As noted in the "Legislative Digest" in February's Journal, warrant officers are guaranteed an automatic promotion to the next highest grade on the day following the last day of fulfillment of three years of satisfactory service in a former grade.

### THE BIG ONES

"Probably the most inequitable measure in the law is the one that offers 'special pay' to a military member involuntarily released or discharged from the Services. The law provides for almost every category of military personnel except regular enlisted members. They are not included nor entitled to these special payments of 'readjustment' or 'severance' pay."

### REDUCTIONS-IN-FORCE

For the third time in less than 30 years, the U.S. Armed Services are involuntarily separating numerous members for cause.

As it happened in the postwar years of World War II and the Korean War, Congress is again reducing the size of the Armed Forces following the Vietnam conflict.

Congress calls for cutbacks and DOD orders the Services to discharge or release thousands of commissioned officers, noncommissioned and petty officers, and junior enlisted personnel. Of the three groups, only the NCOs and POs are truly affected by these reductions in force.

### OFFICERS

Commissioned and warrant officers removed from active duty of these cutbacks are, in the majority, entitled to either severance pay or readjustment pay dependent upon their service component. They may receive an amount equal to one year's pay or $15,000, whichever applies.

In the case of certain temporary and warrant officers, they may receive severance pay then immediately enlist as a regular enlisted member and further receive a re-enlistment bonus. They may then continue on active duty until they have sufficient service to retire and subsequently receive a monthly retirement annuity for the rest of their natural lives.

### JUNIOR ENLISTED

In order to reduce the number of junior enlisted members, the Services may reduce enlistment quotas and/or provide early discharges. In the latter case, the early releases from active duty are voluntary and normally concern only those members who do not desire to remain on active duty.

### NCOS AND POS

The "man in the middle" is the one who suffers. As career-oriented military members, the NCOs and POs have anywhere from 5 to 18 years of honorable service and are planning to retire following the attainment of sufficient years of active duty. With normally no more training than received in the military, and with families to support, they are suddenly released from the Armed Services or denied the authority to reenlist.

They receive no "mustering out" payments, no severance pay nor readjustment pay. The Services pay only their normal wages to the date of discharge and provide for their travel and transportation of dependents and household goods to their homes of record.

In most cases, the NCO/PO fares worse than the civil service or civilian employees who are "riffed" in their local communities. The NCO/PO has been away from home for years and does not have the feel of the economy. He may return unknowingly to an area that is suffering from a lack of available employment, housing, schooling, or whatever.

Even if all is well, the NCO/PO must find housing, seek and obtain employment, and accomplish all the normal commitments forced upon a person who moves with a family. All this without a penny in his pocket other than a final paycheck!

A commissioned officer may be separated from the service because he has failed in his performance of duty or is morally unfit, yet the law will provide him with the same entitlements of travel and transportation as accorded the NCO/PO plus a payment of severance pay in an amount equal to one month's basic pay in grade multiplied by his years of active service (not to exceed one full year of basic pay).

### THE INEQUITIES

Because regular commissioned officers are protected by a tenure of service, there is really no requirement of time for most regular officers to qualify for severance pay, and reserve officers may receive up to $15,000 in readjustment pay for serving a minimum of five continuous years on active duty. Yet the NCO/PO receives absolutely nothing regardless of the time involved and the reason for the separation.

### HOW IT WORKS

Primarily the Services convene certain boards of officers (and sometimes senior enlisted) to screen the records of NCOs/POs to determine those who shall be separated or denied reenlistment. All things being normal, the boards will recommend separations for the NCOs/POs who fail to maintain satisfactory performances of duty, or because of personal deficiencies.

However, when there is a large-scale reduction of force (as we are experiencing today), the boards must work extra hard to find enough NCOs/POs to "riff." There just aren't enough "bad cases" to go around, so they search until they find something on which they may base an unfavorable determination.

For example, the NCO Association discovered a young married Army Staff Sergeant (E–6) who was being denied reenlistment because of "misconduct." A review of his records, however, indicated that his misconduct occurred some years ago when he first entered the service. Meanwhile, in six successive years, he received a promotion in every one of those years, had been issued a "Top Secret Clearance," and possessed an exemplary conduct and performance record since his last court-martial.

In another case, a Master Sergeant (E–7), U.S. Army, with five dependent children was denied reenlistment after 16 years of honorable service to his country.

Neither one would receive a "plug nickel" from the Nation they served in war (both were Vietnam veterans) and in peace.

### THE QUESTIONS

Why is it that the Services will retain these men (and women) on active duty when they are needed, but suddenly find they are unfit for duty whenever cutbacks are necessary?

Why are these men (and women) promoted to or within the NCO/PO grades, some with normal time-in-grade and time-in-service, yet are suddenly "riffed" because the same Service that promoted them is now declaring them "unfit for further duty?"

Why is it that these men (and women), many who entered the Services when the pay was insufficient and remained on active duty beyond their first enlistments, are not entitled to some remuneration for their years of service?

Why has this inequity existed for so many years without some action on the part of the Senate and House Armed Services Committees?

Why has Congress continued to authorize funds for the recruitment of these enlisted members; provided further funds for their training and for their reenlistments; authorized more funding for their permanent changes of stations to and from combat zones, but has refused to provide them with severance pay when the lawmakers decide they are no longer needed in the Services of their country?

### DOD CONCURS

The Department of Defense, under its proposed Uniformed Services Retirement Modernization Act, believes that the enlisted member should receive severance payments.

It has recommended that enlisted, as well as officer members, who have completed 5 to 19 years of active service, and who are involuntarily separated, should have two possible payment options to select from upon release or discharge.

One would be a lump sum adjustment payment equal to 5% of the product of 12, the monthly basic pay to which the member was entitled at the time of discharge or release multiplied by years of service, plus a deferred monthly annuity beginning at age 60 calculated at the rate of 1/12 of his final annual pay times 2½ percent for each year of service.

### OPPOSING VIEWS

There are those in Congress and in the Department of Defense who oppose separate legislation to provide severance pay for regular enlisted members. Some arguments are as follows:

1. Enlisted personnel receive enlistment and reenlistment bonuses and proficiency pay. Officers do not.

Answer: Initial enlistment bonuses just recently appeared on the military legislative field and are not available to the majority of enlistees. Reenlistment bonuses normally add up to a maximum of $2000 for the average enlisted member. Proficiency pay is of course paid only to certain enlisted personnel who are in the minority. On the other hand, many officers receive federal monetary assistance in the ROTC program, the Marine Corps Platoon Leaders Class, and in attendance at the Service Academies. They are also the recipients of higher basic pay, subsistence pay, better living quarters and other accommodations and privileges not available to the average enlisted member.

2. The Department of Defense states that it cannot agree to separate legislation that will provide severance pay for enlisted personnel because they are to be considered in the new proposed Uniformed Services Retirement Modernization Act.

Answer: Commissioned officers are considered also in the new proposed Act, yet the Secretary of the Army, with the approval of the Department of Defense, has requested separate legislation for regular commissioned officers below the grade of major (H.R. 11745 introduced Dec. 3, 1973). The Department has further requested separate legislation providing "lump sum transition payments" for commissioned officers in grades 05 and 06 (H.R. 11113 introduced Oct. 25, 1973).

### ESTIMATED COSTS

With figures supplied by the Department of Defense, legislation to provide severance pay for regular enlisted members would cost the federal government an estimated $7,074,200 (low 6 yr. figure) upward to $41,600,000 (high figure) if the legislation is retroactive to cover those enlisted personnel discharged in Fiscal Year 1973.

TO PROVIDE SEVERANCE PAY FOR ENLISTED PERSONNEL—ENLISTED REDUCTIONS IN FORCE

[Formula: 1 mo's pay in grade at time of discharge multiplied by the number of continuous years of active service preceding date of discharge not to exceed 12 yr]

| Pay grade | Fiscal year 1973 (actual) | 18 yr-high | 6 yr-low | Fiscal year 1974 No. (estimate) | Estimated costs[1] | |
|---|---|---|---|---|---|---|
| | | | | | 18 yr-high | 6 yr-low |
| E9 | 0 | | | 3 | $36, 200 | $27, 600 |
| E8 | 7 | $69, 400 | $40, 700 | 3 | 31, 600 | 18, 500 |
| E7 | 99 | 875, 300 | 361, 000 | 164 | 1, 539, 800 | 635, 000 |
| E6 | 537 | 4, 233, 700 | 1, 733, 100 | 564 | 4, 720, 700 | 1, 932, 900 |
| E5 | 1, 859 | 12, 441, 200 | 5, 444, 300 | 955 | 6, 786, 600 | 2, 968, 700 |
| E4 | 985 | 6, 657, 100 | 3, 328, 500 | 433 | 2, 554, 900 | 1, 277, 400 |
| E3 | 206 | 1, 002, 600 | 501, 300 | 78 | 402, 900 | 201, 500 |
| E2 | 21 | 86, 300 | 43, 100 | 4 | 17, 400 | 8, 700 |
| E1 | 10 | 36, 900 | 18, 400 | 2 | 7, 800 | 3, 900 |
| Total | 3, 724 | 25, 402, 400 | 11, 470, 400 | 2, 206 | 16, 097, 900 | 7, 074, 200 |

[1] All costs to the nearest $100.

Note: Fiscal year 1974 estimate is based on Army and Marine Corps figures only. Navy and Air Force did not provide estimates. E9's and E8's are required to have 10 and 8 yrs respectively of creditable service for basic pay before they may receive pay in those grades. Low cost figures for these grades are therefore 10 and 8 yrs respectively in lieu of 6. Fiscal year 1973 estimated costs per pay grade are based on pay scales in effect on Jan. 1, 1973. Fiscal year 1974 estimated costs per pay grade are based on pay scales in effect on Oct. 1, 1973.

OTHER INEQUITIES

Previous chapters have already reviewed the inequity of paying severance or readjustment pay to regular and reserve commissioned officers, certain reservists, temporary officers, and members of the Army and Air Force without component, while the regular enlisted member is not so entitled.

There are other inequities noted in the treatment of regular enlisted military personnel as compared to federal employees and railroad employees subsidized by the federal government. For example, federal employees receive up to six months' pay if they cannot be placed in another job, and if forced to take another position in a reduced pay level they continue to receive the same pay for two years or until reaching the former grade level, whichever occurs first.

Railroad employees are also protected by law from being separated from their employment (see P.L. 93-236).

SUMMARY

The NCOA strongly feels that "honorable separation without remuneration for regular enlisted members denied further active duty in the Armed Forces" is the most unjust of our Nation's military laws.

Of the greater dedications offered to our Country by its living veterans, none may be as important to our future defense posture than that provided by the NCO/PO corps—"the backbone of our Armed Forces." It was they, and will be them who recruit, train, mold and supervise and set the example for the young men and women who man our Armed Services today and tomorrow.

For those NCOs and POs no longer needed in the Nation's shrinking military forces, the NCOA submits that they deserve better than a slap in the face.

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## LIVESTOCK GRAZING ON FEDERAL LAND

Mr. MONTOYA. Mr. President, I have recently received from Dr. Gerald W. Thomas, the president of New Mexico State University, a report prepared by the task force for the Council for Agricultural Science and Technology concerning livestock grazing on Federal lands in the 11 Western States.

The report points out that grazing is compatible with other uses of Federal lands and is an ecologically sound practice under proper management techniques.

As Senators may be aware, the Natural Resources Defense Council and certain other groups are challenging the policies of the Bureau of Land Management and the U.S. Forest Service which permit livestock grazing on Federal land. The information contained in the report, which I ask unanimous consent to have printed in the RECORD, is particularly timely in light of this controversy and I hope that those who are interested in this question will take the time to read it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

980.2 AGRICULTURE GRAZING ON FEDERAL LANDS

Enclosed is a copy of your report as it was transmitted to The Honorable Steven D. Symms on January 22. Enclosed also is a copy of the letter of transmittal. You will note that the Congressman's assistant asked for 100 copies for distribution among members of the relevant Congressional committees. I was pleased to receive this request because it implies that your report will be widely distributed in Congressional circles.

In addition, I am sending a copy of the report to approximately 100 deans and vice presidents of agriculture in universities. With this copy is included information on the members of the task force (see the enclosure). Dr. Cook has asked that I send a copy to each of the deans of forestry in the western states, and he is supplying a mailing list for this purpose. I shall be sending copies to a few magazines and newspapers.

If there are other places to which you think a copy of the report should be sent, please give me full information on the names and addresses. If you wish to make distribution on your own, I shall appreciate your calling me for an official release. The reason for this is that our board of directors approved the policy that "the board shall have the responsibility for dissemination of the information developed by the task force in a form useful for the purpose intended . . ." Although it was not intended to do so, this policy has the effect of restricting the free distribution of the reports. We shall be considering a revision of the policy at our next board meeting February 1 and 2.

Dr. Heady has already discussed with me the possibility of publishing the report in the *Journal of Range Management*. I would personally be pleased if you wished to do this, and I think the members of the board would agree with me. I have edited your report before having it reproduced for submission, so that it is not exactly as I received it. If you wish to publish the report in the *Journal of Range Management*, you should feel free to re-edit the report to suit yourselves and the editorial board of the *Journal*. To take care of the niceties of the situation, should you do this, I suggest adding a footnote of the nature of the following: "Based on a report prepared by the authors for the Council for Agricultural Science and Technology." This footnote implies that the paper does not necessarily agree in all detail with the report, and it gives you the license to introduce any changes you may wish.

Agricultural science is indebted to you for your work on this task force. The issue is an important one. Your report was very well done. We in CAST are pleased to have had the privilege to serve as the medium through which it has been possible to bring your talents to bear in the interest of the national welfare. We hope we shall have your cooperation again, should the need arise.

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AGRONOMY DEPARTMENT,
IOWA STATE UNIVERSITY,
*Ames, Iowa, January 22, 1974.*

Hon. STEVEN D. SYMMS,
*Longworth House Office Building,*
*Washington, D.C.*

DEAR REPRESENTATIVE SYMMS: Enclosed is a copy of the report of our task force on Livestock Grazing on Federal Lands in the Eleven Western States. One hundred additional copies will be arriving shortly under separate cover as per Mrs. Pankonin's request.

This report covering the economic and environmental impacts of grazing on Federal lands has been prepared by fifteen of the top range scientists in the United States. The group we assembled included scientists from Arizona, New Mexico, California, Colorado, Idaho, Utah, Wyoming, and Washington, D.C. Scientific specialties included were range science, economics, agronomy, animal science, and soil science. None of the fifteen members of the task force is employed by either the Bureau of Land Management or the U.S. Forest Service. The report, therefore, represents an evaluation of the economic and environmental impact by a group of knowledgeable scientists who are not involved in the administration or management of Federal lands. Members of the task force met in Salt Lake City, Utah, to discuss their assignment and prepare a draft of the report. The report has since been reviewed and revised.

We appreciate this opportunity to be of service and hope you and your colleagues in the Congress will find that the report provides valuable background for your deliberations. Please let us know if you have questions.

We look forward to hearing from you again as additional matters related to agricultural science and technology come up for consideration.

Sincerely yours,
CHARLES A. BLACK, *President.*

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MEMBERS OF TASK FORCE ON LIVESTOCK GRAZING ON FEDERAL LANDS IN THE ELEVEN WESTERN STATES

Harold F. Heady, Professor of Range Management, School of Forestry and Conservation, University of California, Berkeley, California. 35 years in range management teaching and research, 100 publications, Chairman of U.S./Australia Range Panel, Chairman of the Task Force.

Thadis W. Box, Professor of Range Management and Dean, College of Natural Resources, Utah State University, Logan, Utah. 15 years in range management teaching and research. Member of Utah B.L.M. Advisory Board, U.S.D.A. Forestry Research Advisory Com., Sports Fisheries and Wildlife Research Unit Boards, Nat'l Acad. Sci., Com. on Rehabilitation of Western Coal Lands.

John E. Butcher, Professor of Animal Science, Utah State University, Logan, Utah. 22 years in research and teaching in ruminant nutrition and livestock management including most phases of range, farm, and feedlot production.

Francis T. Colbert, Executive Secretary, Society for Range Management, 2120 South Birch Street, Denver, Colorado. 23 years in professional management of range livestock operations and promoting sound management of all aspects of rangeland use.

C. Wayne Cook, Professor and Head, Department of Range Science, Colorado State University, Fort Collins, Colorado. 30 years in range management teaching and research, over 100 publications. Past President of Society for Range Management. Chairman of joint USDA-USDI advisory committee on Management of Free-Roaming Wild Horses and Burrows, Chairman of USDA task force on Range and Forest Resources, Chairman of National Research Council task forces on (a) Pasture and Range and (b) Nonrenewable Energy Sources and member of National Research Council task force on Rehabilitation of Western Coal Lands.

James R. Gray, Professor of Agric. Economics and Agric. Business, New Mexico State University, Las Cruces, New Mexico. 24 years in teaching and research into production factors, organization, and returns to cattle and sheep ranches; recreational demand for resources; economics of multiple uses.

D. W. Hedrick, Professor and Dean, School of Natural Resources, Humboldt State University, Arcata, Calif. 25 years as land manager, teacher, researcher, and administrator.

Harlow J. Hodgson, Principal Agronomist, Cooperative State Research Service, U.S.D.A., Washington, D.C. 24 years in research and administration. Responsible for review of all Hatch-supported research in the fields of forage corps and range science.

W. Gordon Kearl, Professor of Agricultural Economics, University of Wyoming, Laramie, Wyo. 17 years in teaching, research, and extension related to costs and returns in ranching and evaluation of range improvements.

James O. Klemmedson, Professor of Range Management, Department of Watershed Management, University of Arizona, Tucson, Ariz. 18 years in teaching and research in soil science, grazing management and wildlife habitat management. Member of Land Planning Committee of Governor's Advisory Commission on Arizona Environment.

Darwin B. Nielsen, Associate Professor of Resource Economics, Department of Economics, Utah State University, Logan, Utah. Research into the economic importance of grazing on public land. Helped develop the grazing fee formula for the Bureau of Land Management and the Forest Service.

Lee A. Sharp, Professor and Academic Chairman, Range Management, College of Forestry, Wildlife, and Range Science, University of Idaho, Moscow, Ida. 25 years in teaching and research in grazing management and resource planning. Forage Resource Report for the Public Land Law Review Commission, member of Idaho Range Use Coordinating Committee.

Gerald W. Thomas, President, New Mexico State University, Las Cruces, New Mexico. Over 25 years in range management teaching and research and in university administration, consulting, and land-use policy.

John P. Workman, Assistant Professor of Range Economics, Department of Range Science, Utah State University, Logan, Utah. 8 years in teaching and research, appraisal of ranch properties, wildlife resource development, 23 publications. Member of Editorial Board of Soc. for Range Mgmt.

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NEW MEXICO STATE UNIVERSITY,
*Las Cruces, N. Mex., February 12, 1974.*
Hon. JOSEPH MONTOYA,
*U.S. Senator, New Senate Office Building, Washington, D.C.*

DEAR SENATOR MONTOYA: As you probably know, the Natural Resources Defense Council and certain other groups are challenging the policies of the Bureau of Land Management and the U.S. Forest Service which permit livestock grazing on Federal lands. To eliminate livestock from public lands would have a very serious economic impact in the Western states. Furthermore, years of research on the effects of grazing indicate that grazing is compatible with other uses and is an ecologically sound practice under proper management on vast acreages of Federal lands.

Attached is a special report prepared by a large group of scientists on this subject. It warrants your special attention, and I would like very much to see someone (or all of our representatives to Congress) introduce this report in the Congressional Record.

Many thanks for your attention to this matter.

Sincerely yours,
GERALD W. THOMAS, *President*.

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## LIVESTOCK GRAZING ON FEDERAL LANDS IN THE 11 WESTERN STATES

### SUMMARY

Almost half the land area in the 11 Western States is Federally owned. Domestic livestock graze on 73% of this area. Federal land is estimated to supply 12% of all grazing resources in the region and to provide the equivalent of the feed required yearlong for 1.7 million head of cattle and 1.0 million sheep. These grazing lands provide energy, water, minerals, recreational opportunities, and wildlife in addition to grazing for domestic animals. The forages on Federal lands represent a renewable natural resource and an economical source of feed for production of cattle and sheep.

Loss of the products of grazing currently derived from Federal lands would increase the scarcity of feed, meat, and wool. The mounting demands for both grain crops and meat point to an increase in importance of forages on both private and public lands to support the beef and sheep industries.

Elimination of grazing from Federal rangelands in the 11 Western States would require a shift of animals to other lands or would result in loss of these animals from the productive pool. More animals on non-Federal lands would require more intensive use of private rangeland; acreage increases in pastures, harvested forages, and feed grains; more acres in cultivation; and greater dependence on feedlot feeding for meat production. Only limited acreage is available for development of additional intensive pastures in the United States.

The alternatives to less grazing on Federal rangelands appear to us to be wasteful of natural resources and uneconomical for the producers dependent on these lands unless prices of meat and wool were to be increased considerably.

Small communities and subsistence-type livestock operations within large areas of Federal grazing land would suffer most if grazing on Federal lands were eliminated.

The grazing of herbage has been a natural process in grasslands, shrublands, and forests for as long as grazing animals have existed. The effect of grazing on the range environment depends upon the kind of vegetation, the intensity of grazing, the kind of animal, and the degree of management employed to control the animals. Experiments and widespread experiences show that moderate and planned grazing restores protective vegetational cover on deteriorated ranges, thereby reducing accelerated erosion and improving wildlife habitats. Most rangeland is better suited to all types of use today than it was before 1950.

### THE FEDERAL RANGELANDS RESOURCE

The Federal lands of the United States constitute a resource of national importance. Of the 1.9 billion acres in the conterminous 48 states, 407 million acres, or 21%, are under Federal ownership. We recognize, as do most people, an obligation to use and care for these lands in a manner that assures their greatest contribution to the national welfare in perpetuity. Constantly growing demands for energy, food, fiber, water, minerals, recreational opportunities, and wildlife give the Federal lands an ever greater intrinsic value. Concomitant with the demand for products is a growing public concern for the preservation of the resources just mentioned, often resulting in conflicts between alternative interests.

One of the land uses, livestock grazing, has generated much historical and current controversy. The purpose of this report is to present a brief analysis of (1) the economic effects of prohibiting livestock grazing on Federal lands, and (2) the impacts of livestock grazing on environmental quality. In considering these effects, we focus attention on the Federal lands in the contiguous 11 Western States, where the nation owns 48% of the total land area and where 88% of all Federal lands of the 48 states is located (see appendix 1). In particular, our comments are applicable to the 87% of all Federal lands in those 11 states that is administered by the Forest Service or the Bureau of Land Management.

As historical background, we note that livestock production played an important role in the settlement of the 11 Western States and was a significant factor in the economic and cultural development of the Nation as a whole. Prior to 1900, the major uses of the vast expanses of unappropriated lands in the West were mining, homesteading, and unregulated livestock grazing. Numbers of domestic animals increased markedly after the Civil War and reached a high point in the early part of the present century. The withdrawal of substantial portions of the public domain for national parks and forests before 1920 initiated the regulation and management of livestock grazing on Federal lands. For a variety of complex reasons, the use of these lands by livestock—particularly by sheep—has gradually declined from World War I to the present.

Livestock numbers in the 11 Western States are still large. Utilization of Federally owned rangeland to produce meat and wool contributes a significant proportion of the area's economy. In 1970, the total livestock population in the region included 14.6 million head of cattle and 8.4 million head of sheep and lambs (see Appendix 2). Approximately 12% of the necessary forage in terms of animal-unit-months (AUM's) was supplied by grazing on 73% of the Federal lands in those states. An AUM is the forage required to keep a mature cow or its equivalent for a month.

We note also that, because of policies regarding disposal of public land, the western Federal lands are extensively interspersed with private and state-owned lands. As a result, the use and management of land under one ownership has a strong influence on the use and management of adjacent land owned by others.

### ECONOMIC CONSIDERATIONS

The subject to be considered in this section is the economic effects—nationally, regionally, and locally—that would be expected if livestock grazing were eliminated from Federal lands.

Production of beef and lamb in the United States involves rearing the young animals in breeding herds and flocks followed by heavy feeding until the desired market weight and degree of fattening are obtained. The breeding animals subsist almost wholly on forages, including range and pasture vegetation, harvested forages, and crop residues, whereas feed grains and concentrates are used in addition for the finishing of animals for the market. Forages now supply 75% of the feed units consumed by beef cattle and 90% of the units consumed by sheep in the U.S. (A feed unit is the nutritional equivalent of one pound of corn.) The difference in feeding practices between breeding herds and finishing operations is a consequence of a combination of factors, including the availability of both forages and feed grains, the essentiality of grain feeding for producing the quality of beef demanded by the market, and the high cost of grain relative to forages.

An increase in demand for U.S. grains has resulted recently from a complex set of factors including droughts, crop failures, increased affluence in many countries, dollar devaluation, and expanding populations. We believe this trend will continue and that grains will become increasingly limited and higher priced. The result will be an increased reliance on forages from range, pasture, and harvested supplies for meat and wool production.

The prices of meat and wool, like those of other commodities, are largely determined by the relation of supply and demand. The principal determinant of supply is numbers of breeding animals. The demand for wool may be expected to increase as shortages of fossil fuels reduce the availability of synthetic fibers. Manufacturers of synthetic fibers are now reducing deliveries to customers on account of the shortage of petroleum. Based on current trends, estimated increases in U.S. consumer demand for beef will require an additional 13 to 14 million beef cows by 1985—an increase of about 30% over current numbers. These additional cows and their calves will need the equivalent of about 70 million acres of forage-producing land, assuming the National average of 5 acres for a cow and calf. However, only limited unused acreages of forage-producing land are available in the U.S. In fact, forage-producing areas will likely diminish as the better lands are converted to grain and soybean production and nonagricultural uses, such as houses, roads, and industry, encroach on productive land. In the 11 Western States, for example, the area of rangeland available for grazing is decreasing at the rate of 1.4 million acres per year. Thus, we see pressures for greater production on less land area to meet consumer demands for meat and wool. Elimination of livestock grazing from Federal lands would intensify these pressures.

Three factors limit the accuracy of information available on livestock produced on Federal rangelands independently of total livestock production: (1) The yearly feeding cycle includes joint use of Federal and private rangelands and cropland feeds. (2) Published statistics on meat production usually combine beef and dairy cattle and do not distinguish between grazing and feedlot operations. (3) Values for specific products, such as feeder calves and yearlings or sheep and lambs, are not separated. In this report we use statistics from Nevada, Oregon, Utah, and Wyoming to estimate production and value per AUM for range-cattle operations (see Appendixes 3, 7, and 8) because these states have few feedlots and the lowest contribution to beef production from dairying. These four states plus Montana and Washington (see Appendixes 4, 5, 7, and 8) provide our estimates of production and value of sheep, lambs, and wool. Most of the meat and wool production in the six states comes directly fror rangelands and other forages.

Cattle produce an average of 28.6 pounds of meat (Appendix 3) and sheep produce an average of 23.3 pounds (see Appendix 5) per AUM in the states mentioned in the preceding paragraph. Wool production is 4.3 per AUM. The number of AUM's grazed on Federal land in the 11 Western States in 1972 and the estimated amounts of meat and wool produced by the forage consumed during such grazing may be summarized as follows from Appendix 6:

| | AUM's (millions) | Production (million pounds) |
|---|---|---|
| Cattle and calves | 15.0 | 429.2 |
| Sheep and lambs | 3.3 | 76.9 |
| Wool | | 14.2 |

Gross receipts from the sale of livestock represent new money brought into the local economy. This money is respent several times within the community, which expands economic values far beyond the original amount. The multiplier effect of new money at the local level has been estimated conservatively at 2.25. If one uses a gross production value of $10.00 per AUM for cattle (the range is from $9.70 to $11.23 in the four states mentioned in a preceding paragraph—Appendix 3) and $7.00 for sheep (the range is from $5.92 to $9.26 in the six states mentioned in a preceding paragraph—Appendix 5), the contribution to the local economy per AUM grazed on Federal rangelands would be $22.50 for cattle and $15.75 for sheep. The annual values of livestock production due to grazing on Federal rangelands in the 11 Western States may thus be estimated as follows:

[In millions]

| | Value of production | Contribution to economy |
|---|---|---|
| Cattle and calves | $150 | $338 |
| Sheep, lambs, and wool | 23 | 52 |
| Total | 173 | 390 |

As may be inferred from the magnitude of the figures, the withdrawal of Federal lands from livestock grazing would hamper state and local economies. The effects would vary widely among the 11 Western States. In the mid 1960's, the proportion of the total forage supply (in terms of AUM's) derived from Federal lands was only about 2% in Washington but was 49% in Nevada. Dependence of individual ranches and counties on Federal land in western rangeland areas often exceeds even the high level of Nevada. If livestock grazing on Federal lands were discontinued, ranches with small grazing permits would, of course, be relatively unaffected, but the large numbers that are highly dependent on such permits would be affected severely.

The interdependency, within a given range livestock enterprise, of Federal, private, and other lands must also be viewed from the standpoint of yearlong forage supplies. The private land holdings of many ranch units can not supply the necessary forage for all seasons of the year. They must combine grazing on Federal land with forage produced on private and other land to obtain a yearlong supply of feed. Many such operations would not survive a complete withdrawal of Federal grazing privileges. On the 21% of all Forest Service and BLM grazing lands where yearlong livestock use is practiced, herd reduction to compensate for decreased Federal grazing would reduce operations in about the same proportion as the decrease in Federal AUM's. In other areas, the loss of forage for summer grazing would cause imbalances in the yearlong feed supply and greater ultimate reduction in over-all ranch grazing capacity than just the loss of summer feed.

Adjustments ranchers could make to compensate for reduced grazing on Federal land include reduction of herd numbers, purchase of more feed, improvement of private rangelands to increase forage productivity, and conversion of cropland to irrigated pasture or hayland. These alternatives to grazing on Federal lands would provide a lower economic return to the ranchers unless meat and wool prices were to increase greatly. A reduction in herd numbers would decrease total production. Purchased feed is expensive. Private rangelands, like most rangelands, have limited physical capabilities for increased forage production. They can not support agronomic ecosystems.

Elimination of grazing from Federal lands would have an adverse effect on minority groups in northern New Mexico where an average of 57 of the 215 animal-unit-months of grazing per ranch would be lost by 990 subsistence-type livestock operations. Based on 1972 livestock sales of $1,565 per family, income would decline by at least $317 or 20%. Similar situations exist in other portions of the Four-Corners States and in scattered locations throughout the West.

The energy required from fossil fuels and electricity to produce beef cattle and sheep is less on the range than anywhere else. Cattle ranches in the Southwest used approximately 4 gallons of gasoline and 62 kilowatt hours of electricity to produce 100 pounds of beef on the hoof in 1972. If range cattle production were shifted from grazing to feeding with a ration of 20 pounds of alfalfa hay per day, fossil fuel requirements would double, and requirements of electrical energy would increase about 50%. In 1969, livestock ranches in the U.S. spent 2.8 cents for fossil fuels per dollar of product sold. If harvested feed grains were substituted for grazing on Federal lands, they would cost more than twice as much in fossil fuels (see Appendix 9).

Fertilizer usage in range livestock operations is small, but some fertilizer is applied to cropland for production of homegrown hays and grains. If additional harvested forages and grains were to replace forage grazed from Federal lands, more fertilizer would be needed to increase yields per acre. As explained in another current report by the Council for Agricultural Science and Technology, there is a scarcity of fertilizer worldwide, and this is partly a consequence of the scarcity of energy required in manufacture. Large quantities of natural gas are used to supply the hydrogen that is reacted with nitrogen to form ammonia, the basic nitrogenous fertilizer material. A shift of livestock production from rangeland to cropland would aggravate the situation by substituting a type of agriculture relatively expensive in fertilizers and in fossil-fuel energy for one relatively economical of both.

In rangeland agriculture, animal wastes are widely dispersed and are readily assimilated by the ecosystem. Substitution of confined feeding for extensive grazing, however, would concentrate the wastes in small areas, where disposal without pollution would present an economic problem. The wastes are of such low value for purposes of soil improvement that the expenditures necessary to spread them over a large area of cropland cannot be economically justified.

### ENVIRONMENTAL EFFECTS

Grazing influences the environment on Federal lands. The purpose of this section is to consider in a broad context the nature of the influences and their significance.

Eating of plant materials by animals is a natural process in terrestrial and aquatic systems. Thus, with the coming of European man to the West, the introduction of domestic livestock did not constitute an entirely new component in the environment. More realistically, the domestic livestock replaced, or were added to, the wild animals that were already there. Rangeland vegetation, especially grassland and shrubland, in the Western States evolved to withstand grazing to a moderate degree. Without grazing, different vegetational characteristics develop. The range forage that livestock utilize is a renewable natural resource because the forage regrows each year and has done so for many centuries.

Mistakes in grazing practices have occurred. The most significant of these in the U.S. was the exploitive grazing practiced between 1865 and the 1930's. The effects were near catastrophic. Nevertheless, they were not the result of grazing ranges that had never been grazed before. Rather, they resulted from several decades of grazing the western ranges with too many animals for too long and often at the wrong season each year. Most range livestock operators at that time were unaware of the limits of grazing pressure that the vegetation and soil could tolerate.

Scientific management of rangeland began at the turn of the century, but the accumulation of knowledge and its application advanced slowly. The management aim was to adjust the number, kind, and location of livestock and the timing of the grazing in such a way as to restore and maintain the natural resources. Range managers and livestock operators found that controlling grazing improved both range conditions and livestock production. Development of this new concept marked the end of the exploitative period of grazing and the beginning of managed grazing on the western ranges.

Following World War II, scientific grazing management was undertaken within the limits of available funding and manpower on much of the Federal grazing land. The change from a laissez-faire rangelands attitude to one of planned grazing management improved vegetational and soil conditions. Intensification of grazing management paralleled the development of increasing emphasis on other land uses, including the preservation of natural systems.

Rangeland is often incorrectly thought of as a homogeneous kind of land. In actuality it consists of widely diverse soil and vegetational types, ranging from deserts to high mountain meadows. Productivity and vulnerability to misuse vary accordingly. Practical experience has shown that livestock grazing must be adjusted to meet the ecological requirements for maintenance and improvement of each dissimilar type. When that is accomplished, each site supports vegetative cover in accordance with its production capabilities.

The environmental effects of grazing depend upon the kind of range, the intensity of grazing, and the kind of management employed to control livestock on the range. We have examined the results of long-term grazing studies throughout the Western States. They show that unregulated heavy grazing results in loss of desirable forage plants, increased runoff and erosion, and other indications of range deterioration. Moderate and light grazing result in fairly stable or improved range conditions. Planned seasonal grazing and controlled animal distribution foster rapid vegetational growth. Most grazing experiments have shown that ranges may be improved more rapidly under proper grazing management than with no grazing at all. Knowledge of forage preferences by livestock and of the physiology of plants is employed to plan grazing treatments that will selectively favor some plants over others. The desired changes, however, are achieved only when grazing is carefully regulated to preserve properly functioning biological systems. Overuse or grazing without management tips the balance toward site deterioration, loss of valuable soil and water resources, and impairment of environmental quality.

Based upon widespread experience, we find that livestock grazing is being managed and integrated with other uses of Federal lands. The extent of enhancement of other resources with grazing or lack of grazing varies with the kind of range, the grazing objectives, and the skill of the manager. Desert vegetation responds slowly, but vegetation in moist and humid areas changes rapidly. After giving due weight to these natural landscape differences, we find no evidence to indicate that well-managed grazing of domestic livestock is incompatible with a high quality environment. There is ample evidence that managed grazing by livestock enhances certain uses and that poor management detracts from them. Properly managed grazing is a reasonable and beneficial use of the range.

Big-game numbers on Federal lands have increased during recent years, and wildlife production is an increasingly important use of rangelands. Game habitat can be destroyed by poor grazing management that permits overuse by either wildlife or livestock. Conversely, game habitat improves through management which maintains the type of vegetation preferred by wildlife. For example, cattle grazing has been used to reduce the amount of grass and permit increased production of browse species for big game. Moderate use of browse species by cattle tends to keep forage within reach of wildlife. In all grazing systems, withholding areas from grazing or adjusting the time of beginning grazing provides vegetative cover required by game birds for breeding and nesting sites.

Modification of vegetation by grazing management can create contrasts in landscape color and pattern that convey a different aesthetic impression than uniform vegetation. Although many speculate on the impact of grazing animals on recreational and aesthetic values, however, no firm evidence was found for a general statement that aesthetic values gain or lose when grazing is removed. We believe that severely overgrazed ranges and areas of animal concentration, such as bedgrounds, detract from an outdoor experience for most people. On the other hand, the livestock industry is central to the image and traditions of the American West, and a well-managed range with its cattle herd, roundup, or sheep camp presents positive recreational values. At least two studies have shown that cattle and sheep on the landscape are aesthetically pleasing to tourists who come to view the West and its present-day activities. In the end, the extent to which aesthetics would be affected by discontinuation of grazing would depend on the value system of the individual concerned.

Ungrazed ranges are subject to loss when wildfires occur. Tall stands of mature, ungrazed grasses create extreme fire hazards because fire spreads more rapidly in dry grass than in any other natural vegetation. Ungrazed areas around campgrounds, homesites, and timberstands are especially flammable. Reduced grazing, especially in grasslands, often requires construction of additional or larger firecontrol lines with disturbed soil conditions and increased investment in firefighting equipment.

During the period from 1865 to 1930, overgrazing of western ranges resulted in excessive overland water flow, erosion, nutrient loss from watersheds, flooding, sedimentation, and fouling of water supplies. Range watershed management has brought comparative stability to these areas, largely through restoration of vegetational and litter cover. Exceptions occur on watersheds with unstable soils and steep topography. Well-planned grazing management, often in combination with brush control, seeding, and other soil-protecting practices, achieves soil- and water-conservation objectives.

Ranges properly grazed by hoofed animals produce safe water. Counts of fecal coliform organisms, as indicators of water pollution by warm-blooded animals, relate more closely to quantity of fecal material than to kind of animal. Investigations in mountainous regions of Colorado and Montana showed that the counts of harmful bacteria in the streams were no greater in areas grazed by livestock than in areas grazed by native animals alone. Moreover, moderate livestock grazing had little effect upon the chemical and physical quality of the water.

Animals compact soils by overgrazing and by reducing organic matter returned to the soil, but proper vegetational and litter management, activities of soil organisms, and climatic phenomena correct the problem on an annual basis. The trampling of standing dead material by livestock places it in contact with the soil, decomposition proceeds. Several studies have shown that litter accumulates without grazing, eventually, smothering new plant growth. Broadleaved, flowering, herbaceous plants suffer more than others, and seedlings of browse plants fail to become established under too much standing dead material.

Few western ranges are ever in a stable natural condition, whether or not they are grazed by domestic animals. Most are in a stage of vegetational development following disturbance by such phenomena as drought, flood, avalanche, freezing, or fire. Cyclic phenomena, such as large numbers of deer, rodent epidemics, or insect plagues, temporarily change the natural ecosystems. An absolutely stable rangeland is seldom attained or maintained.

Significantly, the greatest diversity of animal and plant species and the highest rates of reproduction occur when the landscape supports many stages of ecosystem development. Fire, grazing, and drought stimulate plants and animals to new growth. Each stage of vegetational development is more productive of certain animal species than of others. Grazing on Federal rangelands in the 11 Western States helps to keep the natural environmental systems active and productive. However, grazing must be scientifically controlled and responsive to the needs of all users. We cannot allow overgrazing by livestock, by bison in their reserves, by deer on their winter ranges, or by wild horses in their preserves. We manage domestic animals, but rarely game, to maintain ecosystems compatible with all of man's uses.

### APPENDIX 1

### AREA AND OWNERSHIP OF LAND IN THE UNITED STATES AND PROPORTION OF FEDERAL LAND ADMINISTERED BY THE U.S. FOREST SERVICE AND THE BUREAU OF LAND MANAGEMENT [1]

| State | Total land area (thousands of acres) | Federal ownership (percent) | Federal land administered by USFS and BLM (percent) |
|---|---|---|---|
| Arizona | 72, 688 | 44.9 | 75.1 |
| California | 100, 207 | 44.8 | 79.3 |
| Colorado | 66, 486 | 36.4 | 94.1 |
| Idaho | 52, 933 | 63.9 | 95.7 |
| Montana | 93, 271 | 29.6 | 90.1 |
| Nevada | 70, 264 | 86.6 | 80.5 |
| New Mexico | 77, 766 | 33.9 | 85.0 |
| Oregon | 61, 599 | 52.2 | 96.7 |
| Utah | 52, 697 | 66.1 | 87.9 |
| Washington | 42, 694 | 29.4 | 79.4 |
| Wyoming | 62, 343 | 48.4 | 88.6 |
| Total 11 western States | 752, 948 | 47.8 | 87.1 |
| 6 plains States | 407, 182 | 2.8 | 44.5 |
| Other States | 741, 626 | 4.8 | 62.0 |
| Total United States (except Alaska and Hawaii) | 1, 901, 756 | 21.4 | 83.8 |

[1] Sources: U.S. Department of the Interior, Bureau of Land Management. Public Land Statistics, 1970. U.S. Government Printing Office, Washington, D.C., p. 10. (Statistics are as of June 30, 1969.) U.S. Department of the Interior, Bureau of Land Management, 1967. Public Land Statistics. U.S. Government Printing Office, Washington, D.C., table 9.

### APPENDIX 2

### AREA USED FOR GRAZING BY DOMESTIC LIVESTOCK, PROPORTION OF LAND AREA GRAZED, AND NUMBERS OF NONDAIRY CATTLE AND SHEEP PLUS LAMBS IN 11 WESTERN STATES

| State | Thousands of acres | | | Thousands | |
|---|---|---|---|---|---|
| | Range and pasture in farms [1] | Federal land allocated for grazing [2] | Proportion of land area grazed (percent) | Nondairy cattle 1970 [3] | Stock sheep and lambs 1970 [3] |
| Arizona | 35, 398 | 25, 441 | 83.7 | 812 | 424 |
| California | 20, 957 | 21, 169 | 42.0 | 2, 576 | 1, 185 |
| Colorado | 27, 159 | 20, 492 | 71.7 | 2, 374 | 823 |
| Idaho | 8, 952 | 23, 934 | 62.1 | 1, 080 | 632 |
| Montana | 49, 057 | 16, 546 | 70.3 | 2, 474 | 1, 051 |
| Nevada | 6, 937 | 48, 712 | 79.2 | 512 | 213 |
| New Mexico | 44, 486 | 22, 326 | 85.9 | 1, 073 | 791 |
| Oregon | 14, 410 | 24, 111 | 62.5 | 1, 155 | 449 |
| Utah | 10, 865 | 29, 600 | 76.8 | 576 | 939 |
| Washington | 10, 369 | 5, 110 | 36.3 | 764 | 125 |
| Wyoming | 30, 814 | 25, 011 | 89.5 | 1, 182 | 1, 784 |
| 11 Western States | 259, 403 | 262, 452 | 69.3 | 14, 578 | 8, 416 |

[1] Source: U.S. Department of Agriculture, Economic Research Service. 1968. Major uses of land and water in the United States with special reference to agriculture, summary for 1964. Economic Report No. 149. U.S. Government Printing Office, Washington, D.C. pp. 61–62.

[2] Source: Data for 1966 supplied to the University of Idaho by the Public Land Law Review Commission.

[3] Source: U.S. Department of Agriculture, 1971. Agricultural Statistics, 1971. U.S. Government Printing Office, Washington, D.C. p. 308.

### APPENDIX 3.—VALUE CONTRIBUTIONS TO THE ECONOMY FROM CATTLE AND CALVES ON FEDERAL LANDS IN WESTERN STATES, 1971–72 [1]

| State or type of ranch [2] | Per animal-unit-month | | | Animal-unit-months on Federal lands (AUM's) | Contributions from Federal lands | |
|---|---|---|---|---|---|---|
| | Production (pounds) | Value of cattle | Contribution to economy | | Gross receipts | Contribution to economy |
| Nevada | 27.5 | $9.81 | $22.07 | 1, 985, 146 | $19, 474, 282 | $43, 812, 172 |
| Oregon | 29.3 | 9.70 | 21.82 | 1, 377, 400 | 13, 360, 780 | 30, 054, 868 |
| Utah | 28.5 | 9.89 | 22.25 | 860, 565 | 8, 510, 987 | 19, 147, 571 |
| Wyoming | 29.3 | 11.23 | 25.27 | 1, 792, 157 | 20, 125, 923 | 45, 287, 807 |
| 11 Western States | | 10.00 | 22.50 | 15, 008, 143 | 150, 081, 430 | 337, 683, 218 |
| Cattle ranches: | | | | | | |
| Northern Plains | | 11.70 | | | | |
| Northern Rocky Mountains | | 13.62 | | | | |
| Southwest | | 11.46 | | | | |
| Wyoming ranches: | | | | | | |
| Cow-calf | | 10.90 | | | | |
| Cow-yearling | | 11.50 | | | | |
| Yearlings only | | 15.84 | | | | |

[1] Sources: W. Gordon Kearl, Economic Comparisons of the Cow-Calf and Cow-Yearling System for Northern Plains Cattle Ranching, Wyo. Agr. Exp. Sta., RJ 67, December, 1972. W. Gordon Kearl, Unpublished data for stocker systems during 1971 and 1972. Wiley D. Goodsell and M. J. Belfield, Costs and Returns—Northwest Cattle Ranches, 1972, ERS-525, U.S. Dept. of Agr., July, 1973. Livestock and Meat Statistics. Statistical Bull. 522, ERS/SRS and AMS, USDA pp. 11, 20, 26, 42. 1973.

[2] States not normally fattening large numbers of cattle in feedlots and low contributors to beef production from dairy animals.

### APPENDIX 4

### PRODUCTION OF SHEEP, LAMBS, AND WOOL PER ANIMAL-UNIT-MONTH IN 11 WESTERN STATES, 1971–72

| State | Thousands | | Production (thousand pounds) | | Production per animal-unit-month (pounds) | |
|---|---|---|---|---|---|---|
| | Stock sheep | Animal-unit-months required | Sheep and lambs | Shorn wool | Sheep and lambs | Shorn wool |
| Arizona | 412 | 989 | 19, 836 | 3, 692 | 20.1 | 3.7 |
| California | 1, 011 | 2, 426 | 68, 362 | 11, 655 | 28.2 | 4.8 |
| Colorado | 720 | 1, 728 | 82, 959 | 11, 473 | 48.0 | 6.6 |
| Idaho | 678 | 1, 627 | 58, 242 | 6, 949 | 35.8 | 4.3 |
| Montana [1] | 900 | 2, 160 | 43, 023 | 8, 501 | 19.9 | 3.9 |
| Nevada [1] | 176 | 422 | 10, 702 | 1, 627 | 25.4 | 3.9 |
| New Mexico | 682 | 1, 637 | 25, 106 | 6, 134 | 15.3 | 3.7 |
| Oregon [1] | 426 | 1, 022 | 27, 039 | 4, 823 | 26.5 | 4.7 |
| Utah [1] | 891 | 2, 138 | 52, 916 | 9, 218 | 24.8 | 4.3 |
| Washington [1] | 112 | 269 | 6, 753 | 1, 240 | 25.1 | 4.6 |
| Wyoming [1] | 1, 561 | 3, 746 | 67, 362 | 16, 026 | 18.0 | 4.3 |
| 11-State total | 7, 569 | 18, 164 | 399, 880 | 81, 734 | 22.0 | 4.5 |

[1] States not normally fattening large numbers of lambs in feedlots.

### APPENDIX 5.—VALUE AND CONTRIBUTION TO THE ECONOMY FROM SHEEP, LAMBS, AND WOOL ON FEDERAL LANDS IN WESTERN STATES, 1972 [1]

| State or area [2] | Per animal-unit-month | | | | Animal-unit-months on Federal lands (AUM's) | Contributions from Federal lands | |
|---|---|---|---|---|---|---|---|
| | Production (pounds) | | Value of sheep, lambs, and wool | Contribution to economy | | | |
| | Sheep and lambs | Wool | | | | Gross receipts | Contribution to economy |
| Montana | 19.9 | 3.9 | $6.21 | $13.97 | 174, 904 | $1, 086, 153 | $2, 443, 409 |
| Nevada | 25.4 | 3.9 | 7.93 | 17.84 | 333, 424 | 2, 644, 052 | 5, 948, 284 |
| Oregon | 26.5 | 4.7 | 8.58 | 19.30 | 62, 907 | 539, 742 | 1, 214, 105 |
| Utah | 24.8 | 4.3 | 7.73 | 17.39 | 589, 197 | 4, 554, 492 | 10, 246, 136 |
| Washington | 25.1 | 4.6 | 9.26 | 20.84 | 5, 034 | 46, 614 | 104, 909 |
| Wyoming | 18.0 | 4.3 | 5.92 | 13.32 | 848, 932 | 5, 025, 677 | 11, 307, 774 |
| 6-State total [3] | 23.3 | 4.3 | 7.61 | 17.11 | 2, 014, 398 | 15, 329, 567 | 34, 466, 350 |
| 11 Western States | | | 7.00 | 15.75 | 3, 301, 013 | 23, 107, 091 | 51, 990, 955 |
| Wyoming: | | | | | | | |
| Southwest | | | 8.15 | 18.34 | | | |
| North-central | | | 10.05 | 22.61 | | | |
| Utah-Nevada | | | 9.09 | 20.45 | | | |

[1] Source: Delwin M. Stevens, An Economic Analysis of Wyoming Sheep Industry (1960, 1964, 1968). Wyo. Agr. Expt. Sta. Bull. 546. June, 1971. Livestock and Meat Statistics, Statistical Bull. 522, ERS/SRS and AMS, USDA, pp. 11, 20, 26, 42. 1973.

[2] States not normally fattening large number of sheep in feedlots.

[3] Simple totals and averages.

### APPENDIX 6

### PRODUCTION OF CATTLE, SHEEP PLUS LAMBS, AND WOOL ON FEDERAL GRAZING LANDS IN 11 WESTERN STATES, 1971–72 [1]

| State | Cattle | | Sheep | | |
|---|---|---|---|---|---|
| | | | | Total production | |
| | Animal-unit-months on Federal lands (AUM's) | Total production at 28.6 lb (pounds) | Animal-unit-months on Federal lands (AUM's) | Sheep and lambs at 23.3 lb (pounds) | Wool at 4.3 lb (pounds) |
| Arizona | 1, 898, 676 | 54, 302, 000 | 34, 757 | 810, 000 | 149, 455 |
| California | 601, 398 | 17, 200, 000 | 122, 397 | 2, 852, 000 | 526, 307 |
| Colorado | 1, 170, 474 | 33, 476, 000 | 359, 688 | 8, 381, 000 | 1, 546, 658 |
| Idaho | 1, 419, 611 | 40, 601, 000 | 467, 220 | 10, 886, 000 | 2, 009, 046 |
| Montana | 1, 760, 800 | 50, 359, 000 | 174, 904 | 4, 075, 000 | 752, 087 |
| Nevada | 1, 985, 146 | 56, 775, 000 | 333, 424 | 7, 769, 000 | 1, 433, 723 |
| New Mexico | 2, 062, 235 | 58, 980, 000 | 302, 562 | 7, 050, 000 | 1, 301, 017 |
| Oregon | 1, 377, 400 | 39, 394, 000 | 62, 907 | 1, 466, 000 | 270, 500 |
| Utah | 860, 565 | 24, 612, 000 | 589, 197 | 13, 728, 000 | 2, 533, 547 |
| Washington | 79, 681 | 2, 279, 000 | 5, 034 | 117, 000 | 21, 646 |
| Wyoming | 1, 792, 157 | 51, 256, 000 | 848, 933 | 19, 780, 000 | 3, 650, 412 |
| Total | 15, 008, 143 | 429, 233, 000 | 3, 301, 013 | 76, 914, 000 | 14, 194, 356 |

[1] Source: Livestock and Meat Statistics, Statistical Bulletin 522, ERS/SRS and AMS, U.S.D.A., pp. 9, 32, 45. 1973.

### APPENDIX 7

### ANNUAL GRAZING STATISTICS FOR LAND ADMINISTERED BY THE U.S. FOREST SERVICE IN 11 WESTERN STATES, 1971[1]

| State | Number of livestock | | | Animal-months | | Total animal-unit-months |
|---|---|---|---|---|---|---|
| | Cattle and horses | Sheep and goats | Total | Cattle and horses | Sheep and goats | |
| Arizona | 141, 307 | 37, 011 | 178, 318 | 1, 226, 057 | 143, 193 | 1, 254, 695 |
| California | 110, 729 | 75, 666 | 186, 395 | 339, 877 | 210, 478 | 381, 972 |
| Colorado | 196, 088 | 322, 846 | 518, 934 | 688, 848 | 737, 250 | 836, 298 |
| Idaho | 129, 916 | 380, 012 | 509, 928 | 449, 117 | 1, 000, 368 | 649, 190 |
| Montana | 136, 590 | 70, 649 | 207, 239 | 474, 032 | 140, 832 | 502, 198 |
| Nevada | 56, 508 | 87, 060 | 143, 568 | 222, 002 | 281, 566 | 278, 314 |
| New Mexico | 100, 467 | 37, 673 | 138, 140 | 736, 644 | 163, 356 | 769, 314 |
| Oregon | 114, 533 | 61, 332 | 175, 865 | 352, 953 | 205, 477 | 394, 048 |
| Utah | 110, 894 | 322, 203 | 433, 097 | 340, 036 | 883, 168 | 516, 669 |
| Washington | 51, 219 | 9, 311 | 60, 530 | 79, 681 | 25, 168 | 84, 714 |
| Wyoming | 151, 798 | 283, 734 | 435, 532 | 503, 103 | 697, 349 | 642, 572 |
| Total 11 western States | 1, 300, 046 | 1, 687, 497 | 2, 987, 543 | 5, 412, 000 | 4, 485, 000 | 6, 309, 584 |

[1] Source: Public Land Statistics 1972.

### APPENDIX 8

### ANNUAL GRAZING STATISTICS FOR LANDS (DISTRICT AND LEASED) ADMINISTERED BY THE BUREAU OF LAND MANAGEMENT IN 11 WESTERN STATES, 1971[1]

| State | Number of livestock | | | Number of animal-unit-months[2] | | |
|---|---|---|---|---|---|---|
| | Cattle and horses | Sheep and goats | Total | Cattle and horses | Sheep and goats | Total |
| Arizona | 92, 602 | 14, 345 | 106, 947 | 672, 619 | 6, 118 | 678, 737 |
| California | 108, 716 | 254, 859 | 363, 575 | 261, 521 | 80, 301 | 341, 822 |
| Colorado | 335, 510 | 692, 782 | 1, 028, 292 | 481, 626 | 212, 238 | 693, 864 |
| Idaho | 366, 746 | 674, 278 | 1, 041, 024 | 970, 494 | 267, 146 | 1, 237, 640 |
| Montana | 630, 370 | 362, 310 | 992, 680 | 1, 286, 768 | 146, 738 | 1, 433, 506 |
| Nevada | 353, 237 | 318, 316 | 671, 553 | 1, 763, 144 | 277, 111 | 2, 040, 255 |
| New Mexico | 230, 737 | 220, 200 | 450, 937 | 1, 325, 591 | 269, 891 | 1, 595, 482 |
| Oregon/Washington | 272, 008 | 61, 755 | 333, 763 | 1, 024, 447 | 21, 812 | 1, 046, 259 |
| Utah | 126, 303 | 602, 900 | 729, 203 | 520, 529 | 412, 563 | 933, 092 |
| Wyoming | 776, 518 | 1, 874, 593 | 2, 651, 111 | 1, 289, 054 | 709, 463 | 1, 998, 517 |
| 11 Western States | 3, 292, 747 | 5, 076, 338 | 8, 369, 085 | 9, 595, 793 | 2, 403, 381 | 11, 999, 174 |

[1] Source: Public Land Statistics 1972, tables 60 and 64.

[2] Assumed same length of grazing season for sheep and cattle.

### APPENDIX 9

### EXPENDITURES FOR PURCHASES OF FOSSIL FUELS AND AGRICULTURAL CHEMICALS PER DOLLAR OF PRODUCT SOLD BY TYPE OF FARMS IN THE UNITED STATES, 1969[1]

[In cents]

| Type of farm | Expenditures per dollar of product sold | | |
|---|---|---|---|
| | Gasoline and other fuel | Sprays, dusts, and fumigants | Fertilizer |
| All farms | 3.95 | 1.76 | 4.73 |
| Cash grain | 6.86 | 3.01 | 9.05 |
| Tobacco | 7.20 | 1.78 | 8.38 |
| Cotton | 8.42 | 9.27 | 8.98 |
| Other field crop | 4.17 | 4.11 | 9.83 |
| Vegetable | 2.89 | 4.87 | 7.55 |
| Fruit and nut | 2.91 | 6.19 | 5.20 |
| Poultry | 1.52 | .19 | .56 |
| Dairy | 3.38 | .64 | 3.48 |
| Livestock other than diary and poultry | 3.21 | .84 | 3.54 |
| Livestock ranches | 2.81 | .30 | 1.42 |
| General | 5.90 | 3.24 | 8.22 |
| Miscellaneous | 3.55 | .88 | 1.76 |

[1] Source: Social and Economic Statistics Administration, Bureau of Census. "1969 Census of Agriculture," Type of Farm, ch. 8, vol. 11, U.S. Department of Commerce, pp. 36–37, 42–45, 48–49, June 1973.

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## THOUGHTS ON REVITALIZING THE CITIES

Mr. JAVITS. Mr. President, on March 19, 1974, at the 45th anniversary dinner of the Regional Plan Association in New York City, Andrew Heiskell, the chairman of the Board of Time, Inc., gave a most interesting address discussing the problems of our cities and suggesting some solutions.

Mr. Heiskell correctly observed that cities which have been revitalized in the past made progress primarily because of a coalition of local political and business—presumably including labor—leaders. He further points out that this coalition has broken down over the last several years as a result of the changing character of business management and the increasing need for new groups to take part in the decisionmaking process. I share with him that new mechanisms must be developed so that local interests may play the proper leading role in rebuilding and maintaining the major urban areas of our country.

I believe Mr. Heiskell's remarks are well worth the attention of the people and the Congress and others and I ask unanimous consent that they be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS BY ANDREW HEISKELL, 45TH ANNIVERSARY DINNER, REGIONAL ASSOCIATION, NEW YORK, N.Y., MARCH 19, 1974

Quite a few months ago, when I was first informed of the honor I was to receive here tonight, I was really sincerely pleased. The satisfaction eroded very rapidly as I realized I had to speak—presumably about cities. In those pre-Yom Kippur war days one more speech on that well worn subject could blow the speaker right off the podium. Most people were ready to solve the problems of cities by running away from them to suburban complexes of offices and homes. Now, with limited energy, what looked like a pleasurable escape has become a trap. Mr. Lucky is no longer the person who reverse commutes from the outskirts of Danbury to the I.B.M. headquarters in Armonk. Today Mr. Lucky is the guy who can step onto the 49th Street bus and the Lexington Avenue subway. The suburbs, which once seemed like pleasurable escapes from city problems, begin to look more like prisons with no escape routes, despite their amply stocked garages. So once again cities seem to be a subject worth taking seriously. The fact is they are neither obsolete nor irrelevant, and yet their problems remain. It may well be worth taking a look at recent urban history to see whether any patterns emerge that can guide us in the way we approach the problems of cities in the future.

My first observation is that no city ever made it on outside help alone. Despite the billions of dollars that have been poured into cities by the Federal government, I think it's safe to say that no federal program was in itself responsible for the renaissance of a city. It's true that no major urban redevelopment would have occurred without some federal assist. But at the same time for every federal program designed to rebuild cities there has been another program equally big that has worked to destroy cities. The highway program, for one example, has consistently been the foe of all those who have sought to rebuild cities. And the FHA is another program which destroyed the tax base of most cities by chasing the middle classes to privately owned houses in the suburbs.

But even if you concentrate only on the programs that were designed to aid cities you find a curious reaction. Namely, that over the last 25 years these federal goodies were available equally to all cities and yet at any one point in time only a handful of cities were taking advantage of them.

For instance in the fifties Pittsburgh, Philadelphia and New Haven were going great guns while Chicago, Boston and Kansas City were moribund Twenty years later, Pittsburgh, Philadelphia and New Haven appear to have lost momentum while Chicago, Boston, Kansas City and a number of other cities are bursting with action.

Before speculating on the relative vitalities of cities, let me define the criteria I go by.

(A) A city must have a core—a downtown area—that represents a cultural cutting edge of civilization in terms of aesthetics, amenities, convenience and pleasure. This is its reason for being.

(B) A city must provide jobs, hopefully jobs which are rewarding to the individual and at the same time valuable in economic terms to the city.

Of course housing, transportation, schooling and a host of other factors are all important. But I start with the core and jobs first.

If you grant me these two criteria, we can begin to see what made some cities move while others stood still.

Essentially it was a combination of strong political leadership in tandem with dedicated business leadership, curiously enough usually of a different political persuasion. As an Atlanta businessman put it., "successful development occurs when the first team, the people who've been able to make decisions, have been kept in the game all the time." The collaboration of municipal leaders with corporate muscle, because it was pursued with determined action, attracted talent and gave the talent the tools for implementation of its plans.

Probably the best know urban partnership consisted of Republican Dick Mellon and Democrat David Lawrence, and later his successor Joe Barr who revived Pittsburgh. They literally cleaned the air, tamed the rivers, conned U.S. Steel, Alcoa, Pittsburgh Plate Glass and others into staying in Pittsburgh—with some of Mellon's friendly persuasion—before they rebuilt the central city. Of the roughly $500 million spent in two decades 70% of it was private money.

In Philadelphia in the early fifties, reform minded Mayor Joe Clark and a group of old line businessmen brought about a strong Home Rule city charter and turned the planning office over to famed Ed Bacon. For years city leaders from across the country made pilgrimages to Pittsburgh and Philadephia to find out how it was done.

During the fifties and sixties New Haven and its Mayor Richard Lee were the envy of every city planner. And Lee found Ed Logue who after rebuilding New Haven went on to Boston, and with Mayor Collins, saved Boston from ruin by remaking its core. Lee was also a past master at the art of tapping the federal till. He used to say, "we study the programs, write the legislation, and then when the money is passed out, we are there with a bushel basket." As of 1967 his take for New Haven was $130,000,000 which amounted to about $800 for each New Haven resident. At the same time Newark was getting $286 and Chicago $49 for each of their residents.

Today the mayors of Pittsburgh, Philadelphia and New Haven are perhaps uninspired but more importantly they have become powerless in a sea of divergent voices and interests. To make matters worse, business leadership which once represented ownership with a major stake in its headquarters city has been largely replaced by professional managers whose interests are countrywide and often multi-national. And their cities suffer from their broader views.

In the sixties, Chicago, Boston and Hartford came to life. In the last ten years Chicago, which had hardly seen a new building in nearly 30 years created one of the most exciting skylines of our day. This was accomplished once again as a result of a long term bond between a Democratic mayor with undoubted clout and Republican businessmen more oriented to Chicago than to the world scene. Boston, Hartford and Kansas City, under aggressive political business leadership, dug up their rot and replaced it with buildings their citizens could look upon with pride.

Even the most unmanageable city of all—New York—appeared to survive on some form of self-propulsion. But I suppose that in fact most of the credit must go to Bob Moses, the R.P.A. and the Rockefellers. The latter are primarily responsible for the Cloisters, Morningside Heights, Lincoln Center, the Museum of Modern Art, Rockefeller University, the U.N., Rockefeller Center and the revival of downtown Manhattan. Quite a performance.

The examples I've cited and many others I have skipped clearly show that the right combination of leadership in a city can bring about great change. Or at least in the past this formula has worked. Far less easy to explain is why the efforts nearly always falter after eight or ten years. Is it simply a change in cast or environment; it is exhaustion, or has the task itself changed? Probably all of these factors and a few more.

Rebuilding the downtown can be done by a relative handful of decision makers with private capital or locally floated bonds. But rebuilding a city, as the past decade has taught us, incloves more than erecting office towers. Office towers may provide jobs but they do not provide housing, schooling and transportation and it is these areas that have been neglected by the great city planners of the past. Once into these areas, leadership instead of dealing with architecture, concrete and metal must deal with human beings.

And many of these human beings belong to the tide of underprivileged persons who come to the city for their salvation only to find frustration. They demand representation. A cacaphony of voices engulfs the leaders. The citizens—all the citizens—want to be heard. And they have learned the art of going to court to stop the bulldozers. The three year time span that it takes to put up a spanking new building in core city mushrooms into an eight year span for a housing development that can only be built with the assent of the local inhabitants, with federal and state approvals, necessary for funding, and with feuding unions to which minorities want admission in order to build their own homes.

At the end of his third year the most effective and idealistic mayor has nothing to show for his efforts but a pile of litigation, the rubble of torn down buildings and millions of forms shuttling back and forth between City Hall, the State Capitol and Washington. That is the most he can hope for assuming he has good relations with his Governor and the White House. If they are bad I leave the answer to your imagination, which for New Yorkers shouldn't be much of a strain.

The almost inevitable conclusion is that what our cities need is some new mechanism by which to rebuild themselves. The old power structure of reform minded mayors backed by strong Chamber of Commerce interests served a good purpose at one time: it could make decisions and implement them within a relatively short time. But the exclusiveness of that alliance has made it obsolete. The cry of the times is for some form of what is optimistically called citizen participation. The problem is how to meld all the voices who rightfully want to participate in their destiny into an action-oriented body.

The starting point in looking for reform may still be the mayor's office. It used to be the mayor's strength came from being the party leader and the party was an army with clout. But it seems likely that parties, rather than getting stronger, will continue to decline in influence. As a consequence the mayor is no longer the man the party counts on to maintain itself in power in the next election. Instead, the mayor is a man trying to placate all groups. Unfortunately this often results in a standstill program. While I know the objections to a one time six-year term, I think it's probably the best solution. It gives the mayor independence of action, enough time to implement his decisions and also the ability, as Zeckendorf once said, "to control the local demagogues and predators who inevitably rise up to attack or to fatten off a great development."

The second problem has to do with the role of business. With personal ownership of corporations coming to an end, companies are more and more in the hands of professional managers, most of whom have, in the process of moving up the ladder, lived in many cities here and abroad. They have less control over their companies, relatively short time spans as chief executives, and usually have no emotional or historical tie to headquarters city. Yet this city or any city in which a corporation operates creates the climate which, for good or bad, affects the health of the company. This being the case, shouldn't corporations include, in a serious and continuous manner, education about city management as part of executive development programs?

Then there is the question of representation by the people who in one way or the other are affected by city-planned change. Their voices used to be heard through the party system. That being no longer an effective channel, new ways are being developed so that racial, ethnic and other groups can participate. This is being done by creating coalitions which allow leaders of these groups to deal on an equal basis with the existing leadership. It also requires the structuring of forums for individual voices while at the same time bringing about the recognition of limits to discussions and protest.

There is one city that seems to have made continuous progress under revolving leadership and may well represent a pattern to be examined. That is Atlanta.

Atlanta got rolling in the early 60's under the mayoralty of former Chamber of Commerce president Ivan Allen who had the ear and interest of Atlanta's extraordinarily cohesive business coterie; he led and eased the road to integration for the city's corporate kings and then launched a Forward Atlanta movement to pour money into downtown. The build-up really gained force when John Portman announced his plans for Peachtree Center for which he acted as architect-developer. Called a one-man urban renewal program, Portman led the crusade to save downtown by pouring $200 million into the now famous southern Rockefeller Center which includes the Regency-Hyatt Hotel, a Merchandise Mart, and a cluster of office buildings, restaurants and shops. Before he had finished he had doubled Atlanta's tax base downtown. The businessmen hung in during Sam Massell's administration and to his credit Massell managed to launch a $2 billion rapid transit system scheduled for completion in 1980; to finance it he slapped on an additional 1% in sales tax, but as a softener he managed to lower the bus fare to 15¢. Sam Massell seems to have provided Atlantans with a good transition to the new politics of the 70's; he was elected by 92% of the black vote with Maynard Jackson as his vice mayor and yet he managed not to alienate the old white guard which had been used to running Atlanta without consulting the black population of Atlanta. Another force for the good was that the old guard seemed to make way for the young just at a time when radical new social ideas were gaining headway.

By the time the south's first black mayor of a major City, Maynard Jackson, came to office, the local corporate élite had begun to widen the scope of their planned urban reforms. In fact some of them actively supported and worked for Jackson's election, not the least of whom is John Portman.

A unique instrument of good will, perhaps a latter day successor to the Mellon-Lawrence type of combination which functioned effectively in Pittsburgh when times were somewhat different, is the Atlanta Action Forum, a biracial inner circle of Atlanta's businessmen and civic leaders who meet monthly to deal with the city's most pressing issues. I think if urban renewal is ever going to work in the broadest sense it's going to depend on a broadening of the ranks to include all the voices of the city.

I have stressed local leadership rather than federal because rebuilding a city is not a program like getting to the moon—mainly because there are no people on the moon. Only the local leaders are close enough to understand the most important aspect of a city—its human component. This doesn't mean we don't need federal help, lots of it in terms of dollars. But I would like to see federal programs initiated and shaped by city leaders who will implement them. In the final analysis only they can be held responsible.

We here in this room must learn to manage our society and that means, in good part, managing our cities. We must structure and manage our society properly if it is to remain free. If we do not we will be forever spending our time and money correcting and controlling to overcome the excesses that we allowed to flourish.

We, if we are to remain a democracy, must build a society of responsible, self-disciplined individuals. We must devote our minds, our time and our money to that goal rather than believing that every problem can be resolved by passing another law. We can't afford many more mistakes because with each one there comes a demand for more government, more controls, more civil servants, more forms. If we follow this course, rather than creating the responsible building blocks that make up a democracy, we will have fashioned instead a ready made machine for a tyrant.

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## SMALL COAL MINE OPERATORS

Mr. COOK. Mr. President, over the weekend, several articles appeared in the press which highlighted the problem being faced by the coal operator who will be forced to cease operations unless he is able to obtain permissible equipment as required by the Coal Mine Health and Safety Act of 1969. What concerns me about this problem is that we seem to concentrate on the direct effect on the operator while seeming to ignore that as many as 6,000 individual miners may become unemployed. Many of these miners are self-employed, and because of physical disabilities ranging from lung problems to missing fingers or toes, they cannot pass the physical examination for employment in a big-time mine. The only answer for many of these men and their families will be to accept Government relief.

I wish to place in the Record an article entitled "New Rules Too Rough—11th Hour at Mines" which appeared in The Washington Star on March 24, 1974, which I believe places this picture in perspective.

In so doing, I would like to say to my colleagues that I in no way advocate that we cease our efforts to provide these individuals the greatest degree of safety possible. While I have compassion for these individuals, and will continue my efforts to do anything possible to assist them within the limits of the law, I believe that we have a responsibility to see that they are provided the safety afforded to them by the law. If such safety provisions require them to cease operations, then so be it.

There is an inherent responsibility which accompanies this enforcement, and that is to see that an equal effort is made to provide the means to comply with the law. To this end, I would like to place a second article in the Record, and in so doing I would like to clarify my position in this regard. On March 25, 1974, an article entitled "SBA To Make Equipment Loans" appeared in the Washington Post.

This article expressed a willingness by SBA and other agencies of the Federal Government to provide an opportunity to the operator to purchase the required permissible equipment. While there is nothing new about the SBA authority to provide this assistance, their effort to make these loans available has been intensified. However, one new and very important ingredient has been added, and that is the willingness of the Federal enforcement agencies to accept these loan applications as proof of "good faith" by the operator.

This action on his part, coupled with a bona fide purchase order for the necessary equipment, will satisfy this one requirement of the law. If he has complied with other requirements as spelled out in pertinent regulations, he is then authorized to continue operations until such time as the equipment is received. This exception is limited by law to 2 years.

There are several points I would like to make concerning this article. For some reason, the conclusion has been drawn that we are speaking only of small independent mine operations. While this is most often the case, I note that the following producers are listed by the Mine Enforcement Safety Agency as violaters of this permissible requirement: Adkins Coal Co., No. 11 mine employs 56 with an annual tonnage of 281,000; Island Creek Coal Co. has one mine employing 82 miners and produces 175,000 tons per year; Consolidation Coal Co. has four mines employing 342 men, and their annual production exceeds 700,000 tons. My efforts have been and will continue to be directed to all of these operators and miners, and are not limited to any one segment of the industry.

I am convinced that American ingenuity will prevail, and many of these operators will find a way to obtain the required equipment or remove all nonpermissible equipment from the mine. I agree with the prediction of the Mine Enforcement Safety Administration that we shall see this list of 500 mines now programed for closure on March 30, 1974, dwindle to less than 150, and possibly lower.

Following this date, wherever it is economically feasible by virtue of SBA loans or other action, many of these 150 mines will reopen as soon as permissible equipment can be obtained.

The question then remains—can we afford to waste that coal located in small seams above the water table which is a truly small mine operation and cannot justify expensive equipment? To this question, my answer is "no"—but I offer no ready solution.

Later this week, I will be briefed by representatives of the Department of the Interior. This briefing is in answer to my request of Secretary Rogers Morton that I be informed of all research and development programs now being pursued in the field of methane detection with the hope that in the near future we will develop the technology which will make the production of coal more economically feasible. When this day comes, and it will come, we will then have kept faith with all operators and all miners and with the Nation itself.

Mr. President, I ask unanimous consent that the articles to which I have referred be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Star-News, March 24, 1974]

### New Rules Too Tough—11th Hour at Mines

(By Ned Scharff)

Grundy, Va.—Kenders Harman cannot afford the new, fire-resistant equipment now required by federal safety statutes, so like 101 other small, independent coal mine operators in Southwest Virginia he will have to shut down his Dorothy Mae Coal Mine at the end of the month.

Harman and 14 employes extract 100 to 150 tons of coal a day from their narrow, mountainside mine. The men, who are not union members, earn $35 to $45 a day, depending on the amount of coal they haul.

On March 30, when the Interior Department will order Dorothy Mae and 500 similar mines across the country to close because of failure to comply with the 1969 Coal Mine Health and Safety Act, national coal production will drop more than 5 percent, and some 6,000 miners will lose their jobs, according to Interior's Mine Enforcement and Safety Administration (MESA).

Harman, 45, will lose his $125,000 investment in mining equipment, which will become worthless because it does not meet the new safety standards. Harman estimates it would cost at least $200,000 to buy new equipment, so he has decided to go out of business.

"I thought somebody would come to their senses before it came to this," Harman said. "I've put my life into coal and now I've lost everything because of the federal requirements."

Besides the expense and difficulty of obtaining the new equipment, the independent miners—backbone of the economy here—feel it is unnecessary.

They are angry because the 1969 federal safety act superseded state laws which distinguished between so-called gassy and non-gassy mines.

The gassy mines—deep shafts thought to contain methane, an explosive natural gas—already had been required to use equipment with sealed motors, insulated cables and non-sparking drills. Non-gassy mines, generally those above the water table, were exempted from the requirement.

MESA administrator Jack M. Day believes elimination of the distinction between gassy and nongassy mines was badly needed. Under the federal law, which went into effect in April 1970, non-gassy mines were given a four-year grace period in which to buy new equipment.

Since that time, Day said, there have been at least 12 explosions in mines previously considered non-gassy. One was the Hayden, Ky., disaster in December 1970 which killed 38 men.

Day said about 50 percent of the non-gassy mines have come into compliance with new standards, and predicted that many of the remaining 500 also would comply once convinced that MESA would enforce the law strictly.

Day admits the law will cut coal production and create unemployment, but he feels the safety problem is more important than economic considerations.

Day's arguments are not accepted by the men who spend their lives here stooped in the dark and narrow drift mines, hauling high-grade coal from inside a mountain down corridors no more than three and a half feet high.

In the light that comes only from the lanterns on their helmets, the miners hunch together, nodding agreement about the federal safety act they think was created at the urging of the United Mine Workers union.

The intent, the miners say, was not to save lives, but to drive the small, nonunion mines like Dorothy Mae out of business. "It's like the government and the gas companies getting together to drive the independent gas stations out," said one blackened face. "We're like the independent gas stations."

The independent miners in this region say they are unused to thinking about the future. It is a fact of life that a coal seam may end after the next powder blast, or take a steep turn up hill becoming impossible to mine.

But just as surely as miners have expected each mine to run out, they have known eventually another would open. The supply of rich, metallurgical coal in these dark hills is considered almost inexhaustable.

But the hills do not have an abundance of the thick, easily accessible coal seams that attract big companies with large capital and sophisticated equipment.

Like the tall timber that once covered the mountains, most of the more profitable mines here were depleted by the end of World War II, and the big corporations moved their equipment elsewhere.

Since that time, the economy of Buchanan County has depended largely on the independent truck miners—so-called because their mines were too small to rate individual railroad spurs. There is light industry in Grundy and in nearby Richlands, but most of it is devoted to mining equipment manufacture.

The waning of the independent truck mines and attacks on strip mining are such critical issues that the local newspapers print editorials almost daily criticizing the Interior Department. It is difficult to find anyone who does not agree.

The Rev. Murphy D. Miller of the First Presbyterian Church of Buchanan County, was at work last week on a Sunday sermon entitled "Coal and Christianity." He said the sermon was an attack on outside forces that seemed bent on destroying the coal industry.

"Coal is a religious issue because it is the light of life and a natural resource, just like Christianity is," said Miller. "The equipment problem is one more example of outsiders trying to muscle into our way of life, destroying the will of men to earn their daily bread."

The small miners still are trying to appeal the March 30 deadline through their trade association, the National Independent Coal Operators Association, but MESA officials say there is little chance appeals will succeed except in cases where operators can show they already have the new equipment on order.

MESA said last week that any small mine which did not have the new equipment could apply for a Small Business Administration loan, and use the loan as the basis for an extension to remain in operation.

For the first time in the lives of many miners, the future is becoming an unavoidable topic of conversation, and when they speak of it, they speak like Eugene Hughes, 42, a youthful-looking man with a fifth-grade education, seven children, and 22 years of coal mining behind him.

"I'm gonna let the government feed me, buddy. It's the only thing I know to do, and when they get tired of feeding me and a lot of others who will be on welfare with me, maybe they'll let us go back to work," Hughes said.

Were he a younger man, Hughes might consider working in a large, union mine, for higher wages, but those jobs are scarce, and with 22 years' worth of rock dust accumulated in his lungs, Hughes could never pass the physical examination for employment in a big mine.

For the first time in his life, Hughes now thinks that he would consider some job other than coal mining if he were starting out again, but that would involve moving from here.

"In Buchanan County," he says, "coal mining's about all you have to look forward to."

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[From the Washington Post, Mar. 25, 1974]

### SBA To Make Equipment Loans—Appalachia Mine Closure Stayed

(By Kenneth Bredemeier)

About 400 small Appalachian coal mines, which for four years have been on notice that they will be shut down at the end of this month unless they install explosion-proof machinery, have been given more time to acquire the equipment.

With a considerable assist from Sen. Marlow W. Cook (R-Ky.), a longtime friend of the small mine owners, the Small Business Administration has agreed to grant long-term, low-interest loans to the mine operators to buy equipment that would put them in compliance with the 1969 Federal Coal Mine Health and Safety Act.

A safety compliance panel within the Interior Department has agreed to postpone closure if a mine operator applies for and wins approval of an SBA loan. The law called for the installation of the equipment by March 30, but the small mine operators have virtually ignored the four-year-old deadline.

As a result of the recent agreement, James M. Day, administrator of the Interior's Mine Enforcement and Safety Administration, predicted that no more than 150 of the mines will be ordered shut by federal mine inspectors. Originally as many as 500 small mountainside mines faced an April 1 shutdown.

But as the deadline approached, the Federal Energy Office objected to the closures of the mines, which annually produce about 3 per cent—16 to 20 million tons—of the nation's coal supply. FEO said the coal is needed to ease the energy shortage and the mines should not be closed needlessly if there is no danger to miners working in them.

Moreover, Sen. Cook, according to an aide, worked with Interior officials to delay the deadline and with the SBA to assure the availability of the loans, which SBA said will be granted for up to 30 years at the current SBA interest of 6⅛ per cent.

The Cook aide said that in 1969 the senator unsuccessfully attempted to have the small mines located above the water table declared "non-gassy" and thus exempt from the mine safety law's provision for spark-proof equipment.

The 500 mines, scattered over a 12-state area but concentrated in the Appalachian hills of southwestern Virginia and eastern Kentucky, employ 5,500 to 6,000 workers.

The key section of the 1969 law prohibits use of "nonpermissible" electric drilling, digging and hauling equipment after March 30. This essentially is equipment that is not enclosed to prevent electrical sparks from igniting methane gas in the mine.

The small-mine owners, however, claim that cost of the spark-containing equipment is greater—some estimates range as high as $500,000 per mine—than the value of the coal in the mines.

These operators say that their mines, often with small seams of coal that bigger companies found unprofitable to dig, are usually high on mountainsides above the water table. Gaseous conditions are usually found below the water table, where most large mines are located, they claim.

Thus, the operators say there is little danger of a gas explosion in the small mines, which usually employ from 5 to 30 miners and often are family enterprises.

"Since the law was passed there has been only one fatality from a methane explosion above the water level," said Louis Hunter, executive vice president of the National Independent Coal Operators Association. 'It's all very foolish anyway. They'll let these people take a burning torch into the mines to repair equipment, but then they say all equipment has got to be sparkproof and watertight."

The number of mines that actually will be forced to close is difficult to ascertain. The mine safety act set up an independent interim compliance panel to review applications from mine owners to stay open past March 30 without the required equipment.

The panel has heard 256 cases, denying 168 bids to stay open and granting 88. The only criterion for permission to stay open, according to an Interior spokesman, has been whether the mine has proof that it has ordered the necessary equipment to comply with the new safety standards.

In lieu of buying the new equipment, the coal operators have asked that they be permitted to install methane monitors on mining equipment that would automatically shut off the equipment when there is 0.25 per cent methane in the air near the mining area. However, no decision has been made on the owners' request.

The law requires that mines be shut down when there is 2 per cent methane in the air. Explosions occur when there is 5 to 15 per cent of the odorless gas.

The United Mine Workers, which represents about 10 per cent of the affected workers, said it supports the mine closures. A union spokesman said: "The law is very clear. We're not going to tolerate endangering miners' lives."

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## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. Allen). Time for transaction of routine morning business has now expired. Morning business is closed.

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## NATIONAL CANCER ACT AMENDMENTS OF 1974

The PRESIDING OFFICER (Mr. Allen). At this time, in accordance with the previous order, the Chair lays before the Senate Calendar No. 710, S. 2893, which the clerk will state.

The second assistant legislative clerk read as follows:

S. 2893, to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with an amendment to strike out all after the enacting clause and insert:

That this Act may be cited as the "National Cancer Act Amendments of 1974".

Sec. 2. Section 301(h) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the words "during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years,".

Sec. 3. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out "in amounts not to exceed $35,000" in paragraph (1) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(2) by striking out "in amounts exceeding $35,000" in pargaraph (2) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only".

Sec. 4. (a) Section 407(b)(7) of the Public Health Service Act is amended by striking out "where appropriate".

(b) Section 407(b)(4) of such Act is amended by inserting after the word "data" the following: "(including where appropriate nutritional programs for persons under treatment for cancer)".

(c) Section 407(b)(9)(A) of such Act is amended by inserting after the words "National Cancer Program," the words "including the number and types of personnel necessary to carry out such program,".

(d) Section 407(b)(9)(B) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and the allocation of personnel requested to carry out the National Cancer Program".

(e) Section 407(b) of such Act is amended by adding the following new paragraph:

"(10) The Director of the National Cancer Institute shall conduct or contract for programs to disseminate and interpret on a current basis for practitioners and other health professionals, scientists, and the general public, scientific and other information respecting the cause, prevention, diagnosis, and treatment of the disease or other health problem to which the activities of the Institute are directed. The Director of the National Cancer Institute shall issue such regulations as are necessary to carry out this activity.".

Sec. 5. Section 408(a) of the Public Health Service Act is amended by striking out "fifteen".

Sec. 6. Section 409(b) of the Public Health Service Act is amended by striking out "and" before "$40,000,000" and by inserting before the period at the end thereof a comma and the following: "$50,000,000 for the fiscal year ending June 30, 1975, $65,000,000 for the fiscal year ending June 30, 1976, and $85,000,000 for the fiscal year ending June 30, 1977".

Sec. 7. Section 410 of the Public Health Service Act is amended—

(1) by striking out "fifty" in paragraph (1) and inserting in lieu thereof "one hundred";

(2) by striking out "and" at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (8) the following new paragraph:

"(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program."

Sec. 8. Section 410A(a) of the Public Health Service Act is amended by inserting the word ", contracts," after the word "grants".

Sec. 9. Section 410C of the Public Health Service Act is amended by striking out "and" before "$600,000,000" and by inserting before the period at the end thereof a semicolon and the following: "$750,000,000 for the fiscal year ending June 30, 1975; $830,000,000 for the fiscal year ending June 30, 1976; and $985,000,000 for the fiscal year ending June 30, 1977".

Sec. 10. Part A of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"AVAILABILITY OF APPROPRIATIONS

"Sec. 410D. Notwithstanding any other provision of law, unless enacted after the date of enactment of this section expressly in limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program for which appropriations are authorized by the Public Health Service Act (42 U.S.C. 201) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2661) shall remain available for obligation and expenditure until the end of such fiscal year."

Sec. 11. Section 454 of the Public Health Service Act is amended to read as follows:

"DIRECTORS OF INSTITUTES

"Sec. 454. (a) The Director of the National Institutes of Health shall be appointed by the President by and with the advice and consent of the Senate. Appointees shall be eligible for reappointment.

"(b) The Director of the National Cancer Institute shall be appointed by the President. Except as provided in section 407(b)(9), the Director of the National Cancer Institute shall report directly to the Director of the National Institutes of Health.

TITLE II—BIOMEDICAL RESEARCH

Sec. 201. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"Sec. 455. (a) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the 'Panel') which shall be composed of (1) the Chairman of the President's Cancer Panel; and (2) four members appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program of the National Institute of Mental Health). At least three of the members of the Panel shall be distinguished scientists or physicians.

"(b)(1) Appointed members of the Panel who are appointed pursuant to clause (2) of subsection (a), shall be appointed for three-year terms, except that (i) in the case of the four members first appointed after the date on which this section becomes effective, two shall be appointed for a term of one year and two shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(2) The President shall designate one of the appointed members to serve as Chairman of the Panel for a term of one year.

"(c) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(d) The Panel shall meet at the call of the Chairman, but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(e) The Panel shall monitor the development and execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) shall immediately be brought to the attention of the President and the Senate Committee on Labor and Public Welfare, the House Committee on Interstate and Foreign Commerce, the Senate Committe on Appropriations and the House Committee on Appropriations. The Panel shall submit to the President periodic progress reports on the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and annually an evaluation of the efficacy of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health."

Mr. ROBERT C. BYRD. Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. Clark). Without objection, it is so ordered.

## EXTENSION OF TIME FOR COMMITTEE TO FILE ITS REPORT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Interior and Insular Affairs have until midnight of March 28 of file its report on S. 1017, the Indian Self-Determination and Educational Reform Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed at this time to the consideration of the unfinished business.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. PELL. Mr. President, as chairman of the Senate Subcommittee on Privileges and Elections, I wish to emphasize the importance of S. 3044 to the future of our democracy. In particular, I wish to stress the importance of title I of this legislation, dealing with the public financing of elections.

This is historic legislation. Let me place it briefly into a framework of recent history. In mid-September last year our subcommittee conducted 4 days of public hearings on this most important subject area. Members of Congres deeply concerned with election reform were among the more than 40 witnesses who testified and presented their thoughtful views and recommendations. My bill, S.2718, resulting from these comprehensive hearings, was reported forward to the Committee on Rules and Administration, and its fundamentals formed the basis of our committee deliberations on public financing.

We have thus worked with careful and detailed consideration on the development of this legislation. We have weighed a variety of alternatives, as set forth in the very thorough and informative report our chairman has submitted.

Mr. President, it was just over 2 months ago, on December 3, 1973, that the able and distinguished chairman of the Committee on Rules and Administration (Mr. Cannon) gave assurances to the Senate in this chamber that every effort would be made, so that this report could be submitted within 30 days after the beginning of the second session of the 93d Congress.

I wish to commend the chairman for the successful meeting of this target date.

In submitting this report we have taken full cognizance of historic precedents and historic forerunners to public financing concepts. Let me praise, especially in this connection, my senior colleague from Rhode Island (Mr. PASTORE) for his pioneering work in this area.

In essence, I believe we have prepared legislation which goes to the very heart of our democratic process, and which will enable that heart to beat once again with confidence.

It can be argued that we cannot legislate morality, cannot mandate an end to dishonesty, an end to venality, cannot by public law eliminate all the shocking abuses which have so plagued us as a nation and, in particular, this administration.

But we can, through enlightened legislative action, create a climate which minimizes the cause of abuse, and we can return to our voters their rights to choose candidates who are not beholden to the large, and so often compromising, political contribution.

As the committee report points out, the amount to be contributed by each individual taxpayer in the public financing of elections is modest—$2 per year for one individual, $4 on a joint return. That is an investment which I believe will benefit each individual, in terms of more responsible government and in terms of a government responsive to human needs rather than to special interests.

There are those who will say that this bill goes too far, and others who maintain it does not go far enough. I believe it goes the right distance. It provides the advantages of public financing and yet leaves them optional. It limits the contribution any individual can make to a campaign to a meaningful yet moderate sum. It covers all Federal elections, including primaries. In those primaries, it establishes the basis for serious, not frivilous participants. It provides incentives for minor party candidates to enter the mainstream of political life. It preserves the constructive role of the political party in our Nation.

We will debate the details of this legislation, but I set them here within a framework of the goals which I believe this bill can enable us to attain.

We may not eradicate all future Watergates, but certainly we will discourage the perpetuation of a climate in which power is abused by the clever at the expense of the unwary, where power is perverted by a calculated deception which—in Richard Sheridan's words—we might call a "school for scandal."

Mr. President, I urge passage of this legislation. As I have stated in our committee report, I believe it is in accord with historic Jeffersonian principles which place abiding confidence in the wisdom of the individual and in the individual's fundamental role in the development of an enlightened democracy.

At this time, let me comment on the proposals recently offered by President Nixon under the heading of "Campaign reform." I would point out that a number of them are scarcely original. One authorized political committee per candidate, contributions openly identified as to individual donors, a limit of $3,000 for individual contributions to candidates, no loans as possible contributions, a bipartisan Federal elections commission—these are examples of provisions already in our Senate legislation today and in S. 372, passed by the Senate months ago.

The President takes strong exception to the concept of public financing. He talks about "diverting hundreds of millions of tax dollars away from pressing national needs" in order to underwrite campaigns. I submit that the individual taxpayer's investment is very modest, that the return is to be measured in terms of honesty in government, that this is a most pressing national need, and that American taxpayers are paying far more out of their own pockets now to finance campaigns and an administration which has achieved the dubious reputation of being the most purchasable of any since Harding's Teapot Dome one.

I would also point out that when I conducted the public hearings on this legislation last September, I expressly asked the administration well in advance to provide us with an appropriate witness who could educate us on the administration's position on election reform.

I inquired of the witness, an assistant attorney general whom the administration selected for this purpose, as to whether he spoke for the White House, for the Justice Department or for the whole administration.

His reply was:

> I am trying to speak for our best understanding of what may be the Administration's position on a matter we frankly have no final position on in detail.

This was about the extent of our Senate education in this regard.

It seems a bit surprising under these circumstances that we should now receive Presidential recommendations, this long after the hearings, this long after Senate adoption of S. 372, this long after requests for elucidation, this long after committee action and deliberations.

We may not always be noted for celerity of action in this body, but this time, compared to the White House, we have been like a veritable greyhound compared to a snail.

Perhaps we should be pleased and say, "Better late than never, Mr. President," but I for one believe that if these administration proposals were to have received serious consideration—as were the recommendations of more than 40 witnesses at those comprehensive September hearings—they should have been transmitted to us at the appropriate time, and certainly long before this.

Let us, therefore, not be diverted in our deliberations. Let us give our approval to the soundness and wisdom contained in the bill we have before us, which is truly in the best interests of all our citizens.

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. PELL. I am glad to yield.

Mr. ALLEN. First, I commend the distinguished Senator from Rhode Island for his dedicated and diligent efforts in the direction of campaign reform legislation.

I should like to inquire of the distinguished Senator if he feels that public financing is a necessary feature or element of campaign reform. Could it not be reformed and still leave the campaign expenditures in the private sector, rather than calling for public support?

Mr. PELL. There are two separate approaches. Two separate parts of the same cloth, like the warp and the woof. I am not sure they can be separated. If we were people of complete morality and complete conscientiousness they could be. But being, as we are, frail people, and human people, there is an intertwining here of the two, just as there is in the warp and the woof.

Mr. ALLEN. I noticed a provision in the Kennedy-Scott rider offered last year that does not seem to be carried forward in the Senate committee bill, S. 3044, the pending bill, and that was that the matchable contributions had to have been made within a certain time limit before the general election. I wonder why that provision was not carried forward in the Senate bill.

Mr. PELL. The Senator has pointed out—I will not say a flaw, but an area not covered in our legislation intentionally. We considered many problems and did not believe we should approach the question of the time limit in this legislation.

Mr. ALLEN. As far as it appears, then, contributions may have been made 4, 5, 6, 7, or 8 years prior to the convention, and I speak now of Presidential preference primaries leading up to the convention; contributions made many years before the convention would be subject to being matched by the Federal Treasury. Is that not correct?

Mr. PELL. That is correct in the bill as presently drafted.

Mr. ALLEN. Then, as quick as the bill becomes law, the various candidates who send up trial balloons in the Presidential race could come in and present a statement to the public treasury, assuming they reached the $250,000 threshold amount authorizing the matching of their contributions, and they could say, "I have been running now for President for 5 or 6 years and collected these amounts of money and I want these sums matched." Is that permissible under the Senate bill?

Mr. PELL. My understanding is that it is permissible under the Senate bill.

Mr. ALLEN. So that there would be quite a nice little payment by the Federal Treasury to catch up with the political campaigns of various candidates for President just to bring them up to date.

Mr. PELL. In other words, a Harold Stassen could reap a windfall.

Mr. ALLEN. But anyone who collected $250,000 would be eligible, not only to have that matched, but up to the time of the convention he would have his contributions matched dollar for dollar out of the Federal treasury provided they were $250 or less.

Mr. PELL. He could raise the sum, as the Senator has pointed out, but it would mean he is a serious candidate and carrying his argument to the American people. It may be from the point of view of the public interest and the national interest, a man like Harold Stassen over the years running for President served an important role and purpose.

Mr. ALLEN. I have an amendment I expect to offer later providing that no contribution could be matched unless it was made not more than 14 months prior to the general election. Would the Senator feel inclined to go along with that amendment?

Mr. PELL. Not as floor manager of the bill, but speaking for myself as an individual I think that particular amendment of the Senator from Alabama makes good sense to me and I would accept it.

Mr. ALLEN. I thank the distinguished Senator.

Mr. PELL. But I hasten to add that I am speaking only for myself.

Mr. ALLEN. I understand the Senator's statement but I do know his influence would go much further than that and I feel that with his support, we will get that amendment agreed to, at least.

So under the bill there is no starting point beyond which contributions would be ruled out. Then, looking prospectively, would it be possible for a candidate for the Presidential nomination to say, "Well, I do not believe I can run in 1976, but I will be able to run by 1980 or 1984." Under this bill would it be possible for a candidate for the Presidential nomination to start collecting matching funds from the Federal Government for a nomination far on down the line in terms of years?

Mr. PELL. It would be.

Mr. ALLEN. I see. So we get a set of candidates, then, running for the Presidential nomination in 1976, and the Government footing one-half of the bill, and then another set of candidates running for President in 1980, and the Government footing one-half of those bills, and then another set of candidates running for the nomination in 1984 and the Government footing one-half of these bills. Would that be possible under this bill?

Mr. PELL. It would be possible under this bill, but it would be hard to find many people interested in contributing to the potential candidates of 1988 or 1992 at the present time. I cannot imagine many private citizens doing so.

Mr. ALLEN. But still it would be possible for a college student to say, "I always have had an ambition to be President. I want to run in 1990."

Mr. PELL. 1992.

Mr. ALLEN. 1992, then. He could say, "I have raised this $250,000 among my fellows, and now I want the Government to start matching my contributions to my campaign." That is possible under the bill, is it not?

Mr. PELL. It is, and if he is successful in raising that amount of money from his fellows, he might be President long before 1992.

Mr. ALLEN. Another thing that disturbs me is the fact that every candidate for the Presidential nomination can receive up to $7.5 million from the public Treasury to further his candidacy. And it is not required that a candidate participate in a single Presidential preference primary in order to start getting this money from the Federal Government, is it?

Mr. PELL. That would be correct, but just thinking back, we have had Presidents elected who have not competed in Presidential primaries under our present system.

Mr. ALLEN. That is the very point the Senator from Alabama is getting to. We are speaking of reform legislation. We want to reform the election process and make it less susceptible to improper influences. Yet under the bill it would be possible for a candidate for the Presidency, for one, two, three, or four, or more, for that matter, to collect $7.5 million in matchable contributions from the public and then $7.5 million each from the Federal Government, and then go to the convention, each one armed with a $15 million campaign fund, competing for the votes of the various delegates to the convention. Is that possible under the bill?

Mr. PELL. It is possible, if the candidates were serious enough and were successful in raising private money. The idea here is that if they raised private money, they would receive public money, but they would not receive public money without first receiving private money.

Mr. ALLEN. Would it not be possible to go to the convention with a campaign fund of $15 million?

Mr. PELL. It would be possible, just as it is possible now for a candidate to do the same thing, only he would have to raise it out of the private sector.

Mr. ALLEN. The candidate would have to raise $7.5 million from private money in order to get $7.5 million from the Federal Government?

Mr. PELL. Yes. Today he has to raise $15 million from the private sector.

Mr. ALLEN. Is not $7.5 million enough to run for a Presidential nomination?

Mr. PELL. According to the witnesses who came before us, it is not enough to run a serious campaign.

Mr. ALLEN. $7.5 million is not enough?

Mr. PELL. That is right.

Mr. ALLEN. So the bill, instead of cutting down campaign expenses, is going to make it possible to have more expensive campaigns in the nomination drive for the President?

Mr. PELL. It could. It could result in that. It would depend on the individual and his appeal how much he would raise in the private sector. In my own small State, in my last campaign, I regret to say I had to spend more than half a million dollars in a State that has less than 1.5 percent of the vote. In the other States—I believe the Senator from Alabama is in one of the more fortunate States—such sums go a much longer way. I would hope that would apply more generally.

Mr. ALLEN. I notice from Senate Resolution 60, setting up the Watergate Committee, this provision:

> The select committee shall have authority to recommend the enactment—

This is on page 13, section 4—

> of any new congressional legislation which its investigation considers it is necessary or desirable to safeguard the electoral process by which the President of the United States is chosen.

The Watergate Committee is on the verge of winding up its affairs and making its report. Would it not be of interest to the Members of the Senate and the Members of the House and the public generally to find out what the Watergate Committee is going to recommend with regard to election reform?

Mr. PELL. But, as the Senator has suggested, the language there is permissive. It has the authority to do it; it is not mandatory that it must make a recommendation. I would think the first responsibility for such legislation should come from our own Rules and Administration Committee, which is the standing committee where this authority has been vested as a matter of course through the years.

Mr. ALLEN. Yet the Senate adopted this resolution setting up the Watergate Committee.

Mr. PELL. And giving it the permissive authority to recommend legislation. So far I see no signs of such permissive authority being exercised.

Mr. ALLEN. Would the Senator be interested in knowing that five out of the seven Watergate Committee members are opposed to public financing of elections?

Mr. PELL. What was that again, may I ask the Senator?

Mr. ALLEN. Five out of the seven members of the Watergate Committee are opposed to public financing of elections.

Mr. PELL. That could be. I simply do not know what the results of a poll in the Watergate Committee would be, but I do know that under rule XXV the Senate Committee on Rules and Administration is given jurisdiction and whatever legislation the Watergate Committee recommended would have to come before it for action. I believe I am correct in that.

Mr. ALLEN. I believe Senate bill 3044 goes one step further than did the Kennedy-Scott-Mansfield-Mondale-Pell-Cranston rider last time, in that that rider did not provide for public financing in House and Senate primary races. Did it?

Mr. PELL. It did not apply, and our attention was called to that omission, just as the Senator from Alabama called to my mind the possible omission that we did not have a cutoff date for past contributions. As we discussed it in committee, it seemed that we should include primaries for all Federal elections.

Mr. ALLEN. I believe the Washington Post is for campaign reform and even for some assistance of public financing of elections. I notice that that publication this morning, in referring to the rider which failed of adoption last year, said in its editorial:

> Today the Senate begins debate on a very ambitious bill to extend public financing to

> all federal primary and general-election campaigns.
>
> If the goal of reforms is to make federal campaigns more open in every respect—above-board, broadly based and genuinely competitive—then some degree of public financing is an important complement to limitations on private funds. Outlawing large private contributions will reduce, or at least make more perilous, the domination of the political marketplace by well-heeled individuals and special interests. Public financing, direct or indirect, will broaden public participation in campaigns and enable challengers to combat the large advantages which incumbents now enjoy. That principle lies behind the existing dollar check-off and provisions for tax credits or deductions for small private contributions. It is an approach worth expanding in a sensible and incremental way.
>
> The problem with the latest Senate bill is that it tries to do too much, too soon, and goes beyond what is either feasible or workable. For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries. No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries. Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense. As for congressional primaries, they are so varied in size, cost and significance among the states that no single system of public support seems justifiable without much more careful thought.

I am just wondering if there is now a wide difference of opinion among those who support public financing of elections. Apparently the Washington Post does not think too much of this bill, and certainly does not think anything of the presidential preference primary subsidy or the congressional subsidy. I am just wondering if there is now a kind of breakup in the group that has been pushing for public financing of elections. Is this editorial indicative of that?

Mr. PELL. I think there are certainly differences of view among those who believe in public financing, differences of gradation, differences of emphasis. Although I usually find myself in agreement with the Washington Post, sometimes it has an idea with which I am in disagreement. Basically, the Washington Post, or the liberal establishment, or the middle-of-the-road establishment, who I think are tired of the role that money has played in election decisions and campaign contributions for elections, inclines to some kind of public financing. What kind of public financing, is open to argument, just as we are doing now.

As far as being "indigestible" with the House, the Washington Post may be accurate. That is what the purpose of conferences is—to see how much they will accept and what is not palatable.

Mr. ALLEN. I thank the distinguished Senator for the information he has given me with respect to this bill.

Mr. CRANSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. PELL. I yield to the Senator from California.

Mr. CRANSTON. Mr. President, I ask unanimous consent that two members of my staff, Roy Greenaway and Jan Mueller, may be accorded the privileges of the floor during consideration of this measure, including rollcalls.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CLARK). Without objection, it is so ordered.

## RECESS UNTIL 1:15 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 1:15 this afternoon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Thereupon, at 12:45 p.m. the Senate took a recess until 1:15 p.m., when it was called to order by the Presiding Officer (Mr. HATHAWAY).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## RECESS TO 2 P.M.

Mr. GRIFFIN. Mr. President, with the approval of the distinguished majority leader, I move that the Senate stand in recess until the hour of 2 p.m.

The motion was agreed to; and at 1:31 p.m. the Senate took a recess until 2 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. DOMENICI).

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Berry, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over impoundment of funds by the executive branch, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BOLLING, Mr. SISK, Mr. YOUNG of Texas, Mr. LONG of Louisiana, Mr. MARTIN of Nebraska, Mr. LATTA, and Mr. DEL CLAWSON were appointed managers on the part of the House at the conference.

Mr. CANNON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DOMENICI). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. S. 3044.

## NATIONAL CANCER ACT AMENDMENTS OF 1974

Mr. MANSFIELD. Mr. President, I ask unanimous consent that S. 3044, the unfinished business, be laid aside temporarily and that the Senate proceed to the consideration of Calendar No. 710, S. 2893.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> S. 2893, to amend the Public Health Service Act to improve the national cancer program and to authorize appropriations for such program for the next 3 fiscal years.

The Senate resumed consideration of the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. KENNEDY. Mr. President, it is a special pleasure for me to present for action here this afternoon S. 2893, the National Cancer Act of 1974, on behalf of the Subcommittee on Health and the Committee on Labor and Public Welfare. We come to the Senate this afternoon with the unanimous support of the committee. It will continue what I think has been one of the really dynamic and effective health programs that have been developed by the Senate in recent years.

To trace the legislation very briefly for the benefit of the Senate, the cancer legislation initially was developed after a special panel of consultants had been established by the chairman of the Subcommittee on Health in the Senate, former Senator Ralph Yarborough, of Texas. This cancer panel of consultants brought together some of the finest minds in the biomedical community, those who had worked in cancer research, as well as dedicated laymen. They made recommendations to the committee, and to the Senate. Their report was the basis of the 1971 cancer legislation, which we are extending and improving today.

I want to pay a special tribute to the chairman of that panel and the chairman of the President's Cancer Panel, Mr. Benno C. Schmidt. His willingness to work ceaselessly in this public interest program is an example which is unparalleled.

The legislation we are recommending today is a result of hearings we have had before the Subcommittee on Health, in which we took testimony from the administration, the President's panel, the Candle Lighters, one of the most effective consumer groups in the cancer area, the Association of American Medical Colleges, as well as the American Cancer Society.

Mr. President, today I would like to comment on the National Cancer Act of 1974, which I introduced in the Senate, January 24, 1974.

Many of you know at first hand the enormity of the cancer problem. Many of you have already experienced the fear and helplessness unleashed by this family of more than 100 clinically distinct diseases.

But for those of you who have been fortunate enough not to confront this second major killer of Americans I would like to present some facts in support of the new National Cancer Act. I hope that these facts will persuade you—as they have me—that as Members of the U.S. Senate we all have a compelling mandate to hasten the conquest of cancer, and that in S. 2893 we have the proper legislative instrument with which to help forge this humanitarian accomplishment.

Cancer is a term for more than 100 clinically distinct diseases which kill someone in this country every 1½ minutes. This year it is estimated that 655,000 Americans will become new cancer cases and 355,000 will die; that is about 975 persons a day. Two out of every three American families will be stricken with cancer over the years.

The annual cost of these diseases is more than $15 billion. The cost in human suffering of the victims, their friends and families, is incalculable.

If cancer was one disease we might expect a single cure or dramatic breakthrough. But it is not. Unfortunately cancer is far more complex than all of the infectious diseases conquered in the long march of medical progress.

Cancer is a widespread biological phenomenon with different incidences, appearances, and functioning. It is induced by widely different chemical, physical, and biological agents, most of which are unknown.

To find the causes and cures of cancer may indeed require unlocking the innermost biologic secrets of life itself.

Let me give you one example of the scope of the scientific challenge to which we must address ourselves. Scientists have long had reason to believe that many, if not the majority, of human cancers are caused by chemical or other environmental agents. About 1,000 chemicals are now known to induce cancer in animals and 22 chemical agents have been implicated as causes of human cancer.

But roughly 200,000 new chemicals are introduced into the environment each year—costly in industrial countries—and about 10,000 of these are produced in quantities capable of contaminating the environment—about one ton or more.

To counter this chemical onslaught, in the United States we are now testing about 500 compounds a year. Just to test one chemical requires roughly 2 years, 400 animals of various species, and costs about $70,000. Obviously, at this level we cannot catch up with testing the older chemicals or even make a dent in the yearly inundation of the new.

Therefore, the national cancer program is continuing a sustained effort to develop what might be called a "miniscreen" to bioassay compounds in a matter of months, at a fraction of the present cost and, hopefully, with better predictability as to whether the chemicals might cause cancer in man.

One of the most critical aspects of National Cancer Institute activities under the national cancer program is delivering research results to the people. If we are to be accountable to the mandate of our people, we must insure that the latest advances in cancer prevention, detection, treatment, and rehabilitation are made available to all of the people.

The cancer program has moved forward in this area with the establishment of nine comprehensive cancer centers and the initiation of numerous cancer control projects. These efforts must be continued.

Simply stated, we must bring the best in cancer medicine to the people wherever they are, and assure that centers of excellence are available throughout the country.

Although significant progress against cancer has been achieved under the National Cancer Act of 1971, changes have been recommended in the proposed new law to enable the Director, National Cancer Institute, to carry out his mission more effectively and to provide National Cancer Institute with the tools which we believe are necessary for successful accomplishment of the objectives of the national cancer program.

The major features are as follows:

First, need for additional cancer centers. The National Cancer Act of 1971 limits the number of new comprehensive cancer centers to 15. This limitation severely restricts the goals of the cancer program to get the latest methods of prevention, detection, treatment, and rehabilitation out to practitioners and the people. I believe the Nation requires 30 to 35 such centers to bring high-quality comprehensive cancer care within the reach of everyone. I can see no reason why any family should be denied the best possible diagnosis and treatment for some forms of cancer simply because of where they live.

Second, need to assure the continued education of biomedical researchers.

It is an obvious and absolute essential that training and fellowship programs must be provided by the national cancer program at levels adequate to insure attracting the brightest young scientists and clinicians. A continuing influx of new scientific talent is necessary to insure progress both in cancer and in medical research in general. The cost of these programs is minimal compared with the value of lives that will ultimately be saved.

Third, funding levels.

Funding for the national cancer program has more than doubled since enactment of the National Cancer Act of 1971. The authorizations in the new bill provide for further increases at levels recommended by both the President's Cancer panel and the National Cancer Advisory Board.

The committee feels these authorization levels are satisfactory to assure continued maximum progress of the national cancer program.

Fourth, cancer control program.

The cancer control program, through its efforts to insure rapid and effective dissemination of the latest research advances and knowledge of cancer, strengthens the general practice of medicine in this country. The program should develop into a major demonstration force for the rapid application of improved diagnostic, treatment and rehabilitation methods. For this reason, S. 2893 increases funding authorizations for the cancer control program for the next 3 years.

Fifth, need to submit personnel requirements with budget requests.

The National Cancer Institute has been severely limited in its efforts to secure the numbers and kinds of personnel necessary to administer expanded programs because of inadequate super grade positions, personnel ceilings and reductions imposed on the institute by the administration. Recognizing that adequate personnel are essential for an effective program, S. 2893 provides a mechanism for the national cancer program to make these personnel needs known to Congress. By requiring National Cancer Institute to submit personnel needs along with the yearly budget request, it is intended that Congress will be informed of and able to act upon these personnel needs.

### AVAILABILITY OF FUNDS

The medical facilities construction and modernization amendment of 1970—the Hill-Burton amendment—contained a provision designed to assure the availability and expenditure of appropriated health funds.

This provision, unless amended, would expire on July 1, 1974. S. 2893 would permanently extend it. The committee has felt it appropriate to do this in view of the recent administration record of impoundment of funds and the administration's express desire to terminate many health programs prior to congressional review of them.

The provision which requires obligation and expenditure of the appropriated funds is section 601 of the medical facilities construction and modernization amendments of 1970 (Public Law 91-296) 42 U.S.C.A. sections 201 note and 2661 note—section 601. Section 601 reads as follows:

Notwithstanding any other provision of law, unless enacted after the enactment of this act expressly in limitation of the provisions of this section, funds appropriated for any fiscal year ending prior to July 1, 1973, to carry out any program for which appropriations are authorized by the Pubilc Health Service Act—Public Law 410, 78th Congress, as amended—or the mental retardation facilities and community mental health Centers Construction Act of 1963—Public Law 88–164, as amended—shall remain available for obligation and expenditure until the end of such fiscal year.

Section 601 has been understood by the Congress, as preventing any withholding of appropriated funds. The section was initially inserted into the bill which became the Medical Facilities Construction and Modernization Amendments of 1970 by the Senate. Although there was no comment regarding section 601 when passed by the Senate, the subsequent conference report stated as follows:

AVAILABILITY OF APPROPRIATIONS

The Senate amendment would have provided that funds appropriated for any fiscal year to carry out any program under the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, certain acts relating to Indian health programs, the Vocational Rehabilitation Act, the Clean Air Act, the Solid Waste Disposal Act, and title V of the Social Security Act would remain available for obligation and expenditure until the end of the fiscal year for which appropriated.

The conference substitute is the same as the Senate amendment, except that it is limited to funds appropriated for fiscal years ending before July 1, 1973, and applies only to funds appropriated to carry out programs under the Public Health Service Act or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. The purpose of the amendment is to prevent administration imposed freezes, reductions and rollbacks from applying to health programs authorized under these acts. Where a program authorizes availability of appropriations for more than 1 fiscal year, the conferees intend that the amendment shall apply to the entire period covered by the appropriations.

After passage of the bill, it was vetoed by the President on June 22, 1970. He stated in his veto message:

> One of the most unacceptable provisions of the bill is in section 601. Here, the Congress insists that funds appropriated for any fiscal year through 1973 to carry out the programs involved must be spent. In addition to restricting flexibility in management of federal expenditures, this provision would interfere with my ability to comply with the limitation on total 1971 spending that has already passed the House of Representatives and has been reported by the Senate appropriations committee. The amount of money involved is large; section 601 would affect $2.5 billion of my budget request for the Department of Health, Education, and Welfare for 1971. This kind of provision puts the Congress in the position of withdrawing with one hand the authority necessary to do what it requires with the other. I ask the Congress to eliminate section 601.

With this common understanding as basis for action, the House and Senate each overrode the Presidential veto on June 25 and 30, 1970, respectively.

Section 601 was then scheduled to expire June 30, 1973. Last year the Congress extended the authority for an additional year as a part of the Public Health Service Extension Act of 1973, Public Law 93–45.

In summary, it is unarguable that, assuming there have been public moneys validly appropriated, section 601 mandates that such funds must be obligated and expended.

There was no General Appropriation Act enacted by Congress for fiscal year 1973 for the programs administered by the Department of Health, Education, and Welfare: Although Congress on two occasions passed fiscal year 1973 Appropriations Act for DHEW—H.R. 15417, H.R. 16654, 92d Congress, second session, 1972, both were vetoed by the President. Thus the Congress enacted—and the President signed—a continuing resolution appropriating funds for such agencies, House Joint Resolution 1234, 92d Congress, second session, 1972, Public Law 92–334, which was extended four times to cover the entire fiscal year 1973.

Although Congress appropriated funds for the DHEW programs for fiscal year 1973 and under section 601 mandated the obligation and expenditure of all of such funds, the Secretary refused to obligate and expend the entirety of such funds, claiming that the need to control Federal spending in order to curtail the rate of inflation and eliminate the need for a tax increase requires cutbacks in these particular programs, which he has characterized as either ineffective or nonessential. As a result, a number of legal actions were instituted, relying on the authority of section 601, to force the release of the impounded health funds for obligation and expenditure. The legal actions were uniformly successful, and on December 19, 1973, President Nixon announced the release of all impounded funds, whether subject to legal actions or not. Section 601 clearly served an important function in this series of actions.

A summary of the legal actions brought under section 601 is listed below:

*National League for Nursing* v. *Ash* (D.D.C., C.A. No. 1316–73). Preliminary injunction entered July 10, 1973, requiring HEW to record as a fiscal year 1973 obligation for $21.7 million balance of the $38.5 million appropriated for grants to nursing schools. Final order entered November 19, 1973, requiring obligation and expenditure of funds.

*American Association of Colleges of Podiatric Medicine* v. *Ash* (D.D.C., C.A. No. 1139–73), consolidated with:

*American Association of Colleges of Pharmacy* v. *Ash* (D.D.C., C.A. No. 1244–73). Association of Schools and Colleges of Optometry permitted to intervene as plaintiff. Preliminary injunction entered June 27, 1973, requiring HEW to record as an obligation for fiscal year 1973 the unallotted balance of funds appropriated from grants to schools of podiatry, pharmacy, and optometry. On October 26, 1973, the court granted plaintiffs' motion for summary judgment requiring the allotment $9,914,327.

*Eastern Virginia Medical School* v. *Weinberger* (E.D. Va., C.A. No. 73–315–N.) Plaintiff seeks the allotment of $240,000 for fiscal year 1973 and $180,000 for fiscal year 1974. The statute involved is 42 U.S.C. 295F–1(A), concerning startup assistance to schools of medicine, osteopathy, and dentistry, plaintiff moved for summary judgment on November 1, 1973, defendants answered on October 8, 1973.

*Association of American Medical College* v. *Weinberger* (D.D.C., C.A. No. 1794–73 and 1830–73, consolidated), No. 1794–73 involves special project grants to medical schools under 42 U.S.C. 295F–2—approximately $28.6 million at issue. No. 1830–73 concerns research grants, research training grants and fellowships to medical schools under 42 U.S.C. 241 and 242F—approximately $112.5 million is involved. On October 26, 1973, the court granted plaintiffs' motion for a preliminary injunction and granted a final judgment in favor of plaintiffs.

*National Council of Community Mental Health Centers, Inc.* v. *Weinberger* (D.D.C., C.A. No. 1223–73). Plaintiff's motion for summary judgment granted on August 3, 1973, requiring the obligation of approximately $50 million.

*National Association for Mental Health, Inc.* v. *Weinberger* (D.D.C., C.A. No. 1812–73). Plaintiff's motion for tro denied on September 28, 1973.

*National Association of Regional Medical Programs, et al.* v. *Weinberger* (D.D.C., C.A. No. 1807–73).

The committee continues to strongly believe that the continuation of section 601 is essential to assure the allocation, obligation, and expenditure of funds appropriated pursuant to the authorities of the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

Finally, Mr. President, I want to comment on title II of the committee's bill which proposes to establish a Presidential Biomedical Research Panel.

Mr. President, I am alarmed that the integrity and vitality of this Nation's biomedical research program conducted largely by the National Institutes of Health is now threatened. I believe that the administration's budgets of the last several years, now seriously call into question this Nation's leadership in the quest for new knowledge upon which the medical sciences are based.

In enacting the National Cancer Act of 1971 the committee intended to maximize the benefits of additional research opportunities respecting cancer. The committee did not intend that increases for cancer research be funded at the expense of equally meritorious other biomedical research. Regrettably though, this administration has chosen to consistently pursue such an ill-advised and shortsighted policy.

Based upon testimony which the committee received at its hearings on S. 2893, the committee believes decisive action is necessary to legislatively remedy this situation.

Accordingly, on February 19, 1974, I along with Senators BEALL, JAVITS, and SCHWEIKER, introduced S. 3023, a bill to establish a President's biomedical research panel to oversee and monitor the biomedical research program of the National Institutes of Health—including the research programs of the National Institute of Mental Health. This panel is directly modeled after the existing President's Cancer Panel and includes the chairman of the President's Cancer Panel as one of its five members.

I believe that the President's Biomedical Research Panel will be as effective as the President's Cancer Panel has been under the remarkable leadership of its chairman, Mr. Benno C. Schmidt.

In testimony before the committee, the Association of American Medical Colleges indicated:

> The association expressed its concern about the possible adverse impact that the singling out of one institute for special status and authority would have upon the other institutes and divisions at the National Institutes of Health. During the past few years, budget requests of staff positions for the National Cancer Institute have increased dramatically, while the total budget request and staffing for the remaining research components of the NIH have been reduced. The full meaning of this situation is not clear, but the association is nontheless deeply concerned about its implications because of the association's concern for the welfare of all of the NIH research programs. In order for the cancer program to be effective, it must have imput from the other bioscience disciplines. If these activities are not adequately staffed and funded, the effectiveness of the cancer program must necessarily be impaired.
>
> The association and its membership are in agreement that extensive biomedical research efforts are essential if medical science is to discover the causes and to develop cures and treatment for this complex of killer diseases.
>
> The association has repeatedly stressed that the basic causes and nature of the cancerous process are unknown. The nature of cancer is deeply embedded in the most elemental life processes and is an obscure and complex part of the life cycle. Major further progress in the conquest of cancer is, in the final analysis, dependent upon greater understanding of the intricate working of the basic life cell and its responses to both internal and external forces.
>
> It is important to realize that the new leads which seem to offer promise for advances in cancer have emerged in scientific fields which at the same time were far removed from the mainstream of scientific effort in cancer. These new efforts are derived from, and are dependent upon, scientific achievements in the fields of virology, immunology, genetics, and cell biology. No one can predict with certainty the fields from which will come the findings that will provide further insights into the nature of cancer. All bioscientists, however, will agree that real progress in understanding cancer can only come through greater understandings of the fundamental life processes of which it is a part.
>
> The national attack upon cancer cannot be fought exclusively with programs sponsored by the National Cancer Institute. Cancer research is also dependent, in part, upon advances in the various biosciences which are sponsored by the other institutes at the NIH—particularly the general basic reseach programs of the National Institute of General Medical Sciences.
>
> The administration's failure to perceive the importance of the other NIH disciplines in the national attack against cancer is evident not only in the lowered budgets of these institutes, but also in the distribution of staff positions within the NIH. Over the past several years, the NIH as a whole has suffered an outright loss of approximately 600 permanent fulltime staff positions. In addition, over 350 more positions have been transferred from the other institutes of the NIH to the NCI and the National Heart and Lung Institute. The net result has been a loss of approximately 950 staff positions within the other institutes of the NIH—a loss which has seriously compromised the ability of the NIH staff to administer the programs under its direction.
>
> The impact of the administration's decisions on the morale and effectiveness of NIH administrators is clear. The national biomedical research program established by the Congress has been stymied by administrative fiat. The repeated attempts to terminate research training programs, abolish peer review, and reorganize staffing patterns indicate all too clearly that biomedical research and the Nation's health do not hold a high priority within this administration. Such an attitude cannot be allowed to stand unchallenged.

The Secretary of Health, Education, and Welfare, the Honorable Caspar W. Weinberger, also testified in respect to the need to maintain the integrity of biomedical research when he stated:

> NCI operations are only one of the avenues of approach. The understanding of the abnormal growth and spread of cancer is inextricably linked to the biology of normal cells. The National Cancer Act recognized that, "the present state of our understanding of cancer is a consequence of broad advances across the full scope of the biomedical sciences." This ranges from the molecular biology of genetic control to the biochemistry of cell membranes, metabolism, and immunology. The National Institute of General Medical Sciences, the National Institute of Allergy and Infectious Diseases, the National Institute of Arthritis, Metabolism, and Digestive Diseases, along with the National Cancer Institute and the other institutes, are responsible for exploring these fundamental life processes through support of basic research. These processes are still far from being fully understood.

Mr. Benno C. Schmidt, Chairman of the President's Cancer Panel, also testified in respect to this problem area when he indicated:

> We have also been deeply concerned about the cuts which have occurred in the budgets of general medical sciences, allergy and infectious diseases, arthritis and metabolic diseases, and the other institutes. Neither the cancer program nor biomedical research in general can thrive if these institutes are not healthy. At the time we were urging on the Congress and the administration a greater effort in cancer, we were very explicit in the position that the increased cancer effort should not be at the expense of other biomedical research. I am not sure that the cancer effort has been the cause of these other institutes receiving less, but it is difficult to prove the contrary when the cuts have in fact taken place. Also regardless of what would have been the case in other circumstances, the fact is that this country cannot afford to reduce the research efforts of these other institutes at this time. Therefore, we have urged the Office of Management and Budget to give the highest priority to budget increases for these institutes.
>
> I am hopeful that the budget for 1975 will include increased appropriations for these institutes.

The most recent example of the effectiveness of the President's Cancer Panel can be found in a letter from President Nixon to Secretary Weinberger on January 29, 1974—the day before the committee's hearings on S. 2893—which states in part:

> I have followed progress on the attack on cancer carefully. In addition, I have met with Benno Schmidt and other members of the President's Cancer Panel and have reviewed their report and the report of the National Cancer Advisory Board with great interest. It is my feeling that considerable progress has been made in the attack on cancer in recent years and that there is much hope for additional knowledge that can be developed in the future.
>
> That is why I plan to ask for an additional $100 million above last year's request of $500 million for the expanded attack on cancer in the budget that I will be submitting to the Congress next Monday. I realize that his will result in spending over $415 million more for this effort next fiscal year than was available the year I took office, but I think the dual goals of an expanded research effort to find the causes of cancer along with more intensive demonstration and education programs to help prevent and control cancer warrant this support.

The genesis of the authority for the President's Cancer Panel dates back to the actions of the Committee on Interstate and Foreign Commerce of the House of Representatives in its bill to authorize the establishment of the national cancer program of 1971. In its report, 92–659, to accompany H.R. 11201, the House committee stated:

> The bill provides for a three-man President's cancer attack panel, whose duty it will be to monitor the development of the national cancer attack program and report directly to the President. The committee recognizes the fact that the President of the United States has many responsibilities and although the attack on cancer is a significant one, it would be impossible for him to follow its progress on a day-by-day basis. Therefore, direct oversight of the program will be accomplished through this panel of highly qualified individuals, who will meet at least twelve times a year, to evaluate the program and make suggestions for improvements, as well as to report directly to the President on any delays or blockages in rapid execution of the program.

The House committee also went on to comment:

> The committee recognizes that cancer, while it is the number one health concern of the American people, is not the only or even the major killer disease. Many eminent scientists have testified that promising leads now existing in cancer research are paralleled in other areas of biomedical research. The strengthening of cancer research should in no way diminish research efforts in other areas of biomedical research.

Biomedical research conducted and supported by the National Institutes of Health has long been recognized as an outstanding American contribution to the worldwide effort against the physical and mental diseases and impairments of man. Recently a number of factors have emerged which threaten the continued excellence of the NIH. Establishment of the President's Biomedical Research Panel is designed to correct those factors.

Within the NIH, problems have arisen in attempts to make effective decisions regarding allocations of resources, judgments have had to be made for achieving optimum balance within finite resources. Choices have had to be made between individual projects versus multifaceted program projects and centers, between research versus training, between basic research versus applied research and development, between investigator-initiated research versus targeted or NIH-directed programs, between grants versus contracts, between scientific disciplines versus disease categories. In addition, the NIH programs of research have faced increasing difficulties due to such factors as rapidly escalating costs of research and training efforts, increased competition for available funding due to increased numbers of institutes but limited increases in funds, differences of opinion regarding selection of the most appropriate national goals for health, bases for new targeted or directed programs questioned by various sectors of the scientific community, needs for investigators to improve definition and explanation of their work to the satisfaction of broader audiences, and implications of Government control inherent in the trend toward forward planning and direction of programs.

The coming together of these problems has resulted in intense pressures on the NIH. These pressures have been aggravated by singling out 2 of the 12 research institutes and divisions for special national emphasis because of their work with major killer diseases: cancer and heart disease. Targeting special attention on segments of biomedical research—while highly appealing in one sense—disregards the interrelationship of research generally and of advances in knowledge of specific diseases. An example of this is research on diabetes. While the principal NIH institute responsible for investigating diabetes is the National Institute of Arthritis, Metabolism and Digestive Diseases, numerous other NIH institutes also conduct and support research directly or generally related to diabetes.

Moreover, a key scientific breakthrough in diabetes may come in research totally unrelated to the disease. Thus, a decision to increase funds and staff for the NIAMDD in order to advance a national attack against diabetes might in fact have exactly the opposite effect. The effect might be to set back diabetes research. This is particularly likely if funds and staff for other research institutes and divisions are sacrified to increase the resources available to the NIAMDD.

The complex set of interconnecting relationships among various fields of biomedical research was perhaps best described by a former NIH Director, Dr. James A. Shannon:

> The inescapable fact is that biomedical science is a complex, interrelated, n-dimensional universe. One can wish it were not, but it is. True, there are within it some large confluences of great density, such as cancer, but even this is inseparable from other large islands such as aging, human development, etc., which in turn relate to arteriosclerosis and stroke. To look at any isolated fragment, no matter how large, apart from its innumerable major and minor connections in the vast network of relationships, would be at best naïve and at worst selfdefeating. This reality animates the processes that the scientific community has institutionalized in the NIH, to view biomedical sciences, to the extent possible, holistically and thereby to assess opportunities not in isolation but in the context of the past state of the art and recent changes in contiguous domains of science.

Since enactment of the National Cancer Act of 1971 and of the National Heart, Blood Vessel, Lung and Blood Act of 1972, there has been a measurable shift in the NIH research effort. Instead of advances over the broad front of NIH research activities, the NIH generally has stood still, while the National Cancer Institute and the National Heart and Lung Institute have surged ahead, comparisons of fiscal 1972 appropriations and the fiscal 1975 budget requests illustrate the point. Funding for the National Cancer Institute is up 61 percent. Funding for the National Heart and Lung Institute is up 37 percent.

Funding for all medical research institutes and divisions is down $2.3 million. NIH staffing levels tell a similar tale. Over the past several years the NIH as a whole has been forced to cut back some 600 permanent full-time staff positions. In addition, more than 350 additional positions have been transferred from other institutes and divisions to the NCI and the NHLI. The net result has been a loss of approximately 950 staff positions within the other institutes of the NIH—a loss which has seriously compromised the ability of the NIH staff to administer the programs under its direction. These decisions have been ordered and approved by the Office of Management and Budget, despite its lack of staff experts in biomedical research. The OMB professional staff does not include a single physician or Ph. D. in the biological sciences.

The President's Biomedical Research Panel is designed to deal with these problems before they further disrupt the Nation's biomedical research effort. The panel is to monitor the complete range of research activities of the NIH. Recognizing the indivisible, unitary nature of biomedical research, the Panel is to assess the research programs of the various institutes and divisions in light of the available resources and of the scientific opportunities across the whole front of biomedical science. The Panel is to have direct access to the President and is to identify for his consideration and possible action any problems that threaten the coherent development and prossecution of an effective biomedical research effort. The Panel is to be particularly mindful of presently identified problems and is to be alert to, and shall be responsible for identifying as rapidly as possible, the development of new problems which threaten or may threaten the continued excellence of the National Institutes of Health.

The committee recommends that the President, in selecting the appointed members of the President's Biomedical Research Panel, solicit the names of appropriate candidates from groups of experts in the scientific and biomedical fields, such as the National Academy of Sciences.

The committee's recommendation for establishment of a President's Biomedical Research Panel stems in part from experience under the National Cancer Act, since the growth of the cancer program has clearly been at the expense of other NIH research activities. More importantly, however, it represents the committee's concern that the present administration does not understand the importance of a balanced, stable biomedical research program, and that the consequences of this misunderstanding will be far reaching and difficult to remedy.

The panel of consultants on the conquest of cancer emphasized in its initial report to this committee that while a national cancer program would demand additional resources, "it is of utmost importance that the financing of this program not result in cutbacks in other health programs." Yet, the present administration has in effect reduced the resources available to other NIH institutes—except the National Heart and Lung Institute. A major task of the new panel will be to call to the President's attention the consequences of such shortsighted policies, and to inform the Congress—and the public—of obstacles to continued progress across the broad spectrum of biomedical research for which NIH is responsible.

A broader issue to which this provision is addressed is the unavailability of scientific expertise and advice to those administration officials who make the ultimate decisions about funding and program emphasis in health research. The dissolution of the White House science advisory apparatus has left a major gap in the chain of advice and command affecting NIH programs. The committee feels that the decisions affecting the level and direction of NIH efforts are far too complex to be treated simply as part of "health," "HEW," or even "human resources" budgets. What is needed is a strengthening of the interpretive process, through which the demands of scientific inquiry and management of the Nation's resources are melded into responsible public policy.

At present the "health" dimension of NIH activities is reviewed at higher levels in reasonably responsible fashion, but there is no voice for the underlying and essential science dimension, as may be seen by an examination of NIH budget and staffing patterns over the last 5 years.

No responsible scientific investigator, at NIH or elsewhere, would deny that the ultimate goal of publicly supported biomedical research is to improve the health of our citizens. The administration and the Congress have become increasingly concerned—and properly so—with the quality and availability of health services. The committee notes with regret, however, that the department appears to be ignoring the warning of the NIH that service needs "—should not be viewed as competitive with those of the research programs which have made them possible. The goose and the golden egg—medical research and health services—are not alternatives. They are a continuing sequence essential to the progress and well-being of man." The advancement of knowledge for the Nation's health: A report to the President on the research programs of the National Institutes of Health, 1967.

Despite this warning, the various HEW organizational arrangements have traditionally lumped together all "health" programs, so that research in effect does compete with service programs, and the first level of departmental analysis involves budget tradeoffs that are inherently exchanges of noncommensurable quantities. Even more disturbing is the fact that NIH funds constitute a highly visible and substantial proportion of the shrinking HEW "controllable" budget, so that biomedical research has become increasingly vulnerable.

The point to be made is not that other HEW programs are not meritorious, but that level of the Nation's biomedical research effort is measured not by a single year's budget, but by the quality of the institutions, and individuals performing the research.

The committee believes that this administration, in its laudable concern for reexamination of the proper Federal role in many areas of national life, has overlooked the importance of stable support and reasonable program growth in the maintenance of a pool of excellent institutions and talented investigators. The committee hopes that the Panel will be able to articulate the importance of maintaining and strengthening the Nation's biomedical resources.

It is significant that the initiative for Federal medical research—beginning with establishment of the NCI in 1937—has traditionally come from the Congress, as has the concern for the long-range well-being of the biomedical research enterprise. The committee intends that the Panel will strengthen the executive's capacity to assess the long-term needs of biomedical research. Certainly both branches will have an even greater need for the long view as they continue to work to resolve the related—but fundamentally different-issues of the financing and organization of health care.

The Panel's specific task is to appraise the biomedical research program of the NIH. However, I believe that the Panel could play a number of additional, useful roles, for example, it could add its advice to the process by which NIH identifies areas of scientific inquiry suitable for increased emphasis. It could also serve to promote coordination of related research by NIH and other agencies. Certainly the committee intends that its evaluation of NIH research take place in the context of all Federally support biomedical research.

At the time the committee met in executive session to take final action on S. 2893, the acting secretary of the department of HEW, the honorable Frank Carlucci, wrote to the committee expressing the departments' objections to S. 2893. Specifically with respect to the Presidential Biomedical Research Panel, he stated:

> Dear Mr. Chairman: It is our understanding that the full Labor and Public Welfare Committee will hold an executive session in the near future on several bills which are of considerable interest to the department. Many features of these bills are desirable and have our support. But we strongly oppose certain provisions which have been included by the Health Subcommittee or are expected to be considered in the full committee. This letter will explain briefly our opposition to certain undesirable features of these bills.
>
> S. 2893—extension of cancer research authority
>
> The administration supports extension of the authority for the expanded cancer research effort, and we so testified before the Senate Health Subcommittee on January 31, 1974. However, the bill which has been reported to the full committee includes the provisions of a separate bill, S. 3023, raising entirely new issues. S. 3023 would establish a three-member presidentially appointed panel (the President's Biomedical Research Panel) to oversee the biomedical research activities carried on by the National Institutes of Health (including the National Cancer Institute). The panel would report directly to the President and could bring to the attention of the Congress directly any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health.
>
> I believe that the National Institutes of Health are well-run and well-managed, and that their programs are easily accessible to congressional oversight and review. I do not believe that the establishment of a presidentially appointed panel would either enhance congressional control or aid in the administration of the health programs of HEW. To the contrary, it would make program administration more complicated and inefficient. Moreover, the proposed dual reporting relationship cannot but result in undermining the responsibilities of the HEW Secretary and the Assistant Secretary for Health.
>
> For these reasons, I strongly oppose the creation of such a presidential panel. I would feel constrained if S. 2893 is sent to the President with provisions for such a panel to recommend to the President that he veto that bill, in spite of our strong support for an extension of the Cancer Research Authority.

In recognition of this serious challenge by the administration the committee voted on the question and in a rollcall vote unanimously endorsed the inclusions of the authority for the President's biomedical research panel as title II of S. 2893.

The committee believes that it is in the Nation's interest for this panel to come into existence as quickly as possible. The committee does not believe it is in the Nation's interest, if the President were to veto the National Cancer Act of 1974.

I believe this Panel will go a long way toward increasing the strength and vitality of the Nation's biomedical research effort. I am disappointed and distressed with the letter from Acting Secretary Carlucci which indicates that the Department would feel constrained to recommend to the President that he veto this bill if it contains the provisions respecting the creation of this Panel. I believe that point of view is unwise. And I believe that if this Panel is ever to see the light of day, it must be included in this bill. I believe my committee has a hearing record which justifies this portion of the committee's bill. At the end of my remarks I will include the appendix to the committee's report which support this conclusion.

I understand that the companion cancer bill in the House of Representatives has no comparable provisions with regard to the need to redress the growing imbalance in this Nation's biomedical research program. Frankly, that means this issue will be resolved in the conference between the Senate and the House on this bill. And persons who have a stake in the outcome of this issue would do well to focus their interest on the forthcoming conference.

Mr. President, the committee has worked very hard on this legislation. And it has produced a good bill, a bill which I believe every Member of the Senate can support. I urge my colleagues to vote in favor of S. 2893.

Finally, I would just say that this legislation would not be in its present fine form were it not for the very splendid industry of the members of the minority of our Health Subcommittee. This legislation is legislation that represents joint bipartisan effort. I want to particularly mention the very active contributions of the ranking minority member (Mr. JAVITS), as well as the ranking minority member of the Health Subcommittee (Mr. SCHWEIKER), and the staff of both the majority and the minority for the very constructive work they have done.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. JAVITS. Just to supply the names of the staff who are not improperly often referred to as our brains: Lee Goldman, staff director of the Health Subcommittee, and our own minority staff member, Jay Cutler, minority counsel of the Health Subcommittee, who have both done very distinguished work in this whole field.

Mr. President, I endorse what the Senator from Massachusetts (Mr. KENNEDY) has said and express for the minority our appreciation for his graciousness and the credit to us.

As for me, I would like to deal only with those elements of the bill which I think deserve special attention. The Senator has already referred to the amount of authorization, $2.765 billion, and the deletion of a limitation on the number of cancer centers. Considering the economic and human loss which is involved in cancer, with the expectation that we will have 665,000 new cases and nearly 350,000 deaths—one out of four—in this year, we can realize why we undertook a crash effort in cancer.

In a real sense, it began when Senator Yarborough and I undertook to first sponsor the Senate resolution in 1970 which appointed the panel of consultants on the conquest of cancer, it was chaired by Benno Schmidt and composed of 13 eminent laymen and 13 eminent scientists. Then when Ralph Yarborough was no longer with us as a Senator, the Senator from Massachusetts (Mr. KENNEDY) and I took up the work and sponsored the bill which laid the groundwork for the enactment into law of the National Cancer Act of 1971 (Public Law 92-218).

We realize that, as in military matters, we have to mass our forces at a given point in order to have a breakthrough, and we felt that the most propitious point was the dread killer disease, cancer.

I believe that time and experience have

now justified this choice. In order to make the choice good, it will be remembered that at that time there was a considerable feeling that cancer research would activate a crash program of this kind and drain necessary support away from other programs. We argued that it would not, and that there was no reason why it should; that other programs were also entitled to support, so that our total National Institutes of Health effort in biomedical research would continue its excellence.

We still feel that the total biomedical research effort is a critical element, but it has been embarrassed by a lack of support. There is considerable evidence to back that up. Indeed, I should like to refer to one or two aspects of that evidence with respect to this matter.

First is the testimony of the Association of American Medical Colleges. They said before the committee in its consideration of cancer legislation:

> No one can predict with certainty the fields from which will come the findings that will provide further insights into the nature of cancer. All bioscientists, however, will agree that real progress in understanding cancer can only come through greater understanding of the fundamental life processes of which it is a part.
>
> The national attack upon cancer cannot be fought exclusively with programs sponsored by the National Cancer Institute. Cancer research is also dependent, in part, upon advances in the various biosciences which are sponsored by the other institutes at the NIH—particularly the general basic research programs of the National Institute of General Medical Sciences.
>
> The Administration's failure to perceive the importance of the other NIH disciplines in the national attack against cancer is evident not only in the lowered budgets of these institutes, but also in the distribution of staff positions within the NIH. Over the past several years, the NIH as a whole has suffered an outright loss of approximately 600 permanent fulltime staff positions. In addition, over 350 more positions have been transferred from the other institutes of the NIH to the NCI and the National Heart and Lung Institute. The net result has been a loss of approximately 950 staff positions within the other institutes of the NIH—a loss which has seriously compromised the ability of the NIH staff to administer the programs under its direction.
>
> The impact of the Administration's decisions on the morale and effectiveness of NIH administrators is clear. The national biomedical research program established by the Congress has been stymied by administrative fiat. The repeated attempts to terminate research training programs, abolish peer review, and reorganize staffing patterns indicate all too clearly that biomedical research and the nation's health do not hold a high priority within this Administration. Such an attitude cannot be allowed to stand unchallenged.

Because of that kind of finding, I believe it was entirely warranted on the facts that we should establish in this bill the President's Biomedical Research Panel, duplicating the same kind of effort we had sponsored with respect to cancer, under the leadership of Benno C. Schmidt, a distinguished New York banker. This is an effort which is being made to remove the shortsighted policy that is running down biomedical research, and to inform Congress and the public of the obstacles that are continuing.

That tells the story, I believe, as to the necessity for this Panel. The administration opposes it. They would, because this program is expressly designed to show to the public the facts as to what is necessary to maintain the integrity and vitality of this Nation's biomedical research program conducted largely by the National Institutes of Health.

In the aggregate, the answer to the cancer effort is to show what is being done in all biomedical research and the administration can hardly be expected to invite that. But the committee felt that this was the question, and the committee sustained the Senator from Massachusetts (Mr. KENNEDY) and me in the effort to bring out all the evidence. I hope the Senate will, too.

We are satisfied that it is absolutely the critical element in the answer to the riddle of cancer, notwithstanding the great progress that has been made, as shown in the statistics on mortality, to which I have already referred.

I hope very much that the Senate will sustain us in this view. The program is working in response to the demand for cancer research, and therefore should be carried on in that corollary and discipline with respect to all biomedical research. That is the real, controversial element of the bill, and I will explain in detail why we put it in and why I therefore believe it is logical and sound that it should be encouraged.

In enacting the National Cancer Act of 1971 and introducing S. 2893 to continue at an increased rate an intensive and sustained program of cancer research on all fronts, I intended to maximize the benefits of additional research opportunities respecting cancer. It was not, as I previously indicated, anticipated or intended that increases for cancer research be funded at the expense of other equally meritorious biomedical research. Regrettably, this clearly has become the case.

Therefore, upon my motion the committee unanimously endorsed the inclusion of the authority of the bill I introduced with Senators KENNEDY, BEALL, and SCHWEIKER to establish a President's Biomedical Research Panel to oversee and monitor the biomedical research program of the National Institutes of Health (S. 3022) as title II of S. 2893.

Although I am aware that Benno C. Schmidt, the distinguished and highly respected Chairman of the President's Cancer Panel is opposed to title II, and I value and respect his views, it is in fact his compelling testimony—as was the previously cited testimony of the AAMC—that makes clear the problem and the need for title II. Mr. Schmidt testified:

> At the time we were urging on the Congress and the Administration a greater effort in cancer, we were very explicit in the position that the increased cancer effort should not be at the expense of other biomedical research. I am not sure that the cancer effort has been the cause of these other Institutes receiving less, but it is difficult to prove the contrary when the cuts have in fact taken place. Also, regardless of what would have been the case in other circumstances, the fact is that this country cannot afford to reduce the research efforts of these other Institutes at this time.

Cancer research is a complex and interrelated problem and a key scientific breakthrough may come in research totally unrelated to the disease. Thus, a decision to increase funds and staff for NCI in order to launch a national attack against cancer might in fact set back cancer research, particularly if funds and staff for other research institutes and divisions are sacrificed to increase the resources available to the NCI.

Mr. President, the tragic statistics and human suffering intrinsic to the dread killer disease, cancer, cry out for prompt favorable action on this measure.

Mr. President, I ask unanimous consent that a description of the committee bill at pages 11 and 12 of the report be printed in the RECORD.

There being no objection, the section was ordered to be printed in the RECORD, as follows:

### III. DESCRIPTION OF THE COMMITTEE'S BILL

The provisions of S. 2893, as introduced, included the recommendations of the National Cancer Advisory Board and the President's Cancer Panel.

Basically, the National Cancer Advisory Board and the President's Cancer Panel recommended that the program be extended for an additional three years with increased funding levels (See section V); that the current limitation in the Act for 15 comprehensive cancer centers throughout the nation be removed; that the Act be clarified to assure its continuation of Federal support for the training of cancer researchers of the future; that the authority in the Act respecting construction assistance be clarified so as to explicity permit the construction of basic research facilities; that the authority of the Director of the National Cancer Institute to employ expert consultants be increased from 50 to 100 such experts; and that the authority of the Director of the National Cancer Institute be streamlined in order to permit the awarding of grants which do not exceed $35,000 in direct costs.

In executive session the Committee further amended the bill by including a number of provisions which were suggested by one or more of the witnesses who testified January 30, 1974. The Committee amendments are as follows:

1. The Committee has extended the authority of the National Institutes of Health to let research contracts which expire June 30, 1974. The Committee has permanently extended this authority.

2. The Committee has amended section 407(b) of the Act by including where appropriate data respecting nutritional programs for persons under treatment for cancer.

3. In order to assure an adequate number of competent personnel to administer the national cancer program, the Committee has amended section 407(b) of the Act by including the number and types of personnel necessary to carry out the program in the submission of the annual budget estimate for the program to the President.

4. The Committee has also amended section 410A(a) to assure that contracts be subjected to the peer review process.

5. The Committee has amended section 407(b) by including authority which requires the Director of the National Cancer Institute to conduct and contract for programs to disseminate and interpret information respecting cancer.

6. The Committee has amended section 454 of the Act to require the Senate to advise

and consent in respect to the appointment of future directors of the National Institutes of Health.

7. The Committee has included an amendment which would permanently extend the expiring section 601 of public Law 91–296 respecting the availability of appropriations for the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

8. Finally, the Committee has amended Title IV of the Public Health Service Act by establishing new authority which proposes to establish the President's Biomedical Research Panel to be composed of the chairman of the President's Cancer Panel and 4 members appointed by the President who are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program of the National Institute of Mental Health). It further requires that at least three members of the President's Biomedical Research Panel shall be distinguished scientists or physicians. The panel shall monitor the development and execution of the biomedical research programs of NIH and shall report directly to the President. Any delays or blockages in the rapid execution of the NIH research program shall immediately be brought to the attention of the President and the Congress. At the request of the President, the panel shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health.

Mr. BEALL. Mr. President, I support S. 2893. I went to the NIH to make some observations with regard to the National Institutes of Health and some difficulties we have had with regard to the legislation. I am particularly happy that the amendment I offered was adopted, increasing the panel from three to five, and that the biomedical research program of the National Institute of Medical Health was placed within the purview.

The bill would:

First. Extend and improve the national cancer program by authorizing increased funding levels, removing the present ceiling on the number of comprehensive cancer centers, and clarifying the present act with respect to the training of cancer researchers, and construction assistance;

Second. Establish a Presidential Biomedical Research Panel.

An accelerated cancer effort was launched over 2 years ago. Those of us on the Health Subcommittee understood at that time that cancer was not likely to be solved overnight, and that there would not be a single or magic cure. This is true because the term "cancer" encompasses a large variety of different diseases, all characterized by the property that cells grow abnormally when they should not.

The toll of cancer is staggering. Almost all of us have had a loved one or friend whose life was prematurely claimed by cancer. One out of four of our citizens are expected to develop cancer in their lifetime. It is expected that there will be 665,000 new cases of cancer and 350,000 deaths this year from cancer.

While cancer is a stubborn foe, there are some areas where significant progress has been made. Four decades ago, only one out of five cancer patients could be expected to be free of cancer 5 years subsequent to receiving treatment; by 1970, this record has improved until now it is one out of three. Improvement in life expectancy for certain leukemia and Hodgkin's disease have also been made.

The Cancer Institute has also reported improvements in patient survival rate 3 years or longer after the detection of cancer of the urinary bladder, brain, larynx, prostate and thyroid.

Progress is also being made in the understanding of the causes of cancer, its prevention, detection, diagnosis, and treatment; in the education of the public; and in the dissemination of the latest findings of researchers to our medical centers and practitioners. I am pleased that the committee included the provisions of S. 3023, which I cosponsored and which would establish a Presidential Biomedical Research Panel to oversee and monitor the biomedical research program of the National Institutes of Health. I am pleased that two suggestions I made during committee consideration were adopted.

First, I offered an amendment increasing the Panel from three to five.

Second, I urged, and the committee agreed, that the biomedical research programs of the National Institutes of Mental Health should also be placed under the purview of the Panel.

Mr. President, I believe the Panel is essential. Hearing many disquieting and disturbing reports regarding the morale and conditions at NIH, I decided to personally investigate the situation. My investigation included a number of interviews with NIH officials, both present and former, with directors of institutes, and with a number of the scientists, including a meeting with the Assembly of Scientists. This investigation included a personal visit to the NIH facility on February 11.

As a result of this investigation, I concluded that the cumulative impact of administration action regarding NIH, if left unchecked, would jeopardize the excellence of this great biomedical center, not only of this Nation, but the world. I would like to discuss with my colleagues some of the concerns I found and the conclusions that I drew as a result of this investigation.

First. The administration's effort, which has now been modified but not corrected, to end the training grants and fellowship programs, is a threat to the needed flow of bright and talented young scientists.

When the administration attempted to end these programs, I did not hear from a single scientist who backed the administration's position. Yet, the administration persisted, apparently on the advice of their experts whom they could not, or would not, reveal. Both Houses have passed legislation which would restore the programs and we should move quickly to resolve our differences in conference so as to remove the uncertainty at NIH regarding the status and future of these programs.

Second. The NIH community was nervous and upset regarding the administration's views on the peer review system. This system whereby panels of distinguished scientists review and approve grants on the basis of merit has served the country well. As evidence of the Congress commitment to the peer review system, the pending bill extending the cancer program would extend the peer review not only to grants, but also to contracts.

Third. There was considerable concern regarding the condition and future of the clinical center. I observed signs from small items like paper and soft drink bottles lying around, to more serious evidence that the clinical center has been the victim of budgetary and other reductions. For example, in the 1960's and the early 1970's, the center operated at 75 percent bed capacity; now the center has been forced to reduce that level to 60 percent. Also, I learned that this great clinical center is unable to produce X-rays in the evenings, and on the weekends, one cannot get tests run in the laboratories. Now, I submit this may be acceptable for a small hospital, but it is not the way to run the clinical center of the biomedical center of the world.

Fourth. One of the most devastating and demoralizing actions was the personnel cutbacks at NIH. Over the last few years, NIH has been forced to cut back some 600 permanent full-time staff positions and more than 350 additional positions have been transferred to the Cancer Institute and the National Heart and Lung Institute. This, according to the committee report, has resulted in a—

> Loss of approximately 950 staff positions within the other Institutes at NIH—a loss which has seriously compromised the ability of the NIH staff administering the programs under its directions.

I came across some really absurd situations resulting from the personnel cuts. For example, even in the National Institute of Heart and Lung, which has been well funded, they could not hire adequate personnel to monitor an important approved project because of the personnel policies.

As a result, I became convinced that the singlemost important step that the administration could take to help the Institutes and to restore the morale there was to increase the number of personnel. During my visit, the estimate of the minimum additional personnel required ranged from 300 to 500. After I returned from NIH, I raised this personnel issue with Secretary Edwards during a Health Subcommittee hearing. The Secretary replied that the situation was going to be eased.

I am pleased that subsequently the administration announced an increase of 200 in the number of personnel. While this was a welcomed step, I believe it still falls short of the minimum requirements and I believe at least another 150 positions are imperative. I have sent a telegram to Secretary Weinberger urging an additional 150 positions, but have not received an answer as of this date. I ask unanimous consent that this telegram be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BEALL. Fifth. I also received numerous complaints at NIH regarding the Office of Management and Budget. Specifically, I was advised that NIH's official presentation to OMB was received by junior employees and that the real issues and problems of NIH were not really addressed and explored. Dr. Marston, the former NIH director, I am told, has indicated that he has seen the OMB associate director for Human and Community Affairs more often since he left NIH than when he was director there.

The budget is supposed to be a document in which balanced decisions are expressed. As my colleagues know, these decisions themselves require judgment. That judgment will only be sound if based on a sound analysis and understanding of NIH. With the blunders made by OMB regarding NIH, it is obvious that there was little understanding. OMB cuts, if allowed to stand, could have damaged, or possibly destroyed, in a short period the excellence at NIH, which took years to build.

I have written to OMB Director Ash urging that in the future NIH's budget be received by top OMB officials and that the Associate Director of OMB meet with the Director of NIH from time to time so that OMB will not repeat some of these past blunders in the future.

One of the primary reasons I began my investigation of NIH was reports that I was receiving that the efforts in the Institutes, other than Cancer and Heart and Lung, were being reduced. I strongly support the accelerated attack on cancer and heart diseases, as evidenced by my cosponsorship of the pending bill, but I do not believe that the cancer and heart program should be waged at the expense of the other Institutes. To do so would clearly be against the intent of the Cancer Panel as well as the intent of the Congress. Earlier this year, during hearings held by the Health Subcommittee, on which I serve, I raised this issue with Health, Education, and Welfare Secretary Weinberger. He responded that such was not the case and indicated that I would be satisfied when I examined the fiscal year 1975 budget. I have not only examined that budget but also the appropriations for the various Institutes back to 1968. I am not satisfied with the fiscal year 1975 budget for the other Institutes, for the budget provides only an additional $1 million to be spread among the other Institutes.

Further, I find that although the overall budget of NIH from 1968 to the proposed fiscal year 1975, shows a healthy increase from $1.08 billion to $2.04 billion, some of the Institutes, such as General Medical Science and the National Institute of Arthritis, Metabolism, and Digestive Diseases, when inflation is taken into account, have decreased approximately 25 percent in terms of 1968 dollars. I plan to call to the attention of the Appropriations Committee the plight of both the clinical center and the other Institutes.

Because of my concern that the whole of NIH remain healthy, I cosponsored S. 3023, which I indicated is included in this bill. It would authorize the creation of a five member, Presidentially appointed biomedical research panel to oversee the overall NIH program. I am convinced from my meeting with the NIH officials and the scientists there that the support of basic research for the other Institutes, is not only critical to the overall health of our biomedical research program in general, but also to the Cancer and Heart programs as well. The Biomedical Panel will help to make certain that NIH is strong in all of its parts and that there will be a proper balance at the National Institutes of Health.

The Federal salary ceiling is hurting many Federal agencies but it is particularly harmful at NIH. Top management and scientists at NIH often could receive wages more than double their present salaries on the outside. Many have not received an increase since 1969.

One gentleman with whom I spoke had been offered a salary double that of his present one to be dean of a medical school. While the salary is not the primary reason for top scientists being employed at NIH, there is a limit to their sacrifices. The Congress must simply focus on this problem because the ceiling is adversely affecting the recruitment and retention of talented men and women.

Finally, I might add that I heard numerous complaints with respect to the administration's overall attitude toward NIH and the lack of communication between them. I found the NIH community particularly incensed with Health Secretary Edwards' statement that there was a loss of confidence at NIH. I believe, as did former HEW Secretary Gardner, that NIH is the "jewel" of HEW. Their successes are well documented. I recall a number of years ago Sylvia Porter, the noted financial columnist, did an article entitled "Health Research Pays Its Way," in which she pointed out the dividends that we have reaped as a result of biomedical research. She calculated that the total income of 554,000 workers whose lives were prolonged as a result of biomedical research for the year 1967 was $13.8 billion. These individuals paid income and excise taxes totaling $1.8 billion, a figure which exceeded the entire NIH appropriations for that same year by $300 million.

The record of NIH has made the United States No. 1 in biomedical research and has resulted in NIH being recognized worldwide for its preeminence. Speaking I am sure for the citizens of Maryand, and probably for the entire country, I can say emphatically that there is no lack of confidence with NIH. If either Harris or Gallup were to poll the public on the confidence issue, I feel certain that both the Congress and the administration, in light of recent polls on us, would gaze at the large vote of confidence which I believe that NIH would receive with awe.

Mr. President, we must not forget that NIH has been involved in nearly all of the major medical advances in our lifetime. We must be careful and make certain that shortsighted policies do not jeopardize the health of an institution whose record is the envy of the world.

Mr. President, I strongly support the enactment of this measure, including the establishment of the Biomedical Panel for NIH. Further, I again urge the administration to continue the reexamination of their policies at NIH and to restore, as I have requested, an additional 150 personnel for the Institute.

EXHIBIT 1

The Honorable Caspar W. Weinberger, Secretary Department of Health, Education, and Welfare Washington, D.C.

I am pleased that Secretary Edwards has increased personnel at NIH by 200. While this is a welcomed step, my own investigation convinces me that this falls short of the minimum requirements needed by approximately 150 positions. I urge you to make these additional positions available.

J. GLENN BEALL, Jr.

Mr. KENNEDY. Mr. President, I want to commend the Senator from Maryland for his comments and statement. The National Institutes are located physically in the State which he represents, but beyond that, he has demonstrated very particular interest in the development of health policy, as I think is reflected by his statement. He has continued to be enormously concerned about the whole biomedical research effort in this country. I commend him for his interest and for helping to bring this issue before the Senate. I think, as he stated, it helps underscore the importance of the development of this special panel which will be concerned with biomedical research. Senator BEALL was one of the original sponsors of that measure.

So, as I say, I commend the Senator from Maryland for his interest in this particular issue as well as his concern with health issues generally.

Mr. BEALL. I thank the Senator from Massachusetts for his kind remarks.

Mr. BAYH. Mr. President, I would like to commend the distinguished Senator from Massachusetts and the other members of the committee who have labored so diligently to produce what I consider one of the most significant pieces of legislation that will be before the Senate this year.

I suppose because our family has been confronted with the tragedy of cancer twice in my lifetime, I feel a particular sensitivity toward the efforts being made here. When one realizes that there are some 365,000 Americans who will be called to their reward during this 12-month period, however, one can realize the great national loss caused by cancer even if one's family has not been confronted with the dreadful disease.

Mr. President, with the permission of the Senator from Massachusetts, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. BAYH. Mr. President, I ask unanimous consent that the amendment be considered as read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH's amendment is as follows:

Strike Section 6 and insert in lieu thereof:

"SEC. 6(a). Section 409(a) of the Public Health Service Act is amended by inserting before the period at the end thereof a comma and the following: 'including programs to provide routine exfoliative cytology tests conducted for the diagnosis of uterine cancer.'

"(b) Section 409(b) of the Public Health

Service Act is amended by striking out 'and' before '$40,000,000' and by inserting before the period at the end thereof a comma and the following: '$57,000,000 for the fiscal year ending June 30, 1975, $72,000,000 for the fiscal year ending June 30, 1976, and $92,000,000 for the fiscal year ending June 30, 1977'."

Mr. BAYH. Mr. President, I have discussed this measure at length with Senator KENNEDY and Senator JAVITS, who are, of course, the primary architects of this legislation.

This proposal would add to the authorization $7 million for each of the years covered by the bill, and would direct that the additional money be utilized in special programs designed to administer tests for uterine cancer.

The Pap test is the household word for this particular kind of test, although I understand that researchers and doctors have developed or are in the process of developing other types of tests for uterine cancer.

I do not want to dwell on this at length, but I would point out my concern for this particular kind of cancer.

Uterine cancer is the most common form of cancer striking women in the United States. One particular type, cervical cancer, causes 13,000 deaths each year alone. The loss through uterine cancer is compounded by the fact that it is almost 100 percent curable if it can be detected at an early stage. I emphasize the Pap test because it can detect this type of cancer at an early stage.

We are not only talking about saving thousands of lives. If we have to be brutally cold in comparing the cost of prevention, which is minimal, under the test, to the cost of ultimately trying to cure these cancers, there can be no question that this is a tremendous investment in our natural resources.

I would like to say that I have introduced another bill, which is in the jurisdiction of the Finance Committee, which would make the Pap test a covered service under the medicare program. Any contribution we can make in easing the financial burden upon older women in receiving the Pap test is most important. The amendment I am offering now to the bill, so ably floored by the Senator from Massachusetts (Mr. KENNEDY), would compliment my proposals related to medicare, by encouraging women of all ages to have Pap tests. I recommend it for the consideration of the Senate at this time.

Mr. KENNEDY. Mr. President, I think this amendment is a useful and constructive one. I have had an opportunity to talk with the distinguished Senator from New York (Mr. JAVITS) about it, and we are glad to accept the amendment.

I feel that the amendment which has been proposed by the Senator from Indiana would strengthen the bill and would be a clear indication to the director of the program that Congress feels this is a matter of considerable priority.

Therefore, in accepting it, I am glad that the Senator from Indiana has provided the additional money to take care of such a program; otherwise it might be an additional burden, without providing the resources. I shall be glad to work with the Senator from Indiana in the future to provide for expansion of the program and in any other way to make the whole cancer program more effective in terms of service programs.

I think this amendment will be a valuable addition to the bill and I will be glad to take it to conference. We will talk to the House Members about it and we will make every effort to insure that it is included in the conference report.

Mr. BAYH. Mr. President, I appreciate the willingness of the Senator from Massachusetts and the Senator from New York to accept the amendment. I want to say, as a member of the Appropriations Committee, that the Senators can count on my efforts as well as those of the other members of the committee to see that we get the moneys to fund this significant program before us today.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

The amendment was agreed to.

### CANCER LEGISLATION BENEFITS ILLINOIS

Mr. PERCY. Mr. President, I take pleasure today in what I know will be an overwhelming vote passing the National Cancer Act Amendments of 1974, the extension of the National Cancer Act of 1971, of which I was a cosponsor. This is a firm indication of the continuing congressional commitment to the conquest of cancer. The enactment of the National Cancer Act has benefited all Americans, but I would like to take this opportunity to share with my colleagues what the war on cancer has meant to the people of Illinois.

Although the University of Chicago has a long tradition of interest and involvement in cancer research, dating back to 1942, the National Cancer Act, nevertheless, made possible the establishment of a new cancer research and demonstration center at the university. This new center has allowed the university to expand greatly its research efforts in the areas of cancer cause, prevention, detection, diagnosis, treatment, and rehabilitation. It also has enabled the university to expand its educational efforts so that research findings can be translated into preventive and curative measures. The university has established a campuswide Committee on Community and Hospital Affairs with representatives from the social sciences, hospital administration, medicine and consumer interests. To expand its community outreach program the university plans to submit an application to the National Cancer Institute to fund a program which will include:

A program in cancer nursing which will give nurses from community hospitals an opportunity to get intensive training in nursing of cancer patients;

Expansion of a program on the psychological aspects of cancer care in which help is given to patients, families, paramedical personnel, nurses, physicians, clergy, and social workers to cope with the psychological aspects of cancer;

Expansion of the gynecological cancer detection program through an outreach program of cytological testing and by making available the university's extensive cytology computer program;

Expansion of university resources in gastrointestinal carcinoma for early detection and better management programs in community hospitals; and

A program in maxilofacial rehabilitation education.

Moreover, on January 24, 1974, the deans of Illinois medical schools incorporated the Illinois Cancer Council with an active board of trustees. The council's aim is to bring about more rational patterns of medical care for the diagnosis and treatment of cancer, more coordinated efforts in research, and an expansion of education and dissemination efforts to demonstrate the most effective methods for cancer prevention and control.

The enactment of the National Cancer Act Amendments of 1974 will allow the University of Chicago to continue in its efforts to explore all promising avenues of research that may lead to identifying the causes of cancer, preventing cancer where possible, diagnosing cancer earlier and more accurately, and treating it more effectively. More important, the National Cancer Act Amendments of 1974 may mean new hope for an estimated 60,000 Illinoisans who will need treatment for cancer this year.

Mr. WILLIAMS. Mr. President, passage of the National Cancer Act of 1971 represented a landmark in our Nation's efforts to eradicate this dread disease. Since the program's inception, more than 2 years ago, we have seen dramatic progress against several types of cancer and there is great hope that other forms of this disease may soon yield as a result of many new and exicting research efforts now underway. This legislation before us today represents a continuing commitment by the Congress to assure maximum sustained progress against all forms of cancer.

S. 2893, the National Cancer Act of 1974 is designed to extend and improve the existing cancer program whose authority expires at the end of this current fiscal year. This bill provides for authorizations for the national cancer program of $750 million for fiscal year 1975, $830 million for fiscal year 1976, and $985 million for fiscal year 1977.

In addition to the expansion of this research authority, the bill removes the current limitations in the act of 15 new clinical research and demonstration centers with a committee recommendation that a total of 35 such centers be established in order to assure that such services and facilities are available to cancer patients in every geographical region of the Nation.

The bill also clarifies in law the need for continuation of Federal support for the training of cancer researchers and includes specific authority requiring the Director of the National Cancer Institute to continue and carry out programs to disseminate information regarding cancer and available services and facilities for its treatment.

Mr. President, in addition to these and other modifications in the original National Cancer Act, the bill before the

Senate today contains a vitally needed new provision establishing a President's Biomedical Research Panel designed to oversee and monitor the entire biomedical research program of the National Institutes of Health. This body is modeled directly after the existing President's Cancer Panel which was created in the 1971 cancer legislation and whose duty it has been to evaluate the cancer program and make suggestions for improvements as well as report directly to the President on any delays and blockages of rapid execution of that program. In large part the Cancer Act of 1974 and the overall success of the cancer program is a result of the fine work of the President's Cancer Panel.

However, I and my colleagues of the Senate Labor and Pubic Welfare Committee have become increasingly alarmed that the administration's budget requests for the other National Institutes of Health seriously call into question the ability of this Nation to continue its leadership in the quest for new knowledge in all of the medical sciences. And while the 1971 Cancer Act was intended to maximize the benefits of additional research opportunities respecting cancer, it was not the intention of Congress in enacting this legislation that increases in our cancer research efforts be funded at the expense of equally meritorious research in the other biomedical institutes.

Unfortunately, however, the present administration has chosen to take just such a shortsighted direction. Thus, instead of advances over the broad front of NIH research activities, the National Cancer Institute and the National Heart and Lung Institute have surged ahead, while the other Institutes at NIH have generally stood still.

The President's Biomedical Research Panel, established in the bill before us today, is designed to specifically deal with this problem before it further disrupts our total biomedical research effort. It is my hope that this new Panel will be able to provide renewed impetus for maintaining and strengthening the full range of biomedical resources in the United States.

Mr. **SCHWEIKER**. Mr. President, as ranking Republican on the Senate Health Subcommittee, I want to express support for adoption of the pending bill, S. 2893, the National Cancer Act Amendments of 1974. As an original cosponsor of the bill, which extends the National Cancer Act for another 3 years, I recommend the bill's passage to my colleagues.

Its provisions are modeled after the recommendations of the President's Cancer Panel and the National Cancer Advisory Board. These recommendations, incorporated in the bill, include: An extension of the program for an additional 3 years with increased funding levels; that the current limitation in the act for 15 comprehensive cancer centers throughout the Nation be removed; that the act be clarified to assure its continuation of Federal support for the training of cancer researchers of the future; that the authority in the act respecting construction assistance be clarified to explicitly permit construction of basic research facilities; that authority of the Director of the National Cancer Institute to employ expert consultants be increased from 50 to 100 such experts; and that authority of the Director of the National Cancer Institute be streamlined in order to permit the awarding of grants which do not exceed $35,000 in direct costs.

In addition, the committee added several amendments to the bill. I would like to call to the attention of the Senate two of the committee amendments which, in my judgment, are the most significant.

First, the committee has included an amendment to permanently extend the expiring section 601 of Public Law 91–296 respecting the availability of appropriations for the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

Section 601 reads as follows:

> Notwithstanding any other provision of law, unless enacted after the enactment of this Act expressly in limitation of the provisions of this section, funds appropriated for any fiscal year ending prior to July 1, 1973, to carry out any program for which appropriations are authorized by the Public Health Service Act (Public Law 410, 78th Congress, as amended) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (Public Law 88–164, as amended) shall remain available for obligation and expenditure until the end of such fiscal year.

Section 601 has been understood by the Congress as preventing any withholding of appropriated funds.

I strongly believe continuation of section 601 is essential to assure the allocation obligation, and expenditure of funds appropriated by the Congress for our Federal health programs.

Second, the committee has amended title IV of the Public Health Service Act by establishing new authority which proposes to establish the President's Biomedical Research Panel to be composed of the Chairman of the President's Cancer Panel and four members appointed by the President who are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health—including the research program of the National Institute of Mental Health. It further requires that at least three members of the President's Biomedical Research Panel be distinguished scientists or physicians. The Panel is to monitor the development and execution of the biomedical research programs of NIH and shall report directly to the President. Any delays or blockages in the rapid execution of the NIH research program will immediately be brought to the attention of the President and the Congress. At the request of the President, the Panel will submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health.

This provision is a manifestation of the subcommittee's concern over the effect of recent policy and budget decisions on the National Institutes of Health. I am concerned that the Institutes are not receiving the support necessary to sustain the level and quality of research we have come to expect at the National Institutes of Health. I quote from the committee's report:

> In enacting the National Cancer Act of 1971 the Committee intended to maximize the benefits of additional research opportunities respecting cancer. The Committee did not intend that increases for cancer research be funded at the expense of equally meritorious other biomedical research. Regrettably though, this Administration has chosen to consistently pursue such an ill-advised and short-sighted policy.

I hope the President's Biomedical Research Panel established by the bill can effectively deal with this problem.

Mr. President, the objective of the national cancer program we established with enactment of the National Cancer Act, 3 years ago, is to develop the means of reducing the plague of cancer and the suffering and death which has accompanied it. The strategy has been to develop a balance between basic and applied research and to transfer the discoveries in laboratories and therapies developed in the clinics to those who will benefit. The task remains formidable. However, progress is being made. Enactment of the pending bill will reaffirm our commitment and assure the program's continuation.

Mr. **MAGNUSON**. Mr. President, I wish to take just a half minute. I have a deep personal interest in the bill that is about to be passed, which many Senators know about. I have another interest in the fact that in 1938, and that is a long time ago, I introduced in the House a bill which finally was passed by the Senate and the House which established the Cancer Institute.

We have worked hard. We have not done all the things we should do but we have made some progress. I merely wish to report for the record that at that time 4 out of 5 people that had cancer died. Now we have it down to 2½ people out of 5. If we keep up with the kind of bill we just passed and continue with the fine research conducted at the National Institutes of Health, we can get it down even lower than that. It is a question of whether or not they can catch these things early enough.

I compliment the Senate on this bill. From 1938 until 1974—that is a long time.

Mr. **HUMPHREY**. Mr. President, every effort must be exerted to improve the quality and availability of health services to the American public. Cancer, the disease that takes so high a toll on our population, must continue to receive serious attention. It is essential that the National Cancer Institute be enabled to mount a more comprehensive attack on cancer and that the progress of the national cancer program be accelerated through coordination and expansion of research endeavors.

We must embark on a multifaceted attack on the disease through an expanded national program of immunologic research, the study of relationships between environment and incidence of cancer development, the exploration for new techniques of treatment, and the development of a comprehensive national rehabilitation strategy. The success of a program with the objective of curing or controlling cancer in man necessitates the training of cancer researchers for the future and allocations to meet rapidly escalating costs of research and training opeations.

We know that this disease, in its diverse forms, is best combated by early diagnosis and immediate treatment, which, in turn, have been improved through ongoing research. However, these research results must be rapidly and systematically put into use throughout the Nation. It is therefore necessary that the NCI have the capacity to effectively coordinate the dissemination of information accrued by investigative agencies.

These concepts and priorities are clearly embodied in the legislation before the Senate today, to improve the national cancer program and to authorize appropriations for this program for the next 3 fiscal years.

I strongly support amendments to this legislation by the Senate Labor and Public Welfare Committee which include provisions to:

Strengthen broad-based cancer research as well as basic research;

Establish the President's Biomedical Research Panel to continually monitor the biomedical research program of the National Institutes of Health as a high national priority; and

Extend certain authorities for appropriations for the Public Health Service Act and the Mental Retardation Facilities and Community Mental Health Centers Act of 1963.

Mr. President, I give my full support to the objectives and initiatives contained in the National Cancer Act Amendments of 1974. I urge the Senate to pass this legislation, to strengthen the attack on cancer.

Mr. MATHIAS. Mr. President, I rise in support of S. 2893, and urge my colleagues to support this measure. In 1971, the Congress passed legislation that committed the United States to an all-out effort to control cancer. Named the National Cancer Control Act of 1971—Public Law 92-218—the law was specifically aimed at finding a cure to this dreaded disease which each year kills over a quarter of a million Americans. The President, in signing the bill, enthusiastically predicted that the cancer bill would promote "the largest attack against a single disease in the history of man." Because of the National Cancer Control Act of 1971, April of each year is to be designated by the President as "Cancer Control Month," a period of time, I might add, in which this Nation shall rededicate itself to the fight against cancer. It is appropriate, therefore, for this body to be considering the National Cancer Act Amendments of 1974 today.

Mr. President, it was nearly 3 years ago that I called on the President to put more than $100 million worth of scientific equipment, scientists, and other trained personnel at Fort Detrick, Md., to work immediately in the Nation's program to conquer cancer. At that time, I argued:

> There now exists a facility which is uniquely qualified to play this role—Fort Detrick located in western Maryland, which is now being closed down as a center for research on chemical and biological warfare. . . (that) Fort Detrick embodies a tremendous investment by the American people—a total of over $200 million—yet its potential sleeps.

As we know, the President did heed my suggestion, and the Government took a long step forward by converting Fort Detrick from one of its most feared swords, the weapon of biological and chemical warfare, into a plowshare that would be used for all mankind.

Today, the Senate can take another giant step forward in our fight against cancer by passing this bill. I am pleased to note that the Labor and Public Welfare Committee voted unanimously to report this bill to the floor by a vote of 16 to 0, because, without question, the provisions of this bill will substantially improve the national cancer program over the next 3 years.

The life of almost every American has been touched by the scourge of cancer. As the committee report reveals, "one of every four of our citizens will develop cancer in their lifetime." It is distressing to note that we can expect nearly 350,000 deaths from cancer this year alone. I believe that most of us in this body know, unhappily, how cruel cancer can be and how devastating it may be to entire families, physically, emotionally, and economically. And as we consider the casualties of cancer, let us consider that fact that among the dead and dying are those who would have contributed much to this great Nation, and whose cure would have repaid its cost in dollars and cents alone. Let us not delay for 1 day the fight against this dreadful disease. The Senate can do its part by passing this bill today, reaffirming its sense of priority of the work being done at Fort Detrick and at the National Institutes of Health and elsewhere and sending a message of humanity and hope to all mankind.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that a statement by the distinguished Senator from Oregon (Mr. PACKWOOD) be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

### STATEMENT BY SENATOR PACKWOOD

Mr. President, the National Cancer Act of 1971 was an effort by the President and Congress to focus national attention on cancer research and to redouble our efforts in this critical area. The program we approved represents an extensive effort by top management and scientists in planning the multiple attack necessary if we are to eliminate cancer as one of this Nation's most dread diseases. This expanded investigative program is without question worthy of our investment.

The 1974 Amendments, S. 2893, authorize extension of the original legislation and continuation of the research program at $750 million for 1975, $830 million for 1976, and $985 in 1977. The bill authorizes an additional total of $200 million for the cancer control program. Because I believe this funding matches the progress, problems and incidence of cancer, I have co-sponsored and enthusiastically endorse the National Cancer Act Amendments of 1974.

Mr. President, it may be asked why we are approaching expenditure of a billion dollars a year for a single disease. I would answer that cancer is not a single disease, and that at current rates of incidence, one of four Americans can expect to die of cancer. The term "cancer" is a rubric under which a large number of different neoplastic diseases are classified. The oncologists have carefully informed us that virtually every organ of the body can be affected, in both the young and old. From this array of somewhat different diseases nearly a thousand people die each day, and many thousands of others are chronically handicapped from new and established cases still under study and treatment.

If we do not renew the basic research and clinical investigation laid out by our specialists in the Cancer Act programs, we will seriously threaten the progress now being made against the diseases of cancer. I should emphasize that we are making progress, as indicated by reliably drawn statistics on comparative death rates and the new incidence rates of cancer in our population. Age-adjusted death rates in general are leveling off and incidence rates for some types of cancer are showing a reduction. While there is a long way to go, the performance of our scientific and medical community justifies our confidence that a marked degree of cancer control will eventually emerge. For example:

Treatment for childhood leukemia has now progressed to the point where we are optimistic enough to use the word "cure." Today, half the children with acute lymphocytis—a cancer of the blood—are alive five years after the disease is detected. Twenty years ago this disease took the lives of these young victims within a few months.

Treatment of Hodgkin's disease, a cancer which tends to strike young adults, has also shown encouraging progress. The five year survival rate for patients who have had radiotherapy for the early stages of Hodgkin's disease is more than 90 percent. This rate was only 68 percent five years ago. Even in cases where Hodgkin's disease has reached advanced stages before diagnosis, a four-drug combination treatment gives a 65 percent survival rate after five years. Five years ago this survival rate was less than 10 percent.

In the area of diagnosis, great strides have been made with wider application of testing devices, such as the Pap test to detect cervical cancer in women. New tests are also being developed as screening devices for colon and breast cancer. Breast cancer causes more deaths among women than any other form of cancer, and is prevalent in relatively young and middle-aged women.

I would like to note here that the Good Samaritan Hospital in my home of Portland, Oregon, has recently been designated by the National Cancer Institute and the American Cancer Society, as sponsor of a breast cancer demonstration screening program. Early detection is vitally important in breast cancer, as in other cancers, and I'm confident that the results of this demonstration program—conducted by an extremely competent and qualified team at Good Samaritan, headed by Dr. Morton Goodman and Mr. Jack Miller—will provide new and valuable insight into early detection methods and effectiveness, not to mention the lives to be saved among the thousands of women who will be participating.

However, as in other major disease victories, the battle will have been won only when we learn how to prevent the various forms of cancer. If this capability results—and we all pray it will—the dollars saved on care and treatment will make our investment in the cancer research program very small by comparison. Gains in the status of the Nation's overall health will be equalled only by the dramatic reduction in human suffering, pain and fear.

Congress and the President have both contributed toward expansion of the cancer program. President Nixon's strong interest in this area was again manifested on January 29, 1974, when he re-stated his commitment to our cancer research program at the National Cancer Institute. Certainly, Congressional interest remains high and our support steadfast. Let me therefore join with the many Senators who have worked long and hard on this vital legislation in urging immediate passage of S. 2893, to insure the continuation and intensification of our national commitment against cancer.

Mr. KENNEDY. Mr. President, unless there are other speakers on this bill, I will ask for a short quorum call, and then we can vote on the bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the committee amendment as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The question is, "Shall the bill (S. 2893) pass?"

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from Minnesota (Mr. Mondale), the Senator from Missouri (Mr. Symington), the Senator from Missouri (Mr. Eagleton), the Senator from Michigan (Mr. Hart), and the Senator from Utah (Mr. Moss) are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri (Mr. Eagleton) and the Senator from Michigan (Mr. Hart) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oregon (Mr. Hatfield) is absent on official business.

I also announce that the Senator from Vermont (Mr. Aiken) is absent because of illness in the family.

I further announce that the Senator from Oregon (Mr. Packwood) and the Senator from Nebraska (Mr. Hruska) are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon (Mr. Hatfield) would vote "yea."

The result was announced—yeas 89, nays 0, as follows:

[No. 88 Leg.]

YEAS—89

Abourezk
Allen
Baker
Bartlett
Bayh
Beall
Bellmon
Bennett
Bentsen
Bible
Biden
Brock
Brooke
Buckley
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cook
Cotton
Cranston
Curtis
Dole
Domenici
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hartke
Haskell
Hathaway
Helms
Hollings
Huddleston
Hughes
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McClure
McGee
McGovern
McIntyre
Metcalf
Metzenbaum
Montoya
Muskie
Nelson
Nunn
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—11

Aiken
Eagleton
Fulbright
Gravel
Hart
Hatfield
Hruska
Mondale
Moss
Packwood
Symington

So the bill (S. 2893) was passed, as follows:

### S. 2893

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "National Cancer Act Amendments of 1974".

Sec. 2. Section 301(h) of the Public Health Service Act (42 U.S.C. 201) is amended by striking the words "during the fiscal year ending June 30, 1966, and each of the eight succeeding fiscal years,".

Sec. 3. Section 402(b) of the Public Health Service Act is amended—

(1) by striking out "in amounts not to exceed $35,000" in paragraph (1) and inserting in lieu thereof "if the direct costs of such research and training do not exceed $35,000, but only"; and

(2) by striking out "in amounts exceeding $35,000" in pargraph (2) and inserting in lieu thereof "if the direct costs of such research and training exceed $35,000, but only".

Sec. 4. (a) Section 407(b)(7) of the Public Health Service Act is amended by striking out "where appropriate".

(b) Section 407(b)(4) of such Act is amended by inserting after the word "data" the following: "(including where appropriate nutritional programs for persons under treatment for cancer)".

(c) Section 407(b)(9)(A) of such Act is amended by inserting after the words "National Cancer Program," the words "including the number and types of personnel necessary to carry out such program,".

(d) Section 407(b)(9)(B) of such Act is amended by inserting immediately before the period at the end thereof the following: ", and the allocation of personnel requested to carry out the National Cancer Program".

(e) Section 407(b) of such Act is amended by adding the following new paragraph:

"(10) The Director of the National Cancer Institute shall conduct or contract for programs to disseminate and interpret on a current basis for practitioners and other health professionals, scientists, and the general public, scientific and other information respecting the cause, prevention, diagnosis, and treatment of the disease or other health problem to which the activities of the Institute are directed. The Director of the National Cancer Institute shall issue such regulations as are necessary to carry out this activity.".

Sec. 5. Section 408(a) of the Public Health Service Act is amended by striking out "fifteen".

Sec. 6. (a) Section 409(a) of the Public Health Service Act is amended by inserting before the period at the end thereof a comma and the following: "including programs to provide routine exfoliative cytology tests conducted for the diagnosis of uterine cancer".

(b) Section 409(b) of the Public Health Service Act is amended by striking out "and" before "$40,000,000" and by inserting before the period at the end thereof a comma and the following: "$57,000,000 for the fiscal year ending June 30, 1975, $72,000,000 for the fiscal year ending June 30, 1976, and $92,000,000 for the fiscal year ending June 30, 1977".

Sec. 7. Section 410 of the Public Health Service Act is amended—

(1) by striking out "fifty" in paragraph (1) and inserting in lieu thereof "one hundred";

(2) by striking out "and" at the end of paragraph (7);

(3) by striking out the period at the end of paragraph (8) and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (8) the following new paragraph:

"(9) to award grants for new construction as well as alterations and renovations for improvement of basic research laboratory facilities, including those related to biohazard control, as deemed necessary for the National Cancer Program."

Sec. 8. Section 410A(a) of the Public Health Service Act is amended by inserting the word ", contracts," after the word "grants".

Sec. 9. Section 410C of the Public Health Service Act is amended by striking out "and" before "$600,000,000" and by inserting before the period at the end thereof a semicolon and the following: "$750,000,000 for the fiscal year ending June 30, 1975; $830,000,000 for the fiscal year ending June 30, 1976; and $985,000,000 for the fiscal year ending June 30, 1977".

Sec. 10. Part A of title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"AVAILABILITY OF APPROPRIATIONS

"Sec. 410D. Notwithstanding any other provision of law, unless enacted after the date of enactment of this section expressly in limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program for which appropriations are authorized by the Public Health Service Act (42 U.S.C. 201) or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (42 U.S.C. 2661) shall remain available for obligation and expenditure until the end of such fiscal year."

Sec. 11. Section 454 of the Public Health Service Act is amended to read as follows:

"DIRECTORS OF INSTITUTES

"Sec. 454. (a) The Director of the National Institutes of Health shall be appointed by the President by and with the advice and consent of the Senate. Appointees shall be eligible for reappointment.

"(b) The Director of the National Cancer Institute shall be appointed by the President. Except as provided in section 407(b)(9), the Director of the National Cancer Institute shall report directly to the Director of the National Institutes of Health.

### TITLE II—BIOMEDICAL RESEARCH

Sec. 201. Title IV of the Public Health Service Act is amended by adding at the end thereof the following new section:

"Sec. 455. (a) There is established the President's Biomedical Research Panel (hereinafter in this section referred to as the 'Panel') which shall be composed of (1) the Chairman of the President's Cancer Panel; and (2) four members appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the biomedical research program of the National Institutes of Health (including the research program of the National Institute of Mental Health). At least three of the members of the Panel shall be distinguished scientists or physicians.

"(b) (1) Appointed members of the Panel who are appointed pursuant to clause (2) of subsection (a), shall be appointed for three-year terms, except that (i) in the case of the four members first appointed after the date on which this section becomes effective, two shall be appointed for a term of one year and two shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(2) The President shall designate one of the appointed members to serve as Chairman of the Panel for a term of one year.

"(c) Appointed members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(d) The Panel shall meet at the call of the Chairman, but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(e) The Panel shall monitor the development and execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) shall immediately be brought to the attention of the President and the Senate Committee on Labor and Public Welfare, the House Committee on Interstate and Foreign Commerce, the Senate Committee on Appropriations and the House Committee on Appropriations. The Panel shall submit to the President periodic progress reports on the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and annually an evaluation of the efficacy of the biomedical research programs of the National Institutes of Health (including the research program of the National Institute of Mental Health) and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Institutes of Health."

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

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## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate resumed the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which is Senate 3044, and which the clerk will read by title.

The legislative clerk read the bill by title.

Mr. CANNON. Mr. President, I ask unanimous consent that during consideration of the public financing bill, S. 3044, James H. Duffy, of the staff of the Committee on Rules and Administration, and Jeffrey Doranz, assistant to the Senator from New Jersey (Mr. WILLIAMS), be permitted the privilege of the door.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CANNON. Mr. President, I yield to the Senator from Connecticut (Mr. WEICKER).

Mr. WEICKER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WEICKER. I yield.

Mr. MANSFIELD. Mr. President, for the information of the Senate, I wish to announce, on behalf of the joint leadership, that there will be no further votes today. We are getting started on the campaign financing bill. I anticipate that there will be a number of speeches. I am sure there will be an amendment laid before the Senate tonight by the distinguished Senator from Alabama. It is my intention at this time to see if it would not be possible to have a rollcall vote on this amendment at the hour of 3:30 tomorrow. However, I have to touch some bases, and later today will make an announcement.

I thank the Senator from Connecticut for yielding to me at this time.

Mr. WEICKER. Mr. President, the current debate over the Government financing of Federal elections has come to resemble a replay of "Beauty and the Beast."

On the one hand we have the supporters of S. 3044 who view Government financing as a sparkling alternative which promises to clean up electoral abuses with a speed and thoroughness previously attributed only to the most expensive solutions.

On the other hand, we have the stanch opponents of Government financing, who view it as an incorrigible "beast," an intolerable raid on the Public Treasury, and a prescription for the end of the two-party system.

Both these views are simplistic, exaggerated, and unrealistic.

I do not think there is a Member in this Chamber who does not realize the necessity—indeed, the urgency—for campaign reform, not in a cosmetic sense, but reform that will get to the practical abuses within our election system. Because I disagree with advocates of public financing does not mean we are not striving for a similar goal: A political system that is clean, that can involve anybody, any man, any woman, in this country, regardless of his or her means. These are the matters of overriding importance on which we all agree.

The truth about Government financing of elections is that it would have some advantages. Nevertheless it would have many more serious and inevitable problems. Government financing is not a magical Clorox guaranteed to end forever the dirty laundry of Watergate. It does not cut the cost of campaigns; it just shifts the cost.

So the gut question about the Government financing of elections is not, "Is it plague or panacea?" For we know it is neither, but rather, "Do the advantages outweigh the disadvantages?" And more important, "Are the alternatives insufficient to do the same job?"

My answer to both questions must be "No."

Federal financing only acknowledges the size of the problem; it does not reform it. There are several ways to effectively reform campaign spending without resorting to Government financing. One is to reduce the length of campaigns. Another is to require full disclosure before the election, rather than after. Another is to limit campaign financing to one committee per candidate, to end the juggled books and "laundered" contributions. And yet another is to eliminate the use of cash in campaigns.

The substitute bill I am introducing today includes not just one or two of these ideas, but all of them. My amendment would provide for:

Election campaigns beginning no earlier than the first Tuesday in September, with no collections or expenditures before that period of time.

Let us take a closer look at that proposal. The Federal election process would commence with each of the candidates filing a statement of candidacy on the first Tuesday in September.

The next step in the campaign would be a single primary on the first Tuesday in October, and then the election itself on the first Tuesday in November. So we are talking about a period of 60 days, a period before which there can be no expenditures or collections. In other words, we are using "time" to cut down the cost of campaigns.

My own State of Connecticut is typical of what is now going on in the United States. In the last election there were about 14,000 registered Democrats, about 14,000 registered Republicans, and about 45,000 registered independents. We have seen, from the most recent Gallup polls, the decline of both parties and the growth of independents. On the one hand, we have a traditionally strong two-party system that has served us well. On the other hand, we have people who are not willing to commit themselves to one party or the other, who want to judge persons, without expressing party labels.

We should be able to reconcile those two. One way is a selection process open to all the people. In the case of the President of the United States, it means a nationwide primary on the first Tuesday on October, to let the people speak as to whom they want.

So the calendar, I repeat, sets a filing deadline, by the first Tuesday in September, in order for a candidate to be eligible for election. Then there would be a single primary the first Tuesday in October. Then the regular election on the first Tuesday in November.

It is clear that this will result in a saving of money and a reduction of costs. At the minimum, it would cut campaigning expenses in half, and perhaps there could be even greater savings.

In addition, and I emphasize this, there would be only one report, 2 weeks before the election, reporting every campaign expenditure and collection. When people went to the polls they would know what role money played for the particular candidate for whom they vote.

This proposal provides for no collections or expenditures after the report is submitted, except expenses "budgeted for" and duly reported.

Today a good portion of the campaign funds come in after the election; in other words, not as a tribute to the individual, but to the power that resides in the office. That cannot be justified. A candidate should be backed before the result is in.

Campaign deficits would be a violation of law, to be paid off only under the supervision of the Comptroller General.

That may sound harsh, but, again, it will only make campaigns more honest, both for candidates and constituents.

No cash contributions of more than $50.

No more than $10,000 of an individual candidate's personal funds.

No more than one campaign committee.

The real problem in campaign reform is not that campaigns cost money, but that campaigns cost big money. President Eisenhower's campaign cost $8 million, while President Nixon's campaign cost, as far as I know, was $82 million. No one complained when a campaign cost $8 million. That is not a difficult sum for a political party to raise over 4 years.

Last year alone, a difficult year for the Republican fundraisers by any yardstick, the Republican National Committee raised $5 million, of which 85 percent was from contributions of $100 or less. Both parties can raise that kind of money from small contributions. The real problem was the advent of long campaigns with heavy media expenditures.

Consequently, the best way to cut down on the influence of big money in a campaign is not to dump the bills in the Government's lap, but to shorten the campaign itself. And that is precisely the cornerstone of this campaign reform legislation.

My legislation could mean giving up one of our most cherished rituals, the national political conventions. These circuses have become the political dinosaurs of the modern age, and it is time we let them go the way of the big city political machine and the smoke-filled room. Instead, every candidate for Federal office will have to appeal directly to the voters in order to get their party's nomination. This is the kind of reform which will be meaningful and effective without turning to a program of Government financing.

To those who are not convinced about the dangers of a Government-run system of campaign financing, I would like to refer to a passage from S. 3044 which reads:

> If the Secretary of the Treasury determines that monies in the fund are not, or may not be, sufficient to pay the full entitlement to all candidates eligible to receive payments, he shall reduce the amount to which each candidate is entitled. . . .

Now if that does not scare other Senators, it certainly scares me. I think that one of the principal lessons of Watergate is not only that Government can commit illegal acts to suppress dissent but that Government has enormous legal powers to suppress dissent and to play politics with the system.

So it is not the fact that money is involved. It is the amount of money. All we have done is shift the cost to the Federal Government; we have dropped it into the laps of the taxpayers of the United States. I do not think I have ever seen anything involving the Federal Government that cost less and less as time passed. In addition, everybody will pay, whether they want to or not.

I believe that whether it is politics, business, or unionism in this country, we have to earn our way. We have to earn respect and support.

Everyone is complaining about how power in Government is used to perpetuate itself. Here we have a bill to give Government even more of that power.

Let us have something that will stand the test of time. I hope Senators and their staffs will take the time to read the amendment I am presenting. It will shock some. But if we looked at it with an open mind, I think it will respond to some of the criticism that has been made with respect to incumbents. Any legislation that passes will not get rid of the incumbent advantage. Maybe it should be that every incumbent automatically becomes a candidate as of the first of the year in which the election is held. That would mean cutting down his exposure, and maybe that is good. There are many steps that can be taken if we really try to balance out the advantage an incumbent has over a challenger. But we will never get rid of the problem in its entirety. We can legislate on the subject, but the real problem will still confront us.

We can drive out the bad money without resorting to tax money. We can cut down the length of the campaign. We can replace political conventions with direct primaries. We can require full disclosure before, rather than after, the election.

The result of these reforms will be responsible and reasonable elections, conducted in full view of the people.

I honestly believe that in these proposals, we have a chance to reform the system in two important ways: First, by reducing the role of money in campaigns, and second, by involving the American people in the selection process.

That is the greatest guarantee against corruption. Our system is 50 percent selection and 50 percent election. It is the selection process which is now being denied to a majority of Americans. If we resolve these two issues, we will have tuned our political machinery to the times.

Mr. President, I ask unanimous consent that my amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 2, line 1, strike all through page 86, line 17, and insert in lieu thereof the following:

TIME PERIOD FOR FEDERAL ELECTIONS

SEC. 2. The Federal Election Campaign Act of 1971 is amended by adding at the end thereof the following new title:

"TITLE V—TIME PERIOD FOR FEDERAL ELECTIONS

"FILING DATE

"SEC. 501. (a) No later than the first Tuesday of September preceding a regularly scheduled election, or 60 days preceding a special election, each candidate must file a registration statement with the State Secretary of State or the equivalent State official, in order to be eligible to appear on the primary or election ballot in such state or states. The registration statement shall include—

"(1) the identification of the candidate, and any individual, political committee, or other person authorized to receive contributions or make expenditures on behalf of the candidate in connection with the campaign;

"(2) the identification of any campaign depositories to be used in connection with the campaign;

"(3) an affidavit stating that no collections or expenditures have or will be undertaken in connection with the campaign prior to the filing deadline;

"(4) the identification of the party whose nomination the candidate will seek, or a statement that the candidate will seek to appear on the primary and election ballot as a candidate independent of any party affiliation.

"PRIMARY ELECTION

"SEC. 502. (a) All candidates for Federal elective office shall be nominated by means of a primary election to be held on the first Tuesday of October preceding the election, or thirty days preceding a special election. There shall be only one primary ballot or list of possible nominees for each party and one primary ballot or list for all nonpartisan candidates, and no candidate may appear on more than one such ballot or list. Each voter shall be entitled to vote for candidates from only one ballot or list.

"(b) Qualification of voters, determination of eligible parties, as well as rules and procedures for conducting the primary election shall be the responsibility of the States. Presidential electors and alternates shall be nominated by State political parties.

"PRIMARY ELECTION RESULT

"SEC. 503. The person receiving the greatest number of votes at the primary as a candidate of a party for an office shall be the candidate of the party at the following election: *Provided*, That any candidate who is the sole candidate for that office at the primary election, or who is only opposed by a candidate or candidates running on the same ballot or list of nominees and is nominated at the primary shall be deemed and declared to be duly and legally elected to the office for which such person is a candidate. Any independent candidate receiving at least 10 per centum of the total votes cast for the office for which he is a candidate at the primary, or a vote equal to the lowest vote received by a candidate seeking a party nomination who was nominated in the primary shall also be a candidate at the following election."

### LIMITATIONS ON CONTRIBUTIONS AND EXPENDITURES

SEC. 3. Section 608 of Title 18, United States Code, is amended to read as follows:

"§ 608. Limitations on contributions and expenditures

"(a) No person who is or becomes a candidate, or political committee for such candidate, in a campaign for nomination or in a campaign for election to Federal elective office may, directly or indirectly, in any way whatsoever—

"(1) accept or arrange for any contribution, or expend or contract for any obligation, prior to the filing deadline for the election; or

"(2) accept any cash contribution in excess of $50; or

"(3) accept any contribution, contract for any obligation, or make expenditures not budgeted and reported as provided by Section 434 of Title 2, United States Code, after a date two weeks prior to the scheduled election date; or

"(4) make expenditures or contributions in excess of $10,000 from his personal funds, or the personal funds of his immediate family, or from such funds being contributed or expended through the use of a third party.

"(b) Any deficit incurred in connection with a campaign for nomination or election to Federal elective office shall constitute a violation of this section, and such deficit shall be paid only by means of contributions received under the supervision of and according to a procedure which shall have the prior approval of the Comptroller General.

"(c) Violation of the provisions of this section is punishable by a fine not to exceed $1,000, imprisonment not to exceed one year, or both."

SEC. 4. Title 18, United States Code, is amended by adding the following sections:

"§ 614. Contributions by political committees

"Political committees shall not make any contribution to any candidate, political committee, or other campaign for Federal elective office: *Provided*, That such committees may administer or solicit contributions, so long as such contributions are given directly by the initial contributor to a candidate or political committee.

"§ 615. No more than one political committee

"A candidate may establish no more than one political committee, which shall be in such candidate's own name: *Provided*, That the name of the committee, as well as the name of its chairman and treasurer, shall be filed with the Comptroller General immediately upon its formation; and should such a committee be established, all contributions received or expenditures made in connection with the campaign for nomination or election to Federal elective office shall be received or made by such committee and not by the candidate."

### REPORTS

SEC. 5. Section 434 of title 2, United States Code, is amended to read as follows:

"§ 434. One report by political committees or candidates

"(a) Each treasurer of a political committee supporting a candidate or candidates for Federal elective office—or each candidate, should such candidate not establish a political committee—shall file a report with the Comptroller General two weeks prior to a scheduled election date for such candidate or candidates.

"Contents of Reports

"(b) The report shall be cumulative, shall report with respect to any activity in connection with the candidacy, and shall disclose—

"(1) the full name and social security number of each person who has contributed to the campaign, together with the amount of such contributions;

"(2) the full name and mailing address of each person to whom a debt or obligation is owed;

"(3) the full name and mailing address of each person to whom expenditures have been made, together with the amount of such expenditures;

"(4) the total sum of all contributions received;

"(5) the total sum of all expenditures;

"(6) the total sum of all debts and obligations."

### PENALTIES

SEC. 6. (a) Section 441 of title 2, United States Code, is amended to read as follows:

"§ 441. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation."

(b) Title 18, United States Code, is amended by adding the following section:

"§ 616. Penalties for violations

"Any person who violates any of the provisions of this subchapter shall be fined, in an amount at least equal to three times the amount of any monetary violation, or, in the case of nonmonetary violations, such amount as will satisfy the provisions of this subsection. The moneys collected from the fine shall be spent by the violator for general publication or transmission, to the widest possible extent in the geographical area in which the campaign or election was held, of at least the content of the Comptroller General's findings. The means of such transmission or publication shall be determined by the Comptroller General, and shall require the complete expenditure of the fine, unless the Comptroller General determines that a lesser amount, determined by him, will achieve complete publication and transmission of the nature of the violation. An additional fine may be levied if the Comptroller General shall determine that, due to the nature of the violation, an additional amount is needed to properly publish the violation."

### COMPTROLLER GENERAL

SEC. 7. The Federal Election Campaign Act of 1971 is amended by inserting the words "Comptroller General" wherever the words "supervisory officer" appear. The Comptroller General shall make such rules or regulations as may be necessary or advisable for carrying out the provisions of this Act: *Provided*, That any rules or regulations so promulgated shall be published in the Federal Register not later than December 31, 1975.

### EFFECT ON STATE LAW

SEC. 9. The provisions of this Act, and of rules or regulations promulgated under this Act, preempt any provision of State law with respect to campaigns for nomination for election, or for election, to Federal office (as such term is defined in section 301(c)).

### PARTIAL INVALIDITY

SEC. 10. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons and circumstances shall not be affected thereby.

### EFFECTIVE DATE

SEC. 11. The provisions of this Act shall become effective on December 31, 1975.

### AMENDMENT NO. 1081

Mr. BUCKLEY. Mr. President, the distinguished Senator from Connecticut (Mr. WEICKER) has just spoken of the indisputable advantages of incumbency. I would like at this time to focus on just one aspect of the truly mischievous campaign financing proposal now under debate. I believe that S. 3044 might well be termed the Incumbent Protection Act of 1974. While I do not believe that those who drafted the bill intended to do so, they have nevertheless come up with a scheme whose practical effect will be to help us insulate ourselves from effective challenge.

I do not make this statement lightly, but only after a serious examination of the potential impact of the provisions of S. 3044. The evidence available suggests rather strongly that the spending limits included in this bill would help incumbents who might otherwise be targets of serious challengers.

This is most readily observed in relation to House races where figures can be fairly easily quantified because of the similarity of the districts in terms of population.

In this regard I would direct your attention to a Common Cause study of the 1972 elections entitled "The 1972 Congressional Campaign Finance—A Study by Common Cause."

The authors of the study are numbered among the principal supporters of public financing and use its results to bolster their case. But I am convinced that they misread their own data; that in fact it argues against public financing generally and the provisions of S. 3044 specifically.

In 1972 more than three-quarters of all House races were decided by pluralities of 60 percent or more. In these races the average winning candidate spent $55,000 or less and the average loser spent even less.

These races all took place in what political analysts like to call "safe" districts. The districts involved were either so totally dominated by one party that a serious fight for the seat impressed almost everyone as futile, or the seat was occupied by a personally popular incumbent who just was not about to be beaten.

The authors of the study apparently believe that real races might be run in these districts if enough dollars are poured into the campaigns of those challenging now firmly entrenched incumbents. I am not persuaded that this would happen.

For reasons outlined above the incumbents holding these seats are probably impervious to real challenge. Those running against them have not failed, because they have lacked funds; they have lacked funds because their campaigns were doomed to failure. Common Cause has simply confused cause with effect in a way that has led Mr. Gardner and his friends to precisely the wrong conclusions.

Supporters of incumbents and challengers alike in these districts were apparently reluctant to give to campaigns unlikely to be affected one way or the other by their contributions. Thus, as we shall see in a moment, the spending on both sides in these districts was significantly below the spending levels that prevailed in hotly contested races.

I must conclude, therefore, that in such districts the $90,000 per candidate allowed under S. 3044 will merely increase the level of spending without having any real impact on the final outcome.

The races in which the Federal subsidy and the limits associated with it will have an impact will take place in the 60-odd districts that might be considered marginal.

According to the same Common Cause study, only 66 House races were decided by less than 55 percent of the vote in 1972. These districts could be considered marginal by most standards and the victor in each of them had to fend off an extremely tough challenger.

Winners and losers alike spent more money in these races than was spent in the districts I have described as "safe." The cost to winners and losers alike in these districts averaged somewhat more than $100,000 each. As both the winners and losers spent about the same amount in these races, it suggests that the raising of funds needed for such campaigns is not too different. I will also admit that the limits imposed by S. 3044 might not have much of an effect in the average close race.

The real impact of the limits imposed by this legislation will occur in those races in which an incumbent finds himself in trouble and stands a chance of being defeated. Only 10 House incumbents were defeated in 1972 and in all but two cases the challenger had to spend significantly more than his opponent to overcome the advantages of incumbency.

The average spent by candidates who unseated incumbents in 1972 was $125,000 as opposed to the average of $86,000 those incumbents spent. Thus, it can be argued on the basis of these figures that a challenger must be able to outspend an incumbent opponent by a significant margin if he expects to beat him and that he will have to spend in excess of $100,000 to stand a realistic chance.

But what effect will the $90,000 limit imposed by S. 3044 have in these races? It is not at all unrealistic to assume that it will prevent challengers in marginal districts from overcoming the advantages inherent in incumbency. It is not at all unreasonable, in other words, to assume that those limits, had they been in effect in 1972, might have saved most, if not all, of those 10 incumbents.

If we are to enact legislation of this kind I believe we must either eliminate unrealistically low limits such as those incorporated in S. 3044 or eliminate the advantages of incumbency.

To help eliminate or at least minimize the advantages of incumbency I have decided to cosponsor legislation being introduced by the Senator from Delaware (Mr. Roth) that would allow candidates to send free mailings to all voters during the course of their campaign and at the same time deny incumbents use of the franking privilege for additional mass mailings after Labor Day in an election year.

But I would go even further. At an appropriate time, I will offer an amendment to S. 3044 that will allow nonincumbents to operate under a spending limit 30 percent higher than that applicable to incumbents.

I firmly believe that such an amendment is essential if we are to avoid the charge that we are "stacking the deck" in favor of our own candidacies as incumbents, as in fact we would be if we do not seek to affect our inherent advantages.

Mr. President, I send my proposed amendment to the desk and ask unanimous consent that it be printed at this point in the Record.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table, and, without objection, will be printed in the Record in accordance with the Senator's request.

Mr. Buckley's amendment (No. 1081) is as follows:

Amendment No. 1081

On page 13, line 16, insert the following after "504.", and renumber the succeeding paragraphs accordingly: "(a)(1) The expenditure limitations under this section shall be applicable to incumbent candidates only (unless otherwise specified). Nonincumbent candidates shall be subject to an expenditure limitation equal to 130 per cent of the limitation applicable to an incumbent for each of the offices specified under this section.

2. For the purposes of this section, an incumbent is defined as one who

(A) is presently holding the office for which he is a candidate; or

(B) is currently holding or has within five years held an office, the voting constituency of which is the same as, or includes the voting constituency of the office for which the individual is a candidate.

Mr. BAKER. Mr. President, for the third time in less than 9 months, we find ourselves debating fundamental, and some say radical, reform of our electoral process. In the wake of Watergate and the events of the past year, it is not surprising that considerable support has developed within the Congress for new concepts such as public financing of campaigns for Federal office. In fact, having listened to months of testimony about abuse and circumvention of existing statutes, I can sympathize with the temptation to abandon that system altogether in favor of some other approach. Public financing is definitely new, and it appears pure and absolute; but is it right?

Just over a year ago, the Senate voted unanimously to create the Select Committee on Presidential Campaign Activities. That committee was charged with the responsibility of investigating any and all potential wrongdoing associated with the 1972 campaign for President of the United States. It was also mandated to report its findings and recommendations to the Senate no later than February 28, 1974. That date has passed, but the committee has yet to submit its report. The reason, as most know, is because of the possibility that our findings might prejudice the trials of individuals allegedly involved in the crimes collectively known as Watergate.

Last summer, I implored my colleagues to withhold final consideration of any significant campaign reform until the duly mandated select committee had had an opportunity to fulfill the obligations required of it in Senate Resolution 60. However, in view of the delays which may continue for several months, I no longer feel it is reasonable to expect or request this of the Senate. Instead, I am now prepared to express my personal views on what reforms of our electoral process seem necessary.

Let me begin by stating my adamant opposition to the public financing of campaigns for Federal office. I think there is something politically incestuous about the Government financing and, I believe, inevitably then regulating, the day-to-day procedures by which the Government is selected. Obviously, it is neither reasonable nor desirable to expect a laissez-faire approach to the conduct of political campaigns. The Government has been involved in one way or another in the electoral process since we undertook our present form of government; and I have no doubt that the Government will increase its involvement in the future. However, if we continue to delegate responsibility for regulating campaigns to the bureaucracy, as we would do by enacting public finance, then I fear that a situation could arise in which the executive branch had the power to manipulate political campaigns in a manner which would make Watergate pale in comparison.

I think it is extraordinarily important that the Government not control the machinery by which the public expresses the range of its desires, demands, and dissent. And finally, I genuinely believe that a statutory prohibition against political contributions, whether it applies to primaries, general election campaigns, or both, may abridge the individual's first amendment right of freedom of political expression. It is one thing to impose a limit on the total amount of an individual contribution, for it can be argued that you are, in effect, equalizing everyone's opportunity for expression. However, when that opportunity is completely eliminated, then I believe that the Congress has exceeded its responsibility to protect the integrity of the electoral process. In rural jargon, we are burning down the barn to get rid of the rats; and in so doing, we are also eliminating an important form of public participation in our political process—participation which is already at an all-time low.

I realize that a Gallup poll published last September showed that 65 percent of the people interviewed thought public financing was a "good idea." But I also realize that a recent poll showed a majority of Americans had more confidence in their trash collectors than they did in the ability of Congress to effectively deal with the problems confronting this country. So, at a time when people are becoming increasingly skeptical about the use of their tax dollars, we are considering bankrolling political candidates to the tune of several hundred million dollars each election. I admit that in a Federal budget of over $300 billion, $300 million for political candidates is not that much. However, at the first indication that an individual who is supposedly running for public office is using tax dollars for anything other than that campaign, that is, assuaging his or her ego or generating customers for their business, I submit that a great many Americans will justifiably lower their estimation of the Congress even further.

But, having expressed my views on the evils of public financing, as I see them, it is fair to ask, "What do you plan to offer as an alternative, or how do you intend to reform our ailing electoral process?" I propose that we continue a system of private financing of campaigns for Federal office, but that we amend that system so as to broaden the base of participation and prevent the abuse of earlier campaigns. We could do this, in my judgment, by adhering to the $3,000 limitation on individual contributions included in S. 372 and S. 3044 and applying it separately to each primary, runoff, special, or general election campaign as provided for in both bills. Although many will contend that this would make it virtually impossible to raise enough money to run an effective campaign, especially for the relatively unknown challenger, we should look briefly at the facts.

Let us assume hypothetically that an expenditure limitation of 15 cents times the voting-age population of the country was imposed on each nominee for President during the general election campaign. According to my calculations, that comes out to around $24,000,000 per candidate. If $3,000 was the maximum an individual could contribute to a Presidential nominee, that candidate would have to find 8,000 people to contribute $3,000 each in order to meet the expenditure ceiling. There are over 210,000,000 citizens of this country; and obviously not all of them are old enough to vote, nor can afford to contribute $3,000 to a political candidate. However, I submit that there are far more than 8,000 people out there who would be willing to contribute $3,000 to a nominee for President; and it should not be that difficult to find them. I suspect that many believe it is difficult because we have normally aimed our fund-raising efforts at the people most capable of giving large amounts—the so-called fat-cats. But is that the proper approach? I do not believe so, for I am sure we could reap far better results by developing an effective method of broad, low-level solicitation.

I referred earlier to the terribly small amount of confidence a majority of Americans seem to have in their major governmental institutions. This is a problem which, though Watergate did not cause, it certainly has exacerbated. Moreover, it is a problem which could prevent even the most involved citizen from responding to the needs of a combination of Federal, State, and local candidates for public office. Consequently, I would propose that a clear and effective incentive be provided for those who are hesitant to contribute, and those who are not. I propose that the present tax credit of 50 percent of all political contributions made during a calendar year, up to $12.50 for an individual return, or $25 for a joint return, be increased to $50 for an individual return and $100 for a joint return, and that the figure of 50 percent be increased to 100 percent. That means that an individual can credit each dollar contributed to a political campaign in a calendar year, up to $50 for an individual return and $100 for a joint return. In this way, the contributor can control who receives the money and for what campaign it is used. Moreover, the Treasury Department is removed from any direct involvement in financing campaigns, thereby reducing the potential for bureaucratic manipulation or abuse. Obviously, the key to the success of this new tax credit proposal is education. The American people must be made fully aware that such an incentive for political contributions exists, as well as how that incentive works when they file their individual or joint tax returns. And if, in the near future, it appears that a 100-percent tax credit is no longer necessary to prompt adequate private financing, then we should consider reducing that credit back to the 50-percent level. However, for now, I would only urge that this proposal be given the most serious consideration as a viable, and in my judgment preferable, alternative to public financing.

I would also propose that the present dollar checkoff system be repealed entirely. Whereas an effective tax credit system would remove the U.S. Treasury from direct involvement in financing political campaigns, and would permit individual contributors to designate the recipient of their money, the dollar checkoff system does just the opposite. In fact, in S. 3044, unless an individual taxpayer specifies otherwise, $2 is automatically paid over to the Federal election campaign fund for use in campaigns in accordance with the provisions of the bill. The American taxpayer is not even allowed to designate the party that should receive the contribution, much less the specific candidate; and it is for this reason that I shall propose that this system be abandoned altogether.

I shall also propose that only individuals be permitted to make contributions to political campaigns. Only individuals can vote, and only individuals can decide who is on the ballot in the first place; so why should not only individuals be allowed to make political contributions? I do not think a corporation or a union should be allowed to contribute. They cannot now; but they do through AMPAC, BIPAC, COPE, and a half dozen other devices. Moreover, I do not think associations, committees, caucuses, or any other organization which aggregates funds from its members and gives those funds in the name of a cause or interest should be permitted to do so. After a full year of service on the Senate Select Committee on Presidential Campaign Activities, I am convinced that this would do more to eliminate the distortive effects of special-interest groups than any other proposal I have seen which permits private financing. This is not meant to imply that I oppose or in any way wish to diminish the persuasive capacity of lobbyists, whether they represent corporations, unions, or public interest groups. On the contrary, I have always felt that the most convincing argument available to the lobbyist, besides the individual merits of the particular issue, was not the lure of substantial financial support for sympathetic candidates, but rather the strength of a large bloc of voters which might be influenced by a stand taken on a particular issue. It should, instead, be totally incumbent upon the candidate to solicit the support of the individual voters and not specific groups; and it is for these reasons that I believe that only individuals should be permitted to contribute to political campaigns.

Essential to the success of any system of private campaign financing is complete public disclosure. S. 3044 deals very effectively, in my opinion, with the problems of disclosure and multiple campaign committees, treasurers, and depositories, cash contributions and expenditures, and an effective enforcement mechanism for prosecuting alleged violations of campaign statutes. However, there is one additional step which I consider important to the fulfillment of the public's right to examine the source and amount of individual contributions. That step is to establish a time certain before the election, say 10 days to 2 weeks, after which no further contributions can be received. And then 3 to 5 days before the election, require that each candidate report completely the sources of his or her contributions. In this way, the public is given the full benefit of examining the candidate's sources of funds and drawing their own conclusions regarding the breadth of the candidates' appeal prior to the election rather than after the election has taken place. As it is now, candidates can withhold potentially damaging information on contributions until after the election has taken place, thereby hindering the public's ability to judge support until after it is too late. However, under my amendment, contributions received after the time certain would have to be returned, and no further funds could be solicited or received until after the election had taken place, and then, only if it were necessary to defray campaign debts.

I shall also propose that the lowest unit rate provisions of the Communications Act of 1934, as amended, be repealed completely. I find something inherently unfair and inequitable about requiring local radio and TV stations and the major broadcasting networks to offer advertising time, particularly prime time or "driving time," at the same rate that it is offered to their top commercial buyers—buyers that advertise 365 days a year and legitimately earn the lower rates. I do not question the right or authority of the Congress to regulate broadcast rates, for the history and record of Federal regulation is well established. What I do question, however, is the fairness to the broadcaster and to the other advertisers. If it is absolutely necessary to attempt to offset the extraordinary cost of broadcast advertising, then I propose that we do so at the prevailing rates and not at the lowest unit costs. In this regard, I would propose that a minimum amount of broadcast time be provided each legally qualified candidate for Federal office. Any candidate who wishes to purchase beyond the guaranteed amount would do so at the prevailing rate. In this way, the challenger would be afforded an opportunity to gain a moderate amount of public exposure without having to allocate an inordinate share of what are likely to be scarce resources just to approach the recognition factor of the incumbent.

Moreover, while guaranteeing a moderate amount of TV and radio time to qualified candidates, it would discourage the purchase of additional time by requiring the respective candidates to pay the prevailing advertising rates. In order for a candidate to qualify for this "guaranteed time," I would plagiarize the formula used in S. 3044 for major and minor party candidate eligibility. That formula requires that House, Senate, and Presidential candidates reach specific thresholds before public funds are made available on a dollar-for-dollar basis. I would require that the respective threshold be met before any advertising time was made available; and even then, I might require that an additional threshold be met later in order to insure the true intentions of the particular candidate. However, the thrust of such an amendment would be to help overcome many of the obstacles, primarily that of recognition, confronting the candidate who challenges an incumbent. In general, I oppose any form of public finance; and I realize that such a proposal might create some of the problems which I alluded to earlier. But, I am also aware of the inherent disadvantages facing a challenger in relation to an incumbent; and if anything is to be done in the realm of public financing to reduce those disadvantages, then I would prefer to see it done in the manner I have just described—at the prevailing rates and not at the lowest unit costs.

I shall also propose that overall expenditure limitations be eliminated if a system of private financing is retained with individual contributions strictly limited and fully disclosed. The reason, very simply, is that as long as the size and source of contributions are adequately controlled, particularly at the $3,000 level, then overall expenditure limitations, in effect, penalize the candidate for attracting a broad base of support. I do feel that we spend too much on campaigns and that something should be done to prevent the unnecessary expenditure of funds in political races which are not even close. However, in most cases, it seems that limits favor the incumbent, are arbitrary, and do not accurately reflect the changing costs of campaigning from year to year or from State to State. Thus, if we retain significant private financing, with the aforementioned conditions, then I shall propose that we eliminate the overall expenditure limitations.

I referred earlier to my concern that public participation in our electoral process appears to be at an all-time low. I should like to elaborate on that concern. It stems from the fact that in 1972, only 55.6 percent of the eligible voters in this country actually turned out to cast their ballots for President and Vice President of the United States. Obviously, different Presidential campaigns generate varying degrees of interest and enthusiasm among the voters; and races that are not even close, seldom attract a large turnout. However, a turnout of 55.6 percent, particularly at a time when the Federal Government is increasingly involved in our daily lives, is, in my mind, tragic. It is the clearest indication of all that a substantial number of Americans have grown disenchanted with politics and the electoral process; and it is one of the primary reasons why broad reform of that process seems warranted.

Such reform, in my judgment, should include not only campaign finance and so-called dirty tricks, but also the selection process itself. I believe we should examine voter registration requirements, the present primary system, national party conventions, the official length of political campaigns, election-day procedures, and even, perhaps, the electoral college—not all necessarily in conjunction with S. 3044, but rather as part of the overall debate on campaign reform.

As part of that debate, I would urge that serious consideration be given automatic registration of voters in Federal elections at age 18. The history of the United States has been a history of the extension of the voting franchise. Yet, even today, a significant number of our citizens are effectively prevented from participating in elections by complex and often archaic registration and residency requirements. The postcard voter registration bill passed by the Senate last year was an effort to deal with this problem, but I opposed it because of my concern for the potential for mail fraud and abuse of such a system.

Several Western nations, however, have already successfully implemented a form of automatic voter registration. In the Scandinavian countries, for example, and in Switzerland, every eligible citizen is registered ex officio in a voting register. Lists of voters are published by the elections authorities in advance of the election date. Any citizen whose name has not been included in the list then has until approximately a week before the election to correct the situation.

In the United States, however, citizens still must contend with what amounts to a perpetual registration process. I fully realize that some difficulties will arise in translating automatic registration to the realities of the American experience and attempting to reconcile it with State registration procedures. Perhaps social security numbers could be utilized to standardize this procedure, since more than 95 percent of eligible voters are already registered with social security. In any event, the concept deserves consideration, in my view; and, if workable, it could provide a valuable incentive to increase citizen participation.

I would also urge major reform of our present spasmodic system of Presidential primaries. There are essentially three alternatives in this regard: a refinement of the present system requiring the 25 States who hold Presidential primaries to do so on four or five specific dates at 2- or 3-week intervals; a single national primary for each party with a subsequent runoff unless one candidate polls more than 40 percent; and a system of regional primaries also held at specific intervals, but encompassing all of the country.

Of these three proposals, I am most inclined to support the one for a system of regional primaries in which every eligible voter who desires to participate in the selection of a party nominee can do so by voting in the regional primary which includes his State. This would permit the millions of Americans who support candidates who never get the party nomination to express that support in a meaningful way. It would also give them a personal stake in the election and increase the likelihood of their participation in the subsequent general election campaign. Specifically, I would propose dividing the country into four geographic regions, largely along the lines of time zones so as to avoid holding a "Southern" or a "New England" primary with a distinct ideological slant. I would make those regions of roughly equal population and would hold the four primaries at 3-week intervals beginning in early June and ending in early August.

The respective primary candidates would compete for State delegates who would be won according to the proportion of vote received in each State, rather than on a winner-take-all basis. Although I am aware of the high cost involved in running in regional primaries, the basic idea is to vastly expand the public participation in the nominating process and to significantly reduce the official length of Presidential campaigns.

As it is now, the first Presidential primary normally takes place in early March with the general election 8 months later, in November. But as I see it, there is absolutely no reason why that process must take that long. It exhausts the candidates, costs exorbitant sums of money, and eventually bores a great many people. The British do it all in less than 6 weeks, so why cannot we do it in less than 8 months? In this regard, I plan to offer an amendment to require that all primaries for Federal office be held no earlier than the first of June and no later than the 15th of August. This would significantly shorten the official length of campaigns for Federal office and permit the Congress to work at relatively full strength for a good 4 months before most Members are forced to return to their States or districts to campaign full time for the nomination.

I recall that before Senator Margaret Chase Smith left this body, she proposed that Senators be required to maintain a voting attendance record of 65 percent or better. Her argument was that once Presidential primaries began, the Senate found it difficult to obtain a quorum. I am not necessarily proposing that. I am proposing that we shorten the official length of campaigns and enable the Congress to accomplish as much as possible in the first few months of the year while attendance is still high.

With regard to the actual election day,

I recommend that we open and close polls all across the country at a uniform time and that they be opened a full 24 hours. The arguments for this are simple and well known; but briefly stated, this is the best way I know of to prevent the harmful effects of broadcast networks projecting the outcome of elections, based on very early returns, when polls in the Western States are still open. Moreover, 24 hours would maximize the individual's opportunity to vote before, after, or during work.

I would also recommend that the debate on the electoral college, that 18th century vestigial remnant, be reopened. Although I have no strong views one way or the other, I have long felt that in a democracy such as ours, there should be no alternative to the expressed will of a majority of the people; and the electoral college, as conceived and utilized for the past 200 years, constitutes just such an alternative. How can we ask for greater confidence and participation in our political process when we are not willing to entrust the American people with the ultimate decision? It is a difficult question to answer, but one which we should consider nevertheless.

In conclusion, Mr. President, seldom, if ever, has the need for a thorough reexamination of our electoral process been as great. Seldom, if ever, has the opportunity for reform been as ripe. We should seize that opportunity to greatly expand the suffrage and to encourage unprecedented participation in our political process.

Forty years ago, Al Smith said:

> All the ills of democracy can be cured by more democracy.

I share that view and hope that we will apply that principle as we consider the pending legislation.

## ORDER FOR TIME TO VOTE ON AMENDMENT NO. 1064

Mr. MANSFIELD. Mr. President, it is my understanding that the distinguished Senator from Alabama (Mr. ALLEN) will call up an amendment today. With his approval and that of the manager of the bill, after consultation with the distinguished Republican leader, I ask unanimous consent that the vote on the Allen amendment (No. 1064) occur precisely at the hour of 3:30 p.m. tomorrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## UNANIMOUS-CONSENT AGREEMENT ON TREATY AND MINIMUM WAGE CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, some time tomorrow the Senate will take up Executive U, 93d Congress, first session, a Treaty on Extradition with Denmark, which has been favorably reported unanimously by the Committee on Foreign Relations.

I ask unanimous consent that on Thursday at the hour of 12 o'clock, there be a vote on the extradition treaty with Denmark and that following that vote the conference report on the minimum wage bill be taken up.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## ORDER FOR ADJOURNMENT UNTIL 12 O'CLOCK TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business today, it stand in adjournment until 12 o'clock tomorrow.

The PRESIDING OFFICER (Mr. TOWER). Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT FROM WEDNESDAY TO 11 A.M. ON THURSDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that, when the Senate completes its business tomorrow, it stand in adjournment until 11 a.m. on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. CLARK. Mr. President, I ask unanimous consent that two of my staff members, Andrew Loewi and Brady Williamson, be allowed the privilege of the floor during the consideration of S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, I ask unanimous consent that amendments Nos. 1013 and 1014 be considered as having met the reading requirements of rule XXII under the standing rules of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, the bill before us today—the Federal Election Campaign Act Amendments of 1974—is without question one of the most significant pieces of legislation the Senate has considered in the last 2 years. From Theodore Roosevelt to Henry Cabot Lodge to John F. Kennedy, the effort to establish public financing of Federal elections has continued throughout much of this century. Under the leadership of Senators LONG and PASTORE, the Congress has enacted public financing for Presidential general elections beginning in 1976. But now, through the considerable efforts of Chairman HOWARD CANNON and the Rules Committee, we have the opportunity to provide public financing for congressional campaigns as well.

This legislation (S. 3044) will provide for matching payments to primary candidates, for optional full funding for candidates in the general election, for strict contribution and expenditure limitations, for fair treatment of minor party and independent candidates. The bill incorporates the many sound provisions of S. 372, the campaign reform bill passed by the Senate last summer. These include the establishment of an independent Federal Election Commission, strengthened reporting requirements, full financial disclosure for Federal officials and candidates, tough penalties for violators, and repeal of the equal time provision of the Communications Act.

This legislation is sound, the need for it is obvious, and I certainly will support it. My only concern is that it does not go far enough, and I do plan to offer amendments to the bill.

No one contends that passage of this legislation—with or without strengthening amendments—will somehow automatically bring an end to all of the abuses that have come to light in the past 2 years. But surely this bill will help change a political process that in many ways has become the private preserve of the wealthy and special interests, and it will help us return to a Government responsive to all of the people.

Mr. President, at a time when public confidence both in the Congress and the Chief Executive are below 30 percent, at a time when a substantial majority of the American people favor public financing of elections, the failure to enact this legislation would be wholly irresponsible.

In one sense, President Nixon was right when he said that "1 year of Watergate is enough." We must never again subject this country to the kind of conduct that characterized election year 1972. It is time to bring a halt to the tyranny of the private dollar in the public's business, and the passage of S. 3044 will be a very significant step in that direction.

Mr. HATHAWAY. Mr. President, I ask unanimous consent that two members of my staff, Ms. Francie Sheehan-Brady, and Mr. Angus King, be given the privilege of the floor during debate on S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATHAWAY. Mr. President, I call up my amendment which is at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 75, line 19, redesignate subsection "(a)" as subsection "(a) (1)".

On page 75, line 19, strike the word "person" and substitute the word "individual".

On page 75, line 22, strike the word "person" and substitute the word "individual".

On page 75, following line 23, add the following new subsection:

"(2) No person (other than an individual) may make a contribution to, or for the benefit of, a candidate for nomination for election, or election, which, when added to the sum of all other contributions made by that person for that campaign, exceeds $6,000."

On page 75, line 25, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the word "person" and substitute the word "individual".

On page 76, line 2, strike the period and add the following:

"; or from any person (other than an individual) which, when added to the sum of all other contributions received from that person for that campaign, exceeds $6,000."

Mr. HATHAWAY. Mr. President, the purpose of my amendment is to correct an inequity in S. 3044 by distinguishing between individuals and organizations with regard to contribution limitations.

As reported, the bill places a $3,000 limitation on what a person—defined as an individual or an organization—may contribute to a candidate for the House or Senate in any election. Only a candidate's own campaign organization and the national and State party committees are exempt from this provision.

Obviously, the intent of the limitation is to eliminate the specter of bought elections and to lessen the role of big money in politics.

In effect, though, the limitation equates one wealthy contributor with an organization of hundreds or thousands. Thus it discriminates against the modest contributor who chooses to give through an organization that reflects his philosophy or views.

The role of broad-based citizen interest groups—whether conservative—such as the Americans for Constitutional Action or the American Conservative Union—liberal—such as the National Committee for an Effective Congress or the Council for a Liveable World—or single issue—such as the League of Conservation Voters—is to help elect persons who support the group's views or ideology. The citizens who contribute to such organizations often do not have the time or expertise themselves to find out which candidates most nearly share their views, are most qualified, have real chances of winning, and so on. By giving through such committees, they participate in the most intelligent way in the election process.

It is important to point out, too, that the limitation of the Senate bill does not greatly restrict large business interests or labor union participation. Individuals within a corporation or company may each give "voluntarily" as they do now, or they may establish committees in several cities or States, as many as they wish, and each may contribute the full amount to any single candidate. Since most labor organizations, many trade associations and business groups already have State, local, and regional affiliates, they have an existing network to support candidates, and each of these committees may contribute the maximum to each candidate.

In contrast, large citizens' groups usually raise funds by mailings to the general public. They are known by their name and their reputation, and cannot suddenly split into many different committees with different names.

A legitimate political committee should be allowed to contribute at least twice as much as an individual. Some, including the New York Times in an editorial comment, have suggested that such organizations be allowed to contribute three or four times the amount a single individual can contribute. It has been pointed out that, under the present proposal, Mr. and Mrs. Clement Stone could legally contribute twice as much to a House or Senate candidate as could the National Committee for an Effective Congress, an organization of 80,000 persons.

My amendment would partially remedy this inequity by distinguishing between an "individual" and a "person," and by allowing an organization to contribute twice as much as an individual.

In effect, my amendment would allow that an organization could contribute the same amount that a married couple can now contribute under the pending bill.

Mr. President, I urge the adoption of my amendment.

Mr. CANNON. Mr. President, I have gone through this amendment and I would ask the Senator from Maine, do I correctly understand that his amendment would not change in any way the limit now imposed on an individual, which says that an individual can contribute not to exceed $3,000 to a political candidate?

Mr. HATHAWAY. The Senator is correct.

Mr. CANNON. That means that a husband and wife, therefore, could contribute $6,000, because each, as an individual, could contribute $3,000?

Mr. HATHAWAY. That is correct.

Mr. CANNON. The Senator's amendment, then, would simply be that an organization, being defined as a person, would be in the same contribution category as a husband and wife would be, insofar as the limits were concerned.

Mr. HATHAWAY. The Senator is absolutely correct.

Mr. CANNON. So that an organization that has many members which may be contributing small amounts could, then, instead of being limited to $3,000, the proposal now in the bill, would be limited to $6,000, the same amount a husband and wife together could give to a candidate.

Mr. HATHAWAY. The Senator is correct.

Mr. CANNON. This makes no other changes in the bill, then, is that correct?

Mr. HATHAWAY. It does not make any other changes in the bill.

Mr. CANNON. I thank the Senator.

Mr. GRIFFIN. Mr. President, will the Senator from Maine yield?

Mr. HATHAWAY. I yield.

Mr. GRIFFIN. Obviously, if the Senator's amendment were to be adopted, the situation would be better than what we have today where organizations such as those having milk funds can make unlimited contributions. But I suggest that even with the Senator's amendment, it is disturbing that we would be delegating to some organization the decision as to who is to be supported to the extent of $6,000.

If we really want clean elections and clean campaigns, we would strictly insist that all contributions be made by individuals to the candidate of their choice. To me, that is the way it should be.

So I am opposed to the Senator's amendment. I believe he moves in the wrong direction. I think we should be moving away completely from elections that are supported and financed by special interest groups. This amendment would allow the special interest groups to be able to pick and choose in supporting the candidates rather than individual citizens.

Am I wrong in that assessment?

Mr. HATHAWAY. The Senator is partially right, and I hope to see the day when all individuals in this country take so much interest in our political process that we can have a system in which only individuals will be allowed to make contributions.

However, in the meantime we are faced with the reality that most individuals do not have that much interest or do not take the time to find out about the qualifications of all the candidates who are running for public office. With some exceptions, the organizations to which many of these same people belong are idealistic, legitimate organizations. They are not necessarily out to get somebody or have an ax to grind. They do operate conscientiously to further the interests of their members, and they provide a good vehicle for contributions which probably would not otherwise be made to political campaigns.

Certainly, the limitation of $6,000 is not a very large one to be placed upon such organizations. I mentioned in my earlier remarks organizations such as the Committee for an Effective Congress, which has 80,000 members. A $6,000 limitation for such an organization does not seem to be out of line.

Mr. GRIFFIN. I might agree with the Senator in terms of a Presidential election or a Senate election in a big State. But when we are talking about a congressional election in which the total amount of the funds is much smaller, I would suggest that two or three of these organizations which are essentially in league with one another could have a great impact on a congressional election.

With this amendment, it seems to me that we are right back again to the special interest control of elections. I thought that is what we are trying to move away from with this legislation.

While I regret to do it, I think we should have a rollcall vote on this amendment. Since the majority leader has announced that we will not have any rollcall votes today, I suggest for the consideration of the manager of the bill and the sponsor of the amendment that perhaps we could agree to have a rollcall vote on this amendment tomorrow, either before or after the 3:30 vote that is already scheduled.

Mr. HATHAWAY. Yes; I would be happy to agree to that.

Mr. CANNON. Would the Senator desire to withhold his amendment at this time? The agreement that is in effect permits Senator ALLEN to offer an amendment, to call it up this evening, and it will be voted on at 3:30 tomorrow. Would the Senator be willing to withdraw his amendment?

Mr. HATHAWAY. I would be happy to withdraw the amendment until the amendment of the Senator from Alabama is voted on at 3:30 tomorrow.

The PRESIDING OFFICER. The amendment of the Senator from Maine is withdrawn.

## ORDER FOR RECOGNITION OF SENATOR HUGHES TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the Senator from Iowa (Mr. HUGHES) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of Mr. HUGHES on tomorrow, there be a period for the transaction of routine morning business, of not to exceed 30 minutes, with statements therein limited to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR CONSIDERATION TOMORROW OF FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the transaction of routine morning business on tomorrow, the Senate resume consideration of the unfinished business, S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

## QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GRIFFIN). Without objection, it is so ordered.

## FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1974

The Senate continued with the consideration of the bill (S. 3044) to amend the Federal Election Campaign Act of 1971 to provide for public financing of primary and general election campaigns for Federal elective office, and to amend certain other provisions of law relating to the financing and conduct of such campaigns.

Mr. ALLEN. Mr. President, I ask that the clerk please report amendment No. 1064, and that it be made the pending business.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

> Amend S. 3044, as follows:
>
> Strike TITLE I—FINANCING OF FEDERAL CAMPAIGNS in its entirety.

Mr. ALLEN. Mr. President, the title which the amendment would strike is title I of S. 3044, which is the first 24 pages and the first 4 lines on page 25 of the bill.

The amendment would strike from the bill all those portions thereof having to do with public financing of Federal elections. There is much good in the bill and if we can prune this public financing provision from the bill then there would be no objection to rapid consideration of the features of the bill and an early vote on the bill.

Mr. President, S. 3044 is an original bill coming from the Committee on Rules and Administration, coming as the result of and in compliance with an agreement reached on the floor of the Senate back in December of last year when the public finance rider to the debt limit authorization bill was under discussion. The distinguished Senator from Nevada (Mr. CANNON) and other members of the committee agreed that if that rider were dropped or if further insistence on its acceptance not be made that the Rules Committee would report a bill in some fashion to provide a vehicle for the Senate acting on the public financing of Federal elections idea.

The bill was reported to the floor of the Senate, considered in committee, passed by a vote of some 8 to 1, although some Members who voted for the bill stated that they were doing so only because commitments had been made that a bill would proceed from the Rules Committee to the floor of the Senate.

The Senator from Alabama voted against the reporting of the bill. He made no commitment on the floor of the Senate agreeing to a bill to be reported from the Rules Committee to the Senate.

Mr. President, this bill goes one step further than does the Kennedy-Scott-Mansfield-Mondale-Cranston, and others rider. The rider did not provide for the financing in whole or in part of House and Senate primaries. The Senate bill goes one step further than does the Kennedy bill.

Mr. President, why public financing? Why should we have public financing of Federal elections? Why not leave it in the private sector? Well, they say the lessons of Watergate indicate that the only answer to the abuses pointed out by Watergate is to turn the bill for campaign expenses over to the taxpayer, pay for Federal elections out of the Public Treasury, rather than through contributions from individual citizens.

Mr. President, that magic is left to the public money. Why should that be less susceptible to abuses than private contributions? I submit that stricter regulation of Federal elections has not yet been tried; it has not yet been given a fair trial. The 1971 Federal Elections Campaign Act is deficient in many regards: Not only did it have a fatal flaw in it providing that contributions made up to April 7 of 1972 did not have to be reported, but also it makes no limitation on any campaign expenditures except for media advertising. That is the only thing that the limit is placed upon; no overall limit whatsoever on other types of advertising.

Newspaper advertising, radio, television, magazines, billboards—those are limited, I believe, to 10 cents per person of voting age. The sky is the limit, though, on expenditures in all other fields. I submit that the other fields of campaign expenditures would be just as large or possibly much larger than in the field of media advertising. What about travel expenses; what about cars; what about brochures; what about campaign office staff, mass mailing, stationery, and postage? All these types of advertising have no limit under the present law, under the 1971 law.

But, Mr. President, the Senate was mindful of that deficiency and on July 30 of last year passed S. 372. That bill would place an overall limitation on campaign expenditures of all types, and whereas the present law makes no effective limitation on the amount that can be contributed by one contributor, as we witnessed, contributions in the hundreds of thousands of dollars were made in the 1972 campaign; S. 372 significantly leaves the campaign expense field in the private sector, and would place a limit of $3,000 per person per election. S. 3044 carries that same $3,000 limitation.

So if S. 372 places a limit on all types of expenditures, not just the media, if it puts an effective limit on that, if it limits campaign contributions to $3,000—and it does—and if it sets up an independent election commission—and it does—and if it limits cash campaign contributions to $50—and it does—it has gone a long way toward effective campaign reform.

There are many atrocities committed in the name of campaign reform, and I submit that public financing is one such atrocity. Every change does not necessarily mean it is a reform, and paying the bill out of the Public Treasury is not reform—it is just shifting the burden to the taxpayer.

Mr. President, the Senate set up the Watergate Committee somewhat over a year ago, and one of its responsibilities was to make recommendations on the conclusion of its investigation, about improving the election process in Presidential races.

Well, the Watergate Committee is just about to wind up its work. I assume its report will be forthcoming shortly.

What does the Watergate resolution provide? Section 4, page 13, reads:

> The select committee shall have authority to recommend the enactment of any new congressional legislation which its investigation considers is necessary or desirable to safeguard the electoral process by which the President of the United States is chosen.

Mr. President, based on the votes taken in November and December, and the introduction by an absent Senator of amendments to this bill, my understanding is that 5 out of the 7 members of the Watergate Committee oppose public financing. And the distinguished Senator from Connecticut, just a few minutes ago, was speaking on the subject. I am confident other members of that committee will be on the Senate floor in the coming days, if not weeks, discussing this very same issue and speaking against public financing.

What is the big hurry? We have already passed a bill, S. 372, that does not provide for any public financing—not a dime. Well, that bill passed here on July 30 by a vote of 82 to 8, Mr. President, and the Kennedy-Scott-Mansfield-Cranston-Mondale-Pell rider was defeated by a vote of about 52 to 40 when it was offered as an amendment to that bill. That bill is over in the House, and we understand Chairman HAYS has agreed to act in the matter of campaign reform in the very near future.

Before they act on the bill in the House, an effort is made to change the entire thrust of the bill, change the entire position of the Senate, with regard to that legislation. What are our brethren in the House going to think about the Senate sending a bill, providing for private financing with strict regulation, and before they even act on it, the Senate changes its mind and sends an entirely new bill with an entirely different thrust? I believe the Senate should be a little more consistent than that. If we wanted public financing, it looks like it would have been a part of that bill.

What does this bill provide? It keeps that same provision in there about candidates who seek the Presidential nomination of the major parties—and there are quite a number of those. When we have a full Senate here, we have quite a number who are seeking the nomination.

I might say, Mr. President, I have an amendment I expect to call up, before the bill is acted on finally, that would forbid any Member of the 93d Congress from receiving any public funds in aid of a Presidential nomination contest for the Presidency for the term starting January 20, 1977, which would be the start of the next term. We have a number here in the Senate who seek the Presidency or would accept the nomination if it came their way. The bill still provides that a Member of the Senate or a Member of the House could seek the Presidential nomination of one of the major parties, and if he were successful in getting $250,000 in contributions of $250 or less, then the Federal Treasury would write him a check for $250,000. It would match that $250,000, and then subsequent contributions of up to $250 that he received would be matched by the Federal Treasury. He could come in every 2 or 3 days and pick up his check or his matching funds. That keeps going until he has collected from the Federal Government some $7.5 million to aid him in his election campaign.

If Governor Rockefeller had contributions of that size and that amount, he could get $7.5 million out of the taxpayer's pockets.

Governor Connally in the same way. Governor Reagan in the same way. Senator PERCY in the same way. Senator KENNEDY in the same way. Their contributions up to $250 would be matched by the Federal Government up to $7,500,000.

In a colloquy this morning or early this afternoon with the distinguished Senator from Rhode Island (Mr. PELL), I asked him if there is in the bill anything that sets a time beyond which or back of which contributions would not be matchable or could not be received. I asked how far back it went. He said that there was no limitation.

I asked,

> Does that mean that a man who has been running for the Presidency for some while could come in and say, "In the last five years I have collected so many thousands of dollars in my race for the Presidency, and I want the Government to match that?"

I asked if that were possible under the bill.

The Senator from Rhode Island replied,

> Oh, yes; that is possible under the bill.

Then I asked,

> Looking prospectively, now—looking at future races—suppose a man says, "I do not believe I am ready to run for President in 1976. I want to wait and run in 1980, or perhaps I want to run in 1984."

I asked if it were possible for a candidate to seek the nomination in 1980 and participate in the Federal subsidy?

The Senator from Rhode Island replied,

> Oh, yes, that is all right.

I asked,

> Is it possible, then, to have one class of candidates seeking the 1976 nomination, another class seeking the 1980 nomination, another group seeking the 1984 nomination, and then another group seeking the 1988 nomination?

The Senator from Rhode Island replied,

> Oh, yes. That is permissible.

Mr. President, I do not believe that the Senate wants to approve a measure of that sort.

I have thought that the Washington Post would be in favor of almost any sort of bill that was said to provide for public financing or that was said to be for election reform. But I have found, to my surpise, that in this morning's Washington Post, the lead editorial said this about S. 3044. The editorial did not call the bill by name.

> Thus the Senate last summer sent the House a very solid bill to curb private giving and spending and to strengthen the enforcement of the election laws. And today the Senate begins debate on a very ambitious bill to extend public financing to all federal primary and general-election campaigns.

I have always felt that the Post had a strong interest in public financing.

That bill was passed by the Senate and is in the House today. We do not know that it is not going to be acted on. Either that bill or a similar bill will be acted upon.

Let me read further from the Washington Post editorial:

> The problem with the latest Senate bill—

That is, S. 3044, the bill before the Senate—

> is that it tries to do too much, too soon, and goes beyond what is either feasible or workable.

Mr. President, this is the Washington Post making sound suggestions, such as I have just read.

> For one thing, the bill provides for full public financing of congressional general-election campaigns, and that is clearly indigestible in the House this year, since the House leadership even chokes on the more moderate matching-grant approach embodied in the Anderson-Udall bill. The more serious defects in the Senate bill involve the inclusion of primaries.

That is something the Senate committee, in its wisdom, added to the Kennedy-Scott-Mansfield-Mondale-Cranston-Pell rider approach. I continue to read:

> No aspect of the federal elections process is more motley and capricious than the present steeplechase of presidential primaries.

That is a field which the committee bill is seeking to clarify.

> Injecting even partial public funding into this process, without rationalizing it in any other way, makes little sense.
>
> As for Congressional primaries, they are so varied in size, cost and significance among the States that no single system of public support seems justifiable without much more careful thought.

I commend a reading of this editorial in the Washington Post to Senators, particularly Senators who advocate the public financing aspect of the bill.

What the Senate bill seeks to do is similar to a rider that failed of adoption last year. It is a worse bill in some respects, as I have pointed out, in that it seems to include the primary campaigns of Members of the House and the Senate. It goes even further than the Kennedy-Scott rider of last year. The pending amendment, the amendment on which agreement has been made to vote tomorrow afternoon, is to strike out title I, but to leave the remaining title, "Title II—Changes in Campaign Communications Law and in Reporting and Disclosure Provisions of the Federal Election Campaign Act of 1971," title III, crimes relating to elections and political activities—that would be preserved—title IV, disclosure of financial interests by certain Federal officers and employees, and title V, related Internal Revenue Code amendments. Those four remaining titles would still stay in the bill.

The distinguished majority leader this morning sought to obtain unanimous consent to strike title V in order that it might be considered on legislation which had originated in the House of Representatives, that it might be attached to the legislation originating in the House and referred to the Ways and Means Committee over there.

Mr. President, what title V does in the bill before us—and we do not know whether it will stay in the bill or not; I rather believe when we come to a vote on the majority leader's motion it will be stricken—is as follows: Title V is divided into two parts. One deals with the checkoff. And speaking of the checkoff, this checkoff system that we have really provides the vehicle and the method and system by which the 1976 general election Presidential campaign can be financed.

It is estimated by the fiscal authorities that by 1976 there will be over $50 million in this checkoff fund. It is provided that the candidate of each major party shall get 15 cents per person of voting age throughout the country, which will run about $21 million; so the Democrats and Republicans can be financed under the present checkoff laws. We do not need this S. 3044 to provide for the public financing of national Presidential elections. We do not need that at all.

The only catch in it—catch 22, so to speak—is that in order to come under the provisions of the present checkoff, the political party has to agree that it will make do in the campaign with this $21 million, and that the candidates will not accept any private contributions. I rather believe we are going to see some legislation later on increasing this amount of 15 cents per person of voting age through the checkoff to a larger amount, so that the parties can run more expensive campaigns than a $21 million campaign. But $21 million, Mr. President, will be available to the Democrats in 1976 and to the Republicans in 1976, so it is really not necessary to have this measure if what we are talking about is Presidential elections. If we want to finance the Presidential election of 1976, it is already provided for. It already comes under the provisions of existing law.

Now, this checkoff provision provides for double that amount. They do not think it is enough, so they want to double it. That would be $2 for a single person, $4 for a couple, and there is a nice little gimmick there, Mr. President, that if they do not check it off, it is assumed they did check it off. So, if they do not say they do not want it, it is assumed that they do want it.

Mr. President, I do not believe we need these changes in the checkoff law, and I will be glad to see the majority leader's motion carry when it comes up for consideration.

Of course, under the present deductions of credits allowed, in addition to the checkoff, there is something entirely different; on the income tax, you are allowed either credits or deductions for contributions you make to political campaigns. So under this public financing on a mixed type deal, mixing public funds and private funds, the Government would be paying, through those deduction and credit provisions of the income tax law, what the individual put in, and then the Government will match what it has already given the taxpayers to put in.

So, actually, the taxpayer would not be putting in anything on small contributions up to $50 that it provides, I believe, for a credit on the tax, and $200 for a couple on a deduction. So the Government, under this mixed plan of the bill before us, would be matching private funds with public funds when it has already given the taxpayers the money to put in on the private fund basis up to a certain amount. It would be the Government paying both ends of it.

Mr. President, I understand that one of the distinguished sponsors of this legislation would like to address the Senate, and I shall yield the floor at this time and continue with the remainder of my remarks at a later time.

I yield the floor.

Mr. KENNEDY. Mr. President, I ask unanimous consent that Carey Parker of my staff may be present on the floor during the consideration of S. 3044.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I am pleased to give my support to S. 3044, the election reform bill now before the Senate. No bill in this Congress is more important.

In large measure, how we deal with the pending legislation will determine the longrun health of our democratic system of government in the years to come.

For that reason, I am especially pleased to commend Senator HOWARD CANNON, the chairman of the Rules Committee, and Senator CLAIBORNE PELL, the chairman of the Elections Subcommittee, for the far-reaching bill they have guided to the Senate floor, especially title I, which deals with public financing of elections. Since most of the debate on the bill is likely to concern the bill's approach to public financing, I would like to address my remarks today to that issue.

A detailed summary of the public financing provisions of S. 3044 is attached as an appendix to my remarks. In essence, these provisions do two things:

First, the bill takes Senator RUSSELL LONG's dollar checkoff, the imaginative device enacted by Congress in 1971 for public financing of Presidential general elections, and extends it to Senate and House general elections. Under the checkoff, full public funding will be available for the general election campaigns of candidates of the major political parties, and proportional public funds will be available for candidates of minor parties.

Second, in a genuine breakthrough, the Rules Committee bill does not stop with public financing of general elections. It also offers public financing for all primaries for Federal office—President, Senate and House—through a system of matching public grants for small private contributions.

Thus, S. 3044 proposes a system of comprehensive public financing for all Federal elections.

Taken together, these provisions of the bill can spark a renaissance in American political life, because public financing of elections is the answer to many of the deepest problems facing the Nation, especially the lack of responsiveness of government to the people. Only when all the people pay for elections will all the people be truly represented in their government.

At a single stroke, we can drive the moneylenders out of the temple of politics. We can end the corrosive and corrupting influence of private money in public life. Once and for all, we can take elections off the auction block, and make elected officials what they ought to be—servants of all the people instead of slaves to a special few.

Amid so much that is negative today—the paralysis of our Nation's highest leadership, the increasing probability that the President will be impeached, the resignation of a Vice President, the indictments of many former highest White House aides, the sick economy soaring upward into inflation and driving downward into recession—amid all these issues, reform of campaign financing stands out like a shining beacon, as the most positive contribution Congress can make to end the crisis over Watergate, and restore the people's shattered confidence in the integrity of their Government.

Most, and probably all, of the things that are wrong with politics and public office in this country today have their roots in the way we finance the campaigns in which the Nation's highest officials are elected.

We get what we pay for. As a result, we have the best political system that money can buy, a system that has now become the worst national scandal in our history, a disgrace to every basic principle on which the Nation stands.

Who really owns America? Who owns Congress? Who owns the administration? Is it the people, or is it a little group of big campaign contributors? Take seven examples that are obviously current today:

Does anyone doubt the connection between America's energy crisis and the campaign contributions of the oil industry?

Does anyone doubt the connection between America's reluctance to enforce effective price controls and the campaign contributions of the Nation's richest corporations, especially the $100,000 corporate capitation tax imposed by the managers of President Nixon's reelection campaign in 1972?

Does anyone doubt the connection between America's health crisis and the campaign contributions of the American Medical Association and the private health insurance industry?

Does anyone doubt the connection between the massive tax loopholes in the Internal Revenue Code and the campaign contributions of those who enjoy the benefits of such loopholes?

Does anyone doubt the connection between the crisis over gun control and the campaign contributions of the National Rifle Association?

Does anyone doubt the connection between the transportation crisis and the campaign contributions of the highway lobby?

Does anyone doubt the connection between the demoralization of the Foreign Service and the sale of ambassadorships for private campaign contributions?

These areas are only the beginning of the list. The problem is especially urgent and pervasive today, because of Watergate and the soaring cost of running for public office. But if 1972 was unique at all in campaign financing, it was unique only in the unscrupulous intensity and efficiency with which large private contributions were so successfully solicited.

Corruption or the appearance of corruption in campaign financing is not a new phenomenon. It affects both the White House and the Congress. In fact, I would venture that for at least a generation, few major pieces of legislation have moved through the House or Senate, few major administrative agency actions have been taken, that do not bear the brand of large campaign contributors with an interest in the outcome.

Watergate did not cause the problem, but it may well offer the last clear chance to solve it. Through public financing, we can guarantee that the political influence of any citizen is measured only by his voice and vote, not by the thickness of his pocketbook.

To the man in the street, as the recent polls make clear, politics in American life has now sunk to the depths of public service in the heyday of the notorious spoils system of the 19th century. And just as the spoils system finally sank of its own scandals, incompetence and corruption, and gave way to the appointed civil service based on merit we know today, so the spoils system of private campaign financing is sinking under the scandal of Watergate, giving way to a new era of elected public service, based on public financing of elections to public office.

It is clear, however, that public financing is not a panacea for America's every social ill. It is not a cure for all corruption in public life. It is not a guarantee that those who enter public service will be any wiser in solving America's current problems. What it does mean is that public decisions will be taken in the future by persons beholden only to the public as a whole, free of the abuses that have landed America in the dock in the eyes of democratic nations throughout the world, free of the appearance of special influence and corruption that have done so much in recent years to bring all government to its present low estate.

There are a number of issues which are being raised in connection with public financing, and which we will discuss in detail in the present debate.

### PAST ACTION BY THE SENATE ON PUBLIC FINANCING

First, the bill is not being rushed through Congress prematurely. The principle of public financing has received extensive analysis by Congress over many years, especially by the Senate. In fact, the present debate marks the fifth year in the past decade in which the Senate is engaging in major floor debate on public financing legislation:

1966 saw the birth of the original dollar checkoff legislation, sponsored by Senator LONG and signed into law by President Lyndon Johnson.

1967 saw that law delayed, caught in the crossfire of the then emerging passions over the 1968 Presidential election.

1971 saw the act revived, and again signed into law, this time by President Richard Nixon.

And, in the wake of Watergate, 1973 saw the first attempted extension of the checkoff to other Federal elections, in a measure passed initially by the Senate, but later killed by a Senate filibuster mounted by those unwilling to let the majority work its will.

There is a Rip Van Winkle tone to arguments of those opposed to public financing. We already have public financing for Presidential elections. It is already a Federal law. It is already printed on the statute books.

Surely, Congress is not about to roll back the clock on the dollar checkoff by repealing its provisions. The issue now is whether to extend the dollar checkoff, by applying its provisions to Presidential primaries and to Senate and House elections.

I say, if public financing is the answer to the problems of private money and political corruption in Presidential elections, then it is also the answer to the problems of private money and political corruption in other Federal elections, too. If public financing is good enough for President, it is good enough for the House and Senate, too.

### PUBLIC FINANCING IS NOT TAXATION WITHOUT REPRESENTATION

Second, to those who say that public financing of elections is taxation without representation, I reply that taxation without representation is what we have today, with a system of campaign financing that turns elected officials into vassals of their big contributors.

If we want a President and Congress who represent all the people, then all the people have to pay the cost of their campaigns for public office.

Similarly, to those who say that public financing is a raid on the Federal Treasury by candidates for public office, I reply that the real raid on the Treasury is the raid that is going on today, the raid that is costing taxpayers tens of billions of tax dollars a year in undeserved privileges and benefits, bought by the private campaign contributions of wealthy donors and special interest groups.

Moreover, under the dollar checkoff method of public financing now being widely used on this year's tax returns, it is clear that no one's tax dollars are being taken for public financing against his will. No tax dollars go into the election fund at all unless a taxpayer checks the box on his return.

If the dollar checkoff works, it means that every dollar in funds for public financing is coming from an individual taxpayer who has given his consent. That is a complete answer to those who say that taxpayers should not be forced to pay for political campaigns, and that public officials should not be spending public money on themselves.

True, the new Senate bill would enable any deficits in the checkoff fund to be made up by congressional appropriations. But the allocation of tax dollars for financing elections is no different in principle from the allocation of tax dollars for any other purpose.

Not every citizen approves the way every tax dollar is spent. The most obvious example is Vietnam—over a period of more than a decade, America poured more than a hundred billion tax dollars into the Vietnam war, over the continuing opposition of what began as a small segment of the population, but finally became a majority of Congress and the Nation.

To some, public financing of elections may not be the most desirable use of public dollars. But it is a vast improvement over private financing.

We do not let wealthy private citizens pay the salaries of the President and Senators and Congressmen. Why should we let wealthy private citizens pay the cost of their campaigns?

As with many other Federal spending programs, some citizens may oppose the way Congress decides that particular tax dollars shall be spent. But to call such spending "taxation without representation" is a distortion of one of democracy's greatest principles and a travesty on one of America's proudest slogans.

### THE CONSTITUTIONALITY OF PUBLIC FINANCING

The third important issue concerns the questions that have been raised about the constitutionality of public financing. I believe that the language of the Constitution and a long line of precedents in the Supreme Court, going back to the 19th century, establish ample authority for Congress to enact this legislation.

In each of the major areas where first amendment and other constitutional overtones are present, especially in the treatment of minor parties and the generous role carved out for independent private spending, the Senate bill proceeds with clear regard for basic legal rights.

No one—no candidate or contributor—has a constitutional right to buy an election. To suggest that Congress cannot enact this measure is to deny democracy the right of self-survival.

Surely, with 535 experts preeminent in the field, Congress has the constitutional power to correct a clear and present evil it recognizes in the arena of elections.

To paraphrase the famous words of Justice Oliver Wendell Holmes, challenging Supreme Court decisions thwarting progressive social legislation at the turn of the century, the Constitution does not enact Mr. Herbert Kalmach's political ethics.

And so, I am confident the Supreme Court will uphold the pending legislation if it passes Congress and a challenge is ever brought.

### THE ROLE OF POLITICAL PARTIES UNDER PUBLIC FINANCING

Fourth, contrary to the premature obituaries being offered, public financing is not a nail in the coffin of the two-party system in America. It will not diminish in any substantial way the role of political parties in the Nation.

To the extent that public funds go to candidates themselves instead of to the parties, the Senate bill simply reflects the existing reality of campaign spending, in which the role of the candidate is and must be paramount. Congress settled this issue in 1967 and ratified it again in 1971, and that is where it rests today.

In two of its provisions, moreover, the Senate bill specifically enhances the parties' role:

By conferring independent spending authority on party committees at the National and State level, over and above the candidates' own spending limits, the bill establishes a specific role for the parties in their own right, free of the candidates' control.

And, by prohibiting expenditures over $1,000 by a candidate for President unless the expenditure has the approval of the party's national committee, the bill guarantees a substantial supporting role for the parties in the national campaigns.

On balance, therefore, far from damaging the parties, the prospects are good that public financing will in fact be a useful counterbalance to the forces driving the two-party system apart and splintering modern politics.

Realistically, public financing by itself is not a lever strong enough to rejuvenate the political parties in America. But if that is the direction in which the larger political and social forces now at work are moving, then public financing will contribute significantly to the goal.

### THE INADEQUACY OF FULL DISCLOSURE

Fifth, to those who say go slow, that limits on total campaign spending and limits on private contributions are enough for now, that all we need is full reporting and disclosure. I reply that sunlight is too weak a disinfectant, that we should not be satisfied with timed steps today, when Watergate and the experience of 1972 prove that bolder ones are needed.

The Nation had an ample full disclosure law on the statute books for most of the 1972 campaign. True, as we now know, there was a scramble by some of the largest donors to make their contributions before April 7, 1972, the date the disclosure law became effective.

But, as the recent report of the General Accounting Office makes clear, vast amounts of private contributions were made and duly reported after April 7 as well. Wealthy contributors with special-interest money barely missed a stride under the full disclosure law.

No one is inhibited by full disclosure from making a sizable contribution, if that is the investment he thinks is needed to protect his special interest. And, as Watergate makes clear, if the pressure is great enough, the money will be found and the contribution will be made in secret, in flagrant violation not only of the disclosure law but also of other criminal provisions in the election laws, such as the prohibition on corporate contributions.

When some of the most distinguished corporations in the Nation—familiar names like American Airlines, Goodyear Tire, Gulf Oil, and Minnesota Mining and Manufacturing—confess to blatant crimes involving hundreds of thousands of dollars in illegal corporate contributions, and then compound their crimes by using foreign agents and laundered foreign bank accounts to cover up the trail, we begin to understand the irresistible financial pressures that are corrupting our national life and destroying our democracy.

The basic defeat of a full disclosure law is that disclosure, by its nature, will not work. Too often, the requirement of disclosure is easily evaded. And even where disclosure is made, it will never be full enough, because a donor will never disclose the things he wants in return for the contribution he is making.

A separate problem in relying on the disclosure-contribution-spending-limit approach, without public financing, is that Congress would be aiming in the dark. Therefore, the danger exists that the limits would be set so high that they would be meaningless as real reform, or so low that they will break the back of private financing, without leaving any realistic alternative in its place.

The pending Senate bill steers a middle course, avoiding both extremes. It sets the contribution limit at $3,000 per individual per campaign—low enough to prohibit clearly excessive private contributions, but high enough to allow a candidate to run his campaign entirely on private funds, if that is the route he chooses.

In addition, the bill offers candidates the alternative of public funds for both their primary campaigns and their general election campaigns, at realistic levels that not only are high enough to avoid any reliance at all on large private contributions, but also are high enough to enable any serious challenger to get his message to the people. No one can fairly say that in S. 3044, the Senate is writing a dream bill for incumbents.

The application of S. 3044 to primary elections illustrates the cautious approach of the bill to the issue of public financing:

Any candidate may choose to finance his campaign entirely through private contributions, at $3,000 per donor.

Or, he may obtain matching grants of public funds for each $100 contribution in congressional primaries, or each $250 contribution in Presidential primaries.

For example, for each $3,000 a Senate candidate needs to finance his campaign, he must decide whether it is easier to raise the full amount from a single donor, or to raise it from 15 donors of $100 each, whose contributions will be matched by $1,500 in public funds to reach the $3,000 level. In effect, the $3,000 contribution ceiling will function as a safety valve in the event that the novel concept of matching grants fails to work in practice.

Equally important, to qualify for any public funds at all for his primary campaign, the candidate must meet the bill's substantial test of raising a high threshold of $100 contributions—20 percent of his spending limit in the case of a Senate primary. As the threshold provisions make clear, the bill offers no easy access to the Treasury for political candidates seeking a joyride at the taxpayers' expense. No one will be entitled to public funds until he satisfies the threshold, and thereby meets the bill's stiff test of the seriousness of his candidacy.

### THE ROLE OF PRIVATE FINANCING

Sixth, contrary to some reports, the public financing provisions of the bill are in no sense mandatory. The bill does not prohibit private financing, and it certainly does not prohibit small private contributions.

In fact, it provides strong incentives for small contributions in primaries, since it offers matching public funds only for the first $250 in private contributions for Presidential primaries and the first $100 in primaries for the Senate and House.

Private contributions also have a role to play in general elections, since major party candidates will have the option of relying entirely on private funds, entirely on public funds, or on any combination in between.

And in both primaries and general elections, the bill provides new incentives for small private contributions by doubling the existing tax credit and tax deduction available for such contributions.

In those respects, the bill recognizes the vigorous differences of opinion on the proper role of small private contributions. Some feel that such contributions are an essential method for bringing citizens into the system and encouraging popular participation in politics.

Others, like myself, feel that there are better ways to bring a person into the system than by reaching for his pocketbook, and that the best way to a voter's heart is through his opinions on the issues not through the dollars in his wallet.

As it should, the bill accommodates both views, letting each candidate "do his own thing," without forcing any candidate into a rigid formula for financing his campaign.

In this respect, S. 3044 is an improvement over the 1971 dollar checkoff law, which prohibits a person who accepts public funds from accepting private contributions. Under S. 3044, there is greater flexibility—a candidate can select the mix of private and public funds he wants for his campaign, such as 50–50 or 80–20, and is not obliged to accept public funds on an all-or-nothing basis.

For that reason, I am opposed to alternative proposals that would turn public financing for general elections into a compulsory mixed system of partial public funds and partial private contributions, with or without matching grants.

Last November, in the floor debate on the public financing amendment to the Debt Ceiling Act, the Senate voted 52–40 against a proposal to cut the amount of public funds in half and to require the remainder to be raised in private contributions. As Senator JOHN PASTORE succinctly put it in the floor debate, in opposing such a mandatory mixture of public and private financing:

> Either we are going to have or not going to have public financing. If we are going for public financing, let us go for public financing. If we are not going to have it, let us not have it. What we have here [in the proposal for a mixed system] is a hermaphrodite.

If participation in politics through small private contributions is the goal, then the dollar checkoff is already achieving it. More than 4 million taxpayers have used the checkoff so far in 1974. At the current rate, 12 million taxpayers will have used it by the time all returns are filed on April 15. That is a world record for public participation in campaign financing, a tribute to the workability on the "one voter-one dollar" approach to public financing enacted in 1971.

Further, it is by no means clear that it is feasible for a large number of general election campaigns across the country to be run on small private contributions.

The Goldwater campaign in 1964, the McGovern campaign in 1972, and the Democratic National Committee's telethon in 1973 are good examples of successful fundraising through small private contributions, but they prove only that such fundraising may work in the unique circumstances involved in those campaigns.

They do not prove that the method will work when every Senate, House, and Presidential candidate is tapping the pool of small contributors.

The net result of such a system applied to all elections may simply be to put a premium on the best-known candidate, or the candidate who starts the earliest or who hires the best direct-mail expert as his fundraiser.

Nor would it be desirable, in my view

to adopt a program of matching grants for small private contributions as the form of public financing for general elections.

In the case of primaries, a system of matching grants is appropriate and is the method adopted by S. 3044. In fact, matching is the only realistic method of public financing in primaries, since it is the only realistic way to identify those who are serious candidates. The candidates who deserve public funds are those who have demonstrated broad appeal by raising a substantial amount of private funds from small contributions. Thus, if we are to have any public financing of primary elections, it must be accomplished through matching grants.

In the general election, however, the nomination process has already identified the major party candidates who deserve public funds. It is appropriate, therefore, as S. 3044 provides, to give them the full amount of public funds necessary to finance their campaigns, with the option for every candidate to forgo all or part of the public funds if he prefers to run on private contributions.

Thus, full public funding in the general election gives a candidate maximum discretion in running his campaign. If an extra layer of private spending is allowed, all candidates would be obliged to raise the extra amount as a guarantee that they would not be outspent by their opponents.

As a result, all candidates would be forced into the mandatory straitjacket of spending time and money to raise small private contributions, even though many candidates would prefer to spend that time and money in more productive ways in their campaigns.

A system of matching grants in general elections would be especially dangerous to the existing two-party system, since it might encourage splinter candidates—for example, a candidate narrowly defeated in a primary would be encouraged to take his case to the people in the general election as an independent candidate or as a third party candidate. Under S. 3044, by contrast, a third party candidate with no track record from a past election would still be able to obtain public funds, but only retroactively, on the basis of his showing in the current election.

Thus, in its provisions offering full public funds on an optional basis for general elections, S. 3044 avoids the waste, pitfalls, and obvious dangers to the election process of a mixed system of public-private financing or a system of matching grants, and I urge the Senate to approve it.

### THE EFFECT ON BUSINESS AND LABOR

Seventh, we must lay to rest the specter that public financing will fracture some presumed election compact between business money and labor manpower in American public life.

That view contains a basic fallacy, because it paints a picture of political life that no candidate would recognize. The impact of public financing will be approximately equal on both business and labor, because both business and labor depend primarily on money and large campaign contributions to support the candidates they favor.

Under public financing, neither business, nor labor, nor any other interest group will be able to purchase influence or any other special benefit. But neither will they have a monopoly on the manpower or on the energy and ability of those who are willing and eager to participate in political campaigns.

### THE COST OF PUBLIC FINANCING

Eighth, to those who say we cannot afford the $90 million annual price tag on the public financing provisions of S. 3044, I say we cannot afford not to pay the price. Dollars for public financing are a bargain at any standard, because they are dollars invested now that promise rich dividends in public service for America in the future.

Think what that price tag really means. For about the cost of a single week of the Vietnam war, for less than a tenth of a cent a gallon on the price of gasoline each year, for less than 50 cents a person each year, we can take the step best calculated to clean the stables of our Government and to bring integrity back to politics.

We trust candidates for Federal office, once elected to the White House and to Congress, to spend over $300 billion in public funds in the annual Federal budget. Why should we hesitate to trust candidates with $90 million a year in public funds for their election?

Through the democracy of the dollar checkoff, we can spread the cost of campaign financing broadly among all taxpayers. Thanks to the good faith efforts of the Internal Revenue Service to publicize the checkoff on this year's tax returns, the procedure is working reasonably well today—15 percent of the returns filed so far in 1974 are using the checkoff now, already a fivefold increase over 1973.

My hope is that the use of the checkoff will increase between now and April 15, as taxpayers become increasingly familiar with the plan. At the present rate, the checkoff will be ample to finance the 1976 Presidential election, but more is needed. To pay for public financing of other elections, the rate of use of the dollar checkoff will have to double once again, which means that one out of every three taxpayers must use the checkoff if supplemental appropriations are to be avoided.

Eighty million taxpayers are voting on their tax return this year. The votes they cast with the Internal Revenue Service between now and April 15 will be some of the most important votes they ever cast, because they are votes for honest, fair and clean elections.

A totally new experiment in American democracy is underway, an experiment as significant in its way as the school desegregation and reapportionment decisions by the Supreme Court in the 1960's, or the civil rights and 18-year-old vote legislation passed by Congress in recent years.

In sum, public financing of elections means no more Watergates. It is the wisest possible investment the American taxpayer can make in the future of his country. If it works, our elections will once again belong to all the people of the Nation. The stage is set for Congress to seize this historic opportunity to bring democracy back to health. May future generations say that we were equal to the challenge.

Mr. President, I ask unanimous consent that a table showing the current results under the dollar checkoff, and an outline of S. 3044, may be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

WEEKLY AND CUMULATIVE RESULTS OF THE DOLLAR CHECKOFF

| | 1973 returns using checkoff for 1973 | | | Total returns processed [1] |
|---|---|---|---|---|
| | November | Percent | Amount | |
| Weekly Results: | | | | |
| Through Jan. 18 | 43, 198 | 10. 7 | $60, 066 | |
| Week of: | | | | |
| Jan. 25 | 120, 202 | 14. 0 | 171, 984 | |
| Feb. 1 | 251, 312 | 14. 7 | 365, 777 | |
| Feb. 8 | 396, 287 | 14. 3 | 585, 519 | |
| Feb. 15 | 553, 806 | 14. 1 | 820, 986 | |
| Feb. 22 | 629, 823 | 15. 1 | 930, 641 | |
| Mar. 1 | 766, 586 | 14. 6 | 1, 136, 250 | |
| Mar. 8 | 770, 729 | 14. 4 | 1, 145, 293 | |
| Mar. 15 | 775, 262 | 13. 9 | 1, 150, 872 | |
| Cumulative results: | | | | |
| Jan. 25 | 163, 400 | 13. 0 | 232, 050 | |
| Feb. 1 | 414, 712 | 14. 0 | 597, 827 | |
| Feb. 8 | 810, 999 | 14. 1 | 1, 183, 346 | |
| Feb. 15 | 1, 364, 805 | 14. 1 | 2, 004, 332 | |
| Feb. 22 | 1, 994, 628 | 14. 4 | 2, 934, 973 | 13, 963, 000 |
| Mar. 1 | 2, 761, 214 | 14. 5 | 4, 071, 223 | 19, 141, 000 |
| Mar. 8 | 3, 531, 943 | 14. 5 | 5, 216, 516 | 24, 472, 000 |
| Mar. 15 | 4, 307, 205 | 14. 4 | 6, 367, 388 | 30, 005, 000 |

| | 1973 returns using checkoff for 1973 | | | Total returns processed [1] |
|---|---|---|---|---|
| | November | Percent | Amount | |
| | 1973 returns using checkoff for 1972 | | | |
| Weekly results: | | | | |
| Through Jan. 18 | 21, 580 | 5. 3 | $30, 461 | |
| Week of: | | | | |
| Jan. 25 | 59, 360 | 6. 9 | 85, 998 | |
| Feb. 1 | 120, 088 | 7. 0 | 177, 418 | |
| Feb. 8 | 186, 534 | 6. 7 | 280, 093 | |
| Feb. 15 | 258, 172 | 6. 6 | 390, 459 | |
| Feb. 22 | 294, 289 | 7. 1 | 443, 390 | |
| Mar. 1 | 359, 690 | 6. 9 | 544, 809 | |
| Mar. 8 | 361, 825 | 6. 8 | 550, 796 | |
| Mar. 15 | 364, 692 | 6. 5 | 555, 120 | |
| Cumulative results: | | | | |
| Jan. 25 | 80, 940 | 6. 4 | 116, 459 | |
| Feb. 1 | 201, 028 | 6. 8 | 293, 877 | |
| Feb. 8 | 387, 562 | 6. 8 | 573, 970 | |
| Feb. 15 | 645, 734 | 6. 7 | 964, 429 | |
| Feb. 22 | 940, 023 | 6. 8 | 1, 407, 819 | |
| Mar. 1 | 1, 299, 713 | 6. 8 | 1, 952, 628 | |
| Mar. 8 | 1, 661, 538 | 6. 8 | 2, 503, 424 | |
| Mar. 15 | 2, 026, 230 | 6. 8 | 3, 058, 544 | |

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[1] 81,000,000 returns expected by Apr. 15, 1974: as of Mar. 15, 43,611,000 returns had been received, or about 54 percent of the returns expected to be filed. The figures in the table are based on the number of returns processed.

## Outline of S. 3044—Public Financing for Federal Elections

### PURPOSE

1. S. 3044 builds on existing law, which provides public financing for Presidential general elections, by extending its provisions to include public financing for Presidential primaries and for Senate and House general elections and primaries.

### EXISTING LAW

2. The existing law is Senator Russell Long's "Presidential Election Campaign Fund Act."[1] known as the dollar checkoff. The Act, as passed by Congress in 1971 and amended in 1973, established a program of public financing for Presidential general elections, to go into effect for the 1976 election. Under the Act, taxpayers are authorized to designate that $1 of their taxes ($2 on joint returns), shall be available for a "Presidential Election Campaign Fund," established on the books of the Treasury. Under the law, the designated amounts must be transferred into the Fund under a specific appropriation enacted by Congress. Once transferred to the Fund, the amounts will be apportioned among eligible major and minor party candidates in the Presidential general election. The 1973 amendments eliminated the so-called "Special Accounts" in the Fund, and left only a "General Account," to be allocated by formula among Presidential candidates. The program is administered by the Comptroller General.

### GENERAL PROVISIONS ON PUBLIC FINANCING

3. S. 3044 establishes a Federal Election Campaign Fund in the Treasury as an expanded version of the existing Presidential Election Campaign Fund, to be funded through the dollar checkoff and general appropriations acts of Congress. Payments from the Fund will be made to eligible major and minor party candidates in primaries and general elections for all Federal offices—President, Senate, and House.

4. The bill increases the amount of the dollar checkoff from the existing level of $1 ($2 on a joint return) to $2 ($4 on a joint return).

5. The bill modifies the checkoff to provide an automatic designation of tax dollars into the Federal Election Campaign Fund, unless taxpayers indicate on their returns that they do not want the designation made.

6. The bill authorizes Congress to appropriate funds to make up deficits left in the fund after the operation of the dollar checkoff.

7. The program will be administered by a new Federal Election Commission. The Commission will certify a candidate's eligibility for payments, and be responsible for conducting detailed post-election audits and obtaining repayments when necessary. The Commission will also administer the reporting and disclosure provisions and the contribution and expenditure ceilings of the Federal election laws.

8. There are heavy criminal penalties for exceeding the spending limits, and for unlawful use of payments, false statements to the Commission and kickbacks and illegal payments.

9. The provisions of the bill will go into effect for the 1976 Presidential and Congressional general elections and primaries.

10. The cost of the public financing provisions of the bill is estimated at $223 million in a Presidential election year, and $134 million in the off-year Congressional elections. Thus, the total cost of the program over the four year election cycle is $358 million, or an average cost of about $90 million a year. The cost estimates for each election are as follows:

| | President | Senate (33 seats) | House |
|---|---|---|---|
| Primaries | $42,000,000 | $10,000,000 | $31,000,000 |
| General elections | 47,000,000 | 24,000,000 | 69,000,000 |
| Total | 89,000,000 | 34,000,000 | 100,000,000 |

### PRESIDENTIAL, SENATE AND HOUSE GENERAL ELECTIONS

11. Except as indicated, the provisions of S. 3044 applicable to general elections for Federal office are essentially identical to those now applicable to Presidential general elections under existing law. In effect, S. 3044 extends the Presidential Election Campaign Fund Act of 1971 to Senate and House elections.

12. Under existing law, public financing is available as an alternative to private financing for Presidential elections. Candidates have the option of public or private financing, but candidates electing public finnacing may not also use private financing, except in cases where the available public funds are insufficient to meet the candidate's full entitlement.

Under S. 3044, an eligible candidate has the option of accepting full public financing, or full private financing, or any combination of the two. Thus, a candidate eligible for full public financing may choose to accept only half the public funds to which he is entitled, and may finance the other half of his campaign through private contributions. Such private contributions will be subject, however, to the $3,000 contribution limit and other provisions of the bill applicable to private financing.

13. The bill follows the basic formula in the existing dollar checkoff for allocating public funds among candidates of major and minor parties and independent candidates.

A "major" party is a party that received 25% or more of the total number of popular votes received by all candidates for the office in the preceding election, or the party with the next highest percentage of the votes, in an election where only one party qualifies as a major party on the basis of the preceding election.

A "minor" party is a party that received more than 5% but less than 25% of the popular vote in the preceding election.

14. In Presidential elections, a candidate of a major party is entitled to public funds in the amount of 15 cents per voter based on the current estimate of the voting age population in the United States (about $21 million at 1973 levels).

In Senate elections and Statewide Congressional elections a candidate of a major party is entitled to public funds in the amount of 15¢ per voter or $175,000, whichever is greater.

In House elections in States with more than one Representative, the entitlement of a major party candidate is $90,000.

The 15¢ a voter figure and other entitlements will be adjusted for future increases in the cost of living. The figures coincide both with the entitlement of Presidential candidates in the existing dollar checkoff law, and with the campaign spending ceilings in S. 372, which passed the Senate in July 1973.

15. A candidate of a minor party is entitled to receive public funds in proportion to his party's share of the vote in the preceding election. A candidate of a minor party may increase his entitlement on the basis of his performance in the current election, and may obtain retroactive reimbursement for the increase after the election.

16. A candidate of a party which is not a major or minor party is entitled to receive public funds in proportion to his share of the popular vote in the current election, on a retroactive reimbursement basis, if he receives more than 5% of the vote in the election.

17. An independent candidate is entitled to public funds on the same basis as if he were the candidate of a party.

### PRIMARY ELECTIONS

18. To qualify for public funds, candidates must accumulate the following threshold amounts of private funds, raised by small private contributions:

President—$250,000, in contributions of $250 or less.

Senate—20% of the spending ceiling or $125,000 (whichever is less), in contributions of $100 or less.

House—$10,000, in contributions of $100 or less.

19. Once the threshold is reached, a candidate is eligible for public funds matching the threshold amount, and to additional public funds matching each additional private contribution of $250 or less in the case of Presidential candidates, and $100 or less in the case of Senate or House candidates. All matching is on a 50–50 (dollar for dollar) basis.

### ROLE OF POLITICAL PARTIES

20. In order to assure the continuity of normal functions of political parties, to provide an independent role for the parties in general elections, and to offer an additional opportunity for private contributions, the national committee of a political party is entitled to spend a total of 2¢ per voter of its own funds, collected from private contributions, on behalf of candidates for Federal office in general elections; and a State committee of a political party is entitled to spend a total of 2¢ per voter of its own funds on behalf of such candidates within the State.

21. No expenditure over $1,000 may be made by the Presidential candidate of a party in a general election unless the expenditure has been approved by the Party's national committee.

### RELATED PROVISIONS

22. Tax Credit and Tax Deduction.—As an incentive to small private contributions, the bill doubles the existing tax credit and tax deduction for such contributions. The tax credit is increased to one-half of any contribution up to $50 ($100 on a joint return) and the tax deduction is increased to $100 ($200 on a joint return). The cost of his provision is estimated at $26 million ($11 million from doubling the maximum credit, and $15 million from doubling the maximum deduction).

23. Spending Ceilings for General Elections:

President: 15¢ a voter ($21 million).

Senate: 15¢ a voter or $175,000, whichever is greater.

House: $90,000 ($175,000 in a single district state).

24. Spending Ceilings for Primaries:

President: 20¢ a voter per State; 10¢ a voter nationwide ($14.2 million).

Senate: 10¢ a voter or $125,000, whichever is greater.

House: $90,000 ($125,000 in a single district State).

25. Contribution Limits on Individuals:

$3,000 to any candidate or committee. The limit applies separately to each primary and general election. An individual may contribute $3,000 to a Presidential candidate in each primary he enters, and $3,000 in the general election.

Limit on use of personal funds by a candidate: President, $50,000; Senate, $35,000; and House, $25,000.

26. Independent Spending.—Individuals or committees not authorized by a candidate may spend up to $1,000 during the campaign

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[1] Presidential Election Campaign Fund Act, P.L. 92–178, 35 Stat. 497, 562–575 (December 10, 1971), as amended by the Debt Ceiling Act, P.L. 93–53, 87 Stat. 134, 138–139 (July 1, 1973).

on behalf of the candidate, independent of the candidate's own spending ceiling.

27. Reporting and Disclosure.—Re-enacts the provisions of S. 372, which passed the Senate in July 1973, and which requires full reporting and disclosure of campaign contributions and expenditures.

28. Full Disclosure of Financial Interests.—An annual statement of income over $1,000, assets and liabilities over $1,000, and transactions over $1,000 must be filed with the Federal Election Commission by Members of Congress, candidates for Congress, and Federal employees earning more than $25,000 a year.

PUBLIC FINANCING FOR GENERAL ELECTIONS—STATE-BY-STATE SPENDING

| State | Voting age population (18 yrs. and over)[1] | Public funds 15¢/voter, $175,000 floor | National and State party committees 2¢/voter[2] |
|---|---|---|---|
| Alabama | 2, 338, 000 | $350, 700 | $46, 760 |
| Alaska | 200, 000 | 175, 000 | 4, 000 |
| Arizona | 1, 345, 000 | 201, 750 | 26, 900 |
| Arkansas | 1, 374, 000 | 206, 100 | 27, 480 |
| California | 14, 143, 000 | 2, 121, 450 | 282, 860 |
| Colorado | 1, 631, 000 | 244, 650 | 32, 620 |
| Connecticut | 2, 101, 000 | 315, 000 | 42, 020 |
| Delaware | 382, 000 | 175, 000 | 7, 640 |
| District of Columbia | 529, 000 | 175, 000 | 10, 580 |
| Florida | 5, 427, 000 | 814, 050 | 108, 540 |
| Georgia | 3, 140, 000 | 471, 000 | 62, 800 |
| Hawaii | 549, 000 | 175, 000 | 10, 980 |
| Idaho | 501, 000 | 175, 000 | 10, 200 |
| Illinois | 7, 568, 000 | 1, 135, 200 | 151, 360 |
| Indiana | 3, 530, 000 | 529, 500 | 70, 600 |
| Iowa | 1, 957, 000 | 293, 550 | 39, 410 |
| Kansas | 1, 570, 000 | 235, 500 | 31, 400 |
| Kentucky | 2, 235, 000 | 335, 250 | 44, 700 |
| Louisiana | 2, 399, 000 | 359, 850 | 47, 980 |
| Maine | 689, 000 | 175, 000 | 13, 780 |
| Maryland | 2, 720, 000 | 408, 000 | 54, 400 |
| Massachusetts | 4, 006, 000 | 600, 900 | 80, 120 |
| Michigan | 5, 922, 000 | 888, 300 | 118, 400 |
| Minnesota | 2, 575, 000 | 386, 250 | 51, 500 |
| Mississippi | 1, 453, 000 | 217, 950 | 29, 060 |
| Missouri | 3, 251, 000 | 487, 650 | 65, 020 |
| Montana | 474, 000 | 175, 000 | 9, 480 |
| Nebraska | 1, 042, 000 | 175, 000 | 20, 840 |
| Nevada | 365, 000 | 175, 000 | 7, 300 |
| New Hampshire | 531, 000 | 175, 000 | 10, 620 |
| New Jersey | 5, 030, 000 | 754, 000 | 100, 600 |
| New Mexico | 691, 000 | 175, 000 | 13, 820 |
| New York | 12, 665, 000 | 1, 899, 750 | 253, 300 |
| North Carolina | 3, 541, 000 | 531, 150 | 70, 820 |
| North Dakota | 421, 000 | 175, 000 | 8, 420 |
| Ohio | 7, 175, 000 | 1, 076, 250 | 143, 500 |
| Oklahoma | 1, 832, 000 | 274, 800 | 36, 640 |
| Oregon | 1, 532, 000 | 229, 800 | 30, 640 |
| Pennsylvania | 8, 240, 000 | 1, 236, 000 | 16i, 800 |
| Rhode Island | 677, 000 | 175, 000 | 13, 540 |
| South Carolina | 1, 775, 000 | 266, 250 | 35, 500 |
| South Dakota | 454, 000 | 175, 000 | 9, 080 |
| Tennessee | 2, 799, 000 | 419, 850 | 55, 980 |
| Texas | 7, 785, 000 | 1, 167, 750 | 115, 700 |
| Utah | 715, 000 | 175, 000 | 14, 300 |
| Vermont | 309, 000 | 175, 000 | 6, 180 |
| Virginia | 3, 243, 000 | 486, 450 | 64, 860 |
| Washington | 2, 329, 000 | 349, 350 | 46, 580 |
| West Virginia | 1, 228, 000 | 184, 200 | 24, 560 |
| Wisconsin | 3, 033, 000 | 454, 950 | 60, 660 |
| Wyoming | 234, 000 | 175, 000 | 4, 680 |
|  | 141, 656, 000 | 21, 248, 400 | 2, 833, 120 |

[1] Department of Census estimate, 1973 voting age population.

[2] The national committee of a political party may spend up to 2 cents per voter on general elections for Federal office. A State committee of a political party may also spend up to 2 cents per voter on general elections for Federal office in the State.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, the Senator from Alabama was talking about the public financing aspects of the pending bill, and I know that he is very familiar with its provisions and how it would work.

Am I correct in my understanding that if this bill were passed, each candidate in the general elections for the House of Representatives would receive $90,000 out of the public treasury to spend in his campaign?

Mr. ALLEN. I believe that is correct; yes.

Mr. GRIFFIN. And that would not involve any matching funds or private contributions. Each candidate nominated in the primary would be financed to the extent of $90,000.

Mr. ALLEN. Yes; that is correct.

Mr. GRIFFIN. Perhaps I should be addressing my question to the sponsor of the measure.

That is my understanding—and I am sure that he will correct this if I am wrong.

Mr. ALLEN. It would provide a permissible mix of public and private funds.

Mr. GRIFFIN. In the general campaign?

Mr. ALLEN. Mix, not match. In other words, if he did receive, say, $5,000 in private funds, that could be received and would come off the other.

Mr. GRIFFIN. But he would not have to raise anything?

Mr. ALLEN. No, he would not.

Mr. GRIFFIN. He would not have to raise anything?

Mr. ALLEN. That is correct.

Mr. GRIFFIN. He would be entitled to $90,000?

Mr. ALLEN. The full amount, yes.

Mr. GRIFFIN. I wonder whether the Senator from Alabama has had an opportunity—or perhaps the sponsor of this amendment has had—to check to see how much candidates running for the House of Representatives are spending now in their campaigns.

Mr. ALLEN. I do not believe it would approach that, in my judgment. Many are spending practically nothing.

Mr. GRIFFIN. It seems to me that that would be a very interesting bit of information that we should have.

I will tell the Senator from Alabama that I have done some primary checking, and it is awfully hard to get figures, for some reason or other. I understand that about the only place one can get them is Common Cause. I do not understand why that should be. I am trying my best to find out how much House Members and their opponents are spending now in House races.

One statistic I have been able to obtain is that more than two-thirds of those who ran in the last election spent less than $50,000. I do not know how much less than $50,000 was spent. I am sure that in some cases it was down to figures such as $10,000 and $15,000.

The junior Senator from Michigan ran for the House 5 times. I do not believe that any race for the House of Representatives in which I was involved cost in excess of $20,000, and some were in the neighborhood of $12,000 and $14,000.

I would have to do some double checking, but I think it would be a very unusual situation if any race in history for the House of Representatives, in the State of Michigan, has cost more than $90,000. There might have been one or two, but most of them would not be anywhere near that.

I wonder whether the Senator from Alabama would agree with me, as a matter of commonsense judgment, that this would greatly increase the level of spending in campaigns for the House of Representatives.

Mr. ALLEN. Yes, I think it would—not only for the House but also for the Senate. I think it would have the same effect for the Presidential nomination contest, because $7.5 million would be available to each candidate who could raise that amount in contributions for up to $250.

I do not believe that any of the sponsors of the measure seriously contend that this is going to cut overall campaign expenses. I do not believe the candidates for the Presidential nomination are spending $15 million apiece on campaign expenditures in seeking the nomination. I do not believe they are.

Mr. GRIFFIN. A candidate today might run in a race in which he would expect to raise $25,000 to $30,000 and could get elected for that under normal circumstances. But if his opponent is going to be given $90,000 out of the Treasury with which to wage a campaign, he is put in a position in which he does not have much choice but to go out and spend his $90,000. Does the Senator agree?

Mr. ALLEN. It would be sort of like an arms race.

Mr. GRIFFIN. Yes—a political arms race, with taxpayers' money.

Mr. ALLEN. That is right.

Mr. GRIFFIN. If we are interested in trying to eliminate corruption and to do away with sleazy practices, I wonder whether this is a good way to go about it.

If one is going to spend $90,000, would it not be mighty tempting to a candidate to have his brother-in-law go into the advertising business and his cousin go into the business of printing bumper stickers and his relatives and friends to do other things they might use to spend that $90,000? That is what disturbs me. It seems to me that this is an invitation to corruption of public funds.

Mr. ALLEN. I agree with the distinguished Senator from Michigan.

As I pointed out on the floor, there is no requirement that there be prudent management or expenditure of these public funds.

Mr. GRIFFIN. I wonder whether the story will get out to the American people. I wonder whether they will understand that we are talking about greatly escalating the expenditures in campaigns—not cutting them down. I believe most people think that too much money is being spent in campaigns. They are slick, they are expensive, and the people think too much money is being spent.

We ought to do something about it. That is the reason they talk about putting a ceiling on it. But I fear this bill would greatly increase the spending in campaigns. The major difference will be taxpayers' money coming out of the Public Treasury. I wonder if the public will get the story through the media.

Mr. ALLEN. I think they will if we allow this matter to be discussed long enough. If the point is made again and again it might be picked up by the media.

Mr. GRIFFIN. Right now, as the Senator from Alabama said very eloquently, the idea of campaign reform is somehow translated into public financing. They are treated as though they are synonymous; that if one is not for public financing then he must not be for campaign reform. That is what a lot of stories I read in the newspapers indicate.

Mr. ALLEN. I agree with the distinguished Senator. I might point out to the distinguished Senator from Michigan that there has been filed an amendment that would provide for cutting down the amount of permissible contributions from the $3,000 allowed by the bill to $250 in Presidential races and $100 in House and Senate races on the theory that that is all the bill allows to be met; so there must be something sinister, something insidious about that portion of the contribution, more than $250 or more than $100, depending on the race. Therefore, they should be cut down to the amount that does allow them to be matched in full.

Mr. GRIFFIN. I focused on the House races primarily because there are approximately the same number of people and the same number of constituents in each House district, so there are some reasons to make comparisons. When we talk about Senate races I think we all realize there is a great deal of difference in the race from one State to another State, and each of those would have to be looked at as a separate situation. I hope it comes home to the people of this country and to the Senate that we are talking about $90,000 out of the Treasury for each candidate nominated to run for the House of Representatives, and that they will realize what we would be doing in this bill if we pass it.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I am glad to yield to the distinguished Senator from Massachusetts, the coauthor of this legislation.

Mr. KENNEDY. It is interesting to me that on the opening day of the debate on this important legislation, the opponents are focusing on the House of Representatives. As the assistant minority leader understands full well, we will be glad to let the House set its own figure and write its own ticket for public financing. It may well be that the House will set a different figure than $90,000, or will adopt a different approach to public financing.

We hear this sanctimonious concern that the American people are going to worry about how the $90,000 in public funds is going to be spent, or that it will be used to set up brothers and cousins in the printing business, and so forth. Well, candidates can do that right now. All they have to do is go to the major contributors and collect that money now and put their brothers and cousins in business, if that is the way they choose to run their campaigns. The Senator is simply identifying the existing problem, not a problem peculiar to public financing.

The Senator from Michigan states that two-thirds of the House races were financed for $50,000 or less in 1972. That is largely because so many races in the House are uncontested. That is one of the evils of the present system, that it is very difficult in many cases for a challenger to raise any funds at all to run against an entrenched incumbent.

If the House of Representatives wants to set a different figure, a lower figure, that would be their prerogative.

What interests me this afternoon is that on the first day of debate on this measure, we hear it said how bad this provision is for the House. The opponents are not addressing the problem of where existing campaign contributions are coming from. They are not talking about public financing for the Senate, or what can be done to stop the corrupting power of contribution money. They are talking about the House.

I wish my good friend from Michigan would focus on that issue, and my friend the Senator from Alabama as well, because that is really the essential thrust of this whole effort.

Mr. GRIFFIN. Mr. President, I appreciate the response from the distinguished Senator from Massachusetts. I would say that we are looking at the bill as it comes from the Committee on Rules and Administration. I do not understand quite the point the Senator from Massachusetts makes when he said the House can set its own figure. This is a figure we set and it is only illustrative of the philosophy and the concept in the bill as a whole. I focused on the House because I think we can understand that. Now, I guess we will go back and I will focus on the Senate.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. KENNEDY. I would like to ask the Senator a question similar to the question he asked me the other day on the gun control measure. Would the distinguished assistant minority leader support this legislation if we altered the House provision and left it to the complete discretion of the House?

Mr. GRIFFIN. Only to the House? Absolutely not.

Mr. KENNEDY. I think the Senator was trying to make a similar point the other day. I think the point is made here today.

Mr. GRIFFIN. The situation with respect to the House is only illustrative of what is wrong with this bill throughout—with title I throughout, because I do strongly support the other titles of the bill.

Mr. ALLEN. Mr. President, the Senator from Massachusetts seems to indicate we should focus on some other race besides the House of Representatives. I notice here some of the figures submitted by the present administration. If this bill passes in California, after whoever ran for the Senate had been subsidized to the extent of $700,000 in the primary, each party would be subsidized $2.121 million.

Mr. GRIFFIN. That is each candidate?

Mr. ALLEN. Each candidate in the general election.

Mr. GRIFFIN. Running for the Senate in California would be subsidized how much?

Mr. ALLEN. $2.121 million.

I think also the Senator stated he had difficulty finding the cost of some of these races when we talk about a portion of $15 million for the financing of various candidates for President by the various parties—as to how that $15 million might compare with some races that have been run for the Presidential nomination. We have some experts in the Senate on those figures and how much they have spent on their campaigns for the Presidential nomination.

Mr. GRIFFIN. Would the Senator happen to have any figures on what candidates running for the Senate in California have spent in the past?

Mr. ALLEN. No; I do not have that, but I wondered how campaigns of some Senators who have run for President would compare with the $15 million this bill would allow them to spend. I wonder if the Senator has any thoughts along that line and whether we might get some expert testimony on that point.

Mr. GRIFFIN. I think it will come as a real shock to a lot of people who are interested in campaign reform when and if they get the true story, of what title I of this bill would do and how it would subsidize candidates running for the Senate in California to the tune of $2.5 million.

Mr. ALLEN. $2,121,000.

Mr. GRIFFIN. $2,121,000.

Mr ALLEN. But it would subsidize a candidate for the Presidential nomination, a candidate like Governor Rockefeller or Governor Reagan or Governor Connally, up to a limit of some $7.5 million. I do not think the country realizes that would be the case.

Mr. GRIFFIN. Of course, the tax funds are funds over which the people have no choice insofar as what happens to them is concerned. They are not being used to support their candidate or their cause or their party, and their money is going to go to support both candidates.

Mr. ALLEN. I think another interesting statistic might be how many thousands of taxpayer's returns on Federal taxes will be required to subsidize the Presidential campaign for every man who runs for President. It would take literally thousands of taxpayers' payments to do so.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. GRIFFIN. I yield.

Mr. KENNEDY. Did the Senator from Michigan vote for S. 372, does he remember?

Mr. GRIFFIN. I believe I did, yes.

Mr. KENNEDY. Does the Senator from Michigan remember what the dollar ceilings were in terms of spending for primaries?

Mr. GRIFFIN. No.

Mr. KENNEDY. I remind the Senator that the dollar figure included in S. 372 was a $90,000 spending ceiling for primaries. That is the source of the $90,000 figure for public financing for House elections in S. 3044.

Mr. GRIFFIN. S. 372 was not a public financing bill was it?

Mr. KENNEDY. No. I was addressing myself to the source of $90,000 limitation. The Senator from Michigan was so pained at what a sizable amount was to be expended in a congressional election. He was talking about how the great majority of elections were financed for $50,000 or less. The Senator could have advocated an amendment to reduce the figures in S. 372. He did not, I understand; he supported S. 372, which established the basic $90,000 figure for House elections.

Once again let me point out that I think those who support public financing will be delighted to leave the exact figure to the House of Representatives. I think that is where it should be left. But the source of the $90,000 is not hard to find—it is S. 372, which was supported by both the Senator from Michigan and the Senator from Alabama.

I also notice that the Senator from Michigan was a member of the committee that actually reported S. 372 to the Senate. So evidently he was willing to set a ceiling at $90,000 for elections for the House in S. 372, but is unable to support that concept as it applies to public financing at this time.

Mr. GRIFFIN. I thank the Senator from Massachusetts for calling that background to my attention. I, frankly, fail to see any particular relevance to the fact that in a prior bill there was approval of a $90,000 ceiling for House races, in comparison with the fact that in this bill the legislation, as I understand it, would provide for $90,000 to be paid for every candidate running for the House. I can understand that there may be some races where a $90,000 ceiling might not be unreasonable, provided that there is a full disclosure and tight limits on private financing of campaigns. But to follow along from that and come to the argument that every candidate running for the House of Representatives should therefore be financed to the tune of $90,000 out of the Public Treasury seems a non sequitur, as far as I am concerned.

I yield to the Senator from Idaho (Mr. CHURCH).

## EXTENSION OF TIME FOR FILING OF REPORT BY COMMITTEE ON FOREIGN RELATIONS ON SOUTHEAST ASIA COLLECTIVE DEFENSE TREATY AND THE TREATY ORGANIZATION

Mr. CHURCH. Mr. President, Senate Resolution 174, which was passed by the Senate last November 2, directs the Committee on Foreign Relations to conduct a full and complete review of the Southeast Asia Collective Defense Treaty and the treaty organization. The resolution specifies that the committee is to report its findings and recommendations to the Senate by March 31. As the committee has not been able to complete its review, I ask unanimous consent that the deadline for the committee's report of findings and recommendations be extended to June 30, 1974.

The PRESIDING OFFICER (Mr. JOHNSTON). Without objection, it is so ordered.

## ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 26, 1974, he presented to the President of the United States the enrolled bill (S. 3228) to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

## PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 12 noon. After the two leaders or their designees have been recognized under the standing order, the distinguished Senator from Iowa (Mr. HUGHES) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements limited therein to 5 minutes each.

At the conclusion of routine morning business, the Senate will resume consideration of the unfinished business, S. 3044, the so-called Federal Election Campaign Act, and the pending question at that time will be on the adoption of Senator ALLEN's amendment No. 1064. A vote will occur on that amendment at the hour of 3:30 p.m., and that will be a rollcall vote.

Mr. President, there may be other yea-and-nay votes tomorrow, but Senators are assured of at least one rollcall vote.

## ADJOURNMENT

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 12 o'clock noon tomorrow.

The motion was agreed to; and at 5:37 p.m., the Senate adjourned until tomorrow, Wednesday, March 27, 1974, at 12 o'clock noon.

## NOMINATIONS

Executive nominations received by the Senate on March 26, 1974:

### DEPARTMENT OF STATE

Alfred L. Atherton, Jr., of Florida, a Foreign Service Officer of class 1, to be an Assistant Secretary of State.

Leonard F. Walentynowicz, of New York, to be Administrator, Bureau of Security and Consular Affairs, Department of State.

James D. Hodgson, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Japan.

### U.S. PATENT OFFICE

Paul J. Henon, of Virginia, to be an Examiner-in-Chief, U.S. Patent Office, vice Philip E. Managan, resigned.

### DEPARTMENT OF JUSTICE

Keith S. Snyder, of North Carolina, to be U.S. attorney for the western district of North Carolina for the term of 4 years, reappointment.

Richard A. Pyle, of Oklahoma, to be U.S. attorney for the eastern district of Oklahoma for the term of 4 years, reappointment.

C. Nelson Day, of Utah, to be U.S. attorney for the district of Utah for the term of 4 years, reappointment.

Carl H. Slayback, of Illinois, to be U.S. marshal for the southern district of Illinois for the term of 4 years, reappointment.

### IN THE NAVY

The following-named officers of the Naval Reserve for temporary promotion to the grade of rear admiral subject to qualification therefor as provided by law:

LINE

Robert N. Colwell
Earl Forgy, Jr.
Arthur M. Wilcox
Norman A. Coleman
Raymond B. Ackerman
Stephen T. Quigley

MEDICAL CORPS

Victor P. Bond

SUPPLY CORPS

Robert G. James

CIVIL ENGINEER CORPS

Robert C. Esterbrooks

DENTAL CORPS

Albert G. Paulsen

### IN THE MARINE CORPS

The following named officers of the Marine Corps for temporary appointment to the grade of major general:

Victor A. Armstrong
Wilbur F. Simlik
William G. Joslyn
William R. Quinn
Francis W. Vaught
Robert L. Nichols

### IN THE ARMY

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

*To be captain*

Rose, Jerry D., xxx-xx-xxxx

*To be first lieutenant*

Bain, Michael W., xxx-xx-xxxx
Bode, Donald D., xxx-xx-xxxx
Boyd, James F., xxx-xx-xxxx
Byers, Norman T., xxx-xx-xxxx
Davis, Richard C., xxx-xx-xxxx
Doty, Richard D., xxx-xx-xxxx
Duff, William P., xxx-xx-xxxx
Freeman, Stephen R., xxx-xx-xxxx
Garcia, Victor F., xxx-xx-xxxx
Griffin, Robert F., xxx-xx-xxxx
Hawkes, Thomas A., xxx-xx-xxxx
Isenhower, Nelson N., xxx-xx-xxxx
Jackson, Joseph P., Jr., xxx-xx-xxxx
Markey, Keith L., xxx-xx-xxxx
Parker, John S., xxx-xx-xxxx
Piskun, Walter S., xxx-xx-xxxx
Redmond, John III, xxx-xx-xxxx
Roberts, Donald, xxx-xx-xxxx
Romash, Michael M., xxx-xx-xxxx
Vodermark, Jonathan S., II, xxx-xx-xxxx
Weisman, Leonard E., xxx-xx-xxxx
Wilson, Lynnford S., xxx-xx-xxxx
Wilson, Torrence M., xxx-xx-xxxx

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

*To be major*

Carey, John C., xxx-xx-xxxx
Murray, Jon L., xxx-xx-xxxx

*To be captain*

Lieving, Bernard H., xxx-xx-xxxx
McCormick, Joseph D., xxx-xx-xxxx
Murtonen, Ruth E., xxx-xx-xxxx
Reynolds, Jerry D., xxx-xx-xxxx
Taddy, Jerome J., xxx-xx-xxxx

*To be first lieutenant*

Curtis, Nancy A., xxx-xx-xxxx
Rieker, Dennis D., xxx-xx-xxxx
Thibodeau, Caroline M., xxx-xx-xxxx

*To be second lieutenant*

Boyle, Kim A., xxx-xx-xxxx
Weyhrich, Donald R., xxx-xx-xxxx
Wojtecki, Karen M., xxx-xx-xxxx

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

Abiles, Jose C., [redacted].
Adan, Richard J., [redacted].
Ailport, John H. [redacted].
Allen, Johnnie L., [redacted].
Altherr, Robert F., Jr., [redacted].
Alvarado, Esteban, [redacted].
Alverson, Gary D., [redacted].
Andersen, William H., [redacted].
Anderson, Edgar, Jr., [redacted].
Anderson, Samuel W., [redacted].
Andriani, Michael R., Jr., [redacted].
Astriab, Steven M., [redacted].
Augustine, Frederick K., Jr., [redacted].
Baccus, Rick, [redacted].
Bachman, Robert D., [redacted].
Bailey, Stephen L., [redacted].
Bailey, Thomas R., [redacted].
Baker, Richard S., [redacted].
Baker, Timothy J., [redacted].
Baldwin, Ronald E., [redacted].
Baldwin, William L., [redacted].
Ball, James W., Jr., [redacted].
Ball, Ralph E., [redacted].
Banks, Michael L., [redacted].
Barnett, William E., Jr., [redacted].
Barr, Charles J., [redacted].
Bateman, Bruce K., [redacted].
Batt, Norman A., [redacted].
Bauer, Richard F., [redacted].
Beatty, Jeffrey K., [redacted].
Beauchamp, Randal T., [redacted].
Benson, Ronnie F., [redacted].
Berry, Kenneth L., [redacted].
Bettinger, James R., [redacted].
Beville, Stanley D., [redacted].
Bidle, Douglas C., [redacted].
Billheimer, Duane A., [redacted].
Birdseye, James H. [redacted].
Birely, John F., Jr., [redacted].
Black, Scott C., [redacted].
Bloxham, Garth T., [redacted].
Bongiovanni, Charles M., [redacted].
Boone, Henry L., [redacted].
Borcheller, James R., [redacted].
Borne, Gary P., [redacted].
Bosley, Gary S., [redacted].
Bosse, Timothy G., [redacted].
Bouterie, Lawrence R., Jr., [redacted].
Bowen, Dennis J., [redacted].
Bowen, Thomas W., Jr., [redacted].
Bowersox, Thomas A., Jr., [redacted].
Boyd, James K., [redacted].
Boyer, Mark W., [redacted].
Bozeman, Gregory B., [redacted].
Bradford, Philip E., [redacted].
Branch, Joseph R., [redacted].
Braye, Roderick D., [redacted].
Brethour, Vernon R., [redacted].
Brewer, Daniel R., [redacted].
Brill, Neil A., [redacted].
Brooks, David K., [redacted].
Brookshire, Roy O., II, [redacted].
Brown, Eric C. [redacted].
Brown, Willis J., Jr., [redacted].
Bruce, Kenneth R., [redacted].
Bryant, Douglas M., [redacted].
Bryant, Gary L., [redacted].
Bryant, Philip G., [redacted].
Buchholz, Ronald J., [redacted].
Burgess, Ronald L., Jr., [redacted].
Burkholder, Nicholas C., [redacted].
Butler, Robert M. [redacted].
Caldwell, Charles A., Jr., [redacted].
Cambron, James D. [redacted].
Canadeo, Harold M., Jr., [redacted].
Carden, Randal B., [redacted].
Carey, Scott A., [redacted].
Carlsen, David D., [redacted].
Carlson, Michael P., [redacted].
Carpenter, Stanley C., [redacted].
Carpenter, Ronald R., [redacted].
Carr, Raymond H., Jr., [redacted].
Carr, Robert G., [redacted].
Cashman, Thomas J., Jr., [redacted].
Cassi, Peter G., [redacted].
Casso, Felipe, [redacted].
Castillo, Jesse R., [redacted].
Cavazos, Hector E., [redacted].
Cellucci, Stephen D., [redacted].
Chandler, Marvin A., Jr., [redacted].
Chase, Randall D., [redacted].
Chiapuzio, Jack M., [redacted].
Chung, Donald B., [redacted].
Clark, Raymond G., III [redacted].
Clark, Virgel L., Jr., [redacted].
Clarke, John L., [redacted].
Clements, Michael R., [redacted].
Coats, Larry D., [redacted].
Coit, Eugene W., Jr., [redacted].
Coker, Larry W., Jr., [redacted].
Coker, Marcus G., [redacted].
Cole, Randall J., [redacted].
Coleman, Eddie D., [redacted].
Coleman, Michael L., [redacted].
Conarro, Michael L., [redacted].
Cook, James D., [redacted].
Cooke, Kenneth C., [redacted].
Corley, Michael W., [redacted].
Corley, William M., [redacted].
Cormier, David J., [redacted].
Corona, Richard, [redacted].
Crawford, Robert W., [redacted].
Crawley, Charles G., [redacted].
Cross, Alan W., [redacted].
Crosslin, Joseph N., [redacted].
Crumrine, Thomas E., Jr., [redacted].
Crytzer, Robert C., [redacted].
Cuff, Michael V., [redacted].
Curran, John M., [redacted].
Dadisman, Richard E., [redacted].
Daniell, Robert C., [redacted].
Darden, William E., [redacted].
Davies, John E., [redacted].
Davies, James R. [redacted].
Davis, Charles L., [redacted].
Davis, Glenn W., [redacted].
Davis, Gregory W., [redacted].
Davis, Michael P., [redacted].
Davis, Robert L., [redacted].
Day, Kevin J. [redacted].
De La Rosa, Agustin, Jr., [redacted].
Deitz, Stephen R., [redacted].
Delapp, Cyril D. [redacted].
Delk, Jack E. [redacted].
Dezzutti, Jimmy J., [redacted].
Dixon, Roy G., [redacted].
Dodds, Charles P., [redacted].
Donahue, Joseph C., [redacted].
Doton, Lawrence C., [redacted].
Douglas, Frederick A., [redacted].
Drysdale, Jon W., [redacted].
Duke, Frederick S., [redacted].
Dunne, Robert E., [redacted].
Durant, Donald C., [redacted].
Durante, Kirk L., [redacted].
Eaton, John H., [redacted].
Eicher, William L., [redacted].
Ellis, Bernard E. [redacted].
Ellis, David M., [redacted].
Ellis, Wayne A., [redacted].
Ellison, Bruce W., [redacted].
Emerick, Brian D., [redacted].
Emery, Michael W., [redacted].
Enderle, Wayne A., [redacted].
Epperson, Larry D., [redacted].
Ernzen, Michael E., [redacted].
Evans, Martin L., [redacted].
Ezzell, John D., [redacted].
Fastuca, George P., [redacted].
Faver, Dennis O., [redacted].
Feero, Lance M., [redacted].
Ferguson, James C., [redacted].
Fericks, Russell C., [redacted].
Fernandez, Carlos R., [redacted].
Ferrell, Stephen J., [redacted].
Fielding, Stephen M., [redacted].
Finch, Stephen B., [redacted].
Fitzgerald, Kevin M., [redacted].
Flanagan, Robert W. [redacted].
Flather, Herbert H., III, [redacted].
Foland, James M., [redacted].
Ford, Donnie R., [redacted].
Ford, Richard A., [redacted].
Fornadel, David J. [redacted].
Fossett, Paul L., [redacted].
Fox, James P., [redacted].
Frandsen, Herbert L., Jr. [redacted].
Frels, George A., [redacted].
French, David J. [redacted].
Friedli, David I., [redacted].
Gaal, Gary E., [redacted].
Garrett, Michael D., [redacted].
Garrison, Walter S., Jr., [redacted].
Gerrity, James F., [redacted].
Gibson, Nathaniel J., [redacted].
Gilbert, Daniel J., [redacted].
Gillette, Paul E., [redacted].
Gilman, James K., [redacted].
Glasgo, Stephen C., [redacted].
Glendening, Thomas M., [redacted].
Goff, Clarence R., Jr., [redacted].
Gooch, Gary L., [redacted].
Gorski, Robert J., [redacted].
Goss, William D., [redacted].
Gotowicki, Stephen H., [redacted].
Gransberg, Douglas D., [redacted].
Greczmiel, Horst G., [redacted].
Green, James E., [redacted].
Genier, Rafael A., II, [redacted].
Gribble, John R. [redacted].
Griese, Herman J., [redacted].
Guffey, Douglas O., [redacted].
Gunning, Robert T., Jr., [redacted].
Gwaltney, Larry R., [redacted].
Hackworth, Kenneth W., [redacted].
Haendel, Dan, [redacted].
Hairston, James H., [redacted].
Hale, David T., [redacted].
Hankins, Steven B., [redacted].
Hanson, David P., [redacted].
Hardaway, Morton C., [redacted].
Harden, Michael P., [redacted].
Harrell, John C., [redacted].
Harrison, Donnan R., III, [redacted].
Hartmann, Daniel J., III, [redacted].
Hartney, Richard E., Jr. [redacted].
Harvell, Peter R., [redacted].
Hausken, Richard D., [redacted].
Havron, Raymond E., [redacted].
Hawrylak, Egon F., [redacted].
Hawrylak, Michael N., [redacted].
Haynes, Michael Lynn, [redacted].
Heath, David B., Jr., [redacted].
Hefty, Mark D., [redacted].
Heindselman, Verle J., Jr., [redacted].
Helma, David C., [redacted].
Hem, Paul M., [redacted].
Henderson, Mark, [redacted].
Hendrickx, David S., [redacted].
Herbek, Charles M., [redacted].
Herbst, Gregory A., [redacted].
Heyward, Randy R., [redacted].
Hilpert, Frederick M., [redacted].
Hirai, James T., [redacted].
Hoge, Gregg C., [redacted].
Holladay, David w., [redacted].
Holloway, Michael J., [redacted].
Holman, Joe L., [redacted].
Holmes, Charles M. [redacted].
Holt, Thomas J., [redacted].
Hopkins, Richard D., [redacted].
Horris, James A., [redacted].
Howard, Timothy N., [redacted].
Howard, Jerry A., [redacted].
Humble, Howard F., Jr., [redacted].
Humphreys, Edward M., [redacted].
Hursey, Richard T., [redacted].
Idiart, Philip L., [redacted].
Imhoff, John P., [redacted].
Imholte, Daniel D., [redacted].
Ingram, Christopher A., [redacted].
Jackson, Robert S., II, [redacted].
James, David W., [redacted].
Janasky, Edwin P., [redacted].
Janda, James F., [redacted].
Jensen, John K., [redacted].
Johnson, John H., Jr., [redacted].
Johnson, Michael W., [redacted].
Johnson, Montie S., Jr., [redacted].
Johnston, Martin A., Jr., [redacted].
Jones, Duwayne W., [redacted].
Jones, Kenneth, Jr., [redacted].
Jones, Myron B., [redacted].
Jones, Robert A., [redacted].
Jones, William S., [redacted].
Jordan, Terry J., [redacted].
Justice, Robert A., [redacted].

Kaneshiro, Richard Y., [redacted].
Karel, James W., [redacted].
Keen, Purl K., [redacted].
Kelley, Michael B. [redacted].
Kelly, Mark A., [redacted].
Ketchand, David W., [redacted].
Kielick, Thomas J., [redacted].
Kimmons, John F., [redacted].
Kinney, William M., [redacted].
Kinney, Stephen H., [redacted].
Kirkpatrick, James, III, [redacted].
Klinefelter, Stephen G., [redacted].
Koch, James R., [redacted].
Kostich, Ted O. [redacted].
Kraatz, Timothy A., [redacted].
Krause, Michael A., [redacted].
Krueger, Dale W., [redacted].
Kruzick, John M. [redacted].
Lake, Aleson L., [redacted].
Lambert, John R., [redacted].
Landry, Robert H., [redacted].
Larson, Richard G., Jr. [redacted].
Lashlee, Billy E., [redacted].
Lasris, Roy H., [redacted].
Latall, Randolph A., [redacted].
Laub, John W., [redacted].
Le Reche, Paul C., [redacted].
Leach, Richard F., [redacted].
Leathers, Donald R., Jr., [redacted].
Lebeaux, Arlie E., [redacted].
Lechene, Kevin L., [redacted].
Lee, Terry R., [redacted].
Leeman, Ted A., [redacted].
Leffner, Leonard N., [redacted].
Leiferman, Harry L., [redacted].
Lenneville, Mark W., [redacted].
Lescak, Gary J. [redacted].
Lewandowski, Edward J., [redacted].
Lewis, Jack D., Jr., [redacted].
Lindsay, Patrick D., [redacted].
Lindsey, Carl R., [redacted].
Lloyd, Michael R., [redacted].
Loehe, Joseph R [redacted].
Longbotham, Dennis, [redacted].
Lopez, Johnny T. [redacted].
Lowe, Bryan T., Jr., [redacted].
Lucero, Carl H. [redacted].
Lugo, Alberto [redacted].
Lyttle, William G., [redacted].
MacKenzie, Bob D., [redacted].
Magruder, Samuel B., Jr., [redacted].
Maher, Donald A., [redacted].
Mahler, Keith R., [redacted].
Maldonado, Francisco D. [redacted].
Maneker, Martin W., [redacted].
Marietta, Alan W., [redacted].
Martin, Charles E., [redacted].
Matheson, Lance A., [redacted].
Mathews, John R., [redacted].
Matia, Matthew C., [redacted].
Matthews, Aubrey N., Jr. [redacted].
Maudlin, Delmar C., [redacted].
Maughan, George P. [redacted].
Mayock, Thomas J., Jr. [redacted].
Mazzia, Ronald N., [redacted].
McClure Allan H., [redacted].
McDonald, Richard K., [redacted].
McCann, Dennis P., [redacted].
McCormack, Craig J., [redacted].
McCoskrie, Joseph W., Jr., [redacted].
McDonald, Jack L., [redacted].
McDonald, Thomas B., [redacted].
McDonald, Morgan W. [redacted].
McGary, Michael L. [redacted].
McGehee, Michael W., [redacted].
McLaren, John P., Jr. [redacted].
McMillan, Joseph B., [redacted].
McMillion, Tommy L., [redacted].
McMullen, Frank D., III, [redacted].
Meacham, Ralph D., [redacted].
Merriss, Marshall D., [redacted].
Meyer, Stanley E. [redacted].
Miller, David A., [redacted].
Miller, Frederick T. [redacted].
Mills, Lloyd W. [redacted].
Mitchell, John E., Jr., [redacted].
Mobley, Ezekiel C., [redacted].
Moffatt, Alan W. [redacted].
Monigold, Glendall C., [redacted].
Moore, Edward T., [redacted].
Moore, Jack H., [redacted].
Morgan, George L., Jr., [redacted].
Morrissey, William J., [redacted].
Morrow, David K., [redacted].
Morrow, Michael W. [redacted].
Mosel, Harlan G., [redacted].
Moten, Donald, [redacted].
Moultrie, Richard P., [redacted].
Mudry, Glenn M., [redacted].
Munson, Raymond E. [redacted].
Murray, Dennis J. [redacted].
Murray, Edward L. [redacted].
Mutchler, David W., [redacted].
Myers, David A., [redacted].
Myers, Gary R., [redacted].
Myers, Mark A., [redacted].
Nadeau, Joseph K. [redacted].
Nadeau, Roger A. [redacted].
Navarro, Rogelio, Jr. [redacted].
Neal, William B., III [redacted].
Nelms, Kenneth W. [redacted].
Nemes, Martin S., [redacted].
Nettina, David J., [redacted].
Newman, Clyde M. [redacted].
Newton, Kevin E. [redacted].
Nickless, David M. [redacted].
Niemiec, Stanley M., [redacted].
Noone, Robby A., [redacted].
Noritake, Frederic G., [redacted].
Norris, William K. [redacted].
Oates, Kenneth A., Jr., [redacted].
Odell, John P., [redacted].
O'Dowd, Michael J. [redacted].
O'Leary, Paul S., [redacted].
Osborn, David K., [redacted].
Ostapiej, Henry S. [redacted].
Pack, John E., [redacted].
Page, John W., Jr. [redacted].
Palkowetz, William B. [redacted].
Parrish, Edwin C., III [redacted].
Pastirik, Michael R. [redacted].
Payne, Frank V., II [redacted].
Payne, John R., [redacted].
Pearson, Clarence E., Jr. [redacted].
Peck, Terry M. [redacted].
Pennypacker, William S., Jr., [redacted].
Perkins, Johnny L. [redacted].
Perrone, John K. [redacted].
Pfaff, Andrew J., Jr., [redacted].
Phillips, Edward F., Jr. [redacted].
Phillips, Gary E. [redacted].
Picard, Edward D., [redacted].
Pickett, Ronald G. [redacted].
Pickett, Theodore R., III, [redacted].
Pineau, Gregory, [redacted].
Pirtle, George M. [redacted].
Plana, Roy R., [redacted].
Pletka, Thomas C. [redacted].
Plooster, Nickolas A. [redacted].
Polmateer, Thomas L. [redacted].
Poulos, Victor F. [redacted].
Price, James G., [redacted].
Pudwill, Rodger A. [redacted].
Rader, Carlton B., [redacted].
Rader, John N., [redacted].
Rader, Marcus C. [redacted].
Rago, Kenneth L. [redacted].
Rasmusson, David M. [redacted].
Rasper, Arthur A., [redacted].
Ratcliff, Joseph M. [redacted].
Reeves, Larry E., [redacted].
Reid, Hubert S., [redacted].
Renteria, Guillermo A. [redacted].
Reynolds, Jeffrey C. [redacted].
Richardson, Allie J., III, [redacted].
Richardson, John H. [redacted].
Richards, Steven M. [redacted].
Richmond, Melvin E., Jr., [redacted].
Riddel, Bruce C. [redacted].
Reiss, Richard M. [redacted].
Riggs, William H., Jr. [redacted].
Ritter, James H., [redacted].
Robbins, Orrin R., Jr., [redacted].
Robertus, Paul D. [redacted].
Robinson, Barry P. [redacted].
Robinson, Eric T., [redacted].
Rocks, Richard R., [redacted].
Rodriguez, Joseph O., Jr., [redacted].
Rodriguez, Felix A., [redacted].
Roh, Daniel J. [redacted].
Roper, James F., Jr., [redacted].
Rosen, Steve D., [redacted].
Rosenau, Robert J., [redacted].
Ross, Andrew C., [redacted].
Ross, James W., [redacted].
Royer, John R., [redacted].
Runkle, John D., [redacted].
Saleh, Kassem R., [redacted].
Saltee, Larry S., [redacted].
San Miguel, George G., [redacted].
Sanders, David O., [redacted].
Santoro, Robert C., [redacted].
Sarnowski, David F. [redacted].
Schmidt, Austin C., [redacted].
Schneider, Karl F., [redacted].
Schroeder, Robert D., Jr., [redacted].
Schwarz, John W., [redacted].
Scott, David F., [redacted].
Scroggs, Gales W., III [redacted].
Scully, Timothy A., [redacted].
Sears, Leslie R., III, [redacted].
Seideman, Lawrence C., [redacted].
Seidlitz, Timothy H., [redacted].
Seilhamer, Terry L., [redacted].
Selke, Harold E., Jr., [redacted].
Shanahan, Stephen W., [redacted].
Shealy, Robert E., [redacted].
Sheets, Brian P., [redacted].
Sheets, Edward E., [redacted].
Sheldon, Ronald P., [redacted].
Shivers, James F., [redacted].
Shray, Frank P., [redacted].
Shuman, Norman E., [redacted].
Siegert, Robert W., III, [redacted].
Siegmund, Michael L., [redacted].
Sigl, Robert R., [redacted].
Silkey, Larry K., [redacted].
Sims, Gary L., [redacted].
Sims, Marzine, II, [redacted].
Sims, Steven N., [redacted].
Sleeper, Charles M., [redacted].
Slotwinski, David L., [redacted].
Slupik, Robert W. [redacted].
Smith, Arnold, [redacted].
Smith, David M., [redacted].
Smith, Gary M., [redacted].
Smith, John B., [redacted].
Smith, John M., [redacted].
Smith, Michael E., [redacted].
Smith, Thomas M., [redacted].
Smith, William K., [redacted].
Soderberg, James A., [redacted].
Spearman, Robert G., [redacted].
Squires, Stewart G., [redacted].
St. Louis, John G., [redacted].
Stafford, Keith R., [redacted].
Stafford, Wesley W., [redacted].
Stalks, Arthur L., [redacted].
Stansifer, Russell M., [redacted].
Stelmasczyk, Ronald M., [redacted].
Stephens, Norman M., Jr., [redacted].
Sterner, Thomas G., [redacted].
Stevenson, Mitchell H., [redacted].
Stewart, Michael J., [redacted].
Stewart, Robert S., Jr. [redacted].
Stiles, Richard R., [redacted].
Stott, John C., [redacted].
Sullivan, Daniel P., [redacted].
Supon, Patrick A., [redacted].
Svancara, Ted W., [redacted].
Svitak, George M., [redacted].
Swanson, Gregory H., Jr., [redacted].
Swartz, Dean L., [redacted].
Tabor, Steven D., [redacted].
Taylor, Allen R., [redacted].
Taylor, Joe G., III, [redacted].
Taylor, Robert P., Jr., [redacted].
Taylor, Wayne D., Jr. [redacted].
Teague, Michael D. [redacted].
Terao, Richard G., [redacted].
Terrell, William D., [redacted].
Tharnish, Robert M., [redacted].
Thomas, Kent, D., [redacted].
Thompson, Michael R., [redacted].
Thompson, Nathaniel R., III, [redacted].
Thornburg, Michael B., [redacted].
Thurmond, George E., II, [redacted].
Tibbs, Nathan D., [redacted].
Tibbs, Randy R., [redacted].
Tiffany, Robert S., III, [redacted].
Timm, Thomas H., [redacted].
Tokarczyk, Gregory D., [redacted].

Tombrello, Joseph V., [redacted].
Tooley, Omer C., Jr., [redacted].
Toomey, Charles L., [redacted].
Townsend, Robert E., [redacted].
Treadway, Junior, [redacted].
Troy, Patrick A., [redacted].
Tucker, Jonathan E., [redacted].
Tunis, Jon A., [redacted].
Turner, Samuel W., [redacted].
Turner, Hughes S., [redacted].
Tuttle, Philip I., [redacted].
Tyler, John E., Jr., [redacted].
Valenstein, John E., [redacted].
Van Der Grinten, Peter T., [redacted].
Van Patten, James G., Jr., [redacted].
Vandewalker, Mark L., [redacted].
Vandiver, Ronald W., [redacted].
Ventura, Jose G., Jr., [redacted].
Vest, Dewey F., [redacted].
Vik, Lawrence G., [redacted].
Vogel, Roger L., II, [redacted].
Vorak, Richard J., [redacted].
Wagner, Carl M., [redacted].
Wallace, Brooks J., [redacted].
Waller, Joseph R., [redacted].
Walling, Herbert M., [redacted].
Wallingford, James L., [redacted].
Walter, Robert G., [redacted].
Walters, Jerel B., [redacted].
Ward, Anthony J., [redacted].
Ward, Charles M., [redacted].
Ward, David C., Jr., [redacted].
Ward, Kim A., [redacted].
Wargo, John S., [redacted].
Weaver, Brett H., [redacted].
Weaver, Stephen L., [redacted].
Wehner, Harold E., Jr., [redacted].
Welch, George E., [redacted].
Wellner, Mark S., [redacted].
Wells, Lamont J., [redacted].
West, Twain D., Jr., [redacted].
Westbrook, Robert J., [redacted].
Weston, Benjamin J., Jr., [redacted].
Wetherell, Richard M., [redacted].
Whealy, Michael T., [redacted].
Wheeler, Stephen G., [redacted].
White, Jerry R., [redacted].
White, Walter D., [redacted].
Whittaker, Kenneth W., [redacted].
Whitted, Scott A., [redacted].
Whitten, Donald J., [redacted].
Wigley, William C., [redacted].
Williams, Ralph L., [redacted].
Wilson, Richard P., [redacted].
Windham, Michael C., [redacted].
Wingo, Everett M., [redacted].
Wiseman, Thomas H., [redacted].
Wolfe, Randall S., [redacted].
Wolfe, William W., [redacted].
Wood, Samuel S., Jr., [redacted].
Woodruff, Joseph A., [redacted].
Woods, Henley P., Jr., [redacted].
Wright, Jesse N., [redacted].
Wright, William B., [redacted].
Yerby, Stephen R., [redacted].
Young, Peter T., [redacted].
Zaklan, Christopher T., [redacted].
Ziegler, Andrew H., Jr., [redacted].
Ziegmann, William W., [redacted].
Zygmuntowicz, Andrew T., [redacted].

## IN THE NAVY

The following-named Naval Reserve officers for temporary promotion to the grade of captain in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

### LINE

Adams, Walter P., Jr.
Abramson, Harvey
Anson, Harry C.
Allison, Leroy M., Jr.
Allen, Richard M.
Althouse, John H.
Andrews, Marshall H., Jr.
Armstrong, George A., Jr.
Arrington, Robert A.
Aschan, Harry R.
Ash, John M. IV
Bickley, George H. V.
Batchelor, Kenneth F.
Becker, John C., Jr.
Beffel, Ernest J.
Barilla, Louis J.
Bailey, Fredric N.
Barthelenghi, George H., Jr.
Barry, David C.
Bradshaw, Robert D.
Brady, Francis T.
Bransfield, William J.
Boatman, John G.
Brady, Paul S.
Brasher, Samuel R.
Brune, David H.
Bruce, Warren
Brundage, Thomas R., Jr.
Bresnahan, Joseph E.
Brescia, Louis A.
Brown, Thomas K.
Bowen, Ray H.
Brown, William I.
Brown, Oscar D., Jr.
Brown, Ramon E.
Boggs, Harry W.
Boyajian, Ara M.
Boyd, John A., Jr.
Britt, Donald D.
Burford, Robert D.
Chastain, "J" "D"
Chapman, Leonard W.
Caletri, Joseph J.
Campbell, Thomas W.
Campbell, Phillip R.
Campbell, Frank C., Jr.
Campbell, Henry G., Jr.
Campbell, Thomas C.
Cahill, John D.
Cole, Bruce L.
Conlin, Carter B.
Copeland, Curtis B.
Crispin, James L.
Cunningham, Paul R.
Debois, Oran P., Jr.
Delaney, James D.
Dicker, Ralph W.
Davis, Chester R., Jr.
Denning, Jack R.
Degrafft, William E., Jr.
Dahlin, Douglas G.
Dobbins, Robert N., Jr.
Dolen, George W.
Doherty, Robert O.
Doherty, Francis J.
Driskell, Omer L.
Dorney, William J.
Duncan, Marvin E.
Dvorscak, Bernard J.
Dwyer, James P.
Eadie, Ronald E.
Edmunds, Basil L.
Edwards, Gerald C.
Edgar, Richard B.
Earnhardt, Wiley J. P., Jr.
Ellis, Frank D.
Ellis, Donald A.
Emmerling, Henry C., Jr.
Evans, Thomas W.
Evans, John W.
Fajer, Vincent J.
Fisher, Albert L.
Fall, Harry C.
Fitzpatrick, Roger J.
Fitzgerald, James E.
Fancher, Gordon C.
Favero, Valentino R.
Fanale, Joseph A.
Farrar, Ronald L.
Farney, James E.
Frazee, Douglas R.
Fraser, George B.
Flannery, Gerald R.
Fredrickson, Ronald H.
Flynn, Francis P.
Flynn, Kenneth C.
Fullmer, Lee D., Jr.
Gelineau, Ronald G.
Gillespie, Edward A.
Galbraith, Robert A.
Giragosian, Newman H.
Garland, Daniel H.
Glathe, William Q.
Goforth, William H., Jr.
Gross, Webster, Jr.
Griffith, Philip G.
Guenther, Gordon B.
Hess, Robert L.
Halsema, Lester J.
Hill, Cal D., Jr.
Hide, Donald L.
Hembree, Sam M.
Hendricks, Albert T., Jr.
Haneghan, William J.
Henderson, James R.
Hewitt, Dean J.
Herkner, Richard T.
Hart, Richard S.
Harrison, Thomas K.
Holmquist, Eric A.
Hockett, William A., Jr.
Howe, Wesley W., Jr.
Horsmon, Frederick M.
Horne, Charles E., III
Husmann, Robert J.
Hunt, James H.
Huff, Alton B.
Hurlbut, Wendell P., III
Innes, Bobby G.
Jones, Leland L.
Jones, Everett J., Jr.
Jones, "T" Embury, Jr.
Johnson, Clarence A. E., Jr.
Johnston, Bruce T.
Johnston, Charles F.
Johnston, Ervin F.
Johnston, Richard E.
Kaas, Ronald B.
Kandel, Philip J.
Kenniff, Robert L.
Kratt, Theodore D.
Kosiba, Raymond J.
Kochert, Milton R.
Koverman, Gary A.
Liswith, Carl J.
Leslie, Robert B., Jr.
Laughon, James H.
Lamee, Clyde D., Jr.
Linn, Daniel A.
Langley, Rolland A., Jr.
Leetch, James F., II
Leeson, Joseph F.
Lier, Douglas W.
Lindley, James G.
Lang, Roger J.
Laitala, Leilan M.
Lockett, Benjamin B.
Looney, Robert F., Jr.
Lynn, David E., Jr.
Luning, Henry J.
Mikwold, Harold R.
McKee, Donald L.
McKenzie, Robert A.
McCormick, Matthew A.
Mathews, Charles
McCain, George S.
McClain, Joseph A., III
Miller, Jay M.
Maloney, John F.
Miller, Frank L.
McLean, David S.
McDonald, James L.
McMillan, Louis K., Jr.
Mansell, Roger L.
Miner, George D., Jr.
Mays, Lewis V., Jr.
Merkel, Jule F.
Marangiello, Daniel A.
Merrill, Nicholas C.
Martin, Manuel R., Jr.
McRae, Donald A.
Martin, William D.
McIntyre, Donald F.
Mouritsen, Thorval E.
Morsilli, Frank P.
Moriarty, Edwin S.
Morgan, Arthur I., Jr.
Nelsen, Norman W.
Nelson, Gene S.
Neunzig, Frederick
Needham, William R.
Neville, Robert G.
Nirenberg, Allan
Nystrom, Donald A.
Oglesbee, Jack L.
Oberle, Louis A.
O'Connell, John W.
Olson, Charles E., Jr.
Orr, John D.
Ostronic, Francis J.
Pickens, William A.
Pacilio, Jerry A.
Pinkowski, Francis S.
Pinel, Thomas H.
Paget, James S., Jr.
Peyrek, Theodore R., Jr.
Parr, Warren S., Jr.
Parker, Lutrelle F.
Parler, William C.
Phillips, William N.
Pardue, Oscar W.
Perfetto, Chester
Potts, Edward A.
Potter, Thomas M.
Powers, Donald C.
Popovich, Daniel E.
Ringstad, Robert C.
Renninger, Harris R.
Ragsdale, Carl V.
Register, William M., Jr.
Riggins, Tracy, Jr.
Reilly, Joseph F., Jr.
Robertson, Richard A.
Robbins, Joseph
Rowe, Ronald R.
Ryan, Raymond E., Jr.
Rubenstein, Richard B.
Rupert, Paul R., Jr.
Sich, Eugene J.
Semmes, Iliver J., III
Samuels, Ivan R.
Sedgewick, Joseph E.
Shumate, Donald J.
Sink, James M.
Siemen, Harry A.
Saft, Irwin C.
Short, Laurence A.
Shipman, Dean J.
Sarber, John D., Jr.
Spann, Roderick H.
Sokol, John
Soldwedel, Fred W.
Skerchock, Peter
Speth, Herbert S.
Snyder, John E.
Spies, Roderic A.
Smith, David L.
Smith, Donald J.
Smith, Brian W.
Stansbury, Thomas A.
Sutphen, Bobbie L.
Steensma, Robert C.
Still, Rodney A.
Stiff, William L.
Thornton, Timothy M.
Thompson, Donald H.
Taylor, James L.
Terrell, Errol J.
Trandem, Robert E.
Trotter, Thomas A.
Tschudy, James J.
Turner, James J.
Urbana, Robert D.
Vestri, Salvatore L.
Valenzuela, Ernesto
VanBrimer, Russell H.
VanAllsburg, Donald E.
VanHuyck, John A.
Venters, Robert T.
Venning, Denis S.
VandenBiesen, James L. C.
Varettoni, Robert J.
Weatherbee, Lyle E.
Walker, Wayne N.
Wattay, Leslie J.
Wille, David G.
Wahlers, Gene L.
Weidenkopf, David W.
Whitman, Harvey E.
Wolff, Stephen J., Jr.
Wollensak, Richard J.
Woody, John H., Jr.
Wright, Joseph M.
Wright, Johnie B.
Young, George L., Jr.
Zavattaro, Frank A.

### MEDICAL CORPS

Apffel, Phillip R.
Cannon, John P.
Cloyd, David H.
Connelly, John P.
Corbett, John R.
Cowan, David E.
Forney, William R.
Greathouse, Richard F.
Hamilton, Charles E.
Hattori, Takashi
Jaeger, Edward A.
Johnson, Harry I., Jr.
Knox, Henry D.
Kopp, Clarence J.
McGuire, Lockhart B.
Miller, Raymond C.
Nelson, Arthur R.
Novak, Edward A., Jr.
Primich, Frederic F.
Radelat, Paul B.
Raisbeck, Clifford C., Jr.
Sargent, Edward C., Jr.
Sims, Norman L.
Sloan, Charles R.
Somerdike, John M.
Steward, John P.
Thomas, Don F.
Tipton, Harry B.
VanStone, William W.
Vuksta, Michael J.
Weston, James T.
Whetsell, Joe E.
Wilson, Jack H.
Wright, Robert B.

### SUPPLY CORPS

Alarie, Paul J.
Baity, Edward L.
Bauhofer, Robert J.
Edgerton, Thomas C.
Frisbie, James H.
Gianos, Edward A.
Gross, Martin
MacDonald, John F.
May, Walter J.
McPherson, William A., Jr.
Morrison, Roderick A.
Paul, Peter C.
Phelps, James C.
Prichard, Barry
Sankey, Harry W.
Sawczuk, Stanley R.
Silk, Arthur T.
Turner, George S.
Watson, Gary E.

### CHAPLAIN CORPS

Bidne, Arvid E.
Hever, John J.
Hutchinson, Warner A., Jr.
Johnson, Robert K.
Stephens, James H.
Sternberger, Richard S.

### CIVIL ENGINEER CORPS

Anderson, John R.
Besier, Rudolph F.
Coates, Edward E.
Connett, Dean M.

Cordell, Donald E.
Cruikshank, Alan
Daw, John L.
Duarte, George M.
Hawkins, Robert V.
Larsen, John T.

### JUDGE ADVOCATE GENERAL'S CORPS

Badley, Bruce P.
Dail, Joseph G., Jr.
Eagleton, Richard E.
Hayes, David J. A., Jr.
Hodges, John N.
Maxwell, Stephen L.
McKee, Miles C.
Morrison, William M., Jr.

### DENTAL CORPS

Anderson, Dorrance I.
Atkins, George
Bathune, Walter F., Jr
Bahn, Saul L.
Black, Marion M., Jr.
Carrington, Paul B.
Cotman, Lawrence
Diodati, Ronald R.
Glenn, George C., Jr.
Graham, James E., Jr.
Hall, Hugh D.
Hill, Jay W.
Large, Nelson D.
Lester, Robert
McClelland, Richard L.
Miller, David L.
Riesner, Neal R.
Rini, Charles S.
Sluder, Troy B., Jr.
Studdard, Jerry M.
Watson, Cyral G.
Wilson, Dwight R., Jr.
Zambito, Raymond F.

### MEDICAL SERVICE CORPS

Kepchar, John H.
Ross, Sherman
Shimberg, Edmund
Yanders, Armon F.

### NURSE CORPS

O'Neill, Mary F.

The following-named Naval Reserve Officers for temporary promotion to the grade of commander in the staff corps, as indicated, subject to qualification therefor as provided by law:

### MEDICAL CORPS

Bauer, Earl A., Jr.
Boensch, Frank N., Jr.
Boies, Lawrence R., Jr.
Fulton, Lyman A.
Hendricks, Frederick B.
Janssen, Erwin T.
Kanner, Richard E.
Laing, John W.
Pilapil, Virgilio D.
Ralph, James W.
Riordan, Robert H.

### SUPPLY CORPS

Anderson, Rolph E.
Bain, Elliott M.
Beazell, Howard R.
Bernhardt, Paul A.
Breingan, Peter L., Jr.
Buckmaster, John E.
Collins, Francis A.
Crowley, Philip C.
Davis, Woodie E.
Depolo, Rudolph M.
Donohue, Patrick T.
Dugue, Regis G.
Eilberg, James S.
Enright, Charles F.
Failmezger, Robert C.
Fairall, Robert L.
Felton, Thomas O.
Fine, Charles B.
Fruin, Jeremiah E.
Gardner, William V.
Giles, Frederic P.
Godwin, Albert D.
Grip, Herman W.
Harvey, Thomas G., Jr.
Head, Clarence M., Jr.
Hiban, Arthur W.
Hickey, John P.
Hillig, Kenneth J.
Holle, Karlton
Hunt, Charles J., Jr.
Jaminet, John A.
Jensen, Arthur R.
Jones, William J.
Kaufman, John R.
Kitts, Willis M.
Knight, Curtis D.
Lacey, Howard W.
Leonard, Thomas A., Jr.
Liegel, Robert G.
Lindsley, Robert M.
Lunan, Ralph G.
Maguire, James A.
McCrory, Richard C.
McFall, Tommy K.
Palmer, William J., Jr.
Pyron, Edwyn B.
Ravizza, Edward I., Jr.
Schildwachter, Stephen J.
Seifried, Leonard J.
Sera, John B.
Sklar, Fred H.
Sturms, Herschel T., Jr.
Troxell, Lewis M.
Tyler, David A.
Visniski, Walter W., Jr.
Wall, Gerald G.
Warner, Andrew B.
Weber, Frank E.
Wiser, Charles F., Jr.
Wood, Oliver G., Jr.

### CHAPLAIN CORPS

Bentley, Elder K.
Butenshon, Donald E.
Crosland, William A., Jr.
Dinges, Thomas L.
Duke, Harvey L.
Eades, Robert E.
Furlow, Charles M., III
Gordon, Kenneth R.
Henriksen, Veryle A.
Johnston, James S.
Krajewski, Walter M.
Markos, Thomas
Mauldin, Jack B.
McCall, Donald D.
McNeely, Richard I.
Meyer, Robert S.
Panko, Stephen M.
Pease, Frederic A., Jr.
Peters, Frederick J.
Poerschke, James P.
Rambo, Harold M.
Reynolds, David D.
Salmon, Edward P.
Volz, Walter D.

### CIVIL ENGINEERS CORPS

Araneo, Peter J., Jr.
Bamburg, Marvin A.
Bruen, Walter P., Jr.
Caswell, Richard F.
Connelly, Trulyn G.
Denny, Thomas P.
Field, Peter W.
Gibson, William R.
Hoffner, Carleton C., Jr.
Laton, Richard W.
McCaslin, Joe C.
Morris, Alan E.
Mysinger, Edward D.
Nifong, Robert L.
Peet, John R.
Robertson, George E.
Scott, James W.
Sifferman, Donald J.
VanNiel, Cornelius R.
Vukovitz, John C.
Wallingford, Marvin C.

### JUDGE ADVOCATE GENERAL'S CORPS

Aires, Randolph H.
Barber, Michael E.
Broadsky, Ronald D.
Caine, Patrick R.
Chapman, Henry S.
Clark, Richard E.
Condos, Steven G.
Dietrich, Donald P.
Fenton, Albert B.
Glazer, Jack H.
Harootunian, Shant J.
Kelberg, Lee
Knowles, Kent N.
Lewis, John B., Jr.
Luke, Randall D.
Mauer, William F.
McCormack, Howard M
McCormack, Leo L.
Mech, Raymond R.
Meyers, Gerson E.
Psihas, Andrew P.
Schumann, Alfred W.
Shine, Francis E., III
Statton, Edward C.

### DENTAL CORPS

Blackburn, Mark W.
Bradley, Bruce E.
Buckis, David C.
Carroll, Lon D.
Depuy, Robert W.
Flosi, Marvin L.
Hall, Lawrence B.
Hallman, Robert R.
Hashimoto, Richard I.
Kear, Harold J.
Ketner, Bruce A.
Lanier, Thurman W.
Lovejoy, Garvin C.
Martin, Carlton S.
Miller, John J.
Neilans, Lionel C.
Peck, Crosby S., Jr.
Roberts, "J" Keith
Strife, Peter H., II
Sugg, Thomas H.
Upchurch, William D., Jr.
White, Paul M.

### MEDICAL SERVICE CORPS

Eckfeld, Frederick J.
Fisher, Benjamin D.
Gray, Robert I.
Hantsberger, William M.
Lawson, Betty D.
Powers, Kendall G.
Reich, Melvin
Vedros, Neylan A.

### NURSE CORPS

Kelly, Wanda J.

The following-named women Naval Reserve officers for permanent promotion to the grade of captain in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

### LINE

Adams, Jan F.
Cassidy, Joan K.
Edgerton, Catherine F.
Hinman, Katherine J.
Holliday, Dorothy V.
Knight, Barbara A.
McCampbell, Virginia R.
Sullivan, Mary A.
Vance, Lucile G.

### SUPPLY CORPS

Skowronski, Gertrude

The following-named women Naval Reserve Officers for permanent promotion to the grade of commander in the line and staff corps, as indicated, subject to qualification therefor as provided by law:

### LINE

Bachtel, Mary A.
Bonwell, Walterine B.
Bradley, Muriel A.
Cowley, Lloyda T.
Goode, Gabrielle B.
Gore, Diane D.
Gregory, Martha J.
Porch, Harriett E.
Reardon, Blanche E.
Reed, Susan K.
Stevens, Margie A.

### SUPPLY CORPS

Hjaltalin, Nellie J.

## In the Navy

The following-named officers of the Navy and of the Naval Reserve for permanent promotion to the grade of commander:

### LINE

Adams, Robert Charles
Adams, Samuel Wren, Jr.
Addison, Carl William, Jr.
Adgent, Robert Boyd
Ahrenstein, Monroe Joel
Ailes, Robert Heber
Ake, Charles Francis
Alberg, Donald James
Albero, Carl Michael
Albritton, David Lee
Aldana, Louis Pelayo
Allemang, John David
Allen, Alvin Kay
Allen, Archie Eugene
Allen, David Lee
Allen, George Smith
Allen, Robert Leon, Jr.
Almstedt, Theodore A., Jr.
Alvarez, Franklin Fernsler
Alves, Arcenio, Jr.
Anderson, Anders Timm
Anderson, Edward Everett, Jr.
Anderson, Edwin Knowles
Anderson, Franklin Warren
Anderson, Gary Marshall
Anderson, James Bruce
Andrade, Allan LeRoy
Appelhof, Gilbert Alan
Aquilino, Salvatore Patrick
Araki, Makoto
Arcuni, Philip
Armstrong, Clarence Ervin J.
Arnold, David Lee
Arnold, Thomas Francis
Arthur, Stanley Roger
Atkins, Brandon Thomas
Atwell, Robert Franklin, III
Aucoin, James Benjamin
Avila, John, Jr.,
Aydt, Roger Dewitt
Bailey, William Benteen
Baker, Donald Adrian
Baker, James Winsor, Jr.
Baker, Peter Anthony
Baldwin, Oa Fredrick
Baldwin, Roger Lane
Ball, Marvin Loy, Jr.
Ballantine, James Clement, J.
Ballou, Joseph Frank
Bankowski, Walter Francis
Banks, William Kenneth
Baril, Robert Francis
Barker, Harold Douglas
Barker, Richard Harvey
Barlow, John Rolan
Barnes, James Harold
Barnes, Paul Donald
Barney, Charles Robert
Barnhardt, David Franklin
Barnhart, Harold Duane
Barnum, Craig Luther
Barry, George Foster
Bartee, William Joseph
Barton, Robert Lawrence
Bassett, Charles Gordon
Bauer, Paul Franklin, Jr.
Bauer, Herbert
Baumstark, Richard Blake
Bauschka, Patrick Francis
Beakey, Jack Doyle
Beamon, Joseph Everett, II
Beasley, Charles Jahns
Beatty, Don George
Beatty, James Robert, III
Beck, Donald Ernest
Belisle, Gerald Morris
Bellinger, John Robinson
Bellune, Max Mitchell
Belto, Meryl Allen
Bender, James Edward
Bendit, Billy Lankford
Bennett, Peter Clark
Bentley, Robert Edward
Berrie, William Ellis
Bertrand, Jon Stanley
Bess, George Delbert
Best, Albert Hartwell, III
Bethea, Carl Lewis
Betterton, Thomas Cherrill
Bezigian, Robert
Biele, Charles Edward, Jr.
Bigler, William Walter
Bilicki, Daniel Robert
Bird, Thomas Cushman
Bisek, Dennis George
Bishop, Larry Dean

Black, Richard Orrin
Blackburn, Harry Lee, Jr.
Blair, David Benjamin
Blair, Frank
Blanchard, Lewis Thomas
Blasko, John Edward
Blessing, George Richard
Bloise, James Edward
Blouin, Robert Edward
Boebert, Frank Louis, Jr.
Boerner, Delbert Dean
Boggess, Paul Edward
Boguslawski, William Tadeus
Boice, Frank Bitts
Bolst, Albert Lea
Bolte, William Sterne
Bolton, John Mason
Bond, Charles Stephen
Bone, John Stanley, Jr.
Bonhag, Walter Dorman, Jr.
Bonner, James Earl
Bostick, James Hugh
Bower, Bruce Bradley
Bowers, John Pennington
Bowman, Henry Cleveland
Box, Roger Elden
Boyle, Ronald Raymond
Boyles, Harlan Henley
Boyne, Peter Bernard
Bradford, J. W.
Branscomb, Max G.
Braunschweiger, Andrew E.
Breast, Jerry Creighton
Breckon, Richard Louis
Bredbeck, William John
Bredderman, Rudolf Theodore
Breed, William Lee
Bremser, William John, Jr.
Brenneman, Harold Ralph
Brewton, Edward Allen
Briggs, Stanley
Bronson, Edward Francis
Brookes, Allen Gorely, Jr.
Brooks, Dennis Matthew
Brooks, Otis McKinley
Brown, Donald Louis
Brown, Howard Arthur
Brown, Ralph Edward, Jr.
Brown, Randall Robison
Brown, Roger William, Jr.
Brown, Thomas Scot
Brown, William McKay
Brown, William Sidney, Jr.
Brown, William Tyler
Broyles, Bill Ray
Bruen, George Martin
Bruni, Richard Lee
Bruyere, Thomas Edgar
Bryan, John Ellis, Jr.
Bryans, Brian Kent
Bryant, Don Michael
Buchwald, Robert Dale
Buck, David Ervin
Buck, Ralph Vincent
Buck, Wilbur Phifer
Buckner, James Arnold
Bueche, Arthur Henry, Jr.
Buehler, William Stuart
Buffkin, Charles Robert
Buggy, Joseph Stanislaus, Jr.
Bullock, Harold Oliver, Jr.
Bumbaca, Dominic John
Bump, Stanley Earl
Burcher, Philip Edwin
Burdick, Howard Frederick J.
Burgess, Eric Clyde
Burgess, John Edmund
Burleson, Frank Marvin
Burns, Gerald Joseph
Burns, John Douglas
Burpo, James Harvey
Burrows, Jack
Burrows, James Bradford
Burson, Donald Lee
Burton, James Leroy, Jr.
Busby, Richard Edward
Bush, Vernon Royce
Bushnell, Malcolm West
Butler, Clarence Billy
Butner, Richard William
Butsch, Lester Hunt

Byng, Weston Hamilton
Caciola, James John
Cahill, Lionel Albert, Jr.
Cahill, Walter Austin
Caine, Paul Eugene
Camp, Joe Don
Campbell, Carl Eugene
Campbell, John Richard
Campbell, Norman Dean
Campbell, Thomas Gordy
Cannon, James Rowland
Carder, Denny Martin
Cargill, Denny Bruce
Carlson, Robert Gene
Carlson, Walter Gene
Carr, Samuel Leroy
Carroll, Peter August
Carpowich, Charles Alex
Carson, William Grant
Carswell, Michael Stuart
Casey, Richard Francis
Cashmere, John Jarell
Castle, Ronald Gene
Cates, Gus Vance
Cathro, Alexander Young
Catron, Jerry Michael
Chalmers, William Coulter
Chamberlain, John Drew
Chambers, Richard Kenner
Chancy, Thomas Masden
Chanslor, Richard Maurice
Charles, Richard Noel
Chauncey, Arvin Roy
Chirnside, Richard Lee
Chrans, Ronald Leroy
Christensen, Cyrus Robert
Christensen, Gary Gene
Christensen, John Edward, Jr.
Christenson, Robert W. S.
Clark, Loren Lee
Clarke, Douglas Lane
Class, William Horton
Clay, Jack Delano
Cleary, Patrick Roger
Clem, David Wendell
Clevenger, Redmond Lawson
Cobb, Roy Lampkin
Cochran, Thomas Lenwood
Cochran, William Franklin
Coffee, Gerald Leonard
Coffey, Robert Carlin
Coggins, Joseph Edward
Cole, William Marchant, II
Coleman, James Joseph
Collard, Keith Paul
Collins, David Malcolm
Combs, Robert Lamar
Conklin, Andrew Janke
Connelly, John Joseph, Jr.
Conner, Eugene Davison
Connery, John David
Connolly, Leo Joseph
Coolbaugh, Jesse Dixon
Cooper, David Stuart
Cooper, John Duffield, Jr.
Corkins, Charles Wesley Jr.
Cornell, John Paul
Cornett, Charles Sherman, Jr.
Corr, Peter Sarsfield, Jr.
Corrigan, Richard Walter
Costa, Louis Elliott, Jr.
Costilow, Kenneth Lyn
Coulbourn, Samuel William
Couture, John Francis
Cowman, Terrance Eugene
Cox, Edward Franklin
Coyne, Thomas
Coyne, William Louis
Cracknell, William Henry, Jr.
Cramer, Dean Edward
Cramer, Edward Alfred, Jr.
Cramer, Erich Hansotto E.
Cremo, John, Jr.
Creswell, Lawrence Keene
Cromer, Charles Clinton
Cross, Claude Christopher
Crowe, William Mitchell, Jr.
Cueroni, Lee Angelo
Culberson, George William J.
Cummins, Clarence Myron
Currier, Donald H.

Curry, William Hubert, Jr.
Curtis, Paul John
Curtis, Wayne
Cust, Harlan Robert
Czar, Raymond James
Dacosta, Allan Donald
Dahl, Lowell Duane
Daly, Frederick Trenk, III
Daly, John Stephenson
Darby, Jack Neal
Darling, Roderick James
Daum, Richard August
David, Ralph Harry
Davis, Dennis Lee
Davis, Jimmy Wayne
Davis, John Weyman, Jr.
Davis, Robert Bruce
Davis, Robert Donald
Davis, Robert Joe
Davis, Thomas Alfred
Davis, Thomas Edward
Day, James Olin
Deal, Thorsen Ashe
Debode, Donald Gene
Deegan, Robert Francis
Deering, Robert Myron
Defibaugh, Carl Francis, Jr.
Degroot, Henry, Jr.
Demarest, Allen Eugene
Demarest, Joseph George, III
Demars, Bruce
Dennis, Jefferson Rice, Jr.
Denoon, Norman Lee
Denton, Douglas John
Dewey, Richard Frank
Dickey, Kenneth Ray
Disher, John Stephen
Dockweiler, Ernest Wayne
Doebbler, Gordon Bodo
Donahue, John Francis
Donnelly, Thomas Francis
Donohue, Douglas Jerome
Doughdrill, Charles Weston
Dove, Ray Wood, Jr.
Drake, Donald Lee
Duffield, Frederick H., Jr.
Dugan, Ferdinand Chatard
Dungan, David Anthony
Dunham, William Carl
Dunlap, Stanton Parks
Dwyer, William Leo
Dyer, Nathaniel Brown, Jr.
Dyer, Thomas Edward
Dyro, Stanislaus Gregory
Eagye, Vernon Alan
Earhart, Kay Eugene
Easter, Haroldean Edwards
Edney, Leon Albert
Edwards, Joe Duke
Edwards, Joshua Videll
Edwards, Walter Joseph
Egan, Robert William
Elich, Robert Louis
Ellingson, Norman David
Ellingwood, Arthur R., Jr.
Ellis, Hal Roberts, III
Ellsworth, Warren R., Jr.
Elpers, William Wendell
Emmerson, Milo Elwood
Emmett, Richard Franklin
Endo, Norio Bruce
Engelhardt, James Henry
English, Curtis Riegel
Enkeboll, Richard Ernest
Erikson, Theodore William
Ermis, Leroy Charles
Essig, John Raymond
Eulenstein, Karl Hugo
Evans, Philip Roland
Everly, Vernon Richard
Eytchison, Ronald Marvin
Fahey, William Francis
Fahrney, David Laurence
Fallon, Thomas Francis, Jr.
Farley, Edward Bigelow, Jr.
Feingersch, Allen
Fellowes, John Heaphy
Felt, Bruce Charles
Feltham, Marshall Emmette
Ferm, Dennis Wayne
Fernald, Lloyd Wilbur, Jr.

Feuerhelm, Duane Leroy
Fickenscher, David Burke
Findley, Ronald Clare
Fing, George Edward
Finley, Dean Marvin
Finley, John Lawrence
Finn, William Anthony
Firey, Roger Stafford
Fischer, Theodore Arthur, Jr.
Fish, Benjamin Lawrence, Jr.
Fishburn, John Heffelman
Fisher, Harvey Enloe
Fiske, Harry Kenneth
Fitch, Dee Nelson
Fitzgerald, John Francis
Fitzgibbons, George Paul
Fitzpatrick, John Joseph
Flannery, Gerard Joseph, Jr.
Flatley, James Henry, III
Fleak, Walter Herbert, Jr.
Fleshman, Samuel Austin, II
Florko, Donald John
Flynn, John Joseph
Flynn, Samuel Carson, Jr.
Flyum, James Kenneth
Foresman, James Hammond, III
Forster, Johann Richard
Forster, Robert Michael
Foss, Robert Nelson
Fossett, Birchard Clary
Fournier, Paul Robert
Fowler, George Marion
Fox, George Raymond
Fox, John Francis Joseph
Fox, Robert Francis
Fox, Thomas Robert
France, Morgan Michael
Frankenberger, Paul Francis
Franklin, William Patrick
Fredrichs, Robert William M.
Fredrickson, Arthur Hugh
French, Douglas E.
Frey, Robert Dean
Frommer, Paul Stanley
Funderburk, Jeryl Dean
Furey, Edwin Michael
Furrow, Donald Edson
Furtado, Francis Joseph
Gagne, Wilfred Clifford
Gallagher, John William
Gallagher, Robert Stephen
Gallion, Lawrence Barclay
Gambill, Richard Kemp
Gardella, John Kerr
Garland, Keith Pierson
Garrett, Roger Dean
Garrison, Charles Henry, Jr.
Gash, John Allen
Gearin, Billy Dan
Gehrig, Jerome Charles
Gentz, Richard Corbett
George, Troy Hescue, Jr.
Gesling, Marion Lee
Gifford, Robert Merle
Gilbert, James Clarington
Gilbert, Robert Lyle
Gilkison, Edward Robert, Jr.
Gimber, Harry Meeker S., III
Ginn, James Thomas
Ginther, Larry Lyon
Giuliani, Leonard Edmond
Glancy, Robert James
Gleason, Russell Dexter
Glickman, Thomas Walter
Glickman, Walter
Godefroy, Pierre Louis
Goggin, Richard Edward
Golden, Edward Eugene
Golder, Thomas Vincent
Goldstone, Ronald George
Gonzalez, Robert Neil
Goodwin, James Barden
Gott, William Berlin
Gowans, George Keith
Grady, Roger Dennis
Grant, Gerry David
Grant, Howard Wilkerson, Jr.
Grant, Richard Lee
Grau, James Allan
Graves, William Sheakley
Gray, Anthony Whitford, Jr.
Green, Richard Francis
Green, William Henry
Greene, George Cameron
Greene, William Harrell, Jr.
Greenhoe, Duane Floyde
Greer, Robert Eugene
Grewe, Webster
Griffin, David Hamlin
Griffith, Dwaine Orris
Grimes, Thomas Warren
Grimmell, Robert Lee
Groat, John Ellery
Groce, Thomas Curtis
Groscup, William Dale
Gross, Sidney Lawrence
Gruendl, Paul Lawrence
Guisinger, Lawrence B., Jr.
Gulliver, Victor Stanley
Gundermann, Richard Thomas
Gunderson, Donald Henry
Gustafson, Charles Bengt
Guttery, Thomas Hobson
Haack, Norman Erwin
Hagen, Dale Norman
Haley, George Kirby
Haliday, George Warren
Hall, Charles Reade, III
Hall, Gordon Bradford, Jr.
Hall, Harley Hubert
Hall, John Owens
Hall, Michael Richard
Hammack, John Edward
Hammer, Roger Duncan
Hammock, Donald Paul
Hancock, Gus Herndon, Jr.
Hannaford, William Henry
Hannah, Elmore Kline, Jr.
Hanson, Morton Howard
Harkins, Vyron Vernon, Jr.
Harmon, Jack Emory
Harner, Charles Franklin, Jr.
Harre, James Louis
Harriss, David Jackson
Hart, Raymond James
Hartian, Robert Michael
Hartley, Donald Alan
Hartman, Anthony George
Hartman, Richard Danner
Harvey, Walter Douglas
Hastie, Robert Keith
Hastings, Ralph Harold
Hatcher, Jerry Maldon
Hausmann, John Henry
Hawkins, Charles Derward, Jr.
Hawkins, Leroy Thomas
Hawkins, Sam Henry
Hay, Donald George
Hayes, Michael Francis
Haynes, Harald Johan
Healy, Howard Raymond, Jr.
Heekin, John Patrick
Hegeman, Joey William
Heiland, Charles Edward
Heisinger, Duane Lawrence
Heisner, Robert Irving, Jr.
Hellewell, John Seymour
Hellman, John Stephen
Henderson, Mark Dale, Jr.
Henry, John Archie, Jr.
Henry, Michael Collins
Hensley, James Virgil
Herrigstad, Harvey William
Herring, George Griffin, III
Hesse, Gerald Herman
Hester, James Homer
Hewitt, Paul Edward
Hewitt, Wesley Charles
Heyde, John Stirling, Jr.
Heyward Shannon Douglas
Hiatt, William Douglas
Hibbard, Grant Welk
Hickerson, James Martin
Hickman, Jimmie Ercelle
Hiebner, Robert John, Jr.
Higgins, John Joseph
Higgins, William Howard
Higginson, John Joseph
Himes, Elton George
Hines, Dean Howard
Hite, Philip Robert
Hix, Jack Manuel
Hixson, Harold Yale
Hobler, William Joseph, Jr.
Hoffner, Conrad Charles
Hogan, Lawrence Miles
Hogg, James Robert
Hoggatt, James Ward
Holland, Joe Lambert
Holloway, Richard Vernon
Holm, John Peter
Holt John Albert, III
Holtzclaw, John William
Holzschuh, Jacob Robert
Hoover, Cameron Lee
Hoppe, Herbert Lee
Horne, Roger Bigelow, Jr.
Horne William Lincoln
Horsefield, John Edwin
Horsley George William, Jr.
Horton, Jerry Douglas
Houglum, Leon Peary
Howe, Frederic Northey, Jr.
Howe, John Edward
Howe, Jonathan Trumbull
Hower, James Joseph
Howland, John Herrick
Hoyman, George Roger
Hueber, Fred Paul
Huggins, Andrew Curtis
Hughey, Ira Allen
Hunter, Wallace Robert
Husted, Murl Edwin, Jr.
Huston, William Grayson
Hutchinson, Charles Kenneth
Hyatt, Charles Edward
Hyatt, Leo Gregory
Hyde, Ronald Pope
Ingalls, Frederick George
Inman, Ronald Clark
Isenhour, William Jacob
Jackson, Lester Thurston, Jr.
James, James Edward Manson
Jarratt, Guy Carleton, III
Jellison, Harry Edward
Jerome, John David
Johnson, Leonard Willby, II
Johnson Phillip Seth
Johnson, Robert Allen
Johnson, Ronald Joseph
Johnson, Ronald Laurence
Johnson, Theodore Robert, Jr.
Johnson, Walter Edwin
Johnson, Wendell Norman
Johnston, Donald Whayne
Johnston, Harold Benjamin J.
Jones, Colin Mastin
Jones, Gary William
Jordan, Henry Michael
Jordan, William Travis
Judge, Joseph Ivis
Junghans, Peter Austin
Jurgens, Robert Anthony
Kantor, Clifford Stephen
Karas, Robert Edward
Karn, Alvin Reuben, Jr.
Karnakis, Nicholas
Katz, Bennett David
Keathley, James William
Keiffer, Leo Harrison
Kemper, Ralph Courtney
Kennedy, James Howard
Kennedy, Raymond Joseph
Kennelly, Bernard John
Kent, Ronald Harold
Kentopp, Donald Eugene
Keough, Robert James
Kerr, William Alexander, Jr.
Kershner, Robert Lee
Kerslake, Ronald William
Kersting, William Henry
Kesteloot, Robert Warren
Kiefer, Martin Daniel
Kilpatrick, Thomas Eugene
Kimball, Paul Elmer
King, Carleton James, Jr.
King, Charles Calvin
Kirkland, Thomas J., III
Kirkwood, Robert Liston
Kittleman, Donald Leslie
Knapp, Ralph Edmund
Knapp, Richard Irving
Knodle, William Clifton

Knott, Richard Charles
Knowles, Russell, Jr.
Knutson, Jerry Gail
Koehler, Norman Elias, III
Kolstad, Thomas Carl
Komisarcik, Adam
Komp, Richard Lloyd
Korthe, James Doran
Koster, Alfred Maria, IV
Kraft, Robert Michael
Kramer, Theodore R., Jr.
Kratch, David Arnold
Krekel, Lyman Edward
Kremin, Richard Allen
Kreutzberger, Donald Juan
Kriewall, Royce Louis
Kristof, John James
Krueger, Milton Edmund
Kuck, Donald Lee
Kuehler, Donald Edward
Kuehmeier, Joseph Karl
Kunkel, Larry Duane
Kuntz, David Stephen
Kushner, David Arthur
Kuykendall, Herbert Brent
Kvederis, James Paul

Lahr, Carl Frederick
Lamay, Urban Randel, Jr.
Lambert, Raymond Alfonzo
Lamberth, Billy Charles
Lambright, Harold Raymond J.
Lang, William Robert
Lange, Christian A., Jr.
Lange, William Gordon
Langenheim, John Perry
Langholz, Marcus Joel
Langley, Charles Ralph
Lanman, George Maurice
Larabee, Kent Wilber
Larson, Charles Robert
Larson, Charles Wesley, II
Larson, Donald Ray
Laux, Arno Holland
Law, James Edwin
Layton, Thomas Colvin
Leban, Carl
Leblanc, Thomas Dauphin
Lecropane, Richard Raymond
Lee, Dennis Bryon
Lee, Kenneth Clifford
Leech, Robert Joseph
Leeds, Rene Wesley
Legg, William Emery
Lenhardt, Harry Fehl, Jr.
Leslie, William Neil
Lester, Richard Paul, Jr.
Leuschner, Robert Lee, Jr.
Lewedag, Loren Marston
Lewis, Harold Stephen
Lewis, Robert Kay, Jr.
Linch, Donald Thomas
Littlewood, Lyle Eugene
Livingston, Gill Frederick
Lockwood, Robert Kenneth, Jr.
Loewenthal, Robert Gordon
Lohr, James Richard
Loman, Cleve Edgar, Jr.
Lomax, James Redman
Lowe, Gary Bennett
Lowery, Needham Hugh
Lowrance, Douglas Long
Luehring, Davidson
Luetschwager, Edward Ernest
Luke, Charles Thomas, Jr.
MacCubbin, George Edwin, Jr.
MacKay, Gerald Wallace
MacNichol, Malcolm Stuart
Madouse, Richard Lee
Magner, Lawrence Richard
Magnus, Ralph Stanley
Maguire, Thomas Joseph
Mahon, Edward Joseph, Jr.
Mahony, Terrence Michael
Malley, Kenneth Cornelius
Malmquist, Emil Dwight
Malvin, Frederick Bage
Mann, John Philip
Mansfield, James Lawrence
Marcantonio, Anthony Willia
Marcus, Robert Ulysses
Margedant, John William
Markley, Wade Eddy
Marnane, Thomas Arthur
Marriner, Richard Eugene
Marriott, Michael John
Marshall, Raymond Eugene
Marthinson, Detlow Mainch J.
Martin, Frank Powell
Martin, James John, Jr.
Martin, Marshall Warren
Martin, William Gearheart
Marxer, Hugo Edward
Masten, Lawrence Everett
Master, Carl Lyman, Jr.
Maston, Joseph Harold, III
Matteson, Kelvin Lester
Matthews, Gary David
Maurer, Earl Thomas
Maxwell, Matthew Thomas, III
May, James Laurence
May, Robert Carroll
McCampbell, Richard Lee
McCandless, Frederick E.
McCarthy, Edward Duncan
McCarthy, James Francis
McCauley, George Kerry
McCaull, John Wayne
McClary, Richard Charles
McConnel, Richard A., Jr.
McConville, James Emmett
McCormick, Bruce Alan
McCulloch, James Moody
McCullough, Lawrence Edward
McCullough, Robert Francis
McCutchan, Milton Lloyd
McDaniel, Rodney Bonner
McDermitt, Carrol
McDermott, Joseph Thomas
McDonald, Gerald Wayne
McDonald, Richard Reese
McDonough, Vincent Paul
McEnaney, Thomas James, Jr.
McFarland, James Stephen
McGee, Virgil Varnell
McGill, James Alexander
McGinty, Thomas Joseph
McGlasson, Daniel Eubank
McGlynn, James Robert
McGrail, Charles Reynolds J.
McGrath, James Joseph
McGuigan, David Brant
McHenry, William George
McHugh, Charles Earl
McIndoe, James Edward
McIntosh, Charles Eugene
McKamey, John Bryan
McKnight, James Donald
McMichael, George Lee
McMillan, Lee Quincy
McMillen, Kenneth Allen
McMorris, John Allen, II
McMurray, William Thomas
McNichols, John Patrick, Jr.
McPherson, Albert Alexander
McPherson, Roger Bering
McTighe, Roger Paul, Jr.
Mead, Gerald Richard
Meadows, Landon Odell
Meaux, Richard Pollock
Meeker, Quentin Stuart
Megehee, Louis Dan, Jr.
Meier, Leonard Milbert
Meier, Myron D.
Meier, Ronald Leroy
Meighen, Thomas John
Melanson, Edward Joseph, Jr.
Melcher, Roland Osborn
Melnick, Norbert Waring
Melvin, Edmund Waller
Melvin, Virgil Boyd
Meszaros, Michael George
Metz, Fredrick John
Meukow, Walter Trendel
Meyer, Richard Ervin
Miceli, Joseph Dominick
Mickle, William McEwen
Middleton, John Edward
Miefert, Milton Delarma, Jr.
Miklos, Thomas John
Millard, David Russell
Miller, David Gordon
Miller, George
Miller, John Laurence
Miller, Peter Ross
Miller, Robert William
Miller, Wayne Warren
Mills, Albert
Mills, Thad Wesley
Miniter, Howard Elmer, Jr.
Misura, Paul
Mitchell, Clyde Lee
Mitchell, Donald Leslie
Modeen, Victor David
Moke, Paul David
Monahan, Gerald Edward
Monk, Samuel William
Monroe, Vincent Duncan
Montgomery, Donald James
Moore, David Winston
Moore, Jimmie Rodgers
Moore, John Wharton
Moore, Rowland Wesley
Moreau, Ronald Frederick
Morris, Charles Howard
Morris, Charles Samuel
Morris, David Roland
Morris, Hal Benjamin, Jr.
Morris, Jesse Beverly, Jr.
Morrison, Orrin Lee
Morsches, Robert William
Morton, Stewart Malcolm
Mouser, Hugh Phillip
Moyers, Gilbert Eugene
Mueller, John Arthur
Muller, Robert Charles
Mumford, Robert Evans, Jr.
Munn, Robert John, Jr.
Munro, William Scott
Murdoch, Thomas McCulloch
Murphy, John Alfred
Murray, James Calvin
Murray, Thomas Robert
Myers, Dale Phillip
Nace, Larry Duane
Nash, Michael James
Neary, Joseph Francis
Neeley, Wallace Wayne
Nelson, Carl Alfred
Nelson, Robert Eric
Neuhaus, Charles Franklin
Nevin, Robert Fenton
Newcomb, Zeanious Lee
Newell, John Whitaker
Newsom, Joe Rutland
Newton, Robert Lewis L., Jr.
Nicholas, Joseph
Nichols, Richard Donald
Nider, Kenneth Eugene
Nielsen, Niel Peter
Noggle, George Alfred, Jr.
Noll, Charles Francis
Normand, Eugene James
Northam, Thomas Alfred, Jr.

O'Brien, George Eugene
O'Connell, Daniel Joseph
O'Connell, James John
O'Connell, Jerome Arthur
O'Connor, Edwin Anthony
O'Connor, Neil Francis
O'Connor, Paul
Odea, Thomas Vincent
O'Donovan, James Patrick
Ogle, Peter Wayne
O'Hara, James Patrick, Jr.
O'Keefe, Martin Patrick
O'Keefe, Timothy Robert
Olmer, Lionel Herbert
O'Neil, William Arthur
O'Neill, James Patrick, Jr.
Ong, Richard Eugene
Oppedahl, Phillip Edward
Ore, William Edward
Orzech, Bernard Peter
Osborne, Dale Harrison
Overeem, Donald Phillip
Overstreet, George Harold
Owen, William Leon, Jr.
Owens, Darrel Dean
Owens, Robert Spencer
Owens, Sherman Henry
Oyler, Charles Clinton, Jr.

Page, Arthur M.
Pakradooni, Haig Herant, III

Palmer, Gerald Anderson
Palmer, Stanley Burt
Panarese, Adam Francis
Pape, Frank Ferdinand
Pappas, Jimmy
Parcell, Kenneth Howard
Parker, Jackson Knowles
Parker, Ronald Hearn
Parnell, Ural Clay
Parsons, Marland Wolcott, Jr.
Patrick, Andrew Kenley
Patterson, Dale Kendall
Paul, John Stephen
Peacher, Robert Wadsworth
Pearigen, Jare Max
Pearson, Merton Arcadus
Pedersen, Alton Andrew
Pedersen, Dan Arthur
Peebles, Baker Lawrence
Peerenboom, William Henry
Peetz, Robert Emil
Pendleton, Benjamin Lewis
Perrella, Albert Joseph, Jr.
Perro, Michael Alexander, Jr.
Perry, Leonard Gordon
Persels, Lyle Dewitt
Peterson, Laurel Charles
Peterson, Paul Arnold
Peterson, Peter Clauson, Jr.
Petree, Noel Harper, Jr.
Pfleger, James William
Pharis, Wade Jefferson
Philipps, George
Piche, Paul Duane
Picher, Francis Xavier, Jr.
Pickett, Ronald Booth
Piersall, Charles Homer, Jr.
Pietrzak, Edward Stanley, Jr.
Piotti, Walter Theodore, Jr.
Pippins, Elery Harold
Pirie, James Glenn
Pistotnik, James Joseph
Pitts, Paul Denney
Plassmeyer, Joseph Donald
Pocklington, William Dale
Poindexter, John Marlan
Polfer, Clarence Ronald
Pollard, Ronald Terrell
Poole, James Richard
Porcaro, Anthony Paul
Porter, Richard Grayson
Porter, Robert Wesley
Potter, Clare Elmer
Pounds, Philip Clyde, Jr.
Powell, Daniel Gene
Poyet, Elmer Francis
Previ, Wallace Martin
Price, Dennis James
Prien, Richard Kenneth
Pritchard, Joseph Reese
Promersberger, Edward S.
Propst, William Floyd
Prosser, Norman Edward
Pruett, Ronald Lee
Puerling, Peter Nicholas
Quast, Harry Stillman
Queen, Ronald Jess
Query, William Cashion, Jr.
Quigley, Francis Joseph
Quinn, James Hastings
Quitiquit, Max
Rader, Jerry D.
Rae, Paul Oleary
Ragan, Charles Patrick
Raney, Charles Gilbert
Rashley, George Edward
Ray, Willard Douglas
Rayome, Francis Lee
Ream, Ronald Lowell
Reich, Merrill Drury
Reiley, Ralph Hunt, Jr.
Reinhardt, Elwood B., Jr.
Reis, Joseph John, Jr.
Rennaker, Charles Leroy
Repass, Donald Eugene
Reynolds, David Bertram
Reynolds, Robert Lee
Reynolds, Ted W.
Rice, Edward Joseph
Richards, Warren David
Richardson, John Daniel, Jr.
Riedemann, Walter Joseph, Jr.
Rieder, Albert Eugene
Riefler, George Breeze
Riggs, Donald Eugene
Riley, Charles Elroy
Riley, Donald Edwin
Rimson, Ira Jay
Ritchie, Sherwood Leferve
Roach, John Christopher
Roberts, Charles Roberson
Roberts, Gordon Whayne
Robertson, Hollis Eugene
Robinson, Kenneth Frank
Robl, John Loy
Rodgers, Robert Dennis
Roeser, Walter Valentine, Jr.
Rogers, David Taylor
Rollman, Gordon Lynn
Rositzke, Robert Hugh
Ross, Thomas Edward
Rountree, Jack Lewis
Rower, Jay Allen
Rowsey, James Melvin, Jr.
Ruchala, Joseph Felix
Rucker, William Armor, III
Ruhle, Robert Carl
Russ, William Marcellus, Jr.
Russell, Earl Harland
Russell, Kay
Rutemiller, Oren George, Jr.
Ryan, Patrick Francis
Rydzewski, James Charles
Sabine, Frederick Ralph
Sachtjen, Jerry William
Sagehorn, Gerald Lee
Sale, William Luther
Saleh, Richard Edward
Salisbury, Jack Steffee
Sanders, Franklin H.
Sanders, Wilbur Fisk, III
Sandler, Charles Allen
Saracco, Robert Louis
Sawyer, Tommy Don
Scales, Richard Howard
Schaible, David Louis
Schaller, Cyril Donald
Schiwitz, Preston George, Jr.
Schleicher, Richard Joseph
Schlernitzauer, Lawrence P.
Schmidt, Arnold Christopher
Schmidt, Robert Herman
Schmitt, Arthur Frederick J.
Schneider, Henry John
Schneidewind, Gilbert Pease
Schnitzer, Lawrence Edward
Schoeff, Kendall E.
Schriner, Karl Leonard
Schutz, Paul Henry
Schumacher, Duane Otto
Schussler, Gerald Arthur
Schwaab, Denis Thomas
Schwartz, Ralph Charles
Scoffield, Gary Adams
Scott, Charles Herbert
Scott, Douglas Lee
Scovel, Frank Donald
Scranton, Herbert H.
Searcy, William Paul
Sears, Johnny Marion
Sechrest, Edward Amacker
Sedor, Gerald
Segelhorst, Herbert Edwin
Seiler, Melvin Edward
Servis, Walter Marcus
Severance, Laverne S., Jr.
Shannon, Philip Martin
Shaw, Charles Ira
Shay, James Edward
Shelso, David Alan
Sheppard, Donald Edward
Shewmaker, John Bisset
Shields, Ronald Max
Shirkley, Vernon Dale
Shores, Howard Veasey
Short, Leroy Alexander, Jr.
Shrader, Glenn Evans
Shultz, Theodore Byers
Sick, Gary Gordon
Siegel, Kent Rodney
Siegrist, Edward Adam, Jr.
Sierra, Edward Perrault
Sikes, James Howard
Sikes, Kenneth Judson
Silvia, Charles Paul
Simcox, James Godwin
Simerly, Glen Edward
Simonton, Bennet Stocum
Simpson, James Hillman
Simpson, John Edward, II
Simpson, Jon Dennis
Sims, Robert Bell
Sisson, Lewis William
Sloan, Dennis Young
Sloan, John Handlan
Sloane, Stephen Burton
Smith, Bertram David, Jr.
Smith, Don Lynden
Smith, Eugene Franklin
Smith, John Carl, Jr.
Smith, Lee Oran
Smith, Leon Louis, Jr.
Smith, Phillip Don
Smith, Vernon Charles
Smith, William Earle, Jr.
Smith, William Jerry
Smith, William Speller, Jr.
Smithey, William John Henry
Smithhart, Richard Arlen
Snell, William Franklin
Snow, Kennedy Bruce
Somers, David Walter, Jr.
Southard, Howard Vero
Southern, Wilson Edwin
Spadoni, Eugene Arthur
Spero, Joseph Richard
Spink, Peter Joseph
Stacey, John Lyle
Stafford, Hugh Allen
Stammer, Walter Henry, Jr.
Stanford, Robert Leland
Steckel, John Howard
Stedman, Ren Earl
Steele, Robert Jay
Steele, William Milford, Jr.
Steinbrink, Earl Edward
Stelly, John McNolan
Sterling, John Corydon
Stevenson, Barr Stewart
Stevenson, Leon McCoy, Jr.
Stewart, George Wallace
Stewart, Keith Archibald
Stiegler, William P.
Stiers, Lawrence Keith
Stockton, John Bone
Stoddard, Roy Charles
Stoeckel, Anthony Wayne
Stoetzer, Raymond Norman
Stogis, Peter Douglas
Stone, Lowell Perry
Stoodley, Francis Howard
Stouffer, John Willoughby I.
Stow, Weston Loghry
Stowell, Marshall Alfred
Strahm, Kenneth Alan
Strange, Robert Orris, Jr.
Strey, Dennis Wilbert
Strommen, Gene Arthur
Sullivan, Eugene Joseph, Jr.
Sullivan, Gerald Timothy
Sullivan, Jermiah Francis
Sutphen, Harold John
Swan, Robert Sheridan
Swanson, Matthew Clark
Swarthout, Gerald Lynn
Swartz, Theodore Robert
Sykes, Floyd Eugene
Sylvester, Vincent
Taff, Clarence Orville, Jr.
Tager, Bruce Alan
Tarbuck, Richard Ray
Tarlton, Lee Alexander
Tarrico, George John
Tasker, William George
Tate, Robert Hunter, Jr.
Tatro, Peter Richard
Taunt, Melvin Eugene
Taylor, Gaylen Dean
Taylor, Hugh Rolland
Taylor, James Edward
Taylor, Jeremy Dolph

Teague, Foster Schuler
Terrell, Jerry Lee
Teter, Eugene Victor
Thaubald, Edward John
Thibault, George Edward, Jr.
Thoen, Glenn Robert
Thomas, James Grant
Thomas, James Wooten
Thomas, John Hinson IV
Thompson, Jack Duane
Thompson, James Keith
Thompson, Tommy Louis
Thornsley, John Thomas
Thorpe, Gordon Lewis
Thorpe, Paul Joseph
Timlin, Joseph William, Jr.
Timm, Dwight Dorwan
Toehlke, Walter Arthur
Toole, Morton Egner
Touchton, John Henry, Jr.
Trost, Henry John, Jr.
Trowbridge, Charles Fox, Jr.
Truxall, Charles Wible, Jr.
Tulley, Cecil Richard
Tullis, James Vincent
Tully, Joseph Frank
Turner, John Joseph, Jr.
Underhill, Samuel Graham
Usilton, William Beck
Vanhorne, Alfred Lee
Vanlandingham, Clyde H., Jr.
Vaughan, Edward Bressie, Jr.
Veek, Eugene Bradford
Venezia, Howard
Vermillion, John Edward
Vescelius, Milton James, Jr.
Vezina, George Robert
Viessmann, Alex Jan
Vollmer, William Elwell, Jr.
Vonier, Richard Louis
Vosseller, Richard Turner
Wachob, James Roy
Wakatake, Clifford Kiyoshi
Walden, Warren Lee
Walker, Richard Allen
Walker, Samuel Bruce
Walker, Thaddeus Owens, Jr.
Wallace, Laird Edward
Walston, Jerry Don
Walter, Clyde Melvin
Wantz, Leslie Harold
Ward, Richard Rollins
Warden, Kenneth John
Waring, James Dean
Warters, Robert Lee
Watkins, Robert Lewis
Watson, John Alan
Watts, James Wallace
Watts, Robert Bach
Waugh, Samuel Alexander, Jr.
Weaver, Paul Jones, Jr.
Webb, Kenneth Howard
Weber, Gerald Morriss
Wehner, George Dillon
Weichman, Denis Regnauld
Weiland, Robert Frederick
Weisman, Burton Stuart
Wellborn, Robert Morgan, Jr.
Wells, Charles Thomas
Werenskjold, Gary William
Weseleskey, Allen Ellis
West, Charles Thomas
West, William Wright
Westfall, Van Franklin
Westlake, William Robert
Weston, Jack Lane
Whaley, Thomas Prioleau
Wheat, Elbert Ervin
Whelan, Mathew John, Jr.
White, George William, Jr.
White, Laurence Adams, Jr.
Whiting, Donald Wayne
Whitmire, Wilson Royer
Wicks, John Gordon
Wieschhoff, Kenneth Harry
Wilbern, Jack Martyn
Wilbur, Charles Harrison
Wild, Ronald Austin
Wilde, John Hudson, Jr.
Wilderman, Alvin Ladon
Wiley, Byron Anthony

Wilkins, George Henry
Willey, Bruce Theodore
Williams, Barton Burchard
Williams, Doyne Gene
Williams, James Dale
Wills, Doyne Robert, Jr.
Wilson, Bruce Douglas
Wilson, Derek Westervelt
Wilson, Garry Leonard
Wilson, James Borden, Jr.
Wilson, Leonard Odell
Wilson, Robert Marvin
Wiltsie, Ronald James
Winchester, Morton Summers
Wing, Rodney Claire
Wingerter, Edward William J.
Winn, Perry Riley, Jr.
Wintriss, George Victor
Wirth, Charles George
Wolfe, Roderic Leighson
Womack, David Ray, Jr.
Womack, Leonard Ray
Wood, Clarence Wayne
Wood, Richard Grimshaw
Wood, Sidney Ezell, Jr.
Woodbury, Orpheus L., III
Woods, Brian Dunstan
Woolard, Gerald W.
Worst, Dale Richard
Wright, Arthur St. Clair
Wright, Orville, Jr.
Wyatt, Raymond Edward
Wylie, Clayton Russell
Yarbrough, William P., Jr.
Yelle, A. Courtney
Yetter, William Stanley
Yockey, Harry Merwin
Young, Edward Barham
Zackowski, Terrence Lee
Zaludek, George Michael
Zeman, Irving Mark
Zimmer, Emory Partl
Zimmerman, Willard Charles
Zollars, Allen Marshall, Jr.
Zwick, John Elmer

### SUPPLY CORPS

Abele, Robert Burke
Aldenderfer, William Don
Allnutt, Alvin Howard
Andersen, Thomas Chalma
Balding, David Webster
Banas, John Martin
Barstad, Clarence Harvey
Baxter, John William
Beck, Kermit E.
Berg, Robert Kenneth
Bittner, Burton Frederick J.
Borchardt, Heinz Robert
Brown, Lee
Buckley, John Edwin
Buffoni, Thomas Joseph
Butts, Whitmore Spencer, Jr.
Carenza, John Leon
Chipley, Charles Lawrence J.
Clancy, John F.
Connolly, George S., Jr.
Corbitt, James Richard
Craft, Thomas Gwyn
Crawford, James Lynn
Croeber, Hans Robert
Cronin, George William, Jr.
Crouch, Robert Luke
Cunningham, John Henry
Daddona, John Michael
Delduca, Ronald Michael
DeShaney, Donald James
Devine, Paul Lawrence
Dewey, Edward Persons
Dickey, James Allen
Dickinson, Thomas Dean
Divelbiss, Carl David
Dolenga, Harold Edmond
Dunn, Bernard Daniel
Eizenhoefer, David Joseph
Eppen, Eugene Donald
Erickson, Douglas Leon
Evans, Lloyd Robert
Finbraaten, Laurence Kermit
Furiga, Richard Daniel
Girman, Robert James
Gorenflo, Louis William
Gumpert, Leroy Charles
Hahn, Gary Eugene
Hale, Joe Michael
Hamilton, James Wakefield
Harlow, Charles Edward
Hinkle, Otis Rid
Irons, John Hatheway
Iverson, Ronald Iver
Jahn, Donald Richard
Johnson, Rodwell Calhoun
Jones, Leland Boyd
Juncker, Carl Frederic
Kachigian, George Neshan
Kalafut, George Wendell
Knoth, Robert Linn
Lantsberger, Robert Eugene
Lee, Gerald Lamar
Linehan, Daniel Joseph, Jr.
Loftus, Raymond Patrick
Magee, Gilbert Lyle
Malzahn, Walter Gerald
McCarthy, Leonard Dennis
McCullers, Lawrence Earl
McHugh, Thomas Hugh
McMullen, Franklin Davis, Jr.
McNall, Phillip Freeman
Meiners, Arthur Charles, Jr.
Miller, James Edward
Mummert, Dale Robert
Murphy, Ronald Daniel
Murray, Harlan Edward, Jr.
Nace, Richard Hanson
Naughton, Thomas John
Nichols, Gerald MacGowan
Nolan, John Eugene
Nuss, Gary Bickford
Nygaard, Richard Byron
OConnell, Arthur Bernard
Olivier, Denny Royce
Peters, William Anthony
Phillips, Robert Avery
Pinell, Joseph Kent
Plante, Rene Edmond
Platt, Stuart Franklin
Reed, John David
Reilly, Joseph Vincent, Jr.
Renner, Richard Bray
Rice, Henry Leake, Jr.
Ridley, David Eugene
Rook, Eugene Clark, Jr.
Rubenstein, Ralph Sidney
Ruehlin, John Henry
Rupe, Charles Henry
Schulte, Conrad Paul
Sechler, John Lee
Sellars, James Bradford
Shirley, Kenneth Royce
Shroeder, John, Jr.
Skelly, James Francis, Jr.
Sodrel, Donald Lee
Sofley, Billy Ray
Squibb, Rodney Kaye
Starrett, William, Ivan, Jr.
St. Martin, Robert William
Terry, Victor Worth
Thomas, Gary Bennett
Thompson, Robert Lee
Trawick, George Lawrence
Wallace, Edwin Roland
Walsh, Richard Sheridan
Weinberg, Harry Hyman
Weller, Thomas Carroll, Jr.
Westmoreland, Perry Lee
Whittaker, James Benjamin
Wilber, James Roland
Williams, Thomas Carlyle, Jr.
Youmans, Raymond Wayne
Young, Benjamin Lynn
Young, Jack Leslie
Young, Ronald Alan

### CHAPLAIN CORPS

Baggott, Frank Bannerman
Barcus, Richard Elmer
Bedingfield, Robert William
Berg, Vernon E., Jr.
Bertulio, Caesar Joel
Borden, Robert Suydam
Brown, Robert Glenn
Cook, Gordon Stuart

Craven, Allen Barry
Davis, Eugene Baughman
Dolaghan, John
Evans, George Wesley, Jr.
Franklin, Robert Charles
Glynn, John Joseph
Goetz, Herbert Max, Jr.
Kaelberer, John Herbert
Kase, Mark
Keefe, Lawrence Francis
Magor, Warren Frank
McMorrow, James Edward
McPhail, Clark Buckeridge
Murray, George P.
Niederhuth, Wayne Lee
O'Brien, Eugene Christopher
Parker, Alton Morgan, Jr.
Piirto, John Arthur
Respess, Thomas Bryan, Jr.
Six, Jack Edwin
Spencer, Carroll Roger
Struthers, Basil Hathaway
Takesian, Eli
Vantassel, Lowell Warren
Whitaker, Frederick Eugene
Young, Christopher Breese

### CIVIL ENGINEER CORPS

Barczak, Jerome John
Bauer, John Gerald
Boyce, Heyward Easter, III
Busche, Robert Ernest
Chin, William
Clearwater, John Livingston
Cope, Ronald Philip
Crisp, Hugh Albert
Dunn, Jerome Richard
Earnst, Rossell Albert
Enderbrock, Frank Louis, III
Fegley, Charles E., III
Fraser, John Cameron, Jr.
Gawarkiewicz, Joseph J., III
Godsey, Jack Lynford
Grady, Noel A., Jr.
Johnson, Don Paul
Kelch, John Anthony, Jr.
Kirkpatrick, James Darrow
Klein, Dale Mathew
Ledder, William Robert
Lewis, Edmund Frederic
McMenamin, Lester Edgar, Jr.
McNeill, James Edward
Morton, James Franklin
Murphy, Frank James
Nash, Archie Ray
Shirley, Ronald Gene
Siegle, Richard Lee
Totten, John Charles
Westcott, John Allen

### JUDGE ADVOCATE GENERAL'S CORPS

Brown, Charles Ellsworth, II
Christian, Alvern Dale
Cowell, Marvin J., Jr.
Drew, Kenneth W.
Eoff, Albert William, II
Farrell, Lawrence Michael
Flynn, Thomas Edward
Gladis, John Terence
Googe, James Percival, Jr.
Gresens, Larry Wendell
Grunawalt, Richard Jack
Howay, John Witter
King, Melbourne Paul
Laitsch, Lowell Charles
Legg, Billy Joe
Mario, David Armone
Solomon, Selig
Tobin, James Michael
Wille, Paul Alexander
Woods, Theodore Kennedy, Jr.

### MEDICAL SERVICE CORPS

Bach, Gale W.
Baldauf, George William
Bertka, Robert Eugene
Brideau, Donald Joseph
Bryant, Eugene Marcus, Jr.
Clark, James Lloyd
Collier, Patrick Joseph
Condon, Earl Nessley
Correll, Joseph Mack
Dietz, Bruce Johnson
Erwin, Richard Eugene
Gobbel, Henry Donald
Goodson, James Edward
Halverson, Charles William
Hatten, Ann Cherry
Joseph, Sammy William
Kane, George Patrick
Kessler, Raymond Bernard
Lachapelle, Norman C.
Lawson, Donald Ray
Leadford, William Malcolm
Littner, Henry David
McFee, Charles Andrew
Millard, George Wayne
Moore, Charles Jerome
Mullinix, Chloe Allen
Nelson, Paul Delay
Nourigat, Earl Robert
Peckenpaugh, Normand Lee
Rooney, Mary Louise
Rucker, Thomas Jackson
Shuler, Donald Eugene
Sickels, Forman J.
Sowers, Hubert Harris, Jr.
Springer, Martha Jayne
Stephens, Bobby Lee
Surface, Robert Lee
Swindall, Victor Arthur
Tandy, Roy William, Jr.
Wherry, Robert James, Jr.
White, Robert Lanon
Zseltvay, Andrew Joseph, Jr.

### NURSE CORPS

Adams, Louise J.
Aunan, Patricia M.
Beveridge, Robina Wylie
Burrell, Margaret Mary
Bynum, Joan Carolyn
Carson, Eva Frances
Chisholm, Marie Ann
Chute, Judith Richards
Damiani, Margaret Carmella
Eisiminger, Vetah Maude
Emond, Lucille Gertrude
Gillespie, Jacquelin Craig
Golebiewski, Rita Jane
Gomes, Alma Marie
Haile, Evelyn
Hall, Mary Fields
Hines, Alyce Marian
Jacobson, Dorothy Mae
Jones, Beverly Jean
Macenery, Joan Marie
Marcotte, Natalie Martha G.
McGuckin, Dorothy Elizabeth
Miller, Eleanor Jane
Mooney, Geraldine Theresa
Moris, Patricia Joan
Morton, Jo Ann
Neth, Norma Deane
Noble, Frances Ann
Pechulis, Verna Marie
Sampson, Natalie Teresa
Shepherd, Luana
Stuart, Irene Margaret
Whitesell, Margaret Louise
Wilson, Elizabeth Ann
Wilson, Lela Belle
Yelle, Dorothy Ann

## CONFIRMATION

Executive nomination confirmed by the Senate March 26, 1974:

### FEDERAL HOME LOAN BANK BOARD

Garth Marston, of Washington, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1975.

(The above nomination was approved subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

# HOUSE OF REPRESENTATIVES—*Tuesday, March 26, 1974*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*Let love be genuine; hate what is evil, hold fast to what is good.*—Romans 12: 9.

O God, who art the light of the minds that know Thee, the life of the souls that love Thee, and the strength of the hands that serve Thee, grant that we may so live with Thee that Thy light may be in our minds, Thy life in our souls, and Thy strength in our hands as we face the difficult duties of these demanding days.

Help us to serve Thee in the spirit of true patriotism with reverence in our minds for that which is high and holy and with a response in our hearts to the needs of others. Give clarity to our words, compassion to our hearts, and courage to our minds that we may make patriotism resplendent with life and loyalty and love.

In the mood of the Master we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. MURPHY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

## PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON HOUSE JOINT RESOLUTION 941, SUPPLEMENTAL APPROPRIATION FOR VETERANS' ADMINISTRATION FOR FISCAL YEAR 1974

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on House Joint Resolution 941, making an urgent supplemental appropriation for the Veterans' Administration for the fiscal year ending June 30, 1974, and for other purposes.

Mr. TALCOTT reserved all points of order on the joint resolution.

The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## PRINTING ADDITIONAL COPIES OF REPORT OF SELECT COMMITTEE ON COMMITTEES

Mr. BRADEMAS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 93–935) on the resolution (H. Res. 989) to provide for the printing of additional copies of a report of the Select Committee on Committees, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. Res. 989

*Resolved*, That there shall be printed for the use of the Select Committee on Committees of the House of Representatives one thousand three hundred and eighteen additional copies of the complete House report entitled "Committee Reform Amendments of 1974" (Ninety-third Congress, second session).

The resolution was agreed to.

A motion to reconsider was laid on the table.

## PERSONAL EXPLANATION

Mr. VANDER VEEN. Mr. Speaker, due to pressing business in the Fifth Congressional District of Michigan, I was unable to attend the Monday session of the House.

Had I been present I would have voted "yes" on H.R. 8747, smallpox vaccination.

"Yea" on H.R. 12109, neighborhood councils.

"Nay" to recommit H.R. 12832, Law Revision Commission.

"Yea" for passage of H.R. 12832, Law Revision Commission.

## NORTH CAROLINA STATE UNIVERSITY—NCAA BASKETBALL CHAMPIONS

(Mr. JONES of North Carolina asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. JONES of North Carolina. Mr. Speaker, I am sure there is not a State in the Union which does not have some outstanding fact or event of which they are justly proud, but today I want to call to the attention of the Members of the U.S. Congress that my alma mater, North Carolina State University located at Raleigh, N.C., is now the NCAA Basketball Champion, therefore, bringing a deep sense of pride and joy to the hearts of millions of North Carolinians as well as other sports fans of this Nation.

The team, in reaching this high honor, achieved a most phenomenal record. The year before this, they had an undefeated record, but due to a technicality could not advance to the NCAA playoffs, while during this current season they lost only one time and that, of course, was to the very outstanding Bruins of UCLA. This loss was vindicated last Saturday afternoon in the NCAA finals in a double overtime in a game which can only be described as one of the great athletic events of this or any other year; thus making a total 2-year record of 57 victories against only 1 loss.

Time does not permit me to pay the proper accolades to all who were responsible, but surely to all sports fans the names of David Thompson, Tom Burleson, and Monte Towe are most familiar. But, of course, it is obvious that no team is any stronger than the ability of the lowest ranking sub who is called upon in some cases to perform as heroically as those better known.

So, to Coach Norman Sloan, his staff, and the entire North Carolina State University basketball squad, I ask you to join with me in extending our congratulations and best wishes, and I am particularly proud to note this outstanding achievement, inasmuch as I am the only graduate of N.C. State University presently a Member of the U.S. Congress.

## NORTH CAROLINANS PROUD OF NORTH CAROLINA STATE UNIVERSITY VICTORY

(Mr. RUTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RUTH. Mr. Speaker, I would like to inform by distinguished friend, the gentleman from North Carolina, that one does not have to be an alumnus of that institution to be proud of North Carolina State University achieving the basketball championship. Being a graduate from the University of North Carolina I would like to say that I and the rest of the delegation from North Carolina are extremely proud of North Carolina State and I commend the gentleman for his statement.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. RUTH. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Speaker, as the only alumnus of Wake Forest University which is in the Atlantic Coast Conference, which is incidentally the greatest basketball conference of the United States beyond question, I would simply invite those who boo to send their ball teams down and play the seven or eight teams in that league and any of them will beat the ball team the gentleman is applauding.

I would like to congratulate North Carolina State. Wake Forest came within 2 points of beating them and did not. I congratulate them on the 2-year undefeated record in that conference, but warn them to watch Wake Forest next year.

Mr. RUTH. Mr. Speaker, I would like to assure my colleagues that Mr. Thompson did attend Wake Forest University. I still have scars on my leg to show for it.

Mr. BOLAND. Mr. Speaker, as one who attended Appalachian State Teacher's College in North Carolina, I want to join my colleagues in congratulating North Carolina State.

Mr. FREY. Mr. Speaker, I would like to add my congratulations to the gentleman.

They also deserve congratulations for not being under suspension and being able to compete this year.

Mr. WARE. Mr. Speaker, will the gentleman yield further?

Mr. RUTH. I am happy to yield.

Mr. WARE. Mr. Speaker, it seems none of us in this body like to be called male chauvinists. I wonder if the gentleman would amend his resolution to include Immaculata College and the young ladies of that college who won the national championship for 3 consecutive years.

## PERMISSION FOR COMMITTEE ON HOUSE ADMINISTRATION TO FILE CERTAIN PRIVILEGED REPORTS

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that the Committee on House Administration may have until midnight tonight to file certain reports on several privileged resolutions.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

## CONFERENCE REPORT ON MINIMUM WAGE AND HOUR LAW

(Mr. DENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DENT. Mr. Speaker, I would like to advise the House that last evening the committee named to the conference on the minimum wage and hour law reached an agreement with the Senate, unanimously signed by both the House members of the conference and the Senate members of the conference. This morning in discussing this, I received a call from the State Labor Department and I was advised that they would like to have the House act on this legislation expeditiously, because they would like to have it in their hands before the first of April.

I am going to ask later on for unanimous consent to bring up the conference report. I believe my colleague from Minnesota will join me in a unanimous-consent request to bring up the minimum wage conference report on Thursday for a final vote.

Mr. QUIE. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Speaker, the gentleman is correct.

## PROPOSED BUDGET DOES NOT FIGHT INFLATION

(Mr. ROUSSELOT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ROUSSELOT. Mr. Speaker, the proposed budget for fiscal year 1975, which will operate at a deficit of $9.4 billion under the unified budget concept and at a deficit of $17.9 billion not including the receipts from the trust funds, has something in it for everybody except the answer to fighting inflation.

Most economists agree that the continued trend of the Federal Government to increase spending for goods and services financed through heavy deficits, coupled with the Federal Reserve Board's creation of new money, is the primary inflationary pressure in our economy. Instead of working with a budget which calls for an estimated $29.7 billion increase in spending over last year, such as is proposed for fiscal year 1975, both the executive and legislative branches should be concentrating on ways to reduce Federal spending and thereby easing the burdens of inflation and high taxation on the citizens of our Nation. In a column which appeared in Newsweek, January 29, 1973, Dr. Milton Friedman, professor of economics at the University of Chicago, advises:

> Lower government spending is important primarily because we are not getting our money's worth for what the government spends. But it is important also because large deficits tend to raise interest rates, which induces people to hold less cash relative to their income and also puts pressure on the Fed to finance the deficits.

Article I, section 8, of our Constitution gives the Congress the power to pay the debts of the United States, and section 9 of this same article gives Congress the power to regulate the Federal Government's spending. We, as the elected representatives of the people, are being negligent in our constitutional responsibility by allowing the Federal Government to go along year after year spending more than it receives in revenues, never making provisions for repayment of the public debt.

I again urge this body to consider and support legislative alternatives such as I have proposed in H.R. 98 and House Joint Resolution 374, which would provide for a balanced budget and the systematic repayment of the existing national debt.

## PERMISSION TO CONSIDER CONFERENCE REPORT ON S. 2747 ON THURSDAY, MARCH 28

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that it be in order for the House to consider the conference report on S. 2747, the Fair Labor Standards Amendments of 1974, on Thursday, March 28, since the report is unanimous.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

## CALL OF THE HOUSE

Mr. CHARLES H. WILSON of California. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 111]

Addabbo
Alexander
Blatnik
Carey, N.Y.
Chisholm
Clark
Conyers
Dingell
Erlenborn
Frelinghuysen
Hanrahan
Hansen, Wash.
Heckler, Mass.
Ichord
Jones, Ala.
Kluczynski
Macdonald
Madigan
Mayne
Mitchell, Md.
Passman
Patman
Poage
Railsback
Reid
Rodino
Roncallo, N.Y.
Rooney, N.Y.
Slack
Steiger, Wis.
Symington
Teague
Thone
Van Deerlin
Wampler
Wright

The SPEAKER. On this rollcall 396 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## PERSONAL EXPLANATION

Mr. SEIBERLING. Mr. Speaker, on March 21, on the vote on H.R. 12920, the Peace Corps authorization bill, I was recorded as voting "no" against that bill. I intended to vote "aye" and, Mr. Speaker, as far as I know I did vote "aye," and I would like the RECORD to reflect my statement to that effect.

## PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO HAVE UNTIL MIDNIGHT FRIDAY, MARCH 29, 1974, TO FILE A REPORT ON H.R. 13163

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations may have until midnight, Friday, March 29, 1974, to file a report on the bill H.R. 13163.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## HAIL TO THE CHAMPS

(Mr. MIZELL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MIZELL. Mr. Speaker, it is a privilege to announce that last night North Carolina State became the National Collegiate Athletic Association's basketball champions. With its victory over Marquette University, North Carolina has won 28 straight victories.

A most important victory was last Saturday when State came from behind to beat UCLA. For everyone who saw this game, the lesson of teamwork, of perseverance, and how it is possible to come from behind and beat the odds was obvious to all.

Congratulations are in order to coach Norman Sloan and the new champions for their remarkable teamwork, their fighting spirit, and their well-deserved victory.

## PERSONAL EXPLANATION

Mr. SARASIN. Mr. Speaker, at the time of the vote on H.R. 8747, on March 25, to repeal the smallpox vaccination requirement for students in the District of Columbia, I was delayed in an aircraft and was unable to cast my vote. Had I been present I would have voted "yea."

## VETERANS DISABLED IN ARMED ROBBERIES ARE NOT ENTITLED TO VA DISABILITY PAYMENTS

(Mr. TALCOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALCOTT. Mr. Speaker, the gentleman from California (Mr. WALDIE) earlier made reference to a meeting in Los Angeles between Mr. Donald Johnson, Administrator of the Veterans' Administration, and certain disabled Vietnam veterans in which hostility was shown on both sides.

I, too, regret any hostility.

But several points should be made to provide the true perspective.

No veteran is being denied his legal rights to disability payments. Mr. Johnson and every employee of the Veterans' Administration is committed to providing every benefit provided by law to every veteran.

I know that at least one of the veterans, a Mr. Michael Dennis Inglett, sustained his disability while he was committing an armed robbery of a store in Moss-Landing, a small town in the congressional district I represent.

We can sympathize with anyone who is disabled—particularly bona fide veterans.

And every bona fide veteran with a service-connected disability should be guaranteed the benefits provided by law. Mr. Johnson and the VA is responsible for carrying out the law.

The law, however, does not provide veterans' benefits for persons who are disabled during armed robberies.

Payments to such persons would deprive benefits to bona fide veterans with legitimate service-connected injuries.

I am confident if Mr. WALDIE were given the true facts that he would agree.

## APPOINTMENT OF CONFEREES ON H.R. 7130, BUDGET AND IMPOUNDMENT CONTROL ACT OF 1973

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7130) to improve congressional control over budgetary outlay and receipt totals, to provide for a Legislative Budget Office, to establish a procedure providing congressional control over the impoundment of funds by the executive branch, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to

the request of the gentleman from Missouri? The Chair hears none, and appoints the following conferees: Messrs. BOLLING, SISK, YOUNG of Texas, LONG of Louisiana, MARTIN of Nebraska, LATTA, and DEL CLAWSON.

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## ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1974

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 69, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Tuesday, March 12, 1974, all time for general debate on the bill had expired.

Under the rule, no amendment shall be in order to title I of the substitute committee amendment printed in the reported bill except germane amendments which have been printed in the CONGRESSIONAL RECORD at least 2 calendar days prior to their being offered during the consideration of said substitute for amendment, and amendment offered by direction of the Committee on Education and Labor, and neither of said classes of amendments shall be subject to amendment.

Pursuant to the rule, the Clerk will now read by titles the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Elementary and Secondary Education Amendments of 1974".

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### TITLE I—AMENDMENTS OF TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

#### EXTENSION OF TITLE I PROGRAMS

SEC. 101. Section 102 of title I of the Elementary and Secondary Education Act of 1965 (hereinafter referred to as "the Act") is amended (1) by striking out "for grants to local educational agencies", and (2) by striking out "1973" and inserting in lieu thereof "1977".

#### ALLOCATION OF FUNDS

SEC. 102. Section 103(a) of title I of the Act is amended to read as follows:

"SEC. 103. (a)(1) There is authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term 'State' by this subsection). The amount appropriated pursuant to this paragraph shall be allotted by the Commissioner (A) among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for grants under this part, and (B) to the Secretary of the Interior in the amount necessary (i) to make payments pursuant to subsection (d)(1), and (ii) to make payments pursuant to subsection (d)(2). The grant which a local educational agency in Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands is eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

"(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the grant which a local educational agency in a State shall be eligible to receive under this part for a fiscal year shall (except as provided in paragraph (3)) be determined by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence. The amount determined under this sentence shall be the average per pupil expenditure in the State, except that (A) if the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, such amount shall be 80 per centum of the average per pupil expenditure in the United States, or (B) if the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, such amount shall be 120 per centum of the average per pupil expenditure in the United States. In any case in which such data are not available, subject to paragraph (3), the grant for any local educational agency in a State shall be determined on the basis of the aggregate amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate amount shall be equal to the aggregate amount determined under the two preceding sentences for such county or counties, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner.

"(3) (A) Upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children described in clause (C) of paragraph (1) of subsection (c), who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

"(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the grants for those agencies among them in such manner as it determines will best carry out the purposes of this title.

"(C) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 40 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

"(4) For purposes of this subsection, the term 'State' does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands."

### TECHNICAL AMENDMENT

SEC. 103. Section 103(b) of title I of the Act is amended by striking out "aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a)" and inserting in lieu thereof "counted under subsection (c)".

### DETERMINATION OF NUMBER OF CHILDREN TO BE COUNTED

SEC. 104. (a) Section 103(c) of title I of the Act is amended to read as follows:

"(c) (1) The number of children to be counted for purposes of this section is the aggregate of (A) the number of children aged five to seventeen, inclusive, in the school district of the local educational agency from families below the poverty level as determined under paragraph (2) (A), (B) two-thirds of the number of children aged five to seventeen, inclusive, in the school district of such agency from families above the poverty level as determined under paragraph (2) (B), and (C) the number of children aged five to seventeen, inclusive, in the school district of such agency living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to section 123 for the purposes of a grant to a State agency, or being supported in foster homes with public funds."

(b) (1) Section 103(d) of the Act is redesignated as paragraph (2) of subsection (c) and the first sentence thereof is amended to read as follows:

"(A) For purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, from families below the poverty level on the basis of the most recent satisfactory data available from the Department of Commerce for local educational agencies (or, if such data are not available for such agencies, for counties); and in determining the families which are below the poverty level, the Commissioner shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census.".

(2) The second sentence of paragraph (2) of such section (as so redesignated) is deleted, and the third sentence of paragraph (2) of such section (as so redesignated) is amended to read as follows:

"(B) For purposes of this section, the Secretary of Health, Education, and Welfare shall determine the number of children aged five to seventeen, inclusive, from families above the poverty level on the basis of the number of such children from families receiving an annual income, in excess of the current criteria of poverty, from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act; and in making such determinations the Secretary shall utilize the criteria of poverty used by the Bureau of the Census in compiling the 1970 decennial census for a nonfarm family of four in such form as those criteria have been updated by increases in the Consumer Price Index. The Secretary shall determine the number of such children and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.".

(3) The fourth sentence of paragraph (2) of such section (as so redesignated) is amended by inserting "(C)" before "When" and by striking out "having an annual income less than the low-income factor (established pursuant to subsection (c))" and inserting in lieu thereof "below the poverty level (as determined under paragraph (A)).".

(c) Section 103 of the Act is amended by striking out subsection (e).

### SPECIAL USE OF FUNDS FOR INDIAN CHILDREN

SEC. 105. Section 103 of title I of the Act is amended by adding at the end thereof the following:

"(d) (1) From the amount allotted for payments to the Secretary of the Interior under clause (B) (i) in the second sentence of subsection (a) (1), the Secretary of the Interior shall make payments to local educational agencies, upon such terms as the Commissioner determines will best carry out the purposes of this title, with respect to out-of-State Indian children in the elementary and secondary schools of such agencies under special contracts with the Department of the Interior. The amount of such payment may not exceed, for each such child, 40 per centum of (A) the average per pupil expenditure in the State in which the agency is located or (B) 120 per centum of such expenditure in the United States, whichever is the greater.

"(2) The amount allotted for payments to the Secretary of the Interior under clause (B) (ii) in the second sentence of subsection (a) (1) for any fiscal year shall be, as determined pursuant to criteria established by the Commissioner, the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this title. Such agreement shall contain (A) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (B) provision for carrying out the applicable provisions of section 131(a) and 133(a) (3)."

### STATE OPERATED PROGRAMS

SEC. 106. Title I of the Act is amended by inserting the following in lieu of parts B and C:

### "PART B—STATE OPERATED PROGRAMS

### "PROGRAMS FOR HANDICAPPED CHILDREN

"SEC. 121. (a) A State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education), shall be eligible to receive a grant under this section for any fiscal year.

"(b) Except as provided in section 124, the grant which an agency (other than the agency for Puerto Rico) shall be eligible to receive under this section shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States), multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for handicapped children operated or supported by the State agency, including schools providing special education for handicapped children under contract or other arrangement with such State agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this section shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

"(c) A State agency shall use the payments made under this section only for programs and projects (including the acquisition of equipment and, where necessary, the construction of school facilities) which are designed to meet the special educational needs of such children, and the State agency shall provide assurances to the Commissioner that each such child in average daily attendance counted under subsection (b) will be provided with such a program, commensurate with his special needs, during any fiscal year for which such payments are made.

"(d) In the case where such a child leaves an educational program for handicapped children operated or supported by the State agency in order to participate in such a program operated or supported by a local educational agency, such child shall be counted under subsection (b) if (1) he continues to receive an appropriately designed educational program and (2) the State agency transfers to the local educational agency in whose program such child participates an amount equal to the sums received by such State agency under this section which are attributable to such child, to be used for the purposes set forth in subsection (c).

### "PROGRAMS FOR MIGRATORY CHILDREN

"Sec. 122. (a) (1) A State educational agency or a combination of such agencies, upon application, may receive a grant for any fiscal year under this section to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers or of migratory fishermen. The Commissioner may approve such an application only upon his determination—

"(A) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers or of migratory fishermen, and to coordinate these programs and projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;

"(B) that in planning and carrying out programs and projects there has been and will be appropriate coordination with programs administered under part B of title III of the Economic Opportunity Act of 1964;

"(C) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of clauses (1) (B) and (3) through (12) of section 131 (a), and of section 132; and

"(D) that, in planning and carrying out programs and projects, there has been adequate assurance that provision will be made for the preschool educational needs of migratory children of migratory agricultural workers or of migratory fishermen, whenever such agency determines that compliance with this clause will not detract from the operation of programs and projects described in clause (A) of this paragraph after considering the funds available for this purpose.

The Commissioner shall not finally disapprove an application of a State educational agency under this paragraph except after reasonable notice and opportunity for a hearing to the State educational agency.

"(2) If the Commissioner determines that a State is unable or unwilling to conduct educational programs for migratory children of migratory agricultural workers or of migratory fishermen, or that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, he may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this section in one or more States, and for this purpose he may use all or part of the total of grants available for such State or States under this section.

"(3) For purposes of this section, with the concurrence of his parents, a migratory child of a migratory agricultural worker or of a migratory fisherman shall be deemed to continue to be such a child for a period, not in excess of five years, during which he resides in the area served by the agency carrying on a program or project under this subsection. Such children who are presently migrant, as determined pursuant to regulations of the Commissioner, shall be given priority in the consideration of programs and activities contained in applications submitted under this subsection.

"(b) Except as provided in section 124, the total grants which shall be made available for use in any State (other than Puerto Rico) for this section shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States) multiplied by (1) the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State full time, and (2) the full-time equivalent of the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State part time, as determined by the Commissioner in accordance with regulations, except that if, in the case of any State, such amount exceeds the amount required under subsection (a), the Commissioner shall allocate such excess, to the extent necessary, to other States whose total of grants under this sentence would otherwise be insufficient for all such children to be served in such other States. The total grant which shall be made available for use in Puerto Rico shall be arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States. In determining the number of migrant children for the purposes of this section the Commissioner shall use statistics made available by the migrant student record transfer system or such other system as he may determine most accurately and fully reflects the actual number of migrant students.

### "PROGRAMS FOR NEGLECTED OR DELINQUENT CHILDREN

"Sec. 123. (a) A State agency which is directly responsible for providing free public education for children in institutions for neglected or delinquent children or in adult correctional institutions shall be eligible to receive a grant under this section for any fiscal year (but only if grants received under this section are used only for children in such institutions).

"(b) Except as provided in section 124, the grant which such an agency (other than the agency for Puerto Rico) shall be eligible to receive shall be an amount equal to 40 per centum of the average per pupil expenditure in the State (or (1) in the case where the average per pupil expenditure in the State is less than 80 per centum of the average per pupil expenditure in the United States, of 80 per centum of the average per pupil expenditure in the United States, or (2) in the case where the average per pupil expenditure in the State is more than 120 per centum of the average per pupil expenditure in the United States, of 120 per centum of the average per pupil expenditure in the United States) multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for such children operated or supported by that agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available. The grant which Puerto Rico shall be eligible to receive under this section shall be the amount arrived at by multiplying the number of children in Puerto Rico counted as provided in the preceding sentence by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (2) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States.

"(c) A State agency shall use payments under this section only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of such children.

### "RESERVATION OF FUNDS FOR TERRITORIES

"Sec. 124. There is authorized to be appropriated for each fiscal year for purposes of each of sections 121, 122, and 123, an amount equal to not more than 1 per centum of the amount appropriated for such year for such sections for payments to Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands under each such section. The amounts appropriated for each such section shall be allotted among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants, based on such criteria as the Commissioner determines will best carry out the purposes of this title."

### USE OF FUNDS BY LOCAL EDUCATIONAL AGENCIES; PARENT ADVISORY COUNCILS

Sec. 107. (a) Section 141 (a) (1) of the Act is amended by striking out so much thereof as precedes clause (B) and inserting in lieu thereof the following:

"(1) that payments under this title will be used for the excess costs of programs and projects (including the acquisition of equipment, payments to teachers of amounts in excess of regular salary schedules as a bonus for service in schools eligible for assistance under this title, the training of teachers, and, where necessary, the construction of school facilities and plans made or to be made for such programs, projects, and facilities) (A) which are designed to meet the special educational needs of educationally deprived children in school attendance areas having high concentrations of children from low-income families and".

(b) Section 141 (a) (2) of the Act is amended to read as follows:

"(2) that the local educational agency has provided satisfactory assurance that section 132 will be complied with;".

(c) Section 141 (a) of the Act is amended by striking out "and" after paragraph (12), and by striking out paragraph (13), and inserting in lieu thereof the following:

"(13) that, where a school attendance area does not meet the requirement of paragraph (1)(A) of this subsection for a fiscal year, or in the case of a local educational agency electing to allocate funds under section 140, where such an area does not meet the requirement of that section, but did meet the appropriate requirement in either of the two preceding fiscal years, that school attendance area shall be considered to meet the applicable criterion for that fiscal year; and

"(14) that the local educational agency has established an advisory council for each school of such agency served by a program or project assisted under section 134(a)(2) which—

"(A) has as a majority of its members parents of the children to be served,

"(B) is composed of members selected by the parents in each school attendance area,

"(C) has been given responsibility by such agency for advising it in the planning for, and the implementation and evaluation of, such programs and projects, and

"(D) is provided by such agency, in accordance with regulations of the Commissioner, with access to appropriate information concerning such programs and projects."

(d) Section 141 of the Act is amended by striking out subsection (c), by redesignating subsection (b) as subsection (c), and by inserting after subsection (a) the following new subsection:

"(b) It is the purpose of the Congress to encourage, where feasible, the development for each educationally deprived child participating in a program under this title of an individualized written educational plan (maintained and periodically evaluated) agreed upon jointly by the local educational agency, a parent or guardian of the child, and when appropriate, the child. The plan shall include (1) a statement of the child's present levels of educational performance, (2) a statement of the long-range goals for the education of the child and the intermediate objectives related to the attainment of such goals, (3) a statement of the specific educational services to be provided to such child, (4) the projected date for initiation and the anticipated duration of such services, (5) objective criteria and evaluation procedures and a schedule for determining whether intermediate objectives are being achieved, and (6) a review of the plan with the parent or guardian at least annually with provision for such amendments as may be mutually agreed upon."

### ADJUSTMENTS NECESSITATED BY APPROPRIATIONS

SEC. 108. Section 144 of title I of the Act is amended by striking out the first sentence and inserting in lieu thereof the following: "If the sums appropriated for any fiscal year for making the payments provided in this title are not sufficient to pay in full the total amounts which all local and State educational agencies are eligible to receive under this title for such year, the amount available for each grant to a State agency eligible for a grant under section 121, 122, or 123 shall be equal to the total amount of the grant as computed under each such section. If the remainder of such sums available after the application of the preceding sentence is not sufficient to pay in full the total amounts which all local educational agencies are eligible to receive under part A of this title for such year, the allocations to such agencies shall, subject to adjustments under the next sentence, be ratably reduced to the extent necessary to bring the aggregate of such allocations within the limits of the amount so appropriated. The allocation of a local educational agency which would be reduced under the preceding sentence to less than 85 per centum of its allocation under part A for the preceding fiscal year, shall be increased to such amount, the total of the increases thereby required being derived by proportionately reducing the allocations of the remaining local educational agencies, under the preceding sentence, but with such adjustments as may be necessary to prevent the allocation to any of such remaining local educational agencies from being thereby reduced to less than such amount."

### PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

SEC. 109. (a) Sections 142 through 144 of the Act (and all cross-references thereto) are redesignated as sections 143 through 145, respectively (and will be further redesignated under section 110(h) of this Act), and the following new section is inserted immediately after section 141:

### "PARTICIPATION OF CHILDREN ENROLLED IN PRIVATE SCHOOLS

"SEC. 132. (a) To the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency shall make provision for including special educational services and arrangements meeting the requirements of section 131(a) (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate.

"(b)(1) If a local educational agency is prohibited by law from providing for the participation in special programs for educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), the Commission may waive such requirement and shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a).

"(2) If the Commissioner determines that a local educational agency has substantially failed to provide for the participation on an equitable basis of educationally deprived children enrolled in private elementary and secondary schools as required by subsection (a), he shall arrange for the provision of services to such children through arrangements which shall be subject to the requirements of subsection (a).

"(3) When the Commissioner arranges for services pursuant to this section, he shall, after consultation with the appropriate public and private school officials, pay the cost of such services from the appropriate allocation or allocations under this title."

### TECHNICAL AND CONFORMING AMENDMENTS TO TITLE I OF ESEA

SEC. 110. (a) Section 141(a)(4) of title I of the Act is amended by striking out "section 145" and inserting in lieu thereof "section 433 of the General Education Provisions Act".

(b) Sections 141(a)(1)(B) and 144(a)(2) (as redesignated by section 109 of this Act) of the Act are each amended by striking out "maximum".

(c)(1) Section 143(a) (as redesignated by section 109 of this Act) of title I of the Act is amended by striking out "described in section 141(c)" and inserting in lieu thereof "provided for in section 122".

(2) Section 143(a)(1) (as redesignated by section 109 of this Act) of title I of the Act is amended by striking out "section 103(a)(5)" and inserting in lieu thereof "section 121".

(d) Section 144(a)(2) (as redesignated by section 109 of this Act) of title I of the Act is amended by striking out "or section 131".

(e) Section 144(b)(1) (as redesignated by section 109 of this Act) of title I of the Act is amended to read as follows:

"(1) 1 per centum of the amount allocated to the State and its local educational agencies as determined for that year under this title; or".

(f) The third and fourth sentences of section 145 (as redesignated by section 109 of this Act) of title I of the Act are each amended by striking out "section 103(a)(6)" and inserting in lieu thereof "section 122".

(g) Sections 146 and 147 of title I of the Act are each amended by striking out "section 141(c)" and inserting in lieu thereof "section 122".

(h) Part D of title I of the Act (and any cross-reference thereto) is redesignated as part C, section 141 of the Act (and any cross-reference thereto) is redesignated as section 131, sections 143 through 145 of the Act (as redesignated by section 109 of this Act) and cross references thereto) are further redesignated as sections 133 through 135, respectively, sections 146 through 149 of the Act (and cross-references thereto) are redesignated as sections 136 through 139, respectively), and section 150 of the Act (and any cross-reference thereto) is redesignated as section 141.

(i) Section 403 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), is amended by adding at the end thereof the following new paragraphs:

"(16) For purposes of title II, the 'average per pupil expenditure' in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made (or if satisfactory data for that year are not available at the time of computation, then during the most recent preceding fiscal year for which satisfactory data are available), of all local educational agencies as defined in section 403(6)(B) in the State, or in the United States (which for the purposes of this subsection means the fifty States, and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the source of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

"(17) For the purposes of title II, 'excess costs' means those costs directly attributable to programs and projects approved under that title which exceed the average per pupil expenditure of a local educational agency in the most recent year for which satisfactory data are available for pupils in the grade or grades included in such programs or projects (but not including expenditures under that title for any comparable State or local special programs for educationally deprived children or expenditures for bilingual programs or special education for handicapped children or children with specific learning disabilities)."

### ALLOCATION OF FUNDS BY A LOCAL EDUCATIONAL AGENCY WITHIN THE SCHOOL DISTRICT OF SUCH AGENCY

SEC. 111. Title I of the Act is amended by inserting after section 139 (as redesignated by section 110(h) of this Act) the following new section:

### "ALLOCATION OF FUNDS WITHIN THE SCHOOL DISTRICT OF A LOCAL EDUCATIONAL AGENCY

"SEC. 140. For any fiscal year each local educational agency may elect, with the approval of any district parent advisory council which may be required to be appointed under regulations promulgated by the Commissioner under section 425 of the General Education Provisions Act, to allocate funds received from payments under this title within the school district of the local educational agency on the basis of a method or combination of methods other than the method provided under section 131(a)(1)(A). Any method or combination of methods elected under the preceding sentence shall be designed to meet the special educational needs of educationally disadvantaged children in school attendance areas having concentrations of such children.".

### STUDY OF PURPOSES AND EFFECTIVENESS OF COMPENSATORY EDUCATION PROGRAMS

SEC. 112. (a) In addition to the other authorities, responsibilities, and duties conferred upon the National Institute of Education (hereinafter referred to as the "Institute") by section 405 of the General Education Provisions Act, the Institute shall undertake a thorough evaluation and study of compensatory education programs, including such programs conducted by States and such programs conducted under title I of the Elementary and Secondary Education Act of 1965. Such study shall include—

(1) an examination of the fundamental purposes of such programs, and the effectiveness of such programs in attaining such purposes,

(2) an analysis of means to accurately identify the children who have the greatest need for such programs, in keeping with the fundamental purposes thereof,

(3) an analysis of the effectiveness of methods and procedures for meeting the educational needs of children, including the use of individualized written educational plans for children, and programs for training the teachers of children,

(4) an exploration of alternative methods, including the use of procedures to assess educational disadvantage, for distributing funds under such programs to States, to State educational agencies, and to local educational agencies in an equitable and efficient manner, which will accurately reflect current conditions and insure that such funds reach the areas of greatest current need and are effectively used for such areas,

(5) experimental programs to be administered by the Institute, in cases where the Institute determines that such experimental programs are necessary to carry out clauses (1) through (4), and the Commissioner of Education is authorized, notwithstanding any provision of title I of the Elementary and Secondary Education Act of 1965, at the request of the Institute, to approve the use of grants which educational agencies are eligible to receive under such title I (in cases where the agency eligible for such grant agrees to such use) in order to carry out such experimental programs, and

(6) findings and recommendations, including recommendations for changes in such title I or for new legislation, with respect to the matters studied under clauses (1) through (5).

(b) The National Advisory Council on the Education of Disadvantaged Children shall advise the Institute with respect to the design and execution of such study. The Commissioner of Education shall obtain and transmit to the Institute such information as it shall request with respect to programs carried on under title I of the Act.

(c) The Institute shall make an interim report to the President and to the Congress not later than December 31, 1976, and shall make a final report thereto no later than nine months after the date of submission of such interim report, on the result of its study conducted under this section. Any other provision of law, rule, or regulation to the contrary notwithstanding, such reports shall not be submitted to any review outside of the Institute before its transmittal to the Congress, but the President and the Commissioner of Education may make to the Congress such recommendations with respect to the contents of the reports as each may deem appropriate.

(d) There is authorized to be appropriated to carry out the study under this section the sum of $15,000,000.

(e)(1) The Institute shall submit to the Congress, within one hundred and twenty days after the date of the enactment of this Act, a plan for its study to be conducted under this section. The Institute shall have such plan delivered to both Houses on the same day and to each House while it is in session. The Institute shall not commence such study until the first day after the close of the first period of thirty calendar days of continuous session of Congress after the date of the delivery of such plan to the Congress.

(2) For purposes of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the thirty-day period.

### SURVEY AND STUDY FOR UPDATING NUMBER OF CHILDREN COUNTED

SEC. 113. (a) The Secretary of Commerce shall, in consultation with the Secretary of Health, Education, and Welfare, expand the current population survey (or make such other survey) in order to furnish current data for each State with respect to the total number of school-age children in each State to be counted for purposes of section 103(c)(1)(A) of title I of the Act. Such survey shall be made, and a report of the results of such survey shall be made jointly by the Secretary of Commerce and the Secretary of Health, Education, and Welfare to the Congress, no later than February 1, 1975.

(b) The Secretary of Health, Education, and Welfare and the Secretary of Commerce shall study the feasibility of updating the number of children counted for purposes of section 103(c) of title I of the Act in school districts of local educational agencies in order to make adjustments in the amounts of the grants for which local educational agencies within a State are eligible under section 103(a)(2) of the Act, and shall report to the Congress, no later than February 1, 1975, the results of such study, which shall include an analysis of alternative methods for making such adjustments, together with the recommendations of the Secretary of Health, Education, and Welfare and the Secretary of Commerce with respect to which such method or methods are most promising for such purpose, together with a study of the results of the expanded population survey, authorized in subsection (a) (including analysis of its accuracy and the potential utility of data derived therefrom) for making adjustments in the amounts paid to each State under section 134(a)(1) of title I of the Act.

(c) No method for making adjustments directed to be considered pursuant to subsection (a) or subsection (b) shall be implemented unless such method shall first be enacted by the Congress.

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that further reading of title I be dispensed with, that it be printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

### POINT OF ORDER

Mr. BAUMAN. Mr. Chairman, I make a point of order. Under the rule the motion is not in order unless he has printed the motion in the RECORD.

The CHAIRMAN. The Chair overrules the point of order. The amendment offered by the gentleman from Kentucky was printed in the RECORD.

Mr. BAUMAN. Mr. Chairman, I submit to the Committee that the motion I heard was to strike out the requisite number of words. If the gentleman from Kentucky has not had that motion printed in the RECORD, he is not entitled to 5 minutes under the rule.

The CHAIRMAN. That amendment was printed in the RECORD.

Mr. BAUMAN. Mr. Chairman, how many times does he get to use it?

The CHAIRMAN. As many times as it is printed in the RECORD.

Mr. BAUMAN. I thank the Chairman.

Mr. PERKINS. Mr. Chairman, let me first state to the Committee that we have brought before the Chamber the best possible bill that can possibly be worked out. The Committee on Education and Labor has spent a year and a half trying to get rid of an unfair situation, an inequitable situation that arose out of the enactment in 1965 of legislation with a stationary floor above which AFDC children were counted. The basic cause of the problem that we are dealing with today is the imbalance in the title I formula which has resulted between the statistics used from the census and those used from the Program of Aid for Families with Department Children.

When we enacted the legislation in 1965, we only had 500,000 AFDC children. Today we have 3,600,000. Under the low-income factor of $2,000, we had 5.6 million children back in 1965 under the 1960 census. Today we have about 2,600,000. The trouble with so many of these amendments that will be offered today is they are going to ask this Chamber to approve a stationary floor above which AFDC children are counted so the AFDC statistics will continue to get out of balance again in the next few years just like it has in the past few years.

They are going to argue that we are going to eliminate all AFDC here. We have in this country today 280,000 children above the $4,250 low-income factor which we have established in the committee bill.

As the consumer price index moves up, this lower income factor will move up but it will not move up until the school year of 1976, and the gentleman from Indiana (Mr. BRADEMAS) will offer an amendment which carries out the intent of the committee in that regard.

But I am hopeful that we will not let ourselves fall into this same trap again. We have 730,000 children on AFDC today if the cost of living factor increases the floor to $4,500. There are 730,000 children today above that, but half the States have escalator clauses that continue to move up AFDC payments. So by next year there may be many more AFDC children above that floor.

What we are fighting for here today is this. This bill is still weighted in favor of the wealthier States but from a realistic viewpoint we know that we cannot wipe out all inequality and put everybody on a basis of equality because we know we cannot pass that bill. It is still weighted in favor of the wealthier States, but in spite of all that some people want the AFDC to still snowball as it did a few years ago and they want the floor to remain stationary. In our bill we move the floor up just as the AFDC moves up, and it is still weighted in favor of the wealthier States of the Nation.

We have a good bill and it is my hope the members of this committee will support this House bill.

Mr. Chairman, I would like to insert in the CONGRESSIONAL RECORD at this point a chart showing the distribution of funds under title I for fiscal 1974 and the distribution under H.R. 69. I would like to point out that this chart differs from chart No. 1 I inserted in the RECORD on March 13 in that the total for H.R. 69 allocation has been corrected to $1,866,748,355.

| State | Fiscal year 1974 allocation (A) | H.R. 69 formula allocation (B) | Increase or decrease (A-B) | Percent increase or decrease |
|---|---|---|---|---|
| Alabama | $36, 498, 672 | $46, 069, 880 | $9, 571, 208 | 26. 2234 |
| Alaska | 4, 599, 584 | 4, 584, 737 | −14, 846 | −. 3228 |
| Arizona | 11, 326, 911 | 17, 604, 268 | 6, 277, 357 | 55. 4199 |
| Arkansas | 23, 394, 192 | 27, 097, 231 | 3, 703, 039 | 15. 8289 |
| California | 136, 486, 016 | 158, 460, 568 | 21, 974, 552 | 16. 1002 |
| Colorado | 14, 311, 073 | 17, 462, 127 | 3, 151, 054 | 22. 0183 |
| Connecticut | 16, 660, 632 | 19, 545, 836 | 2, 885, 204 | 17. 3175 |
| Delaware | 3, 689, 165 | 5, 606, 532 | 1, 917, 367 | 51. 9729 |
| Florida | 40, 146, 464 | 67, 324, 244 | 27, 177, 780 | 67. 6966 |
| Georgia | 43, 002, 496 | 50, 218, 655 | 7, 216, 159 | 16. 7808 |
| Hawaii | 4, 552, 617 | 5, 843, 309 | 1, 290, 692 | 28. 3506 |
| Idaho | 4, 063, 449 | 4, 951, 430 | 887, 981 | 21. 8529 |
| Illinois | 85, 305, 776 | 92, 887, 706 | 7, 581, 930 | 8. 8879 |
| Indiana | 22, 535, 584 | 27, 623, 346 | 5, 087, 762 | 22. 5766 |
| Iowa | 15, 830, 087 | 17, 177, 747 | 1, 347, 660 | 8. 5133 |
| Kansas | 11, 762, 936 | 14, 142, 563 | 2, 379, 600 | 20. 2296 |
| Kentucky | 33, 409, 408 | 35, 608, 290 | 2, 198, 882 | 6. 5816 |
| Louisiana | 34, 756, 000 | 57, 972, 394 | 23, 216, 394 | 66. 7982 |
| Maine | 6, 547, 142 | 7, 375, 441 | 828, 299 | 12. 6513 |
| Maryland | 25, 912, 208 | 32, 352, 734 | 6, 440, 526 | 24. 8552 |
| Massachusetts | 32, 268, 400 | 34, 239, 929 | 1, 971, 529 | 6. 1098 |
| Michigan | 69, 596, 528 | 81, 126, 454 | 11, 529, 926 | 16. 5668 |
| Minnesota | 22, 761, 440 | 28, 670, 350 | 5, 908, 910 | 25. 9602 |
| Mississippi | 38, 134, 032 | 44, 250, 347 | 6, 116, 315 | 16. 0390 |
| Missouri | 26, 074, 784 | 32, 926, 969 | 6, 852, 185 | 26. 2790 |
| Montana | 4, 355, 160 | 5, 863, 672 | 1, 508, 512 | 34, 6374 |
| Nebraska | 8, 068, 653 | 9, 726, 591 | 1, 657, 938 | 20. 5479 |
| Nevada | $1, 548, 527 | $2, 607, 489 | $1, 058, 962 | 68. 3852 |
| New Hampshire | 2, 881, 740 | 3, 526, 094 | 644, 354 | 22. 3599 |
| New Jersey | 60, 575, 552 | 57, 995, 387 | −2, 580, 164 | −4. 2594 |
| New Mexico | 9, 083, 931 | 14, 736, 279 | 5, 652, 348 | 62. 2236 |
| New York | 235, 856, 520 | 206, 586, 717 | −29, 280, 802 | −12. 4141 |
| North Carolina | 56, 969, 632 | 55, 528, 579 | −1, 441, 052 | −2. 5295 |
| North Dakota | 5, 393, 937 | 5, 699, 719 | 305, 782 | 5. 6690 |
| Ohio | 53, 476, 816 | 59, 181, 545 | 5, 704, 729 | 10. 6677 |
| Oklahoma | 18, 889, 360 | 21, 833, 286 | 2, 943, 926 | 15. 5851 |
| Oregon | 12, 441, 113 | 17, 221, 871 | 4, 780, 758 | 38. 4271 |
| Pennsylvania | 78, 045, 120 | 88, 164, 738 | 10, 119, 618 | 12. 9664 |
| Rhode Island | 5, 771, 045 | 7, 453, 511 | 1, 682, 466 | 29. 1536 |
| South Carolina | 32, 812, 752 | 35, 985, 007 | 3, 172, 255 | 9. 6678 |
| South Dakota | 6, 049, 284 | 6, 463, 950 | 414, 666 | 6. 8548 |
| Tennessee | 33, 561, 968 | 42, 090, 442 | 8, 528, 474 | 25. 4111 |
| Texas | 95, 159, 456 | 122, 761, 154 | 27, 601, 698 | 29. 0057 |
| Utah | 5, 394, 049 | 6, 325, 710 | 931, 661 | 17. 2720 |
| Vermont | 3, 054, 045 | 3, 892, 729 | 838, 684 | 27. 4614 |
| Virginia | 34, 657, 008 | 41, 576, 422 | −6, 919, 414 | 19. 9654 |
| Washington | 19, 257, 392 | 23, 742, 190 | 4, 484, 798 | 23. 2887 |
| West Virginia | 18, 480, 096 | 18, 609, 299 | 129, 203 | 0. 6992 |
| Wisconsin | 22, 167, 888 | 30, 903, 656 | 8, 735, 768 | 39. 4073 |
| Wyoming | 1, 800, 767 | 2, 783, 793 | 983, 026 | 54. 5893 |
| District of Columbia | 12, 639, 227 | 11, 468, 080 | −1, 171, 146 | −9. 2660 |
| Puerto Rico | 31, 837, 390 | 32, 897, 354 | 1, 059, 964 | 3. 3293 |
| Total | 1, 633, 865, 024 | 1, 866, 748, 355 | 232, 883, 331 | ---------- |

Source: Library of Congress.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Chairman, I would like to ask the distinguished Chairman if he would please clarify for the record the committee's intention with respect to the definition in section 110 of H.R. 69 of "excess costs" and how that definition affects the comparability requirement under title I of ESEA.

As I read the language in section 110 (i) (17), the bill would prohibit local school districts from considering State and local expenditures on programs for the handicapped, bilingual education and compensatory education in determining whether they are meeting the comparability requirement of title I that school districts spend at least as much State and local money in title I schools as in noneligible schools.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

(On request of Mr. SEIBERLING, and by unanimous consent, Mr. PERKINS was allowed to proceed for 4 additional minutes.)

Mr. SEIBERLING. Mr. Chairman, if the gentleman will yield further, I will continue with my question.

However, the language in the committee report (No. 93–805, page 18) indicates that the rigid language in the bill does not represent the intent of the committee. The report states:

> The same amendment by defining "excess cost" to exclude State and local spending on programs for the handicapped, bilingual education programs, and compensatory education programs also affects the comparability requirement under Title I. *Local school districts—at their option—may thereby delete expenditures for these purposes from their computations in determining whether their State and local expenditures on education are at least the same in Title I schools as in non-eligible schools.* The purpose of this amendment is to encourage State and local spending on programs for the handicapped, for the educationally deprived and for those with limited English-speaking ability, and not to deny them title I funds if they are using non-Federal funds for those purposes.

The superintendent of public instruction for the State of Ohio, Martin Essex, and officials of the Akron public school system have both expressed deep concern to me about the ability of local school districts to meet comparability if they are not allowed to supply State compensatory education funds. The State of Ohio has supplemented the title I program with a State disadvantaged pupil program which this year is funded at $35 million. The funds are used for supplementary services not covered by title I, and under State law, all these funds must be spent in title I schools. It is an attempt by the State the maximize the impact of Federal title I dollars.

These State funds are critical to local school districts in bringing title I schools up to comparability so that they will be eligible for title I funds. If these funds are excluded from the comparability test, it would minimize the ability of local school districts to bring State and Federal resources together to have the greatest impact on educationally disadvantaged children.

I agree with the language in the report on H.R. 69 that local school districts should have the option of applying these State funds in computing comparability. And I would appreciate it if the chairman would clarify the committee's intent with respect to this issue.

Mr. PERKINS. Mr. Chairman, let me state to my distinguished colleague, the gentleman from Ohio, that I agree with the gentleman's interpretation of the comparability section. That is exactly the way the committee intended it to be.

Mr. Chairman, let me state, it would be my hope that the Committee would vote down all these amendments. We have an excellent bill, a bill that does not discriminate against any State in this Union. It is fair, it is equitable. There will be some committee amendments that we hope the Members support, very few, but these other amendments would put back in this bill the stationary floor and just let the 50 States go in 50 directions again, and even within the same State different counties administer their AFDC programs in different ways and count children without any uniformity. If we had uniform standards governing AFDC, it would be horse of a different color; but here the States go in every direction.

The Bureau of Standards, the Department of Health, Education, and Welfare, have all testified that it is unfair and it is no gage of poverty by AFDC standards.

Mr. BELL. Mr. Chairman, I rise in opposition to the amendment which will be offered by the gentleman from Michigan (Mr. O'HARA).

The title I amendment which he offers sounds reasonable enough until you examine the figures and find out where the money goes within a State.

In my own State of California, Los Angeles County, which has the greatest number of educationally disadvantaged children in the State, would receive $4 million less under O'Hara than under the formula contained in H.R. 69.

Moving one step closer to the problem we find out, when we look at the Los Angeles County figures, that Los Angeles City schools would receive almost $7 million less under O'Hara than under H.R. 69.

That is $5½ million less than under current law.

How will the Los Angeles City schools ever take care of the needs of their educationally deprived children with $5½ million less than they are now getting?

Another figure is so out of line with the intent of the law that it bears special mention.

Since the O'Hara formula distributes two-thirds of title I funds, on the basis of school age population alone without any regard to educational or economic need, some of the Nation's wealthiest districts will receive huge increases.

My research indicates that the Beverly Hills, Calif., school district can expect to receive over $112,000, under the O'Hara title I formula.

Now I know, the Beverly Hills area pretty well, and I can tell you that there are very few kids in that whole school system that need help on the same scale as about 100,000 kids in the Los Angeles City schools.

I find it simply incredible to think that Beverly Hills will end up with a gain of nearly $100,000 while Los Angeles City is losing $7 million.

The O'Hara amendment should be called the "Reverse Robin Hood" amendment—it robs from the poor to give to the rich.

I might ask anybody if they can tell me how Beverly Hills will use its $112,000; particularly since the law requires that the funds be spent only on the excess cost of educating children who are educationally deprived.

I personally suspect that in the case of Beverly Hills it will simply mean that the funds will be unwisely spent, that the Federal money will in effect be used to reduce or maintain a tax rate that is already about the lowest in the Nation, or the funds will not be spent at all and will revert to the Treasury at the same time that Los Angeles City is trying to scrape together enough dollars to educate one-third of the title I eligible kids in their schools.

### AMENDMENT OFFERED BY MR. PEYSER TO THE COMMITTEE SUBSTITUTE

Mr. PEYSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PEYSER to the committee substitute: Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of Title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 (one) per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(ii) the amount necessary to make payments pursuant to subparagraph (B); and

(iii) the amount necessary to make payments pursuant to subparagraph (C). . . .

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clauses (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs of educationally deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 131(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of section 131(a) and 133(a)(3).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State or, if greater, in the United States multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a state plan approved under Title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditure for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by 50 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in

paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $4,000 for each fiscal year of this Act, except that no county shall receive less than 100% of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made, (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education driving such preceding year.

Renumber all the following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

Mr. PEYSER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PEYSER. Mr. Chairman and my colleagues, I have been working the last 10 days examining and trying to come up with a formula that was going to answer, as much as possible, the needs of everybody in this country; all of the schoolchildren, and at the same time not hurt any of the schoolchildren. I think we have come up with such a formula.

We have analyzed in the last 10 days 17 formulas, trying to take every combination possible to come out with something that we felt was fair. Very briefly, our formula does one thing that Chairman PERKINS was very interested in doing for the last several years: It raises the poverty level figure from $2,000 to $4,000.

Now, this formula also says that 100 percent of the AFDC children will be counted, and it also guarantees a 100-percent hold harmless, nobody, no county, no LEA, is going to lose any money under this bill.

Mr. Chairman, many Members have indicated that this sounds like it could be a New York bill. But, I am trying to point out that this is not a New York bill. In Tennessee, for instance, there are 31 counties that lose money.

Mr. BINGHAM. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Seventy-five Members are present, not a quorum. The call will be taken by electronic device.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 112]

Arends
Blatnik
Breckinridge
Clark
Conyers
Corman
Devine
Diggs
Dingell
Drinan
Frelinghuysen
Griffiths
Hanna
Hanrahan
Hansen, Wash.
Hastings
Hébert
Kluczynski
Leggett
Lujan
Luken
Macdonald
Martin, Nebr.
Mathis, Ga.
Minshall, Ohio
Mitchell, Md.
Murphy, N.Y.
Passman
Patman
Podell
Preyer
Rees
Roncallo, N.Y.
Rooney, N.Y.
St Germain
Staggers
Stanton, James V.
Steiger, Wis.
Teague
Van Deerlin
Ware
Wilson, Charles H., Calif.
Wright
Young, Ill.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 69, and finding itself without a quorum, he had directed the Members to record their presence by electronic device, whereupon 388 Members recorded their presence, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the point of order of no quorum was made, the gentleman from New York had 3 minutes remaining.

(By unanimous consent, Mr. PEYSER was allowed to proceed for 5 additional minutes.)

Mr. PEYSER. Mr. Chairman, we were in the process of discussing what this formula, the Perkins formula, really does to the children in this country.

Mr. Chairman, it has been stated that this is a New York bill. I want the Members to know that while New York is fighting for a bill, it is not fighting for New York or anything resembling New York alone; it is fighting for children all over this country.

I should like to give an example here. We have 31 counties in Tennessee who lose money under this particular formula of the chairman's under H.R. 69. We have 30 counties in Texas that lose money; 41 counties in Georgia that lose money; 5 counties in Alabama, 32 in Iowa, 15 in Kansas, 7 in Michigan, 14 in Missouri, and so forth. A total of 401 counties in our country lose money under H.R. 69.

Under my amendment no counties will lose money. There is a 100-percent hold-harmless clause which protects every LEA. We have heard the argument expressed that the aim of this program in the committee bill is to get the money where the children are.

I should like to give the Members a few statistics which, if they would listen, I think they might find interesting. These are some figures that were given to me this morning by the Census Bureau. I have just taken a few samples here. Obviously, I neither want to bore the Members with too many figures, nor do I have time to go through them all, but let us take, to start with, the State of Kentucky.

In the State of Kentucky, in Nelson County in 1960 the total population was 22,168. In 1970 the population of Nelson County was 23,477. We have an increase of a little over 2,000 people. The increase in H.R. 69 for Nelson County under title I is 119 percent. That does not sound as though it is very fair to me.

Trimble County in 1960 had a population of 5,102; in 1970 it had 5,349, an increase of 247 in total population. Trimble County gets 180 percent more money under title I in the present bill than they received in the last year, 1974.

In Oldham County, Ky., they had a population in 1960 of 13,388, and in 1970 a population of 14,687, a growth of 1,299 people, but this increases the amount 152 percent.

Let me take a county in Michigan, Keweenaw County, which had a population in 1960 of 2,400 and in 1970 a population of 2,200. This is a very small area, but that county receives 290 percent more money under this bill as it is now set up than it would have in 1974.

In Indiana, in Ripley County they had 20,000 and it goes to 21,000, a growth of 1,000 people, but it increases 121 percent.

Let me take some cities for a minute. In 1960 the city of Chicago had 3,550,000, and in 1970 it had 3,369,000, or a drop of 181,000 total population, but they drop 15 percent in this bill. This is a major loss.

In Boston they had a population in that city in 1960 of 697,000 and they dropped to 641,000, a drop of 56,000, but it loses 15 percent. And it goes on in this manner down the line.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, let me first ask the gentleman if New York State has had a decline in population between 1960 and 1970, and if it did not go from 9.4 percent of the Nation's population down to 9 percent, and even with that decline in population, if the gentleman's formula does not up the amount of money that New York will receive over what it receives under H.R. 69 by approximately $35 million? Am I correct in that statement?

Mr. PEYSER. The gentleman is correct with one exception, that one of the major parts of the money that New York under the formula receives, as the gentleman knows, is in section (b) and section (c) of this bill that are no longer applicable, and if we take (b) and (c) money, New York is out a great deal more.

Mr. PERKINS. But let me ask one further question. I am sure the gentleman does not want to see the recurrence of what occurred with AFDC by placing a stationary floor here of $4,000, just as we placed a stationary floor in 1965 of $2,000. Unless we do something about this stationary floor, AFDC is going to overwhelm again the census count. Furthermore, let me ask the gentleman if the gentleman does not have built into his formula this imbalance from the present law by including a 100-percent hold harmless to 1974. In 1974, the $2,000 low-income factor plus AFDC, which amounted to about 60 percent of the children resulted in an enormously inequitable distribution. Is that inequity in this formula?

Mr. PEYSER. Mr. Chairman, I say the inequity would be there if we did not have the 100-percent hold harmless which does protect every other area.

I have only a few minutes left and I would like to yield to the gentleman from Michigan (Mr. Ford).

Mr. FORD. Mr. Chairman, I thank the gentleman for yielding.

I rise in support of the amendment offered by the gentleman.

Mr. Chairman, it was not my wish that we turn this bill into a poverty bill, but we have gone a long way toward doing that, and I find it absolutely ludicrous, having done so, to come to this floor and advocate using children from low-income families and concentrations of those children as a target for these funds and then suggest children living on welfare in this country are not poor. The committee formula does some interesting things. I have heard on this floor many times criticism of the impact aid formula because some so-called wealthy school districts receive considerable amounts of funds, while other districts receive much less.

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. Ford, and by unanimous consent, Mr. Peyser was allowed to proceed for 2 additional minutes.)

Mr. FORD. Mr. Chairman, let us just make a few random observations on how the committee bill now before us proposes to distribute funds. We have heard Montgomery County in Maryland referred to as to wealthiest county in the United States on a per capita basis. Under the so-called poverty formula of the committee bill, we increase the allocation for Montgomery County 44 percent while we decrease funds for the District of Columbia 12 percent.

According to Education Daily, which has analyzed the committee formula, we would also be decreasing funds for Los Angeles by 2 percent and increasing funds for a rural California county by 238 percent.

In Illinois we would be increasing funds by 150 percent for a rural county while Cook County's share would be increased by only 8 percent.

In my own State of Michigan, we would provide Wayne County with a modest 12-percent increase while sparsely populated Keweenaw County would get a 290-percent increase.

In Pennsylvania, Philadelphia gets an 8-percent increase while rural Elk County will receive a 175-percent boost.

Now, I do not believe that kind of inconsistency can be peddled here as an attempt to use the correlation between low income and educational need as a basis for the distribution of these funds.

For that reason, I support the gentleman from New York.

One final observation. We cannot expect that we are going to have the American people support the kind of expenditures we should have in the next 10 years for Federal aid to education if we are going to cut out any State, whether it is New York, California, Michigan, Kentucky, or any other one.

We may be doing a lot for a few States by this formula right now, but those States are going to be hard pressed to find support for the appropriations for this legislation in the future if they deal as unfairly with some of the States, and particularly the big cities, as this legislation does.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I rise in support of the amendment of the gentleman. I come from the State of Minnesota. I believe we have a national responsibility with respect to legislating for schoolchildren.

I support the arguments as stated by the gentleman from Michigan, as well as the gentleman from New York.

Mr. MOAKLEY. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Chairman, I rise in support of the amendment of the gentleman from New York (Mr. Peyser).

According to what we are told by the Education and Labor Committee, we are here today to correct an inequity which exists in the present formula for the distribution of title I funds. We are here to enact a more just formula. But in fact what we will do if we pass H.R. 69 as it is now written is replace one inequity with another.

If we pass H.R. 69 as it is written, it will be impossible for our cities to continue to offer many programs now funded by title I allocations. We would be taking educational opportunities away from the children in our cities and redistributing them. This, it seems to me, is a great injustice to these children, and as great an inequity as the one which we set out to correct.

Rather than moving from one inequitable formula to another, we should legislate a smooth transition. If cities should receive less than they do now, let them remain at the same level they are now at while other localities receive larger allocations over the next few years. Let increases in title I appropriations go toward making the system more equitable. By passing the Peyser amendment, we will make it possible for this transition to take place.

If we pass H.R. 69 as it is now written, the situation for our cities is likely to get worse rather than better. The Orshansky index will go up, and there is no guarantee that it will not be going up in relation to this formula as well. If the index goes up, AFDC will be given less emphasis than it now is, and this will mean even a greater loss for our cities.

The real problem is that there is not enough money to go around for education. This is the problem which we must deal with. It would be far more pleasant to rise in support of a bill which appropriates enough funds for everyone. We must reset our national priorities so that there is enough money to go around for education. We should not have to compromise the education of any of our children.

Mr. Chairman, the city of Boston will lose nearly $500,000 as a result of the formula in H.R. 69. According to representatives from the Boston School Department, this would have a catastrophic effect on title I programs in Boston schools.

In addition to losing 5 percent of its fiscal year 1974 allocation, Boston will not receive an increase during fiscal year 75. In the past, this increase has come to nearly 8 percent, thus covering rising costs due to inflation. This brings the total loss for the city of Boston up to 15 percent of the fiscal year 74 allocation, nearly $1 million.

Under the Peyser amendment, Boston would remain at the level of the fiscal year 74 allocation. This still means a loss of about 8 percent, but this loss could be compensated for without it being necessary to cutback title I programs.

In addition to helping cities like Boston and New York, this amendment would help dozens of other counties, many in rural areas. Every county will receive at least as much as it received in fiscal year 1974, thus making it unnecessary to cut off any title I programs.

This amendment is also consistent with the committee's belief that money needs to be redistributed. Dozens of other counties which receive more title I money under H.R. 69, will still receive additional money as a result of the Peyser amendment.

I urge you to vote for this amendment. It is a fair way to deal with the complicated problems this bill raises.

There are other problems which we will need to consider before this bill is passed. Foremost among these is the issue of forced busing. I would like to bring some points about this issue to your attention at this time.

Mr. Chairman, if someone wanted to put a highway, a high rise, or even a jack-in-the-box in your neighborhood, your State or local government would surely grant you and your neighbors a say in the matter.

And, if a majority of your neighbors objected to such a project, that project would be abandoned.

Such is the democratic tradition.

Mr. Chairman, because of a law passed by Congress, building developers must now draw up an environmental impact statement before being allowed to lay the first brick of a construction project.

This environmental impact statement must show that no significant harm to the physical landscape or ecology of the neighborhood involved would result from construction of the proposed buildings. Sometimes, hundreds of thousands of dollars are spent on these environmental impact statements. And all this before the first brick may be laid.

Why then is the question of the location of our children's education handled differently?

Why then do we not take the same rational, careful and sensitive approach when it comes to "people projects"?

Why do those who want to implement plans that involve people not have to first prepare a social impact statement? Why do they not have to offer social impact statements that show that their "people project" will not harm the human landscape and ecology of the neighborhood involved?

Why, Mr. Chairman, do we seem to place a greater value on those things created by man than we do on those things created by God?

Mr. Chairman, this week the House of Representatives has another opportunity to legislate an end to forced busing in America. We must not fail. And, for a reason I believe deserves the support of every Congressman in this Chamber.

Attempting to achieve desegregation through forced busing will lead only to even greater and more permanent resegregation, not the meaningful, integrated, and equal educational opportunity we seek for our children.

In my own city of Boston, implementation of forced busing could lead counterproductivity to an 80 percent nonwhite public school system by 1984.

In the past 8 years alone, Boston's nonwhite public school population rose from 23 to percent to 38.7 percent. In the United States against Indianapolis, an August 1971 desegregation case, the court pointed out that when the percentage of black pupils in a given school approaches 40, the white exodus becomes accelerated and irreversible.

When the Federal judge made this finding, Indianapolis' public schools were only eight-tenths of a percentage point more filled with black pupils than are Boston's right now. And that is without court-ordered busing.

In San Francisco, after court-ordered busing, there was a 13-percent drop in white student population in 1 year. Interestingly, probusing advocates had argued that there would be only a 3-percent drop.

In Norfolk, Va., court-imposed busing brought a drop of 20 percent.

In Pasadena, Calif., there was a 2-year drop of 22 percent.

Ironically enough, if, as it seems probable, it is the somewhat better off and more mobile who leave the public school system when busing is imposed, the already virtually negligible effect on the achievement of black children will be even further reduced.

The danger of resegregation is real. Last year, both the Federal district and appeals courts hearing the judges admitted freely that the Detroit plan—such as is now proposed for Boston—would lead to a single, segregated nonwhite Detroit school system in a State which is 87 percent white and 13 percent black.

Mr. Chairman, recently the voters of Durham, N.H., voted to keep out the proposed Onassis oil refinery. Because of the energy crisis, the Durham decision affected every New Englander. But the proposed refinery would have affected the people of Durham most of all.

So the people of Durham made their decision, and the rest of us, whether we agree or disagree with the result, must accept that decision and adapt accordingly. That is the democratic way.

Mr. Chairman, I think the people of Boston should have the same rights as the people of Durham.

The people of Boston do not want forced busing. That is their feeling. And, if they are given the chance to register that feeling through the political process, that will be their decision.

And the rest of the country, whether they agree or disagree with the people of Boston, should respect their right to decide upon a matter that affects them most directly.

To those who favor forced busing, I ask you to reconsider where your action would lead. I ask that you recognize that desegregation through forced busing will lead to greater and more permanent resegregation. Obviously, this would be counterproductive.

To those who intend to join me next week in attempting again to legislate an end to forced busing, I urge you to stand firm in your belief that every man and woman in America has at least the same right to be heard over the location of his child's education as they do to be heard over the location of a proposed hamburger stand.

Mr. PEYSER. Mr. Chairman, in closing, I hope the Members will consider this amendment in fairness to all the children, recognizing that nobody loses under this amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

(On request of Mr. Kemp, and by unanimous consent, Mr. Peyser was allowed to proceed for 1 additional minute.)

Mr. PEYSER. Mr. Chairman, I yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I rise in support of the amendment and I appreciate the leadership of the gentleman who has offered the amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I would like to say we have all been through the agonies of these formulas; but I must say that although the amendment of the gentleman is imperfect, it is the best we can do. I thank him for the amendment and I intend to support him.

Mr. CAREY of New York. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York.

Mr. CAREY of New York. Mr. Chairman, I thank my colleague for yielding. I applaud and endorse the well-organized effort he is making in stating in explicit terms exactly what is being done here and giving the House a chance to see in the committee what is going on.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. CAREY of New York. Mr. Chairman, I ask unanimous consent that the gentleman have 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. GROSS. Mr. Chairman, I object to 5 minutes.

The CHAIRMAN. Objection is heard.

Mr. CAREY of New York. Mr. Chairman, I ask for 4 minutes.

Mr. GROSS. Mr. Chairman, I object to 4 minutes.

The CHAIRMAN. Objection is heard.

Mr. CAREY of New York. Mr. Chairman, I ask for 3 minutes.

Mr. GROSS. Mr. Chairman, reserving the right to object, the gentleman from New York (Mr. Peyser) has already had four or five extensions of time. If the gentleman needs another minute, all right.

Mr. CAREY of New York. Mr. Chairman, if the gentleman will yield to me on his reservation, this Member who helped write this formula 9 years ago would like 3 minutes to say what has been going on for 9 years and what is going on today. If the gentleman will think of the children, will he give me 3 minutes?

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. GROSS. I will say to the gentleman from New York that those who voted for this kind of rule ought to live with it.

Mr. CAREY of New York. I did not vote for the rule and I ask for 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CAREY of New York. Mr. Chairman, I thank my colleague from Iowa for being so generous.

Mr. PEYSER. Mr. Chairman, I yield to the gentleman from New York.

Mr. CAREY of New York. Mr. Chairman, to resume what I was saying, I want it part of the record that we make here today that at the urging and instance of the late President Lyndon Johnson, as a member of this committee under the previous chairman, we sat in the White House for many hours with the then Commissioner of Education, the Secretary of Health, Education and Welfare, and the late President gave us a clear-cut direction to put this money where the poor children would have an opportunity to overcome their disadvantage. That is what the formula did 9 years ago and I wrote that formula.

We put the AFDC children in there because there is no better official index of children in poverty than AFDC.

If the Members think it is easy to become eligible as an AFDC child, they should try being born as one and compare their poverty with poverty anywhere else. It is the index that we use as eligibility for Federal funds. What is wrong with it as an index for access to education money?

Further, I do not like to be asking for a heart throb vote here today. I would like for the Members to vote with their heads. But, think of this, and I want to make this part of the record: The last time I saw Lyndon Baines Johnson alive, it was at the services for the late majority leader, Hale Boggs. He said to me, and I repeat it to this committee now:

> In whatever you do, consider that the Elementary and Secondary Education Act is my legacy to the children of this country. It is the landmark that I hope will always be my memorial.

If you destroy this formula today, if you substitute a general amendment formula, if you take the money out of the poverty areas of New York City and every other central part of the area of this country, then we are voting to liquidate the legacy of Lyndon Johnson. The failure to pass a hold-harmless provision means that with the incursion of inflation the education of thousands and thousands children will suffer. And it will be those children who need the education the most who will suffer the most.

A vote for the Peyser amendment will preserve the memory of a man who cared about the poor children of the United States.

Mr. GIAIMO. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. Mr. Chairman, I yield to the gentleman from Connecticut.

Mr. GIAIMO. Mr. Chairman, I rise in support of the amendment offered by the gentleman from New York, Mr. PEYSER.

Mr. Chairman, there is a strange thing happening in the United States; when we discuss the education of children; when we discuss general revenue sharing; when we discuss special revenue sharing, all described and called the concept of the new federalism. What it says is that the available Federal money is spread throughout the country regardless of where the real needs are.

The real needs of this country basically in education are localized in our cities, in our inner cities, where we need more money for the poor children who exist in these cities, and we should not allow the moneys to be evenly dispersed throughout the United States.

Mr. Chairman, I think the gentleman's amendment accomplishes this job.

### PARLIAMENTARY INQUIRY

Mr. WYDLER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WYDLER. Mr. Chairman, under the special rule that has been adopted for the consideration of this bill, is it in order for a Member to obtain additional time to speak on this amendment?

The CHAIRMAN (Mr. PRICE of Illinois). Only by unanimous-consent request.

Mr. WYDLER. Even granted unanimous consent, it is in order under the provisions of the rule?

The CHAIRMAN. By unanimous-consent request, it is.

Mr. WYDLER. I thank the Chairman.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we ought to take a look at what happened to this legislation from 1966 until the present time. In 1966, when this program got started, New York received 9.4 percent of the money. Because of the formula drafted, as the gentleman from New York indicated, it certainly was beneficial to New York, because 15 percent of the national amount of money went to New York this last year. It increased from 9 to 15 percent over the life of the bill.

Now, are we abusive to New York in H.R. 69? No. We only cut New York back to 11 percent. What percentage of the poor children do they have in this country? It is 6.3 percent of the poor children; 6.3 percent, and we are letting them have 11 percent of the money under the committee bill.

Now, we should not say that the wealthier States are not getting enough money under the committee bill. They are doing better than the poorer States. That is the way it is all up and down the line. Let us look at California. California has as many poor children as New York. One thing about California, however, is that they have a number of people who, for some reason or other, do not want to go on AFDC. I think they are too proud, and that ought to be a credit to them and California should not lose money because of it.

What does the Peyser amendment propose to do for California with this many poor kids?

They are going to cut California down to $144 million and let New York have $264 million. Now, why should there be $120 million more in New York for the same number of children?

That I cannot understand. It costs money to help educationally disadvantaged kids in California.

Another thing I cannot understand is how Pennsylvania through these years stood quietly by and watched New York get about $100 per pupil more than Pennsylvania did right across the line. I cannot understand it.

But now we are just making a step toward correcting an inequity. Inequities are still going to be in here, but, as I said, the committee formula is the least unfair.

There is no way possible to bring this up to a fair formula now, because there are people who are dependent upon what they received before.

Mr. Chairman, what does the Peyser amendment do? It says that every local educational agency shall be guaranteed 100 percent of what it received last year. That means we do not get away from the 1960 census information.

There has been a dramatic change in where the poor people live in the country. The gentleman from Kentucky, as I pointed out in general debate, loses money in a number of his counties and in his congressional district under the committee formula. He is not going to stand up here and advocate 100 percent hold harmless. There are other counties in other districts that will lose money, too; they are not going to advocate 100 percent hold harmless.

Why? Because this bill is for children, not for school districts. We are not going to enact legislation just for the teachers and the administrators of every school district in the country; we are trying to provide a program for every disadvantaged kid in the country.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, I want to commend the gentleman from Minnesota for what he has said, and I want to go on and point out that although the gentleman from New York has suggested that this is not an amendment just to take care of New York, still, under his amendment, New York State would gain substantially and 41 States would lose local State entitlements. Here are those States. I hope Members will listen to them.

Under the amendment offered by the gentleman from New York (Mr. PEYSER), the following States would lose money:

Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington, Wisconsin, and Wyoming.

Mr. Chairman, not only do States lose money under this amendment but many cities do, too. Here are the cities that will lose under the amendment offered by the gentleman from New York (Mr. PEYSER), cities that also have a responsibility of providing education for poor children:

Chicago, Los Angeles, Houston, Baltimore, Dallas, Indianapolis, Milwaukee, San Francisco, San Antonio, San Diego, St. Louis, Memphis, New Orleans, Phoenix, Columbus, Jacksonville, Pittsburgh, and Denver.

As the gentleman from Minnesota has pointed out, when he referred to what happened back in 1966—and here, I think, is the legacy of Lyndon Johnson, which I also support, because I also sat on the subcommittee that helped draft the Elementary and Secondary Education Act.

New York in 1966 got 9.4 percent of all title I funds. Under the committee bill, H.R. 69, New York State will get 11.4 percent, and now the gentleman from New York (Mr. PEYSER) wants to give his State over 14 percent, a considerable jump from the days of Lyndon Johnson.

Mr. Chairman, I ask the Members, is that equity? Is that fairness?

The CHAIRMAN. The time of the gentleman from Minnesota (Mr. QUIE) has expired.

(By unanimous consent, Mr. QUIE was allowed to proceed for 5 additional minutes.)

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. QUIE. Mr. Chairman, let me finish my statement here before I yield to the gentlewoman from New York.

The amendment offered by the gentleman from New York (Mr. PEYSER) also drops the Orshansky definition of determining who is in poverty. By doing that, the gentleman by his amendment cuts out all of those children from families above four.

Under the 1970 census, if we would use the income of families of five, six, seven, and so forth, which was over $4,000 to as much as $6,100, they would not come under his formula. Under the Orshansky formula, they do.

It was under the Orshansky formula that we saw the fairness of determining poverty, because one knows that the size of the family is an indication of whether someone is in poverty or not. That is why we improved the formula by using the Orshansky formula.

Mr. Chairman, the Orshansky formula would be denied the right to operate under this program, under the amendment offered by the gentleman from New York (Mr. PEYSER).

Mr. MEEDS. Will the gentleman from Minnesota agree with me that perhaps the most mischievous thing about this is that it freezes in an inequitable distribution of funds which took place for the first time in 1974 and that it does not use a sliding figure, as the gentleman mentioned, the Orshansky formula or the Orshansky part of the formula, so that more than one child in a family can be counted?

Mr. QUIE. The gentleman is correct. We should be learning something from our 8 years of operating under this.

Ms. ABZUG. Will the gentleman further agree that the reason for the increase in the numbers in New York is that more people came on the AFDC rolls?

Mr. QUIE. Would the gentlewoman repeat that?

Ms. ABZUG. There were more children and more families on AFDC and that was the cause of the increase.

Mr. QUIE. There were more on AFDC and it increased more in some States. You saw the charts here a minute ago.

Ms. ABZUG. And that is why we have title I, and that is what it was intended to reach—those families and those children. Simply because they are on AFDC in New York does not mean they are not disadvantaged children.

Mr. QUIE. I will say at that point the fact that they are on AFDC does not make them educationally disadvantaged. The average child or average family stays on AFDC for 1 month and they do not become educationally disadvantaged when they go on it and cease to become educationally disadvantaged when they drop off of it. If the average is 18 months, it means a host of them are off for more than that period of time.

Ms. ABZUG. Will the gentleman agree further that there has been an increase in funds for New York, because of the numbers of children on AFDC, who are the poor and disadvantaged children, and no amount of discussion that we may have will change that?

I want to make one other point and statement. Federal moneys account for only 5.4 percent of the total expenditures made in New York for elementary and secondary education. We put a tremendous amount of money into the effort to educate our own children.

While the committee formula seeks to recognize the poverty which exists throughout the country, it fails to recognize that there has been no decrease in urban poverty. Failing to recognize this prerequisite, the committee goes on to suggest that we New Yorkers pay too much for the education of our children. Although New York has 13 percent of the Nation's children in poverty, the committee suggests that New York deserves only 9 percent of the available funding. The burden that the committee bill places on New York is unfounded in light of the fact that New Yorkers pay 12 percent of the Federal tax burden. While the Federal Government pays 8 cents of the average State's education dollar, it pays only 4 cents of New York's education dollar.

It is a myth that New York has received a disproportionate share of title I money. Although we do receive a greater dollar per child grant than California, for example, due to our higher average per pupil expenditure, New York and California both receive only 19.8 percent of their average per pupil expenditure for title I children, while States such as Minnesota and Mississippi are getting 25 and 89 percent of their per pupil expenditures, respectively.

The committee bill seeks to mandate a ceiling of 120 percent of the national per pupil expenditure. This is a direct attempt to discourage New York's initiatives in upgrading programs for the economically deprived child. New York's per pupil expenditure is 150 percent greater than the national average. New Yorkers have agreed both in the State legislature and in their community's property tax to accept the responsibility for providing quality education for their children. There is no reason why New Yorkers should expect to get less than an equitable percentage of the Federal contribution for title I programs.

Local initiative as well as the fact that we have a large number of poor children creates a situation in New York which is very different from that in other States and also helps to explain why New York has received larger shares of title I funds.

Mr. QUIE. I will say to the gentlewoman the reason why there are more Federal funds in Mississippi is because their Congressmen and Senators were able to stay here longer, long enough to get better Federal impact aid.

Mr. O'HARA. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Michigan.

Mr. O'HARA. I thank the gentleman from Minnesota for yielding.

To be sure the gentleman from Minnesota understands the parliamentary situation, if the Peyser amendment is adopted, that would end any possibility of amending the formula. Is that correct?

Mr. QUIE. That is correct.

Mr. O'HARA. I wonder if the gentleman from Minnesota would mind my announcing that in the event I have an opportunity to do so, I will offer a formula amendment, about which I have written to all of the Members of the House, after the vote on the Peyser amendment.

Mr. QUIE. If that will encourage some people to vote against the Peyser amendment, I am glad the gentleman announced that.

Mr. BELL. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. BELL. I think we have to realize New York is in a different position than almost any other State in the Union. They have a tremendous amount of funds they are spending relative to the other States in retirement for their teachers and for a low teacher per pupil ratio in their State. So they have a different situation. Other States under the Peyser amendment would be helping to pay for some of the costs of New York. Is that correct?

Mr. QUIE. That is correct.

Mr. ASHBROOK. Will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Ohio.

Mr. ASHBROOK. A lot of this brings to mind some of the gentleman from Minnesota's remarks over the last 10 years in debate in regard to many of these problems where what we were doing seemed adequate at that time. I think we have not done enough for the cost of education. When our friend from Indiana was reading off the names it almost sounded like an auctioneer. In a lot of ways Federal education has become almost a part of politics.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

(By unanimous consent, Mr. Quie was allowed to proceed for 3 additional minutes.)

Mr. QUIE. I yield further to the gentleman from Ohio.

Mr. ASHBROOK. Unfortunately, Senators will vote on the basis of how much money is going to their States, and they pay little attention to quality education. The situation has been stressed by the gentleman from Indiana (Mr. Brademas) and the gentleman from Minnesota (Mr. Quie) with regard to what is in the formula and without too much regard to the quality of education. I congratulate the gentleman from Minnesota for doing the best he can in a difficult situation and working out a formula and still keeping his eye and the committee's eye on quality education.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, I rise in opposition to the pending amendment and urge defeat of all similar amendments designed to tamper with the new formula for title I ESEA payments to our State education agencies.

I would like to commend the members of the Education and Labor Committee for the diligence with which they pursued this difficult task in writing the new formula. The old formula, as the committee has correctly concluded, simply has become inequitable. I have noted in the committee report that the State of New York is eligible to receive $772 per title I child under the old formula, while California is only permitted $465 per child. Thus, under the old formula, California receives only about half as much in Federal title I assistance as New York despite the fact the two States have approximately the same number of title I children.

Mr. Chairman, I am pleased to see the committee estimates that $30.9 million should become available to my State of Missouri under the new formula. This figure represents an increase of more than 30 percent over fiscal year 1974 allocations. I have noticed that my 19 counties in southeast Missouri will receive $5.6 million under the new formula as opposed to $4.8 million under the old. I certainly realize that simply pouring more Federal dollars into education will not be a cure-all for our major educational problems. But I believe the basic programs authorized under this legislation have begun to pay dividends. Literally hundreds of State and local educators have testified before Chairman Perkins' committee concerning the value of these programs.

The heart of this education bill is the title I formula. It is a new formula based on a more realistic targeting of educational need. The old formula depended on a definition of poverty that failed to consider family size or farm or nonfarm family residence. Under the new formula, the Orshansky poverty index will be used to determine the title I count. This poverty index is the official poverty standard used by the Federal Government. To correct the weighting of the formula in favor of States that inordinately increase their welfare rolls, only two-thirds of welfare children will be counted. In addition, by setting limits of 80 percent and 120 percent of the average national per pupil expenditure, the discriminatory situation that I have pointed to in regard to California and New York entitlements will be corrected.

The essence of the new formula is compromise. I applaud the 85-percent "hold harmless" provision which insures that no local school district will recive less than 85 percent of its previous year's allocation. This sensible proviso will soften the impact of fund cutbacks on school districts adversely affected by the new formula.

I urge my colleagues to vote down these attempts to tinker with the committee's formula. The committee labored hard through numerous markup sessions. I do not believe it proper for us to mutilate the committee compromise. I believe the committee formula to be a fair and equitable agreement. I urge a "nay" vote on this amendment, and approval of the new committee formula.

Mr. QUIE. Mr. Chairman, I would like to recapitulate what the Peyser amendment proposes to do, and that is to put New York at that level that it reached at the end of the period that the Elementary and Secondary Education Act has been in operation. As I recalled it to the Members, they began at 5.4 percent of the money, and they moved up to 15 percent. The Peyser amendment will put them at 14.3 percent. Then as the years roll by they would be growing in the percentage of the money that went to New York. And that is what we are trying to stop.

Our committee began looking at the formula in the way the gentleman from New York did, that is how do we get the most for our State. We finally realized that by doing that we would never be able to come out here on the floor using that kind of formula, so, Mr. Chairman, we approached it from a different angle, and not with such parochial interests. And the committee started to educate itself, and they have tried to write the most favorable formula they possibly could write under the circumstances, and H.R. 69 is the outcome of that work.

So, Mr. Chairman, I urge the Members to vote down all of the amendments to the formula that have been offered, because anything that would be offered would be more unfair than anyone will find in the formula of H.R. 69. I will guarantee that because of the time that our committee worked on this, and the effort that they put into it, and the studies that were done. Therefore, if we are going to have a program that is going to reach the greatest number of educationally deprived children, and not school districts for what they received once before, even though the children may not be there. Our task is to provide compensatory education for the greatest number of educationally deprived children, and that is what H.R. 69 does.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kentucky.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. Perkins, and by unanimous consent, Mr. Quie was allowed to proceed for 2 additional minutes.)

Mr. QUIE. Mr. Chairman, I thank the gentleman for this additional time, and I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I would like to ask a question of the gentleman from Minnesota, and that is if we treated everybody in this country equally, would we stop at the Orshansky definition of $4,250, without any AFDC on top of it? Am I correct in that statement?

Mr. QUIE. That would be the fairest way.

Mr. PERKINS. With the AFDC above $4,250 we have about 930,000 today in the wealthier States, when it jumps up to $4,250 in some year, we will have at least that number when you speak of 730,000 today above $4,250, and about half the States are agitating for AFDC to go up according to the cost-of-living increases. Am I correct in that statement?

Mr. QUIE. I understand that is a correct statement.

Mr. PERKINS. The built-in weakness of the amendment offered by the gentleman from New York (Mr. Peyser) is the factor of $2,000, the low-income factor back in 1962 where in his State three children may be counted, while only one child was counted in Arkansas; am I correct in that?

Mr. QUIE. The gentleman is correct, and many States under H.R. 69 will not have AFDC children counted, because the figure is too low.

Mr. PERKINS. I want to say to my way of thinking, by and large, on the AFDC payments, some of my friends want those payments to snowball just as they did in 1965 and up to the present time, and I wonder if the gentleman agrees with this sentence in the report on page 11:

> Some of those differences between the States are the following:
>
> Payments vary from $52.94 monthly for

an average family in Mississippi to $284.76 in New York State;

About half the States provide aid if the father is in the home but unemployed but the other half of the States do not provide such aid;

Some States have no maximum on the value of the home of an applicant but other States have maximums ranging from $2,500 to $25,000.

Mr. QUIE. That is how I understand it.

Mr. PODELL. Mr. Chairman, in the course of debating the equity of various distributions of aid to the States under ESEA and the complexities of a multitude of competing formulas, we are in danger of ignoring the purpose of the bill and the effects it has on poor and disadvantaged children. Obviously, every State would like a bigger share of the pot, especially when it is such a small one relative to the existing needs. If this can be done by slashing New York's share, many will say so be it. The argument that the damage can be sufficiently contained by limiting New York's losses to 15 percent of last year's funding is incredible. That 15 percent translates to over $10 million for Brooklyn alone. Ongoing programs will be severely curtailed, hundreds of teachers will be laid off, and the slow progress which the children have achieved under these programs will be set back. The purpose of title I is supposed to be the equalization of educational opportunity for all and the advancement of students with serious learning problems.

The effect of the new formula, however, will not be to raise the educational level of the poor but to equalize the differences among various segments of the disadvantaged population, to drag down children now benefiting from federally financed programs in urban areas to the same level as disadvantaged children in other parts of the country. This is madness. If New York has been getting too large a share—and there are certainly just complaints against the old formula—then by all means new increases should first be allocated to other States, but present programs should not be destroyed.

The hold harmless provision will assure that Brooklyn is cut by a mere $10 million, but the rate of inflation for the last year was close to 9 percent. Therefore, simply to keep the programs operating at an equivalent level would cost an additional $6 million. The 15-percent cut must be understood within that context. Further, the expenditures under title I nationwide, according to the figures supplied by the committee, are to rise by 20 percent. New York, under the old formula, could have expected a comparable increase. The cut of 15 percent in effect becomes one of 28 percent. This can only be viewed as punitive.

Nor will the children of New York be the only ones to suffer. Most major cities will be likewise affected. This formula will force an increase in class size in poverty areas across the country. Can this possibly be a wise action? Have these programs been so successful that the time has come to cut back on them? Is it really true that the poor of our cities—have had too much of our resources and attention lavished on them? Of course not only the poor will be affected. The repercussions of this loss in funds will be felt through the entire city school system, in New York and elsewhere.

In 1973 for the first time in years the average reading scores in New York City public schools showed improvement. In 1972 32 percent of the city's pupils were reading at or above their grade level in 1973, this figure increased to 34 percent. Federal funds in recent years have helped to stem the steady decline in reading levels and perhaps we are turning the tide against functional illiteracy among our children. Is it now the position of Congress that 34 percent of the children, reading at or above their grade level is enough? God forbid 50 percent of our children should be able to read adequately.

There are three basic inequities in the committee formula. The old formula counted those children in families with income under $2,000 plus those children in families with higher incomes—who received Aid to Families With Dependent Children. As the vast majority of AFDC families are found in the highly urbanized, industrial States this formula was clearly weighted in their advantage. No one can possibly argue that $2,000 is a reasonable standard for judging poverty. However, in remedying this defect and substantially eliminating the use of AFDC in determining eligibility the committee will cause too great a shift in funding, an imbalance which the urban school districts will be unable to cope with.

The second defect is in an 85-percent hold harmless figure. As I pointed out this amount to millions of dollars cut from on going programs at a time of sharply escalating costs.

The third defect is the new limitation on the amount of a State's per pupil expenditure which is considered in determining its entitlement. The new ceiling of 120 percent of the national average expenditure penalizes those States which make the greatest efforts on their own to improve educational standards. It further discriminates against States which have unavoidably higher costs due to the difficult conditions under which their school systems must operate or simply as a result of a higher regional cost of living.

Every Member is rightly concerned with what this bill does for his or her district and all of us will pick and choose among the formulas by reading the printouts on the amount of money each district will receive. But any formula which will cause serious harm to millions of the poor people in this country should be rejected by every Congressman out of hand. I am afraid that the present version of H.R. 69 contains just such a formula.

In the fighting and confusion over funding I would like to reaffirm my strong belief both in the goals and the efficacy of this legislation. As I pointed out earlier test scores among poor achievers are finally showing signs of improvement. State funds will never be sufficient to deal with the educational problems of millions of those children who most need our help and I am grateful for Federal aid. Our duty should be to substantially increase that aid. Indeed I find the whole approach which the House has adopted today regrettable. Increased funding whether for rural children or urban children should be financed out of the fat in the military budget or the moneys now being expended to prop up the South Vietnamese Government. They should not come from the meager amounts allocated to the schoolchildren of New York.

Mr. BIAGGI. Mr. Chairman, I rise to speak in support of the amendment offered by my distinguished colleague from New York on behalf of the whole of the State of New York, and of the poor and needy everywhere.

The amendment goes in the right direction. At a time when education costs are increasing in our society, when the appropriation for H.R. 69 is not being increased, it is more important than ever to concentrate aid to education where it will do the most good. Time and again I have stated the basic fact underlying the question of how to distribute aid to disadvantaged children under title I: children from the poorest families have the highest incidence of educational disadvantage. There is no getting away from that fact, and there is no denying where these children reside: in the great, impoverished, besieged cities of America.

The formula under the Peyser amendment takes full account of these facts. The criteria is poverty and is a realistic one. We propose the poverty level in the formula be $4,000. No one can quarrel with that. Surely families who earn less than that are poor. We propose that all those families in the AFDC programs be counted for purposes of distributing the money. Surely it cannot be doubted that a family who has more than $4,000 to spend but is still in such need of assistance that they are legitimately on the welfare rolls is poor. We propose that the Federal share of State educational programs be 50 percent not 40 percent. Clearly at a time when most States are not spending enough, we ought to be at least this generous. And finally, we propose that every educational agency be held harmless at 1974 funding levels. It makes no sense when the cost of education is increasing to permit a decrease in educational funding for anyone, for any reason whatsoever.

This amendment makes the statement of purpose in H.R. 69 a reality. It addresses itself to the problem and it concentrates the money. It is far more than an effort to save New York City funds. It is an effort to remain true to the purposes of the law and help the neediest first. Do not defeat this amendment. Do not turn them away.

The CHAIRMAN. All time on the amendment has expired.

### PARLIAMENTARY INQUIRY

Mr. PEYSER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PEYSER. Was there a time limit on the amendment when the gentleman asked to be recognized in support of the amendment?

The CHAIRMAN. That is correct. The gentleman from New York already had been recognized for 5 minutes with several extensions by unanimous consent.

Mr. PEYSER. I did not ask for it; the gentleman from Connecticut asked for it.

The CHAIRMAN. The gentleman could have asked for an extension on the time of the gentleman from Minnesota, but none on his own time, under the rule.

Mr. PEYSER. Mr. Chairman, I have another parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PEYSER. I am not aware of any time limit to speak on the amendments under the regular 5-minute rule.

The CHAIRMAN (Mr. PRICE of Illinois). The Chair might as well read the rule adopted in the House for the benefit of the membership so they will understand.

House Resolution 963 adopted in the House on March 12 provides in part:

> No amendment shall be in order to title I of said substitute except germane amendments which have been printed in the Congressional Record at least two calendar days prior to their being offered during the consideration of said substitute for amendment, and amendments offered by the direction of the Committee on Education and Labor, and neither of said classes of amendments shall be subject to amendment.

Under the provisions of the rule, the proponent of the amendment is to be allowed 5 minutes, and a Member in opposition to the amendment, 5 minutes.

Mr. PEYSER. Mr. Chairman, is that in the rule?

The CHAIRMAN. That is all of the debate on the amendment.

Mr. PEYSER. That any amendment offered is limited to a 5-minute debate, and no other Members may speak, even members of the committee?

The CHAIRMAN. With respect to title I amendments, that is true.

Mr. PEYSER. I must admit, Mr. Chairman, when I heard this debated, when the rule was debated, it was my understanding of the limitation exactly as the chairman stated it on the 2 days in the CONGRESSIONAL RECORD and that no other amendments could be offered unless they were committee amendments; but I do not recall anything being stated that there was to be only 5 minutes in favor of the amendment and 5 minutes in opposition. I was at the Committee on Rules, and I do not recall that being there at all.

The CHAIRMAN. The pertinent language in the rule is:

> Neither of said classes of amendments shall be subject to amendment.

Mr. PEYSER. Does the chairman mean we cannot speak in support of an amendment, a member of the committee cannot rise to speak in support of or in opposition to an amendment?

The CHAIRMAN. Under clause 5, rule XXIII, only one member may speak in opposition, and under Public Resolution 963, a pro forma amendment is in order only to the bill, not to an amendment.

Mr. PEYSER. I just want to be sure I understand this, Mr. Chairman. A member, be it a member of the committee or a Member of the House, under this rule cannot speak in support of or against this amendment after the 5 minutes on either side?

The CHAIRMAN. That is correct.

Mr. PEYSER. I must say, Mr. Chairman, that I supported that rule, and I thought that rule was going to be a fair rule, but to limit major debate of this nature to 5 minutes on either side is, to me, outrageous.

### PARLIAMENTARY INQUIRY

Mr. FRASER. Mr. Chairman, I have a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FRASER. The Chairman stated that a pro forma amendment to the bill was in order?

The CHAIRMAN. That is correct.

Mr. FRASER. Should not a pro forma amendment to the bill be considered in the nature of a perfecting amendment in order during the consideration of Mr. PEYSER'S amendment?

The CHAIRMAN (Mr. PRICE of Illinois). The Chair will state that a pro forma amendment would not be in order while the amendment is pending, because that would be considered as a perfecting amendment to the amendment under consideration.

Mr. FRASER. If the Chair would permit me to state, a pro forma amendment is offered to the bill rather than to an amendment. It seems to me it would not fall under the constraint which the Chair has placed on it.

The CHAIRMAN. Under the rules there can be only one perfecting amendment pending at a time, and a perfecting amendment is pending. Therefore, a pro forma amendment would not be in order.

The question is on the amendment to the committee substitute offered by the gentleman from New York (Mr. PEYSER).

The question was taken; and the Chairman announced that the "noes" appeared to have it.

### RECORDED VOTE

Mr. PEYSER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 87, noes 326, not voting 19, as follows:

[Roll No. 113]

AYES—87

Abzug
Addabbo
Annunzio
Ashley
Badillo
Barrett
Biaggi
Bingham
Brasco
Burke, Mass.
Carey, N.Y.
Chisholm
Collins, Ill.
Conable
Conyers
Cotter
Cronin
Daniels, Dominick V.
Davis, Ga.
Delaney
Dellums
Diggs
Dingell
Drinan
Dulski
Eilberg
Fish
Ford
Fraser
Giaimo
Gilman
Grasso
Green, Pa.
Grover
Hanley
Hanna
Harrington
Hastings
Heckler, Mass.
Helstoski
Hogan
Holtzman
Horton
Howard
Karth
Kemp
King
Koch
Lent
McEwen
McKinney
Madden
Maraziti
Metcalfe
Minish
Mitchell, N.Y.
Moakley
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Nix
Patten
Peyser
Pike
Podell
Quillen
Rangel
Rees
Reid
Riegle
Rinaldo
Robison, N.Y.
Rodino
Roe
Rosenthal
Rostenkowski
Sarasin
Seiberling
Steele
Stratton
Thompson, N.J.
Vander Veen
Walsh
Wolff
Wydler
Yates
Young, Ga.

NOES—326

Abdnor
Adams
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Arends
Armstrong
Ashbrook
Aspin
Bafalis
Baker
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biester
Blackburn
Boggs
Boland
Bolling
Bowen
Brademas
Bray
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Tex.
Conlan
Conte
Corman
Coughlin
Crane
Culver
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
Davis, S.C.
Davis, Wis.
de la Garza
Dellenback
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Donohue
Dorn
Downing
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gaydos
Gettys
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Griffiths
Gross
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hansen, Idaho
Hansen, Wash.
Harsha
Hawkins
Hays
Hébert
Hechler, W. Va.
Heinz
Henderson
Hicks
Hillis
Hinshaw
Holifield
Holt
Hosmer
Huber
Hudnut
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Ketchum
Kuykendall
Kyros
Lagomarsino
Landgrebe
Landrum
Latta
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lott
Luken
McClory
McCloskey
McCollister
McCormack
McDade
McFall
McKay
McSpadden
Macdonald
Madigan
Mahon
Mallary
Mann
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Mezvinsky
Michel
Milford
Miller
Mills
Mink
Mizell
Montgomery
Mollohan
Moorhead, Calif.
Morgan
Mosher
Moss
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
Obey
O'Brien
O'Hara
O'Neill
Owens
Parris
Pepper
Perkins
Pettis
Pickle
Poage
Powell, Ohio
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Railsback
Randall
Rarick
Regula
Reuss
Rhodes
Roberts
Robinson, Va.
Rogers
Roncalio, Wyo.
Rooney, Pa.
Rose
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stubblefield
Stuckey
Studds
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Vigorito
Waggonner
Waldie
Wampler
Ware
Whalen

White
Whitehurst
Whitten
Widnall
Wiggins
Williams
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wyatt
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—19

Blatnik
Carter
Chappell
Frelinghuysen
Gray
Hanrahan
Kluczynski
Lujan
Minshall, Ohio
Mitchell, Md.
Passman
Patman
Roncallo, N.Y.
Rooney, N.Y.
Sikes
Smith, N.Y.
Staggers
Teague
Wright

So the amendment to the committee substitute was rejected.

The result of the vote was announced as above recorded.

AMENDMENT TO THE COMMITTEE SUBSTITUTE OFFERED BY MR. O'HARA

Mr. O'HARA. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. The Chair will inquire of the gentleman, is this an amendment that was printed in the Record?

Mr. O'HARA. Yes, Mr. Chairman, the amendment was printed in the Record.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. O'Hara to the committee substitute: Page 9, beginning with line 18, strike out everything after "be" down through the period in line 21, and insert in lieu thereof the following: ": (A) from two-thirds of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection), but not more than $2,000,000,000, the product obtained by multiplying the number of children aged five to seventeen, inclusive, in the school district of such agency by 40 per centum of the amount determined under the next sentence, and (B) from the remaining one-third of such amount so appropriated, but not more than $1,000,000,000, the product obtained by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence."

Page 31, line 17, insert after "be" the following: ": from two-thirds of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection), but not more than $2,000,000,000, the product obtained by multiplying the number of children aged five to seventeen, inclusive, in Puerto Rico by 40 per centum of (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States, and, from the remaining one-third of such amount so appropriated, but not more than $1,000,000,000,".

Page 48, line 10, strike out "85" and insert in lieu thereof "90".

Mr. O'HARA (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. O'HARA. Mr. Chairman, last week all of the members of the committee received letters from me explaining this amendment.

Mr. Chairman, very briefly, what this amendment does is to distribute two-thirds of the title I money on the basis of the number of school-age children, and the other one-third of the title I money on the basis of the low income formula in the committee bill.

The theory of my amendment is that children who are having trouble in school ought to be helped by title I programs no matter what the income of their families might be.

It seems to me that if a kid has a problem in school, a persistent reading problem or some other academic problem, his family's income is irrelevant. If he needs help, he ought to receive help.

The amendment that I am offering is based on surveys by the U.S. Office of Education, which demonstrate that two-thirds of all the children in the United States with persistent reading problems come from families with incomes above $3,000 a year.

If two-thirds of all children having persistent reading problems come from families with incomes above $3,000 a year, the title I formula ought to take this into account.

Now, obviously, Mr. Chairman, some States would get more money under my formula, and some would get less. Within States there may be additional variations, as between the two formulas.

I have sent all of the Members information about allocations to their States under my amendment, as compared to the committee bill, and I have sent to all of the Members information about the allocations of their counties, as compared with the committee bill.

If anyone missed that letter or may have misplaced it, the charts on the far end of the committee table on the majority side show State and county allocations. You are welcome, of course, to check those charts if you wish to do so.

The following States would get more title I funds under my amendment: Alaska, Colorado, Connecticut, Delaware, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Utah, Vermont, Washington, Wisconsin, Wyoming, and the District of Columbia.

Mr. Chairman, I have two amendments which are logically related to one another, but I am offering them separately. The amendment I am offering now relates only to the formula allocation under title I. Later on I may offer an amendment which spells out a requirement that these funds be used for educational remediation on those children who are failing to keep pace with their age group—the potential dropouts—without regard to the income level of the family from which the children come.

I think my amendment makes sense from an educational point of view, because it tries to identify those children that need help and gives the help to those children.

It has been suggested by some of those who oppose my amendment that I am proposing general aid to education. As a matter of fact, I have supported general aid to education from time to time, but I am not proposing it in this amendment. As a matter of fact, the way title I now reads, general aid is provided to some districts. Under the way the bill would read if my two amendments are adopted, this one and one which I intend to offer later on, funds can be used only for remedial education of those children who are not keeping pace with their age group.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. O'Hara was allowed to proceed for 2 additional minutes.)

Mr. ESCH. Will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Michigan.

Mr. ESCH. I appreciate the gentleman yielding.

I want to compliment him on his amendment and emphasize that by asking two questions.

The purpose of the gentleman's amendment is to put the dollars here where the children are in the country. Is that correct?

Mr. O'HARA. That is correct.

Mr. ESCH. And second, with the second amendment, the gentleman will use those dollars to aid those children who are the slow learners and those who really need assistance?

Mr. O'HARA. That is correct. They are two separate amendments.

Mr. ESCH. If we are really interested in aiding the children with educational deficiencies and putting the money where the children are, then we should support the amendment offered by the gentleman from Michigan (Mr. O'Hara) which I am pleased to do, and I commend the gentleman for offering it.

Mr. O'HARA. I thank the gentleman.

I now yield to the gentleman from Michigan (Mr. Ford).

Mr. FORD. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I commend my good friend the distinguished gentleman from Michigan (Mr. O'Hara) for offering his amendment. This amendment would allocate Federal education funds according to actual educational need rather than according to poverty, and it would get the Federal money out to where the schoolchildren are.

The way this program is presently being administered and the way it is expected to be administered under the bill before us, a means test would be ultimately applied to children and they would be branded as the children of poor parents as a condition to access to educational opportunity.

Mr. Chairman, we are not writing a poverty bill today. We are writing legislation to provide Federal funds for education. The title I formula is supposed to be directed at correcting educational deficiencies among educationally deprived children—and "educationally deprived" does not necessarily imply that a child's parents are in any particular income bracket.

Under the O'Hara amendment two-thirds of the funds available under title I would be distributed directly to local school districts based upon the number of school-age children in the district. The local district would then have the freedom to provide educationally deprived children with educational assistance regardless of the income of their parents.

Mr. GAYDOS. Will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Pennsylvania.

Mr. GAYDOS. Mr. Chairman, I rise in support of the amendment offered by the gentleman.

Mr. Chairman, after hearing the many hours of debate both in the Committee on Education and Labor, of which I am a member, as well as on the floor of the House, with respect to the formula for title I allocation, I have come to the conclusion that the chances of ever arriving at a formula based on the poverty components in the committee bill which will be satisfactory to a substantial majority of the Members of the House are indeed dim if not impossible.

I certainly can sympathize with my colleagues from New York who have been so forceful and articulate in expressing their opposition to the title I formula in the committee bill. On the other hand, I can certainly understand the concern of the supporters of the title I of the committee bill who feel that schools in the districts which, in their opinion, have heretofore received an inequitable share of title I funds will now receive their equitable share.

The main defect in the committee proposal for the title I formula appears to be the inclusion of AFDC children as one of the criteria. The inequity of this is pointed out most vividly in the wide disparity between States both in the number of families on AFDC as well as the monthly payments made to families. For example, while New York has 7.4 percent of the total number of schoolchildren in the country and Texas 4.5 percent, in the past 8 years, New York has added 564,248 AFDC children to its total count of title I eligible children, while Texas has added only 81,854 children. Whereas the average monthly payment to an AFDC family in New York amounts to $284.76, it amounts to only $52.94 in Mississippi.

Accordingly, Federal administrators of the AFDC who testified before the committee urged AFDC statistics not be used in distributing funds.

I suggest that now is the time to reexamine the purpose and results of title I programs to date and establish a new formula that will most equitably allocate funds to the children who are educationally disadvantaged. I agree with my distinguished colleague from Michigan (Mr. O'HARA) that the bill before the House is not a poverty bill but an educational bill. Its purpose should be to assist educationally deprived children and no to extricate people from poverty. Accordingly, we should focus our attention on the needs of children rather than on the financial status or straits of their parents.

Admittedly, statistics indicate that there is a certain correlation between educational deprivation and economic deprivation, but the Office of Education reports that two-thirds of children having persistent reading problems are from families with incomes in excess of $3,000 per year and that three-fourths of children having persistent academic problems other than reading are from families making more than $3,000 per year.

In my opinion, the formula which is set forth in the amendment offered by my colleague, Mr. O'HARA, appears to be a step in the right direction. By allocating two-thirds of title I funds on the basis of school age population, the local school districts would then be able to use Federal funds for the educationally disadvantaged regardless of whether their family financial status would meet the requirements of the title I formula in the committee bill.

It should be borne in mind that the committee bill as it now stands does provide local school districts with the option of waiving the poverty requirement regarding the selection of title I schools, "and allows the school districts to choose the schools using other means of determining educational disadvantagement, such as transciency rates, the numbers of children with limited English-speaking ability, or assessments of educational disadvantagement, or any other combination of such factors," provided that (1) such change is approved by the districtwide parental advisory council required by the Commissioner pursuant to the General Education Provisions Act, and (2) that "the means adopted must provide that the funds are concentrated in schools having concentrations of educationally disadvantaged children."

The thrust of the O'Hara amendment is to expand this concept so that aid to the educationally disadvantaged child would be the rule and not the exception.

To allay any fears that complete elimination of the poverty factor in the allocation formula will discriminate against educationally disadvantaged children from poor families, the O'Hara amendment does provide that one-third of title I funds will be allocated on the basis for the title I formula in the committee bill.

I intend to support the O'Hara amendment to title I of the bill and urge my colleagues to support it as the most equitable formula to allocate funds under title I of the bill.

Mr. MYERS. Will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS. May I ask the gentleman, is he offering these two amendments en bloc, or is one amendment offered on the other or each one of them to be individually considered now?

Mr. O'HARA. I think they logically fit together, but I am offering them separately and each will stand on its own merits.

The amendment before us has to do with the formula allocation.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. MYERS, and by unanimous consent, Mr. O'HARA was allowed to proceed for 2 additional minutes.)

Mr. MYERS. Mr. Chairman, if the gentleman will yield further, if this amendment should be defeated then could the second amendment proposed by the gentleman from Michigan be offered?

Mr. O'HARA. Yes; the next amendment could be offered, although I did not make my plans on the basis of this amendment being defeated. I am not sure I would offer it if this amendment were defeated.

Mr. MYERS. One further question: If the gentleman will yield still further, this amendment does not add additional funds to this bill, it merely reallocates them according to the children and to their need?

Mr. O'HARA. That is right, the authorization is the same, there is no extra money under my amendment.

Mr. MYERS. I thank the gentleman.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I notice under the amendment offered by the gentleman from Michigan (Mr. O'HARA) that the State of Illinois gets approximately $4 million more under the formula proposed by the gentleman from Michigan as opposed to the formula presented in H.R. 69. And under the present distribution under the ESEA $3 million of that $4 million goes into Du Page County, which I represent. I find that exceedingly strange because Du Page County is the fourth wealthiest county in the United States in terms of per capita income, and we have less than 1 percent of nonwhite population.

I wonder how this formula could pump $3 million into Du Page County when we get now only $500,000. I would think if there ever was a county that had their own resources based on per capita income, and very few problems based on very few low-income families, that this would be the last county under anybody's formula to get such a large increase. Could the gentleman explain why that is so?

Mr. O'HARA. Mr. Chairman, I would be happy to do so.

Mr. Chairman, my formula would distribute two-thirds of the money on the basis of the number of school-age children, and one-third on the basis of low-income, low-family incomes. The one-third being designed to give additional attention to those school attendance areas with the highest number of low-income children, but recognizing the fact that two-thirds of all the children with persistent reading problems, and three-fourths of those children with persistent problems other than reading are not from low-income families. My amendment does recognize that fact. It does shift funds around within a State. The county represented by my friend, the gentleman from Illinois (Mr. ERLENBORN) would benefit but so would the

Illinois counties represented by Mr. McClory, Mr. Arends, Mr. Anderson, Mr. Railsback, Mr. Findley, Mr. Madigan, Mr. Michel, and Mr. Shipley.

**Mr. ERLENBORN.** I take it it is pure happenstance that one Democrat happens to be helped by this amendment in Illinois?

**Mr. O'HARA.** I might say to the gentleman from Illinois that I find it complicated enough to work with the formula without worrying about party politics.

**Mr. DELLUMS.** Mr. Chairman, will the gentleman yield?

**Mr. O'HARA.** I yield to the gentleman from California.

**Mr. DELLUMS.** Mr. Chairman, I have a "dear colleague" letter signed by the chairman, the gentleman from Kentucky (Mr. Perkins), the gentleman from Minnesota (Mr. Quie), the gentleman from Indiana (Mr. Brademas), and the gentleman from California (Mr. Bell), wherein it is pointed out that in Oakland, Calif., which is the largest metropolitan area in that district, under this formula our school district would receive $2.9 million, and under this committee bill, $4.6 million. Is this typical with respect to the gentleman's formula that these large metropolitan cities around the country would receive less money as opposed to more money to provide education under title I?

**Mr. O'HARA.** No; it is not typical. It varies from place to place. For instance, New York City would get more funds under my amendment than under the committee bill, although not as much as they would have gotten under the Peyser amendment.

I do not have many city figures but under my amendment, for instance, Milwaukee County would get more. In Missouri, St. Louis County gets more under my amendment than under the committee bill.

The **CHAIRMAN.** The time of the gentleman has again expired.

**Mr. PERKINS.** Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan (Mr. O'Hara).

Mr. Chairman, first let me state that this would be a sad day in this country in my judgment if we jerked the rug out from under the disadvantaged children that are presently receiving the benefits in the title I program.

That is exactly what the O'Hara amendment does in this instance. It takes into consideration, as he stated, distribution of the money, two-thirds on the basis of the school population in the country and one-third under H.R. 69; but by that two-thirds we make a suburban bill out of the whole situation. Naturally, we have disadvantaged kids in higher-income groups, but the real disadvantaged youngsters are in the low-income group.

Many studies have shown a high correlation between low income and doing poorly in school: 60 percent and 70 percent in many studies. Then we have isolated cases in all families of this Nation, regardless of their station in life, and regardless of the income of the families of children who have problems. But those are not the most severely disadvantaged children.

Some day I should like to see a general aid bill passed. The amendment offered by the gentleman from Michigan is nothing more or less than a general aid formula to take care of all of the areas of the country, but it will completely do grave injustice to the children that we are serving in the country, and any general aid bill should come on top of the disadvantaged bill.

**Mr. BRADEMAS.** Mr. Chairman, will the gentleman yield?

**Mr. PERKINS.** I yield to the distinguished gentleman from Indiana (Mr. Brademas).

**Mr. BRADEMAS.** I thank the Chairman for yielding.

I might say, Mr. Chairman, that a comparison of the estimated allocations under the committee formula and the O'Hara amendment shows how title I funds will be shifted from urban areas to wealthier suburban school districts:

Under the O'Hara amendment the State of Maryland receives $5.1 million more than it does under H.R 69. More than one-half of the increase is in one county, Montgomery, which also happens to be the wealthiest in the Nation. Baltimore City with many more children in need of title I services would receive $2.4 million less than under H.R. 69 and $1.3 million less than in 1974.

Under the O'Hara amendment the home State of the author (Michigan) would receive $4.8 million more than under H.R. 69. There would be about a $5.6 million increase going to Macomb and Oakland Counties, 2 of the 20 richest counties in the Nation, while Wayne County, which houses the city of Detroit, would get $4.4 million less than under H.R. 69.

Under the O'Hara amendment Illinois receives about $90 million in LEA grants. While the State as a whole gains, Cook County actually loses over $6 million and falls $5 million below the amount received in 1974 while Du Page and Lake Counties, two of the wealthiest in the Nation, gain $4.6 million.

In New York State three of the most urbanized counties: the Bronx, Kings, and New York County, will lose 10 percent of their 1974 levels; while three of the country's richest counties all gain. Nassau County is up 50 percent, Rockland is up 54 percent, and Westchester is up 5 percent.

In Virginia, which as a whole receives $2.8 million less under the O'Hara amendment, the amounts received by Fairfax and Arlington Counties increase 150 percent and 81 percent, respectively, while Norfolk and Richmond each lose the 10 percent maximum permitted under the O'Hara amendment. The increase in Fairfax and Arlington totals over $2 million.

It does seem to me, Mr. Chairman, that the effect of the amendment of the gentleman from Michigan goes contrary to the fundamental purpose of the title I program; namely, to provide education funds where they are needed by children.

**Mr. QUIE.** Mr. Chairman, will the gentleman yield?

**Mr. PERKINS.** I yield to the distinguished gentleman from Minnesota (Mr. Quie).

**Mr. QUIE.** I thank the Chairman for yielding.

Mr. Chairman, I think the story is sort of evolving here. The gentleman from Illinois (Mr. Erlenborn) indicated that his district, Du Page County, Ill., would get $3 million additionally. It jumps from $½ million to $3½ million. And Cook County loses $6 million. We know there must be something wrong with the formula, as the gentleman from Indiana has indicated, when the State of Virginia in counties nearby loses $2.8 million under the O'Hara formula, but Fairfax and Arlington Counties get 150 percent increases. That means all those poor counties where the poor kids are, who do not have the advantage of the kind of education which those in Arlington and Fairfax Counties have, lose money. That just cannot be fair.

The gentleman from Michigan is onto one point, that the poverty formula does not accurately designate who is educationally disadvantaged, but the O'Hara formula is farther off the mark. The only way to get to the mark is if we could have an assessment to find out who is actually disadvantaged.

That capability is not available to us now so there is no way we can do it. So I join with the gentleman from Kentucky in urging that we vote down the O'Hara amendment and stay with the committee amendment.

The **CHAIRMAN.** The time of the gentleman from Kentucky has expired.

(On request of Mr. Meeds, and by unanimous consent, Mr. Perkins was allowed to proceed for 3 additional minutes.)

**Mr. MEEDS.** Mr. Chairman, will the gentleman yield?

**Mr. PERKINS.** Mr. Chairman, before I yield to the distinguished gentleman from Washington, first let me state that Fairfax County goes up from $1,207,000 to $2,773,000 and Montgomery County, Md. goes from $1,427,000 to $3,787,000. That is the pattern of the O'Hara amendment.

I yield now to the distinguished gentleman from Washington (Mr. Meeds).

**Mr. MEEDS.** Mr. Chairman, I am sure the gentleman in the well would agree with me that this formula of the gentleman from Michigan does complete violence to the purpose of this act.

**Mr. PERKINS.** That is right.

**Mr. MEEDS.** Section 101 sets out in the bill the classes of special educational needs of children of low-income families and the impact that concentrations of low-income families have on the ability of local educational agencies to support adequate educational programs and so the Congress hereby declares it to be the policy, and so on, and this is a direct quotation of the purpose of this act. It is not just to aid the educationally disadvantaged children because they are educationally disadvantaged but because there are concentrations of educationally disadvantaged children who because of those concentrations are becoming further educationally disadvantaged.

**Mr. PERKINS.** The gentleman is exactly right.

Mr. WOLFF. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New York (Mr. WOLFF).

Mr. WOLFF. Mr. Chairman, it seems to me most of the conversation about this amendment has been about how much money would the individual counties get. Are we not talking about the kids and how much money will go to those disadvantaged children? When we talk about one county getting 150 percent or another county getting less by 3 percent, is it not the desire of Members to see to it that the money goes where the kids are? Unfortunately, under what happens with the committee bill, it does not follow.

Mr. PERKINS. The gentleman is incorrect altogether. We want to put the money where the kids are. That is the trouble with some of the amendments that have been offered today, but here we are trying to take care of the poorest of the poor, and before we go out into the more affluent areas we first should take care of the poorest of the poor where we have a great concentration of disadvantaged children, and our formula does just that.

Mr. WOLFF. But is it not true the formula is based entirely on the Orshansky formula which takes only one point into consideration?

Mr. PERKINS. No, it is not. The Orshansky does not do that. The Orshansky is the most fair poverty formula in my judgment that has ever been devised and it has been adopted by many other Government agencies in this Government. But the committee bill also counts AFDC children above $4,250. And I might point out to the gentleman from New York that almost all of those children are in the wealthiest States.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Michigan.

Mr. O'HARA. Mr. Chairman, I thank the gentleman for yielding. Under the committee bill do not some States get three times as much on school aid to children as some other States? Under my amendment there would still be a difference but only a difference to 2 to 1, from the highest to the lowest, so in terms of relationship to the actual number of kids I would reduce some of the disparity that is now seen.

Mr. PERKINS. Let me say to the gentleman that he would increase the disparity tremendously by placing the money in the wealthy areas of the country, and all we have to do is pick out any wealthy county we want to suggest in the United States and we will find that money is taken from the poorer counties and is going to the wealthier counties.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

(On request of Mr. O'HARA, and by unanimous consent, Mr. PERKINS was allowed to proceed for 3 additional minutes.)

Mr. PERKINS. Mr. Chairman, before I yield further let me state about the amendment offered by the gentleman from Michigian (Mr. O'HARA), that if we were going to a general aid bill taking into consideration all the children in the country then naturally we should support the O'Hara amendment, but in trying to adopt the O'Hara approach to title I it would then change the course of the legislation and would absolutely destroy a program that has performed over a period of years, and we would have the money scattered and taken from the school districts that really needed it—in the poorer districts—and given out to the suburban areas.

We would see tremendous injustice done to the poorest of the poor in this country. It would be my hope that the entire membership of this committee would vote against the O'Hara amendment. Until the day comes that we want to go to general aid, we should not count the two-thirds of all the children unless we have the money to do that job.

As we know, with funds limited, the poorest of the poor come first. That is the difference between H.R. 69, the formula in that bill, and the amendment proposed by the gentleman from Michigan. It is my hope that all members of the committee will vote down the O'Hara amendment.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Michigan (Mr. O'HARA) to the committee substitute.

The question was taken; and the Chair announced that the noes appeared to have it.

Mr. O'HARA. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. O'HARA. Mr. Chairman, I withdraw my point of order that a quorum is not present.

The CHAIRMAN. The gentleman withdraws his point of no quorum.

### RECORDED VOTE

Mr. O'HARA. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 103, noes 312, not voting 17, as follows:

[Roll No. 114]

AYES—103

Abzug
Adams
Addabbo
Armstrong
Aspin
Badillo
Biaggi
Bingham
Boland
Brasco
Bray
Broomfield
Brotzman
Brown, Mich.
Broyhill, Va.
Carey, N.Y.
Cederberg
Chamberlain
Chisholm
Clancy
Cotter
Cronin
Culver
Davis, Wis.
Delaney
Dennis
Devine
Dingell
Donohue
Dulski
Esch
Ford
Fraser
Gaydos
Giaimo
Gilman
Grasso
Griffiths
Grover
Gude
Guyer
Hanley
Helstoski
Hillis
Hogan
Holt
Holtzman
Howard
Huber
Hudnut
Karth
Kastenmeier
Kemp
King
Koch
Landgrebe
Latta
Lent
Luken
McCollister
McKinney
Macdonald
Matsunaga
Mayne
Melcher
Mezvinsky
Minish
Mink
Mitchell, N.Y.
Mosher
Murphy, N.Y.
Myers
Nedzi
O'Hara
Parris
Patten
Podell
Powell, Ohio
Rangel
Riegle
Rinaldo
Roe
Roncalio, Wyo.
Rosenthal
Roush
Roy
Ryan
St Germain
Sarasin
Stanton, J. William
Stanton, James V.
Steele
Stratton
Sullivan
Thone
Tiernan
Towell, Nev.
Vander Veen
Walsh
Wolff
Wydler
Wylie
Yatron

NOES—312

Abdnor
Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Ashley
Bafalis
Baker
Barrett
Bauman
Beard
Bell
Bennett
Bergland
Bevill
Biester
Blackburn
Boggs
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brooks
Brown, Calif.
Brown, Ohio
Broyhill, N.C.
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Chappell
Clark
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collier
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Coughlin
Crane
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Dellenback
Dellums
Denholm
Dent
Derwinski
Dickinson
Diggs
Dorn
Downing
Drinan
Duncan
du Pont
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Frenzel
Frey
Froehlich
Fulton
Fuqua
Gettys
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Green, Oreg.
Green, Pa.
Gross
Gubser
Gunter
Haley
Hamilton
Hammerschmidt
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Henderson
Hicks
Hinshaw
Holifield
Horton
Hosmer
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kazen
Ketchum
Kuykendall
Kyros
Lagomarsino
Landrum
Leggett
Lehman
Litton
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McKay
McSpadden
Madden
Madigan
Mahon
Mallary
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mazzoli
Meeds
Michel
Milford
Miller
Mills
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Moss
Murphy, Ill.
Murtha
Natcher
Nelsen
Nichols
Nix
Obey
O'Brien
O'Neill
Owens
Passman
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price, Ill.
Price, Tex.
Pritchard
Quie
Quillen
Railsback
Randall
Rarick
Rees
Regula
Reid
Reuss
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Rogers
Rooney, Pa.
Rose
Rostenkowski
Rousselot
Roybal
Runnels
Ruppe
Ruth
Sandman
Sarbanes
Satterfield
Scherle
Schneebeli
Schroeder
Sebelius
Seiberling
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Spence
Staggers
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stubblefield
Stuckey
Studds
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson, N.J.
Thomson, Wis.
Thornton
Treen
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik

Veysey
Vigorito
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles H., Calif.
Wilson, Charles, Tex.
Winn
Wright
Wyatt
Wyman
Yates
Young, Alaska
Young, Fla.
Young, Ga.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Zwach

### NOT VOTING—17

Blatnik
Frelinghuysen
Gray
Hanrahan
Kluczynski
Metcalfe
Minshall, Ohio
Mitchell, Md.
Patman
Rhodes
Roncallo, N.Y.
Rooney, N.Y.
Sikes
Smith, N.Y.
Teague
Williams
Zion

So the amendment to the committee substitute was rejected.

The result of the vote was announced as above recorded.

### AMENDMENT OFFERED BY MR. PEYSER TO THE COMMITTEE SUBSTITUTE

Mr. PEYSER. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. Is this an amendment that was previously printed in the RECORD?

Mr. PEYSER. Yes, it was.

The Clerk read as follows:

Amendment offered by Mr. PEYSER to the committee substitute: Page 28, beginning with line 10, strike out everything down through line 11, page 36, and insert in lieu thereof the following:

SEC. 102. Section 103 of title I of the Act is amended to read as follows:

SEC. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 1 per centum, of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition, he shall allot from such amount to the Secretary of the Interior—

(i) the amount necessary to make payments pursuant to subparagraph (B); and

(ii) the amount necessary to make payments pursuant to subparagraph (C).

The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(C) The maximum amount allotted for payments to the Secretary of the Interior under clause (ii) in the third sentence of subparagraph (A) for any fiscal year shall be the amount necessary to meet the special educational needs or deprived Indian children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, as determined pursuant to criteria established by the Commissioner. Such payments shall be made pursuant to an agreement between the Commissioner and the Secretary containing such assurances and terms as the Commissioner determines will best achieve the purposes of this part. Such agreement shall contain (1) an assurance that payments made pursuant to this subparagraph will be used solely for programs and projects approved by the Secretary of the Interior which meet the applicable requirements of section 13(a) and that the Department of the Interior will comply in all other respects with the requirements of this title, and (2) provision for carrying out the applicable provisions of sections 181(a) and 183(a)(9).

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State except that if the average per pupil expenditure in the State is less than the average per pupil expenditure in the United States, such amount shall be the average per pupil expenditure in the United States, or if the average per pupil expenditure in the State is more than 130 per centum of the average per pupil expenditure in the United States, such amount shall be 130 per centum of the average per pupil expenditure in the United States, multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) all of the number of children in the school district of such agency who are aged five to seventeen, inclusive and who are in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purpose of this part.

(4) The grant which Puerto Rico shall be eligible to receive under this part for a fiscal year shall be the amount arrived at by multiplying the number of children counted under subsection (c) by (i) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 130 per centum of the average per pupil expenditure in the United States.

(5) For purposes of this subsection, the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a).

(1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children in the school district of such local educational agency shall be at least ten.

(2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.

(3) In any case in which a county includes a part of the school district of local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 40 per centum and the "low-income factor" shall be $3,750 for each fiscal year of this Act, except that no county shall receive less than 100 per centum of the amount they have received for the previous fiscal year.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce. At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the programs of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination.

When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income of less than the low-income factor (established pursuant to subsection (c)) in each country or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent chldren.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures during the second fiscal year preceding the fiscal year for which the computation is made (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6) (A) in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

Renumber all following sections accordingly, and on page 48, line 10, strike "85" and insert in lieu thereof "100".

Mr. PEYSER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. PEYSER. Mr. Chairman, I am offering another amendment at this time that brings about a considerable change over the amendment I previously offered on the floor.

This amendment reduces the $4,000 level to $3,750.

Mr. Chairman, this amendment puts a limit on the amount of credit given these States who expend far more than the national average. In this case, the State of New York is severely affected in that New York expends 150 percent of the national average. Under this proposal it is limited to 130 percent.

Mr. Chairman, there are some significant facts that the Members should know. We have heard my good friend, the gentleman from Indiana, reel off a number of States that he says would lose money under my amendment. The gentleman was referring to the first year of the committee bill, and not at the time the Orshansky formula takes affect I think it is important to realize that we are talking not about a 1-year bill, but a 3-year bill.

The net effect of the proposed amendment is to level out the moneys going into the metropolitan areas and redistributing it among smaller communities. The cities will benefit by the 100 percent hold-harmless as well as all other areas of the country. This is the equivalent of a $10 million loss for the city of New York, but, nevertheless I feel that this is the best we can do in the House not only for New York City but every other urban area. I wish it were possible to go over with each Member at this time and show them the impact, the impact here is that over 190 congressional districts will gain in this formula over the previous formula. One hundred and ninety districts will gain over the committee bill. The gain is based not on the first year alone, but on the first 3 years.

I am not questioning anybody's motives on this floor as to what has been said before. I am convinced everyone wants to get money for the children of our country. We are simply waging a fight to get money to the poorer areas, the poorer areas should not be made to suffer. Under the committee bill these areas are definitely losing out far beyond what they should be losing.

I think the Members will recall the figures we gave before that showed many small communities with either no growth in population, or a loss in population gain anywhere from 100 to 250 percent. This has to be wrong.

We cannot let a program go in that puts the money and rewards areas—and I am not even convinced these little areas want this kind of money because their programs and their children are not there. We are simply going to force them to create new programs that they are not even asking for at this point, with this additional money.

I ask the Members to give serious consideration to this. It is a major step-up for most of these suburban and rural areas. The net result of the 100-percent hold-harmless is that nobody will lose. Out of the 401 counties who lose in the committee bill, there will not be a county to lose under this proposal.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this formula carries the same inequities. It is an unfair formula. It provides 100-percent hold-harmless. That means one would still use the 1960 census information. Any time we use 100-percent hold-harmless, we stay with 1974, which used a hold-harmless. In fiscal year 1974 we held every State harmless 100 percent from what they were in 1973. All of this means that we are using the 1960 census as a basis for the formula.

If the Peyser amendment is agreed to, we will continue to pay for kids that were in those school districts back in 1960. Not only are they not in school any more, but there has been a dramatic shift around the country. Some school districts have had a reduction in the number of poor kids; some have had a reduction in the total number of kids in their schools. Why pay teachers to teach children who are not there? It just does not make sense.

In our formula we protect against any kind of a rapid change in money by putting in an 85-percent hold-harmless, and that ought to be adequate, so the adjustments can be made in the schools. Mr. Peyser's amendment also goes away from the Orshansky formula. Before it discounted every family who had a size of five or more. Now it discounts those above four, so that it is just a more inequitable formula than the other one that was offered. I cannot see how any Member can go for this formula. It is worse than the one before.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from California.

Mr. BELL. I thank the gentleman for yielding.

I should like to point out that the Members from New York keep referring to the millions or more youngsters in New York. Actually that is not true. California has 4.9 million children and New York has 4.3 million children; yet New York is getting $200 million under the H.R. 69 formula and California is getting $153 million, so New York does better under this formula than they seem to believe.

Mr. QUIE. I will say to my colleague, the gentleman from California, that under the other Peyser amendment New York would get $120 million more than California. Under this one they will get $102 million more than California. As we indicated, we have as many poor kids in California as in New York.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Indiana.

Mr. BRADEMAS. I thank the gentleman for yielding.

I would just observe that under the gentleman's present amendment his State would get $45 million more in total than under the committee bill. Of course, if that happens, other States and communities will lose. Among the counties that will be losing are the ones that do have concentrations of poor children also, like Chicago, Los Angeles, Detroit, Houston, Milwaukee, San Francisco, San Antonio, St. Louis, Memphis, New Orleans, Phoenix, Jacksonville, Pittsburgh, and Denver. It seems to me this is another version of the amendment just defeated, and I hope that it will again be defeated.

Mr. QUIE. Yes. I would say that I

voted against the other one, and I would vote against this one.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the distinguished gentleman from Kentucky.

Mr. PERKINS. I thank the gentleman for yielding.

The Peyser amendment would enable New York State to pick up $40 million here; am I correct?

Mr. QUIE. A little more than that.

Mr. PERKINS. I personally do not object to any State getting as much money as they possibly can, but here we have the built-in inequity of AFDC during the 1974 appropriations. Am I correct?

Mr. QUIE. The gentleman is right. The inequitable formula that is presently law would continue to get worse.

Mr. PERKINS. If the purpose of this bill is to serve the poorest of the poor, then this plays into the hands of the wealthier States. They can make the highest AFDC payments, and this gets away from the principle of uniformity.

Mr. QUIE. The gentleman is correct.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

Mr. Chairman, could this be described as the wolf-in-sheep's-clothing amendment?

Mr. QUIE. The gentleman could be correct.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. PEYSER) to the committee substitute.

The question was taken; and on a division (demanded by Mr. PEYSER) there were—ayes 17, noes 73.

So the amendment to the committee substitute was rejected.

### AMENDMENT OFFERED BY MR. LANDGREBE TO THE COMMITTEE SUBSTITUTE

Mr. LANDGREBE. Mr. Chairman, I offer an amendment to the committee substitute.

The Clerk read as follows:

Amendment offered by Mr. LANDGREBE to the committee substitute: Page 50, line 25, insert "(1)" immediately after "(d)".

Page 51, immediately after line 2, insert the following new paragraph:

(2) Section 144(a)(1) (as redesignated by section 109 of this Act) of title I of the Act is amended by adding at the end thereof the following new sentence: "There is authorized to be appropriated to carry out this title, not to exceed $1,810,000,000 for the fiscal year ending June 30, 1974, $1,357,500,000 for the fiscal year ending June 30, 1975, $905,000,000 for the fiscal year ending June 30, 1976, and $452,500,000 for the fiscal year ending June 30, 1977.".

Mr. LANDGREBE. Mr. Chairman, little did I think, when I introduced my "freer education" bill last October that I would get the kind of result which I have gotten. Little did I know I would receive over 1,500 letters from more than 40 States. Little did I realize that I would have editorials in the major newspapers across this country and in many pamphlets and magazines.

Little did I realize that I would have so many professional educators, superintendents, and principals of schools, teachers and school board members and the president of the Association of State Boards of Education—writing to me and encouraging me to really be positive about phasing out Federal control of education.

Little did I realize that we would see, this winter in this cold weather, the mothers and fathers come out to express their concern for what is happening to the education of our boys and girls. Little did I realize the numbers of surveys and studies of education that were going to be exposed or presented to the people of this country showing what a horrible failure those Federal education programs have been over this decade.

I did not realize even how bad education was myself until I saw some of these surveys and studied them and heard parents express their concerns about what Federal intervention and Federal regulation are doing to the boys and girls in our schools.

Mr. Chairman, this amendment would phase out the education funding over a 4-year period. I understand that there will be amendments offered that would provide for alternative funding at the State level through changes in the tobacco laws.

However, from 1961 to 1972 school spending in the United States rose from $17 billion to $48.6 billion, a 186-percent increase, while the students in our schools increased by only 26 percent; yet the Scholastic Aptitude Test scores, taken by high school seniors, have declined every year for the last 10 years.

We have heard a great deal about Watergate and the effects on the elections. Let me tell my dear colleagues that this education bill and the way we deal with it today is going to have a very major effect on some of our elections this year, because people are stirred up and they simply are not going to take any more of this psychological testing, this atheistic humanism.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield for a question?

Mr. LANDGREBE. I will not yield to the gentleman from Indiana.

In addition, this act has led to far too much control of Federal education. It has created a vast bureaucracy that operates out of public view and control. In fact, we have indications that the administrative cost is approximately 26 percent. In other words about $470 million of the $1.8 billion spent on title I in 1973 was absorbed by the Federal bureaucracy.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. LANDGREBE was allowed to proceed for an additional 5 minutes.)

Mr. LANDGREBE. Mr. Chairman, I think it is time to mandate the welfare experts to handle the problems of poverty and to have our educators concentrate once more on educational problems.

I know of no study that indicates a direct relationship between the income level of parents and the learning ability of their children.

I did not realize that Time magazine would be concerned about the drop in our education levels when I introduced my bill in October, nor did I ask for the article this month in the April issue of Reader's Digest.

This article says that there are some 7 million schoolchildren who have severe reading problems. There are 7 million school youngsters who have severe reading problems, even though we are spending 186 percent more dollars on education than we did years ago.

The Louis-Harris survey found in 1971 that close to 19 million Americans over the age of 16 have difficulty with minimum reading ability.

Mr. MADDEN. Mr. Chairman, will my good friend and neighbor from Indiana yield?

Mr. LANDGREBE. I have not yielded, Mr. Chairman.

Mr. MADDEN. Mr. Chairman, we cannot hear him. I make a point of order.

Mr. Chairman, I think the House should be in some order here, because I have not heard a speech advocating phasing out Federal aid to education in 40 years, and I want to hear what the gentleman is saying.

Mr. LANDGREBE. Mr. Chairman, I did not anticipate such a cooperative mood from my colleague from Indiana, since we did not get along quite that well before the Rules Committee a few weeks ago, but regardless of that, this article in Reader's Digest indicates that the Scholastic Aptitude Test, which is taken each year by a million high school students, shows that for 10 straight years the average score has been dropping, and over the past decade it has dropped 35 points, or about 7 percent.

I could read the magazine to the Members longer, but I think that is rather conclusive and speaks for itself. I am really, honestly concerned about what is happening to education in America, and I am a strong advocate of good education.

I am not, however, particularly a strong advocate of throwing money in every direction. During the short time I have been a Member of this Congress, the interest on our national debt alone has risen from $14 billion to an anticipated $29 billion for fiscal year 1975.

Mr. Chairman, we are simply going to have to at some point face up to the fact that we might run out of borrowing power.

What is happening out in the States? The Governor of California, Ronald Reagan explained that they are returning to the taxpayers in a one shot deal $800 million. They have got money running out of their ears out there in the beautiful State of California.

In Indiana, when the present Republican administration took over from another Republican administration, there was $100 million of money in the State treasury. Since that time, we have increased the sales tax from 2 to 4 percent. I cannot believe that Indiana cannot well afford to educate its kids. In fact, for every dollar Indiana gets from the Federal Government, we are paying $1.60 for it to start with.

I am concerned about how in America we can get out of the situation. The quicker we get the Feds out of this business of education, the better off we will be.

Mr. Chairman, I urge the Members to vote for my amendment.

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not intend to take 5 minutes, because I do not feel at this time, at this late stage of the game, it is necessary to argue that long about whether or not we should be phasing out what all experts consider to be probably the best Federal aid to education program that we have. The report of Berke and Kirst noted that—

> As a fiscal device . . . it (being the elementary and secondary education act) (is) . . . an immense success.

Unquestionably, the program does provide substantial amounts of additional assistance to school districts with the greatest financial need. In fact, Mr. Chairman, Berke and Kirst's study of school finance concluded that title I's "record is clearly the best of any program in American educational finance."

The largest study of American school finance ever funded by the U.S. Office of Education reached much the same conclusion, Mr. Chairman. It said that the study which they conducted recognized the potential of title I, if it be adequately funded, to bring true equalization of resources among school districts within States.

It concluded:

> Title I revenue funds, more than any other revenue source considered in this study, are allocated to those districts where pupils had the greatest educational needs as reflected by mean achievement test scores.

Mr. BRADEMAS. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Chairman, I thank the gentleman for yielding.

I think that my beloved friend and neighbor, the gentleman from Indiana (Mr. LANDGREBE), in his remarks in support of his proposed amendment, really gave the most telling argument as to why we should reject the amendment.

He said, among other matters, in quoting the Reader's Digest article, if I recall correctly, that there were some 7 million children with reading problems in the United States.

That surely ought to be a weight upon the conscience of us all, and it certainly gives more justification for the proposition that we should not remove the relatively modest support that the Federal Government today gives to public elementary and secondary education, which runs something in the neighborhood of 7 percent of the total bill.

I think, therefore, that the gentleman from Indiana would be disserved, as indeed would many schoolchildren not only of his district, but in the districts of all the States in our Nation, if the gentleman's amendment was adopted.

It is, I think, significant, Mr. Chairman, that today we have been debating not whether there ought to be Federal partnership in support of the schools of our country; rather, we have been debating the fairest way of providing that support.

I hope, therefore, Mr. Chairman, that the amendment offered by the gentleman from Indiana will be overwhelmingly rejected.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I wonder if we can show, however, for all of these Federal dollars that we have poured into trying to improve reading and reading techniques, that the Federal Government can actually show the results to be effective, can it be shown that those Federal dollars spent for that purpose have really done the job the complete way.

Mr. Chairman, I rise in opposition to final passage of H.R. 69 for the following reasons:

First. This legislation further centralizes and tightens the grip of Federal bureaucracy over our educational process and allows a few individuals at the Federal level to dictate educational policy for nearly every school system in the Nation;

Second. The Elementary and Secondary Education Act is but another highly visible impetus for an evolutionary process that is abridging the right of every parent to determine the nature of their child's education;

Third. The bureaucracy nurtured by this misguided legislation is leading us further and further from a free and local system in education. This road to educational "big brotherism" is strangling our system and shackling what the diversity of our people require—that it be an educational system rooted in a free marketplace of ideas; and

Fourth. The most obvious reason for opposing this legislation is its proven ineffectiveness. We have seen more than $13 billion in taxpayer money pumped into the hungry jaws of this bureaucratic program since its enactment in 1965, and we have no substantial proof to show that it has provided meaningful and quality education except that the requests for more taxpayer money increased.

To buttress this point, an article published in the Alhambra Post-Advocate, March 16, 1974, written by Kenneth Rabben of Copley News Service, indicates title I has received more than 85 percent of ESEA money and "considerable evidence shows that it not only has failed, but that some youngsters in title I programs fell further behind in basic skills."

We must stop this trend toward continued Federal involvement in the education field, now, today, and return to our States and local governments the freedom to finance and administer their own school systems.

The full text of the Copley News Service article follows:

### SUPPORT GROWS FOR FREER SCHOOLS

(By Kenneth Rabben)

The House of Representatives soon will be asked to save taxpayers billions of dollars by phasing out a major education program that has not educated.

The program is the Elementary and Secondary Education Act of 1965, and it has cost more than $13 billion since its enactment. It will be extended for three years and refunded to the tune of nearly $2 billion the first year under provisions of H.R. 69, if the House approves it in the next few weeks.

More than 85 per cent of ESEA money is allocated to its Title I, aid to so-called disadvantaged children.

Despite some tortured statistical efforts, there is no substantive data to show that ESEA and Title I have improved pupils' education. On the contrary, considerable evidence shows that it not only has failed, but that some youngsters in Title I programs fell further behind in basic skills.

The ESEA, its opponents charge, has brought the federal government's heavy-handed control into nearly every classroom, subverted parental authority and created a massive bureaucracy far in excess of the dollar amount of the programs.

Rep. Edith Green, D-Ore., reported that in Oregon, more than 20 per cent of federal funds received were used to administer the programs. In an Indiana school district, half of $14,000 in Title I funds went for administration.

State education departments, county school headquarters, major city and suburban school systems and others are said to have hired costly staffs just to find ways to get federal funds and shuffle the papers.

Mr. MEEDS. Mr. Chairman, indeed there are a number of studies that show where the money and the funding have been forthcoming under title I and other programs, that reading levels have been significantly raised. There are a number of studies that conclude that the program under title I and other remedial programs have been directly responsible for that impovement.

Mr. BRADEMAS. Mr. Chairman, I will add, if the gentleman from Washington will yield further, that the title I program is not solely to be directed toward improving reading skills, but funds under it may be used for whatever purposes the local school authority, not the Federal Government, determines important in improving the education of these children in those school districts.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield further?

Mr. MEEDS. I yield to the gentleman from California.

Mr. ROUSSELOT. I thank the gentleman for yielding. Mr. Chairman, is it no true that in the Coleman report it did show that moneys spent did not necessarily deliver better reading habits; is that not true?

Mr. MEEDS. In one part of the Coleman report, it did say that, and they were understandably concerned about the fact that title I was not being adequately funded. They pointed out in those places where adequate funds were forthcoming under programs that reading levels and education levels are significantly helped in those instances.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. LANDGREBE) to the committee substitute.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LANDGREBE. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the committee substitute was rejected.

### AMENDMENT OFFERED BY MR. MEEDS TO THE COMMITTEE SUBSTITUTE

Mr. MEEDS. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. The Chair will inquire of the gentleman, has the amendment been printed in the Record?

Mr. MEEDS. It has, Mr. Chairman.

The CHAIRMAN. The Clerk will report the amendment.

The *Clerk* read as follows:

Amendment offered by Mr. Meeds to the committee substitute: Amend Section 109 of the bill by:

(1) Striking all the language after "arrangements" on line 8, page 49, down through line 11 on page 49 and substituting in lieu thereof: "(such as dual enrollment, educational radio and television, mobile educational services and equipment) in which such children can participate and meeting the requirements of clauses (A) and (B) of paragraph (1) of subsection (a) of Section 131, paragraph (2) of subsection (a) of such Section, and clauses (A) and (B) of paragraph (3) of subsection (a) of said Section.";

(2) By striking the words "may waive such requirement" on line 16, page 49, and substituting in lieu thereof the words "shall waive such requirement and the provisions of Section 131(a)(2)";

(3) Inserting after "subsection (a)" on page 50, line 2, the words "upon which determination the provisions of paragraph (a) and Section 131(a)(2) shall be waived"; and

(4) Adding after line 7 on page 50 the following new paragraph:

"(4)(i) The Commissioner shall not take any final action under this Section or Section 807(d), (e), or (f) until he has afforded the State and local educational agency affected by such action at least 60 days notice of his proposed action and an opportunity for a hearing with respect thereto on the record.

(ii) If a State or local educational agency is dissatisfied with the Commissioner's final action after a hearing under subsection (a), it may within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(iii) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(iv) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

Mr. MEEDS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the committee substitute be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The gentleman from Washington is recognized for 5 minutes.

Mr. THOMPSON of New Jersey. Will the gentleman yield?

Mr. MEEDS. I am delighted to yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I have printed on the same page as was printed the amendment of the gentleman from Washington an amendment on the same subject.

Following a careful study of my amendment in comparison with this amendment I have determined that his amendment will do the job better, and I shall, therefore, not offer my amendment but, rather, urge support of the gentleman's amendment.

Mr. MEEDS. I think the gentleman from New Jersey.

Mr. BELL. Will the gentleman yield?

Mr. MEEDS. I am delighted to yield to the gentleman from California.

Mr. BELL. We are happy to accept the amendment.

Mr. MEEDS. Mr. Chairman, I appreciate the support on both sides of the aisle.

For the benefit of the Members, however, I think we should explain what the amendment does.

Mr. PERKINS. Will the gentleman yield to me?

Mr. MEEDS. I yield to the chairman of the committee.

Mr. PERKINS. I will say to the distinguished gentleman from Washington that we accept his amendment on this side. We carefully worked out this concept back in 1965, and it would be a mistake now to disturb it. All groups backed the concept, and they now support this amendment.

The gentleman has a good amendment, and it should be accepted.

Mr. DENNIS. Will the gentleman yield?

Mr. MEEDS. If I may first explain the amendment.

Mr. DENNIS. That is what I would like to have the gentleman do.

Mr. MEEDS. Mr. Chairman, my amendment is to section 109 of the bill.

I have discussed this amendment with the chairman of the committee, with the author of the committee amendment which my amendment would amend, the gentleman from Minnesota (Mr. Quie) and with the gentleman from New Jersey (Mr. Thompson) and can report to my colleagues that all of us are in agreement that the amendment should be adopted.

I might add at this point that the amendment which appears in its entirety in the Congressional Record, page H1831 of March 14, 1974, has the agreement and concurrence of those who are primarily concerned with fair and equitable treatment of educationally deprived children who do not attend public schools as well as the National Education Association and the National School Boards Association.

The purpose of my amendment is to make sure that the bypass provisions for title I maintain the requirements of existing law. These were carefully worked out in 1965 with the original enactment of the Elementary and Secondary Education Act of 1965.

My amendment can truthfully be classified as a technical one making sure that the criteria for furnishing programs and services to educationally deprived children who do not attend public school are in accordance with existing law.

Thus, my amendment would first accomplish this objective.

In addition, it would make clear that there would be no cutoff of that portion of the funds which are to be used by local educational agencies in furnishing services to public school pupils where the Commissioner had made a determination that the bypass would be invoked.

Finally, my amendment would provide an administrative and judicial review for the affected local educational agency or State in the event that the Commissioner invoked a bypass. This judicial review is closely patterned after the judicial review provisions now in title I but applicable only to other determinations by the Commissioner.

Mr. DENNIS. Will the gentleman yield?

Mr. MEEDS. I am delighted to yield to the gentleman.

Mr. DENNIS. I would like to ask a question for information. I do not know much about this field of by-passes, and it all bypasses me, frankly, but I know this particular section of the bill deals with aid to private schools, and if I understand it correctly, the bill permits that as it stands. I want to know whether that is correct.

Then I want to know exactly how the gentleman's amendment changes it.

Mr. MEEDS. Indeed, the bill does not permit it as it stands.

Mr. QUIE. Will the gentleman yield?

Mr. MEEDS. I will be delighted to yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I think we should be careful, this does not provide nor does the law provide, any money for private schools.

Mr. MEEDS. That is correct.

Mr. QUIE. It is only for the children at private schools. The administration of all this money is by either public school or a public agency, and in that way it is completely constitutional.

Mr. MEEDS. There is a provision in the committee bill of which the gentleman from Minnesota was the sponsor which allows the Secretary of Health, Education and Welfare to provide programs for students in private schools under certain circumstances.

We call this a bypass, where these are not provided in other ways, that they should be, the Secretary can provide them directly. My amendment requires the bypass provision to be utilized the same way the rest of title I is utilized when these funds are used for students who do not attend the public school, that is all it does.

Mr. DENNIS. If the gentleman will yield further, without the gentleman's amendment what is the effect of the bill then?

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. Dennis, and by

unanimous consent, Mr. Meeds was allowed to proceed for 2 additional minutes.)

Mr. MEEDS. Without the amendment there would not be these strictures on the expenditure of these funds that are contained in title I. These bypass funds. I am sure the gentleman would support that.

Mr. DENNIS. I am not opposed to the gentleman's amendment. I am trying to get educated. As I understand it, all it does is to continue to permit the money to be used for children in private schools, but assures it will be used in the same manner for those children as it is for children in public schools, is that it?

Mr. MEEDS. In the same manner as it is now authorized in title I.

Mr. DENNIS. Which would be children in public schools.

Mr. MEEDS. For children in private schools under certain circumstances.

Mr. DENNIS. Yes, but they are using it for children in private schools in the same manner as other children.

Mr. MEEDS. As it would be used in other circumstances for children in private schools.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield for clarification?

Mr. DENNIS. I will be glad to have the gentleman yield because I believe I need clarification.

Mr. MEEDS. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, during the debate on the original Elementary and Secondary Education Act of 1965, the distinguished gentleman from New York (Mr. Carey) and I worked out an amendment which exists in the law now which allows the public school systems to establish supplemental educational facilities, not in private schools, but elsewhere, the use of which can be shared by both private and public school youngsters together. The Supreme Court has held this to be constitutional. The effect of the amendment offered by the gentleman from Washington (Mr. Meeds) would be to leave it as it is. In other words, the law does not allow the lending of certain tax equipment, or the sending in of teachers or direct aid to the private schools, and the gentleman is just buttressing this existing law.

Mr. DENNIS. The gentleman is afraid if he does not buttress it there might be a constitutional problem?

Mr. THOMPSON of New Jersey. I think there would be a constitutional problem.

The CHAIRMAN. The time of the gentleman has again expired.

(On request of Mr. Quie, and by unanimous consent, Mr. Meeds was allowed to proceed for 2 additional minutes.)

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. MEEDS. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I would ask the gentleman, is it not correct that the language as is now in the bill, and the way the committee expected it to be administered, is exactly the way the gentleman has in his amendment?

Mr. MEEDS. It is indeed.

Mr. QUIE. However, some individuals raised the question as to whether it was clear enough so the gentleman is now putting in the statute exactly what the committee intended, and which was acceptable to both sides in this whole argument.

Mr. MEEDS. That is precisely why I said this is a technical amendment that carries out the intent of the committee that the funds under the bypass be administered in the same way in this regard as other funds are administered in title I.

Mr. QUIE. I thank the gentleman.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Does the gentleman from Iowa rise in opposition to the amendment?

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. Under the rule, the gentleman cannot be recognized for a pro forma amendment, but he may speak in opposition to the amendment.

Mr. GROSS. My pro forma amendment is filed in the Record.

The CHAIRMAN. That is to the bill. There is an amendment pending at this time.

The question is on the amendment offered by the gentleman from Washington (Mr. Meeds) to the committee substitute.

The amendment to the committee substitute was agreed to.

### AMENDMENT OFFERED BY MRS. MINK TO THE COMMITTEE SUBSTITUTE

Mrs. MINK. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. Is the amendment printed in the Record?

Mrs. MINK. It is, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mrs. Mink to the committee substitute: The first sentence of Section 103(a)(1), beginning on line 13 on page 28, is amended to read as follows: "Sec. 103. (a)(1) There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term 'State' by this subsection), provided, however, there shall be authorized such additional sums to assure at least the same level of funding under this Title as in FY 1973 for Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands."

Mr. MEEDS. Mr. Chairman, will the gentlewoman yield for the purpose of a unanimous-consent request?

Mrs. MINK. I will yield to the gentleman from Washington for that purpose.

Mr. MEEDS. Mr. Chairman, I ask unanimous consent that at the end of the amendment after the word "Islands" the following words be added: "and to the Secretary of the Interior for payments pursuant to (d)(1) and (d)(2)."

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. DENNIS. Mr. Chairman, reserving the right to object, I do not know anything about the subject matter. I just object to the unanimous-consent request until somebody explains it so we know what we are considering.

The CHAIRMAN. The Clerk will report the amendment to the committee substitute as modified.

The Clerk read as follows:

The first sentence of Section 103(a)(1), beginning on line 13 on page 28, is amended to read as follows: "Sec. 103. (a)(1) There is authorized to be appropriated for each fiscal year for the purpose of this paragraph 1 per centum of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term 'State' by this subsection), provided, however, there shall be authorized such additional sums to assure at least the same level of funding under this Title as in FY 1973 for Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands and to the Secretary of the Interior for payments pursuant to (d)(1) and (d)(2).

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

Mr. QUIE. Mr. Chairman, reserving the right to object, and I shall not object, would the gentleman from Washington explain his addition? I will yield to him for that purpose.

Mr. MEEDS. I would be delighted to. This, again, Mr. Chairman, is a technical matter, but when the formula was changed to change the status of Puerto Rico which was previously receiving 3 percent of the funds with the Virgin Islands, Guam, and the Secretary of the Interior, the remaining ones were cut back to 1 percent. Guam, American Samoa, Trust Territories, the Virgin Islands, and the Secretary of the Interior.

The gentlewoman's amendment without the addition would assure that the outlying territories mentioned therein would receive what they received last year, because the 1 percent was not quite adequate to do that.

Ordinarily the language "and the Secretary of the Interior" would be in there because it was in the original act. The Secretary uses this title I money for Indians.

My amendment restores language omitted so that the programs for Indians will be held harmless as well as programs for the territories. It is technical to bring it in conformance with the rest of the act.

Mr. QUIE. Mr. Chairman, I thank the gentleman for his explanation. I think that is a good amendment as the unanimous-consent modification would change it.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The CHAIRMAN. The gentlewoman from Hawaii is recognized for 5 minutes in support of her amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mrs. MINK. I yield to the chairman of the full committee, the gentleman from Kentucky (Mr. Perkins).

Mr. PERKINS. Mr. Chairman, in my judgment the amendment offered by the gentlewoman from Hawaii (Mrs. Mink) does the least damage, so far as draining off funds from the other 50 States, of any of the amendments offered with respect to the outlying areas. It would cost about $900,000, and we certainly do not intend to do the outlying areas any harm under H.R. 69. This just guarantees, as I understand it, the amount of money they are presently receiving and so far as the committee is concerned we accept this amendment.

Mrs. MINK. Mr. Chairman, I would like to concur with the statement made by the chairman of the full committee.

The purpose of this amendment is very simple. It has already been explained. The committee bill considers Puerto Rico as a State. Accordingly the set aside amount for the outlying territories and Indians was reduced from 3 percent to 1 percent. It was our information at the time we made this cut that there would be sufficient funds under the 1-percent allocation to take care of the current level of services for the territories and Indians. However, after the refinements of the bill had been looked at and determined we discovered it would be far below the current level, so my amendment is simply a hold harmless provision for the territories and Indians.

Mr. DE LUGO. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the Delegate from the Virgin Islands.

Mr. DE LUGO. Mr. Chairman, I rise to commend the gentlewoman from Hawaii for her amendment and also to thank the distinguished chairman of the Committee on Education and Labor for his support, as well as the ranking minority member for his support.

Mr. Chairman, I rise to speak briefly on behalf of the amendment offered by the distinguished member of the Education and Labor Committee, Congresswoman PATSY MINK.

As the Congress has so often recognized, the future well-being and strength of our Nation is dependent upon the quality of the education which we provide our young people. Likewise, educational quality can be achieved only by making available the resources and personnel necessary to carry out this task.

We in the Virgin Islands are acutely aware of the demands and sacrifices which must be made in order to provide academic training at the elementary and secondary level. A sudden recent influx of alien children with diverse linguistic, cultural, and educational backgrounds and experiences has almost doubled our school age population in the last 3 years, and has created unique problems for our teaching profession. The additional funds which would be made available through this amendment are not only most welcome, but are absolutely essential if the Virgin Islands school system is to meet its responsibilities to the children of the territory. Therefore, I urge the House to adopt this amendment as expeditiously as possible.

I am particularly grateful to the gentlewoman from Hawaii (Mrs. MINK) for introducing this amendment and for working so hard for its adoption; to Congressman PHIL BURTON who as usual has been tireless in his efforts to assist the Virgin Islands; to Congressman LLOYD MEEDS, a good friend of the Islands and a skilled floor manager for this legislation; to one of the great leaders in the cause of better education, Congressman AL QUIE, the ranking Republican member of the Education and Labor Committee; and finally to the distinguished committee chairman, CARL PERKINS for agreeing to accept consideration of this proposal which has such profound meaning for the Virgin Islands and other offshore areas.

Mr. WON PAT. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the Delegate from Guam.

Mr. WON PAT. Mr. Chairman, I rise in full support of the amendment offered by the gentlewoman from Hawaii.

I also want to applaud the distinguished chairman of the Committee on Education and Labor for accepting the amendment offered by the gentlewoman and likewise the ranking minority member for accepting this amendment.

Mrs. MINK. Mr. Chairman, I urge the committee to support my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Hawaii (Mrs. MINK) to the committee substitute.

The amendment to the committee substitute was agreed to.

### AMENDMENT OFFERED BY MR. BRADEMAS TO THE COMMITTEE SUBSTITUTE

Mr. BRADEMAS. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. Has the amendment been printed in the RECORD?

Mr. BRADEMAS. It has.

The Clerk read as follows:

Amendment offered by Mr. BRADEMAS to the committee substitute: Page 34, line 13, insert after "year" the following: "(using, in the case of children described in the preceding sentence, the criteria of poverty and the form of such criteria required by such sentence which were determined for the second calendar year preceding such month of January).".

Mr. BRADEMAS. Mr. Chairman, during general debate on H.R. 69, some Members expressed concern that H.R. 69 did not clearly state which definition of Orshansky is to be applied in determining the number of AFDC children counted in the title I formula.

The formula requires that two-thirds of the children from families with AFDC payments in excess of the Orshansky index of poverty for a nonfarm family of four, as updated by the Consumer Price Index, are to be counted in computing the number of eligible title I children. The bill incorporates a provision in existing law which requires that these AFDC caseload counts be made in the January preceding the fiscal year in which the information is to be used in distributing funds.

The gentleperson from New York, (Ms. HOLTZMAN) helpfully drew the attention of the House to what she felt to be an ambiguity in respect of which current year Orshansky definition was to be used in determining AFDC children.

Mr. Chairman, during a colloquy on this point, the distinguished chairman of the Education and Labor Committee (Mr. PERKINS) stated that this provision meant that AFDC children who are to be counted during fiscal year 1974 have to be determined by HEW in January 1974. Since the final Orshansky definition of poverty for calendar year 1973 will not be available until the end of March or the beginning of April 1974, the definition HEW must use in collecting AFDC data in January 1974, would have to be the 1972 Orshansky definition of poverty for a nonfarm family of four, or $4,254.

Mr. Chairman, the Deputy Assistant Secretary of Health, Education, and Welfare, Mr. Carlucci, has sent Chairman PERKINS a letter which further supports this interpretation of the law and advises Mr. PERKINS of the support of the administration for my amendment.

Therefore, with such assurances and in order to overcome any confusion regarding the appropriate definition of poverty to be used in determining the number of "AFDC Children" to be counted, I have offered this amendment. It simply makes clear that the Orshansky index to be applied against the January AFDC counts is to be the index determined for the second calendar year preceding that January. The effect of this amendment, therefore, would be to apply the 1972 definition of poverty for a nonfarm family of four, $4,254, to the January 1974 AFDC counts which will be used in determining fiscal 1975 title I appropriations.

Mr. Chairman, I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, first, let me compliment my distinguished colleague from Indiana for offering the amendment. It was very clear in the debate a few weeks ago that the AFDC floor would not be increased over $4,250 for the school year commencing after July 1, 1974.

The Brademas amendment makes that point perfectly clear. We thought it should be put in this fashion so that there could not be any misinterpretation by the Department.

There was considerable debate on the floor and considerable misunderstanding and the Brademas amendment lays to rest the fear that some of our friends and colleagues from New York and from other States have.

We accept the amendment.

Mr. BRADEMAS. Mr. Chairman, I yield to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, I thank the gentleman. I indicate my support for the amendment. It is an effective amendment, because it requires that the administration operate in the way we expected it would, so nobody is surprised.

The gentleman from New York indicated that he must be happy, because it is an advantage to New York; but I should indicate that the current Orshansky figure is $4,275.

Ms. ABZUG. Mr. Chairman, this amendment does many things but mostly it shows the total fallacy, inconsistency and inequity of the proposed new formula based on the Orshansky Index.

This amendment is encased in the aura of being a technical amendment, esssentially because the committee was advised that the updated Orshansky Index for fiscal year 1975 would be $4,600. As there are few, if any, AFDC families who are above the $4,600 level, the inclusion of two-thirds AFDC children over Orshansky level would be totally irrelevant.

In response, Mr. BRADEMAS suggests that we pass this amendment which will hold for only 1 year—fiscal year 1975—the Orshansky Index poverty level to its February 1973 level, $4,250, so that we can include a few, a very few of our AFDC families.

H.R. 69 with the Brademas amendment will have the same effect on all the school districts throughout the Nation. By keeping the poverty level at $4,250 for 1 year, and then instituting the updated Orshansky Index almost all school districts will show a decreased allocation between fiscal year 1975 and the following two fiscal years, 1976 and 1977. In addition 85 members represent districts whose fiscal years 1976–1977 allocations will drop below their fiscal year 1974 allocation.

It is quite clear that the only purpose of this amendment is to put off the real effect of the Orshansky formula. Consideration of this amendment obfuscates the heart of the issue. The committee simply does not have the statistics to determine exacting how Orshansky will affect our districts. And yet, they expect us to pass this legislation with a technical amendment that will give us surface information for only one of three fiscal years funding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. BRADEMAS) to the committee substitute.

The amendment to the committee substitute was agreed to.

### AMENDMENT OFFERED BY MR. LANDGREBE TO THE COMMITTEE SUBSTITUTE

Mr. LANDGREBE. Mr. Chairman, I offer an amendment to the committee substitute.

The Clerk read as follows:

Amendment offered by Mr. LANDGREBE to the committee substitute: Page 45, line 8, strike out "meet the special educational" and all that follows through "families and" and insert in lieu thereof the following:

improve the basic cognitive skills (particularly in reading and mathematics or reading readiness and mathematics readiness) of students who have a marked deficiency in such skills and

Mr. LANDGREBE. Mr. Chairman, this may look like a simple little change, but it is not. It is a very important change in the emphasis of the bill.

It changes the language to a concentration in the improvement of the basic cognitive skills, particularly in reading and mathematics, or reading readiness and mathematics readiness of students who have marked deficiencies in such skills.

This does two things. First, it will require an emphasis on the cognitive skills. The studies I have referred to show that the deficiencies are in reading and math. Thus, if we have Federal funding, it will be put to the best use in assisting students in developing their basic cognitive skills, which will give the student the foundation he needs to improve his education in other areas.

No. 2, it removes the idea of targeting in on schools that have a high concentration of children of low income families and changes it to students who have a marked deficiency in such skills. We can be the richest fathers in the world and have boys and girls in school who simply cannot read and cannot add.

If we are going to deal with education of the boys and girls of this country, then we have got to, at some time, start talking about the specific learning deficiencies and problems of our boys and girls.

Mr. Chairman, I am not going to talk this one to death. I hope that if there are any questions I will be able to answer them. I think this is the most important amendment we can make, providing we are going to continue Federal aid to education.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I might point out that beginning on page 20 and going to page 21 of the committee report, that which the gentleman speaks of is mentioned. In the case, however, of this amendment, it has the effect of saying, "Let's have the Federal Government dictate what should be taught in the local school districts."

Now, the committee's report is replete with evidence that in the title I programs on the local level, they are beginning to achieve success in disadvantaged children's educational attainment. I do not think we can well show another commitment to the disadvantaged and also settle for instantaneous success from the efforts.

The problems of the economically and socially disadvantaged are immense and take a long time to overcome. It has also taken teachers and school administrators a long time to develop the skills that deal with these children. With respect to concentrating on basic cognitive skills, most school districts are doing that now, but we should not as a matter of Federal law require that all school districts must use all of their title I aid in that one area. A particular school district may decide for particular children that it is necessary to deal with other things first, such as meeting a child's nutritional or health needs.

We must retain the present structure of title I as being based on local decisionmaking, if local officials are to have the flexibilities to meet the needs which they know better than either the gentleman from Indiana or I or any of the rest of us in the Congress.

As regards phasing out title III, the program by its nature is experimental and innovative and, therefore, not bound by traditional restraints of education. We must retain that creative edge in the program. Otherwise, they will never achieve sound changes in our educational system.

Furthermore, State and local officials are the ones who administer the title and, therefore, it is their decisionmaking the Landgrebe amendment is attacking, not Federal decisionmaking.

Under present law, 85 percent of title III funds are given to State educational agencies to administer. These agencies rely upon initiative from local school districts in proposed programs. Under H.R. 69, the remaining 15 percent of title III funds will also be turned over from the Federal Government to State agencies.

As regards the Landgrebe parents' rights amendmnet, it is unnecessary since it does not change State or local laws as regards parental rights and responsibilities.

The other amendment requiring prior written consent from parents for a child's participation in an experimental program would be cumbersome to administer on a local level, where they know more about it than we do.

Mr. DENNIS. Mr. Chairman, will the gentleman yield?

I do not mean to interrupt the gentleman, but will the gentleman yield?

Mr. THOMPSON of New Jersey. I would be glad to yield to the gentleman from Indiana.

Mr. DENNIS. Mr. Chairman, I am just wondering about this: There are an awful lot of amendments offered to cover the ground here, but I am wondering if the gentleman is addressing himself to the particular amendment which is now before us, because I do not think this one deals with title III or parental rights. It just deals with these basic cognitive skills.

Mr. THOMPSON of New Jersey. Mr. Chairman, I will concede to the gentleman that I am talking about more than one amendment, but what I am trying to do is to put them into context. They should be considered in relation to each other.

So if the gentleman wants me to confine myself specifically to the amendment before us, what it amounts to is that the Congress of the United States would be directing and telling local school districts what they must do with this money, as distinguished from sending them the money and letting them use it in the manner which they think and know is best.

Mr. Chairman, I urge the defeat of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. LANDGREBE), to the committee substitute.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. LANDGREBE. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the committee substitute was rejected.

Mr. PICKLE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am very much in favor of the title I funds to help those students in districts where there is the greatest educational need, for the operation of programs for handicapped children, the migrant child, for bilingual programs, all of these programs deserve special consideration, and support. However I would also like to see included in the program, development of the gifted child. These children are our greatest natural resource; if they are encouraged to properly develop their minds they may provide the answer for our increasingly complex problems.

My own State of Texas has been particularly conscious of this natural resource and the 63d legislature set up a committee to study the education of gifted children.

Therefore, I was most pleased to note last April that the gentleman from New Jersey (Mr. DANIELS) and other Members of the House, had introduced H.R. 7100, to amend the Elementary and Secondary Education Act to provide a program for gifted and talented children. It is my understanding that there are over 2 million gifted and talented children in this country and that even the most optimistic studies conducted by the Office of Education indicate that no more than 300,000 are receiving any special education programs.

While much has been done in recent years through initiation of the Congress and the response of the Office of Education without a categorical program little more than an awareness of the problem and a realization that something has to be done presently exist. It had been my hope that H.R. 69 would have contained some version of the provisions of the gentleman from New Jersey's bill.

I would like to ask the chairman of the committee, if the provisions of H.R. 7100 were given consideration in the Committee in Education and Labor during its markup of H.R. 69, and if other consideration or action is contemplated later?

Mr. PERKINS. Mr. Chairman, if the gentleman will yield, I will state that the gentleman is exactly correct.

Mr. Chairman, I am most pleased with the interest expressed by the gentleman from Texas (Mr. PICKLE) in my efforts to obtain specific legislation directed at the problems of the gifted and talented. I would note that our failure to maximize the potential of these children is one of the great disgraces of our country. The abilities of our children, whether they be black or white, rich or poor, cannot be left undeveloped if we wish to remain a great nation. I must admit, however, that because of the myriad complex issues with which the committee had to contend in order to mark up ESEA that there was not an opportunity to consider specifically the provisions of H.R. 7100.

I would emphasize that the members of the committee in no way rejected the provisions of that bill, rather that circumstances would not permit their consideration at this time. I further hope in the near future that serious considerations will be given to this matter.

Mr. Chairman, I do want to state that the gentleman from Indiana (Mr. BRADEMAS) has been working in that direction. We will continue, and we will continue on the job, until we accomplish what the gentleman from Texas is seeking.

Mr. PICKLE. I thank the chairman.

We would be hopeful that the gentleman from Indiana can proceed in this field and that we will see some action.

Mr. BRADEMAS. Will the gentleman yield?

Mr. PICKLE. I yield to the gentleman.

Mr. BRADEMAS. I appreciate the interest of the gentleman from Texas in this matter, and certainly our subcommittee will take whatever appropriate opportunity affords itself to give attention to the gentleman's proposal.

Mr. PICKLE. I thank the gentleman.

The CHAIRMAN. Without objection, the pro forma amendment offered by the gentleman from Texas (Mr. PICKLE) will be withdrawn.

There was no objection.

### AMENDMENT OFFERED BY MR. VEYSEY TO THE COMMITTEE SUBSTITUTE

Mr. VEYSEY. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. Has it been printed in the RECORD?

Mr. VEYSEY. It has been, Mr. Chairman.

The Clerk read as follows:

Amendment offered by Mr. VEYSEY to the committee substitute:

Page 51, line 25, strike out "141" and insert in lieu thereof "142".

Page 58, after line 18, insert:

### EVALUATOR OF TITLE I PROGRAMS

SEC. 114. Title I of the Act is further amended by inserting before section 142 (as redesignated by section 110(h) of this Act) the following new section:

### PROGRAM EVALUATION

SEC. 141. (a) The Commissioner shall provide for independent evaluations which describe and measure the impact of programs and projects assisted under this title. Such evaluations may be provided by contract or other arrangements and all such evaluations shall be made by competent and independent persons, and shall include, whenever possible, opinions obtained from program or project participants about the strengths and weaknesses of such programs or projects.

(b) The Commissioner shall develop and publish standards for evaluation of program or project effectiveness in achieving the objectives of this title.

(c) The Commissioner shall, where appropriate, consult with State agencies in order to provide for jointly sponsored objective evaluation studies of programs and projects assisted under this title within a State.

(d) The Commissioner shall provide to State educational agencies, models for evaluations of all programs conducted under this title, for their use in carrying out their functions under section 133(a), which shall include uniform procedures and criteria to be utilized by local educational agencies, as well as by the State agency, in the evaluation of such programs.

(e) The Commissioner shall provide such technical and other assistance as may be necessary to State educational agencies to enable them to assist local educational agencies in the development and application of a systematic evaluation of programs in accordance with the models developed by the Commissioner.

(f) The models developed by the Commissioner shall specify objective criteria which shall be utilized in the evaluation of all programs and shall outline techniques (such as longitudinal studies of children involved in such programs) and methodology (such as the use of tests which yield comparable results) for producing data which are comparable on Statewide and nationwide basis.

(g) The Commissioner shall make a report to the respective Committees of the Congress having legislative jurisdiction over programs authorized by this title and the respective Committees on Appropriations concerning his progress in carrying out this section not later than January 31, 1975, and thereafter he shall report to such Committees no later than January 31 of each calendar year the results of the evaluations of programs and projects required under this section which shall be comprehensive and detailed as up-to-date as possible, and based to the maximum extent possible on objective measurements, together with any other related findings and evaluations, and his recommendations with respect to legislation.

(h) The Commissioner shall also develop a system for the gathering and dissemination of results of evaluations and for the identification of exemplary programs and projects, or of particularly effective elements of programs and projects, and for the dissemination of information concerning such programs and projects or such elements thereof to State and local educational agencies responsible for the design and conduct of programs and projects under this title, and to the education profession and the general public.

(i) The Commissioner is authorized, out of funds appropriated to carry out this title in any fiscal year, to expend such sums as may be necessary to carry out the provisions of this section, but not to exceed one-half of one percent of the amount authorized for such program.

Mr. VEYSEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VEYSEY. Mr. Chairman, the amendment is a bit technical, but I think I can explain it very readily to you.

It is an amendment to guarantee that there will be evaluation of the educational effectiveness of the programs which would be funded under this legislation.

We stand here in a very perplexing position, I think, in the House of Representatives after 7 years of ESEA programs and after over $10 billion of Federal money have been expended on them. We do not know at this point which of the programs have accomplished effective improvement of education and which of them have not really succeeded at all.

Mr. Chairman, according to Federal statutes, projects funded by title I of ESEA are supposed to be evaluated at all levels of program administration—local, State, and Federal. At the very best, we have only fragmented data to justify a request to extend title I for an additional 3 years. The U.S. Office of Education has assumed the blame for the inadequate execution of the congressional mandate, citing a lack of direction in describing to the States the data and methodology required for evaluation.

It is unacceptable for this to continue. No doubt there have been highly successful programs, and we should know about them. No doubt there have been abysmal failures. This we should know, also. The Education and Labor Committee has recognized the problem, but in my opinion, they have not gone far enough to rectify the problem. I believe my amendment will provide the Office of Education with the appropriate guidelines, so that in 1977 when we again return to the task of reviewing the authorization for ESEA, we will have adequate data to determine whether taxpayers' moneys are being spent wisely to improve the quality of education for our children.

Specifically, my amendment will require that the administrator at each level of the programs funded by title I include a statement in the request for authorization describing the goals to be achieved and the criteria by which the success of the program will be measured. In other words, we must identify concrete objectives and measure the success in attaining these objectives if we are to know whether compensatory education programs are serving to improve the quality of education for any given group of children.

My amendment will require the Commissioner of Education to develop models for the evaluation of each program and report annually to the Congress on the findings of the evaluation studies. This provision will provide the uniformity that has been lacking by providing the Congress with a better insight into the needs of compensatory education. At the same time, it will alert the Office of Education to the fact that annual evaluations can no longer be neglected. By 1977, the appropriate congressional committees will have three annual reports that will provide adequate data to justify either a renewal of the existing programs or a complete revamping of the formulas for subsidizing compensatory education.

Today, Mr. Chairman, we have to make a very difficult and embarrassing decision as to how to continue these programs absent evaluation information.

My amendment will assure as well as we can, that there will be uniform methods of evaluation of all of these programs throughout the Nation. Models will be promulgated by the U.S. Office of Education with local participation as to the criteria that would be used to evaluate these programs and the results will come back to the Congress so that 1 year from now we will begin to get information as to what we have really done and which programs have succeeded and which have failed.

I want to improve education with these funds—not just spend the money. Join me in adding this clear directive to the legislation so that we will not again have to consider renewal of title I without knowing what results we are buying.

Mr. KEMP. Will the gentleman yield?

Mr. VEYSEY. I will be glad to yield to the gentleman from New York.

Mr. KEMP. Mr. Chairman, I appreciate the gentleman yielding.

I want to rise in support of the amendment offered by the gentleman and I also heartily subscribe to what the gentleman is attempting to do to bring accountability to our spending programs and education legislation. I very much appreciate his leadership on this issue both when he served on the Education and Labor Committee and now that he is on Appropriations Committee.

This is an issue which is so very important to the success of education in this country. The gentleman has made a substantive effort on behalf of ESEA legislation as well as a great effort to help restore a sound fiscal policy so vital to the future of America.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. VEYSEY. I am glad to yield to my colleague from California.

Mr. BELL. I also wish to commend the gentleman for his amendment. It is a very good amendment, and we accept it on this side.

Mr. PERKINS. Will the gentleman yield?

Mr. VEYSEY. I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, I see no objection to the gentleman's amendment. As far as I am concerned, it is acceptable.

Mr. VEYSEY. I thank my colleagues for their approval and ask for the approval of the House. Let me make it clear that it is my intent that local educational agencies be consulted by the Commissioner, cooperate with the Commissioner and participate in every way to establish meaningful procedures to determine the effectiveness of the diverse programs funded under title I.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. VEYSEY) to the committee substitute.

The amendment to the committee substitute was agreed to.

### AMENDMENT OFFERED BY MR. PERKINS TO THE COMMITTEE SUBSTITUTE

Mr. PERKINS. Mr. Chairman, I offer an amendment to the committee substitute.

The Clerk read as follows:

Amendment offered by Mr. PERKINS to the committee substitute: On page 46 in line 3 insert after "that" the following: ", notwithstanding the provisions of section 425 of the General Education Provisions Act,"; strike in the same line the word "has" and insert in lieu thereof the word "may"; and in line 4 before "an" insert the following: "an advisory council for the entire school district and must establish".

Mr. PERKINS. Mr. Chairman, the purpose of the amendment is to clear up an ambiguity which resulted from the committee's adoption of an amendment requiring a parental advisory council at each title I school.

The ambiguity results from the fact that the Commissioner of Education is presently requiring by regulation that school districts have districtwide advisory councils under title I with substantially the same powers as the local school advisory councils required in H.R. 69.

This amendment would allow—but not require—school districts to have these districtwide advisory councils, but it would retain the requirement that they must have an advisory council in each local school.

Let me add one other point. If a school district decides under the authority given it by this amendment not to have a districtwide advisory council, then that school district cannot elect to use the option made available to it under section 171 of H.R. 69 to shift to a means other than poverty in choosing its title I schools. In order to make that shift a school district must have the approval of a districtwide advisory council.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I would like to commend my chairman, the gentleman from Kentucky (Mr. PERKINS) on offering a very good amendment, and we accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. PERKINS) to the committee substitute.

The amendment to the committee substitute was agreed to.

### AMENDMENT OFFERED BY MR. REID TO THE COMMITTEE SUBSTITUTE

Mr. REID. Mr. Chairman, I offer an amendment to the committee substitute.

The Clerk read as follows:

Amendment offered by Mr. REID to the committee substitute: On page 48, line 10, strike out "85" and insert in lieu thereof "100".

Mr. REID. Mr. Chairman, my amendment insures that no local educational agency may receive fewer funds in fiscal year 1975 than it did in fiscal year 1974. The great majority would receive more. This means that all those LEA's scheduled to lose money under H.R. 69 would be brought up to fiscal 1974 funding levels.

My amendment—and I stress this—in no way changes the committee formula. Orshansky would remain. My amendment, however, would help nationally, in my judgment, over 472 counties—up to 505 in fact, I believe, which stand to lose about $50 million, and they are distributed amongst 39 States. In addition, it would help numerous local school districts which would be cut back under the H.R. 69 provisions, but whose county total may be increased, thus not showing a loss on the official printout. Specifically, States that are hurt by the present formulation, if they do not have an ample hold-harmless at 100 percent, include New York, New Jersey, and the District of Columbia. The cities are Philadelphia, Atlanta, Minneapolis, St. Paul, Cleveland, and others. And the number of counties, as I said, are over 472.

I see the distinguished gentleman from New Jersey (Mr. THOMPSON) standing. The counties in New Jersey, as he knows, that could be hurt are: Mercer, Middlesex, Ocean, Passaic, Atlantic, Camden, and Gloucester.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. REID. I would be happy to yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I thank the gentleman for yielding.

I should like to commend the gentleman for his hold-harmless amendment. The gentleman's statistics are quite accurate, and it is my judgment that the impact of the loss to over 400 districts would be much reduced and much more acceptable if the gentleman's amendment is adopted.

Mr. REID. I might point out that the gentleman from Minnesota (Mr. Quie) has stated in the past that New York State has been getting 15 percent of the funds but that New York has only 6 percent of the children. What he has not pointed out, in my judgment, is that this 6-percent figure counts only the children in his formula which cuts out 63,000 educationally deprived children in New York State. The actual figures New York received under title I in 1974 showed that almost 13 percent of the eligible children under the old eligibility standards lived in New York. Next year New York State will get only 9 percent of the eligible funds while still having 13 percent of the educationally deprived children.

I should also like to point out that if North Carolina has been used as an example in this debate, our hold-harmless formula adds only $1.3 million for 46 counties which would have been decreased under H.R. 69; H.R. 69 itself added $300,000 for North Carolina. So in the case of that particular State, my amendment helps 46 counties.

I would point out that in Missouri there are 13 counties in one congressional district affected by this hold-harmless—and 11 more in other districts; in Illinois 7; in Indiana, Lake, Huntington, and Crawford, among others; in Iowa, Cedar, Clayton and 36 more; and Massachusetts, Dukes County; in Minnesota, Hennepin, Stevens, Martin to name a few; in Colorado, Crowley, Dolores, Kiowa, and Cuyoga.

Finally, let me just say that the cost of education is going up in this country. Title I is particularly important, especially as President Nixon defeated and vetoed early childhood and quality day care. I think it is critically important that some of the areas with the largest numbers of disadvantaged children not be penalized by this bill. It is not a question of the formula, but it is a question of equity to the Nation's children.

Ms. ABZUG. Mr. Chairman, will the gentleman yield?

Mr. REID. I yield to the gentlewoman from New York.

Ms. ABZUG. I thank the gentleman for yielding.

I commend the gentleman for making this very fair proposal to this body. I support his position.

Mr. Chairman, I rise in support of the amendment offered by my colleague from New York (Mr. Reid).

This amendment will guarantee that no local educational agency will receive less money in succeeding years than it received in 1974.

Both the purpose and outcome of this amendment are clear. Should we, by adopting H.R. 69 unamended, tell some States and counties, sorry we are taking away the money you got last year and giving it to others from now on. Should we tell these school districts that they better find some other way to raise the money—maybe an increase in the property tax or cut or eliminate the programs that have managed to raise the reading level of the children in that school district. Maybe we should ask our school administrators to become Solomons and decide that they will cut the remedial math program but keep the remedial reading program.

Mr. Chairman, these are the questions that local school administrators will have to answer. And when, in the next few years it becomes clear that we have produced through our educational system many more functional illiterates, who will we blame, the administrators, the teachers, the kids themselves?

By passing the Reid amendment we can go a long way to remedy the inequities of H.R. 69. It has become a sad day when we can accurately describe a holding action as an accomplishment.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Reid was allowed to proceed for 1 additional minute.)

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. REID. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I thank the gentleman for yielding.

I am not quite clear on his explanation of the amendment as to whether he proposes to hold-harmless at 100 percent the school districts for the full period of extension of the Elementary and Secondary Education Act, or only for 1 year.

Mr. REID. It would be for the full pendency of the legislation that is before the body. It relates to educational agencies, and it specifically is an amendmtnt to section 108.

Mr. STEIGER of Wisconsin. So, if the gentleman will yield further, he would hold-harmless at 100 percent all school districts in the country based on the 1960 formula; is that correct?

Mr. REID. The question here is what formula we are talking about. We can talk about the 1960 census, and we can also talk about the Orshansky formula in terms of food, which is changing very drastically. My amendment does not alter the committee formula. This, in my judgment, is the most equitable and realistic way to deal with those that would be sharply penalized this year.

Mr. STEIGER of Wisconsin. If the gentleman from New York would yield further, no matter how we cut that cake, if we hold-harmless 100 percent, we are saying everybody based on the 1960 formula will get what they are getting now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REID. I thank the gentleman from Wisconsin for his contribution.

Mr. QUIE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have gone through this twice before. The two Peyser amendments proposed to hold the formula harmless 100 percent so no local education agency would get less than it did in 1974. I just cannot understand, if we are interested in children, why we want to count those children who were in the school district in 1960 who are not in school any more. Every one of them is out of school, including the first grader in 1960 who has now graduated from high school.

As I said before, there have been changes in school districts. Some school districts have had a net reduction of children. Why do we pay for kids who are not there? It just is beyond me how an amendment like that could be proposed.

The formula that operates this year is inequitable, it is terrible, and so there was some reason for some stronger hold harmless provisions in the appropriation bill since the 1970 census had gone into effect and yet the formula had not been changed as we anticipated when the law was last passed in 1970.

The Reid amendment now says this is the formula we are going to operate under for the next 3 years. It says that we liked it the way we distributed it back in 1965 and 1966 based on the 1960 census information. There were some kids back then that we are still going to count. That just does not make sense. And we will keep doing that every year? That formula is already 15 years obsolete because we used the 1959 income information. It is 15 years obsolete. Each year it becomes more and more obsolete.

We have never done anything that bad before in all our efforts to pin production to a certain historical period in agricultural bills or in any other limitations we have. No; this would be the worst.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I would say that in H.R. 69 the aim is to eliminate the imbalance in the title I formula under the present law which has resulted from the statistics under the census in 1960, and the way that AFDC is used. Here in this amendment we do not get away from that at all. We go back and take into consideration this old law that we have been talking about and its inequities. If we adopt the Reid amendment we would not be making any progress, we would be counting children in one section of the country under a $2,000 formula low income factor and in another section at $6,000 in AFDC payments and counting some children where we would be counting them three times as much as we are in other States, and we are just holding harmless the built-in inequities that are completely outmoded and outdated, and that would destroy the purpose of this bill. I ask the gentleman if I am correct.

Mr. QUIE. The gentleman is correct.

Also the Members realize, as I said before, that the chairman is talking about fairness rather than just a selfish interest in his own district, because the chairman would get more money in his own district with this amendment, so I call on the other Members, my colleagues, to operate as fairly as our chairman is doing. That is what this is all about.

Mr. PERKINS. The inequity is such that if we have six apples and someone were to take four of them and the gentleman were to get two of them, and then we will say we are going to even everything out from this point on, that would be similar. Is that correct?

Mr. QUIE. That is correct.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, would it be fair to say given an 85-percent hold harmless under the committee bill that this amendment would take something away from somebody else?

Mr. QUIE. Yes, it would. Everything New York would get under this would have to come from someplace else.

Mr. STEIGER of Wisconsin. If the gentleman would yield further, would this be true. In this concept of the Reid amendment that not only would we be paying for children no longer enrolled in elementary and secondary schools but also we are continuing the inequity of AFDC?

Mr. QUIE. The gentleman is correct.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. Reid) to the committee substitute.

The amendment was rejected.

AMENDMENT OFFERED BY MR. LANDGREBE TO THE COMMITTEE SUBSTITUTE

Mr. LANDGREBE. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. Has the amendment been printed in the Record?

Mr. LANDGREBE. It has.

The Clerk read as follows:

Amendment offered by Mr. Landgrebe to the committee substitute: Page 28, line 9, strike out "1977" and insert in lieu thereof "1975".

Mr. LANDGREBE. Mr. Chairman, this is a very brief amendment. It would simply change the figure of the year "1977" found on page 28, line 9, to "1975," which would give this program a 1-year extension, instead of a 3-year extension.

I am going to be very repetitive and I must be, because the facts of the matter are that this Nation has spent more than $15 billion in the last 9 years on Federal programs to control education. The results as recorded in the Reader's Digest that I just referred to a few minutes ago, indicate there are 7 million schoolchildren who have severe reading problems, that is after all this money has been spent.

The SAT, scholastic aptitude tests, show dramatic evidence that for 10 straight years those tests have shown a marked reduction of 35.7 percent, an amazing 7-percent drop.

Now, this Congress has rejected my second amendment to suggest that we consider educational disadvantages, rather than poverty levels.

We refuse to look at education, but we continue to go back to formulas for distributing the money, on the basis of income levels to the parents.

I can say that a 1-year extension is enough and if the interest and the enthusiasm that has been generated by the introduction of my bill continues to snowball as it has in the last 3 or 4 months, we will be ready to make some dramatic changes in this program come 1 year from now, 1975.

I plead with the gentlemen of this Congress in all sincerity to accept this amendment and give just a 1-year extension to Federal aid to education as we are dealing with now.

I yield back the balance of my time.

Mr. BRADEMAS. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Indiana.

I think, Mr. Chairman, that the same arguments can be applied to the amendment that has just been offered by the gentleman from Indiana as were offered in respect to his earlier effort to abolish the title I program.

I hope very much, therefore, that this amendment will be defeated, even as was the other.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. Landgrebe) to the committee substitute.

The amendment to the committee substitute was rejected.

AMENDMENT OFFERED BY MR. MICHEL TO THE COMMITTEE SUBSTITUTE

Mr. MICHEL. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. Has the amendment been printed in the Record?

Mr. MICHEL. Yes, Mr. Chairman, it has.

The Clerk read as follows:

Amendment offered by Mr. Michel to the committee substitute: Page 29, beginning with line 18, strike out everything after "be" down through the period in line 21, and insert in lieu thereof the following: ": (A) from two-thirds of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection), but not more than $2,000,000,000, the product obtained by multiplying the number of children aged five to seventeen, inclusive, in the school district of such agency by 40 per centum of the amount determined under the next sentence, and (B) from the remaining one-third of such amount so appropriated, but not more than $1,000,000,000, the product obtained by multiplying the number of children counted under subsection (c) by 40 per centum of the amount determined under the next sentence."

Page 31, line 17, insert after "be" the following: ": from two-thirds of the amount appropriated for such year for payments to States under section 134(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection), but not more than $2,000,000,000, the product obtained by multiplying the number of children aged five to seventeen, inclusive, in Puerto Rico by 40 per centum of (1) the average per pupil expenditure in Puerto Rico or (ii) in the case where such average per pupil expenditure is more than 120 per centum of the average per pupil expenditure in the United States, 120 per centum of the average per pupil expenditure in the United States, and, from the remaining one-third of such amount so appropriated but not more than $1,000,000,000."

Page 32, line 19, strike out "two-thirds of".

Page 33, line 15, strike out "used by the Bureau of the Census in compiling the 1970 decennial census.", and insert in lieu thereof the following: "of families receiving an annual income of less than $3500."

Page 33, line 25, strike out the comma.

Page 34, line 1, strike out "the current criteria of poverty", and insert in lieu thereof $3500".

Page 34, beginning with line 4, strike out everything after "Act" through "index" in line 8.

Page 48, line 10, strike out "85" and insert in lieu thereof "90".

Mr. MICHEL (during the reading). Mr. Chairman, I ask unanimous consent that my amendment to the committee substitute be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MICHEL. Mr. Chairman, it is essential that the Congress soon come to some resolution of the title I problem. We have been through this too many times, and each time we seem to wind up suspended, hanging in the air waiting for the next round. Sometimes, it is not so bad for Congress to be hanging in the air, because we are less likely to mess things up that way. But, at the same time we are leaving the school districts waiting, wondering, and unable to put together a decent budget, or program.

When we last went around on this a few months ago on the appropriation bill, your appropriations committee said we would not again consider title I funds until the authorizing committees developed some legislation and Congress finally makes the kinds of tough decisions that are necessary to get a new title I law.

Well, we are finally getting down to the nitty-gritty, and once again we are just about a day late and a dollar short. We are almost at the end of the automatic 1-year extension, and beyond that there is nothing—no authorization at all. The fiscal 1974 money has been allocated, the 1973 impounded funds have been released, but school districts still do not know if they have to spend it all in the next few months, or if they will be able to carry it over through the next fiscal year, or even what kind of title I programs they will have after July 1.

So, I am glad, first of all, that we have a bill on the floor—finally. And I want to commend the chairman of the House Education and Labor Committee (Mr. Perkins) and the ranking minority member, Mr. Quie, and the other members of that committee for bringing us a bill, because I know too well what they have gone through to develop one they could report. I remember last year on the appropriation bill we were up to our knees in title I tables, and I am sure my colleagues on the Education and Labor Committee have been up to their armpits in them.

And, I am pleased as well, that the President is putting the pressure on us with his forward funding proposal. If the Congress can take some constructive action with this legislation, with program consolidation, we may be able, in cooperation with the administration, to give local school districts something they may find of more value than anything else we could do with or to title I—forward funding, which would allow them, finally, to more fully utilize the title I money they receive by knowing in advance what they will receive and being able to plan on those funds as a hard item in their budgets.

Now, with that said, I am going to have to say, too, that I have some real problems with H.R. 69, the committee bill. Of course, it is a practical impossibility to put together a title I formula that will please everyone, or perhaps even a majority. But, while the committee, on the face of it, appears to have done a pretty good job of putting together a formula that seems to help most and hurt as few as possible, they have incorporated some "sleepers" that are going to wind up seriously affecting a number of States over the long haul.

They have gone to the Orshansky poverty definition in lieu of a strictly low-income figure based on the census, and they propose to count only two-thirds of the AFDC children above the Orshansky level—this because they maintain that the heavy reliance of the present formula on AFDC has skewed the allocation of funds heavily in favor of the wealthier States in the country.

There is, of course, some truth in this latter contention, but moving to the Orshanksy-AFDC combination as they did will almost certainly result in skewing the allocation drastically the other way.

First, a basic flaw in the Orshansky index was pointed out by the originator of the index herself before the special Education Subcommittee. Mollie Orshansky told them this measure—

> . . . concentrates on the income-food relationship, although for urban families, particularly those handicapped not only by lack of money but by minority status and large families, the cost of housing may be critical—further analysis of the formula should be conducted before it is used as a poverty index.

Orshansky does not include such expenses as housing, transportation, medical care or taxes, which are pretty important measures of the cost of living.

A Library of Congress study also pointed this out:

> The poverty levels are not varied to the different costs of living in different parts of the United States.

The result of this lack of cost-of-living differentiation is that, relatively speaking, the Orshansky index tends to understate poverty conditions in high cost-of-living areas and overstates poverty conditions in low cost-of-living areas.

Second, the Orshansky index calls for the use of the Consumer Price Index to update income levels annually. Therefore the income levels in the Orshansky index will increase yearly with inflation. The committee formula counts only two-thirds of the children from AFDC families with incomes above the index. As the Orshansky poverty level increases yearly, the AFDC count above these levels will not increase at the same pace and consequently decline. The Orshansky index is estimated to increase about 10 percent this year. The Illinois Department of Public Aid indicates that no AFDC payments have been increased yet this year, and a 3-percent increase is tentatively budgeted for this fall.

Since 21 percent—or $18,122,680—of the Illinois title I LEA allocation is based upon the AFDC count of eligibles, the State would start to lose dollars the first year the Orshansky index is updated by the Consumer Price Index. Twenty-five percent—or $13,216,744—of the Cook County allocation is based on the count of AFDC eligibles. Sixteen percent of the 18th Congressional District's LEA allocation is based on the AFDC count of eligibles—19 percent of Peoria's allocation.

Now, the problem is, if you do not go with the committee, where do you go?

Several Members, including myself, have tried to develop alternatives to what the committee has done. My friend and colleague from New York (Mr. PEYSER) has developed some fixed-formula proposals which attempt to deal with these problems, but his 100-percent hold-harmless provisions tend to negate the whole objective of devising a new formula.

Mr. O'HARA has a formula based on two-thirds school-aged population and one-third committee formula. This tends to put the money where the kids are, but leaves some large metropolitan areas such as Chicago, Los Angeles, and Detroit, among others, on the short end.

A further problem with the formula of the gentleman from Michigan is that it has been equated with general aid, largely because of the gentleman's views that the title I programs should be directed toward the needs of all children who are having learning difficulties without regard to the income of the child's family—a view that has some real merit.

In that vein, I would just point out that H.R. 69 does have a provision allowing local school districts the option of using criteria other than poverty as a basis for distributing title I funds among schools.

The amendment I had been exploring would use a two-thirds/one-third formula mechanism without going so far as to adopt a general-aid approach, although it would not change the local-option provision in the committee bill either.

It would change only the formula on which title I funds are distributed by basing two-thirds of the allocation on the school-aged population in local school districts, and one-third on the number of children from families with incomes below $3,500 plus the number of AFDC children above $3,500. The thrust and purpose of H.R. 69 would remain unaltered, but the metropolitan areas which came down under Mr. O'HARA's formula would be brought back up, and the problem of AFDC attrition would be eliminated.

In view of the lopsided votes on the O'Hara and Peyser amendments, I have no illusion that my amendment would fare any better so I shall not put it to a vote, but did want to have my position made clear by way of these remarks.

The CHAIRMAN. The question is on the amendment to the committee substitute offered by the gentleman from Illinois (Mr. MICHEL).

The amendment to the committee substitute was rejected.

### AMENDMENT OFFERED BY MR. TREEN TO THE COMMITTEE SUBSTITUTE

Mr. TREEN. Mr. Chairman, I offer an amendment to the committee substitute.

The Clerk read as follows:

> Amendment offered by Mr. TREEN to the Committee substitute: Page 28, line 9, strike out "1977" and insert in lieu thereof "1976".
>
> Page 50, line 25, insert "(1)" immediately after "(d)".
>
> Page 51, immediately after line 2, insert the following new paragraph:
>
> (2) Section 144(a)(1) (as redesignated by section 109 of this Act) of title I of the Act is amended by adding at the end thereof the following new sentence: "There is authorized to be appropriated to carry out this title, not to exceed $500,000,000 for the fiscal year ending June 30, 1976."

Mr. SYMMS. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and two Members are present, a quorum.

Mr. TREEN. Mr. Chairman, members of the Committee, the substance of my proposal is printed in the RECORD today on page 8060, and there is a chart on that page which indicates what my proposal would do with regard to funding.

My proposal is in two parts, only one of which could be effected here. First of all, let me explain why I am making this proposal.

It has been said by one of the Members here that this is not the time to debate whether or not the Federal Government should be involved in education. I disagree with that. I think now is the time that we should debate the basic question of whether the Federal Government should continue to be involved in education.

I think that the monumental problems that have been demonstrated by the rash of amendments that we have to H.R. 69; by the continuing controversy we have had over the years on the level of appropriations, on the formula for spending, and many other controversies that we are going to have on H.R. 69 before we get to a final vote, demonstrate that we ought to look at the question of whether or not this Congress should be involved in elementary and secondary education.

Mr. Chairman, I think the time has come to extricate ourselves from this mailaise by returning responsibility for elementary and secondary education to the States and to the local authorities.

Mr. Chairman, I propose to do this in two steps. My amendment, which was read by the Clerk, will have the effect of putting on a ceiling of $500 million for title I programs for the fiscal year 1976. It does not affect the year that we are in, fiscal year 1974, and it does not affect the year beginning July 1, 1974, because as we all recognize, school districts and local school authorities, and the States, are anticipating that they will receive funding somewhat on the order of $1.8 billion under title I programs for the coming year. So I propose that we put this ceiling of $500 million on for fiscal year 1976.

My amendment also phases out title I programs on June 30, 1976.

The second part of the proposal, which is not part of this amendment because it would not be germane, is to repeal the Federal tax on cigars and cigarettes and other tobacco products and permit the States to pick up that revenue directly. I like to call this "revenue source returning." I think it is better than revenue sharing.

The amount of money that is collected by the Federal Government by way of taxes on cigars, cigarettes, and other tobacco products is approximately $2.3 billion per year. So if any of the Members are interested in the chart, they may refer to page 8060 of yesterday's RECORD and they will see how much each State would receive by way of these taxes; the idea being that the State itself would increase its tobacco tax—and, as I understand it, every State has a tobacco tax—to the level necessary to take up the Federal tax. That $2.3 billion is shown in the chart as being distributed to the various States.

I might say that that source of revenue alone would bring every State and the District of Columbia more money with the exception of seven States. My State is one of those that would receive less money.

Mr. Chairman, as I say, that proposal, of course, is not a part of this amendment. The repeal of that tax could not be part of this bill, because it would not be germane. I have introduced that bill today with several cosponsors.

However, the part of the proposal that is germane and that is in the amendment is the ceiling of $500 million for fiscal year 1976. That is divided according to the formula in the committee bill, and is shown in the third column in the chart. When that is added up, every State except three will receive more funds than they would under the committee bill. One of the three States not receiving as much is the State of Louisiana, my own State. The other two are Mississippi and Kentucky, unfortunately, I might say for the benefit of the chairman of the committee who is from Kentucky.

However, let me point out just a few of the advantages, as I see it, of this proposal. In addition to the fact that it is going to provide considerably greater amounts of money for 47 States, it will give the States and the local school authorities more flexibility in educational programs. It will automatically solve the forward funding problem which we have been talking about and which the President has been talking about.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. TREEN) has expired.

(On request of Mr. ARMSTRONG, and by unanimous consent, Mr. TREEN was allowed to proceed for 2 additional minutes.)

Mr. TREEN. Mr. Chairman, let me just finish these other points quickly.

It is estimated that States and local school authorities spend $300 million in administrative costs because of the title I requirements of the ESEA. That will be saved by my proposal. We will also eliminate $10 million in Federal administrative costs through this plan.

In addition, we will relieve Congress of one of its most perplexing burdens—and one which is the source of much acrimony. Furthermore, local school boards will not have to come up here, as they have come year after year, on bended knee, saying "How much money are we going to get?"

If we adopt this plan, we as individual Congressmen would have a good deal more time to devote to other things that are absolutely vital.

This proposal would constitute a reaffirmation of our belief in the Jeffersonian principle that government closest to home is the best government.

We talk on this floor day in and day out about Congress having delegated too much power to the Executive, and we feel that we ought to retain certain powers ourselves. The plain fact of the matter and the crux of the problem is that we have too much concentration on the Federal level, either in the Congress or the Executive, in certain areas. Education is something that can be handled better on the State and the local level.

Mr. Chairman, I will say in conclusion that by adopting this proposal we would be making a simple and dramatic expression of our faith in our State and local school jurisdictions to educate children on the elementary and secondary level.

Mr. ARMSTRONG. Will the gentleman yield?

Mr. TREEN. I yield to the gentleman from Colorado.

Mr. ARMSTRONG. Mr. Chairman, I rise in support of the gentleman's amendment and to commend the statesmanship that he brings to the consideration of this issue.

Mr. TREEN's amendment will have far-reaching and beneficial consequences:

First. It will eliminate the uncertainty of existing programs. I am sure Members are well aware of the problem faced by State governments and local districts which try to make budgets based on funds which they cannot be sure of receiving from the Federal Government. In many cases, school boards are forced to staff up on the assumption of Federal funds and then lay off personnel or cut back programs if funds are not forthcoming. This is simply because the appropriations are enacted and funds distributed too late for proper planning by the schools.

Under our proposed amendment, the money would stay within the State in the first place for budgeting in a more timely fashion.

Second. This proposal restores local control in another significant way.

It is clear many programs have been started by local districts primarily in order to qualify for Federal funds even when other needs of the district are more important in the opinion of local policymakers. By keeping the funds, and the control, closer to home, decisionmaking will be decentralized and people at the local level will be in a better position to set their own priorities.

Third. Substantial administrative savings can be realized. Clearly the overhead costs of preparing applications and accounting for Federal programs under title 1 are very high—for the Federal Government—for State departments of education and, most significantly, for local districts where the administrative costs appear to be very high in proportion to the total benefits of the district programs.

In addition, some savings can be realized in the collection of the Federal tobacco tax which would be phased out. Presumably there will be no corresponding increase in the cost of local collection since that effort already exists and a higher tax rate will add little or nothing to the collection costs.

Fourth. This amendment will put more money into education. I assume that all States will enact an increase in the tobacco tax to take effect on the same date as termination of the Federal tax. So approximately $2.2 billion will be made available for education, compared to $1.6 billion in fiscal 1974 and $1.8 billion in 1974–75 by H.R. 69.

This increase, together with the administrative and overhead savings, can make possible significant increases in educational programs throughout the country.

In conclusion, Mr. Chairman, I would like to compare the concept of this amendment with revenue sharing. I am strongly in favor of revenue sharing as a means to decentralize control and make available the resources by which States and local jurisdictions can solve problems as defined by their own priorities. But I note that revenue sharing has one significant drawback:

Revenue sharing is subject to the appropriation of Congress. And despite its evident success to date, rumors are already circulating that the general revenue sharing program will not be continued when it expires. Apparently, many Members of Congress are loathe to let go of the power which revenue sharing transfers back to the local level.

Revenue sharing is therefore, by its very nature, uncertain.

What our proposed amendment seeks to do is to transfer permanently a portion of the tax base and to do so in a way that will not require further action by Congress after its enactment. I have great faith in the ability of States and local jurisdictions to solve problems and to plan wisely for the future. I am confident that local officials will make good decisions—not necessarily the same decisions Congress might make—and that local officials, being closer to the problems, their constituents, the schools, teachers, and, most important, the needs of schoolchildren, are in a better position to set priorities for use of educational moneys. I believe this amendment proposes an important opportunity to decentralize decisionmaking in an area of utmost concern.

In summary, this amendment offers an opportunity to eliminate the uncertainty of existing programs, restore local decisionmaking and priorities, save substantial overhead costs, and make increased funds available for education.

I commend the gentleman from Louisiana for presenting this amendment.

Mr. SANDMAN. Will the gentleman yield?

Mr. TREEN. I yield to the gentleman from New Jersey.

Mr. SANDMAN. I am very happy to join in the remarks made by the gentleman from Louisiana.

A couple of years ago I proposed that the Federal Government repeal all of the excise taxes except those where the funds remain in trust funds and to use that as a real revenue sharing source fund. I think the only way for us to carry out the promise that we are going to give the government back to the States is this. I am very happy the gentleman advanced this program.

Mr. TREEN. One final point. If the Chairman and the Members from the State of New York would look at the proposal, they will note that there is $56 million more in my plan than under the committee plan, and $7 million more for Pennsylvania, and $38 million more for Massachusetts, and $20 million more for Connecticut. And there is $1.5 million less for my own State of Louisiana.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I will not take the 5 minutes but will only take 1 minute.

The gentleman from Louisiana is well-intentioned and certainly has raised some questions that maybe should be resolved in other committees, but I think he is completely off base insofar as phasing out title I is concerned.

The real debate is taking place here today because of the underfunding of title I. If title I had been fully funded, the low-income factor of $4,000 would have been in effect in 1970, so we would not have had all of this debate on AFDC.

From throughout this Nation the best educators have come before the committee and stated that assistance received from the title I school program, which has helped the disadvantaged primarily in the inner cities and poor rural areas, has held their school systems together, and the fact is that but for that assistance entire systems in many instances would have disintegrated. So title I has well proved itself in serving the disadvantaged in the best way known.

The only real problem, from the great number of studies we have already conducted, is the fact that title I is now underfunded.

I hope that the amendment offered by the gentleman will be defeated.

Mr. TREEN. Will the chairman yield to me for one question?

Mr. PERKINS. Yes; I yield to the gentleman.

Mr. TREEN. The chairman understands under this proposal—and I recognize the fact that it can only be implemented if the Federal excise tax is repealed, and, of course, there is plenty of time before fiscal year 1976 begins to see that it would happen, but the chairman understands that if this entire proposal is carried out, you will have an increase in funding for all of these school districts in all of these States save yours and mine and that the saving in administrative costs will more than make up for that in our States. The amendment I am proposing would provide a greater amount of funding than the chairman does in his bill.

Mr. PERKINS. I will say that an amendment that is so broad in substance should have thorough consideration in the Ways and Means Committee and in our committee, and we should not undertake to legislate here on the floor. But we know we will be doing harm to the disadvantaged in phasing title I out in 2 years.

Mr. QUIE. Will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from Minnesota (Mr. Quie).

Mr. QUIE. I join with Chairman Perkins.

If that were so, then there would be some protection for education, but to just go now to the tobacco patch and encourage people to smoke more so we can educate them better, I just do not think that that would be very fitting for this legislation, so I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. Treen) to the committee substitute.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. TREEN. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the committee substitute was rejected.

The CHAIRMAN. Are there further amendments to title I? If not, the Clerk will read.

### AMENDMENT OFFERED BY MR. ESCH TO THE COMMITTEE SUBSTITUTE

Mr. ESCH. Mr. Chairman, I offer an amendment to the committee substitute.

The CHAIRMAN. Has the amendment been printed in the Congressional Record?

Mr. ESCH. Mr. Chairman, it is an amendment that comes at the conclusion of title I, following the period in title I. So I rose at this particular time to offer it.

### PARLIAMENTARY INQUIRY

Mr. QUIE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. QUIE. Mr. Chairman, my parliamentary inquiry is this: In the event this amendment is read, and we begin considering the amendment, would then title I be completed, and there would be no way that anyone can go back to title I and offer an amendment, even though printed in the Record?

The CHAIRMAN (Mr. Price of Illinois). The Chair will answer the inquiry of the gentleman from Minnesota by saying that further amendment to title I would be precluded only if the amendment is agreed to.

The Clerk will report the amendment, and the committee will find out what the amendment is.

### PARLIAMENTARY INQUIRY

Mr. STEIGER of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. STEIGER of Wisconsin. Mr. Chairman, my parliamentary inquiry is to inquire whether or not if the amendment is read, is a point of order eligible to be lodged against the amendment?

The CHAIRMAN (Mr. Price of Illinois). The Chair will state that a point of order certainly could be raised, and argued at the proper time, following the reading of the amendment.

### PARLIAMENTARY INQUIRIES

Mr. PERKINS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PERKINS. Mr. Chairman, I would like to know if there are any further amendments at the Clerk's desk to title I, and whether or not we have completed amending title I?

The CHAIRMAN (Mr. Price of Illinois). The Chair will state in response to the inquiry of the gentleman from Kentucky that the Chair has asked that question, and evidently the only Member seeking to offer an amendment was the gentleman from Michigan (Mr. Esch) who, apparently, is offering an amendment after title I, and is inserting a new title to follow title I.

Mr. PERKINS. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. PERKINS. Mr. Chairman, my parliamentary inquiry is this: This will preclude any further amendments to title I after the gentleman from Michigan (Mr. Esch) offers his amendment to title II, is that correct?

The CHAIRMAN (Mr. Price of Illinois). The Chair will state that if the amendment offered by the gentleman from Michigan (Mr. Esch) is considered and agreed to, its adoption would preclude further amendment to title I.

Mr. PERKINS. Does the Chairman mean it would require unanimous consent?

The CHAIRMAN. If the amendment is defeated then further amendments to title I would be in order, if otherwise in order under House Resolution 963.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. Esch to the committee substitute amendment: Page 58, after line 18, insert a new Title II (and number the succeeding Titles and Sections accordingly:)

### TITLE II—EQUAL EDUCATIONAL OPPORTUNITIES

Sec. 201. This title may be cited as the "Equal Educational Opportunities Act of 1974".

### PART A—POLICY AND PURPOSE

SEC. 202. (a) The Congress declares it to be the policy of the United States that—

(1) all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, sex, or national origin; and

(2) the neighborhood is the appropriate basis for determining public school assignments.

(b) In order to carry out this policy, it is the purpose of this Act to specify appropriate remedies for the orderly removal of the vestiges of the dual school system.

SEC. 203. (a) The Congress finds that—

(1) the maintenance of dual school systems in which students are assigned to schools solely on the basis of race, color, sex, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

(2) for the purpose of abolishing dual schools solely on the basis of race, color, sex, thereof, many local educational agencies have been required to reorganize their school systems, to reassign students, and to engage in the extensive transportation of students;

(3) the implementation of desegregation plans that require extensive student transportation has, in many cases, required local educational agencies to expend large amounts of funds, thereby depleting their financial resources available for the maintenance or improvement of the quality of educational facilities and instruction provided;

(4) transportation of students which creates serious risks to their health and safety, disrupts the educational process carried out with respect to such students, and impinges significantly on their educational opportunity, is excessive;

(5) the risks and harms created by excessive transportation are particularly great for children enrolled in the first six grades; and

(6) the guidelines provided by the courts for fashioning remedies to dismantle dual school systems have been, as the Supreme Court of the United States has said, "incomplete and imperfect," and have not established, a clear, rational, and uniform standard for determining the extent to which a local educational agency is required to reassign and transport its students in order to eliminate the vestiges of a dual school system.

(b) For the foregoing reasons, it is necessary and proper that the Congress, pursuant to the powers granted to it by the Constitutions of the United States, specify appropriate remedies for the elimination of the vestiges of dual school systems.

### PART B—UNLAWFUL PRACTICES

#### DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY

SEC. 204. No State shall deny equal educational opportunity to an individual on account of his or her race, color, sex, or national origin, by—

(a) the deliberate segregation by an educational agency of students on the basis of race, color, or national origin among or within schools;

(b) the failure of an educational agency which has formerly practiced such deliberate segregation to take affirmative steps, consistent with part D of this title, to remove the vestiges of a dual school system;

(c) the assignment by an educational agency of a student to a school, other than the one closest to his or her place of residence within the school district in which he or she resides, if the assignment results in a greater degree of segregation of students on the basis of race, color, sex, or national origin among the schools of such agency than would result if such student were assigned to the school closest to his or her place of residence within the school district of such agency of providing the appropriate grade level and type of education for such student;

(d) discrimination by an educational agency on the basis of race, color, or national origin in the employment, employment conditions, or assignment to schools of its faculty or staff, except to fulfill the purposes of subsection (f) below;

(e) the transfer by an educational agency, whether voluntary or otherwise, of a student from one school to another if the purpose and effect of such transfer is to increase segregation of students on the basis of race, color, or national origin among the schools of such agency; or

(f) the failure by an educational agency to take appropriate action to overcome language barriers that impede equal participation by its students in its instruction programs.

#### BALANCE NOT REQUIRED

SEC. 205. The failure of an educational agency to attain a balance, on the basis of race, color, sex, or national origin, of students among its schools shall not constitute a denial of equal educational opportunity, or equal protection of the laws.

#### ASSIGNMENT ON NEIGHBORHOOD BASIS NOT A DENIAL OF EQUAL EDUCATIONAL OPPORTUNITY

SEC. 206. Subject to the other provisions of this title, the assignment by an educational agency of a student to the school nearest his place of residence which provides the appropriate grade level and type of education for such student is not a denial of equal educational opportunity or of equal protection of the laws unless such assignment is for the purpose of segregating students on the basis of race, color, sex, or national origin, or the school to which such student is assigned was located on its site for the purpose of segregating students on such basis.

### PART C—ENFORCEMENT

#### CIVIL ACTIONS

SEC. 207. An individual denied an equal educational opportunity, as defined by this title may institute a civil action in an appropriate district court of the United States against such parties, and for such relief, as may be appropriate. The Attorney General of the United States (hereinafter in this title referred to as the "Attorney General"), for or in the name of the United States, may also institute such a civil action on behalf of such an individual.

SEC. 208. When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, such school population changes so occurring shall not, per se, constitute a cause for civil action for a new plan of desegregation or for modification of the court approved plan.

#### JURISDICTION BY THE ATTORNEY GENERAL

SEC. 209. The appropriate district court of the United States shall have and exercise jurisdiction of proceedings instituted under section 207.

#### INTERVENTION BY ATTORNEY GENERAL

SEC. 210. Whenever a civil action is instituted under section 207 by an individual, the Attorney General may intervene in such action upon timely application.

#### SUITS BY THE ATTORNEY GENERAL

SEC. 211. The Attorney General shall not institute a civil action under section 207 before he—

(a) gives to the appropriate educational agency notice of the condition or conditions which, in his judgment, constitute a violation of Part B of this title; and

(b) certifies to the appropriate district court of the United States that he is satisfied that such educational agency has not, within a reasonable time after such notice, undertaken appropriate action.

#### ATTORNEYS' FEES

SEC. 212. In any civil action instituted under this Act, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorneys' fee as part of the costs, and the United States shall be liable for costs to the same extent as a private person.

### PART C—REMEDIES

#### FORMULATING REMEDIES; APPLICABILITY

SEC. 213. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall seek or impose only such remedies as are essential to correct particular denials of equal educational opportunity or equal protection of the laws.

SEC. 214. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, which may involve directly or indirectly the transportation of students, a court, department, or agency of the United States shall consider and make specific findings on the efficacy in correcting such denial of the following remedies and shall require implementation of the first of the remedies set out below, or of the first combination thereof which would remedy such denial:

(a) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account school capacities and natural physical barriers;

(b) assigning students to the schools closest to their places of residence which provide the appropriate grade level and type of education for such students, taking into account only school capacities;

(c) permitting students to transfer from a school in which a majority of the students are of their race, color, or national origin to a school in which a minority of the students are of their race, color, or national origin;

(d) the creation or revision of attendance zones or grade structures without requiring transportation beyond that described in section 215;

(e) the construction of new schools or the closing of inferior schools;

(f) the construction or establishment of magnet schools; or

(g) the development and implementation of any other plan which is educationally sound and administratively feasible, subject to the provisions of sections 215 and 216 of this title.

#### TRANSPORTATION OF STUDENTS

SEC. 215. (a) No court, department, or agency of the United States shall, pursuant to section 214, order the implementation of a plan that would require the transportation of any student to a school other than the school closest or next closest to his place of residence which provides the appropriate grade level and type of education for such student.

(b) No court, department, or agency of the United States shall require directly or indirectly the transportation of any student if such transportation poses a risk to the health of such student or constitutes a significant impingement on the educational process with respect to such student.

(c) When a court of competent jurisdiction determines that a school system is desegregated, or that it meets the constitutional requirements, or that it is a unitary system, or that it has no vestiges of a dual system, and thereafter residential shifts in population occur which result in school population changes in any school within such a desegregated school system, no educational agency because of such shifts shall be required by any court, department, or agency of the United States to formulate, or implement any new desegregation plan, or modify or implement any modification of the court approved desegregation plan, which would require transportation of students to compensate wholly or in part for such shifts in school population so occurring.

### DISTRICT LINES

Sec. 216. In the formulation of remedies under section 213 or 214 of this title the lines drawn by a State, subdividing its territory into separate school districts, shall not be ignored or altered except where it is established that the lines were drawn for the purpose, and had the effect, of segregating children among public schools on the basis of race, color, sex, or national origin.

### VOLUNTARY ADOPTION OF REMEDIES

Sec. 217. Nothing in this title prohibits an educational agency from proposing, adopting, requiring, or implementing any plan of desegregation, otherwise lawful, that is at variance with the standards set out in this title, nor shall any court, department, or agency of the United States be prohibited from approving implementation of a plan which goes beyond what can be required under this title, if such plan is voluntarily proposed by the appropriate educational agency.

### REOPENING PROCEEDINGS

Sec. 218. On the application of an educational agency, court orders, or desegregation plans under title VI of the Civil Rights Act of 1964 in effect on the date of enactment of this title and intended to end segregation of students on the basis of race, color, or national origin, shall be reopened and modified to comply with the provisions of this title. The Attorney General shall assist such educational agency in such reopening proceedings and modifications.

### LIMITATION ON ORDERS

Sec. 219. Any court order requiring, directly or indirectly, the transportation of students for the purpose of remedying a denial of the equal protection of the laws shall, to the extent of such transportation, be terminated if the court finds the defendant educational agency is not effectively excluding any person from any school because of race, color, or national origin, and this shall be so, whether or not the schools of such agency were in the past segregated de jure or de facto. No additional order requiring such educational agency to transport students for such purpose shall be entered unless such agency is found to be effectively excluding any person from any school because of race, color, or national origin, and this shall be so, whether or not the schools of such agency were in the past segregated de jure or de facto.

Sec. 220. Any court order requiring the desegregation of a school system shall be terminated, if the court finds the schools of the defendant educational agency are a unitary school system, one within which no person is to be effectively excluded from any school because of race, color, or national origin, and this shall be so, whether or not such school system was in the past segregated de jure or de facto. No additional order shall be entered against such agency for such purpose unless the schools of such agency are no longer a unitary school system.

### Part E—Definitions

Sec. 221. For the purposes of this title—

(a) The term "educational agency" means a local educational agency or a "State educational agency" as defined by section 801 (k) of the Elementary and Secondary Education Act of 1965.

(b) The term "local educational agency" means a local educational agency as defined by section 801(f) of the Elementary and Secondary Education Act of 1965.

(c) The term "segregation" means the operation of a school system in which students are wholly or substantially separated among the schools of an educational agency on the basis of race, color, sex, or national origin or within a school on the basis of race, color, or national origin.

(d) The term "desegregation" means desegregation as defined by section 401(b) of the Civil Rights Act of 1964.

(e) An educational agency shall be deemed to transport a student if any part of the cost of such student's transportation is paid by such agency.

### Part F—Miscellaneous Provisions

Sec. 222. Section 709(a)(3) of the Emergency School Aid Act is hereby repealed.

### SEPARABILITY OF PROVISIONS

Sec. 223. If any provision of this title or of any amendment made by this title, or the application of any such provision to any person or circumstance, is held invalid, the remainder of the provisions of this title and of the amendments made by this title and the application of such provision to other persons or circumstances shall not be affected.

Mr. ESCH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. MEEDS. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Washington (Mr. Meeds) reserves a point of order against the amendment.

Is there objection to the request of the gentleman from Michigan (Mr. Esch) that further reading of the amendment be dispensed with, and that it be printed in the Record?

Mr. QUIE. Mr. Chairman, reserving the right to object, I do so for the purpose of making a parliamentary inquiry.

The CHAIRMAN. The gentleman from Minnesota reserves the right to object so that he may make a parliamentary inquiry.

### PARLIAMENTARY INQUIRY

Mr. QUIE. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. QUIE. Mr. Chairman, my parliamentary inquiry is this: Will the rules that applied to title I apply to this amendment as well, that there can be only one speaker on each side? Or will we go back to the regular rules of the House, where pro forma amendments can be offered to amendments so that the Members can have 5 minutes each, for as long as they wish to do so?

The CHAIRMAN (Mr. Price of Illinois). The restrictions of the rule adopted by the House on March 12 would not apply to this amendment.

Mr. QUIE. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. STEIGER of Wisconsin. Further reserving the right to object, Mr. Chairman, may I have the Clerk re-report the first portion of the amendment? Mr. Chairman, I am trying to seek permission to have the Clerk re-report the first portion of the amendment.

Mr. ESCH. I would object, Mr. Chairman. I want to proceed with the reading of the amendment and get on with the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk reread that portion of the amendment referred to.

Mr. ESCH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MEEDS. Mr. Chairman, I reserve a point of order against the amendment.

Mr. BAUMAN. Mr. Chairman, I make a point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. One hundred and eleven Members are present, a quorum.

### PARLIAMENTARY INQUIRY

Mr. STEIGER of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Michigan yield for a parliamentary inquiry?

Mr. ESCH. I yield, Mr. Chairman.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. STEIGER of Wisconsin. Do I understand the Chair allowed the gentleman to reserve a point of order without a unanimous-consent request?

The CHAIRMAN (Mr. Price of Illinois). That is not required to reserve a point of order. Any Member may reserve a point of order.

Mr. ESCH. Mr. Chairman, I rise in order to present an amendment which is substantially the same as a bill which passed the House of Representatives on August 17, 1972, by a vote of 282 to 102.

It has been printed in the Record for the benefit of the Members on March 14 on page 6877 and there are copies available at both of the desks for the information of the Members.

I rise in presenting this amendment on behalf not only of myself but also the gentleman from Michigan (Mr. Huber) and the gentlemen from Michigan and members of the committee, Mr. William Ford and Mr. James O'Hara, and also many other Members from Michigan who have been very active in support of amendments of this type, such as Congressmen Nedzi, Dingell, Broomfield, and others.

The purpose of the amendment is to clearly indicate that the intent of the House of Representatives is to disapprove cross-district busing such as that which has created a great deal of unrest and uncertainty in the minds of those in the Greater Detroit area. The purpose clearly, when the act was passed by this House overwhelmingly in August of 1972, was to suggest that, while we recognize that every child should have an opportunity to be fully educated, the House went on record as emphasizing that the education should be done insofar as possible in a neighborhood school and emphasized the concept of family involvement which can only be exercised in a neighborhood school. The emphasis is upon the fact that the school which is closest to the neighborhood can provide the best educational opportunity because the family could have close proximity to the educational process itself.

As a result, what we have before us today is an amendment that has been very carefully drawn to resolve the issue of constitutionality involved in the proposition that every child should be educated to his fullest extent possible that child should also be educated in a neighborhood school. So the amendment which we offer today, although some may suggest that it may be negative in nature, is really affirmative because it would clarify the intent of this Congress to reemphasize education in neighborhood schools and to define as well both denials of equal educational opportunities and remedies available to overcome such denials.

Moreover, there quite frankly is no real evidence to suggest that busing has improved educational opportunity. There is some evidence to the contrary. Instead of promoting race relations in some cases it has resulted in more bitterness and polarization.

Those who favor busing do so on the false theoretical assumption that the schools can make up for our failures at home. What we ought to recognize is that the family is the critical factor in educational achievement and no amount of busing or remedial education can resolve the problems of the family.

For years the people of Michigan have been virtually unanimous in their opposition to busing on the basis of race and they have been living under the threat of a Federal judge's order which would enforce busing across the boundary lines of 53 school districts in the Metropolitan Detroit area.

The gentleman from Michigan (Mr. Broomfield) went a long way to reach out and strive to solve the problem in a previous year, but this amendment specifically we believe is drafted to take care of the constitutional problem and yet reinforce the fact that the neighborhood schools are the best place to educate our children.

So I ask the Members to support this amendment. I think that the people in the inner city of Detroit as well as in the suburbs and in the inner cities and suburbs throughout the country are tired of this threat of cross-country busing and they, like many Americans, both black and white, are tired of having their children used in a poorly thought out social experimentation. I do not blame them and I urge the Congress to adopt this amendment.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Michigan (Mr. O'Hara).

Mr. O'HARA. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Michigan (Mr. Esch). I commend him for offering the amendment. I thank my distinguished colleague from Michigan for yielding to me, and I appreciate this opportunity to make a few brief remarks in regard to my own position on this issue.

I have supported on this floor, in my work on the Committee on Education and Labor, and in my public life, the proposition that no American can legitimately be denied access to any public facility, any employment or educational opportunity, or to any other right or privilege because of his race, his religion, or his origins—and I have always supported what seems to me to be the inevitable and inescapable consequence of that belief—that no person can be provided such access, such opportunity, such rights or privileges because of his race, his creed, or his origins.

Those principles, which seem to me to be as inseparable as the two sides of a coin, lie at the heart of our constitutional system, and they are close to the center of my own political philosophy. "Equal rights for every human being—special privilege for no one." This is the standard to which I must repair in the last analysis, regardless of the popularity of that stand at a given moment.

Racially selective school assignment—whether it involves busing or some other device—is in my view wholly violative of that principle. If we can say to one child, "Go here to school," and say to another child, "Go there to school," and if the means we use to decide is the color of either child's skin, then we are practicing racism in its worst form, whatever term we use to describe it.

Racially selective schoolbusing was wrong when it was used to perpetuate dual school systems. Racially selective schoolbusing is wrong when it is used in the name of "desegregation" with the goal of meeting racial quotas in given schools or school districts. There is no fundamental difference in the two techniques, and if the foes of one have become the advocates of the other, then I have to part company with them. I was against the schoolbus when it bused black or white kids across town in one direction, and I will be against the schoolbus when it buses black or white kids across town in another direction.

I support, enthusiastically, the amendment of the gentleman from Michigan, the amendment which embodies legislation this House has already passed on another occasion—because I believe it is based on the principles I have just outlined.

This amendment, and my support of it, are based on the proposition that the laws of this country must not confer either penalty or favor upon an American because of his color, and, indeed, must not even take cognizance of that color.

We cannot, then, in my judgment assign young people to school on the basis of their race without violating the Constitution, even when we seek to justify that kind of assignment as a technique for achieving results we believe are consistent with Constitutional principles. The Constitution, Mr. Chairman, does not embody goals. It does not visualize objectives. It does not legitimate quotas. It consists of processes, of procedures, of limitations on what Government can do even to achieve what people think is good.

And one of those limitations, I believe is the one this amendment will seek to strengthen and protect—the limitation that forbids the provision of access to the schools on the basis of race.

Mr. Chairman, once again, I stand here to cast my vote against the busing of schoolchildren. I am surprised that it even requires a vote to put a stop to this clearly unconstitutional and essentially racist practice. I look forward to the day when we can see the last of these experiments, and get back to our business as one people.

Mr. HUBER. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Michigan (Mr. Huber).

Mr. HUBER. Mr. Chairman, I would like to associate myself with the gentleman from Michigan. He has very aptly presented our position. I am delighted to support his amendment.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Michigan (Mr. Ford).

Mr. FORD. Mr. Chairman, I commend the gentleman for his hard work in representing the Michigan delegation as well as he has in the preparation of the amendment.

Mr. Chairman, I rise in support of the amendment offered by my distinguished colleague, the gentleman from Michigan (Mr. Esch). This amendment provides that it is the policy of the United States that all children enrolled in public schools are entitled to equal educational opportunity without regard to race, color, sex, or national origin, and that the neighborhood is the appropriate basis for determining public school assignments.

The provisions of this amendment are consistent with my long-standing belief in the proposition that no American should be given or denied access to any public facility, any employment or educational opportunity, or any other right or privilege based upon his or her race, religion, or national origin.

Mr. Chairman, I have always deplored racial discrimination. I have always opposed the maintenance of dual school systems in which students are assigned to schools on the basis of their race or color. The amendment we now have before us would prohibit these types of school systems and it would prohibit the assignment of students to a school based on race, color, sex, or national origin.

This amendment is a response to the theory that court-ordered busing of students assigned to specific schools on the basis of the color of their skin will somehow achieve the goal of creating a color-blind educational system in which every student would have an equal educational opportunity. This amendment endorses the principle that every student is entitled to an equal educational opportunity, and it prohibits using the color of a student's skin as a factor to be considered in making a school assignment. Instead it provides that all students should have the same equal right to attend the local school within their own neighborhood—regardless of the color of their skin.

Mr. Chairman, a generation ago, when school districts in various parts of the country were assigning children to schools on the basis of their race—and in many cases using buses to make sure that those children were delivered to the schools to which they were assigned on the basis of their race—we called it segregation and we fought it.

Mr. Chairman, we were right then, and we are right now.

The struggle for equality of access to public institutions, to schools and jobs and housing in this country has been a struggle to remove the color of a person's skin from the things that we consider when a person seeks to be admitted to a school, to obtain a job, purchase a home, or to exercise his or her right to vote.

For years we have been urged to judge a person by his or her character, not by the color of his or her skin.

Now we are being urged by some who profess to espouse the cause of equality, that we should reassert the primary consideration of these distinctions and that we should assure ourselves that each group is properly represented in every social undertaking.

Mr. Chairman, whenever the law, for whatever alleged motive, takes cognizance of a person's color, race, religion, or national origin, and confers a benefit or an injury on that person, the law is a denial of the idea of human equality, and in my judgment, is a violation of the Constitution.

I cannot support the concept of forced cross-district school busing of our children simply because I do not believe it will move us any closer toward the colorblind society which our Constitution mandates. But even if it could, I could not support cross-district busing and the assignment of pupils on the basis of their race—because it is wrong to use a color-conscious device to right a color-conscious wrong.

I urge my colleagues from both sides of the aisle to support this amendment, and register your opposition to the forced busing of our school children.

Mr. ESCH. Mr. Chairman, I appreciate the gentleman's untiring efforts throughout the years in support of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. ESCH was allowed to proceed for 1 additional minute.)

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Michigan (Mr. BROOMFIELD).

Mr. BROOMFIELD. Mr. Chairman, I also commend the gentleman for his amendment and rise today as a cosponsor of the amendment offered to H.R. 69 by my distinguished colleague from Michigan (Mr. ESCH.).

For more than 5 years we have lived under the threat of massive forced busing between Detroit and the surrounding suburbs—the result of an absurd and totally unrealistic Federal district court ruling now under appeal.

It was my pleasure in 1971 to sponsor the Broomfield amendment which was enacted by Congress and signed into law. This measure prohibits cross-district busing until all court appeals have been exhausted and in my judgment, has prevented such busing in the Detroit area and throughout the country.

But the threat that forced, cross-district busing could be ordered at some future time remains. This amendment would go a long way toward removing that possibility.

Mr. Chairman, I always have felt that our primary goal must be to help local school districts provide the highest possible quality education.

Cross-district busing does nothing to help us achieve that goal. Studies have shown that forced busing has failed to produce any positive results in the academic achievement of the children involved. Educational experts who have studied the information available have reached one basic conclusion: That busing has no positive effect on the academic achievement of either black or white children. What busing has done, though, is create a state of confusion in many of our Nation's school districts. It has made innocent children the victims of the ignorance of the courts by transporting them miles from their neighborhood schools for reasons they cannot understand. It has disrupted their lives to the point that their education suffers in many cases. Supreme Court Justice Lewis Powell has called busing "the single most disruptive element in education today." I could not agree more. A recent Gallup poll survey shows that an overwhelming majority of the American people agree with Justice Powell, also. Conducted last September, it indicates that 95 percent of the American public oppose forced busing.

Perhaps a basic reason for this overwhelming figure is that forced busing denies Americans the right to control the education of their children. People who work in a community and pay school taxes to support the community's school system are suddenly told by a judge that their children will be bused to another district. It is not hard to imagine why the vast majority of Americans reject this program. What is hard to imagine is why some lower courts adopted such a principle in the first place.

Besides denying parents the right to make their own decision about where their child will attend school, forced busing violates the intent of the 1964 Civil Rights Act. That act states quite clearly that it does not empower any official or court of law to issue any order requiring transportation of children from one school to another or one school district to another to achieve racial balance. Unfortunately, the courts have chosen to subvert or ignore the law.

The amendment before us today offers rational alternatives to busing as a way of achieving educational equality. It provides that no program of busing shall be implemented unless various alternatives have been tried and proven ineffective in achieving the desired results. Should the alternatives fail, no student may be bused farther than the next closest school to his home. The alternatives are as follows:

Assigning students to the schools closest to their homes, taking into account school capacities and natural physical barriers.

Assigning students to the schools closest to their homes, considering only school capacities.

Permitting students to transfer from a majority to a minority student concentration of their race, color, or national origin.

The creation or revision of attendance zones or grade structures if it does not require transportation of a student beyond the school next closest to his home.

The construction of new schools.

The closing of inferior schools.

Any other plan which is educationally sound and administratively feasible which does not require transportation beyond the next closest school or assignments across district lines, unless the lines were drawn for the purpose of segregation.

In addition, the amendment strikes at the heart of the problem by prohibiting practices which deny equal educational opportunities. These include deliberate segregation and failure to take action to eliminate it, discrimination in hiring and assigning of faculty by school districts, and transfer of students to increase segregation.

This amendment attempts to deal with the equal education problem on a more rational basis than merely filling up buses and sending them across school district lines. Those who feel massive cross-district busing is a panacea for the problem have failed to look closely at the existing problem.

It is time for Congress to look at the facts and act on this problem with a degree of sanity missing from some of the courts in the country. I urge the House to do just that by voting favorably on this amendment today.

Mr. BRAY. Mr. Chairman, will the gentleman yield.

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Indiana.

Mr. BRAY. Mr. Chairman, I congratulate the gentleman in his efforts on this amendment.

Mr. Chairman, once again, the House of Representatives has an opportunity to express its opposition to busing for the purposes of achieving racial balance. The amendment is identical to antibusing legislation which passed the House on August 17, 1972, by 282 to 102. However, it failed in the Senate. The yea votes for the amendment at that time showed a definite bipartisan stand. This busing issue crosses party lines; it is not a political issue at all but one which, I dare say, has become the most controversial and hotly debated (and hotly opposed) matter the country has seen for some years.

Earlier this year, the House Committee on Education and Labor by a vote of 18 to 6, voted against adding these provisions to the school aid bill, now before us. However, this does not mean that there is any decline in antibusing sentiment as far as the Congress is concerned. The 1972 vote shows that; I am confident today's vote will show it also.

In essence, these are the provisions of the amendment, similar to those in 1972:

First, it would ban busing of students in all grades beyond the "next closest" school;

Second, old desegregation cases that had ordered busing for racial balance would be reopened, to reduce their busing requirements;

Third, busing from one school district to another would be flatly banned.

Opponents of this amendment will probably bring out the old charge that the issue is really racist. Nothing could be further from the truth. If that argument is to be refuted, let me turn to two remarks from two gentlemen, prominent in public life, who in no sense of the word could be remotely called "racist" in outlook: Mr. Julius Hobson, one of Washington, D.C.'s leading black "militants"—I do not know if Mr. Hobson prefers that term, but it is one often used to describe him; at any rate, he says what he thinks, openly and honestly—and Mr. John Gardner, former Secretary of Health, Education, and Welfare and now head of Common Cause. These remarks were quoted in the February 20, 1974, Congressional Record by the distinguished gentlewoman from Oregon (Mrs. Green); they are pertinent here: I quote from them:

> Mr. Hobson. Of course—integration is a complete failure . . . I think it's time we tried to make the schools good where they are . . . the integration kick is a dead issue.
>
> Mr. Gardner. We should proceed to upgrade the schools where they are now and not sit around waiting for integration that may never happen.

Pending in the House is a discharge petition on House Joint Resolution 771, a constitutional amendment designed to prevent the forced busing of students for racial balance. I have cosponsored similar legislation, and also signed the discharge petition, which, again, is supported by Members of both parties. It is worth noting, too, that the Supreme Court has heard arguments on whether the courts can cross political boundaries and order racial busing. This is the "Detroit case," but it applies to several Northern metropolitan school districts, including Indianapolis, of which I represent a substantial part. The Court will not hand down its decision for some weeks yet. There is speculation that the original rulings in favor of the Detroit case may be overturned, but of course no one can nor should predict this. If the Court does not, then I can predict with accuracy that this will give added thrust to the antibusing amendment now pending in the House.

There is the matter of the cost to school districts who must comply with these busing orders, and they are already strapped for funds. Mrs. Green had some observations in her remarks on the date cited. For instance, in Charlotte, N.C., the local and State Government are having to put up around $1.6 million annually to operate buses, compared with $784,000 3 years ago; this is against a drop in school population of 7,000 over the same period.

In Jacksonville, Fla., 52,000 pupils out of 109,700 are riding on 428 buses. Jacksonville pays over $3 million a year to fund this, which is three times the cost 3 years previously.

In Pontiac, Mich., the 1973 busing cost was $507,000. But the real bite was made in Los Angeles. The State Supreme Court of California ordered widespread desegregation of schools, which meant busing. For the first year, according to school officials, it meant $42 million initial outlay for the buses and drivers, and for subsequent years, $20 to $25 million, per year. This was, of course, money taken away from programs and attempts to improve the quality of education.

Let us look at Indianapolis. The plan ordered by the Federal District Court there would shuffle around 20,000 Indianapolis students, about half of them to suburban areas as far away as Plainsfield, Mooresville, Brownsburg, and Carmel—all many miles outside the city itself, at a cost of many millions.

In addition—and this is worst of all—a total of 29 elementary and high schools would be closed down. Here we get into a truly hideous waste of taxpayers' money. I recently toured Indianapolis, photographing these schools, and getting accurate cost figures on original cost and replacement cost.

The original construction cost of these 29 schools was right at $31 million. The replacement cost would be a little over $52 million. Not included in the sum total of this contemplated busing order as it applies to Indianapolis is the additional cost levied on the suburban school districts that must expand their facilities to take care of the influx of pupils. No one can accurately estimate that, but given the expense of expansion and building, it would surely run into many more millions, as well.

Some of these schools to be abandoned are only a few years old or have had current remodeling work done. Let me cite a few:

First, 545 East 19th Street—Constructed 1966 for $1.1 million; replacement cost: $2.2 million.

Second, 2447 West 14th; originally constructed in 1923, remodeled in 1968; total cost $1.5 million; replacement cost: $2.2 million.

Third, 3330 North Pennsylvania; built in 1967 at a cost of $1.2 million; replacement cost: $1.9 million.

Fourth, 150 West 40th; built in 1909, remodeled in 1972; total cost $1.2 million, overall; replacement cost: $1.6 million.

Fifth, 5050 East 42d; built in 1962; cost $657,000, replacement cost: $1 million.

The busing plan as contemplated by the two commissioners appointed by the Federal District Court recommended the abandonment of 28 schools in the Indianapolis School District. These two commissioners were allowed $225 each for an 8-hour day to work out the plan for abandonment of these schools. If the commissioner worked 16 hours a day he was entitled, by the court's orders, to a $450 fee that day.

The elected school board of the Indianapolis district objected to this appointment and objected to the fees allowed, without avail. These commissioners were paid more than $43,000 for this consulting, plus an additional $15,000 for expenses, all over the objections of the elected school board.

The court has now ordered three more "studies" by these commissioners to provide three more plans at the taxpayers' expense, to work out a busing plan within the school district of Indianapolis and not the suburban areas, which was covered by the consulting cited above.

The additional costs to the Indianapolis taxpayers for busing is estimated at $4 million. In addition to the loss of the school buildings, as recommended by the court-appointed commissioners will cost the taxpayers of the Indianapolis School District an added $20 million annually, if this busing plan is put into effect. This cost does not include the cost to the suburban schools which must, if this order goes into effect, find the money to expand their already overcrowded facilities, to take on the influx of new students from Indianapolis.

Many of us have fought for some years to prevent this irresponsible busing which threatens not only the neighboring schools but our entire educational system. We have passed legislation, in many ways similar to the one which we are now debating, but the Senate has always refused to go along. Many of you are not sufficiently interested in stopping this busing travesty because you think it "couldn't happen to you." I have pointed out what is happening in Indianapolis and if the probusing enthusiasts get by with this, they will attempt the same regimentation on you. Many of you who are against this busing are discouraged because the Federal courts are taking the control of schools away from you. Resounding victory in this busing matter today will have a profile and effect on stopping busing, as for the courts it is well to remember the old saying:

> Even the Supreme Court reads the Election returns.

Mr. WINN. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Kansas.

Mr. WINN. Mr. Chairman, I commend my colleague from Michigan (Mr. Esch) for today offering an amendment to H.R. 69, the Elementary and Secondary Education Act, to strictly limit the use of school busing.

Since coming to Congress, I have consistently supported the concept of the neighborhood school; I firmly believe the neighborhood is an appropriate basis for determining public school assignments. I am against the use of funds to force attendance of a student at a particular school or to force busing of students or abolishment of a school. When the House recently considered the National Emergency Act, I supported an amendment that would have banned petroleum allocation for busing of students to a school farther than the school nearest to their homes.

I rise in support of this amendment in the interest of the Kansas City, Kans., schools.

For those of you who are not familiar

with the situation in my district, last year the Department of Justice brought suit against the Kansas City, Kans., school system requiring a redistribution of teachers to achieve a racial balance. No action was taken, and Justice Department officials went to Kansas City to discuss the matter with the superintendent of schools, the board of education, and attorneys for the school board. After getting a first hand look at the schools in Kansas City, Kans., the officials determined that there existed de jure segregation of the schools, and that busing of students would be necessary in order to achieve a racial balance. Cross-busing of students is the only method by which an effective total integration program could be achievd in a district such as Kansas City, Kans. This completely destroys the concept of the neighborhood school.

In my opinion, busing is a waste of funds which could be far better used to bring the quality of education up for all children so that every child would have an opportunity to achieve to his maximum capabilities.

Mr. MIZELL. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from North Carolina.

Mr. MIZELL. Mr. Chairman, I want to commend my friend the gentleman from Michigan for bringing this amendment to the House at this time.

Mr. Chairman, I rise in strong support of the amendment offered by Mr. ESCH which will strictly limit the use of cross-busing of schoolchildren. This amendment is the same as legislation which I strongly supported and the House of Representatives passed in 1972. Passage of this legislation is imperative at this time as the Supreme Court will soon rule on the question of even more cross-busing which has come about in the Detroit case.

In North Carolina, the Charlotte-Mecklenburg Board of Education is again devising a new plan to assign the county students to a school. This is the fourth time since that 1971 that the board has had to move sizeable number of school students in order to be in accord with a Federal district court judge ruling. As a result of the judge's ruling, the board of education must be certain that there be no predominance of one race in one school. The result is that the board must devise a new plan every year. In my own district, the school board of Winston-Salem-Forsyth County is in the process of devising again a plan which will be suitable to the court which has ordered over 11,000 school children bused solely to achieve court-required racial balances in the elementary and secondary schools.

One hundred fifty-seven new buses were required to implement that order. Each of those buses cost $6,300 to buy, and it costs $1,600 a year to maintain them, without mentioning the additional cost of busdrivers' salaries. The superintendent of schools in Winston-Salem has told me that this massive busing program requires an operating budget of $1.4 million. That figure represents almost exactly a 100-percent increase in transportation costs over the previous year.

Educational costs have risen astronomically and when we read of teachers in many cities striking for higher pay, of school buildings crumbling in disrepair, and of acute shortages in so many kinds of educational equipment, and when funds for these pressing needs cannot be supplied even now, how shall the cause of quality education be served by imposing overwhelming additional costs for purchasing and maintaining fleets of new buses?

In our admirable desire to provide a quality education for all, will we make it impossible to provide a quality education for any? This need not—it must not—be the case.

The American people, in poll after poll, have registered overwhelming opposition to busing simply to achieve racial balance, and I believe it is time that we in the Congress responded to the people's will in an effective way.

Mr. MILFORD. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Texas.

Mr. MILFORD. Mr. Chairman, I rise in support of the amendment.

The issue is the forced busing of students. Time and time again surveys and polls show that the people of this Nation do not want their children going to school outside their own neighborhood.

This amendment puts a stop to the practice. It not only makes clear that a child has the right to go to the nearest neighborhood school, it also prohibits funding of cross-town busing projects.

Somewhere along the line we have gotten off track on education in this country. We have let some other issues get in the way of a concept which I believe has been important in the development of the greatness of this Nation and its people.

This concept is a sense of community, and sense of home—a sense of a special place where our roots first begin forming.

Mr. Chairman, this concept is preserved in this amendment.

The child's first world is home and family. As the child grows, this world expands to include the immediate neighborhood, and the people in that neighborhood. As the child grows older and can be trusted to range farther, the world grows again to include more territory and more people.

This process continues until the child is old enough to start to school. In the traditional American concept of community, the child goes to a school close to home, and starts to school with other children from the home neighborhood. The world expands again to include new friends—but still, within the concept of the sense of community—the sense of roots.

Some well-intentioned people and some honorable courts have combined in recent years to flaw this concept, and break the cycle of normal development of the sense of community.

This flaw, of course, has been in rulings by courts ordering the transportation of children to schools away from their neighborhoods in order to achieve statistical balance among races.

The problem is not with the people who have brought suit, nor with the courts which have interpreted the laws and made the rulings and handed down the orders.

The problem is with the laws which have allowed these interpretations—which go against the grain of almost every American of every race.

The transportation solution to racial imbalance in the schools perhaps has solved a statistical problem. But it has ill-served its ultimate goal—the achievement of good will among Americans of different race.

Quite to the contrary, it has contributed to increased racial polarization.

The people, just plain citizens, black and white, whom I have talked with on this issue are not racists. They have no objection to school integration. In fact—most of them would welcome the opportunity for their children to attend school with children of other races—which would contribute to a broadening of the sense of community. What they do object to is the sudden break in this development which occurs when the child is ordered to a school out of the neighborhood.

Mr. Chairman, I sincerely hope that this amendment is not tagged as "anti-integration," because I favor racial integration as much as any Member of this body. We have open housing laws, and, I believe we should push harder to make job training and jobs available so that families can afford to change neighborhoods if they wish, instead of moving children around like pawns in some kind of statistical game.

I strongly urge passage of the Esch amendment which would put an end to this diversionary practice, and get us back to our basic educational concepts.

Mr. MONTGOMERY. Will the gentleman yield?

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I also commend the gentleman.

Mr. Chairman, I appreciate the gentleman yielding and providing me an opportunity to express my very strong views on the need to legislatively prohibit the forced busing of public schoolchildren simply to achieve racial quotas. Even though I do not totally agree with the entire thrust of the gentleman's amendment, I do support it in principle and urge its adoption.

It has always been my belief that a schoolchild should be allowed to attend the public school of his or her choice, which in the majority of instances, would be the closest school or neighborhood school. I have never understood the logic behind forced busing, unless it can be proven that such busing is being mandated to improve educational opportunity. Never in any conversations I have had with educators have any of them alleged that busing increases the educational opportunities available to our students. Quite to the contrary, they have repeatedly said that busing usually results in reduced educational opportunities and contributes to conditions that impede a child's ability to learn. The main impediment being the fact that the students are most often tired out following a long bus ride and making it more difficult for them to concentrate on their work.

Mr. Chairman, I intend to continue to work for an amendment to the U.S. Constitution that would prohibit forced busing for racial reasons. But until we are successful in that venture, I do support the gentleman from Michigan (Mr. Esch) in his current efforts and urge my colleagues to give their approval to this amendment.

Mr. HUDNUT. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Indiana.

Mr. HUDNUT. Mr. Chairman, the amendment offered by the distinguished gentleman from Michigan (Mr. Esch) has my full support. It provides that it is the policy of the United States that all children enrolled in public schools are entitled to equal educational opportunity and that the neighborhood is the appropriate basis for determining public school assignments.

Time and time again surveys and polls show that the people of this Nation do not approve of forced busing which takes their children far from the school nearest their home. The basic reason for such opposition is because forced busing denies Americans the rights to control the education of their children. It also can sometimes constitute taxation without representation. People who work in a community and pay school taxes to support the community's school system are suddenly told by a judge, overriding a local school board's mandate from the people who elected them on an antibusing platform, that their children will be bused to another district, and buses to accomplish this purpose must be purchased if they are not currently on hand. It is not hard to imagine why the vast majority of Americans oppose this idea. What is hard to imagine is why some courts adopted such a principle in the first place.

While this incendiary problem has confronted us first hand in Indianapolis, the implications are there for every urban-suburban area in the Nation. Cross-district busing in pursuit of racial balance is a bad policy. Such schemes are shortsighted, highly divisive, and not conducive to quality education. To persist in a bad policy which insures public turmoil and does not, in any event, produce improvement in education is sheer foolishness.

The thrust of the Esch amendment is to prohibit cross-district busing and to limit sharply the free-wheeling use of forced busing as a court-ordered tool. I feel sure the House will adopt this amendment as it reflects the views of an overwhelming majority of our constituents. It is my hope that it will also be adopted by the Senate and become law.

Mrs. HOLT. Mr. Chairman, the controversy over busing has been raging for far too long. The majority of American citizens have expressed their opposition to this practice; numerous pieces of legislation to curb this practice have been introduced—and no social or educational benefits have been proven to result from busing. Yet this practice continues to be implemented by the courts.

Without firm, decisive legislative action, court-ordered busing to achieve racial balance will continue unabated. The amendment before us will provide such action. This amendment provides that no child can be bused further than the second nearest school from his home; it provides that there shall be no cross-district busing unless it can be shown that districts were created for the purpose of segregation. It declares that busing plans which create serious risks to health and safety or disrupt the educational process are excessive.

The amendment before us is good, thoughtfully prepared legislation. It guarantees the constitutional right of equal educational opportunity while restricting unnecessary and excessive court-ordered busing.

Mr. Chairman, I am pleased to support the amendment offered by my colleague from Michigan (Mr. Esch), and I commend him for presenting us with a thoughtful solution to this complex issue.

### POINT OF ORDER

Mr. MEEDS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Does the gentleman from Michigan also desire to be heard?

Mr. ESCH. Yes, after the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, it is settled that while a bill may be brought before the House embracing different subjects, as does the bill now under consideration, it is not in order to introduce a new subject (V, 5825), which is precisely what the gentleman's amendment would do. The fundamental purpose of H.R. 69 is to extend, modify and create educational programs; the fundamental purpose of the gentleman's amendment is to limit the power of Federal courts to determine what constitutes a denial of equal protection of the laws under the Constitution. Therefore, the amendment is not germane (VIII, 2911). Going beyond the fundamental purposes of H.R. 69 and the gentleman's amendment, there is not even a specific provision of his amendment which deals with educational programs, which, along with administrative provisions governing such programs and two or three studies, are the only subjects dealt with in H.R. 69. The facts permit only one conclusion; the gentleman's amendment must be ruled out of order by reason of clause 7 of rule XVI.

Mr. Chairman, the gentleman's amendment is entitled the "Equal Educational Opportunities Act of 1974." It goes on to define what constitutes a denial of equal educational opportunity and then prescribes the remedies which the courts may employ in redressing such grievances. But more than that, the gentleman's amendment also defines what shall not constitute a denial of equal protection of the laws under the 14th amendment (sec. 205; 206) and further proscribes certain remedies for such denial (sec. 215; 216) and limits the application of court orders (sec. 219; 220) dealing with a denial of equal protection of the laws.

This amendment can in no way be described as dealing with educational programs, in whole or in part. It is, as previously stated, nothing less than a straightforward attempt to limit the jurisdiction and power of our courts to interpret the 14th amendment to the Constitution and to fashion appropriate remedies for its violation. While I would, on another occasion, argue that this represents a "backdoor" attempt to amend the Constitution—on the theory that a right for which there is no enforceable remedy is no right at all—that is not my purpose today. I wish only to point out in some detail both the particular and the fundamental purposes of the gentleman's amendment so that the Chair might better understand why they are completely unrelated to the bill under consideration which, as I have said, deals entirely with various educational programs.

I should parenthetically add that the waivers of points of order under clause 7 of rule XVI contained in the resolution were of a limited nature and do not apply to the gentleman's amendment.

Mr. Chairman, I insist on my point of order.

The CHAIRMAN. Does the gentleman from Michigan desire to be heard on the point of order?

Mr. ESCH. I do, Mr. Chairman.

Mr. Chairman, I think we should point out that the amendment of-offered by me, on behalf of others and myself, is clearly in order to H.R. 69. I would refer the Chair to the fact that H.R. 69 not only amends the Elementary and Secondary Education Act of 1965, but also amends the General Education Benefit Act on which the Commissioner of Education has specific authority to deal on all matters pertaining to elementary and secondary education.

Furthermore, it also amends the Emergency School Aid Act. Indeed, in title IX under section 901, there are specific amendments to the Emergency School Aid Act referring to the question of integrated schools and even going specifically to the point as to the number of minority group children which comprise the makeup of a minority school.

So, clearly an amendment which would be related to the education in segregated or nonsegregated schools would be clearly in order.

It should also be pointed out that such matter pertains specifically to the transportation of pupils, which is also a part of this act. Furthermore, it is interesting to note that there are many other extraneous matters even apart from the Elementary and Secondary Education Act, such as the amendment extending adult education sections, which surely do not pertain to the K through 12 programs; and even on the study of the need for athletic trainers in secondary schools and institutions of higher education, which clearly are far beyond the boundary of merely amendments to Elementary and Secondary Education Act.

Therefore, Mr. Chairman, I would strongly recommend to the Chair that the amendment we offered is germane.

Mr. STEIGER of Wisconsin. Mr. Chairman, may I be heard on the point of order?

Mr. Chairman, I rise to make a point of order against the amendment offered by the gentleman from Michigan. The second section of clause 7 of rule XVI of the House states very clearly that—

> No motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

Section 2995 of volume VIII of the Precedents of the House clearly states that it is up to the maker of an amendment to prove germaneness. I do not think that is possible. H.R. 69 deals with various forms of Federal aid to education. Every provision of the bill is related to that purpose. On the other hand, the amendment offered by the gentleman from Michigan does not in any way deal with Federal aid or with aid of any sort to education. The sole purpose of the amendment is to define unlawful practices as they relate to the segregation of schoolchildren. A further major section of the amendment places restrictions on Federal courts and directs the Attorney General to take certain actions. The heart and substance of the amendment is aimed at limiting the transportation of students. H.R. 69 does not touch upon that subject matter in any way. Clearly transportation is not germane to H.R. 69.

On September 22, 1914, the Chairman of the Whole ruled that to be germane an amendment must be "akin to, or near to, or appropriate to or relevant to and germane amendments must bear such relationship to the provisions of the bill as well as meet the other tests; that is, that they be in a natural and logical sequence to the subject matter and propose such modifications as would naturally, properly and reasonably be anticipated."

Certainly there is no logical sequence between providing Federal aid on the one hand and restricting the powers of the courts on the other.

I would also call the attention of the Chair to a ruling on May 24, 1917, by Chairman Hamlin that if any portion of an amendment is not germane then the whole amendment must go. Certainly, the section of the amendment which limits court orders is not germane to H.R. 69 nor is the section directing intervention by the Attorney General.

I would point out further that the amendment does not amend existing law; it merely adds new language to the bill—another clear sign of the non-germane nature of the amendment.

I ask the Chair to sustain the point of order.

Mr. O'HARA. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. O'HARA. Mr. Chairman, I think it ought to be observed that this bill before us deals with every single aspect of Federal programs touching on elementary and secondary education.

It deals with title I; it deals with educationally deprived children, with libraries, with learning results from educational innovation, with support and assistance to federally impacted school districts, with adult education, with community education, education for the handicapped, bilingual education, the study of rate funding, the study of the need for athletic trainers, the amendments to the General Education Provisions Act, and, finally, amendments to the Emergency School Aid Act, which deals with the same subject, that is, methods by which equal educational opportunities may be obtained.

The mere fact that this seeks to achieve those objectives by different means and with different enforcement mechanisms cannot render the amendment not germane to the bill before us.

Mr. Chairman, I believe and I assert that the amendment is germane to the bill and I hope that the Chair will so rule.

Mr. MEEDS. Mr. Chairman, may I be heard further on the point of order, in response to the two points which were raised by the gentlemen?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. MEEDS. Mr. Chairman, I agree with the gentleman from Michigan (Mr. O'Hara) that the Elementary and Secondary Education Act covers a great deal of education. That is precisely my point of order.

Nowhere does it deal with the court's interpretation of the 14th amendment rights, and that is what the amendment offered by the gentleman from Michigan (Mr. Esch) seeks to do.

Second, the gentleman from Michigan (Mr. Esch) is urging that because his amendment amends the Emergency School Aid Act, which is also amended by H.R. 69, this is sufficient to overcome the question of germaneness.

There is a very slight amendment which deals with a totally different matter in this bill. As a matter of fact, there are two minor matters involved. But neither of these minor amendments is in any sense connected with the fundamental purpose of the gentleman's amendment.

In addition, it cannot be argued that the general subject matter of the Emergency School Aid Act has, by reason of these amendments, become a part of the purpose of the committee's amendments or of the gentleman's amendment.

Mr. ASHBROOK. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will hear the gentleman.

Mr. ASHBROOK. Mr. Chairman, I rise to make this statement only because of the statement made by my distinguished colleague, the gentleman from Washington (Mr. Meeds) in indicating that nothing in the Emergency School Aid Act dealt with 14th amendment rights.

I think it is very clear that the entire thrust of the Emergency School Aid Act was based on decisions relating to busing. The Congress took action in response thereto to implement it, and exactly the opposite is the case. That was the entire thrust of the Emergency School Aid Act.

The CHAIRMAN (Mr. Price of Illinois). The Chair is prepared to rule.

The gentleman from Washington (Mr. Meeds) makes the point of order that the amendment offered by the gentleman from Michigan (Mr. Esch) is not germane to the committee substitute amendment for H.R. 69.

The committee substitute amendment for H.R. 69 has as its major purpose the extension and amendment of several statutes relating to Federal assistance to State and local educational agencies.

The committee amendment contains many diverse sets of guidelines to be followed by State and local educational agencies in the administration of those federally funded educational programs.

The amendment offered by the gentleman from Michigan does, as the gentleman from Washington suggests, go to the delineation of Federal court jurisdiction over constitutional questions of what constitutes a denial of equal educational opportunity and of equal protection of the laws; but it also contains broad directives to State and local educational agencies which would prohibit those agencies from implementing plans which deny, in several enumerated ways, equal educational opportunity. The remedies to be imposed for the violations by State agencies are not limited to court proceedings but include Federal departmental and agency proceedings as well, such as those of the Office of Education.

The Chair would like to point out that while committee jurisdiction is not an exclusive test of germaneness, the Committee on Education and Labor has considered bills similar in text to the amendment offered by the gentleman from Michigan.

The Chair would also point out that under the precedents it is not the function of the Chair to construe the legal effect of an amendment. That is left to the committee itself. The Chair feels because the amendment operates, in part, as a direct restriction on the State and local educational agencies whose activities are being funded and directed in many diverse ways by the committee amendment that the amendment is germane, and the Chair overrules the point of order.

### AMENDMENT OFFERED BY MR. ANDERSON OF ILLINOIS AS A SUBSTITUTE TO THE AMENDMENT OFFERED BY MR. ESCH TO THE COMMITTEE SUBSTITUTE

Mr. ANDERSON of Illinois. Mr. Chairman, I offer an amendment as a substitute to the amendment offered by Mr. Esch to the committee substitute.

The Clerk read as follows:

Amendment offered by Mr. Anderson of Illinois as a substitute to the amendment offered by Mr. Esch to the committee substitute: Page 58, immediately after line 18, add the following new title:

### TITLE II—NATIONAL EQUAL EDUCATIONAL OPPORTUNITIES

#### Part A—Findings and Purpose Statement of Findings

Sec. 1401. The Congress finds that—

(a) the maintenance of dual school systems or practices which result in the assignment of students to school on the basis of race, color, or national origin denies to those students the equal protection of the laws guaranteed by the fourteenth amendment;

(b) the time is at hand when substantially all school systems administered or directed by local educational agencies will, in compliance with the Constitution have become unitary;

(c) as the demography of the Nation continues to change, local educational agencies are not required by the Constitution to make year-by-year adjustments of the racial composition of student bodies, once the affirmative duty to desegregate has been fulfilled and racial discrimination through official action in public schools has been eliminated;

(d) the courts have failed to develop clear, rational, uniform, and reasonable guidelines for fashioning remedies to correct denials of equal protection of the laws and in some instances, this has resulted in requirmeents for transportation of students by local education agencies considerably in excess of that previously carried on by such schools and which may pose a threat to the health and safety of students and may excessively interfere with the educational process;

(e) throughout the Nation inequality in educational opportunity persists for children from minority groups and low-income families, children from minority groups and low-income families are often concentrated in schools in which they form a majority of the student population, and as a result of these facts, educational achievement of such children is often below the results achieved by children from other racial and socioeconomic backgrounds.

### PURPOSE

SEC. 1402. It is the purpose of this title to—

(a) improve the results achieved by elementary and secondary education throughout the Nation and to encourage and support efforts to reduce achievement disparities between racial and socioeconomic groups in the schools;

(b) facilitate, where possible, consistent with the objectives stated in subsection (a), a reduction in the concentration of children from minority groups and low-income families in certain schools, including prevention of resegregation after desegregation has been achieved, primarily by means other than extensive cross-transportation;

(c) reduce and eliminate any educational ill effects resulting from the concentration of children from minority groups and low-income families in schools where such concentration persists; and

(d) specify guidelines, pursuant to powers granted the Congress by the Constitution, for appropriate remedies for the correction of practices by local educational agencies which are found to deny equal protection of the laws or to deny the equal educational opportunities guaranteed by this title.

### PART B—DENIAL OF EQUAL EDUCATIONAL OPPORTUNITIES

SEC. 1411. No State or educational agency established by a State shall deny equal educational opportunity to an individual on account of race, color, or national origin by—

(a) deliberate segregation of students on the basis of race, color, or national origin among or within schools;

(b) failure in situations in which such deliberate segregation has occurred or is occurring, to take affirmative steps, consistent with Part D of this title, to remove the vestiges of discrimination due to official action;

(c) construction, abandonment, alteration, or other siting of school facilities within a district with the intent of, or having the natural, probable, foreseeable and actual effect of, increasing segregation of students on the basis of race, color, or national origin within the school district unless such effect is unavoidably necessitated by sound nonracial educational considerations;

(d) creation of attendance zones or the establishment of attendance policies, including but not limited to optional attendance zones, open enrollment, or free transfer programs and feeder patterns, with the intent of, or having the natural, probable, foreseeable, and actual effect of, increasing segregation of students on the basis of race, color, or national origin with the school district, unless such effect is unavoidably necessitated by sound, nonracial educational considerations;

(e) transfer of a student to a school outside the attendance zone in which he resides with the intent of, or having the natural, probable, foreseeable, and actual effect of, increasing segregation of students on the basis of race, color, or national origin within the school district, unless such effect is unavoidably necessitated by sound nonracial educational considerations;

(f) failure to take appropriate action to attempt to overcome language barriers, or cultural, social, economic, or other deprivations that impede equal participation by students in instructional programs of educational agencies;

(g) discrimination on the basis of race, color, or national origin in the employment, employment conditions, or assignment to schools of faculty and staff;

(h) failure to provide—

(1) opportunity at the beginning of any school year for any student to transfer from a school to which he has been assigned or would in the regular course be assigned, and in which his race is a majority to a school to which transfer is requested offers education in the grade equivalent to that from which the student transfers; and

(2) transportation which may be required to effectuate this subsection:

*Provided*, That any local educational agency may postpone a students' privilege to exercise the right guaranteed by this subsection for a reasonable period of time while the most rapid feasible effective measures are taken to alleviate conditions of overcrowding in the school to which transfer is requested;

(i) maintenance of practices and provision of resources in schools in which minority groups are concentrated that are less favorable for educational advancement than at schools attended primarily by students of any other race, color, or national origin. Examples of disparities between such schools which may constitute a denial of equal educational opportunities include—

(1) comparative overcrowding of classes, facilities, and activities;

(2) assignment of fewer or less qualified teachers and other professional staff;

(3) provision of less adequate curriculums and extracurricular activities or less adequate opportunities to take advantage of the available activities and services;

(4) provision of less adequate student services such as guidance and counseling, job placement, vocational training, medical services, remedial work;

(5) assigning heavier teaching and other professional assignment to school staff;

(6) maintenance of higher pupil-teacher ratios;

(7) provision of facilities (classrooms, libraries, laboratories, cafeterias, athletic and extracurricular facilities), instructional equipment and supplies, and textbooks in a comparatively insufficient quantity; and

(8) provision of building, facilities, instructional equipment and supplies, and textbooks which, comparatively, are poorly maintained, outdated, temporary, or otherwise inadequate.

SEC. 1412. The Secretary shall issue regulations further setting forth measures to be taken by local educational agencies to come in compliance with this part.

### LAWSUITS

SEC. 1413. (a) Any person or persons alleging, or the Attorney General if he has reasonable cause to believe, that any policy or measure of a local educational agency violates section 1411 of this title may bring a civil action in the appropriate United States district court for equitable relief, including an application for a permanent or temporary injunction, or other order. If the court finds that such policy or measure exists, it shall order the rescinding of such policy or measure, and shall order affirmative action to be taken to cure present effects caused by such policy or measure.

(b) In any action commenced under this section, the court may allow the moving party, other than the United States, a reasonable attorney's fee as part of the costs, if such party or parties prevail in the action. Where the prevailing party is the defendant, the court may allow such prevailing party a reasonable attorney's fee as part of the cost upon a finding that the proceedings were unnecessary to bring about compliance.

(c) Any policy or measure which violates section 1412 shall also be deemed to constitute a violation of section 601 of the Civil Rights Act of 1964, whether or not a civil action with respect to such violation has been brought under this section.

### PART C—STATE EQUAL EDUCATIONAL OPPORTUNITIES PLANS

SEC. 1421. (a) Each State shall prepare and submit to the Secretary for his approval, in accordance with regulations issued by him a plan to carry out the purpose of this title as stated in section 1402.

(b) The plans of Virginia and Maryland shall take account of the areas of the District of Columbia nearest to each and shall be worked out in consultation with the local educational agency of the District of Columbia.

### ADVISORY COUNCILS AND COMMITTEES

SEC. 1422. The plan submitted by each State shall provide for—

(a) the establishment of a State advisory council which shall be appointed by the Governor and which shall—

(1) include as members businessmen, educators, parents, and representatives of the general public, and shall be so constituted that parents of children attending public schools constitute at least a majority of such membership, and that parents of children from minority groups are represented in an approximately proportionate number to the number of minority group children in the school age population of the State;

(2) advise the State educational agency on the development of and policy matters arising in the administration of the State plan submitted pursuant to this part; and

(3) prepare and submit through the State educational agency to the Secretary an annual evaluation report accompanied by such additional comments of the State agency as it deems appropriate, which evaluates the progress made in that year by the State in achieving the purpose of this title; and

(b) the establishment of local advisory committees which shall—

(1) include as members parents of children attending public schools, and shall be so constituted that parents of children from minority groups are represented in an approximately proportionate number to the number of minority group children in the school age population of the local educational agency; and

(2) advise the local educational agency on its participation in the State plan.

### PROVISIONS OF THE PLAN

SEC. 1423. The plan submitted by each State shall—

(a) be submitted to the Secretary by June 30, 1975;

(b) be developed in consultation with local educational agencies and the State advisory council; and

(c) define goals consistent with the purpose of this title as set forth in section 1402, and provide for attaining such goals by a date approved by the Secretary, but in no event later than August 30, 1985.

SEC. 1424.1. Such State plans shall include specific means for implementing some or all of the following components:

(a)(1) A majority transfer plan on either an intradistrict or an interdistrict basis. Such majority transfer plans shall include—

(A) provision for transportation of any student voluntarily requesting to transfer from a school to which he has been assigned or would in the regular course be assigned, and in which his race is in majority to a school in which his race is in a minority, if the school to which transfer is requested offers education in the grade equivalent to that from which the student transfers;

(B) provision for professional and paraprofessional staff for guidance, counseling and other special or compensatory services to children transferred in programs authorized by this subsection;

(C) provision for reimbursement of any school district receiving students from another school district participating in a transfer program authorized by this subsection in an amount equal to the sum of—

(i) not less than 70 percent and not more than 110 per centum of the average basic expenditure per pupil for all students in such receiving district financed from local revenue sources multiplied by the number of students received by such district pursuant to programs authorized by this subsection; and,

(ii) not less than 70 per centum and not more than 110 per centum of the average expenditure per pupil incurred by such distric for programs established pursuant to subsection (a)(1)(b) multiplied by the number of students received by such district as determined in subsection (a)(1)(C)(i) above:

*Provided*, That no school district shall be eligible for reimbursement under subsection (a)(1()(C)(i) unless it carries on a program for the benefit of transferring students pursuant to subsection (a)(1)(B).

(2) The Secretary shall publish, and from time to time revise, guidelines and standards for the implementation of this section not more than one hundred and twenty days from the date of enactment, including—

(A) reasonable standards and guidelines regarding contiguity and distance between schools, attendance zones, and school districts under which any majority transfer program established pursuant to this subsection may be effectuated; and

(B) such other regulations and guidelines as may be necessary to carry out the purposes and any provisions of this subsection.

(b) An open communities educational resources compensation program which shall—

(1) provide for payments to any school district in which students from minority families comprised not more than 10 per centum of total school enrollment during the school year 1975–1976, or in which students from low-income families comprised not more than 10 per centum of total enrollment in such district during such year, in an amount equal to the sum of—

(A) not less than 70 per centum and not more than 110 per centum of the average basic expenditure per pupil for all students in such district financed from local revenue sources multiplied by the difference of the number of students from families specified in subsection (b)(1) enrolled in such district during any school year, and the number of students from such families enrolled in such district during the school year 1975–1976, if the latter is smaller; and

(B) not less than 70 per centum and not more than 110 per centum of the average per pupil expenditure of any program that may be established by such school districts pursuant to the provisions of subsection (a)(1)(B), multiplied by the difference of the number of students from families specified in subsection (b)(1) enrolled in such district during any school year and the number of students from such families enrolled in such district during the school year 1975–1976, if the latter is smaller: *Provided*, That, for the purposes of computations pursuant to subsection (b)(1), students from low-income families who are also members of minority groups shall not be counted more than once.

(2) beginning after the school year 1979–1980, the base year for computations under subsections (b)(1)(A) and (b)(1)(B) shall be increased by one year for each year that the current school year exceeds such year.

(3) the Secretary shall publish, and from time to time revise, such guidelines as may be necessary to effectively carry out this subsection not more than one hundred and eighty days after enactment.

(c)(1) A school district reorganization plan which may include—

(A) redrawing zone boundaries, pairing, and clustering schools, establishing educational parks and magnet schools, and such other features as may be determined by the Secretary to be consistent with the objectives set forth in section (3)(a) and (3)(b) of this title; and

(B) cooperative arrangements between school districts, where factors of distance, locations, and contiguity make this feasible, for common use of existing school facilities and for the construction of new joint facilities, including educational parks.

(2) State plans including a component pursuant to this subsection shall provide for payments to school districts in an amount equal to the sum of—

(A) not less than 70 per centum and not more than 110 per centum of the difference of the average operating expenditure per pupil, including transportation costs, for all students in such district financed from local revenue sources during the school year 1975–1976, or the school year next preceding the implementation of a plan pursuant to this subsection, whichever is later, and the average operating expenditure, including transportation costs, financed for local revenue sources for students directly participating in a program pursuant to this subsection during any school year multiplied by the number of such students; and

(B) not more than 35 per centum of any capital costs, including expenditures for new school facility construction, or for rehabilitation, renovation, or restructuring of existing facilities, that may be directly incurred in the implementation of a program pursuant to this subsection.

(3) For the purpose of making computations for payments under this subsection—

(A) computations under subsection (c)(2)(A) of the average per pupil operating expenditure for the base period, whether the school year 1975–1976 or the year next preceding the implementation of a plan pursuant to this subsection, whichever is later, shall be made separately for each school district participating in a cooperative arrangement pursuant to subsection (c)(1)(A), and the multiplicand shall be the number of students participating in such cooperative arrangement who would have in the ordinary course attended schools operated solely by such district;

(B) beginning after the school year 1979–1980, the base year for computations under this subsection, if such base year is the school year 1975–1976, shall be increased by one year for each year that the current year exceeds such year, or in the event that the base year is after the school year 1975–1976, beginning four school years after such year the base year shall be increased by one year for each year that the current school year exceeds such year;

(4) The Secretary shall publish, and from time to time revise, such guidelines and regulations as may be necessary to carry out the purposes of this subsection not more than one hundred eighty days after enactment;

(d)(1) An approved, concentrated compensatory education program. State plans containing components, pursuant to this subsection shall provide that:

(A) expenditures under this subsection shall be made only—

(i) in school districts which are eligible for a basic grant during any year under title I of the Elementary and Secondary Education Act of 1965; and

(ii) in schools, in school districts meeting the above requirement, in which a substantial proportion of the students enrolled are from low-income families, as that proportion may be defined by the Secretary, but in no case shall the proportion of students be less than 25 per centum of total enrollment in such schools;

(B) average expenditures per pupil for students enrolled in schools participating in programs pursuant to this subsection shall increase with the proportion of students from low-income families enrolled in such schools according to a schedule and such other guidelines as the Secretary may establish;

(C) average expenditures per pupil for compensatory programs established pursuant to this subsection shall be at least equal to a minimum effective threshold level established by the Secretary, but in no case, except for such exceptions as the Secretary may expressly allow, shall such minimum effective threshold level be less than 30 per centum of the average basic per pupil expenditure for all students in the school district in which such school is located:

*Provided*, That expenditures under titles I and III of the Elementary and Secondary Education Act or any other comparable Federal or State compensatory or enrichment program, which meet the requirements of subsection (d)(1)(D)(ii) below may be considered as expenditures under this subsection;

(D) expenditures for programs pursuant to this subsection shall—

(i) be made only for basic instructional programs, supportive services and vocational guidance; and

(ii) be made only for programs and learning approaches that the Secretary has certified as having demonstrated ability or potential for improving the achievement performance of educationally deprived students;

(2) Not later than one hundred days after the enactment of this title the Secretary shall publish, and thereafter from time to time revise, giving appropriate notice to all affected parties, such regulations and guidelines as are specified in subsections (d)(1)(A)(ii), (d)(1)(B), (d)(1)(C), (d)(1)(D)(i), and (d)(1)(D)(ii) of this section and such other regulations as he may deem necessary in his discretion, to effectively carry out the purposes of this subsection.

SEC. 1425. State plans submitted pursuant to this title shall—

(a) assure that in each year of operation of the plan substantial progress will be made toward meeting the purpose of the title;

(b) specify how additional State financial assistance will be made available to local educational agencies undergoing desegregation pursuant to a court order, a plan approved in accordance with title VI of the Civil Rights Act of 1964, or an order issued by a State agency or official of competent jurisdiction;

(c) specify how programs now funded under the Elementary and Secondary Education Act of 1965, or any other federally funded program for educational enrichment or desegregation assistance, are fitted into and coordinated with operation of the plan;

(d) specify the procedures to be used by the State educational agency in coordinating the efforts of the local educational agencies desegregating (as specified in subsection (e) or voluntarily integrating);

(e) specify what procedures will be used by the State educational agency for involving on an equitable basis children enrolled in private nonprofit schools in the programs funded under this title to the extent that their participation will assist in achieving the purpose of the title; and

(f) assure that the State educational agency will require each local educational agency to report to it annually on its implementation of the State plan, and that the State agency will report annually to the Secretary on the State's overall implementation of its plan.

### GRANTS

SEC. 1426 (a) (1) There are authorized to be appropriated for carrying out this part not in excess of $200,000,000 for fiscal year 1976, $500,000,000 for fiscal year 1977, and $750,000,000 for each fiscal year thereafter.

(2) The Secretary shall allot—

(A) from the sum appropriated under paragraph (1) above for fiscal year 1976 an amount equal to—

(i) 85 per centum of such sum among the States so that the amount allotted to each State bears the same ratio to such sum as the aggregate number of minority group children aged five to seventeen, inclusive, in such State bears to the aggregate number of such children in all the States, to be used for the purpose of developing a State plan pursuant to this part;

(ii) 15 per centum of such sum to other public and private agencies that may provide assistance to the States in developing plans and in preparing to implement plans pursuant to this part;

(B) from the sums appropriated under paragraph (1) above for fiscal year 1974 and each fiscal year thereafter, an amount equal to—

(i) 65 per centum of such sum, to be known as a basic grant, among qualifying States so that the amount allotted to each qualifying State bears the same ratio to such sum as the aggregate number of minority group children aged five to seventeen, inclusive, in such qualifying State bears to the aggregate number of such children in all qualifying States;

(ii) thirty per centum of such sum, to be known as a supplemental grant, among qualifying States so that the amount allotted to each qualifying State bears the same ratio to such sum as the aggregate number of minority group children, aged five to seventeen, inclusive, in such qualifying State bears to the aggregate number of such children in all qualifying States; and

(iii) five per centum of such sum to other public and private agencies that may provide assistance to States in planning, implementing, revising and evaluating plans pursuant to this part.

(3) A State shall qualify to receive—

(A) a basic grant under subsection (a) (2) (B) (i) during fiscal year 1974 and any year thereafter, if it has submitted a plan that contains at least two components provided by section 1424 which comply with any applicable regulations issued by the Secretary pursuant to such section, and which has been approved by the Secretary pursuant to section 1427 below; and

(B) a supplemental grant under subsection (a) (2) (B) (ii) during fiscal year 1974 and any fiscal year thereafter, if it has submitted a plan which places primary and substantial emphasis on programs pursuant to section 1424(c) which comply with any applicable regulations issued by the Secretary pursuant thereto, and which has been approved by the Secretary pursuant to section 1427 below;

(b) All sums appropriated under the Elementary and Secondary Education Act of 1965, and all other Federal ment or for desegregation assistance shall be allotted to implement the approved plan.

(c) No funds granted under this part may be used to supplant State or local educational funds being expended, or that would have been expended, absent the grant, in or for public schools or to assist any private school directly.

(d) The Secretary shall publish, and from time to time revise, such regulations as may be necessary to effectively carry out this section, including definitions and criterion for eligibility for supplemental grants under the "primary and substantial" requirement of subsection (a) (3) (B), within one hundred and eighty days of the enactment of this title.

Sec. 1427. (a) The Secretary shall approve any State plan which meets the requirements of sections 1421 through 1425 and any applicable guidelines and regulations issued by the Secretary pursuant thereto, and shall not finally disapprove any such plan without first affording the agency administering the plan reasonable notice and an opportunity for a hearing.

(b) Whenever the Secretary, after reasonable notice and opportunity for a hearing—

(1) disapproves a plan pursuant to subsection (a), or

(2) finds:

(i) that no plan has been submitted by a State,

(ii) that a State plan approved under subsection (a) has been so changed that it no longer complies with the requirements of section 1421 through 1425,

(iii) that in the administration of such a plan there is a failure to comply substantially with any such provisions, or

(iv) that a grantee is in violation of section 1426(c)

the Secretary shall notify the grantee that further payments will not be made to the grantee under this part, under title I of the Elementary and Secondary Education Act of 1965, or under title III of the Elementary and Secondary Education Act of 1965 or any other educational enrichment or desegregation assistance program (or, in his discretion, that further payments will be limited to grantees or programs not affected by the failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Secretary shall make no further payments under such titles (or shall limit payments to grantees or programs not affected by the failure).

### JUDICIAL REVIEW

SEC. 1428 (a) If any State is dissatisfied with the Secretary's final action with respect to the approval of its State plan under section 1427(a) or with his final action under section 1427(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

## PART D—REMEDIES

### FORMULATING REMEDIES; APPLICABILITY

SEC. 1431. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall seek or impose only such remedies as are essential to correct particular denials of equal educational opportunity or equal protection of the laws;

SEC. 1432. In formulating a remedy for a denial of equal educational opportunity or a denial of the equal protection of the laws, a court, department, or agency of the United States shall consider and make specific findings on the efficacy of the following remedies in correcting such denial and shall require implementation of the first of the remedies set out below, or on the first combination thereof, which would remedy such denial;

(a) assigning students to the school closest to their place of residence which provides the appropriate grade level and type of education for such students;

(b) good faith participation in and reasonable progress in the implementation of an approved State plan pursuant to title II of this Act by the local educational agency involved;

(c) transportation of students to schools other than the one closest to their own home.

SEC. 1433. No court, department, or agency of the United States shall, pursuant to section 1432 order the implementation of a remedy that would:

(1) pose a risk to the health and safety of the students involved, significantly impinge on the educational process, or involve the transportation of students to schools significantly inferior to those which such students would in the ordinary course have attended; or

(2) substantially increase during any school year the average daily time of travel or the proportional average daily number of students to be transported by the educational agency over the comparable average for the preceding school year, unless it is demonstrated by clear and convincing evidence that no other method set out in section 1432 will provide an adequate remedy for the denial of equal educational opportunity or equal protection of the laws that has been found by such court, department or agency. The implementation of a plan calling for increased transportation, as described in this subsection, shall be deemed a temporary measure and such plan shall be ordered in conjunction with the development of a long-term plan as provided by part C of this title.

### VOLUNTARY ADOPTION OF REMEDIES

SEC. 1434. Nothing in this part prohibits an educational agency from proposing, adopting, requiring, or implementing any plan of desegregation, otherwise lawful, that is at variance with the standards set out in this part nor shall any court, department, or agency of the United States be prohibited from approving implementation of a plan which goes beyond what can be required under this title, if such plan is voluntarily proposed by the appropriate educational agency.

## PART E—GENERAL PROVISIONS

### DEFINITIONS

SEC. 1441. For purposes of this title—

(a) The term "minority group" means Negroes, American Indians, Spanish-surnamed Americans, and Orientals.

(b) The term "low income" family means any family that has an annual income during any year which is below the "weighted average thresholds at the low-income level" as determined by the Bureau of the Census of the United States Department of Commerce. For the purposes of this title the Secretary shall publish, not later than six months preceding the beginning of any school year, a schedule of low-income family definitions by family size, type, and by place based on the latest available data from the Bureau of the Census.

(c) The term "local educational agency" means a public board of education or other public authority legally constituted within a State or either administrative control, or direction, of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, or a combination of local educational agencies.

(d) The term "school" means a school which provides elementary or secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(e) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(f) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law for this purpose.

(g) The term "State" means one of the fifty States or the District of Columbia.

(h) The term "segregation" means the operation of a school system in which students are separated among the schools of an educational agency or within a school, as a result of actions and practices, both past and present, by such agency, on the basis of race, color, or national origin.

(i) The term "desegregation" means any actions by an educational agency undertaken to correct and remove the vestiges of segregation as defined in subsection (c) above.

(j) An educational agency shall be deemed to transport a student if any part of the cost of such student's transportation is paid by such agency, either directly from revenues raised from local sources or indirectly from revenues or grants from other agencies of government.

(k) The term "basic instruction programs" means instructional services in the field of mathematics or language skills which meet standards the Secretary may prescribe.

(l) The term "basic supportive services" means non-institutional services such as counseling, curriculum guidance, and health or nutritional services as prescribed by the Secretary.

(m) Expenditures for basic instructional programs or basic supportive services do not include expenditures for administration, operation, and maintenance of plant, or for capital outlay, or such other expenditures as the Secretary may prescribe.

(n) The term "average basic expenditure per pupil" means the average expenditure per pupil for all educational costs incurred by the district other than costs for any compensatory program under titles I and III of the Elementary Education and Secondary Education Act of 1965, or any other comparable Federal or State compensatory or enrichment programs, as these may be specified by the Secretary.

SEC. 1442. Such portion as the Secretary may determine, but not more than 1 per centum, of any appropriation under this title for any fiscal year shall be available to him under section 1426(a) (2) (B) (ii) for evaluation (directly or by grant or contract) of the programs, activities, and projects authorized by this title.

Mr. ANDERSON of Illinois (during the reading). Mr. Chairman, in view of the length of the amendment and my hope that I would be able to explain it during the 5 minutes that I will have, I would ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD, pointing out also that we have previously on the 25th of March inserted this in the CONGRESSIONAL RECORD, and have provided copies to both sides of the aisle.

In addition to that, the Members were circularized in a letter signed by the gentleman from North Carolina (Mr. PREYER) and the gentleman from Arizona (Mr. UDALL) and myself, under the date of March 25, as to our intention to offer this amendment during consideration of this bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ANDERSON of Illinois. Mr. Chairman, I believe it was Winston Churchill who once said:

> If we open a quarrel between the past and the present, we shall find that we have lost the future.

I would hope that in discussing the very controversial issue of school desegregation and busing that we do not simply find ourselves locked into a quarrel with the 14th amendment's equal protection clause or with the Supreme Court decision in the Brown case that separate educational facilities are inherently unequal. For I fear that if our debate and actions follow that course, we will indeed have lost the future, we will have abandoned the American dream of equal protection of laws for all of our citizens, of equal educational opportunity for all of our children of all races.

Let us proceed, therefore, with the paramount objective of insuring those basic guarantees, of moving toward the realization of that dream, and of building upon the progress that we have achieved over the past two decades. Rather than reopening a quarrel with the past, let us seize upon the future and demonstrate to the American people that we are capable of addressing our concerns in a constructive and responsible manner, without forfeiting the rights or the means to secure those rights.

I acknowledge at this point, certainly, the very able assistance of the gentleman from North Carolina (Mr. PREYER) and the gentleman from Arizona (Mr. UDALL). Also we consulted very extensively over many months, in the course of the preparation of this amendment, with a learned constitutional expert, Prof. Alexander Bickel of the Yale Law School.

The substitute amendment that we are offering is aimed at addressing the legitimate concerns of the American people while we attempt to build upon the racial progress that we have achieved in this country since Brown versus Board of Education.

Like many Members of this body, I too have been critical of the many conflicting and even confusing opinions that have emanated from lower courts across this land on the issue of school segregation. I, too, have been critical of what I considered to be excessive and unreasonable court-imposed desegregation plans which have involved sometimes overly extensive transportation of students.

Mr. Chairman, it is easy to be a critic, and it is oftentimes very popular to remain simply in that role but to quote once again from Churchill:

> It is better to be . . . an actor rather than a critic.

I have long felt that one of the reasons we are saddled with these problems in the courts is because the Congress has been remiss, has been derelict in its responsibility to take affirmative and constructive action in this sensitive area. For too long we have been critics rather than actors. Then it seems that when we do act it is only to legislate our criticisms without really providing long-term solutions, while at the same time narrowing the range of solutions that are available to the courts.

Our Equal Educational Opportunities Act is a sincere effort, therefore, to produce responsible and constructive action by the Congress. In essence, our amendment would do three things. First, it would define what acts by educational agencies shall be considered denials of equal educational opportunities. These, if the Members have read the amendment as we placed it in the RECORD, would include both deliberate acts of racial segregation, as well as the perpetuation of less favorable conditions and resources in those schools having high concentrations of minority group children.

Second, our bill would establish a Federal grant program that would be designed to enable State and local educational agencies over a 10-year period to both reduce racial isolation in the schools and improve educational opportunities for minority group children, through the implementation of statewide equal educational opportunity plans.

Again I emphasize that we recognize that this has to be a long-range solution and, therefore, the provision specifically in the act for a 10-year State plan designed to provide equal educational opportunity.

Then third, and very importantly for those Members of this body who are concerned about some of the excesses that have occurred in some court decisions across the land, our amendment would prescribe very clearly a priority of remedies to be followed by Federal courts and agencies in correcting those denials of equal protection of the laws and equal educational opportunities.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. ANDERSON of Illinois was allowed to proceed for 5 additional minutes.)

Mr. ANDERSON of Illinois. The first priority—and again it is clearly stated in the text of the amendment—would be the preservation of the neighborhood school concept. The second priority would be good faith compliance and progress in the implementation of an approved State plan. Finally—and we make this again I think very clear in the language of the amendment—the remedy of last resort would be limited transportation. We provide specifically in that regard, and I read from section 233 of the amendment:

> No court, department or agency of the United States shall pursuant to Section 232 order the implementation of a remedy that would:
>
> (1) pose a risk to the health and safety of the students involved, significantly impinge on the educational process, or involve the transportation of students to schools significantly inferior to those which such students would in the ordinary course have attended.

Further addressing ourselves to those legitimate concerns that many parents have when the issue of busing is raised, there would be no authority to order the implementation of a remedy that would, and I quote:

> Substantially increase during any school year the average daily time of travel or the proportional average daily number of students to be transported by the educational agency over the comparable average for the preceding school year, unless it is demonstrated by clear and convincing evidence that no other method set out in Section 232 will provide an adequate remedy for the denial of equal educational opportunity or equal protection of the laws that have been found by such court, department, or agency.

Mr. Chairman, in conclusion, I would point out that the key to this approach is the fact that we would not only and simply be proscribing the remedies available to the courts, but we would be insuring with Federal funds that realistic alternatives to massive transportation are both practical and achievable over a reasonable period of time.

Obviously, in my judgment, it would be a mistake to deny the courts all remedies, as some would do, for correcting denials of equal protection of the laws. I cannot subscribe to that view of the Constitution. But I think it would also be a mistake to narrowly proscribe available remedies to the courts in the area of transportation without making realistic provision for alternative remedies that will successfully pass constitutional muster, and that is what we have done and made available through the provisions of this amendment.

It is our feeling that this Equal Educational Opportunities Act—its title—with its funding for the implementation of State plans will guarantee that those alternatives are more than a hollow promise, more than just an illusory goal or a smokescreen; that they are, indeed, both feasible and attainable.

Mr. Chairman, the American people are looking to the Congress for a responsive and responsible solution to this problem, and the courts, themselves, are literally crying out for guidance and direction. Justice Powell pointed out in his concurring opinion in the Denver case that the court has yet to provide a constitutional rule of uniform, national application with respect to our national problem—and it is a national problem—of school desegregation.

He went on to say that it has yet to clear up the ambiguities of the Swann case over the question of extensive transportation as opposed to the need to "restore a more viable balance among the various interests which are involved."

Mr. Chairman, I urge adoption of our amendment that will finally, at long last, lay down some uniform national standards in this area and will enable us to strike a proper balance between the recognized interests of our society, and it is and must be and must remain a legitimate interest and goal, namely to achieve desegregation and at the same time alleviate the concerns of those who feel that in some cases the remedy of busing has been applied in an unwise and indiscriminate fashion. I urge support for the amendment that has been offered by me and prepared also by the gentleman from North Carolina (Mr. PREYER) and the gentleman from Arizona (Mr. UDALL).

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, may I at the outset commend the gentleman from Illinois (Mr. ANDERSON) and the gentleman from Arizona (Mr. UDALL) and the gentleman from North Carolina (Mr. PREYER) for their work with this amendment. I think it is without question the most constructive amendment that has been offered on this subject and I think every one of the gentlemen involved is sincerely concerned about this problem and seeks to try to do something about it in a legislative fashion. I have nothing but the highest regard for them as individuals, so it is with reluctance that I oppose their amendment.

I agree precisely with what the gentleman from Illinois (Mr. ANDERSON) said that the major reason we are here today with this problem is that the Congress failed and refused to accept its responsibility years ago in this field and failed and refused to legislate practically and constructively, like the gentlemen are today proposing in their amendment.

I would just say if we had taken the responsibility then which we should have, then the thing which has transpired would not have. But the fact is that the Court did rule and the Court did fill the vacuum created by the failure of this House and the other body to act. When they did step into the matter they laid down certain principles under which we are now compelled to act, and among those principles was the requirement that the dual school system be dismantled and among other cases that busing was a proper method of dismantling the dual school system.

That is where I think the amendment offered by the gentlemen comes into conflict with what the Court has already said. Specifically I refer to part 4 under "Remedies," section 1433 which says:

> No court, department, or agency of the United States shall, pursuant to section 1432 order the implementation of a remedy that would:
>
> (2) substantially increase during any school year the average daily time of travel or the proportional average daily number of students to be transported by the educational agency over the comparable average for the preceding school year, unless it is demonstrated . . .

And there it sets out certain methods.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield at this point?

Mr. MEEDS. I yield to the gentleman from Illinois at this point, because this is the crucial point.

Mr. ANDERSON of Illinois. Mr. Chairman, it seems to me the crucial proviso is one the gentleman referred to but did not read which says:

> Unless it is demonstrated by clear and convincing evidence that no other method set out in section 1432 will provide an adequate remedy for the denial of equal educational opportunity . . .

That is the very heart of this amendment, it seems to me. We are not proposing that we in any way vitiate those guarantees that have already been provided by the Constitution under the 14th amendment or under the decisions referred to by the gentleman.

Mr. MEEDS. I am sure the gentleman believes that and I hope if the amendment passes he is correct. It is a close question and I would have to agree on that with the gentleman.

It seems to me that the language hinges too much on what the gentleman has already said was essential, the dismantling of the dual school system. In response, this language could be used to prevent that. That is why I am reluctantly opposed to the amendment.

In other respects I think it is very constructive and would work well; but the gentleman puts his finger right on the crucial point. It is a very close question about the remedies provided. I happen to think it goes too far, but again, my commendation for a very good try.

Mr. ESCH. Mr. Chairman, I rise to speak against the substitute.

Mr. Chairman, with due respect to the gentleman from Illinois and his attempt to present a compromise position, we might best describe his amendment substitute as a probusing amendment. He may not concur in that description.

His suggestion was that Winston Churchill said we should be actors, rather than critics. I would concur, but this, indeed, is not a stage that we are engaging in, in terms of a play and a performance. Rather, we are engaging in the very serious business of helping to assure the education of our children.

Congress today should clearly give an indication and state clearly the intent that under the Constitution of the United Sates we firmly believe that every child should be educated to his or her fullest potential; but that, likewise, we believe that busing to achieve that result is neither acceptable educational policy nor good social policy.

Now, the gentleman's amendment, while carefully drawn, has two or three provisions in it that I would point out specifically to the members of the committee. It states, for example, in section 1421 that each State shall prepare and submit to the Secretary for his approval, in accordance with regulations issued by him a plan to carry out the purpose of this title as stated in section 1402, the implementation of which could well require massive busing.

So what we really have here is giving to the State, but under the direction of the Secretary the responsibility for continuing the confusion over the issue of busing.

Mr. Chairman, I suggest that today is the time to clearly indicate we are concerned with educating our children, be they black or white, be they in the city or in the suburbs. Let us once and for all remove ourselves from the onus of the busing—no busing posture. Let us end the confusion. Let us reject the substitute and support the original amendment.

Mr. O'HARA. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Michigan.

Mr. O'HARA. I have quickly glanced over the substitute and, of course, I am familiar with the Esch amendment. The Esch amendment contains three important provisions, at least, that are not contained in the substitute.

The first is the provision of the Esch amendment that no child could be used further than the school nearest or next nearest to that child's home. There is no such provision in the substitute.

Mr. ESCH. That is correct.

Mr. O'HARA. Second, the Esch amendment provides that if a school system operates a racially nondiscriminatory system of attendance or not, it would not be in violation of the equal educational opportunity requirement. The substitute contains no such provision.

Third, the Esch amendment provides that there shall be no cross-district busing, unless it can be shown that the districts were created for the purpose of segregation and the substitute contains no such provision.

I, therefore, support the Esch amendment as opposed to the substitute.

Mr. ESCH. I appreciate the comments of the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman from Michigan yield?

Mr. ESCH. I will be happy to yield.

Mr. ANDERSON of Illinois. Mr. Chairman, I agree wholeheartedly with what the gentleman from Michigan (Mr. O'HARA) said, that we cannot include a specific provision in the Esch amendmend; in other words, to have busing beyond the nearest school.

What we have tried to do with the aid of the best constitutional authorities available is to pass something that will pass constitutional muster, and I submit that the gentleman's amendment does not need that very important test.

Mr. ESCH. Mr. Chairman, I would respond to the gentleman from Illinois by saying that this amendment was also very carefully drafted to assure its constitutionality, but at the same time remove once and for all the question of whether or not we are going to have cross-district busing.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Mr. Chairman, I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Chairman, I would agree 100 percent with what the gentleman from Michigan has said, and also his colleague from Michigan (Mr. O'HARA).

I have studied these busing amendments over the years and have been the author of several busing amendments, and I would merely say in addition to what the gentleman has said, without in any way disparaging the authors of this amendment, that this appears to be an amendment for those who are really for busing.

Mr. ESCH. Mr. Chairman, I appreciate not only the gentleman's interest just today, but his contribution throughout the years on similar amendments.

Mr. DENT. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I would just like to call the attention of the Members to the fact that, while I do not intend to get into a constitutional debate, I would like to call to their attention that ever since the first of the year and part of last year, I have heard about spending money without looking into where the money was acquired and how it was to be arrived at and the amount to be spent.

It might interest the Members to know that according to the analysis I have in my hand, it will cost 2,150 million in the first 4 years of operation, and it continues on to $750 million per year. That goes about 2 billion by authorization of this particular piece of legislation immediately, within the immediate future, over and above the $304 billion we are talking about overspending.

Is there justification in what this substitute does for that kind of expenditure? We have enforcement provisions now on the busing. We have had busing, and whatever provisions there are have been through many court sessions and court decisions. Where did the figure for $2 billion come from in this particular item, and how do we spend it? What is it going to do?

I am not taking a position either way on the merits of the proposal itself and the substitute, but I am asking now, like a very famous Pennsylvanian who preceded me in this Chamber a few years before me, used to say, "Where is the money coming from?"

Mr. Chairman, my people are just beginning to wonder if we really are silly enough to keep adding $2 billion a day to this budget. The whole cost for disadvantaged children in title I is only $888 million. I do not say that in disregard of the amount or as considering it to be a small amount, but here we are in one small phase of the bill where very little, if anything, has been told us how much it encompasses and what the scope of the act is going to be.

Mr. Chairman, in my district we have no problem whatsoever. Everything is going along smoothly. They bus where they have to and they do not bus where they do not have to, but to add now an entirely new enticement to somebody of over $2 billion, I wonder if we really ought not to be criticized by some people for this.

Mr. PREYER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I want to support the amendment offered by the gentleman from Illinois (Mr. ANDERSON), because I think it is time that we take a completely new approach to this whole subject of busing.

Busing represents the most serious challenge to the political center we have ever had in this country, and we have not been responding to it, in my judgment, in as responsive a way as we ought to. We have gone through many efforts. Congress passed a lot of bills dealing with busing. They have all proven to be futile, and in my judgment the Esch amendment is going to be another of those examples. Either the Senate will not pass them, or the courts find them unconstitutional, or else easily avoid them.

Now, it is said that this amendment is a "weak, prointegration amendment," that it is not tough enough on busing. But I say to the Members, as the gentleman from Illinois (Mr. ANDERSON) tried to point out, that this bill does what we in Congress can do in this area.

Now, we cannot pass a law simply saying "there shall not be busing instituted as a remedy for school segregation." As long as we have the principle of separation of powers in this country, we cannot restrict court remedies.

Now, why is this amendment better than the Esch substitute?

Well, I would say it is better for two reasons, which I hope the Members would at least consider:

First, that this bill is clearly constitutional.

The point was raised by the gentleman from Washington concerning the limits on distance traveled and time traveled, and limits on increases in the number of children based and I would say, as the gentleman from Illinois (Mr. ANDERSON) answered, that when those points are properly qualified and carefully worked out, then they are constitutional. I have discussed this provision with Dr. Bickel and he does not see any problems with it.

This bill is constitutional, because it does not try to restrict remedies. Instead, it gives local communities and school officials the means and incentives to develop alternative solutions to busing.

Now, the Esch substitute does try to restrict remedies. For example, it says that we cannot "bus beyond the next nearest school." Well, what is wrong with that? In the first place, it is probably unconstitutional, because it is restricting the remedies the courts can apply in situations where the courts say there has been a constitutional wrong.

Second, as a practical educational matter, that has serious defects in it. What it will result in is this:

Where we have cities with a 50,000 population or over, the black community largely lives together, and the whites live in areas surrounding them. There is usually a low-income white community that lives adjacent to the black community. So when we limit busing to the next nearest school, we will mix low-income whites with low-income blacks, which the Coleman report says is the worst educational mixture we can have.

We would further embitter the low-income white who feels that he is bearing all of the burden on busing now—and substantially he is.

So, Mr. Chairman, this amendment does not try to restrict remedies in that form. We cannot forbid busing by an act of Congress, but we can make it a remedy of last resort, and we can proscribe limitations on the way this tool of busing is used.

Mr. Chairman, that is what this bill tries to do. It is our basic procedure in this bill that we believe that a national commitment to the goal of integrated education must be maintained, not just because it is our constitutional mandate to do it, but because it is right. However, we think that if we do not do that, if we do not reach an integrated school system by some alternative plan which does not involve large scale busing, then we risk losing the goal itself of a desegregated school system

Mr. MARTIN of North Carolina. Mr. Chairman, will the gentleman yield for a question?

Mr. PREYER. I yield to the gentleman from North Carolina.

Mr. MARTIN of North Carolina. Mr. Chairman, with regard to sections 1411 (h)(1) of the substitute offered by the gentleman from Illinois (Mr. ANDERSON), I find the provision that when a student applies for transfer from a school where he or she is in a racial majority to a school where there would be a racial minority, that will be granted and transportation must be provided.

I find that a little bit ironic, because that is exactly what the Charlotte-Mecklenburg school board offered during the course of litigation, during the so-called case of Swann versus Board of Education, and in that particular case the district court held against the school board and said that that was not an allowable remedy for desegregation.

Mr. Chairman, I will ask the gentleman this: What can the gentleman say to me about this that would provide us with any assurance that the court would hold other than what it held at that time?

Mr. PREYER. Mr. Chairman, the majority-minority transfer rule is in effect in many districts in this country, and I would say the district the gentleman speaks about is the only one I know of in which a judge has said there is something wrong with that.

The majority-minority transfer rule is a voluntary way to try to open up the ghetto schools so that the bright young black from those schools can get out if he wants to

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, at the request of Mr. PERKINS, Mr. PREYER was allowed to proceed for 2 additional minutes.)

Mr. PREYER. To complete my answer to the gentleman from Charlotte, there is no way in which we can legislate that will make every district judge listen to commonsense and follow the law. What we have to hope for is to pass a law under authority of the Congress so that the school board can go to the judge and say, "Look, Mr. Judge. This is a national policy established by the Congress and we have set up a plan under it. We are using this provision under it," and hope that that judge does not feel, like a few judges in this country do, that he knows more than the school board knows about running the schools, or that at least the appellate court would uphold this.

This is a reasonable plan. I used to be a judge, and I think most judges are looking for an honorable way out of this situation. A few will not be, but I think the appellate courts will look after us on that.

Mr. MARTIN of North Carolina. I thank the gentleman from North Carolina for his response.

Ms. ABZUG. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I oppose the substitute and I oppose the Esch amendment.

As a lawyer, I believe that the Congress does not have the power to restrict or abrogate or dilute the equal protection or due process clauses of the Constitution. I see these amendments as doing just that, by attempting to overturn Supreme Court rulings which have held that local school districts do have a responsibility to remedy school segregation and that busing may be an appropriate remedy to accomplish desegregation. I question the constitutionality of these amendments.

In addition, I object to both amendments because I believe they are an assault upon the children of this country—not just black children, but all the children of America.

Earlier, some of us were very disappointed to find that the bill we have been acting on here was discriminating against children from certain parts of the country. At least, that is the way it was described. Frankly, I think if you deprive some children, you deprive all. If children are poor in one place, then they are poor in another place. Our concern should be to provide quality education for all educationally deprived children.

Mr. Chairman, these amendments will not benefit our children. This is a game we grownups are playing in order to demonstrate certain things to our constituencies, to try to indicate that we have certain beliefs that we believe are their beliefs. But, if we are talking about education and if we are talking about equal opportunity and if we are talking about the fact that we have a responsibility to see that all children poor, black, and white have an opportunity to get quality education in the best way we can, then the answer is not in these amendments.

There are many people who feel as strongly as I do about the Constitution who do not necessarily care for busing. Nobody says that busing is our constitutional objective. We have argued this issue over and over again. The courts have said, however, that we have to take certain steps to find a way in which to do away with dual systems of education and to provide an equal opportunity for all children to learn. Educating all our children to enable them to earn a livelihood and to become contributing members of society will eventually reduce the numbers on AFDC and help to eliminate many of the problems we are attempting to deal with today.

Although the proposed amendments make a pretense of eliminating the vestiges of dual school systems, it is obvious that they are aimed at preserving the status quo, as reflected in neighborhood schools, and at eliminating busing as a means of accomplishing desegregation. What we see in the substitute amendment is nothing new; this is the President's 1972 recommendation with some modifications. It has the same inducements, offering $200 million for the first year and $2 billion over a 10-year period to implement so-called equal educational opportunity plans. All we are doing is delaying. To postpone desegregation while pretending to encourage it is a sham and a sad reflection on our sincere commitment to improving educational standards.

The issue here is not educational opportunity or educational equality. The issue is something much deeper than that. I indicated what I was objecting to several months ago, when I had my words stricken. I do not want to refer to what I was indicating at the time those words were stricken—but the fact is that those of us who are committed to education, as we all are, know full well that, should we vote for these antibusing amendments, we are not serving the cause of education but are merely inflaming prejudices and pitting group against group. So these amendments should be voted down. It is time that we discussed the issues on the merits, and not on the basis of how we think our constituents are going to react.

Therefore, Mr. Chairman, I urge that we oppose the substitute amendment, and I urge that we oppose the Esch amendment.

Mr. MIZELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the substitute amendment offered by the gentleman from Illinois (Mr. ANDERSON) to the amendment to the committee substitute offered by the gentleman from Michigan (Mr. ESCH).

Mr. Chairman, I rise merely to say to my colleagues that it was mentioned that we were seeking a remedy to the madness of cross busing, and let me assure the Members that that is exactly what we are attempting here this afternoon.

The amendment offered by the gentleman from Michigan (Mr. ESCH) will give a clear-cut, definitive answer to this problem that we are confronted with.

The people in my congressional district want cross busing ended and are not concerned whether we get a constitutional amendment that will correct the situation, whether we get a judicial decision that will correct the situation, or whether we get legislation that will correct the situation, but they are crying out for a solution to this problem. So I say that the Esch amendment is the best attempt to accomplish this. So let us defeat the substitute. Let us adopt the Esch amendment, as it is the beginning to the answer they are seeking.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I sense that the Committee is about ready to vote on this amendment, and the substitute, and I just wish to offer a couple of thoughts. The American people are good people. We are not racist people. There is a great reservoir of good will among whites and blacks in this country that we could utilize toward solving this very pressing social problem.

But for the last 10 years we have been in the trenches fighting this same battle, and I do not believe we have had a single new, innovative idea offered to meet the problem until the gentleman from North Carolina (Mr. PREYER) who is one of the most decent and intelligent men in this or any other legislative body, came along with this constructive approach.

This approach, worked out by one of the Nation's foremost constitutional authorities, Prof. Alexander Bickel of Yale University, says this:

> Let's get out of the trenches. Let's stop fighting each other with the same old arguments. Let's try a new approach. We are not going to solve the problem of school desegregation with anti-busing amendments of questionable Constitutionality. Nor are more court orders and more indiscriminate implementations of massive busing going to solve the problem.
>
> What is going to solve the problem is the members of each community—the teachers, the parents, the administrators, the representatives of all the minority groups—sitting down and devising a positive, solid proposal for desegregating their schools and insuring equal educational opportunities for children of all races. And if it turns out that busing is the best way to achieve that end, then busing will be used. If some better means can be implemented to insure integration and equality, then so be it.

And, yes, we have some money for these communities that will undertake the very hard and difficult task of carefully planning and implementing a sound conclusion to this tough social problem. But this does not mean we are saying to each community, "all right, boys, you have got 10 years to come up with an alternative for busing and during those 10 years you are going to get off scot free."

We realize that we have a legal as well as a moral obligation to see the goals of this proposal achieved with all deliberate speed. So we have stated in our measure that if necessary, busing may be implemented on a temporary basis to insure that we do not lose sight of the goal while we are working out long-range plans.

Unlike the amendment offered by the distinguished gentleman from Michigan (Mr. ESCH) our proposal addresses the problem and not the courts. Our proposal does not make the legal mistake of usurping the jurisdiction of the judicial branch. If, at any time, the courts see that a State is not complying with this measure by making a solid, good faith effort, then the courts can legally step in and order remedial action.

It is my belief, however, that such an action on the part of the courts will not be necessary. I feel that the majority of the citizens of this Nation want a sensible, forward-looking educational policy that promotes the goal of equality and desegregation with substantive programs rather than disruptive court orders.

What I see here today is the same kind of polarization we have seen for the past decade and I fail to see what good it has produced. It is time Congress take up its responsibility, abdicated for so long to our already overburdened courts. It is time we present the people of this Nation with a reasonable educational policy that gives them substance and not form.

The substitute amendment offered by the distinguished gentleman from Illinois (Mr. ANDERSON) is the beginning, if Congress has the will to try something new.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for yielding.

I want to congratulate the gentleman on his statement and say again what he has already said so very eloquently and effectively: That this House owes a very great debt of gratitude to the gentleman from North Carolina (Mr. PREYER) who really is the one who should be given the full credit for the hard work and initiative of developing this proposal. I cite also in that regard the gentleman now in the well.

This is not a matter that has just been lightly thought over once or twice; it has been worked on. We testified on some of these principles as long ago as July 1972, before the House Committee on Education and Labor. We spent literally hours—and particularly the gentleman from North Carolina (Mr. PREYER)—in working out any possible constitutional difficulties with Professor Bickel of Yale. This is a responsible, constructive proposal that should not lightly be dismissed by this House this afternoon.

Mr. UDALL. I yield back the balance of my time.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on the Esch amendment and the substitute offered by the gentleman from Illinois (Mr. ANDERSON) to the committee substitute and any amendments thereto, close at 5 minutes after 6 o'clock, and that the last 5 minutes be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. BADILLO. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. PERKINS. Mr. Chairman, I make the same request to close at 6:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ANNUNZIO. I object.

The CHAIRMAN. Objection is heard.

Mr. PERKINS. Mr. Chairman, I make the same request to close at 6:15.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ANNUNZIO. I object.

The CHAIRMAN. Objection is heard.

### MOTION OFFERED BY MR. PERKINS

Mr. PERKINS. Mr. Chairman, I move that all debate on the Esch amendment and the substitute amendment offered by the gentleman from Illinois (Mr. ANDERSON) to the committee substitute and all amendments thereto, close at 15 minutes after 6 o'clock.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

### PARLIAMENTARY INQUIRY

Mr. ASHBROOK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ASHBROOK. Would the Chair answer whether or not the last 5 minutes were reserved to the committee?

The CHAIRMAN (Mr. PRICE of Illinois). The Chair will state that was not in the motion. No such reservation was made in the motion.

The Chair recognizes the gentleman from California (Mr. CORMAN) for 3 minutes.

(By unanimous consent Mr. HAYS yielded his time to Mr. CORMAN).

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Ohio.

Mr. HAYS. I just want to make a small observation. I arrived late, and I have been inclined to listen with great sympathy to any amendment offered by the gentleman from North Carolina, but when I saw the Anderson-Udall Mutual Admiration Society in operation, I became a little suspicious.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Arizona.

Mr. UDALL. I thank the gentleman for yielding.

Mr. Chairman, I have rarely done anything around here that the gentleman from Ohio approved of. However, I was reminded of a story I heard about the Quaker funeral. They were trying to think of something good to say about this fellow. Finally, somebody shuffled his feet and said, "He wasn't much, but I will say this about him: He wasn't as mean sometimes as he was usually."

Mr. CORMAN. Mr. Chairman, I do not want to get involved in any discussions of personalities of Members in the House. However, I have never been enchanted by the great constitutional authority, Mr. Bickel.

I have never had the feeling that the gentleman was useful in moving this country toward an integrated society generally or so far as public education is concerned.

It is tragic that we have the problem in this country of racial segregation. If we had not had massive cross busing of schoolchildren to maintain segregated schools over the past 100 years, we would not have the problem we now have of integrating our society.

I would like to ask the proponents of the substitute, if I may, whether they distinguish between de facto and de jure segregation so far as the remedies in their proposal are concerned.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CORMAN. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. Mr. Chairman, there is not a distinction in terms of a precise definition. I think that is something we will probably have to leave to the courts to determine, but by setting out specifically those actions on the part of local educational agencies that would constitute deliberate segregation or in referring specifically to things such as the perpetuation of inferior educational resources with respect to minority groups and minority students, I think we do make a contribution in giving the courts some guides which they do not now have as to what does constitute segregation, be it de jure or de facto.

Mr. CORMAN. I understand then that the amendment does set up some guidelines for the courts in attempting to define what constitutes illegal segregation.

Mr. ANDERSON of Illinois. Very definitely. The gentleman is correct.

Mr. CORMAN. What remedies are available to the courts under this amendment that are not now available to the courts?

Mr. ANDERSON of Illinois. I think principally the State plan. The fact that we do provide that a State could enter into a State plan whereby over a period of 10 years they could move toward the goal of integration, removing any objections that may have been raised with respect to inferior or unequal education, this is really the heart of the new proposal. I think we mention other things the school districts could do that have been talked about for a long time such as minority transfer of educational parts, pairing, redrawing of attendance zones, and so on, but the new and I think really creative thing that the gentlemen have come up with is the idea of the State plan.

Mr. CORMAN. Is that in a sense, giving the school districts a 10-year breather to come up with a plan?

Mr. ANDERSON of Illinois. It does not, because the plan has to be approved by the Secretary of Health, Education, and Welfare and it has to be a plan that goes toward the goal of integration, but we recognize that in many areas because of the demographic situation that exists it is impossible for a court or any Government agency to decree an overnight solution to this very, very difficult problem. But I think it certainly makes it explicitly clear that the movement of progress has to be in the direction of achieving that goal of an integrated system.

Mr. CORMAN. May I ask further who decides who gets how much money to implement the integration plan?

Mr. ANDERSON of Illinois. The Secretary of Health, Education, and Welfare would by regulation decide.

Mr. CORMAN. And if I may ask further, if a plan were submitted he would have to find that it would end racial discrimination with all deliberate speed, before they would be entitled to money?

That must recall to a great many people the phrase that was used by the Supreme Court in 1954. How discouraging.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. PATTEN).

Mr. PATTEN. Mr. Chairman, I strongly believe the solution to the problem of inequities in our educational system is not busing to achieve racial balance. The real balance is to provide equal aid to education so every student receives a quality education. The American people are overwhelmingly against busing to achieve racial balance, and so am I.

I always feel that if something is unreasonable and ineffective, we should not vote for it.

I, therefore, vote against the substitute and vote for the amendment of the gentlemen from Michigan, Mr. ESCH and Mr. O'HARA and others.

I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. Mr. Chairman, if the Anderson-Udall substitute with respect to busing works no better than the Udall Postal Service bill, we can get along very well without it.

Mr. Chairman, I rise in opposition to the Anderson-Udall substitute and support the Esch amendment.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. SNYDER. Mr. Chairman, I rise in opposition to the substitute and support the Esch amendment.

Mr. Chairman, I have carefully studied both the Esch amendment and the Anderson substitute.

The Anderson substitute would be a much weaker proposition than is proposed by the gentleman from Michigan (Mr. ESCH).

Personally, I wish the Esch amendment were stronger but I recognize that barring a constitutional amendment, it probably is the best we can do that stands a reasonable chance of standing the constitutional test that it will probably be confronted with before the Federal courts.

Mr. UDALL. Mr. Chairman, will the gentleman from Iowa yield?

Mr. GROSS. I am happy to yield to the gentleman.

Mr. UDALL. I wonder if the gentleman would include, since my errors and omissions are being advertised, among my list of failures the Udall-Gross plan with respect to the increase of salaries of Members this year?

Mr. GROSS. I was happy to join with the gentleman in that defeat.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from New York (Mr. BADILLO).

Mr. BADILLO. Mr. Chairman, this is only my second time around the Congress. The first time this issue came up I was impressed by the statements made by many of my colleagues that there was a sincere attempt to come to grips with the problem of integration in the schools and that they really were not against integration. They were against busing and they were in favor of the neighborhood school. So shortly after the debate was concluded I introduced legislation to provide that no area within 50 miles of an urban center should be allowed to zone in such a way as to prevent the building of low-rent housing or middle-income housing within a community.

Would Members believe that every one of those that said they favored the neighborhood school and favored integration opposed the signing of the bill.

Now, we do not need a Professor Bickel or other experts from the universities to see what any child can understand, that is, that we cannot bring about integration unless we seek to do it through housing.

It was not the Supreme Court who said that we should have busing. The Supreme Court merely said we would have to move with all deliberate speed and then because of the actions of the local governments, every other possibility, integration and housing, barring educational grants was excluded; so there was no alternative except busing.

We are very foolish here if we think that the courts are not going to see through this maneuver, because already in the case of Davis against the School District of Pontiac, the courts have said:

> . . . for a school board to acquiesce in a housing development pattern and then to disclaim liability for the eventual segregated characteristic that such pattern creates in the schools is for the board to abrogate and ignore all power, control and responsibility. A board of education simply cannot permit a segregated situation to come about and then blithely announce that for a Negro student to gain attendance at a given school all he must do is live within the school's attendance area. To rationalize thusly is to be blinded to the realities of adult life with its prejudices and opposition to integrated housing.

I do not think we are fooling anyone by coming up with these maneuvers. I think it is clear that the courts are going to strike this amendment down as they have struck other provisions down, unless we face up to the reality that the way to bring about equal opportunities is to do it not just in education, but in housing and in every area of activity of our society.

Therefore, I oppose both amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. QUIE).

Mr. BIAGGI. Mr. Chairman, will the gentleman yield?

Mr. QUIE. Mr. Chairman, I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Chairman, I rise in support of the Esch amendment.

Mr. Chairman, I wish to urge all of my colleagues in the House to carefully consider and vote for the amendment offered by my distinguished colleague from Michigan (Mr. ESCH) on behalf of himself and the distinguished gentlemen from Michigan (Mr. O'HARA, Mr. FORD, and Mr. HUBER).

The time has finally come to lay to rest the issue of forced school busing. This amendment will do just that by firmly supporting the unimpeachable goal of equal educational opportunity for all, while preventing hardship to our children bused far from home to no purpose at all.

This amendment states that the absence of racial balance does not, in itself, constitute denial of equal protection of the laws. This is as it should be. For we have found, after a number of years of experimentation with busing, that it is counterproductive.

Originally, I was in favor of school busing. We faced a serious problem of unequal education and had to try every available tool to end it. But busing has caused more problems than it has solved, and I have, therefore, ceased to support it. It has not worked and the cure has been worse than the disease.

The education of our children has been disrupted. Countless thousands have been subjected to significant risk of accident on the long roads which lead to schools far from home and their neighborhood school. Countless thousands have failed to receive educational services they desperately need for effective programs because great amounts of money have been spent on buses and drivers. Countless children have lost the invaluable benefits of attending a school near their home, a school whose teachers their parents could know and communicate with concerning the welfare of their children.

The cost of busing is clearly too high. It is unreasonable and it is senseless. Even prominent black educators, such as Dr. Kenneth Clark, have concluded it is the wrong route. I urge all my colleagues to support this amendment and secure for our children the services, safety, and community they need and are entitled to.

Mr. QUIE. Mr. Chairman, I just want to take a few moments to explain where I stand. The Members have pretty well decided how they are going to vote the way it looks. We have an excellent education bill with which we would like to go to the other body and work out the differences without this busing battle. I notice that this body, the House, put an antibusing amendment on the energy bill, and it complicated matters. The Energy Emergency bill was complicated enough the way it was. I wish the House would not complicate the future of a good education bill with these amendments.

Mr. Chairman, as some Members might remember, in the last Congress I introduced the administration's so-called antibusing bill, changed it the way I thought it ought to be written in committee, and we brought it to the House floor. I think the desegregation question is serious. I think the House and the Congress has neglected its responsibility in this whole area of integration and busing, but it ought to consider legislation in that area as a subject by itself.

The last time, what is now the Esch amendment included amendments, added on the floor of the House which went further than I could accept, and they are still included, so I plan to vote against the Esch amendment because of that. It was my feeling that the administration went about as far as it could constitutionally in the bill I introduced for them in the last Congress and if this House goes further than that, then we are treading uncertain ground. We are not certain of the Esch amendment's constitutionality. That was my position then, and it is my position now.

Mr. Chairman, there are some parts of the Anderson substitute which I like, and other parts which I do not like. If we were spending our time on this problem as a bill before us, reported from a committee, I would offer some amendments to it to make it comply with the way I think the integration, desegregation, antibusing, whatever we want to call it, ought to be. I do not think we have the time for it now; in fact, I know we do not have the time since that has been limited.

Mr. Chairman, we must vote these amendments up or down as they are. I plan to vote against both of them, hoping that my colleagues will do so also, but we will do the best we can.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. QUIE. Mr. Chairman, I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, I commend the gentleman from Minnesota for his remarks, and wish to associate myself with his position. I plan to vote against both of these amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky (Mr. Perkins) to close debate.

Mr. PERKINS. Mr. Chairman, I personally feel that if we are going to do anything in this area to restrict busing insofar as racial balance is concerned, we must do it by a constitutional amendment.

Now, in regard to the Esch amendment, I think we are just fooling ourselves when we support the Esch approach, and I will tell you why.

The Esch amendment tries to reverse the Supreme Court decisions, which have held that under the Constitution there must be busing beyond the neighborhood school or the next closest school. And, of course, all cases, including the case of Brown against the school board, the decision which was made back in 1954, would have to be reopened and retired if the Esch amendment were adopted.

Mr. Chairman, if we had discussed this amendment some 20 years ago, before the courts had ever made their rulings, prior to 1954, if we had perhaps given the courts some guidance, this could have been an entirely different picture. But we did not. The point I wish to make is that we have had busing amendments introduced in every appropriation bill, we have had busing amendments introduced in all the school bills, and to complicate the greatest school bill that we have in existence by adding an antibusing amendment at this stage of the game, in my judgment, would be doing serious harm to the schoolchildren in this country, because we are going to have a great many problems in working this matter out with the other body.

Mr. Chairman, we should approach this matter through a bill from the Committee on the Judiciary; we should not undertake to pull down the greatest piece of school legislation that we have in existence today by attaching this amendment.

It is my hope that the membership of this body will oppose not only the Esch substitute, but likewise the Anderson amendment.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the distinguished gentleman from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, I thank my distinguished friend, the Chairman of the Committee.

I certainly agree that this matter should be handled separately. In light of the fact, however, that it is not being handled separately, I would like to express my appreciation to the gentleman from Illinois (Mr. Anderson), the gentleman from Arizona (Mr. Udall), and the gentleman for North Carolina (Mr. Preyer) and say that as an alternative their approach is extremely attractive.

Mr. Chairman, I intend to vote for it, and I hope that it prevails.

Mr. BROYHILL of Virginia. Mr. Chairman, I rise in support of the Esch amendment to H.R. 69, Elementary and Secondary Education Amendments of 1974 to strictly limit the use of schoolbusing. My support for this amendment is based upon my sincere belief it is wrong to force a child or an adult to have his life regulated by the Federal Government with regard to schooling because of his race, creed, or color. I do not believe the drafters of our Constitution, who struggled to give man freedom of his own destiny, intended that we divide schoolchildren along racial lines. In this regard, busing per se, as disagreeable and senseless as it may seem under court order, is a symbol; it is not the real issue. The real issue, the underlying reason so many American blacks, whites, Chinese, and others oppose busing is the force involved; it is the loss of individual freedom implicit in the compulsory assignment of one's children on the sole basis of race to a particular school against one's will. This does not mean that Americans are essentially racist but simply means that the American people like, to the extent that they are able, to send their children to schools of their choosing in neighborhoods where they choose to live. They do not want the Government telling them that they must send their children, because of their race, to some other particular school. They feel that their inalienable rights, their civil liberties, are being infringed. The tragedy of this whole affair has been a great divisiveness throughout the country, between the races, among the branches of Government and the States, between the North and the South. It has anti-Government feelings and a distrust of the lawmakers and of the courts. Its principal victims have been the children, regardless of race. This well-meant plan to bus schoolchildren to achieve integration has undermined public education and the neighborhood schools. It has made millions of Americans angry. It has robbed all of us of an essential part of our freedom.

Mr. Chairman, there is a way out of the tragic happenings of the past, a way to regain the freedom which our young schoolchildren have lost through senseless and meaningless busing. For this reason, I strongly urge my colleagues to support this amendment to restrict the use of busing on the principle of the second closest school.

Mr. MITCHELL of Maryland. Mr. Chairman, the issue of busing has been out discussion of H.R. 69, the Elementary and Secondary Education Act amendments. To listen to much of that debate, one would get the idea that schoolbusing is a new and dangerous experiment for racial purposes. This, of course, could not be further from the truth. The busing of schoolchildren has been going on for generations. There was little objection when the purpose was to preserve segregation. There was little concern for the health, safety, or inconvenience of the children—black or white. The big difference is, as some of my distinguished southern colleagues have pointed out, that school desegregation and busing are now being applied in the North and West.

To listen to much of the schoolbusing debate, one would also get the idea that this country is run by pure and untainted philosophers who recognize that, philosophically, busing is not an optimum condition and thus must be eliminated. Unfortunately, this country is quite far from that point at which it will be run on pure philosophy. In the words of Chief Justice Burger in the case of Swann against Charlotte-Mecklenburg:

> All things being equal, with no history of discrimination, it might well be desirable to assign pupils to schools nearest their homes. But all things are not equal in a system that has been deliberately constructed and maintained to enforce racial segregation. The remedy for such segregation may be administratively awkward, inconvenient and even bizarre in some situations and impose burdens on some; but all awkwardness and inconvenience cannot be avoided in the interim period when remedial adjustments are being made to eliminate the dual school system.

Now I am not fooling myself as to the convincing effect of Justice Burger's words. It is just because the Supreme Court has established itself as the defender of the constitutional rights of minorities in this country that the proponents of antibusing amendments seek to legislate away the Suprme Court's jurisdiction over any case involving the public school system. They seek to place the authority instead in State and local school boards.

However, such amendments run afoul of the two most frequently enforced constitutional principles; that legislative classifications affecting fundamental rights serve some compelling interest and that the enjoyment of constitutional rights cannot be made to turn upon arbitrary decisions. None of the antibusing amendments establish any standards by which a school board would exercise its new power; a decision based upon individual idiosyncrasy or upon the sentiment that black children are inherently inferior, is fully acceptable under each of the amendments.

Above all, let us not delude ourselves into thinking that the forces which have joined to discriminate against school busing have done so based on a concern for education or for the energy crisis, which, according to our President no longer exists. We are talking about a pattern of discrimination which extends beyond the school system. We are talking about the vicious circle of discrimination that permeates our society.

Under the 1954 Supreme Court decision in Brown against the Board of Education, schools supposedly were integrated. But now we find that this was prevented by discrimination in housing. And though the 1968 Civil Rights Act supposedly struck this down, most blacks hold low-paying jobs and cannot afford suburban housing. Theoretically, the law says blacks can hold any job, but job qualifications are determined by education—and around and around we go. In short, the education one receives affects the employment one can obtain and it affects the housing one can afford. And that until now in the North has determined the schools that children attend.

Busing then is basically a spinoff of discrimination in these areas. What we should be about is working toward a solution of these real issues rather than a symptom of their complexities. The solution lies in a determined and all-out attack upon discrimination at every level of society.

Mr. NEDZI. Mr. Chairman, I am pleased to cosponsor the Esch Amendment to the Elementary and Secondary Education Act.

The amendment, which is identical to the antibusing legislation passed in August 1972, is aimed at prohibiting busing for the purpose of achieving racial balance.

The members of the bipartisan group—Esch, O'Hara, Ford, Huber—which introduced this amendment in committee are deeply interested in education. This is a most serious and responsible, not frivolous, effort on their part.

As many of us know, arbitrary orders of Federal courts requiring cross-district busing in pursuit of racial balance have created chaos and resistence in every place where the issue has been joined. The threat of such order is enough to seriously unsettle the decent majority of thoughtful, education-minded citizens.

While we in Michigan have confronted this incendiary problem at first hand, the implications are there for every urban-suburban area in the Nation.

It should be obvious that the quality of public education is directly related at least two essential things: First, sound policies; and second, public support.

Cross-district busing in pursuit of racial balance is a bad policy. Such schemes are shortsighted, highly divisive, and and generally lacking in educational, legal, and political good sense.

More than that, it should be acknowledged that the prospect of cross-district busing has withered public support for education. If it is not stopped, severe damage to public education is inevitable.

The thrust of the Esch amendment is to prohibit cross-district busing and to sharply limit the free-wheeling use of busing as a court-ordered tool.

To persist in a bad policy which insures public turmoil and does not, in any event, produce improvement in education is sheer foolishness.

And, let me add, it is a mistake to be trapped by labels, such as "conservative" or "liberal" where this issue is involved. Foolishness is foolishness, regardless of label.

As the sponsors have pointed out, H.R. 13915 passed the House on August 17, 1972, by a vote of 282 to 102.

It is appropriate that the House reaffirm the soundness of that vote now that the identical question is before us.

Mr. DORN. Mr. Chairman, in South Carolina we are proud of our tradition of courtesy, tolerance, and understanding. Our people have provided for the Nation an unsurpassed example in respect for law and good citizenship. We have complied with every court order, every HEW decree. We have gone ahead voluntarily. Through the dedicated efforts of our schoolteachers, administrators and trustees, our students and parents, we have moved into a new day of better education and improved community relations.

I shall vote against the amendment now before the House. This is yet another resurrection of the old antibusing amendments which I have consistently opposed. It is yet another attempt to set up a special arrangement for the northern metropolitan areas. It is yet another attempt to return to the old dual system. Those days are gone forever, Mr. Speaker. We cannot go back.

For the Congress to continue to tack on the so-called antibusing amendments to every conceivable piece of legislation is an exercise in futility. There is simply no way for us to return to the outmoded, outdated, segregated neighborhood school system of the past. No man is an island. Mr. Chairman. No country is an island. And, yes, no neighborhood is an island. Now more than ever we need to promote understanding and high moral values among our young people.

Mr. Chairman, my own children attend the public schools; and they ride the bus. They believe it would be unthinkable to turn back the clock and return to the old days of the outmoded, ill-equipped neighborhood school. The unitary school systems now in operation throughout my district is made possible largely by the busing of pupils to improved consolidated schools. There is no other way our schools can continue to operate and function properly. Mr. Chairman, I urge the House to reject this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Anderson) as a substitute to the amendment offered by the gentleman from Michigan (Mr. Esch) to the committee substitute.

The amendment as a substitute to the amendment to the committee substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. Esch) to the committee substitute.

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ESCH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 293, noes 117, not voting 22, as follows:

[Roll No. 115]

AYES—293

Abdnor
Addabbo
Alexander
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Arends
Armstrong
Ashbrook
Bafalis
Baker
Bauman
Beard
Bennett
Bevill
Biaggi
Biester
Blackburn
Boggs
Boland
Bowen
Brasco
Bray
Breaux
Brinkley
Brooks
Broomfield
Brotzman
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Camp
Carney, Ohio
Carter
Casey, Tex.
Chamberlain
Chappell
Clancy
Clark
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collier
Collins, Tex.
Conlan
Cotter
Coughlin
Crane
Cronin
Daniel, Dan
Daniel, Robert W., Jr.
Daniels, Dominick V.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Dent
Derwinski
Devine
Dickinson
Dingell
Donohue
Downing
Dulski
Duncan
du Pont
Edwards, Ala.
Eilberg
Esch
Eshleman
Evins, Tenn.
Fascell
Fisher
Flood
Flowers
Flynt
Ford
Forsythe
Fountain
Frey
Froehlich
Fulton
Fuqua
Gaydos

Gettys
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Goodling
Grasso
Gray
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Gunter
Guyer
Haley
Hamilton
Hammerschmidt
Hanley
Harsha
Hastings
Hays
Hébert
Heckler, Mass.
Heinz
Helstoski
Henderson
Hillis
Hinshaw
Hogan
Holt
Hosmer
Howard
Huber
Hudnut
Hungate
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kazen
Kemp
Ketchum
King
Kuykendall
Lagomarsino
Landgrebe
Landrum
Latta
Lent
Litton
Long, La.
Long, Md.
Lott
Lujan
Luken
McCollister
McDade
McKay
McSpadden
Macdonald
Mahon
Mann
Maraziti
Martin, Nebr.
Martin, N.C.
Mathias, Calif.
Mathis, Ga.
Mazzoli
Michel
Milford
Miller
Mills
Minish
Mitchell, N.Y.
Mizell
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Morgan
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers
Natcher
Nedzi
Nelsen
Nichols
O'Brien
O'Hara
Parris
Passman
Patten
Pepper
Pettis
Peyser
Pickle
Pike
Poage
Powell, Ohio
Preyer
Price, Tex.
Pritchard
Quillen
Randall
Rarick
Regula
Rinaldo
Roberts
Robinson, Va.
Roe
Rogers
Rooney, Pa.
Rose
Roush
Rousselot
Roy
Runnels
Ruth
Ryan
St Germain
Sandman
Sarasin
Sarbanes
Satterfield
Scherle
Schneebeli
Sebelius
Shipley
Shoup
Shriver
Shuster
Sisk
Skubitz
Slack
Snyder
Spence
Stanton, J. William
Stanton, James V.
Steed
Steele
Steelman
Steiger, Ariz.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Thomson, Wis.
Thone
Thornton
Tiernan
Towell, Nev.
Treen
Vander Jagt
Vanik
Veysey
Waggonner
Walsh
Wampler
Ware
White
Whitehurst
Whitten
Widnall
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Alaska
Young, Fla.
Young, Ill.
Young, S.C.
Young, Tex.
Zablocki
Ullman
Van Deerlin
Vander Veen
Waldie
Whalen
Wilson, Charles H., Calif.
Yates
Young, Ga.
Zwach

NOES—117

Abzug
Adams
Anderson, Ill.
Ashley
Aspin
Badillo
Barrett
Bell
Bergland
Bingham
Bolling
Brademas
Breckinridge
Brown, Calif.
Brown, Mich.
Brown, Ohio
Burke, Calif.
Burton
Chisholm
Clay
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Culver
Danielson
Dellenback
Dellums
Diggs
Dorn
Drinan
Eckhardt
Edwards, Calif.
Evans, Colo.
Findley
Fish
Fraser
Frenzel
Gonzalez
Green, Pa.
Hansen, Idaho
Harrington
Hawkins
Hechler, W. Va.
Hicks
Holifield
Holtzman
Horton
Jordan
Karth
Kastenmeier
Koch
Kyros
Leggett
Lehman
McClory
McCloskey
McCormack
McEwen
McFall
McKinney
Madden
Madigan
Mallary
Matsunaga
Mayne
Meeds
Melcher
Metcalfe
Mezvinsky
Mink
Moorhead, Pa.
Mosher
Moss
Nix
Obey
O'Neill
Owens
Perkins
Podell
Price, Ill.
Quie
Railsback
Rangel
Rees
Reid
Reuss
Riegle
Robison, N.Y.
Rodino
Roncalio, Wyo.
Rosenthal
Rostenkowski
Roybal
Ruppe
Schroeder
Seiberling
Smith, Iowa
Smith, N.Y.
Staggers
Stark
Steiger, Wis.
Stokes
Studds
Thompson, N.J.
Udall

NOT VOTING—22

Blatnik
Carey, N.Y.
Cederberg
Erlenborn
Foley
Frelinghuysen
Hanna
Hanrahan
Hansen, Wash.
Hunt
Kluczynski
Minshall, Ohio
Mitchell, Md.
Patman
Rhodes
Roncallo, N.Y.
Rooney, N.Y.
Sikes
Teague
Vigorito
Williams
Zion

So the amendment to the committee substitute was agreed to.

The vote was announced as above recorded.

Mr. RHODES. Mr. Chairman, I would like to express my support for the amendment of the gentleman from Washington (Mr. MEEDS) which was adopted by voice vote. This amendment provides for judicial review of the Commissioner's decision to bypass local education agencies in those cases where the Commissioner has determined that the public local education agency has failed to provide services to the private schools in the district which are educating poor students. This applies to title I funds and funds allocated under the consolidated programs.

No final action can be taken on the Commissioner's decision to bypass the State and local educational agency until 60 days after notice of the proposed action has been served and there has been an opportunity for a hearing. If the State or local educational agency is dissatisfied with the Commissioner's final action after the hearing, it has 60 days to file with the U.S. Court of Appeals. The court would have jurisdiction to affirm the action of the Commissioner, to modify it, or set it aside in whole or part. In turn, judicial review of the lower court ruling would be available up to the U.S. Supreme Court.

The addition of judicial review makes this section consistent with other parts of the bill. It has wide-based support, including backing from such groups as the National Education Association and the U.S. Catholic Conference. I favor the intent of H.R. 69 in attempting to provide facilities and services to disadvantaged students, regardless of where they are enrolled. The inclusion of a judicial review safeguard is desirable, and I am pleased the amendment was adopted.

Mrs. GRASSO. Mr. Chairman, it is imperative that Federal money be given to education.

While large sums of Federal moneys are spent on other programs, education receives a relatively low priority. This is unfortunate, indeed.

The educational systems of our Nation desperately need aid for the educationally disadvantaged. They also have a crying need for general aid.

The intent of title I of the Elementary and Secondary Education Act has been to help local school districts provide programs required by the educationally disadvantaged.

Because appropriations for local education have lagged behind the authorization level contained in the Elementary and Secondary Education Act, it is essential for the Congress to assure that available funds are distributed fairly. Unfortunately, the committee formula fails to assure this fair allocation of title I funds. In fact, if the committee formula remains in H.R. 69, Connecticut and other urban States will be unjustly penalized.

Clearly, the first Peyser formula, which established the $4,000 poverty level and counted all AFDC children, would have improved the committee formula by eliminating the antiurban bias of H.R. 69. I supported the amendment and sincerely regret that it failed.

Other amendments which would have increased Connecticut's share of title I over the committee formula also had my support. Unfortunately, they, too, met defeat in the House today.

Mr. Chairman, I regret that efforts to improve upon the language of title I of the committee bill have thus far failed. Hopefully, the inequities of the formula will be corrected in time to assure that educationally disadvantaged children in Connecticut and elsewhere have the opportunity to share fully in the title I program.

Mr. ALEXANDER. Mr. Chairman, people are Arkansas' greatest resource and the greatest resource of this Nation. Educational programs for the disadvantaged were intended by the Congress to assure that all persons receive quality education and to insure that these persons have a solid start in their efforts to be contributing members of our society.

According to the 1970 census, there were 64,910 families with related children 18 years or younger living in Arkansas. Of these, 38,469 lived in rural Arkansas, the area least able to absorb the costs of special education programs for disadvantaged children.

The First District of Arkansas which I represent has the lowest average per capita income, the highest unemployment rate, and the highest outmigration rate in the State. This is why I am concerned with education—and the educational programs offered under title I of this act. The programs authorized by this act open many doors for the educationally disadvantaged of this country. They help to teach and reinforce the elementary skills of reading and mathematics upon which all later learning is based. Education in turn opens the doors to jobs and trades upon which the entire community can build, thus upgrading and boosting the entire economy of the region.

I do not believe anyone here will argue against the point that we must concentrate our efforts to bring more funding to educationally disadvantaged students. The question now, as it has been in the past, is how to define an educationally disadvantaged child. The members of the Education and Labor Committee have spent many long hours testing various formulas and hearing different theories argued.

Is an educationally disadvantaged child the same as an economically disadvantaged child? Should test scores have anything to do with the distribution of funding? What about the students at large overcrowded understaffed schools, where the lack of individual attention may stunt the growth of even the most intelligent child?

H.R. 69 modernizes the existing title I formula, yet does not make extensive changes. It is more flexible in that it allows local school districts the option of using methods other than poverty for determining economic advantage or disadvantage. Perhaps most importantly, it authorizes the National Institute of Education to conduct a comprehensive review of compensatory education programs and to study alternative methods of distributing compensatory education funds. Such a study will be invaluable to us in the future if we are not to allow ourselves to fall into the rut of basing this funding entirely on the amount of welfare a family receives or on income. We must be concerned with insuring that any child who is encountering difficulties in school—despite his parents economic fortune or misfortune—is given the opportunity and assistance he needs to keep up with his classmates in learning the cognitive skills.

The programs authorized under title I of ESEA as well as under other titles of this bill, have proven of incalculable benefit to children all over Arkansas. Teachers in larger classroom are dependent upon teachers aides to assist in personal attention and instruction. Teachers in small country schools are dependent on these funds to allow them to implement programs that they could not otherwise afford.

Mr. Chairman, I am satisfied that at this time with the facts and figures available, the committee has done its best to come up with a formula that is the most equitable and best serves the needs of educationally disadvantaged children in all 50 States. We need not be glued to it forever. Hopefully the National Institute of Education study will show us a better way. For that is what education is all about—learning and practicing, exchanging old methods and ideas for new and better ones.

Mr. SIKES. Mr. Chairman, the bill we are considering today, H.R. 69, is one of the most important this Congress will consider this year. It touches on the educational life of millions of American children, and the provisions of the bill can help to determine the safe future of our Nation.

I am concerned about a number of aspects of the bill. First, I support the objective of the committee that a formula be enacted which will assure the smaller or less affluent States a greater Federal participation than at present. The present formula apparently does not insure equal educational opportunity to the children of all States. It simply stands to reason that children in States which because of lack of resources or because of statutory limitations cannot help themselves should be helped by others.

After all, most school systems are financed at the State level through property taxes. Property with greater value is expected to pay more tax. It does not always work that way. Even in States with high property values there may be constitutional limitations which prevent tax rates adequate to cope with financing demands for education. There also will be found in some States very large communities of trailers and trailer courts where the residents pay little or no property taxes and thus contribute very little to the cost of educating their own children.

If we start with the premise that children of all States are equally deserving of quality education, it becomes incumbent on this Congress to help the children in those States with less potential for helping themselves. It is the only right and proper thing to do.

Second, I support the amendment by the gentlewoman from Hawaii (Mrs. MINK) seeking to extend the life of the impact aid program for 3 years rather than for 1 year. School systems must plan ahead just as other governmental agencies must plan ahead. Each year, impact aid is the target of those who do not fully understand the importance of this aspect of the law. Year by year impact aid funding has been a hit or miss proposition with the Federal administrators generally seeking lower funding and the Congress striving to maintain current levels of funding. Each year, school systems must plan ahead in the dark, never knowing whether or not this aid is to be forthcoming or if the program will fall victim to other funding demands.

Mrs. MINK's amendment would not treat impact aid in a manner different from other programs. It would, in fact, place this aspect of the bill on the same status as other aspects. I fully support her amendment.

Finally, I support the amendment by Congressman ESCH which seeks to abolish the practice of busing children all over a city or county for no demonstrated purpose other than the achievement of racial balance. The evils of excessive busing are too well known to require further discussion here. The amendment would use busing only as a last resort in securing an equal educational opportunity. This approach makes sense. Busing should not be the first tool of education. It should be a final tool.

Mr. Chairman, as I said earlier, this bill is one of the most important we will consider. We should seek continually to provide a better funding formula whereby children who need improved education will receive it, to continue in a sensible manner the impact aid program and to recognize the use of the schoolbus for what it is, a medium for transporting to the nearest acceptable school. When we do this we will be doing a realistic job for education and for the future of our Nation.

Mr. BADILLO. Mr. Chairman, I rise in support of the amendment offered by my colleague from New York.

Mr. Chairman, I regret that the debate on the Elementary and Secondary Education Amendments of 1974 has degenerated into a scramble to see which of the many formulas offers each Member the most money for his congressional district. Of course every Member is concerned about the Federal dollars available for the education of his constituents. And rightly so.

But, Mr. Chairman, we have lost sight of what this bill is really all about, and that is children. These dollar figures are essentially meaningless unless we translate them into the human beneficiaries at the end of the legislative process by which we will decide how to allocate the money in this program.

Under the committee formula, the majority of school districts in the United States will be able to add children to their eligible rolls. This is well and good. The more youngsters we can bring quality education to, the better. However, let us also not lose sight of the fact that the committee formula also will force many large cities and some smaller counties around the country to drop children who have already begun to benefit from title I programs. That is where our focus should be, not on whether New York gets *x* number of dollars compared to St. Louis or San Francisco.

Mr. Chairman, some 90,000 children will be dropped from title I compensatory programs in New York City if the formula in H.R. 69 is adopted. Nothing could be crueler on our part to hold out the educational enrichment made possible through ESEA to youngsters in the schools and then, after a few years during which results actually appear in an upturn in citywide reading scores, withdraw funds so drastically that fully one-third of all New York City enrollees in title I programs will receive these benefits no more.

Mr. Chairman, if we could find the will to fully fund the programs authorized by ESEA, we could do the cause of education in this country a great service. But the realities of the underfunding should stimulate us to find a way to continue serving all the children who are presently in title I programs and slowly expand the pool of eligibles as appropriations increase. That in fact was the thrust of the 1970 amendments to this bill in the stipulation that children from families with less than $2,000 in income would continue to be served first as children from families with higher incomes would hopefully be added to the program as funds became available. That 1970 action was fully in accord with the original intent of the 1965 act to provide support for local education agencies in areas with high concentrations of poor children.

The committee formula would undo this effort. While forcing the dropping of thousands of urban children from the program, H.R. 69 would provide dramatic increases in funds for some of the wealthiest counties in the Nation. According to charts placed in the RECORD yesterday, Montgomery County in Maryland would receive about 50 percent more money next year than it is getting for title I programs this year. Fairfax County in Virginia would receive a healthy 33 percent boost, DuPage County in Illinois gains a staggering 67 percent, Howard County in Maryland will more than double its 1974 entitlement, and Waukesha County, Wis., would go up by more than 50 percent. Other affluent counties will gain in the area of 25 to 35 percent over present title I funds.

Mr. Chairman, certainly there are children in those wealthy counties with learning disabilities just as there are in the inner cities. I hope the Congress will do more for all the students in the country. But I urge my colleagues to remember that when they consider voting for more ESEA funds to flow into their schools that those increases will be at the expense of children in other parts of the country.

If we keep in mind what this program is all about, I believe that we can see the equity and the human component in the gentleman's amendment.

Mr. Chairman, I urge adoption of the amendment.

Mrs. SCHROEDER. Mr. Chairman, I suppose I have as great a personal interest in the subject matter of these amendments as any Member of Congress. Since June 1973, when the Supreme Court decided the case of Keyes against School District No. 1, the district I represent has been faced with the need to devise a remedy for what the court concluded had been at least a decade of unconstitutional discrimination against the 14 percent of its elementary and secondary public school pupils who are black and the 20 percent who are Hispano Americans.

I am supporting the National Educational Opportunities Act amendment to H.R. 69 as the only positive measure this Congress has devised to meet the problems of segregated and substandard education. My colleagues Mr. ANDERSON, Mr. PREYER and Mr. UDALL have worked long and hard to develop this legislation, which gives local communities and their school systems the primary responsibility, along with financial and other incentives, for developing long-range plans for school desegregation, rather than relying on HEW and the courts. Under this proposal, busing could only be implemented as a temporary, last resort measure while less disruptive, long-range desegregation plans are developed.

Although this legislation is far from perfect—for example, I feel that the 10-year time period which States are given to implement their plans is entirely too long—it is a step in the right direction. Congress for too long has failed to provide sensible guidelines and responsible leadership in the field of education and race relations. Instead, we have dumped the total responsibility for dealing with the issue in the laps of the courts.

It is time for the Congress to take the problem in hand and take this first step in setting a positive, comprehensive policy. Up to now the only alternatives that have been offered in Congress have been negatively sweeping proposals such as the other amendment before us today offered by Mr. ESCH, which would totally prohibit busing as a remedy, while offering no positive alternatives for better ways to achieve desegregation. The Supreme Court has wisely recognized that rights and remedies are indivisible. To totally prohibit the remedy when no other adequate relief is available, is to deny the right itself.

Mr. RANGEL. Mr. Chairman, in reviewing the arguments for amending H.R. 69, the Elementary and Secondary Education Act, to curtail integration through busing. I have found the noble goals of equal educational and opportunity for all, wittingly or unwittingly, vilified. The issue here is simple and clearly defined. In order for equal education and opportunity to be a reality, there will have to be extraordinary steps, positive discrimination if you will, in order to offset the long history of inequity imposed on minority groups.

To state that there are other alternatives besides busing to achieve integration of the school is a gross distortion of the realities of American life. Housing patterns have long been maintained to insure segregation of neighborhoods. Some of my colleagues have endorsed the concept of neighborhood schools. But considering that housing segregation is firmly entrenched in the American neighborhood, schools would be segregated. If it was not for the seriousness of the need for educational opportunities for all groups, I would find this specious argument amusing.

Another argument has been made that the busing of children disrupts their social growth because of the lack of a strong community environment. I suppose a strong community environment or "cocoon" implies the exclusion of 20 percent of this Nation's population. I suppose it also implies that the prejudice of parents must be transferred without impedence to their children. I submit that such an argument is merely an apology for the continued domestic isolationism of white communities.

Still another argument has been made that busing, contrary to its aim, has fostered even greater polarization between the races. This may, on the surface, appear to be true, but it must also be realized that busing is not wholely directed at establishing immediate racial harmony. It is instead, intended to sow the seed of peace for future generations of white and minority Americans.

Additional arguments have been raised that local schools should be improved through financial assistance and community involvement. This is, in theory, an acceptable way of providing equal opportunity for all groups. However, in practice it has been proven that inner city schools have received the short end of the stick. Not only are additional funds not forthcoming, but inner city schools have been asked to educate those needing special educational programs with less funds. An adequate education has been proven, by observation, to be accorded to white children only. If integration is the only way that minority children can receive an equal education, then it must be realized to its fullest extent. Busing should be implemented until housing zone laws have been relaxed so that minorities can live in integrated neighborhoods. At that time, the neighborhood school concept could be embraced by "all" of our citizens.

If this Nation is to truly become homogenous, if the diversity of our various racial and ethnic groups is to be accommodated, if we are to realize our potential for greatness, such regressive amendments must be defeated. Congress must in the future, utilize its foresight, and not its hindsight.

Mr. MURPHY of New York. Mr. Chairman, throughout the history of the United States, education has been deemed one of the rights and privileges of each citizen. Education is the foundation of our Nation; from the time of our Pilgrim Fathers, education has been the means to advancement and opportunity, and today it is a guaranteed right of every child in the United States. In the past I have strongly supported legislation to raise the quality and level of education for children in America. I have a continuous record of voting for increased Federal assistance to primary and secondary education. However, today I must speak out against the title I amendment of the Elementary and Secondary Education Amendments of 1974, for the simple reason that it does not provide continued assistance for us to advance our educational system. It would in fact discriminate against the State of New York and result in a decline of the quality of education with which we have struggled for so long to improve. In fact the passage and implementation of title I of this bill, H.R. 69, would create not only a decline in the quality, but it would result in the total deprivation of an education for certain disadvantaged segments of the student population.

The educational system in New York is one of the most progressive systems in the United States. New York is committed to providing quality education to all of our children, and to accomplish this we maintain a much higher ratio of instructional staff to students than anywhere else in the country. In New York the ratio of instructional staff to students exceeds the national average by 25 percent. The ratio of classroom teacher to student exceeds the national average by 18 percent. It should also be noted that Federal moneys account for only 5.4 percent of the total expenditures made in New York for elementary and secondary education. In other States the Federal share of expense can reach up to 25 percent or more.

In 1965, when the House Education and Labor Committee first wrote the Elementary and Secondary Education Act, the main purpose behind title I was to provide substantial Federal assistance to local school districts with high concentrations of low-income families and to help pay the additional costs of providing special programs for educationally disadvantaged children. Title I of H.R. 69 would result in further discrimination against these children. Children from families whose income is below $2,000 already suffer all the disadvantages associated with poverty, but New York is striving to give them the opportunity for advancement through education. Title I of H.R. 69 will further deprive these children of their rights by taking away the much needed moneys that would help provide them with a good education. New York will spend $218 million of Federal funds for the education of needy children for the fiscal year 1974. Under title I of the legislation being considered today, the Federal Government does not provide additional funds to keep up with the increased number of students needing assistance as well as the advancement of inflationary costs of providing education. In fact if title I is enacted into law, it will result in a decrease from last year's appropriation of more than 10 percent for fiscal year 1975.

As a result of this decrease, New York would have to make drastic cutbacks in the number of teachers presently employed within the school system. This would result in a much higher number of students per teacher, and it would affect the entire school program as well as adding a greater burden in New York's efforts to upgrade the educational level in lower income areas. Despite the fact that New York City has the highest population of any city in the United States, our eligible recipients would receive less aid per student than those in other parts of the Nation. New York State, with the second highest number of school age children, is receiving the greatest slash in Federal education funding. We must insure to these children their Constitutional right to an education. The committee's use of the Orshansky "poverty index" would increase the number of children in New York who are eligible for title I funding from 5 million to over 7.7 million. New York does not adequately meet the needs of the children we now serve, and H.R. 69 through title I would reduce even further the limited funds that we now receive.

Although I disagree with the funding schedule provided in title I of H.R. 69, the remaining provisions of the bill go far in improving the quality of education in the United States. The fact that impact aid has been extended for another year eliminates some of the reservations that I have toward this legislation. The amendment to the Adult Education Act by eliminating HEW's authority to withhold moneys adds impetus to the expansion of adult education programs. Community education and education for the handicapped both receive new funds to provide better quality of education. H.R. 69 would expand title VII of ESEA to insure wider distribution of bilingual education aid funds. This would nullify the existing law which only gives funds to those schools with a high concentration of low-income families.

While I feel the strong need for a revision to the title I formula of H.R. 69, I also feel that it is necessary to provide the educational funding that this legislation would extend. I will work hard to find an equitable solution to the problems arising under title I, but the need to preserve continuous funding to education must and shall be the first priority in consideration of this legislation, the "Elementary and Secondary Education Amendments of 1974."

### PARLIAMENTARY INQUIRY

Mr. PERKINS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. PERKINS. Mr. Chairman, inasmuch as the vote has been announced on the Esch amendment, I would like to make an inquiry as to whether further amendments to title I are in order or will be in order tomorrow when we take up further consideration of this bill?

The CHAIRMAN. In view of the adoption of the Esch amendment, all further action on title I is precluded.

Mr. PERKINS. So when we meet tomorrow we will go into a new title II?

The CHAIRMAN. When the committee resumes sitting tomorrow the Clerk will begin reading on line 19 on page 58.

Mr. PERKINS. I thank the Chairman.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. O'NEILL) having assumed the chair, Mr. PRICE of Illinois, Chairman of the Committee cf the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 69) to extend and amend the Elementary and Secondary Education Act of 1965, and for other purposes, had come to no resolution thereon.

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## GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on title I and on the Esch amendment.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

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## CONFERENCE REPORT ON S. 2747, FAIR LABOR STANDARDS AMENDMENTS OF 1974

Mr. PERKINS submitted the following conference report and statement on the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that act, to expand the coverage of the act, and for other purposes:

### CONFERENCE REPORT (H. REPT. No. 93-953)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to expand the coverage of the Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

### SHORT TITLE; REFERENCES TO ACT

SECTION 1. (a) This Act my be cited as the "Fair Labor Standards Amendments of 1974".

(b) Unless otherwise specified, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the section or other provision amended or repealed is a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201–219).

### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

SEC. 2. Section 6 (a) (1) is amended to read as follows:

"(1) not less than $2 an hour during the period ending December 31, 1974, not less than $2.10 an hour during the year beginning January 1, 1975, and not less than $2.30 an hour after December 31, 1975, except as otherwise provided in this section;".

### INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1974

SEC. 3. Section 6(b) is amended (1) by asserting ", title IX of the Education Amendments of 1972, or the Fair Labor Standards Amendments of 1974" after "1966", and (2) by striking out paragraphs (1) through (5) and inserting in lieu thereof the following:

"(1) not less than $1.90 an hour during the period ending December 31, 1974,

"(2) not less than $2 an hour during the year beginning January 1, 1975,

"(3) not less than $2.20 an hour during the year beginning January 1, 1976, and

"(4) not less than $2.30 an hour after December 31, 1976."

### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

SEC. 4. Section 6(a) (5) is amended to read as follows:

"(5) if such employee is employed in agriculture, not less than—

"(A) $1.60 an hour during the period ending December 31, 1974,

"(B) $1.80 an hour during the year beginning January 1, 1975,

"(C) $2 an hour during the year beginning January 1, 1976,

"(D) $2.20 an hour during the year beginning January 1, 1977, and

"(E) $2.30 an hour after December 31, 1977."

### INCREASE IN MINIMUM WAGE RATES FOR EMPLOYEES IN PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 5. (a) Section 5 is amended by adding at the end thereof the following new subsection:

"(e) The provisions of this section, section 6(c), and section 8 shall not apply with respect to the minimum wage rate of any employee employed in Puerto Rico or the Virgin Islands (1) by the United States or by the government of the Virgin Islands, (2) by an establishment which is a hotel, motel, or restaurant, or (3) by any other retail or service establishment which employs such employee primarily in connection with the preparation or offering of food or beverages for human consumption, either on the premises, or by such services as catering, banquet, box lunch, or curb or counter service, to the public, to employees, or to members or guests of members of clubs. The minimum wage rate of such an employee shall be determined under this Act in the same manner as the minimum wage rate for employees employed in a State of the United States is determined under this Act. As used in the preceding sentence, the term 'State' does not include a territory or possession of the United States.".

(b) Effective on the date of the enactment of the Fair Labor Standards Amendments of 1974, subsection (c) of section 6 is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2) Except as provided in paragraphs (4) and (5), in the case of any employee who is covered by such a wage order on the date of enactment of the Fair Labor Standards Amendments of 1974 and to whom the rate or rates prescribed by subsection (a) or (b) would otherwise apply, the wage rate applicable to such employee shall be increased as follows:

"(A) Effective on the effective date of the Fair Labor Standards Amendments of 1974, the wage order rate applicable to such employee on the day before such date shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

"(B) Effective on the first day of the second and each subsequent year after such date, the highest wage order rate applicable to such employees on the date before such first day shall—

"(i) if such rate is under $1.40 an hour, be increased by $0.12 an hour, and

"(ii) if such rate is $1.40 or more an hour, be increased by $0.15 an hour.

In the case of any employee employed in agriculture who is covered by a wage order issued by the Secretary pursuant to the recommendations of a special industry committee appointed pursuant to section 5, to whom the rate or rates prescribed by subsection (a)(5) would otherwise apply, and whose hourly wage is increased above the wage rate prescribed by such wage order by a subsidy (or income supplement) paid, in whole or in part, by the government of Puerto Rico, the increases prescribed by this paragraph shall be applied to the sum of the wage rate in effect under such wage order and the amount by which the employee's) hourly wage rate is increased by the subsidy (or income supplement) above the wage rate in effect under such wage order.

"(3) In the case of any employee employed in Puerto Rico or the Virgin Islands to whom this section is made applicable by the amendments made to this Act by the Fair Labor Standards Amendments of 1974, the Secretary shall, as soon as practicable after the date of enactment of the Fair Labor Standards Amendments of 1974, appoint a special industry committee in accordance with section 5 to recommend the highest minimum wage rate or rates, which shall be not less than 60 per centum of the otherwise applicable minimum wage rate in effect under subsection (b) or $1.00 an hour, whichever is greater, to be applicable to such employee in lieu of the rate or rates prescribed by subsection (b). The rate recommended by the special industry committee shall (A) be effective with respect to such employee upon the effective date of the wage order issued pursuant to such recommendation, but not before sixty days after the effective date of the Fair Labor Standards Amendments of 1974, and (B) except in the case of employees of the government of Puerto Rico or any political subdivision thereof, be increased in accordance with paragraph (2)(B).

"(4)(A) Notwithstanding paragraph (2)(A) or (3), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(A) or (3) of this subsection, shall, on the effective date of the wage increase under paragraph (2)(A) or of the wage rate recommended under paragraph (3), as the case may be, be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1.00, whichever is higher.

"(B) Notwithstanding paragraph (2)(B), the wage rate of any employee in Puerto Rico or the Virgin Islands which is subject to paragraph (2)(B), shall, on and after the effective date of the first wage increase under paragraph (2)(B), be not less than 60 per centum of the otherwise applicable rate under subsection (a) or (b) or $1.00, whichever is higher.

"(5) If the wage rate of an employee is to be increased under this subsection to a wage rate which equals or is greater than the wage rate under subsection (a) or (b) which, but for paragraph (1) of this subsection, would be applicable to such employee, this subsection shall be inapplicable to such employee and the applicable rate under such subsection shall apply to such employee.

"(6) Each minimum wage rate prescribed by or under paragraph (2) or (3) shall be in effect unless such minimum wage rate has been superseded by a wage order (issued by the Secretary pursuant to the recommendation of a special industry committee convened under section 8) fixing a higher minimum wage rate."

(c)(1) The last sentence of section 8(b) is amended by striking out the period at the end thereof and inserting in lieu thereof a semicolon and the following: "except that the committee shall recommend to the Secretary the minimum wage rate prescribed in section 6(a) or 6(b), which would be applicable but for section 6(c), unless there is substantial documentary evidence, including pertinent unabridged profit and loss statements and balance sheets for a representative period of years or in the case of employees of public agencies other appropriate information, in the record which establishes that the industry, or a predominant portion thereof, is unable to pay that wage."

(2) The third sentence of section 10(a) is amended by inserting after "modify" the following: "(including provision for the payment of an appropriate minimum wage rate)".

(d) Section 8 is amended (1) by striking out "the minimum wage prescribed in paragraph (1) of section 6(a) in each such industry" in the first sentence of subsection (a) and inserting in lieu thereof "the minimum wage rate which would apply in each such industry under paragraph (1) or (5) of section 6(a) but for section 6(c)", (2) by striking out "the minimum wage rate prescribed in paragraph (1) of section 6(a)" in the last sentence of subsection (a) and inserting in lieu thereof "the otherwise applicable minimum wage rate in effect under paragraph (1) or (5) of section 6(a)", and (3) by striking out "prescribed in paragraph (1) of section 6(a)" in subsection (c) and inserting in lieu thereof "in effect under paragraph (1) or (5) of section 6(a) (as the case may be)".

### FEDERAL AND STATE EMPLOYEES

SEC. 6. (a)(1) Section 3(d) is amended to read as follows:

"(d) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee and includes a public agency, but does not include any labor organization (other than when acting as an employer) or anyone acting in the capacity of officer or agent of such labor organization."

(2) Section 3(e) is amended to read as follows:

"(e)(1) Except as provided in paragraphs (2) and (3), the term 'employee' means any individual employed by an employer.

"(2) In the case of an individual employed by a public agency such term means—

"(A) any individual employed by the Government of the United States—

"(i) as a civilian in the military departments (as defined in section 102 of title 5, United States Code),

"(ii) in any executive agency (as defined in section 105 of such title),

"(iii) in any unit of the legislative or judicial branch of the Government which has positions in the competitive service,

"(iv) in a nonappropriated fund instrumentality under the jurisdiction of the Armed Forces, or

"(v) in the Library of Congress;

"(B) any individual employed by the United States Postal Service or the Postal Rate Commission; and

"(C) any individual employed by a State, political subdivision of a State, or an interstate governmental agency, other than such an individual—

"(i) who is not subject to the civil service laws of the State, political subdivision, or agency which employs him; and

"(ii) who—

"(I) holds a public elective office of that State, political subdivision, or agency,

"(II) is selected by the holder of such an office to be a member of his personal staff,

"(III) is appointed by such an officeholder to serve on a policymaking level, or

"(IV) who is an immediate adviser to such an officeholder with respect to the constitutional or legal powers of his office.

"(3) For purposes of subsection (u), such term does not include any individual employed by an employer engaged in agriculture if such individual is the parent, spouse, child, or other member of the employer's immediate family.".

(3) Section 3(h) is amended to read as follows:

"(h) 'Industry' means a trade, business, industry, or other activity, or branch or group thereof, in which individuals are gainfully employed.".

(4) Section 3(r) is amended by inserting "or" at the end of paragraph (2) and by inserting after that paragraph the following new paragraph:

"(3) in connection with the activities of a public agency,".

(5) Section 3(s) is amended—

(A) by striking out in the matter preceding paragraph (1) "including employees handling, selling, or otherwise working on goods" and inserting in lieu thereof "or employees handling, selling, or otherwise working on goods or materials",

(B) by striking out "or" at the end of paragraph (3),

(C) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or",

(D) by adding after paragraph (4) the following new paragraph:

"(5) is an activity of a public agency.", and

(E) by adding after the last sentence the following new sentence: "The employees of an enterprise which is a public agency shall for purposes of this subsection be deemed to be employees engaged in commerce, or in the production of goods for commerce, or employees handling, selling, or otherwise working on goods or materials that have been moved in or produced for commerce.".

(6) Section 3 is amended by adding after subsection (w) the following:

"(x) 'Public agency' means the Government of the United States; the government of a State or political subdivision thereof: any agency of the United States (including the United States Postal Service and Postal Rate Commission), a State, or a political subdivision of a State; or any interstate governmental agency.".

(b) Section 4 is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to enter into an agreement with the Librarian of Congress with respect to individuals employed in the Library of Congress to provide for the carrying out of the Secretary's functions under this Act with respect to such individuals. Notwithstanding any other provision of this Act, or any other law, the Civil Service Commission is authorized to administer the provisions of this Act with respect to any individual employed by the United States (other than an individual employed in the Library of Congress, United States Postal Service, Postal Rate Commission, or the Tennessee Valley Authority). Nothing in this subsection shall be construed to affect the right of an employee to bring an action for unpaid minimum wages, or unpaid overtime compensation, and liquidated damages under section 16(b) of this Act.".

(c)(1)(A) Effective January 1, 1975, section 7 is amended by adding at the end thereof the following new subsection:

"(k) No public agency shall be deemed to have violated subsection (a) with respect to the employment of any employee in fire protection activities or any employee in law enforcement activities (including security personnel in correctional institutions) if—

"(1) in a work period of 28 consecutive days the employee receives for tours of duty which in the aggregate exceed 240 hours; or

"(2) in the case of such an employee to whom a work period of at least 7 but less than 28 days applies, in his work period the employee receives for tours of duty which in the aggregate exceed a number of hours which bears the same ratio to the number of consecutive days in his work period as 240 hours bears to 28 days,

compensation at a rate not less than one and one-half times the regular rate at which he is employed."

(B) Effective January 1, 1976, section 7(k) is amended by striking out "240 hours" each place it occurs and inserting in lieu thereof "232 hours".

(C) Effective January 1, 1977, such section is amended by striking out "232 hours" each place it occurs and inserting in lieu thereof "216 hours".

(D) Effective January 1, 1978, such section is amended—

(i) by striking out "exceed 216 hours" in paragraph (1) and inserting in lieu thereof "exceed the lesser of (A) 216 hours, or (B) the average number of hours (as determined by the Secretary pursuant to section 6(c) (3) of the Fair Labor Standards Amendments of 1974) in tours of duty of employees engaged in such activities in work periods of 28 consecutive days in calendar year 1975"; and

(ii) by striking out "as 216 hours bears to 28 days" in paragraph (2) and inserting in lieu thereof "as 216 hours (or if lower, the number of hours referred to in clause (B) of paragraph (1)) bears to 28 days".

(2) (A) Section 13(b) is amended by striking out the period at the end of paragraph (19) and inserting in lieu thereof "; or" and by adding after that paragraph the following new paragraph:

"(20) any employee of a public agency who is employed in fire protection or law enforcement activities (including security personnel in correctional institutions);".

(B) Effective January 1, 1975, section 13 (b) (20) is amended to read as follows:

"(20) any employee of a public agency who in any workweek is employed in fire protection activities or any employee of a public agency who in any workweek is employed in law enforcement activities including security personnel in correctional institutions), if the public agency employs during the workweek less than 5 employees in fire protection or law enforcement activities, as the case may be; or".

(3) The Secretary of Labor shall in the calendar year beginning January 1, 1976, conduct (A) a study of the average number of hours in tours of duty in work periods in the preceding calendar year of employees (other than employees exempt from section 7 of the Fair Labor Standards Act of 1938 by section 13(b) (20) of such Act) of public agencies who are employed in fire protection activities, and (B) a study of the average number of hours in tours of duty in work periods in the preceding calendar year of employees (other than employees exempt from section 7 of the Fair Labor Standards Act of 1938 by section 13(b) (20) of such Act) of public agencies who are employed in law enforcement activities (including security personnel in correctional institutions). The Secretary shall publish the results of each such study in the Federal Register.

(d) (1) The second sentence of section 16 (b) is amended to read as follows: "Action to recover such liability may be maintained against any employer (including a public agency) in any Federal or State court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated.".

(2) (A) Section 6 of the Portal-to-Portal Pay Act of 1947 is amended by striking out the period at the end of paragraph (c) and by inserting in lieu thereof a semicolon and by adding after such paragraph the following:

"(d) with respect to any cause of action brought under section 16(b) of the Fair Labor Standards Act of 1938 against a State or a political subdivision of a State in a district court of the United States on or before April 18, 1973, the running of the statutory periods of limitation shall be deemed suspended during the period beginning with the commencement of any such action and ending one hundred and eighty days after the effective date of the Fair Labor Standards Amendments of 1974, except that such suspension shall not be applicable if in such action judgment has been entered for the defendant on the grounds other than State immunity from Federal jurisdiction.".

(B) Section 11 of such Act is amended by striking out "(b)" after "section 16".

### DOMESTIC SERVICE WORKERS

Sec. 7. (a) Section 2(a) is amended by inserting at the end the following new sentence: "That Congress further finds that the employment of persons in domestic service in households affects commerce."

(b) (1) Section 6 is amended by adding after subsection (e) the following new subsection:

"(f) Any employee—

"(1) who in any workweek is employed in domestic service in a household shall be paid wages at a rate not less than the wage rate in effect under section 6(b) unless such employee's compensation for such service would not because of section 209(g) of the Social Security Act constitute wages for the purposes of title II of such Act, or

"(2) who in any workweek—

"(A) is employed in domestic service in one or more households, and

"(B) is so employed for more than 8 hours in the aggregate, shall be paid wages for such employment in such workweek at a rate not less than the wage rate in effect under section 6(b)."

(2) Section 7 is amended by adding after the subsection added by section 6(c) of this Act the following new subsection:

"(l) No employer shall employ any employee in domestic service in one or more households for a workweek longer than forty hours unless such employee receives compensation for such employment in accordance with subsection (a)."

(3) Section 13(a) is amended by adding at the end the following new paragraph:

"(15) any employee employed on a casual basis in domestic service employment to provide babysitting services or any employee employed in domestic service employment to provide companionship services for individuals who (because of age or infirmity) are unable to care for themselves (as such terms are defined and delimited by regulations of the Secretary)."

(4) Section 13(b) is amended by adding after the paragraph added by section 6(c) the following new paragraph:

"(21) any employee who is employed in domestic service in a household and who resides in such household; or".

### RETAIL AND SERVICE ESTABLISHMENTS

Sec. 8. (a) Effective January 1, 1975, section 13(a) (2) (relating to employees of retail and service establishments) is amended by striking out "$250,000" and inserting in lieu thereof "$225,000".

(b) Effective January 1, 1976, such section is amended by striking out "$225,000" and inserting in lieu thereof "$200,000".

(c) Effective January 1, 1977, such section is amended by striking out "or such establishment has an annual dollar volume of sales which is less than $200,000 (exclusive of excise taxes at the retail level which are separately stated)".

### TOBACCO EMPLOYEES

Sec. 9. (a) Section 7 is amended by adding after the subsection added by section 7(b) (2) of this Act the following:

"(m) For a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, any employer may employ any employee for a workweek in excess of that specified in subsection (a) without paying the compensation for overtime employment prescribed in such subsection, if such employee—

"(1) is employed by such employer—

"(A) to provide services (including stripping and grading) necessary and incidental to the sale at auction of green leaf tobacco of type 11, 12, 13, 14, 21, 22, 23, 24, 31, 35, 36, or 37 (as such types are defined by the Secretary of Agriculture), or in auction sale, buying, handling, stemming, redrying, packing, and storing of such tobacco.

"(B) in auction sale, buying, handling, sorting, grading, packing, or storing green leaf tobacco of type 32 (as such type is defined by the Secretary of Agriculture), or

"(C) in auction sale, buying, handling, stripping, sorting, grading, sizing, packing, or stemming prior to packing, of perishable cigar leaf tobacco of type 41, 42, 43, 44, 45, 46, 51, 52, 53, 54, 55, 61, or 62 (as such types are defined by the Secretary of Agriculture); and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

An employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section.".

(b) (1) Section 13(a) (14) is repealed.

(2) Section 13(b) is amended by adding after the paragraph added by section 7(b) (4) of this Act the following new paragraph:

"(22) any agricultural employee employed in the growing and harvesting of shade-grown tobacco who is engaged in the processing (including, but not limited to, drying, curing, fermenting, bulking, rebulking, sorting, grading, aging, and baling) of such tobacco, prior to the stemming process, for use as cigar wrapper tobacco; or".

### TELEGRAPH AGENCY EMPLOYEES

Sec. 10. (a) Section 13(a) (11) (relating to telegraph agency employees) is repealed.

(b) (1) Section 13(b) is amended by adding after the paragraph added by section 9 (b) (2) of this Act the following new paragraph:

"(23) any employee or proprietor in a retail or service establishment which qualifies as an exempt retail or service establishment under paragraph (2) of subsection (a) with respect to whom the provisions of sections 6 and 7 would not otherwise apply, who is engaged in handling telegraphic messages for the public under an agency or contract arrangement with a telegraph company where the telegraph message revenue of such agency does not exceed $500 a month, and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b) (23) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, section 13(b) (23) is repealed.

### SEAFOOD CANNING AND PROCESSING EMPLOYEES

Sec. 11. (a) Section 13(b) (4) (relating to fish and seafood processing employees) is amended by inserting "who is" after "employee", and by inserting before the semicolon the following: ", and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(4) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, section 13(b)(4) is repealed.

### NURSING HOME EMPLOYEES

SEC. 12. (a) Section 13(b)(8) (insofar as it relates to nursing home employees) is amended by striking out "any employee who *(A)* is employed by an establishment which is an institution (other than a hospital) primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises" and the remainder of that paragraph.

(b) Section 7(j) is amended by inserting after "a hospital" the following: "or an establishment which is an institution primarily engaged in the care of the sick, the aged, or the mentally ill or defective who reside on the premises".

### HOTEL, MOTEL, AND RESTAURANT EMPLOYEES AND TIPPED EMPLOYEES

SEC. 13. (a) Section 13(b)(8) (insofar as it relates to hotel, motel, and restaurant employees) (as amended by section 12) is amended (1) by striking out "any employee" and inserting in lieu thereof "(A) any employee (other than an employee of a hotel or motel who performs maid or custodial services) who is", (2) by inserting before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less that one and one-half times the regular rate at which he is employed", and (3) by adding after such section the following:

"(B) any employee of a hotel or motel who performs maid or custodial services and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed; or".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, subparagraphs (A) and (B) of section 13(b)(8) are each amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-six hours".

(c) Effective two years after such date, subparagraph (B) of section 13(b)(8) is amended by striking out "forty-six hours" and inserting in lieu thereof "forty-four hours".

(d) Effective three years after such date, subparagraph (B) of section 13(b)(8) is repealed and such section is amended by striking out "(A)".

(e) The last sentence of section 3(m) is amended to read as follows: "In determining the wage of a tipped employee, the amount paid such employee by his employer shall be deemed to be increased on account of tips by an amount determined by the employer, but not by an amount in excess of 50 per centum of the applicable minimum wage rate, except that the amount of the increase on account of tips determined by the employer may not exceed the value of tips actually received by the employee. The previous sentence shall not apply with respect to any tipped employee unless (1) such employee has been informed by the employer of the provisions of this subsection, and (2) all tips received by such employee have been retained by the employee, except that this subsection shall not be construed to prohibit the pooling of tips among employees who customarily and regularly receive tips.".

### SALESMEN, PARTSMEN, AND MECHANICS

SEC. 14. Section 13(b)(10) (relating to salesmen, partsmen, and mechanics) is amended to read as follows:

"(10)(A) any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles, trucks, or farm implements, if he is employed by a nonmanufacturing establishment primarily engaged in the business of selling such vehicles or implements to ultimate purchasers; or

"(B) any salesman primarily engaged in selling trailers, boats, or aircraft, if he is employed by a nonmanufacturing establishment primarily engaged in the business of selling trailers, boats, or aircraft to ultimate purchasers; or".

### FOOD SERVICE ESTABLISHMENT EMPLOYEES

SEC. 15. (a) Section 13(b)(18) (relating to food service and catering employees) is amended by inserting immediately before the semicolon the following: "and who receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(b) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(c) Effective two years after such date, such section is repealed.

### BOWLING EMPLOYEES

SEC. 16. (a) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, section 13(b)(19) (relating to employees of bowling establishments) is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(b) Effective two years after such date, such section is repealed.

### SUBSTITUTE PARENTS FOR INSTITUTIONALIZED CHILDREN

SEC. 17. Section 13(b) is amended by inserting after the paragraph added by section 10(b)(1) of this Act the following new paragraph:

"(24) any employee who is employed with his spouse by a nonprofit educational institution to serve as the parents of children—

"(A) who are orphans or one of whose natural parents is deceased, or

"(B) who are enrolled in such institution and reside in residential facilities of the institution,

while such children are in residence at such institution, if such employee and his spouse reside in such facilities, receive, without cost, board and lodging from such institution, and are together compensated, on a cash basis, at an annual rate of not less than $10,000; or".

### EMPLOYEES OF CONGLOMERATES

SEC. 18. Section 13 is amended by adding at the end thereof the following:

"(g) The exemption from section 6 provided by paragraphs (2) and (6) of subsection (a) of this section shall not apply with respect to any employee employed by an establishment (1) which controls, is controlled by, or is under common control with, another establishment the activities of which are not related for a common business purpose to, but materially support, the activities of the establishment employing such employee; and (2) whose annual gross volume of sales made or business done, when combined with the annual gross volume of sales made or business done by each establishment which controls, is controlled by, or is under common control with, the establishment employing such employee, exceeds $10,000,000 (exclusive of excise taxes at the retail level which are separately stated), except that the exemption from section 6 provided by paragraph (2) of subsection (a) of this section shall apply with respect to any establishment described in this subsection which has an annual dollar volume of sales which would permit it to qualify for the exemption provided in paragraph (2) of subsection (a) if it were in an enterprise described in section "(s).".

### SEASONAL INDUSTRY EMPLOYEES

SEC. 19. (a) Section 7(c) and 7(d) are each amended—

(1) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks", and

(2) by striking out "fourteen workweeks" and inserting in lieu thereof "ten workweeks".

(b) Section 7(c) is amended by striking out "fifty hours" and inserting in lieu thereof "forty-eight hours".

(c) Effective January 1, 1975, sections 7(c) and 7(d) are each amended—

(1) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks", and

(2) by striking out "ten workweeks" and inserting in lieu thereof "seven workweeks".

(d) Effective January 1, 1976, sections 7(c) and 7(d) are each amended—

(1) by striking out "five workweeks" and inserting in lieu thereof "three workweeks", and

(2) by striking out "seven workweeks" and inserting in lieu thereof "five workweeks".

(e) Effective December 31, 1976, sections 7(c) and 7(d) are repealed.

### COTTON GINNING AND SUGAR PROCESSING EMPLOYEES

SEC. 20. (a) Section 13(b)(15) is amended to read as follows:

"(15) any employee engaged in the processing of maple sap into sugar (other than refined sugar) or syrup; or".

(b)(1) Section 13(b) is amended by adding after paragraph (24) the following new paragraph:

"(25) any employee who is engaged in ginning of cotton for market in any place of employment located in a county where cotton is grown in commercial quantities and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year.

"(B) sixty-four hours in any workweek for not more than four workweeks in that year.

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(25) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year," and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(25) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" nad inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

(c)(1) Section 13(b) is amended by adding after paragraph (25) the following new paragraph:

"(26) any employee who is engaged in the processing of sugar beets, sugar beet molasses, or sugarcane into sugar (other than refined sugar) or syrup and who receives compensation for employment in excess of—

"(A) seventy-two hours in any workweek for not more than six workweeks in a year,

"(B) sixty-four hours in any workweek for not more than four workweeks in that year,

"(C) fifty-four hours in any workweek for not more than two workweeks in that year, and

"(D) forty-eight hours in any other workweek in that year,

at a rate not less than one and one-half times the regular rate at which he is employed; or".

(2) Effective January 1, 1975, section 13(b)(26) is amended—

(A) by striking out "seventy-two" and inserting in lieu thereof "sixty-six";

(B) by striking out "sixty-four" and inserting in lieu thereof "sixty";

(C) by striking out "fifty-four" and inserting in lieu thereof "fifty";

(D) by striking out "and" at the end of subparagraph (C); and

(E) by striking out "forty-eight hours in any other workweek in that year," and inserting in lieu thereof the following: "forty-six hours in any workweek for not more than two workweeks in that year, and

"(E) forty-four hours in any other workweek in that year,".

(3) Effective January 1, 1976, section 13(b)(26) is amended—

(A) by striking out "sixty-six" in subparagraph (A) and inserting in lieu thereof "sixty";

(B) by striking out "sixty" in subparagraph (B) and inserting in lieu thereof "fifty-six";

(C) by striking out "fifty" and inserting in lieu thereof "forty-eight";

(D) by striking out "forty-six" and inserting in lieu thereof "forty-four"; and

(E) by striking out "forty-four" in subparagraph (E) and inserting in lieu thereof "forty".

### LOCAL TRANSIT EMPLOYEES

SEC. 21. (a) Section 7 is amended by adding after the subsection added by section 9(a) of this Act the following new subsection:

"(n) In the case of an employee of an employer engaged in the business of operating a street, suburban or interurban electric railway, or local trolley or motorbus carrier (regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), in determining the hours of employment of such an employee to which the rate prescribed by subsection (a) applies there shall be excluded the hours such employee was employed in charter activities by such employer if (1) the employee's employment in such activities was pursuant to an agreement or understanding with his employer arrived at before engaging in such employment, and (2) if employment in such activities is not part of such employee's regular employment."

(b)(1) Section 13(b)(7) (relating to employees of street, suburban or interurban electric railways, or local trolley or motorbus carriers) is amended by striking out ", if the rates and services of such railway or carrier are subject to regulation by a State or local agency" and inserting in lieu thereof the following: "(regardless of whether or not such railway or carrier is public or private or operated for profit or not for profit), if such employee receives compensation for employment in excess of forty-eight hours in any workweek at a rate not less than one and one-half times the regular rate at which he is employed".

(2) Effective one year after the effective date of the Fair Labor Standards Amendments of 1974, such section is amended by striking out "forty-eight hours" and inserting in lieu thereof "forty-four hours".

(3) Effective two years after such date, such section is repealed.

### COTTON AND SUGAR SERVICES EMPLOYEES

SEC. 22. Section 13 is amended by adding after the subsection added by section 18 the following:

"(h) The provisions of section 7 shall not apply for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year to any employee who—

"(1) is employed by such employer—

"(A) exclusively to provide services necessary and incidental to the ginning of cotton in an establishment primarily engaged in the ginning of cotton;

"(B) exclusively to provide services necessary and incidental to the receiving, handling, and storing of raw cotton and the compressing of raw cotton when performed at a cotton warehouse or compress-warehouse facility, other than one operated in conjunction with a cotton mill, primarily engaged in storing and compressing;

"(C) exclusively to provide services necessary and incidental to the receiving, handling, storing, and processing of cottonseed in an establishment primarily engaged in the receiving, handling, storing, and processing of cottonseed; or

"(D) exclusively to provide services necessary and incidental to the processing of sugar cane or sugar beets in an establishment primarily engaged in the processing of sugar cane or sugar beets; and

"(2) receives for—

"(A) such employment by such employer which is in excess of ten hours in any workday, and

"(B) such employment by such employer which is in excess of forty-eight hours in any workweek,

compensation at a rate not less than one and one-half times the regular rate at which he is employed.

Any employer who receives an exemption under this subsection shall not be eligible for any other exemption under this section or section 7.".

### OTHER EXEMPTIONS

SEC. 23. (a)(1) Section 13(a)(9) (relating to motion picture theater employees) is repealed.

(2) Section 13(b) is amended by adding after paragraph (26) the following new paragraph:

"(27) any employee employed by an establishment which is a motion picture theater; or".

(b)(1) Section 13(a)(13) (relating to small logging crews) is repealed.

(2) Section 13(b) is amended by adding after paragraph (27) the following new paragraph:

"(28) any employee employed in planting or tending trees, cruising, surveying, or felling timber, or in preparing or transporting logs or other forestry products to the mill, processing plant, railroad, or other transportation terminal, if the number of employees employed by his employer in such forestry or lumbering operations does not exceed eight.".

(c) Section 13(b)(2) (insofar as it relates to pipeline employees) is amended by inserting after "employer" the following: "engaged in the operation of a common carrier by rail and".

### EMPLOYMENT OF STUDENTS

SEC. 24. (a) Section 14 is amended by striking out subsections (a), (b), and (c) and inserting in lieu thereof the following:

"SEC. 14. (a) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for the employment of learners, of apprentices, and of messengers employed primarily in delivering letters and messages, under special certificates issued pursuant to regulations of the Secretary, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Secretary shall prescribe.

"(b)(1)(A) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide, in accordance with subparagraph (B), for the employment, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in retail or service establishments.

"(B) Except as provided in paragraph (4)(B), during any month in which full-time students are to be employed in any retail or service establishment under certificates issued under this subsection the proportion of student hours of employment to the total hours of employment of all employees in such establishment may not exceed—

"(i) in the case of a retail or service establishment whose employees (other than employees engaged in commerce or in the production of goods for commerce) were covered by this Act before the effective date of the Fair Labor Standards Amendments of 1974—

"(I) the proportion of student hours of employment to the total hours of employment of all employees in such establishment for the corresponding month of the immediately preceding twelve-month period,

"(II) the maximum proportion for any corresponding month of student hours of employment to the total hours of employment of all employees in such establishment applicable to the issuance of certificates under this section at any time before the effective date of the Fair Labor Standards Amendments of 1974 for the employment of students by such employer, or

"(III) a proportion equal to one-tenth of the total hours of employment of all employees in such establishment,

whichever is greater;

"(ii) in the case of retail or service establishment whose employees (other than employees engaged in commerce or in the production of goods for commerce) are covered for the first time on or after the effective date of the Fair Labor Standards Amendments of 1974—

"(I) the proportion of hours of employment of students in such establishment to the total hours of employment of all employees in such establishment for the corresponding month of the twelve-month period immediately prior to the effective date of such Amendments,

"(II) the proportion of student hours of employment to the total hours of employment of all employees in such establishment for the corresponding month of the immediately preceding twelve-month period, or

"(III) a proportion equal to one-tenth of the total hours of employment of all employees in such establishment,

whichever is greater; or

"(iii) in the case of a retail or service establishment for which records of student hours worked are not available, the proportion of student hours of employment to the total hours of employment of all employees based on the practice during the immediately preceding twelve-month period in (I) *similar establishments* of the same employer in the same general metropolitan area in which such establishment is located, (II) similar establishments of the same or nearby communities if such establishment is not in a metropolitan area, or (III) other establishments of the same general character operating in the community or the nearest comparable community.

For purpose of clauses (i), (ii), and (iii) of this subparagraph, the term 'student hours of employment' means hours during which students are employed in a retail or service establishment under certificates issued under this subsection.

"(2) The Secretary, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment, at a wage rate not less than 85 per centum of the wage rate in effect under section 6(a)(5) or not less than $1.30 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) in any occupation in agriculture.

"(3) The Secretary to the extent necessary in order to prevent curtailment of opportunities for employment, shall by special certificate issued under a regulation or order provide for the employment by an institution of higher education, at a wage rate not less than 85 per centum of the otherwise applicable wage rate in effect under section 6 or not less than $1.60 an hour, whichever is the higher (or in the case of employment in Puerto Rico or the Virgin Islands not described in section 5(e), at a wage rate not less than 85 per centum of the wage rate in effect under section 6(c)), of full-time students (regardless of age but in compliance with applicable child labor laws) who are enrolled in such institution. The Secretary shall by regulation prescribe standards and requirements to insure that this paragraph will not create a substantial probability of reducing the full-time employment opportunities of persons other than those to whom the minimum wage rate authorized by this paragraph is applicable.

"(4)(A) A special certificate issued under paragraph (1), (2), or (3) shall provide that the student or students for whom it is issued shall, except during vacation periods, be employed on a part-time basis and not in excess of twenty hours in any workweek.

"(B) If the issuance of a special certificate under paragraph (1) or (2) for an employer will cause the number of students employed by such employer under special certificates issued under this subsection to exceed four, the Secretary may not issue such a special certificate for the employment of a student by such employer unless the Secretary finds employment of such student will not create a substantial probability of reducing the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection. If the issuance of a special certificate under paragraph (1) or (2) for an employer will not cause the number of students employed by such employer under special certificates issued under this subsection to exceed four—

"(i) the Secretary may issue a special certificate under paragraph (1) or (2) for the employment of a student by such employer if such employer certifies to the Secretary that the employment of such student will not reduce the full-time employment opportunities of persons other than those employed under special certificates issued under this subsection, and

"(ii) in the case of an employer which is a retail or service establishment, subparagraph (B) of paragraph (1) shall not apply with respect to the issuance of special certificates for such employer under such paragraph.

The requirement of this subparagraph shall not apply in the case of the issuance of special certificates under paragraph (3) for the employment of full-time students by institutions of higher education; except that if the Secretary determines that an institution of higher education is employing students under certificates issued under paragraph (3) but in violation of the requirements of that paragraph or of regulations issued thereunder, the requirements of this subparagraph shall apply with respect to the issuance of special certificates under paragraph (3) for the employment of students by such institution.

"(C) No special certificate may be issued under this subsection unless the employer for whom the certificate is to be issued provides evidence satisfactory to the Secretary of the student status of the employees to be employed under such special certificate."

(b) Section 14 is further amended by redesignating subsection (d) as subsection (c) and by adding at the end the following new subsection:

"(d) The Secretary may by regulation or order provide that sections 6 and 7 shall not apply with respect to the employment by any elementary or secondary school of its students if such employment constitutes, as determined under regulations prescribed by the Secretary, an integral part of the regular education program provided by such school and such employment is in accordance with applicable child labor laws."

(c) Section 4(d) is amended by adding at the end thereof the following new sentence: "Such report shall also include a summary of the special certificates issued under section 14(b)."

### CHILD LABOR

SEC. 25. (a) Section 12 (relating to child labor) is amended by adding at the end thereof the following new subsection:

"(d) In order to carry out the objectives of this section, the Secretary may by regulation require employers to obtain from any employee proof of age."

(b) Section 13(c)(1) (relating to child labor in agriculture) is amended to read as follows:

"(c)(1) Except as provided in paragraph (2), the provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he is so employed, if such employee—

"(A) is less than twelve years of age and (i) is employed by his parent, or by a person standing in the place of his parent, on a farm owned or operated by such parent or person, or (ii) is employed, with the consent of his parent or person standing in the place of his parent, on a farm, none of the employees of which are (because of section 13(a)(6)(A)) required to be paid at the wage rate prescribed by section 6(a)(5),

"(B) is twelve years or thirteen years of age and (i) such employment is with the consent of his parent or person standing in the place of his parent, or (ii) his parent or such person is employed on the same farm as such employee, or

"(C) is fourteen years of age or older.".

(c) Section 16 is amended by adding at the end thereof the following new subsection:

"(e) Any person who violates the provisions of section 12, relating to child labor, or any regulation issued under that section, shall be subject to a civil penalty of not to exceed $1,000 for each such violation. In determining the amount of such penalty, the appropriateness of such penalty to the size of the business of the person charged and the gravity of the violation shall be considered. The amount of such penalty, when finally determined, may be—

"(1) deducted from any sums owing by the United States to the person charged;

"(2) recovered in a civil action brought by the Secretary in any court of competent jurisdiction, in which litigation the Secretary shall be represented by the Solicitor of Labor; or

"(3) ordered by the court, in an action brought for a violation of section 15(a)(4), to be paid to the Secretary.

Any administrative determination by the Secretary of the amount of such penalty shall be final, unless within fifteen days after receipt of notice thereof by certified mail the person charged with the violation takes exception to the determination that the violations for which the penalty is imposed occurred, in which event final determination of the penalty shall be made in an administrative proceeding after opportunity for hearing in accordance with section 554 of title 5, United States Code, and regulations to be promulgated by the Secretary. Sums collected as penalties pursuant to this section shall be applied toward reimbursement of the costs of determining the violations and assessing and collecting such penalties, in accordance with the provisions of section 2 of an Act entitled 'An Act to authorize the Department of Labor to make special statistical studies upon payment of the cost thereof, and for other purposes' (29 U.S.C. 9a)."

### SUITS BY SECRETARY FOR BACK WAGES

SEC. 26. The first three sentences of section 16(c) are amended to read as follows: "The Secretary is authorized to supervise the payment of the unpaid minimum wages or the unpaid overtime compensation owing to any employee or employees under section 6 or 7 of this Act, and the agreement of any employee to accept such payment shall upon payment in full constitute a waiver by such employee of any right he may have under subsection (b) of this section to such unpaid minimum wages or unpaid overtime compensation and an additional equal amount as liquidated damages. The Secretary may bring an action in any court of competent jurisdiction to recover the amount of the unpaid minimum wages or overtime compensation and an equal amount as liquidated damages. The right provided by subsection (b) to bring an action by or on behalf of any employee and of any employee to become a party plaintiff to any such action shall terminate upon the filing of a complaint by the Secretary in an action under this subsection in which a recovery is sought of unpaid minimum wages or unpaid overtime compensation under sections 6 and 7 or liquidated or other damages provided by this subsection owing to such employee by an employer liable under the provisions of subsection (b), unless such action is dismissed without prejudice on motion of the Secretary."

### ECONOMIC EFFECTS STUDIES

SEC. 27. Section 4(d) is amended by—

(1) inserting "(1)" immediately after "(d)".

(2) inserting in the second sentence after "minimum wages" the following: "and overtime coverage"; and

(3) by adding at the end thereof the following new paragraphs:

"(2) The Secretary shall conduct studies on the justification or lack thereof for each of the special exemptions set forth in section 13 of this Act, and the extent to which such exemptions apply to employees of establishments described in subsection (g) of such section and the economic effects of the application of such exemptions to such employees. The Secretary shall submit a report of his findings and recommendations to the Congress with respect to the studies conducted under this paragraph not later than January 1, 1976.

"(3) The Secretary shall conduct a continuing study on means to prevent curtailment of employment opportunities for manpower groups which have had historically high incidences of unemployment (such as disadvantaged minorities, youth, elderly, and such other groups as the Secretary may designate). The first report of the results of such study shall be transmitted to the Congress not later than one year after the effective date of the Fair Labor Standards Amendments of 1974. Subsequent reports on such study shall be transmitted to the Congress at two-year intervals after such effective date. Each such report shall include suggestions respecting the Secretary's authority under section 14 of this Act.".

### AGE DISCRIMINATION

SEC. 28. (a)(1) The first sentence of section 11(b) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630(b)) is amended by striking out "twenty-five" and inserting in lieu thereof "twenty".

(2) The second sentence of section 11(b) of such Act is amended to read as follows: "The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State and any agency or instrumentality of a State or a political subdivision of a State, and any interstate agency, but such term does not include the United States, or a corporation wholly owned by the Government of the United States.".

(3) Section 11(c) of such Act is amended by striking out ", or an agency of a State or political subdivision of a State, except that such term shall include the United States Employment Service and the system of State and local employment services receiving Federal assistance".

(4) Section 11(f) of such Act is amended to read as follows:

"(f) The term 'employee' means an individual employed by any employer except that the term 'employee' shall not include any person elected to public office in any State or political subdivision of any State by the qualified voters thereof, or any person chosen by such officer to be on such officer's personal staff, or an appointee on the policy-making level or an immediate adviser with respect to the exercise of the constitutional or legal powers of the office. The exemption set forth in the preceding sentence shall not include employees subject to the civil service laws of a State government, governmental agency, or political subdivision.".

(5) Section 16 of such Act is amended by striking out "$3,000,000" and inserting in lieu thereof "$5,000,000".

(b)(1) The Age Discrimination in Employment Act of 1967 is amended by redesignating sections 15 and 16, and all references thereto, as sections 16 and 17, respectively.

(2) The Age Discrimination in Employment Act of 1967 is further amended by adding immediately after section 14 the following new section:

### "NONDISCRIMINATION ON ACCOUNT OF AGE IN FEDERAL GOVERNMENT EMPLOYMENT

"SEC. 15. (a) All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, United States Code, in executive agencies as defined in section 105 of title 5, United States Code (including employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Rate Commission, in those units in the government of the District of Columbia having positions in the competitive service, and in those units of the legislative and judicial branches of the Federal Government having positions in the competitive service, and in the Library of Congress shall be made free from any discrimination based on age.

"(b) Except as otherwise provided in this subsection, the Civil Service Commission is authorized to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without backpay, as will effectuate the policies of this section. The Civil Service Commission shall issue such rules and regulations, orders, and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Civil Service Commission shall—

"(1) be responsible for the review and evaluation of the operation of all agency programs designed to carry out the policy of this section, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each department, agency, or unit referred to in subsection (a);

"(2) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to nondiscrimination in employment on account of age; and

"(3) provide for the acceptance and processing of complaints of discrimination in Federal employment on account of age.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions of the Civil Service Commission which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. Reasonable exemptions to the provisions of this section may be established by the Commission but only when the Commission has established a maximum age requirement on the basis of a determination that age is a bona fide occupational qualification necessary to the performance of the duties of the position. With respect to employment in the Library of Congress, authorities granted in this subsection to the Civil Service Commission shall be exercised by the Librarian of Congress.

"(c) Any person aggrieved may bring a civil action in any Federal district court of competent jurisdiction for such legal or equitable relief as will effectuate the purposes of this Act.

"(d) When the individual has not filed a complaint concerning age discrimination with the Commission, no civil action may be commenced by any individual under this section until the individual has given the Commission not less than thirty days' notice of an intent to file such action. Such notice shall be filed within one hundred and eighty days after the alleged unlawful practice occurred. Upon receiving a notice of intent to sue, the Commission shall promptly notify all persons named therein as prospective defendants in the action and take any appropriate action to assure the elimination of any unlawful practice.

"(e) Nothing contained in this section shall relieve any Government agency or official of the responsibility to assure nondiscrimination on account of age in employment as required under any provision of Federal law."

CARL D. PERKINS,
JOHN H. DENT,
DOMINICK V. DANIELS,
PHILLIP BURTON,
JOSEPH M. GAYDOS,
WILLIAM CLAY,
MARIO BIAGGI,
ALBERT H. QUIE,
JOHN N. ERLENBORN,
ORVAL HANSEN,
JACK F. KEMP,
ROBERT A. SARASIN,
*Managers on the Part of the House.*

HARRISON A. WILLIAMS, Jr.,
JENNINGS RANDOLPH,
CLAIBORNE PELL,
GAYLORD NELSON,
THOMAS F. EAGLETON,
HAROLD E. HUGHES,
WILLIAM D. HATHAWAY,
JACOB K. JAVITS,
RICHARD S. SCHWEIKER,
ROBERT TAFT, Jr.,
ROBERT T. STAFFORD,
*Managers on the Part of the Senate.*

### JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2747) to amend the Fair Labor Standards Act of 1938 to increase the minimum wage rate under that Act, to expand the coverage of the Act, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

### INCREASE IN MINIMUM WAGE RATE FOR EMPLOYEES COVERED BEFORE 1966

The Senate bill increased the minimum hourly wage rate of employees covered by the Fair Labor Standards Act of 1938 (hereafter referred to as the "Act") before the amendments made by the Fair Labor Standards Amendments of 1966 as follows: Effective on the effective date of the 1974 Amendments, such wage rate was increased from $1.60 an hour to $2.00 an hour; and effective one year thereafter, such rate was increased from $2.00 an hour to $2.20 an hour.

Under the House amendment the minimum hourly wage rate for such employees was increased as follows: Effective on the effective date of the 1974 Amendments, such wage rate was increased from $1.60 an hour to $2.00 an hour; effective January 1, 1975, such rate was increased from $2.00 an hour to $2.10 an hour; and effective January 1, 1976, such rate was increased to $2.30 an hour.

The Senate receded.

### INCREASE IN MINIMUM WAGE RATE FOR NONAGRICULTURAL EMPLOYEES COVERED IN 1966 AND 1974

The Senate bill increased the minimum hourly wage rate applicable to nonagricultural employees first covered by the Act by the 1966 and 1974 Amendments as follows: Effective on the effective date of the 1974 Amendments, such wage rate was increased from $1.60 an hour to $1.80 an hour: effective one year later, such rate was increased from $1.80 an hour to $2.00 an hour; and effective two years after such effective date, such rate was increased from $2.00 an hour to $2.20 an hour.

Under the House amendment the minimum hourly wage rate applicable to such nonagricultural employees was increased as follows: Effective on the effective date of the 1974 Amendments, such wage rate was increased from $1.60 an hour to $1.90 an hour; effective January 1, 1975, such rate was increased from $1.90 an hour to $2.00 an hour; and effective January 1, 1976, such rate was increased from $2.00 an hour to $2.20 an hour; and effective on January 1, 1977, such rate was increased from $2.20 an hour to $2.30 an hour.

The Senate receded.

### INCREASE IN MINIMUM WAGE RATE FOR AGRICULTURAL EMPLOYEES

The Senate bill increased the minimum hourly wage rate applicable to agricultural employees as follows: Effective on the effective date of the 1974 Amendments, such wage rate was increased from $1.30 an hour to $1.60 an hour; effective one year after such effective date, such rate was increased from $1.60 an hour to $1.80 an hour; effective two years after such date, such rate was increased from $1.80 an hour to $2.00 an hour; and effective three years from such date, such rate was increased from $2.00 an hour to $2.20 an hour.

The House amendment increased the minimum hourly wage rate applicable to such employees as follows: Effective on the effective date of the 1974 Amendments, such wage rate was increased from $1.30 an hour to $1.60 an hour; effective January 1, 1975, such rate was increased from $1.60 an hour to $1.80 an hour; effective January 1, 1976, such rate was increased from $1.80 an hour to $2.00 an hour; effective January 1, 1977, such rate was increased from $2.00 an hour to $2.20 an hour; and effective January 1, 1978, such rate was increased from $2.20 an hour to $2.30 an hour.

The Senate receded.

### OVERTIME EXEMPTION FOR POLICEMEN AND FIREMEN

Under the Senate bill a limited overtime exemption was authorized for policemen and firemen under employer-employee agreements providing a 28-day work period and if during such period such employees receive overtime compensation for employment in excess of—

(1) 192 hours during 1st year from effective date;

(2) 184 hours during 2d year from such date;

(3) 176 hours during 3d year from such date;

(4) 168 hours during 4th year from such date; and

(5) 160 hours thereafter.

The House amendment provided for a complete overtime exemption for policemen and firemen.

The Senate receded with an amendment which provides that firefighters and law enforcement personnel receive overtime compensation for tours of duty in excess of—

(1) 240 hours in a work period of 28 days (60 hours in a work period of 7 days) or in the case of any work period between 7 and 28 days (a proportionate number of hours in such work period) during the year beginning January 1, 1975.

(2) 232 hours in a work period of 28 days (58 hours in a work period of 7 days) or in the case of any work period between 7 and 28 days (a proportionate number of hours in such work period) during the year beginning January 1, 1976; and

(3) 216 hours in a work period of 28 days (54 in a work period of 7 days) or in the case of any work period between 7 and 28 days (a proportionate number of hours in such work period) during the year beginning January 1, 1977, and thereafter, except that if the Secretary finds on the basis of separate studies conducted during the calendar year 1976 of the average duty hours of firefighters and law enforcement personnel that such average duty hours is lower than 216 hours in a work period of 28 days (54 hours in a work period of 7 days) or in the case of any work period between 7 and 28 days (a proportionate number of hours in such work period) in calendar year 1975 then such lower figures shall be effective January 1, 1978, and thereafter.

Public agencies which employ fewer than 5 employees either in firefighting or law enforcement activities are exempt and the duty hours of such employees are not to be calculated in the Secretary's studies of average duty hours.

The conference substitute further provides for averaging duty hours over the work period so long as the work period is no greater than 28 consecutive days. The conference substitute departs from the standard FLSA "hours of work" concept directed primarily at industrial and agricultural occupations and adopts an overtime standard keyed to the length of the tours of duty, thereby reflecting the uniqueness of the firefighting service. The Secretary is directed to adopt regulations implementing these new and unique provisions, including regulations defining what constitutes a tour of duty.

### COVERAGE TEST FOR HOUSEHOLD DOMESTIC EMPLOYEES

The Senate bill provided that an employee employed in domestic service in a household would be covered under both minimum wage and overtime unless the employee receives from his employer wages which would not, because of section 209(g) of the Social Security Act, constitute "wages" for purposes of title II of such Act (wages of less than $50 in a calendar quarter).

Under the House amendment such an employee would be covered under minimum wage for any workweek in which such employment is for more than 8 hours in the aggregate. If the employer employs such an employee in domestic service in a household for more than 40 hours in a workweek, the employer would be required to pay the employee overtime compensation.

The conference substitute combines both provisions to establish alternative tests for coverage. The conference substitute retains the exemption for casual babysitters and companions contained in both bills and retains the overtime exemption for "live-in" domestic employees.

The Committee expects the Secretary to immediately undertake a program utilizing all feasible administrative procedures to apprise employers of their responsibilities under the Act and to notify employees of their rights and entitlements under the Act. The Committee further expects the Secretary to seek the assistance of the Social Security Administration and other relevant agencies in this regard.

The Secretary shall also adopt regulations and enforcement procedures to require that employers are reasonably apprised of when their obligation regarding the payment of the minimum wage commences.

### EFFECTIVE DATE OF REVISION OF SECTION 13(a)(2) EXEMPTION

The Senate bill reduced the ceiling on annual dollar volume of sales applicable to the minimum wage and overtime exemption of employees of retail-service establishments in section 3(s) enterprises as follows:

(1) Effective Jan. 1, 1975, reduced from $250,000 to $225,000.

(2) Effective Jan. 1, 1976, reduced from $225,000 to $200,000.

Effective Jan. 1, 1977, the exemption for such employees was repealed.

The House amendment provided that such ceiling be reduced as follows:

(1) Effective July 1, 1975, reduced from $250,000 to $225,000.

(2) Effective July 1, 1976, reduced from $225,000 to $200,000.

Effective July 1, 1977, the exemption for such employees was repealed.

The House receded.

### STUDENT EMPLOYMENT IN RETAIL AND SERVICE ESTABLISHMENTS

The Senate bill retained the existing law limit on the number of hours students may be employed by a retail or service establishment under certificates authorizing payment of less than the applicable minimum wage. Under the limit the proportion of student hours of employment in any month under certificates to the total hours of employment of all employees in a retail service establishment may not exceed the proportion existing in the establishment for the corresponding month of the year preceding the date of first coverage of its employees under the Act or, if no records or if a new establishment, the proportion existing in similar establishments in the area in the year prior to the 1961 Amendments.

The House amendment eliminated such existing law limits.

The conference substitute revises the existing law limit on the number of hours students may be employed by a retail or service establishment under certificates authorizing payment of less than the applicable minimum wage.

In the case of a retail or service establishment whose employees are covered by the Act before the effective date of the Fair Labor Standards Amendments of 1974, the monthly proportion of certified student hours of employment to total hours of employment in any such establishment may not exceed (A) such proportion in the corresponding month of the preceding twelve-month period, (B) the maximum proportion to which the establishment was ever entitled in corresponding months of preceding years, or (C) one-tenth of the total hours of employment of all employees in the establishment, whichever proportion is greater.

In the case of retail or service establishments whose employees are covered for the first time by the Fair Labor Standards Amendments of 1974, the monthly proportion of certified student hours of employment to total hours of employment in any such establishment may not exceed (A) such proportion in the corresponding month of the preceding twelve-month period, (B) the proportion of hours of employment of students (as distinct from student hours of employment under certificates) in the establishment to the total hours of all employees in the establishment in the corresponding month of the twelve-month period immediately prior to the effective date of the Fair Labor Standards Amendments of 1974, or (C) one-tenth of the total hours of employment of all employees in the establishment, whichever proportion is greater.

In the case of a retail or service establishment for which records of student hours are not available (including those newly established after the effective date of the Fair Labor Standards Amendments of 1974). the monthly proportion of certified student hours of employment to total hours of employment in any such establishment shall be determined according to the practice during the immediately preceding twelve-month period in (A) similar establishments of the same employer in the same general metropolitan area in which such establishment is located, (B) similar establishments of the same or nearby communities if such establishment is not in the metropolitan area, or (C) other establishments of the same general character operating in the community or the nearest comparable community. Once such an establishment obtains a record of employment data, one of the preceding categories of limitations (whichever is applicable) shall take effect with respect to such establishment.

In determining student hours of employment under certificates for purposes of applying the proportionate limitation described above, the Secretary is to include all student hours of employment under certificates whether or not subject to the pre-certification procedures.

In the case of private institutions of higher learning no prior certification will be required unless such institutions violate the Secretary's requirements.

### STUDY

The Senate bill directed the Secretary of Labor to conduct a continuing study on the means to prevent curtailment of employment opportunities among manpower groups which have had historically high incidences of unemployment (such as disadvantaged minorities, youth, elderly, and such other groups as the Secretary may designate). A report of the results of such study shall be transmitted to the Congress one year after the effective date of the 1974 Amendments and thereafter at two-year intervals after such date. Such report shall include suggestions respecting the Secretary's authority under section 14 of the Act.

The House amendment contained no comparable provision.

The House receded.

### EFFECTIVE DATE

The Senate bill provided that the amendments made by the bill would take effect on the first day of the first full month which begins after the date of enactment.

The House amendment provided that the amendments made by the bill would take effect on the first day of the second full month which begins after the date of enactment.

The conference substitute provides an effective date of May 1, 1974.

### PUERTO RICO AND THE VIRGIN ISLANDS

The committee is aware that industry committees meet throughout a year to recommend increases in relevant wage orders, and further recognizes that such committees are now convened and that others have recently discharged their responsibilities. Acknowledging the inequity involved with mandating across-the-board adjustments in wage orders which have only recently been increased upon recommendation of appropriate industry committees, the committee intends that the Secretary consider such increases in applying the statutory adjustments; that is, that increases recommended within a reasonable time prior to the effective date of the statutory adjustments be compared to the increases required by the bill so that only the greater of the two shall initially apply. For purposes of administration, the committee intends that 3 months be deemed a reasonable time.

Carl D. Perkins,
John H. Dent,
Dominick V. Daniels,
Phillip Burton,
Joseph M. Gaydos,
William Clay,
Mario Biaggi,
Albert H. Quie,
John N. Erlenborn,
Orval Hansen,
Jack F. Kemp,
Ronald A. Sarasin,
*Managers on the Part of the House.*

Harrison A. Williams, Jr.,
Jennings Randolph,
Claiborne Pell,
Gaylord Nelson,
Thomas F. Eagleton,
Harold E. Hughes,
William D. Hathaway,
Jacob K. Javits,
Richard S. Schweiker,
Robert Taft, Jr.,
Robert T. Stafford,
*Managers on the Part of the Senate.*

## PRESIDENT NIXON'S CURBSTONE DIPLOMACY

(Mr. CHARLES H. WILSON of California asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CHARLES H. WILSON of California. Mr. Speaker, in his Chicago appearance of March 15, President Nixon "made it perfectly clear" that 1974 was not to be the year of Europe. By implying that we would cut military forces in Europe unless the Common Market countries cooperate with the United States in political and economic areas, Nixon played a trump card that may or may not take the trick.

Since every public utterance of the President of the United States is considered official Government policy, this latest squeeze play is particularly alarming, undermining as it does Nixon's self-proclaimed image as a great statesman. Would he be the darling of the Kremlin at the expense of our longstanding friendship with our European allies?

Suggesting that, if the Common Market countries continue to "gang up against the United States," he may cancel plans to go to Europe next month to sign two declarations of principles in connection with the 25th anniversary of the North Atlantic Treaty Organization, Mr. Nixon's remarks provoked widespread bewilderment in Europe on just why a joint declaration of principles should so raise our President's blood pressure. The reaction in France was particularly vitriolic as the newspaper Le Monde wrote that—

> Mr. Nixon . . . makes one think he's not in control of himself.

Every time our President addresses the Nation, he calls ample attention to his so-called achievements in the delicate area of foreign policy. But what an ironic accomplishment it is to forge a tenuous détente with the Communists at the expense of those allies upon whom we have spent billions of dollars to strengthen against the threat of communism. In the Middle East, we have created another curious stalemate. The Arabs are friendly to us only because we have allowed them to triple the cost of fuel oil exported to the United States while it is difficult to tell at present just how we are regarded by Israel.

Because of his impulsive attack against Europe, President Nixon has precipitated a showdown which may well backfire. By forcing Europe's hand, Mr. Nixon is roadblocking cooperation on specific issues.

The United States and Europe share a valued community of interest, both culturally and psychologically, which is now under stress. Admittedly, our military support of Europe depends upon political and economic cooperation, yet President Nixon's blunt manner of accentuating this basic fact of international life jeopardizes cordial relations with our allies.

In throwing down the gauntlet, President Nixon has engaged the United States and Europe in a battle of wills. Instead of pushing forward on the diplomatic front, an area in which the President never fails to claim his superiority, his latest maneuver moves us backward. Handing Russia the wheat deal while giving Europe the back of our hand is surely an erratic and dangerous way to conduct American foreign policy.

## JANE FONDA SHOULD BE PROSECUTED

(Mr. HUBER asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HUBER. Mr. Speaker, at the time of the gentleman from Alabama's (Mr. Dickinson) special order last week to examine the activities of Jane Fonda, I was, regretfully, unable to be present. I salute my distinguished colleague for focusing attention on the activities of this un-American girl.

At this late date, I have the special advantage of the statements and evidence provided by my colleagues. That together with other evidence and her own recent statements, shows a pattern of disloyal behavior that should outrage every loyal American.

Jane Fonda contributed to the anguish, pain, and suffering of the Americans who had the patriotic commitment to fight for their country and were unfortunate enough to be POW's. Fonda and Hayden, and their apologists, take cover behind the claim of free speech. In their particular exercise of that very important right, however, they have forsaken all sense of responsible citizenship incumbent upon free people.

But Jane Fonda has done far more.

Examined from the evidentiary focus of a grand jury, the testimony of my colleagues establishes sufficient factual allegations to support indictments against Jane Fonda on the ground of conspiracy and under the Sedition Act (18 U.S.C. 2387).

The record shows that Jane Fonda went to Hanoi, broadcast messages to our troops urging them to mutiny and refuse further duty. Mutiny is an illegal act and moreover, urging the commission of an illegal act is an illegal act.

As is well known, the Communists would never permit an American to use their radio without knowing, in advance, that such Americans were going to somehow say things that would aid and abet their cause. Any appearance on radio Hanoi would, therefore, necessarily be the result of prior contact and therein lies the conspiracy.

Section 2387 of title 18 of the United States Code states that—

> Whoever, with intent to interfere with, impair, or influence the loyalty, morale or discipline of the military . . . forces of the United States, advises, counsels, urges, or in

> any manner causes or attempts to cause insurrection, disloyalty, mutiny or refusal of duty by any member of the military . . . shall be fined not more than ten thousand dollars or imprisoned not more than ten years, or both.

I am requesting the Attorney General to further investigate this matter with a view toward bringing Ms. Fonda and the appropriate charges before a grand jury, and I ask my colleagues, particularly those who participated in this special order, to join me in that request.

## BADILLO TO ASK FOR PUBLIC/PRIVATE PARTNERSHIP IN OIL INDUSTRY

(Mr. BADILLO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BADILLO. Mr. Speaker, the clearest lesson to emerge from the energy crisis is the necessity for continuing Government involvement in all the activities of the industry that controls the fuel so vital to the country's well-being.

The energy bills we have passed to date are only stopgap measures designed to deal with a short-term crisis. The question we must deliberate now is the role of the Government over the longer term to insure that the public interest is never again subordinated to the private goals of an industry with such a pervasive impact on our lives.

Proposals with varying degrees of Government intervention can be placed in four general categories: First, continued private ownership of the oil industry with increased Government controls and regulations; second, making the oil industry a public utility; third, outright public ownership and operation, either on an industrywide basis or through a Federal corporation; and fourth, creation of a public/private partnership with the Federal Government owning 51 percent of the enterprise.

Establishing an agency to write rules and regulations for the oil industry will not be sufficient to guarantee the availability of future supplies, a fair price structure, or equitable distribution when resources are limited. The record of Government regulatory agencies—staffed as they customarily are with personnel from the industry being regulated—is not studded with examples of the public interest taking precedence over the protection of private business interests.

The public utility concept fails on the same grounds. Utilities are run on a cost-plus basis, with management policies directed toward benefits from the shareholders to the neglect of public service. We have examples all around us of the constant clash between utilities and the interests of the people and the communities they are ostensibly serving.

The third alternative, nationalization, is not politically realistic at this time. Nor would the establishment of a Government corporation as a "yardstick" for the industry achieve what should be a major goal—assurance of future supplies for the many sectors of society dependent on petroleum.

I believe that the national interest would best be served by creation of a public/private partnership in the oil industry, with the American people—through the Federal Government—holding a controlling interest. With the public as majority shareholder and with its representatives sitting on the boards of directors with the majority of the votes, we can reasonably anticipate that there will be in the future no contrived shortages, no excessive profiteering, no secret deals with foreign governments, and no private monopoly in control of the energy resources so crucial to the health of our economy and the course of our daily lives.

With public participation in decisionmaking, we can hopefully guarantee highest priority for development of new reserves, the establishment of a fair and rational price structure, equitable allocation of available resources on a nationwide basis and a reasonable return to the Treasury from earnings gained by extraction of natural resources, so many of which are found on public lands.

Governments around the world are moving into energy policy. It is clear that our own national interest cannot be best represented by private industry in negotiations with foreign governments. It is also time to reverse the political equation that has enabled the oil industry to write its own tax laws, raise prices without relation to costs, and in general subordinate the welfare of the American people to its single-minded pursuit of escalating profits.

I have, therefore, directed my staff to prepare legislation to authorize the creation of such a public/private partnership. Over the past few months we have learned how vulnerable we are to the activities of one highly centralized industry. A new public role in oil is required so that we may insure the predominance of the national interest over the balance sheets of one sector of the economy.

## THE ADMINISTRATOR OF THE VETERANS' ADMINISTRATION SHOULD RESIGN

(Mr. WALDIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALDIE. Mr. Speaker, a few weeks ago in California a group of disabled veterans of the Vietnam war, mostly confined to wheelchairs, were troubled by the lack of care and attention they were receiving in a veterans' hospital at Long Beach, and they asked the Administrator of the Veterans' Administration, Mr. Donald Johnson, to meet with them so that they could present their grievances. He reluctantly and belatedly appeared in California at the building in which they were meeting with Senator CRANSTON, but he was three floors away from Senator CRANSTON's office, and at their request that he come down to Senator CRANSTON's office, he refused. He arrogantly demanded that in deference to his position as a high official that they go up three floors in their wheelchairs. The disabled veterans did not think that was proper. Mr. Johnson then went back to Washington refusing to meet with these disabled young men.

Yesterday he again came back to California because of the public outcry over this outrageous treatment of disabled veterans, and he met with these veterans. I attended as an observer at that meeting. The Director of Veterans' Affairs was sitting on one side of the desk, and on the other side were three young severely disabled veterans in wheelchairs led by Ron Kovic, presenting with dignity and poise their description of how they were mistreated in the hospitals of the Veterans' Administration. Behind the Veterans' Administrator were three security guards to allegedly protect him and his safety and security from assault by these three young disabled veterans in their wheelchairs.

I have never seen such hostility; I have rarely seen such fear; I have never seen such lack of understanding and compassion on the part of a high Federal official than Mr. Johnson displayed in that instance.

Mr. Speaker, I think Mr. Donald Johnson ought to resign. There is no way that he can understand and deal with the problems of veterans when he exhibits not only hostility and lack of compassion toward them but also, incredibly, fear—yes, fear of these young disabled Americans. Fear so unreasoning that he need surround himself with security men when he visits a veterans' hospital.

Mr. TALCOTT. Mr. Speaker, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from California.

Mr. TALCOTT. I thank the gentleman for yielding.

Was one of the men Mr. Michael Dennis Inglett? If so, he was disabled in an armed robbery, and if I were Mr. Johnson, I would want to have security. This fellow was not disabled in Vietnam, but participated in the "sit-in" in Senator CRANSTON's office under the guise of being bona fide veteran with a service-connected disability.

There may be another side to the story told to the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Speaker, I will not yield further. Any individual fearful of disabled young veterans in wheelchairs in a public meeting in a veterans hospital has distinct problems of his own for which he deserves sympathy, perhaps, but not continuation in office. Mr. Johnson ought to resign.

## MAJORITY RULE OR DISCRETIONARY RULINGS?

(Mr. BAUMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BAUMAN. Mr. Speaker, finally today, Tuesday, March 26, 1974, the House is ready to consider H.R. 69—the Elementary and Secondary Education Act. I only hope that every single Member of this distinguished body has had the opportunity to realize the parliamentary steps we have traced to reach this point. While the rules of the House and their application may make dull reading, their impact on the issues can be substantial as I suspect we will see in the next few days of debate.

On March 12, 1974, the House passed House Resolution 963, an unusual special order reported from the Committee on Rules, providing for the consideration of the bill H.R. 69, the Elementary and Secondary Education Act. The rule provided that "three legislative days after the conclusion of general debate—the bill shall be read for amendment under the five-minute rule." The House agreed to this rule on a recorded vote and there were—yeas 234, nays 163, and not voting 34. I voted against the rule.

Two days after the adoption of House Resolution 963, the chairman of the Committee on Education and Labor (Mr. PERKINS) asked unanimous consent that further consideration of H.R. 69 be postponed until today, Tuesday, March 26, 1974. That request was entirely within the rules of the House, and the making of such a unanimous-consent request to consider the bill at a later time implied a setting aside of the order of business—Hinds Precedents, volume IV, section 3059.

The request of the gentleman from Kentucky (Mr. PERKINS) was objected to. But the Chair further entertained another unanimous-consent request to postpone consideration once again by the Chairman, and later when renewed by still another Member. On the day that these requests were made the Chair itself declared the House would consider the bill "on Tuesday, March 19, as is required under the rule"—RECORD, 6821, March 14, 1974. On that same day, the majority leader (Mr. O'NEILL) stated that—

> Under the rule adopted Tuesday, March 12, the Elementary and Secondary Education Act, H.R. 69, must come up on Tuesday next, March 19.

It is a fact that the House, by majority vote on March 12, agreed to House Resolution 963 which provided that we would again consider H.R. 69—"three legislative days after the conclusion of general debate." This specific provision of the rule must be interpreted literally—Cannon's Precedents, volume VII, section 794—and without regard to practicability—Cannon's, volume VII, section 779—and would supersede rules with which it may be in conflict, but it is subject to strictest construction—Cannon's, volume VII, section 780.

In defending a prior ruling on the literal interpretation of a rule, Representative Edwin Webb of North Carolina, Chairman of the Committee of the Whole House, said:

> It does seem to the Chair that the House must be presumed to have known what it was doing, and that it knew.

This gentleman from Maryland must also assume that the House, including the majority leader (Mr. O'NEILL) and the chairman of the Committee on Education and Labor (Mr. PERKINS) all knew what they were doing when they supported the rule under which we are now laboring.

What are we to conclude when we see the House entertaining unanimous-consent requests for postponement? "The question has been fought out again and again and is well settled that the Committee on Rules can bring in a rule providing for the order of business in the House—Hinds, volume IV, section 3169." The House worked its will and had already decided the order of business on H.R. 69 by majority vote on March 12.

In spite of this, on March 14 the Chair declared that:

> The provisions of House Resolution 693 do not necessarily require that H.R. 69 be read for amendment on Tuesday, March 19th. (RECORD 6984, March 18, 1974).

In making this ruling the Chair had apparently changed its mind and declared that the provisions of House Resolution 693 were now not mandatory as to the order of business; and as authority the Chair's interpretation was said to be consistent "with procedures contemplated in other resolutions reported from the Committee on Rules," a rather nebulous source. In examining the provisions of the rule the Chair further recalled the debate on the rule and what the managers of the rule thought it meant. But the rule as adopted did not mean "at least 3 days" and that was not the language the House agreed to. If the Rules Committee had wanted the looser interpretation as to the order of business they could have easily added the words "at least" and the House would have considered it.

I must say that I sympathize with the precedent established when the late Speaker Frederick Gillett of Massachusetts spoke of a rule:

> Which the House adopted in full light of the conditions—the Chair does not think it is within the province of the Chair to invalidate a rule which the House has just passed—to nullify what the House has just adopted with its eyes open. (Cannon, Vol. VII, Sec. 772).

The House by majority vote had decided the order of business and under our rules—"all questions relating to the priority of business shall be decided by a majority without debate."—Hinds, volume IV, section 3061. The unanimous consent requests to postpone were a proper method by which we might postpone consideration of an established order of business. A motion to postpone consideration of the bill either to a day certain, or indefinitely, also properly would have been in order. The motion to postpone indefinitely is debatable and opens to debate all the merits of the question—Hinds, volume V, section 5316—while the motion to postpone to a day certain is debatable with narrow limits only—Hinds, volume V, section 5309, 5310—being confined to the advisability of postponement—Cannons, volume VII, sections 2372, 2615, 2617, 2640—and does not admit debate on the merits of the questions—Hinds, volume V, sections 5311, 5315. The available precedents on this matter should have prevented the persistent renewals of unanimous consent requests for postponement as "neither motion to postpone, having been once decided, is again in order on the same day, at the same stage of the question."

Mr. Speaker, the House does have clearly defined precedents on the issue of postponement and I feel it is the responsibility of this House to observe these rules of procedure. In the past it has been established that "a bill which comes before the House by terms of a special order assigning the day for its consideration may be postponed by a majority vote." Hinds, volume IV, section 3177.

I do not feel that the Chair has "discretionary authority" to interpret formal rules adopted by the House when the language of the rule is already clear. Once the House has by majority vote decided on an order of business, any further question as to whether that order should be adhered to or not should be submitted to the House to decide.

I will conclude my observations as to why this House should follow the established rules and order of business by sharing with you the words with which Thomas Jefferson began his Manual on Parliamentary Procedure:

> It is always in the power of the majority, by their numbers, to stop any improper measures proposed on the part of their opponents, the only weapon by which the minority can defend themselves against similar attempts from those in power are the forms and rules of proceeding which have been adopted.

While it may seem of little more than esoteric value to most Members, proper application of the rules of the House can, and often does, make a crucial difference in the final form in which our national policy questions are settled, if at all.

## BOILERMAKERS OF PURDUE NIT CHAMPIONS

(Mr. LANDGREBE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LANDGREBE. Mr. Speaker, now that the 1973–74 college basketball season has drawn to a close, I would like to bring to the attention of my colleagues and all Americans the tremendous accomplishments of the National Invitational Tournament champions, the Purdue University Boilermakers of West Lafayette, Ind.

I am extremely proud to represent the district in which this great university is located and I would like to salute university president, Dr. Arthur Hansen, athletic director, George King, and head basketball coach Fred Shaus, not just because of the fact that Purdue became the first team in the Big Ten ever to win the NIT, but because all of these men and many more like them have combined their talents and efforts in creating an atmosphere at Purdue which attracts the best in athletic talent as well as the best in academic ability.

But, most of all, Mr. Speaker, I wish to salute the young men who make up the Boilermaker squad—young men who are a credit to their university, the State of Indiana, their families, their teachers, and their communities. These young men reached the top through hard work and personal sacrifice. They were up and down during the regular season, having both disappointing losses and sterling triumphs. But, when the NIT championship was on the line, they had what it takes to be real champions, hustle, desire and a will to win.

I would like to take note, Mr. Speaker, that of the three major basketball championships on the university level this year, schools representing Indiana won two, and of the third four young men from the Hoosier State helped comprise the winning team—proving the Hoosier theory that the best basketball in the world is played in Indiana. We are proud of them all, and we in the second district are particularly proud of the National Invitational Tournament champion Purdue Boilermakers.

## SCRANTON BUSINESS AND PROFESSIONAL WOMEN'S CLUB

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. McDADE) is recognized for 10 minutes.

Mr. McDADE. Mr. Speaker, when the 20th century is viewed by historians in the distant future, there will be a wealth of astonishing and significant developments which they will study with immense interest. Certainly one of the extraordinary developments of this century has been the emergence of women from a life that was almost totally centered around the family into a new life of full participation in the development of the total society of the world. We have seen, in ever-growing numbers, the names of great women in the arts, in the sciences, in the world of letters, in the world of politics, in the world of commerce.

Outstanding in the promotion of this vigorous partcipation of women in the life of America have been the Business and Professional Women's Clubs. In northeastern Pennsylvania, certainly one of the bright lights in this field has been the Scranton Business and Professional Women's Club, which has completed 50 years of life in that community.

As we noted in a program celebrating those 50 years of growth, it all began in 1923 as an organization named the Scranton Branch of the National Women's Association of Commerce. The members were interested in the advancement of women in business and the professions. When they learned that such an organization called the National Federation of Business and Professional Women's Clubs, Inc., had already been organized in St. Louis in 1919, they decided to become affiliated with it.

On March 23, 1923, they voted to merge with the Pennsylvania State Federation and become part of the National Federation. On June 15, 1923, they received their charter, No. 417, and 30 prominent business and professional women in Scranton became charter members.

Through the years, the Scranton Club has grown and prospered. It has supported qualified women for policymaking posts in government and has given generously to charitable institutions throughout the area. This is all done in addition to the projects sponsored by the Pennsylvania Federation and National Federation. A special project is undertaken every year and the proceeds of the affair are given to a worthy organization voted upon by the membership.

The membership of the Scranton Club today totals 121 women from almost every profession and in all walks of business.

The club has been honored through the years by having several of its members serve on the district and State levels. Currently, Mrs. Betty S. Brown, past president and district director, is finishing out her first term as first vice president of the Pennsylvania Federation and has been endorsed by her club for a second term at the State convention to be held in Pittsburgh in May. Mrs. Anne G. Shindel, second vice president, is serving as legislation chairman of district VIII.

One of the outstanding features to commemorate the 50th milestone of the Scranton Club will be the presentation of a $1,000 check to the endowment fund of the National Foundation. This fund is available to any woman who desires to further her education and to assist her in advancing in her present position. Mrs. Irene Zurine, president, will present the check to Mrs. Lenora Cross, Washington D.C., who is executive director of the National Federation.

I would like to pay my own personal tribute to the women who comprise the Scranton Business and Professional Women's Club. They represent, in northeastern Pennsylvania, a significant force in the use of the immense talents of women in a society which needs to use all the talents available. I would particularly salute the women who participated in the program commemorating the 50th anniversary: Miss Edith Reynolds, Mrs. Irene Zurine, Mrs. Ruth Jones, Miss Julia Robinson, Miss Rita Prescott, Lenora Cross, Mrs. Betty Brown, and the distinguished speaker of the evening, the Honorable Virginia R. Allen, Deputy Assistant Secretary of State for Public Affairs.

## H.R. 13720: MEDICARE LONG-TERM CARE ACT OF 1974

The SPEAKER per tempore. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, today I have introduced H.R. 13720, the Medicare Long-Term Care Act of 1974. This proposal will establish a new program of long-term care of the elderly that will provide alternatives to expensive and confining medical care by expanding the options available. By including services as well as institutional medical care in the program, we can offer our elderly citizens who need it a more secure and less worrisome future, less family strain, and less demands on their savings.

The resources of older people can be wiped out by a long stay in a nursing home since neither medicare nor private insurance covers long-term care. The only program that does provide some funds is medicaid—the program of health care for the poor.

In too many cases what we are doing today amounts to incarceration, rather than considerate care, because too great a reliance is put on placing people in institutions when many of them could be cared for better in other surroundings, including their own homes. That is why the emphasis of the bill I have introduced today is on care in the home or on an outpatient basis. This proposal calls for a system of community long-term care centers in every area of the country to coordinate and direct long-term care services for the elderly, including homemaker, health, nutrition, and day care, as well as institutional care.

In the past efforts to secure assistance for older Americans have not been successful mainly for three reasons. First, we do not have an effective and rational method of meeting the costs of long-term care services, including institutional care when it is required. Older people with chronic conditions have been left to their own devices because the costs to any public program of institutionalized care are prohibitive. So we have resisted program involvement and we have developed a defeatist attitude toward one of society's most vexing problems.

Second, a great majority of our communities do not have available the types of services which are better alternatives to institutionalization.

And third, in most communities, no single person or agency, public or private, takes full responsibility for helping older people and their families meet their needs as health and family status changes.

I have deliberately constructed H.R. 13279 to deal directly with these problems. My bill is modeled on the medicare program and would meet the first problem by establishing a new program under medicare which would provide protection against the costs of long-term care, both institutional and noninstitutional, without concern about drawing an arbitrary and unnecessary line between health care services and nonhealth care services.

The bill would meet the second problem, the lack of adequate community services, in several ways. First, the benefits covered by the bill would include services which can be alternatives to institutionalization. Provision of these services can help people in their own homes or other family settings. Second, the bill would require that placement in an institution could occur only after all other avenues have been explored. And third, even when placement in a nursing home has been designated as the only possible alternative the patient will have a continuing opportunity to move out of the home or improve his situation in the home.

And finally, my bill would meet the third problem by creating for every community a long-term care center which would act as the coordinator and paying agency for long-term care services. Whenever a question arose in a family about what to do about a change in health or family situation, the center would be responsible for helping find the best answer and for providing the needed services, after careful consultation with the individual and his or her family.

The bill contains certain other features I would like to highlight.

While the program would be national in application, just like medicare now, the administration of the program would be decentralized and involve, on a local basis, the people who are to be served by the program. Specifically, a new State agency would be established which would divide up the State geographically, assure the establishment of a community long-term care center in each area, approve such centers for participation in the program, and pay the centers for services furnished.

The community long-term care center would be required to have a governing board with at least half of its members from among persons who are eligible for benefits. In addition, one-quarter of the board would be elected by eligible people in the area and one-quarter appointed by officials of local government.

The program would be financed by a $3 premium paid by those aged who choose to enroll in the program, by a contribution from States of 10 percent of program costs with the balance from Federal general revenues. My bill would increase by $3 the amount of SSI benefits to everyone receiving them so the program will represent no additional cost to these individuals.

No estimates of the cost of the bill have been made, largely because making estimates in this area is very difficult. However, the States and the Federal Government now pay more than $4 billion a year for nursing home care under the medicaid program. Medicare pays an additional several hundred million dollars for extended care services. Numerous studies have shown that large numbers of older people now in nursing homes do not need to be there, particularly if realistic alternatives are available. Thus, I think it is fair to conclude that under my bill the costs of institutional care would be held in check.

But regardless of how the costs might turn out, the important point is that we need to rationalize the system of providing long-term care and I believe my bill has the potential to do that with possibly no increase in overall costs.

An outline of H.R. 13720 is attached. I urge Members, people with special interest in the aging, and the general public to study the bill carefully. I have introduced this bill so that this subject will get the attention it deserves in a rapidly aging society. I am hopeful that hearings can be held on the bill so that it can be fully explored.

The information follows:

### H.R. 13720, MEDICARE LONG-TERM CARE ACT OF 1974, INTRODUCED BY THE HONORABLE BARBER B. CONABLE, JR.

1. Brief Description: Amends the Medicare program by adding a new voluntary Part D to Title 18 of the Social Security Act which would:

Establish a comprehensive program of long-term care services available to those who enroll under the program;

Provide for the creation of community long-term care centers in all areas of the nation and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services; and

Provide a significant role for people eligible for long-term care benefits in the administration of the program.

2. Eligibility: Anyone who is (1) eligible for hospital insurance under Part A of Medicare (aged or disabled), or (2) is age 65 and a resident, or (3) is eligible for supplemental security income (SSI) benefits is eligible to enroll under the new program if he has also enrolled under the Part B medical insurance part of Medicare. Enrollment procedures are similar to those which now apply to the Part B program.

Premiums of $3 a month would be collected just as Part B premiums are now collected.

3. Financing: A Federal Long-Term Care Trust Fund would be established to handle the financial operations of the program.

The Trust Fund would receive its monies from the $3 premiums of those who enroll, 10% from the States and the balance from Federal general revenues.

4. Functions of Community Long-Term Centers: Provide directly or through arrangements covered items and services to each individual residing in the area who is eligible;

Provide evaluation and certify the long-term needs of individuals through a team approach involving the individual and his family;

Maintain a continuous relationship with individuals receiving any items or services; and

Provide an organized system for making its existence and location (which must be accessible in the community) known to the individuals in the service area.

In carrying out the above, a community long-term care center shall not certify the need for inpatient institutional services for an individual unless a determination has been made that the needs of such individual cannot be met through covered types of care or other community resources.

5. State Long-Term Care Agency: Each State must establish an agency—either a separate agency, or major division of the health department—which will:

Designate service areas in the State;

Certify the conditions of participation for a community long-term care center;

Promote and assist in the organization of new community long-term care centers in areas where they do not exist; and make payments to and monitor the activities of all long-term care centers in the State; and

Provide local government offices where a nonprofit agency does not exist.

6. Conditions of Participation for Community Long-Term Care Centers: Community Long-Term Care Centers must:

Have policies, established by a group of professional personnel and approved by the governing board;

Maintain medical and other records on all beneficiaries;

Have an overall plan and budget;

Meet other conditions the Secretary may prescribe; and

Be either a public or non-profit organization.

The governing board of a community long-term care center must be composed as follows: one-half of people covered under the program who reside in its service area; at least one-quarter have been elected by the people covered under the program; and at least one-quarter appointed by locally elected government officials.

Members can serve only two terms and full membership must change at least every six years.

7. Detailed Definitions of Covered Services:

a. Nutrition Services.

Limited to meals on wheels and similar programs and services provided in the place of residence of such individual by a nutritionist.

b. Homemaker Services.

Services provided in the home designed to maintain the individual in his home.

Preparing and serving meals in the home of an individual.

c. Institutional Services

Extended care benefits in a skilled nursing facility (same as social security definition)

Intermediate care services

Institutional day care services

d. Home Health Services (Same as under present Medicare program.)

e. Day Care and Foster Home Care Services

Care provided on a regular daily basis in a place other than the individual's home; and

Placement of individual on a full-time basis in a family setting.

f. Community Mental Health Center Outpatient Services

8. Payment Method for Community Long-Term Care Centers:

Secretary will develop prospective payment methods after consultation with states and other interested parties, and States will follow them in paying the community long-term care centers.

9. Miscellaneous Provisions:

If an individual stays in a nursing home for more than 6 months, beginning with the 7th month his social security cash benefits are reduced by ⅔ (in recognition of such a person's reduced living costs) and the ⅔ is deposited in the long term care trust fund. As soon as the recipient leaves the nursing home, full benefits are restored immediately.

The bill would increase SSI benefits by $3 a month so that the premium payment could be met without a reduction in cash income.

10. Effective date:

Benefits would first become payable on July 1, 1976, thus allowing sufficient time for the organization of the new system.

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## REPRESENTATIVE JACK KEMP INTRODUCES LEGISLATION TO PREVENT INVASIONS OF PRIVACY BY THE USE OF MAIL COVERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, on some issues before this House, there must be no retreat from our resolve. The insuring of adequate safeguards to protect the individual's right to privacy is such an issue. When liberty is threatened, no measure is adequate, unless it guarantees the protection of that liberty.

The right to privacy is the right to be let alone—the right to be left alone. It is a right which forms the basis for such protections as those shielding the individual against unwarranted searches and seizures, electronic surveillance, snooping investigations and "fishing expeditions" by authorities, the inspection of personal papers, records, and effects. Much of our Bill of Rights—our first 10 amendments to the Constitution—is predicated upon this right to privacy, this right to be protected against intrusions from government and other people.

Support for the individual's right to privacy is a feeling which runs deeply in the spirit of our Anglo-American heritage. As Mr. Justice Brandeis observed in his 1928 opinion in Olmstead against United States, the makers of our Federal Constitution recognized the significance of man's spiritual nature, of his feelings, and of his intellect. They knew that only a part of the pain, pleasure, and satisfaction of life are to be found in material things. They sought to protect Americans in their beliefs, their thoughts, their emotions, and their sensitivities. They conferred, over and against the Government itself, a right to be let alone—a right to privacy—the most comprehensive of rights and the right most valued by civilized men. It is the right which gives the individual the force of law to say to an agent of the Government, "No, you cannot come into my house or into my life, by any means, without my consent or the full requirements of law and due process."

Important measures have been introduced in the House and Senate to protect more fully this right to privacy. I am proud to have sponsored and cosponsored a number of these measures, including—

H.R. 10259, a bill to govern the disclosure of certain financial information by financial institutions to Government agencies, to protect the constitutional rights of citizens, and to prevent unwarranted invasions of privacy by prescribing procedures and standards governing disclosure of such information;

H.R. 10260, a bill to provide standards of fair personal information practices;

H.R. 11624, a bill to protect the constitutional right of privacy of those individuals concerning whom certain records are maintained;

H.R. 11625, a bill to amend the Social Security Act to prohibit the disclosure of an individual's social security number or related records for any purpose without his consent unless specifically required by law, and to provide that—unless so required—no individual may be compelled to disclose or furnish his social security number for any purpose not directly related to the operation of the old-age, survivors, and disability insurance program;

H.R. 11838, a bill to amend sections 2516 (1) and (2) of title 18, United States Code, to assure that all wiretaps and other interceptions of communications which are authorized under that section have prior court approval; and,

H.R. 12349, a bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein.

I also jointly cosponsored with the gentleman from California (Mr. GOLDWATER) an amendment—which was overwhelmingly accepted on the floor—to the proposed Federal Energy Administration Act. That amendment would tighten significantly those disclosure provisions that that bill which could possibly have infringed upon the right to privacy.

And, pressure from Members has resulted in the administration announcing a recission of the Executive Orders 11697 and 11709, the orders which gave rise to the introduction of H.R. 12349 and related measures. So, there is victory there too.

### MAIL COVERS VIOLATE THE RIGHT TO PRIVACY

During the course of research and discussions with authorities in this subject field, it has come to my attention that another form of unauthorized surveillance by Government agencies is being practiced today. I speak of "mail covers."

In a mail cover, information appearing on the outside of envelopes intended for a specified addressee is recorded, without his knowledge, by postal employees before the letters are delivered. This information, which includes the postmark and return address and addressor, is then given by the postal service to the Government agency which requested the cover be imposed.

The use of mail covers is varied. It may be placed on those suspected of the commission of crimes. Or, it may be placed on those associated with such persons. Information obtained from such a cover may be used to discover the identity of suspected conspirators or as leads for gathering other evidence. Mail covers are also used to ascertain the whereabouts of people. Postmarks provide accurate information on the whereabouts of people being sought by agencies.

What makes the use of mail covers an unconscionable practice is not only that they invade a person's right to privacy but also—because they are perceived even by the agencies using them as being of questionable color of law—that their use is seldom ever disclosed in a trial for fear that evidence ascertained through them will be ruled inadmissible.

Postal regulations have authorized the use of mail covers since 1893, but it has not been until the past 20 years, however, that mail covers have come to the attention of the public, through several highly publicized controversies. This publicity, together with pressure for reform, has brought about some changes in the regulations, but those regulations are still loose enough to permit mail covers to be abused. Since power over the imposition of mail covers is ultimately entrusted to the discretion of a handful of Government officials, there is a real danger that abuse of discretion will permit mail covers to be used for unwarranted snooping into private matters of all kinds.

In an article, entitled "Invasion of Privacy: Use and Abuse of Mail Covers," 4 Columbia Journal of Law and Social Problems 165, and those that follow—July 1968—the use of mail covers is extensively detailed. While its length does not admit of its full inclusion in the RECORD, I urge its reading upon all colleagues concerned about this possible invasion of privacy. Copies are available, upon request, from my office for the use of Members and their staffs.

### KEMP INTRODUCES REMEDIAL LEGISLATION

In many matters, we must build slowly protections around an individual's right to privacy, for the law has gone so far afield that agencies resist outright—and Members are sometimes confused—over what to do. This is no such matter. This one—the use of mail covers—can be dealt with outright.

I have introduced, today, a bill to amend title 18, United States Code, to prohibit mail cover uses. A copy of the bill follows:

A bill to amend title 18 of the United States Code to prohibit so-called mail covers

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That title 18 of the United States Code is amended by inserting immediately after section 1737 the following new section: "§ 1738. Mail covers prohibited.

"Whoever, under the color of authority or otherwise, records from any piece of mail the name and address of the sender, the name of the recipient, the place or date of postmarking, or the class of mail, for any purpose other than one directly related to the handling or delivery of the mail, shall be fined not more than $10,000, or imprisoned not more than five years, or both."

SEC. 2. The table of sections for chapter 83 of title 18 of the United States Code is amended by adding at the end thereof the following new item: "1738. Mail covers prohibited."

I use this opportunity to call upon the chairman of the Committee on the Judiciary, to which the bill has been referred, to solicit the formal comments of the Department of Justice, the U.S. Postal Service, and any other Federal instrumentalities deemed appropriate, with an eye toward the holding of public hearings on this and related protection of privacy measures.

These measures are important steps toward safeguarding the right to privacy. Much needs to be done. I am committed to that task, and I invite my colleagues to join with me in this struggle.

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## SPEECH BY AMBASSADOR HUSSEIN NUR ELMI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. DIGGS), is recognized for 5 minutes.

Mr. DIGGS. Mr. Speaker, I would like to insert for the thoughtful attention of my colleagues a speech by Ambassador Hussein Nur Elmi, Permanent Representative of the Somali Democratic Republic to the United Nations, at the Congress of African People's fourth annual delegates reception in honor of African Representatives to the United Nations on November 23, 1973. The text of the speech follows:

### SPEECH BY AMBASSADOR HUSSEIN NUR ELMI

Sisters and Brothers: May I first of all express my thanks to the Chairman of the Congress of African People, my friend Imamu Amiri Baraka, and to the organizers of this wonderful reception, for inviting me to speak on this program. I am indeed honoured to be a speaker at this 4th Annual Delegates' Reception, in honour of African Representatives to the United Nations.

All of us here this evening, in this happy gathering, are bound not only by our common ethnic and cultural heritage but also by our common concern and destiny, for we are brethren in Africanism.

For sometime now, the Afro-Americans have been seeking increasingly to find and claim as their own the cultural heritage which was snatched from them hundreds of years ago. In the continent, we have also been engaged in the task of reclaiming our true identity as we emerged into independent statehood. It seems to me, therefore, that our ideals and aspirations, on both sides of the Atlantic Ocean, are broadly the same and are mutually supportive. The results of our efforts are the same: resurrection of African civilization and the securing of those political, social and economic rights that were denied to us in the past.

One of the reasons why I am particularly glad to be here this evening is that I welcome the opportunity to discuss with you ways in which we can share not only our pride in our achievements but also the heavy tasks that need to be done so that our brothers and sisters who are still suffering from racism and colonialism can be freed from such oppressions. You are well aware of the large-scale colonial wars that are being waged by Portugal in order to suppress the aspirations of the African people of Angola, Mozambique and Cape Verde for their self-determination and independence. You are well aware of the situation in South Africa and in Namibia, where Africans are enslaved under the apartheid system. You are well aware of the declared policy of the illegal white minority regime in Southern Rhodesia aimed at the political and economic emasculation of the people of Zimbabwe.

Last year, this annual reception was addressed by Comrade Gil Fernandes of the African Party for the Independence of Guinea-Bissau and Cape Verde. He informed us of the progress achieved by the people in the liberated areas in Guinea-Bissau. He told us to expect good news in the near future. Exactly two months ago, the Popular National Assembly proclaimed the independence of the Republic of Guinea-Bissau—a Republic established by the heroic struggle of its people against tremendous odds, against a cruel and terrible enemy. Today, the people of Guinea-Bissau stand before the world in final victory.

Let us hail, as is fitting to this occasion, the independence of the new state of Guinea-Bissau! Let us salute together the memory of all those men and women who through their courage and sacrifices have made this victory possible!

You are no doubt aware that the new state remains threatened by the Portuguese colonialists who still occupy parts of its territory. It needs both material and diplomatic support so that its sovereignty and territorial integrity can be firmly consolidated.

These, broadly speaking, are the dimensions of the problems of racism and colonialism in our continent. The international campaign against these evils takes several directions, but particular emphasis has been placed, in recent years, on assistance to the liberation movements. But, in the face of the indifference of the major western powers to the liberation of Africa, it is clear that our people have no choice but to resort to revolutionary struggle since all avenues of peaceful change are closed to us. The western powers will say that we are advocating violence, that we are disturbing the peace of the world, while they leave us with no other choice but to take up arms. I believe that it is wrong and immoral to perpetuate injustice in the name of peace. And so, our people will have to fight because we love justice, freedom and dignity much more than peace. However, our struggle would no doubt be made shorter, and less violent, if the power and prestige of the Government of the United States of America were to be directed towards our support. Regrettably, the sad reality is that your Government and much of the legislature of your country which fought the first revolutionary war against colonialism and whose unity was finally established over the issue of freedom for black people, are today becoming more and more negative in their attitude towards the oppressed people of Africa, and more and more supportive of the racist and colonialist white regimes of South Africa, Portugal and even the illegal regime of Southern Rhodesia (Zimbabwe).

Only a few weeks ago, the delegation of the United States to the United Nations distinguished itself by being the only member state of the Organization to oppose the inscription on the agenda of the General Assembly of the question of the illegal occupation by Portuguese military forces of parts of the territory of the new state of Guinea-Bissau. It did not succeed. And yet, in the subsequent debate, the United States was among the very small minority of colonial and racist states which either abstained or voted against the resolution welcoming the declaration of independence by the Republic of Guinea-Bissau and calling for an end to Portugal's acts of aggression against the new state.

This attitude was hardly a surprise to us, for we know that the administration's massive financial aid to Portugal goes far beyond any commitment America may have to that country under the North Atlantic Treaty Organization (NATO) and helps one of Europe's poorest and most under-industrialized countries to wage an expensive, large-scale colonial war in Africa. But we imagined rather naively, I must say, that they would be—in this instance—the first to understand out of their own experience, that recognition and support for a struggling new Republic, still beset by its imperialist enemy, are essential factors in securing the viability and stability of the new state.

With the exception of the small but very active black caucus, the American Congress is not noted for its support of African causes. Only two years ago, Congress saw fit to renew South Africa's sugar quota in full awareness of the practical and the symbolic implications of this act in support of the Fascist South African regime which devised and implemented the obnoxious policy of Apartheid. The Congress then proceeded to violate openly the United Nations sanctions against the illegal regime in Southern Rhodesia by lifting the ban on the importation of chrome and nickel. The excuse for this action was that it was necessary to prevent American dependence on the Soviet Union for these essential metals. The validity or otherwise of this excuse can be judged by the fact that the United States has such a large surplus of these metals that it has recently been selling them from its stockpile.

There is no doubt about the trend of American foreign policy towards the southern African affairs. It can perhaps be summed up in the words of a New York Times correspondent who wrote some articles, a few months ago, commenting on the United Nations activities. He wrote that the American people cannot be expected to be interested in places with names like Zimbabwe, Guinea-Bissau and Namibia, and he deplored the fact that "grim, determined, mostly black men now dominate the Committee meetings at the United Nations and turn the discussions towards such apparently tedious subjects as the inhuman conditions under which South African mineworkers live and work, or the napalm bombing of villagers in Mozambique."

The appeal I would address directly to you, my Afro-American sisters and brothers gathered here tonight, is to ask you to give valid material support—most especially financial support—to the Liberation Movements. But more than this, I would ask you to use your power, as American citizens and as voters with political rights, in order to make your views known to your representatives in the Congress of the United States and to bring pressure to bear on the administration to carry out a policy sympathetic to the cause of justice in Africa. I am asking you for positive political activism. In future, make good use of the power of your votes. Do not allow your votes to be cheap, meaningless, stolen votes.

You have only to look at the example of the American Jews to get an idea of what is possible. They are only six million people, but their pressure on the American political system helped to bring about the establishment of an exclusive Jewish State in Palestine; they succeeded to ensure continuing American support of unprecedented dimensions for that State. I know that you do not command any economic or financial power, like the Jews in this country, but you are well over 24 million, and there is no doubt that with your numerical strength and with determination coupled with firm sense of purpose you can exert a certain degree of political pressure on your Government, so that it may ease, if not abandon, the reactionary policy so far directed to Africa.

The people of the United States, of which you are an integral part, must look to their conscience and their sense of history in this matter and ask themselves whether the commitments of their Government to the Portuguese colonialists and to the South African and white Rhodesian racists are worthy of that history and can be borne by its conscience. The American people are planning to celebrate in 1976 the Bi-centennial of their war of liberation and their Declaration of Independence. A most fitting memorial to that important event would be positive and tangible support for those who have won, or are still struggling to win, independence from colonial rule.

I have said before that the international campaign against racism and colonialism takes several directions. There are certainly areas in which you can help in order to make this campaign meaningful. Since Afro-American citizens excel in the fields of entertainment and sports, I will repeat to you what I have told the participants of the World Congress of Peace Forces held in Moscow last month:

"In the entertainment field, as well as in sports, there is a need to combat the view often expressed by individuals that their performances in South Africa have nothing to do with politics. Typical of this attitude are the statements of members of an American team of athletes whose applications for permits to take part in the South African Open Games held in Pretoria some months ago were held up for consideration by the American Amateur Athletic Association, in response to pressure from two Afro-American Congressmen. The athletes said that they were not 'politically oriented' and 'We're not going because we're supporting apartheid'. One of them said he could not conceive of any social and economic implications in his participation in the games. It has to be pointed out that whether these athletes, or entertainers such as Margot Fonteyn or Eartha Kitt, accept it or not, their actions are political, for they do in fact undermine an international effort to end tyranny and oppression in South Africa."

I think I must conclude now. To be frank, I must admit that I do not think that we are doing all that we can to assist our brothers and sisters still kept in bondage and intolerable racial discrimination.

In this country, one often hears the insulting remarks that those of us who have "made it" are not concerned about the suffering of their people who are still subjugated; who are hungary, ill and illiterate. But those who think that they have "made it", both here in America and in the continent, must know that there are certain inalienable rights of man without which life is devoid of meaning and, in fact, is not worth living. For the daily bread turns to stone unless eaten in freedom and with human dignity.

May I conclude by saying that an organization like the Congress of African People can do much to present to the American public the true image of Africa, and in doing so, it will earn the undying gratitude of its people.

I wish the Congress all success in its untiring efforts to promote understanding, solidarity, cooperation and goodwill between the peoples of Africa and their Afro-American brothers and sisters. I am sure that together, and with enthusiasm and cooperation, we shall win.

## ANNOUNCEMENT OF HEARINGS TO REVIEW THE ADMINISTRATION OF THE IMMIGRATION AND NATIONALITY ACT BY THE IMMIGRATION AND NATURALIZATION SERVICE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. EILBERG) is recognized for 5 minutes.

Mr. EILBERG. Mr. Speaker, I wish to announce that the Subcommittee on Immigration, Citizenship, and International Law of the Committee on the Judiciary has scheduled 1 day of oversight hearings on Wednesday, April 3, 1974, to review the administration of the Immigration and Nationality Act by the Immigration and Naturalization Service. The hearing will be held in room 2237, Rayburn Building, and will commence at 10 a.m.

The Commissioner of the Immigration and Naturalization Service, Hon. Leonard F. Chapman, has been invited to testify on this date.

These hearings will be a continuation of the oversight hearings which were conducted by the subcommittee during the 1st session of the 93d Congress.

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## NEW BUREAU OF PRISONS GRIEVANCE PROCEDURE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, on March 7, 1974, the Subcommittee on Courts, Civil Liberties, and the Administration of Justice of the House Committee on the Judiciary, issued a report on its inspection of the Federal penitentiary at Leavenworth, Kans., and the Medical Center for Federal Prisoners located at Springfield, Mo.

In that report, we mention one of the prime complaints which representatives of the inmates made to our subcommittee. They claimed that there was no grievance committee or other procedure whereby prisoners could officially bring their complaints to the attention of the proper prison officials. The prisoners told us that a grievance committee or any procedure whereby their complaints could be officially considered would act as a "safety valve" and prevent minor abrasions from festering into major sores of discord and revolt.

With this recent experience in mind, I was pleased to receive a letter dated March 11, 1974, from Norman A. Carlson, Director, Federal Bureau of Prisons. In this letter Mr. Carlson announced the establishment of an administrative remedy procedure to handle complaints from inmates in Federal correctional institutions. Under this new procedure, effective April 1, 1974, inmates may file a written complaint with the warden and they are guaranteed a written response within 15 business days. If not satisfied with this response, the inmate may appeal directly to Mr. Carlson and he will receive a written response within 30 business days. The policy statement accompanying Mr. Carlson's letter specifically provides that the new procedure is not intended to supplant legal avenues of redress for prisoner grievances.

Prior to the implementation of the procedure in all Federal correctional institutions, a pilot project was conducted at three institutions. A summary of the results of the project shows that approximately 35 percent of the inmate complaints were resolved in favor of the complainant. In addition, it provided a continuing opportunity for the institutional staff to review many of its policies and procedures.

I believe the administrative remedy procedure is a step forward for the Bureau of Prisons and I commend Director Carlson for instituting it. For the information of my colleagues, I would like to insert in the RECORD Mr. Carlson's letter, a copy of policy statement 2001.6, and the results of the inmate administrative remedy pilot project:

BUREAU OF PRISONS,
*Washington, March 11, 1974.*

Hon. ROBERT W. KASTENMEIER,
*U.S. House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN KASTENMEIER: During the past several years, a number of United States Court Judges have discussed with me the feasibility of developing an Administrative Remedy Procedure to handle complaints from inmates in federal institutions. In his address before the American Bar Association last August, the Chief Justice suggested such a procedure, commenting that it could become an alternative to the flood of prisoner petitions that now face federal courts.

After considerable planning, on September 1, 1973 we instituted on a pilot basis an Administrative Remedy Procedure at the United States Penitentiary, Atlanta, Georgia, and the Federal Correctional Institutions at Danbury, Connecticut and Tallahasee, Florida. Under this procedure, inmates may file a written complaint with the warden, obtain a receipt for the filing and receive a written response within 15 business days. If not satisfied with this response, the inmate may appeal to my office, obtain a receipt for filing and receive a written response within 30 business days.

We believe the pilot project demonstrated the procedure is responsive to inmates' complaints. As you will note on the attached statistical summary, approximately 35% of the inmates' complaints were resolved in the inmates' favor. In addition, the procedure gave the institutional staff an opportunity to review many policies and procedures.

Based on the favorable experience with the pilot project, we are instituting the procedure in all Federal Bureau of Prisons institutions effective April 1, 1974. The enclosed policy statement describes the procedure in detail.

I would personally appreciate receiving any comments or suggestions you may have.

Sincerely,
NORMAN A. CARLSON, *Director.*

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[Bureau of Prisons, Washington, D.C., February 14, 1974]

POLICY STATEMENT

Subject: Administrative remedy of complaints initiated by offenders in Bureau of Prisons facilities.

1. Purpose. This Policy Statement establishes procedures by which offenders may seek formal review of complaints which relate to their imprisonment if informal procedures have not resolved the matter.

2. Discussion. Most complaints can be resolved quickly and efficiently through direct contact with staff who are responsible in the particular area of the problem. This is the preferred course of action. Staff awareness of the importance of prompt attention and reply to these routine requests will minimize the use of formal complaint procedures.

A viable complaint procedure will serve the inmates, the administration, and the courts. It will provide the inmates with a systematic procedure whereby issues raised relating to their confinement, will receive attention and a written, signed response within a short period of time from the administration, including the Central Office, if appealed.

Such a procedure assists the administration by providing an additional vehicle for internal solution of problems at the level having most direct contact with the offender. It also provides a means for continuous review of administrative decisions and policies. Further it provides a written record in the event of subsequent judicial or administrative review. A viable Administrative Remedy Procedure should reduce the volume of suits filed in court and will develop an undisputed record of facts which will enable the courts to make more speedy dispositions.

If the inmate cannot resolve his complaint informally, and wishes to utilize this Administrative Remedy Procedure, he shall file his complaint with the Warden or his designee. If not satisfied with the institution's reply, he may appeal to the Director or his designee.

An inmate may, if he chooses, forward his complaint through the Prisoners' Mail Box or he may file his law suit directly with the appropriate court. However, courts frequently require evidence that administrative remedies have been exhausted before ruling on a complaint, and inmates should be so advised.

3. Action. The Chief Executive Officer of each Bureau of Prisons facility is responsible for the establishment and monitoring of an Administrative Remedy Procedure which is compatible with the provisions of this Policy Statement. The operation of the program will be the responsibility of the Warden or the Associate Warden. The investigation of complaints and the drafting of the reply should ordinarily be done by department heads or their representatives, subject to review of the Warden or Associate Warden. The final response shall be signed by both the department head or his representative, and the reviewer.

4. Procedures. All inmates should be advised of this Administrative Remedy Procedure. This can be accomplished, among other means, by posting the local Policy Statement on inmate bulletin boards, through inmate publications and by including it in the admission-orientation program. Where appropriate, the local Policy Statement should be translated into Spanish.

It is suggested that the forms be maintained by the Correctional Counselors wherever practicable. Experience has demonstrated that complaints can frequently be resolved by the counselor.

A record of filings under this procedure shall be maintained in a log and include at least the following information: Name, Number, Date of Receipt, Subject of Complaint, and Disposition. A simple key may also be included to show whether the disposition of the complaint was essentially in the inmate's favor or against him. A copy of this log should be sent monthly to the Central Office, Office of General Counsel.

5. Use of the complaint form. If an inmate cannot resolve his complaint through informal contact with staff, and wishes to file a formal complaint for administrative remedy, he should secure a copy of form BP-DIR-9 and write his complaint in the space provided. He may obtain assistance from other inmates or from staff to help him complete the form. The inmate should then give the completed form to the designated staff member who in turn will provide a signed receipt for the inmate.

The complaint ordinarily must be filed within 30 days from the date on which the basis of the complaint occurred unless it was not feasible to file within such period. Institution staff have up to 15 days from receipt of the complaint, excluding week-ends and holidays, to act upon the matter and provide a written response to the inmate. When the complaint is of an emergency nature and threatens the inmate's immediate health or welfare, reply must be made as soon as possible, and within 48 hours from receipt of the complaint. The institution duty officer may be utilized in such instances.

When the proper course of action is determined, the "Response" (Part B) should be completed and signed. One carbon copy should go to his central file, and the original and other copy given to the inmate. Responses should be made as quickly as possible, should be based upon facts, and should deal only with the issue raised, and not include extraneous material.

If the inmate is not satisfied with the institution's response, he may file an appeal to the Director, Bureau of Prisons, or his designee through the Prisoners' Mail Box. This should be done on form BP–DIR–10 and include a completed copy of BP–DIR–9 (the initial complaint) with the institution's response. A receipt for his appeal will be sent to the inmate. The Director, or his designee, has up to 30 days from receipt of the appeal, excluding week-ends and holidays, to reply.

If an inmate's complaint is of a sensitive nature, and he believes he could be adversely affected if it is known at the institution that he is making the complaint, he may file it directly with the Director, Bureau of Prisons or his designee through the Prisoners' Mail Box. In such cases, he must clearly explain a valid reason for not filing in the institution.

If the time limit expires without a reply, it will be deemed to be a denial of the request. If dissatisfied with the response to his complaint and appeal, the offender may file suit in an appropriate court and attach documentary proof that he exhausted his administrative remedy.

6. Exceptions. Nothing in this Policy Statement should be construed to affect in any way, the procedure established pursuant to the Federal Tort Claims Act, the Claims for Inmate Injury Compensation under 18 U.S.C. 4126, or procedures for appeal from Good Time Forfeiture actions pursuant to Policy Statement 7400.6A.

The period of time referred to for action by the reviewing officials may be extended for a like period upon a finding that the circumstances are such that the initial period is insufficient to make an appropriate decision. This must be communicated in writing to the inmate.

7. Local issuance. The head of each Bureau of Prisons facility will develop a local Policy Statement on this subject, and forward a completed copy to the Office of General Counsel.

8. This policy is effective April 1, 1974.

NORMAN A. CARLSON,
*Director Bureau of Prisons.*

### STATISTICAL SUMMARY, SEPTEMBER 1–DECEMBER 31, 1973

#### ATLANTA

Filed: 25 granted (28%); 54 denied (61%); 10 other (11%); and 7 pending.

17—Jail time.

13—Mail, visits and phone calls.

12—Transfer.

10—Medical.

9—Forfeited and meritorious good time.

8—Program assignment.

8—Legal.

5—Record expungement.

4—Parole.

3—Personal property.

2—Industries.

1—Detainer.

1—Release plans.

1—Religion.

1—Meritorious pay.

1—Commissary.

#### DANBURY

48 Filed: 20 granted (44%); 21 denied (47%); 4 other (9%); and 3 pending.

9—Special offender classification.

8—Transfer.

7—Program assignment.

5—Mail.

5—Disciplinary matters.

4—Forfeited and meritorious good time.

2—Complaints against staff.

2—Medical.

1—Request for interview.

1—Detainer.

1—Personal appearance.

1—Parole.

1—Personal property.

1—Legal.

#### TALLAHASSEE

20 filed: 8 granted (40%); 4 denied (20%); and 8 other (40%).

9—Disciplinary matters.

4—Transfer.

3—Parole.

1—Complaints against staff.

1—Mail.

1—Access to Admin. remedy.

1—Personal property.

#### APPEALS

27 filed; 4 granted (23%); 8 denied (47%); 5 other (30%); and 10 pending.

4—Disciplinary matters.

4—Program assignment.

3—Jail time.

3—Mail, visits.

2—Transfer.

2—Complaints against staff.

2—Special offender classification.

2—Personal property.

2—Parole.

1—Record expungement.

1—Legal fees.

1—Industries.

#### SUMMARY—3 INSTITUTIONS

164 filed: 53 granted (35%); 79 denied (51%); 22 other (14%); and 10 pending.

24—Transfer.

19—Mail, visits and phone call.

17—Jail time.

15—Program assignment.

14—Disciplinary matters.

13—Forfeited and meritorious good time.

12—Medical.

9—Legal matters.

9—Special offender classification.

8—Parole.

5—Record expungement.

5—Personal property.

3—Complaints against staff.

2—Industries.

2—Industries.

2—Detainer.

7—Each miscellaneous.

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## LABOR-FAIR WEATHER FRIEND—XV

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, not long ago the AFL–CIO gave its imprimatur to an attack that had been made on me by an organization that it subsidizes. There would be nothing unusual in that, if it were not for the fact that the organization involved was not fully organized at the time, and its action was prompted only by a very few characters who are not so much interested in labor as they are in promoting their own interests at my expense. These fellows have it very nice: labor pays them their salaires, subsidizes their organizations, gives them legitimacy, and they can use all this largesse to attempt to undermine me, among other things. These few characters want to advance their careers by setting me up as a straw man. Now everybody knows that I am a friend of labor. I am not going to be silent when labor allows its resources to be used against me.

I have tried letters and private channels to get some attention and some redress, and now I am trying public channels. This seems to be eliciting some response.

A few days ago an intermediary called me to ask what was wrong between me and labor. I simply replied that the record spoke for itself, and that if labor wanted to get right with me, all it had to do was to correct its injustice to me.

Not long after that, Andy Biemiller let it be known that he would like to visit with me. I will be glad to do that. I would be happy to have met with him today, but conflicts in our schedules prevented that.

I do hope to have a chance to see Mr. Biemiller. I know that he has the ability to set this whole affair straight. I am waiting.

And while I am waiting, I will be remembering things. I will be remembering things like the hard, tough days like 1956, when I ran for the State Senate. There was no such thing then as COPE; there was no such thing as a labor candidate in Texas. My opponents attacked me relentlessly as being for labor, and equating that with being a Socialist or Communist. But those attacks never made me back down, and I was able to force my opponents to say that in fact, they were not against the right of labor to organize. That was a dispute that I could have avoided. That was an issue I did not have to address, but I chose to do it. I did not do it, because I owed anything to labor, which had no political power in Texas then, and very little of it now. No, I did it because I believe in defending my principles, and believe in letting my principles be known to one and all.

Yet today the very AFL–CIO gives credence to a charge lodged by a few vicious malcontents who want to paint me as being against labor. They know nothing could be further from the truth. They know, these few, that they have misused their union, their organizations, their whole movement, simply because they have ambitions against me. That is wrong. It is wrong in principle, it is wrong for the labor movement, and it is wrong for me. Mr. Biemiller and his powerful friends can set this right. I am glad to know that Mr. Biemiller wants to talk. I am waiting, and hoping. I am hoping that my defense of labor for all these years has been justified. I will soon know.

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## RESOLUTION CALLING UPON THE U.S. GOVERNMENT TO OBTAIN ACCURATE ACCOUNTING OF MISSING IN ACTION SERVICEMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. FOUNTAIN) is recognized for 5 minutes.

Mr. FOUNTAIN. Mr. Speaker, over 1,200 American servicemen are still listed as missing in Southeast Asia—a situation which is of extreme concern to all Americans.

Recently the General Assembly of the State of North Carolina adopted a resolution calling upon the U.S. Government to obtain an accurate accounting of these missing in action servicemen.

I would like to call the attention of my colleagues to this resolution. The text is as follows:

RESOLUTION

A joint resolution calling upon the United States Government to obtain from the Government of North Vietnam an accurate accounting of all American servicemen missing in action

Whereas, on March 27, 1973, all prisoners of war held by the government of North Vietnam were to be returned to their respective governments; and

Whereas, almost one year has passed and there are still over 1,200 servicemen whose whereabouts are unknown; and

Whereas, the POW–MIA story of this war has been a long and tragic one and the hopes and dreams which were generated in the hearts and minds of the families and friends of these brave men 12 months ago are still unfilled; and

Whereas, the government of North Vietnam adamantly continues its refusal to account for these brave men; and

Whereas, the families of these servicemen continue to suffer in weakened spirits as the seasons pass, not knowing whether their loved ones are dead or alive; and

Whereas, the government of North Vietnam is legally obligated to make an accurate accounting for all of our servicemen;

Now, therefore, be it resolved by the Senate, the House of Representatives concurring:

SECTION 1. The General Assembly of North Carolina goes on record by calling upon the government of North Vietnam to live up to and abide by the terms of the Paris Agreement and cease hindering the legal search for our unaccounted for sons.

SEC. 2. We also go on record by calling upon the United States Government to make every effort to secure an accurate account of all of our missing personnel.

SEC. 3. We further declare that all North Carolinians will not forget these brave men whose whereabouts are still unknown.

SEC. 4. The Secretary of State is hereby directed to prepare and deliver certified copies of this resolution to the Secretary General of the United Nations, the Secretary of State of the United States, the President of the United States, the Governor of North Carolina, and to Congressmen and United States Senators of North Carolina.

SEC. 5. This resolution shall become effective upon ratification.

## PRINCE JONAH KUHIO KALANIANAOLE—A PRINCE OF THE PEOPLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 15 minutes.

Mr. MATSUNAGA. Mr. Speaker, today marks the 102d anniversary of a significant day in the history of Hawaii—the birth of a former delegate to this House, Prince Jonah Kuhio Kalanianaole. One of the most appealing figures in Hawaiian history, Prince Jonah became, despite his royal heritage, one of the foremost champions of American democracy from Hawaii.

Born on Kauai, only a short distance from my own birthplace, Kalanianaole was a direct descendant of the last independent ruler of that island. While still in his teens, the youth was created a prince of the realm by his uncle, King Kalakaua.

After acquiring an education which took him to Great Britain for studies at the Royal Agricultural College, the Prince was compelled by ill health to return to Hawaii, where he served as a minor official in the Hawaiian monarchy. When the nonnative element forced revolution in the islands in 1893, Kuhio sided with his cousin, Queen Liliuokalani. Shortly after the Republic of Hawaii was established, the unreconstructed Prince was arrested, convicted, and imprisoned for conspiring to effect a royalist uprising. He was released in 1896.

Returning home from a subsequent lengthy world tour, he entered into politics, becoming for a time a member of the home rule party before declaring in favor of the Republicans. This switch in party affiliation occurred in 1902, in which year the Prince received the Republican nomination for territorial delegate to Congress. Victorious in his first campaign, Kuhio established a record of political invincibility from then on. He served as Hawaii's delegate to Congress from 1903 until his death in 1922.

Affectionately known to his colleagues and constituents alike as "Prince Kuhio" or "Prince Cupid," the affable, untiring delegate captured the respect of everyone with whom he came in contact. He rendered significant service to his people and, in 1919, introduced the first of a long series of bills to accord statehood to Hawaii. He successfully sponsored the Hawaiian Homes Commission Act, looking to the salvation of the Hawaiian people from second-class status in their own land.

On January 7, 1922, the prime mover of Hawaiian rehabilitation was called to his father's mansion. Despite his expressed wishes to the contrary, his funeral was conducted with pomp and pageantry, which has never been surpassed in the history of the islands.

Jonah Kuhio Kalanianaote was revered not only as a man of pure motives, but also as the last titular prince of his line. The Hawaiian people today acknowledge that he, through example and influence, played a major role in committing the islanders to an acceptance of America, and converting them to passionate Americanism. That Americanism promises to extend, undiminished, into perpetuity under Hawaiian statehood—a dream that Prince Kuhio nourished, but did not live to see fulfilled.

Truly, Kuhio was "Ke Alii Makaainana"—"A Prince of the People"—and long after his death still serves as an inspiration to his people.

## INTRODUCTION OF LEGISLATION TO REPEAL TARIFFS ON WHEAT IMPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio, (Mr. VANIK) is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, at this time uncertainty prevails with respect to wheat supplies in America in the next few months. Supplies are lower than any time since World War II. It is possible that exports and domestic consumption will be such that there will be spot shortages and wild price fluctuations in the cost of wheat and flour.

It is unconscionable that the United States—one of the three or four great grain basins of the world—would find itself in the position of being short of wheat. Yet, the Department of Agriculture has been so determined on exporting wheat, that they have exported us into high prices and shortages. The Department has treated the food supplies of the United States as a bargain basement commodity—they have been providing a clearance sale of our reserves—and the result may be chaos.

I have joined with others, including the gentleman from New York (Mr. WOLFF) in sponsoring legislation to regulate the export of agricultural commodities to insure that a "reasonable carryover" of supplies not be exported.

Second, in an effort to prepare for possible shortages this summer, I am today introducing legislation to repeal the tariff on wheat. In the event that we will need to import Canadian wheat in certain areas of the country to counter spot shortages, the American consumer is entitled to obtain those supplies at the lowest cost possible. The tariff elimination could help in some small way to hold down food prices.

On January 25, 1974, the President issued a proclamation suspending the limitation on the quantities of wheat and milled wheat products which could be imported into the United States.

Foreign producers cannot plan production on a short-term basis. If we must rely upon such producers for adequate supplies—these supplies should be free of both quota restrictions and tariff costs. The American consumer needs adequate supplies at reasonable prices. If the American farmer prefers to sell his produce to foreigners and create shortages at home, the American consumer has every right to purchase his needs from foreign producers, at this time and from now on.

The legislation I have introduced today will hopefully provide additional relief to American consumers in obtaining necessary supplies of wheat and wheat products.

## LEGISLATION REQUIRED TO END AGNEW EXPENDITURES

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I, along with many of our colleagues, have received letters from constituents very upset over the services extended to former Vice President Agnew at taxpayers' expense after he left office. As a result of the efforts of our colleague JOHN MOSS, the Secret Service guard heretofore provided to Mr. Agnew, illegally according to an opinion by the Comptroller General of the United States, Mr. Elmer B. Staats, has been withdrawn.

I wrote to the Comptroller General on February 22 asking that I be provided with a report on the facilities and staff made available to Mr. Agnew by the General Services Administration. I received a detailed response, as have a number of other Members, which I am setting forth in the RECORD which itemizes the services and expenses incurred on Mr. Agnew's behalf.

Most important, the Comptroller General recommends that the Congress "remove all doubt for the future by enacting appropriate legislation concerning the use of appropriations made for "Special Assistance to the President" and for the use of space by a former Vice President and his staff following his resignation during his term of office." While I am hopeful that it will be a long time, if ever again, before a Vice President is convicted of criminal activity and forced to leave office, the necessary safeguards should be established now. Indeed, we may run into the same problem and thus need an established policy should the President be removed from office.

Therefore, I urge the Appropriations Committee to give consideration to appropriate legislation to protect us in matters of this kind. The letter follows:

MARCH 21, 1974.

Hon. EDWARD I. KOCH,
*House of Representatives.*

DEAR MR. KOCH: This is in response to your recent request that we report to you concerning the services and facilities which have been provided by the Government for former Vice President Agnew since his resignation. Generally, Mr. Agnew has been provided with an office staff, space in government buildings and ancillary services, and, until February 17, 1974, with Secret Service protection. We have concluded, for reasons set forth below, that there is no authority for Secret Service protection of Mr. Agnew but that we cannot say that appropriated funds may not be expended for the other services and facilities which he now enjoys.

With respect to the Secret Service protection, the Secretary of the Treasury was requested in writing by President Nixon on October 10, 1973, to direct the Secret Service to provide a detail for the protection of Mr. Agnew for a reasonable period of time, and on October 11, 1973, the Secretary by memorandum requested the Director of the Secret Service to provide such a detail. A Secret Service representative advised us that, in connection with the protection, the Secret Service provided vehicles and drivers to transport Mr. Agnew. The cost of Secret Service protection for Mr. Agnew from October 10, 1973, the date of his resignation, through December 15, 1973, was $89,222, including salaries and benefits, travel, and miscellaneous expenses, according to a Deputy Assistant Secretary of the Treasury.

The statute prescribing the powers of the Secret Service with respect to protection of public officials and others is section 3056 of title 18, United States Code. Section 3056 contains no authority for the Secret Service to protect the person of a former Vice President, or for the President to direct that it do so, nor are we aware of any other statutory provision which would authorize such protection for Mr. Agnew. In the absence of specific statutory authority the Presidential memorandum to the Secretary of the Treasury, and the Secretary's memorandum based thereon to the Director of the Secret Service, do not, in our opinion, constitute legal authority to provide Secret Service protection for Mr. Agnew.

We understand from newspaper accounts that the Department of the Treasury apparently assumes that the President has "inherent executive power" to order the Secret Service to protect Mr. Agnew. We do not agree. While the President unquestionably has powers not specifically set forth in the Constitution or the laws, these powers "must stem either from an act of Congress or from the Constitution itself." *Youngstown Sheet and Tube Co.*, v. *Sawyer*, 343 U.S. 579, 585 (1952). Thus, for example it has been said that the President has "inherent constitutional authority" to order protection of distinguished foreign visitors to the United States or of official representatives of this country while they are abroad. S. Rept. No. 91–1463, 91st Cong., 2d sess. 2. But the claimed power, in those circumstances, finds its justification in furtherance of the President's performance of his constitutional duties to "receive Ambassadors and other public Ministers" (Article II, section 3), and to make treaties, subject to Senate advice and consent (Article II section 2). No such justification in terms of carrying out a constitutional duty appears to be present in this case. We might point out here that 18 U.S.C. 3056 specifically authorizes Secret Service protection for heads of foreign states and other distinguished foreign visitors.

In view of the foregoing conclusion, we informed the Secretary of the Treasury, by letter dated February 15, 1974, that appropriations for the operations of the Secret Service are not available to pay the costs of furnishing Secret Service protection to former Vice President Agnew, and consequently that future payments made for that purpose would be disallowed. In recognition of the administrative problems involved in discontinuing the protection, we stated that the disallowances would be made on any payments after February 17, 1974. We now understand that the protective services which were being provided for Mr. Agnew were discontinued as of February 17, 1974.

As to the question of staff assistance provided Mr. Agnew, information furnished us by the White House disclosed that, while he held office, Mr. Agnew had 46 personnel assigned to him. We were further advised that 28 of the original 46 staff members had left by December 4, 1973, leaving 18 accountable. Of the remaining 18, 7 were attributed by the White House to what it refers to as the "Office of the Vice President," 3 to the "Senate," and 8 to the "Transition Office." Of the 46 staff members, only the 8 reported, as of December 4, to be in the "Transition Office," were serving as personal staff to Mr. Agnew. The question of authority for this personal staff is discussed in detail below. The other 38 reportedly performed what might be termed a caretaker function, assuring the continued operation of the respective offices maintained for an incumbent Vice President in his executive role and in his role as President of the Senate, in anticipation of the appointment and confirmation of a successor to Mr. Agnew. The salaries of the latter 38 personnel were paid under the authority of either the appropriation for Special Assistance to the President [found in the Treasury, Postal Service, and General Government Appropriation, 1974, approved October 30, 1973, Pub. L. 93–143, 87 Stat. 510] or from the appropriation for clerical assistance to the Vice President [found in the Legislative Branch Appropriation, 1974, approved November 1, 1973, Pub. L. 93–145, 87 Stat. 527] depending on whether they served in the office maintained for a Vice President in his executive capacity or in the office maintained for a Vice President in his role as President of the Senate (i.e. in his legislative capacity).

The services of the staffs, assigned to the "Office of the Vice President" and the "Senate", are reportedly necessary either to wind up activities begun while the Vice President held office which were within the purposes of the respective appropriations, or—as indicated above—to provide a "caretaker" staff which would take necessary actions to carry on those functions of the Vice President which were also within the purposes of such appropriations, in order that the successor Vice President might assume the same functions with minimum disruption. Since, as reported to us, they are not serving Mr. Agnew personally, we have concluded that the use of the cited appropriations as authority for payment of these staffs after the resignation of the incumbent Vice President is proper.

The "Transition Office" consists of the staff directly assisting Mr. Agnew. The salaries of this staff are being paid, as noted, under the authority of the appropriation for "Special Assistance to the President," found in the Treasury, Postal Service, and General Government Appropriation Act, 1974, approved October 30, 1973, Pub. L. 93–143, 87 Stat. 510, 516. In support of the use of this particular appropriation, the Counsel to the President states that:

"The use of this fund has always been at the President's discretion. In recent years it has been used in behalf of the Vice-President but that is not the only legitimate purpose for which these funds may be spent. In this instance the President, in his discretion, directed that a portion of his Special Assistance appropriation be utilized to facilitate the former Vice-President's completion of his governmental affairs. This consists primarily of sorting the numerous public and private papers which have accumulated since his taking office in 1969."

The appropriation for Special Assistance to the President was requested by this Administration, and first appeared in the Treasury, Post Office, and Executive Office Appropriation Act, 1971, approved September 26, 1970, Pub. L. 91–422, 84 Stat. 872. It read, in pertinent part:

"For expenses necessary to enable the Vice President to provide assistance to the President in connection with specially assigned functions * * *." 84 Stat. 876.

This was the language proposed by the Administration. It has been preserved in each succeeding enactment of this appropriation, including the current one which is at issue herein.

The purpose of the appropriation for Special Assistance to the President was, and has remained, to provide staff support for the Vice President with respect to the entire spectrum of his executive duties (as opposed to his legislative duties as President of the Senate, for which funds have been available under the legislative branch appropriation). It was pointed out when the first appropriation for Special Assistance to the President was requested that the Vice President, despite his increasing responsibilities, both statutory and by direction of the President, had no permanent staff of his own other than that provided for in the legislative branch appropriation. Until the enactment of the subject appropriation, staff assistance for the Vice President in connection with his executive duties was being provided by means of "loans" or details of personnel from the executive agencies. See Hearings Before the House Subcommittee on Departments of Treasury, Post Office and Executive Office Appropriations, 91st Cong., 2d sess., 184–92; Hearings Before the Senate Subcommittee of the Committee on Appropriations on H.R. 16900, 91st Cong., 2d sess., 1253–61.

In testimony by the Director of the Office of Management and Budget in support of the appropriation, some examples of the Vice President's executive functions have been listed. Hearings on H.R. 9590 Before a Subcommittee of the Senate Committee on Appropriations, 93d Cong., 1st sess., 1767. Although some of the executive duties to be performed by the Vice President are given him by statute, many of them are assigned or delegated to him at the discretion of the President. For example, by direction of the President, the Vice President is a member of the Cabinet (and acts as Chairman in the President's absence), he is the Chairman, National Council on Indian Opportunity, and he assists the President in the conduct of international affairs. Since the President may in his discretion assign these and other duties to the Vice President, and since the appropriation for Special Assistance to the President is intended to enable the Vice President to perform his executive duties, it follows that the President in effect has some degree of discretion as to how this appropriation is to be used; he may determine what functions the Vice President is to perform to assist him and may direct that the fund or a portion of it be used in connection with one or another of those functions.

However, we cannot accept without some qualification the statements of the Counsel to the President that "the use of this fund has always been at the President's discretion," and that use of it in behalf of the Vice President "is not the only legitimate purpose for which these funds may be spent." Whatever discretion the President has in this respect is limited, by the terms of the appropriation, to its use generally "for expenses necessary to enable the Vice President to provide assistance to the President."

While the President's discretion with respect to this appropriation is thus not unlimited, it clearly extends, as noted, to determining what activities of a Vice President the President considers to be of assistance to him. If a President were to determine, in the exercise of this discretion, that it would be of some official assistance to him to have an incumbent Vice President sort the public and private papers which had accumulated during his tenure—in order, for example, that access to the public papers for official purposes might be facilitated—we have no doubt that he could assign this task to the Vice President and that necessary expenses to enable the Vice President to perform the task could properly be paid from the appropriation for Special Assistance to the President. Moreover, as we stated in our letter to you of December 14, 1973, funds under the Special Assistance to the President appropriation may remain available for expenditure in connection with the activities of a former Vice President in certain circumstances.

In this instance, the appropriation in question is being used to pay the salaries of staff assisting the former Vice President in "sorting the numerous public and private papers which have accumulated since his taking office in 1969." This is said to be for the purpose of facilitating the former Vice President's "completion of his governmental affairs." As indicated above, the legislative history of the appropriation in question contains no indication whatever as to whether the staff assistance would continue after the resignation of a Vice President, but we doubt that the Congress intended that the appropriation would be available for the purpose of continuing staff assistance during the period of time here involved. Under normal circumstances, that is when a Vice President vacates his office at the expiration of his term, funds for winding up his affairs would be appropriated by the Congress under the authority of the Presidential Transition Act of 1963.

However, in view of the lack of any clear legislative history that the funds under the appropriation in question can only be used to defray expenses when a person is holding office as Vice President and especially the President's discretion in the matter, we are unable to conclude that such funds are not legally available to enable a former Vice President, who resigned during his term of office, to perform a task which the President deems to be of assistance to him and for which the appropriation would have been available while the former Vice President held office. Since we cannot say that the use of Mr. Agnew's staff is not to some degree official in purpose, we must conclude also that the expenditures by the General Services Administration, for office space in Government buildings and for ancillary services for Mr. Agnew and this staff, are legally proper.

The Counsel to the President advises us that "it is expected" that the staff services and facilities being provided for Mr. Agnew will not be continued beyond the first part of April 1974.

We recommend that the Congress remove all doubt for the future by enacting appropriate legislation concerning the use of appropriations made for "Special Assistance to the President" and for the use of space by a former Vice President and his staff following his resignation during his term of office.

We note finally that Mr. Agnew has enjoyed the use of the franking privilege subsequent to his resignation. By virtue of a Joint Resolution of the Congress, approved October 26, 1973, Pub. L. 93–138, 87 Stat. 503, the Secretary of the Senate was directed to allow certain specified uses of the franking privilege to Mr. Agnew through November 10, 1973, "with respect to official business occurring as the result of his having held the office of Vice President." Expenditures of $287.12 attributable to Mr. Agnew's use of the frank were reported to us to have been made from October 10, 1973, through December 4, 1973. See also 39 U.S.C. 3210, extending the use of the frank to a Vice President, for matter relating to his official business until the 1st day of April following the expiration of his term of office. This Office lacks authority to pass upon the propriety of a particular use of the frank. See section 5 of the act of December 18, 1973, Pub. L. 93–191, 87 Stat. 737, 742.

We hope that this report will be helpful to you.

Sincerely yours,

ELMER B. STAATS,
*Comptroller General of the United States.*

## FINLAY LEWIS: IMPEACHMENT: NIXON IN CRISIS

(Mr. FRASER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FRASER. Mr. Speaker, in a series of seven articles published in the Minneapolis Tribune, February 3–9, 1974, Finlay Lewis of the Tribune's Washington bureau has done a fine job of placing the current impeachment question into context.

Lewis examines the British origins of impeachment, looks at the deliberations of our founding fathers on this matter, considers past impeachments with one article devoted to the Andrew Johnson impeachment and reports on a series of interviews with Congressmen and others involved with the impeachment process.

Finlay Lewis has produced a clear and thoughtful overview of impeachment. It is this sort of reporting that makes complex public questions understandable and meaningful to concerned citizens. The seven articles follow:

### STRONG WORDS FLY AS PRESIDENT'S OUSTER IS DEBATED—I

(By Finlay Lewis)

WASHINGTON, D.C.—John M. Doar, a Minneapolis native and a lawyer who is a veteran of many bitter public controversies, works in seclusion these days on one of the most momentous issues of the century—the impeachment of Richard Nixon.

Hired by a Democrat, Doar, a nominal Republican, has assembled a staff of about 30 other lawyers that now sprawls over an entire floor of the Congressional Hotel.

Politely, but firmly, Doar, 52, refuses most requests for interviews, saying that he will not discuss the issue until he is good and ready—and then only at the bidding of his client, U.S. Rep. Peter Rodino, D-N.J., chairman of the House Judiciary Committee.

But outside the confines of Doar's staff, partisans on both sides of the impeachment issue are staking out positions in increasingly strident tones.

President Nixon, who has a long history of viewing his own political development in terms of crises confronted and overcome, once again sees himself as an embattled man and appears to be preparing for what may be the ultimate crisis of his career.

"There is a time to be timid. There is a time to be conciliatory. There is a time, even, to fly and there is a time to fight. And I'm going to fight like hell," Mr. Nixon reportedly told a group of Republican congressmen late last month.

He is not without powerful allies.

One of his friends, U.S. Rep. John Rhodes of Arizona, Republican minority leader in the House, asserted recently that Democrats on Rodino's committee who have sponsored impeachment resolutions should disqualify themselves from voting on the issue.

Then, last week, Attorney General William Saxbe told U.S. News and World Report that President Nixon is not guilty of an impeachable offense, the entire history of the Watergate scandal notwithstanding.

"An impeachment action—especially a bitter partisan impeachment, which it would have to be if no further crimes of a great nature are developed—would tear this country apart," Saxbe told the magazine.

To all of this Rep. Robert Drinan, D-Mass., replied: "Baloney."

Drinan, a Judiciary Committee member, said he sponsored an impeachment resolution on the "assumption . . . that the president would have a hearing and that perhaps he can exculpate himself."

"That's a bunch of crap," said Rep. Charles Wiggins, R-Calif., one of the president's most respected defenders on the committee. "This notion that impeachment will clear the air—that's a lot of nonsense and the members shouldn't fall for it," Wiggins said in a recent interview. "In our tradition, people are not asked to stand trial in order to prove their innocence."

All this is preliminary to the main event as politicians in the nation's capital—after months of doubt and uncertainty—confront the full implications of the Watergate scandal and, ultimately, the central question. It is this:

Should Mr. Nixon be formally impeached by the U.S. House of Representatives for high crimes and misdemeanors and brought to trial before the U.S. Senate, where a guilty verdict would mean his removal from office and the succession of Vice President Gerald Ford?

The Judiciary Committee has been assigned jurisdiction over impeachment and Rodino and his colleagues will be the first in Congress to confront the matter officially. But before doing so, the committee must find an answer to another, equally fundamental, question:

What, in fact, are the proper grounds for impeachment?

How Congress answers that question will have a decisive impact on the fate of the Nixon presidency. As the issue unfolds, history will be scoured—by all participants—for helpful clues and guideposts.

Impeachment—essentially an accusation akin to a criminal indictment—has been embedded in English law since at least 1386 when the Earl of Suffolk was impeached for high crimes and misdemeanors centering on the misapplication of appropriated funds.

During the 17th and 18th centuries, the impeachment process became a potent and often bloody weapon in Parliament's struggle to assert legislative supremacy over the British crown.

Since the monarchy itself was considered unassailable, Parliament's targets were most often judges and ministers who were viewed as extensions of the crown's authority.

Time and again, the House of Commons sat as the "Grand Inquest of the Nation" to prefer articles of impeachment against the highest executive officials of the realm who would then be tried at the bar of the House of Lords.

Eventually successful in its fight for ministerial control, Parliament allowed the impeachment process to fall into disuse.

But at about this time—in 1787—the framers of the Constitution began meeting in Philadelphia to forge a charter for the new United States.

Mindful of Parliament's struggles with the crown, the founding fathers were determined not to create a government that could be turned into a vehicle of oppression by a power-hungry or corrupt executive.

For example, James Madison, the principal architect of the Constitution, told the Philadelphia convention: "It (is) indispensable that some provision be made for defending the community against the incapacity, negligence or perfidy of the chief magistrate.

"The limitation of the period of his service was not a sufficient security. He might lose his capacity after his appointment. He might pervert his administration into a scheme of peculation or oppression. He might betray his trust to foreign powers."

And so the framers wrote several paragraphs into the Constitution to define an impeachment procedure. Their draftsmanship included article II, section 4:

"The president, vice president and all civil officers of the United States, shall be removed from office on impeachment for, and conviction of, treason, bribery and other high crimes and misdemeanors."

"And other high crimes and misdemeanors"—the meaning of that phrase lies at the core of the controversies that have flared during the decades since the Constitution was ratified.

In all, 12 "civil officers"—nine judges, a senator, a cabinet officer and President Andrew Johnson—have been impeached. Four have been convicted and removed from office after trial by the Senate.

In almost every instance, the crucial issue has been the definition of an impeachable offense. Inevitably, definitions have been developed to suit the partisan objectives of contending forces in Congress.

The founding fathers apparently expected that this would be the case.

For example, Alexander Hamilton, writing in the Federalist Papers before the Constitution was ratified, said, "Impeachments . . . are of a nature which may with peculiar propriety be denominated political, as they relate chiefly to injuries done to the society itself.

"The prosecution of them, for this reason, will seldom fail to agitate the passions of the whole community, and to divide it into parties more or less friendly or inimical to the accused."

In general, forces seeking impeachment have sought broad, essentially political, definitions of offenses that could justify removing a civil officer from public life. The defenders have insisted on narrow, legalistic ground rules.

For example, when Gerald Ford—then GOP minority leader in the House—was attempting to impeach Supreme Court Justice William O. Douglas, he suggested the following approach during a floor speech on April 15, 1970:

"What, then, is an impeachable offense? The only honest answer is that an impeachable offense is whatever a majority of the House of Representatives considers it to be at a given moment in history; conviction results from whatever offense or offenses two-thirds of the other body consider to be sufficiently serious to require removal of the accused from office . . ."

More recently, however, Ford, speaking as vice-president and a defender of Mr. Nixon, shifted ground.

Appearing on NBC's Meet the Press program, Ford said on Jan. 6 that the impeachment of a president is not like the impeachment of a judge.

A judge, unlike all civil officers, is appointed to his post for "good behavior," a phrase that goes undefined in the Constitution.

"So good behavior is pretty much what the Congress decides. But the definition for impeachment of a president is very specific," Ford said.

He went on to express confidence that there are no grounds to impeach Mr. Nixon under the "specific definition" provided by the Constitution.

Elaborating on the same theme, Rhodes, in a recent breakfast meeting with reporters, argued that an impeachable offense must involve a law violation that could otherwise provide grounds for a criminal indictment by a grand jury.

That notion has been attacked by Drinan and other Democrats, and also by a number of Republicans.

"The first illusion we have to break is that you have to prove a criminal offense (to the President). This is a political offense," Drinan said.

In broad terms, then, these are the arguments that will be the focus of the impeachment debate in the coming months.

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## HISTORY MAY AFFECT FUTURE OF NIXON PRESIDENCY—II

(By Finlay Lewis)

WASHINGTON, D.C.—The fate of Richard Nixon's presidency may well be determined by the intrigues of public men who are now dead and buried beneath history.

The "odious Scroggs;" a 17th century lord mayor of London named Sir Richard Gurney; and Blackstone, the famous English jurist, are names that may be summoned from the past as Congress confronts impeachment.

The evidence will be contemporary and so will the allegations.

But the precedents will stretch at least as far back as 1386 when the Earl of Suffolk, accused of mishandling appropriated funds, was impeached by the British Parliament for high crimes and misdemeanors.

In 1679—as a power struggle between Parliament and the crown was nearing a climax—the House of Commons declared that impeachment was "the chief institution for the preservation of government."

To Raoul Berger, a leading authority on impeachment, that declaration is no less valid today than it was in 17th and 18th century England when Parliament successfully resorted to impeachment as a means of asserting its supremacy over the throne.

In an interview with the Educational Broadcasting Corp. on Jan. 22, Berger, a senior fellow in American legal history at Harvard Law School, said, "we have had, on the whole, nothing comparable to the conduct in office of the Nixon administration."

Berger went on to assert that "corruption" by Nixon Cabinet members threatened to undermine "the electoral process which goes to the vitals of democracy."

Elaborating on that comment Berger said, "Our experience shows that when you don't curb excessive power it becomes arrogant and oppressive, tyrannical, and you've just got to guard against that."

The administration, Berger noted, used national security as a justification for covert intelligence-gathering operations, such as the burglary of a psychiatrists's office in connection with the Pentagon Papers prosecution of Daniel Ellsberg.

"If we get a man who begins to have tyrannical aspirations—and here we've got all these breaches in the name of national security—well, you've got to be able to pull that man down. Impeachment gives us the machinery to do that."

Berger's influence is likely to be considerable when the House Judiciary Committee prepares its recommendation to the full House on whether Mr. Nixon should be peached.

In doing so, one of the committee's first tasks will be to define the meaning of the paragraph in the Constitution which says, "The president, vice president and all civil officers of the United States shall be removed from office on impeachment for, and conviction of, treason, bribery or other high crimes and misdemeanors."

Particularly troublesome are the words "high crimes and misdemeanors."

When the founding fathers wrote the Constitution in 1787, did they mean that a civil officer could only be impeached for a "high," or serious violation of law that would also be indictable? Or did they intend the phrase to encompass the broader realm of political crimes against society? This is a question that Berger has treated exhaustively in his scholarly book, "Impeachment: The Constitutional Problems."

Based on a close study of English and American constitutional history, he concludes that the phrase is peculiar to impeachments and is "without roots in the criminal law."

As a weapon to establish parliamentary democracy, impeachment in England was used to "bring corrupt and oppressive ministers to heel," Berger wrote.

A few pages later, he added, "The framers (of the U.S. Constitution) were steeped in English history; the shades of despotic kings and conniving ministers marched before them."

In an interview with the Tribune, Berger said, "The founding fathers were well aware that the House of Representatives fell heir to the inquiry powers of the House of Commons as the 'grand inquest of the nation.'

"There was a tremendous distrust of executive power. They felt that the greatest source of aggrandizement was the executive and when the chips were down they gave Congress the power to remove him for jurisdictional excesses, for usurpation of power and for subversion of the Constitution."

Berger's book cites example after example of English impeachments to show that the ouster of ministers and judges was based on accusations of noncriminal misconduct.

Chief Justice Scroggs, for instance, was impeached from his post in 1680 for dismissing a grand jury before it could take action against "Papists."

Sir Richard Gurney was impeached from office as lord mayor of London in 1642 for thwarting Parliament's order to store arms and ammunition in city warehouses.

Other officers of the crown were impeached for such "offenses" as giving bad advice to the king, advocating unwise peace terms, alienating the king from Parliament, isolating the king from other advisers and, in one instance, giving medicine to the king without the advice of a physician.

Several Republican members of the Judiciary Committee who have read the Berger book contend in interviews that Berger has an anti-Nixon bias. They assert that his conclusions should be weighed in that light.

In this vein, Rep. Edward Hutchinson, the ranking Republican on the committee, said, "I think that impeachment is just another attack by the enemies of Richard Nixon on Richard Nixon."

Rep. John Rhodes, the GOP's floor leader in the House, is not a member of the committee. But he said he has read parts of Berger's book and disagrees with much of what he studied.

"He's a committee of one," Rhodes said.

Berger insisted, however, that he finished his book and sent it to the publishers nearly three years ago—long before any serious thought was given to impeaching Mr. Nixon.

He also rejected the notion that impeachment should be viewed as an open-ended political process by which a president could be thrown out of office as soon as opponents command the necessary votes in Congress.

Instead, he argued that the phrases "high crimes and misdemeanors" had a specific, technical meaning to the Constitution's framers, based on their understanding of English history.

In broad terms, Berger defines the phrase as involving misapplication of funds; abuse of official power; encroachment on, or contempt of, Parliament's prerogatives, and corruption.

Recently, Berger's view was buttressed by an impeachment study issued by the prestigious Association of the Bar of the City of New York. The study, surveying British precedents, concludes:

"The English practice of 'impeachment for high crimes and misdemeanors' was not predicated on criminal acts.

"High misdemeanor" was a catch-all term covering serious political abuses of various kinds, used only in parliamentary impeachment proceedings, and without roots in the normal English criminal law."

### What Constitutes Grounds for Impeachment?—III

(By Finlay Lewis)

WASHINGTON, D.C.—If Richard Nixon's enemies ever choose a prophet, the most likely candidate probably would be James Madison.

As the principal drafter of the U.S. Constitution in 1787, Madison obviously had no way of knowing that some day there would be a Watergate burglary, a Watergate cover-up, a plumbers squad or any of the other scandals that have brought President Nixon to the brink of impeachment.

Nonetheless, it is almost impossible to discuss impeachment these days without either invoking or debunking Madison's views on the subject.

To present day experts on impeachment, like Raoul Berger of Harvard Law School, Madison's conclusions are akin to gospel for the light they throw on the intent of the founding fathers when they wrote the impeachment clauses into the Constitution at the Philadelphia convention.

Particularly pertinent, in view of the mounting list of former Nixon associates now either indicted or convicted of Watergate crimes, is a remark by Madison during the first Congress.

Arguing that the president should have a free hand in firing his subordinates, Madison said, "It will make him, in a peculiar manner, responsible for their conduct, and subject him to impeachment himself, if he suffers them to perpetrate with impunity high crimes or misdemeanors against the United States, or neglects to superintend their conduct, so as to check their excesses. On the constitutionality of the declaration, I have no manner of doubt."

Berger, a senior fellow in American legal history at Harvard and author of an authoritative book on impeachment, asserted that a president can be impeached for such offenses as "abuse of trust, corruption or neglect of duty."

It is no longer an academic question, according to Berger.

"Neglect of duty. Madison ties it all up by saying that a president can't neglect to supervise the excesses of his subordinates," Berger noted in the interview.

"In other words, you can't give all sorts of powers to your subordinates and shut your eyes to what they do with it. You're responsible for what they do and, in fact, Nixon admits he's responsible."

Others—particularly those who are inclined to defend the president—aren't convinced.

For example, Rep. John Rhodes, GOP minority leader in the House, said, "I don't think you could ever get anyone to be president if he could be held impeachable for the acts of his subordinates. The federal government is just too big. It doesn't make any sense."

Rep. Edward Hutchinson of Michigan, the ranking Republican on the House Judiciary Committee, also takes a narrow view of Madison's theory of executive responsibility.

"The president ought not to be impeached for the unlawful acts of his subordinates unless he directed those actions or specifically ratified them," Hutchinson said in an interview.

Hutchinson's opinion is significant because of his senior role on the committee that must eventually recommend a course of action on impeachment to the full House.

The House will decide whether to adopt a formal accusation against Mr. Nixon. If it does so, the accusation will be presented to the Senate as articles of impeachment.

The Senate, with the chief justice of the United States presiding, would try the president on the basis of the articles and could remove him from office, upon conviction by a two-thirds majority vote on one or more of the articles.

The procedure set forth by the Constitution was inspired by the British Parliament's use of impeachment in the 17th and 18th centuries to undercut the throne's power by removing its ministers and judges for political crimes against society.

Taking their cue from Parliament's battles with "royal oppression" the founding fathers viewed impeachment as a mechanism for curbing the "tyrranical aspirations" of a future power-hungry and corrupt executive, according to Berger.

A study of the records of the Philadelphia convention shows that impeachment was first proposed by Madison in his "Virginia plan." After some debate it was decided that the president would be removable "on impeachment and conviction of mal-practice or neglect of duty."

Two delegates, Charles Pinckney and Gouverneur Morris, later attempted to delete the impeachment clause but were defeated. During the debate, Benjamin Franklin described impeachment as "favorable to the executive."

If the "chief magistrate" could not be removed by an impeachment process, Franklin reasoned, the only alternative would be "assassination in which he was not only deprived of his life but of the opportunity of vindicating his character."

Madison contended that impeachment was necessary to guard against the "incapacity, negligence or perfidy of the chief magistrate."

The clause was then amended to make "malpractice or neglect of duty" grounds for a president's removal; still later it was refined to "treason or bribery."

But George Mason felt that the clause was too limited and he moved that it be expanded to include "maladministration."

Madison then objected, saying, "So vague a term will be equivalent to a tenure during the pleasure of the Senate."

At that point, Mason proposed—and the convention, accepted—the phrase "high crimes and misdemeanors." That is the precise language of many of the earlier English articles of impeachment.

Despite his objections to "maladministration" as a constitutional basis for impeachment, Madison told the First Congress a few years later that a president who removes "meritorious" subordinates "will be impeachable by the House before the Senate for such an act of maladministration."

Berger, based on his studies of the convention record and of English and American constitutional history, concludes that impeachable acts are essentially political in nature and can be categorized as abuses of trust and power, and neglect of duty.

Rhodes, on the other hand, takes a narrow definition of the phase "high crimes and misdemeanors" and argues that an impeachable offense must be tantamount to an indictable crime—a far tougher standard than Berger's and one that would be most favorable to Mr. Nixon.

Rep. Thomas Railsback of Illinois, an influential Republican on the Judiciary Committee, questions the importance of historical precedent in guiding the committee's work.

"I don't think necessarily that every pronouncement by the founding fathers is going to have binding weight on what we do," Railsback said.

Alexander Bickel, a noted law professor at Yale Law School, also said that he does not think the "antiquarian aspects of the subject" should be decisive.

Bickel said that an impeachable offense need not be confined to indictable crimes. But he warned against using impeachments "as an ordinary kind of political technique to hold the president responsible as the executive is held responsible in a parliamentary form of government."

He added, "The framers didn't intend that and I use that as a kind of baseline. The danger of too broad a definition is that you encourage Congress to look at the polls and whenever it becomes politically popular, you fire the president. And perhaps it's just because he's Harry Truman and he's lost a lot of popularity by firing a Douglas MacArthur."

### Impeachment: Nixon in Crisis—IV

(By Finlay Lewis)

WASHINGTON, D.C.—The ill-fated attempt to impeach Supreme Court Justice William O. Douglas has come back to haunt the Nixon Administration.

The move four years ago against Douglas, a liberal justice with outspoken views on social issues, was spear-headed by Gerald Ford, then Republican floor leader in the U.S. House and now vice president. Ford's efforts were greatly assisted by President Nixon, who pledged full cooperation with the investigation in a May 19, 1970, letter to the House Judiciary Committee.

Mr. Nixon wrote "The power of impeachment is, of course, solely entrusted by the Constitution to the House of Representatives. However, the executive branch is clearly obligated, both by precedent and by the necessity of the House of Representatives having all the facts before reaching its decision, to supply relevant information to the legislative branch, as it does in aid of other inquiries being conducted by committees of the Congress, to the extent compatible with public interest."

Thereafter hundreds of documents relating to Douglas, including highly personal files from the FBI, CIA and Internal Revenue Service, were made available to the impeachment investigators.

White House officials now say that the Nixon letter is "under study" by the President's lawyers. Their inquiry is evidently aimed at undercutting the claim that the

President's letter established a precedent obligating him to make a wholesale disclosure of personal records now that he is the object of an impeachment inquiry by the House Judiciary Committee.

The attack on Douglas died after a special subcommittee concluded that the charges against the justice were groundless and politically motivated.

Nonetheless, the Douglas issue demonstrates the difficulties that have plagued politicians ever since the framers of the U.S. Constitution decided that judges would hold office "during good behavior" and that all civil officers—including presidents and judges—would be impeachable for "treason, bribery or other high crimes and misdemeanors." The problem basically has been to define what that language means.

In launching his attack on Douglas, Ford offered a broad definition of the Constitution's impeachment clauses when he told the House that "an impeachable offense is whatever a majority of the House of Representatives considers it to be at a given moment in history."

Later in the same speech he narrowed that definition somewhat when he said that presidents and vice presidents could be impeached by the House—and removed by the Senate—only for "crimes of the magnitude of treason and bribery." Then, in a recent interview program, Ford moved to Mr. Nixon's defense by saying that evidence to impeach a president must fall "within the specific definition under the Constitution."

The specific definition of an impeachable offense, however, has proven remarkably elusive.

The problems began in 1797 when the House voted its first articles of impeachment, against a U.S. senator from Tennessee named William Blount who was accused of plotting with England to overthrow Spanish control of territories in Florida and Louisiana. During the Blount trial Rep. James Bayard, one of the House "managers," or prosecutors, drew a conclusion that has been at the core of virtually every impeachment debate since the Constitution's inception.

"There may be cases appropriate for the exercise of the power of impeachment where no crime or misdemeanor has been committed," Bayard said.

That is not the modern day view of U.S. Rep. Edward Hutchinson of Michigan, the ranking Republican on the Judiciary Committee. In an interview Hutchinson asserted: "My own opinion is that a president ought not to be impeached except for an indictable offense which is so gravely offensive to society as to be intolerable."

U.S. Rep. Joshua Eilberg, D–Pa. and a committee member, disagrees. A president may be guilty of an impeachable offense if he commits an act which "shocks the conscience" even though it may not involve a criminal violation of the law, Eilberg said.

This argument was advanced successfully in 1912 when the House impeached a federal judge named Robert Archibald for exerting improper influence over litigants. The Senate, achieving the constitutional requirement of a two-thirds majority in impeachment cases, convicted Archibald, thus removing him from office, even though the House managers acknowledged that Archibald's activities "were not intrinsically wrong, and would have been blameless if committed by a private citizen."

Both sides buttressed their arguments by repeated references to English history, with the managers arguing that Parliament used impeachments as a political weapon against ministers, judges and other agents of the crown who committed political crimes against society.

Replied a lawyer for Archibald:

"Are you going back to the days when a man was impeached simply because he happened to have been put in office by those who have themselves just been turned out? If that is the view you are going to accept, then perhaps every four years in this country there will be a wholesale slaughter."

He concluded that the "best precedents show that, except for an indictable offense, no impeachment would lie under the laws of England."

Archibald was one of four federal officeholders who have been convicted and ousted from his post by the Senate. Eight others have been impeached by the House, of whom six were acquitted by the Senate. The other two officers resigned before their Senate trials.

Another conviction involved Halsted Ritter, a federal judge who was removed from office in the most recent Senate trial, in 1936. Ritter, a Republican appointed to the Florida district bench, was acquitted by the Senate of the first six articles of impeachment brought by the House, all of which alleged criminal conduct.

For example, one of those six articles accused Ritter of promoting a lawsuit in his court and accepting $4,500 from a former law partner out of the fees that the judge allowed in the case.

However, Ritter was convicted by a coalition of New Deal Democrats, liberal Republicans and Progessives on the final article, which accused Ritter simply of bringing his court "into scandal and disrepute."

Historian Irving Brant, in his book "Impeachment: Trials and Errors," argues that the Ritter and Archibald convictions created dangerous precedents that could erode the judiciary's independence and subvert the electoral process. "It extended an open invitation for political assaults on the legal or social philosophy of the Supreme Court," Brant wrote.

Raoul Berger, a Harvard law professor and author of an authoritative book on impeachment, takes a more sanguine view. Discussing the Ritter case he wrote: "The drawing of political lines goes to the motivation behind the given impeachment. The critical focus . . . should not be on political animous, for that is the nature of the beast, but on whether Congress is proceeding within the limits of 'high crimes and misdemeanors' and affording a fair trial."

The "political animus" described by Berger was clearly present when the partisans of President Thomas Jefferson engineered the first two judicial impeachments in the early 1800s. Both men—Judge John Pickering of New Hampshire and Supreme Court Justice Samuel Chase—were Federalists loyal to Jefferson's political enemies.

The Senate convicted Pickering, a senile, profane drunkard, but acquitted Chase, whose habit of delivering anti-Jefferson harangues to juries virtually invited impeachment. Chase was saved only after the Federalists, forming a solid phalanx in the Senate, coaxed some disenchanted members of Jefferson's Republican Party to join their ranks.

Now, once again, political lines are being drawn and the area for political maneuvering defined.

Said Rep. William Hungate, M-Mo. and a member of the Judiciary Committee: "There are some Democrats on the committee who would vote to impeach Nixon today. And there are a few Republicans who wouldn't vote to impeach Nixon if he were caught in a bank vault at midnight."

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### Impeachment: Nixon In Crisis—V

(By Finlay Lewis)

Washington, D.C.—President Nixon is not anxious to share Andrew Johnson's unique niche in history.

But comparisons are inevitable and, whatever else happens, it seems likely that future historians will note that Mr. Nixon became the second president in American history to fall into jeopardy of impeachment.

President Johnson owes his notoriety to the fact that on Feb. 24, 1868, he was impeached by the U.S. House of Representatives. However, he managed to finish his term when the U.S. Senate failed by one vote to muster the two-thirds majority required by the Constitution for conviction.

There are similarities as well as many striking differences between the two situations.

Both men, facing hostile Congresses, were accused during preliminary maneuvering, in the formal language of the Constitution, of impeachable "high crimes and misdemeanors."

And, as confrontation with the lawmakers neared, both attempted to go over the heads of their enemies and to rally public opinion by emotional assertions of innocence.

Johnson, the luckless inheritor of a nation torn by civil war, declared:

"I have been traduced, I have been slandered, I have been maligned, I've been called Judas Iscariot and all that. Now my countrymen here tonight, it is easy to call a man Judas and cry out traitor. But when he's called upon to give arguments and facts, he is very often found wanting."

Mr. Nixon, replying to a host of charges stemming from the Watergate scandal, felt compelled to resort to similar rhetoric when he asserted to the nation last fall that "I am not a crook."

To a certain extent, Mr. Nixon's fate now rests in hands other than his own. Much will depend on what happens in the next few weeks on a variety of fronts.

The House Judiciary Committee will decide what constitutes an impeachable offense and whether the evidence warrants further impeachment action by the full House against Mr. Nixon.

Grand juries will likely hand down more Watergate indictments, while trials proceed in different courts against former Nixon associates.

The Congressional Joint Committee on Taxation will decide whether Mr. Nixon was justified in taking large deductions that saved him more than $300,000 in taxes since taking office.

But, while all this is going on, Mr. Nixon's lawyers and advisers will be combing the records of the Johnson impeachment for any clues that will help them develop an effective strategy against those who claim that the president abused his powers and committed impeachable offenses.

The precedents in that case indicate that an extraordinary combination of events were necessary to precipitate impeachment.

A man of little formal education, Johnson was an outspoken Democrat from Tennessee with a deeply ingrained dislike of wealth and privilege.

He was the only Southern senator to oppose secession and the formation of the Confederacy—a fact that was very much on President Abraham Lincoln's mind when he named Johnson military governor of Tennessee after the Civil War erupted.

Then, in 1864, Lincoln asked Johnson to join him on the Union Republican ticket as the vice-presidential candidate.

So, when Lincoln was assassinated, it became Johnson's task to carry out a reconstruction policy that would reunite the nation after a bloody and bitter war.

It may well have been an impossible job. Soon after taking office, he found himself locked in a power struggle with the Radical Republicans in the Congress over the direction of reconstruction.

An extreme fiscal conservative and an advocate of a limited federal government, he vetoed key pieces of Republican legislation—such as acts to establish a freedman's bureau and to protect civil rights.

Both measures—later passed over his veto—were part of a Republican design to make the newly freed slaves in the South politically and economically self-sufficient, and, in the broadest sense, to preserve the fruits of the Union's military victory over the South.

As Johnson grew more alienated from the Republican-dominated Congress, he opposed the 14th Amendment, attempted to undercut the effectiveness of Northern troops sent to protect blacks and union loyalists in the South, and used patronage to place former rebels in positions of importance in newly formed state governments in the South.

Emotions ran high.

Said Sen. Charles Sumner of Massachusetts, a leading Radical Republican: "Andrew Johnson is the impersonation of tryannical slave plower. In him it lives again. Every sentiment, every conviction, every vow against slavery must now be directed against him. Pharos is at the bar of the Senate for judgment."

It was in this inflamed atmosphere that the idea of impeachment flourished.

The first attempt to mount an impeachment drive in the House failed in late 1867, in large part because a number of key congressmen felt it first necessary to show that Johnson had broken the law.

The problem was remedied by the Tenure of Office Act, which required the president to seek the consent of the Senate before firing a subordinate. A measure aimed at handcuffing the president, it was diluted somewhat by Senate conservatives who insisted that Cabinet officers should be included only for the term of the president who appointed them and for one month thereafter.

The act came into play as Johnson maneuvered to rid his Cabinet of the secretary of war, Edwin Stanton, a Lincoln holdover and a Radical Republican who leaked administration secrets to Johnson's enemies in Congress.

At first, Johnson tried to fire Stanton according to the terms of the act, but when the Senate refused to consent to the dismissal he abruptly ordered Stanton out of office.

Three days later, the House, functioning as a kind of political grand jury, voted impeachment.

The House "managers," or prosecutors then presented the Senate nine articles of impeachment relating to Johnson's violation of the Tenure Act, an article accusing Johnson of attempting to bring Congress into "disgrace" by intemperate speeches and another article attributing criminal intent to Johnson when he fired Stanton.

In fact, it was not clear that the Tenure of Office Act applied to Stanton because he originally was appointed by Lincoln, not Johnson. During the trial, the president's lawyers also attacked the measure's constitutionality—a point on which they were upheld many years later when the U.S. Supreme Court ruled it unconstitutional.

The opposing arguments by the House managers and by the president's lawyers by and large fell into the pattern of impeachment trials before and since.

One of the managers, Benjamin Butler of Massachusetts, asserted that an impeachable offense is one that is "in its nature or consequences subversive of some fundaental or essential principle of government or highly prejudicial to the public interest."

To transgress in this way, a president need not break the law but only has to abuse his "discretionary powers from improper motives or for any improper purpose," Butler said.

The president's lawyers were as narrow in their definitions of impeachable offenses as the managers were broad.

In this vein, one of Johnson's attorneys told the Senate that an impeachable offense must be synonomous with "high criminal offenses against the United States, made so by some law of the United States existing when the acts complained of were done."

In the end, Johnson was permitted to complete his presidency when seven Republicans defected and voted against impeachment.

The defections—and the acquittal—were caused by several factors. For example, there was genuine uncertainty in the minds of some about Butler's assertions concerning the breadth of impeachable offenses.

In addition, several of the conservative Republicans crossed party lines because they were appalled by the Radical Republican views of Benjamin Wade of Ohio, who as president pro tem of the Senate would have succeeded Johnson.

Wade was well known as an advocate of an expansionist, of "soft," money policy and of high tariffs, while the conservatives were committed to the reverse—tight money and low tariffs.

Equally significant in determining the outcome was Johnson's promise that he would be on good behavior during the balance of his term and would not pick any more fights with Congress.

In the present context, that would be equivalent to Mr. Nixon's attempts to persuade Congress and the people that there will be more "bombshells" stemming from the Watergate scandal.

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### Impeachment: Nixon in Crisis—VI

(By Finlay Lewis)

WASHINGTON, D.C.—A civil-rights lawyer in Washington predicts that "popular outrage" will force Richard Nixon's impeachment, while a Texas farmer complains that "biased news media" are trying to set aside the will of the majority.

Meanwhile, a member of the House Judiciary Committee, where the first major battles will be fought, grumbles privately about having to face a no-win situation. "I have Republican friends and Democratic friends. Somebody back there is gonna end up not likin' me," he says.

But to Charles Morgan, a lawyer who has fought on the side of the underdog for nearly 20 years in the South, the issue is clear cut.

"Hell, a service station operator in south Minneapolis who doesn't have any gas to pump knows what the facts are. Some things in life are pretty simple, like the difference between right and wrong. That's not much chance that he won't be impeached," Morgan said.

Morgan now is executive director of the Washington, D.C., chapter of the American Civil Liberties Union (ACLU). The ACLU is one of a number of traditional liberal pressure groups that have started lobbying to impeach Mr. Nixon and thereby bring him to trial before the bar of the Senate to defend his presidency.

But they are not going unopposed. In Providence, R.I., Rabbi Baruch Korff works out of a cramped set of offices with a skeleton staff of seven as he tries to keep up with a snowballing movement to defend the president.

Rabbi Korff can now pick up the telephone and talk long distance to any number of like-minded allies around the country, such as Donald Kendall, president of Pepsi-Cola and head of Americans for the Presidency, or a farmer in McAllen, Texas, named Othal Brand, founder of the Committee to Support the President.

Brand, who is quickly getting the hang of grassroots organizing, says he's speaking for a huge constituency when he says that his people are fed up with the anti-Nixon bias of the "Eastern news media and the liberal establishment."

"We're just damned tired of it, to speak in plain English," said Brand who described himself in an interview as "an independent Democrat."

Rabbi Korff's organization—the Committee for Fairness to the Presidency—has raised about $400,000 through advertising appeals since it was founded last July. Of that, about 90 percent is plowed back into a series of newspaper ads bearing such titles as "assassins," "the rape of America," and "Mr. President, we shall persist."

In ads, on television and radio talk shows and in interviews Rabbi Korff insists that Mr. Nixon has not committed an impeachable offense.

"What they lay out as grounds for impeachment are matters that have been committed by most of the president's predecessors. The Bay of Pigs was a far larger tragedy, precipitating far greater consequences than the Watergate breakin, which was stupid and puerile.

"But did the press or the Congress investigate the Bay of Pigs? The answer is no. It's this double standard that bothers me," Rabbi Korff said.

Rabbi Korff's opponents disagree with his analysis.

The ADA, the ACLU and the AFL–CIO have all compiled comprehensive catalogues of impeachable offenses which they believe can be pinned on the president. Some of the offenses involve alleged criminal violations of the law; others do not.

But perhaps the most thorough tract on the subject is one by William Dobrovir and three other lawyers. Relying mainly on court and congressional records, the four lawyers pulled together a 163-page book describing 28 indictable crimes that they attribute to Mr. Nixon.

The facts contained in the book are not new.

For example, the book describes the genesis of a domestic intelligence scheme, known as the Huston plan, in the summer of 1970. Never put into operation, it contemplated burglaries and the opening of mail as means of keeping tabs on subversives.

That was followed by the formation of the Plumbers unit in the White House to plug leaks of national security information. In the course of this mission, two members of the unit—G. Gordon Liddy and E. Howard Hunt—burglarized a psychiatrist's office.

Their purpose was to get information on a patient, Daniel Ellsberg, who was being prosecuted by the government for stealing the Pentagon Papers.

Another outgrowth of the Ellsberg case was the offer of the FBI directorship to Judge Matthew Byrne, who was presiding over the Pentagon Papers trial at the time. The offer was conveyed by John Ehrlichman, then one of Mr. Nixon's top aides.

Liddy and Hunt were later convicted for the aborted burglary and bugging attempt June 17, 1972, at Democratic national headquarters. Known as the Watergate case, several top presidential aides were indicted—and some pleaded guilty—as a result of attempts to cover up evidence about the burglary and other administration activities.

Another section of the book describes a series of controversial fund-raising ventures by the administration, including a $25,000 donation to Mr. Nixon's reelection by Minneapolis financier Dwayne Andreas. Shortly afterward, Andreas received a federal bank charter.

The book also rehashes allegations that pledges of financial support for Republican political causes prompted a settlement of an antitrust case against International Telephone and Telegraph Co. (ITT), as well as favorable government action on imports and price supports for dairymen.

The evidence, the lawyers argue, "is enough to establish Richard Nixon as a member—indeed the head—of a conspiracy that carried out illegal acts, and hence guilty of those acts; and to establish his complicity as one who caused criminal acts to be done."

A key element in their theory is the successful prosecution of Lucky Luciano, a notorious New York mobster who was convicted on 62 counts arising from his dealings in prostitution.

The Luciano case, the book says, established "the legal principle that the head of an organization is criminally responsible for the acts it carries out."

Luciano was convicted as a conspirator even though there was no evidence of his "direct participation . . . in any of the substantive offenses or even of his knowledge of any of the particular transactions," according to the authors.

While the book describes alleged criminal activities, the authors also note that the grounds for impeachment, as encompassed in the constitutional phrase "high crimes and misdemeanors," may include nonindictable acts, such as abuses of office or offenses against the Constitution.

Thus, the ADA's catalog of impeachable offenses includes such issues as the impoundment of congressionally appropriated funds and the secret bombing of Cambodia—neither of which is commonly thought of as a violation of the federal criminal code.

The question of whether impeachments must be limited to allegations of criminal misconduct has troubled politicians in both England and this country in the past, and it is likely to divide the Judiciary Committee in the coming weeks.

Raoul Berger, a Harvard law professor and author of an authoritative book on impeachment, said in a recent interview, "If we're talking about politics, we can agree that the Southern Democrats and moderate Republicans would find it easier to get behind impeachment were a criminal offense proven.

"But that's not a constitutional necessity."

Alexander Bickel, a noted Yale law professor, would exclude presidential activities that are "constitutionally questionable but also constitutionally plausible."

Thus, Bickel said in an interview that allegations of waging an illegal war should not be part of an impeachment proceedings.

On the other hand, he said, articles of impeachment can describe "political offenses in the sense that they don't have to coincide with the application of the criminal law."

He added, "Now what you're left with is a kind of middle ground, somewhere between things that may not quite be indictable offenses but at the same time aren't just a form of political dissatisfaction with the current incumbent."

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### CONSERVATIVE DEMOCRATS FIND ISSUE IS A HEAVY BURDEN—VII

(By Finlay Lewis)

WASHINGTON, D.C.—President Nixon normally can count on the votes of conservatives like Walter Flowers and James Mann when he needs a boost from Democrats in the U.S. House of Representatives.

But things may be different now that impeachment is the issue.

As members of the House Judiciary Committee, Flowers and Mann will have to weigh hard fact against constitutional principle in deciding whether to recommend that the full House impeach President Nixon for "high crimes and misdemeanors."

Their approach to the situation indicates the extent to which the unique pressures being generated by impeachment have blurred ideological allegiances and, in some cases, traditional partisan alliances in the committee.

In this regard, Mann and Flowers, both of whom represent districts in the South that voted heavily for the president in 1972, may play particularly significant roles since any move by the president's supporters to kill impeachment in committee would almost certainly require their support.

"I have a certain degree of independence. Politically, I can survive a vote either way," said Flowers, whose Alabama constituents gave 66 percent of their votes to Mr. Nixon in the last presidential election.

Impeachment would indicate that "Congress is merely doing its duty to police executive power," said Mann, who represents a South Carolina district where 80 percent of the voters favored Mr. Nixon in 1972.

Mann was given a 90 percent approval rating in 1972 by the Americans for Constitutional Action (ACA), a conservative organization that consistently supports a narrow interpretation of the U.S. Constitution.

Curiously, however, Mann endorsed in an interview one of the broadest and most permissive constitutional definitions of impeachment ever attempted in American history.

Asked to define an impeachable offense, Mann said he would be guided by the words of Benjamin Butler, one of the House "managers," or prosecutors, in the Senate trial of President Andrew Johnson in 1868.

In his argument before the Senate, Butler said:

"We define therefore an impeacheable high crime or misdemeanor to be one in its nature or consequences subversive of some fundamental or essential principle of government or highly prejudicial to the public interest, and this may consist of a violation of the Constitution, of law, of an officials oath, or of duty, by an act committed or omitted, or, without violating a positive law, by the abuse of discretionary powers from improper motives or for any improper purpose."

Flowers, who was given a 68 percent rating in 1972 by ACA, said in an interview that an impeacheable offense need not be limited to criminal conduct but could encompass "substantial offenses," comparable in gravity to "treason or bribery."

At the same time, however, Flowers and Mann both balanced their views of impeachment by saying that they would require relatively high burdens of proof in weighing the evidence.

Both used the analogy that compares the House to a grand jury that indicts defendants in criminal cases.

Instead of an indictment, the committee and then the House will have to decide whether to approve articles of impeachment accusing Mr. Nixon of misconduct. If approved by a simple majority of the House, the articles would become the basis for a trial before the full Senate.

Sitting as a court with the chief justice of the United States presiding, the Senate would have to achieve a two-thirds vote of all senators present in order to convict Mr. Nixon on any article.

But conviction on one article alone would result in Mr. Nixon's removal from office.

Flowers said, "I'm going to look at this thing as though I'm a senator. I'm not going to pass the buck to the Senate and say, 'Here, you decide it.' I'm not going to vote impeachement as a House member unless I'd be willing to vote conviction as a senator."

The grounds for impeachment are spelled out in Article II, Section 4 of the Constitution: "The president, vice president and all civil officers of the United States shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdemeanors."

Impeachments in both England and this country have historically been based primarily on allegations of "high crimes and misdemeanors," But in almost every case, the defintion of that phrase has been a matter of dispute.

Generally, the opponents of an impeachment action adopt a restrictive definition by claiming that "high crimes and misdemeanors" must be interpreted as meaning only indictable crimes.

That is the position now taken by two of Mr. Nixon's strongest defenders in the Houses, Rep. John Rhodes, Republican floor leader, and Rep. Edward Hutchinson, ranking Republican on the Judiciary Committee.

"I do not subscribe to the broad view that separates impeachments from serious criminal misconduct. If that's not the test, then the whole procedure just becomes another political vote," Hutchinson said in an interview."

In a separate interview, Rhodes asserted that "Congress would be left adrift without an anchor" if the impeachment clause is interpreted too liberally.

However, that view is apparently not universally shared by other Republicans on the committee.

Rep. William Cohen, a highly regarded liberal Republican from Maine, said in an interview, "Of course impeachment is political. It's the legislature deciding whether to remove a member of the executive branch and it's political by definition."

The 33-year-old Cohen said that a president who "brings calumny or disrespect" on the office could be impeached. "What's important is that we have a meticulous and scrupulous adherence to the rights of the accused," Cohen said.

Another influential Republican on the committee, Rep. Thomas Railsback of Illinois, suggested that an attempt to subvert executive agencies of the government might be an example of an impeachable, but not indictable, offense.

Railsback said, however, that an impeachment action would hinge on establishing a "direct linkage with the president."

"In other words, it would be necessary to show that he had some knowledge, some degree of complicity—through participation in a conspiracy—in order to impeach," Railsback argued.

While there have been occasional squabbles over the scope of Chairman Peter Rodino's power, the committee has been relatively free of partisan wrangling.

Rodino, a New Jersey Democrat, and Hutchinson both agree that the committee's impeachment staff of 39 lawyers is professional and reasonably nonpartisan.

There are now six staff task forces, each assigned to investigate a facet of the Watergate scandal: Domestic surveillance instigated by the White House, including the operations of the notorious Plumbers squad; "dirty tricks" operations conducted on behalf of the president's reelection campaign in 1972; the burglary and bugging of Democratic national headquarters in Washington's Watergate office complex and the subsequent effort to cover up evidence of illicit administration activities; the president's personal finances, including his tax returns; attempted use of federal agencies to harass enemies and questionable campaign fund raising practices; and other charges of misconduct, such as fund impoundments and the secret bombing of Cambodia.

But the staff's most immediate assignment is to present the committee with a report on the threshhold question of what constitutes an impeachable offense.

The committee and staff have now worked out procedures for issuing subpoenas that are satisfactory to both Rodino and Hutchinson. More importantly, perhaps, Democrats and Republicans alike in the Congress appear solidly convinced that the doctrine of executive privilege cannot be asserted to frustrate an impeachment inquiry and that the committee has a right to subpoena relevant evidence from Mr. Nixon's files.

The committee has yet to agree on a deadline for submitting a final report on impeachment to the full House. A Republican attempt to insist on an April 30 completion date was firmly rejected by the House.

Several top staff members feel that they will not be able to complete their investigation before June, according to one committee informant. However, he added, political pressures could force an earlier committee vote.

Complicating the situation is the possibility that the committee may wind up in a time-consuming lawsuit with the White House over the validity of its subpoenas.

So far, the committee's approach to impeachment appears to have been sober and deliberate.

One of its members, Rep. Barbara Jordan of Texas, said during an interview telecast by the Educational Broadcasting Corp., "I, as a Democrat, take no joy and no comfort in the prospect of having to vote on impeachment of the president of the United States. That is not something any sane, rational person who cares about the Republic and how it stands could take joy and comfort in doing."

## PROTECTION FOR OUR NATURAL RESOURCES

(Mr. MILFORD asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILFORD. Mr. Speaker, today I have introduced a resolution urging that the United States, as a national policy, make every effort to encourage and require the export of finished materials, rather than our basic natural resources.

This Nation, so rich in natural resources, currently faces shortages of such basic materials as copper, wheat, cotton, logs, fertilizer, petrochemical feedstocks, and others.

Part of the reason is exports.

These shortages have a twofold negative impact on our economy. They are cutting into our work force, which normally would be turning these basic resources into finished products; and they are driving up consumer prices.

This resolution would put the House on record as strongly favoring a policy to protect these vital natural resources until our own needs are filled. At the same time, it puts the House on record as strongly favoring an export policy which would encourage the export of finished products—manufactured by American workers.

How many American millers would it have taken, how many hours of pay into American pockets, to convert last year's massive shipment of wheat to Russia into flour?

How many American workers would have jobs if we were exporting finished lumber, plywood, or even completely finished products like furniture to Japan, instead of selling Japan logs off our taxpayer-owned lands?

How many American textile workers would be on payrolls instead of unemployment or welfare, if we were shipping cloth—or even thread—overseas, instead of raw cotton? And a lot of that cotton comes back to the United States as finished products, anyway.

The primary purpose of this resolution is to put firmly on the record our national desire to protect our resources and make jobs for American workers.

The secondary purpose of this resolution is to send a strong message to our colleagues in the Senate that the House meant what it said last September when it passed H.R. 8547, amending the Export Administration Act of 1969.

That bill would write this concept into law. Unfortunately, consideration of that bill has been indefinitely postponed in the Senate.

Mr. Speaker, I am not an isolationist—far from it. I believe a healthy international trade situation reinforces a healthy American economy.

At the same time, though, I cannot see where the export of American raw materials and natural resources, coupled with the subsequent import of finished products from foreign manufacturers employing foreign workers, is of any benefit to the American economy.

I urge the House to act on the resolution at the earliest possible time to underscore strongly the fact that this body is serious about this concept.

## A GREAT MAN

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, a great man and a great American is a dear friend of my wife and myself and lives on Miami Beach. He is Baron Vladimir Kuhn von Poushental who was born in Russia of a distinguished family and fought in the White Russian Army during the Revolution. After the White Russian Army was defeated he fled to Ameria in 1918. His accomplishments in this country have been numerous and outstanding. The first I shall mention is his association with an old pilot friend and fellow Russian refugee, Dr. George de Bothezat, who developed the first prototype helicopter. Dr. de Bothezat died in 1940. Recently, Baron von Poushental, who had been in business with de Bothezat, collected and cataloged the latter's record and data concerning the first prototype helicopter and presented all that invaluable material to the Superintendent of the U.S. Air Force Academy at Colorado Springs, Colo. The account of that presentation appears in a publication, Realtor, volume 40, No. 2, published January 8, 1973. This is such interesting aviation history that I know my colleagues and my fellow countrymen who read this record will be pleased to learn that long before the Sikorsky helicopter was developed this prototype helicopter of Dr. de Bothezat was developed with high efficiency.

The second outstanding accomplishment of Baron von Poushental was in the establishment of a Russian colony of White Russians in the vicinity of Richmond, Maine. Baron von Poushental acquired the land and provided for its acquisition by the White Russians and helped to develop a complete and successful Russian colony with schools, churches, and other institutions reflecting their ancient Russia of which these people of Russian background so vividly remembered and so much loved. This program of Baron von Poushental which led to the successful development of this great colony was also a momentous contribution to our own country. In the Lewiston Evening Journal there is a very interesting article about Baron von Poushental's work in the establishment and development of this colony and reflecting the great success of the colony.

Mr. Speaker, I include the article to which I referred from the Realtor and the article to which I averted from the Lewiston Evening Journal about the Russian colony and also about Baron von Poushental presenting the papers of Dr. George de Bothezat to the Superintendent of the U.S. Air Force Academy in the Record following my remarks. I also include, following these insertions, two letters to Baron von Poushental dated January 28, 1972, and February 7, 1972, from the U.S. Air Force Academy, the first about the de Bothezat materials and the second about the Russian colony to which I referred:

[From Realtor, Jan. 8, 1973]

Baron V. Kuhn von Poushental, after the White Russian Army was defeated in the Crimea, fled to America in 1918 and quickly sought out his former pilot friend and fellow refugee, Dr. George de Bothezat. The latter was a mechanical genius who shortly thereafter was commissioned by the U.S. government to build a radical new aircraft, based on an aeronautical theory de Bothezat had evolved. The result—the prototype helicopter, built in 1922—lifted 4,400 pounds using a 170 horsepower engine. This was a ratio of more than 20 pounds per unit of horsepower, an efficiency of performance the Realtor® says he has not since been achieved.

Following de Bothezat's death in 1940, Baron von Poushental, who had been briefly in business with the inventor, commenced collecting and cataloging the latter's records, consisting of four original manuscripts, eight typed scripts, 62 photos of the first helicopter flight and historical records of de Bothezat's private helicopter companies.

The culmination of von Poushenthal's devotion to his friend and mentor came last August, when he was invited by the superintendent of the U.S. Air Force Academy to present the de Bothezat materials for permanent storage at the academy's library, where they are available for study by cadets, faculty and scholarly researchers.

In a letter to the donor, Lt. Gen. A. P. Clark, superintendent of the academy, said in part, "You may be sure these papers will be reviewed by cadets for years to come, for their historical significance as well as the unique record of one of our pioneers in aviation. The academy library and cadets are enriched by your generous contribution."

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[From the Lewiston (Maine) Journal, Oct. 21, 1972]

### Richmond's Talented Russian Colony

(By Priscilla E. Braun)

Richmond on the Kennebec is the hub of activity for the Russian people in the area. Four churches, a Russian restaurant, cobbler shop and a rest home are located in the village.

How did a small Maine community happen to draw people from a completely different tradition?

Baron Kuhn Von Poushental was on a duck hunting trek in this area about 1940. Bearing in mind the large number of Russian refugees nearing retirement he brought up land at bargain prices, advertised through the Russian language newspapers, and resold to those who yearned to spend their last years on their own land. The Richmond area bears a striking similarity to the Russian countryside. People have settled throughout Whitefield, Dresden, Pittston, Bowdoinham, Litchfield, and Richmond.

To group these people under the title "Russians" is inaccurate. They are usually victims of changing politics in Russia, Ukrania, Poland, Lithuania, and other iron curtain countries. The one thing they usually have in common is language. Their political beliefs cover the spectrum of revolutions since 1900.

LOOKED LIKE RUSSIA

Baron Von Poushental tells about his hunting trip which first brought him here. His party was coming up the Kennebec River following the flight of the ducks when the birds changed direction to follow the Eastern River. The hunters followed and discovered a section of the state that was strikingly similar to the hills around Moscow.

After the duck season closed the Baron did more exploring. The land had recently been burned over on the Richmond side, above Swan Island, so many owners who had lost their homes were willing to sell the land which seemed worthless at the time, very quickly and cheaply. A financial depression hovered over this section of the state throughout the '40s, and early '50s.

Before Poushental could proceed in making his secret dream come true he wrote the Governor and the Secretary of State in Main, proposing a Russian community of immigrants. The answers were favorable.

One of his first purchases was a block of land comprising about 500 acres which he gave to the proposed Alexander Nevsky Foundation, another of his dreams.

FOUNDED FOUNDATION

To convert this dream to reality he founded the organization, named for a Russian warrior saint who drove back the Tartars, in hopes that the White Russian immigrants could come and work the land at the same time maintaining a military organization prepared to fight Communism on any front at a moment's notice.

The organization survived for a few years, but has now lost its military character. An old folks home and hotel are now maintained by the foundation.

The man who dreamed dreams and made them come true, Kuhn Von Poushental was born in Tifils, Russia, in 1899, the son of a general in the Czar's Military Engineering Corp.

Poushental's family had vast land holdings in the old Austria-Hungarian empire, but his great-grandfather had been forced off the land after an unsuccessful coup. The Czar took the family land in Russia.

In his youth Kuhn, whose friends address him as Val, attended Polytechnical Institute in St. Petersburg. At 16, he joined the Imperial Army and attended Micharlovsky Artillery and Naval Aviation School in Baku, Caucasus.

PIONEER COMBAT PILOT

He became one of the first combat pilots in the Russian Army. When America was bombing Germany in World War One, he was bombing Constantinople. At this time the Russian peasants, who were seeing planes for the first time, called them "fairy tale giants":

As the tide of Russian politics changed the Czars troops were ordered not to obey their officers so Poushantal went to Kiev to join the White Russian Army which was later defeated in the Crimea in one of the first fights against communism.

In Turkey, where he found refuge, he lived on an estate outside of Constantinople. He earned a living by hunting ducks which were sold for a dollar. He could shoot a hundred in a couple of days.

About this time Poushental learned that his entire family had been killed in the Revolution so he decided to indulge his childhood goal of coming to America "to see the cowboys and Indians".

Upon arrival here he sought a friend from his pilot days. Dr. George de Bothezat, who had evolved a new theory of propellors and air screws. De Bothezat was commissioned by the United States Government to build his new plane about 1922.

The company formed for this enterprise was Helicopter Corporation of America with the Baron as General Manager, but de Bothezat soon died and with him went his secret plans for future aviation developments.

Poushental spent most of his time in Florida. The trophies which ornament the walls of his A-frame home in Pittston are vivid proof that he found time to go big game hunting on all the continents of the world. His summer home was built after the Russian colony in Maine was established.

GIVEN MANY HONORS

He bought many Maine farms and homes as they became available and then resold them to other Russian immigrants. This is a continuing project with him as manager of Kennebec Realty Company and a member of the Androscoggin Board of Realtors.

Poushental is one of the Knights of Malta a religious and military Knight order which is devoted to character building, education, humanitarian pursuits and Christian unity. Among its members is the Queen of England. He hold an eight point Maltese Cross of the Order of St. John of Jerusalem a sovereign religious and military order of the Catholic Church.

Now a man of 73, he divides his time between his summer home in Pittston and winter home in Florida. He says he founded the colony as a refuge of White Russians who helped in the fight against Communism, but the colony now encompasses many other middle European refugees.

A misconception about the refugees is common. They are not segregated into one part of town as people tend to think. They are our friends and neighbors. We are thoroughly integrated.

Out-of-town vistors are inevitably taken to the Russian restaurant on Main Street. The food is as simple or elaborate as you desire. Fancy cookies and pastries are always available there from Mr. Denisow or his wife. The display windows are always resplendant with flowering plants.

FOUR CHURCHES

There are four Russian churches in Richmond. Probably the smallest is a fundamentalist type church in the parlor of a Darrah Street home. Next in size is the Ukranian Church. The other two are Russian Orthodox.

St. Nicholas Church is owned by its local parishioners and St. Alexander Nevsky is owned by the Russian Orthodox Church Outside of Russia based in New York. Originally the churches were a unit but some members split off because they felt this was a new country with new rules and that individual churches should own their own buildings. Pastor at St. Nicholas is Father Konstantine Nawereshsky.

He explained the K on his first name by saying that the first country of departure often determines the spelling of one's name.

Russian script is very different from ours so spellings are often confusing. The priest went to Germany first so his name was germanized with the K. Refugees fleeing through Latvia were required to add an S on to their names.

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THE ACADEMY LIBRARY,
*USAF Academy, Colo., January 28, 1972.*

Baron V. KUHN VON POUSHENTAL,
*Miami Beach, Fla.*

DEAR SIR: Colonel Macartney was good enough to share with me your most delightful and informative letter of January 22, to him.

Your suggestion to bring all of your materials when you come to Colorado Springs is extremely appealing. This would allow representatives from my staff and from the Department of History to review the collection with you. Just in case you find it more convenient to mail the Bothezat materials in advance of your journey, I am enclosing two franked mailing labels addressed to this Library. We would, of course, safely keep the collection until your arrival.

Colonel Macartney and I look forward to your visit this summer. It will be a personal honor to meet you.

If this Library can be of service to you, please let me know.

Sincerely

CLAUDE J. JOHNS, Jr.,
*Lieutenant Colonel, USAF, Professor of Political Science and Director of Libraries.*

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THE ACADEMY LIBRARY,
*USAF Academy, Colo., February 7, 1972.*

The Right Honorable LORD VON POUSHENTAL,
*Miami Beach, Fla.*

SIR: It was most kind of you to send us the magazine article entitled "The Russian Who Invaded America and Founded a New World Colony." Your story is a fascinating one, and I enjoyed reading it so very much, as did Colonel Macartney.

We will add your letter and the clipping to our historical archives. Thank you so much for your thoughtfulness.

Best regards.

Sincerely

CLAUDE J. JOHNS, Jr.,
*Lieutenant Colonel, USAF, Professor of Political Science and Director of Libraries.*

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## BOB HOPE DINNER

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on the 23d of February the 15th annual Bob Hope Dinner for the National Parkinson Foundation was held at the Fontainebleau Hotel in Miami Beach. Mrs. Pepper, National Chairman of the Women's Division of the National Parkinson Foundation, was chairman of the dinner. One of the outstanding financial leaders of the Miami area, E. Albert Pallot, was the very able master of ceremonies for the occasion. Present as usual was a great lady, Mrs. Jeanne Levey, president of the National Parkinson Foundation, who with her husband founded the National Parkinson Foundation in 1957 and continues the dynamic, compassionable, driving force behind the National Parkinson Foundation and the National Parkinson Institute in Miami supported by the National Parkinson Foundation. There are approximately 1 million victims of Parkinson's disease in the United States every year. The National Parkinson Foundation at its institute in Miami has the largest single concentration of Parkinson patients to be found anywhere in the world.

Bob Hope for 15 years has attended this great dinner and at each dinner has gathered together and presented to the large audience always attending this dinner the outstanding nationally known performing stars in Miami Beach and adjacent areas for the entertainment of the audience. Bob Hope gives his own inimitable performance. In addition, he has for all these years given a very generous personal contribution to the National Parkinson Foundation. This year the occasion was heightened by the performance of Mrs. Bob Hope, Delores, who with Bob was celebrating their 40th wedding anniversary. There was a colorful program commemorating their anniversary in which many eulogies were paid to Bob and Delores and a huge cake was presented to them.

The occasion this year was all the more significant for the Parkinson Foundation because just previous to the dinner there had been the groundbreaking in Miami for a three-story addition to the National Parkinson Institute to further research in Parkinson's disease. This center is to be known as the Bob Hope Parkinson Research Institute. Attending were Bob Hope, Mrs. Levey, Mrs. Pepper, Honorable Maurice Ferre, mayor of Miami, Honorable Chuck Hall, mayor of Miami Beach, and many other local officials. Among the many other distinguished persons present were Dr. Leo Fox of the National Neurological Institute of the National Institutes of Health, Dr. E. M. Papper, Dean of the University of Miami Medical School, and Dr. Edwin N. Boyle, Jr., Director of Research at the Miami Heart Institute. This addition to the Parkinson Institute will enable the institute to carry on a much more extensive program in Parkinson's disease than has heretofore been possible. The new Bob Hope National Parkinson Research Center will have a National Research Council guiding its work, consisting of some of the highest level scientists in the United States knowledgeable in the area of Parkinson's disease. A colorful account of this always exciting dinner was carried in the Sun Reporter of Miami Beach Wednesday, February 27, 1974, by Betty Wickwire.

Mr. Speaker, I ask that the article by Mrs. Wickwire appear in the body of the Record following my remarks:

### Bob Hope Dinner a Star-Studded Success

Delores and Bob Hope, celebrating their 40th wedding anniversary, were super stars of the 15th annual Bob Hope Dinner at the Fontainebleau. For more than ten years Bob has been honorary chairman of this benefit for the National Parkinson Foundation. He is also national honorary chairman of the board of directors.

After Bob's traditional all-star show with Ann-Margret, Mel Torme, Anita Bryant and many more participating, pretty Delores Hope came on stage to sing "It Had to be You", "The More I See You"—and then Bob joined her for a duet. Bob's tap dancing brought another round of applause. The Hopes received a gift and a huge wedding cake was brought on stage. Later in the evening Marie (Mrs. Henry) Balaban dedicated a song to Bob. You just can't do enough for a great guy like Hope who generously donates money as well as talent to Parkinson.

Mrs. Jeanne Levey, chairman of the national board of directors of the Parkinson Foundation, was at the head table along with Rep. Claude Pepper who spoke about eventful 1974 that would mark the construction and completion of the Bob Hope Parkinson Research Institute in Miami.

Mrs. Claude Pepper, national chairman of the Women's Division was chairman of the dinner. Her co-chairman was Toby Wing (Mrs. Richard) Merrill. Coordinators were Mrs. Kenneth Heisler, Charlotte Dickson and Dr. and Mrs. Lawrence Hastings. (Mildred Pepper's black and white gown was purchased in Spain last summer.)

Albert Pallot was master of ceremonies. Rabbi Irving Lehrman gave the invocation. Patrons of the year were Jacob Seidman, Louis Hamburger and Morris Kleinman.

The Peppers hosted a large group that included Frank Copa, aid to Mayor Maurice Ferre who was unable to attend; James Brennan, Jr. and daughter Jogi; Clyde L. Webster, Mildred Pepper's brother who came down from Arlington, Va.; Ellis Vaughn and his date Anita Bjork; Bill Apfel, Terry Anderson, Mrs. Stacey Kaplan, Brad Coverhouse from Fort Pierce; Dr. and Mrs. Leo Fox from the National Institute of Health; Reggie March.

Jordan Davidson escorted Celia Landis and Lee di Filippi to the dinner. Elise Adams, Dr. and Mrs. Edwin Boyle and the Charles Poyers were more.

Betty and Suart Patton were with the Fred Hoopers. Ben Novack, celebrating his birthday, hosted a table that included Suzie and Louis Rogers, Michelle and Richard Marx, Rex Rand and others.

John Oxley and son Tom of the Royal Palm Polo Club came down from Boca Raton. More dinner goers were the Harry Brodies, the Paul Bruuns, Dr. and Mrs. David Pinks and Dr. and Mrs. Seymour Fine. The Fines daughter Else (Mrs. William) Springer has a new baby girl—Greta Marie.

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## RUTH KASSEWITZ

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, one of the most vital ladies of the Greater Miami area, indeed Florida and the country, is Ruth Kassewitz, director of communications for the Metro Government of Dade County and wife of Jack Kassewitz, editor of the Miami Beach News. Mrs. Kassewitz is a dynamic lady who has had an exciting career in civic affairs, in business, and in government, also as a wife and mother. One thing that distinguishes her, as a friend says, is that she is always learning, always searching for higher goals. Mrs. Kassewitz is a stimulating example of women who can be a lovely lady, a good wife and mother, and yet have a distinguished career and contribute much to the betterment of her community, State, and country. Mr. Speaker, the very interesting article appearing in the March 3, 1974, issue of the "Sun Reporter" about Mrs. Kassewitz, appears in the Record immediately following my remarks:

### She Is Always Learning, Searching for Goals

(By Annette Brin)

When people say they believe that everything happens for a reason, there is at least one woman in Coral Gables who would certainly agree. Her name is Ruth Kassewitz, director of communications for Metro.

She graduated from Ohio State University in 1951 with a major in journalism management—a split between journalism and business administration.

Following graduation Mrs. Kassewitz took a job as copy writer with Ohio Field Gas Company. She was in charge of producing material for the print media.

After a time she moved to Kansas City and began working for an advertising agency dealing with car sales, road equipment and fork lift trucks.

During this period one of the "bridges" in Mrs. Kassewitz' life began to build which ultimately led her to Dade County.

"My grandfather many years ago purchased the Magnolia Arcade in St. Petersburg," she said, "and my dad always wanted to come to Florida. Unfortunately, he died before realizing his dream. But my brother Dick, while I was in Kansas, decided to transfer to the University of Florida from Ohio State University. He later married and moved to Daytona."

During a two week vacation in Florida, supposedly to visit her brother and sister-in-law, Mrs. Kassewitz actively sought out new employment. She landed a job with Grant Advertising and in 1956 moved to Miami.

"Grant did a lot of work for Florida Power and Light," she recalled, "and I had to learn to write about electricity. It was quite a switch from my old days with the gas company."

She worked for the Grant agency for two and a half years, during which time she switched from FP&L copy and found herself doing a great deal of public relations work in other areas of the Grant operation.

"When FP&L asked me to come back and write copy for them I declined, realizing that I loved the extroverted atmosphere of public relations," she said.

She joined the Florida Public Relations Associates, The Advertising Club of Greater Miami and Women in Communications (formerly Theta Sigma Phi), when her interest in public relations was triggered. In 1959 she became the first woman to serve on the board of directors for the Advertising Club of Greater Miami.

In 1960 she became an Account Executive with Buildorama under Venn-Cole and Associates and worked with her first secretary. Together they put out a bilingual newsletter. It was during this time that she met her husband—Jack Kassewitz, now chief editorial writer for The Miami News.

"That was in 1961," she recalled. "I used to walk into The Miami News with stories. I was awed by the size of the city rooms in both The Miami Herald and The News. Jack used to sit near the entrance when I walked in and he always had such a bright smile and friendly hello. He was in charge of one of the paper's special sections at the time."

Later in 1962, Jack began courting Ruth. He proposed to her in Palm Beach while she was in charge of the Parade of Homes through Buildorama.

"He used to come up and see me and during the weekend of the opening he proposed." On July 28, 1962, Ruth became Mrs. Jack Kassewitz.

Later Bill Venn began his own corporation and Mrs. Kassewitz became an executive vice president in the Venn Corporation. One of her last responsibilities while with the corporation was handling public relations with concerns in the Bahamas. This began construction of still yet another "bridge" in her life.

It was during this time that she met architect Ed Grafton, then president of the American Institute of Architects. In 1969 Grafton offered her a position as Director of Communications in his firm. Her job was to promote his work locally, which included the Dade School Board, Miami-Dade Community College and more significantly for Mrs. Kassewitz, HUD.

"Ed was busy working with the then Model Cities Director Gordon Johnson to get funding for the project," Mrs. Kassewitz said. "They were up against a deadline and needed someone to coordinate the material and have it ready on time. I was selected. I hired several Kelly Girls and together we typed the paperwork and got it off to Atlanta."

Her efficient handling of the Model Cities paperwork was never forgotten and later Johnson asked her to become the first Director of Communications for HUD.

"I created their department," she said. "It was a marvelous challenge and a great position. The information I learned during those two years was invaluable."

County Manager Ray Goode met Mrs. Kassewitz during this time and when he decided that Metro needed its own office of communications, Mrs. Kassewitz was asked to head the department, crossing another "bridge."

"This position is the most challenging I have ever held," she said. "Feeling as I do that Metro is doing a good job for the people, it is not difficult for me to attempt to convey this to the people. The methods and wherefores, however, are a challenge."

Although her husband's job and her position could cause conflict in many homes, Mrs. Kassewitz said that this has never been a problem in their lives. Neither have their different religious backgrounds. Mrs. Kassewitz belongs to the Plymouth Congregational Church. Jack Kassewitz is Jewish.

"I work hard for my church and Jack attends our 'stately' events. At other times we go to synagogue together. I think our marriage has helped to unite a lot of people of varying backgrounds."

Always learning and searching for higher goals, Mrs. Kassewitz is now president of the University of Miami Women's Guild.

"I just believe that I should be active in my community," she said.

### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Mitchell of Maryland (at the request of Mr. O'Neill), for today, on account of illness.

### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Cohen) to revise and extend their remarks and include extraneous material:)

Mr. McDade, for 10 minutes, today.

Mr. Conable, for 5 minutes, today.

Mr. Kemp, for 15 minutes, today.

Mr. Crane, for 5 minutes, today.

(The following Members (at the request of Mr. Vander Veen) to revise and extend their remarks and include extraneous material:)

Mr. Diggs, for 5 minutes, today.

Mr. Eilberg, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Fountain, for 5 minutes, today.

Mr. Matsunaga, for 15 minutes, today.

Ms. Abzug, for 10 minutes, today.

Mr. Vanik, for 5 minutes, today.

### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Fraser and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $1,045.

Mr. Broomfield to revise and extend his remarks and include extraneous matter during debate on education bill at the time of introduction of the Esch amendment.

Mr. Podell, immediately following the remarks of Mr. Quie on the Peyser amendment in the Committee of the Whole today.

Ms. Abzug to revise and extend her remarks on the Peyser amendment following the remarks of Mr. Quie.

Ms. Abzug to revise and extend her remarks on the Brademas amendment following the remarks of Mr. Brademas.

Mr. Biaggi to revise and extend his remarks on the Peyser amendment immediately following the remarks of Mr. Peyser.

(The following Members (at the request of Mr. Cohen) and to include extraneous material:)

Mr. Bell.

Mr. Kemp in three instances.

Mr. Bob Wilson in three instances.

Mr. Sarasin in two instances.

Mr. Zion.

Mr. Wyman in two instances.

Mr. Hosmer in two instances.

Mr. Walsh in two instances.

Mr. Bauman in five instances.

Mr. Michel in five instances.

Mr. Zwach.

Mr. Erlenborn in two instances.

Mr. Young of Florida in three instances.

Mr. Anderson of Illinois in three instances.

Mr. Abdnor.

Mr. Gilman.

Mr. Winn.

Mr. Huber in two instances.

Mr. Grover.

Mr. Fish.

Mr. Shriver in three instances.

Mr. Camp.

Mr. McClory.

Mr. Carter in five instances.

Mr. Lent in two instances.

Mr. Coughlin.

Mr. Ketchum.

Mr. Devine.

Mr. Derwinski.

Mr. Goldwater.

(The following Members (at the request of Mr. Vander Veen) and to include extraneous material:)

Mr. Shipley.

Mrs. Sullivan.

Mr. Hamilton in two instances.

Mr. Brinkley.

Mr. Badillo in three instances.

Mr. Stark in 10 instances.

Mr. Bennett in two instances.

Mr. Dingell in five instances.

Mr. Carey of New York in four instances.

Mr. Symington.

Mr. Sisk.

Mr. Carney of Ohio in two instances.

Mr. Gonzalez in three instances.

Mr. Rarick in three instances.

Mr. Stokes in six instances.

Mr. Sikes in five instances.

Mr. Hanna in four instances.

Mr. Tiernan.

Mr. Fountain.

Mr. Patten.

Mr. Van Deerlin.

Mr. Hawkins.

Mr. Moss.

Mr. Reuss in five instances.

Mr. Murphy of New York.

Mr. Cotter in five instances.

Mr. Burke of Massachusetts.

### ENROLLED BILL SIGNED

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker.

H.R. 13025. An act to increase the period during which benefits may be paid under title XVI of the Social Security Act on the basis of presumptive disability to certain individuals who received aid, on the basis of disability, for December 1973, under a State plan approved under title XIV or XVI of that act, and for other purposes.

### SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3228. An act to provide funeral transportation and living expense benefits to the families of deceased prisoners of war, and for other purposes.

### ADJOURNMENT

Mr. VANDER VEEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 39 minutes p.m.), the House adjourned until tomorrow, Wednesday, March 27, 1974, at 12 o'clock noon.

### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2090. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to transfer the duties and authority of the Director of the Office of Economic Opportunity, under the Economic Opportunity Act of 1964, to the Secretary of Health, Education, and Welfare, and for other purposes; to the Committee on Education and Labor.

2091. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on resource recovery and source reduction, pursuant to 42 U.S.C. 3253a(a); to the Committee on Interstate and Foreign Commerce.

2092. A letter from the Secretary-Treasurer, Congressional Medal of Honor Society of the U.S.A., transmitting the financial report of the Society for calendar year 1973, pursuant to Public Law 88-504; to the Committee on the Judiciary.

### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRADEMAS: Committee on House Administration. House Resolution 989. Resolution to provide for the printing of additional copies of a report of the Select Committee on Committees (Rept. No. 93-935). Ordered to be printed.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 10942. A bill to amend the Migratory Bird Treaty Act of July 3, 1918 (40 Stat. 755), as amended, to extend and adapt its provisions to the Convention between the United States and the Government of Japan for the protection of migratory birds and birds in danger of extinction, and their environment, concluded at the city of Tokyo, March 4, 1972; with amendment (Rept. No. 93-936). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 11223. A bill to authorize amendment of contracts relating to the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam (Rept. No. 93-937). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 12208. A bill to confer exclusive jurisdiction on the Federal Maritime Commission over certain movements of merchandise by barge in foreign and domestic offshore commerce (Rept. No. 93-938). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 886. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 163 (Rept. No. 93-939). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 916. Resolution providing funds for the Committee on Interstate and Foreign Commerce (Rept. No. 93-940). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 920. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 19 (Rept. No. 93-941). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 945. Resolution providing funds for the expenses of the Committee on Ways and Means in the second session of the 93d Congress (Rept. No. 93-942). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 952. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 267, 93d Congress (Rept. No. 93-943). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 957. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 162 (Rept. No. 93-944). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 987. Resolution to provide additional funds for the expenses of the investigation and study authorized by House Resolution 228 (Rept. No. 93-945). Referred to the House Calendar.

Mr. THOMPSON of New Jersey: Committee on House Administration. House Resolution 1003. Resolution providing funds for the expenses of the Committee on House Administration to provide for maintenance and improvement of ongoing computer services for the House of Representatives and for the investigation of additional computer services for the House of Representatives (Rept. No. 93-946). Referred to the House Calendar.

Mr. CLARK: Committee on Merchant Marine and Fisheries. H.R. 8586. A bill to authorize the foreign sale of the passenger vessel steamship *Independence*; with amendment (Rept. No. 93-947). Referred to the Committee of the Whole House on the State of the Union.

Mr. EDWARDS of California: Committee on the Judiciary. S. 1585. An act to prevent the unauthorized manufacture and use of the character Woodsy Owl, and for other purposes; with amendment (Rept. No. 93-948). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURPHY of Illinois: Committee on Rules. House Resolution 1009. Resolution providing for the consideration of H.R. 12799. A bill to amend the Arms Control and Disarmament Act, as amended, in roder to extend the authorization for appropriations, and for other purposes. (Rept. No. 93-949). Referred to the House Calendar.

Mr. McSPADDEN: Committee on Rules. House Resolution 1010. Resolution providing for the consideration of S. 628. An act to amend chapter 83 of title 5, United States Code, to eliminate the annuity reduction made, in order to provide a surviving spouse with an annuity, during periods when the annuitant is not married. (Rept. No. 93-950). Referred to the House Calendar.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 941. Joint resolution making an urgent supplemental appropriation for the fiscal year ending June 30, 1974, for the Veterans' Administration, and for other purposes. (Rept. No. 93-951). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 13542. A bill to abolish the position of Commissioner of Fish and Wildlife, and for other purposes. (Rept. No. 93-952). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee of conference. Conference report on S. 2747 (Rept. No. 93-953). Ordered to be printed.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CONABLE:

H.R. 13720. A bill to amend title XVIII of the Social Security Act to establish a program of long-term care services within the medicare program, to provide for the creation of community long-term care centers and State long-term care agencies as part of a new administrative structure for the organization and delivery of long-term care services, to provide a significant role for persons eligible for long-term care benefits in the administration of the program, and for other purposes; to the Committee on Ways and Means.

By Mr. COHEN (for himself and Mr. Hastings):

H.R. 13721. A bill to establish a Health Education Administration within the Department of Health, Education, and Welfare and to provide for the development and implementation of a national health education program; to the Committee on Interstate and Foreign Commerce.

By Mr. DEVINE:

H.R. 13722. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DUNCAN:

H.R. 13723. A bill to prohibit travel at Government expense outside the United States by Members of Congress who have been defeated, or who have resigned, or retired; to the Committee on House Administration.

H.R. 13724. A bill to amend section 1951, title 18, United States Code, act of July 3, 1946; to the Committee on the Judiciary.

H.R. 13725. A bill to amend title 5 of the United States Code with respect to the observance of Veterans' Day; to the Committee on the Judiciary.

H.R. 13726. A bill to amend title 5, United States Code, to correct certain inequities in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 13727. A bill to amend title 38 of the United States Code so as to make presumptions relating to certain diseases applicable to veterans who served during the period between the end of World War II and the beginning of the Korean conflict; to the Committee on Veterans' Affairs.

By Mr. HAYS:

H.R. 13728. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to prohibit the Secretary of Transportation from imposing certain seatbelt standards, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEMP:

H.R. 13729. A bill to insure that each admission to the service academies shall be made without regard to a candidate's sex, race, color, or religious beliefs; to the Committee on Armed Services.

H.R. 13730. A bill to prohibit Soviet energy investments; to the Committee on Banking and Currency.

By Mr. O'BRIEN:

H.R. 13731. A bill to authorize a national summer youth sports program; to the Committee on Education and Labor.

By Mr. PODELL:

H.R. 13732. A bill to amend the Railroad Retirement Act of 1937 so as to increase the amount of the annuities payable thereunder to widows and widowers; to the Committee on Interstate and Foreign Commerce.

By Mr. PREYER:

H.R. 13733. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. ROE (for himself and Mr. Riegle):

H.R. 13734. A bill to amend the National School Lunch Act and for other purposes; to the Committee on Education and Labor.

H.R. 13735. A bill to amend section 4a, the commodity distribution program of the Agriculture and Consumer Protection Act of 1973; to the Committee on Agriculture.

By Mr. ROE (for himself, Mr. Brown of California, Mr. Conyers, Mr. Murphy of New York, and Mr. Riegle):

H.R. 13736. A bill to amend the Public Health Service Act to provide assistance for programs for the diagnosis, prevention, and treatment of, and research in, Huntington's disease; to the Committee on Interstate and Foreign Commerce.

By Mr. STEIGER of Wisconsin (for himself, Mr. Quie, Mr. Bell, Mr. Esch, Mr. Hansen of Idaho, and Mr. Forsythe):

H.R. 13737. A bill to amend the Juvenile Delinquency Prevention Act to establish a new program of research and demonstrations, with particular emphasis on problems of runaway children, and for other purposes; to the Committee on Education and Labor.

By Mr. STOKES:

H.R. 13738. A bill to amend title XVI of the Social Security Act to provide for emergency Federal assistance grants to aged, blind or disabled individuals whose supplemental security income checks (or the proceeds thereof) are lost, stolen, or undelivered; to the Committee on Ways and Means.

By Mr. TIERNAN:

H.R. 13739. A bill to amend the Clayton Act to encourage competition in the oil industry by prohibiting an oil company which is engaged in the production and refining of petroleum products from engaging in the marketing of such products; to the Committee on the Judiciary.

By Mr. TREEN (for himself, Mr. Armstrong, Mr. Lott, and Mr. Symms):

H.R. 13740. A bill to provide a tax revenue source for States and local entities by the elimination of the taxes imposed under the Internal Revenue Code of 1954 on cigars, cigarettes, cigarette papers, and tubes; to the Committee on Ways and Means.

By Mr. VAN DEERLIN:

H.R. 13741. A bill to amend the Internal Revenue Code of 1954 to permit taxpayers to utilize the deduction for personal exemptions as under present law or to claim a credit against tax of $200 for each such exemption; to the Committee on Ways and Means.

By Mr. VANIK:

H.R. 13742. A bill to provide that, after January 1, 1974, Memorial Day be observed on May 30 of each year and Veterans' Day be observed on the 11th of November of each year; to the Committee on Judiciary.

H.R. 13743. A bill to eliminate the duty on imports from free world countries of wheat and milled wheat products; to the Committee on Ways and Means.

By Mr. WYMAN (for himself, Mr. MILLER, Mr. WHITEHURST, Ms. BURKE of California, Mrs. HECKLER of Massachusetts, Mr. JOHNSON of California, Mr. TOWELL of Nevada):

H.R. 13744. A bill to amend title II of the Social Security Act to increase the amount of outside earnings which (subject to further increases under the automatic adjustment provisions) is permitted each year without any deductions from benefits thereunder, and to revise the method for determining such amount; to the Committee on Ways and Means.

By Mr. YATRON (for himself and Mr. LAGOMARSINO):

H.R. 13745. A bill to direct the Comptroller General of the United States to conduct a study of the burden of reporting requirements of Federal regulatory programs on independent business establishments, and for other purposes; to the Committee on Government Operations.

By Mr. ZWACH:

H.R. 13746. A bill to amend section 4940 of the Internal Revenue Code of 1954 to change the name of the amount imposed thereby on certain investment income from excise tax to service charge, and to reduce such amount from 4 percent to 1½ percent; to the Committee on Ways and Means.

By Mr. BOWEN (for himself, Mr. MONTGOMERY, Mr. WHITTEN, Mr. COCHRAN, Mr. LOTT, Mr. JONES of Tennessee, Mr. STUBBLEFIELD, Mr. SISK, Mr. RARICK, Mr. ALEXANDER, Mr. BERGLAND, Mr. BROWN of California, Mr. FLOWERS, Mr. MATHIS of of Georgia, Mr. BAKER, Mr. BEVILL, Mr. JONES of North Carolina, Mr. ROSE, Mr. GINN, Mr. FULTON, Mr. LANDRUM, Mr. BRINKLEY, Mr. LITTON, Mr. WAMPLER, and Mr. GUNTER):

H.R. 13747. A bill to provide indemnity payments to poultry and egg producers and processors; to the Committee on Agriculture.

By Mr. BURTON:

H.R. 13748. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN (for himself and Mr. CONABLE):

H.R. 13749. A bill to amend the Internal Revenue Code of 1954 to repeal the capital gain throwback rules applicable to trusts; to the Committee on Ways and Means.

By Mr. DUNCAN:

H.R. 13750. A bill to promote public health and welfare by expanding and improving the family planning services and population sciences research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRINGTON (for himself, Mr. REID, Mr. CONTE, and Mr. NICHOLS):

H.R. 13751. A bill to insure that recipients of veterans' pension and compensation will not have the amount of such pension or compensation reduced, or entitlement thereto discontinued, because of increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mrs. HECKLER of Massachusetts:

H.R. 13752. A bill to amnd title 38, United States Code, to increase the rates of disability compensation for disabled veterans, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 13753. A bill to amend title 38 of the United States Code to provide that veterans' pension and compensation will not be reduced as a result of certain increases in monthly social security benefits; to the Committee on Veterans' Affairs.

By Mr. KOCH (for himself, Mr. BINGHAM, Mr. BOLAND, Mrs. BURKE of California, Mr. GAYDOS, Mr. MAZZOLI, Mr. MCKINNEY, Mr. MITCHELL of Maryland, Mr. MOORHEAD of Pennsylvania, Mr. PIKE, Mr. STOKES, Mr. STUCKEY, Mr. ULLMAN, and Mr. CHARLES WILSON of Texas):

H.R. 13754. A bill to amend chapter 49 of title 10, United States Code, to prohibit the inclusion of certain information on discharge certificates, and for other purposes; to the Committee on Armed Services.

By Mr. PEYSER (for himself, Mr. BADILLO, Mr. ADDABBO, Mr. VAN DEERLIN, Mr. MCDADE, Mr. MURTHA, Mr. WON PAT, Mr. HORTON, Mr. MYERS, Mr. MOAKLEY, Mr. LENT, Mr. CHARLES H. WILSON of California, Mr. SEIBERLING, Mr. ROE, Mr. HARRINGTON, Mr. SARBANES, Mr. STARK, Mr. EDWARDS of California, Mr. FORD, Mr. CONYERS, Mr. ROSENTHAL, Mr. MITCHELL of Maryland, Mr. GILMAN, Ms. BURKE of California, and Mr. RIEGLE):

H.R. 13755. A bill to authorize a national summer youth sports program; to the Committee on Education and Labor.

By Mr. PEYSER (for himself, Mr. MURPHY of Illinois, Mr. STOKES, Mr. MATSUNAGA, Mr. ESCH, Ms. HOLTZMAN, Mr. MCKINNEY, Ms. ABZUG, Mr. MAZZOLI, Mr. WHITEHURST, and Mr. DIGGS):

H.R. 13756. A bill to authorize a national summer youth sports program; to the Committee on Education and Labor.

By Mr. DINGELL:

H.J. Res. 951. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans' Day; to the Committee on the Judiciary.

By Mr. GROSS (for himself, Mr. DEVINE, Mr. CARNEY of Ohio, Mr. WYLIE, and Mr. DENT):

H.J. Res. 952. Joint resolution requiring the President to submit to Congress a report concerning importations of minerals which are critical to the needs of U.S. industry; to the Committee on Ways and Means.

By Mr. HECHLER of West Virginia:

H.J. Res. 953. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. ERLENBORN (for himself and Mr. WYDLER):

H. Res. 1007. Resolution to authorize an investigation by the Committee on Standards of Official Conduct to learn who is responsible for the unauthorized release of the report "Expenditures of Federal Funds in Support of Presidential Properties" and to impose penalties against such person or persons; to the Committee on Standards of Official Conduct.

By Mr. MILFORD:

H. Res. 1008. Resolution advocating the use of export controls by the United States, especially with respect to natural resources and agricultural commodities, in order to increase employment opportunities for American workers; to the Committee on Banking and Currency.

By Mr. PRITCHARD (for himself, Mr. YOUNG of Alaska, and Mr. MARTIN of North Carolina):

H. Res. 1011. Resolution to expedite the impeachment inquiry by the House Judiciary Committee; to the Committee on Rules.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DUNCAN:

H.R. 13757. A bill for the relief of Lt. Col. Horace Hill, U.S. Air Force Reserve (retired); to the Committee on the Judiciary.

H.R. 13758. A bill for the relief of Elmer A. Houser, Jr.; to the Committee on the Judiciary.

H.R. 13759. A bill for the relief of Donald E. Reed; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

413. By the SPEAKER: Petition of the Fourth Mariana Islands District Legislature, Saipan, Mariana Islands, Trust Territory of the Pacific Islands, relative to reimbursement of the legislature for funds expended by it in the presentation to the Micronesian War Claims Commission of the claims of the people of the Mariana Islands; to the Committee on Foreign Affairs.

414. Also, petition of the Republican City Committee of Worcester, Mass., relative to cooperation between the President and the House Committee on the Judiciary; to the Committee on the Judiciary.

415. Also, petition of the Democratic Precinct Caucus, Orcas Island, Wash., relative to impeachment proceedings; to the Committee on the Judiciary.

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# EXTENSIONS OF REMARKS

## THE PUBLIC'S RIGHT TO KNOW

### HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ERLENBORN. Mr. Speaker, an informed electorate is indeed essential in a democratic society, as a Washington Post editorial last week stated in endorsing the freedom of information amendments passed March 14 by this body.

I submit the editorial so that the readers of these pages may have a concise explanation of the import of this bill (H.R. 12471), and may know of the leadership our colleague—Mr. MOORHEAD of Pennsylvania—has taken in enhancing the public's right to know.

The editorial follows:

THE RIGHT TO KNOW

Government secrecy has become an unfortunate fact of life in American society, despite the best hopes of this nation's founders. James Madison once declared optimistically: "Knowledge will forever govern ignorance, and a people who mean to be their own governors must arm themselves with the power knowledge gives." But those lofty ideals of 200 years past have been facing heavy weather for at least a generation, and there is every evidence that reviving such notions in the current climate a government in Washington and elsewhere remains a difficult task. Under the shroud of national security and other devices of secrecy, the bureaucrats go about their business without the knowledge and consent of the governed. This is so despite the fact that Congress provided the press and the people with a weapon—admittedly a blunt one—in the Freedom of Information Act of 1966. It gave the public a right to examine the documents in the possession of government agencies and thus the opportunity to find out what is being done in the name of the governed. But its effective use is much more the exception than the rule.

Thanks to a notable recent exception, we now know that in the 1960s, the late J. Edgar Hoover ordered his agents at the FBI to undertake a "counterintelligence" program against what Mr. Hoover described as "black nationalist hate groups," among others. We know this because Carl Stern of NBC News took the trouble to go into court and win a law suit under the Freedom of Information Act. In theory, at least, FOIA reversed an older law that made disclosure difficult and established a policy that disclosure should be the norm and denial of information the exception. Unfortunately, the act has not worked that way. For one thing, there are a number of frustrating exceptions to the act. Beyond that, its mechanism is so cumbersome that only seven suits have been filed by news organizations since the act was passed.

Some of the blame for FOIA's ineffectiveness to date must rest on the news media. They have taken the view that news is immediate, and if they cannot get what they need for a story, they must move on. Very few journalists have been willing to take the time that the Freedom of Information Act now requires. Mr. Stern, for example, obtained the most recent set of documents on the FBI counterintelligence program 26 months after first seeking them.

The House of Representatives moved decisively this week to reduce the burden on those who wish to make use of the FOIA. It voted 383 to 8 for an amendment to the law proposed by Rep. William Moorhead (D-Pa.). The Moorhead Amendment does several important things to make the FOIA a better law. It reduces the number of days an agency has in which to say if it intends to provide requested information voluntarily. It places in the hands of the courts the question of whether national security is sufficient reason for a given agency to withhold information. It allows plaintiffs to recover their legal expenses if a court rules that an agency withheld material it should have turned over voluntarily. It adds the Office of Management and Budget to the list of agencies now covered by the act, and it requires all agencies to give an account to Congress each year of how it implemented the law.

A similar bill, sponsored by Sen. Edward M. Kennedy (D-Mass.), has cleared a subcommittee of the Judiciary Committee and should be ready for floor action shortly. The Nixon administration has made rumblings that could be the forecast of veto action, but that would be a meaningless gesture if the Senate action is as decisive as was that of the House. Attorney Ronald Plesser, who heads the Freedom of Information Clearinghouse and who represented Mr. Stern in his suit against the FBI, has estimated that this new legislation could have reduced the elapsed time of the Stern case from 26 months to six months. That is more in keeping with the needs of justice and the public's right to know what its government is up to. No known substitute for an informed electorate exists in a democratic society, and the Hoover papers make it clear once again how dangerous bureaucratic secrecy can be to the rights of a free people.

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## EDITOR WILLIAM RANDOLPH HEARST, JR., WARNS THAT UNITED STATES HAS BEEN PLACED ON "PROBATION" BY THE ARABS; NOTES CONGRESS FAILURE TO HEED SENATOR RANDOLPH'S EARLIER PLEAS

### HON. HOWARD W. CANNON

OF NEVADA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 26, 1974*

Mr. CANNON. Mr. President, the distinguished William Randolph Hearst, Jr., editor in chief of the widely circulated Hearst newspapers, warned in his "Editor's Report" of Sunday, March 24, 1974, that the United States has been placed on "probation" by the Arab petroleum-producing nations in their lifting of the oil embargo. That warning was the principal theme of his column, in the Los Angeles Herald-Examiner and other Hearst newspapers.

Mr. Hearst called the lifting of the oil embargo "good news, to be sure," but he emphasized that:

> Even Pollyanna should realize that reopening of the Arab oil tap is no reason to assume an immediate return to business as usual, pleasure as usual, and waste as usual.

And then he declared:

> Above all—and this is what really kills any optimism on my part—above all is the fact that ending of the Arab oil embargo is by no means permanent. The tap can again be shut, and very well may be shut, only a few months from now. . . . So what does the oil embargo end really boil down to? It boils down to a respite, a period of uncertainty which overshadows all present good news, and it amounts to a continuing disgrace for these United States of ours. Our country—and no rhetoric can diminish the fact—has stupidly wound up being put on probation by a bunch of superlucky Arabs.

Then editor-in-chief Hearst emphasized this observation which gives credit to our distinguished colleague, Senator JENNINGS RANDOLPH of West Virginia. He said:

> What bugs me about the whole energy situation is that our leadership was so blind to our own weaknesses that the Arab cut-off could damage us in the first place.
>
> We seem to be a country capable of concerted positive action only in a crisis situation. Nobody paid much attention, for example, when Sen. Jennings Randolph (D.-W. Va.), as early as 1959 was warning that we would be running out of adequate power supplies and tried unsuccessfully to create a joint committee of Congress to study and act on the problem.
>
> He was proved right, too late, when we lost our power self-sufficiency about five years ago and still did nothing about it. The Arabs and their blackmail oil embargo provided the bitter proof.

And he added succinctly:

> So now, today, we find ourselves in the demeaning position of considering it good news that the Arabs have graciously given us a chance to prove to them that we have learned our lesson. . . . And that is not good news.

Mr. Hearst also notes in clear language that:

> The whole situation is complicated by the sinister role of the Soviet Union, presumably attempting to further the cooperative spirit of detente but actually doing all it can to torpedo us in the Mideast and just about everywhere else.

Mr. President, the "Editor's Report" is thought-provoking and frank on a subject of acute concern to the United States especially, as well as to other countries. I ask that it be printed in its entirety at this point in the RECORD.

There being no objection, the "Editor's Report" was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Herald-Examiner, Mar. 24, 1974]

### EDITOR'S REPORT: UNITED STATES PLACED ON PROBATION

(By William Randolph Hearst, Jr.)

SAN FRANCISCO.—Since my normal nature is to be optimistic, regular readers of this column might expect to find some rosy comment here today on the week's biggest and best news—lifting of the Arab oil embargo against the United States.

There's no question it was good news. The cause of this winter's gas shortages and cold radiators has been ended. The threat of rationing is over. Announced layoffs of workers are being rescinded. The Nixon-Kissinger Mideast peace efforts have really paid off.

All good news, sure enough, and pleasing indeed. The trouble is that the good news may not last. And even Pollyanna should realize that reopening of the Arab oil tap is no reason to assume an immediate return to business as usual, pleasure as usual, and waste as usual.

The fact is that new Arabian oil will not be reaching our gas station pumps for many weeks. What is being made available all of a sudden are reserves previously stored for summer demand. Prices will remain high. And meanwhile the nation's basic and growing general energy shortage remains.

Above all—and this is what really kills any optimism on my part—above all is the fact that ending of the Arab oil embargo is by no means permanent. The taps can again be shut, and very well may be shut, only a few months from now.

This all-important fact has been minimized in the general relief greeting the embargo's end. Yet the Arabs made it very clear in their announcement at Vienna on Monday. They will reconvene on June 1, they said, to "review" their present decision.

It was not a decision, significantly, which was reached unanimously. To the contrary, both Libya and Syria refused to go along and other of the oil-producing countries did so reluctantly, responding favorably only because such moderate but powerful influences as Egypt and Saudi Arabia urged them to cooperate.

So what does the oil embargo end really boil down to? It boils down to a respite, a period of uncertainty which overshadows all present good news, and it amounts to a continuing disgrace for these United States of ours.

Our country—and no rhetoric can diminish the fact—has stupidity wound up being put on probation by a bunch of super-lucky Arabs.

The painful and muted reality of the Mideast oil picture is as simple as A-B-C. Our important Mideast oil supply was cut off to force us to bring pressure against Israel. It was restored only because some of the Arab nations believe such pressure is being effective. Others remain doubtful.

For the next few months, in effect, the United States has the option of continuing pressure on its Israeli ally to the satisfaction of the Arabs—or else. Either they get what they want or the oil stops, again.

What bugs me about the whole energy situation is that our leadership was so blind to our own weaknesses that the Arab cut-off could damage us in the first place.

We seem to be a country capable of concerted positive action only in a crisis situation. Nobody paid much attention, for example, when Sen. Jennings Randolph (D.-W. Va.), as early as 1959 was warning that we would be running out of adequate power supplies and tried unsuccessfully to create a joint committee of Congress to study and act on the problem.

He was proved right, too late, when we lost our power self-sufficiency about five years ago and still did nothing about it. The Arabs and their blackmail oil embargo provided the bitter proof.

So now, today, we find ourselves in the demeaning position of considering it good news that the Arabs have graciously given us a chance to prove to them that we have learned our lesson.

And that is not good news.

Complicating the situation is the sinister role of the Soviet Union, presumably attempting to further the cooperative spirit of detente but actually doing all it can to torpedo us in the Mideast and just about everywhere else.

Even before the Yom Kippur War broke out last October, and right up to the time of the Arab embargo announcement, our detente buddies had been urging the Arabs both publicly and privately to cut off the oil. As they well know oil is the very blood on which the industrial free world depends to flourish. Cut it off—even partially—and all hell breaks loose.

What needs stressing here is the utter consistency of Moscow's behavior. As always in the past, treaties and acts and handshakes and smiles are nothing to the Communists but useful instruments toward achieving their never-changing goal—the undermining and collapse of the capitalist system.

Detente hasn't changed that goal one bit. It will never change. Any time it seems to change—and you can draw a heavy red line under this—what you have is not change but a new exercise in deviousness.

President Nixon and Secretary of State Kissinger, of course, are fully aware both of what the Arabs are doing to us and what the Russians would like to do. Both men, naturally, continue trying to play down the grim facts while emphasizing the hope of progress.

In his Houston appearance, as an example, Mr. Nixon ignored his previous declaration that this country would tolerate no strings to a lifting of the oil embargo. Painfully aware of the strings which actually came with the reopened oil taps, he did what he could in a straitjacket situation by declaring that the U.S. will try for Mideast peace as a friend of both sides.

For his part, Dr. Kissinger departs this week for Moscow in an attempt to cool what he publicly admitted have been recent strains in the detente arrangement. If he can further the possibility of a reasonable compromise in the SALT II talks on atomic weapon cutbacks, he will have achieved the best that can be expected.

My Pollyanna instinct suggests that matters may not be as bleak as suggested in what has been written here. So I will note that the more reasonable voices in the Arab world have prevailed and, hopefully, will continue to do so. Also that Russia has as much to gain in the SALT II talks as we, and may prove cooperative in this vital field at last.

All that, however, amounts to an expression of hope.

The reality is that our great nation remains on a kind of parole which may easily be revoked if we do not please a bunch of Communists and their hot-head sycophants in the Arab world.

## SETTLEMENT OF THE DEBT OF THE INDIAN GOVERNMENT

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## HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 26, 1974*

Mr. HARRY F. BYRD, JR. Mr. President, in newspapers of March 22, columnist Robert S. Allen wrote an interesting and thorough analysis of the administration's unilateral settlement of the debt of the Indian Government to the United States.

This settlement, negotiated by Ambassador Daniel Moynihan, was approved with no consultation with the Congress—and it settled India's debt at only about a third of the amount owed.

I have sponsored legislation to require congressional approval for any settlement of a foreign debt to the United States in which the agreed-upon repayment is less than the full amount of the debt. Similar action, as Mr. Allen reports, is under consideration in the House of Representatives.

It is essential that Congress review proposals that would write off billions of dollars legitimately owed to the United States.

I ask unanimous consent that the editorial, "House Buzzing Over State Write-Off Of India's Debt," be printed in the Extensions of Remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### HOUSE BUZZING OVER STATE WRITE-OFF OF INDIA'S DEBT

(By Robert S. Allen)

WASHINGTON, March 21.—That soft-pedaled $2.2 billion write-off of a $3.3 billion debt India has long owed the U.S. is triggering a hornet's nest of vehement congressional condemnation.

So pronounced is the bipartisan outrage that drastic crackdown legislation is virtually assured.

In fact, one forceful restriction already has been approved.

The House Foreign Affairs Committee has amended the Foreign Assistance Act of 1961 specifically requiring "congressional surveillance over all currency settlements that come under this act."

Express purpose of this legislation is to prevent a repetition of the huge giveaway to India.

With this measure as a starter, its three influential sponsors—Reps. Lester Wolff, D.-N.Y., Edward Derwinski, R.-Ill., and William Broomfield, R.-Mich.—are pressing another resolution applying the same safeguard to "all similar settlements involving American foreign aid."

Strikingly indicative of the widespread bipartisan support for the imposition of such a curb on the State Department and other agencies is that it has 56 cosponsors. Foremost among them are:

Reps. John Anderson, R.-Ill.; William Cohen, R.-Maine; James Collins, R.-Tex.; Robert Daniel, R.-Va.; W. C. (Dan) Daniel, D.-Va.; H. R. Gross, R.-Iowa; Craig Hosmer, R.-Calif.; William Hungate, D.-Mo.; Richard Ichord, D.-Mo.; Jack Kemp, R.-N.Y.; James Mann, D.-S.C.; G. V. (Sonny) Montgomery, D.-Miss.; Charles Sandman, R.-N.J.; R. F. Sisk, D.-Calif.; Roy Taylor, D.-N.C.; Larry Winn, R.-Kans.; C. W. (Bill) Young, R.-Fla.

Noting this extensive backing, Rep. Wolff, member of the Foreign Affairs Committee spearheading the drive for this corrective legislation, declared it graphically underscored the strong opposition in Congress against any more huge cancellations by bureaucratic fiat of foreign debts owed the U.S.

"On the basis of this widespread bipartisan endorsement," said Wolff, "I have every confidence this legislation will be enacted by Congress. It's a long overdue safeguard, and the shocking $2.2 billion giveaway to India emphatically illustrated the urgent need for it."

#### "SANTA CLAUSE" MOYNIHAN

The $2.2 billion Indian writeoff was "negotiated" by Ambassador Daniel Moynihan—without prior notice to Congress or the U.S. public.

It was stricitly a unilateral and unpublicized decision by the State Department.

It is now clear the principal mission of the former Harvard professor, when he took up his post in New Delhi last year, was to arrange this huge giveaway—despite the undisguised animus toward the U.S. by Prime Minister Indira Gandhi and her Soviet-leaning regime.

Last month, Moynihan, following an unannounced arrival in Washington, spent several weeks lobbying Congress about the multibillion-dollar writeoff deal.

As reported at the time in this column, he ran into a storm of irate censure at a Foreign Affairs subcommittee meeting—where Rep. Wolff served notice he was sponsoring a "sense of Congress" resolution urging President Nixon to reject the huge write-off.

Subsequently, Wolff and Reps. Derwinski and Broomfield sponsored the bill designed to give Congress a direct voice in such transactions. It is this measure that now has 56 bipartisan cosponsors.

In offering it, Wolff pointed out it is Congress that "votes to loan taxpayers' money to foreign countries, and Congress must retain the right to any change in the repayment or write-off of those funds." This is particularly essential, he stressed, because:

"There still remain vast amounts of foreign currencies, by conservative estimates running into the billions, owed by foreign nations. At a time when our domestic economy is under such tremendous strains, the executive branch must not be allowed to engage in giant giveaways involving these debts without answering first to Congress.

"Our bill represents a long overdue move by Congress to establish a role in the making of executive agreements, which have become a major instrument of foreign policy completely circumventing the congressional role in implementing important international policies. The purpose of this bill is to assure congressional control over settlements, cancellations, renegotiations and rescheduling of debts of foreign countries to the United States."

Foreign Affairs chairman Thomas Morgan, D.-Pa., has assured Wolff of full consideration of his landmark bill. Says Wolff:

"I haven't any doubt that it will be overwhelming approved by the committee and subsequently by the full House. That is clearly indicated by colleagues from all sections of the country and both parties joining in cosponsoring this measure."

#### BITING THE HAND

For Ambassador Moynihan there has been an ironic aftermath to his successful labors in arranging the $2.2 billion write-off of India's debt.

In recent days, the tall envoy has been the target of caustic Indian blasts.

In an anonymous, prominently featured article in the National Herald, leading organ of the Congress Party headed by Prime Minister Gandhi, Moynihan was carpingly berated for, of all things, endeavoring to improve the long-strained relations between the U.S. and India.

Particularly he was rebuked for indulging in "platitudes" about closer ties between the two countries.

This startling and unexpected attack was followed a few days later by a testy reproof by Foreign Minister Swaran Singh—whose ire was stirred by remarks made by Moynihan at an off-the-record meeting with India newsmen about U.S. plans to establish a naval and air base on the island of Diego Garcia, more than 1,000 miles south of the tip of India.

Purpose of this military installation is to offset the rapidly growing armed strength of Russia in the Indian Ocean.

India, under unmistakable Moscow prodding, has been fulminating against the U.S. project. In engaging in this anti-U.S. carping, the Gandhi regime has been completely silent about the Soviets' expanding military might in the Indian Ocean. Foreign Minister Singh said nothing about that in criticizing Moynihan's private comments.

Also, it goes without saying that neither the Indian official nor the National Herald made the slightest reference to the $2.2 billion debt cancellation that Moynihan "negotiated."

Under the rule of peevish and carping Madame Gandhi, India has never been noted for evincing any appreciation of the billions in loans, food and other aid lavishly extended by the U.S. In the past 15 years, that aid, whch has repeatedly saved tens of millions of Indians from starvation, totals more than $10 billion.

Virtually all the U.S. has gotten in return has been incessant whining and complaining about our foreign policy—with never a word of disapproval of anything Moscow does, which has largely armed India for cash on the barrelhead.

For Ambassador Moynihan the surprising Indian attacks must be doubly galling because in the past several weeks top officials of the Gandhi regime have been secretly talking to him about possible new U.S. aid.

Privately, they've got the tin cup out again while publicly they are kicking his shins.

One thing is certain—if Congress has anything to say about it, it's very unlikely India will get any more large-scale foreign aid.

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## DAN GERBER

## HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 26, 1974*

Mr. GRIFFIN. Mr. President, Michigan lost one of its most outstanding citizens and business leaders when Daniel F. Gerber died last week.

For many years, Mr. Gerber headed the Gerber Products Co., the leading producer of baby foods throughout the world today. However, his success in life is not measured in business terms alone, but also by his monumental contributions toward the betterment of his community, his country and mankind.

Some indication of the deep respect and affection earned by Dan Gerber during the period of his remarkable life was registered last Wednesday in Fremont, Mich., when a community memorial service was held to honor his memory. Warm tributes came from neighbors and townspeople who knew him best for his leadership in community service as well as from those who knew him in business.

Mrs. Griffin joins me in extending our deepest sympathy to Mrs. Gerber and the fine family of this distinguished son of Michigan.

I ask unanimous consent that the Record reflect the remarks delivered on that occasion by Ted Johnson, who spoke for the Boy Scouts of America; Richard Bell, who represented the Fremont Area Foundation; Fred Billerbeck, mayor of Fremont; and by John Suerth and Art Frens, who are officers of the Gerber Co.

In addition, I ask that a brief biographical sketch of Mr. Gerber's life and career be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

### REMARKS OF TED JOHNSON

Dan Gerber was a friend of young people everywhere. He demonstrated that through his activities in business, his family, his interests, and values. Dan was a friend of the Boy Scouts. He was a friend of mine.

I can't presume to speak for millions of others, both young and old, whose lives he influenced. But I can attempt to express, in some small way, the influence his presence exerted on all of us.

A friend has gone. We console ourselves by reflection on good times, good days, bright thoughts, and memories.

Camp Gerber, a scout camp dedicated to citizenship, character-building, physical and mental fitness, developed through Dan's generosity. Dan, in turn, influenced his father to help in the development of this extension of the Boy Scout program—a woods and water area for boys and girls to develop memories, ideals, and a sense of worth—a belonging to this earth and the society of which they are a part. Over 600 acres, two lakes, and many dreams.

This initial gift, made over 20 years ago, has inspired others—buildings have been donated, a trust fund established for maintaining and preserving this ideal camp location—because Dan believed in helping others to help themselves. More than 1,000 boys and girls every year are able to see the majesty of a starlit sky, hear the message of a noisy stream—all to inspire the spiritual petition, "Be still and know that I am God."

Dan's contribution of time and inspiration to the ideals of the Boy Scouts of America was a continuing one. He has given an annual luncheon for business leaders in the Timber Trails Council during which the scouting story was told, a council progress report made, talent recruited, and funds raised. The spring luncheon was scheduled for April of this year.

Dan saw, in the Boy Scouts of America, the opportunity for men and women to live forever in the lives of boys and girls, and to guarantee the right of those boys and girls to know and to appreciate, and to be influenced, and to be guided by nature's power and beauty, and freedom of spirit that he acknowledged to be common to all ages and a part of the heritage which he passed along.

Because of him, we can offer these children, our children, the woodlands, the streams, the lakes, the stars—a bridge on the steep, always-remembered road to character, good citizenship, and morality.

Dan accepted the opportunity, the challenge, and responsibility to help build bridges so that generations to follow will have these bridges to cross.

Showing his love for the youth of America, he shared his time, talent, and treasure with Boy Scouts, Girl Scouts, 4-H Youth, and other youth oriented organizations. If we would all give, as Dan gave, an example of character to our youth, our world would be safe from any threat from within or without. We need, as never before, prayer, dedication, and example of such men of character and morality as Dan.

Dan was a warm human being, quiet, self-effacing, talented in business and human relations, a friend to those who needed friendship, an inspiration to those in need of support, a man who knew his God.

Henry Adams once said, "A teacher affects eternity, he can never tell where his influence stops." By example of his life, sharing his talents, his gifts, his love for the benefit of others, Dan was such a teacher.

We will miss our friend.

### REMARKS OF RICHARD BELL

For all of his life, Dan Gerber was interested in others, and shared most generously not only his financial support, but also his considerable talents and business skills. It would be literally impossible to list all of the organizations which have benefited from the generosity of this man. In the first place, the broad range of his interests meant that there were literally hundreds of civic, charitable and educational organizations within his philanthropic portfolio. Secondly, and perhaps more significant, is the fact that untold thousands of his acts of generosity were made quietly and in many cases the recipient never knew who his benefactor was. Dan never sought personal credit, finding satisfaction in the giving, and in the benefits for others his gifts so often produced.

Several years ago, recognizing the need for continuity in his giving program, Dan conceived the idea of, and was largely responsible for, the development of The Fremont Area Foundation. It was his thought that by combining a number of charitable trusts and funds within the community, a significant resource of wisely given financial support could be established. Furthermore, such a fund could accept smaller individual bequests, which would in turn be an effective part of the total foundation. The Fremont Area Foundation today consists of twelve separate funds, from which total contributions of about $300,000 are made annually.

The Newaygo County Community Services is the largest single beneficiary currently. With funds from The Fremont Area Foundation, plus some donated directly, Newaygo County Community Services provides a wide variety of services to people of all ages throughout the County.

The schools certainly have shared in the programs made possible by The Foundation. The library, the hospital, indeed nearly every facet of the community which he loved so deeply, have benefited and will continue to benefit from his thoughtful foresight and resourcefulness.

Just two years ago, initial steps were taken toward the realization of a lifelong dream, when Dan made funds available for the planning of the Fremont Civic Center. It was his hope that we may some day develop a multi-purpose Civic Center and Auditorium, offering a whole new range of opportunities for the people of this area. At this point, preliminary plans are well under way, some land has been acquired, and a Civic Center Commission has been established. Some day, and we hope soon, we will have a Civic Center of which he, and all of us, may be very proud.

There are a great many other areas I could mention, for his recognition of the needs of others was immediate, and his feeling of responsibility for them was a deep one. Yet, he could not seek, yes, he would even shun, credit or recognition for his efforts to meet those needs.

The Fremont Area Foundation—a living, growing extension of Dan Gerber's personal awareness of the needs of others—exists, in itself as a memorial to a mighty man.

### REMARKS OF MAYOR FRED BILLERBECK

The fabric of this community owes a great deal to the man, Daniel F. Gerber. For his underlying contribution can be likened to the "warp" or foundation base on a loom upon which the "woof" is weaved to form the final woven material. Today the City of Fremont is a vital, pulsing, modern community which is greatly envied by far larger communities because of the stimulus this gentleman's enterprise has transmitted, both direct and indirect. We recognize his direct impact as we enter this community by any of the main arteries—for the state highway signs proclaim the City of Fremont as the "Baby Food Capital!" This status has meant economic prosperity and stability to the citizens of this city. His acumen as an entrepreneur has brought worldwide recognition to the firm as well as to the city. We of the city administration are mindful of his constant concern and love for this community. His impact on the community has always stressed self-reliance of its citizens rather than a paternalistic approach which has regretfully characterized many other communities. The strength of our local autonomy owes much to Mr. Gerber's strong sense of values. Those who had occasion to know him were always struck by his most modest, unassuming and pragmatic approach to problems which he faced. Just last year as President of the Fremont Rotary Club, I was made more fully aware of this man's qualities of reserve. The Club arranged a special dinner meeting so as to award him the coveted "Service Above Self" award. It was questionable if Mr. Gerber would actually come largely because of his self-effacing nature. When invited to attend to receive the award, his response was: "I would rather be boiled in oil"—but to my very great relief, he did attend! This small incident captures the character of the man.

His philanthropic efforts have been keyed to this same low profile approach. Development of the Fremont municipal airport was spurred by his early and continuing interest in aviation. Our community's excellent library, Fremont Area Foundation, Gerber Memorial Hospital, natatorium all have been recipients of his supportive interest. Most recently, it was his initiative that made it possible to create a building authority for the proposed Fremont Civic Center. Characteristically, he did so by providing the seed money for the project but at the same time challenged those of the community to participate so that a proper wide respect for the project would be realized. The Boy Scouts and the First Church of Christ Scientists have found his support and have been better for it. The scope of his active interest and participation reach far beyond local confines. Undoubtedly, he has been inspirational to many people, young and old, who have been associated with him either as an employee, recipient of a scholarship, as an acquaintance, or just simply because of his good works.

Mr. Gerber's passing is accepted with very deep regret by the City of Fremont administration. It is always sad to lose a good and loyal friend. We do, however, draw inspiration from his life's work and his stature among the great industrialists and benefactors of this age. The finest compliment is to consider his example as worthy of emulation.

### REMARKS OF JOHN SUERTH

Dan Gerber's life spanned an interesting era, a time of fascinating technological, scientific, and social growth. His enthusiastic interest in the world and its people never wavered, he welcomed change and challenge and progress. Because of this attitude, Dan was able to lead this company into its present status among the world's major business enterprises. Because of this attitude, he held a lifelong compassionate concerned interest in the goals and dreams of his fellow man.

His ideas, his wise counsel, and his years of experience leave a lasting imprint on the company. We shall miss him, of course, but consider invaluable the opportunity to have shared so much with him.

### REMARKS OF ART FRENS

In many ways, far better than any words of mine, the company that bears his name stands as a memorial to Dan Gerber. Under his leadership and those he chose to carry on after him, Gerber Products Company stands today among the ranks of the leaders in the world of business.

Yet "bigness" as such was never very much of a concern with Dan, unless it had to do with "thinking big" in terms of service to others, or enthusiasm for a new idea or a new project. Dan enjoyed, and took pride in the growth of the company—but only because it represented further service to others, and increasing opportunities for those who shared in that company growth.

Success to Dan was a journey, never a destination. Even in later years, long after he had earned the right to sit back and let others bear the burden of decision, he participated actively and effectively in the affairs of the company. His quick grasp of the essential features in any problem, his vast experience of some 60 years in the business, and above all his instinctive feel for the human touch in every situation have served as valued guidelines in making Gerber Products Company what it is today.

Dan always seemed to have time—time for listening to others; time for shared laughter; time for a quiet kindness; time for those who asked for his patient counsel. And yet he could be firm and decisive when the situation called for decision. Dan always expected the best of others, and never gave less than the best of himself.

We have heard today from a representative few of the broad range of activities and interests which were part of Dan Gerber's life. There were so many more, for here was a man who gave not only generously, but also conscientiously of his considerable time and talents in many, many areas. But in reviewing that list, and in reviewing the accomplishments that mark the many milestones in his life, one factor remains constant—the humaneness of the man. The deep, genuine, shared concern for his fellow man. Even the very basis of Gerber Products Company—baby foods and baby need items—reflects his desire to fulfill a need where it exists, with products which can be depended upon for that most precious commodity—a baby human being.

Much has been said in the past few days, and here today, about this man and our memories of him. There is little more I can add to that tribute.

Dan Gerber's memorial exists, as he would want it to exist, in the people around you; in the Scouts; his church, the school; the community, and in the company which bears the unmistakeable imprint of a man who *cared.*

Dan Gerber—it was a privilege to share your lifetime.

### BIOGRAPHICAL SKETCH

Daniel F. Gerber, chairman of the executive committee of Gerber Products Company, passed away Saturday evening, March 16, following a brief illness. He was 75 years of age. His wife, Dorothy, five children, and eighteen grandchildren survive him.

A native of Freemont, Mr. Gerber joined his father in the Fremont Canning Company in 1912. The company introduced Gerber strained baby foods in 1928, and in succeeding years the company became the leading producer of baby foods and baby need items known throughout the world.

Mr. Gerber was named president of the company in 1945, and in 1964 became chairman of the board. Three years ago, at his own request, he relinquished the chairmanship but agreed to serve as chairman of the executive committee and as a director of the firm. He also served as chairman of the board of the Old State Bank of Fremont.

Widely known throughout the food industry, Mr. Gerber gave freely of his time and talents to a variety of trade and professional associations and to a great many civic organizations in which he had an enthusiastic interest. A generous philanthropist, he was especially concerned with the community and its schools, his church, the Boy Scouts of America, and the Fremont Public Library. A project of current interest within the community was the establishment of a civic center, initial funds for which were donated by the Gerber family within the last two years. In addition to his many local interests, Mr. Gerber served on the board of the United Negro College Fund, The Greater Michigan Foundation, the Nutrition Foundation, and many other organizations. A graduate of St. John's Military Academy and Babson Institute, Mr. Gerber has maintained a life-long interest in the affairs of those schools.

Private family memorial services were held Monday afternoon, March 18. The family has asked that those who wish to offer a lasting memorial to Mr. Gerber may consider the Timber Trails Council Boy Scouts of America, the Fremont Public Library, Gerber Memorial Hospital, the First Church of Christ, Scientist, the Fremont Civic Center, or the Foster Parents Plan, Inc., of New York City.

A community memorial service was held Wednesday afternoon in the Fremont High School.

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## CONSERVATION AND ALLOCATION OF ENERGY

## HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 26, 1974*

Mr. HARRY F. BYRD, JR. Mr. President, in carrying out the shortrun programs for conservation and allocation of energy, it is vital that officials of the Government keep in mind the enormous impact their actions will have on the economy.

I think that preservation of jobs, and keeping the economy healthy, are top priorities in the energy program.

One industry that is absolutely dependent on the energy program, as it relates to allocations of gasoline and rules for its distribution, is tourism. This is a major industry in this country. In Virginia alone it generates about $1 billion a year.

Recently the Metropolitan Washington Council of Governments adopted a resolution emphasizing the importance of tourism in the region of the Nation's Capital, Virginia, Maryland, and the District of Columbia are affected in a major way by tourism in this area, and I hope that the council's resolution will be given every consideration by the appropriate administration officials.

I ask unanimous consent that the resolution by the Metropolitan Washington Council of Governments be printed in the Extensions of Remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

### RESOLUTION REQUESTING INCREASED GASOLINE ALLOCATIONS TO THE METROPOLITAN WASHINGTON AREA

Whereas, the millions of tourists, foreign and national, who will be or are visiting the Washington Metropolitan Area every month of this year require food, lodging, transportation, public health and safety services; and

Whereas, the economy of the Washington Metropolitan Area is dependent in great measure upon the continued delivery of tourism-related services; and

Whereas, the headquatrers of the Federal Government and other public buildings located in the Maryland and Virginia suburbs of Washington, D.C., attract thousands of American citizens to transact essential business; and

Whereas, the failure to support essential private sector tourism-related services would result in the serious deterioration of local employment and affect the well-being of thousands of local citizens,

Now, therefore, be it resolved by the Board of Directors of the Metropolitan Washington Council of Governments that:

1. The Administrator of the Federal Energy Office is urged to take into consideration the needs of and impacts of tourists and other citizens visiting the Washington Metropolitan Area in determining gasoline allocations to Virginia, Maryland, and the District of Columbia;

2. The Governors of Maryland and Virginia be requested to provide increased allocations of gasoline for distribution by officials of the jurisdictions which are members of the Metropolitan Washington Council of Governments;

3. Copies of this resolution be forwarded to the President of the United States, the Administrator of the Federal Energy Office, to members of Congress who represent the Metropolitan Washington Area, and to the Governors of Maryland and Virginia.

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## FARM LABOR REVIEW

## HON. B. F. SISK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. SISK. Mr. Speaker, as many of my colleagues know there is a farm labor problem in California which is unsettling and cries for congressional action. There are a number of legislative proposals before the House Education and Labor's Subcommittee on Farm Labor, and I am one of the sponsors of one remedy—placement of agriculture labor under the provisions of the National Labor Relations Act.

At this time I would like to share the reporting ability of Rev. Richard Humphrys, pastor of Our Lady of Soledad Catholic Church in Coachella, who has been involved with the problem for the past 4 years. His reporting ability was printed in the Riverside Daily Enterprise on February 12, 1974.

The article follows.

### PRIEST SAYS HIS GROUP'S STUDY TAKES IMPARTIAL LOOK AT FARM LABOR UNIONS

(By Neil Parse)

COACHELLA.—While two rival unions battle over who will represent laborers in Coachella Valley vineyards, a small group of Catholic priests has been quietly conducting an investigation.

Most pronouncements by clergymen in connection with the grape dispute have been on the side of the Cesar Chavez-led United Farm Workers of America, but this group is making its own study, according to the Rev. Richard Humphrys, pastor of Our Lady of Soledad Catholic Church here.

The group—the Mexican-American Commission of the Diocese of San Diego—includes about 20 priests from Riverside, San Bernardino, Imperial and San Diego counties.

Father Humphrys, one of the members, explains that each priest has been asked to conduct his own research so he can make up his own mind instead of just listening to someone's recommendations.

One thing is certain—the study will not result in 100 per cent support for the United Farm Workers. Father Humphrys already has presented his four-page report which holds that most workers did want to join the Western Conference of Teamsters.

That report was presented at the Mexican-American Commission's meeting here last week. It was the latest in a series of commission meetings on that topic, but the group's study has not been publicized.

Coachella Mayor Anthony Garcia, who was invited to sit in on last week's meeting, told news media about it afterward.

Father Humphrys said the commission will continue to meet about twice a month.

One of his basic conclusions, Father Humphrys said, is that "to come out in favor of either union is a tremendous mistake" unless there is conclusive evidence that one union is not doing the job for its members.

He noted in his report that "a small number of Catholic bishops have come out in favor of the Chavez union." There are "many priests," he said, who think the church should be impartial and that the bishop's statement attributed too many of the farm workers' problems to growers.

"My research," Father Humphrys wrote, "does not mean that I am taking sides between the unions. I am only a reporter of what I have been able to find out in the four years I have been close to the issues."

The majority of those four years were in the Palo Verde Valley. He said he went there with "a very open mind" concerning the United Farm Workers, and was surprised to find widespread opposition to Chavez among Mexican-Americans.

He became pastor of the Couchella church last July.

To try to determine whether the workers really wanted to be represented by the Teamsters, or did so because they had no choice, Father Humphrys said he talked with growers familiar with Teamster petitions which workers had signed.

He said he saw a petition taken at the Bagdasarian Ranch near Mecca and signed by 452 workers who did not want to be represented by the Chavez union.

At Mel-Pak, near Thermal, he learned that 90 per cent of the workers on hand at the time of the petitioning had signed.

"Considering that a worker might sincerely be afraid to sign such a petition for fear of reprisals," he said, "it would seem that this great number of signatures would indicate that the workers sincerely wanted the Teamsters Union."

He said he "found that similar petitions had been taken by all the other ranches."

There have been charges, Father Humphrys observed, that the Teamsters agreed to a "sweetheart contracts" (labor agreements which provide little for the worker) to help persuade growers to sign with the Teamsters instead of the United Farm Workers.

An examination of the contracts, however, indicates that the worker earns more than $3 and in some cases more than $3.50 an hour, including fringe benefits.

That, he said, discredits the "sweetheart contracts" theory.

Father Humphrys said he interviewed workers on their feelings about the United Farm Workers and found these grievances:

The union split families when it dispatched them to fields, and families in many cases could not continue to work at vineyards where they had worked for years and knew the grower.

Union "harassers" visited fields, asked to see union cards, demanded that workers take part in union picketing if they wanted to continue to work.

When one type of work (such as pruning) was concluded, the worker had to drive back to the union office and wait to be dispatched to the next type of work (such as thinning), even if it was at the same vineyard.

Back dues had to be paid before a worker was dispatched to a job, even if he did not have any money. After last season this "abuse" was corrected, he noted, but dues were increased.

Failure to attend a union meeting resulted in a $25 fine.

"Many workers I have talked to over the past few years," Father Humphrys said, "thought that Cesar Chavez was a fair person, but they bitterly complained of the treatment they received from officials of the union."

He also said in his report that growers are not "getting rich" as some critics contend.

Most growers, he said, are making far less than they could earn by selling their property and "investing their money at 7 per cent (interest) with no risk and no work."

The "middle men" make at least double the profits of the grower, he said.

Father Humphrys added that it is "terribly unfair not to give the growers credit for the wages they are paying." It compares favorably, he said, with the pay for many other types of common labor.

He concluded that farm labor should be placed under the National Labor Relations Board so that free elections could be conducted among workers without question of bias, and that "until it can be proved that all virtue and right is on the side of one union . . . we should be fair and impartial to both unions."

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## RHODESIAN CHROME

## HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 26, 1974*

Mr. HARRY F. BYRD, JR. Mr. President, Anthony Harrigan, columnist and executive vice president of the United States Industrial Council, wrote a perceptive analysis of the Rhodesian embargo issue for newspapers of March 14.

Mr. Harrigan pointed out the inconsistency of the Senate's voting to reimpose sanctions on importing strategic materials from Rhodesia while at the same time protesting the Arab oil embargo.

He also notes that resuming the embargo on chrome, the principal strategic commodity from Rhodesia, would increase our dependence for chrome on Russia. Surely Russia is neither a reliable source of supply nor a more democratic regime than is Rhodesia.

I ask unanimous consent that the column, "Chrome-Plated Hypocrisy," be printed in the Extensions of Remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

### CHROME-PLATED HYPOCRISY

(By Anthony Harrigan)

As the Washington *Star-News* said in a recent editorial, the U. S. Senate engaged in an orgy of hypocrisy when a majority of that body voted to resume the United Nations-sponsored embargo on imports of chrome from Rhodesia. The 54 senators who favored the ban have a double standard on boycotts.

These same senators are among the loudest critics of the oil boycott the Arab nations directed against the United States.

Moreover, those who say the U. S. has a moral obligation to help bring down the government of Rhodesia seem not at all interested in helping liberate captive peoples under Soviet rule. Indeed the liberal foes of Rhodesia are among the most ardent advocates of stepped-up trade with the Soviet Union whose tyrannical rule has been exposed again by the great Russian writer Alexander Solzhenitsyn.

Fair-minded citizens, mindful of the U.S. economic and security interest in continued purchases of Rhodesian chrome, can only hope that the House of Representatives will not be ruled by the same hypocritical standards that prevailed in the Senate.

It is very important that the U. S. public receive accurate information about the Rhodesian chrome situation. Members of the anti-Rhodesia lobby such as Reps. John H. Buchanan Jr. of Alabama and Donald Fraser of Minnesota are working hard to reimpose the embargo that was lifted by the Byrd Amendment in 1971.

The Youngstown, Ohio, *Vindicator*, published in the heart of the steel producing area, has printed considerable information on the hurtful effects of a renewed boycott. Recently, it quoted a steel executive as saying: "So again we've got to buy the poorer quality Russian chrome ore at higher prices and Russia then uses our money to buy the higher quality Rhodesian chrome for use in her own steel mills. Guess who is the goat?"

This is what will happen if the House of Representatives goes along with the boycott voted by the Senate.

Consider these facts about chrome:

There is no substitute for chrome in stainless steel and other super alloys. The most important uses for metallurgical grade chrome and ferrochrome are power generation equipment, environmental controls, food processing machinery, aircraft, and chemical and petroleum production.

No chrome ore has been mined in the U. S. since 1961. Rhodesia has 67 per cent of the world's supply of chrome ore—top quality at low prices. Sen. Edward Kennedy and other advocates of the boycott of Rhodesian chrome make much of the U. S. defense stockpile. But this stockpile has declined 43 per cent since 1962 and is currently at the lowest level in 15 years.

Rhodesia supplies 46 per cent of American high carbon ferrochrome. As other countries develop their ferrochrome industry, the U. S. will find it increasingly difficult to obtain chrome ore at any price. During the period when the boycott was in effect (1966–1971), chrome ore from the Soviet Union doubled in price.

Finally, U. S. demand for ferrochrome has more than doubled since 1971. If the boycott against Rhodesia is reimposed, severe unemployment will result in the specialty steel industry.

These facts are understood not only by the specialty steel industry but by union members working in this industry. Locals of the United States Steelworkers of America in the stainless steel industry are no record as opposing the boycott of Rhodesian chrome.

If the House votes for the boycott and the President signs the bill, Rhodesia won't be hurt. Japan and other industrial countries are eager to contract for Rhodesian chrome, especially in view of the coming global metals shortage which may be even more severe than the oil shortage. But American companies and working men would suffer from a renewed boycott. The Soviet Union, of course, would be able to hike its chrome prices and make stainless steel more expensive for American consumers.

## BLANKET AMNESTY

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## HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BOB WILSON. Mr. Speaker, we have had much ado in the press because of the hearings on amnesty by a House subcommittee. I believe unconditional amnesty would be a travesty and an insult to every young man who fought in Vietnam, and especially to those who never came back.

Certainly at the proper time we can impose rigid conditions on granting restored status to those who ran away during our troubles in Vietnam.

I include as a portion of my remarks the article "Blanket Amnesty Is Unjust" from the San Diego Union:

### BLANKET AMNESTY IS UNJUST

The problem of whether and how to forgive those men who evaded compulsory military service or deserted from the armed forces during a time of war never has been an easy one for people of the United States of America to resolve.

According to the Library of Congress, citizens have debated the question on 37 separate occasions since the Whiskey Rebellion of 1794. Over those years the lines of argument have become clear-cut.

Those who favor unconditional, blanket amnesty often make no distinction between draft dodgers, who have never taken an oath to serve their country, and the deserters who have. They say, as they do today, that forgiveness is necessary if national wounds are to heal—that magnanimity toward those who have erred is essential to project the image of a strong, self-confident nation.

In assessing the problem, we would dismiss at the outset those who insist that draft dodgers and deserters should not be punished because they saw the "error" of Vietnam long before the nation's statesmen did. The United States would dissolve into anarchy if individual decisions superseded the national will—and Vietnam was the national will until Congress and the President agreed otherwise. Nor do we believe that the debate over whether Congress or the President should grant amnesty to be more than a distraction under the present circumstances. Historically, that role always has been performed by the President.

What is clear at the outset is that granting of amnesty would not enhance the national unity. Polls consistently show that the majority of Americans are opposed to leniency. Moreover, if those who ran away from serving the United States really believe that they are morally right, they would resent conditional amnesty—which certainly is the most that could be offered if history is a guide.

More than history and tradition oppose unconditional or blanket amnesty for the simple draft dodgers. Blanket amnesty would be an injustice of the first order to those who have made sacrifices for their country, a slap at those who serve in the armed forces, and it would weaken the fabric of law and order in the United States. Deserters, moreover, should be considered separately because they did violate an oath as well as the Uniform Code of Military Justice.

While the United States may not be at war today, the wounds from Vietnam have not healed. It is, we believe, far too early to begin offering amnesty. If and when that time is reached, amnesty should not be unconditional or universal, but a case by case evaluation.

## JOSEPH E. LEE ANNIVERSARY NOTED

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## HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BENNETT. Mr. Speaker, the Citizens for Community Action District 6, Inc., of Jacksonville, Fla., have been operating a community center in Jacksonville named for the late Joseph E. Lee, who died 54 years ago on March 25, 1920. Mr. Joseph J. Benekin, president of the organization, has asked me to include in the CONGRESSIONAL RECORD the following account of this very distinguished Floridian, which I am glad to do:

### JOSEPH E. LEE—1849–1920

One of Jacksonville's and Florida's most distinguished adopted sons was Joseph E. Lee. In the 47 years that he lived in this city and state, Lee established himself as a brilliant lawyer, an outstanding theologian, a captivating orator, a masterful politician, an illustrious statesman, and a social, civic, religious and fraternal leader.

Joseph E. Lee was born in Philadelphia, Pennsylvania, on September 15, 1849. He attended that city's public schools as well as the famous "Institute for Bold Youth." He obtained his law degree from Howard University School in 1873, where he was a student of the brilliant John M. Lanston, Dean of the Law School.

His legal career was commended in April, 1873, when he was admitted to practice before the Florida Supreme Court on the motion of Attorney General William A. Cocke. He was the first black lawyer in Jacksonville and the third one in the entire state. Lee was also one of the first, if not the first, lawyer in Florida to have a law degree. His clientele was state wide and included some of Florida's wealthiest citizens. Lee had a brilliant legal practice that lasted for 47 years and ended on March 25, 1920, when he died in his law office at 23 E. Beaver Street.

In November of 1874 Lee was elected to the Lower House of the Florida Legislature. He was a member of that body for the next eight years. In 1880 he was elected to the State Senate, where he served until 1882. Lee was a very active legislator, and he served on the following legislative committees: Judiciary, Privileged and Election, Engrossed Bill, and Education.

Lee's federal appointments were as impressive as his elected record. Throughout the 70's and 80's he was either the Deputy Collector of Customs of the Port of St. John or the Deputy Collector of Internal Revenue of Jacksonville. He was the Collector of Customs of the Port of St. John from 1890 to 1894 and from 1897 to 1898. The last federal appointment that he held was the Collector of Internal Revenue of Jacksonville from 1898 to 1913.

In 1884 he was nominated by his political party to be a delegate to the constitutional convention of 1885 which had to rewrite the Florida Constitution as its duty.

The achievements of Joseph E. Lee as a religious leader matched his other accomplishments. He was a member of Mt. Zion African Methodist Episcopal Church where he served as the superintendent of its Sunday School. He later became a minister in his denomination and was the pastor of three of Jacksonville's most famous churches, Mt. Zion, Mt. Olive and Grant Memorial. A charter member of the East Florida Conference of the A.M.C. Church, he later served as a presiding elder.

On April 3, 1888 Lee was elected Municipal Judge of Jacksonville over two white candidates. He was the only black man to ever hold a judgeship in the history of Jacksonville.

As a political leader and statesman his brilliant abilities were known and respected on the local, county and congressional levels. Joseph E. Lee was a major force in the Republican Party of Florida for almost fifty years. He was both the Chairman of the Duval County Republican and Secretary of the State Republican Parties for almost forty years. At the time of his death in 1920 he was still holding these positions and delegate to the national Republican convention of that year.

Lee's contribution as an educator was made at Edward Waters College where he was a trustee of that institution for over thirty years. In this position he played a major roll in the development of that institution of higher learning.

The fraternal and civic activities of this "man of all seasons" were as exciting as his other careers. Lee was the Worshipful Master of Harmony Lodge No. 1 and the Grand Messenger of the Grand Lodge of the State of Florida. He was also the Grand Worthy Chief Templar of Florida's Order of Good Templars as well as the recording secretary of the Union Benevolent Association which provides aid to the poor, aged and the infirm.

Perhaps Lee's greatest contribution was to the youth of his days. They idolized him, not only did he both inspire and influence them during his lifetime, he also wrote his name in their minds forever. When James Weldon Johnson wrote his autobiography, *Along This Way*, in 1933, he remembered the Joseph E. Lee from his youth. He wrote, "I was in my teens when the city government was reorganized and Joseph E. Lee, a negro and a very able man and astute politician, was made judge of the Municipal Court."

In December 1972 A. Phillip Randolph told a reporter for the *New Yorker*, who was writing an article on the Dean of the Civil Rights Movement, of how his father looked up to Lee and tried to influence his children to do like him. It is of interest to note that the statement by Mr. Randolph was made 52 years after the death of Joseph E. Lee.

Joseph E. Lee was truly a man of all seasons who wrote his name forever in the history of Jacksonville and Florida.

## NJPA AWARD TO LOUISE SAUL

### HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. PATTEN. Mr. Speaker, one of the finest writers I have ever known, Louise Saul, recently won a prize for feature writing—one of many she has received during a productive and gratifying career.

Besides being a talented writer, Louise Saul is a refined lady, so it is with special pride and happiness that I insert the story of her recent achievement at the New Jersey Press Association's annual Best Newspaper Contest. The award was not Ms. Saul's first, and I know it will not be her last.

The article follows:

#### NJPA Award to Louise Saul

Sentinel Newspapers Associate Editor Louise Saul won a third prize for feature writing at the New Jersey Press Association's annual Best Newspaper Contest last week.

The award-winning entry was a story published last summer, entitled "To make a midwinter commercial in midsummer, you need actors, a director, and lots of snow." It appeared in the Sentinel.

This is Ms. Saul's eighth award for writing since joining the Sentinel staff 12 years ago. Five of the awards came from the NJPA—three for her weekly column (including best women's column in the state) and two for feature articles. She also received East Brunswick's first brotherhood award for "outstanding human relations in journalism" for her writings in the field of civil rights. The Jewish War Veterans and the Amvets gave her an award for "fearless and honest reporting", for a series on anti-semitism in the suburbs. She also received an award from the Association for Brain-Injured Children for articles on behalf of children.

A former teacher, Ms. Saul has a BA degree from Wagner College and an MA from Columbia. She and her husband, Edwin, are parents of two girls—Amy, an EBHS sophomore, and April, a student at Tufts University.

In 1973, her byline appeared in Ms Magazine, The Wall Street Journal and the New York Times. Her column regularly appears in the Somerset Spectator and Manhattan East, as well as the Sentinel Newspapers.

## TOUGH TO KEEP ABREAST OF TAXES AND INFLATION

### HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ZWACH. Mr. Speaker, we Members of Congress, because of our salary increase, have not been called upon to bear the brunt of increasing taxes and inflation as have most of our constituents.

Gordon E. Duenow, editor of the St. Cloud Daily Times, in our Minnesota Sixth Congressional District, recently wrote an editorial on this matter which I would like to share with my colleagues by inserting it in the Record:

#### Tough To Keep Ahead of Taxes and Inflation

Have you wondered at times why there just doesn't seem to be enough money around to make ends meet? There probably is a good reason if you have managed to get only a 50 per cent boost in pay in the past eight years.

According to new figures released by the Tax Foundation, if you have received only a 50 per cent pay increase in the past eight years you still have less than you started with, thanks to higher taxes and inflation.

Figures used by the Tax Foundation show that a person earning $5,000 a year in 1966 and receiving a 50 per cent hike in pay to $7,500 in 1974 still is $11 worse off than he was eight years ago. The situation gets worse as the income level rises.

For instance, a person earning $10,000 in 1966 and receiving a 50 per cent boost in pay to $15,000 in 1974 would find himself $159 worse off than before. And for those on a fixed income, they fare even worse.

If you received more than a 50 per cent pay increase during these eight years, you come out ahead. According to the Tax Foundation, only federal civilian employes and private construction workers are in this group as these groups of workers received nearly a 75 per cent increase in the eight-year period.

"Here's how the evil combination of taxes and inflation works," the Foundation points out:

"Take a family of four with one earner and $10,000 income in 1966. Start where the taxes start, with the amounts withheld from a year's paychecks. The federal income tax came to $1,013. Despite some reductions in the tax, its bite on a salary of $15,000 in 1974 is $1,685, with the Social Security tax raised from $177 to $772.

"State income taxes which amounted to less than eight per cent of federal income tax collections in 1966, now take more than 15 per cent. Thus the average $78 state income tax on $10,000 in 1966 has risen to $257 on $15,000 in 1974.

"While taxes have reduced that $5,000 pay increase to $3,645, look at what inflation has done to the remaining take home pay. In the past eight years the dollar has lost nearly 45 per cent of its purchasing power. In terms of 1966 dollars, today's take home pay of $12,286 equals only $8,473 or $159 less than the take home pay of $8,632 in 1966."

And these figures do not include many other taxes, such as the sales tax, paid from after-tax take home pay. Now you may have some idea why the paycheck just doesn't seem to go as far as it used to. G.E.D.

## PEACE RESOLUTION FOR THE NORTH OF IRELAND

### HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. GROVER. Mr. Speaker, the tragedy of Northern Ireland is well known to us. Yet as Americans with a deep concern for world peace in a century of international economic and military activity, we seem oblivious and unresolved with regard to Ireland in her agony.

Although our Government's official attitude is that the matter is one internal to the United Kingdom, we must, in conscience express our concern, indeed as we have with regard to repression of human rights in the U.S.S.R.

My country's legislature has passed a resolution memoralizing Congress in this matter and I am pleased to submit it for the Record:

#### Resolution

(Resolution No. 232 1974, urging the U.S. Congress to take affirmative action to persuade all concerned parties and the world community of nations to a speedy solution to the dangerous situation in the north of Ireland)

Whereas, the many contributions of men and women of Irish blood to the County of Suffolk, the State of New York, the building of our Nation, and to the Cause of Freedom everywhere since the earliest times; and

Whereas, the fact that Ireland is artificially partitioned against the wishes of the overwhelming majority of the Irish people; and

Whereas, that Irish people in the six-county area of Ireland known as "northern Ireland" are denied basic civil and human rights, and are unable to obtain either adequate protection or equal justice under law; and

Whereas, the explosive situation in "northern Ireland" is an unreasonable threat to the Peace and is, therefore, the legitimate concern of all men; and

Whereas, it is in the best interests of the United States that there be a just and equitable solution to this problem in order that peace, order, justice and well-being might be restored to that part of the world; and

Whereas, for humanitarian reasons, as well as out of respect for the principles of freedom, liberty, natural law, justice and history, we hereby take notice of the dangerous and deplorable state of affairs in Ireland; now, therefore, be it

Resolved, that the Suffolk County Legislature respectfully, yet firmly, urges memorializes and petitions the Congress of the United States to manifest our country's traditional position as guardian of freedom and republican-democracy, the dignity of all mankind, freedom of conscience, and mankind's universal natural rights, by taking such affirmative action as will tend to persuade all concerned parties, and the world community of nations, through diplomatic channels to seek a speedy, just and equitable solution to the dangerous situation in the "North" of Ireland, and to formally express the moral opinion that:

"The Irish people ought to be permitted to exercise the Right of National Self-Determination, thus returning the disputed six counties of northeast Ireland to the Irish Republic, unless a clear majority of all the people of Ireland, in a free and open plebiscite, determine to the contrary"; and be it further

Resolved, that copies of this resolution be transmitted to the President of the United States, the Secretary of State of the United States, the Speaker of the House of Representatives and to each member of the Congress of the United States from the State of New York.

## EDITORIAL SUPPORT FOR EASTERN SHORE RAILROAD SERVICE

### HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BAUMAN. Mr. Speaker, the unfairness of proposed cutbacks in rail service suggested in the Department of Transportation's plan for the reorganized northeastern railways is painfully apparent to those of us who live on Maryland's Eastern Shore. The DOT plan would cut back our rail service by 65 percent and do serious damage to the shore's economy.

But one does not have to live on the Eastern Shore and be directly affected by the plan to see that it is unfair, and that the Transportation Department is doing a disservice by its suggestion that such a drastic cutback be ordered. In an editorial broadcast on March 20 and 21, WTOP radio here in Washington argued that the service cutbacks suggested for the shore would be a "monumental mistake."

I include in the RECORD the text of the WTOP editorial, which was read by Editorial Director Ray White:

EASTERN SHORE RAIL SERVICE SHOULD BE RETAINED

(Editorial by WTOP Radio, Washington, D.C.)

The federal government will be making a monumental mistake if it goes ahead with plans to eliminate most railroad service on the Eastern Shore.

Federal legislation has been passed calling for the reorganization of seven bankrupt roads in the Northeast and Midwest United States.

Part of that legislation is a plan for consolidation prepared by the Department of Transportation.

And it's that plan that proposed in part the shutdown of two to three hundred miles of track on the Eastern Shore of Maryland, Delaware and Virginia.

This track represents nearly all of Maryland's Eastern Shore freight service, and all of Virginia's shore service.

The rationale behind the plan is to eliminate wasteful, unprofitable rail transport, so that the reorganized rail company will begin on a sound financial footing.

Fair enough, as economics go . . . except that much of the waste and unprofitability is the fault of the rail carriers themselves. Besides, more than "economics" and "profitability" are involved here.

A rational transportation system for Maryland, Virginia and the nation must include more—not less—railroad service than we have at present.

From practically any standpoint—energy use, environmental impact, transportation cost—railroads make more sense than highways.

The Department of Transportation seems afraid that continuing rail service to places like the Eastern Shore will ultimately force government subsidy of railroads.

We point this out: that the nation already has subsidized the trucking industry with thousands of miles of interstate highway—an action that has given the truckers a big advantage over trains in the last 25 years.

There may be a few places in the nation where continuing rail service doesn't make sense. The Eastern Shore is not one of them, and we hope the Congressional delegations of Maryland and Virginia will become the champions of more train service in this area, not less.

## TAX EQUALIZER

### HON. LIONEL VAN DEERLIN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. VAN DEERLIN. Mr. Speaker, I am today cosponsoring legislation to give individual taxpayers the option of taking a $200 credit instead of a $750 deduction for each personal exemption claimed on the Federal income tax return.

I feel this is a plan which has the virtue of being readily understandable and also is tailored to help those most in need—families in the low- and moderate-income brackets.

Our present method, on the other hand, discriminates against persons of relatively modest means.

For example, an individual in the minimum 14-percent tax bracket stands to realize only $105 in actual savings for each $750 personal exemption, while someone in the 50 percent bracket would net $375.

The $200 credit would thus serve as an equalizer of sorts, by concentrating its benefits on the less affluent taxpayer. It is possible that the Ways and Means Committee may decide to make the credit mandatory, in which case everybody would get the flat $200 regardless of his or her income bracket.

I am less impressed by the recent Senate action in voting to raise the personal exemption from $750 to $850. Everyone would benefit to some extent from an increase in the personal exemption, but those in the highest brackets would benefit the most.

The $200 credit is basically more equitable in that it would apply with equal force at all income levels, but the degree of relief would be greater for those of modest means.

I specifically reject the argument that we cannot afford to offer this relief. If anything, the opposite is true: It is quite possible we cannot afford to hold back on this aid. I am convinced that if this proposal is enacted, it will actually have a rejuvenating effect, as consumers will have more money to spend.

By focusing 90 percent of the tax relief on people making less than $15,000, the plan not only helps those most in need, but also would provide a needed shot in the arm to the economy.

The bill I am offering today is the same as H.R. 13197 introduced March 4 by Mrs. GRIFFITHS, a knowledgeable member of the Ways and Means Committee. I hope the committe will be able to take early action on these and similar reform proposals.

## LEGAL SERVICES: PATTERNS OF LEFT-LIBERAL ACTIVITY

### HON. ROGER H. ZION

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ZION. Mr. Speaker, opposition to legal services is nationwide. It is also widespread. Individuals in New Hampshire object to legal services there because it spends so much of its time bringing actions against various governmental agencies, in pursuit of law reform. Editorials in Indiana complain about Indianapolis Legal Services Organization because it spends so much time on impact and law reform litigation. We have all seen and read, probably many of us from our own districts, complaints and objections to legal services projects in the respective areas, generally complaints grounded on the fact that the attorneys spend so much time on law reform projects.

> There are plenty of poor people who don't like busing, prison agitation, or suits in behalf of middle-class kids producing "underground" papers, but the ideological loading of the (legal services projects) is strictly on the left liberal side of things.

That is the succinct criticism offered by the Indianapolis News, and it contains more than appears on the surface.

The ideological loading of legal services attorneys, and therefore of their projects, is on the left-liberal side of things. While restrictions may be put on their activities; namely, that certain things they simply cannot do because of punitive measures—which I might add would also have to be written into the bill with great care—that ideological disposition will remain left-liberal, will remain opposed to what the majority of our citizens love about America and consider her great qualities: free enterprise, individualism, self-reliance, limited government. I do not know how the problem is going to be solved at all if we insist on clinging to the idea of an independent legal services corporation. It seems to me that programs providing in one way or another for legal aid to the poor channeled through the existing professional organizations and mechanism is far more desirable than any independent, politically active, left-wing federally funded bureaucracy could be.

### IT'S A PATTERN

Dispute over the Indianapolis Legal Services Organization has frequently been portrayed by LSO supporters as a battle between those who want to "help the poor" and those who don't.

As noted here in previous comment, this characterization is absurd, since the real issue at stake in continued LSO funding is whether taxpayers should put up dollars for so-called "impact" or "law reform" agitation aimed at remoulding U.S. institutions to suit the viewpoints of the liberal-left. There are plenty of poor people who don't like busing, prison agitation, or suits in behalf of middle-class kids producing "underground" papers, but the ideological loading of the LSO is strictly on the left liberal side of things.

That this latter is the real issue in legal services programs across the country is indicated by data unearthed in debate over the concept in Washington, and by reports on abuses in many states and localities. A good example is provided by a recent analysis compiled in the office of Gov. Meldrim Thomson of New Hampshire, which documents the outlook and practices of legal services agents in that state. While the particulars differ, the general themes emerging from the Thomson report are similar to those which have surfaced here.

The New Hampshire document reports that legal services representatives there spend a great deal of time bringing actions against various levels of government, many on a so-called "law reform" basis. One statement from the New Hampshire legal service guidelines has it that "law reform is to be considered, if not the primary purpose of legal services, certainly a major purpose." In pursuit of this goal, the New Hampshire agency has brought suit against the state welfare department, the employment security agency, the surplus food distribution system, local housing authorities, zoning officials, and so on.

One especially glaring fact noted by Thomson is the frequency with which New Hampshire legal service types speak in their various reports of seeking out or developing cases to suit the theories of the lawyers in question. One such statement has it that a lawyer "awaits a case in which to try out a new tort theory on creditors harassment." Another that "we should propose legislation and, if necessary, develop lawsuits to rectify the state's archaic registration and voting laws."

Such statements follow quite naturally from the whole "law reform" concept of litigation, since it is seldom an indigent plaintiff who has ideas about sweeping changes in the legal system. Notions of this type must be supplied by the lawyers, and the alleged "reforms" will reflect the predispositions of the attorneys seeking them.

These ideas have little to do with impartial help for the indigent, a great deal to do with imposing liberal-left notions on the American nation through legal agitation. The accumulating record makes it plain that national legal services as presently conducted should be abolished.

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## COMMUNIST MASSACRE OF SOUTH VIETNAMESE SCHOOLCHILDREN

## HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. HUBER. Mr. Speaker, on March 9, 1974, at 2:55 p.m. Communist gunners fired an 82 millimeter shell that landed on the primary school of the Cai-Lay district town of Dinhtuong province. When the debris had been cleared away, 24 schoolchildren lay dead, 64 others were wounded, including one teacher and two other civilians.

This is just one more example of a gross violation of Paris Agreements of last year and a continuation of the selective terrorism practiced by the Communists in Vietnam for years—a specialty of Communists everywhere. Since the Paris Agreement was signed on January 27, 1973, there have been more than 12,000 South Vietnamese village and hamlet chiefs, policemen, schoolteachers, and civil servants murdered, wounded, or kidnapped by Communist terror teams. In my view, the Congress needs to keep these facts in mind when considering questions affecting the situation in Southeast Asia.

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## TRUTH IN CONGRESS

## HON. JOHN N. ERLENBORN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ERLENBORN. Mr. Speaker, if there is one place on Earth where credibility and integrity should be taken seriously, it is in these Halls of Congress. Yet, time and again, a few among us have decided that the credibility and integrity of Congress can be sacrificed in favor of headline grabbing.

I believe this is wrong. I believe the majority of the Members of the House view this as wrong. And I believe we now must take steps to assure that our rules and our code of conduct have meaning; that they are not mere words to be applied as we individually see fit.

The most recent incident making our action imperative is the unauthorized release last week of the report, not yet approved by the House Committee on Government Operations, "Expenditures of Federal Funds in Support of Presidential Properties." It is the second time in as many years that a member of this committee, or one of its staff, has decided that committee approval is frivolous, that making the news is more important than the integrity of Congress.

In this particular instance, I will admit, the report had the blessing of a subcommittee—the Subcommittee on Government Activities, chaired by the gentleman from Texas. The report was, however, clearly stamped on each page with a legend reading: "Hold Until Release Date Approved by full Committee on Government Operations." Additionally, I am told that after the subcommittee had approved the report March 21 the chairman reiterated the point that the report must remain confidential.

In spite of these admonitions, in spite of the House rules, and in spite of our Code of Official Conduct, a story headlined "Hill Panel Hits Nixon Homes' Costs" appeared on page 2 of the March 22 issue of the Washington Post.

And the public, once more has been mislead.

Just about 2 years ago, I addressed myself on this floor to a similar incident involving the same committee. What I said then is true today.

Clearly, we have again witnessed a breach of committee rules and the spirit, if not the letter, of the House rules. Thus, we have once again cast doubt upon the integrity of this body. At very least, we have contributed to the public's diminishing faith in Government, and in Congress.

The issue is not whether a Member wishes to be associated or disassociated with the report—and I am professing neither with regard to the report in question. Rather, the issue is one of principle: Should some Members of this House or their employees be allowed to foist upon the public a report seen by only a handful of Members and not acted upon by the responsible committee?

Integrity, like charity, begins at home. The Government Operations Committee, obviously, is incapable of protecting the integrity of its work, and so it is up to the House to find out who is responsible for the premature and unauthorized release of this report and then to reprimand that person or persons.

This is the only way we can hope to prevent a recurrence, and the only way we can assure the American people that we in Congress practice what we preach.

To this end, I am introducing the following resolution, together with my colleague, Mr. WYDLER of New York, on the Government Operations Committee:

### RESOLUTION

Whereas clause 27(d)(3) of Rule XI of the House of Representatives stipulates that any report of any committee shall be printed in a single volume which shall include all supplemental, minority, or additional views which have been submitted by the time of the filing of the report; and

Whereas all Members and staff of the Committee on Government Operations have a responsibiity, pursuant to a memorandum from their Chairman to Subcommittee Chairmen dated December 14, 1971, and entitled, "Guidelines for Drafting Investigative Reports," to maintain the confidentiality of reports before approval and release by the full Committee; and

Whereas a proposed report based on a study by the Government Activities Subcommittee of the Committee on Government Operations, entited, "Expenditures of Federal Funds in Support of Presidential Properties," was released to the public on or before March 21, 1974, without opportunity for submission of supplemental, minority, or additional views, and in advance of Committee consideration of such report, in violation of clause 27(d)(3) of Rule XI of the House of Representatives and Guidelines of the Committee on Government Operations; and

Whereas the first provision of the Code of Official Conduct of the House of Representatives states, "A Member, officer, or employee of the House of Representatives shall conduct himself at all times in a manner which shall reflect creditably on the House of Representatives;" and

Whereas all measures relating to the Code of Official Conduct shall be referred, under clause 19 of Rule XI of the House of Representatives, to the Committee on Standards of Official Conduct; Therefore, be it

*Resolved*, That the Committee on Standards of Official Conduct investigate the release of this proposed report, with the objective of learning which person(s) are responsible for the release; and be it further

*Resolved*, That the House of Representatives censure those person(s) whom the Committee on Standards of Official Conduct find to be so responsible, and, if the responsible person(s) be found to be staff member(s) of the Committee on Government Operations, that the Chairman of that Committee be instructed to impose administrative penalties, including, at his discretion, discharge from employment, against such staff member(s).

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## SELECT COMMITTEE ON COMMITTEES DECISIONS AFFECTING AN ORDERLY TREATMENT OF CONTEMPORARY MARINE MAMMALS PROBLEMS

### HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mrs. SULLIVAN. Mr. Speaker, on March 21, 1974, I inserted an article in the CONGRESSIONAL RECORD regarding the Select Committee's incorrect decision to transfer the existing jurisdiction of the Merchant Marine and Fisheries Committee over Panama and interocean canals to the Foreign Affairs Committee. This was followed by comments, on March 25, 1974, relating to the Select Committee's fragmentation of the existing unified Merchant Marine and Fisheries Committee's oceanography jurisdiction. Today, I would like to make some remarks with respect to the adverse effect of the Select Committee on Committees' decisions on the rational treatment of marine mammals.

The protection of marine mammals has been consistently considered by the Committee on Merchant Marine and Fisheries and we have proposed comprehensive legislation to establish an integrated system for their protection and regulation—Marine Mammal Protection Act of 1972, Public Law 92–522. It is enlightening to examine the fate of marine mammals under the Select Committee on committees' reform proposals. I ask the Members to remember the tremendous public interest and concern for seals, whales, and porpoises that resulted in the passage of the Marine Mammal Protection Act of 1972, followed shortly by passage of the Endangered Species Act of 1973. Let us also remember that a prime focus of these laws dealt with the health and stability of the ecosystem and dealt not only with the economic benefits of the remarkable animals in question but also their values to recreation and esthetics. Just what does the proposed reorganization scheme do to marine mammals?

Let us examine the knotty problem of the Pribilof fur seals. Here we have a species that has been well managed, and through the careful attention of the Merchant Marine and Fisheries Committee a full spectrum of talent involving fisheries scientists and oceanographers have been turned loose to unravel the mysteries of this splendid marine mammal. In recent years the populations of seals have failed to increase in numbers as might be expected from the management practices. Two prime causes for this failure are hypothesized: First, the rapidly growing Soviet and Japanese trawl fishery in the Bering Sea, a fishery that may be in direct competition with the seals, and, second, the possible degradation of the ocean environment by the intrusion of DDT, DDE, and other chlorinated hydrocarbons, an increase which may in effect be reducing the birth rate of the seals. Investigations are now underway by the National Oceanic and Atmospheric Administration to solve this critical question. Under the select committee's decision, this work would be reported to three separate committees of the House, a fact which may result in our limited scientific manpower utilizing their time primarily for the preparation and offering of testimony rather than being employed in the field gathering necessary data.

The same unfortunate result occurs when we consider the development of solutions to the problem of inadvertant porpoise mortality in the fishery for yellowfin tuna. Solutions here, depend on a knowledge of all the key factors: the tuna fish, the porpoises, the fishermen and the ocean itself—again the jurisdiction will be spread over three committees. This seems a most inefficient way to organize the Congress and be responsive to critical national needs. It is in reality negative reform—retrogression in the face of a clear environmental mandate to the contrary.

If we are to move forward, to act both responsibly and most effectively to understand the dynamics of the oceans and the life they contain, we can only do so by a highly integrated approach—the highly integrated approach taken by the Merchant Marine and Fisheries Committee with respect to these problems over the years. The select committee members' stated objectives are laudatory, but their perceptions of the means of accomplishment of these objectives in the real world are incredible.

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## BYELORUSSIAN INDEPENDENCE DAY

### HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. WALSH. Mr. Speaker, on March 25, 1918, the Byelorussian people proclaimed their national independence and regained their freedom which was lost to Czarist Russia at the end of the 18th century. On that day, the all Byelorussian Congress, meeting in the city of Minsk, proclaimed the Byelorussian Democratic Republic. A provisional constitution was then adopted which called for direct and secret ballot open to all; freedom of speech, press and assembly; national and cultural autonomy of all minorities; an 8-hour work day and the right to strike; all guarantees of human rights, advanced for their day.

The independence of the Byelorussian Democratic Republic was accorded de jure recognition by over a dozen states, and Byelorussian legations and consulates were set up in some foreign capitals. Unfortunately, the new state was unable to enjoy its sovereignty for long. The Russian Communists consolidated their forces, and the Red Army invaded Byelorussia. The Byelorussian territory was turned into a battlefield, and the nation soon found itself in Russian captivity again.

In an attempt to pacify the national aspirations of the Byelorussian people, the Soviet Government in Moscow created the Byelorussian Soviet Socialist Republic—BSSR—which was to replace the Byelorussian Democratic Republic. However, this regime was nothing more than a new form of subjugation. By this time, the national consciousness of the Byelorussian people was strongly aroused and led to several armed insurgencies, the most notable being the SLuck uprisings in 1920, and others from 1922 to 1926 in the districts of Vializ, Homiel Cervien, and Barysau.

The German occupation during World War II provided a period of relative calm which resulted in a spontaneous revival of Byelorussian national institutions, counter to Eastern European policy by the Nazis. In 1944, in Minsk, the Second All-Byelorussion Congress was convened and reaffirmed the desire of the Byelorussian people for complete political independence.

The Byelorussion Soviet Socialist Republic of today is not an independent state; it only possesses some external trappings of independence, such as its membership in the United Nations. Such normal functions of a sovereign state as relations with other states are not only strictly controlled by Moscow, but on the diplomatic level do not exist.

The present relations of Moscow to Byelorussia are strictly colonial in nature and have two distinct aims. One is to exploit the Byelorussion natural resources for the benefit of Russian imperial expansion; and the other is to eradicate Byelorussian nationalism in the hope of fostering a homogeneous Soviet empire. In pursuit of these policies, Moscow has implemented the following measures: Only Russians are permitted to occupy the key positions in the BSSR; the industrial development in the BSSR is primarily channeled for the express purpose of developing the Russian empire in Siberia and Central Asia; the Byelorussian language has been almost completely eliminated from administrative use, from institutions of higher learning, and from secondary schools. Still, the ceaseless attacks by the Communist press and radio on "Byelorussian Bourgeois Nationalism" prove that these policies are failing, and that Soviet Russia will never succeed in stifling the desire of the Byelorussian people for their national freedom, just as Czarist Russia failed in the same endeavor.

On March 25, 1918, the highest aspirations of the Byelorussian people for a free and independent life were fulfilled. Today, March 25 is a symbol of a dynamic spiritual force for Byelorussian independence which unites all Byelorussians wherever they may be. The fight for Byelorussian independence is also a fight for the emergency of all captive nations, which is a necessary prerequisite for the establishment of a lasting peace in the world.

## PRICE CONTROLS, A FRAUD

### HON. ROBERT J. HUBER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. HUBER. Mr. Speaker, there is broad agreement across our land that price controls have failed and my hope is that they will be allowed to expire. In this rare instance, both management and labor agree that controls have been a failure. As evidence of this, I call the attention of my colleagues to the editorial that recently appeared in the Machinist of October 4, 1973—the organ of the International Association of Machinists and Aerospace Workers. The editorial follows:

AN INDEPENDENT FINDING: PRICE CONTROLS, A FRAUD

One of the nation's most productive think tanks, the Rand Corporation of Santa Monica, Calif., has turned out another paper that may cause the government almost as much trouble as the famous Pentagon Papers—an earlier Rand product.

This one isn't classified Top Secret, but President Nixon may wish it had been if ever it gets the attention it deserves. The paper is entitled "The Effectiveness of Phase II Price Controls."

The four Rand economists who worked on it have effectively debunked for all time the official folklore about the usefulness of price controls. Here is a typical excerpt:

"When price trends are examined on an industry-by-industry basis, the evidence appears to show that in most industries there was hardly any relationship between Price Commission ruling and price trends."

The Rand team examined price changes in 117 industries during Phase II, then picked those which had price increases in excess of 5% and compared the average price increase to the average increase granted by the Price Commission. Here's the chart that resulted.

[In percent]

| | |
|---|---|
| Wholesale Price Index during phase II__ | 12.1 |
| Price increases granted during phase II_ | 2.4 |

Said the Rand paper:

"In industries which caused the most trouble during phase II, prices went up five times as much as the average increase allowed by the Price Commission. This makes it very difficult to maintain that the prices set by the Price Commission had any restraining impact in those industries."

On the other hand, the Rand researchers found that in several industries, where the Price Commission granted increases, prices actually declined during Phase II.

According to this paper, "The data show, when all 117 industries are included, there is essentially a zero correlation," between the decisions of the Price Commission and prices charged by the large manufacturers in a particular industry. The paper carries the documentation.

The only justification for Phase II price controls these researchers could find was reported gingerly this way:

"Data pointing to the ineffectiveness of Phase II price controls should be seriously considered in contemplating any future control program. Since Phase II controls were the most extensive that the United States has undertaken in peacetime, and since most other price control programs were also unsuccessful, one is led to the general conclusion that peacetime price controls should be avoided and that the U.S. should rely instead on more traditional methods of fighting inflation.

"One problem with this position is that price controls can be useful even if they do not control prices. During Phase II, for example, the existence of price controls provided an excuse for maintaining wage controls, and many businessmen supported the control program because they felt that the nuisance of price controls was more than offset by the benefits of restraining unions through wage controls.

"However, the use of price controls as a facade for maintaining restraints on unions becomes impossible when price controls are clearly proven to be ineffective and the public becomes aware of it. Besides, there are methods other than price controls that will ensure wage earners that they do not bear the entire burden of fighting inflation. Such methods include an increase in corporation income taxes or more progressive personal income taxes."

IAM President Floyd Smith called the Nixon Stabilization Program "a hoax" last December. Few in Congress would listen. Perhaps Senator Proxmire (D) of Wis., chairman of the Joint Economic Committee, will be more impressed by this Rand paper.

Union members deserve something better from their friends in Congress than a fraudulent stabilization program made possible by the blank check authority which the Democrats voted to President Nixon.

## A BILL TO AMEND THE CLAYTON ACT

### HON. ROBERT O. TIERNAN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. TIERNAN. Mr. Speaker, today I am introducing a bill to amend the Clayton Act to encourage competition in the oil industry by prohibiting an oil company, which is engaged in the production and refining of petroleum products, from engaging in the marketing of such products.

Right now we are in the throws of a fuel shortage. What has caused this shortage? When we examine the structure of oil production and distribution, we find substantial barriers to free competition. These carriers are designed to keep competitors out of the lucrative oil business, thus limiting the supply of oil and creating monopoly profits for the major oil companies.

Barriers to entry into the oil industry are set up in many ways, but the most important method is vertical integration. Major oil companies are involved in all five phases of the petroleum industry operations: First, crude oil production, second, crude oil transportation, third, refining, fourth, product transportation, and fifth, the marketing of refined petroleum products. Involvement and control of all five of these operations by the major oil companies has led to artificially high prices for the consumer.

The method of control that leads to monopoly profits is compelx. The major oil companies own most of the known petroleum resources. The oil depletion allowance allows a 22-percent tax deduction for profits made on production of crude oil. Profits, mind you, not the amount of production. The higher the price of crude oil, the higher the profits and the greater the tax deduction. Thus, by monopoly control the oil companies are maintaining artifically high prices for crude to get astronomical tax deductions. But how does the oil industry maintain this artificial level of prices. Well, they own the refineries. It is a simple bookkeeping process to shift the profits from the refinery level to the production level.

The refineries are not concerned about profit and are willing to pay the artificially high prices for crude. With joint ownership of the crude production and refineries, the profits all go into the same pocket, except now they can go to the Government for larger tax deductions. Because there is almost no profit at the refinery level, the oil companies have prevented the entrance of any competitors.

But the monopoly does not stop here. The major oil companies also dominate the retail markets. Through heavy reliance on advertising and other forms of nonprice competition—that is, credit cards—the oil companies have segmented the market for retail gasoline into two markets, one for branded gasoline and another for nonbranded gasoline. The oil companies determine who supplies their retail outlets with gasoline, and have restricted this opportunity to their own refineries and cooperating independent refineries. This means that a large portion of the market for refined petroleum products is insulated from the competitive pressures of the truly independent section. Again, barriers are set up that prevent an increase in the supply of gasoline. Because of this marketing procedure, there is a reduction in refinery capacity, both for independents and for the entire industry, from the level which prevail if all refiners, actual and potential, were not prevented from competing for the right to supply the entire demand for gasoline. Another barrier in retail marketing is that the major oil companies have often refused to sell motor gasoline to independent marketers. These independent marketers are the primary source of price competition in the retail market for gasoline and represents a threat both to the oil companies style of marketing, which avoids price competition, and to the stability of their share of the market. It is at these levels where the public really feels the pinch. Here, the oil companies' power is translated into higher profits by charging higher prices to the consumers. It is time to break up this monopoly power to allow competition in the petroleum industry that will bring about greater supplies and lower prices. The public is fed up and wants action now. I agree and hope that Congress will favorably consider this legislation in this session.

## PROPOSED AMENDMENT TO H.R. 69

## HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ANDERSON of Illinois. Mr. Speaker, at the appropriate time during the consideration of amendments to H.R. 69, I intend to offer the following amendment to title II:

Page 59, line 24, strike all of subsection "(c)" of "Sec. 801" as added by Sec. 201(a), and insert in lieu thereof the following:

"(c) No funds are authorized to be appropriated in the first bill or resolution proposing to make an appropriation under subsections (a) and (b) unless the aggregate amount which would be so appropriated is at least equal to the aggregate amount appropriated for obligation by the Commissioner during the preceding fiscal year for programs authorized by Title II, III and V of Sections 807 and 808 of the Elementary and Secondary Education Act of 1965, and Title III (except for Section 305 thereof) of the National Defense Education Act of 1958."

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## NEED TO REFORM OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

## HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ABDNOR. Mr. Speaker, the Select Labor Subcommittee of the Education and Labor Committee held hearings March 19 and 20, on the Occupational Safety and Health Act of 1970. This marks the beginning of an extensive review of the act's implementation and general applicability toward the achievements of the purposes and policy of assuring every working man and woman safe and healthful working conditions.

Next month will mark the act's third year of implementation. There are many concerns to be brought to light regarding various aspects of the operations and enforcement procedures of OSHA. As a participant in the proceedings of providing testimony on the need to reform the act, I indicated that we need to change provisions starting from the manner in which standards are set all the way through the inspections process and into the review and appeal rights afforded the cited individuals. Appearing with me were representatives of the farming and small business community of South Dakota where OSHA's application and operation has greatly impinged upon the rights of individual employers without necessarily enhancing greater safety and healthful working conditions.

I would at this time like to include here the testimony of Mr. Gary Enright of the South Dakota Farm Bureau and Mr. Art Kroetch, president of Little Scotchman's Industries of Philip, S. Dak.:

### Testimony of Mr. Gary J. Enright, Administrative Director, South Dakota Farm Bureau

I am Gary Enright, administrative director of South Dakota Farm Bureau, Huron, South Dakota.

I wish to thank the members of this committee for allowing testimony from individuals and organizations regarding corrections and amendments to the Occupational Safety and Health Act.

I appeared before this committee about two years ago after my organization had conducted a series of information gathering meetings across the state of South Dakota to determine the opinion of citizens of that state on what is now commonly called OSHA. At that time we asked that the committee exempt agriculture from the broad coverage of the Act.

The exemption has taken a lot of pressure off agriculture. Many agricultural and small business employers, however, still express fear that stringent regulations covering the safety of their employees would literally drive them out of business.

We have experienced an increasing awareness toward safety in working conditions in many areas, not because of the severe regulations or threat of fine, but because employers and employees are increasingly aware of the need for safe working conditions.

We appear today to ask this committee to consider some recommendations as to how to improve OSHA as it applies to agriculture such as we have in South Dakota in the area of small businesses and manufacturing firms.

The members of Farm Bureau in South Dakota have directed their attention to this matter and have the following recommendations:

1. Safety standards and regulations governing business, manufacturers, and agricultural operations employing 15 or fewer persons should be exempt from the type of regulations which govern firms or operations which are above 15 employees.

A. We are not asking for total exemption from all safety standards, but are asking that standards be reasonable and suitable for the type of operations they govern.

B. These standards should be written with the assistance of representatives of the owners or operators of the businesses and the employees of those businesses.

C. We recommend that standards for agricultural employers be written only after representatives of various types of agricultural and small business operations and their employees work with department officials in promulgating regulations and that they not be enforced until proper public hearing processes are conducted.

2. We recommend that safety regulations and standards which are promulgated under the above system be voluntary for at least three years from the time of enforcement. This is being requested so that ample time will be allowed for an educational process.

3. It is the recommendation of the organization I represent that farm and small business safety procedures and standards be the subject of an educational program to be conducted through existing educational organizations such as the National Safety Council, Extension, Vocational Education, and farm organizations, and that these programs be financed through grants from the federal government.

4. We recommend that employees be liable under the Act so that they also have responsibility in the area of conducting safe working practices on the job. Employers should not be subject to fine or imprisonment because an employee refused to observe safety standards under conditions in which the employer provided a reasonably safe place in which to work.

5. A program directed toward on-site consultation for small businesses and agriculture to assist them in developing safe working conditions.

6. We concur with Representative Abdnor's recommendation that an economic impact study be made on the effect of all regulations promulgated and that this study be considered when the regulations are finally developed.

7. And finally, we ask that this Committee establish a study of the present Occupational Safety and Health Act and the regulations promulgated under the act and determine whether American businesses, manufacturers, and agriculture can continue to operate at a non-inflationary level. The costs of complying with OSHA regulations should not be prohibitive and generally cannot be borne entirely by the companies involved.

There is no doubt but that OSHA has caused a great deal of concern throughout the nation. There are many, many areas which directly affect agriculture because agriculture depends upon almost every industry in the nation for its machinery, supplies, chemicals, processing, transportation, and retailing of its products. OSHA affects agriculture when regulations are imposed on even the largest manufacturing firms because the increased cost of implementing safety measures at these plants is passed along to the consumer of their products. Strict safety regulations covering small manufacturers supplying the large firms with parts have caused extreme hardships because some of these firms have gone out of business rather than attempt to meet the OSHA regulations and now we are faced with shortages in the supply of machinery and tractors.

There are impacts far greater than the mere lack of supply of some parts or the shortage of farm machinery. We must also take into consideration the impact of unemployment in the communities where these small plants are located. We must face the possible impact of loss of purchasing power of agriculture, or even a shortage of food products because farmers are unable to get the needed equipment in quantity to raise the food which is demanded by the American consumer. We must consider that agriculture cannot add the increased cost of conforming to safety regulations to the consumer price of food.

There is another economic impact to consider. This is the impact of the loss of employment for persons working in small plants in low population areas, or the loss of employment for persons working in agriculture, because their employers are unable to meet the costs of compliance with OSHA regulations. This puts a serious economic burden on small communities.

We are in hopes that the members of this committee and the Congress itself will take back some of the power it has given to agencies of government and that you will impose some restrictions on the regulatory bodies under OSHA in the area of promulgation, education, and enforcement of safety regulations and standards.

Thank you for this opportunity to express our opinions.

### Testimony of Mr. Art Kroetch, Little Scotchman's Industries, Philip, S. Dak.

I am appearing before you at the request of Representative Abdnor of South Dakota, and I wish to thank you for your consideration.

I am the major stockholder and the man who started the business known as Little Scotchman Industries of Philip, South Dakota. Our firm does business in every state in the United States, except one, that being Hawaii due to location.

I am quite familiar with O.S.H.A., having served on the B11-5 committee, writing standards for iron workers which is in our field, as we manufacture the Dvorak iron worker. It is a hydraulic operated machine of small to medium size and sold to plants of the largest size and the smallest.

My experience also has been wearing many hats, as we are a small company with 40 full-time employees. One of my jobs is being safety man, and we were only cited on one citation and had a total of six violations from O.S.H.A. with a fine of only $75 on 3 violations of $25 each. When you consider that we have in use daily more than 40 industrial machines of various sizes and types for our products, and with only $75 fine, I consider it coming out quite well.

However, I am quite opposed to O.S.H.A. in several respects. One reason being the inspector can demand entry to any business at any time he chooses, regardless if management or owner is present or not, as you will note in one of the references, and that being Petersen Company of Pierre, South Dakota.

Many small businessmen are very much afraid of O.S.H.A. because they don't have the expertise to be able to understand what is needed to comply simply because the Federal Register is not clear on what is needed.

I believe if you follow Article Four of the Preamble of the Constitution of the United States that you will find the O.S.H.A. to be unconstitutional.

Article Four: The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures, shall not be violated, and no Warrants shall issue, but upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized.

I believe it is unconstitutional for an inspector to be allowed entry into any business without first giving notice in advance to the management when he plans to make his inspection, especially when he can cite violations against the business and cause the business to be fined without recourse.

I believe that any other law enforcement organizations, with the exception of a few other federal bureaus, do not have the privilege of conducting business in this manner for reasons stated in Article Four. My reason tells me that OSHA should not have this power either.

Also, I am told by IRS that any fine levied by OSHA is not tax deductible from federal income tax, which I feel is wrong. I know that fines such as traffic and other fines are not deductible; and I think that is right because they are willfully committed. But OSHA is different in the respect that management does not commit a willful crime by not meeting all standards, because it is nearly impossible to meet these standards. I am sure you must agree that an OSHA fine is a business expense and should be deductible from income tax.

I believe that employees should be held responsible for OSHA in this respect, in the care and maintenance of the machinery they operate. The OSHA law releases employees of all responsibility, or at least the way I read the law, it does.

The employer can do everything to meet *OSHA, and an* employee can tear it down as fast as the employer builds it up; but the employer pays. If an employee refuses to use safety equipment provided by the employer and is caught by the OSHA inspector, who pays? The employer, and not the employee who is responsible for the so-called crime. OSHA calls it a crime or at least fines for it. Call it what you like.

I believe that the court system should be changed for these reasons. As I understand the law, the judge and jury are three men located in one city of a given area or district of the United States. In my case, it is Billings, Montana, which is 500 miles away. I am afraid it would have to be a heavy fine before it would be worthwhile to fight a case even if I knew I was right. I believe this is wrong. No business should be asked to travel 500 miles to be tried in court, in my estimation.

Another thing that I believe is wrong is that one of the first questions the inspector asked me was, "Are your employees represented by a union?" I cannot see any reason for this question to be on the questionnaire unless it would be so that the information could be passed on so that it would be easier for the unions to organize non-union companies. It is true that if the company is union, the inspector wants a union man to accompany him on the inspection, which I will buy; but he does not need to have this question on the sheet to find if it is a union shop.

I am told by OSHA that if I am cited for a violation and fined for it, I have X many days to comply. But if it is a gray area, of which there are many, and I fix the wrong and comply, or think I do, and a re-inspection does not suit the inspector, the company can be liable for a fine of X many dollars a day from the date of the first inspection until it is fixed to suit the compliance officer. He does not need to tell you how to do it, unless he chooses to do so. Another thing that is grossly wrong is that there are amazing differences of opinion from one compliance officer to another, and in many cases it is run by opinion alone.

For the reasons I have mentioned, I believe that OSHA should be repealed in lieu of some workable safety law if it is needed. It would seem to me that the workman's compensation, fire insurance, and liability would be deterrent enough to make any company be as safe as possible. Our little company paid $5,000.00 in 1973. Incidentally, I have had men on workman's compensation for a total of 25 years, ranging in number from 1 to 40 men and have had only two claims that were paid for being off work for more than 8 days.

If we are to have this law, then let's get together and make it fair to all employers, employees, OSHA and any other parties interested.

I have stated the reasons I think the law should be repealed; and if it is not repealed, then all of the things I mentioned should be changed.

Also, I have more things that need attention. One is training the inspectors so they are knowledgeable about their job. The inspector we had was quite deplorable to say the least, as far as knowledge was concerned, and I will relate them to you in person. I am sure that the Department of Labor could find many sources of training for compliance officers in trade associations, etc. It is my belief that the Machine Tool Builders Association has offered to train inspectors in the machine tool line so that they would be knowledgeable at least to recognize a specific machine when they see it, if not know the exact guarding necessary for it, as was the case of the compliance officer that made our inspection.

Another thing that I believe must be changed is that the compliance officer and management sit down after an inspection and decide what was found wrong and decide what must be done to correct the problem. The company should be given X many days to comply without fine. Then if it is not done upon re-inspection, the company should be fined for non-compliance, but absolutely not on the first trip around. I am told that this is the way the Bureau of Mines does, except they don't fine. They simply shut the company down until the correction is made, and this is done on re-inspection.

Members of the Committee, I am going to wander just a bit from OSHA now and relate as best I can the plight of the small businessman. Between getting your federal taxes paid on the third banking day after payday, fighting with wage and hour men, collecting debts which have been made harder by federal legislation, fighting some insurance company on a product liability case that was not his responsibility that was more than likely caused by a no-fault insurance law passed in some governmental agency, trying to read up on consumer protection bills which are about to slap many of us in the face, it looks like a harder fight than OSHA. We are worrying about land use bills that will affect about every acre of land in the United States sooner or later, battling environmental protection laws that affect many of us, and maybe fighting a labor dispute all at the same time.

It may be that some of the politicians will get their wishes sooner than they expect, and that is to nationalize everything. I can tell you from experience that we as businessmen cannot last very long amongst the octopus that has a strangle hold such as the federal government has on us now.

The following are excerpts of letters I have received from other concerned South Dakotans regarding their feelings on the Occupational Safety and Health Act of 1970:

From Mr. Ray Godfrey, Godfrey Brake Service and Supply Company, 118 Omaha Street, Rapid City, South Dakota: "I can't see why a small business has to be subject to such an unfair regulation and be fined every time one of the inspectors drops in to our places. We have been inspected one time and fined $25.00.

It seems to me that when a building is built and meets all city and state building codes, one should not have to be forced to spend large sums of money to fit the OSHA code."

From Mr. G. Homer Harding, State Senator, Pierre, South Dakota: "It is my opinion that a determination of the true purpose of the Act should be arrived at first. Is it designed to safeguard the health and well being of the worker; or is it a revenue measure? If it is the first, then I recommend that the inspectors give warnings and if the deficiency is corrected in 30 days, there be no fine. With this type of assistance there would be more understanding and cooperation between government and the private sector; and isn't this what it's all about? Government is supposedly designed to help the citizenry, not harass and badger the normal flow of activity. If it is the second reason, then I say the whole act is a fraud and should be scrapped.

"As a further recommendation, I feel the record system should be modified in cases where there are fewer than 100 employees. For starters, eliminate all posting and forms other than a file of loss time accidents, only. Other records are nothing more than harassment and serve no useful purpose whatever.

"I, also, became concerned when each year in the legislature we are faced with STATE OSHA regulations and department formation by the statement, 'If we don't do this, the Fed's will really get tough in S. Dak.' Now, I say this type of justification is ridiculous. Why two levels of bureaucracy when the Federal can handle it now with the least expense to the taxpayer. If the state of S. Dak. must establish an OSHA Department, then there is absolutely no need for a Federal Agency. Duplication must stop.

"Art, I know this is general philosophy more than specific points of the law. However, to be specific in all areas would be an impossible task. It is my hope that sincere thinking men will prevail and the Act be modified to be helpful and practical without jeopardizing its avowed purpose, that is, the health and safety of the working people of this country."

From Larry M. Owen, Vice President, Marketing and Development, Black Hills Power and Light Company, P.O. Box 1951, Rapid City, South Dakota: "One of the primary concerns of many people is the inspection procedure wherein the business or industry is found to be in violation of a regulation and immediately faces a citation and/or fine. Certainly it would be much better to discuss violations with the inspector and at least attempt to resolve the problem to the satisfaction of both parties. Some reasonable time period should be allowed for compliance after citations are issued and prior to assessing any fine.

"Owners and managers of business and industry, in most cases, intend to provide a safe working environment for all employees and expect to comply with OSHA regulations. However, in many inspections, violations are minimal and can be corrected expediently if the parties involved are reasonable in their attitude toward each other.

"I would much prefer an attitude by OSHA of *assisting* business and industry in the reduction of occupational injuries, in the improvement of working conditions and in the general improvement of the working environment. Many companies, Black Hills Power and Light Company included, have actively promoted safety for many years, both in their own industry and in the communities in which they do business and are willing to cooperate with federal agencies. I feel that a spirit of cooperation would be more valuable than the present system of inspection, citation and fine. The citations and fines could be used where there is an obvious or serious disregard for the safety and health of employees."

From Grace Petersen, Petersen Motors, Inc., 422 South Fort Street, Pierre, South Dakota: "As for the inspection of Petersen Motors, Inc. by OSHA, both Mr. Petersen and I were absent the day of the inspection. We therefore have no first hand knowledge of how the inspector conducted himself or what the procedure was. According to our employees, the man merely said he was with the government and that this was just routine inspection. To my knowledge he did not present any credentials. Our salesman offered to call me so I could find the records he asked about; however, the inspector said they were unimportant and it was not necessary for him to see them.

"I'm sure it is the practice in other businesses as in ours that only a limited number of people have access to business records. In our business, which is family oriented, only myself and Mr. Petersen have complete access to business records.

"It was the considered opinion of our employees that the inspector had little, if any, knowledge of the garage business. The alleged violations tend to confirm this opinion.

"You can see by the material enclosed that we only contested the record keeping alleged violation. While the fine of $350.00 and the work needed to correct alleged violations was near $2,000.00, we consider this a large amount of money but felt it would be more costly to contest the rest of them when you consider the amount of money and time that could be consumed by running to hearings and hiring attorneys. Being a small family type business, any time away from the business is costly in business lost.

"We believe that the OSHA law should be repealed in its entirety. If this is not possible, then it should exclude small business with under 25 employees. Small businesses are safety conscious for the simple reason that it is too costly to have employees injured. Our record speaks for itself, more than twenty years in business with only a few minor injuries requiring first aid and no serious injuries."

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## OPERATION INDEPENDENCE

## HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BOB WILSON. Mr. Speaker, we can now look forward to running our automobiles on water. This exciting possibility of using one of our most plentiful elements—hydrogen—as a fuel source is fascinating. It is the main ingredient of water—$H_2O$—and it offers a pollution-free abundance of energy that would eliminate the need for drilling for oil and gas, mining of coal, or grinding up of oil shale. Hydrogen is a safe, convenient fuel that shows great promise for the future. Experiments at UCLA give us a glimpse of what may become a major breakthrough. President Nixon's "Operation Independence" must proceed immediately to apply ample research funds in this area.

I include as a portion of my remarks a brilliant article on this subject by Herb Lawrence, the environment writer for the San Diego Evening Tribune.

### "ELEMENTAL" REPLACEMENT FOR OIL FOUND

(By Herb Lawrence)

Research at UCLA shows that hydrogen, a very light element which is plentiful in water, packs the ability to replace oil as our major fuel by the middle of the 1980s.

UCLA scientists believe this gas, the simplest and lightest of all elements, could permanently free this country from dependency on the whims and blackmail of oil sources.

Hydrogen could fuel all cars, buses and trucks in the United States and do a host of other chores such as producing electricity by fueling turbines and fuel cells.

There are still some problems with hydrogen, an odorless and colorless gas, but nothing that can't be overcome relatively quickly with sufficient development money.

William Van Vorst, associate professor of engineering and applied science at UCLA, says the research of his group shows that:

Cars can operate just as efficiently on hydrogen as they do on gasoline.

Engines need less maintenance when using hydrogen because the element doesn't contain the particles that gasoline does. This cuts maintenance costs and makes the engines last longer.

Cars operating on hydrogen put out practically no pollutants. They don't need the normal smog control devices. Tests done by Van Vorst's laboratory show a hydrogen-powered car that easily meets the tough 1976 federal emission standards. It puts out no hydrocarbons or carbon monoxide. There is a slight trace of nitrogen oxides.

When operating on hydrogen the car emits mostly water vapor. Van Vorst said it's "fog instead of smog that comes out."

Problems encountered with hydrogen:

There occasionally is some back-firing during car operations. But Van Vorst is working on it and thinks he has it solved with exhaust gas recirculation.

The storage area needed for hydrogen in a car is too large now. It's larger than for a gasoline tank. But he said he thinks it can be reduced without too many problems.

Van Vorst and his five other researchers have been asked by the federal government to generally determine if hydrogen could do the job of replacing gasoline.

Specifically, the $60,000 grant from the Department of Transportation is to evaluate the engine performance with hydrogen and to develop a way in which hydrogen will take up less storage space in a car.

"Engine performance has been good in our tests," he said in a telephone interview. "And we think we can store hydrogen in a smaller area by using the hydride method. In this system, you store the hydrogen in powdered metals."

In the hydride, the hydrogen would be kept in a combination of powdered metals under pressure until needed. The hydrogen would then be extracted so it could fuel the car.

Van Vorst said much less space would be needed to carry a hydride tank.

He said that UCLA is using a 1972 American Motors Gremlin for its research work.

"We use gaseous hydrogen to power the car," he said. "It's also possible now to use liquefied hydrogen. But then you have to keep it at 400 degrees below zero and that complicates the whole process."

The gas hydrogen tanks are stored where the car's rear seat would normally be.

Maximum range of the car without a refill is 60 miles.

"That's a limiting factor," he said. "But we are sure that using the hydride method would expand the range by a lot and make it comparable to the gasoline driven car."

The 150-horsepower engine in the test car is a normal internal combustion engine except for some minor modifications to suit the gaseous hydrogen.

It has operated on hydrogen for more than 1,000 miles.

Van Vorst said that within 10 years "we would be fueling a lot of our cars and trucks with hydrogen. It would take a commitment of money because you would have to have service stations available to pump hydrogen and a system to get it out of water."

The technique of getting hydrogen out of water by using electricity already is well known.

"Some slight engine modifications would be needed for cars," he said. "But that wouldn't be much. We could have buses running on hydrogen in 5 years and other vehicles in 10 years."

There's been concern over the volatility of hydrogen. Some people feel that it could ignite too easily.

"That not true," Van Vorst said. "Our research shows that it isn't any more likely to go up than gasoline."

Cost of the hydrogen also has been held up as a problem. But Van Vorst said that with mass production the cost would be cut to low levels.

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## LYNDON B. JOHNSON'S SPECIAL MESSAGE TO THE CONGRESS PROPOSING A NATIONWIDE WAR ON THE SOURCES OF POVERTY, MARCH 16, 1964

## HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. HAWKINS. Mr. Speaker, 10 years ago, on March 16, 1964, President Lyndon B. Johnson declared war on poverty. In proposing the establishment of a Federal poverty program, President Johnson defined the war on poverty as not simply a struggle to support people, but a struggle to give people a chance.

In the 10 years since this declaration of war, millions of Americans have been given a chance; millions have been lifted out of poverty; millions have had a voice in the decisions which affected their lives, and millions have risen from a sense of helplessness and despair to positions of leadership in their communities and in the Nation. These millions are a living testament to the rightness of the objectives President Johnson set forth in March 1964, and a testament to the crucial need for these efforts to continue.

On the 10th anniversary of this declaration we should be strengthening the Federal poverty program; instead, we are in another war, a fight for survival. On June 30 of this year, the funding authority for the Economic Opportunity Act will expire. The administration has proposed that the Office of Economic Opportunity be dismantled and that Federal funding for poverty programs, most notably the community action program, be discontinued. I have introduced legislation, along with Congressmen CARL PERKINS and ALPHONZO BELL (H.R. 12464) which would extend the Economic Opportunity Act which established the Office of Economic Opportunity for 3 additional years. My Subcommittee on Equal Opportunities has conducted hearings around the country and in Washington on the future of the OEO programs, and I anticipate that the subcommittee will act within the next few weeks to report an extension of the Economic Opportunity Act.

I think it is appropriate to take another look at the initial declaration of the war on poverty. It is important to note that it did not seek, nor has it achieved, miracles. In President Johnson's words:

> We are fully aware that this program will not eliminate all the poverty in America in a few months or a few years . . . But this program will show the way to new opportunities for millions of our fellow citizens . . . This program is much more than a beginning. Rather it is a commitment. It is a total commitment by this President, and this Congress, and this nation, to pursue victory over the most ancient of mankind's enemies.

In referring this historic declaration to the attention of my colleagues. I would like to express my own deep sense of concern that it is the very commitment which President Johnson articulated which is in the gravest danger of extinction:

LYNDON B. JOHNSON'S SPECIAL MESSAGE TO THE CONGRESS PROPOSING A NATIONWIDE WAR ON THE SOURCES OF POVERTY, MARCH 16, 1964

*To the Congress of the United States:*

We are citizens of the richest and most fortunate nation in the history of the world.

One hundred and eighty years ago we were a small country struggling for survival on the margin of a hostile land.

Today we have established a civilization of free men which spans an entire continent.

With the growth of our country has come opportunity for our people—opportunity to educate our children, to use our energies in productive work, to increase our leisure—opportunity for almost every American to hope that through work and talent he could create a better life for himself and his family.

The path foward has not been an easy one.

But we have never lost sight of our goal: an America in which every citizen shares all the opportunities of his society, in which every man has a chance to advance his welfare to the limit of his capacities.

We have come a long way toward this goal.

We still have a long way to go.

The distance which remains is the measure of the great unfinished work of our society.

To finish that work I have called for a national war on poverty. Our objective: total victory.

There are millions of Americans—one fifth of our people—who have not shared in the abundance which has been granted to most of us, and on whom the gates of opportunity have been closed.

What does this poverty mean to those who endure it?

It means a daily struggle to secure the necessities for even a meager existence. It means that the abundance, the comforts, the opportunities they see all around them are beyond their grasp.

Worst of all, it means hopelessness for the young.

The young man or woman who grows up without a decent education, in a broken home, in a hostile and squalid environment, in ill health or in the face of racial injustice—that young man or woman is often trapped in a life of poverty.

He does not have the skills demanded by a complex society. He does not know how to acquire those skills. He faces a mounting sense of despair which drains initiative and ambition and energy.

Our tax cut will create millions of new jobs—new exits from poverty.

But we must also strike down all the barriers which keep many from using those exits.

The war on poverty is not a struggle simply to support people, to make them dependent on the generosity of others.

It is a struggle to give people a chance.

It is an effort to allow them to develop and use their capacities, as we have been allowed to develop and use ours, so that they can share, as others share, in the promise of this nation.

We do this, first of all, because it is right that we should.

From the establishment of public education and land grant colleges through agricultural extension and encouragement to industry, we have pursued the goal of a nation with full and increasing opportunities for all its citizens.

The war on poverty is a further step in that pursuit.

We do it also because helping some will increase the prosperity of all.

Our fight against poverty will be an investment in the most valuable of our resources—the skills and strength of our people.

And in the future, as in the past, this investment will return its cost many fold to our entire economy.

If we can raise the annual earnings of 10 million among the poor by only $1,000 we will have added 14 billion dollars a year to our national output. In addition we can make important reductions in public assistance payments which now cost us 4 billion dollars a year, and in the large costs of fighting crime and delinquency, disease and hunger.

This is only part of the story.

Our history has proved that each time we broaden the base of abundance, giving more people the chance to produce and consume, we create new industry, higher production, increased earnings and better income for all.

Giving new opportunity to those who have little will enrich the lives of all the rest.

Because it is right, because it is wise, and because, for the first time in our history, it is possible to conquer poverty, I submit, for the consideration of the Congress and the country, the Economic Opportunity Act of 1964.

The Act does not merely expand old programs or improve what is already being done.

It charts a new course.

It strikes at the causes, not just the consequences of poverty.

It can be a milestone in our one-hundred eighty year search for a better life for our people.

This Act provides five basic opportunities.

It will give almost half a million underprivileged young Americans the opportunity to develop skills, continue education, and find useful work.

It will give every American community the opportunity to develop a comprehensive plan to fight its own poverty—and help them to carry out their plans.

It will give dedicated Americans the opportunity to enlist as volunteers in the war against poverty.

It will give many workers and farmers the opportunity to break through particular barriers which bar their escape from poverty.

It will give the entire nation the opportunity for a concerted attack on poverty through the establishment, under my direction, of the Office of Economic Opportunity, a national headquarters for the war against poverty.

This is how we propose to create these opportunities.

*First* we will give high priority to helping young Americans who lack skills, who have not completed their education or who cannot complete it because they are too poor.

The years of high school and college age are the most critical stage of a young person's life. If they are not helped then, many will be condemned to a life of poverty which they, in turn, will pass on to their children.

I therefore recommend the creation of a Job Corps, a Work-Training Program, and a Work Study Program.

A new national Job Corps will build toward an enlistment of 100,000 young men. They will be drawn from those whose background, health and education make them least fit for useful work.

Those who volunteer will enter more than 10 Camps and Centers around the country.

Half of these young men will work, in the first year, on special conservation projects to give them education, useful work experience and to enrich the natural resources of the country.

Half of these young men will receive, in the first year, a blend of training, basic education and work experience in Job Training Centers.

These are not simply camps for the underprivileged. They are new educational institutions, comparable in innovation to the land grant colleges. Those who enter them will emerge better qualified to play a productive role in American society.

A new national Work-Training Program operated by the Department of Labor will provide work and training for 200,000 American men and women between the ages of 16 and 21. This will be developed through state and local governments and non-profit agencies.

Hundreds of thousands of young Americans badly need the experience, the income, and the sense of purpose which useful full or part-time work can bring. For them such work may mean the difference between finishing school or dropping out. Vital community activities from hospitals and playgrounds to libraries and settlement houses are suffering because there are not enough people to staff them.

We are simply bringing these needs together.

A new national Work-Study Program operated by the Department of Health, Education, and Welfare will provide federal funds for part-time jobs for 140,000 young Americans who do not go to college because they cannot afford it.

There is no more senseless waste than the waste of the brainpower and skill of those who are kept from college by economic circumstance. Under this program, they will, in a great American tradition, be able to work their way through school.

They and the country will be richer for it.

Second, through a new Community Action program we intend to strike at poverty at its source—in the streets of our cities and on the farms of our countryside among the very young and the impoverished old.

This program asks men and women throughout the country to prepare long-range plans for the attack on poverty in their own local communities.

These are not plans prepared in Washington and imposed upon hundreds of different situations.

They are based on the fact that local citizens best understand their own problems, and know best how to deal with those problems.

These plans will be local plans striking at the many unfilled needs which underlie poverty in each community, not just one or two. Their components and emphasis will differ as needs differ.

These plans will be local plans calling upon all the resources available to the community—federal and state, local and private, human and material.

And when these plans are approved by the Office of Economic Opportunity, the federal government will finance up to 90% of the additional cost for the first two years.

The most enduring strength of our nation is the huge reservoir of talent, initiative and leadership which exists at every level of our society.

Through the Community Action Program we call upon this, our greatest strength, to overcome our greatest weakness.

*Third,* I ask for the authority to recruit and train skilled volunteers for the war against poverty.

Thousands of Americans have volunteered to serve the needs of other lands.

Thousands more want the chance to serve the needs of their own land.

They should have that chance.

Among older people who have retired, as well as among the young, among women as well as men, there are many Americans who are ready to enlist in our war against poverty.

They have skills and dedication. They are badly needed.

If the State requests them, if the community needs and will use them, we will recruit and train them and give them the chance to serve.

*Fourth,* we intend to create new opportunities for certain hard-hit groups to break out of the pattern of poverty.

Through a new program of loans and guarantees we can provide incentives to those who will employ the unemployed.

Through programs of work and retraining for unemployed fathers and mothers we can help them support their families in dignity while preparing themselves for new work.

Through funds to purchase needed land, organize cooperatives, and create new and adequate family farms we can help those whose life on the land has been a struggle without hope.

*Fifth,* I do not intend that the war against poverty become a series of uncoordinated and unrelated efforts—that it perish for lack of leadership and direction.

Therefore this bill creates, in the Executive Office of the President, a new Office of Economic Opportunity. Its Director will be my personal Chief of Staff for the War against poverty. I intend to appoint Sargent Shriver to this post.

He will be directly responsible for these new programs. He will work with and through existing agencies of the government.

This program—the Economic Opportunity Act—is the foundation of our war against poverty. But it does not stand alone.

For the past three years this government has advanced a number of new proposals which strike at important areas of need and distress.

I ask the Congress to extend those which are already in action, and to establish those which have already been proposed.

There are programs to help badly distressed areas such as the Area Redevelopment Act, and the legislation now being prepared to help Appalachia.

There are programs to help those without training find a place in today's complex society—such as the Manpower Development Training Act and the Vocational Education Act for youth.

There are programs to protect those who are specially vulnerable to the ravages of poverty—hospital insurance for the elderly, protection for migrant farm workers, a food stamp program for the needy, coverage for millions not now protected by a minimum wage, new and expanded unemployment benefits for men out of work, a Housing and Community Development bill for those seeking decent homes.

Finally there are programs which help the entire country, such as aid to education which, by raising the quality of schooling available to every American child, will give a new chance for knowledge to the children of the poor.

I ask immediate action on all these programs.

What you are being asked to consider is not a simple or an easy program. But poverty is not a simple or an easy enemy.

It cannot be driven from the land by a single attack on a single front. Were this so we would have conquered poverty long ago.

Nor can it be conquered by government alone.

For decades American labor and American business, private institutions and private individuals have been engaged in strengthening our economy and offering new opportunity to those in need.

We need their help, their support, and their full participation.

Through this program we offer new incentives and new opportunities for cooperation, so that all the energy of our nation, not merely the efforts of government, can be brought to bear on our common enemy.

Today, for the first time in our history, we have the power to strike away the barriers to full participation in our society. Having the power, we have the duty.

The Congress is charged by the Constitution to "provide . . . for the general welfare of the United States." Our present abundance is a measure of its success in fulfilling that duty. Now Congress is being asked to extend that welfare to all our people.

The President of the United States is President of all the people in every section of the country. But this office also holds a special responsibility to the distressed and disinherited, the hungry and the hopeless of this abundant nation.

It is in pursuit of that special responsibility that I submit this Message to you today.

The new program I propose is within our means. Its cost of 970 million dollars is 1 percent of our national budget—and every dollar I am requesting for this program is already included in the budget I sent to Congress in January.

But we cannot measure its importance by its cost.

For it charts an entirely new course of hope for our people.

We are fully aware that this program will not eliminate all the poverty in America in a few months or a few years. Poverty is deeply rooted and its causes are many.

But this program will show the way to new opportunities for millions of our fellow citizens.

It will provide a lever with which we can begin to open the door to our prosperity for those who have been kept outside.

It will also give us the chance to test our weapons, to try our energy and ideas and imagination for the many battles yet to come. As conditions change, and as experience illuminates our difficulties, we will be prepared to modify our strategy.

And this program is much more than a beginning.

Rather it is a commitment. It is a total commitment by this President, and this Congress, and this nation, to pursue victory over the most ancient of mankind's enemies.

On many historic occasions the President has requested from Congress the authority to move against forces which were endangering the well-being of our country.

This is such an occasion.

On similar occasions in the past we have often been called upon to wage war against foreign enemies which threatened our freedom. Today we are asked to declare war on a domestic enemy which threatens the strength of our nation and the welfare of our people.

If we now move forward against this enemy—if we can bring to the challenges of peace the same determination and strength which has brought us victory in war—then this day and this Congress will have won a secure and honorable place in the history of the nation, and the enduring gratitude of generations of Americans yet to come.

LYNDON B. JOHNSON.

(NOTE.—The draft bill and a section by section analysis were released with the President's message. They are printed in House Document 243 (88th Cong., 2d sess.).

(For the President's remarks upon signing the Economic Opportunity Act of 1964, see Item 528.)

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## EULOGY OF HON. HAROLD DUNBAR COOLEY

### HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. FOUNTAIN. Mr. Speaker, in January of this year it was my sad duty to announce the passing of one of the 20th century leaders of this House—the Honorable Harold Dunbar Cooley of Nashville, N.C.

Harold Cooley, who served with great distinction as a Representative in the Congress of the United States of America for more than 32 years, occupied a post of vast importance—the chairmanship of the House Agriculture Committee—for many years and provided vital leadership in the formulation of national agricultural policy during a crucial period in American history.

The eulogy at the funeral, which was conducted on January 17, 1974, at the Nashville United Methodist Church in Nashville, N.C., was delivered by the Reverend Dr. Samual Tilden Habel, who is now professor of sociology at Marshall University, Huntington, W. Va.

Dr. Habel, who received his B.A. from the University of Richmond in 1927, his Th. M. from Southern Seminary in 1930, his Ph. D. from the University of Edinburgh in 1945, and who also studied at the University of Paris and the University of North Carolina, served as Pastor of the Nashville Baptist Church from 1930–34.

At this time, Mr. Speaker, I would like to share with my colleagues the warm words of Dr. Habel's eulogy:

A EULOGY OF HON. HAROLD DUNBAR COOLEY

U.S. Congressman from North Carolina for many years. A devoted public servant. An international statesman. (Delivered at his funeral at Nashville, North Carolina, January 17, 1974, by Dr. Samuel Tilden Habel.)

I have come this afternoon not to bury Harold Cooley but to praise him. There is an old Latin saying which is appropriate. "Let nothing but good be said about the dead." I wish to speak of the good which was in this man.

Time has cut him down but he will grow again, tall and straight as a giant Redwood tree. He will flourish again as the Biblical green bay tree; and his branches will run over the wall. The vital spark which now seems quenched will elsewhere burst into flame once more. His voice which now is stilled will speak again in a resonant tone, strong and clear. Age caught up with him only for a time. He will run again as a strong young man runs a race. His heart which rests for a moment will beat again, for hearts of love are never stopped for long. *This I believe.*

One of our American writers once said, "I can never be resigned to the shutting away of loving hearts in the cold, ground." Neither can I. Men assure us of the conservation of matter, but I am assured of the conservation of mind and spirit. Nothing in all of God's great universe is lost or destroyed: it only changes its form and appears again. *This I believe.*

On the *Via Dolorosa,* the road to his own death, Jesus said to the weeping people who lined the way, "Weep not for me, but weep for yourselves." Harold Cooley now says that to all of us here this afternoon. The dead do not need tears. It is the living who need tears; the dead need naught but inspiring remembrances.

Harold Cooley epitomized in his life the best of the old American tradition. As a boy he was a bright lad who by his pluck and industry emerged from the crowds; forged to the front and attained at last the pinnacle of achievement and fame. Compared to the great urban areas of the world Nashville is a very small place. As was once asked of Nazareth so some have asked of Nashville, "Can any good thing come out of it?" This man's life is the answer. A young boy orphaned at an early age and left to fend for himself, save for the help of sisters and brothers, lifts himself by his own bootstraps, secures an education and becomes a lawyer. As a young lawyer his fame reaches beyond Nash County; into neighboring counties; then across the nation and eventually across the oceans.

Harold Cooley stirred up the gift of God within him. This young lad from a small North Carolina town would grow into an able man who would sit in the Halls of Congress and in the Councils of the nations. He would visit with the leaders of foreign lands. He would have as personal friends the heads of state around the world and they would cherish and honor him with innumerable decorations. But with it all no insufferable conceit would mark this man. "He walked with kings but kept the common touch." The folks back home would always know him simply as "Harold."

Harold Cooley epitomized friendship. Anyone who ever needed help knew they had a friend in this man. He was a friend to all—the foe, the friendless. Much of his energy and time and life went into good works. Nameless and numberless are the hundreds of people whose personal problems he wrestled with as with his own. "If everyone for whom he had done a loving service were to bring a blossom to his grave he would sleep tonight beneath a wilderness of flowers." You could count on this man to give his life. "Greater love hath no man than this; that a man lay down his life for his friends." This loving father, husband, friend died when the shadows of evening were slowly falling toward the west but the glow of a useful energetic life still lingers in the sky and men facing the dark know that the streak of brightness in the heavens signifies the coming of a new tomorrow.

Harold Cooley epitomized religion. Not the religion of a crystallized institution but the religion of the spirit. At its heart religion is unselfishness. All the great religions of the world have been dedicated to producting unselfish men and women. Hinduism, Judaism, Buddism, Taoism, Confucianism, and Christianity urge men to be unselfish. "Treat every man you meet," said Confucius "as if he were an honored guest in your own home". "Love thy neighbor as thyself," said the Torah. "Do unto others as you would that they should do to you", said Christ. Recently I put together a definition of religion. To me religion consists of those processes, procedures and techniques which enable men individually and collectively to reduce their egocentricity to a bearable degree. Harold Cooley was unselfish through and through.

I remember a bitter cold night in Nashville many years ago. The temperature had fallen far below the normal mark for this area of the world. Two young people living in the parsonage, just beginning their lives together, with very little of the world's goods to call their own, were shivering in their beds in a chilled house. About two o'clock in the morning there was a knock on the parsonage door and when it was opened there stood Harold Cooley with an armful of wool blankets. He had been worried about the couple in the parsonage and had left his warm home and made his journey in the night that they, too, might be warm. I testify for countless others that this was an unselfish man.

To those who may not have known Harold Cooley I would say to you, "Do not think that he was perfect." There is only one who is perfect; that is God. Harold Cooley had his faults as all of us have our faults. But one recalls an unhappy person surrounded by accusers who were hurling vile epithets, when Jesus turned on them and said, "Let him who is without sin cast the first stone." And then the Master stooped and wrote with his finger in the sand. When he looked up all the accusers were gone, "for all have sinned and fallen short of the glory of God."

I would remind you that "Divine justice weighs the sins of the warm-hearted and the cold-blooded in different scales." This man was a warm human being who loved his fellow human beings.

It is always sad to perform the last rites for the dead. But there is a thought that heartens us: The good in a man never dies. Shakespeare had one of his characters say, "The evil that men do lives after them; the good is oft interred with their bones." I do not believe this. I believe no stroke for good is ever lost; that every stroke for good tells on ages; tells for God. "Out of sight sinks the stone in the deep sea of time, but the circles sweep on and on and on."

I would speak now a word of comfort to his loved ones whom he leaves behind. To his faithful, devoted, loyal wife who stood by him through all the years, I say, Be beautiful and strong and brave as you have always been. To his loving daughter and son, and to their families, I say, Cherish the memory of your distinguished father and honor him by the quality of your own lives. To his devoted sisters, and to their families, I say, Take comfort in the knowledge that the one you loved gave a good account of himself and made a creative contribution to mankind. And, to all the others present here, I say, in the words of Paul, "Thank God and take courage", and I would add, Carry on! "I said to the man who stood at the gate of the New Year, 'Give me a light that I may tread safely into the unknown.' He said to me, 'Go out into the darkness and place your hand in the hand of God. That is better than a light and safer than a known way'."

Harold left a request that two poems be read at his funeral. One was his father's favorite poem by James Whitcomb Riley; the other was one written by Harold's own mother and is entitled "Be Content." I shall read the first one now and the other at the graveside.

KISSING THE ROD

O heart of mine, we shouldn't worry so!
What we've missed of calm we couldn't have, you know!
What we've met of stormy pain,
And of sorrow's driving rain,
We can better meet again, if it blow!
We have erred in that dark hour we have known,
When our tears fell with the shower all alone!—
Were not shine and shower blent
As the gracious Master meant?—
Let us temper our content with His own.

For, we know, not every morrow can be sad;
So, forgetting all the sorrow we have had,
Let us fold away our fears,
And put by our foolish tears,
And through all the coming years just be glad.

This is no moment or time for unbelief. It is the hour for faith. The world of science is a closed, narrow and limited world. We are just now beginning to learn that man's hope lies in his faith in that larger universe: the universe of the Spirit—the universe of God.

"Yet in the maddening maze of things
And tossed by storm and flood,
To one fixed trust my spirit clings,
I know that God is good.
I know not where the islands lift
Their fronded palms in air,
I only know I cannot drift
Beyond His love and care".

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*Addendum*: This poem by Harold's mother was read at his grave.

BE CONTENT

(By Hattie Davis Cooley)

If we always had the sunshine,
And we never had the rain,
If life held naught but pleasure
And we never knew a pain;
If our hearts were always happy,
Ever joyous, ever bright,
If we always had the daytime,
And we never had the night,
Why our eyes would soon get weary
And our limbs would tired grow
And the sunshine look as dreary
As the winter frost, and snow.
Why, it is the brightest sunlight,
That the deepest shadows cast,
And the greatest of all trials,
Are as trifles when they're past;
It is pain that makes us helpless,
Makes us turn to God above,
'Tis not joy but grief and anguish
Binds our hearts in perfect love.
Let us then always remember
That the storms of life are few;
That the loveliest, sweetest flowers,
Are the flowers wet with dew.

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## LANDMARK COURT DECISION EXCORIATES POLICE FOR DISCRIMINATORY PRACTICE IN PROSECUTION CASES

## HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. MOSS. Mr. Speaker, on March 14, 1974, Judge David L. Norman, an eminent jurist of the District of Columbia Superior Court, issued an opinion which in crystal-clear language excoriates the blatantly discriminatory practice of the District of Columbia Police in arresting and charging only women, but not men, in prostitution cases, even though the statute (22 D.C. Code 2701) which prohibits solicitation for purposes of prostitution applies to "any person."

Judge Norman pointed out that the District of Columbia Metropolitan Police Department arrested 550 women, but no men, under this provision in 1973, and that in each case "the complaining witness—that is, the person allegedly solicited—was a male police officer put on the street" specifically "to make themselves available to be approached and 'solicited' by females."

Judge Norman said:

> This case represents a classic case of our historic double standard under which one set of standards is applied to females and another set of standards to males. Under police policy, what warrants criminal prosecution for a female does not warrant criminal prosecution for a male. The Constitution does not condone this result.

Mr. Speaker, Judge Norman is a highly respected and able jurist who formerly served as an Assistant Attorney General in the Justice Department, after extensive experience as an attorney in its Civil Rights Division. His opinion should help to stem the sex-discriminatory application of prostitution laws in the District of Columbia. The arguments and precedents assembled in his opinion will also be of considerable interest to Members of Congress and others who desire to end the widely prevalent sex-biased administration of criminal laws in many other cities and towns. Therefore, I insert the full text of Judge Norman's opinion at this point in the RECORD:

[Superior Court of the District of Columbia, Criminal Division]

OPINION AND ORDER

United States of America v. Arminta C. Wilson, Criminal No. 69760–73.

United States of America v. Regina A. Wiley, Criminal No. 74784–73.

The question in these cases, on motions to dismiss, is whether the policy and practice of the Metropolitan Police Department in the enforcement of § 22–2701 of the D.C. Code unconstitutionally discriminates against females. After hearing the evidence, this Court holds that it does. Therefore these cases are dismissed with prejudice.

Defendants Arminta C. Wilson and Regina A. Wiley were charged with violating § 22–2701 of the District of Columbia Code in cases 69760–73 and 74784–73, respectively. These cases have been consolidated solely for purposes of these motions.

Title 22 of the District of Columbia Code, § 2701 provides in pertinent part:

"It shall not be lawful for any person to invite, entice, persuade, or to address for the purpose of inviting, enticing, or persuading, any person or persons 16 years of age or over in the District of Columbia, for the purpose of prostitution. . . ."

Criminal penalties are provided for violations of this statute. The defendants in these cases are charged by information with violating that portion of the statute quoted above.[1]

The government concedes that this statute on its face is sexually neutral, and that the term "any person" applies equally to males and females. Thus, the government concedes that from the plain meaning of the words of this statute the statute would be violated if (1) a female approached a male and invited him to engage in a specific sexual act at a specific price; or (2) a male approached a female and invited her to perform a specific sexual act at a specific price. The Court is persuaded that a sexually neutral interpretation of this statute is the only appropriate and constitutional interpretation.[2]

The evidence adduced at the hearing demonstrates beyond any doubt that the quoted portion of § 22–2701 is enforced exclusively against females. Lt. Charles D. Hersey, who is in charge of that branch of the Metropolitan Police Department which enforces this statute, testified as to the procedure followed in the enforcement of this statute. Male undercover police agents, in street clothes and unmarked automobiles, are assigned to certain areas of the city to make themselves available to be approached and "solicited" by females. If the female invites the male undercover agent to engage in a specific sex act for a specific price, the female is arrested and charged with a violation of § 22–2701.

Lt. Hersey testified unequivocally that it is neither the policy nor the practice of his agency to make any effort to arrest male persons who are on the streets looking for females with whom they can engage in sexual acts at a price. Although his office does presently employ two female undercover officers, they are used exclusively either as back-up officers[3] or in connection with the enforcement of the so-called "pimp" statute.[4] Female undercover agents are not used for the purpose of ferreting out those males who are on the streets seeking to engage in sex with females for a price. No female non-police officers informants are used for such purposes. When police officers are investigating suspected bawdy houses, and they observe males and females together going in and coming out of such houses, the police officers identify and interview the females but do not seek to identify or interview the males. In searches of the houses or apartments of so-called "call girls," or of suspected bawdy houses, the police have seized lists of male customers; yet they have made no effort to pursue those leads to determine whether any or all of these male customers may have violated § 22–2701.

Lt. Hersey also testified that in calendar year 1973, the Metropolitan Police Department made 550 arrests under the provision of § 22–2701 now before the Court. He testified that all 550 persons arrested were females; none were males. He testified further that in each of these 550 instances the complaining witness—that is, the person who was allegedly solicited—was a male police officer who was put on the street for that purpose.

The proof could not be clearer that it is the explicit policy and practice of the Metropolitan Police Department not to enforce the statute against males who would invite females to engage in sex for a price. Moreover, Lt. Hersey testified that the police department has no present plans for changing its enforcement policy.

### I

This case represents a classic example of our historic double standard under which one set of standards is applied to females and another set of standards to males. Under police policy, what warrants criminal prosecution for a female does not warrant criminal prosecution for a male. The Constitution does not condone this result.

If this were a racial case where the evidence proved that it was the explicit policy of the police department to enforce a criminal statute exclusively against blacks and not against whites, not a court in the country would deny these motions to dismiss. Where governmentally-sanctioned discrimination on the basis of sex is involved, the discriminator's activity cannot pass constitutional muster unless, at the very least, a rational basis for distinction is demonstrated. See *Frontiero* v. *Richardson*, 411 U.S. 677 (1973) and *Reed* v. *Reed*, 404 U.S. 71 (1971).[5]

The government in this case has fallen far short of providing a reasonable justification for the discrimination. Its primary contention is that if female undercover agents were to be used in enforcing the statute against male offenders, there would be a danger of entrapment. This contention borders on the absurd. If the police department has trained male undercover agents in the art of capturing female offenders without entrapping them, no reason has been advanced nor does any come to mind why the same art cannot be taught to females. The suggestion that the mere placing of an attractive female on the street constitutes an entrapment of males must be rejected.

It is argued, however, that in the nature of things it is the female who must describe the sex act to be performed and the price to be charged. This argument presupposes, without any proof, that males never describe to females what sex they would like to engage in or what price they would be willing to pay. Common experience is to the contrary—"Courts need not be blind to what all others know."[6]

A further argument tendered by the government in an effort to justify its discrimination is that the employment and use of female undercover agents in a sexually nondiscriminatory enforcement program would involve a financial burden too heavy for the police department to bear. Aside from the fact that this is a mere assertion unsupported by facts, financial and administrative difficulties—however real they may be—have never provided a justification for unconstitutional discrimination. See, *e.g.*, *Cleveland Board of Education* v. *LaFleur*, 414 U.S. —— (1974); *Frontiero* v. *Richardson*, 411 U.S. 677 (1973); *Stanley* v. *Illinois*, 405 U.S. 645 (1972); *Reed* v. *Reed*, 404 U.S. 71 (1971); *Shapiro* v. *Thompson*, 394 U.S. 618 (1969); *Carrington* v. *Rash*, 380 U.S. 89 (1965). In *LaFleur*, *supra*, the Supreme Court stated:

"While it might be easier for the school boards to conclusively presume that all pregnant women are unfit to teach past the fourth or fifth month, or even the first month, of pregnancy, *administrative convenience alone is insufficient to make valid what otherwise is a violation of due process of law.* The Fourteenth Amendment requires the school boards to employ alternative administrative means, which do not so broadly infringe upon basic constitutional liberty, in support of their legitimate goals." (emphasis added). 414 U.S. at —— (slip op. at 14).[7]

Beyond the question of the employment and use of female undercover agents, the government offers no excuse for its failure to make use of other available resources for the investigation and apprehension of male violators. The police department does not use non-police female informants on the alleged ground that it would be too expensive. And, although the police department has in its possession lists of male customers of so-called call girls and prostitutes, it does not investigate those leads to determine whether any of those male customers violate the statute. When faced with these facts, the government's only contention was that the police can only "make a case" under the statute when the police themselves participate in the criminal conversation, that is, the solicitation. This is an inexplicable construction of the statute, and leads to the bizarre result that an act is not a crime unless it is participated in by the police. Furthermore, it shrinks the statute to reading: "It shall not be lawful for any female person to invite . . . or to address for the purpose of inviting . . . any male police officer in the District of Columbia for the purpose of prostitution. . . ." The power to define criminal conduct is a legislative power, not an administrative one. *United States* v. *George*, 228 U.S. 14, 22 (1913).[8]

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[1] The same statute makes unlawful solicitation for "lewd and immoral purposes." However, that portion of the statute—which is applied only to soliciation for sodomy—is not involved in this case.

[2] This interpretation has also been followed by Judge Halleck of this Court in *United States* v. *Moses, et al.*, 41 U.S.L.W., 2298 (Nov. 3, 1972), appeal docketed, No. 7042 D.C.C.A., Jan. 8, 1973.

[3] Back-up officers are used to corroborate that they saw a conversation take place between the male undercover police agent and the female defendant.

[4] See 22 D.C. Code §§ 2704–2707.

[5] Because of the conclusions which follow, it is unnecessary here, as in *Frontiero, supra*, to reach the question whether a "compelling state interest" has been shown in support of the discrimination.

[6] *Burr* v. *N.L.R.B.*, 321 F. 2d 612, 624 (5th Cir. 1963).

[7] See also *Swann* v. *Charlotte-Mecklenburg Bd. of Ed.*, 402 U.S. 1, 28 (1971); *United States* v. *Texas Education Authority*, 467 F. 2d 848, 875 (5th Cir. 1972).

Having found as we must that the policy and practice of the Metropolitan Police Department in the enforcement of § 22-2701 denies to females the equal protection of the laws,[9] dismissal of these cases is the only appropriate recourse available to the Court.

The proposition that discriminatory enforcement of a criminal statute bars prosecutions under it is not new. That result was reached by the Supreme Court as early as 1886 in *Yick Wo* v. *Hopkins*, 118 U.S. 356, where the Court said:

"Though the law itself be fair on its face and impartial in appearance, yet, if it is applied and administered by public authority with an evil eye and an unequal hand, so as practically to make unjust and illegal discriminations between persons in similar circumstances, material to their rights, the denial of equal justice is still within the prohibition of the Constitution." 118 U.S. at 373-74.

The proposition was powerfully expressed in 1949 by Mr. Justice Jackson in his concurring opinion in *Railway Express Agency* v. *New York*, 336 U.S. 106 (1949):

"[N]othing opens the door to arbitrary action so effectively as to allow those officials to pick and choose only a few to whom they will apply legislation and thus to escape the political retribution that might be visited upon them if larger numbers were affected. Courts can take no better measure to assure that laws will be just than to require that the laws be equal in operation." 336 U.S. at 112-113.

See also *Oyler* v. *Boles*, 368 U.S. 448 (1962); *Two Guys from Harrison-Allentown, Inc.* v. *McGinley*, 366 U.S. 582 (1961); *United States* v. *Steele*, 461 F. 2d 1148 (9th Cir. 1972); *Washington* v. *United States*, 401 F. 2d 915 (D.C. Cir. 1968); *State* v. *Fields*, 3d Judicial District of Alaska, June 27, 1973; *Village of Fairlawn* v. *Fuller*, 8 Ohio Misc. 266, 221 N.E. 851 (1966).

This Court itself, being an organ of the government and being subject to the prohibitions of the Fifth Amendment, is constitutionally barred from exercising its judicial power in the service of a discriminatory enforcement policy. *Shelley* v. *Kraemer*, 334 U.S. 1 (1948); *Barrows* v. *Jackson*, 346 U.S. 249 (1953). So long as the Metropolitan Police Department persists in its policy of enforcing § 22-2701 solely against females, this Court must dismiss the prosecutions resulting.

Accordingly, the motions to dismiss are granted.

D. L. NORMAN,
*Judge.*

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## EULOGY FOR MRS. MARGARET DOLAN

## HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ROGERS. Mr. Speaker, the health field, the nursing community, and the country have suffered a great loss in the death on February 27 of Margaret B. Dolan. Throughout her adult life, Mrs. Dolan was active in Health affairs of the State, National, and international levels. She had served at various times as president of three large national health organizations: the American Public Health Association, the American Nurses' Association, and the National Health Council.

A native of the State of North Carolina, where her father was once a State senator, Mrs. Dolan was a professor and head of the Department of Public Health Nursing in the School of Public Health at the University of North Carolina. She was a graduate of the Georgetown University School of Nursing and she held degrees from the University of North Carolina and Columbia University.

Mrs. Dolan served on many government advisory groups including the Advisory Committee for the Nurse Training Act of 1964 and the President's Advisory Committee on Health Resources. She was a member of the Department of Defense Nursing Advisory Committee and a nursing consultant to the Surgeon General, Department of the Army. She was a nursing consultant for the tuberculosis program of the Public Health Service and a member of the Health Insurance Benefits Advisory Council of the Social Security Administration.

Mrs. Dolan was an outstanding leader in the nursing profession, a worker for improvements in nursing and nursing education, and an advocate for reforms in health care and delivery.

In one of her last public speeches, an address to the Alaska State Medical Association, Mrs. Dolan called for a new health delivery system keyed to "truly preventive health services." It should be based on the idea, she said, that "health is a human right, not a privilege."

Mrs. Dolan's notable career brought her many honors. She received the Pearl McIver Public Health Nursing Award from the American Nurses' Association, was elected an honorary fellow of the Royal Society for the Promotion of Health, the society's first award to a member of the nursing profession. She was given honorary degrees by Duke University and the University of Illinois.

In addition to her professional achievements and her great contribution to the cause of better health care, Mrs. Dolan was a woman of great personal warmth and charm. She enriched the lives of those who had the privilege of knowing her. She will be sorely missed. My wife, Becky, joins me in extending our sympathy to her husband, Charles.

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## TRIBUTE TO THE HONORABLE WILLIAM S. MAILLIARD

## HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. GROVER. Mr. Speaker, it is a privilege for me to join my colleagues in recognizing the Honorable William S. Mailliard for his contributions as a Member of this body from 1952 until his recent resignation to become the U.S. Representative to the Organization of American States.

So many tributes are filled with glowing words of praise, I hope I will be able to convey my sincerity as I speak of Bill's commendable qualities. Bill, possessing an old-school attitude, has never touted his accomplishments. I believe it is for this reason that some have said that he is a cautious legislator who believes in playing the traditional role of the House. I personally view what has been termed "cautiousness" in another manner. He moves with decisiveness and forethought, never rashly, exercising extraordinary judgment and wisdom. Because of his apparent intelligence and good judgment, he is a major source of influence among his colleagues. Only recently has the public become aware of his leadership in this body. Most of us here on the floor realize that when he speaks, we should listen attentively because he has something of importance to say.

Having been a member of the Merchant Marine and Fisheries Committee since his arrival on Capitol Hill in 1953, Bill Mailliard is technically the most senior member of our committee. He, in fact, served as ranking minority member for 6 years before giving up the position in February 1971 to become the ranking minority member of the House Committee on Foreign Affairs.

It is through the Merchant Marine and Fisheries Committee that I first met Bill and to say that I have learned much from this man is an understatement. Based on my observations during committee meetings, I consider him to be our foremost authority on the laws and problems affecting maritime affairs. His knowledge and ability to express himself can only be defined as brilliant. Bill Mailliard began working at an early date for safety at sea and to improve the status of the U.S. Merchant Marine Fleet. His proposals for new safety regulations were finally signed into law during the 89th Congress, after the sinking of the foreign-flag cruise ship, SS *Yarmouth Castle*, in November of 1965, when public attention was focused on the problem. Also through his efforts, the committee can point with pride to such major pieces of legislation as the Ports and Waterways Safety Act and the Bridge-to-Bridge Radiotelephone Act. The collision of two tankers under the Golden Gate Bridge in San Francisco, which Bill represented, brought home to all of us the fact that the ecology of our coastline cannot tolerate such accidents. The collision under the Golden Gate gave great impetus to the enactment of both the Ports and Waterways Safety Act and the Bridge-to-Bridge Radiotelephone Act. It should also be noted that Bill anticipated such a disaster and had cosponsored both bills before the collision.

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[8] The government also makes the suggestion that the statute might be enforced only against sellers of sex and not buyers of sex. Aside from the assumption, probably erroneous, that females are always the sellers and males are always the buyers, if Congress had intended to distinguish between sellers and buyers it would have done so. That legislative option is not open to the police department or to the prosecutor, particularly where the consequence is to single out only females for criminal sanctions. If Congress had been concerned solely with the selling of sex, it would have made prostitution illegal in the District of Columbia, which it has not done. The statute before the Court is applicable to "any person," not merely "women," not merely "sellers." It seems evident that behind this transparent argument looms large the invidious double standard based on sex.

[9] It is settled that the guarantee of the equal protection of the laws is embodied in the due process clause of the Fifth Amendment, and is therefore applicable to governmental agencies and officers in the District of Columbia. *Bolling* v. *Sharpe*, 347 U.S. 497, 499 (1954); *Schneider* v. *Rusk*, 377 U.S. 163 (1964); *Hobson* v. *Hansen*, 269 F. Supp. 401, 492-3 (D. D.C. 1967) *aff'd sub nom Smuck* v. *Hobson*, 408 F. 2d 175 (D.C. Cir. 1969); *Washington* v. *United States*, 401 F. 2d 915 (D.C. Cir. 1968).

One of the most significant pieces of legislation to his credit is the Merchant Marine Act of 1970, the first major legislation in this area since 1936. Needless to say, enactment of this legislation took considerable effort on the part of many people; however, I often wonder whether there would have been a Merchant Marine Act of 1970 without him. He was the one who led the bipartisan effort that brought about enactment.

Bill has also repeatedly demonstrated its knowledge and particular interest in the activities of the Subcommittee on Oceanography and the Subcommittee on Fisheries and Wildlife Conservation and the Environment by promoting much legislation affecting conservation and the environment. The numerous bills included proposals for establishment of various wildlife refuges, the Marine Mammal Protection Act, the Coastal Zone Management Act, the establishment of the National Advisory Committee on the Oceans and Atmosphere, the Endangered and Threatened Species Act, and the "Ocean Dumping" legislation.

In addition to his leadership in the House in these matters, he has played an important role on the international level—Law of the Sea conferences and Safety at Sea meetings. Because of his interest in oceanography and conservation as well as the merchant marine, he was also appointed as a Congressional Advisor to the United Nations Committee on the Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of Nations Jurisdiction.

Although I am not as personally acquainted with his Foreign Affairs Committee activities, I know his reputation is an outstanding one. With his special expertise in Latin American affairs, the President could not have appointed a more capable person as the U.S. Representative to the OAS. My only regret is that he will no longer serve as a Member of the U.S. House of Representatives. He is a public servant who will not only be missed by his colleagues, but by the Nation.

## JOSEPH McNAMARA, SPACE PIONEER

## HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. FUQUA. Mr. Speaker, I wish to take a moment to salute Joseph McNamara, one of the architects of our many space achievements. Mr. McNamara, will retire on April 1, was president of Rockwell International's Space Division. His contributions to aeronautical progress span more than 30 years.

For several years before his retirement, Mr. McNamara headed the organization that produced half of the hardware elements for our lunar-landing program. These included the Saturn S–II, second stage of the Saturn V launch vehicle; the Apollo command and service modules; and the launch escape system. The space division also built four Apollo spacecraft for the Skylab program and will modify the spacecraft and build the docking module for the Apollo-Soyuz test project. It is now developing the space shuttle orbiter, the reusable space transport scheduled to become operational in the 1980's.

Mr. McNamara's earlier work won him the highest honor that a nongovernment employee can receive: the Distinguished Public Service Medal. I believe it fitting that we take this opportunity to honor Joseph McNamara, both the man and the aerospace pioneer.

## GENEVIEVE HALL HONORED

## HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. STARK. Mr. Speaker, 19th century author-historian Henry Adams once noted that "A teacher affects eternity; he can never tell where his influence stops." This citation is no more true than in the case of Mrs. Genevieve Hall who is retiring after 28 years of service to children. Her exceptional qualities both as an educator and as an individual have been passed on to her students and so into the mainstream of our society today.

Born in Nebraska, Mrs. Hall completed high school in her native State. She attended California State University at Hayward and San Jose while receiving her B.E. degree and General Elementary Teaching Credential from the San Francisco State University campus. Her biography reflects further on her activism as demonstrated through her leadership in programs for more able youngsters, at both the elementary and district levels. She has also worked in the international sphere by organizing an exchange program with Uji Junior High, a sister school in Kyoto, Japan. She has been honored with numerous educational awards including the distinguished Honorary Service Award of the National Congress of Parents and Teachers. Also, throughout her long teaching tenure, Mrs. Hall has consistently been awarded the highest competency rating. But paralleling those impressive scholastic and professional achievements has been her superior ability to relate to her students. It is from this special relationship that has stemmed the roots of new enlightenment. Her students are the best testimony to her capable guidance and counsel.

I am proud that Mrs. Hall is a constituent of mine and I am privileged to salute her before my colleagues today.

## CAREY FINANCIAL STATEMENT

## HON. HUGH L. CAREY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. CAREY of New York. Mr. Speaker, in accord with my own commitment to full financial disclosure for those who hold elective office, I am today submitting a full statment of my net worth, and a report of my tax returns for the last 6 years.

The 6-year period represents the highest period of my earnings as a taxpayer, since it embraces the last increases in congressional pay and covers the annual period immediately preceding such increases.

In no previous year did my earnings, including congressional salary, exceed the earliest and lowest year indicated.

I do this because I believe that the American people deserve to have financial information available concerning those to whom they entrust the powers of government. Because of the revelations of the last year of this administration, I feel those in public life must do everything in their power to restore confidence in public service and public servants. Full disclosure may help in this regard.

Today, I declared my candidacy for Governor of New York. It is consistent with my view of what is needed, in State as well as Federal offices, is full disclosure of financial information.

Mr. Speaker, I include at this point in the RECORD, a letter from George Schiller & Co., CPA, a summary of income tax returns for the Federal Government, New York State, and New York City, plus a statement of assets and liabilities as of December 31, 1973.

The statement, as indicated, is true and accurate in all respects.

It may be observed from a careful reading of this statement that in constant dollars I owe more and own less than when I entered public life in 1961, and that I am forced to borrow to make ends meet and that I bear a high tax burden at three levels of government.

That, of course, is something I have in common with my fellow Americans. I am gratified however that when I leave Congress I can say that I did not come to Congress for monetary reward. I, therefore, have no regrets even concerning my outstanding debts.

The biggest debt I owe is one of gratitude that the people of my State gave me the opportunity to serve all Americans and others in the world who needed help.

No material gain could equal the satisfaction I take with me that at least in some part I was able to help through law the children, the handicapped, the families who needed work, the elderly, and have added somewhat to the preservation of the greatest country in the world.

I include the following:

GEORGE SCHILLER & CO.,
CERTIFIED PUBLIC ACCOUNTANTS,
*New York, N.Y., March 23, 1974.*
Hon. HUGH L. CAREY,
*Brooklyn, N.Y.*

DEAR CONGRESSMAN CAREY: We have prepared a summary of your federal income tax returns as filed for the calendar years 1968 through 1973 inclusive. Thus summary also incorporates the payments made for New York State and New York City taxes in addition to federal taxes.

Your income tax returns up to and including the calendar year 1970 have been examined by the Internal Revenue Service. Our firm prepared the returns for the calendar years 1972 and 1973.

In our opinion the summary of income tax returns presents fairly the said taxes for the periods indicated.

Very truly yours,
GEORGE SCHILLER & CO.

CONGRESSMAN AND MRS HUGH L. CAREY

SUMMARY OF INCOME TAX RETURNS FOR THE CALENDAR YEARS

| | 1973 | 1972 | 1971 | 1970 | 1969 | 1968 |
|---|---|---|---|---|---|---|
| INCOME | | | | | | |
| Congressional salary | $42,500 | $42,500 | $42,500 | $42,500 | $39,375 | $30,000 |
| Interest | 973 | 65 | 59 | 31 | --- | --- |
| Consultation and legal fees[1] | 15,500 | 6,453 | 9,810 | 9,810 | 9,810 | 9,810 |
| Honorariums | 3,450 | 3,650 | 200 | --- | 850 | --- |
| Newsletter[2] | 2,200 | --- | --- | --- | --- | --- |
| Total | 64,623 | 52,668 | 52,569 | 52,341 | 50,035 | 39,810 |
| Adjustments to income[3] | 10,267 | 11,648 | 10,517 | 10,217 | 10,660 | 6,690 |
| Adjusted gross income | 54,356 | 41,020 | 42,052 | 42,124 | 39,375 | 33,120 |
| DEDUCTIONS AND EXEMPTIONS | | | | | | |
| Contributions | 2,197 | 3,556 | 2,132 | 2,249 | 1,858 | 2,132 |
| Taxes (real estate, income etc.) | 6,515 | 6,228 | 6,032 | 5,189 | 4,044 | 5,011 |
| Interest | $5,176 | $4,939 | $5,821 | $6,078 | $3,287 | $3,073 |
| Miscellaneous deductions | 17 | 17 | 17 | 503 | 830 | 1,559 |
| Exemptions | 8,250 | 8,250 | 7,425 | 7,500 | 9,000 | 9,000 |
| Total | 22,155 | 22,990 | 21,427 | 21,519 | 19,019 | 20,775 |
| Federal taxable income | 32,201 | 18,030 | 20,625 | 20,605 | 20,356 | 12,345 |
| TAXES ON INCOME | | | | | | |
| Federal | 9,477 | 4,128 | 4,580 | 4,688 | 4,853 | 2,416 |
| New York State | 3,671 | 1,466 | 1,677 | 1,597 | 1,469 | 684 |
| New York City | 883 | 390 | 453 | 243 | 223 | 120 |
| Total taxes on income | 14,031 | 5,984 | 6,710 | 6,528 | 6,545 | 3,220 |
| Income taxes as percentage of adjusted gross income. | 25 | 14 | 15 | 15 | 16 | 9 |

[1] The amount reported for 1973 includes $2,500 prepaid for services to be rendered in 1974.

[2] Subscription fees received for the publication of a newsletter. Expenses against this income will be paid in 1974, and deducted in that year. (revised ruling 73-356, p. 5)

[3] The portion of expenses in connection with congressional duties which were not reimbursable.

CONGRESSMAN AND MRS. HUGH L. CAREY—STATEMENT OF ASSETS AND LIABILITIES, DEC. 31, 1973

| | Cost basis | Current market value |
|---|---|---|
| Assets: | | |
| Cash in banks | $10,025 | $10,025 |
| Investment in commercial paper | 10,000 | 10,163 |
| Cash surrender value of life insurance | 16,440 | 16,440 |
| Residence and related real estate: | | |
| McLean, Va | 93,777 | 163,000 |
| Shelter Island Heights, N.Y | 37,000 | 50,000 |
| Automobiles | 4,000 | 3,000 |
| Household furnishings | 10,000 | 5,000 |
| Vested interest in congressional retirement fund | 32,085 | 32,085 |
| Total assets | 213,327 | 289,713 |
| Liabilities: | | |
| Loans payable: | | |
| Mortgage loan on McLean, Va., residence | 32,630 | 32,630 |
| Mortgage loan on Shelter Island, N.Y., residence | 19,920 | 19,920 |
| Auto loan | 1,933 | 1,933 |
| Bank loans | 28,800 | 28,800 |
| Total loans payable | 83,283 | 83,283 |
| Federal, State, and city income taxes payable (since paid) | 11,868 | 11,868 |
| Total liabilities | 95,151 | 95,151 |
| Excess of assets over liabilities | 118,176 | 194,562 |

The above statement of assets and liabilities is complete and accurate to the best of my knowledge.

HUGH L. CAREY,
U.S. Representative, 15th District, New York.

## TRIBUTE TO JOSEPH McNAMARA

### HON. JOHN N. HAPPY CAMP

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. CAMP. Mr. Speaker, as a member of the Science and Astronautics Committee, I am pleased to offer a tribute to a fine American whose contributions to the space program have helped to bring benefits to the entire country. He is Joseph McNamara, president of Rockwell International's space division, who plans to retire on April 1.

During his more than 30 years in the aerospace industry at Rockwell International, Mr. McNamara contributed to almost every phase of the space program. As vice president of Rocketdyne's Liquid-Rocket Division, he directed development and production of the J-2 and F-1 engines, the Saturn V power plants that sent nine Apollo crews to the Moon. The Space Division, of which he became president in 1970, developed and built the Apollo command and service modules and the Saturn S-II, the second stage of the Saturn V launch vehicle. Work begun during Mr. McNamara's tenure as president also includes development of the space shuttle orbiter, the reusable space transport that will substantially reduce the cost of space operations.

Joe McNamara has contributed much to his country and I wish him a long and happy retirement.

## JOSEPH McNAMARA

### HON. WALTER FLOWERS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. FLOWERS. Mr. Speaker, our space program will soon lose through retirement one of its greatest contributors. He is Joseph McNamara, former president of the Space Division, Rockwell International. I would like to make a few remarks of tribute about this gentle but productive man.

Mr. McNamara, who will retire on April 1, spent more than 30 years in the aerospace industry. Among other accomplishments, he directed the development and production of the J-2 and F-1 engines for the Saturn V launch vehicle, the Saturn S-II stage for the same vehicle, the Apollo command and service modules for the lunar-landing program, and the Apollo spacecraft that ferried three crews to and from the Skylab workshop. He represents two generations of aeronautical machines: the airplane and the space vehicle. Each has changed the course of history and each has had a profound influence on our lives. Thus, whether we know him personally, Mr. McNamara and his work have touched your life and mine.

I am honored to have this opportunity to publicly recognize this aerospace leader. For the things he has helped America achieve, we are all in his debt.

## NATIONAL SUMMER YOUTH SPORTS PROGRAM

### HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. O'BRIEN. Mr. Speaker, today I introduced a bill to grant a 5-year extension to the national summer youth sports program, an excellent program that is in danger of being abandoned at the end of this summer.

The NSYSP was established 5 years ago under the auspices of the National Collegiate Athletic Association and the President's Council on Physical Fitness to achieve two primary objectives.

The first goal is to provide supervised sports instruction and competition combined with health and nutritional services to economically disadvantaged youngsters during the summer months. The second is to offer employment and on-the-job training in sports instruction and administration to students in these fields.

The program has been successful to say the least.

Each summer since 1969, more than 40,000 boys and girls have spent 6 weeks at universities near their communities receiving instruction in sports ranging from basketball and swimming to gymnastics, tennis and track. In addition, each enrollee was given a medical examination, daily meals, health education and counseling in study and career opportunities.

College and high school coaches supervise the activities with the assistance of outstanding athletes and physical education students working as staff members.

In my own State of Illinois, more than 2,000 children participate in the NSYSP activities offered by six colleges and universities in the State.

Overall, the program has created jobs for 13,555 professionals, students and supporting personnel and served more than 208,000 youngsters aged 10 to 18 from 71 cities in 36 States and the District of Columbia.

Despite this fine record, the NSYSP is in jeopardy because of the possible elimination of the Office of Economic Opportunity which funds the program.

The program is now operating under a $3 million annual Federal grant matched by private funds. The Federal money is transferred from OEO to the Department of Health, Education, and Welfare which acts as the contracting agency with the NCAA. The per diem cost per enrollee is $2.84.

My bill would raise the Federal appropriation to $5 million in 1975 escalating to $7 million in 1976 and then leveling off at $10 million for the next 3 years.

So far, limited funding has forced the NSYSP to concentrate its operations in its prime target centers, the major metropolitan areas. As a result, children and schools in smaller communities have been excluded from participation.

My bill would help correct this imbalance by providing additional funds that would allow the NSYSP to expand its services to these equally needy, if smaller, areas.

In view of the NSYSP's record so far, I believe the money would be well spent.

By exposing disadvantaged children to a new environment and new ideas, the sports program has a tremendous impact on their attitudes and ambitions. I am convinced that this is one of the best ways to stimulate these children toward self-improvement and urge my colleagues to support this bill so this valuable program can be continued and expanded.

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## HON. WILLIAM S. MAILLIARD

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## HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. CONTE. Mr. Speaker, I want to thank my colleague, the gentleman from California (Mr. BOB WILSON) for taking this special order to honor our distinguished fellow Member William S. Mailliard.

I join my colleagues in expressing mixed emotions on Bill's retirement. First, of course, is regret that this Chamber will be losing the expertise that he so generously gave for 21 years. Second, is encouragement for him in his new position as Ambassador to the Organization of American States.

Here in the Congress, Bill Mailliard was able to draw on his broad knowledge of naval affairs in his service as ranking minority member of the Committee on Merchant Marine and Fisheries. Likewise, I am confident his experience in this body, as ranking minority member of the Committee on Foreign Affairs will hold him in good stead in his new career.

My colleagues have already enumerated Bill Mailliard's achievements. I will only say they are considerable. To each of his assignments he has brought vigor and enthusiasm. I expect no less of him in his new position.

As my colleagues know, our relations with our Latin American neighbors are in a delicate stage. We could not ask for a finer man at the helm, as our spokesman in the OAS than our colleague Bill Mailliard. At this time, may I extend best wishes to Bill and his family as he assumes his new duties.

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## INFLATION: MANY CAUSES, SOME OF WHICH YOU MAY NOT HAVE NOTICED BEFORE

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## HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ANDERSON of Illinois. Mr. Speaker, in a recent newsletter to his constituents, our distinguished colleague from Illinois (Mr. ERLENBORN) stressed a point that is acknowledged all too infrequently: Regulatory laws mean higher prices. He cites a broad array of recently passed legislation in the environmental, consumer protection and health and safety areas to underscore the old maxim that "there is no such thing as a free lunch" and to remind both the public and Members of Congress that in demanding such legislation, much of it highly necessary and worthwhile, we also give implicit assent to a sometimes significant levy on our paychecks.

Mr. Speaker, I insert the full text of JOHN's newsletter at this point in the RECORD:

### INFLATION: MANY CAUSES, SOME OF WHICH YOU MAY NOT HAVE NOTICED BEFORE

(By John N. Erlenborn)

A lot of 14th District people have complained to me about inflation, and this is one complaint I am glad to hear. I believe the unwarranted rise in prices is robbing everybody's pay check and is especially burdensome for those persons on fixed incomes, most notably, retired persons.

Many forces work together to produce inflation in the United States, and one of them is that the whole world is suffering from the same malady right now. We are contributing to that global ailment by our deficit spending. Our federal government currently owes more than $450 Billion, and every dollar of that debt has made a contribution to inflation.

I have been after Congress to get its appropriating job under control, and we are moving in that direction—slowly but not necessarily surely. During each year, there must be some time when the House and then the Senate must examine the whole budget, the proposed spending and the prospective revenues, and decide whether to raise taxes or cut spending. We can lessen inflationary pressure with balanced budgets.

People complain of high prices without ever considering that some of those prices are high because of laws passed by Congress.

The Occupational Safety and Health Act, for example, demands that business provide safe and healthful places to work. The cost of meeting those standards must be reflected in the price we must pay for goods and services. The Consumer Product Safety Act is a recent addition to the statute books. We hope to get safer products into consumers' hands, and the consumers already are paying for that safety. If these laws provide the safety we expect of them, they'll be worth the price.

My comments are not intended to criticize these laws, but to explain that some price rises are not caused by President Nixon or by big business or by union demands for more pay. Some are caused by laws.

Congress passed the Airport and Airways Development Act. One result has been higher air fares. The Coal Mine Health and Safety Act promises to improve the lot of our miners. Consumers will have to pay for that safety, either in higher priced coal or higher taxes.

Congress has ordered seat belts on all cars. The result has been higher priced cars; and higher priced cars have been one result of mandatory emission controls, too. We have passed laws against pesticides, which means that farmers may have higher costs in producing the food and fiber we need. It also may mean a drop in production.

By creating artificial scarcities, wage and price controls have not lowered prices (as they're supposed to do) but have contributed to higher prices. Medicare and Medicaid have added to our health care costs, which were high enough before these features were added.

Export and import controls also increase the upward pressure on prices.

Most of the laws I have mentioned have passed Congress because of wide public demand. I am not opposed to giving the people what they want, but we need to remember that we don't get anything for nothing.

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## A COHERENT TRANSPORTATION POLICY

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## HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DRINAN. Mr. Speaker, my colleague, Representative BROCK ADAMS, Democrat, of Washington, has written an excellent article which appears in the March 23, 1974, issue of Nation magazine. We are all aware of Congressman ADAMS' deep commitment to transportation legislation and policy. We know him as one of the principal authors of the Regional Rail Reorganization Act. As a member of the Transportation and Aeronautics Subcommittee of the House Committee on Interstate and Foreign Commerce, he has contributed immensely to our effort to achieve a coherent transportation policy.

I am sure that my colleagues will be

interested in this article, which I am pleased to insert here:

### OUTLINE OF A COHERENT POLICY: TRANSPORTATION AND ENERGY

(By Representative BROCK ADAMS)

WASHINGTON, D.C.—Sitting through hearings before the House Commerce Committee on the effects of the energy crisis has stimulated me to reflect further on the future of our transportation network. I am impressed by the extent to which the lack of a coherent transportation policy has contributed to the severity of the present crisis and I have some suggestions to make for improving our situation in the future.

First, one must identify some of the myths about energy and transportation and some of the transportation games that both the government and the various special interests are playing, using the energy crisis to attain goals they have long sought. We need to sort out real from phony problems, and separate real from cosmetic solutions.

First the Administration: its approach to the problems of energy and transportation has been to let the crisis develop and then apply Band-aids and press-release poultices. So far, its policy makers have dodged decisions that are difficult or that promise to be unpopular. I suppose I shouldn't complain, now that the President has officially pronounced the end of the energy crisis. (I wish he'd tell me the address of his gas station.) The energy crisis isn't over and won't be for the foreseeable future. It is irresponsible for anyone to say that it is.

Examples of Band-aid approaches to the problem are year-round daylight saving time and a 55-mile-per-hour speed limit. There is very limited evidence that these devices have conserved any fuel, and the side effects are awful. The highway speed limit started at 50 miles per hour but no one bothered to ask the truckers—who carry more than 22 per cent of the intercity freight—what the effect of that limit would be. The effect was chaotic. Truck terminals and over-the-road runs are based on 60 mph operations, which determine the length of a day's run. Further, trucks are built to use fuel most economically at the higher speeds. We are still backing and filling and now have a compromise 55 mph speed limit, which is not much of a hardship and probably saves no fuel.

Another example of public relations therapy was the originally proposed fuel allocation for general aviation and private planes. Someone decided that the public would chuckle if those executives who fly around in corporate jets were forced to travel like ordinary citizens for the duration. After the yells of protest had died down and Cessna Aircraft had laid off 2,500 aircraft workers in Wichita, it turned out that general aviation used less than 2 per cent of the jet fuel consumed in the United States. Grounding the entire fleet for a year wouldn't accomplish much. A few telephone calls could have straightened that one out.

The Administration is trying to muddle through without stepping on any sensitive votes. It won't work. If there is a shortage, and I believe there is, the fair method is to ration gas. Rationing by price or by waiting lines is cruelly unfair to those who depend on their cars for their livelihoods. Rationing should have been set up on a temporary basis, with cars used for essential purposes given a priority. Another priority is to insure that transportation modes—bus, air, truck and rail—that can carry large numbers of people and large amounts of freight receive their full fuel needs. We must face the disagreeable fact that overdependence on the car is one of the real villains of the energy crisis.

Private industry has not been slow to seize on the energy crisis as a new approach to some old ambitions. The truckers, hard hit by speed restrictions and soaring fuel prices, have dusted off their proposal for larger and heavier trucks on superhighways. Seeing another convenient Band-aid, the Administration has supported this idea. It is difficult to see how the energy crisis has changed the arguments of safety hazards and increased wear and tear of the highways which moved Congress to reject this idea several years ago.

The airlines have found in the energy crisis an ideal excuse for getting together to reduce less profitable service to major cities and to drop flights to some smaller cities altogether. By reducing flights the industry will gain a short-term benefit from the fuel shortage, but it will not last long. Already the airlines have $875 million of equipment on the ground; they are still paying for it (and paying interest as well) while it stands idle. Also, the industry estimates that in 1974 its fuel bill will increase by a staggering $1.2 billion; if this price is not held down by controls, the airlines will eventually suffer greatly from the fuel shortage, whatever their short-run advantages. Above all, the energy crisis should not be used as an excuse to reduce permanently a vital transportation service to the public.

Since coming to Congress, I have specialized in legislation dealing with the country's regulated transportation system. It is a fascinating subject once you get into it, but in all candor I must say it has not been the most newsworthy or politically exciting subject. However, two events this year have brought the dull realities of transportation life forcefully to the attention of the American people. One was the near collapse of the Penn Central, and with it almost the whole rail service in the East; the other was the truck stoppage.

The total cessation of rail service in the winter of 1974 was averted by the passage in December 1973 of the Regional Rail Reorganization Act. This legislative enterprise resembled *The Perils of Pauline*, and it is not the way transportation problems should be dealt with. However, it did awaken Congress to the fundamental importance of railroads in our economy and the troubles they faced. The truck stoppage educated Americans on the hitherto rather esoteric problems of relative fuel consumption among transportation modes, and the difference between common carriers, exempt haulers and owner/operators, which until then had concerned only shippers, lawyers and transportation executives.

My conclusion is that, if the energy crisis is being used for bad purposes, we might do well to try to produce from it some good results for our national transportation system. Since we must suffer through it in any case, let us finally adopt a sensible, coherent transportation policy which, in the words of the Interstate Commerce Act, will "recognize and preserve the inherent advantage" of each transportation mode. This goal has until now been applied only to setting freight rates at levels such that each means of transportation is protected from the others. It has not been used to develop a sensible plan for allocating private and governmental resources to transportation.

A classic example of bad planning was the construction of an interstate highway system with no consideration of the effect on the total transportation system. This put the Eastern railroads out of business. For example, the New Haven made a lot of money hauling sand and gravel and cement for the highways, but once the highways were opened the railroad collapsed into bankruptcy. The Highway Trust Fund encouraged spending for roads and until recently its coffers were locked against mass transit. We must now make a huge capital investment to construct the mass transit systems that should have been started ten years ago. Since 1946, $26.7 billion have been spent on waterways, airline cash subsidies, airport and airway development and the Merchant Marine. On top of this, federal user taxes since 1946 have given the highways $68.7 billion, and state and local treasuries have supplied $100 billion. The point is not that these expenditures are wrong—the airline service we have today wouldn't exist without the airport construction program, and barges certainly assume renewed significance as movers of bulk freight in a fuel shortage. The point is that there has been no sensible balance among modes and no attempt to use federal aid to make sure that there is coordination between them, so that each does what it can do best.

Partly that is the fault of the railroads, which clung to a 19th-century dream of economic dominance, refusing to wake up to the realities of the new century. While the truckers pushed hard for the interstate road system and the barges fought for expansion of the waterways, the railroads until recently have never pushed aggressively for equal treatment by the government. The Regional Rail Reorganization Act marks the first time Congress has enacted a full-scale program to revitalize this ailing system. For their lack of enterprise, the railroads are now paying a heavy price—while the right of way of their competitiors is paid for in whole or in part by the federal government, their right of way is kept in shape at their own expense. That is where the public also pays a price, because the first thing a railroad in trouble does is put off maintenance of its right of way. Since the costs of maintenance of way are deducted from current earning deferred maintenance can artificially boost earnings. Ultimately, the service deteriorates to the point where the railroad cannot bring it back. It has been estimated that $600 million to $800 million will be necessary to rehabilitate the sprawling Penn Central system. But the argument for saving the Penn Central and all the railroads is a very convincing one at this time: in terms of freight movement for long hauls, a railroad is four times as efficient a user of fuel as are trucks.

The first step in achieving a coherent transportation policy will be to get the railroads back into such a state that they can form part of the system. I have sponsored legislation which would provide a program of guaranteed loans for the purchase of rolling stock and, more important, for investment in improved freight yards, rebuilt rights of way and better computer systems to enable the railroads to use their equipment at maximum efficiency. This needed investment in right of way and facilities will also have a beneficial effect on passenger traffic (which also uses fuel very efficiently). At present, 40 per cent of Amtrak's trains run on track owned by the Penn Central. Once this track is brought back to standard, the trains can be fast, safe and on time.

And while we are injecting needed capital into this capital-intensive industry, we should begin to reform the regulatory system, so that it regulates but does not cripple the whole transportation system. Such things as local imposts which tax railroads at rates higher than those for other industries, and the legal requirement of cheap rates for government shipments should be eliminated. Rate regulation should be designed to encourage innovative techniques, rather than discourage them.

Our most important reform, however, in devising a new transportation policy is to stop dealing with each mode in isolation. We should have a unified transportation budget, which would show how much each mode is getting in federal assistance and would justify that expenditure, not on the basis of how it will improve competition between the modes but on how much it will help coordination of the modes. The trucks and the railroads consider themselves competitors. To a great extent they are not, or should not be. The most efficient mode for the long haul in terms of cost and fuel is the railroad; for the 200-to-250-mile haul, the truck is the most efficient. Further, although they do compete, one mode could not exist without the other. Piggyback business (a truck trailer or container carried on a railroad flatcar) was up 18 per cent last year, and this year is 15 per cent ahead of 1973. Therefore, it seems to me that the public's money would be better spent on facilities to expedite the interchange of piggyback traffic than on building more highways.

The fuel shortage supplies the impetus. It is astonishing, but true, that fresh fruits and vegetables now move by truck from California to the East Coast markets. Yet to move a given amount of freight across the country by truck uses 70 percent more fuel than the railroad would need for the job. With the price of fuel rising, transcontinental truck routes will become unprofitable. This year, Arizona lettuce growers expect the price of a truckload haul from Arizona to the East to go from $1,500 to $3,000. In my state of Washington, the cost of trucking a box of apples has gone from $1.70 a box to $2.10 per box. This level of price increase will inevitably force a return of traffic to the rails—if the rails are able to accept it. But given adequate container facilities, it need not cripple the trucking industry, which can supplement, not compete with, railroading. The Task Force on Railroad Productivity of the National Commission on Productivity described the future well in a recent report: "The rail industry should gradually phase out its fleet of all-purpose freight cars, replacing it with a fleet of trailers (or containers) and flatcars. . . . Trucks could be employed to pick up and deliver containers, thus specializing the rail system as a wholesaler of freight transportation and trucking as a retailer." The sensible statement describes a goal which governmental policy and financial assistance should encourage.

That is one example of how the government, by carrying out a policy aimed at efficiency, could impove our transportation system. The government could bring about needed change in other areas as well. For example, the railroads possess vast reserves of coal, which could be used to generate the electricity to power locomotives on high-density lines. Electrification could not only help to keep fuel costs in line; it would substantially reduce the equipment maintenance expense, and provide surplus electricity for other uses.

Surface transportation would not be the only part of transportation to benefit from a sensible allocation of federal assistance to transportation. I foresee in the airline industry a joint federal-private sector project to develop a short-haul, commuter plane to provide the service needed by smaller communities. Until now, American commercial jets have been the offspring of military aircraft. There is little military need for the type of smaller jet I think we should have, and the expense of developing such a plane is too great to be borne by private industry alone. But such development is vital if adequate air service for small communities is to be assured. Large jets cannot efficiently serve these communities.

These are only a few examples of what can be done by a well-planned study of our transportation network. Without such a study, we shall have continued inequities in federal aid to transportation, declining levels of service for some areas, and overall an inefficient transportation system. I do not hesitate to argue for government participation in the improvement of the various modes of transportation, for I view transportation more as a necessary public utility than a purely free-enterprise business. The United States is the only country in which transportation is not nationalized; instead, it is privately owned and government-regulated. I see government assistance through loan guarantees (which need not involve direct costs to the taxpayer) or through government-sponsored research and development as perfectly proper. Government assistance for transportation has been part of our history since the building of the Erie Canal. To me it is a necessary and proper investment in the basic structure of our economy. As we meet the energy crisis we should face the realities of the future and plan and produce a new efficiently coordinated transportation system. If we do, at least one good result will have come from the present travail.

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## GEORGE MEANY'S CONVERSION

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DERWINSKI. Mr. Speaker, the Chicago Daily News, in its lead editorial on Tuesday, March 12, very appropriately directed the attention of its readers to an interesting about-face on the subject of wage and price controls by the Honorable George Meany, president of the AFL–CIO.

The editorial is as accurate, timely commentary on Mr. Meany's economic inconsistencies as any I have ever read.

The editorial follows:

### GEORGE MEANY'S "CONVERSION"

"The one way I know to stop inflation at this time is by imposition of controls."—George Meany, Aug. 9, 1971.

"We are facing an inflation rate of over 15 per cent this year. . . . Give the free economy a chance."—George Meany, March 6, 1974.

Yes, it's the same George Meany, president of the AFL–CIO, in both cases. And judging from his ringing defense of the free market delivered to a Senate subcommittee the other day, Meany appears almost ready for a visiting lecturer's chair on the University of Chicago economics faculty.

Meany, of course, is entitled to change his mind. Many earlier disciples of controls, including several noted businessmen, rue their applause for President Nixon's wage-price freeze on Aug. 15, 1971. Now they and Meany speak as one: Controls have got to go.

But closer followers of Meany's economic odysseys knows that he isn't quite the complete apostle of free enterprise.

His motive in urging an end to wage-price controls is clear: He believes the working man has gotten the short end of the deal and Meany wants to go for some massive catch-up raises, unhindered by Washington as a senior partner at the bargaining table.

But was that "Free Market" Meany who only a few days ago told members of the AFL–CIO executive council: "Maybe the time has come for an all-out campaign to nationalize the oil industry?" It was.

He didn't explain how government, which he admits couldn't run the wage-price structure, could hope to do any better with the complex oil industry. Nor did he acknowledge that in most nations nationalized industries have usually given consumers fewer goods of poorer quality at higher prices. Maybe he has nationalization of oil in mind as a forced means of cutting consumption.

It appears that Meany learns the hard way, but we'd hate to pay the price to teach him about nationalization—even with the goal of converting him further to the economics of free enterprise.

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## MEDIA COMMITTEE REPORT

## HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. SYMINGTON. Mr. Speaker, previously I have addressed the House concerning the activities of the Second Congressional District Youth Advisory Council which consists of a representative from each high school in my district. In the three and a half years since it was formed, the Council has initiated studies of particular legislative proposals in the U.S. Congress as well as problems in our State of Missouri from which I have benefitted greatly by gaining the perspective of tomorrow's leaders.

Their reports have been thorough, informative and have covered a wide range of important issues. Today, I would like to submit the latest report, recently completed by the Media Committee of the Council, concerning violence on television:

### MEDIA COMMITTEE REPORT

March 1, 1974, James Symington's Youth Council—Committee Members: Michael Shuman—Chairman; Karen Enchelmaier—Assistant Chairman; Art McCluskey, Jr.; Ed Brimer; Becky Smith; Mary Linton; Lisa Robinson; Marc Shmuger

"Murder and mayhem, bigger and bolder than ever, again is erupting on U.S. television screens—to the rising anger of Congressmen, press, clergy and other citizens across America." These words stated by U.S. News and World Report, October 29, 1973 brought to light a series of unanswered questions dealing with our free media. How much violence is there on television? Is it a significant amount? What is the effect of television violence? What measures should be taken to resolve any problems? To answer these and other questions, our committee did research by both reading and experimentation.

First, we must ask ourselves how much violence there is, especially since a recent Gallup Poll suggests that almost two-thirds of the American people believe that there is too much violence. Right after the assassinations of the mid-60's, the published statistics about violence were quite startling. Public outcry pushed Congressmen to urge the network to "review its policies". The networks agreed, and for a time it seemed that they had taken major steps (e.g.—cutting down in the number of Westerns).

Now with the new outcry, we decided to take a random sampling of television for ourselves. Our first sampling was during the week of November 25–December 1. We wished to determine if any generalizations could be made about days, networks, or time slots in relation to the amount of violence. To accomplish this, we assigned ourselves different days with different networks in which we would count the number of acts of violence we saw. The criteria (no doubt flawed) that we decided to use included murder, shooting, robbery, stabbing, chases and accidents, rapes, fights, and other miscellaneous acts of violence. A further category we added was that of verbal references to violence, for we felt that a threat could have as adverse an effect as the actual act. Our initial results told us little about time slots and days, but they tended to show that ABC had a rather low amount of violence in comparison to the high amount NBC had. This latter fact led to our basic objective in the next survey.

To compare ABC and NBC exclusively we surveyed the weeks of January 22–February

4. When our total showed that ABC had more violence than NBC for that period, we could only conclude that again no generalizations could be made.

More definitive observations could be made when looking at the grand totals and their averages. In all of the surveyed weeks, the average number of acts of violence per day was about 20. Furthermore, in both surveying periods, about 30% of all violence fell in the category we labeled as verbal references to violence. The significance of these results is certainly large.

Consider that the average child watches 15,000 hours of television in those formative years up to age eighteen. In an hour of prime time as our figures showed, a child would see about 5.7 acts of violence. Thus by the time a child reached majority age, he would have watched over 85,000 acts of violence!

The fact that 30% of all this violence is verbal, merely shows that the steps networks have taken do little to reduce the overall violence picture. By substituting threats for physical violence, the networks feel as though they have done their part.

Now that we have determined amount and general nature, we have to ask ourselves about the effect. This is unfortunately a question that no one answer will suffice. Experts themselves seem widely separated. In an examination of many scientific experiments, Andre Gluckman concluded that one cannot simply classify violence as cathartic, mimetic, or neutral. One must deal with the specific instance, and even when dealing with a specific, no solid judgment can be made. Thus, we see that many questions must still be answered, and we therefore forward the following suggestions which we hope the Senate Communications Committee along with others, will consider.

(1) The networks need to again reexamine their programming structure. Though little proof exists to verify the harm of viewing violence, there can be little doubt that the viewing of 85,000 acts of violence cannot have a beneficial effect.

(2) No legislative action should be taken to restrict the networks, for the freedom of the media must be preserved. But legislative incentives can and should be set up. Recognizing the fact that conflict is the basis for plot, we realize that one surefire way to lower the amount of television violence is to put more programs on the air of an educational nature. These incentives should not only be provided to the PBS to provide a good alternative to violence, but to the major private networks, so that the alternative of violence becomes miniscule.

(3) Such incentives could come in the form of financial assistance, tax breaks (legal exemptions), or government advertising. There are a thousand ways to make the networks want to produce good educational programs.

(4) The unanswered questions of the effects of violence must be answered. A central governmental organization should be set up to coordinate scientific findings from around the world. There are hundreds of experiments being conducted right now, but many are not aware of the others' existence. When results are found, many who are interested will never hear them. Some area must be set up to bring all of this information into some organized answers.

(5) If in the near future, the harm of television violence is virtually unrefuted, and the networks themselves do nothing, then it is the responsibility of the government to its people to set up protective controls. Note that this is basically a last resort.

Hopefully, our recommendations will help to solve what appears to be a growing national problem.

THE WEEKS OF JAN. 22-FEB. 4

| | Network | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | ABC, date | | | | | | | | | | | | | | NBC, date | | | | | | | | | | | | | | |
| | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 1 | 2 | 3 | 4 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 1 | 2 | 3 | 4 | Total |
| Classification: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Shooting (dead) | 6 | | 5 | 1 | | | 2 | 1 | | 2 | 1 | | | 2 | | | | 1 | | 2 | 1 | | | 2 | | 2 | | 1 | 30 |
| Shooting (alive) | 2 | | 14 | 2 | | | 9 | | 1 | 7 | 8 | 1 | 1 | 7 | | 1 | | | | 2 | | | | | | | 1 | | 56 |
| Robbery | | | 1 | | | 1 | | | | 1 | | | 1 | 1 | | | | 1 | | | | | 2 | | 2 | | | 3 | 12 |
| Stabbing | 2 | | | | | | | | | | | | | | | | | | | | 1 | | 4 | | | | | | 7 |
| Chases (accidents) | 2 | 1 | 5 | | | 1 | 2 | 1 | | 2 | | 2 | 1 | 2 | | | | 3 | | 3 | 4 | | | 4 | 1 | 3 | | 2 | 41 |
| Rapes | 1 | | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | 3 |
| Fights | 4 | 3 | 12 | 4 | | 2 | | | 1 | 6 | 8 | 3 | 2 | 6 | | | | 4 | 8 | 3 | 13 | | 4 | | 1 | 2 | 5 | 7 | 93 |
| Miscellaneous murder | | 2 | 2 | | | 1 | | | | | 3 | 4 | | | | | | | | | | | | 2 | 1 | | | 1 | 16 |
| Reference to violence | 2 | 4 | 32 | 9 | | 2 | 2 | | 6 | 35 | 15 | 4 | 1 | 35 | | 4 | | 3 | 2 | 26 | 21 | | 2 | 4 | 3 | 4 | 2 | 6 | 213 |
| Miscellaneous violence | 1 | 4 | 6 | 1 | 3 | 1 | 1 | | | 3 | | 1 | | 3 | | | | 2 | 14 | 4 | 12 | | 1 | | 1 | 14 | | 6 | 79 |
| Subtotal | 20 | 14 | 80 | 17 | 3 | 8 | 16 | 2 | 8 | 56 | 35 | 15 | 6 | 22 | | 5 | | 14 | 24 | | 52 | | 13 | 12 | 9 | 25 | 8 | 26 | |
| Week's total (ABC) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 302 |
| Week's total (NBC) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 228 |
| Grand total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 530 |
| Acts per day (ABC) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 21.5 |
| Acts per day (NBC) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 20.7 |
| Average | | | | | | | | | | | | | | | | | | | | | | | | | | | | | 21.2 |

THE WEEK OF NOV. 25 TO DEC. 1

| Date | Network | | | Sub-total |
|---|---|---|---|---|
| | ABC | CBS | NBC | |
| Sunday | 24 | 29 | 67 | 120 |
| Monday | 7 | 17 | 31 | 55 |
| Tuesday | 2 | 31 | 37 | 70 |
| Wednesday | 1 | 13 | 10 | 24 |
| Thursday | 6 | | 6 | 12 |
| Friday | | 10 | 26 | 36 |
| Saturday | 2 | | 25 | 27 |
| Subtotal | 42 | 100 | 202 | 344 |
| Acts per day | 7 | 20 | 28.9 | 19.1 |

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## RETURN VETERANS DAY OBSERVANCE TO NOVEMBER 11

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### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DINGELL. Mr. Speaker, I am today introducing legislation seeking the return of our Veterans Day observance to November 11. The justification for this is largely one of tradition, precedent, and long-established custom. Veterans Day was always observed as Armistice Day—the occasion of the end of the First World War on the western front in Europe, the 11th hour of the 11th day of the 11th month—and has a very special and important significance because of that historical fact. As has often been pointed out, the number 11 is very much a part of Armistice Day—Veterans Day—and should remain associated with that memorable event.

This traditional observance took place, each and every year, until the enactment into law of H.R. 15951, the so-called Monday holiday law, on June 28, 1968. The law, however, Public Law 90-363, did not go into effect until January 1, 1971.

It is important to note that, technically, there are no national holidays in the United States. Each State has jurisdiction over its holidays, which can be designated by executive proclamation or legislative enactment. The President, by executive proclamation, and the Congress, by legislative enactment, can legally designate holidays for the District of Columbia and Federal employees throughout the United States. In practice, however, most States observe the Federal legal public holidays.

As a matter of fact, there were a total of 32 States which observed Veterans Day on November 11, in 1973. In addition, California's legislature made its Veterans Day law, observing November 11 effective for 1974. Thus, there will be a total of 33 States—66 percent of the United States—which will recognize the wisdom and merit of designating November 11 as Veterans Day in 1974.

As the American Legion magazine wrote, in an editorial in its issue of November 1972:

> Certainly if we are going to ignore VE Day and VJ Day and the Korean cease-fire, and the hoped for Vietnam war-end, one is entitled to ask what is wrong with November 11th as the single day upon which to lump together their symbolic meaning. A war did end on that day, but no war we were ever in ended on the fourth Monday in October.

Indeed, one is entitled to ask what is wrong with November 11 as the single day to honor America's veterans with a day that has great and meaningful significance. It is a day rich in history, still a day remembered by Americans everywhere, still a day engraved on the hearts and minds of those who survived what was called at the time "the Great War."

The Nation has fought three wars and suffered countless casualties since that fateful day, long ago, in 1918. But a grateful and proud land owes a debt to the memory of all who have served, and it is fitting that November 11 be once again recognized as a Federal observance of Veterans Day—a day for all Americans to honor those who answered America's call in its hour of need.

## TWO NEW STUDIES SHOW HOW PRICE INFLATION VICTIMIZES THE POOR

## HON. ANDREW YOUNG

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. YOUNG of Georgia. Mr. Speaker, although poor people are not responsible for inflation, they are the group most severely hurt by it—especially in the all-important category of food, which can amount to 40 percent or more of a typical poor family's income.

Two recent studies in Atlanta bear this out.

Economic Opportunity Atlanta, Inc., conducted a survey in impoverished neighborhoods in the city and found, among other things, that prices of nine staple items rose an average of 75 percent in the last year. Mr. William W. Allison, Executive Administrator of EOA, has observed that the findings of this survey "are alarming, and bring home the urgency of developing strategies to address this problem."

The other study was made by Dr. Loraine Donaldson, professor of economics at Georgia State University. She found that lower income families "are faced today with critical budgetary problems resulting from food inflation, and will face further erosions of their purchasing power as food prices continue to rise and are joined by inflation in other basics as a result of the energy crisis."

Mr. Speaker, in submitting the two studies for the Record, I hope that we can act to prevent further huge increases in prices and provide some protection for poor people.

The studies follow:

### THE IMPACT OF FOOD PRICE INFLATION ON THE POOR IN ATLANTA

(By Loraine Donaldson)

The poor suffer more from food inflation such as that currently underway than other income groups. Recent food price rises have eroded more of the purchasing power of Atlanta's urban poor than that of the average Atlanta consumer whose loss of purchasing power can be guaged by the BLS food price index. People with incomes in the range of $1,500 a year or less per family member are faced today with *critical* budgetary problems resulting from food inflation, and will face further erosions of their purchasing power as food prices continue to rise and are joined by inflation in other basics as a result of the energy crisis.

In the first place, the poor purchase a different market basket from that of the average consumer. While they may purchase some of the same items that the average consumer purchases, invariably such common items will make up a different weight or percentage of total purchases. And the poor will purchase many items, such as pigsfeet, fatback and neckbones, not included in food pricing lists for the average consumer. When food items from the representative market basket of the poor were priced in December 1973, the index showed that it cost $150 to purchase at chain supermarkets the market basket items of the poor that cost $100 in August 1969,[1] four years and four months previously. The food price rises for the average consumer over this period were 10 points lower as of December 1973, i.e., it cost the average consumer $140 to buy groceries, produce and meat that cost $100 in August 1969. Were independent stores included in the representative sample of stores priced for the index for the poor, as they are in the BLS, the difference in the two indexes would be even higher.

Second, the poor spend a much larger per cent of their income on food than other income groups. Food makes up between 30% and 40% of their cost of living as compared to 20% for the average consumer. Food prices rises such as the 22% rise in Atlanta from December 1972 to December 1973 result in a 3–5% cost of living rise for the average or above average consumer; the same rise for the poor's purchases would result in a 7–9% cost of living increase. The estimated rise of 28% for the poor's market basket from December 1972 to December 1973 means an 8–11% cost of living rise for the poor from food inflation alone. The rise from August 1969 to December 1973 represents a change in the cost of living for the average consumer from food inflation of 8%, and a change of 15–20% for the poor. Moreover, there is no "give" in the budget of the poor—it is hard to reduce spending for necessities like food, rent, utilities and transportation. Needless to say, the diets of the poor, especially the urban poor without gardens, have been affected as price rises in, e.g., meat, force them to forego meat items formely consumed, and rising wheat prices make it difficult to purchase the basics.

The price index for groceries was 148 in December and 152 in February for the poor, meaning it cost $152 to buy what $100 bought in 1969. The same index for groceries for the BLS was 139 in December. The reason for large increases in the index for the poor is that the basic items, items with minimum processing that make up the bulk of the poor's groceries, have been hit hardest by price increases, particularly the grains inflation. Price indexes for groceries, produce and dairy items with heavy weights in the index include the following:

| | December 1973 | February 1974 |
|---|---|---|
| Canned fish | 208 | 205 |
| Sugar | 174 | 183 |
| Flour | 171 | 171 |
| Lard | 168 | 228 |
| Evaporated milk | 143 | 147 |
| Rice, macaroni, spaghetti, dried beans | 205 | 218 |
| Corn | 157 | 159 |
| Eggs | 150 | 156 |
| Bread | 164 | 157 |
| White potatoes | 154 | 192 |

Since the poor are already reduced to purchasing the cheaper sources of nutrition, when these items rise there are few avenues for substitution. Sweet potatoes can be substituted for corn and white potatoes. But the flexibility for substitution is rigidly limited in the case of the current food inflation.

The dramatic rise in meat prices has not escaped the cheaper cuts, but has actually resulted in higher increases on those types of meat than the average meat price increases. One reason for this is that as higher priced meat cuts increase in price, people substitute lower-priced meat, increasing demand for that meat at a time of rising costs and short supply. This has driven prices on such meat higher than more expensive meat. The index for meat prices for meat purchased by the poor stood at 162 in December and 164 in February. A look at price increases on specific items explains why:

| | December 1973 | February 1974 |
|---|---|---|
| Hamburger | 201 | 223 |
| Stew meat | 174 | 181 |
| Beef liver | 178 | 178 |
| Shoulder ham | 151 | 183 |
| Streak-of-lean, fatback, pigsfeet | 235 | 207 |
| Spareribs | 149 | 137 |
| Pork neckbones | 258 | 229 |
| Fryers | 151 | 156 |
| Bologna | 122 | 171 |
| Weiners | 176 | 176 |
| Oxtails | 206 | 218 |

The result of rising fatback, pigsfeet and neckbone prices is that the very poor must be going without even this type of meat. While these items were well below 50¢ a pound in 1969, none today is except when advertised specials are run. Specials on pigsfeet at a couple of "soul food" stores reduced the price to 25c–35c a pound. Specials on meat consumed by the poor are not customer attractors for the average supermarket, and thus they do not reduce prices. The poor cannot turn to canned fish as it has risen along with beef and pork, while even peanut butter, an alternative source of protein, is no longer a cheap alternative to meat.

Public welfare payments have not kept apace of the increase, free food commodities have been in short supply, and private charity payments allocated to food buy less, while donations will usually be lower in inflationary periods when people feel they have less to give. Yet, the poor on welfare may not have lost as much purchasing power *in relation* to their 1969 position as the working urban poor who are ineligible for food stamps.

The indexes presented herein are based on data for Atlanta, Georgia. Similar results can be expected in most large cities that have an urban poor with similar food baskets to the poor of Atlanta. Thus, the findings for Atlanta would be fairly representative of other cities, or at the minimum, would be superior to the BLS index since the relative weights for groceries, produce, meat, poultry and fish would be more representative of the market baskets of the poor.

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[1] August 1969 is used as the base period because data for the market basket of the poor were collected at that time.

FOOD PRICE INDEX COMPARISONS: ATLANTA BLS COMPARED TO INDEX FOR ATLANTA'S POOR

[Base period: August 1969]

| Food at home | 1973, December | 1974 | | | | | |
|---|---|---|---|---|---|---|---|
| | | January | February | March | April | May | June |
| BLS (Atlanta) | 140.3 | 142.5 | 147.3 | | | | |
| Atlanta's poor [1] | 151.0 | 151.8 | 155.4 | 158.3 | | | |
| With nonfood [2] | 148.2 | 148.9 | 152.1 | 154.6 | | | |
| Independent | | [3] 154.5 | [4] 162.3 | [5] 176.3 | | | |
| Groceries: | | | | | | | |
| BLS (Atlanta) | 138.5 | 138.4 | | | | | |
| Atlanta's poor [1] | 147.9 | 416.2 | 151.5 | 155.2 | | | |
| With nonfood [2] | 143.3 | 142.1 | 146.3 | 149.8 | | | |
| Independent | | [3] 164.2 | [4] 159.9 | [5] 161.4 | | | |
| Produce: | | | | | | | |
| BLS (Atlanta) | 132.1 | 136.4 | | | | | |
| Atlanta's poor [1] | 135.0 | 146.7 | 144.5 | 151.3 | | | |
| With nonfood [2] | 135.1 | 146.7 | 144.4 | 151.1 | | | |
| Independent | | [3] 129.5 | [4] 136.1 | [5] 185.0 | | | |
| Meat, poultry, fish: | | | | | | | |
| BLS (Atlanta) | 149.6 | 151.0 | | | | | |
| Atlanta's poor [1] | 159.7 | 160.8 | 163.6 | 163.6 | | | |
| With nonfood [2] | 159.6 | 160.8 | 163.5 | 163.6 | | | |
| Independent | | [3] 147.9 | [4] 172.2 | [5] 198.8 | | | |

[1] Index includes prices for chainstores only. BLS index includes independents.

[2] Includes nonfood items—cigarettes, soap, toilet paper, etc., purchased at grocery stores by the poor, weighted according to their relative importance.

[3] Downtown without nonfood (area with high competition for meats, poultry, and fish).

[4] Techwood without nonfood (formerly A. & P.).

[5] Ashby-Simpson without nonfood.

### THE IMPACT OF RISING FOOD PRICES ON LOW INCOME FAMILIES

(By William W. Allison)

(1) PRICES ON 9 STAPLE ITEMS

| | 1973 prices | 1974 prices | Percent increase |
|---|---|---|---|
| Bread (king size) | $0.41 | $0.55 | 34 |
| Eggs (large) | .65 | .89 | 36 |
| Milk (gallon) | 1.09 | 1.79 | 64 |
| Sugar (5-lb bag) | .79 | 1.55 | 96 |
| Margarine | .17 | .49 | 188 |
| Crisco (3-lb can) | .99 | 1.89 | 90 |
| Cornmeal (5-lb) | .79 | .89 | 12 |
| Pinto beans (2 lb) | .58 | 1.60 | 175 |
| White potatoes (5-lb) | .69 | 1.19 | 72 |
| Total | 6.16 | 10.84 | 75 |

These nine staple items cost $6.16 in 1973. In 1974, these same items cost $10.85, a 75% increase. If one takes into account that the nine staple items listed to *Not* include meat, fresh fruits and vegetables, and cleaning supplies, the 75% rise in food costs from 1973 to 1974 would doubtless be even more astronomical.

2) Prices on nine (9) Staple Items (referred to above) in a Supermarket as contrasted with the prices on the same items in small neighborhood grocery stores.

SUPERMARKET PRICE

Total—Nine (9).
Staple Items $9.16.

SMALL NEIGHBORHOOD STORE

Total—Nine (9).
Staple Items $12.27.

PERCENT INCREASE

33%.

The majority of large supermarkets are far distant from the low income shopper. During 1973, some of the few supermarkets within low income communities closed their doors and relocated their stores elsewhere in metro Atlanta. Low income families who wish to travel to other parts of the metro community must either pay taxi fare from the supermarket back to their own neighborhood, or drive their own cars, which is costly because of ever increasing gas prices.

It is the observation of the staff and residents that many small neighborhood stores victimize shoppers through such practices as charging to cash welfare and social security checks, forcing persons to purchase a specific dollar amount of food before cashing checks, and raising the prices of food at the first of the month when Social Security and Welfare checks are issued. It is reported that *large supermarkets are also raising prices* the first of the month when checks arrive.

3) Staff at the EOA Neighborhood Centers talked with selected families this week to specifically determine the impact of spiraling food costs on these families.

The situations of two (2) of these families depicts the impact of rising food costs:

Mrs. R. and three other family members "try to exist" on $250.00 per month. Mrs. R. spends $190 per month for food, an increase of $40 over her 1973 monthly food costs and she "buys less food now."

After buying food, she has $60.00 left each month for *all* of her other expenses—rent, clothing, and medical expenses. She shops at a supermarket out of her neighborhood, riding the bus to the market but taking a taxi home (to transport the groceries) which costs $8.00 a month. Says Mrs. R., "bacon, beef, especially steaks, are *no no luxury items*."

Mr. and Mrs. C., an elderly rural couple, receive $210 each month from Supplemental Security Income, (SSI). They were receiving surplus commodities but are no longer eligible for these because they receive SSI. It costs them $40.00 each month at the grocery store to replace the items they were receiving through the surplus commodity program. Their other food costs have risen to almost twice that of 1973.

4) Owners of small markets also note the impact of rising food costs. The owner of a downtown market patronized by low income shoppers has observed persons purchase more expensive items, such as meats and fresh vegetables, during the first week of the month. As the month passes, fewer shoppers frequent the store, and those who do shop are buying only the most essential items on which they can survive.

One elderly resident summed up the problem of rising food cost by saying simply "We are now just Existing".

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## COSPONSORS SOUGHT FOR LEGISLATION TO INCREASE PERSONAL EXEMPTIONS FROM $750 TO $1,000

## HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mrs. SCHROEDER. Mr. Speaker, yesterday I introduced H.R. 13712, legislation to increase the personal exemption on Federal income tax returns from $750 to $1,000. This is companion legislation to that introduced last week by Senator VANCE HARTKE. I will be seeking cosponsors on this measure in the near future.

By increasing the personal deduction, we will be providing a measure of relief to those hit hardest by the rampant Nixon inflation—the low- and middle-income taxpayers. Our present tax structure places the foremost burden of taxation on these citizens, while corporations and the wealthy all too often escape paying their share of taxes by manuevering through loophole after loophole in the Internal Revenue Code. One need only look at a few statistics to realize that our progressive system of taxation is rendered fairly inoperative through tax shelters and loopholes: since 1960, corporate tax revenues have dropped from 35 percent of total Federal revenues to around 15 percent. Corporate tax revenues have fallen to third place, behind personal income taxes and social security payroll taxes, as revenue producers for the national treasury. The higher income taxpayers pay the Government about 30 cents on each dollar they earn, if they pay their taxes at all.

The personal deduction is supposed to reflect some of the costs which exist in just being alive in the United States. During World War II the deduction was $500. Two years ago it was finally increased to the present $750, yet the costs of food, fuel, and shelter have skyrocketed beyond belief. Inflation has taken a great chunk out of the pocketbooks of the low- and middle-income taxpayer. We can help these wage earners meet these increased costs by allowing them a measure of relief on their income taxes. A country full of people worried about how they can afford milk and bread for their children, gasoline to get to work, and payments on their homes is a country in a tired and frustrated state. I would hope that this legislation I have introduced will be a first step toward reducing that anxiety and hopelessness that so many now feel.

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## COMPARE GASOLINE PRICES

## HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. COLLINS of Texas. Mr. Speaker, in these days of inflation, it is well to compare our gasoline prices with those abroad. You have heard it before, but you need to hear it often, because you go by the gas station two or three times every week.

Folks have said the cost of gasoline is

up as high as 60 cents a gallon here in their neighborhood.

Let us look at what they are paying for gasoline in other countries:

Germany, $1.28; Italy, $1.31; France, $1.45; England, $1.20; India, $1.90; Sweden, $1.20; Israel, $1.50; and Greece, $2.15.

It reminds you of that old saying, "How is your mother-in-law?" With an answering comment, "Compared to what."

We should all remember that we are fortunate to live in the United States.

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## ABUSING THE PRESIDENCY

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. MICHEL. Mr. Speaker, as we all know, the President has frequently stated his determination to oppose efforts that he feels would result in a weak and unstable presidency if they were to go unchallenged.

In that regard, an editorial appearing in the March 20, 1974 edition of the Peoria Journal Star entitled "Abusing the Presidency" addresses the problem of the President versus the Congress and I suggest that my colleagues might profit by reading the editorial.

I include the text of the editorial in the RECORD:

### ABUSING THE PRESIDENCY

In Chicago last week President Nixon raised the question of a week and unstable presidency as the future condition of the American Republic.

It is a side of the present proceedings that his accusers have persistently ignored and constantly sneered at.

Yet, if our priorities place the nation above any one man it is a consideration we ought to, at least, soberly examine . . . and the first thing we discover is that there is a basic protection still against that result.

Former Justice of the Supreme Court of the United States Arthur Goldberg has pointed out that the Congress does not have the last word on impeachment, after all.

The U.S. Supreme Court CAN rule on an appeal in an impeachment case, says the former justice, and he adds that in his opinion if Andrew Johnson had been successfully impeached by the Senate that case should have been reversed by the high court.

That is a weighty opinion on a crucial matter.

Where does the Supreme Court come into the thing? On the question of whether Congress conducted the affair in a constitutional manner.

Goldberg has pointed out that the Supreme Court did reverse the House of Representatives when they ousted Adam Clayton Powell on the grounds that he was not judged on the criteria required by the Constitution.

Thus, Congress is NOT a law unto itself, and its judgment and decisions as to what constitutes an impeachable offense is subject to the decision of the Supreme Court.

If they try a President on grounds not provided according to the court, the impeachment would be null and void.

One's first thought is that this means the whole matter may go on until the year 2,000.

However, the second thought is that the House of Representatives really does face a momentous decision on whether to proceed with impeachment at all and on what grounds—for the grounds they choose may have a profound effect on the validity of the trial or a profound impact on the future nature of our government.

Archibald Cox, the special prosecutor whose dismissal directly inspired the impeachment resolution in the House in the first place, has emphasized the dilemma by giving his blessing to impeachment for "abuse of power" and proceeding directly to where that leads.

Cox says that in pursuing this the House of Representatives "must articulate standards defining . . . unacceptable political and official behavior in the conduct of the presidency."

It involves he says some "prickly questions" that must be resolved—and he refers to the task as awesome. It is clear in the light of Goldberg's comment that those "prickly questions" must be answered correctly—or the Supreme Court may find the whole process, itself, an unconstitutional abuse of power by the Congress!

Cox makes it clear that to try a President on the grounds proposed by the House committee they must "articulate the standards of conduct by which the President's discharge of his duties is to be judged."

That is precisely the kind of thing that makes it a case for review by the U.S. Supreme Court for the purpose of deciding if those standards decided by the House are Constitutional, and, indeed, if the House has the Constitutional authority to write a job description for the Presidency.

That would seem to be the business of the Constitution, itself, not of the House of Representatives, and if they can do it and get away with it it bestows on the Congress long-sought but never-exercised power to stipulate the powers of the presidency and impose them on the Office of the Presidency itself.

If the committee proceeds as it has so far, it seems clear that in the future any member of the House can formally level any accusation he chooses against any President—and the mere fact of that accusation automatically empowers the House Judiciary committee to demand presidential records of all kinds.

Any refusal would be regarded as a "sign of guilt" and grounds for impeachment for but fifty accusations!

This is the position they have taken in this case, although there is not an accusation but fifty accusations-

The precedent will stand regardless if they make it stick.

By this attitude, in fact, of course, every President the United States has ever had was "impeachable"—and it is pretty foolish to think that adopting such a standard does NOT profoundly alter the nature of the presidency, the power of the Congress, and thereby the whole system of government as we have known it.

That is the consideration and the consequence the Supreme Court would have to consider if this thing continues on its present course.

The Moment of Truth in this whole affair thus still seems a long way off—and when it comes it will involve the future of the Republic, itself, and matters vastly more important than the Watergate raid of 1972.

If the President is "defending the presidency" for fundamental reasons of governance—or for personal defensive reasons only—the fact remains that others are playing carelessly with the Form of Government, itself.

And that what the Congress does with it will be subject to reexamination by the Supreme Court if they proceed in the manner they have started.

And the question before the Court would not be presidential abuse of power in such case—but the question of possible Congressional abuse of power . . . pre-empting the Constitution, itself.

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## OIL FOR GUNS

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. HARRINGTON. Mr. Speaker, it is somewhat perplexing to me to note, in this time of détente, that the major powers of both the East and West are escalating their peddling of conventional weapons to lesser-developed countries.

Recent "oil-for-guns" deals made by the French and the British Governments are illustrative of the problem, but of course the United States continues to lead the rest of the world in total military sales and assistance. Since 1950, it is estimated that the United States has sold over $18 billion worth of military hardware across the globe, while some $36 billion worth of weapons have been given away. Last year, the United States sold approximately $3 billion worth of arms, while the Soviet Union weighed in at $2 billion worth of munitions sales. Certainly, the massive American military assistance program to Iran, involving the very most exotic of U.S. military hardware—including F–14 and F–15 jet aircraft—is somewhat comparable to the oil-based deals we have witnessed on the part of our European allies.

It is a measure of the incipient disintegration of elements of the post-World War II world order that the so-called "have" nations now find themselves as "have-nots" as far as oil is concerned, and hence are supplying massive amounts of military technology and ordnance to the formerly "have-not" nations—hardware that is generally not needed for legitimate defense purposes, and which generally threatens to exacerbate tensions in the affected regions of the globe. For all its potentially explosive impact on world peace, the issue of conventional arms transfers—either on a grant or sale basis—is being neglected, to our common detriment. It seems to me that our efforts toward control and management of arms should not focus exclusively on strategic weapons, for sooner or later greater attention must be focused on the international movements of conventional arms, and efforts should be made to restrict, by multilateral agreement, conventional arms sales and other forms of transfers.

Mr. Speaker, the Boston Globe recently published an article on the weapons trade written by Richard Burt. I commend this article to the attention of my colleagues, and urge that they consider it in the context of the growing global arms race:

### IF YOU NEED OIL, SELL ARMS

(By Richard Burt)

LONDON.—In the 1930s they were known as "The Merchants of Death"—the profit-hungry munitions makers who peddled their wares to any regime that had the money to buy them.

But during the last decade the international sale of military hardware became a major international enterprise and, in the wake of the Middle East oil squeeze, an accepted means of securing political influence.

France's recent arms-for-oil agreement with Saudi Arabia highlights the key role that weapons transfers have come to play in relations between the big powers and the Third World. In the French deal, King Faisal was promised money, industrial technology and arms, including the Mirage fighter, in return for a guaranteed, 20-year supply of petroleum.

Britain is working out a similar accord with Faisal and other Persian gulf leaders, and Germany is seeking to procure oil supplies through industrial sales, which reportedly include its new battle tank, the Leopard.

The United States, meanwhile, is helping Iran to become the most heavily armed nation in the Third World. Although the sale of such weapons as the Navy's sophisticated F14 fighter are not specifically designed to secure fuel, Iran is seen by Washington as a potential pillar of stability in the vital region.

Although the Soviet Union is not now faced with the problem of guarding against another oil cut-off, the Kremlin has recently pumped an estimated $1 billion worth of military hardware into the region, in order to keep its fickle friends—Egypt, Syria and Iraq—happy.

But the massive influx of arms into the Middle East and the Persian Gulf forms only part of a larger phenomenon which one journal recently called "the worldwide boom in the arms trade."

Available statistics support this claim. According to the authoritative Stockholm International Peace Research Institute (SIPRI), the international weapons trade has doubled in less than a decade and is now reported to total over $7 billion a year.

Another research group, the London-based International Institute for Strategic Studies, reports that 93 major arms deals were negotiated last year, most of them between rich and poor nations.

According to SIPRI statistics, the main purchasers of arms are the countries of the Middle East, South Asia and Latin America. The main sellers are the United States, the Soviet Union, France and Britain. Other significant weapons suppliers include Sweden, Germany, Italy, and Czechoslovakia.

The United States is said to have sold roughly $3 billion worth of arms in 1972, the Soviets a little over $2 billion. The figure for both countries is said to have risen last year. Since 1950, the Department of Defense estimates that the United States has sold over $18 billion worth of hardware. During the same period, over $36 billion worth of arms has been given away.

Comparative figures are not available for the Soviet Union, but in the last five years Soviet arms transfers to the Third World are known to have exceeded US levels.

Arms sales have long been viewed by some countries as a cheap means of gaining political clout. Particularly for the Soviet Union, which jumped into the arms game in the 1950s. Moscow weapons deals have been used to support any regime that was willing to break away from the West.

There is a consistent pattern, then, to Soviet sales: nations, from Indonesia to India to Cuba, have turned to Moscow for weapons when they couldn't buy them anywhere else.

But Soviet military trade aid usually comes with a political, as well as an economic, price tag. India, for instance, was obliged to provide the Russian Navy with Indian Ocean port facilities in order to gain such sophisticated Soviet weaponry as the MIG 21.

Critics of US arms sales policies argue that Washington also uses harware as a political club often with unintended results. US weapons sales to Portugal, justified in terms of providing for the common defense of Europe, have often been employed against insurgents operating in Lisbon's African colonies.

Despite the character of European arms-for-oil diplomacy, political objectives do not play as prominent a role in British and French weapons salesmanship. But for both of these countries, the manufacture and marketing of arms is viewed as a commercial necessity.

The French have especially become aggressive armaments merchants, scoring significant "breakthroughs" in the Latin American and Middle East "markets" during the late 1960s.

The primary reason behind the French success was the US decision, taken by the Johnson administration, to impose ceilings on military purchases by countries in these regions in order to head off possible Third World arms races.

But because European arms dealers were only too happy to pick up the slack, the Nixon Administration last year announced that the policy of arms ceilings had failed. The Department of Defense soon after authorized the sale of the F4 phantoms to Saudi Arabia and Kuwait and copies of a less sophisticated fighter, the F5, to Argentina, Brazil, Chile, Colombia and Venezuela.

But Britain, even more than France, has become economically dependent on foreign arms sales. The country's steadily worsening balance of payments problem makes these transactions a valuable source of foreign exchange, and the British military now runs comprehensive studies to determine whether a new weapon has potential for foreign sales before the government decides to buy it for its own defense.

Since coming to power in 1970, British Prime Minister Edward Heath has lifted embargoes on arms deals with South Africa and Spain, despite mounting criticism from the opposition Labor Party.

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## FIRST WOMAN ELECTED TO NAB BOARD

### HON. EDWARD P. BOLAND

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BOLAND. Mr. Speaker, I would like to take this opportunity to pay tribute to a woman well known in my district for her many accomplishments and who now has distinguished herself nationally as the first woman to be elected to the Television Board of Directors of the National Association of Broadcasters, trade association for the entire broadcasting industry.

Kitty Broman, vice president and clerk of the Springfield Television Broadcasting Corp., and host of her own daily program, "Kitty Today," on channel 22, was elected last week at the NAB's national convention in Houston. Her election is a tribute to her familiarity with the day-to-day details and the long-range possibilities of the television industry. Mrs. Broman has served in a management capacity 18 of her 22 years at channel 22.

This highly prestigious position in the communications field is the culmination of many years of service to her community and State. She is a member of the Governor's Committee on the Status of Women, secretary of the Massachusetts Educational Communications Commission, president of the Carew Hill Girls Club, consumer adviser to the First Bank of Hampden County and a past president of the Valley Press Club—the only woman ever elected to that office.

Mrs. Broman has been honored for her service through many local and national awards—among them McCall magazine's "Gold Mike" for her service to her community and the "Woman of the Year" award of the Greater Springfield Chamber of Commerce.

Personally, I can say that the qualities Kitty exhibits—her professionalism and leadership capability, along with her ability to successfully combine her duties as wife, mother, television executive and community leader—serve as a splendid example for her fellow women. Her example can make it easier for more women to be accepted in hitherto all-male strongholds.

I think I speak for the entire Springfield community when I say how proud we are of her fine work. I extend to her my heartiest congratulations for this so well-deserved honor.

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## PLYMOUTH CONGREGATIONAL CHURCH, MINNEAPOLIS, AMNESTY RESOLUTION

### HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. FRASER. Mr. Speaker, Howard Conn, senior minister, the Minneapolis Plymouth Congregational Church forwarded to me a March 12 "Amnesty Resolution," the product of five Sunday morning meetings at the church. Reverend Conn indicates that 32 members of the congregation participated and:

> We found surprising unanimity to the proposition that the U.S. Government should offer unconditional amnesty to all draft refusers and deserters.

Reverend Conn added in his letter transmitting the resolution:

> Our people feel that amnesty means "to forget" and should not involve a judgment as to the rightness or wrongness of the acts involved.

The text of the resolution follows:

AMNESTY RESOLUTION

*Whereas*, the United States has granted amnesty after every war in some form or degree, as well as after several insurrections, as have other nations from time immemorial; and

*Whereas*, amnesty is a legal act, the law's way of forgetting past differences and political offenses so that the body politic may be given the chance to heal, and thereby strengthen our country; and

*Whereas*, amnesty is not a rendering of moral judgment and, therefore, may for good and proper reasons, be supported by citizens whether or not they agree with those who would receive amnesty; and

*Whereas*, citizens have engaged in acts of civil disobedience because of their fundamental disagreement with our government's policy on Indochina, their opposition to the draft and other military laws number in the hundreds of thousands; and

*Whereas*, this nation has been built on the fundamental principle of diversity of opinion and respect for conscience, and dare not abandon it; therefore

*Be It Resolved*, that we, the undersigned, urge the granting of a general and unconditional amnesty by the Congress of the United

States, and the President to all draft refusers, deserters, persons convicted by courts-martial for military offenses not punishable under civilian law, veterans with less than honorable discharges, and civilian protesters and resisters to the war, thus allowing full restoration of all civil, political, property and other rights.

## METRIC SYSTEM IS GROWING

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. TEAGUE. Mr. Speaker, the American consumer is now finding products on the grocery shelves marked in units of the metric system. An increasing number of products are appearing which are marked in both the conventional English units and the metric units. These products include Gerber baby foods, Nabisco crackers, and some breakfast cereals.

The metric bill, H.R. 11035, would provide for a program of public education to help the American housewife to learn the metric system. This bill would establish a National Metric Conversion Board with a life of 10 years to conduct this program of public education, and to assist our schoolchildren in learning the metric system. I am hopeful that this bill soon will be before the House, and I think the Members of the House will find it a constructive and reasonable bill.

An article describing the effects on the American housewife of this ongoing change to the metric system recently appeared in the Washington Post, and I insert the text for the information of the Members of the House.

The article follows:

#### METRIC SYSTEM IS HEADING OUR WAY

(By Joseph C. Davis)

Take a look around the canned goods and other packaged goods in your kitchen. You might be surprised to find that the weight on a few of these items is printed in metric units (grams) alongside of the units customarily used (pounds or ounces).

In the United States the practice of printing these metric equivalents started to catch on a few years ago and is becoming increasingly prevalent. Principal reasons for this development are twofold: (1) the expected changeover nationally to the metric system within the next 10 or 15 years, and (2), with these equivalents on the label, the packaged items can be exported and sold to foreign countries without having to change the box or label.

Underlying these two reasons is the tacit understanding by everyone that the metric system is much simpler than the present system.

Some companies doing the metric thing are: Gerber (baby food), McCormick (spices), Fritos (bean dip, but not potato chips), Nabisco (crackers and cookies), and Devonsheer (natural food products).

The Wasa Co. of Stamford, Conn., imports the Ry-King Swedish Crisp Bread and uses both types of units on labels. Apparently the special brand packaged goods merchandised by companies such as A and P or the Safeway are not marked with equivalents because they are not exported in appreciable quantities, if at all.

Why is there near-certainty that the changeover to the metric system will come? It is coming because it is a concept whose time is here.

For one thing, the U.S. is one of the few nations of the world that either does not use the simple and practicable system or has not made a start towards its adoption. Japan adopted it in 1971 and England (since 1969) is slowly making the change. France has had it since the French Revolution. The Soviet Union has had it for years.

Technically oriented American companies are beginning to understand the need. They are starting to investigate changeover problems and are sending representatives to Europe to examine the experiences and problems of other countries. The drive in this direction and the increased interest in many sectors of our economy, resulted in a study within the last 5 years by the National Bureau of Standards, with the cooperation of industry, labor unions and other groups, to determine the feasibility and problems.

The study was made following the enactment of a public law by Congress in 1968, authorizing the Secretary of Commerce to make a study "to determine advantages and disadvantages of increased use of the metric system in the United States."

The report shows that the metric system is already used in a number of areas of our lives. Examples are prescriptions which are written in terms of milligrams, distances in track and swim events which are spelled out in meters and kilometers. Watts, kilowatt-hours, amperes and seconds, which are household words, and all parts of the metric system. Ski shoes are sold in centimeter sizes. The calorie, the unit of heat which we all try to avoid, is metric.

The Bedding Industry, the report says, planned to go metric in 1971 to eliminate odd sizes. The single mattress was to have been standardized at 100-by-200 centimeters and the double mattress at 150-by-200 centimeters. In scheduling the change, the mattress makers were helped by the fact that existing sheets, blankets and quilt sizes would fit the new beds. However, a check revealed that the mattresses in Washington still come in inches.

Experiences of conversion in Japan and England will be helpful during our conversion period. Japan adopted the system abruptly, while England decided to take the long-planning and slow-conversion route.

By implication the report favors the English method over the Japanese method.

Probably, toothpastes and cosmetics will be dispensed in grams. Food manufacturers may consider changing the weights of contents of packaged foods so as to provide a sensible series of quantities that soon will be familiar to the consumer, e.g. 125 grams as a close approximation of ¼ pound, 250 grams for ½ pound, and 1 kilogram for 2 pounds.

However, some changes may shake up the householder a bit. The weather man may just overnight start quoting in degrees Celsius (Centigrade) instead of degrees Fahrenheit, or he may quote millimeters of mercury instead of inches of mercury (e.g. 29.93 inches) when he's talking about barometric pressure. Maybe air conditioner and furnace outputs will be specified in watts instead of BTU/hr. No matter, your children will explain it all to you.

## JOE McNAMARA

### HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. WINN. Mr. Speaker, one of America's foremost engineers and executives will retire on April 1. Joseph P. McNamara spent almost his entire working life in the forefront of areospace progress. I would like to mention a few of his contributions.

When he retired, Joe McNamara was president of Rockwell International's Space Division. This is the organization that developed and built the Apollo command and service modules that carried nine crews to the Moon and returned them safely to Earth. His division also built the Saturn S–II, second stage of the Saturn V launch vehicle. While a vice president at his company's Rocketdyne Division, Joe directed development and production of the J–2 and F–1 engines for the Saturn V—work that earned him the Distinguished Public Service Medal.

Joe McNamara helped to make space exploration a reality and the United States the leader in space achievements. In behalf of the House of Representatives, I extend him our sincerest appreciation.

## BEN COLLINS HAS SERVED MASONRY AND HIS FELLOW MAN

### HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. FUQUA. Mr. Speaker, some men accept things the way they are. Others give of themselves to bring about changes that will benefit their fellow man.

Such a man is my friend, Ben Collins, who will complete his year as grand master of Masons in Florida the latter part of April. It will be a milestone in what has been nearly a lifetime of service to the Masonic fraternity.

It has been a long road, a road filled with personal sacrifice and dedication by a fine young man whom I am proud to call my friend.

Ben began his Masonic service as a member of the youth group sponsored by the Masons, DeMolay. He was made a master Mason in Arlington Lodge No. 309 in Jacksonville, Fla., on March 10, 1954. He rose rapidly through the ranks of the lodge, serving as worshipful master in 1960 where he first came to the attention of State leaders as a young man with potential for service.

In 1961 he was named district deputy grand master and the opportunities for service increased tenfold. Ben is one of those fellows who never stops working. Not only was he an administrative leader, he became one of the acknowledged leaders in our State in the conferring of the various degrees and what is generally referred to as the "work."

One of the things that impressed me about Ben Collins from the day I met him was his willingness to work at the most humble of tasks. He is one of those rare individuals who are natural leaders, but is humble enough that the most insignificant of tasks is not beneath him.

It is interesting to note that Ben has attended every grand lodge session since 1954 and has served on committees such as arrangements, memorials, digest sales, Americanism, seminar for lodge officers, let your pennies make good cents, and public schools.

It is not just that he served, but that

he served so well. In the 2 years that he was chairman of the "Pennies" program, it reached new heights. This is a program where Florida Masons are asked to contribute a penny a day in support of our Masonic home.

In 1965 and 1969, he served as senior grand deacon under my good friends, Clyde Gleason and Carvie Webb, respectively. This is perhaps the highest appointive honor a grand master can confer.

Ben had time for service in the appendant bodies as Masonry became more and more a part of his life. He was active in the degrees of his Scottish Rite from 1955 to 1963, served in the oriental band of Morocco Temple from 1957 until 1963, and for 4 years served on the advisory board for the Arlington Chapter of DeMolay, a chapter he organized.

A member of the York Rite, he served as worthy patron of his Eastern Star chapter in 1956, and today proudly displays his DeMolay Legion of Honor.

The Masons of Florida honored this outstanding young man with the ultimate call to service in 1970 when they elected him their junior grand warden. The years since have seen him render yeoman service as senior grand warden, deputy grand master, and this year as grand master.

If there have been any recurring statements and themes throughout this year, Ben Collins should be remembered as the man who expressed the deep concerns felt so deeply by those who are worried about the future of the fraternity.

The continuing loss of membership by most grand jurisdictions points out the need for an assessment of where we have been and where we are going. Ben is a leader among that group which feels Masonry must always be relevant to the time and that its contributions to mankind are too important for its problems to be ignored by members and nonmembers alike.

Out of Masonry have come many bold and innovative programs that have helped the elderly, healed crippled children, fed the hungry, and helped develop our educational system.

Yes, the contributions of Masonry have been many through the years. Personally, I think that because of men like Ben Collins, it will have a new birth of enthusiasm and make itself more relevant to our time.

That task will not be easy. It never is. Yet, Ben Collins and I share a belief that the goal is too worthwhile and the end too important to mankind not to try.

Ben Collins is a professional lawman. For 13 years he was a member of the Duval County Sheriff's Department where his interest in traffic safety led him to a new career. He was a traffic safety education officer for 8 years and then joined the Jacksonville Safety Council.

Today he is the executive director of the council.

In this position, Ben has been innovative and creative. He has an unusual ability to perceive difficult problems in their proper light. Instead of cursing problems, it can be truthfully said that he goes after solutions. That is the kind of person this great and good man really is.

Life has been good in many ways to this Presbyterian who was born in Tampa and had the pleasure of being elected grand master there last year in the only grand lodge session ever held in Tampa.

But Ben has been good to life. He is one of those rare individuals who continually give of themselves for others. Because of his friendship, so many of our lives have been enriched.

Because of his service, mankind for time to come has been enriched.

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## 10TH DISTRICT GASOLINE DEALERS GIVE THEIR OPINIONS ON THE FUEL SHORTAGE

## HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. PICKLE. Mr. Speaker, the fuel shortage has affected all of us in one way or another, and in varying degrees. It has come to be a fact of life that we must live with, and try to make the best of, until solutions can be found and the crisis can be remedied.

But as much as all of us have been inconvenienced, the group of people that has been hit the hardest by the shortage perhaps are the gasoline dealers themselves.

In February, having lived with the shortage for several months, having listened to the voices of my constituents on the crisis, and trying to deal with solutions in the Congress, I embarked on a project to try to find some answers as to how the shortage was affecting the gasoline dealers in my district and their opinions on the shortage itself.

I sent an allocation survey to approximately 600 dealers throughout my district using telephone directories as a reference to try to send me to every dealer, and received a return of 23 percent. Of those responding, 53 percent were dealers in Austin, Tex., and the remaining 47 percent provided a good representation of the rest of my district.

As I indicated that all personal information in the survey would be held in strictest confidence, I feel that those dealers responding gave their true feelings and honest figures, and I feel that the survey was worded objectively and should for all purposes be considered a valid poll.

As a result of this survey, I have become more aware than ever of the different problems encountered by our gasoline dealers during this time of shortage. Many of the dealers responding to the survey complained of hard situations which we have since been able to alleviate or are presently working to alleviate. Many provided suggestions for improvements of the allocation program and for relief of the shortage, which I have passed on to the Federal Energy Office for consideration.

I also learned that the shortage took its toll by forcing several stations in my district to completely close. This is a bitter pill to swallow, and in my mind is the saddest reality of the whole situation.

All in all, Mr. Speaker, the survey has proved to be a very beneficial tool. It has been beneficial to me as a Representative as a means of alerting me to the problems these dealers have been facing. As a direct result of the survey I have been working to try to change the base allocation period from 1972 to 1973, which I think is a much fairer base; and I have also been working closely with the FEO to try to work out discrepancies and unfair practices that have come to light as a result of the allocation program. I might not have been alerted to the need for these revisions had it not been for the response of the dealers in my district.

And I believe it has been equally beneficial to the dealers in my district who have had to live under extremely difficult conditions in this time of shortage to know that we want to try to solve their problems and are working to do just that.

Mr. Speaker, I insert the findings of my survey at this point in the RECORD:

### GASOLINE ALLOCATION SURVEY RESULTS

There were 134 replies out of approximately 600 sent out, giving an approximate return of 23% to the survey.

4% of those responding purchase petroleum supplies independently; while 96% deal with a major oil company.

39% of those responding purchase their wholesale gasoline from a jobber; while 63% purchase directly from the company. (The discrepancy here which makes the total 102% is due to the fact that several dealers replied that they purchase from both a jobber and a major company.)

Under the new allocation system, each dealership should be receiving the same monthly wholesale deliveries as in the same month of 1972, or as much of that amount as oil company reserves will allow. This survey took place in the month of February, and the figures for February, 1972, and February, 1974, were requested in the survey. Of those responding, 9% gave no answer and 16% gave figures only for one year, thus rendering their reply useless for computation purposes. 6% indicated that their supplies were the same in 1974 as they were in 1972; 5% indicated that in 1974 their supplies were greater than in 1972; and 63% indicated that their supplies were greater in 1972 than in 1974.

When asked for figures for supplies in December of 1973, an intermediate month, 43% replied that their supplies were greater than they were in either 1972 or 1974. 15% gave either no answer or information irrelevant to computation.

When asked if major companies are trying to put independents out of business, 27% answered "yes," 36% answered "no," 31% were undecided, and 6% gave no answer.

When asked if major companies have caused you inconvenience, 64% replied "yes," 25% replied "no," 5% were undecided, and 6% gave no answer.

When asked if you believe the fuel shortage is real, 25% replied "yes," 54% replied "no," 19% were undecided, and 2% gave no answer.

When asked if gasoline would become too expensive were price controls to be removed, 22% replied "yes," 58% replied "no," 17% were undecided, and 3% gave no answer.

When asked if your supplier is doing the best possible job under the circumstances, 61% replied "yes," 19% replied "no," 16% were undecided, and 4% gave no answer.

At the end of the survey, it was requested that any additional comments be added to the survey in a blank space. 61% did jot down additional comments, which have been or are in the process of being replied to, and 39% had no additional comments.

In an attempt to ascertain the efficiency of the gasoline allocation system, I am distributing this questionnaire to each gasoline dealer in the 10th Congressional District.

At the end of the questionnaire are spaces for the name and location of your dealership. Please feel free to delete names if you desire, but I am asking that the city in which your dealership is located be included. All information in this survey will be held in strictest confidence.

ALLOCATION SURVEY

1. Does your dealership sell gasoline from a major oil company, or do you purchase supplies independently? Independent ———, Major Oil Company ———.

2. From whom do you purchase your wholesale gasoline? Jobber? ———, Directly from company? ———.

3. Under the new allocation system, your dealership should be receiving the same monthly wholesale deliveries as in the same month of 1972, or as much of that amount as oil company reserves will allow. In February, 1974, how much fuel will be available to you through your wholesaler? How much was available to you in February, 1972? Feb., 1974 ——— gal., Feb., 1972 ——— gal.

4. How much wholesale gasoline was available to you in December, 1973 under the voluntary allocation system? Dec., 1973 ——— gal.

Please check yes, no or undecided on the following questions:

5. Are major companies trying to put independents out of business?

6. Have the major companies caused you inconvenience?

7. Do you believe the fuel shortage is real?

8. Would gasoline become too expensive if price controls were removed?

9. Is your supplier doing the best possible job under the circumstances?

10. If you have additional comment or suggestions on the mandatory allocation program, please enter them in the space below.

## JOSEPH McNAMARA

## HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BELL. Mr. Speaker, a man will retire on April 1 who deserves our acknowledgment and gratitude. He is Joseph McNamara, former president of the Space Division of Rockwell International. Few men in the aerospace industry can match his contributions to the national space program.

Before he joined the Space Division, he had earned the highest honor given a non-Government employee: the Distinguished Public Service Medal. This was in recognition of his work in directing the production of the Saturn V's J–2 and F–1 engines. The Space Division, which he headed from 1970 until his retirement, produced the Saturn S–II booster for the Saturn V Moon rocket and the command and service modules for both the lunar-landing and Skylab programs. Other Space Division work initiated under his direction includes development of the docking module for the Apollo-Soyuz test project and design and development of the Space Shuttle orbiter.

Mr. McNamara's interests, however, are much broader than aerospace. He served on special industrial committees of the Los Angeles Chamber of Commerce and the California Manufacturers' Association. He also was recognized for his civic activities by the community of Neosho, Mo., which presented him its Outstanding Citizen's Award.

I know all of you will join me in wishing Mr. McNamara the very best in his retirement years.

## A SCOUT SPEAKS ABOUT SCOUTING

## HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BIAGGI. Mr. Speaker, a young constituent of mine, Leo Cabezas, a Star Scout in St. Ann's Roman Catholic Troop 25, recently delivered a speech at a dinner in Washington sponsored by the Boy Scouts of America.

It is my privilege and honor to include Mr. Cabezas' remarks in the CONGRESSIONAL RECORD. After reading it, I am sure that my colleagues will concur with the observation of the Honorable William Simon, guest speaker at the dinner, that Leo's speech was the main event of the evening:

SCOUTING

I have been in Scouting for two and a half years. During that time I have advanced from tenderfoot to star Scout. And in another year I plan to complete my Eagle Badge Requirements. Some of the requirements are hard. Citizenship in the Nation was a lot of work. There was a lot of reading and a lot of writing to do to earn that one. I learned what goes on inside of buildings such as the United States Capital, and The Supreme Court. Then last spring my troop took a trip to Washington, D.C. and I really got to walk into those buildings where all these things are done.

I guess the trip to Washington is the kind of thing I like about being a Scout. We get to do things. It could be a camping trip, swimming, cleaning the church yard, hockey games, touring West Point and a lot of things. Scouting is fun. My assistant Scoutmaster says that the reason he is still in Scouting is because of what he got to do as a Scout. And the same goes for me. I guess you might consider Scouting an investment. I don't know a lot about the future and am just learning about the past. But I do know that I will be living in the future. I know that what I am learning in Scouting will help me in the future.

A guy like me doesn't always do something because it is good for me. I do things for a variety of reasons. I learned the Scout Oath and Law because learning them was part of the requirements for the Tenderfoot Badge. But I remember them and as time goes on I better understand what trustworthy, loyal, brave, thrifty and all the others mean. I can't even say I have advanced in Scouting because that would be good for me. A lot of times I do something because the guys in the troop have done them. The guy who got me into Scouting, my friend Victor, became an Eagle Scout a couple of weeks ago. And I want to prove that what Victor, who is fourteen, can do, I can.

Scouting is learning how to work with other Scouts, and learning how to lead. Scouting is being aware of your neighborhood and the world and learning what you want to be in that world. A guy like me has a lot of different ways he can go in the city. Not all of them are so good. To me Scouting is showing me a good way and is fun at the same time.

Now my troop has started on a new project. We are going to do what we can to learn how to conserve energy. I don't know all the facts or the reasons why the energy situation has happened. But I, as a Scout and my troop can learn how to not waste energy and to give other people the facts about energy conservation. We're going to keep in mind the slogan think a little and save a watt.

There are a lot of other cool guys who could tell you about Scouting as well as I can Maybe even better. They might not even have to use a chair. I am just an average guy. An average Scout. I am not perfect and I don't know what being perfect is. But I think I am learning how to be a better person by being a Scout. And I know that all the other Cubs, Scouts and Explorers in New York City thank you, as do I, for your support for Scouting.

## JOLIET NAMED TO NATIONAL EDUCATION PROJECT

## HON. GEORGE M. O'BRIEN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. O'BRIEN. Mr. Speaker, in my hometown of Joliet, Ill., educators and community leaders have long recognized the importance of strong career and vocational education programs.

Through their cooperative efforts, Joliet has produced some of the most successful programs in this field so it comes as no surprise to me that Joliet was recently chosen to design a prototype career and vocational education program as part of a national demonstration project.

I would like to take this opportunity to give special recognition to Joliet's educators for their outstanding work in occupational education and am inserting for the RECORD an article from the Joliet Herald-News describing the new project their districts will be participating in.

The article follows:

JOLIET NAMED FOR NATIONAL PROJECT

(By Meg Fletcher)

Joliet school districts have been chosen for a national demonstration project to devise an exemplary career and vocational education program for students from kindergarten through sophomore year in college.

The three-year $225,000 project is a cooperative venture between the three school districts—grade school, high school and junior college, it was announced at a joint press conference today.

The tri-district proposal was approved for an urban demonstration project in competition with 13 other districts by the state Division of Vocational and Technical Education and the federal Office of Education. It will be federally funded with $75,000 each of the three years.

"This is one of the best things we have gotten out of the federal government," according to U.S. Rep. George O'Brien (R-Joliet). He attended the breakfast conference at the grade school's administration building with about 60 other school and community leaders. "The whole nation will look on us as a prototype," O'Brien said.

Sen. Charles Percy (R-Illinois) sent a congratulatory telegram.

"Occupational education is the highest priority in education," according to Sherwood Dees, director of the state board of vocational education and rehabilitation's division of vocational and technical education.

It is estimated that students in the elementary schools today will change their occupations eight to 10 times during their lifetimes, according to Dees. Training is a key to success, and Illinois is a leader in career education in both elementary and secondary schools, he said.

Named to direct the project is Thomas Boldrey, 30, former coordinator of vocational education for the Joliet Grade School District. The Joliet Township High School District will serve as the administrative district.

The choice of Joliet for the demonstration project is not surprising, according to Dr. Donald D'Amico, grade school superintendent. "Project JOLIET (the grade school's career education program) is the single most successful program of its kind in the nation," he said.

Education comes alive and learning is meaningful after students have direct contact with workers and related classroom experiences, D'Amico said.

The career demonstration project will mean closer coordination between the districts' ongoing career programs and the elimination of possible duplication of effort, according to Dr. Arthur Bruning, high school superintendent.

Among the junior college's career programs which will be expanded during the project are systems for self-paced learning, computerized career information and a nationally-noted program for determining career objectives, according to Dr. Harold McAninch, Joliet Junior College president.

Director Boldrey said the career and vocational education project will mean implementation and coordination of a broad range of projects including planning tools, delivery system, curriculum, evaluation procedures and guidance orientation. No new buildings are needed for the project.

Between now and July 1 the emphasis will be on planning. The summer and 1974–75 school year will be used for staff development and in-service training, the development of new programs and the expansion of old ones, Boldrey said. During the 1975–76 school year educators from all over the nation will be visiting Joliet schools and they will be supplied with information so they can establish similar programs in their schools, he said.

Boldrey emphasized that the entire community played a role in Joliet's selection as the demonstration center. "Local government, business and industry have demonstrated an ability and willingness to cooperate with the schools. This cooperation has been a key factor in the success of several previous programs."

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## DÉTENTE, PEACE AT ANY PRICE ALWAYS COSTS MORE THAN WAR

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. RARICK. Mr. Speaker, the announcement that the administration, relying on a legal ruling from the Attorney General, has resumed its détente program of Export-Import Bank credit loans to the Soviet Union to the tune of $44.4 million, is only exceeded by the awaited anticipation from consumers to the arrival of the new Soviet automobiles on the American marketplace.

Reportedly, this latest taxpayers' subsidy of the failures of communism in the Soviet Union bring to a total to Soviet Eximbank loans from the U.S. taxpayers of $299.4 million. We are told that we are subsidizing an international trade center in Moscow, natural gas exploration, installation of machinery for a truck factory on the Kama River, a canal, a valve-making plant, and helping this country's balance of payments.

In addition, we learn that the Soviet Union has now engaged three West German firms, including Krupp, the Nazi arms manufacturer, to build a huge steel mill at Kursk.

In the meantime, while the U.S. industrialists and their counterparts under the Soviet system continue to reap the benefits of détente, in Detroit, Mich., we learn that 100,000 U.S. autoworkers are now on food stamps, not because they are striking, but because they are indefinitely unemployed.

Concern arises among the American workers despite the assurances from the administration that the cost of détente would be softened because those workers displaced by imports are being assured of a payment from the Federal Treasury representing 70 percent of their average weekly pay for the first year and 65 percent for the second year.

Congress is now faced with a military supplemental authorization bill to come up with an additional $500 million for Vietnam, an additional $1.9 billion for the Middle East readiness and an additional $29 million to fortify the tiny island of Diego Garcia. All this is a result of the failures of détente at any price to stop the aggression of international communism out of its home base in Moscow.

Détente, a relaxation of strained relations or tensions, is a price that should be borne multilaterally in concessions. To date, the entire cost of détente is borne unilaterally by the American taxpayers, with the Soviet Union receiving all concessions and giving nothing.

If the very purpose of détente is to help prevent another war, which is what Dr. Kissinger claims, then why are we asked to spend all these tax dollars on additional armaments? Are we expected to believe that peace costs so much more than war?

What have the American people gotten out of the so-called détente?

Related newsclippings follow:

[From the Washington Post, Mar. 23, 1974]

EX-IM BANK RESUMES CREDITS FOR SOVIETS

(By Dan Morgan)

The Nixon administration, buttressed by a legal ruling from the Attorney General after 12 days of uncertainty, resumed its program of credits to the Soviet Union yesterday with a $44.4 million package of loans.

The administration's announcement that it was going ahead with the credits to the Soviet Union and three other Communist nations ended a brief showdown between the White House and Congress over the program, which is a key element in the policy of expanded economic cooperation with the Communist world.

The credits had been halted March 11 over a legal technicality.

After Attorney General William B. Saxbe upheld the loans' legality, the U.S. Export-Import Bank yesterday approved a total of $74.9 million in credits for 11 projects in the Soviet Union, Poland, Romania and Yugoslavia.

Included in the $44.4 million in loans earmarked for American projects in the Soviet Union was financing for constructing and equipping the $80 million international trade center in Moscow. The center in symbolic because it is to be the headquarters for American and possibly other Western businessmen seeking to expand trade with the Soviet Union.

White House officials had indicated concern about the unexpected suspension of the loans last week. One purpose of Secretary of State Henry A. Kissinger's trip to Moscow, which is to start this weekend, is to convey the message that the Nixon administration is ready and able to continue its policy of economic cooperation.

Soviets officials had begun to express concern about the future of this cooperation.

The Senate is considering a trade bill whose provisions—opposed by the administration—would have the effect of cutting off the credits and denying Moscow's exports to this country preferential tariff treatment.

A number of senators ——— have attacked the government credits and guarantees as a form of unjustified "foreign aid" to the United States' main adversary.

Yesterday's action was also a sign to Congress that the administration will fight for detente.

Sen.——— said yesterday that he was "greatly disappointed" with the Attorney General's upholding of the legality of the credits. Last week Schweiker released a finding from the General Accounting Office—the investigative arm of Congress—that the credits to the Communist countries had been extended under an illegal procedure.

Export-Import Bank President William J. Casey told———at a private meeting yesterday that Saxbe had concurred in the resumption of the loans.

The GAO had contended that the President should have made a finding that each individual transaction involving a Communist country was in the national interest and reported this to Congress.

——— said last week that he favors East-West trade but fears that huge sums of American capital will be invested in Siberian natural gas developments, instead of in energy exploration at home.

Yesterday he introduced a measure to block Soviet-American energy deals and to prevent the bank from approving a pending loan application for $49.5 million for natural gas exploration by an American consortium in the Soviet province of Yakutsk.

The four loans approved yesterday for Soviet projects will finance the construction of the trade center, as well as the shipment and installation of machinery for a motor factory, a canal and a value-making plant.

At the time the bank ordered suspension of business with Communist countries "pending clarification" last week, it had extended $255 million in direct loans for Soviet projects. The credits have promoted an upsurge in American exports and, the administration argues, helped this country's balance of payments.

Yesterday's decision also cleared the way for approval of financing for a number of projects involving petrochemicals, computer systems, textiles, aircraft sales and machine plants in Poland, Romania and Yugoslavia.

Two deals involving the sale of four Boeing aircraft to Yugoslavia—blocked after the GAO ruling—were ratified by the bank yesterday.

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[From the Washington Post, Mar. 23, 1974]

### KRUPP AT KURSK

BONN—The government announced that the Soviet Union has agreed to pay three West German firms, including Krupp the wartime arms manufacturer, $1 billion to help build a huge steel mill at Kursk, 280 miles southwest of Moscow.

Krupp, Salzgitter A. G. and Korf Stahl are to provide the equipment and technology for direct reduction of iron ore. The plant will have an annual capacity of 5 million tons of iron pellets and 2.7 million tons of rolled steel, according to the Soviet news agency Tass.

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[From the Washington Star-News, Mar. 17, 1974]

### THE RUSSIANS ARE COMING—MAYBE

(By Charles Yarbrough)

Confirming rumors of the last year or so, a recent dispatch from Dow-Jones says the Russians are indeed thinking of putting one of their subcompacts into the American market.

The story says the Soviets will take about six months to decide "after taking into consideration such problems as U.S. tariffs, safety and emission standards."

Covering that course in a mere half a year would be an achievement itself.

Even United States auto builders are still bewildered.

What the Russians are being called upon to consider—and anticipate—are such governmental dictates as the environmental plumbing system and what's coming (or disappearing): interlock ignition systems; air bags-or-something-better; bumper standards and how to make fuel out of wheat.

Most likely Russian automotive candidate for the U.S. market appears to be the Lada, which Dow Jones compared loosely with the Fiat 124.

It could be expected that performance figures for the trim little car as it is currently operating in Russia will be deflated when American gadgetry is applied.

Examples: Claims of 27.7 miles per gallon and a top speed of 87 miles an hour.

The Lada has a four-cylinder, in-line engine with 73.1 cubic inches and 65 horsepower; a five-bearing crankshaft and overhead cam; a two-barrel Weber carbuetor. Four-speed transmission is manual.

Its dry weight of 1,962 pounds is on a 95-inch wheel base.

It comes, at least in the Russian version, only as a saloon-sedan four-door for five passengers; bucket seats in front. Price was not available at this writing.

Were it not for U.S. standards—toughest in the world—this country could be deluged with imports most motorists here have never seen, including more from Russia. Almost comparable are the Zaz 968, the Moskvich and the Volga.

(A contrast would be the Zil 114 limousine of 7,000 pounds and eight cylinders and a top speed of 118 miles an hour).

Rough comparisons could be made of the Lada and the British Ford Cortina 1300; the French Citroen GS Berline and the Peugeot 204, plus a half dozen small cars from the Japanese.

No comparison at all could be made with the Ford Pinto, Chevrolet Vega, AMC Gremlin.

Nearest thing to a comparison even in names diligent auto historians might be able to ferret out, might be "Lad's Car," a juvenile "auto" for two small passengers, which was produced in kit form at Niagara Falls, N.Y., from 1912 to 1914.

Or, the "Lady," a 2¼ horsepower creation which flitted into history from Coventry, England, in 1899.

Its distinction, other than brevity, was a two-seater body.

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[From the Washington Post, Mar. 23, 1974]

### UAW SEEKS CURBS ON AUTO IMPORTS

(By Dan Morgan)

The president of the United Auto Workers called on Congress yesterday to institute temporary restrictions on foreign car imports to relieve a job situation in the industry "more disastrous than anything since the Great Depression."

UAW leader Leonard Woodcock warned in testimony before the Senate Finance Committee that unless Congress imposed quotas, foreign small car manufacturers could seize 30 per cent of the American market while United States plants were changing over to production of more economical models.

At the same time, Woodcock outlined a shift in his union's traditional support of free trade measures. He said that his organization "rejected in its entirety" the administration's trade reform bill because of "woefully inadequate" provisions for compensating workers and communities hurt by imports.

Most of the American labor movement, led by President George Meany's AFL-CIO, supports provisions of a far more protectionist measure introduced in the Senate and in the House.

Woodcock told ——— that the UAW is "still not standing along with the rest of the labor movement in supporting your bill." But he made clear that the energy crisis, which he said has resulted in the unemployment rate of 20 to 25 per cent in Flint, Mich., required stronger safeguards on job protection.

Woodcock said that Congress should empower the President to approve quotas, or, as an alternative, a temporary increase in tariff rates. He said either restriction should end in the fall of 1975, by which time the domestic industry would have had time to satisfy the demand for smaller, more economical cars. Canadian imports, which include United States makes manufactured there, should be exempted from the restrictions, he said.

"Let me underline that we have taken this step most reluctantly," he said in his written statement. "We have no interest in sheltering the American industry from the competition of more efficient foreign producers. . . . We are not GM's spear carriers."

According to the UAW president, this country's 3 per cent automobile tariff is lower than those of the European Common Market (11 per cent) or Japan (6.4 per cent).

The administration's bill, approved by the House in December, 272 to 140, gives the President broad discretion to negotiate internationally for lower tariffs and more liberal world trade.

The House measure also provides that workers displaced by imports would receive 70 per cent of an average weekly pay for half a year and 65 per cent for the second year.

Woodcock said this is inadequate in light of the fact that 100,000 auto workers are indefinitely unemployed and the rate of unemployment in Michigan now is 10.6 per cent.

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### U.S. OIL EQUIPMENT SOLD TO RUSSIA

(By Paul Scott)

Washington, D.C.—With the U.S. facing a serious energy shortage, one would expect that all American equipment and supplies would be going to develop new oil and gas resources inside the U.S.

This assumption is a very logical one, but this isn't exactly what is now going on.

The astonishing facts are that U.S. oil equipment and service suppliers are now well on their way toward selling a billion dollars worth of their products to Russia with the full blessing and encouragement of the Nixon Administration.

In many instances, loans from the U.S. Export-Import Bank, the government's international lending agency, is financing the deals with the Soviet Union seemingly in definance of the will of Congress.

Examples of a few of these sale contracts negotiated by U.S. corporations with the Kremlin in recent months include:

$80 million worth of ball valves from Cameron Iron Company;

$42 million worth of crawler tractors for pipeline construction, from International Harvester;

$20 million worth of valves from Wallwoeth Company;

$3.5 million worth of oil exploration items from Halliburton-Welex and Dress Industries;

$2.5 million worth of anti-blowout controls from Koomey-Steuart-Stevenson;

500 submersible oil pumps from Reeder Pump and Byron Jackson;

Thousands of tons of pipeline coating from Kendall Polychemical.

Commerce Department officials report that more and bigger deals of this kind are in the offing and are currently under negotiation.

Armco Steel Corporation has just signed a five-year scientific and technical exchange agreement with the Soviet Union. This company, a subsidiary of gigantic U.S. Steel, will trade with Russia in the field of iron metallurgy and in offshore oil field equipment.

Occidental Petroleum Corporation has obtained preliminary approval for developing Siberian gas fields with the aid of funds from a consortium of American banks, and is now seeking additional funds from U.S. Export-Import bank to finance the deal.

While the gas is supposed to eventually come to the U.S., at an unspecified future date, American Intelligence Authorities have warned the White House that there really is no guarantee that this part of the commitment would be carried out.

"Who can believe that the Soviet Union would be any more reluctant than the smaller Arab nations have been lately to turn off any supplies of oil and gas we might obtain from their territory in order to influence U.S. foreign policy," states one CIA official.

#### CONGRESSIONAL OPPOSITION

The financing of U.S. trade with low interest loans from the Export-Import Bank is being vigorously opposed in Congress by a bi-partisan group of lawmakers headed by Representative Richard H. Ichord (D.-Mo.), and Representative John Ashbrook (R.-O.) Their position is outlined in a memorandum now being circulated in the House, stating:

"We believe that American financing of Soviet gas exploration at this particular time in history, especially at an interest rate of 6 percent (which is in effect to be subsidized by the American taxpayers), smacks not only of poor business judgment but suggests a disregard for our national security. Every nation's defense capacity is directly related to its energy resources."

The Ichord-Ashbrook group is now seeking a congressional inquiry into how U.S. trade and credit policies are adversely effecting the nation's security position in the world.

The lawmakers have joined with 135 other House members in urging the passage of a resolution which would bar any further Export-Import financing for deals with the Soviet Union until after the Senate acts on the Trade Reform Act which is now pending in the Senate Finance Committee.

The objective is to force the Export-Import bank to end their lending to Russia until the whole question of financing U.S. trade, especially that involving U.S. oil equipment and supplies to Russia, can be fully debated in the Senate.

Note. In addition to $750,000,000 credits granted Russia by the Commodity Credit Corporation, the Export-Import Bank has granted loans totaling $160 million to the USSR. The Bank also has made tentative commitments to give Russia another $200 million.

## REPRESENTATIVE JACK KEMP INTRODUCES LEGISLATION TO PROHIBIT U.S. SUBSIDIZATION OF SOVIET ENERGY DEALS

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. KEMP. Mr. Speaker, despite our country's own energy shortages—which are profound—the United States is undertaking the resumption of credits so the Soviet Union can proceed with mammoth energy and fuel production projects. I think this is wrong. I think we ought to concentrate our efforts—and spend our taxpayers moneys—on meeting our own energy needs, before we start building the energy resources of our principal adversary within the world community.

What is particularly distressing about the latest announcement is the way in which the administration is circumventing the clear intent of the Congress, as well as a recent ruling by the Comptroller General of the United States.

The General Accounting Office, which is headed by the Comptroller General, recently ruled that the President of the United States should have to make a finding, with respect to each potential credit transaction, that the extension of credit to a Communist country was "in the national interest" of the United States. I repeat—the national interest of the United States—not that of the Soviet Union. The GAO ruling was made public by the senator from Pennsylvania, Mr. SCHWEIKER, and Representative BLACKBURN from Georgia, who, together with many Members of the Senate and House, myself included, has opposed the extension of credits to the Soviet Union, unless such credits were predicated upon an actual showing by the Soviet Union that it was relaxing significantly its internal restraints on political freedom. Such demonstrations have not, of course, been shown.

In the face of nearly three-fourths of the Senators supporting the holding back of credit extensions until changes are made within the Soviet Union, in face of the House-passed version of the proposed Trade Reform Act containing such a holdback requirement, and in face of the specific ruling of the Comptroller General/General Accounting Office, the administration, through the Attorney General, has proceeded to OK massive energy related credits to the Soviet Union.

On Friday, March 22, the administration resumed credits, announcing a $44.4 million loan package with the Soviet Union. The administration announced, at that time, that it was also going ahead with such trade packages for three other Communist nations. The total approved that day—for the Soviet Union, Poland, Romania, and Yugoslavia—totaled $74.9 million. These credits are underwritten by the credit of the United States, through the Export-Import Bank, and to the degree that those credit arrangements are at an interest less than that borrowed by the Government of the United States to stand behind them, they actually constitute a subsidy to those Communist nations.

These matters cannot be allowed to go either unnoticed or without restriction.

Last Friday, Senator SCHWEIKER introduced a measure in the Senate, S. 3229, which would prohibit Soviet energy investments unwritten by U.S. credits.

Today, I am pleased to cosponsor this measure by sponsoring its introduction in the House. The bill, the Soviet Energy Investment Prohibition Act, would prohibit any department, agency, or instrumentality of the United States from directly or indirectly providing assistance to finance or otherwise promote the export of any commodity, product, or service from the United States, if the intended use of such commodity, product, or service involves energy research and deveolpment or energy exploration in the Union of Soviet Socialist Republics.

I think that we ought to spend American tax dollars building up American fuel inventories. There is an overwhelming need—as the recent Arab embargo showed us—for the United States to obtain greater independence from reliance on foreign fuel sources. I do not believe we should ever abandon the consumption of foreign produced fuels; to do so would be to forfeit those sources to other nations—like the Soviet Union. But, I do believe we must do all we can to increase production, for that is the real key to ending the lines and driving prices back down. We can increase production only when there is adequate exploration and recovery of domestic sources. I never want to see a single American waiting in a gasoline filling station line because we sent money to the Soviet Union to develop its fuels, instead of spending it on developing our own, nor do I believe we should subsidize the development of Siberian natural gas fields which will cost the consumers in my State of New York and this county higher prices for this important source of clean fuel.

Mr. Speaker, I call upon the leadership of the Committee on Banking and Currency, whose committee has legislative jurisdiction over such foreign credit transactions, to consider prompt action on this legislation. It is needed by the American people, and it is needed by them now.

## PERSONAL EXPLANATION

### HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, I was unavoidably detained yesterday and was unable to be in the Chamber for two rollcall votes.

Had I been present, I would have voted "nay" on roll No. 107 and "nay" on roll No. 108.

## AHEPA

### HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BIAGGI. Mr. Speaker, as a member of the Order of AHEPA it was my distinct honor to join with many of my colleagues on Monday night at their 21st biennial national banquet in honor of Members of Congress. As in the past it is an event which I took great pride in attending, and this year's edition was in the usual fine tradition of excellence.

It is significant that this year's American Hellenic Educational Progressive Association dinner fell on the same day that many other Hellenic-Americans were celebrating the 153d anniversary of Greek Independence Day. It is a day when we reflect on the enormous contributions of the Greek nation and people to the democracy we enjoy today.

The history of the Greek nation is rich with cultural and educational achievements. It is one of the sociological and cultural wonders of modern times that the nation of Greece was able to maintain its cultural identity, nationalistic pride and consciousness after 4 centuries of Ottoman rule.

By the time Constantinople fell in 1453, the Turks controlled the entire Greek mainland. Under Turkish rule Greece was partitioned and polarized into numerous administrative and military districts. As the Ottoman Empire began its slow deterioration, the economic and social position of the Greeks became increasingly unbearable. Corruption and military defeats led to increased taxation as the marked contrasts between the advances of Europe and the stagnation of the Ottoman Empire grew greater.

Another source of extreme humiliation and injustice which the Greeks faced during this era was the conscription of their children for what was known as the Janissary Corporation. Every 4 years, one fifth of all young Christian males were conscripted and sent to Constantinople to be reared in the Moslem faith and to serve the Sultan as his personal bodyguard. For centuries this body constituted the mainstay of the Sultan's personal authority and insured the military superiority of the Empire.

In 1821 the Greeks revolted, proclaiming their independence under a constitution. This struggle continued until 1831 when Greek independence was established under the monarchy of the Bavarian prince, Otto.

We in America would do well to take time and reflect on the Greek contribution to the freedoms and liberties we enjoy today. As we approach or bicentennial celebration, let us use the inscription of the National Archives Building which reads "What Is Past Is Prologue" to serve as a tribute to the great Greek nation and people who have contributed so much to this Nation.

## SUPPORT OF SPORTSMEN VALUED

### HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. FISH. Mr. Speaker, because I value my reputation as a friend of sportsmen and am proud of my record in Congress, I am inserting in the CONGRESSIONAL RECORD a recent release issued by my good friend, Arthur Wager, vice president of the New York State Conservation Council:

NEWS RELEASE OF ARTHUR WAGER

"An apparent deliberate distortion of the record of a Congressman who over the years has proved a loyal friend of area sportsmen," Arthur Wager, Vice-President of the New York State Conservation Council, and past President and present Director of the Dutchess County Federation of Fish and Game Clubs today labeled a recent release from Seattle, Washington, attacking the record of Congressman Hamilton Fish, Jr.

The release, which appeared in area papers last weekend, criticized Congressman Fish for being absent on a December 21, 1970 vote to exempt 22 rim fire ammunition from the 1968 Gun Control Act, and for allegedly "refusing" to introduce legislation to repeal the 1968 Act at the request of the Federated Sportsmen's Clubs of Ulster County.

"On both counts the release distorted the facts," Wager said. "Among other things, the release neglected to point out that Congressman Fish was among the original sponsors of the legislation to repeal the 1968 controls on 22 rim fire ammunition, as well as the fact the bill passed the House by a vote of 246 to 59, something Congressman Fish knew would happen."

Wager said he had seen a copy of the letter from Congressman Fish to Frederick Faerber III of the Ulster County Federation in which the release alleged Congressman Fish "refused" to introduce the proposed repeal legislation.

"What Congressman Fish did tell Mr. Faerber was that two bills (H.R. 216 and H.R. 957) proposing the repeal of the 1968 Act had already been introduced and were under consideration in the House Judiciary Committee and assured Mr. Faerber that in addition to transmitting the organizations views to the Committee, he would keep them in mind during future deliberations on the legislation," Wager explained.

"From the number of half truths contained in the release, it seems clear to me that for some reason some organization is deliberately attempting to discredit the record of one of the best friends gunners of our area have ever had in Congress," Mr. Wager said.

Mr. Wager said that it was due to this record that Congressman Fish was the first Member of the House of Representatives to ever receive the Sportsman Conservation award as "Congressman of the Year," presented by the New York State Conservation Council.

"I might also point out that Congressman Fish is supporting repeal of control over black powder sale, as well as also still backing the repeal of the control over 22 rim fire cartridges, which although it passed the House in 1970 never became law as the Senate failed to act on the measure," Mr. Wager concluded.

## IS SCIENCE WILDLIFE'S BEST HOPE FOR THE FUTURE?

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DINGELL. Mr. Speaker, both simple and sophisticated scientific devices are helping man today keep track of species of wildlife and the following article in the National Wildlife publication by the National Wildlife Federation explains the progress and status of these worthy efforts:

IS SCIENCE WILDLIFE'S BEST HOPE FOR THE FUTURE?

(By Peter Gwynne)

Orbiting around the Earth, a Nimbus-B weather satellite helps wildlife researchers in Florida to track the baffling migratory routes of turtles across hundreds of unchartered ocean miles. Situated in one corner of a small laboratory in New York City, a high-powered scanning electron microscope enables scientists to identify animals from a single strand of hair or sliver of skin.

From the cosmic to the microscopic, many of the same disciplines that contributed to the demise of certain animal species—chemistry, weaponry, even behavioral science—are now playing an instrumental role in bringing them back. But in an age of cybernetics, optical physics and ethology, perhaps the most significant wildlife breakthroughs are occurring in the preeminently natural process of propagation.

All other factors being equal, of course, the key to the survival of any species is its ability to reproduce. As it happens, however, all other factors decidedly have not been equal. And until recently, the options for breeding endangered species under controlled conditions have been limited to two very different environments: game parks that attempted to duplicate life in the wild, including predators and competitors for food, and ordinary zoos that offered protection from such challenges—but precious little else. Such zoo creatures as the big cats and the great apes—animals that are almost as selective in their choice of mates as humans—can hardly be expected to propagate in a sterile environment with a mate they might not find compatible.

Between these two extremes, however, a number of other scientific techniques for encouraging reproduction are emerging. Some are being applied in sanctuaries where animals are protected from all hazards, both human and animal, but left to their own devices in breeding. Other methods are used in wildlife "farms," where small breeding herds of endangered animals are carefully combined in replicas of their natural environments with other animals. And for those animals which are almost over the edge of extinction, scientists are developing methods of collecting and banking sperm that should allow impregnation of females of the species anywhere in the world, helping to ensure survival.

The fabled whooping cranes offer a classic example of how scientific techniques can be used to increase the population of a species. Only a century ago, the tall white birds with black wingtips ranged far and wide over the North American continent. But they were rapidly decimated by the onrush of man and, by 1916, their numbers had fallen so low that an international agreement was signed to protect them. Since then, two sanctuaries have been established, 2,500 miles apart, to help keep the whoopers alive. The birds winter at the 47,000-acre Aransas National Wildlife Refuge on the Gulf Coast of Texas, and they breed during the summer at the Wood Buffalo National Park in the north central region of Canda.

But although every possible precaution has been taken in the sanctuaries to protect the cranes from interference by man and beast, only 51 of the birds were counted two years ago. Sadly, wildlife officials concluded that more than a dozen cranes had perished in the preceding year. Under those circumstances, a more active and direct means of stimulating whooper production is clearly essential. And scientists in the United States and Canada have cooperated in a novel scheme to do just that.

At both ends of the whoopers' migratory trail, studies have shown that only a quarter of their eggs laid in Canada produce young birds that show up in Texas. One reason for the loss is lack of adequate parental protection for the youngest birds. Normally, each female whooper lays two eggs. The first chick to hatch enjoys the undivided attention of both parents—but only until the second egg hatches. Then, each chick is cared for by only one parent and, under that arrangement, mortality is high.

In one experiment, Canadian wildlife biologists entered the whooper breeding areas in the Wood Buffalo park and took one egg from each nest. As a result, the parents could devote themselves to the solitary remaining egg and, when it hatched, to the single chick. The chick therefore received twice as much parental protection as it would under normal circumstances, giving it an increased chance of survival. Eggs were taken only during odd-numbered years, and since the experiment began more young cranes arrived in Aransas from the flocks hatched in these same odd-numbered years. So removing one egg from each nest has actually increased the numbers of birds surviving.

Meanwhile, the eggs taken by the wildlife officials are rushed by jet to the Patuxent Wildlife Research Center in Laurel, Maryland, to be hatched under conditions best fitted to the comfort of any young crane—apart from the lack of parents. So far, the center has produced about 20 whoopers of its own, all of which live in captivity. Currently, the staff at Patuxent is considering a variety of methods for getting those cranes back into the wild. Among the possibilities are release of juvenile whoopers alone in the Canadian breeding areas, release of juveniles accompanied by adult cranes, and even release of fertile eggs. The latter scheme involves a large "cuckoo-style" operation: the whooper eggs may be placed in the nests of wild sandhill cranes in northern Canada. Hopefully, the sandhills will hatch the whoopers and escort them on their first migration south. In this way, an entirely new whooping crane flock may be established under similar refuge conditions to the present flock—if the sandhills, the whoopers and the elements all cooperate.

The sanctuary concept is not, of course, restricted to birds. A major effort is now underway in India, Nepal and Bangladesh to create a series of refuges for the Bengal tiger, whose numbers have fallen to not more than a few thousand. But for most threatened mammals, and particularly the big cats, a supervised life in natural surroundings is impossible both financially and practically. Thus the best hope of survival through accelerated reproduction remains the zoo—or at least, an offshoot of the conventional zoo designed in the light of knowledge of animal behavior.

In the normal zoo, the problem of persuading any male and female animal to mate is all but insolvable. "You can't take animals from a rain forest, stick them on a concrete slab, and expect them to reproduce," notes one zoologist. "How would you feel if you were locked up for thirty years in a cage with a partner you couldn't stand?" And certainly, zoo breeding successes have come slowly.

The first lowland gorilla was not born in captivity until 1956; the first baby cheetah did not arrive until 1960, and the first giant panda has yet to be produced. At zoos in both New Orleans and San Antonio, whooping cranes have been bred in captivity. But probably the best-known tale of zoo breeding concerns the spectacular failure of keepers in the London and Moscow zoos to breed their giant pandas, Chi Chi and An An, who eight years ago were the only members of their species in captivity outside the Chinese mainland.

Though habitat destruction is the biggest threat to endangered wildlife, in some conservationist circles conventional zoos have been singled out for blame. According to Jeremy Mallinson, zoological director of the Wildlife Preservation Trust on the Channel Island of Jersey, every animal on exhibit in a city zoo represents about nine of the same species that have died either from disease contracted during captivity, or from poor handling. But in recent years, a number of zoos and wildlife organizations have set up animal breeding farms that, while open to spectators on a limited basis, have the primary purpose of increasing the world's stock of threatened species.

The philosophy behind these "planned sanctuaries" is simple enough: build up larger herds of animals than conventional zoos either want or can afford; keep them in surroundings as close to their natural habitats as possible, and surround them with other animals that co-exist peacefully with them in the wild. Most important of all, the animals are given the specific environmental stimuli—discovered as a result of behavioral studies on the species both in captivity and the wild—that best encourages breeding.

One typical example of this approach is an 8,000-square-foot run constructed last year at the Hogle Zoological Gardens in Salt Lake City to encourage breeding of cheetahs, which have proved notoriously infertile in captivity. Behavioral research has shown that two criteria are essential for cheetah breeding: isolation of the female, and a male dominated hierarchy. Thus, the run was put together in such a way that the two females in the breeding group had plenty of space to be alone, while the nine males were kept at close quarters to indulge in the power struggle that both produces a fit suitor and stimulates the females to be receptive to his advances.

This scheme rapidly proved successful. Last November one of the females bore an infant in what University of Utah zoologist Dr. Richard F. Smith, who supervised the project, described as "the first programmed birth of a cheeah in captivity." Unfortunately, that infant died of a blood clot—not related to the circumstances surrounding its birth. By that time, however, the second female was pregnant.

The need to understand the mating behavior of threatened species was illustrated by an incident at the Hai Bar reserve of the Israeli Nature Reserves Authority in the Negev Desert. Seeking to return to the area all animals that had once roamed there, the reserve authorities recently imported from Iran several pairs of onagers, the sub-species of ass on which Jesus rode into Jerusalem. But unlike the cheetahs, the onagers do not thrive on male competition. The male asses broke out in frequent and furious fights that often ended with the victor tipping his victim over on his back and castrating him. Only when the number of adult males in the herd had fallen to two did breeding begin.

One of the most promising recent developments in the field of programmed breeding is the creation of wildlife game farms as adjuncts to many city zoos. These are not the drive-through habitats that claim to give their car-bound customers a close-up look at animals "in the wild." (In fact, the space in drive-through areas is generally quite restricted, and the animals are too close to people, cars and other animals to act naturally in any way.) In the true breeding park, epitomized by the 1,800-acre Wild Animal Park of the San Diego Zoo in California, the animals are free to roam over large areas but the spectators are kept on the perimeters. Generally, steps are taken to keep predators and their potential victims apart, and any hostile reactions between species are monitored by curators, who make daily counts of the herds.

To ensure continual breeding in the San Diego herds, older animals are regularly moved out of the park—generally to be sold to other zoos—and replaced by younger members of the species. Here again, success is spectacular. Seven white rhinos, which are in danger of extinction in Africa, have been born in the Wild Animal Park in the past year; other births have included such endangered creatures as Hartmann's mountain zebras, slender-horned gazelles, and Formosan Sika deer.

For a few endangered species, however, numbers have fallen so drastically that even the protection and care afforded by a wildlife park is insufficient to do more than delay their eventual disappearance. For these animals, which possibly include the polar bear, the Texas red wolf and the Bengal tiger, there is now fresh hope of survival from the biological laboratory. Pioneered by Dr. Stephen Seager of the University of Oregon Medical School, the new technique involves the use of sperm banks, artificial insemination and, possibly, fertility drugs.

The concept seems simple enough: collect sperm from a male of an endangered species, place it in glycerin and freeze it, thawing it later to inseminate a female. In practice, however, technical difficulties are numerous. The first step is collection of sperm. The sperm of timber wolves, Seager has found, can be collected manually when the animals are suitably sedated. But for large cats Seager was forced to devise an electrical method to stimulate ejaculation. The cat ejaculate is then divided into about ten portions, for separate inseminations, each of which is mixed in a vial with egg yolk and glycerin, and frozen to minus 320 degrees.

So far, Seager has collected sperm in this way from a variety of threatened species, including nearly all the big cats—lions, Bengal tigers, Siberian tigers, cheetahs, and ocelots—and even a 1,200-pound polar bear. The technique is also applicable to elephants, even though they are in no immediate danger of extinction. Understandably, zoo-keepers prefer to avoid the rampaging presence of a bull elephant to impregnate their cows. Due to obvious difficulties with direct collection, sperm is collected from the female after copulation.

After collecting the sperm, there is still the problem of insemination. "Inseminating a cow and inseminating large cats are two entirely different things," notes Seager wryly. One purely technical difficulty is the fact that many cats have short vaginas, making insertion of the thawed semen difficult. A more difficult problem arises from the nature of female wild cats; many of them ovulate only a number of hours after copulation. In other words, copulation stimulates their reproductive machinery, making them hardly amenable to artificial insemination. This difficulty is being overcome, however, by the use of fertility drugs similar to those developed for humans.

To date, Seager's major success in artificial insemination using frozen sperm has been a healthy litter of timber wolf pups. At Cornell University, ornithologists have successfully bred both peregrine falcons and golden eagles through the use of artificial insemination technique. Seager is confident that the methods he is testing will eventually prove successful in a variety of creatures, and he believes that the frozen-sperm operation can be made entirely portable allowing zoologists to carry it out entirely in the wild.

Perhaps the major objection to breeding threatened species in captivity is that the creatures produced will be identical with the original species only in looks. Usually, their natural hunting instincts and their ability to learn will be dampened so greatly that they cannot be returned to the wild. Certainly, animals that have been brought up in zoos show devastating effects from lack of parental training. Lions reared in captivity do not know how to go about eating dead antelope even when it is cut open for them. Many creatures become impotent after a few years in captivity.

On the brighter side, however, animals brought up in the supervised open space of the typical wildlife park appear to develop behavioral paterns very similar to those of species in the wild. And, as Stephen Seager puts it: "Although there's no doubt that natural breeding is by far the best method, we've got to face an unavoidable fact: in many cases it simply is no longer possible."

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## THE 56TH ANNIVERSARY OF LITHUANIA'S INDEPENDENCE

### HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. GIAIMO. Mr. Speaker, this year marks the 56th anniversary of Lithuania's Declaration of Independence. This country has existed as a distinct community on the Baltic Sea for hundreds of years, but it tragically lost its cherished independence when it was annexed by the Russian Empire in 1795 as part of the third partition of Poland. Freedom did not reign in Lithuania again until 1918, when the people of this nation courageously broke the bonds of foreign domination.

Sadly, their independence was short-lived, for the Soviet Union, in collusion with Nazi Germany, reconquered the Baltic lands during the Second World War. The United States has never recognized this conquest and has never accorded it any legal validity.

The Lithuanian people continue to yearn for freedom and the establishment of a truly independent Lithuanian State. In 1971 Simas Kudirka, a Lithuanian radio operator, attempted to escape from a Soviet ship to the United States but was handed back by the U.S. Coast Guard to the custody of his shipmates. Kudirka told the court that sentenced him to 10 years of hard labor:

> I do not consider Russia to be my fatherland.

In March 1972, more than 17,000 Lithuanian Catholics signed a protest memorandum addressed to Secretary General Kurt Waldheim of the United Nations calling on him to intervene with the Soviet Union in their behalf against the religious persecution which they had suffered.

Two months later, a 20-year-old youth set himself afire in Kaunas, the second largest city in Lithuania, to protest his country's lack of independence. His death was followed by 2 days of street demonstrations in which several thousand youths took part, shouting, "Freedom for Lithuania."

We in the United States who have consistently supported the principle of self-determination add our voices to theirs. "Freedom for Lithuania," so long suppressed, hopefully will rise again.

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## RELENTLESS RALPH

### HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BOB WILSON. Mr. Speaker, another example of the publicity-minded posturing of Ralph Nader, who is a modern day example of the 3R's—relentless, ruthless, and ridiculous, is contained in a recent article from the San Diego Evening Tribune, authored by the distinguished rector of St. Andrews by the Sea Episcopal Church.

I include this article, as a portion of my remarks:

Relentless Ralph Off Beam on X-Ray Issue

(By Rev. R. E. Thrumston)

One relatively new phenomenon in our society is the emergence of the "professional critic."

Usually the critic is a private group or government agency. Sometimes it is an individual. Once in a while it is an individual that has become a group, as in the case of Ralph Nader, the apostle of material perfection.

Generalizations are the province of adolescent minds of all ages. They are best whispered, not shouted. But there are several things most professional critics seem to have in common.

First, they don't really stir up much of a public fuss. People are usually tolerant of both the complainer and the object of his complaints. The critic will of course describe the tolerance as apathy, except when he benefits from it.

Second, news media are quick to focus on the critic. His very contrast to the easy-going public makes him newsworthy. The trick is not to confuse notoriety with importance.

Third, the professional critic is often willing to jeopardize the whole of society in order to avert a minor risk or inconvenience that affects only a few. Failing to gain public support because of what he chooses to call apathy, he will resort to the courts and somehow convince them that the way to satisfy the common good is to pile up appeasements in favor of the noisiest advocates of individual good.

There are many professional critics, mostly of ecological bent, who exemplify all three points of this generalization. One of them is Ralph Nader, if only in his latest diplay of prima donna pique.

Nader doesn't think much of the X-ray equipment required by the Federal Aviation Administration to inspect airport luggage, and to protect the public against hijackers. He maintains that renegade rays miss the baggage and hit people, mostly the operators of the equipment. He charges that this illicit bombardment is hazardous to health and a threat to genetic integrity.

For the sake of argument I shall concede the point to Nader. The main question, however, is what to do about it.

In the absence of public outcry Nader might have gone to court to force the FAA to provide lead suits for all exposed employees, or to implement other safety measures with all reasonable dispatch. Instead, early this week he filed suit in federal court to abandon use of the machines altogether. By some legal witchery he won his case, pending invited appeal.

In 1973 these little X-ray machines flushed out more than 58,000 concealed weapons, and plunked 3,120 potential hijackers in jail. Not a bad track record.

Nader's over-riding concern is the safety of a few hundred airport employees who are not chained to their jobs. His eagerness to expose millions of passengers to grave danger in order to spare the few from a minor risk, otherwise avoidable, is beyond my comprehension and offends the most rudimentary morality. Even more puzzling is the court's apparent willingness to consider the immediate issue apart from its consequences.

It is a fact of life that society is protected from major harm only by the readiness of a few to accept the risk of even greater harm. Without this, everything would fall apart. And so in a spirit of joyous genocide, I wonder when relentless Ralph will call for the elimination of patrol cars and fire engines? These too are hazardous to those who use them.

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## WEST POINT SOCIETY MARKS ANNIVERSARY

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. GAYDOS. Mr. Speaker, recently the West Point Society of Western Pennsylvania gathered in Pittsburgh to observe the 172d anniversary of that famous military Academy. The occasion featured the first presentation of a new award to be presented annually to a member of the community in recognition for outstanding service and dedication.

The society initiated the award in honor of Matthew B. Ridgway, the general who won fame as commander of U.S. Forces during the Korean conflict and who, since his retirement from the military, has become extremely prominent in civic and charitable endeavors. General Ridgway, a resident of Pittsburgh, was on hand to personally present the award in his honor to a gentleman who has won admiration and respect as a military man, a priest, an educator and an administrator: the Reverend Henry J. McAnulty.

Father McAnulty was a chaplain in the U.S. Air Force for 14 years and now holds the rank of brigadier general in the Air Force Reserve. He also is president of one of Pittsburgh's leading educational institutions, Duquesne University, and is particularly known for his work with the youth and young adults of the area.

Principal speaker at the society's anniversary dinner was another who has achieved recognition as a soldier and administrator: Lt. Gen. William A. Knowlton, Superintendent of West Point. General Knowlton addressed his remarks to activities and programs at the Point and reported that applications to the Academy have skyrocketed. In what he described as "the best year we have ever had," General Knowlton reported that 10,000 young Americans had opened application files and 5,800 were nominated for the 1,400-man entering class.

Mr. Speaker, my duties in Washington prevented me from attending the society's observance so I am taking this opportunity to commend it for what it symbolizes, to applaud it for its selection of Father McAnulty as the first recipient of the Matthew B. Ridgway Award and to wish it continued success in upholding the honor, the integrity and the reputation of West Point.

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## PENNY LeFEW EXTOLLS BALD EAGLE

### HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. McCLORY. Mr. Speaker, recently an essay contest was sponsored by the Eagle Valley Environmental Corporation of Cassville, Wis., on the subject of "What the Bald Eagle Means to Me."

Miss Penny LeFew, daughter of Mayor and Mrs. William R. LeFew of Harvard, Ill., was the first principal winner in this essay contest held at the University of Wisconsin.

Mr. Speaker, I have been most impressed by this touching and inspiring essay which I am privileged to attach to these remarks.

Mr. Speaker, I take this occasion to congratulate Penny Lefew both on her insight and on her inherent talents in expressing a beautiful and meaningful message in behalf of the bald eagle:

The essay follows:

What the Bald Eagle Means to Me

(By Penny LeFew)

Symbol of beauty, in my mind I can see you flying among vast hilltops surrounded by blue sky and large white clouds. You are a part of the brilliant atmosphere and the sight of you gliding in the air seems to fulfill one of nature's magic promises. You fly as if the sky were your supreme possession! Yes, I can see you in my mind—but only in my mind.

Symbol of strength, I have always been told that you represent the dignity and greatness of the land in which I live. You are the national bird because your existence is one of power and virtue. Suddenly, however, I have come to the realization that your existence may soon be no more. How can a creature of such vital strength simply vanish? How can Americans be so careless as to let you, the symbol of this country, die without cause?

The thought frightens me, perhaps because I cannot help wondering that if we allow the symbol of our nation's strength and beauty to become extinct, what else will permit to vanish purposelessly—our freedom, our democracy?

Symbol of Eternal Liberty, more and more of your kind are being forced into captivity. It seems almost ironic that the greatest emblem of freedom may soon be found only in zoos or special exhibits. Must you lose your liberty in order to show all the people that freedom must forever be watched and closely guarded? Is your imprisonment necessary to make Americans realize that if freedom is taken for granted, it could be hopelessly lost?

I see you once again in my mind. You are soaring in the air: no walls, no cages, no bars. If only everyone could see how magnificent you look in my imagination. Perhaps then they would realize that you are truly the greatest symbol of strength, beauty, and eternal liberty!

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## AMBASSADORSHIPS: SOLD OUT AGAIN?

### HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. UDALL. Mr. Speaker, for months now, President Nixon has been making feeble denials to charges that he has virtually sold ambassadorships to large political contributors.

*Ambassadorships* "have not been for sale," he said at his February 25 press conference. They "cannot be purchased."

Yet what did Mr. Nixon do just last week? He nominated Leonard K. Firestone, a director of the Firestone Tire and Rubber Co., to the post of ambassador to Belgium.

Mr. Firestone contributed $115,000 to the President's 1972 reelection campaign and his two brothers, the late Harvey C. Firestone Jr. and Raymond C. Firestone, gave $48,712 and $64,441 respectively, according to reports filed with the Clerk of the House of Representatives and the General Accounting Office as quoted in The Washington Post March 23.

Mr. Firestone just may have some special qualification to be Ambassador to Belgium. But it seems hard to believe that there is not someone somewhere in the Foreign Service with better credentials than a tire company executive.

It at least appears that Mr. Firestone got the nomination for one reason and one reason alone—because he and his family gave a lot of money to the President's campaign.

I say this nonsense has got to stop.

Not only are our diplomatic posts too important to be entrusted to wealthy amateurs, but the whole practice of a President selling ambassadorships or anything else to large contributors calls into question the basis of our entire political system.

President Nixon should withdraw this nomination.

And if he does not, members of the Senate Foreign Relations Committee should—and I am certain that they will—take a good hard look at Mr. Firestone's qualifications for the job.

But even more importantly in the long run, Congress should get to work and pass a public campaign finance law which limits the amount of money any one contributor can give and makes sure no one can give enough to bid for special favors.

The bill (H.R. 7612) which I have introduced along with the gentleman from Illinois (Mr. ANDERSON) would place a limit of $2,500 on contributions to Presidential campaigns and $1,000 on gifts to House or Senate candidates.

At the same time, the bill would encourage candidates to seek out contributors of $50 or less, whose contributions would be matched by Federal funds. These contributors would be people with no favors to ask and nothing to gain from their gifts except good government.

President Nixon, in what he insists is a campaign reform proposal, did suggest a contribution limit of $15,000 for Presidential campaigns although an additional $15,000 could be given for all of the primaries combined. But even if contributors were limited to only one $15,000 gift a year, this still would be far more than the average guy could ever afford to give.

At the same time, the President rejected the idea of public campaign financing. He said the American people shouldn't have to pay for candidates to run for office.

Again I say nonsense. The American people are already paying for elections—and it is a staggering price, through wheat deals, milk deals, and the dubious representation we get in foreign capitals from amateur diplomats.

We have estimated that under our bill we could have clean elections and finance candidates for President, the House and Senate—in primary as well as general elections—for a cost of less than $1 a year for each taxpayer.

The polls have shown that the public favors the concept of public financing of campaigns. Mr. Speaker, this is definitely an idea whose time has come.

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## TRIBUTE TO JOSEPH McNAMARA

### HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. KETCHUM. Mr. Speaker, on April 1, America's aerospace industry will lose one of its most distinguished innovators as Joseph McNamara begins a well-deserved retirement.

Joe McNamara has been in the forefront of the movement which has brought America to world supremacy in space. As president of Rockwell International's Space Division, Joe presided over an organization that has been the major producer of America's manned spacecraft. Under his leadership, Rockwell International built the Saturn S–II, second stage of the Saturn V launch vehicle, and the Apollo command and service modules that carried our nine crews to the Moon and three crews to the Skylab workshop. Earlier in his career at Rocketdyne, Joe directed the production of the Saturn V's J–2 and F–1 engines, for which he was awarded the Distinguished Public Service Medal.

Although Joe has decided to retire, the benefits of his leadership will be enjoyed for generations. As he steps down, the Space Division continues on two projects he began: the docking module that will be used in the Earth-orbit linkup of an Apollo and a Soviet Soyuz spacecraft and the space shuttle orbiter—the reusable, space van that will carry unmanned spacecraft, laboratories, and scientists to and from Earth orbit.

For many years, I have had the honor to include Joe McNamara among my friends. Those of us who are vitally interested in America's space program and its future know how much we owe to his intelligence, dedication, and wisdom.

I wish Joe McNamara many happy years of retirement in the company of his wonderful wife Elizabeth. I know that my colleagues join me in thanking him for a job well done.

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## REPRESENTATIVE KEMP TALKS ABOUT CAMPAIGN REFORM

### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. KEMP. Mr. Speaker, no issue in recent years has yielded such broad bipartisan support as campaign finance reform. Illegal campaign practices, unethical tactics, dirty tricks, and influence peddling in the 1972 and prior campaigns have brought about a unity of outrage from the American people.

#### THE RESPONSE OF THE CONGRESS

While the Congress has acted in the past to curb campaign abuses, particularly in the Federal Election Campaign Act of 1971, this session of Congress will likely see the most far-ranging reforms to effect our electoral process since women got the right to vote in 1920.

Thus, it is essential that Congress act soberly and with an eye on history if we are to see improvements in the integrity of our political system. The astute political observer, David S. Broder, mixed a dash of wisdom with a reporter's cynicism when he wrote—

> The only thing more dangerous to democracy than corrupt politicians may be politicians hell-bent on reform.

We therefore must act with discretion if we are to avoid trying to remedy campaign abuses with poorly conceived law which risks either changing the nature of our democratic electoral system or opens still greater loopholes which risk even more serious and corruptive abuses.

#### BASIC REFORM PRINCIPLES

The goals I seek are the same as those supported by such groups as the League of Women Voters, Common Cause, the AFL–CIO Committee on Public Education and others who share the view that our political system must be ethical to be fair. We must insure the public's right to know; we must combat corruption and influence; and we must enable candidates to compete more equitably for public office.

The 20th Century Fund, in its report on campaign reform, concluded that if there were full public disclosure and publication of all campaign contributions and expenditures during a campaign, the voters themselves could better judge whether a candidate has spent too much. To those of us in the Congress with confidence in the decisionmaking ability and will of the American people, the 20th Century Fund conclusions are welcome.

Individual decisionmaking and the

accountability of elected officials to the voter are underlying premises on which our political system is based. The American electorate is fully capable of making hard political choices if it is assured the option of holding elected officials accountable at the voting booth each November. As long as accountability is maintained, we have the greatest deterrent to political corruption yet devised, that is, removal from office via the ballot box.

It is my belief that the U.S. political system should be dynamic, and flexible, open to all candidates, highly competitive, capable of attracting the best minds and candidates available and should provide an open forum for debate of all the issues and principles for which the candidates seek office.

### KEMP LEGISLATION

In that spirit, Mr. Speaker, in September 1973, I introduced comprehensive legislation which would make it immensely more difficult for Federal candidates or their campaign committees to engage in deceptive, unethical, or unlawful practices. The legislation was specifically designed to provide more equitable opportunities to challengers. Provisions of my legislation, which are embodied, in principle, in the Senate-passed S. 372 as well as all major legislative proposals currently pending in the House of Representatives include:

Weekly reporting of all campaign contributions for the last 60 days of a campaign;

Weekly reporting of all campaign expenditures during the last 30 days of a campaign;

Quarterly reports on both contributions and expenditures;

Establishment of a nine-member, Federal election commission to oversee all Federal campaigns and elections;

Provide for the mailing of an informational voter pamphlet giving equal space to challenger and incumbent;

Strict limitation on cash contributions;

Limitations on the amount a candidate or his family can contribute to a campaign to prevent the buying of public office by wealthy candidates;

Limits on campaign fund depositories a candidate or his campaign committee can maintain;

A requirement that all expenditures be made through a single bank; and

Doubling of the amount which individuals may deduct from Federal income tax to encourage more citizens to contribute in small amounts to candidates of their choice.

### PUBLIC FINANCING

A good deal of debate in the Congress has revolved around the issue of public financing of Federal campaigns. Many such proposals have been put forth in an effort to broaden candidate participation, encourage small contributions, equalize incumbent-challenger resources, and diminish the influence of money in campaigns. To the extent that such proposals contribute to the aforementioned objectives, they deserve support.

Several proposals, however, would discourage public participation in the campaign process, are not voluntary in nature, and risk running aground of the first amendment. As H. Leonard Court and Charles E. Harris concluded in a 1972 Harvard Civil Rights-Civil Liberties Law Review article:

> Unfortunately, current measures do not reflect the careful analysis necessary to insure that First Amendment rights are preserved.

The tax checkoff method for financing Presidential election campaigns has, however, met with marked success. The IRS and GAO recently announced that if the current level of public participation continues through 1976, the Presidential election of that year will be completely financed via the checkoff.

I would hope that the Congress will insist on retaining volunteerism in any public or public-private campaign financing formula.

### THE PUBLIC ETHIC

Finally, it is important that each of us have realistic expectations about what changes in the law alone will achieve in helping eradicate campaign abuses. Our national legacy of individual responsibility demands from each of us the highest ethical vigilance. Unless a higher more inflexible ethic is insisted upon by the American electorate, and is reflected in the voting booth, no amount of campaign law will correct campaign abuses and corruption.

This does not, however, relieve us of our responsibilities to help create an atmosphere in which integrity is encouraged and corruption is discouraged. We, in the Congress, have an obligation to write into law meaningful and practical revisions to our present form of campaign financing. So, too, each American has an obligation to be vigilant in insisting that his or her elected representatives maintain the highest ethics and personal integrity humanly possible. To that end I pledge my very best efforts.

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## ABINGTON HIGH WINS BASKETBALL TITLE

## HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. COUGHLIN. Mr. Speaker, I express my heartiest congratulations to the Abington High School Basketball Team for capturing the Pennsylvania Interscholastic Athletic Association Class A Championship on Saturday, March 23.

Abington's 53–48 victory over Pittsburgh Peabody was the culmination of a 28–3 season in which the Galloping Ghosts fended off opponents in five other play-off competitions before reaching the State contest. It was the first time in Abington's history that it has clinched the coveted State title, and the first time in the past 11 years that a team from the eastern part of the State has emerged as victor.

As the Congressman who represents Abington, I am extremely proud of this fine achievement. I extend special praise to the team's coach, Jim Wilkinson, for his outstanding work in building Abington squads for the past 7 years. The three assistant coaches—Dick Koch, Sam Rines, and Tom Parsha—also must be mentioned for their valuable contributions.

And I salute the 15 members of the team who made the victory possible—Richard Wright, Dave Torresani, Temen Adams, Mike Martin, Jim Greenberg, Matt Chesterman, Ricky Reed, Barry Queen, Mark Derracotti, Bill Brennan, Robert Harvey, Mark Daniel, Ricky Bellett, James Robinson and Gary Peoples. My thanks to them for their hard work and dedication and for a job well done.

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## THE ENERGY BILL VETO AND WHAT IT COSTS AMERICA

## HON. FRANK J. BRASCO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BRASCO. Mr. Speaker, I believe the President made a tragic mistake in vetoing the recently passed emergency legislation passed by the Congress. That measure was more than an attempt to roll back energy prices which had long since become usurious to the public and obscenely profitable to the major oil companies benefiting from them. It dealt with a number of vital questions in the energy area which were long overdue for attention. And while the price rollback provision was written promptly into another bill which passed the House, the vital portions of the original energy bill, killed by the President's veto, were not received and have perished for the present.

The President's chief argument with the original measure dealt with the section calling for a rollback of prices on that part of domestic production now exempt from price controls. That oil today amounts to about one-sixth of our supply of petroleum. For the President to suggest that a reduction in the very high price of this oil would worsen current shortages and force gas rationing was sophism at its worst, and an injustice to logic and the people who are paying the prices demanded by the major oil companies.

Perhaps some critics are correct when they claim that the veto needed an excuse and that the previously mentioned provision was just that. That the excuse was needed to kill off the excellent provisions in the bill which would have gone far too change the energy equation now so much to the oil monopoly's liking. What else was killed along with that particular provision?

There was added unemployment compensation for those losing jobs as a result of the shortage. There was protection for gasoline station operators against arbitrary cancellation of their franchises by the major oil companies, one of the little known but worst feared weapons used by these monopolies to keep their employees cowed and fearful. Thousands of gas station dealers have been wiped out overnight by the majors' use of this weapon of coercion.

There were requirements for methodical collection of statistics on energy that the Federal Government today lacks, to its everlasting shame. Here is a crucial point, to say the least. The oil monopoly has been able to get away with so much in recent decades because the National Government has no accurate information on energy. What it has is provided by the oil companies themselves through their lobbies in the Capitol, such as the American Petroleum Institute or the American Gas Association. The Bureau of Land Management and the U.S. Geological Survey, the main agencies aiding and abetting the industry's policies within the Government, are able to plead the industry's statistics as an argument in favor of the industry's policies. By not guaranteeing that Government will gather its own information from the industry and about its doings, we ensure continued blindness of the public's enforcement agencies. Here is perhaps the greatest victory scored by the industry as a result of the President's veto, and he had to know this.

There were also rules to govern an orderly conversion of power plants for coal without bypassing and violating the Clean Air Act. There was also authority for the President to impose gasoline rationing.

The rollback provision itself set limits to the heights to which crude oil prices would have been permitted to rise. Vetoing that bill ensures that the major oil companies will be able to continue to fatten their purses at the expenses of the consumers of the Nation.

As a result of all the vast heavings of the last few months, when the smoke clears, what do we have? First of all, energy prices have risen to astronomical levels, enriching the Arab oil states and making the major oil monopolies wealthier than they ever dreamed was possible. Some $13 to $15 billion in excess profits have gone into their already well-lined pockets. This wealth is so embarrassing that they have to take out vast numbers of national advertisements to convince the public that these incredible profits are justified. Those ads, by the way, are all tax-deductible.

The Federal Power Commission, adding to the problem, has deregulated the price of natural gas at the wellhead in a de facto manner, by allowing huge price hikes on an individual case basis.

What auctions of Federal offshore oil and gas lands and oil shale leases which have taken place have been dominated by the oil monopolies, using joint venture bidding to squeeze out any possible competition from independents.

And the few meaningful reforms, plus an attempt to roll back prices, have been vetoed by the President. The tax loopholes are intact, and the average consumer is still being robbed by the millions to further enrich the lives of the few. Think about it when you pull up at the gas pump next time, or pay a fuel bill.

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## JOSEPH McNAMARA

### HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. TEAGUE. Mr. Speaker, Joseph McNamara will retire on April 1. His achievements and his dedication to the national space program are two of the reasons America is the world's leader in space. I want to review briefly some of the highlights of his long and notable career.

Prior to his retirement, Joe McNamara was president of the Space Division of Rockwell International. This division produced much of the hardware for the lunar-landing program, including the command and service modules; the Saturn S–II, second stage of the Saturn V launch vehicle; and the launch escape system which, incidentally, was never needed. The team Joe helped mold is now developing and will build the Apollo-Soyuz docking module and the Space Shuttle orbiter, the reusable spacecraft that will carry payloads and scientists to and from Earth orbit. Earlier, at Rocketdyne, Joe directed production of the two Saturn V power plants: The J–2 and F–1 engines. NASA recognized this work by awarding him the Distinguished Public Service Medal.

Although he was employed by a private company, most of Joe McNamara's achievements have benefited the public. I am certain I speak for all of America's public servants in extending him our warmest appreciation.

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## KILPATRICK BLASTS LEGAL SERVICES BILL

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ASHBROOK. Mr. Speaker, I am pleased to see that nationally syndicated columnist James J. Kilpatrick, long a supporter of legal services for the poor, has characterized the Senate version of the legal aid bill as an "abomination."

I certainly agree with Mr. Kilpatrick's description of this legislation. In my CONGRESSIONAL RECORD speech of March 19, I pointed out that the bill would pave the way for legal service attorneys to get as politicized as they want. Mr. Kilpatrick voices a strong second to this view, contending that the "Senate bill erects no more than paper barricades against the activism of superliberal legal eagles who would be free to pursue social reform behind a camouflage of aid to the poor."

Following is the complete text of Mr. Kilpatrick's editorial appearing in the March 25 edition of the Washington Star-News:

#### RECONSIDERING THE LEGAL AID BILL

(By James J. Kilpatrick)

It is a familiar rule of parliamentary procedure that a motion to reconsider can be made only by a member of the prevailing faction. Because I have long supported the concept of legal services for the poor, perhaps I am qualified to turn against the bill soon to be reported from a conference committee. Mr. President, I would like to say, I move to reconsider.

By every indication, the compromise legal services bill will be fairly close to the Nelson-Javits bill approved by the Senate in December. The bill is an abomination. It is a perversion of the whole concept of giving the poor person a chance at equal justice under the law. If the Senate and House should agree to this devious proposition, the President will have to be asked to use his veto power.

In supporting a legal services act, I have been guided by certain principles and observations that seem to be almost beyond dispute: The first is that the concept of equal justice under law is among the greatest ideals of our political system. The second is that our nation has served that concept poorly. Despite impressive improvements in recent years, especially in the appointment of public defenders in criminal cases, we still have two systems of law—one for the rich, another for the poor.

A system of federally subsidized legal aid should have but one purpose, and that is to redress the imbalance. The poor family that has been bilked into a usurious installment contract should not be helpless at the hands of a well-heeled merchant. The poor person wrongly evicted from his home should have some aid in standing up to the slumlord. The ignorant or illiterate citizen, struggling with the complexities of a highly regulated society, often needs legal advice that he cannot possibly afford.

A revitalized program of federal legal aid ought to have these aims in mind, and these aims only. Because the possibilities for abuse are quite real, a new Legal Services Corporation should be bound down by chains of law. At the very minimum, the corporation should be federally chartered for a limited term of no more than five years, at which time Congress could review the entire operation.

The Senate bill that now prevails is a far cry from the administration's recommendation. It bears no resemblance to a House-approved version that has some faults, largely as the result of fatuous floor amendments, but has many virtues also. The Senate bill erects no more than paper barricades against the activism of super-liberal legal eagles who would be free to pursue social reform behind a camouflage of aid to the poor.

These mischievous provisions are not immediately apparent. On the surface, the Senate version seems unalarming. It is only when the bill is examined line by line, as Senator Jesse Helms of North Carolina has examined it, that the shortcomings emerge.

Two examples may suffice to indicate the slippery business here afoot. The Senate bill contains a provision that could make available to legal aid attorneys "particular support functions of the federal government, such as the General Services Administration, the federal telecommunications system and other facilities." Helms calls this a "mind-boggling blank check," and it is. This loosely drawn authorization could equip the activist attorneys with everything from office supplies to free long distance telephone service, all at the taxpayers' expense.

For a second example: The House version wisely prohibits the proposed Legal Services Corporation from using private funds for purposes for which public funds could not be spent. The Senate version ominously omits this safeguard.

The concept of equal justice remains valid. Nothing is wrong with the idea of providing legal aid to the poor. But the disappointing and deceptive bill that now heads back toward the Senate floor, while it doubtless would accomplish many good things, would constitute an invitation to legal activists to come have a ball. This is not the idea. It is not the idea at all.

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## LITTLE BOY BLUE

### HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. CARTER. Mr. Speaker, among this fearless forum of learned men and charming women are those whose innermost feelings are always touched by the wonderfully written and nostalgic poems of Eugene Field. I include for the RECORD an old favorite:

LITTLE BOY BLUE

The little toy dog is covered with dust,
But sturdy and stanch he stands;
And the little toy soldier is red with rust,
And his musket moulds in his hands.
Time was when the little toy dog was new,
And the soldier was passing fair;
And that was the time when our Little Boy Blue
Kissed them and put them there.

"Now, don't you go till I come," he said,
"And don't you make any noise!"
So, toddling off to his trundle-bed,
He dreamt of the pretty toys;
And, as he was dreaming, an angel song
Awakened our Little Boy Blue—
Oh! the years are many, the years are long,
But the little toy friends are true!

Ay, faithful to Little Boy Blue they stand,
Each in the same old place,
Awaiting the touch of a little hand,
The smile of a little face;
And they wonder, as waiting the long years through
In the dust of that little chair,
What has become of our Little Boy Blue,
Since he kissed them and put them there.

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## NEWSLETTER AND QUESTIONNAIRE SENT TO RESIDENTS OF THE 19TH OHIO CONGRESSIONAL DISTRICT

## HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. CARNEY of Ohio. Mr. Speaker, this week I am sending out approximately 155,000 newsletter-questionnaires to residents of the 19th Ohio Congressional District, which includes Mahoning and Trumbull Counties. The newsletter discusses some of the major issues facing our Nation, such as: Watergate, inflation, shortages, and the energy crisis. The questionnaire asks my constituents' opinion on these and other pressing problems. As soon as my constituents have responded, I will insert the results of the survey in the RECORD.

Mr. Speaker, I take this opportunity to insert the newsletter and questionnaire in the RECORD for the information of my colleagues in the Congress. The newsletter-questionnaire follows:

CONGRESSMAN CHARLES J. CARNEY REPORTS FROM WASHINGTON

Dear Friend:

Now that the second session of the 93rd Congress is underway, I would like to take this opportunity to report on the work done in Congress to date, and to ask your opinion on some of the crucial issues which Congress will face in the weeks and months ahead.

The Republic created by the Founding Fathers which has served us so well for nearly 200 years is being tested by serious economic and constitutional problems. Widespread doubt exists as to whether our system of government is capable of solving these problems.

Watergate continues to haunt the political life of the nation. It is a national tragedy for two reasons: first, it has caused many Americans to lose faith in their government and elected officials; second, it has diverted the nation's attention from other pressing problems. In reaction to the Watergate and related scandals, hundreds of residents of the 19th congressional district have written to me urging that President Nixon be impeached and removed from office. Many others have written to me opposing any efforts to impeach the President. I am very grateful to all the people who have made their views on impeachment known to me. It must be remembered that while the House of Representatives has the power to impeach, only the Senate can remove the President from office.

To help restore public confidence, this constitutional crisis must be resolved as quickly and as fairly as possible. Judiciary Committee Chairman Peter Rodino has pledged that the committee will submit its findings to the House of Representatives without any unnecessary delay. After the Judiciary Committee had completed its inquiry, I will make my own judgment based on all the evidence presented, and put the best interests of our country ahead of partisan politics. In addition to Watergate, 1973 seemed to bring one crisis after another, including skyrocketing prices, food shortages, and the energy crisis.

### THE HIGH COST OF LIVING

The nation's economy is experiencing the highest rate of inflation since 1947. Each year since 1970, Congress has given the President the authority to control prices, wages, interest rates and rents. When a bill to extend this authority came before the House last year, I voted for amendments which would have rolled back food prices and rents. Unfortunately, none of these amendments passed. Instead, Congress extended the President's authority to control wages, prices, interest rates and rents for one more year. In August, 1971, President Nixon used this authority to freeze prices. Regrettably, the President lifted the price freeze just as it was beginning to work. Administration attempts to reimpose the price freeze in June, 1973, were unsuccessful.

Congress has passed good laws to deal with the high cost of living, but Congress cannot implement those laws. That responsibility lies with the Executive Branch of Government. Unless the President uses the laws passed by Congress wisely and effectively, even the best laws will not solve our nation's economic problems.

From the Russian Wheat Deal to intentionally restricting the food supply, from miscalculating the foreign demand for food to freezing food prices at the highest levels in years, the Nixon Administration has pursued a policy which has hurt the American consumer. In the summer of 1972, Russian grain buyers came to the United States and bought up 25% of our wheat crop at $1.63 per bushel. In August, 1973, the price of wheat rose to $5.28 per bushel. Within months, higher grain prices resulted in higher prices for bread, meat, eggs, poultry, butter and other foods.

The Russian Wheat Deal was negotiated by the Russians and a few private American grain companies. The U.S. Department of Agriculture either was negligently unaware of the deal, or else kept silent about it. Congress was not consulted or asked to approve this transaction. However, congressional committees have conducted extensive investigations of the Russian Wheat Deal. In addition, legislation has been introduced to make certain that excessive amounts of grain will not be exported in the future. I am co-sponsoring several bills, including the "Export Priorities Act," which would control food exports and guarantee adequate supplies of food for American consumers at reasonable prices. I firmly believe that we should meet the needs of our own people here at home before we sell food and other products to foreign countries.

### ENERGY CRISIS

Our country is experiencing an energy shortage. This energy shortage came about because: domestic energy production has not kept pace with rapidly rising energy consumption, environmental protection laws have caused a switch from abundant "dirty" fuels to scarce "clean" fuels, and energy conservation has not been practiced. The Arab oil embargo and big price increases by oil producing nations have made the shortages even worse. The government was late in reacting to the energy shortage largely due to the misguided policies of the Nixon Administration and a lack of reliable information about the oil industry. The deal with this situation, I co-sponsored the "Consumer Energy Act," which would provide essential information on energy costs and supplies to the public, insure competition in the oil industry, and increase energy supplies to the consumer at reasonable prices.

Before Congress adjourned in December, laws were passed: 1) requiring the President to implement a mandatory fuel allocation program so that the public health, safety and welfare are protected and the harmful effects of the shortage are minimized; 2) authorizing construction of the Trans-Alaska Oil Pipeline, and 3) setting an emergency maximum national speed limit. This year, the House has passed the "Solar Heating and Cooling Demonstration Act," which would provide $50 million over a 5-year period to demonstrate the practical uses of solar heat- and cooling technology, and the "Federal Energy Administration Act," which would create a temporary Federal Energy Administration as an independent agency to administer programs for energy conservation, production and distribution.

The most important energy-related bill passed by the 93rd Congress to date was the "Energy Emergency Act." This Act would: 1) give the President the authority to establish a nationwide gasoline rationing program, if necessary; 2) delay motor vehicle clean air emission standards; 3) allow power plants to use coal instead of oil during the current shortage; 4) require broader public disclosure of oil industry production, reserves, distribution, and use of petroleum products, natural gas and coal; 5) protect service station operators from arbitrary cancellation of their franchises; 6) rollback crude oil prices, and 7) provide additional unemployment compensation for workers who lose their jobs due to the energy shortage. President Nixon objected to the price rollback and vetoed the bill. Congress is working on a new Energy Emergency Act without the price rollback provision.

### OTHER LEGISLATIVE ACCOMPLISHMENTS

War Powers Resolution—reaffirms the constitutional authority of the Congress to protect the nation by requiring the President to consult with Congress if at all possible in advance of committing U.S. troops to hostilities, and by requiring the President to obtain congressional approval within 60 days whenever he sends troops into combat abroad.

Budget and Impoundment Control Act—reforms the budget process by requiring Congress to establish spending priorities and an overall spending ceiling. It also provides for congressional review and control of presidential impoundment of funds. (awaiting final action)

Pension Reform Act—establishes minimum standards for the administration and funding of private pension plans; establishes minimum requirements for vesting a worker's pension rights, and provides Federal reinsurance against pension plan termination. (awaiting final action)

Social Security—increases Social Security benefits by 7% in March, 1974, and another 4% in June, 1974; provides an automatic cost-of-living increase in June, 1975.

### SERVICE TO CONSTITUENTS

For the first time in the history of our congressional district, we now have two-full-time district offices to expedite solving the problems of individual constituents. A district office is located at 1108 Wick Building in Youngstown (tel. no. 746-8071, ex. 3345) to serve the residents of Mahoning County. Another district office is located in room 17 of the Post Office Building on 201 High Street, N.E., in Warren (tel. no. 399-5725) to serve the residents of Trumbull County. In addition, a new part-time, sub-district office has been opened in the basement of the Post Office Building, 43 W. Park Avenue, in Niles (tel. no. 652-9079), for the convenience of residents in that area. The Niles office is open Monday, Wednesday and Friday from 1:00 P.M. to 4:00 P.M. If you ever have a problem involving the Federal Government, please do not hesitate to contact one of these offices, or write to me at my Washington office, 1123 Longworth Building, Washington, D.C. 20515.

### AMERICAN FLAGS

American flags, which have been flown over the Capitol, can be purchased through my Washington office. They come in two sizes: 3 ft. by 5 ft. for $4.39, and 5 ft. by 8 ft. for $9.14. Anyone wishing a flag should send a check, made payable to the House Office Supply, to me at my Washington office.

### WELCOME SENATOR HOWARD METZENBAUM

On January 21, 1974, Democrat Howard Metzenbaum took his seat in the U.S. Senate. Senator Metzenbaum has been most cooperative whenever I have requested his assistance.

### QUESTIONNAIRE

As your Congressman, I would like to have your opinion on some of the major issues facing the 19th District and the nation. Although the final decision rests with me, your answer to these questions will carry great weight and will help me to better represent you in the United States Congress. Please fill out the questionnaire, fold along the dotted line, attach a stamp (no envelope is needed) and return it to me at your earliest convenience. As soon as the results have been compiled, it will be made available to you. Thank you for participating in this survey.

1. The President's authority to control wages and prices expires on April 30, 1974. What action should Congress take regarding these controls?

(a) Congress should extend the President's authority to control wages and prices for one more year.

(b) Congress should *not* extend the President's authority to control wages and prices.

(c) Congress should pass a new, stronger law that will be more effective in controlling prices and more fair to working people.

2. Do you think that year-round Daylight Savings Time should be abolished?

(a) yes.

(b) no.

3. How should campaigns for election to the Presidency and the Congress be financed?

(a) the present method of financing Federal election campaigns should be maintained.

(b) there should be strict limits on the amount of money a candidate can spend and also on the amount of money an individual citizen can contribute.

(c) each small individual contribution to a candidate should be matched by an equal amount of public funds.

(d) campaigns for Federal offices should be financed totally from public funds and no private individual contributions should be allowed.

4. If there is still a gasoline shortage this spring and summer, which policy do you favor?

(a) allow the price of gasoline to increase in order to reduce the demand.

(b) raise the tax on gasoline in order to reduce the demand.

(c) establish a nationwide gasoline rationing program with coupon books.

(d) let each State decide how to distribute its gasoline allocation.

5. What policy should Congress adopt toward the oil industry?

(a) tax the excess profits of oil companies.

(b) regulate the oil industry like the public utilities with a fixed profit.

(c) nationalize (government ownership of) the oil industry.

(d) the government should assume a hands-off position.

6. Which statement best describes your views about the Watergate affair and related scandals?

(a) I believe that the House Judiciary Committee should stop investigating President Nixon and let him serve out his term.

(b) I have lost confidence in President Nixon and feel that he should resign.

(c) I believe the House of Representatives should vote to have the Senate hold a trial to determine President Nixon's innocence or guilt of the charges to Watergate.

7. What do you think is the most serious problem facing our nation?

His.

Hers.

8. What do you think is the most serious problem facing the Mahoning-Trumbull County area?

His.

Hers.

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## NEED FOR ALTERNATE ENFORCEMENT METHOD

## HON. TOM RAILSBACK

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. RAILSBACK. Mr. Speaker, as we on the Judiciary Committee move forward with the impeachment inquiry, which was overwhelmingly mandated by this body, we are rapidly approaching the point at which enforcement of our subpenas may be necessary. It is, of course, my hope that no group or individual will ignore or refuse our subpenas since I am confident that they will be issued fairly, but if this undesirable situation occurs, I feel we must be prepared to move ahead vigorously. Believing that the congressional procedures for compelling obedience to such subpenas are cumbersome and inadequate, I yesterday introduced legislation which will provide for their enforcement through the Federal district court.

This concept is not new. In fact, my proposal closely parallels S. 2641 which was enacted into law last year and which, as you will recall, provided for judicial enforcement of subpenas issued by the Senate Select Committee on Watergate. Under my proposal, the Federal District Court for the District of Columbia would be granted jurisdiction over certain civil actions brought by the Judiciary Committee to enforce any subpenas issued in the conduct of the impeachment inquiry. These actions, under this legislation, would be given top priority and heard at the earliest practicable date.

Presently, Congress has only two methods of forcing compliance with its subpenas, neither of which is totally acceptable, especially in the instance of an impeachment inquiry.

The first method of subpena enforcement, which is rarely used, is derived from Congress' common law power to conduct its own trial to determine contempt of witnesses before its committees. If an individual is adjudged in contempt of Congress by the House under this procedure, punishment is limited to one of three forms of physical confinement. Confinement under this procedure has not been used extensively, therefore, it has become customary to utilize the statutory provisions contained in title 2, section 192 and 194.

In accordance with the lengthy procedures outlined by these statutory provisions, the Judiciary Committee would be required to certify to the House that someone has refused to obey one of its subpenas, the Speaker would then certify to the U.S. attorney the question of contempt, and finally the matter would be presented to a grand jury for consideration. If the grand jury should return an indictment, a trial would be necessary and the issue of contempt would be prolonged even further. Ultimely, if found guilty, the individual would be punished by a fine of not more than $1,000 nor less than $100, and imprisonment in a common jail for not less than 1 month nor more than 12 months.

Both of these procedures have flaws making them unsuitable for us in the current impeachment inquiry. The statutory procedures, for example, will clearly involve weeks or perhaps months of delay at a time when the American public is clamoring for answers to questions which should have been answered long ago. The common law approach while more expeditious does not provide for the objective and detached enforcement necessary to insure a credible impeachment inquiry.

If we are to avoid entanglement in the troublesome and time-consuming process of congressional subpena enforcement under the existing methods, the legislation which I am proposing is necessary. This proposal would offer a third option of subpena enforcement for the current impeachment inquiry which is both expeditious and objective. Under this measure the committee, through its counsels, would bring suit in the district court requiring the enforcement of its subpena. While there are those who might suggest that this procedure would contaminate the House's power of impeachment, I disagree. From a practicle point of view, anyone disobeying a congressional subpena would appeal to the courts with or without this legislation. It is only reasonable, therefore, that we initiate any necessary enforcement in the courts, while reserving the right to implement other methods of congressional enforcement if deemed necessary.

For these reasons, I respectfully urge adoption of this legislation.

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## BYELORUSSIAN INDEPENDENCE DAY

## HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. KEMP. Mr. Speaker, March 25, 1974 marked the anniversary of the Byelorussian people's proclamation of their national independence. Barely a year after their 1918 declaration they became one of the first victims of Bolshevic expansionism. Today, Byelorussia is administered by Moscow as a puppet state, the Byelorussian Soviet Socialist Republic.

While Americans of Byelorussian descent are observing the 56th anniversary of the proclamation of the Byelorussian Democratic Republic, I would like to pay tribute to the Byelorussian people for their undaunted and valiant struggle for human rights, independence, and freedom.

The history of Soviet Russian-dominated Byelorussia is a record of inhumanity, persecution, and violation of human rights. The present relations of Moscow to Byelorussia are colonial and have two distinct aims. One is to exploit the Byelorussian natural resources for the benefit of Russian imperial expansion; the other is to eradicate Byelorussian nationalism in the hope of fostering a homogeneous Soviet empire.

Only Russians are permitted to occupy the key positions in the BSSR; the industrial development in the BSSR is primarily channeled for the express purpose of developing the Russian empire in Siberia and Central Asia; the Byelorussian language has been almost completely eliminated from administrative use, from institutions of higer learning, and from secondary schools. Still, the ceaseless attacks by the Communist press and radio on "Byelorussian Bourgeois Nationalism" prove that these policies are failing, and that Soviet Russia will never succeed in stifling the desire of the Byelorussian people for their national freedom.

On March 25, 1918, the highest aspirations of the Byelorussian people for a free and independent life were fulfilled. Today, March 25th is a symbol of a dynamic spiritual force for Byelorussian Independence which unites all Byelorussians wherever they may be. The fight for Byelorussian independence is also a fight for the emergence of all captive nations, which is a necessary prerequisite for the establishment of lasting peace in the world.

## MRS. CARR WORLAND, OF ST. LOUIS, NAMED JOINT ACTION IN COMMUNITY SERVICE VOLUNTEER OF THE YEAR OF REGION VII

## HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mrs. SULLIVAN. Mr. Speaker, it is with great pleasure that I have learned of the selection of one my constituents, Mrs. Carr Worland, of St. Louis, as the JACS Volunteer of the Year of Region VII embracing the States of Missouri, Nebraska, Kansas, and Iowa.

Mrs. Worland and the other Volunteers of the Year for the other regions will be honored here in Washington on Thursday, March 28, at a luncheon when the Secretary of Labor Peter J. Brennan will present the awards.

JACS was created in 1967 on the belief that it could reach and involve the multitude of social service, civic, religious, fraternal, and other community-oriented groups, as well as educational institutions, business, industry, and labor organizations in a nationwide series of local efforts to help Job Corpsmen make the most of their new-found skills.

The St. Louis Globe-Democrat, in a story published on March 18, tells of the work of Mrs. Worland for which she is being honored which I believe will be of interest to all Members of Congress. The article is as follows:

### SHE HELPS YOUTHS GET JOBS—AND GETS AWARD HERSELF

> A young ex-Job Corps member is given the encouragement to enroll in college—and win a baking contest.
>
> An 18-year-old who received training in welding doesn't know where to start to find a job in St. Louis. But a smiling helper finds him a job—and also helps him enroll in night school.
>
> A saddened youth—whose best friend has died—finds someone to talk to in his battle against drugs and in his efforts to go straight.
>
> The St. Louis "friend" who encouraged and helped all three youths—and about 500 other former Job Corps members the last five years—will be honored March 28 as the Midwest Volunteer of the Year in the Joint Action and Community Service program.
>
> Mrs. Carr Worland will go to Washington, D.C., to accept the award from U.S. Secretary of Labor Peter Brennan at a luncheon at the National Press Club.
>
> The Rt. Rev. Msgr. Gerard N. Glynn, director of the Newman Center at Washington University and area coordinator and a member of the national board of directors for the program also will attend the awards program.
>
> Mrs. Worland's award, Msgr. Glynn said, brings into focus the work that has been done by volunteers here to help more than 2,000 low-income St. Louis area youths live up to their potential in education and employment.
>
> Under the program begun by Msgr. Glynn in 1969, volunteers work to provide tutoring, counseling, job assistance and encouragement for ghetto and underprivileged youth who return to St. Louis from Job Corps centers.
>
> The average age is about 18. But some are as young as 16 and some as old as 21. Some have received training at the federally sponsored job centers for up to two years—some for six months or only a few weeks.
>
> The program has been operated for five years out of the Newman Center, but plans are being made to raise money to expand the work of the self-help organization and provide more education and counseling.
>
> Msgr. Glynn said it is hoped to raise a minimum of $20,000—with the long-range goal of $50,000 for a three-fold expansion of the local program.
>
> The projects proposed include establishment of paid counseling work by three Ph.D. candidates who would work with the individual boys, estimated to cost $10,000, and organization of a revolving scholarship fund to pave the way for more of the former ghetto youths to enroll in college. The goal for the scholarship fund also is $10,000.
>
> The long range goal, estimated to cost $30,000, is to establish a residence counseling program in a house in the ghetto, Msgr. Glynn said. The house, to be operated full-time, would provide a temporary residence for youths returning to the city from Job Corps centers and give them full-time counseling and assistance in jobs.
>
> Mrs. Worland, 30, began working as a volunteer in 1969 while her husband, Julien, was a graduate student. She sees the program as a great opportunity to help underprivileged and poverty-level youths.
>
> She has worked almost full time in the program except for short leaves when two sons, Christopher, now 4, and Jody, 3 weeks old, were born.
>
> She took Christopher along with her to the offices before he was old enough for nursery school, and now she'll take Jody along as she maintains a monthly telephone chain with the youths needing help.
>
> The monthly phone calls are a big part of the program of encouraging youths to stay on the path to achievement.

## ABORTION—A MATTER OF CONTROVERSY

## HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. STUDDS. Mr. Speaker, the Supreme Court decision of January 22, 1973, striking down State laws forbidding the procedure of abortion during the first 3 months of pregnancy, has aroused a great deal of controversy.

Like all of my colleagues, I have received a great deal of mail from my constituents on this issue. These letters are eloquent and express deeply felt convictions on both sides of the question.

I should like to share with you some examples from my file of these letters:

From a family in Dennis, Mass., came the following:

> We are seriously distressed by the Supreme Court decision that laws prohibiting abortion are unconstitutional.
>
> We believe that abortion is immoral and that if it is allowed to become prevalent the character of our nation will be seriously impaired.

A doctor from our district wrote:

> The common misconception about abortion is that most of the patients having this procedure done are young kids who are promiscuous and not accepting responsibility for their actions. Unfortunately, I have had many patients who are indeed conscientious and responsible but who find that no birth control measure is one hundred percent effective. For the sake of these people I urge you to allow the Supreme Court decision to stand. While no one should be forced to have an abortion I feel equally well that no one should be forced not to have an abortion who conscientiously and sincerely desires it.

A man in Centerville wrote:

> I urge you to listen to the people and do what you can to bring about a reversal of this decision. You have the facts of abortion at your disposal and if you have checked the facts you must indeed know by now that abortion is in fact the violent destruction of human life.

A woman in Sagamore wrote:

> This is to inform you that I approved of the Supreme Court's decision on abortion. To reverse this law would be taking many steps backwards. I am a 56 year old mother and grandmother who hailed the Supreme Court's approval of abortion as a step forward in these changing times.

A man from Marshfield wrote:

> I agree with the editor of a well-known magazine when he said: "Anyone who kills a human embryo, therefore, has to admit to at least the possibility he or she is killing an innocent human person. He may believe he is not, he may be totally convinced he is not. But the fact is, he has no way of ruling out either the possibility or the probability he is not."

A clergyman wrote to me that:

> No one wants abortions, but neither do we want our nation to go back to all the illegal abortions which were performed before abortions were declared legal. I lost a cousin at the hands of an untrained abortionist, and I don't want to see that happen to anyone.

From Sandwich, on the Cape, a man wrote:

> Very literally, of course, this is a matter of life or death and constitutes an opportunity to live up to our commitment as human beings to the course of life.

A couple in Cohasset wrote:

> The question of abortion cannot be easily answered and therefore it seems inappropriate for the government to pass a law taking a *religious position* and forcing everyone to abide by it. The family directly involved should make the decision as to whether an abortion is necessary.

A couple from Hingham wrote:

> When the Supreme Court decreed that abortion should henceforth be legal, we were stunned. Neither of us could believe that our country could sink to so low an evaluation of human life. To deprive human beings of life without due process of law seemed so obviously *against* the Constitution.

Another doctor from our district wrote:

> In the case of women desiring the end of unwanted pregnancies one is compelled to admit that the patient herself should have a choice. I have been in mediicne just long enough to have dealt with a good many hundreds of such women and am aware that the situation is generally complex and requires great tact. For some women there is no substitute for abortion. It has been, out of necessity, required for me to send such patients to England in the past.
>
> Were backward steps to be made (immediately) on the status of abortion we would once again be able to help the rich and not help the poor. And even the help to the rich would be second rate.
>
> I would like to add that I personally hope nobody in my family would need an abortion procedure. But I think they should have the right to have it even though I personally would not feel happy about it happening.

Mr. Speaker, these are only a few of the many letters I have received on this subject.

The diversity of opinion is very clear and very strong. Even our religious leaders are divided. Consequently, I have always believed that this is a highly personal area in which the government should not intervene. I do not, therefore, plan to support a constitutional amendment to reverse the recent Supreme Court decision.

As I have been telling my constituents who express their concern and ask that I support such a constitutional amendment:

> I should like to tell you why I believe it best not to take this course. The proposed amendments to the Constitution are even more restrictive than our own former Massachusetts law—in that they would prohibit the procedure in all instances whatsoever—even in the event of rape or incest, and possibly even in cases where the life of the mother is endangered by continuation of the pregnancy.
>
> As you may know, this is a deeply personal and highly controversial area—with many sincere Americans holding strong convictions on both sides. At recent Senate hearings, leaders of our major religions testified eloquently on both sides. In such a situation, it seems to me wisest for the government *not* to intrude—but rather to leave the decision to the conscience of each woman and the judgment of her physician. While I do not personally like the procedure of abortion, I do not believe that I should impose my views on others—nor should they impose theirs on me.
>
> The proper role of Congress, as I see it, should be to ensure that *no* coercive laws on the subject are enacted and that a new commitment in programs and funds is implemented to provide *alternatives* to abortion in the form of family planning, pregnancy counselling, and humane foster child and adoption programs.
>
> You might be interested to know that I cosponsored a measure—which has since become law—to allow hospital personnel to refuse, without prejudice to their jobs, to participate in abortion procedures should their conscience so dictate.
>
> While we may not agree entirely on this issue, I assure you that I understand and respect your point of view. I hope very much that we can all do the same for others with whom we may differ. Thank you again for sharing your thoughts—I hope you will continue to do so.

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## GREEN THUMB PROGRAM FOR SENIOR CITIZENS

### HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. OWENS. Mr. Speaker, discussion often arises in Congress regarding the care and needs of our senior citizens. Among the foremost considerations in searching for a solution to the problems of the aged is returning these people to a life of dignity and quality, as well as a strong sense of usefulness. This is a problem of great importance which we must face. It is no secret that for many of this Nation's elderly, retirement holds nothing more than dependence, anxiety, and loneliness.

However, the picture is not all that bleak thanks to organizations such as Green Thumb, Inc., sponsored by the National Farmers Union and funded by grants from the Labor Department. The Green Thumb program operates in 24 States, including my home State of Utah, and Puerto Rico. It is an employment project for senior citizens at the poverty-income level. All Green Thumb workers must be at least 55 years old, have a low-level income, have rural or farm background, and be in good health.

There is no age limit. The oldest Utah Green Thumb worker is 97 years old. The average age of workers in Utah is 71.9. The workers have done a tremendous amount of work for the State of Utah on a volunteer basis. Green Thumb pays them from grant money, so that workers can earn additional income for food, medical care, and other necessities.

Recently, Utah Green Thumb sent me a copy of their 1973 report. In the report was a copy of a letter from the family of the late Alden Miller, who had been a Green Thumb worker since 1968. The story related is typical of the immense benefits which Green Thumb employment has meant to many of our senior citizens. I insert this letter for the information of interested Members:

> NOVEMBER 30, 1973.
>
> Mr. JOHN ZUPKO,
> *Green Thumb Project,*
> *Salt Lake City, Utah.*
>
> DEAR MR. ZUPKO: We, the family of Alden Miller, would like to take this opportunity to express our appreciation and gratitude to you and the Green Thumb Project for the opportunities it opened up for our husband and father.
>
> Green Thumb meant a new life to him. It gave him independence in himself that he had never been able to express before. He was so proud of his work, his men, and the job that they were doing together. He enjoyed the responsibility of his paper work and this gave him self confidence when he realized that he could do it and was doing a good job.
>
> It was the first time in his life that his job was something special and people looked up to him for supervision. He was most proud that he was chosen to be foreman and he enjoyed working with his crew of men and they were so special to him. He was an intelligent and alert man and Green Thumb gave him a chance to prove this to himself and others.
>
> After working with the Green Thumb Project it was the first time he had been completely out of debt. He was able to save toward fixing up their home (which they had lived in for over 40 years). He and some of his sons were able to lay cement sidewalks all around their home and this was something that they had wanted for some time. They were able to buy some nice new modern chairs for their living room and at the time of his passing plans were being made by he and his wife to carpet and wallpaper some of the rooms in their home.
>
> Christmas of 1972 was the first time that he and his wife were able to save enough money so that they could give Christmas presents to ALL of their family. What a thrill it was for them to give five dollar bills to each of their children and their spouses (16 total), silver dollars to each grandchild (33 total), and silver dollars to each great grandchild (6 total).
>
> December 20, 1972, our parents celebrated their 50th Wedding Anniversary. Daddy had saved the money and for Mother's anniversary gift gave her fifty dollars. How proud he was that he had been able to save this amount out of his Green Thumb earnings for his companion of 50 years.
>
> He was able to save some from each of his checks and had a sizeable savings account for the first time in his life. He felt this was a very good insurance to have this saved for a rainy day.
>
> It was a big load lifted from his and his wife's shoulders when they knew that there was a regular income check coming in each month. Our father was a kind and gentle man who had been poor and hard working all of his life. It was only after he started with the Green Thumb Project and had the financial load lifted that he had time to sit and visit with his friends and loved ones and enjoy life.
>
> It made him so proud when he could go with friends or family and show them some of the accomplishments that he and his crew of Green Thumbers had accomplished. On a Sunday afternoon ride he was so proud to show you such accomplishments as the Palisade Lake improvements, Fairview Museum, Manti Cemetery fence, Fountain Green Cemetery improvements, and many other various projects.
>
> The Miller Family feels Green Thumb was one of the most rewarding opportunities in our Father's life. What a wonderful program for older men to work in who would otherwise think they had no meaning, place, or purpose in life. Green Thumb gives them the opportunity to prove they are important people and that they still have a useful place in life.
>
> With grateful hearts we want to take this opportunity to thank the Green Thumb Project and especially you—Mr. Zupko, for the confidence and responsibility you placed in our husband and father—Alden Miller. Because of you and Green Thumb, in the last

years of his life he was changed to a happy, proud, and self confident person. His love and appreciation for you was certainly adequately expressed when he requested that you speak at his funeral in the event of his passing.

Again, thank you for all you did for our Husband and Father.

Sincerely,

Zella Miller and Family, Glen, Dorthella, Kenneth, Ronald, Leon, Ray, Lewis, and Gregg.

## FORMER OEO ACTING DIRECTOR CRITICIZES LEGAL SERVICES

### HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DEVINE. Mr. Speaker, it is often the case that those most familiar with something are in the best position to criticize it. This is true of Howard Phillips, who was Acting Director of OEO for 6 months in 1973, and since has been the most outspoken critic of the Legal Services program launched by OEO and now the subject of heated congressional debate.

Mr. Phillips, who took the helm of OEO with the understanding that it was to be phased out and its deserving programs transferred elsewhere, was frustrated in his efforts to do that, in large part by the Legal Services attorneys, and Legal Services alumni, as it were, who filed suit after suit in Federal courts to prevent the transfer of OEO programs. When he was at OEO, Mr. Phillips was in a unique position to garner public outrage against OEO, and specifically the Legal Services program, as well as to bring to light previously down-played or hidden facts about abuses of the programs. Shortly after taking his position, when the mass media was gearing up against Phillips, letters from all over the country began pouring in to his office, commending him on his announced intentions, and adding to his already fat file of scandals, abuses, miscarriages of publicly supported justice, and so on.

In the months since being rather unceremoniously ejected from OEO, Mr. Phillips has devoted himself to combating bureaucracy wherever it rears its ugly head. Throughout the latter part of 1973, he wrote a series of articles for the conservative weekly, Human Events, exposing some of the problems he had come to know. While these articles bear rather catchy titles, I urge my colleagues to read the articles in full, because they are well-written, factual, and the statements of criticism contained therein are significant. I submit several different Howard Phillips articles from September through December 1973:

LEGAL SERVICES ABUSES

(By Howard Phillips)

Who would argue with the concept that America's less affluent citizens should have equal access to the nation's system of justice? Yet how many citizens realize that tax dollars appropriated under the banner of "legal aid for the poor" is in fact used to subsidize a wide-ranging liberal agenda for social change?

The fact is that present legal services activities subsidized by the Office of Economic Opportunity (OEO) and other government agencies are used to finance a nationwide network of nearly 3,000 legal services attorneys, hundreds of organizations, and additional thousands of support personnel who are almost totally free to establish their own priorities for issues to receive attention and access to legal services resources. With nearly $80 million in support annually from OEO alone, they work full-time, using the judicial system to change public policy.

The scope and nature of the "high-impact litigation" by these dedicated activists with law degrees is regularly reflected in *Clearinghouse Review*, a publication financed by OEO through a grantee at the Northwestern University School of Law.

The August 1973 edition of the magazine is typical, with case reports on legal services activities as diverse as a class action attack on the U.S. Postal Service for refusing to hire persons with histories of illegal drug abuse, a suit against Roy Ash, the head of the Office of Management and Budget, challenging the President's impoundment of funds for environmental programs, and a U.S. Supreme Court appeal insisting on the right of an unmarried minor to obtain contraceptives.

Other recent or pending cases receiving aid through the OEO program include:

A Pennsylvania suit challenging the detention of a convicted felon accused of committing an additional crime while free on bail;

A Washington State suit in which attorneys of the Prison Legal Services Project argued that their client, imprisoned on a marijuana charge, had been subjected to cruel and unusual punishment;

A Miami case arguing that seizure of an automobile by the U.S. Bureau of Customs in connection with an allegation of illegal possession of drugs violated the plaintiff's right to due process;

A Merced, Calif., case to gain reinstatement of a high school student accused by school administrators of participating in a race riot and improperly having in his possession a bicycle chain;

A suit by the Western Center on Law and Poverty contesting a college's termination of federal aid to a student convicted of battery in connection with a campus racial melee;

New York and Hawaii suits, knocking down the requirement that government employes be citizens of the United States;

A class action demanding that an Iowa statute prohibiting the civil service employment of convicted felons to be set aside;

A successful challenge to the denial to aliens of Medicare supplemental medical insurance benefits.

A suit supporting the demand of the Eastern Kentucky Welfare Rights Organization that tax-exempt status be denied hospitals refusing to provide free services to poor people;

A Boston class action challenging the city's right to discontinue or threaten to discontinue methadone treatment without a hearing;

A suit by the National Juvenile Law Center against parents who withdrew their child from psychiatric treatment;

A San Francisco Youth Law Project challenge to the State of California's attempt to reconvict a juvenile defendant of second degree murder after his initial conviction was reduced by a juvenile court judge to manslaughter;

A Missouri suit questioning the transfer to adult court jurisdiction of a minor charged with four counts of murder;

A West Virginia case demanding that the warden of the state penitentiary show cause why a prisoner should be denied his liberty before assigning the prisoner to solitary confinement;

A Norwalk, Conn., case challenging the authority of the state welfare department to close down a local welfare office solely on the grounds of administrative efficiency.

Although the above list represents only a partial sampling of one month's reported activity, it is well to observe that many of the cases described appear to have been undertaken in clear violation of regulations and statutes governing legal services activity.

Theoretically, OEO-funded attorneys are precluded from providing representation to those who are not poor or who are voluntarily poor, and in criminal cases. Unfortunately, these prohibitions, drafted with gaping loopholes, have been broadly interpreted and weakly enforced by the national office of legal services.

This points clearly to the need for Congress to spell out with precision the uses to which it wishes legal services appropriations to be put.

Shall legal services be provided so that minor children may bring suit against their parents? Are non-citizens to be represented while needy children are turned away? Are suits on behalf of prison inmates to be allowed at the expense of the noncriminal poor? Should attorneys for the poor be concentrating on marijuana and student disorder cases?

These are just a few of the questions which the U.S. Senate should face when it takes up the proposal for a Legal Services Corporation later this month. For, while attention has focused on presidential usurpation of congressional power, legal services attorneys seem to be having a far greater impact on the course of public policy than either Richard Nixon or Carl Albert.

## INTERNATIONAL DAY FOR THE ELIMINATION OF RACIAL DISCRIMINATION

### HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. RANGEL. Mr. Speaker, the 21st of March has been declared as the International Day for the Elimination of Racial Discrimination.

On November 20, 1963, the General Assembly of the United Nations adopted unanimously a U.N. Declaration on the Elimination of All Forms of Racial Discrimination.

I include the full text of the declaration in the CONGRESSIONAL RECORD at this point to remind all of us of the goal to which we should all commit ourselves:

TEXT OF THE RESOLUTION

The General Assembly,

Considering that the Charter of the United Nations is based on the principles of the dignity and equality of all human beings and seeks, among other basic objectives, to achieve international co-operation in promoting and encouraging respect for human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion,

Considering that the Universal Declaration of Human Rights proclaims that all human beings are born free and equal in dignity and rights and that everyone is entitled to all the rights and freedoms set out in the Declaration, without distinction of any kind, in particular as to race, colour, or national origin,

Considering that the Universal Declaration of Human Rights proclaims further that all are equal before the law and are entitled without any discrimination to equal protection of the law and that all are entitled to equal protection against any discrimination and against any incitement to such discrimination.

Considering that the United Nations has condemned colonialism and all practices of segregation and discrimination associated therewith, and that the Declaration on the granting of independence to colonial countries and peoples proclaims in particular the necessity of bringing colonialism to a speedy and unconditional end,

Considering that any doctrine of racial differentiation or superiority is scientifically false, morally condemnable, socially unjust and dangerous, and that there is no justification for racial discrimination either in theory or in practice.

Taking into account the other resolutions adopted by the General Assembly and the international instruments adopted by the specialized agencies, in particular the International Labour Organisation and the United Nations Educational, Scientific and Cultural Organization, in the field of discrimination,

Taking into account the fact that, although international action and efforts in a number of countries have made it possible to achieve progress in that field, discrimination based on race, colour or ethnic origin in certain areas of the world none the less continues to give cause for serious concern,

Alarmed by the manifestations of racial discrimination still in evidence in some areas of the world, some of which are imposed by certain Governments by means of legislative, administrative or other measures, in the form, inter alia, of apartheid, segregation and separation, as well as by the promotion and dissemination of doctrines of racial superiority and expansionism in certain areas,

Convinced that all forms of racial discrimination and, still more so, governmental policies based on the prejudice of racial superiority or on racial hatred, besides constituting a violation of fundamental human rights, tend to jeopardize friendly relations among peoples, co-operation between nations and international peace and security,

Convinced also that racial discrimination harms not only those who are its objects but also those who practise it,

Convinced further that the building of a world society free from all forms of racial segregation and discrimination, factors which create hatred and division among men, is one of the fundamental objectives of the United Nations,

1. Solemnly affirms the necessity of speedily eliminataing racial discrimination throughout the world, in all its forms and manifestations, and of securing understanding of and respect for the dignity of the human person;

2. Solemnly affirms the necessity of adopting national and international measures to that end, including teaching, education and information, in order to secure the universal and effective recognition and observance of the principles set forth below;

3. Proclaims this Declaration:

### ARTICLE 1

Discrimination between human beings on the grounds of race, colour or ethnic origin is an offense to human dignity and shall be condemned as a denial of the principles of the Charter of the United Nations, as a violation of the human rights and fundamental freedoms proclaimed in the Universal Declaration of Human Rights, as an obstacle to friendly and peaceful relations among nations and as a fact capable of disturbing peace and security among peoples.

### ARTICLE 2

1. No State, institution, group or individual shall make any discrimination whatsoever in matters of human rights and fundamental freedoms in the treatment of persons, groups of persons or institutions on the grounds of race, colour or ethnic origin.

2. No State shall encourage, advocate or lend its support, through police action or otherwise, to any discrimination based on race, colour or ethnic origin by any group, institution or individual.

3. Special concrete measures shall be taken in appropriate circumstances in order to secure adequate development or protection of individuals belonging to certain racial groups with the object of ensuring the full enjoyment by such individuals of human rights and fundamental freedoms. These measures shall in no circumstances have as a consequence the maintenance of unequal or separate rights for different racial groups.

### ARTICLE 3

1. Particular efforts shall be made to prevent discrimination based on race, colour or ethnic origin, especially in the fields of civil rights, access to citizenship, education, religion, employment, occupation and housing.

2. Everyone shall have equal access to any place or facility intended for use by the general public, without distinction as to race, colour or ethnic origin.

### ARTICLE 4

All States shall take effective measures to revise governmental and other public policies and to rescind laws and regulations which have the effect of creating and perpetuating racial discrimination wherever it still exists. They should pass legislation for prohibiting such discrimination and should take all appropriate measures to combat those prejudices which lead to racial discrimination.

### ARTICLE 5

An end shall be put without delay to governmental and other public policies of racial segregation and especially policies of *apartheid*, as well as all forms of racial discrimination and separation resulting from such policies.

### ARTICLE 6

No discrimination by reason of race, colour or ethnic origin shall be admitted in the enjoyment by any person of political and citizenship rights in his country, in particular the right to participate in elections through universal and equal suffrage and to take part in the government. Everyone has the right of equal access to public service in his country.

### ARTICLE 7

1. Everyone has the right to equality before the law and to equal justice under the law. Everyone, without distinction as to race, colour or ethnic origin, has the right to security of person and protection by the State against violence or bodily harm, whether inflicted by government officials or by any individual, group or institution.

2. Everyone shall have the right to an effective remedy and protection against any discrimination he may suffer on the ground of race, colour or ethnic origin with respect to his fundamental rights and freedoms through independent national tribunals competent to deal with such matters.

### ARTICLE 8

All effective steps shall be taken immediately in the fields of teaching, education and information, with a view to eliminating racial discrimination and prejudice and promoting understanding, tolerance and friendship among nations and racial groups, as well as to propagating the purposes and principles of the Charter of the United Nations, of the Universal Declaration of Human Rights, and of the Declaration on the granting of independence to colonial countries and peoples.

### ARTICLE 9

1. All propaganda and organizations based on ideas or theories of the superiority of one race or group of persons of one colour or ethnic origin with a view to justifying or promoting racial discrimination in any form shall be severely condemned.

2. All incitement to or acts of violence, whether by individuals or organizations, against any race or group of persons of another colour or ethnic origin shall be considered an offence against society and punishable under law.

3. In order to put into effect the purposes and principles of the present Declaration, all States shall take immediate and positive measures, including legislative and other measures, to prosecute and/or outlaw organizations which promote or incite to racial discrimination, or incite to or use violence for purposes of discrimination based on race, colour or ethnic origin.

### ARTICLE 10

The United Nations, the specialized agencies, State and nongovernmental organizations shall do all in their power to promote energetic action which, by combining legal and other practical measures, will make possible the abolition of all forms of racial discrimination. They shall, in particular, study the causes of such discrimination with a view to recommending appropriate and effective measures to combat and eliminate it.

### ARTICLE 11

Every State shall promote respect for and observance of human rights and fundamental freedoms in accordance with the Charter of the United Nations, and shall fully and faithfully observe the provisions of the present Declaration, the Universal Declaration of Human Rights and the Declaration on the granting of independence to colonial countries and peoples.

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## TAKE A LONG, LAST LOOK AT THE CONDOR

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

**Mr. DINGELL. Mr. Speaker, the California condor, America's largest land bird, numbers less than 60 today and Hal Borland, writing in National Wildlife, a publication just released by the National Wildlife Federation, pinpoints this problem.**

**The article follows:**

### TAKE A LONG, LAST LOOK AT THE CONDOR

(By Hal Borland)

The Sun has been up for an hour now, and currents of warm air have begun to rise from the California canyon floors. Hopping awkwardly along a high ledge, a huge black bird with a naked gray neck and a reddish-orange head flaps its wings a few times, rides the thermal draft upward in enormous spirals and glides away to the south. You stand and watch, awed, and then look around, half expecting to see a saber-toothed cat, a woolly mammoth, a giant dire wolf or a big short-faced bear. For that soaring creature is *Gymnogyps Californianus,* the California condor, largest land bird in North America and perhaps the last remnant of the distant past that saw man's own beginnings.

Although it trails a million years or more behind it, the California condor, as a species, may be very near its end. In the past century, condors have almost vanished from the face of the earth, casualties of man's conquest of the continent. But this darkly majestic link with the Ice Age is only one of several dozen birds and animals poised, right now, on the brink of oblivion.

The ivory-billed woodpecker, for instance, which America's first ornithologist, Alexander Wilson, called "a majestic and formidable species," was down to only 24 known individuals in 1941. Today, a count is not even available. Some ornithologists believe it is extinct, although a very few of the birds may still survive in remote areas of Louisiana, Texas and South Carolina. The Florida panther, once common from the Keys up into the Carolinas, now can be found only in the Everglades and the latest estimate sets the number there at between 150 and 300. The brown pelican has been wiped out along the Texas coast and is vanishing from the California coast as well, a victim of pesticides that build up in the fish it eats.

Once found all along the Florida and Gulf coast, the American crocodile is now reduced to about 500, all of them in the Everglades. The legendary eastern timber wolf has all but disappeared from the East. And the black-footed ferret, once found from Texas to Canada, wherever prairie dogs were found, has been almost exterminated by the poisoning of the prairie dogs. Of all the species facing extinction today, however, none is a more poignant symbol of threatened wildlife in general than that bizarre combination of magnificence and ugliness, the California condor.

Its walk is the pigeon-toed waddle of a fat goose. Its yellowish legs and feet are those of an outside barnyard chicken, even to the almost useless claws. Its naked head with the blunt, overshot beak is often pulled down into a ruff of dark feathers, making it seem to have no neck at all. And its big reddish eyes, which have the telescopic sight of all hawks and vultures, look almost withdrawn.

In the air, though, the condor is a totally different creature, one of the most skilled soaring birds that ever lived. Its long, broad wings have a spread of nine to ten feet. On them, the bird can soar for hours at a time with no visible motion except in the finger-like feathers at the tips. Soaring—not diving, but flat soaring—it has been timed at more than 50 miles per hour. Although it is a black bird, the adult condor has large white triangular patches on the undersides of the wings. At rest, it stands four feet tall; with wings raised, it becomes a six-footer. A fully-grown adult weighs 20 to 30 pounds or more, depending on how recently it has eaten. Notwithstanding its malevolent appearance, the condor does not kill, even for food. It is a scavenger, and at times may eat almost half its own weight at a sitting. Its natural life span is 30 to 45 years, possibly more.

The California condors were well established in North America when the first men arrived over the land bridge from Siberia to Alaska. They were common all the way down the Pacific coast into Mexico and across the whole southern half of the present United States. Inevitably, west coast Indians created legends about them. The Tlingit people, for instance, said the condor made the thunder by flapping its wings and shot lightning from its eyes. Similar legends grew up among other tribes, and the condor became the coastal Indians' thunderbird, as the eagle was the thunderbird of the plains Indians. It was feared and worshiped, and eventually it became a familiar figure on the totem poles, as well as in ornamentation.

Written accounts of the condor had to wait for the white man. Father Ascension, a Carmelite friar, wrote the first report after seeing a flock of the huge birds feeding on a dead whale in Monterey Bay in 1602. Nearly 200 years later, British botanist Archibald Menzies saw condors at the same Monterey Bay and took a dead specimen back to England with him. (It can still be seen in the British Museum.) The Lewis and Clark expedition saw condors—which they called "remarkably large buzzards," 400 miles inland, in present-day Idaho. The explorers also found flocks of them feeding on dead salmon at the mouth of the Columbia in 1806. John C. Fremont saw them on his western expeditions in the early 1840's. John James Audubon never saw a live condor (his condor picture was painted from notes and sketches made by others) but his son did, in California, in 1849.

By then, however, the condor population was waning. The early Spanish settlers in California did little to disturb the birds. In fact, their dead cattle provided more than ample food for the condors, and few of the rancheros thought there was any sport in killing them. Then came the Mexican War, discovery of nuggets at Sutter's millrace and the gold rush. Partly out of bravado, the gold-miners began to shoot condors—such big birds *had* to be dangerous.

Then, someone found that the quills of the condor's wing feathers made good containers for gold dust—a quill of dust was worth $105. Empty quills sold for a dollar apiece, so condors were shot for their quills. But ammunition cost money, so someone thought of "penning" condors. Hunters built an open box, six feet square and five feet deep, and baited it with a sheep or goat carcass. A condor came, lighted in the pen to feed and, unable to spread its wings in the small space or hop over the wall, was trapped.

While the condors were thus being killed by miners, collectors were at work "saving nature." Museums and private collectors assembled displays of birds' eggs and, because they were so scarce, condor eggs became extremely valuable.

The only condors then surviving were in the rugged mountains east of Santa Barbara, but the collectors found them.

In the early 1900s, a ranch hand named Kelly Truesdale began collecting and selling condor eggs. While working on the Carrisa Plains, Truesdale had seen condors soaring overhead and vanishing into the nearby mountains. So he hacked his way through chaparral for two days to the condor roost, climbed a cliff to reach the nest and found an egg. He took it home and later sold it for $300. Truesdale had found his bonanza. Nobody knows how many condor eggs and chicks he eventually took out. But today, there are 54 known condor eggs in existing collections and 198 stuffed condors or condor skins, and Truesdale probably sold his full share of them.

Not until the 1920s was there any great interest in the condor's plight. Then, in 1926, the famed explorer and ornithologist William Beebe, declared: "The condor's doom is near. Within a few years at most the last individual will have perished." Six years later, Alexander Wetmore of the Smithsonian Institution estimated the total condor population at ten. Finally, in 1939, the American Ornithological Union made a quick survey which indicated that there were about 50 condors still surviving. Since then a number of other surveys have been undertaken and the most recent data indicate that the total condor population remains somewhere between 40 and 60. The fact that most of those birds are adults, one expert emphasizes, suggests that "there has been no hatch during the past five or six years."

Normally, only one egg is laid each year by a female condor and it takes six weeks to hatch. If that egg is broken or stolen early, the bird may lay another to replace it, but not if the brooding time is half gone. Once hatched, the chick is dependent for at least seven months, often as long as a year. With a dependent chick the mother condor doesn't lay an egg that spring but waits another year. That averages out to one egg every other year, and the young birds do not mate until they are six or seven years old. At that production rate, it doesn't take many accidents to wipe out a whole population.

Today, man remains the condor's principal enemy. Although it is illegal to shoot the birds, a few are shot from time to time by ignorant or irresponsible gunners. Poisoned carcasses used by ranchers to kill coyotes and other "pests" are also a constant hazard to the condor which is a scavenger. Even in the sanctuaries established specifically to save the condor from harassment, the birds are still harassed. In 1937, a small roosting and nesting area was set aside for condors in Sisquoc canyon in California's Los Padres National Forest. In 1951, a much larger area (53,000 acres) was designated as the Sespe Condor Sanctuary 50 miles farther south in Ventura County. But the problem in both places is man and his machines.

Condors are easily disturbed, often becoming moody and confused. They are cat-curious and will watch a man in their area for hours. (One was seen to perch in the same tree 22 hours, watching a condor-watcher.) If people come too near, however, or stay too long—or if loud noises persist even a mile away—the condors simply move out, deserting nest, egg or chick if necessary. Yet the U.S. Forest Service remains permissive to curiosity seekers, to livestock grazers, even to oil drillers, in the Sespe Sanctuary. The highway builders keep trying to put a throughway through. The dam builders want to build dams there. And somebody always has another plan for "developing" the wilderness area.

Thus far, the condors have been saved from extinction by the work of half a dozen organizations and perhaps a hundred determined individuals, backed by thousands of others. Unless the campaign is substantially broadened, though, the species' days are numbered.

Why even try to save "those forty dirty birds," as some call them? As scavengers, condors have a vitally important role to play in nature's scheme of things. Beyond that, however, the condor must be saved simply because it is a part of the great, infinitely varied stream of life. And since it is one of the last living links with man's own beginnings, the condor may well have something to tell us—if we would only pause and listen about time . . . and change . . . and enduring.

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## WILLIAM S. MAILLIARD

### HON. HAROLD B. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, March 25, 1974*

Mr. COLLIER. Mr. Speaker, I welcome this opportunity to join in wishing our able colleague from California "Godspeed" as he leaves the Congress. Our regret at his departure is tempered by the knowledge that his talents will continue to be employed in behalf of the Nation.

William S. Mailliard, more informally known as Bill, has served America well, first in the Navy and then in the U.S. House of Representatives. He was beginning his third term when I began serving in the House back in 1957. During those 17 years I have come to know him well. I respect him for his ability, his dedication, and his friendliness.

Bill has done great things on behalf of his district, his State, and his country, both as a Member of this great body and as a member of two great arms of the House—the Committee on Foreign Affairs, where he became the ranking minority member, and the Committee on Merchant Marine and Fisheries.

Congressman Mailliard's expertise will now be utilized in a greater sphere, the

Organization of American States. I am confident that he will give as good an account of himself there as he has in the Congress.

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## STATEMENT BY SECRETARY OF COMMERCE FREDERICK B. DENT

## HON. WM. JENNINGS BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DORN. Mr. Speaker, Secretary of Commerce Fred Dent is a statesman whose leadership, character, and ability instills the highest confidence. In light of recent international developments, Secretary Dent's comments are especially timely and important. It is a special pleasure to call to the attention of the Congress his excellent statement on the proposed Trade Reform Act:

STATEMENT OF THE HONORABLE FREDERICK B. DENT, SECRETARY OF COMMERCE, BEFORE THE SENATE FINANCE COMMITTEE ON H.R. 10710, MARCH 6, 1974

Mr. Chairman and Members of the Committee: I appreciate this opportunity to appear before the Committee and to express my views on H.R. 10710, the Trade Reform Act of 1973.

As we are all aware, some rather major events have occurred since the Administration forwarded its proposed trade legislation to the Congress last spring, particularly the energy problem and oil embargo, as well as a strengthening of the dollar relative to the currencies of our trading partners. We have carefully re-evaluated the trade bill and the need for trade negotiation in the present context of events. It is my firm belief that the trade bill and trade negotiations are more necessary than ever to deal with our recent difficulties. An improved framework for trade relations will help deal more effectively with new problems as they arise.

First, the United States will need to export more to pay for what we buy. The U.S. trade position did improve in 1973 as the result of a record-setting export performance, but prospects for 1974 are not encouraging. The merchandise trade balance shifted from a deficit of $6.4 billion in 1972 to a $1.7 billion surplus position this year. Exports, excluding military grant-aid, expanded by 42%, three times the rate of advance recorded in 1972, to $70 billion. Imports climbed 24%, only slightly faster than in the preceding year, to $69 billion. Higher prices, reflecting inflation and currency revaluations, contributed heavily to the rise in U.S. foreign trade values.

Several factors accounted for the huge export gain: (1) a strong acceleration in foreign economic activity, (2) increased U.S. competitiveness due to the monetary realignments of the past two years, (3) unusually heavy demand for U.S. farm products due to shortages abroad, and (4) the attraction of high world commodity prices which made exporting of some products especially profitable in view of domestic price controls. Most of the import increase reflected higher prices. The volume of our foreign purchases was retarded by the currency shifts, which made other countries' goods more expensive, and by the slowdown in the U.S. economy as the year progressed.

The trade outlook for 1974 is extremely cloudy because of the uncertain effects of the energy crisis. It now appears that the U.S. trade balance will shift back to a deficit position. While exports are expected to advance, the import increase is likely to be much larger due to the sharply higher cost of petroleum from abroad. Export expansion in 1974 will be substantially slower than last year's spectacular gain as economic growth in our major markets will be reduced. At the same time, however, sales of farm commodities should continue strong for some time and product shortages abroad could stimulate demand for some U.S. goods. While the anticipated rise in the petroleum import bill will swell the value of our foreign purchases, arrivals of other products from abroad may be restrained by a further slowing of the U.S. economy and the demand-dampening effects of higher foreign prices.

Consequently, we need the authority presently incorporated in the Trade Reform Act to obtain greater market access abroad for our exports.

Secondly, other countries in seeking ways to finance their greater energy costs may be tempted to restrict imports of other goods while artificially encouraging exports through subsidies or other means. Not only will the trade bill provide the legal tools for combating unfair or unreasonable trade practices, but it also will enable U.S. participation in multilateral negotiations designed to continue progress toward liberalization and reform of the international economic system. Moreover, enactment of the Trade Reform Act is necessary to give credibility and authority to our negotiators in international forums dealing with trade matters.

Certainly, we do not want to repeat the type of shortsighted, restrictive approaches of the 30's, which resulted in decreased trade and worldwide depression. But, if the trade bill is delayed, then we risk other countries' relying on unilateral measures designed to promote their own self interest rather than seeking multilateral solutions to common problems which would be beneficial to all nations.

One of the major characteristics of the world economy at present is the prevalence of tight supply-demand situations and record price levels in many of the major internationally traded basic raw materials and foodstuffs. While the present period of widespread supply difficulties will surely abate, short supplies and rising prices of some commodities can be expected intermittently. These new issues will likely cause a shift in international concern from solely an emphasis on market access to one including equitable access to supplies. While equitable market opportunities for U.S. products remains our main trade policy objective, it can be anticipated that no longer will the issue of market access be considered in international forums without concurrent consideration of equitable access to supplies.

The problems raised by short supplies impact the international economic system on several fronts. Solutions reside in international cooperation and consultations, and not through shortsighted unilateral actions. Unilateral restrictive trade or monetary actions which are taken to relieve domestic economic problems caused by short supplies will adversely affect the economies of other countries. Offsetting measures by the affected countries are likely to follow, the result of which is that every country loses. Such consequences can best be precluded if national policies are taken in concert with accepted international norms or agreed procedures.

In considering the wide range of new multilateral approaches to the problem of short supplies, including a more effective code of general principles governing short-supply situations and regularized multilateral consultation procedures, it must be kept in mind that the U.S. is both a major raw material supplier and a major consumer and any limitations we seek to impose on the export control actions of other countries in the context of an international code of conduct would affect our own freedom of action.

### TARIFF AUTHORITY

Let me now turn to the trade bill itself, focusing on those features which are of special interest to the Department of Commerce. With one or two exceptions, a bill as passed by the House of Representatives has emerged as a responsive and constructive answer to the complex trade policy objectives that the U.S. should seek to achieve in the forthcoming round of new trade negotiations.

In the area of tariffs, we believe that authority to eliminate, reduce or increase duties on all products in the context of negotiated agreements is needed to deal with two main problem areas. The first is the tariff disadvantage U.S. exporters face in competing with European producers in European markets where internal tariffs on the movement of industrial products within that market are being eliminated, but continue to apply to third country suppliers. The European Community is also expanding its network of preferential arrangements with countries in the Mediterranean area, Africa and elsewhere. A major reduction of tariffs provides the most practicable approach for offsetting the erosion of the most-favored-nation keystone of the post-war trading system which until recent years protected U.S. exporters against tariff discrimination in foreign markets. The second relates to the high tariffs on some products that all of our major trading partners still maintain to varying degrees, especially those on products where our exports would have a competitive edge if high tariffs were reduced.

The tariff reduction authority contained in the bill is somewhat less than we have requested; however, it does contain sufficient negotiating authority to achieve a substantial reduction in tariff levels worldwide and to work toward greater market access for U.S. products abroad.

### NONTARIFF BARRIERS

Concerted efforts will also be required to reduce or eliminate nontariff barriers to trade, commonly known as NTB's. NTB's, such as import licensing systems, discriminatory standards or procurement regulations, advertising or packaging laws, and so forth, are more effective in many ways than tariffs in barring U.S. exports from foreign markets, diminishing the benefits of reciprocal trade concessions and preventing the further development of open and nondiscriminatory trade among nations.

I believe that the multilateral approach to negotiations on NTB's will open up new opportunities for finding solutions to the very difficult question of how to deal with trade barriers that are embodied in a wide range of national laws, regulations and administrative practices. While we hope to accomplish as much as possible in this area during the period scheduled for the current negotiations, past experience tells us that negotiations on nontariff barriers must realistically be viewed in a longer time frame for maximum results.

It should be possible to negotiate and implement some important NTB agreements within the 5-year time limit imposed by the bill, such as codes on standards and licensing and government procurement practices. But we must also recognize the inherent complexity and difficulty of dealing with practices that are imbedded in complex national laws and involve important domestic constituencies. We feel, therefore, that these negotiations should be viewed as only the beginning of a continuous process. Since Section 102 insures close and continual involvement of the Congress in the negotiation and implementation of NTB agreements, it could be argued that there is no need to place a time limitation on this particular authority.

### GOVERNMENT-INDUSTRY CONSULTATIONS

One aspect of the forthcoming negotiations, in which I have a particularly strong interest, involves the establishment of a joint consultation program between government negotiators and domestic industries to assure that the views of American industry are fully considered from the early preparatory stages to the final agreements.

Ambassador Eberle and I agreed many months ago that there was a need for a closer and more effective industry-government relationship than has existed in previous negotiations. Anticipating the Congressional interest that has been reflected in Section 135, we initiated a joint three-stage program to develop an adequate mechanism for such mutual consultations. The first two stages took place between June and September 1973 and encompassed a series of 18 briefings for some 600 participants at both the policy and technical levels of U.S. industry. We solicited their views and recommendations on how to establish an effective consultative mechanism. We also asked them to nominate representatives from their industries whom they consider particularly well qualified to represent their views in the consultation process.

We are now embarking on the third stage. Formal advisory committees are being established under provisions of the Federal Advisory Committee Act. The structure we are establishing provides for one overall Policy Advisory Committee composed of chief executives from industry as policy-level advisors for American industry as a whole. In addition, there will also be some 26 Technical Advisory Committees covering the various sectors of U.S. industry. We are convinced that the experience and expertise which these industry advisors will bring to government decision-making will greatly assist our negotiators in their efforts to obtain maximum benefits for the U.S. in the negotiating process.

Of course, these industry advisory committees constitute only one aspect of the extensive public input which we will be seeking prior to entering into trade negotiations. The bill, as passed by the House, contains provisions for an overall public advisory committee, Tariff Commission advice based on public hearings and public hearings before an agency or interagency comimttee designated by the President.

### IMPORT RELIEF AND SAFEGUARD MEASURES

Another important feature of this bill is the significant relaxation of the relatively stringent domestic eligibility criteria for import relief. Under the existing TEA rules of eligibility for "escape clause" relief, almost two-thirds of the petitioning industries have failed to meet the qualifying test. I think we can all agree that the present TEA import relief measures are inadequate to deal with those disruptions to certain American manufacturers which are caused by injurious increases of imports resulting from changing patterns of international trade. More realistic eligibility criteria for safeguard relief are necessary under present conditions, and of course will be needed even more perhaps to meet the new conditions of competition following completion of the proposed trade negotiations.

While the new round of negotiations and further trade liberalization will undoubtedly bring benefits for American exporters, producers, and consumers, it is also important to recognize that some industries may encounter individual hardships in making timely adjustment to the increased import competition that may arise in certain sectors as the liberalization procedures take effect. I consider that the easier access to the escape clause provided by the TRA is vital if we are to provide assurances to U.S. industry that they will be safeguarded against unforeseen disruptions from imports as trade barriers are reduced.

In addition to the need for a more effective domestic procedure to guard against disruptions caused by changing patterns of international trade, it is also important that new arrangements be developed at the international level to deal with such problems. As part of the upcoming trade negotiations, we will seek better international rules to cope with rapid changes in foreign trade patterns and sudden inflows of particular products from abroad. It is generally recognized by the nations of the world that we need to develop a multilateral safeguard system—one that would operate in a more equitable manner.

### ADJUSTMENT ASSISTANCE

In view of the fact that an integral part of import relief is the adjustment of our domestic industries, I would like to comment briefly on the program of assistance to firms included in Chapter III, Title II. I believe that the new provisions provide for a sound program of aid to import-impacted American manufacturers. Those provisions should eliminate the main problems which have hampered accomplishment of similar objectives under current law. The simple and more objective qualifying criteria will make it easier to identify immediate problems and to apply sound measures that will help industrial firms improve their operations. It should be understood that we intend to provide quick assistance to firms whose difficulties clearly stem from import competition and that we do not intend that firms experiencing declining sales and production as a consequence of seasonal and cyclical forces or because of changing domestic competition should receive trade adjustment assistance. In addition to this program, the President proposed on February 19 the Economic Adjustment Act of 1974 which will provide, among other benefits, further federal assistance to help industries adjust to foreign competition.

### TRADE WITH NONMARKET ECONOMY COUNTRIES

As you know, the bill as originally drafted would have made it possible to expand significantly our trade with nonmarket economy countries.

There are two basic economic advantages to the United States in extending nondiscriminatory treatment to imports from nonmarket economy countries. First, it will normalize our commercial relations with these countries. We have strong reasons to believe that once normal commercial relations are established, the nonmarket economy countries will increase their purchases from the U.S., thus maintaining the large contribution which this trade has already made to our balance of payments, and creating new jobs for Americans as new exports are developed.

Secondly, we anticipate extending nondiscriminatory tariff treatment in the context of trade agreements or trade protocols. These agreements would benefit U.S. firms engaged in East-West trade through measures for the improvement of U.S. Government commercial representation in the local country and provision for reciprocal credits, arbitration, patent and copyright protection, and business facilities. Also, these agreements would resolve other barriers to trade such as outstanding financial claims and bond obligations.

With regard to restrictions on credit, I would point out that most other western industrial countries have found normal export credit policies necessary for expanding their trade with non-market economy countries in view of the foreign exchange shortage in the U.S.S.R. and Eastern European countries. Credits have been used to encourage such trade because these countries have continually seen their exports to the East exceed imports.

Denial of U.S. credit for the purchase of eligible items will be less harmful to the non-market economy countries (who can get similar goods elsewhere) than to the U.S., which stands to lose significant sales to foreign competitors. The result, of course, would mean that potential American jobs would go to other countries willing and able to finance exports to the U.S.S.R. and Eastern European countries. The extension of U.S. Government supported credits for East-West trade, on the other hand, would allow U.S. businessmen to sell, at interest rates which are competitive with those offered elsewhere in the West.

In summary, improved economic and commercial relations with the non-market economy countries can contribute to our balance of trade, given their strong desire to import U.S.-made manufactured goods. Such U.S. exports are, of course, subject to controls on items involving our national security. Furthermore, increased East-West trade could provide new sources of energy and other raw materials, as well as more employment opportunity for American labor. I would urge therefore that this Committee eliminate the restrictions placed on the authority of Title IV by the House of Representatives that would reduce rather than expand trade with non-market economy countries.

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## T. G. REEVES

## HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BRINKLEY. Mr. Speaker, the death of a longtime and good friend is always a particularly sad time for all of us. Just last week in my hometown of Columbus, Ga., one of the most highly respected members of our community, Mr. T. G. Reeves, passed away. T. G. Reeves was in the truest sense "a man for all seasons"—many great and noble things could well be said of and about him.

At this time, I would like to call to the attention of our colleagues the following article by Mr. Maynard R. Ashworth, president of the Columbus Ledger-Enquirer newspapers, which is a touching tribute to a great man—written by a great man in his own right.

The article reads:

T. G. REEVES, A GREAT LEADER, A FINE FRIEND

(NOTE.—The following is a tribute to the late T. G. Reeves, written by Maynard R. Ashworth, a long-time personal friend and associate, and president of the Ledger-Enquirer newspapers.)

T.G. is dead.

This is hard to believe—it just can't be—but he is gone.

I have known T.G. since 1927—47 years. I've known T.G. in business, I've known him in political campaigns, in political office—when he managed his father-in-law's campaign for governor of the state—and during the eighteen years he was on the Board of County Commissioners of Muscogee County, his many ramifications in politics in Muscogee County, his interest in all political offices of the state as well as at the local level. His opinion was always asked—his influence sought, felt mandatory to election—by political candidates.

I knew him in baseball, when he headed the local minor league baseball club affiliated with the St. Louis Cardinals. He was Mr. Baseball. Branch Rickey was his friend. He palled with the great is baseball.

I have known him in his many years of effective work with the Army, I've associated with him on many occasions involving the military. We've made many trips together to Washington regarding civilian-Army relations—we have been together so often at Fort Benning it was like home. We've known many at all military levels. His opinion was asked on many occasions reference the military. And he was loyal always, intensely loyal to the Army. And the Army was loyal to him. They respected him for his support, for his innate integrity. T.G. was a sergeant major of the old school—he had the rank of sergeant major in World War I. He knew Army language, he knew the characteristics of those who served in the Army, he understood the Army.

I have been with T.G. on many social functions, at his farm, at state capitols, fishing. Always it has been exciting and challenging, the unusual, to know T.G. in all of his activities, to be a friend and to have him as a friend. He was a close friend, one who stood by when the going was rough. He was not a fair weather friend.

He loved pointed banter, repartee of a poignant and spirited nature—cutting—slashing—so much so people listening thought "this is a fight," but no, it was always "for fun." And he and I were continuously at it—he loved it—so did I.

I shall miss him, I shall miss him sorely because I have come down the long road of life with this friend and his passing will not be taken in stride. It will be profoundly sad and there will be a lonesomeness which cannot be overcome—only T.G. filled his vigorous life as no other, in his way—no one could be like him.

Finally, T.G. was a deeply religious man. He always said, "the Old Master, He knows best. Whatever He tells me to do that I try to do." So the "Old Master" has decided that it is time for T.G. to leave his life and the rest of us must accept His decision.

I shall miss him.

So, T.G. —30—.

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## 11500 BANANAS ON PIKE'S PEAK

### HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. HOSMER. Mr. Speaker, modern surface mining methods with large-scale machinery allow removal of surface earth and rock, extraction of the coal and restoration of surface to its original, or a better, use. This cycle from grass to grass seldom misses as many as two growing seasons, and frequently only one.

Today's modern, highly technical surface mining industry would be harassed and victimized by H.R. 11500 for something that happened before it was created.

In the old laissez faire days along the Appalachian Chain, coal seams outcropping the mountainsides were stripped with obvious disregard for the environmental aftermath. This was done mostly by small operators using crude technology. Large areas of the countryside show the environmental scars of their unconcern.

The old quick and dirty strip mining methods are as different as day from night from today's modern surface mines run by environmentally responsible operators.

H.R. 11500 takes no account of this difference. It is as unrealistic as trying to grow bananas on Pike's Peak.

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## GUARANTEED RIGHTS OF PRIVACY TO INDIVIDUALS

### HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. GOLDWATER. Mr. Speaker, one of the most able and deeply committed privacy proponents is former Congressman Jackson E. Betts. He led a campaign to reform the decennial census which had support from all parts of America. As a Member of Congress for 22 years, Jack Betts saw the growth of the Federal bureaucracy gradually probe deeper and deeper into individual lives. He is currently most interested in congressional activity for restoring the rights to privacy.

The congressional program for privacy is on the move, Mr. Speaker, as we will dramatically demonstrate next Tuesday, April 4, when a 2-hour special order, "The Congressional Commitment for Privacy" is scheduled.

From this expression of support to make the 93d Congress the "Privacy Congress," we will have our national battle plan for success.

Mr. Speaker, I request a letter I have received from Mr. Betts of Ohio be included with my remarks:

JACKSON E. BETTS,
*Findlay, Ohio, March 21, 1974.*

Hon. BARRY GOLDWATER, Jr.,
*U.S. House of Representatives,*
*Washington, D.C.*

DEAR BARRY: Those of us who have been pressing for legislation to guarantee rights of privacy to individuals whose personal records are now vastly more sensitive in computerized form should wholeheartedly welcome President Nixon's recent State of the Union announcement. The Pledge of Executive level attention to develop proper standards for collection and use of facts about individuals supports the demands for strong action made by Members of Congress for nearly a decade.

Few can dispute the importance or urgency for a policy level review of government record-keeping practices. Nevertheless, studying the situation may be time consuming and in any event the course of action is already charted in legislation currently before Congress. Your bills, like many reforms introduced in earlier years, can serve as the basis of a presidential reform program.

My thinking on the subject centers on the largest and most comprehensive collection of personal facts; the census. I evaluated the 1970 decennial census plans in 1967 and found them overly involved and threatening every citizen with a jail sentence if he failed to comply. Despite the lively controversy which followed on my proposal to limit mandatory census questions, I still believe the census reflects a basic issue in bringing into balance national information requirements against the citizen's right to retain certain facts about himself, his home and personal life. This dispute still must be resolved.

A variety of criticisms of present Federal information practices have been raised in the last ten years in addition to the conduct of the census. Creation of a national data center, selling mailing lists, releasing federal personal income tax returns, building central files for the unemployed, welfare recipients, children of migrant children, and adopted children, maintaining and distributing investigative and arrest files in the hands of law enforcement organizations and the role of credit reporting agencies, have come under congressional scrutiny. Each has its own merits and priority for Congress. Information collection is but the first stage in the process of record-keeping, applications of data and transfers of information held in Federal computers.

I was delighted that a broad, comprehensive solution to the dilemma of privacy versus government information handling has come to the forefront in your bill to create a Code of Fair Information Practices. This concept together with enforcement through the Department of Justice and the Courts is a great advance over earlier piecemeal approaches. The American people are calling for high standards, clearly defined and strongly upheld by all public agencies. I hope with hearings and support from the press and public, it will be passed in the House as the model of national action.

These are times when confidence in our system of government and our leaders in Washington are waning. Surely an important element of trust and support for the government lies in maintaining high respect for individual privacy in the collection of personal information. Proposals such as issuing Americans identification numbers only intensifies the problem of assuring rights of individual identity and personality. The President's willingness to open an intensive Cabinet-level review of Federal information practices is an important recognition that basic human needs are involved.

As a veteran of the battles to assure citizen rights to personal privacy in the computer age, I wish you overwhelming success in approval of a Code of Fair Information Practices. You can be certain of my continued commitment to resolve this issue.

Sincerely.

JACK BETTS.

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## CITIZEN LIFESAVERS

### HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. WALSH. Mr. Speaker, too often the heroic deeds of private citizens go unnoticed—lost in headlines of political and social turmoil that are so prevalent in our time. Therefore, I want to take this opportunity to commend the Rochester Democrat and Chronicle and its correspondent, Marge Van Iseghem, for their article on seven citizen lifesavers. To be congratulated even more, however, are the citizens themselves who, in many cases, disregarded their own health and safety to come to the aid of their fellow man.

The article, in the February 27 edition of the Democrat and Chronicle, follows:

CITIZEN LIFESAVERS

CANANDAIGUA.—Seven life-saving awards were presented last night during the 12th Canandaigua Safety Council.

Also honored was a Reed Corners truck driver who has driven one million accident-free miles.

The safety patrols at Canandaigua Elementary School and Saint Mary's Parochial schools received awards for dedicated service to fellow students.

Robert H. Haight, a city patrolman, presented the safety awards as chairman of the recipient selection committee.

Life-saving commendations went to:

Barbara Olds, of Canandaigua town, credited with saving the life of a swimmer in England last May. Miss Olds swam about 40 yards in 100-foot deep waters of a stream to rescue a man who encountered problems while practicing long-distance swimming.

Jerry R. Moore, Crystal Beach volunteer fireman, credited with saving a driver from a burning car last July 13.

Joseph J. Veto, of Manchester, manual arts therapy assistant at the local Veterans Administration Hospital, who provided artificial respiration aid for a patient discovered overcome on the hospital lawn Sept. 12.

David Weatherspoon, of Geneva, who works in building maintenance at the Veterans Hospital. On Dec. 6 he acted quickly to remove a burning jacket from a patient and the patient suffered few consequences from the emergency.

Robert Stetzenmeyer, a member of the Canandaigua Mutual Hook and Ladder Co., who saved the lives of two persons trapped in the second story of a burning home outside Shortsville last June. Stetzenmeyer called firemen and enlisted aid of four construction workers, who helped him steady a ladder while he rescued the occupants.

Gary S. Fritz of Naples, is Ontario County Planning Administrator, credited with giving emergency aid to a patient while on a call with the Naples Fire Ambulance. Fritz's efforts last Dec. 23 saved the patient's life, doctors said.

Anthony Cardulla of Victor, who helped save a co-worker on a building project. The worker suffered electrical shock when he fell from a ladder. Cardulla tugged a tool free from the victim's hand by the cord and applied mouth to mouth resuscitation to save the man's life.

The occupational award went to Jerome F. Carroll of Reed Corners. Carroll, a maintenance truck driver for the New York State Department of Transportation, has logged one million accident-free miles while on the job.

County Judge George A. Reed of Canandaigua was the Master of Ceremonies at the safety council program, attended by 150 at the Sheraton Inn.

Outgoing council chairman Daniel Mergenthaler turned the 1974 reins over to Ella Dunham.

Mrs. Dunham said council work will center on training workshops for business people about occupational safety and health law and on more programs for senior citizens and young persons who serve as baby sitters.

## ADVERSARY JOURNALISM

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. MICHEL. Mr. Speaker, from time to time in recent months, Mr. C. L. Dancey, editor of the Peoria Journal Star has expressed his concern over the activities of some of his colleagues who, in Mr. Dancey's view, were abandoning the role of reporters of events but instead were taking an adversary role in reporting the news.

In his most recent editorial, entitled "Adversary Journalism" Mr. Dancey sets forth some thoughts which I know will be of interest to my colleagues and also to our friends in the press galleries.

I insert the text of the editorial in the RECORD as follows:

### ADVERSARY JOURNALISM

A couple of years ago there was a lot of whoop-de-do in professional circles about the glories and virtues of "advocacy journalism".

We said at the time that the trouble with it is that it soon becomes "adversary journalism".

Well, lo and behold, comes 1974 and the Columbia University Journalism Review, and the gang who regard themselves as the eastern artistocracy of journalism have quietly switched words—and are now propounding a self-serving philosophy to justify what they now openly call "adversary journalism."

It is curious that some folks who have been defending themselves and their conduct by proclaiming they were only doing their jobs are now apparently admitting that they have adopted an adversary role—and are trying to justify it (after the fact) with philosophical ingenuity.

There is one thing wrong with "adversary journalism" for starters. Journalists ought not pre-empt the role of the political opposition.

In our system, there is an "adversary" already, and they are supposed to do the fighting—and we are supposed to referee to some extent as the inevitable middle-man many of the times between the claimants and the public.

The combined role of referee, scorekeeper, and player isn't a viable one.

Likewise, if we believe the junk we are now putting out, we would always be on the side of the "outs" attacking the "ins" and that pre-determines an unfair situation . . . for no good reason.

In pursuit of doctrines to justify some of the things done in the past year, apparently, we are also pushing "professionalism" dangerously far—if the Columbia Journalism Review is really representative.

In the Review there emerges the persistent assumption that we "professionals" have now staked out a kind of private jurisdiction of our own in the field of expression and information, and freedom of expression by others is properly subject to our censorship or reconstruction.

Now, most of the time it is subject to our summarization and further study and the pursuit of information beyond that offered. But that is simply a practical, functional necessity because everything in this world is limited, including time and space. It is not some kind of "right" either professional or God-given!

Fredom of expression belongs to everybody to the extent that he can make himself heard.

The cacaphony is such and the means of mass communication limited so that some cannot—but it does not follow that any official is somehow cheating and per se dishonest because he finds ways to exercise that freedom without going through a transformation handled by us.

The manifest frustration shown by some of our best known broadcasters and writers when any official escapes them by going directly to the people, or by releasing information on a schedule where there is "no time to check" strongly suggests that they are not only "adversary journalists" but think that somehow the rules of the game require others to hand over the ball of free expression to them on every occasion . . . so they can practice their "professionalism" on his words!

Professionalism to the point of narcissism is not attractive, and the notion in those "highest" of professional circles that second-hand news is better than first-hand news—providing, of course, that it is our hands it passes through—is not an attitude likely to be shared by the people, generally.

They may accept second-hand news as a functional necessity, but in areas of prime interest they would like to get it first-hand when possible. They don't take kindly to the attitude that first-hand news ought to be outlawed—or that all freedom of expression is properly subject to "professional analysis," before publication.

It is somewhat shocking to hear prominent journalists complaining bitterly that they sometimes do not get to practice pre-censorship on official or political pronouncements!

Our real job is to report such things faithfully and as faithfully report the responses made by the political opposition.

Yet, too much of the dialogue in the Review presumes a kind of sacred right to pre-censorship by us on the one hand—and then to pre-empt the proper opposition and act as adversary, ourselves, in the very process of reporting such events!

We are deluding ourselves with manipulative rationales.

If we talk ourselves into this level of professional arrogance, we are going to get ourselves into a lot of trouble with the people we are supposed to communicate with smoothly.

What is worse—we will deserve it!

The role of King-Maker destroys the role of communicator. It also corrupts the democratic process.

We can afford to do neither.

And the modern centralization of the handling of instant news and its instant dissemination among a very few in New York City doesn't bestow on them such a right. It only bestows such an opportunity. True professionalism requires that it be rejected—not exploited.

C. L. DANCEY.

## SURVEY OF REQUIRED COLLEGE TEXTS

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. ASHBROOK. Mr. Speaker, recently Young Americans for Freedom published an article detailing the results of a survey of 10 colleges and universities in various parts of the country. This survey dealt with the required texts for courses in the departments of political science, sociology, economics, and political philosophy. I found the results interesting and a commentary on the basic direction of many of our Nation's institutions of higher education.

At this point I include in the RECORD the article "Readings from the Left" from a recent issue of New Guard, the magazine of Young Americans for Freedom:

### READINGS FROM THE LEFT

(By Ron Robinson)

In 1951 William F. Buckley, Jr., attacked Yale University for its unadmitted orthodoxy in God and Man at Yale, claiming that the university's values included an agnostic and "interventionist" mentality. Thinking the question of intellectual bias on the campus to be a central problem of the time, he wrote, "I consider this battle of educational theory important and worth time and thought even in the context of a world-situation that seems to render totally irrelevant any fight except the power struggle against Communism." Buckley called for the alumni to rally behind him to reform Yale. But, as the late Professor Willmoore Kendall pointed out, "Buckley took a licking . . . and Yale became, even more unabashedly, the kind of university Buckley had accused it of being."

Many times since then, young conservatives or moderates have found their own campuses to be dominated by a liberal or left wing orthodoxy. Often, without reflection on Buckley's work of a score of years ago, they bemoan the "exceptional" bias of their school, which is usually void of any conservative perspective within the faculty's ranks.

This Spring, YAF's Campus Affairs Committee undertook a study of ten major campuses to see exactly how often conservative texts did appear in the classroom structure. It was felt that the text was indeed an important tool of the teacher and usually an integral part of a course. We recognized readings alone do not indicate the exact outlook of any given course. However, we did assume that unless the teacher spent much of his classroom time repudiating readings he assigned, we would be able to gain some insight into the course's message by reviewing the texts.

The value of this approach was affirmed by Buckley in God and Man at Yale and was essentially confirmed by our own undergraduate experiences. We did not intend to make an overall evaluation of the courses involved, but we did look for any indication of materials offered that might lead a college student to conservative or libertarian principles.

We gathered together the list of all required texts for courses in the Political Science, Sociology, Economics and Political Philosophy departments. These departments are vital in the formulation of political and economic opinions of most undergraduates interested in those fields. These four departments dominated the social sciences in the liberal arts campuses we researched.

We compiled the lists from the following campuses: George Washington University (D.C.), Boston College (Massachusetts), Marquette (Wisconsin), San Francisco State College (California), Duke University (North Carolina), Queens College (New York), University of South Carolina at Columbia, Towson State College (Maryland), University of Maine at Orono and Louisiana State University (L.S.U.) at Baton Rouge.

When the information was collected, we had the lists of textbooks of forty geographically dispersed departments for the Spring semester. We found that a student on those campuses had even less reason to be optimistic than Buckley had at Yale.

Buckley complained that such authors as "Jewkes, F. A. Hayek, Ropke, Anderson, Watt and von Mises" were treated superficially at Yale. Now these authors apparently aren't treated at all! Henry Hazlitt, Leonard Read, John Chamberlain and a number of other free market advocates join the list of totally ignored authors in assigned readings. Adam Smith appears once, and only Milton Friedman manages to join the Samuelson-Galbraith crowd of frequently assigned economists.

Samuelson, Buckley's foremost target, still remains the most popular economist with college professors. His interventionist Economics appears in fourteen courses; two courses at Boston College, and San Francisco State College, one each at Marquette, Duke, University of South Carolina and Towson State. It is assigned reading in six courses at Queens College.

Galbraith is the second most popular author. He appears in two courses at George Washington, two at San Francisco State College and one at Duke, Queens College, University of South Carolina and University of Maine.

Milton Friedman, the most frequent conservative to appear on these lists, comes up six times. He is assigned in an economic course at Boston College, San Francisco State College, Towson State and George Washington. He is also assigned in one Sociology course at Queens College.

Samuelson and Galbraith are assigned more than three times as often as Friedman and the collectivist-interventionist position receives virtually a complete monopoly among lesser known authors. The Economics Departments have seen fit to allow only one advocate of the American free enterprise system to reach their students at these campuses. Despite this, it is fair to say, based on the evaluation of assigned readings, the conservative viewpoint receives a better hearing in the Economics Departments than in Political Science, Sociology or Political Philosophy.

There are a number of notable conservative political scientists. Among them are the late Willmoore Kendall, George Carey, Eric Voegelin and Gerhart Niemeyer. Additional authors who could show up in political science courses from a nonservative viewpoint might include William Buckley, Russell Kirk, Barry Goldwater and the late Frank Meyer. None of these authors appear.

In fact it is fair to say only five authors represent what can be called "conservatism" in these courses. They are Edward Banfield (The Unheavenly City, and not his earlier writings), de Tocqueville, Edmund Burke and Kevin Phillips. Leo Strauss, one of the nation's foremost political theorists, also appears but only once. The Federalist papers is assigned in four courses (see below). Ayn Rand is in one.

It is not that these courses are lacking in a particular political point of view. Representing the left wing are, among many others, the following: Marx, Lenin, Marcuse, Debray, Mao, Guevara; also Tugwell, Royko, Sorensen, Scheisinger, Galbraith, B. F. Skinner, Stokley Carmichael, G. William Domhoff, Gabriel Kolko, Jerome Skolnick, Charles Reich, Norman Mailer, Saul Alinsky, Malcolm X and Betty Freidan.

When we focus in on particular courses, the institutionalized bias appears to increase. Courses on the presidency feature works solely by liberal or Democratic authors. Reedy, Sorensen, Tugwell and Schleisinger are all assigned authors who were officials in Democratic Administrations.

The books that analyze Richard Nixon are also from the left wings. Gary Wills' Nixon Agonistes is used more than all other volumes combined. Second in popularity is McGinnis' Selling of the President. The most favorable treatment of the Nixon Administration comes in Evan's Nixon in the White House. There is no conservative work on Nixon in all the courses even though Richard Whalen and other conservative authors had volumes available.

Urban Politics is another course that is widely offered. Here we find great popularity for Chicago columnist Royki's critique of Mayor Richard Daley, Boss. This volume is used more often to explain urban politics than Edward Banfield's The Unheavenly City. This is true despite the fact that Banfield is a widely accepted authority on urban affairs and Royko is merely a Chicago columnist.

Courses dealing with power in America are dominated by texts extolling the vices of an all-powerful ruling elite more often than presenting a pluralistic version of society. G. William Domhoff, who writes as though the CIA and Big Business both own and have agents under every bed, is used in more courses than the respected liberal pluralist Robert Dahl. C. Wright Mills and Gabriel Kolko are among other "elitist theorists" who are called upon more often than the total number of conservative and liberal "pluralists" combined.

Constitutionally related courses also have some interesting aspects. Gideon's Trumpet by Anthony Lewis is used nearly twice as often as the Federalist Papers to help explain the Constitution. Lewis' book is a story of Clarence Earl Gideon's fight to gain counsel in the Supreme court case Gideon v. Wainwright. It is an interesting and moving book, but I can not believe it offers more to the understanding of the American Constitution than a reading of the Federalist. Gideon's Trumpet is used at courses at Boston College, L.S.U., Marquette, Duke, Towson State, George Washington and the University of Maine at Orono. The Federalist was assigned at Boston College, Marquette and Queens. One L.S.U. course requires the reading of Federalist Papers No. 10 and No. 51.

The lack of conservative readings in proportion to either those of the radical left or from a liberal position is blatant. When one reviews the totals, they are staggering. For example, Marx's books are used twenty times and Herbert Marcuse's are used ten times. These two authors alone have more of their books assigned than all clearly conservative authors combined. John Chamberlain wrote that at Buckley's Yale the ratio of texts for collectivism over individualism was roughly 4 to 1. If he was to visit the above campuses last Spring, he would have found that Yale's 1951 ratio would be an improvement over the current one.

The bias against conservatism that is felt in Economics and is blatant in Political Science becomes even worse in Sociology. Galbraith, Marx, Marcuse and other leftists featured prominently in Economics and Political Science, are joined by others. B. F. Skinner's Beyond Freedom and Dignity and Walden Two are used in a half dozen courses. Max Weber's Protestant Ethic and the Spirit of Capitalism is as popular as Marcuse. Harrington's The Other America joins the socialist list of feature selections. The list of leftwingers grows while conservatives are almost shut out. As mentioned above, Friedman is used in one course at Queens College, and both Jane Jacobs (The Death and Life of Great American Cities, The Economy of Cities) and Banfield are assigned. But these conservative authors represent only a small fraction of the total number of books assigned to undergraduate students at the above campuses.

Courses in Political Philosophy surprisingly showed less bias. These courses were dominated by classical texts. Plato's Republic, More's Utopia, Bellamy's Looking Backward, or similar works, may well be oriented toward collectivism, but they remain respected works. Often Burke's Reflections on the Revolution in France, St. Thomas Aquinas' works and St. Augustine's City of God offer a conservative balance to the previously mentioned classics. There certainly are courses that have questionable leftist tilt, but they are in the minority. Yet, courses in Political Philosophy only number about one-sixth as many as in the previous three departments, and it is worth pointing out that courses on the Philosophy of Communism are offered in greater number than any other single topic.

The evidence compiled from these ten colleges and universities rather conclusively shows a left-wing bias in assigned reading last Spring. It would not be fair to condemn these institutions if in offering these courses they do not use works of a contemporary political context. It would be understandable if few "conservative" authors are utilized if the texts used were neither conservative nor liberal. Yet it is not fair or understandable to have wide and accepted use of contemporary leftist advocates while conservative authors are virtually ignored. When Charles Reich, John Kenneth Galbraith, Gary Wills, Herbert Marcuse and Saul Alinsky can all find their books in frequent use in these courses, there can be only one reason why conservatives like Ernest van den Haag, Russel Kirk, James Burnham, M. Stanton Evans and William F. Buckley, Jr., are totally ignored. The reason is the intolerant attitude college professors have towards conservatism.

Lewis F. Powell, Jr. convincingly expressed the problem before he became a Supreme Court Justice. Powell wrote:

"Social science faculties (the political scientists, economist, sociologist and many of the historians) tend to be liberally oriented, even when leftists are not present. This is not a criticism per se, as the need for liberal thought is essential to a balanced viewpoint. The difficulty is that 'balance' is conspicuous by its absence on many campuses, with relatively few members being of conservative or moderate persuasion."

Young conservatives know this. They recognize it when they attend classes and usually hear rhetoric that would, if believed, deny those basic assumptions they know to be true. They recognize the intellectual bias as a central problem of our times.

Due to the circumstances prevailing on the majority of campuses, the young conservative looks elsewhere for a furthering of his own education. However, for the average student, who has not fully formulated his own views towards society, there is little chance that he will receive a "balanced" view on campus.

Willmoore Kendall accurately assesses this problem in his article on "Academic Freedom" in *Contra Mundum*. He rejects the theory that the American university's present imbalance to the left is from cardstaking or conspiracy. He writes, "the reason the universities are staffed mainly with left-wing scholars is, quite simply, that today most American scholars are left-wingers." Kendall concluded that only with the production, through the funding of the studies of conservative scholars, will this imbalance be reversed or halted.

Regardless of the number of conservative teachers on campus, there still should be more accurate accounting of the conservative position. We would not defend a conservative professor who simply offered Kirk's *Conservative Mind* and Leo Strauss' *What is Political Philosophy?* in a course on Political Philosophy. We could be certain that liberal and radical students and alumni would demand a more representative selection. So too must we call for fair selection of both courses offerings and texts. Political Philosophy courses with only Marx and Marcuse or Marx and Weber (as was done in some courses at the above schools) must be opposed.

William Buckley asked twenty years ago the question that must be answered now regarding the situation on campus:

> How long are [we] willing to wait before a decorous opportunity presents itself for exposing the steady drive in the direction of collectivism that has gathered so much momentum . . .?

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## COMDR. BARRY CARLE, U.S. NAVY

## HON. JAMES A. BURKE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. BURKE of Massachusetts. Mr. Speaker, today I join the citizens of Boston and the South Shore in paying tribute to Comdr. Barry Carle who dedicated his life to the service of his country and the U.S. Navy. Commander Carle, awarded the Legion of Merit on behalf of the President of the United States, served his country with distinction in the Canal Zone, Vietnam, and at home. Commander Carle was responsible for the planning and negotiations with the National Park Service in the creation of the U.S.S. *Constitution* and Boston Navy Yard National Historic Site. Because of his outstanding leadership, professional competence, and inspiring devotion to the Navy and to his country, he will long be remembered by those who lived and worked with him, as well as by those who will follow him. It is difficult for us to understand why the life of such a fine man has been cut so short, but Commander Carle's caliber and devotion will certainly be missed by all.

At this time I would like to submit the following eulogy which was delivered in memory of Comdr. Barry Carle which illustrates his lifelong devotion to the service of his country:

### BARRY CARLE

Barry Carle was born in Boston, Mass., on October 26, 1933, a son of Richard F. Carle and Marjorie E. Carle (Graham). He enlisted in the U.S. Navy on July 20, 1956 and in August 1956 entered Officer Candidate School, Newport, R.I. He was graduated in December 1956, and was commissioned an Ensign.

Following Officer Candidate School, he reported on board the USS C.R. WARE (DD-865) for duty as the Engineering Officer. Over the next several years, Commander Carle served at various commands such as the Civil Engineer Corps Officers' School at Port Hueneme, Calif., where he became a Civil Engineering Officer; the Naval Base, Newport, R.I.; the Rodman Naval Station in the Canal Zone and the Mare Island Shipyard, California.

Following duty with the Twelfth Naval District in 1964 to 1966, he departed the United States for the Republic of Vietnam. He served as the Resident Officer in Charge of Construction in Vietnam for one year at Newport, and Longbinh, Republic of Vietnam.

In May 1967, he reported as the Industrial Services Officer at the Annapolis Division, Naval Ship Research and Development Center in Annapolis, Maryland. It was here that he was promoted to the rank of Commander.

In June 1969, he returned to the Boston area as Head of the Acquisition Department of the Northeast Division, Naval Facilities Engineering Command. In July 1970 he became the Deputy District Civil Engineer in the First Naval District.

While in this position, he received the Legion of Merit presented on behalf of the President of the United States. The citation states that the Navy's fifth highest award was received, "Because of his unusual tack and diplomacy in dealing with state, local, and Department of Defense representatives, Commander Carle was responsible for the effectiveness in implementing the Shore Establishment Realignment Program in the District, including the planning for and negotiations with the National Park Service for the creation of the USS Constitution and Boston Navy Yard National Historic Site."

The citation further states that "By his outstanding leadership, professional competence, and inspiring devotion to duty, Commander Carle upheld the highest traditions of the United States Naval Service."

In addition to the Legion of Merit, Commander Carle has the Navy Commendation, Meritorious Unit Commendation, National Defense Medal, Vietnam Campaign Medal, and the Vietnam Service Medal with two stars.

He is survived by his wife, Rose M. (Fiore); his sons Barry L. and Jeffrey A.; his daughter, Susan A.; his parents, Richard F. and Marjorie E. Carle of Milton; a brother, Richard E., Jr., of Quincy and a brother, Russell A. of Milton; a sister, Jacqueline F. Melkonian of North Largo, Florida.

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## BYELORUSSIAN PEOPLE

## HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DOMINICK V. DANIELS. Mr. Speaker, on March 25, 1918, the Byelorussian Republic was declared the culmination of the dreams of the great Byelorussian people.

Unhappily, Mr. Speaker, the forces of the Bolsheviks overcame the infant republic and Byelorussia was forcibly incorporated into the Soviet empire.

Today, Mr. Speaker, I join the friends of freedom everywhere in observing the 56th anniversary of Byelorussian independence with the hope that one day this ancient people will again know the blessings of liberty and self determination.

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## JIMMY BIVINS FOUGHT 'EM ALL, IN WRONG PLACE, WRONG TIME

## HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. STOKES. Mr. Speaker, Cleveland, Ohio, has contributed many famous boxers to the boxing profession. Jimmy Bivins is one of the more famous. He is a friend of mine. He is an interesting man. He has always been controversial, but younger men such as my brother, Carl, and I, admired him as we grew up. Jimmy Bivins did all his fighting in the ring. Outside the ring he was a perfect gentleman. The Cleveland Plain Dealer has written a recent article about Jimmy Bivins. I commend this article to my colleagues:

### JIMMY BIVINS FOUGHT 'EM ALL, IN WRONG PLACE, WRONG TIME

(By Allen Wiggins)

If you go to a prizefight in the Arena, whether professional or amateur, you will see Jimmy Bivins. He will be one of the judges sitting at ringside. But unless you have been a boxing fan for a long time, you may not know that Bivins was one of the two or three best fighters this city ever had, possibly the best.

Jimmy Reeves, Joey Maxim and Jimmy Bivins. Cleveland's finest. And Bivins was a heavyweight.

"What I can't see," Bivins said recently, "is everybody comes up to me and says, "We don't see your name in there with Joe Louis and all them guys.' Well, I wasn't the champ.

"That's all, I wasn't the champ. It's what they say, "We don't see your name with the Joe Louises and the Ezzard Charleses'. You know, they've got a list of all those former champions and they don't mention me.

"And I say, 'Well, I was just another fighter."

The talk is modest in the extreme, but it is typical of Bivins, a gentle and generous man.

It is not true that Bivins' name is missing from the book. The book is Nat Fleischer's Ring Magazine Boxing Encyclopedia and record book, which has been coming out in a new edition every year since Fleischer founded it in 1942. Fleischer died in 1972 and since then it has been published by his son-in-law, Nat Loubet.

Bivins' name is in the book. It is listed under the fighting records of the champions he fought.

There are 25 fights, against 11 champions—three heavyweights, six light heavyweights and two middleweights. Of the heavyweights, he beat one, Ezzard Charles, once. Of the light heavyweights, he beat five of the six at one time or another. He beat both middleweights. But he never had a title fight. Is there another fighter who beat more men that were about to become or had been champions?

But a fighter's fate is made up of many measures. Hard times, for instance, tend to produce good fighters. Bivins grew up during the Depression, when hard times were general, and when he turned professional in 1940 he faced a generation of good fighters.

Physically, too, his fate put him in the worst ranks. He stood 5 feet 9, and his natural fighting weight was 174, right on the margin of the heavyweights.

It was a time of many such—Billy Conn, and Archie Moore the most famous of them. Conn resigned his belt as light heavyweight champion to fight Joe Louis in 1941, and never fought Bivins. The first time Bivins fought Moore, in 1945, he knocked Moore out.

Finally, Bivins fate collided with World War II. The high point of his career came in 1943. Joe Louis, the heavyweight champion, and Billy Conn, the top ranked contender, were both in the service, fighting only exhibitions. Bivins fought Tami Mauriello, who like Bivins, was among the top five, and beat him. It happened that night that Louis was at ringside, and after the fight he stepped in the ring.

"He came into the ring and put a crown on my head and said, 'You're the champ while I'm gone,' " Bivins recalls.

It was a very unofficial title, not recognized by any of the boxing commissions, but at least in the Cleveland newspapers the title stuck, and he was mentioned as the "duration champion."

Bivins went into the service himself in late 1943, and when he emerged in 1946, he weighed nearly 200. It was too much to throw around. So that year Joe Louis fought Conn the second time and knocked him out, then met Mauriello.

Bivins remembers that fight. "I had beaten Tami Mauriello twice, and he nearly beat Joe Louis that night. Tami came near knocking him out. Joe's knees buckled and Tami stood there looking at him. He stood there looking at the great Joe Louis when Joe hit the ropes and bounced off."

Mauriello's respect for Louis and his awe at seeing the great one fold turned out to be expensive. Louis came back and knocked him out later in that same first round.

Bivins trained himself gradually back to his own fighting weight, but he never regained the status he held in 1943.

Immediately out of the service, he fought Jersey Joe Walcott, Lee Q. Murray and Ezzard Charles, all ranked under him, and lost to all three.

He quit fighting in 1955 at the age of 35.

In his 15 years as a professional Bivins had beaten heavyweight champion Charles; light heavyweight champions Melio Bettina, Anton Christoforidis, Gus Lesnevich, Joey Maxim and Archie Moore, and middleweight champs Teddy Yarosz and Billy Soose. But with one exception, he didn't beat them when they were champions.

"Everybody said, 'Why'd you quit?' I quit before I was all beat up. I quit while I was ahead, that's what I tell them.

"You know, you walk into a gym in New York and it's a house of horrors. The old guys walk in and they can't talk straight. You just hear 'yabber yabber.' Big ears, big eyes, stumbling around. It was terrible. I wasn't going to let guys beat me up like that."

His biggest purse had come in 1951, a 10-round match with Joe Louis, then trying to make a comeback. Bivins' share was $40,000. Bivins says he thinks he won the fight, but the decision went to Louis. Two months later, Rocky Marciano knocked Louis out.

Bivins doesn't remember exactly how much money he made in the golden days, but in the first years, in the early '40s, it must have been plenty. In one six-month period, he said he made $100,000 in Cleveland alone.

He considers himself lucky to have had Claude Shane for a manager. Shane helped him with his investments after his retirement. There wasn't so much money left, on account of Bivins' first wife, who claimed huge gobs of it. Bivins doesn't care to talk about that.

He says only that his finances during the period of his marriage and divorce from Dollree Mapp (yes, the notorious Mapp of Mapp vs. the State of Ohio) "suffered severe matrimonial reversals."

He has since remarried and has a daughter, Josette, 5, by his current wife. His son, Jim Junior, was killed in an accident while serving in the Air Force in 1968.

Bivins says Shane supervised his investments after retirement and "after we got some investments going, he told me, Get a job making $150 or $200 a week and you won't ever have to worry."

He got a job driving a truck for the Laub Baking Co., a job he held for 18 years, until the company folded last December. Now he drives for the Dan-Dee Pretzel and Potato Chip Co.

It is now nearly 20 years since Jimmy Bivins quit boxing. He walks into a room. There is one immediate physical sign that he is a boxer—when he talks, his hands tend to form fists, and then you notice the first knuckles are huge, and the plane formed by the front of his fist is almost perfectly flat. The hands are accentuated by his long arms. He has the reach of a man six feet tall. Later, you might notice a very slight scar that runs along his left eyebrow. Other than that he is unmarked.

More than that, he is trim and hard. He works out three times a week at the Old Angle Gym on W. 25th St., which he owns with two other men, and twice a week he runs 5½ miles. He weighs 185.

The physical training and maintenance a boxer goes through is regarded as the most grueling in all of sports, and few fighters maintain the regimen after retirement.

But the work and the pain must be part of Bivins' character. He says of himself that he feels terrible if he doesn't work out on his regular schedule.

And Wilfred (Whiz Bang) Carter, who was his first manager and trainer, until they parted company in 1946, recalls that his main problem in dealing with Bivins was keeping him out the gym. Carter was recalling the old days, sitting in the gym he now runs at 1756 E. 55th St.

This goes back to 1940 and 1941, right after Bivins turned pro and was winning all his fights. "I used to come up here," Carter said, "and find Bivins in the gym when I advised him not to do any training. I'd come up here, and here he was, working. I'd say, What the heck you doing? And he'd have some phony excuse, that he was trying to get loosened up or something. I'd have to run him out, because he would go stale. Over-training is worse than not being trained enough. Everything goes stale, you see things and can't move. Your body just can't take it. Jimmy's a conscientious worker, a hard worker. But he's ornery as hell.

The orneriness is the kernel of the story, probably apocryphal and anyhow filtered through 40 years of nostalgia, about how Bivins got started fighting.

Here is Carter's version: "He was smart, almost valedictorian, and these guys sitting next to him in school would ask him, 'Jimmy, what's the answer,' and he'd tell them such and such. He'd give them the wrong answer. Then after school, he'd have to run home, they were always chasing him. He had to learn how to fight."

Bivins adds the tag line: "I finally just got tired of running."

Carter has another favorite example of what he calls Bivins' orneriness. Because it was notorious at the time and led a lot of boxing fans to draw some wrong conclusions about what Bivins was up to, it is worth repeating.

Bivins and Charles, the Cincinnati fighter who would become heavyweight champion after Louis, turned pro the same spring. Charles was two years younger.

They first fought each other professionally here in Cleveland, in January 1943. Both fighters had spectacular records. Bivins had knocked Charles all over the ring for 10 rounds, but never put him out. He won a unanimous decision, but the sports writers laced into him for being lazy and only fighting as hard as he had to. Most of the fans apparently came to the same conclusion.

"He beat the hell out of Ezzard Charles," Carter remembers. "The first thing after the fight I said to him, 'Jimmy why didn't you knock him out? That would have been better than to disgrace him.' And you know what he told me? 'He was a close friend of mine.' He disgraced hell out of Charles, but it would have been better and quicker to knock him out. Jimmy gave him everything that night, and they thought it was the end of Ezzard Charles, because he went into the Coast Guard right after that."

Bivins explains the friendship. "We were in the Golden Gloves finals together in San Francisco, and he used to come up to Cleveland from Cincinnati when we were still kids, and we went around together. We were buddies."

The anecdote recalls, too, the fact that although Bivins was almost singlehandedly responsible for the birth of Cleveland as a boxing center in the 1940s, and was always a great drawing card, he was greatly disliked, and talked about in the sport pages as "nastily regal."

There is a piece from the old Cleveland News in 1948, by the boxing writer Herman Goldstein, saying that Bivins' poor fortunes after World War II, "including missing out on the world's heavyweight title with the likely million dollar cash-in" were no more than he deserved and "couldn't have happened to a more deserving fellow."

Several stories written the day after Bivins' victories recorded the crowd booing the decision. This was in his hometown.

One of the things old Cleveland fans remember is a red-mouthed Bivins snarl, and Bivins seeming to fight only as hard as he had to.

Here is the source of the snarl. Bivins couldn't breathe through the openings in a regular mouthpiece and had one created by a dentist. It happened to be made out of red rubber.

Of the laziness, Bivins blames the average observer, "People always thought I was slow, and just touching the guys, but I was knocking their blocks off. They just didn't understand."

Finally, this must be cited, from another conversation with Bivins: Somebody asked him if he ever has trouble about getting in fights in bars. No, he said, he doesn't go into bars, but when a guy approaches him in the street, "they'll come up to me and say something like, 'I bet you ain't so good,' and I always say, 'You're right, man you're the best,' and let them go on."

Goldstein's phrase was "nastily regal." "Nastily" may be chalked up to racism, conscious or not, but "regal" is believable. Bivins is clearly a man of private intelligence. Talking to a stranger who isn't a boxer, after a time Bivins gives off the feeling that he just doesn't feel there is something he can say, you wouldn't understand. He is a man prepared to live with his own pain as part of his character, his fate, and it is not to share.

This is an example, out of Whiz Bang Carter. It was one of Bivins' fights with Lee

Q. Murray, a plodding, stodgy but good heavyweight. It was the seventh round and Murray had ripped open a cut along Bivins' left eyebrow:

"He's a free bleeder, and the blood was whipping from one eye across to the other and he was totally blind," Carter remembers "I wanted to stop the fight, but he said no, and I said, 'Well, then, look, you go out there and fight by feel, go out and get your hands up there and when you hear him stomping, then you swing.

"And that god dog dumb Lee Q., all he had to do was stick a long left hand out and touch Bivins' head and move around on the axle, throwing punches. But Jimmy had earned his respect, he'd beat the slop out of him up until that time and Lee Q. didn't make his move.

"Then this handler from New York came over to me between rounds and said, "I'll stop it, (the bleeding). I said OK, if you don't use Monsel Solution (Monsel salt, a ferric subsulfate used as a styptic to close wounds; it was banned in boxing because it caused infections, and in the eyes, could cause blindness). He said, 'I'll stop it.'

"When the bell rang, he said, 'Put this towel around his eyes.' He took care of it, all right. He used that god dog Monsel solution. As soon as the air hits it, it turns hard as a rock.

"Jimmy won the fight but the next day I had to take him to a doctor and watch as he cut the oxide out and the flesh with it. It turned my stomach."

That first fight when Bivins beat Charles wasn't the end of Charles, but it must have been the end of the friendship, or if it wasn't Charles didn't feel the same compunctions towards Bivins. They fought again in 1946. Charles beat Bivins in 10 rounds. Again in 1947. Charles knocked Bivins out in the fourth. In 1948, Charles beat Bivins in 10. In 1952, after Charles had won the heavyweight championship vacated by Joe Louis and then lost it to Jersey Joe Walcott, he fought Bivins again and beat him in 10.

Asked how he could be beaten so consistently by Charles after winning so handily in their first fight—a pattern repeated with Moore, whom Bivins knocked out the first time they met, and who then proceeded to beat Bivins four times in a row, including three knockouts—Bivins' answer doesn't satisfy much. He says that after the war, Charles and Moore were about the only major fighters who would fight him.

"You keep fighting the same guy so many times, he's going to catch up with you," Bivins explained.

That was about as explanatory as Bivins' description of his fighting style.

A younger man who had never seen Bivins fight was trying to find out what kind of style he had. The younger man had heard that Bivins had a fine left hook, the most difficult of all punches to master, and had heard him described as a "mechanic," and a "good technician." He asked Bivins himself to describe his approach to the art of milling.

"When the bell said 'ding' I came out fighting," he explained.

Jackie Keough, who followed Bivins by a few years through the Golden Gloves championships here and who used to hang around his father's Old Angle Gym when Bivins worked out there in the 1940s, remembers Bivins as "a very good all-around fighter and a very nice man."

Bivins is indeed a nice man. He made headlines recently when he offered to work with a young man who held him up while he was driving his bakery truck. Judge Roy F. McMahon put the 19-year-old on three years' probation on condition that he work with Bivins at his youth club in the Old Angle Gym.

Bivins had offered to try to bring the aspiring hoodlum around. That was in January. But when asked about the young man two months later, Bivins had to say disappointedly that he had only been at the gym once to work out.

It's that old generation gap again. Here is a man who defends boxing against its critics by saying, "It makes you live a clean life," a man who grew up hard and embraced the grueling, tortured hours of training, a man who never drinks or smokes, trying to understand an age of punks.

"These kids have it too easy today," he says, not just of the young man who robbed him but of a lot of the young men who want to win Golden Gloves championships and work out in small gymnasiums like his and Carter's. "They show up here a few months before the Gloves and then when it's over they disappear. You don't win like that. When I was fighting those first few years I stayed in such good shape I was ready to fight on a week's notice."

A reporter was curious to know Bivins' estimate of the professional fighters of today. Was the first fight between Muhammad Ali and Joe Frazier really the fight of the century? How good is the current champ, George Foreman?

These questions, like an angler's estimate of a fish he didn't quite land, have no answers. But the reporter had listened to a number of former fighters in Cleveland talk about the old days and how Ali could never have stayed in the same ring with Louis in his prime.

But these former fighters had been white, and one thing you can be very aware of if you take the trouble is the racism that has always pervaded boxing. From the days of the search for a Great White Hope to beat Jack Johnson, the first black heavyweight champion, through the 1940s when newspaper stories of interviews with a fighter like Bivins would reproduce his speech as a form of Amos 'n 'Andy dialog, up to today, when stories about Ali in Ring Magazine still relentlessly call him Cassius Clay after the first reference, it is there. And the reporter could not help but feel that it influenced the estimates of those fighters.

So he asked Bivins about Ali, Frazier and Foreman.

"Anybody in the top 20 when I was fighting could have beaten them," he said. Ali, he said, "would have done nothing to Joe Louis."

Bivins talked about Ali's old showoff habit of calling the round in which he would knock out his opponent. "Joe Louis didn't call rounds. I fought a long time and I never called rounds. And I don't think any fighter can do it."

The fates of fighters are made up of many measures. It should be stated here that Bivins once fought a champion when he was the champion.

On March 11, 1942, Bivins fought Gus Lesnevich, then the light heavyweight champion of the world. Lesnevich's manager agreed to let the two men fight, but he was afraid that if Bivins beat Lesnevich, he would lay claim to the title. All titles had been frozen for the duration of the war, but Lesnevich's manager was afraid of a claim filed at war's end.

"We had a heck of a time," Carter remembers. "Bivins weighed 174, but they wouldn't accept that, because he'd have a legitimate claim to the title. We were supposed to come in overweight.

"So we tried some tricks. We put some lead around his waist under his trunks when he got on the scales. They wouldn't go for that. We put rolls of coins in his hands, and they wouldn't go for that.

"So finally, I made him drink quarts and quarts of water. And after the weighing in, I had him walk all the way from Public Hall to the Arena to get some of that out of him. You know, that's a heck of a thing, it makes you lazy and slow. But he beat the slop out of Lesnevich."

The fight went 10 rounds. Lesnevich saw little that night but the front of a dark red, eight-ounce left glove. Bivins took the purse, but no belt.

Like justice, professional boxing is both blind to its consequences and perfectly balanced. What it eats up in pain on one side, it spits out as memory on the other.

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## WHALEN COMMENTS ON IDA

## HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. HAMILTON. Mr. Speaker, last Friday our colleague from Ohio (Mr. WHALEN) testified before the Senate Foreign Relations Committee in behalf of the legislation authorizing the United States share of the Fourth Replenishment for the International Development Association.

In his remarks, Congressman WHALEN emphasized the deteriments to the interests of the United States which would result from congressional rejection of this legislation, and he succinctly rebutted most of the arguments raised against the bill during House debate. I believe his statements are very persuasive, and our colleagues should have an opportunity to review them in detail. Perhaps then it will be possible to reverse the negative vote taken by the House in January.

Therefore, I am inserting the entire text of his testimony in the RECORD:

### STATEMENT ON S. 2665 (AUTHORIZING THE U.S. PAYMENT TO THE FOURTH REPLENISHMENT OF THE INTERNATIONAL DEVELOPMENT ASSOCIATION)

(By Congressman CHARLES W. WHALEN, Jr.)

### I. INTRODUCTION

Mr. Chairman, it is with some embarrassment that I appear before your Committee this morning. My purpose in being here today is to ask that you rectify what I conceive to be a serious mistake made by my colleagues in the other body. The House of Representatives' rejection last January of H.R. 11354 has had regrettable world-wide consequences. It is my hope, therefore, that the Senate will authorize funding of the United States' latest pledge to the International Development Association (IDA). This not only will help restore American credibility in the international community but also will give the House of Representatives an opportunity to reverse its earlier action.

### A. THE ROLE OF IDA

IDA, of course, is the "soft loan" or concessionary arm of the World Bank Group. It was established in 1960, largely at the initiative of Congress, to provide "credits" to those developing countries unable to pay the Bank's conventional rates of interest on its ordinary loans. These credits carry no interest charge at all, except for an annual service fee of 0.75%. These loans are extended only to those poor countries (currently 43) with an average per capita income of less than $375 a year. In actual practice, more than 80% of IDA's credits go to countries with a per capita annual income of less than $200 (about 55 cents per day). The great majority of those states are located in Africa and Asia. These include the recently drought-stricken Sahel Zone of West Africa and such other famine-ridden nations as Bangladesh, India, and Pakistan. All of these countries have been caught in a terrifying nature-man squeeze stemming from below-normal rainfall teaming up with a three fold price increase of imported food grains. Mass starvation has been the result.

### B. CHANGING FOCUS OF IDA

In FY 73, $1,218,000,000, or 90 percent of its funds, were targeted toward these "poorest of the poor" nations as IDA continued to fulfill its role as a principal source of assistance to the populations of these least developed countries. In its attempts to reach the people whom World Bank President Robert McNamara has termed "victims of absolute poverty," IDA in recent years has been focusing a greater portion of its loans on the development of human resources. Thus, between 1967–1973, the amount of lending to education programs tripled, and agricultural proposals benefitted from a fourfold increase. Moreover, during the next five years (1974–1978) there are plans to expand overall lending by 8 percent. In this period a total of $22 billion will be committed to nearly 1,000 different undertakings—programs which increasingly reflect social and income distribution concerns.

This manifests a significant change in IDA's thrust. As recently as 1966 power and transportation projects received nearly 65% of IDA's monies. In FY 1973 these areas received only 29% of the credits. The emphasis now is on the human resource sectors of education, agriculture, urbanization, population control, small-scale industries, and tourism. In FY 73, for example, $551 million, or 41% of IDA's funds, went to Agriculture and Education projects. The avowed goal over the FY 74–78 period is to attack directly the problem of absolute poverty among the poorest 40% of the people in developing countries. Incidentally, Mr. Chairman, these are precisely the same areas toward which we in the Congress have re-directed our newly defined bilateral aid program.

### II. EFFECTS OF IDA'S REJECTION

The House of Representatives' decision to reject authorization for America's modest share of IDA's Fourth Replenishment has unwittingly placed in jeopardy all of the aforementioned efforts designed to sustain human life in the earth's most poverty-stricken pockets. What are the possible consequences if this vote is sustained?

First, IDA lending could cease on June 30, 1974. This would terminate the principal source of multinational loans for the world's poorest economies, thereby casting hundreds of millions of people into the most desperate circumstances.

Second, the new concentration on the development of human resources would wither and die. The implementation of this principle, so strongly advocated by the World Bank, developmental economists, and the Congress, itself (in the passage of the Mutual Development and Cooperation Act of 1973), is seriously dependent upon contributions to IDA's Fourth Replenishment. The agreement negotiated in Nairobi in September, 1973, stipulates that no nation need pay its share if any other country, party to this agreement, fails to make its contribution.

Third, the development of a self-sustaining economic capability in the world's poorest economies would be seriously impaired since failure of the United States to participate in this replenishment may cause the previously described chain reaction among the other industrialized nations. This would leave the poorest countries, which are unable to borrow in ordinary capital markets, in the untenable position of having no access to funds critical to their self-survival. By depriving these nations of IDA's resources, we thus perpetuate their dependence upon bilateral assistance.

Fourth, Congressional refusal to refund IDA would ill-serve America's economic self-interests by impeding the development of potentially rich overseas markets. In 1972, for instance, developing nations provided a $14.6 billion outlet for United States—produced goods and services. By helping to raise the national income of these countries, IDA expands their ability to purchase American exports.

Perhaps even more important in this age of resource scarcities, our failure to support IDA would undermine reliable and sorely needed supplies of raw materials, energy, and minerals which our own economy will require in the near future. By 1985 the United States will be dependent upon external suppliers, principally the developing countries, for ten of the fifteen minerals most essential to industrialized societies. By the year 2000 this will increase to thirteen of those fifteen minerals. In order to meet this growing mineral demand, the world's less developed nations must obtain capital in sufficient quantities to achieve the required expansion of output. These realities mean, as Brookings economist C. Fred Bergsten has noted, that greater cooperation with the developing countries is essential for the well being of the United States. Access to reliable supplies of required resources, the ability to construct a more viable international monetary order, and the adjustment of global investment and trade policies to changing world patterns all require participation of the poorest nations.

Fifth, Mr. Chairman, our rejection of IDA would tarnish the position of the United States as an international leader. Today, our government spokesmen are actively striving for international cooperation in the fields of trade, investment, and monetary policy. Concurrently, they have been denigrating all "go-it-alone" tactics as detrimental to a stable world order. Congressional refusal to participate in IDA refunding would cast serious doubt upon the sincerity of these efforts. Further, Congressional abandonment of IDA not only would indicate an absence of a will to lead, but would reflect an insensitivity to the plight of the great majority of the world's population.

### III. IDA'S RELATIONSHIP TO ARAB PRICES

Mr. Chairman, perhaps even more disturbing than the outcome of the House vote were some of the arguments advanced during the IDA debate. Let me cite one in particular—the contention that IDA credits will end up in the pockets of the oil producers as some sort of indirect subsidy.

First, this is technically impossible. IDA funds may be used only for the capital costs of specific development projects, many of which are purchased in the United States and all of which are carefully scrutinized before the monies are disbursed. Thus, while the oil price increases do confront the developing countries with a staggering $10 billion annual increase in their already severely strained budgets, IDA funds will not pay this bill. Indeed, IDA credits are critical for projects whose implementation will increase the abilities of the poor countries to meet their mounting oil costs.

Second, it is not true that the oil producers have done nothing to contribute to international economic development. Earlier this month, Iran announced its intentions to establish a $2 billion program for developing countries. During the past five years, as former World Bank President Eugene Black has noted, the World Bank has borrowed nearly $1 billion from Kuwait, Lebanon, and Libya. In the past two years alone the Bank has received more from Kuwait than it has from the United States. Also, the oil exporting states have set-up development banks and have pledged $200 million in 1% loans for African nations through which they can meet general price increases. The continuation of these efforts depends upon an atmosphere that supports greater social justice throughout the world. American rejection of IDA would not contribute to this increasingly vital international climate of concern.

Third, if the oil producing states became the sole sources for development funds, would this promote international economic and political stability? Clearly, it would not. Admitting that the Middle East oil producers now have an estimated $20–30 billion to grant, lend, or invest (and this figure may rise to $80 billion by 1980), the availability of these capital funds may be "tied" to political support for the Arab states. I cannot believe that it is prudent for the United States to encourage this politico-economic scenario by withdrawing the leverage our IDA assistance provides and by forfeiting this extremely important region of the world to the oil producers.

Fourth, we must ask ourselves this fundamental question: "Why punish the poor for higher oil prices?" Certainly it is not the fault of the developing countries that the oil producers have raised their prices more than fourfold. Yet, by refusing to fund IDA, we penalize the poor nations for a situation not of their making. As James Reston aptly characterized this response, we seem to be saying that because we find the Arabs guilty of price gouging, we, therefore, are justified in turning around and kicking the poor. Not only is this unreasonable, Mr. Chairman, it is unworthy of our great country.

### IV. COSTS OF IDA TO THE UNITED STATES

I would like to comment upon the cost to the United States of our IDA contribution and upon our ability to afford it.

First, our $1.5 billion assessment represents a significant decrease in the United State's share, from 40% to 33% of the total replenishment. In dollar terms, this is a $300 million reduction. Further, we may divide our payments over four years instead of the usual three—thereby cutting our annual installments to $375 million, or $11 millions less than our present yearly IDA contribution. These savings, in part, have been made possible by a tripling of the Japanese and a doubling of the West German quotas. This, incidentally, clearly demonstrates that other developed countries are bearing a more equitable burden of developmental costs.

Second, a study released only last week by the House Committee on Foreign Affairs reveals that, contrary to widespread assumptions, American participation in multilateral development banks has resulted in a net U.S. Balance of Payment surplus of $2.7 billion. Since the World Bank's inception in 1945, the United States has realized from the organization and its subsidiaries a positive Balance of Payments in excess of $3.5 billion. Nearly $2.6 billion of this total has been acquired since FY 1965. The fact that the United States receives direct financial benefits from its participation in international lending institutions is, in itself, a sound argument for our continuing to fund programs like IDA.

Third, our remarkable trade recovery in 1973 and the present strength of the dollar abroad make the IDA request of $1.5 billion economically manageable, even with the negative impact of the energy crisis. Other industrialized nations are far more adversely affected by the oil shortage than is the United States. They, nevertheless, are still maintaining their support of IDA.

Fourth, Mr. Chairman, the example of the United States reneging upon its commitments made at the Nairobi Conference could lead to the complete unraveling of the replenishment agreement. To the poor economies of the world, this would only illustrate once again the validity of that somber law of economics: "the poor come last." This archaic attitude must fall to the demands of international cooperation if our planet is to survive.

### V. CONCLUSION

There is an ineluctable movement toward a greater world interdependence with its concomitant need for more cooperation among all countries, large and small, rich and poor. The United States' role in the international economy, if it is to be meaningful, must recognize this contemporary global reality. There is no better way for Congres to express this awareness than by honoring the commitments made to IDA last September.

It is for this reason, Mr. Chairman, that I hope your Committee, and eventually the Senate, itself, will act favorably upon S. 2665. Bolstered by your example, the House of Representatives, I am confident, will once again reaffirm its long-standing support of the International Development Association.

## AMERICAN INDIAN HEALTH CARE EDUCATION AND IMPROVEMENT ACT

### HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. UDALL. Mr. Speaker, the history of the Federal Government's relationship with the American Indian is a sad tale of empty promises, broken treaties, and neglected needs.

Nowhere is this more glaringly evident than in the health care of our Indian citizens. The incidence of tuberculosis among Indians is eight times as high as that of the rest of the Nation. Infant deaths are 1.4 times higher among Indians. Alcoholism related deaths are 6.5 times as high as in the general population. Between 1962 and 1971, the incidence of otitis media, a disease of the middle ear which can lead to fatal meningitis or brain abscess, increased 183 percent among Indians. The gastroenteric death rate among Indians is four times higher than the national average.

In recent years, the Indian Health Service has made marked progress toward improving the quality of health care for American Indians. But with all due credit to the Service, its hands have been tied.

Of the 51 Indian Health Service hospitals currently in operation, only 21 are accredited and 39 fail to meet national fire and safety codes. Almost two-thirds of the Service hospitals, four-fifths of the Service hospital outpatient clinics and one-half of the Service health clinics meet only 80 percent staffing standards for their respective services. The present Service doctor patient ratio is one physician for 1,080 Indians compared with a national average of one physician for every 720 persons. The pharmacists population ratio among Indians is 33 pharmacists to every 100,000 persons compared with the recommended ratio of 65 pharmacists to every 100,000 individuals. At the present rate of four surgeries per week, it would take 30 years to treat the backlog of otitis media cases at the Gallup Indian Medical Center, provided no new cases occur.

These shocking statistics speak for themselves. There is no need to elaborate further on the necessity of immediate remedial action as well as long range preventative planning.

To meet these needs I introduced last week the American Indian Health Care Education and Improvement Act, H.R. 13596.

Briefly stated, this measure would:

Provide funds for reducing the backlog of Service cases and upgrading Service facilities.

Provide scholarship assistance to students in a wide range of health and sanitation related fields at the undergraduate, graduate, and professional level in return for a commitment to serve the Indian community upon graduation.

Provide grants to both Health Service and nonservice personnel currently serving the Indian community in health and sanitation professions who wish to upgrade or formalize their education in return for a commitment for further service to the Indian community.

Direct the National Science Foundation to grant funds for research in a wide range of Indian health care related fields. The results of these studies would be reported to Congress on an annual basis along with recommendations for appropriate legislative action.

Make direct medicare and medicaid payments to Indian Health hospitals instead of to the general treasury in order to give Indians greater access to benefits from social welfare programs currently available to all Americans.

Provide assistance to rural Indian communities in the planning and implementation of health care transportation and communication systems.

This measure builds on the foundations presented in S. 2938, the Indian Health Care Improvement Act, introduced by Senator JACKSON of Washington and sponsored in the House by my distinguished colleague, Mrs. JULIA BUTLER HANSEN.

I feel H.R. 13596 goes further than S. 2938 in getting at the root of American Indian health care problems and establishing a solid foundation for consistent quality health care for future generations.

Beyond the Government's legal historic obligation to the American Indian, we have an obligation to all Americans to insure that they can get the kind of health care they need when they need it. This bill goes a long way toward meeting that obligation.

I urge my colleagues to join me in sponsoring this vital legislation.

## NEED TO PUT EFFORTS OF ANTI-ABORTION LOBBYISTS IN PROPER PERSPECTIVE

### HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DELLUMS. Mr. Speaker, it has always been particularly disheartening, and ultimately frightening, to think that a well-organized lobby could influence Congress to enact a law that only a minority of the American people consider to be fair. Too often, however, this has been the case.

As the following article from the March 1974 issue of Harper's points out, Congress now faces such a lobbying effort by antiabortion forces. Although numerous polls, many of them reprinted in the RECORD, reveal that a majority of the American people support the Supreme Court decision on abortion, mounting lobbyist efforts have raised the possibility of Congress passing an antiabortion constitutional amendment. The mere chance that such legislation will pass Congress is undoubtedly a major source of our constituents' discouragement with their Government, of their increasingly inalterable assumption that their Government is essentially an unresponsive, unapproachable institution that decides issues on the basis of political expediency, in response to powerful interest groups, and thus not in answer to the opinions of the people of this country.

I strongly urge my colleagues to read Marion K. Sanders' article and to carefully consider the important points that it raises. It is essential that Congress recognize these lobbyist efforts as representing a minority of the American people that is attempting to force its moral beliefs on the American people as a whole.

The article follows:

ENEMIES OF ABORTION

(By Marion K. Sanders)

(The Catholic hierarchy rejects a woman's right to govern her own body—and it won't rest until that right is abolished.)

People who regard divorce, birth control, eating pork—or whatever—as sinful have a clear right to live by their own tenets, provided they don't force their views of morality on citizens of other faiths or none. That, in theory, is the American proposition, as conveyed in the spirit of the Constitution—and yet, as we all know, the theory has seldom achieved reality. Throughout U.S. history, various religious groups (notably Baptists and Catholics) have acquired sufficient political power to impose their moralistic attitudes on almost everyone else. The leading example is, of course, the American Catholic Church, which, for decades, succeeded in keeping archaic divorce and anticontraception laws on the books in state after state aross the country.

Vast cultural changes have now eroded the Catholic hierarchy's relentless efforts. Since the 1960s, under the liberalizing influence of Vatican II, the Catholic divorce rate has climbed. And millions of Catholic women have been using birth-control pills (of which Catholic Dr. John Rock was codiscoverer and an ardent advocate).

Reluctantly conceding major setbacks on two fronts, the hierarchy has made opposition to abortion the new rallying cry. It has proved a highly emotional issue which can be dramatically exploited by means of inflammatory rhetoric, lurid propaganda, and outright political blackmail. These techniques, which the Catholic-supported Right to Life movement has used to score impressive local victories, are now being tested on a national scale. Week after week, the faithful are reminded from the pulpit, in newsletters, and in full-page newspaper ads, that abortion is "murder" and that Catholics are subject to automatic excommunication if they participate in, or encourage the deliberate termination of, pregnancy for any reason. They are also instructed that they have a sacred duty to sign and circulate petitions, march in street demonstrations, and raise funds for the Right to Live movement, which is passionately concerned with the rights of unborn embryos but which, in accordance with Catholic tradition, has minimum concern for the rights of women.

Far from being discouraged, the campaign has gained momentum since last January, when the U.S. Supreme Court in effect invalidated all restrictive state antiabortion laws. Seven justices, including the only Catholic on the bench, William J. Brennan, concurred in the opinion, which held that the right of privacy "is broad enough to encompass a woman's decision whether or not to terminate a pregnancy." Two publications of the Catholic far Right, *The Wanderer* and *Triumph*, called for Justice Brennan's excommunication. Archbishop Francis J. Furey of Texas characterized the authors of the ruling as "fetal muggers." In more elegant but equally apocalyptic terms, the president of the National Catholic Conference, John Cardinal Krol, accused the Court of opening the doors "to the greatest slaughter of innocent life in the history of mankind."

The current goal of the Church is reversal of the Supreme Court ruling by constitutional amendment. If it should succeed, the result would be a real "slaughter of innocent life"—the butchery of American women once again condemned to the perils of illegal, criminal abortion. For there is evident, at all economic and social levels and among all ethnic groups, a clear determination to limit the number of one's offspring; and in the present state of the art of contraception, abortion is an essential last-resort method of birth control.

The high command of the anti-abortion drive is the National Catholic Conference of Bishops, based in Washington. The shock troops are a network of grass-roots organizations coordinated by a national Right to Life Committee. Its chairman is Edward J. Golden, a construction foreman and father of six who lives near Troy, New York. Golden won his spurs in his native state where, in 1970, the country's most liberal abortion law was unexpectedly enacted. Perceiving that the Church's traditional tactics—low-key persuasion and gentle arm-twisting—no longer worked, in short order he built the New York Right to Life Committee into a formidable political lobby. Its strategy was simple: to attack and defeat any legislator—no matter what his stance on other issues—who had voted for the liberal bill or failed to support the move to repeal it. By mounting effective campaigns in the home districts of his targets, Golden demonstrated that this was no idle threat: three legislators went down to defeat in 1971, and others found themselves in close contests.

His program moved into high gear in January 1972, when busloads of antiabortionists began rolling into Albany, heavily laden with sensational literature. Terence Cardinal Cooke sounded the call to arms by denouncing the liberal law as "an outrage against humanity." He received a powerful assist from Richard Nixon. In a well-publicized letter, the President repudiated the findings of his own Population Council and endorsed the Cardinal's views. On April 16, which His Eminence had designated as "Right to Life" Sunday, priests throughout the state read his proclamation to their congregations. In New York City, parochial-school bands, Knights of Columbus units, and legions of the faithful from distant points converged for a march down Fifth Avenue.

Lawrence Lader, who, as an author and militant agitator, has been one of the most intrepid advocates of legal abortion, had assembled a small group for a counter-demonstration. A few carried signs identifying themselves as "Catholics for Legal Abortion." Though he has often been in the eye of the storm as a debater and lecturer, he recalls the occasion as one of the most unnerving of his career.

"The busloads unloading on nearby streets streamed by," he said. "They were mainly middle-aged people, prim and determined in blue serge suits and flowered Sunday dresses. When they saw our signs they screamed only one word, like a small explosion. 'Murderer! Murderer!' We were faced with a religious crusade."

In early May 1972, reversing its 1970 stand, the legislature repealed the liberal law. It was a triumph for Golden's one-issue politics. Although Governor Rockefeller vetoed the repeal bill, the Right to Life movement had demonstrated the impact of what the governor called "extremes of personal vilification and political coercion brought to bear on members of the legislature."

Six months later, in Michigan, the movement showed its muscle in even more striking fashion when the abortion question was put to a popular vote. At issue was a proposal—Proposition B—to repeal the state's 126-year-old abortion law. Three weeks before Election Day, polls showed 56 percent in favor, 33 percent against, and 11 percent undecided. Yet, on November 7, Proposition B was defeated by more than 61 percent of the vote. Credit for this feat goes to an organization calling itself Voice of the Unborn, which mobilized some eight thousand volunteers for door-to-door canvassing and retained an enterprising young advertising firm, Maywood & Hammer, to mastermind a media blitz. As a recurring motif they used a simulated fetal heartbeat in a saturation program of radio spots. Professional actors were hired to perform in staged "man-in-the-street" TV interviews. Bumper stickers carried such tasteful slogans as "Bring 'Em Out Alive." Highway billboards pictured Christ admonishing passersby, "Stop Abortion Now. Thou Shalt Not Kill. Don't Take a Life That I Have Given. Vote No in November."

One active supporter of the proposition was Dr. Jack Stack, whose advocacy of legal abortion dates back to his internship, when he watched a woman die after a criminal abortion. "It was an insidious thing," Dr. Stack said of the Michigan campaign. "At first the fear was a creeping force. It got to be paranoia in some quarters until logic faded and scare tactics were screaming in our faces." Feeling became so intense that another liberal physician, Dr. George La Croix, had his life threatened. In Lansing, a priest in full clerical dress accosted a pro-abortion legislator, called him a "foul murderer," and tried to push him down the capitol steps. "I don't think a day passed that there wasn't some antiabortion pamphlet under our door," the mother of two adolescent daughters said. "It was horrible, sickening stuff. It really frightened the kids.

The literature in question was paid for through collections in Catholic churches or sales of pamphlets at church doors. Most of it was purchased or adapted from the output of Dr. J. C. Willke, a dapper and articulate Cincinnati general practitioner. He and his handsome wife are veterans of the antiabortion wars, and their materials—available in French, German, Spanish, and Italian—are the staple ammunition of the movement throughout the world. Among the best-selling items is a $1.25 Handbook on Abortion. It is illustrated with color photographs of disintegrating fetuses and is packed with misinformation. One example:

Isn't abortion safer than childbirth?

No, in the late stages it is far more dangerous. Even in the first three months at least twice as many mothers die from legal abortions as from childbirth.

Actually, according to statistics compiled by the Population Council, legal abortions in the U.S. have a death rate of eight per 100,000 compared to the pregnancy and childbirth death rate of twenty deaths per 100,000 for white women and forty to sixty for black women.

Dr. Willke's bloody embryos sometimes appear on postcards. Others are used in a pamphlet titled "Four Ways to Kill a Baby." This series includes a grisly color photo of a dismembered ten-week-old fetus, actually two inches long but enlarged to appear exactly the same size as a nine-week-old infant shown on the same page. Dr. Willke has also added his own hair-raising sound track to a teaching film originally made to instruct doctors in the techniques of suction abortion. His slide lectures and films are major attractions at Right to Life meetings. At their convention in Detroit last June, Dr. Willke explained how to get maximum mileage from his materials. The description that follows is excerpted from the notes of a women's rights advocate who attended the gathering incognito.

Dr. Willke emphasized that you should never use the word "fetus" or "embryo"; always say "baby." Always use the word "kill." The first set of slides is about the development of the embryo, but it must be shown in reverse order. Always start with the slide of a live baby, moving backward at two-week intervals, and ask, "Is it still human?" If you start at the other end, the ovum, they will see it as a glob, not a baby from the beginning.

The next set is about abortions—bloody and bloodcurdling. This is followed by a view of a garbage pail filled with dead 'babies.' Finally there is a German concentration-camp scene showing a truckload of dead Jews en route to the incinerator.

The analogy with Hitler's extermination program and human experimentation has proved potent propaganda. The implication is that legal abortion is only a first step toward compulsory abortion for "undesirables," raising the specter of genocide for black people. Similarly, old folk are persuaded that their lives are menaced by compulsory euthanasia, supposedly next on the agenda of the population planners.

In their first national exercise in confrontation politics, Right to Lifers swarmed into Washington on January 22, the anniversary of the Supreme Court decision, to rally support for the constitutional amendment introduced by Rep. Lawrence J. Hogan of Maryland, which is before the House Judiciary Committee. The strategy is to bypass committee hearings by collecting 218 signatures on a discharge petition. Thereafter a two-thirds majority of both houses would be needed to send the measure to the states for a final vote.

Hogan's bill provides that "neither the United States nor any state shall deprive a human being, from the moment of conception, of life without due process of law; nor deny to any human being, from the moment of conception, within its jurisdiction, the equal protection of its laws."

Constitutional lawyers point out that this concept of the fetus as a person would create legal chaos. Nonetheless, this is the doctrine of the Church, stubbornly defended by its legal scholars.

In addition to Hogan's proposal, scores of other antiabortion proposals are in the hoppers of both houses. Some follow the pattern set by Rep. G. William Whitehurst of Virginia, who would simply return the abortion question to the individual states. Doctrinaire Right to Lifers are less than enthusiastic about the measure introduced by Conservative Sen. James Buckley of New York. It provides protection for the fetus "from the time a biologically identifiable human being comes into existence." This ambiguity is unacceptable to True Believers, as is the humane proviso that "this article shall not apply in an emergency when a reasonable medical certainty exists that continuation of the pregnancy will cause the death of the mother."

The Buckley bill has acquired several Protestant cosponsors, a factor of some importance in relieving the movement of its all-Catholic coloration. Mr. Golden recently estimated that perhaps 15 percent of his followers were of other faiths. They include members of some fundamentalist Christian sects, the Church of Latter-Day Saints, the Missouri Synod—the most conservative branch of the Lutheran Church—and a handful of orthodox Jewish rabbis. The movement has also attracted a scattering of one-time Vietnam war protesters who have been persuaded that abortion is a form of "violence."

Spokesman of the last group is Thomas J. Mooney, the twenty-eight-year-old leader of the National Youth Pro-Life Coalition. Mooney insists that his organization is not "a collection of priest-ridden Catholic fanatics." He describes himself as a leftish-liberal ex-Catholic, and is a former vice-president of the National Student Association who worked in the McGovern campaign. Mooney assured me that the plight of a woman burdened with an unwanted pregnancy could best be eased by working for a world "in which no child is unwanted." He feels no qualms in trying to engineer the political demise of a fine legislator whose record he applauds on every question but abortion. "We'll just have to find someone equally liberal on our side," he said. He conceded that one-issue politics might present some problems if he found himself forced to support a second term for Senator Buckley, with whom he is in agreement only on the subject of abortion.

Mooney's troops are organized on a precinct-by-precinct basis. On visits to their representatives, he emphasized, "we remind them the '74 elections are less than nine months away, and if they won't speak up for life we're going to get them."

Elected officials take such threats seriously, especially when they are backed by a continuous torrent of mail running at least nine to one against the Supreme Court decision. The legislators are impressed, too, with the political clout of an organization which last summer pressured forty CBS affiliates into not rebroadcasting an episode of the television program *Maude* in which the heroine decided to have an abortion. A well-organized boycott induced all but one of the show's commercial sponsors to withdraw.

Of the countervailing forces, only the National Association for Repeal of Abortion Laws, headed by Lawrence Lader, has attempted to match the militant tactics of the antiabortion groups. NARAL has fought aggressively and effectively on the state level but commands limited resources and is the only organization devoted to the single purpose of supporting legal abortion. Since there are many other items on the agenda of feminist groups and the American Civil Liberties Union, neither can mount a massive letter-writing campaign on the one issue of abortion. The matter is of even more direct concern to Planned Parenthood and the Association for the Study of Abortion. But these organizations, conscious of their tax-exempt status (which does not inhibit the Catholic Conference), limit their activities to citing the record. They have an impressive case.

In New York City, for example, maternal deaths declined from thirty-five per 100,000 in 1970, the year the abortion law was liberalized, to twenty-seven per 100,000 in 1972. Admissions to Harlem Hospital for "botched abortions" dropped from 1,054 in 1965 to 292 in 1971; at many other municipal hospitals, cases of septic abortion—formerly commonplace—are rare. The general birthrate in the city declined 12 percent from 1970 to 1971, and 30 percent among welfare recipients. A fifteen-year steady increase in illegitimate births was reversed in 1971 with a 12 percent drop. Enrollment in public maternity centers fell by 53 percent, and five were closed. The number of children placed in foster care declined by 41 percent.

One consequence has been an acute shortage of babies available for adoption. To counter this trend, the Church has set up an organization called Birthright which offers counseling to unmarried mothers as an alternative to what Birthright calls "the tragedy of abortion." "It seems to me they are really seeing women as brood mares," one Catholic friend of mine commented. And certainly for the approximately 200,000 women who in the past year had safe, legal abortions in New York—80 percent in the first trimester—the far greater tragedy was the prospect of having to bear an unwanted child.

"I have yet to hear an intelligent sermon against abortion," said another devout Catholic woman who lives in Brooklyn and is actively involved in the affairs of a racially and economically mixed community. "I feel like shouting at the priest, 'Who are you to tell women they have to have babies?' They talk about 'respect for life.' But they have no idea what life is like for most people. It's all a suburban, white, middle-class movement. They're just talking to empty air, not to people with real problems."

This woman doubts that she would ever have an abortion. But she feels the decision is a matter of personal choice, as do 56 percent of U.S. Catholics, according to a 1972 Gallup poll. She profoundly deplores the effort of her church to deprive American women of that choice. There has not, however, been any effective demonstration of political concern by those who agree.

As a result, a number of restrictive measures have been quietly enacted by Congressmen and Senators who—as one of them put it—"just want to get those people off our backs." "Those people" are the lobbyists in clerical dress and the indefatigable letter writers of the Right to Life movement. Some of the new laws would deny the use of federal funds to family-planning programs here and abroad that include abortion or research in abortifacients. The most ominous is a rider to the Social Security Act, introduced by Senator Buckley and passed by the Senate in December, which would ban Medicaid payments for abortions. If enacted, this law would mean the end of the low-cost abortion clinics which have been largely financed by Medicaid funds. The effect would be to make safe, legal abortion once again the prerogative of the rich.

These Right to Life victories are milestones on the long road before a constitutional amendment can be enacted. Those who doubt that this feat is possible should recall the achievement of another one-issue minority lobby—the Women's Christian Temperance Union—which foisted the Volstead Act on the nation in 1919. Indeed, unless the Right to Life movement is recognized for the threat that it is, American women may find, in the not too distant future, that they have lost a war because they did not even realize it was being fought.

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## THE REFUGE IS THEIR FORTRESS

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DINGELL. Mr. Speaker, it is not enough merely to love wilderness. It is necessary to nourish it as well. The Nation's 356 wildlife refuges have helped whooping cranes, pelicans, manatees, and other endangered animals to survive. Biologists are experimenting with concepts that might give many threatened species a new lease on existence. And important new laws have been passed. But the ultimate question is, "What can I do to help?" In National Wildlife's special endangered species issues, here are some of the problems and answers:

### THE REFUGE IS THEIR FORTRESS

(By Bob Strohm)

Drifting languidly over the waves near the little town of Sebastian, midway down Florida's eastern coast, the huge flocks of brown pelicans presented excellent targets for even the clumsiest marksmen back in the early 1900s. And so, from the boats and yachts that sailed past a three-acre island where the pelicans nested, vacationers and plume hunters alike casually picked off the birds by the thousands. Whenever Paul Kroegel—a special guard hired by a conservation group—saw the vessels headed toward the island, he raced out in his little boat to turn them away. But Kroegel had no real authority, except a 10-gauge shotgun, and not until President Theodore Roosevelt set aside Pelican Island as a "preserve and breeding ground for native birds" did the slaughter finally stop. Then, fittingly enough, the man appointed to serve as the preserve's first federal warden was Paul Kroegel.

From that modest beginning 71 years ago, the National Wildlife Refuge System has grown into 356 havens, totaling 30 million acres and sustaining almost every kind of wildlife in the United States. Today, there is no doubt that these refuges played an essential role in preventing the extinction of a number of animals, from the trumpeter swan and the bison to pronghorn antelope, desert bighorn sheep, muskox and the American alligator.

Incorporating six different types of areas, the system is not only the largest network of managed wildlife sanctuaries in the world but also the most diversified. More than 270 migratory waterfowl refuges occupy 4 million acres. Another 61 acres protect nesting colonies of herons, egrets and seabird species on a total of four million acres. Fifteen big game areas protect a broad spectrum of wildlife on 5 million acres. Four national game ranges cover 2.5 million acres. National Wildlife ranges cover nearly 14 million acres. And 114 units of wetlands, totaling more than 1 million acres, have been set aside for waterfowl nesting areas in the north central states.

Largest of all the units is the 9-million-acre Arctic National Wildlife Range in Alaska, home of caribou, polar bears, grizzly bears, gray wolves, arctic foxes, waterfowl and shorebirds. The smallest, the Mille Lacs Refuge in Minnesota, consists of two small islands making up only six-tenths of an acre—still a safe haven for gulls, terns and purple martins.

Each year, as civilization continues expanding into formerly undisturbed areas, the refuge system becomes more vital. Within the last ten years, 74 refuges totaling nearly 700,000 acres have been added. Money for the acquisition of refuges comes from the sale of Migratory Bird Hunting Stamps, which netted over $10 million last year (up from $7.2 million in 1971). Some refuges have been created by Congressional action taking land out of the public domain. And some have been donated by private groups, such as the Union Camp Corp., which recently gave a big portion (49,000 acres) of Virginia's unique Dismal Swamp to the refuge system.

Endangered species are found on 82 of the 356 refuges, and they include 8 mammals, 16 birds and the American alligator. The endangered Florida manatee is now relatively secure in nearly 2,000 acres of water habitat on the Ding Darling and Chassahowitzka refuges off southwest Florida. A large population of brown pelicans is thriving on the Pelican Island Refuge, now expanded to 756 acres. The key deer, all but wiped out in the 1940s, was brought back from a population low of 30 to over 600 on the National Key Deer Refuge in the Florida Keys. The American alligator occurs on 25 refuges. And the entire population of the Everglades kite, now estimated at 30 birds, lives on or near Florida's Loxahatchee Refuge.

Though sometimes a refuge is acquired primarily to protect one species, many other species eventually benefit from the protection and resources it offers. For instance, some of the other animals besides the endangered brown pelican at South Carolina's 34,000 acre Cape Romaine National Wildlife Refuge include geese, ducks, turkeys, bald eagles, rails, terns, deer, sea turtles and alligators.

Of course, the National Wildlife Refuges aren't the only havens for wildlife. Millions of additional acres are managed for wildlife's benefit by the states, private groups and other federal agencies. The U.S. Forest Service has set aside 4,000 acres of land for the endangered Kirtland's warbler in Michigan. The Bureau of Land Management safeguards Nevada's School Spring, home of the endangered warm spring pupfish. The National Park Service protects the endangered eastern timber wolf on the 540,000-acre Isle Royale in Michigan's north woods.

Protection of endangered species has actually become an important function of the refuge system. In 1909, refuges were established for the American bison, followed by areas for pronghorn antelope, desert bighorns and whooping cranes. Over the years, its primary objective has been to protect migratory waterfowl, for which the federal government assumed responsibility in the Migratory Bird Treaty Act of 1918. But periodically, competing philosophies have shifted the management emphasis. Originally, for example, the refuges were sanctuaries where hunting was prohibited. But since 1924, regulated hunting has become more widespread on the refuges. In 1973, nearly 800,000 visitors to the refuges—four percent—were hunters.

When the refuge system was smaller, management policy and directives emanated from the Interior Department in Washington, D.C. Then, for several decades, there was a period of decentralization, with increased policy-making on the regional and local level. But many problems arose. Some refuge managers equated development with improvement. Based on the erroneous notion that "more is better," for example, they would sometimes flood as much land as possible to create lakes for fishermen, making inadequate provisions for waterfowl and amphibians dependent on swamps and other forms of wetland. At the other extreme, too little management was sometimes exercised. When Wisconsin's Necedah Refuge was added to the federal system, it had excellent prairie chicken and sharp-tail grouse range. But little effort was exercised to maintain the necessary open spaces prairie birds need, and the area became a thicket of little value to them.

During the past decade, there has been a movement once again to centralize policy decisions in Washington, increasingly safeguarding and restoring wildlife values at refuges, and downplaying general public recreation such as swimming, camping, picnicking, motorboating, horseback riding and target shooting. But wildlife refuges still do far more than set aside land where animals won't be disturbed by the nation's burgeoning population. Whether the system's 20 million annual visitors walk high in the mountains, deep in the forests, through vast agricultural areas or alongside frenetic urban centers, they come away spiritually revitalized. Henry David Thoreau might have been speaking of the National Wildlife Refuge System when he said: "A community is saved not so much by the righteous men in it but by the woods and swamps that surround it."

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## CONGRESSMEN ASK NIXON TO MEET MIA FAMILIES

### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. GILMAN. Mr. Speaker, 82 of my colleagues in the House and Senate have joined the gentleman from Indiana, Mr. EARL F. LANDGREBE, and me in a letter asking President Nixon to meet personally with representatives of the families of our missing servicemen.

Because of the great importance of this issue, and the anguish and anxiety that accompany each day in their lives, we are again appealing to the President to meet personally with these MIA families.

We believe the President, more than anyone else, can marshal world opinion to compel the North Vietnamese to meet their humanitarian obligations in cooperating in a full accounting for our missing American servicemen.

Mr. Speaker, I respectfully request that the full text and signers of this letter be reprinted at this point in the RECORD.

The letter follows:

MARCH 20, 1974.

The PRESIDENT,
*The White House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: The recent observance of the first anniversary of the cease-fire in Southeast Asia has focused attention on numerous unanswered questions concerning the possibility of American citizens remaining in Communist captivity.

We again appeal to you to meet personally with members of the families of our MIA's to amplify the humanitarian concerns of all Americans and to discuss our Government's efforts and plans to resolve the unanswered questions of the fate of the 1,156 unaccounted for men.

While we recognize that the recalcitrance of the North Vietnamese has repeatedly frustrated our search missions, we believe that you, more than anyone else, can marshal world opinion to the humanitarian principles to which free nations subscribe.

We look forward to your early reply.

Respectfully,

LIST OF SIGNERS

SENATORS

Birch Bayh (IN), James Buckley (NY), William Brock (TN), Robert Dole (KS), Pete Domenici (NM), Edward J. Gurney (FL), James Pearson (KS), Robert Packwood (OR), William Proxmire (WI), and John Tower (TX).

REPRESENTATIVES

Bella S. Abzug (NY), Joseph P. Addabbo (NY), John B. Anderson (IL), Bill Archer (TX), L. A. (Skip) Bafalis (FL), Robert Bauman (MD), Lindy (Mrs. Hale) Boggs (LA), William Bray (IN), James Broyhill (NC), Joel T. Broyhill (VA), John B. Buchanan (AL), James A. Burke (MS), Bill Chappell, Jr. (FL), Donald Clancy (OH), Don H. Clausen (CA), Lawrence Coughlin (PA), W. C. Daniel (VA), George Danielson (CA), Mendel Davis (SC), Joshua Eilberg (PA), Marvin Esch (MI), Bill Frenzel (MN), Richard H. Fulton (TN), and Don Fuqua (FL).

Benjamin A. Gilman (NY), Tennyson Guyer (OH), Lee Hamilton (IN), Margaret M. Heckler (MS), Henry Helstoski (NJ), Marjorie S. Holt (MD), Frank Horton (NY), Robert Huber (MI), William Hudnut (IN), John E. Hunt (NJ), Jack Kemp (NY), William M. Ketchum (CA), Earl F. Landgrebe (IN), Norman F. Lent (NY), Clarence D. Long (MD), James R. Mann (SC), Spark M. Matsunaga (HA), Romano L. Mazzoli (KY), Donald J. Mitchell (NM), G. V. (Sonny) Montgomery (AL), John M. Murphy (NY), John P. Murtha (PA), George O'Brien (IL), and Claude Pepper (FL).

Peter A. Peyser (NY), Bertram L. Podell (NY), Albert H. Quie (MN), John Rarick (LA), Howard W. Robison (NY), Robert A. Roe (NJ), Angelo Roncallo (NY), Benjamin Rosenthal (NY), John Rousselot (CA), Ronald Sarasin (CT), Dick Shoup (MT), Garner F. Shriver (KS), Robert L. F. Sikes (FL), Henry P. Smith III (NY), David Towell (NV), William F. Walsh (NY), G. William Whitehurst (VA), Bob Wilson (CA), Larry Winn, Jr. (KS), Antonio Borja Won Pat (GUAM), John W. Wydler (NY), Gus Yatron (PA), Roger Zion (IN), and John M. Zwach (MN).

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## SOUTH PATTERNS END WITH CLASS L CROWN

### HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. COTTER. Mr. Speaker, South Catholic High School, of my hometown of Hartford, has just won their second State basketball championship in less than 5 years in the recently completed Connecticut Interscholastic Athletic Conference Class L Tournament.

The South Catholic "Rebels" combined talent and determination to win a 71–57 victory over Naugatuck High School in the final game and a 22–3 record on the season. The enthusiastic school spirit of the students at South Catholic must have played a major role in their fine season, as the turnout at the championship game set a new State attendance record. I am very proud to congratulate the entire student body and their great basketball team; I know that this year will be a lasting memory for the students at South Catholic and their families.

For the benefit of my colleagues, I enclose the below article from the Hartford Times of March 16, 1974 which gives well-deserved recognition to the accomplishments of this fine team in their championship victory:

SOUTH PATTERNS END WITH CLASS L CROWN

(By Don Conkey)

NEW HAVEN.—As Joe Kelly stood amid the evergrowing multitude of writers, players, and well wishers, someone handed him a teary-eyed little boy. Joe, consoling the youngster, explained that Joe Jr.'s moist eyelids stemmed from a trip that all little boys have to make, sooner or later.

Those were the only tears seen around South Catholic's locker room Friday night.

The Rebels made melancholy a non-existent term at New Haven's Coliseum Friday with a 71–57 success story over Naugatuck, annexing the second Connecticut Interscholastic Athletic Conference Class L title in the school's 10-year history. The largest single crowd in CIAC Finals history, 6,479, was around to see South relentlessly wear down the scrapping but outmanned Greyhounds to duplicate 1970's championship achievement against East Catholic.

South followed a pattern that might as well be patented: for the fourth straight game, the Rebels took a one point halftime advantage, blew its opponent out in the third quarter, and defensed its victory away in the finale.

That halftime score, 32–31, got there mainly on center Ted Mauro's and forward Bill Elier's yoemen work inside. Both had 12 points in the opening 16 minutes, offsetting some big rebounding and scoring efforts by Naugatuck's 6-2 junior forward Joe Healy (3 points).

Eller, recipient of the Eddie Reilly trophy as Class L Most Valuable Player, sparked South to a third period lead that held up for the distance. His six third-quarter points, consistent rebounding, and continual clogging of both defensive and offensive lanes pushed the Rebels to a 46–39 cushion entering Class L's 1973–74 departure.

Naugatuck got as close as five points in the fourth period, 57–52 around the four-minute mark, but South's off-utilized passing process effectively stalled any Naugatuck comeback hopes for the game's remainder.

"They were only one of three teams (Weaver and Xavier) to play us man-to-man all season, Reilly told. "I thought they might try man-to-man, but it took us a long time to get used to it. We have always seen the zone.

"We had eight or nine guys who gave us a good ballgame. I was really happy to see those eight or nine play as much as they did. And defensively, I think that wore Naugatuck down near the end."

The eight's big two were Eller and Mauro, who scored 23 and 12 points respectively.

Eller also contributed 12 rebounds, nudging Healy by one in that department. Healy led all Greyhounds in scoring with 17 marker, center John Palmer and guard Gary Churchill garnering 11 apiece.

Naugatuck, considered the Class L cinderella team by many via its 16–8 record entering Friday's competition, did much to cost itself a midnight deadline with turnovers. The Greyhounds committed 15, while South lost possession just eight times.

"No, I didn't think that we played our best game tonight," losing mentor Bob Sullivan lamented. "Not to take anything away from South. They're a great team."

Sullivan seemed surprised when told that only three teams, including his, had played the Rebels man-to-man, "but I'd play man-to-man again if we met. To me, that's the only way to play defense."

Reilly admitted that his Rebels "played a better game against New London, and South Windsor. But Naugatuck, especially Churchill impressed me. They told me that Churchill was slow—he's not slow."

Thus South Catholic caps a clean Hartford County Conference sweep for the night while raising its season-ending record to 22–3. St. Paul of Bristol took home Class M honors in the evening's first contest.

Material stats had South trailing in rebounds, 38–34, while hitting on 32 of 59 field goals as compared to Naugatuck's 24–55.

But the material matters little today to Reilly and his Rebels, who have filed away in memory's posterity the fact that Warren Hardin's Class L reign was just a one-year stopover.

Oh, yes, Reilly, who cautiously refused throughout the tournament to even venture a remark suggesting that his team might be better than its next opponent, appropriately seemed to sum up the night's full feeling:

"We are the best team."

## THE GREAT PROTEIN ROBBERY: NO. 22—THE STUDDS-MAGNUSON 200-MILE FISH BILL

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### HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. STUDDS. Mr. Speaker, while fish prices continue to rise, the fish stocks continue to be depleted causing a never-ending cycle that harms both the consumer and our domestic fishing industry. We must begin now to reverse the years of neglect that have surrounded our commercial fishing industry. The best solution to the rising fish prices caused by dwindling fish stocks is the immediate enactment of the Studds-Magnuson 200-mile fish conservation zone which would permit the United States to regulate all fishing within 200 miles of our coastline.

The United States must also take the lead in developing and utilizing fish species that are not now widely associated with the dinner table. Not only must we diversify our domestic fishing efforts but we must improve our technological ability to utilize more of the flesh—leaving little or no waste. For the further information of my colleagues, I would like to insert in the RECORD at this point an article from the March 25, 1974, Newsweek magazine that addresses itself to this very need:

SOMETHING FISHY

As meat prices skyrocket, both housewives and food scientists are searching diligently for new, nutritive and inexpensive substitutes. One major prospect: unusual varieties of fish, at present often neglected because of their poor taste or poor public image. Within the next few years it seems likely that Americans will routinely be sitting down at mealtimes to such dishes as squid rings, minced-carp patties and even fish-reinforced hamburgers and hot dogs.

Squid has long been featured on the menus of Oriental and Mediterranean restaurants, but most Americans think of it as a slithery horror rather than a table delicacy. Scientists say squid has enormous advantages as a food: it is boneless, almost entirely edible and a nearly pure source of protein.

One major problem is the difficulty of preparing squid for the table. Gutting squid by hand without breaking its delicate ink sac is a tedious and prohibitively expensive process. Recently, however, a group at the Massachusetts Institute of Technology devised equipment—rather like an old-style wringer-type washing machine—that performs the task to perfection. "It simply eviscerates the squid and takes the skin off, leaving an absolutely white fillet that can be used right away," explains Ernest R. Pariser, one of the project scientists. Having solved the mechanical problem, the MIT group then developed a number of squid dishes tailored to the American palate. These include squid chowder, fried squid rings and a squid cocktail that is similar to oysters. Tasters rate the dishes so highly that Pariser and his colleagues are now working on a large-scale prototype of their machine for industrial use. And one Cape Cod businessman is negotiating with the MIT group for the right to build some of the machines to provide fodder for a chain of squid-food restaurants he plans to open in the area.

Another piece of machinery, developed principally by the Japanese, is being used by scientists of the National Marine Fisheries Service to salvage parts of the flesh close to the bones of such species as cod and haddock, and to obtain flesh from other fish such as carp and whiting that are too small or too bony to fillet normally. This machine, which consists of a rotating drum with holes in it and a rotating belt that runs outside the drum, is a kind of icthyological cotton gin. With the application of appropriate pressure, the fish flesh is pressed through the holes in the drum, ending up in minced form, while the bones are left behind. The device can salvage up to 15 per cent more flesh than conventional fish-filleting processes produce.

Some of the minced fish obtained in this way is already on the market in the form of fish sticks. But because the raw product often has such undesirable characteristics as grayish coloration and overly strong flavor, fisheries experts have had to use considerable ingenuity to turn it into acceptable food. At the service's Pacific Fishery Products Technology Center in Seattle, for example, a team headed by David Miyauchi has developed a number of tasty spreads, pastes and patties, using species such as carp and Alaskan pollock, which have previously been regarded as nuisances by sport fishermen. According to Miyauchi, minced-fish products from these previously undesirable species could sell for 10 to 20 cents less per pound than conventional filleted fish, even though their protein content is identical.

Minced fish will probably never beat beef, but it may join it. Food technologists at the Atlantic Fishery Products Technology Center in Gloucester, Mass, have recently incorporated minced fish into hot dogs and hamburgers. So far the "fish dog" have failed to come up to scratch because the moisture added to the fish causes them to shrivel up too much, but hamburgers of "beefish" have proved a great hit among volunteers who have tasted them. In one test, students at Virginia Polytechnic Institute actually preferred hamburgers made with 25 per cent minced fish to regular hamburgers—a finding that makes VPI food scientist George J. Flick lick his lips. "People like their hamburgers to be meat, and we thought that consumers would be willing to pay a higher price for meat," he noted last week. "Now, I'm not so sure. With hamburger at $1.29 a pound, the consumer may finally be willing to accept a little fish in his beef."

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## REPRESENTATIVE JACK KEMP SUPPORTS CONTINUATION OF THE HOUSE COMMITTEE ON INTERNAL SECURITY

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### HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. KEMP. Mr. Speaker, the Select Committee on Committees has reported to the floor a major reorganization of the standing committees of the House. The recommendations of the select committee will, of course, be the subject of careful consideration by Members before it is considered on the floor and opened for amendment.

One of the most controversial recommendations in the select committee's Reorganization proposal is the abolition of the House Committee on Internal Security, which first as the House Committee on Un-American Activities and subsequently as the House Committee on Internal Security has rendered valuable service to the House and to the Nation for decades.

The Committee on Internal Security exists because there is a need for it, and there will be a need for it as long as this House wishes to address the crucial questions surrounding subversion of our form of government. Yet, the proposal of the select committee would transfer, in its entirety, the jurisdiction of the Committee on Internal Security to the Committee on the Judiciary, presumably assigning such jurisdiction to a subcommittee.

I oppose the select committee's proposal, in this regard, for several reasons.

First, it would sublimate the Committee on Internal Security's responsibilities to a Committee which has many other important responsibilities. I think I can say for sure, that such a transfer would result in the diminution of this body's attention to problems of internal security.

Second, such a proposal implies the Committee on Internal Security has not done an adequate job of fulfilling its responsibilities. This, too, is not the case.

The committee's work is a matter of public record. Its annual report is now available and shows the extent of its work, certainly not all of which is bill-related but as certainly all of which is important to this House. In 1973 alone, the committee investigated revolutionary agitation in our prisons; attempts to infiltrate trade unions; the use of the Communist Party, USA, to defend Soviet anti-Semitic policies of hate toward the Jews; and other matters relating to Communist theory and practice, particularly in the Soviet Union, Red China, and Chile.

Third, there have been several disturbing and distressing items in the Record of late on the way in which our Government's internal security and intelligence gathering activities are operating at less than full effectiveness. Several Members have proposed measures to redefine and bolster our capacity for internal security related intelligence gathering. Undoubtedly, some of these measures will be in legislative form. They should certainly be considered by the committee whose expertise is outstanding in this field. I refer, of course, to the Committee on Internal Security.

Ever since the select committee's proposals were made public, I have been much impressed with the widespread public reaction against them. These are not the shrill voices of emotional anti-communism. They are, in the main, the reasoned voices of intelligent debate.

A number of columnists and editors have raised too their voices and pens in protest of the select committee's proposals. One of the most recent is a column by Mr. William Randolph Hearst, Jr., editor-in-chief of the Hearst Newspapers.

The column follows:

### Watchdog Committee

(By William Randolph Hearst, Jr.)

New York.—Since truth consists of provable facts, it is hardly surprising that students of Democratic freedom keep coming up with the same two fundamental observations. One is that liberty has more to fear from internal enemies than from those outside. The other is that liberty can be maintained only by keeping a constant protective vigil against the forces which would like to limit or destroy it.

The twin truisms have been expressed in various words by many different people. The U.S. philosopher William James, for example, said that "the deadliest of enemies are not foreign foes; they always dwell within." Its classic corollary is credited to an Irish judge, John Philpot Curan, who said in a 1790 speech: "Eternal vigilance is the price of liberty."

Now you might think just about everybody would agree automatically with these principles. After all, U.S. history is full of disruptions which result whenever groups of our own people start believing that their personal convictions are more important than the freedom of their neighbors. And it certainly stands to reason that a constant, close watch be maintained if the subversive activities of such groups are to be kept at a minimum.

That's what you might think. And that's why it seems important today to tell you what is being plotted in Congress by a small but willful band of lawmakers who have somewhat different ideas. The object of their plotting is the House Internal Security Committee, which until 1969 was titled the House Un-American Activities Committee. Why and how they have made it a target confirms the warnings of William James and John Philpot Curan.

No agency of Congress has had a more stormy history. For more than 40 years the HUAC—and now the HISC—has been exhaustively and effectively probing all manner of subversive activity in this country. For the same length of time, significantly, it has been strongly resisted and regularly condemned as excessive by the usual loud chorus of liberals and left-wing Communist sympathizers.

They accused the committee of having a pathological fear of Communism, of making scarlet mountains out of pale pink molehills, of persecuting harmless political theorists and using the tactics of a bully to do it. They soft-pedaled the simple reality of why the Communists and their many subversive activities got so much attention.

The Communists and their various offshoots, from the labor agitators to organizers of student violence, got most of the committee headlines only because such radicals of the left far outnumbered such radicals of the right as members of the KKK, the German-American Bund and other neo-Fascist organizations. Yet all of the latter were as thoroughly explored as their leftist counterparts, with the same painstaking documentation of leadership, interlinkage, secret plans and actual operations.

The only difference was that the rightists did not have a claque of influential sympathizers to assail the committee and disparage its work.

These attacks have never ceased, nor are they likely to do so. The left never lets up on anything or anybody considered injurious to its efforts, nor do the people who troop along with the idea that it is smarter to be called liberal than patriotic. Patriotism, indeed, is widely considered a bad word today—which is a tribute to the sinister appeal which Communism in its many guises has for certain types of politically and socially-minded persons.

In the case of HUAC, and its less clumsily named successor, the most serious attacks have been the many congressional attempts at downright abolition. It makes no difference to its foes in Congress that the committee is acclaimed by our law enforcement officials everywhere as an invaluable source of continually updated information on radical groups of all description, left and right alike. The committee must go.

Such has always been the rallying cry of its determined enemies in Congress. And it is being sounded again right now.

Emphasizing the persistence of these people is important. It was their concerted attempt to abolish HUAC which resulted in its 1969 name change. And according to the Washington newsweekly Human Events—to which much of this column is indebted—in the 92d Congress alone a total of 37 resolutions to dissolve the committee were introduced with the backing of 67 members. None was acted upon.

Having so repeatedly failed to torpedo the committee by other means, its congressional foes now have invented a new approach—and its a crafty one. Largely unnoticed by the press, it seems that the House Select Committee on committees headed by liberal Missouri Democrat Richard Bolling has been working on a master plan to reorganize and streamline such bodies. The plan now has been submitted and you can imagine what it includes.

Sure enough, one of the recommendations would abolish the HISC, this time by transferring its legislative jurisdiction to the House Judiciary Committee. Columnist Joseph Alsop, one of the most astute observers of the Washington political scene, recently described this grab-bag committee as "a kind of dumping ground for left-wing Democrats of the more far-out type."

The all-important point is that if the Bolling committee recommendation is adopted, it will almost certainly finish the kind of vigorous continuing probe of subversive activity for which the HUAC-HISC has been noted. Sixteen of the 21 Democrats on the Judiciary Committee have voted against appropriations for HISC in the past. The chairmen of six of its seven subcommittees have done the same. You can imagine the zeal with which they would continue the HISC work.

The legislative ploy aimed at killing the HISC, furthermore, involves an equally devious method of presentation. The recommendation for abolition is all but buried in a mass of other recommendations supported by over 2,000 pages of testimony and analysis. The liberals' hope is that many firm HISC supporters will go along with the generally good blunderbuss reorganization program lest they be accused of blocking progress toward a better and more effective Congress.

The plot could work—unless an enlightened public and a wide-awake House of Representatives flag it down before some kind of pressure vote is forced later in this session. And if the anti-HISC minority bloc gets away with the trickery, it will be another really major step in the steady eroding and downgrading of national security in recent years. As noted by Human Events in its issue of March 2:

"Long before Watergate, Sen. Sam Ervin (D.-N.C.), former Atty. Gen. Ramsey Clark, the American Civil Liberties Union, Sen. William Proxmire (D.-Wis.) and Sen. George McGovern (D.-S.D.) were waging open warfare against wiretapping, accumulation of data on subversives, police surveillance of potential terrorists and other security practices.

"In the wake of these campaigns, FBI and military surveillance operations, both here and abroad, have been drastically reduced. The Subversive Activities Control Board has been abolished and the administration has unwisely eliminated the Justice Department Internal Security Division.

"This has created a 'climate of freedom' for all types of subversives. They believe no one is watching them closely—and their natural tendency is to go to even greater extremes in their efforts to undermine the U.S."

If you don't believe this, consider the two political kidnappings featured in all the news media during the past few weeks.

Many years ago my father wrote the following words in his newspaper column:

"The American people have been liberal to the point of lunacy. We have allowed our patriotic altars to be polluted by dirty and desecrating hands . . . by forces which would destroy us with their subversive teachings. And we can hardly blame the alien and hostile agencies and influences for having taken advantage of such public laxness and indifference."

In another column Pop said this:

"In light of history it would certainly seem that liberty is the most precious possession of mankind. We Americans possessing liberty must exert the eternal vigilance which is necessary to preserve it."

The House Internal Security Committee has long since proven its great value as one of the most effective instruments for government vigilance.

This watchdog committee must not be lost to us now—and you can help save it from the destruction plotted and hoped for by the Bolling committee.

Write your congressman and tell him how you feel. Make it strong and brief and do it right away.

If you don't know the name of the congressman supposedly representing you, call the city desk of this newspaper for the information.

Mr. Speaker, the reason for this committee has not disappeared. Contrariwise, it is as manifest today as ever. Until that reason does disappear and détente becomes more than just a hollow word on the part of the Soviet Union and other Communist nations, we still need this committee, and I support its continuation.

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## CASE FOR A FEDERAL OIL AND GAS CORPORATION—NO. 13

## HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. HARRINGTON. Mr. Speaker, I wish to insert into the RECORD several articles which appeared in the Washington Post on March 24, calling to the public's attention the tremendous growth of offshore drilling in the Gulf of Mexico and the possibility of drilling off the Alaskan and Atlantic coasts.

The Council on Environmental Quality is scheduled within the month to complete a preliminary impact statement on potential oil and gas development off the Atlantic coast. Though its statement may be hedged with qualifications, CEQ is likely to give the green light to initial exploration of the area, and at that point, the major oil companies will kick off their drive to control the entire situation.

I have substantial misgivings about the broad question of developing the Outer Continental Shelf's energy deposits. In Massachusetts, for example, the tourist and fishing industries might well suffer harm, and in the absence of any comprehensive study of our Nation's energy needs and the alternatives for satisfying them, going forward with any one of these options seems ill-advised.

However, if the CEQ report is sympathetic to development and if the Supreme Court rules in its upcoming case that the Federal Government, rather than the individual States, shall retain control over coastal waters beyond the first 3 miles, then the oil companies ought to be prevented from extending control over the activity which will take place off the Atlantic coast. The Federal Oil and Gas Corporation Act, which I have introduced with other Members of Congress, is designed to "head the major oil companies off at the pass," and provide for public ownership and participation in energy development. The Corporation approach is applicable, though by no means limited, to the Atlantic coast situation.

The articles follow:

### THE OFFSHORE OIL RUSH

(By George C. Wilson)

NEW ORLEANS.—Like homesteaders rushing out for virgin land, oil men, at President Nixon's urging, are sailing forth in ever growing numbers these days to work claims in the Gulf of Mexico.

They are going out for the oil and gas that lies under the unbroken land. So many rigs are out on the water that the gulf in some places today looks like the staging area for a strangely shaped invasion force—barges with steeple-like oil derricks on top.

If government and industry geologists are anywhere near right, this same invasion force will be standing off such East Coast cities as Jacksonville, Baltimore and Boston within a decade, mining under the sea for oil and gas. Yet another fleet may dig into the sea bottom under the Gulf of Alaska.

The stepped-up activity in the Gulf of Mexico is just the beginning of a whole new era in exploiting the resources of the Outer Continental Shelf of the United States. And the impact—especially for the East Coast—will confront Americans with a whole new set of difficult choices in their life-styles and landscape.

Critics complain that the federal government is ordering this era into being without considering the consequences. One such critic—the Environmental Policy Center, a lobby group—contends that the Nixon administration should file a formal environmental impact statement on its policy decision to lease out vast areas of the ocean to oil companies.

"No one in the federal government knows what the national interest is in the coastal zone because no attempt has been made to reconcile the multiple uses of the ocean environment with a view to the long-term productivity of the seas," complains Barbara Heller, an ocean resources specialist for the Environmental Policy Center.

"If we are really facing any kind of shortage," she contends, "this argues in favor of caution in development rather than haste while we search for the most efficient ways to develop, transport, refine, distribute and utilize oil and other energy resources for the long term."

President Nixon's Council on Environmental Quality—in theory his chief adviser for such decisions as accelerating the leasing of land offshore—was not consulted on the administration decision to increase leasing tenfold, according to administration sources.

But such political opponents as President Nixon and Sen. Henry M. Jackson (D-Wash.) agree that offshore is the best place to go for relief of domestic oil shortages. They stress that drilling offshore, with today's technology, can and will be done with minimum risk to the environment.

Even though the argument will not be settled for years, the rush to mine the wealth of the sea is on, with the government's full blessing.

Further proof of this will come here Thursday when the Interior Department's Bureau of Land Management will offer oil companies the right to drill for oil and gas in 920,000 acres of sea bottom from 3 to 140 miles off the Louisiana coast.

This acreage is the biggest amount offered in seven years and further reverses the downward trend in offshore leasing which followed the Santa Barbara oil spill on Jan. 28, 1969. Mr. Nixon gave the rationale for the stepped-up effort in his energy message of Jan. 23, 1974: "The undiscovered oil and gas beneath our Outer Continental Shelf can provide a significant portion of the energy to make us self-sufficient."

"Today," he continued, "I am directing the Secretary of Interior to increase the acreage leased on the Outer Continental Shelf to 10 million acres beginning in 1975, more than tripling what had orginally been planned."

He added that leases for Atlantic and Gulf of Alaska sea bottom would not be offered until after the Council on Environmental Quality finished a study on what offshore drilling would do to those areas. But several geologists interviewed said those two areas would have to be opened up to achieve the stated goal of leasing 10 million acres of promising oil and gas beds offshore.

Ten million acres is almost twice the total area of Massachusetts and 1½ times the size of Maryland. Also, it is 10 times the amount of offshore territory leased last year and almost 100 times the 114,282 acres leased in 1969—the year of the Santa Barbara spill.

"The oil industry doesn't have enough equipment to work 10 million acres," warns one government geologist. "We're really not ready for this big jump."

But the Cabinet officer in charge of the program to get that much offshore territory leased, Secretary of the Interior Rogers C. B. Morton, counters that the effort must be made—but perhaps under different arrangements to reduce the risk and concentrate available equipment on the most productive oil and gas beds under the sea.

"If you really had to hang your hat on an increase in oil of something in the neighborhood of 3 million to 3½ million barrels a day," Morton said in an interview in Washington, "and I'm not talking about the Arctic now because that's a delivery problem, you're looking at the Outer Continental Shelf. There isn't any question in my mind about it."

To maximize the chance of getting the most oil offshore with a minimum of protest, Morton, under what he calls a "two-tier system," would like to do more preparation of the sharply expanded leasing program.

Besides the technical evaluations of oil companies about offshore seabeds, Morton said, "I would like to have the environmentalists try to draw some comparisons from an environmental point of view. Where is the worst place from their point of view? It might well be the Atlantic. It might be the Gulf of Alaska because of climatic problems and wave action and all those things."

With such inputs, Morton said, the government could draw the boundaries of the most desirable offshore leasing areas and then go into the "second-tier" step of letting oil companies formally request the right to drill specific tracts within the selected area.

In the bidding process itself—like the one coming up Thursday in New Orleans—oil companies agree to pay a bonus to the federal government for the right to develop specific tracts offshore and then give the government one-sixth of the oil produced.

With the high price of oil, bidding for this offshore territory has reached unprecedented heights. Last December the federal government got $1.49 billion in bid money—called bonus payments—from oil companies for the right to drill for oil and gas on 485,396 acres under the Gulf of Mexico off the shores of Mississippi, Alabama and Florida. A single tract of 5,760 acres 45 miles southeast of Fort Walton, Fla., brought $211,997,600—a record amount.

Because offshore leasing brings billions into the treasuries of federal and state governments, Morton said, "a money-oriented program" has evolved rather than one designed to manage the oil and gas resources intelligently.

To move "from a money-oriented program to an oil-oriented program," Morton said, "we've got to consider the proposition of exploration as sort of a separate phase from development." He said he has not worked out the details, however, and did not want the government itself to get into the exploration business.

The oil industry does not consider it practical to separate exploration and production, and is expected to fight any such formal administration effort. But Sen. Jackson and other lawmakers are putting pressure on the administration to give the government a larger exploration role on the Outer Continental Shelf and to change the present bidding system.

Jackson does agree on the need for stepped-up mining of the sea—declaring last Monday that the Interior Department should make "available for leasing by 1985 all Outer Continental Shelf lands favorable for oil and gas development without environmental damage."

At the 1973 level of U.S. consumption of 6 billion barrels of oil and 23 trillion cubic feet of gas, Jackson said, the oil and gas believed to be under the Outer Continental Shelf could supply the United States with those fuels for 35 years.

But there is considerable disagreement over how much oil and gas are under those offshore lands. The U.S. coastline is 12,000 miles long, with a continental shelf—going from the low tide mark down to a depth of 600 feet—of 650,000 square miles. It varies in width—120 miles in the far northern part of the Atlantic down to 20 miles off Cape Hatteras—as well as in depth and richness.

The latest government estimates of the total oil and gas reserves under the sea were released Friday in a Council on Environmental Quality study on the impact of offshore drilling. Here are the U.S. Geological Survey (USGS)—including oil and gas already extracted—in the report along with those made by the oil industry's National Petroleum Council (NPC):

*Billions of barrels*

| Offshore oil: | *USGS* | *NPC* |
|---|---|---|
| Gulf of Mexico | 30–50 | 19 |
| Pacific | 10–20 | 17 |
| Atlantic | 10–20 | 6 |
| Alaska | 30–60 | 29 |
| Total | 80–150 | 71 |

*Trillions cubic feet*

| Offshore Gas: | *USGS* | *NPC* |
|---|---|---|
| Gulf of Mexico | 250–425 | 220 |
| Pacific | 15–25 | 25 |
| Atlantic | 55–110 | 60 |
| Alaska | 170–340 | 185 |
| Total | 490–900 | 490 |

The Geological Survey estimates for the oil and gas potential of the Atlantic seabed are way under the survey's former estimates of 48 billion barrels of oil and 220 trillion cubic feet of gas.

Lower estimates or not, the combination of President Nixon's orders to go after whatever oil and gas does lie offshore, plus the high prices industry can now get for it, assures no slowdown in this new rush for riches under the sea.

### BOOM TIMES IN THE ALL-OUT DRIVE FOR OFFSHORE OIL

(By Richard Harwood)

NEW ORLEANS, LA.—Carl Sandberg wrote poetry a generation ago about the heroic crudities of industrial America: "hog-butcher for the world, tool-maker, stacker of wheat . . . stormy, husky, brawling."

The spirit lives. It builds 1,200 automobiles every hour of every day. Its armaments and crops and technology pour out to every continent on the globe. Its machines sent men to the moon and today they are conquering the oceans for oil, profits and the greater glory of man.

Here on the Gulf Coast the oil industry has assembled for that conquest an armada of ships and planes and 60,000 men. Already they have taken more than 4 million acres of the ocean floor. They have drilled more than 18,000 wells, laid more than 6,000 miles of pipeline and pumped out more than 3 billion barrels of oil and 19 trillion cubic feet of natural gas.

That is only the beginning. At least 50 million acres—from Texas to the Florida coastline—await exploitation in the Gulf of Mexico alone. Then the armadas will move into the Atlantic and other oceans of the world.

The scale of the effort has some of the flavor of a great wartime enterprise, or of the mad rushes for land and money that dot the American past.

Millions of tons of steel and concrete are being consumed. Shipyards are straining to meet the demand for cargo vessels, barges and drilling rigs. Mammoth cranes and engines and meters and exotic tools flow in from industrial centers all across the land. Helicopters dart through the sky on ferrying missions to the 1,600 production platforms that rise up from the ocean like enormous mushrooms. And there is the constant flow of men—roustabouts, pilots, mechanics, gang pushers, drillers—from Arkansas, Texas, Mississippi, Oklahoma, Alabama. Occassionally there is a woman among them, lured, like the men and the multibillion-dollar corporations, by the prospect of money; lured, too, by the indefinable air of adventure that hangs over this enterprise.

No one knows how much wealth is out there in the ocean. No one knows what the ultimate environmental effects of this exploitation will be. No one knows what federal policies ought to be applied to protect the public interest in these undersea lands controlled by the government in Washington.

Still, the exploration and development of the gulf goes on. The oil companies are pouring billions of dollars into the effort, with the support of the incredible production and engineering capacity of the American industrial machine. They are hell-bent on it. Questions can wait.

Out there in the gulf, 30 miles off Grand Isle, the crews on the "A" platform in the West Delta 73 leasing block spend little time philosophizing.

The crews have driven enormous steel pilings deep into the ocean floor to provide a foundation for the oil factory. They have drilled 85 wells to depths of more than 10,000 feet. They have built on this single ocean installation pumps, compressors, generators, pipelines, living quarters, a helicopter pad. And they have built it to withstand 59-foot waves and hurricane winds of 125 miles per hour. It's the size of two or three football fields and it has pumped more than 100 million barrels of crude oil in the past 12 years. Seven or eight years from now the oil will run out, the platform will be dismantled and the men will move on further out into the ocean for new adventure, new money, new conquest.

"Out here," says Lloyd Barre, a 26-year-old roustabout, "the atmosphere is better. I don't have somebody standing over me all the time, like I did on my old job at the post office. Everything out here is hazardous but you get used to it. You got to watch yourself all the time. . . . When I'm out there at night, I can just hear by the noises when something is wrong."

Harold Sanders, a middle-aged man with rough hands who has graduated in his working life from roustabout to field superintendent, has been living on the ocean for 12 years—7 days on, 7 days off.

"I like it better than the beach," he says, and, like most of these men, launches into a statistical poem on the achievement of the industry.

They work for Exxon and they are loyal company men. They worry about profits and prices. They laugh at environmental critics and boast of the good fishing off the side of the rigs. They are single-minded. Their only concern is getting the last barrel of oil, the last cubic foot of gas.

Production in the West Delta 73 leasing block has dropped in recent years from 55,000 to 23,000 barrels a day. To keep it at that level. Sanders is now supervising the installation of a $2.5 million complex that will pump water into the formations deep under the ocean to increase the pressure that forces up the oil. As a side enterprise, he will build a water desalting plant, fueled by the heat from the water pumps.

The economics of all this is murky. The oil companies' profit-and-loss statements are internal secrets. They drill the oil, sell it to their own pipelines which sell it to their own refineries, which sell it to their own marketing divisions and service stations. Who gets what is unknown.

Warren Marshall, who runs all the Gulf of Mexico operations for Shell Oil, claims that the industry has invested more than $13 billion (exclusive of operating costs) into the Gulf and is $5 billion in the red. "We've lost that much," he says, "while the federal government has made $6 billion" in lease and royalty payments.

Perhaps. But there is no slowing down. This week the oil companies may bid more than $2 billion for the right to exploit an additional 1 million acres in the Gulf. The crews are eager. The industrial suppliers, the shipyards, the steel mills and drillers are ready.

Harold Sanders, the rig superintendent on the "A" platform, is ready, too. He rubs his hands and smiles: "It'll be good. It'll be like boom times again."

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## HERE TODAY—GONE TOMORROW?

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. DINGELL. Mr. Speaker, writing in the National Wildlife Federation's magazine just published on endangered species, Harry A. Goodwin chronicles the current listing of extinct, endangered, and threatened species which I believe merits close reading.

The article follows:

### HERE TODAY . . . GONE TOMORROW?

(By Harry A. Goodwin)

Writing in *The New York Times* not long ago, an environmental journalist complained that "the facts concerning the endangered timber wolf have become distorted." The number of timber wolves afoot in Minnesota's Superior National Forest area today, the writer emphasized, could well be double the official 1971 state estimate of 750 to 800. And he called for an effort to "curtail the wolves' number in his (*sic*) last domicile."

That same week, interestingly enough, the state of Michigan filed suit against a clothing store in Lansing to stop the sale of coats trimmed with wolf fur. At the same time, state Attorney General Frank Kelley warned that the animal "is on the very edge of extinction."

The two contradictory views of the timber wolf should surface almost simultaneously is not as remarkable as it seems. Indeed, it is altogether possible that both views are eminently correct. For the only generalization that can safely be made about the timber wolf is that it is classified as an "endangered species" by the U.S. government.

Far from being peculiar to the timber wolf, such ambiguity is characteristic of many if not most animals considered endangered today. Officially, the U.S. Interior Department's Fish and Wildlife Service designates species in danger of extinction with a list published periodically in the Federal Register. From time to time, the department provides additional data on these and other threatened species in a voluminous publication known as the "redbook." Unfortunately, this material is plagued by a cloud of semantic and statistical confusion.

For example, the 1966 redbook was entitled *Rare and Endangered Wildlife of the U.S.* and the 1973 edition was called *Threatened Wildlife of the United States.* The earlier edition listed 78 "endangered" species. Last year's redbook listed 188 "threatened" species. And the latest revision of the official list published in the Federal Register contains 109 "endangered" species and subspecies.

There are no clear-cut criteria for making these distinctions. Fortunately, however, the International Union for the Conservation of Nature and Natural Resources (IUCN) does offer several working definitions.

"Endangered" species—"in immediate danger of extinction."

"Vulnerable" or "threatened" species—"still abundant but depleted and/or under threat."

"Rare" species—one with a small population that is neither endangered nor vulnerable, but is subject to some risk.

A fourth category, contained in the latest edition of the U.S. redbook, embraces "peripheral" species as being endangered in the United States—but not in their range as a whole.

The record of extinction in the United States and Puerto Rico since 1600 is downright appalling. Scientists can record the disappearance of only two mammals and three birds during the period 1600–1850. But during the period 1850–1973, 17 mammals, 28 birds and 12 fishes have been added to that necrology.

These ominous trends are starkly documented in the accompanying lists of extinct, endangered and threatened species prepared by the Interior Department. Whether they will ultimately result in the tragic situation forecast by the maps on the following pages remains to be seen. But one thing is certain: the grim situation can be reversed only if those who care—hunters and preservationists alike—join together in common cause.

### EXTINCT SPECIES

Until the 17th century, the 62 animals listed below flourished in the United States and Puerto Rico. Now, they are extinct—and most disappeared in the 20th century.

#### *Mammals*

Bat, Leaf-Nosed, Monophyllus frater.

Bighorn, Badlands, Ovis canadensis auduboni.

Elk, Eastern, Cervus canadensis canadensis.

Elk, Merrian's, Cervus canadensis merriami.

Fox, Northern Swift, Vulpes velox hebes.

Fox. S. California Kit, Vulpes macrotis macrotis.

Isolobondon, Puerto Rican, Isolobodon portoricensis.

Mink, Sea, Mustela macrodon.

Nesophontes, Puerto Rican, Nesophyontes edithae.

Sea Cow, Steller's, Hydrodamalis stelleri.

Vole, Gull Island, Microtus nesophilus.

Whale, Atlantic Gray, Eschricbthius gibbosus.

Wolf, Buffalo, Canis lupus nubilus.

Wolf, Cascade Mountain, Canis lupus fuscus.

Wolf, Eastern Red, Canis rufus floridanus.

Wolf, Mogollon Mountain, Canis lupus mogollonensis.

Wolf, S. Rocky Mountain, Canis lupus youngi.

Wolf, Texas gray, Canis lupus monstrabilis.

#### *Birds*

Akepa, Oahu, Loxops coccinea rufa.

Akialoa, Hawaii, Hemignathus obscurus obscurus.

Akiloa, Lani, Hemignathus obscurus lanaiensis.

Akialoa, Oahu, Hemignathus obscurus lictensteinii.

Alauwahio, Lanai, Loxops maculata montana.

Amikihi, Greater, Loxops sagittirostris.

Apapane, Laysan, Himatione sanguinea freethii.

Finch, Grosbeak, Psittitostra kona.

Hen, Heath, Tympanuchus cupido cupido.

Kioea, Chaetoptila angustipluma.

Koafinch, Greater, Psittirostra palmeri.

Kaofinch, Lesser, Psittitostra flaviceps.

Mamo, Black, Drepanis funerea.

Mamo, Hawaii, Drepanis pacifica.

Millerbird, Laysan, Acrocephalus familiaris familiaris.

Nukupuu, Oahu, Hemignathus lucidus lucidus.

OO, Hawaii, Moho nobilis.

OO, Molokai, Moho bishopi.

OO, Oahu, Moho apicalis.

Parakeet, Carolina, Conuropsis carolinensis carolinensis.

Parakeet, Louisiana, Conuropsis carolinensis ludoviciana.

Parakeet, Mauge's, Aratinga cholroptera maugei.

Parrot, Culebra P. R., Amazona vitata gracilipes.

Pigeon, Passenger, Ectopistes migratorius.

Rail, Laysan, Porzanula palmeri.

Rail, Sandwich, Pennula sandwichensis.

Thrush, Lanai, Phaeornis obscurus lanaiensis.

Thrush, Oahu, Phaeornis obscurus oahensis.

Ula-Ai-Hawane, Ciridops anna.

#### *Fishes*

Chub, Thicktail, Gila crassicauda.

Killifish, Pahrump Ranch, E. I. pahrump.

Pupfish, Leon Springs, Cyprinodon bovinus.

Sculpin, Utah Lake, Cottus echinatus.

Spinedace, Big Spring, Lepidomeda mollispinis pratensis.

Spinedace, Pahranagat, Lepidomeda altivelis.

Springfish, Ash Meadows, E. merriami.

Springfish, Raycraft Ranch, Empetrichthys latos concavus.

Sucker, Harelip, Lagochila lacera.

### ENDANGERED SPECIES

No less than 109 mammals, birds, fishes, reptiles and amphibians are threatened with extinction in the United States.

#### *Mammals*

Bat, Hawaiian Hoary, lasiurus cinereus semotus.

Bat, Indiana, Myotis sodalis.

Cougar, Eastern, Felis concolor cougar.

Deer, Columbian W. Tailed, Odocoileus virginianus leucurus.

Deer, Key, Odocoileus virginianus clavium.

Ferret, Black-footed, Mustela nigripes.

Fox, San Joaquin Kit, Vulpes macrotis mutica.

Manatee, Florida, Trichechus manatus latirostris.

Mouse, Salt Marsh Harvest, Reithrodontomys raviventris.

Panther, Florida, Felis concolor coryi.

Prairie Dog, Utah, Cynomys parvidens,

Pronghorn, Sonoran, Antilocapra americans sonoriensis.

Rat, Morro Bay Kangaroo, Dipodomys heermanni morroensis.

Squirrel, Delmarva Fox, Sciurus niger cinereus.

Whale, Blue,[1] Balaenoptera musculus.

Whale,[1] Bowhead, Balaena mystaetus.

Whale, Finback,[1] Balaenoptera physalus.

Whale, Gray,[1] Eschrichtius robustus.

Whale, Humpback,[1] Megaptera novaeangliae.

Whale, Right,[1] Eubalaena glacialis.

Whale, Sei,[1] Balaenoptera borealis.

Whale, Sperm,[1] Physeter catadon.

Wolf, Eastern Timber, Canis lupus lycaon.

Wolf, N. Rocky Mountain, Canis lupus irremotous.

Wolf, Red, Canis rufus.

#### *Birds*

Akepa, Hawaii, Loxops coccinea coccinea.

Akepa, Maui, Loxops coccinea ochraceu.

Akialoa, Kauai, Hemignathus procerus.

Akiapolaau, Hemignathus wilsoni.

Bobwhite, Masked, Colinus virginianus ridgwayi.

Condor, California, Gymnogyps californianus.

Coot, Hawaiian, Fulica americans alai.

Crane, Mississippi Sandhill, Grus canadensis pulla.

Crane, Whooping, Grus americana.

Crow, Hawaiian, Corvus tropicus.

Creeper, Molokai, Loxops maculate flammea.

Creeper, Oahu, Loxops maculata maculata.

Curlew, Eskimo,[2] Numenius borealis.

Duck, Hawaiian, Anas wyvilliana.

Duck, Laysan, Anas laysanensis.

Duck, Mexican, Anas diazi.

Eagle, Southern Bald, Haliaeetus leucocephalus leucocephalus.

Falcon, Am. Peregrine, Falco peregrinus anatum.

Falcon, Arctic Peregrine, Falco peregrinus tundrius.

Finches, Laysan and Nihoa, Psittirostra cantans

Gallinule, Hawaiian, Gallinula chloropus sandvicensis

Goose, Aleutian Canada, Branta canadensis leucopareia

Goose, Hawaiian (nene), Branta sandvicensis.

Hawk, Hawaiian (io), Buteo solitarius

Kite, Florida Everglade, Rosthramus sociabilis plumbeus

Honeycreeper, Crested, Palmeria dolei

Millerbird, Nihoa, Acrocephalus kingi

Nukupuus, Kauai and Maui, Hemignathus lucidus

Oo, Kauai (oo aa), Moho braccatus.

Ou, Psittirostra psittacea.

Palila, Psittirostra bailleui.

Parrot, Puerto Rican, Amazon vittata

Parrotbill, Maui, Pseudonestor xanthophrys

Pelican, Brown, Pelecanus occidentalis.

Petrel, Hawaiian. Dark-rumped Pterodroma phaeopygia sandwichensis.

Pigeon, Puerto Rican Plain, Columba inornata wetmorei.

Prairie Chicken, Attwater's Greater Tympanuchus cupido attwateri.

Rail, California Clapper, Rallus longirostris obsoletus.

Rail, Light-footed Clapper, Rallus longirostris levipes.

Rail, Yuma Clapper, Rallus longirostris yumanensis.

Sparrow, Cape Sable, Ammospiza mirabilis.

Sparrow, Dusky Seaside, Ammospiza nigrescens.

Sparrow, Santa Barbara, Song Melospiza melodia graminea.

Stilt, Hawaiian, Himantopus himantopus knudseni.

Tern, California Least, Sterna albifrons browni.

Thrush, Large Kauai, Phaeornis obscurus myadestina.

Thrush, Molokai,[2] Phaeornis obscurus rutha.

Thrush, Small Kauai, Phaeornis palmeri.

Warbler, Bachman's, Vermivora bachmanii.

Warbler, Kirtland's, Dendroica kirtlandii.

Whip-Poor-Will, P.R., Caprimulgus noctitherus.

Woodpecker, Ivory-Billed,[2] Campephilus p. principalis.

Woodpecker, Red-Cockaded, Dendrocopos borealis.

#### Fishes

Bonytail, Pahranagat, Gila robusta jordani.

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[1] Listed as endangered on the U.S. World List

[2] May be extinct

Chub, Humpback, Gila cypha.

Chub, Mohave, Gila siphateles mohavensis.

Cisco, Longjaw, Coregonus alpenae.

Cui-Ui, Chasmistes cujus.

Dace, Kendall Warm Springs, Rhinichthys osculus thermalis.

Dace, Moapa, Moapa coriacea.

Darter, Fountain, Etheostoma fonticola.

Darter, Maryland, Etheostoma sellare.

Darter, Okaloosa, Etheostoma okaloosae.

Darter, Watercress, Etheostoma nuchale.

Gambusia, Big Bend, Gambusia gaigei.

Gambusia, Clear Creek, Gambusia heterochir.

Gambusia, Pecos, Gambusia nobilis.

Killifish, Pahrump, Empetrichthys latos.

Pike, Blue, Stizostedion vitreum glaucum.

Pupfish, Comanche Springs, Cyprinodon elegans.

Pupfish, Devils Hole, Cyprinodon disbolis.

Pupfish, Owens River, Cyprinodon radiosus.

Pupfish, Tecopa, Cyprinodon nevadensis calidae.

Pupfish, Warm Spring, Cyprinodon nevadensis pectoralis.

Squawfish, Colorado River, Ptychocheilus lucius.

Stickleback, Unarmored Threespine, Gasterosteus aculeatus williamsoni.

Sturgeon, Shortnose, Acipenser brevirostrum.

Topminnow, Gila, Poeciliopsis occidentalis occidentalis.

Trout, Arizona (Apache), Salmo sp.

Trout, Gila, Salmo gilae.

Trout, Greenback Cutthroat, Salmo clarki stomias.

Trout, Lahontan Cutthroat, Salmo clarki henshawi.

Trout, Paiute Cutthroat, Salmo clarki seleniris.

Woundfin, Plagopterus argentissimus.

*Reptiles and Amphibians*

Alligator, American, Alligator mississippiensis.

Boa, Puerto Rican, Epicrates inornatus.

Lizard, Blunt-Nosed Leopard, Crotaphytus silus.

Salamander, Desert Slender, Batrachoseps aridus.

Salamander, Santa Cruz Long-Toed, Ambystoma macrodactylum croceum.

Salamander, Texas Blind, Typhlomolge rathbuni.

Snake, San Francisco Garter, Thamnophis sirtalis tetrataenia.

Toad, Houston, Buto houstonensis.

THREATENED SPECIES

Though not in immediate danger of extinction, some species of animals have been depleted or are decreasing at an alarming rate. These species are classified as "threatened."

*Mammals*

Bat, Ozark Big-Eared, Plecotus townsendii ingens.

Bat, Spotted, Euderma maculatum.

Bat, Virginia Big-Eared, Plecotus townsendii virginianus.

Bear, Glacier, Ursus americanus emmonsii.

Bear, Grizzly, Ursus arctos horribilis.

Bighorn, California, Ovis canadensis californiana.

Bighorn, Peninsular, Ovis canadensis cremnobates.

Elk, Tule, Cervus nannodes.

Rat, Key Largo Wood, Neotoma floridana smalli.

Seal, Caribbean Monk, Monachus tropicalis.

Seal, Guadalupe Fur, Arctocephalus philippi townsendi.

Seal, Hawaiian Monk, Monachus schauinslandi.

Seal, Ribbon, Histriophoca fasciata.

Sea Otter, Southern, Enhydra lutris nereis.

Squirrel, Everglades Fox, Sciurus niger avicennia.

Squirrel, Kaibab, Sciurus kaibabensis.

Vole, Beach Meadow, Microtus breweri.

Vole, Block Island Meadow, Microtus pennsylvanicus provectus.

Wolf, Mexican, Canis lupus baileyi.

*Birds*

Crane, Florida Sandhill, Grus canadensis pratensis.

Falcon, Prairie, Falco mexicanus.

Finch, Wallowa, Gray-Crowned Rosy, Leucosticte tephrocotis wallowa.

Goose, Tule White-Frontd, Anser albitrons gambelli.

Hawk, P. R. Sharp-Shinned, Accipiter striatus venator.

Heron, Florida Great White, Ardea o. occidentalis.

Owl, Newton's Puerto Rican Screech, Otus nupipes newtoni.

Owl, Spotted, Stirix occidentalis.

Prairie Chicken, Lesser, Tympanuchus pallidicinctus.

Prairie Chicken, Northen Greater, Tympanuchus cupido pinnatus.

Rail, California Black, Laterallus jamaicensis coturniculus.

Shearwater, Newell's Manx, Pettinus puffinus newelli.

Sparrow, Elfin Woods, Dendroica angelae.

Warbler, Golden-cheeked, Dendroica chrysoparia.

*Fishes*

Bass, Roanoke, Ambloplites cavitrons.

Bass, Suwannee, Micropterus notius.

Cavefish, Czark, Amblyopsis rosea.

Cisco, Blackfin, Coregonus n. nigripinnis.

Cisco, Deepwater, Coregonus johannae.

Dace, Desert, Eremichthys acros.

Darter, Niangua, Etheostoma nianguae.

Darter, Sharphead, Etheostoma acuticeps.

Darter, Trispot, Etheostoma trisella.

Darter, Tuscumbia, Etheostoma tusumbia.

Gambusia, San Marcos, Gambusia georgei.

Grayling, Arctic, Thymallus articus.

Mudminnow, Olympic, Novumbra hubbsi.

Pupfish, Nevada, Cyprinodon nevadensis mionectes.

Sculpin, Pygmy, Cottus, pygmaeus.

Spinedace, Little Colorado, Lepidomeda vittata.

Sturgeon, Lake, Acipenser tulvescens.

Sucker, Modoc, Catostomus microps.

Sucker, White River, Catostomus Clarki intermedius.

Trout, Blueback, Salvelinus alpinus oquassa.

Trout, Humboldt Cutthroat, Salmo clarki.

Trout, Little Kern Golden, Salmo aquabonita gilberti.

Trout, Rio Grande Cutthroat, Salmo clarki virginalis.

Trout, Sunapee, Salvelinus aureolus.

*Reptiles and amphibians*

Crocodile, American, Crocodylus acutus.

Frog, Pine Barrens Tree, Hyla andersoni.

Frog, Vegas Valley Leopard, Rana pipiens fisheri.

Lizard, St. Croix Ground, Ameiva polops.

Salamander, Jemez Mountain, Plethodon neomexicanus.

Salamander, Limestone, Hydromantes brunus.

Salamander, Shasta, Hydromantes shastae.

Salamander, Tehachapi Slender, Betrachoseps stebbinsi.

Toad, Black, Bufo exsul.

Turtle, Bog, Clemmys muhlenbergi.

Turtle, Green, Chelonia mydas.

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## WILLIAM S. MAILLIARD

## HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 26, 1974*

Mr. SARASIN. Mr. Speaker, I would like to take this opportunity to join with my colleagues in paying tribute to Congressman William S. Mailliard who has announced his resignation to accept a post as Ambassador to the Organization of American States. His years of dedication and distinguished service to his constituency, and to the Nation, are a testament to his desire to benefit the American people.

The career of Bill Mailliard is not, however, confined to the realm of the House of Representatives. As a lieutenant in the Navy during World War II, he was instrumental in American successes in the Pacific. This service was acknowledged when our country awarded him the Silver Star, the Legion of Merit, and the Bronze Star. Following the conclusion of the war, he remained active in the Naval Reserve, having achieved the rank of rear admiral.

Upon his election to Congress in 1952, Representative Mailliard served on the Foreign Affairs Committee and on the Merchant Marine and Fisheries Committee.

As ranking minority member of the Foreign Affairs Committee, he has been a strong supporter of mutual security measures, particularly foreign aid. He has recommended expanding the responsibilities on the Foreign Affairs Committee to the extent of permitting the proposal of long-range suggestions on foreign economic policy to the Congress and executive departments.

As chairman of the Inter-American Affairs Subcommittee, Congressman Mailliard participated in investigations of American foreign aid programs in Latin America and sponsored legislation designed to strengthen congressional controls on aid to international organizations. He has also participated in several international conferences involving United States relations with Japan, Great Britain, Israel, and the Council of Europe.

Congressman Mailliard is also largely responsible for the Merchant Marine Act of 1970. This measure was the first major piece of legislation dealing with the merchant marines to be passed in over 30 years. He has also sponsored several environmental measures, specifically, legislation providing for the creation of Point Reyes National Seashore and the San Francisco Bay Wildlife Refuge.

As the United States-Latin American relations are in a period of transition, the selection of Bill Mailliard to serve as the U.S. Ambassador to the Organization of American States is particularly appropriate. I feel that the American people are most fortunate to have a man of his caliber serving in this most important position.

In closing, Mr. Speaker, I would like to add that I am honored to know Bill Mailliard as a friend as well as a fellow Republican colleague. In my dealings with Bill, I have found him a most open-minded individual who seeks to insure that all views are recognized. He stands as one who has never tried to elevate his own interests, nor has he shirked the responsibility of asserting himself when the situation so warranted. I wish Congressman Mailliard all the best as Ambassador and hope that his tenure will be a most fruitful one.